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Sole Proprietorship Returns, 2009

by Jason Paninos and Scott Hollenbeck

For Tax Year 2009, nearly 22.7 million individual income tax returns reported nonfarm sole proprietorship activity, a 0.2-percent increase from 2008. Between Tax Years 2008 and 2009, reported profits for those sole proprietorships declined by 7.4 percent to \$244.8 billion. In constant dollars, reported profits decreased for the fourth consecutive year, by 8.3 percent, after decreasing 7.7 percent between 2007 and 2008, 2.0 percent between 2006 and 2007, and 0.2 percent between 2005 and 2006. This was the first time that profits (in constant dollars) have decreased for 4 consecutive years since before 1988.

The professional, scientific, and technical services sector, reporting \$67.2 billion in profits, accounted for 27.5 percent of total profits for all nonfarm sole proprietorship industries. This was the largest percentage of total profits of any sector despite its 9.5-percent decrease in profits between 2008 and 2009. The largest sole proprietorship industrial sector, based on business receipts, was retail trade, which accounted for 15.2 percent of total business receipts despite reporting a 9-percent decrease between Tax Years 2008 and 2009. The other services sector showed the largest percentage increase in receipts, at 1 percent, while also experiencing the smallest percentage decrease in deductions after reporting a 0.2-percent decline between 2008 and 2009. The largest dollar decrease, as well as the largest percent decrease in total profits, from 2008 to 2009 was reported by the finance and insurance sector after dropping by almost 60 percent from \$18 billion to \$10.3 billion.

Foreign-Controlled Domestic Corporations, 2008

by James R. Hobbs

Foreign-controlled domestic corporations (FCDCs) accounted for only 1.1 percent of all U.S. corporation income tax returns filed for Tax Year 2008. However, they accounted for 15.3 percent of receipts and 14.2 percent of assets reported on all corporate returns filed for that tax year. FCDCs reported \$4.4 trillion of total receipts for 2008. Manufacturers produced \$2 trillion of receipts, wholesalers accounted for \$1 trillion, and finance and insurance companies tallied \$0.5 trillion.

Domestic corporations controlled by “persons” (including individuals, corporations, partnerships, estates, and trusts) in the United Kingdom reported total receipts of \$1.1 trillion, 24.1 percent of the FCDC total. Domestic corporations with owners resident in Japan (13.4 percent of the total), Germany (9.9 percent), Canada (9.1 percent), France (6.8 percent), the Netherlands (6.7 percent), and Switzerland (6.2 percent) also accounted for significant amounts of receipts.

Of the 66,797 foreign-controlled domestic corporations, the 4,400 largest companies accounted for most of the total amounts of key financial items (e.g., 95.2 percent of total receipts and 94.6 percent of total assets). Each of these large companies had at least \$250 million of assets or at least \$50 million of receipts.

All FCDCs reported combined profits (i.e., net income less deficit) of \$21.8 billion for 2008, an 85.7-percent decrease from the amount for the prior year. Less than one out of every two (42.5 percent) FCDCs reported positive profits (i.e., net income), totaling \$172.9 billion. The profitable companies also reported \$140.2 billion of taxable income. The originally reported U.S. tax liability of FCDCs was \$38.2 billion for 2008.

Interest-Charge Domestic International Sales Corporations, Tax Year 2008

by Daniel S. Holik

There were 1,917 active Interest-Charge International Sales Corporation (IC-DISC) returns filed for Tax Year 2008. IC-DISC export gross receipts, one measure of overall IC-DISC export activity, increased by 89 percent from \$19,286 million for Tax Year 2006 to \$36,528 million for Tax Year 2008. Net income (less deficit) rose from \$1,731 million for Tax Year 2006 to \$3,168 for Tax Year 2008. Actual distributions to IC-DISC shareholders increased 67 percent, from \$1,805 million for Tax Year 2006 to \$3,013 million for Tax Year 2008.

Corporate Foreign Tax Credit, 2007

by Scott Luttrell

For 2007, 6,675 corporations claimed a total foreign tax credit of \$86.5 billion against their U.S. income tax liability. These corporations reported income subject to U.S. tax of \$833.9 billion, including

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\$392.5 billion in foreign-source income on which they paid current-year foreign taxes of \$99.1 billion. Foreign tax credits plus other credits enabled these corporations to reduce their U.S. income tax from \$292.3 billion to \$192.8 billion.

As in past years, corporations classified as manufacturers earned the most foreign-source taxable income, paid the most current-year foreign taxes, and claimed the largest amount of foreign tax credit in 2007. Within the manufacturing category, corporations classified as petroleum and coal products manufacturers accounted for nearly one-third of the total foreign tax credit. Services corporations had the second largest percentage of the total foreign tax credit during 2007, followed by the finance, insurance, real estate, and rental and leasing sector.

Among geographic regions, countries located in Europe tallied the largest shares of foreign-source taxable income, current-year foreign taxes paid or accrued, and current-year tax deemed paid. For corporations claiming foreign tax credits in 2007, those in the United Kingdom (U.K.) had the largest amounts of income and taxes among specific countries. Corporations in the U.K., along with Japan, Canada, the Netherlands, and Ireland, combined to account for more than 35 percent of foreign-source taxable income.

Federal Estate Tax Returns Filed For 2007 Decedents

by Brian Raub and Joseph Newcomb

An estimated 36,706 individuals died in 2007 with total gross estates of \$2 million or more, the threshold for filing the estate tax return, Form 706. These decedents reported a combined \$224.8 billion in total gross estate, with publicly traded stock, investment real estate, and tax-exempt bonds accounting for the largest shares of their combined portfolio.

Bequests to a surviving spouse and bequests to charity made up most of the deductions claimed against total gross estate. The returns of nearly all

married decedents included a spousal bequest deduction. About 1 in 5 of all returns included a deduction for charitable bequests. Compared to other decedents, a higher percentage of decedents with the largest estates made charitable bequests, and these decedents left, on average, a larger share of total gross estate to charity.

Just less than half of all estate tax returns filed for 2007 decedents included a net estate tax liability, but the taxability of returns varied significantly by marital status and size of gross estate. Most estate tax returns filed for unmarried (mostly widowed) decedents had a net estate tax liability, including 93.5 percent of returns filed for unmarried decedents with \$20 million or more in gross estate.

In the Next Issue

Articles on the following topics are tentatively planned for inclusion in the fall 2011 issue of the *Statistics of Income Bulletin*, scheduled to be published in November 2011:

- ❑ Individual income tax returns, Tax Year 2009;
- ❑ Partnership returns, Tax Year 2009;
- ❑ Fiduciary income tax returns, Tax Years 2002-2006;
- ❑ Charities and other tax-exempt organizations, Tax Year 2008;
- ❑ Tax-exempt government and private activity bonds, Tax Year 2009;
- ❑ Historical perspective on electronically filed returns;
- ❑ Income and taxes reported on information returns; and
- ❑ Personal wealth, 2007.

Sole Proprietorship Returns, 2009

by Jason Paninos and Scott Hollenbeck

For Tax Year 2009, there were approximately 22.7 million individual income tax returns that reported nonfarm sole proprietorship activity, a 0.2-percent increase from 2008. Profits reported on these returns fell to \$244.8 billion in 2009, a 7.4-percent decline from 2008. In constant dollars, total nonfarm sole proprietorship profits decreased by 8.3 percent in 2009, continuing a 4-year trend that started with a 0.2-percent decrease in inflation-adjusted profits in 2006, followed by a 2.0-percent decline in 2007, and 7.7-percent fall in 2008. The steepest decline in profits was experienced by the finance and insurance sector, falling 42.5 percent and losing \$7.7 billion in 2009. This was the second year in a row that this sector experienced a double-digit decrease, as its reported profits fell 10.8 percent in 2008, as well.¹ There were three nonfarm sole proprietorship industries that experienced modest increases in profits for 2009. The greatest rise in profits was reported by the other services sector. This sector, which is principally composed of auto repair, laundry services, and other miscellaneous services, saw increases of approximately \$2.6 billion. This sector also reported the greatest percentage increase in profits, 14.1 percent, going from \$18.1 billion for 2008 to \$20.7 billion for 2009. The professional, scientific, and technical services sector accounted for 27.5 percent of total profits for all nonfarm sole proprietorship industries, the largest by any sector, despite experiencing a 9.5-percent decline in profits in 2009. Reporting the second largest profits of any sector was the health care and social assistance sector, with 19.8 percent of total profits, at \$48.4 billion.

Jason Paninos and Scott Hollenbeck are economists with the Individual Research Section. This article was prepared under the direction of Mike Strudler, Chief.

In addition to reporting the largest percentage decrease in profits, the finance and insurance sector also reported the largest percentage decrease in receipts, dropping from \$112.3 billion in 2008 to \$90.9 billion in 2009, a 19.1-percent decrease. For sole proprietorships as a whole, receipts decreased 10.6 percent, while deductions decreased 11.3 percent. Among all industrial sectors, the construction sector experienced the greatest downturn in receipts, losing \$34 billion, or 16.4 percent. The retail trade sector reported the largest percentage of total business receipts, with 15.2 percent, while also having the largest percentage of total business deductions, with 18.3 percent. The retail trade sector was the largest in these two categories despite reporting a 9-percent decrease in receipts and a 9.5-percent decrease in deductions. The other services sector reported the largest increase in receipts, with a 1-percent increase in business receipts. The only other sector to report an increase in receipts was the health care and social assistance sector, with a 0.6-percent increase. This sector also reported the smallest decrease in deductions, with a 0.2-percent decline.

Returns and Receipts

The number of individual income tax returns reporting nonfarm sole proprietorship activity for 2009 increased 0.2 percent to just under 22.7 million (Figure A).² The largest sector in terms of number of returns was the professional, scientific, and technical services sector. The number of returns in this sector decreased for the second straight year to just under 3.2 million returns, a reduction of 0.8 percent. The second largest sector, the construction sector, had a 4.5-percent decrease in number of returns from slightly more than 2.8 million to just under 2.7 million. The overall increase in number of returns was

¹ Dungan, Adrian, "Sole Proprietorship Returns, 2008," *Statistics of Income Bulletin*, Summer 2010, Volume 30, Number 1, pp. 6–71. Profits in the finance and insurance sector decreased from \$20.2 billion in 2007 to \$18.0 billion in 2008.

² For 2009, the 22,659,976 nonfarm sole proprietorship returns accounted for an estimated 25,210,614 nonfarm businesses. For purposes of the statistics, if a proprietor owned more than one business, the statistics for each business were combined with those of the proprietor's dominant business and included in the industrial group for that business activity. When this occurred, the sum of net incomes (for businesses reporting a positive net income) reduced by the sum of net deficits (for businesses reporting a deficit) yielded the profits for a specific industrial group.

The North American Industry Classification System (NAICS) was used to classify data by industries for 2009.

These classifications were applied on a "per business" (rather than on a "per establishment") basis for Statistics of Income by combining various industry groups, although businesses were further combined as described above.

While the wording of the industry titles used for the sole proprietorship statistics diverge somewhat from those appearing in NAICS, the definitions are consistent.

The North American Industry Classification System for industrial coding was introduced in Tax Year 1998. Due to coding changes, comparisons between data by industries from 1998–2009 with 1997 and prior years may show inconsistencies. A reason for this was that several types of sole proprietorships under the NAICS system were classified in completely different industrial groups, which makes prior-year comparisons inappropriate. For example, in 1997, finance, insurance, and real estate were grouped by Standard Industrial Classification (SIC) codes as one industry, while, under the NAICS system, the group has been split into two industrial sectors. The industrial sectors based on the NAICS codes are reported in Tables 1 and 2.

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Figure A

Nonfarm Sole Proprietorship Returns, Receipts, and Deductions, by Selected Industrial Sectors, Tax Years 2008 and 2009

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

Industrial sector	Number of returns			Total business receipts			Total business deductions [1]		
	2008	2009	Percentage increase	2008	2009	Percentage increase	2008	2009	Percentage increase
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All nonfarm industries	22,614.5	22,660.0	0.2	1,317.4	1,178.4	-10.6	1,053.7	934.5	-11.3
Construction	2,821.7	2,695.8	-4.5	206.7	172.7	-16.4	177.6	145.8	-17.9
Specialty trade contractors	2,263.3	2,150.7	-5.0	143.1	121.1	-15.3	119.4	98.7	-17.3
Wholesale trade (merchant wholesalers)	325.5	335.4	3.0	52.3	44.0	-16.0	48.3	40.5	-16.0
Retail trade	2,275.5	2,272.5	-0.1	196.8	179.1	-9.0	188.9	170.9	-9.5
Transportation and warehousing	1,047.7	1,077.3	2.8	81.1	70.8	-12.7	71.8	61.5	-14.4
Finance and insurance	693.1	659.5	-4.8	112.3	90.9	-19.1	94.3	80.6	-14.6
Real estate and rental and leasing	1,278.9	1,246.4	-2.5	58.1	49.7	-14.4	43.9	36.8	-16.2
Real estate	1,217.1	1,181.6	-2.9	52.9	45.8	-13.3	38.7	33.1	-14.7
Professional, scientific, and technical services	3,218.9	3,191.8	-0.8	172.0	157.4	-8.5	97.8	90.2	-7.8
Administrative and support and waste management and remediation services	2,302.8	2,415.0	4.9	61.4	60.3	-1.9	44.5	42.4	-4.6
Health care and social assistance	1,998.3	2,080.8	4.1	118.6	119.3	0.6	71.1	71.0	-0.2
Arts, entertainment, and recreation	1,347.8	1,345.3	-0.2	33.1	29.2	-11.6	25.1	22.5	-10.6
Performing arts, spectator sports, and related industries	1,094.0	1,116.0	2.0	24.6	22.2	-10.0	17.1	15.8	-7.3
Other services	2,360.1	2,669.5	13.1	83.0	83.8	1.0	64.9	63.1	-2.7
Personal and laundry services	1,597.9	1,654.2	3.5	42.9	42.2	-1.7	29.8	28.7	-3.8
All other sectors	2,944.3	2,670.5	-9.3	141.9	121.3	-14.5	125.6	109.3	-13.0

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

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

primarily due to the increase in the other services sector, which, as stated above, includes personal and laundry services, as well as automotive and other repair services. This sector increased by 13.1 percent to roughly 2.7 million returns.

Total business receipts (the sum of "income from sales and operations" and "other business income") for all nonfarm sole proprietorship industries showed the biggest decrease reported, since at least 1980, dropping 10.6 percent, from \$1,317.4 billion to \$1,178.4 billion.³ The retail sector was the largest sector in terms of business receipts and accounted for 15.2 percent of total business receipts in 2009. Its receipts decreased by 9 percent, following a 1-percent decrease in 2008. For the first time since 2003, the construction sector was not the largest sector in terms of total business receipts. In 2009, the construction sector saw its third consecutive year of decline,

dropping 16.4 percent from \$206.7 billion to \$172.7 billion. This 16.4-percent decrease in total business receipts was the steepest drop in 3 years of decreases; total business receipts decreased by 10.5 percent in 2008 and 2.4 percent in 2007. The only two industries that showed increases in business receipts were the health care and social assistance sector and the other services sector. They grew by 0.6 percent and 1 percent, respectively, resulting in a total increase of \$1.5 billion in business receipts. For all sectors, total business receipts for nonfarm sole proprietorships decreased by \$139 billion. The construction sector accounted for \$34 billion of the decrease in business receipts, or nearly one quarter of the aggregate decline. The finance and insurance sector experienced the second largest overall decrease in total business receipts, a \$21.4-billion decline from 2008. This sector had the largest percentage drop in total business

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

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receipts in 2009, 19.1 percent, following the largest percentage increase in 2008, 19.5 percent. In constant dollar terms, total business receipts for 2009 decreased 11.4 percent (Figure B).⁴ This is the largest percentage decrease since at least 1989, and it is almost twice as large as the 5.8-percent decrease experienced in 1991; the second largest percentage decrease reported.

Deductions

Total business deductions (“cost of sales and operations” plus business expenses, including expenses for home office) in current dollars decreased 11.3 percent from \$1,053.7 billion in 2008 to \$934.5 billion in 2009 (Figure A).^{5,6} In 2009, there were no industries that reported a percentage increase in total business deductions. The largest sector in terms

Figure B

Nonfarm Sole Proprietorship Receipts, Deductions, and Profits, Tax Years 1988–2009

[Money amounts are in billions of dollars]

Tax year	Total business receipts			Total business deductions [1]			Net income less deficit (profits)		
	Current dollars	Constant dollars [2]		Current dollars	Constant dollars [2]		Current dollars	Constant dollars [2]	
		Amount	Percentage increase		Amount	Percentage increase		Amount	Percentage increase
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1988	672.0	1,003.2	[3]	545.7	814.6	[3]	126.3	188.5	[3]
1989	692.8	996.6	-0.7	560.2	805.8	-1.1	132.7	190.9	1.2
1990	730.6	1,011.9	1.5	589.2	816.1	1.3	141.4	195.8	2.6
1991	712.6	953.2	-5.8	571.2	764.0	-6.4	141.5	189.3	-3.4
1992	737.1	963.1	1.0	583.1	761.9	-0.3	154.0	201.2	6.3
1993	757.2	968.0	0.5	600.8	768.0	0.8	156.5	200.0	-0.6
1994	790.6	989.9	2.3	623.8	781.0	1.7	166.8	208.8	4.4
1995	807.4	990.2	[4]	638.1	782.6	0.2	169.3	207.6	-0.6
1996	843.2	1,014.9	2.5	666.5	802.1	2.5	176.8	212.7	2.5
1997	870.4	1,029.4	1.4	683.9	808.8	0.8	186.6	220.7	3.8
1998	918.3	1,073.9	4.3	716.2	837.5	3.6	202.3	236.5	7.2
1999	969.3	1,117.2	4.0	761.4	877.5	4.8	207.9	239.7	1.3
2000	1,021.0	1,151.7	3.1	806.4	909.7	3.7	214.7	242.2	1.1
2001	1,016.8	1,121.7	-2.6	799.6	882.1	-3.0	217.4	239.8	-1.0
2002	1,029.7	1,117.8	-0.3	808.9	878.1	-0.5	221.1	240.0	0.1
2003	1,050.2	1,116.0	-0.2	820.2	871.6	-0.7	230.3	244.7	2.0
2004	1,139.5	1,177.6	5.5	892.4	922.2	5.8	247.6	255.8	4.5
2005	1,222.9	1,222.9	3.8	953.4	953.4	3.4	269.9	269.9	5.5
2006	1,278.4	1,238.0	1.2	1,001.1	969.5	1.7	278.0	269.3	-0.2
2007	1,324.4	1,246.0	0.6	1,044.3	982.5	1.3	280.6	263.9	-2.0
2008	1,317.4	1,212.9	-2.7	1,053.7	970.1	-1.3	264.5	243.5	-7.7
2009	1,178.4	1,075.1	-11.4	934.5	852.6	-12.1	244.8	223.3	-8.3

[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] 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 2005 = 100.

[3] Not calculated.

[4] Less than 0.05 percent.

NOTE: Percentage increases were calculated before rounding.

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

Year	Indices	Year	Indices	Year	Indices	Year	Indices
1988	66.988	1994	79.872	2000	88.647	2006	103.257
1989	69.518	1995	81.536	2001	90.650	2007	106.296
1990	72.201	1996	83.088	2002	92.118	2008	108.619
1991	74.760	1997	84.555	2003	94.100	2009	109.615
1992	76.533	1998	85.511	2004	96.770		
1993	78.224	1999	86.768	2005	100.00		

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

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

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of total business deductions, the retail trade sector, reported a 9.5-percent decrease in deductions, dropping to \$170.9 billion. The second largest sector, the construction sector, reported a decrease in deductions of 17.9 percent, down to \$145.8 billion. This represented the largest percentage decrease by any sector in 2009. When accounting for inflation, total business deductions decreased 12.1 percent in 2009, by far the biggest decrease since at least 1980.

The cost of sales and operations, which represented 39.2 percent of total 2009 business deductions,

decreased 15.7 percent from the 2008 level to approximately \$366.4 billion (Figure C). Total business “expenses” (total business deductions minus the cost of sales and operations) were \$568.1 billion for 2009, an 8.2-percent decrease from the 2008 amount. The main components of total business expenses are highlighted in Figure D. The two largest components were car and truck expenses and salaries and wages, both reported a little more than \$75 billion; each accounting for 13.2 percent of the total. The car and truck expenses decreased by 11.8 per-

Figure C

Components of Nonfarm Sole Proprietorship Business Deductions, Tax Years 2008 and 2009

[Money amounts are in millions of dollars]

Business deductions	2008	2009	Percentage increase
	(1)	(2)	(3)
Business deductions, total [1]	1,053,706.0	934,535.7	-11.3
Cost of sales and operations, total	434,868.3	366,438.0	-15.7
Inventory, beginning of year	46,735.3	45,587.0	-2.5
Cost of labor	31,282.1	27,668.5	-11.6
Purchases	280,662.4	238,855.6	-14.9
Materials and supplies	56,592.4	45,105.6	-20.3
Other costs	66,776.8	55,368.9	-17.1
Inventory, end of year	47,180.6	46,147.5	-2.2
Business expenses, total	618,837.6	568,097.7	-8.2
Advertising expenses	14,767.2	13,612.8	-7.8
Car and truck expenses	85,054.9	75,048.3	-11.8
Commissions	13,381.2	11,759.0	-12.1
Contract labor	35,388.2	32,306.7	-8.7
Depletion	1,423.8	687.8	-51.7
Depreciation [2]	41,446.3	34,546.4	-16.6
Employee benefit programs	2,897.0	2,870.3	-0.9
Home office business deductions [2]	11,504.2	10,868.5	-5.5
Depreciation, Form 8829	1,476.0	1,370.7	-7.1
Insurance	18,308.1	17,117.1	-6.5
Legal and professional services	11,108.8	10,265.0	-7.6
Meals and entertainment deducted	7,335.9	7,500.6	2.2
Mortgage interest	6,481.1	5,361.1	-17.3
Other interest paid on business indebtedness	8,181.0	7,176.1	-12.3
Office expenses	12,827.3	11,719.9	-8.6
Pension and profit-sharing plans	1,235.3	1,176.1	-4.8
Rent paid on machinery and equipment	9,439.0	7,928.9	-16.0
Rent paid on other business property	34,074.9	33,135.3	-2.8
Repairs	15,463.7	14,357.9	-7.2
Salaries and wages	79,148.5	75,012.7	-5.2
Supplies	31,831.5	29,829.6	-6.3
Taxes paid	18,066.6	16,905.7	-6.4
Travel	12,740.9	11,304.6	-11.3
Utilities	24,674.7	23,693.0	-4.0
Other business deductions	118,421.7	110,168.3	-7.0
Schedule C-EZ business deductions	3,635.8	3,745.9	3.0

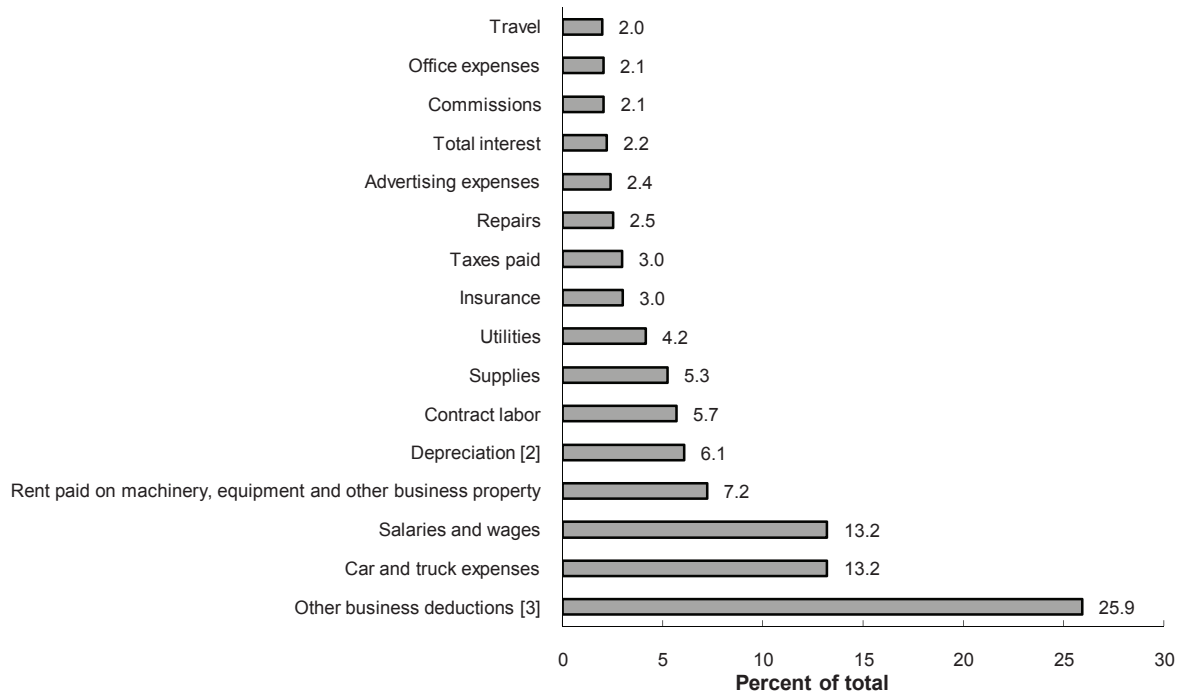
[1] Total business deductions are before subtraction of nonallowable “passive” activity losses and any “passive loss” carryover from the prior years.

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

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

Figure D

Nonfarm Sole Proprietorship Business Expenses, Tax Year 2009 [1]



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

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

[3] Includes depletion; employee benefit programs; legal and professional services; pension and profit-sharing plans; meals and entertainment; home office; and other business deductions. Other business deductions also includes all Schedule C-EZ, *Net Profit from Business*, deductions (\$3.7 billion).

NOTES: Percentages are based on an estimated total business expense of \$568.1 billion. Detail may not add to 100 percent because of rounding.

cent from roughly \$85.1 billion, while salaries and wages decreased 5.2 percent from the 2008 amount of \$79.1 billion. The next largest components of business expenses in regard to deductions were rent paid on business property, machinery, and equipment (7.2 percent of total business expenses), and depreciation (6.1 percent). For 2009, rent of business property, machinery, and equipment expenses decreased 5.6 percent from \$43.5 billion down to \$41.1 billion, while depreciation expenses fell 16.6 percent to \$34.5 billion. The only business expense that increased for 2009 was the meals and entertainment deduction, which rose 2.2 percent. Salaries and wages showed the largest net increase in share of

business expenses, at 0.4 percentage points, up from 12.8 percent in 2008. Depreciation showed the largest net decrease in share of business expenses, at 6.1 percent, 0.6 percentage points down from 6.7 percent in 2008. Car and truck expenses showed the second largest net decrease in share, seeing the share drop from 13.7 percent in 2008 to 13.2 percent in 2009.

Historically, constant dollar depreciation increased almost every year from 1993 through 2003 and then declined every year from 2003 until 2009, except for 2008 (Figure E).⁷ The increases in 2003 and 2008 coincided with legislative changes to section 179 of the Internal Revenue Code that substantially increased the amount of certain investment

⁷ 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.

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Figure E

Nonfarm Sole Proprietorship Net Income, Deficit, and Depreciation, Tax Years 1988–2009

[Money amounts are in billions of dollars]

Tax year	Current dollars			Constant dollars [1]			Percentage increase in constant dollars [1]		
	Net income	Deficit	Depreciation [2]	Net income	Deficit	Depreciation [2]	Net income	Deficit	Depreciation [2]
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1988	145.5	19.2	26.1	217.2	28.7	39.0	[3]	[3]	[3]
1989	152.4	19.7	24.5	219.2	28.3	35.2	0.9	-1.1	-9.5
1990	161.7	20.2	23.7	224.0	28.0	32.8	2.2	-1.3	-6.9
1991	162.4	20.9	23.1	217.2	28.0	30.9	-3.0	-0.1	-5.9
1992	173.5	19.5	23.3	226.7	25.5	30.4	4.4	-8.9	-1.5
1993	177.0	20.5	25.0	226.3	26.2	32.0	-0.2	2.9	5.0
1994	187.8	21.0	26.2	235.1	26.3	32.8	3.9	0.3	2.6
1995	191.7	22.5	26.2	235.1	27.6	32.2	[4]	4.8	-1.9
1996	200.1	23.4	27.4	240.9	28.1	32.9	2.4	2.1	2.4
1997	210.5	23.8	28.6	248.9	28.2	33.9	3.3	0.2	2.8
1998	226.2	23.9	29.1	264.5	28.0	34.1	6.3	-0.7	0.6
1999	233.4	25.5	30.6	269.0	29.3	35.3	1.7	4.9	3.6
2000	245.2	30.5	32.2	276.6	34.4	36.3	2.8	17.3	2.9
2001	250.2	32.8	33.4	276.0	36.2	36.9	-0.2	5.1	1.5
2002	257.3	36.2	36.6	279.3	39.3	39.8	1.2	8.6	7.9
2003	269.1	38.8	41.8	286.0	41.2	44.4	2.4	4.9	11.6
2004	290.5	42.9	42.9	300.2	44.4	44.3	5.0	7.6	-0.1
2005	314.8	44.8	39.1	314.8	44.8	39.1	4.9	1.1	-11.8
2006	326.8	48.7	39.0	316.5	47.2	37.8	0.5	5.3	-3.3
2007	335.1	54.5	39.6	315.3	51.3	37.3	-0.4	8.7	-1.3
2008	325.3	60.8	41.4	299.5	55.9	38.2	-5.0	9.0	2.3
2009	308.9	64.1	34.5	281.8	58.4	31.5	-5.9	4.5	-17.4

[1] Constant dollars are based on the overall implicit price deflator for gross domestic product computed and reported by the U.S. Department of Commerce, Bureau of Economic Analysis, in the Survey of Current Business. The deflator represents the annual average of current-weighted prices, based on 2005 = 100.

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

[3] Not calculated.

[4] Less than 0.05 percent.

NOTE: Percentage increases were calculated before rounding.

property that could be expensed in a given year (rather than depreciated over time). In 2003, 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. The change led to constant dollar depreciation increasing by 11.6 percent for 2003, which was the highest growth in depreciation of any year between 1988 and 2009. But the initial jump in depreciation was followed in subsequent years by trends of decreased depreciation. From 2004 through 2007, constant dollar declines of depreciation were witnessed for all 4 years. In 2004, constant dollar depreciation

deductions decreased by 0.1 percent, marking the first drop in 9 years. This downward trend was even more evident in 2005, as constant dollar depreciation fell by 11.8 percent, followed by decreases of 3.3 percent and 1.3 percent in 2006 and 2007, respectively. During this same 4-year period, section 179 limits gradually increased for inflation, finally rising to \$125,000 in 2007.⁸ In 2008, the section 179 limit was doubled to \$250,000, which contributed to a reversal in the previous downward trend in depreciation and helped to account for a 2.3-percent increase in constant dollar depreciation. The \$250,000 limit remained constant for 2009, and depreciation

⁸ Under the Jobs and Growth Tax Relief Reconciliation Act of 2003, the maximum amount of section 179 deduction increased from \$24,000 for 2002 to \$100,000 for 2003, \$102,000 for 2004, \$105,000 for 2005, and \$108,000 for 2006. This was further expanded to \$125,000 for 2007 by the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007, signed May 25, 2007. 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.

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dropped by 17.4 percent, the largest decrease since at least 1988.⁹

Beginning with Tax Year 1992, certain smaller businesses could elect not to itemize depreciation and other business deductions by filing the Schedule C-EZ, Net Profit from Business, a simplified version of Schedule C, Profit or Loss from Business. (Schedule C and Schedule C-EZ are the source of sole proprietorship statistics.) For Tax Year 2009, 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 tax-

payers using Schedule C-EZ did not itemize business deductions, the detailed deductions in Table 2 are slightly understated and do not add to the totals.

Figure F presents the numbers and percentages of nonfarm sole proprietorship returns filed on Schedule C-EZ, by the industrial sector. For Tax Year 2009, approximately 4.5 million taxpayers filed the Schedule C-EZ, marking a 3-percent increase from the number filed for 2008. Of returns filed for 2009 in the administrative and support sector (the largest filers of this schedule), taxpayers filed 0.72 million Schedule C-EZ returns, or 29.7 percent of the total sole proprietorship returns for that sector.¹⁰ For 2009, business receipts from Schedule C-EZ filers totaled \$33.4 billion, or 2.8 percent of total business receipts reported. Business deductions reported on Schedule C-EZ returns accounted for only 0.4 percent of total business deductions for all industries, or

Figure F

All Nonfarm Sole Proprietorship Returns and Those with Schedule C-EZ, by Selected Industrial Sectors, Tax Year 2009

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

Industrial sector	Number of returns			Total business receipts			Total business deductions [1]		
	Total	With Schedule C-EZ	Percentage of total	Total	On Schedule C-EZ	Percentage of total	Total	On Schedule C-EZ	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All nonfarm industries	22,660.0	4,485.4	19.8	1,178,437.1	33,436.5	2.8	934,535.7	3,745.9	0.4
Construction	2,695.8	470.3	17.4	172,701.0	3,702.2	2.1	145,782.8	401.1	0.3
Wholesale trade (merchant wholesalers)	335.4	30.6	9.1	43,969.6	241.7	0.5	40,525.8	34.6	0.1
Retail trade	2,272.5	258.0	11.4	179,053.4	1,508.5	0.8	170,878.9	218.3	0.1
Transportation and warehousing	1,077.3	133.9	12.4	70,764.3	1,102.8	1.6	61,484.4	139.6	0.2
Finance and insurance	659.5	64.0	9.7	90,894.8	755.5	0.8	80,566.7	64.1	0.1
Real estate and rental and leasing	1,246.4	115.9	9.3	49,709.1	1,167.8	2.3	36,758.0	161.6	0.4
Professional, scientific, and technical services	3,191.8	509.1	15.9	157,357.6	5,099.2	3.2	90,234.5	519.4	0.6
Administrative and support and waste management and remediation services	2,415.0	718.0	29.7	60,273.8	5,138.7	8.5	42,437.0	540.3	1.3
Health care and social assistance	2,080.8	554.4	26.6	119,332.7	4,943.8	4.1	70,992.5	418.9	0.6
Arts, entertainment, and recreation	1,345.3	295.1	21.9	29,237.6	1,156.6	4.0	22,454.0	227.0	1.0
Other services	2,669.5	632.4	23.7	83,822.0	4,881.4	5.8	63,148.0	590.4	0.9
All other sectors	2,670.5	703.7	26.4	121,321.2	3,738.3	3.1	109,273.1	430.7	0.4

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

NOTES: Certain smaller sole proprietorships could elect not to itemize business 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.

⁹ 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 for 2009. 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. This number does not reflect depreciation solely deducted on the Schedule C, as this could also include depreciation taken on the Schedule E, *Supplemental Income and Loss*, the Schedule F, *Profit or Loss from Farming*, and the Form 4835, *Farm Rental Income and Expenses*.

¹⁰ 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 make up a small percentage of the overall numbers reported under this classification, which are detailed in Table 1.

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\$3.7 billion of the total \$934.5 billion. Despite having the largest concentration of Schedule C-EZ filers, deductions reported on the Schedule C-EZ by the administrative and support services sector accounted for only 1.3 percent of that sector's total business deductions.

Profits and Losses

In 2009, many of the largest principal industrial sectors reported significantly decreased sole proprietorship profits (net income less deficit), driving the overall reported profits down. Figure B presents total profits for all industries (in both current and constant dollars) since 1988, while Figure G presents profits by industrial sector for 2008 and 2009.¹¹ Total profits decreased 7.4 percent from \$264.5 billion in 2008 to \$244.8 billion in 2009. The professional, scientific, and technical services sector reported the largest percentage of total profits of all nonfarm sole proprietorships, with 27.5 percent, despite a 9.5-percent drop in profits since 2008. Of all the principal industrial sectors, only four reported dollar increases in profits. The largest dollar and percentage increase

in profits were realized in the other services sector, rising \$2.6 billion and 14.1 percent, respectively. The administrative and support services, as well as the health care and social assistance sectors, both reported increases in profits of approximately \$0.9 billion. The only other industry that reported an increase in profit between 2008 and 2009 was the retail trade sector, which reported a 3.6-percent increase from \$8 billion in 2008 to \$8.3 billion in 2009. In 2009, the finance and insurance sector reported less than 60 percent of the total profits that were reported for that sector in 2008, dropping from \$18 billion to \$10.3 billion. This was the largest dollar decrease in total profits, as well as the largest percent decrease from 2008 to 2009 for any sector. The wholesale trade and the arts, entertainment, and recreation industries also experienced double-digit percentage decreases in profits, dropping 15.6 percent and 15 percent, respectively.

In constant dollars, total profits decreased 8.3 percent for 2009, surpassing the previous largest single-year decline (which had occurred in 2008) during the 20-year period covered by this article

Figure G

Nonfarm Sole Proprietorship Profits, by Selected Industrial Sectors, Tax Years 2008 and 2009

[Money amounts are in billions of dollars]

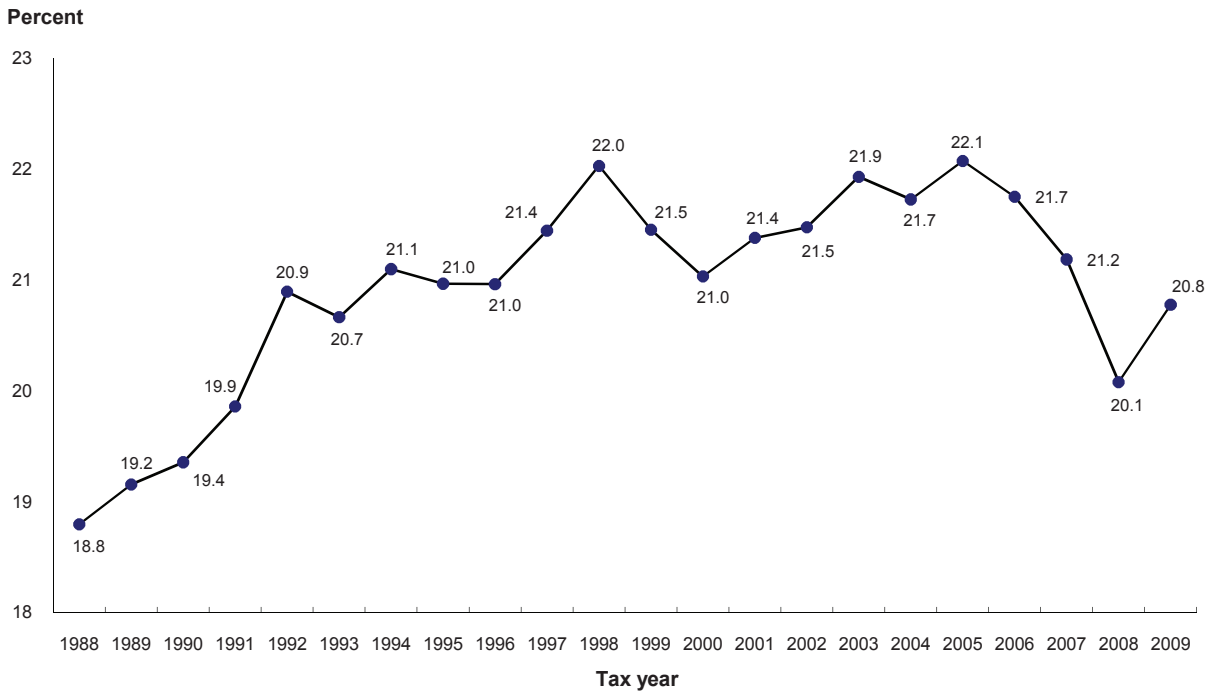
Industrial sector	Net income less deficit (profits)		
	2008	2009	Percentage increase
	(1)	(2)	(3)
All nonfarm industries	264.5	244.8	-7.4
Construction	29.2	27.0	-7.4
Specialty trade contractors	23.7	22.5	-5.3
Wholesale trade (merchant wholesalers)	4.1	3.5	-15.6
Retail trade	8.0	8.3	3.6
Transportation and warehousing	9.4	9.4	-0.3
Finance and insurance	18.0	10.3	-42.5
Real estate and rental and leasing	14.3	13.0	-8.7
Real estate	14.1	12.8	-9.6
Professional, scientific, and technical services	74.3	67.2	-9.5
Administrative and support and waste management and remediation services	17.0	17.9	5.6
Health care and social assistance	47.5	48.4	1.7
Arts, entertainment, and recreation	8.1	6.8	-15.0
Performing arts, spectator sports, and related industries	7.6	6.4	-15.9
Other services	18.1	20.7	14.1
Personal and laundry services	13.1	13.6	3.2
All other sectors	16.6	12.3	-26.0

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

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

Figure H

Nonfarm Sole Proprietorship Net Income Less Deficit (Profits) as a Percentage of Business Receipts, Tax Years 1988–2009



(Figure B). Despite this drop, after 3 consecutive years of decline, profits as a percent of business receipts increased in 2009. Figure H shows net income less deficits as a percentage of business receipts for 1988 through 2009. In general, this percentage has increased slightly over time from a low of 18.8 percent for 1988. Profits as a percentage of business receipts had remained between 20.7 percent and 22.1 percent since 1992, peaking at 22.1 percent in 2005. However, this trend was broken in 2008, when the percentage dropped out of this range down to 20.1 percent, only to come back into the range in 2009, when it increased to 20.8 percent. Figure E presents net income and deficit separately for 1988 through 2009, in current and constant dollars. For 2009, net income (in constant dollars) decreased by 5.9 percent, and net deficit (in constant dollars) increased by 4.5 percent.

Industries

Using receipts as a measure of business size, Figure A and Figure I show that retail trade was the largest

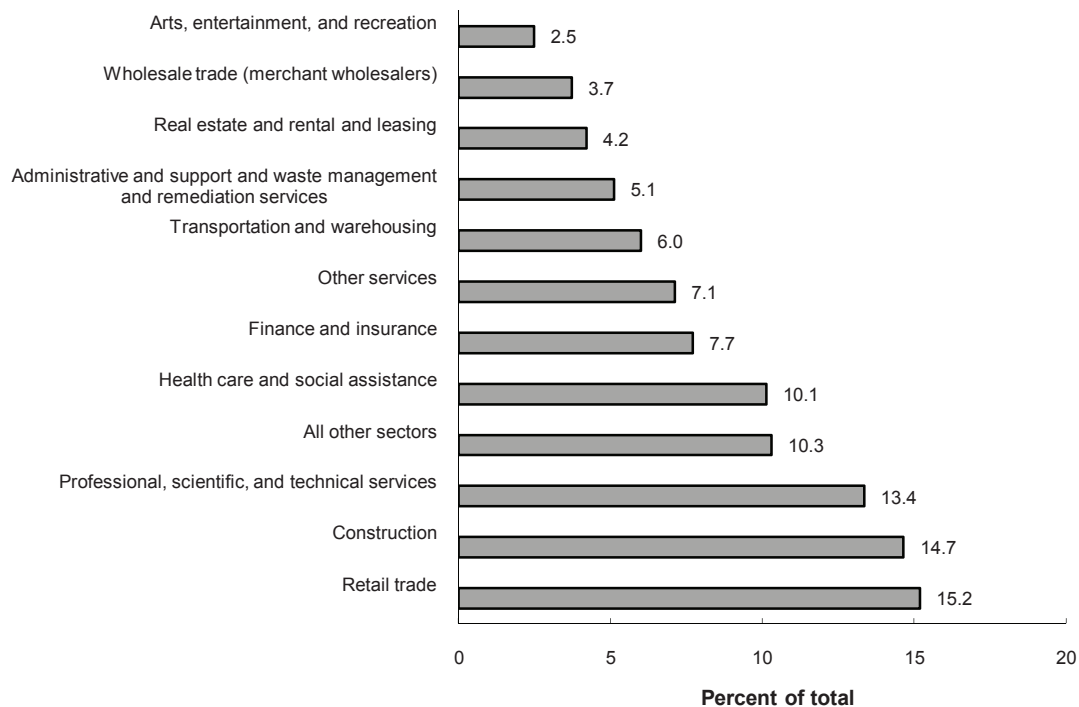
sole proprietorship industrial sector for 2009, with 15.2 percent of all business receipts. Total receipts for the retail trade sector, at \$179.1 billion, were 9 percent lower than the \$196.8 billion reported for 2008, while deductions decreased by an even larger percentage (9.5 percent), which resulted in retail trade reporting a 3.6-percent increase in profits, going from \$8 billion to \$8.3 billion (See Figure G). In terms of receipts, construction was the second largest sole proprietorship industrial sector for 2009, with 14.7 percent of all business receipts. Tax Year 2009 was the first time in 5 years that construction was not the largest sole proprietorship industrial sector, due to a 16.4-percent decrease in total business receipts, from \$206.7 billion for 2008 to \$172.7 billion in 2009. In 2009, nearly all industries reported a decrease in total business receipts. In fact, six major industries, including, finance and insurance (–19.1 percent), construction (–16.4 percent), wholesale trade (–16 percent), real estate (and rental and leasing) (–14.4 percent), transportation and warehousing (–12.7 percent), and arts, entertainment, and

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Figure I

Nonfarm Sole Proprietorship Total Business Receipts, by Selected Industrial Sectors, Tax Year 2009



NOTES: Percentages are based on estimated total business receipts of \$1.2 trillion. Detail may not add to 100 percent because of rounding.

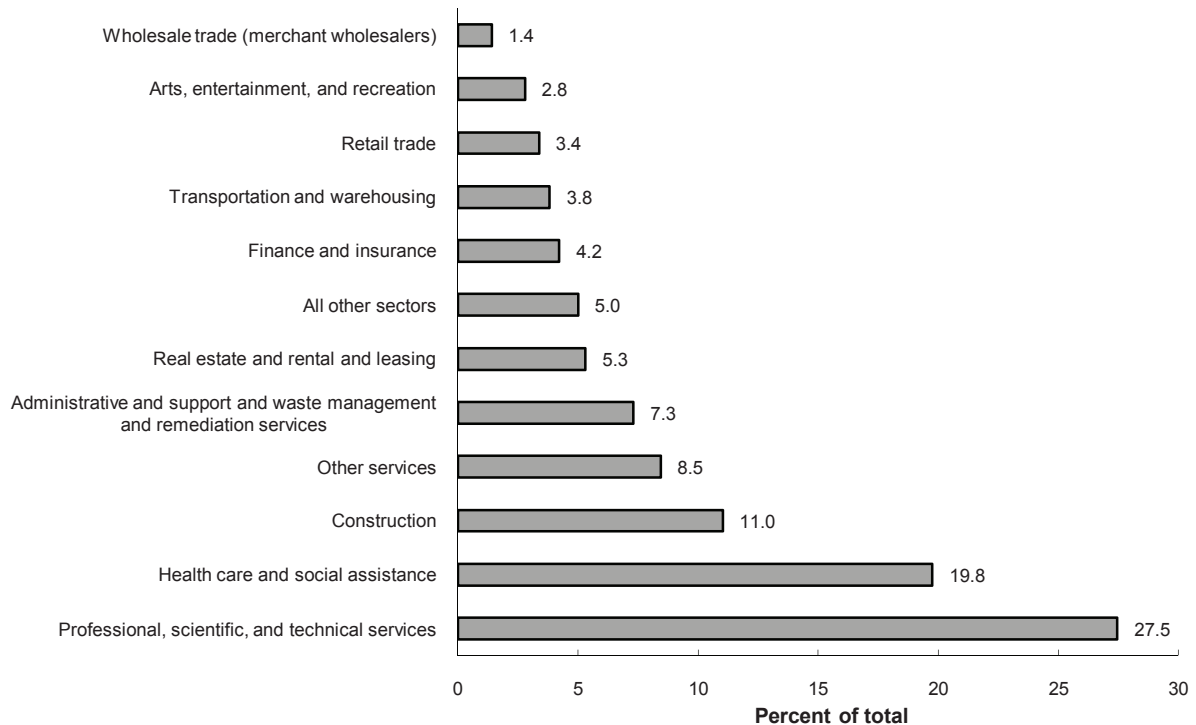
recreation (-11.6 percent), each reported double-digit losses in percentage of business receipts when compared to 2008. Those six industries, combined with retail trade, made up 54 percent of all nonfarm industry business receipts and reported a combined 14.1-percent decline, going from \$740.4 billion for 2008 to \$636.3 billion for 2009.

Other services and health care and social assistance were the only sectors that reported increases in business receipts, increasing 1 percent and 0.6 percent, respectively. In 2009, the construction sector saw the largest decline in total business receipts, losing \$34 billion, whereas the finance and insurance sector reported the greatest percentage decline in business receipts, going from \$112.3 billion to \$90.9 billion, a 19.1-percent decrease. The third largest sector in terms of receipts was professional, scientific, and technical services, which accounted for 13.4 percent

of sole proprietorship receipts for 2009. Receipts in this sector decreased 8.5 percent to \$157.4 billion, and deductions also fell 7.8 percent to \$90.2 billion. While the professional, scientific, and technical services sector was the third largest sector in terms of business receipts, the sector had the largest percentage of sole proprietorship profits (27.5 percent), despite the fact that its profits went from \$74.3 billion in 2008 to \$67.2 billion in 2009, a 9.5-percent decrease (Figure J). The sector with the second largest profits was health care and social assistance, for which profits rose to \$48.4 billion for 2009. This marked a 1.7-percent increase from 2008 levels and represented 19.8 percent of all sole proprietorship profits. These sectors were followed by construction (11.0 percent), other services (8.5 percent), and administrative and support services (7.3 percent) in terms of overall sole proprietor profits.

Figure J

Nonfarm Sole Proprietorship Total Profits, by Selected Industrial Sectors, Tax Year 2009



NOTES: Percentages are based on estimated total profits of \$244.8 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.

Tax Year 2001 is the first year in which data became available on the number of limited liability companies (LLCs) among 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 member. In 2001, there were approximately 126,000 sole proprietorship returns that indicated status as an LLC (Figure K). This increased by 15.3 percent for 2002, 51.3 percent for 2003, 40.4 percent for 2004, 47.2 percent for 2005, 33.2 percent for 2006, 23.1 percent for 2007, 12.8 percent for 2008, and 17.7 percent for 2009. For Tax Year 2009, the number of these sole proprietorships rose to approximately 992,000. The 2009 level of LLCs among sole proprietorship returns accounted for 4.4 percent of the total nonfarm sole proprietorships, with the total number of returns with LLCs having increased nearly eight-fold since 2001, when LLCs accounted for 0.7 percent of the total non-

farm sole proprietorships. The increase in number of LLC returns has resulted in the LLC business receipts share of the total nonfarm sole proprietorship business receipts rising, from approximately 2.3 percent in 2001, to a little more than 17.4 percent in 2009. Similarly, the portion of total net income (less deficit) of all nonfarm sole proprietorships that is attributable to LLCs has increased from 1 percent in 2001, to 7.6 percent in 2009.

Summary

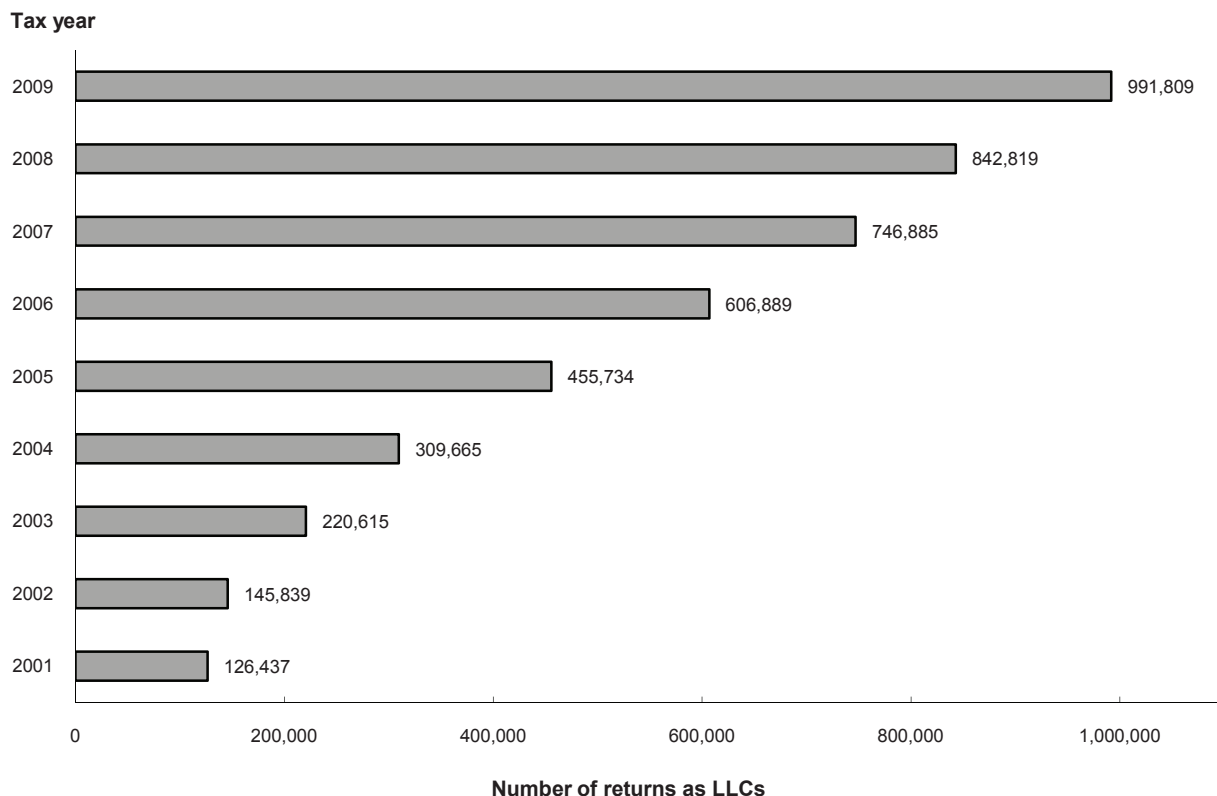
Profits for the 22.7 million returns with sole proprietorship activity for Tax Year 2009 declined by 7.4 percent to a level of \$244.8 billion. In constant dollars, total nonfarm sole proprietorship profits decreased 8.3 percent, after decreasing 7.7 percent in 2008, 2 percent in 2007, and 0.2 percent in 2006. This is the first time since before 1988 that sole proprietorship profits (in constant dollars) had decreased for 4 consecutive years. The professional, scientific,

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Figure K

Number of Nonfarm Sole Proprietorships Registered as Limited Liability Companies (LLCs), Tax Years 2001–2009



and technical services sector had the largest profits of any sector, at \$67.2 billion, representing 27.5 percent of total sole proprietorship profits, followed by the health care and social assistance sector, at \$48.4 billion or 19.8 percent of total profits. For all sole proprietorships, receipts decreased 10.6 percent, while deductions also decreased 11.3 percent. The largest sole proprietorship industrial sector, based on business receipts, was the retail trade sector, accounting for 15.2 percent of receipts even though this sector reported a 9-percent decrease from 2008 levels. Other services had the largest increase in receipts at 1 percent, while the health care and social assistance sector showed the smallest decrease in deductions at 0.2 percent. The construction sector is the industrial sector that experienced the most significant downturn in receipts from 2008 to 2009, losing \$34 billion, whereas the finance and insurance sector experienced the largest drop in profits, losing

\$7.7 billion. The finance and insurance sector also experienced the greatest percentage decline in both receipts (19.1 percent) and profits (42.5 percent) for 2009, snapping a 3-year trend in which the real estate and rental leasing sector had the largest percentage declines for each of these indicators.

Data Sources and Limitations

The 2009 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 2010. 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

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adjustments); and (3) tax year. The returns were selected at rates that ranged from 0.1 percent to 100 percent. The 2009 nonfarm sole proprietorship data are based on a sample of 77,772 returns and a population of 23,014,214 returns.¹² The corresponding sample and population for the 2008 data were 91,679 and 22,990,883, respectively.

Since the data presented in this article are estimates based on a sample of returns filed, they are subject to sampling error. To properly use the statistical data estimates provided, the magnitude of the potential

sampling error must be known; coefficients of variation (CVs) are used to measure that magnitude. Figure L presents estimated coefficients of variation for the number of returns and money amounts for selected items and industrial sectors. Generally, the smaller the coefficient of variation, the more reliable the estimate is judged to be. The SOI Sampling Methodology and Data Limitations section in this issue of the *Bulletin* discusses the reliability of estimates based on samples and the use of coefficients of variation for evaluating the precision of estimates based on samples.

Figure L

Nonfarm Sole Proprietorships: Coefficients of Variation for Selected Items, by Selected Industrial Sectors, Tax Year 2009

[Coefficients of variation are in percentages]

Industrial sector	Coefficients of variation				
	Total business receipts	Total business deductions	Depreciation [1]	Net income	Deficit
	(1)	(2)	(3)	(4)	(5)
All nonfarm industries	0.58	0.65	1.43	0.78	1.26
Construction	2.23	2.36	4.21	2.59	4.69
Specialty trade contractors	2.68	2.88	4.98	2.95	6.58
Wholesale trade (merchant wholesalers)	4.73	4.81	9.08	6.74	9.36
Retail trade	2.23	2.22	4.33	3.61	3.97
Transportation and warehousing	3.14	3.17	4.81	4.04	6.32
Finance and insurance	2.01	1.73	7.90	3.91	1.81
Real estate and rental and leasing	3.05	2.97	5.35	3.99	4.54
Real estate	3.16	3.10	6.10	4.09	4.83
Professional, scientific, and technical services	1.80	2.12	4.08	2.03	4.41
Administrative and support and waste management and remediation services	3.14	3.74	7.70	3.11	6.29
Health care and social assistance	1.85	2.04	4.54	2.18	8.31
Arts, entertainment, and recreation	3.43	3.52	6.76	4.38	5.77
Performing arts, spectator sports, and related industries	3.93	4.11	8.36	4.59	6.46
Other services	2.78	3.12	5.80	2.86	5.68
Personal and laundry services	3.44	3.99	8.05	3.47	7.85
All other sectors	2.29	2.32	3.33	3.11	3.48

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

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

Sole Proprietorship Returns, 2009

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Table 1. Nonfarm Sole Proprietorships: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industrial Sectors, Tax Year 2009

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

Industrial sector	Businesses with and without net income							
	Number of returns	Business receipts	Depreciation deduction [1,2]	Rent paid on machinery and equipment [1]	Rent paid on other business property [1]	Interest paid deduction [1,3]	Payroll [1,4]	Net income less deficit
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All nonfarm industries	22,659,976	1,178,437,093	35,917,156	7,928,936	33,135,314	12,537,147	102,681,211	244,821,815
Agriculture, forestry, hunting, and fishing	281,844	15,699,149	1,378,834	92,978	130,760	287,404	1,661,579	-35,769
Animal production (including breeding of cats and dogs)	41,815	1,402,238	272,416	765	7,220	40,530	96,842	-574,732
Forestry and logging (including forest nurseries, timber tracts)	38,865	3,904,780	403,251	46,252	12,729	82,779	438,267	50,744
Fishing, hunting, and trapping	73,432	2,114,290	241,822	16,135	43,346	84,683	42,921	13,765
Support activities for agriculture and forestry	127,733	8,277,841	461,344	29,827	67,465	79,412	1,083,550	474,453
Mining	123,580	10,032,773	1,025,283	46,412	58,471	199,000	580,528	890,200
Oil and gas extraction	105,777	7,252,889	723,625	13,449	38,727	109,642	224,542	448,182
Other mining	3,627	716,600	99,734	12,739	2,641	52,478	115,238	-59,329
Support activities for mining	14,176	2,063,284	201,924	20,224	17,103	36,880	240,749	501,346
Utilities	8,771	216,492	15,863	* 603	* 2,373	* 2,614	* 18,782	52,742
Construction	2,695,843	172,700,955	5,331,043	1,059,348	1,382,834	1,643,713	20,232,552	27,008,336
Construction of buildings	489,067	43,871,422	881,830	187,131	232,410	558,543	4,477,091	4,400,763
Heavy and civil engineering construction	56,097	7,690,124	468,894	71,150	51,895	250,892	773,163	125,112
Specialty trade contractors	2,150,679	121,139,409	3,980,318	801,068	1,098,530	834,278	14,982,298	22,482,462
Manufacturing	335,006	24,208,673	975,951	200,017	734,762	331,407	3,072,609	2,368,010
Food manufacturing	26,016	2,747,196	95,060	15,695	66,290	28,064	284,338	-23,157
Textile and textile product mills	9,074	332,827	28,767	* 1,516	* 8,525	3,421	* 87,200	-12,604
Apparel	28,087	933,968	17,842	1,984	55,117	9,562	166,813	121,901
Leather and allied products	* 4,086	* 111,031	* 2,053	0	* 528	0	* 9,711	* 29,166
Wood products	30,502	2,489,622	164,997	12,122	29,347	35,040	370,028	104,091
Paper products	* 999	* 66,624	* 1,593	* 64	* 324	* 509	* 5,174	* -500
Printing and related support activities	39,280	2,670,010	90,593	35,890	128,335	56,781	311,833	268,938
Petroleum and coal products	27	61,547	4,250	* 604	* 727	* 6,105	* 7,541	-8,822
Chemical manufacturing	7,720	1,014,654	23,152	17,585	9,620	7,743	82,317	126,562
Plastic and rubber products	4,566	353,409	11,477	* 391	4,559	* 3,890	47,435	48,262
Nonmetallic mineral products	13,538	1,147,368	56,692	4,066	36,788	11,218	236,064	47,097
Primary metal industries	6,750	390,596	12,125	* 643	* 27,280	* 1,825	59,643	48,011
Fabricated metal products	24,804	2,994,047	159,248	9,763	73,249	31,797	411,476	442,122
Machinery	22,926	1,806,160	69,018	38,733	40,883	31,877	243,636	335,600
Computer and electronic products	10,244	374,952	17,510	* 1,991	* 9,912	* 537	* 20,525	121,279
Electrical equipment, appliances, and components	4,904	780,356	10,566	* 4,904	16,774	22,179	59,095	69,649
Transportation equipment	10,826	741,298	20,731	29,985	46,888	15,145	84,975	-29,133
Furniture and related products	23,145	1,602,114	65,882	* 8,737	39,017	17,941	122,169	325,381
Miscellaneous manufacturing	67,511	3,590,896	124,397	15,344	140,599	47,774	462,636	354,165
Wholesale trade (merchant wholesalers)	335,440	43,969,589	548,631	151,122	633,014	266,367	1,656,424	3,476,701
Durable goods, including machinery, wood, metals, etc.	137,205	18,154,630	265,985	77,046	248,006	160,551	791,390	1,145,636
Nondurable goods, including food, fiber, chemicals, etc.	124,487	19,144,454	228,623	48,386	287,726	87,273	692,871	1,474,653
Wholesale electronic markets and agents and brokers	73,747	6,670,505	54,024	25,690	97,282	18,543	172,162	856,412

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 1. Nonfarm Sole Proprietorships: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industrial Sectors, Tax Year 2009—Continued

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

Industrial sector	Businesses with net income							
	Number of returns	Business receipts	Depreciation deduction [1,2]	Rent paid on machinery and equipment [1]	Rent paid on other business property [1]	Interest paid deduction [1,3]	Payroll [1,4]	Net income
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
All nonfarm industries	16,527,540	974,862,394	21,051,341	5,895,394	24,853,209	6,647,008	79,659,010	308,888,096
Agriculture, forestry, hunting, and fishing	163,268	11,739,951	633,219	53,018	75,350	124,379	1,292,836	1,699,255
Animal production (including breeding of cats and dogs)	9,111	779,595	74,046	* 12	4,573	18,058	72,861	89,739
Forestry and logging (including forest nurseries, timber tracts)	21,846	2,849,830	248,055	17,003	7,161	33,008	268,987	332,928
Fishing, hunting, and trapping	41,388	1,435,662	73,967	* 12,776	10,756	17,545	* 20,964	336,818
Support activities for agriculture and forestry	90,922	6,674,864	237,151	23,226	52,860	55,767	930,023	939,771
Mining	82,881	6,717,475	443,970	23,236	29,853	75,281	315,458	2,160,992
Oil and gas extraction	72,171	4,920,469	324,073	5,594	20,712	58,319	131,223	1,483,057
Other mining	530	154,018	10,643	* 219	* 220	* 137	* 19,694	66,949
Support activities for mining	10,181	1,642,988	109,254	17,423	8,920	16,825	164,541	610,986
Utilities	5,509	186,525	7,934	* 602	* 1,477	* 2,327	* 10,898	72,933
Construction	2,207,496	144,847,840	3,817,030	796,580	1,052,443	932,443	15,793,449	33,097,728
Construction of buildings	381,188	33,145,144	627,731	114,002	157,478	271,431	3,226,809	6,452,358
Heavy and civil engineering construction	32,873	5,276,566	277,165	49,863	39,693	79,546	518,954	1,041,859
Specialty trade contractors	1,793,435	106,426,130	2,912,133	632,715	855,272	581,467	12,047,686	25,603,511
Manufacturing	202,107	18,390,019	496,567	80,642	474,096	181,521	2,168,341	3,912,925
Food manufacturing	11,775	1,819,466	23,262	3,976	28,343	9,404	122,447	255,492
Textile and textile product mills	* 3,468	* 284,125	* 6,269	* 1,509	* 6,781	* 2,314	* 82,918	* 23,334
Apparel	20,078	688,020	2,989	* 193	* 44,119	* 6,962	* 115,128	209,933
Leather and allied products	* 2,071	* 48,412	* 520	0	0	0	* 4,415	* 33,546
Wood products	18,587	1,837,174	95,781	* 8,517	18,945	19,885	260,906	229,740
Paper products	* 994	* 41,092	0	0	0	0	0	* 1,699
Printing and related support activities	22,882	1,951,690	54,460	5,661	54,607	31,452	169,124	450,303
Petroleum and coal products	* 16	* 32,887	* 1,579	* 1	* 373	* 2,818	* 3,163	* 3,322
Chemical manufacturing	4,181	886,538	14,053	* 14,658	* 5,292	4,803	66,632	165,909
Plastic and rubber products	4,522	347,270	* 9,153	* 349	* 4,474	* 3,764	* 44,646	54,593
Nonmetallic mineral products	6,375	746,617	30,263	* 942	* 8,562	* 3,065	* 185,110	122,036
Primary metal industries	5,737	380,486	* 10,939	* 468	* 27,109	* 1,747	* 57,722	51,236
Fabricated metal products	16,785	2,549,153	87,552	8,259	58,414	23,868	370,532	541,617
Machinery	14,302	1,405,875	43,711	2,441	30,669	12,274	204,103	430,493
Computer and electronic products	6,537	313,611	8,395	* 317	* 8,896	* 407	* 13,116	139,006
Electrical equipment, appliances, and components	4,570	571,354	9,670	* 30	13,454	19,550	52,458	124,909
Transportation equipment	4,076	525,534	* 10,240	* 17,640	* 30,655	* 11,104	* 23,683	51,080
Furniture and related products	15,491	1,409,843	39,521	* 8,736	35,859	9,763	116,729	427,878
Miscellaneous manufacturing	39,658	2,550,871	48,210	6,945	97,547	18,344	275,510	596,796
Wholesale trade (merchant wholesalers)	210,747	36,289,230	322,457	111,334	426,251	152,969	1,172,196	4,944,966
Durable goods, including machinery, wood, metals, etc.	83,832	15,422,902	154,232	60,426	147,710	88,406	563,613	1,722,867
Nondurable goods, including food, fiber, chemicals, etc.	77,711	15,534,392	123,471	30,214	212,600	55,557	476,196	2,102,543
Wholesale electronic markets and agents and brokers	49,204	5,331,936	44,754	20,694	65,941	9,006	132,387	1,119,555

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 1. Nonfarm Sole Proprietorships: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industrial Sectors, Tax Year 2009—Continued

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

Industrial sector	Businesses with and without net income							
	Number of returns	Business receipts	Depreciation deduction [1,2]	Rent paid on machinery and equipment [1]	Rent paid on other business property [1]	Interest paid deduction [1,3]	Payroll [1,4]	Net income less deficit
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Retail trade	2,272,454	179,053,369	2,595,451	621,516	5,950,857	1,671,084	10,171,483	8,304,050
Motor vehicle and parts dealers	145,971	34,066,040	324,782	52,556	678,152	421,238	1,400,621	871,542
Furniture and home furnishing stores	36,773	3,749,799	47,159	14,020	195,595	49,265	364,760	380,814
Electronic and appliance stores	31,309	4,182,374	67,447	19,725	124,367	33,366	366,150	286,221
Building material and garden equipment and supplies dealers	39,912	8,133,185	181,752	12,313	115,424	109,720	660,232	677,095
Food and beverage stores	98,915	27,835,689	285,900	64,357	837,574	229,260	1,895,916	1,039,258
Health and personal care stores	116,808	8,420,842	116,807	77,322	279,154	41,061	585,515	517,649
Gasoline stations	20,706	23,435,375	216,715	32,202	376,102	169,725	959,069	197,165
Clothing and accessories stores	126,653	8,589,688	125,420	19,317	973,818	76,603	533,444	504,699
Sporting goods, hobby, book, and music stores	101,666	6,897,403	134,061	29,238	372,466	75,353	514,704	29,280
General merchandise stores	28,828	2,719,761	40,998	6,914	124,598	25,201	133,008	82,219
Miscellaneous store retailers	581,525	30,172,130	571,263	210,883	1,513,532	295,484	1,937,146	2,371,867
Nonstore retailers	943,389	20,851,084	483,147	82,669	360,076	144,808	820,917	1,346,241
Transportation and warehousing	1,077,347	70,764,298	4,648,591	1,867,868	538,495	930,038	3,722,225	9,356,857
Air and rail transportation	13,258	1,311,074	369,228	17,106	25,123	84,864	68,728	-277,223
Water transportation	4,642	815,622	97,740	1,953	11,599	26,352	104,345	165,311
Truck transportation	605,255	52,855,874	3,465,166	1,143,539	265,795	614,223	2,744,279	6,795,400
Other transit and ground transportation	** 206,468	** 6,081,589	** 257,425	** 653,807	** 50,315	** 94,115	** 201,982	** 1,746,924
Pipeline transportation	**	**	**	**	**	**	**	**
Scenic and sightseeing transportation	11,597	677,194	142,392	* 978	26,813	22,957	37,042	-131,137
Support activities for transportation (including motor vehicle towing)	51,573	3,332,436	193,337	22,501	80,757	53,281	320,561	200,803
Couriers and messengers	178,014	5,304,193	104,268	20,839	39,556	24,969	191,529	857,466
Warehousing and storage facilities	6,541	386,317	19,035	7,146	38,538	9,277	53,758	-687
Information	330,580	10,074,244	378,572	135,282	293,411	75,383	824,429	2,384,802
Publishing industries (except internet)	59,156	1,508,413	28,426	14,327	13,366	6,489	285,919	245,114
Motion picture and sound recording	92,842	2,447,145	199,919	59,135	129,591	36,204	115,476	403,307
Broadcasting (except internet) and telecommunications and internet service providers	84,349	3,600,538	96,520	28,928	108,215	28,012	200,893	984,352
Data processing, internet publishing and broadcasting, and web search portals	94,233	2,518,147	53,706	32,892	42,239	4,677	222,141	752,030
Finance and insurance	659,466	90,894,838	895,006	265,472	1,511,189	664,724	4,675,209	10,349,671
Credit intermediation and related activities	57,158	2,951,452	73,043	62,821	115,320	94,104	214,414	451,870
Securities, commodity contracts, and other financial investments	156,078	57,260,013	293,436	79,201	467,052	263,525	1,639,101	-1,859,234
Investment bankers and securities dealers	5,711	5,058,080	4,905	1,187	15,249	3,356	28,518	206,096
Securities brokers	14,702	4,661,445	30,540	6,729	47,650	4,558	370,566	-6,188,161
Commodity contracts brokers and dealers	5,682	852,646	10,879	* 724	18,418	7,637	32,709	45,039
Securities and commodity exchanges	1,583	743,366	5,160	* 674	* 3,168	3,956	* 33,973	36,375
Other financial investment activities (investment advice)	128,400	45,944,475	241,952	69,886	382,567	244,019	1,173,335	4,041,417
Insurance agents, brokers, and related activities	446,229	30,683,373	528,528	123,450	928,817	307,095	2,821,694	11,757,036
Insurance agencies and brokerages	353,496	26,769,808	457,068	107,567	847,145	242,692	2,645,799	10,196,597
Other insurance related activities and other financial vehicles	92,733	3,913,565	71,459	15,883	81,672	64,404	175,896	1,560,439

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 1. Nonfarm Sole Proprietorships: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industrial Sectors, Tax Year 2009—Continued

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

Industrial sector	Businesses with net income							
	Number of returns	Business receipts	Depreciation deduction [1,2]	Rent paid on machinery and equipment [1]	Rent paid on other business property [1]	Interest paid deduction [1,3]	Payroll [1,4]	Net income
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Retail trade	1,189,104	139,384,225	1,407,383	349,312	3,934,625	909,944	7,331,279	16,200,801
Motor vehicle and parts dealers	94,293	24,524,228	167,178	39,980	390,161	180,824	827,427	1,887,457
Furniture and home furnishing stores	25,706	2,792,311	23,413	7,558	107,251	21,843	240,757	537,521
Electronic and appliance stores	20,754	3,490,193	53,590	12,798	98,676	21,820	297,938	403,515
Building material and garden equipment and supplies dealers	28,468	6,926,513	136,700	8,019	103,950	81,242	502,695	827,879
Food and beverage stores	62,409	23,564,991	202,299	31,007	674,728	156,233	1,573,682	1,394,145
Health and personal care stores	50,433	7,710,799	48,225	70,732	224,790	28,905	529,297	973,930
Gasoline stations	13,490	17,003,118	114,789	16,377	255,012	96,897	713,174	419,063
Clothing and accessories stores	64,413	6,755,876	61,880	13,145	663,007	44,997	385,510	1,038,941
Sporting goods, hobby, book, and music stores	47,909	4,721,830	70,159	4,636	164,644	32,980	279,886	588,009
General merchandise stores	15,799	1,997,290	26,255	* 3,279	85,303	13,023	82,923	214,920
Miscellaneous store retailers	329,298	23,202,163	248,828	99,669	937,997	165,163	1,293,777	4,225,851
Nonstore retailers	436,133	16,694,913	254,068	42,110	229,106	66,018	604,212	3,689,571
Transportation and warehousing	829,920	58,203,941	2,730,074	1,602,052	351,305	517,394	2,432,747	12,512,897
Air and rail transportation	8,984	792,765	49,097	11,331	1,118	7,219	12,355	214,435
Water transportation	4,279	410,630	20,380	* 890	7,127	5,241	27,838	230,596
Truck transportation	475,179	44,059,966	2,304,858	933,118	193,222	379,097	1,827,386	8,274,892
Other transit and ground transportation	** 168,686	** 5,417,716	** 156,438	** 619,936	** 34,208	** 75,137	** 118,248	** 1,998,899
Pipeline transportation	**	**	**	**	**	**	**	**
Scenic and sightseeing transportation	4,049	523,917	* 22,747	0	* 15,908	* 8,472	* 13,253	46,519
Support activities for transportation (including motor vehicle towing)	34,642	2,364,551	92,292	16,384	57,672	23,273	214,723	459,346
Couriers and messengers	129,613	4,331,877	77,841	18,063	31,303	14,142	172,827	1,202,462
Warehousing and storage facilities	4,489	302,519	6,422	2,330	10,748	4,814	46,116	85,748
Information	220,732	8,243,273	184,775	85,546	204,822	21,198	371,457	3,528,495
Publishing industries (except internet)	39,036	1,004,177	10,561	* 1,451	7,405	1,312	90,644	457,842
Motion picture and sound recording	55,624	2,076,589	80,697	46,447	74,182	13,836	76,866	893,206
Broadcasting (except internet) and telecommunications and internet service providers	55,442	3,058,589	62,143	23,794	91,338	4,775	121,525	1,192,227
Data processing, internet publishing and broadcasting, and web search portals	70,629	2,103,918	31,374	13,855	31,898	1,276	82,422	985,220
Finance and insurance	440,781	58,552,771	579,178	242,424	1,263,955	325,137	3,702,496	20,090,092
Credit intermediation and related activities	37,682	2,491,096	48,360	55,375	75,986	33,313	159,964	779,837
Securities, commodity contracts, and other financial investments	89,008	27,993,830	126,326	73,747	335,819	71,272	958,018	6,776,389
Investment bankers and securities dealers	1,723	2,497,432	3,705	* 1,172	12,268	835	22,674	234,935
Securities brokers	10,218	2,500,960	27,285	6,507	44,283	3,329	94,118	886,946
Commodity contracts brokers and dealers	1,601	566,293	9,365	* 29	2,890	* 647	* 16,414	173,922
Securities and commodity exchanges	* 1,124	* 228,019	* 3,734	* 674	* 3,035	* 1,657	* 33,963	* 46,132
Other financial investment activities (investment advice)	74,342	22,201,127	82,237	65,364	273,344	64,804	790,849	5,434,454
Insurance agents, brokers, and related activities	314,091	28,067,845	404,491	113,302	852,150	220,553	2,584,514	12,533,866
Insurance agencies and brokerages	248,229	24,462,522	346,751	99,078	779,545	200,976	2,432,444	10,755,530
Other insurance related activities and other financial vehicles	65,861	3,605,323	57,740	14,224	72,605	19,577	152,070	1,778,336

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 1. Nonfarm Sole Proprietorships: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industrial Sectors, Tax Year 2009—Continued

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

Industrial sector	Businesses with and without net income							
	Number of returns	Business receipts	Depreciation deduction [1,2]	Rent paid on machinery and equipment [1]	Rent paid on other business property [1]	Interest paid deduction [1,3]	Payroll [1,4]	Net income less deficit
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Real estate and rental and leasing	1,246,423	49,709,110	2,459,948	314,242	1,091,163	1,575,811	2,112,091	13,028,955
Real estate	1,181,640	45,806,771	1,434,284	275,645	977,254	1,360,962	1,793,373	12,776,948
Lessors of real estate (including miniwarehouses and self storage)	36,538	1,556,583	239,944	8,204	33,334	365,817	93,212	-80,367
Offices of real estate agents, brokers, property managers, and appraisers	882,367	33,210,056	839,584	225,924	763,189	456,150	1,135,422	11,661,036
Other activities related to real estate	262,734	11,040,132	354,756	41,517	180,732	538,994	564,738	1,196,279
Rental and leasing services	64,783	3,902,339	1,025,664	38,598	113,909	214,849	318,718	252,008
Automotive equipment rental and leasing	18,847	528,805	235,299	3,794	13,476	52,406	6,724	19,131
Consumer electronics and appliances rental	* 3,109	* 140,765	* 10,151	* 232	* 2,090	* 6,369	* 24,592	* -11,464
Formal wear and costume rental	* 9	* 331	* 78	0	* 261	* 12	0	* -133
Video tape and disc rental	3,207	347,970	* 10,361	* 12,731	* 23,722	* 6,200	* 54,309	43,067
General rental centers and other consumer goods rental	24,139	1,265,342	110,235	7,633	29,267	27,183	98,153	247,186
Commercial and industrial machinery and equipment rental and leasing	15,472	1,619,125	659,540	14,209	45,093	122,680	134,940	-45,779
Professional, scientific, and technical services	3,191,770	157,357,552	3,779,041	774,155	3,830,134	1,100,545	13,465,891	67,221,454
Legal services	335,854	39,165,911	429,737	187,639	1,669,322	295,872	4,488,276	17,130,023
Offices of certified public accountants	53,382	4,385,854	136,837	22,995	172,844	57,671	647,997	1,734,752
Other accounting services	325,420	8,305,646	212,519	70,261	256,085	87,741	933,580	3,370,098
Architectural, engineering, and related services	257,951	12,640,450	411,795	59,931	223,145	88,181	1,656,254	4,551,434
Architectural services	90,321	5,357,539	212,884	40,339	108,168	42,918	940,909	1,261,761
Engineering services	97,103	4,643,938	124,900	14,152	71,266	29,218	396,084	2,124,197
Drafting, building inspections, and geophysical surveying	53,422	1,833,434	50,908	* 2,889	* 14,724	* 13,390	146,670	926,456
Surveying and mapping (except geophysical) services	12,917	433,259	13,608	* 2,496	* 15,734	* 1,976	* 121,158	104,704
Testing laboratories	4,188	372,280	9,495	* 55	13,254	* 679	51,433	134,315
Specialized design services	229,972	6,631,470	181,691	25,748	126,486	33,231	540,553	1,857,483
Computer systems design services	244,465	9,589,935	271,983	30,823	100,415	52,579	918,236	3,668,779
Other professional, scientific, and technical services	1,744,726	76,638,286	2,134,480	376,759	1,281,836	485,269	4,280,994	34,908,885
Management, scientific, and technical consulting services	1,010,573	44,676,717	999,312	166,253	554,955	246,645	1,760,622	24,112,717
Scientific research and development services	25,390	1,175,599	32,573	7,289	31,922	10,211	133,229	454,674
Advertising and related services	100,612	6,500,939	135,993	47,552	86,291	39,259	282,536	1,670,000
Market research and public opinion polling	32,825	819,121	8,108	* 14,802	5,866	* 6,341	61,045	264,425
Other miscellaneous services	575,326	23,465,911	958,494	140,863	602,802	182,812	2,043,562	8,407,069
Administrative and support and waste management and remediation services	2,415,027	60,273,834	2,401,813	356,273	762,800	425,957	6,273,153	17,913,450
Administrative and support services	2,397,634	58,520,898	2,148,795	336,009	740,511	386,783	6,017,800	17,764,399
Waste management and remediation services	17,394	1,752,936	253,019	20,264	22,289	39,174	255,353	149,051
Educational services	685,095	8,858,832	318,596	52,581	572,179	75,044	559,764	3,116,396

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 1. Nonfarm Sole Proprietorships: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industrial Sectors, Tax Year 2009—Continued

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

Industrial sector	Businesses with net income							
	Number of returns	Business receipts	Depreciation deduction [1,2]	Rent paid on machinery and equipment [1]	Rent paid on other business property [1]	Interest paid deduction [1,3]	Payroll [1,4]	Net income
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Real estate and rental and leasing	749,899	41,086,725	1,049,012	226,145	801,251	557,369	1,342,309	18,427,334
Real estate	712,942	38,324,510	734,336	192,545	719,317	476,488	1,114,610	17,702,860
Lessors of real estate (including miniwarehouses and self storage)	15,657	961,550	72,552	2,845	20,048	107,084	58,596	311,248
Offices of real estate agents, brokers, property managers, and appraisers	539,253	28,950,803	486,313	162,093	576,427	248,559	750,296	14,340,075
Other activities related to real estate	158,033	8,412,157	175,472	27,607	122,842	120,845	305,719	3,051,537
Rental and leasing services	36,956	2,762,215	314,675	33,600	81,934	80,882	227,699	724,474
Automotive equipment rental and leasing	9,384	237,141	56,306	* 3,109	* 1,081	7,590	* 2,235	94,085
Consumer electronics and appliances rental	* 1,009	* 25,767	* 209	0	* 1,440	* 84	* 5,489	* 3,119
Formal wear and costume rental	0	0	0	0	0	0	0	0
Video tape and disc rental	* 688	* 301,669	* 7,511	* 12,730	* 23,212	* 1,916	* 54,242	* 45,501
General rental centers and other consumer goods rental	16,884	1,171,707	55,289	* 7,503	24,986	16,912	77,147	302,371
Commercial and industrial machinery and equipment rental and leasing	8,991	1,025,931	195,360	10,259	31,216	54,380	88,586	279,396
Professional, scientific, and technical services	2,342,086	145,394,877	2,626,773	636,774	3,102,798	781,464	11,398,031	73,659,904
Legal services	266,647	37,181,521	353,267	172,224	1,489,873	227,414	4,026,793	17,869,939
Offices of certified public accountants	42,060	4,122,793	71,806	20,162	161,020	45,988	583,051	1,914,116
Other accounting services	267,489	7,632,999	171,755	52,924	207,826	76,531	769,821	3,693,553
Architectural, engineering, and related services	196,348	11,547,069	286,314	45,192	182,751	57,822	1,370,522	4,933,997
Architectural services	71,092	4,812,117	141,260	27,677	96,020	29,827	808,437	1,404,336
Engineering services	68,316	4,281,544	81,044	12,548	54,290	18,905	312,774	2,258,362
Drafting, building inspections, and geophysical surveying	44,778	1,787,623	46,908	* 2,629	* 14,691	* 7,244	146,497	985,399
Surveying and mapping (except geophysical) services	7,994	304,988	* 8,647	* 2,333	* 5,379	* 1,416	* 56,876	149,702
Testing laboratories	4,168	360,797	* 8,456	* 4	* 12,371	* 429	* 45,938	136,198
Specialized design services	150,279	6,073,691	103,305	20,817	92,048	15,592	499,356	2,222,531
Computer systems design services	187,740	8,507,853	205,529	26,730	62,121	18,375	684,083	4,156,325
Other professional, scientific, and technical services	1,231,523	70,328,950	1,434,796	298,724	907,159	339,742	3,464,405	38,869,442
Management, scientific, and technical consulting services	730,924	41,389,640	721,129	122,505	424,306	174,796	1,394,255	26,376,445
Scientific research and development services	19,236	941,364	22,349	3,478	23,835	5,707	55,257	539,104
Advertising and related services	72,513	5,921,801	95,075	36,910	76,890	25,492	201,175	1,896,286
Market research and public opinion polling	20,621	763,770	4,580	* 14,364	5,866	* 5,552	61,045	354,777
Other miscellaneous services	388,229	21,312,375	591,662	121,468	376,262	128,194	1,752,674	9,702,830
Administrative and support and waste management and remediation services	1,945,805	52,661,597	1,425,850	216,856	521,238	226,201	4,917,907	21,248,959
Administrative and support services	1,933,777	51,183,250	1,296,441	201,453	502,984	202,086	4,700,740	20,988,350
Waste management and remediation services	12,028	1,478,347	129,409	15,403	18,254	24,115	217,167	260,610
Educational services	526,310	7,771,398	163,935	43,164	416,042	30,352	390,038	3,972,413

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 1. Nonfarm Sole Proprietorships: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industrial Sectors, Tax Year 2009—Continued

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

Industrial sector	Businesses with and without net income							
	Number of returns	Business receipts	Depreciation deduction [1,2]	Rent paid on machinery and equipment [1]	Rent paid on other business property [1]	Interest paid deduction [1,3]	Payroll [1,4]	Net income less deficit
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Health care and social assistance	2,080,840	119,332,717	2,893,911	589,230	5,235,566	1,099,799	17,241,762	48,361,359
Ambulatory health care services	1,049,070	97,610,612	2,253,014	498,351	4,548,546	771,096	14,728,067	40,553,254
Offices of physicians (except mental health specialists)	190,881	33,096,550	547,359	170,428	1,319,811	157,201	4,392,509	15,618,164
Offices of physicians, mental health specialists	30,878	3,111,713	51,592	23,619	167,795	14,628	159,429	1,885,056
Offices of dentists	89,617	29,523,733	998,756	94,356	1,324,180	387,466	6,683,542	9,893,737
Offices of chiropractors	36,963	3,632,742	98,408	46,316	347,289	31,915	405,493	1,355,111
Offices of optometrists	17,777	3,860,345	97,589	16,808	253,938	40,441	618,133	1,113,187
Offices of mental health practitioners and social therapists	182,561	8,875,205	134,928	29,514	617,528	29,258	731,725	4,740,382
Offices of podiatrists	7,244	1,284,916	13,734	17,817	106,614	22,818	164,367	480,026
miscellaneous health practitioners	155,963	6,058,068	130,654	45,280	264,119	34,252	410,585	2,718,022
Medical and diagnostic laboratories	30,130	1,234,995	24,682	10,435	38,824	14,969	164,327	416,623
Home health care services	273,854	5,646,688	114,093	38,524	73,498	28,031	788,241	1,960,979
Other ambulatory health care services (including ambulance services, blood and organ banks)	33,201	1,285,655	41,219	5,255	34,949	10,117	209,716	371,967
Hospitals	6,339	489,884	7,964	* 2,844	* 7,139	5,874	* 89,426	237,457
Nursing and residential care facilities	70,379	4,799,798	164,042	20,717	262,586	200,492	1,259,782	377,840
Social assistance	955,052	16,432,422	468,891	67,317	417,295	122,337	1,164,486	7,192,808
Arts, entertainment, and recreation	1,345,309	29,237,577	1,634,581	184,711	1,042,955	307,426	1,405,573	6,844,919
Performing arts, spectator sports, and related industries	1,115,950	22,150,638	1,202,041	119,212	451,889	172,703	785,595	6,361,169
institutions	1,148	50,656	* 1,028	0	* 4,819	* 2,295	* 1,401	-8,184
industries	228,211	7,036,282	431,512	65,499	586,246	132,428	618,576	491,933
Accommodation, food services, and drinking places	422,731	46,532,453	1,859,606	417,486	3,071,068	967,502	8,302,149	1,220,604
Accommodation	48,271	5,097,240	684,682	19,691	143,812	539,727	815,241	-312,031
Travel accommodation (including hotels, motels, and bed and breakfast inns)	25,101	4,104,693	548,902	16,272	117,457	482,464	707,931	-247,081
RV (recreational vehicle) parks and recreational camps	13,418	590,114	98,191	* 271	* 22,758	32,361	56,040	-44,411
Rooming and boarding houses	9,753	402,433	37,589	* 3,149	* 3,596	24,902	51,270	-20,539
Food services and drinking places	374,460	41,435,213	1,174,924	397,795	2,927,257	427,775	7,486,908	1,532,634
Other services	2,669,548	83,822,044	2,679,053	754,493	6,178,697	866,377	6,517,947	20,690,086
Auto repair and maintenance	355,604	22,516,588	958,544	175,021	905,921	410,047	2,130,173	2,534,220
Automotive mechanical and electrical repair and maintenance	191,525	11,750,125	490,544	105,877	461,312	172,362	965,793	1,322,946
Automotive body shops	82,252	6,456,181	240,928	23,824	238,108	121,061	732,381	743,101
Other auto repair and maintenance (including oil change, lubrication, and car washes)	81,828	4,310,281	227,072	45,320	206,502	116,624	432,000	468,174
Miscellaneous repairs	406,422	15,354,790	500,375	48,157	414,920	111,424	1,382,362	2,861,448
Personal and laundry services	1,654,233	42,238,238	1,172,728	513,956	4,718,027	335,460	2,993,890	13,551,951
Religious, grantmaking, civic, professional and similar organizations	253,289	3,712,428	47,405	17,359	139,828	* 9,446	* 11,522	1,742,466
Unclassified establishments	482,901	5,698,594	97,379	45,146	114,583	46,953	187,064	2,268,992

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 1. Nonfarm Sole Proprietorships: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industrial Sectors, Tax Year 2009—Continued

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

Industrial sector	Businesses with net income							
	Number of returns	Business receipts	Depreciation deduction [1,2]	Rent paid on machinery and equipment [1]	Rent paid on other business property [1]	Interest paid deduction [1,3]	Payroll [1,4]	Net income
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Health care and social assistance	1,757,232	112,055,804	2,291,559	454,484	4,634,433	813,392	15,742,887	50,925,580
Ambulatory health care services	868,790	93,365,381	1,886,909	385,310	4,156,140	632,626	13,939,697	42,307,570
Offices of physicians (except mental health specialists)	160,942	31,580,960	468,389	151,840	1,222,751	130,078	4,142,507	15,981,368
Offices of physicians, mental health specialists	27,760	3,043,977	44,188	18,880	148,188	9,361	158,781	1,928,613
Offices of dentists	80,320	28,665,909	882,864	69,921	1,253,135	336,274	6,540,840	10,114,380
Offices of chiropractors	31,456	3,477,075	61,895	45,834	329,657	28,269	365,248	1,436,576
Offices of optometrists	16,418	3,738,548	83,616	16,562	239,814	33,561	604,779	1,154,986
Offices of mental health practitioners and social therapists	147,552	8,584,812	115,907	28,215	542,567	20,947	705,895	4,860,891
Offices of podiatrists	6,051	1,260,248	13,217	16,187	105,776	22,740	158,875	488,257
Miscellaneous health practitioners	116,837	5,639,870	105,821	15,551	222,332	27,753	324,582	2,965,707
Medical and diagnostic laboratories	25,443	1,175,703	13,871	7,874	31,476	10,885	150,303	490,561
Home health care services	230,349	5,107,787	57,730	9,694	39,831	7,350	598,656	2,467,795
Other ambulatory health care services (including ambulance services, blood and organ banks)	25,662	1,090,491	39,413	4,754	20,614	5,408	189,230	418,436
Hospitals	5,287	441,502	3,738	* 602	* 5,650	* 2,326	* 69,545	248,859
Nursing and residential care facilities	48,755	3,423,849	92,708	12,299	155,893	109,858	868,003	663,821
Social assistance	834,400	14,825,072	308,204	56,274	316,750	68,583	865,642	7,705,330
Arts, entertainment, and recreation	849,879	23,080,307	538,165	70,391	556,620	87,793	677,747	10,979,478
Performing arts, spectator sports, and related industries	693,272	18,807,092	454,481	57,251	286,274	60,904	425,388	9,640,053
Museums, historical sites, and similar institutions	* 147	* 47,234	* 1	0	* 4,208	0	0	* 7,311
Amusement, gambling, and recreation industries	156,460	4,225,981	83,682	13,140	266,138	26,889	252,359	1,332,114
Accommodation, food services, and drinking places	274,949	33,016,462	743,071	234,211	2,180,663	386,090	5,309,495	4,121,057
Accommodation	25,996	2,892,968	224,780	5,677	46,169	197,200	344,360	488,831
Travel accommodation (including hotels, motels, and bed and breakfast inns)	15,110	2,268,242	188,992	2,469	36,701	178,736	271,744	349,453
RV (recreational vehicle) parks and recreational camps	5,697	363,874	26,855	* 258	* 6,400	* 13,217	32,914	59,628
Rooming and boarding houses	5,189	260,852	* 8,933	* 2,950	* 3,067	* 5,247	* 39,701	79,751
Food services and drinking places	248,954	30,123,494	518,291	228,535	2,134,495	188,890	4,965,135	3,632,225
Other services	2,117,863	72,027,168	1,513,636	629,732	4,765,045	496,227	5,143,124	24,624,149
Auto repair and maintenance	248,195	18,328,644	549,637	143,768	669,141	243,710	1,702,909	3,580,440
Automotive mechanical and electrical repair and maintenance	132,160	9,373,717	287,985	78,708	340,498	107,545	746,622	1,900,627
Automotive body shops	60,393	5,618,919	163,007	22,610	173,039	101,286	632,743	963,583
Other auto repair and maintenance (including oil change, lubrication, and car washes)	55,642	3,336,007	98,645	42,450	155,604	34,879	323,543	716,230
Miscellaneous repairs	299,347	12,776,008	261,476	26,752	266,844	66,055	1,117,537	3,535,331
Personal and laundry services	1,374,129	37,432,924	676,764	453,899	3,717,598	184,106	2,311,787	15,415,763
Religious, grantmaking, civic, professional and similar organizations	196,193	3,489,593	25,759	* 5,313	111,463	* 2,356	* 10,892	2,092,615
Unclassified establishments	410,973	5,212,805	76,753	38,890	60,941	25,524	146,315	2,708,140

* 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.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009

[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)
BUSINESSES WITH AND WITHOUT NET INCOME						
Number of returns [1]	22,659,976	281,844	41,815	38,865	73,432	127,733
Business receipts, total [1,2]	1,178,437,093	15,699,149	1,402,238	3,904,780	2,114,290	8,277,841
Income from sales and operations [1]	1,159,222,294	15,384,814	1,306,389	3,819,820	2,065,726	8,192,879
Other business income	19,214,799	314,335	95,850	84,959	48,564	84,962
Business deductions, total [1,2]	934,535,659	15,772,131	1,991,287	3,855,915	2,094,989	7,829,940
Cost of sales and operations, total	366,437,993	5,742,531	676,788	1,101,329	509,617	3,454,796
Inventory, beginning of year	45,587,003	486,705	77,940	143,531	13,938	251,296
Cost of labor	27,668,467	277,172	* 61,645	123,530	* 15,354	76,642
Purchases	238,855,556	4,433,813	490,436	682,642	337,900	2,922,834
Materials and supplies	45,105,577	462,292	* 33,595	101,557	31,215	295,925
Other costs	55,368,892	587,651	107,655	201,951	123,389	154,657
Inventory, end of year	46,147,501	505,102	94,484	151,882	12,179	246,558
Advertising expenses	13,612,756	88,396	16,364	8,963	19,582	43,487
Car and truck expenses	75,048,330	801,594	94,041	188,556	109,798	409,200
Commissions	11,759,029	87,114	4,381	9,337	* 10,578	62,817
Contract labor	32,306,689	735,220	17,837	253,112	70,218	394,053
Depletion	687,754	* 77	* [4]	* 74	0	* 4
Depreciation	34,546,428	1,368,272	265,999	401,785	240,302	460,187
Employee benefit programs	2,870,284	17,162	1,169	4,786	* 145	11,062
Insurance	17,117,138	348,942	34,978	130,632	41,469	141,864
Legal and professional services	10,265,039	99,937	27,785	16,206	16,443	39,502
Meals and entertainment deducted	7,500,635	58,895	5,796	5,808	24,696	22,595
Mortgage interest	5,361,051	76,711	20,684	13,592	21,133	21,302
Other interest paid on business indebtedness	7,176,096	210,693	19,846	69,186	63,550	58,110
Office expenses	11,719,891	62,367	11,266	6,535	10,518	34,048
Pension and profit-sharing plans	1,176,054	3,391	* 53	* 586	0	* 2,752
Rent paid on machinery and equipment	7,928,936	92,978	765	46,252	16,135	29,827
Rent paid on other business property	33,135,314	130,760	7,220	12,729	43,346	67,465
Repairs	14,357,885	685,127	39,720	316,736	103,013	225,659
Supplies	29,829,618	348,974	57,243	49,947	102,611	139,173
Salaries and wages	75,012,744	1,384,407	35,196	314,737	27,566	1,006,908
Taxes paid	16,905,702	281,914	13,667	81,714	38,161	148,373
Travel	11,304,600	128,885	35,947	5,505	27,021	60,411
Utilities	23,693,004	192,222	35,688	37,660	36,727	82,147
Other business deductions	110,168,253	2,752,723	549,165	774,190	540,181	889,188
Home office business deductions, total	10,868,501	50,297	19,689	5,386	* 5,013	20,209
Depreciation, Form 8829 [3]	1,370,728	10,562	6,418	1,466	* 1,520	1,158
Casualty loss, Form 8829 [3]	308,339	* 248	* 248	0	0	0
Excess—casualty depreciations, Form 8829 [3]	1,529,370	24,768	18,340	* 4,013	* 1,309	1,106
Net income less deficit [1,2]	244,821,815	-35,769	-574,732	50,744	13,765	474,453
Net income [1,2]	308,888,096	1,699,255	89,739	332,928	336,818	939,771
Deficit [2]	64,066,281	1,735,025	664,471	282,184	323,052	465,318

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	All nonfarm industries	Agriculture, forestry, hunting and fishing				
		Total	Animal production (including breeding of cats and dogs)	Forestry and logging (including forest nurseries, timber tracts)	Fishing, hunting, and trapping	Support activities for agriculture and forestry
	(1)	(2)	(3)	(4)	(5)	(6)
BUSINESSES WITH NET INCOME						
Number of returns [1]	16,527,540	163,268	9,111	21,846	41,388	90,922
Business receipts, total [1,2]	974,862,394	11,739,951	779,595	2,849,830	1,435,662	6,674,864
Income from sales and operations [1]	959,211,751	11,523,503	735,269	2,769,397	1,401,032	6,617,804
Other business income	15,650,643	216,448	44,325	80,433	34,630	57,060
Business deductions, total [1,2]	666,048,514	10,039,639	689,856	2,516,911	1,098,844	5,734,029
Cost of sales and operations, total	264,913,083	4,286,227	339,453	755,575	382,782	2,808,416
Inventory, beginning of year	22,905,481	240,951	* 48,668	77,903	* 10	114,370
Cost of labor	21,185,012	209,953	* 60,753	76,691	* 14,912	57,597
Purchases	174,175,566	3,473,493	224,637	549,032	* 323,614	2,376,210
Materials and supplies	35,756,606	337,210	* 13,460	13,588	* 23,554	286,608
Other costs	36,489,754	280,434	* 51,841	119,520	* 20,693	88,380
Inventory, end of year	25,599,337	255,814	* 59,906	81,159	* 1	114,748
Advertising expenses	9,871,813	36,409	2,028	4,962	* 10,693	18,726
Car and truck expenses	54,239,256	520,615	38,399	132,887	42,562	306,768
Commissions	8,691,656	67,085	* 924	* 8,754	* 1,198	56,209
Contract labor	25,828,827	531,529	* 12,286	160,500	60,369	298,375
Depletion	447,641	* 22	0	* 18	0	* 3
Depreciation	20,188,082	631,720	73,654	247,675	73,619	236,772
Employee benefit programs	2,263,738	8,962	* 274	* 2,338	* 113	6,236
Insurance	12,929,917	210,289	14,190	81,244	14,855	100,000
Legal and professional services	6,771,626	36,894	2,394	8,852	5,164	20,484
Meals and entertainment deducted	5,690,337	32,465	* 1,360	4,234	12,767	14,104
Mortgage interest	2,653,515	28,993	* 10,940	* 2,451	* 3,526	12,076
Other interest paid on business indebtedness	3,993,493	95,387	7,118	30,557	14,019	43,691
Office expenses	8,792,056	46,460	7,797	3,488	6,063	29,113
Pension and profit-sharing plans	1,081,724	* 2,888	0	* 507	0	* 2,381
Rent paid on machinery and equipment	5,895,394	53,018	* 12	17,003	* 12,776	23,226
Rent paid on other business property	24,853,209	75,350	4,573	7,161	10,756	52,860
Repairs	10,168,106	431,262	13,559	230,558	43,408	143,736
Supplies	22,393,328	193,157	16,443	25,288	44,585	106,842
Salaries and wages	58,473,997	1,082,882	* 12,108	192,297	* 6,052	872,426
Taxes paid	12,310,827	186,685	5,892	50,542	13,429	116,822
Travel	8,200,811	54,172	4,842	3,672	8,127	37,531
Utilities	16,824,437	99,591	8,149	20,421	14,158	56,864
Other business deductions	66,607,351	1,284,482	109,422	522,741	299,134	353,186
Home office business deductions, total	8,299,173	22,187	* 4,041	* 2,613	* 1,885	13,648
Depreciation, Form 8829 [3]	863,260	1,499	* 393	* 380	* 347	378
Casualty loss, Form 8829 [3]	33,841	0	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	145,282	* 334	* 31	0	* 205	* 98
Net income [1,2]	308,888,096	1,699,255	89,739	332,928	336,818	939,771
Returns with Schedule C-EZ:						
Number of returns	4,485,380	38,441	**	** 3,154	12,630	22,657
Business receipts	33,436,522	144,099	**	** 3,630	47,871	92,598
Business deductions	3,745,934	22,542	**	** 5,773	17,166	4,802
Net income	29,690,588	121,557	**	** 3,057	30,705	87,796

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Mining				Utilities
	Total	Oil and gas extraction	Other mining	Support activities for mining	Total
	(7)	(8)	(9)	(10)	(11)
BUSINESSES WITH AND WITHOUT NET INCOME					
Number of returns [1]	123,580	105,777	3,627	14,176	8,771
Business receipts, total [1,2]	10,032,773	7,252,889	716,600	2,063,284	216,492
Income from sales and operations [1]	9,399,458	6,675,983	675,945	2,047,529	187,714
Other business income	633,315	576,906	40,655	15,755	* 28,778
Business deductions, total [1,2]	9,150,649	6,812,783	775,928	1,561,938	163,773
Cost of sales and operations, total	1,664,702	990,824	285,396	388,483	* 49,247
Inventory, beginning of year	131,349	72,151	* 30,720	* 28,478	* 23,785
Cost of labor	107,143	36,612	* 30,651	39,880	* 601
Purchases	336,955	93,464	85,308	158,183	* 42,775
Materials and supplies	123,709	18,238	* 16,448	89,023	* 130
Other costs	1,124,331	855,300	148,214	120,818	* 5,740
Inventory, end of year	158,784	84,941	* 25,944	47,899	* 23,785
Advertising expenses	22,889	16,317	1,535	5,036	* 604
Car and truck expenses	275,965	183,519	4,490	87,956	11,230
Commissions	43,954	9,971	* 1,971	32,013	* 1,051
Contract labor	148,298	63,454	17,190	67,654	* 1,044
Depletion	599,244	579,779	12,417	7,047	1,774
Depreciation	1,022,255	721,166	99,734	201,354	14,868
Employee benefit programs	19,006	13,422	* 1,276	4,308	* 2,568
Insurance	166,824	67,962	34,994	63,868	* 1,394
Legal and professional services	145,043	114,677	8,669	21,697	3,823
Meals and entertainment deducted	39,446	30,321	121	9,005	307
Mortgage interest	54,412	24,279	* 25,118	5,015	* 1,021
Other interest paid on business indebtedness	144,588	85,363	27,359	31,865	* 1,593
Office expenses	46,716	35,286	1,523	9,907	833
Pension and profit-sharing plans	4,045	1,669	* 4	* 2,372	0
Rent paid on machinery and equipment	46,412	13,449	12,739	20,224	* 603
Rent paid on other business property	58,471	38,727	2,641	17,103	* 2,373
Repairs	194,660	128,106	19,886	46,668	5,614
Supplies	97,870	33,309	17,015	47,545	* 3,768
Salaries and wages	473,385	187,930	84,586	200,869	* 18,180
Taxes paid	258,525	213,118	16,555	28,852	2,415
Travel	49,655	33,674	1,051	14,930	1,813
Utilities	85,114	54,014	8,765	22,335	3,899
Other business deductions	3,450,354	3,143,365	90,858	216,130	29,395
Home office business deductions, total	19,721	10,005	* 16	9,701	* 1,151
Depreciation, Form 8829 [3]	3,029	2,459	0	* 570	* 994
Casualty loss, Form 8829 [3]	0	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	845	845	0	0	* 2,795
Net income less deficit [1,2]	890,200	448,182	-59,329	501,346	52,742
Net income [1,2]	2,160,992	1,483,057	66,949	610,986	72,933
Deficit [2]	1,270,792	1,034,875	126,277	109,640	20,190

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Mining				Utilities
	Total	Oil and gas extraction	Other mining	Support activities for mining	Total
	(7)	(8)	(9)	(10)	(11)
BUSINESSES WITH NET INCOME					
Number of returns [1]	82,881	72,171	530	10,181	5,509
Business receipts, total [1,2]	6,717,475	4,920,469	154,018	1,642,988	186,525
Income from sales and operations [1]	6,327,607	4,578,567	115,463	1,633,577	161,589
Other business income	389,868	341,902	* 38,555	9,411	* 24,936
Business deductions, total [1,2]	4,567,015	3,447,944	87,069	1,032,002	113,592
Cost of sales and operations, total	789,233	550,086	* 7,542	231,604	* 49,192
Inventory, beginning of year	43,239	38,268	0	* 4,972	* 17,647
Cost of labor	* 49,978	* 27,053	0	* 22,925	* 601
Purchases	148,989	57,699	* 4,202	87,088	* 42,775
Materials and supplies	55,086	9,971	* 296	* 44,820	* 76
Other costs	547,495	464,929	* 3,552	* 79,014	* 5,740
Inventory, end of year	55,554	47,833	* 507	* 7,215	* 17,647
Advertising expenses	16,960	12,218	* 282	4,461	* 92
Car and truck expenses	181,939	102,551	* 955	78,433	* 7,909
Commissions	29,336	1,835	* 490	* 27,011	* 715
Contract labor	106,208	30,616	* 14,562	61,030	* 1,022
Depletion	396,471	390,276	* 3,625	2,571	* 1,763
Depreciation	441,194	321,867	10,643	108,684	7,884
Employee benefit programs	11,252	8,692	* 481	2,079	* 1,186
Insurance	97,042	42,849	* 1,736	52,457	* 833
Legal and professional services	72,262	61,589	2,402	8,271	2,127
Meals and entertainment deducted	14,719	8,357	* 36	6,325	* 223
Mortgage interest	16,853	14,971	* 3	* 1,878	* 932
Other interest paid on business indebtedness	58,429	43,348	* 134	14,947	* 1,395
Office expenses	28,329	21,196	* 79	7,054	* 416
Pension and profit-sharing plans	3,320	1,099	* 4	* 2,218	0
Rent paid on machinery and equipment	23,236	5,594	* 219	17,423	* 602
Rent paid on other business property	29,853	20,712	* 220	8,920	* 1,477
Repairs	146,308	102,577	* 3,934	39,797	* 3,094
Supplies	45,510	22,852	* 1,335	21,323	* 3,125
Salaries and wages	265,480	104,170	* 19,694	141,616	* 10,297
Taxes paid	159,964	138,525	2,275	19,164	* 1,911
Travel	26,406	17,463	* 133	8,810	* 1,496
Utilities	52,740	35,260	* 384	17,096	* 3,459
Other business deductions	1,517,869	1,362,385	15,882	139,602	8,835
Home office business deductions, total	17,479	8,252	0	9,227	* 405
Depreciation, Form 8829 [3]	2,776	* 2,206	0	* 570	* 50
Casualty loss, Form 8829 [3]	0	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	* 631	* 631	0	0	0
Net income [1,2]	2,160,992	1,483,057	66,949	610,986	72,933
Returns with Schedule C-EZ:					
Number of returns	18,720	17,203	* 335	* 1,183	* 2,956
Business receipts	124,798	81,816	* 33,633	* 9,349	* 19,278
Business deductions	19,097	19,078	* 19	* [4]	* 3,203
Net income	105,701	62,738	* 33,614	* 9,349	* 16,076

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Construction				Manufacturing	
	Total	Construction of buildings	Heavy and civil engineering construction	Specialty trade contractors	Total	Food manufacturing
	(12)	(13)	(14)	(15)	(16)	(17)
BUSINESSES WITH AND WITHOUT NET INCOME						
Number of returns [1]	2,695,843	489,067	56,097	2,150,679	335,006	26,016
Business receipts, total [1,2]	172,700,955	43,871,422	7,690,124	121,139,409	24,208,673	2,747,196
Income from sales and operations [1]	170,839,257	43,070,604	7,522,839	120,245,815	23,834,663	2,725,782
Other business income	1,861,698	800,818	167,285	893,595	374,010	21,415
Business deductions, total [1,2]	145,782,797	39,500,079	7,570,014	98,712,704	21,870,603	2,774,510
Cost of sales and operations, total	70,703,891	24,301,897	4,047,615	42,354,379	11,554,925	1,675,455
Inventory, beginning of year	8,626,609	4,704,500	2,431,849	1,490,260	1,885,624	430,419
Cost of labor	12,245,090	3,201,090	265,503	8,778,498	1,152,145	59,862
Purchases	21,757,310	7,302,378	1,412,705	13,042,227	6,892,088	1,287,083
Materials and supplies	22,848,469	6,567,891	856,563	15,424,015	1,975,753	202,181
Other costs	12,192,802	6,226,109	1,066,783	4,899,911	1,601,440	159,296
Inventory, end of year	6,966,389	3,700,071	1,985,788	1,280,530	1,952,126	463,387
Advertising expenses	1,002,818	171,976	50,554	780,288	298,926	47,836
Car and truck expenses	13,021,165	2,269,509	262,185	10,489,471	830,354	56,050
Commissions	588,809	94,835	38,206	455,768	165,370	21,914
Contract labor	10,951,375	2,445,935	245,144	8,260,296	294,146	32,787
Depletion	3,150	* 55	* 10	* 3,085	3,230	* 1,400
Depreciation	5,215,534	855,876	467,461	3,892,198	954,866	94,629
Employee benefit programs	356,029	49,049	14,526	292,454	95,655	8,878
Insurance	3,519,663	721,496	163,856	2,634,310	336,767	25,989
Legal and professional services	978,386	239,091	98,832	640,463	216,902	23,220
Meals and entertainment deducted	568,524	119,101	22,457	426,966	60,772	6,204
Mortgage interest	645,531	293,168	129,995	222,368	120,362	9,700
Other interest paid on business indebtedness	998,181	265,375	120,897	611,910	211,045	18,365
Office expenses	875,285	151,883	34,513	688,889	173,002	19,881
Pension and profit-sharing plans	31,841	3,871	4,363	23,607	11,696	* 349
Rent paid on machinery and equipment	1,059,348	187,131	71,150	801,068	200,017	15,695
Rent paid on other business property	1,382,834	232,410	51,895	1,098,530	734,762	66,290
Repairs	1,616,696	248,809	152,115	1,215,772	303,739	36,266
Supplies	7,393,337	1,756,409	198,607	5,438,322	598,013	68,151
Salaries and wages	7,987,462	1,276,001	507,660	6,203,801	1,920,463	224,476
Taxes paid	1,881,112	378,861	147,314	1,354,937	404,722	38,935
Travel	927,597	143,939	42,604	741,054	180,663	13,995
Utilities	2,288,178	468,740	80,344	1,739,094	566,585	55,302
Other business deductions	10,374,670	2,559,917	589,899	7,224,855	1,454,607	204,936
Home office business deductions, total	1,010,279	203,166	21,356	785,756	145,687	* 4,644
Depreciation, Form 8829 [3]	115,508	25,955	1,434	88,120	21,085	* 432
Casualty loss, Form 8829 [3]	* 1,488	0	* 10	* 1,478	0	0
Excess—casualty depreciations, Form 8829 [3]	62,746	9,927	1,580	51,240	28,677	* 539
Net income less deficit [1,2]	27,008,336	4,400,763	125,112	22,482,462	2,368,010	-23,157
Net income [1,2]	33,097,728	6,452,358	1,041,859	25,603,511	3,912,925	255,492
Deficit [2]	6,089,392	2,051,595	916,747	3,121,050	1,544,915	278,648

