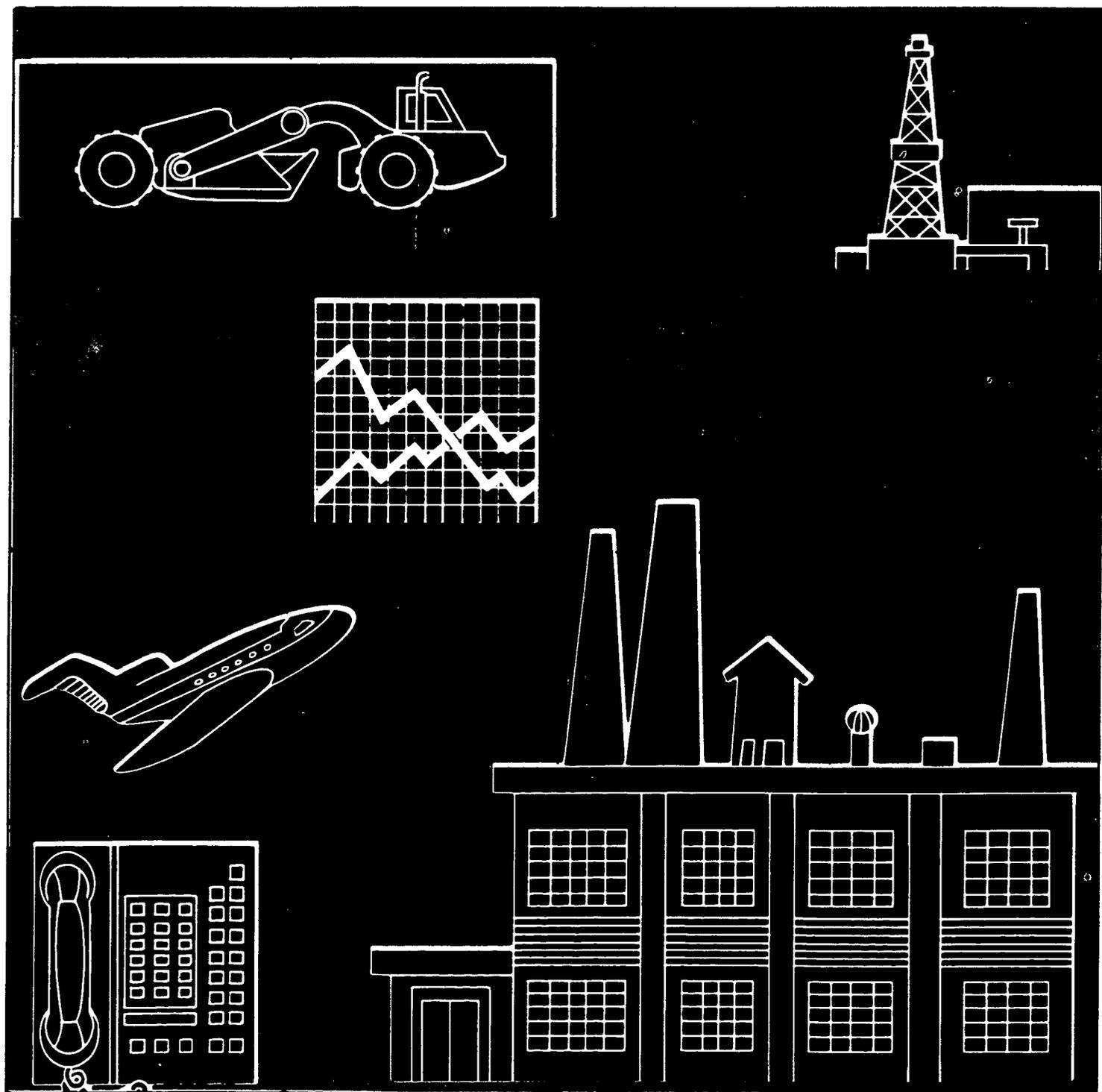


1977

Statistics
of Income

Corporation Income Tax Returns



Other Publications And Related Information

SOI Bulletin

(quarterly publication;
\$11.00 annual subscription,
\$3.50 single issue)

Contents, Vol. 1, No. 1, Summer 1981:

Preliminary Individual Income
Tax Return Data, 1979
Preliminary Sole Proprietorship
Return Data, 1978
Preliminary Partnership Return
Data, 1978

Contents, Vol. 1, No. 2, Fall 1981:

Early Individual Income Tax
Return Data, 1980
Data on Tax-exempt Organizations,
1975, 1977-78
Selected Corporate, Proprietorship,
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Windfall Profit Tax Liability
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Published Regular Reports

Individual Income Tax Returns, 1978
(263 pp., \$7.00)
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Selected Reports in Preparation

Corporation Income Tax Returns,
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Partnership Returns, 1979
Sole Proprietorship Returns, 1978
Individual Income Tax Returns, 1979
International Income and Taxes,
Foreign Income and Taxes
Reported on U.S. Tax Returns,
1976-1979
SOI Bulletin, Winter 1981

Tape Files Available

Individual Tax Model File, 1966-1978
State Tax Model File, 1977-1978
Corporation Source Book, 1965-1976
Other tape files include:
Estate Tax File, 1972, 1976
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Ordering Information

Statistics of Income reports are for sale
by the Superintendent of Documents,
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Washington, DC 20402

Public-use magnetic tape files are
available on a reimbursable basis from
Machine Readable Archives Division
(NNR), National Archives and Records
Service, Washington, DC 20408

ERRATA SHEET

U.S. Treasury Department
INTERNAL REVENUE SERVICE

December 1981

CHANGE SHEET

STATISTICS OF
INCOME 1977

CORPORATION INCOME TAX
RETURNS WITH ACCOUNTING
PERIODS ENDED

July 1977 - June 1978

Publication No. 16 (12-81)

The figures shown for "Dividends Received from Domestic Corporations" are overstated by an estimated \$900 million or approximately 6.5 percent. During statistical processing, dividends distributed among member corporations (of an affiliated group) electing to file a consolidated return were not fully eliminated from the statistics for this item. (See the explanation of this term in section 5 of this report.) This overstatement is specifically found in two components of this item ("Intragroup Domestic Dividends Received Qualifying for 100 Percent Deduction" and "Intragroup Domestic Dividends Received Qualifying for Transitional Deduction under Code Section 1564(b)"). In addition, figures for "Total Statutory Special Deductions" and specifically one of its components ("Total Special Deductions") are similarly overstated.

1977
Statistics
of Income

Corporation
Income Tax
Returns

Publication 16 (12-81)

Department of the Treasury
Internal Revenue Service

Roscoe L. Egger, Jr.
Commissioner

Russell E. Dyke
Assistant Commissioner
(Planning and Research)

Fritz Scheuren
Director, Statistics Division

Lillie B. Dorsey
Chief, Statistics of Income Branch I

This report contains data by industry on assets, liabilities, receipts, deductions, net income, income subject to tax, credits, distributions to stockholders and additional tax for tax preferences. Data are also classified by size of total assets and by size of business receipts. Other classifications include "returns with net income" and "Small Business Corporations taxed through stockholders."

More detailed statistics for the industries shown in table 1 of this report are available in Publication 1053, *Source Book of Statistics of Income—1977*. A general description of the Source Book, including ordering information, is available from the Director, Statistics Division PR:S, Internal Revenue Service, Washington, DC 20224.

In addition, special Statistics of Income tabulations based on corporation income tax returns for 1977 can be produced upon request on a reimbursable basis. Requests for this service should be addressed to the Director, Statistics Division, at the address shown above.

Suggested Citation

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COMMISSIONER OF INTERNAL REVENUE

Washington, DC 20224

December 1, 1981

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

Dear Mr. Secretary:

I am transmitting the complete report, *Statistics of Income--1977, Corporation Income Tax Returns*. This report has been produced in accordance with the mandate of section 6108 of the Internal Revenue Code which requires the preparation and publication of statistics reasonably available with respect to the operation of the internal revenue laws.

The report presents information on receipts, deductions, net income, income tax liability, tax credits, and distributions to stockholders. Statistics are also provided on the corporate tax base and on the computation of income tax and additional tax for tax preferences ("minimum tax").

Classifications include industry, size of total assets, and size of receipts. Separate statistics are included for returns with net income, inventories, investment credit items, members of controlled groups, and Small Business Corporations electing to be taxed through their stockholders.

With kind regards,

Sincerely,



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Section 1

Introduction

This report presents statistical estimates derived from a stratified sample of approximately 92,000 corporation returns selected from the more than 2.2 million filed for the 1977 Income Year.* Organizationally, the report is divided into 7 sections. The first section provides statistics summarizing overall 1977 corporate activity. Changes in law between 1976 and 1977 are discussed next. In section 3, there is a detailed description of the sample of income tax returns upon which the statistics for 1977 were based, as well as a discussion of the method of estimation used, the sampling variability of the data, and other limitations.

Section 4 presents the basic tables that contain detailed statistics on 1977 income tax liability, tax credits, net income, and other income and financial data. Section 5 contains detailed explanations of the terms used in the report. In most instances, the

explanations include definitions and limitations of terms used as well as adjustments made in preparing the statistics.

Section 6 is a comparison of Standard Industrial and Enterprise Standard Industrial Classifications with groupings used for Statistics of Income. Section 7 includes facsimiles of Forms 970, 1120, 1120-DISC, 1120F, 1120L, 1120M, 1120S, 3468 and 5884. The instructions used for completing each form are also provided there.

OVERALL CORPORATE SUMMARY FOR 1977

Figure A presents a two-year comparison of the number of returns, total assets, total receipts, net income (less deficit), and total income tax. This figure shows an 8 percent increase (about 160,000) in

Figure A.--Returns of Active Corporations: Number of Returns, Total Assets, Total Receipts, Net Income (Less Deficit), and Total Income Tax, by Size of Total Assets, Income Years 1976 and 1977 Compared

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

| Year and size of total assets | Number of returns | Total assets | Total receipts | Net income (less deficit) | Total income tax |
|--|-------------------|---------------|----------------|---------------------------|------------------|
| | (1) | (2) | (3) | (4) | (5) |
| 1976 | | | | | |
| Total..... | 2,082,200 | 4,720,938,670 | 3,635,471,982 | 185,419,106 | 83,291,815 |
| Zero assets..... | 64,874 | - | 28,309,019 | 307,728 | 467,213 |
| \$1 under \$100,000..... | 1,130,622 | 38,269,689 | 139,154,452 | 631,789 | 472,027 |
| \$100,000 under \$250,000..... | 389,152 | 62,105,566 | 141,317,044 | 3,076,156 | 821,011 |
| \$250,000 under \$500,000..... | 214,282 | 75,744,315 | 165,790,651 | 3,806,601 | 1,077,618 |
| \$500,000 under \$1,000,000..... | 130,200 | 90,791,259 | 200,841,586 | 4,943,991 | 1,676,844 |
| \$1,000,000 under \$5,000,000..... | 110,601 | 221,900,131 | 443,188,644 | 12,829,002 | 5,596,475 |
| \$5,000,000 under \$10,000,000..... | 15,736 | 110,374,231 | 152,363,022 | 5,680,049 | 2,677,266 |
| \$10,000,000 under \$25,000,000..... | 12,909 | 204,696,738 | 176,412,017 | 7,618,748 | 3,491,631 |
| \$25,000,000 under \$50,000,000..... | 6,011 | 210,554,681 | 136,605,782 | 6,758,950 | 3,030,926 |
| \$50,000,000 under \$100,000,000..... | 3,421 | 237,649,803 | 145,638,772 | 6,566,451 | 2,927,141 |
| \$100,000,000 under \$250,000,000..... | 2,342 | 363,807,535 | 226,970,092 | 11,444,353 | 5,295,626 |
| \$250,000,000 or more..... | 2,050 | 3,105,044,722 | 1,678,880,901 | 121,755,288 | 55,758,037 |
| 1977 | | | | | |
| Total..... | 2,241,887 | 5,326,389,281 | 4,128,304,478 | 219,243,043 | 96,340,453 |
| Zero assets..... | 57,304 | - | 32,722,983 | 1,092,395 | 556,591 |
| \$1 under \$100,000..... | 1,203,764 | 41,219,373 | 149,104,796 | 1,411,984 | 557,262 |
| \$100,000 under \$250,000..... | 424,648 | 68,123,746 | 157,060,205 | 4,221,501 | 1,059,658 |
| \$250,000 under \$500,000..... | 235,472 | 82,983,397 | 177,976,515 | 4,662,017 | 1,306,177 |
| \$500,000 under \$1,000,000..... | 144,421 | 101,024,944 | 221,090,085 | 5,959,221 | 2,022,315 |
| \$1,000,000 under \$5,000,000..... | 129,577 | 266,175,302 | 537,523,559 | 16,182,234 | 6,924,809 |
| \$5,000,000 under \$10,000,000..... | 18,026 | 126,144,710 | 181,890,359 | 6,905,042 | 3,164,891 |
| \$10,000,000 under \$25,000,000..... | 13,628 | 215,313,474 | 198,660,957 | 8,990,042 | 4,002,694 |
| \$25,000,000 under \$50,000,000..... | 6,524 | 228,377,700 | 149,633,255 | 7,575,954 | 3,352,767 |
| \$50,000,000 under \$100,000,000..... | 3,788 | 263,902,329 | 160,759,837 | 7,828,710 | 3,417,816 |
| \$100,000,000 under \$250,000,000..... | 2,530 | 389,510,842 | 235,561,727 | 12,995,905 | 5,648,277 |
| \$250,000,000 or more..... | 2,205 | 3,543,613,464 | 1,926,320,200 | 141,418,038 | 64,327,196 |

NOTE: Classification by size was based on amounts rounded to thousands of dollars prior to tabulation.

*This report was prepared in the Statistics Division by Ray Samuelson (text) and James R. Hobbs (tables) of the Corporation Statistics Section under the direction of Daniel A. Rosa and William T. Powell, Acting Chiefs.

the total number of returns from 1976 to 1977. Total assets increased by about 13 percent to over \$5.3 trillion for 1977. This was the first time total assets surpassed the \$5 trillion mark. Total receipts experienced an even larger increase—about 14 percent. The percentage increase in net income (less deficit) dropped from 30 percent between 1975 and 1976 to only 18 percent between 1976 and 1977.

For the 2,205 largest returns (returns with total assets of \$250 million or more), the total income tax was about 15 percent higher than for 1976; this was down, however, from the 32 percent increase between 1975 and 1976. These large returns, which represent less than one percent of the total number of returns, continued to account for 67 percent of the total income tax on all corporate returns. Total income tax for these corporations represented only 3 percent of their total receipts. As a percent of net income (less deficit), total income tax for these returns was less than 46 percent, virtually the same as for 1976.

ACTIVITIES INCLUDED

The estimates in this report encompass corporate business activities in the United States as reported on returns of "domestic" and foreign corporations, as well as certain foreign activities. The term "domestic" corporations refers to companies incorporated in the United States, but does not necessarily imply that all their activities are domestic. For instance, data for a U.S. corporation conducting business abroad through foreign subsidiaries may include dividends remitted from those subsidiaries and, to a limited extent, undistributed earnings of those subsidiaries.

For foreign corporations (defined as those organized abroad) engaged in trade or business in the United States, only income that was considered "effectively connected" with the conduct of a trade or business in the United States is included in the statistics. Other foreign corporations, organized abroad and not engaged in trade or business in the United States, were liable for tax only on investment income from U.S. sources. Such income is excluded from the report.

The effect of foreign activity on the statistics varies by industry and assets size. Some industries may have higher incidences of foreign activity than others and foreign income is reflected in their statistics to a greater extent. Also, foreign activity tends to increase with the asset size of the corporation.

RETURN COVERAGE

Section 6012 of the Internal Revenue Code required that all corporations in existence at any time during the income year file returns, regardless of whether they had income or not. This applied to active and inactive domestic corporations unless they were expressly exempt from filing, as well as to active foreign corporations with insufficient taxes withheld at the source to satisfy their U. S. tax liability on income earned in the United States.

In addition to legally defined corporations, the Internal Revenue Code recognized many types of businesses as corporations, including joint stock companies; and unincorporated associations, such as business trusts, savings and loan associations, certain partnerships, mutual savings banks, and cooperative banks. Because these organizations possess characteristics typical of the corporate form, such as continuity of life, centralization of management apart from ownership, limited liability of owners, and transferability of shares of capital ownership, they were required to file corporation income tax returns.

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

| | |
|---|-----------|
| Form 1120 (U.S. corporations)..... | 1,800,873 |
| Form 1120S (U.S. Small Business Corporations)..... | 428,204 |
| Form 1120L (U.S. Life Insurance Companies)..... | 1,771 |
| Form 1120M (U.S. Mutual Insurance Companies)..... | 1,281 |
| Form 1120F (U.S. Returns of Foreign Corporations)..... | 3,093 |
| Form 1120-DISC (Domestic International Sales Corporations)..... | 6,665 |

No data were tabulated from the inactive corporation returns filed. Besides returns filed by "inactive" corporations, the statistics specifically exclude foreign corporations with no income "effectively connected" with a U.S. trade or business and returns of farmers' cooperatives exempt from income tax under Internal Revenue Code section 521 and nonprofit corporations (educational, charitable, and similar organizations) exempt from income tax under section 501. Also excluded from the statistics are returns of mutual insurance companies, (except life or marine and certain fire or flood insurance companies) with gross receipts that did not exceed \$150,000, which were exempt from income tax under Internal Revenue Code section 501.

TIME PERIOD EMPLOYED

The estimates in this report are based on data from both returns with accounting periods that coincided with Calendar Year 1977 and returns with accounting periods that were for noncalendar years ended during the span of months July 1977 through June 1978. At the center of this 12-month span was the calendar year, i.e., the year ended December 1977. This span, in effect, defines the income year in such a way that the noncalendar year accounting periods are centered at the calendar year ended December.

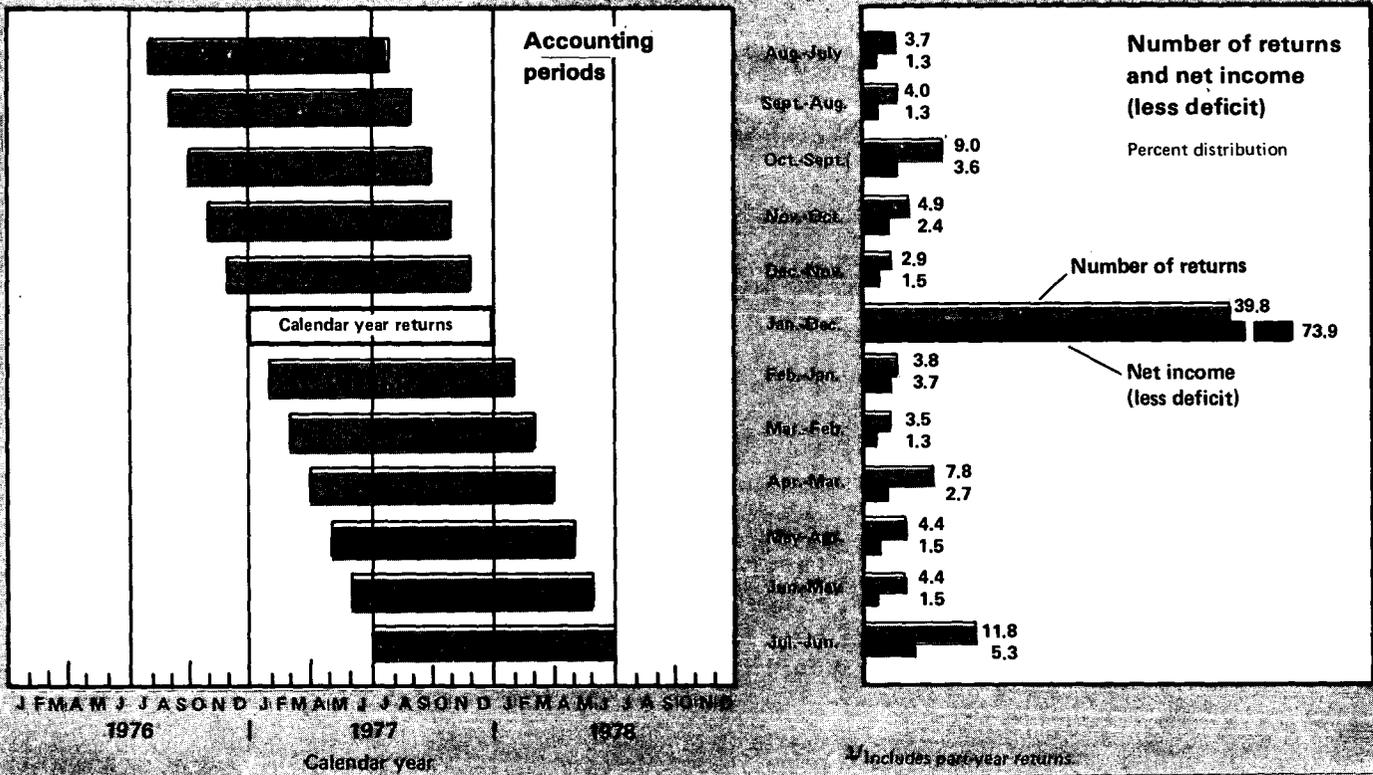
The 12 accounting periods covered by the 1977 report are presented in figure B. Code section 441 specified that, in general, the accounting period close at the end of the month. Thus, figure B shows a span of 23 months between the first-included accounting period, which began on August 1, 1976, and closed July 31, 1977, and the start of the last included accounting period, which began on July 1, 1977, and closed on June 30, 1978. This report, therefore, shows income received or expenses incurred during any or all of the months in the 23-month span. For balance sheet items, such as total assets and inventories, the report shows a corporation's position only at a given point in time, namely, at the end of its accounting period. Corporations were required by section 441 to file returns for the accounting period customarily used in keeping their books.

Figure C shows the total assets, total receipts, net income (less deficit), and total income tax reported on returns for each of the 12 accounting periods. Less than 40 percent of the returns were filed for the calendar year, but these included returns of most of the larger corporations. Over 79.8 percent of total assets, 73.8 percent of net income (less deficit), and 60.5 percent of total receipts were reported on calendar year returns.

Basically, corporation returns were due to be filed within two-and-one-half months after the close of the corporate accounting period. However, in accordance with Code section 6018, most corporations

Figure B

Number of returns and net income (less deficit), by accounting periods



could receive filing extensions for as long as 6 months. Consequently, some of the returns for the accounting periods covered by this report were not filed until 1979.

The total number of active corporations included, in addition to returns with accounting periods that spanned 12 months, returns with accounting periods of shorter duration. Such returns are referred to as part-year returns and were filed, for the most part, by continuing corporations changing their accounting periods, new corporations in existence less than 12 months, merging corporations, and liquidating corporations.

Corporation Returns/1977 • Introduction

Figure C.--Returns of Active Corporations: Number of Returns, Total Assets, Total Receipts, Net Income (Less Deficit), and Total Income Tax, by Accounting Periods for Income Year 1977

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

| Accounting period ended ¹ | Number of returns | Total assets | Total receipts | Net income (less deficit) | Total income tax |
|--------------------------------------|-------------------|---------------|----------------|---------------------------|------------------|
| | (1) | (2) | (3) | (4) | (5) |
| Total..... | 2,241,887 | 5,326,389,281 | 4,128,304,478 | 219,243,043 | 96,340,453 |
| December 1977..... | 889,880 | 4,249,069,452 | 2,496,943,381 | 161,773,291 | 73,102,640 |
| Noncalendar year, total..... | 1,352,007 | 1,077,319,829 | 1,631,361,097 | 57,469,752 | 23,237,813 |
| July 1977..... | 83,801 | 63,310,871 | 95,527,474 | 2,891,180 | 1,212,668 |
| August 1977..... | 90,364 | 57,860,903 | 98,240,027 | 2,904,721 | 1,288,796 |
| September 1977..... | 202,230 | 190,274,921 | 224,810,683 | 7,832,527 | 3,424,723 |
| October 1977..... | 110,723 | 111,795,489 | 140,189,167 | 5,281,861 | 2,152,029 |
| November 1977..... | 64,990 | 64,788,504 | 72,199,682 | 3,384,419 | 1,370,740 |
| January 1978..... | 84,273 | 105,781,715 | 183,885,585 | 8,155,791 | 2,626,526 |
| February 1978..... | 78,790 | 42,693,412 | 82,973,846 | 2,775,965 | 1,088,134 |
| March 1978..... | 174,076 | 115,123,853 | 221,284,181 | 5,989,957 | 2,562,432 |
| April 1978..... | 99,051 | 55,307,845 | 101,458,707 | 3,393,161 | 1,362,552 |
| May 1978..... | 98,616 | 53,434,256 | 104,628,014 | 3,269,716 | 1,313,378 |
| June 1978..... | 265,093 | 216,948,060 | 306,163,731 | 11,590,454 | 4,835,835 |

¹Includes part-year returns.

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

The information that follows is a comprehensive description of the major law changes that became effective, for the first time, during the 1977 Income Year. These law changes are those that affected substantially the comparability of the statistics in this report with those in 1976 and prior years. The changes resulted from the Tax Reform Act of 1976, the Tax Reduction and Simplification Act of 1977 or the Revenue Act of 1978. Where possible, the magnitude of the new provisions has been measured and discussed.

TAX REFORM ACT OF 1976

Foreign Tax Credit

Prior to the Tax Reform Act of 1976, with respect to undistributed subpart F income from Controlled Foreign Corporations, a domestic corporation could claim, under Code section 960, a "foreign tax credit for taxes deemed paid" by a Controlled Foreign Corporation which was a first-tier foreign corporation (i.e., a foreign corporation whose voting stock was at least 10 percent owned by a domestic corporation) or a second-tier foreign corporation (i.e., a foreign corporation whose voting stock was at least 50 percent owned by the first-tier foreign corporation). However, the credit was allowed only if the percentage of voting stock owned by the domestic corporation in the first-tier foreign corporation and the percentage of voting stock owned by the first-tier foreign corporation in the second-tier foreign corporation equalled at least 5 percent when multiplied together. No deemed paid credit was allowed under section 960 for taxes paid by a Controlled Foreign Corporation which was a third-tier foreign corporation.

Effective for taxable years beginning after December 31, 1976, a provision of the 1976 Act amended section 960, to allow a domestic corporation to claim a credit on foreign taxes deemed paid by a third-tier foreign corporation (i.e., a foreign corporation whose voting stock was at least 10 percent owned by the second-tier foreign corporation) whose undistributed subpart F income was taxed to its stockholders. This provision also redefined the second-tier foreign corporation by reducing from 50 percent to 10 percent the proportion of voting stock that had to be owned by the first-tier foreign corporation. Before the credit could be claimed, the percentage of voting stock in the first-tier foreign corporation owned by the domestic corporation, the percentage of voting stock in the second-tier foreign corporation owned by the first-tier foreign corporation, and the percentage of voting stock in the third-tier foreign corporation owned by the second-tier foreign corporation had to equal at least 5 percent when multiplied together. These requirements were then consistent

with those already applicable to dividends actually distributed by related first-, second-, and third-tier foreign corporations.

Investment Credit

For corporations in general, the amount of investment credit allowable in a taxable year was limited to the first \$25,000 of tax liability plus 50 percent of the income tax liability in excess of \$25,000. However, the investment credit limitation for airlines and railroad common carriers (including railroad switching or terminal companies) was temporarily raised from 50 percent to 100 percent of the income tax liability for taxable years ending in 1977 and 1978. Starting with taxable years ending in 1979, the temporary increase was to be phased down by 10 percent, annually, until taxable years ending in 1983, when the 50 percent limitation would again be reached. The limitations mentioned above applied only if investments in airlines or railroad property constituted at least 25 percent of the taxpayer's total "qualified investment." This provision was restricted to airline and railroad property used by the taxpayer to furnish or sell transportation as a common carrier by air (subject to the jurisdiction of the Civil Aeronautics Board or Federal Aviation Administration) or to operate a railroad.

Depreciation

For a taxpayer (including a corporation) operating a railroad and using the retirement-replacement method of accounting for depreciation of its railroad track accounts, the Act allowed current deductions for the replacement of an existing railroad crosstie regardless of whether it was replaced with the same material and of the same quality or with a different material with improved quality. (Under prior law, this treatment was not available unless an existing crosstie was replaced with a crosstie made from like material of like quality. Otherwise, the cost of replacement was partly capitalized and partly expensed.) Thus, for example, this treatment was no longer available just for the replacement of existing wood crossties with crossties made of wood; the taxpayer could replace existing wood crossties with such materials as pressed wood, concrete, or steel crossties without losing the benefit of this treatment. This provision was effective for taxable years beginning after December 31, 1976.

Holding Period for Sales or Exchanges of Capital Assets

Prior to the 1976 Act, gains or losses from the sale or exchange of capital assets held for more than six months were considered long-term capital gains or losses. Long-term capital gains received more favorable tax treatment than ordinary gains. For taxable years beginning in 1977, the 1976 Act increased the holding period, used in defining long-term gains or losses, from more than six months to more than nine

months. For taxable years beginning after 1977, the holding period was lengthened, by the 1976 Act, to more than twelve months. However, the holding period was unchanged for futures transactions in any commodity subject to the rules of a board of trade or commodity exchange. Moreover, the holding period for timber transactions was measured differently than previously. The 1976 Act required that the holding period for timber be measured up to the time timber was cut instead of the time just before the beginning of the year in which it was cut. Under Code section 1231 the sale or exchange of timber cut may be treated as long-term capital gain under certain circumstances.

Number of Stockholders in Small Business Corporations Electing to be Taxed through their Stockholders

For taxable years beginning in 1977, the number of qualifying stockholders for Small Business (or subchapter S) Corporations electing to be taxed through their stockholders was increased from 10 to 15 provided that such a corporation had maintained its election for five consecutive taxable years. Once the five-consecutive-taxable-year requirement was satisfied, it did not have to be met again. Therefore, even if the election was terminated or revoked, any subsequent election to be treated as a Small Business Corporation automatically qualified the corporation for the up-to-five-additional-stockholder privilege.

The five-consecutive-taxable-year requirement did not apply to electing Small Business corporations that had more than 10 (but fewer than 15) stockholders as a result of stock acquired through inheritance. In such cases, the up-to-five-additional-stockholder privilege provision applied at any time after the initial election including during the initial five taxable years of the corporation.

Elective Deduction for the Removal of Architectural and Transportational Barriers to the Handicapped and Elderly

A temporary provision of the 1976 Act allowed corporations (including affiliated groups of corporations filing consolidated returns) to elect to deduct, currently, up to \$25,000 of the expenses paid or incurred for the removal of architectural and transportational barriers to the handicapped (including the deaf and blind) and elderly (age 65 or over). Congress created this incentive for a limited period, i.e., for taxable years beginning after December 31, 1976, and ending before January 1, 1980, so that a more rapid modification of business facilities and vehicles could be achieved. To qualify for this temporary deduction, the barriers had to be removed from a facility or public transportation vehicle owned or leased for use in the taxpayer's trade or business. The removal had to meet the requirements prescribed by the Architectural and Transportation Barriers Compliance Board subscribed to by the Department of the Treasury and promulgated by the Internal Revenue Service in its regulations. Expenses in excess of \$25,000 that were paid or incurred for the removal of such barriers continued to be, as all such expenses had been formerly, considered property improvements that had to be capitalized; such expenses were then depreciated over the useful life of the improvement. In this report, this deduction was included in the statistics for "Other Deductions."

TAX REDUCTION AND SIMPLIFICATION ACT OF 1977

Tax Rate Change Extension

The corporate tax reductions introduced in the Tax Reduction Act of 1975 and subsequently extended through 1977 by the Tax Reform Act of 1976, were

further extended through 1978 by the Tax Reduction and Simplification Act of 1977. Therefore, the corporate rates continued to be 20 percent on the first \$25,000 of corporate taxable income, 22 percent on the next \$25,000, and 48 percent on taxable income above \$50,000.

Amortization of Qualifying Child Care Facilities

Under the Revenue Act of 1971, employers could elect to amortize the costs of the construction, reconstruction, or rehabilitation of child care facilities in the United States over a five-year period in lieu of claiming depreciation on the facilities. This provision, which applied to facilities used primarily for the children of employees, was available only for costs incurred during the period 1972 through 1976. The end-of-1976 expiration date was extended by the Tax Reduction and Simplification Act of 1977, for five years beginning January 1, 1977, and ceasing after December 31, 1981. Stated differently, instead of writing-off capital expenditures for child care facilities over a longer period of time through regular depreciation deductions, an employer could elect, under Code section 188, to amortize over a five-year period such capital expenditures if they were incurred after December 31, 1976, and before January 1, 1982. Capital expenditures, for this purpose, were those that resulted from the acquisition, construction, or rehabilitation of depreciable property located within the United States, which qualified as a child care facility (primarily for children of the corporation's employees).

New Jobs Credit

The Tax Reduction and Simplification Act of 1977 created a new credit against income tax which provided employers with a tax incentive to increase employment of people who were otherwise unemployable. The incentive took the form of a new jobs credit.

In order to keep recordkeeping to a minimum, this credit was based not on records showing that new employees had been hired, but rather on existing wage and Social Security records. In effect, the new jobs credit was based on an increase in Federal Unemployment Tax Act (FUTA), Federal Insurance Contributions Act (FICA), or Railroad Unemployment Insurance Act (RUIA) wages over the immediately preceding year. FICA and RUIA wages, which were limited to wages paid to agricultural and railroad employees, respectively, not yet covered under FUTA, were the only non-FUTA wages eligible for the credit. Thus, businesses could claim the credit without additional recordkeeping, training of employees, or searching through old records. Using the records that they already maintained for FUTA, FICA, or RUIA, employers could easily determine whether or not they could take the credit. Further documentation, such as records of employee hours, distinctions between part-time and full-time employees, and tabulations of new employees, was not necessary.

Since the credit was based on FUTA, FICA, or RUIA wages, which are described in table 14 as "unemployment insurance wages," only those employers with employees who were subject to the FUTA, FICA or RUIA tax could claim the credit. An employee's wages could only be taken into account for purposes of the new jobs credit if more than half the employee's remuneration was from service within the United States in the employer's trade or business. The trade or business requirement prevented the employer from claiming the credit for maids, chauffeurs, or other domestic servants.

When computing the credit, the employer compared the current calendar-year's unemployment insurance wages with those of the preceding year. For businesses started before 1977, the credit for taxable years beginning in 1977 was equal to 50 percent of the amount

by which the total unemployment insurance wages paid in Calendar Year 1977 exceeded 102 percent of the total unemployment insurance wages paid in Calendar Year 1976. For businesses that began in 1977 and which therefore paid no unemployment insurance wages in 1976, the credit was computed on no more than 50 percent of the total unemployment insurance wages paid in Calendar Year 1977. Thus, the credit for new businesses was 25 percent (50 percent of 50 percent) of the total unemployment insurance wages paid in Calendar Year 1977. For purposes of computing the credit, the unemployment wages claimed could not exceed \$4,200 per employee.

An extra (additional) credit was allowed for employers of certain newly-hired vocational rehabilitation employees who were either physically or mentally handicapped. Also referred to as vocational referrals, such individuals had to be referred to employers while receiving (or after completing) rehabilitation services under either an individualized State plan that was approved under the Rehabilitation Act of 1973, or a qualified veterans vocational rehabilitation program. The extra (additional) credit was equal to 10 percent of the qualified unemployment insurance wages (up to \$4,200 per employee) paid to these handicapped vocational rehabilitation referrals.

In addition to the taxpayer's income tax liability, the total amount of the credit was limited to the lowest of the following: 25 percent of the current calendar year's total unemployment insurance wages, 50 percent of the excess of the current calendar-year's total wages over 105 percent of the previous calendar-year's total wages, or \$100,000. This amount is shown in table 14 as "total qualified wages after limitation."

Limiting the credit by total wages instead of unemployment insurance wages was necessary to prevent employers from artificially increasing their unemployment insurance wages by converting existing full-year, full-time jobs into more numerous part-year, part-time jobs, e.g., an employer could replace one full-time employee with two part-time employees and claim \$8,400 instead of \$4,200 for the same amount of wages. The total wages limitation required an actual increase in total employment before the credit could be claimed.

The \$100,000 limitation, which was placed on the amount of new jobs credit that could be claimed by an employer in a calendar year, did not apply to the additional 10 percent credit allowed for newly-hired vocational rehabilitation referrals. The vocational rehabilitation credit was limited to 20 percent of the regular credit computed without regard to the \$100,000 limitation. Therefore, the total credit when the vocational rehabilitation credit was taken could exceed \$100,000. Only those employers whose first payment of unemployment insurance wages was made after December 31, 1976, were eligible for the additional credit. In the statistics, the additional credit plus the total qualified wages after limitation equals the tentative new jobs credit.

The amount of the new jobs credit available to controlled groups of corporations was computed as though all employees were hired by a single employer. For this purpose, a controlled group was uniquely defined as any group of corporations (except brother-sister groups, defined below) whose voting stock was at least 50 percent owned by a common parent corporation. The voting stock of a brother-sister group (i.e., two or more corporations owned by the same five or fewer persons who were individuals, estates or trusts) and a combined group had to be at least 80 percent owned by the common parents. This, for example, was to prevent employers from generating a new jobs credit by simply transferring employees from a parent corporation to a subsidiary, or vice-versa, at the beginning of the taxable year. When separate returns were filed for each group member, the credit was claimed by each member in proportion to its contribution to the

increase in the group's total unemployment insurance wages that generated the credit for the group as a whole.

For Small Business Corporations electing to be taxed through their stockholders, the new jobs credit was apportioned pro rata among the stockholders as of the last day of the taxable year under rules similar to those for allocating "qualified investment" to stockholders for purposes of computing their own investment credits. In order to keep stockholders from using the credit to offset taxes on income from other sources, the credit was further limited to an amount equal to that part of the stockholders' tax attributable to the stockholder's interest in the Small Business Corporation that generated the credit. In other words, the credit could not exceed the tax liability attributable to the Small Business Corporation responsible for the new jobs credit.

The amount of the credit claimed was limited to the amount of income tax reduced by the foreign tax credit, the investment credit, the work incentive (WIN) credit and the U.S. possessions tax credit. Moreover, the credit could not be applied by any corporation against such special taxes as the additional tax for tax preferences ("minimum tax") and the Personal Holding Company tax. In the case of Small Business Corporations, the credit could not be applied against the tax on the certain capital gains that were taxed at the corporate level; the full amount was thus allocated to stockholders.

Any new jobs credit that could not be claimed currently based on the presence or size of income tax could be carried back to each of the three preceding taxable years (beginning with the earliest year) to be applied against income tax for these years; any remaining amount could be carried over for up to seven years. Any unused credit still not used at the end of this 10-year period was lost.

The Act also required that employers reduce, by the amount allowable as a credit, any deduction for salaries and wages paid or incurred for the year in which the credit was earned. This deduction had to be reduced even if the credit could not be taken for the current year because the corporation had no income tax liability for the year.

REVENUE ACT OF 1978

Additional Tax for Tax Preferences ("Minimum Tax") for Controlled Groups of Corporations

The method of computing the exemption from the additional tax for tax preferences ("minimum tax") for members of controlled groups of corporations (as defined in Code Section 1563) was revised by the Revenue Act of 1978. This revision was necessary because the provision in the Tax Reform Act of 1976 that reduced the exemption from the sum of \$30,000 plus the corporation's current-year income tax liability (defined as the regular tax deduction under the minimum tax provisions) to the greater of \$10,000 or the regular tax deduction, did not correspondingly change the manner by which the exemption could be apportioned for members of controlled groups of corporations. Thus, a group's \$10,000 exemption was allocated among the members of the group equally or according to a plan adopted for the members of the group. Since the \$10,000 exemption did not have to be allocated equally among the members of the group under the 1976 law, a controlled group of corporations could decide to file separate returns and allocate the \$10,000 exemption to a member with a relatively low income tax liability. This created a higher total exemption for the group as a whole, since the \$10,000 exemption was used for the member with the low income tax liability and the regular tax deduction was used for each of the other

members. In effect, the group was allowed to receive both the \$10,000 exemption and the regular tax deduction, rather than the greater of the two that would have been allowed if it were a single corporation not includible in a controlled group.

Under the revised method of computing the exemption from the additional tax for tax preferences for members of controlled groups of corporations, for taxable years beginning after December 31, 1976, the \$10,000 exemption was allocated to each of the component members of the group in proportion to each member's regular tax deduction. As a result, a component member of a controlled group of corporations could not claim the entire \$10,000 exemption unless it accounted for all (100 percent) of the group's regular tax deduction. Since a member's exemption could not exceed its proportionate share of the group's regular tax deduction, the total exemption for the group would not change if the group decided to file separate returns for each member.

Income of Certain Regulated Public Utilities

For transactions entered into prior to IRS Revenue Ruling 75-557, which was effective February 1, 1976, regulated public utilities could exclude from taxable income all "contributions in aid of construction" including customer connection fees (or amounts paid to public utilities to pay for connecting the customer's line to a main utility line) because such contributions were considered nontaxable contributions to the capital of a corporation. By no longer considering customer connection fees as contributions in aid of construction, this ruling made such fees taxable and effectively increased the tax base of those regulated public utilities (such as those that provided water or sewage disposal services) that had formerly treated all contributions in aid of construction as nontaxable contributions to capital. The resulting increased tax base could cause a mismatch between income and related expenses because the utilities had to increase their taxable income in the year in which the contributions in aid of construction were received even though most of the deductions attributed to the expenditure of the contributions would not be allowable until later years. The increased taxes that resulted from making customer connection fees taxable would eventually be passed on to the utility's customers, in the form of increased charges.

Because such increased charges had to be approved by public utility commissions, the Congress felt that the increase in the utility tax base would result in reduced working capital which, in turn, could cause delays in furnishing services and curtail expansion of service. Consequently, the Tax Reform Act of 1976 provided relief by allowing regulated public utilities which provided water or sewage disposal services to treat all contributions in aid of construction, except customer connection fees, as nontaxable contributions to capital. Thus, under the 1976 Act, contributions to regulated public utilities that provided water or sewage disposal services were treated as nontaxable contributions to capital if they were contributions in aid of construction, or if they were received after January 31, 1976, provided the value of the property contributed or acquired with the money contributed was not included in the tax base for rate making purposes. The Revenue Act of 1978 extended this nontaxable treatment for contributions in aid of construction to regulated public electric, steam, and gas utilities (including gas transmission utilities which provided gas services that were resold to the public at large).

The 1976 and 1978 Acts specified the contributions in aid of construction that could be treated as nontaxable contributions to capital. For this purpose, contributions in aid of construction were any items of property or amounts of money contributed by a customer,

developer, government body, or any other person to a regulated public utility that provided water, sewage disposal, electric, steam, or gas, for the expansion, improvement, or replacement of the facilities of the utilities. The customer connection fees that were to be treated as taxable income were specified as payments made for the cost of installing a connection from a regulated public utility's main water, sewage, electric, steam, or gas lines (including cost of meters and piping), as well as any amounts paid as a service charge for starting or stopping service.

As a result of the nontaxable treatment for contributions in aid of construction, no depreciation deduction or investment tax credit was allowed on property acquired with nontaxable contributions. Also, this nontaxable treatment eliminated the mismatching of the income and expenses mentioned above. However, before the regulated public utilities affected by this legislation could change to this method of treating contributions in aid of construction, they first had to obtain approval from the Internal Revenue Service for a change in accounting methods.

Investment Credit and its Recapture

The Revenue Act of 1978 made two changes to the investment credit provisions of the Code that affected the 1977 statistics. One change extended the investment credit to single-purpose agricultural or horticultural structures, and the other change exempted railroads that transferred property to the Consolidated Rail Corporation (ConRail) from the recapture of investment credit, based on transfers of property before the end of the useful life in effect when the credit was originally claimed.

Single Purpose Agricultural or Horticultural Structures

For the first time, specifically-designed livestock or horticultural structures such as chicken houses, hog pens, feed cattle barns, dairy cattle barns, and greenhouses were eligible for the investment credit provided that they were used exclusively for the specific agricultural or horticultural purposes for which they were designed and constructed. Previously, such eligibility was determined on a case-by-case basis by the Internal Revenue Service. A structure was ineligible for the investment credit if it was used for any other purpose. For example, a greenhouse that otherwise qualified for the investment credit lost its eligibility and was subject to the investment credit recapture rules if a check-out stand was installed.

The investment credit was subject to recapture if the structure that failed the usage test (i.e., if used for more than one purpose) within 7 years from the time the structure was placed in service. However, the use of a minor portion of the structure for necessary post-productive activities (such as loading and packing) that were ancillary to the raising of livestock or the cultivation, production, or the harvesting of plants and plant products was not considered a violation of the usage test. Similarly, mere vacancy of the structure did not violate the usage test.

In general, these provisions applied retroactively to taxable years ending on or after August 15, 1971.

Recapture of Investment Credit

Emerging mainly from the Regional Reorganization Act of 1973 and the Railroad Revitalization and Regulatory Reform Act of 1976, the Consolidated Rail Corporation (ConRail) came into being on April 1, 1976. ConRail was established as a taxable corporation which could acquire, rehabilitate, and operate rail properties of railroads that were bankrupt. As compensation for transferring their railroad property to ConRail, bank-

rupt railroads (and their subsidiaries and affiliates) received stock and certificates of value issued by the United States Railway Association, a nonprofit Government corporation formed to oversee the ConRail reorganization. In 1976, Congress enacted special legislation (Public Law 94-253, Tax Treatment of Exchanges Under The Final System Plan for ConRail) to deal with the tax consequences that could arise for railroad companies (and their stockholders and creditors) that transferred their railroad property to ConRail.

However, this special legislation failed to exempt from the investment credit recapture rules the railroad companies that transferred their properties to ConRail prior to the end of the useful life used when the companies computed their investment credit for the year, in which a property was purchased. A provision in the Revenue Act of 1978, which was effective for taxable years ending after March 31, 1976, was aimed at correcting this oversight by exempting transferor railroad companies from additional tax on the transfer of their rail properties to ConRail, i.e., such railroad companies were not liable for tax from recomputing prior-year investment credit.

SAMPLE SELECTION

The statistics in this report were estimated from a stratified probability sample of corporation income tax returns selected after revenue processing, but before audit (see figure D).^{*} The corporation population from which the sample was drawn contained the following types of returns: Form 1120—U.S. Corporation Income Tax Return; Form 1120L—U.S. Life Insurance Company Income Tax Return; Form 1120M—U.S. Mutual Insurance Company Income Tax Return; Form 1120S—U.S. Small Business Corporation Income Tax Return; Form 1120F—U.S. Income Tax Return of a Foreign Corporation; and Form 1120-DISC—Domestic International Sales Corporation Return. The total sample of 91,693 returns was selected from a population of 2,335,256 returns.

All sample returns, except Forms 1120-DISC, were computer-selected from the Internal Revenue Service Business Master File system based on a systematic design of randomly-designated ending digits of the Employer Identification Number. (These numbers were used for revenue processing in the Master File system.) Although Form 1120-DISC returns were not included on the Master File, they were manually designated and selected using a simplified version of the same system of ending digits.

The sample rates for return Forms 1120 and 1120S ranged from 0.6 percent to 100 percent, depending upon the year in which sampled, and were based on size of total assets and net income (or deficit). Return Forms 1120L, 1120M, and 1120F were sampled at the 100 percent rate. For return Form 1120-DISC, sample rates were dependent upon the size of total assets of the majority corporate stockholder, and the size of net income (or deficit) of the DISC. The sample rates ranged from 10 to 100 percent.

Figure E contains the number of returns in the population and sample, by sample class and sampling rates (both prescribed and achieved). A comparison of the total population (2,335,256) in figure E with the total estimated number of returns (2,241,887) shown in table 1 (column 1) will show a difference of 93,369. This difference resulted from 86,563 returns being excluded as inactive corporation returns because they had neither income nor deductions. The remaining 6,806 returns were excluded chiefly because they were: (1) amended returns not associated with the original returns (the original returns were subject to sampling); (2) tentative returns not associated with the revised returns (the revised returns were subject to sampling); or (3) certain delinquent returns of large corporations for prior years.

METHOD OF ESTIMATION

The sample returns were weighted to represent the business activities of the total number of corporations engaged in business in the United States and its possessions and filing returns with accounting periods ended July 1977 through June 1978. Nearly all of the sampled returns were for this period and were revenue processed during 1977, 1978, and 1979.

^{*}Homer Jones designed the sample and monitored and coordinated its implementation. He is a member of the SOI Sampling Section (Pete Clarke, Chief) in the Mathematical Statistics Branch (Raymond C. Sansing, Chief).

Sampling weights were obtained by dividing the number of returns filed per sample class by the number of sample returns for the stratum. All sampling weights were then converted to "integer weighting factors" which were applied to each sample return. For example, if a factor of 12.85 was computed for a stratum, 85 percent of the returns in the stratum were systematically given a weighting factor of 13 and 15 percent a weighting factor of 12.

Whenever a weighted frequency is less than 3, the estimate is combined or deleted in order to avoid disclosure of information about specific corporations. These combinations or deletions are indicated by either a double asterisk (**) or a triple asterisk (***). In all other cases, when an estimate is based on fewer than 10 returns, not all of them selected at the 100 percent rate, the estimate is considered statistically unreliable and is indicated by a single asterisk (*) to the left of the data items. (Asterisked estimates should normally be used only in combination with other tabulated values.)

The statistical reliability of each cell in the tables was determined independently from other cells. Accordingly, it is possible to see a total figure with an asterisk (*) indicating statistical unreliability and yet a subset of that total not being statistically unreliable. For example, an industrial division figure could be based on 7 returns of which 2 were not sampled at the 100 percent rate (and thus receive an asterisk) and a major group in this division could have 4 returns all sampled at the 100 percent rate and thus not receive an asterisk.

In the tables, a dash in place of a frequency or an amount indicates that: (1) if returns were sampled at a rate of 100 percent, no returns had the particular characteristic; or (2) if returns were sampled at a rate less than 100 percent, either no returns in the population had the characteristic or the characteristic was so rare that it did not appear on any sample returns.

SAMPLING VARIABILITY

The particular sample used in this study is one of a large number of possible samples that could have been selected using the same sample design. Estimates derived from the different samples would differ from each other. The deviation of a sample estimate from the average of all possible samples is called the standard deviation. The sampling variability of an estimate is a measure of the variation among the estimates from the possible samples and thus is a measure of the precision with which an estimate from a particular sample approximates the average result of all possible samples.

The coefficient of variation is the standard deviation of the estimate expressed as a percent of the estimate. The standard deviation, when added to and subtracted from the value of the estimate, provides upper and lower limits within which approximately two out of three estimates derived from similar selected samples would be expected to fall.

Figure D.--Corporation Returns Sample Selection Classes, Income Year 1977

| Sample class number, by type of return and by year sampled | | | Sample selection criteria ¹ | |
|--|----------------|----------------------|---|---|
| | | | Size of total assets | Size of net income or deficit |
| Before 1978 | During 1978 | After 1978 | (4) | (5) |
| (1) | (2) | (3) | | |
| Forms 1120 and 1120S | | | | |
| | | 1a ² | Under \$50,000,000..... | Any amount. |
| | | 1b ² | \$50,000,000 and over..... | Any amount. |
| 2a.... | 2b.... | 2b.... | Under \$50,000..... | Under \$25,000. |
| 3a.... | 3b.... | 3b.... | \$50,000 under \$100,000..... | \$25,000 under \$50,000. |
| 4a.... | 4b.... | 4b.... | \$100,000 under \$250,000..... | \$50,000 under \$100,000. |
| 5a.... | 5b.... | 5b.... | \$250,000 under \$500,000..... | \$100,000 under \$250,000. |
| 6a.... | 6b.... | 6b.... | \$500,000 under \$1,000,000..... | \$250,000 under \$500,000. |
| 7.... | | | \$1,000,000 under \$5,000,000..... | \$500,000 under \$750,000. |
| | | 8.... | \$1,000,000 under \$2,500,000..... | \$500,000 under \$1,000,000. |
| | | 9.... | \$2,500,000 under \$5,000,000..... | \$1,000,000 under \$1,500,000. |
| 10a.... | | | \$5,000,000 under \$10,000,000..... | \$750,000 under \$1,000,000. |
| | 10b.... | 10b.... | \$5,000,000 under \$10,000,000..... | \$1,500,000 under \$2,500,000. |
| | | 11 ³ | \$10,000,000 under \$25,000,000..... | \$2,500,000 under \$5,000,000. |
| 12a.... | | | \$10,000,000 or more <i>and not</i> controlled by name. | \$1,000,000 or more. |
| | 12c.... | 12e ⁴ ... | \$10,000,000 or more <i>and not</i> controlled by name. | \$2,500,000 or more. |
| | | 12e ³ ... | \$25,000,000 or more <i>and not</i> controlled by name. | \$5,000,000 or more. |
| 12b.... | | | \$10,000,000 or more <i>and</i> controlled by name. | \$1,000,000 or more. |
| | 12d.... | 12d ⁴ ... | \$10,000,000 or more <i>and</i> controlled by name. | \$2,500,000 or more. |
| | | 12d ³ ... | \$25,000,000 or more <i>and</i> controlled by name. | \$5,000,000 or more. |
| Forms 1120L and 1120M | | | | |
| 13a.... | 13c.... | 13c.... | Any amount <i>and not</i> controlled by name..... | Any amount. |
| 13b.... | 13d.... | 13d.... | Any amount <i>and</i> controlled by name..... | Any amount. |
| Form 1120F | | | | |
| 14a ⁵ ... | 14c.... | 14c.... | Any amount..... | Any amount <i>and not</i> controlled by name. |
| 14b ⁵ ... | 14d.... | 14d.... | Any amount..... | Any amount <i>and</i> controlled by name. |
| Form 1120-DISC | | | | |
| 15.... | 15.... | 15.... | Under \$50,000,000 ⁶ | Under \$200,000. |
| 16.... | 16.... | 16.... | \$50,000,000 under \$250,000,000 ⁶ | \$200,000 under \$1,000,000. |
| 17.... | 17.... | 17.... | \$250,000,000 or more ⁶ | \$1,000,000 or more. |

¹Returns were classified according to either size of total assets, or size of net income or deficit, whichever made the sample class number higher. EXAMPLE: A Form 1120 return with total assets of \$750,000 and having net income of \$75,000 would be in sample class 6a or 6b rather than sample class 4a or 4b.

²Returns with Form 5735, "Computation of Possessions Corporation Tax Credit Allowed Under Section 936," attached.

³Returns classified in the following financial industries: banks including mutual savings banks and bank holding companies, personal and business credit institutions, other insurance companies, and regulated investment companies.

⁴Returns classified in nonfinancial industries.

⁵Certain returns with income not effectively connected with a U.S. business were included in the sample to facilitate Form 1120F selection, although not processed for the sample.

⁶Size of total assets of majority corporate stockholders.

Figure E.--Corporation Returns: Number Filed, Number in Sample, Prescribed and Achieved Sampling Rates, by Sample Class Number, Income Year 1977

| Sample class number | Number of returns | | Sampling rates (Percent) | |
|------------------------|----------------------|-------------|--------------------------|----------|
| | Estimated population | Sample size | Prescribed | Achieved |
| | (1) | (2) | (3) | (4) |
| Total.. | 2,335,256 | 91,693 | - | - |
| 1a..... | 91 | 91 | 100.00 | 100.00 |
| 1b..... | 6 | 6 | 100.00 | 100.00 |
| 2a..... | 82,390 | 598 | 0.70 | 0.73 |
| 2b..... | 900,027 | 5,400 | 0.60 | 0.60 |
| 3a..... | 30,270 | 296 | 1.00 | 0.98 |
| 3b..... | 324,489 | 2,625 | 0.80 | 0.81 |
| 4a..... | 35,973 | 530 | 1.50 | 1.47 |
| 4b..... | 390,859 | 4,989 | 1.30 | 1.28 |
| 5a..... | 19,174 | 572 | 3.00 | 2.98 |
| 5b..... | 219,669 | 6,553 | 3.00 | 2.98 |
| 6a..... | 9,737 | 758 | 8.00 | 7.78 |
| 6b..... | 135,815 | 7,183 | 5.40 | 5.29 |
| 7..... | 6,016 | 1,435 | 25.00 | 23.85 |
| 8..... | 87,776 | 12,253 | 14.00 | 13.96 |
| 9..... | 32,949 | 5,116 | 18.00 | 15.53 |
| 10a..... | 412 | 141 | 36.00 | 34.22 |
| 10b..... | 16,707 | 5,722 | 36.00 | 34.25 |
| 11..... | 85 | 11 | 50.00 | 12.94 |
| 12a..... | 468 | 468 | 100.00 | 100.00 |
| 12b..... | 42 | 42 | 100.00 | 100.00 |
| 12c..... | 19,942 | 19,942 | 100.00 | 100.00 |
| 12d..... | 1,663 | 1,663 | 100.00 | 100.00 |
| 12e..... | 6,665 | 6,665 | 100.00 | 100.00 |
| 13a..... | 7 | 7 | 100.00 | 100.00 |
| 13b ¹ | - | - | - | - |
| 13c..... | 3,101 | 3,101 | 100.00 | 100.00 |
| 13d..... | 443 | 443 | 100.00 | 100.00 |
| 14a..... | 28 | 28 | 100.00 | 100.00 |
| 14b ¹ | - | - | - | - |
| 14c..... | 3,170 | 3,170 | 100.00 | 100.00 |
| 14d..... | 81 | 81 | 100.00 | 100.00 |
| 15..... | 5,176 | 505 | 10.00 | 9.76 |
| 16..... | 1,224 | 498 | 40.00 | 40.69 |
| 17..... | 801 | 801 | 100.00 | 100.00 |

¹Provisions were made in the sample design for the possibility of returns being included in these sample class numbers. However, no returns with the specified sample selection criteria (see figure D) were actually received in the "before 1978" time period specified.