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Construction				Manufacturing	
	Total	Construction of buildings	Heavy and civil engineering construction	Specialty trade contractors	Total	Food manufacturing
	(12)	(13)	(14)	(15)	(16)	(17)
BUSINESSES WITH NET INCOME						
Number of returns [1]	2,207,496	381,188	32,873	1,793,435	202,107	11,775
Business receipts, total [1,2]	144,847,840	33,145,144	5,276,566	106,426,130	18,390,019	1,819,466
Income from sales and operations [1]	143,442,443	32,690,111	5,165,603	105,586,728	18,108,645	1,812,951
Other business income	1,405,398	455,033	110,963	839,402	281,374	6,516
Business deductions, total [1,2]	111,753,870	26,696,433	4,234,894	80,822,542	14,477,304	1,563,975
Cost of sales and operations, total	53,038,785	15,696,528	2,062,615	35,279,642	8,127,124	1,154,020
Inventory, beginning of year	2,772,649	1,542,189	492,090	738,370	987,060	191,334
Cost of labor	9,566,923	2,360,568	174,017	7,032,338	831,428	20,227
Purchases	16,186,534	4,470,428	818,463	10,897,644	4,788,917	946,252
Materials and supplies	18,726,451	4,817,417	586,280	13,322,755	1,514,850	111,180
Other costs	8,238,731	3,840,584	443,398	3,954,749	1,005,145	70,752
Inventory, end of year	2,452,504	1,334,657	451,633	666,213	1,000,276	185,725
Advertising expenses	780,905	133,664	34,726	612,514	125,458	9,512
Car and truck expenses	10,479,848	1,743,855	209,995	8,525,999	520,102	21,926
Commissions	475,922	51,762	13,706	410,454	120,606	7,177
Contract labor	9,311,258	1,975,603	185,331	7,150,325	202,218	16,011
Depletion	* 2,295	* 2	0	* 2,293	1,342	* 1,267
Depreciation	3,724,787	605,253	276,501	2,843,033	488,867	23,176
Employee benefit programs	273,174	38,884	11,630	222,660	69,411	6,536
Insurance	2,801,872	544,420	124,299	2,133,153	246,332	12,501
Legal and professional services	637,776	152,222	51,053	434,502	94,068	6,097
Meals and entertainment deducted	459,364	98,539	11,847	348,978	36,643	1,651
Mortgage interest	281,214	115,024	25,949	140,241	64,719	3,306
Other interest paid on business indebtedness	651,229	156,406	53,597	441,226	116,802	6,097
Office expenses	659,025	111,634	18,539	528,851	101,176	6,777
Pension and profit-sharing plans	27,315	2,990	3,216	21,108	9,763	* 324
Rent paid on machinery and equipment	796,580	114,002	49,863	632,715	80,642	3,976
Rent paid on other business property	1,052,443	157,478	39,693	855,272	474,096	28,343
Repairs	1,199,120	158,576	99,190	941,353	207,745	17,671
Supplies	5,839,480	1,171,027	139,101	4,529,352	355,540	19,847
Salaries and wages	6,226,526	866,241	344,936	5,015,349	1,336,913	102,220
Taxes paid	1,414,399	252,247	71,840	1,090,312	267,554	16,781
Travel	758,879	119,031	29,678	610,169	103,017	4,401
Utilities	1,768,382	332,900	49,596	1,385,886	357,037	18,193
Other business deductions	7,836,989	1,855,672	303,059	5,678,258	863,611	72,280
Home office business deductions, total	861,911	180,901	18,476	662,534	73,758	* 718
Depreciation, Form 8829 [3]	92,243	22,479	664	69,100	7,701	* 86
Casualty loss, Form 8829 [3]	* 1,488	0	* 10	* 1,478	0	0
Excess—casualty depreciations, Form 8829 [3]	9,658	* 775	* 147	8,737	* 34	0
Net income [1,2]	33,097,728	6,452,358	1,041,859	25,603,511	3,912,925	255,492
Returns with Schedule C-EZ:						
Number of returns	470,338	71,387	* 5,292	393,660	42,863	* 4,026
Business receipts	3,702,179	473,714	* 100,105	3,128,360	322,269	* 65,185
Business deductions	401,099	61,579	* 6,457	333,063	33,327	* 3,167
Net income	3,301,079	412,135	* 93,647	2,795,297	288,942	* 62,019

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Manufacturing—continued						
	Textile and textile product mills	Apparel	Leather and allied products	Wood products	Paper products	Printing and related support activities	Petroleum and coal products
	(18)	(19)	(20)	(21)	(22)	(23)	(24)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	9,074	28,087	* 4,086	30,502	* 999	39,280	27
Business receipts, total [1,2]	332,827	933,968	* 111,031	2,489,622	* 66,624	2,670,010	61,547
Income from sales and operations [1]	332,815	930,074	* 110,359	2,481,846	* 53,436	2,623,462	61,547
Other business income	* 12	3,894	* 671	7,776	* 13,189	46,548	* 1
Business deductions, total [1,2]	345,529	812,016	* 81,864	2,385,532	* 67,125	2,403,098	70,369
Cost of sales and operations, total	193,606	312,288	* 57,769	1,421,444	* 45,556	1,120,369	* 22,683
Inventory, beginning of year	* 21,609	96,031	* 46,647	200,045	* 2,191	45,525	* [4]
Cost of labor	* 71,152	* 34,282	* 5,296	213,673	0	78,447	0
Purchases	* 72,380	208,923	* 4,985	600,373	* 24,121	750,121	* 14,416
Materials and supplies	* 34,418	44,857	* 49,125	395,785	* 13,190	132,049	0
Other costs	* 16,778	9,806	* 523	216,426	* 7,720	155,481	* 8,267
Inventory, end of year	* 22,733	81,611	* 48,808	204,856	* 1,665	41,254	0
Advertising expenses	* 2,374	16,692	* 3,044	15,488	* 31	50,059	* 635
Car and truck expenses	8,385	52,143	* 809	61,995	* 4,975	110,296	* 50
Commissions	* 482	2,174	* 39	* 3,014	* 512	9,126	* 808
Contract labor	* 320	3,550	* 54	23,500	0	18,954	* 572
Depletion	0	* 5	0	* 18	0	* 1,381	* 71
Depreciation	28,209	16,819	* 2,053	161,511	* 1,593	85,527	4,250
Employee benefit programs	* 650	* 1,417	0	10,824	0	7,271	* 509
Insurance	6,984	5,878	* 1,267	47,445	* 1,309	33,781	* 740
Legal and professional services	4,511	14,905	* 139	12,624	* 235	15,365	* 1,251
Meals and entertainment deducted	513	2,913	* 7	1,055	* 3	10,646	* 15
Mortgage interest	* 6	* 29	0	16,561	* 508	* 6,786	* 602
Other interest paid on business indebtedness	* 3,415	9,533	0	18,478	* 1	49,995	* 5,503
Office expenses	2,075	9,474	* 235	8,647	* 160	24,789	* 2,672
Pension and profit-sharing plans	* 4	* 28	0	* 852	0	* 977	* 341
Rent paid on machinery and equipment	* 1,516	1,984	0	12,122	* 64	35,890	* 604
Rent paid on other business property	* 8,525	55,117	* 528	29,347	* 324	128,335	* 727
Repairs	3,487	5,264	* 375	60,605	* 544	34,102	* 531
Supplies	5,549	15,156	* 528	45,384	* 5	83,497	* 899
Salaries and wages	* 16,047	132,531	* 4,415	156,355	* 5,174	233,387	* 7,541
Taxes paid	13,534	19,382	* 191	45,227	* 587	48,588	* 761
Travel	5,430	25,665	* 308	11,315	* 206	20,403	* 1,048
Utilities	10,634	27,687	* 5,359	65,581	* 1,111	81,398	* 520
Other business deductions	13,672	73,936	* 4,745	140,477	* 653	164,377	17,037
Home office business deductions, total	* 14,878	* 4,303	0	* 13,334	* 3,574	25,427	0
Depreciation, Form 8829 [3]	* 558	* 1,023	0	* 3,486	0	5,066	0
Casualty loss, Form 8829 [3]	0	0	0	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	0	* 4,264	0	* 4,397	0	* 8,519	0
Net income less deficit [1,2]	-12,604	121,901	* 29,166	104,091	* -500	268,938	-8,822
Net income [1,2]	* 23,334	209,933	* 33,546	229,740	* 1,699	450,303	* 3,322
Deficit [2]	35,939	88,032	* 4,380	125,649	* 2,199	181,365	* 12,144

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Manufacturing—continued						
	Textile and textile product mills	Apparel	Leather and allied products	Wood products	Paper products	Printing and related support activities	Petroleum and coal products
	(18)	(19)	(20)	(21)	(22)	(23)	(24)
BUSINESSES WITH NET INCOME							
Number of returns [1]	* 3,468	20,078	* 2,071	18,587	* 994	22,882	* 16
Business receipts, total [1,2]	* 284,125	688,020	* 48,412	1,837,174	* 41,092	1,951,690	* 32,887
Income from sales and operations [1]	* 284,097	687,751	* 48,412	1,831,233	* 27,904	1,907,749	* 32,886
Other business income	* 28	* 269	0	* 5,941	* 13,189	43,942	* 1
Business deductions, total [1,2]	* 260,791	478,037	* 14,866	1,607,434	* 39,393	1,501,387	* 29,565
Cost of sales and operations, total	* 177,383	140,548	* 4,430	934,137	* 29,248	796,078	* 12,827
Inventory, beginning of year	* 15,196	* 21,399	* 31,156	90,195	0	34,014	0
Cost of labor	* 70,073	* 6,078	0	143,534	0	* 29,176	0
Purchases	* 62,327	* 95,381	* 4,985	451,357	* 13,190	571,269	* 7,525
Materials and supplies	* 31,308	* 36,730	* 102	235,055	* 13,190	110,020	0
Other costs	* 15,326	* 993	0	106,452	* 2,868	81,850	* 5,302
Inventory, end of year	* 16,847	* 20,034	* 31,813	92,458	0	* 30,252	0
Advertising expenses	* 1,517	13,195	* 1,214	10,466	0	15,715	* 33
Car and truck expenses	* 1,761	33,278	* 63	35,846	* 4,964	64,004	* 47
Commissions	* 21	* 923	* 39	* 2,956	0	* 3,018	* 174
Contract labor	* 31	* 976	0	* 21,176	0	3,892	0
Depletion	0	* 5	0	0	0	0	* 70
Depreciation	* 5,711	2,980	* 520	95,675	0	53,962	* 1,579
Employee benefit programs	* 503	* 557	0	* 8,574	0	* 1,980	0
Insurance	* 5,241	2,767	* 373	32,469	* 528	21,423	* 353
Legal and professional services	* 843	11,190	100	7,733	0	8,258	* 422
Meals and entertainment deducted	* 41	* 1,644	* 7	465	0	7,890	* 15
Mortgage interest	* 6	0	0	* 13,771	0	* 5,873	* 62
Other interest paid on business indebtedness	* 2,308	* 6,962	0	6,113	0	25,578	* 2,756
Office expenses	* 887	8,831	* 235	4,869	* 112	9,314	* 150
Pension and profit-sharing plans	0	0	0	* 488	0	* 887	* 237
Rent paid on machinery and equipment	* 1,509	* 193	0	* 8,517	0	5,661	* 1
Rent paid on other business property	* 6,781	* 44,119	0	18,945	0	54,607	* 373
Repairs	* 2,670	3,259	* 283	49,751	* 201	13,912	* 20
Supplies	* 3,359	10,190	0	28,947	0	63,047	* 4
Salaries and wages	* 12,845	* 109,050	* 4,415	117,372	0	139,947	* 3,163
Taxes paid	* 12,792	15,390	* 25	34,294	* 98	38,066	* 209
Travel	* 1,620	* 15,440	* 222	8,110	0	8,739	* 445
Utilities	* 8,373	18,203	* 866	53,198	* 668	41,184	* 40
Other business deductions	* 10,462	35,147	* 2,074	103,166	0	101,110	* 6,588
Home office business deductions, total	* 3,403	* 46	0	* 8,069	* 3,574	* 14,868	0
Depreciation, Form 8829 [3]	* 557	* 9	0	* 107	0	* 498	0
Casualty loss, Form 8829 [3]	0	0	0	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	0	* 24	0	0	0	0	0
Net income [1,2]	* 23,334	209,933	* 33,546	229,740	* 1,699	450,303	* 3,322
Returns with Schedule C-EZ:							
Number of returns	* 1,027	* 5,349	0	* 2,350	0	* 4,307	0
Business receipts	* 806	* 60,448	0	* 17,670	0	* 38,243	0
Business deductions	* 722	* 3,144	0	* 2,328	0	* 2,374	0
Net income	* 84	* 57,304	0	* 15,342	0	* 35,869	0

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Manufacturing—continued						
	Chemical manufacturing	Plastic and rubber products	Nonmetallic mineral products	Primary metal industries	Fabricated metal products	Machinery	Computer and electronic products
	(25)	(26)	(27)	(28)	(29)	(30)	(31)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	7,720	4,566	13,538	6,750	24,804	22,926	10,244
Business receipts, total [1,2]	1,014,654	353,409	1,147,368	390,596	2,994,047	1,806,160	374,952
Income from sales and operations [1]	959,751	352,734	1,109,433	390,237	2,936,618	1,782,068	374,622
Other business income	* 54,903	* 675	* 37,935	* 359	57,429	* 24,091	* 329
Business deductions, total [1,2]	888,008	305,540	1,100,270	342,669	2,551,925	1,476,376	260,774
Cost of sales and operations, total	482,535	196,830	534,711	208,852	1,408,627	641,350	82,914
Inventory, beginning of year	42,883	* 11,013	68,941	* 9,106	122,642	194,481	34,776
Cost of labor	* 9,181	* 12,012	* 77,977	* 33,835	131,696	114,661	* 5,159
Purchases	324,495	* 48,680	342,077	148,292	819,470	407,147	* 58,253
Materials and supplies	* 85,977	* 132,798	80,259	* 12,357	232,749	70,666	* 10,415
Other costs	61,716	* 4,051	* 32,699	* 8,726	227,023	58,421	* 5,679
Inventory, end of year	41,716	* 11,723	67,241	* 3,463	124,953	204,027	31,368
Advertising expenses	8,104	* 771	7,058	* 439	14,449	11,922	5,589
Car and truck expenses	41,025	* 4,630	25,234	* 8,114	69,312	81,430	29,588
Commissions	7,470	* 1,231	* 2,834	* 12	9,233	28,282	* 2,361
Contract labor	47,390	* 1,407	* 11,127	* 1,087	35,320	28,800	* 7,040
Depletion	0	0	0	* [4]	0	0	* 351
Depreciation	22,113	11,149	56,283	12,125	159,203	68,064	15,637
Employee benefit programs	7,286	* 478	* 2,992	* 201	15,670	7,396	* 398
Insurance	17,337	5,984	37,433	7,898	41,415	37,865	3,014
Legal and professional services	7,187	* 2,959	18,017	2,390	18,559	20,949	3,885
Meals and entertainment deducted	1,056	1,294	2,787	* 61	5,040	4,846	1,221
Mortgage interest	* 1,622	* 47	* 7,057	* 12	7,704	* 13,177	* 367
Other interest paid on business indebtedness	6,121	* 3,844	4,161	* 1,813	24,093	18,699	* 171
Office expenses	11,322	* 1,535	3,218	* 1,929	23,549	9,787	7,875
Pension and profit-sharing plans	* 1,425	* 2,194	0	* 123	* 1,402	* 873	1
Rent paid on machinery and equipment	17,585	* 391	4,066	* 643	9,763	38,733	* 1,991
Rent paid on other business property	9,620	4,559	36,788	* 27,280	73,249	40,883	* 9,912
Repairs	14,278	1,449	8,476	2,842	45,495	25,572	1,322
Supplies	17,117	* 3,649	28,805	10,541	52,162	63,063	5,943
Salaries and wages	73,136	* 35,423	158,087	* 25,809	279,780	128,975	* 15,366
Taxes paid	11,222	6,134	23,912	3,966	44,774	41,040	5,125
Travel	3,898	* 4,773	8,296	* 757	13,194	6,060	6,858
Utilities	19,251	4,178	19,065	11,906	61,809	58,814	5,992
Other business deductions	55,974	9,076	91,950	13,538	124,001	91,082	31,850
Home office business deductions, total	* 2,513	* 1,554	* 7,098	0	* 4,545	* 7,000	16,002
Depreciation, Form 8829 [3]	* 1,039	* 328	* 409	0	* 45	* 954	* 1,873
Casualty loss, Form 8829 [3]	0	0	0	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	* 2,667	0	* 2,179	0	* 220	* 641	0
Net income less deficit [1,2]	126,562	48,262	47,097	48,011	442,122	335,600	121,279
Net income [1,2]	165,909	54,593	122,036	51,236	541,617	430,493	139,006
Deficit [2]	39,348	* 6,332	74,939	* 3,225	99,495	94,893	* 17,727

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Manufacturing—continued						
	Chemical manufacturing	Plastic and rubber products	Nonmetallic mineral products	Primary metal industries	Fabricated metal products	Machinery	Computer and electronic products
	(25)	(26)	(27)	(28)	(29)	(30)	(31)
BUSINESSES WITH NET INCOME							
Number of returns [1]	4,181	4,522	6,375	5,737	16,785	14,302	6,537
Business receipts, total [1,2]	886,538	347,270	746,617	380,486	2,549,153	1,405,875	313,611
Income from sales and operations [1]	831,854	346,677	740,189	380,137	2,495,465	1,396,444	313,318
Other business income	* 54,684	* 592	* 6,428	* 348	53,689	* 9,431	* 293
Business deductions, total [1,2]	720,628	* 293,069	624,581	329,249	2,007,537	975,382	174,605
Cost of sales and operations, total	404,566	* 189,632	321,783	* 201,075	1,107,877	499,572	* 60,521
Inventory, beginning of year	30,722	* 9,708	* 35,358	* 8,989	77,141	116,949	* 24,683
Cost of labor	* 7,445	* 10,156	* 71,581	* 33,488	116,667	111,125	5,159
Purchases	288,808	* 46,719	* 166,443	* 147,842	587,743	267,594	* 41,690
Materials and supplies	* 67,090	* 132,283	* 68,909	* 11,951	211,484	67,201	* 7,837
Other costs	* 39,939	* 1,015	* 22,154	* 2,151	195,676	58,322	* 5,677
Inventory, end of year	* 29,437	* 10,248	* 42,662	* 3,346	80,833	121,618	* 24,526
Advertising expenses	5,470	* 765	1,646	* 409	11,810	6,473	* 5,234
Car and truck expenses	34,052	* 4,628	* 14,143	* 8,001	56,193	53,180	23,460
Commissions	* 2,369	* 1,166	* 8	0	9,211	* 27,051	* 333
Contract labor	44,695	* 1,407	* 859	* 1,087	28,213	* 8,729	* 3,817
Depletion	0	0	0	0	0	0	0
Depreciation	14,038	* 8,825	30,259	* 10,939	87,551	43,387	* 6,546
Employee benefit programs	* 4,266	* 409	* 1,849	* 156	13,331	5,913	* 396
Insurance	15,317	* 5,419	31,860	* 7,631	36,821	24,661	* 1,057
Legal and professional services	4,608	2,870	5,063	2,148	14,437	5,860	1,913
Meals and entertainment deducted	794	* 1,290	* 2,248	* 55	4,359	3,513	* 791
Mortgage interest	* 505	* 47	* 1,077	* 12	3,274	* 312	* 367
Other interest paid on business indebtedness	* 4,298	* 3,717	* 1,988	* 1,735	20,594	11,962	* 40
Office expenses	10,342	* 1,535	* 1,799	* 1,761	18,261	5,786	3,176
Pension and profit-sharing plans	* 839	* 2,194	0	* 123	* 1,365	* 873	* 1
Rent paid on machinery and equipment	* 14,658	* 349	* 942	* 468	8,259	2,441	317
Rent paid on other business property	* 5,292	* 4,474	* 8,562	* 27,109	58,414	30,669	* 8,896
Repairs	6,076	* 1,391	* 4,708	* 2,669	41,317	17,978	* 1,126
Supplies	12,955	* 3,628	* 16,439	* 10,486	37,440	25,010	2,969
Salaries and wages	* 59,187	* 34,490	* 113,529	* 24,234	253,865	92,979	* 7,957
Taxes paid	8,498	* 5,957	11,763	* 3,773	33,320	24,634	* 3,120
Travel	2,594	* 4,722	* 5,581	* 746	10,524	2,546	* 5,915
Utilities	17,366	* 4,020	9,606	* 11,274	49,622	35,093	4,250
Other business deductions	46,882	* 8,580	37,592	* 13,028	91,873	40,547	20,366
Home office business deductions, total	* 107	* 1,554	* 463	0	* 29	* 4,499	* 12,037
Depreciation, Form 8829 [3]	* 15	* 328	* 4	0	* 1	* 324	* 1,850
Casualty loss, Form 8829 [3]	0	0	0	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	0	0	0	0	0	* 10	0
Net income [1,2]	165,909	54,593	122,036	51,236	541,617	430,493	139,006
Returns with Schedule C-EZ:							
Number of returns	* 2,030	* 3,013	* 2,001	* 1,116	* 4,016	* 2,008	* 1,523
Business receipts	* 3,032	* 25,965	* 2,352	* 1,754	* 24,607	* 20,813	* 12,648
Business deductions	* 1,421	* 2	* 813	* 332	* 9,577	* 1,712	0
Net income	* 1,610	* 25,964	* 1,539	* 1,422	* 15,030	* 19,102	* 12,648

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—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.
	(32)	(33)	(34)	(35)	(36)	(37)
BUSINESSES WITH AND WITHOUT NET INCOME						
Number of returns [1]	4,904	10,826	23,145	67,511	335,440	137,205
Business receipts, total [1,2]	780,356	741,298	1,602,114	3,590,896	43,969,589	18,154,630
Income from sales and operations [1]	773,634	734,509	1,541,231	3,560,508	43,724,867	18,008,979
Other business income	6,722	* 6,789	* 60,883	30,389	244,722	145,651
Business deductions, total [1,2]	710,860	770,792	1,276,733	3,246,612	40,525,823	17,022,182
Cost of sales and operations, total	478,073	354,620	565,616	1,751,623	29,984,377	12,565,622
Inventory, beginning of year	68,079	145,164	57,516	288,556	3,516,793	2,078,268
Cost of labor	* 24,901	33,790	* 40,858	205,364	342,698	200,996
Purchases	331,242	297,711	225,208	927,112	29,278,091	11,195,215
Materials and supplies	* 68,066	* 6,672	98,073	306,115	1,206,339	446,898
Other costs	68,476	13,643	200,807	345,902	1,914,998	686,544
Inventory, end of year	82,691	142,360	56,845	321,426	6,274,542	2,042,299
Advertising expenses	16,032	3,415	34,723	60,266	310,057	179,059
Car and truck expenses	10,315	42,832	91,434	131,735	1,507,870	492,070
Commissions	* 5,503	* 35	* 1,151	69,188	449,689	240,318
Contract labor	* 18,308	* 1,005	49,059	13,866	301,480	131,932
Depletion	0	0	0	* 4	1,139	970
Depreciation	10,566	20,646	61,335	123,155	528,902	257,029
Employee benefit programs	* 2,875	* 4,628	* 9,869	14,313	50,796	20,703
Insurance	5,839	6,762	17,414	32,411	280,807	132,308
Legal and professional services	3,799	4,616	7,012	55,280	204,322	73,428
Meals and entertainment deducted	678	4,957	2,112	15,366	146,799	59,475
Mortgage interest	* 16,061	* 11,625	* 15,630	12,868	91,937	64,230
Other interest paid on business indebtedness	6,119	3,519	2,311	34,906	174,430	96,321
Office expenses	3,388	4,274	7,969	30,224	228,718	107,942
Pension and profit-sharing plans	* 1,642	* 109	0	1,374	30,546	14,116
Rent paid on machinery and equipment	* 4,904	29,985	* 8,737	15,344	151,122	77,046
Rent paid on other business property	16,774	46,888	39,017	140,599	633,014	248,006
Repairs	6,727	23,736	12,198	20,471	248,759	111,846
Supplies	15,365	45,552	76,278	60,367	623,046	260,217
Salaries and wages	34,194	51,185	81,310	257,272	1,313,726	590,394
Taxes paid	7,032	12,096	23,396	58,820	308,365	141,826
Travel	3,528	7,448	7,892	39,587	395,320	160,724
Utilities	7,598	31,839	34,232	64,311	462,981	197,145
Other business deductions	34,749	57,305	105,497	219,752	1,912,098	731,763
Home office business deductions, total	792	* 823	* 22,540	16,663	150,874	58,061
Depreciation, Form 8829 [3]	0	* 84	* 4,547	* 1,241	19,729	8,956
Casualty loss, Form 8829 [3]	0	0	0	0	* 280	* 280
Excess—casualty depreciations, Form 8829 [3]	0	* 134	* 2,446	* 2,671	23,884	5,338
Net income less deficit [1,2]	69,649	-29,133	325,381	354,165	3,476,701	1,145,636
Net income [1,2]	124,909	51,080	427,878	596,796	4,944,966	1,722,867
Deficit [2]	55,260	80,212	102,497	242,632	1,468,264	577,232

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—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.
	(32)	(33)	(34)	(35)	(36)	(37)
BUSINESSES WITH NET INCOME						
Number of returns [1]	4,570	4,076	15,491	39,658	210,747	83,832
Business receipts, total [1,2]	571,354	525,534	1,409,843	2,550,871	36,289,230	15,422,902
Income from sales and operations [1]	568,435	523,518	1,348,113	2,531,513	36,092,390	15,302,904
Other business income	* 2,919	* 2,016	* 61,730	19,358	196,840	119,999
Business deductions, total [1,2]	446,445	474,736	981,965	1,953,660	31,346,262	13,701,769
Cost of sales and operations, total	292,845	* 234,405	483,182	1,082,995	24,325,534	10,735,473
Inventory, beginning of year	* 51,592	* 67,725	53,127	127,771	2,374,538	1,487,703
Cost of labor	* 24,035	* 8,853	* 40,735	133,095	216,596	121,971
Purchases	155,686	* 209,662	199,420	525,025	24,230,659	9,707,420
Materials and supplies	* 67,457	* 1,685	98,028	243,339	1,007,039	316,603
Other costs	* 55,855	* 5,305	145,649	189,861	1,592,640	564,660
Inventory, end of year	* 61,779	* 58,826	53,776	136,096	5,095,937	1,462,885
Advertising expenses	3,777	* 1,295	3,525	33,403	208,618	129,273
Car and truck expenses	10,307	* 18,921	47,648	87,680	1,013,575	343,730
Commissions	* 1,324	* 19	* 1,126	63,691	371,945	203,196
Contract labor	* 12,431	* 7	* 47,417	11,471	206,045	84,726
Depletion	0	0	0	* [4]	* 645	* 578
Depreciation	9,670	* 10,240	36,198	47,611	311,262	149,659
Employee benefit programs	* 1,830	* 4,022	* 9,869	9,221	43,055	17,415
Insurance	4,450	4,552	15,627	23,281	195,126	85,930
Legal and professional services	2,289	1,753	3,631	14,853	124,380	47,498
Meals and entertainment deducted	650	* 96	1,867	9,269	102,284	36,101
Mortgage interest	* 16,061	* 9,873	* 7,454	* 2,718	58,369	44,408
Other interest paid on business indebtedness	* 3,489	* 1,230	2,309	15,625	94,599	43,998
Office expenses	2,649	* 2,229	3,697	18,765	123,108	57,119
Pension and profit-sharing plans	* 1,435	* 43	0	* 954	29,705	13,975
Rent paid on machinery and equipment	* 30	* 17,640	* 8,736	6,945	111,334	60,426
Rent paid on other business property	13,454	* 30,655	35,859	97,547	426,251	147,710
Repairs	3,171	* 18,490	8,218	14,833	137,683	48,584
Supplies	8,790	* 41,904	30,404	40,121	400,080	184,991
Salaries and wages	* 28,422	* 14,830	75,994	142,415	955,601	441,642
Taxes paid	3,851	6,511	14,536	33,935	213,516	91,961
Travel	2,373	* 208	6,845	21,985	245,412	90,884
Utilities	6,240	* 22,847	17,910	38,083	319,464	130,671
Other business deductions	16,115	32,073	101,137	124,591	1,186,838	461,921
Home office business deductions, total	* 792	0	* 18,778	* 4,822	107,206	40,268
Depreciation, Form 8829 [3]	0	0	* 3,324	* 599	11,195	4,573
Casualty loss, Form 8829 [3]	0	0	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	0	0	0	0	1,225	* 109
Net income [1,2]	124,909	51,080	427,878	596,796	4,944,966	1,722,867
Returns with Schedule C-EZ:						
Number of returns	* 41	* 1,011	0	9,044	30,616	11,570
Business receipts	* 7,244	* 3,374	0	38,126	241,720	60,941
Business deductions	0	* 891	0	* 6,845	34,648	9,631
Net income	* 7,244	* 2,484	0	31,281	207,072	51,310

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Wholesale trade (merchant wholesalers)—continued		Retail trade				
	Nondurable goods, including food, fiber, chemicals, etc.	Wholesale electronic markets and agents and brokers	Total	Motor vehicle and parts dealers	Furniture and home furnishing stores	Electronic and appliance stores	Building material and garden equipment and supplies dealers
	(38)	(39)	(40)	(41)	(42)	(43)	(44)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	124,487	73,747	2,272,454	145,971	36,773	31,309	39,912
Business receipts, total [1,2]	19,144,454	6,670,505	179,053,369	34,066,040	3,749,799	4,182,374	8,133,185
Income from sales and operations [1]	19,070,396	6,645,491	176,809,295	33,673,762	3,694,898	4,166,663	8,092,673
Other business income	74,058	25,013	2,244,074	392,278	54,901	15,711	40,512
Business deductions, total [1,2]	17,688,893	5,814,748	170,878,940	33,213,669	3,369,623	3,896,152	7,452,715
Cost of sales and operations, total	13,178,128	4,240,627	118,158,636	26,100,766	1,908,044	2,573,858	5,244,707
Inventory, beginning of year	1,206,276	232,249	22,359,350	5,613,702	628,063	344,361	1,089,301
Cost of labor	94,609	47,093	2,280,916	352,774	145,669	190,956	177,348
Purchases	14,320,954	3,761,922	105,773,889	23,471,084	1,527,692	2,283,366	4,484,526
Materials and supplies	513,642	245,799	5,898,242	1,064,710	154,454	26,047	262,167
Other costs	1,035,141	193,313	3,929,722	814,650	83,372	71,831	387,070
Inventory, end of year	3,992,494	239,749	22,083,482	5,216,155	631,206	342,703	1,155,705
Advertising expenses	84,926	46,071	1,974,678	274,486	103,063	53,286	86,553
Car and truck expenses	648,108	367,692	5,678,100	499,898	118,747	117,428	170,741
Commissions	169,961	39,410	1,062,988	189,278	17,911	28,258	31,706
Contract labor	105,817	63,732	1,209,836	233,870	39,558	74,863	62,524
Depletion	* 169	0	2,962	* 167	* 71	* 1	* 8
Depreciation	220,753	51,120	2,479,595	322,068	45,465	65,374	180,909
Employee benefit programs	26,693	* 3,400	264,937	42,010	20,503	14,196	18,355
Insurance	120,427	28,072	1,379,375	294,795	44,279	45,904	86,605
Legal and professional services	104,627	26,267	836,882	101,131	20,843	14,507	29,107
Meals and entertainment deducted	46,833	40,490	414,768	44,999	11,837	9,790	8,873
Mortgage interest	24,394	3,313	656,127	110,217	33,054	17,775	47,415
Other interest paid on business indebtedness	62,879	15,230	1,014,956	311,021	16,211	15,591	62,306
Office expenses	82,002	38,774	1,036,475	147,792	25,508	29,289	44,533
Pension and profit-sharing plans	12,654	* 3,777	54,477	24,227	* 1,842	* 167	2,939
Rent paid on machinery and equipment	48,386	25,690	621,516	52,556	14,020	19,725	12,313
Rent paid on other business property	287,726	97,282	5,950,857	678,152	195,595	124,367	115,424
Repairs	118,177	18,736	1,178,987	240,514	21,062	18,068	60,440
Supplies	288,303	74,526	2,333,722	285,169	36,333	106,914	71,861
Salaries and wages	598,262	125,069	7,890,568	1,047,846	219,091	175,194	482,884
Taxes paid	139,950	26,588	2,650,967	429,326	76,523	64,996	124,398
Travel	129,507	105,089	905,083	95,777	33,701	19,753	16,401
Utilities	199,856	65,980	3,505,862	426,774	94,937	92,980	193,429
Other business deductions	917,971	262,364	8,586,132	1,218,371	238,638	175,993	274,376
Home office business deductions, total	56,854	35,960	812,169	22,666	29,005	35,912	22,523
Depreciation, Form 8829 [3]	7,869	2,904	115,856	2,714	1,695	* 2,073	843
Casualty loss, Form 8829 [3]	0	0	* 3,759	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	17,783	* 763	175,998	* 603	* 657	* 5,117	* 1,341
Net income less deficit [1,2]	1,474,653	856,412	8,304,050	871,542	380,814	286,221	677,095
Net income [1,2]	2,102,543	1,119,555	16,200,801	1,887,457	537,521	403,515	827,879
Deficit [2]	627,890	263,143	7,896,751	1,015,915	156,707	117,293	150,784

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Wholesale trade (merchant wholesalers)—continued		Retail trade				
	Nondurable goods, including food, fiber, chemicals, etc.	Wholesale electronic markets and agents and brokers	Total	Motor vehicle and parts dealers	Furniture and home furnishing stores	Electronic and appliance stores	Building material and garden equipment and supplies dealers
	(38)	(39)	(40)	(41)	(42)	(43)	(44)
BUSINESSES WITH NET INCOME							
Number of returns [1]	77,711	49,204	1,189,104	94,293	25,706	20,754	28,468
Business receipts, total [1,2]	15,534,392	5,331,936	139,384,225	24,524,228	2,792,311	3,490,193	6,926,513
Income from sales and operations [1]	15,476,852	5,312,634	137,604,467	24,233,935	2,751,276	3,477,796	6,895,090
Other business income	57,539	19,302	1,779,758	290,293	41,035	12,397	31,423
Business deductions, total [1,2]	13,432,113	4,212,381	123,190,712	22,637,929	2,254,790	3,086,678	6,095,259
Cost of sales and operations, total	10,403,828	3,186,233	89,421,272	18,368,570	1,353,899	2,076,731	4,394,372
Inventory, beginning of year	775,871	110,964	12,945,128	2,985,177	345,113	262,733	852,747
Cost of labor	55,961	* 38,663	1,752,693	213,193	98,152	* 166,940	146,798
Purchases	11,743,616	2,779,623	80,084,260	16,816,066	1,074,138	1,816,073	3,673,975
Materials and supplies	452,316	* 238,120	4,699,568	735,400	115,149	25,349	253,957
Other costs	904,956	123,024	2,976,438	508,190	45,823	68,496	382,630
Inventory, end of year	3,528,892	104,160	13,036,814	2,889,456	324,476	262,860	915,734
Advertising expenses	49,672	29,674	1,223,845	144,083	64,680	32,803	60,898
Car and truck expenses	440,948	228,897	3,367,706	304,768	88,552	98,171	117,724
Commissions	130,808	37,941	796,639	138,637	14,030	* 3,636	29,135
Contract labor	71,893	49,425	830,247	162,527	23,652	52,666	54,526
Depletion	* 66	0	2,664	* 4	* 65	0	* 7
Depreciation	119,740	41,863	1,355,133	164,628	22,105	51,894	136,231
Employee benefit programs	22,984	* 2,656	181,819	24,876	13,553	10,254	12,719
Insurance	90,531	18,665	909,782	172,747	27,561	31,113	63,428
Legal and professional services	64,610	12,271	504,309	54,569	12,666	10,991	24,275
Meals and entertainment deducted	40,785	25,399	230,596	23,207	8,001	8,249	8,599
Mortgage interest	13,569	* 392	390,091	58,803	13,468	* 14,860	29,312
Other interest paid on business indebtedness	41,987	8,615	519,854	122,021	8,375	6,959	51,929
Office expenses	47,285	18,704	653,124	91,489	16,624	20,610	39,947
Pension and profit-sharing plans	11,967	* 3,763	53,102	23,520	* 1,840	* 165	2,939
Rent paid on machinery and equipment	30,214	20,694	349,312	39,980	7,558	12,798	8,019
Rent paid on other business property	212,600	65,941	3,934,625	390,161	107,251	98,676	103,950
Repairs	79,317	9,782	777,488	151,415	11,196	13,527	51,737
Supplies	171,768	43,321	1,437,410	187,940	28,147	98,021	58,140
Salaries and wages	420,234	93,724	5,578,586	614,234	142,605	130,998	355,897
Taxes paid	104,545	17,009	1,812,199	280,834	49,342	50,535	93,851
Travel	91,678	62,850	521,860	63,166	30,191	10,706	13,375
Utilities	141,904	46,889	2,262,973	251,279	52,368	76,314	149,557
Other business deductions	572,353	152,564	5,377,523	770,975	127,080	142,924	219,752
Home office business deductions, total	41,318	25,620	489,090	13,704	26,199	* 31,114	13,549
Depreciation, Form 8829 [3]	3,731	2,892	52,249	2,550	* 1,308	* 1,695	* 468
Casualty loss, Form 8829 [3]	0	0	* 681	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	* 370	* 746	16,999	0	0	* 1,934	* 0
Net income [1,2]	2,102,543	1,119,555	16,200,801	1,887,457	537,521	403,515	827,879
Returns with Schedule C-EZ:							
Number of returns	7,155	11,891	257,997	22,149	* 4,662	* 3,018	* 2,986
Business receipts	54,051	126,728	1,508,543	254,261	* 28,584	* 10,083	* 16,716
Business deductions	* 15,529	* 9,488	218,283	19,793	* 3,781	* 1,962	* 1,388
Net income	38,522	117,240	1,290,260	234,468	* 24,803	* 8,121	* 15,327

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Retail trade—continued						
	Food and beverage stores	Health and personal care stores	Gasoline stations	Clothing and accessories stores	Sporting goods, hobby, book, and music stores	General merchandise stores	Miscellaneous store retailers
	(45)	(46)	(47)	(48)	(49)	(50)	(51)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	98,915	116,808	20,706	126,653	101,666	28,828	581,525
Business receipts, total [1,2]	27,835,689	8,420,842	23,435,375	8,589,688	6,897,403	2,719,761	30,172,130
Income from sales and operations [1]	27,393,862	8,308,226	23,230,373	8,517,333	6,855,497	2,724,167	29,728,604
Other business income	441,827	112,616	205,002	72,355	41,905	-4,405	443,527
Business deductions, total [1,2]	26,804,853	7,903,720	23,238,093	8,086,967	6,871,121	2,637,542	27,831,237
Cost of sales and operations, total	20,228,564	5,362,568	20,151,446	4,531,699	4,201,865	1,800,442	16,364,801
Inventory, beginning of year	1,919,664	677,866	792,883	2,045,619	2,208,433	447,597	4,824,356
Cost of labor	314,486	* 47,786	203,331	23,607	62,260	* 30,384	401,167
Purchases	18,670,692	5,048,275	18,025,348	4,154,275	3,999,712	1,635,602	14,140,182
Materials and supplies	875,327	177,974	1,216,020	210,184	153,345	64,338	1,113,735
Other costs	370,279	90,828	534,390	142,102	61,323	77,364	736,566
Inventory, end of year	1,921,885	680,161	620,526	2,044,087	2,283,209	454,842	4,851,206
Advertising expenses	126,440	148,167	34,311	184,937	95,723	25,780	418,326
Car and truck expenses	259,096	187,946	41,197	168,739	158,604	100,196	1,500,471
Commissions	62,698	26,788	58,686	61,364	19,731	* 1,148	246,894
Contract labor	70,048	103,474	19,915	40,075	82,034	51,644	250,732
Depletion	* 32	0	0	0	* 1,927	* 58	371
Depreciation	284,847	108,437	216,637	116,641	127,797	40,614	545,753
Employee benefit programs	33,216	19,182	9,179	10,854	11,027	* 3,266	45,029
Insurance	182,058	51,940	88,561	76,042	58,722	29,700	280,351
Legal and professional services	74,425	42,646	40,132	61,602	46,240	8,252	192,507
Meals and entertainment deducted	21,607	19,778	2,159	16,803	18,904	9,642	99,399
Mortgage interest	110,272	15,133	96,216	19,664	17,341	16,454	117,042
Other interest paid on business indebtedness	118,988	25,928	73,509	56,939	58,012	8,746	178,442
Office expenses	49,700	57,393	19,583	72,278	54,760	19,401	241,182
Pension and profit-sharing plans	655	11,143	1,163	3,655	* 715	64	6,119
Rent paid on machinery and equipment	64,357	77,322	32,202	19,317	29,238	6,914	210,883
Rent paid on other business property	837,574	279,154	376,102	973,818	372,466	124,598	1,513,532
Repairs	191,356	39,120	109,450	45,052	39,952	19,783	222,077
Supplies	305,586	109,666	51,674	130,041	137,343	21,395	387,100
Salaries and wages	1,581,430	537,729	755,739	509,837	452,445	102,625	1,535,978
Taxes paid	481,129	87,670	278,809	200,080	145,314	53,172	501,762
Travel	12,798	58,893	4,860	65,900	41,946	17,311	215,198
Utilities	689,742	121,826	307,744	220,045	159,628	77,262	696,512
Other business deductions	996,478	359,608	465,613	444,686	483,588	88,498	1,842,298
Home office business deductions, total	16,015	45,848	* 3,206	47,913	49,794	* 3,158	166,047
Depreciation, Form 8829 [3]	* 1,053	8,369	* 78	8,779	6,264	* 383	25,510
Casualty loss, Form 8829 [3]	0	* 143	0	0	* 98	0	0
Excess—casualty depreciations, Form 8829 [3]	* 665	10,921	* 80	13,902	10,370	* 1,134	37,274
Net income less deficit [1,2]	1,039,258	517,649	197,165	504,699	29,280	82,219	2,371,867
Net income [1,2]	1,394,145	973,930	419,063	1,038,941	588,009	214,920	4,225,851
Deficit [2]	354,887	456,281	221,899	534,242	558,728	132,701	1,853,983

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Retail trade—continued						
	Food and beverage stores	Health and personal care stores	Gasoline stations	Clothing and accessories stores	Sporting goods, hobby, book, and music stores	General merchandise stores	Miscellaneous store retailers
	(45)	(46)	(47)	(48)	(49)	(50)	(51)
BUSINESSES WITH NET INCOME							
Number of returns [1]	62,409	50,433	13,490	64,413	47,909	15,799	329,298
Business receipts, total [1,2]	23,564,991	7,710,799	17,003,118	6,755,876	4,721,830	1,997,290	23,202,163
Income from sales and operations [1]	23,158,328	7,618,247	16,894,097	6,704,101	4,696,257	1,989,793	22,851,884
Other business income	406,663	92,552	109,021	51,776	25,573	* 7,497	350,279
Business deductions, total [1,2]	22,170,845	6,736,873	16,584,040	5,718,789	4,134,185	1,782,370	18,976,678
Cost of sales and operations, total	16,984,205	4,932,367	14,503,967	3,432,053	2,729,009	1,374,903	12,060,392
Inventory, beginning of year	1,568,564	490,966	628,330	1,314,992	1,022,203	337,931	2,366,368
Cost of labor	282,148	* 47,367	* 172,771	17,651	48,551	* 28,630	245,476
Purchases	15,555,796	4,672,577	12,905,352	3,222,845	2,618,682	1,221,702	10,432,928
Materials and supplies	827,639	153,017	940,340	107,123	138,175	* 45,743	935,585
Other costs	341,558	79,242	294,622	95,223	22,635	* 73,512	585,837
Inventory, end of year	1,591,498	510,803	437,448	1,325,781	1,121,236	332,615	2,505,801
Advertising expenses	94,879	101,767	25,356	119,211	49,940	10,804	262,877
Car and truck expenses	190,610	63,338	31,710	86,457	75,033	28,546	884,428
Commissions	60,060	21,319	33,861	39,676	11,362	* 998	179,161
Contract labor	55,843	91,828	9,825	13,385	43,736	* 14,097	191,306
Depletion	* 32	0	0	0	* 1,927	0	* 334
Depreciation	201,745	45,125	114,789	59,096	68,464	26,255	234,020
Employee benefit programs	23,271	16,276	4,040	7,890	8,828	* 3,224	29,313
Insurance	146,962	42,638	60,938	46,920	29,576	13,521	175,416
Legal and professional services	58,972	28,997	25,554	39,597	16,540	4,743	130,625
Meals and entertainment deducted	5,004	8,506	1,076	9,091	9,896	3,335	59,447
Mortgage interest	68,815	12,612	62,999	13,462	10,172	* 8,622	79,454
Other interest paid on business indebtedness	87,418	16,293	33,898	31,536	22,808	* 4,401	85,709
Office expenses	35,293	30,965	14,036	46,301	30,976	7,528	144,389
Pension and profit-sharing plans	* 519	11,128	1,027	3,641	* 715	* 64	5,852
Rent paid on machinery and equipment	31,007	70,732	16,377	13,145	4,636	* 3,279	99,669
Rent paid on other business property	674,728	224,790	255,012	663,007	164,644	85,303	937,997
Repairs	146,507	33,229	67,551	29,455	24,638	6,883	116,111
Supplies	248,180	80,587	33,840	64,991	93,827	5,552	180,107
Salaries and wages	1,291,534	481,930	540,403	367,859	231,335	54,293	1,048,302
Taxes paid	394,440	73,865	183,312	151,332	94,406	35,013	290,728
Travel	9,886	18,276	3,106	39,257	15,039	3,918	138,627
Utilities	545,626	87,394	222,454	134,496	94,707	41,699	385,239
Other business deductions	796,974	207,146	336,097	270,477	286,231	35,377	1,092,929
Home office business deductions, total	* 12,594	30,086	* 2,812	27,469	* 9,733	* 2,592	114,445
Depreciation, Form 8829 [3]	* 554	* 3,100	0	2,785	* 1,695	0	14,808
Casualty loss, Form 8829 [3]	0	0	0	0	* 98	0	0
Excess—casualty depreciations, Form 8829 [3]	* 166	* 130	0	* 724	* 1,900	0	* 1,790
Net income [1,2]	1,394,145	973,930	419,063	1,038,941	588,009	214,920	4,225,851
Returns with Schedule C-EZ:							
Number of returns	9,032	14,722	* 1,990	* 6,039	* 5,630	* 3,299	88,275
Business receipts	34,109	46,025	* 74,291	* 74,061	* 13,144	* 19,795	473,931
Business deductions	* 5,741	6,361	0	* 8,986	* 6,006	* 7,420	52,430
Net income	28,369	39,664	* 74,291	* 65,075	* 7,138	* 12,375	421,501

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Retail trade—continued	Transportation and warehousing					
	Nonstore retailers	Total	Air and rail transportation	Water transportation	Truck transportation	Other transit and ground transportation	Pipeline transportation
	(52)	(53)	(54)	(55)	(56)	(57)	(58)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	943,389	1,077,347	13,258	4,642	605,255	** 206,468	**
Business receipts, total [1,2]	20,851,084	70,764,298	1,311,074	815,622	52,855,874	** 6,081,589	**
Income from sales and operations [1]	20,423,238	69,561,866	1,185,104	792,155	52,075,767	** 6,026,948	**
Other business income	427,846	1,202,432	125,970	23,467	780,108	** 54,641	**
Business deductions, total [1,2]	19,573,248	61,484,439	1,629,547	654,724	46,060,773	** 4,338,140	**
Cost of sales and operations, total	9,689,877	8,098,595	523,934	241,680	5,469,509	** 120,916	**
Inventory, beginning of year	1,767,504	284,870	131,743	* 2,753	102,986	** 201	**
Cost of labor	331,148	1,083,418	* 8,862	* 41,352	878,850	** 18,237	**
Purchases	8,333,134	2,251,683	172,301	* 485	1,235,766	** 10,015	**
Materials and supplies	579,940	727,928	* 65,548	* 5,149	444,330	** 1,508	**
Other costs	559,948	3,954,424	235,084	195,714	2,870,038	** 91,843	**
Inventory, end of year	1,881,798	203,727	89,604	* 3,774	62,460	** 888	**
Advertising expenses	423,606	229,945	3,490	1,096	74,539	** 47,632	**
Car and truck expenses	2,355,038	18,349,306	44,289	17,713	14,302,421	** 1,145,165	**
Commissions	318,526	725,838	2,079	* 786	552,874	** 122,375	**
Contract labor	181,097	3,409,209	11,547	8,036	2,699,253	** 69,542	**
Depletion	* 325	20,915	* 6,576	* 3	12,950	** 0	**
Depreciation	425,053	4,624,948	368,607	97,030	3,451,774	** 252,508	**
Employee benefit programs	38,119	91,593	2,121	* 3,002	68,134	** 4,394	**
Insurance	140,420	2,526,100	25,345	18,817	1,997,197	** 256,575	**
Legal and professional services	205,489	327,681	23,024	11,544	165,944	** 30,541	**
Meals and entertainment deducted	150,976	1,748,525	8,265	2,313	1,631,651	** 47,282	**
Mortgage interest	55,543	303,572	28,248	5,479	166,585	** 69,694	**
Other interest paid on business indebtedness	89,265	626,467	56,616	20,872	447,639	** 24,420	**
Office expenses	275,054	340,195	6,507	1,403	214,002	** 25,177	**
Pension and profit-sharing plans	1,789	25,008	* 56	* 112	24,185	** 0	**
Rent paid on machinery and equipment	82,669	1,867,868	17,106	1,953	1,143,539	** 653,807	**
Rent paid on other business property	360,076	538,495	25,123	11,599	265,795	** 50,315	**
Repairs	172,113	3,800,591	60,679	12,051	3,339,137	** 213,855	**
Supplies	690,642	972,997	10,427	6,210	733,806	** 59,422	**
Salaries and wages	489,770	2,638,807	59,866	62,993	1,865,429	** 183,746	**
Taxes paid	207,789	1,133,668	16,499	8,235	948,487	** 68,364	**
Travel	322,544	720,325	24,638	5,899	522,943	** 31,946	**
Utilities	424,983	851,534	10,173	6,189	569,602	** 75,556	**
Other business deductions	1,997,986	7,150,452	286,024	106,283	5,171,220	** 746,882	**
Home office business deductions, total	370,084	222,206	6,980	* 2,847	165,701	** 10,883	**
Depreciation, Form 8829 [3]	58,095	23,643	* 621	* 710	13,391	** 4,916	**
Casualty loss, Form 8829 [3]	* 3,518	* 6,748	0	0	* 6,748	** 0	**
Excess—casualty depreciations, Form 8829 [3]	93,933	13,623	* 629	* 30	3,763	** 6,380	**
Net income less deficit [1,2]	1,346,241	9,356,857	-277,223	165,311	6,795,400	** 1,746,924	**
Net income [1,2]	3,689,571	12,512,897	214,435	230,596	8,274,892	** 1,998,899	**
Deficit [2]	2,343,329	3,156,040	491,658	65,285	1,479,493	** 251,974	**

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Retail trade—continued	Transportation and warehousing					
	Nonstore retailers	Total	Air and rail transportation	Water transportation	Truck transportation	Other transit and ground transportation	Pipeline transportation
	(52)	(53)	(54)	(55)	(56)	(57)	(58)
BUSINESSES WITH NET INCOME							
Number of returns [1]	436,133	829,920	8,984	4,279	475,179	** 168,686	**
Business receipts, total [1,2]	16,694,913	58,203,941	792,765	410,630	44,059,966	** 5,417,716	**
Income from sales and operations [1]	16,333,664	57,330,635	778,163	399,498	43,438,762	** 5,363,112	**
Other business income	361,249	873,306	14,602	* 11,132	621,205	** 54,604	**
Business deductions, total [1,2]	13,012,274	45,697,281	587,179	180,034	35,782,819	** 3,418,817	**
Cost of sales and operations, total	7,210,803	5,924,807	357,109	* 13,612	4,102,638	** 94,384	**
Inventory, beginning of year	770,003	106,705	* 8,047	0	72,913	** 0	**
Cost of labor	285,017	713,800	* 3,988	* 3,270	582,275	** 17,615	**
Purchases	6,074,126	1,727,526	* 108,042	0	987,259	** 533	**
Materials and supplies	422,092	592,580	* 63,908	* 1,413	357,869	** 1,507	**
Other costs	478,670	2,868,074	* 195,742	* 8,930	2,132,032	** 74,729	**
Inventory, end of year	819,105	83,878	* 22,619	0	29,709	** 0	**
Advertising expenses	256,546	178,781	971	339	59,365	** 39,414	**
Car and truck expenses	1,398,368	13,955,880	31,873	7,878	11,548,496	** 776,056	**
Commissions	264,765	571,611	* 359	* 480	410,985	** 116,675	**
Contract labor	116,858	2,778,309	* 4,045	* 4,307	2,173,784	** 50,500	**
Depletion	* 295	13,396	* 42	* 3	* 12,454	** 0	**
Depreciation	230,782	2,712,668	48,572	19,685	2,295,054	** 152,555	**
Employee benefit programs	27,575	74,819	* 488	* 2,675	54,920	** 4,046	**
Insurance	98,961	1,919,261	4,490	7,366	1,555,675	** 206,588	**
Legal and professional services	96,781	203,487	10,759	5,624	127,077	** 25,925	**
Meals and entertainment deducted	86,185	1,458,002	6,347	1,716	1,378,197	** 38,177	**
Mortgage interest	17,512	171,359	* 3,153	* 3,574	87,843	** 63,412	**
Other interest paid on business indebtedness	48,506	346,035	4,066	* 1,667	291,254	** 11,725	**
Office expenses	174,965	236,279	2,513	890	165,009	** 17,170	**
Pension and profit-sharing plans	1,692	23,763	* 33	* 70	23,032	** 0	**
Rent paid on machinery and equipment	42,110	1,602,052	11,331	* 890	933,118	** 619,936	**
Rent paid on other business property	229,106	351,305	1,118	7,127	193,222	** 34,208	**
Repairs	125,240	3,044,146	3,791	6,909	2,735,517	** 177,469	**
Supplies	358,080	751,537	7,076	* 2,521	617,864	** 40,509	**
Salaries and wages	319,195	1,718,947	8,366	24,568	1,245,111	** 100,633	**
Taxes paid	114,540	852,144	2,927	2,465	729,936	** 54,725	**
Travel	176,311	496,956	12,049	3,268	392,229	** 16,993	**
Utilities	221,839	608,364	5,453	4,907	416,842	** 57,076	**
Other business deductions	1,091,562	5,391,385	55,266	54,116	4,052,072	** 684,199	**
Home office business deductions, total	204,794	174,660	* 3,655	* 2,801	124,672	** 9,299	**
Depreciation, Form 8829 [3]	23,286	17,406	* 525	* 695	9,804	** 3,884	**
Casualty loss, Form 8829 [3]	* 583	0	0	0	0	** 0	**
Excess—casualty depreciations, Form 8829 [3]	10,355	* 4,830	0	0	* 231	** 4,599	**
Net income [1,2]	3,689,571	12,512,897	214,435	230,596	8,274,892	** 1,998,899	**
Returns with Schedule C-EZ:							
Number of returns	96,195	133,886	* 2,810	* 1,344	57,967	** 26,611	**
Business receipts	463,543	1,102,811	* 91,501	* 11,081	556,048	** 209,827	**
Business deductions	104,415	139,600	* 1,328	* 577	56,456	** 27,143	**
Net income	359,127	963,211	* 90,173	* 10,504	499,592	** 182,685	**

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Transportation and warehousing—continued				Information		
	Scenic and sightseeing transportation	Support activities for transportation (including motor vehicle towing)	Couriers and messengers	Warehousing and storage facilities	Total	Publishing industries (except internet)	Motion picture and sound recording
	(59)	(60)	(61)	(62)	(63)	(64)	(65)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	11,597	51,573	178,014	6,541	330,580	59,156	92,842
Business receipts, total [1,2]	677,194	3,332,436	5,304,193	386,317	10,074,244	1,508,413	2,447,145
Income from sales and operations [1]	666,879	3,228,505	5,202,159	384,350	9,978,137	1,495,741	2,412,899
Other business income	* 10,314	103,931	102,034	* 1,967	96,107	12,672	34,246
Business deductions, total [1,2]	814,666	3,131,482	4,467,911	387,197	7,779,685	1,316,175	2,044,828
Cost of sales and operations, total	* 234,387	946,157	477,128	84,884	1,688,971	362,872	188,579
Inventory, beginning of year	* 13	24,723	* 14,353	* 8,097	123,253	32,069	54,431
Cost of labor	* 10,949	* 68,124	* 40,303	* 16,741	281,748	152,979	* 3,872
Purchases	* 3,617	424,117	* 349,842	55,540	571,967	40,554	36,530
Materials and supplies	* 17,352	* 191,044	* 2,900	* 97	80,773	* 16,790	20,778
Other costs	* 202,468	258,839	* 84,935	* 15,503	757,024	153,196	127,553
Inventory, end of year	* 12	20,690	* 15,205	* 11,095	125,793	32,717	54,585
Advertising expenses	57,970	28,293	12,937	3,988	352,945	38,463	52,895
Car and truck expenses	29,230	417,187	2,357,450	35,849	508,843	125,609	150,802
Commissions	* 1,642	* 27,829	* 11,078	7,176	117,249	11,489	22,732
Contract labor	40,469	178,011	381,792	20,558	453,874	62,571	124,992
Depletion	* [4]	0	* 898	* 488	* 1,854	0	* 282
Depreciation	140,662	193,104	103,383	17,879	348,349	24,063	187,408
Employee benefit programs	* 6,657	3,761	* 1,596	1,928	40,657	15,188	7,249
Insurance	9,195	136,578	75,501	6,892	75,347	17,080	24,566
Legal and professional services	4,358	61,911	24,528	5,830	198,058	17,737	55,348
Meals and entertainment deducted	3,056	28,931	25,277	1,750	92,879	13,112	33,102
Mortgage interest	9,336	16,192	* 5,532	* 2,506	20,846	* 1,896	10,108
Other interest paid on business indebtedness	13,621	37,089	19,438	6,771	54,537	4,593	26,096
Office expenses	7,133	38,934	41,603	5,437	162,006	26,392	37,446
Pension and profit-sharing plans	0	* 564	0	* 91	5,036	* 163	913
Rent paid on machinery and equipment	* 978	22,501	20,839	7,146	135,282	14,327	59,135
Rent paid on other business property	26,813	80,757	39,556	38,538	293,411	13,366	129,591
Repairs	32,099	67,557	67,564	7,649	59,743	18,324	13,904
Supplies	28,901	76,232	46,845	11,153	335,954	50,732	64,356
Salaries and wages	26,093	252,437	151,226	37,016	542,681	132,940	111,604
Taxes paid	10,124	49,732	27,510	4,717	100,667	24,064	19,482
Travel	16,917	85,113	21,678	11,191	240,006	25,166	84,767
Utilities	18,268	93,941	66,800	11,004	250,073	38,934	85,945
Other business deductions	76,212	279,403	429,057	55,370	1,415,879	249,694	449,666
Home office business deductions, total	* 18,582	1,041	14,785	* 1,388	240,733	20,097	84,959
Depreciation, Form 8829 [3]	* 1,730	* 233	885	* 1,156	30,222	4,363	12,511
Casualty loss, Form 8829 [3]	0	0	0	0	* 25	0	0
Excess—casualty depreciations, Form 8829 [3]	0	* 110	* 1,115	* 1,596	25,976	7,696	12,265
Net income less deficit [1,2]	-131,137	200,803	857,466	-687	2,384,802	245,114	403,307
Net income [1,2]	46,519	459,346	1,202,462	85,748	3,528,495	457,842	893,206
Deficit [2]	177,656	258,543	344,997	86,434	1,143,693	212,727	489,899

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Transportation and warehousing—continued				Information		
	Scenic and sightseeing transportation	Support activities for transportation (including motor vehicle towing)	Couriers and messengers	Warehousing and storage facilities	Total	Publishing industries (except internet)	Motion picture and sound recording
	(59)	(60)	(61)	(62)	(63)	(64)	(65)
BUSINESSES WITH NET INCOME							
Number of returns [1]	4,049	34,642	129,613	4,489	220,732	39,036	55,624
Business receipts, total [1,2]	523,917	2,364,551	4,331,877	302,519	8,243,273	1,004,177	2,076,589
Income from sales and operations [1]	523,917	2,281,975	4,244,476	300,733	8,172,027	992,915	2,053,701
Other business income	0	* 82,577	* 87,401	* 1,787	71,246	11,262	22,888
Business deductions, total [1,2]	477,398	1,905,244	3,129,414	216,374	4,716,103	546,335	1,183,897
Cost of sales and operations, total	* 229,884	594,194	462,326	70,659	921,154	101,536	114,029
Inventory, beginning of year	0	* 8,999	* 8,916	* 7,830	56,615	26,917	* 17,082
Cost of labor	* 10,949	* 41,941	* 37,019	* 16,741	43,051	* 19,254	* 3,525
Purchases	0	* 251,009	* 339,399	* 41,284	357,939	22,415	13,968
Materials and supplies	* 16,679	* 148,759	* 2,349	* 97	8,541	* 396	* 5,252
Other costs	* 202,255	154,052	* 84,935	* 15,399	515,145	58,965	94,290
Inventory, end of year	0	* 10,566	* 10,291	* 10,693	60,138	26,412	* 20,089
Advertising expenses	* 56,222	14,042	7,547	882	248,894	28,350	33,355
Car and truck expenses	* 11,674	241,750	1,323,300	14,854	324,771	68,325	82,436
Commissions	* 661	* 27,699	* 9,115	* 5,636	84,883	* 4,016	20,359
Contract labor	* 27,833	132,411	368,748	* 16,680	355,038	12,731	96,374
Depletion	0	0	* 898	0	* 323	0	* 282
Depreciation	* 21,019	92,168	77,410	6,205	166,074	9,675	73,144
Employee benefit programs	* 6,616	* 3,004	* 1,596	* 1,475	22,498	* 5,801	5,354
Insurance	* 2,869	73,167	63,258	5,848	44,115	9,866	15,702
Legal and professional services	* 2,034	7,489	20,971	3,607	98,591	7,899	17,833
Meals and entertainment deducted	* 2,070	15,542	15,736	217	59,098	5,259	22,325
Mortgage interest	* 5,636	* 2,799	* 4,676	* 268	9,646	* 57	* 8,948
Other interest paid on business indebtedness	* 2,836	20,474	9,467	* 4,546	11,552	1,256	4,887
Office expenses	* 5,776	16,442	26,437	2,042	111,064	14,142	28,686
Pension and profit-sharing plans	0	* 538	0	* 91	4,278	* 144	* 786
Rent paid on machinery and equipment	0	16,384	18,063	2,330	85,546	* 1,451	46,447
Rent paid on other business property	* 15,908	57,672	31,303	10,748	204,822	7,405	74,182
Repairs	* 12,243	50,529	52,798	4,890	31,893	9,458	8,151
Supplies	* 9,490	39,973	27,639	6,466	257,966	40,587	41,358
Salaries and wages	* 2,304	172,782	135,808	29,375	328,405	71,389	73,341
Taxes paid	* 4,677	34,714	19,604	3,096	55,762	13,314	12,098
Travel	* 1,699	51,393	13,165	6,161	144,915	7,084	51,991
Utilities	* 15,696	59,807	45,468	3,115	156,791	16,750	60,024
Other business deductions	* 19,717	171,214	338,950	15,851	758,148	92,452	203,984
Home office business deductions, total	* 18,574	* 832	13,494	* 1,332	188,586	10,086	71,131
Depreciation, Form 8829 [3]	* 1,729	* 123	* 431	* 216	18,702	886	7,553
Casualty loss, Form 8829 [3]	0	0	0	0	* 25	0	0
Excess—casualty depreciations, Form 8829 [3]	0	0	0	0	* 2,246	0	* 545
Net income [1,2]	46,519	459,346	1,202,462	85,748	3,528,495	457,842	893,206
Returns with Schedule C-EZ:							
Number of returns	* 1,004	9,809	34,343	0	70,341	15,652	18,795
Business receipts	* 2,057	68,824	163,473	0	391,002	78,162	104,357
Business deductions	* 1,962	* 8,226	43,908	0	43,804	7,302	18,901
Net income	* 95	60,598	119,564	0	347,198	70,859	85,456

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Information—continued		Finance and insurance				
	Broadcasting (except internet) and tele- communi- cations and internet service providers	Data processing, internet publishing, and broadcasting, and web search portals	Total	Credit intermediation and related activities	Securities, commodity contracts, and other financial investments		
					Total	Investment bankers and securities dealers	Securities brokers
	(66)	(67)	(68)	(69)	(70)	(71)	(72)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	84,349	94,233	659,466	57,158	156,078	5,711	14,702
Business receipts, total [1,2]	3,600,538	2,518,147	90,894,838	2,951,452	57,260,013	5,058,080	4,661,445
Income from sales and operations [1]	3,591,119	2,478,378	89,228,055	2,908,350	56,392,752	4,769,239	4,530,684
Other business income	9,419	39,769	1,666,783	43,102	867,260	288,842	130,762
Business deductions, total [1,2]	2,637,328	1,781,353	80,566,682	2,502,690	59,127,063	4,851,997	10,849,607
Cost of sales and operations, total	650,872	486,648	39,996,017	502,394	38,339,398	4,469,382	2,939,863
Inventory, beginning of year	18,712	* 18,040	700,067	60,659	570,962	* 973	* 23,447
Cost of labor	29,174	95,723	457,616	* 48,543	326,250	* 12	* 275,166
Purchases	388,055	106,828	26,087,210	304,537	25,487,589	2,357,686	1,722,467
Materials and supplies	* 39,140	* 4,065	655,014	* 60,511	565,771	* 172,504	* 1,735
Other costs	196,530	279,744	12,381,817	95,036	11,516,516	1,939,237	932,169
Inventory, end of year	20,740	* 17,752	285,707	66,891	127,691	1,030	* 15,121
Advertising expenses	52,098	209,490	1,091,490	115,871	192,445	7,489	31,398
Car and truck expenses	159,299	73,133	2,901,577	175,803	466,899	6,364	35,284
Commissions	50,309	32,719	2,806,962	142,308	766,261	23,117	226,186
Contract labor	181,477	84,834	957,883	55,771	444,570	21,099	44,547
Depletion	* 884	* 689	4,332	* 149	1,984	0	59
Depreciation	89,326	47,552	843,052	62,564	278,960	3,999	29,325
Employee benefit programs	8,860	9,360	182,149	2,348	56,851	2,485	5,617
Insurance	22,874	10,827	585,265	28,439	119,620	1,459	11,492
Legal and professional services	75,881	49,091	729,392	69,865	353,360	7,902	12,950
Meals and entertainment deducted	31,463	15,202	519,939	27,063	130,641	2,113	11,786
Mortgage interest	8,757	* 85	210,308	26,190	43,338	* 1,565	* 241
Other interest paid on business indebtedness	19,256	4,592	454,416	67,914	220,187	1,792	4,317
Office expenses	37,247	60,921	1,001,231	68,101	234,311	8,640	22,476
Pension and profit-sharing plans	* 1,680	2,281	118,497	* 3,768	53,004	* 685	* 1,131
Rent paid on machinery and equipment	28,928	32,892	265,472	62,821	79,201	1,187	6,729
Rent paid on other business property	108,215	42,239	1,511,189	115,320	467,052	15,249	47,650
Repairs	16,844	10,671	286,139	21,110	55,318	1,073	2,181
Supplies	190,241	30,625	560,205	45,365	142,835	2,611	12,609
Salaries and wages	171,719	126,418	4,217,593	165,872	1,312,850	28,506	95,400
Taxes paid	28,081	29,040	591,721	42,382	181,576	5,622	14,704
Travel	74,175	55,898	668,440	29,965	250,326	9,389	20,254
Utilities	61,891	63,302	1,036,897	70,208	223,936	3,220	20,781
Other business deductions	481,310	235,209	18,546,716	526,693	14,587,731	220,729	7,245,773
Home office business deductions, total	80,350	55,328	415,732	72,864	112,721	6,315	6,763
Depreciation, Form 8829 [3]	7,195	6,154	51,954	10,479	14,476	905	1,215
Casualty loss, Form 8829 [3]	* 25	0	0	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	* 2,456	3,559	36,458	* 4,005	18,920	* 710	* 137
Net income less deficit [1,2]	984,352	752,030	10,349,671	451,870	-1,859,234	206,096	-6,188,161
Net income [1,2]	1,192,227	985,220	20,090,092	779,837	6,776,389	234,935	886,946
Deficit [2]	207,876	233,191	9,740,420	327,967	8,635,623	28,838	7,075,107

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Information—continued		Finance and insurance				
	Broadcasting (except internet) and tele-communications and internet service providers	Data processing, internet publishing, and broadcasting, and web search portals	Total	Credit intermediation and related activities	Securities, commodity contracts, and other financial investments		
					Total	Investment bankers and securities dealers	Securities brokers
	(66)	(67)	(68)	(69)	(70)	(71)	(72)
BUSINESSES WITH NET INCOME							
Number of returns [1]	55,442	70,629	440,781	37,682	89,008	1,723	10,218
Business receipts, total [1,2]	3,058,589	2,103,918	58,552,771	2,491,096	27,993,830	2,497,432	2,500,960
Income from sales and operations [1]	3,052,911	2,072,500	57,042,884	2,459,069	27,413,905	2,438,299	2,462,452
Other business income	5,677	31,419	1,509,887	32,027	579,925	59,133	38,508
Business deductions, total [1,2]	1,867,151	1,118,719	38,462,456	1,711,441	21,217,443	2,262,511	1,614,014
Cost of sales and operations, total	417,205	288,385	16,772,270	424,440	15,374,008	2,048,930	883,216
Inventory, beginning of year	* 1,914	* 10,702	147,470	57,944	66,962	* 820	* 15,231
Cost of labor	* 2,496	* 17,776	149,036	* 48,543	* 22,589	* 12	* 11,448
Purchases	* 231,193	90,363	11,494,861	299,252	11,001,494	* 1,190,347	685,784
Materials and supplies	* 2,500	* 393	105,353	* 60,270	23,810	0	0
Other costs	182,888	* 179,002	5,038,069	22,691	4,313,509	* 858,781	* 181,762
Inventory, end of year	* 3,786	* 9,852	162,518	* 64,260	54,355	* 1,030	* 11,009
Advertising expenses	29,827	157,362	979,092	105,864	159,365	* 7,388	26,985
Car and truck expenses	122,656	51,354	2,187,913	118,641	303,981	4,245	33,798
Commissions	44,700	15,808	2,104,752	121,208	553,852	* 16,894	195,506
Contract labor	173,016	72,916	686,451	28,417	239,703	18,781	31,923
Depletion	* 1	* 41	4,039	* 149	1,752	0	* 35
Depreciation	55,753	27,501	539,944	41,798	117,708	3,400	26,086
Employee benefit programs	4,900	6,443	158,923	1,157	41,814	* 1,740	5,075
Insurance	15,495	3,051	498,413	22,438	82,500	1,299	11,193
Legal and professional services	46,904	25,955	467,250	39,505	193,167	3,405	9,914
Meals and entertainment deducted	23,748	7,767	443,226	19,836	96,210	1,417	11,210
Mortgage interest	* 556	* 85	110,974	1,979	14,861	* 225	* 70
Other interest paid on business indebtedness	4,218	1,190	214,163	31,334	56,411	610	3,258
Office expenses	22,261	45,976	853,804	53,851	164,991	7,258	15,656
Pension and profit-sharing plans	* 1,580	* 1,768	103,148	* 2,931	38,620	* 643	* 1,069
Rent paid on machinery and equipment	23,794	13,855	242,424	55,375	73,747	* 1,172	6,507
Rent paid on other business property	91,338	31,898	1,263,955	75,986	335,819	12,268	44,283
Repairs	11,051	3,234	237,127	14,459	38,932	* 1,029	2,080
Supplies	162,634	13,386	428,816	36,078	75,518	1,162	12,104
Salaries and wages	119,029	64,646	3,553,460	111,421	935,430	* 22,662	82,671
Taxes paid	16,471	13,879	478,824	32,401	124,484	4,598	13,677
Travel	50,588	35,251	535,594	20,666	165,403	6,560	18,243
Utilities	43,621	36,396	858,183	50,372	147,796	2,683	20,313
Other business deductions	318,004	143,707	4,333,537	230,461	1,793,841	89,890	152,324
Home office business deductions, total	62,810	44,559	344,852	69,813	77,279	* 4,245	6,724
Depreciation, Form 8829 [3]	6,390	3,873	39,234	6,562	8,618	* 305	1,199
Casualty loss, Form 8829 [3]	* 25	0	0	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	* 1,651	* 51	11,286	* 76	* 8,840	* 111	* 6
Net income [1,2]	1,192,227	985,220	20,090,092	779,837	6,776,389	234,935	886,946
Returns with Schedule C-EZ:							
Number of returns	9,384	26,511	63,985	5,002	11,793	* 113	** 444
Business receipts	33,338	175,145	755,494	28,795	313,124	* 6,561	** 10,724
Business deductions	* 5,294	12,306	64,067	* 1,544	11,689	* 6	** 96
Net income	28,044	162,839	691,427	27,250	301,435	* 6,554	** 10,629

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Finance and insurance—continued						Real estate and rental and leasing
	Securities, commodity contracts, and other financial investments—continued			Insurance agents, brokers, and related activities			Total
	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	
	(73)	(74)	(75)	(76)	(77)	(78)	
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	5,682	1,583	128,400	446,229	353,496	92,733	1,246,423
Business receipts, total [1,2]	852,646	743,366	45,944,475	30,683,373	26,769,808	3,913,565	49,709,110
Income from sales and operations [1]	856,285	742,857	45,493,688	29,926,952	26,096,130	3,830,822	47,971,277
Other business income	-3,639	* 509	450,787	756,421	673,678	82,743	1,737,833
Business deductions, total [1,2]	807,607	706,992	41,910,861	18,936,929	16,577,505	2,359,425	36,757,951
Cost of sales and operations, total	374,650	* 465,998	30,089,505	1,154,225	955,916	198,310	6,278,954
Inventory, beginning of year	* 2,531	* 1,047	542,965	68,447	62,477	* 5,969	2,740,991
Cost of labor	0	0	51,073	82,823	77,899	* 4,924	228,821
Purchases	* 190,556	* 232,372	20,984,507	295,084	281,916	13,168	3,103,289
Materials and supplies	* 21,791	0	369,741	28,732	14,926	* 13,806	397,654
Other costs	* 164,456	* 233,651	8,247,002	770,265	606,612	163,653	2,498,289
Inventory, end of year	* 4,685	* 1,072	105,782	91,126	87,915	* 3,210	2,690,089
Advertising expenses	10,270	* 1,129	142,158	783,174	732,573	50,601	1,694,885
Car and truck expenses	24,659	* 4,130	396,462	2,258,875	1,917,989	340,885	4,891,813
Commissions	41,502	* 3,631	471,826	1,898,393	1,702,522	195,871	2,155,955
Contract labor	10,537	* 136	368,251	457,542	364,727	92,815	864,627
Depletion	* [4]	0	1,925	2,198	2,195	* 4	10,127
Depreciation	10,372	4,814	230,450	501,529	439,299	62,229	2,369,823
Employee benefit programs	1,511	* 50	47,188	122,950	116,442	6,508	93,984
Insurance	3,345	* 5,678	97,647	437,206	390,004	47,201	601,077
Legal and professional services	9,434	2,582	320,493	306,168	227,658	78,510	894,790
Meals and entertainment deducted	12,160	498	104,085	362,235	312,058	50,177	515,871
Mortgage interest	* 362	* 34	41,136	140,780	112,597	28,183	914,339
Other interest paid on business indebtedness	7,274	3,922	202,882	166,315	130,095	36,221	661,472
Office expenses	14,890	2,326	185,979	698,819	589,190	109,629	962,522
Pension and profit-sharing plans	* 309	* 314	50,564	61,726	59,557	2,169	20,457
Rent paid on machinery and equipment	* 724	* 674	69,886	123,450	107,567	15,883	314,242
Rent paid on other business property	18,418	* 3,168	382,567	928,817	847,145	81,672	1,091,163
Repairs	9,410	* 841	41,813	209,712	188,716	20,996	776,459
Supplies	8,873	* 1,910	116,832	372,005	338,895	33,110	711,155
Salaries and wages	32,709	* 33,973	1,122,262	2,738,871	2,567,899	170,972	1,883,270
Taxes paid	3,150	3,016	155,084	367,763	340,205	27,559	798,807
Travel	15,517	3,822	201,345	388,149	293,077	95,072	512,859
Utilities	14,633	1,789	183,513	742,753	661,599	81,154	1,381,658
Other business deductions	174,488	160,963	6,785,778	3,432,293	2,988,884	443,408	5,627,858
Home office business deductions, total	8,405	* 1,593	89,644	230,148	163,738	66,409	568,157
Depreciation, Form 8829 [3]	* 508	* 346	11,502	26,999	17,769	9,230	90,125
Casualty loss, Form 8829 [3]	0	0	0	0	0	0	* 2,305
Excess—casualty depreciations, Form 8829 [3]	* 485	* 2	17,586	13,533	10,973	* 2,560	138,301
Net income less deficit [1,2]	45,039	36,375	4,041,417	11,757,036	10,196,597	1,560,439	13,028,955
Net income [1,2]	173,922	* 46,132	5,434,454	12,533,866	10,755,530	1,778,336	18,427,334
Deficit [2]	128,883	9,758	1,393,037	776,830	558,933	217,897	5,398,379

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Finance and insurance—continued						Real estate and rental and leasing
	Securities, commodity contracts, and other financial investments—continued			Insurance agents, brokers, and related activities			Total
	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	
	(73)	(74)	(75)	(76)	(77)	(78)	
BUSINESSES WITH NET INCOME							
Number of returns [1]	1,601	* 1,124	74,342	314,091	248,229	65,861	749,899
Business receipts, total [1,2]	566,293	* 228,019	22,201,127	28,067,845	24,462,522	3,605,323	41,086,725
Income from sales and operations [1]	563,822	* 228,019	21,721,313	27,169,910	23,639,916	3,529,994	39,807,722
Other business income	* 2,471	* [4]	479,813	897,935	822,607	75,328	1,279,004
Business deductions, total [1,2]	392,371	* 181,886	16,766,661	15,533,573	13,706,577	1,826,997	22,676,918
Cost of sales and operations, total	* 200,046	* 92,160	12,149,656	973,823	812,128	161,695	3,881,105
Inventory, beginning of year	0	* 95	50,816	22,564	19,723	* 2,841	561,573
Cost of labor	0	0	* 11,129	77,905	77,899	* 5	149,259
Purchases	* 16,959	* 21	9,108,382	194,115	190,602	* 3,513	2,268,956
Materials and supplies	* 21,791	0	* 2,018	21,274	12,941	* 8,333	289,916
Other costs	* 161,295	* 92,139	3,019,531	701,869	554,828	* 147,041	1,299,988
Inventory, end of year	0	* 95	42,221	43,904	43,865	* 39	688,587
Advertising expenses	7,833	* 1,062	116,095	713,863	670,072	43,792	1,235,163
Car and truck expenses	4,664	* 4,118	257,156	1,765,291	1,517,448	247,842	3,332,803
Commissions	* 38,824	* 2,001	300,626	1,429,691	1,268,264	161,427	1,364,035
Contract labor	* 4,336	* 74	184,590	418,331	334,660	83,671	582,589
Depletion	0	0	1,717	2,138	* 2,134	* 4	7,556
Depreciation	9,333	* 3,390	75,500	380,437	331,121	49,317	1,007,172
Employee benefit programs	* 648	0	34,351	115,952	109,643	6,308	51,938
Insurance	* 934	* 5,609	63,465	393,476	356,883	36,593	363,265
Legal and professional services	3,930	* 1,469	174,449	234,577	196,053	38,524	494,228
Meals and entertainment deducted	7,371	* 459	75,753	327,179	288,987	38,192	371,593
Mortgage interest	* 57	* 34	14,475	94,134	85,245	* 8,889	279,148
Other interest paid on business indebtedness	* 590	* 1,622	50,330	126,418	115,731	10,687	278,222
Office expenses	7,654	* 2,202	132,220	634,963	542,397	92,566	645,578
Pension and profit-sharing plans	* 143	* 314	36,451	61,597	59,456	2,141	18,635
Rent paid on machinery and equipment	* 29	* 674	65,364	113,302	99,078	14,224	226,145
Rent paid on other business property	2,890	* 3,035	273,344	852,150	779,545	72,605	801,251
Repairs	* 5,818	* 816	29,188	183,735	170,422	13,313	432,600
Supplies	661	* 1,830	59,761	317,220	290,815	26,406	477,012
Salaries and wages	* 16,414	* 33,963	779,719	2,506,610	2,354,545	152,065	1,193,050
Taxes paid	1,701	* 2,887	101,621	321,939	298,598	23,341	439,618
Travel	8,357	* 3,752	128,491	349,525	263,919	85,606	352,316
Utilities	889	* 1,741	122,169	660,015	593,525	66,491	844,510
Other business deductions	69,050	* 17,083	1,465,494	2,309,235	1,990,296	318,939	3,444,272
Home office business deductions, total	* 194	* 1,588	64,529	197,760	149,276	48,485	396,947
Depreciation, Form 8829 [3]	* 32	* 344	6,738	24,054	15,630	8,424	41,840
Casualty loss, Form 8829 [3]	0	0	0	0	0	0	* 903
Excess—casualty depreciations, Form 8829 [3]	0	0	* 8,723	2,371	* 1,576	* 795	5,748
Net income [1,2]	173,922	* 46,132	5,434,454	12,533,866	10,755,530	1,778,336	18,427,334
Returns with Schedule C-EZ:							
Number of returns	**	0	11,235	47,190	28,777	18,413	115,908
Business receipts	**	0	295,840	413,575	257,667	155,908	1,167,780
Business deductions	**	0	11,587	50,833	26,958	23,875	161,625
Net income	**	0	284,253	362,741	230,708	132,033	1,006,155

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Real estate and rental and leasing—continued					
	Real estate				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
	(80)	(81)	(82)	(83)	(84)	(85)
BUSINESSES WITH AND WITHOUT NET INCOME						
Number of returns [1]	1,181,640	36,538	882,367	262,734	64,783	18,847
Business receipts, total [1,2]	45,806,771	1,556,583	33,210,056	11,040,132	3,902,339	528,805
Income from sales and operations [1]	44,195,652	1,476,216	32,049,880	10,669,556	3,775,625	486,506
Other business income	1,611,119	80,367	1,160,176	370,577	126,713	42,299
Business deductions, total [1,2]	33,061,102	1,641,956	21,557,808	9,861,338	3,696,848	508,454
Cost of sales and operations, total	5,351,549	52,705	1,415,789	3,883,054	927,406	46,570
Inventory, beginning of year	2,607,972	67,260	597,457	1,943,255	133,019	* 23,541
Cost of labor	142,699	* 277	69,209	73,214	86,121	* 5
Purchases	2,646,167	3,771	832,747	1,809,648	457,123	* 44,975
Materials and supplies	304,091	* 323	118,272	185,497	93,562	* 3,141
Other costs	2,177,409	39,896	324,941	1,812,573	320,880	* 5,454
Inventory, end of year	2,526,790	58,821	526,836	1,941,133	163,300	* 30,546
Advertising expenses	1,645,541	27,749	1,400,208	217,584	49,344	4,972
Car and truck expenses	4,732,161	67,732	3,794,050	870,379	159,652	43,772
Commissions	2,146,695	23,486	1,923,939	199,270	9,259	* 168
Contract labor	807,086	28,388	576,487	202,211	57,541	* 134
Depletion	9,692	* 102	1,655	7,935	435	* 29
Depreciation	1,344,670	238,351	768,319	338,000	1,025,153	235,186
Employee benefit programs	87,892	9,308	56,055	22,529	6,092	* 61
Insurance	518,886	46,154	368,092	104,639	82,191	13,056
Legal and professional services	850,934	51,021	577,274	222,638	43,856	4,283
Meals and entertainment deducted	499,358	16,641	395,590	87,127	16,513	394
Mortgage interest	867,778	331,816	246,289	289,673	46,561	* 9,862
Other interest paid on business indebtedness	493,184	34,001	209,861	249,321	168,288	42,544
Office expenses	934,560	12,855	781,708	139,997	27,961	2,013
Pension and profit-sharing plans	19,608	* 240	15,913	3,454	849	* 11
Rent paid on machinery and equipment	275,645	8,204	225,924	41,517	38,598	3,794
Rent paid on other business property	977,254	33,334	763,189	180,732	113,909	13,476
Repairs	654,459	111,975	378,945	163,539	122,000	19,135
Supplies	639,082	23,045	508,487	107,550	72,073	2,748
Salaries and wages	1,650,673	92,936	1,066,214	491,524	232,597	6,719
Taxes paid	715,162	122,155	408,404	184,603	83,645	9,233
Travel	487,420	13,580	349,836	124,004	25,439	426
Utilities	1,318,967	84,056	986,515	248,396	62,692	2,533
Other business deductions	5,325,298	198,354	3,765,347	1,361,596	302,561	37,628
Home office business deductions, total	559,126	11,470	457,273	90,383	9,031	* 472
Depreciation, Form 8829 [3]	89,614	1,593	71,265	16,756	* 511	* 113
Casualty loss, Form 8829 [3]	* 2,305	0	* 2,305	0	0	0
Excess—casualty depreciations, Form 8829 [3]	138,301	14,720	102,955	20,626	0	0
Net income less deficit [1,2]	12,776,948	-80,367	11,661,036	1,196,279	252,008	19,131
Net income [1,2]	17,702,860	311,248	14,340,075	3,051,537	724,474	94,085
Deficit [2]	4,925,912	391,616	2,679,039	1,855,258	472,466	74,955

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Real estate and rental and leasing—continued					
	Real estate				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
	(80)	(81)	(82)	(83)	(84)	(85)
BUSINESSES WITH NET INCOME						
Number of returns [1]	712,942	15,657	539,253	158,033	36,956	9,384
Business receipts, total [1,2]	38,324,510	961,550	28,950,803	8,412,157	2,762,215	237,141
Income from sales and operations [1]	37,085,364	907,941	27,979,904	8,197,519	2,722,358	236,764
Other business income	1,239,146	53,609	970,898	214,638	39,858	* 378
Business deductions, total [1,2]	20,632,724	650,469	14,611,895	5,370,360	2,044,194	143,056
Cost of sales and operations, total	3,176,408	20,209	961,490	2,194,709	704,697	* 8,688
Inventory, beginning of year	471,005	* 2,215	177,695	291,095	90,568	0
Cost of labor	83,780	0	63,543	20,237	65,479	0
Purchases	1,879,012	* 2,873	661,747	1,214,392	389,944	* 18,097
Materials and supplies	228,709	* 58	104,168	124,484	61,207	0
Other costs	1,092,644	* 15,749	162,172	914,723	207,344	* 2,197
Inventory, end of year	578,742	* 687	207,834	370,221	109,844	* 11,606
Advertising expenses	1,201,099	15,658	1,032,875	152,566	34,064	* 490
Car and truck expenses	3,236,325	31,237	2,645,196	559,892	96,479	25,553
Commissions	1,360,897	7,593	1,251,818	101,485	3,138	* 3
Contract labor	553,372	20,379	452,261	80,732	29,217	* 48
Depletion	7,276	* 2	* 32	7,243	* 279	* 29
Depreciation	692,883	72,060	451,027	169,795	314,289	56,306
Employee benefit programs	49,584	2,470	38,152	8,961	2,354	* 9
Insurance	318,405	21,064	236,387	60,954	44,860	1,924
Legal and professional services	471,337	17,116	357,814	96,407	22,891	1,505
Meals and entertainment deducted	359,506	14,679	297,541	47,286	12,087	* 245
Mortgage interest	265,407	96,556	96,576	72,276	13,740	* 2
Other interest paid on business indebtedness	211,080	10,528	151,983	48,569	67,141	7,588
Office expenses	625,629	6,377	534,534	84,718	19,949	1,660
Pension and profit-sharing plans	18,099	* 240	14,905	2,953	* 536	0
Rent paid on machinery and equipment	192,545	2,845	162,093	27,607	33,600	* 3,109
Rent paid on other business property	719,317	20,048	576,427	122,842	81,934	* 1,081
Repairs	365,246	57,620	243,065	64,561	67,355	2,496
Supplies	429,621	5,738	357,491	66,393	47,390	* 164
Salaries and wages	1,030,830	58,596	686,753	285,481	162,221	* 2,235
Taxes paid	385,191	54,442	250,540	80,208	54,427	1,146
Travel	340,439	6,401	255,639	78,399	11,877	* 55
Utilities	802,238	27,483	654,419	120,335	42,272	1,020
Other business deductions	3,283,544	74,364	2,456,655	752,524	160,728	20,556
Home office business deductions, total	391,321	* 4,485	332,062	54,773	5,627	* 28
Depreciation, Form 8829 [3]	41,454	* 491	35,286	5,676	* 386	0
Casualty loss, Form 8829 [3]	* 903	0	* 903	0	0	0
Excess—casualty depreciations, Form 8829 [3]	5,748	0	4,663	* 1,085	0	0
Net income [1,2]	17,702,860	311,248	14,340,075	3,051,537	724,474	94,085
Returns with Schedule C-EZ:						
Number of returns	107,610	3,502	71,915	32,192	8,298	* 3,457
Business receipts	1,117,928	10,608	828,026	279,294	49,852	* 19,119
Business deductions	148,425	* 2,299	116,444	29,682	13,200	* 9,234
Net income	969,503	8,309	711,582	249,612	36,652	* 9,884

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—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					Total	Legal services
	Consumer electronics and appliances rental	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		
(86)	(87)	(88)	(89)	(90)	(91)	(92)	
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	3,109	* 9	3,207	24,139	15,472	3,191,770	335,854
Business receipts, total [1,2]	* 140,765	* 331	347,970	1,265,342	1,619,125	157,357,552	39,165,911
Income from sales and operations [1]	* 140,357	* 331	343,116	1,254,379	1,550,936	154,042,712	38,559,784
Other business income	* 408	0	* 4,854	10,963	68,189	3,314,840	606,127
Business deductions, total [1,2]	* 152,229	* 464	304,964	1,025,665	1,705,072	90,234,450	22,048,118
Cost of sales and operations, total	* 66,126	0	* 109,019	428,656	277,035	15,741,039	2,025,632
Inventory, beginning of year	* 5,028	0	* 14,648	44,506	45,297	785,165	56,125
Cost of labor	0	0	* 46	* 31,130	54,940	2,532,185	158,582
Purchases	* 4,121	0	* 102,092	268,605	37,330	5,543,577	50,171
Materials and supplies	0	0	0	* 35,154	55,268	1,941,923	10,139
Other costs	* 59,988	0	0	128,514	126,924	5,730,759	1,798,651
Inventory, end of year	* 3,011	0	* 7,767	79,252	42,724	792,569	48,036
Advertising expenses	* 660	* 2	* 3,304	27,824	12,583	2,138,517	902,552
Car and truck expenses	* 7,346	* 8	* 16,240	55,526	36,761	7,195,137	1,022,238
Commissions	0	0	* 3	* 1,098	7,991	1,101,019	160,966
Contract labor	* 79	0	* 224	22,520	34,585	4,544,405	842,620
Depletion	0	0	0	* [4]	* 405	12,979	2,430
Depreciation	* 10,151	* 78	* 10,309	109,910	659,520	3,358,374	396,028
Employee benefit programs	* 1,364	0	* 392	1,299	2,977	615,147	214,270
Insurance	* 1,376	* 26	* 4,338	19,753	43,644	1,558,923	566,985
Legal and professional services	* 941	* [4]	* 1,093	18,541	18,998	2,337,463	696,095
Meals and entertainment deducted	* 714	0	* 102	2,963	12,340	1,203,852	227,595
Mortgage interest	* 1,862	0	* 4,683	9,746	20,408	371,652	120,650
Other interest paid on business indebtedness	* 4,507	* 12	* 1,518	17,437	102,271	728,893	175,222
Office expenses	* 493	* [4]	* 1,700	4,834	18,921	2,814,374	1,072,371
Pension and profit-sharing plans	* 266	0	0	* 394	177	318,456	135,672
Rent paid on machinery and equipment	* 232	0	* 12,731	7,633	14,209	774,155	187,639
Rent paid on other business property	* 2,090	* 261	* 23,722	29,267	45,093	3,830,134	1,669,322
Repairs	* 1,089	* 8	* 1,733	22,460	77,574	880,211	183,731
Supplies	* 5,088	* 3	* 3,083	46,195	14,956	2,712,604	381,701
Salaries and wages	* 24,592	0	* 54,263	67,023	80,000	10,933,706	4,329,694
Taxes paid	* 3,886	* 5	* 8,689	25,430	36,401	1,764,891	589,733
Travel	* 183	0	* 826	6,306	17,699	3,229,706	292,824
Utilities	* 1,682	* 50	15,885	21,773	20,768	3,066,183	804,944
Other business deductions	* 17,495	* 10	28,789	69,478	149,161	15,561,655	4,783,563
Home office business deductions, total	0	0	* 2,321	* 5,646	* 592	2,921,567	233,893
Depreciation, Form 8829 [3]	0	0	* 53	* 325	* 20	420,668	33,708
Casualty loss, Form 8829 [3]	0	0	0	0	0	27,408	* 22,061
Excess—casualty depreciations, Form 8829 [3]	0	0	0	0	0	485,623	44,342
Net income less deficit [1,2]	* -11,464	* -133	43,067	247,186	-45,779	67,221,454	17,130,023
Net income [1,2]	* 3,119	0	* 45,501	302,371	279,396	73,659,904	17,869,939
Deficit [2]	* 14,583	* 133	* 2,435	55,186	325,175	6,438,450	739,916

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—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					Total	Legal services
	Consumer electronics and appliances rental	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		
(86)	(87)	(88)	(89)	(90)	(91)	(92)	
BUSINESSES WITH NET INCOME							
Number of returns [1]	* 1,009	0	* 688	16,884	8,991	2,342,086	266,647
Business receipts, total [1,2]	* 25,767	0	* 301,669	1,171,707	1,025,931	145,394,877	37,181,521
Income from sales and operations [1]	* 25,463	0	* 301,595	1,168,849	989,687	142,363,129	36,552,454
Other business income	* 304	0	* 73	2,858	36,244	3,031,748	629,067
Business deductions, total [1,2]	* 22,648	0	* 256,167	869,730	752,593	71,740,046	19,311,850
Cost of sales and operations, total	* 5,875	0	* 102,295	417,438	170,401	14,020,804	1,971,606
Inventory, beginning of year	* 4,765	0	* 14,633	* 44,456	* 26,715	493,763	37,430
Cost of labor	0	0	* 46	* 25,988	* 39,445	2,259,965	158,582
Purchases	* 4,121	0	* 95,369	266,164	6,193	4,757,424	48,124
Materials and supplies	0	0	0	* 17,442	43,765	1,665,997	10,131
Other costs	0	0	0	* 124,850	80,297	5,313,820	1,747,155
Inventory, end of year	* 3,011	0	* 7,751	* 61,463	* 26,014	470,165	29,816
Advertising expenses	* 72	0	* 3,303	25,791	4,408	1,715,700	830,628
Car and truck expenses	* 5,350	0	* 1,907	44,565	19,104	5,109,556	863,178
Commissions	0	0	0	* 866	2,269	816,504	144,473
Contract labor	* 1	0	* 224	21,061	7,883	3,673,178	744,513
Depletion	0	0	0	* [4]	* 249	5,368	1,826
Depreciation	* 209	0	* 7,458	54,964	195,352	2,344,683	327,177
Employee benefit programs	* 146	0	* 392	* 860	947	526,708	198,956
Insurance	* 297	0	* 4,065	16,224	22,350	1,282,176	495,998
Legal and professional services	* 330	0	160	10,450	10,447	1,727,897	584,875
Meals and entertainment deducted	* 701	0	* 101	2,656	8,384	958,399	196,758
Mortgage interest	* 49	0	* 402	* 6,622	6,665	258,432	91,490
Other interest paid on business indebtedness	* 34	0	* 1,515	10,290	47,715	523,032	135,924
Office expenses	* 79	0	* 698	3,683	13,830	2,242,511	950,448
Pension and profit-sharing plans	* 19	0	0	* 394	* 123	280,822	132,727
Rent paid on machinery and equipment	0	0	* 12,730	* 7,503	10,259	636,774	172,224
Rent paid on other business property	* 1,440	0	* 23,212	24,986	31,216	3,102,798	1,489,873
Repairs	* 546	0	* 1,728	16,005	46,580	629,016	148,852
Supplies	* 373	0	* 2,832	39,010	5,011	2,064,760	342,519
Salaries and wages	* 5,489	0	* 54,196	* 51,159	49,142	9,138,065	3,868,211
Taxes paid	* 632	0	* 7,522	22,661	22,466	1,478,666	532,519
Travel	* 1	0	* 41	5,745	6,036	2,619,029	246,415
Utilities	* 650	0	* 8,999	20,341	11,263	2,384,617	708,724
Other business deductions	* 348	0	* 21,789	58,026	60,009	11,336,050	3,902,932
Home office business deductions, total	0	0	* 599	* 4,520	* 479	2,350,018	199,634
Depreciation, Form 8829 [3]	0	0	* 53	* 325	* 8	282,090	26,090
Casualty loss, Form 8829 [3]	0	0	0	0	0	26,091	* 22,061
Excess—casualty depreciations, Form 8829 [3]	0	0	0	0	0	41,115	* 1,877
Net income [1,2]	* 3,119	0	* 45,501	302,371	279,396	73,659,904	17,869,939
Returns with Schedule C-EZ:							
Number of returns	* 8	0	0	* 4,368	* 466	509,059	36,771
Business receipts	* 41	0	0	* 19,732	* 10,960	5,099,212	618,144
Business deductions	* 8	0	0	* 3,953	* 5	519,408	29,746
Net income	* 34	0	0	* 15,779	* 10,955	4,579,804	588,398

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—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						
	Offices of certified public accountants	Other accounting services	Architectural, engineering, and related services				
			Total	Architectural services	Engineering services	Drafting, building inspections, and geophysical surveying	Surveying and mapping (except geophysical services)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	53,382	325,420	257,951	90,321	97,103	53,422	12,917
Business receipts, total [1,2]	4,385,854	8,305,646	12,640,450	5,357,539	4,643,938	1,833,434	433,259
Income from sales and operations [1]	4,284,333	8,152,259	12,413,282	5,257,181	4,611,478	1,740,164	432,342
Other business income	101,521	153,388	227,167	100,358	32,460	* 93,271	* 917
Business deductions, total [1,2]	2,651,101	4,938,780	8,098,688	4,099,753	2,525,437	906,978	328,554
Cost of sales and operations, total	21,042	314,859	1,915,914	1,092,846	620,104	* 105,108	* 29,356
Inventory, beginning of year	* 26,725	* 9,279	20,608	* 11,194	* 2,220	* 2,441	0
Cost of labor	* 7,989	* 119,874	436,232	281,720	52,328	* 93,433	* 6,953
Purchases	* 13,127	13,504	563,571	224,486	293,069	* 1,564	* 543
Materials and supplies	0	* 6,248	305,439	229,883	61,500	* 4,482	* 9,574
Other costs	* 2,178	173,039	602,196	351,531	213,023	* 5,689	* 12,285
Inventory, end of year	* 28,977	7,084	12,132	* 5,967	* 2,035	* 2,501	0
Advertising expenses	25,514	75,981	100,866	57,151	20,350	13,687	8,772
Car and truck expenses	171,439	531,448	680,269	255,462	188,772	201,409	25,564
Commissions	* 2,403	132,960	43,764	8,865	26,178	* 7,879	* 418
Contract labor	85,768	191,455	387,951	208,152	93,442	53,088	* 4,874
Depletion	0	* 11	* 4,307	* 390	* 3,907	* 10	0
Depreciation	130,047	184,336	380,513	207,627	103,576	46,978	12,854
Employee benefit programs	51,529	24,048	93,090	24,021	38,219	* 13,527	* 16,241
Insurance	75,457	79,657	243,370	122,949	56,326	45,747	11,828
Legal and professional services	26,233	107,885	176,234	80,552	62,780	20,408	7,312
Meals and entertainment deducted	31,193	63,974	69,429	19,917	34,792	12,376	525
Mortgage interest	23,347	46,590	17,381	11,502	5,548	* 37	* 84
Other interest paid on business indebtedness	34,323	41,151	70,800	31,416	23,669	* 13,353	* 1,892
Office expenses	126,629	216,491	194,971	75,978	77,922	30,964	6,956
Pension and profit-sharing plans	18,275	19,248	21,303	12,562	8,313	* 4	* 55
Rent paid on machinery and equipment	22,995	70,261	59,931	40,339	14,152	* 2,889	* 2,496
Rent paid on other business property	172,844	256,085	223,145	108,168	71,266	* 14,724	* 15,734
Repairs	36,139	63,429	113,276	75,652	24,795	8,627	2,623
Supplies	62,748	170,456	317,927	205,016	61,755	37,261	7,178
Salaries and wages	640,008	813,706	1,220,023	659,189	343,756	53,237	* 114,205
Taxes paid	86,590	107,234	163,906	96,183	42,720	8,285	11,530
Travel	34,453	94,594	160,672	36,832	107,058	12,002	* 3,216
Utilities	113,286	228,810	262,830	108,546	82,057	51,676	11,114
Other business deductions	588,563	864,356	871,636	466,388	255,683	118,075	18,455
Home office business deductions, total	48,753	166,600	270,137	82,864	141,171	32,472	* 11,698
Depreciation, Form 8829 [3]	6,790	28,183	31,282	5,257	21,324	3,930	* 754
Casualty loss, Form 8829 [3]	0	* 207	* 58	0	* 58	0	0
Excess—casualty depreciations, Form 8829 [3]	* 7,893	26,174	24,378	* 3,419	19,859	* 989	* 111
Net income less deficit [1,2]	1,734,752	3,370,098	4,551,434	1,261,761	2,124,197	926,456	104,704
Net income [1,2]	1,914,116	3,693,553	4,933,997	1,404,336	2,258,362	985,399	149,702
Deficit [2]	179,364	323,456	382,563	142,575	134,166	58,943	* 44,997

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—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						
	Offices of certified public accountants	Other accounting services	Architectural, engineering, and related services				
			Total	Architectural services	Engineering services	Drafting, building inspections, and geophysical surveying	Surveying and mapping (except geophysical services)
BUSINESSES WITH NET INCOME							
Number of returns [1]	42,060	267,489	196,348	71,092	68,316	44,778	7,994
Business receipts, total [1,2]	4,122,793	7,632,999	11,547,069	4,812,117	4,281,544	1,787,623	304,988
Income from sales and operations [1]	4,018,620	7,485,484	11,396,430	4,774,533	4,249,181	1,707,977	304,072
Other business income	104,173	147,516	150,639	37,585	32,363	* 79,646	* 917
Business deductions, total [1,2]	2,208,676	3,939,359	6,613,089	3,407,783	2,023,197	802,224	155,287
Cost of sales and operations, total	19,027	206,106	1,738,590	1,002,198	555,141	* 105,101	* 9,631
Inventory, beginning of year	* 26,725	* 853	20,269	* 11,194	* 1,888	* 2,434	0
Cost of labor	* 7,811	* 28,171	416,498	274,046	41,535	* 93,433	* 6,953
Purchases	* 13,127	7,128	560,174	222,182	291,978	* 1,564	* 543
Materials and supplies	0	* 2,992	234,713	187,696	41,574	* 4,482	* 961
Other costs	* 341	169,887	518,744	313,047	179,878	* 5,689	* 1,173
Inventory, end of year	* 28,977	* 2,925	11,808	* 5,967	* 1,711	* 2,501	0
Advertising expenses	21,837	49,846	61,623	30,972	16,270	12,452	* 1,033
Car and truck expenses	134,803	335,905	527,926	192,399	129,714	180,878	16,117
Commissions	* 1,939	114,474	42,631	7,982	25,928	* 7,879	* 418
Contract labor	81,731	98,788	324,257	192,382	74,233	27,911	* 1,404
Depletion	0	0	* 395	* 390	* 5	* [4]	0
Depreciation	66,283	147,377	270,649	136,896	73,543	43,766	* 8,004
Employee benefit programs	41,426	22,190	74,421	21,517	32,768	* 13,527	* 5,829
Insurance	68,353	64,320	199,180	98,027	44,997	41,594	* 8,422
Legal and professional services	21,488	94,686	138,971	64,029	49,480	18,014	2,415
Meals and entertainment deducted	28,244	46,320	56,777	16,839	26,619	11,276	* 242
Mortgage interest	18,332	40,298	10,000	8,486	* 1,358	0	* 84
Other interest paid on business indebtedness	27,656	36,233	47,822	21,341	17,547	* 7,244	* 1,333
Office expenses	112,452	163,729	154,681	66,518	57,509	24,216	3,638
Pension and profit-sharing plans	18,275	18,786	17,698	10,493	6,777	* 4	* 55
Rent paid on machinery and equipment	20,162	52,924	45,192	27,677	12,548	* 2,629	* 2,333
Rent paid on other business property	161,020	207,826	182,751	96,020	54,290	* 14,691	* 5,379
Repairs	33,436	54,636	90,436	58,054	21,844	7,626	* 1,564
Supplies	43,086	135,266	276,012	178,135	52,329	34,792	* 4,935
Salaries and wages	575,241	741,650	954,024	534,392	271,239	53,064	* 49,923
Taxes paid	74,819	100,049	134,805	81,111	35,377	7,427	6,198
Travel	26,437	72,963	134,196	28,242	89,734	11,520	* 3,179
Utilities	95,826	177,798	213,588	89,677	65,922	44,347	4,776
Other business deductions	450,304	742,186	690,112	377,628	188,855	100,524	11,229
Home office business deductions, total	44,973	141,850	191,312	55,193	102,042	28,589	* 3,567
Depreciation, Form 8829 [3]	5,524	24,378	15,666	4,364	7,501	3,142	* 643
Casualty loss, Form 8829 [3]	0	* 173	0	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	* 6,444	* 5,425	* 137	0	* 137	0	0
Net income [1,2]	1,914,116	3,693,553	4,933,997	1,404,336	2,258,362	985,399	149,702
Returns with Schedule C-EZ:							
Number of returns	6,211	74,605	44,751	16,668	16,038	* 7,056	* 3,994
Business receipts	46,504	490,239	427,961	104,549	202,180	* 83,914	* 16,268
Business deductions	21,523	73,153	35,042	11,185	17,127	* 3,153	* 3,577
Net income	24,981	417,086	392,919	93,364	185,053	* 80,761	* 12,690

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—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—continued	Specialized design services	Computer systems design services	Other professional, scientific, and technical services			
	Testing laboratories			Total	Management, scientific, and technical consulting services	Scientific research and development services	Advertising and related services
	(100)	(101)	(102)	(103)	(104)	(105)	(106)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	4,188	229,972	244,465	1,744,726	1,010,573	25,390	100,612
Business receipts, total [1,2]	372,280	6,631,470	9,589,935	76,638,286	44,676,717	1,175,599	6,500,939
Income from sales and operations [1]	372,118	6,541,271	9,434,292	74,657,490	43,654,322	1,157,337	6,299,103
Other business income	* 162	90,199	155,643	1,980,796	1,022,395	18,262	201,836
Business deductions, total [1,2]	237,965	4,774,022	5,923,264	41,800,477	20,592,233	720,924	4,831,269
Cost of sales and operations, total	* 68,499	2,228,059	1,767,747	7,467,786	2,571,410	128,719	1,788,157
Inventory, beginning of year	* 4,754	195,025	35,127	442,276	188,270	* 11,621	52,002
Cost of labor	* 1,797	399,265	471,890	938,352	650,504	* 32,855	* 51,400
Purchases	* 43,909	1,329,392	615,537	2,958,276	959,064	* 21,511	704,435
Materials and supplies	* 1	208,164	308,431	1,103,501	300,210	* 40,719	328,198
Other costs	* 19,668	328,563	375,034	2,451,098	628,448	* 32,156	683,243
Inventory, end of year	* 1,629	232,351	38,272	425,717	155,087	* 10,144	31,122
Advertising expenses	906	80,302	121,581	831,722	351,975	9,285	145,422
Car and truck expenses	9,062	297,184	474,235	4,018,323	2,371,078	57,972	350,310
Commissions	* 423	54,449	49,458	657,018	403,049	* 7,159	91,197
Contract labor	* 28,396	165,872	399,931	2,470,807	1,645,055	55,841	327,895
Depletion	0	* 243	* 109	5,880	5,549	0	* 22
Depreciation	9,479	142,821	242,602	1,882,026	838,179	29,617	124,010
Employee benefit programs	* 1,084	8,504	46,514	177,191	57,817	* 1,538	9,807
Insurance	6,521	28,325	47,514	517,614	245,799	9,263	26,674
Legal and professional services	5,183	85,607	101,239	1,144,170	711,743	31,982	71,951
Meals and entertainment deducted	1,820	35,425	69,979	706,257	469,645	12,200	52,991
Mortgage interest	* 210	* 9,988	27,858	125,838	64,139	* 636	5,078
Other interest paid on business indebtedness	* 469	23,243	24,721	359,432	182,506	9,575	34,181
Office expenses	3,150	87,353	110,253	1,006,308	573,437	10,809	55,593
Pension and profit-sharing plans	* 368	* 3,613	14,855	105,490	65,783	* 1,602	6,441
Rent paid on machinery and equipment	* 55	25,748	30,823	376,759	166,253	7,289	47,552
Rent paid on other business property	13,254	126,486	100,415	1,281,836	554,955	31,922	86,291
Repairs	* 1,580	14,383	42,838	426,415	204,301	9,134	14,901
Supplies	* 6,718	177,566	122,487	1,479,718	723,293	15,537	68,003
Salaries and wages	* 49,635	141,288	446,346	3,342,642	1,110,118	100,374	231,136
Taxes paid	5,188	47,843	88,096	681,488	265,830	14,836	40,630
Travel	* 1,565	97,388	193,073	2,356,701	1,658,323	30,575	111,205
Utilities	9,436	120,489	172,091	1,363,733	754,849	13,935	102,832
Other business deductions	13,034	508,044	929,840	7,015,653	3,348,115	108,989	889,542
Home office business deductions, total	* 1,932	230,598	277,640	1,693,947	1,061,991	18,657	137,690
Depreciation, Form 8829 [3]	* 16	38,870	29,381	252,454	161,134	2,956	11,983
Casualty loss, Form 8829 [3]	0	0	* 2,396	2,686	2,082	* 604	0
Excess—casualty depreciations, Form 8829 [3]	0	71,339	14,258	297,239	222,504	* 3,171	5,984
Net income less deficit [1,2]	134,315	1,857,483	3,668,779	34,908,885	24,112,717	454,674	1,670,000
Net income [1,2]	136,198	2,222,531	4,156,325	38,869,442	26,376,445	539,104	1,896,286
Deficit [2]	* 1,883	365,048	487,546	3,960,557	2,263,727	84,431	226,286