The sample estimate and an estimate of its standard deviation permit the construction of interval estimates with prescribed confidence that the interval includes the average result of all possible different samples. For example, in table 2, column 64, the number of returns for business services is shown as 125,782. A coefficient of variation of 3.6 percent for this frequency is obtained by using column 7 of figure F and interpolating as indicated in the footnote in figure F.

The standard deviation of the estimate SD(X) is needed to construct the interval estimate; it is the product of the estimate, X and its coefficient of variation, CV(X):

$$\begin{aligned}SD(X) &= X \cdot CV(X) \\ &= 125,782 \cdot (0.036) \\ &= 4,528 \text{ returns}\end{aligned}$$

The SD(X) value is then subtracted from and added to the estimate X to construct a 68 percent confidence interval estimate. The interval is computed using this formula:

$$(X - SD(X)) \leq Y \leq (X + SD(X))$$

with 68 percent confidence, where Y is the population value estimated by X. Based on the data for this example, the interval estimate is from (125,782 - 4,528) = 121,254 returns to (125,782 + 4,528) = 130,310 returns. A conclusion that the average estimate of the number of returns lies within an interval computed in this way would be correct for approximately two-thirds (68 percent) of all possible similarly selected different samples. To obtain this interval estimate with 95 percent confidence limits, multiply the SD(X) value by two. (For this data, the resulting interval would be from 116,726 returns to 134,838 returns).

SAMPLE MANAGEMENT

The total (i.e., sample and population counts) for the number of returns filed were derived from computer counts of corporation returns (other than Form 1120-DISC) produced at the eleven Internal Revenue Service processing centers. These counts were verified during statistical processing to minimize the loss of data. Because of their significant impact on the statistics, the returns of the largest corporations were controlled on a name basis to assure their inclusion.

ROUNDING AND MONEY AMOUNTS

To facilitate statistical processing, data were usually abstracted from the tax return in thousands of dollars. Amounts of \$500 or more were raised to the next thousand, e.g., \$500 was entered as \$1,000. Amounts under \$500 were not entered; an indicator was entered instead to account for the frequency. While it is believed that the quality of the data was not affected, on average, the practice of allowing a tolerance and abstracting data in thousands of dollars did result in some irregular relationships.

CONSOLIDATED RETURNS

The number of returns in the population differs from the total number of profit-oriented corporations in existence in 1977 chiefly because the Internal Revenue Code permitted single returns presenting the combined financial data of an entire "affiliated group" to be filed by parent corporations. Close to 47,000 consolidated returns were filed by parent corporations for 1977 with data for total assets, total receipts, net income (less deficit), and total income tax (see table 11). These 46,663 consolidated corporation returns accounted for \$3.4 trillion of the \$5.3 trillion (or about 64 percent) of total assets for all corporations.

Figure F.--Coefficient of Variation of Estimated Number of Returns, Income Year 1977

| Estimated number of returns | Tables showing classification by size of total assets | | | | | | Tables not showing classification by size of total assets | Form 1120-DISC table |
|-----------------------------|---|---------------------------|---------------------------|-----------------------------|-------------------------------|---|---|----------------------|
| | Under \$100,000 ¹ | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 ⁴ | | |
| | (1) | (2) | (3) | (4) | (5) | (6) | | |
| | (Percent) ² | | | | | | | |
| 200..... | 91.0 | 62.2 | 40.3 | 29.9 | 17.5 | 9.8 | 91.0 | 21.5 |
| 300..... | 74.3 | 50.8 | 32.9 | 24.4 | 14.3 | 8.0 | 74.3 | 17.6 |
| 400..... | 64.4 | 44.0 | 28.5 | 21.2 | 12.4 | 6.9 | 64.4 | 15.2 |
| 500..... | 57.6 | 39.3 | 25.5 | 18.9 | 11.1 | 6.2 | 57.6 | 13.6 |
| 600..... | 52.5 | 35.9 | 23.3 | 17.3 | 10.1 | 5.7 | 52.5 | 12.4 |
| 700..... | 48.6 | 33.2 | 21.6 | 16.0 | 9.4 | 5.2 | 48.6 | 11.5 |
| 800..... | 45.5 | 31.1 | 20.2 | 15.0 | 8.8 | 4.9 | 45.5 | 10.8 |
| 900..... | 42.9 | 29.3 | 19.0 | 14.1 | 8.3 | 4.6 | 42.9 | 10.1 |
| 1,000..... | 40.7 | 27.8 | 18.0 | 13.4 | 7.8 | 4.4 | 40.7 | 9.6 |
| 1,200..... | 37.2 | 25.4 | 16.5 | 12.2 | 7.2 | 4.0 | 37.2 | 8.8 |
| 1,400..... | 34.4 | 23.5 | 15.2 | 11.3 | 6.6 | 3.7 | 34.4 | 8.1 |
| 1,600..... | 32.2 | 22.0 | 14.3 | 10.6 | 6.2 | 3.5 | 32.2 | 7.6 |
| 1,800..... | 30.3 | 20.7 | 13.4 | 10.0 | 5.8 | 3.3 | 30.3 | 7.2 |
| 2,000..... | 28.8 | 19.7 | 12.8 | 9.5 | 5.5 | 3.1 | 28.8 | 6.8 |
| 2,500..... | 25.7 | 17.6 | 11.4 | 8.5 | 5.0 | 2.8 | 25.7 | 6.1 |
| 3,000..... | 23.5 | 16.1 | 10.4 | 7.7 | 4.5 | 2.5 | 23.5 | 5.6 |
| 4,000..... | 20.4 | 13.9 | 9.0 | 6.7 | 3.9 | 2.2 | 20.4 | 4.8 |
| 5,000..... | 18.2 | 12.4 | 8.1 | 6.0 | 3.5 | 2.0 | 18.2 | 4.3 |
| 7,000..... | 15.4 | 10.5 | 6.8 | 5.1 | 3.0 | 1.7 | 15.4 | 3.6 |
| 10,000..... | 12.9 | 8.8 | 5.7 | 4.2 | 2.5 | 1.4 | 12.9 | 3.0 |
| 15,000..... | 10.5 | 7.2 | 4.7 | 3.5 | 2.0 | 1.1 | 10.5 | (3) |
| 25,000..... | 8.1 | 5.6 | 3.6 | 2.7 | 1.6 | (3) | 8.1 | (3) |
| 35,000..... | 6.9 | 4.7 | 3.0 | 2.3 | 1.3 | (3) | 6.9 | (3) |
| 50,000..... | 5.8 | 3.9 | 2.6 | 1.9 | 1.1 | (3) | 5.8 | (3) |
| 75,000..... | 4.7 | 3.2 | 2.1 | 1.5 | 0.9 | (3) | 4.7 | (3) |
| 100,000..... | 4.1 | 2.8 | 1.8 | 1.3 | 0.8 | (3) | 4.1 | (3) |
| 150,000..... | 3.3 | 2.3 | 1.5 | 1.1 | 0.6 | (3) | 3.3 | (3) |
| 250,000..... | 2.6 | 1.8 | 1.1 | (3) | (3) | (3) | 2.6 | (3) |
| 500,000..... | 1.8 | 1.2 | (3) | (3) | (3) | (3) | 1.8 | (3) |
| 700,000..... | 1.5 | (3) | (3) | (3) | (3) | (3) | 1.5 | (3) |
| 1,000,000..... | 1.3 | (3) | (3) | (3) | (3) | (3) | 1.3 | (3) |
| 1,500,000..... | 1.1 | (3) | (3) | (3) | (3) | (3) | 1.1 | (3) |
| 2,000,000..... | 0.9 | (3) | (3) | (3) | (3) | (3) | 0.9 | (3) |

¹Includes zero assets and assets not reported.

²This figure should normally not be used for estimates designated by a single asterisk (*) because the sample is too small to yield reliable confidence interval estimates.

³Not applicable because the estimated number of returns was greater than the population estimates.

⁴Coefficient of variation is zero for returns with total assets of \$10,000,000 or more.

NOTE: Method of interpolation: Divide the estimate by 100, determine the coefficient of variation in the proper column, and then divide the result by 10. EXAMPLE: 60,000 returns with total assets of \$250,000 under \$500,000. For 600 estimated number of returns, the coefficient of variation is 23.3 percent. Divide this by 10 and the coefficient of variation is 2.3 percent.

Although consolidated returns usually reported more than one kind of industrial activity, they were assigned a single industry classification, just like every other corporation return, based on the corporations' principal business activity. Basically, the returns were classified into the Statistics of Income (SOI) industry which accounted for the largest portion of the total receipts.

The fact that a consolidated corporation return was assigned a single SOI industry code constitutes a limitation of the data. Some consolidated (and nonconsolidated) corporations were engaged in many types of business activities, so there are data in the consolidated corporation SOI industries that are not really related to the industrial activity under which they are shown.

INDUSTRIAL CLASSIFICATION

Among the several classifications used in this report, tax return data are classified according to the principal business activity of the corporation. Returns were classified in the "minor" industry which accounted for the largest portion of total receipts, even though the return may have been for a company engaged in many business activities or may have been a consolidated return filed for the members of an affiliated group of corporations. Minor industries were aggregated into major industries, which in turn were aggregated into industrial divisions.

Returns in the statistical sample were examined during statistical processing, and each was assigned a code classifying it by industry. In determining the code, the description of the business activity given by the taxpayer; the taxpayer-assigned code; the sources of the taxpayer's income; the nature of the expenses; and where necessary, information from various reference books, were considered. Year-to-year changes in the classification of specific corporations could have resulted from mergers and other changes in organization or from filing consolidated returns, as well as from a change in the principal source of total receipts.

The industries used in this report generally conform with the Enterprise Standard Industrial Classification (ESIC) authorized by the Office of Information and Regulatory Affairs in the Office of Management and Budget. This classification, which was designed to classify companies (which are often engaged in more than one industrial activity), follows closely along the line of the more detailed Standard Industrial Classification Manual (SIC), which was designed to classify separate "establishments" rather than the companies of which establishments were part. Some departures from the ESIC system were made for Statistics of Income (SOI) for the finance industries in order to reflect particular provisions of the Internal Revenue Code. For a comparison of the ESIC and SIC industries with the SOI industries used in this report see section 6.

More detailed statistics are available in Publication 1053, Source Book of Statistics of Income—1977, for the industries shown in table 1 of this report. A general description of the Source Book including ordering information, is available from the Director, Statistics Division PR:S, Internal Revenue Service, Washington, DC 20224. Information concerning a magnetic-tape version of the Source Book is available from the Machine-Readable Archives Division, National Archives, Washington, DC 20408.

OTHER DATA LIMITATIONS

Various techniques were used to control and improve the quality of the data during the processing stages. During sampling, in order to make sure that the sample was being selected according to the sample design, a comparison was made between the expected and realized number of sample returns in each of the service centers. Any differences were reconciled by follow-up. During statistical editing, editors were instructed to correct tax return errors wherever possible through reference to other entries on the return or accompanying schedules and to adjust data to achieve consistency in statistical definitions.

The quality of the editing was controlled by means of a continuous subsampling verification system at each processing center which resulted in 38.3 percent of the documents being reviewed. (All errors found in the review were corrected.) The review ranged from all of the very large and complex returns to nearly one-third of the small and relatively simple returns. In addition, the Statistics Division in the National Office independently reprocessed about 2 percent of the returns to evaluate the quality of the editing after verification and to determine adherence to processing instructions. Greater emphasis was placed on the largest and most complex returns. Results showed that, overall, 99.9 percent of the statistical codes and 99.7 percent of the money amounts were entered correctly. No discernible pattern was found in the errors uncovered. Transcription of the data was subjected to 100 percent verification.

Prior to tabulation numerous computer tests were applied to each return recorded to check for inconsistencies. Finally, prior to publication, all statistics and tables were reviewed for accuracy and reasonableness, in light of the provisions of tax laws, taxpayer reporting variations and limitations, economic conditions, and comparability with other statistical series.

INCOME AND FINANCIAL DATA BY INDUSTRY OR SIZE

- 1 Returns of active corporations: Number of returns, selected receipts, costs of sales and operations, net income, total income tax, selected credits, distributions to stockholders, total assets, net worth, depreciable assets, depreciation deduction and coefficients of variation, by minor industry, 18
- 2 Returns of active corporations: Balance sheets and income statements, by major industry, 27
- 3 Returns with net income: Balance sheets and income statements, by major industry, 35
- 4 Returns of active corporations: Balance sheets and income statements, by size of total assets, 43
- 5 Returns with net income: Balance sheets and income statements, by size of total assets, 45
- 6 Returns of active corporations: Selected balance sheet, income statement, and tax items, and distributions to stockholders, by major industry, by size of total assets, 47
- 7 Returns of active corporations: Selected balance sheet, income statement, and tax items, and distributions to stockholders, by industrial division, by size of business receipts, 81

SELECTED SUBJECTS

- 8 Returns of active corporations: Total receipts, net income, statutory special deductions, income tax, and credits, by accounting period ended, 87
- 9 Returns of active Small Business Corporations, Form 1120S: Balance sheets and income statements, by industrial division, 88
- 10 Returns of active Domestic International Sales Corporations, Form 1120-DISC: Number of returns, selected balance sheet and income statement items, and distributions to stockholders, by selected industrial divisions, 89
- 11 Returns of members of controlled groups, other than Form 1120-DISC: Number of returns, total assets, total receipts, net income (less deficit), and total income tax, by selected industrial divisions, 90
- 12 Returns of active corporations, other than Forms 1120S and 1120-DISC: Number of returns and selected tax items, by size of normal tax, surtax, and alternative tax after credits, 91
- 13 Returns of active corporations, other than Form 1120-DISC: Investment credit and selected items, by selected industrial divisions, 92
- 14 Returns of active corporations, other than Form 1120-DISC: New jobs credit and selected items, by selected industrial divisions, 93
- 15 Returns of active corporations: Returns with beginning and ending inventories and with inventory valuation methods, by selected industrial divisions, 94
- 16 Returns of active corporations: Book net income or deficit and provision for federal income tax, by selected industrial divisions, 94

RETURNS OF ACTIVE CORPORATIONS

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

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

| Minor industry | Number of returns | | Total receipts | | Business receipts | Cost of sales and operations | Net income (less deficit) | Net income | Deficit | Income subject to tax |
|---|-------------------|------------------|----------------------|-------------------------|----------------------|------------------------------|---------------------------|--------------------|-------------------|-----------------------|
| | Total | With net income | All returns | Returns with net income | | | | | | |
| | (1) | (2) | (3) | (4) | | | | | | |
| Total returns of active corporations | 2,241,887 | 1,424,528 | 4,128,304,478 | 3,655,771,492 | 3,813,925,121 | 2,725,009,554 | 219,243,043 | 245,274,490 | 26,031,447 | 212,501,782 |
| Agriculture, forestry, and fishing | 65,594 | 38,440 | 35,907,887 | 27,465,144 | 33,931,272 | 24,703,484 | 708,956 | 1,740,130 | 1,031,174 | 1,145,589 |
| Agricultural production..... | 46,315 | 28,241 | 27,972,217 | 20,976,999 | 26,279,006 | 19,260,447 | 501,766 | 1,393,604 | 891,838 | 932,618 |
| Agricultural services (except veterinarians), forestry, fishing, hunting, and trapping..... | 19,279 | 10,199 | 7,935,650 | 6,488,145 | 7,652,266 | 5,443,037 | 207,190 | 346,526 | 139,336 | 212,951 |
| Mining | 19,216 | 10,963 | 96,164,753 | 88,990,745 | 92,553,482 | 44,842,332 | 31,353,923 | 32,581,722 | 1,227,799 | 31,919,909 |
| Metal mining..... | 759 | 280 | 5,144,588 | 4,307,284 | 4,694,188 | 3,400,426 | 52,717 | 299,399 | 246,682 | 221,402 |
| Iron ores..... | 59 | 35 | 1,741,479 | 1,666,935 | 1,643,555 | 1,213,754 | — | 84,102 | *135,181 | *57,231 |
| Copper, lead and zinc, gold and silver ores..... | 310 | 85 | 2,718,412 | 2,293,299 | 2,398,507 | 1,814,496 | 98,111 | 170,781 | 72,670 | *138,521 |
| Other metal mining..... | 390 | *160 | 684,697 | *347,050 | 652,126 | 372,176 | 5,685 | *44,516 | 38,831 | *25,650 |
| Coal mining..... | 3,836 | 2,243 | 11,480,310 | 8,502,510 | 11,020,015 | 7,598,702 | 287,895 | 632,790 | 344,895 | 496,840 |
| Oil and gas extraction..... | 10,672 | 6,546 | 72,998,225 | 71,040,187 | 70,538,525 | 29,847,839 | 30,791,287 | 31,312,795 | 521,508 | 30,930,234 |
| Crude petroleum, natural gas, and natural gas liquids..... | 4,933 | 2,896 | 62,873,654 | 61,874,897 | 61,608,796 | 24,705,621 | 29,190,197 | 29,546,633 | 356,634 | 29,342,014 |
| Oil and gas field services..... | 5,739 | 3,650 | 10,124,571 | 9,165,290 | 8,929,729 | 5,142,218 | 1,601,090 | 1,766,162 | 165,072 | 1,588,220 |
| Nonmetallic minerals, except fuels..... | 3,949 | 1,894 | 6,541,622 | 5,140,764 | 6,300,754 | 3,995,365 | 222,024 | 336,738 | 114,714 | 271,433 |
| Dimension, crushed, and broken stone; sand and gravel..... | 3,574 | 1,629 | 4,625,036 | 3,859,951 | 4,481,990 | 2,886,735 | 221,479 | 275,829 | 54,350 | 226,562 |
| Other nonmetallic minerals, except fuels..... | 375 | 265 | 1,916,586 | 1,280,813 | 1,818,764 | 1,108,630 | 545 | 60,909 | 60,364 | 44,871 |
| Construction | 214,745 | 135,955 | 181,550,922 | 145,891,466 | 176,745,105 | 142,818,285 | 4,517,522 | 6,536,536 | 2,019,614 | 5,047,435 |
| General building contractors and operative builders..... | 84,924 | 50,099 | 78,660,877 | 60,924,612 | 76,403,771 | 65,783,246 | 1,464,691 | 2,448,215 | 983,524 | 1,865,007 |
| General building contractors..... | 81,205 | 47,836 | 73,216,415 | 56,613,049 | 71,250,145 | 61,590,833 | 1,310,352 | 2,163,795 | 853,623 | 1,634,734 |
| Operative builders..... | 3,719 | 2,263 | 5,444,462 | 4,311,563 | 5,153,625 | 4,192,413 | 154,339 | 284,240 | 129,901 | 230,273 |
| Heavy construction contractors..... | 16,875 | 11,580 | 37,344,404 | 31,857,213 | 35,740,112 | 28,759,758 | 1,303,359 | 1,614,777 | 311,318 | 1,372,439 |
| Special trade contractors..... | 112,946 | 74,276 | 65,545,641 | 53,109,641 | 64,801,222 | 48,275,281 | 1,749,472 | 2,473,644 | 724,172 | 1,809,989 |
| Plumbing, heating, and air conditioning..... | 23,383 | 16,047 | 17,410,082 | 14,422,739 | 17,230,432 | 13,380,931 | 429,845 | 569,325 | 139,480 | 422,203 |
| Electrical work..... | 18,771 | 12,327 | 10,043,004 | 7,776,079 | 9,878,135 | 7,498,966 | 232,344 | 359,403 | 127,059 | 268,415 |
| Other special trade contractors and contractors not allocable..... | 70,792 | 45,902 | 38,092,555 | 30,910,823 | 37,492,655 | 27,395,384 | 1,087,283 | 1,544,916 | 457,633 | 1,119,371 |
| Manufacturing | 231,149 | 158,995 | 1,653,531,899 | 1,500,494,094 | 1,591,340,869 | 1,165,901,411 | 100,008,887 | 107,608,932 | 7,600,045 | 101,639,157 |
| Food and kindred products..... | 16,048 | 11,039 | 200,282,466 | 178,095,737 | 196,642,579 | 151,186,646 | 7,868,406 | 8,452,384 | 583,978 | 8,030,154 |
| Meat products..... | 2,602 | 1,673 | 45,765,515 | 38,641,619 | 45,267,005 | 38,999,453 | 731,545 | 844,982 | 113,437 | 796,071 |
| Dairy products..... | 1,965 | 1,065 | 29,116,862 | 26,793,724 | 28,724,068 | 23,316,195 | 1,058,686 | 1,110,997 | 52,011 | 1,099,497 |
| Preserved fruits and vegetables..... | 1,230 | 975 | 18,284,144 | 17,383,766 | 17,756,094 | 13,062,968 | 828,893 | 877,572 | 48,679 | 801,989 |
| Grain mill products..... | 1,970 | 1,285 | 26,547,578 | 25,103,551 | 25,914,000 | 20,173,153 | 1,265,256 | 1,315,427 | 50,171 | 1,285,769 |
| Bakery products..... | 2,811 | 1,839 | 9,757,244 | 8,946,414 | 9,642,620 | 6,010,088 | 359,721 | 385,389 | 25,668 | 341,886 |
| Sugar and confectionery products..... | 971 | 720 | 9,686,715 | 6,276,148 | 9,403,642 | 6,841,210 | 243,807 | 362,751 | 118,944 | 335,325 |
| Malt liquors and malt..... | 32 | 16 | 7,563,576 | 5,691,530 | 7,476,726 | 4,573,686 | 277,394 | 308,675 | 31,281 | 303,938 |
| Alcoholic beverages, except malt liquors and malt..... | 141 | 125 | 10,257,716 | 9,825,782 | 10,018,016 | 6,979,396 | 467,702 | 474,103 | *6,401 | 460,431 |
| Bottled soft drinks, and flavorings..... | 1,374 | 1,333 | 15,346,987 | 15,134,571 | 14,868,298 | 9,553,483 | 1,555,303 | 1,561,146 | 5,843 | 1,477,797 |
| Other food and kindred products..... | 2,952 | 2,008 | 24,956,129 | 24,298,632 | 27,572,110 | 21,677,114 | 1,080,099 | 1,211,642 | 131,543 | 1,177,451 |
| Tobacco manufactures..... | 39 | 31 | 18,037,747 | 17,535,857 | 17,389,892 | 9,636,267 | 1,881,635 | 1,890,747 | *9,112 | 1,818,149 |
| Textile mill products..... | 5,805 | 4,257 | 36,407,585 | 30,929,218 | 35,859,792 | 28,087,993 | 1,286,103 | 1,654,168 | 368,065 | 1,543,862 |
| Weaving mills and textile finishing..... | 823 | 610 | 12,306,124 | 10,163,709 | 12,060,752 | 9,538,815 | 408,790 | 567,908 | 159,119 | 553,542 |
| Knitting mills..... | 1,550 | 958 | 5,622,727 | 4,479,132 | 5,563,893 | 4,288,908 | 192,016 | 271,590 | 79,574 | 234,756 |
| Other textile mill products..... | 3,432 | 2,689 | 18,478,734 | 16,286,377 | 18,235,147 | 14,260,270 | 685,297 | 814,670 | 129,373 | 755,564 |
| Apparel and other textile products..... | 17,390 | 11,165 | 40,148,024 | 35,024,382 | 39,608,716 | 29,808,655 | 1,622,032 | 1,941,517 | 319,485 | 1,761,388 |
| Men's and boys' clothing..... | 2,180 | 1,384 | 12,990,746 | 11,818,153 | 12,737,027 | 9,555,898 | 654,353 | 771,902 | 117,549 | 741,999 |
| Women's and children's clothing..... | 8,962 | 5,704 | 19,121,670 | 16,434,640 | 18,917,336 | 14,314,256 | 702,467 | 815,189 | 112,722 | 711,680 |
| Other apparel and accessories..... | 2,486 | 1,922 | 3,063,753 | 2,521,755 | 3,065,584 | 2,218,114 | 96,879 | 125,800 | 28,921 | 113,550 |
| Miscellaneous fabricated textile products; textile products; not elsewhere classified..... | 3,782 | 2,145 | 4,969,855 | 4,249,834 | 4,918,769 | 3,720,387 | 168,333 | 228,626 | 60,293 | 194,159 |
| Lumber and wood products..... | 13,923 | 9,763 | 43,738,110 | 40,100,241 | 41,492,402 | 31,105,958 | 2,575,272 | 2,814,728 | 239,510 | 2,650,000 |
| Logging, sawmills, and planing mills..... | 3,946 | 2,934 | 16,803,398 | 15,519,278 | 15,434,844 | 11,304,588 | 1,196,778 | 1,281,658 | 84,880 | 1,247,374 |
| Millwork, plywood, and related products..... | 4,972 | 3,398 | 16,633,535 | 15,740,454 | 16,059,609 | 12,037,386 | 985,514 | 1,047,337 | 61,823 | 971,709 |
| Other wood products, including wood buildings and mobile homes..... | 5,005 | 3,431 | 10,301,177 | 8,840,509 | 9,997,949 | 7,763,984 | 392,980 | 485,787 | 92,807 | 430,917 |
| Furniture and fixtures..... | 7,653 | 5,049 | 14,524,890 | 12,248,442 | 14,292,791 | 10,259,611 | 696,260 | 790,850 | 64,590 | 731,230 |
| Paper and allied products..... | 3,496 | 2,811 | 45,278,513 | 42,518,930 | 43,596,430 | 30,635,304 | 2,780,027 | 2,937,234 | 157,207 | 2,884,655 |
| Pulp, paper, and board mills..... | 142 | 120 | 26,580,306 | 25,139,942 | 25,400,166 | 18,285,082 | 1,367,830 | 1,461,180 | 93,350 | 1,452,468 |
| Other paper products..... | 3,354 | 2,691 | 18,698,207 | 17,378,988 | 18,196,264 | 12,350,222 | 1,412,197 | 1,476,054 | 63,857 | 1,432,187 |
| Printing and publishing..... | 33,324 | 22,517 | 50,203,180 | 46,353,172 | 48,466,565 | 30,446,095 | 4,125,207 | 4,501,129 | 375,922 | 4,199,140 |
| Newspapers..... | 4,454 | 3,100 | 16,829,200 | 16,089,051 | 16,206,902 | 10,098,811 | 1,942,182 | 2,086,641 | 144,459 | 1,977,156 |
| Periodicals..... | 3,149 | 2,151 | 6,336,507 | 5,552,789 | 6,106,685 | 3,934,298 | 405,522 | 470,119 | 64,597 | 419,143 |
| Books, greeting cards, and miscellaneous publishing..... | 5,616 | 2,936 | 9,086,592 | 8,362,720 | 8,508,205 | 4,784,774 | 801,174 | 868,663 | 67,489 | 833,025 |
| Commercial and other printing and printing trade services..... | 20,105 | 14,330 | 17,950,881 | 16,348,612 | 17,644,773 | 11,628,212 | 976,329 | 1,075,706 | 99,377 | 969,816 |
| Chemicals and allied products..... | 10,963 | 7,050 | 127,768,724 | 117,259,295 | 122,386,265 | 78,761,980 | 11,012,716 | 11,459,578 | 446,862 | 11,195,900 |
| Industrial chemicals, plastics materials and synthetics..... | 3,460 | 2,112 | 61,413,790 | 59,408,221 | 59,064,621 | 38,721,813 | 4,573,863 | 4,713,045 | 139,182 | 4,614,901 |
| Drugs..... | 982 | 606 | 26,806,674 | 25,220,412 | 25,135,842 | 14,466,652 | 3,552,251 | 3,622,958 | 70,707 | 3,580,225 |
| Soap, cleaners, and toilet goods..... | 1,929 | 1,098 | 18,563,575 | 17,611,992 | 17,811,494 | 11,149,869 | 2,046,253 | 2,086,331 | 40,078 | 2,016,489 |
| Paints and allied products..... | 1,239 | 766 | 5,703,718 | 3,950,710 | 5,629,617 | 4,032,169 | 251,172 | 283,612 | 32,440 | 274,506 |
| Agricultural and other chemical products..... | 3,353 | 2,468 | 15,280,967 | 11,067,960 | 14,744,691 | 10,391,477 | 589,177 | 753,632 | 164,455 | 710,589 |
| Petroleum (including integrated) and coal products..... | 1,201 | 930 | 335,638,541 | 329,529,322 | 326,031,048 | 269,071,979 | 17,648,117 | 18,270,504 | 622,387 | 16,559,109 |
| Petroleum refining (including integrated)..... | 322 | 297 | 331,370,069 | 325,619,660 | 321,871,069 | 265,965,031 | 17,355,600 | 17,965,490 | 609,884 | 16,288,529 |
| Petroleum and coal products, not elsewhere classified..... | 879 | 633 | 4,268,472 | 3,909,662 | 4,159,979 | 3,106,948 | 292,511 | 305,014 | 12,503 | 270,580 |
| Rubber and miscellaneous plastics products..... | 8,804 | 6,063 | 34,713,720 | 32,590,688 | 33,944,329 | 23,614,801 | 1,666,217 | 1,819,711 | 153,494 | 1,729,988 |
| Rubber products; plastics footwear, hose and belting..... | 1,570 | 1,362 | 21,955,898 | 21,018,769 | 21,382,297 | 14,923,574 | 987,765 | 1,028,773 | 41,008 | 1,006,494 |
| Miscellaneous plastics products..... | 7,234 | 4,701 | 12,757,822 | 11,571,919 | 12,562,032 | 8,691,227 | 678,452 | 790,938 | 112,486 | 723,494 |
| Leather and leather products..... | 1,751 | 1,483 | 10,384,927 | 8 | | | | | | |

RETURNS OF ACTIVE CORPORATIONS

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

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

| Minor industry | Number of returns | | Total receipts | | Business receipts | Cost of sales and operations | Net income (less deficit) | Net income | Deficit | Income subject to tax |
|---|-------------------|-----------------|----------------------|-------------------------|----------------------|------------------------------|---------------------------|-------------------|------------------|-----------------------|
| | Total | With net income | All returns | Returns with net income | | | | | | |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| Manufacturing—Continued | | | | | | | | | | |
| Primary metal industries..... | 4,454 | 3,796 | 98,504,375 | 59,731,925 | 95,680,424 | 73,576,101 | 1,231,259 | 2,584,391 | 1,353,132 | 2,299,123 |
| Ferroous metal industries; miscellaneous primary metal products..... | 2,199 | 1,918 | 61,731,337 | 27,238,387 | 60,421,281 | 45,767,348 | 453,861 | 1,624,732 | 1,170,871 | 1,439,957 |
| Nonferrous metal industries..... | 2,255 | 1,878 | 36,773,038 | 32,493,538 | 35,259,143 | 27,808,753 | 777,398 | 959,659 | 182,261 | 859,166 |
| Fabricated metal products..... | 32,580 | 23,774 | 84,128,260 | 76,457,961 | 82,375,570 | 58,581,773 | 5,248,821 | 5,712,551 | 463,730 | 5,333,785 |
| Metal cans and shipping containers..... | 255 | 244 | 9,195,475 | 9,101,885 | 8,937,557 | 6,507,185 | 481,954 | 485,708 | *3,754 | 478,930 |
| Cutlery, hand tools, and hardware; screw machine products, bolts, and similar products..... | 5,390 | 4,005 | 10,873,227 | 10,142,752 | 10,543,805 | 6,758,767 | 895,087 | 940,371 | 45,284 | 884,640 |
| Plumbing and heating, except electric and warm air..... | 1,056 | 476 | 5,972,595 | 5,743,651 | 5,801,223 | 3,974,670 | 497,244 | 514,838 | 17,594 | 499,110 |
| Fabricated structural metal products..... | 7,796 | 6,445 | 20,829,614 | 18,140,037 | 20,457,541 | 15,347,813 | 1,150,219 | 1,302,132 | 151,913 | 1,188,834 |
| Metal forgings and stampings..... | 3,434 | 2,416 | 9,101,727 | 8,274,707 | 8,989,401 | 6,590,645 | 519,519 | 553,741 | 34,222 | 518,045 |
| Coating, engraving, and allied services..... | 2,648 | 2,340 | 3,086,098 | 2,895,067 | 3,025,779 | 2,035,668 | 147,573 | 157,723 | 10,150 | 142,255 |
| Ordnance and accessories, except vehicles and guided missiles..... | 67 | 26 | 946,967 | 853,905 | 918,662 | 642,458 | 66,405 | 74,624 | *8,219 | 74,063 |
| Miscellaneous fabricated metal products..... | 11,934 | 7,822 | 24,122,557 | 21,305,957 | 23,701,802 | 16,724,567 | 1,490,820 | 1,683,414 | 192,594 | 1,547,908 |
| Machinery, except electrical..... | 24,671 | 17,376 | 124,186,319 | 113,804,372 | 109,684,375 | 71,437,036 | 12,661,772 | 13,098,594 | 436,822 | 12,517,842 |
| Farm machinery..... | 1,570 | 733 | 10,262,909 | 8,500,121 | 9,743,074 | 6,617,604 | 475,360 | 530,766 | 55,406 | 503,789 |
| Construction and related machinery..... | 1,837 | 1,234 | 26,144,245 | 25,362,564 | 25,066,075 | 17,154,655 | 2,427,791 | 2,481,140 | 53,349 | 2,409,315 |
| Metalworking machinery..... | 7,335 | 5,574 | 10,044,740 | 9,267,001 | 9,788,235 | 6,328,294 | 769,652 | 809,212 | 39,560 | 770,470 |
| Special industry machinery..... | 3,105 | 2,553 | 10,955,125 | 10,108,054 | 10,534,697 | 7,244,106 | 747,940 | 802,492 | 54,552 | 732,503 |
| General industrial machinery..... | 2,855 | 1,831 | 14,091,567 | 11,800,287 | 13,620,627 | 9,494,994 | 986,654 | 1,029,328 | 42,674 | 992,099 |
| Office, computing, and accounting machines..... | 742 | 527 | 35,840,043 | 35,277,506 | 24,564,406 | 13,176,957 | 6,211,794 | 6,253,420 | 41,626 | 6,085,636 |
| Other machinery, except electrical..... | 7,227 | 4,924 | 16,847,690 | 13,488,839 | 16,367,426 | 11,420,426 | 1,042,581 | 1,192,236 | 149,655 | 1,024,030 |
| Electrical and electronic equipment..... | 13,313 | 7,924 | 114,307,940 | 107,716,229 | 108,913,623 | 73,764,031 | 9,921,789 | 8,477,796 | 556,007 | 7,966,303 |
| Household appliances..... | 650 | 438 | 12,059,679 | 12,123,472 | 12,199,842 | 8,555,495 | 966,659 | 937,720 | 31,061 | 917,186 |
| Radio, television, and communication equipment..... | 2,133 | 1,189 | 26,388,365 | 24,922,498 | 24,427,482 | 16,831,015 | 1,541,694 | 1,741,635 | 199,941 | 1,646,704 |
| Electronic components and accessories..... | 4,520 | 2,393 | 26,167,220 | 22,860,294 | 25,124,581 | 17,426,881 | 1,633,252 | 1,827,427 | 194,175 | 1,562,729 |
| Other electrical equipment..... | 6,010 | 3,904 | 49,242,676 | 47,809,985 | 47,161,718 | 30,950,640 | 3,840,184 | 3,971,014 | 130,830 | 3,839,684 |
| Motor vehicles and equipment..... | 2,318 | 1,796 | 138,077,131 | 132,852,767 | 133,156,738 | 97,478,839 | 11,726,720 | 11,856,377 | 129,657 | 11,751,594 |
| Transportation equipment, except motor vehicles..... | 3,718 | 2,218 | 49,147,971 | 38,112,339 | 46,660,800 | 35,219,568 | 1,389,795 | 2,021,643 | 631,848 | 1,870,011 |
| Aircraft, guided missiles and parts..... | 583 | 430 | 37,408,582 | 27,558,439 | 35,509,167 | 26,409,907 | 949,013 | 1,490,771 | 541,758 | 1,365,436 |
| Ship and boat building and repairing..... | 1,900 | 777 | 4,803,156 | 4,453,038 | 4,599,459 | 3,775,085 | 93,482 | 152,258 | 58,776 | 136,780 |
| Other transportation equipment, except motor vehicles..... | 1,235 | 1,011 | 6,756,233 | 6,102,862 | 6,552,174 | 5,034,576 | 347,300 | 378,614 | 31,314 | 367,795 |
| Instruments and related products..... | 5,674 | 4,088 | 27,037,134 | 25,400,630 | 25,707,217 | 15,204,537 | 2,747,531 | 2,881,757 | 134,226 | 2,791,670 |
| Scientific instruments and measuring devices; watches and clocks..... | 1,920 | 1,288 | 9,579,826 | 9,000,608 | 9,140,716 | 5,610,127 | 756,393 | 824,087 | 67,694 | 776,612 |
| Optical, medical, and ophthalmic goods..... | 3,070 | 2,292 | 9,514,089 | 9,132,157 | 8,997,157 | 5,383,808 | 842,474 | 888,695 | 46,221 | 863,859 |
| Photographic equipment and supplies..... | 684 | 508 | 7,943,219 | 7,267,865 | 7,569,344 | 4,210,602 | 1,148,664 | 1,166,975 | *20,311 | 1,151,199 |
| Miscellaneous manufacturing and manufacturing not allocable..... | 13,621 | 9,397 | 24,708,651 | 21,972,108 | 24,083,615 | 16,460,909 | 1,281,223 | 1,544,633 | 263,410 | 1,345,463 |
| Transportation and public utilities..... | 85,215 | 52,064 | 330,112,349 | 301,367,276 | 318,432,740 | 199,942,778 | 18,393,402 | 20,304,871 | 1,911,469 | 18,892,706 |
| Transportation..... | 65,344 | 39,476 | 131,252,779 | 108,952,018 | 124,965,301 | 86,168,069 | 4,220,639 | 5,739,504 | 1,118,865 | 4,892,951 |
| Railroad transportation..... | 621 | 566 | 28,944,883 | 22,336,858 | 25,820,206 | 18,686,008 | 558,434 | 1,244,783 | 686,349 | 1,086,178 |
| Local and interurban passenger transit..... | 8,005 | 4,765 | 2,856,360 | 1,915,118 | 2,725,944 | 1,714,168 | 66,646 | 93,226 | 26,580 | 71,322 |
| Trucking and warehousing..... | 31,554 | 20,228 | 44,475,092 | 38,118,004 | 43,554,763 | 29,188,276 | 1,470,519 | 1,737,078 | 266,559 | 1,511,049 |
| Water transportation..... | 5,559 | 3,204 | 8,831,894 | 6,173,078 | 8,320,010 | 5,784,971 | 326,966 | 506,837 | 179,871 | 355,108 |
| Transportation by air..... | 6,772 | 3,209 | 28,174,513 | 25,163,456 | 27,125,192 | 17,625,687 | 1,201,057 | 1,314,379 | 113,322 | 1,065,638 |
| Pipelines, except natural gas..... | 193 | 112 | 5,773,221 | 5,440,330 | 5,732,957 | 4,603,107 | 334,613 | 480,181 | *125,568 | 448,546 |
| Transportation services, not elsewhere classified..... | 12,640 | 7,392 | 12,196,916 | 9,805,174 | 11,686,229 | 8,565,852 | 262,404 | 383,020 | 120,616 | 335,110 |
| Communication..... | 10,474 | 6,857 | 71,385,558 | 70,443,070 | 69,571,442 | 32,587,642 | 6,146,290 | 6,266,909 | 120,619 | 5,987,743 |
| Telephone, telegraph, and other communication services..... | 4,751 | 2,810 | 61,472,210 | 61,075,670 | 60,071,489 | 27,441,368 | 4,843,437 | 4,898,327 | 54,890 | 4,750,288 |
| Radio and television broadcasting..... | 5,723 | 4,047 | 9,913,348 | 9,367,400 | 9,499,953 | 5,146,274 | 1,302,853 | 1,368,582 | 65,729 | 1,237,455 |
| Electric, gas, and sanitary services..... | 9,397 | 5,731 | 127,474,012 | 121,972,188 | 123,895,997 | 81,187,067 | 6,026,473 | 6,298,458 | 271,985 | 8,022,012 |
| Electric services..... | 445 | 251 | 40,722,277 | 37,892,292 | 39,740,810 | 23,061,816 | 2,693,256 | 2,800,446 | 107,190 | 2,750,368 |
| Gas production and distribution..... | 1,513 | 1,280 | 51,945,852 | 51,095,864 | 50,583,450 | 38,211,806 | 3,227,362 | 3,311,239 | 83,877 | 3,149,577 |
| Combination utility services..... | 250 | 206 | 31,194,480 | 29,819,232 | 30,170,123 | 18,198,696 | 1,853,829 | 1,887,798 | *33,969 | 1,856,762 |
| Water supply and other sanitary services..... | 7,189 | 3,994 | 3,611,403 | 3,164,800 | 3,401,634 | 1,714,749 | 252,026 | 298,975 | 46,949 | 265,305 |
| Wholesale and retail trade..... | 672,394 | 443,545 | 1,239,882,173 | 1,076,112,188 | 1,215,615,448 | 955,267,447 | 30,180,147 | 35,097,805 | 4,917,658 | 25,618,892 |
| Wholesale trade..... | 237,597 | 169,702 | 635,527,555 | 559,061,334 | 625,265,644 | 525,860,602 | 16,934,338 | 19,300,256 | 2,345,918 | 12,389,110 |
| Groceries and related products..... | 21,533 | 14,278 | 99,392,159 | 87,398,146 | 96,225,337 | 86,433,784 | 1,060,659 | 1,273,882 | 173,223 | 1,024,113 |
| Machinery, equipment, and supplies..... | 49,753 | 35,298 | 74,531,305 | 67,451,610 | 72,575,654 | 54,199,012 | 3,969,017 | 4,285,097 | 316,080 | 2,321,294 |
| Miscellaneous wholesale trade..... | 166,591 | 120,126 | 461,604,091 | 404,211,578 | 454,464,653 | 385,227,806 | 11,924,662 | 13,741,277 | 1,816,615 | 9,043,703 |
| Motor vehicles and automotive equipment..... | 20,911 | 15,486 | 38,729,843 | 35,878,204 | 38,228,557 | 30,028,214 | 1,753,363 | 1,912,663 | 159,300 | 1,153,511 |
| Furniture and home furnishings..... | 3,370 | 1,957 | 4,891,981 | 4,010,943 | 4,825,258 | 3,538,628 | 83,797 | 139,013 | 55,216 | 120,795 |
| Lumber and construction materials..... | 9,395 | 7,624 | 24,554,326 | 22,699,696 | 24,233,967 | 19,967,307 | 696,788 | 754,841 | 58,053 | 603,807 |
| Sporting, recreational, photographic, and hobby goods, toys, and supplies..... | 2,178 | 1,495 | 3,224,758 | 2,610,324 | 3,172,743 | 2,344,974 | 80,728 | 121,280 | 40,552 | 89,829 |
| Metals and minerals, except petroleum and scrap..... | 4,213 | 2,925 | 35,076,930 | 26,266,813 | 34,643,331 | 31,285,696 | 566,148 | 668,024 | 101,876 | 519,158 |
| Electrical goods..... | 13,979 | 9,644 | 26,839,360 | 24,585,248 | 26,494,448 | 20,255,642 | 1,326,625 | 1,445,567 | 116,942 | 732,803 |
| Hardware, plumbing, and heating equipment and supplies..... | 13,056 | 10,774 | 23,275,753 | 22,047,927 | 22,733,384 | 17,563,674 | 762,125 | 815,872 | 53,747 | 676,901 |
| Other durable goods..... | 24,701 | 17,827 | 56,062,441 | 49,014,283 | 55,237,581 | 46,265,446 | 1,342,636 | 1,656,782 | 354,146 | 1,045,921 |
| Paper and paper products..... | 4,138 | 3,027 | 10,914,821 | 10,109,819 | 10,788,157 | 8,780,906 | 293,967 | 319,034 | 25,067 | 199,687 |
| Drugs, drug proprietaries, and druggists' sundries..... | 2,974 | 1,841 | 7,438,059 | 5,798,696 | 7,312,280 | 5,810,954 | 198,818 | 257,047 | 58,229 | 155,889 |
| Apparel, piece goods, and notions..... | 11,783 | 7,966 | 16,419,115 | 14,099,703 | 16,253,528 | 12,345,363 | 389,347 | 547,626 | 158,279 | 411,510 |
| Farm-product raw materials..... | 9,176 | 6,917 | 69,019,826 | 61,868,203 | 67,650,243 | 63,123,572 | 796,711 | 929,745 | 133,034 | 492,049 |
| Chemicals and allied products..... | 3,194 | 2,836 | 14,580,004 | 13,855,068 | 14,344,833 | 11,787,889 | 1,855,256 | 853,693 | 38,437 | 197,701 |
| Petroleum and petroleum products..... | 10,207 | 8,167 | 67,859,808 | 59,199,454 | 66,702,930 | 61,703,242 | 1,475,307 | 1,634,844 | 159,537 | 1,467,883 |
| Alcoholic beverages..... | 3,842 | 2,802 | 18,442,602 | 17,290,074 | 18,218,660 | 14,254,369 | 588,665 | 580,881 | 32,216 | 441,114 |
| Miscellaneous nondurable goods; wholesale trade not allocable..... | 29,494 | | | | | | | | | |

RETURNS OF ACTIVE CORPORATIONS

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

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

| Minor industry | Number of returns | | Total receipts | | Business receipts | Cost of sales and operations | Net income (less deficit) | Net income | Deficit | Income subject to tax |
|---|-------------------|-----------------|--------------------|-------------------------|--------------------|------------------------------|---------------------------|-------------------|------------------|-----------------------|
| | Total | With net income | All returns | Returns with net income | | | | | | |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| Wholesale and retail trade—Continued | | | | | | | | | | |
| Retail trade—Continued | | | | | | | | | | |
| Food stores..... | 32,614 | 19,841 | 131,357,216 | 109,888,220 | 130,029,604 | 100,795,227 | 1,679,294 | 1,942,477 | 263,183 | 1,727,682 |
| Grocery stores..... | 24,438 | 15,806 | 126,871,622 | 106,518,267 | 125,577,273 | 97,687,912 | 1,647,551 | 1,865,698 | 218,147 | 1,662,747 |
| Other food stores..... | 8,176 | 4,035 | 4,485,594 | 3,369,953 | 4,452,331 | 3,127,315 | 31,743 | 76,778 | 45,036 | 64,935 |
| Automotive dealers and service stations..... | 71,099 | 49,832 | 189,968,128 | 143,713,380 | 167,298,134 | 142,391,974 | 1,890,214 | 2,300,371 | 410,157 | 1,898,079 |
| Motor vehicle dealers..... | 34,900 | 25,199 | 134,454,720 | 114,693,989 | 132,308,726 | 114,629,492 | 1,337,555 | 1,584,419 | 248,864 | 1,314,722 |
| Gasoline service stations..... | 13,480 | 8,581 | 19,402,846 | 15,345,745 | 19,164,010 | 16,284,962 | 161,436 | 227,446 | 66,010 | 194,657 |
| Other automotive dealers..... | 22,719 | 16,072 | 16,110,560 | 13,673,646 | 15,825,398 | 11,467,520 | 391,223 | 468,506 | 97,283 | 388,700 |
| Apparel and accessory stores..... | 38,570 | 25,862 | 25,573,364 | 22,165,145 | 24,948,361 | 14,747,236 | 1,094,623 | 1,297,968 | 203,345 | 1,059,127 |
| Furniture and home furnishings stores..... | 34,939 | 22,386 | 23,008,223 | 18,577,853 | 22,241,926 | 14,046,564 | 660,058 | 837,120 | 177,062 | 672,798 |
| Eating and drinking places..... | 90,948 | 47,489 | 41,079,169 | 31,737,077 | 39,952,899 | 17,584,330 | 1,054,986 | 1,656,194 | 601,208 | 1,220,094 |
| Miscellaneous retail stores..... | 118,166 | 72,580 | 78,404,577 | 67,369,399 | 76,932,187 | 53,000,946 | 2,144,196 | 2,662,201 | 518,005 | 2,200,401 |
| Drug stores and proprietary stores..... | 20,251 | 14,501 | 20,307,708 | 18,530,446 | 20,048,040 | 14,080,463 | 550,599 | 619,916 | 69,317 | 536,644 |
| Liquor stores..... | 11,824 | 7,661 | 6,302,926 | 4,952,209 | 6,252,820 | 4,937,061 | 79,558 | 114,517 | 34,959 | 76,972 |
| Other retail stores..... | 84,091 | 50,418 | 51,793,943 | 43,886,744 | 50,631,327 | 33,983,422 | 1,514,039 | 1,927,768 | 413,729 | 1,586,785 |
| Wholesale and retail trade not allocable..... | 1,982 | 1,380 | 1,416,378 | 1,358,156 | 1,386,103 | 1,066,022 | 27,671 | 30,448 | 2,777 | 21,718 |
| Finance, insurance, and real estate..... | 432,919 | 270,542 | 405,131,593 | 368,828,919 | 206,863,227 | 100,391,853 | 27,668,033 | 32,057,106 | 4,389,073 | 21,318,275 |
| Banking..... | 14,654 | 12,828 | 105,023,681 | 94,493,804 | 12,126,180 | 1,394,233 | 4,919,457 | 5,590,306 | 670,849 | 4,828,737 |
| Mutual savings banks..... | 468 | 431 | 10,658,149 | 10,096,314 | 349,270 | 73,530 | 529,788 | 541,066 | 11,278 | 328,998 |
| Bank holding companies..... | 938 | 804 | 63,368,612 | 58,543,067 | 9,176,186 | 1,242,627 | 2,995,107 | 3,156,741 | 161,634 | 2,736,432 |
| Banks, except mutual savings banks and bank holding companies..... | 13,248 | 11,593 | 30,996,920 | 25,854,423 | 2,600,704 | 78,076 | 1,394,562 | 1,892,499 | 497,937 | 1,761,307 |
| Credit agencies other than banks..... | 50,970 | 29,848 | 54,033,930 | 50,981,161 | 12,655,460 | 5,589,667 | 3,291,935 | 3,812,673 | 520,738 | 3,525,744 |
| Savings and loan associations..... | 4,833 | 4,447 | 33,942,341 | 32,515,559 | 2,116,873 | 314,614 | 2,096,401 | 2,162,616 | 66,215 | 2,110,330 |
| Personal credit institutions..... | 3,869 | 2,515 | 8,718,828 | 8,576,714 | 6,689,352 | 4,061,194 | 459,489 | 489,035 | 29,546 | 433,606 |
| Business credit institutions..... | 837 | 726 | 2,812,486 | 2,683,409 | 1,835,970 | 530,430 | 259,924 | 273,066 | 13,142 | 265,317 |
| Other credit agencies; finance not allocable..... | 41,431 | 22,160 | 8,560,275 | 7,205,479 | 2,013,265 | 683,429 | 476,121 | 887,956 | 411,835 | 716,491 |
| Security, commodity brokers and services..... | 6,158 | 3,457 | 9,588,383 | 6,473,927 | 4,561,019 | 322,843 | 340,298 | 339,015 | 199,015 | 429,988 |
| Security brokers, dealers, and flotation companies..... | 2,466 | 1,474 | 7,472,742 | 5,099,626 | 2,892,421 | 139,107 | 291,171 | 412,408 | 121,237 | 336,274 |
| Commodity contracts brokers and dealers; security and commodity exchanges; and allied services..... | 3,692 | 1,983 | 2,115,641 | 1,374,301 | 1,668,598 | 183,736 | 49,127 | 126,905 | 77,778 | 93,714 |
| Insurance..... | 8,131 | 6,128 | 177,311,749 | 168,346,898 | 143,804,053 | 81,547,809 | 10,418,424 | 10,843,303 | 424,879 | 7,548,608 |
| Life insurance..... | 1,771 | 1,235 | 97,542,117 | 91,367,313 | 73,064,117 | 39,736,904 | 5,572,989 | 5,805,642 | 232,653 | 5,041,735 |
| Mutual insurance, except life or marine and certain fire or flood insurance companies..... | 1,281 | 1,035 | 22,863,211 | 21,467,474 | 20,716,755 | 12,990,802 | 1,242,292 | 1,307,376 | 65,084 | 778,879 |
| Other insurance companies..... | 5,079 | 3,858 | 58,906,421 | 55,512,111 | 50,023,181 | 28,820,103 | 3,603,143 | 3,730,285 | 127,142 | 1,727,984 |
| Insurance agents, brokers, and service..... | 41,351 | 30,406 | 11,518,211 | 10,074,946 | 11,049,252 | 2,796,451 | 1,054,954 | 1,153,937 | 98,983 | 862,073 |
| Real estate..... | 267,128 | 158,672 | 36,869,322 | 27,533,009 | 21,047,039 | 7,866,728 | 2,622,950 | 4,437,888 | 1,814,938 | 3,171,754 |
| Real estate operators and lessors of buildings..... | 159,656 | 101,156 | 16,443,350 | 11,887,211 | 6,639,377 | 2,495,532 | 1,420,312 | 2,252,777 | 832,465 | 1,810,388 |
| Lessors of mining, oil, and similar property..... | 905 | 591 | 349,059 | 278,207 | 142,198 | 69,167 | 55,095 | 63,967 | 8,872 | 56,906 |
| Lessors of railroad property, and of real property, not elsewhere classified..... | 7,848 | 4,345 | 240,411 | 173,809 | 54,490 | 10,213 | 16,475 | 57,892 | 41,417 | 46,825 |
| Condominium management and cooperative housing associations..... | 4,095 | 1,151 | 501,617 | 149,683 | 349,443 | — | 37,668 | 4,445 | 42,113 | 2,902 |
| Subdividers and developers..... | 30,367 | 16,851 | 5,911,621 | 4,479,910 | 1,781,390 | 927,965 | 614,341 | 1,165,919 | 551,578 | 703,625 |
| Other real estate..... | 64,257 | 34,578 | 13,223,264 | 10,464,189 | 12,080,141 | 4,348,377 | 554,395 | 892,888 | 338,493 | 551,108 |
| Holding and other investment companies, except bank holding companies..... | 44,527 | 29,203 | 10,786,317 | 8,925,174 | 1,620,244 | 874,122 | 5,020,015 | 5,679,686 | 659,671 | 931,371 |
| Regulated investment companies..... | 1,306 | 1,032 | 4,363,711 | 4,193,933 | 212 | — | 3,715,963 | 3,717,489 | *1,526 | *2,022 |
| Real estate investment trusts..... | 455 | 235 | 1,157,585 | 397,586 | 36,383 | 25,762 | — | 94,300 | 74,410 | 168,710 |
| Small business investment companies..... | 577 | 475 | 72,936 | 55,310 | 7,283 | — | 18,203 | 24,485 | 6,282 | 16,087 |
| Other holding and investment companies, except bank holding companies..... | 42,189 | 27,461 | 5,192,085 | 4,278,345 | 1,576,366 | 848,360 | 1,380,149 | 1,863,302 | 483,153 | 913,237 |
| Services..... | 516,367 | 312,594 | 183,007,786 | 147,110,723 | 175,568,702 | 88,873,389 | 6,596,830 | 9,280,612 | 2,683,782 | 6,880,410 |
| Hotels and other lodging places..... | 15,546 | 8,482 | 11,855,006 | 8,965,668 | 10,989,330 | 5,473,090 | 405,224 | 688,001 | 282,777 | 479,269 |
| Personal services..... | 40,058 | 24,094 | 10,009,794 | 7,932,622 | 9,718,970 | 4,925,888 | 431,095 | 538,224 | 107,129 | 388,654 |
| Business services..... | 125,782 | 75,812 | 56,056,923 | 46,494,544 | 53,768,653 | 31,429,378 | 2,288,065 | 3,068,451 | 780,366 | 2,347,596 |
| Advertising..... | 14,605 | 9,108 | 16,260,095 | 14,946,313 | 15,992,652 | 11,941,358 | 526,335 | 602,296 | 75,961 | 535,593 |
| Business services, except advertising..... | 111,177 | 66,704 | 39,796,828 | 31,548,231 | 37,776,001 | 19,488,020 | 1,761,730 | 2,466,155 | 704,425 | 1,812,003 |
| Auto repair; miscellaneous repair services..... | 61,619 | 39,888 | 18,990,568 | 15,456,013 | 18,237,913 | 10,180,079 | 655,357 | 840,582 | 185,225 | 674,742 |
| Auto repair and services..... | 42,212 | 26,436 | 14,092,292 | 11,552,883 | 13,377,122 | 7,058,166 | 466,856 | 605,459 | 138,603 | 490,685 |
| Miscellaneous repair services..... | 19,407 | 13,452 | 4,898,276 | 3,903,130 | 4,860,791 | 3,121,913 | 188,501 | 235,123 | 46,222 | 184,057 |
| Amusement and recreation services..... | 40,660 | 21,895 | 21,227,669 | 17,749,780 | 19,586,029 | 10,255,220 | 1,048,795 | 1,477,256 | 428,461 | 1,142,961 |
| Motion picture production, distribution, and services..... | 4,888 | 1,982 | 7,184,182 | 6,643,159 | 6,528,428 | 3,506,525 | 436,463 | 511,290 | 74,827 | 437,634 |
| Motion picture theaters..... | 3,121 | 2,010 | 2,474,804 | 1,926,711 | 2,319,931 | 1,244,624 | 97,549 | 117,972 | 20,423 | 103,662 |
| Amusement and recreation services, except motion pictures..... | 32,671 | 17,903 | 11,568,683 | 9,179,910 | 10,737,614 | 5,504,071 | 514,793 | 847,994 | 333,211 | 601,665 |
| Other services..... | 232,722 | 142,423 | 64,867,826 | 50,512,096 | 63,287,807 | 26,609,734 | 1,768,294 | 2,668,098 | 899,804 | 1,847,188 |
| Offices of physicians, including osteopathic physicians..... | 61,543 | 45,711 | 18,443,305 | 14,480,838 | 18,306,707 | 4,202,448 | 329,889 | 448,288 | 119,399 | 405,036 |
| Offices of dentists..... | 18,672 | 14,172 | 3,867,849 | 3,066,473 | 3,839,480 | 1,192,450 | 77,512 | 91,147 | 13,605 | 77,738 |
| Offices of other health practitioners..... | 4,322 | 3,131 | 894,972 | 730,277 | 883,753 | 336,728 | 34,066 | 41,084 | *7,018 | 36,558 |
| Nursing and personal care facilities..... | 7,737 | 4,832 | 5,349,302 | 4,397,995 | 5,212,981 | 3,205,578 | 173,405 | 239,324 | 65,919 | 147,370 |
| Hospitals..... | 832 | 862 | 3,369,278 | 3,065,465 | 3,232,774 | 1,833,543 | 134,050 | 156,344 | 22,294 | 143,238 |
| Medical laboratories..... | 3,125 | 2,125 | 773,391 | 494,976 | 756,140 | 385,871 | 38,707 | 48,826 | 10,119 | 24,843 |
| Other medical services..... | 11,214 | 7,197 | 4,062,578 | 3,926,085 | 4,518,164 | 2,088,044 | 174,461 | 231,322 | 56,861 | 148,471 |
| Legal services..... | 13,543 | 9,814 | 3,270,422 | 2,563,317 | 3,226,254 | 530,435 | 99,036 | 125,103 | 26,067 | 83,891 |
| Educational services..... | 14,358 | 7,119 | 2,201,895 | 1,619,459 | 2,125,713 | 984,010 | 73,525 | 131,096 | 57,571 | 73,435 |
| Social services..... | 3,009 | 1,829 | 544,628 | 393,490 | 541,408 | 325,706 | 25,644 | 31,479 | 5,835 | *16,343 |
| Membership organizations..... | 4,770 | 2,563 | 1,383,116 | 948,195 | 1,240,885 | 618,473 | 30,592 | 52,465 | 21,873 | 38,815 |
| Architectural and engineering services..... | 17,204 | 11,175 | 9,509,852 | 7,217,556 | 9,212,419 | 4,991,074 | 436,458 | 533,276 | 96,818 | 319,061 |
| Accounting, auditing, and bookkeeping services..... | 5,172 | 2,980 | 6,882,752 | 5,644,705 | 6,697,473 | 248,117 | 19,352 | 32,455 | 13,103 | 26,134 |
| Miscellaneous services (including veterinarians), not elsewhere classified..... | 66,921 | 29,113 | 9,945,486 | 7,043,265 | 9,519,656 | 5,667,257 | 122,597 | 505,919 | 383,322 | 306,255 |
| Nature of business not allocable..... | 4,268 | 1,430 | 3,015,136 | 1,510,937 | 2,854,276 | 2,268,575 | — | 184,657 | 66,776 | 251,433 |