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—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—continued	Specialized design services	Computer systems design services	Other professional, scientific, and technical services			
				Total	Management, scientific, and technical consulting services	Scientific research and development services	Advertising and related services
	(100)	(101)	(102)	(103)	(104)	(105)	(106)
BUSINESSES WITH NET INCOME							
Number of returns [1]	4,168	150,279	187,740	1,231,523	730,924	19,236	72,513
Business receipts, total [1,2]	360,797	6,073,691	8,507,853	70,328,950	41,389,640	941,364	5,921,801
Income from sales and operations [1]	360,668	5,987,495	8,354,075	68,568,570	40,490,598	939,668	5,732,629
Other business income	* 129	86,196	153,778	1,760,380	899,042	* 1,697	189,172
Business deductions, total [1,2]	224,599	3,851,159	4,351,528	31,464,384	15,018,948	402,259	4,025,594
Cost of sales and operations, total	* 66,520	2,023,844	1,553,171	6,508,459	2,132,267	* 86,065	1,568,666
Inventory, beginning of year	* 4,754	103,392	28,082	277,012	107,334	* 1,480	* 27,352
Cost of labor	* 531	376,822	404,301	867,782	640,960	* 32,855	* 21,636
Purchases	* 43,907	1,174,642	499,235	2,454,993	686,664	* 759	615,504
Materials and supplies	0	175,844	294,099	948,217	224,292	* 18,824	322,587
Other costs	* 18,957	310,054	358,601	2,209,038	554,879	* 32,147	603,977
Inventory, end of year	* 1,629	116,910	31,147	248,583	81,862	0	* 22,390
Advertising expenses	* 895	58,683	97,440	595,643	245,464	4,516	115,684
Car and truck expenses	* 8,818	188,770	354,299	2,704,675	1,522,081	36,414	256,122
Commissions	* 422	43,353	42,348	427,286	200,321	* 7,038	76,250
Contract labor	* 28,327	142,315	249,641	2,031,932	1,346,046	* 31,709	305,476
Depletion	0	* 239	* 109	2,799	2,708	0	* 22
Depreciation	* 8,439	80,337	182,229	1,270,632	619,507	20,350	85,452
Employee benefit programs	* 780	6,433	31,406	151,876	45,651	* 1,086	7,456
Insurance	* 6,140	22,937	32,331	399,057	195,616	4,408	22,400
Legal and professional services	5,034	71,711	57,363	758,802	481,694	20,324	58,914
Meals and entertainment deducted	* 1,801	23,968	59,949	546,383	373,144	10,421	35,522
Mortgage interest	* 73	* [4]	* 5,509	92,803	46,002	* 636	* 4,654
Other interest paid on business indebtedness	* 356	15,592	12,866	246,939	128,794	* 5,072	20,838
Office expenses	* 2,801	63,753	79,795	717,652	412,891	6,314	38,596
Pension and profit-sharing plans	* 368	* 3,613	14,173	75,550	37,777	* 1,602	6,430
Rent paid on machinery and equipment	* 4	20,817	26,730	298,724	122,505	3,478	36,910
Rent paid on other business property	* 12,371	92,048	62,121	907,159	424,306	23,835	76,890
Repairs	* 1,348	5,916	27,330	268,410	115,466	7,588	10,409
Supplies	* 5,821	126,627	62,225	1,079,026	553,023	8,927	35,063
Salaries and wages	* 45,406	122,534	279,782	2,596,623	753,295	* 22,402	179,539
Taxes paid	* 4,691	35,497	63,503	537,473	199,173	7,428	33,142
Travel	* 1,521	73,414	160,864	1,904,740	1,379,714	25,555	89,381
Utilities	* 8,866	77,919	111,928	998,833	550,823	8,158	79,440
Other business deductions	* 11,875	327,923	532,428	4,690,166	2,103,723	44,880	758,318
Home office business deductions, total	* 1,920	189,727	230,971	1,351,551	842,600	10,576	112,261
Depreciation, Form 8829 [3]	* 16	22,968	23,300	164,164	101,622	1,999	9,623
Casualty loss, Form 8829 [3]	0	0	* 2,395	* 1,463	* 1,463	0	0
Excess—casualty depreciations, Form 8829 [3]	0	* 1,714	* 3,675	21,844	16,651	* 1,377	* 662
Net income [1,2]	136,198	2,222,531	4,156,325	38,869,442	26,376,445	539,104	1,896,286
Returns with Schedule C-EZ:							
Number of returns	* 995	32,175	37,824	276,722	153,614	4,883	13,829
Business receipts	* 21,050	220,604	459,610	2,836,150	1,930,410	44,206	72,839
Business deductions	* [4]	33,203	21,019	305,722	187,040	3,478	11,760
Net income	* 21,050	187,401	438,592	2,530,428	1,743,370	40,728	61,078

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—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			Educational services	Health care and social assistance
	Other professional, scientific, and technical services		Total	Administrative and support services	Waste management and remediation services	Total	Total
	Market research and public opinion polling	Other miscellaneous services					
	(107)	(108)	(109)	(110)	(111)	(112)	(113)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	32,825	575,326	2,415,027	2,397,634	17,394	685,095	2,080,840
Business receipts, total [1,2]	819,121	23,465,911	60,273,834	58,520,898	1,752,936	8,858,832	119,332,717
Income from sales and operations [1]	808,806	22,737,923	59,463,563	57,713,222	1,750,341	8,642,397	117,498,014
Other business income	10,315	727,988	810,271	807,676	2,595	216,435	1,834,703
Business deductions, total [1,2]	554,696	15,101,355	42,437,005	40,833,123	1,603,882	5,744,786	70,992,466
Cost of sales and operations, total	* 72,067	2,907,433	10,885,343	10,562,886	322,457	402,256	5,581,367
Inventory, beginning of year	* 829	189,554	365,820	349,887	* 15,933	128,892	325,112
Cost of labor	0	203,592	2,243,079	2,158,432	* 84,647	117,728	750,841
Purchases	* 11,139	1,262,126	3,981,704	3,910,029	71,674	182,795	1,863,097
Materials and supplies	* 11,664	422,710	1,925,668	1,917,915	* 7,753	48,528	1,049,367
Other costs	* 49,264	1,057,987	2,736,271	2,578,470	157,802	56,656	1,938,410
Inventory, end of year	* 829	228,536	367,199	351,848	* 15,352	132,343	345,460
Advertising expenses	19,213	305,827	657,996	644,926	13,070	148,262	1,257,006
Car and truck expenses	45,779	1,193,185	5,984,994	5,888,390	96,604	712,847	3,481,970
Commissions	17,979	137,634	511,624	500,566	11,058	71,175	320,489
Contract labor	17,006	425,011	2,285,923	2,241,626	44,297	204,100	2,268,968
Depletion	0	310	4,914	3,754	* 1,160	2,862	6,384
Depreciation	7,211	883,009	2,338,322	2,085,731	252,591	269,774	2,700,734
Employee benefit programs	* 31,655	76,374	135,715	124,558	11,157	12,487	619,858
Insurance	3,338	232,541	1,077,864	1,020,781	57,084	73,566	2,356,460
Legal and professional services	17,133	311,361	466,206	442,269	23,937	94,357	1,287,313
Meals and entertainment deducted	4,778	166,642	315,218	308,150	7,068	77,593	888,798
Mortgage interest	* 5,534	50,451	149,535	136,077	13,459	44,955	511,305
Other interest paid on business indebtedness	* 808	132,361	276,422	250,706	25,715	30,089	588,493
Office expenses	16,471	349,998	600,969	579,527	21,442	177,949	1,811,617
Pension and profit-sharing plans	* 4,932	26,732	31,587	30,886	* 701	* 5,624	469,098
Rent paid on machinery and equipment	* 14,802	140,863	356,273	336,009	20,264	52,581	589,230
Rent paid on other business property	5,866	602,802	762,800	740,511	22,289	572,179	5,235,566
Repairs	7,579	190,499	876,977	795,313	81,664	101,030	1,031,456
Supplies	7,220	665,665	2,122,735	2,083,268	39,467	394,376	4,171,041
Salaries and wages	61,045	1,839,970	4,030,074	3,859,368	170,706	442,036	16,490,921
Taxes paid	9,515	350,677	717,744	677,929	39,815	85,001	2,227,724
Travel	19,373	537,225	487,850	481,419	6,431	202,943	852,245
Utilities	26,318	465,800	1,065,052	1,042,380	22,673	277,059	2,228,537
Other business deductions	127,399	2,541,607	5,085,139	4,794,709	290,430	874,697	11,708,271
Home office business deductions, total	9,661	465,947	669,482	666,058	* 3,423	262,259	1,888,730
Depreciation, Form 8829 [3]	* 897	75,485	63,492	63,064	* 428	48,823	193,178
Casualty loss, Form 8829 [3]	0	0	* 2,041	* 2,041	0	* 256,561	* 4,719
Excess—casualty depreciations, Form 8829 [3]	* 405	65,174	67,946	67,946	* 1	82,608	112,717
Net income less deficit [1,2]	264,425	8,407,069	17,913,450	17,764,399	149,051	3,116,396	48,361,359
Net income [1,2]	354,777	9,702,830	21,248,959	20,988,350	260,610	3,972,413	50,925,580
Deficit [2]	90,351	1,295,761	3,335,509	3,223,951	111,558	856,017	2,564,222

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—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			Educational services	Health care and social assistance
	Other professional, scientific, and technical services		Total	Administrative and support services	Waste management and remediation services	Total	Total
	Market research and public opinion polling	Other miscellaneous services					
	(107)	(108)	(109)	(110)	(111)	(112)	(113)
BUSINESSES WITH NET INCOME							
Number of returns [1]	20,621	388,229	1,945,805	1,933,777	12,028	526,310	1,757,232
Business receipts, total [1,2]	763,770	21,312,375	52,661,597	51,183,250	1,478,347	7,771,398	112,055,804
Income from sales and operations [1]	753,513	20,652,162	52,008,291	50,531,836	1,476,455	7,576,933	110,399,041
Other business income	* 10,257	660,213	653,306	651,414	1,892	194,465	1,656,763
Business deductions, total [1,2]	408,994	11,608,588	31,415,864	30,198,127	1,217,737	3,799,331	61,130,104
Cost of sales and operations, total	* 72,067	2,649,395	8,710,881	8,436,523	274,358	342,790	4,857,990
Inventory, beginning of year	0	140,846	227,339	224,382	* 2,957	87,697	232,309
Cost of labor	0	172,331	1,817,006	1,732,847	* 84,159	114,686	676,028
Purchases	* 11,139	1,140,929	3,049,498	3,019,765	* 29,734	142,685	1,666,404
Materials and supplies	* 11,664	370,850	1,603,627	1,598,115	* 5,512	33,005	953,413
Other costs	* 49,264	968,771	2,229,535	2,075,032	154,503	49,491	1,580,246
Inventory, end of year	0	144,332	216,124	213,618	* 2,506	84,775	250,409
Advertising expenses	12,010	217,969	452,082	440,673	11,409	113,419	1,098,984
Car and truck expenses	7,622	882,437	4,168,364	4,097,318	71,046	440,712	2,704,453
Commissions	16,609	127,068	347,499	338,758	* 8,741	50,978	280,088
Contract labor	12,855	335,847	1,910,672	1,873,174	37,498	119,689	1,871,935
Depletion	0	69	1,529	717	* 812	* 18	6,252
Depreciation	4,088	541,235	1,388,720	1,259,726	128,994	145,780	2,142,128
Employee benefit programs	* 31,329	66,353	96,696	86,642	10,054	9,519	567,082
Insurance	2,326	174,307	789,909	749,323	40,585	53,495	2,108,573
Legal and professional services	6,859	191,010	325,802	315,838	9,964	70,741	1,091,464
Meals and entertainment deducted	3,131	124,165	223,455	216,693	6,762	43,223	696,259
Mortgage interest	* 5,534	35,976	65,558	53,222	12,335	18,001	352,618
Other interest paid on business indebtedness	* 19	92,217	160,643	148,863	11,780	12,351	460,775
Office expenses	13,710	246,141	404,954	385,007	19,947	104,051	1,618,034
Pension and profit-sharing plans	* 4,932	24,808	21,218	20,517	* 701	* 5,597	465,004
Rent paid on machinery and equipment	* 14,364	121,468	216,856	201,453	15,403	43,164	454,484
Rent paid on other business property	5,866	376,262	521,238	502,984	18,254	416,042	4,634,433
Repairs	970	133,977	578,371	513,601	64,770	64,473	875,884
Supplies	5,618	476,396	1,610,431	1,579,076	31,355	228,990	3,727,728
Salaries and wages	61,045	1,580,343	3,100,901	2,967,893	133,008	275,352	15,066,859
Taxes paid	9,444	288,286	514,965	486,564	28,401	61,052	1,992,095
Travel	13,171	396,919	334,758	329,271	5,487	130,160	700,290
Utilities	14,175	346,237	772,391	753,727	18,663	166,374	1,881,837
Other business deductions	81,622	1,701,624	3,648,717	3,399,569	249,148	586,519	9,547,158
Home office business deductions, total	7,615	378,499	513,283	509,945	* 3,338	149,134	1,521,747
Depreciation, Form 8829 [3]	* 492	50,427	37,130	36,716	* 415	18,155	149,431
Casualty loss, Form 8829 [3]	0	0	* 28	* 28	0	0	* 4,545
Excess—casualty depreciations, Form 8829 [3]	0	* 3,153	2,218	2,217	* 1	* 3,774	24,633
Net income [1,2]	354,777	9,702,830	21,248,959	20,988,350	260,610	3,972,413	50,925,580
Returns with Schedule C-EZ:							
Number of returns	5,966	98,430	717,957	714,903	* 3,054	211,960	554,389
Business receipts	29,905	758,791	5,138,734	5,129,964	* 8,770	944,564	4,943,805
Business deductions	* 2,014	101,431	540,250	535,328	* 4,922	152,729	418,886
Net income	27,891	657,360	4,598,484	4,594,636	* 3,848	791,836	4,524,919

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—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							
	Total	Offices of physicians (except mental health specialists)	Offices of physicians, mental health specialists	Offices of dentists	Offices of chiropractors	Offices of optometrists	Offices of mental health practitioners and social therapists	Offices of podiatrists
	(114)	(115)	(116)	(117)	(118)	(119)	(120)	(121)
BUSINESSES WITH AND WITHOUT NET INCOME								
Number of returns [1]	1,049,070	190,881	30,878	89,617	36,963	17,777	182,561	7,244
Business receipts, total [1,2]	97,610,612	33,096,550	3,111,713	29,523,733	3,632,742	3,860,345	8,875,205	1,284,916
Income from sales and operations [1]	96,263,533	32,467,784	3,018,730	29,443,100	3,474,443	3,848,112	8,785,062	1,270,691
Other business income	1,347,079	628,767	92,983	80,634	158,299	12,233	90,143	* 14,225
Business deductions, total [1,2]	57,071,052	17,479,365	1,226,657	19,628,626	2,277,631	2,763,758	4,134,872	804,890
Cost of sales and operations, total	4,850,855	1,203,380	* 13,851	1,729,510	136,889	798,534	290,887	21,499
Inventory, beginning of year	270,124	54,450	* 17,031	12,581	* 7,180	93,362	47,101	* 1,271
Cost of labor	629,973	103,115	* 1,334	275,544	* 3,492	* 4,192	* 95,001	* 2,113
Purchases	1,677,761	353,144	* 4,354	194,565	95,407	602,681	158,434	* 451
Materials and supplies	975,545	275,502	* 1,679	421,882	* 22,886	101,739	9,513	* 15,428
Other costs	1,597,305	499,676	* 5,154	839,932	* 13,892	94,106	27,260	* 3,190
Inventory, end of year	299,853	82,507	* 15,701	14,995	* 5,967	97,546	46,422	* 954
Advertising expenses	1,163,217	248,896	11,386	324,489	127,625	53,635	75,023	14,410
Car and truck expenses	2,394,446	387,753	71,530	204,302	60,775	64,896	400,715	21,658
Commissions	253,069	56,096	13,252	54,546	* 11,494	* 592	5,910	* 12,430
Contract labor	1,780,949	624,505	39,746	377,589	83,922	59,334	171,921	37,727
Depletion	5,695	628	* 3	* 63	0	0	0	0
Depreciation	2,193,734	538,067	46,815	995,552	94,359	97,316	120,718	13,614
Employee benefit programs	535,589	198,766	6,245	206,984	11,750	31,598	23,521	5,639
Insurance	2,058,895	1,024,515	71,082	449,852	77,766	45,495	118,600	51,887
Legal and professional services	1,128,648	420,144	36,450	291,835	41,179	31,836	134,179	14,808
Meals and entertainment deducted	331,567	81,968	15,565	65,128	12,038	8,156	45,339	5,438
Mortgage interest	267,449	65,968	11,854	113,222	12,266	* 13,275	7,858	* 15,519
Other interest paid on business indebtedness	503,647	91,234	2,774	274,243	19,649	27,166	21,400	7,298
Office expenses	1,610,008	497,008	55,846	487,943	107,232	66,109	143,556	38,100
Pension and profit-sharing plans	466,879	208,734	5,176	201,467	5,644	10,296	8,276	6,312
Rent paid on machinery and equipment	498,351	170,428	23,619	94,356	46,316	16,808	29,514	17,817
Rent paid on other business property	4,548,546	1,319,811	167,795	1,324,180	347,289	253,938	617,528	106,614
Repairs	710,574	189,593	15,427	284,676	34,302	28,274	31,632	8,690
Supplies	3,310,147	965,030	32,718	1,471,217	142,794	77,902	137,195	66,520
Salaries and wages	14,098,095	4,289,393	158,095	6,407,998	402,000	613,941	636,724	162,254
Taxes paid	1,876,615	542,162	29,384	803,432	67,114	89,219	107,960	23,712
Travel	689,575	207,285	56,711	88,263	30,243	7,074	85,894	8,520
Utilities	1,614,166	389,714	42,278	490,169	104,882	68,224	174,886	29,813
Other business deductions	9,468,646	3,670,787	258,443	2,847,202	264,674	298,785	607,119	113,087
Home office business deductions, total	480,196	61,677	37,525	38,085	34,659	* 1,355	95,607	* 624
Depreciation, Form 8829 [3]	59,280	9,292	4,777	3,204	4,048	* 273	14,209	* 120
Casualty loss, Form 8829 [3]	* 4,719	* 10	0	* 165	* 353	0	* 48	0
Excess—casualty depreciations, Form 8829 [3]	38,313	10,455	* 2,748	* 1,069	* 39	* 270	6,110	0
Net income less deficit [1,2]	40,553,254	15,618,164	1,885,056	9,893,737	1,355,111	1,113,187	4,740,382	480,026
Net income [1,2]	42,307,570	15,981,368	1,928,613	10,114,380	1,436,576	1,154,986	4,860,891	488,257
Deficit [2]	1,754,316	363,204	43,557	220,643	81,465	41,799	120,509	* 8,231

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—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							
	Total	Offices of physicians (except mental health specialists)	Offices of physicians, mental health specialists	Offices of dentists	Offices of chiropractors	Offices of optometrists	Offices of mental health practitioners and social therapists	Offices of podiatrists
	(114)	(115)	(116)	(117)	(118)	(119)	(120)	(121)
BUSINESSES WITH NET INCOME								
Number of returns [1]	868,790	160,942	27,760	80,320	31,456	16,418	147,552	6,051
Business receipts, total [1,2]	93,365,381	31,580,960	3,043,977	28,665,909	3,477,075	3,738,548	8,584,812	1,260,248
Income from sales and operations [1]	92,103,002	30,999,079	2,951,358	28,589,773	3,326,465	3,726,427	8,496,178	1,246,025
Other business income	1,262,379	581,881	92,619	76,135	150,610	12,121	88,633	* 14,222
Business deductions, total [1,2]	51,057,838	15,600,460	1,115,364	18,550,348	2,040,500	2,583,665	3,723,969	771,991
Cost of sales and operations, total	4,364,725	1,139,484	* 12,771	1,544,935	83,978	773,613	277,524	21,273
Inventory, beginning of year	212,339	33,420	* 15,951	11,152	* 7,180	89,359	* 27,095	* 1,271
Cost of labor	555,469	94,765	* 1,334	257,256	* 847	* 3,966	* 93,596	* 2,113
Purchases	1,513,304	316,862	* 4,354	190,716	47,087	578,464	150,763	* 451
Materials and supplies	888,727	260,861	* 1,679	397,882	* 20,940	101,686	* 8,908	* 15,260
Other costs	1,428,305	483,550	* 5,154	697,740	* 13,892	93,714	27,251	* 3,132
Inventory, end of year	233,419	49,974	* 15,701	9,811	* 5,967	93,575	* 30,089	* 954
Advertising expenses	1,035,700	225,244	11,055	304,087	121,330	52,628	65,415	14,410
Car and truck expenses	1,919,119	341,415	65,232	174,754	50,436	57,566	364,912	21,536
Commissions	220,551	43,887	13,252	53,217	* 11,493	* 601	5,833	* 12,418
Contract labor	1,515,030	531,125	39,655	358,332	71,673	44,968	164,020	35,304
Depletion	5,563	496	* 3	* 63	0	0	0	0
Depreciation	1,838,279	461,201	40,328	880,193	57,860	83,344	103,469	13,097
Employee benefit programs	510,926	190,580	* 4,835	203,553	10,052	31,282	22,743	5,639
Insurance	1,893,218	955,048	62,747	425,817	73,899	41,995	105,686	49,644
Legal and professional services	981,030	358,429	30,152	269,980	38,391	27,084	120,066	11,761
Meals and entertainment deducted	292,820	75,199	14,580	60,353	11,713	7,727	40,422	5,438
Mortgage interest	207,652	52,408	* 7,577	95,817	12,266	* 7,824	6,873	* 15,519
Other interest paid on business indebtedness	424,973	77,669	1,784	240,457	16,004	25,737	14,074	7,221
Office expenses	1,472,156	465,261	47,178	468,856	98,841	60,373	128,677	34,161
Pension and profit-sharing plans	463,291	206,850	5,176	200,908	5,644	10,221	7,680	6,312
Rent paid on machinery and equipment	385,310	151,840	18,880	69,921	45,834	16,562	28,215	16,187
Rent paid on other business property	4,156,140	1,222,751	148,188	1,253,135	329,657	239,814	542,567	105,776
Repairs	631,618	169,347	15,330	274,933	32,567	23,258	30,252	8,325
Supplies	3,068,406	900,054	31,780	1,421,733	137,756	76,886	120,638	62,667
Salaries and wages	13,384,228	4,047,742	157,448	6,283,584	364,402	600,813	612,299	156,762
Taxes paid	1,760,654	501,963	28,516	783,279	61,876	84,039	99,005	22,233
Travel	573,327	174,005	55,927	79,962	28,161	6,468	69,144	8,520
Utilities	1,433,807	358,289	40,542	461,175	97,562	61,262	151,855	29,108
Other business deductions	7,907,013	2,876,726	228,422	2,622,068	245,202	248,362	522,487	108,056
Home office business deductions, total	390,811	49,851	30,920	16,914	33,221	* 1,340	77,503	* 624
Depreciation, Form 8829 [3]	48,630	7,188	3,859	2,671	* 4,035	* 271	12,437	* 120
Casualty loss, Form 8829 [3]	* 4,545	0	0	* [4]	* 353	0	* 48	0
Excess—casualty depreciations, Form 8829 [3]	14,286	7,124	* 1,364	* 217	0	* 248	* 904	0
Net income [1,2]	42,307,570	15,981,368	1,928,613	10,114,380	1,436,576	1,154,986	4,860,891	488,257
Returns with Schedule C-EZ:								
Number of returns	225,077	34,597	3,456	12,371	* 2,164	* 1,343	24,317	* 308
Business receipts	2,467,708	532,331	29,394	42,939	* 6,034	* 40,647	367,622	* 912
Business deductions	231,495	25,824	* 3,087	2,324	* 768	0	42,909	* 900
Net income	2,236,213	506,506	26,307	40,615	* 5,266	* 40,647	324,713	* 12

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—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	Nursing and residential care facilities	Social assistance
	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, organ banks)			
	(122)	(123)	(124)	(125)	(126)	(127)	(128)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	155,963	30,130	273,854	33,201	6,339	70,379	955,052
Business receipts, total [1,2]	6,058,068	1,234,995	5,646,688	1,285,655	489,884	4,799,798	16,432,422
Income from sales and operations [1]	5,842,942	1,234,028	5,615,741	1,262,900	477,214	4,785,695	15,971,572
Other business income	215,126	967	30,947	22,755	* 12,671	14,103	460,849
Business deductions, total [1,2]	3,341,605	818,372	3,685,898	909,379	252,427	4,429,076	9,239,910
Cost of sales and operations, total	234,515	118,374	158,768	144,648	* 3,072	376,354	351,087
Inventory, beginning of year	4,675	* 22,052	* 5,021	* 5,400	* 191	8,490	46,307
Cost of labor	* 62,121	* 19,164	* 53,443	* 10,452	0	85,122	35,747
Purchases	95,938	* 24,165	22,494	* 126,129	* 3,062	25,887	156,387
Materials and supplies	15,929	45,011	65,976	0	0	6,706	67,116
Other costs	60,879	29,546	16,691	* 6,980	* 34	258,961	82,110
Inventory, end of year	5,026	* 21,564	* 4,857	* 4,313	* 215	8,811	36,581
Advertising expenses	147,995	11,269	131,518	16,972	566	27,321	65,903
Car and truck expenses	349,007	66,081	708,788	58,941	8,693	156,937	921,894
Commissions	62,552	3,838	24,758	* 7,601	* 625	6,376	60,419
Contract labor	115,142	11,034	205,527	54,503	* 2,760	128,121	357,138
Depletion	* 12	0	* 4,989	0	0	* 672	* 17
Depreciation	121,298	21,921	103,948	40,125	7,794	147,856	351,351
Employee benefit programs	17,571	7,503	23,774	2,236	* 6,147	52,776	25,345
Insurance	83,004	25,260	84,296	27,139	10,065	117,164	170,335
Legal and professional services	84,305	22,111	40,323	11,478	4,269	61,506	92,891
Meals and entertainment deducted	33,658	5,945	53,548	4,783	1,527	64,294	491,411
Mortgage interest	2,828	5,345	17,941	* 1,372	* 1,656	178,134	64,066
Other interest paid on business indebtedness	31,424	9,624	10,090	8,745	* 4,217	22,358	58,270
Office expenses	116,911	13,252	72,909	11,141	3,389	46,637	151,582
Pension and profit-sharing plans	13,542	2,427	4,437	* 568	* 22	1,435	* 761
Rent paid on machinery and equipment	45,280	10,435	38,524	5,255	* 2,844	20,717	67,317
Rent paid on other business property	264,119	38,824	73,498	34,949	* 7,139	262,586	417,295
Repairs	56,996	11,917	39,573	9,494	1,530	100,439	218,913
Supplies	205,070	36,640	157,818	17,243	6,802	170,634	683,458
Salaries and wages	348,464	145,163	734,798	199,264	* 89,426	1,174,660	1,128,739
Taxes paid	66,398	47,397	77,997	21,840	10,924	181,515	158,670
Travel	94,619	20,701	69,223	21,042	6,251	31,750	124,669
Utilities	140,755	35,877	117,322	20,247	3,494	165,945	444,931
Other business deductions	588,887	130,305	524,553	164,804	66,258	816,839	1,356,527
Home office business deductions, total	77,023	* 12,032	114,963	6,645	* 2,765	112,745	1,293,025
Depreciation, Form 8829 [3]	9,356	* 2,762	10,145	* 1,094	* 170	16,187	117,541
Casualty loss, Form 8829 [3]	* 4,144	0	0	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	11,752	* 4,458	* 1,411	* 2	0	* 13,069	61,336
Net income less deficit [1,2]	2,718,022	416,623	1,960,979	371,967	237,457	377,840	7,192,808
Net income [1,2]	2,965,707	490,561	2,467,795	418,436	248,859	663,821	7,705,330
Deficit [2]	247,685	73,938	506,816	46,469	* 11,402	285,982	512,522

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—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	Nursing and residential care facilities	Social assistance
	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, organ banks)			
	(122)	(123)	(124)	(125)	(126)	(127)	(128)
BUSINESSES WITH NET INCOME							
Number of returns [1]	116,837	25,443	230,349	25,662	5,287	48,755	834,400
Business receipts, total [1,2]	5,639,870	1,175,703	5,107,787	1,090,491	441,502	3,423,849	14,825,072
Income from sales and operations [1]	5,443,627	1,175,063	5,081,044	1,067,962	441,353	3,416,729	14,437,957
Other business income	196,243	* 640	26,744	22,529	* 149	7,120	387,115
Business deductions, total [1,2]	2,674,163	685,142	2,640,181	672,055	192,643	2,759,880	7,119,743
Cost of sales and operations, total	217,295	107,509	72,210	* 114,133	0	182,550	310,715
Inventory, beginning of year	3,711	* 18,675	* 2,362	* 2,163	0	* 5,306	14,664
Cost of labor	* 51,625	* 16,539	* 22,976	* 10,452	0	84,813	* 35,746
Purchases	94,317	* 20,600	12,864	* 96,826	0	21,518	131,582
Materials and supplies	14,784	43,412	23,315	0	0	* 5,320	59,367
Other costs	56,562	28,009	* 12,323	* 6,980	0	70,233	81,708
Inventory, end of year	3,704	* 19,725	* 1,630	* 2,288	0	* 4,639	12,351
Advertising expenses	119,698	8,122	105,818	7,893	* 337	10,811	52,137
Car and truck expenses	267,924	60,153	477,291	37,899	8,562	85,465	691,307
Commissions	* 49,049	* 2,279	23,046	* 5,577	* 171	* 2,371	56,996
Contract labor	93,146	10,851	144,243	21,714	* 1,355	62,421	293,129
Depletion	* 12	0	* 4,989	0	0	* 672	* 17
Depreciation	99,269	13,222	47,969	38,326	3,568	83,572	216,709
Employee benefit programs	14,783	5,676	19,611	* 2,172	* 5,145	27,288	23,722
Insurance	74,382	22,442	57,435	24,122	* 9,084	79,226	127,045
Legal and professional services	73,819	13,815	29,484	8,048	3,614	45,250	61,569
Meals and entertainment deducted	25,576	5,326	42,569	3,917	1,459	35,705	366,275
Mortgage interest	* 2,176	* 5,126	* 1,027	* 1,039	* 1,656	99,115	44,194
Other interest paid on business indebtedness	25,576	5,758	6,323	4,369	* 670	10,743	24,389
Office expenses	98,285	8,129	54,302	8,094	* 2,729	21,685	121,465
Pension and profit-sharing plans	13,166	* 2,415	4,351	* 568	* 1	976	* 736
Rent paid on machinery and equipment	15,551	7,874	9,694	4,754	* 602	12,299	56,274
Rent paid on other business property	222,332	31,476	39,831	20,614	* 5,650	155,893	316,750
Repairs	43,723	11,204	14,490	8,187	* 1,167	71,829	171,270
Supplies	171,102	32,458	99,229	14,104	* 4,143	115,587	539,592
Salaries and wages	272,956	133,765	575,680	178,778	* 69,545	783,190	829,896
Taxes paid	55,031	45,161	61,805	17,748	8,759	114,670	108,013
Travel	68,925	15,003	53,523	13,689	5,754	19,957	101,252
Utilities	117,281	25,219	77,366	14,148	* 2,544	113,064	332,422
Other business deductions	439,192	102,485	416,792	97,221	55,015	549,501	1,035,628
Home office business deductions, total	57,160	* 4,578	112,102	* 6,598	* 924	72,735	1,057,277
Depreciation, Form 8829 [3]	6,552	* 649	9,761	* 1,087	* 170	* 9,136	91,495
Casualty loss, Form 8829 [3]	* 4,144	0	0	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	* 4,144	0	* 285	0	0	0	* 10,347
Net income [1,2]	2,965,707	490,561	2,467,795	418,436	248,859	663,821	7,705,330
Returns with Schedule C-EZ:							
Number of returns	32,158	10,693	92,735	10,935	* 2,250	12,026	315,036
Business receipts	381,902	108,413	852,459	105,056	* 12,185	44,025	2,419,888
Business deductions	40,230	* 5,096	92,014	18,343	* 190	* 3,306	183,896
Net income	341,672	103,317	760,445	86,712	* 11,995	40,719	2,235,992

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Arts, entertainment, and recreation				Accommodation, food services, and drinking places		
	Total	Performing arts, spectator sports and related industries	Museums, historical sites, and similar institutions	Amusement, gambling, and recreation industries	Total	Accommodation	
						Total	Travel accommodation (including hotels, motels, and bed and breakfast inns)
	(129)	(130)	(131)	(132)	(133)	(134)	(135)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	1,345,309	1,115,950	1,148	228,211	422,731	48,271	25,101
Business receipts, total [1,2]	29,237,577	22,150,638	50,656	7,036,282	46,532,453	5,097,240	4,104,693
Income from sales and operations [1]	28,281,145	21,373,750	58,615	6,848,780	46,040,640	4,986,774	3,998,950
Other business income	956,432	776,888	* -7,958	187,502	491,813	110,466	105,743
Business deductions, total [1,2]	22,453,996	15,827,617	* 58,840	6,567,539	45,357,693	5,422,571	4,359,917
Cost of sales and operations, total	2,801,597	1,804,778	* 1,471	995,348	17,851,722	527,373	369,616
Inventory, beginning of year	698,586	583,984	* 1,716	112,885	799,581	79,831	61,923
Cost of labor	211,519	154,388	0	57,130	1,390,490	90,654	89,659
Purchases	1,026,017	452,872	* 568	572,577	14,337,675	245,611	83,177
Materials and supplies	424,281	303,171	* 298	120,812	1,364,730	41,607	39,884
Other costs	1,155,383	912,498	0	242,885	747,776	172,689	164,034
Inventory, end of year	714,188	602,135	* 1,111	110,942	788,530	103,019	69,061
Advertising expenses	547,844	366,961	* 5,637	175,246	736,572	99,914	86,555
Car and truck expenses	2,062,232	1,774,921	* 4,179	283,133	917,997	118,643	47,350
Commissions	641,845	520,190	* 4	121,650	147,568	48,055	46,951
Contract labor	833,586	623,365	* 2,845	207,376	357,442	52,397	42,898
Depletion	6,402	5,853	0	549	390	* 122	* 122
Depreciation	1,552,887	1,125,068	* 810	427,009	1,846,922	680,976	545,196
Employee benefit programs	54,695	26,232	* 147	28,316	93,264	21,803	19,952
Insurance	258,022	153,568	* 415	104,038	752,241	163,504	131,066
Legal and professional services	574,767	492,780	* 633	81,355	344,050	64,579	55,341
Meals and entertainment deducted	342,947	296,879	* 958	45,109	85,829	19,111	14,103
Mortgage interest	124,358	59,968	* 2,158	62,232	625,069	421,374	370,257
Other interest paid on business indebtedness	183,067	112,735	* 137	70,196	342,433	118,353	112,208
Office expenses	336,330	274,142	* 1,883	60,305	230,242	35,861	22,519
Pension and profit-sharing plans	9,500	8,168	0	1,332	19,458	4,340	3,848
Rent paid on machinery and equipment	184,711	119,212	0	65,499	417,486	19,691	16,272
Rent paid on other business property	1,042,955	451,889	* 4,819	586,246	3,071,068	143,812	117,457
Repairs	387,423	252,500	* 156	134,768	863,378	251,576	190,987
Supplies	903,031	701,983	* 533	200,515	1,219,379	193,636	152,037
Salaries and wages	1,194,054	631,207	* 1,401	561,446	6,911,658	724,586	618,273
Taxes paid	326,550	139,293	* 513	186,743	1,983,551	474,202	419,541
Travel	1,009,294	870,901	* 14,221	124,172	114,435	23,102	17,501
Utilities	664,516	437,857	* 1,065	225,593	2,588,594	538,474	436,699
Other business deductions	5,564,364	3,822,589	* 13,328	1,728,447	3,681,649	616,922	477,118
Home office business deductions, total	620,023	585,377	* 1,527	33,119	124,592	60,114	45,999
Depreciation, Form 8829 [3]	81,694	76,973	* 218	4,503	12,684	3,706	3,706
Casualty loss, Form 8829 [3]	* 87	* 87	0	0	* 227	0	0
Excess—casualty depreciations, Form 8829 [3]	131,572	127,499	* 218	3,855	52,057	28,396	* 25,930
Net income less deficit [1,2]	6,844,919	6,361,169	-8,184	491,933	1,220,604	-312,031	-247,081
Net income [1,2]	10,979,478	9,640,053	* 7,311	1,332,114	4,121,057	488,831	349,453
Deficit [2]	4,134,559	3,278,884	* 15,495	840,181	2,900,453	800,862	596,534

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—Continued

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

Net income status, item	Arts, entertainment, and recreation				Accommodation, food services, and drinking places		
	Total	Performing arts, spectator sports and related industries	Museums, historical sites, and similar institutions	Amusement, gambling, and recreation industries	Total	Accommodation	
						Total	Travel accommodation (including hotels, motels, and bed and breakfast inns)
	(129)	(130)	(131)	(132)	(133)	(134)	(135)
BUSINESSES WITH NET INCOME							
Number of returns [1]	849,879	693,272	* 147	156,460	274,949	25,996	15,110
Business receipts, total [1,2]	23,080,307	18,807,092	* 47,234	4,225,981	33,016,462	2,892,968	2,268,242
Income from sales and operations [1]	22,333,672	18,182,684	* 46,608	4,104,380	32,678,125	2,865,382	2,246,909
Other business income	746,634	624,408	* 626	121,600	338,337	27,586	21,332
Business deductions, total [1,2]	12,116,178	9,182,137	* 39,923	2,894,119	28,900,106	2,407,094	1,921,667
Cost of sales and operations, total	1,933,718	1,327,740	0	605,978	12,418,107	2,707,573	194,267
Inventory, beginning of year	212,058	194,752	0	17,306	411,800	17,079	15,308
Cost of labor	78,328	67,759	0	* 10,569	923,563	* 36,867	* 36,867
Purchases	735,375	364,297	0	371,078	10,258,915	119,669	30,898
Materials and supplies	298,580	201,989	0	96,591	744,917	24,206	23,773
Other costs	817,210	688,159	0	129,051	478,381	107,269	105,821
Inventory, end of year	207,834	189,216	0	18,618	399,468	34,517	18,401
Advertising expenses	268,815	188,958	* 5,413	74,444	460,378	43,374	34,273
Car and truck expenses	1,147,482	990,176	* 2,346	154,960	504,215	63,191	34,692
Commissions	523,307	450,361	0	72,947	59,037	14,324	14,083
Contract labor	544,051	433,275	* 2,389	108,388	227,736	26,981	20,394
Depletion	* 21	* 14	0	* 7	* 242	0	0
Depreciation	497,901	415,952	* 1	81,947	740,780	224,710	188,922
Employee benefit programs	27,883	14,853	0	13,030	49,233	4,954	3,494
Insurance	112,475	71,620	* 169	40,687	433,404	94,554	76,390
Legal and professional services	276,915	253,845	* 371	22,699	194,002	27,138	21,842
Meals and entertainment deducted	206,706	177,838	* 623	28,245	51,107	10,657	10,025
Mortgage interest	38,241	23,635	0	14,606	243,026	155,466	137,355
Other interest paid on business indebtedness	49,552	37,269	0	12,283	143,064	41,734	41,380
Office expenses	185,824	150,522	* 1,649	33,653	122,255	20,942	13,111
Pension and profit-sharing plans	5,984	5,650	0	* 335	10,667	* 3,927	* 3,540
Rent paid on machinery and equipment	70,391	57,251	0	13,140	234,211	5,677	2,469
Rent paid on other business property	556,620	286,274	* 4,208	266,138	2,180,663	46,169	36,701
Repairs	169,691	112,671	* [4]	57,020	499,226	132,587	106,212
Supplies	468,403	373,867	* 373	94,162	687,702	119,153	100,280
Salaries and wages	599,419	357,629	0	241,790	4,385,932	307,492	234,877
Taxes paid	144,251	79,245	* 28	64,978	1,214,074	212,056	175,211
Travel	629,033	548,298	* 12,025	68,710	57,726	6,639	3,616
Utilities	352,170	257,989	* 231	93,951	1,647,455	308,242	248,239
Other business deductions	2,650,904	1,985,952	* 10,096	654,856	2,244,317	240,524	201,595
Home office business deductions, total	443,943	425,631	0	18,312	60,846	* 25,981	* 18,648
Depreciation, Form 8829 [3]	40,265	38,529	0	1,735	2,291	* 71	* 71
Casualty loss, Form 8829 [3]	* [4]	* [4]	0	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	8,225	8,225	0	0	* 2	0	0
Net income [1,2]	10,979,478	9,640,053	* 7,311	1,332,114	4,121,057	488,831	349,453
Returns with Schedule C-EZ:							
Number of returns	295,117	234,059	**	** 61,058	59,097	* 5,180	* 2,144
Business receipts	1,156,611	932,638	**	** 223,974	421,273	* 24,058	* 5,993
Business deductions	226,997	169,201	**	** 57,795	30,702	* 50	* 50
Net income	929,614	763,436	**	** 166,178	390,571	* 24,008	* 5,943

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—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—continued			Other services			
	Accommodation—continued		Food services and drinking places	Total	Auto repair and maintenance		
	RV (recreational vehicle) parks and recreational camps	Rooming and boarding houses			Total	Automotive mechanical and electrical repair and maintenance	Automotive body shops
	(136)	(137)	(138)	(139)	(140)	(141)	(142)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	13,418	9,753	374,460	2,669,548	355,604	191,525	82,252
Business receipts, total [1,2]	590,114	402,433	41,435,213	83,822,044	22,516,588	11,750,125	6,456,181
Income from sales and operations [1]	591,519	396,305	41,053,866	82,688,758	22,391,359	11,697,119	6,412,718
Other business income	-1,405	* 6,129	381,347	1,133,286	125,229	53,006	43,463
Business deductions, total [1,2]	636,434	426,219	39,935,122	63,147,999	19,989,148	10,432,672	5,713,081
Cost of sales and operations, total	150,175	* 7,582	17,324,350	18,185,136	8,803,643	4,502,642	2,789,827
Inventory, beginning of year	* 16,718	* 1,190	719,750	1,522,439	635,054	292,784	157,262
Cost of labor	* 91	* 905	1,299,836	1,870,706	528,436	231,214	213,512
Purchases	160,831	* 1,602	14,092,064	10,662,068	5,776,448	3,115,312	1,687,727
Materials and supplies	* 738	* 985	1,323,123	3,726,058	1,587,158	904,124	488,026
Other costs	* 5,755	* 2,900	575,087	2,019,111	959,788	275,707	432,275
Inventory, end of year	* 33,959	0	685,511	1,615,246	683,242	316,499	188,975
Advertising expenses	8,366	4,993	636,658	1,023,735	246,121	130,524	71,045
Car and truck expenses	43,452	27,841	799,354	5,341,751	1,022,965	560,279	277,900
Commissions	* 172	* 931	99,513	712,971	134,970	88,766	43,696
Contract labor	4,344	* 5,156	305,045	2,459,155	530,693	358,491	117,906
Depletion	0	0	267	163	* 1	0	0
Depreciation	98,191	37,589	1,165,946	2,613,535	949,323	483,027	239,905
Employee benefit programs	* 1,799	* 51	71,462	121,076	58,374	24,087	27,507
Insurance	18,828	13,610	588,737	1,157,906	439,501	227,334	99,878
Legal and professional services	3,615	5,623	279,471	505,592	127,446	65,686	25,544
Meals and entertainment deducted	3,478	* 1,530	66,719	370,867	58,322	30,551	16,849
Mortgage interest	31,035	20,082	203,695	411,832	207,787	62,558	74,364
Other interest paid on business indebtedness	* 1,325	* 4,820	224,081	454,545	202,260	109,803	46,697
Office expenses	7,980	5,361	194,381	805,940	179,138	100,913	50,676
Pension and profit-sharing plans	* 115	* 377	15,118	17,263	10,006	* 5,086	* 4,627
Rent paid on machinery and equipment	* 271	* 3,149	397,795	754,493	175,021	105,877	23,824
Rent paid on other business property	* 22,758	* 3,596	2,927,257	6,178,697	905,921	461,312	238,108
Repairs	29,791	30,798	611,802	977,712	302,373	138,406	89,730
Supplies	18,474	23,125	1,025,744	4,185,642	933,382	542,737	210,007
Salaries and wages	55,949	50,365	6,187,072	4,647,241	1,601,738	734,579	518,869
Taxes paid	31,615	23,046	1,509,348	1,348,536	541,323	265,561	154,874
Travel	4,353	1,248	91,333	593,747	90,752	57,748	21,909
Utilities	55,781	45,993	2,050,120	3,089,311	814,804	408,781	195,882
Other business deductions	44,565	95,238	3,064,728	5,914,632	1,519,811	877,945	355,381
Home office business deductions, total	0	* 14,115	64,478	686,136	89,399	68,760	* 12,009
Depreciation, Form 8829 [3]	0	0	8,978	65,518	9,221	7,517	* 1,023
Casualty loss, Form 8829 [3]	0	0	* 227	* 2,353	* 2,350	* 2,350	0
Excess—casualty depreciations, Form 8829 [3]	0	* 2,465	23,661	60,482	4,151	* 2,232	* 802
Net income less deficit [1,2]	-44,411	-20,539	1,532,634	20,690,086	2,534,220	1,322,946	743,101
Net income [1,2]	59,628	79,751	3,632,225	24,624,149	3,580,440	1,900,627	963,583
Deficit [2]	104,038	100,289	2,099,591	3,934,063	1,046,220	577,681	220,482

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—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—continued			Other services			
	Accommodation—continued		Food services and drinking places	Total	Auto repair and maintenance		
	RV (recreational vehicle) parks and recreational camps	Rooming and boarding houses			Total	Automotive mechanical and electrical repair and maintenance	Automotive body shops
	(136)	(137)	(138)	(139)	(140)	(141)	(142)
BUSINESSES WITH NET INCOME							
Number of returns [1]	5,697	5,189	248,954	2,117,863	248,195	132,160	60,393
Business receipts, total [1,2]	363,874	260,852	30,123,494	72,027,168	18,328,644	9,373,717	5,618,919
Income from sales and operations [1]	363,332	255,141	29,812,743	71,057,834	18,232,773	9,333,204	5,580,901
Other business income	* 542	* 5,711	310,751	969,334	95,871	40,513	38,018
Business deductions, total [1,2]	304,326	181,101	26,493,012	47,400,589	14,748,096	7,473,090	4,655,337
Cost of sales and operations, total	* 75,116	* 1,190	12,147,534	14,210,399	6,766,722	3,282,344	2,359,288
Inventory, beginning of year	* 580	* 1,190	394,721	951,829	412,508	170,755	117,957
Cost of labor	0	0	886,696	1,558,483	370,147	137,306	174,789
Purchases	* 88,771	0	10,139,246	8,182,853	4,477,032	2,324,158	1,387,027
Materials and supplies	* 433	0	720,711	2,902,423	1,235,565	714,913	397,632
Other costs	* 1,448	0	371,112	1,630,130	749,027	143,184	421,993
Inventory, end of year	* 16,116	0	364,951	1,015,318	477,558	207,972	140,109
Advertising expenses	6,026	* 3,076	417,003	703,208	162,824	68,703	63,214
Car and truck expenses	12,676	* 15,823	441,024	3,859,654	725,423	364,139	217,610
Commissions	* 123	* 118	44,712	582,390	57,954	* 46,791	10,240
Contract labor	* 2,575	* 4,013	200,755	1,870,027	435,801	273,855	113,229
Depletion	0	0	* 242	* 136	* 1	0	0
Depreciation	26,855	* 8,933	516,070	1,464,640	543,097	282,506	161,984
Employee benefit programs	* 1,422	* 38	44,280	86,845	41,235	21,110	16,683
Insurance	12,575	* 5,590	338,850	818,418	308,631	151,016	80,123
Legal and professional services	1,984	3,312	166,863	336,999	79,097	42,085	19,746
Meals and entertainment deducted	* 576	* 55	40,450	269,377	41,754	18,862	14,882
Mortgage interest	* 13,006	* 5,105	87,560	256,419	111,935	35,573	68,082
Other interest paid on business indebtedness	* 211	* 143	101,330	239,808	131,775	71,972	33,203
Office expenses	4,645	* 3,185	101,314	616,633	128,287	65,767	45,343
Pension and profit-sharing plans	* 10	* 377	6,740	16,460	10,006	* 5,086	* 4,627
Rent paid on machinery and equipment	* 258	* 2,950	228,535	629,732	143,768	78,708	22,610
Rent paid on other business property	* 6,400	* 3,067	2,134,495	4,765,045	669,141	340,498	173,039
Repairs	21,213	* 5,162	366,639	660,776	205,636	99,938	63,558
Supplies	4,317	* 14,555	568,549	3,320,174	700,451	452,002	157,185
Salaries and wages	32,914	* 39,701	4,078,440	3,584,641	1,332,762	609,317	457,954
Taxes paid	23,498	* 13,347	1,002,018	997,302	401,159	204,781	120,310
Travel	* 2,224	* 798	51,088	425,337	67,723	42,406	18,746
Utilities	38,904	* 21,100	1,339,212	2,230,591	546,043	277,563	156,057
Other business deductions	16,797	22,132	2,003,793	4,325,750	1,022,191	563,054	260,626
Home office business deductions, total	0	* 7,333	34,865	545,565	72,079	55,270	* 10,931
Depreciation, Form 8829 [3]	0	0	2,221	48,996	6,540	5,479	* 1,023
Casualty loss, Form 8829 [3]	0	0	0	* 3	0	0	0
Excess—casualty depreciations, Form 8829 [3]	0	0	* 2	12,316	* 802	0	* 802
Net income [1,2]	59,628	79,751	3,632,225	24,624,149	3,580,440	1,900,627	963,583
Returns with Schedule C-EZ:							
Number of returns	* 1,035	* 2,001	53,917	632,393	55,002	29,075	10,566
Business receipts	* 1,853	* 16,213	397,215	4,881,362	458,632	256,211	73,562
Business deductions	0	0	30,652	590,387	44,075	21,218	* 6,067
Net income	* 1,853	* 16,213	366,563	4,290,975	414,557	234,993	67,494

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—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	
	Other auto repair and maintenance (including oil change, lube, and car washes)				
	(143)	(144)	(145)	(146)	(147)
BUSINESSES WITH AND WITHOUT NET INCOME					
Number of returns [1]	81,828	406,422	1,654,233	253,289	482,901
Business receipts, total [1,2]	4,310,281	15,354,790	42,238,238	3,712,428	5,698,594
Income from sales and operations [1]	4,281,521	15,070,919	41,717,116	3,509,364	5,645,662
Other business income	28,760	283,872	521,122	203,064	52,932
Business deductions, total [1,2]	3,843,395	12,499,442	28,688,877	1,970,533	3,433,789
Cost of sales and operations, total	1,511,174	5,064,197	4,305,107	12,189	1,068,686
Inventory, beginning of year	185,009	439,034	432,558	* 15,793	82,013
Cost of labor	83,710	619,869	722,401	0	* 94,552
Purchases	973,409	2,868,677	2,006,600	* 10,343	729,551
Materials and supplies	195,008	1,237,033	896,399	* 5,469	248,719
Other costs	251,806	388,826	667,823	* 2,674	36,286
Inventory, end of year	177,767	489,241	420,674	* 22,090	122,436
Advertising expenses	44,551	139,805	624,900	12,909	35,191
Car and truck expenses	184,786	1,444,914	2,282,375	591,498	573,586
Commissions	2,508	52,644	505,833	19,523	47,361
Contract labor	54,296	504,814	1,401,186	22,462	26,118
Depletion	* 1	* 50	* 111	0	* 4,856
Depreciation	226,391	481,220	1,140,609	42,383	95,415
Employee benefit programs	6,780	20,182	37,613	* 4,907	3,507
Insurance	112,288	249,052	450,213	19,140	60,596
Legal and professional services	36,216	79,579	274,741	23,826	20,074
Meals and entertainment deducted	10,922	86,009	171,073	55,463	48,804
Mortgage interest	70,864	54,130	143,445	* 6,469	27,178
Other interest paid on business indebtedness	45,760	57,294	192,015	* 2,977	19,776
Office expenses	27,548	114,945	408,852	103,004	53,121
Pension and profit-sharing plans	* 293	* 969	4,683	* 1,605	* 73
Rent paid on machinery and equipment	45,320	48,157	513,956	17,359	45,146
Rent paid on other business property	206,502	414,920	4,718,027	139,828	114,583
Repairs	74,237	144,614	506,542	24,182	83,185
Supplies	180,638	691,555	2,499,431	61,274	141,770
Salaries and wages	348,290	762,493	2,271,489	* 11,522	92,512
Taxes paid	120,887	205,822	596,644	4,747	38,822
Travel	11,096	122,026	257,658	123,311	83,735
Utilities	210,141	349,030	1,826,956	98,521	88,748
Other business deductions	286,484	1,183,901	2,750,274	460,646	476,962
Home office business deductions, total	8,630	154,261	382,193	60,283	58,703
Depreciation, Form 8829 [3]	* 681	19,155	32,119	5,022	* 1,964
Casualty loss, Form 8829 [3]	0	0	0	* 3	* 91
Excess—casualty depreciations, Form 8829 [3]	* 1,117	19,338	31,552	* 5,441	* 2,292
Net income less deficit [1,2]	468,174	2,861,448	13,551,951	1,742,466	2,268,992
Net income [1,2]	716,230	3,535,331	15,415,763	2,092,615	2,708,140
Deficit [2]	248,056	673,883	1,863,812	350,148	439,148

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2009—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	
	Other auto repair and maintenance (including oil change, lube, and car washes)				
	(143)	(144)	(145)	(146)	(147)
BUSINESSES WITH NET INCOME					
Number of returns [1]	55,642	299,347	1,374,129	196,193	410,973
Business receipts, total [1,2]	3,336,007	12,776,008	37,432,924	3,489,593	5,212,805
Income from sales and operations [1]	3,318,667	12,513,983	37,021,489	3,289,589	5,180,814
Other business income	17,340	262,025	411,435	200,004	31,992
Business deductions, total [1,2]	2,619,669	9,241,300	22,014,215	1,396,978	2,505,145
Cost of sales and operations, total	1,125,091	3,985,963	3,449,500	8,215	881,690
Inventory, beginning of year	123,797	259,248	264,280	* 15,793	35,110
Cost of labor	* 58,053	557,323	631,012	0	* 73,635
Purchases	765,847	2,065,336	1,630,161	* 10,324	577,502
Materials and supplies	123,020	1,019,899	643,976	* 2,984	217,974
Other costs	183,851	357,540	522,359	* 1,204	* 23,044
Inventory, end of year	129,476	273,384	242,287	* 22,090	45,576
Advertising expenses	30,906	104,661	432,015	3,709	25,008
Car and truck expenses	143,675	1,084,186	1,637,998	412,047	411,757
Commissions	* 923	41,130	465,412	* 17,894	44,326
Contract labor	48,717	331,489	1,100,307	* 2,430	20,625
Depletion	* 1	* 49	* 86	0	* 3,559
Depreciation	98,607	247,673	652,472	21,398	76,746
Employee benefit programs	* 3,443	18,240	22,464	* 4,906	* 2,734
Insurance	77,491	176,588	320,156	13,044	45,135
Legal and professional services	17,266	47,041	195,098	15,764	12,436
Meals and entertainment deducted	8,011	56,256	127,407	43,960	33,599
Mortgage interest	* 8,280	36,886	106,344	* 1,254	* 8,923
Other interest paid on business indebtedness	26,599	29,169	77,762	* 1,102	16,602
Office expenses	17,177	92,483	311,715	84,149	39,431
Pension and profit-sharing plans	* 293	* 252	4,652	* 1,551	* 54
Rent paid on machinery and equipment	42,450	26,752	453,899	* 5,313	38,890
Rent paid on other business property	155,604	266,844	3,717,598	111,463	60,941
Repairs	42,141	87,364	359,246	8,530	42,203
Supplies	91,264	504,759	2,078,953	36,011	95,508
Salaries and wages	265,491	560,214	1,680,774	* 10,892	72,680
Taxes paid	76,068	149,759	442,496	3,888	25,847
Travel	6,571	74,023	184,206	99,385	63,456
Utilities	112,423	236,345	1,380,268	67,935	57,509
Other business deductions	198,510	890,580	2,080,870	332,109	264,447
Home office business deductions, total	* 5,879	119,983	313,971	39,532	37,559
Depreciation, Form 8829 [3]	* 38	13,803	24,292	4,362	* 6
Casualty loss, Form 8829 [3]	0	0	0	* 3	* 77
Excess—casualty depreciations, Form 8829 [3]	0	* 411	* 9,099	* 2,005	* 6
Net income [1,2]	716,230	3,535,331	15,415,763	2,092,615	2,708,140
Returns with Schedule C-EZ:					
Number of returns	15,361	90,774	422,825	63,792	259,357
Business receipts	128,859	538,603	3,523,951	360,175	1,370,988
Business deductions	16,790	72,859	422,951	50,502	125,282
Net income	112,070	465,744	3,101,001	309,674	1,245,706

Footnotes at end of table.

Sole Proprietorship Returns, 2009

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**Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors,
Tax Year 2009—Continued**

Footnotes

* 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.

Foreign-Controlled Domestic Corporations, 2008

by James R. Hobbs

For Tax Year 2008, the 66,797 U.S. domestic corporations, each controlled by a foreign “person,” generated \$4.4 trillion of total receipts with \$10.9 trillion of total assets, based on information reported on corporation income tax returns filed with the Internal Revenue Service (IRS). A “person” is an entity, including an individual, corporation, partnership, estate, or trust. “Foreign-controlled domestic corporation” returns were relatively few in number, just 1.1 percent of the total U.S. corporation income tax returns filed. However, they accounted for 15.3 percent of the receipts and 14.2 percent of the assets reported on all U.S. corporation income tax returns.¹

The total profits (i.e., “net income (less deficit)”) reported by all foreign-controlled domestic corporations (FCDCs) for tax purposes under the Internal Revenue Code were \$21.8 billion for 2008. This was an 85.7-percent decrease from the amount reported for the prior year. Placed in context, the profits reported on all corporation income tax returns decreased by 46.4 percent from the prior year, to \$1.0 trillion for 2008.² FCDCs accounted for 2.2 percent of the profits reported by all corporations for 2008, down from 8.3 percent for 2007.

Of the 66,797 FCDCs, 28,399 reported positive profits for 2008, totaling \$172.9 billion. This was a 23.7-percent decrease from the prior-year amount. These profitable companies for 2008 also reported \$140.2 billion of taxable income (i.e., “income subject to tax”), once again a decrease of 23.7 percent from the prior year. The U.S. tax liability (i.e., “total income tax after credits”) of FCDCs was \$38.2 billion for 2008, 27.6 percent less than that of the prior year.

For 2008, there were 4,400 “large” foreign-controlled domestic corporations, each with at least

\$250 million of assets or at least \$50 million of receipts. These large FCDCs accounted for most of the key financial items of all FCDCs: 94.6 percent of total assets, 95.2 percent of total receipts, 96.4 percent of profits, 94.3 percent of taxable income, and 93.2 percent of total income tax after credits. After an overview of all FCDCs, this article focuses on these large foreign-controlled domestic corporations, and it includes a comparison of the “oldest and largest” FCDCs to other old and large domestic corporations (i.e., those not controlled by foreign persons). “Old” corporations are those with dates of incorporation prior to 2006 or with unknown dates of incorporation.

Tables showing selected balance sheet, income statement, and tax items for FCDCs are included at the end of this article. Table 1 shows historical FCDC data for selected tax years between 1971 and 2008. Tables 2, 3, and 4 concentrate on Tax Year 2008 data. Table 2 includes information for all FCDCs, classified by major industry under the North American Industry Classification System (NAICS). Table 3 also presents data for all FCDCs, classified by country of the foreign owner, as well as age of the corporation. Table 4 presents information on “old and large” FCDCs for selected industries. For comparison purposes, this table also contains data for old and large domestic corporations not controlled by foreign persons.

Foreign Business Activity in the United States

Foreign business activity in the United States can take several forms, including corporations. With regard to corporations, a foreign investor may own stock in a domestic (i.e., United States) company or in a company that operates in the United States as a branch of a foreign corporation.^{3,4} This article focuses on domestic corporations that are “controlled” by foreign persons. For the foreign-controlled domestic

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¹ For additional 2008 statistics covering foreign-controlled domestic corporations (FCDCs), see Tables 24 and 25 of *Statistics of Income—2008, Corporation Income Tax Returns*, IRS Publication 16, April 2011. Statistics for tax years prior to 2008 are available in earlier editions of Publication 16. Additionally, for 2007 statistics covering FCDCs, see Hobbs, James R., “Foreign-Controlled Domestic Corporations, 2007,” *Statistics of Income Bulletin*, Summer 2010, Volume 30, Number 1. In addition, FCDC data are included on the IRS Internet site at www.irs.gov, under Tax Stats/International/Foreign-Controlled Domestic Corporations.

² Total corporate data referenced throughout this article come from: (1) *Statistics of Income Bulletin*, Publication 1136, selected issues; (2) *Statistics of Income—Corporation Income Tax Returns*, Publication 16, selected years; (3) *Source Book of Statistics of Income—Corporation Income Tax Returns*, Publication 1053, selected years; and (4) unpublished Statistics of Income tabulations.

³ Sections 7701(a)(4) and (5) of the Internal Revenue Code define a domestic corporation as one created or organized in the United States or under the laws of the United States or any State. A foreign corporation is “one which is not domestic.”

⁴ In addition to the foreign-controlled domestic corporations study discussed in this article, the Statistics of Income program conducts a separate study covering branches of foreign corporations operating in the United States. For the most recent statistics from that study, see Tables 10 and 11 that cover branch operations of foreign corporations with income “effectively connected” with a U.S. trade or business, in *Statistics of Income—2008, Corporation Income Tax Returns*, IRS Publication 16, April 2011. Statistics for tax years prior to 2008 are available in earlier editions of Publication 16 and on the IRS Internet site at www.irs.gov, under Tax Stats/International/Foreign Corporations with U.S. Business Operations.

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corporations covered in this article, control is defined as ownership by one foreign person, directly or indirectly, of 50 percent or more of the U.S. corporation's voting stock, or of 50 percent or more of the value of all of the corporation's stock, at any time during the accounting period.⁵ (This is discussed in greater depth in the Explanation of Selected Terms section of this article, under "Constructive ownership rules" and "Foreign person.")

The foreign-controlled domestic corporation statistics shown in this article exclude domestic corporations with only foreign "portfolio" investors. A foreign portfolio investor, having only a minimal interest in a domestic company, exerts no control over the management of the domestic corporation, except to the extent, for example, of rights to vote periodically in stockholder meetings of the corporation. A foreign portfolio investor is primarily seeking dividend payments, an increase in the value of the shares of stock, or both. The Statistics of Income program does not conduct studies covering foreign portfolio investors of domestic corporations.

Foreign-controlled domestic corporations report tax information on: (1) Form 1120, *U.S. Corporation Income Tax Return*; (2) Form 1120-L, *U.S. Life Insurance Company Income Tax Return*; (3) Form 1120-PC, *U.S. Property and Casualty Insurance Company Income Tax Return*; (4) Form 1120-REIT, *U.S. Income Tax Return for Real Estate Investment Trusts*; and (5) Form 1120-RIC, *U.S. Income Tax Return for Regulated Investment Companies*. The FCDC statistics shown in this article include all of these return types (unless otherwise stated). Data for all corporation income tax returns discussed in this article include (unless otherwise stated) the five form types listed above, plus two types filed by domestic corporations: Form 1120-A, *U.S. Corporation Short-Form Income Tax Return*, and Form 1120S, *U.S. In-*

come Tax Return for an S Corporation. Also included in the corporate total is Form 1120-F, *U.S. Income Tax Return of a Foreign Corporation*, for foreign corporations with income effectively connected with a U.S. trade or business. All of these form types are included in the Statistics of Income Corporate Study, from which FCDC statistics are derived.⁷ However, FCDCs cannot file Forms 1120-A, 1120-F, or 1120S.

Foreign-Controlled Domestic Corporations

Growth of Corporations

The estimated numbers of returns filed by FCDCs have remained rather constant during the 10-year period of Tax Years 1999-2008. There were 59,514 returns of foreign-controlled domestic corporations for 1999 and 66,797 for 2008, a 12.2-percent increase. During this same time period, the total number of U.S. corporation income tax returns grew by 18.5 percent, from 4.9 million to 5.8 million. FCDCs generally comprised a slowly decreasing percentage of those returns, from 1.2 percent for 1999 down to 1.1 percent for 2008. The increase in total filings of U.S. corporation income tax returns has largely been due to the growth in the number of Forms 1120S filed by S corporations. For 1999, 1120S returns comprised 55.2 percent of all corporation returns (2.7 million of the total 4.9 million returns); for 2008, 69.3 percent of all returns (4.0 million of the total 5.8 million returns). FCDCs are not eligible to elect to be treated as S corporations for Federal income tax purposes. (See "S corporations" in the Explanation of Selected Terms section of this article.)

The counts of corporation income tax returns include consolidated returns. These returns contain the combined financial data of two or more corporations in which a common parent corporation owns at least 80 percent of the stock of at least one member

⁵ This study excludes returns of domestic corporations with stock owned by a single foreign person of 49 percent or less. However, the tax forms filed by domestic corporations do indicate the presence of 25-percent to 49-percent foreign owners, and the Statistics of Income program does separately compile data on these domestic corporations. For 2008, there were only 3,931 returns that indicated a level of foreign ownership between 25 percent and 49 percent. These companies reported \$221.3 billion of assets, \$145.1 billion of receipts, \$6.8 billion of taxable income, and \$2.0 billion of total income tax after credits. All of these amounts were small in comparison to data for the corporations with at least 50-percent foreign ownership.

⁶ Returns of certain domestic companies that are effectively controlled by foreign persons, i.e., those public companies in which "control" may be exercised with as little as 10 percent to 20 percent of the stock holdings, are excluded from both the 50-percent-or-more and the 25-percent to 49-percent tabulations. Tax return forms filed by domestic corporations do not include information about foreign persons with less than 25-percent stock holdings.

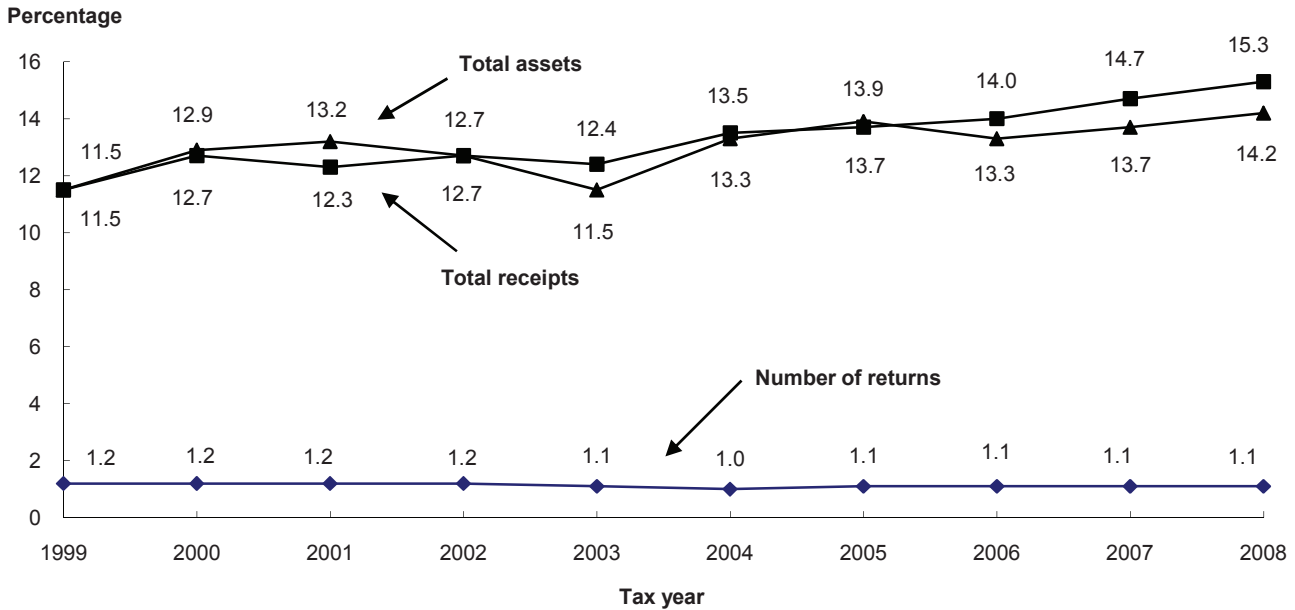
⁷ As a result of the Statistics of Income (SOI) sampling process, data shown in this article for "all corporations" exclude certain out-of-scope returns, such as returns for homeowners' associations (Form 1120-H) and certain political organizations (Form 1120-POL). For a more complete listing of the returns excluded from the SOI corporation sample, see the Description of the Sample and Limitations of the Data section of *Statistics of Income—2008, Corporation Income Tax Returns*. On the other hand, in addition to legally defined corporations, the Internal Revenue Code recognizes many types of businesses as corporations, including joint stock companies and unincorporated associations (e.g., certain partnerships, savings and loan associations, and mutual savings banks). These organizations possess characteristics typical of the corporate form, such as continuity of life, limited liability of owners, and transferability of shares of capital ownership. They filed Forms 1120 and were included in the SOI corporation sample.

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Figure A

Foreign-Controlled Domestic Corporations as a Percentage of All Corporations, Tax Years 1999–2008



of the group, and at least 80 percent of the stock of each other member of the group is owned within the group. A consolidated return filed by a common parent is treated as a single unit, with each statistical item being determined on the basis of the combined data of the affiliated group.

FCDCs, like most other corporations, could elect to file consolidated returns for affiliated groups of domestic corporations. For 2008, there were 6,197 consolidated returns filed by FCDCs, 9.3 percent of all FCDC returns. These returns accounted for the majority of economic activity reported by all FCDCs. Specifically, they accounted for \$9.6 trillion of assets (88.3 percent of the total for all FCDCs), \$3.8 trillion of receipts (86.6 percent of the total), \$14.2 billion of profits (65.2 percent of the total), \$120.9 billion of taxable income (86.2 percent of the total), and \$32.4 billion of total income tax after credits (84.8 percent of the total).

To the extent that FCDCs filed consolidated income tax returns, the data included in this article

actually represent more corporations than the stated number of returns. The study, however, did not tabulate the number of subsidiary corporations included in the consolidated returns.

In contrast to the numbers of returns, the growth of foreign investment in the United States through foreign-controlled domestic corporations during the last 10 years was evident in most of the financial items.⁸ In particular, the share of both total U.S. corporate assets and receipts accounted for by FCDCs increased between 1999 and 2008.

The assets of domestic corporations controlled by foreign persons increased by 128.7 percent between 1999 and 2008, as compared to the 85.2-percent increase for the assets reported on all U.S. corporation income tax returns.⁹ As a result of these changes, the percentage of total corporate assets accounted for by FCDCs increased from 11.5 percent for 1999 to 14.2 percent for 2008 (Figure A).

Total receipts of FCDCs increased by 101.5 percent between 1999 and 2008, as compared to the

⁸ For additional information on foreign investment in the United States, see *Survey of Current Business* reports, produced by the U.S. Department of Commerce, Bureau of Economic Analysis (BEA). BEA periodically produces several articles related to this subject. Electronic versions of the articles can be obtained from the Internet at www.bea.gov/international/index.htm. The data in these reports may not be directly comparable to the information shown in this article because of definitional differences, such as those relating to time periods covered, levels of foreign ownership, and levels of company consolidation.

⁹ The percentage changes in the assets between 1999 and 2008 of domestic corporations controlled by foreign persons, as well as those of all corporations, may overstate the actual "change in investment." Assets are generally reported at book value on tax returns (i.e., the value at the time of acquisition). The book value of newly acquired assets is generally greater than the book value of similar assets they replaced. New corporations may tend to have a greater percentage of new assets with greater book values. To the extent that new corporations may have comprised a different portion of FCDCs than they did for other companies, the comparability of the two percentages may be limited.

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increase of 51.3 percent for all corporations. As a result, the share of the receipts reported on all corporate returns attributed to FCDCs increased from 11.5 percent for 1999 to 15.3 percent for 2008.

The growth of FCDCs can also be measured from the early 1970s, when a question concerning foreign ownership of corporations was first placed on the income tax return. For 1971, the 5,154 FCDCs reported \$36.7 billion of total assets and \$39.2 billion of total receipts. They accounted for just 0.3 percent of the returns, 1.3 percent of the assets, and 2.1 percent of the receipts reported by all corporations for that year (see Table 1).

Industry Characteristics

For 2008, foreign-controlled domestic corporations were involved in each of the 19 industrial sectors

(treating wholesale trade and retail trade as separate sectors) listed in Figure B. However, 45,860 of the 66,797 (more than two-thirds of the total) had primary business activities in one of the following four industrial sectors: (1) wholesale trade (16,211); (2) real estate and rental and leasing (12,881); (3) professional, scientific, and technical services (8,918); and (4) manufacturing (7,850). By comparison, relatively few FCDCs were primarily involved in utilities (250), health care and social assistance (89), and educational services (13). The Data Sources and Limitations section discusses how returns were classified by industry.¹⁰

Companies in different industries often have different financial characteristics. For instance, the relative levels of assets and receipts of companies primarily engaged in wholesale trade differ

Figure B

Foreign-Controlled Domestic Corporations: Selected Items, by Industrial Sector, Tax Year 2008

[Money amounts are in millions of dollars]

Industrial sector	Returns		Total assets		Total receipts	
	Number	Percentage of total	Amount	Percentage of total	Amount	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)
All industries	66,797	100.0	10,887,289	100.0	4,367,410	100.0
Agriculture, forestry, fishing, and hunting	823	1.2	6,183	0.1	3,438	0.1
Mining	708	1.1	191,849	1.8	86,126	2.0
Utilities	250	0.4	146,193	1.3	62,653	1.4
Construction	1,594	2.4	48,490	0.4	55,284	1.3
Manufacturing	7,850	11.8	2,578,206	23.7	2,018,705	46.2
Wholesale and retail trade	19,810	29.7	695,042	6.4	1,122,809	25.7
Wholesale trade	16,211	24.3	609,569	5.6	984,088	22.5
Retail trade	3,600	5.4	85,472	0.8	138,720	3.2
Transportation and warehousing	1,730	2.6	75,649	0.7	69,076	1.6
Information	2,346	3.5	292,536	2.7	111,938	2.6
Finance and insurance	3,361	5.0	5,065,415	46.5	509,053	11.7
Real estate and rental and leasing	12,881	19.3	179,054	1.6	26,316	0.6
Professional, scientific, and technical services	8,918	13.4	195,577	1.8	104,512	2.4
Management of companies (holding companies)	2,500	3.7	1,244,448	11.4	90,963	2.1
Administrative and support and waste management and remediation services	1,223	1.8	61,341	0.6	48,190	1.1
Educational services	13	[1]	4,221	[1]	1,762	[1]
Health care and social assistance	89	0.1	36,929	0.3	13,167	0.3
Arts, entertainment, and recreation	682	1.0	12,307	0.1	5,650	0.1
Accommodation and food services	1,424	2.1	46,832	0.4	29,959	0.7
Other services	592	0.9	7,018	0.1	7,809	0.2

[1] Less than 0.05 percent.

NOTES: Detail may not add to totals because of rounding. Percentages are computed using rounded data.

¹⁰ Statistics classified by industry do have certain limitations. For example, FCDCs accounted for 24.9 percent and 24.7 percent of the receipts of all companies classified as wholesalers and manufacturers, respectively. However, these percentages may overstate the FCDC portion of wholesaling and understate the FCDC portion of manufacturing. This is because certain U.S. companies (not foreign-controlled) and their subsidiaries may have been involved in both manufacturing and wholesaling of the same product(s) and reported tax information for these activities on a single (consolidated) income tax return, which was statistically classified under the industry of its principal business activity, that being manufacturing, rather than trade. Conversely, many FCDCs acted as wholesalers in the United States for products manufactured overseas by their parent, or other related, companies. These foreign-controlled domestic companies were classified in the wholesale trade industrial sector. See the Data Sources and Limitations section for additional information about industrial classification limitations.

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significantly from those primarily engaged in credit intermediation (e.g., commercial banks, credit card issuers, credit unions, mortgage banks, and savings institutions). FCDC wholesalers produced large amounts of receipts with relatively small amounts of assets (valued as of the end of their accounting periods), resulting in \$1.61 of receipts for each dollar of end-of-year assets for 2008. By comparison, credit intermediation companies reported large amounts of assets, but relatively small amounts of receipts. These FCDCs produced only \$.07 of receipts for each dollar of end-of-year assets. See Table 2.

Corporations classified as wholesalers accounted for 22.5 percent of the receipts for all FCDCs, a significant percentage, as is the 24.3 percent of the total FCDC returns they comprised. However, these companies reported only 5.6 percent of the total FCDC assets.

Corporations classified in the real estate and rental and leasing industrial sector reported only 1.6 percent of the assets and 0.6 percent of the receipts of all FCDCs. These percentages were both substantially less than the 19.3 percent of the FCDC returns that they filed.

Corporations classified in the professional, scientific, and technical services industrial sector reported only 1.8 percent of the assets and 2.4 percent of the receipts of all FCDCs. Both of these percentages are significantly lower than the portion (13.4 percent) of total FCDC returns this service sector represented. These service corporations were often small, with reported average amounts of assets and receipts of \$21.9 million and \$11.7 million, respectively.

Manufacturing corporations filed 11.8 percent of the FCDC returns for 2008. These capital-intensive, goods-producing companies accounted for far greater percentages of the total FCDC assets (23.7 percent) and receipts (46.2 percent). These corporations were often large, with reported average amounts of assets and receipts of \$328.4 million and \$257.2 million, respectively.

Two additional sectors warrant discussion. While corporations classified in the finance and insurance industrial sector composed only 5.0 percent of the total returns filed by FCDCs for 2008, they accounted for the largest share (46.5 percent) of the total assets reported for any of the industrial sectors. Additionally, finance and insurance companies accounted for 11.7 percent of the total FCDC receipts.

Management (or holding) companies contributed a significant portion (11.4 percent) of the FCDC total

assets. However, this sector accounted for smaller portions of both the number of returns (3.7 percent) filed by FCDCs and the receipts (2.1 percent) reported by them.

While foreign-controlled domestic corporations accounted for 15.3 percent of the \$28.6 trillion of total receipts reported by all corporations filing U.S. income tax returns for 2008, these companies played disproportionately larger roles in certain industrial sectors. For instance, FCDCs produced substantial portions of the total receipts reported for wholesale trade (24.9 percent), manufacturing (24.7 percent), and mining (18.4 percent). Conversely, FCDC involvement in a number of other business activities was relatively low and accounted for a small percentage of the receipts for all companies classified in agriculture, forestry, fishing, and hunting (2.1 percent), and health care and social assistance (2.0 percent). See Figure C.

FCDC industrial data at the sector level can be decomposed into more specific industrial classifications for analysis purposes. In general, sectors are composed of major groups, which in turn are composed of minor industries. For 2008, FCDCs in 17 minor industries each reported more than \$50 billion of total receipts. See Figure D. The largest minor industry was petroleum manufacturing refineries with \$749 billion of receipts. FCDCs in this minor industry accounted for 17.1 percent of the receipts of FCDCs in all industries, and for 32.3 percent of the receipts of all corporations classified in the petroleum manufacturing refineries industry.

Country Characteristics

Persons (including individuals, corporations, and other entities) resident in any country throughout the world can control U.S. corporations. As reported on the U.S. income tax returns of the foreign-controlled domestic corporations, a country represents the geographic location of the foreign owner's place of residence in the case of individuals, and place of incorporation, organization, creation, or administration in the case of corporations or other entities. A foreign corporation, or a chain of related foreign corporations, is frequently the owner of a U.S. subsidiary corporation. Because a foreign corporation in the chain of related companies, which directly owns the stock of a U.S. subsidiary, may be located in a country different from that of the ultimate owner, the country reported on the tax return may not

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Figure C

Total Receipts of All Corporations and Foreign-Controlled Domestic Corporations, by Industrial Sector, Tax Year 2008

[Money amounts are in millions of dollars]

Industrial sector	Total receipts		
	All corporations	Foreign-controlled domestic corporations	Percentage
	(1)	(2)	(3)
All industries [1]	28,589,771	4,367,410	15.3
Agriculture, forestry, fishing, and hunting	167,541	3,438	2.1
Mining	468,911	86,126	18.4
Utilities	778,635	62,653	8.0
Construction	1,479,039	55,284	3.7
Manufacturing	8,181,480	2,018,705	24.7
Wholesale and retail trade	7,507,396	1,122,809	15.0
Wholesale trade	3,956,696	984,088	24.9
Retail trade	3,550,700	138,720	3.9
Transportation and warehousing	822,029	69,076	8.4
Information	1,126,108	111,938	9.9
Finance and insurance	3,675,481	509,053	13.8
Real estate and rental and leasing	338,720	26,316	7.8
Professional, scientific, and technical services	1,050,083	104,512	10.0
Management of companies (holding companies)	1,027,864	90,963	8.8
Administrative and support and waste management and remediation services	497,308	48,190	9.7
Educational services	47,731	1,762	3.7
Health care and social assistance	643,838	13,167	2.0
Arts, entertainment, and recreation	104,316	5,650	5.4
Accommodation and food services	468,856	29,959	6.4
Other services	204,259	7,809	3.8

[1] Includes "Not allocable" (which is not shown separately) for all corporations shown in Column 1.

NOTES: Detail may not add to totals because of rounding. Percentages are computed using rounded data.

necessarily reflect the country of the ultimate owner. (See the Data Sources and Limitations section of this article for a brief discussion of the possible limitations of the data classified on a country basis.)

For 2008, residents of 43 countries accounted for nearly 9 of every 10 domestic corporations classified as 50-percent-or-more controlled by a foreign person. The 58,810 corporations controlled by persons resident in the 43 countries shown in Table 3 accounted for nearly all of the total FCDC financial items, including 99.5 percent of total assets, 99.2 percent of total receipts, 98.6 percent of taxable income, and 98.4 percent of total income tax after credits.

From among these 43 countries, domestic corporations controlled by persons from just 7 countries produced 76.1 percent of the total receipts of all FCDCs. These top seven countries, in decreasing size of receipts, are the United Kingdom, Japan, Germany, Canada, France, the Netherlands, and Switzerland.

Domestic corporations controlled by persons resident in the United Kingdom reported total receipts of \$1.1 trillion for 2008, an amount larger than that for any other country. These receipts represented 24.1 percent of the total for all FCDCs. As shown in Figure E, the United Kingdom's share of 2008 FCDC receipts is substantially larger than its share of 1999 FCDC receipts (i.e., 14.3 percent).

For 2008, domestic corporations with owners resident in Japan (\$585 billion), Germany (\$432 billion), Canada (\$397 billion), France (\$295 billion), the Netherlands (\$293 billion), and Switzerland (\$271 billion) also accounted for significant amounts of receipts. Of these six countries, Japan's portion of total receipts decreased significantly between 1999 and 2008 (from 21.0 percent to 13.4 percent), as did the portions for Germany (14.4 percent down to 9.9 percent) and the Netherlands (12.4 percent down to 6.7 percent). Figure E shows that the portion of

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Figure D

Foreign-Controlled Domestic Corporations: Selected Items for the Largest Minor Industries, Tax Year 2008

[Money amounts are in millions of dollars]

Minor industry	Number of returns	Total assets	Total receipts	Net income (less deficit)	Net income	Income subject to tax	Total income tax after credits	
							Amount	As a percentage of total receipts
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Petroleum refineries, including integrated (manufacturers)	14	657,322	748,810	23,118	23,971	23,862	3,882	0.5
Stock life insurance companies	60	1,406,720	248,290	-9,813	2,570	2,330	708	0.3
Motor vehicles and parts (manufacturers)	765	364,023	195,310	-9,376	704	418	107	0.1
Petroleum and petroleum products (wholesalers)	62	53,178	168,746	1,186	2,035	1,827	623	0.4
Electrical and electronic goods (wholesalers)	1,911	96,628	161,624	264	1,601	1,064	343	0.2
Motor vehicles and motor vehicle parts and supplies (wholesalers)	977	118,818	152,106	-5,215	611	391	137	0.1
Pharmaceutical and medicine (manufacturers)	115	287,820	140,755	17,096	19,189	18,245	5,111	3.6
Securities brokerage	109	1,291,802	94,936	-35,665	887	778	268	0.3
Offices of bank holding companies	32	1,148,485	83,963	-3,763	3,242	3,263	974	1.2
Professional and commercial equipment and supplies (wholesalers)	2,551	44,350	73,304	199	1,426	1,035	300	0.4
Food and beverage stores (retailers)	53	33,597	69,097	555	1,505	1,454	502	0.7
Furniture, sports, toys, recycle, jewelry, and other durable goods (wholesalers)	2,235	29,659	68,404	364	1,302	1,189	406	0.6
Basic chemicals (manufacturers)	110	86,431	67,984	-983	1,299	1,029	311	0.5
Machinery, equipment, and supplies (wholesalers)	3,034	43,550	62,887	964	1,695	1,535	513	0.8
Stock property and casualty insurance companies	130	399,408	59,200	2,013	5,929	4,848	1,407	2.4
Metal and mineral, except petroleum (wholesalers)	311	37,489	54,623	931	1,526	1,475	504	0.9
Iron, steel mills and steel products (manufacturers)	75	56,184	54,566	2,491	2,752	2,668	1,001	1.8

NOTES: This figure includes minor industries with at least \$50 billion of total receipts. These industries are listed by decreasing size of total receipts (column 3). Percentages are computed using rounded data.

FCDC total receipts accounted for by countries other than the largest seven increased in size over the 10-year period, from 16.9 percent to 23.8 percent. For 2008, the countries with the largest receipts included in this “other” grouping were: Sweden (\$94 billion), Bermuda (\$86 billion), South Korea (\$78 billion), Belgium (\$68 billion), Luxembourg (\$64 billion), and Australia (\$52 billion).

Domestic corporations controlled by persons resident in the United Kingdom accounted for \$2.5 trillion of assets, the largest portion held by any country. Corporations controlled by persons resident in Switzerland (\$1.3 trillion), Germany (\$1.2 trillion), Canada (\$1.2 trillion), France (\$1.1 trillion), the Netherlands (\$1.1 trillion), and Japan (\$0.8 trillion) also accounted for significant amounts of assets.

Although U.K.-controlled domestic corporations accounted for the largest part of the total FCDC receipts and assets for 2008, the United Kingdom was not responsible for the largest number of returns filed

for FCDCs. Canadian-controlled domestic corporations filed the most returns, 10,132. Japanese-controlled domestic corporations were second with 6,108 returns, followed by U.K.-controlled domestic corporations with 5,524 returns and German-controlled domestic corporations with 4,346 returns.

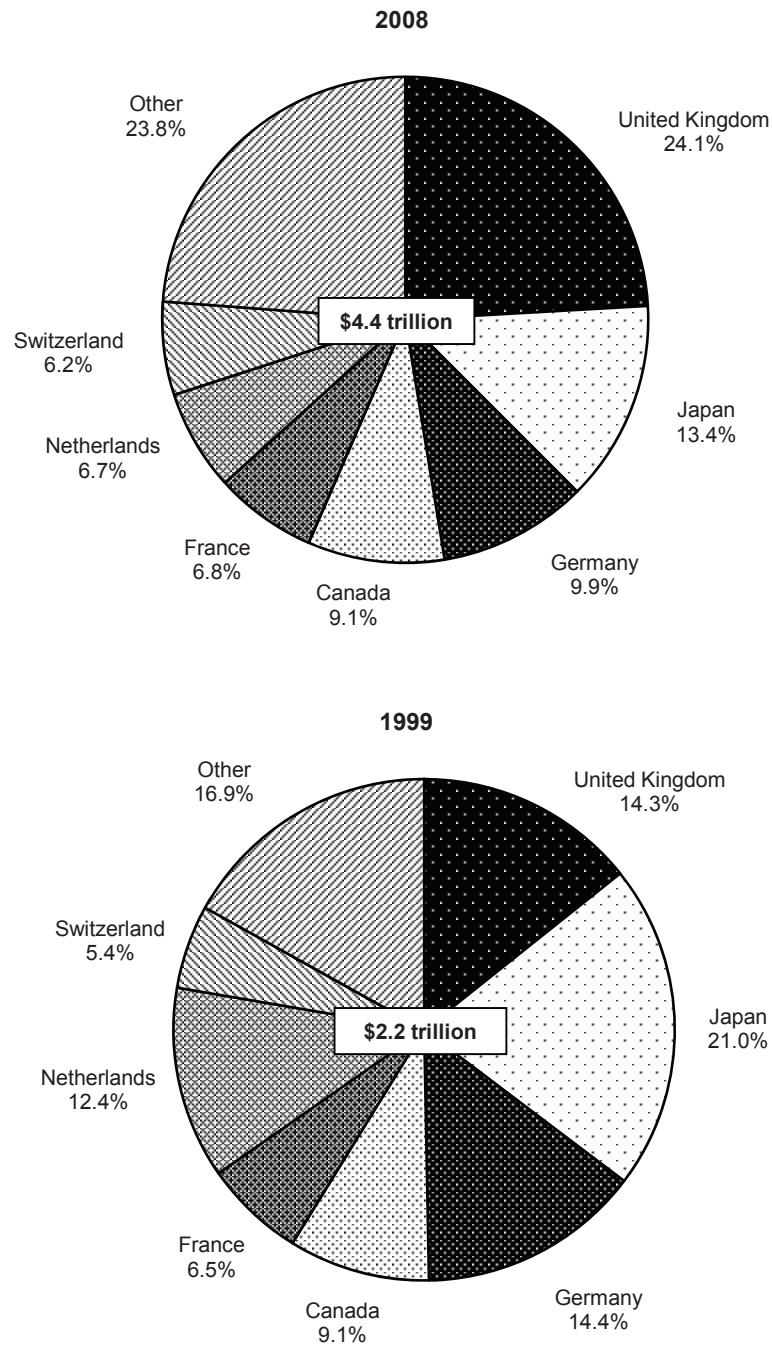
For 2008, the U.S. tax liability of all FCDCs was \$38.2 billion, or 0.9 percent of the \$4.4 trillion of receipts reported by all FCDCs. U.K.-controlled domestic corporations reported the largest amount of U.S. tax liability (\$9.0 billion). Canadian-controlled corporations, with \$4.5 billion of tax liability, and Swiss-controlled corporations, with \$4.2 billion of tax liability, followed. For the U.K.-controlled corporations, tax liabilities were 0.9 percent of their \$1.1 trillion of receipts. Tax liabilities as a percent of receipts were somewhat higher at 1.1 percent for Canadian-controlled corporations, and even higher for Swiss-controlled corporations at 1.6 percent of their receipts. Many factors, including differences

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Figure E

Foreign-Controlled Domestic Corporations: Distribution of Total Receipts by Country of Foreign Owner, Tax Years 1999 and 2008



NOTE: All amounts are in current dollars.

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in industrial apportionments and age apportionments (discussed later in this article), may have caused the resulting differences between countries in calculating tax as a percentage of receipts.

Combined Country and Industry Characteristics

There were some similarities, but also important differences among the primary industrial activities of the corporations with owners from the top seven countries. Figure F shows the industries that accounted for at least 10 percent of the total receipts of each of these countries.

For the United Kingdom, manufacturing was the predominant industrial sector, accounting for 70.5 percent of its total \$1.1 trillion of receipts. More specifically, petroleum and coal products manufacturers produced the most receipts of any major industrial group, accounting for \$616 billion, or 58.6 percent of the country total.

Japanese-controlled corporations were concentrated in two industrial sectors, which produced most of the \$585 billion of receipts: wholesale trade (54.3 percent of the total) and manufacturing (33.2 percent). Japan was the only country of the top seven in which wholesale trade was the leading industrial sector in producing receipts. More specifically, wholesale trade of durable goods was the leading major industrial group, producing 43.8 percent of the total receipts for this country. The second largest major industrial group was transportation equipment manufacturing with 18.6 percent of the receipts.

Like those in the United Kingdom, German-controlled corporations were primarily concentrated in manufacturing, with 49.2 percent of the \$432 billion of receipts for that country coming from corporations in this industrial sector. Within this sector, chemical manufacturers (14.6 percent of the country total) and transportation equipment manufacturers (13.8 percent) produced the most receipts. Wholesale trade (17.1 percent of the country total) and finance and insurance (12.0 percent) were the other predominant industrial sectors.

Canadian-controlled corporations were primarily concentrated in manufacturing, which accounted for 30.5 percent of the \$397 billion of receipts for that country. This sector was followed by finance and insurance (22.0 percent) and wholesale trade (19.3 per-

cent). More specifically, insurance carriers reported 17.8 percent of the total receipts and wholesalers of nondurable goods accounted for 12.7 percent of the receipts.

For France, manufacturers produced 45.5 percent of the \$295 billion of receipts for this country. This was followed by finance and insurance (19.0 percent) and wholesale trade (16.2 percent). More specifically, petroleum and coal products manufacturers and insurance carriers produced 14.5 percent and 10.5 percent, respectively, of the receipts for the country.

For the Netherlands, finance and insurance was the largest industrial sector with 37.5 percent of the total receipts (\$293 billion). This sector was followed by manufacturing (24.1 percent), wholesale trade (11.5 percent), and retail trade (11.2 percent). Insurance carriers reported 31.9 percent of the total receipts for this country, the largest portion for any major industrial group.

For Switzerland, 35.3 percent of the \$271 billion of receipts came from the manufacturing sector, followed by wholesale trade with 31.9 percent and finance and insurance with 27.3 percent. More specifically, wholesalers of nondurable goods (27.8 percent of the country total) were the leading major industry. Other important major industries were chemical manufacturers (16.8 percent), businesses that handled securities and commodity contracts and other financial investments (14.9 percent), and insurance carriers (12.1 percent).

Age Characteristics

Table 3 presents data for two groups of FCDCs based on the age of each corporation. A “new” corporation is one defined here as having been incorporated in 2006 or after, as reported on its income tax return. An “old” corporation is one incorporated in or prior to 2005, or with an unknown (i.e., unreported) date of incorporation.¹¹

The year of incorporation may be somewhat unreliable as an indicator of the true age of corporations. For example, a consolidated return may include companies that fall into both the new and old categories. However, the return (including all of the financial information contained in it) was classified into just one of the categories based on the year of incorporation of the parent company. Another example

¹¹ Dates of incorporation are reported on Form 1120, page 1, question C. This information is also reported on Forms 1120L, 1120-PC, 1120-REIT, and 1120-RIC, in different locations.

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Figure F

Foreign-Controlled Domestic Corporations: Selected Items for Selected Countries and Selected Industries, Tax Year 2008

[Money amounts are in millions of dollars]

Country and industry	Number of returns	Total assets	Total receipts	Net income (less deficit)	Net income	Income subject to tax	Total income tax after credits	
							Amount	As a percentage of total receipts
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
United Kingdom, total	5,524	2,461,016	1,051,104	30,791	43,090	40,212	8,955	0.9
Manufacturing	518	834,440	740,923	29,141	30,640	29,401	5,639	0.8
Petroleum and coal products manufacturing	3	619,912	615,816	22,117	22,117	22,031	3,255	0.5
Japan, total	6,108	767,073	584,521	-2,729	14,867	11,695	3,606	0.6
Manufacturing	1,049	202,914	194,199	-4,862	2,910	2,419	725	0.4
Transportation equipment manufacturing	236	127,713	108,579	-5,375	421	229	70	0.1
Wholesale trade	1,648	192,532	317,165	2,189	6,976	5,388	1,752	0.6
Wholesale trade, durable goods	1,374	149,504	255,797	-1,226	3,338	2,936	949	0.4
Wholesale trade, nondurable goods	273	42,979	61,344	3,407	3,630	2,445	800	1.3
Germany, total	4,346	1,225,241	431,607	-7,666	12,182	8,513	2,595	0.6
Manufacturing	921	391,191	212,307	-455	5,375	4,376	1,202	0.6
Chemical manufacturing	54	72,593	62,950	1,535	2,062	1,656	516	0.8
Transportation equipment manufacturing	71	207,457	59,491	-3,353	89	56	18	[1]
Wholesale trade	1,252	82,527	73,947	-2,109	1,057	949	307	0.4
Wholesale trade, durable goods	1,043	76,709	62,914	-2,134	747	659	222	0.4
Finance and insurance	100	600,864	51,684	-6,022	1,235	856	264	0.5
Canada, total	10,132	1,220,119	396,848	7,548	20,825	13,904	4,470	1.1
Manufacturing	1,051	98,718	121,174	1,240	4,007	3,449	1,131	0.9
Wholesale trade	1,643	53,188	76,441	3,114	3,477	3,039	1,004	1.3
Wholesale trade, nondurable goods	481	41,550	50,506	2,615	2,767	2,389	787	1.6
Finance and insurance	423	658,819	87,139	4,871	9,450	4,380	1,274	1.5
Insurance carriers and related activities	36	398,627	70,798	937	4,263	3,912	1,114	1.6
France, total	2,024	1,138,540	295,410	7,467	16,168	11,653	3,365	1.1
Manufacturing	497	207,250	134,530	2,713	4,654	4,131	1,302	1.0
Petroleum and coal products manufacturing	d	10,160	42,726	109	109	109	37	0.1
Wholesale trade	392	42,210	47,760	827	1,083	1,008	335	0.7
Finance and insurance	158	702,571	56,224	-1,259	4,139	1,149	367	0.7
Insurance carriers and related activities	29	175,900	31,127	-2,750	143	72	27	0.1
Netherlands, total	1,873	1,075,971	292,575	-164	7,937	5,403	1,696	0.6
Manufacturing	168	112,617	70,630	3,012	3,613	2,614	830	1.2
Wholesale trade	330	17,147	33,710	119	465	334	111	0.3
Retail trade	248	18,456	32,623	-1,190	94	63	18	0.1
Finance and insurance	119	802,912	109,795	-2,601	1,985	1,133	351	0.3
Insurance carriers and related activities	15	570,821	93,266	-3,727	384	235	39	[1]
Switzerland, total	1,420	1,271,917	270,527	-22,690	13,895	13,015	4,243	1.6
Manufacturing	184	125,606	95,572	6,379	8,627	8,262	2,717	2.8
Chemical manufacturing	39	64,655	45,380	4,502	6,115	5,997	1,984	4.4
Wholesale trade	356	18,183	86,404	823	1,081	1,046	332	0.4
Wholesale trade, nondurable goods	40	11,937	75,278	754	839	827	258	0.3
Finance and insurance	56	1,108,726	73,771	-30,379	3,168	2,752	895	1.2
Securities, commodity contracts, and other financial investments and related activities	18	850,976	40,258	-29,371	163	169	57	0.1
Insurance carriers and related activities	17	252,071	32,796	-1,060	2,932	2,512	813	2.5

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

[1] Less than 0.05 percent.

NOTES: This figure includes the seven countries with the largest amounts of total receipts. For each of these countries, this table also includes industries that accounted for at least 10 percent of the total receipts of the country. Percentages are computed using rounded data.

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is the reorganization of an existing corporation into a new corporation, which results in a recent year of incorporation, even though it is an “old” business. An additional limitation is that the year of incorporation is difficult to verify during statistical processing because there are no other items to which it can be compared on a tax return, and recourse to other sources is not always practical. Thus, it is subject to higher levels of taxpayer reporting and data entry errors, as compared to statistical items that can be evaluated against other reported items.

For 2008, there were 16,224 FCDCs incorporated in 2006 or later. Professional, scientific, and technical services accounted for the largest portion of these “new” corporations with 4,144 companies, followed by real estate with 2,351 companies and wholesalers of nondurable goods with 2,310 companies.

More than three out of every four foreign-controlled domestic corporations were incorporated prior to 2006, i.e., considered to be “old” corporations. These corporations tended to be larger than the new corporations, accounting for 92.7 percent of the FCDC assets and 91.5 percent of the receipts.

Old corporations were generally more profitable than the newer corporations. Among other factors, newer companies may have had more expenses (including startup costs) relative to receipts than the older companies. For 2008, old corporations reported \$28.8 billion of net profits on \$4.0 trillion of receipts, while new corporations reported \$7.0 billion of net losses on \$0.4 trillion of receipts. Thus, net profits (i.e., net income less deficit) as a percentage of total receipts were 0.7 percent for old corporations, versus -1.9 percent for new corporations.

As a result of reporting most of the profits, old corporations also accounted for most of U.S. taxable income (94.2 percent) and U.S. tax liabilities (93.4 percent) of all FCDCs. The old corporations had \$35.7 billion of tax liabilities after credits, equaling 0.9 percent of their total receipts. The new corporations had \$2.5 billion of tax liabilities after credits, equaling 0.7 percent of their total receipts.

Receipts, Deductions, and Profits

Total receipts comprise all of the income “actually” received by corporations. These receipts include business receipts, as well as investment and incidental income. Business receipts are gross receipts from sales and operations and frequently make up most of a corporation’s total receipts. Investment income includes interest, dividends, and gains on the sale or exchange of both capital and noncapital assets. Interest, in turn, includes both taxable interest from all sources and nontaxable interest on State and local government obligations.

A domestic corporation, whether controlled by a foreign person or not, could have business activities in foreign countries, as well as in the United States. The estimates for total receipts shown in this article include business activities in the United States, as well as certain foreign activities as reported on tax returns of domestic corporations. Total receipts include the receipts of foreign branch operations of U.S. companies. Also included in these receipts are dividends remitted to U.S. corporations by their foreign subsidiaries.

The receipts and deductions of foreign-controlled domestic corporations that are shown in this article do not include amounts generated by their foreign parent or other related foreign companies. However, FCDCs could have had business transactions with their related foreign companies, and FCDC receipts and deductions stemming from these transactions are included in the statistics.¹²

An FCDC that transacts business with a related foreign company must determine “transfer prices” for those transactions. These transactions include the sale and purchase of tangible goods, fees for services, interest payments on debts, leasing expenses, and royalties. How transfer prices are determined for these transactions may affect the amount of receipts and deductions, as well as profits (i.e., net income or deficit), taxable income, and taxes reported on the U.S. income tax return of an FCDC. Section 482 of the Internal Revenue Code, and the related

¹² For the most recent detailed information on transactions between “foreign-owned domestic corporations” and their related foreign persons, see Lowe, Mark R., “Transactions Between Large Foreign-Owned Domestic Corporations and Related Foreign Persons, 2006,” *Statistics of Income Bulletin*, Fall 2009, Volume 29, Number 2. The data contained in that article are not completely comparable to the data contained in this article, since they cover different time periods and are for U.S. corporations that were owned, 25 percent or more, by a foreign person. By contrast, the foreign ownership level used for the FCDC statistics shown in this article was 50 percent or more. Additionally, returns included in the “foreign-owned” study showed total receipts of \$500 million or more and reported transactions with related foreign persons on Form 5472, *Information Return of a 25-Percent Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business*. Neither of these conditions was a requirement for inclusion in the FCDC study.

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regulations, provide guidance in determining transfer prices. In general, the objective is to use “arm’s length prices,” which means prices that would be used for transactions between unrelated enterprises and determined by market forces.

More than 88 percent of the \$4.4 trillion of total receipts reported by domestic corporations controlled by a foreign person consisted of “business receipts” (i.e., receipts from sales and operations). These same companies reported \$4.4 trillion of total deductions. Cost of goods sold was more than 65 percent of that total. (See “Business receipts” and “Cost of goods sold” in the Explanation of Selected Terms section.)

It is noteworthy to look at the “gross profit” of FCDCs. Gross profit is the difference between business receipts and cost of goods sold. Two important industrial sectors for FCDCs, manufacturing and wholesale trade, accounted for most of the reported amounts of business receipts and cost of goods sold. In manufacturing, FCDCs reported \$.79 of cost of goods sold for every dollar of business receipts, while the amount was \$.75 for all other corporations classified in this sector. Thus, FCDCs had smaller gross profits than other corporations, \$.21 compared to \$.25 for every dollar of business receipts. In wholesale trade, all FCDCs reported \$.84 of cost of goods sold for every dollar of business receipts. The amount was slightly less (\$.82) for all other corporations classified in this sector. As a result, FCDCs had smaller gross profits than other corporations, \$.16 and \$.18, respectively, for every dollar of business receipts.

Taxable interest received by FCDCs for Tax Year 2008 amounted to \$288 billion, 6.6 percent of their total receipts. Interest paid by FCDCs for that year amounted to \$252 billion, 5.8 percent of their total deductions. Complete income statement statistics of FCDCs are shown in Tables 24 and 25 of *Statistics of Income—2008, Corporation Income Tax Returns*.

Total receipts less total deductions for FCDCs equaled \$15.5 billion for 2008. By comparison, net

income (less deficit) amounted to \$21.8 billion. The statistics for total receipts less total deductions include all income actually received by corporations, while the statistics for net income (less deficit) focus on taxable sources of corporate income, including “constructive” taxable income. Thus, unlike total receipts less total deductions, net income (less deficit) includes two items of constructive taxable income from related foreign corporations, and excludes nontaxable interest on State and local government obligations.¹³ The two items of constructive taxable income from related foreign corporations are includable income from foreign corporations owned by U.S. shareholders and foreign dividend gross-up. (See “Constructive taxable income from related foreign corporations” in the Explanation of Selected Terms section.) For 2008, FCDCs reported \$8.0 billion of constructive taxable income, and received \$1.7 billion of nontaxable interest on State and local government obligations.

Net income (less deficit) for foreign-controlled domestic corporations decreased from \$152.3 billion for 2007 to \$21.8 billion for 2008. This was a decrease of \$130.5 billion, or 85.7 percent. In comparison, net income (less deficit) reported on all corporation income tax returns decreased by 46.4 percent between 2007 and 2008, to \$984.3 billion.

Most industrial sectors contributed to the \$130.5 billion decrease in total FCDC net income (less deficit) between 2007 and 2008. Five sectors accounted for most of the decrease: finance and insurance (\$42.0 billion), manufacturing (\$33.1 billion), wholesale trade (\$16.5 billion), holding companies (\$13.5 billion), and information (\$6.2 billion). Within the finance and insurance sector, the net income (less deficit) of securities and commodity contracts dealers and insurance carriers declined the most, by \$22.0 billion and \$17.3 billion, respectively. There were four sectors that reported higher profits for 2008. However, the amounts of the increases were small for three of those sectors. The professional, scientific,

¹³ In general, the computation of net income (less deficit) can be shown as follows:

Begin With: Total Receipts (Includes Business Receipts)

Less: Total Deductions (Includes Cost of Goods Sold)

Equals: Total Receipts Less Total Deductions

Plus: Constructive Taxable Income from Related Foreign Corporations (Includes Includable Income from Controlled Foreign Corporations and Foreign Dividend Gross-Up)

Less: Nontaxable Interest on State and Local Government Obligations (Included in Total Receipts, above)

Equals: Net Income (Less Deficit)

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and technical services sector reported \$1.3 billion of increased profits for 2008.

The \$21.8 billion of total FCDC net income (less deficit) for 2008 were the result of 28,399 corporations collectively reporting \$172.9 billion of positive net income and 38,398 companies reporting \$151.1 billion of deficits.¹⁴ Thus, less than one out of every two (42.5 percent) domestic corporations with foreign owners reported a positive net income. In comparison, 54.5 percent of all corporations filing U.S. income tax returns for the same year reported a positive net income.

The percentage of FCDCs reporting positive net income varied greatly among the different industrial groups. At the industrial sector level, the portion reporting positive net income ranged from a low of 20.2 percent for health care and social assistance to a high of 69.2 percent for educational services. For the more predominant sectors of FCDCs, the percentages of profitable companies were 43.1 percent for manufacturing and 49.4 percent for wholesale trade.

The \$151.1 billion of deficits for 2008 could be carried back or forward to other tax years, under prescribed rules, to reduce the taxable income of those years (see “Net operating loss deduction” (NOL) in the Explanation of Selected Terms section). Net operating losses carried back to Tax Year 2008 from 2009 and beyond, reported on Forms 1120X and 1139, are not included in the statistics shown in this article.¹⁵ However, NOLs carried forward to Tax Year 2008 from prior years are included in the statistics and discussed in the next section.

Taxable Income and Taxes

For most corporations, taxable income (i.e., “income subject to tax”) is generally equal to positive net income less statutory special deductions.¹⁶ Statutory special deductions include deductions for net operating loss (NOL) carryovers from prior years and the special deductions for dividends and other corporate attributes allowed by the Internal Revenue Code. For 2008, the difference between the \$172.9 billion

of positive net income and \$140.2 billion of taxable income was, for the most part, the result of statutory special deductions. The net operating loss deduction was \$24.6 billion and accounted for 64.9 percent of the \$37.9 billion of total statutory special deductions. In calculating taxable income for 2008, FCDCs reduced their positive net incomes by 14.2 percent using NOLs carried over from prior years.

For 2008, foreign-controlled domestic corporations reported \$140.2 billion of taxable income. This was the base on which \$48.8 billion of income tax were computed. The \$49.4 billion of total income tax before credits reported by FCDCs consisted primarily of the income tax, plus the alternative minimum tax and certain other taxes. The alternative minimum tax was \$0.5 billion, and the remaining taxes comprised a very small part of the total.

Tax credits totaling \$11.2 billion reduced the U.S. income tax liability of foreign-controlled domestic corporations from \$49.4 billion to \$38.2 billion for 2008. The largest credits claimed were \$9.4 billion of foreign tax credits, \$1.3 billion of general business credits, and \$0.5 billion of prior-year minimum tax credits. The \$38.2 billion of total U.S. income tax after credits represent the tax liability as originally reported by taxpayers. However, this amount may differ from the actual income tax collected and the final income tax liability of corporations for Tax Year 2008. The originally reported tax liability does not take into account either: (1) amended or superseded returns filed by the corporations, or (2) adjustments made by IRS as a result of tax examination or enforcement activities. Among other reasons, corporations could file amended returns to use carryback provisions for net operating losses and unused foreign tax and general business credits.

The percentage of FCDCs reporting U.S. tax liabilities (i.e., total income tax after credits) for 2008 was 31.3 percent, significantly less than the 34.7 percent for 2007. The amount of tax liability reported by FCDCs also decreased to \$38.2 billion for 2008 from \$52.8 billion for 2007, a 27.6-percent decrease.

¹⁴ The 38,398 companies reporting a deficit may include a small number of “break-even” companies, i.e., those whose receipts and deductions were equal.

¹⁵ When a company carried back a deficit to a previous tax year, it could file Form 1120X, *Amended U.S. Corporation Income Tax Return*, or Form 1139, *Corporation Application for Tentative Refund*.

¹⁶ There were certain exceptions to the relationship of positive net income minus statutory special deductions equaling taxable income. First, in some cases, the statutory special deductions for dividends received and for dividends paid on certain preferred stock of public utilities exceeded net income. Second, the tax bases of S corporations and life insurance companies were not defined as net income less statutory special deductions. Rather, these types of corporations computed taxable income using special provisions of the Internal Revenue Code. Also, regulated investment companies and real estate investment trusts generally passed their net incomes on to be taxed at the shareholder level; but any taxable amounts not distributed were included in income subject to tax.

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The “Largest” Foreign-Controlled Domestic Corporations

This article defines the largest companies as those with at least \$250 million of total assets, or those that produced at least \$50 million of business receipts. Within the finance and insurance, and management of companies (holding companies) industrial sectors, total receipts were used in place of business receipts for selecting the largest companies.