Corporation Returns/1977

RETURNS OF ACTIVE CORPORATIONS

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

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

| Minor industry | Total income tax | Foreign tax credit | Investment credit | New jobs credit | Total income tax after credits ¹ | Distributions to stockholders except in own stock | | Total assets | Net worth | Depreciable assets | Depreciation deduction |
|--|-------------------|--------------------|-------------------|------------------|---|---|-------------------------|----------------------|----------------------|----------------------|------------------------|
| | | | | | | All returns | Returns with net income | | | | |
| | | | | | | | | | | | |
| Total returns of active corporations | 96,340,453 | 26,006,628 | 11,038,404 | 1,703,838 | 56,735,169 | 61,538,761 | 58,891,658 | 5,326,389,281 | 1,350,970,865 | 1,536,011,959 | 106,972,692 |
| Agriculture, forestry, and fishing | 401,946 | 25,645 | 76,414 | 12,778 | 288,940 | 387,651 | 378,173 | 28,902,259 | 8,927,574 | 18,853,654 | 1,474,026 |
| Agricultural production | 329,878 | 25,372 | 59,884 | 6,773 | 235,694 | 314,624 | 308,278 | 25,134,880 | 7,666,976 | 13,838,749 | 1,164,235 |
| Agricultural services (except veterinarians), forestry, fishing, hunting, and trapping | 72,068 | *273 | 16,530 | 4,005 | 51,246 | 73,027 | 69,895 | 3,767,379 | 1,260,578 | 3,014,905 | 309,791 |
| Mining | 15,263,122 | 13,958,967 | 223,125 | 27,131 | 1,053,804 | 1,845,098 | 1,804,696 | 88,377,059 | 42,681,609 | 44,961,816 | 3,043,533 |
| Metal mining | 96,321 | 56,266 | 5,772 | *563 | 150,864 | 33,685 | 132,458 | 11,777,577 | 6,039,195 | 5,661,515 | 280,310 |
| Iron ores | 28,471 | 13,560 | *2,228 | — | *12,680 | *63,981 | *63,981 | 3,090,666 | 1,342,145 | 1,943,949 | 89,149 |
| Copper, lead and zinc, gold and silver ores | 55,670 | *39,367 | *1,731 | *541 | 13,999 | *79,550 | *63,040 | 7,786,243 | 4,351,425 | 3,261,611 | 155,234 |
| Other metal mining | *12,180 | 3,339 | *1,813 | 22 | *7,006 | 7,333 | 5,437 | 900,668 | 345,625 | 455,955 | 35,927 |
| Coal mining | 241,408 | 2,491 | 49,211 | 5,185 | 184,515 | 228,678 | 184,854 | 11,810,349 | 5,272,777 | 7,263,153 | 813,054 |
| Oil and gas extraction | 14,797,508 | 13,898,203 | 135,981 | 16,108 | 747,165 | 1,387,684 | 1,378,386 | 57,477,734 | 27,774,768 | 25,845,181 | 1,521,476 |
| Crude petroleum, natural gas, and natural gas liquids | 14,064,914 | 13,620,131 | 60,249 | 2,458 | 382,025 | 1,213,147 | 1,204,419 | 44,347,578 | 22,150,326 | 18,211,167 | 749,153 |
| Oil and gas field services | 732,594 | 278,072 | 75,732 | 13,650 | 365,140 | 174,537 | 173,967 | 13,130,156 | 5,624,442 | 7,634,014 | 772,323 |
| Nonmetallic minerals, except fuels | 127,885 | 2,007 | 32,161 | 5,275 | 88,439 | 177,872 | 108,998 | 7,311,399 | 3,594,869 | 5,831,967 | 428,693 |
| Dimension, crushed, and broken stone; sand and gravel | 99,234 | *1,070 | 25,796 | 4,392 | 67,974 | 66,271 | 63,865 | 3,746,996 | 1,940,985 | 3,681,037 | 299,943 |
| Other nonmetallic minerals, except fuels | 28,651 | 937 | 6,365 | 883 | 20,465 | 111,601 | 45,133 | 3,564,403 | 1,653,884 | 2,150,930 | 128,750 |
| Construction | 1,919,876 | 122,733 | 220,829 | 238,736 | 1,335,283 | 556,171 | 526,465 | 91,222,022 | 23,091,866 | 34,232,185 | 3,176,543 |
| General building contractors and operative builders | 712,000 | 45,047 | 56,445 | 70,204 | 539,692 | 159,269 | 139,979 | 45,012,301 | 7,764,756 | 10,452,228 | 865,981 |
| General building contractors | 613,547 | 44,803 | 52,481 | 67,822 | 447,829 | 147,322 | 128,917 | 40,458,653 | 7,223,941 | 9,680,253 | 815,975 |
| Operative builders | 98,453 | 244 | 3,964 | 2,382 | 91,863 | 11,947 | 11,812 | 4,553,648 | 540,815 | 771,975 | 50,406 |
| Heavy construction contractors | 596,487 | 75,277 | 90,196 | 36,739 | 393,494 | 211,403 | 208,012 | 20,933,024 | 7,411,868 | 13,383,873 | 1,161,294 |
| Special trade contractors | 611,389 | 2,409 | 73,988 | 131,793 | 402,097 | 185,499 | 178,854 | 25,276,697 | 7,915,242 | 10,396,084 | 1,149,268 |
| Plumbing, heating, and air conditioning | 138,124 | *17 | 11,855 | 35,540 | 90,860 | 33,218 | 32,820 | 6,554,423 | 5,272,592 | 1,717,294 | 187,278 |
| Electrical work | 84,142 | 2 | 6,888 | 19,236 | 57,985 | 21,278 | 17,304 | 4,078,123 | 1,244,299 | 1,180,562 | 128,329 |
| Other special trade contractors and contractors not allocable | 389,123 | *2,390 | 55,445 | 77,017 | 253,252 | 131,003 | 128,730 | 14,644,151 | 4,778,351 | 7,498,228 | 833,661 |
| Manufacturing | 47,434,803 | 10,154,318 | 4,607,188 | 558,785 | 31,305,693 | 26,913,387 | 25,922,370 | 1,182,263,458 | 547,343,667 | 602,208,407 | 44,372,471 |
| Food and kindred products | 3,768,403 | 409,159 | 367,955 | 36,532 | 2,884,508 | 2,169,116 | 2,122,213 | 94,030,465 | 45,754,198 | 48,266,762 | 3,789,536 |
| Meat products | 367,534 | *35,989 | 48,839 | 4,944 | 277,222 | 190,923 | 187,302 | 12,274,124 | 4,768,578 | 6,420,178 | 711,104 |
| Dairy products | 520,394 | *47,485 | 43,504 | 2,749 | 426,151 | 264,262 | 264,121 | 11,311,424 | 5,741,414 | 5,891,004 | 462,770 |
| Preserved fruits and vegetables | 374,884 | 53,978 | 44,845 | 5,154 | 270,824 | 254,610 | 254,395 | 13,067,905 | 6,594,567 | 5,275,933 | 443,764 |
| Grain mill products | 606,952 | 70,628 | 53,020 | 2,253 | 477,041 | 362,754 | 361,523 | 12,310,329 | 6,204,918 | 6,430,402 | 434,771 |
| Bakery products | 155,626 | *342 | 19,850 | 4,054 | 131,378 | 107,847 | 107,847 | 107,352 | 4,270,666 | 4,201,325 | 228,414 |
| Sugar and confectionery products | 152,876 | 19,640 | 10,928 | 2,604 | 111,489 | 83,034 | 75,223 | 7,069,323 | 3,053,810 | 3,566,916 | 232,833 |
| Malt liquors and malt | 146,090 | 128 | 23,703 | 304 | 121,944 | 78,638 | 75,223 | 4,272,614 | 2,000,776 | 4,195,143 | 305,409 |
| Alcoholic beverages, except malt liquors and malt | 218,721 | 7,425 | 18,661 | 683 | 181,547 | 111,243 | 111,086 | 8,872,555 | 3,860,550 | 2,574,440 | 140,082 |
| Bottled soft drinks, and flavorings | 696,777 | 143,871 | 49,057 | 6,995 | 473,206 | 401,207 | 401,407 | 8,843,292 | 6,228,609 | 4,937,572 | 450,862 |
| Other food and kindred products | 528,549 | 29,673 | 54,748 | 6,792 | 413,702 | 314,598 | 301,804 | 11,538,233 | 5,719,576 | 5,759,382 | 398,527 |
| Tobacco manufactures | 853,300 | 119,727 | 41,169 | *430 | 681,788 | 441,330 | 433,931 | 18,693,166 | 9,229,957 | 4,770,477 | 385,578 |
| Textile mill products | 721,348 | 7,638 | 88,564 | 21,595 | 596,646 | 264,089 | 258,888 | 19,824,326 | 10,019,788 | 13,959,357 | 959,040 |
| Weaving mills and textile finishing | 263,013 | 1,141 | 31,573 | 4,540 | 225,636 | 87,650 | 83,711 | 6,991,024 | 3,829,995 | 5,345,707 | 363,239 |
| Knitting mills | 107,763 | 1,997 | 11,821 | 6,196 | 82,398 | 31,370 | 31,370 | 2,885,248 | 1,295,641 | 1,661,514 | 130,444 |
| Other textile mill products | 350,572 | 5,500 | 45,170 | 10,859 | 288,612 | 145,069 | 143,807 | 9,948,054 | 4,894,152 | 6,588,136 | 465,577 |
| Apparel and other textile products | 794,120 | 22,932 | 30,557 | 32,316 | 680,766 | 222,785 | 220,136 | 17,480,919 | 7,800,205 | 4,670,455 | 372,670 |
| Men's and boys' clothing | 346,996 | 16,728 | 11,462 | 5,809 | 303,727 | 92,500 | 92,493 | 6,597,844 | 3,189,825 | 1,628,220 | 126,543 |
| Women's and children's clothing | 318,199 | 4,625 | 13,021 | 11,788 | 274,428 | 105,729 | 105,389 | 7,397,405 | 3,190,171 | 2,078,822 | 163,422 |
| Other apparel and accessories | 44,338 | *114 | 2,246 | 7,766 | 33,166 | 7,892 | 5,690 | 1,253,655 | 514,031 | 288,827 | 30,461 |
| Miscellaneous fabricated textile products; textile products, not elsewhere classified | 84,587 | *1,465 | 3,828 | 6,953 | 69,447 | 16,664 | 16,664 | 2,232,015 | 926,178 | 674,586 | 52,244 |
| Lumber and wood products | 1,009,081 | 31,312 | 182,474 | 27,606 | 767,423 | 497,884 | 497,223 | 29,861,754 | 13,957,238 | 18,418,892 | 1,398,732 |
| Logging, sawmills, and planing mills | 430,819 | 20,233 | 96,312 | 7,780 | 306,461 | 236,393 | 236,393 | 236,393 | 13,836,886 | 7,111,472 | 8,957,283 |
| Millwork, plywood, and related products | 398,212 | 8,957 | 67,493 | 10,553 | 311,163 | 206,693 | 206,271 | 10,041,505 | 4,639,728 | 6,657,061 | 513,027 |
| Other wood products, including wood buildings and mobile homes | 180,050 | *2,122 | 18,669 | 9,273 | 149,799 | 54,798 | 54,559 | 5,883,363 | 2,206,038 | 2,800,546 | 201,786 |
| Furniture and fixtures | 324,816 | 4,330 | 19,637 | 20,477 | 290,031 | 72,796 | 68,493 | 7,106,788 | 3,156,991 | 3,094,077 | 233,600 |
| Paper and allied products | 1,262,457 | 135,914 | 195,212 | 10,564 | 918,424 | 659,789 | 659,789 | 34,306,613 | 17,879,188 | 26,051,950 | 1,822,121 |
| Pulp, paper, and board mills | 604,280 | 74,086 | 117,345 | 3,183 | 409,432 | 458,966 | 454,482 | 22,584,903 | 11,187,675 | 17,805,957 | 1,197,223 |
| Other paper products | 658,177 | 61,828 | 77,867 | 7,381 | 509,992 | 399,823 | 399,395 | 11,721,710 | 6,660,513 | 8,245,993 | 624,898 |
| Printing and publishing | 1,905,374 | 57,051 | 118,957 | 31,137 | 1,699,998 | 846,939 | 759,368 | 33,785,363 | 17,211,258 | 16,459,752 | 1,281,118 |
| Newspapers | 920,326 | 3,950 | 43,816 | 7,731 | 864,826 | 375,992 | 375,866 | 13,152,986 | 7,788,401 | 6,633,329 | 495,548 |
| Periodicals | 191,659 | 24,797 | 11,237 | 2,403 | 153,062 | 80,951 | 79,846 | 4,041,063 | 1,512,162 | 1,551,633 | 117,418 |
| Books, greeting cards, and miscellaneous publishing | 387,802 | 25,576 | 18,359 | 3,746 | 342,110 | 234,901 | 150,991 | 7,319,339 | 3,265,933 | 2,166,548 | 164,039 |
| Commercial and other printing and printing trade services | 405,597 | 2,728 | 45,545 | 17,257 | 340,000 | 155,095 | 153,565 | 9,251,975 | 4,644,762 | 6,108,242 | 484,113 |
| Chemicals and allied products | 5,303,616 | 904,190 | 569,923 | 24,048 | 3,362,547 | 3,866,684 | 3,780,975 | 105,403,697 | 54,002,853 | 67,940,677 | 5,071,288 |
| Industrial chemicals, plastics materials and synthetics | 2,172,277 | 337,921 | 428,834 | 9,722 | 1,341,108 | 1,462,576 | 1,458,676 | 52,903,142 | 25,762,917 | 45,883,217 | 3,414,765 |
| Drugs | 1,708,038 | 295,610 | 54,512 | 4,852 | 973,674 | 1,462,543 | 1,433,009 | 25,318,996 | 15,123,108 | 8,513,574 | 610,408 |
| Soap, cleaners, and toilet goods | 962,580 | 188,554 | 29,798 | 3,237 | 740,392 | 843,437 | 836,759 | 10,383,679 | 6,194,468 | 6,987,799 | 293,094 |
| Paints and allied products | 125,466 | 6,408 | 4,925 | 2,252 | 111,455 | 56,011 | 45,983 | 2,858,102 | 1,328,241 | 1,228,654 | 88,220 |
| Agricultural and other chemical products | 335,255 | 75,697 | 51,854 | 3,885 | 195,918 | 242,117 | 206,548 | 14,139,778 | 5,594,119 | 8,627,433 | 664,801 |
| Petroleum (including integrated) and coal products | 7,798,059 | 4,040,826 | 1,012,212 | 4,966 | 2,814,762 | 5,052,368 | 4,987,188 | 237,840,080 | 115,939,604 | 117,180,439 | 6,442,146 |
| Petroleum refining (including integrated) | 7,776,673 | 4,036,375 | 1,002,656 | 3,592 | 2,717,775 | 5,003,766 | 4,938,671 | 235,560,211 | 114,775,493 | 115,880,952 | 6,341,682 |
| Petroleum and coal products, not elsewhere classified | 121,386 | *4,451 | 9,556 | 1,374 | 96,987 | 48,602 | 48,497 | 2,278,869 | 1,164,111 | 1,299,487 | 100,464 |
| Rubber and miscellaneous plastics products | 792,373 | 95,620 | 101,804 | 29,485 | 561,089 | | | | | | |

RETURNS OF ACTIVE CORPORATIONS

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

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

| Minor industry | Total income tax | Foreign tax credit | Investment credit | New jobs credit | Total income tax after credits | Distributions to stockholders except in own stock | | Total assets | Net worth | Depreciable assets | Depreciation deduction |
|---|------------------|--------------------|-------------------|-----------------|--------------------------------|---|-------------------------|--------------|-------------|--------------------|------------------------|
| | | | | | | All returns | Returns with net income | | | | |
| | | | | | | (11) | (12) | | | | |
| Manufacturing—Continued | | | | | | | | | | | |
| Primary metal industries..... | 1,103,027 | 160,215 | 155,095 | 17,143 | 769,931 | 1,316,193 | 899,728 | 92,502,236 | 41,879,222 | 67,536,886 | 3,603,164 |
| Ferrous metal industries; miscellaneous primary metal products..... | 695,256 | 47,274 | 85,219 | 9,378 | 553,102 | 810,386 | 463,243 | 50,398,137 | 23,997,252 | 47,493,822 | 2,499,558 |
| Nonferrous metal industries..... | 407,771 | 112,941 | 69,876 | 7,765 | 216,829 | 505,807 | 436,485 | 42,104,099 | 17,881,970 | 20,043,064 | 1,103,606 |
| Fabricated metal products..... | 2,416,473 | 173,249 | 191,408 | 88,062 | 1,956,343 | 861,257 | 848,207 | 51,506,962 | 25,032,670 | 25,476,765 | 1,970,478 |
| Metal cans and shipping containers..... | 227,240 | 46,489 | 30,252 | 2,538 | 140,598 | 166,829 | 166,829 | 6,893,506 | 3,445,836 | 3,599,186 | 281,618 |
| Cutlery, hand tools, and hardware; screw machine products, bolts, and similar products..... | 403,138 | 32,856 | 28,697 | 9,570 | 331,261 | 162,065 | 159,220 | 6,761,234 | 3,558,265 | 3,434,852 | 286,386 |
| Plumbing and heating, except electric and warm air..... | 233,963 | 31,858 | 12,484 | 4,639 | 184,668 | 69,159 | 68,853 | 3,752,953 | 1,947,029 | 1,682,106 | 115,742 |
| Fabricated structural metal products..... | 537,038 | 32,252 | 33,017 | 23,414 | 447,970 | 148,568 | 142,872 | 12,239,208 | 5,307,586 | 5,204,609 | 402,926 |
| Metal forgings and stampings..... | 233,584 | 4,137 | 24,766 | 7,146 | 197,366 | 56,583 | 53,660 | 4,825,189 | 2,504,772 | 2,936,865 | 219,430 |
| Coating, engraving, and allied services..... | 58,248 | *1,426 | 9,673 | 5,072 | 42,055 | 21,767 | 21,767 | 1,848,321 | 746,760 | 1,229,158 | 97,248 |
| Ordnance and accessories, except vehicles and guided missiles..... | 35,124 | 441 | 1,844 | *976 | 31,751 | 17,062 | 16,803 | 597,040 | 326,357 | 311,817 | 21,672 |
| Miscellaneous fabricated metal products..... | 688,138 | 23,790 | 50,575 | 32,707 | 580,674 | 219,224 | 218,203 | 14,589,511 | 7,196,065 | 7,078,172 | 545,456 |
| Machinery, except electrical..... | 5,896,018 | 1,624,031 | 374,862 | 64,429 | 3,821,112 | 3,465,551 | 3,372,921 | 114,577,828 | 51,819,898 | 47,249,239 | 4,466,723 |
| Farm machinery..... | 237,643 | 28,606 | 23,247 | 3,031 | 184,688 | 107,550 | 99,180 | 10,041,358 | 3,684,953 | 2,673,193 | 228,921 |
| Construction and related machinery..... | 1,146,976 | 137,743 | 95,239 | 7,685 | 906,088 | 511,953 | 511,085 | 21,056,207 | 9,564,598 | 9,563,877 | 937,927 |
| Metalworking machinery..... | 335,342 | 29,014 | 31,987 | 17,615 | 255,892 | 90,528 | 89,947 | 6,930,891 | 3,536,713 | 3,864,045 | 276,729 |
| Special industry machinery..... | 335,507 | 57,435 | 19,904 | 8,091 | 249,772 | 120,371 | 119,333 | 7,679,465 | 3,620,654 | 3,902,408 | 239,577 |
| General industrial machinery..... | 459,070 | 75,688 | 27,012 | 8,944 | 347,388 | 221,251 | 188,196 | 10,213,841 | 4,813,457 | 4,195,670 | 311,627 |
| Office, computing, and accounting machines..... | 2,925,283 | 1,270,087 | 145,867 | 6,914 | 1,501,691 | 2,221,759 | 2,221,606 | 48,293,075 | 21,824,988 | 19,544,120 | 2,101,043 |
| Other machinery, except electrical..... | 456,197 | 27,458 | 31,516 | 12,149 | 375,932 | 192,139 | 143,574 | 10,362,991 | 4,674,535 | 4,315,926 | 370,899 |
| Electrical and electronic equipment..... | 3,730,561 | 704,168 | 367,848 | 57,439 | 2,473,273 | 1,845,037 | 1,815,281 | 96,099,283 | 38,390,424 | 35,755,076 | 3,489,946 |
| Household appliances..... | 436,223 | 59,762 | 15,855 | 4,025 | 356,332 | 173,804 | 173,804 | 7,917,164 | 3,860,376 | 2,882,632 | 235,370 |
| Radio, television, and communication equipment..... | 769,590 | 246,895 | 99,608 | 9,467 | 387,503 | 437,548 | 433,634 | 26,098,955 | 9,264,138 | 7,577,523 | 876,679 |
| Electronic components and accessories..... | 728,139 | 73,193 | 73,174 | 25,282 | 537,917 | 199,614 | 174,311 | 18,919,224 | 8,092,113 | 6,599,248 | 686,723 |
| Other electrical equipment..... | 1,786,609 | 324,328 | 179,211 | 18,665 | 1,191,521 | 1,034,035 | 1,033,532 | 43,163,940 | 17,173,797 | 18,695,673 | 1,691,176 |
| Motor vehicles and equipment..... | 5,632,218 | 1,228,566 | 411,810 | 14,043 | 3,967,294 | 2,808,355 | 2,805,376 | 102,590,127 | 36,181,617 | 39,118,643 | 4,047,580 |
| Transportation equipment, except motor vehicles..... | 879,107 | 88,958 | 88,221 | 10,964 | 690,530 | 549,686 | 451,099 | 37,738,183 | 14,327,206 | 16,045,161 | 1,200,136 |
| Aircraft, guided missiles and parts..... | 645,708 | 73,825 | 66,534 | 3,807 | 501,156 | 450,403 | 352,278 | 28,875,625 | 10,498,155 | 12,614,928 | 946,851 |
| Ship and boat building and repairing..... | 62,850 | *3,711 | 6,163 | 1,501 | 51,441 | 47,981 | 47,747 | 5,123,684 | 2,200,152 | 1,362,480 | 97,212 |
| Other transportation equipment, except motor vehicles..... | 170,549 | 11,422 | 15,524 | 5,656 | 137,933 | 51,302 | 51,074 | 3,738,874 | 1,628,899 | 2,067,753 | 156,073 |
| Instruments and related products..... | 1,315,307 | 202,475 | 80,284 | 18,623 | 977,761 | 600,374 | 594,867 | 19,271,009 | 11,285,950 | 9,780,825 | 791,620 |
| Scientific instruments and measuring devices; watches and clocks..... | 362,703 | 34,757 | 17,870 | 9,405 | 291,637 | 98,260 | 97,671 | 6,579,557 | 3,186,368 | 2,407,264 | 193,359 |
| Optical, medical, and ophthalmic goods..... | 401,103 | 76,189 | 23,100 | 8,575 | 266,713 | 128,360 | 128,269 | 6,440,487 | 3,704,018 | 2,486,822 | 217,433 |
| Photographic equipment and supplies..... | 551,501 | *91,529 | 39,314 | *643 | 419,411 | 373,754 | 368,927 | 6,250,965 | 4,395,564 | 4,886,739 | 380,828 |
| Miscellaneous manufacturing and manufacturing not allocable..... | 605,004 | 41,822 | 36,098 | 24,102 | 485,565 | 166,097 | 181,528 | 15,119,601 | 6,731,368 | 5,465,608 | 468,799 |
| Transportation and public utilities..... | | | | | | | | | | | |
| Transportation..... | 8,870,780 | 147,967 | 4,143,315 | 70,723 | 4,486,645 | 11,836,726 | 11,411,318 | 538,778,308 | 218,166,812 | 518,697,285 | 26,760,500 |
| Railroad transportation..... | 2,179,966 | 83,051 | 971,905 | 55,620 | 1,068,962 | 1,268,843 | 1,164,308 | 126,989,606 | 46,288,243 | 105,885,679 | 6,389,199 |
| Local and interurban passenger transit..... | 503,739 | 8,203 | 384,326 | 3,303 | 110,899 | 560,258 | 482,567 | 53,183,888 | 21,256,822 | 14,499,623 | 1,285,783 |
| Trucking and warehousing..... | 24,903 | (*) | 10,321 | 2,077 | 12,105 | 14,126 | 13,822 | 1,437,688 | 498,119 | 2,266,849 | 148,379 |
| Water transportation..... | 645,752 | 6,466 | 161,034 | 38,772 | 439,252 | 202,276 | 198,362 | 23,857,629 | 9,612,175 | 18,986,933 | 2,063,990 |
| Transportation by air..... | 155,539 | 14,824 | 27,850 | 5,891 | 106,885 | 94,246 | 72,216 | 10,103,148 | 3,059,148 | 7,188,233 | 502,884 |
| Pipelines, except natural gas..... | 500,136 | 41,609 | 341,309 | 1,153 | 116,065 | 105,707 | 105,198 | 22,320,858 | 7,505,014 | 22,320,858 | 1,629,404 |
| Transportation services, not elsewhere classified..... | 214,206 | 1,576 | 17,789 | *480 | 194,361 | 202,370 | 202,370 | 5,873,463 | 1,284,468 | 5,779,943 | 307,242 |
| Communication..... | 135,691 | 10,373 | 29,276 | 6,644 | 89,395 | 89,860 | 89,773 | 10,212,932 | 3,071,497 | 6,145,803 | 451,517 |
| Telephone, telegraph, and other communication services..... | 2,890,174 | 40,140 | 1,376,977 | 6,482 | 1,445,024 | 3,771,600 | 3,768,435 | 147,276,756 | 65,583,378 | 143,131,721 | 10,212,073 |
| Radio and television broadcasting..... | 2,313,382 | 21,253 | 1,339,991 | 3,222 | 929,775 | 3,541,034 | 3,538,271 | 138,023,801 | 61,216,163 | 138,816,940 | 9,774,224 |
| Electric, gas, and sanitary services..... | 576,792 | *18,887 | 36,986 | 3,260 | 515,249 | 230,566 | 230,164 | 9,252,955 | 4,367,215 | 4,312,781 | 437,848 |
| Electric services..... | 3,800,640 | 24,776 | 1,794,433 | 8,621 | 1,972,659 | 6,796,283 | 6,478,575 | 264,511,946 | 106,295,191 | 269,679,885 | 10,159,228 |
| Gas production and distribution..... | 1,288,872 | 155 | 91,618 | 2,174 | 368,909 | 3,053,449 | 2,857,263 | 120,212,754 | 48,395,476 | 127,207,053 | 4,864,573 |
| Combination utility services..... | 1,504,583 | 21,591 | 316,149 | 2,208 | 1,164,542 | 1,312,562 | 1,303,689 | 59,890,174 | 22,238,734 | 52,780,828 | 2,130,274 |
| Water supply and other sanitary services..... | 890,892 | 1,527 | 532,849 | 1,982 | 354,492 | 2,341,875 | 2,229,536 | 78,254,323 | 33,454,312 | 83,842,896 | 2,859,572 |
| Miscellaneous manufacturing and manufacturing not allocable..... | 116,293 | 1,503 | 27,817 | 2,257 | 84,716 | 88,397 | 88,087 | 6,154,785 | 2,206,669 | 5,849,108 | 304,809 |
| Wholesale and retail trade..... | | | | | | | | | | | |
| Wholesale trade..... | 10,547,774 | 604,147 | 826,490 | 474,527 | 8,629,935 | 6,845,280 | 6,732,712 | 414,850,094 | 152,665,435 | 123,351,092 | 11,166,222 |
| Groceries and related products..... | 5,136,157 | 511,949 | 319,104 | 183,840 | 4,115,895 | 4,410,192 | 4,348,222 | 212,756,662 | 80,820,876 | 45,601,266 | 4,297,519 |
| Machinery, equipment, and supplies..... | 431,621 | 1,917 | 41,602 | 20,269 | 367,237 | 197,094 | 194,012 | 18,178,591 | 6,105,550 | 6,079,585 | 550,174 |
| Miscellaneous wholesale trade..... | 937,699 | 15,107 | 66,585 | 34,352 | 820,890 | 1,409,615 | 1,402,378 | 36,510,347 | 14,720,210 | 7,041,683 | 889,296 |
| Motor vehicles and automotive equipment..... | 3,766,837 | 494,925 | 210,917 | 129,219 | 2,927,768 | 2,803,483 | 2,751,832 | 150,067,724 | 59,995,116 | 32,479,998 | 2,858,049 |
| Furniture and home furnishings..... | 481,548 | 2,077 | 16,835 | 18,975 | 443,644 | 349,642 | 348,376 | 14,776,253 | 5,886,738 | 2,586,932 | 246,023 |
| Lumber and construction materials..... | 47,439 | *1,128 | 2,712 | 2,854 | 40,679 | 15,992 | 15,616 | 1,880,001 | 628,905 | 310,746 | 29,938 |
| Sporting, recreational, photographic, and hobby goods, toys, and supplies..... | 245,724 | *94 | 16,866 | 14,985 | 213,622 | 111,786 | 110,879 | 8,081,759 | 3,051,281 | 2,083,646 | 186,232 |
| Metals and minerals, except petroleum and scrap..... | 35,873 | *151 | 1,616 | 1,963 | 32,139 | 11,641 | 11,019 | 1,476,653 | 476,678 | 215,915 | 20,792 |
| Electrical goods..... | 225,292 | 13,202 | 15,836 | 6,643 | 189,529 | 136,458 | 131,794 | 11,690,074 | 3,304,120 | 1,952,426 | 172,355 |
| Hardware, plumbing, and heating equipment and supplies..... | 312,173 | 544 | 11,252 | 11,318 | 288,936 | 371,309 | 367,646 | 11,993,516 | 4,833,946 | 1,310,904 | 136,869 |
| Other durable goods..... | 263,248 | *722 | 11,952 | 13,844 | 236,450 | 58,741 | 56,962 | 9,676,476 | 3,990,395 | 1,696,672 | 147,096 |
| Paper and paper products..... | 423,084 | 10,759 | 22,032 | 16,658 | 373,498 | 372,682 | 367,571 | 21,018,978 | 7,038,103 | 3,310,768 | 334,546 |
| Drugs, drug proprietaries, and druggists' sundries..... | 80,968 | *242 | 4,511 | 3,119 | 71,389 | 75,791 | 74,539 | 3,351,974 | 1,363,217 | 632,461 | 88,476 |
| Apparel, piece goods, and notions..... | 66,891 | *548 | 4,038 | 3,296 | 58,072 | 88,202 | 86,757 | 2,787,466 | 919,905 | 485,841 | 43,816 |
| Farm-product raw materials..... | 167,024 | 3,684 | 5,532 | 7,244 | 150,387 | 70,396 | 69,851 | 6,250,681 | 2,087,232 | 1,089,297 | 71,113 |
| Chemicals and allied products..... | 200,185 | 23,558 | 29,576 | 1,910 | 145,140 | 281,282 | 278,756 | 18,980,409 | 6,131,615 | 6,690,825 | 463,761 |
| | | | | | | | | | | | |

RETURNS OF ACTIVE CORPORATIONS

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

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

| Minor industry | Total income tax | Foreign tax credit | Investment credit | New jobs credit | Total income tax after credits | Distributions to stockholders except in own stock | | Total assets | Net worth | Depreciable assets | Depreciation deduction |
|---|------------------|--------------------|-------------------|-----------------|--------------------------------|---|-------------------------|---------------|-------------|--------------------|------------------------|
| | | | | | | All returns | Returns with net income | | | | |
| | (11) | (12) | (13) | (14) | (15) | (16) | (17) | (18) | (19) | (20) | (21) |
| Wholesale and retail trade—Continued | | | | | | | | | | | |
| Retail trade—Continued | | | | | | | | | | | |
| General merchandise stores..... | 1,484,295 | 62,978 | 118,473 | 17,374 | 1,284,809 | 943,440 | 932,433 | 52,359,599 | 19,997,591 | 17,843,769 | 1,298,640 |
| Food stores..... | 764,868 | *8,427 | 112,755 | 29,561 | 611,229 | 312,616 | 306,210 | 24,722,281 | 9,237,727 | 14,955,421 | 1,281,204 |
| Grocery stores..... | 741,767 | *8,427 | 108,578 | 26,983 | 594,897 | 310,065 | 303,901 | 23,886,451 | 9,022,023 | 14,368,939 | 1,226,288 |
| Other food stores..... | 23,101 | — | 4,177 | 2,578 | 16,332 | *2,551 | *2,309 | 835,830 | 215,704 | 586,482 | 54,916 |
| Automotive dealers and service stations..... | 678,411 | *155 | 58,903 | 87,851 | 530,812 | 157,239 | 151,242 | 41,340,354 | 10,409,522 | 10,492,034 | 1,178,119 |
| Motor vehicle dealers..... | 481,726 | *50 | 38,478 | 71,463 | 371,131 | 111,407 | 106,299 | 31,308,544 | 7,251,128 | 6,975,315 | 833,261 |
| Gasoline service stations..... | 70,882 | 22 | 9,125 | 7,119 | 54,612 | 19,606 | 19,606 | 3,811,116 | 1,337,828 | 1,303,024 | 168,238 |
| Other automotive dealers..... | 125,803 | *83 | 11,300 | 9,269 | 105,069 | 26,226 | 25,337 | 6,220,694 | 1,820,566 | 1,613,695 | 176,620 |
| Apparel and accessory stores..... | 421,537 | *616 | 16,777 | 18,505 | 384,383 | 338,440 | 333,690 | 10,464,032 | 5,013,090 | 2,847,564 | 274,867 |
| Furniture and home furnishings stores..... | 244,100 | 12 | 12,380 | 13,173 | 218,132 | 53,862 | 53,316 | 10,465,352 | 4,010,563 | 2,429,571 | 227,032 |
| Eating and drinking places..... | 470,028 | 5,030 | 77,473 | 51,210 | 335,641 | 198,733 | 193,838 | 16,838,205 | 5,048,199 | 13,944,317 | 1,201,019 |
| Miscellaneous retail stores..... | 856,352 | 14,896 | 80,334 | 41,661 | 718,796 | 307,246 | 289,771 | 29,821,733 | 11,590,859 | 10,586,807 | 997,618 |
| Drug stores and proprietary stores..... | 226,012 | 901 | 14,587 | 4,775 | 205,740 | 83,482 | 82,999 | 5,791,723 | 2,548,511 | 1,928,691 | 163,984 |
| Liquor stores..... | 23,103 | — | 2,694 | 1,256 | 19,153 | 11,589 | 11,589 | 1,640,660 | 597,992 | 560,518 | 51,495 |
| Other retail stores..... | 607,237 | 13,995 | 63,053 | 35,630 | 493,903 | 212,175 | 195,183 | 22,398,350 | 8,444,356 | 8,097,598 | 782,139 |
| Wholesale and retail trade not allocable..... | 7,211 | — | 966 | *515 | 5,727 | *2,793 | *2,559 | 453,836 | 153,173 | 87,401 | 11,148 |
| Finance, insurance, and real estate..... | | | | | | | | | | | |
| Banking..... | 9,302,917 | 867,372 | 512,894 | 126,785 | 7,790,084 | 11,604,818 | 10,831,032 | 2,961,478,449 | 322,979,877 | 118,332,922 | 8,053,785 |
| Mutual savings banks..... | 2,153,992 | 586,938 | 259,820 | 49,623 | 1,257,532 | 2,994,935 | 2,729,156 | 1,518,786,059 | 105,998,183 | 27,680,923 | 3,929,971 |
| Bank holding companies..... | 152,765 | 420 | 4,178 | 2,539 | 145,609 | — | — | 143,240,998 | 7,418,627 | 1,571,974 | 86,740 |
| Banks, except mutual savings banks and bank holding companies..... | 1,274,232 | 569,220 | 197,480 | 13,585 | 493,844 | 2,092,886 | 1,927,481 | 974,748,361 | 69,171,876 | 17,545,823 | 2,254,097 |
| Credit agencies other than banks..... | 726,995 | 17,198 | 58,162 | 33,499 | 618,079 | 902,049 | 801,675 | 400,796,700 | 29,407,680 | 8,563,126 | 679,134 |
| Savings and loan associations..... | 1,629,890 | 36,221 | 58,846 | 20,582 | 1,509,657 | 645,391 | 594,383 | 553,446,328 | 28,815,448 | 11,029,155 | 791,471 |
| Personal credit institutions..... | 1,003,958 | 49 | 16,779 | 15,257 | 988,107 | 179,353 | 178,151 | 427,791,089 | 13,769,640 | 6,669,548 | 346,753 |
| Business credit institutions..... | 200,648 | 7,675 | 28,190 | 1,042 | 163,078 | 149,209 | 149,209 | 21,617,643 | 4,213,673 | 1,316,720 | 178,416 |
| Other credit agencies; finance not allocable..... | 125,770 | 6,567 | 8,413 | 306 | 110,373 | 69,716 | 69,716 | 21,744,573 | 2,805,713 | 1,228,077 | 140,560 |
| Security, commodity brokers and services..... | 299,514 | 21,930 | 5,464 | 3,977 | 268,099 | 246,937 | 197,308 | 82,293,023 | 8,026,422 | 1,814,800 | 125,742 |
| Security brokers, dealers, and flotation companies..... | 188,502 | 4,021 | 11,122 | 3,143 | 170,019 | 125,580 | 99,549 | 51,817,223 | 4,821,136 | 1,011,067 | 118,625 |
| Commodity contracts brokers and dealers; security and commodity exchanges; and allied services..... | 150,383 | 3,027 | 9,128 | 2,332 | 135,199 | 95,394 | 69,745 | 48,189,533 | 3,998,790 | 724,446 | 92,891 |
| Insurance..... | 38,119 | *984 | 1,504 | 811 | 34,820 | 30,186 | 29,804 | 3,627,690 | 822,346 | 286,621 | 25,734 |
| Life insurance..... | 3,555,300 | 183,897 | 118,162 | 14,682 | 3,238,402 | 1,820,692 | 1,794,412 | 509,301,779 | 73,124,694 | 6,887,011 | 1,150,631 |
| Mutual insurance, except life or marine and certain fire or flood insurance companies..... | 2,396,974 | 84,708 | 44,967 | 3,918 | 2,263,316 | 708,120 | 698,098 | 347,551,907 | 26,530,359 | 2,620,460 | 541,915 |
| Other insurance companies..... | 365,610 | 2,546 | 9,664 | 3,329 | 350,050 | — | — | 35,053,740 | 9,647,702 | 648,151 | 106,836 |
| Insurance agents, brokers, and service..... | 792,716 | 96,643 | 63,531 | 7,435 | 625,036 | 1,112,572 | 1,096,314 | 126,696,132 | 36,946,633 | 5,418,400 | 501,880 |
| Real estate..... | 339,983 | 10,026 | 14,347 | 12,139 | 303,470 | 219,546 | 216,477 | 1,329,125 | 3,279,365 | 1,264,683 | 169,238 |
| Real estate operators and lessors of buildings..... | 1,090,042 | 3,057 | 43,086 | 24,147 | 1,019,180 | 940,813 | 755,441 | 108,863,846 | 25,561,336 | 63,111,651 | 2,593,140 |
| Lessors of mining, oil, and similar property..... | 596,214 | 3,011 | 22,872 | 3,140 | 567,032 | 626,834 | 481,351 | 64,354,487 | 17,463,561 | 52,290,028 | 2,050,622 |
| Lessors of railroad property, and of real property, not elsewhere classified..... | 22,022 | 4 | 999 | — | 21,019 | 23,590 | 23,590 | 714,895 | 151,221 | 242,432 | 12,692 |
| Condominium management and cooperative housing associations..... | 12,118 | — | 943 | *191 | 10,984 | 12,250 | 12,250 | 1,953,809 | 913,835 | 758,144 | 44,574 |
| Subdividers and developers..... | 623 | — | *9 | — | 614 | — | — | 2,185,928 | 650,414 | 2,038,064 | 43,174 |
| Other real estate..... | 280,630 | 6 | 6,571 | 5,695 | 267,983 | 138,357 | 128,186 | 24,523,821 | 3,402,184 | 3,852,670 | 194,998 |
| Holding and other investment companies, except bank holding companies..... | 178,435 | *36 | 11,892 | 15,121 | 151,548 | 139,782 | 110,064 | 15,130,896 | 2,880,121 | 3,930,313 | 247,080 |
| Regulated investment companies..... | 345,208 | 43,312 | 7,511 | 2,469 | 291,824 | 4,857,661 | 4,641,614 | 107,934,089 | 81,379,715 | 5,548,432 | 200,709 |
| Real estate investment trusts..... | *942 | (¹) | — | — | *942 | 3,446,912 | 3,325,325 | 61,432,522 | 58,403,486 | 90,361 | 849 |
| Small business investment companies..... | *24 | — | — | — | *24 | 131,062 | 73,137 | 9,263,187 | 2,388,528 | 3,243,046 | 88,287 |
| Other holding and investment companies, except bank holding companies..... | 4,751 | *4 | *20 | 4,727 | *4,018 | *2,685 | 681,226 | 270,065 | 11,880 | 666 | 666 |
| Other holding and investment companies, except bank holding companies..... | 339,491 | 43,312 | 7,507 | 2,449 | 286,131 | 1,275,669 | 1,240,467 | 36,557,154 | 20,317,636 | 2,203,145 | 110,907 |
| Services..... | | | | | | | | | | | |
| Hotels and other lodging places..... | 2,584,017 | 124,879 | 426,663 | 193,152 | 1,834,727 | 1,441,254 | 1,277,916 | 119,286,766 | 34,815,641 | 78,773,311 | 8,851,415 |
| Personal services..... | 201,452 | *3,287 | 22,328 | 5,886 | 169,788 | 118,901 | 114,741 | 14,084,260 | 3,306,006 | 12,195,842 | 698,333 |
| Business services..... | 143,898 | 4,767 | 19,474 | 7,345 | 112,281 | 85,579 | 78,679 | 5,542,922 | 2,464,896 | 4,377,859 | 431,033 |
| Advertising..... | 922,875 | 50,568 | 136,676 | 80,184 | 651,962 | 492,629 | 419,637 | 36,129,846 | 10,018,349 | 18,280,921 | 2,412,183 |
| Business services, except advertising..... | 222,593 | 23,116 | 12,927 | 14,205 | 172,258 | 100,077 | 91,584 | 5,487,495 | 1,573,064 | 1,517,082 | 145,247 |
| Auto repair; miscellaneous repair services..... | 700,282 | 27,452 | 123,749 | 65,979 | 479,704 | 392,552 | 328,053 | 30,642,351 | 8,445,285 | 16,763,839 | 2,266,936 |
| Auto repair and services..... | 243,199 | *4,272 | 59,524 | 22,932 | 156,050 | 66,434 | 63,727 | 13,962,914 | 3,219,875 | 12,420,015 | 2,022,368 |
| Miscellaneous repair services..... | 182,436 | *4,272 | 52,916 | 10,259 | 114,808 | 55,496 | 53,179 | 12,207,941 | 2,570,607 | 11,555,236 | 1,918,333 |
| Amusement and recreation services..... | 60,763 | — | 6,608 | 12,673 | 41,242 | 10,938 | 10,548 | 1,754,973 | 649,268 | 864,779 | 104,035 |
| Motion picture production, distribution, and services..... | 490,045 | 48,678 | 95,923 | 8,736 | 336,528 | 248,931 | 226,793 | 19,596,677 | 6,420,779 | 12,814,519 | 1,841,722 |
| Motion picture theaters..... | 198,960 | 43,078 | 63,238 | 1,500 | 91,066 | 94,229 | 77,579 | 7,524,482 | 2,231,389 | 2,106,082 | 1,085,235 |
| Amusement and recreation services, except motion pictures..... | 41,047 | 30 | 5,550 | 1,765 | 33,600 | 12,722 | 12,703 | 1,714,085 | 638,480 | 1,378,563 | 96,021 |
| Other services..... | 250,038 | 5,570 | 27,135 | 5,471 | 211,862 | 141,980 | 136,511 | 10,358,110 | 3,550,910 | 9,329,874 | 660,466 |
| Offices of physicians, including osteopathic physicians..... | 582,548 | 13,307 | 92,738 | 68,069 | 408,118 | 428,780 | 374,339 | 29,970,147 | 9,185,736 | 16,684,155 | 1,445,776 |
| Offices of dentists..... | 89,051 | — | 16,529 | 8,879 | 65,643 | 14,641 | 14,140 | 2,957,852 | 1,257,714 | 2,094,498 | 262,091 |
| Offices of other health practitioners..... | 15,279 | — | 3,742 | 1,898 | 9,639 | *3,691 | *3,567 | 729,042 | 362,346 | 873,166 | 79,637 |
| Nursing and personal care facilities..... | 10,318 | — | 1,726 | *1,300 | 7,292 | *1,714 | *1,714 | 221,059 | 124,423 | 131,560 | 15,650 |
| Hospitals..... | 50,282 | — | 6,554 | 10,824 | 32,834 | 85,896 | 81,454 | 4,247,128 | 770,298 | 3,225,504 | 155,370 |
| Medical laboratories..... | 62,139 | 471 | 17,904 | 4,866 | 38,866 | 10,849 | 10,849 | 2,585,786 | 834,629 | 1,890,130 | 135,342 |
| Other medical services..... | 8,741 | — | 2,981 | *575 | 5,183 | 8,294 | 6,625 | 382,325 | 192,921 | 211,524 | 25,029 |
| Legal services..... | 56,891 | — | 9,862 | 6,091 | 40,925 | 29,501 | 29,299 | 2,513,926 | 824,618 | 1,375,958 | 121,749 |
| Educational services..... | 17,965 | — | 4,299 | 3,684 | 9,982 | *12,836 | *12,572 | 813,107 | 282,040 | 441,806 | 53,292 |
| Social services..... | 23,969 | *37 | 4,187 | 3,751 | 15,975 | 8,593 | 8,593 | 2,893,992 | 874,614 | 1,893,388 | 66,094 |
| Membership organizations..... | *6,965 | (²) | *404 | *1,042 | *5,469 | *2,873 | *2,673 | 205,596 | 46,807 | 181,761 | 17,708 |
| Architectural and engineering services..... | 14,471 | *23 | 1,814 | *1,042 | 11,586 | *948 | *948 | 1,005,341 | 362,122 | 442,767 | 31,327 |
| Accounting, auditing, and bookkeeping services..... | 120,360 | 11,740 | 11,591 | 14,309 | 82,699 | 100,839 | 65,822 | 4,127,642 | 1,549,540 | | |

RETURNS OF ACTIVE CORPORATIONS

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

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

| Minor industry | Coefficient of variation (Percent) | | | | | | | | |
|---|------------------------------------|----------------|-------------|-------------|------------------|-----------------|---|--------------|------------------------|
| | Total number of returns | Total receipts | Net income | Deficit | Total income tax | New jobs credit | Distributions to stockholders except in own stock | Total assets | Depreciation deduction |
| | (22) | (23) | (24) | (25) | (26) | (27) | (28) | (29) | (30) |
| Total returns of active corporations..... | 0.16 | 0.17 | 0.18 | 1.06 | 0.13 | 1.36 | 0.66 | 0.05 | 0.17 |
| Agriculture, forestry, and fishing..... | 3.56 | 2.63 | 3.37 | 5.11 | 3.72 | 14.09 | 30.96 | 2.00 | 2.69 |
| Agricultural production..... | 3.90 | 2.68 | 3.64 | 5.48 | 3.99 | 16.64 | 37.52 | 2.16 | 2.89 |
| Agricultural services (except veterinarians), forestry, fishing, hunting, and trapping..... | 7.75 | 7.25 | 8.56 | 14.30 | 9.87 | 25.71 | 31.43 | 5.42 | 6.87 |
| Mining..... | 6.38 | 0.72 | 0.18 | 3.54 | 0.13 | 10.37 | 1.35 | 0.43 | 1.45 |
| Metal mining..... | 34.42 | 1.68 | 3.46 | 3.86 | 3.67 | 73.02 | 4.01 | 0.51 | 1.12 |
| Iron ores..... | 36.55 | 3.86 | 8.99 | 0.50 | 10.75 | — | 9.11 | 1.16 | 1.33 |
| Copper, lead and zinc, gold and silver ores..... | 56.40 | 1.03 | 2.05 | 11.82 | 2.49 | 75.93 | 2.05 | 0.51 | 1.28 |
| Other metal mining..... | 49.53 | 6.75 | 13.88 | 10.73 | 9.02 | (*) | (*) | 3.08 | 5.91 |
| Coal mining..... | 12.23 | 3.25 | 4.92 | 8.27 | 4.13 | 29.32 | 6.92 | 1.62 | 3.75 |
| Oil and gas extraction..... | 9.01 | 0.69 | 0.14 | 5.13 | 0.11 | 13.37 | 1.21 | 0.46 | 1.67 |
| Crude petroleum, natural gas, and natural gas liquids..... | 12.57 | 0.61 | 0.07 | 6.24 | 0.05 | 12.85 | 0.68 | 0.43 | 1.29 |
| Oil and gas field services..... | 12.82 | 3.23 | 2.13 | 9.02 | 1.98 | 15.62 | 8.40 | 1.42 | 3.06 |
| Nonmetallic minerals, except fuels..... | 13.83 | 4.14 | 6.92 | 14.35 | 5.90 | 16.64 | 6.23 | 2.62 | 4.42 |
| Dimension, crushed, and broken stone; sand and gravel..... | 14.96 | 5.62 | 7.96 | 21.84 | 7.43 | 18.52 | 16.85 | 4.79 | 5.96 |
| Other nonmetallic minerals, except fuels..... | 29.07 | 4.01 | 12.94 | 18.91 | 5.93 | 37.48 | 0.48 | 1.91 | 5.00 |
| Construction..... | 2.10 | 1.32 | 1.65 | 3.36 | 1.74 | 4.62 | 6.08 | 0.94 | 1.69 |
| General building contractors and operative builders..... | 3.36 | 2.05 | 2.51 | 4.58 | 2.67 | 7.95 | 7.71 | 1.39 | 2.47 |
| General building contractors..... | 3.46 | 2.16 | 2.69 | 4.95 | 2.90 | 8.16 | 8.20 | 1.48 | 2.57 |
| Operative builders..... | 13.08 | 5.66 | 7.01 | 12.01 | 6.92 | 32.50 | 19.24 | 3.94 | 8.17 |
| Heavy construction contractors..... | 6.90 | 2.48 | 2.76 | 7.52 | 2.53 | 9.67 | 10.16 | 1.68 | 2.86 |
| Special trade contractors..... | 3.06 | 2.42 | 3.16 | 6.24 | 3.79 | 6.69 | 12.46 | 2.03 | 3.24 |
| Plumbing, heating, and air conditioning..... | 6.65 | 4.96 | 6.58 | 14.04 | 7.57 | 11.98 | 31.61 | 4.02 | 5.84 |
| Electrical work..... | 7.88 | 5.72 | 8.39 | 14.23 | 9.57 | 16.27 | 24.30 | 4.86 | 6.86 |
| Other special trade contractors and contractors not allocable..... | 3.92 | 3.20 | 4.03 | 7.99 | 4.92 | 9.18 | 15.21 | 2.73 | 4.16 |
| Manufacturing..... | 1.81 | 0.21 | 0.20 | 1.80 | 0.19 | 2.22 | 0.45 | 0.13 | 0.18 |
| Food and kindred products..... | 6.17 | 0.87 | 0.72 | 4.47 | 0.63 | 6.26 | 1.83 | 0.45 | 0.72 |
| Meat products..... | 14.45 | 2.68 | 2.62 | 9.95 | 2.29 | 14.15 | 1.81 | 1.43 | 1.51 |
| Dairy products..... | 17.79 | 2.56 | 1.18 | 19.85 | 1.10 | 18.04 | 0.45 | 1.40 | 2.30 |
| Preserved fruits and vegetables..... | 18.88 | 1.92 | 1.73 | 15.40 | 1.42 | 11.59 | 0.36 | 1.09 | 1.46 |
| Grain mill products..... | 15.49 | 1.76 | 1.33 | 22.80 | 1.16 | 28.03 | 1.74 | 1.12 | 1.71 |
| Bakery products..... | 18.51 | 4.23 | 5.55 | 22.95 | 4.79 | 29.37 | 6.68 | 2.80 | 3.96 |
| Sugar and confectionery products..... | 24.99 | 2.62 | 3.60 | 3.55 | 3.64 | 33.57 | 1.52 | 1.41 | 2.66 |
| Malt liquors and malt..... | 18.83 | 0.39 | (*) | 2.48 | (*) | (*) | (*) | 0.39 | 0.13 |
| Alcoholic beverages, except malt liquors and malt..... | 20.00 | 1.40 | 2.02 | 2.89 | 2.02 | 10.62 | 1.47 | 0.89 | 1.70 |
| Bottled soft drinks, and flavorings..... | 12.15 | 2.95 | 2.24 | 24.15 | 1.97 | 10.39 | 3.34 | 1.78 | 3.10 |
| Other food and kindred products..... | 15.75 | 1.72 | 2.05 | 10.95 | 1.84 | 14.84 | 11.33 | 1.45 | 2.65 |
| Tobacco manufactures..... | 24.12 | 0.90 | 0.04 | 55.61 | 0.04 | 12.16 | 0.02 | 0.21 | 0.31 |
| Textile mill products..... | 11.23 | 1.74 | 1.92 | 6.29 | 1.84 | 12.74 | 1.74 | 1.25 | 1.47 |
| Weaving mills and textile finishing..... | 25.88 | 2.45 | 2.43 | 7.37 | 2.23 | 21.31 | 1.40 | 1.70 | 1.88 |
| Knitting mills..... | 19.64 | 5.85 | 5.46 | 14.46 | 6.23 | 22.44 | 8.84 | 4.52 | 5.91 |
| Other textile mill products..... | 15.61 | 2.44 | 2.91 | 12.59 | 2.81 | 19.98 | 2.39 | 1.76 | 2.08 |
| Apparel and other textile products..... | 7.25 | 2.61 | 2.41 | 10.57 | 2.29 | 11.22 | 6.88 | 2.06 | 3.37 |
| Men's and boys' clothing..... | 16.78 | 3.44 | 2.53 | 15.11 | 2.22 | 17.79 | 4.54 | 2.42 | 3.68 |
| Women's and children's clothing..... | 10.53 | 4.29 | 4.20 | 21.76 | 4.31 | 19.21 | 3.54 | 5.71 | 5.71 |
| Other apparel and accessories..... | 19.64 | 10.25 | 13.15 | 25.32 | 13.64 | 33.64 | 22.94 | 9.38 | 17.71 |
| Miscellaneous fabricated textile products; textile products, not elsewhere classified..... | 15.31 | 7.39 | 8.49 | 21.62 | 8.25 | 19.65 | 36.37 | 6.69 | 8.78 |
| Lumber and wood products..... | 7.15 | 1.80 | 1.62 | 9.13 | 1.66 | 9.96 | 1.88 | 1.00 | 1.61 |
| Logging, sawmills, and planing mills..... | 11.66 | 2.57 | 2.21 | 15.28 | 2.52 | 17.28 | 2.65 | 1.35 | 2.86 |
| Millwork, plywood, and related products..... | 13.21 | 2.81 | 2.50 | 15.60 | 2.26 | 17.88 | 1.81 | 1.59 | 1.40 |
| Other wood products, including wood buildings and mobile homes..... | 11.88 | 4.52 | 5.09 | 15.92 | 5.07 | 15.92 | 10.75 | 2.91 | 4.34 |
| Furniture and fixtures..... | 10.92 | 3.97 | 3.99 | 17.79 | 3.70 | 13.74 | 9.31 | 3.11 | 3.49 |
| Paper and allied products..... | 12.12 | 1.15 | 0.90 | 8.95 | 0.87 | 11.46 | 1.21 | 0.62 | 0.78 |
| Pulp, paper, and board mills..... | 10.98 | 0.56 | 0.68 | 5.17 | 0.77 | 24.05 | 1.91 | 0.29 | 0.34 |
| Other paper products..... | 12.62 | 2.67 | 1.66 | 20.68 | 1.52 | 12.71 | 1.39 | 1.74 | 2.18 |
| Printing and publishing..... | 5.70 | 1.59 | 1.25 | 25.78 | 1.08 | 7.65 | 9.95 | 1.06 | 1.71 |
| Newspapers..... | 13.69 | 1.82 | 1.58 | 64.67 | 1.45 | 12.76 | 3.08 | 1.29 | 2.19 |
| Periodicals..... | 19.00 | 5.09 | 4.99 | 22.80 | 4.01 | 21.23 | 3.79 | 3.18 | 5.37 |
| Books, greeting cards, and miscellaneous publishing..... | 14.98 | 2.68 | 1.82 | 21.30 | 1.40 | 14.31 | 35.00 | 1.72 | 2.53 |
| Commercial and other printing and printing trade services..... | 7.37 | 3.43 | 3.33 | 15.50 | 3.12 | 11.83 | 8.10 | 2.80 | 3.60 |
| Chemicals and allied products..... | 8.95 | 0.48 | 0.35 | 5.30 | 0.31 | 8.70 | 0.21 | 0.26 | 0.27 |
| Industrial chemicals, plastics materials and synthetics..... | 14.45 | 0.64 | 0.53 | 11.78 | 0.48 | 13.56 | 0.27 | 0.33 | 0.30 |
| Drugs..... | 26.73 | 0.58 | 0.41 | 9.89 | 0.37 | 20.75 | 0.18 | 0.36 | 0.49 |
| Soap, cleaners, and toilet goods..... | 25.30 | 1.00 | 0.75 | 20.87 | 0.70 | 11.06 | 0.13 | 0.82 | 1.31 |
| Paints and allied products..... | 21.74 | 4.36 | 5.25 | 23.42 | 4.95 | 17.82 | 4.94 | 4.06 | 4.11 |
| Agricultural and other chemical products..... | 17.28 | 2.05 | 2.46 | 6.48 | 2.02 | 29.05 | 2.55 | 0.95 | 0.96 |
| Petroleum (including integrated) and coal products..... | 23.12 | 0.15 | 0.09 | 0.93 | 0.08 | 12.66 | 0.10 | 0.05 | 0.12 |
| Petroleum refining (including integrated)..... | 39.48 | 0.14 | 0.06 | 0.63 | 0.05 | 15.92 | 0.04 | 0.03 | 0.06 |
| Petroleum and coal products, not elsewhere classified..... | 28.06 | 5.05 | 3.85 | 35.40 | 3.84 | 19.06 | 8.96 | 4.27 | 6.55 |
| Rubber and miscellaneous plastics products..... | 9.58 | 1.73 | 2.26 | 14.48 | 2.15 | 12.14 | 2.64 | 1.24 | 1.69 |
| Rubber products; plastics footwear, hose and belting..... | 21.95 | 1.37 | 1.92 | 21.15 | 1.78 | 22.86 | 2.13 | 0.84 | 1.04 |
| Miscellaneous plastics products..... | 10.65 | 4.09 | 4.58 | 18.18 | 4.65 | 13.99 | 8.65 | 3.31 | 4.25 |
| Leather and leather products..... | 17.21 | 3.37 | 3.19 | 16.55 | 2.94 | 27.32 | 2.18 | 2.59 | 3.78 |
| Footwear, except rubber..... | 25.32 | 2.99 | 2.76 | 20.33 | 2.57 | 55.67 | 2.07 | 2.11 | 3.53 |
| Leather and leather products, not elsewhere classified..... | 21.13 | 8.93 | 9.98 | 26.01 | 9.62 | 26.48 | 10.47 | 7.94 | 9.69 |

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

RETURNS OF ACTIVE CORPORATIONS

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

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

| Minor industry | Coefficient of variation (Percent) | | | | | | | | |
|--|------------------------------------|----------------|-------------|-------------|------------------|-----------------|---|--------------|------------------------|
| | Total number of returns | Total receipts | Net income | Deficit | Total income tax | New jobs credit | Distributions to stockholders except in own stock | Total assets | Depreciation deduction |
| | (22) | (23) | (24) | (25) | (26) | (27) | (28) | (29) | (30) |
| Manufacturing—Continued | | | | | | | | | |
| Stone, clay, and glass products | 8.66 | 1.56 | 1.49 | 10.60 | 1.37 | 10.22 | 1.99 | 1.02 | 1.41 |
| Glass products | 24.76 | 1.66 | 1.87 | 30.36 | 1.78 | 26.80 | 0.90 | 0.89 | 0.48 |
| Cement, hydraulic | 63.38 | 2.06 | 1.67 | (*) | 1.21 | 25.99 | 0.17 | 0.84 | 1.02 |
| Concrete, gypsum, and plaster products | 10.86 | 3.70 | 4.08 | 13.30 | 4.00 | 14.97 | 5.82 | 2.75 | 3.89 |
| Other nonmetallic mineral products | 15.21 | 3.20 | 2.42 | 26.30 | 2.25 | 18.39 | 5.36 | 2.27 | 3.37 |
| Primary metal industries | 11.19 | 0.59 | 1.40 | 0.97 | 1.35 | 9.50 | 0.74 | 0.25 | 0.36 |
| Ferrous metal industries; miscellaneous primary metal products | 15.55 | 0.60 | 1.76 | 0.71 | 1.73 | 12.63 | 1.14 | 0.33 | 0.39 |
| Nonferrous metal industries | 16.08 | 1.21 | 2.31 | 5.55 | 2.18 | 14.40 | 0.61 | 0.39 | 0.78 |
| Fabricated metal products | 4.81 | 2.26 | 2.32 | 7.30 | 2.37 | 5.83 | 7.48 | 2.13 | 2.34 |
| Metal cans and shipping containers | 24.83 | 1.79 | 2.37 | 66.14 | 2.32 | 21.66 | 0.35 | 1.15 | 1.05 |
| Cutlery, hand tools, and hardware; screw machine products, bolts, and similar products | 12.15 | 3.26 | 2.62 | 19.67 | 2.38 | 12.07 | 2.71 | 2.56 | 3.66 |
| Plumbing and heating, except electric and warm air | 25.57 | 3.80 | 3.12 | 49.45 | 2.85 | 17.19 | 6.05 | 2.85 | 2.78 |
| Fabricated structural metal products | 9.49 | 2.76 | 2.85 | 11.67 | 2.63 | 12.32 | 6.76 | 2.12 | 2.71 |
| Metal forgings and stampings | 14.21 | 4.45 | 5.26 | 28.45 | 4.97 | 17.24 | 6.77 | 3.65 | 4.56 |
| Coating, engraving, and allied services | 18.78 | 6.86 | 9.98 | 46.04 | 9.94 | 29.04 | 12.11 | 5.64 | 7.88 |
| Ordnance and accessories, except vehicles and guided missiles | 50.79 | 4.67 | 7.00 | 29.61 | 6.91 | 48.02 | 4.87 | 5.41 | 3.73 |
| Miscellaneous fabricated metal products | 8.11 | 7.07 | 7.09 | 12.20 | 7.65 | 10.05 | 28.97 | 7.02 | 7.64 |
| Machinery, except electrical | 5.72 | 0.63 | 0.52 | 6.22 | 0.46 | 6.40 | 0.37 | 0.36 | 0.49 |
| Farm machinery | 22.82 | 2.09 | 3.07 | 9.19 | 2.78 | 30.46 | 6.03 | 1.16 | 1.69 |
| Construction and related machinery | 17.32 | 1.09 | 1.17 | 20.23 | 1.06 | 14.57 | 1.56 | 0.76 | 0.90 |
| Metalworking machinery | 10.79 | 3.85 | 3.93 | 21.07 | 3.70 | 12.35 | 2.66 | 2.94 | 4.40 |
| Special industry machinery | 14.23 | 3.01 | 3.90 | 20.25 | 3.74 | 16.12 | 4.37 | 2.48 | 3.40 |
| General industrial machinery | 17.50 | 1.92 | 2.31 | 15.61 | 2.07 | 13.59 | 1.98 | 1.44 | 2.06 |
| Office, computing, and accounting machines | 35.61 | 0.39 | 0.21 | 21.49 | 0.17 | 28.57 | 0.01 | 0.14 | 0.11 |
| Other machinery, except electrical | 11.01 | 2.27 | 2.48 | 11.22 | 2.42 | 14.56 | 1.62 | 1.81 | 3.16 |
| Electrical and electronic equipment | 7.68 | 0.61 | 0.64 | 5.76 | 0.60 | 7.53 | 1.36 | 0.35 | 0.43 |
| Household appliances | 31.27 | 1.67 | 1.38 | 23.39 | 1.25 | 27.99 | 0.31 | 1.00 | 1.13 |
| Radio, television, and communication equipment | 18.52 | 0.97 | 0.88 | 8.89 | 0.82 | 18.97 | 0.37 | 0.49 | 0.66 |
| Electronic components and accessories | 13.61 | 1.51 | 2.02 | 9.32 | 2.05 | 12.74 | 3.24 | 1.06 | 1.38 |
| Other electrical equipment | 11.43 | 0.96 | 0.87 | 13.88 | 0.80 | 10.65 | 2.33 | 0.52 | 0.59 |
| Motor vehicles and equipment | 14.93 | 0.26 | 0.20 | 10.53 | 0.16 | 10.19 | 0.29 | 0.16 | 0.18 |
| Transportation equipment, except motor vehicles | 15.19 | 0.78 | 1.05 | 2.54 | 1.06 | 14.85 | 0.59 | 0.41 | 0.60 |
| Aircraft, guided missiles and parts | 27.42 | 0.40 | 0.72 | 1.25 | 0.73 | 25.03 | 0.50 | 0.30 | 0.52 |
| Ship and boat building and repairing | 23.11 | 4.32 | 5.60 | 23.48 | 5.74 | 30.75 | 0.53 | 1.63 | 4.20 |
| Other transportation equipment, except motor vehicles | 25.75 | 4.18 | 4.29 | 14.86 | 4.25 | 21.94 | 4.47 | 2.61 | 2.10 |
| Instruments and related products | 11.81 | 1.46 | 1.18 | 14.25 | 1.07 | 12.52 | 0.95 | 1.06 | 1.02 |
| Scientific instruments and measuring devices; watches and clocks | 18.75 | 2.64 | 3.17 | 20.25 | 3.07 | 17.76 | 4.54 | 2.14 | 2.47 |
| Optical, medical, and ophthalmic goods | 16.00 | 3.08 | 2.11 | 28.91 | 1.90 | 18.87 | 0.88 | 2.14 | 2.75 |
| Photographic equipment and supplies | 41.01 | 1.05 | 0.92 | 2.89 | 0.75 | 25.32 | 0.92 | 0.86 | 0.68 |
| Miscellaneous manufacturing and manufacturing not allocable | 8.26 | 2.61 | 2.70 | 9.78 | 2.66 | 11.71 | 4.32 | 1.84 | 2.63 |
| Transportation and public utilities | 3.39 | 0.48 | 0.63 | 2.14 | 0.62 | 5.74 | 0.26 | 0.19 | 0.25 |
| Transportation | 3.95 | 1.11 | 1.01 | 2.42 | 0.89 | 7.14 | 1.37 | 0.40 | 0.89 |
| Railroad transportation | 36.60 | 0.28 | 0.76 | 0.14 | 0.56 | (*) | 0.33 | 0.15 | 0.38 |
| Local and interurban passenger transit | 12.53 | 13.48 | 13.93 | 31.76 | 13.53 | 54.88 | 29.10 | 8.95 | 10.66 |
| Trucking and warehousing | 5.55 | 2.39 | 2.50 | 9.37 | 2.36 | 8.44 | 4.49 | 1.55 | 2.25 |
| Water transportation | 11.72 | 3.61 | 4.86 | 5.50 | 4.99 | 19.58 | 13.77 | 1.91 | 3.48 |
| Transportation by air | 13.08 | 0.88 | 0.84 | 13.73 | 0.52 | 2.92 | 2.16 | 0.57 | 0.94 |
| Pipelines, except natural gas | 25.50 | 1.54 | 1.57 | 1.40 | 1.55 | 61.80 | 1.93 | 1.07 | 1.79 |
| Transportation services, not elsewhere classified | 9.61 | 6.79 | 5.44 | 15.06 | 4.96 | 21.01 | 4.07 | 2.03 | 3.53 |
| Communication | 9.39 | 0.72 | 1.79 | 12.61 | 1.75 | 10.06 | 0.63 | 0.30 | 0.29 |
| Telephone, telegraph, and other communication services | 14.70 | 0.26 | 0.31 | 17.32 | 0.23 | 15.04 | 0.06 | 0.14 | 0.17 |
| Radio and television broadcasting | 12.11 | 4.95 | 8.14 | 18.06 | 8.71 | 13.38 | 10.31 | 4.23 | 5.65 |
| Electric, gas, and sanitary services | 9.62 | 0.24 | 0.28 | 3.52 | 0.19 | 6.32 | 0.13 | 0.07 | 0.16 |
| Electric services | 29.25 | 0.19 | 0.11 | 2.66 | 0.08 | 3.58 | 0.02 | 0.04 | 0.06 |
| Gas production and distribution | 18.45 | 0.42 | 0.41 | 3.18 | 0.19 | 1.96 | 0.59 | 0.16 | 0.29 |
| Combination utility services | 38.46 | 0.23 | 0.11 | 12.60 | 0.09 | 7.85 | (*) | 0.04 | 0.06 |
| Water supply and other sanitary services | 11.76 | 5.29 | 6.22 | 16.34 | 5.73 | 22.70 | 4.55 | 2.59 | 4.89 |
| Wholesale and retail trade | 1.02 | 0.50 | 0.54 | 2.12 | 0.61 | 2.45 | 0.92 | 0.35 | 0.62 |
| Wholesale trade | 1.77 | 0.72 | 0.69 | 3.09 | 0.95 | 3.15 | 0.96 | 0.52 | 1.04 |
| Groceries and related products | 6.35 | 2.33 | 2.78 | 9.69 | 2.92 | 12.91 | 6.66 | 1.90 | 2.74 |
| Machinery, equipment, and supplies | 3.99 | 1.86 | 1.50 | 8.16 | 2.50 | 6.46 | 1.33 | 1.40 | 2.90 |
| Miscellaneous wholesale trade | 2.14 | 0.82 | 0.83 | 3.56 | 1.10 | 3.62 | 1.30 | 0.61 | 1.20 |
| Motor vehicles and automotive equipment | 6.31 | 2.73 | 2.00 | 12.59 | 2.90 | 10.22 | 2.02 | 2.09 | 3.79 |
| Furniture and home furnishings | 16.53 | 9.17 | 10.28 | 21.67 | 10.99 | 31.98 | 47.40 | 7.57 | 10.07 |
| Lumber and construction materials | 8.27 | 4.51 | 4.54 | 20.00 | 5.53 | 12.66 | 5.99 | 3.96 | 5.97 |
| Sporting, recreational, photographic, and hobby goods, toys, and supplies | 19.55 | 10.52 | 10.12 | 22.13 | 12.20 | 31.31 | 14.41 | 7.65 | 14.28 |
| Metals and minerals, except petroleum and scrap | 11.45 | 2.50 | 4.02 | 8.62 | 4.34 | 9.60 | 7.37 | 1.89 | 4.66 |
| Electrical goods | 7.96 | 3.29 | 2.45 | 14.38 | 4.16 | 10.95 | 3.07 | 2.46 | 4.68 |
| Hardware, plumbing, and heating equipment and supplies | 7.71 | 3.76 | 4.53 | 18.18 | 5.05 | 10.82 | 9.54 | 3.13 | 4.22 |
| Other durable goods | 5.72 | 2.12 | 2.46 | 6.94 | 3.74 | 9.77 | 2.76 | 1.77 | 4.36 |
| Paper and paper products | 13.86 | 6.55 | 5.62 | 22.46 | 8.23 | 22.96 | 4.29 | 4.64 | 7.76 |
| Drugs, drug proprietaries, and druggists' sundries | 17.57 | 5.91 | 6.63 | 24.94 | 9.52 | 24.96 | 9.70 | 4.78 | 5.90 |
| Apparel, piece goods, and notions | 8.50 | 4.93 | 5.27 | 19.10 | 6.03 | 13.77 | 14.19 | 4.70 | 7.71 |
| Farm-product raw materials | 7.58 | 2.27 | 2.55 | 15.05 | 3.27 | 19.49 | 4.64 | 1.58 | 2.61 |
| Chemicals and allied products | 14.54 | 3.49 | 2.35 | 13.58 | 8.12 | 20.12 | 3.66 | 2.70 | 7.69 |
| Petroleum and petroleum products | 7.49 | 2.14 | 1.61 | 7.10 | 1.27 | 17.30 | 5.73 | 1.21 | 3.37 |
| Alcoholic beverages | 11.97 | 5.14 | 5.49 | 22.41 | 6.47 | 16.10 | 13.31 | 4.30 | 7.28 |
| Miscellaneous nondurable goods; wholesale trade not allocable | 5.90 | 3.16 | 3.63 | 9.18 | 4.61 | 12.30 | 4.15 | 2.20 | 3.54 |

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

RETURNS OF ACTIVE CORPORATIONS

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

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

| Minor industry | Coefficient of variation (Percent) | | | | | | | | |
|---|------------------------------------|----------------|--------------|--------------|------------------|-----------------|---|--------------|------------------------|
| | Total number of returns | Total receipts | Net income | Deficit | Total income tax | New jobs credit | Distributions to stockholders except in own stock | Total assets | Depreciation deduction |
| | (22) | (23) | (24) | (25) | (26) | (27) | (28) | (29) | (30) |
| Wholesale and retail trade—Continued | | | | | | | | | |
| Retail trade..... | 1.39 | 0.77 | 0.92 | 2.96 | 0.82 | 3.51 | 1.93 | 0.57 | 0.82 |
| Building materials, garden supplies, and mobile home dealers..... | 4.72 | 3.40 | 4.48 | 11.76 | 3.84 | 9.46 | 15.27 | 3.17 | 3.84 |
| Building materials dealers..... | 6.35 | 4.26 | 5.46 | 17.32 | 4.35 | 11.34 | 17.90 | 4.11 | 4.71 |
| Hardware stores..... | 8.98 | 6.89 | 8.78 | 27.41 | 10.08 | 21.34 | 29.37 | 6.50 | 7.82 |
| Garden supplies and mobile home dealers..... | 10.68 | 8.28 | 10.64 | 19.03 | 12.64 | 23.51 | 38.76 | 6.87 | 10.15 |
| General merchandise stores..... | 8.70 | 0.71 | 0.88 | 8.05 | 0.85 | 21.38 | 0.62 | 0.49 | 0.53 |
| Food stores..... | 5.75 | 1.58 | 2.51 | 8.28 | 1.63 | 9.53 | 2.86 | 1.20 | 1.40 |
| Grocery stores..... | 6.38 | 1.58 | 2.54 | 8.52 | 1.60 | 9.72 | 2.89 | 1.19 | 1.35 |
| Other food stores..... | 2.87 | 12.16 | 15.40 | 25.25 | 16.30 | 40.20 | 7.91 | 10.21 | 12.51 |
| Automotive dealers and service stations..... | 3.26 | 2.02 | 2.56 | 6.95 | 2.97 | 5.12 | 10.06 | 1.73 | 2.64 |
| Motor vehicle dealers..... | 3.78 | 2.27 | 3.00 | 9.19 | 3.53 | 5.16 | 12.45 | 2.05 | 3.15 |
| Gasoline service stations..... | 9.37 | 7.32 | 8.18 | 16.36 | 8.72 | 31.47 | 21.40 | 5.43 | 7.18 |
| Other automotive dealers..... | 6.41 | 4.80 | 6.11 | 13.94 | 7.18 | 14.67 | 24.22 | 4.20 | 6.64 |
| Apparel and accessory stores..... | 5.15 | 3.08 | 3.79 | 10.88 | 4.10 | 14.03 | 6.87 | 2.84 | 3.49 |
| Furniture and home furnishings stores..... | 5.29 | 3.53 | 4.06 | 10.68 | 3.93 | 14.86 | 17.61 | 3.03 | 4.45 |
| Eating and drinking places..... | 3.57 | 2.71 | 3.40 | 6.87 | 3.22 | 11.24 | 11.31 | 2.16 | 2.55 |
| Miscellaneous retail stores..... | 3.03 | 2.09 | 2.28 | 7.02 | 2.15 | 7.83 | 6.35 | 1.66 | 2.60 |
| Drug stores and proprietary stores..... | 7.30 | 3.29 | 3.54 | 19.52 | 2.06 | 16.02 | 9.71 | 3.11 | 3.44 |
| Liquor stores..... | 10.05 | 9.50 | 11.65 | 24.71 | 11.82 | 38.25 | 46.36 | 8.53 | 11.31 |
| Other retail stores..... | 3.58 | 2.67 | 2.86 | 7.90 | 2.91 | 8.80 | 7.97 | 1.98 | 3.16 |
| Wholesale and retail trade not allocable..... | 24.39 | 19.84 | 24.16 | 55.28 | 25.86 | 29.22 | 75.90 | 12.59 | 27.10 |
| Finance, insurance, and real estate | | | | | | | | | |
| Banking..... | 1.37 | 0.26 | 0.98 | 1.54 | 0.35 | 2.85 | 2.98 | 0.06 | 0.50 |
| Banking..... | 2.43 | 0.09 | 0.22 | 0.74 | 0.11 | 0.26 | 0.18 | 0.04 | 0.09 |
| Mutual savings banks..... | 3.93 | (*) | (*) | (*) | (*) | (*) | — | 0.01 | (*) |
| Bank holding companies..... | 2.44 | 0.12 | 0.29 | 0.37 | 0.11 | 0.06 | 0.02 | 0.01 | 0.06 |
| Banks, except mutual savings banks and bank holding companies..... | 2.68 | 0.18 | 0.47 | 0.99 | 0.26 | 0.39 | 0.60 | 0.14 | 0.36 |
| Credit agencies other than banks..... | 4.39 | 0.33 | 0.73 | 6.04 | 0.42 | 2.81 | 4.38 | 0.20 | 1.19 |
| Savings and loan associations..... | 3.53 | 0.43 | 0.43 | 2.69 | 0.23 | 0.19 | 0.13 | 0.24 | 0.62 |
| Personal credit institutions..... | 13.56 | 0.52 | 1.45 | 20.76 | 1.18 | 7.44 | 0.74 | 0.79 | 0.90 |
| Business credit institutions..... | 26.26 | 0.73 | 1.26 | 29.93 | 1.02 | 3.86 | 6.18 | 0.44 | 1.36 |
| Other credit agencies; finance not allocable..... | 5.21 | 1.06 | 2.82 | 7.43 | 1.99 | 14.30 | 11.29 | 0.44 | 7.01 |
| Security, commodity brokers and services..... | 13.09 | 2.65 | 3.82 | 9.08 | 3.71 | 12.21 | 6.94 | 0.39 | 4.68 |
| Security brokers, dealers, and flotation companies..... | 18.21 | 2.89 | 3.72 | 8.62 | 3.60 | 12.81 | 3.96 | 0.35 | 4.79 |
| Commodity contracts brokers and dealers; security and commodity exchanges; and allied services..... | 18.15 | 6.31 | 10.92 | 19.02 | 11.66 | 29.78 | 26.51 | 3.21 | 12.96 |
| Insurance..... | 9.10 | 0.10 | 0.15 | 1.25 | 0.17 | 8.90 | 0.20 | 0.03 | 0.23 |
| Life insurance..... | (*) | (*) | (*) | (*) | (*) | (*) | (*) | (*) | (*) |
| Mutual insurance, except life or marine and certain fire or flood insurance companies..... | (*) | (*) | (*) | (*) | (*) | (*) | (*) | (*) | (*) |
| Other insurance companies..... | 14.58 | 0.33 | 0.44 | 4.19 | 0.76 | 17.58 | 0.33 | 0.13 | 0.54 |
| Insurance agents, brokers, and service..... | 5.22 | 5.49 | 3.70 | 13.64 | 3.20 | 14.35 | 6.79 | 2.73 | 5.28 |
| Real estate..... | 1.98 | 2.09 | 2.58 | 3.26 | 2.95 | 14.35 | 13.26 | 1.41 | 1.53 |
| Real estate operators and lessors of buildings..... | 2.53 | 1.58 | 2.91 | 3.46 | 3.42 | 16.59 | 16.14 | 1.23 | 1.61 |
| Lessors of mining, oil, and similar property..... | 37.40 | 23.21 | 14.16 | 70.79 | 13.14 | — | 20.96 | 8.57 | 31.35 |
| Lessors of railroad property, and of real property, not elsewhere classified..... | 11.16 | 11.11 | 15.69 | 35.72 | 16.55 | 82.69 | 61.44 | 7.17 | 22.09 |
| Condominium management and cooperative housing associations..... | 16.70 | 14.74 | 28.91 | 10.71 | 34.53 | — | — | 6.96 | 9.80 |
| Subdividers and developers..... | 5.31 | 3.03 | 3.53 | 3.89 | 3.46 | 13.34 | 17.16 | 2.17 | 3.50 |
| Other real estate..... | 4.36 | 4.42 | 5.83 | 7.21 | 6.76 | 17.15 | 22.75 | 5.81 | 4.78 |
| Holding and other investment companies, except bank holding companies..... | 4.63 | 3.35 | 5.20 | 4.57 | 3.67 | 22.32 | 6.71 | 0.43 | 2.52 |
| Regulated investment companies..... | 19.94 | 7.32 | 7.83 | 29.78 | (*) | 8.67 | 0.22 | (*) | (*) |
| Real estate investment trusts..... | 47.80 | 0.42 | 2.18 | 0.26 | (*) | — | 0.89 | 0.41 | 1.05 |
| Small business investment companies..... | 42.05 | 13.66 | 20.44 | 22.86 | 11.30 | 45.39 | 18.67 | 12.03 | 34.64 |
| Other holding and investment companies, except bank holding companies..... | 4.79 | 3.22 | 2.74 | 6.23 | 3.73 | 22.50 | 10.23 | 1.19 | 4.49 |
| Services | | | | | | | | | |
| Hotels and other lodging places..... | 1.34 | 1.72 | 1.38 | 3.01 | 1.39 | 5.46 | 7.85 | 1.68 | 1.51 |
| Personal services..... | 6.83 | 4.69 | 3.78 | 8.25 | 3.33 | 13.62 | 9.51 | 2.37 | 2.95 |
| Business services..... | 5.66 | 4.71 | 5.36 | 14.21 | 5.06 | 19.73 | 11.68 | 3.78 | 4.66 |
| Advertising..... | 3.09 | 4.14 | 2.56 | 5.59 | 2.50 | 9.49 | 11.01 | 1.83 | 2.33 |
| Business services, except advertising..... | 9.13 | 12.59 | 4.95 | 20.21 | 4.25 | 21.67 | 17.14 | 8.83 | 10.25 |
| Auto repair; miscellaneous repair services..... | 3.31 | 2.77 | 2.96 | 5.80 | 3.01 | 10.56 | 13.11 | 1.47 | 2.40 |
| Auto repair and services..... | 4.47 | 3.65 | 4.67 | 9.77 | 5.26 | 14.86 | 17.07 | 2.36 | 3.12 |
| Miscellaneous repair services..... | 5.35 | 4.08 | 4.91 | 10.93 | 5.26 | 16.53 | 19.13 | 2.47 | 3.25 |
| Amusement and recreation services..... | 8.33 | 7.99 | 10.94 | 21.20 | 13.92 | 23.29 | 36.06 | 7.64 | 9.13 |
| Motion picture production, distribution, and services..... | 5.23 | 2.78 | 2.85 | 7.95 | 2.39 | 13.69 | 10.18 | 1.70 | 2.37 |
| Motion picture theaters..... | 15.26 | 4.01 | 2.97 | 21.03 | 2.51 | 30.21 | 16.80 | 1.60 | 3.05 |
| Amusement and recreation services, except motion pictures..... | 18.47 | 7.31 | 10.51 | 28.26 | 10.40 | 44.78 | 26.60 | 5.66 | 6.97 |
| Other services..... | 5.86 | 4.16 | 4.40 | 8.90 | 3.87 | 14.08 | 13.75 | 2.86 | 4.20 |
| Offices of physicians, including osteopathic physicians..... | 2.25 | 2.86 | 2.92 | 5.48 | 3.35 | 9.04 | 21.94 | 6.06 | 6.28 |
| Offices of dentists..... | 4.73 | 6.40 | 7.67 | 16.66 | 9.15 | 20.58 | 37.48 | 5.48 | 6.44 |
| Offices of other health practitioners..... | 8.81 | 9.98 | 15.20 | 26.74 | 16.38 | 31.05 | 70.58 | 10.17 | 11.40 |
| Nursing and personal care facilities..... | 18.43 | 19.01 | 30.64 | 43.34 | 42.59 | 61.33 | 99.51 | 22.43 | 23.57 |
| Hospitals..... | 10.46 | 6.86 | 9.80 | 18.77 | 10.22 | 21.24 | 39.33 | 4.52 | 5.59 |
| Medical laboratories..... | 26.32 | 7.90 | 6.44 | 34.01 | 5.26 | 39.72 | 8.01 | 3.75 | 4.30 |
| Other medical services..... | 20.38 | 17.42 | 22.73 | 53.56 | 24.08 | 63.98 | 44.18 | 12.58 | 18.15 |
| Legal services..... | 10.84 | 8.54 | 9.40 | 15.86 | 8.84 | 41.80 | 17.95 | 4.31 | 6.93 |
| Educational services..... | 9.94 | 12.09 | 14.32 | 31.23 | 17.33 | 35.72 | 55.47 | 10.92 | 12.21 |
| Social services..... | 10.01 | 9.80 | 12.00 | 22.48 | 15.36 | 38.17 | 49.71 | 58.11 | 11.41 |
| Membership organizations..... | 21.55 | 25.47 | 35.67 | 40.60 | 62.00 | 67.52 | 99.70 | 25.79 | 29.64 |
| Architectural and engineering services..... | 16.91 | 13.15 | 18.56 | 34.10 | 24.62 | 45.97 | 15.43 | 8.84 | 15.02 |
| Accounting, auditing, and bookkeeping services..... | 8.68 | 10.05 | 6.27 | 17.38 | 7.00 | 21.53 | 33.21 | 16.36 | 39.22 |
| Miscellaneous services (including veterinarians), not elsewhere classified..... | 16.80 | 18.71 | 24.16 | 41.16 | 29.64 | 39.51 | 70.20 | 18.11 | 24.37 |
| Nature of business not allocable..... | 4.46 | 6.31 | 7.44 | 8.64 | 10.05 | 22.29 | 55.11 | 4.07 | 7.93 |
| Total | 17.14 | 25.41 | 28.08 | 66.14 | 22.60 | 55.13 | 84.15 | 29.18 | 45.29 |

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

†Credits include foreign tax, U.S. possessions tax, investment, work incentive (WIN), and new jobs credits.

‡Less than \$500 per return.

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

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

NOTE: See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

RETURNS OF ACTIVE CORPORATIONS

Table 2.—Balance Sheets and Income Statements, by Major Industry

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

| Item | All industries | Major industry | | | | | Nonmetallic minerals, except fuels |
|--|----------------|------------------------------------|------------|--------------|-------------|------------------------|------------------------------------|
| | | Agriculture, forestry, and fishing | Mining | | | | |
| | | | Total | Metal mining | Coal mining | Oil and gas extraction | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | |
| 1 Number of returns, total | 2,241,887 | 65,594 | 19,216 | 759 | 3,836 | 10,672 | 3,949 |
| 2 With net income | 1,424,528 | 38,440 | 10,963 | 280 | 2,243 | 6,546 | 1,894 |
| 3 Total assets | 5,326,389,281 | 28,902,259 | 68,377,059 | 11,777,577 | 11,810,349 | 57,477,734 | 7,311,399 |
| 4 Cash | 361,549,924 | 1,665,861 | 3,323,447 | 214,874 | 736,782 | 1,994,698 | 377,093 |
| 5 Notes and accounts receivable | 1,337,902,515 | 2,576,848 | 17,399,042 | 727,893 | 1,225,047 | 14,421,125 | 1,024,977 |
| 6 Less: Allowance for bad debts | 34,345,449 | 28,836 | 72,343 | 1,088 | 8,571 | 34,911 | 27,773 |
| 7 Inventories | 396,032,639 | 2,838,025 | 4,360,146 | 981,953 | 521,953 | 2,042,107 | 814,133 |
| Investments in Government obligations: | | | | | | | |
| 8 United States | 216,176,700 | 160,447 | 752,153 | *67,689 | 244,666 | 397,124 | 42,674 |
| 9 State and local | 164,364,330 | 46,596 | 81,706 | 3,285 | 40,890 | 32,586 | 5,025 |
| 10 Other current assets | 181,373,300 | 876,991 | 4,185,294 | 1,197,997 | 657,791 | 2,077,843 | 251,663 |
| 11 Loans to stockholders | 14,380,704 | 449,289 | 956,824 | *68,525 | 65,473 | 805,345 | 17,481 |
| 12 Mortgage and real estate loans | 661,272,988 | 296,321 | 323,335 | 18,775 | 19,526 | 245,270 | 39,764 |
| 13 Other investments | 820,704,826 | 2,256,138 | 17,885,571 | 3,631,151 | 1,797,635 | 11,390,197 | 1,066,588 |
| 14 Depreciable assets | 1,536,011,959 | 16,853,654 | 44,961,816 | 5,661,515 | 7,623,153 | 25,845,181 | 5,831,967 |
| 15 Less: Accumulated depreciation | 576,129,137 | 7,479,742 | 16,419,702 | 2,122,274 | 2,975,296 | 8,427,003 | 2,895,129 |
| 16 Depletable assets | 51,790,975 | 241,623 | 10,159,996 | 1,109,383 | 1,231,307 | 7,446,888 | 372,418 |
| 17 Less: Accumulated depletion | 20,706,628 | 37,520 | 3,787,263 | 369,742 | 95,284 | 3,220,395 | 101,842 |
| 18 Land | 73,887,348 | 6,787,851 | 77,494 | 77,494 | 270,654 | 435,653 | 272,155 |
| 19 Intangible assets (amortizable) | 15,908,335 | 63,001 | 1,829,635 | 55,294 | 70,631 | 1,678,688 | 25,022 |
| 20 Less: Accumulated amortization | 4,953,776 | 19,701 | 684,794 | 25,896 | 12,005 | 642,415 | 4,478 |
| 21 Other assets | 131,167,930 | 1,355,413 | 2,066,160 | 480,749 | 385,997 | 989,753 | 199,661 |
| 22 Total liabilities | 5,326,389,281 | 28,902,259 | 68,377,059 | 11,777,577 | 11,810,349 | 57,477,734 | 7,311,399 |
| 23 Accounts payable | 346,521,270 | 1,630,998 | 7,606,695 | 544,947 | 787,655 | 5,581,738 | 692,355 |
| 24 Mortgages, notes, and bonds payable in less than one year | 319,805,729 | 5,147,391 | 4,211,283 | 872,609 | 1,057,758 | 1,929,086 | 351,830 |
| 25 Other current liabilities | 2,062,786,447 | 1,331,156 | 12,755,586 | 860,156 | 903,378 | 10,617,491 | 374,561 |
| 26 Loans from stockholders | 47,328,015 | 1,782,277 | 1,182,393 | 159,472 | 91,021 | 743,949 | 187,951 |
| 27 Mortgages, notes, and bonds payable in one year or more | 694,119,251 | 9,175,057 | 15,098,612 | 1,861,304 | 3,014,725 | 8,588,050 | 1,634,533 |
| 28 Other liabilities | 504,857,804 | 897,806 | 4,840,881 | 1,439,894 | 683,035 | 2,242,652 | 475,300 |
| 29 Capital stock | 286,775,916 | 4,742,216 | 3,461,694 | 568,666 | 538,886 | 1,717,551 | 636,591 |
| 30 Paid-in or capital surplus | 353,452,174 | 2,233,322 | 13,905,290 | 2,222,621 | 1,460,445 | 9,867,822 | 354,402 |
| 31 Retained earnings, appropriated | 36,677,846 | 174,240 | 3,609,652 | *6,552 | 176,010 | 3,412,874 | 14,416 |
| 32 Retained earnings, unappropriated | 700,688,279 | 2,324,607 | 22,205,106 | 3,266,410 | 3,218,873 | 12,993,663 | 2,726,160 |
| 33 Less: Cost of treasury stock | 26,623,350 | 546,811 | 25,054 | 25,054 | 121,437 | 216,942 | 136,700 |
| 34 Total receipts | 4,128,304,478 | 35,907,867 | 96,164,753 | 5,144,588 | 11,480,318 | 72,998,225 | 6,541,622 |
| 35 Business receipts | 3,813,925,121 | 33,931,272 | 92,553,482 | 4,694,188 | 11,020,015 | 70,538,525 | 6,300,754 |
| Interest on Government obligations: | | | | | | | |
| 36 United States | 14,356,996 | 14,101 | 30,939 | 2,071 | 6,725 | 18,747 | 3,396 |
| 37 State and local | 7,820,906 | 3,533 | 6,927 | 72 | 2,184 | 3,036 | 1,635 |
| 38 Other interest | 154,481,738 | 174,829 | 532,030 | 70,593 | 67,743 | 352,953 | 40,741 |
| 39 Rents | 32,638,084 | 213,662 | 196,731 | 4,534 | 82,640 | 76,511 | 33,046 |
| 40 Royalties | 6,135,428 | 33,974 | 219,389 | 10,209 | 16,931 | 184,228 | 8,021 |
| 41 Net short-term capital gain reduced by net long-term capital loss | 521,410 | 22,289 | 8,292 | 80 | *3,087 | 4,891 | *234 |
| 42 Net long-term capital gain reduced by net short-term capital loss | 11,916,138 | 429,092 | 642,136 | 167,871 | 112,713 | 336,255 | 25,297 |
| 43 Net gain, noncapital assets | 11,169,250 | 154,948 | 274,390 | 29,607 | 35,992 | 175,966 | 32,825 |
| 44 Dividends received from domestic corporations | 13,932,345 | 38,305 | 157,704 | 20,569 | 24,479 | 106,014 | 6,642 |
| 45 Dividends received from foreign corporations | 8,275,849 | 9,695 | 124,113 | 70,720 | *1,995 | 50,990 | *408 |
| 46 Other receipts | 53,121,213 | 882,167 | 1,418,620 | 74,074 | 105,814 | 1,150,109 | 88,623 |
| 47 Total deductions | 3,908,781,721 | 35,199,177 | 64,894,800 | 5,124,128 | 11,191,341 | 42,261,003 | 6,318,128 |
| 48 Cost of sales and operations | 2,725,009,554 | 24,703,484 | 44,842,332 | 3,400,426 | 7,598,702 | 29,847,839 | 3,995,365 |
| 49 Compensation of officers | 73,783,066 | 922,631 | 736,435 | 23,572 | 190,589 | 375,207 | 147,067 |
| 50 Repairs | 30,158,253 | 711,709 | 746,463 | 53,199 | 221,731 | 266,424 | 205,109 |
| 51 Bad debts | 14,249,343 | 45,670 | 68,861 | 4,824 | 12,687 | 38,098 | 13,252 |
| 52 Rent paid on business property | 50,019,434 | 748,255 | 457,693 | 32,323 | 106,701 | 240,635 | 78,034 |
| 53 Taxes paid | 104,282,166 | 825,364 | 1,509,443 | 254,619 | 431,055 | 603,402 | 220,367 |
| 54 Interest paid | 152,865,323 | 1,100,868 | 1,507,766 | 201,087 | 272,930 | 865,859 | 167,890 |
| 55 Contributions or gifts | 1,789,747 | 11,345 | 20,612 | 1,878 | 5,038 | 10,486 | 3,210 |
| 56 Amortization | 981,002 | 4,915 | 11,934 | 3,360 | 1,009 | 6,639 | 926 |
| 57 Depreciation | 106,972,692 | 1,474,026 | 3,043,533 | 280,310 | 813,054 | 1,521,476 | 428,693 |
| 58 Depletion | 5,658,877 | 8,678 | 1,205,510 | 199,414 | 348,099 | 487,430 | 170,567 |
| 59 Advertising | 35,298,210 | 126,942 | 55,413 | 1,497 | 3,978 | 28,762 | 21,176 |
| 60 Pension, profit-sharing, stock bonus, and annuity plans | 36,483,699 | 128,788 | 418,761 | 69,675 | 94,856 | 195,601 | 58,629 |
| 61 Employee benefit programs | 23,498,403 | 92,024 | 273,465 | 18,908 | 140,431 | 74,592 | 39,534 |
| 62 Net loss, noncapital assets | 1,618,022 | 25,675 | 34,906 | *823 | 1,485 | 26,948 | 5,650 |
| 63 Other deductions | 546,123,930 | 4,288,803 | 9,961,473 | 578,213 | 948,996 | 7,671,605 | 762,659 |
| 64 Total receipts less total deductions | 219,522,757 | 708,690 | 31,270,153 | 20,460 | 288,977 | 30,737,222 | 223,494 |
| 65 Constructive taxable income from related foreign corporations | 7,541,192 | 3,799 | 90,697 | 32,329 | *1,102 | 57,101 | *165 |
| 66 Net income (less deficit) (line 64 plus 65 minus 37) | 219,243,043 | 708,956 | 31,353,923 | 52,717 | 287,895 | 30,791,287 | 222,024 |
| 67 Net income | 245,274,490 | 1,740,130 | 32,581,722 | 299,399 | 632,790 | 31,312,795 | 336,738 |
| 68 Deficit | 26,031,447 | 1,031,174 | 1,227,799 | 246,682 | 344,895 | 521,508 | 114,714 |
| 69 Income subject to tax | 212,501,782 | 1,145,569 | 31,919,909 | 221,402 | 496,840 | 30,930,234 | 271,433 |
| 70 Income tax, total | 96,340,453 | 401,946 | 15,263,122 | 96,321 | 241,408 | 14,797,508 | 127,885 |
| 71 Normal tax, surtax, and alternative tax | 95,627,563 | 395,785 | 15,176,753 | 78,752 | 213,517 | 14,768,759 | 114,725 |
| 72 Tax from recomputing prior-year investment credit | 445,735 | 5,271 | 13,153 | 418 | 2,587 | 8,995 | 1,153 |
| 73 Tax from recomputing prior-year work incentive (WIN) credit | 3,839 | *() | *322 | 112 | 112 | *149 | *61 |
| 74 Additional tax for tax preferences | 263,316 | 890 | 72,894 | 16,151 | 25,192 | 19,605 | 11,946 |
| 75 Foreign tax credit | 26,006,028 | 25,645 | 13,958,967 | 56,266 | 2,491 | 13,898,203 | 2,007 |
| 76 U.S. possessions tax credit | 837,687 | 121 | 51 | — | — | 51 | — |
| 77 Investment credit | 11,038,404 | 76,414 | 223,125 | 5,772 | 49,211 | 135,981 | 32,161 |
| 78 Work incentive (WIN) credit | 19,327 | *48 | 44 | 35 | 6 | (¹) | 3 |
| 79 New jobs credit | 1,703,838 | 12,778 | 27,131 | *563 | 5,185 | 16,108 | 5,275 |
| Distributions to stockholders: | | | | | | | |
| 80 Cash and property except in own stock | 61,536,781 | 387,651 | 1,945,098 | 150,864 | 228,678 | 1,387,684 | 177,872 |
| 81 Corporation's own stock | 2,675,787 | *13,202 | 70,554 | 8,515 | *11,814 | 48,904 | *321 |

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

RETURNS OF ACTIVE CORPORATIONS

Table 2.—Balance Sheets and Income Statements, by Major Industry—Continued

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

| Item | Major industry—Continued | | | | | | | | | |
|---|--------------------------|---|--------------------------------|---------------------------|---------------|---------------------------|----------------------|-----------------------|------------------------------------|--|
| | Construction | | | | Manufacturing | | | | | |
| | Total | General building contractors and operative builders | Heavy construction contractors | Special trade contractors | Total | Food and kindred products | Tobacco manufactures | Textile mill products | Apparel and other textile products | |
| (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) | | |
| 1 Number of returns, total..... | 214,745 | 84,924 | 18,875 | 112,946 | 231,149 | 16,048 | 39 | 5,805 | 17,390 | |
| 2 With net income..... | 135,955 | 50,099 | 11,580 | 74,276 | 158,995 | 11,039 | 31 | 4,257 | 11,165 | |
| 3 Total assets..... | 91,222,022 | 45,012,301 | 20,933,024 | 25,276,697 | 1,182,263,458 | 94,030,465 | 18,693,166 | 19,824,326 | 17,480,919 | |
| 4 Cash..... | 8,712,907 | 3,868,130 | 1,981,462 | 2,863,315 | 39,726,110 | 3,896,404 | 565,356 | 832,050 | 1,089,137 | |
| 5 Notes and accounts receivable..... | 24,952,578 | 10,319,053 | 5,623,707 | 9,009,818 | 269,729,095 | 18,271,639 | 2,377,043 | 5,288,578 | 5,099,322 | |
| 6 Less: Allowance for bad debts..... | 218,096 | 54,413 | 42,858 | 120,825 | 5,895,275 | 409,889 | 29,003 | 104,915 | 117,443 | |
| 7 Inventories..... | 15,693,140 | 10,420,146 | 1,482,814 | 3,790,180 | 207,458,384 | 19,536,732 | 4,808,995 | 5,525,886 | 6,211,060 | |
| Investments in Government obligations: | | | | | | | | | | |
| 8 United States..... | 425,237 | 225,043 | 114,398 | 85,796 | 13,150,855 | 605,823 | 40 | 84,112 | 97,505 | |
| 9 State and local..... | 269,394 | 121,216 | 94,819 | 53,359 | 2,556,835 | — | — | 34,226 | 35,412 | |
| 10 Other current assets..... | 9,640,477 | 5,922,440 | 1,921,669 | 1,796,368 | 55,248,615 | 3,758,419 | 439,033 | 516,492 | 650,467 | |
| 11 Loans to stockholders..... | 1,187,240 | 673,737 | 93,876 | 419,627 | 2,753,730 | 430,308 | 389,342 | 14,670 | 122,264 | |
| 12 Mortgage and real estate loans..... | 799,640 | 664,947 | 42,277 | 92,236 | 2,962,043 | 542,556 | 92,893 | 14,188 | 16,817 | |
| 13 Other investments..... | 5,517,000 | 2,537,965 | 1,774,994 | 1,204,041 | 195,161,763 | 15,174,077 | 5,322,745 | 1,268,092 | 1,317,732 | |
| 14 Depreciable assets..... | 34,232,185 | 10,452,228 | 13,383,873 | 10,396,084 | 602,208,407 | 48,266,762 | 4,770,477 | 13,595,357 | 4,670,455 | |
| 15 Less: Accumulated depreciation..... | 16,920,611 | 4,257,485 | 7,177,311 | 5,485,815 | 282,842,472 | 21,274,159 | 1,025,866 | 7,699,509 | 2,301,636 | |
| 16 Depletable assets..... | 267,472 | 119,121 | 116,211 | 32,140 | 37,013,488 | 364,198 | 253,527 | 10,392 | 5,211 | |
| 17 Less: Accumulated depletion..... | 40,579 | 10,485 | 26,253 | 3,841 | 15,619,489 | 90,575 | — | 3,369 | 4872 | |
| 18 Land..... | 3,518,741 | 2,437,678 | 539,740 | 541,323 | 15,988,286 | 1,800,283 | 172,658 | 144,458 | 136,350 | |
| 19 Intangible assets (amortizable)..... | 279,676 | 164,876 | 60,363 | 54,237 | 6,347,459 | 484,311 | 53,986 | 46,004 | 53,922 | |
| 20 Less: Accumulated amortization..... | 55,782 | 23,584 | 13,457 | 18,741 | 1,848,528 | 107,684 | 4,790 | 14,357 | 19,766 | |
| 21 Other assets..... | 2,961,783 | 1,431,688 | 962,700 | 567,395 | 38,164,152 | 2,550,492 | 506,726 | 271,971 | 415,022 | |
| 22 Total liabilities..... | 91,222,022 | 45,012,301 | 20,933,024 | 25,276,697 | 1,182,263,458 | 94,030,465 | 18,693,166 | 19,824,326 | 17,480,919 | |
| 23 Accounts payable..... | 18,312,543 | 9,195,731 | 3,642,105 | 5,474,707 | 147,715,712 | 11,781,704 | 1,412,890 | 2,588,652 | 3,217,661 | |
| 24 Mortgages, notes, and bonds payable in less than one year..... | 13,060,972 | 8,589,523 | 1,652,261 | 2,819,188 | 79,684,200 | 6,331,159 | 884,452 | 1,716,592 | 1,871,911 | |
| 25 Other current liabilities..... | 12,923,578 | 6,296,781 | 3,257,555 | 3,369,242 | 120,554,009 | 9,691,135 | 1,830,738 | 1,600,689 | 1,822,088 | |
| 26 Loans from stockholders..... | 2,928,336 | 1,470,573 | 319,292 | 1,138,501 | 11,219,075 | 950,694 | *134,647 | 184,899 | 299,848 | |
| 27 Mortgages, notes, and bonds payable in one year or more..... | 14,103,707 | 7,933,611 | 3,172,598 | 2,997,498 | 210,589,393 | 16,246,986 | 4,360,988 | 3,350,946 | 2,073,990 | |
| 28 Other liabilities..... | 6,801,020 | 3,761,326 | 1,477,375 | 1,562,319 | 65,157,402 | 3,274,589 | 839,494 | 382,760 | 395,216 | |
| 29 Capital stock..... | 5,903,557 | 1,946,858 | 1,868,429 | 2,088,270 | 79,846,023 | 7,080,696 | 932,820 | 1,517,232 | 1,373,772 | |
| 30 Paid-in or capital surplus..... | 3,306,109 | 1,643,194 | 993,122 | 669,793 | 122,355,361 | 8,231,351 | 2,924,188 | 1,998,371 | 1,094,077 | |
| 31 Retained earnings, appropriated..... | 269,777 | 100,404 | 53,635 | 115,738 | 5,972,218 | 690,298 | 401,661 | 31,107 | 76,823 | |
| 32 Retained earnings, unappropriated..... | 14,866,714 | 4,523,319 | 4,745,374 | 5,598,021 | 349,147,997 | 30,266,690 | 5,173,454 | 7,331,051 | 5,502,352 | |
| 33 Less: Cost of treasury stock..... | 1,254,991 | 449,019 | 248,692 | 556,580 | 9,977,932 | 874,837 | 202,166 | 257,973 | 246,819 | |
| 34 Total receipts..... | 181,550,922 | 78,860,877 | 37,344,404 | 65,545,641 | 1,853,531,899 | 200,282,466 | 18,037,747 | 36,407,585 | 40,146,024 | |
| 35 Business receipts..... | 176,745,105 | 76,403,771 | 35,740,112 | 64,601,222 | 1,591,340,869 | 196,642,579 | 17,389,892 | 35,859,792 | 39,608,716 | |
| Interest on Government obligations: | | | | | | | | | | |
| 36 United States..... | 37,335 | 18,741 | 9,392 | 9,202 | 1,003,273 | 45,225 | 323 | 8,438 | 6,945 | |
| 37 State and local..... | 16,505 | 6,677 | 3,859 | 3,859 | 327,766 | 25,402 | 63 | 1,473 | 2,361 | |
| 38 Other interest..... | 676,674 | 367,483 | 192,429 | 116,762 | 10,292,992 | 669,188 | 153,855 | 77,038 | 84,141 | |
| 39 Rents..... | 828,427 | 516,788 | 165,276 | 146,363 | 10,959,763 | 279,745 | 23,521 | 32,612 | 48,028 | |
| 40 Royalties..... | 20,117 | 4,754 | 14,849 | 514 | 4,339,989 | 274,077 | 53,311 | 29,809 | 65,065 | |
| 41 Net short-term capital gain reduced by net long-term capital loss..... | 17,370 | 11,519 | 2,345 | 3,506 | 59,330 | 13,986 | 3,850 | 581 | *589 | |
| 42 Net long-term capital gain reduced by net short-term capital loss..... | 417,807 | 200,809 | 131,529 | 85,469 | 4,834,132 | 242,666 | 118,170 | 34,734 | 15,527 | |
| 43 Net gain, noncapital assets..... | 441,130 | 161,617 | 196,408 | 83,105 | 1,425,391 | 176,869 | *37,401 | 24,158 | 14,202 | |
| 44 Dividends received from domestic corporations..... | 68,604 | 17,458 | 40,856 | 10,290 | 6,307,017 | 301,029 | 99,884 | 47,003 | 18,540 | |
| 45 Dividends received from foreign corporations..... | 67,868 | 16,225 | 50,573 | *1,070 | 7,205,465 | 350,225 | 17,318 | 17,620 | 18,353 | |
| 46 Other receipts..... | 2,213,980 | 935,035 | 794,666 | 484,279 | 15,435,892 | 1,261,473 | 140,159 | 274,327 | 261,557 | |
| 47 Total deductions..... | 177,093,366 | 77,228,841 | 36,070,914 | 63,793,811 | 1,559,542,934 | 192,679,837 | 16,202,473 | 35,125,937 | 38,539,218 | |
| 48 Cost of sales and operations..... | 142,818,285 | 65,783,246 | 28,759,758 | 48,275,281 | 1,165,901,411 | 151,186,646 | 9,636,267 | 28,087,993 | 29,808,655 | |
| 49 Compensation of officers..... | 6,184,320 | 2,076,629 | 773,715 | 3,131,976 | 14,301,818 | 1,167,159 | 37,558 | 430,203 | 921,771 | |
| 50 Repairs..... | 1,002,962 | 275,604 | 365,392 | 361,966 | 19,609,681 | 1,605,446 | 120,822 | 298,676 | 76,976 | |
| 51 Bad debts..... | 365,552 | 110,371 | 63,179 | 192,002 | 2,931,815 | 222,550 | 28,463 | 70,509 | 92,858 | |
| 52 Rent paid on business property..... | 1,151,036 | 277,863 | 297,713 | 575,460 | 12,608,755 | 1,309,412 | 99,422 | 264,481 | 411,982 | |
| 53 Taxes paid..... | 3,782,109 | 1,136,641 | 751,442 | 1,894,026 | 44,548,521 | 5,061,766 | 2,270,828 | 870,266 | 985,582 | |
| 54 Interest paid..... | 2,050,494 | 1,134,393 | 434,067 | 482,034 | 25,124,477 | 2,015,572 | 449,743 | 461,989 | 441,198 | |
| 55 Contributions or gifts..... | 49,240 | 20,916 | 11,775 | 16,549 | 910,837 | 75,110 | 12,192 | 23,607 | 29,457 | |
| 56 Amortization..... | 10,910 | 5,044 | 1,414 | 4,452 | 339,725 | 20,295 | 1,956 | 3,312 | 4,047 | |
| 57 Depreciation..... | 3,176,543 | 865,981 | 1,161,294 | 1,149,268 | 44,372,471 | 3,799,538 | 365,079 | 959,040 | 372,670 | |
| 58 Depletion..... | 44,423 | 17,950 | 23,398 | 3,075 | 3,927,023 | 29,745 | 42,441 | *1,175 | 21 | |
| 59 Advertising..... | 435,619 | 200,975 | 40,122 | 194,522 | 17,408,358 | 4,725,979 | 911,144 | 245,719 | 290,242 | |
| 60 Pension, profit-sharing, stock bonus, and annuity plans..... | 860,981 | 280,044 | 236,622 | 364,315 | 19,076,277 | 1,193,989 | 168,282 | 230,648 | 211,659 | |
| 61 Employee benefit programs..... | 719,245 | 177,272 | 165,772 | 376,201 | 14,178,523 | 942,582 | 172,689 | 169,419 | 177,859 | |
| 62 Net loss, noncapital assets..... | 48,283 | 31,510 | 8,490 | 8,283 | 546,263 | 58,320 | 9,926 | 44,601 | 24,540 | |
| 63 Other deductions..... | 14,413,368 | 4,854,202 | 2,976,761 | 6,582,401 | 173,755,979 | 19,265,730 | 1,875,481 | 2,964,297 | 4,689,901 | |
| 64 Total receipts less total deductions..... | 4,457,566 | 1,432,236 | 1,273,490 | 1,751,830 | 93,988,965 | 7,602,629 | 1,835,274 | 1,281,650 | 1,606,806 | |
| 65 Constructive taxable income from related foreign corporations..... | 76,471 | 39,132 | 35,838 | 1,501 | 6,347,708 | 291,179 | 46,424 | 5,926 | 17,587 | |
| 66 Net income (less deficit) (line 64 plus 65 minus 37)..... | 4,517,522 | 1,464,691 | 1,303,359 | 1,749,472 | 100,008,887 | 7,868,460 | 1,881,635 | 1,286,103 | 1,622,032 | |
| 67 Net income..... | 6,536,536 | 2,448,215 | 1,614,677 | 2,473,644 | 107,608,932 | 8,452,384 | 1,890,747 | 1,654,168 | 1,941,517 | |
| 68 Deficit..... | 2,019,014 | 983,524 | 311,318 | 724,172 | 7,600,045 | 583,978 | *9,112 | 368,065 | 319,485 | |
| 69 Income subject to tax..... | 5,047,435 | 1,865,007 | 1,372,439 | 1,809,989 | 101,639,157 | 8,030,154 | 1,818,149 | 1,543,862 | 1,761,388 | |
| 70 Income tax, total..... | 1,919,879 | 712,000 | 596,487 | 611,389 | 47,434,803 | 3,768,403 | 853,300 | 721,348 | 784,120 | |
| 71 Normal tax, surtax, and alternative tax..... | 1,894,222 | 704,884 | 586,036 | 603,302 | 47,135,474 | 3,743,066 | 851,302 | 714,628 | 790,765 | |
| 72 Tax from recomputing prior-year investment credit..... | 21,673 | 5,223 | 9,264 | 7,186 | 203,452 | 22,234 | 1,998 | 6,601 | 3,313 | |
| 73 Tax from recomputing prior-year work incentive (WIN) credit..... | *244 | *82 | *86 | *76 | 1,433 | *1,373 | — | (¹) | (¹) | |
| 74 Additional tax for tax preferences..... | 3,737 | 1,811 | 1,101 | 825 | 94,444 | 1,730 | — | 119 | *42 | |
| 75 Foreign tax credit..... | 122,733 | 45,047 | 75,277 | 2,409 | 10,154,318 | 409,159 | 118,727 | 7,638 | 22,932 | |
| 76 U.S. possessions tax credit..... | 2,051 | 264 | 770 | 1,017 | 789,042 | 69,872 | 10,181 | 6,844 | 27,415 | |
| 77 Investment credit..... | 220,629 | 56,445 | 90,196 | 73,988 | 4,607,188 | 367,955 | 41,169 | 88,564 | 30,557 | |
| 78 Work incentive (WIN) credit..... | 444 | 348 | *11 | *85 | 9,777 | 377 | 5 | 261 | 132 | |
| 79 New jobs credit..... | 238,736 | 70,204 | 36,739 | 131,793 | 558,785 | 36,532 | *430 | 21,595 | 32,316 | |
| Distributions to stockholders: | | | | | | | | | | |
| 80 Cash and property except in own stock..... | 556,171 | 159,269 | 211,403 | 185,499 | 26,913,367 | 2,169,116 | 441,330 | 264,089 | 222,785 | |
| 81 Corporation's own stock..... | 54,830 | 23,788 | 7,979 | 23,063 | 1,115,741 | 135,506 | — | *4,397 | 24,520 | |