Both size of assets and size of receipts were used to select the largest companies in order to ensure adequate coverage of all industries. As discussed, financial structure varies across industries. For instance, companies classified in wholesale trade generally report large amounts of receipts compared to their end-of-year assets. By comparison, credit intermediation corporations generally report large amounts of assets compared to their receipts. If either assets or receipts were used exclusively to select the largest companies, then the largest companies in one of these industrial groups would have been underrepresented in comparison to the other group.

There were a total of 19,406 large domestic corporations for 2008. Of this total, foreign persons controlled 4,400 corporations, or 22.7 percent. This percentage is remarkably larger than the 1.1 percent that FCDCs accounted for of all corporations, regardless of size.

The 4,400 large foreign-controlled domestic corporations comprised just 6.6 percent of the number of income tax returns filed by FCDCs. However, these large companies accounted for the majority of the key FCDC financial items, reporting 94.6 percent of the total assets, 95.2 percent of the total receipts, 94.3 percent of the taxable income, and 93.2 percent of the total income tax after credits, of all FCDCs.

There were 15,006 large domestic corporations that did not have controlling foreign owners for 2008. Similar to FCDCs, these large companies also accounted for a small portion of the total number of income tax returns filed by domestic corporations without foreign owners, but comprised a significant portion of the key financial items reported for these filers.

Collectively, the largest FCDCs reported slightly higher profits as a percentage of receipts than their smaller counterparts. For 2008, the largest FCDCs reported net profits of \$21.0 billion, 0.5 percent of the companies’ receipts. The smaller FCDCs reported net profits of \$0.8 billion, 0.4 percent of the companies’ receipts.

Figures G1 and G2 present 12 categories of tax liabilities as percentages of total receipts, shown separately for large FCDCs and for other large domestic corporations. “Other domestic corporations” (ODCs) were not foreign-controlled or owned (i.e., they were either owned by domestic persons, or no separate foreign person owned 25 percent or more of the corporation’s stock). This definition of other large domestic corporations is used throughout this article, including the data shown in Figures G through I, and Table 4. Thus, domestic corporations with a foreign person who owned between 25 percent and 49 percent of the corporation’s stock are not included in either of the two groups shown in Figures G through I, and Table 4.¹⁷ These corporations are identified from Schedule K of Form 1120 during Statistics of Income processing. However, they are neither FCDCs nor ODCs, as defined.

For 2008, the largest FCDCs reported \$35.6 billion of U.S. tax liabilities, which was 0.9 percent of their total receipts. Column 3 of Figure G1 shows that 40.2 percent of largest FCDCs had no U.S. tax liabilities, 72.5 percent of these companies had tax liabilities of less than 1.0 percent of their receipts, and 91.8 percent of these companies had tax liabilities of less than 4.0 percent of their receipts. By comparison, Figure G2 shows that large domestic corporations not foreign-controlled reported \$172.9 billion of U.S. tax liabilities, 1.1 percent of their total receipts. For these companies, 35.1 percent had no tax liabilities, 69.4 percent had tax liabilities of less than 1.0 percent of their receipts, and 89.3 percent had tax liabilities of less than 4.0 percent of their receipts.

FCDCs claimed smaller amounts of tax credits than ODCs in relative terms. For 2008, large FCDCs claimed \$11.1 billion of credits, equaling 23.7

¹⁷ Data for domestic corporations that filed Forms 1120-REIT (real estate investment trusts), 1120-RIC (regulated investment companies), and 1120S (S corporations) are excluded from the comparisons between large FCDCs and other large domestic corporations shown in Figures G through I, and Table 4. However, returns filed on these forms are included in the data of other figures and tables contained in this article, as appropriate. While corporations filing these income tax returns report their incomes, they generally have little or no tax liabilities. Through separate special provisions of the Internal Revenue Code applicable to each of these types of corporations, the incomes of these corporations are generally taxed at the shareholder level. The Explanation of Selected Terms section discusses in greater detail the nature of real estate investment trusts (REITs), regulated investment companies (RICs), and S corporations.

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Figure G1

"Large" Foreign-Controlled Domestic Corporations: Selected Items and Percentages, by Total Income Tax After Credits as a Percentage of Total Receipts, Tax Year 2008

[Money amounts are in millions of dollars]

Percentage of total income tax after credits divided by total receipts	All returns			Returns of "old" corporations		Total assets		Total receipts	
	Number	Percentage of total	Cumulative percentage	Number	Percentage of all returns	Amount	Average	Amount	Average
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Total	4,400	100.0	N/A	3,854	87.6	10,304,448	2,342	4,156,595	945
Percentage of total income tax after credits divided by total receipts:									
Zero total receipts	3	0.1	0.1	d	d	3,974	1,325	0	0
Zero percent	1,765	40.1	40.2	1,491	84.5	4,162,662	2,358	1,388,761	787
Greater than zero and under 0.5 percent	1,046	23.8	64.0	957	91.5	3,282,753	3,138	1,414,667	1,352
0.5 percent under 1.0 percent	376	8.5	72.5	325	86.4	497,094	1,322	518,095	1,378
1.0 percent under 1.5 percent	286	6.5	79.0	256	89.5	295,946	1,035	209,909	734
1.5 percent under 2.0 percent	197	4.5	83.5	178	90.4	169,367	860	113,783	578
2.0 percent under 3.0 percent	209	4.8	88.2	187	89.5	653,755	3,128	189,407	906
3.0 percent under 4.0 percent	158	3.6	91.8	136	86.1	178,705	1,131	99,335	629
4.0 percent under 5.0 percent	98	2.2	94.0	90	91.8	384,340	3,922	80,860	825
5.0 percent under 7.5 percent	118	2.7	96.7	110	93.2	352,712	2,989	72,343	613
7.5 percent under 10.0 percent	48	1.1	97.8	d	d	181,600	3,783	26,091	544
10.0 percent or more	95	2.2	100.0	81	85.3	141,540	1,490	43,344	456

Percentage of total income tax after credits divided by total receipts	Total deductions	Total receipts less total deductions	Net income (less deficit)			Income subject to tax	Total income tax		
			Total	Net income	Deficit		Before credits	After credits	
			(12)	(13)	(14)			Amount	Average
(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	
Total	4,141,787	14,807	20,975	151,829	-130,856	132,176	46,675	35,621	8
Percentage of total income tax after credits divided by total receipts:									
Zero total receipts	25	-25	-25	0	-25	0	0	0	0
Zero percent	1,503,550	-114,789	-113,774	3,203	-116,977	1,809	633	0	0
Greater than zero and under 0.5 percent	1,398,145	16,522	18,773	32,581	-13,808	21,917	7,905	3,072	3
0.5 percent under 1.0 percent	502,898	15,197	15,747	15,770	-23	13,982	4,989	3,526	9
1.0 percent under 1.5 percent	201,464	8,444	8,490	8,490	0	7,981	2,784	2,449	9
1.5 percent under 2.0 percent	107,313	6,470	6,533	6,533	0	5,963	2,086	1,919	10
2.0 percent under 3.0 percent	172,129	17,278	18,252	18,261	-10	17,376	6,100	4,745	23
3.0 percent under 4.0 percent	86,608	12,727	13,205	13,217	-13	11,692	4,092	3,422	22
4.0 percent under 5.0 percent	69,297	11,563	11,589	11,589	0	11,373	4,039	3,679	38
5.0 percent under 7.5 percent	57,967	14,376	14,860	14,860	0	13,464	4,710	4,260	36
7.5 percent under 10.0 percent	17,878	8,213	8,422	8,422	0	7,961	2,801	2,348	49
10.0 percent or more	24,513	18,831	18,903	18,903	0	18,658	6,536	6,201	65

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

N/A—Not applicable.

NOTES: "Large" corporations are those with total assets of \$250,000,000 or more, and/or with business receipts of \$50,000,000 or more (total receipts are used in lieu of business receipts for the finance and insurance, and management of companies sectors). "Old" corporations are those with dates of incorporation prior to 2006, or with unknown dates of incorporation. Data exclude Forms 1120-REIT (real estate investment trusts), 1120-RIC (regulated investment companies), and 1120S (S corporations). Data also exclude returns in which the foreign ownership level is between 25 percent and 49 percent. Detail may not add to totals because of rounding.

percent of their income tax liabilities before credits. Other large domestic corporations claimed \$101.6 billion of credits for the same tax year, equaling 37.0 percent of their income tax liabilities before credits. The largest credit claimed by each group of corporations was the foreign tax credit, \$9.3 billion by large FCDCs (20.0 percent of their tax liabilities) and

\$90.3 billion by other large domestic corporations (32.9 percent of their tax liabilities).

Industry Characteristics

The industrial makeup of the largest foreign-controlled domestic companies is somewhat different from that of other large domestic corporations. For

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Figure G2

"Large" Domestic Corporations Not Foreign Controlled: Selected Items and Percentages, by Total Income Tax After Credits as a Percentage of Total Receipts, Tax Year 2008

[Money amounts are in millions of dollars]

Percentage of total income tax after credits divided by total receipts	All returns			Returns of "old" corporations		Total assets		Total receipts	
	Number	Percentage of total	Cumulative percentage	Number	Percentage of all returns	Amount	Average	Amount	Average
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Total	15,006	100.0	N/A	13,679	91.2	47,628,091	3,174	15,134,448	1,009
Percentage of total income tax after credits divided by total receipts:									
Zero total receipts	10	0.1	0.1	7	70.0	26,581	2,658	0	0
Zero percent	5,258	35.0	35.1	4,547	86.5	14,912,552	2,836	3,431,008	653
Greater than zero and under 0.5 percent	3,929	26.2	61.3	3,717	94.6	13,477,150	3,430	4,663,758	1,187
0.5 percent under 1.0 percent	1,222	8.1	69.4	1,145	93.7	2,803,895	2,295	1,562,912	1,279
1.0 percent under 1.5 percent	823	5.5	74.9	759	92.2	2,393,240	2,908	1,306,937	1,588
1.5 percent under 2.0 percent	623	4.2	79.1	588	94.4	1,501,009	2,409	1,094,028	1,756
2.0 percent under 3.0 percent	946	6.3	85.4	872	92.2	6,690,602	7,073	1,603,674	1,695
3.0 percent under 4.0 percent	589	3.9	89.3	550	93.4	1,436,258	2,438	475,626	808
4.0 percent under 5.0 percent	445	3.0	92.3	425	95.5	1,886,397	4,239	393,029	883
5.0 percent under 7.5 percent	621	4.1	96.4	595	95.8	1,316,665	2,120	407,058	655
7.5 percent under 10.0 percent	264	1.8	98.2	245	92.8	686,208	2,599	118,874	450
10.0 percent or more	275	1.8	100.0	229	83.3	497,534	1,809	77,544	282

Percentage of total income tax after credits divided by total receipts	Total deductions	Total receipts less total deductions	Net income (less deficit)			Income subject to tax	Total income tax		
			Total	Net income	Deficit		Before credits	After credits	
								Amount	Average
(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	
Total	14,786,839	347,607	460,095	838,849	-378,755	778,923	274,473	172,922	12
Percentage of total income tax after credits divided by total receipts:									
Zero total receipts	252	-252	-223	13	-236	10	3	2	[1]
Zero percent	3,697,603	-266,595	-246,983	35,897	-282,880	22,688	8,163	0	0
Greater than zero and under 0.5 percent	4,647,134	16,624	57,453	144,613	-87,160	125,226	44,622	7,732	2
0.5 percent under 1.0 percent	1,508,214	54,698	72,437	78,783	-6,346	75,221	26,825	11,305	9
1.0 percent under 1.5 percent	1,235,556	71,381	86,968	87,015	-47	83,172	29,216	16,548	20
1.5 percent under 2.0 percent	1,030,168	63,860	65,594	65,753	-159	60,680	21,446	18,354	29
2.0 percent under 3.0 percent	1,463,824	139,850	146,738	146,738	0	138,503	48,465	38,002	40
3.0 percent under 4.0 percent	418,770	56,856	56,846	56,851	-6	55,912	19,586	16,273	28
4.0 percent under 5.0 percent	332,195	60,833	62,515	62,515	0	61,075	21,430	17,440	39
5.0 percent under 7.5 percent	323,348	83,710	89,478	89,478	0	87,244	30,465	24,795	40
7.5 percent under 10.0 percent	88,486	30,387	30,686	30,686	0	30,085	10,523	9,930	38
10.0 percent or more	41,289	36,255	38,586	40,507	-1,921	39,107	13,729	12,541	46

N/A—Not applicable.

[1] Less than \$500,000.

NOTES: "Large" corporations are those with total assets of \$250,000,000 or more, and/or with business receipts of \$50,000,000 or more (total receipts are used in lieu of business receipts for the finance and insurance, and management of companies sectors). "Old" corporations are those with dates of incorporation prior to 2006, or with unknown dates of incorporation. Data exclude Forms 1120-REIT (real estate investment trusts), 1120-RIC (regulated investment companies), and 1120S (S corporations). Data also exclude returns in which the foreign ownership level is between 25 percent and 49 percent. Detail may not add to totals because of rounding.

2008, 36.0 percent of the largest FCDCs were classified as manufacturers, while manufacturers made up just 21.2 percent of the largest domestic companies that were not foreign-controlled. Similarly,

wholesalers were a larger share of the FCDCs (27.5 percent) than of the other large domestic corporations (15.6 percent). Conversely, 12.7 percent of the largest ODCs were classified in finance and insurance,

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while this sector made up just 8.2 percent of the largest FCDCs. Retailers accounted for 9.3 percent of the largest domestic companies that were not foreign-controlled, while only 2.4 percent of the largest FCDCs were similarly classified. See Figure H for other differences in the industrial makeup of these two groups of corporations.

The largest domestic corporations are primarily “old” corporations, with incorporation dates prior to 2006. Of the 4,400 large FCDCs contained in the Tax Year 2008 study, 87.6 percent were old corporations. Other large domestic corporations were similar to the FCDCs in this respect, with old corporations accounting for 91.2 percent of this group of 15,006 corporations.

Table 4 presents industry data for “old and large” domestic corporations, both foreign- and nonforeign-controlled. This comparison used 3,854 FCDCs and 13,679 ODCs that were incorporated prior to 2006 and that had assets of \$250 million or more and/or receipts of \$50 million or more. Each of the industrial sectors and major groups shown in this table had at least \$50 billion of receipts by FCDCs.

Column 43 of Table 4 shows the percentage of returns that reported profits (i.e., positive net income). While 63.1 percent of FCDCs reported profits, 68.7 percent of other domestic corporations (ODCs) were profitable. Within each group of corporations, the percentage of corporations that reported a profit varied substantially across the industrial sectors. For this reason, it is important to compare the two types of corporations for a specific industry, rather than for all industries. Of the industries shown in Table 4, the percentage of profitable returns was highest in the petroleum and coal products manufacturing industry for both FCDCs (79.0 percent) and ODCs (82.1 percent). Additionally, the percentage of profitable returns was lowest in the transportation equipment manufacturing industry for both FCDCs (40.4 percent) and ODCs (53.1 percent).

Column 57 of Table 4 shows the ratio of net income (less deficit) to total receipts.¹⁸ Overall, net income (less deficit) as a percentage of receipts for FCDCs (0.6 percent) was considerably smaller than for ODCs (3.2 percent). Within each group of corporations, the ratio of profits to receipts varied across the industries. Certain industries, such as mining (12.6 percent for FCDCs and 10.1 percent for ODCs), reported high percentages. Other industries, such as securities, commodity contracts, and other financial investments and related activities (-26.6 percent for FCDCs and -25.0 percent for ODCs), reported much lower percentages.

The ratio of taxable income (i.e., “income subject to tax”) to total receipts is shown in column 61 of Table 4. This ratio, unlike the ratio of net income (less deficit) to total receipts discussed earlier, excludes deficits, and includes the amount of statutory special deductions reported on tax returns. FCDCs generally had lower ratios of taxable income to receipts than those of other domestic corporations, 3.3 percent for FCDCs versus 5.2 percent for ODCs for all industries. For each group of corporations, the ratio of taxable income to receipts varied among the different industries. For FCDCs, the ratio ranged from a low of 0.3 percent for utilities to a high of 13.5 percent for mining companies. For ODCs, the lowest ratio was 1.6 percent for retail food, beverage, and liquor stores, and the highest ratio was 11.3 percent for mining companies.

Table 4 also includes the ratio of total U.S. income tax after credits to total receipts (column 64).¹⁹ The total income tax after credits reported by both FCDCs (\$33.4 billion) and ODCs (\$167.6 billion) represents the tax liability of these companies as reported on their originally filed U.S. income tax returns (see column 42). The ratio of tax to receipts shown in column 64 of this table takes into account only the U.S. tax liabilities of the corporations. Additional data, which are beyond the scope of this

¹⁸ Net profits (i.e., net income (less deficit)) is one of the key factors that affect the amount of retained earnings of corporations. Columns 12-14 of Table 4 show corporate total, appropriated, and unappropriated retained earnings, respectively. The amounts of retained earnings were reported in the end-of-year balance sheets of the corporations’ books of account. They represent earnings and profits of the corporations retained from normal and discontinued operations of previous years, as well as “extraordinary” gains and losses, and prior period adjustments. The amounts are also after reductions for dividends and distributions made to stockholders. (For a more extensive discussion of retained earnings, see *Statistics of Income—2008, Corporation Income Tax Returns*.) Appropriated retained earnings were earnings set aside for specific purposes, such as reserves for plant expansion or bond retirements, and not available for distribution to stockholders. For 2008, the oldest and largest FCDCs reported \$-67.0 billion of total retained earnings, while other domestic corporations reported \$2.7 trillion of retained earnings. Retained earnings is a component of net worth and thus affects the ratio of net income (less deficit) to net worth, which is shown in column 56 of Table 4.

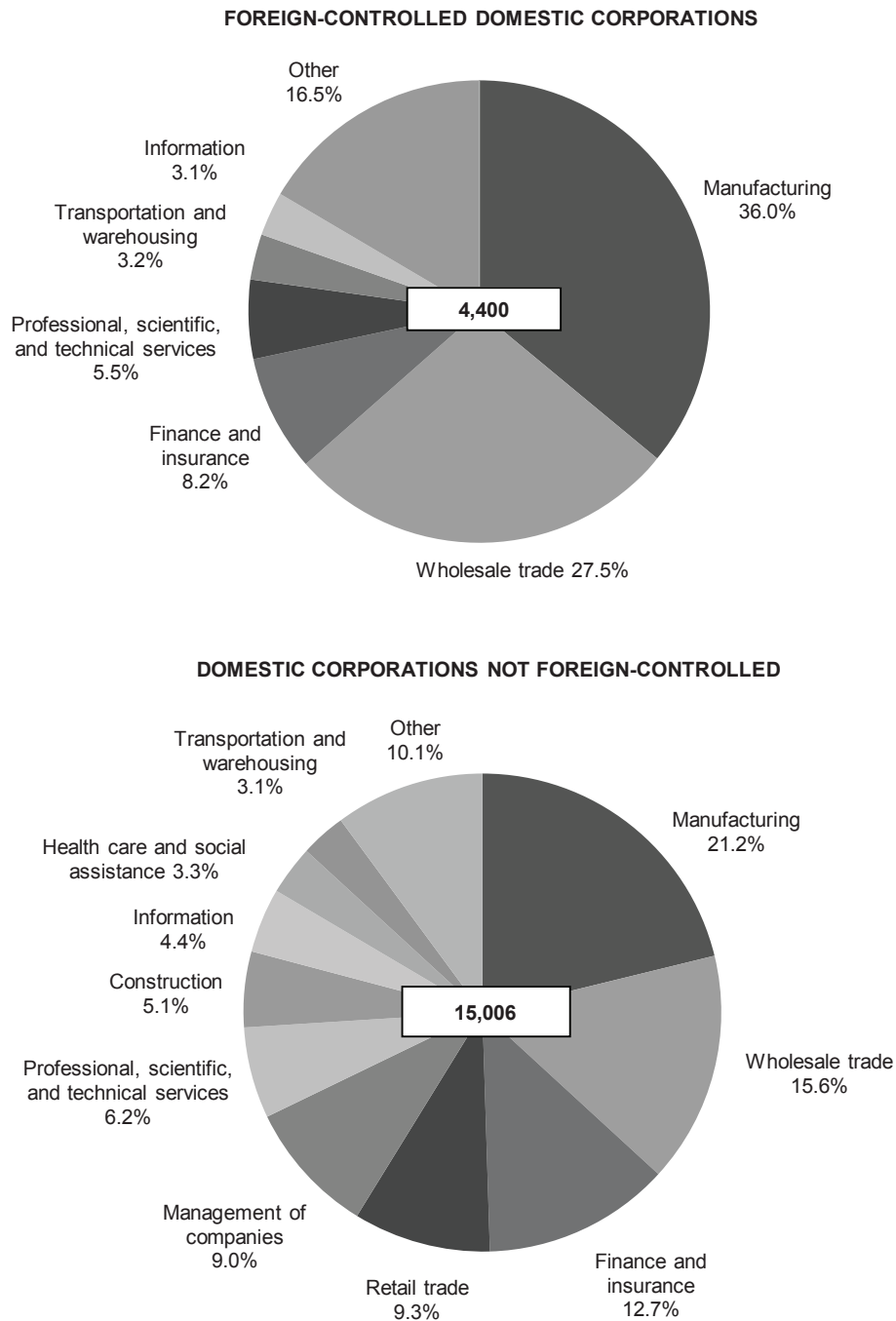
¹⁹ In using total income tax after credits as a percentage of total receipts, it should also be noted that a small portion of total income tax after credits (for example, the tax recapture of prior-year investment credits) does not relate to the current-year total receipts reported by corporations. However, this is not considered to be a major limitation in using the percentage because the regular income tax and the alternative minimum tax represented over 99 percent of the total income tax for both FCDCs and ODCs.

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Figure H

Distribution of Returns by Industry for "Large" Foreign-Controlled and Other Domestic Corporations, Tax Year 2008



NOTES: "Large" corporations are those with total assets of \$250,000,000 or more, and/or with business receipts of \$50,000,000 or more. (Total receipts are used in lieu of business receipts for the finance and insurance, and management of companies sectors.) Data exclude Forms 1120-REIT (real estate investment trusts), 1120-RIC (regulated investment companies), and 1120S (S corporations). Data also exclude returns in which the foreign ownership level is between 25 percent and 49 percent.

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article, would be required to examine the worldwide tax liabilities of the corporations.²⁰

Overall, while FCDCs reported average tax liabilities after credits of \$0.87 per \$100 of receipts (or 0.87 percent), other domestic corporations reported tax liabilities after credits of \$1.15 per \$100 of receipts (or 1.15 percent). FCDCs had a wide range, from a low of 0.10 percent for utilities to a high of 3.04 percent for mining companies. The range for ODCs was narrower, between a low of 0.53 percent for retail food, beverage, and liquor stores to a high of 2.17 percent for mining companies.

Table 4 highlights, once again, the differences in financial characteristics of corporations in different industries. For instance, looking at FCDCs, column 49 shows that retail food, beverage, and liquor stores had receipts equal to 212.5 percent of their assets, while companies handling securities, commodity contracts, and other financial investments had receipts of only 5.9 percent of their assets. Because the percentages of companies allocated by principal industrial activities are not the same for the FCDCs as they are for ODCs, this, again, illustrates the importance of comparing the two groups of corporations on an industry basis. This article will now look at two specific industrial sectors that are important to FCDCs, manufacturing and wholesale trade.

Manufacturing was a significant industrial sector for the oldest and largest FCDCs, accounting for 48.2 percent of the total receipts of the group of corporations. The percentage of manufacturing FCDCs that reported positive profits was lower than that for the ODCs, 59.3 percent and 66.5 percent, respectively (see column 43 of Table 4). Looking at the actual amounts of those positive profits and also accounting for losses reported by the remaining companies, the percentage of net income (less deficit) to total receipts was significantly higher for ODCs, 6.7 percent, than it was for FCDCs, 2.5 percent (see column 57 of Table 4). Net income (less deficit) as a percentage of total receipts for Tax Years 1999-2008 is shown in Figure I. The difference in the percentages for FCDCs and ODCs for Tax Year 2008 is similar to the differences for most of the 9 previous tax years.

Manufacturing ODCs reported taxable incomes of 7.1 percent of their receipts, while the percentage for FCDCs was considerably smaller at 3.6 percent (see column 61 of Table 4). The ratios of total income tax after credits to total receipts for ODCs and FCDCs were 1.1 percent and 0.9 percent, respectively (see column 64 of Table 4). The relative similarity of these tax to receipts ratios is partially explained by the difference in the amounts of credits that the two groups of corporations reported. ODCs reported larger credits than did the FCDCs, thereby reducing their postcredit tax liabilities by a larger portion. ODCs reported credits equaling 57.7 percent of their precredit income tax liabilities. For FCDCs, the percentage was substantially less, at 30.8 percent. For both groups of corporations, foreign tax credits accounted for most of the total credits.

Wholesale trade was also a significant industrial sector for the oldest and largest FCDCs, accounting for 20.3 percent of the total receipts of the group of corporations. The percentage of ODCs in this industrial sector that reported positive profits was higher than that for the FCDCs, 77.7 percent and 71.5 percent, respectively. Looking at the amounts of both profits and losses across the entire sector, the percentage of net income (less deficit) to total receipts was higher for ODCs (3.0 percent) than it was for FCDCs (0.9 percent). Figure I shows that the difference in percentages (of net income (less deficit) as a percentage of total receipts) between ODCs and FCDCs was mixed during the 1999-2003 period, but ODCs produced higher percentages over the 2004-2008 period.

Wholesale ODCs reported taxable incomes of 3.2 percent of their receipts, while the percentage was 1.7 for FCDCs. The ratio of total income tax after credits to total receipts was also higher for ODCs (1.0 percent) than that of FCDCs (0.6 percent). These latter percentages are once again impacted by the amount of credits claimed by both groups of corporations. ODCs and FCDCs claimed credits that equaled 11.5 percent and 7.1 percent, respectively, of their precredit income tax liabilities. For both groups of corporations, the foreign tax credit was the largest credit.

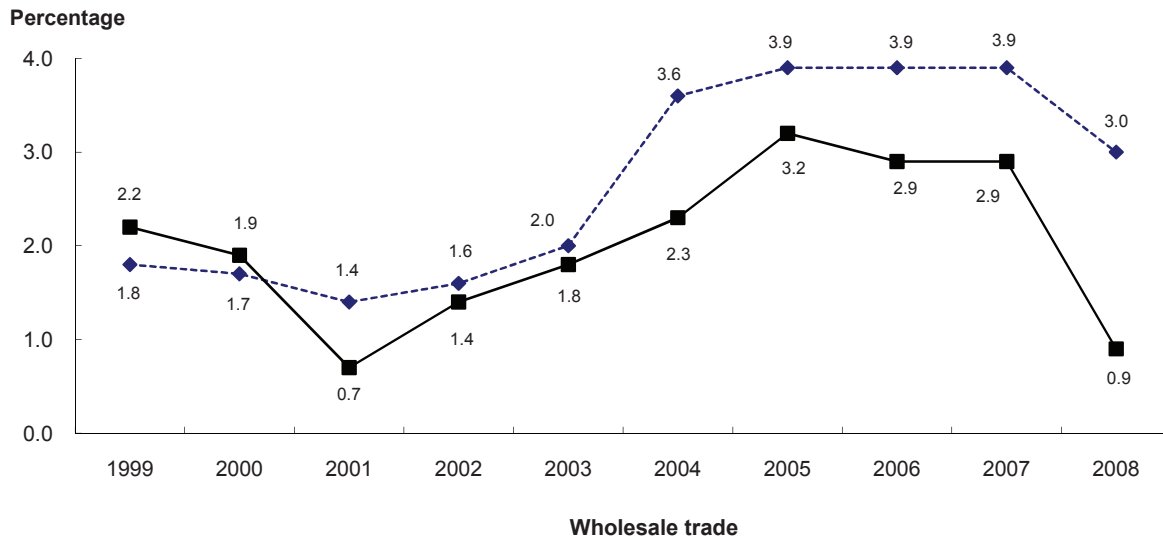
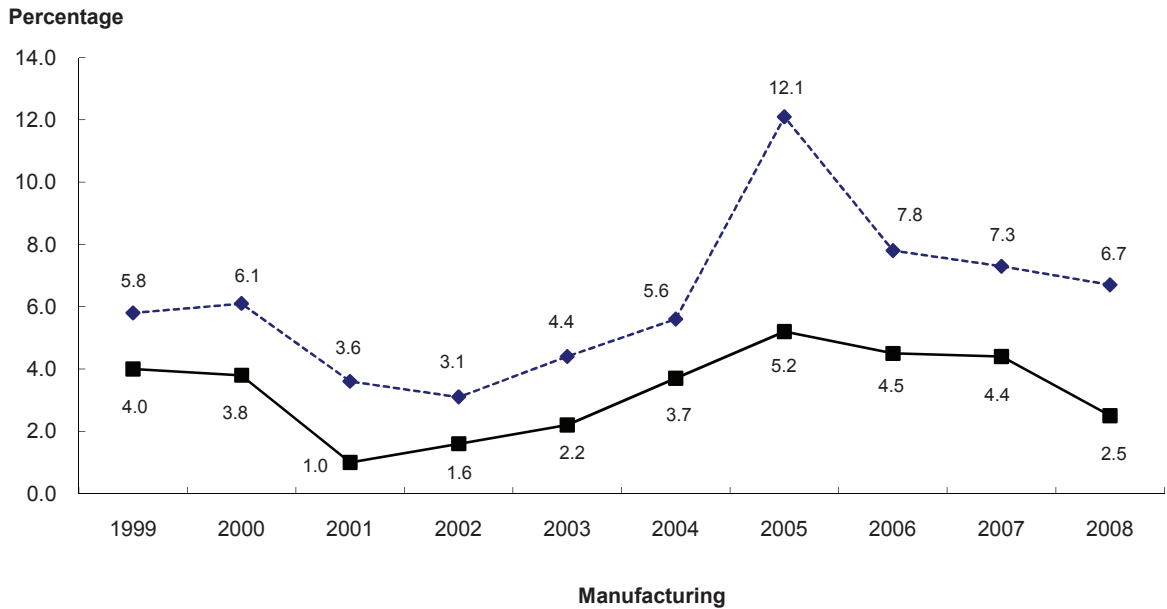
²⁰ One focus of this article is U.S. total income tax after credits. The reader might choose to focus instead on total worldwide taxes, which may be approximated by adding the foreign tax credits claimed by corporations to the U.S. tax liabilities (i.e., total income tax after credits) of these corporations. There are limitations in using this procedure, and the foreign tax credit only approximates the foreign tax liabilities of the corporations. Table 4 shows amounts of foreign tax credits in addition to U.S. total income tax after credits. For the most recent statistics covering corporate foreign tax credits in depth, see McGrath, Nuria E., "Corporate Foreign Tax Credit, 2006," in the Summer 2010 issue of the *Statistics of Income Bulletin* (Volume 30, Number 1). In addition, foreign tax credit data are included on the IRS Internet site at www.irs.gov, under Tax Stats/International/Corporate Foreign Tax Credits.

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Figure I

"Old, Large" Domestic Corporations: Net Income (Less Deficit) as a Percentage of Total Receipts for Selected Industries, by Control Status, Tax Years 1999–2008



-◆- Domestic corporations not foreign-controlled
 -■- Foreign-controlled domestic corporations

NOTES: "Old" corporations are those with dates of incorporation prior to 2006, or with unknown dates of incorporation, "Large" corporations are those with total assets of \$250,000,000 or more, and/or with business receipts of \$50,000,000 or more. Data exclude Forms 1120S (S corporations). Data also exclude returns in which the foreign ownership level is between 25 percent and 49 percent.

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Summary

FCDCs accounted for only 1.1 percent of all corporation income tax returns filed for Tax Year 2008. This percentage is much smaller than the percentages of receipts (15.3 percent) and assets (14.2 percent) that those FCDCs produced.

The value of FCDC assets declined for 2008, as did the value of assets for all corporations. FCDC assets totaled \$10.9 trillion for 2008, a 2.5-percent decrease from the previous year. By comparison, all corporations reported a total of \$76.8 trillion of assets for 2008, a 5.8-percent decrease over the previous year. FCDCs accounted for 14.2 percent of total corporate assets for 2008, up from 13.7 percent for the previous year.

Foreign business activity in the United States through FCDCs grew for Tax Year 2008. FCDCs reported \$4.4 trillion of total receipts for the year, a 3.6-percent increase over the 2007 level. Total receipts reported on all U.S. corporation income tax returns actually decreased by a small percentage (0.6 percent) from the previous year. As a result, the share of total corporate receipts accounted for by FCDCs increased from 14.7 percent to 15.3 percent.

Two industrial sectors, manufacturing and wholesale trade, generated more than two-thirds of the \$4.4 trillion of total FCDC receipts. Manufacturers produced \$2.0 trillion of receipts, while wholesalers accounted for an additional \$1.0 trillion.

Domestic corporations controlled by persons in the United Kingdom reported total receipts of \$1.1 trillion, 24.1 percent of the FCDC total. In addition, FCDCs owned by persons in Japan (13.4 percent), Germany (9.9 percent), Canada (9.1 percent), France (6.8 percent), the Netherlands (6.7 percent), and Switzerland (6.2 percent) accounted for significant portions of receipts.

FCDC “net” profits dropped by 85.7 percent from those of the previous year. The collective net income (less deficit) reported by foreign-controlled domestic corporations decreased from \$152.3 billion for 2007 to \$21.8 billion for 2008. To place the performance of FCDCs in context, total corporate profits also decreased, by 46.4 percent, totaling \$1.0 trillion for 2008.

FCDC “positive” profits (i.e., net income) decreased by 23.7 percent for 2008. The U.S. tax liability of FCDCs (i.e., total income tax after credits) moved in the same direction as did positive profits, decreasing from \$52.8 billion for 2007 to \$38.2 billion for 2008, or by 27.6 percent. To place this in perspective, the 2008 U.S. tax liabilities of all corporations were 31.0 percent lower than the previous year. Thus, FCDCs share of total corporate post-credit U.S. tax liabilities increased from 16.0 percent for 2007 to 16.7 percent for 2008.

Of the 66,797 foreign-controlled domestic corporations, the 4,400 “largest” companies accounted for most of the total amounts of key financial items (e.g., 94.6 percent of the total assets, 95.2 percent of the total receipts, 94.3 percent of the taxable income, and 93.2 percent of the total income tax after credits).

This article compared the 3,854 oldest and largest foreign-controlled domestic corporations to the 13,679 other old and large domestic companies for selected industries, focusing on the following four criteria: (1) percentage of corporations that reported profits, (2) percentage of net income (less deficit) to total receipts, (3) percentage of taxable income to total receipts, and (4) percentage of total income tax after credits to total receipts. While the results varied by industry and criteria, percentages reflecting ODC performance were more frequently higher than those reflecting FCDC performance.²¹

Explanation of Selected Terms

The following are brief explanations of some of the terms used in this article. For more extensive definitions, see *Statistics of Income—2008, Corporation Income Tax Returns*, IRS Publication 16.

Alternative minimum tax—This tax was designed to ensure that a taxpayer with substantial economic income would have at least a minimum amount of income tax liability in spite of the legitimate use of exclusions, deductions, and credits. In effect, it provided a second tax system that curtailed or eliminated many of the means of reducing taxes allowed in the regular tax system and taxed the resulting alternative taxable income at a reduced rate. The AMT

²¹ While this article has been able to compare several key ratios related to the profits and taxes reported by foreign-controlled domestic corporations and other domestic corporations on the same bases of size, age, and industry, additional research is needed to explain the differences in those ratios. For additional information on this subject, see “Tax Administration: Comparison of the Reported Tax Liabilities of Foreign- and U.S.-Controlled Corporations, 1998-2005,” U.S. Government Accountability Office, GAO-08-957, July 2008. Also, see Grubert, Harry, “Another Look at the Low Taxable Income of Foreign-Controlled Companies in the United States,” U.S. Department of the Treasury, Office of Tax Analysis, Paper 74, 1997; and Mataloni, Raymond J., Jr., “An Examination of the Low Rates of Return of Foreign-Owned U.S. Companies,” U.S. Department of Commerce, Bureau of Economic Analysis, *Survey of Current Business*, March 2000.

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is included in the amounts reported for both total income tax before (and after) credits.

Balance sheets—The balance sheet data presented in this article were the amounts reported by the taxpayer as of the end of the taxpayer's accounting year. Taxpayers were instructed to provide data that agreed with their books of account but were given very few other guidelines. Thus, the statistics for balance sheets contained more reporting variability than those for income statement and tax computation items. Since balance sheet data were from the taxpayer's books, they were normally governed by generally accepted accounting principles rather than the special rules of tax accounting. A number of steps were taken during statistical processing to reduce the variability due to taxpayer reporting practices. Misreported amounts were transferred to their proper accounts. Missing balance sheets were either supplied from reference books or statistically imputed based on other data and the company's characteristics. Some balance sheets were suppressed during statistical processing, including those for final returns of corporations going out of existence because they should have had either zero assets (if liquidating) or assets included in another corporation's return (if merging). Additionally, balance sheets of part-year returns (for the most part, by continuing corporations changing their accounting periods) were not included in the statistics because the same corporations' data could have been subject to inclusion from their full-year returns.

Business receipts—These receipts were, in general, the gross operating receipts of the corporation reduced by the cost of returned goods and allowances. They represented all of a corporation's receipts except investment and incidental income. Business receipts also exclude gains from the sale of assets. Some corporations reported sales and excise taxes as part of their gross receipts from sales (and deducted these taxes as part of "cost of goods sold" or as "taxes paid"); others reported their receipts after adjustment for these taxes. Business receipts include rents reported by real estate operators and other corporations for which rent made up a significant portion of income. The latter corporations included manufacturers that rented their products, lessors of public

utility facilities, and companies engaged in rental services, such as lodging places and the rental of automobiles. Business receipts include such banking items as fees, commissions, and credit card income. Interest, the principal operating income of banking and other financial institutions, was excluded from business receipts; rather, it was included in the separate statistics for interest received. Also, premium income of most insurance companies was included in business receipts. Security dealers included profits from security trades in business receipts.

Constructive ownership rules—The constructive ownership rules of Internal Revenue Code (IRC) section 318 apply in determining if a U.S. corporation is foreign-owned. However, if a corporation is owned by two or more "unrelated" foreign persons, neither of which owned 50 percent or more of the corporation, then that corporation was excluded from the FCDC statistics even though, together, these persons may have met the 50-percent-or-more ownership criterion. See also, "Foreign person," defined below.

Constructive taxable income from related foreign corporations—This item is the sum of includable income from Controlled Foreign Corporations (CFCs) and foreign dividend gross-up. IRC sections 951-964 ("Subpart F") created an exception to the general rule that the earnings and profits of CFCs were subject to U.S. taxation only when the income was actually distributed to U.S. shareholders.²² Under Subpart F, some types of foreign income are required to be included in the income of the U.S. shareholders, even if not actually distributed. This includable income comprises passive investment income, income from sources thought especially easy to shift between tax jurisdictions, and income from sources contrary to public policy. Foreign dividend gross-up is constructive taxable income to corporations that claim a foreign tax credit. A U.S. corporation could claim a foreign tax credit for a share of the foreign taxes actually paid by its related foreign corporations. The share of foreign taxes was treated as deemed paid by the U.S. corporation. In order to receive credit against U.S. tax, the foreign taxes deemed paid need to be included in the corporation's worldwide income. The dividend gross-up, which is the equivalent amount of the foreign taxes deemed

²² For the most recent statistics covering CFCs, see Mahony, Lee and Randy Miller, "Controlled Foreign Corporations, 2006," *Statistics of Income Bulletin*, Winter 2011, Volume 30, Number 3. In addition, CFC data are included on the IRS Internet site at www.irs.gov, under Tax Stats/International/Controlled Foreign Corporations.

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paid by the U.S. corporation, is included as income of the U.S. corporation. Constructive taxable income from related foreign corporations is not included in the statistics for total receipts.

Cost of goods sold—This item generally consisted of the costs incurred by corporations in producing the goods or providing the services that generated the business receipts. Included were costs of materials used in manufacturing; costs of goods purchased for resale; direct labor; and a share of overhead expenses, such as rent, utilities, supplies, maintenance, and repairs. For statistical processing purposes, however, certain items (such as advertising, amortization, bad debts, compensation of officers, depletion, depreciation, interest paid, taxes, and contributions to charitable organizations, employee benefit programs, and pension plans) reported by taxpayers in cost of goods sold schedules were transferred to their respective and separate deduction categories. For insurance companies, benefits paid (e.g., the death benefits paid by life insurance companies) were included in the cost of goods sold. In general, finance corporations did not have any cost of goods sold.

Current and noncurrent assets—In this article, current assets plus noncurrent assets equal total assets. Table 4 of this article includes separate data for current assets and noncurrent assets. Current assets include cash, notes and accounts receivable (less the allowance for bad debts), inventories, investments in government obligations, tax-exempt securities, and other current assets, such as short-term prepaid expenses and nontrade receivables. Noncurrent assets include loans to shareholders, mortgage and real estate loans, other investments, depreciable assets (less accumulated depreciation), depletable assets (less accumulated depletion), land, intangible assets (less accumulated amortization), and other assets, including those not identified on the tax return as either current or long-term.

Current and noncurrent liabilities—In this article, current liabilities include accounts payable; mortgages, notes, and bonds payable in less than 1 year; and other current liabilities, such as accrued taxes, payrolls, and other expenses. Noncurrent liabilities include loans from shareholders; mortgages, notes, and bonds payable in 1 year or more; and other liabilities, including those not identified on the tax return as either current or long-term.

Dividends received from domestic corporations—These dividends represented most distribu-

tions from the earnings and profits of companies incorporated in the United States. They were generally used in computing the special deduction from net income for dividends received. Dividend distributions among member corporations electing to file a consolidated return were eliminated from the statistics as part of the consolidated reporting of tax accounts.

Dividends received from foreign corporations—These were dividends paid from the earnings and profits of companies incorporated in foreign countries. This item does not include constructive taxable income from related foreign corporations (discussed above) because it was not an actual receipt. Dividends received from foreign corporations out of U.S. source earnings and profits or from Foreign Sales Corporations were usually eligible for the dividends received deduction. Not eligible were dividends out of foreign-source earnings and profits.

Foreign person—A foreign person (or entity) includes: (1) a foreign citizen or nonresident alien, (2) an individual who is a citizen of a U.S. possession (but who is not a U.S. citizen or resident), (3) a foreign corporation, (4) a foreign partnership, (5) a foreign estate or trust within the meaning of IRC section 7701(a)(31), and (6) a foreign government (or one of its agencies or instrumentalities) to the extent that it is engaged in the conduct of a commercial activity as described in IRC section 892.

Foreign tax credit—Although the United States taxes the worldwide income of U.S. persons (including corporations), foreign source income is often taxed as well by the country where the income is earned. The foreign tax credit provisions were enacted to mitigate the potential impact of the double taxation of foreign-source income. U.S. persons are allowed a credit against U.S. income tax for income taxes paid (or accrued) to foreign countries or U.S. possessions, subject to a limitation that prevented corporations from using foreign tax credits to reduce U.S. tax liability on U.S.-sourced income. A corporation that claimed the foreign tax credit could not also claim a business deduction for the same foreign taxes paid. The foreign tax credit was not allowed for taxes paid to certain foreign countries whose governments were not recognized by the United States, with which the United States severed or did not conduct diplomatic relations, or which provided support for international terrorism.

Income subject to tax—For most corporations, income subject to tax, i.e., taxable income, consisted

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of (positive) net income minus certain statutory special deductions. However, there were special provisions in the Internal Revenue Code for determining the taxable income of insurance companies, based on changes in their reserve accounts. Also, S corporations, regulated investment companies, and real estate investment trusts generally passed their net income on to be taxed at the shareholder level. They had limited tax liabilities (based on capital gains for S corporations and undistributed income for RICs and REITs) and, thus, small amounts of taxable income.

Income tax—This item was the amount of a corporation's tax liability calculated at the regular corporate tax rates. (However, there were certain exceptions for members of controlled groups and personal service corporations.) It is included in the amounts reported for both total income tax before (and after) credits. A small number of corporations without net income had an income tax liability under special life insurance rules.

Interest—This item is taxable interest, a component of total receipts. It includes interest on U.S. Government obligations, loans, notes, mortgages, corporate bonds, bank deposits, and dividends from savings and loans and mutual savings banks. This item does not include interest received from certain government obligations not subject to U.S. income tax, including those issued by States, local governments, the District of Columbia, and U.S. possessions.

Net income (or deficit)—This is a company's net profit or loss from taxable sources of income reduced by deductions allowed by the Internal Revenue Code. It reflects not only actual receipts, but "constructive" receipts as well (i.e., includable income from Controlled Foreign Corporations and the foreign dividend "gross-up"). Tax-exempt interest on State and local government obligations is excluded from this item, but is included in "total receipts." The deductions include ordinary and necessary business deductions, but do not include statutory special deductions. The statistics for (positive) net income are generally larger than those for "income subject to tax" because the latter is reduced by the amount of statutory special deductions, including the net operating loss deduction. In this article, for a group of returns, this item may be referred to as either "profits" (i.e., net income exceeds deficits) or "losses" (deficits exceed net income). On Form 1120, net income (or deficit) was reported on page 1, line 28, entitled "Taxable in-

come before net operating loss deduction and special deductions."

Net operating loss deduction (NOLD)—A statutory "net operating loss" (NOL) for a given tax year could be carried back, in general, 2 years to reduce the taxable income of those years. Similarly, any amount of the NOL not offset against income during that time could be carried forward to offset income for a period not exceeding 20 years. A "net operating loss" is calculated using the laws and IRS regulations in effect for a given tax year, and is the excess of allowable deductions over taxable income, with certain adjustments. The amount of the deduction included in the statistics of this article, however, consists only of losses from prior years carried forward and actually used to reduce taxable income for the current (2008) tax year. Losses incurred after Tax Year 2008 and carried back to that year at a later date were not reported on the tax returns used for this article. Net operating losses on which the 2008 deduction was based include: (1) the excess of ordinary and necessary business expenses over income for previous loss years, and (2) statutory special deductions claimed in a loss year for dividends received and for dividends paid on certain preferred stock of public utilities (or any excess of such deductions over net income).

Net worth—This item represents the shareholders' equity in the corporation, i.e., total assets less the claims of creditors. It is the net sum of capital stock, additional paid-in capital, appropriated retained earnings, and unappropriated retained earnings (including adjustments to shareholders' equity), minus the cost of treasury stock. Capital stock includes amounts of outstanding shares of both common and preferred stock. Additional paid-in capital comprises additions to the corporation's capital from sources other than earnings, including receipts from the sale of capital stock in excess of the stated value and stock redemptions or conversions. Retained earnings and profits of corporations can be appropriated (i.e., set aside for specific purposes such as for plant expansions or bond retirements) or unappropriated (dividends and distributions to shareholders are paid from these funds). Adjustments to shareholders' equity can be either positive or negative, and includes unrealized gains and losses on securities held "available for sale." Treasury stock is common or preferred stock originally issued by the corporation that has been reacquired and held at the end of the accounting period by the issuing corporation.

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Number of returns—The data contained in this article include the number of returns filed by “active” corporations (i.e., those reporting at least one item of income or deductions) for Tax Year 2008. For simplicity, the number of returns is sometimes referred to in this article as the number of corporations. However, the actual number of corporations may be larger than the number of returns because most domestic corporations could elect to file consolidated income tax returns. These returns were filed by common parent corporations and contained combined financial data of two or more affiliated domestic corporations meeting certain stock ownership requirements. Each consolidated return was treated for statistical purposes as a single unit.

Real estate investment trusts—Domestic corporations, trusts, and associations that meet certain ownership, purpose, income, and diversification requirements may elect to be taxed as real estate investment trusts (REITs). Foreign-controlled domestic corporations can be REITs. However, REITs played a much larger role for ODCs than for FCDCs.²³ REITs generally invest in real estate and mortgages. A beneficial ownership of the trust is established through transferable shares or transferable certificates of beneficial interest. Among the income requirements, at least 95 percent of the total gross income of a REIT must come from dividends; interest; rents from real property; and gains from the sale of stock, securities, and real property; etc. Additionally, at least 75 percent of total gross income must be derived from rents from real property; interest on mortgages on real property; gains from sales of real property and mortgages; and dividends and gains from the sale of transferable shares in other REITs; etc. The tax liability of REITs is generally very low. This is because, through a statutory special deduction for dividends paid, REITs are not taxed on amounts distributed to shareholders. In general, REITs must distribute to their shareholders at least 90 percent of their taxable incomes. Such distributions are taxed to the shareholders (i.e., beneficiaries).

Regulated investment companies—A regulated investment company (RIC) is a domestic corporation registered with the Securities and Exchange Commission as a management company, business development company, unit investment trust, com-

mon trust fund, or a similar fund. Typically, it is a mutual fund. Foreign-controlled domestic corporations can be RICs. However, RICs played a much larger role for ODCs than for FCDCs.²³ A RIC must meet certain Internal Revenue Code requirements, including deriving at least 90 percent of its gross income from dividends, interest, payments related to securities loans, and gains from the sale of stock or securities, foreign currencies, or other income related to its business of investing in such stock, securities, or currencies. The tax liability of RICs is generally very low. This is because, through a statutory special deduction for dividends paid, RICs are not taxed on amounts distributed to shareholders. In general, RICs must distribute to their shareholders at least 90 percent of their taxable incomes. Such distributions are taxed at the shareholder level.

S corporations—An S corporation has elected to be taxed through its shareholders under Internal Revenue Code section 1362. The IRC contains restrictive criteria that a company must meet in order to qualify as an S corporation, which include the number and types of shareholders. These companies are involved in numerous industrial activities. They report corporate income and deductions from their conduct of trades and businesses, but generally allocate any income or loss to their shareholders to be taxed only at the individual level. S corporations comprise a very large part of the corporate population. However, foreign-controlled domestic corporations cannot elect to be treated as S corporations.²³

Statutory special deductions—This item is the sum of: (1) deductions for net operating loss carryovers from prior years, and (2) special deductions for dividends and other corporate attributes allowed by the Internal Revenue Code, which includes: (a) dividends received deductions, (b) deductions for dividends paid on certain stock of public utilities, (c) deductions for dividends paid by regulated investment companies and real estate investment trusts, (d) Internal Revenue Code section 857(b)(2)(E) deductions reported by real estate investment trusts, and (e) Code section 806(a) small life insurance company deductions. These deductions were in addition to ordinary and necessary business deductions. In general, net income less statutory special deductions equals income subject to tax.

²³ Shown in Appendix A of this article are Tax Year 2008 data for all REITs, RICs, and S corporations, regardless of size, filed by foreign-controlled domestic corporations (FCDCs) and by other domestic corporations (ODCs).

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Total assets—This item represented those assets reported in the end-of-year balance sheets of the corporations' books of account. Total assets were net amounts after reduction by accumulated depreciation, accumulated amortization, accumulated depletion, and the reserve for bad debts.

Total income tax before and after credits—For 2008, total income tax of FCDCs was primarily comprised of the income tax imposed on corporate income subject to tax (98.9 percent of the total tax). The alternative minimum tax accounted for 1.1 percent of the total. A small number of corporation income tax returns without net income reported amounts of income tax. The income tax, in these cases, resulted from special provisions of the Internal Revenue Code applicable to life insurance operations. Additionally, some taxes included in total income tax were not imposed directly on a corporation's income subject to tax, such as the recapture taxes. Thus, a small number of corporations without net income and income tax may have reported such taxes on their income tax returns. These taxes were included in the statistics for total income tax. Also included in total income tax were personal holding company taxes and the taxes on undistributed net capital gains of regulated investment companies. Total income tax included an adjustment that could be either positive or negative. This adjustment was used for write-in amounts on the tax computation schedule (e.g., Schedule J of Form 1120), as well as for differences in total tax reported on the tax computation schedule and reported on the tax and payments section of the tax return (e.g., Page 1 of Form 1120). For 2008, the credits used to reduce the total income tax of FCDCs primarily included the foreign tax credit (84.2 percent of the \$11.2 billion of total credits), the general business credit (11.7 percent), and the prior-year minimum tax credit (4.2 percent), as well as a small amount for the qualified zone academy bond credit.

Total receipts—This item includes all of the income actually (as opposed to constructively) received by a corporation and reported on its income tax return. It includes gross taxable receipts (i.e., business receipts, taxable interest, rents, royalties, most net capital gains, net noncapital gains, dividends received, and other receipts), before the deduction of cost of goods sold and ordinary and necessary business expenses. It also includes tax-exempt interest received on State and local government obliga-

tions. A domestic corporation (i.e., one incorporated in the United States), whether controlled by a foreign person or not, could have business activities in a foreign country, as well as in the United States. Thus, total receipts may include those from foreign branch operations of the U.S. company. Also, the total receipts of a domestic corporation conducting business abroad through foreign subsidiaries may include dividends remitted from those subsidiaries. However, total receipts exclude certain taxable income from related foreign corporations that is only constructively received by the domestic corporation. Long-term capital gains of regulated investment companies, as well as both short-term and long-term capital gains of S corporations, are also excluded.

Total receipts less total deductions—This item differs from the "net income (less deficit)" shown in the statistics in that it includes nontaxable interest received on State and local government obligations, and excludes constructive taxable income from related foreign corporations.

Data Sources and Limitations

Time Period Covered

Data for Tax Year 2008 are based on returns with accounting periods that ended between July 2008 and June 2009. These accounting periods were 12 months in length, or less for part-year accounting periods. As a result of the 12-month span for ending accounting periods, the statistics shown in this article include accounting periods that began and ended within a 23-month span. For Tax Year 2008, that span was from August 2007 through June 2009. Nevertheless, most of the income and expense data are, in fact, associated with Calendar Year 2008. Of the 66,797 FCDC returns filed for Tax Year 2008, 46,815 had accounting periods that ended in December 2008, 70 percent of the total. These returns accounted for 79 percent of both the receipts and deductions reported by all FCDCs, as well as 85 percent of the FCDC assets.

The sampling frame for the 2008 statistics consisted, in general, of tax returns with accounting periods that ended between July 2008 and June 2009, and that posted to the IRS Business Master File between July 2008 and June 2010. A 24-month sampling period was needed for several reasons. First, some corporations had noncalendar year accounting periods ending as late as June 2009. Second, while

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corporation returns must be filed within 2 1/2 months after the close of the accounting period, many corporations requested and received filing extensions of 6 months. Third, normal administrative processing time lags required that the sampling process remained open until June 2010.

Returns Covered

The number of returns shown in this article represents returns of “active” corporations, i.e., those that reported any income or deduction items. While any corporation in existence during any portion of the taxable year was required to file an income tax return (even though it may have been inactive, not having any income or deductions), the great majority of returns filed with the Internal Revenue Service were for active corporations. Part-year returns, those filed for accounting periods of less than 12 months, were included in the number of returns and other data shown in this article. Continuing corporations changing their accounting periods, new corporations in existence less than 12 months, merging corporations, and liquidating corporations filed such returns. To avoid double counting, data from the balance sheets of part-year returns were not included in the statistics, except for those from initial returns of newly incorporated businesses.

Sample

This article presents statistical estimates based on a stratified sample of nearly 9,200 unaudited tax returns selected from nearly 66,800 returns of active domestic corporations controlled by a foreign person filed for Tax Year 2008. The statistics for FCDCs are based on samples of corporation income tax returns filed primarily on Form 1120 (*U.S. Corporation Income Tax Return*). In addition, the statistics for all FCDCs include data from the small numbers of other domestic corporation income tax returns filed on Forms 1120L (*U.S. Life Insurance Company Income Tax Return*), 1120-RIC (*U.S. Income Tax Return for Regulated Investment Companies*), 1120-REIT (*U.S. Income Tax Return for Real Estate Investment Trusts*), and 1120-PC (*U.S. Property and Casualty Insurance Company Income Tax Return*). For Tax Year 2008, FCDCs filed only 47 Forms 1120L, 369

Forms 1120-RIC, 114 Forms 1120-REIT, and 51 Forms 1120-PC.²⁴ FCDCs could not file Forms 1120-A, 1120-F, and 1120S. The statistics for the largest FCDCs shown in Figures G through I, and in Table 4, exclude Forms 1120-RIC and 1120-REIT.

Form 1120 sampled returns were stratified based on the size of total assets and the size of “proceeds” (which was used as a measure of income and was the larger of the absolute value of net income or deficit or the absolute value of “cash flow,” i.e., net income plus depreciation plus depletion). Forms 1120L, 1120-RIC, 1120-REIT, and 1120-PC were sampled based solely on the size of total assets.

For 2008, the sampling rates for Forms 1120 alone (the majority of returns included in the sample) ranged from less than 1 percent to 100 percent. In general, Form 1120 returns with assets of \$50 million or more, or with “proceeds” of \$10 million or more, were selected for the Statistics of Income study at the 100-percent sampling rate. Thus, most if not all of the “largest” FCDCs (and other domestic corporations as well) were selected at the 100-percent rate. Therefore, sampling error is not considered to be a major concern for the large-corporation data shown in this article. For additional information on the sampling rates, see *Statistics of Income—2008, Corporation Income Tax Returns*.

Because the data presented are estimates based on samples, they are subject to sampling error. To properly use these data, the magnitude of the sampling error should be known. Coefficients of variation (CVs) are used to measure that magnitude. Figure J shows CVs for selected financial data of selected industrial sectors and selected countries of the foreign owners. For a general discussion of sampling procedures and CVs, see “SOI Sampling Methodology and Data Limitations” located near the back of this issue of the *Statistics of Income Bulletin*.

Nonsampling Limitations

Nonsampling errors can be categorized as coverage errors, nonresponse errors, processing errors, or response errors. These errors can be the result of the inability to obtain information about all returns in the sample, differing interpretations of tax concepts or instructions by the taxpayer, inability of a corpora-

²⁴ The count of 47 Forms 1120L does not include returns of life insurance companies that were filed as part of consolidated returns under IRC section 1504(c). Under this section, a nonlife insurance parent company could include a domestic life insurance subsidiary in a consolidated return. For 2008, there were 162 section 1504(c) returns of foreign-controlled domestic corporations. Of this number, 81 returns had a property/casualty insurance company as the largest subsidiary, another 68 returns had a noninsurance company as the largest subsidiary, and 13 returns had a life insurance company as the largest subsidiary.

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Figure J

Foreign-Controlled Domestic Corporations: Coefficients of Variation for Selected Items, by Selected Industrial Sector and Selected Country of Foreign Owner, Tax Year 2008

Selected industrial sector or country	Coefficients of variation (percentages)						
	Number of returns	Total assets	Total receipts	Net income	Deficit	Income subject to tax	Total income tax after credits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total	3.79	0.02	0.18	0.16	0.22	0.16	0.19
Selected industrial sector:							
Construction	28.39	0.86	1.89	2.84	2.14	3.03	3.11
Finance and insurance	10.80	0.01	1.03	0.49	0.13	0.48	0.42
Information	19.33	0.16	0.83	0.87	2.45	1.20	1.28
Management of companies (holding companies)	20.19	0.05	0.09	0.70	0.87	0.65	0.83
Manufacturing	10.54	0.05	0.10	0.14	0.37	0.14	0.19
Professional, scientific, and technical services	12.76	0.38	1.37	1.17	3.29	1.18	1.23
Real estate and rental and leasing	7.96	0.61	1.20	2.62	2.23	3.57	3.51
Retail trade	19.29	0.52	0.72	1.32	2.58	1.44	1.43
Wholesale trade	7.37	0.21	0.41	0.66	1.18	0.73	0.74
Selected country of foreign owner:							
Bermuda	24.21	0.14	0.57	0.64	2.52	0.69	1.08
Canada	13.18	0.08	0.70	0.68	0.91	0.67	0.68
France	21.84	0.05	0.34	0.40	0.91	0.51	0.59
Germany	16.13	0.07	0.36	0.67	0.44	0.85	0.91
Japan	20.40	0.13	0.41	0.56	0.59	0.62	0.67
Netherlands	22.74	0.05	1.80	0.87	0.85	1.12	0.93
South Korea, Republic of	9.94	0.94	1.59	4.08	4.83	6.54	7.45
Sweden	23.80	0.22	0.52	0.33	5.61	0.33	0.56
Switzerland	22.05	0.04	0.38	0.30	0.16	0.31	0.32
United Kingdom	15.41	0.03	0.15	0.21	0.85	0.19	0.28
Venezuela	2.31	1.08	0.87	1.11	10.85	1.12	1.03

tion to provide accurate information at the time of filing (data are collected before auditing), inability to obtain all tax schedules and attachments, errors in recording or coding the data, errors in collecting or cleaning the data, errors made in estimating for missing data, and failure to represent all population units.

Returns were selected for this study based on taxpayers' responses to two questions that appeared on the various types of Form 1120. The first question asked whether one "foreign person" owned, directly or indirectly, 25 percent or more of the filing corporation's voting stock or of the total value of all the corporation's stock, at any time during the tax year. If this question was answered "Yes," then a second question asked for the percentage owned.²⁵

If the first question was answered "Yes," and the second question was answered with a percentage between 50 and 100, then the return was included in the FCDC statistics. Taxpayers sometimes incorrectly answered these questions or did not answer them at all.²⁶ However, prior to tabulation, corporations with large amounts of assets or receipts, and with changes in foreign ownership status between 2007 and 2008, were researched, and the answers to the questions were verified. These large corporations had a dominating effect on the estimates for balance sheet, income statement, and tax items.

Each return used for the statistics had an industry code reported, or was assigned one during administrative or statistical processing. The North American

²⁵ On Form 1120, Page 4, Schedule K, the actual questions were: "(7) At any time during the tax year, did one foreign person own, directly or indirectly, at least 25 percent of: (a) the total voting power of all classes of the corporation's stock entitled to vote, or (b) the total value of all classes of the corporation's stock?" and "(7i) If 'Yes,' enter percentage owned." There was an additional question used for the country distribution of these statistics, which was: "(7ii) If 'Yes,' enter owner's country."

²⁶ The FCDC statistics include data from returns in which the first question (see footnote 25) was answered "Yes," and the second question covering percentage owned was not answered. There were 1,656 returns for Tax Year 2008 that were included in the FCDC data, although the exact foreign ownership percentage was not specified. These returns reported \$71.4 billion of assets and \$34.0 billion of receipts.

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Industry Classification System (NAICS) was used as a classifier of the returns. The industry code represented the principal business activity (i.e., the activity which accounted for the largest portion of the total receipts) of the corporation filing the return. However, a given return may summarize the activity of a company engaged in several businesses or may have been a consolidated return filed for an affiliated group of corporations that conducted different business activities. To the extent that some consolidated (and nonconsolidated) returns covered corporations that were engaged in many types of business activities, the data in this article are not entirely related to the industrial activity under which they are shown.

There is an additional limitation related to data presented by industrial classification. Companies that sell similar products may not be classified in the same industry. For instance, those FCDCs that were primarily U.S. distributors of products made in foreign countries by their parent or other related companies were classified as wholesalers. However, other domestic corporations that were also distributors may have been included in consolidated returns covering both the manufacture and distribution of similar products and classified as manufacturers.

Each return was assigned a foreign country code during statistical processing that identified the owner's country. For individuals, it was the owner's country of residence. For all others, it was the country in which the foreign entity was incorporated, organized, created, or administered. To the extent that

a holding company or other affiliated entity was part of a chain between a U.S. subsidiary company and the ultimate foreign parent, the country data may be related to the holding company and, thus, not be related to the foreign country of the ultimate parent.

Appendix A

REITs, RICs, and S Corporations Filed by Foreign-Controlled Domestic Corporations (FCDCs) and Other Domestic Corporations (ODCs), Tax Year 2008

[Money amounts are in millions of dollars]

Type of corporation and item	FCDCs	ODCs
Real Estate Investment Trusts (REITs):		
Number of returns	114	1,546
Total assets	62,058	1,309,429
Total receipts	4,052	108,432
Net income (less deficit)	895	44,652
Income subject to tax	0	47
Total income tax after credits	[1]	33
Regulated Investment Companies (RICs):		
Number of returns	369	12,771
Total assets	246,326	11,868,196
Total receipts	10,159	426,705
Net income (less deficit)	8,316	301,713
Income subject to tax	1	25
Total income tax after credits	[1]	27
S Corporations:		
Number of returns	0	4,049,944
Total assets	0	3,367,304
Total receipts	0	6,126,387
Total net income (less deficit)	0	317,091
Net income (less deficit) from a trade or business	0	240,026
Total income tax before credits	0	620

[1] Less than \$500,000.

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Table 1. Foreign-Controlled Domestic Corporations as a Percentage of All Corporations: Selected Items for Selected Tax Years 1971–2008

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

Item	1971	1990	1999	2000	2005	2006	2007	2008
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
ALL CORPORATIONS								
Number of returns, total	1,733,332	3,716,650	4,935,904	5,045,274	5,671,257	5,840,799	5,868,849	5,847,221
Number with net income	1,063,940	1,910,670	2,812,175	2,819,153	3,324,260	3,367,313	3,367,720	3,183,821
Total assets	2,889,221	18,190,058	41,464,153	47,026,872	66,445,430	73,080,647	81,486,346	76,799,144
Total receipts	1,906,008	11,409,520	18,892,386	20,605,808	25,504,789	27,401,874	28,762,924	28,589,771
Business receipts	1,763,760	9,860,442	16,313,971	17,636,551	21,800,290	23,310,310	24,217,396	24,718,122
Interest received [1]	65,596	942,238	1,301,772	1,576,101	1,712,271	2,242,464	2,569,844	2,108,790
Total deductions	1,824,063	11,032,575	17,966,972	19,691,592	23,612,766	25,501,558	26,974,257	27,686,727
Cost of goods sold	1,241,282	6,610,770	10,284,098	11,135,288	13,816,464	14,799,599	15,513,227	16,080,387
Interest paid	64,697	825,372	1,018,972	1,271,679	1,287,098	1,787,104	2,085,113	1,658,636
Total receipts less total deductions	81,945	376,945	925,414	914,216	1,892,024	1,900,316	1,788,667	903,044
Net income (less deficit)	79,700	370,633	928,956	927,526	1,948,655	1,933,374	1,836,783	984,342
Net income	96,688	552,527	1,229,296	1,336,620	2,234,882	2,239,614	2,252,874	1,806,890
Deficit	-16,988	-181,894	-300,340	-409,094	-286,227	-306,240	-416,091	-822,548
Income subject to tax	83,165	366,353	693,736	760,404	1,201,325	1,291,431	1,248,285	978,153
Total income tax before credits	37,510	128,186	241,988	266,282	419,209	453,082	437,076	342,381
Income tax	37,143	119,434	238,722	262,233	416,324	450,168	433,493	339,726
Total income tax after credits	30,220	96,403	193,028	204,044	312,086	353,084	331,374	228,523
FOREIGN-CONTROLLED DOMESTIC CORPORATIONS								
Number of returns, total	5,154	44,113	59,514	60,609	61,820	63,951	64,026	66,797
Number with net income	2,575	17,360	27,509	26,519	30,870	30,318	30,929	28,399
Total assets	36,674	1,652,255	4,761,072	6,071,994	9,218,983	9,743,225	11,161,430	10,887,289
Total receipts	39,181	1,060,295	2,167,523	2,612,072	3,505,629	3,839,754	4,217,409	4,367,410
Business receipts	38,043	950,083	1,888,652	2,253,215	3,058,260	3,323,274	3,597,435	3,855,657
Interest received [1]	420	67,315	142,325	180,006	235,304	304,577	387,460	288,390
Total deductions	38,050	1,056,921	2,109,522	2,549,986	3,345,178	3,671,102	4,071,891	4,351,886
Cost of goods sold	28,804	709,052	1,322,100	1,584,513	2,239,966	2,425,660	2,638,722	2,849,635
Interest paid	733	77,562	144,833	186,835	199,877	286,668	360,439	252,292
Total receipts less total deductions	1,132	3,374	58,002	62,085	160,450	168,652	145,518	15,524
Net income (less deficit)	1,111	3,966	60,213	66,312	165,188	172,560	152,261	21,769
Net income	1,496	29,410	99,974	118,598	201,597	214,812	226,419	172,866
Deficit	-384	-25,444	-39,762	-52,287	-36,409	-42,252	-74,158	-151,097
Income subject to tax	1,344	23,704	78,638	97,515	153,007	171,251	183,840	140,227
Total income tax before credits	650	8,719	28,107	34,650	53,820	60,313	65,071	49,407
Income tax	631	8,008	27,358	33,950	53,137	59,693	64,192	48,846
Total income tax after credits	610	7,438	23,937	28,073	42,415	49,953	52,845	38,234
FOREIGN-CONTROLLED DOMESTIC CORPORATIONS AS A PERCENTAGE OF ALL CORPORATIONS								
Number of returns, total	0.30	1.19	1.21	1.20	1.09	1.09	1.09	1.14
Number with net income	0.24	0.91	0.98	0.94	0.93	0.90	0.92	0.89
Total assets	1.27	9.08	11.48	12.91	13.87	13.33	13.70	14.18
Total receipts	2.06	9.29	11.47	12.68	13.74	14.01	14.66	15.28
Business receipts	2.16	9.64	11.58	12.78	14.03	14.26	14.85	15.60
Interest received [1]	0.64	7.14	10.93	11.42	13.74	13.58	15.08	13.68
Total deductions	2.09	9.58	11.74	12.95	14.17	14.40	15.10	15.72
Cost of goods sold	2.32	10.73	12.86	14.23	16.21	16.39	17.01	17.72
Interest paid	1.13	9.40	14.21	14.69	15.53	16.04	17.29	15.21
Total receipts less total deductions	1.38	0.90	6.27	6.79	8.48	8.87	8.14	1.72
Net income (less deficit)	1.39	1.07	6.48	7.15	8.48	8.93	8.29	2.21
Net income	1.55	5.32	8.13	8.87	9.02	9.59	10.05	9.57
Deficit	2.26	13.99	13.24	12.72	12.72	13.80	17.82	18.37
Income subject to tax	1.62	6.47	11.34	12.82	12.74	13.26	14.73	14.34
Total income tax before credits	1.73	6.80	11.62	13.01	12.84	13.31	14.89	14.43
Income tax	1.70	6.70	11.46	12.95	12.76	13.26	14.81	14.38
Total income tax after credits	2.02	7.72	12.40	13.76	13.59	14.15	15.95	16.73

[1] Excludes nontaxable interest received on State and local government obligations.

NOTES: Detail may not add to totals because of rounding. All amounts are in current dollars. Tax law and tax form changes affect the year-to-year comparability of the data. See *Statistics of Income—Corporation Income Tax Returns*, selected years, for discussions of changes affecting the comparability of the data over time.

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Table 2. Foreign-Controlled Domestic Corporations: Selected Items, by Major Industry, Tax Year 2008

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

Major industry	Number of returns			Total assets	Net worth	Total receipts	Business receipts	Total deductions
	Total	With net income	With total income tax after credits					
	(1)	(2)	(3)					
All industries	66,797	28,399	20,910	10,887,289	2,231,511	4,367,410	3,855,657	4,351,886
Agriculture, forestry, fishing, and hunting	823	268	224	6,183	3,004	3,438	3,126	3,414
Agricultural production	710	234	190	5,315	2,770	2,718	2,492	2,664
Forestry and logging	*10	*3	*3	*568	*370	*465	*453	*465
Support activities and fishing, hunting, and trapping	*103	*31	*31	*299	*-136	*255	*181	*286
Mining	708	288	234	191,849	82,372	86,126	78,376	78,530
Utilities	250	140	137	146,193	43,510	62,653	57,777	65,006
Construction	1,594	880	522	48,490	10,532	55,284	53,526	55,926
Construction of buildings	429	315	310	23,212	3,538	31,744	31,054	32,951
Heavy and civil engineering construction	816	314	58	17,751	5,085	14,688	13,743	14,314
Specialty trade contractors	348	250	154	7,527	1,908	8,852	8,729	8,661
Manufacturing	7,850	3,385	2,433	2,578,206	740,231	2,018,705	1,930,369	1,980,291
Food manufacturing	764	393	122	74,933	17,444	82,030	79,692	79,670
Beverage and tobacco product manufacturing	324	59	24	104,331	29,735	44,371	42,236	42,680
Textile mills and textile product mills	137	75	54	5,295	1,957	6,685	6,583	6,639
Apparel manufacturing	56	50	50	1,293	864	1,895	1,829	1,883
Leather and allied product manufacturing	d	d	d	d	d	d	d	d
Wood product manufacturing	139	88	86	6,389	967	7,622	7,530	8,357
Paper manufacturing	100	64	60	14,830	5,202	16,657	16,456	16,906
Printing and related support activities	47	15	10	5,351	-1,330	6,144	5,986	6,274
Petroleum and coal products manufacturing	36	29	26	658,304	128,228	750,667	737,260	729,326
Chemical manufacturing	462	260	223	491,827	163,116	291,347	260,689	272,578
Plastics and rubber products manufacturing	426	150	137	51,685	18,000	53,228	52,037	53,975
Nonmetallic mineral product manufacturing	140	70	69	107,862	23,304	55,877	53,911	57,417
Primary metal manufacturing	169	78	80	83,565	23,881	87,703	85,754	84,393
Fabricated metal product manufacturing	861	245	217	41,126	12,548	40,480	39,256	39,498
Machinery manufacturing	807	344	311	125,293	42,200	98,471	93,909	96,283
Computer and electronic product manufacturing	1,501	877	541	216,953	94,738	137,296	130,314	141,144
Electrical equipment, appliance, and component manufacturing	222	133	80	86,922	33,024	37,624	36,656	36,302
Transportation equipment manufacturing	838	169	155	397,265	129,437	225,081	211,771	233,414
Furniture and related product manufacturing	172	7	7	2,024	-243	2,971	2,946	3,080
Miscellaneous manufacturing	d	d	d	d	d	d	d	d
Wholesale and retail trade	19,810	9,861	7,110	695,042	202,025	1,122,809	1,096,573	1,116,817
Wholesale trade	16,211	8,010	6,180	609,569	173,989	984,088	960,979	977,598
Wholesale trade, durable goods	11,876	5,824	4,561	389,853	103,858	599,738	585,233	602,479
Wholesale trade, nondurable goods	4,177	2,095	1,528	219,551	70,030	384,252	375,672	375,033
Wholesale electronic markets and agents and brokers	*157	*90	*90	*165	*101	*98	*74	*87
Retail trade	3,600	1,851	930	85,472	28,037	138,720	135,594	139,220
Motor vehicle dealers and parts dealers	407	307	281	2,467	685	5,728	5,404	5,766
Furniture and home furnishings stores	492	272	8	5,560	729	6,100	6,069	6,093
Electronics and appliance stores	299	98	95	1,319	-12	2,619	2,581	2,523
Building material and garden equipment and supplies dealers	284	26	25	468	184	938	931	947
Food, beverage and liquor stores	104	15	12	33,620	10,896	69,129	68,146	68,578
Health and personal care stores	144	125	24	6,901	1,018	6,384	6,220	6,315
Gasoline stations	*325	*322	*88	*3,010	*657	*14,117	*13,972	*14,056
Clothing and clothing accessories stores	392	63	58	19,676	9,012	18,558	17,747	18,706
Sporting goods, hobby, book, and music stores	346	60	60	1,366	451	1,177	1,152	1,179
General merchandise stores	*16	*5	*5	*271	*63	*734	*721	*745
Miscellaneous store retailers	110	32	32	5,405	2,680	4,631	4,363	5,459
Nonstore retailers	680	526	241	5,410	1,675	8,605	8,287	8,851

Footnotes at end of table.

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Table 2. Foreign-Controlled Domestic Corporations: Selected Items, by Major Industry, Tax Year 2008—Continued

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

Major industry	Number of returns			Total assets	Net worth	Total receipts	Business receipts	Total deductions
	Total	With net income	With total income tax after credits					
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Transportation and warehousing	1,730	824	648	75,649	20,077	69,076	65,743	70,515
Air, rail, and water transportation	123	85	27	20,679	5,389	13,179	12,986	13,084
Truck transportation	799	109	109	1,068	133	3,658	3,627	3,688
Transit and ground passenger transportation	*5	d	d	*7,499	*1,717	*5,797	*5,468	*6,013
Pipeline transportation	6	d	d	2,642	1,287	5,223	5,042	5,078
Other transportation and support activities	470	302	201	34,597	6,641	38,251	35,857	39,809
Warehousing and storage	327	322	305	9,164	4,911	2,970	2,763	2,844
Information	2,346	1,117	860	292,536	103,723	111,938	97,050	108,489
Publishing industries	687	311	161	111,459	18,638	50,430	44,276	49,964
Motion picture and sound recording industries	490	388	385	21,639	12,894	9,668	7,080	9,764
Broadcasting (except Internet)	50	21	21	3,634	1,145	1,132	932	1,189
Telecommunications (including paging, cellular, satellite, cable and internet service providers)	363	204	139	142,496	69,210	45,189	39,743	42,119
Data processing, hosting, and related services	86	43	10	7,582	-247	2,904	2,496	2,868
Other information services (including news syndicates, libraries, and internet publishing and broadcasting)	671	151	145	5,727	2,083	2,615	2,523	2,587
Finance and insurance	3,361	1,662	1,197	5,065,415	687,591	509,053	253,437	546,635
Credit intermediation	526	152	145	347,243	22,490	22,884	11,885	24,259
Depository credit intermediation	38	26	27	119,809	4,143	7,007	962	5,978
Nondepository credit intermediation	488	126	118	227,435	18,347	15,877	10,923	18,280
Securities, commodity contracts, and other financial investments and related activities	1,364	557	503	2,564,321	115,421	155,708	36,809	194,886
Insurance carriers and related activities	332	203	202	1,838,819	300,483	316,775	204,636	322,858
Funds, trusts, and other financial vehicles	1,139	751	347	315,031	249,197	13,686	106	4,633
Real estate and rental and leasing	12,881	4,125	2,682	179,054	57,954	26,316	15,559	26,774
Real estate	12,328	3,665	2,579	137,017	48,701	15,704	7,610	15,285
Rental and leasing services	547	d	d	33,882	4,402	9,748	7,283	10,565
Lessors of nonfinancial intangible assets (except copyrighted works)	*6	d	d	*8,155	*4,851	*864	*666	*923
Professional, scientific, and technical services	8,918	2,820	2,340	195,577	78,953	104,512	96,573	100,995
Management of companies (holding companies)	2,500	1,174	882	1,244,448	155,837	90,963	9,984	92,692
Administrative and support and waste management and remediation services	1,223	525	424	61,341	17,867	48,190	45,926	48,174
Administrative and support services	1,212	519	418	51,176	13,887	42,797	40,701	42,611
Waste management and remediation services	11	6	6	10,165	3,980	5,393	5,225	5,563
Educational services	13	9	9	4,221	1,189	1,762	1,610	1,654
Health care and social assistance	89	18	15	36,929	11,399	13,167	12,463	12,788
Offices of health practitioners and outpatient care centers	*60	*4	d	*27,876	*9,568	*6,751	*6,462	*6,334
Miscellaneous health care and social assistance	22	10	10	6,102	915	3,594	3,517	3,661
Hospitals, nursing, and residential care facilities	7	4	d	2,951	916	2,822	2,483	2,792
Arts, entertainment, and recreation	682	243	222	12,307	636	5,650	4,923	5,994
Amusement, gambling, and recreation industries	121	25	7	9,328	978	2,797	2,456	3,101
Other arts, entertainment, and recreation	561	219	215	2,979	-342	2,852	2,467	2,894
Accommodation and food services	1,424	857	795	46,832	13,259	29,959	25,257	29,787
Accommodation	269	119	88	31,039	13,019	7,315	4,675	7,226
Food services and drinking places	1,156	738	707	15,793	240	22,644	20,582	22,561
Other services	592	205	178	7,018	1,353	7,809	7,385	7,404
Repair and maintenance	341	45	47	3,920	1,157	5,402	5,187	5,279
Personal and laundry services	251	160	131	3,098	196	2,407	2,198	2,126

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2008

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Table 2. Foreign-Controlled Domestic Corporations: Selected Items, by Major Industry, Tax Year 2008—Continued

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

Major industry	Cost of goods sold	Total receipts less total deductions	Net income (less deficit)	Net income	Deficit	Income subject to tax	Total income tax	
							Before credits	After credits
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
All industries	2,849,635	15,524	21,769	172,866	-151,097	140,227	49,407	38,234
Agriculture, forestry, fishing, and hunting	2,123	24	24	270	-246	182	63	60
Agricultural production	1,568	54	54	252	-198	167	58	56
Forestry and logging	*402	*1	*1	*7	*-7	*5	*2	*2
Support activities and fishing, hunting, and trapping	*153	*-31	*-31	*10	*-41	*10	*3	*3
Mining	42,383	7,595	8,236	12,462	-4,226	10,986	3,949	2,493
Utilities	36,248	-2,352	-2,357	760	-3,117	425	153	142
Construction	46,462	-642	-637	1,444	-2,081	1,121	395	347
Construction of buildings	29,453	-1,207	-1,200	478	-1,679	417	146	139
Heavy and civil engineering construction	10,792	374	371	669	-298	507	180	144
Specialty trade contractors	6,217	191	193	298	-105	197	69	65
Manufacturing	1,519,836	38,414	42,870	78,063	-35,193	70,896	24,960	17,563
Food manufacturing	55,567	2,360	2,430	2,977	-547	2,503	881	808
Beverage and tobacco product manufacturing	18,718	1,692	1,860	2,026	-166	1,590	556	446
Textile mills and textile product mills	5,120	46	48	214	-167	188	65	64
Apparel manufacturing	1,251	12	12	54	-42	43	15	14
Leather and allied product manufacturing	d	d	d	d	d	d	d	d
Wood product manufacturing	6,476	-735	-735	49	-784	46	15	15
Paper manufacturing	13,366	-250	-250	185	-435	168	58	55
Printing and related support activities	4,535	-130	-130	38	-168	28	10	9
Petroleum and coal products manufacturing	672,059	21,342	23,190	24,080	-890	23,935	8,378	3,907
Chemical manufacturing	159,961	18,770	19,893	25,331	-5,438	23,278	8,181	6,734
Plastics and rubber products manufacturing	39,155	-747	-687	635	-1,322	421	156	118
Nonmetallic mineral product manufacturing	38,257	-1,540	-1,511	1,181	-2,693	1,054	371	334
Primary metal manufacturing	71,364	3,309	3,598	4,464	-866	4,376	1,616	1,095
Fabricated metal product manufacturing	29,005	983	997	1,650	-654	1,496	521	505
Machinery manufacturing	70,444	2,188	2,358	3,892	-1,534	3,627	1,274	1,130
Computer and electronic product manufacturing	94,902	-3,848	-3,525	3,427	-6,952	2,164	764	627
Electrical equipment, appliance, and component manufacturing	26,158	1,322	1,425	2,115	-690	1,521	535	431
Transportation equipment manufacturing	164,516	-8,333	-8,272	2,135	-10,408	1,469	519	448
Furniture and related product manufacturing	2,146	-109	-109	21	-130	21	7	6
Miscellaneous manufacturing	d	d	d	d	d	d	d	d
Wholesale and retail trade	902,326	5,991	6,342	23,005	-16,663	18,507	6,469	6,009
Wholesale trade	808,524	6,491	6,836	20,279	-13,443	16,244	5,669	5,253
Wholesale trade, durable goods	490,801	-2,740	-2,444	8,532	-10,976	7,041	2,451	2,324
Wholesale trade, nondurable goods	317,723	9,219	9,269	11,734	-2,466	9,193	3,215	2,926
Wholesale electronic markets and agents and brokers	*0	*12	*12	*12	*-1	*11	*3	*3
Retail trade	93,802	-499	-493	2,726	-3,220	2,263	800	756
Motor vehicle dealers and parts dealers	4,787	-39	-38	26	-64	20	7	7
Furniture and home furnishings stores	3,367	6	6	97	-90	90	31	31
Electronics and appliance stores	1,627	96	96	180	-84	157	54	45
Building material and garden equipment and supplies dealers	734	-9	-9	12	-21	12	4	4
Food, beverage and liquor stores	47,996	551	552	1,505	-953	1,454	514	502
Health and personal care stores	2,790	69	72	155	-84	148	51	41
Gasoline stations	*12,113	*61	*61	*64	*-3	*61	*21	*15
Clothing and clothing accessories stores	9,373	-148	-145	539	-683	188	73	69
Sporting goods, hobby, book, and music stores	818	-2	-2	29	-31	29	10	10
General merchandise stores	*514	*-12	*-12	*15	*-26	*15	*5	*4
Miscellaneous store retailers	2,729	-828	-828	42	-870	41	14	14
Nonstore retailers	6,954	-245	-247	63	-310	48	16	16

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2008

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Table 2. Foreign-Controlled Domestic Corporations: Selected Items, by Major Industry, Tax Year 2008—Continued

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

Major industry	Cost of goods sold	Total receipts less total deductions	Net income (less deficit)	Net income	Deficit	Income subject to tax	Total income tax	
							Before credits	After credits
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Transportation and warehousing	29,394	-1,439	-1,430	1,270	-2,701	1,053	368	354
Air, rail, and water transportation	5,089	95	95	288	-193	271	96	91
Truck transportation	2,298	-30	-30	42	-72	39	12	12
Transit and ground passenger transportation	*1,143	*-216	*-216	d	d	d	d	d
Pipeline transportation	4,844	144	144	d	d	d	d	d
Other transportation and support activities	15,528	-1,558	-1,549	599	-2,148	545	189	182
Warehousing and storage	493	126	126	189	-63	156	54	52
Information	36,326	3,449	3,760	7,404	-3,645	3,957	1,427	1,238
Publishing industries	17,644	467	526	2,636	-2,110	1,865	659	537
Motion picture and sound recording industries	2,620	-96	46	350	-304	137	47	46
Broadcasting (except Internet)	531	-57	-57	55	-111	45	15	15
Telecommunications (including paging, cellular, satellite, cable and internet service providers)	14,507	3,070	3,126	3,815	-689	1,401	528	492
Data processing, hosting, and related services	590	37	37	262	-225	250	87	87
Other information services (including news syndicates, libraries, and internet publishing and broadcasting)	433	28	82	287	-206	258	90	62
Finance and insurance	154,006	-37,582	-37,846	26,440	-64,286	15,210	5,342	4,815
Credit intermediation	315	-1,375	-1,419	1,754	-3,173	1,595	559	527
Depository credit intermediation	0	1,029	1,028	1,100	-73	1,071	375	373
Nondepository credit intermediation	315	-2,404	-2,446	654	-3,100	525	185	154
Securities, commodity contracts, and other financial investments and related activities	1,555	-39,178	-39,058	4,848	-43,906	4,510	1,581	1,502
Insurance carriers and related activities	152,137	-6,082	-6,421	10,076	-16,496	8,731	3,071	2,659
Funds, trusts, and other financial vehicles	0	9,053	9,051	9,762	-710	373	130	127
Real estate and rental and leasing	2,975	-457	-471	3,025	-3,496	1,634	569	556
Real estate	717	419	420	2,704	-2,284	1,391	484	475
Rental and leasing services	2,222	-817	-832	d	d	d	d	d
Lessors of nonfinancial intangible assets (except copyrighted works)	*36	*-59	*-59	d	d	d	d	d
Professional, scientific, and technical services	34,140	3,517	3,734	7,209	-3,476	5,647	1,981	1,765
Management of companies (holding companies)	1,778	-1,730	-1,294	8,138	-9,432	7,818	2,752	2,039
Administrative and support and waste management and remediation services	20,785	16	45	1,031	-986	711	252	201
Administrative and support services	20,157	186	215	913	-698	696	244	194
Waste management and remediation services	629	-170	-170	118	-288	15	7	7
Educational services	602	108	111	112	-1	96	34	29
Health care and social assistance	3,816	379	379	647	-267	572	201	195
Offices of health practitioners and outpatient care centers	*3,101	*417	*417	*480	*-63	*451	d	d
Miscellaneous health care and social assistance	661	-67	-67	73	-140	36	13	12
Hospitals, nursing, and residential care facilities	55	29	29	93	-64	85	d	d
Arts, entertainment, and recreation	1,738	-345	-321	151	-473	127	43	43
Amusement, gambling, and recreation industries	1,003	-303	-299	13	-311	8	3	3
Other arts, entertainment, and recreation	735	-41	-23	139	-161	119	41	40
Accommodation and food services	11,276	172	201	895	-695	775	271	233
Accommodation	472	90	116	383	-267	271	97	85
Food services and drinking places	10,804	83	84	512	-428	504	174	148
Other services	3,419	405	423	538	-115	510	177	154
Repair and maintenance	2,771	124	124	196	-72	195	67	64
Personal and laundry services	648	282	300	343	-43	315	110	90

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

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

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

Foreign-Controlled Domestic Corporations, 2008

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Table 3. Foreign-Controlled Domestic Corporations: Selected Items, by Age of Corporation and Selected Country of Foreign Owner, Tax Year 2008

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

Age of corporation and selected country of foreign owner	Number of returns			Total assets	Net worth	Total receipts	Business receipts	Total deductions
	Total	With net income	With total income tax after credits					
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All foreign-controlled domestic corporations	66,797	28,399	20,910	10,887,289	2,231,511	4,367,410	3,855,657	4,351,886
AGE OF CORPORATION								
Old corporations:								
Number or amount	50,572	23,402	16,866	10,087,490	1,981,231	3,998,122	3,511,760	3,975,156
Percentage of all corporations	75.71	82.40	80.66	92.65	88.78	91.54	91.08	91.34
New corporations:								
Number or amount	16,224	4,996	4,044	799,799	250,279	369,288	343,897	376,731
Percentage of all corporations	24.29	17.59	19.34	7.35	11.22	8.46	8.92	8.66
SELECTED COUNTRY OF FOREIGN OWNER								
Selected countries, total	58,810	26,094	19,162	10,829,366	2,213,469	4,332,137	3,823,625	4,316,095
Percentage of all countries	88.04	91.88	91.64	99.47	99.19	99.19	99.17	99.18
Selected countries:								
Australia	1,201	473	361	158,665	38,016	52,292	44,532	52,746
Austria	751	290	222	11,461	3,530	14,111	13,815	14,104
Belgium	322	193	123	153,641	40,362	67,976	63,929	67,708
Bermuda	744	152	134	229,303	58,918	86,152	76,581	83,627
Brazil	1,130	665	300	18,705	4,990	19,167	18,660	19,662
British Virgin Islands [1]	2,933	707	616	27,941	6,023	25,488	23,474	25,468
Canada	10,132	5,511	3,950	1,220,119	334,647	396,848	344,821	389,289
Cayman Islands	1,459	510	427	75,736	32,081	29,399	25,737	31,674
China	1,543	642	355	8,325	2,850	10,385	10,031	10,198
China (Taiwan)	1,705	411	164	15,196	3,822	27,441	26,908	27,289
Colombia	857	26	26	2,197	1,046	1,525	1,509	1,703
Cyprus	46	26	9	3,256	508	8,252	8,188	8,280
Denmark	337	135	135	18,283	6,550	22,437	22,016	22,071
Finland	55	20	22	22,186	10,650	19,133	18,038	18,942
Former Soviet Union [2]	305	258	258	15,696	8,668	13,559	12,989	13,521
France	2,024	793	630	1,138,540	260,186	295,410	241,762	288,719
Germany	4,346	2,084	1,618	1,225,241	247,916	431,607	380,614	439,705
Gibraltar	83	3	3	30,653	-4,011	11,750	10,213	12,642
Hong Kong	1,134	398	286	14,008	3,160	16,254	15,786	16,569
Hungary	59	24	24	21,255	4,057	16,416	15,926	15,945
India	930	463	341	16,251	2,597	19,543	19,492	19,565
Ireland	430	178	116	95,678	40,251	35,967	33,465	35,817
Israel	864	483	439	57,892	13,638	31,284	29,534	31,972
Italy	1,609	504	422	62,395	20,250	32,199	30,455	31,711
Japan	6,108	2,955	2,160	767,073	211,387	584,521	557,226	587,623
Liechtenstein	340	56	33	3,560	1,333	5,125	4,993	4,961
Luxembourg	469	183	159	119,894	42,007	63,970	59,551	64,440
Mexico	1,393	689	529	41,058	6,734	35,926	33,572	33,790
Netherlands	1,873	858	469	1,075,971	136,685	292,575	216,144	292,827
Netherlands Antilles	285	134	130	15,838	7,549	12,887	11,864	11,772
Norway	227	67	64	21,940	8,240	20,199	19,622	20,308
Panama	915	434	150	13,994	4,885	9,133	8,507	8,418
Puerto Rico	26	6	6	23,964	9,448	1,206	237	2,640
Saudi Arabia	52	34	6	15,246	5,684	21,361	20,328	21,505
Singapore	267	80	79	29,117	17,996	17,694	16,914	18,112
South Africa, Republic of	106	34	34	3,830	1,158	5,741	5,727	5,726
South Korea, Republic of	1,811	1,050	928	46,912	10,410	78,359	76,768	78,659
Spain	817	193	172	123,062	33,795	30,112	23,932	29,849
Sweden	517	276	215	122,465	33,489	94,366	83,331	88,932
Switzerland	1,420	618	486	1,271,917	121,404	270,527	217,030	293,238
United Arab Emirates	144	63	63	9,013	2,563	5,054	4,503	5,097
United Kingdom	5,524	3,001	2,097	2,461,016	414,574	1,051,104	928,868	1,022,766
Venezuela	1,517	414	401	20,873	3,423	47,682	46,033	46,505

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2008

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Table 3. Foreign-Controlled Domestic Corporations: Selected Items, by Age of Corporation and Selected Country of Foreign Owner, Tax Year 2008—Continued

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

Age of corporation and selected country of foreign owner	Cost of goods sold	Total receipts less total deductions	Net income (less deficit)	Net income	Deficit	Income subject to tax	Total income tax	
							Before credits	After credits
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
All foreign-controlled domestic corporations	2,849,635	15,524	21,769	172,866	-151,097	140,227	49,407	38,234
AGE OF CORPORATION								
Old corporations:								
Number or amount	2,593,016	22,966	28,816	161,559	-132,742	132,052	46,538	35,702
Percentage of all corporations	90.99	147.94	132.37	93.46	87.85	94.17	94.19	93.38
New corporations:								
Number or amount	256,619	-7,442	-7,047	11,308	-18,355	8,176	2,869	2,532
Percentage of all corporations	9.01	-47.94	-32.37	6.54	12.15	5.83	5.81	6.62
SELECTED COUNTRY OF FOREIGN OWNER								
Selected countries, total	2,825,101	16,042	22,254	170,652	-148,397	138,313	48,742	37,603
Percentage of all countries	99.14	103.34	102.23	98.72	98.21	98.64	98.65	98.35
Selected countries:								
Australia	28,911	-454	-226	2,256	-2,482	1,788	626	226
Austria	10,319	7	15	347	-332	254	89	85
Belgium	38,234	268	432	1,881	-1,448	1,700	600	456
Bermuda	48,811	2,525	2,775	4,763	-1,988	3,713	1,311	808
Brazil	17,016	-495	-495	391	-885	187	68	66
British Virgin Islands [1]	17,966	20	27	1,087	-1,060	781	277	269
Canada	258,709	7,559	7,548	20,825	-13,277	13,904	4,927	4,470
Cayman Islands	14,423	-2,275	-2,195	2,758	-4,953	1,687	596	421
China	8,194	188	188	389	-201	356	124	55
China (Taiwan)	24,529	151	150	453	-303	302	105	102
Colombia	1,293	-178	-178	8	-186	[3]	[3]	[3]
Cyprus	7,959	-28	-28	31	-59	29	10	10
Denmark	15,230	366	367	784	-417	700	245	219
Finland	14,148	192	200	409	-210	309	110	108
Former Soviet Union [2]	11,636	38	38	374	-337	373	131	113
France	173,655	6,691	7,467	16,168	-8,701	11,653	4,100	3,365
Germany	253,741	-8,098	-7,666	12,182	-19,848	8,513	3,037	2,595
Gibraltar	9,529	-893	-892	63	-955	63	22	21
Hong Kong	13,924	-315	-314	150	-465	84	29	28
Hungary	10,379	470	502	672	-169	671	247	161
India	12,138	-23	-22	493	-515	405	146	141
Ireland	19,748	150	150	866	-716	599	212	193
Israel	23,877	-688	-638	622	-1,260	525	181	152
Italy	18,910	488	523	1,413	-890	1,254	452	397
Japan	430,202	-3,102	-2,729	14,867	-17,595	11,695	4,107	3,606
Liechtenstein	3,642	165	162	242	-80	197	69	69
Luxembourg	43,123	-470	-364	2,765	-3,129	2,405	907	790
Mexico	24,448	2,136	2,389	3,621	-1,232	2,523	890	390
Netherlands	159,561	-251	-164	7,937	-8,101	5,403	1,914	1,696
Netherlands Antilles	5,949	1,115	1,159	1,292	-132	1,257	438	391
Norway	15,265	-109	-108	580	-687	516	180	165
Panama	6,878	715	729	814	-85	480	168	150
Puerto Rico	57	-1,433	-1,437	14	-1,451	13	4	4
Saudi Arabia	18,449	-144	-145	387	-532	348	122	120
Singapore	12,851	-418	-398	213	-611	182	64	59
South Africa, Republic of	4,498	15	15	179	-164	147	52	51
South Korea, Republic of	69,003	-300	-275	883	-1,158	457	158	136
Spain	13,955	263	173	1,846	-1,674	1,618	567	555
Sweden	61,035	5,434	6,282	6,881	-599	6,454	2,264	1,236
Switzerland	138,377	-22,711	-22,690	13,895	-36,585	13,015	4,557	4,243
United Arab Emirates	3,747	-43	-38	353	-392	148	51	45
United Kingdom	716,512	28,337	30,791	43,090	-12,299	40,212	14,100	8,955
Venezuela	44,270	1,177	1,174	1,408	-234	1,393	485	481

[1] Includes domestic corporations with owners from Saint Christopher, Nevis, and Anguilla.

[2] Includes domestic corporations with owners from Russia, Armenia, Uzbekistan, Ukraine, Turkmenistan, Tajikistan, Sakhalin Island, Moldova, Kyrgyzstan, Azerbaijan, Kazakhstan, Kurile Islands, Georgia, Belarus, and Estonia.

[3] Less than \$500,000.

NOTES: "New" corporations were those with dates of incorporation between 2006 and 2009; "old" corporations were those with dates of incorporation prior to 2006, or with unknown dates of incorporation. Countries shown in this table are those in which one or more of the following were present: (a) at least 750 returns, (b) at least \$10 billion of total assets, or (c) at least \$5 billion of total receipts. Detail may not add to totals because of rounding.

Foreign-Controlled Domestic Corporations, 2008

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Table 4. "Old, Large" Domestic Corporations: Foreign-Controlled Corporations Compared to Other Corporations: Selected Items and Percentages, by Selected Industries, Tax Year 2008

[Money amounts are in millions of dollars]

Control status and selected industries	Number of returns			Assets			
	Total	With net income	With total income tax after credits	Total	Current	Noncurrent	
						Total	Loans to shareholders
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
FOREIGN-CONTROLLED DOMESTIC CORPORATIONS							
All industries	3,854	2,432	2,362	9,605,852	4,400,757	5,205,094	45,254
Mining	91	55	56	161,714	43,795	117,919	762
Utilities	29	12	10	126,083	20,305	105,778	0
Manufacturing	1,392	825	807	2,287,548	943,341	1,344,207	3,562
Food manufacturing	102	63	60	65,431	16,070	49,361	59
Petroleum and coal products manufacturing	19	15	15	651,174	388,939	262,235	1,134
Chemical manufacturing	168	120	116	404,377	140,766	263,612	491
Primary metal manufacturing	83	53	56	72,721	27,826	44,895	0
Machinery manufacturing	171	117	116	99,766	44,562	55,204	65
Computer and electronic product manufacturing	130	86	83	155,154	42,020	113,134	682
Transportation equipment manufacturing	230	93	92	380,017	154,747	225,270	94
Wholesale and retail trade	1,201	837	814	586,390	296,730	289,660	4,446
Wholesale trade	1,111	794	769	512,141	271,733	240,408	3,708
Wholesale trade, durable goods	735	519	505	330,555	199,881	130,674	3,572
Wholesale trade, nondurable goods	375	274	263	181,587	71,852	109,735	136
Retail trade	90	44	46	74,249	24,997	49,252	738
Food, beverage and liquor stores	11	6	7	31,959	7,899	24,060	412
Transportation and warehousing	129	81	73	64,477	12,367	52,110	197
Information	119	68	65	266,279	44,039	222,239	3,937
Finance and insurance	304	184	186	4,642,540	2,227,399	2,415,140	30,310
Securities, commodity contracts, and other financial investments and related activities	88	52	53	2,456,809	1,703,004	753,805	556
Insurance carriers and related activities	127	75	78	1,824,222	337,935	1,486,287	439
Professional, scientific, and technical services	206	132	122	140,699	43,990	96,709	176
Management of companies (holding companies)	75	50	50	1,124,819	711,408	413,411	1,414
DOMESTIC CORPORATIONS NOT FOREIGN-CONTROLLED							
All industries	13,679	9,399	9,126	46,150,797	18,019,067	28,131,730	101,157
Mining	231	145	152	590,572	119,643	470,929	1,731
Utilities	158	98	99	1,318,043	233,136	1,084,908	22
Manufacturing	2,845	1,891	1,766	6,989,163	2,377,914	4,611,249	66,643
Food manufacturing	306	219	209	675,297	363,177	312,120	141
Petroleum and coal products manufacturing	39	32	31	1,246,929	357,930	888,999	29,242
Chemical manufacturing	288	211	201	1,147,519	300,304	847,215	27,859
Primary metal manufacturing	155	114	106	188,264	80,271	107,993	158
Machinery manufacturing	245	196	186	299,388	121,249	178,139	1,221
Computer and electronic product manufacturing	388	244	205	799,203	281,121	518,081	2,048
Transportation equipment manufacturing	192	102	103	801,825	358,329	443,496	132
Wholesale and retail trade	3,535	2,510	2,440	1,882,013	643,739	1,238,274	948
Wholesale trade	2,232	1,735	1,684	906,001	296,599	609,402	377
Wholesale trade, durable goods	941	727	722	188,774	98,498	90,276	221
Wholesale trade, nondurable goods	1,290	1,007	961	716,951	197,985	518,967	156
Retail trade	1,303	774	756	976,012	347,139	628,872	571
Food, beverage and liquor stores	160	119	117	93,060	28,597	64,462	3
Transportation and warehousing	417	279	256	493,582	102,711	390,871	1,767
Information	582	344	319	1,957,881	350,199	1,607,682	563
Finance and insurance	1,733	1,222	1,242	15,230,810	5,145,149	10,085,661	4,872
Securities, commodity contracts, and other financial investments and related activities	152	105	105	4,983,030	2,795,365	2,187,665	22
Insurance carriers and related activities	803	550	566	6,128,113	1,399,034	4,729,078	2,304
Professional, scientific, and technical services	820	550	529	306,074	140,376	165,698	272
Management of companies (holding companies)	1,256	946	975	16,446,105	8,632,569	7,813,536	23,556

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2008

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Table 4. "Old, Large" Domestic Corporations: Foreign-Controlled Corporations Compared to Other Corporations: Selected Items and Percentages, by Selected Industries, Tax Year 2008—Continued

[Money amounts are in millions of dollars]

Control status and selected industries	Liabilities			Net worth			
	Current	Noncurrent		Total	Retained earnings		
		Total	Loans from shareholders		Total	Appropriated	Unappropriated
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
FOREIGN-CONTROLLED DOMESTIC CORPORATIONS							
All industries	4,623,710	3,285,653	152,368	1,696,488	-67,029	12,934	-79,963
Mining	28,985	58,138	4,058	74,592	17,751	3	17,748
Utilities	33,323	60,482	2,115	32,279	-6,617	1	-6,618
Manufacturing	892,161	729,883	61,900	665,505	31,709	336	31,373
Food manufacturing	21,689	29,401	9,725	14,340	-3,074	0	-3,074
Petroleum and coal products manufacturing	421,884	102,016	3	127,274	18,464	17	18,446
Chemical manufacturing	125,756	133,077	20,584	145,544	68,642	6	68,636
Primary metal manufacturing	19,038	32,231	5,372	21,452	-4,391	0	-4,391
Machinery manufacturing	31,290	29,426	1,480	39,050	-690	62	-752
Computer and electronic product manufacturing	33,198	52,931	16,893	69,025	-54,393	87	-54,480
Transportation equipment manufacturing	119,119	135,121	2,136	125,777	19,882	3	19,878
Wholesale and retail trade	233,154	171,887	7,872	181,349	18,508	66	18,442
Wholesale trade	212,773	143,595	7,023	155,773	18,246	66	18,179
Wholesale trade, durable goods	149,794	85,946	5,425	94,815	13,279	66	13,213
Wholesale trade, nondurable goods	62,978	57,650	1,597	60,959	4,966	0	4,966
Retail trade	20,382	28,292	850	25,575	263	0	263
Food, beverage and liquor stores	6,804	14,687	83	10,469	-1,964	0	-1,964
Transportation and warehousing	13,874	33,452	3,989	17,151	-4,986	22	-5,008
Information	48,595	113,257	33,468	104,427	-39,063	183	-39,246
Finance and insurance	2,556,149	1,682,084	23,548	404,307	-52,703	12,218	-64,921
Securities, commodity contracts, and other financial investments and related activities	1,656,442	719,073	13,671	81,294	-28,473	0	-28,473
Insurance carriers and related activities	706,416	820,204	601	297,602	-17,387	12,211	-29,598
Professional, scientific, and technical services	42,201	40,166	3,259	58,332	-13,324	34	-13,357
Management of companies (holding companies)	729,351	290,303	2,585	105,165	7,931	0	7,931
DOMESTIC CORPORATIONS NOT FOREIGN-CONTROLLED							
All industries	23,663,595	13,029,058	61,301	9,458,144	2,719,678	92,339	2,627,338
Mining	109,893	233,872	254	246,807	105,777	220	105,558
Utilities	224,995	776,684	108	316,365	62,172	2,094	60,078
Manufacturing	2,199,738	2,469,534	44,819	2,319,890	1,105,951	6,206	1,099,745
Food manufacturing	358,191	144,528	727	172,578	78,697	91	78,606
Petroleum and coal products manufacturing	321,992	264,122	21,099	660,815	444,912	2,167	442,745
Chemical manufacturing	285,099	411,599	2,539	450,821	283,685	43	283,642
Primary metal manufacturing	59,118	53,967	53	75,179	33,995	0	33,995
Machinery manufacturing	92,452	119,183	1,697	87,753	66,869	81	66,788
Computer and electronic product manufacturing	224,881	212,723	1,315	361,598	13,751	2,217	11,534
Transportation equipment manufacturing	328,052	434,584	490	39,189	-50,864	53	-50,917
Wholesale and retail trade	571,567	536,255	2,447	774,190	485,021	1,034	483,987
Wholesale trade	230,417	240,147	852	435,438	278,491	527	277,964
Wholesale trade, durable goods	63,875	50,339	395	74,560	41,133	279	40,854
Wholesale trade, nondurable goods	166,445	189,677	457	360,829	237,285	248	237,037
Retail trade	341,151	296,109	1,595	338,752	206,531	507	206,024
Food, beverage and liquor stores	36,942	28,496	246	27,622	26,520	7	26,512
Transportation and warehousing	105,499	269,515	3,308	118,567	29,315	3	29,312
Information	423,323	877,855	880	656,703	-128,151	703	-128,854
Finance and insurance	7,867,324	5,350,778	2,844	2,012,707	492,843	78,141	414,702
Securities, commodity contracts, and other financial investments and related activities	2,751,115	1,646,673	18	585,241	45,716	148	45,569
Insurance carriers and related activities	2,780,858	2,153,042	2,510	1,194,212	505,908	76,346	429,563
Professional, scientific, and technical services	105,892	96,677	810	103,505	-60,193	137	-60,330
Management of companies (holding companies)	11,831,366	1,937,252	2,114	2,677,487	574,111	1,627	572,484

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2008

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Table 4. "Old, Large" Domestic Corporations: Foreign-Controlled Corporations Compared to Other Corporations: Selected Items and Percentages, by Selected Industries, Tax Year 2008—Continued

[Money amounts are in millions of dollars]

Control status and selected industries	Receipts						
	Total	Business receipts	Interest [1]	Rents	Royalties	Dividends received from:	
						Domestic corporations	Foreign corporations
	(15)	(16)	(17)	(18)	(19)	(20)	(21)
FOREIGN-CONTROLLED DOMESTIC CORPORATIONS							
All industries	3,814,962	3,353,418	272,642	8,911	18,290	6,116	6,679
Mining	80,452	73,399	889	79	381	1,293	800
Utilities	57,020	52,509	628	132	0	37	7
Manufacturing	1,837,721	1,758,610	20,504	2,291	9,107	1,080	3,563
Food manufacturing	75,806	73,788	143	12	49	1	191
Petroleum and coal products manufacturing	738,706	725,472	1,502	513	286	95	1,069
Chemical manufacturing	254,099	226,467	2,897	147	6,123	93	838
Primary metal manufacturing	80,350	78,548	438	21	19	12	24
Machinery manufacturing	80,980	76,951	1,374	188	205	1	100
Computer and electronic product manufacturing	106,904	102,168	1,726	60	559	7	481
Transportation equipment manufacturing	207,051	194,486	7,796	414	250	24	102
Wholesale and retail trade	901,000	878,103	5,256	1,386	2,598	220	250
Wholesale trade	776,240	756,056	4,610	1,091	2,404	183	211
Wholesale trade, durable goods	515,906	503,337	3,721	807	1,385	113	153
Wholesale trade, nondurable goods	260,334	252,719	889	284	1,018	70	58
Retail trade	124,760	122,048	647	295	194	37	38
Food, beverage and liquor stores	67,925	67,001	125	225	0	34	0
Transportation and warehousing	59,267	56,197	416	242	0	15	17
Information	96,377	83,327	2,218	149	4,181	85	370
Finance and insurance	478,052	240,064	175,506	1,659	40	3,183	563
Securities, commodity contracts, and other financial investments and related activities	145,127	29,480	120,303	670	27	163	154
Insurance carriers and related activities	310,438	199,208	43,898	934	5	3,014	406
Professional, scientific, and technical services	76,089	70,039	1,244	76	1,135	41	183
Management of companies (holding companies)	84,759	9,250	63,989	1,213	37	103	814
DOMESTIC CORPORATIONS NOT FOREIGN-CONTROLLED							
All industries	14,570,822	12,092,430	1,454,147	79,470	144,635	27,859	95,839
Mining	294,263	261,773	3,448	1,042	1,079	462	6,763
Utilities	677,963	649,976	5,665	2,200	462	242	663
Manufacturing	4,960,477	4,443,918	151,029	27,728	90,990	5,734	67,740
Food manufacturing	366,734	350,424	3,201	386	1,922	116	2,715
Petroleum and coal products manufacturing	1,562,430	1,482,054	15,122	896	962	454	25,343
Chemical manufacturing	544,872	465,187	9,332	579	27,048	479	11,701
Primary metal manufacturing	150,497	144,266	1,825	63	566	18	810
Machinery manufacturing	237,687	219,629	4,419	1,534	3,293	33	2,119
Computer and electronic product manufacturing	523,290	462,852	6,081	1,392	34,979	295	8,509
Transportation equipment manufacturing	609,500	541,622	21,358	8,385	9,577	73	5,996
Wholesale and retail trade	3,008,334	2,910,751	15,472	5,305	9,953	2,037	3,401
Wholesale trade	1,244,733	1,208,432	7,784	2,618	4,251	1,939	2,180
Wholesale trade, durable goods	324,338	316,967	1,473	709	516	17	373
Wholesale trade, nondurable goods	919,965	891,055	6,309	1,906	3,735	1,921	1,807
Retail trade	1,763,602	1,702,319	7,689	2,687	5,702	98	1,221
Food, beverage and liquor stores	245,169	240,563	578	313	1,664	7	8
Transportation and warehousing	435,879	418,173	3,315	1,084	1,978	43	444
Information	843,357	715,696	21,941	11,146	27,794	805	2,638
Finance and insurance	2,376,221	1,506,700	670,046	9,939	990	16,035	5,927
Securities, commodity contracts, and other financial investments and related activities	261,947	90,184	166,706	420	291	1,379	1,711
Insurance carriers and related activities	1,696,802	1,340,256	191,715	9,086	377	12,007	3,653
Professional, scientific, and technical services	273,625	261,023	3,462	315	2,407	43	662
Management of companies (holding companies)	857,080	142,681	571,078	17,136	315	2,357	5,391

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2008

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Table 4. "Old, Large" Domestic Corporations: Foreign-Controlled Corporations Compared to Other Corporations: Selected Items and Percentages, by Selected Industries, Tax Year 2008—Continued

[Money amounts are in millions of dollars]

Control status and selected industries	Deductions						
	Total	Cost of goods sold	Compensation of officers	Salaries and wages	Interest paid	Taxes paid	Depreciation
	(22)	(23)	(24)	(25)	(26)	(27)	(28)
FOREIGN-CONTROLLED DOMESTIC CORPORATIONS							
All industries	3,797,245	2,490,804	13,545	232,787	229,917	44,667	105,102
Mining	70,919	40,268	318	3,524	2,494	1,250	4,593
Utilities	58,727	32,159	164	2,106	2,658	1,987	3,136
Manufacturing	1,796,711	1,390,825	4,930	82,483	41,044	19,284	49,339
Food manufacturing	73,418	51,335	261	3,544	1,807	580	1,818
Petroleum and coal products manufacturing	716,917	660,195	130	6,737	3,095	5,796	4,854
Chemical manufacturing	234,942	136,685	1,526	24,292	6,828	3,088	7,452
Primary metal manufacturing	76,942	65,353	192	1,489	1,550	453	1,946
Machinery manufacturing	78,654	58,189	337	5,587	2,366	869	1,716
Computer and electronic product manufacturing	110,103	72,406	341	10,163	3,220	1,031	2,312
Transportation equipment manufacturing	214,913	150,265	362	6,153	10,500	1,143	18,825
Wholesale and retail trade	893,806	715,502	1,895	41,443	10,757	6,836	23,829
Wholesale trade	769,435	631,263	1,726	29,829	8,335	5,063	20,489
Wholesale trade, durable goods	518,046	426,396	976	20,497	4,661	3,120	17,514
Wholesale trade, nondurable goods	251,388	204,867	750	9,331	3,674	1,943	2,975
Retail trade	124,371	84,239	169	11,614	2,422	1,774	3,340
Food, beverage and liquor stores	66,946	46,891	45	6,242	777	943	2,000
Transportation and warehousing	60,692	24,745	255	9,696	1,364	1,426	2,232
Information	92,174	30,875	545	12,683	8,678	1,625	4,924
Finance and insurance	522,402	152,816	3,491	33,279	118,268	4,815	8,655
Securities, commodity contracts, and other financial investments and related activities	183,845	1,502	2,004	17,942	99,576	1,315	1,242
Insurance carriers and related activities	314,892	151,120	1,337	13,685	7,537	3,328	1,175
Professional, scientific, and technical services	72,018	25,465	864	17,159	2,649	3,193	1,354
Management of companies (holding companies)	86,181	1,719	258	8,729	36,352	1,025	2,301
DOMESTIC CORPORATIONS NOT FOREIGN-CONTROLLED							
All industries	14,213,998	7,919,092	63,228	1,300,434	1,167,388	237,221	448,103
Mining	268,503	139,306	2,789	10,766	10,542	7,087	21,953
Utilities	672,408	426,668	1,913	22,739	29,373	20,402	47,608
Manufacturing	4,732,870	3,391,710	16,673	269,582	213,244	63,013	122,483
Food manufacturing	354,399	268,027	1,398	14,614	9,060	2,853	7,124
Petroleum and coal products manufacturing	1,468,378	1,335,739	1,107	18,877	19,917	24,684	13,769
Chemical manufacturing	506,063	288,718	2,192	45,936	19,477	5,466	15,367
Primary metal manufacturing	142,448	115,334	594	3,754	3,342	1,268	4,127
Machinery manufacturing	223,939	149,771	1,498	18,244	6,316	2,268	7,752
Computer and electronic product manufacturing	490,621	290,036	3,320	71,599	8,635	6,809	18,648
Transportation equipment manufacturing	614,220	427,843	1,362	24,182	32,448	6,287	22,378
Wholesale and retail trade	2,923,349	2,246,739	8,579	242,695	31,325	37,318	55,498
Wholesale trade	1,209,951	1,008,066	5,324	64,493	13,485	10,296	17,662
Wholesale trade, durable goods	315,588	251,810	2,199	23,320	3,807	3,074	4,698
Wholesale trade, nondurable goods	893,942	756,256	3,119	40,928	9,671	7,197	12,960
Retail trade	1,713,397	1,238,673	3,256	178,201	17,839	27,022	37,835
Food, beverage and liquor stores	241,397	177,694	278	23,830	1,508	3,539	5,574
Transportation and warehousing	427,125	121,350	1,729	76,776	10,742	12,942	26,004
Information	788,688	132,648	5,309	130,692	52,568	20,337	70,401
Finance and insurance	2,468,040	1,032,121	9,593	208,147	452,728	31,098	24,227
Securities, commodity contracts, and other financial investments and related activities	331,797	1,820	4,698	51,377	163,132	4,546	3,243
Insurance carriers and related activities	1,694,842	1,028,820	3,251	130,915	49,931	23,189	15,547
Professional, scientific, and technical services	266,971	95,618	5,617	69,503	6,531	7,137	6,191
Management of companies (holding companies)	833,219	4,306	4,099	111,872	330,811	12,066	29,760

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2008

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Table 4. "Old, Large" Domestic Corporations: Foreign-Controlled Corporations Compared to Other Corporations: Selected Items and Percentages, by Selected Industries, Tax Year 2008—Continued

[Money amounts are in millions of dollars]

Control status and selected industries	Total receipts less total deductions	Constructive taxable income from related foreign corporations	Net income (less deficit)	Net income	Deficit	Statutory special deductions	
						Total	Net operating loss deduction
	(29)	(30)	(31)	(32)	(33)	(34)	(35)
FOREIGN-CONTROLLED DOMESTIC CORPORATIONS							
All industries	17,718	7,415	23,498	142,766	-119,269	23,088	19,686
Mining	9,534	619	10,146	12,088	-1,941	1,266	232
Utilities	-1,707	0	-1,712	484	-2,195	321	291
Manufacturing	41,010	4,230	45,174	72,448	-27,274	5,762	4,851
Food manufacturing	2,388	65	2,453	2,793	-340	424	423
Petroleum and coal products manufacturing	21,789	1,851	23,637	24,053	-416	123	53
Chemical manufacturing	19,158	1,169	20,278	23,658	-3,379	1,747	1,671
Primary metal manufacturing	3,408	288	3,696	4,290	-595	69	60
Machinery manufacturing	2,326	126	2,452	3,509	-1,057	218	217
Computer and electronic product manufacturing	-3,200	202	-3,000	2,673	-5,673	749	744
Transportation equipment manufacturing	-7,863	40	-7,825	1,731	-9,556	467	448
Wholesale and retail trade	7,194	268	7,428	18,935	-11,507	3,865	3,704
Wholesale trade	6,805	261	7,033	16,583	-9,551	3,469	3,333
Wholesale trade, durable goods	-2,140	206	-1,939	6,294	-8,233	1,147	1,068
Wholesale trade, nondurable goods	8,945	56	8,972	10,290	-1,318	2,322	2,266
Retail trade	388	7	395	2,352	-1,956	396	371
Food, beverage and liquor stores	980	1	981	1,484	-503	38	15
Transportation and warehousing	-1,425	9	-1,416	943	-2,359	168	156
Information	4,203	306	4,504	6,650	-2,146	3,066	2,956
Finance and insurance	-44,351	913	-44,605	15,278	-59,883	6,441	5,452
Securities, commodity contracts, and other financial investments and related activities	-38,718	551	-38,603	3,659	-42,263	238	167
Insurance carriers and related activities	-4,454	353	-4,780	9,814	-14,594	5,957	5,043
Professional, scientific, and technical services	4,071	164	4,232	5,506	-1,274	1,010	975
Management of companies (holding companies)	-1,422	776	-979	6,183	-7,161	322	247
DOMESTIC CORPORATIONS NOT FOREIGN-CONTROLLED							
All industries	356,824	141,293	467,992	817,977	-349,985	80,563	60,798
Mining	25,760	3,954	29,688	35,971	-6,282	2,847	2,483
Utilities	5,555	772	6,194	17,337	-11,143	2,930	2,726
Manufacturing	227,607	103,691	330,200	373,545	-43,345	20,715	15,270
Food manufacturing	12,335	3,330	15,627	17,073	-1,446	560	472
Petroleum and coal products manufacturing	94,053	27,402	121,348	121,975	-626	971	615
Chemical manufacturing	38,809	19,096	57,758	61,910	-4,152	4,044	3,481
Primary metal manufacturing	8,049	833	8,865	9,544	-679	472	460
Machinery manufacturing	13,748	5,546	19,202	20,515	-1,313	464	439
Computer and electronic product manufacturing	32,668	16,746	49,008	55,210	-6,202	6,782	6,502
Transportation equipment manufacturing	-4,720	5,284	533	20,136	-19,602	959	899
Wholesale and retail trade	84,986	5,717	90,245	101,329	-11,084	5,123	3,664
Wholesale trade	34,781	3,283	37,845	42,058	-4,213	3,022	1,650
Wholesale trade, durable goods	8,750	632	9,351	11,794	-2,443	500	488
Wholesale trade, nondurable goods	26,023	2,651	28,486	30,256	-1,770	2,521	1,162
Retail trade	50,204	2,434	52,399	59,271	-6,871	2,101	2,014
Food, beverage and liquor stores	3,772	6	3,745	3,927	-182	78	73
Transportation and warehousing	8,754	402	9,084	15,110	-6,026	493	459
Information	54,668	4,180	58,472	69,522	-11,050	16,981	16,361
Finance and insurance	-91,819	9,504	-101,803	91,439	-193,242	17,831	8,262
Securities, commodity contracts, and other financial investments and related activities	-69,850	5,241	-65,513	13,972	-79,485	1,247	245
Insurance carriers and related activities	1,960	3,477	-10,629	51,466	-62,094	13,219	7,329
Professional, scientific, and technical services	6,653	840	7,386	13,007	-5,621	2,871	2,837
Management of companies (holding companies)	23,861	9,278	25,055	63,094	-38,039	7,670	5,711

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2008

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Table 4. "Old, Large" Domestic Corporations: Foreign-Controlled Corporations Compared to Other Corporations: Selected Items and Percentages, by Selected Industries, Tax Year 2008—Continued

[Money amounts are in millions of dollars]

Control status and selected industries	Income subject to tax	Total income tax before credits	Income tax	Alternative minimum tax	Total credits	Foreign tax credit	Total income tax after credits
	(36)	(37)	(38)	(39)	(40)	(41)	(42)
FOREIGN-CONTROLLED DOMESTIC CORPORATIONS							
All industries	124,817	44,080	43,582	484	10,723	9,095	33,356
Mining	10,823	3,891	3,790	101	1,443	1,165	2,448
Utilities	168	65	59	6	9	0	55
Manufacturing	66,780	23,520	23,312	205	7,233	6,575	16,287
Food manufacturing	2,368	834	827	8	68	58	766
Petroleum and coal products manufacturing	23,930	8,375	8,375	0	4,471	4,377	3,905
Chemical manufacturing	21,948	7,708	7,679	28	1,371	1,080	6,337
Primary metal manufacturing	4,229	1,564	1,445	119	520	491	1,045
Machinery manufacturing	3,291	1,158	1,149	10	128	87	1,030
Computer and electronic product manufacturing	1,925	680	668	11	125	77	555
Transportation equipment manufacturing	1,282	454	445	8	55	22	399
Wholesale and retail trade	15,106	5,315	5,265	49	358	175	4,957
Wholesale trade	13,148	4,618	4,581	37	326	153	4,292
Wholesale trade, durable goods	5,181	1,823	1,801	22	72	41	1,751
Wholesale trade, nondurable goods	7,968	2,795	2,780	15	254	112	2,541
Retail trade	1,958	697	684	12	32	22	665
Food, beverage and liquor stores	1,447	511	506	5	10	7	501
Transportation and warehousing	785	278	273	4	13	10	265
Information	3,629	1,311	1,269	37	186	104	1,125
Finance and insurance	13,595	4,784	4,744	38	510	397	4,274
Securities, commodity contracts, and other financial investments and related activities	3,510	1,234	1,216	18	66	54	1,168
Insurance carriers and related activities	8,523	2,999	2,982	15	412	312	2,587
Professional, scientific, and technical services	4,497	1,584	1,571	13	155	91	1,429
Management of companies (holding companies)	6,027	2,124	2,108	14	651	488	1,473
DOMESTIC CORPORATIONS NOT FOREIGN-CONTROLLED							
All industries	761,245	268,234	266,534	1,557	100,665	89,582	167,580
Mining	33,125	11,852	11,597	236	5,481	5,349	6,371
Utilities	14,854	5,278	5,197	80	535	223	4,742
Manufacturing	353,455	123,739	123,557	123	71,384	66,666	52,366
Food manufacturing	16,530	5,782	5,780	2	1,772	1,644	4,022
Petroleum and coal products manufacturing	121,130	42,399	42,395	2	33,918	33,549	8,481
Chemical manufacturing	58,028	20,287	20,247	31	11,618	10,548	8,669
Primary metal manufacturing	9,072	3,193	3,172	20	469	410	2,723
Machinery manufacturing	20,054	7,017	7,013	4	2,908	2,631	4,109
Computer and electronic product manufacturing	48,395	16,980	16,948	23	8,209	7,117	8,771
Transportation equipment manufacturing	19,213	6,775	6,722	13	1,811	1,434	4,964
Wholesale and retail trade	96,775	33,763	33,647	125	3,310	2,579	30,453
Wholesale trade	39,615	13,733	13,652	89	1,584	1,230	12,148
Wholesale trade, durable goods	11,298	3,938	3,938	9	291	242	3,648
Wholesale trade, nondurable goods	28,309	9,792	9,711	80	1,294	988	8,498
Retail trade	57,160	20,031	19,995	35	1,725	1,349	18,305
Food, beverage and liquor stores	3,849	1,346	1,345	1	51	2	1,295
Transportation and warehousing	14,632	5,140	5,116	23	469	344	4,671
Information	58,338	20,572	20,414	151	5,753	4,638	14,819
Finance and insurance	87,900	31,993	31,351	606	4,534	3,746	27,459
Securities, commodity contracts, and other financial investments and related activities	13,861	5,452	5,447	5	1,080	1,018	4,372
Insurance carriers and related activities	51,341	18,467	17,956	501	2,800	2,351	15,666
Professional, scientific, and technical services	10,142	3,584	3,542	42	589	444	2,995
Management of companies (holding companies)	57,139	20,006	19,931	71	5,938	3,510	14,068

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2008

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Table 4. "Old, Large" Domestic Corporations: Foreign-Controlled Corporations Compared to Other Corporations: Selected Items and Percentages, by Selected Industries, Tax Year 2008—Continued

[Money amounts are in millions of dollars]

Control status and selected industries	Percentages						
	Number of returns with net income	Number of returns with total income tax after credits	Current liabilities	Noncurrent liabilities	Net worth	Total liabilities divided by net worth	Total receipts divided by total assets
	Divided by total number of returns		Divided by total assets				
	(43)	(44)	(45)	(46)	(47)		
FOREIGN-CONTROLLED DOMESTIC CORPORATIONS							
All industries	63.10	61.29	48.13	34.20	17.66	466.22	39.71
Mining	60.44	61.54	17.92	35.95	46.13	116.80	49.75
Utilities	41.38	34.48	26.43	47.97	25.60	290.61	45.22
Manufacturing	59.27	57.97	39.00	31.91	29.09	243.73	80.34
Food manufacturing	61.76	58.82	33.15	44.93	21.92	356.28	115.86
Petroleum and coal products manufacturing	78.95	78.95	64.79	15.67	19.55	411.63	113.44
Chemical manufacturing	71.43	69.05	31.10	32.91	35.99	177.84	62.84
Primary metal manufacturing	63.86	67.47	26.18	44.32	29.50	238.99	110.49
Machinery manufacturing	68.42	67.84	31.36	29.50	39.14	155.48	81.17
Computer and electronic product manufacturing	66.15	63.85	21.40	34.12	44.49	124.78	68.90
Transportation equipment manufacturing	40.43	40.00	31.35	35.56	33.10	202.14	54.48
Wholesale and retail trade	69.69	67.78	39.76	29.31	30.93	223.35	153.65
Wholesale trade	71.47	69.22	41.55	28.04	30.42	228.77	151.57
Wholesale trade, durable goods	70.61	68.71	45.32	26.00	28.68	248.63	156.07
Wholesale trade, nondurable goods	73.07	70.13	34.68	31.75	33.57	197.88	143.37
Retail trade	48.89	51.11	27.45	38.10	34.44	190.32	168.03
Food, beverage and liquor stores	54.55	63.64	21.29	45.96	32.76	205.28	212.54
Transportation and warehousing	62.79	56.59	21.52	51.88	26.60	275.94	91.92
Information	57.14	54.62	18.25	42.53	39.22	154.99	36.19
Finance and insurance	60.53	61.18	55.06	36.23	8.71	1,048.27	10.30
Securities, commodity contracts, and other financial investments and related activities	59.09	60.23	67.42	29.27	3.31	2,922.13	5.91
Insurance carriers and related activities	59.06	61.42	38.72	44.96	16.31	512.97	17.02
Professional, scientific, and technical services	64.08	59.22	29.99	28.55	41.46	141.20	54.08
Management of companies (holding companies)	66.67	66.67	64.84	25.81	9.35	969.58	7.54
DOMESTIC CORPORATIONS NOT FOREIGN-CONTROLLED							
All industries	68.71	66.72	51.27	28.23	20.49	387.95	31.57
Mining	62.77	65.80	18.61	39.60	41.79	139.28	49.83
Utilities	62.03	62.66	17.07	58.93	24.00	316.62	51.44
Manufacturing	66.47	62.07	31.47	35.33	33.19	201.27	70.97
Food manufacturing	71.57	68.30	53.04	21.40	25.56	291.30	54.31
Petroleum and coal products manufacturing	82.05	79.49	25.82	21.18	53.00	88.70	125.30
Chemical manufacturing	73.26	69.79	24.84	35.87	39.29	154.54	47.48
Primary metal manufacturing	73.55	68.39	31.40	28.67	39.93	150.42	79.94
Machinery manufacturing	80.00	75.92	30.88	39.81	29.31	241.17	79.39
Computer and electronic product manufacturing	62.89	52.84	28.14	26.62	45.24	121.02	65.48
Transportation equipment manufacturing	53.13	53.65	40.91	54.20	4.89	1,946.05	76.01
Wholesale and retail trade	71.00	69.02	30.37	28.49	41.14	143.09	159.85
Wholesale trade	77.73	75.45	25.43	26.51	48.06	108.07	137.39
Wholesale trade, durable goods	77.26	76.73	33.84	26.67	39.50	153.18	171.81
Wholesale trade, nondurable goods	78.06	74.50	23.22	26.46	50.33	98.70	128.32
Retail trade	59.40	58.02	34.95	30.34	34.71	188.12	180.69
Food, beverage and liquor stores	74.38	73.13	39.70	30.62	29.68	236.91	263.45
Transportation and warehousing	66.91	61.39	21.37	54.60	24.02	316.29	88.31
Information	59.11	54.81	21.62	44.84	33.54	198.14	43.07
Finance and insurance	70.51	71.67	51.65	35.13	13.21	656.73	15.60
Securities, commodity contracts, and other financial investments and related activities	69.08	69.08	55.21	33.05	11.74	751.45	5.26
Insurance carriers and related activities	68.49	70.49	45.38	35.13	19.49	413.15	27.69
Professional, scientific, and technical services	67.07	64.51	34.60	31.59	33.82	195.71	89.40
Management of companies (holding companies)	75.32	77.63	71.94	11.78	16.28	514.24	5.21

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2008

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Table 4. "Old, Large" Domestic Corporations: Foreign-Controlled Corporations Compared to Other Corporations: Selected Items and Percentages, by Selected Industries, Tax Year 2008—Continued

[Money amounts are in millions of dollars]

Control status and selected industries	Percentages—continued							
	Cost of goods sold divided by business receipts	Interest paid divided by total receipts	Total receipts less total deductions divided by			Net income (less deficit) divided by		
			Total assets	Net worth	Total receipts	Total assets	Net worth	Total receipts
	(50)	(51)	(52)	(53)	(54)	(55)	(56)	(57)
FOREIGN-CONTROLLED DOMESTIC CORPORATIONS								
All industries	74.28	6.03	0.18	1.04	0.46	0.24	1.39	0.62
Mining	54.86	3.10	5.90	12.78	11.85	6.27	13.60	12.61
Utilities	61.24	4.66	-1.35	-5.29	-2.99	-1.36	-5.30	-3.00
Manufacturing	79.09	2.23	1.79	6.16	2.23	1.97	6.79	2.46
Food manufacturing	69.57	2.38	3.65	16.65	3.15	3.75	17.11	3.24
Petroleum and coal products manufacturing	91.00	0.42	3.35	17.12	2.95	3.63	18.57	3.20
Chemical manufacturing	60.36	2.69	4.74	13.16	7.54	5.01	13.93	7.98
Primary metal manufacturing	83.20	1.93	4.69	15.89	4.24	5.08	17.23	4.60
Machinery manufacturing	75.62	2.92	2.33	5.96	2.87	2.46	6.28	3.03
Computer and electronic product manufacturing	70.87	3.01	-2.06	-4.64	-2.99	-1.93	-4.35	-2.81
Transportation equipment manufacturing	77.26	5.07	-2.07	-6.25	-3.80	-2.06	-6.22	-3.78
Wholesale and retail trade	81.48	1.19	1.23	3.97	0.80	1.27	4.10	0.82
Wholesale trade	83.49	1.07	1.33	4.37	0.88	1.37	4.51	0.91
Wholesale trade, durable goods	84.71	0.90	-0.65	-2.26	-0.41	-0.59	-2.05	-0.38
Wholesale trade, nondurable goods	81.07	1.41	4.93	14.67	3.44	4.94	14.72	3.45
Retail trade	69.02	1.94	0.52	1.52	0.31	0.53	1.54	0.32
Food, beverage and liquor stores	69.99	1.14	3.07	9.36	1.44	3.07	9.37	1.44
Transportation and warehousing	44.03	2.30	-2.21	-8.31	-2.40	-2.20	-8.26	-2.39
Information	37.05	9.00	1.58	4.02	4.36	1.69	4.31	4.67
Finance and insurance	63.66	24.74	-0.96	-10.97	-9.28	-0.96	-11.03	-9.33
Securities, commodity contracts, and other financial investments and related activities	5.09	68.61	-1.58	-47.63	-26.68	-1.57	-47.49	-26.60
Insurance carriers and related activities	75.86	2.43	-0.24	-1.50	-1.43	-0.26	-1.61	-1.54
Professional, scientific, and technical services	36.36	3.48	2.89	6.98	5.35	3.01	7.26	5.56
Management of companies (holding companies)	18.58	42.89	-0.13	-1.35	-1.68	-0.09	-0.93	-1.16
DOMESTIC CORPORATIONS NOT FOREIGN-CONTROLLED								
All industries	65.49	8.01	0.77	3.77	2.45	1.01	4.95	3.21
Mining	53.22	3.58	4.36	10.44	8.75	5.03	12.03	10.09
Utilities	65.64	4.33	0.42	1.76	0.82	0.47	1.96	0.91
Manufacturing	76.32	4.30	3.26	9.81	4.59	4.72	14.23	6.66
Food manufacturing	76.49	2.47	1.83	7.15	3.36	2.31	9.06	4.26
Petroleum and coal products manufacturing	90.13	1.27	7.54	14.23	6.02	9.73	18.36	7.77
Chemical manufacturing	62.06	3.57	3.38	8.61	7.12	5.03	12.81	10.60
Primary metal manufacturing	79.95	2.22	4.28	10.71	5.35	4.71	11.79	5.89
Machinery manufacturing	68.19	2.66	4.59	15.67	5.78	6.41	21.88	8.08
Computer and electronic product manufacturing	62.66	1.65	4.09	9.03	6.24	6.13	13.55	9.37
Transportation equipment manufacturing	78.99	5.32	-0.59	-12.04	-0.77	0.07	1.36	0.09
Wholesale and retail trade	77.19	1.04	4.52	10.98	2.83	4.80	11.66	3.00
Wholesale trade	83.42	1.08	3.84	7.99	2.79	4.18	8.69	3.04
Wholesale trade, durable goods	79.44	1.17	4.64	11.74	2.70	4.95	12.54	2.88
Wholesale trade, nondurable goods	84.87	1.05	3.63	7.21	2.83	3.97	7.89	3.10
Retail trade	72.76	1.01	5.14	14.82	2.85	5.37	15.47	2.97
Food, beverage and liquor stores	73.87	0.62	4.05	13.66	1.54	4.02	13.56	1.53
Transportation and warehousing	29.02	2.46	1.77	7.38	2.01	1.84	7.66	2.08
Information	18.53	6.23	2.79	8.32	6.48	2.99	8.90	6.93
Finance and insurance	68.50	19.05	-0.60	-4.56	-3.86	-0.67	-5.06	-4.28
Securities, commodity contracts, and other financial investments and related activities	2.02	62.28	-1.40	-11.94	-26.67	-1.31	-11.19	-25.01
Insurance carriers and related activities	76.76	2.94	0.03	0.16	0.12	-0.17	-0.89	-0.63
Professional, scientific, and technical services	36.63	2.39	2.17	6.43	2.43	2.41	7.14	2.70
Management of companies (holding companies)	3.02	38.60	0.15	0.89	2.78	0.15	0.94	2.92

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2008

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Table 4. "Old, Large" Domestic Corporations: Foreign-Controlled Corporations Compared to Other Corporations: Selected Items and Percentages, by Selected Industries, Tax Year 2008—Continued

[Money amounts are in millions of dollars]

Control status and selected industries	Percentages—continued						
	Net operating loss deduction divided by net income	Income subject to tax divided by			Total income tax after credits divided by		
		Total assets	Net worth	Total receipts	Total assets	Net worth	Total receipts
	(58)	(59)	(60)	(61)	(62)	(63)	(64)
FOREIGN-CONTROLLED DOMESTIC CORPORATIONS							
All industries	13.79	1.30	7.36	3.27	0.35	1.97	0.87
Mining	1.92	6.69	14.51	13.45	1.51	3.28	3.04
Utilities	60.12	0.13	0.52	0.29	0.04	0.17	0.10
Manufacturing	6.70	2.92	10.03	3.63	0.71	2.45	0.89
Food manufacturing	15.15	3.62	16.51	3.12	1.17	5.34	1.01
Petroleum and coal products manufacturing	0.22	3.67	18.80	3.24	0.60	3.07	0.53
Chemical manufacturing	7.06	5.43	15.08	8.64	1.57	4.35	2.49
Primary metal manufacturing	1.40	5.82	19.71	5.26	1.44	4.87	1.30
Machinery manufacturing	6.18	3.30	8.43	4.06	1.03	2.64	1.27
Computer and electronic product manufacturing	27.83	1.24	2.79	1.80	0.36	0.80	0.52
Transportation equipment manufacturing	25.88	0.34	1.02	0.62	0.10	0.32	0.19
Wholesale and retail trade	19.56	2.58	8.33	1.68	0.85	2.73	0.55
Wholesale trade	20.10	2.57	8.44	1.69	0.84	2.76	0.55
Wholesale trade, durable goods	16.97	1.57	5.46	1.00	0.53	1.85	0.34
Wholesale trade, nondurable goods	22.02	4.39	13.07	3.06	1.40	4.17	0.98
Retail trade	15.77	2.64	7.66	1.57	0.90	2.60	0.53
Food, beverage and liquor stores	1.01	4.53	13.82	2.13	1.57	4.79	0.74
Transportation and warehousing	16.54	1.22	4.58	1.32	0.41	1.55	0.45
Information	44.45	1.36	3.48	3.77	0.42	1.08	1.17
Finance and insurance	35.69	0.29	3.36	2.84	0.09	1.06	0.89
Securities, commodity contracts, and other financial investments and related activities	4.56	0.14	4.32	2.42	0.05	1.44	0.80
Insurance carriers and related activities	51.39	0.47	2.86	2.75	0.14	0.87	0.83
Professional, scientific, and technical services	17.71	3.20	7.71	5.91	1.02	2.45	1.88
Management of companies (holding companies)	3.99	0.54	5.73	7.11	0.13	1.40	1.74
DOMESTIC CORPORATIONS NOT FOREIGN-CONTROLLED							
All industries	7.43	1.65	8.05	5.22	0.36	1.77	1.15
Mining	6.90	5.61	13.42	11.26	1.08	2.58	2.17
Utilities	15.72	1.13	4.70	2.19	0.36	1.50	0.70
Manufacturing	4.09	5.06	15.24	7.13	0.75	2.26	1.06
Food manufacturing	2.76	2.45	9.58	4.51	0.60	2.33	1.10
Petroleum and coal products manufacturing	0.50	9.71	18.33	7.75	0.68	1.28	0.54
Chemical manufacturing	5.62	5.06	12.87	10.65	0.76	1.92	1.59
Primary metal manufacturing	4.82	4.82	12.07	6.03	1.45	3.62	1.81
Machinery manufacturing	2.14	6.70	22.85	8.44	1.37	4.68	1.73
Computer and electronic product manufacturing	11.78	6.06	13.38	9.25	1.10	2.43	1.68
Transportation equipment manufacturing	4.46	2.40	49.03	3.15	0.62	12.67	0.81
Wholesale and retail trade	3.62	5.14	12.50	3.22	1.62	3.93	1.01
Wholesale trade	3.92	4.37	9.10	3.18	1.34	2.79	0.98
Wholesale trade, durable goods	4.14	5.98	15.15	3.48	1.93	4.89	1.12
Wholesale trade, nondurable goods	3.84	3.95	7.85	3.08	1.19	2.36	0.92
Retail trade	3.40	5.86	16.87	3.24	1.88	5.40	1.04
Food, beverage and liquor stores	1.86	4.14	13.93	1.57	1.39	4.69	0.53
Transportation and warehousing	3.04	2.96	12.34	3.36	0.95	3.94	1.07
Information	23.53	2.98	8.88	6.92	0.76	2.26	1.76
Finance and insurance	9.04	0.58	4.37	3.70	0.18	1.36	1.16
Securities, commodity contracts, and other financial investments and related activities	1.75	0.28	2.37	5.29	0.09	0.75	1.67
Insurance carriers and related activities	14.24	0.84	4.30	3.03	0.26	1.31	0.92
Professional, scientific, and technical services	21.81	3.31	9.80	3.71	0.98	2.89	1.09
Management of companies (holding companies)	9.05	0.35	2.13	6.67	0.09	0.53	1.64

[1] Excludes nontaxable interest received on State and local government obligations, which totaled \$30.1 billion for "old, large" domestic corporations not foreign-controlled, and \$1.6 billion for "old, large" foreign-controlled domestic corporations.

NOTES: "Old" corporations are those with dates of incorporation prior to 2006, or with unknown dates of incorporation. "Large" corporations are those with total assets of \$250 million. Data exclude Forms 1120-REIT (real estate investment trusts), 1120-RIC (regulated investment companies), and 1120S (S corporations). Data also exclude returns in which the foreign ownership level is between 25 percent and 49 percent. Percentages shown in table were calculated using rounded data. Detail may not add to totals because of rounding.

Interest-Charge Domestic International Sales Corporations, Tax Year 2008

by Daniel Holik

Interest-Charge Domestic International Sales Corporations (IC-DISCs) are domestic corporations formed for the purpose of providing limited incentives to small exporters of U.S. products and certain services. There were 1,917 active IC-DISC returns filed for Tax Year 2008, an increase from the 1,209 filed for 2006, the most recent year for which data are available.¹ The increase in the number of IC-DISC returns filed reflected an expansion of IC-DISC economic activity. IC-DISC export gross receipts, one measure of overall IC-DISC export activity, increased by 89 percent from \$19,286 million for Tax Year 2006 to \$36,528 million for Tax Year 2008 (Figure A).² Net income (less deficit) rose from \$1,731 million for Tax Year 2006 to \$3,168 million for Tax Year 2008. Finally, actual distributions to IC-DISC shareholders increased 67 percent, from \$1,805 million for Tax Year 2006 to \$3,013 million for Tax Year 2008.

Background and Current Law

The IC-DISC entity was created by the Deficit Reduction Act of 1984 as a replacement for the Domestic International Sales Corporation (DISC).³ To become an IC-DISC, a corporation must be organized under the laws of a State or the District of Columbia. Parent shareholders—generally, other corporations, individuals, partnerships, trusts, or estates—form the IC-DISC entity by filing Form 4876-A, *Election To Be Treated as an Interest-Charge DISC*. This election is considered to be in effect as long as the IC-DISC meets the following requirements: (1) at least 95 percent of the IC-DISC's total receipts are "qualified export receipts" and (2) at least 95 percent of the adjusted basis of the IC-DISC's

total assets are "qualified assets."⁴ Qualified export receipts arise from the sale or exchange of qualified export property by an IC-DISC. In general, export property is property made, grown, or extracted in the United States, by an entity other than an IC-DISC, for direct use or disposition outside the United States. In addition, qualified export receipts can be divided into two categories: receipts from the sale of export property and other qualified export receipts, which include payment for certain services provided by the IC-DISC, as well as certain types of passive income (e.g., qualified dividends, interest, and capital gains).

An IC-DISC is required to have only one class of stock, conform its tax year to that of the principal shareholder, and maintain separate books and records. For Tax Year 2008, 86.1 percent of IC-DISCs were majority-owned by individuals, partnerships, trusts, estates, or S corporations; 11.7 percent were majority-owned by other corporations; and the remaining 2.2 percent reported no majority owner (Figure B).

By design, an IC-DISC provides a "tax-deferral" benefit to shareholders. No U.S. tax is imposed on certain types of IC-DISC income, i.e., payment of income tax is "deferred," until the income is either actually distributed or "deemed" distributed to shareholders. The IC-DISC entity is not taxed. IC-DISC taxable income that does not qualify for tax-deferral is deemed distributed to shareholders as a taxable dividend in the tax year in which it is earned, regardless of whether the income is actually distributed to shareholders or retained by the IC-DISC. In addition, a producer's loan may be made from the IC-DISC's accumulated tax-deferred income to its parent shareholders, in order to provide additional capital to the shareholders.⁵

An IC-DISC is required to: (1) calculate the tax-deferred portion of its "taxable income" each year; (2) accumulate tax-deferred income for the current tax year and prior tax years in a separate account; and (3)

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¹ For additional information about IC-DISCs for Tax Years 1996, 2000, 2004, 2005, and 2006 see Belmonte, Cynthia, "Interest-Charge Domestic International Sales Corporations, 1996," *Statistics of Income Bulletin*, Fall 2000, Volume 20, Number 2; Belmonte, Cynthia, "Interest-Charge Domestic International Sales Corporations, 2000," *Statistics of Income Bulletin*, Spring 2004, Volume 23, Number 4; and Holik, Daniel, "Interest-Charge Domestic International Sales Corporations, Tax Years 2004, 2005, and 2006," *Statistics of Income Bulletin*, Winter 2010, Volume 29, Number 3. An "active" IC-DISC return is a return that has item(s) of income, deductions, and/or distributions.

² All statistics in this article are in current dollars.

³ The creation of the IC-DISC entity was a culmination of the extensive discussions, both within the United States and between the United States and its trading partners, over the nature, form, and scope of export preferences incorporated within the Internal Revenue Code.

⁴ An IC-DISC that does not meet the gross receipts test during the tax year will still be considered to have qualified if, at the end of the tax year, the IC-DISC distributes the portion of its taxable income attributable to gross receipts that are not qualified export gross receipts. Similarly, an IC-DISC that does not meet the qualified export asset test during the tax year will still be considered to have qualified if, at the end of the tax year, it makes a distribution equal to the fair market value amount of the nonqualified assets.

⁵ See the Explanation of Selected Terms section for additional information about producer's loans.

Interest-Charge Domestic International Sales Corporations, 2008

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Figure A

Active Interest-Charge Domestic International Sales Corporation Returns: Selected Items for Tax Years 1996, 2000, 2004, 2005, 2006, and 2008

[Money amounts are in thousands of dollars]

Item	Tax year					
	1996	2000	2004	2005	2006	2008
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns	773	727	425	876	1,209	1,917
Total assets [1]	909,628	1,128,995	727,347	1,136,976	1,036,683	1,322,115
Qualified assets	896,013	1,122,250	724,045	1,129,985	1,032,996	1,311,482
Export property	77,352	83,875	57,704	80,821	72,743	88,875
Total liabilities [2]	209,757	216,366	154,464	191,243	214,391	257,257
Total qualified export receipts and nonqualified receipts [1]	1,506,692	1,438,686	1,114,493	2,058,745	2,999,386	4,779,779
Qualified export receipts from the sale of export property	1,476,164	1,398,077	1,094,427	2,016,915	2,853,957	4,552,005
Other qualified export receipts	22,784	36,253	18,524	39,103	87,821	181,654
Cost of sales and operations	1,020,147	919,485	544,334	756,623	1,056,842	1,319,613
Total export promotion and other expenses [1]	167,830	184,203	121,919	187,973	211,804	292,661
Export promotion expenses	115,650	127,964	90,913	134,936	171,736	189,675
Net income (less deficit)	318,716	335,000	448,240	1,114,149	1,730,741	3,167,505
Net income	322,004	342,923	450,937	1,118,408	1,750,649	3,172,848
Deficit	-3,288	-7,923	-2,697	-4,259	-19,908	-5,343
Taxable income	320,841	341,731	450,414	1,112,387	1,729,897	3,165,263
Selected independent computations of taxable income:						
Portion attributable to excess qualified export receipts	146,400	163,495	317,390	691,940	977,202	1,932,075
Adjusted IC-DISC income subject to deferral computation	163,366	159,248	126,609	436,282	762,880	1,240,909
Current-year tax-deferred income	164,665	159,846	129,327	461,280	815,224	1,362,795
Total amount deemed distributed	165,679	191,121	321,099	656,908	935,497	1,810,352
Tax-deferred IC-DISC income reported to shareholders	536,636	740,662	431,773	592,973	519,557	536,629
Actual distributions to shareholders	321,903	395,070	432,680	898,967	1,804,673	3,013,084
Total current-year export gross receipts of IC-DISCs and related U.S. persons	4,578,970	4,735,553	5,331,987	12,872,156	20,015,962	38,209,118
IC-DISCs	4,556,409	4,670,909	5,272,251	11,950,127	19,285,999	36,527,683
Related U.S. persons	22,562	64,644	59,737	922,030	729,964	1,681,435

[1] Includes items not shown separately.

[2] Excludes shareholder's equity accounts.

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

Tax Year 1996 IC-DISC statistics are presented in the *Statistics of Income Bulletin*, Fall 2000, Volume 20, Number 2.

Tax Year 2000 IC-DISC statistics are presented in the *Statistics of Income Bulletin*, Spring 2004, Volume 23, Number 4.

Tax Year 2004, 2005, and 2006 IC-DISC statistics are presented in the *Statistics of Income Bulletin*, Winter 2010, Volume 29, Number 3.

report the total accumulated amount of tax-deferred income to its shareholders each year. (In Figure A, the sum of these accounts is the difference between Total assets and Total liabilities; they comprise the total shareholder's equity of IC-DISCs). IC-DISC shareholders must pay an interest charge on their share of IC-DISC-related deferred tax liability. This interest charge is determined using a compounded annual rate of interest equivalent to the average investment yield of U.S. Treasury bills with 52-week maturities.⁶

Types of income not eligible for tax deferral include: taxable income derived from "excess qualified export receipts"; certain gains from the sale or

exchange of assets; one-half of IC-DISC taxable income attributable to the sale or exchange of military property; "international boycott income"; illegal bribes and kickbacks; and foreign investment attributable to "producer's loans." "Excess" qualified export receipts are certain "export gross receipts" in excess of \$10 million, a limitation intended to restrict IC-DISC activity to smaller businesses. For example, if the total of certain export gross receipts is greater than \$10 million for the tax year, taxable income derived from export gross receipts above this amount (e.g., "excess" qualified export receipts) is not eligible for deferral and is deemed distributed to shareholders.

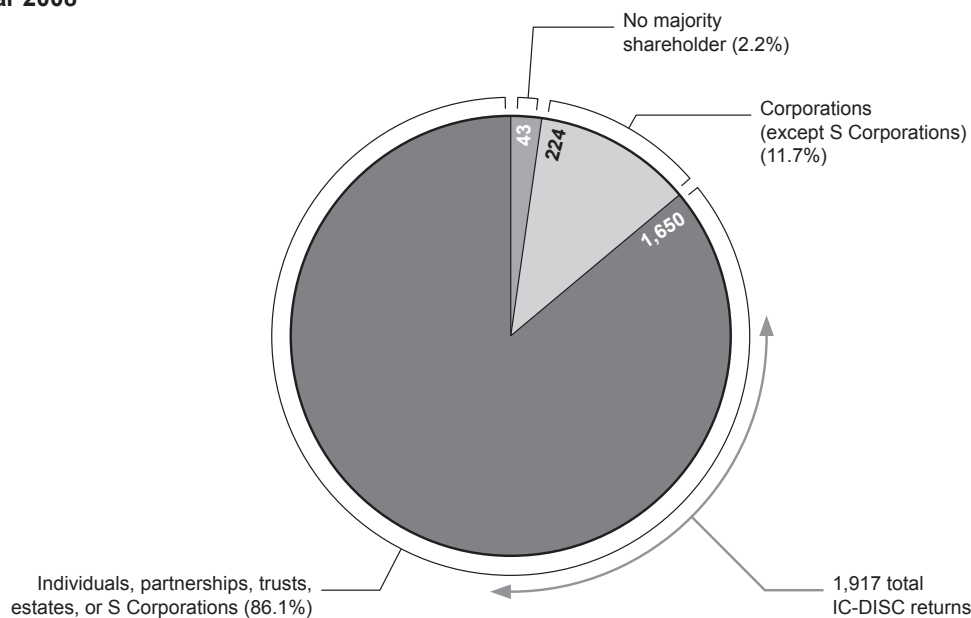
⁶ The interest charge is computed by IC-DISC shareholders on Form 8404, *Computation of Interest Charge on DISC-Related Deferred Tax Liability*. For example, for Tax Year 2008, the interest-charge to an IC-DISC shareholder filing a full calendar-year return was calculated using an interest charge of approximately 2.5 percent. (See Form 8404 for Tax Year 2008, page 2, instructions for Line 8.)

Interest-Charge Domestic International Sales Corporations, 2008

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Figure B

Active Interest-Charge Domestic International Sales Corporations, by Type of Majority Shareholder, Tax Year 2008



IC-DISC Receipts, Taxable Income, Excess Qualified Export Receipts, Deemed Distributions, and Actual Distributions to Shareholders for Tax Year 2008

IC-DISCs reported \$4,780 million of gross income for Tax Year 2008. Of this amount, \$4,552 million (95 percent) was attributable to qualified export receipts. Most transactions generating qualified export receipts for Tax Year 2008 involved direct foreign sales to unrelated purchasers. The balance (\$182 million) of qualified export receipts was from other qualified export receipts. Interest on “producer’s loans” accounted for \$11 million of this amount.

After subtracting the cost of sales and operations (\$1,320 million), total export promotion and other expenses (\$293 million), the net operating loss deduction (\$2 million), and the dividends received deduction (\$0.1 million), IC-DISCs reported \$3,165 million of taxable income. For Tax Year 2008, \$1,932 million of taxable income was attributable to excess qualified export receipts and \$1,811 million

was deemed distributed. (Deemed distributions were also subject to certain limitations that are beyond the scope of this article.)⁷

After the subtraction of “deemed” and actual distributions (if any) to IC-DISC shareholders, the income remaining is considered to be tax deferred and is reported to shareholders on Schedule K, *Shareholder’s Statement of IC-DISC Distributions*. Actual distributions to shareholders were \$3,031 million for Tax Year 2008, while tax-deferred IC-DISC income reported to shareholders was \$537 million (Figure A).

Data by Size of IC-DISC Export Gross Receipts for Tax Year 2008

Table 1 presents selected Tax Year 2008 IC-DISC statistics, classified by size of IC-DISC export gross receipts.⁸ IC-DISC export gross receipts are a useful classifier for these statistics, because such receipts are the most complete measure of the total value of goods and services exported through use of the IC-DISC mechanism. Total assets, which traditionally are used as one classifier for corporation

⁷ Amounts deemed distributed shown in Figure A and Tables 1 through 3 include amounts deemed distributed under Internal Revenue Code sections 995(b)(1) (from current-year taxable income) and 995(b)(2) (generally from prior-year taxable income). In general, these deemed distributions included income amounts not eligible for tax deferral and distributions from IC-DISCs that had not qualified or revoked their election.

⁸ The statistics presented in Table 1 are classified by amounts shown in column (12) divided by the number of returns shown in column (1).

returns by the Statistics of Income (SOI) Division of IRS, are not as good a measure of economic activity by IC-DISC returns, because the IC-DISC entity does not produce goods or services; the IC-DISC is solely an export mechanism for its shareholders. Hence, most IC-DISCs do not carry substantial inventories as assets on their balance sheets or report substantial assets associated with production of goods and services.

Table 1 shows that Tax Year 2008 IC-DISCs reported a wide range of export gross receipts. Certain returns showed zero export gross receipts—these returns were considered “active” returns because these IC-DISCs reported at least one item of deduction(s) or distribution(s). Other returns reported export gross receipts of more than \$100 million, even though the IC-DISC tax deferral mechanism is limited by law to the first \$10 million of export gross receipts. For Tax Year 2008, the largest number of IC-DISC returns reporting export gross receipts fell into the \$0 through \$1 million export gross receipts classification, while for Tax Year 2006, the largest number of IC-DISC returns was grouped into the \$1 million through \$3 million export gross receipts classification.

As expected, returns reporting export gross receipts more than \$100 million dominated the statistics shown in Table 1 for Tax Year 2008. Current-year tax-deferred income reported to shareholders is the only consistent item where IC-DISC returns not classified in this grouping did not dominate the Tax Year 2008 statistics. Current-year tax-deferred IC-DISC income reported to shareholders does capture previous tax year income(s) for a given IC-DISC, hence it is not necessarily dependent on current-year export gross receipts.⁹

Distribution of IC-DISCs by Selected Major Product or Service Group for Tax Year 2008

Table 3 presents detailed Tax Year 2008 statistics, such as IC-DISC assets, receipts (including total export gross receipts of IC-DISCs and related U.S. persons), deductions, income, distributions, and total qualified export receipts, and nonqualified receipts, classified by selected major and minor product or service group. The selected minor product or service groupings in Table 3 show which specific minor

products and services groupings comprise each major product or service group. For Tax Year 2008, almost 88 percent of all active IC-DISC returns reported the export of manufactured products as their major product or service, a proportion which was comparable to the figures for Tax Years 2005 and 2006. The two most frequently reported major product groups were machinery (other than electrical and electronics) and electrical and electronic machinery, equipment, and supplies, which together comprised slightly more than 27 percent of all active IC-DISC returns for Tax Year 2008. Combined, these two major product groups were responsible for 20 percent of total qualified export receipts and nonqualified receipts, 20 percent of taxable income, and 14 percent of taxable income attributable to excess qualified export receipts.

Other predominant major product groups included fabricated metal products, except ordnance, machinery, and transportation equipment; chemicals and allied products; primary and secondary nonfabricated metal products; and transportation equipment. Although only 8 percent of all active IC-DISCs for Tax Year 2008 reported chemicals and allied products as their major export, these IC-DISCs were responsible for 15 percent of current-year total export gross receipts of IC-DISCs, 19 percent of taxable income, and 26 percent of taxable income attributable to excess qualified export receipts. Further, more than 26 percent of total “deemed” distributions and 19 percent of actual distributions were accounted for by IC-DISCs in the chemicals and allied products industry.

For Tax Year 2008, 12 percent of active IC-DISCs (231 returns) reported the export of nonmanufactured products and services. Returns with computer software as their major export reported 5 percent of total qualified and nonqualified export receipts (\$255 million); 8 percent of taxable income (\$250 million); 12 percent of taxable income attributable to excess qualified export receipts (\$227 million); 13 percent of total amounts deemed distributed (\$226 million); and 8 percent of actual distributions to shareholders (\$242 million).

Figure C presents distributions of active IC-DISCs by selected major product or service group for the past 6 IC-DISC studies, spanning 12 tax years

⁹ The computation of current-year tax-deferred income reported to shareholders is complex and generally depends upon the IC-DISC’s current-year taxable income, previous tax year’s accumulated IC-DISC income, and current-year actual distributions to shareholders. A more complete description of the computations is beyond the scope of this article.

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Figure C

Active Interest-Charge Domestic International Sales Corporation Returns, by Selected Major Product or Service Group, Tax Years 1996, 2000, 2004, 2005, 2006, and 2008

Selected major product or service group	Tax year					
	1996	2000	2004	2005	2006	2008
	(1)	(2)	(3)	(4)	(5)	(6)
All products and services [1]	773	727	425	876	1,209	1,917
Manufactured products and services	695	664	394	787	1,080	1,686
Food and kindred products	28	18	22	46	69	115
Textile mill products	14	22	9	11	13	16
Apparel and other finished goods	10	10	4	9	9	13
Lumber and wood products, except furniture	30	58	17	43	52	62
Furniture and fixtures	7	12	7	11	13	17
Paper and allied products	19	16	12	20	21	49
Printed media	6	5	6	15	18	22
Chemicals and allied products	48	53	37	63	90	154
Rubber and plastics products	13	5	6	20	27	41
Stone, clay, glass, and concrete products	6	7	3	9	10	12
Primary and secondary nonfabricated metal products	20	16	15	32	52	130
Fabricated metal products (other than ordnance, machinery, and transportation equipment)	65	61	31	74	99	186
Machinery (other than electrical and electronics)	123	116	79	155	210	333
Electrical machinery, equipment, and supplies	125	103	47	98	132	190
Transportation equipment	63	47	31	68	89	130
Professional, scientific, and controlling instruments	44	43	43	57	94	122
Miscellaneous and other manufactured products	64	64	25	56	75	94
Nonmanufactured products and services	71	52	31	89	129	231

NOTE: Detail does not add to totals because selected major product or service groups are shown.

[1] Includes 7 returns for 1996 and 11 returns for 2000 in which the major product or service was not allocable.

between 1996 and 2008. Approximately 90 percent of IC-DISC returns reported the export of manufactured products as their major product or service for tax years prior to 2008, a proportion similar to that in Tax Year 2008. In addition, the two most frequently reported major product groups over the period were machinery (other than electrical and electronics) and electrical and electronic machinery, equipment, and supplies; these are the same two most frequently reported major product groups for 2008.

Summary

There were 1,917 active IC-DISC returns filed for Tax Year 2008. IC-DISC export gross receipts, one measure of overall IC-DISC export activity, increased by 89 percent from \$19,286 million for Tax Year 2006 to \$36,528 million for Tax Year 2008. Net income (less deficit) rose from \$1,731 million for Tax Year 2006 to \$3,168 million for Tax Year 2008. Finally, actual distributions to IC-DISC shareholders increased 67 percent, from \$1,805 million for Tax Year 2006 to \$3,013 million for Tax Year 2008.

Explanation of Selected Terms

Actual distributions to shareholders—Distributions from IC-DISC “earnings and profits” actually paid to shareholders of the IC-DISC.

Adjusted IC-DISC income subject to deferral computation—IC-DISC taxable income after subtracting certain amounts not eligible for tax deferral (e.g., amounts deemed distributed). For Tax Year 2008, adjusted IC-DISC income subject to the tax-deferral computation equaled IC-DISC taxable income minus the sum of: (1) gross interest from “producer’s loans;” (2) certain gains from the sale or exchange of assets; (3) one-half of IC-DISC taxable income attributable to military property; and (4) IC-DISC taxable income attributable to “export gross receipts” in excess of \$10 million.

Amounts deemed distributed—The portion of the IC-DISC’s “earnings and profits” that was not eligible for tax-deferral and, hence, was characterized as a fully taxable dividend to IC-DISC shareholder(s). For Tax Year 2008, amounts deemed distributed equaled the sum of: (1) gross interest from “producer’s loans;”

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(2) certain gains from the sale or exchange of assets; (3) one-half of IC-DISC taxable income attributable to military property; (4) IC-DISC taxable income attributable to “export gross receipts” in excess of \$10 million; (5) international boycott income; (6) illegal bribes and kickbacks; and (7) the amount of foreign investment attributable to producer’s loans. In addition, for all shareholders that were C corporations, one-seventeenth of adjusted IC-DISC income subject to deferral was to be reported as a deemed distribution.¹⁰

Current-year tax-deferred income—IC-DISC taxable income after all current year taxable income amounts deemed distributed under Internal Revenue Code section 995(b)(1) were subtracted.

Export gross receipts—Export gross receipts of the IC-DISC represented “qualified export receipts” from: (1) the sale, lease, or rental of export property; (2) services related and subsidiary to any qualified sale, lease, or rental of export property; (3) engineering or architectural services for construction projects located outside of the United States; and (4) export management services provided to other unrelated IC-DISCs to aid in promoting qualified export receipts. For IC-DISCs that acted as commission agents, export gross receipts included total receipts on which the commission was earned, as well as the commission. Export gross receipts did not include passive income (dividends, interest, or capital or ordinary gains on sale of business property) received by IC-DISCs.

Export promotion expenses—Expenses (excluding income taxes) incurred by an IC-DISC to advance the sale, lease, or other distribution of export property for use, consumption, or distribution outside the United States.

Export property—Export property was inventory and property held for sale or lease which: (1) had been made, manufactured, produced, grown, or extracted in the United States by a “person” other than an IC-DISC; (2) was held primarily for sale or lease in the ordinary course of business for direct use, consumption, or disposition outside the United States; and (3) had, at the time of sale or lease by the IC-DISC, not more than 50 percent of its fair market value attributable to imported articles.

IC-DISC gross income—The sum of qualified and nonqualified receipts.

IC-DISC taxable income—IC-DISC net income minus statutory special deductions (i.e., the “net

operating loss deduction” and the dividends-received deduction). IC-DISC taxable income was computed to determine: (1) the IC-DISC’s “earnings and profits” considered “deemed distributed” to IC-DISC shareholders for the current tax year; and (2) the interest charge on tax that would have been imposed on IC-DISC income had it not been subject to deferral.

Producer’s loans—This qualified asset generally consisted of loans made from the IC-DISC’s accumulated tax-deferred income to its parent company or any other U.S. person engaged in manufacturing, producing, growing, or extracting export property. A producer’s loan must have been designated as such, have been evidenced by a note, have had a stated maturity not to exceed 5 years, and have been attributed to assets used in export production. If a producer’s loan was renewed, it had to be requalified at the time of renewal. A producer’s loan did not have to be traced to a specific investment by the domestic borrower, but was subject to certain limitations to assure it did not exceed the investment in assets that could have been attributable to production for export.

Qualified assets—Qualified export assets included: (1) export property; (2) assets used in performing engineering or architectural services; (3) accounts receivable attributable to export transactions; (4) working capital; (5) producer’s loan obligations; (6) certain stocks or securities held by the IC-DISC; (7) certain obligations issued or insured by the U.S. Export-Import Bank or the Foreign Credit Insurance Association; and (8) certain other deposits.

Qualified export receipts—See export gross receipts.

Related U.S. persons—IC-DISC related U.S. persons were: (1) individuals who were citizens or residents of the United States and controlled the IC-DISC; (2) domestic partnerships, estates, or trusts that controlled the IC-DISC; (3) domestic corporations that controlled the IC-DISC; and (4) domestic corporations that were controlled by the same person(s) that controlled the IC-DISC. Control meant direct or indirect ownership of more than 50 percent of the voting power of the stock entitled to vote in an IC-DISC or other domestic corporation. Under the stock attribution rules of the Internal Revenue Code section 267(c), stock held by related family members is considered to be held as if the family is one shareholder.

¹⁰ See Internal Revenue Code section 995(b) for additional information regarding deemed distributions.

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Tax-deferred IC-DISC income reported to shareholders—This amount was reported on Form 1120-IC-DISC, Schedule K, *Shareholders Statement of IC-DISC Distributions*. An interest charge on the tax that would otherwise have been paid currently on this income amount was computed by IC-DISC shareholders on Form 8404, *Computation of Interest Charge on DISC-Related Deferred Tax Liability*.

Total qualified export receipts and nonqualified receipts—This sum was used as the starting point for the computation of the IC-DISCs net and taxable incomes. For IC-DISCs that acted as commission agents, total qualified export receipts and nonqualified receipts excluded the total receipts upon which the commission was earned and therefore represent only the commission amounts. Total qualified export receipts and nonqualified receipts included passive income (dividends, interest, capital or ordinary gains) amounts received by IC-DISCs. IC-DISC passive income amounts may be characterized as either qualified export receipts or nonqualified gross receipts.

Data Sources and Limitations

The Tax Year 2008 statistics in this article were compiled from Form 1120 IC-DISC returns with accounting periods ending between July 2007 and June 2008. Tax Year 2008 returns would have been filed during Calendar Years 2007, 2008, and 2009. The data presented excluded “inactive” IC-DISC returns. An IC-DISC was considered to be inactive if no receipts, deductions, income, or distributions were reported on the return. In addition, returns for corporations designated as “former DISCs” or “former IC-DISCs” were excluded. Such corporations were those that had been disqualified as a DISC or an IC-DISC for a tax year prior to the Tax Year 2008 study. These disqualified DISC or IC-DISC entities were generally required to distribute any undistributed income that was previously taxed or accumulated DISC or IC-DISC income as a section 995(b)(2) distribution during a 10-year period.

The Tax Year 2008 IC-DISC study was designed to include the entire population of IC-DISC returns;

however, certain returns (for example, late filed returns with extensions) were unavailable for the statistics. The complete 2008 study file included 2,100 returns: 1,917 returns were included in the statistics, while 183 returns were inactive. With regard to nonsampling error, some data were inconsistently reported by taxpayers. Where possible, such inconsistencies were resolved to reflect provisions of the Internal Revenue Code and taxpayer intentions.

The products and services classification system used in the 2008 IC-DISC study was generally based on Internal Revenue Service instructions provided to the taxpayer for completion of Schedule N, *Export Gross Receipts of the IC-DISC and Related U.S. Persons*. Products and services reported by a taxpayer on each specific return were reviewed for consistency with product information provided in supporting schedules and other taxpayer attachments and with the principal business activity described on the return. For example, a return was reviewed if the taxpayer indicated engineering services on Schedule N, despite the absence of any “engineering and architectural services income” on Schedule B, *Gross Income*. In addition, products and services reported by taxpayers on specific returns were reviewed for consistency with the major products and services group classification. Certain business activities, such as manufacturing, were not applicable to an IC-DISC. Therefore, an IC-DISC return reporting the manufacture of farm machinery equipment as the principal business activity would have been reviewed to ascertain if a more appropriate principal business activity was the wholesaling of farm machinery and equipment.

For purposes of this article, data classified by product or service were compiled using the IC-DISC’s largest grossing export product (in terms of gross receipts), without regard to any entry for the IC-DISC’s second largest product or service reported on the Schedule N. To this extent, the industry statistics contained in this data release may be slightly overstated for certain industries and slightly understated for others.

Interest-Charge Domestic International Sales Corporations, 2008

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Table 1. Active Interest-Charge Domestic International Sales Corporation Returns: Assets, Receipts, Deductions, Income, and Total Export Gross Receipts of IC-DISCs and Related U.S. Persons, By Size of IC-DISC's Export Gross Receipts, Tax Year 2008

[Money amounts in thousands of dollars]

Size of IC-DISCs export gross receipts [1]	Number of returns	Total assets	Total qualified export receipts and nonqualified receipts	Taxable Income			
				Total	Selected independent computations of taxable income		
					Portion attributable to excess qualified export receipts	Adjusted IC-DISC income subject to deferral computation [2]	Current-year tax-deferred income [2]
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
All returns	1,917	1,322,115	4,779,779	3,165,263	1,932,075	1,240,909	1,362,795
Zero through \$1,000,000	377	114,662	52,825	31,758	531	30,367	30,335
\$1,000,001 through \$3,000,000	345	119,330	170,030	89,310	1,740	87,235	87,059
\$3,000,001 through \$5,000,000	214	81,527	163,465	90,092	2,042	87,356	88,041
\$5,000,001 through \$7,000,000	175	80,687	148,073	94,085	2,751	91,071	90,794
\$7,000,001 through \$10,000,000	196	151,925	341,002	170,082	10,011	159,291	160,297
\$10,000,001 through \$15,000,000	137	73,644	235,716	145,735	31,501	115,347	118,915
\$15,000,001 through \$20,000,000	104	73,375	214,702	150,901	48,308	99,175	100,996
\$20,000,001 through \$30,000,000	129	122,867	383,402	234,596	107,784	127,152	132,466
\$30,000,001 through \$50,000,000	108	112,454	526,778	339,497	198,952	140,522	153,675
\$50,000,001 through \$100,000,000	75	147,012	754,379	447,149	327,725	118,419	136,822
Greater than or equal to \$100,000,001	57	244,633	1,789,406	1,372,057	1,200,730	184,974	263,393

Size of IC-DISCs export gross receipts [1]	Total amount deemed distributed	Tax-deferred IC-DISC income reported to shareholders	Actual distributions to shareholders	Total current-year export gross receipts and IC-DISCs	
				Total	IC-DISCs
(8)	(9)	(10)	(11)	(12)	
All returns	1,810,352	536,629	3,013,084	38,209,118	36,527,683
Zero through \$1,000,000	2,685	82,486	79,656	128,848	108,693
\$1,000,001 through \$3,000,000	3,313	71,432	86,610	700,872	668,197
\$3,000,001 through \$5,000,000	2,255	48,694	80,394	837,086	837,086
\$5,000,001 through \$7,000,000	3,738	36,135	83,497	1,056,383	1,050,320
\$7,000,001 through \$10,000,000	12,798	83,450	141,715	2,091,420	1,692,724
\$10,000,001 through \$15,000,000	26,870	37,772	137,855	1,702,894	1,691,206
\$15,000,001 through \$20,000,000	49,905	31,101	143,248	1,792,168	1,792,168
\$20,000,001 through \$30,000,000	103,977	85,749	236,986	3,472,931	3,128,563
\$30,000,001 through \$50,000,000	185,822	18,568	335,323	4,461,925	4,187,373
\$50,000,001 through \$100,000,000	310,326	21,862	409,448	5,186,882	5,186,882
Greater than or equal to \$100,000,001	1,108,664	19,380	1,278,351	16,777,710	16,184,470

[1] The statistics presented in Table 1 are classified by amounts shown in column (12) divided by the number of returns in column (1).

[2] Item restricted to non-negative amounts during table processing.

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

Interest-Charge Domestic International Sales Corporations, 2008

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Table 2. Active Interest-Charge Domestic International Sales Corporation Returns: Assets, Receipts, Deductions, Income, and Total Export Gross Receipts of IC-DISCs and Related U.S. Persons, by Selected Major Product or Service Group, Tax Year 2008

[Money amounts in thousands of dollars]

Selected major product or service	Number of returns	Assets		
		Total [1]	Qualified assets	
			Total	Export property
(1)	(2)	(3)	(4)	
All industries	1,917	1,322,115	1,311,482	88,875
Nonmanufactured products and services	231	169,851	169,849	9,620
Manufactured products	1,686	1,152,265	1,141,633	79,255
Ordnance and accessories	6	1,690	1,690	0
Food and kindred products	115	110,247	110,235	16,448
Textile mill products	16	7,428	7,428	d
Apparel and other finished goods	13	1,431	1,431	0
Lumber and wood products	62	42,720	42,085	2,902
Furniture and fixtures	17	5,111	5,111	0
Paper and allied products	49	44,295	44,261	0
Printing, publishing and allied products	22	10,978	10,978	d
Chemicals and allied products	154	171,489	171,024	3,312
Petroleum refining and related products	11	1,649	1,649	0
Rubber and miscellaneous plastic products	41	8,224	8,224	0
Leather and leather products	4	2,822	2,822	0
Stone, clay, glass and concrete products	12	5,132	5,110	0
Primary metal products	130	47,531	45,686	0
Fabricated metal products	186	57,775	57,775	3,642
Machinery, other than electrical	333	143,612	137,250	3,247
Electrical machinery, equipment and supplies	190	197,697	197,697	22,029
Transportation equipment	130	117,547	116,295	20,730
Professional, scientific, and controlling instruments	122	116,552	116,548	4,042
Miscellaneous manufactured products	73	58,334	58,334	d
Selected major product or service	Total liabilities [2]	Export receipts		
		Total qualified export receipts and nonqualified receipts [1]	Qualified export receipts from the sale of export property	Other qualified export receipts
All industries	257,257	4,779,779	4,552,005	181,654
Nonmanufactured products and services	12,937	759,342	628,342	130,988
Manufactured products	244,321	4,020,436	3,923,663	50,666
Ordnance and accessories	d	2,875	2,875	0
Food and kindred products	62,841	741,827	694,593	4,241
Textile mill products	606	11,836	11,249	587
Apparel and other finished goods	149	8,691	8,673	18
Lumber and wood products	4,733	87,204	85,905	1,093
Furniture and fixtures	d	16,839	16,781	d
Paper and allied products	8,348	112,911	112,568	342
Printing, publishing and allied products	1,734	32,529	32,446	45
Chemicals and allied products	-5,338	711,995	688,930	23,007
Petroleum refining and related products	389	20,064	20,064	0
Rubber and miscellaneous plastic products	689	22,367	22,332	35
Leather and leather products	d	6,696	5,747	950
Stone, clay, glass and concrete products	125	10,202	10,202	d
Primary metal products	11,992	333,001	331,386	1,612
Fabricated metal products	4,697	218,524	217,915	608
Machinery, other than electrical	22,970	443,146	437,667	4,081
Electrical machinery, equipment and supplies	58,751	510,548	503,753	6,678
Transportation equipment	26,801	332,595	327,845	3,928
Professional, scientific, and controlling instruments	28,570	278,665	275,686	2,568
Miscellaneous manufactured products	15,991	117,922	117,045	815

Footnotes at end of table.

Interest-Charge Domestic International Sales Corporations, 2008

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Table 2. Active Interest-Charge Domestic International Sales Corporation Returns: Assets, Receipts, Deductions, Income, and Total Export Gross Receipts of IC-DISCs and Related U.S. Persons, by Selected Major Product or Service Group, Tax Year 2008—Continued

[Money amounts in thousands of dollars]

Selected major product or service	Cost of sales and operations	Export promotion and other expenses	
		Total [1]	Export promotion expenses
		(9)	(10)
All industries	1,319,613	292,661	189,675
Nonmanufactured products and services	39,298	53,008	7,984
Manufactured products	1,280,314	239,654	181,692
Ordnance and accessories	0	d	0
Food and kindred products	498,291	14,785	9,352
Textile mill products	d	1,416	1,317
Apparel and other finished goods	3,411	767	711
Lumber and wood products	29,637	18,440	15,469
Furniture and fixtures	0	5	d
Paper and allied products	9,725	15,266	3,972
Printing, publishing and allied products	d	574	780
Chemicals and allied products	67,225	48,996	41,707
Petroleum refining and related products	0	955	d
Rubber and miscellaneous plastic products	2,184	356	164
Leather and leather products	d	d	d
Stone, clay, glass and concrete products	d	25	22
Primary metal products	118,030	2,366	1,408
Fabricated metal products	13,208	8,056	5,637
Machinery, other than electrical	96,089	24,073	18,955
Electrical machinery, equipment and supplies	169,431	44,383	37,574
Transportation equipment	140,214	27,831	17,783
Professional, scientific, and controlling instruments	107,486	28,097	23,217
Miscellaneous manufactured products	20,286	3,196	2,603
Selected major product or service	Net income (less deficit)		
	Total	Net income	Deficit
	(12)	(13)	(14)
All industries	3,167,505	3,172,848	-5,343
Nonmanufactured products and services	667,036	667,477	-441
Manufactured products	2,500,468	2,505,371	-4,903
Ordnance and accessories	2,874	2,874	0
Food and kindred products	228,751	228,786	-35
Textile mill products	8,593	8,603	d
Apparel and other finished goods	4,513	4,523	d
Lumber and wood products	39,127	40,817	-1,690
Furniture and fixtures	16,834	16,834	0
Paper and allied products	87,920	89,176	-1,256
Printing, publishing and allied products	28,880	28,883	-2
Chemicals and allied products	595,774	595,982	-208
Petroleum refining and related products	19,109	19,109	0
Rubber and miscellaneous plastic products	19,828	19,838	d
Leather and leather products	6,453	6,453	0
Stone, clay, glass and concrete products	10,156	10,156	0
Primary metal products	212,605	212,607	-2
Fabricated metal products	197,260	197,329	-69
Machinery, other than electrical	322,984	323,644	-660
Electrical machinery, equipment and supplies	296,735	297,039	-305
Transportation equipment	164,550	164,787	-237
Professional, scientific, and controlling instruments	143,083	143,172	-90
Miscellaneous manufactured products	94,439	94,758	-318

Footnotes at end of table.

Interest-Charge Domestic International Sales Corporations, 2008

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Table 2. Active Interest-Charge Domestic International Sales Corporation Returns: Assets, Receipts, Deductions, Income, and Total Export Gross Receipts of IC-DISCs and Related U.S. Persons, by Selected Major Product or Service Group, Tax Year 2008—Continued

[Money amounts in thousands of dollars]

Selected major product or service	Taxable income			
	Total	Selected independent computations of taxable income		
		Portion attributable to excess qualified export receipts	Adjusted IC-DISC income subject to deferral computation	Current-year tax-deferred income
(15)	(16)	(17)	(18)	
All industries	3,165,263	1,932,075	1,240,909	1,362,795
Nonmanufactured products and services	666,632	486,041	180,551	218,836
Manufactured products	2,498,631	1,446,034	1,060,358	1,143,960
Ordnance and accessories	2,874	d	2,429	2,429
Food and kindred products	228,735	139,759	100,022	102,013
Textile mill products	8,592	2,825	5,777	5,763
Apparel and other finished goods	4,513	d	3,751	3,746
Lumber and wood products	39,123	22,446	17,643	17,368
Furniture and fixtures	16,834	12,401	7,421	8,808
Paper and allied products	87,920	45,219	43,893	44,274
Printing, publishing and allied products	28,447	21,808	6,788	6,765
Chemicals and allied products	595,739	506,752	87,153	120,038
Petroleum refining and related products	19,109	3,775	15,334	18,719
Rubber and miscellaneous plastic products	19,828	8,492	11,344	11,336
Leather and leather products	6,453	d	2,822	2,807
Stone, clay, glass and concrete products	10,156	6,690	3,466	4,571
Primary metal products	212,605	132,334	80,060	90,224
Fabricated metal products	197,190	92,175	104,655	118,895
Machinery, other than electrical	322,984	160,752	159,318	160,212
Electrical machinery, equipment and supplies	295,890	107,978	186,930	191,046
Transportation equipment	164,159	59,113	103,900	115,626
Professional, scientific, and controlling instruments	143,043	69,940	72,106	73,810
Miscellaneous manufactured products	94,436	49,023	45,545	45,511
Selected major product or service	Total amount deemed distributed	Tax-deferred IC-DISC income reported to shareholders	Actual distributions to shareholders	
(19)	(20)	(21)		
All industries	1,810,352	536,629	3,013,084	
Nonmanufactured products and services	448,482	54,452	620,240	
Manufactured products	1,361,870	482,177	2,392,845	
Ordnance and accessories	d	0	1,577	
Food and kindred products	126,757	27,676	222,893	
Textile mill products	2,840	6,373	9,203	
Apparel and other finished goods	777	806	4,095	
Lumber and wood products	23,546	15,062	40,749	
Furniture and fixtures	8,026	1,454	15,506	
Paper and allied products	44,902	-1,658	66,980	
Printing, publishing and allied products	21,831	507	27,723	
Chemicals and allied products	475,935	85,493	566,593	
Petroleum refining and related products	d	d	18,984	
Rubber and miscellaneous plastic products	8,502	4,730	18,082	
Leather and leather products	d	2,653	10,015	
Stone, clay, glass and concrete products	5,585	170	6,008	
Primary metal products	122,383	17,676	203,158	
Fabricated metal products	78,364	31,241	192,126	
Machinery, other than electrical	163,482	68,591	314,911	
Electrical machinery, equipment and supplies	105,421	83,315	278,658	
Transportation equipment	48,770	55,173	171,126	
Professional, scientific, and controlling instruments	71,012	68,431	138,471	
Miscellaneous manufactured products	49,256	14,322	85,988	

Footnotes at end of table.

Interest-Charge Domestic International Sales Corporations, 2008

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Table 2. Active Interest-Charge Domestic International Sales Corporation Returns: Assets, Receipts, Deductions, Income, and Total Export Gross Receipts of IC-DISCs and Related U.S. Persons, by Selected Major Product or Service Group, Tax Year 2008—Continued

[Money amounts in thousands of dollars]

Selected major product or service	Total current-year export gross receipts of IC-DISCs	
	Total	IC-DISCs
	(22)	(23)
All industries	38,209,118	36,527,683
Nonmanufactured products and services	6,750,183	6,451,281
Manufactured products	31,458,936	30,076,402
Ordnance and accessories	18,270	18,270
Food and kindred products	4,347,728	d
Textile mill products	131,793	131,793
Apparel and other finished goods	63,529	63,529
Lumber and wood products	673,855	d
Furniture and fixtures	273,267	273,267
Paper and allied products	1,983,986	1,983,986
Printing, publishing and allied products	211,819	211,819
Chemicals and allied products	5,576,456	d
Petroleum refining and related products	238,974	238,974
Rubber and miscellaneous plastic products	301,256	301,256
Leather and leather products	63,336	63,336
Stone, clay, glass and concrete products	205,599	205,599
Primary metal products	3,548,538	d
Fabricated metal products	2,539,567	d
Machinery, other than electrical	3,626,422	3,561,067
Electrical machinery, equipment and supplies	3,415,046	d
Transportation equipment	2,010,112	d
Professional, scientific, and controlling instruments	1,172,902	1,104,612
Miscellaneous manufactured products	1,056,481	1,056,481

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

[1] Excludes shareholder's equity accounts.

[2] Item restricted to non-negative amounts during table processing.

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

Interest-Charge Domestic International Sales Corporations, 2008

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Table 3. Active Interest-Charge Domestic International Sales Corporation Returns: Assets, Receipts, Deductions, Income and Total Export Gross Receipts of IC-DISCs and Related U.S. Persons, by Major and Minor Product or Service Group, Tax Year 2008

[Money amounts in thousands of dollars]

Selected major product or service	Number of returns	Assets		
		Total [1]	Qualified assets	
			Total	Export property
(1)	(2)	(3)	(4)	
Total, All industries	1,917	1,322,115	1,311,482	88,875
Nonmanufactured products and services, total	231	169,851	169,849	9,620
Grains, including soybeans	14	18,540	18,540	0
Vegetables and melons	9	23,161	23,161	7,272
Fruit and tree nuts	52	11,976	11,975	0
Greenhouse, nursery, and floriculture	3	2,596	2,596	0
Other crops (including sugar beets, peanuts, spices, hops, and vegetable seeds)	18	13,377	13,376	0
Livestock	3	204	204	0
Poultry and eggs	3	2,037	2,037	0
Fishery products and services (including shellfish)	21	4,543	4,543	2,249
Fur bearing animals and unfinished hides	5	3,521	3,521	0
Other animal products	4	188	188	0
Export management services	24	7,622	7,622	47
Computer software	30	66,633	66,633	51
Motion picture distribution	4	378	378	0
Engineering and architectural services	30	14,442	14,442	0
Other nonmanufactured products	11	635	635	0
Manufactured products, total	1,686	1,152,265	1,141,633	79,255
Ordinance and accessories, total	6	1,690	1,690	0
Food and kindred products, total	115	110,247	110,235	16,448
Meat products	24	53,263	53,263	15,951
Dairy products	7	660	660	0
Fruits, vegetables and seafoods	25	6,933	6,933	0
Grain mill products	4	873	873	184
Confectionary and related products	8	19,775	19,775	0
Beverages	6	4,813	4,803	0
Other food and kindred products	42	23,933	23,931	313
Textile mill products, total	16	7,428	7,428	562
Apparel and other finished goods, total	13	1,431	1,431	0
Lumber and wood products (except furniture), total	62	42,720	42,085	2,902
Logs and log products	15	9,082	8,447	327
Lumber construction materials (including millwork, veneer, and plywood)	32	15,690	15,690	2,523
Other lumber and wood products	15	17,948	17,948	53
Furniture and fixtures, total	17	5,111	5,111	0
Paper and allied products, total	49	44,295	44,261	0
Printing, publishing, and allied products, total	22	10,978	10,978	67
Chemicals and allied products, total	154	171,489	171,024	3,312
Industrial inorganic and organic chemicals	27	27,602	27,602	0
Plastics materials, synthetic resins, synthetic rubber, and synthetic fibers	45	99,131	98,666	714
Drugs	15	4,078	4,078	303
Soap, detergents, and cleaning preparations, perfumes, cosmetics, and toiletries	22	27,566	27,566	2,296
Paints, varnishes, lacquers, enamels, and allied products	14	627	627	0
Agricultural chemicals	4	967	967	0
Other chemical and allied products	27	11,519	11,519	0
Petroleum refining and related products, total	11	1,649	1,649	0
Rubber and miscellaneous plastics products, total	41	8,224	8,224	0
Leather and leather products, total	4	2,822	2,822	0
Stone, clay, glass, and concrete products, total	12	5,132	5,110	0

Footnotes at end of table.

Interest-Charge Domestic International Sales Corporations, 2008

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Table 3. Active Interest-Charge Domestic International Sales Corporation Returns: Assets, Receipts, Deductions, Income and Total Export Gross Receipts of IC-DISCs and Related U.S. Persons, by Major and Minor Product or Service Group, Tax Year 2008—Continued

[Money amounts in thousands of dollars]

Selected major product or service	Number of returns	Assets		
		Total [1]	Qualified assets	
			Total	Export property
(1)	(2)	(3)	(4)	
Primary metal products, total	130	47,531	45,686	0
Iron and steel products	33	7,886	7,886	0
Nonferrous metal products	36	23,093	21,548	0
Other primary and secondary nonfabricated metal products	61	16,552	16,252	0
Fabricated metal products, total	186	57,775	57,775	3,642
Cutlery, hand tools, and general hardware	15	6,676	6,676	3,470
Heating apparatus (except electric) and plumbing fixtures	28	6,212	6,212	172
Fabricated structural metal products	25	12,997	12,997	0
Screw machine products and bolts, nuts, screws, rivets, and washers	4	2,894	2,894	0
Metal stampings	19	4,833	4,833	0
Coated and engraved metal products	5	393	393	0
Other fabricated metal products	90	23,771	23,771	0
Machinery, other than electrical, total	333	143,612	137,250	3,247
Engines and turbines	11	1,229	1,211	0
Farm machinery and equipment	16	19,554	19,554	624
Construction, mining, and materials handling machinery and equipment	39	35,907	29,816	1,425
Metalworking machinery and equipment	27	12,411	12,411	0
Special industry machinery (except metalworking machinery)	135	42,352	42,348	482
General industrial machinery and equipment	52	20,773	20,773	268
Service industry machinery	12	3,336	3,099	448
Other machinery (except electrical and electronic)	41	8,050	8,039	0
Electrical machinery, total	190	197,697	197,697	22,029
Electric power transmission and distribution equipment (including transformers, motors and generators)	29	42,809	42,809	3,522
Household appliances	9	28,275	28,275	12,064
Electric lighting and wiring equipment	18	22,037	22,037	1,973
Audio and video equipment (except communication types)	10	5,499	5,499	0
Communication equipment	6	4,345	4,345	0
Semiconductors, capacitors, resistors, and other electrical components	41	52,222	52,222	957
Computer and peripheral equipment	13	3,557	3,557	0
Other electrical and electronic machinery, equipment, and supplies	64	38,954	38,954	3,512
Transportation equipment, total	130	117,547	116,295	20,730
Motor vehicles and motor vehicle equipment	59	42,456	42,429	4,537
Aircraft and aircraft parts and equipment	44	68,987	68,402	16,193
Ships and nautical equipment	16	2,870	2,229	0
Other transportation equipment	11	3,235	3,235	0
Professional, scientific, and controlling instruments, total	122	116,552	116,548	4,042
Engineering, laboratory, and scientific and research instruments, and associated equipment	27	20,887	20,885	d
Instruments for measuring, controlling, and indicating physical characteristics	33	14,877	14,877	d
Surgical, medical, and dental instruments and supplies	51	75,624	75,622	d
Other professional, scientific, and controlling instruments	11	5,163	5,163	0
Miscellaneous manufactured products, total	73	58,334	58,334	2,275

Footnotes at end of table.

Interest-Charge Domestic International Sales Corporations, 2008

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Table 3. Active Interest-Charge Domestic International Sales Corporation Returns: Assets, Receipts, Deductions, Income and Total Export Gross Receipts of IC-DISCs and Related U.S. Persons, by Major and Minor Product or Service Group, Tax Year 2008—Continued

[Money amounts in thousands of dollars]

Selected major product or service	Total liabilities [2]	Export receipts		
		Total qualified export receipts and nonqualified receipts	Qualified export receipts from the sale of export property	Other qualified export receipts
	(5)	(6)	(7)	(8)
Total, All industries	257,257	4,779,779	4,552,005	181,654
Nonmanufactured products and services, total	12,937	759,342	628,342	130,988
Grains, including soybeans	167	59,692	57,539	2,154
Vegetables and melons	3,028	35,694	30,828	4,875
Fruit and tree nuts	1,857	82,871	82,695	175
Greenhouse, nursery, and floriculture	13	6,706	6,684	22
Other crops (including sugar beets, peanuts, spices, hops, and vegetable seeds)	91	12,988	12,553	435
Livestock	135	1,786	1,786	-2
Poultry and eggs	0	6,362	6,271	91
Fishery products and services (including shellfish)	235	126,909	126,909	-2
Fur bearing animals and unfinished hides	2,295	4,616	4,616	0
Other animal products	0	2,638	2,638	0
Export management services	2,439	27,925	11,436	16,490
Computer software	2,170	254,530	251,237	3,293
Motion picture distribution	0	4,226	3,283	942
Engineering and architectural services	1	125,263	22,731	102,511
Other nonmanufactured products	505	7,137	7,137	0
Manufactured products, total	244,321	4,020,436	3,923,663	50,666
Ordinance and accessories, total	219	2,875	2,875	0
Food and kindred products, total	62,841	741,827	694,593	4,241
Meat products	45,003	470,987	427,441	563
Dairy products	613	44,620	44,612	0
Fruits, vegetables and seafoods	344	60,578	60,521	57
Grain mill products	7	9,659	9,659	-2
Confectionary and related products	751	6,748	6,031	717
Beverages	13	15,826	13,336	2,489
Other food and kindred products	16,110	133,513	133,099	415
Textile mill products, total	606	11,836	11,249	587
Apparel and other finished goods, total	149	8,691	8,673	18
Lumber and wood products (except furniture), total	4,733	87,204	85,905	1,093
Logs and log products	142	24,942	24,579	226
Lumber construction materials (including millwork, veneer, and plywood)	3,202	38,983	38,682	232
Other lumber and wood products	1,390	23,279	22,644	635
Furniture and fixtures, total	4	16,839	16,781	57
Paper and allied products, total	8,348	112,911	112,568	342
Printing, publishing, and allied products, total	1,734	32,529	32,446	45
Chemicals and allied products, total	-5,338	711,995	688,930	23,007
Industrial inorganic and organic chemicals	-30,095	41,162	21,670	19,492
Plastics materials, synthetic resins, synthetic rubber, and synthetic fibers	9,764	243,521	241,257	2,218
Drugs	d	44,937	44,930	5
Soap, detergents, and cleaning preparations, perfumes, cosmetics, and toiletries	13,276	349,425	349,325	99
Paints, varnishes, lacquers, enamels, and allied products	d	14,443	14,156	276
Agricultural chemicals	d	1,457	1,457	-2
Other chemical and allied products	1,428	17,052	16,135	917
Petroleum refining and related products, total	389	20,064	20,064	0
Rubber and miscellaneous plastics products, total	689	22,367	22,332	35
Leather and leather products, total	51	6,696	5,747	950
Stone, clay, glass, and concrete products, total	125	10,202	10,202	-2

Footnotes at end of table.

Interest-Charge Domestic International Sales Corporations, 2008

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Table 3. Active Interest-Charge Domestic International Sales Corporation Returns: Assets, Receipts, Deductions, Income and Total Export Gross Receipts of IC-DISCs and Related U.S. Persons, by Major and Minor Product or Service Group, Tax Year 2008—Continued

[Money amounts in thousands of dollars]

Selected major product or service	Total liabilities [2]	Export receipts		
		Total qualified export receipts and nonqualified receipts	Qualified export receipts from the sale of export property	Other qualified export receipts
	(5)	(6)	(7)	(8)
Primary metal products, total	11,992	333,001	331,386	1,612
Iron and steel products	3,392	64,216	64,181	33
Nonferrous metal products	6,912	145,327	144,653	673
Other primary and secondary nonfabricated metal products	1,688	123,458	122,552	906
Fabricated metal products, total	4,697	218,524	217,915	608
Cutlery, hand tools, and general hardware	286	9,377	9,237	141
Heating apparatus (except electric) and plumbing fixtures	2,215	41,426	41,332	94
Fabricated structural metal products	280	40,516	40,506	10
Screw machine products and bolts, nuts, screws, rivets, and washers	33	2,508	2,282	225
Metal stampings	345	15,863	15,863	0
Coated and engraved metal products	380	970	970	0
Other fabricated metal products	1,159	107,865	107,727	138
Machinery, other than electrical, total	22,970	443,146	437,667	4,081
Engines and turbines	0	11,503	11,501	3
Farm machinery and equipment	3,531	34,881	34,579	302
Construction, mining, and materials handling machinery and equipment	5,002	74,420	73,108	1,261
Metalworking machinery and equipment	786	25,143	24,751	390
Special industry machinery (except metalworking machinery)	9,223	129,268	125,959	1,967
General industrial machinery and equipment	2,193	96,876	96,751	123
Service industry machinery	597	17,363	17,345	18
Other machinery (except electrical and electronic)	1,638	53,693	53,675	17
Electrical machinery, total	58,751	510,548	503,753	6,678
Electric power transmission and distribution equipment (including transformers, motors and generators)	23,260	75,484	73,120	2,354
Household appliances	d	34,850	34,649	201
Electric lighting and wiring equipment	8,162	80,257	80,264	-7
Audio and video equipment (except communication types)	d	14,833	14,265	568
Communication equipment	d	6,312	6,289	23
Semiconductors, capacitors, resistors, and other electrical components	18,781	191,661	189,156	2,464
Computer and peripheral equipment	2,599	11,080	11,046	34
Other electrical and electronic machinery, equipment, and supplies	2,764	96,071	94,965	1,041
Transportation equipment, total	26,801	332,595	327,845	3,928
Motor vehicles and motor vehicle equipment	4,195	96,277	95,950	327
Aircraft and aircraft parts and equipment	20,702	179,500	177,978	699
Ships and nautical equipment	1,894	42,364	42,358	6
Other transportation equipment	10	14,454	11,558	2,896
Professional, scientific, and controlling instruments, total	28,570	278,665	275,686	2,568
Engineering, laboratory, and scientific and research instruments, and associated equipment	d	58,564	58,065	499
Instruments for measuring, controlling, and indicating physical characteristics	d	24,829	24,720	109
Surgical, medical, and dental instruments and supplies	19,221	187,529	185,624	1,494
Other professional, scientific, and controlling instruments	d	7,743	7,277	467
Miscellaneous manufactured products, total	15,991	117,922	117,045	815

Footnotes at end of table.

Interest-Charge Domestic International Sales Corporations, 2008

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Table 3. Active Interest-Charge Domestic International Sales Corporation Returns: Assets, Receipts, Deductions, Income and Total Export Gross Receipts of IC-DISCs and Related U.S. Persons, by Major and Minor Product or Service Group, Tax Year 2008—Continued

[Money amounts in thousands of dollars]

Selected major product or service	Cost of sales and operations	Export promotion and other expenses	
		Total	Export promotion expenses
	(9)	(10)	(11)
Total, All industries	1,319,613	292,661	189,675
Nonmanufactured products and services, total	39,298	53,008	7,984
Grains, including soybeans	1,643	1,256	1,021
Vegetables and melons	17,877	3,033	2,590
Fruit and tree nuts	4,440	2,034	866
Greenhouse, nursery, and floriculture	0	15	0
Other crops (including sugar beets, peanuts, spices, hops, and vegetable seeds)	1,227	303	193
Livestock	0	1	1
Poultry and eggs	0	1	1
Fishery products and services (including shellfish)	0	144	134
Fur bearing animals and unfinished hides	0	64	1
Other animal products	267	1,626	1,054
Export management services	347	181	147
Computer software	722	4,218	1,773
Motion picture distribution	2,875	104	0
Engineering and architectural services	9,900	39,980	155
Other nonmanufactured products	0	45	47
Manufactured products, total	1,280,314	239,654	181,692
Ordnance and accessories, total	0	-2	0
Food and kindred products, total	498,291	14,785	9,352
Meat products	418,622	8,244	4,931
Dairy products	0	7	1
Fruits, vegetables and seafoods	5,585	309	251
Grain mill products	1,417	429	36
Confectionary and related products	1,000	552	22
Beverages	0	308	27
Other food and kindred products	71,668	4,936	4,083
Textile mill products, total	1,827	1,416	1,317
Apparel and other finished goods, total	3,411	767	711
Lumber and wood products (except furniture), total	29,637	18,440	15,469
Logs and log products	482	14,177	14,161
Lumber construction materials (including millwork, veneer, and plywood)	24,944	3,872	1,135
Other lumber and wood products	4,211	392	173
Furniture and fixtures, total	0	5	(2)
Paper and allied products, total	9,725	15,266	3,972
Printing, publishing, and allied products, total	3,075	574	780
Chemicals and allied products, total	67,225	48,996	41,707
Industrial inorganic and organic chemicals	192	642	222
Plastics materials, synthetic resins, synthetic rubber, and synthetic fibers	50,697	14,274	10,522
Drugs	5,037	4,961	3,505
Soap, detergents, and cleaning preparations, perfumes, cosmetics, and toiletries	10,010	26,584	25,574
Paints, varnishes, lacquers, enamels, and allied products	0	64	63
Agricultural chemicals	0	12	12
Other chemical and allied products	1,288	2,460	1,809
Petroleum refining and related products, total	0	955	955
Rubber and miscellaneous plastics products, total	2,184	356	164
Leather and leather products, total	177	66	66
Stone, clay, glass, and concrete products, total	21	25	22

Footnotes at end of table.

Interest-Charge Domestic International Sales Corporations, 2008

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Table 3. Active Interest-Charge Domestic International Sales Corporation Returns: Assets, Receipts, Deductions, Income and Total Export Gross Receipts of IC-DISCs and Related U.S. Persons, by Major and Minor Product or Service Group, Tax Year 2008—Continued

[Money amounts in thousands of dollars]

Selected major product or service	Cost of sales and operations	Export promotion and other expenses	
		Total	Export promotion expenses
	(9)	(10)	(11)
Primary metal products, total	118,030	2,366	1,408
Iron and steel products	10,700	274	120
Nonferrous metal products	102,617	1,847	1,270
Other primary and secondary nonfabricated metal products	4,713	245	18
Fabricated metal products, total	13,208	8,056	5,637
Cutlery, hand tools, and general hardware	1,324	1,124	1,109
Heating apparatus (except electric) and plumbing fixtures	1,576	6,422	4,016
Fabricated structural metal products	5,125	103	85
Screw machine products and bolts, nuts, screws, rivets, and washers	1,811	49	0
Metal stampings	2,140	-147	130
Coated and engraved metal products	0	0	0
Other fabricated metal products	1,231	505	297
Machinery, other than electrical, total	96,089	24,073	18,955
Engines and turbines	0	1	0
Farm machinery and equipment	12,188	922	d
Construction, mining, and materials handling machinery and equipment	17,465	10,630	9,733
Metalworking machinery and equipment	7,122	868	d
Special industry machinery (except metalworking machinery)	24,719	3,484	2,863
General industrial machinery and equipment	17,946	5,872	2,740
Service industry machinery	11,081	1,648	d
Other machinery (except electrical and electronic)	5,568	649	580
Electrical machinery, total	169,431	44,383	37,574
Electric power transmission and distribution equipment (including transformers, motors and generators)	40,182	6,999	5,796
Household appliances	21,519	3,474	2,731
Electric lighting and wiring equipment	57,852	8,001	6,040
Audio and video equipment (except communication types)	3,844	d	2
Communication equipment	3,255	d	117
Semiconductors, capacitors, resistors, and other electrical components	31,440	21,543	19,684
Computer and peripheral equipment	0	d	5
Other electrical and electronic machinery, equipment, and supplies	11,340	4,085	3,198
Transportation equipment, total	140,214	27,831	17,783
Motor vehicles and motor vehicle equipment	d	d	d
Aircraft and aircraft parts and equipment	104,442	22,334	15,300
Ships and nautical equipment	d	d	d
Other transportation equipment	0	d	d
Professional, scientific, and controlling instruments, total	107,486	28,097	23,217
Engineering, laboratory, and scientific and research instruments, and associated equipment	16,153	9,529	8,419
Instruments for measuring, controlling, and indicating physical characteristics	1,527	1,396	1,086
Surgical, medical, and dental instruments and supplies	88,977	16,833	13,469
Other professional, scientific, and controlling instruments	828	340	244
Miscellaneous manufactured products, total	20,286	3,196	2,603

Footnotes at end of table.

Interest-Charge Domestic International Sales Corporations, 2008

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Table 3. Active Interest-Charge Domestic International Sales Corporation Returns: Assets, Receipts, Deductions, Income and Total Export Gross Receipts of IC-DISCs and Related U.S. Persons, by Major and Minor Product or Service Group, Tax Year 2008—Continued

[Money amounts in thousands of dollars]

Selected major product or service	Net income (less deficit)		
	Total	Net income	Deficit
	(12)	(13)	(14)
Total, All industries	3,167,505	3,172,848	-5,343
Nonmanufactured products and services, total	667,036	667,477	-441
Grains, including soybeans	56,793	d	d
Vegetables and melons	14,784	14,784	0
Fruit and tree nuts	76,397	d	d
Greenhouse, nursery, and floriculture	6,691	6,691	0
Other crops (including sugar beets, peanuts, spices, hops, and vegetable seeds)	11,458	d	d
Livestock	1,784	1,784	0
Poultry and eggs	6,361	6,361	0
Fishery products and services (including shellfish)	126,765	d	d
Fur bearing animals and unfinished hides	4,551	4,551	0
Other animal products	745	d	d
Export management services	27,397	d	d
Computer software	249,590	d	d
Motion picture distribution	1,246	1,246	0
Engineering and architectural services	75,383	d	d
Other nonmanufactured products	7,091	d	d
Manufactured products, total	2,500,468	2,505,371	-4,903
Ordinance and accessories, total	2,874	2,874	0
Food and kindred products, total	228,751	228,786	-35
Meat products	44,121	d	d
Dairy products	44,613	44,613	0
Fruits, vegetables and seafoods	54,685	d	d
Grain mill products	7,813	d	d
Confectionary and related products	5,196	5,196	0
Beverages	15,518	15,518	0
Other food and kindred products	56,909	d	d
Textile mill products, total	8,593	8,603	-10
Apparel and other finished goods, total	4,513	4,523	-10
Lumber and wood products (except furniture), total	39,127	40,817	-1,690
Logs and log products	10,284	d	d
Lumber construction materials (including millwork, veneer, and plywood)	10,167	d	d
Other lumber and wood products	18,676	d	d
Furniture and fixtures, total	16,834	16,834	0
Paper and allied products, total	87,920	89,176	-1,256
Printing, publishing, and allied products, total	28,880	28,883	-2
Chemicals and allied products, total	595,774	595,982	-208
Industrial inorganic and organic chemicals	40,327	40,327	0
Plastics materials, synthetic resins, synthetic rubber, and synthetic fibers	178,550	d	d
Drugs	34,939	d	d
Soap, detergents, and cleaning preparations, perfumes, cosmetics, and toiletries	312,831	d	d
Paints, varnishes, lacquers, enamels, and allied products	14,378	d	d
Agricultural chemicals	1,445	d	d
Other chemical and allied products	13,304	d	d
Petroleum refining and related products, total	19,109	19,109	0
Rubber and miscellaneous plastics products, total	19,828	d	d
Leather and leather products, total	6,453	6,453	0
Stone, clay, glass, and concrete products, total	10,156	10,156	0

Footnotes at end of table.

Interest-Charge Domestic International Sales Corporations, 2008

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Table 3. Active Interest-Charge Domestic International Sales Corporation Returns: Assets, Receipts, Deductions, Income and Total Export Gross Receipts of IC-DISCs and Related U.S. Persons, by Major and Minor Product or Service Group, Tax Year 2008—Continued

[Money amounts in thousands of dollars]

Selected major product or service	Net income (less deficit)		
	Total	Net income	Deficit
	(12)	(13)	(14)
Primary metal products, total	212,605	d	d
Iron and steel products	53,242	53,242	0
Nonferrous metal products	40,864	d	d
Other primary and secondary nonfabricated metal products	118,500	d	d
Fabricated metal products, total	197,260	197,329	-69
Cutlery, hand tools, and general hardware	6,929	6,993	-64
Heating apparatus (except electric) and plumbing fixtures	33,427	33,428	-1
Fabricated structural metal products	35,288	35,290	-3
Screw machine products and bolts, nuts, screws, rivets, and washers	648	648	0
Metal stampings	13,870	13,872	-2
Coated and engraved metal products	970	970	0
Other fabricated metal products	106,129	106,129	0
Machinery, other than electrical, total	322,984	323,644	-660
Engines and turbines	11,503	11,503	-1
Farm machinery and equipment	21,771	21,771	0
Construction, mining, and materials handling machinery and equipment	46,326	46,422	-96
Metalworking machinery and equipment	17,152	17,152	0
Special industry machinery (except metalworking machinery)	101,064	101,580	-515
General industrial machinery and equipment	73,058	73,095	-38
Service industry machinery	4,635	4,635	0
Other machinery (except electrical and electronic)	47,476	47,486	-10
Electrical machinery, total	296,735	297,039	-305
Electric power transmission and distribution equipment (including transformers, motors and generators)	28,303	28,303	0
Household appliances	9,857	9,857	0
Electric lighting and wiring equipment	14,404	14,404	0
Audio and video equipment (except communication types)	10,978	10,978	0
Communication equipment	2,933	2,933	0
Semiconductors, capacitors, resistors, and other electrical components	138,679	138,972	-293
Computer and peripheral equipment	10,933	10,934	-1
Other electrical and electronic machinery, equipment, and supplies	80,647	80,659	-12
Transportation equipment, total	164,550	164,787	-237
Motor vehicles and motor vehicle equipment	55,443	55,676	-233
Aircraft and aircraft parts and equipment	52,724	52,725	-1
Ships and nautical equipment	41,948	41,951	-3
Other transportation equipment	14,435	14,435	0
Professional, scientific, and controlling instruments, total	143,083	143,172	-90
Engineering, laboratory, and scientific and research instruments, and associated equipment	32,882	32,882	0
Instruments for measuring, controlling, and indicating physical characteristics	21,907	21,909	-2
Surgical, medical, and dental instruments and supplies	81,720	81,755	-36
Other professional, scientific, and controlling instruments	6,575	6,627	-52
Miscellaneous manufactured products, total	94,439	94,758	-318

Footnotes at end of table.

Interest-Charge Domestic International Sales Corporations, 2008

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Table 3. Active Interest-Charge Domestic International Sales Corporation Returns: Assets, Receipts, Deductions, Income and Total Export Gross Receipts of IC-DISCs and Related U.S. Persons, by Major and Minor Product or Service Group, Tax Year 2008—Continued

[Money amounts in thousands of dollars]

Selected major product or service	Taxable income			
	Total	Selected independent computations of taxable income		
		Portion attributable to excess qualified export receipts	Adjusted IC-DISC income subject to deferral computation [3]	Current-year tax-deferred income
	(15)	(16)	(17)	(18)
Total, All industries	3,165,263	1,932,075	1,240,909	1,362,795
Nonmanufactured products and services, total	666,632	486,041	180,551	218,836
Grains, including soybeans	56,793	52,527	4,269	42,401
Vegetables and melons	14,560	4,508	10,052	10,052
Fruit and tree nuts	76,283	41,205	35,080	35,086
Greenhouse, nursery, and floriculture	6,691	5,316	1,375	1,375
Other crops (including sugar beets, peanuts, spices, hops, and vegetable seeds)	11,458	5,471	5,588	5,480
Livestock	1,784	1,105	679	679
Poultry and eggs	6,361	2,094	4,267	4,267
Fishery products and services (including shellfish)	126,765	95,835	30,943	30,943
Fur bearing animals and unfinished hides	4,551	2,341	2,210	2,210
Other animal products	745	0	756	756
Export management services	27,346	3,692	23,655	23,777
Computer software	249,573	226,590	23,213	23,345
Motion picture distribution	1,246	0	1,246	1,246
Engineering and architectural services	75,383	45,300	30,184	30,184
Other nonmanufactured products	7,091	57	7,034	7,034
Manufactured products, total	2,498,631	1,446,034	1,060,358	1,143,960
Ordinance and accessories, total	2,874	159	2,429	2,429
Food and kindred products, total	228,735	139,759	100,022	102,013
Meat products	44,121	38,109	16,999	19,170
Dairy products	44,613	22,479	22,134	22,134
Fruits, vegetables and seafoods	54,685	29,267	25,362	25,215
Grain mill products	7,813	4,841	3,003	3,003
Confectionary and related products	5,184	1,413	3,770	3,760
Beverages	15,518	10,482	5,036	5,036
Other food and kindred products	56,905	33,166	23,824	23,800
Textile mill products, total	8,592	2,825	5,777	5,763
Apparel and other finished goods, total	4,513	772	3,751	3,746
Lumber and wood products (except furniture), total	39,123	22,446	17,643	17,368
Logs and log products	10,284	5,547	4,733	4,447
Lumber construction materials (including millwork, veneer, and plywood)	10,163	d	9,112	9,122
Other lumber and wood products	18,676	d	3,798	3,798
Furniture and fixtures, total	16,834	12,401	7,421	8,808
Paper and allied products, total	87,920	45,219	43,893	44,274
Printing, publishing, and allied products, total	28,447	21,808	6,788	6,765
Chemicals and allied products, total	595,739	506,752	87,153	120,038
Industrial inorganic and organic chemicals	40,327	d	19,509	36,616
Plastics materials, synthetic resins, synthetic rubber, and synthetic fibers	178,518	160,138	17,947	33,862
Drugs	34,935	d	15,313	14,963
Soap, detergents, and cleaning preparations, perfumes, cosmetics, and toiletries	312,831	296,982	16,023	16,011
Paints, varnishes, lacquers, enamels, and allied products	14,378	7,904	6,474	6,474
Agricultural chemicals	1,445	0	1,451	1,451
Other chemical and allied products	13,304	d	10,435	10,660
Petroleum refining and related products, total	19,109	3,775	15,334	18,719
Rubber and miscellaneous plastics products, total	19,828	8,492	11,344	11,336
Leather and leather products, total	6,453	3,622	2,822	2,807
Stone, clay, glass, and concrete products, total	10,156	6,690	3,466	4,571

Footnotes at end of table.

Interest-Charge Domestic International Sales Corporations, 2008

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Table 3. Active Interest-Charge Domestic International Sales Corporation Returns: Assets, Receipts, Deductions, Income and Total Export Gross Receipts of IC-DISCs and Related U.S. Persons, by Major and Minor Product or Service Group, Tax Year 2008—Continued

[Money amounts in thousands of dollars]

Selected major product or service	Taxable income			
	Total	Selected independent computations of taxable income		
		Portion attributable to excess qualified export receipts	Adjusted IC-DISC income subject to deferral computation [3]	Current-year tax-deferred income
	(15)	(16)	(17)	(18)
Primary metal products, total	212,605	132,334	80,060	90,224
Iron and steel products	53,242	33,348	19,832	24,962
Nonferrous metal products	40,864	13,470	27,309	28,175
Other primary and secondary nonfabricated metal products	118,500	85,516	32,918	37,087
Fabricated metal products, total	197,190	92,175	104,655	118,895
Cutlery, hand tools, and general hardware	6,929	1,476	5,387	5,504
Heating apparatus (except electric) and plumbing fixtures	33,357	16,499	16,649	18,841
Fabricated structural metal products	35,288	21,262	14,018	24,197
Screw machine products and bolts, nuts, screws, rivets, and washers	648	0	648	648
Metal stampings	13,870	4,173	9,699	9,699
Coated and engraved metal products	970	0	970	970
Other fabricated metal products	106,129	48,765	57,285	59,038
Machinery, other than electrical, total	322,984	160,752	159,318	160,212
Engines and turbines	11,503	6,806	4,698	4,698
Farm machinery and equipment	21,771	12,260	9,218	9,076
Construction, mining, and materials handling machinery and equipment	46,326	27,161	18,577	18,529
Metalworking machinery and equipment	17,152	4,561	12,482	12,417
Special industry machinery (except metalworking machinery)	101,064	34,080	65,049	65,114
General industrial machinery and equipment	73,058	50,314	22,781	23,964
Service industry machinery	4,635	835	3,777	3,765
Other machinery (except electrical and electronic)	47,476	24,735	22,735	22,649
Electrical machinery, total	295,890	107,978	186,930	191,046
Electric power transmission and distribution equipment (including transformers, motors and generators)	27,584	11,846	15,612	15,467
Household appliances	9,811	4,853	4,958	7,820
Electric lighting and wiring equipment	14,404	3,091	11,312	11,233
Audio and video equipment (except communication types)	10,978	3,462	7,516	7,516
Communication equipment	2,933	649	2,284	2,284
Semiconductors, capacitors, resistors, and other electrical components	138,619	39,800	98,346	98,565
Computer and peripheral equipment	10,933	3,164	7,770	7,770
Other electrical and electronic machinery, equipment, and supplies	80,627	41,112	39,131	40,390
Transportation equipment, total	164,159	59,113	103,900	115,626
Motor vehicles and motor vehicle equipment	55,136	30,283	24,903	29,141
Aircraft and aircraft parts and equipment	52,639	d	39,892	39,924
Ships and nautical equipment	41,948	d	31,948	39,402
Other transportation equipment	14,435	d	7,159	7,159
Professional, scientific, and controlling instruments, total	143,043	69,940	72,106	73,810
Engineering, laboratory, and scientific and research instruments, and associated equipment	32,846	d	22,008	21,875
Instruments for measuring, controlling, and indicating physical characteristics	21,903	d	16,519	16,914
Surgical, medical, and dental instruments and supplies	81,719	52,208	28,744	28,409
Other professional, scientific, and controlling instruments	6,575	d	4,836	6,612
Miscellaneous manufactured products, total	94,436	49,023	45,545	45,511

Footnotes at end of table.

Interest-Charge Domestic International Sales Corporations, 2008

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Table 3. Active Interest-Charge Domestic International Sales Corporation Returns: Assets, Receipts, Deductions, Income and Total Export Gross Receipts of IC-DISCs and Related U.S. Persons, by Major and Minor Product or Service Group, Tax Year 2008—Continued

[Money amounts in thousands of dollars]

Major and minor product or service group	Total amount deemed distributed	Tax-deferred IC-DISC income reported to shareholders	Actual distributions to shareholders	Total export gross receipts
	(19)	(20)	(21)	(22)
Total, All industries	1,810,352	536,629	3,013,084	38,209,118
Nonmanufactured products and services, total	448,482	54,452	620,240	6,750,183
Grains, including soybeans	14,394	10,748	16,075	1,940,432
Vegetables and melons	4,508	10,081	6,279	154,552
Fruit and tree nuts	41,516	4,710	74,547	920,046
Greenhouse, nursery, and floriculture	5,316	1,476	12,079	52,694
Other crops (including sugar beets, peanuts, spices, hops, and vegetable seeds)	5,989	11,913	13,734	175,652
Livestock	1,105	3	1,922	55,930
Poultry and eggs	2,094	2,030	6,376	242,064
Fishery products and services (including shellfish)	95,835	3,793	127,112	1,010,451
Fur bearing animals and unfinished hides	2,341	692	4,706	542,417
Other animal products	0	0	569	14,939
Export management services	3,570	3,689	29,107	198,430
Computer software	226,458	4,051	241,266	852,888
Motion picture distribution	0	0	990	8,847
Engineering and architectural services	45,300	1,266	71,847	494,276
Other nonmanufactured products	57	-2	13,631	86,562
Manufactured products, total	1,361,870	482,177	2,392,845	31,458,936
Ordinance and accessories, total	445	0	1,577	18,270
Food and kindred products, total	126,757	27,676	222,893	4,347,728
Meat products	24,952	2,714	43,106	1,868,363
Dairy products	22,479	0	44,575	699,758
Fruits, vegetables and seafoods	29,471	825	50,047	531,668
Grain mill products	4,841	243	7,844	167,051
Confectionary and related products	1,424	17,928	6,224	65,887
Beverages	10,482	2,625	13,089	201,291
Other food and kindred products	33,107	3,341	58,112	814,760
Textile mill products, total	2,840	6,373	9,203	131,793
Apparel and other finished goods, total	777	806	4,095	63,529
Lumber and wood products (except furniture), total	23,546	15,062	40,749	673,855
Logs and log products	5,942	7,847	10,255	271,053
Lumber construction materials (including millwork, veneer, and plywood)	2,723	7,455	11,380	285,142
Other lumber and wood products	14,881	-241	19,113	117,660
Furniture and fixtures, total	8,026	1,454	15,506	273,267
Paper and allied products, total	44,902	-1,658	66,980	1,983,986
Printing, publishing, and allied products, total	21,831	507	27,723	211,819
Chemicals and allied products, total	475,935	85,493	566,593	5,576,456
Industrial inorganic and organic chemicals	d	39,991	35,040	614,786
Plastics materials, synthetic resins, synthetic rubber, and synthetic fibers	144,687	26,541	144,407	2,718,599
Drugs	19,973	1,310	d	315,838
Soap, detergents, and cleaning preparations, perfumes, cosmetics, and toiletries	296,994	10,884	321,680	1,586,402
Paints, varnishes, lacquers, enamels, and allied products	d	168	d	97,499
Agricultural chemicals	0	138	d	9,126
Other chemical and allied products	d	6,462	12,783	234,204
Petroleum refining and related products, total	390	159	18,984	238,974
Rubber and miscellaneous plastics products, total	8,502	4,730	18,082	301,256
Leather and leather products, total	3,646	2,653	10,015	63,336
Stone, clay, glass, and concrete products, total	5,585	170	6,008	205,599

Footnotes at end of table.