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

RETURNS OF ACTIVE CORPORATIONS

Table 2.—Balance Sheets and Income Statements, by Major Industry—Continued

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

| Item | Major industry—Continued | | | | | | | | | |
|---|--------------------------|------------------------|---------------------------|-------------------------|-------------------------------|--|--|------------------------------|---------------------------------|--|
| | Manufacturing—Continued | | | | | | | | | |
| | Lumber and wood products | Furniture and fixtures | Paper and allied products | Printing and publishing | Chemicals and allied products | Petroleum (including integrated) and coal products | Rubber and miscellaneous plastics products | Leather and leather products | Stone, clay, and glass products | |
| | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) | (25) | |
| 1 Number of returns, total..... | 13,923 | 7,653 | 3,496 | 33,324 | 10,963 | 1,201 | 8,804 | 1,751 | 10,403 | |
| 2 With net income..... | 9,763 | 5,049 | 2,811 | 22,517 | 7,050 | 930 | 6,063 | 1,483 | 6,468 | |
| 3 Total assets..... | 29,861,754 | 7,106,788 | 34,306,613 | 33,785,363 | 105,403,697 | 237,840,080 | 21,859,213 | 5,404,000 | 27,281,845 | |
| 4 Cash..... | 1,261,752 | 402,994 | 923,729 | 2,229,379 | 2,872,780 | 2,982,847 | 1,027,680 | 478,559 | 1,112,529 | |
| 5 Notes and accounts receivable..... | 4,249,652 | 1,909,376 | 4,808,540 | 7,712,090 | 19,340,060 | 44,256,143 | 5,564,186 | 1,392,877 | 5,329,126 | |
| 6 Less: Allowance for bad debts..... | 88,068 | 49,057 | 112,537 | 603,095 | 447,442 | 492,428 | 89,486 | 31,754 | 131,017 | |
| 7 Inventories..... | 4,986,680 | 2,195,342 | 5,181,870 | 3,656,333 | 17,812,421 | 16,661,224 | 4,770,459 | 1,693,189 | 4,198,162 | |
| 8 Investments in Government obligations: | | | | | | | | | | |
| 9 United States..... | 117,869 | 14,825 | 513,678 | 541,022 | 540,127 | 2,259,277 | 56,204 | 15,728 | 322,347 | |
| 8 State and local..... | *16,861 | *25,497 | 45,849 | 193,654 | 180,571 | 205,377 | *60,064 | *18,678 | 22,279 | |
| 10 Other current assets..... | 1,122,780 | 246,317 | 1,142,398 | 2,486,742 | 3,776,725 | 8,063,369 | 556,511 | 209,881 | 1,019,873 | |
| 11 Loans to stockholders..... | 145,755 | 18,381 | 44,008 | 191,118 | 112,968 | 106,705 | 64,527 | 32,593 | 24,988 | |
| 12 Mortgage and real estate loans..... | 926,081 | 5,455 | 16,309 | 83,640 | 28,890 | 72,803 | 42,761 | *3,043 | 31,493 | |
| 13 Other investments..... | 2,928,328 | 428,905 | 4,187,317 | 4,630,052 | 18,876,613 | 68,227,358 | 2,184,497 | 621,449 | 3,206,994 | |
| 14 Depreciable assets..... | 18,418,892 | 3,090,077 | 26,051,950 | 16,459,752 | 67,940,677 | 117,180,439 | 12,682,727 | 1,873,039 | 20,979,780 | |
| 15 Less: Accumulated depreciation..... | 7,864,306 | 1,449,230 | 12,046,248 | 7,990,266 | 31,190,979 | 48,903,621 | 5,837,016 | 875,175 | 10,133,255 | |
| 16 Depletable assets..... | 2,208,775 | *2,406 | 2,386,191 | 150,338 | 1,140,341 | 28,390,919 | *4,745 | *30 | 369,633 | |
| 17 Less: Accumulated depletion..... | 74,250 | *250 | 452,678 | *1,827 | 263,903 | 14,151,910 | *1,279 | — | 75,144 | |
| 18 Land..... | 511,722 | 122,597 | 917,719 | 771,170 | 1,302,815 | 4,023,504 | 212,447 | 37,940 | 588,201 | |
| 19 Intangible assets (amortizable)..... | 53,913 | 33,345 | 124,848 | 967,930 | 908,087 | 1,435,058 | 70,898 | 10,333 | 73,425 | |
| 20 Less: Accumulated amortization..... | 15,445 | 12,294 | 25,909 | 149,979 | 209,675 | 513,264 | 18,601 | 2,073 | 24,358 | |
| 21 Other assets..... | 954,763 | 122,102 | 619,579 | 2,437,310 | 2,682,821 | 8,036,280 | 507,889 | 125,663 | 366,789 | |
| 22 Total liabilities..... | 29,861,754 | 7,106,788 | 34,306,613 | 33,785,363 | 105,403,697 | 237,840,080 | 21,859,213 | 5,404,000 | 27,281,845 | |
| 23 Accounts payable..... | 2,460,023 | 892,858 | 3,272,332 | 3,206,112 | 11,053,014 | 34,451,297 | 2,553,039 | 837,322 | 2,811,861 | |
| 24 Mortgages, notes, and bonds payable in less than one year..... | 2,408,429 | 556,406 | 1,440,098 | 2,086,337 | 4,185,629 | 5,336,748 | 1,702,597 | 599,956 | 1,162,453 | |
| 25 Other current liabilities..... | 3,002,709 | 692,471 | 2,987,389 | 4,433,809 | 10,097,107 | 19,059,910 | 2,705,651 | 369,224 | 2,813,045 | |
| 26 Loans from stockholders..... | 400,058 | 143,395 | 147,139 | 585,884 | 700,603 | 739,288 | 247,274 | 52,942 | 294,067 | |
| 27 Mortgages, notes, and bonds payable in one year or more..... | 6,584,724 | 1,069,754 | 7,737,157 | 4,537,666 | 22,515,914 | 33,039,115 | 4,140,609 | 890,996 | 5,789,289 | |
| 28 Other liabilities..... | 1,048,573 | 134,913 | 643,310 | 1,704,697 | 2,848,577 | 29,274,118 | 412,852 | 112,905 | 664,944 | |
| 29 Capital stock..... | 2,148,069 | 731,572 | 2,914,312 | 2,442,107 | 7,669,956 | 13,370,542 | 1,249,682 | 614,330 | 2,311,239 | |
| 30 Paid-in or capital surplus..... | 3,930,887 | 365,004 | 3,255,323 | 2,369,985 | 10,879,025 | 31,674,904 | 1,829,827 | 482,440 | 2,351,394 | |
| 31 Retained earnings, appropriated..... | 119,477 | 22,566 | 51,451 | 335,844 | 209,062 | 1,114,021 | 374,387 | *20,781 | 226,508 | |
| 32 Retained earnings, unappropriated..... | 8,096,566 | 2,489,957 | 11,944,138 | 12,736,801 | 36,159,169 | 71,016,956 | 6,843,070 | 1,517,453 | 9,231,211 | |
| 33 Less: Cost of treasury stock..... | 337,761 | 92,108 | 286,036 | 673,479 | 1,014,359 | 1,236,819 | 299,775 | 94,349 | 374,166 | |
| 34 Total receipts..... | 43,738,110 | 14,524,890 | 45,278,513 | 50,203,180 | 127,768,724 | 335,638,541 | 34,713,720 | 10,384,927 | 36,309,691 | |
| 35 Business receipts..... | 41,492,402 | 14,292,791 | 43,596,430 | 48,466,565 | 122,386,265 | 326,031,048 | 33,944,329 | 10,192,252 | 35,175,446 | |
| 36 Interest on Government obligations: | | | | | | | | | | |
| 37 United States..... | 13,165 | 2,727 | 14,496 | 32,073 | 38,221 | 216,218 | 11,595 | 746 | 12,567 | |
| 37 State and local..... | 1,799 | 1,473 | 9,609 | 10,040 | 16,526 | 9,759 | 768 | 487 | 1,373 | |
| 38 Other interest..... | 248,290 | 25,774 | 180,845 | 259,156 | 737,685 | 1,854,657 | 116,483 | 42,056 | 142,836 | |
| 39 Rents..... | 79,327 | 17,231 | 57,466 | 160,525 | 113,619 | 874,511 | 52,575 | 10,483 | 65,841 | |
| 40 Royalties..... | 18,455 | 11,670 | 151,875 | 132,353 | 715,093 | 235,645 | 57,618 | 3,722 | 87,732 | |
| 41 Net short-term capital gain reduced by net long-term capital loss..... | 2,951 | *439 | 335 | 5,187 | 7,300 | 2,911 | 590 | *28 | 175 | |
| 42 Net long-term capital gain reduced by net short-term capital loss..... | 1,326,251 | 23,145 | 668,616 | 164,421 | 478,913 | 428,517 | 37,661 | 10,158 | 101,209 | |
| 43 Net gain, noncapital assets..... | 69,191 | 11,033 | 24,161 | 59,520 | 202,749 | 156,029 | 31,195 | 2,530 | 62,005 | |
| 44 Dividends received from domestic corporations..... | 94,214 | 8,325 | 110,557 | 101,885 | 614,087 | 1,725,470 | 35,916 | 30,784 | 126,820 | |
| 45 Dividends received from foreign corporations..... | 33,346 | 5,452 | 167,836 | 55,411 | 718,575 | 1,593,328 | 106,586 | *957 | 96,127 | |
| 46 Other receipts..... | 358,719 | 124,830 | 296,287 | 756,044 | 1,739,691 | 2,510,448 | 318,404 | 90,724 | 437,760 | |
| 47 Total deductions..... | 41,204,270 | 13,831,334 | 42,599,918 | 46,108,103 | 117,686,430 | 319,342,315 | 33,112,282 | 10,010,788 | 34,132,981 | |
| 48 Cost of sales and operations..... | 31,105,958 | 10,259,811 | 30,635,304 | 30,446,095 | 78,761,980 | 269,071,879 | 23,614,801 | 7,511,845 | 24,051,483 | |
| 49 Compensation of officers..... | 614,844 | 326,873 | 364,605 | 1,428,000 | 816,894 | 251,268 | 479,386 | 130,346 | 531,584 | |
| 50 Repairs..... | 436,580 | 56,945 | 1,066,630 | 279,406 | 2,066,381 | 3,117,278 | 450,401 | 50,739 | 863,470 | |
| 51 Bad debts..... | 65,689 | 36,288 | 67,509 | 298,237 | 202,052 | 278,806 | 89,063 | 24,156 | 96,987 | |
| 52 Rent paid on business property..... | 333,913 | 163,378 | 350,650 | 682,170 | 1,157,910 | 1,840,102 | 398,304 | 208,893 | 306,735 | |
| 53 Taxes paid..... | 1,048,471 | 393,077 | 1,144,117 | 1,514,189 | 2,650,519 | 8,832,170 | 989,642 | 245,939 | 1,051,814 | |
| 54 Interest paid..... | 721,772 | 157,606 | 706,429 | 570,748 | 2,192,484 | 3,655,414 | 498,264 | 139,937 | 581,168 | |
| 55 Contributions or gifts..... | 16,092 | 6,980 | 37,670 | 58,063 | 113,967 | 90,865 | 13,118 | 6,398 | 26,008 | |
| 56 Amortization..... | 9,859 | 893 | 12,950 | 39,753 | 28,220 | 48,464 | 2,989 | 746 | 5,948 | |
| 57 Depreciation..... | 1,398,732 | 233,600 | 1,822,121 | 1,281,118 | 5,071,288 | 6,442,146 | 1,023,829 | 125,068 | 1,439,796 | |
| 58 Depletion..... | 1,351,239 | 418 | 380,164 | 51,388 | 218,511 | 1,040,780 | 1,328 | *341 | 118,045 | |
| 59 Advertising..... | 146,942 | 153,541 | 299,112 | 424,246 | 3,479,484 | 698,260 | 352,725 | 118,902 | 207,224 | |
| 60 Pension, profit-sharing, stock bonus, and annuity plans..... | 302,560 | 105,017 | 521,025 | 613,859 | 1,880,494 | 1,459,048 | 478,192 | 52,378 | 477,426 | |
| 61 Employee benefit programs..... | 172,453 | 93,215 | 355,982 | 413,539 | 1,020,699 | 589,985 | 369,917 | 48,433 | 351,568 | |
| 62 Net loss, noncapital assets..... | 52,377 | 2,038 | 8,855 | 25,214 | 24,045 | 27,709 | 17,045 | 14,676 | 13,672 | |
| 63 Other deductions..... | 3,426,709 | 1,841,854 | 4,826,895 | 7,983,078 | 18,001,482 | 21,758,041 | 4,333,278 | 1,331,991 | 4,010,053 | |
| 64 Total receipts less total deductions..... | 2,533,840 | 693,556 | 2,678,595 | 4,095,077 | 10,082,294 | 16,296,226 | 1,601,438 | 374,139 | 2,176,710 | |
| 65 Constructive taxable income from related foreign corporations..... | 43,231 | 4,177 | 111,041 | 40,170 | 946,948 | 1,361,850 | 65,547 | 11,538 | 77,458 | |
| 66 Net income (less deficit) (line 64 plus 65 minus 37)..... | 2,575,272 | 696,260 | 2,780,227 | 4,125,207 | 11,012,716 | 17,848,117 | 1,666,217 | 385,190 | 2,252,795 | |
| 67 Net income..... | 2,814,782 | 790,850 | 2,937,234 | 4,501,129 | 11,459,578 | 18,270,504 | 1,819,711 | 461,416 | 2,437,170 | |
| 68 Deficit..... | 239,510 | 94,590 | 157,207 | 375,922 | 446,862 | 622,387 | 153,494 | 78,226 | 184,375 | |
| 69 Income subject to tax..... | 2,650,000 | 731,230 | 2,884,655 | 4,199,140 | 11,195,900 | 16,559,109 | 1,729,988 | 421,746 | 2,238,045 | |
| 70 Income tax, total..... | 1,009,081 | 324,816 | 1,262,457 | 1,905,374 | 5,303,616 | 7,898,059 | 792,373 | 194,508 | 1,029,633 | |
| 71 Normal tax, surtax, and alternative tax..... | 997,148 | 323,442 | 1,247,727 | 1,898,973 | 5,256,407 | 7,872,852 | 788,040 | 193,878 | 1,020,266 | |
| 72 Tax from recomputing prior-year investment credit..... | 6,671 | 1,295 | 5,156 | 6,262 | 30,868 | 18,532 | 4,213 | 630 | 6,759 | |
| 73 Tax from recomputing prior-year work incentive (WIN) credit..... | *(') | — | (') | *(') | 1 | 4 | *(') | — | *(') | |
| 74 Additional tax for tax preferences..... | 5,262 | *79 | 9,574 | *139 | 16,340 | *6,871 | *120 | — | 2,608 | |
| 75 Foreign tax credit..... | 31,312 | 4,330 | 135,914 | 57,051 | 904,190 | 4,040,826 | 85,620 | 1,981 | 100,154 | |
| 76 U.S. possessions tax credit..... | — | 174 | 706 | 159 | 442,709 | 25,254 | 3,897 | 1,936 | 2,997 | |
| 77 Investment credit..... | 182,474 | 19,637 | 195,212 | 116,957 | 569,923 | 1,012,212 | 101,804 | 9,348 | 165,750 | |
| 78 Work incentive (WIN) credit..... | 266 | 167 | 637 | 72 | 199 | 39 | 478 | 52 | 199 | |
| 79 New jobs credit..... | 27,606 | 20,477 | 10,564 | 31,137 | 24,048 | 4,966 | 29,485 | 7,109 | 19,715 | |
| 80 Distributions to stockholders: | | | | | | | | | | |
| 81 Cash and property except in own stock..... | 497,884 | 72,796 | 859,789 | 846,939 | 3,866,684 | 5,052,368 | 357,976 | 96,929 | 532,132 | |
| 81 Corporation's own stock..... | *117,746 | *18,960 | *36,909 | 11,057 | 85,502 | 132,079 | 33,584 | *1,837 | 31,634 | |

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

RETURNS OF ACTIVE CORPORATIONS

Table 2.—Balance Sheets and Income Statements, by Major Industry—Continued

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

| Item | Major industry—Continued | | | | | | | |
|---|--------------------------|---------------------------|------------------------------|-------------------------------------|------------------------------|---|----------------------------------|---|
| | Manufacturing—Continued | | | | | | | |
| | Primary metal industries | Fabricated metal products | Machinery, except electrical | Electrical and electronic equipment | Motor vehicles and equipment | Transportation equipment, except motor vehicles | Instruments and related products | Miscellaneous manufacturing and manufacturing not allocable |
| | (26) | (27) | (28) | (29) | (30) | (31) | (32) | (33) |
| 1 Number of returns, total..... | 4,454 | 32,580 | 24,671 | 13,313 | 2,318 | 3,718 | 5,674 | 13,621 |
| 2 With net income..... | 3,796 | 23,774 | 17,376 | 7,924 | 1,796 | 2,218 | 4,088 | 9,397 |
| 3 Total assets..... | 92,502,238 | 51,506,962 | 114,577,828 | 96,099,283 | 102,590,127 | 37,738,183 | 19,271,009 | 15,119,601 |
| 4 Cash..... | 2,130,075 | 2,770,582 | 4,139,998 | 4,573,886 | 2,191,184 | 2,899,130 | 561,842 | 784,217 |
| 5 Notes and accounts receivable..... | 15,005,936 | 11,998,188 | 29,334,351 | 24,817,642 | 47,800,894 | 6,504,750 | 4,688,526 | 3,980,166 |
| 6 Less: Allowance for bad debts..... | 264,766 | 250,581 | 1,241,041 | 595,698 | 507,222 | 124,504 | 85,843 | 119,486 |
| 7 Inventories..... | 14,736,943 | 12,707,236 | 28,496,094 | 18,805,538 | 16,216,058 | 10,065,321 | 4,933,002 | 4,258,839 |
| 8 Investments in Government obligations: | | | | | | | | |
| 9 United States..... | 193,017 | 426,890 | 3,323,941 | 707,269 | 2,681,662 | 123,017 | 385,031 | 141,371 |
| 10 State and local..... | 148,029 | 327,002 | 263,803 | 94,734 | 311,276 | *9,176 | 304,866 | 30,591 |
| 11 Other current assets..... | 3,898,246 | 2,044,539 | 7,738,537 | 9,708,411 | 2,417,616 | 4,003,128 | 894,864 | 554,267 |
| 12 Loans to stockholders..... | 130,965 | 169,853 | 221,177 | 216,050 | 108,171 | 155,989 | 111,533 | 42,365 |
| 13 Mortgage and real estate loans..... | 81,128 | 67,879 | 109,256 | 155,779 | 146,563 | *486,207 | 28,384 | 10,118 |
| 14 Other investments..... | 14,159,256 | 5,640,226 | 15,227,327 | 13,635,469 | 10,561,916 | 4,414,992 | 1,544,478 | 1,623,940 |
| 15 Depreciable assets..... | 67,536,886 | 25,476,765 | 47,249,239 | 35,755,076 | 39,118,463 | 16,045,161 | 9,780,825 | 5,465,608 |
| 16 Less: Accumulated depreciation..... | 33,436,152 | 12,245,870 | 23,344,492 | 16,821,530 | 22,352,771 | 8,943,249 | 4,590,940 | 2,516,206 |
| 17 Depletable assets..... | 812,141 | 153,375 | 249,197 | 372,299 | *10,158 | 8,255 | *17,625 | — |
| 18 Less: Accumulated depletion..... | 287,415 | 7,722 | 30,919 | 151,429 | 3,854 | 14,619 | 3,607 | *3,867 |
| 19 Land..... | 1,008,031 | 829,581 | 877,336 | 710,731 | 772,879 | 567,839 | 263,874 | 216,171 |
| 20 Intangible assets (amortizable)..... | 375,625 | 345,475 | 464,510 | 430,520 | 31,805 | 69,525 | 144,372 | 169,527 |
| 21 Less: Accumulated amortization..... | 144,242 | 112,208 | 203,393 | 142,574 | 14,610 | 25,993 | 44,794 | 44,499 |
| 22 Other assets..... | 6,420,553 | 1,165,622 | 1,702,907 | 3,827,110 | 3,099,937 | 1,498,581 | 344,221 | 507,814 |
| 23 Total liabilities..... | 92,502,238 | 51,506,962 | 114,577,828 | 96,099,283 | 102,590,127 | 37,738,183 | 19,271,009 | 15,119,601 |
| 24 Accounts payable..... | 8,208,311 | 6,740,450 | 15,627,093 | 15,056,846 | 10,207,919 | 7,190,540 | 1,866,374 | 2,179,414 |
| 25 Mortgages, notes, and bonds payable in less than one year..... | 7,276,787 | 3,441,959 | 7,253,343 | 6,702,636 | 21,190,210 | 1,269,287 | 893,754 | 1,373,457 |
| 26 Other current liabilities..... | 7,437,479 | 5,262,023 | 13,579,002 | 13,142,169 | 9,188,639 | 6,987,509 | 2,462,635 | 1,388,788 |
| 27 Loans from stockholders..... | 229,980 | 745,160 | 3,634,745 | 615,693 | 441,482 | 192,953 | 209,137 | 269,387 |
| 28 Mortgages, notes, and bonds payable in one year or more..... | 20,251,651 | 8,671,807 | 19,360,464 | 15,570,131 | 23,409,525 | 5,947,759 | 2,258,978 | 2,780,944 |
| 29 Other liabilities..... | 7,218,066 | 1,612,893 | 3,303,283 | 6,621,384 | 1,970,735 | 1,822,929 | 294,181 | 396,243 |
| 30 Capital stock..... | 7,602,585 | 4,079,245 | 9,737,779 | 5,350,005 | 3,534,093 | 2,440,369 | 1,534,538 | 1,211,080 |
| 31 Paid-in or capital surplus..... | 9,963,781 | 3,997,745 | 11,809,165 | 12,564,162 | 5,855,615 | 3,080,593 | 2,226,647 | 1,870,877 |
| 32 Retained earnings, appropriated..... | 151,091 | 233,065 | 341,125 | 329,633 | 738,148 | 332,144 | 118,892 | 54,134 |
| 33 Retained earnings, unappropriated..... | 24,733,968 | 17,522,969 | 30,620,285 | 21,283,431 | 26,210,273 | 8,787,672 | 7,504,290 | 3,816,241 |
| 34 Less: Cost of treasury stock..... | 572,203 | 800,354 | 688,456 | 1,136,807 | 156,512 | 313,572 | 98,417 | 220,964 |
| 35 Total receipts..... | 98,504,375 | 84,128,260 | 124,186,319 | 114,307,940 | 138,077,131 | 49,147,971 | 27,037,134 | 24,708,651 |
| 36 Business receipts..... | 95,680,424 | 82,375,570 | 109,684,375 | 108,913,623 | 133,156,738 | 46,660,800 | 25,707,217 | 24,083,615 |
| 37 Interest on Government obligations: | | | | | | | | |
| 38 United States..... | 16,943 | 24,627 | 242,728 | 41,069 | 231,881 | 16,035 | 21,495 | 3,756 |
| 39 State and local..... | 9,138 | 7,348 | 34,749 | 158,555 | 17,803 | 5,328 | 7,395 | 6,337 |
| 40 Other interest..... | 676,717 | 272,081 | 1,481,771 | 994,481 | 1,688,312 | 363,898 | 106,353 | 117,375 |
| 41 Rents..... | 150,010 | 166,852 | 7,498,316 | 705,399 | 371,830 | 169,794 | 41,148 | 40,930 |
| 42 Royalties..... | 97,886 | 78,257 | 1,590,435 | 395,712 | 73,597 | 86,186 | 131,816 | 49,675 |
| 43 Net short-term capital gain reduced by net long-term capital loss..... | 6,869 | 4,475 | 3,998 | 4,240 | 3,998 | *182 | *117 | 368 |
| 44 Net long-term capital gain reduced by net short-term capital loss..... | 180,615 | 110,987 | 225,195 | 382,530 | 64,272 | 114,991 | 38,134 | 67,420 |
| 45 Net gain, noncapital assets..... | 38,140 | 78,856 | 140,466 | 145,118 | 82,628 | 31,738 | 17,338 | 20,064 |
| 46 Dividends received from domestic corporations..... | 311,137 | 97,166 | 664,482 | 742,941 | 432,558 | 465,782 | 206,070 | 72,547 |
| 47 Dividends received from foreign corporations..... | 176,459 | 205,834 | 1,373,180 | 707,837 | 1,193,084 | 82,111 | 240,003 | 45,723 |
| 48 Other receipts..... | 1,160,037 | 706,187 | 1,246,382 | 1,116,577 | 764,246 | 1,151,191 | 519,797 | 201,052 |
| 49 Total deductions..... | 97,412,262 | 78,999,088 | 112,857,270 | 106,537,732 | 127,413,037 | 47,872,300 | 24,420,918 | 23,454,445 |
| 50 Cost of sales and operations..... | 73,576,101 | 58,581,773 | 71,437,036 | 73,764,031 | 97,478,839 | 35,219,568 | 15,204,537 | 16,460,909 |
| 51 Compensation of officers..... | 559,413 | 2,026,405 | 1,626,155 | 1,007,002 | 304,667 | 288,078 | 360,648 | 626,859 |
| 52 Repairs..... | 4,254,818 | 873,657 | 999,027 | 584,537 | 1,448,351 | 439,482 | 136,349 | 136,349 |
| 53 Bad debts..... | 119,839 | 198,645 | 317,807 | 327,789 | 215,035 | 47,955 | 56,027 | 75,551 |
| 54 Rent paid on business property..... | 564,805 | 708,443 | 1,207,380 | 1,030,031 | 660,793 | 386,576 | 276,307 | 248,068 |
| 55 Taxes paid..... | 2,367,558 | 2,221,272 | 3,597,317 | 3,076,989 | 3,411,547 | 1,419,742 | 735,765 | 659,953 |
| 56 Interest paid..... | 2,345,075 | 1,040,411 | 2,570,461 | 2,172,097 | 3,021,331 | 684,760 | 273,603 | 424,415 |
| 57 Contributions or gifts..... | 25,727 | 60,807 | 91,825 | 65,758 | 100,082 | 18,887 | 24,014 | 14,210 |
| 58 Amortization..... | 39,794 | 11,704 | 54,649 | 21,783 | 6,316 | 5,402 | 10,061 | 11,684 |
| 59 Depreciation..... | 3,603,164 | 1,970,478 | 4,486,723 | 3,489,948 | 4,047,580 | 1,200,136 | 791,620 | 468,799 |
| 60 Depletion..... | 441,992 | 16,397 | 53,517 | 144,919 | 5,139 | 24,907 | *1,004 | *3,552 |
| 61 Advertising..... | 272,216 | 554,038 | 847,122 | 1,461,726 | 815,156 | 216,726 | 593,234 | 454,609 |
| 62 Pension, profit-sharing, stock bonus, and annuity plans..... | 2,026,821 | 1,021,399 | 1,994,781 | 1,622,762 | 2,907,690 | 1,187,889 | 443,814 | 176,574 |
| 63 Employee benefit programs..... | 1,272,017 | 717,882 | 1,455,366 | 1,199,884 | 3,545,089 | 673,885 | 252,051 | 184,049 |
| 64 Net loss, noncapital assets..... | 19,482 | 34,156 | 22,348 | 48,763 | 44,480 | 26,512 | 2,804 | 23,700 |
| 65 Other deductions..... | 5,923,442 | 8,959,638 | 22,115,756 | 16,518,713 | 9,400,972 | 6,037,795 | 5,005,699 | 3,485,164 |
| 66 Total receipts less total deductions..... | 1,092,113 | 5,129,174 | 11,329,049 | 7,770,208 | 10,664,094 | 1,275,671 | 2,616,216 | 1,254,206 |
| 67 Constructive taxable income from related foreign corporations..... | 148,284 | 126,895 | 1,367,472 | 310,136 | 1,080,429 | 119,452 | 138,710 | 33,354 |
| 68 Net income (less deficit) (line 64 plus 65 minus 37)..... | 1,231,259 | 5,248,821 | 12,661,772 | 7,921,789 | 11,726,220 | 1,389,795 | 2,747,511 | 1,281,223 |
| 69 Net income..... | 2,584,391 | 5,712,551 | 13,088,594 | 8,477,796 | 11,856,377 | 2,021,643 | 2,881,757 | 1,544,633 |
| 70 Deficit..... | 1,353,132 | 463,730 | 436,822 | 556,007 | 129,657 | 631,848 | 134,226 | 263,410 |
| 71 Income subject to tax..... | 2,299,123 | 5,333,785 | 12,517,842 | 7,966,303 | 11,751,594 | 1,870,011 | 2,791,670 | 1,345,463 |
| 72 Income tax, total..... | 1,103,027 | 2,416,473 | 5,896,018 | 3,730,561 | 5,632,218 | 879,107 | 1,315,307 | 605,004 |
| 73 Normal tax, surtax, and alternative tax..... | 1,057,716 | 2,404,521 | 5,865,865 | 3,703,916 | 5,617,198 | 873,182 | 1,311,544 | 603,038 |
| 74 Tax from recomputing prior-year investment credit..... | 4,558 | 11,585 | 26,880 | 20,482 | 14,984 | 5,536 | 3,535 | 1,860 |
| 75 Tax from recomputing prior-year work incentive (WIN) credit..... | *1 | *39 | *11 | — | — | — | — | — |
| 76 Additional tax for tax preferences..... | 40,752 | 328 | 3,762 | 6,163 | *35 | *386 | 228 | *106 |
| 77 Foreign tax credit..... | 160,215 | 173,249 | 1,624,031 | 704,168 | 1,228,566 | 88,958 | 202,475 | 41,822 |
| 78 U.S. possessions tax credit..... | 391 | 8,466 | 11,061 | 126,742 | 7,302 | — | 35,951 | 17,185 |
| 79 Investment credit..... | 155,095 | 191,408 | 374,862 | 367,848 | 911,810 | 88,221 | 80,294 | 36,098 |
| 80 Work incentive (WIN) credit..... | 252 | 945 | 523 | 1,081 | 3,203 | 434 | 213 | 232 |
| 81 New jobs credit..... | 17,143 | 86,062 | 64,429 | 57,439 | 14,043 | 10,964 | 18,623 | 24,102 |
| Distributions to stockholders: | | | | | | | | |
| 82 Cash and property except in own stock..... | 1,316,193 | 861,257 | 3,465,551 | 1,845,037 | 2,808,355 | 549,686 | 600,374 | 186,097 |
| 83 Corporation's own stock..... | 62,904 | 52,967 | 91,052 | 71,094 | *5,331 | 141,239 | 29,693 | 27,730 |

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

RETURNS OF ACTIVE CORPORATIONS

Table 2.—Balance Sheets and Income Statements, by Major Industry—Continued

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

| Item | Major industry—Continued | | | | | | | | | |
|---|-------------------------------------|----------------|---------------|--------------------------------------|---------------|----------------------------|--------------------------------|------------------------------------|-------------|-------------------------------|
| | Transportation and public utilities | | | | | Wholesale and retail trade | | | | |
| | Total | Transportation | Communication | Electric, gas, and sanitary services | Total | Total | Wholesale trade | | | Miscellaneous wholesale trade |
| | | | | | | | Groceries and related products | Machinery, equipment, and supplies | | |
| (34) | (35) | (36) | (37) | (38) | (39) | (40) | (41) | (42) | | |
| 1 Number of returns, total..... | 85,215 | 65,344 | 10,474 | 9,397 | 672,394 | 237,597 | 21,253 | 49,753 | 166,591 | |
| 2 With net income..... | 52,064 | 39,476 | 6,857 | 5,731 | 443,545 | 169,702 | 14,278 | 35,298 | 120,126 | |
| 3 Total assets..... | 538,778,308 | 126,989,606 | 147,276,756 | 264,511,946 | 414,650,094 | 212,756,662 | 18,178,591 | 36,510,347 | 158,067,724 | |
| 4 Cash..... | 8,660,721 | 4,910,808 | 1,436,714 | 2,313,199 | 26,081,480 | 12,891,877 | 1,294,720 | 2,193,407 | 9,403,750 | |
| 5 Notes and accounts receivable..... | 38,295,854 | 15,128,098 | 9,244,754 | 13,923,002 | 111,006,030 | 72,876,250 | 5,782,628 | 12,084,378 | 55,009,224 | |
| 6 Less: Allowance for bad debts..... | 650,883 | 295,811 | 155,956 | 199,116 | 2,118,124 | 1,168,487 | 113,991 | 205,549 | 848,947 | |
| 7 Inventories..... | 18,692,638 | 3,905,678 | 4,341,884 | 10,445,096 | 135,571,381 | 61,974,706 | 5,064,079 | 12,975,624 | 43,935,003 | |
| 8 Investments in Government obligations: | | | | | | | | | | |
| 9 United States..... | 5,129,337 | 1,591,589 | 1,702,958 | 1,834,791 | 1,167,850 | 681,231 | 119,625 | 50,608 | 510,998 | |
| 10 State and local..... | 225,853 | 197,416 | 23,682 | 4,755 | 321,826 | 234,924 | 22,956 | 15,587 | 196,385 | |
| 11 Other current assets..... | 18,282,014 | 6,672,291 | 2,980,564 | 8,629,159 | 13,710,215 | 7,279,674 | 551,164 | 918,872 | 5,809,638 | |
| 12 Loans to stockholders..... | 805,071 | 706,047 | 54,573 | 44,451 | 2,477,759 | 963,181 | 88,848 | 145,267 | 729,066 | |
| 13 Mortgage and real estate loans..... | 1,218,574 | 375,452 | 224,162 | 618,960 | 1,174,957 | 520,777 | 47,265 | 36,939 | 456,573 | |
| 14 Other investments..... | 43,906,505 | 17,662,676 | 12,534,088 | 13,709,741 | 34,095,156 | 22,306,332 | 1,073,006 | 2,835,223 | 18,398,103 | |
| 15 Depreciable assets..... | 518,697,285 | 105,885,679 | 143,131,721 | 269,679,885 | 123,351,092 | 45,601,266 | 6,079,585 | 7,041,693 | 32,479,998 | |
| 16 Less: Accumulated depreciation..... | 133,874,368 | 38,298,054 | 31,315,728 | 64,260,586 | 51,833,521 | 19,695,202 | 2,710,703 | 2,936,576 | 14,047,923 | |
| 17 Depletable assets..... | 2,388,986 | 217,572 | *15,141 | 2,156,273 | 708,659 | 424,439 | *12,399 | 38,564 | 373,476 | |
| 18 Less: Accumulated depletion..... | 692,970 | 76,358 | 10 | 616,602 | 240,320 | 121,519 | *4,175 | 14,567 | 102,777 | |
| 19 Land..... | 4,611,966 | 1,709,440 | 556,108 | 2,346,418 | 9,250,499 | 3,292,382 | 308,713 | 434,674 | 2,548,995 | |
| 20 Intangible assets (amortizable)..... | 1,897,135 | 411,143 | 1,111,601 | 1,870,956 | 789,907 | 142,699 | 98,458 | 548,750 | 584,750 | |
| 21 Less: Accumulated amortization..... | 473,723 | 71,683 | 333,528 | 68,512 | 543,116 | 238,867 | 43,057 | 24,622 | 171,188 | |
| 22 Other assets..... | 11,658,313 | 6,357,624 | 1,724,048 | 3,576,641 | 8,599,315 | 4,143,787 | 462,810 | 822,377 | 2,858,600 | |
| 23 Total liabilities..... | 538,778,308 | 126,989,606 | 147,276,756 | 264,511,946 | 414,650,094 | 212,756,662 | 18,178,591 | 36,510,347 | 158,067,724 | |
| 24 Accounts payable..... | 23,552,985 | 8,880,876 | 4,409,689 | 10,262,420 | 86,830,434 | 50,466,477 | 4,792,868 | 6,696,245 | 38,977,364 | |
| 25 Mortgages, notes, and bonds payable in less than one year..... | 21,909,277 | 7,616,920 | 5,401,215 | 8,991,142 | 63,618,363 | 34,510,078 | 2,278,624 | 6,999,177 | 25,232,277 | |
| 26 Other current liabilities..... | 57,087,381 | 16,094,049 | 20,317,450 | 20,685,882 | 34,423,583 | 14,865,108 | 1,415,800 | 2,533,872 | 10,915,436 | |
| 27 Loans from stockholders..... | 2,389,325 | 1,544,480 | 393,516 | 451,329 | 11,144,427 | 4,583,652 | 539,637 | 8,583,703 | 3,198,312 | |
| 28 Mortgages, notes, and bonds payable in one year or more..... | 191,793,930 | 38,188,043 | 48,489,562 | 105,116,325 | 54,851,783 | 23,120,119 | 2,562,909 | 4,135,202 | 16,422,008 | |
| 29 Other liabilities..... | 23,878,598 | 8,486,995 | 2,681,946 | 12,709,657 | 11,116,069 | 4,390,352 | 483,203 | 579,938 | 3,327,211 | |
| 30 Capital stock..... | 83,821,529 | 10,035,935 | 19,543,640 | 54,241,954 | 32,134,576 | 15,736,854 | 1,290,408 | 2,419,981 | 12,026,465 | |
| 31 Paid-in or capital surplus..... | 55,466,700 | 16,459,069 | 18,886,617 | 20,121,014 | 19,790,562 | 9,342,152 | 721,785 | 1,098,065 | 7,522,302 | |
| 32 Retained earnings, appropriated..... | 1,435,362 | 633,642 | 211,929 | 599,791 | 2,235,689 | 1,392,726 | 80,936 | 135,614 | 1,176,176 | |
| 33 Retained earnings, unappropriated..... | 78,758,440 | 19,969,362 | 27,337,181 | 31,451,897 | 103,189,371 | 56,602,305 | 4,184,670 | 11,580,618 | 40,857,017 | |
| 34 Less: Cost of treasury stock..... | 1,315,219 | 809,765 | 395,989 | 109,465 | 4,684,763 | 2,253,161 | 172,249 | 494,608 | 1,586,844 | |
| 35 Total receipts..... | 330,112,349 | 131,252,779 | 71,385,558 | 127,474,012 | 1,239,882,173 | 635,527,555 | 99,392,159 | 74,531,305 | 461,604,091 | |
| 36 Business receipts..... | 318,432,740 | 124,965,301 | 69,571,442 | 123,895,997 | 1,215,615,448 | 625,265,644 | 98,225,337 | 72,575,654 | 454,464,653 | |
| 37 Interest on Government obligations: | | | | | | | | | | |
| 38 United States..... | 188,333 | 107,673 | 32,350 | 48,310 | 92,583 | 52,186 | 4,962 | 7,210 | 40,014 | |
| 39 State and local..... | 20,595 | 14,162 | 2,613 | 3,820 | 31,084 | 1,618 | 3,399 | 3,299 | 13,944 | |
| 40 Other interest..... | 1,904,204 | 746,806 | 253,350 | 904,048 | 3,976,640 | 2,056,028 | 143,820 | 444,034 | 1,468,174 | |
| 41 Rents..... | 2,247,712 | 1,567,645 | 286,927 | 393,140 | 2,764,292 | 992,270 | 104,637 | 371,827 | 515,806 | |
| 42 Royalties..... | 196,237 | 97,384 | 69,098 | 29,755 | 212,075 | 73,655 | 7,297 | 7,043 | 59,315 | |
| 43 Net short-term capital gain reduced by net long-term capital loss..... | 41,103 | 6,627 | 16,857 | 17,619 | 30,189 | 17,181 | 7,284 | 1,898 | 7,999 | |
| 44 Net long-term capital gain reduced by net short-term capital loss..... | 838,800 | 459,561 | 65,925 | 313,314 | 867,901 | 434,414 | 34,420 | 46,782 | 353,212 | |
| 45 Net gain, noncapital assets..... | 984,950 | 717,663 | 68,222 | 101,065 | 621,601 | 323,438 | 26,638 | 43,472 | 212,328 | |
| 46 Dividends received from domestic corporations..... | 495,241 | 207,698 | 111,747 | 175,796 | 882,057 | 459,944 | 28,714 | 46,412 | 384,818 | |
| 47 Dividends received from foreign corporations..... | 149,972 | 92,547 | 30,143 | 27,282 | 356,123 | 270,581 | 2,135 | 8,894 | 259,552 | |
| 48 Other receipts..... | 4,732,462 | 2,269,712 | 898,884 | 1,563,866 | 14,432,180 | 5,554,253 | 805,297 | 924,680 | 3,824,576 | |
| 49 Total deductions..... | 311,785,440 | 127,053,145 | 65,265,278 | 119,467,017 | 1,210,396,709 | 619,201,088 | 98,331,242 | 70,572,262 | 450,297,584 | |
| 50 Cost of sales and operations..... | 199,942,778 | 86,168,069 | 32,587,642 | 81,187,067 | 955,267,447 | 525,860,602 | 86,433,784 | 54,199,012 | 385,227,806 | |
| 51 Compensation of officers..... | 2,512,700 | 1,751,333 | 366,269 | 395,098 | 19,970,330 | 9,720,472 | 944,027 | 2,040,345 | 6,736,100 | |
| 52 Repairs..... | 556,142 | 239,552 | 94,095 | 222,495 | 4,105,394 | 1,468,078 | 238,145 | 230,989 | 998,944 | |
| 53 Bad debts..... | 996,075 | 262,197 | 420,099 | 313,779 | 2,407,530 | 1,305,081 | 154,407 | 235,354 | 915,320 | |
| 54 Rent paid on business property..... | 6,967,225 | 5,415,745 | 999,125 | 552,355 | 16,068,075 | 3,600,054 | 499,471 | 561,170 | 2,539,413 | |
| 55 Taxes paid..... | 19,236,130 | 5,630,817 | 4,991,805 | 8,613,508 | 17,004,379 | 6,801,896 | 672,896 | 905,264 | 5,023,736 | |
| 56 Interest paid..... | 15,700,497 | 3,288,748 | 3,830,023 | 8,601,726 | 10,016,411 | 4,730,256 | 418,949 | 818,949 | 3,499,041 | |
| 57 Contributions or gifts..... | 156,621 | 39,946 | 60,354 | 56,321 | 285,904 | 130,061 | 17,351 | 21,732 | 90,978 | |
| 58 Amortization..... | 213,695 | 76,596 | 30,410 | 106,689 | 107,825 | 40,424 | 3,796 | 4,411 | 32,217 | |
| 59 Depreciation..... | 26,760,500 | 6,389,199 | 10,212,073 | 10,159,228 | 11,166,222 | 4,297,519 | 550,174 | 889,296 | 2,858,049 | |
| 60 Depletion..... | 268,569 | 56,012 | *235 | 212,322 | 88,395 | 54,006 | 284 | 6,143 | 47,579 | |
| 61 Advertising..... | 1,219,249 | 639,627 | 455,602 | 124,020 | 11,124,363 | 2,434,780 | 212,400 | 320,376 | 1,902,004 | |
| 62 Pension, profit-sharing, stock bonus, and annuity plans..... | 5,487,064 | 1,540,788 | 2,743,789 | 1,202,477 | 6,637,755 | 1,781,381 | 214,507 | 317,449 | 1,249,425 | |
| 63 Employee benefit programs..... | 2,892,235 | 1,178,812 | 1,187,406 | 533,017 | 2,717,743 | 1,025,473 | 153,014 | 191,461 | 680,998 | |
| 64 Net loss, noncapital assets..... | 167,681 | 37,822 | 9,265 | 120,594 | 194,070 | 81,820 | 7,042 | 7,484 | 67,294 | |
| 65 Other deductions..... | 28,701,279 | 14,357,882 | 7,277,076 | 7,066,321 | 156,234,866 | 56,069,185 | 7,817,678 | 9,822,827 | 38,428,680 | |
| 66 Total receipts less total deductions..... | 18,326,909 | 4,199,634 | 6,120,280 | 8,006,995 | 29,485,464 | 16,326,467 | 1,060,917 | 3,959,043 | 11,306,507 | |
| 67 Constructive taxable income from related foreign corporations..... | 87,088 | 35,167 | 28,623 | 23,298 | 725,767 | 646,832 | *1,360 | 13,373 | 632,099 | |
| 68 Net income (less deficit) (line 64 plus 65 minus 37)..... | 18,393,402 | 4,220,639 | 6,146,290 | 8,026,473 | 30,180,147 | 16,954,338 | 1,060,559 | 3,969,017 | 11,924,662 | |
| 69 Net income..... | 20,304,871 | 5,739,504 | 6,266,909 | 8,298,458 | 35,097,805 | 19,300,256 | 1,273,882 | 4,285,037 | 13,741,277 | |
| 70 Deficit..... | 1,911,469 | 1,518,865 | 1,200,619 | 2,171,985 | 4,917,658 | 2,345,918 | 213,223 | 318,080 | 1,616,615 | |
| 71 Income subject to tax..... | 18,692,706 | 4,882,951 | 5,987,743 | 8,022,012 | 25,618,892 | 12,369,110 | 1,024,113 | 2,321,294 | 9,043,703 | |
| 72 Income tax, total..... | 8,870,780 | 2,179,966 | 2,890,174 | 3,600,640 | 10,547,774 | 5,136,157 | 431,621 | 937,899 | 3,766,837 | |
| 73 Normal tax, surtax, and alternative tax..... | 8,769,636 | 2,154,838 | 2,839,768 | 3,775,038 | 10,481,276 | 5,101,154 | 428,833 | 926,248 | 3,746,073 | |
| 74 Tax from recomputing prior-year investment credit..... | 80,907 | 14,811 | 50,189 | 15,907 | 60,653 | 30,637 | 2,718 | 10,852 | 17,067 | |
| 75 Tax from recomputing prior-year work incentive (WIN) credit..... | 1,337 | 1,337 | — | — | 326 | *308 | (*) | *301 | *7 | |
| 76 Additional tax for tax preferences..... | 18,900 | 8,980 | 217 | 9,703 | 5,519 | 1,959 | *70 | 298 | 3,690 | |
| 77 Foreign tax credit..... | 147,967 | 83,051 | 40,140 | 24,776 | 604,147 | 511,948 | 1,917 | 15,107 | 494,925 | |
| 78 U.S. possessions tax credit..... | 21,618 | 146 | 21,443 | 29 | 6,887 | 1,892 | 368 | 105 | 1,419 | |
| 79 Investment credit..... | 4,143,315 | 971,905 | 1,376,977 | 1,794,433 | 826,490 | 319,104 | 41,602 | 66,585 | 210,917 | |
| 80 Work incentive (WIN) credit..... | 512 | 282 | 108 | 122 | 5,788 | 3,477 | 228 | 660 | 2,589 | |
| 81 New jobs credit..... | 70,723 | 55,620 | 6,482 | 8,621 | 474,527 | 183,840 | 20,269 | 34,352 | 129,219 | |
| Distributions to stockholders: | | | | | | | | | | |
| 82 Cash and property except in own stock..... | 11,836,726 | 1,268,843 | 3,771,600 | 6,796,283 | 6,845,280 | 4,410,192 | 197,094 | 1 | | |

RETURNS OF ACTIVE CORPORATIONS

Table 2.—Balance Sheets and Income Statements, by Major Industry—Continued

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

| Item | Major industry—Continued | | | | | | | | | |
|--|--------------------------------------|--|----------------------------|------------------|---|------------------------------|---------------------------------------|----------------------------|-----------------------------|--|
| | Wholesale and retail trade—Continued | | | | | | | | | |
| | Retail trade | | | | | | | | | Wholesale and retail trade not allocable |
| | Total | Building materials, garden supplies, and mobile home dealers | General merchandise stores | Food stores | Automotive dealers and service stations | Apparel and accessory stores | Furniture and home furnishings stores | Eating and drinking places | Miscellaneous retail stores | |
| (43) | (44) | (45) | (46) | (47) | (48) | (49) | (50) | (51) | (52) | |
| 1 Number of returns, total | 432,815 | 37,015 | 11,484 | 32,814 | 71,099 | 38,570 | 34,939 | 90,948 | 116,166 | 1,982 |
| 2 With net income | 272,463 | 26,539 | 7,934 | 19,841 | 49,832 | 25,882 | 22,386 | 47,489 | 72,580 | 1,380 |
| 3 Total assets | 20,143,596 | 15,408,040 | 52,359,599 | 24,722,821 | 41,340,354 | 10,464,032 | 10,485,352 | 16,838,205 | 29,821,733 | 453,838 |
| 4 Cash | 13,144,538 | 1,020,852 | 1,916,637 | 1,703,632 | 2,533,449 | 1,243,095 | 873,757 | 1,516,264 | 2,336,752 | 45,065 |
| 5 Notes and accounts receivable | 38,015,907 | 3,846,434 | 16,302,162 | 16,288,570 | 5,699,526 | 1,686,400 | 2,821,995 | 981,157 | 5,049,883 | 113,873 |
| 6 Less: Allowance for bad debts | 948,238 | 116,994 | 251,878 | 21,312 | 146,052 | 40,411 | 96,998 | 19,225 | 255,368 | 1,399 |
| 7 Inventories | 73,414,019 | 6,177,127 | 15,145,969 | 8,287,416 | 22,243,471 | 4,304,904 | 4,308,488 | 1,059,872 | 11,886,772 | 182,656 |
| Investments in Government obligations: | | | | | | | | | | |
| 8 United States | 486,619 | 16,293 | 60,356 | 176,157 | 62,662 | 48,900 | *4,280 | 84,633 | 33,338 | — |
| 9 State and local | 86,898 | *5,618 | 8,847 | 13,175 | *741 | 28,104 | — | *12,445 | 7,468 | — |
| 10 Other current assets | 6,421,724 | 354,869 | 1,271,602 | 1,015,781 | 1,171,796 | 491,994 | 262,413 | 745,988 | 1,107,281 | 8,817 |
| 11 Loans to stockholders | 1,504,006 | 98,212 | 161,917 | 120,612 | 259,406 | 180,732 | 89,408 | 258,602 | 335,117 | *10,572 |
| 12 Mortgage and real estate loans | 854,174 | 107,578 | 195,419 | 34,925 | 91,394 | 17,249 | 12,046 | 104,822 | 90,741 | 6 |
| 13 Other investments | 11,765,011 | 613,750 | 4,393,685 | 1,942,371 | 1,229,791 | 606,789 | 351,609 | 957,328 | 1,669,688 | 23,813 |
| 14 Depreciable assets | 77,662,425 | 4,562,942 | 17,843,769 | 14,855,421 | 10,492,034 | 2,847,564 | 2,429,571 | 13,944,317 | 10,586,807 | 87,401 |
| 15 Less: Accumulated depreciation | 32,105,539 | 2,140,524 | 6,970,571 | 6,360,856 | 4,309,886 | 1,319,377 | 1,029,063 | 5,186,451 | 4,788,711 | 32,780 |
| 16 Depletable assets | 282,220 | 11,563 | *9,874 | *6,086 | 98,208 | (¹) | *2,481 | *17,778 | 136,230 | — |
| 17 Less: Accumulated depletion | 119,801 | *1,163 | *5,877 | *3,565 | 37,419 | (¹) | *932 | *4,679 | 65,166 | — |
| 18 Land | 5,953,080 | 584,178 | 1,421,241 | 744,940 | 1,217,734 | 131,224 | 229,635 | 1,070,303 | 573,825 | *5,037 |
| 19 Intangible assets (amortizable) | 1,080,813 | 29,545 | 57,654 | 77,133 | 56,727 | 76,616 | 34,950 | 519,156 | 229,630 | *236 |
| 20 Less: Accumulated amortization | 304,243 | 10,712 | 11,091 | 26,500 | 21,771 | 23,280 | 9,826 | 117,626 | 63,332 | *6 |
| 21 Other assets | 4,444,983 | 268,372 | 809,684 | 428,395 | 698,543 | 183,527 | 181,141 | 893,523 | 971,798 | 10,545 |
| 22 Total liabilities | 20,143,596 | 15,408,040 | 52,359,599 | 24,722,281 | 41,340,354 | 10,464,032 | 10,485,352 | 16,838,205 | 29,821,733 | 453,838 |
| 23 Accounts payable | 38,267,752 | 2,545,081 | 12,111,307 | 5,715,642 | 4,147,496 | 1,930,208 | 1,921,490 | 1,857,286 | 6,039,042 | 96,205 |
| 24 Mortgages, notes, and bonds payable in less than one year | 29,030,586 | 2,069,502 | 2,438,591 | 954,906 | 17,329,107 | 750,645 | 1,204,331 | 1,303,254 | 2,989,248 | 77,899 |
| 25 Other current liabilities | 19,524,879 | 1,255,139 | 6,934,755 | 2,634,788 | 2,885,177 | 957,241 | 944,405 | 1,492,706 | 2,420,668 | 33,596 |
| 26 Loans from stockholders | 6,548,546 | 652,757 | 537,552 | 431,304 | 1,256,429 | 442,950 | 457,991 | 1,350,296 | 1,419,267 | *12,229 |
| 27 Mortgages, notes, and bonds payable in one year or more | 31,657,951 | 2,207,288 | 6,971,351 | 5,158,774 | 4,738,505 | 1,136,185 | 1,475,537 | 5,325,325 | 4,644,986 | 73,713 |
| 28 Other liabilities | 6,718,496 | 303,438 | 3,368,452 | 589,138 | 574,118 | 233,713 | 471,035 | 460,939 | 717,663 | 7,221 |
| 29 Capital stock | 16,368,231 | 1,629,664 | 2,874,581 | 1,680,291 | 3,301,394 | 1,171,904 | 1,162,226 | 1,691,709 | 2,856,462 | 29,491 |
| 30 Paid-in or capital surplus | 10,426,289 | 584,516 | 3,120,789 | 1,851,952 | 814,939 | 626,712 | 1,020,600 | 1,129,596 | 1,757,185 | 22,121 |
| 31 Retained earnings, appropriated | 840,375 | 57,323 | 226,702 | 69,148 | 103,367 | 41,487 | 126,084 | 58,903 | 157,361 | *2,588 |
| 32 Retained earnings, unappropriated | 46,482,225 | 4,338,041 | 14,106,744 | 5,844,593 | 6,723,476 | 3,358,476 | 2,482,419 | 2,233,123 | 7,395,353 | 104,841 |
| 33 Less: Cost of treasury stock | 2,425,734 | 225,709 | 331,225 | 208,257 | 533,654 | 185,489 | 170,766 | 185,132 | 575,502 | *5,868 |
| 34 Total receipts | 602,938,240 | 38,048,237 | 95,499,328 | 131,357,216 | 169,968,126 | 25,573,384 | 23,008,223 | 41,079,169 | 78,404,577 | 1,416,378 |
| 35 Business receipts | 588,963,701 | 37,271,139 | 90,289,451 | 130,029,604 | 167,298,134 | 24,948,361 | 22,241,926 | 39,952,899 | 76,932,187 | 1,386,103 |
| Interest on Government obligations: | | | | | | | | | | |
| 36 United States | 40,397 | 1,355 | 9,131 | 11,077 | 4,970 | 4,029 | 1,010 | 4,702 | 4,123 | — |
| 37 State and local | 12,110 | 909 | 1,092 | 1,518 | 614 | 1,206 | 585 | 4,419 | 1,767 | 13 |
| 38 Other interest | 1,916,392 | 137,350 | 468,150 | 109,785 | 723,051 | 101,562 | 134,394 | 71,537 | 170,563 | 4,220 |
| 39 Rents | 1,770,940 | 117,020 | 436,317 | 232,928 | 400,692 | 64,072 | 74,975 | 221,688 | 223,248 | 1,082 |
| 40 Royalties | 138,420 | 548 | *1,144 | 12,277 | 10,787 | *434 | *370 | 104,421 | 8,439 | — |
| 41 Net short-term capital gain reduced by net long-term capital loss | 13,008 | 754 | *60 | 308 | 2,726 | *943 | *329 | 4,654 | 3,234 | — |
| 42 Net long-term capital gain reduced by net short-term capital loss | 433,326 | 59,982 | 61,437 | 51,025 | 95,692 | 19,279 | 14,059 | 68,437 | *63,815 | *161 |
| 43 Net gain, noncapital assets | 288,918 | 33,547 | 16,089 | 47,961 | 88,913 | 8,074 | 11,508 | 40,711 | 42,115 | *245 |
| 44 Dividends received from domestic corporations | 421,083 | 10,570 | 272,422 | 10,635 | 15,809 | 82,924 | 4,594 | 10,613 | 13,516 | *1,030 |
| 45 Dividends received from foreign corporations | 85,542 | *2,572 | 65,178 | *8,741 | 1,120 | *1,574 | 248 | *249 | 5,860 | — |
| 46 Other receipts | 8,854,403 | 412,891 | 3,878,857 | 841,357 | 1,325,618 | 340,906 | 524,225 | 594,839 | 935,710 | 23,524 |
| 47 Total deductions | 589,806,927 | 36,674,753 | 92,255,723 | 129,684,459 | 168,078,174 | 24,476,853 | 22,347,914 | 40,023,041 | 76,264,010 | 1,388,694 |
| 48 Cost of sales and operations | 428,340,823 | 27,531,000 | 58,243,238 | 100,795,227 | 142,391,974 | 14,747,236 | 14,046,564 | 17,584,630 | 53,000,946 | 1,066,022 |
| 49 Compensation of officers | 10,216,356 | 1,065,025 | 394,634 | 785,219 | 2,410,615 | 815,755 | 943,100 | 1,319,039 | 2,482,869 | 33,502 |
| 50 Repairs | 2,634,304 | 161,075 | 446,988 | 661,325 | 360,898 | 87,176 | 83,932 | 523,794 | 309,116 | 3,012 |
| 51 Bad debts | 1,083,777 | 169,340 | 272,913 | 64,008 | 204,727 | 56,024 | 104,198 | 27,776 | 184,791 | 18,672 |
| 52 Rent paid on business property | 12,440,755 | 425,660 | 2,384,461 | 1,996,943 | 1,380,987 | 1,560,075 | 714,531 | 2,069,253 | 1,908,845 | 27,266 |
| 53 Taxes paid | 10,387,796 | 673,053 | 2,208,744 | 1,694,945 | 1,739,805 | 566,374 | 462,535 | 1,575,806 | 1,466,534 | 14,687 |
| 54 Interest paid | 5,270,677 | 375,929 | 1,355,788 | 450,536 | 1,495,661 | 192,535 | 242,205 | 528,343 | 629,680 | 15,478 |
| 55 Contributions or gifts | 155,556 | 11,956 | 49,944 | 19,361 | 22,237 | 12,304 | 7,693 | 8,732 | 23,329 | 287 |
| 56 Amortization | 67,384 | 2,931 | 7,553 | 5,715 | 5,771 | 4,763 | 1,525 | 20,293 | 18,833 | *17 |
| 57 Depreciation | 6,857,555 | 399,506 | 1,298,640 | 1,281,204 | 1,178,119 | 274,867 | 227,032 | 1,201,019 | 997,618 | 11,148 |
| 58 Depletion | 34,373 | 1,874 | *423 | *1,117 | 13,134 | *4,748 | *991 | *1,936 | 10,050 | 16 |
| 59 Advertising | 8,677,126 | 374,773 | 2,325,787 | 1,284,797 | 1,301,488 | 508,856 | 814,435 | 755,236 | 1,311,756 | 12,455 |
| 60 Pension, profit-sharing, stock bonus, and annuity plans | 1,853,456 | 130,485 | 516,883 | 489,105 | 211,773 | 97,325 | 70,294 | 83,957 | 253,654 | 2,918 |
| 61 Employee benefit programs | 1,690,021 | 84,439 | 321,003 | 595,773 | 267,980 | 81,910 | 60,044 | 116,527 | 182,845 | 2,249 |
| 62 Net loss, noncapital assets | 110,789 | 3,985 | 8,862 | 8,277 | 16,422 | 22,640 | 2,786 | 33,870 | 13,947 | *1,461 |
| 63 Other deductions | 99,986,177 | 5,264,064 | 22,419,882 | 19,500,907 | 15,077,183 | 5,466,265 | 4,566,049 | 14,172,830 | 13,468,997 | 179,504 |
| 64 Total receipts less total deductions | 13,131,313 | 1,373,484 | 3,243,605 | 1,672,757 | 1,889,952 | 1,094,511 | 660,309 | 1,056,126 | 2,140,577 | 27,684 |
| 65 Constructive taxable income from related foreign corporations | 78,935 | — | 59,679 | 8,055 | 876 | *1,318 | 334 | 3,277 | 5,396 | — |
| 66 Net income (less deficit) (line 64 plus 65 minus 37) | 13,198,138 | 1,372,575 | 3,302,192 | 1,679,294 | 1,890,214 | 1,094,623 | 660,058 | 1,054,986 | 2,144,196 | 27,671 |
| 67 Net income | 15,767,101 | 1,551,996 | 3,519,374 | 1,942,477 | 2,300,371 | 1,297,968 | 837,120 | 1,656,194 | 2,662,201 | 30,448 |
| 68 Deficit | 2,568,963 | 178,821 | 217,182 | 263,183 | 410,157 | 203,345 | 177,062 | 601,208 | 518,005 | *2,777 |
| 69 Income subject to tax | 13,208,064 | 1,272,918 | 3,156,965 | 1,727,682 | 1,888,079 | 1,059,127 | 672,798 | 1,220,094 | 2,200,401 | 21,718 |
| 70 Income tax, total | 5,404,406 | 484,815 | 1,484,295 | 764,868 | 878,411 | 421,537 | 244,100 | 470,028 | 856,352 | 7,211 |
| 71 Normal tax, surtax, and alternative tax | 5,373,028 | 483,179 | 1,479,171 | 760,040 | 870,054 | 419,917 | 243,204 | 466,358 | 851,105 | 7,094 |
| 72 Tax from recomputing prior-year investment credit | 29,899 | 1,624 | 4,941 | 4,628 | 7,860 | 1,598 | 887 | 3,341 | 5,020 | *117 |
| 73 Tax from recomputing prior-year work incentive (WIN) credit | *18 | (¹) | (¹) | (¹) | (¹) | (¹) | (¹) | (¹) | (¹) | *18 |
| 74 Additional tax for tax preferences | 1,461 | *12 | 183 | 200 | 497 | *22 | 9 | 329 | *209 | — |
| 75 Foreign tax credit | 92,198 | 84 | 62,978 | *8,427 | *155 | *616 | 12 | 5,030 | 14,896 | — |
| 76 U.S. possessions tax credit | 4,922 | — | 616 | 2,713 | — | 1,097 | 366 | 37 | 173 | 3 |
| 77 Investment credit | 506,420 | 29,325 | 118,473 | 112,755 | 58,903 | 16,777 | 12,380 | 77,473 | 80,394 | 966 |
| 78 Work incentive (WIN) credit | 2,311 | *58 | 45 | 183 | 890 | *169 | *37 | 637 | 492 | — |
| 79 New jobs credit | 290,172 | 30,837 | 17,374 | 29,561 | 87,851 | 18,5 | | | | |

RETURNS OF ACTIVE CORPORATIONS

Table 2.—Balance Sheets and Income Statements, by Major Industry—Continued

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

| Item | Major industry—Continued | | | | | | | |
|---|-------------------------------------|---------------|----------------------------------|--|-------------|--|-------------|---|
| | Finance, insurance, and real estate | | | | | | | |
| | Total | Banking | Credit agencies other than banks | Security, commodity brokers and services | Insurance | Insurance agents, brokers, and service | Real estate | Holding and other investment companies, except bank holding companies |
| (53) | (54) | (55) | (56) | (57) | (58) | (59) | (60) | |
| 1 Number of returns, total..... | 432,919 | 14,654 | 50,970 | 6,158 | 8,131 | 41,351 | 267,128 | 44,527 |
| 2 With net income..... | 270,542 | 12,828 | 29,848 | 3,457 | 6,128 | 30,406 | 158,672 | 29,203 |
| 3 Total assets..... | 2,861,478,449 | 1,518,786,059 | 553,446,328 | 51,817,223 | 509,301,779 | 11,329,125 | 108,863,846 | 107,934,089 |
| 4 Cash..... | 261,972,218 | 227,151,218 | 14,943,893 | 1,865,535 | 6,581,053 | 2,425,962 | 5,713,958 | 3,280,288 |
| 5 Notes and accounts receivable..... | 852,148,909 | 726,135,961 | 65,486,524 | 28,033,993 | 12,974,014 | 4,242,818 | 9,985,379 | 5,290,220 |
| 6 Less: Allowance for bad debts..... | 24,701,716 | 8,872,480 | 14,208,471 | 37,085 | 236,396 | 105,893 | 500,277 | 741,114 |
| 7 Inventories..... | 5,496,153 | 231,496 | 1,582,129 | 23,697 | 1,582,954 | 9,570 | 1,955,412 | 100,895 |
| Investments in Government obligations: | | | | | | | | |
| 8 United States..... | 194,728,395 | 139,772,874 | 21,938,317 | 3,907,826 | 25,787,974 | 168,694 | 545,543 | 2,607,167 |
| 9 State and local..... | 160,215,023 | 110,177,873 | 1,867,240 | 556,027 | 45,759,860 | 155,395 | 225,001 | 1,473,627 |
| 10 Other current assets..... | 72,446,281 | 20,127,745 | 8,100,873 | 12,096,134 | 16,488,724 | 474,697 | 9,781,808 | 5,376,300 |
| 11 Loans to stockholders..... | 4,251,111 | 571,159 | 1,125,381 | 34,054 | 197,999 | 14,391 | 1,195,954 | 982,173 |
| 12 Mortgage and real estate loans..... | 652,549,280 | 127,153,239 | 416,827,066 | 141,513 | 97,573,573 | 74,496 | 5,089,668 | 5,689,725 |
| 13 Other investments..... | 509,454,327 | 120,181,786 | 22,064,499 | 3,793,691 | 275,737,447 | 1,873,877 | 10,382,872 | 75,440,155 |
| 14 Depreciable assets..... | 118,332,822 | 27,680,923 | 11,029,155 | 1,011,067 | 8,687,011 | 1,264,683 | 63,111,651 | 5,548,432 |
| 15 Less: Accumulated depreciation..... | 35,088,513 | 6,407,233 | 3,463,213 | 375,184 | 1,596,022 | 504,443 | 21,655,633 | 1,086,785 |
| 16 Depletable assets..... | 792,291 | 13,026 | 48,044 | *78,717 | 43,641 | *3,267 | 265,697 | 339,899 |
| 17 Less: Accumulated depletion..... | 225,651 | 825 | 6,403 | *11,575 | *1,643 | *1,818 | 84,749 | 98,838 |
| 18 Land..... | 26,825,585 | 2,593,826 | 2,401,087 | 56,648 | 646,447 | 109,427 | 18,802,671 | 2,216,478 |
| 19 Intangible assets (amortizable)..... | 1,646,197 | 222,500 | 239,106 | 57,269 | 149,187 | 282,856 | 540,307 | 155,972 |
| 20 Less: Accumulated amortization..... | 497,041 | 49,313 | 74,164 | 21,694 | 27,194 | 100,488 | 178,517 | 45,671 |
| 21 Other assets..... | 61,132,678 | 32,101,673 | 3,546,265 | 606,589 | 18,953,150 | 812,634 | 3,707,401 | 1,404,966 |
| 22 Total liabilities..... | 2,861,478,449 | 1,518,786,059 | 553,446,328 | 51,817,223 | 509,301,779 | 11,329,125 | 108,863,846 | 107,934,089 |
| 23 Accounts payable..... | 49,108,160 | 4,459,338 | 5,518,183 | 16,810,134 | 9,932,286 | 4,733,063 | 3,950,868 | 1,704,288 |
| 24 Mortgages, notes, and bonds payable in less than one year..... | 117,323,876 | 31,262,822 | 50,045,191 | 3,278,912 | 57,520,06 | 537,206 | 13,416,603 | 6,583,784 |
| 25 Other current liabilities..... | 1,809,920,459 | 3,313,526,727 | 390,539,445 | 11,266,732 | 85,235,413 | 1,397,455 | 5,290,512 | 2,664,175 |
| 26 Loans from stockholders..... | 11,397,646 | 2,660,185 | 1,196,106 | 135,909 | 1,201,986 | 158,093 | 5,118,251 | 937,116 |
| 27 Mortgages, notes, and bonds payable in one year or more..... | 164,180,619 | 27,413,958 | 65,386,030 | 2,887,199 | 7,956,201 | 856,909 | 49,124,854 | 10,555,468 |
| 28 Other liabilities..... | 386,567,712 | 33,474,846 | 11,945,925 | 1,696,455 | 328,572,287 | 367,034 | 6,401,622 | 4,109,543 |
| 29 Capital stock..... | 66,158,896 | 20,662,179 | 6,582,288 | 748,357 | 5,573,466 | 672,113 | 11,027,384 | 20,892,909 |
| 30 Paid-in or capital surplus..... | 125,627,964 | 33,500,602 | 5,876,425 | 1,871,049 | 14,126,160 | 874,186 | 8,749,954 | 60,629,588 |
| 31 Retained earnings, appropriated..... | 22,557,493 | 6,826,890 | 3,918,166 | 31,161 | 10,292,102 | 31,736 | 406,035 | 1,051,403 |
| 32 Retained earnings, unappropriated..... | 115,068,148 | 45,546,064 | 12,844,019 | 2,372,080 | 43,730,057 | 1,929,448 | 6,607,791 | 2,038,689 |
| 33 Less: Cost of treasury stock..... | 6,432,424 | 537,552 | 502,450 | 201,511 | 597,091 | 2,228,118 | 1,229,828 | 3,232,874 |
| 34 Total receipts..... | 405,131,593 | 105,023,681 | 54,033,930 | 9,588,383 | 177,311,749 | 11,518,211 | 38,869,322 | 10,786,317 |
| 35 Business receipts..... | 206,863,227 | 12,126,160 | 12,655,460 | 4,561,019 | 143,804,053 | 11,049,252 | 21,047,039 | 1,620,244 |
| Interest on Government obligations: | | | | | | | | |
| 36 United States..... | 12,942,076 | 9,442,143 | 1,527,951 | 274,608 | 1,296,932 | 13,550 | 49,303 | 337,589 |
| 37 State and local..... | 7,382,993 | 4,825,685 | 143,906 | 51,589 | 2,256,951 | 23,899 | 19,200 | 61,963 |
| 38 Other interest..... | 135,781,129 | 71,868,663 | 37,557,009 | 1,118,261 | 21,086,230 | 156,648 | 1,259,336 | 2,734,982 |
| 39 Rents..... | 13,828,742 | 1,639,701 | 448,041 | 27,273 | 1,947,786 | 32,339 | 8,860,901 | 872,701 |
| 40 Royalties..... | 618,998 | 8,933 | 9,704 | 2,725 | 23,239 | *1,348 | 166,729 | 404,320 |
| 41 Net short-term capital gain reduced by net long-term capital loss..... | 318,712 | 25,573 | 11,886 | 65,525 | 40,251 | 288 | 36,104 | 137,285 |
| 42 Net long-term capital gain reduced by net short-term capital loss..... | 3,355,073 | 295,712 | 220,790 | 60,586 | 440,713 | 26,555 | 1,022,352 | 1,298,365 |
| 43 Net gain, noncapital assets..... | 6,921,096 | 589,628 | 284,955 | 2,895,080 | 101,242 | 10,982 | 2,926,241 | 112,969 |
| 44 Dividends received from domestic corporations..... | 5,795,854 | 621,120 | 73,768 | 75,507 | 2,506,850 | 30,842 | 119,096 | 2,368,671 |
| 45 Dividends received from foreign corporations..... | 295,201 | 111,465 | 24,532 | 4,263 | 46,574 | 9,179 | 3,056 | 96,132 |
| 46 Other receipts..... | 11,032,492 | 3,468,898 | 1,076,126 | 451,947 | 3,760,928 | 163,529 | 1,359,965 | 751,097 |
| 47 Total deductions..... | 370,210,983 | 95,320,659 | 50,617,999 | 9,199,187 | 164,665,866 | 10,450,018 | 34,228,115 | 5,728,259 |
| 48 Cost of sales and operations..... | 100,391,853 | 1,394,233 | 5,589,667 | 322,843 | 81,547,809 | 2,796,451 | 7,866,728 | 874,122 |
| 49 Compensation of officers..... | 10,559,162 | 4,036,586 | 992,070 | 861,694 | 792,891 | 1,591,096 | 1,968,003 | 316,822 |
| 50 Repairs..... | 1,659,314 | 504,058 | 182,903 | 19,809 | 125,310 | 29,809 | 756,992 | 40,433 |
| 51 Bad debts..... | 6,813,895 | 3,457,065 | 2,277,261 | 47,979 | 299,472 | 82,493 | 335,234 | 314,391 |
| 52 Rent paid on business property..... | 5,359,327 | 1,859,893 | 488,474 | 331,908 | 1,203,804 | 293,463 | 993,872 | 87,913 |
| 53 Taxes paid..... | 11,147,780 | 2,683,657 | 948,640 | 261,844 | 3,834,467 | 302,635 | 2,847,837 | 268,680 |
| 54 Interest paid..... | 93,359,456 | 52,719,655 | 30,742,676 | 1,227,299 | 2,805,620 | 119,649 | 4,603,684 | 1,140,873 |
| 55 Contributions or gifts..... | 278,181 | 113,878 | 32,210 | 6,650 | 73,574 | 9,403 | 30,891 | 11,555 |
| 56 Amortization..... | 150,752 | 40,997 | 16,372 | 9,002 | 22,267 | 17,353 | 35,458 | 9,303 |
| 57 Depreciation..... | 8,053,785 | 3,029,971 | 791,471 | 118,625 | 1,150,631 | 169,238 | 2,593,140 | 200,709 |
| 58 Depletion..... | 106,698 | 3,782 | 1,852 | 14,173 | 7,770 | *57 | 17,956 | 61,108 |
| 59 Advertising..... | 2,877,661 | 895,937 | 610,049 | 84,016 | 490,690 | 109,927 | 666,181 | 20,861 |
| 60 Pension, profit-sharing, stock bonus, and annuity plans..... | 3,253,260 | 1,159,464 | 289,281 | 130,481 | 1,255,575 | 232,665 | 149,456 | 36,338 |
| 61 Employee benefit programs..... | 1,444,222 | 652,672 | 151,717 | 64,359 | 354,552 | 103,322 | 93,284 | 24,315 |
| 62 Net loss, noncapital assets..... | 458,195 | 148,801 | 59,153 | 20,333 | 13,215 | 3,372 | 145,841 | 67,480 |
| 63 Other deductions..... | 124,296,582 | 22,520,010 | 7,444,203 | 5,678,152 | 70,688,219 | 4,589,084 | 11,123,558 | 2,253,356 |
| 64 Total receipts less total deductions..... | 34,921,510 | 9,703,022 | 3,415,931 | 389,216 | 12,645,883 | 1,068,193 | 2,641,207 | 5,058,058 |
| 65 Constructive taxable income from related foreign corporations..... | 128,516 | 42,120 | 19,910 | 2,671 | 29,492 | 10,460 | *943 | 23,820 |
| 66 Net income (less deficit) (line 64 plus 65 minus 37)..... | 27,668,033 | 4,918,457 | 3,291,935 | 340,298 | 10,418,424 | 1,054,954 | 2,622,950 | 5,020,015 |
| 67 Net income..... | 32,057,106 | 5,590,306 | 3,812,673 | 539,313 | 10,843,303 | 1,153,937 | 4,437,888 | 5,679,686 |
| 68 Deficit..... | 4,389,073 | 670,848 | 520,738 | 189,015 | 424,879 | 98,983 | 1,814,938 | 659,671 |
| 69 Income subject to tax..... | 21,318,275 | 4,828,737 | 3,525,744 | 429,888 | 7,548,608 | 882,073 | 3,171,754 | 931,371 |
| 70 Income tax, total..... | 9,302,917 | 2,153,992 | 1,629,890 | 188,502 | 3,555,300 | 339,983 | 1,090,042 | 345,208 |
| 71 Normal tax, surtax, and alternative tax..... | 9,203,930 | 2,130,702 | 1,576,980 | 187,593 | 3,549,593 | 338,948 | 1,080,617 | 339,497 |
| 72 Tax from recomputing prior-year investment credit..... | 33,730 | 14,838 | 6,394 | 581 | 4,983 | 1,021 | 4,608 | 1,305 |
| 73 Tax from recomputing prior-year work incentive (WIN) credit..... | 21 | (1) | 21 | (1) | (1) | (1) | (1) | 4,406 |
| 74 Additional tax for tax preferences..... | 65,236 | 8,452 | 46,495 | *328 | 724 | *14 | 4,817 | 4,406 |
| 75 Foreign tax credit..... | 867,372 | 586,838 | 36,221 | 4,021 | 183,897 | 10,026 | 3,057 | 43,312 |
| 76 U.S. possessions tax credit..... | 5,127 | — | 4,557 | 196 | — | — | 374 | — |
| 77 Investment credit..... | 512,894 | 259,820 | 58,846 | 11,122 | 118,162 | 14,347 | 43,086 | 7,511 |
| 78 Work incentive (WIN) credit..... | 655 | 179 | 27 | *1 | 157 | *1 | 198 | *92 |
| 79 New jobs credit..... | 126,785 | 49,623 | 20,582 | 3,143 | 14,682 | 12,139 | 24,147 | 2,469 |
| Distributions to stockholders: | | | | | | | | |
| 80 Cash and property except in own stock..... | 11,604,618 | 2,984,935 | 645,391 | 125,580 | 1,820,692 | 219,546 | 940,813 | 4,857,661 |
| 81 Corporation's own stock..... | 704,648 | 421,671 | 38,325 | *19,028 | 77,950 | *4,370 | 15,259 | 128,045 |

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

RETURNS OF ACTIVE CORPORATIONS

Table 2.—Balance Sheets and Income Statements, by Major Industry—Continued

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

| Item | Major industry—Continued | | | | | | | Nature of business not allocable |
|---|--------------------------|---------------------------------|-------------------|-------------------|--|-----------------------------------|----------------|----------------------------------|
| | Services | | | | | | | |
| | Total | Hotels and other lodging places | Personal services | Business services | Auto repair; miscellaneous repair services | Amusement and recreation services | Other services | |
| | (61) | (62) | (63) | (64) | (65) | (66) | (67) | (68) |
| 1 Number of returns, total..... | 516,387 | 15,546 | 40,058 | 125,782 | 61,819 | 40,860 | 232,722 | 4,268 |
| 2 With net income..... | 312,594 | 8,482 | 24,094 | 75,812 | 39,888 | 21,895 | 142,423 | 1,430 |
| 3 Total assets..... | 119,286,766 | 14,084,260 | 5,542,922 | 38,129,846 | 13,962,914 | 19,596,677 | 29,970,147 | 1,430,866 |
| 4 Cash..... | 11,252,556 | 734,799 | 685,201 | 3,626,176 | 931,077 | 1,438,402 | 3,836,901 | 154,624 |
| 5 Notes and accounts receivable..... | 21,494,627 | 885,749 | 1,015,609 | 10,045,162 | 2,190,137 | 1,897,280 | 5,460,690 | 299,532 |
| 6 Less: Allowance for bad debts..... | 653,408 | 54,681 | 23,906 | 201,402 | 43,862 | 104,468 | 225,089 | 6,768 |
| 7 Inventories..... | 5,613,150 | 214,069 | 380,531 | 1,342,380 | 1,058,497 | 1,249,254 | 1,368,819 | 309,622 |
| Investments in Government obligations: | | | | | | | | |
| 8 United States..... | 656,936 | 20,457 | *8,926 | 224,987 | 79,060 | 158,090 | 165,416 | 5,490 |
| 9 State and local..... | 644,332 | *10,509 | *45,876 | 458,637 | *4,418 | 40,513 | 84,378 | 2,485 |
| 10 Other current assets..... | 6,928,260 | 502,016 | 2,226,237 | 2,226,393 | 442,358 | 1,901,114 | 1,620,150 | 55,144 |
| 11 Loans to stockholders..... | 1,489,660 | 143,806 | 84,776 | 384,807 | 90,814 | 138,954 | 646,703 | *10,020 |
| 12 Mortgage and real estate loans..... | 1,866,429 | 249,856 | 22,317 | 477,985 | 39,984 | 786,515 | 289,772 | *82,589 |
| 13 Other investments..... | 12,325,123 | 1,534,801 | 354,288 | 4,782,563 | 457,877 | 2,267,347 | 2,928,247 | 103,243 |
| 14 Depreciable assets..... | 76,773,311 | 12,195,842 | 4,377,859 | 18,280,921 | 12,420,015 | 12,814,519 | 16,884,155 | 601,287 |
| 15 Less: Accumulated depreciation..... | 31,383,290 | 4,397,161 | 2,318,588 | 8,108,068 | 4,688,213 | 5,901,963 | 5,971,297 | 286,918 |
| 16 Depletable assets..... | 217,835 | *27,912 | *16,788 | 37,254 | *27,260 | 34,570 | 74,053 | *2,625 |
| 17 Less: Accumulated depletion..... | 61,846 | *1,335 | *5,954 | 23,676 | *10,212 | *13,404 | 7,265 | *990 |
| 18 Land..... | 5,784,843 | 1,413,277 | 283,856 | 674,013 | 565,951 | 1,531,803 | 1,325,843 | 53,619 |
| 19 Intangible assets (amortizable)..... | 1,969,522 | 147,290 | 86,820 | 488,205 | 98,140 | 773,243 | 375,824 | 4,954 |
| 20 Less: Accumulated amortization..... | 829,341 | 49,650 | 27,647 | 127,914 | 25,521 | 461,352 | 137,257 | 1,750 |
| 21 Other assets..... | 5,188,058 | 506,904 | 319,935 | 1,541,423 | 323,132 | 1,046,160 | 1,450,504 | 42,058 |
| 22 Total liabilities..... | 119,286,766 | 14,084,260 | 5,542,922 | 38,129,846 | 13,962,914 | 19,596,677 | 29,970,147 | 1,430,866 |
| 23 Accounts payable..... | 11,518,635 | 684,839 | 458,454 | 4,808,643 | 1,413,610 | 1,471,495 | 2,681,594 | 245,008 |
| 24 Mortgages, notes, and bonds payable in less than one year..... | 14,735,215 | 984,394 | 491,196 | 5,650,630 | 2,472,805 | 2,175,700 | 2,960,488 | 115,052 |
| 25 Other current liabilities..... | 13,561,867 | 912,194 | 615,371 | 4,621,568 | 1,284,717 | 2,729,006 | 3,399,013 | 228,826 |
| 26 Loans from stockholders..... | 5,233,195 | 775,409 | 233,972 | 1,263,136 | 447,193 | 1,009,849 | 1,503,816 | 41,341 |
| 27 Mortgages, notes, and bonds payable in one year or more..... | 34,089,293 | 6,911,892 | 1,096,794 | 8,104,986 | 4,730,642 | 4,782,850 | 8,462,129 | 236,857 |
| 28 Other liabilities..... | 5,532,920 | 509,526 | 182,417 | 1,662,536 | 394,072 | 1,006,998 | 1,777,371 | 65,396 |
| 29 Capital stock..... | 10,522,473 | 1,349,480 | 713,509 | 2,639,549 | 778,430 | 2,235,928 | 2,805,601 | 185,152 |
| 30 Paid-in or capital surplus..... | 10,664,506 | 1,337,578 | 184,266 | 3,757,453 | 471,841 | 2,093,403 | 2,819,965 | 102,360 |
| 31 Retained earnings, appropriated..... | 414,678 | 56,254 | 5,925 | 100,490 | 30,282 | 52,258 | 169,469 | *8,737 |
| 32 Retained earnings, unappropriated..... | 14,922,199 | 813,357 | 1,694,228 | 4,146,618 | 2,062,850 | 2,278,211 | 3,926,365 | 205,697 |
| 33 Less: Cost of treasury stock..... | 1,908,215 | 250,643 | 133,032 | 625,757 | 123,528 | 239,021 | 536,234 | *3,562 |
| 34 Total receipts..... | 183,007,786 | 11,855,006 | 10,009,794 | 56,056,923 | 18,990,568 | 21,227,669 | 64,867,826 | 3,015,136 |
| 35 Business receipts..... | 175,588,702 | 10,989,330 | 9,718,970 | 53,768,653 | 18,237,913 | 19,586,029 | 63,287,807 | 2,854,276 |
| Interest on Government obligations: | | | | | | | | |
| 36 United States..... | 47,864 | 1,950 | 624 | 21,510 | 3,879 | 6,617 | 13,284 | *492 |
| 37 State and local..... | 30,665 | 5,772 | 2,950 | 10,332 | *397 | 2,417 | 8,797 | *816 |
| 38 Other interest..... | 1,133,096 | 84,613 | 46,109 | 459,738 | 98,661 | 206,277 | 237,498 | 20,144 |
| 39 Rents..... | 1,500,196 | 194,225 | 51,965 | 557,871 | 257,739 | 221,450 | 216,946 | 98,559 |
| 40 Royalties..... | 496,421 | 81,887 | 20,464 | 18,796 | 12,445 | 338,147 | 24,682 | *228 |
| 41 Net short-term capital gain reduced by net long-term capital loss..... | 26,027 | 9,603 | *2,136 | 5,473 | *1,235 | 5,716 | 1,864 | 98 |
| 42 Net long-term capital gain reduced by net short-term capital loss..... | 522,870 | 117,669 | 24,718 | 111,314 | 134,398 | 113,266 | 113,266 | 8,327 |
| 43 Net gain, noncapital assets..... | 459,282 | 35,719 | 25,800 | 124,976 | 156,573 | 49,474 | 66,940 | 6,462 |
| 44 Dividends received from domestic corporations..... | 187,465 | 30,825 | 12,706 | 60,277 | 6,286 | 47,791 | 29,580 | *98 |
| 45 Dividends received from foreign corporations..... | 67,412 | *3,419 | 4,084 | 42,022 | *5,777 | 7,255 | 4,855 | — |
| 46 Other receipts..... | 2,947,786 | 299,794 | 99,468 | 875,961 | 188,158 | 622,098 | 862,307 | 25,634 |
| 47 Total deductions..... | 176,460,437 | 11,445,241 | 9,578,773 | 53,792,223 | 18,336,852 | 20,201,487 | 63,105,861 | 3,188,975 |
| 48 Cost of sales and operations..... | 88,873,389 | 5,473,090 | 4,925,898 | 31,429,378 | 10,180,079 | 10,255,220 | 26,609,234 | 2,268,575 |
| 49 Compensation of officers..... | 18,565,941 | 244,128 | 666,321 | 3,293,837 | 1,060,506 | 824,049 | 12,477,100 | 59,729 |
| 50 Repairs..... | 1,726,912 | 287,638 | 133,108 | 408,286 | 279,327 | 345,527 | 345,527 | 39,676 |
| 51 Bad debts..... | 617,175 | 55,489 | 38,028 | 184,783 | 56,977 | 54,222 | 227,676 | 2,770 |
| 52 Rent paid on business property..... | 6,606,042 | 727,343 | 506,177 | 1,641,250 | 604,669 | 749,146 | 2,377,457 | 52,026 |
| 53 Taxes paid..... | 6,183,058 | 681,075 | 391,985 | 1,629,634 | 641,078 | 777,419 | 2,061,867 | 45,402 |
| 54 Interest paid..... | 3,880,753 | 645,840 | 146,102 | 1,063,253 | 609,070 | 563,708 | 852,780 | 124,601 |
| 55 Contributions or gifts..... | 76,862 | 4,430 | 4,430 | 23,594 | 3,610 | 12,229 | 28,696 | 165 |
| 56 Amortization..... | 141,049 | 6,589 | 7,598 | 71,539 | 4,864 | 31,412 | 19,047 | 197 |
| 57 Depreciation..... | 8,851,415 | 698,333 | 431,033 | 2,412,183 | 2,022,368 | 1,841,722 | 1,445,776 | 74,197 |
| 58 Depletion..... | 9,401 | 364 | *533 | 3,300 | *397 | 1,141 | 3,666 | *180 |
| 59 Advertising..... | 2,009,405 | 269,866 | 190,754 | 430,618 | 179,587 | 574,115 | 364,465 | 41,200 |
| 60 Pension, profit-sharing, stock bonus, and annuity plans..... | 3,591,202 | 29,412 | 55,481 | 565,547 | 76,324 | 170,592 | 2,693,846 | 9,611 |
| 61 Employee benefit programs..... | 1,156,151 | 76,380 | 49,314 | 331,457 | 84,380 | 83,096 | 531,524 | 17,795 |
| 62 Net loss, noncapital assets..... | 142,888 | 11,268 | 2,578 | 67,053 | 7,565 | 18,894 | 35,530 | *61 |
| 63 Other deductions..... | 34,028,794 | 2,234,123 | 2,028,445 | 10,236,511 | 2,526,051 | 3,970,995 | 13,031,669 | 462,790 |
| 64 Total receipts less total deductions..... | 6,547,349 | 409,765 | 431,021 | 2,264,700 | 853,716 | 1,026,182 | 1,761,965 | — 183,839 |
| 65 Constructive taxable income from related foreign corporations..... | 80,146 | 1,231 | 3,024 | 33,697 | 2,038 | 25,030 | 15,126 | — |
| 66 Net income (less deficit) (line 64 plus 65 minus 37)..... | 6,596,830 | 405,224 | 431,095 | 2,288,065 | 855,367 | 1,048,795 | 1,788,294 | — 184,657 |
| 67 Net income..... | 9,280,612 | 688,001 | 538,224 | 3,068,451 | 840,582 | 1,477,256 | 2,668,098 | 66,776 |
| 68 Deficit..... | 2,683,782 | 282,777 | 107,129 | 780,386 | 185,225 | 428,461 | 899,804 | 251,433 |
| 69 Income subject to tax..... | 6,880,410 | 479,269 | 388,654 | 2,347,596 | 674,742 | 1,142,961 | 1,847,188 | 39,429 |
| 70 Income tax, total..... | 2,584,017 | 201,452 | 143,898 | 922,875 | 243,199 | 490,045 | 582,548 | 15,218 |
| 71 Normal tax, surtax, and alternative tax..... | 2,555,357 | 199,976 | 142,246 | 912,569 | 237,349 | 486,101 | 577,116 | 15,130 |
| 72 Tax from recomputing prior-year investment credit..... | 26,908 | 998 | 1,619 | 10,154 | 5,835 | 3,448 | 4,754 | 88 |
| 73 Tax from recomputing prior-year work incentive (WIN) credit..... | 156 | — | — | (1) | — | (1) | 156 | — |
| 74 Additional tax for tax preferences..... | 1,696 | 478 | *33 | 152 | *15 | 496 | 522 | — |
| 75 Foreign tax credit..... | 124,879 | *3,287 | 4,767 | 50,568 | *4,272 | 48,678 | 13,307 | — |
| 76 U.S. possessions tax credit..... | 2,537 | 61 | — | 1,956 | 257 | 102 | 161 | 253 |
| 77 Investment credit..... | 426,663 | 22,328 | 19,474 | 136,676 | 59,524 | 95,923 | 92,738 | 1,686 |
| 78 Work incentive (WIN) credit..... | 2,059 | *102 | *31 | 1,529 | *164 | *78 | 155 | — |
| 79 New jobs credit..... | 193,152 | 5,886 | 7,345 | 80,184 | 22,932 | 8,736 | 68,069 | *1,221 |
| Distributions to stockholders: | | | | | | | | |
| 80 Cash and property except in own stock..... | 1,441,254 | 118,901 | 85,579 | 492,629 | 66,434 | 248,931 | 428,780 | *6,596 |
| 81 Corporation's own stock..... | 137,631 | *3,927 | *2,260 | 19,083 | *7,665 | *79,274 | 25,422 | 46 |

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

†Less than \$500 per return.

NOTE: See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

RETURNS WITH NET INCOME

Table 3.—Balance Sheets and Income Statements, by Major Industry

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

| Item | All industries | Major industry | | | | | |
|---|----------------|------------------------------------|------------|--------------|-------------|------------------------|------------------------------------|
| | | Agriculture, forestry, and fishing | Mining | | | | Nonmetallic minerals, except fuels |
| | | | Total | Metal mining | Coal mining | Oil and gas extraction | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | |
| 1 Number of returns..... | 1,424,528 | 38,440 | 10,963 | 280 | 2,243 | 6,546 | 1,894 |
| 2 Total assets..... | 4,760,953,557 | 18,679,684 | 73,986,106 | 9,943,483 | 6,824,545 | 52,595,553 | 4,622,525 |
| 3 Cash..... | 327,909,694 | 1,337,598 | 2,794,153 | 180,130 | 547,730 | 1,766,468 | 299,825 |
| 4 Notes and accounts receivable..... | 1,187,204,890 | 1,940,553 | 16,123,573 | 610,374 | 918,080 | 13,814,787 | 780,332 |
| 5 Less: Allowance for bad debts..... | 30,623,906 | 16,076 | 60,269 | 459 | 7,361 | 27,992 | 24,457 |
| 6 Inventories..... | 343,739,824 | 2,024,524 | 3,468,597 | 800,231 | 308,650 | 1,937,756 | 421,960 |
| Investments in Government obligations: | | | | | | | |
| 7 United States..... | 193,311,961 | 60,763 | 706,199 | *53,872 | 221,357 | 391,541 | 39,429 |
| 8 State and local..... | 149,691,003 | 40,670 | 81,604 | 3,285 | 40,714 | 32,580 | 5,025 |
| 9 Other current assets..... | 149,558,860 | 570,578 | 3,603,247 | 1,113,414 | 410,639 | 1,864,585 | 214,609 |
| 10 Loans to stockholders..... | 11,194,332 | 257,147 | 914,126 | 64,019 | 51,939 | 782,310 | 15,858 |
| 11 Mortgage and real estate loans..... | 623,978,874 | 183,518 | 261,449 | 3,832 | *13,868 | 213,347 | 30,402 |
| 12 Other investments..... | 761,315,839 | 1,550,502 | 15,301,997 | 3,259,472 | 564,716 | 11,050,522 | 427,287 |
| 13 Depreciable assets..... | 1,331,288,855 | 10,965,879 | 37,347,380 | 4,657,979 | 5,082,896 | 23,504,276 | 4,102,229 |
| 14 Less: Accumulated depreciation..... | 499,143,435 | 5,123,690 | 13,958,014 | 1,720,160 | 2,157,926 | 7,858,478 | 2,221,450 |
| 15 Depletable assets..... | 47,109,215 | 133,303 | 7,283,775 | 736,998 | 428,316 | 5,829,214 | 289,247 |
| 16 Less: Accumulated depletion..... | 19,546,199 | 17,490 | 3,063,822 | 171,468 | 56,297 | 2,763,590 | 72,467 |
| 17 Land..... | 53,105,357 | 3,815,505 | 706,578 | 45,891 | 124,578 | 341,315 | 194,794 |
| 18 Intangible assets (amortizable)..... | 13,250,371 | 40,236 | 1,664,811 | *12,732 | 35,566 | 1,610,091 | 6,422 |
| 19 Less: Accumulated amortization..... | 4,163,815 | 12,302 | 633,007 | *4,616 | 4,177 | 621,919 | 2,295 |
| 20 Other assets..... | 111,771,836 | 928,466 | 1,443,729 | 297,957 | 301,257 | 728,740 | 115,775 |
| 21 Total liabilities..... | 4,760,953,557 | 18,679,684 | 73,986,106 | 9,943,483 | 6,824,545 | 52,595,553 | 4,622,525 |
| 22 Accounts payable..... | 293,135,980 | 1,120,797 | 6,350,941 | 484,105 | 490,544 | 5,005,433 | 370,859 |
| 23 Mortgages, notes, and bonds payable in less than one year..... | 250,386,951 | 2,736,766 | 3,012,284 | 761,332 | 564,051 | 1,417,116 | 269,785 |
| 24 Other current liabilities..... | 1,890,236,168 | 906,128 | 11,829,909 | 674,540 | 544,184 | 10,288,761 | 322,424 |
| 25 Loans from stockholders..... | 30,402,780 | 767,003 | 556,358 | *136,621 | 27,176 | 253,365 | 139,196 |
| 26 Mortgages, notes, and bonds payable in one year or more..... | 569,727,884 | 4,682,854 | 10,196,909 | 1,454,821 | 1,308,388 | 6,641,087 | 792,813 |
| 27 Other liabilities..... | 470,816,284 | 605,446 | 3,940,119 | 1,359,005 | 343,579 | 2,022,217 | 215,318 |
| 28 Capital stock..... | 243,302,233 | 2,829,989 | 2,355,710 | 439,434 | 229,365 | 1,322,461 | 364,450 |
| 29 Paid-in or capital surplus..... | 299,431,561 | 1,262,980 | 11,531,348 | 1,840,229 | 377,838 | 9,112,280 | 201,001 |
| 30 Retained earnings, appropriated..... | 34,236,795 | 124,317 | 3,602,968 | 6,552 | 176,010 | 3,406,367 | 14,037 |
| 31 Retained earnings, unappropriated..... | 701,814,679 | 3,933,092 | 20,993,460 | 2,799,100 | 2,853,894 | 13,309,224 | 2,031,242 |
| 32 Less: Cost of treasury stock..... | 22,537,758 | 299,708 | 383,896 | *12,056 | 90,482 | 182,758 | 98,600 |
| 33 Total receipts..... | 3,655,771,492 | 27,465,144 | 88,990,745 | 4,307,284 | 8,502,510 | 71,040,187 | 5,140,784 |
| 34 Business receipts..... | 3,373,574,060 | 26,054,905 | 85,808,797 | 3,896,824 | 8,169,560 | 68,780,588 | 4,961,825 |
| Interest on Government obligations: | | | | | | | |
| 35 United States..... | 12,884,220 | 8,138 | 26,842 | *1,205 | 5,516 | 16,978 | 3,143 |
| 36 State and local..... | 7,122,248 | 2,758 | 6,659 | 72 | 2,177 | 2,987 | 1,423 |
| 37 Other interest..... | 141,402,795 | 125,308 | 479,831 | 62,209 | 54,785 | 326,755 | 36,082 |
| 38 Rents..... | 27,527,975 | 146,486 | 155,682 | 3,965 | 65,192 | 63,778 | 22,747 |
| 39 Royalties..... | 5,780,335 | 26,157 | 191,869 | 8,398 | 13,178 | 166,486 | 3,819 |
| 40 Net short-term capital gain reduced by net long-term capital loss..... | 408,835 | 20,437 | 4,490 | 79 | *731 | 3,452 | 228 |
| 41 Net long-term capital gain reduced by net short-term capital loss..... | 10,983,133 | 349,631 | 583,766 | *164,928 | 82,494 | 322,963 | 23,381 |
| 42 Net gain, noncapital assets..... | 8,991,078 | 112,472 | 227,996 | 26,162 | 20,987 | 152,031 | 28,816 |
| 43 Dividends received from domestic corporations..... | 13,263,898 | 32,778 | 147,731 | 16,753 | 23,481 | 101,883 | 5,614 |
| 44 Dividends received from foreign corporations..... | 8,129,935 | 6,614 | 112,484 | 59,219 | *1,908 | 50,949 | *408 |
| 45 Other receipts..... | 45,702,980 | 579,460 | 1,234,598 | 67,482 | 62,501 | 1,051,337 | 53,278 |
| 46 Total deductions..... | 3,410,844,090 | 25,726,054 | 56,492,935 | 4,040,142 | 7,868,645 | 39,781,380 | 4,802,768 |
| 47 Cost of sales and operations..... | 2,391,959,274 | 18,393,418 | 40,006,381 | 2,816,387 | 5,368,593 | 27,113,967 | 3,107,434 |
| 48 Compensation of officers..... | 61,209,879 | 599,035 | 18,229 | 149,835 | 28,313 | 313,552 | 117,419 |
| 49 Repairs..... | 24,366,197 | 487,738 | 587,450 | 30,600 | 141,355 | 249,705 | 165,790 |
| 50 Bad debts..... | 11,398,186 | 32,080 | 47,349 | 4,171 | 8,163 | 26,285 | 8,730 |
| 51 Rent paid on business property..... | 41,389,768 | 514,375 | 363,585 | 26,248 | 83,764 | 208,308 | 45,265 |
| 52 Taxes paid..... | 91,752,483 | 634,431 | 1,255,126 | 221,766 | 314,650 | 551,129 | 167,581 |
| 53 Interest paid..... | 131,864,600 | 576,543 | 1,104,839 | 154,165 | 150,354 | 693,379 | 106,941 |
| 54 Contributions or gifts..... | 1,764,329 | 11,138 | 20,410 | 1,865 | 4,849 | 10,486 | 3,210 |
| 55 Amortization..... | 737,856 | 3,126 | 7,694 | 1,598 | 324 | 5,085 | 687 |
| 56 Depreciation..... | 93,028,592 | 958,001 | 2,439,357 | 230,380 | 556,827 | 1,336,856 | 315,314 |
| 57 Depletion..... | 5,102,672 | 7,670 | 989,280 | 153,425 | 274,055 | 429,127 | 132,673 |
| 58 Advertising..... | 31,046,890 | 96,498 | 47,362 | *880 | 2,392 | 24,688 | 19,402 |
| 59 Pension, profit-sharing, stock bonus, and annuity plans..... | 33,004,950 | 117,813 | 370,594 | 54,063 | 79,233 | 187,581 | 49,717 |
| 60 Employee benefit programs..... | 20,732,923 | 73,290 | 224,230 | 12,930 | 116,773 | 65,388 | 29,139 |
| 61 Net loss, noncapital assets..... | 712,678 | 5,950 | 20,297 | *62 | 699 | 19,190 | *346 |
| 62 Other deductions..... | 470,772,814 | 3,114,824 | 8,409,946 | 313,393 | 616,779 | 6,946,654 | 533,120 |
| 63 Total receipts less total deductions..... | 244,927,402 | 1,739,090 | 32,497,810 | 267,142 | 633,865 | 31,258,807 | 337,998 |
| 64 Constructive taxable income from related foreign corporations..... | 7,469,336 | 3,798 | 90,571 | 32,329 | *1,102 | 56,875 | *165 |
| 65 Net income (line 63 plus 64 minus 36)..... | 245,274,490 | 1,740,130 | 32,581,722 | 299,399 | 632,790 | 31,312,795 | 336,738 |
| 66 Income subject to tax..... | 212,501,231 | 1,145,569 | 31,919,909 | 221,402 | 496,840 | 30,930,234 | 271,433 |
| 67 Income tax, total..... | 96,267,089 | 400,870 | 15,255,210 | 94,393 | 236,419 | 14,796,977 | 127,421 |
| 68 Normal tax, surtax, and alternative tax..... | 95,627,421 | 395,785 | 15,176,753 | 79,752 | 213,517 | 14,768,759 | 114,725 |
| 69 Tax from recomputing prior-year investment credit..... | 408,350 | 4,237 | 12,213 | *107 | 2,244 | 8,785 | 1,077 |
| 70 Tax from recomputing prior-year work incentive (WIN) credit..... | 3,836 | (*) | *322 | — | 112 | *149 | *61 |
| 71 Additional tax for tax preferences..... | 227,482 | 848 | 65,922 | 14,534 | 20,546 | 19,284 | 11,558 |
| 72 Foreign tax credit..... | 26,006,028 | 25,645 | 13,958,967 | 56,266 | 2,491 | 13,898,203 | 2,007 |
| 73 U.S. possessions tax credit..... | 837,687 | 121 | 51 | — | — | 51 | — |
| 74 Investment credit..... | 11,038,314 | 76,414 | 223,125 | 5,772 | 49,211 | 135,981 | 32,161 |
| 75 Work incentive (WIN) credit..... | 19,327 | *48 | 44 | 35 | 6 | (*) | 3 |
| 76 New jobs credit..... | 1,703,813 | 12,778 | 27,131 | *563 | 5,185 | 16,108 | 5,275 |
| Distributions to stockholders: | | | | | | | |
| 77 Cash and property except in own stock..... | 58,891,658 | 378,173 | 1,804,696 | 132,458 | 184,854 | 1,378,368 | 108,998 |
| 78 Corporation's own stock..... | 2,489,269 | *10,741 | 44,561 | 540 | *5,555 | 38,186 | *280 |