Interest-Charge Domestic International Sales Corporations, 2008

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Table 3. Active Interest-Charge Domestic International Sales Corporation Returns: Assets, Receipts, Deductions, Income and Total Export Gross Receipts of IC-DISCs and Related U.S. Persons, by Major and Minor Product or Service Group, Tax Year 2008—Continued

[Money amounts in thousands of dollars]

Major and minor product or service group	Total amount deemed distributed	Tax-deferred IC-DISC income reported to shareholders	Actual distributions to shareholders	Total export gross receipts
	(19)	(20)	(21)	(22)
Primary metal products, total	122,383	17,676	203,158	3,548,538
Iron and steel products	28,279	1,941	54,596	715,201
Nonferrous metal products	12,689	8,538	35,058	739,467
Other primary and secondary nonfabricated metal products	81,414	7,196	113,504	2,093,871
Fabricated metal products, total	78,364	31,241	192,126	2,539,567
Cutlery, hand tools, and general hardware	1,489	5,953	d	118,718
Heating apparatus (except electric) and plumbing fixtures	14,517	d	39,036	422,282
Fabricated structural metal products	11,093	3,926	29,429	288,542
Screw machine products and bolts, nuts, screws, rivets, and washers	0	d	d	7,512
Metal stampings	4,173	d	13,506	177,594
Coated and engraved metal products	0	0	d	28,623
Other fabricated metal products	47,091	12,935	101,901	1,496,297
Machinery, other than electrical, total	163,482	68,591	314,911	3,626,422
Engines and turbines	6,806	1,510	13,360	106,313
Farm machinery and equipment	12,696	10,126	21,409	226,801
Construction, mining, and materials handling machinery and equipment	27,893	15,089	43,913	677,238
Metalworking machinery and equipment	4,735	8,016	17,271	210,138
Special industry machinery (except metalworking machinery)	36,466	18,235	96,522	1,163,210
General industrial machinery and equipment	49,181	10,444	67,210	753,885
Service industry machinery	869	1,803	4,018	76,663
Other machinery (except electrical and electronic)	24,836	3,368	51,207	412,173
Electrical machinery, total	105,421	83,315	278,658	3,415,046
Electric power transmission and distribution equipment (including transformers, motors and generators)	12,117	11,604	29,429	356,521
Household appliances	1,991	24,466	8,657	166,093
Electric lighting and wiring equipment	3,171	9,028	15,921	228,784
Audio and video equipment (except communication types)	3,462	d	8,496	102,847
Communication equipment	649	d	3,111	41,562
Semiconductors, capacitors, resistors, and other electrical components	40,370	11,711	125,338	1,674,601
Computer and peripheral equipment	3,164	d	12,015	78,989
Other electrical and electronic machinery, equipment, and supplies	40,498	23,099	75,691	765,648
Transportation equipment, total	48,770	55,173	171,126	2,010,112
Motor vehicles and motor vehicle equipment	26,228	23,982	56,617	980,584
Aircraft and aircraft parts and equipment	d	29,534	50,085	526,483
Ships and nautical equipment	d	1,595	47,786	332,744
Other transportation equipment	d	61	16,637	170,301
Professional, scientific, and controlling instruments, total	71,012	68,431	138,471	1,172,902
Engineering, laboratory, and scientific and research instruments, and associated equipment	d	11,800	32,322	203,304
Instruments for measuring, controlling, and indicating physical characteristics	d	8,547	17,533	210,145
Surgical, medical, and dental instruments and supplies	53,397	46,108	82,858	697,753
Other professional, scientific, and controlling instruments	d	1,977	5,758	61,699
Miscellaneous manufactured products, total	49,256	14,322	85,988	1,056,481

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

[1] Includes items not shown separately.

[2] Excludes shareholder's equity accounts.

[3] Item restricted to non-negative amounts during table processing.

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

Corporate Foreign Tax Credit, 2007

by Scott Luttrell

Since the introduction of the modern income tax in 1913, U.S. taxpayers have been taxed on their worldwide incomes, regardless of the source. U.S. corporations may be taxed on their foreign-source incomes by both the foreign jurisdiction in which the income was earned and the United States, resulting in the double taxation of foreign-source income. The foreign tax credit was adopted by the United States to alleviate this problem.

Under foreign tax credit provisions, the United States taxes worldwide income but allows a credit against the U.S. tax liability on foreign-source income for the income taxes paid to foreign countries. Taxpayers also have the option of deducting foreign taxes from their foreign-source taxable incomes; however, most corporations will elect to take the foreign tax credit because it offsets U.S. taxes dollar-for-dollar.

The foreign tax credit, introduced in the Revenue Act of 1918, has been modified numerous times. Initially, the foreign tax credit provisions allowed taxpayers an unlimited credit against U.S. income taxes for any taxes paid to or accrued in a foreign country. Therefore, for cases in which foreign tax rates exceeded U.S. tax rates, corporations were able to credit foreign taxes against their total U.S. income tax liabilities. The loss of revenues that resulted from this practice led Congress to amend the foreign tax credit provisions in 1921. This legislation introduced the “overall limitation,” which restricted the foreign tax credit to an amount equivalent to the U.S. tax on all foreign-source taxable income. This was accomplished by limiting the foreign tax credit to the lesser of all creditable foreign taxes paid or an amount equal to the U.S. income tax multiplied by the ratio of foreign-source taxable income to worldwide taxable income. Though it has been fine-tuned over the years, the principle of “overall limitation” remains a vital part of the foreign tax credit to this day.

A “per-country” limitation, which required taxpayers to compute a foreign tax credit limitation on a country-by-country basis, was the next significant modification to foreign tax credit provisions. The intent was to constrain taxpayers from using taxes

derived from higher-tax foreign jurisdictions to offset U.S. taxes on incomes earned in lower-tax foreign countries. In various forms, the “per-country” limitation was a part of the foreign tax credit provisions from 1932 until 1976.

With the Revenue Act of 1962, taxpayers were required, for the first time, to calculate a separate limitation for a particular type of income. This legislation was designed to discourage corporations from shifting nonbusiness, lower-taxed income overseas. Typically, these investments generated additional foreign income with minimal tax, effectively increasing the limitation on the foreign tax credit. Segregation of this low-taxed nonbusiness income from other foreign income limited U.S. corporations from arranging foreign investments at the expense of U.S. tax revenue.

In the following years, Congress passed legislation requiring additional separate foreign tax credit limitation categories for various types of foreign income and for income from different industrial sectors. As recently as 2006, there were nine separate limitation categories. Each of the separate categories was intended to further discourage U.S. taxpayers from arranging their operations to maximize the foreign tax credit at the expense of paying taxes due on U.S.-source income.

Provisions of the American Jobs Creation Act of 2004, which took effect in 2007, reduced the number of categories. For 2007, taxpayers were required to compute a separate foreign tax credit limitation for each of the following statutory categories of foreign-source income or “baskets” (each of these is described separately in the Explanation of Selected Terms section of this article):

- ❑ Passive income
- ❑ Income from U.S.-sanctioned countries per Internal Revenue Code section 901(j)¹
- ❑ Income resourced by a bilateral income tax treaty
- ❑ All other income from outside the United States (commonly referred to as general limitation income).

The total foreign tax credit claimed is the sum of credits allowed in each separate limitation

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¹ A foreign tax credit is not allowed for foreign taxes paid to countries sanctioned by the U.S. government. Nevertheless, a foreign tax credit limitation is computed for each sanctioned country. These countries for Tax Year 2007 were Cuba, Iran, North Korea, Sudan, and Syria.

Figure A

U.S. Corporation Returns with a Foreign Tax Credit: Foreign-Source Taxable Income, Current-Year Foreign Taxes, and Carryover, by Selected Separate Limitation Category, Tax Years 2006 and 2007

[Money amounts are in thousands of dollars]

Selected separate limitation category	2006				2007			
	Foreign-source taxable income [1]	Current-year foreign taxes	Current-year foreign taxes as a percentage of foreign-source taxable income [2]	Carryover	Foreign-source taxable income	Current-year foreign taxes	Current-year foreign taxes as a percentage of foreign-source taxable income [3]	Carryover
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All separate limitation categories [4]	335,545,482	85,971,728	25.6	31,081,543	392,530,203	99,103,064	25.2	29,194,733
High withholding tax interest	793,288	198,820	25.1	32,249	0	0	[5]	0
Passive income	15,887,715	1,828,378	11.5	218,070	19,761,947	3,017,426	15.3	266,994
General limitation income	251,406,297	70,140,638	27.9	29,590,232	372,122,050	95,907,817	25.8	28,774,677
Financial services income	66,160,211	13,552,602	20.5	1,028,525	0	0	[5]	0
Shipping income	547,372	133,746	24.4	74,855	0	0	[5]	0
Section 901(j) income	45,930	131	0.3	320	36,300	618	1.7	406
Income resourced by treaty	386,589	117,382	30.4	137,253	609,906	177,202	29.1	152,657

[1] Before adjustments.

[2] Current-year foreign taxes (column 2) divided by foreign-source taxable income (column 1).

[3] Current-year foreign taxes (column 6) divided by foreign-source taxable income (column 5).

[4] Sum of detail does not equal total because only selected categories are shown.

[5] Percentage not calculated because these separate limitation categories were phased out for 2007.

category. In certain instances, the total foreign tax credit claimed was reduced for participation in, or for cooperation with, international boycotts unsanctioned by the U.S. Government.² Beginning with the Technical Amendments Act of 1958, Congress allowed for a carryover of “unused” foreign tax credits. In 2007, these provisions instructed that excess foreign taxes that could not be credited because of the current-year limitation could be carried back to the immediately preceding tax year (necessitating an amended return) or carried forward 10 years, subject to the current-year foreign tax credit limitation. As a result, the total foreign taxes for each separate limitation category for any given year include current-year foreign taxes plus taxes carried forward from previous years.³

Impacts of Changes to Separate Limitation Categories

Section 404 of the American Jobs Creation Act of 2004 eliminated several separate limitation categories

for foreign tax credit reporting purposes including: high withholding tax interest, financial services income, shipping income, dividends from a domestic international sales corporation (DISC) or former DISC, taxable income attributable to foreign trade income, and certain distributions from a foreign sales corporation (FSC) or former FSC. Income that was previously reported in any of those categories was considered for either the passive category income or general category income in 2007. The most significant change affected income formerly reported as financial services income. Most of the income reported as financial services income prior to 2007 was considered general category income for 2007.

Figure A shows foreign-source taxable income, current-year foreign taxes, current-year foreign taxes as a percentage of foreign-source taxable income, and carryover tax amounts for Tax Years 2006 and 2007, by separate limitation category. For 2006, the majority of foreign-source taxable income was reported in the general limitation income category

² According to Internal Revenue Code section 999, U.S. persons who participate or cooperate in international boycotts not sanctioned by U.S. law, regulation, or executive order are penalized under special boycott provisions. Under the boycott provisions, penalties include a reduction of foreign tax credits, an increase in taxable income for Controlled Foreign Corporations under subpart F, and the exclusion of extraterritorial income, as applicable. For more information, see Costa, Melissa, “International Boycott Reports, 2005 and 2006,” *Statistics of Income Bulletin*, Spring 2009.

³ Taxes carried back to 2007 returns from 2008 are not reflected in the data, as amended returns and refund claims are not included in the statistics.

Corporate Foreign Tax Credit, 2007

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Figure B

U.S. Corporation Returns with a Foreign Tax Credit: Income Subject to U.S. Tax, Foreign-Source Taxable Income, Current-Year Foreign Taxes, and Foreign Tax Credit, Tax Years 2003–2007

[Money amounts are in thousands of dollars]

Tax year	Number of U.S. corporation returns	Income subject to U.S. tax [1]	U.S. income tax before credits	Foreign-source taxable income [2]		Current-year foreign taxes		Foreign tax credit claimed	
				Amount	As a percentage of income subject to U.S. tax	Amount	As a percentage of foreign-source taxable income [3]	Amount	As a percentage of U.S. income tax before credits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
2003	5,409	424,500,012	149,244,042	205,129,663	48.3	51,637,430	25.2	49,963,270	33.5
2004	5,502	533,194,188	187,480,142	241,493,136	45.3	61,156,800	25.3	56,593,276	30.2
2005	5,837	792,789,034	278,171,235	401,907,604	50.7	111,609,398	27.8	84,210,634	30.3
2006	6,947	847,400,555	296,836,560	335,545,482	39.6	85,971,728	25.6	78,225,098	26.4
2007	6,675	833,922,862	292,285,845	392,530,203	47.1	99,103,064	25.2	86,524,475	29.6

[1] "Worldwide taxable income" is also used to describe "income subject to U.S. tax."

[2] Foreign-source taxable income shown is before adjustments, such as for allocations of current-year U.S.-source losses and recapture of foreign losses.

[3] The percentages shown in this column are not effective tax rates. An effective tax rate would contain a measure of economic income in the denominator and taxes on that income in the numerator. The percentages shown here are simply a tool used to determine what factors contributed to the relatively constant proportion of foreign tax credits to U.S. tax liability between 2003 and 2007.

NOTES: Detail may not add to totals because of rounding. All amounts are in current dollars.

(74.9 percent), followed by financial services income (19.7 percent), and passive income (4.7 percent). Figure A shows that most of the foreign source taxable income from baskets that were eliminated in 2007 flowed into the general limitation category, which increased in its share of the total, to 94.8 percent. The share of taxable income reported in the passive basket remained relatively stable, rising 0.3 percent to account for 5.0 percent of the total. Not surprisingly, current-year foreign taxes followed the same pattern, with most taxes formerly reported in the financial services category moving to the general limitation category. The share of the total foreign taxes categorized as general limitation rose from 81.6 percent in 2006 to 96.8 percent in 2007, while passive income accounted for 3.0 percent in 2007, up slightly from 2.1 percent in 2006.

Income formerly reported in the financial services income category tends to be taxed at levels in between the relatively low rates associated with passive income and the relatively high rates associated with general limitation income. This point is illustrated in Figure A which presents current-year foreign taxes as a percentage of foreign-source taxable income between 2006 and 2007. With the inclusion

of income formerly categorized as financial services income, general limitation current-year foreign taxes, as a percentage of its foreign-source taxable income, dropped from 27.9 percent in 2006 to 25.8 percent in 2007. Meanwhile, passive income's share of this measure rose to 15.3 percent, up from 11.5 percent in 2006.

Foreign Tax Credit and Related Components, 2003–2007

The 5 years from 2003 through 2007 were a period of solid economic growth for U.S. multinational firms, as reflected in several components of the foreign tax credit, shown in Figure B. Income subject to U.S. tax and U.S. income tax before credits increased by 96.4 percent and 95.8 percent, respectively, during this period. Foreign-source taxable income (less loss) rose by 91.4 percent from 2003 to 2007. Current-year foreign taxes increased by 91.9 percent and foreign tax credits claimed rose by 73.2 percent during this period. In order to understand why growth in foreign tax credits was lower than that of other measures, it is useful to consider the other factors included in the computation of foreign tax credits.

Corporate Foreign Tax Credit, 2007

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Current-year foreign taxes are the largest determinant of corporations' allowable foreign tax credit. The larger the amount of foreign taxes paid, the greater the foreign tax credit that can be claimed, subject to the effects of the limitation provisions. In addition to current-year foreign taxes, however, several additional factors affect the eventual foreign tax credit. In general, the total pool of foreign taxes available for credit is comprised of current-year foreign taxes, minus certain non-creditable current-year foreign taxes, plus carryover of creditable taxes from prior years.

Different categories of reductions in current-year foreign taxes are detailed separately on Form 1118, Schedule G, *Reduction of Taxes, Paid, Accrued, or Deemed Paid*. The most common reduction is re-

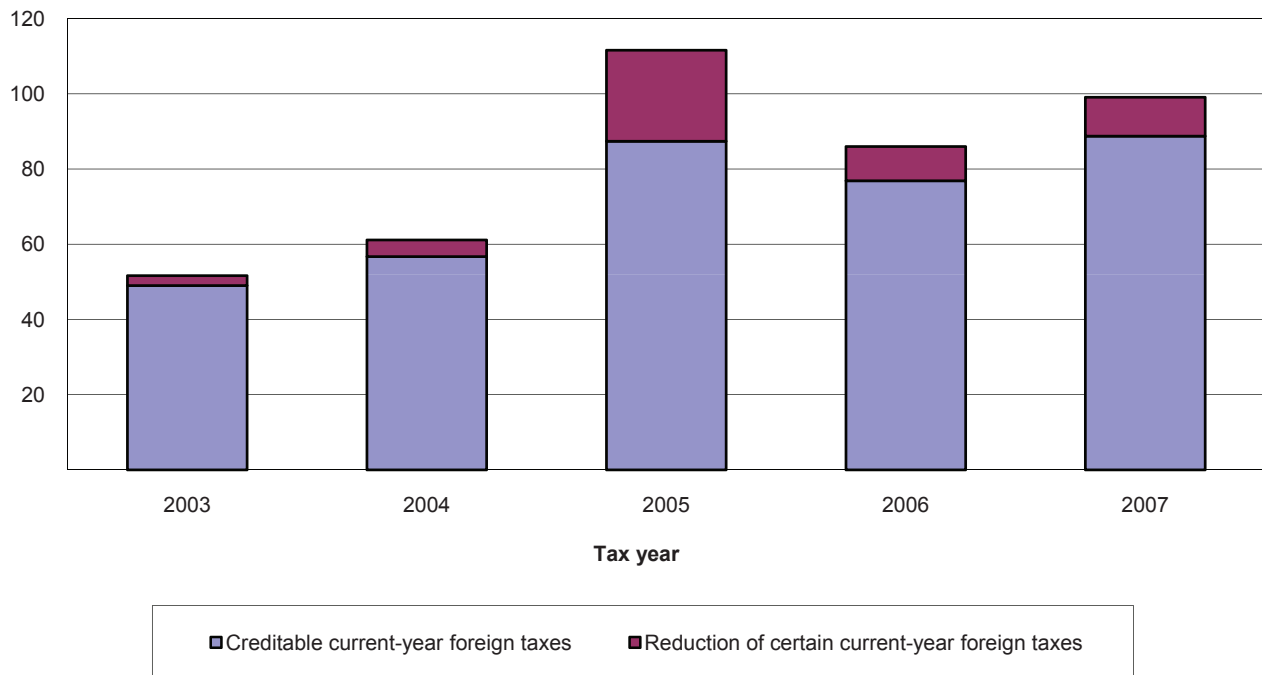
lated to taxes paid on oil and gas extraction under Internal Revenue Code section 907. Other categories of reductions of foreign taxes are reported far less frequently but include those associated with certain types of foreign mineral income, taxes specifically attributable to participation in or cooperation with an international boycott, as well as a "failure to file" penalty for certain information associated with controlled foreign corporations or controlled foreign partnerships.

Figure C provides an illustration of the past 5 years of current-year taxes, with the reduction amount shaded at the top of each bar. Taxpayers were required to reduce their pool of current-year foreign taxes available for credit by \$10.3 billion for Tax Year 2007. The reduction represents 10.4

Figure C

Reductions in Creditable Current-Year Foreign Taxes, Tax Years 2003–2007

Billions of dollars



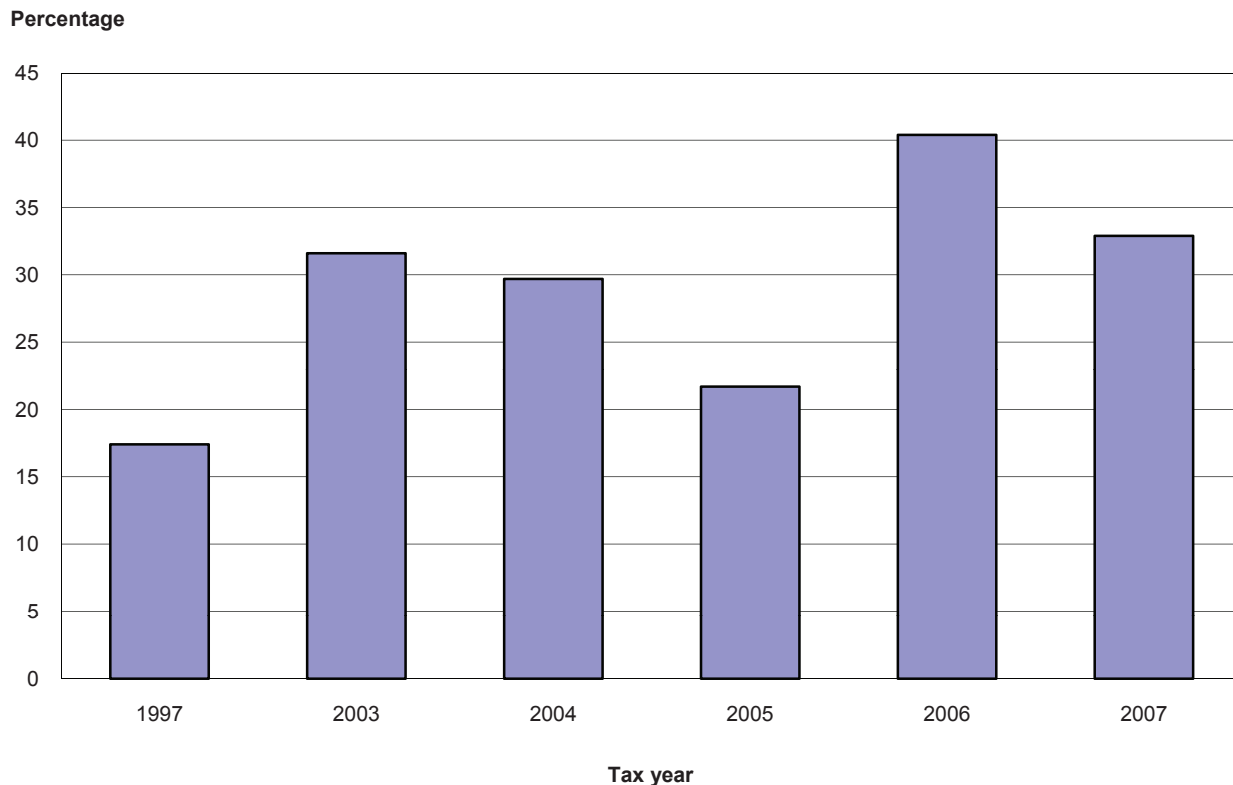
NOTE: All amounts are in current dollars.

Corporate Foreign Tax Credit, 2007

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Figure D

Carryover as a Percentage of Foreign Taxes Available for Credit, Selected Tax Years 1997–2007



percent of the current-year foreign tax amount and is consistent with the 10.5-percent reduction in 2006. The reduction amount for 2005 was higher than normal due to reductions related to the section 965 one-time dividend repatriation.⁴ Excluding 2005, the average reduction amount for the other 4 years presented in Figure B is 8.9 percent.

The final component of the foreign tax credit equation involves carryover of foreign tax credits from prior years. The foreign tax credit provisions allow corporations to carry forward unused foreign tax credits for a period of up to 10 years and carry back to the previous year.⁵ All statistics included in

the article and associated data tables show only taxes that have been carried over from prior years; carry-back taxes from future years are excluded. Corporations carried over \$29.2 billion of prior-year taxes for 2007, which was combined with the \$88.8 billion of creditable current-year foreign taxes.

Figure D shows carried-over taxes as a percentage of the total pool of taxes available for credit. The significance of carryover varied during the period from 2003 through 2007, although the general trend points toward the increasing importance of carryover in the most recent years compared with a decade ago. While the share of creditable foreign taxes ac-

⁴ See "The One-Time Received Dividend Deduction," *SOI Bulletin*, Spring 2008, by Melissa Redmiles.

⁵ In certain instances foreign taxes may not be creditable in the current tax year. The most common reasons are that the foreign tax rate on foreign-source income exceeds the U.S. tax rate or the taxpayer could have a foreign-source loss or an overall loss. The current-year taxes that cannot be used in the current year can be carried over or carried back subject to the applicable foreign tax credit provisions. For taxes paid or accrued prior to October 22, 2006, taxpayers were able to carryover up to five years and carry back up to 2 years.

counted for by carryover peaked in 2006 (40.4 percent), the 32.9-percent share reported in 2007 still represents a significant increase from 17.4 percent for 1997.

The petroleum and coal products manufacturing industry has typically accounted for the largest amounts of carryover taxes. This is because the types of income earned by corporations in this sector tend to be taxed at higher rates and, therefore, are more likely to be subject to the foreign tax credit limitation provisions. For 2007, petroleum and coal products had 45.1 percent of all carryover taxes, more than three and a half times that of the second leading industry in terms of carryover taxes.

A summary of the factors affecting the foreign tax credit calculation for Tax Years 1997 and 2003 through 2007 can be found in Figure E. Column 5 shows the total amount of creditable taxes, after reductions and including taxes carried over from previous years. The limitation provisions of the foreign tax credit are reflected in the difference between the creditable taxes in column 5 and the foreign tax credits actually claimed in column 6. For 2007, foreign tax credits claimed totaled 73.4 percent of total taxes available for credit.

Industry Composition

Figure F provides a summary of foreign income and taxes by U.S. corporations' industrial category, in-

cluding the number of returns, foreign-source taxable income, current-year foreign taxes, and foreign tax credit claimed. For 2007, as for past years, manufacturing corporations earned the most foreign-source taxable income, paid out the most current-year foreign taxes, and claimed the largest amount of foreign tax credit. Corporations classified as manufacturers received \$233.5 billion in foreign-source taxable income, 59.5 percent of the total. The \$61.0 billion paid in current-year foreign taxes by U.S. manufacturers accounted for 61.6 percent of the total. This allowed manufacturing corporations to account for 66.1 percent of the total foreign tax credit claimed for 2007.

The leading industrial sectors and groups in terms of percentage share of the total foreign tax credit were remarkably consistent during the 5 years between 2003 and 2007. The 26 corporations classified as petroleum and coal products manufacturers accounted for 32.7 percent of all foreign tax credits in 2007 (an average of \$1.1 billion per corporation). Petroleum and coal products manufacturers were consistently the leading group within the manufacturing industry, with a share of the foreign tax credit ranging from a low of 26.9 percent in 2003 to a high of 34.0 in 2006. Services corporations comprised the second largest percentage of the total foreign tax credit during 4 of the 5 years detailed in Figure F, although their share declined from a high of 11.2 per-

Figure E

U.S. Corporation Returns with a Foreign Tax Credit: The Significance of Current-Year Foreign Taxes, Current-Year Reduction in Taxes, Carryover Taxes, and the Limitation Provisions of the Foreign Tax Credit, Selected Tax Years 1997–2007

[Money amounts are in millions of dollars]

Tax year	Current-year foreign taxes	Reduction of certain current-year foreign taxes	Creditable current-year foreign taxes [1]	Carryover of foreign taxes from prior years	Total taxes available for credit [2]	Foreign tax credit	
						Amount claimed	As a percentage of taxes available for credit
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1997	45,080	2,516	42,564	7,416	49,979	42,223	84.5
2003	51,637	2,608	49,029	15,475	64,505	49,963	77.5
2004	61,157	4,450	56,707	16,854	73,561	56,593	76.9
2005	111,616	24,233	87,383	24,239	111,622	84,211	75.4
2006	85,972	9,069	76,903	31,081	107,984	78,225	72.4
2007	99,103	10,338	88,765	29,195	117,960	86,524	73.4

[1] Current-year foreign taxes (column 1) minus reduction of certain current-year foreign taxes (column 2).

[2] Creditable current-year foreign taxes (column 3) plus carryforward foreign taxes from prior years (column 4).

NOTE: All amounts are in current dollars.

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Figure F

U.S. Corporation Returns with a Foreign Tax Credit: Foreign-Source Taxable Income, Current-Year Foreign Taxes, and Foreign Tax Credit, by Selected Industrial Sector or Group, Tax Year 2007, and Selected Sector or Group Shares of Total Foreign Tax Credit, Tax Years 2003–2007

[Money amounts are in thousands of dollars]

Selected sector or group	2007				Percentage of total foreign tax credit claimed				
	Number of returns	Foreign-source taxable income [1]	Current-year foreign taxes	Foreign tax credit claimed	2007	2006	2005	2004	2003
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All industries	6,675	392,530,203	99,103,064	86,524,475	100.0	100.0	100.0	100.0	100.0
Agriculture, forestry, fishing, and hunting	142	73,289	17,290	19,024	0.0	0.0	0.0	0.0	0.1
Mining	207	21,776,497	7,242,047	6,877,958	7.9	5.3	5.3	2.5	2.5
Utilities	19	1,100,768	268,388	251,532	0.3	0.2	0.1	0.1	0.1
Construction	332	991,637	158,326	183,365	0.2	0.1	0.1	0.0	0.0
Manufacturing	1,323	233,544,418	61,037,977	57,177,920	66.1	63.9	69.1	65.6	66.2
Beverage and tobacco products	20	14,410,607	4,011,268	4,025,261	4.7	1.3	1.5	1.5	2.3
Petroleum and coal products manufacturing	26	83,333,957	32,874,893	28,272,568	32.7	34.0	29.4	33.2	26.9
Chemical manufacturing	254	37,348,175	7,377,872	7,487,160	8.7	7.1	14.4	9.5	15.5
Pharmaceutical and medicine manufacturing	41	21,176,648	3,310,618	3,309,124	3.8	3.0	7.9	6.1	9.7
Computer and electronic product manufacturing	179	32,646,854	2,931,528	3,771,006	4.4	5.1	5.9	4.6	5.8
Transportation equipment manufacturing	79	18,299,478	2,622,676	2,337,762	2.7	1.7	3.8	2.0	3.1
Wholesale and retail trade	875	11,581,816	2,609,929	2,573,273	3.0	5.3	3.9	5.3	3.7
Transportation and warehousing	91	3,396,043	481,716	509,037	0.6	0.6	0.4	0.3	0.4
Information	251	24,251,976	3,718,362	3,738,560	4.3	4.3	3.4	4.9	4.7
Finance, insurance, real estate, and rental and leasing	1,472	50,058,344	10,037,509	7,085,627	8.2	10.7	7.9	10.2	11.1
Securities, commodity contracts, etc.	306	20,899,866	4,552,172	2,375,743	2.7	4.5	3.0	2.9	3.2
Insurance and related activities	375	25,342,034	4,358,561	3,753,557	4.3	5.0	3.9	5.8	6.5
Services	1,963	45,755,415	13,531,520	8,108,177	9.4	9.5	9.7	11.0	11.2
Professional, scientific, and technical services	699	4,991,801	1,168,043	1,151,804	1.3	0.8	0.5	0.8	0.9
Management of holding companies	757	34,575,048	10,647,955	5,279,377	6.1	7.2	7.8	8.4	8.8

[1] Before adjustments.

NOTE: Detail may not add to the total for "All industries" because of rounding.

cent in 2003 to a low of 9.4 percent in 2007. Corporations classified in the finance, insurance, real estate, and rental and leasing section had the third largest share of the total foreign tax credit in 2003 through 2005, and again in 2007. The fourth largest share of the foreign tax credit in 2007 belonged to the mining sector. Mining corporations were noteworthy for a consistently rising share of the foreign tax credit, increasing from 2.5 percent in 2003 to 7.9 percent in 2007.

Geographic Focus

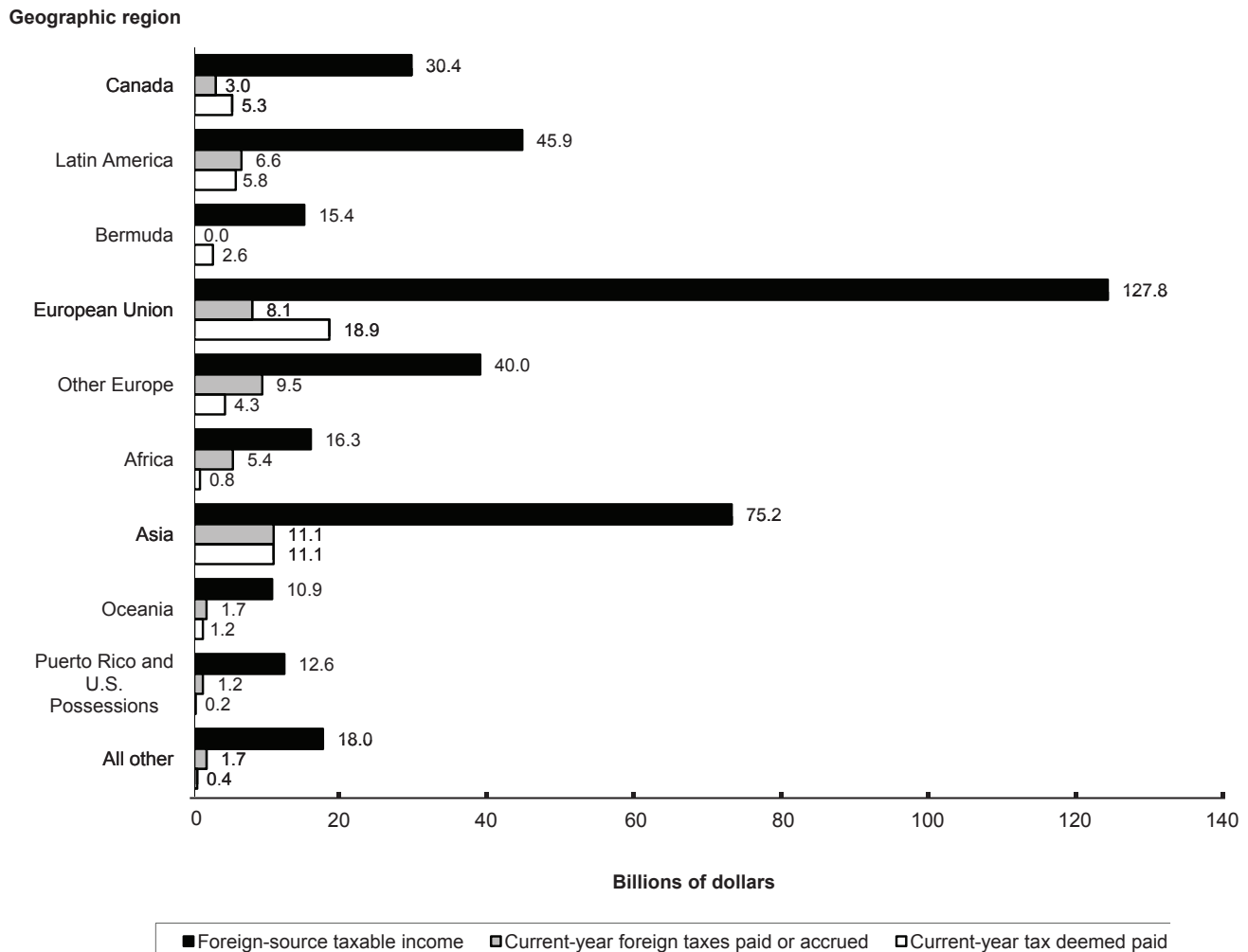
Tax Year 2007 continued the longstanding trend of European nations accounting for large shares of key economic measures reported by corporations claiming a foreign tax credit. Figure G shows foreign-

source taxable income, current-year foreign taxes paid or accrued, and current-year tax deemed paid, by geographic region and select countries. Of the \$392.5 billion in foreign-source taxable income, 51.5 percent was from Europe, and, of the \$99.1 billion in current-year foreign taxes, 41.2 percent was paid to European countries. The 27 nations that comprise the European Union accounted for 32.6 percent of foreign-source taxable income and 27.3 percent of current-year foreign taxes.

Among geographic regions shown in Figure G, Asia and Latin America were second and third, respectively, with regards to economic measures related to the foreign tax credit in 2007. Foreign-source taxable income of \$75.2 billion was earned in Asia, which was 19.2 percent of the total; \$22.2 bil-

Figure G

U.S. Corporation Returns With Foreign Tax Credit: Foreign-Source Taxable Income, Taxes Paid, and Taxes Deemed Paid by Geographic Region, Tax Year 2007



lion or 22.4 percent of current-year foreign taxes paid or accrued were paid to Asian nations. Latin American countries accounted for \$45.9 billion or 11.7 percent of foreign-source taxable income and \$12.4 billion or 12.5 percent of current-year foreign taxes.

Figure H shows the percentage of foreign-source taxable income for the five countries with the largest shares of income. Corporations in the United Kingdom, Canada, Japan, the Netherlands, and Ireland

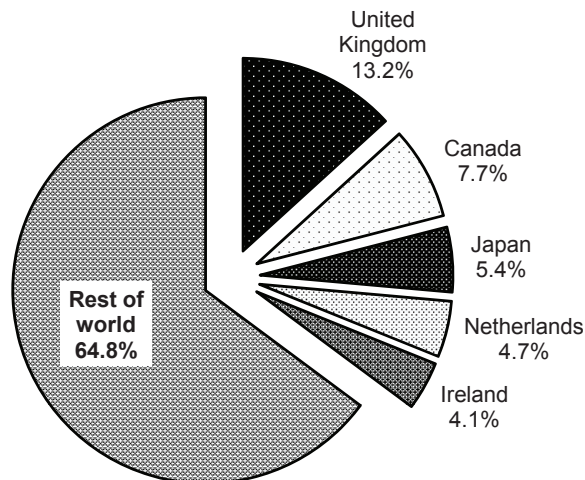
combined to account for 35.2 percent of foreign-source taxable income in 2007. Although much of the foreign income earned by corporations claiming a foreign tax credit is attributed to these five countries, the degree to which income is concentrated among leading countries is not as pronounced as it has been in past years. For example, as recently as 1997, the top five countries with respect to foreign-source taxable income combined to make up 44.4 percent of the total.

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Figure H

U.S. Corporation Returns with a Foreign Tax Credit: Percentage of Foreign-Source Taxable Income, by Selected Country, Tax Year 2007



Oil and Gas Extraction Income

U.S. taxpayers claiming a foreign tax credit related to foreign oil and gas extraction income (FOGEI) are required to identify and report foreign-source oil and gas extraction income, deductions, and taxes separately from all other foreign-source income on Form 1118, Schedule I, *Reduction of Foreign Oil and Gas Taxes*. Separate rules related to oil and gas extraction income, under section 907 of the Internal Revenue Code, affect the amount of foreign taxes available for corporations to credit. These provisions ban certain foreign levies from being credited and require another limitation calculation specific to foreign oil and gas extraction income. Foreign taxes paid, accrued, or deemed paid at a rate in excess of the statutory U.S. tax rate must be excluded from the foreign tax credit calculation. Foreign levies can also be excluded if they were not, in effect, income taxes, but rather royalty payments. Only income taxes, as defined by U.S. tax principles, are creditable under the foreign tax credit provisions. Voluntary payments in lieu of taxes and payments for a specific right (such as the right to extract a natural resource) or services are examples of payments that are not eligible for a foreign tax credit.

Figure I shows gross income from foreign oil and gas extraction by both selected industrial sectors and selected countries for 2007. As in past years, manufacturers of petroleum and coal products continued to account for the majority of FOGEI, with 86.9 percent. Mining corporations were second, with 12.2 percent, while all other industries combined for less than 1 percent.

Figure I also lists the countries in which corporations generated the largest amounts of gross income associated with foreign oil and gas extraction for 2007. As demonstrated in Figure I, foreign oil and gas extraction income earned in 2007 was dispersed among several countries with Norway (15.5 percent) as the only country accounting for more than 10 percent of the total. Corporations in Nigeria (10.0), the United Kingdom (9.1), Canada (7.3), Kazakhstan (6.6), and Bermuda (6.6) were the only

Figure I

U.S. Corporation Returns with a Foreign Tax Credit: Foreign Oil and Gas Extraction Gross Income, by Selected Industry and Country, Tax Year 2007

[Money amounts are in millions of dollars]

Selected industry, country	Gross income (less loss)	Percentage of total
Selected industry:		
All industries	76,339	100.0
Mining	9,320	12.2
Petroleum and coal products manufacturing	66,367	86.9
All other industries	652	0.9
Selected country:		
All countries	76,339	100.0
Norway	11,849	15.5
Nigeria	7,610	10.0
United Kingdom	6,922	9.1
Canada	5,608	7.3
Kazakhstan	5,070	6.6
Bermuda	5,051	6.6
Qatar	3,680	4.8
Australia	2,519	3.3
Equatorial Guinea	2,285	3.0
Portugal	2,118	2.8
Denmark	2,111	2.8
Saudi Arabia	2,054	2.7
Malaysia	2,018	2.6
All other countries [1]	19,963	26.2

[1] Includes U.S. Possessions.

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

other countries that accounted for at least 5 percent of total foreign oil and gas extraction income. In many instances, FOGEI is earned by foreign corporations controlled by the U.S. corporation claiming the foreign tax credit. Therefore, the source country reported for FOGEI may be the country of incorporation of the foreign company, not necessarily the same country where the income was generated.

Summary

For 2007, 6,675 corporations claimed a total foreign tax credit of \$86.5 billion against their U.S. income tax liability. These corporations reported income subject to U.S. tax of \$833.9 billion, including \$392.5 billion in foreign-source income on which they paid current-year foreign taxes of \$99.1 billion. Foreign tax credits plus other credits enabled these corporations to reduce their U.S. income tax from \$292.3 billion to \$192.8 billion.

As in past years, corporations classified as manufacturers earned the most foreign-source taxable income, paid the most current-year foreign taxes, and claimed the largest amount of foreign tax credit in 2007. Within the manufacturing category, corporations classified as petroleum and coal products manufacturers accounted for nearly one-third of the total foreign tax credit. Services corporations had the second largest percentage of the total foreign tax credit during 2007, followed by the finance, insurance, real estate, and rental and leasing sector.

Among geographic regions, countries located in Europe tallied the largest shares of foreign-source taxable income, current-year foreign taxes paid or accrued, and current-year tax deemed paid. For corporations claiming foreign tax credits in 2007, those in the United Kingdom had the largest amounts of income and taxes among specific countries. Corporations in the U.K., along with Japan, Canada, the Netherlands, and Ireland, combined to account for more than 35 percent of foreign-source taxable income.

Data Sources and Limitations

Internal Revenue Code section 901 specifies the provisions for the foreign tax credit. Corporations report the foreign income and taxes related to the credit on Form 1118, *Computation of Foreign Tax Credit—Corporations*, and attach it to their corpo-

rate tax returns. The statistics in this data release are based on information reported on Form 1118 and related corporate tax forms for those corporation income tax returns with a foreign tax credit that were included in the 2007 Statistics of Income sample of returns filed for corporations with accounting periods ending between July 2007 and June 2008. These returns were selected after administrative processing but prior to any amendments or audit examination. The 2007 corporation income tax return sample included Forms 1120, 1120-F, 1120-L, 1120-PC, and 1120-REIT. The statistics in this data release do not include any foreign tax credit data filed specifically for the computation of the alternative minimum tax (AMT), even if the corporation reported both the regular and AMT foreign tax credits.

There are small discrepancies between the more complete foreign tax credit data presented in this data release and those published in *Statistics of Income—2007, Corporation Income Tax Returns*. Some of the differences can be attributed to returns selected for the Statistics of Income sample that were received too late to be included in the corporation income tax statistics. Also, this report incorporates additional data specifically requested for the foreign tax credit statistics from some corporations that submitted preliminary data on their original returns because they lacked complete information on their foreign operations at the time of filing.

Foreign income and taxes available for credit are understated to the extent that they were not reported on the Form 1118 filed with the Form 1120. Because amended returns are not included in this report, these statistics do not contain foreign taxes carried back from subsequent tax years. Likewise, corporations that could not claim a foreign tax credit because they did not have a U.S. tax liability are not included. Finally, some corporations may have deducted their foreign taxes from gross income rather than claim a foreign tax credit.

Because these estimates are based on a sample, they are subject to sampling error. Coefficients of variation (CVs) are used to measure the magnitude of this sampling error. The CV concept is defined in the section on sampling variability in the SOI Sampling Methodology and Data Limitations section of this publication and can be found at www.irs.gov/tax-stats. Figure J presents CVs for foreign tax credits

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Figure J

Coefficients of Variation for Foreign Tax Credit, by Selected Sector or Group, Tax Year 2007

Selected sector or group	Coefficients of variation for foreign tax credit (percentages)
All industries	0.02
Agriculture, forestry, fishing, and hunting	2.38
Mining	0.08
Utilities	0.08
Construction	0.17
Manufacturing	0.01
Food manufacturing	0.05
Beverage and tobacco products	[1]
Petroleum and coal products manufacturing	[1]
Chemical manufacturing	0.04
Pharmaceutical and medicine manufacturing	0.01
Machinery manufacturing	0.07
Computer and electronic product manufacturing	0.06
Electrical equipment, appliance & component manufacturing	0.09
Transportation equipment manufacturing	0.01
Wholesale and retail trade	0.17
Transportation and warehousing	0.17
Information	0.12
Publishing (except internet), motion picture & sound recording	0.08
Finance, insurance, real estate, and rental and leasing	0.08
Finance and insurance	0.06
Securities, commodity contracts, etc.	0.18
Insurance and related activities	0.03
Services	0.13
Management of holding companies	0.12

[1] Less than 0.005 percent.

by selected North American Industry Classification System (NAICS) divisions and industrial sectors. The smaller the CV, the more reliable the estimate is judged to be.

Description of Tables 1–3

Table 1, columns 2 through 14, presents statistics on assets, receipts, income, and taxes reported on the basic corporation income tax returns for those corporations that claimed a foreign tax credit. Columns 15 through 53 present statistics from Form 1118, *Foreign Tax Credit Corporations*. Columns 15 through 34 present statistics on foreign income (i.e., income from sources outside the United States, including

U.S. possessions) and deductions, reported primarily on Form 1118, Schedule A, *Income or Loss Before Adjustments*.

Although the amounts of oil and gas income and deductions (columns 22 and 35, respectively) are included in the summary columns (i.e., columns 15 through 21 and 24 through 33), these amounts are also reported separately on Form 1118 (Schedule I, *Reduction of Oil and Gas Extraction Taxes*), because they are subject to special rules under Internal Revenue Code section 907, which effectively requires a separate limitation calculation for taxes related to oil and gas extraction income. Foreign branch income (column 23) is also contained in the summary columns but reported separately on Form 1118 (Schedule F, *Gross Income and Definitely Allocable Deductions for Foreign Branches*).

Table 2 includes foreign income, deductions, and taxes paid, accrued, or deemed paid from Form 1118, by selected geographic region and country.

Explanation of Selected Terms

Adjustments to taxable income—Foreign-source taxable income is adjusted, when applicable, by the allocation of current-year foreign losses, recharacterization of income due to prior-year loss allocations, adjustments related to overall foreign losses, including recapture of prior overall foreign losses, and allocations of current-year U.S. losses. See Table 1, column 37.

Carryover of foreign taxes—Corporations with tax years beginning prior to October 22, 2006, were able to carry taxes paid in excess of the limitation back up to 2 years and forward up to 5 years. The American Jobs Creation Act of 2004 extended the carryover period to 10 years and reduced the carryback period to 1 year. The 2007 statistics in this article include only foreign taxes carried forward from prior years.

Controlled foreign corporations (CFCs)—As defined in the Internal Revenue Code section 957(a), any foreign corporation in which U.S. shareholders own directly, indirectly, or constructively more than 50 percent of either the total combined voting power or total value of all stock on any day of the taxable year of the corporation.

Deemed dividends—Certain types of income earned by controlled foreign corporations (CFCs) are recognized under Subpart F of the Internal Revenue

Service Code as current-year income of the U.S. corporation, even if no income is actually received from the CFC in the current tax year. In such cases, the U.S. corporation is deemed to have received a pro-rata share of this income and is required to report it as a “deemed dividend” on Form 1118, Schedule A. See Internal Revenue Code section 951(a) for a more detailed description of income reported as deemed dividends.

Dividend gross-up—U.S. corporations that satisfy ownership and other requirements are permitted to take an indirect foreign tax credit for taxes paid on profits from which dividends were distributed. Under Internal Revenue Code section 78, these taxes are “deemed paid” by U.S. corporations under Internal Revenue Code sections 902 and 960(a). Consequently, the dividend income is “grossed-up” by the amount of taxes deemed paid on the income from which the dividend was paid.

Financial services income—This separate limitation income applies to certain income from financial services activities. It includes all income, including “passive income” (see below), that is generated from banking, insurance, financing, or similar activities, and from certain types of insurance investments. Financial services income includes “high withholding tax interest” (see below) and certain types of export financing interest. This category was phased out beginning with Tax Year 2007.

Foreign sales corporation (FSC)—A company incorporated abroad and usually controlled by a U.S. person. A portion of the FSC’s “foreign trade income” is exempt from U.S. taxation. Congress repealed FSC provisions in 1999. Transition rules exempting transactions that were part of a binding contract with a FSC before September 17, 2003, were repealed in May 2006.

Foreign-source taxable income—Foreign-source taxable income is equal to gross income (less loss) less deductions from sources outside the United States, including U.S. possessions, and is included in the taxable income of U.S. corporations.

General limitation income—This separate limitation category, or basket, comprises foreign income not included in any other separate limitation category.

High withholding tax interest—This separate limitation category includes interest income subject to withholding tax of 5 percent or more, with the

exception of interest received from the financing of certain export activities. This category was phased out beginning with Tax Year 2007.

Income resourced by bilateral tax treaty—This separate limitation category includes certain U.S.-source income that has been subject to tax in another country pursuant to a bilateral income tax treaty. In order to appropriately relieve double taxation, these items of income are reclassified by a treaty provision as arising from foreign sources. A separate foreign tax credit limitation must be computed for each amount resourced by a tax treaty.

Interest charge domestic international sales corporation (IC-DISC)—A corporation whose “qualified export receipts” constitute at least 95 percent of its gross receipts and which can classify at least 95 percent of its assets as “qualified export assets” can claim IC-DISC status. A small portion of the IC-DISC’s income is deemed distributed to the shareholder. The rest is not subject to U.S. taxation until it is actually distributed, although interest on the tax must be paid annually. This category was phased out beginning with Tax Year 2007.

Passive income—This separate limitation category includes dividends, interest, rents, royalties, annuities, and net capital gains, as well as commodity transactions not connected with the active conduct of a trade or business. Passive income subject to a foreign tax credit rate that exceeds the highest applicable U.S. tax rate is excluded from this separate limitation category and included in the general limitation category.

Section 901(j) income—This separate limitation category includes income and taxes paid to countries sanctioned by the United States. Internal Revenue Code 901(j) denies credit for taxes paid or accrued to these countries. For 2007, countries subject to these restrictions were Cuba, Iran, North Korea, Sudan, and Syria. Income and deductions from section 901(j) countries are reported on Form 1118, even though these taxes are not creditable. A separate limitation credit is computed for informational purposes and is not included in the foreign tax credit of the corporation.

Shipping income—This separate limitation category applies to certain income from shipping related activities. It includes the following: (1) all income from the use (or leasing for use) of a vessel or aircraft in foreign commerce, (2) income from services

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directly related to the use of a vessel or aircraft, (3) gains on the sale or exchange of a vessel or aircraft used in the performance of such services, and (4) income generated from other space and oceanic activities not included elsewhere. This category was phased out beginning with Tax Year 2007.

Specifically allocable income—Internal Revenue Code section 863 provides special rules for determining taxable income from sources outside the United States with respect to gross income derived partly from within and partly from outside the United States.

Tax deemed paid—See “dividend gross-up.”

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Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes Reported on Form 1118, by Major and Selected Minor Industry

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

Major and selected minor industry of U.S. corporation filing return	Number of returns	Total assets	Total receipts	Dividends received from foreign corporations	Dividends received from IC-DISC's or former DISC's [1]	Includable income of controlled foreign corporations
	(1)	(2)	(3)	(4)	(5)	(6)
All industries	6,675	36,374,529,054	10,336,735,760	75,302,116	8,903	65,167,200
Agriculture, forestry, fishing, and hunting	142	6,064,641	2,130,793	3,159	0	6,858
Mining	207	264,220,938	157,880,570	6,313,863	0	1,159,501
Oil and gas extraction, coal mining	62	85,703,138	68,119,869	3,107,307	0	767,813
Metal ore mining	15	93,949,503	36,606,382	1,734,045	0	207,208
Nonmetallic minerals	*7	*14,190,679	*6,852,193	*42,080	*0	*2,387
Support activities for mining	123	70,377,618	46,302,126	1,430,432	0	182,093
Utilities	19	124,126,343	93,692,878	439,390	0	252,025
Construction	332	56,222,448	78,224,015	508,434	9	272,309
Construction of buildings	76	20,258,980	42,413,947	242,026	0	6,008
Heavy and civil engineering construction	86	23,553,780	21,737,936	220,449	0	184,505
Special trade contractors	169	12,409,688	14,072,132	45,960	9	81,795
Manufacturing	1,323	6,693,832,668	4,461,642,326	46,581,703	4,972	42,631,550
Food manufacturing	73	167,510,831	167,001,293	2,708,383	37	1,098,937
Beverage and tobacco products	20	156,115,236	122,113,829	4,884,072	0	1,537,590
Tobacco manufacturing	*6	*61,583,899	*52,085,056	*3,428,022	*0	*1,088,124
Textile mills and textile product mills	*4	*1,432,941	*1,391,641	*1,473	*0	*5,656
Apparel manufacturing	14	17,916,914	21,360,740	150,965	0	120,488
Leather and allied product manufacturing	*7	*2,102,522	*2,490,126	*4,010	*0	*7,344
Wood product manufacturing	*6	*3,021,769	*5,196,796	*16,121	*0	*0
Paper manufacturing	39	112,333,192	63,663,211	1,076,034	548	505,563
Printing and related support activities	21	8,436,058	4,119,423	66,714	0	37,893
Petroleum and coal products manufacturing	26	1,755,203,567	1,565,493,914	14,407,503	0	11,277,844
Chemical manufacturing	254	1,260,421,869	595,773,362	6,940,032	0	6,368,426
Pharmaceutical and medicine manufacturing	41	702,385,634	288,585,232	1,636,274	0	3,469,244
Other chemical manufacturing	213	558,036,235	307,188,130	5,303,758	0	2,899,181
Plastics and rubber products manufacturing	42	30,395,818	31,453,374	843,277	0	251,671
Nonmetallic mineral product manufacturing	36	29,291,562	22,042,805	1,410,906	0	250,051
Primary metal manufacturing	51	167,805,892	92,606,315	2,017,516	0	427,324
Fabricated metal products	84	240,960,533	72,759,647	393,000	2,706	362,178
Machinery manufacturing	206	303,141,849	226,794,861	1,285,358	195	2,673,601
Computer and electronic product manufacturing	179	530,428,541	392,850,260	2,750,329	0	5,747,479
Electrical equipment, appliance and component manufacturing	70	838,726,334	285,756,865	2,287,527	102	8,708,361
Transportation equipment manufacturing	79	873,114,067	654,866,591	4,444,458	0	2,029,874
Motor vehicles and related manufacturing	50	572,529,961	373,110,482	4,102,873	0	1,689,428
Other transportation equipment manufacturing	29	300,584,106	281,756,110	341,586	0	340,447
Furniture and related products	11	11,524,351	14,402,850	67,432	0	12,907
Miscellaneous manufacturing and manufacturing not allocable	102	183,948,823	119,504,424	826,596	1,384	1,208,362
Wholesale and retail trade	875	1,375,592,359	1,757,466,536	2,398,761	3,922	2,545,415
Wholesale trade	528	758,941,789	830,531,251	1,554,945	3,922	1,284,951
Durable goods	313	120,680,096	207,140,270	286,107	3,922	328,297
Machinery, equipment, and supplies	121	12,330,565	14,596,039	41,172	3,922	13,335
Other miscellaneous durable goods	192	108,349,531	192,544,231	244,935	0	314,962
Nondurable goods	215	638,261,693	623,390,982	1,268,837	0	956,654
Drugs, chemicals, and allied products	51	122,880,332	298,685,511	215,395	0	256,763
Groceries and related products	14	381,220,353	111,641,893	460,650	0	107,789
Petroleum and petroleum products	25	48,968,086	119,950,613	129,721	0	9,500
Other miscellaneous nondurable goods	125	85,192,923	93,112,965	463,072	0	582,602

Footnotes at end of table.

Corporate Foreign Tax Credit, 2007

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Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes Reported on Form 1118, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Number of returns	Total assets	Total receipts	Dividends received from foreign corporations	Dividends received from IC-DISC's or former DISC's [1]	Includable income of controlled foreign corporations
	(1)	(2)	(3)	(4)	(5)	(6)
Wholesale and retail trade—continued						
Retail trade	348	616,650,570	926,935,284	843,816	0	1,260,464
Motor vehicle, parts dealers, and gas stations	50	12,290,604	37,038,268	410	0	2,860
Furniture and home furnishings stores	*3	*5,963,847	*11,203,588	*27,508	*0	*3,002
Building materials, garden equipment, and supplies	82	96,612,929	73,563,890	37	0	147,824
Food and beverages stores	21	20,920,048	58,835,583	1,059	0	953
Apparel and accessory stores	49	44,087,214	77,625,119	279,682	0	360,967
General merchandise stores	55	277,720,096	504,868,503	230,224	0	360,993
Miscellaneous retail trade	87	159,055,833	163,800,333	304,896	0	383,865
Transportation and warehousing	91	194,973,704	185,847,285	540,800	0	85,853
Air, rail, and water transportation	20	103,033,439	47,841,431	31,557	0	40,554
Water transportation	*8	*11,964,245	*8,525,878	*3,747	*0	*10,755
Air and rail transportation	12	91,069,194	39,315,553	27,810	0	29,799
Other transportation and warehousing	71	91,940,264	138,005,854	509,243	0	45,299
Information	251	1,391,079,795	580,678,453	2,296,407	0	2,535,594
Publishing (except internet), motion picture, and sound recording	147	342,997,507	174,382,158	970,601	0	1,644,552
Broadcasting, internet publishing	47	161,066,190	83,979,492	102,696	0	72,689
Telecommunications	37	780,993,240	279,042,018	772,975	0	264,144
Internet service providers, web search portals, and data processing services	*6	*79,435,958	*25,393,912	*368,016	*0	*409,428
Other information services	13	26,586,901	17,880,874	82,119	0	144,780
Finance, insurance, real estate, and rental and leasing	1,472	12,803,624,258	1,874,851,846	5,449,871	0	11,236,899
Finance and insurance	781	12,767,341,507	1,862,547,905	5,436,452	0	11,235,743
Commercial banking and other depository credit agencies	22	38,481,026	5,054,692	150	0	657
Commercial banking	*6	*8,890,715	*3,224,398	*0	*0	*0
Depository credit agencies other than banks	16	29,590,311	1,830,294	150	0	657
Nondepository credit intermediation	50	417,725,469	71,541,969	581,177	0	534,488
Securities, commodity contracts, and other	306	6,104,004,155	413,728,100	2,030,626	0	6,384,922
Insurance and related activities	375	6,175,510,241	1,369,852,125	2,824,089	0	4,314,490
Insurance agencies and brokerages	41	65,184,370	19,109,158	371,339	0	202,306
Funds, trusts, and other financial vehicles	27	31,620,616	2,371,019	412	0	1,185
Real estate and rental and leasing	691	36,282,751	12,303,941	13,419	0	1,156
Real estate	571	6,974,397	2,617,453	5,755	0	304
Rentals and leasing	121	29,308,354	9,686,488	7,663	0	852
Services	1,963	13,464,791,900	1,144,321,058	10,769,729	0	4,441,198
Professional, scientific, and technical services	699	191,618,281	142,499,108	1,553,454	0	685,843
Management of holding companies	757	12,997,843,807	820,979,538	7,710,564	0	2,482,670
Administrative and support and waste management and remediation	332	46,983,253	48,244,392	362,972	0	224,498
Education services, health care, and social assistance	42	20,503,011	19,271,619	58,926	0	4,485
Arts, entertainment, and recreation	38	12,758,617	5,570,958	30,304	0	163,780
Accommodation and food services	62	189,630,072	102,084,835	1,017,206	0	845,381
Accommodation	20	104,541,649	21,500,541	147,206	0	688,834
Food services and drinking places	43	85,088,423	80,584,294	870,000	0	156,546
Other services	32	5,454,859	5,670,608	36,303	0	34,541
Repair and maintenance services	*7	*309,901	*327,581	*438	*0	*4
Personal services	*7	*4,731,532	*4,815,630	*35,849	*0	*34,537
Religious, grantmaking, civic, professional, and similar organizations	18	413,426	527,397	16	0	0

Footnotes at end of table.

Corporate Foreign Tax Credit, 2007

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Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes Reported on Form 1118, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign dividend income from foreign taxes deemed paid (gross-up)	Net income (less deficit)	Income subject to U.S. tax	U.S. income tax before credits		Foreign tax credit claimed
				Total [3]	Regular and alternative minimum tax	
	(7)	(8)	(9)	(10)	(11)	(12)
All industries	50,789,393	862,789,828	833,922,862	292,285,845	292,199,218	86,524,475
Agriculture, forestry, fishing, and hunting	13,060	378,685	362,827	124,885	124,885	19,024
Mining	2,999,151	41,330,458	40,731,082	14,266,473	14,265,420	6,877,958
Oil and gas extraction, coal mining	1,820,399	16,095,636	15,903,707	5,577,115	5,576,357	2,494,696
Metal ore mining	444,144	13,012,124	12,925,059	4,524,293	4,524,002	3,071,383
Nonmetallic minerals	*12,524	*632,165	*630,202	*220,454	*220,454	*13,882
Support activities for mining	722,084	11,590,532	11,272,114	3,944,611	3,944,607	1,297,998
Utilities	98,651	12,557,934	12,475,944	4,366,529	4,366,395	251,532
Construction	101,536	4,779,674	4,636,816	1,622,054	1,619,206	183,365
Construction of buildings	76,718	1,162,523	1,106,109	387,481	386,082	90,546
Heavy and civil engineering construction	5,945	2,377,432	2,307,515	807,870	806,986	38,136
Special trade contractors	18,873	1,239,719	1,223,192	426,703	426,139	54,683
Manufacturing	30,717,300	394,218,510	377,245,948	132,153,985	132,097,419	57,177,920
Food manufacturing	887,804	11,915,018	11,764,947	4,119,868	4,119,711	1,183,588
Beverage and tobacco products	3,289,863	26,384,041	25,991,133	9,096,851	9,096,851	4,025,261
Tobacco manufacturing	*2,505,772	*17,230,651	*16,922,947	*5,923,031	*5,923,031	*2,894,765
Textile mills and textile product mills	*2,882	*95,003	*89,666	*31,270	*31,270	*4,499
Apparel manufacturing	58,530	1,399,513	1,114,297	389,533	389,533	76,706
Leather and allied product manufacturing	*5,191	*178,765	*178,715	*62,453	*62,453	*10,556
Wood product manufacturing	*4,978	*296,197	*293,927	*102,698	*102,698	*5,108
Paper manufacturing	727,286	6,200,354	6,142,570	2,149,264	2,149,252	941,028
Printing and related support activities	51,282	546,196	545,341	190,624	190,624	56,708
Petroleum and coal products manufacturing	10,923,556	128,833,838	128,472,553	44,987,479	44,981,691	28,272,568
Chemical manufacturing	5,230,705	69,252,072	64,998,750	22,802,830	22,802,188	7,487,160
Pharmaceutical and medicine manufacturing	2,052,819	41,420,825	39,074,298	13,675,711	13,675,376	3,309,124
Other chemical manufacturing	3,177,885	27,831,247	25,924,452	9,127,119	9,126,811	4,178,037
Plastics and rubber products manufacturing	383,499	2,834,768	2,564,498	896,703	896,703	576,591
Nonmetallic mineral product manufacturing	539,602	5,583,435	1,956,567	684,269	684,204	245,384
Primary metal manufacturing	908,114	11,677,356	11,444,835	4,013,429	4,012,967	1,677,820
Fabricated metal products	299,566	6,347,464	6,186,778	2,163,409	2,163,319	516,921
Machinery manufacturing	1,422,107	21,730,562	20,817,311	7,283,491	7,282,184	2,296,660
Computer and electronic product manufacturing	1,841,440	42,263,328	39,575,676	13,855,457	13,850,372	3,771,006
Electrical equipment, appliance and component manufacturing	1,545,733	11,613,002	11,120,243	3,904,455	3,889,628	2,538,932
Transportation equipment manufacturing	1,814,950	31,203,690	29,206,823	10,248,330	10,225,598	2,337,762
Motor vehicles and related manufacturing	1,312,472	9,490,219	8,106,389	2,842,355	2,835,929	1,530,359
Other transportation equipment manufacturing	502,478	21,713,471	21,100,434	7,405,975	7,389,669	807,403
Furniture and related products	34,330	788,331	757,569	264,876	264,865	61,324
Miscellaneous manufacturing and manufacturing not allocable	745,880	15,075,579	14,023,750	4,906,696	4,901,309	1,092,336
Wholesale and retail trade	1,550,105	96,473,601	93,130,792	32,676,757	32,675,328	2,573,273
Wholesale trade	721,803	43,294,769	40,523,849	14,269,570	14,265,546	1,226,134
Durable goods	192,399	8,416,797	8,103,044	2,833,104	2,833,104	311,458
Machinery, equipment, and supplies	19,268	1,077,550	1,040,071	361,697	361,697	28,722
Other miscellaneous durable goods	173,132	7,339,248	7,062,973	2,471,407	2,471,407	282,736
Nondurable goods	529,403	34,877,972	32,420,805	11,436,466	11,432,442	914,676
Drugs, chemicals, and allied products	106,506	11,282,647	10,198,493	3,646,451	3,643,995	213,828
Groceries and related products	102,515	15,993,950	14,691,153	5,142,882	5,141,547	182,853
Petroleum and petroleum products	54,156	3,121,617	3,094,101	1,091,142	1,091,142	86,898
Other miscellaneous nondurable goods	266,226	4,479,758	4,437,057	1,555,991	1,555,759	431,096

Footnotes at end of table.

Corporate Foreign Tax Credit, 2007

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Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes Reported on Form 1118, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign dividend income from foreign taxes deemed paid (gross-up)	Net income (less deficit)	Income subject to U.S. tax	U.S. income tax before credits		Foreign tax credit claimed
				Total [3]	Regular and alternative minimum tax	
	(7)	(8)	(9)	(10)	(11)	(12)
Wholesale and retail trade—continued						
Retail trade	828,302	53,178,832	52,606,944	18,407,186	18,409,781	1,347,139
Motor vehicle, parts dealers, and gas stations	2,109	675,913	668,288	233,292	233,292	18,478
Furniture and home furnishings stores	*12,305	*1,246,376	*1,246,376	*436,131	*436,131	*13,475
Building materials, garden equipment, and supplies	70,889	6,621,126	6,559,358	2,295,269	2,295,269	132,386
Food and beverages stores	[2]	2,577,533	2,547,457	891,402	891,402	8,855
Apparel and accessory stores	123,947	7,062,499	7,007,349	2,452,245	2,452,245	350,729
General merchandise stores	388,377	23,839,696	23,725,336	8,301,203	8,303,816	476,184
Miscellaneous retail trade	230,676	11,155,689	10,852,779	3,797,644	3,797,626	347,033
Transportation and warehousing	269,891	8,441,243	8,212,351	2,882,017	2,881,865	509,037
Air, rail, and water transportation	34,326	4,199,001	4,000,087	1,407,089	1,406,936	107,125
Water transportation	*3,531	*522,837	*338,028	*125,655	*125,503	*55,042
Air and rail transportation	30,794	3,676,163	3,662,059	1,281,434	1,281,434	52,083
Other transportation and warehousing	235,565	4,242,243	4,212,264	1,474,928	1,474,928	401,912
Information	1,457,941	75,129,765	70,406,519	24,647,284	24,637,451	3,738,560
Publishing (except internet), motion picture, and sound recording	756,231	33,000,790	29,906,091	10,464,226	10,463,643	2,470,090
Broadcasting, internet publishing	39,511	10,689,627	10,374,759	3,639,461	3,630,775	232,567
Telecommunications	322,206	24,370,541	23,201,178	8,120,266	8,119,702	582,864
Internet service providers, web search portals, and data processing services	*317,917	*3,857,920	*3,801,381	*1,330,291	*1,330,291	*388,874
Other information services	22,076	3,210,886	3,123,110	1,093,040	1,093,040	64,165
Finance, insurance, real estate, and rental and leasing	5,130,603	129,883,236	128,209,500	45,050,564	45,041,640	7,085,627
Finance and insurance	5,127,048	127,624,636	126,104,475	44,318,921	44,311,719	7,016,262
Commercial banking and other depository credit agencies	16	596,162	438,438	152,983	152,983	17,841
Commercial banking	*0	*358,016	*209,132	*73,064	*73,064	*16,725
Depository credit agencies other than banks	16	238,146	229,307	79,919	79,919	1,115
Nondepository credit intermediation	363,205	11,343,165	11,268,248	3,943,356	3,943,356	602,594
Securities, commodity contracts, and other	3,312,871	24,926,391	26,738,255	9,370,767	9,370,357	2,375,743
Insurance and related activities	1,450,938	89,681,476	86,592,615	30,478,841	30,472,069	3,753,557
Insurance agencies and brokerages	248,133	4,678,581	4,630,062	1,620,459	1,619,930	316,233
Funds, trusts, and other financial vehicles	17	1,077,442	1,066,919	372,974	372,955	266,527
Real estate and rental and leasing	3,556	2,258,600	2,105,025	731,643	729,921	69,366
Real estate	198	1,224,850	1,150,471	397,722	397,389	13,792
Rentals and leasing	3,358	1,033,751	954,554	333,921	332,532	55,574
Services	8,451,156	99,596,722	98,511,083	34,495,297	34,489,610	8,108,177
Professional, scientific, and technical services	728,109	9,819,637	10,297,449	3,629,951	3,628,548	1,151,804
Management of holding companies	6,786,857	71,638,609	70,449,330	24,651,715	24,649,390	5,279,377
Administrative and support and waste management and remediation	239,910	5,374,234	5,248,692	1,834,657	1,834,551	324,416
Education services, health care, and social assistance	5,551	2,074,800	2,041,911	714,092	713,856	20,714
Arts, entertainment, and recreation	41,370	615,374	458,454	159,674	159,674	53,693
Accommodation and food services	613,099	9,551,417	9,498,863	3,325,204	3,323,588	1,236,046
Accommodation	108,062	1,979,987	1,969,123	690,465	688,963	198,612
Food services and drinking places	505,036	7,571,429	7,529,740	2,634,739	2,634,624	1,037,434
Other services	36,259	522,651	516,384	180,003	180,003	42,128
Repair and maintenance services	*0	*16,144	*15,756	*5,350	*5,350	*182
Personal services	*36,259	*491,302	*487,017	*170,207	*170,207	*41,932
Religious, grantmaking, civic, professional, and similar organizations	0	15,205	13,611	4,446	4,446	14

Footnotes at end of table.

Corporate Foreign Tax Credit, 2007

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Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes Reported on Form 1118, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	General business credit	U.S. income tax after credits [4]	Foreign income and taxes reported on Form 1118			
			Gross income (less loss)			
			Total	Dividends	Foreign dividend income from foreign taxes deemed paid (gross-up)	Interest
	(13)	(14)	(15)	(16)	(17)	(18)
All industries	10,889,178	192,797,094	795,034,785	138,050,918	50,663,937	131,845,089
Agriculture, forestry, fishing, and hunting	1,568	103,928	163,112	10,136	13,060	4,192
Mining	43,301	7,116,112	31,618,456	7,435,104	2,999,240	1,021,861
Oil and gas extraction, coal mining	8,886	3,068,831	10,180,517	3,846,000	1,820,488	128,643
Metal ore mining	13,595	1,234,550	12,663,321	1,934,010	444,144	507,967
Nonmetallic minerals	*888	*202,368	*130,707	*44,467	*12,524	*632
Support activities for mining	19,932	2,610,363	8,643,910	1,610,627	722,084	384,619
Utilities	111,999	3,628,785	1,620,464	709,873	99,647	10,715
Construction	36,017	1,401,820	1,728,215	568,712	98,848	17,138
Construction of buildings	22,495	274,211	628,750	244,177	76,718	4,893
Heavy and civil engineering construction	4,613	764,672	838,936	199,504	3,258	7,867
Special trade contractors	8,909	362,937	260,530	125,030	18,873	4,378
Manufacturing	4,905,537	69,395,595	382,457,889	87,651,457	30,682,317	14,707,038
Food manufacturing	83,102	2,848,879	9,063,118	3,763,747	887,706	170,668
Beverage and tobacco products	28,974	5,042,280	20,002,012	6,422,143	3,289,863	291,989
Tobacco manufacturing	*13,818	*3,014,449	*10,414,106	*4,516,195	*2,505,772	*27,213
Textile mills and textile product mills	*1,514	*25,257	*28,401	*7,126	*2,882	*2,072
Apparel manufacturing	572	309,754	1,065,759	272,540	58,530	4,552
Leather and allied product manufacturing	*1,020	*50,878	*278,555	*11,344	*5,186	*1,630
Wood product manufacturing	*4,258	*93,324	*57,074	*16,121	*4,978	*277
Paper manufacturing	118,357	1,089,075	5,453,407	1,577,600	727,285	245,289
Printing and related support activities	1,013	132,903	301,523	104,303	51,282	26,807
Petroleum and coal products manufacturing	503,326	16,191,048	108,805,502	25,556,280	10,923,578	2,897,070
Chemical manufacturing	1,388,878	13,839,112	64,767,271	12,738,004	5,210,946	1,893,748
Pharmaceutical and medicine manufacturing	1,167,404	9,149,019	39,269,872	4,797,194	2,052,580	1,378,980
Other chemical manufacturing	221,475	4,690,094	25,497,399	7,940,810	3,158,366	514,768
Plastics and rubber products manufacturing	14,194	300,728	2,379,778	1,089,675	383,499	89,778
Nonmetallic mineral product manufacturing	4,302	434,570	2,701,180	1,643,300	539,443	107,928
Primary metal manufacturing	27,374	2,194,879	8,348,209	2,445,646	908,108	1,088,911
Fabricated metal products	53,223	1,591,055	3,771,544	751,353	299,571	183,019
Machinery manufacturing	235,160	4,737,754	18,258,405	3,710,478	1,416,548	871,007
Computer and electronic product manufacturing	1,429,726	8,621,565	59,486,741	8,227,845	1,840,803	526,218
Electrical equipment, appliance and component manufacturing	192,150	1,123,927	27,355,557	10,836,090	1,545,733	2,947,988
Transportation equipment manufacturing	618,153	6,997,046	38,467,542	6,444,170	1,812,630	2,761,950
Motor vehicles and related manufacturing	79,819	1,226,216	30,079,717	5,754,425	1,310,283	2,250,699
Other transportation equipment manufacturing	538,334	5,770,830	8,387,825	689,746	502,346	511,251
Furniture and related products	18,398	185,130	498,867	80,338	34,330	9,358
Miscellaneous manufacturing and manufacturing not allocable	181,845	3,586,432	11,367,444	1,953,355	739,415	586,778
Wholesale and retail trade	497,759	29,552,768	26,842,640	4,831,160	1,545,130	1,362,808
Wholesale trade	235,292	12,772,185	17,133,666	2,819,624	722,283	1,151,083
Durable goods	61,031	2,458,834	4,695,293	611,669	193,111	250,700
Machinery, equipment, and supplies	1,806	330,031	725,995	52,937	19,268	5,336
Other miscellaneous durable goods	59,225	2,128,804	3,969,298	558,732	173,843	245,364
Nondurable goods	174,261	10,313,351	12,438,372	2,207,955	529,172	900,383
Drugs, chemicals, and allied products	53,128	3,376,903	3,637,819	469,273	106,485	367,181
Groceries and related products	83,663	4,862,028	4,612,090	561,125	102,515	246,866
Petroleum and petroleum products	7,394	983,519	591,933	138,074	54,156	3,014
Other miscellaneous nondurable goods	30,075	1,090,902	3,596,531	1,039,484	266,015	283,322

Footnotes at end of table.

Corporate Foreign Tax Credit, 2007

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Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes Reported on Form 1118, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	General business credit	U.S. income tax after credits [4]	Foreign income and taxes reported on Form 1118			
			Gross income (less loss)			
			Total	Dividends	Foreign dividend income from foreign taxes deemed paid (gross-up)	Interest
	(13)	(14)	(15)	(16)	(17)	(18)
Wholesale and retail trade—continued						
Retail trade	262,467	16,780,583	9,708,974	2,011,536	822,848	211,724
Motor vehicle, parts dealers, and gas stations	8,608	205,493	98,614	3,270	2,109	25,853
Furniture and home furnishings stores	*1,497	*421,160	*54,212	*30,510	*12,305	*0
Building materials, garden equipment, and supplies	12,925	2,149,959	489,654	147,865	70,890	41,752
Food and beverages stores	6,931	875,616	285,883	2,100	[2]	14
Apparel and accessory stores	18,427	2,080,397	2,106,995	640,590	123,947	20,534
General merchandise stores	173,107	7,651,912	2,665,616	575,988	388,377	1,283
Miscellaneous retail trade	40,973	3,396,047	4,007,999	611,213	225,220	122,289
Transportation and warehousing	53,386	2,296,248	18,165,767	624,931	269,891	161,035
Air, rail, and water transportation	9,268	1,267,437	2,256,542	66,310	34,326	18,156
Water transportation	*763	*65,870	*1,868,217	*14,502	*3,531	*10,415
Air and rail transportation	8,506	1,201,567	388,325	51,807	30,794	7,741
Other transportation and warehousing	44,117	1,028,812	15,909,225	558,622	235,565	142,879
Information	1,431,690	19,387,968	60,018,596	4,630,051	1,457,146	930,308
Publishing (except internet), motion picture, and sound recording	431,412	7,542,758	36,609,032	2,506,545	756,387	477,401
Broadcasting, internet publishing	85,741	3,272,922	6,933,655	131,625	39,511	247,059
Telecommunications	720,187	6,796,448	12,050,895	994,790	322,206	193,366
Internet service providers, web search portals, and data processing services	*85,582	*855,832	*3,199,787	*770,192	*316,965	*8,738
Other information services	108,768	920,007	1,225,228	226,899	22,076	3,744
Finance, insurance, real estate, and rental and leasing	722,126	36,745,315	127,942,265	16,933,969	5,030,512	55,557,915
Finance and insurance	716,770	36,091,709	126,640,707	16,918,707	5,026,956	55,533,019
Commercial banking and other depository credit agencies	4,028	128,787	790,991	208	16	784,825
Commercial banking	*301	*53,827	*718,840	*0	*0	*715,044
Depository credit agencies other than banks	3,727	74,960	72,150	208	16	69,782
Nondepository credit intermediation	42,016	3,298,740	11,211,338	966,061	355,958	1,699,526
Securities, commodity contracts, and other	134,237	6,854,677	66,571,328	8,369,253	3,211,557	36,962,425
Insurance and related activities	536,489	25,703,162	46,399,081	7,582,475	1,459,408	14,724,091
Insurance agencies and brokerages	15,824	1,288,402	2,468,054	571,988	248,133	309,451
Funds, trusts, and other financial vehicles	0	106,343	1,667,970	710	17	1,362,153
Real estate and rental and leasing	5,356	653,605	1,301,557	15,261	3,556	24,895
Real estate	308	383,033	417,503	6,989	198	16,592
Rentals and leasing	5,047	270,572	884,055	8,272	3,358	8,303
Services	3,085,795	23,168,554	144,477,382	14,655,525	8,468,145	58,072,079
Professional, scientific, and technical services	84,119	2,380,225	15,576,572	2,233,358	745,392	191,217
Management of holding companies	2,606,038	16,667,222	114,274,792	9,876,605	6,786,563	57,368,019
Administrative and support and waste management and remediation	40,258	1,457,126	2,512,306	584,111	239,910	78,513
Education services, health care, and social assistance	5,572	685,110	263,589	63,504	5,551	13,697
Arts, entertainment, and recreation	36	105,510	1,285,665	194,292	41,370	9,501
Accommodation and food services	344,112	1,741,147	10,068,481	1,632,839	613,100	399,029
Accommodation	115,243	375,736	3,443,524	615,175	108,062	171,207
Food services and drinking places	228,868	1,365,411	6,624,957	1,017,664	505,037	227,822
Other services	5,660	132,215	495,976	70,816	36,259	12,104
Repair and maintenance services	*12	*5,156	*3,452	*442	*0	*1,722
Personal services	*5,648	*122,628	*492,404	*70,358	*36,259	*10,382
Religious, grantmaking, civic, professional, and similar organizations	0	4,431	121	16	0	0

Footnotes at end of table.

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Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes Reported on Form 1118, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign income and taxes reported on Form 1118—continued					
	Gross income (less loss)—continued					Deductions
	Rents, royalties, and license fees	Service income	Other income	Oil and gas extraction income [5]	Foreign branch income [5]	Total
	(19)	(20)	(21)	(22)	(23)	(24)
All industries	123,004,372	45,396,043	306,074,425	76,388,928	160,271,387	402,504,582
Agriculture, forestry, fishing, and hunting	13,374	6,989	115,360	0	24,641	89,822
Mining	1,146,884	3,556,005	15,459,361	9,319,763	7,777,904	9,841,959
Oil and gas extraction, coal mining	31,463	100,339	4,253,584	9,319,763	2,959,875	2,712,979
Metal ore mining	46,249	153,169	9,577,781	0	470,693	3,417,556
Nonmetallic minerals	*3,828	*25,535	*43,721	*0	*16,898	*60,675
Support activities for mining	1,065,344	3,276,963	1,584,274	0	4,330,438	3,650,749
Utilities	5,002	1,083	794,144	564,025	596,166	519,696
Construction	157,790	575,434	310,293	0	115,015	736,579
Construction of buildings	48,402	240,636	13,924	0	0	222,578
Heavy and civil engineering construction	88,815	272,145	267,347	0	92,211	420,927
Special trade contractors	20,574	62,652	29,023	0	22,804	93,074
Manufacturing	70,261,464	8,189,411	170,966,203	66,367,108	49,202,457	148,913,471
Food manufacturing	752,663	65,481	3,422,853	0	2,080,424	3,738,819
Beverage and tobacco products	2,470,014	15,851	7,512,152	0	2,615,909	5,591,404
Tobacco manufacturing	*537,454	*0	*2,827,471	*0	*584,347	*1,210,729
Textile mills and textile product mills	*1,827	*0	*14,494	*0	*4,187	*13,684
Apparel manufacturing	490,762	84,818	154,557	0	23,668	463,856
Leather and allied product manufacturing	*128,030	*85,348	*47,016	*0	*85,348	*127,186
Wood product manufacturing	*133	*0	*35,564	*0	*0	*19,613
Paper manufacturing	939,822	3,112	1,960,299	0	486,683	1,662,108
Printing and related support activities	42,265	14,325	62,542	0	54,236	110,252
Petroleum and coal products manufacturing	555,989	39,272	68,833,312	66,367,108	13,480,195	25,471,545
Chemical manufacturing	21,355,971	1,004,481	22,564,121	0	6,265,097	27,419,096
Pharmaceutical and medicine manufacturing	15,184,195	640,666	15,216,257	0	3,154,634	18,093,224
Other chemical manufacturing	6,171,776	363,815	7,347,864	0	3,110,462	9,325,872
Plastics and rubber products manufacturing	561,254	11,151	244,421	0	88,775	527,188
Nonmetallic mineral product manufacturing	129,290	79,682	201,537	0	85,696	1,268,149
Primary metal manufacturing	2,596,357	115,359	1,193,828	0	2,921,350	3,164,990
Fabricated metal products	551,160	117,025	1,869,416	0	707,273	1,879,605
Machinery manufacturing	2,861,341	452,122	8,946,909	0	3,239,131	8,970,663
Computer and electronic product manufacturing	23,173,536	4,615,824	21,102,515	0	8,075,200	27,021,887
Electrical equipment, appliance and component manufacturing	2,569,845	74,673	9,381,230	0	210,814	15,058,419
Transportation equipment manufacturing	8,262,422	1,043,300	18,143,071	0	7,912,103	20,168,064
Motor vehicles and related manufacturing	6,729,722	13,814	14,020,774	0	7,194,807	15,496,779
Other transportation equipment manufacturing	1,532,700	1,029,486	4,122,297	0	717,296	4,671,285
Furniture and related products	27,232	20,062	327,546	0	109,777	296,497
Miscellaneous manufacturing and manufacturing not allocable	2,791,549	347,526	4,948,820	0	756,591	5,940,446
Wholesale and retail trade	4,478,840	934,201	13,690,501	0	5,910,565	15,260,824
Wholesale trade	1,943,260	913,628	9,583,788	0	2,821,687	10,861,636
Durable goods	218,769	216,460	3,204,584	0	582,914	2,975,660
Machinery, equipment, and supplies	13,998	72,964	561,491	0	160,368	532,435
Other miscellaneous durable goods	204,771	143,496	2,643,092	0	422,546	2,443,225
Nondurable goods	1,724,490	697,168	6,379,204	0	2,238,773	7,885,976
Drugs, chemicals, and allied products	1,039,512	48,089	1,607,279	0	915,779	2,218,435
Groceries and related products	71,107	556,209	3,074,269	0	735,747	3,593,236
Petroleum and petroleum products	1,401	0	395,288	0	51,399	78,816
Other miscellaneous nondurable goods	612,471	92,870	1,302,369	0	535,849	1,995,489

Footnotes at end of table.

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Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes Reported on Form 1118, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign income and taxes reported on Form 1118—continued					Deductions
	Gross income (less loss)—continued					
	Rents, royalties, and license fees	Service income	Other income	Oil and gas extraction income [5]	Foreign branch income [5]	
	(19)	(20)	(21)	(22)	(23)	(24)
Wholesale and retail trade—continued						
Retail trade	2,535,580	20,573	4,106,714	0	3,088,878	4,399,188
Motor vehicle, parts dealers, and gas stations	3,336	7,321	56,725	0	56,064	14,358
Furniture and home furnishings stores	*0	*0	*11,398	*0	*8,421	*13,084
Building materials, garden equipment, and supplies	218,906	0	10,242	0	10,157	110,583
Food and beverages stores	283,496	273	0	0	0	163,771
Apparel and accessory stores	440,026	3,550	878,347	0	670,422	568,895
General merchandise stores	954,665	0	745,305	0	536,600	1,164,270
Miscellaneous retail trade	635,152	9,429	2,404,697	0	1,807,214	2,364,229
Transportation and warehousing	451,699	10,520,537	6,137,673	3,618	9,917,695	14,769,724
Air, rail, and water transportation	153,015	434,770	1,549,965	0	23,006	1,841,112
Water transportation	*0	*383,053	*1,456,716	*0	*0	*1,650,117
Air and rail transportation	153,015	51,718	93,249	0	23,006	190,995
Other transportation and warehousing	298,684	10,085,767	4,587,708	3,618	9,894,689	12,928,612
Information	37,014,148	3,812,812	12,174,132	0	7,554,238	35,766,620
Publishing (except internet), motion picture, and sound recording	24,419,211	983,295	7,466,193	0	6,379,732	18,704,649
Broadcasting, internet publishing	5,377,571	223,001	914,887	0	69,914	5,048,860
Telecommunications	6,193,727	2,551,900	1,794,905	0	455,678	9,540,216
Internet service providers, web search portals, and data processing services	*319,074	*18,085	*1,766,733	*0	*275,359	*1,997,458
Other information services	704,564	36,531	231,413	0	373,555	475,436
Finance, insurance, real estate, and rental and leasing	3,727,145	5,373,533	41,319,191	0	22,767,253	77,883,921
Finance and insurance	2,988,430	5,341,964	40,831,630	0	22,725,529	77,087,293
Commercial banking and other depository credit agencies	0	5,149	792	0	69,550	730,647
Commercial banking	*0	*3,797	*0	*0	*0	*663,234
Depository credit agencies other than banks	0	1,353	792	0	69,550	67,413
Nondepository credit intermediation	622,305	215,873	7,351,614	0	3,307,299	8,837,426
Securities, commodity contracts, and other	460,714	2,599,571	14,967,809	0	8,652,408	45,671,462
Insurance and related activities	1,897,287	2,515,435	18,220,385	0	10,518,131	21,057,047
Insurance agencies and brokerages	10,386	263,970	1,064,127	0	101,487	1,189,650
Funds, trusts, and other financial vehicles	8,124	5,936	291,031	0	178,140	790,711
Real estate and rental and leasing	738,716	31,569	487,561	0	41,725	796,628
Real estate	19,059	26,898	347,767	0	10	328,711
Rentals and leasing	719,657	4,670	139,794	0	41,715	467,917
Services	5,748,027	12,426,038	45,107,567	134,414	56,405,453	98,721,966
Professional, scientific, and technical services	1,431,442	9,172,435	1,802,728	0	3,697,070	10,584,772
Management of holding companies	1,487,813	1,538,042	37,217,750	134,414	47,449,434	79,699,745
Administrative and support and waste management and remediation	418,198	792,811	398,763	0	942,926	1,235,092
Education services, health care, and social assistance	56,988	110,868	12,981	0	63,915	133,949
Arts, entertainment, and recreation	168,335	525,215	346,952	0	501,620	904,129
Accommodation and food services	2,102,726	164,351	5,156,436	0	3,512,843	5,847,644
Accommodation	155,670	98,144	2,295,266	0	206,195	2,320,565
Food services and drinking places	1,947,057	66,207	2,861,170	0	3,306,649	3,527,079
Other services	82,524	122,316	171,957	0	237,643	316,635
Repair and maintenance services	*0	*1,286	*1	*0	*0	*1,786
Personal services	*82,524	*121,030	*171,851	*0	*237,643	*314,850
Religious, grantmaking, civic, professional, and similar organizations	0	0	105	0	0	0

Footnotes at end of table.

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Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes Reported on Form 1118, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign income and taxes reported on Form 1118—continued				
	Deductions—continued				
	Definitely allocable deductions				
	Total	Depreciation, depletion, and amortization	Other expenses	Service expenses	Other definitely allocable deductions
	(25)	(26)	(27)	(28)	(29)
All industries	178,745,672	1,611,467	6,674,650	28,150,231	142,309,324
Agriculture, forestry, fishing, and hunting	52,455	0	19	4,261	48,176
Mining	7,720,165	170,074	229,079	1,998,529	5,322,484
Oil and gas extraction, coal mining	2,214,597	19,196	2,771	38,391	2,154,239
Metal ore mining	2,431,736	6,688	96,031	0	2,329,018
Nonmetallic minerals	*45,237	*0	*5,285	*16,264	*23,688
Support activities for mining	3,028,595	144,190	124,992	1,943,875	815,539
Utilities	331,528	832	5,002	0	325,693
Construction	422,838	376	44,877	264,535	113,050
Construction of buildings	212,488	39	4	203,501	8,945
Heavy and civil engineering construction	156,899	320	44,872	22,139	89,568
Special trade contractors	53,451	18	0	38,895	14,538
Manufacturing	65,132,234	742,950	692,182	2,744,702	60,952,400
Food manufacturing	2,599,835	0	17,211	0	2,582,623
Beverage and tobacco products	3,348,730	0	2,504	2,695	3,343,531
Tobacco manufacturing	*806,413	*0	*0	*0	*806,413
Textile mills and textile product mills	*2,120	*0	*0	*0	*2,120
Apparel manufacturing	310,108	4,239	20,140	2,260	283,469
Leather and allied product manufacturing	*92,429	*0	*0	*92,429	*0
Wood product manufacturing	*14,620	*0	*0	*0	*14,620
Paper manufacturing	355,401	0	17	0	355,384
Printing and related support activities	72,842	3,212	8,975	637	60,018
Petroleum and coal products manufacturing	18,463,865	0	0	36,794	18,427,072
Chemical manufacturing	8,862,597	19,825	110,152	25,748	8,706,871
Pharmaceutical and medicine manufacturing	6,448,775	7,102	90,878	2,054	6,348,741
Other chemical manufacturing	2,413,822	12,723	19,275	23,694	2,358,130
Plastics and rubber products manufacturing	88,973	1,810	27,486	436	59,240
Nonmetallic mineral product manufacturing	133,109	18	112	9,382	123,597
Primary metal manufacturing	1,352,990	455,344	5,151	11,623	880,873
Fabricated metal products	901,623	31,805	48,722	41,027	780,070
Machinery manufacturing	3,038,292	17,071	17,000	28,782	2,975,439
Computer and electronic product manufacturing	9,009,270	291	130,838	1,884,696	6,993,445
Electrical equipment, appliance and component manufacturing	5,180,896	2,694	34,583	21,322	5,122,297
Transportation equipment manufacturing	8,309,576	198,460	10,238	348,968	7,751,910
Motor vehicles and related manufacturing	5,077,092	1,424	7,959	0	5,067,710
Other transportation equipment manufacturing	3,232,484	197,037	2,279	348,968	2,684,200
Furniture and related products	211,148	0	0	10,247	200,901
Miscellaneous manufacturing and manufacturing not allocable	2,783,808	8,180	259,055	227,656	2,288,916
Wholesale and retail trade	9,979,650	92,097	889,591	435,034	8,562,928
Wholesale trade	6,799,135	65,293	642,193	421,427	5,670,222
Durable goods	1,774,570	5,799	9,633	32,266	1,726,872
Machinery, equipment, and supplies	483,444	1,532	3,569	12,832	465,511
Other miscellaneous durable goods	1,291,126	4,267	6,064	19,434	1,261,362
Nondurable goods	5,024,565	59,493	632,560	389,161	3,943,350
Drugs, chemicals, and allied products	955,685	572	320,230	21,207	613,676
Groceries and related products	3,306,173	16,320	204,876	328,496	2,756,481
Petroleum and petroleum products	13,220	0	0	0	13,220
Other miscellaneous nondurable goods	749,487	42,601	107,454	39,459	559,973

Footnotes at end of table.

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Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes Reported on Form 1118, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign income and taxes reported on Form 1118—continued				
	Deductions—continued				
	Definitely allocable deductions				
	Total	Depreciation, depletion, and amortization	Other expenses	Service expenses	Other definitely allocable deductions
	(25)	(26)	(27)	(28)	(29)
Wholesale and retail trade—continued					
Retail trade	3,180,515	26,805	247,397	13,607	2,892,706
Motor vehicle, parts dealers, and gas stations	9,507	0	0	6,674	2,833
Furniture and home furnishings stores	*13,043	*0	*0	*0	*13,043
Building materials, garden equipment, and supplies	9,327	0	9,327	0	0
Food and beverages stores	160,624	23,569	136,854	0	202
Apparel and accessory stores	440,853	1,921	67,361	556	371,014
General merchandise stores	760,585	871	2,200	0	757,514
Miscellaneous retail trade	1,786,576	444	31,655	6,377	1,748,100
Transportation and warehousing	14,369,656	46,279	58,122	8,755,714	5,509,541
Air, rail, and water transportation	1,673,407	34,456	36,889	218,145	1,383,917
Water transportation	*1,571,914	*5,636	*0	*200,186	*1,366,091
Air and rail transportation	101,493	28,819	36,889	17,958	17,826
Other transportation and warehousing	12,696,249	11,823	21,233	8,537,569	4,125,624
Information	18,242,814	70,366	3,528,996	2,030,139	12,613,313
Publishing (except internet), motion picture, and sound recording	7,619,100	19,454	663,089	149,901	6,786,656
Broadcasting, internet publishing	4,594,542	50,912	2,865,848	0	1,677,783
Telecommunications	3,992,550	0	59	1,860,328	2,132,163
Internet service providers, web search portals, and data processing services	*1,740,327	*0	*0	*2,524	*1,737,804
Other information services	296,293	0	0	17,386	278,907
Finance, insurance, real estate, and rental and leasing	30,656,123	101,919	308,483	3,691,199	26,554,522
Finance and insurance	30,090,294	32,050	178,778	3,690,938	26,188,528
Commercial banking and other depository credit agencies	172,905	0	5,166	0	167,740
Commercial banking	*106,783	*0	*0	*0	*106,783
Depository credit agencies other than banks	66,122	0	5,166	0	60,957
Nondepository credit intermediation	5,990,257	4,945	54,482	16,486	5,914,345
Securities, commodity contracts, and other	11,154,810	0	46,812	1,766,808	9,341,191
Insurance and related activities	12,755,606	27,105	66,199	1,904,408	10,757,893
Insurance agencies and brokerages	896,362	0	0	237,306	659,056
Funds, trusts, and other financial vehicles	16,715	0	6,120	3,236	7,360
Real estate and rental and leasing	565,829	69,869	129,705	261	365,994
Real estate	327,291	767	89,564	160	236,800
Rentals and leasing	238,538	69,102	40,141	102	129,194
Services	31,838,209	386,574	918,300	8,226,118	22,307,217
Professional, scientific, and technical services	8,578,856	10,524	329,479	6,139,600	2,099,252
Management of holding companies	16,556,883	365,901	482,561	866,684	14,841,737
Administrative and support and waste management and remediation	942,636	1,317	930	666,377	274,012
Education services, health care, and social assistance	91,535	38	6,375	50,720	34,402
Arts, entertainment, and recreation	705,691	4,478	53,683	354,735	292,795
Accommodation and food services	4,709,897	1,586	42,460	42,902	4,622,949
Accommodation	1,961,206	66	2,995	34,887	1,923,259
Food services and drinking places	2,748,691	1,519	39,466	8,015	2,699,690
Other services	252,712	2,730	2,811	105,101	142,070
Repair and maintenance services	*0	*0	*0	*0	*0
Personal services	*252,712	*2,730	*2,811	*105,101	*142,070
Religious, grantmaking, civic, professional, and similar organizations	0	0	0	0	0

Footnotes at end of table.

Corporate Foreign Tax Credit, 2007

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Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes Reported on Form 1118, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign income and taxes reported on Form 1118—continued					
	Deductions—continued					
	Deductions not allocable to specific types of income				Net operating loss deductions	Deductions from oil and gas extraction income [7]
	Total [6]	Research and development	Interest	Other		
(30)	(31)	(32)	(33)	(34)	(35)	
All industries	222,910,309	20,866,468	122,089,479	78,038,607	848,601	13,616,995
Agriculture, forestry, fishing, and hunting	37,367	1,923	24,225	11,147	0	0
Mining	2,121,794	97,288	911,980	1,106,385	0	2,444,485
Oil and gas extraction, coal mining	498,382	30,608	223,316	243,673	0	2,444,485
Metal ore mining	985,819	13,034	425,872	546,913	0	0
Nonmetallic minerals	*15,438	*1,334	*10,664	*2,056	*0	*0
Support activities for mining	622,154	52,313	252,127	313,744	0	0
Utilities	188,168	115	141,455	46,598	0	216,834
Construction	310,899	2,368	47,927	260,038	2,842	0
Construction of buildings	10,090	0	2,681	7,166	0	0
Heavy and civil engineering construction	264,028	257	40,584	223,188	0	0
Special trade contractors	36,781	2,111	4,662	29,684	2,842	0
Manufacturing	82,948,735	17,701,899	31,129,483	33,726,791	832,502	10,926,188
Food manufacturing	1,116,299	32,895	735,199	341,892	22,686	0
Beverage and tobacco products	2,242,674	97,406	720,199	1,425,069	0	0
Tobacco manufacturing	*404,316	*92,148	*289,826	*22,343	*0	*0
Textile mills and textile product mills	*11,563	*5	*5,852	*5,706	*0	*0
Apparel manufacturing	153,748	2,159	61,190	11,922	0	0
Leather and allied product manufacturing	*34,756	*8,059	*3,705	*22,992	*0	*0
Wood product manufacturing	*4,993	*837	*1,758	*2,398	*0	*0
Paper manufacturing	1,306,707	338,236	415,578	552,886	0	0
Printing and related support activities	37,410	3,113	23,260	9,690	0	0
Petroleum and coal products manufacturing	7,007,680	259,646	3,522,612	3,222,718	0	10,926,188
Chemical manufacturing	18,501,415	6,506,011	5,919,851	6,063,164	55,084	0
Pharmaceutical and medicine manufacturing	11,644,450	5,041,917	3,172,629	3,424,696	0	0
Other chemical manufacturing	6,856,965	1,464,095	2,747,221	2,638,468	55,084	0
Plastics and rubber products manufacturing	438,214	60,937	275,619	97,309	0	0
Nonmetallic mineral product manufacturing	409,758	24,363	301,678	82,606	725,281	0
Primary metal manufacturing	1,812,000	85,672	1,433,679	292,617	0	0
Fabricated metal products	977,982	94,570	464,726	394,038	0	0
Machinery manufacturing	5,932,270	1,433,951	1,710,422	2,733,640	101	0
Computer and electronic product manufacturing	17,983,327	6,162,428	1,586,817	10,203,599	29,291	0
Electrical equipment, appliance and component manufacturing	9,877,523	338,467	8,437,316	1,091,936	0	0
Transportation equipment manufacturing	11,858,488	1,653,591	4,818,667	5,372,734	0	0
Motor vehicles and related manufacturing	10,419,687	1,293,751	4,000,476	5,111,964	0	0
Other transportation equipment manufacturing	1,438,801	359,840	818,191	260,770	0	0
Furniture and related products	85,349	9,109	31,253	44,392	0	0
Miscellaneous manufacturing and manufacturing not allocable	3,156,579	590,446	660,103	1,755,481	59	0
Wholesale and retail trade	5,279,006	476,090	2,175,156	1,953,896	2,169	0
Wholesale trade	4,061,342	463,557	1,293,718	1,768,864	1,159	0
Durable goods	1,199,931	63,579	156,636	540,459	1,159	0
Machinery, equipment, and supplies	48,990	13,776	28,525	1,955	0	0
Other miscellaneous durable goods	1,150,940	49,804	128,112	538,505	1,159	0
Nondurable goods	2,861,411	399,978	1,137,082	1,228,405	0	0
Drugs, chemicals, and allied products	1,262,749	347,494	268,821	562,273	0	0
Groceries and related products	287,064	3,145	263,120	20,109	0	0
Petroleum and petroleum products	65,596	2,051	44,946	18,599	0	0
Other miscellaneous nondurable goods	1,246,002	47,288	560,195	627,423	0	0

Footnotes at end of table.

Corporate Foreign Tax Credit, 2007

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Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes Reported on Form 1118, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign income and taxes reported on Form 1118—continued					
	Deductions—continued					
	Deductions not allocable to specific types of income				Net operating loss deductions	Deductions from oil and gas extraction income [7]
	Total [6]	Research and development	Interest	Other		
(30)	(31)	(32)	(33)	(34)	(35)	
Wholesale and retail trade—continued						
Retail trade	1,217,664	12,533	881,437	185,032	1,009	0
Motor vehicle, parts dealers, and gas stations	4,851	0	1,142	3,709	0	0
Furniture and home furnishings stores	*41	*0	*41	*0	*0	*0
Building materials, garden equipment, and supplies	101,256	0	95,786	5,470	0	0
Food and beverages stores	3,147	0	3,106	40	0	0
Apparel and accessory stores	128,042	2,400	48,654	75,364	0	0
General merchandise stores	403,685	[2]	392,464	11,221	0	0
Miscellaneous retail trade	576,643	10,133	340,245	89,228	1,009	0
Transportation and warehousing	381,570	35,095	184,117	155,279	18,497	429
Air, rail, and water transportation	149,414	5,230	60,967	83,217	18,291	0
Water transportation	*59,912	*0	*20,515	*39,397	*18,291	*0
Air and rail transportation	89,502	5,230	40,452	43,820	0	0
Other transportation and warehousing	232,156	29,865	123,149	72,061	207	429
Information	17,503,763	1,863,247	1,748,112	13,686,588	20,043	0
Publishing (except internet), motion picture, and sound recording	11,081,339	1,625,761	726,527	8,547,317	4,210	0
Broadcasting, internet publishing	438,485	5,076	352,919	79,363	15,833	0
Telecommunications	5,547,666	82,840	582,697	4,859,378	0	0
Internet service providers, web search portals, and data processing services	*257,131	*141,824	*81,866	*33,441	*0	*0
Other information services	179,143	7,746	4,104	167,090	0	0
Finance, insurance, real estate, and rental and leasing	47,221,790	68,232	41,624,018	5,153,684	6,008	0
Finance and insurance	46,996,994	48,668	41,593,208	4,984,088	5	0
Commercial banking and other depository credit agencies	557,742	0	457,489	99,022	0	0
Commercial banking	*556,451	*0	*457,429	*99,022	*0	*0
Depository credit agencies other than banks	1,291	0	60	0	0	0
Nondepository credit intermediation	2,847,164	114	1,939,848	906,790	5	0
Securities, commodity contracts, and other	34,516,652	48,005	33,492,132	945,777	0	0
Insurance and related activities	8,301,441	550	5,174,589	2,787,656	0	0
Insurance agencies and brokerages	293,288	0	252,521	40,768	0	0
Funds, trusts, and other financial vehicles	773,996	0	529,151	244,842	0	0
Real estate and rental and leasing	224,796	19,564	30,810	169,597	6,003	0
Real estate	1,359	0	4	12	60	0
Rentals and leasing	223,436	19,564	30,806	169,585	5,942	0
Services	66,917,216	620,212	44,103,006	21,938,201	-33,459	29,058
Professional, scientific, and technical services	2,005,916	313,048	726,323	761,867	0	0
Management of holding companies	63,142,862	288,955	42,408,478	20,427,309	0	29,058
Administrative and support and waste management and remediation	292,457	2,852	98,023	181,899	0	0
Education services, health care, and social assistance	42,415	299	15,487	10,661	0	0
Arts, entertainment, and recreation	231,897	4,481	132,160	88,279	-33,459	0
Accommodation and food services	1,137,747	10,576	668,367	458,428	0	0
Accommodation	359,359	0	283,642	75,712	0	0
Food services and drinking places	778,389	10,576	384,725	382,716	0	0
Other services	63,923	0	54,166	9,757	0	0
Repair and maintenance services	*1,786	*0	*1,546	*239	*0	*0
Personal services	*62,137	*0	*52,620	*9,517	*0	*0
Religious, grantmaking, civic, professional, and similar organizations	0	0	0	0	0	0

Footnotes at end of table.

Corporate Foreign Tax Credit, 2007

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Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes Reported on Form 1118, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign income and taxes reported on Form 1118—continued					
	Taxable income (less loss) before adjustments	Adjustments to taxable income	Taxable income (less loss) after adjustments	Foreign taxes available for credit		
				Total	Reduction for certain foreign taxes	Carryover
	(36)	(37)	(38)	(39)	(40)	(41)
All industries	392,530,203	66,745,782	325,784,421	117,959,579	10,338,217	29,194,733
Agriculture, forestry, fishing, and hunting	73,289	[2]	73,289	25,195	0	7,905
Mining	21,776,497	203,458	21,573,039	8,616,417	440,757	1,815,127
Oil and gas extraction, coal mining	7,467,538	57,502	7,410,036	2,654,083	413,799	466,511
Metal ore mining	9,245,766	6,067	9,239,699	4,456,296	26,854	967,278
Nonmetallic minerals	*70,032	[2]	*70,032	*14,315	*0	*182
Support activities for mining	4,993,161	139,890	4,853,271	1,491,723	104	381,155
Utilities	1,100,768	33,501	1,067,267	307,534	0	39,146
Construction	991,637	32,149	959,488	239,238	0	80,912
Construction of buildings	406,172	9,996	396,176	91,527	0	1,187
Heavy and civil engineering construction	418,009	21,909	396,100	42,402	0	2,771
Special trade contractors	167,456	243	167,213	105,310	0	76,955
Manufacturing	233,544,418	30,638,803	202,905,615	74,978,819	9,885,664	23,826,506
Food manufacturing	5,324,299	550,865	4,773,434	1,349,474	0	163,918
Beverage and tobacco products	14,410,607	265,640	14,144,967	4,034,966	0	23,699
Tobacco manufacturing	*9,203,377	*11,663	*9,191,714	*2,894,765	*0	*1,896
Textile mills and textile product mills	*14,717	[2]	*14,717	*5,302	*0	*62
Apparel manufacturing	601,904	270,982	330,922	400,356	0	297,705
Leather and allied product manufacturing	*151,369	*19,398	*131,971	*10,556	*0	*0
Wood product manufacturing	*37,461	[2]	*37,461	*6,265	*0	*0
Paper manufacturing	3,791,299	43,020	3,748,279	1,249,159	0	292,916
Printing and related support activities	191,271	20,934	170,337	94,004	0	30,863
Petroleum and coal products manufacturing	83,333,957	67,678	83,266,279	36,282,982	9,772,462	13,180,552
Chemical manufacturing	37,348,175	4,783,471	32,564,704	11,054,597	104	3,676,828
Pharmaceutical and medicine manufacturing	21,176,648	3,514,370	17,662,278	5,555,510	104	2,244,996
Other chemical manufacturing	16,171,527	1,269,101	14,902,426	5,499,087	0	1,431,833
Plastics and rubber products manufacturing	1,852,591	136,946	1,715,645	739,609	1,288	299,112
Nonmetallic mineral product manufacturing	1,433,031	683,017	750,014	672,814	0	103,024
Primary metal manufacturing	5,183,218	35,651	5,147,567	1,782,298	111,346	131,936
Fabricated metal products	1,891,940	141,572	1,750,368	736,924	0	220,096
Machinery manufacturing	9,287,742	1,145,079	8,142,663	2,842,729	149	847,390
Computer and electronic product manufacturing	32,464,854	8,043,226	24,421,628	5,334,822	315	2,403,610
Electrical equipment, appliance and component manufacturing	12,297,138	4,159,217	8,137,921	2,592,321	0	119,050
Transportation equipment manufacturing	18,299,478	9,569,167	8,730,311	4,290,167	0	1,667,491
Motor vehicles and related manufacturing	14,582,938	9,453,674	5,129,264	3,236,229	0	1,348,865
Other transportation equipment manufacturing	3,716,540	115,494	3,601,046	1,053,939	0	318,626
Furniture and related products	202,371	13,903	188,468	97,284	0	52,020
Miscellaneous manufacturing and manufacturing not allocable	5,426,998	689,039	4,737,959	1,402,188	0	316,233
Wholesale and retail trade	11,581,816	438,327	11,143,489	3,273,192	74	663,337
Wholesale trade	6,272,030	324,555	5,947,475	1,569,851	74	353,628
Durable goods	1,719,633	190,954	1,528,679	414,543	0	114,764
Machinery, equipment, and supplies	193,560	71,987	121,573	52,800	0	11,103
Other miscellaneous durable goods	1,526,073	118,967	1,407,106	361,743	0	103,661
Nondurable goods	4,552,396	133,600	4,418,796	1,155,308	74	238,864
Drugs, chemicals, and allied products	1,419,384	103,330	1,316,054	286,017	0	63,856
Groceries and related products	1,018,853	[2]	1,018,853	189,350	0	6,683
Petroleum and petroleum products	513,117	14,764	498,353	97,037	0	20,414
Other miscellaneous nondurable goods	1,601,042	15,507	1,585,535	582,904	74	147,910

Footnotes at end of table.

Corporate Foreign Tax Credit, 2007

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Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes Reported on Form 1118, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign income and taxes reported on Form 1118—continued					
	Taxable income (less loss) before adjustments	Adjustments to taxable income	Taxable income (less loss) after adjustments	Foreign taxes available for credit		
				Total	Reduction for certain foreign taxes	Carryover
	(36)	(37)	(38)	(39)	(40)	(41)
Wholesale and retail trade—continued						
Retail trade	5,309,786	113,772	5,196,014	1,703,341	0	309,709
Motor vehicle, parts dealers, and gas stations	84,256	836	83,420	20,839	0	1,885
Furniture and home furnishings stores	*41,128	[2]	*41,128	*14,433	*0	*453
Building materials, garden equipment, and supplies	379,072	[2]	379,072	148,326	0	3
Food and beverages stores	122,112	30,719	91,393	10,827	0	2,571
Apparel and accessory stores	1,538,101	27,635	1,510,466	377,537	0	9,735
General merchandise stores	1,501,346	14,435	1,486,911	626,456	0	146,275
Miscellaneous retail trade	1,643,770	40,146	1,603,624	504,923	0	148,788
Transportation and warehousing	3,396,043	1,219,793	2,176,250	544,775	139	63,198
Air, rail, and water transportation	415,430	30,067	385,363	125,920	0	39,601
Water transportation	*218,100	*16,856	*201,244	*62,108	*0	*25,481
Air and rail transportation	197,330	13,211	184,119	63,812	0	14,119
Other transportation and warehousing	2,980,613	1,189,726	1,790,887	418,855	139	23,597
Information	24,251,976	1,328,410	22,923,566	4,836,337	1,216	1,119,191
Publishing (except internet), motion picture, and sound recording	17,904,383	644,630	17,259,753	2,829,360	1,186	328,167
Broadcasting, internet publishing	1,884,794	751	1,884,043	270,012	0	27,658
Telecommunications	2,510,678	648,345	1,862,333	811,158	0	271,382
Internet service providers, web search portals, and data processing services	*1,202,329	[2]	*1,202,329	*832,569	*0	*455,317
Other information services	749,792	34,684	715,108	93,238	30	36,666
Finance, insurance, real estate, and rental and leasing	50,058,344	18,563,883	31,494,461	10,704,273	[2]	666,764
Finance and insurance	49,553,414	18,519,214	31,034,200	10,605,693	0	641,068
Commercial banking and other depository credit agencies	60,344	[2]	60,344	33,780	0	1,924
Commercial banking	*55,606	[2]	*55,606	*32,665	*0	*1,791
Depository credit agencies other than banks	4,737	[2]	4,737	1,115	0	133
Nondepository credit intermediation	2,373,912	34,919	2,338,993	743,668	0	111,216
Securities, commodity contracts, and other	20,899,866	12,403,333	8,496,533	4,675,619	0	123,447
Insurance and related activities	25,342,034	6,018,600	19,323,434	4,754,876	0	396,315
Insurance agencies and brokerages	1,278,404	[2]	1,278,404	350,348	0	17,534
Funds, trusts, and other financial vehicles	877,259	62,363	814,896	397,749	0	8,166
Real estate and rental and leasing	504,930	44,669	460,261	98,581	[2]	25,696
Real estate	88,792	6,430	82,362	34,178	[2]	17,179
Rentals and leasing	416,138	38,239	377,899	64,403	0	8,518
Services	45,755,415	14,287,457	31,467,958	14,433,800	10,368	912,648
Professional, scientific, and technical services	4,991,801	865,544	4,126,257	1,513,632	0	345,589
Management of holding companies	34,575,048	12,751,307	21,823,741	10,846,751	10,368	209,164
Administrative and support and waste management and remediation	1,277,214	62,362	1,214,852	401,603	0	76,097
Education services, health care, and social assistance	129,640	30,096	99,544	23,946	0	4,731
Arts, entertainment, and recreation	381,536	171,996	209,540	137,181	0	40,700
Accommodation and food services	4,220,837	401,301	3,819,536	1,467,088	0	235,487
Accommodation	1,122,959	339,155	783,804	242,564	0	13,991
Food services and drinking places	3,097,878	62,146	3,035,732	1,224,524	0	221,496
Other services	179,340	4,853	174,487	43,598	0	880
Repair and maintenance services	*1,666	[2]	*1,666	*182	*0	*150
Personal services	*177,554	*4,853	*172,701	*43,401	*0	*731
Religious, grantmaking, civic, professional, and similar organizations	121	[2]	121	14	0	0

Footnotes at end of table.