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

RETURNS WITH NET INCOME

Table 3.—Balance Sheets and Income Statements, by Major Industry—Continued

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

| Item | Major industry—Continued | | | | | | | | | |
|---|--------------------------|---|--------------------------------|---------------------------|---------------|---------------------------|----------------------|-----------------------|------------------------------------|--|
| | Construction | | | | Manufacturing | | | | | |
| | Total | General building contractors and operative builders | Heavy construction contractors | Special trade contractors | Total | Food and kindred products | Tobacco manufactures | Textile mill products | Apparel and other textile products | |
| (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) | | |
| 1 Number of returns..... | 135,955 | 50,099 | 11,580 | 74,276 | 158,995 | 11,039 | 31 | 4,257 | 11,165 | |
| 2 Total assets..... | 68,804,582 | 31,880,735 | 17,288,135 | 19,635,692 | 1,063,973,492 | 83,913,029 | 18,446,456 | 16,745,931 | 15,254,601 | |
| 3 Cash..... | 7,377,791 | 3,156,246 | 1,724,222 | 2,497,323 | 35,993,792 | 3,617,221 | 560,165 | 754,259 | 990,944 | |
| 4 Notes and accounts receivable..... | 19,166,321 | 7,437,176 | 4,623,299 | 7,105,846 | 248,631,913 | 16,590,318 | 2,327,899 | 4,474,582 | 4,562,746 | |
| 5 Less: Allowance for bad debts..... | 156,793 | 30,705 | 30,774 | 95,314 | 5,385,803 | 358,125 | *27,826 | 78,116 | 98,102 | |
| 6 Inventories..... | 11,638,236 | 7,472,675 | 1,213,584 | 2,951,977 | 183,972,988 | 17,341,402 | 4,709,744 | 4,708,229 | 5,441,208 | |
| 7 Investments in Government obligations: | | | | | | | | | | |
| 8 United States..... | 392,191 | 207,195 | 109,710 | 75,286 | 12,877,283 | 591,032 | 40 | 68,672 | 95,047 | |
| 9 State and local..... | 188,837 | 82,143 | 67,294 | 49,400 | 2,504,620 | 223,466 | — | 34,226 | 35,018 | |
| 10 Other current assets..... | 6,812,776 | 3,954,274 | 1,568,728 | 1,289,774 | 48,050,609 | 3,187,018 | 432,279 | 431,394 | 544,104 | |
| 11 Loans to stockholders..... | 846,525 | 492,657 | 67,958 | 285,910 | 2,333,178 | 405,027 | 389,342 | 13,190 | 52,663 | |
| 12 Mortgage and real estate loans..... | 561,527 | 456,773 | 26,807 | 77,947 | 2,858,496 | 521,416 | 92,893 | 13,773 | 16,215 | |
| 13 Other investments..... | 4,207,189 | 1,827,676 | 1,517,796 | 861,715 | 183,896,998 | 13,909,068 | 5,299,216 | 1,030,927 | 1,182,565 | |
| 14 Depreciable assets..... | 25,263,422 | 8,995,603 | 10,555,406 | 7,712,413 | 524,008,081 | 41,851,353 | 4,673,003 | 11,604,168 | 3,754,318 | |
| 15 Less: Accumulated depreciation..... | 12,399,752 | 2,914,556 | 5,473,798 | 4,011,398 | 247,969,921 | 18,408,925 | 978,219 | 6,634,924 | 1,831,974 | |
| 16 Depletable assets..... | 130,658 | 22,436 | 91,460 | 16,762 | 36,016,941 | 361,431 | 253,527 | 205 | *5,211 | |
| 17 Less: Accumulated depletion..... | 23,476 | 2,464 | 19,119 | 1,893 | 15,347,244 | *90,250 | — | 99 | *872 | |
| 18 Land..... | 2,472,315 | 1,652,494 | 406,028 | 413,793 | 14,115,119 | 1,510,031 | 166,444 | 120,278 | 108,541 | |
| 19 Intangible assets (amortizable)..... | 199,981 | 143,918 | 18,448 | 37,614 | 5,709,285 | 53,986 | 23,684 | 27,593 | 27,593 | |
| 20 Less: Accumulated amortization..... | 42,781 | 19,380 | 8,645 | 14,756 | 1,652,460 | 92,817 | 4,790 | 7,618 | 11,231 | |
| 21 Other assets..... | 2,159,595 | 946,571 | 829,731 | 383,293 | 33,359,617 | 2,330,853 | 499,053 | 189,101 | 380,607 | |
| 22 Total liabilities..... | 68,804,582 | 31,880,735 | 17,288,135 | 19,635,692 | 1,063,973,492 | 83,913,029 | 18,446,456 | 16,745,931 | 15,254,601 | |
| 23 Accounts payable..... | 13,414,922 | 6,454,866 | 2,967,159 | 3,992,877 | 130,903,144 | 10,387,708 | 1,369,357 | 2,029,515 | 2,749,817 | |
| 24 Mortgages, notes, and bonds payable in less than one year..... | 8,334,967 | 5,391,744 | 1,076,018 | 1,867,205 | 68,366,400 | 4,763,032 | 846,382 | 1,275,763 | 1,484,024 | |
| 25 Other current liabilities..... | 9,844,636 | 4,415,762 | 2,860,436 | 2,568,438 | 104,097,424 | 8,493,915 | 1,818,069 | 1,423,101 | 1,561,014 | |
| 26 Loans from stockholders..... | 1,583,917 | 714,929 | 187,715 | 681,273 | 8,832,900 | 681,579 | *134,647 | 108,237 | 150,489 | |
| 27 Mortgages, notes, and bonds payable in one year or more..... | 9,180,875 | 4,766,481 | 2,397,242 | 2,017,152 | 182,348,362 | 13,924,454 | 4,284,691 | 2,337,563 | 1,620,971 | |
| 28 Other liabilities..... | 4,994,021 | 2,702,676 | 1,168,382 | 1,122,963 | 60,415,607 | 3,043,259 | 838,550 | 188,115 | 284,546 | |
| 29 Capital stock..... | 4,367,620 | 1,249,142 | 1,586,667 | 1,531,811 | 69,433,331 | 6,151,800 | 925,626 | 1,305,230 | 1,099,962 | |
| 30 Paid-in or capital surplus..... | 2,361,438 | 1,062,127 | 852,330 | 446,981 | 109,755,247 | 6,960,777 | 2,880,106 | 953,678 | 919,418 | |
| 31 Retained earnings, appropriated..... | 240,552 | 88,533 | 44,378 | 107,641 | 5,529,800 | 619,753 | 401,661 | 29,510 | 62,319 | |
| 32 Retained earnings, unappropriated..... | 15,413,996 | 5,295,122 | 4,306,178 | 5,782,696 | 333,235,580 | 29,640,158 | 5,148,024 | 7,270,444 | 5,547,637 | |
| 33 Less: Cost of treasury stock..... | 932,382 | 260,687 | 188,370 | 483,345 | 8,943,943 | 753,406 | 200,657 | 175,225 | 225,596 | |
| 34 Total receipts..... | 145,691,466 | 60,924,612 | 31,857,213 | 53,109,841 | 1,500,494,094 | 178,095,737 | 17,535,857 | 30,929,218 | 35,024,382 | |
| 35 Business receipts..... | 142,091,604 | 59,209,238 | 30,471,218 | 52,411,148 | 1,441,855,190 | 174,747,872 | 16,894,081 | 30,484,524 | 34,562,717 | |
| 36 Interest on Government obligations: | | | | | | | | | | |
| 37 United States..... | 31,990 | 15,756 | 8,574 | 7,660 | 966,932 | 43,269 | 323 | 8,283 | 8,164 | |
| 38 State and local..... | 12,296 | 4,421 | 4,102 | 3,773 | 324,900 | 25,098 | 62 | 1,466 | 2,360 | |
| 39 Other interest..... | 545,614 | 280,442 | 170,028 | 95,144 | 9,586,192 | 630,179 | 153,022 | 55,434 | 76,545 | |
| 40 Rents..... | 595,556 | 365,561 | 130,487 | 99,508 | 10,586,448 | 253,406 | 22,348 | 23,548 | 39,418 | |
| 41 Royalties..... | 17,858 | 4,459 | 13,158 | *241 | 4,170,459 | 265,670 | 52,902 | 29,370 | 60,996 | |
| 42 Net short-term capital gain reduced by net long-term capital loss..... | 14,418 | 10,087 | 1,054 | 3,277 | 57,359 | 13,890 | 3,850 | *429 | *580 | |
| 43 Net long-term capital gain reduced by net short-term capital loss..... | 333,654 | 158,660 | 110,366 | 64,628 | 4,568,415 | 230,893 | *117,557 | 32,070 | 12,999 | |
| 44 Net gain, noncapital assets..... | 312,276 | 112,210 | 137,939 | 62,127 | 1,246,269 | 139,059 | *37,311 | 17,010 | 10,149 | |
| 45 Dividends received from domestic corporations..... | 62,614 | 13,126 | 39,920 | 9,568 | 5,979,018 | 280,604 | 99,684 | 44,368 | 16,560 | |
| 46 Dividends received from foreign corporations..... | 66,958 | 15,346 | 50,573 | *1,039 | 7,098,060 | 348,538 | 17,225 | 10,803 | 15,476 | |
| 47 Other receipts..... | 1,806,628 | 735,306 | 719,794 | 351,528 | 14,054,852 | 1,117,259 | 137,492 | 221,913 | 218,518 | |
| 48 Total deductions..... | 139,417,126 | 58,509,129 | 30,274,272 | 50,633,725 | 1,398,849,942 | 169,908,057 | 15,691,386 | 29,279,510 | 33,098,092 | |
| 49 Cost of sales and operations..... | 113,405,277 | 50,378,921 | 24,323,385 | 38,702,971 | 1,047,611,679 | 132,680,018 | 9,236,993 | 23,469,515 | 25,788,383 | |
| 50 Compensation of officers..... | 4,812,810 | 1,565,549 | 623,747 | 2,623,514 | 12,432,090 | 1,017,828 | 35,090 | 355,356 | 783,868 | |
| 51 Repairs..... | 761,873 | 192,519 | 292,032 | 277,322 | 15,998,821 | 1,395,096 | 119,293 | 268,881 | 63,175 | |
| 52 Bad debts..... | 221,852 | 45,488 | 38,217 | 138,149 | 2,485,687 | 167,358 | 22,494 | 53,651 | 69,539 | |
| 53 Rent paid on business property..... | 816,179 | 197,766 | 223,810 | 394,583 | 11,194,019 | 1,165,378 | 94,956 | 203,048 | 329,566 | |
| 54 Taxes paid..... | 2,955,885 | 849,059 | 595,850 | 1,510,976 | 40,233,289 | 4,555,956 | 2,257,078 | 754,351 | 835,522 | |
| 55 Interest paid..... | 1,351,298 | 709,000 | 321,726 | 320,572 | 21,433,056 | 1,665,833 | 439,338 | 342,282 | 339,995 | |
| 56 Contributions or gifts..... | 48,725 | 20,897 | 11,597 | 16,231 | 908,302 | 74,074 | 12,192 | 23,607 | 29,457 | |
| 57 Amortization..... | 6,816 | 2,914 | 1,140 | 2,762 | 263,037 | 18,287 | 1,641 | 1,953 | 3,122 | |
| 58 Depreciation..... | 2,380,157 | 584,390 | 925,308 | 870,459 | 39,362,730 | 3,342,725 | 358,526 | 807,198 | 302,878 | |
| 59 Depletion..... | 33,686 | 13,403 | 17,914 | 2,369 | 3,645,520 | 29,117 | 42,391 | 99 | (¹) | |
| 60 Advertising..... | 325,886 | 141,566 | 32,622 | 151,698 | 16,177,805 | 4,323,585 | 902,250 | 226,806 | 249,451 | |
| 61 Pension, profit-sharing, stock bonus, and annuity plans..... | 747,433 | 218,318 | 219,691 | 309,424 | 16,983,337 | 1,104,170 | 166,415 | 214,152 | 200,060 | |
| 62 Employee benefit programs..... | 566,832 | 130,958 | 137,647 | 298,227 | 12,738,399 | 846,781 | 169,722 | 142,178 | 159,857 | |
| 63 Net loss, noncapital assets..... | 17,653 | 5,476 | 7,003 | 5,174 | 273,276 | 40,558 | 9,591 | 5,797 | 7,233 | |
| 64 Other deductions..... | 10,964,764 | 3,452,887 | 2,502,583 | 5,009,294 | 157,108,895 | 17,481,293 | 1,823,416 | 2,410,636 | 3,935,986 | |
| 65 Total receipts less total deductions..... | 6,474,340 | 2,415,483 | 1,582,941 | 2,475,916 | 101,644,152 | 8,187,680 | 1,844,471 | 1,649,708 | 1,926,290 | |
| 66 Constructive taxable income from related foreign corporations..... | 74,492 | 37,153 | 35,838 | 1,501 | 6,289,680 | 289,802 | 46,338 | 5,926 | 17,587 | |
| 67 Net income (line 63 plus 64 minus 36)..... | 6,536,536 | 2,448,215 | 1,614,677 | 2,473,644 | 107,608,932 | 8,452,384 | 1,890,747 | 1,654,168 | 1,941,517 | |
| 68 Income subject to tax..... | 5,047,439 | 1,865,007 | 1,372,439 | 1,809,989 | 101,639,157 | 8,030,154 | 1,818,149 | 1,543,862 | 1,761,388 | |
| 69 Income tax, total..... | 1,915,100 | 710,932 | 594,886 | 610,182 | 47,389,668 | 3,766,408 | 853,299 | 720,613 | 793,985 | |
| 70 Normal tax, surtax, and alternative tax..... | 1,894,222 | 704,884 | 586,036 | 603,302 | 47,135,474 | 3,743,066 | 851,302 | 714,628 | 790,765 | |
| 71 Tax from recomputing prior-year investment credit..... | 17,314 | 3,311 | 7,956 | 6,047 | 184,964 | 20,533 | 1,997 | 5,892 | 3,178 | |
| 72 Tax from recomputing prior-year work incentive (WIN) credit..... | *244 | *82 | *86 | *76 | 1,430 | *1,373 | — | (¹) | (¹) | |
| 73 Additional tax for tax preferences..... | 3,320 | 1,755 | 808 | 757 | 67,800 | 1,436 | — | *93 | *42 | |
| 74 Foreign tax credit..... | 122,733 | 45,047 | 75,277 | 2,409 | 10,154,318 | 409,159 | 119,727 | 7,638 | 22,932 | |
| 75 U.S. possessions tax credit..... | 2,051 | 264 | 770 | 1,017 | 799,042 | 69,872 | 10,181 | 6,644 | 27,415 | |
| 76 Investment credit..... | 220,629 | 56,445 | 90,196 | 73,988 | 4,607,188 | 367,955 | 41,169 | 88,564 | 30,557 | |
| 77 Work incentive (WIN) credit..... | 444 | 348 | *11 | *85 | 9,777 | 377 | 5 | 261 | 132 | |
| 78 New jobs credit..... | 238,736 | 70,204 | 36,739 | 131,793 | 558,785 | 36,532 | *430 | 21,595 | 32,316 | |
| 79 Distributions to stockholders: | | | | | | | | | | |
| 80 Cash and property except in own stock..... | 526,845 | 139,979 | 208,012 | 178,854 | 25,922,370 | 2,122,213 | 433,931 | 258,888 | 220,136 | |
| 81 Corporation's own stock..... | 51,757 | 22,135 | *6,559 | 23,063 | 1,092,196 | 132,826 | — | *4,397 | 24,514 | |

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

RETURNS WITH NET INCOME

Table 3.—Balance Sheets and Income Statements, by Major Industry—Continued

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

| Item | Major industry—Continued | | | | | | | | | |
|---|--------------------------|------------------------|---------------------------|-------------------------|-------------------------------|--|--|------------------------------|---------------------------------|--|
| | Manufacturing—Continued | | | | | | | | | |
| | Lumber and wood products | Furniture and fixtures | Paper and allied products | Printing and publishing | Chemicals and allied products | Petroleum (including integrated) and coal products | Rubber and miscellaneous plastics products | Leather and leather products | Stone, clay, and glass products | |
| | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) | (25) | |
| 1 Number of returns..... | 9,763 | 5,049 | 2,611 | 22,517 | 7,050 | 930 | 6,063 | 1,483 | 6,468 | |
| 2 Total assets..... | 27,874,302 | 5,879,118 | 31,883,633 | 31,221,688 | 95,826,134 | 228,772,383 | 20,608,622 | 4,124,038 | 25,326,255 | |
| 3 Cash..... | 1,168,248 | 358,919 | 857,940 | 2,079,557 | 2,690,122 | 2,832,869 | 981,777 | 387,800 | 1,050,879 | |
| 4 Notes and accounts receivable..... | 3,858,424 | 1,582,831 | 4,478,015 | 7,135,905 | 18,009,608 | 43,162,089 | 5,277,757 | 1,061,644 | 4,994,741 | |
| 5 Less: Allowance for bad debts..... | 76,027 | 40,205 | 102,432 | 559,008 | 419,219 | 486,570 | 78,359 | 20,859 | 118,814 | |
| 6 Inventories..... | 4,589,101 | 1,765,351 | 4,628,800 | 3,354,693 | 15,927,944 | 15,971,556 | 4,479,138 | 1,282,716 | 3,919,315 | |
| 7 Investments in Government obligations: | | | | | | | | | | |
| 8 United States..... | 116,975 | 14,156 | 513,678 | 531,510 | 534,460 | 2,259,277 | 55,604 | 11,546 | 293,631 | |
| 9 State and local..... | *16,861 | *25,260 | 45,849 | 187,383 | 179,786 | 205,377 | *60,064 | *4,666 | 19,909 | |
| 10 Other current assets..... | 1,013,022 | 201,555 | 1,042,556 | 2,251,214 | 3,230,916 | 7,479,503 | 506,787 | 180,114 | 916,039 | |
| 11 Loans to stockholders..... | 120,490 | 15,985 | 33,003 | 158,077 | 85,466 | 98,853 | 55,594 | 31,456 | 21,195 | |
| 12 Mortgage and real estate loans..... | 914,906 | 5,330 | 13,244 | 82,498 | 21,356 | 72,803 | 42,377 | *1,360 | 24,846 | |
| 13 Other investments..... | 2,818,840 | 353,041 | 3,769,564 | 4,326,580 | 17,838,797 | 67,853,796 | 2,116,603 | 438,348 | 3,141,395 | |
| 14 Depreciable assets..... | 17,319,896 | 2,582,121 | 24,486,078 | 15,228,691 | 62,460,739 | 110,045,534 | 11,814,191 | 1,187,182 | 19,309,318 | |
| 15 Less: Accumulated depreciation..... | 7,971,346 | 1,209,592 | 11,316,994 | 7,416,580 | 29,577,102 | 47,812,478 | 5,421,783 | 597,734 | 9,393,598 | |
| 16 Depletable assets..... | 2,118,502 | *2,406 | 2,326,528 | 149,503 | 967,874 | 28,328,676 | *4,136 | *30 | 356,250 | |
| 17 Less: Accumulated depletion..... | 65,427 | *250 | 430,820 | *1,493 | 243,832 | 14,117,472 | 1,013 | — | 72,684 | |
| 18 Land..... | 450,212 | 99,327 | 880,702 | 709,092 | 1,001,867 | 4,010,234 | 197,181 | 28,209 | 527,075 | |
| 19 Intangible assets (amortizable)..... | 49,162 | 29,825 | 119,273 | 898,058 | 858,484 | 1,409,394 | 52,329 | 7,791 | 66,699 | |
| 20 Less: Accumulated amortization..... | 14,017 | 11,155 | 23,139 | 124,815 | 197,146 | 509,949 | 14,892 | 1,473 | 23,031 | |
| 21 Other assets..... | 847,680 | 104,213 | 561,788 | 2,232,823 | 2,456,014 | 7,968,891 | 481,131 | 111,242 | 293,090 | |
| 22 Total liabilities..... | 27,874,302 | 5,879,118 | 31,883,633 | 31,221,688 | 95,826,134 | 228,772,383 | 20,608,622 | 4,124,038 | 25,326,255 | |
| 23 Accounts payable..... | 2,170,287 | 780,949 | 2,902,228 | 2,870,177 | 10,017,645 | 33,177,883 | 2,321,955 | 687,499 | 2,561,374 | |
| 24 Mortgages, notes, and bonds payable in less than one year..... | 1,871,992 | 403,895 | 1,040,709 | 1,711,288 | 3,211,971 | 4,878,754 | 1,496,626 | 323,444 | 890,594 | |
| 25 Other current liabilities..... | 2,839,290 | 572,333 | 2,842,525 | 4,104,171 | 9,354,180 | 14,154,534 | 2,602,575 | 292,183 | 2,630,082 | |
| 26 Loans from stockholders..... | 246,092 | 89,053 | 99,786 | 348,176 | 463,307 | 691,351 | 197,468 | 46,625 | 159,091 | |
| 27 Mortgages, notes, and bonds payable in one year or more..... | 5,866,456 | 791,193 | 7,023,946 | 3,880,520 | 19,063,241 | 32,741,483 | 3,857,664 | 519,844 | 5,210,441 | |
| 28 Other liabilities..... | 921,194 | 84,811 | 764,780 | 1,545,611 | 2,652,462 | 29,250,253 | 386,544 | 86,975 | 599,186 | |
| 29 Capital stock..... | 1,938,013 | 568,680 | 2,658,314 | 2,145,302 | 6,926,788 | 13,161,613 | 1,064,310 | 433,749 | 2,088,131 | |
| 30 Paid-in or capital surplus..... | 3,753,026 | 287,621 | 3,060,952 | 1,971,993 | 9,696,808 | 30,649,978 | 1,840,887 | 273,371 | 2,080,080 | |
| 31 Retained earnings, appropriated..... | 116,421 | 22,354 | 51,449 | 311,693 | 203,837 | 1,114,021 | 362,528 | *8,662 | 177,707 | |
| 32 Retained earnings, unappropriated..... | 8,366,432 | 2,351,767 | 11,661,765 | 12,942,876 | 35,199,875 | 70,174,536 | 6,781,488 | 1,489,954 | 9,285,900 | |
| 33 Less: Cost of treasury stock..... | 314,901 | 73,558 | 222,921 | 610,221 | 963,980 | 1,222,023 | 283,153 | 39,268 | 358,341 | |
| 34 Total receipts..... | 40,100,241 | 12,248,442 | 42,518,930 | 46,353,172 | 117,259,295 | 329,529,322 | 32,590,688 | 8,092,328 | 34,168,151 | |
| 35 Business receipts..... | 37,940,003 | 12,048,398 | 40,902,354 | 44,723,580 | 112,249,124 | 320,043,444 | 31,843,695 | 7,961,410 | 33,090,553 | |
| 36 Interest on Government obligations: | | | | | | | | | | |
| 37 United States..... | 13,054 | 2,110 | 14,374 | 30,672 | 36,195 | 215,157 | 11,521 | 506 | 10,747 | |
| 38 State and local..... | 1,798 | 1,473 | 9,575 | 9,704 | 16,494 | 9,759 | 768 | 484 | 1,203 | |
| 39 Other interest..... | 230,422 | 21,872 | 173,122 | 246,077 | 650,303 | 1,834,785 | 113,028 | 25,352 | 132,631 | |
| 40 Rents..... | 69,431 | 15,843 | 48,380 | 146,184 | 99,801 | 866,687 | 49,650 | 8,502 | 60,840 | |
| 41 Royalties..... | 17,546 | 10,971 | 149,801 | 124,105 | 694,904 | 222,925 | 55,820 | 3,722 | 86,448 | |
| 42 Net short-term capital gain reduced by net long-term capital loss..... | 2,131 | *338 | 335 | 4,806 | 7,299 | 2,911 | 590 | *23 | *165 | |
| 43 Net long-term capital gain reduced by net short-term capital loss..... | 1,316,827 | 21,679 | 658,516 | 159,476 | 457,357 | 392,595 | 35,239 | 2,856 | 94,262 | |
| 44 Net gain, noncapital assets..... | 61,582 | 6,688 | 22,235 | 42,854 | 185,302 | 153,745 | 29,303 | 658 | 52,774 | |
| 45 Dividends received from domestic corporations..... | 84,369 | 6,126 | 105,995 | 100,371 | 584,142 | 1,716,593 | 34,477 | 30,447 | 126,080 | |
| 46 Dividends received from foreign corporations..... | 33,346 | 5,400 | 165,291 | 55,411 | 708,958 | 1,585,739 | 106,303 | *559 | 96,005 | |
| 47 Other receipts..... | 329,731 | 107,544 | 268,952 | 709,632 | 1,569,416 | 2,484,982 | 309,894 | 57,709 | 416,443 | |
| 48 Total deductions..... | 37,326,891 | 11,459,941 | 39,683,162 | 41,882,509 | 106,716,099 | 312,610,709 | 30,835,711 | 7,630,477 | 31,807,236 | |
| 49 Cost of sales and operations..... | 28,150,994 | 8,511,602 | 28,531,475 | 27,779,149 | 71,103,055 | 264,541,560 | 21,980,074 | 5,810,652 | 22,459,886 | |
| 50 Compensation of officers..... | 537,982 | 266,050 | 326,837 | 1,238,356 | 709,761 | 239,388 | 424,842 | 107,208 | 467,922 | |
| 51 Repairs..... | 401,805 | 46,257 | 1,019,636 | 259,755 | 1,934,591 | 3,079,509 | 427,050 | 452,132 | 822,132 | |
| 52 Bad debts..... | 59,212 | 26,113 | 57,913 | 263,979 | 169,495 | 275,312 | 74,147 | 12,974 | 77,682 | |
| 53 Rent paid on business property..... | 300,304 | 126,519 | 322,619 | 587,748 | 1,015,119 | 1,798,716 | 372,369 | 158,890 | 284,171 | |
| 54 Taxes paid..... | 959,259 | 329,606 | 1,075,718 | 1,394,982 | 2,468,493 | 8,260,588 | 933,044 | 189,571 | 980,397 | |
| 55 Interest paid..... | 623,806 | 121,888 | 624,507 | 489,127 | 1,807,062 | 3,223,947 | 454,273 | 77,567 | 506,493 | |
| 56 Contributions or gifts..... | 16,072 | 6,973 | 37,670 | 58,061 | 113,216 | 90,864 | 13,092 | 6,390 | 26,007 | |
| 57 Amortization..... | 7,449 | 823 | 8,625 | 36,535 | 21,676 | 38,926 | 2,160 | 829 | 3,656 | |
| 58 Depreciation..... | 1,298,550 | 196,622 | 1,715,553 | 1,180,111 | 4,641,896 | 6,040,377 | 956,329 | 93,257 | 1,390,760 | |
| 59 Depletion..... | 1,312,821 | 418 | 372,988 | 51,388 | 187,971 | 1,023,275 | 1,328 | *341 | 112,809 | |
| 60 Advertising..... | 134,492 | 134,753 | 295,156 | 382,014 | 3,297,003 | 823,806 | 338,409 | 91,388 | 198,660 | |
| 61 Pension, profit-sharing, stock bonus, and annuity plans..... | 297,244 | 86,935 | 498,818 | 589,705 | 1,805,236 | 1,436,510 | 466,048 | 44,844 | 465,529 | |
| 62 Employee benefit programs..... | 154,182 | 67,911 | 330,336 | 388,379 | 955,732 | 579,865 | 349,212 | 37,868 | 334,271 | |
| 63 Net loss, noncapital assets..... | 22,624 | 1,713 | 2,675 | 11,740 | 17,559 | 27,709 | 2,379 | 550 | 5,547 | |
| 64 Other deductions..... | 3,050,095 | 1,535,765 | 4,462,636 | 7,172,481 | 16,470,234 | 21,130,357 | 4,040,954 | 952,716 | 3,731,314 | |
| 65 Total receipts less total deductions..... | 2,773,350 | 788,501 | 2,835,768 | 4,470,663 | 10,543,196 | 16,918,613 | 1,754,977 | 461,851 | 2,360,915 | |
| 66 Constructive taxable income from related foreign corporations..... | 43,231 | 3,822 | 111,041 | 40,170 | 932,876 | 1,361,650 | 65,502 | 49 | 77,458 | |
| 67 Net income (line 63 plus 64 minus 36)..... | 2,814,782 | 790,850 | 2,937,234 | 4,501,129 | 11,459,578 | 18,270,504 | 1,819,711 | 461,416 | 2,437,170 | |
| 68 Income subject to tax..... | 2,650,000 | 731,230 | 2,884,655 | 4,199,140 | 11,195,900 | 16,559,109 | 1,729,988 | 421,746 | 2,238,045 | |
| 69 Income tax, total..... | 1,008,760 | 324,601 | 1,261,659 | 1,904,552 | 5,297,630 | 7,897,973 | 791,338 | 194,176 | 1,027,962 | |
| 70 Normal tax, surtax, and alternative tax..... | 997,148 | 323,442 | 1,247,727 | 1,898,973 | 5,256,407 | 7,872,952 | 788,040 | 193,878 | 1,020,268 | |
| 71 Tax from recomputing prior-year investment credit..... | 6,350 | 1,080 | 4,690 | 5,440 | 26,403 | 18,482 | 3,247 | 288 | 5,147 | |
| 72 Tax from recomputing prior-year work incentive (WIN) credit..... | (1) | — | (1) | (1) | 1 | 4 | (1) | — | (1) | |
| 73 Additional tax for tax preferences..... | 5,262 | *79 | 9,242 | *139 | 12,819 | 6,635 | *49 | — | 2,549 | |
| 74 Foreign tax credit..... | 31,312 | 4,330 | 135,914 | 57,051 | 904,190 | 4,040,826 | 95,620 | 1,981 | 100,154 | |
| 75 U.S. possessions tax credit..... | — | 174 | 706 | 159 | 442,709 | 25,254 | 3,897 | 1,936 | 2,997 | |
| 76 Investment credit..... | 182,474 | 19,637 | 195,212 | 116,957 | 569,923 | 1,012,212 | 101,804 | 9,348 | 165,750 | |
| 77 Work incentive (WIN) credit..... | 266 | 167 | 637 | 72 | 199 | 39 | 478 | 52 | 189 | |
| 78 New jobs credit..... | 27,606 | 20,477 | 10,564 | 31,137 | 24,048 | 4,966 | 29,485 | 7,109 | 19,715 | |
| 79 Distributions to stockholders: | | | | | | | | | | |
| 80 Cash and property except in own stock..... | 497,223 | 68,493 | 853,877 | 759,368 | 3,780,975 | 4,987,168 | 355,621 | 95,000 | 520,461 | |
| 81 Corporation's own stock..... | *117,746 | *18,960 | *36,909 | 11,057 | 85,446 | 132,079 | 32,081 | *1,837 | 31,634 | |

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

RETURNS WITH NET INCOME

Table 3.—Balance Sheets and Income Statements, by Major Industry—Continued

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

| Item | Major industry—Continued | | | | | | | |
|---|--------------------------|---------------------------|------------------------------|-------------------------------------|------------------------------|---|----------------------------------|---|
| | Manufacturing—Continued | | | | | | | |
| | Primary metal industries | Fabricated metal products | Machinery, except electrical | Electrical and electronic equipment | Motor vehicles and equipment | Transportation equipment, except motor vehicles | Instruments and related products | Miscellaneous manufacturing and manufacturing not allocable |
| | (26) | (27) | (28) | (29) | (30) | (31) | (32) | (33) |
| 1 Number of returns..... | 3,796 | 23,774 | 17,376 | 7,924 | 1,796 | 2,218 | 4,088 | 9,397 |
| 2 Total assets..... | 56,440,809 | 46,636,665 | 104,961,885 | 91,182,132 | 100,001,889 | 27,840,811 | 17,960,768 | 13,092,343 |
| 3 Cash..... | 1,252,477 | 2,575,084 | 3,832,349 | 4,339,436 | 2,134,024 | 2,325,075 | 524,019 | 680,628 |
| 4 Notes and accounts receivable..... | 10,586,200 | 10,825,988 | 26,352,580 | 23,595,973 | 47,209,838 | 4,730,603 | 4,339,185 | 3,474,187 |
| 5 Less: Allowance for bad debts..... | 192,664 | 226,158 | 1,175,891 | 555,263 | 500,027 | 100,485 | 74,213 | 97,360 |
| 6 Inventories..... | 9,494,799 | 11,359,060 | 25,991,684 | 17,203,465 | 15,596,648 | 7,998,466 | 4,524,723 | 3,684,946 |
| 7 Investments in Government obligations: | | | | | | | | |
| 8 United States..... | 154,543 | 423,889 | 3,222,032 | 705,589 | 2,681,662 | 93,195 | 370,009 | 140,736 |
| 9 State and local..... | 142,593 | 326,463 | 261,037 | 94,734 | 311,278 | *8,826 | 304,986 | 16,838 |
| 10 Other current assets..... | 1,981,515 | 1,841,615 | 7,274,271 | 9,435,895 | 2,205,623 | 2,594,885 | 831,438 | 468,966 |
| 11 Loans to stockholders..... | 60,697 | 138,889 | 151,707 | 178,129 | 107,441 | 53,124 | 105,120 | 27,730 |
| 12 Mortgage and real estate loans..... | 63,121 | 61,384 | 94,925 | 146,146 | 146,563 | *486,207 | 27,295 | 9,838 |
| 13 Other investments..... | 10,650,740 | 5,401,995 | 14,304,782 | 13,196,731 | 10,277,277 | 3,061,065 | 1,452,324 | 1,475,344 |
| 14 Depreciable assets..... | 31,558,953 | 22,925,067 | 44,323,528 | 34,008,657 | 38,105,563 | 12,908,250 | 9,373,011 | 4,580,660 |
| 15 Less: Accumulated depreciation..... | 14,890,899 | 11,067,225 | 22,215,734 | 15,967,848 | 21,963,493 | 7,286,892 | 4,392,356 | 2,114,235 |
| 16 Depletable assets..... | 362,341 | 129,666 | 172,300 | 370,708 | *10,158 | *79,475 | 8,255 | *9,759 |
| 17 Less: Accumulated depletion..... | 132,755 | 7,677 | 20,143 | 151,269 | 3,854 | 3,407 | 3,607 | *320 |
| 18 Land..... | 645,285 | 721,229 | 776,889 | 653,820 | 717,598 | 358,409 | 246,211 | 186,514 |
| 19 Intangible assets (amortizable)..... | 326,869 | 284,500 | 388,748 | 335,608 | 27,596 | 61,042 | 118,808 | 146,326 |
| 20 Less: Accumulated amortization..... | 129,878 | 97,262 | 182,961 | 102,513 | 13,679 | 22,996 | 35,005 | 37,993 |
| 21 Other assets..... | 4,601,172 | 1,020,158 | 1,379,782 | 3,674,134 | 2,951,702 | 585,839 | 240,565 | 439,779 |
| 22 Total liabilities..... | 56,440,809 | 46,636,665 | 104,961,885 | 91,182,132 | 100,001,889 | 27,840,811 | 17,960,768 | 13,092,343 |
| 23 Accounts payable..... | 4,448,346 | 5,771,372 | 14,228,680 | 13,831,333 | 9,462,095 | 5,785,759 | 1,604,691 | 1,734,474 |
| 24 Mortgages, notes, and bonds payable in less than one year..... | 6,115,255 | 2,619,762 | 5,902,221 | 5,934,492 | 20,875,258 | 871,907 | 717,901 | 1,030,770 |
| 25 Other current liabilities..... | 4,639,906 | 4,848,181 | 12,070,908 | 12,479,201 | 8,998,330 | 4,795,802 | 2,355,246 | 1,221,898 |
| 26 Loans from stockholders..... | 119,307 | 587,706 | 3,478,819 | 403,158 | 393,407 | 90,742 | 169,974 | 173,886 |
| 27 Mortgages, notes, and bonds payable in one year or more..... | 10,980,769 | 7,496,249 | 17,028,034 | 14,647,501 | 22,853,789 | 4,070,423 | 1,901,114 | 2,236,016 |
| 28 Other liabilities..... | 4,889,089 | 1,483,175 | 3,031,828 | 6,406,866 | 1,954,717 | 1,411,820 | 244,512 | 347,204 |
| 29 Capital stock..... | 3,623,316 | 3,577,241 | 8,885,702 | 4,954,447 | 3,402,482 | 2,232,863 | 1,318,125 | 871,637 |
| 30 Paid-in or capital surplus..... | 7,675,038 | 3,651,131 | 10,566,689 | 11,414,189 | 5,470,630 | 2,287,159 | 1,978,391 | 1,383,325 |
| 31 Retained earnings, appropriated..... | 85,896 | 220,530 | 338,944 | 308,787 | 627,404 | 310,545 | 118,871 | 37,088 |
| 32 Retained earnings, unappropriated..... | 14,255,085 | 17,104,153 | 30,050,391 | 21,894,876 | 26,110,783 | 6,223,063 | 7,842,085 | 4,114,186 |
| 33 Less: Cost of treasury stock..... | 401,268 | 722,915 | 620,431 | 1,112,738 | 146,986 | 249,272 | 90,142 | 160,141 |
| 34 Total receipts..... | 59,731,925 | 76,457,961 | 113,804,372 | 107,716,229 | 132,852,767 | 38,112,339 | 25,400,630 | 21,972,108 |
| 35 Business receipts..... | 57,688,366 | 74,827,741 | 99,720,188 | 102,539,125 | 127,988,941 | 38,055,813 | 24,125,650 | 21,407,601 |
| 36 Interest on Government obligations: | | | | | | | | |
| 37 United States..... | 8,386 | 24,178 | 242,294 | 39,305 | 231,716 | 6,787 | 15,856 | 3,735 |
| 38 State and local..... | 8,365 | 7,270 | 34,696 | 158,417 | 17,801 | 5,181 | 7,320 | 5,605 |
| 39 Other interest..... | 488,065 | 259,619 | 1,366,630 | 964,629 | 1,674,013 | 286,893 | 92,447 | 111,130 |
| 40 Rents..... | 52,185 | 155,483 | 7,443,582 | 684,089 | 356,841 | 122,396 | 38,476 | 29,358 |
| 41 Royalties..... | 59,179 | 76,858 | 1,572,719 | 370,553 | 71,630 | 73,931 | 126,535 | 43,874 |
| 42 Net short-term capital gain reduced by net long-term capital loss..... | 6,806 | 4,463 | 4,014 | 3,997 | 180 | 27 | 368 | *157 |
| 43 Net long-term capital gain reduced by net short-term capital loss..... | 116,077 | 103,737 | 212,339 | 371,946 | 63,481 | 73,155 | 35,736 | 59,618 |
| 44 Net gain, noncapital assets..... | 23,544 | 66,899 | 121,237 | 141,620 | 76,262 | 24,798 | 15,598 | 17,641 |
| 45 Dividends received from domestic corporations..... | 258,560 | 90,846 | 635,505 | 715,796 | 427,547 | 347,870 | 202,136 | 70,542 |
| 46 Dividends received from foreign corporations..... | 119,594 | 204,450 | 1,365,937 | 703,786 | 1,192,445 | 79,536 | 237,981 | 45,277 |
| 47 Other receipts..... | 882,798 | 636,423 | 1,085,231 | 1,022,966 | 751,910 | 1,035,952 | 502,527 | 177,560 |
| 48 Total deductions..... | 57,268,129 | 70,864,598 | 102,036,529 | 99,388,190 | 122,058,383 | 36,200,611 | 22,648,792 | 20,454,930 |
| 49 Cost of sales and operations..... | 43,680,651 | 52,526,943 | 63,744,831 | 69,019,930 | 92,988,091 | 27,054,559 | 14,064,584 | 14,488,733 |
| 50 Compensation of officers..... | 460,623 | 1,780,848 | 1,445,728 | 854,518 | 282,542 | 319,859 | 598,634 | 598,634 |
| 51 Repairs..... | 1,458,810 | 830,430 | 927,399 | 561,000 | 1,414,115 | 419,904 | 381,463 | 123,888 |
| 52 Bad debts..... | 88,478 | 169,223 | 270,716 | 290,074 | 200,523 | 36,249 | 40,114 | 60,441 |
| 53 Rent paid on business property..... | 379,879 | 621,384 | 1,107,403 | 944,241 | 626,246 | 297,049 | 245,419 | 213,022 |
| 54 Taxes paid..... | 1,341,930 | 2,007,315 | 3,328,718 | 2,888,255 | 3,336,378 | 1,067,273 | 690,391 | 580,464 |
| 55 Interest paid..... | 1,533,639 | 882,883 | 2,251,292 | 2,015,947 | 2,955,184 | 520,187 | 213,776 | 344,030 |
| 56 Contributions or gifts..... | 25,718 | 60,658 | 91,339 | 65,734 | 100,081 | 18,887 | 24,014 | 14,196 |
| 57 Amortization..... | 22,002 | 10,743 | 48,034 | 11,454 | 3,892 | 4,821 | 7,754 | 8,855 |
| 58 Depreciation..... | 1,807,131 | 1,775,941 | 4,219,124 | 3,309,730 | 3,949,488 | 888,723 | 756,049 | 391,762 |
| 59 Depletion..... | 279,340 | 16,388 | 47,366 | 144,908 | 5,139 | 12,934 | *1,004 | *3,495 |
| 60 Advertising..... | 214,990 | 521,666 | 777,199 | 1,368,959 | 767,715 | 187,371 | 557,241 | 384,893 |
| 61 Pension, profit-sharing, stock bonus, and annuity plans..... | 982,174 | 976,526 | 1,908,920 | 1,591,253 | 2,859,884 | 688,706 | 435,313 | 164,894 |
| 62 Employee benefit programs..... | 667,984 | 651,257 | 1,316,580 | 1,158,989 | 3,464,141 | 555,038 | 240,800 | 167,316 |
| 63 Net loss, noncapital assets..... | 7,455 | 24,826 | 12,972 | 10,175 | 43,104 | 11,812 | 1,604 | 5,653 |
| 64 Other deductions..... | 4,317,325 | 8,007,587 | 20,538,908 | 15,153,023 | 9,061,860 | 4,198,248 | 4,669,407 | 2,964,654 |
| 65 Total receipts less total deductions..... | 2,463,796 | 5,593,363 | 11,767,843 | 8,328,039 | 10,794,384 | 1,911,728 | 2,751,838 | 1,517,178 |
| 66 Constructive taxable income from related foreign corporations..... | 128,960 | 126,458 | 1,365,447 | 308,174 | 1,079,794 | 115,096 | 137,239 | 33,600 |
| 67 Net income (line 63 plus 64 minus 36)..... | 2,584,391 | 5,712,551 | 13,098,594 | 8,477,796 | 11,856,377 | 2,021,643 | 2,881,757 | 1,544,833 |
| 68 Income subject to tax..... | 2,298,123 | 5,333,785 | 12,517,842 | 7,966,303 | 11,751,594 | 1,870,011 | 2,791,670 | 1,345,463 |
| 69 Income tax, total..... | 1,079,683 | 2,413,620 | 5,894,683 | 3,730,008 | 5,632,078 | 877,184 | 1,314,897 | 604,561 |
| 70 Normal tax, surtax, and alternative tax..... | 1,057,716 | 2,404,521 | 5,865,865 | 3,703,916 | 5,617,198 | 873,182 | 1,311,544 | 603,038 |
| 71 Tax from recomputing prior-year investment credit..... | 3,168 | 8,741 | 25,332 | 19,958 | 14,857 | 3,619 | 3,125 | 1,427 |
| 72 Tax from recomputing prior-year work incentive (WIN) credit..... | *1 | *39 | *11 | — | 1 | — | — | — |
| 73 Additional tax for tax preferences..... | 18,798 | *19 | 3,475 | 6,134 | *22 | 383 | 226 | *96 |
| 74 Foreign tax credit..... | 160,215 | 173,249 | 1,624,031 | 704,168 | 1,228,566 | 86,958 | 202,475 | 41,822 |
| 75 U.S. possessions tax credit..... | 391 | 8,466 | 11,061 | 126,742 | 7,302 | — | 35,951 | 17,185 |
| 76 Investment credit..... | 155,095 | 191,408 | 374,862 | 367,848 | 411,810 | 88,221 | 80,284 | 36,098 |
| 77 Work incentive (WIN) credit..... | 252 | 945 | 523 | 1,091 | 3,203 | 434 | 213 | 232 |
| 78 New jobs credit..... | 17,143 | 86,062 | 64,429 | 57,439 | 14,043 | 10,964 | 18,623 | 24,102 |
| 79 Distributions to stockholders: | | | | | | | | |
| 80 Cash and property except in own stock..... | 899,728 | 848,207 | 3,372,921 | 1,815,281 | 2,805,376 | 451,099 | 594,867 | 181,528 |
| 81 Corporation's own stock..... | 57,964 | 51,110 | 90,106 | 61,233 | *5,331 | 141,239 | 29,693 | 26,034 |

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

RETURNS WITH NET INCOME

Table 3.—Balance Sheets and Income Statements, by Major Industry—Continued

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

| Item | Major industry—Continued | | | | | | | | | |
|---|-------------------------------------|----------------|---------------|--------------------------------------|---------------|----------------------------|--------------------------------|------------------------------------|-------------------------------|--|
| | Transportation and public utilities | | | | | Wholesale and retail trade | | | | |
| | Total | Transportation | Communication | Electric, gas, and sanitary services | Total | Total | Groceries and related products | Machinery, equipment, and supplies | Miscellaneous wholesale trade | |
| | (34) | (35) | (36) | (37) | (38) | (39) | (40) | (41) | (42) | |
| 1 Number of returns..... | 52,064 | 39,476 | 6,857 | 5,731 | 443,545 | 169,702 | 14,278 | 35,298 | 120,126 | |
| 2 Total assets..... | 497,553,373 | 102,156,989 | 145,523,097 | 249,873,287 | 357,766,477 | 185,133,225 | 15,554,901 | 32,622,765 | 136,955,559 | |
| 3 Cash..... | 7,823,811 | 4,262,156 | 1,382,493 | 2,179,162 | 23,101,878 | 11,522,601 | 1,152,183 | 1,997,456 | 8,372,962 | |
| 4 Notes and accounts receivable..... | 35,500,280 | 13,241,653 | 9,036,163 | 13,222,484 | 98,603,143 | 64,645,024 | 5,047,519 | 11,097,722 | 48,499,783 | |
| 5 Less: Allowance for bad debts..... | 586,071 | 260,228 | 138,503 | 187,340 | 1,757,790 | 966,736 | 87,966 | 178,151 | 700,619 | |
| 6 Inventories..... | 17,426,758 | 3,252,337 | 4,300,609 | 9,873,812 | 116,257,602 | 53,506,299 | 4,402,073 | 11,398,254 | 37,705,972 | |
| 7 Investments in Government obligations: | | | | | | | | | | |
| 8 United States..... | 4,878,303 | 1,356,453 | 1,702,958 | 1,818,892 | 1,068,109 | 607,539 | 86,680 | 47,019 | 473,840 | |
| 9 State and local..... | 223,997 | 195,958 | 23,284 | 4,755 | 227,610 | 158,651 | 22,932 | 13,763 | 121,956 | |
| 10 Other current assets..... | 15,959,809 | 4,853,570 | 2,903,204 | 8,203,035 | 10,909,208 | 5,716,102 | 422,153 | 774,871 | 4,519,078 | |
| 11 Loans to stockholders..... | 457,729 | 382,283 | 40,593 | 34,853 | 1,887,380 | 745,894 | 105,894 | 102,073 | 582,454 | |
| 12 Mortgage and real estate loans..... | 1,100,292 | 336,444 | 223,972 | 539,876 | 914,479 | 368,683 | 37,164 | 35,171 | 296,348 | |
| 13 Other investments..... | 39,167,409 | 13,536,823 | 12,334,408 | 13,296,178 | 30,469,591 | 20,138,234 | 926,505 | 2,681,071 | 16,530,658 | |
| 14 Depreciable assets..... | 486,127,277 | 89,279,533 | 141,874,908 | 254,972,836 | 103,697,652 | 38,537,351 | 5,078,287 | 6,007,373 | 27,451,691 | |
| 15 Less: Accumulated depreciation..... | 125,402,773 | 33,295,278 | 30,946,947 | 61,160,548 | 43,547,279 | 16,648,396 | 2,273,771 | 2,561,625 | 11,813,000 | |
| 16 Depletable assets..... | 2,298,221 | 185,539 | *13,515 | 2,099,167 | 506,082 | 327,352 | *11,627 | 31,894 | 283,831 | |
| 17 Less: Accumulated depletion..... | 658,027 | 63,976 | 10 | 594,041 | 187,683 | 105,421 | *3,941 | 12,457 | 89,023 | |
| 18 Land..... | 3,559,976 | 1,095,509 | 523,116 | 1,941,351 | 7,735,842 | 2,756,923 | 252,630 | 381,119 | 2,123,174 | |
| 19 Intangible assets (amortizable)..... | 1,667,110 | 315,945 | 897,528 | 353,637 | 1,432,436 | 673,023 | 124,430 | 88,319 | 460,274 | |
| 20 Less: Accumulated amortization..... | 423,224 | 55,929 | 302,547 | 64,748 | 415,848 | 199,369 | 39,342 | 21,184 | 138,843 | |
| 21 Other assets..... | 8,432,496 | 3,538,197 | 1,554,353 | 3,339,946 | 6,864,065 | 3,349,471 | 334,371 | 740,077 | 2,275,023 | |
| 22 Total liabilities..... | 497,553,373 | 102,156,989 | 145,523,097 | 249,873,287 | 357,766,477 | 185,133,225 | 15,554,901 | 32,622,765 | 136,955,559 | |
| 23 Accounts payable..... | 21,175,043 | 7,218,676 | 4,285,683 | 9,670,684 | 73,762,902 | 43,040,989 | 4,031,743 | 5,729,022 | 33,280,224 | |
| 24 Mortgages, notes, and bonds payable in less than one year..... | 19,058,089 | 5,513,865 | 5,251,639 | 8,282,558 | 50,410,364 | 27,305,940 | 1,844,873 | 5,892,724 | 19,568,343 | |
| 25 Other current liabilities..... | 53,878,374 | 13,668,211 | 20,201,267 | 20,006,086 | 30,380,641 | 13,193,406 | 1,272,598 | 2,288,223 | 9,632,585 | |
| 26 Loans from stockholders..... | 1,198,246 | 646,489 | 266,416 | 285,341 | 7,221,815 | 3,106,225 | 350,298 | 627,747 | 2,128,180 | |
| 27 Mortgages, notes, and bonds payable in one year or more..... | 174,552,270 | 28,282,748 | 47,437,044 | 98,832,478 | 42,934,347 | 18,479,068 | 2,081,149 | 3,408,317 | 12,989,602 | |
| 28 Other liabilities..... | 19,893,179 | 18,893,179 | 2,479,932 | 12,266,775 | 9,303,067 | 3,619,749 | 441,610 | 425,754 | 2,752,385 | |
| 29 Capital stock..... | 78,050,899 | 7,389,971 | 19,340,278 | 51,320,830 | 25,805,734 | 12,995,333 | 991,362 | 2,104,702 | 9,899,269 | |
| 30 Paid-in or capital surplus..... | 45,826,635 | 8,303,271 | 18,703,578 | 18,819,785 | 14,812,352 | 6,882,867 | 515,684 | 894,795 | 5,472,388 | |
| 31 Retained earnings, appropriated..... | 1,315,979 | 558,751 | 211,352 | 545,876 | 2,071,998 | 1,292,797 | 79,078 | 117,945 | 1,095,774 | |
| 32 Retained earnings, unappropriated..... | 83,753,664 | 26,095,466 | 27,225,038 | 29,933,160 | 104,834,556 | 57,111,844 | 4,087,812 | 11,575,167 | 41,448,865 | |
| 33 Less: Cost of treasury stock..... | 1,149,005 | 666,561 | 379,131 | 103,313 | 3,771,299 | 1,894,993 | 141,306 | 441,631 | 1,312,056 | |
| 34 Total receipts..... | 301,367,276 | 108,952,018 | 70,443,070 | 121,972,188 | 1,076,112,188 | 559,061,334 | 87,398,146 | 67,451,610 | 404,211,578 | |
| 35 Business receipts..... | 291,568,400 | 104,381,930 | 68,656,899 | 118,529,571 | 1,054,868,513 | 550,075,701 | 86,365,934 | 65,707,187 | 398,002,580 | |
| 36 Interest on Government obligations: | | | | | | | | | | |
| 37 United States..... | 150,319 | 73,249 | 31,929 | 45,141 | 85,172 | 47,321 | 4,764 | 6,667 | 35,890 | |
| 38 State and local..... | 19,352 | 13,154 | 2,563 | 3,635 | 27,277 | 15,670 | 1,599 | 2,696 | 11,375 | |
| 39 Other interest..... | 1,772,324 | 661,965 | 247,604 | 862,755 | 3,494,508 | 1,815,506 | 125,641 | 425,521 | 1,264,344 | |
| 40 Rents..... | 1,912,252 | 1,247,073 | 283,567 | 381,612 | 2,313,676 | 830,915 | 95,327 | 316,980 | 418,608 | |
| 41 Royalties..... | 184,412 | 96,234 | 69,098 | 29,080 | 184,353 | 63,291 | 5,827 | 6,401 | 51,063 | |
| 42 Net short-term capital gain reduced by net long-term capital loss..... | 37,949 | 4,553 | 16,857 | 16,539 | 22,459 | 14,202 | 5,159 | 1,884 | 7,159 | |
| 43 Net long-term capital gain reduced by net short-term capital loss..... | 777,878 | 404,538 | 64,745 | 308,595 | 783,362 | 401,845 | 29,636 | 40,980 | 331,229 | |
| 44 Net gain, noncapital assets..... | 727,035 | 584,843 | 43,617 | 98,575 | 525,721 | 292,414 | 20,959 | 82,497 | 188,958 | |
| 45 Dividends received from domestic corporations..... | 488,490 | 201,297 | 111,591 | 175,602 | 818,896 | 404,637 | 24,742 | 42,939 | 336,956 | |
| 46 Dividends received from foreign corporations..... | 148,909 | 91,694 | 29,893 | *27,222 | 345,029 | 264,252 | 2,135 | 8,052 | 254,138 | |
| 47 Other receipts..... | 3,570,056 | 1,191,488 | 884,707 | 1,493,861 | 12,643,222 | 4,835,507 | 716,423 | 809,806 | 3,309,278 | |
| 48 Total deductions..... | 281,130,039 | 103,234,425 | 64,202,221 | 113,693,393 | 1,041,706,847 | 540,388,784 | 86,124,025 | 63,177,190 | 391,087,569 | |
| 49 Cost of sales and operations..... | 180,143,476 | 70,704,434 | 32,106,276 | 77,332,756 | 827,568,638 | 460,987,538 | 76,186,967 | 48,933,993 | 335,866,578 | |
| 50 Compensation of officers..... | 2,134,496 | 1,437,598 | 328,148 | 368,750 | 16,887,872 | 8,438,876 | 784,528 | 1,773,540 | 5,880,808 | |
| 51 Repairs..... | 527,314 | 218,484 | 91,429 | 217,401 | 3,473,948 | 1,253,084 | 206,163 | 199,356 | 847,565 | |
| 52 Bad debts..... | 924,897 | 215,662 | 410,158 | 299,077 | 1,826,818 | 920,297 | 94,113 | 202,499 | 623,685 | |
| 53 Rent paid on business property..... | 5,671,990 | 4,180,733 | 972,885 | 518,372 | 13,201,457 | 2,989,570 | 429,371 | 466,482 | 2,093,717 | |
| 54 Taxes paid..... | 17,759,996 | 4,567,042 | 4,954,762 | 8,238,192 | 14,583,062 | 5,881,981 | 580,681 | 402,681 | 4,496,220 | |
| 55 Interest paid..... | 14,318,839 | 2,456,620 | 3,741,978 | 8,120,241 | 7,902,822 | 3,722,940 | 329,113 | 682,400 | 2,711,427 | |
| 56 Contributions or gifts..... | 152,563 | 39,911 | 57,595 | 55,057 | 281,828 | 129,133 | 17,351 | 21,388 | 90,394 | |
| 57 Amortization..... | 196,397 | 73,766 | 19,801 | 102,830 | 73,320 | 24,286 | 1,872 | 3,455 | 18,959 | |
| 58 Depreciation..... | 25,256,850 | 5,445,934 | 10,109,515 | 9,701,401 | 9,250,210 | 3,598,329 | 460,976 | 738,756 | 2,398,597 | |
| 59 Depletion..... | 259,042 | 53,975 | *232 | 204,835 | 69,886 | 48,180 | 282 | 4,585 | 43,313 | |
| 60 Advertising..... | 1,113,229 | 555,274 | 441,491 | 116,464 | 9,338,558 | 2,092,340 | 183,501 | 283,359 | 1,625,480 | |
| 61 Pension, profit-sharing, stock bonus, and annuity plans..... | 5,317,715 | 1,429,179 | 2,740,516 | 1,148,020 | 3,421,147 | 1,664,179 | 194,848 | 295,382 | 1,173,951 | |
| 62 Employee benefit programs..... | 2,683,569 | 977,792 | 1,182,207 | 523,570 | 2,250,270 | 893,437 | 130,978 | 172,410 | 590,049 | |
| 63 Net loss, noncapital assets..... | 91,875 | 14,489 | 7,224 | 70,162 | 69,299 | 27,739 | 2,930 | 4,637 | 20,172 | |
| 64 Other deductions..... | 24,577,791 | 10,863,532 | 7,038,004 | 6,676,255 | 131,508,720 | 47,716,875 | 6,517,954 | 8,592,267 | 32,606,654 | |
| 65 Total receipts less total deductions..... | 20,237,237 | 5,717,933 | 6,240,849 | 8,278,795 | 34,405,341 | 18,672,550 | 1,274,121 | 4,274,240 | 13,124,009 | |
| 66 Constructive taxable income from related foreign corporations..... | 86,986 | 35,065 | 28,623 | 23,298 | 719,741 | 643,376 | *1,360 | 13,373 | 628,843 | |
| 67 Net income (line 63 plus 64 minus 36)..... | 20,304,871 | 5,739,504 | 6,266,909 | 8,298,458 | 35,097,805 | 19,300,256 | 1,273,882 | 4,285,097 | 13,741,277 | |
| 68 Income subject to tax..... | 18,892,706 | 4,882,951 | 5,987,743 | 8,022,012 | 25,818,892 | 12,389,110 | 1,024,113 | 2,321,294 | 9,043,703 | |
| 69 Income tax, total..... | 8,869,246 | 2,179,070 | 2,890,140 | 3,800,036 | 10,539,954 | 5,132,417 | 431,404 | 936,702 | 3,764,311 | |
| 70 Normal tax, surtax, and alternative tax..... | 8,769,836 | 2,154,838 | 2,839,768 | 3,775,030 | 10,481,276 | 5,101,154 | 428,833 | 926,248 | 3,746,073 | |
| 71 Tax from recomputing prior-year investment credit..... | 79,806 | 13,955 | 50,155 | 15,696 | 53,040 | 26,959 | 2,501 | 9,858 | 14,600 | |
| 72 Tax from recomputing prior-year work incentive (WIN) credit..... | 1,337 | 1,337 | — | — | 326 | *308 | — | *301 | *7 | |
| 73 Additional tax for tax preferences..... | 18,467 | 8,940 | 217 | 9,310 | 5,312 | 3,996 | *70 | 295 | 3,631 | |
| 74 Foreign tax credit..... | 147,967 | 83,051 | 40,140 | 24,776 | 604,147 | 511,949 | 1,917 | 15,107 | 494,925 | |
| 75 U.S. possessions tax credit..... | 21,618 | 146 | 21,443 | 29 | 6,887 | 1,892 | 368 | 105 | 1,419 | |
| 76 Investment credit..... | 4,143,315 | 971,905 | 1,376,977 | 1,794,433 | 826,490 | 319,104 | 41,602 | 66,585 | 210,917 | |
| 77 Work incentive (WIN) credit..... | 512 | 282 | 108 | 122 | 5,788 | 3,477 | 228 | 660 | 2,589 | |
| 78 New jobs credit..... | 70,723 | 55,620 | 6,482 | 8,621 | 474,527 | 183,840 | 20,269 | 34,352 | 129,219 | |
| Distributions to stockholders: | | | | | | | | | | |
| 79 Cash and property except in own stock..... | 11,411,318 | 1,164,308 | 3,788,435 | 6,478,575 | 8,732,712 | 4,348,222 | 194,012 | 1,402,378 | 2,751,832 | |
| 80 Corporation's own stock..... | 133,966 | 44,893 | *45,860 | 43,213 | 377,702 | 206,979 | 17,271 | 47,909 | 141,799 | |