Corporate Foreign Tax Credit, 2007

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Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes Reported on Form 1118, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign income and taxes reported on Form 1118—continued					
	Foreign taxes available for credit—continued					
	Limitation	Difference between limitation and foreign tax credit [8]	Total paid, accrued, and deemed paid	Foreign taxes paid or accrued		
				Total	Taxes withheld at source on—	
				Dividends	Interest	
	(42)	(43)	(44)	(45)	(46)	(47)
All industries	113,984,259	27,459,257	99,103,064	48,297,533	2,372,771	997,401
Agriculture, forestry, fishing, and hunting	25,479	6,455	17,290	4,230	73	179
Mining	7,548,935	670,923	7,242,047	4,242,807	438,685	30,565
Oil and gas extraction, coal mining	2,593,230	98,534	2,601,371	780,883	4,166	10,988
Metal ore mining	3,233,878	162,495	3,515,872	3,071,728	431,085	15,429
Nonmetallic minerals	*24,511	*10,629	*14,133	*1,609	*236	*58
Support activities for mining	1,697,317	399,265	1,110,671	388,587	3,198	4,090
Utilities	373,481	121,949	268,388	168,741	886	432
Construction	335,471	152,106	158,326	59,701	8,980	930
Construction of buildings	138,539	47,993	90,340	13,845	5,797	398
Heavy and civil engineering construction	138,555	100,418	39,632	36,374	674	474
Special trade contractors	58,378	3,694	28,354	9,482	2,509	59
Manufacturing	71,007,921	13,829,526	61,037,977	30,310,631	1,184,061	467,622
Food manufacturing	1,670,402	486,814	1,185,556	297,849	60,518	7,777
Beverage and tobacco products	4,950,687	925,426	4,011,268	700,953	374,009	3,831
Tobacco manufacturing	*3,217,074	*322,309	*2,892,869	*366,673	*317,068	*673
Textile mills and textile product mills	*5,137	*638	*5,240	*2,358	*162	*42
Apparel manufacturing	115,516	38,810	102,651	44,121	2,271	1,317
Leather and allied product manufacturing	*46,187	*35,631	*10,556	*5,370	*0	*72
Wood product manufacturing	*13,104	*7,996	*6,265	*1,287	*942	*36
Paper manufacturing	1,311,735	370,706	956,243	229,010	52,227	3,338
Printing and related support activities	59,432	2,723	63,141	11,859	1,039	672
Petroleum and coal products manufacturing	29,142,990	870,422	32,874,893	21,957,668	65,909	25,714
Chemical manufacturing	11,396,356	3,909,186	7,377,872	2,147,305	284,568	83,548
Pharmaceutical and medicine manufacturing	6,181,716	2,872,593	3,310,618	1,258,038	143,122	52,112
Other chemical manufacturing	5,214,639	1,036,593	4,067,254	889,267	141,446	31,436
Plastics and rubber products manufacturing	599,992	23,401	441,785	58,349	9,762	6,744
Nonmetallic mineral product manufacturing	262,280	16,849	569,790	30,332	2,700	8,558
Primary metal manufacturing	1,801,263	123,443	1,761,709	853,601	16,525	17,612
Fabricated metal products	612,096	94,995	516,828	217,257	30,164	14,298
Machinery manufacturing	2,848,125	551,418	1,995,489	576,273	33,204	29,506
Computer and electronic product manufacturing	8,546,631	4,775,619	2,931,528	1,090,652	105,658	7,321
Electrical equipment, appliance and component manufacturing	2,847,589	308,656	2,473,271	927,552	30,361	202,094
Transportation equipment manufacturing	3,055,339	717,413	2,622,676	807,850	85,553	38,621
Motor vehicles and related manufacturing	1,795,043	264,684	1,887,364	574,662	70,002	25,141
Other transportation equipment manufacturing	1,260,296	452,729	735,312	233,189	15,552	13,481
Furniture and related products	65,744	4,400	45,265	10,934	2,114	455
Miscellaneous manufacturing and manufacturing not allocable	1,657,316	564,980	1,085,954	340,051	26,373	16,065
Wholesale and retail trade	3,897,283	1,324,013	2,609,929	1,059,582	136,081	70,442
Wholesale trade	2,079,630	853,496	1,216,297	494,266	86,944	37,304
Durable goods	533,314	221,856	299,779	106,668	17,920	17,810
Machinery, equipment, and supplies	41,902	13,180	41,696	22,429	1,891	753
Other miscellaneous durable goods	491,411	208,676	258,082	84,239	16,029	17,057
Nondurable goods	1,546,316	631,640	916,518	387,598	69,024	19,494
Drugs, chemicals, and allied products	460,396	246,568	222,160	115,655	13,829	8,112
Groceries and related products	356,557	173,703	182,667	80,151	20,399	7,719
Petroleum and petroleum products	174,307	87,409	76,623	22,466	6,917	264
Other miscellaneous nondurable goods	555,057	123,960	435,068	169,325	27,879	3,400

Footnotes at end of table.

Corporate Foreign Tax Credit, 2007

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Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes Reported on Form 1118, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign income and taxes reported on Form 1118—continued					
	Foreign taxes available for credit—continued					
	Limitation	Difference between limitation and foreign tax credit [8]	Total paid, accrued, and deemed paid	Total	Taxes withheld at source on—	
					Dividends	Interest
(42)	(43)	(44)	(45)	(46)	(47)	
Wholesale and retail trade—continued						
Retail trade	1,817,653	470,517	1,393,631	565,316	49,137	33,138
Motor vehicle, parts dealers, and gas stations	29,136	10,658	18,953	16,844	2,159	2,972
Furniture and home furnishings stores	*14,382	*907	*13,980	*1,676	*1,375	*0
Building materials, garden equipment, and supplies	132,639	255	148,323	77,433	4	10,489
Food and beverages stores	31,916	23,062	8,257	8,256	192	1
Apparel and accessory stores	528,637	177,908	367,802	243,855	19,622	4,770
General merchandise stores	520,395	44,211	480,182	91,805	16,056	1
Miscellaneous retail trade	560,549	213,517	356,135	125,447	9,728	14,905
Transportation and warehousing	761,006	251,968	481,716	211,826	14,002	4,247
Air, rail, and water transportation	134,669	27,544	86,320	51,994	81	883
Water transportation	*70,313	*15,271	*36,627	*33,095	*0	*849
Air and rail transportation	64,356	12,273	49,693	18,899	81	34
Other transportation and warehousing	626,336	224,424	395,397	159,832	13,921	3,364
Information	8,021,156	4,282,595	3,718,362	2,260,889	70,354	13,841
Publishing (except internet), motion picture, and sound recording	6,039,082	3,568,992	2,502,378	1,745,991	40,363	5,050
Broadcasting, internet publishing	659,249	426,682	242,354	202,842	4,403	504
Telecommunications	651,757	68,892	539,776	217,570	1,817	8,279
Internet service providers, web search portals, and data processing services	*420,793	*31,919	*377,253	*59,960	*17,598	*7
Other information services	250,275	186,110	56,602	34,525	6,174	1
Finance, insurance, real estate, and rental and leasing	11,009,336	3,923,709	10,037,509	4,915,990	216,082	314,638
Finance and insurance	10,849,965	3,833,704	9,964,625	4,846,662	215,061	313,104
Commercial banking and other depository credit agencies	21,114	3,273	31,857	31,841	8	30,878
Commercial banking	*19,459	*2,734	*30,874	*30,874	*0	*30,855
Depository credit agencies other than banks	1,655	539	982	967	8	23
Nondepository credit intermediation	818,556	215,962	632,452	276,493	15,855	5,466
Securities, commodity contracts, and other	2,972,996	597,253	4,552,172	1,249,650	7,327	9,456
Insurance and related activities	6,752,135	2,998,578	4,358,561	2,899,111	191,837	48,677
Insurance agencies and brokerages	447,419	131,185	332,814	84,681	10,789	0
Funds, trusts, and other financial vehicles	285,164	18,638	389,583	389,566	35	218,626
Real estate and rental and leasing	159,371	90,005	72,884	69,329	1,021	1,534
Real estate	28,233	14,441	16,999	16,802	624	1,493
Rentals and leasing	131,139	75,564	55,885	52,527	397	41
Services	11,004,190	2,896,013	13,531,520	5,063,137	303,567	94,505
Professional, scientific, and technical services	1,441,849	290,045	1,168,043	422,679	27,417	6,132
Management of holding companies	7,635,977	2,356,600	10,647,955	3,861,127	231,778	63,032
Administrative and support and waste management and remediation	423,441	99,025	325,506	85,596	11,533	4,623
Education services, health care, and social assistance	34,579	13,866	19,216	13,665	539	303
Arts, entertainment, and recreation	72,995	19,302	96,481	55,111	1,071	402
Accommodation and food services	1,334,376	98,329	1,231,601	618,501	29,673	19,722
Accommodation	274,198	75,586	228,573	120,510	2,156	5,273
Food services and drinking places	1,060,177	22,743	1,003,028	497,991	27,518	14,449
Other services	60,974	18,846	42,717	6,458	1,555	290
Repair and maintenance services	*565	*383	*33	*33	*12	*21
Personal services	*60,370	*18,438	*42,670	*6,411	*1,530	*269
Religious, grantmaking, civic, professional, and similar organizations	39	24	14	14	14	0

Footnotes at end of table.

Corporate Foreign Tax Credit, 2007

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Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes Reported on Form 1118, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign income and taxes reported on Form 1118—continued					
	Foreign taxes available for credit—continued					
	Foreign taxes paid or accrued—continued					Taxes deemed paid
	Taxes withheld at source on—continued	Other taxes paid or accrued on—				
		Rents, royalties, and license fees	Branch income	Specifically allocable income (section 863(b))	Service income	
(48)	(49)	(50)	(51)	(52)	(53)	
All industries	4,106,739	12,441,128	78,766	600,288	27,700,439	50,805,531
Agriculture, forestry, fishing, and hunting	783	965	0	504	1,726	13,060
Mining	88,991	402,015	0	61,416	3,221,134	2,999,240
Oil and gas extraction, coal mining	3,928	140,066	0	14,741	606,994	1,820,488
Metal ore mining	4,448	149,647	0	[2]	2,471,118	444,144
Nonmetallic minerals	*328	*987	*0	*0	*0	*12,524
Support activities for mining	80,286	111,316	0	46,675	143,022	722,084
Utilities	0	105,296	0	587	61,541	99,647
Construction	3,148	17,026	0	12,040	17,576	98,625
Construction of buildings	1,163	0	0	4,951	1,536	76,495
Heavy and civil engineering construction	1,683	12,649	0	4,884	16,009	3,258
Special trade contractors	302	4,377	0	2,205	30	18,873
Manufacturing	2,208,202	4,930,961	65,757	132,958	21,321,070	30,727,346
Food manufacturing	41,895	139,927	0	521	47,211	887,706
Beverage and tobacco products	75,588	226,704	6	3,678	17,137	3,310,315
Tobacco manufacturing	*5,741	*41,094	*0	*0	*2,097	*2,526,196
Textile mills and textile product mills	*1,035	*1,118	*0	*0	*0	*2,882
Apparel manufacturing	25,292	12,068	0	0	3,173	58,530
Leather and allied product manufacturing	*5,130	*162	*0	*6	*0	*5,186
Wood product manufacturing	*30	*192	*0	*0	*86	*4,978
Paper manufacturing	73,683	10,635	189	8,754	80,184	727,234
Printing and related support activities	3,058	7,031	0	0	58	51,282
Petroleum and coal products manufacturing	13,867	1,557,990	205	6,275	20,287,707	10,917,225
Chemical manufacturing	792,262	533,120	5,058	21,590	427,159	5,230,567
Pharmaceutical and medicine manufacturing	522,159	223,233	1,166	5,209	311,038	2,052,580
Other chemical manufacturing	270,103	309,887	3,893	16,381	116,121	3,177,987
Plastics and rubber products manufacturing	38,074	979	0	1,248	1,542	383,436
Nonmetallic mineral product manufacturing	6,339	11,237	0	585	913	539,457
Primary metal manufacturing	11,055	800,606	0	2,737	5,066	908,108
Fabricated metal products	15,748	98,127	18,137	2,652	38,130	299,571
Machinery manufacturing	60,962	359,834	808	9,076	82,883	1,419,216
Computer and electronic product manufacturing	678,713	205,590	2,203	13,625	77,542	1,840,876
Electrical equipment, appliance and component manufacturing	50,734	558,902	66	2,088	83,306	1,545,719
Transportation equipment manufacturing	141,421	332,276	4,999	52,635	152,344	1,814,826
Motor vehicles and related manufacturing	87,287	284,635	847	8,846	97,904	1,312,702
Other transportation equipment manufacturing	54,134	47,641	4,152	43,790	54,440	502,124
Furniture and related products	2,057	6,060	0	0	249	34,330
Miscellaneous manufacturing and manufacturing not allocable	171,260	68,401	34,086	7,487	16,379	745,903
Wholesale and retail trade	162,745	442,745	189	15,358	232,022	1,550,346
Wholesale trade	75,473	179,683	189	14,901	99,772	722,031
Durable goods	10,226	37,474	185	9,489	13,564	193,111
Machinery, equipment, and supplies	2,312	11,965	0	3,161	2,347	19,268
Other miscellaneous durable goods	7,913	25,510	185	6,328	11,217	173,843
Nondurable goods	65,247	142,209	4	5,412	86,208	528,920
Drugs, chemicals, and allied products	26,207	60,391	0	943	6,173	106,506
Groceries and related products	4,004	38,580	4	3,919	5,526	102,515
Petroleum and petroleum products	144	8,959	0	0	6,182	54,156
Other miscellaneous nondurable goods	34,892	34,278	0	550	68,327	265,743

Footnotes at end of table.

Corporate Foreign Tax Credit, 2007

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Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes Reported on Form 1118, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign income and taxes reported on Form 1118—continued					Taxes deemed paid
	Foreign taxes available for credit—continued					
	Foreign taxes paid or accrued—continued					
	Taxes withheld at source on— continued	Other taxes paid or accrued on—				
		Branch income	Specifically allocable income (section 863(b))	Service income	Other income	
Rents, royalties, and license fees						
(48)	(49)	(50)	(51)	(52)	(53)	
Wholesale and retail trade—continued						
Retail trade	87,272	263,061	0	457	132,250	828,316
Motor vehicle, parts dealers, and gas stations	203	9,655	0	0	1,856	2,109
Furniture and home furnishings stores	*0	*300	*0	*0	*0	*12,305
Building materials, garden equipment, and supplies	15,809	0	0	0	51,131	70,890
Food and beverages stores	8,063	0	0	0	0	[2]
Apparel and accessory stores	14,735	181,397	0	0	23,331	123,947
General merchandise stores	34,802	40,359	0	0	587	388,377
Miscellaneous retail trade	13,660	31,350	0	457	55,346	230,688
Transportation and warehousing	19,957	116,756	11,975	23,059	21,829	269,891
Air, rail, and water transportation	5,196	321	11,975	17,672	15,867	34,326
Water transportation	*0	*0	*11,975	*15,308	*4,963	*3,531
Air and rail transportation	5,196	321	0	2,363	10,903	30,794
Other transportation and warehousing	14,761	116,435	0	5,388	5,962	235,565
Information	1,338,841	571,952	814	17,046	248,040	1,457,474
Publishing (except internet), motion picture, and sound recording	1,008,581	496,319	814	2,020	192,845	756,387
Broadcasting, internet publishing	169,659	2,048	0	1,718	24,510	39,511
Telecommunications	151,081	33,868	0	11,922	10,602	322,206
Internet service providers, web search portals, and data processing services	*8,294	*22,213	*0	*507	*11,342	*317,293
Other information services	1,227	17,503	0	880	8,741	22,076
Finance, insurance, real estate, and rental and leasing	48,268	2,540,499	0	65,890	1,730,614	5,121,519
Finance and insurance	2,322	2,528,229	0	63,445	1,724,500	5,117,963
Commercial banking and other depository credit agencies	0	928	0	19	7	16
Commercial banking	*0	*0	*0	*19	*0	*0
Depository credit agencies other than banks	0	928	0	0	7	16
Nondepository credit intermediation	840	196,442	0	1,672	56,219	355,958
Securities, commodity contracts, and other	179	486,521	0	28,822	717,346	3,302,522
Insurance and related activities	856	1,801,504	0	32,575	823,663	1,459,450
Insurance agencies and brokerages	6	68,675	0	1,422	3,788	248,133
Funds, trusts, and other financial vehicles	447	42,836	0	357	127,265	17
Real estate and rental and leasing	45,945	12,270	0	2,445	6,114	3,556
Real estate	2,987	4,477	0	1,200	6,021	198
Rentals and leasing	42,958	7,793	0	1,245	93	3,358
Services	235,804	3,312,914	31	271,430	844,887	8,468,383
Professional, scientific, and technical services	30,828	141,767	31	174,538	41,965	745,365
Management of holding companies	29,229	2,753,796	0	64,755	718,537	6,786,828
Administrative and support and waste management and remediation	20,119	35,868	0	11,401	2,052	239,910
Education services, health care, and social assistance	2,744	6,726	0	2,578	774	5,551
Arts, entertainment, and recreation	7,155	13,250	0	11,319	21,914	41,370
Accommodation and food services	143,636	359,478	0	6,567	59,425	613,100
Accommodation	12,412	37,249	0	6,550	56,871	108,062
Food services and drinking places	131,224	322,229	0	18	2,554	505,037
Other services	2,093	2,029	0	271	220	36,259
Repair and maintenance services	*0	*0	*0	*0	*0	*0
Personal services	*2,093	*2,029	*0	*271	*220	*36,259
Religious, grantmaking, civic, professional, and similar organizations	0	0	0	0	1	0

Footnotes at end of table.

Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes Reported on Form 1118, by Major and Selected Minor Industry—Continued

Footnotes

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

[1] Interest-Charge Domestic International Sales Corporation (IC-DISC) and Domestic International Sales Corporation (DISC).

[2] Less than \$500.

[3] Includes adjustments and recapture of certain tax credits not included in column 11.

[4] In addition to the credits shown in columns 12 and 13, this is after reduction by other credits, such as the jobs credit and the investment credit, which are not shown separately in this table.

[5] Included in gross income (less loss), columns 15-21. See notes below.

[6] Column 30 exceeds the sum of columns 31 through 33 because some corporations do not file a Schedule H to support the not allocable deductions reported on Schedule A.

[7] Included in deductions, columns 24-33. See notes below.

[8] This calculation does not include the reduction for participation an international boycott and certain other adjustments. Therefore; the amounts presented in this column may differ slightly than subtracting the foreign tax credit (column 12) from the limitation (column 42). The difference between the foreign tax credit limitation and the foreign tax credit is a measure of the U.S. tax owed on foreign source corporate income. The foreign tax credit limitation is the ratio of foreign source income (after deductions) to total taxable income from all sources multiplied by the total U.S. income tax against which the credit is allowed. A limitation of this measure of the U.S. tax owed on foreign source corporate income is that it relies on the definition of foreign source income contained in the tax code. Thus, it assumes that the allocation of expenses to foreign source income accurately reflects the cost of earning that income. Current law also allows expenses allocable to foreign source income to be deducted even when all of the income associated with those expenses is deferred. In that case, the computed residual U.S. tax would be zero, rather than negative. In addition, the definition of foreign source income includes income that may be considered domestic source income, such as certain income from sales of U.S. inventory property.

NOTES: Detail may not add to totals because of rounding. Columns 2 through 14 present statistics on assets, receipts, income, and taxes reported on Form 1120 (Corporation Income Tax Return) series for corporations claiming a foreign tax credit. Columns 15 through 53 present statistics from Form 1118, Foreign Tax Credit—Corporations. Schedule references indicate the schedule of Form 1118 from which the data were obtained. Columns 15 through 34 present statistics on foreign income (i.e., income from sources outside the United States) and deductions reported primarily on Schedule A, Form 1118. Although the amounts of oil and gas income and deductions (columns 22 and 35, respectively) are contained in the summary columns (i.e., columns 15 through 21 and 24 through 33), these amounts are also reported separately (on Schedule I) because oil and gas income is subject to special rules under Internal Revenue Code section 907, which may result in a reduction of foreign taxes available for credit. Foreign branch income and code section 863(b) income (income partly within and partly without the United States) also are included in the summary amounts reported in columns 15 through 21. Foreign branch income also is reported separately on Schedule F, shown in column 23. Total deductions not allocable to specific types of income (column 30) are equal to the sum of columns 31 through 33 (any differences are due to taxpayer reporting practices). Total foreign-source gross income (column 15) less total foreign deductions (column 24) is equal to foreign-source taxable income (less loss) before adjustments (column 36).

Adjustments to foreign-source taxable income (reported in column 37) include allocations of current-year U.S.-source losses and recapture of foreign losses, as well as other adjustments. These adjustments (reported on Schedule J) affect the numerator of the limitation fraction used to compute the foreign tax credit. The foreign-source taxable income (less loss) after adjustments (the numerator of the limitation fraction) is reported in column 38. The limitation fraction, which represents the ratio of foreign-source taxable income after adjustments to total (U.S. and foreign) taxable income after Statistics on foreign taxes are reported in columns 40 through 54. Data on foreign taxes paid, accrued, and deemed paid (through related foreign corporations or their subsidiaries) from Schedule B, Form 1118, are reported in columns 45 through 54. Total foreign taxes paid or accrued (column 46) are the sum of columns 47 through 53. Total foreign taxes paid, accrued, and deemed paid (column 45) are equal to the sum of total taxes paid or accrued (column 46) and taxes deemed paid (column 54). Total foreign taxes paid, accrued, and deemed paid are then adjusted for certain items (e.g., reductions of foreign taxes under Code section 907 related to oil and gas income), which are reported in column 41, as well as carryovers of foreign taxes not credited in prior years, which are reported in column 42. Thus, total foreign taxes available for credit (column 40) are equal to total foreign taxes paid, accrued, and deemed paid (column 45) less certain foreign taxes (column 41), plus any carryover of prior-year foreign taxes (column 42). adjustments, is applied to the total U.S. tax against which the credit is allowed to determine any limitation on the foreign tax credit.

Statistics on foreign taxes are reported in columns 40 through 54. Data on foreign taxes paid, accrued, and deemed paid (through related foreign corporations or their subsidiaries) from Schedule B, Form 1118, are reported in columns 45 through 54. Total foreign taxes paid or accrued (column 46) are the sum of columns 47 through 53. Total foreign taxes paid, accrued, and deemed paid (column 45) are equal to the sum of total taxes paid or accrued (column 46) and taxes deemed paid (column 54). Total foreign taxes paid, accrued, and deemed paid are then adjusted for certain items (e.g., reductions of foreign taxes under Code section 907 related to oil and gas income), which are reported in column 41, as well as carryovers of foreign taxes not credited in prior years, which are reported in column 42. Thus, total foreign taxes available for credit (column 40) are equal to total foreign taxes paid, accrued, and deemed paid (column 45) less certain foreign taxes (column 41), plus any carryover of prior-year foreign taxes (column 42).

Corporate Foreign Tax Credit, 2007

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Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid

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

Selected country	Number of returns [1]	Foreign income, deductions, and taxes reported on Form 1118				
		Gross income (less loss)				
		Total	Dividends	Foreign dividend income from foreign taxes deemed paid (gross-up)	Interest	Rents, royalties, and license fees
(1)	(2)	(3)	(4)	(5)	(6)	
All geographic areas	6,675	795,034,785	138,050,918	50,663,937	131,845,089	123,004,372
Canada	2,378	52,189,406	13,841,272	5,311,822	8,123,854	7,268,972
Latin America, total	1,392	76,472,307	17,468,898	5,803,306	11,398,021	11,266,408
Mexico	955	17,723,007	4,903,202	2,066,107	1,700,228	2,993,504
Central America, total	329	1,898,047	567,010	155,085	285,016	325,565
Costa Rica	145	499,963	209,606	37,521	19,920	138,207
El Salvador	131	153,301	33,589	8,556	27,653	32,446
Guatemala	149	289,756	40,500	18,704	22,761	52,743
Honduras	116	103,155	18,355	3,647	20,459	24,062
Nicaragua	72	39,694	1,903	904	4,383	8,258
Panama (including Canal Zone)	191	785,288	261,797	85,557	169,388	69,047
Other Central American countries	34	26,891	1,260	198	20,451	803
Caribbean countries, total	402	20,725,017	6,067,569	1,597,157	6,245,129	1,995,997
Barbados	86	151,061	105,800	6,529	12,728	16,115
Cayman Islands (British)	231	17,056,486	5,631,293	1,429,907	6,060,721	1,806,409
Dominican Republic	162	399,218	98,957	53,110	44,626	65,863
Haiti	34	52,538	7,094	3,770	13,267	2,653
Jamaica	106	230,017	7,839	5,164	48,142	25,585
Trinidad	136	2,774,056	198,373	98,677	63,895	77,176
Other Caribbean countries	45	61,641	18,213	0	1,750	2,195
South America, total	908	35,759,358	5,931,117	1,984,958	3,164,862	5,948,246
Argentina	366	4,145,061	374,526	219,712	389,179	401,314
Bolivia	86	130,230	23,391	3,454	3,855	16,260
Brazil	669	12,181,824	2,217,735	770,277	1,415,811	1,999,954
Chile	356	8,680,710	1,634,172	305,312	629,942	247,621
Colombia	349	2,468,194	348,933	160,770	143,326	249,130
Ecuador	162	356,440	41,062	10,577	36,514	79,632
Paraguay	66	69,132	15,835	568	25,339	11,454
Peru	259	3,808,724	420,091	114,480	108,127	2,455,741
Uruguay	116	220,179	51,492	10,218	86,721	20,913
Venezuela	288	3,577,485	803,879	389,590	308,496	457,910
Other South American countries	46	121,379	0	0	17,552	8,316
Latin America not allocable	*5	*366,878	*0	*0	*2,787	*3,096
Other Western Hemisphere, total	361	24,722,858	12,979,211	2,827,223	3,419,590	1,853,054
Bahamas	117	3,103,803	679,283	159,372	1,836,163	42,305
Bermuda	268	18,752,049	11,694,847	2,641,741	808,746	1,474,330
British Virgin Islands	88	1,370,471	357,204	14,784	225,996	292,431
Netherlands Antilles	74	724,359	226,965	5,829	462,637	11,128
All other Western Hemisphere	94	772,176	20,911	5,497	86,049	32,860
Europe, total	2,187	333,545,367	61,897,052	23,163,633	72,821,338	48,281,541
European Union, total	2,108	280,018,769	51,853,579	18,823,837	66,272,380	41,559,681
Austria	232	1,936,845	160,735	42,745	390,833	510,792
Belgium	345	7,280,233	682,502	356,737	698,499	983,119
Czech Republic	168	1,727,541	254,340	107,700	39,308	836,324
Denmark	247	3,714,833	646,103	736,335	170,112	489,583
Finland	296	1,203,322	127,355	39,572	108,646	630,893
France	701	13,193,008	1,863,321	846,585	1,740,155	3,129,110

Footnotes at end of table.

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Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid—Continued

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

Selected country	Number of returns [1]	Foreign income, deductions, and taxes reported on Form 1118				
		Gross income (less loss)				
		Total	Dividends	Foreign dividend income from foreign taxes deemed paid (gross-up)	Interest	Rents, royalties, and license fees
	(1)	(2)	(3)	(4)	(5)	(6)
Europe, total—continued						
European Union, total—continued						
Germany	673	28,943,468	3,114,172	1,495,402	2,499,089	7,101,420
Greece	200	1,049,974	266,278	242,795	37,163	183,626
Hungary	184	1,410,367	564,892	20,326	62,763	575,935
Ireland	318	22,085,796	7,305,033	380,428	1,176,911	8,936,317
Italy	519	6,921,332	987,584	477,397	502,694	1,923,680
Luxembourg	211	9,831,630	4,996,161	1,355,461	1,755,110	722,343
Netherlands	794	26,384,032	11,611,022	3,654,840	2,733,027	4,266,573
Poland	224	1,593,274	352,048	87,348	215,300	372,861
Portugal	215	3,243,270	1,711,745	742,326	48,990	281,296
Romania	121	418,442	46,978	12,537	33,600	172,866
Spain	430	6,158,818	2,192,731	731,168	397,492	1,188,590
Sweden	333	3,376,708	423,121	118,145	548,932	1,482,817
United Kingdom	1,244	138,655,188	14,225,312	7,318,860	53,073,664	7,639,182
Other European Union countries	198	890,688	322,144	57,130	40,093	132,350
Other European countries, total	656	53,526,598	10,043,474	4,339,797	6,548,957	6,721,860
Jersey	40	3,058,423	167,768	19,901	2,844,268	24,333
Kazakhstan	99	5,604,706	9,082	3,446	237,975	43,488
Norway	228	15,957,281	1,297,221	2,144,713	791,094	357,694
Russia	237	5,255,331	830,242	33,380	588,744	538,032
Switzerland	466	19,008,465	6,742,104	1,863,940	1,295,423	5,279,393
Turkey	202	1,948,760	617,865	182,970	159,505	352,126
Ukraine	88	289,670	36,090	10,136	58,697	61,477
Other European countries	204	2,403,962	343,102	81,311	573,251	65,317
Africa, total	475	24,756,641	4,774,951	752,285	1,406,846	1,004,050
Algeria	43	138,278	43,294	1,943	42,897	11,790
Angola	57	1,043,730	65,564	32,239	3,468	43,035
Chad	14	1,115,960	341,406	60,534	2,995	0
Egypt	148	2,311,385	113,627	24,806	183,095	198,208
Equatorial Guinea	24	2,438,027	96,919	56,478	4,529	27,721
Gabon	31	213,545	10	0	9,824	12,507
Mauritius	74	1,785,757	1,450,425	7,026	98,391	41,987
Nigeria	93	9,416,555	2,048,567	286,200	389,493	18,554
South Africa	322	2,146,046	472,461	234,069	422,980	423,684
Other African countries	220	4,147,358	142,676	48,990	249,174	226,566
Asia, total	1,632	142,288,353	19,898,189	11,125,936	15,922,126	29,377,502
Middle East, total	487	20,735,180	747,665	100,761	1,653,319	1,013,782
Bahrain	77	977,060	24,653	335	703,884	12,634
Iraq	42	2,986,112	0	0	1,498	10,458
Israel	325	1,090,320	207,499	45,094	295,672	261,862
Kuwait	84	1,147,576	188,634	2,365	18,028	65,355
Lebanon	65	53,789	4,134	371	10,111	17,228
Qatar	91	5,390,387	3,943	0	140,660	32,174
Saudi Arabia	161	6,354,703	85,907	8,269	58,596	343,570
United Arab Emirates	195	2,142,408	181,342	10,674	359,667	228,180
Yemen	30	309,305	40,868	18,666	100	9,190
Other Middle East countries	110	283,521	10,685	14,988	65,101	33,131

Footnotes at end of table.

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Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid—Continued

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

Selected country	Number of returns [1]	Foreign income, deductions, and taxes reported on Form 1118				
		Gross income (less loss)				
		Total	Dividends	Foreign dividend income from foreign taxes deemed paid (gross-up)	Interest	Rents, royalties, and license fees
	(1)	(2)	(3)	(4)	(5)	(6)
Asia, total—continued						
Southern and Southeast Asia, total	929	39,572,468	4,149,849	1,638,873	7,773,545	7,415,423
Bangladesh	41	114,065	8	0	30,789	4,707
India	446	7,436,652	412,479	145,543	3,574,697	585,565
Indonesia	265	7,406,607	1,304,757	692,425	723,459	178,985
Malaysia	411	4,989,423	285,823	87,866	150,906	1,193,004
Pakistan	115	820,505	32,690	15,475	190,308	14,846
Philippines	244	1,795,259	308,433	158,393	500,293	215,481
Singapore	521	11,715,242	1,161,864	264,154	1,697,392	4,786,737
Sri Lanka	53	112,164	1,830	1,081	19,938	10,385
Thailand	325	3,881,256	620,299	270,948	832,695	316,513
Vietnam	114	215,166	6,895	2,185	39,640	35,749
Other Southern and Southeast Asian countries	115	1,086,129	14,770	802	13,427	73,452
Eastern Asia, total	1,284	80,751,975	15,000,676	9,386,301	6,495,263	20,948,245
China	619	13,912,531	2,719,342	432,422	1,271,720	5,633,138
Hong Kong	482	13,497,533	2,282,176	450,703	2,396,417	804,059
Japan	841	40,295,096	8,457,187	8,028,181	1,088,650	9,172,014
South Korea, Republic of	494	7,257,484	1,200,204	364,633	1,076,598	2,799,820
Taiwan	449	5,725,452	340,967	110,363	659,196	2,492,086
Other Eastern Asian countries	39	63,880	800	0	2,682	47,128
Asia not allocable	*7	*1,228,730	*0	*0	*0	*52
Oceania, total	736	22,688,904	4,420,308	1,156,773	4,661,905	2,583,101
Australia	674	20,330,066	4,122,713	1,023,434	3,837,898	2,134,869
New Zealand	290	2,016,185	225,235	127,856	772,407	431,398
Other countries of Oceania	95	342,653	72,359	5,483	51,601	16,834
Puerto Rico and U.S. Possessions, total	541	22,184,318	614,835	230,470	938,378	14,883,795
Puerto Rico	471	21,588,694	600,239	225,509	761,293	14,849,475
U.S. Possessions, total	180	595,623	14,596	4,961	177,085	34,321
American Samoa	19	23,131	0	0	5,239	17,536
Guam	119	361,519	2,466	352	140,225	12,742
Virgin Islands, U.S.	97	182,680	10,006	3,783	14,470	3,201
Other U.S. Possessions	27	28,294	2,125	827	17,152	842
Country not stated	2,877	60,501,682	1,965,520	292,489	12,928,786	6,412,239
Section 863(b) income	304	35,322,474	5,235	0	56,551	73,709
Regulated Investment Company	51	362,474	185,447	0	167,696	0

Footnotes at end of table.

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Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid—Continued

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

Selected country	Foreign income, deductions, and taxes reported on Form 1118—continued					
	Gross income (less loss)—continued				Total deductions	Deductions from oil and gas extraction income [3]
	Service income	Other income	Oil and gas extraction income [2]	Foreign branch income [2]		
	(7)	(8)	(9)	(10)	(11)	(12)
All geographic areas	45,396,043	306,074,425	76,388,928	160,271,387	402,504,582	13,616,995
Canada	3,556,387	14,087,098	5,607,976	10,865,561	21,779,325	1,210,718
Latin America, total	2,833,190	27,702,484	5,063,966	16,347,233	30,556,213	1,884,071
Mexico	1,090,049	4,969,918	300	3,033,318	6,527,198	1,418
Central America, total	73,008	492,364	4,066	216,239	734,113	160
Costa Rica	16,803	77,906	0	62,920	176,394	0
El Salvador	8,976	42,081	9	14,002	59,625	0
Guatemala	13,695	141,354	0	19,484	155,468	0
Honduras	-6,721	43,353	0	11,923	68,447	0
Nicaragua	6,576	17,669	0	16,300	15,550	0
Panama (including Canal Zone)	30,510	168,990	4,057	89,311	247,074	160
Other Central American countries	3,169	1,010	0	2,300	11,555	0
Caribbean countries, total	351,371	4,467,794	1,739,792	4,436,143	7,141,702	559,745
Barbados	5,006	4,882	51	9,987	36,497	0
Cayman Islands (British)	55,247	2,072,910	13	4,048,124	5,584,585	0
Dominican Republic	16,355	120,307	1	55,304	158,833	0
Haiti	2,613	23,142	0	22,659	101,834	0
Jamaica	74,134	69,153	0	39,769	281,318	0
Trinidad	159,083	2,176,851	1,739,727	242,147	959,724	559,745
Other Caribbean countries	38,933	550	0	18,154	18,910	0
South America, total	1,318,762	17,411,413	3,319,809	8,661,532	15,809,672	1,322,749
Argentina	56,164	2,704,166	1,196,587	1,037,053	2,561,983	727,129
Bolivia	12,369	70,900	5,342	18,675	82,416	199
Brazil	568,227	5,209,819	76,869	3,560,942	6,253,814	20,798
Chile	42,617	5,821,046	42	314,530	2,199,272	0
Colombia	344,111	1,221,925	528,686	428,672	1,243,339	62,358
Ecuador	40,041	148,614	4,699	99,220	247,577	40,498
Paraguay	1,220	14,715	0	6,552	34,162	0
Peru	194,620	515,664	295,854	2,534,708	1,359,103	181,617
Uruguay	1,714	49,122	0	45,785	94,126	18,284
Venezuela	53,007	1,564,603	1,211,729	525,283	1,606,351	271,865
Other South American countries	4,671	90,840	0	90,111	127,530	0
Latin America not allocable	*0	*360,995	*0	*0	*343,529	*0
Other Western Hemisphere, total	90,542	3,553,239	5,191,584	1,657,080	5,791,788	20,543
Bahamas	7,368	379,312	141,081	1,259,982	1,307,122	1,561
Bermuda	67,885	2,064,501	5,050,503	269,353	3,326,495	18,982
British Virgin Islands	1,739	478,317	0	82,683	438,303	0
Netherlands Antilles	1,312	16,487	0	8,879	69,537	0
All other Western Hemisphere	12,239	614,622	0	36,184	650,331	0
Europe, total	15,693,588	111,688,215	30,854,282	81,783,388	165,743,523	3,898,949
European Union, total	14,867,222	86,642,072	12,329,642	73,532,342	152,244,104	2,393,488
Austria	28,386	803,354	10	543,041	1,247,951	0
Belgium	545,743	4,013,633	56	831,837	5,512,488	246,045
Czech Republic	32,795	457,073	0	41,548	726,029	0
Denmark	146,722	1,525,978	2,111,026	417,043	1,073,825	77,310
Finland	30,872	265,984	6	159,183	609,071	15
France	1,307,756	4,306,081	4,166	3,198,422	7,459,919	-1,481

Footnotes at end of table.

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Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid—Continued

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

Selected country	Foreign income, deductions, and taxes reported on Form 1118—continued					
	Gross income (less loss)—continued				Total deductions	Deductions from oil and gas extraction income [3]
	Service income	Other income	Oil and gas extraction income [2]	Foreign branch income [2]		
	(7)	(8)	(9)	(10)	(11)	(12)
Europe, total—continued						
European Union, total—continued						
Germany	3,689,273	11,044,112	579	11,843,233	19,602,111	130
Greece	150,766	169,347	0	165,229	428,937	0
Hungary	59,029	127,421	68	143,533	443,803	0
Ireland	355,647	3,931,461	1,036	989,529	6,173,756	0
Italy	1,151,336	1,878,642	1,712	1,743,056	4,813,838	337
Luxembourg	4,070	998,485	220,595	697,891	2,475,396	0
Netherlands	358,625	3,759,945	503,346	2,377,904	7,921,077	33,442
Poland	54,412	511,304	0	476,694	962,390	0
Portugal	219,927	238,987	2,118,294	400,907	752,743	83,690
Romania	19,136	133,324	83	92,313	203,985	0
Spain	482,037	1,166,800	446,835	1,183,848	2,864,049	75
Sweden	104,011	699,681	189	444,619	1,892,325	0
United Kingdom	6,089,640	50,308,530	6,921,641	47,593,587	86,708,710	1,953,921
Other European Union countries	37,039	301,930	0	188,925	371,700	2
Other European countries, total	826,366	25,046,144	18,524,640	8,251,046	13,499,419	1,505,461
Jersey	-2	2,154	0	585,255	435,791	0
Kazakhstan	222,550	5,088,165	5,070,229	266,707	920,079	434,358
Norway	98,211	11,268,348	11,848,681	3,691,629	1,381,171	556,168
Russia	96,936	3,167,998	1,133,854	2,171,948	3,094,855	304,145
Switzerland	257,459	3,570,146	16	886,684	4,364,973	21
Turkey	42,939	593,355	569	519,779	2,131,535	510
Ukraine	7,678	115,592	12	16,396	169,908	891
Other European countries	100,595	1,240,386	471,280	112,648	1,001,108	209,368
Africa, total	1,391,067	15,427,442	14,410,956	4,730,694	8,426,494	2,932,099
Algeria	-78,349	116,702	160	140,329	95,014	2,457
Angola	408,292	491,133	380,859	437,714	685,972	324,039
Chad	1,724	709,300	738,319	3,030	47,944	5,309
Egypt	166,730	1,624,919	1,024,521	289,543	1,179,324	577,587
Equatorial Guinea	50,393	2,201,987	2,284,708	460,133	347,916	250,334
Gabon	6,009	185,196	143,443	130,666	31,726	2,464
Mauritius	232	187,697	0	192,409	576,008	0
Nigeria	174,331	6,499,411	7,610,211	379,665	1,910,108	115,357
South Africa	102,215	490,636	86	561,484	1,086,885	-129
Other African countries	559,491	2,920,461	2,228,649	2,135,721	2,465,598	1,654,682
Asia, total	9,079,193	56,885,406	12,452,514	29,451,808	67,087,577	2,017,148
Middle East, total	4,892,759	12,326,894	6,259,508	2,716,283	9,444,499	1,031,311
Bahrain	26,080	209,474	112	746,520	464,645	0
Iraq	2,894,698	79,457	0	357,469	2,811,281	0
Israel	183,838	96,356	0	-32,587	1,015,371	0
Kuwait	767,009	106,185	60	56,737	850,741	1
Lebanon	1,691	20,253	0	26,116	34,520	0
Qatar	282,537	4,931,074	3,679,847	218,133	908,545	598,444
Saudi Arabia	502,032	5,356,329	2,054,471	507,857	1,699,504	213,298
United Arab Emirates	166,031	1,196,514	214,038	582,738	1,416,077	149,138
Yemen	-1,150	241,630	281,612	172,613	95,682	70,430
Other Middle East countries	69,992	89,623	29,367	80,686	148,133	0

Footnotes at end of table.

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Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid—Continued

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

Selected country	Foreign income, deductions, and taxes reported on Form 1118—continued					
	Gross income (less loss)—continued				Total deductions	Deductions from oil and gas extraction income [3]
	Service income	Other income	Oil and gas extraction income [2]	Foreign branch income [2]		
	(7)	(8)	(9)	(10)	(11)	(12)
Asia, total—continued						
Southern and Southeast Asia, total	2,182,284	16,412,494	4,911,507	8,563,672	17,626,472	818,541
Bangladesh	3,611	74,950	6,116	74,901	112,536	14,294
India	434,547	2,283,822	143	2,236,675	3,532,704	4,296
Indonesia	91,313	4,415,668	1,526,213	1,057,234	2,621,024	361,153
Malaysia	95,048	3,176,777	2,018,025	209,370	1,801,427	12,048
Pakistan	47,909	519,276	350,827	174,605	351,686	90,210
Philippines	79,519	533,141	235,673	589,572	933,540	10,095
Singapore	385,342	3,419,752	1,310	3,020,119	5,144,762	13,162
Sri Lanka	17,340	61,590	0	36,124	55,574	0
Thailand	91,689	1,749,112	770,418	1,008,574	1,790,760	176,793
Vietnam	59,261	71,435	2,781	67,237	148,342	4,117
Other Southern and Southeast Asian countries	876,707	106,970	0	89,261	1,134,118	132,373
Eastern Asia, total	2,004,151	26,917,339	1,281,499	18,171,829	39,511,611	167,295
China	539,077	3,316,832	1,277,648	3,536,571	6,515,405	145,402
Hong Kong	330,016	7,234,162	674	2,694,896	7,641,690	-965
Japan	383,813	13,165,251	2,270	9,005,490	19,010,653	8,878
South Korea, Republic of	390,473	1,425,756	896	1,436,103	3,188,042	226
Taiwan	353,295	1,769,545	10	1,481,090	3,128,139	13,755
Other Eastern Asian countries	7,477	5,794	0	17,679	27,683	0
Asia not allocable	*0	*1,228,678	*0	*24	*504,996	*0
Oceania, total	738,092	9,128,725	2,731,207	5,342,829	11,801,806	532,104
Australia	717,264	8,493,888	2,518,624	4,949,211	10,514,838	488,910
New Zealand	18,841	440,448	0	246,626	1,190,055	49
Other countries of Oceania	1,988	194,389	212,583	146,992	96,913	43,146
Puerto Rico and U.S. Possessions, total	709,904	4,806,935	9	2,282,663	9,578,841	1,567
Puerto Rico	584,659	4,567,520	9	1,960,502	9,107,307	1,567
U.S. Possessions, total	125,246	239,414	0	322,161	471,535	0
American Samoa	241	115	0	4,848	35,586	0
Guam	66,782	138,952	0	253,774	261,390	0
Virgin Islands, U.S.	51,929	99,292	0	45,115	149,862	0
Other U.S. Possessions	6,294	1,055	0	18,424	24,696	0
Country not stated	8,342,327	30,560,322	76,434	7,810,131	60,529,384	1,119,795
Section 863(b) income	2,961,751	32,225,228	0	0	20,885,504	0
Regulated Investment Company	0	9,331	0	0	324,126	0

Footnotes at end of table.

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Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid—Continued

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

Selected country	Foreign income, deductions, and taxes reported on Form 1118—continued					
	Taxable income (less loss) before adjustments	Foreign taxes paid, accrued, and deemed paid				
		Total	Foreign taxes paid or accrued			
			Total	Taxes withheld at source on—		
				Dividends	Interest	Rents, royalties, and license fees
(13)	(14)	(15)	(16)	(17)	(18)	
All geographic areas	392,530,203	99,103,064	48,297,533	2,372,771	997,401	4,106,739
Canada	30,410,081	8,328,243	2,998,838	373,963	204,491	249,162
Latin America, total	45,916,095	12,434,434	6,619,823	546,681	121,124	784,220
Mexico	11,195,810	2,864,104	797,997	7,191	56,599	208,769
Central America, total	1,163,935	243,794	88,706	5,123	3,671	32,244
Costa Rica	323,569	47,718	10,197	1,648	22	4,995
El Salvador	93,676	19,409	10,852	0	308	4,596
Guatemala	134,288	47,917	29,213	215	342	13,354
Honduras	34,707	12,659	9,013	1,563	122	3,820
Nicaragua	24,144	7,361	6,458	0	34	1,426
Panama (including Canal Zone)	538,214	106,603	21,046	1,510	2,842	4,049
Other Central American countries	15,336	2,126	1,928	188	0	4
Caribbean countries, total	13,583,315	2,382,094	773,782	6,824	1,771	15,684
Barbados	114,564	16,686	10,157	13	183	78
Cayman Islands (British)	11,471,901	1,441,399	336	6	269	39
Dominican Republic	240,384	81,008	27,897	786	72	12,002
Haiti	-49,296	8,367	4,598	0	0	756
Jamaica	-51,301	15,160	9,997	68	107	990
Trinidad	1,814,332	820,588	721,911	5,951	1,139	3,015
Other Caribbean countries	42,730	-1,114	-1,114	0	0	-1,195
South America, total	19,949,686	6,944,025	4,958,921	527,542	59,083	527,107
Argentina	1,583,079	644,025	424,310	2,489	11,710	84,247
Bolivia	47,814	10,362	6,907	1,950	72	1,668
Brazil	5,928,010	1,678,151	907,874	81,794	29,734	235,482
Chile	6,481,438	2,271,720	1,966,320	413,251	3,347	65,905
Colombia	1,224,855	466,288	305,463	7,653	904	69,756
Ecuador	108,862	56,907	46,330	0	155	17,648
Paraguay	34,970	4,011	3,443	48	21	1,977
Peru	2,449,621	959,528	845,048	17,074	5,074	25,164
Uruguay	126,053	13,477	3,259	145	10	1,627
Venezuela	1,971,135	810,312	420,722	3,138	8,056	23,568
Other South American countries	-6,151	29,244	29,244	0	0	65
Latin America not allocable	*23,349	*416	*416	*0	*0	*416
Other Western Hemisphere, total	18,931,070	2,862,082	37,857	384	121	30,396
Bahamas	1,796,681	156,392	18	0	0	0
Bermuda	15,425,554	2,641,930	189	76	2	45
British Virgin Islands	932,167	45,671	30,887	0	0	26,418
Netherlands Antilles	654,822	6,414	585	308	0	0
All other Western Hemisphere	121,845	11,675	6,178	0	119	3,934
Europe, total	167,801,844	40,835,721	17,580,741	738,329	328,504	465,696
European Union, total	127,774,665	27,010,882	8,117,239	353,935	310,120	416,210
Austria	688,894	84,845	40,633	3,809	116	1,434
Belgium	1,767,745	525,465	170,195	1,590	4,541	2,119
Czech Republic	1,001,512	170,030	62,327	2,675	0	22,602
Denmark	2,641,007	1,242,170	505,808	1,003	332	488
Finland	594,251	74,296	34,724	6,085	203	22,921
France	5,733,089	1,365,243	518,581	49,259	430	76,849

Footnotes at end of table.

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Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid—Continued

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

Selected country	Foreign income, deductions, and taxes reported on Form 1118—continued					
	Taxable income (less loss) before adjustments	Foreign taxes paid, accrued, and deemed paid				
		Total	Foreign taxes paid or accrued			
			Total	Taxes withheld at source on—		
	Dividends	Interest	Rents, royalties, and license fees			
	(13)	(14)	(15)	(16)	(17)	(18)
Europe, total—continued						
European Union, total—continued						
Germany	9,341,358	2,529,697	1,032,518	74,466	4,106	16,623
Greece	621,038	262,302	19,508	283	34	1,449
Hungary	966,565	27,686	7,349	144	653	292
Ireland	15,912,040	668,326	287,949	9,341	456	1,159
Italy	2,107,494	821,250	343,845	28,609	13,534	109,865
Luxembourg	7,356,233	1,470,592	114,956	8,847	2,174	2,528
Netherlands	18,462,955	4,035,401	374,618	24,087	33,575	5,816
Poland	630,884	128,586	41,238	10,594	2,956	17,722
Portugal	2,490,527	785,916	43,590	3,332	1,044	14,304
Romania	214,457	29,431	16,893	5,471	108	6,442
Spain	3,294,769	941,315	210,147	33,921	6,819	67,742
Sweden	1,484,384	180,419	62,110	3,669	176	2,332
United Kingdom	51,946,478	11,569,114	4,188,581	84,335	237,016	37,865
Other European Union countries	518,988	98,798	41,668	2,415	1,845	5,658
Other European countries, total	40,027,179	13,824,839	9,463,502	384,394	18,383	49,485
Jersey	2,622,632	26,516	6,614	1,695	0	826
Kazakhstan	4,684,627	1,594,338	1,590,892	41	12,996	1,521
Norway	14,576,111	9,205,798	7,061,085	7,113	45	338
Russia	2,160,476	300,977	267,596	10,603	1,072	4,479
Switzerland	14,643,491	2,333,607	448,128	352,670	4,099	8,475
Turkey	-182,775	230,816	47,846	8,666	1	21,107
Ukraine	119,761	21,793	11,656	1,960	0	5,023
Other European countries	1,402,855	110,996	29,685	1,647	170	7,717
Africa, total	16,330,147	6,172,839	5,420,554	3,544	1,629	22,997
Algeria	43,263	36,970	35,027	0	178	77
Angola	357,758	50,359	18,120	0	0	35
Chad	1,068,016	339,713	279,178	0	0	0
Egypt	1,132,061	355,112	330,306	8	32	5,098
Equatorial Guinea	2,090,111	645,360	588,882	0	0	8
Gabon	181,819	44,791	44,791	5	0	919
Mauritius	1,209,749	11,301	4,275	0	998	0
Nigeria	7,506,447	3,916,411	3,630,211	141	152	3,526
South Africa	1,059,161	318,169	84,100	1,049	16	1,143
Other African countries	1,681,761	454,653	405,663	2,342	252	12,192
Asia, total	75,200,776	22,246,738	11,116,577	455,842	76,418	1,499,414
Middle East, total	11,290,681	3,396,246	3,295,931	14,862	1,711	56,482
Bahrain	512,415	991	656	276	0	46
Iraq	174,830	2	2	0	0	0
Israel	74,949	98,021	52,928	11,693	1,711	24,126
Kuwait	296,835	37,413	35,048	414	0	8,528
Lebanon	19,269	3,042	2,671	89	0	107
Qatar	4,481,841	1,191,379	1,191,379	0	0	686
Saudi Arabia	4,655,198	1,824,779	1,816,957	2,358	0	20,822
United Arab Emirates	726,331	146,090	135,416	31	0	44
Yemen	213,623	67,389	48,723	0	0	6
Other Middle East countries	135,388	27,139	12,151	0	0	2,118

Footnotes at end of table.

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Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid—Continued

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

Selected country	Foreign income, deductions, and taxes reported on Form 1118—continued					
	Taxable income (less loss) before adjustments	Foreign taxes paid, accrued, and deemed paid				
		Total	Foreign taxes paid or accrued			
			Total	Taxes withheld at source on—		
				Dividends	Interest	Rents, royalties, and license fees
(13)	(14)	(15)	(16)	(17)	(18)	
Asia, total—continued						
Southern and Southeast Asia, total	21,945,996	5,383,752	3,744,729	290,228	47,169	295,790
Bangladesh	1,529	24,449	24,449	0	0	17
India	3,903,948	585,553	440,024	12,489	1,977	94,615
Indonesia	4,785,583	2,224,560	1,532,135	218,553	7,557	18,955
Malaysia	3,187,995	875,028	787,159	4,364	1,418	44,629
Pakistan	468,820	118,304	102,828	1,900	31	423
Philippines	861,719	289,252	130,859	15,547	879	22,417
Singapore	6,570,480	592,899	328,584	12,290	10,702	77,259
Sri Lanka	56,591	5,195	4,114	171	0	228
Thailand	2,090,496	648,915	377,966	24,870	24,484	36,073
Vietnam	66,824	9,833	7,647	0	120	1,015
Other Southern and Southeast Asian countries	-47,989	9,766	8,963	45	0	157
Eastern Asia, total	41,240,365	13,466,023	4,075,199	150,753	27,538	1,146,425
China	7,397,126	873,965	442,309	8,604	4,377	231,033
Hong Kong	5,855,843	856,699	405,993	7,114	2,860	28,361
Japan	21,284,443	9,782,542	1,754,843	18,076	13,906	36,394
South Korea, Republic of	4,069,442	1,076,823	706,422	62,336	3,721	460,799
Taiwan	2,597,313	875,969	765,606	54,623	2,648	389,837
Other Eastern Asian countries	36,197	26	26	0	26	0
Asia not allocable	*723,734	*716	*716	*0	*0	*716
Oceania, total	10,887,098	2,816,584	1,654,513	43,230	164,862	117,991
Australia	9,815,229	2,546,491	1,517,759	30,741	140,090	96,772
New Zealand	826,130	198,507	70,650	12,437	24,771	18,257
Other countries of Oceania	245,740	71,587	66,104	52	0	2,962
Puerto Rico and U.S. Possessions, total	12,605,476	1,412,231	1,181,761	51,345	53,976	793,717
Puerto Rico	12,481,388	1,365,581	1,140,073	51,345	53,976	787,795
U.S. Possessions, total	124,089	46,649	41,688	0	0	5,922
American Samoa	-12,455	457	457	0	0	0
Guam	100,129	35,522	35,171	0	0	5,801
Virgin Islands, U.S.	32,817	8,454	4,671	0	0	1
Other U.S. Possessions	3,598	2,216	1,389	0	0	120
Country not stated	-27,701	1,893,755	1,586,432	137,967	46,279	143,147
Section 863(b) income	14,436,970	78,766	78,766	0	0	0
Regulated Investment Company	38,348	21,672	21,672	21,486	0	0

Footnotes at end of table.

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Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid—Continued

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

Selected country	Foreign income, deductions, and taxes reported on Form 1118—continued				
	Foreign taxes paid, accrued, and deemed paid—continued				
	Foreign taxes paid or accrued—continued				Taxes deemed paid
	Other taxes paid or accrued on—				
	Branch income	Specifically allocable income [section 863(b)]	Service income	Other income	
(19)	(20)	(21)	(22)	(23)	
All geographic areas	12,441,128	78,766	600,288	27,700,439	50,805,531
Canada	1,226,480	0	49,691	895,053	5,329,404
Latin America, total	1,695,444	0	97,561	3,374,794	5,814,610
Mexico	410,685	0	8,268	106,486	2,066,107
Central America, total	23,233	0	4,421	20,015	155,088
Costa Rica	1,562	0	481	1,488	37,521
El Salvador	3,231	0	434	2,283	8,557
Guatemala	3,200	0	1,689	10,413	18,704
Honduras	1,780	0	578	1,151	3,647
Nicaragua	3,058	0	414	1,525	904
Panama (including Canal Zone)	8,669	0	825	3,151	85,557
Other Central American countries	1,734	0	0	2	198
Caribbean countries, total	36,569	0	3,219	709,716	1,608,312
Barbados	9,808	0	36	40	6,529
Cayman Islands (British)	18	0	0	4	1,441,062
Dominican Republic	10,461	0	1,179	3,397	53,110
Haiti	2,219	0	52	1,571	3,770
Jamaica	8,017	0	204	611	5,164
Trinidad	5,964	0	1,747	704,094	98,677
Other Caribbean countries	81	0	0	0	0
South America, total	1,224,957	0	81,654	2,538,577	1,985,104
Argentina	108,337	0	14,454	203,072	219,714
Bolivia	1,321	0	29	1,868	3,454
Brazil	240,532	0	17,226	303,108	770,277
Chile	48,974	0	6,121	1,428,722	305,401
Colombia	31,526	0	6,936	188,688	160,825
Ecuador	7,195	0	10,506	10,826	10,577
Paraguay	591	0	55	750	568
Peru	733,541	0	25,116	39,079	114,480
Uruguay	617	0	30	830	10,218
Venezuela	25,684	0	433	359,842	389,590
Other South American countries	26,638	0	748	1,793	0
Latin America not allocable	*0	*0	*0	*0	*0
Other Western Hemisphere, total	5,596	0	103	1,256	2,824,225
Bahamas	0	0	0	18	156,374
Bermuda	0	0	0	67	2,641,741
British Virgin Islands	4,469	0	0	0	14,784
Netherlands Antilles	276	0	0	0	5,829
All other Western Hemisphere	850	0	103	1,171	5,497
Europe, total	3,855,482	0	261,650	11,931,081	23,254,980
European Union, total	3,144,284	0	245,154	3,647,535	18,893,643
Austria	27,591	0	0	7,684	44,212
Belgium	47,422	0	519	114,005	355,270
Czech Republic	35,653	0	508	889	107,703
Denmark	31,288	0	86	472,611	736,362
Finland	4,257	0	0	1,258	39,572
France	264,745	0	40,080	87,218	846,662

Footnotes at end of table.

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Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid—Continued

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

Selected country	Foreign income, deductions, and taxes reported on Form 1118—continued				
	Foreign taxes paid, accrued, and deemed paid—continued				
	Foreign taxes paid or accrued—continued				Taxes deemed paid
	Other taxes paid or accrued on—				
	Branch income	Specifically allocable income [section 863(b)]	Service income	Other income	
(19)	(20)	(21)	(22)	(23)	
Europe, total—continued					
European Union, total—continued					
Germany	589,634	0	117,211	230,478	1,497,179
Greece	16,542	0	79	1,120	242,795
Hungary	6,259	0	0	1	20,337
Ireland	45,532	0	1,051	230,410	380,376
Italy	140,207	0	5,699	45,931	477,404
Luxembourg	100,752	0	18	637	1,355,636
Netherlands	120,469	0	915	189,755	3,660,783
Poland	6,815	0	51	3,099	87,348
Portugal	23,453	0	694	764	742,326
Romania	2,779	0	111	1,982	12,537
Spain	85,007	0	4,431	12,226	731,168
Sweden	52,745	0	594	2,594	118,309
United Kingdom	1,529,146	0	72,675	2,227,544	7,380,533
Other European Union countries	13,986	0	433	17,331	57,130
Other European countries, total	711,198	0	16,497	8,283,545	4,361,337
Jersey	4,094	0	0	0	19,901
Kazakhstan	436,304	0	1,341	1,138,689	3,446
Norway	9,926	0	644	7,043,019	2,144,713
Russia	167,946	0	1,414	82,082	33,381
Switzerland	68,802	0	253	13,830	1,885,479
Turkey	16,075	0	706	1,291	182,970
Ukraine	4,390	0	0	283	10,136
Other European countries	3,662	0	12,140	4,350	81,311
Africa, total	365,167	0	23,076	5,004,142	752,285
Algeria	24,503	0	108	10,161	1,943
Angola	2,824	0	8,166	7,095	32,239
Chad	4,426	0	0	274,753	60,534
Egypt	35,984	0	1,065	288,119	24,806
Equatorial Guinea	80,321	0	2,865	505,689	56,478
Gabon	42,128	0	612	1,128	0
Mauritius	3,273	0	0	3	7,026
Nigeria	13,460	0	7,760	3,605,173	286,200
South Africa	68,064	0	659	13,168	234,069
Other African countries	90,184	0	1,840	298,853	48,990
Asia, total	4,144,257	0	99,390	4,841,255	11,130,162
Middle East, total	1,299,020	0	19,029	1,904,827	100,315
Bahrain	327	0	0	7	335
Iraq	0	0	0	2	0
Israel	10,821	0	1,641	2,935	45,094
Kuwait	18,946	0	244	6,917	2,365
Lebanon	2,454	0	0	21	371
Qatar	1,098,430	0	6,470	85,794	0
Saudi Arabia	70,962	0	10,298	1,712,518	7,822
United Arab Emirates	54,092	0	0	81,249	10,674
Yemen	34,146	0	0	14,571	18,666
Other Middle East countries	8,843	0	376	814	14,988

Footnotes at end of table.

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Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2007: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid—Continued

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

Selected country	Foreign income, deductions, and taxes reported on Form 1118—continued				
	Foreign taxes paid, accrued, and deemed paid—continued				
	Foreign taxes paid or accrued—continued				Taxes deemed paid
	Other taxes paid or accrued on—				
	Branch income	Specifically allocable income [section 863(b)]	Service income	Other income	
(19)	(20)	(21)	(22)	(23)	
Asia, total—continued					
Southern and Southeast Asia, total	864,612	0	38,532	2,208,399	1,639,023
Bangladesh	23,543	0	0	889	0
India	273,704	0	18,713	38,528	145,528
Indonesia	119,184	0	4,004	1,163,881	692,425
Malaysia	15,423	0	5,087	716,238	87,869
Pakistan	26,435	0	93	73,945	15,475
Philippines	71,388	0	724	19,905	158,393
Singapore	192,395	0	1,661	34,276	264,315
Sri Lanka	3,415	0	31	269	1,081
Thailand	128,305	0	4,881	159,354	270,948
Vietnam	5,095	0	815	602	2,185
Other Southern and Southeast Asian countries	5,725	0	2,524	512	802
Eastern Asia, total	1,980,625	0	41,829	728,030	9,390,824
China	78,945	0	20,375	98,975	431,655
Hong Kong	189,948	0	530	177,181	450,705
Japan	1,440,921	0	1,267	244,280	8,027,699
South Korea, Republic of	96,150	0	9,692	73,724	370,401
Taiwan	174,662	0	9,965	133,870	110,363
Other Eastern Asian countries	0	0	0	0	0
Asia not allocable	*0	*0	*0	*0	*0
Oceania, total	639,650	0	4,920	683,860	1,162,072
Australia	598,654	0	4,516	646,985	1,028,732
New Zealand	19,855	0	354	-5,025	127,857
Other countries of Oceania	21,141	0	50	41,900	5,483
Puerto Rico and U.S. Possessions, total	208,371	0	18,573	55,780	230,470
Puerto Rico	181,307	0	15,126	50,525	225,509
U.S. Possessions, total	27,064	0	3,447	5,255	4,961
American Samoa	454	0	0	3	0
Guam	22,891	0	2,755	3,723	352
Virgin Islands, U.S.	2,690	0	672	1,307	3,783
Other U.S. Possessions	1,028	0	20	221	827
Country not stated	300,682	0	45,324	913,033	307,323
Section 863(b) income	0	78,766	0	0	0
Regulated Investment Company	0	0	0	186	0

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

[1] Total number of returns may not equal the sum of returns for specific areas or countries because a return could include two or more countries.

[2] Included in gross income (less loss), columns 2-8.

[3] Included in total deductions, column 11.

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

Federal Estate Tax Returns Filed For 2007 Decedents

by Brian Raub and Joseph Newcomb

There were an estimated 36,706 estate tax returns (Forms 706) filed for decedents who died in 2007. These decedents represented approximately 1.5 percent of all adult deaths during that year. Estate tax returns filed for 2007 decedents with total assets of \$2 million or more, the filing threshold in effect for that year, reported a combined \$224.8 billion in total gross estate. Publicly traded stock was the largest asset class for these decedents, accounting for \$56 billion, or 24.9 percent, of their combined asset portfolio. Investment real estate, tax-exempt bonds, cash, and stock in privately held corporations combined to make up another 41.3 percent of their combined portfolio.

Just less than one-half of returns filed for 2007 decedents (47.3 percent) included a deduction for a bequest to a surviving spouse. The combined amount of these spousal bequest deductions was \$65.8 billion. About 1 in 5 returns included a deduction for charitable bequests. The combined total of these charitable bequest deductions was \$27.9 billion. After accounting for charitable bequest deductions, marital bequest deductions, and other deductions and credits, about 45.2 percent of returns filed for 2007 decedents reported an estate tax liability. These 16,608 taxable returns combined to report \$24.6 billion in net estate tax.

Background on the Estate Tax

The Federal estate tax, passed into law with the Revenue Act of 1916 and described in Internal Revenue Code (IRC) section 2001, is neither a tax on property nor an inheritance tax on the receipt of property. Rather, the estate tax is a tax on the right to transfer property at death. The estate of a decedent who, at death, owns assets valued in excess of the estate tax applicable exemption amount, or filing threshold, must file a Form 706, *U.S. Estate (and Generation-Skipping Transfer) Tax Return*. For estate tax purposes, the value of property included in gross estate is its fair market value (FMV), defined as the price at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of all relevant facts.

The gross estate consists of all property, whether real or personal, tangible or intangible. Specific items of gross estate include real estate, cash, stocks, bonds, businesses, and decedent-owned life insurance policies, among others. Assets of gross estate are valued on a decedent's date of death, unless the estate's executor or administrator elects to value assets on an alternate valuation date, 6 months from the date of death. Alternate value may be elected only if the value of the estate, as well as the estate tax, is reduced between the date of death and the alternate date.

Deductions allowed in the calculation of taxable estate, which is defined as gross estate less deductions, include funeral expenses, executors' commissions, attorneys' fees, other administrative expenses and losses, debts and mortgages, medical debts, marital bequests, and charitable contributions. Charitable contributions include all bequests to qualifying charitable institutions, including organizations that conduct religious, charitable, scientific, literary, and educational activities, among others.

An estate is subject to the estate tax law in effect on the decedent's date of death. The estate tax return is due 9 months from the date of death, although a 6-month extension is commonly allowed. In a small number of cases, longer extensions may be granted. Therefore, several years of death will be represented in the population of estate tax returns filed in a given calendar year.

The Federal Transfer Tax System

The estate tax is a key component of the Federal transfer tax system, which also includes with the gift tax and the generation-skipping transfer (GST) tax. The gift tax is applied to transfers of property during life. For Calendar Year 2011, an individual may give up to \$13,000 per year to any number of recipients with no Federal gift tax liability.

The GST tax was enacted to ensure taxation of wealth transfers from one generation to the next, regardless of the form of the transfer. Specifically, the GST tax was designed to prevent taxpayers from avoiding estate tax in one or more generations by transferring property, either directly or through trust, to individuals two or more generations younger than the transferor. Direct transfers that skip over a younger generation are taxed at the maximum marginal Federal estate tax rate under the GST and are also subject to the estate or gift tax.

Brian Raub and Joseph Newcomb are economists with the Special Studies Special Projects Section. This article was prepared under the direction of Melissa R. Ludlum, Chief.

Federal Estate Tax Returns Filed For 2007 Decedents

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Since 1976, the Federal transfer tax system has featured a unified estate and gift tax rate schedule that applies to both cumulative lifetime gifts and wealth transfers at death. The estate tax exclusion and the lifetime gift tax exclusion are combined into a single “unified credit” that can be used to offset tax liability incurred both during the donor’s life (gift tax) and at death (estate tax).

A Decade of Changes

Between 2001 and 2010, Federal transfer tax law changed significantly, starting with the Economic Growth and Tax Relief Reconciliation Act (EGTRRA) of 2001. This legislation set forth a schedule of incremental increases to the estate tax and GST exemption levels, accompanied by a schedule of incremental decreases to the highest marginal tax rates for estate, GST, and gift taxes (Figure A). The exemption level for estates increased from \$675,000 for 2001 deaths to \$3.5 million for 2009 deaths. The highest marginal estate tax rate decreased from 55 percent for 2001 deaths to 45 percent for deaths in 2007-2009. For estate, gift, and GST taxes, the lowest marginal tax rate remained unchanged at 18 percent between 2001 and 2010.

Primarily because of the rising exemption levels, the number of estate tax returns filed for all decedents fell significantly between 2001 and 2009, from 108,071 to 38,031 (Figure B). Because most returns are filed in the year after the year of the decedent’s death, the sharpest declines in the total number of returns filed occurred in the years following an increase in the exemption level. For example, in 2003, following an increase in the exemption level to \$1 million for 2002 deaths, the total number of returns filed fell 26.6 percent. Similar drops of 30.7 percent and 22.5 percent occurred in 2005 and 2007, following increases in the exemption level for 2004 and 2006 decedents. Likewise, the number of returns with an estate tax liability (“taxable returns”) fell from 51,736 in 2001 to 14,713 in 2009. As shown

in Figure C, the number of taxable estate tax returns filed as a percentage of all adult deaths fell from 2.2 percent to 0.6 percent over this period. Despite the notable decrease in the number of estate tax returns filed between 2001 and 2009, the estate tax liability reported annually on taxable returns stayed within a relatively narrow range of \$20.6 billion to \$24.8 billion during this period.

Under EGTRRA, the estate tax was scheduled to be repealed for 2010 decedents. After 2010, the estate provisions of this law were to “sunset,” with a return to an estate tax exemption level of \$1 million and a top marginal estate tax rate of 55 percent for deaths in 2011 and future years. Although the 1-year elimination of the estate tax under EGTRRA did occur as scheduled, the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 effectively reinstated the estate tax on a retroactive basis for the estates of 2010 decedents with a \$5 million exemption level and a top marginal tax rate of 35 percent.¹ This exemption level and top marginal rate will stay in effect for the estates of 2011 decedents. The estates of 2012 decedents will be subject to an exemption level of \$5 million plus an inflation adjustment and a top marginal rate of 35 percent. Without further action by Congress, the estate tax exemption level will return to \$1 million with a top marginal rate of 55 percent for the estates of individuals dying in 2013 and later years.²

In the following paragraphs, this article will focus on decedents who died in 2007, as the estates of these individuals were subject to the same estate tax law and general economic conditions.

Demographic Profile of 2007 Decedents

The estimated 36,706 individuals who died in 2007 with \$2 million or more in gross estate had an average age of 79.7 years at death. As shown in Figure D, female decedents were somewhat older on average, 82 years, than their male counterparts, 78 years. Both male and female estate tax decedents outlived

¹ The estates of 2010 decedents will be permitted to elect out of the estate tax and instead file the forthcoming Form 8939, *Allocation of Increase in Basis for Property Acquired From a Decedent*. Estates making this election will lose the “step-up” in basis value conferred by the estate tax system, under which the basis of an asset for capital gains tax purposes is determined to be its market value at the time of the decedent’s death, rather than the value at which the original party purchased the asset. This stepped-up basis value may reduce capital gains tax liability when an inherited asset is later sold. However, assets transferred through the election will not be subjected to estate taxation. Because Form 8939 has not been finalized at the time of this writing, the Internal Revenue Service does not have projections on the number of estates that will elect out of the estate tax and file Form 8939.

² For more information on changes to transfer tax law included in the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, see H.R. 4853 at <http://www.gpo.gov/fdsys/pkg/BILLS-111hr4853enr/pdf/BILLS-111hr4853enr.pdf>.

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Figure A

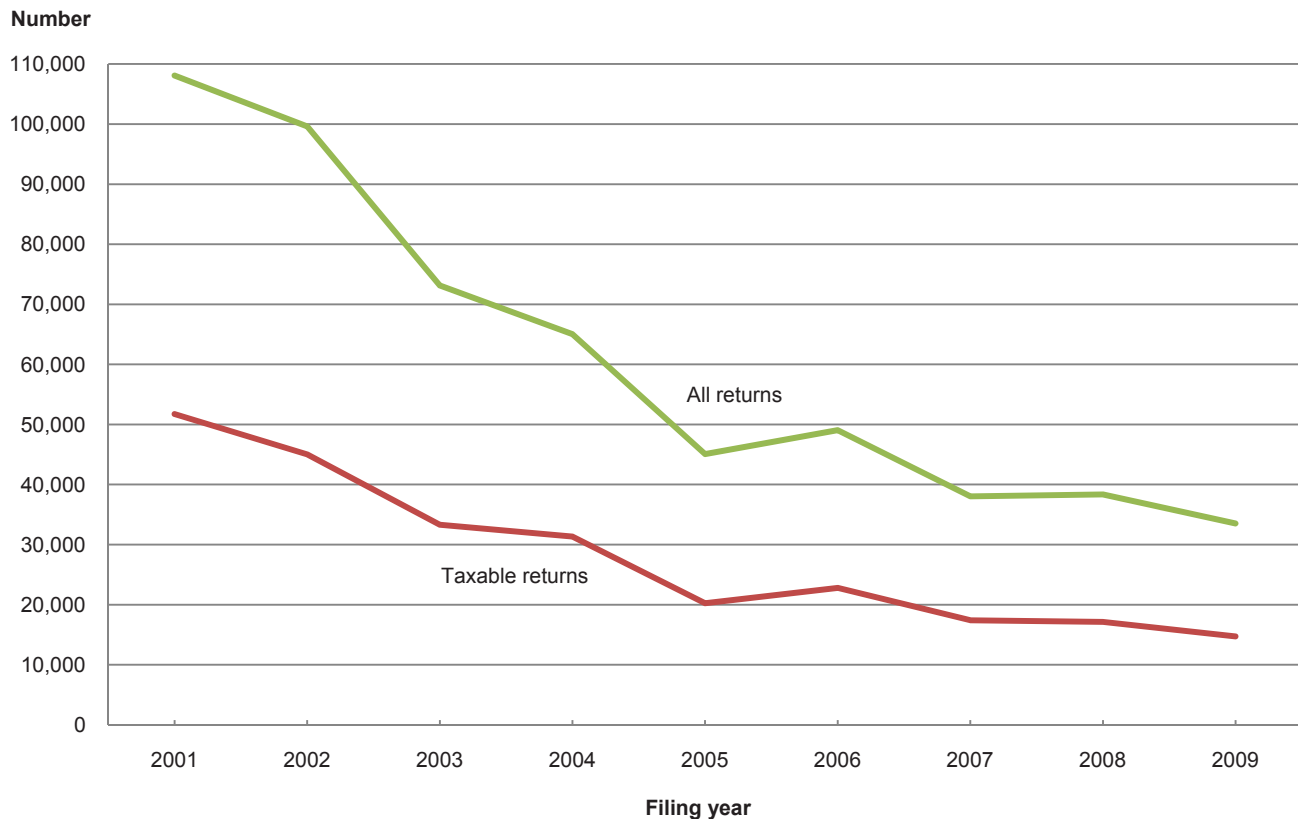
Federal Transfer Tax Rates and Exemptions, by Year of Transfer, 2001–2011

Year of transfer	Estate tax and generation-skipping transfer (GST) tax exemption (\$)	Lowest estate and GST tax rate (percent)	Highest estate and GST tax rate (percent)	Gift tax exemption (\$)	Lowest gift tax rate (percent)	Highest gift tax rate (percent)
	(1)	(2)	(3)	(4)	(5)	(6)
2001	675,000	18	55	675,000	18	55
2002	1,000,000	18	50	1,000,000	18	50
2003	1,000,000	18	49	1,000,000	18	49
2004	1,500,000	18	48	1,000,000	18	48
2005	1,500,000	18	47	1,000,000	18	47
2006	2,000,000	18	46	1,000,000	18	46
2007	2,000,000	18	45	1,000,000	18	45
2008	2,000,000	18	45	1,000,000	18	45
2009	3,500,000	18	45	1,000,000	18	45
2010 [1]	5,000,000	18	35	1,000,000	18	35
2011	5,000,000	18	35	1,000,000	18	35

[1] After initially being repealed for 2010 decedents by EGTRRA 2001, the estate tax was reinstated retroactively by the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010. The estates of 2010 decedents will be permitted to elect out of the estate tax and instead file the forthcoming Form 8939, *Allocation of Increase in Basis for Property Acquired From a Decedent*. Estates making this election will lose the "step-up" in basis value conferred by the estate tax system, in which the basis of an asset for capital gains tax purposes is determined to be its market value at the time of the decedent's death, rather than the value at which the original party purchased the asset. This stepped-up basis value may reduce capital gains tax liability when an inherited asset is later sold. On the other hand, assets transferred through the election will not be subjected to estate taxation.

Figure B

Number of Estate Tax Returns Filed, All Returns and Taxable Returns, Filing Years 2001–2009

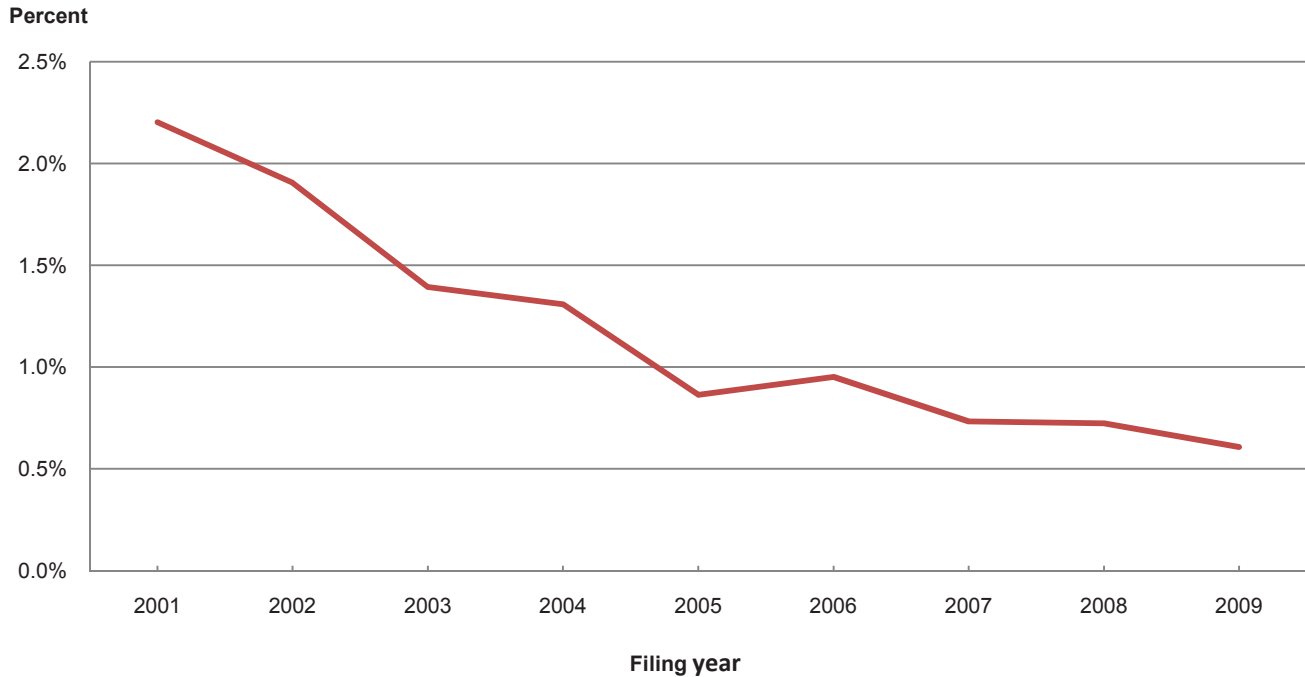


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Figure C

Number of Taxable Estate Tax Returns as a Percentage of U.S. Adult Deaths, Filing Years 2001–2009



NOTE: Total adult deaths represent those of individuals age 20 and over, plus deaths for which age was unavailable, for the year prior to the Estate tax filing year. Data on adult deaths are taken from the National Vital Statistics Reports, National Center for Health Statistics, U.S. Department of Health and Human Services.

their counterparts in the general population. In 2007, the average age at death for men in the general population was 75.3, or 2.7 years younger than that of male estate tax decedents. For women, the average at death for the general population was 80.4, or 1.6 years younger than that of female estate tax decedents. This is consistent with research demonstrating that wealthier individuals live longer and are healthier than less wealthy individuals.³

Figure D also shows that the longevity of both the general population and the estate tax population improved overall between 1992 and 2007. For men in the overall U.S. population, longevity improved a total of 3 years over this period, while the improvement was a slightly better 3.4 years for males in the estate tax decedent population. For women in the overall U.S. population, the total longevity improvement was 1.3 years, trailing the 1.8-year

improvement for females in the estate tax decedent population.

As shown in Figure E, males accounted for a majority, 56.8 percent, of 2007 estate tax decedents. Nearly half, 48.5 percent, of all decedents were married, although the marital status profile of male decedents was markedly different than that of their female counterparts. While 64.2 percent of male decedents were married and the other 35.8 percent were widowed or otherwise single, the corresponding percentages for female decedents were 27.9 percent and 72.1 percent, respectively. These differences in the marital status profile of estate tax decedents are primarily due to the likelihood of a male being the first to die in a traditional marriage—a function of the greater longevity of women relative to men and the fact that U.S. males are, on average, older at the time of first marriage than U.S. females.⁴

³ See, for example Singh, G. and M. Siahpush, “Widening Socioeconomic Inequalities in U.S. Life Expectancy, 1980–2000,” *International Journal of Epidemiology*, Vol. 35, No. 4 (2006), pp. 969–979.

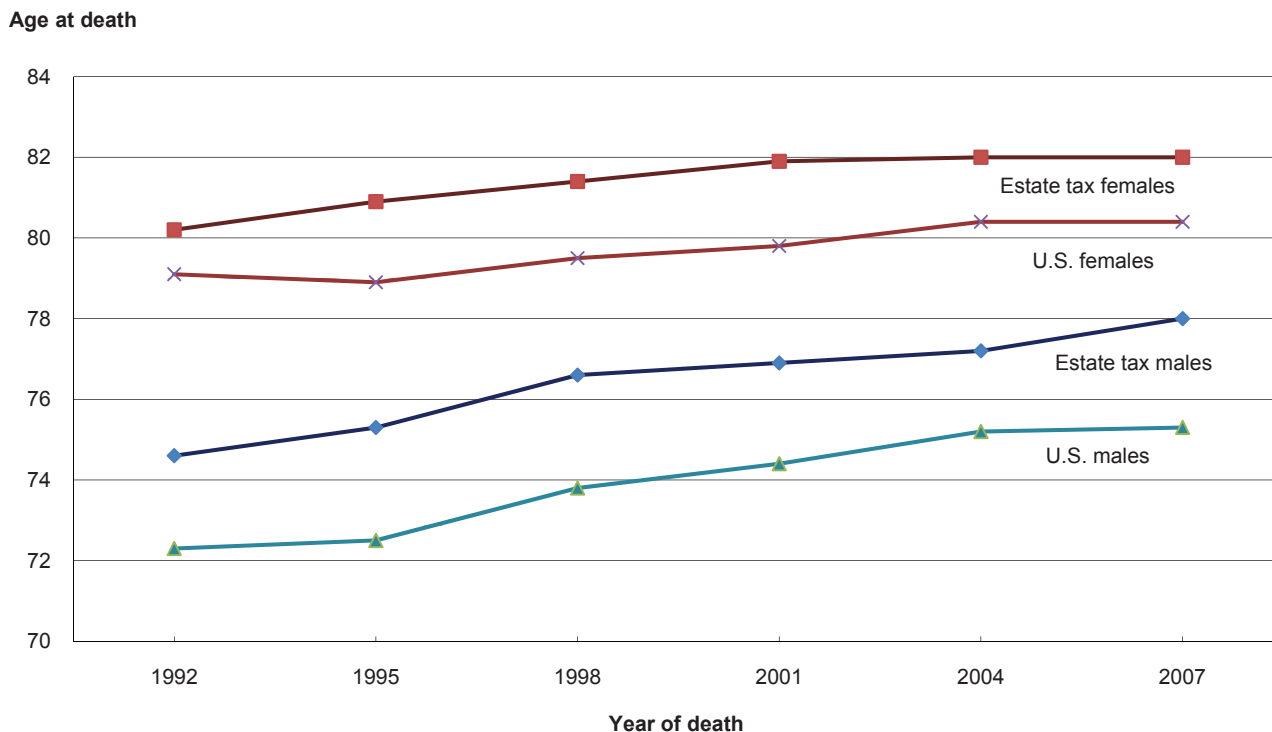
⁴ According to the U.S. Census Bureau, in 2009 U.S. males were an average of 28.4 years old at the time of first marriages, while U.S. females averaged 26.5 years old. See www.census.gov.

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Figure D

Average Age at Death for Estate Tax and U.S. Decedents, Selected Years of Death, 1992–2007



NOTE: Life expectancy data produced by the National Center for Health Statistics, U.S. Department of Health and Human Services. See <http://www.cdc.gov/nchs/fastats/deaths.htm>.

Asset Portfolios

In accordance with Internal Revenue Service (IRS) rules and to substantiate reported values of total gross estate, estate tax return preparers must report inventories of decedents' asset portfolios on Federal estate tax returns. Consequently, these returns provide a rich source of data on the asset holdings of decedents. For estate tax purposes, the value of property included in gross estate is fair market value (FMV). Reported asset values may be reduced from FMV by the use of valuation discounts for certain characteristics or qualities like minority ownership or lack of marketability. The estimates reported in this section are post-discount estimates, i.e., after the value of ownership interests have been reduced by any discounts.

Of the \$224.8 billion in gross estate reported by the estates of 2007 decedents, the largest share, 24.9 percent, was held in publicly traded stock (Figure F). Investment real estate made up the second-largest

share of the asset portfolio, at 13.5 percent. Tax-exempt bonds and cash assets made up the third-largest and fourth-largest shares, at 9.8 percent and 9.1 percent, respectively. As shown in Figure F, the asset distribution of decedents' portfolios varied significantly with the size of total gross estate. In some figures and text below, estates are categorized by size of total gross estate: small (estates with less than \$3.5 million in gross estate), medium (estates with at least \$3.5 million but less than \$5 million in gross estate), and large (estates with \$5 million or more in gross estate).

Several asset types, including publicly traded and closely held stock, and limited partnerships, accounted for larger portions of the portfolio of larger estates than of smaller estates. Large estates had a portfolio consisting of 26.2 percent publicly traded stock, 12.2 percent closely held stock, and 4.7 percent limited partnerships. In contrast, medium estates consisted of 24.8 percent publicly traded stock, 4.0 percent

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Figure E

2007 Estate Tax Decedents, by Sex and Marital Status

[All figures are estimates based on samples]

Sex and marital status	Number of decedents	Percent of all decedents
All decedents	36,706	100.0
Married	17,801	48.5
Widow or widowed	14,182	38.6
Single or other [1]	4,723	12.9
Male decedents	20,838	56.8
Married	13,378	36.4
Widow or widowed	4,638	12.6
Single or other [1]	2,822	7.7
Female decedents	15,868	43.2
Married	4,423	12.0
Widow or widowed	9,544	26.0
Single or other [1]	1,901	5.2

[1] "Other" includes decedents who were legally separated or divorced at the time of their deaths, as well as decedents whose marital status was unknown.

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

closely held stock, and 1.7 percent limited partnerships. Small estates owned portfolios containing 21.4 percent publicly traded stock, 2.6 percent closely held stock, and 1.5 percent limited partnerships. In contrast, cash assets, personal residence, retirement assets, farms, insurance, and other financial assets all made up larger shares of the portfolio of small estates and smaller shares of the portfolio of larger estates.

As shown in Figure G, the asset composition of estates also varied significantly by the marital status and age of decedents. Overall, publicly traded stock was the largest asset type for both married and unmarried decedents, although unmarried decedents, on average, held more of their portfolios in this asset type, 27.7 percent to 21.9 percent. Unmarried decedents also held more of their assets in tax-exempt bonds (11.9 percent), cash assets (10.4 percent), Federal bonds (2.6 percent), and other financial assets (2.3 percent) than married decedents. Compared to their unmarried counterparts, married decedents tended to hold more of their portfolios in investment real estate, personal residences, limited partnerships, retirement assets, and insurance.

For both married and unmarried decedents, publicly traded stock made up a larger share of the portfolio of older decedents than of younger decedents. For the youngest unmarried decedents (under age 70), this asset made up 19.2 percent of portfolios. For unmarried decedents between 70 and 80, this asset made up 23.9 percent of portfolios, and for decedents over age 80, it made up 29.5 percent of portfolios. The same general pattern holds for married decedents. Along with publicly traded stock, tax-exempt bonds and cash assets made up a larger portion of the portfolio of older decedents, whether they were married or unmarried. For the youngest unmarried decedents, tax-exempt bonds made up 7 percent of their asset holdings, for the middle age group, 7.2 percent, and for the oldest group, 13.4 percent. A similar pattern can be observed for married decedents.

For both married and unmarried decedents, investment real estate made up a larger share of the combined portfolio of younger decedents than of older decedents. For the youngest married decedents, investment real estate made up 17.7 percent of the portfolio, for the middle age group, 15.9 percent, and for the oldest decedents, 14 percent. A similar pattern appears for unmarried decedents. Insurance also accounted for a larger share of the portfolio of younger decedents, whether they were married or unmarried. For example, insurance made up 7.2 percent of the portfolio of the youngest married decedents, compared to 1.6 percent of the portfolio of the middle age group, and 0.9 percent of the portfolio of the oldest decedents. This finding is consistent with research suggesting that households headed by older individuals tend to purchase less life insurance due to higher premiums and substitution with other financial assets.⁵

Marital Bequests

As noted above, Federal estate tax law allows deductions in the calculation of taxable estate for funeral expenses, executors' commissions, attorneys' fees, other administrative expenses and losses, debts and mortgages, medical debts, marital bequests, and charitable contributions. Marital bequests, defined as assets bequeathed to a surviving spouse at death,

⁵ See, for example, Showers, Vince and Joyce Shotick, "The Effects of Household Characteristics on Demand for Insurance," *The Journal of Risk and Insurance*, Vol. 61, No. 3 (1994).

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Figure F

Assets, by Size of Total Gross Estate, 2007 Estate Tax Decedents

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

Asset type	All		Size of total gross estate, tax purposes					
			Small (less than \$3.5 million)		Medium (\$3.5 million < \$5 million)		Large (\$5 million or more)	
	Amount	Percent of total gross estate	Amount	Percent of total gross estate	Amount	Percent of total gross estate	Amount	Percent of total gross estate
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total gross estate, tax purposes	224,841,121	100.0	53,918,068	100.0	27,431,042	100.0	143,492,011	100.0
Publicly traded stock	55,974,233	24.9	11,517,568	21.4	6,796,763	24.8	37,659,903	26.2
Investment real estate [1]	30,333,488	13.5	7,934,470	14.7	3,835,235	14.0	18,563,783	12.9
Tax-exempt bonds	22,132,347	9.8	3,970,905	7.4	2,347,319	8.6	15,814,123	11.0
Cash assets	20,503,538	9.1	6,229,192	11.6	2,814,387	10.3	11,459,959	8.0
Closely held stock	19,970,589	8.9	1,395,447	2.6	1,086,176	4.0	17,488,965	12.2
Personal residence	16,823,064	7.5	6,515,814	12.1	2,872,582	10.5	7,434,669	5.2
Retirement assets	15,953,918	7.1	6,354,421	11.8	2,931,684	10.7	6,667,813	4.6
Limited partnerships	8,012,644	3.6	796,997	1.5	465,125	1.7	6,750,523	4.7
Farms [2]	7,011,407	3.1	2,677,767	5.0	1,073,896	3.9	3,259,743	2.3
Federal bonds	4,747,648	2.1	1,122,425	2.1	550,965	2.0	3,074,258	2.1
Insurance [3]	4,205,443	1.9	1,621,841	3.0	801,967	2.9	1,781,635	1.2
Mortgages and notes	4,618,888	2.1	801,107	1.5	500,054	1.8	3,317,728	2.3
Other financial assets	4,617,383	2.1	1,669,049	3.1	609,653	2.2	2,338,682	1.6
Noncorporate business assets	3,546,217	1.6	284,172	0.5	287,371	1.0	2,974,673	2.1
Other assets	6,390,338	2.8	1,026,905	1.9	457,871	1.7	4,905,562	3.4

[1] Includes undeveloped land, real estate mutual funds, real estate partnerships, and other investment real estate.

[2] Includes farm land.

[3] Value is shown net of policy loans.

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

accounted for the largest value of deductions taken by the estates of 2007 decedents. Marital bequest deductions were claimed by the estates of nearly all (97.7 percent) 2007 decedents who were married at the time of death.

As shown in Figure H, marital bequests totaled \$65.8 billion, or 60.4 percent of the aggregate value of gross estate of married decedents. Estates with higher gross estate amounts claimed, on average, larger marital bequest deductions, as a percentage of gross estate, than their smaller counterparts. This was likely due, in part, to the fact that the maximum unified credit used in the calculation of estate tax liability, \$2 million for 2007 decedents, did not vary with the size of the estate. The fixed unified credit amount offsets a larger share of the potential estate

tax liability of smaller estates than of larger estates. This enabled the executors of smaller estates to leave greater shares of estates to non-spousal heirs without incurring additional estate tax liability, as bequests to non-spousal heirs are not deductible in the calculation of taxable estate.

Charitable Bequests

About 19.4 percent of all estate tax decedents who died in 2007 left bequests to qualifying charitable organizations (Figure I).⁶ Total charitable bequests were approximately \$28.5 billion, making up 12.7 percent of all decedents' total gross estate. Larger estates were more likely to report a charitable bequest than their smaller counterparts. While 15.4 percent of estates with a total gross estate greater than \$2 mil-

⁶ Qualifying organizations are those that are organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, or to foster national or international amateur sports competition, as long as no part of the net earnings benefits any private individual and no substantial activity is undertaken to carry on propaganda or otherwise attempt to influence legislation, or participate in any political campaign on behalf of any candidate for public office.

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Figure G

Assets, by Age and Marital Status at Death, 2007 Estate Tax Decedents

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

Asset type	All		Age					
	Amount	Percent of total gross estate	Under 70		70 under 80		80 and older	
			Amount	Percent of total gross estate	Amount	Percent of total gross estate	Amount	Percent of total gross estate
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Married decedents								
Total gross estate, tax purposes	108,958,868	100.0	30,576,763	100.0	30,030,740	100.0	48,351,365	100.0
Publicly traded stock	23,826,596	21.9	3,837,582	12.6	6,072,900	20.2	13,916,114	28.8
Investment real estate [1]	16,942,779	15.5	5,420,856	17.7	4,773,398	15.9	6,748,526	14.0
Tax-exempt bonds	8,355,622	7.7	1,197,976	3.9	2,260,100	7.5	4,897,547	10.1
Cash assets	8,440,842	7.7	2,115,304	6.9	2,210,460	7.4	4,115,078	8.5
Closely held stock	10,128,481	9.3	4,439,812	14.5	2,146,527	7.1	3,542,143	7.3
Personal residence	8,701,549	8.0	2,814,125	9.2	2,570,332	8.6	3,317,093	6.9
Retirement assets	10,397,010	9.5	3,483,490	11.4	3,715,487	12.4	3,198,032	6.6
Limited partnerships	4,475,262	4.1	1,255,753	4.1	1,366,988	4.6	1,852,521	3.8
Farms [2]	3,646,543	3.3	949,499	3.1	1,135,584	3.8	1,561,460	3.2
Federal bonds	1,755,442	1.6	277,674	0.9	442,853	1.5	1,034,914	2.1
Insurance [3]	3,142,448	2.9	2,211,582	7.2	478,559	1.6	452,307	0.9
Mortgages and notes	2,265,476	2.1	613,456	2.0	730,244	2.4	921,777	1.9
Other financial assets	1,963,210	1.8	431,716	1.4	531,883	1.8	999,612	2.1
Noncorporate business assets	2,276,211	2.1	930,104	3.0	580,698	1.9	765,409	1.6
Other assets	2,641,420	2.4	597,841	2.0	1,014,733	3.4	1,028,845	2.1
Unmarried decedents [4]								
Total gross estate, tax purposes	115,882,253	100.0	11,481,716	100.0	15,842,010	100.0	88,558,527	100.0
Publicly traded stock	32,147,638	27.7	2,201,199	19.2	3,785,752	23.9	26,160,687	29.5
Investment real estate [1]	13,390,709	11.6	1,860,234	16.2	2,365,712	14.9	9,164,762	10.3
Tax-exempt bonds	13,776,725	11.9	803,110	7.0	1,137,465	7.2	11,836,150	13.4
Cash assets	12,062,696	10.4	1,072,198	9.3	1,572,251	9.9	9,418,248	10.6
Closely held stock	9,842,107	8.5	802,094	7.0	965,631	6.1	8,074,382	9.1
Personal residence	8,121,515	7.0	1,151,642	10.0	1,482,668	9.4	5,487,205	6.2
Retirement assets	5,556,908	4.8	1,089,123	9.5	1,556,193	9.8	2,911,592	3.3
Limited partnerships	3,537,382	3.1	407,532	3.5	577,549	3.6	2,552,302	2.9
Farms [2]	3,364,864	2.9	311,166	2.7	493,815	3.1	2,559,883	2.9
Federal bonds	2,992,206	2.6	277,252	2.4	319,537	2.0	2,395,417	2.7
Insurance [3]	1,062,996	0.9	471,478	4.1	202,843	1.3	388,674	0.4
Mortgages and notes	2,353,412	2.0	275,398	2.4	456,820	2.9	1,621,195	1.8
Other financial assets	2,654,173	2.3	257,229	2.2	379,025	2.4	2,017,919	2.3
Noncorporate business assets	1,270,006	1.1	87,598	0.8	166,141	1.0	1,016,267	1.1
Other assets	3,748,919	3.2	414,463	3.6	380,610	2.4	2,953,846	3.3

[1] Includes undeveloped land, real estate mutual funds, real estate partnerships, and other investment real estate.

[2] Includes farm land.

[3] Value is shown net of policy loans.

[4] "Unmarried decedents" includes decedents who were widowed, single, legally separated, or divorced at the time of their deaths, as well as decedents whose marital status was unknown.

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

lion and less than \$3.5 million included a charitable bequest, the comparable figure for estates with a total gross estate of \$20 million or more was 40 percent.

On average, larger estates also bequeathed charitable organizations a larger portion of their gross estates than their smaller counterparts. Bequests from estates with a total gross estate between \$2 mil-

lion and \$3.5 million averaged 3.3 percent of total gross estate, in contrast with the 28 percent average from estates with total gross estate of at least \$20 million. Although estates with total gross estate of \$20 million or more made up only 3.2 percent of all estates, they reported more than \$20 billion in gross bequests, which accounted for 73.2 percent of ag-

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Figure H

Total Gross Estate and Marital Bequests, by Size of Total Gross Estate, 2007 Estate Tax Decedents

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

Size of total gross estate, tax purposes	Number of all decedents	Number of married decedents	Total gross estate, tax purposes, married decedents	Amount of marital bequests	Bequests as a percent of gross estate
	(1)	(2)	(3)	(4)	(5)
Total	36,706	17,801	108,958,868	65,845,008	60.4
\$2.0 million < \$3.5 million	20,893	9,648	25,282,544	9,786,191	38.7
\$3.5 million < \$5.0 million	6,638	3,423	14,135,943	7,632,880	54.0
\$5.0 million < \$10.0 million	5,868	3,014	20,506,045	13,015,454	63.5
\$10.0 million < \$20.0 million	2,116	1,075	14,739,336	10,736,187	72.8
\$20.0 million or more	1,192	642	34,295,001	24,674,297	71.9

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

Figure I

Total Gross Estate and Charitable Bequests, by Size of Total Gross Estate, 2007 Estate Tax Decedents

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

Size of total gross estate, tax purposes	Number of all estates	Estates with charitable bequests	Percent with charitable bequests	Total gross estate, tax purposes, all decedents	Amount of charitable bequests [1]	Bequests as a percent of gross estate
	(1)	(2)	(3)	(4)	(5)	(6)
Total	36,706	7,134	19.4	224,841,121	28,544,032	12.7
\$2.0 million < \$3.5 million	20,893	3,215	15.4	53,918,068	1,764,189	3.3
\$3.5 million < \$5.0 million	6,638	1,346	20.3	27,431,042	1,290,325	4.7
\$5.0 million < \$10.0 million	5,868	1,452	24.7	39,876,382	2,475,771	6.2
\$10.0 million < \$20.0 million	2,116	644	30.4	28,916,919	2,130,768	7.4
\$20.0 million or more	1,192	477	40.0	74,698,710	20,882,979	28.0

[1] Charitable bequests presented in this figure are gross charitable bequests. Unlike the charitable deduction value reported in Table 2 of this article, gross charitable bequests have not been reduced by Federal estate, generation-skipping, and State death taxes. Since the charitable deduction is not allowed for these taxes that are paid out of property designated for charity, gross charitable bequests are larger than the charitable deduction.

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

gregate bequests. This large percentage of aggregate bequests was largely driven by bequests from a small number of the wealthiest decedents. The 15 estates with the largest charitable bequests accounted for a combined total of more than \$13 billion in such bequests.

Charitable organizations can be divided into categories that describe their general activities as set forth in the National Taxonomy of Exempt Entities (NTEE) Classification System developed by the National Center for Charitable Statistics.⁷ As shown in

Figure J, decedent donors in the 2007 estate tax population left the largest share of total bequests, 72.3 percent, to organizations that promote philanthropy and volunteerism. This category includes private foundations, a type of charitable organization that is typically financed and controlled by an individual or family for a specific charitable purpose.⁸ Bequests to private foundations accounted for most of the aggregate dollar value of all bequests to organizations that promote philanthropy and volunteerism. For 2007 decedent donors, the 15 largest bequests to pro-

⁷ For more information on the NTEE Classification System, see <http://nccs.urban.org/classification/NTEE.cfm>.

⁸ For more information and statistics on private foundations, see <http://www.irs.gov/pub/irs-soi/07pfsnap.pdf>.

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Figure J

Charitable Bequests to Recipient Organizations, by Size of Total Gross Estate, 2007 Estate Tax Decedents

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

Type of organization [1]	All		Size of total gross estate, tax purposes					
			Small (less than \$3.5 million)		Medium (\$3.5 million < \$5 million)		Large (\$5 million or more)	
	Bequest amount [2]	Percent of total bequests	Bequest amount [2]	Percent of total bequests	Bequest amount [2]	Percent of total bequests	Bequest amount [2]	Percent of total bequests
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total	28,544,032	100.0	1,764,189	100.0	1,290,325	100.0	25,489,518	100.0
Philanthropy and volunteerism (T)	20,650,044	72.3	323,590	18.3	376,497	29.2	19,949,957	78.3
Educational institutes (B)	2,859,575	10.0	483,505	27.4	281,225	21.8	2,094,846	8.2
Religion, spiritual development (X)	1,166,630	4.1	368,722	20.9	226,666	17.6	571,242	2.2
Health, general and rehabilitative (E)	675,547	2.4	121,684	6.9	81,113	6.3	472,750	1.9
Human service (P)	661,217	2.3	126,327	7.2	108,704	8.4	426,185	1.7
Arts, culture, humanities (A)	531,477	1.9	36,330	2.1	42,338	3.3	452,809	1.8
Disease, disorder, and medical (G)	330,611	1.2	73,209	4.1	82,191	6.4	175,211	0.7
Animal-related activities (D)	213,686	0.7	58,388	3.3	33,278	2.6	122,020	0.5
Environmental quality, protection (C)	190,546	0.7	27,857	1.6	3,595	0.3	159,095	0.6
Other/unknown	1,264,699	4.4	144,577	8.2	54,718	4.2	1,065,403	4.2

[1] National Taxonomy of Exempt Entities (NTEE) code is given in parentheses. In all, there are 26 entity types in the NTEE coding system. Here, the "other/unknown" category includes all entity types not specifically listed and entity types unknown. In Table 4 of this article, entity types are combined into 10 broad categories.

[2] Charitable bequests presented in this figure are gross charitable bequests. Unlike the charitable deduction value reported in Table 2 of this article, gross charitable bequests have not been reduced by Federal estate, generation-skipping, and State death taxes. Since the charitable deduction is not allowed for these taxes that are paid out of property designated for charity, gross charitable bequests are larger than the charitable deduction.

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

mote philanthropy and volunteerism went to private foundations.

Educational institutes received \$2.9 billion in bequests from decedents who died in 2007. These bequests represented 10 percent of total bequests. Religious and spiritual development charities received \$1.2 billion in bequests, or 4.1 percent of the total value of all bequests. This category does not include educational institutions, hospitals, etc., operated by religious groups, as institutions are allocated to charitable contribution categories by activity rather than ownership.

Figure J also shows that the charitable giving of decedents varies significantly by size of estate. Compared to the average estate, small estates left a much smaller share of their charitable bequests to philanthropic organizations, 18.3 percent. Small estates left substantially larger shares, 27.4 and 20.9 percent, respectively, to educational and religious organizations. Medium estates reported a somewhat larger share of bequests to philanthropic organizations, 29.2 percent, while the pattern of their remaining bequests was broadly similar to the smallest estates. Large

estates gave the majority of their bequests to philanthropic organizations, 78.3 percent, a figure primarily attributable to bequests to private foundations by the wealthiest decedents, as noted above.

Taxable Returns

After accounting for the marital and charitable bequest deductions and other deductions and credits, fewer than half of the estimated 36,706 estate tax returns filed for 2007 decedents had a net estate tax liability, as shown in Figure K. The taxability of returns was closely linked to the marital status of the decedent, since the estates of nearly all married decedents claimed a marital bequest deduction to offset gross estate, thus reducing or eliminating estate tax liability. As a result of the marital bequest and other deductions, a much smaller percentage of returns filed for married decedents were taxable, 10.1 percent, as compared with returns filed for widowed or other decedents, 78.4 percent.

Figure K shows that the percentage of returns that were taxable also varied considerably by the age of the decedent. Only 25.1 percent of returns filed

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Figure K

Estate Tax Returns Filed for 2007 Decedents, by Decedent Marital Status and Age

[All figures are estimates based on samples]

Decedent marital status and age	All returns	Taxable returns	Percent
	(1)	(2)	(3)
All decedents	36,706	16,608	45.2
Under 70	7,052	1,773	25.1
70 under 80	8,084	2,810	34.8
80 and older	21,570	12,025	55.7
Married decedents	17,801	1,795	10.1
Under 70	4,928	301	6.1
70 under 80	5,073	433	8.5
80 and older	7,801	1,061	13.6
Unmarried decedents [1]	18,905	14,813	78.4
Under 70	2,124	1,471	69.3
70 under 80	3,011	2,377	78.9
80 and older	13,769	10,964	79.6

[1] "Unmarried decedents" includes decedents who were widowed, single, legally separated, or divorced at the time of their deaths, as well as decedents whose marital status was unknown.

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

for decedents under age 70 were taxable, compared to 34.8 percent of returns filed for decedents at least 70 but under 80 years old and 55.7 percent of returns filed for decedents age 80 or older. The higher percentage of taxable returns among returns filed for older decedents is largely due to the relationship between age and marital status, as a higher percentage of older decedents were widowed compared to their younger counterparts.

As shown in Figure L, a higher percentage of returns filed for decedents with large gross estates were taxable compared to returns filed for less wealthy decedents. While only 40.2 percent of returns filed for decedents with \$2 million but less than \$3.5 million in gross estate were taxable, the figure for returns filed for the wealthiest decedents, those with \$20 million or more in gross estate, was 63.1 percent. Figure L also shows a relationship between decedent marital status, size of gross estate, and taxability of the estate tax return. Of returns filed for married decedents, the percentage that were taxable ranged from 5.1 percent for decedents with \$2 million but less than \$3.5 million in gross estate to 37.1 percent for returns filed for the wealthiest decedents. The pattern was similar for returns filed for unmarried decedents, with the percentage taxable ranging from

78.4 percent for returns filed for decedents with the smallest estates to 93.5 percent for returns filed for the wealthiest decedents.

Summary

An estimated 36,706 individuals died in 2007 with total gross estates of \$2 million or more, the threshold for filing the estate tax return, Form 706. These decedents reported a combined \$224.8 billion in total gross estate, with publicly traded stock, investment real estate, and tax-exempt bonds accounting for the largest shares of their combined portfolio.

Bequests to a surviving spouse and bequests to charity made up most of the deductions claimed against total gross estate. The returns of nearly all married decedents included a spousal bequest deduction. About 1 in 5 of all returns included a deduction for charitable bequests. A higher percentage of decedents with the largest estates made charitable be-

Figure L

Estate Tax Returns Filed for 2007 Decedents, by Decedent Marital Status and Size of Total Gross Estate

[All figures are estimates based on samples]

Decedent marital status and size of total gross estate, tax purposes	All returns	Taxable returns	Percent
	(1)	(2)	(3)
All decedents	36,706	16,608	45.2
\$2.0 million < \$3.5 million	20,893	8,389	40.2
\$3.5 million < \$5.0 million	6,638	3,197	48.2
\$5.0 million < \$10.0 million	5,868	3,048	51.9
\$10.0 million < \$20.0 million	2,116	1,222	57.8
\$20.0 million or more	1,192	752	63.1
Married decedents	17,801	1,795	10.1
\$2.0 million < \$3.5 million	9,648	494	5.1
\$3.5 million < \$5.0 million	3,423	334	9.8
\$5.0 million < \$10.0 million	3,014	472	15.7
\$10.0 million < \$20.0 million	1,075	258	24.0
\$20.0 million or more	642	238	37.1
Unmarried decedents [1]	18,905	14,813	78.4
\$2.0 million < \$3.5 million	11,245	7,895	70.2
\$3.5 million < \$5.0 million	3,215	2,863	89.1
\$5.0 million < \$10.0 million	2,855	2,576	90.2
\$10.0 million < \$20.0 million	1,041	964	92.6
\$20.0 million or more	550	514	93.5

[1] "Unmarried decedents" includes decedents who were widowed, single, legally separated, or divorced at the time of their deaths, as well as decedents whose marital status was unknown.

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

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quests, and these decedents left, on average, a larger share of total gross estate to charity.

Just less than half of all estate tax returns filed for 2007 decedents included a net estate tax liability, but the taxability of returns varied significantly by marital status and size of gross estate. Most estate tax returns filed for unmarried (mostly widowed) decedents had a net estate tax liability, including 93.5 percent of returns filed for unmarried decedents with \$20 million or more in gross estate.

Data Sources and Limitations

Analysts in the Special Projects Section of SOI's Special Studies Branch, with SOI staff in the Cincinnati Submission Processing Center, conduct the Estate Tax Study, which extracts demographic, financial, and bequest data from Form 706, the Federal estate tax return. SOI conducts the Estate Tax Study on an annual basis, which allows annual production of filing year data on estate taxation. By focusing on a single year of death for a period of 3 years, SOI is also able to produce periodic year-of-death estimates. Year-of-death estimates are advantageous in that the included estates have been subject to the same tax law and similar economic conditions. A single year of death is sampled for 3 calendar years, and 99 percent of all returns for decedents who die in a given year are filed by the end of the second calendar year following the year of death. The Estate Tax Study for the period 2007-2009 concentrates on year-of-death 2007, the most recent year-of-death estimates available.

For each study year, 2007-2009, a sample was selected from returns filed. The sample for Filing Year 2007 included 9,674 returns out of a total population of 38,000. In 2008, the year in which most returns for 2007 decedents were filed, 11,710 returns were sampled out of a total of 38,354. There were 9,105 returns from a total population of 33,515 sampled during Filing Year 2009. Of the 30,489 returns sampled during 2007-2009, there were 12,426 returns filed for 2007 decedents.

Estate tax returns were sampled while the returns were being processed for administrative purposes, but before any audit examination. Returns were selected on a flow basis, using a stratified random probability sampling method, whereby the sample rates were preset based on the desired sample size and an estimate of the population. The design had three stratification variables: year of death, age at

death, and size of total gross estate plus adjusted taxable gifts. For the 2007-2009 filing years, the year-of-death variable was separated into two categories: 2007 year of death and non-2007 year of death. Age was disaggregated into four categories: under 40, 40 under 50, 50 under 65, and 65 and older (including age unknown). Total gross estate plus adjusted taxable gifts was limited to six categories: under \$1.5 million, \$1.5 million under \$2 million, \$2 million under \$3 million, \$3 million under \$5 million, \$5 million under \$10 million, and \$10 million or more. Sampling rates ranged from 1 percent to 100 percent. Returns for more than half of the strata were selected at the 100-percent rate.

Because almost 99 percent of all returns for decedents who die in a given year are filed by the end of the second calendar year following the year of death, and because the decedent's age at death and the length of time between the decedent's date of death and the filing of an estate tax return are related, it was possible to predict the percentage of unfiled returns within age strata. The sample weights were adjusted accordingly, in order to account for returns for 2007 decedents not filed by the end of Filing Year 2009.

Explanation of Selected Terms

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

Adjusted taxable estate—This is the sum of taxable estate and adjusted taxable gifts.

Adjusted taxable gifts—Certain gifts made during the life of an individual who died before 1982 were automatically included in the gross estate. However, for the estate of an individual who died after 1981, these gifts were not generally included in the gross estate. Instead, they were added to the taxable estate, creating the "adjusted taxable estate" for the purposes of determining the "estate tax before credits."

Bequests to surviving spouse—This is the value of property interests passing from the decedent to the surviving spouse, and it is taken as a deduction from the total gross estate.

Charitable deduction—This is the deduction allowable for decedent's contributions to qualifying charitable organizations.

Estate tax before credits—This is the tax obtained by applying the graduated estate tax rates to the adjusted taxable estate reduced by the amount of Federal gift taxes previously paid.

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Exclusion or exemption amount—The value of property transfers that individuals may give during life or at death.

Federal gift taxes previously paid—A credit was allowed against the estate tax for the Federal gift tax paid on a gift made by a decedent before 1977. No credit, apart from the unified credit, is allowed for any gift tax paid on gifts made after 1976.

Filing threshold—Same as exclusion or exemption amount.

Net estate tax—This is the tax liability of the estate after subtraction of credits for State death taxes, foreign death taxes, credit for tax on prior transfers, and Federal gift taxes previously paid. In addition, a unified credit, graduated according to the year of death and a “credit” for gift taxes paid on post-1976 gifts, is allowed (see also “unified credit”).

Net worth—Net worth is equal to total gross estate less mortgages and other debts calculated at a decedent’s date of death.

Nontaxable return—A nontaxable return is one with no estate tax liability after credits.

Other tax credits—This is the sum of all tax credits for foreign death taxes, Federal gift taxes, and taxes on prior transfers taken as a deduction against the estate tax before credits.

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

Taxable estate—Taxable estate is the base to which the graduated Federal estate tax rates are applied in computing the estate tax before credits.

Taxable estate is equal to the value of the total gross estate less deductions for the following: funeral and administrative expenses; casualty and theft losses; debts, mortgages, losses, and other claims against the estate, including pledges to charitable organizations; bequests to the surviving spouse; and the employee stock ownership plan (ESOP) deduction (included in the statistics for “other expenses and losses”).

Taxable return—A taxable return is one with estate tax liability after credits.

Total gross estate—An estate tax return is required in the case of every decedent whose gross estate, at the date of death, exceeded the legal filing requirement in effect for the year of death. For estate tax purposes, the gross estate includes all property or interest in property before reduction by debts (except policy loans against insurance) and mortgages, or administrative expenses. Included in the gross estate are items such as real estate, tangible and intangible personal property, certain lifetime gifts made by the decedent, property in which the decedent had a general power of appointment, the decedent’s interest in annuities receivable by the surviving beneficiary, the decedent’s share in community property, life insurance proceeds (even though payable to beneficiaries other than the estate), dower or curtesy of the surviving spouse (inherited property), and, with certain exceptions, joint estates with right of survivorship and tenancies by the entirety. In this article, total gross estate refers to the value of assets at the date of the decedent’s death.

Unified credit—The unified credit is applied as a dollar-for-dollar reduction in estate and/or gift taxes. The unified credit represents the amount of tax on that part of gross estate that is below the filing requirement. The credit must be used to offset gift taxes on lifetime transfers made after 1976. However, to the extent it is so used, the amount of credit available at death is reduced.

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Table 1. Estate Tax Returns Filed for 2007 Decedents, Values for Tax Purposes, by Tax Status and Size of Gross Estate

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

Tax status and size of gross estate	Gross estate for tax purposes		Type of property					
			Personal residence		Other real estate		Real estate partnerships	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All returns	36,706	224,841,121	24,647	16,823,064	23,665	23,913,845	3,274	6,419,642
Under \$3.5 million	20,893	53,918,068	13,608	6,515,814	12,489	7,347,262	1,138	587,207
\$3.5 million < \$5.0 million	6,638	27,431,042	4,504	2,872,582	4,457	3,409,709	606	425,526
\$5.0 million < \$10.0 million	5,868	39,876,382	4,127	3,383,179	4,149	5,213,227	825	935,588
\$10.0 million < \$20.0 million	2,116	28,916,919	1,492	2,037,647	1,604	3,092,003	380	823,946
\$20.0 million or more	1,192	74,698,710	916	2,013,843	966	4,851,643	325	3,647,375
All taxable returns	16,608	127,251,172	10,360	7,899,476	10,264	11,279,235	1,280	3,552,059
Under \$3.5 million	8,389	22,241,445	4,924	2,464,959	4,644	2,674,135	280	198,082
\$3.5 million < \$5.0 million	3,197	13,199,514	2,044	1,267,359	2,044	1,499,451	260	153,789
\$5.0 million < \$10.0 million	3,048	20,788,493	1,979	1,650,585	2,101	2,465,547	362	402,681
\$10.0 million < \$20.0 million	1,222	16,773,354	839	1,153,055	883	1,514,825	197	416,808
\$20.0 million or more	752	54,248,366	574	1,363,518	592	3,125,277	181	2,380,699
All nontaxable returns	20,098	97,589,949	14,287	8,923,588	13,401	12,634,610	1,994	2,867,584
Under \$3.5 million	12,503	31,676,622	8,683	4,050,855	7,846	4,673,128	858	389,126
\$3.5 million < \$5.0 million	3,441	14,231,527	2,461	1,605,223	2,414	1,910,258	346	271,737
\$5.0 million < \$10.0 million	2,821	19,087,890	2,148	1,732,594	2,048	2,747,681	463	532,907
\$10.0 million < \$20.0 million	894	12,143,565	653	884,592	721	1,577,178	183	407,138
\$20.0 million or more	440	20,450,345	342	650,325	373	1,726,366	144	1,266,676

Tax status and size of gross estate	Type of property—continued							
	Closely held stock		Publicly traded stock		State and local bonds		Federal savings bonds	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
All returns	7,272	19,970,589	30,049	55,974,233	20,013	22,132,347	3,691	291,782
Under \$3.5 million	2,868	1,395,447	16,454	11,517,568	10,403	3,970,905	2,297	177,590
\$3.5 million < \$5.0 million	1,436	1,086,176	5,601	6,796,763	3,722	2,347,319	748	62,323
\$5.0 million < \$10.0 million	1,612	2,048,718	5,056	10,626,550	3,621	3,878,747	473	37,654
\$10.0 million < \$20.0 million	775	2,219,943	1,869	8,176,543	1,438	3,340,716	130	9,652
\$20.0 million or more	580	13,220,305	1,069	18,856,810	829	8,594,660	43	4,564
All taxable returns	2,808	13,149,873	14,029	34,940,702	10,064	14,620,336	1,709	154,956
Under \$3.5 million	810	400,700	6,820	5,586,626	4,579	1,917,260	956	83,891
\$3.5 million < \$5.0 million	585	408,669	2,753	3,774,819	2,002	1,309,388	388	40,193
\$5.0 million < \$10.0 million	708	846,322	2,665	6,205,626	2,028	2,438,037	252	21,526
\$10.0 million < \$20.0 million	376	1,047,895	1,103	5,286,643	890	2,111,153	82	6,024
\$20.0 million or more	330	10,446,288	688	14,086,988	564	6,844,499	31	3,323
All nontaxable returns	4,463	6,820,716	16,020	21,033,531	9,949	7,512,011	1,982	136,826
Under \$3.5 million	2,058	994,747	9,635	5,930,941	5,824	2,053,645	1,341	93,699
\$3.5 million < \$5.0 million	852	677,507	2,848	3,021,943	1,719	1,037,931	360	22,130
\$5.0 million < \$10.0 million	904	1,202,396	2,391	4,420,924	1,592	1,440,711	222	16,128
\$10.0 million < \$20.0 million	399	1,172,048	766	2,889,900	548	1,229,563	48	3,628
\$20.0 million or more	250	2,774,017	380	4,769,822	265	1,750,161	11	1,240

Footnotes at end of table.

Federal Estate Tax Returns Filed For 2007 Decedents

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Table 1. Estate Tax Returns Filed for 2007 Decedents, Values for Tax Purposes, by Tax Status and Size of Gross Estate—Continued

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

Tax status and size of gross estate	Type of property—continued							
	Other Federal bonds		Corporate and foreign bonds		Bond funds		Unclassifiable mutual funds	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
All returns	9,152	4,455,866	11,481	2,421,815	4,949	492,011	11,219	1,703,557
Under \$3.5 million	4,706	944,836	6,226	790,031	2,907	224,194	6,555	654,823
\$3.5 million < \$5.0 million	1,734	488,642	2,162	299,705	856	61,235	1,909	248,713
\$5.0 million < \$10.0 million	1,651	707,361	1,930	483,850	758	84,739	1,741	324,992
\$10.0 million < \$20.0 million	652	545,067	753	305,304	294	69,732	659	178,331
\$20.0 million or more	409	1,769,961	409	542,924	133	52,110	354	296,699
All taxable returns	4,922	2,844,941	5,844	1,478,758	2,304	276,022	4,884	907,375
Under \$3.5 million	2,262	490,782	2,861	416,432	1,146	102,694	2,587	291,596
\$3.5 million < \$5.0 million	988	301,273	1,171	173,111	470	39,731	890	135,673
\$5.0 million < \$10.0 million	971	377,931	1,095	280,563	435	54,082	838	174,902
\$10.0 million < \$20.0 million	408	359,326	462	219,549	169	40,303	352	104,048
\$20.0 million or more	293	1,315,629	255	389,103	84	39,211	217	201,156
All nontaxable returns	4,230	1,610,925	5,636	943,058	2,646	215,989	6,335	796,182
Under \$3.5 million	2,444	454,053	3,365	373,599	1,761	121,500	3,968	363,227
\$3.5 million < \$5.0 million	746	187,369	991	126,594	386	21,504	1,019	113,039
\$5.0 million < \$10.0 million	680	329,430	835	203,287	323	30,657	903	150,090
\$10.0 million < \$20.0 million	244	185,741	292	85,756	125	29,429	307	74,283
\$20.0 million or more	116	454,332	154	153,821	49	12,899	138	95,543

Tax status and size of gross estate	Type of property—continued							
	Cash assets		Insurance, face value		Insurance, policy loans		Farm assets	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
All returns	36,199	20,503,538	17,854	4,296,390	1,832	90,946	4,388	7,011,407
Under \$3.5 million	20,542	6,229,192	10,159	1,644,408	956	22,567	2,519	2,677,767
\$3.5 million < \$5.0 million	6,566	2,814,387	3,317	818,044	346	16,077	793	1,073,896
\$5.0 million < \$10.0 million	5,812	3,652,765	2,852	977,017	325	27,621	649	1,126,457
\$10.0 million < \$20.0 million	2,092	2,524,216	971	456,358	116	12,847	255	685,120
\$20.0 million or more	1,186	5,282,978	555	400,562	89	11,835	172	1,448,166
All taxable returns	16,523	12,626,233	6,919	1,220,348	644	44,256	1,894	3,250,370
Under \$3.5 million	8,347	3,120,126	3,489	307,524	277	5,602	889	1,012,507
\$3.5 million < \$5.0 million	3,180	1,650,893	1,375	214,691	131	9,491	436	513,753
\$5.0 million < \$10.0 million	3,030	2,117,389	1,265	311,094	132	9,235	315	565,696
\$10.0 million < \$20.0 million	1,215	1,656,136	489	191,844	62	10,307	136	353,792
\$20.0 million or more	751	4,081,687	301	195,195	42	9,621	117	804,622
All nontaxable returns	19,675	7,877,305	10,935	3,076,042	1,189	46,691	2,495	3,761,037
Under \$3.5 million	12,195	3,109,065	6,670	1,336,884	679	16,964	1,631	1,665,260
\$3.5 million < \$5.0 million	3,386	1,163,493	1,942	603,354	215	6,586	357	560,143
\$5.0 million < \$10.0 million	2,782	1,535,376	1,586	665,923	192	18,386	333	560,760
\$10.0 million < \$20.0 million	877	868,080	482	264,515	54	2,541	119	331,329
\$20.0 million or more	435	1,201,291	255	205,367	48	2,213	55	643,544

Footnotes at end of table.

Federal Estate Tax Returns Filed For 2007 Decedents

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Table 1. Estate Tax Returns Filed for 2007 Decedents, Values for Tax Purposes, by Tax Status and Size of Gross Estate—Continued

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

Tax status and size of gross estate	Type of property—continued							
	Private equity and hedge funds		Other limited partnerships		Other noncorporate business assets		Mortgages and notes	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
All returns	1,281	2,026,233	6,496	5,986,411	4,625	3,546,217	8,555	4,618,888
Under \$3.5 million	402	59,158	2,692	737,839	1,858	284,172	3,721	801,107
\$3.5 million < \$5.0 million	207	36,958	1,172	428,166	851	287,371	1,553	500,054
\$5.0 million < \$10.0 million	287	102,166	1,401	758,893	1,027	460,495	1,816	952,628
\$10.0 million < \$20.0 million	183	191,220	681	869,950	455	387,363	832	801,629
\$20.0 million or more	202	1,636,730	550	3,191,564	434	2,126,814	632	1,563,471
All taxable returns	614	1,303,961	3,037	3,399,490	1,615	1,853,250	4,206	2,763,937
Under \$3.5 million	135	10,475	1,015	257,765	407	87,455	1,537	367,359
\$3.5 million < \$5.0 million	110	12,804	564	187,331	292	89,748	736	264,340
\$5.0 million < \$10.0 million	148	39,436	717	457,308	427	154,408	1,010	559,851
\$10.0 million < \$20.0 million	90	74,149	392	535,657	237	189,082	500	494,371
\$20.0 million or more	131	1,167,097	348	1,961,429	252	1,332,558	423	1,078,016
All nontaxable returns	667	722,271	3,459	2,586,922	3,009	1,692,967	4,349	1,854,951
Under \$3.5 million	267	48,683	1,676	480,073	1,450	196,718	2,185	433,748
\$3.5 million < \$5.0 million	96	24,155	608	240,836	560	197,624	818	235,713
\$5.0 million < \$10.0 million	140	62,730	684	301,585	600	306,087	806	392,777
\$10.0 million < \$20.0 million	93	117,071	289	334,293	218	198,281	332	307,258
\$20.0 million or more	71	469,633	202	1,230,135	182	794,257	209	485,455

Tax status and size of gross estate	Type of property—continued							
	Retirement assets		Depletibles / intangibles		Art		Other assets	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)
All returns	23,016	15,953,918	2,916	749,854	3,390	2,925,113	32,183	2,715,371
Under \$3.5 million	13,152	6,354,421	1,383	226,781	1,174	105,470	17,971	694,654
\$3.5 million < \$5.0 million	4,319	2,931,684	579	95,919	577	56,241	5,823	305,712
\$5.0 million < \$10.0 million	3,611	3,423,287	566	164,969	775	109,744	5,295	450,981
\$10.0 million < \$20.0 million	1,271	1,605,052	238	115,841	413	124,397	1,953	369,737
\$20.0 million or more	663	1,639,474	150	146,345	450	2,529,261	1,140	894,288
All taxable returns	9,074	5,772,871	1,459	411,477	1,857	2,064,105	14,656	1,525,657
Under \$3.5 million	4,633	2,055,173	626	95,115	434	51,426	7,230	254,966
\$3.5 million < \$5.0 million	1,762	975,504	288	63,159	311	15,092	2,780	118,237
\$5.0 million < \$10.0 million	1,668	1,312,034	298	82,043	481	52,265	2,774	228,403
\$10.0 million < \$20.0 million	642	679,443	141	65,383	287	65,259	1,145	218,917
\$20.0 million or more	369	750,718	106	105,778	344	1,880,064	727	705,134
All nontaxable returns	13,942	10,181,046	1,457	338,377	1,533	861,008	17,526	1,189,714
Under \$3.5 million	8,518	4,299,247	757	131,666	740	54,044	10,741	439,688
\$3.5 million < \$5.0 million	2,557	1,956,180	291	32,760	266	41,149	3,043	187,475
\$5.0 million < \$10.0 million	1,943	2,111,253	268	82,926	294	57,479	2,521	222,578
\$10.0 million < \$20.0 million	629	925,609	97	50,458	126	59,138	808	150,820
\$20.0 million or more	295	888,756	44	40,567	106	649,198	413	189,154

Footnotes at end of table.

Federal Estate Tax Returns Filed For 2007 Decedents

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Table 1. Estate Tax Returns Filed for 2007 Decedents, Values for Tax Purposes, by Tax Status and Size of Gross Estate—Continued

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

Tax status and size of gross estate	Type of deductions							
	Funeral expenses		Executors' commissions		Attorneys' fees		Other expenses/losses	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(49)	(50)	(51)	(52)	(53)	(54)	(55)	(56)
All returns	31,939	368,323	11,978	1,304,050	21,876	959,687	22,069	1,034,612
Under \$3.5 million	18,031	175,460	6,389	304,462	12,080	273,535	12,325	215,109
\$3.5 million < \$5.0 million	5,750	66,733	2,075	159,524	3,855	133,845	3,743	117,416
\$5.0 million < \$10.0 million	5,174	64,070	2,137	245,275	3,702	205,033	3,730	205,787
\$10.0 million < \$20.0 million	1,887	30,830	870	186,584	1,391	128,925	1,413	161,000
\$20.0 million or more	1,097	31,230	508	408,204	848	218,350	858	335,299
All taxable returns	15,813	182,176	9,762	1,164,992	14,399	755,671	14,162	875,198
Under \$3.5 million	7,944	72,088	4,794	243,918	7,210	179,778	7,132	149,561
\$3.5 million < \$5.0 million	3,048	35,242	1,884	143,913	2,781	104,717	2,632	89,920
\$5.0 million < \$10.0 million	2,924	33,480	1,870	219,581	2,695	165,738	2,687	172,313
\$10.0 million < \$20.0 million	1,164	18,629	758	166,312	1,063	108,754	1,057	148,883
\$20.0 million or more	733	22,736	456	391,268	650	196,684	654	314,522
All nontaxable returns	16,125	186,147	2,215	139,058	7,477	204,016	7,907	159,414
Under \$3.5 million	10,087	103,372	1,594	60,544	4,870	93,757	5,193	65,548
\$3.5 million < \$5.0 million	2,702	31,490	191	15,612	1,074	29,127	1,112	27,496
\$5.0 million < \$10.0 million	2,250	30,590	266	25,694	1,008	39,295	1,043	33,474
\$10.0 million < \$20.0 million	722	12,201	112	20,272	328	20,171	356	12,118
\$20.0 million or more	364	8,494	52	16,936	198	21,666	204	20,777

Tax status and size of gross estate	Type of deductions—continued							
	Debts and mortgages		Bequests to surviving spouse		Charitable deduction		Allowable deductions	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(57)	(58)	(59)	(60)	(61)	(62)	(63)	(64)
All returns	27,065	8,547,351	17,384	65,845,008	7,134	27,898,898	36,691	106,116,967
Under \$3.5 million	14,834	1,722,497	9,323	9,786,191	3,215	1,759,933	20,879	14,298,876
\$3.5 million < \$5.0 million	4,914	1,042,490	3,385	7,632,880	1,346	1,280,937	6,638	10,466,030
\$5.0 million < \$10.0 million	4,547	1,721,187	2,974	13,015,454	1,452	2,422,208	5,867	17,880,705
\$10.0 million < \$20.0 million	1,740	1,057,450	1,067	10,736,187	644	2,046,271	2,116	14,374,062
\$20.0 million or more	1,030	3,003,727	635	24,674,297	477	20,389,549	1,192	49,097,295
All taxable returns	14,514	4,192,592	1,575	11,391,430	3,935	19,876,088	16,595	38,605,200
Under \$3.5 million	7,028	412,471	362	133,252	1,319	220,590	8,377	1,458,869
\$3.5 million < \$5.0 million	2,855	445,257	299	280,009	825	289,731	3,197	1,416,054
\$5.0 million < \$10.0 million	2,780	792,844	434	976,924	942	767,307	3,047	3,163,969
\$10.0 million < \$20.0 million	1,145	632,454	250	1,486,320	469	989,233	1,222	3,573,994
\$20.0 million or more	706	1,909,566	231	8,514,925	381	17,609,226	752	28,992,314
All nontaxable returns	12,551	4,354,759	15,808	54,453,578	3,199	8,022,810	20,096	67,511,768
Under \$3.5 million	7,805	1,310,026	8,961	9,652,939	1,896	1,539,342	12,501	12,840,007
\$3.5 million < \$5.0 million	2,060	597,234	3,086	7,352,871	521	991,206	3,441	9,049,976
\$5.0 million < \$10.0 million	1,768	928,343	2,541	12,038,530	510	1,654,901	2,821	14,716,736
\$10.0 million < \$20.0 million	595	424,996	817	9,249,866	175	1,057,038	894	10,800,068
\$20.0 million or more	323	1,094,161	404	16,159,372	97	2,780,323	440	20,104,981

Footnotes at end of table.

Federal Estate Tax Returns Filed For 2007 Decedents

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Table 1. Estate Tax Returns Filed for 2007 Decedents, Values for Tax Purposes, by Tax Status and Size of Gross Estate—Continued

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

Tax status and size of gross estate	Type of deductions—continued		Taxable estate		Adjusted taxable gifts		Adjusted taxable estate	
	State death tax deduction		Number (67)	Amount (68)	Number (69)	Amount (70)	Number (71)	Amount (72)
	Number (65)	Amount (66)						
All returns	11,351	3,574,608	35,351	115,537,483	9,291	7,939,402	35,431	123,476,884
Under \$3.5 million	6,284	694,728	20,075	38,942,302	3,588	1,460,888	20,122	40,403,190
\$3.5 million < \$5.0 million	1,924	367,308	6,380	16,604,459	1,640	856,873	6,386	17,461,332
\$5.0 million < \$10.0 million	1,896	657,066	5,671	21,394,233	2,134	1,599,011	5,683	22,993,245
\$10.0 million < \$20.0 million	744	564,522	2,059	13,999,958	1,112	1,231,239	2,066	15,231,197
\$20.0 million or more	502	1,290,984	1,165	24,596,529	817	2,791,390	1,174	27,387,919
All taxable returns	7,594	3,251,413	16,608	85,378,847	5,769	6,257,312	16,608	91,636,160
Under \$3.5 million	3,739	463,541	8,389	20,313,556	2,051	998,273	8,389	21,311,829
\$3.5 million < \$5.0 million	1,445	331,293	3,197	11,450,775	1,020	608,211	3,197	12,058,986
\$5.0 million < \$10.0 million	1,456	622,199	3,048	16,996,900	1,391	1,240,903	3,048	18,237,803
\$10.0 million < \$20.0 million	569	552,088	1,222	12,646,223	734	980,742	1,222	13,626,965
\$20.0 million or more	385	1,282,292	752	23,971,394	573	2,429,183	752	26,400,577
All nontaxable returns	3,757	323,195	18,743	30,158,635	3,522	1,682,089	18,823	31,840,725
Under \$3.5 million	2,545	231,187	11,686	18,628,747	1,537	462,615	11,733	19,091,362
\$3.5 million < \$5.0 million	479	36,015	3,183	5,153,684	620	248,662	3,189	5,402,346
\$5.0 million < \$10.0 million	441	34,867	2,623	4,397,333	743	358,108	2,635	4,755,442
\$10.0 million < \$20.0 million	175	12,434	838	1,353,735	378	250,497	844	1,604,232
\$20.0 million or more	117	8,693	413	625,136	244	362,207	422	987,342

Tax status and size of gross estate	Tentative estate tax		Gift tax paid		Total tax before credits		Allowable unified credit	
	Number (73)	Amount (74)	Number (75)	Amount (76)	Number (77)	Amount (78)	Number (79)	Amount (80)
Under \$3.5 million	20,121	15,884,746	454	87,476	20,114	15,797,319	20,893	16,308,968
\$3.5 million < \$5.0 million	6,386	7,126,155	269	83,195	6,385	7,042,960	6,638	5,181,921
\$5.0 million < \$10.0 million	5,680	9,688,051	555	225,533	5,680	9,462,518	5,868	4,580,102
\$10.0 million < \$20.0 million	2,066	6,612,897	407	265,800	2,063	6,347,472	2,116	1,651,577
\$20.0 million or more	1,174	12,186,757	414	1,014,450	1,173	11,172,365	1,192	929,569
All taxable returns	16,608	39,256,608	1,609	1,496,072	16,608	37,760,536	16,608	12,966,460
Under \$3.5 million	8,389	8,590,323	299	62,123	8,389	8,528,199	8,389	6,550,156
\$3.5 million < \$5.0 million	3,197	5,045,468	208	71,939	3,197	4,973,529	3,197	2,496,044
\$5.0 million < \$10.0 million	3,048	7,843,710	445	204,480	3,048	7,639,229	3,048	2,379,533
\$10.0 million < \$20.0 million	1,222	5,986,490	326	239,510	1,222	5,746,979	1,222	953,899
\$20.0 million or more	752	11,790,618	331	918,020	752	10,872,599	752	586,828
All nontaxable returns	18,819	12,241,998	490	180,383	18,807	12,062,098	20,098	15,685,678
Under \$3.5 million	11,732	7,294,423	155	25,353	11,725	7,269,120	12,503	9,758,812
\$3.5 million < \$5.0 million	3,189	2,080,687	61	11,256	3,188	2,069,431	3,441	2,685,877
\$5.0 million < \$10.0 million	2,632	1,844,341	110	21,053	2,632	1,823,289	2,821	2,200,569
\$10.0 million < \$20.0 million	844	626,407	81	26,290	841	600,493	894	697,678
\$20.0 million or more	422	396,139	83	96,431	421	299,766	440	342,741

Footnotes at end of table.

Federal Estate Tax Returns Filed For 2007 Decedents

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Table 1. Estate Tax Returns Filed for 2007 Decedents, Values for Tax Purposes, by Tax Status and Size of Gross Estate—Continued

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

Tax status and size of gross estate	Other tax credits		Net estate tax		Community property		Total mutual funds
	Number	Amount	Number	Amount	Number	Amount	Number
	(81)	(82)	(83)	(84)	(85)	(86)	(87)
All returns	399	232,557	16,608	24,614,655	4,852	41,104,008	30,269
Under \$3.5 million	**	**	8,389	1,966,815	2,684	11,882,984	16,786
\$3.5 million < \$5.0 million	** 228	** 36,493	3,197	2,465,773	972	6,181,685	5,519
\$5.0 million < \$10.0 million	91	48,051	3,048	5,232,254	773	7,818,364	5,032
\$10.0 million < \$20.0 million	43	31,945	1,222	4,776,045	280	5,640,723	1,872
\$20.0 million or more	38	116,068	752	10,173,768	142	9,580,253	1,060
All taxable returns	342	179,421	16,608	24,614,655	257	3,767,540	14,027
Under \$3.5 million	**	**	8,389	1,966,815	* 41	* 149,262	6,872
\$3.5 million < \$5.0 million	** 192	** 22,940	3,197	2,465,773	71	264,514	2,759
\$5.0 million < \$10.0 million	75	27,442	3,048	5,232,254	59	330,616	2,626
\$10.0 million < \$20.0 million	40	17,035	1,222	4,776,045	51	432,077	1,097
\$20.0 million or more	35	112,003	752	10,173,768	36	2,591,071	674
All nontaxable returns	57	53,136	0	0	4,594	37,336,468	16,242
Under \$3.5 million	**	**	0	0	2,643	11,733,722	9,915
\$3.5 million < \$5.0 million	** 36	** 13,553	0	0	901	5,917,171	2,761
\$5.0 million < \$10.0 million	* 15	* 20,608	0	0	714	7,487,748	2,406
\$10.0 million < \$20.0 million	* 3	* 14,910	0	0	229	5,208,646	775
\$20.0 million or more	* 3	* 4,065	0	0	106	6,989,181	386

Tax status and size of gross estate	Total mutual funds—continued	Total joint property		Total lifetime transfers		Qualified terminable interest property	
	Amount	Number	Amount	Number	Amount	Number	Amount
	(88)	(89)	(90)	(91)	(92)	(93)	(94)
All returns	22,091,606	17,792	10,556,089	17,046	75,238,404	7,724	33,334,496
Under \$3.5 million	6,629,841	9,945	3,567,824	8,880	15,433,528	3,120	2,092,587
\$3.5 million < \$5.0 million	3,023,937	3,368	1,768,448	3,185	8,664,879	1,654	2,489,600
\$5.0 million < \$10.0 million	4,343,165	2,910	2,279,941	2,971	12,810,883	1,747	5,485,544
\$10.0 million < \$20.0 million	3,018,179	994	1,278,039	1,211	10,444,916	711	5,724,500
\$20.0 million or more	5,076,484	575	1,661,837	799	27,884,198	494	17,542,265
All taxable returns	13,289,263	5,202	2,441,558	8,062	45,357,791	739	7,622,112
Under \$3.5 million	3,168,770	2,438	641,961	3,557	6,482,184	115	52,574
\$3.5 million < \$5.0 million	1,748,041	1,107	462,854	1,603	4,560,285	105	90,408
\$5.0 million < \$10.0 million	2,556,677	985	405,728	1,618	7,104,775	205	456,632
\$10.0 million < \$20.0 million	1,939,473	402	359,311	745	6,273,696	138	670,047
\$20.0 million or more	3,876,301	270	571,704	540	20,936,850	175	6,352,450
All nontaxable returns	8,802,344	12,590	8,114,532	8,984	29,880,614	6,985	25,712,385
Under \$3.5 million	3,461,070	7,507	2,925,863	5,322	8,951,344	3,005	2,040,013
\$3.5 million < \$5.0 million	1,275,897	2,260	1,305,594	1,583	4,104,594	1,548	2,399,192
\$5.0 million < \$10.0 million	1,786,488	1,924	1,874,213	1,353	5,706,108	1,542	5,028,912
\$10.0 million < \$20.0 million	1,078,706	592	918,728	466	4,171,220	572	5,054,452
\$20.0 million or more	1,200,183	306	1,090,134	259	6,947,348	318	11,189,815

* Estimates should be used with caution because of the small number of sample returns on which they were based.

** Data were combined to prevent disclosure of individual taxpayer data.

NOTE: Detail may not add to total due to rounding.

Federal Estate Tax Returns Filed For 2007 Decedents

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Table 2. Estate Tax Returns Filed for 2007 Decedents, Date of Death Values, by Tax Status and Size of Gross Estate

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

Tax status and size of gross estate	Gross estate, date of death		Type of property					
			Personal residence		Other real estate		Real estate partnerships	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All returns	36,706	227,285,207	24,653	16,993,597	23,670	24,205,223	3,274	6,467,124
Under \$3.5 million	20,690	53,644,873	13,510	6,535,144	12,366	7,305,546	1,135	586,117
\$3.5 million < \$5.0 million	6,698	27,723,093	4,518	2,897,953	4,468	3,457,549	600	418,051
\$5.0 million < \$10.0 million	5,966	40,607,527	4,187	3,420,238	4,232	5,333,900	827	954,423
\$10.0 million < \$20.0 million	2,133	29,191,994	1,508	2,078,690	1,616	3,161,238	378	821,633
\$20.0 million or more	1,219	76,117,721	930	2,061,571	989	4,946,990	334	3,686,900
All taxable returns	16,608	129,496,933	10,366	8,049,952	10,270	11,538,900	1,280	3,599,115
Under \$3.5 million	8,199	21,916,108	4,831	2,469,488	4,526	2,622,457	279	196,667
\$3.5 million < \$5.0 million	3,256	13,478,142	2,058	1,291,359	2,061	1,536,089	252	146,189
\$5.0 million < \$10.0 million	3,135	21,451,573	2,036	1,686,444	2,173	2,576,979	365	422,154
\$10.0 million < \$20.0 million	1,238	17,032,662	853	1,191,924	894	1,582,919	194	413,881
\$20.0 million or more	780	55,618,448	588	1,410,736	616	3,220,455	190	2,420,224
All nontaxable returns	20,098	97,788,274	14,287	8,943,645	13,401	12,666,324	1,994	2,868,010
Under \$3.5 million	12,491	31,728,765	8,679	4,065,656	7,840	4,683,090	856	389,450
\$3.5 million < \$5.0 million	3,442	14,244,951	2,460	1,606,595	2,407	1,921,459	348	271,862
\$5.0 million < \$10.0 million	2,832	19,155,954	2,151	1,733,793	2,059	2,756,921	462	532,270
\$10.0 million < \$20.0 million	895	12,159,332	654	886,766	722	1,578,319	184	407,752
\$20.0 million or more	440	20,499,273	342	650,834	373	1,726,535	144	1,266,676

Tax status and size of gross estate	Type of property—continued							
	Closely held stock		Publicly traded stock		State and local bonds		Federal savings bonds	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
All returns	7,281	20,325,632	30,051	57,155,396	20,012	22,210,160	3,691	291,797
Under \$3.5 million	2,832	1,388,877	16,282	11,431,145	10,304	3,939,525	2,278	177,418
\$3.5 million < \$5.0 million	1,449	1,072,907	5,648	7,022,485	3,735	2,346,943	766	62,508
\$5.0 million < \$10.0 million	1,627	2,062,282	5,138	10,943,360	3,677	3,920,650	473	37,661
\$10.0 million < \$20.0 million	780	2,256,379	1,887	8,343,287	1,448	3,314,245	129	9,485
\$20.0 million or more	593	13,545,186	1,096	19,415,119	847	8,688,797	45	4,725
All taxable returns	2,817	13,504,810	14,031	36,005,607	10,063	14,697,221	1,709	154,987
Under \$3.5 million	781	394,848	6,660	5,481,979	4,491	1,886,630	937	83,734
\$3.5 million < \$5.0 million	590	394,690	2,800	3,990,675	2,016	1,313,039	406	40,377
\$5.0 million < \$10.0 million	724	860,274	2,737	6,484,666	2,075	2,475,407	252	21,533
\$10.0 million < \$20.0 million	380	1,083,829	1,120	5,447,635	899	2,083,390	81	5,857
\$20.0 million or more	343	10,771,169	715	14,600,651	582	6,938,754	33	3,485
All nontaxable returns	4,463	6,820,822	16,020	21,149,790	9,949	7,512,939	1,982	136,810
Under \$3.5 million	2,051	994,029	9,623	5,949,166	5,813	2,052,895	1,341	93,684
\$3.5 million < \$5.0 million	859	678,217	2,848	3,031,809	1,719	1,033,903	360	22,130
\$5.0 million < \$10.0 million	903	1,202,009	2,401	4,458,694	1,603	1,445,242	222	16,128
\$10.0 million < \$20.0 million	400	1,172,550	767	2,895,652	549	1,230,855	48	3,628
\$20.0 million or more	250	2,774,017	380	4,814,468	265	1,750,043	11	1,240

Footnotes at end of table.

Federal Estate Tax Returns Filed For 2007 Decedents

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Table 2. Estate Tax Returns Filed for 2007 Decedents, Date of Death Values, by Tax Status and Size of Gross Estate—Continued

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

Tax status and size of gross estate	Type of property—continued							
	Other Federal bonds		Corporate and foreign bonds		Bond funds		Unclassifiable mutual funds	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
All returns	9,185	4,467,987	11,485	2,437,872	4,939	492,323	11,228	1,725,331
Under \$3.5 million	4,692	952,682	6,154	785,723	2,872	218,902	6,496	653,572
\$3.5 million < \$5.0 million	1,733	483,040	2,190	307,529	869	63,547	1,946	257,606
\$5.0 million < \$10.0 million	1,690	719,100	1,968	488,263	764	87,220	1,760	329,268
\$10.0 million < \$20.0 million	657	541,325	753	304,431	299	69,985	663	179,873
\$20.0 million or more	412	1,771,840	420	551,927	135	52,668	362	305,012
All taxable returns	4,955	2,856,783	5,847	1,493,296	2,293	276,118	4,893	927,750
Under \$3.5 million	2,248	498,361	2,796	411,482	1,111	97,334	2,530	289,457
\$3.5 million < \$5.0 million	989	297,096	1,199	181,397	483	41,880	925	144,092
\$5.0 million < \$10.0 million	1,009	388,415	1,125	284,200	440	56,560	858	179,215
\$10.0 million < \$20.0 million	412	355,393	460	218,165	174	40,561	355	105,542
\$20.0 million or more	296	1,317,518	266	398,051	86	39,782	225	209,445
All nontaxable returns	4,230	1,611,204	5,638	944,577	2,646	216,205	6,335	797,580
Under \$3.5 million	2,444	454,321	3,358	374,240	1,760	121,569	3,966	364,115
\$3.5 million < \$5.0 million	744	185,944	991	126,132	386	21,667	1,021	113,514
\$5.0 million < \$10.0 million	681	330,685	843	204,063	324	30,659	902	150,053
\$10.0 million < \$20.0 million	245	185,932	293	86,266	125	29,424	308	74,331
\$20.0 million or more	116	454,322	154	153,875	49	12,886	138	95,567

Tax status and size of gross estate	Type of property—continued							
	Cash assets		Insurance, face value		Insurance, policy loans		Farm assets	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
All returns	36,199	20,488,822	17,857	4,298,295	1,832	90,895	4,388	7,074,847
Under \$3.5 million	20,351	6,164,201	10,090	1,636,392	953	22,530	2,490	2,650,978
\$3.5 million < \$5.0 million	6,614	2,789,394	3,329	819,032	349	16,062	799	1,123,599
\$5.0 million < \$10.0 million	5,910	3,691,288	2,901	980,437	323	27,428	664	1,133,682
\$10.0 million < \$20.0 million	2,110	2,508,888	971	461,344	117	13,040	260	697,118
\$20.0 million or more	1,214	5,335,052	567	401,092	90	11,835	176	1,469,470
All taxable returns	16,523	12,605,597	6,911	1,219,727	644	44,204	1,894	3,312,624
Under \$3.5 million	8,167	3,055,706	3,418	297,596	274	5,566	860	985,433
\$3.5 million < \$5.0 million	3,229	1,631,162	1,380	216,882	134	9,475	441	562,560
\$5.0 million < \$10.0 million	3,117	2,148,912	1,312	312,695	130	9,042	331	572,921
\$10.0 million < \$20.0 million	1,231	1,639,656	489	196,829	63	10,500	141	365,785
\$20.0 million or more	779	4,130,160	312	195,724	43	9,622	120	825,925
All nontaxable returns	19,675	7,883,225	10,946	3,078,569	1,189	46,691	2,495	3,762,223
Under \$3.5 million	12,183	3,108,495	6,672	1,338,796	679	16,964	1,630	1,665,545
\$3.5 million < \$5.0 million	3,385	1,158,232	1,948	602,149	215	6,586	358	561,039
\$5.0 million < \$10.0 million	2,793	1,542,376	1,589	667,741	192	18,386	333	560,760
\$10.0 million < \$20.0 million	879	869,231	482	264,515	54	2,541	119	331,333
\$20.0 million or more	435	1,204,891	255	205,367	48	2,213	55	643,544

Footnotes at end of table.

Federal Estate Tax Returns Filed For 2007 Decedents

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Table 2. Estate Tax Returns Filed for 2007 Decedents, Date of Death Values, by Tax Status and Size of Gross Estate—Continued

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

Tax status and size of gross estate	Type of property—continued							
	Private equity and hedge funds		Other limited partnerships		Other noncorporate business assets		Mortgages and notes	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
All returns	1,282	2,045,482	6,497	6,045,051	4,628	3,572,831	8,559	4,640,809
Under \$3.5 million	402	60,643	2,667	738,436	1,833	283,723	3,668	788,822
\$3.5 million < \$5.0 million	194	36,493	1,170	405,932	861	281,350	1,563	502,334
\$5.0 million < \$10.0 million	295	102,664	1,420	793,344	1,041	468,746	1,833	963,760
\$10.0 million < \$20.0 million	184	194,876	682	865,668	454	371,158	853	808,884
\$20.0 million or more	206	1,650,806	559	3,241,671	439	2,167,854	643	1,577,009
All taxable returns	615	1,321,131	3,038	3,455,761	1,619	1,879,490	4,210	2,784,665
Under \$3.5 million	135	10,635	993	259,376	392	86,870	1,484	353,967
\$3.5 million < \$5.0 million	99	12,447	561	162,154	301	84,850	753	267,986
\$5.0 million < \$10.0 million	155	39,117	736	491,398	432	161,295	1,019	570,336
\$10.0 million < \$20.0 million	91	77,805	392	531,308	236	172,877	520	500,822
\$20.0 million or more	135	1,181,126	356	2,011,526	257	1,373,597	433	1,091,554
All nontaxable returns	667	724,352	3,459	2,589,290	3,009	1,693,341	4,349	1,856,144
Under \$3.5 million	267	50,008	1,674	479,061	1,441	196,853	2,183	434,855
\$3.5 million < \$5.0 million	95	24,046	609	243,778	561	196,500	810	234,349
\$5.0 million < \$10.0 million	141	63,547	684	301,946	608	307,451	814	393,423
\$10.0 million < \$20.0 million	93	117,071	290	334,361	218	198,281	333	308,062
\$20.0 million or more	71	469,680	202	1,230,145	182	794,257	209	485,455

Tax status and size of gross estate	Type of property—continued							
	Retirement assets		Depletables / intangibles		Art		Other assets	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)
All returns	23,022	16,032,913	2,916	749,482	3,390	2,925,558	32,207	2,729,595
Under \$3.5 million	13,058	6,344,150	1,369	227,376	1,161	105,081	17,824	692,961
\$3.5 million < \$5.0 million	4,324	2,943,912	586	88,012	577	54,675	5,861	304,310
\$5.0 million < \$10.0 million	3,685	3,469,264	569	171,799	783	111,740	5,384	451,871
\$10.0 million < \$20.0 million	1,284	1,617,281	238	115,571	414	122,913	1,971	360,762
\$20.0 million or more	671	1,658,305	153	146,724	454	2,531,148	1,167	919,693
All taxable returns	9,081	5,842,247	1,459	411,006	1,857	2,064,550	14,681	1,539,806
Under \$3.5 million	4,543	2,039,563	612	95,704	421	51,038	7,097	253,350
\$3.5 million < \$5.0 million	1,773	986,811	296	55,154	313	13,604	2,817	117,123
\$5.0 million < \$10.0 million	1,733	1,355,586	301	88,877	488	54,292	2,851	229,339
\$10.0 million < \$20.0 million	654	690,748	141	65,113	287	63,666	1,162	209,455
\$20.0 million or more	377	769,540	109	106,157	348	1,881,951	754	730,539
All nontaxable returns	13,942	10,190,665	1,457	338,476	1,533	861,008	17,526	1,189,789
Under \$3.5 million	8,514	4,304,588	757	131,671	740	54,044	10,728	439,610
\$3.5 million < \$5.0 million	2,551	1,957,101	291	32,858	263	41,071	3,044	187,187
\$5.0 million < \$10.0 million	1,952	2,113,679	268	82,922	296	57,448	2,533	222,532
\$10.0 million < \$20.0 million	630	926,533	97	50,458	127	59,248	809	151,307
\$20.0 million or more	295	888,765	44	40,567	106	649,198	413	189,154

Footnotes at end of table.

Federal Estate Tax Returns Filed For 2007 Decedents

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Table 2. Estate Tax Returns Filed for 2007 Decedents, Date of Death Values, by Tax Status and Size of Gross Estate—Continued

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

Tax status and size of gross estate	Type of deductions							
	Funeral expenses		Executors' commissions		Attorneys' fees		Other expenses/losses	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(49)	(50)	(51)	(52)	(53)	(54)	(55)	(56)
All returns	31,939	368,323	11,978	1,304,050	21,876	959,687	22,069	1,034,612
Under \$3.5 million	17,848	173,437	6,269	298,104	11,903	268,526	12,139	211,671
\$3.5 million < \$5.0 million	5,807	67,618	2,115	158,964	3,912	134,128	3,827	119,256
\$5.0 million < \$10.0 million	5,258	64,786	2,188	247,324	3,780	202,801	3,794	203,345
\$10.0 million < \$20.0 million	1,903	30,716	877	185,170	1,406	132,306	1,424	155,442
\$20.0 million or more	1,123	31,766	529	414,488	876	221,926	886	344,898
All taxable returns	15,813	182,176	9,762	1,164,992	14,399	755,671	14,162	875,198
Under \$3.5 million	7,772	70,182	4,676	237,776	7,037	175,238	6,950	146,290
\$3.5 million < \$5.0 million	3,106	36,118	1,927	143,378	2,840	104,878	2,716	91,876
\$5.0 million < \$10.0 million	2,997	34,118	1,918	221,592	2,767	163,564	2,747	169,596
\$10.0 million < \$20.0 million	1,180	18,486	763	164,693	1,077	111,732	1,067	143,315
\$20.0 million or more	759	23,272	477	397,553	678	200,260	682	324,121
All nontaxable returns	16,125	186,147	2,215	139,058	7,477	204,016	7,907	159,414
Under \$3.5 million	10,076	103,255	1,592	60,328	4,866	93,288	5,189	65,381
\$3.5 million < \$5.0 million	2,700	31,500	188	15,585	1,072	29,251	1,111	27,380
\$5.0 million < \$10.0 million	2,262	30,668	270	25,733	1,012	39,237	1,046	33,748
\$10.0 million < \$20.0 million	723	12,230	113	20,477	329	20,574	357	12,127
\$20.0 million or more	364	8,494	52	16,936	198	21,666	204	20,777

Tax status and size of gross estate	Type of deductions—continued							
	Debts and mortgages		Bequests to surviving spouse		Charitable deduction		Allowable deductions	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(57)	(58)	(59)	(60)	(61)	(62)	(63)	(64)
All returns	27,065	8,547,351	17,384	65,845,008	7,134	27,898,898	36,691	106,116,967
Under \$3.5 million	14,661	1,703,112	9,304	9,773,921	3,150	1,746,943	20,676	14,236,290
\$3.5 million < \$5.0 million	4,965	1,034,158	3,378	7,584,708	1,394	1,292,224	6,698	10,422,578
\$5.0 million < \$10.0 million	4,626	1,722,260	2,987	13,042,429	1,459	2,417,062	5,965	17,902,590
\$10.0 million < \$20.0 million	1,757	1,068,950	1,073	10,745,525	644	2,035,607	2,133	14,380,410
\$20.0 million or more	1,056	3,018,872	641	24,698,425	488	20,407,062	1,219	49,175,099
All taxable returns	14,514	4,192,592	1,575	11,391,430	3,935	19,876,088	16,595	38,605,200
Under \$3.5 million	6,868	396,403	353	129,693	1,261	208,883	8,187	1,410,592
\$3.5 million < \$5.0 million	2,904	438,456	294	253,236	866	300,321	3,256	1,394,914
\$5.0 million < \$10.0 million	2,850	790,855	435	973,790	949	767,346	3,134	3,157,445
\$10.0 million < \$20.0 million	1,161	642,167	255	1,495,659	467	972,799	1,238	3,572,131
\$20.0 million or more	732	1,924,711	238	8,539,053	391	17,626,739	780	29,070,118
All nontaxable returns	12,551	4,354,759	15,808	54,453,578	3,199	8,022,810	20,096	67,511,768
Under \$3.5 million	7,794	1,306,709	8,951	9,644,229	1,889	1,538,060	12,489	12,825,699
\$3.5 million < \$5.0 million	2,062	595,702	3,084	7,331,472	528	991,903	3,442	9,027,664
\$5.0 million < \$10.0 million	1,776	931,404	2,552	12,068,639	510	1,649,716	2,832	14,745,145
\$10.0 million < \$20.0 million	596	426,783	817	9,249,866	176	1,062,808	895	10,808,279
\$20.0 million or more	323	1,094,161	404	16,159,372	97	2,780,323	440	20,104,981

Footnotes at end of table.

Federal Estate Tax Returns Filed For 2007 Decedents

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Table 2. Estate Tax Returns Filed for 2007 Decedents, Date of Death Values, by Tax Status and Size of Gross Estate—Continued

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

Tax status and size of gross estate	Type of deductions—continued		Taxable estate		Adjusted taxable gifts		Adjusted taxable estate	
	State death tax deduction							
	Number (65)	Amount (66)	Number (67)	Amount (68)	Number (69)	Amount (70)	Number (71)	Amount (72)
All returns	11,351	3,574,608	35,351	115,537,483	9,291	7,939,402	35,431	123,476,884
Under \$3.5 million	6,193	681,656	19,872	38,347,215	3,547	1,426,855	19,919	39,774,069
\$3.5 million < \$5.0 million	1,953	367,144	6,440	16,630,476	1,612	813,609	6,446	17,444,085
\$5.0 million < \$10.0 million	1,938	660,095	5,769	21,637,914	2,183	1,647,044	5,781	23,284,958
\$10.0 million < \$20.0 million	755	557,779	2,077	13,927,029	1,117	1,224,913	2,083	15,151,942
\$20.0 million or more	512	1,307,935	1,193	24,994,849	833	2,826,981	1,202	27,821,830
All taxable returns	7,594	3,251,413	16,608	85,378,847	5,769	6,257,312	16,608	91,636,160
Under \$3.5 million	3,657	451,586	8,199	19,743,235	2,010	964,240	8,199	20,707,474
\$3.5 million < \$5.0 million	1,473	330,557	3,256	11,473,841	996	567,642	3,256	12,041,483
\$5.0 million < \$10.0 million	1,490	624,684	3,135	17,220,591	1,436	1,286,473	3,135	18,507,064
\$10.0 million < \$20.0 million	579	545,345	1,238	12,571,466	738	974,185	1,238	13,545,651
\$20.0 million or more	395	1,299,242	780	24,369,714	589	2,464,774	780	26,834,488
All nontaxable returns	3,757	323,195	18,743	30,158,635	3,522	1,682,089	18,823	31,840,725
Under \$3.5 million	2,536	230,070	11,673	18,603,980	1,537	462,615	11,720	19,066,595
\$3.5 million < \$5.0 million	481	36,587	3,184	5,156,635	615	245,967	3,189	5,402,602
\$5.0 million < \$10.0 million	448	35,411	2,634	4,417,322	746	360,572	2,646	4,777,894
\$10.0 million < \$20.0 million	175	12,434	839	1,355,563	379	250,729	845	1,606,292
\$20.0 million or more	117	8,693	413	625,136	244	362,207	422	987,342

Tax status and size of gross estate	Tentative estate tax		Gift tax paid		Total tax before credits		Allowable unified credit	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(73)	(74)	(75)	(76)	(77)	(78)	(79)	(80)
All returns	35,426	51,498,607	2,099	1,676,455	35,415	49,822,634	36,706	28,652,137
Under \$3.5 million	19,918	15,625,836	439	83,213	19,911	15,542,672	20,690	16,150,522
\$3.5 million < \$5.0 million	6,446	7,111,243	257	70,695	6,445	7,040,548	6,698	5,228,733
\$5.0 million < \$10.0 million	5,778	9,807,646	575	234,676	5,778	9,572,969	5,966	4,656,594
\$10.0 million < \$20.0 million	2,083	6,575,177	407	262,207	2,080	6,313,345	2,133	1,665,028
\$20.0 million or more	1,202	12,378,705	422	1,025,663	1,201	11,353,100	1,219	951,262
All taxable returns	16,608	39,256,608	1,609	1,496,072	16,608	37,760,536	16,608	12,966,460
Under \$3.5 million	8,199	8,341,041	283	57,861	8,199	8,283,181	8,199	6,401,645
\$3.5 million < \$5.0 million	3,256	5,030,503	197	59,577	3,256	4,970,926	3,256	2,542,439
\$5.0 million < \$10.0 million	3,135	7,954,531	463	213,485	3,135	7,741,047	3,135	2,447,313
\$10.0 million < \$20.0 million	1,238	5,947,966	326	235,917	1,238	5,712,049	1,238	966,541
\$20.0 million or more	780	11,982,566	339	929,232	780	11,053,334	780	608,521
All nontaxable returns	18,819	12,241,998	490	180,383	18,807	12,062,098	20,098	15,685,678
Under \$3.5 million	11,719	7,284,795	155	25,353	11,712	7,259,491	12,491	9,748,876
\$3.5 million < \$5.0 million	3,189	2,080,740	59	11,118	3,188	2,069,622	3,442	2,686,293
\$5.0 million < \$10.0 million	2,643	1,853,114	112	21,191	2,643	1,831,923	2,832	2,209,281
\$10.0 million < \$20.0 million	845	627,211	81	26,290	842	601,296	895	698,486
\$20.0 million or more	422	396,139	83	96,431	421	299,766	440	342,741

Footnotes at end of table.

Federal Estate Tax Returns Filed For 2007 Decedents

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Table 2. Estate Tax Returns Filed for 2007 Decedents, Date of Death Values, by Tax Status and Size of Gross Estate—Continued

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

Tax status and size of gross estate	Other tax credits		Net estate tax		Community property		Total mutual funds
	Number	Amount	Number	Amount	Number	Amount	Number
	(81)	(82)	(83)	(84)	(85)	(86)	(87)
All returns	399	232,557	16,608	24,614,655	4,852	41,104,008	30,269
Under \$3.5 million	**	**	8,199	1,870,307	2,682	11,873,648	16,643
\$3.5 million < \$5.0 million	** 224	** 35,627	3,256	2,417,640	970	6,161,261	5,543
\$5.0 million < \$10.0 million	94	48,916	3,135	5,265,425	776	7,842,942	5,112
\$10.0 million < \$20.0 million	43	31,945	1,238	4,728,473	281	5,645,904	1,885
\$20.0 million or more	38	116,068	780	10,332,810	142	9,580,253	1,087
All taxable returns	342	179,421	16,608	24,614,655	257	3,767,540	14,027
Under \$3.5 million	**	**	8,199	1,870,307	* 41	* 149,262	6,733
\$3.5 million < \$5.0 million	** 189	** 22,075	3,256	2,417,640	67	234,755	2,789
\$5.0 million < \$10.0 million	79	28,308	3,135	5,265,425	61	355,194	2,695
\$10.0 million < \$20.0 million	40	17,035	1,238	4,728,473	52	437,258	1,108
\$20.0 million or more	35	112,003	780	10,332,810	36	2,591,071	702
All nontaxable returns	57	53,136	0	0	4,594	37,336,468	16,242
Under \$3.5 million	**	**	0	0	2,641	11,724,387	9,910
\$3.5 million < \$5.0 million	** 36	** 13,553	0	0	903	5,926,507	2,754
\$5.0 million < \$10.0 million	15	20,608	0	0	714	7,487,748	2,417
\$10.0 million < \$20.0 million	3	14,910	0	0	229	5,208,646	776
\$20.0 million or more	3	4,065	0	0	106	6,989,181	386

Tax status and size of gross estate	Total mutual funds—continued	Total joint property		Total lifetime transfers		Qualified terminable interest property	
	Amount	Number	Amount	Number	Amount	Number	Amount
	(88)	(89)	(90)	(91)	(92)	(93)	(94)
All returns	22,091,606	17,792	10,556,089	17,046	75,238,404	7,724	33,334,496
Under \$3.5 million	6,546,285	9,898	3,528,351	8,810	15,231,283	3,104	2,081,732
\$3.5 million < \$5.0 million	3,036,950	3,359	1,774,243	3,174	8,570,972	1,656	2,468,012
\$5.0 million < \$10.0 million	4,351,760	2,948	2,307,274	3,024	12,871,071	1,756	5,499,802
\$10.0 million < \$20.0 million	3,016,775	1,001	1,282,429	1,224	10,455,111	712	5,725,767
\$20.0 million or more	5,139,836	586	1,663,793	814	28,109,967	497	17,559,184
All taxable returns	13,289,263	5,202	2,441,558	8,062	45,357,791	739	7,622,112
Under \$3.5 million	3,088,801	2,397	602,506	3,498	6,316,069	108	49,867
\$3.5 million < \$5.0 million	1,764,394	1,103	470,839	1,591	4,471,709	108	79,079
\$5.0 million < \$10.0 million	2,559,844	1,013	430,852	1,661	7,123,502	205	452,482
\$10.0 million < \$20.0 million	1,936,571	409	363,701	758	6,283,892	140	671,315
\$20.0 million or more	3,939,653	280	573,660	555	21,162,618	178	6,369,369
All nontaxable returns	8,802,344	12,590	8,114,532	8,984	29,880,614	6,985	25,712,385
Under \$3.5 million	3,457,484	7,501	2,925,844	5,312	8,915,214	2,996	2,031,864
\$3.5 million < \$5.0 million	1,272,556	2,256	1,303,404	1,584	4,099,263	1,548	2,388,933
\$5.0 million < \$10.0 million	1,791,915	1,935	1,876,422	1,363	5,747,569	1,551	5,047,319
\$10.0 million < \$20.0 million	1,080,205	592	918,728	466	4,171,220	572	5,054,452
\$20.0 million or more	1,200,183	306	1,090,134	259	6,947,348	318	11,189,815

* Estimates should be used with caution because of the small number of sample returns on which they were based.

** Data were combined to prevent disclosure of individual taxpayer data.

NOTE: Detail may not add to total due to rounding.

Federal Estate Tax Returns Filed For 2007 Decedents

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Table 3. Estate Tax Returns Filed for 2007 Decedents Making Charitable Bequests, and Recipients of Charitable Bequests, by Sex and Marital Status of Decedent

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

Sex, marital status	Net worth [1]		Gross charitable bequests		Type of recipient			
	Number	Amount	Number	Amount	Arts, culture, and humanities		Education	
					Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All decedents	7,133	70,363,452	7,133	28,544,032	963	531,477	3,123	2,859,575
Married	1,584	17,905,569	1,584	3,193,590	172	99,260	746	508,260
Widow or widower	3,865	40,444,917	3,865	19,694,200	536	200,782	1,619	1,599,949
Single	1,167	6,953,499	1,167	3,509,399	184	201,647	581	578,461
Other [2]	518	5,059,466	518	2,146,843	70	29,788	177	172,906
Female decedents	3,694	37,214,785	3,694	18,642,205	558	252,098	1,522	1,428,967
Married	255	2,208,514	255	248,630	28	9,369	91	52,700
Widow	2,679	30,516,247	2,679	16,370,386	397	167,654	1,066	1,051,476
Single	479	2,546,358	479	1,255,574	86	63,477	291	277,140
Other [2]	282	1,943,665	282	767,615	47	11,597	74	47,651
Male decedents	3,439	33,148,667	3,439	9,901,827	405	279,379	1,601	1,430,608
Married	1,328	15,697,055	1,328	2,944,960	144	89,891	655	455,559
Widower	1,186	9,928,670	1,186	3,323,814	140	33,128	553	548,473
Single	688	4,407,141	688	2,253,825	98	138,170	290	301,321
Other [2]	237	3,115,801	237	1,379,228	23	18,191	103	125,254

Sex, marital status	Type of recipient—continued							
	Environmental and animals		Health		Human services		International, foreign affairs	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
All decedents	759	404,232	1,885	1,210,404	2,109	908,442	132	45,549
Married	140	59,766	268	202,300	273	47,484	d	d
Widow or widower	419	210,152	1,109	733,644	1,264	549,900	d	d
Single	146	119,940	378	181,329	399	204,454	d	d
Other [2]	54	14,374	130	93,130	173	106,603	d	d
Female decedents	490	288,054	1,096	704,467	1,272	509,474	80	21,069
Married	27	22,055	45	1,850	65	10,501	d	d
Widow	330	162,533	796	558,745	926	391,048	d	d
Single	91	90,237	172	87,690	173	73,152	d	d
Other [2]	42	13,228	82	56,182	108	34,774	d	d
Male decedents	268	116,178	789	505,936	837	398,967	52	24,480
Married	113	37,711	222	200,450	208	36,983	d	d
Widower	88	47,619	312	174,899	338	158,853	d	d
Single	55	29,703	206	93,639	226	131,302	d	d
Other [2]	* 12	* 1,146	48	36,948	65	71,830	d	d

Footnotes at end of table.

Federal Estate Tax Returns Filed For 2007 Decedents

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Table 3. Estate Tax Returns Filed for 2007 Decedents Making Charitable Bequests, and Recipients of Charitable Bequests, by Sex and Marital Status of Decedent—Continued

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

Sex, marital status	Type of recipient—continued							
	Public societal benefit		Religion related		Mutual, membership benefit		Unknown	
	Number (17)	Amount (18)	Number (19)	Amount (20)	Number (21)	Amount (22)	Number (23)	Amount (24)
All decedents	2,105	20,796,105	3,207	1,166,630	164	11,368	591	610,249
Married	467	2,094,684	565	57,001	d	d	89	117,219
Widow or widower	1,101	15,265,852	1,914	685,199	d	d	356	432,796
Single	386	1,740,340	588	398,663	d	d	118	54,485
Other [2]	151	1,695,229	140	25,767	d	d	28	5,749
Female decedents	1,018	14,419,755	1,801	647,521	73	3,119	300	367,680
Married	62	133,759	108	6,384	d	d	d	d
Widow	732	13,201,526	1,351	476,891	d	d	206	345,686
Single	153	500,280	251	150,024	d	d	63	5,781
Other [2]	72	584,189	91	14,222	d	d	d	d
Male decedents	1,087	6,376,350	1,406	519,109	91	8,249	291	242,569
Married	405	1,960,925	457	50,618	d	d	d	d
Widower	369	2,064,326	563	208,307	d	d	150	87,110
Single	233	1,240,060	338	248,639	d	d	56	48,704
Other [2]	80	1,111,040	49	11,545	d	d	d	d

* Estimates should be used with caution because of the small number of sample returns on which they were based.

d—Data were deleted to prevent disclosure of individual taxpayer data. However, the data are included in the appropriate totals.

[1] Net worth is calculated as "total gross estate for tax purposes" less "debts and mortgages." Negative values of net worth were constrained to zero.

[2] "Other" category includes divorced, legally separated, or marital status unknown.

NOTE: Detail may not add to total due to rounding.

Federal Estate Tax Returns Filed For 2007 Decedents

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Table 4. Estate Tax Returns Filed for 2007 Male Decedents, by Age and Marital Status of Decedent and Size of Gross Estate

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

Marital status and size of gross estate	Total				Age of decedent			
					Under 50 years			
	Gross estate for tax purposes		Net estate tax		Gross estate for tax purposes		Net estate tax	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All decedents	20,838	130,014,227	7,044	11,350,725	523	2,896,196	133	159,616
Under \$3.5 million	11,393	29,531,823	3,192	690,951	286	754,818	56	9,327
\$3.5 million or more	9,445	100,482,405	3,851	10,659,774	237	2,141,379	77	150,289
Married decedents	13,378	86,032,033	1,265	2,667,272	357	1,974,346	d	d
Under \$3.5 million	7,051	18,485,613	249	42,915	184	488,707	d	d
\$3.5 million or more	6,327	67,546,419	1,015	2,624,357	173	1,485,639	d	d
Widowed decedents	4,638	26,225,386	3,786	5,568,376	* 5	* 13,851	d	d
Under \$3.5 million	2,736	6,914,205	1,986	451,762	* 5	* 13,851	d	d
\$3.5 million or more	1,903	19,311,181	1,800	5,116,614	0	0	d	d
Single decedents	1,640	8,859,107	1,093	1,257,016	116	704,762	84	93,513
Under \$3.5 million	988	2,530,629	571	118,063	68	175,269	41	6,815
\$3.5 million or more	651	6,328,478	523	1,138,953	48	529,494	42	86,698
Other [1]	1,182	8,897,702	899	1,858,062	44	203,237	d	d
Under \$3.5 million	618	1,601,376	386	78,212	29	76,991	d	d
\$3.5 million or more	564	7,296,326	513	1,779,851	15	126,246	d	d

Marital status and size of gross estate	Age of decedent—continued							
	50 under 60 years				60 under 70 years			
	Gross estate for tax purposes		Net estate tax		Gross estate for tax purposes		Net estate tax	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
All decedents	1,318	7,750,904	257	218,628	2,969	19,845,030	636	1,031,378
Under \$3.5 million	665	1,783,685	116	20,448	1,553	4,107,210	294	51,637
\$3.5 million or more	652	5,967,218	141	198,180	1,416	15,737,819	343	979,742
Married decedents	982	6,267,120	d	d	2,294	15,547,184	160	285,595
Under \$3.5 million	457	1,239,995	d	d	1,130	3,023,534	* 31	* 955
\$3.5 million or more	525	5,027,125	d	d	1,164	12,523,650	129	284,640
Widowed decedents	32	148,087	d	d	157	610,341	112	82,228
Under \$3.5 million	18	46,268	d	d	117	304,153	73	14,991
\$3.5 million or more	14	101,819	d	d	40	306,188	39	67,237
Single decedents	149	592,956	97	67,335	225	1,170,995	145	163,496
Under \$3.5 million	105	275,345	59	11,477	148	365,127	84	12,360
\$3.5 million or more	44	317,611	39	55,857	78	805,868	61	151,136
Other [1]	155	742,742	d	d	293	2,516,509	219	500,059
Under \$3.5 million	86	222,077	d	d	158	414,396	106	23,331
\$3.5 million or more	69	520,664	d	d	134	2,102,113	113	476,728

Footnotes at end of table.

Federal Estate Tax Returns Filed For 2007 Decedents

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Table 4. Estate Tax Returns Filed for 2007 Male Decedents, by Age and Marital Status of Decedent and Size of Gross Estate—Continued

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

Marital status and size of gross estate	Age of decedent—continued							
	70 under 80 years				80 years and over			
	Gross estate for tax purposes		Net estate tax		Gross estate for tax purposes		Net estate tax	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	
All decedents	4,983	30,887,723	1,346	2,267,654	11,045	68,634,374	4,671	7,673,448
Under \$3.5 million	2,738	7,121,194	594	126,312	6,151	15,764,915	2,133	483,228
\$3.5 million or more	2,245	23,766,530	752	2,141,343	4,894	52,869,459	2,538	7,190,220
Married decedents	3,674	23,250,235	306	593,550	6,071	38,993,148	738	1,714,004
Under \$3.5 million	1,986	5,206,255	82	13,990	3,294	8,527,123	131	27,004
\$3.5 million or more	1,688	18,043,980	224	579,560	2,777	30,466,026	607	1,687,000
Widowed decedents	615	3,203,340	512	734,546	3,829	22,249,766	3,133	4,726,140
Under \$3.5 million	379	938,527	278	53,244	2,217	5,611,405	1,620	380,427
\$3.5 million or more	236	2,264,813	235	681,302	1,612	16,638,361	1,513	4,345,714
Single decedents	378	2,160,262	257	395,099	771	4,230,132	510	537,572
Under \$3.5 million	222	580,626	128	38,047	447	1,134,263	259	49,364
\$3.5 million or more	157	1,579,636	129	357,052	325	3,095,870	252	488,208
Other [1]	316	2,273,886	271	544,460	373	3,161,328	290	695,732
Under \$3.5 million	151	395,786	107	21,030	193	492,125	123	26,433
\$3.5 million or more	165	1,878,100	164	523,429	180	2,669,203	167	669,298

* Estimates should be used with caution because of the small number of sample returns on which they were based.

d—Data were deleted to prevent disclosure of individual taxpayer data. However, the data are included in the appropriate totals.

[1] "Other" category includes divorced, legally separated, or marital status unknown.

NOTE: Detail may not add to total due to rounding.

Federal Estate Tax Returns Filed For 2007 Decedents

Statistics of Income Bulletin | Summer 2011

Table 5. Estate Tax Returns Filed for 2007 Female Decedents, by Age and Marital Status of Decedent and Size of Gross Estate

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

Marital status and size of gross estate	Total				Age of decedent			
					Under 50 years			
	Gross estate for tax purposes		Net estate tax		Gross estate for tax purposes		Net estate tax	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All decedents	15,868	94,826,894	9,564	13,263,930	179	877,092	67	68,160
Under \$3.5 million	9,500	24,386,245	5,197	1,275,865	105	275,091	33	5,724
\$3.5 million or more	6,368	70,440,649	4,367	11,988,066	74	602,001	34	62,436
Married decedents	4,423	22,926,835	531	561,981	100	536,887	* 9	* 15,103
Under \$3.5 million	2,597	6,796,930	244	38,847	55	147,960	* 3	* 527
\$3.5 million or more	1,826	16,129,905	286	523,134	44	388,927	* 6	* 14,576
Widowed decedents	9,544	62,843,181	7,773	11,438,752	14	65,164	12	11,627
Under \$3.5 million	5,721	14,584,314	4,268	1,079,646	* 8	* 21,688	* 6	* 1,066
\$3.5 million or more	3,823	48,258,867	3,505	10,359,106	* 6	* 43,476	* 6	* 10,561
Single decedents	1,000	4,401,937	603	474,229	41	190,709	28	29,537
Under \$3.5 million	642	1,628,964	345	72,918	25	62,504	13	1,957
\$3.5 million or more	358	2,772,973	258	401,311	16	128,205	14	27,580
Other [1]	901	4,654,940	657	788,968	24	84,332	17	11,893
Under \$3.5 million	539	1,376,036	339	84,454	17	42,940	10	2,174
\$3.5 million or more	362	3,278,904	318	704,514	* 7	* 41,393	* 7	* 9,718
	Age of decedent—continued							
	50 under 60 years				60 under 70 years			
	Gross estate for tax purposes		Net estate tax		Gross estate for tax purposes		Net estate tax	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
All decedents	578	3,111,108	189	190,859	1,485	7,578,149	490	582,072
Under \$3.5 million	327	867,446	99	17,477	864	2,246,185	222	47,741
\$3.5 million or more	251	2,243,662	91	173,382	621	5,331,964	269	534,330
Married decedents	356	1,896,348	18	22,554	839	4,354,878	53	27,934
Under \$3.5 million	191	506,462	* 5	* 777	464	1,214,109	* 7	* 1,421
\$3.5 million or more	165	1,389,886	13	21,777	375	3,140,769	46	26,513
Widowed decedents	74	298,910	63	43,803	359	1,860,699	257	371,808
Under \$3.5 million	46	121,028	35	6,658	232	586,128	137	25,630
\$3.5 million or more	29	177,882	28	37,145	126	1,274,570	121	346,178
Single decedents	61	423,805	46	35,994	103	473,335	57	61,424
Under \$3.5 million	38	104,764	27	4,680	48	124,760	13	2,398
\$3.5 million or more	24	319,041	18	31,314	54	348,575	45	59,026
Other [1]	85	492,045	63	88,507	185	889,238	122	120,906
Under \$3.5 million	52	135,192	31	5,361	120	321,187	65	18,293
\$3.5 million or more	34	356,853	32	83,146	65	568,050	58	102,613

Footnotes at end of table.

Federal Estate Tax Returns Filed For 2007 Decedents

Statistics of Income Bulletin | Summer 2011

Table 5. Estate Tax Returns Filed for 2007 Female Decedents, by Age and Marital Status of Decedent and Size of Gross Estate—Continued

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

Marital status and size of gross estate	Age of decedent—continued							
	70 under 80 years				80 years and over			
	Gross estate for tax purposes		Net estate tax		Gross estate for tax purposes		Net estate tax	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	
All decedents	3,101	14,985,027	1,464	1,717,371	10,525	68,275,518	7,354	10,705,469
Under \$3.5 million	1,928	4,925,361	830	186,937	6,275	16,072,162	4,014	1,017,985
\$3.5 million or more	1,172	10,059,666	634	1,530,434	4,250	52,203,355	3,340	9,687,483
Married decedents	1,399	6,780,505	126	93,638	1,729	9,358,217	323	402,751
Under \$3.5 million	841	2,228,179	* 72	* 10,797	1,046	2,700,221	156	25,324
\$3.5 million or more	557	4,552,326	54	82,841	684	6,657,996	167	377,427
Widowed decedents	1,296	6,575,501	1,061	1,353,653	7,800	54,042,908	6,381	9,657,861
Under \$3.5 million	811	2,013,299	604	135,038	4,624	11,842,171	3,486	911,253
\$3.5 million or more	485	4,562,202	456	1,218,614	3,177	42,200,737	2,894	8,746,607
Single decedents	140	514,312	75	53,301	655	2,799,776	398	293,973
Under \$3.5 million	93	239,915	* 35	* 9,793	437	1,097,021	257	54,091
\$3.5 million or more	46	274,397	40	43,508	217	1,702,755	141	239,883
Other [1]	266	1,114,708	202	216,780	341	2,074,617	252	350,883
Under \$3.5 million	183	443,968	119	31,309	168	432,750	114	27,317
\$3.5 million or more	83	670,740	83	185,471	172	1,641,867	139	323,566

* Estimates should be used with caution because of the small number of sample returns on which they were based.

[1] "Other" category includes divorced, legally separated, or marital status unknown.

NOTE: Detail may not add to total due to rounding.

Federal Estate Tax Returns Filed For 2007 Decedents

Statistics of Income Bulletin | Summer 2011

Table 6. Estate Tax Returns Filed for 2007 Decedents, by State of Residence

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

State of residence	Gross estate for tax purposes		Allowable deductions		State death tax deduction		Net estate tax	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total	36,706	224,841,121	36,691	106,116,967	11,351	3,574,608	16,608	24,614,655
Alabama	391	2,206,205	391	1,105,267	d	d	185	217,705
Alaska	52	245,471	52	102,646	d	d	*17	*24,941
Arizona	536	3,338,753	534	1,294,228	*19	*5,024	194	503,654
Arkansas	164	4,958,951	164	4,322,292	*8	*2,221	71	162,414
California	6,825	38,520,533	6,814	15,058,488	48	2,219	3,261	5,089,435
Colorado	517	2,698,122	517	1,253,299	*3	*313	211	247,554
Connecticut	752	5,661,808	752	3,300,483	281	165,560	260	442,850
Delaware	82	587,549	82	176,566	d	d	31	124,859
District of Columbia	134	1,042,163	134	332,757	121	69,247	90	185,146
Florida	3,407	25,910,190	3,407	12,752,179	294	19,141	1,670	3,434,574
Georgia	803	3,973,508	803	1,666,304	*27	*927	371	467,750
Hawaii	114	1,225,289	112	512,096	0	0	77	157,134
Idaho	129	522,744	129	216,700	0	0	74	40,172
Illinois	1,607	9,711,521	1,607	4,503,010	747	308,900	760	999,142
Indiana	526	2,074,781	526	816,226	438	68,755	176	150,370
Iowa	383	1,593,831	383	499,219	120	24,990	217	181,615
Kansas	275	1,596,732	275	712,870	173	32,136	125	180,245
Kentucky	345	1,808,585	345	911,340	76	16,328	127	153,927
Louisiana	327	1,586,256	327	579,387	0	0	157	204,397
Maine	184	764,652	184	353,290	103	22,794	73	58,880
Maryland	863	4,392,991	862	1,854,562	615	176,421	440	431,420
Massachusetts	1,027	5,898,815	1,027	3,169,015	557	162,158	391	432,729
Michigan	776	4,556,209	776	1,885,785	*7	*318	329	646,746
Minnesota	488	2,339,183	488	1,050,427	378	87,400	185	192,953
Mississippi	167	866,378	167	489,776	d	d	89	73,576
Missouri	637	2,980,195	637	983,286	*6	*173	320	398,322
Montana	152	651,446	152	237,032	d	d	73	71,267
Nebraska	234	1,146,145	234	274,029	165	9,055	122	218,135
Nevada	273	1,745,231	273	651,575	*15	*1,587	155	268,041
New Hampshire	178	1,049,860	178	564,308	*25	*680	64	97,878
New Jersey	1,462	7,156,626	1,462	3,004,256	1,087	356,097	558	698,173
New Mexico	187	778,207	187	266,774	d	d	88	88,727
New York	2,737	26,710,999	2,737	16,330,859	1,995	973,198	1,276	2,393,659
North Carolina	926	4,919,379	926	2,308,734	380	157,610	404	421,889
North Dakota	61	238,395	61	141,385	0	0	*10	*9,318
Ohio	993	4,903,192	993	2,213,257	650	121,246	372	430,699
Oklahoma	331	1,549,245	331	651,499	223	37,676	148	147,449
Oregon	448	2,238,759	448	965,859	274	88,604	184	227,052
Pennsylvania	1,245	6,787,651	1,244	3,019,726	955	198,695	560	779,576
Rhode Island	131	585,920	131	209,414	81	24,588	58	61,000
South Carolina	441	2,355,493	441	1,060,270	*11	*483	159	245,533
South Dakota	105	420,340	105	209,177	0	0	*23	*21,882
Tennessee	554	2,413,092	554	905,196	329	81,607	239	253,206
Texas	1,869	11,583,883	1,869	5,405,566	25	3,124	899	1,381,261
Utah	176	809,135	176	299,532	0	0	73	82,303
Vermont	37	268,991	37	133,392	*15	*9,785	*15	*26,016
Virginia	996	4,625,901	996	1,535,031	328	109,908	484	572,806
Washington	860	5,724,390	860	3,057,911	387	154,746	412	460,116
West Virginia	90	574,084	90	247,084	d	d	58	80,928
Wisconsin	546	3,297,940	546	2,001,692	356	75,512	187	201,636
Wyoming	71	661,016	71	332,692	*4	*425	38	92,382
Other areas [1]	94	584,387	94	189,223	d	d	46	81,212

* Estimates should be used with caution because of the small number of sample returns on which they were based.

d—Data were deleted to prevent disclosure of individual taxpayer data. However, the data are included in the appropriate totals.

[1] Includes U.S. territories, U.S. citizens domiciled abroad, and a small number of returns for whom State of residence was unknown.

NOTE: Detail may not add to total due to rounding.

SOI Sampling Methodology and Data Limitations

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

Additional information on sample design and data limitations for specific SOI studies can be found in the separate SOI reports. More technical information is available, on request, by writing to the Director, Statistics of Income Division RAS:S, Internal Revenue Service, P.O. Box 2608, Washington, DC 20013-2608.

Sample Criteria and Selection of Returns

Statistics compiled for the SOI studies are generally based on stratified probability samples of income tax returns or other forms filed with the Internal Revenue Service (IRS). The statistics do not reflect any changes made by the taxpayer through an amended return or by the IRS as a result of an audit. As returns are filed and processed for tax purposes, they are assigned to sampling classes (strata) based on such criteria as: industry, presence or absence of a tax form or schedule, and various income factors or other measures of economic size (such as total assets, total receipts, size of gift, and size of estate). The samples are selected from each stratum over the appropriate filing periods. Thus, sample selection can continue for a given study for several calendar years—3 for corporations because of the incidence of fiscal (noncalendar) year reporting and extensions of filing time. Because sampling must take place before the population size is known precisely, the rates of sample selection within each stratum are fixed. This means, in practice, that both the population and the sample size can differ from those planned. However, these factors do not compromise the validity of the estimates.

The probability of a return's selection depends on its sample class or stratum and may range from a fraction of 1 percent to 100 percent. Considerations in determining the selection probability for each stratum include the number of returns in the stratum, the diversity of returns in the stratum, and interest in the stratum as a separate subject of study. All this is subject to constraints based on the estimated pro-

cessing costs or the target size of the total sample for the program.

For most SOI studies, returns are designated by computer from the IRS Master Files based on the taxpayer identification number (TIN), which is either the Social Security number (SSN) or the Employer Identification Number (EIN). A fixed and essentially random number is associated with each possible TIN. If that random number falls into a range of numbers specified for a return's sample stratum, then it is selected and processed for the study. Otherwise, it is counted (for estimation purposes), but not selected. In some cases, the TIN is used directly by matching specified digits of it against a predetermined list for the sample stratum. A match is required for designation.

Under either method of selection, the TINs designated from one year's sample are, for the most part, selected for the next year's, so that a very high proportion of the returns selected in the current year's sample are from taxpayers whose previous years' returns were included in earlier samples. This longitudinal character of the sample design improves the estimates of change from one year to the next.

Method of Estimation

As noted above, the probability with which a return is selected for inclusion in a sample depends on the sampling rate prescribed for the stratum in which it is classified. "Weights" are computed by dividing the count of returns filed for a given stratum by the number of population sample returns for that same stratum. These weights are usually adjusted for unavailable returns and outliers. Weights are used to adjust for the various sampling rates used, relative to the population—the lower the rate, the larger the weight. For some studies, it is possible to improve the estimates by subdividing the original sampling classes into "poststrata," based on additional criteria or refinements of those used in the original stratification. Weights are then computed for these poststrata using additional population counts. The data on each sample return in a stratum are then multiplied by that weight. To produce the tabulated estimates, the weighted

Sample returns are designated by computer from the IRS Master Files based on the taxpayer identification number.

SOI Sampling Methodology and Data Limitations

In transcribing and tabulating data from tax returns, checks are imposed to improve the quality of the statistics.

data are summed to produce the published statistical totals.

Sampling Variability

The particular sample used in a study is only one of a large number of possible random samples that could have been selected using the same sample design. Estimates derived from the different samples usually

vary. The standard error of the estimate is a measure of the variation among the estimates from all possible samples and is used to measure the precision with which an estimate from a particular sample approximates the average result of the possible samples. The sample estimate and an estimate of its standard error permit the construction of interval estimates with prescribed confidence that this interval includes the actual population value.

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

For example, if a sample estimate of 150,000 returns is known to have a coefficient of variation of 2 percent, then the following arithmetic procedure would be followed to construct a 68-percent confidence interval estimate:

$$\begin{array}{ll} 150,000 & \text{(sample estimate)} \\ \times 0.02 & \text{(coefficient of variation)} \\ = 3,000 & \text{(standard error of estimate)} \end{array}$$

then:

$$\begin{array}{ll} 150,000 & \text{(sample estimate)} \\ + \text{ or } - 3,000 & \text{(standard error)} \\ = \{147,000, 153,000\} & \text{(68-percent confidence interval).} \end{array}$$

Based on these data, the interval estimate is from 147 to 153 thousand returns. This means that the average estimate of the number of returns lies within an interval computed in this way. Such an estimate would be correct for approximately two-thirds of all possible samples similarly selected. To obtain this interval es-

timate with 95-percent confidence, the standard error should be multiplied by 2 before adding to and subtracting from the sample estimate. (In this particular case, the resulting interval would be from 144 to 156 thousand returns.)

Further details concerning sample design, sample selection, estimation method, and sampling variability for a particular SOI study may be obtained, on request, by writing to the Director, Statistics of Income Division, at the address given above.

Nonsampling Error Controls and Limitations

Although the previous discussion focuses on sampling methods and the limitations of the data caused by sampling error, there are other sources of error that may be significant in evaluating the usefulness of SOI data. These include taxpayer reporting errors and inconsistencies, processing errors, and the effects of any early cutoff of sampling. Additional information on nonsampling error as it applies to individual and corporation income tax returns is presented in the separate SOI reports on these returns.

In transcribing and tabulating the information from returns or forms selected for the sample, steps are taken to improve the quality of the resultant estimates. Tax return data may be disaggregated or recombined during the statistical abstracting and "editing" process that takes place in IRS submission processing centers. This is done to improve data consistency from return to return and to achieve definitions of the data items more in keeping with the needs of major users. In some cases, not all of the data are available from the tax return as originally filed. Sometimes, the missing data can be obtained by the Statistics of Income Division in Washington, DC, through field followup. More often, though, they are obtained through manual or computerized imputation. For this purpose, other information in the return or in accompanying schedules may be sufficient to serve as the basis for making an estimate. Prior-year data for the same taxpayer can be used for this same purpose, or comparable data from business reference books may be substituted.

Data abstracted or "edited" from returns for statistical use are subjected to a number of validation checks, including systematic verifications of a sampling of the work of each tax examiner involved in the SOI process. Data reported on sampled returns and previously transcribed as part of processing for

SOI Sampling Methodology and Data Limitations

the IRS Master Files are subject to validation as part of the administrative process before SOI processing begins. However, during the administrative process, it is only practical to transcribe corrections to errors that have a direct bearing on the tax reported or the refund claimed. Therefore, during the SOI process, checks must also be made to correct any errors or inconsistencies left in the administrative data before the data can be accepted for the statistics.

The Statistics of Income program includes many more tax return items than are transcribed and perfected for IRS tax administration needs, especially for items reported in tax return schedules in support of the various summary totals reported on the return. Therefore, checks must also be designed to validate these additional data items and to assure that they are consistent with other data entries.

Most of the data validation checks made during the SOI process take the form of computerized tests of each record. In addition to verifying that internal consistency and proper balance and relationships among the tax return items and statistical classifications are maintained, this process is intended to check on consistency with tax law provisions, acceptable reporting practices, and generally accepted accounting principles. Most testing occurs during the data abstracting and editing operation, while the tax return source document is still on hand, although some testing for certain programs occurs later on. Records failing the tests are subjected to further review and correction.

Finally, before publication, the statistics are reviewed for accuracy and reasonableness in light of the tax law provisions, taxpayer reporting variations and other limitations, tolerances and statistical techniques allowed or employed in data processing and estimating, economic conditions, and comparability with other statistical series. However, these controls do not completely eliminate the possibility of error. When discovered, errors in *Bulletin* tables are corrected, through a published errata.

Table Conventions

Published estimates subject to excessive sampling variability are identified for most of the statistics by means of an asterisk (*) presented alongside the estimate or in place of an estimate. Presence of an asterisk means that the sampling rate was less than 100 percent of the population and that there were fewer than 10 sample observations available for estimation purposes. This method produces a rough indication of excessive sampling variability. However, the results will differ somewhat from more precise indicators of excessive sampling variability based on the standard statistical formula. For some of the statistics based on samples, asterisking was not possible because of resource and other constraints. Users should keep this limitation in mind when using these data.

A zero, in place of a frequency or an amount, in any given table cell presenting data based on an SOI sample, indicates either that (1) there were no returns in the population with the particular characteristic, or (2) because of its rarity, instances of the characteristic were not present among the sampled returns. However, for statistics based on returns selected for the sample at the 100-percent rate, a zero indicates a presumption of no returns with the particular characteristic in the population.

In addition to sampling variability, Statistics of Income is required to prevent disclosure of information about specific taxpayers or businesses in its tables. Therefore, a weighted frequency (and the associated amount, where applicable) of less than 3 is either combined with data in an adjacent cell(s) so as to meet the criteria, or deleted altogether. Similar steps are taken to prevent indirect disclosure through subtraction. However, any combined or deleted data are included in the appropriate totals. Most data on tax-exempt, nonprofit organizations are excluded from disclosure review because the Internal Revenue Code and regulations permit public access to most of the information reported by these organizations.

S0I Projects, Contacts, and Public Release Information

General Statistical Information: (202) 874-0410 Fax: (202) 874-0964 e-mail: sis@irs.gov

S0I Projects and Contacts	Program Content and Frequency	Program Year	Goals for Public Release				
			End of tax year	Close of filing period—		Close of sampling period	Planned release date for the final draft
				Regular	With extensions of time		
Controlled Foreign Corporations [1]: Jason Wenrich	This semiannual study provides data on activities of foreign corporations that are controlled by U.S. corporations. Data are classified by industry group and country.	2008	June 2009	September 2009	March 2010	June 2010	December 31, 2011
Controlled Foreign Partnerships [1]: Bill States	This study provides data on activities of foreign partnerships that are controlled by U.S. corporations or partnerships. Frequency of this study has not been determined.	2008	June 2009	September 2009	March 2010	June 2010	June 30, 2012
Corporation Foreign Tax Credit [1]: Scott Luttrell Lissa Costa Nuria McGrath	This annual study provides data on foreign income, taxes paid, and foreign tax credit reported on corporation foreign income tax returns. Data are classified by industry group and country.	2008 2009	June 2009 June 2010	September 2009 September 2010	March 2010 March 2011	June 2010 June 2011	October 31, 2011 October 31, 2012
Corporation Income Tax Returns [2]: Bill Rush & Kimberly Stockton- Heather Parisi & Bill Rush	Basic data are produced annually and cover complete income statement, balance sheet, tax, tax credits, and details from supporting schedules. Data are classified chiefly by industry group or asset size.	2009 2010	June 2010 June 2011	September 2010 September 2011	March 2011 March 2012	June 2011 June 2012	December 30, 2011 December 30, 2012
Disregarded Entities Study [1]: Jason Wenrich	This semiannual study provides data on activities of foreign disregarded entities that are controlled by U.S. corporations. Data are classified by industry group and country.	2008	June 2009	September 2009	March 2010	June 2010	July 31, 2012
Estate Tax: Brian Raub Joseph Newcomb	This annual study provides information on a gross estate and its composition, deductions, and tax; and information on the age, sex, and marital status of decedents. Basic estate tax return data by year in which returns are filed are produced each year. Other statistics are available on a year-of-death basis (approximately every 3 years). The most recent study is based on decedents who died in 2007 with returns filed in 2007–2009. The most recent data available are for returns filed in 2009.	2010	[3]	[3]	[3]	December 2010	October 31, 2011
Fiduciary Income Tax Study: Joseph Newcomb	This annual study provides data on income, deductions, gains, and losses reported by estates and trusts, as well as distributions to beneficiaries and income tax liability.	2010	[5]	[5]	[5]	December 2010	October 31, 2011

Footnotes at end of table.

SOI Projects, Contacts, and Public Release Information

General Statistical Information: (202) 874-0410 Fax: (202) 874-0964 e-mail: sis@irs.gov

SOI Projects and Contacts	Program Content and Frequency	Program Year	Goals for Public Release				
			End of tax year	Close of filing period—		Close of sampling period	Planned release date for the final draft
				Regular	With extensions of time		
Foreign-Controlled Domestic Corporations: James Hobbs	This annual study covers domestic corporations with 50-percent-or-more stock ownership by a single foreign "person." It covers balance sheet, income statement, and tax-related data, which are classified by industry group, country, and size and age of the corporations. Data are compared to those for other domestic corporations.	2009	June 2010	September 2010	March 2011	June 2011	December 30, 2011
Foreign Recipients of U.S. Income: Scott Luttrell	This annual study provides data by country on income paid to nonresident aliens and the amount of tax withheld for the U.S. Government.	2009 2010	December 2009 December 2010	March 2010 March 2011	April 2010 April 2011	March 2011 March 2012	September 30, 2011 September 30, 2012
Foreign Trusts: Dan Holik	This periodic study, conducted every 4 years, provides data on foreign trusts that have U.S. "persons" as grantors, transferors, or beneficiaries. Data include country where the trust was created, value of transfer to the trust, and year the trust was created. The most recent study is for Tax Year 2006.	2010	December 2010	April 2011	October 2011	March 2012	December 2012
Gift Tax: Melissa Belvedere	This annual study provides data for type and amount of gift, information on donee, and tax computation items. Information about the donor and gift splitting is also available. The most recent available data are for Filing Year 2009.	2010	[3]	[3]	[3]	December 2010	October 31, 2011
Individual Foreign Tax Study: Scott Hollenbeck Maureen Keenan Kahr	This periodic study is conducted every 5 years. It covers foreign income, foreign taxes paid, and foreign tax credit shown on individual income tax returns. Data are classified by size of adjusted gross income and country.	2011	December 2012	April 2012	October 2012	December 2012	March 31, 2014
Individual Income Tax Returns: Maureen Keenan Kahr Scott Hollenbeck Mike Parisi	Basic data are produced annually and cover income, deductions, tax, and credits reported on individual income tax returns and associated schedules. Data are classified by size of adjusted gross income, marital status, or type of tax computation.	2009 2010	December 2009 December 2010	April 2010 April 2011	October 2010 October 2011	December 2010 December 2011	August 31, 2011 August 31, 2012
Interest-Charge Domestic International Sales Corporations: Dan Holik	These corporations replaced the Domestic International Sales Corporations, or DISCs, as of 1985. Balance sheet, income statement, and export-related data are tabulated every 2 years. The most recent study is for Tax Year 2006.	2010	June 2011	September 2011	March 2012	June 2012	February 28, 2013

SOI Projects, Contacts, and Public Release Information

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SOI Projects and Contacts	Program Content and Frequency	Program Year	Goals for Public Release				
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				Regular	With extensions of time		
International Boycott Reports: Lissa Costa	This study provides data on business operations of U.S. "persons" in boycotting countries, as well as the requests and agreements to participate in, or cooperate with, international boycotts not sanctioned by the U.S. Government.	2009	December 2009	April 2010	September 2010	July 2011	October 31, 2011
Migration Flow and County Income Data: Kevin Pierce	Migration flow data (based on year-to-year changes in individual income tax return addresses) and county or State income data are available annually on a reimbursable basis.	2009 2010	December 2009 December 2010	April 2010 April 2011	October 2010 October 2011	December 2010 December 2011	September 2011 September 2012
Noncash Charitable Contributions: Janette Wilson P.J. Liddell	This study of individual income tax returns provides detailed asset donations, descriptions of the donees, donor cost, fair market value, and deduction claimed on Form 8283, <i>Noncash Charitable Contributions</i> .	2009 2010	December 2009 December 2010	April 2010 April 2011	October 2010 October 2011	December 2010 December 2011	March 31, 2012 March 31, 2013
Nonfarm Sole Proprietorships: Jeff Curry Adrian Dungan	Basic data, produced annually, cover business receipts, deductions, and net income reported on Schedule C, Profit or Loss From Business, for nonfarm proprietors, classified by industry group.	2009 2010	December 2009 December 2010	April 2010 April 2011	October 2010 October 2011	December 2010 December 2011	August 31, 2011 August 31, 2012
Nonresident Alien Estate Tax: Melissa Belvedere	This annual study provides information on gross estates, including composition, deductions, and tax, of nonresident aliens who owned at least \$60,000 worth of property within the U.S. at time of death. The most recent available data are for returns filed in 2010.	2011	[3]	[3]	[3]	December 2011	August 31, 2012
Partnership Returns of Income: Nina Shumofsky	Basic data, produced annually, cover income statement, balance sheet, and details from supporting schedules. Data are classified chiefly by industry group.	2009 2010	December 2009 December 2010	April 2010 April 2011	September 2010 September 2011	December 2010 December 2011	July 31, 2011 July 31, 2012
Partnership Withholding Study: Scott Luttrell	This annual study provides data on U.S. partnership payments to foreign partners. Data are classified by country and recipient type.	2009	December 2009	April 2010	October 2010	September 2011	May 31, 2012

Footnotes at end of table.

SOI Projects, Contacts, and Public Release Information

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SOI Projects and Contacts	Program Content and Frequency	Program Year	Goals for Public Release				
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Personal Wealth Study: Brian Raub Joseph Newcomb	This periodic study provides estimates of personal wealth of top wealth holders that are generated from estate tax return data using the “estate multiplier” technique, in conjunction with both filing-year and year-of-death estate databases. The most recent data, for 2004, are based on returns filed from 2004 to 2006.	2007	[3]	[3]	[3]	December 2009	September 30, 2011
S Corporations: Heather Parisi Issac Goodwin	Annual study data are collected for the income statement and balance sheet, and from supporting schedules. Data are classified by industry group or asset size.	2009 2010	June 2010 June 2011	September 2010 September 2011	March 2011 March 2012	June 2011 June 2012	December 30, 2011 December 30, 2012
Sales of Capital Assets Cross-Section: Janette Wilson P.J. Liddell	This periodic study provides detailed data on the sales of capital assets reported in the capital gains schedule of the individual income tax return, and on sales of residences and personal or depreciable business property.	2012	December 2012	April 2013	October 2013	December 2013	March 31, 2015
Split-Interest Trust Information: Lisa Rosenmerkel	This annual study provides information on charitable remainder trusts, charitable lead trusts, and pooled income funds. Data include balance sheet, income, deductions, and detail from accumulation and distribution schedules. The most recent data are for Filing Year 2009.	2010	[4]	[4]	[4]	December 2010	October 31, 2011
Tax-Exempt Bond Issues: Cynthia Belmonte Aaron Barnes	This annual study provides information on private activity and Governmental bond issues by type of property financed, size of face amount, and State. The most recent data are for Issue Year 2009 public purpose bonds and private activity bonds.	2010	[5]	[5]	[5]	December 2011	July 29, 2012
Tax-Exempt Organizations (Except Private Foundations) [6]: Paul Arnsberger Mike Graham	This annual study provides balance sheet and income statement data for organizations classified as tax-exempt under subsections 501(c)(3)-(9) of the Internal Revenue Code. The most recent data are for Tax Year 2008 returns filed in Calendar Years 2009–2010.	2009	November 2010	April 2011	October 2011	December 2011	July 31, 2012

Footnotes at end of table.

SOI Projects, Contacts, and Public Release Information

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SOI Projects and Contacts	Program Content and Frequency	Program Year	Goals for Public Release				
			End of tax year	Close of filing period—		Close of sampling period	Planned release date for the final draft
				Regular	With extensions of time		
Tax-Exempt Organizations, (Private Foundations) [6]: Cynthia Belmonte Mike Graham	This annual study provides balance sheet and income statement data for domestic private foundations and charitable trusts filing a Form 990-PF. The most recent data are for Tax Year 2008 returns filed in Calendar Years 2009–2010.	2009	November 2010	April 2011	October 2011	December 2011	July 31, 2012
Tax-Exempt Organizations, Unrelated Business Income [6]: Jael Jackson	This annual study provides tabulations of unrelated business income and deductions for organizations classified as tax-exempt under the Internal Revenue Code. The most recent data are for Tax Year 2007 returns filed in Calendar Years 2008–2009.	2008	November 2009	April 2010	October 2010	December 2010	October 31, 2011
Transactions of Foreign-Controlled Corporations: Isaac Goodwin Gerry Skurski	This biennial study provides data on transactions between U.S. corporations and their foreign owners. Data are classified by country and industry group.	2008	June 2009	September 2009	March 2010	June 2010	April 2011
ZIP Code Area Data: Kevin Pierce	Statistics on CD-ROM show number of individual income tax returns, exemptions, and several income items by State and 5-digit ZIP Code. Data are available for 2002 and 2004–2008 on a reimbursable basis. Data for Tax Years 1998 and 2001 are also available, free of charge, on the IRS Web site: http://www.irs.gov/taxstats/article/0,,id=96947,00.html .	2009	December 2009	April 2010	October 2010	December 2010	December 2012

[1] Data for 2008 represent accounting periods ending July 2008 through June 2009. Data for other study years are similarly defined.

[2] Corporation statistics for 2009 represent accounting periods ended July 2009 through June 2010. Study Year 2010 is similarly defined.

[3] Estate and gift tax data are processed on a filing-year, rather than on a year-of-death or gift-year (tax-year) basis. At a later stage (not shown here), filing years are combined by year of death or gift year, respectively.

[4] Split-interest trust and fiduciary income tax statistics are processed on a filing-year rather than a tax-year basis.

[5] Tax-exempt private activity governmental bond statistics are collected annually based on issue year. Arbitrage rebate and penalty are conducted biennially, for tax years ending in odd numbers.

[6] Data for 2008 represent tax years ending between December 2008 and November 2009. Study Year 2009 is similarly defined.

SOI Products and Services

Statistics of Income (SOI) data are available in electronic formats and in print. For further information on any of the following products and services, or for answers to questions on the availability of SOI data, other statistical services, or release dates for data, contact SOI's **Statistical Information Services (SIS)**:

Statistical Information Services (sis@irs.gov)
Statistics of Income Division
Internal Revenue Service
P.O. Box 2608 • Washington, DC 20013-2608
(202) 874-0410 • **Fax:** (202) 874-0964

As its name implies, SIS is best able to answer questions about data. It does not supply tax forms or information about the status of an individual's tax refund or audit examination. Media requests should be directed to the IRS Media Relations Branch, Communications Division, on (202) 622-4000.

Free Products on the Internet

SOI's Internet site offers a combination of files presenting SOI tables, articles about SOI data, and information about SOI products and services, as well as non-SOI products, including Compliance Research projections and nonprofit Master File microdata records. At present, almost 12,000 files reside there.

Web site: www.irs.gov/taxstats

There is also a direct link to our Web site from FedStats, the gateway to official statistics from the Federal Government: www.fedstats.gov.

Tax Stats

On the Tax Stats Home Page, you will find the following list of topics that will lead to a wide range of tables, articles, and data that describe and measure elements of the U.S. tax system. There is also a link to check out What's New.

Business Tax Statistics

Corporations • International • Partnerships
Nonfarm Sole Proprietorships
S Corporations • All Topics

Charitable and Exempt Organization Statistics

Charities • Exempt Organization Master File
Private Foundations • Trusts
Tax-Exempt Bonds • All Topics

Individual Tax Statistics

Estate and Gift Tax • Individual Income Tax
International • Personal Wealth
All Topics

Products, Publications, and Papers

SOI Bulletins • IRS Data Books
U.S. Population Migration Data • SOI Paper Series
All Topics

IRS Operations, Budget, and Compliance

Issuing Refunds • Collecting Revenue
Enforcing Laws • Assisting Taxpayers
Historical Data Tables • All Topics

Statistics by Form

706 • 709 • 990 • 990-PF • 990-T
1040 • 1041 • 1065 • 1118 • 1120
5471 • 5472 • 8038 • All Forms

Statistics of Income (SOI)

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SOI Products and Services • SOI Studies
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Questions on Tax Statistics?

Products for Sale From SOI

Many of SOI's data files are available for sale on CD-ROM or via e-mail through Statistical Information Services. **Prepayment is required for orders of \$100 or more**, with checks made payable to the **IRS Accounting Section**. Credit and debit card payments are also accepted. Contact SIS for information on specific products, prices, sources, media, and ordering instructions.

The following files are currently available on a reimbursable basis and include data from returns for corporations, individuals, exempt organizations, and private foundations and charitable trusts. Most of these files are tabulations of aggregated data, but some are files of microdata records.

Corporation Income Tax Returns

Corporation Source Book

CD-ROMs containing data from the *Corporation Source Book* are available for Tax Years 1996-2003 at a cost of \$250 per year. Data from the 2004 through 2008 *Corporation Source Books* are available at no charge from the Tax Stats Web site. Data tables from the 2000 through 2008 *Source Books* are also available at no charge from the Tax Stats Web site at: www.irs.gov/taxstats/bustaxstats/article/0,,id=149687,00.html.

Individual Income Tax Returns

Individual Public-Use Microdata Files

Files for 1992 through 2006 are available on CD-ROM from the SOI Division for \$4,000 per year. These microdata files have been edited to protect the confidentiality of individual taxpayers.

County-to-County Migration Data

Data are based on the year-to-year changes in the addresses shown on the population of returns from the IRS Individual Master File system. Data present migration patterns by county for the entire United States, including inflows and outflows, and include the number of returns (which approximates the number of households); the number of personal exemptions (which approximates the population); and total "adjusted gross income." Available for Filing Years 1991-2009. Price is \$200 per year for the entire United States or \$10 per State per year for Filing Years 1991-2004. All years for the entire United States are also available for \$500. Filing Years 2005-2009 are available at no cost at www.irs.gov/taxstats. Click on "U.S. Population Migration Data."

State-to-State Migration Data

Data are based on the year-to-year changes in the addresses shown on the population of returns from the IRS Individual Master File system. Data present migration patterns by State for the entire United States, including inflows and outflows, and include the number of returns (which approximates the number of households); the number of personal exemptions (which approximates the population); and total "adjusted gross income." Available for Filing Years 1989-2009. Price is \$50 per year for the entire United States or \$10 per State per year for Filing Years 1989-2004. Filing Years 2005-2009 are available at no cost at www.irs.gov/taxstats. Click on "U.S. Population Migration Data."

County Income Data

One table, based on the population of returns from the IRS Individual Master File system. This table presents data for adjusted gross income (total and for selected sources), number of returns (which approximates the number of households), and number of personal exemptions (which approximates the population). The data are presented by county (including State totals) and are available for Tax Years 1989-2009 for the entire United States. Price is \$50 per year for the entire United States or \$10 per State per year for Tax Years 1989-2004. Tax Years 2005-2009 are available at no cost at www.irs.gov/taxstats. Click on "U.S. Population Migration Data."

ZIP Code Area Data

Statistics are available for Tax Years 2002 and 2004-2008 on CD-ROM showing the number of individual income tax returns; the total number of exemptions and number of dependent exemptions (which approximates population); adjusted gross income; salaries and wages; taxable interest; total tax; and contributions; by State and 5-digit ZIP Code. In addition to these items, data for Tax Year 2004-2008 also show the amount of taxable dividends; net capital gain/loss; IRA payment adjustment; self-employed pension adjustment; taxes paid deduction; alternative minimum tax; income tax before credits; earned income credit; and number of returns prepared by paid preparers. Price is \$500 for the entire United States; \$25 for a single State. Data for Tax Years 1998, 2001, and 2008 are available free on SOI's Internet site. Go to www.irs.gov, select the **Tax Stats** option; Individual Tax Statistics; Individual Income Tax; Zip Code Data (SOI) under Data by Geographic Areas.

Tax-Exempt Organizations

Compendium of Studies of Tax-Exempt Organizations, 1989-1998

This is a compilation of articles on SOI studies of charitable and other nonprofit organizations described in Internal Revenue Code sections 501(c)(3)-(c)(9), private foundations, charitable remainder trusts, and nonprofit organizations' unrelated business income. All of these articles were published previously in various issues of the *Statistics of Income Bulletin*. In addition, the *Compendium* includes papers on statistical sampling of tax-exempt organization returns, and other topics relating to tax-exempt organizations and philanthropy that were authored by IRS staff and others who use SOI study data for research. Available at no charge on CD-ROM.

SOI Products and Services

Microdata Records for Tax Year 2008

Microdata records of all Forms 990 and 990-EZ sampled for the annual SOI study of tax-exempt organizations. The samples include 15,708 Internal Revenue Code section 501(c)(3) organizations and 6,450 section 501(c)(4)-(9) organizations. All returns for organizations with assets of \$50,000,000 or more are included in the sample. Microdata records contain information on balance sheets and income statements, as well as weights (to estimate the population), for each organization. Available for download from SOI's Tax Stats Web site at www.irs.gov/taxstats/charitablestats/article/0,,id=97176,00.html, or may be purchased on CD-ROM for \$20.

Microdata Records for Tax Years 1992-2007

Microdata records of all Forms 990 and 990-EZ sampled for the annual SOI study of tax-exempt organizations. Microdata records contain information on balance sheets and income statements, as well as weights (to estimate the population), for each organization. Available for download from SOI's Tax Stats Web site at www.irs.gov/taxstats/charitablestats/article/0,,id=97176,00.html, or may be purchased on CD-ROM for \$20.

Private Foundations (and Charitable Trusts)

Microdata Records for Tax Year 2008

Microdata records of all Forms 990-PF sampled for the annual SOI study covering private foundations and Internal Revenue Code section 4947 (a)(1) charitable trusts. The file contains both operating and nonoperating foundations and trusts. The sample includes 15,710 returns. (All returns filed by foundations with assets of \$10 million or more, as well as the population of returns filed by nonexempt charitable trusts, are included in the sample.) Microdata records contain information on revenue, expenses, assets, and distributions, as well as weights, for each foundation or trust. Available for download from SOI's Tax Stats Web site at www.irs.gov/taxstats/charitablestats/article/0,,id=96996,00.html, or may be purchased for \$20.

Microdata Records for Tax Years 1992-2007

Microdata records of all Forms 990-PF sampled for the annual SOI study covering private foundations and Internal Revenue Code section 4947 (a)(1) charitable trusts. Microdata records contain information on revenue, expenses, assets, and distributions, as well as weights, for each

foundation or trust. Available for download from SOI's Tax Stats Web site at www.irs.gov/taxstats/charitablestats/article/0,,id=96996,00.html, or may be purchased for \$20.

Publications

Statistics of Income—2008, Corporation Source Book

*Publication 1053, Price: \$175,
plus \$10 for shipping and handling*

This document presents detailed income statement, balance sheet, tax, and selected items, by sector, major and minor industrial groups, and size of total assets for all returns and separately for returns with net income. Separate statistics on S corporations are included by sector. Industry detail is based on the North American Industry Classification System (NAICS). The report, which underlies the *Statistics of Income—Corporation Income Tax Returns* publication, is part of an annual series and can be purchased in its entirety or by page. *Corporation Source Book* industry pages and notes for 1963 through the present are available at a cost of \$30, plus \$1 per page copying charge (free for orders under 5 pages). The complete, printed version of the *Source Book* for selected prior years, 1984-2008, is also for sale at \$175 per year, plus \$10 for shipping and handling.

Compendium of Federal Estate Tax and Personal Wealth Studies

*Publication 1773, Price: \$26,
plus \$10 for shipping and handling*

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

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

Products for Sale From GPO

Recent SOI publications are available from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC, by calling (202) 512-1800, or faxing (202) 512-2250. Credit cards are accepted. Publications may also be obtained by using the order form at the end of this *Bulletin* or writing to:

Superintendent of Documents

P.O. Box 371954
Pittsburgh, PA 15250-7954

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

Statistics of Income—2008, Corporation Income Tax Returns

Publication 16 Stock No. 048-004-02532-9
Price: \$52.00

This report presents comprehensive data on corporation income tax returns with accounting periods that ended July 2008 through June 2009. Data are classified by industry, size of total assets, and size of business receipts

Statistics of Income—2008, Individual Income Tax Returns

Publication 1304, Stock No. 048-004-02530-2
Price: \$43 Foreign: \$60.20

This report presents more comprehensive and complete data on individual income tax returns for Tax Year 2008 than those published earlier in the *SOI Bulletin*.

Presents information on:

- sources of income
- exemptions
- itemized deductions
- tax computations

Classifies data by:

- size of adjusted gross income
- marital status
- type of tax computation
- age

IRS Data Book, 2010

Annually, Publication 55B, Stock No. 048-004-02531-1
Price: \$14.00 International: \$19.60

This volume pertains to Fiscal Year (FY) 2010—October 1, 2009, through September 30, 2010. The report provides information on returns filed and taxes collected, enforcement, taxpayer assistance, the IRS budget and workforce, and other selected activities. The FY 2011 issue of the Data Book will be available in late March 2012.

Statistics of Income Bulletin

Quarterly, Publication 1136, Stock No. 748-005-00000-5
Subscription price: \$67 International: \$93.80
Spring 2011 Single copy, Stock No. 748-005-00107-9
Single copy price: \$44 International: \$61.60

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