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

RETURNS WITH NET INCOME

Table 3.—Balance Sheets and Income Statements, by Major Industry—Continued

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

| Item | Major industry—Continued | | | | | | | | | |
|---|--------------------------------------|--|----------------------------|-------------|---|------------------------------|---------------------------------------|----------------------------|-----------------------------|--|
| | Wholesale and retail trade—Continued | | | | | | | | | |
| | Retail trade | | | | | | | | | |
| | Total | Building materials, garden supplies, and mobile home dealers | General merchandise stores | Food stores | Automotive dealers and service stations | Apparel and accessory stores | Furniture and home furnishings stores | Eating and drinking places | Miscellaneous retail stores | Wholesale and retail trade not allocable |
| | (43) | (44) | (45) | (46) | (47) | (48) | (49) | (50) | (51) | (52) |
| 1 Number of returns..... | 272,483 | 26,539 | 7,934 | 19,841 | 49,832 | 25,882 | 22,388 | 47,489 | 72,580 | 1,380 |
| 2 Total assets..... | 172,223,321 | 13,420,567 | 48,171,998 | 21,160,150 | 34,146,717 | 8,775,139 | 8,586,477 | 12,779,761 | 25,182,512 | 409,931 |
| 3 Cash..... | 11,536,512 | 916,411 | 1,583,572 | 1,534,018 | 2,284,495 | 1,087,864 | 771,205 | 1,304,406 | 2,044,541 | 42,765 |
| 4 Notes and accounts receivable..... | 33,858,535 | 3,465,632 | 15,386,361 | 1,380,083 | 4,772,227 | 1,430,838 | 2,393,390 | 748,113 | 4,281,891 | 89,584 |
| 5 Less: Allowance for bad debts..... | 789,741 | 103,007 | 216,303 | 16,060 | 117,217 | 32,121 | 81,094 | 13,296 | 210,643 | 1,313 |
| 6 Inventories..... | 62,578,938 | 5,365,189 | 13,978,718 | 6,921,265 | 18,545,936 | 3,551,900 | 3,428,835 | 804,251 | 9,982,844 | 172,365 |
| 7 Investments in Government obligations: | | | | | | | | | | |
| 8 United States..... | 460,570 | 15,326 | 55,965 | 174,148 | 50,522 | 48,688 | *2,278 | 81,585 | 32,058 | — |
| 9 State and local..... | 68,959 | *4,007 | *7,407 | *12,231 | *741 | *15,635 | *10,219 | *12,383 | 6,336 | — |
| 10 Other current assets..... | 5,187,198 | 291,844 | 1,136,824 | 727,544 | 953,494 | 399,371 | 211,381 | 542,313 | 924,427 | 5,908 |
| 11 Loans to stockholders..... | 1,130,914 | 61,538 | 120,073 | 96,831 | 177,047 | 162,600 | 74,748 | 181,352 | 256,725 | *10,572 |
| 12 Mortgage and real estate loans..... | 545,790 | 79,010 | 180,853 | 29,928 | 72,278 | 12,169 | 11,182 | 71,073 | 89,297 | 6 |
| 13 Other investments..... | 10,307,878 | 563,780 | 3,832,361 | 1,850,816 | 831,413 | 550,036 | 319,504 | 855,704 | 1,504,364 | 23,379 |
| 14 Depreciable assets..... | 65,084,217 | 3,889,271 | 16,389,322 | 12,864,606 | 8,481,871 | 2,318,645 | 1,947,242 | 10,382,595 | 8,810,865 | 76,084 |
| 15 Less: Accumulated depreciation..... | 26,868,079 | 1,824,494 | 6,336,170 | 5,461,255 | 3,494,710 | 1,067,328 | 821,492 | 3,894,411 | 3,968,219 | 30,804 |
| 16 Depletable assets..... | 178,370 | 11,535 | *9,874 | *6,086 | 6,261 | *2,173 | *7,312 | *13,589 | — | — |
| 17 Less: Accumulated depletion..... | 82,262 | *1,163 | *5,877 | *3,565 | *1,709 | (*) | *932 | *4,441 | 64,575 | — |
| 18 Land..... | 4,976,744 | 464,771 | 1,283,860 | 654,826 | 994,378 | 100,868 | 176,530 | 820,701 | 480,990 | *2,175 |
| 19 Intangible assets (amortizable)..... | 759,290 | 22,358 | 54,189 | 43,288 | 38,204 | 53,166 | 24,985 | 359,076 | 164,024 | *123 |
| 20 Less: Accumulated amortization..... | 216,479 | 9,080 | 9,249 | 18,201 | 16,538 | 8,743 | 14,900 | 56,393 | 56,393 | (*) |
| 21 Other assets..... | 3,505,507 | 207,639 | 720,218 | 363,561 | 568,224 | 147,708 | 125,246 | 604,420 | 768,491 | 9,087 |
| 22 Total liabilities..... | 172,223,321 | 13,420,567 | 48,171,998 | 21,160,150 | 34,146,717 | 8,775,139 | 8,586,477 | 12,779,761 | 25,182,512 | 409,931 |
| 23 Accounts payable..... | 30,631,089 | 2,174,202 | 11,409,386 | 4,659,065 | 3,241,153 | 1,583,820 | 1,372,544 | 1,260,928 | 4,929,991 | 90,824 |
| 24 Mortgages, notes, and bonds payable in less than one year..... | 23,032,064 | 1,650,557 | 2,205,498 | 707,442 | 14,051,838 | 471,776 | 952,749 | 769,643 | 2,222,461 | 72,360 |
| 25 Other current liabilities..... | 17,154,719 | 1,107,210 | 6,517,469 | 2,230,188 | 2,362,790 | 843,697 | 809,811 | 1,141,712 | 2,142,022 | 32,516 |
| 26 Loans from stockholders..... | 4,103,815 | 438,773 | 463,083 | 259,075 | 884,312 | 288,183 | 299,052 | 559,468 | 911,869 | *11,775 |
| 27 Mortgages, notes, and bonds payable in one year or more..... | 24,394,651 | 1,719,673 | 5,818,021 | 4,266,913 | 3,484,714 | 789,936 | 1,122,195 | 3,642,216 | 3,550,983 | 60,628 |
| 28 Other liabilities..... | 5,679,478 | 240,602 | 3,020,747 | 444,929 | 420,360 | 210,835 | 404,755 | 361,738 | 575,512 | 3,840 |
| 29 Capital stock..... | 12,781,980 | 1,337,857 | 2,530,560 | 1,385,321 | 2,688,703 | 904,243 | 794,189 | 1,045,758 | 2,095,349 | 28,421 |
| 30 Paid-in or capital surplus..... | 7,908,339 | 440,563 | 2,550,164 | 1,354,553 | 496,210 | 455,312 | 345,612 | 460,332 | 1,405,314 | 21,146 |
| 31 Retained earnings, appropriated..... | 776,613 | 55,378 | 224,270 | 59,223 | 93,119 | 33,622 | 120,921 | 49,526 | 140,554 | *2,588 |
| 32 Retained earnings, unappropriated..... | 47,631,011 | 4,441,134 | 13,610,479 | 5,968,333 | 6,871,489 | 3,318,881 | 2,490,629 | 3,230,315 | 7,699,751 | 91,701 |
| 33 Less: Cost of treasury stock..... | 1,870,438 | 185,382 | 177,689 | 174,892 | 448,071 | 125,385 | 125,780 | 141,935 | 491,294 | *5,668 |
| 34 Total receipts..... | 515,692,698 | 34,202,810 | 88,038,814 | 109,888,220 | 143,713,380 | 22,165,145 | 18,577,853 | 31,737,077 | 67,369,399 | 1,358,156 |
| 35 Business receipts..... | 503,464,447 | 33,543,366 | 83,175,036 | 108,751,943 | 141,488,875 | 21,626,050 | 17,940,603 | 30,834,119 | 66,104,455 | 1,328,365 |
| 36 Interest on Government obligations: | | | | | | | | | | |
| 37 United States..... | 37,851 | 1,147 | 8,996 | 10,866 | 4,657 | 3,602 | 947 | 4,350 | 3,286 | — |
| 38 State and local..... | 11,594 | 697 | 734 | 1,434 | 611 | 1,190 | 584 | 4,419 | 1,725 | 13 |
| 39 Other interest..... | 1,675,057 | 124,476 | 404,953 | 100,920 | 628,524 | 89,455 | 117,836 | 59,733 | 149,260 | 3,945 |
| 40 Rents..... | 1,481,751 | 90,910 | 387,252 | 200,772 | 322,226 | 50,138 | 56,659 | 182,516 | 191,277 | *1,010 |
| 41 Royalties..... | 121,062 | 534 | *1,019 | 9,376 | 10,236 | *434 | *370 | 90,700 | 8,393 | — |
| 42 Net short-term capital gain reduced by net long-term capital loss..... | 8,257 | 738 | 50 | 258 | 1,996 | *933 | *329 | 1,254 | 2,699 | — |
| 43 Net long-term capital gain reduced by net short-term capital loss..... | 381,356 | 50,444 | 55,531 | 44,440 | 86,898 | 15,858 | 10,520 | 64,573 | 53,002 | *161 |
| 44 Net gain, noncapital assets..... | 233,062 | 27,364 | 13,552 | 34,358 | 70,777 | 5,429 | 9,509 | 34,421 | 37,652 | *245 |
| 45 Dividends received from domestic corporations..... | 413,229 | 10,288 | 271,147 | 10,578 | 11,908 | 82,342 | 4,507 | 9,822 | 12,637 | *1,030 |
| 46 Dividends received from foreign corporations..... | 80,704 | *20 | *65,167 | *8,741 | 525 | *220 | 172 | *224 | *5,635 | — |
| 47 Other receipts..... | 7,784,328 | 352,626 | 3,655,377 | 714,634 | 1,086,057 | 289,493 | 435,817 | 450,946 | 789,378 | 23,387 |
| 48 Total deductions..... | 499,990,368 | 32,650,517 | 84,578,385 | 107,952,364 | 141,412,731 | 20,866,003 | 17,740,149 | 30,079,741 | 64,710,476 | 1,327,695 |
| 49 Cost of sales and operations..... | 365,558,516 | 24,758,128 | 53,409,250 | 84,149,056 | 120,258,891 | 12,743,154 | 11,205,974 | 13,375,250 | 45,659,013 | 1,022,584 |
| 50 Compensation of officers..... | 8,417,326 | 948,933 | 342,097 | 640,675 | 2,089,021 | 672,193 | 757,375 | 987,220 | 1,979,812 | 31,670 |
| 51 Repairs..... | 2,218,142 | 143,219 | 418,666 | 590,550 | 298,475 | 65,798 | 68,270 | 249,585 | 299,852 | 2,722 |
| 52 Bad debts..... | 888,693 | 149,589 | 238,315 | 53,741 | 155,114 | 41,911 | 83,757 | 18,523 | 147,747 | 17,820 |
| 53 Rent paid on business property..... | 10,185,229 | 344,649 | 2,168,517 | 1,654,953 | 1,099,461 | 1,335,449 | 515,115 | 1,508,458 | 1,558,627 | 26,658 |
| 54 Taxes paid..... | 8,687,828 | 594,518 | 2,052,355 | 1,416,021 | 1,403,114 | 482,370 | 368,504 | 1,170,418 | 1,199,528 | 13,253 |
| 55 Interest paid..... | 4,167,590 | 295,234 | 1,176,164 | 357,301 | 1,167,847 | 145,234 | 186,456 | 355,201 | 484,153 | 12,292 |
| 56 Contributions or gifts..... | 152,408 | 11,283 | 49,870 | 19,290 | 20,834 | 12,098 | 7,690 | 8,678 | 22,665 | 287 |
| 57 Amortization..... | 49,025 | 2,696 | 7,319 | 4,286 | 3,442 | 4,058 | 1,384 | 12,908 | 12,932 | *9 |
| 58 Depreciation..... | 5,641,278 | 340,556 | 1,174,946 | 1,104,873 | 905,445 | 225,635 | 181,483 | 888,112 | 820,229 | 10,602 |
| 59 Depletion..... | 21,690 | 1,733 | *423 | *783 | 5,751 | *1,795 | *867 | *464 | 9,874 | 16 |
| 60 Advertising..... | 7,231,935 | 323,966 | 2,094,188 | 1,006,835 | 1,080,907 | 421,808 | 647,733 | 580,719 | 1,075,679 | 12,383 |
| 61 Pension, profit-sharing, stock bonus, and annuity plans..... | 1,754,050 | 127,293 | 497,349 | 454,130 | 198,281 | 92,806 | 67,641 | 76,184 | 240,359 | 2,918 |
| 62 Employee benefit programs..... | 1,354,751 | 76,197 | 266,638 | 435,205 | 222,689 | 52,875 | 45,893 | 95,104 | 160,150 | 2,092 |
| 63 Net loss, noncapital assets..... | 40,099 | 1,497 | 3,983 | 4,359 | 7,806 | 1,492 | 1,492 | 6,734 | 6,734 | *1,461 |
| 64 Other deductions..... | 83,621,907 | 4,531,026 | 20,678,325 | 16,070,306 | 12,495,853 | 4,558,546 | 3,601,387 | 10,603,066 | 11,083,398 | 170,938 |
| 65 Total receipts less total deductions..... | 15,702,330 | 1,552,293 | 3,460,428 | 1,935,856 | 2,300,649 | 1,299,142 | 837,704 | 1,657,336 | 2,658,921 | 30,461 |
| 66 Constructive taxable income from related foreign corporations..... | 76,365 | — | 59,679 | 8,055 | 333 | 16 | (*) | 3,277 | *5,005 | — |
| 67 Net income (line 63 plus 64 minus 36)..... | 15,767,101 | 1,551,396 | 3,519,374 | 1,942,477 | 2,300,371 | 1,297,968 | 837,120 | 1,656,194 | 2,662,201 | 30,448 |
| 68 Income subject to tax..... | 13,208,064 | 1,272,918 | 3,156,965 | 1,727,682 | 1,898,079 | 1,059,127 | 672,798 | 1,220,094 | 2,200,401 | 21,718 |
| 69 Income tax, total..... | 5,400,326 | 484,696 | 1,483,732 | 784,379 | 677,746 | 420,824 | 244,052 | 469,495 | 855,400 | 7,211 |
| 70 Normal tax, surtax, and alternative tax..... | 5,373,028 | 483,179 | 1,479,171 | 760,040 | 670,054 | 419,917 | 243,204 | 466,358 | 851,105 | 7,094 |
| 71 Tax from recomputing prior-year investment credit..... | 25,964 | 1,510 | 4,456 | 4,167 | 7,195 | 885 | 839 | 2,816 | 4,096 | *117 |
| 72 Tax from recomputing prior-year work incentive (WIN) credit..... | *18 | (*) | (*) | (*) | (*) | — | (*) | — | — | *18 |
| 73 Additional tax for tax preferences..... | 1,316 | *9 | *105 | 172 | 497 | *22 | 9 | *321 | *181 | — |
| 74 Foreign tax credit..... | 92,198 | 84 | 62,978 | *8,427 | *155 | *816 | 12 | 5,030 | 14,896 | — |
| 75 U.S. possessions tax credit..... | 4,992 | — | 616 | 2,713 | — | 1,087 | 366 | 37 | 173 | 3 |
| 76 Investment credit..... | 506,420 | 29,325 | 118,473 | 112,755 | 58,903 | 16,777 | 12,380 | 77,473 | 80,334 | 966 |
| 77 Work incentive (WIN) credit..... | 2,311 | *58 | 45 | 183 | 690 | *169 | *37 | 637 | 482 | — |
| 78 New jobs credit..... | 290,172 | 30,837 | 17,374 | 29,581 | 87,851 | 18,505 | 13,173 | 51,210 | 41,661 | *515 |
| 79 Distributions to stockholders: | | | | | | | | | | |
| 80 Cash and property except in own stock..... | 2,381,931 | 121,431 | 932,433 | 306,210 | 151,242 | 333,690 | 53,316 | 193,838 | 289,771 | *2,559 |
| 81 Corporation's own stock..... | 170,723 | *9,385 | 17,309 | 74,748 | 6,261 | *2,171 | 198 | *12,002 | 48,631 | — |

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

RETURNS WITH NET INCOME

Table 3.—Balance Sheets and Income Statements, by Major Industry—Continued

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

| Item | Major industry—Continued | | | | | | | |
|---|-------------------------------------|---------------|----------------------------------|--|-------------|--|-------------|---|
| | Finance, insurance, and real estate | | | | | | | |
| | Total | Banking | Credit agencies other than banks | Security, commodity brokers and services | Insurance | Insurance agents, brokers, and service | Real estate | Holding and other investment companies, except bank holding companies |
| (53) | (54) | (55) | (56) | (57) | (58) | (59) | (60) | |
| 1 Number of returns..... | 270,542 | 12,828 | 29,848 | 3,457 | 6,128 | 30,406 | 158,672 | 29,203 |
| 2 Total assets..... | 2,590,416,250 | 1,387,583,533 | 517,103,634 | 30,222,546 | 490,278,178 | 9,716,298 | 67,145,951 | 88,366,110 |
| 3 Cash..... | 240,317,956 | 211,041,492 | 13,321,403 | 1,024,049 | 5,863,479 | 2,251,717 | 4,419,566 | 2,396,250 |
| 4 Notes and accounts receivable..... | 760,330,969 | 663,289,911 | 54,707,089 | 16,017,729 | 12,732,242 | 3,776,849 | 6,472,865 | 3,334,284 |
| 5 Less: Allowance for bad debts..... | 22,174,822 | 7,937,520 | 13,546,961 | 26,515 | 234,708 | 101,526 | 188,396 | 139,196 |
| 6 Inventories..... | 4,583,122 | 219,339 | 1,403,149 | *21,500 | 1,591,331 | 8,285 | 1,259,631 | 79,887 |
| 7 Investments in Government obligations: | | | | | | | | |
| 8 United States..... | 172,748,521 | 123,137,290 | 21,223,675 | 1,338,989 | 24,129,312 | 152,262 | 476,162 | 2,290,831 |
| 9 State and local..... | 145,811,606 | 98,089,246 | 1,450,208 | 328,228 | 44,304,484 | 131,637 | 184,713 | 1,324,090 |
| 10 Other current assets..... | 58,383,783 | 17,564,928 | 7,160,527 | 7,262,307 | 15,735,390 | 384,860 | 6,351,862 | 3,923,909 |
| 11 Loans to stockholders..... | 3,424,296 | 518,967 | 949,332 | 23,856 | 188,381 | 111,106 | 826,288 | 806,366 |
| 12 Mortgage and real estate loans..... | 616,674,732 | 116,158,964 | 398,973,321 | 132,138 | 95,516,843 | 58,145 | 3,265,662 | 2,589,659 |
| 13 Other investments..... | 477,110,174 | 113,618,123 | 20,063,081 | 3,039,867 | 264,803,709 | 1,375,039 | 6,643,317 | 87,567,038 |
| 14 Depreciable assets..... | 26,971,406 | 5,583,223 | 3,230,423 | 246,711 | 6,380,987 | 1,108,296 | 39,716,133 | 2,824,202 |
| 15 Less: Accumulated depreciation..... | 594,148 | 100,687 | 32,176 | *53,887 | 43,601 | *3,267 | 230,037 | 220,493 |
| 16 Depletable assets..... | 204,005 | 704 | 5,644 | *11,575 | 21,639 | *1,818 | 78,263 | 44,362 |
| 17 Less: Accumulated depletion..... | 16,886,304 | 2,262,765 | 1,698,516 | 47,109 | 617,744 | 82,026 | 11,058,562 | 1,119,582 |
| 18 Land..... | 1,158,655 | 182,477 | 209,331 | 26,823 | 142,972 | 241,324 | 252,543 | 103,185 |
| 19 Intangible assets (amortizable)..... | 350,827 | 38,639 | 67,557 | 8,900 | 24,769 | 83,340 | 97,932 | 29,690 |
| 20 Less: Accumulated amortization..... | 54,894,658 | 30,453,912 | 2,909,356 | 481,188 | 18,079,974 | 666,545 | 1,571,513 | 732,170 |
| 21 Other assets..... | 54,894,658 | 30,453,912 | 2,909,356 | 481,188 | 18,079,974 | 666,545 | 1,571,513 | 732,170 |
| 22 Total liabilities..... | 2,590,416,250 | 1,387,583,533 | 517,103,634 | 30,222,546 | 490,278,178 | 9,716,298 | 67,145,951 | 88,366,110 |
| 23 Accounts payable..... | 37,592,687 | 3,593,243 | 4,658,715 | 11,779,847 | 9,727,984 | 4,255,093 | 2,379,721 | 1,198,084 |
| 24 Mortgages, notes, and bonds payable in less than one year..... | 86,884,290 | 26,395,085 | 43,757,602 | 5,767,618 | 3,130,852 | 403,318 | 7,562,900 | 1,866,915 |
| 25 Other current liabilities..... | 1,668,479,039 | 1,201,879,098 | 373,449,287 | 4,848,631 | 82,031,727 | 1,151,384 | 3,424,290 | 1,694,642 |
| 26 Loans from stockholders..... | 7,746,710 | 2,580,081 | 793,335 | 81,143 | 1,178,049 | 118,938 | 2,190,934 | 484,230 |
| 27 Mortgage, notes, and bonds payable in one year or more..... | 123,220,032 | 25,104,003 | 58,944,813 | 2,223,880 | 7,656,877 | 262,883 | 26,280,660 | 4,382,916 |
| 28 Other liabilities..... | 368,222,102 | 31,266,723 | 10,882,911 | 1,532,221 | 316,834,707 | 297,281 | 3,803,842 | 3,604,417 |
| 29 Capital stock..... | 53,662,004 | 18,349,225 | 4,805,930 | 548,063 | 5,084,925 | 548,173 | 6,257,556 | 18,088,132 |
| 30 Paid-in or capital surplus..... | 107,075,790 | 29,648,406 | 4,651,895 | 1,355,168 | 12,185,186 | 684,007 | 3,996,155 | 54,594,973 |
| 31 Retained earnings, appropriated..... | 21,038,669 | 6,418,247 | 3,675,517 | 15,869 | 9,768,484 | 28,865 | 226,836 | 904,831 |
| 32 Retained earnings, unappropriated..... | 119,951,732 | 42,797,324 | 13,748,665 | 2,208,076 | 43,298,546 | 1,818,187 | 11,509,085 | 4,571,849 |
| 33 Less: Cost of treasury stock..... | 5,456,805 | 447,902 | 265,036 | 137,970 | 579,159 | 195,831 | 806,028 | 3,024,879 |
| 34 Total receipts..... | 368,828,919 | 94,493,804 | 50,991,161 | 6,473,927 | 168,346,898 | 10,074,946 | 27,533,009 | 8,925,174 |
| 35 Business receipts..... | 188,675,902 | 10,807,301 | 12,148,057 | 3,089,163 | 136,218,144 | 8,665,291 | 15,519,195 | 1,228,751 |
| 36 Interest on Government obligations: | | | | | | | | |
| 37 United States..... | 11,573,715 | 8,368,729 | 1,476,355 | 158,359 | 1,203,989 | 12,885 | 41,334 | 312,064 |
| 38 State and local..... | 6,701,025 | 4,279,399 | 114,432 | 30,265 | 2,195,540 | 9,677 | 16,410 | 55,302 |
| 39 Other interest..... | 124,482,435 | 64,931,983 | 35,355,691 | 641,054 | 20,369,599 | 140,129 | 870,668 | 2,173,311 |
| 40 Rents..... | 10,604,249 | 1,397,053 | 392,475 | 19,346 | 1,894,398 | 25,325 | 6,481,228 | 394,424 |
| 41 Royalties..... | 536,451 | 8,675 | 4,864 | *2,438 | 23,078 | *1,291 | 148,767 | 347,338 |
| 42 Net short-term capital gain reduced by net long-term capital loss..... | 228,938 | 22,571 | 10,295 | 33,137 | 37,544 | *238 | 29,657 | 95,496 |
| 43 Net long-term capital gain reduced by net short-term capital loss..... | 3,118,000 | 274,353 | 206,452 | 50,904 | 423,714 | 24,833 | 901,231 | 1,236,513 |
| 44 Net gain, noncapital assets..... | 5,497,250 | 529,320 | 255,812 | 2,073,683 | 98,351 | 10,299 | 2,449,570 | 80,215 |
| 45 Dividends received from domestic corporations..... | 5,559,971 | 593,926 | 70,423 | 64,366 | 2,426,600 | 27,147 | 110,834 | 2,266,675 |
| 46 Dividends received from foreign corporations..... | 286,224 | 109,918 | 24,336 | 2,755 | 45,875 | 9,179 | 2,623 | 91,469 |
| 47 Other receipts..... | 9,564,759 | 3,170,576 | 921,969 | 308,457 | 3,410,066 | 148,652 | 961,432 | 643,616 |
| 48 Total deductions..... | 328,198,310 | 84,666,219 | 47,073,563 | 5,906,216 | 155,337,547 | 8,921,792 | 23,078,964 | 3,214,009 |
| 49 Cost of sales and operations..... | 93,067,309 | 1,301,585 | 5,492,623 | 197,270 | 77,771,782 | 2,330,965 | 5,311,591 | 661,493 |
| 50 Compensation of officers..... | 9,022,838 | 3,563,984 | 889,445 | 584,738 | 718,718 | 1,431,844 | 1,800,296 | 253,813 |
| 51 Repairs..... | 1,208,785 | 439,767 | 168,300 | 15,801 | 77,607 | 24,384 | 461,362 | 21,564 |
| 52 Bad debts..... | 5,410,271 | 2,831,214 | 2,075,685 | 25,539 | 279,067 | 68,523 | 92,296 | 37,947 |
| 53 Rent paid on business property..... | 4,570,343 | 1,721,563 | 428,535 | 228,636 | 1,152,308 | 254,784 | 725,558 | 58,959 |
| 54 Taxes paid..... | 9,477,276 | 2,408,762 | 878,601 | 196,723 | 3,853,609 | 273,508 | 1,881,952 | 184,121 |
| 55 Interest paid..... | 82,501,307 | 47,217,845 | 28,696,281 | 612,880 | 2,748,604 | 91,902 | 2,659,885 | 473,910 |
| 56 Contributions or gifts..... | 266,313 | 108,514 | 32,183 | 6,649 | 73,348 | 9,391 | 28,684 | 7,564 |
| 57 Amortization..... | 106,774 | 33,783 | 14,670 | 4,294 | 19,197 | 14,347 | 15,544 | 4,959 |
| 58 Depreciation..... | 6,608,751 | 2,717,392 | 725,422 | 86,037 | 1,117,631 | 148,091 | 1,705,188 | 108,990 |
| 59 Depletion..... | 91,095 | 3,375 | 10,918 | — | 7,752 | *57 | 12,316 | 55,267 |
| 60 Advertising..... | 2,491,492 | 800,181 | 580,912 | 70,756 | 402,706 | 78,673 | 544,721 | 13,543 |
| 61 Pension, profit-sharing, stock bonus, and annuity plans..... | 3,038,143 | 1,048,728 | 276,119 | 110,782 | 1,216,527 | 222,338 | 129,048 | 34,603 |
| 62 Employee benefit programs..... | 1,281,117 | 582,351 | 140,578 | 44,660 | 332,487 | 93,232 | 69,697 | 18,112 |
| 63 Net loss, noncapital assets..... | 189,127 | 124,570 | 22,014 | 696 | 12,926 | 2,639 | 20,309 | 5,973 |
| 64 Other deductions..... | 108,867,369 | 19,762,625 | 6,650,785 | 3,729,837 | 65,753,278 | 3,877,114 | 7,820,539 | 1,273,191 |
| 65 Total receipts less total deductions..... | 38,630,609 | 9,827,585 | 19,507 | *1,867 | 29,492 | 10,460 | *253 | 23,823 |
| 66 Constructive taxable income from related foreign corporations..... | 127,522 | 42,120 | 3,812,673 | 539,313 | 10,843,303 | 1,153,937 | 4,437,888 | 5,679,686 |
| 67 Net income (line 63 plus 64 minus 36)..... | 32,057,106 | 5,590,306 | 3,525,744 | 429,888 | 7,548,364 | 882,073 | 3,171,754 | 931,371 |
| 68 Income subject to tax..... | 21,317,724 | 4,828,430 | 1,629,689 | 187,956 | 3,555,207 | 339,973 | 1,089,475 | 344,617 |
| 69 Income tax, total..... | 9,299,771 | 2,130,630 | 1,576,980 | 187,593 | 3,549,523 | 338,948 | 1,080,617 | 339,497 |
| 70 Normal tax, surtax, and alternative tax..... | 9,203,788 | 2,130,630 | 1,576,980 | 187,593 | 3,549,523 | 338,948 | 1,080,617 | 339,497 |
| 71 Tax from recomputing prior-year investment credit..... | 31,792 | 13,923 | 6,371 | 326 | 4,960 | 1,011 | — | 911 |
| 72 Tax from recomputing prior-year work incentive (WIN) credit..... | 21 | (*) | 21 | — | 724 | — | *14 | 4,568 |
| 73 Additional tax for tax preferences..... | 64,170 | 8,301 | 46,317 | *37 | 183,897 | 10,026 | 3,057 | 43,312 |
| 74 Foreign tax credit..... | 867,372 | 586,838 | 36,221 | 4,021 | 183,897 | — | — | 374 |
| 75 U.S. possessions tax credit..... | 5,127 | — | 4,557 | 198 | — | — | — | — |
| 76 Investment credit..... | 512,804 | 259,749 | 58,846 | 11,122 | 118,143 | 14,347 | 43,086 | 7,511 |
| 77 Work incentive (WIN) credit..... | 655 | 179 | 27 | *1 | 157 | *1 | 198 | *92 |
| 78 New jobs credit..... | 126,760 | 49,623 | 20,582 | 3,143 | 14,657 | 12,139 | 24,147 | 2,469 |
| 79 Distributions to stockholders: | | | | | | | | |
| 80 Cash and property except in own stock..... | 10,831,032 | 2,729,156 | 594,383 | 99,549 | 1,794,412 | 216,477 | 755,441 | 4,641,814 |
| 81 Corporation's own stock..... | 844,677 | 391,366 | 13,275 | *18,907 | 76,005 | *3,884 | 14,888 | 126,334 |

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

RETURNS WITH NET INCOME

Table 3.—Balance Sheets and Income Statements, by Major Industry—Continued

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

| Item | Major industry—Continued | | | | | | | |
|---|--------------------------|---------------------------------|-------------------|-------------------|--|-----------------------------------|----------------|----------------------------------|
| | Total | Hotels and other lodging places | Personal services | Business services | Auto repair, miscellaneous repair services | Amusement and recreation services | Other services | Nature of business not allocable |
| | | | | | | | | |
| 1 Number of returns..... | 312,594 | 8,482 | 24,094 | 75,812 | 39,888 | 21,895 | 142,423 | 1,430 |
| 2 Total assets..... | 89,219,705 | 10,117,252 | 4,370,135 | 27,575,812 | 11,216,818 | 15,488,897 | 20,452,791 | 553,908 |
| 3 Cash..... | 9,102,468 | 591,726 | 571,500 | 3,041,415 | 807,739 | 1,194,781 | 2,895,307 | 60,247 |
| 4 Notes and accounts receivable..... | 16,787,062 | 683,865 | 828,281 | 7,950,694 | 1,857,846 | 1,580,895 | 3,885,481 | 121,076 |
| 5 Less: Allowance for bad debts..... | 483,789 | 46,389 | 20,290 | 129,833 | 36,090 | 91,181 | 160,016 | 2,483 |
| 6 Inventories..... | 4,238,162 | 151,519 | 294,011 | 1,022,639 | 831,106 | 1,102,264 | 836,623 | 129,835 |
| 7 Investments in Government obligations: | | | | | | | | |
| 8 United States..... | 575,102 | 20,442 | *5,851 | 177,860 | *78,694 | 143,927 | 148,328 | 5,490 |
| 9 State and local..... | 599,574 | *10,509 | *45,876 | 444,110 | *4,419 | 31,706 | 62,954 | 2,485 |
| 10 Other current assets..... | 5,247,884 | 410,572 | 183,472 | 1,638,252 | 325,637 | 1,665,855 | 1,024,096 | 20,966 |
| 11 Loans to stockholders..... | 1,064,199 | 101,471 | 62,815 | 253,666 | 67,680 | 90,965 | 487,602 | *9,752 |
| 12 Mortgage and real estate loans..... | 1,419,316 | 180,094 | 21,173 | 280,363 | 29,701 | 738,478 | 169,507 | *5,065 |
| 13 Other investments..... | 9,572,144 | 1,377,908 | 284,038 | 3,679,058 | 421,552 | 2,007,758 | 1,801,830 | 39,835 |
| 14 Depreciable assets..... | 56,448,281 | 8,437,492 | 3,357,346 | 13,616,457 | 9,919,910 | 9,441,444 | 11,675,612 | 232,517 |
| 15 Less: Accumulated depreciation..... | 23,659,349 | 3,205,586 | 1,777,021 | 6,201,551 | 3,836,535 | 4,411,758 | 4,226,898 | 111,251 |
| 16 Depletable assets..... | 143,462 | *19,595 | *7,610 | 35,277 | *24,377 | *15,908 | 40,695 | *2,625 |
| 17 Less: Accumulated depletion..... | 43,462 | *158 | *498 | 23,120 | *9,053 | *5,591 | 5,042 | *990 |
| 18 Land..... | 3,792,698 | 913,015 | 216,110 | 462,346 | 429,627 | 944,054 | 827,546 | 21,020 |
| 19 Intangible assets (amortization)..... | 1,378,519 | 101,973 | 63,645 | 359,694 | 65,922 | 520,831 | 264,454 | 1,339 |
| 20 Less: Accumulated amortization..... | 632,851 | 34,122 | 18,647 | 89,150 | 20,967 | 363,270 | 106,695 | 515 |
| 21 Other assets..... | 3,672,315 | 403,326 | 244,863 | 1,057,635 | 255,253 | 879,831 | 831,407 | 16,895 |
| 22 Total liabilities..... | 89,219,705 | 10,117,252 | 4,370,135 | 27,575,812 | 11,216,818 | 15,488,897 | 20,452,791 | 553,908 |
| 23 Accounts payable..... | 8,727,677 | 437,358 | 331,514 | 3,960,075 | 1,177,114 | 1,121,293 | 1,700,323 | 87,867 |
| 24 Mortgages, notes, and bonds payable in less than one year..... | 9,521,361 | 524,079 | 363,566 | 3,448,606 | 1,754,692 | 1,869,124 | 1,761,294 | 62,770 |
| 25 Other current liabilities..... | 10,751,187 | 625,316 | 484,610 | 3,746,339 | 1,123,756 | 2,357,325 | 2,413,841 | 68,830 |
| 26 Loans from stockholders..... | 2,479,770 | 294,000 | 140,835 | 540,628 | 251,024 | 488,298 | 754,985 | *10,061 |
| 27 Mortgages, notes, and bonds payable in one year or more..... | 22,525,589 | 4,535,287 | 798,552 | 5,356,267 | 3,556,809 | 2,988,442 | 5,290,232 | 76,646 |
| 28 Other liabilities..... | 3,428,573 | 358,608 | 121,885 | 940,825 | 313,613 | 692,083 | 1,001,559 | 14,170 |
| 29 Capital stock..... | 6,747,136 | 870,173 | 471,176 | 1,650,040 | 584,551 | 1,641,337 | 1,529,859 | 49,810 |
| 30 Paid-in or capital surplus..... | 6,783,286 | 857,390 | 133,930 | 2,415,721 | 366,375 | 1,465,234 | 1,544,636 | 22,487 |
| 31 Retained earnings, appropriated..... | 305,647 | 42,403 | 5,262 | 90,724 | 26,106 | 50,514 | 90,638 | *6,867 |
| 32 Retained earnings, unappropriated..... | 19,546,652 | 1,764,976 | 1,621,854 | 6,000,463 | 2,160,836 | 3,197,630 | 4,800,793 | 151,947 |
| 33 Less: Cost of treasury stock..... | 1,597,173 | 192,338 | 103,049 | 573,876 | 98,158 | 184,383 | 445,369 | *3,547 |
| 34 Total receipts..... | 147,110,723 | 8,965,668 | 7,932,622 | 46,494,544 | 15,456,013 | 17,749,780 | 50,512,096 | 1,510,937 |
| 35 Business receipts..... | 141,166,744 | 8,225,178 | 7,685,489 | 44,663,930 | 14,846,683 | 16,444,630 | 49,300,834 | 1,484,005 |
| 36 Interest on Government obligations: | | | | | | | | |
| 37 United States..... | 40,620 | 1,585 | 477 | 17,318 | 3,657 | 5,737 | 11,846 | *492 |
| 38 State and local..... | 27,163 | 5,772 | 2,950 | 9,166 | *239 | 2,163 | 8,873 | *818 |
| 39 Other interest..... | 910,803 | 72,516 | 41,276 | 324,728 | 93,352 | 185,495 | 193,436 | 5,780 |
| 40 Rents..... | 1,210,516 | 149,362 | 42,415 | 459,991 | 199,774 | 177,437 | 181,537 | 3,110 |
| 41 Royalties..... | 458,548 | 80,529 | 20,464 | 15,529 | *11,502 | 316,364 | 14,160 | *228 |
| 42 Net short-term capital gain reduced by net long-term capital loss..... | 22,785 | 9,446 | *1,182 | 4,814 | *288 | 5,557 | 1,498 | — |
| 43 Net long-term capital gain reduced by net short-term capital loss..... | 456,738 | 97,332 | 21,337 | 101,296 | 17,914 | 118,078 | 100,781 | 1,689 |
| 44 Net gain, noncapital assets..... | 341,116 | 27,478 | 20,184 | 95,520 | 120,195 | 33,169 | 44,570 | *943 |
| 45 Dividends received from domestic corporations..... | 174,911 | 30,006 | 12,493 | 56,162 | 6,132 | 45,275 | 24,243 | *89 |
| 46 Dividends received from foreign corporations..... | 65,757 | *3,341 | 3,983 | 40,711 | *5,777 | 7,250 | 4,695 | — |
| 47 Other receipts..... | 2,235,622 | 263,123 | 80,372 | 705,379 | 150,500 | 408,625 | 627,623 | 13,783 |
| 48 Total deductions..... | 137,879,494 | 8,273,128 | 7,394,374 | 43,447,518 | 14,617,230 | 16,295,391 | 47,851,857 | 1,443,343 |
| 49 Cost of sales and operations..... | 70,674,922 | 4,007,879 | 3,850,763 | 26,041,420 | 8,217,482 | 8,391,295 | 20,166,083 | 1,088,174 |
| 50 Compensation of officers..... | 14,586,176 | 176,310 | 488,305 | 2,728,738 | 833,390 | 674,777 | 9,684,656 | 35,402 |
| 51 Repairs..... | 1,311,623 | 204,247 | 103,181 | 321,261 | 227,417 | 203,207 | 252,310 | 8,645 |
| 52 Bad debts..... | 447,093 | 41,326 | 27,594 | 133,407 | 48,902 | 42,289 | 153,575 | 2,147 |
| 53 Rent paid on business property..... | 5,037,013 | 562,603 | 348,959 | 1,291,915 | 495,641 | 575,656 | 1,762,239 | 20,807 |
| 54 Taxes paid..... | 4,833,328 | 491,393 | 302,556 | 1,314,903 | 513,875 | 619,938 | 1,590,663 | 20,090 |
| 55 Interest paid..... | 2,665,338 | 408,552 | 108,475 | 680,016 | 470,891 | 399,585 | 597,819 | 10,558 |
| 56 Contributions or gifts..... | 74,890 | 4,201 | 4,348 | 21,980 | 3,597 | 12,189 | 28,575 | 160 |
| 57 Amortization..... | 80,506 | 4,555 | 6,339 | 34,080 | 2,317 | 20,273 | 12,942 | 186 |
| 58 Depreciation..... | 6,752,455 | 498,692 | 343,303 | 1,721,451 | 1,563,784 | 1,583,176 | 1,042,049 | 20,081 |
| 59 Depletion..... | 6,313 | 81 | *165 | 1,643 | *236 | *901 | 3,287 | *180 |
| 60 Advertising..... | 1,437,096 | 204,188 | 134,067 | 323,694 | 140,184 | 462,645 | 172,320 | 20,964 |
| 61 Pension, profit-sharing, stock bonus, and annuity plans..... | 3,001,670 | 27,287 | 51,794 | 513,692 | 66,204 | 156,105 | 2,186,588 | 7,098 |
| 62 Employee benefit programs..... | 911,451 | 56,011 | 35,876 | 272,019 | 75,704 | 73,329 | 398,510 | 3,765 |
| 63 Net loss, noncapital assets..... | 45,140 | 6,826 | 1,602 | 16,241 | 5,544 | 6,940 | 7,987 | *61 |
| 64 Other deductions..... | 26,014,480 | 1,578,977 | 1,587,045 | 8,031,056 | 1,952,062 | 3,073,086 | 9,792,254 | 205,025 |
| 65 Total receipts less total deductions..... | 9,231,229 | 692,542 | 538,248 | 3,047,028 | 838,783 | 1,454,389 | 2,660,239 | 67,594 |
| 66 Constructive taxable income from related foreign corporations..... | 78,546 | 1,231 | 2,926 | 30,589 | 2,038 | 25,030 | 14,732 | — |
| 67 Net income (line 63 plus 64 minus 36)..... | 9,280,612 | 688,001 | 538,224 | 3,068,451 | 840,582 | 1,477,256 | 2,668,098 | 66,776 |
| 68 Income tax, total..... | 6,880,410 | 479,269 | 388,654 | 2,347,596 | 674,742 | 1,142,961 | 1,847,188 | 39,429 |
| 69 Normal tax, surtax, and alternative tax..... | 2,582,052 | 201,430 | 143,727 | 922,046 | 242,842 | 489,814 | 582,193 | 15,218 |
| 70 Tax from recomputing prior-year investment credit..... | 2,555,357 | 199,976 | 142,246 | 912,569 | 237,349 | 486,101 | 577,116 | 15,130 |
| 71 Tax from recomputing prior-year work incentive (WIN) credit..... | 24,896 | 988 | 1,448 | 9,325 | 5,478 | 3,221 | 4,436 | *88 |
| 72 Additional tax for tax preferences..... | *156 | — | — | (¹) | — | (¹) | *156 | — |
| 73 Foreign tax credit..... | 1,643 | 466 | *33 | 152 | *15 | 492 | 485 | — |
| 74 U.S. possessions tax credit..... | 124,879 | *3,287 | 4,767 | 50,568 | *4,272 | 48,678 | 13,307 | — |
| 75 Investment credit..... | 2,537 | 61 | — | 1,956 | 237 | 102 | 161 | 253 |
| 76 Work incentive (WIN) credit..... | 426,663 | 22,328 | 19,474 | 136,676 | 59,524 | 95,923 | 92,738 | 1,686 |
| 77 New jobs credit..... | 2,059 | *102 | *31 | 1,529 | *164 | *78 | 155 | — |
| 78 Distributions to stockholders: | | | | | | | | |
| 79 Cash and property except in own stock..... | 1,277,916 | 114,741 | 78,679 | 419,837 | 63,727 | 226,793 | 374,339 | *6,596 |
| 80 Corporation's own stock..... | 133,823 | *3,927 | *2,260 | 15,713 | *7,027 | *79,274 | 25,422 | 46 |

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

¹Less than \$500 per return.

NOTE: See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

RETURNS OF ACTIVE CORPORATIONS

Table 4.—Balance Sheets and Income Statements, by Size of Total Assets

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

| | Item | Total returns of active corporations | Size of total assets | | | | |
|----|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|
| | | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 |
| | | (1) | (2) | (3) | (4) | (5) | (6) |
| 1 | Number of returns..... | 2,241,887 | 57,304 | 1,203,784 | 424,848 | 235,472 | 144,421 |
| 2 | Total assets..... | 5,326,389,281 | — | 41,219,373 | 68,123,746 | 82,983,397 | 101,024,944 |
| 3 | Cash..... | 361,549,924 | — | 7,108,682 | 8,847,740 | 9,086,081 | 9,469,515 |
| 4 | Notes and accounts receivable..... | 1,337,902,515 | — | 6,297,312 | 12,453,161 | 16,767,018 | 22,717,992 |
| 5 | Less: Allowance for bad debts..... | 34,345,449 | — | 119,046 | 165,107 | 253,648 | 512,778 |
| 6 | Inventories..... | 396,032,639 | — | 6,163,327 | 11,703,589 | 16,080,721 | 22,094,709 |
| 7 | Investments in Government obligations: | | | | | | |
| 8 | United States..... | 216,176,700 | — | 47,274 | 218,147 | 209,498 | 417,148 |
| 9 | State and local..... | 164,384,130 | — | 15,132 | 80,506 | 89,145 | 176,177 |
| 10 | Other current assets..... | 181,373,300 | — | 1,719,049 | 3,004,757 | 3,729,091 | 4,547,939 |
| 11 | Loans to stockholders..... | 14,380,704 | — | 1,506,458 | 1,592,435 | 1,096,477 | 1,099,196 |
| 12 | Mortgage and real estate loans..... | 661,272,988 | — | 487,300 | 960,104 | 1,145,559 | 1,182,599 |
| 13 | Other investments..... | 820,704,826 | — | 1,517,216 | 3,041,745 | 4,180,550 | 5,312,349 |
| 14 | Depreciable assets..... | 1,536,011,959 | — | 25,614,037 | 36,347,513 | 40,580,735 | 46,205,018 |
| 15 | Less: Accumulated depreciation..... | 576,129,137 | — | 13,234,195 | 17,668,192 | 19,125,755 | 21,379,812 |
| 16 | Depletable assets..... | 51,790,975 | — | 141,543 | 159,834 | 235,794 | 404,592 |
| 17 | Less: Accumulated depletion..... | 20,706,628 | — | 48,013 | 71,553 | 49,987 | 121,728 |
| 18 | Land..... | 73,887,346 | — | 1,997,819 | 5,081,364 | 6,501,889 | 6,575,535 |
| 19 | Intangible assets (amortizable)..... | 15,908,335 | — | 560,040 | 548,677 | 556,502 | 568,396 |
| 20 | Less: Accumulated amortization..... | 4,953,776 | — | 236,679 | 190,099 | 178,846 | 196,908 |
| 21 | Other assets..... | 131,167,930 | — | 1,682,137 | 2,179,125 | 2,332,573 | 2,463,005 |
| 22 | Total liabilities..... | 5,326,389,281 | — | 41,219,373 | 68,123,746 | 82,983,397 | 101,024,944 |
| 23 | Accounts payable..... | 346,521,170 | — | 6,448,498 | 10,308,446 | 12,391,566 | 16,604,308 |
| 24 | Mortgages, notes, and bonds payable in less than one year..... | 319,805,729 | — | 5,191,846 | 7,933,350 | 10,804,515 | 15,175,696 |
| 25 | Other current liabilities..... | 2,062,786,447 | — | 3,877,255 | 4,920,290 | 5,948,607 | 7,511,119 |
| 26 | Loans from stockholders..... | 47,328,015 | — | 7,359,868 | 6,121,922 | 4,799,341 | 4,247,820 |
| 27 | Mortgages, notes, and bonds payable in one year or more..... | 694,119,251 | — | 7,498,906 | 12,832,179 | 16,569,000 | 20,000,727 |
| 28 | Other liabilities..... | 504,857,804 | — | 1,801,137 | 1,764,796 | 2,301,841 | 2,852,679 |
| 29 | Capital stock..... | 286,775,916 | — | 10,246,296 | 10,370,136 | 10,407,975 | 10,062,972 |
| 30 | Paid-in or capital surplus..... | 353,452,174 | — | 2,532,753 | 3,021,738 | 3,059,271 | 4,289,156 |
| 31 | Retained earnings, appropriated..... | 36,677,846 | — | 179,700 | 256,463 | 415,213 | 526,323 |
| 32 | Retained earnings, unappropriated..... | 700,688,279 | — | 2,679,779 | 12,152,046 | 18,025,504 | 21,856,937 |
| 33 | Less: Cost of treasury stock..... | 26,623,350 | — | 1,237,107 | 1,557,620 | 1,739,376 | 2,102,793 |
| 34 | Total receipts..... | 4,128,304,478 | 32,722,983 | 149,104,796 | 157,060,205 | 177,976,515 | 221,090,085 |
| 35 | Business receipts..... | 3,813,925,121 | 27,203,465 | 145,262,079 | 152,774,626 | 172,264,275 | 215,073,752 |
| 36 | Interest on Government obligations: | | | | | | |
| 37 | United States..... | 14,356,996 | 219,076 | 52,354 | 15,805 | 23,994 | 37,551 |
| 38 | State and local..... | 7,820,906 | 30,846 | 4,435 | 6,572 | 10,592 | 21,639 |
| 39 | Other interest..... | 154,491,738 | 3,549,655 | 294,198 | 454,258 | 619,314 | 752,390 |
| 40 | Rents..... | 32,638,084 | 372,012 | 1,117,264 | 1,527,686 | 1,975,571 | 1,581,448 |
| 41 | Royalties..... | 6,135,428 | 54,091 | 123,620 | 109,147 | 81,025 | 100,096 |
| 42 | Net short-term capital gain reduced by net long-term capital loss..... | 521,410 | 22,910 | 32,283 | 20,375 | 24,909 | 23,481 |
| 43 | Net long-term capital gain reduced by net short-term capital loss..... | 11,916,138 | 175,669 | 353,153 | 340,970 | 423,472 | 516,616 |
| 44 | Net gain, noncapital assets..... | 11,169,250 | 245,102 | 341,022 | 380,921 | 504,499 | 574,859 |
| 45 | Dividends received from domestic corporations..... | 13,932,345 | 59,076 | 24,684 | 56,045 | 78,917 | 109,149 |
| 46 | Dividends received from foreign corporations..... | 8,275,849 | 33,593 | *629 | 7,551 | 4,475 | 8,682 |
| 47 | Other receipts..... | 53,121,213 | 757,688 | 1,499,075 | 1,366,249 | 1,965,472 | 2,190,422 |
| 48 | Total deductions..... | 3,908,781,721 | 31,609,837 | 147,688,377 | 152,832,132 | 173,304,367 | 215,124,102 |
| 49 | Cost of sales and operations..... | 2,725,009,554 | 18,945,520 | 79,262,835 | 100,064,547 | 121,586,354 | 160,406,105 |
| 50 | Compensation of officers..... | 73,793,066 | 393,574 | 18,709,594 | 10,462,354 | 8,387,732 | 7,840,649 |
| 51 | Repairs..... | 30,158,253 | 187,247 | 936,064 | 1,085,026 | 1,207,679 | 1,174,535 |
| 52 | Bad debts..... | 14,249,343 | 199,007 | 290,022 | 352,472 | 504,615 | 604,683 |
| 53 | Rent paid on business property..... | 50,019,434 | 473,783 | 5,079,957 | 3,507,032 | 2,965,257 | 2,512,840 |
| 54 | Taxes paid..... | 104,282,166 | 700,019 | 4,347,171 | 4,217,339 | 4,267,867 | 4,707,589 |
| 55 | Interest paid..... | 152,865,323 | 3,548,548 | 1,159,230 | 1,724,548 | 2,291,747 | 2,745,283 |
| 56 | Contributions or gifts..... | 1,789,747 | 11,652 | 28,751 | 30,246 | 43,038 | 59,399 |
| 57 | Amortization..... | 981,002 | 12,645 | 43,730 | 33,545 | 33,834 | 31,631 |
| 58 | Depreciation..... | 106,972,692 | 715,394 | 2,778,840 | 3,221,876 | 3,446,229 | 3,863,388 |
| 59 | Depletion..... | 5,658,877 | 44,420 | 23,734 | 31,311 | 34,536 | 59,966 |
| 60 | Advertising..... | 35,298,210 | 351,471 | 1,394,902 | 1,239,791 | 1,275,746 | 1,485,035 |
| 61 | Pension, profit-sharing, stock bonus, and annuity plans..... | 36,463,699 | 153,339 | 2,227,914 | 962,358 | 886,556 | 1,098,603 |
| 62 | Employee benefit programs..... | 23,498,403 | 152,082 | 583,217 | 495,434 | 624,835 | 742,596 |
| 63 | Net loss, noncapital assets..... | 1,618,022 | 50,320 | 116,948 | 75,108 | 67,131 | 69,189 |
| 64 | Other deductions..... | 546,123,930 | 5,670,816 | 30,705,468 | 25,329,145 | 25,681,211 | 27,722,611 |
| 65 | Total receipts less total deductions..... | 219,522,757 | 1,113,146 | 1,416,419 | 4,228,073 | 4,672,148 | 5,965,983 |
| 66 | Constructive taxable income from related foreign corporations..... | 7,541,192 | 8,895 | — | — | *461 | *14,877 |
| 67 | Net income (less deficit) (line 63 plus 64 minus 36)..... | 219,243,043 | 1,092,395 | 1,411,984 | 4,221,501 | 4,662,017 | 5,959,221 |
| 68 | Net income..... | 245,274,490 | 2,061,716 | 5,208,894 | 6,593,536 | 6,718,032 | 7,793,415 |
| 69 | Deficit..... | 26,031,447 | 969,321 | 3,796,910 | 2,372,035 | 2,056,015 | 1,834,194 |
| 70 | Income subject to tax..... | 212,501,782 | 1,228,950 | 2,705,789 | 4,455,187 | 4,755,577 | 5,970,008 |
| 71 | Income tax, total..... | 96,340,453 | 556,591 | 557,262 | 1,059,658 | 1,306,177 | 2,022,315 |
| 72 | Normal tax, surtax, and alternative tax..... | 95,627,563 | 536,782 | 551,143 | 1,048,790 | 1,291,066 | 2,000,105 |
| 73 | Tax from recomputing prior-year investment credit..... | 445,735 | 15,573 | 5,706 | 9,074 | 13,303 | 18,579 |
| 74 | Tax from recomputing prior-year work incentive (WIN) credit..... | 3,839 | 177 | — | *156 | (*) | 114 |
| 75 | Additional tax for tax preferences..... | 263,316 | 4,059 | *413 | 1,638 | 1,808 | 3,517 |
| 76 | Foreign tax credit..... | 26,006,028 | 68,419 | (*) | 3,200 | 308 | 11,441 |
| 77 | U.S. possessions tax credit..... | 837,687 | 4,553 | 30 | 459 | 1,710 | 5,165 |
| 78 | Investment credit..... | 11,038,404 | 28,155 | 88,366 | 155,508 | 204,760 | 260,828 |
| 79 | Work incentive (WIN) credit..... | 19,327 | 8 | *581 | 1,229 | 1,428 | 2,784 |
| 80 | New jobs credit..... | 1,703,938 | 6,141 | 78,855 | 167,375 | 166,245 | 236,440 |
| 81 | Distributions to stockholders: | | | | | | |
| 82 | Cash and property except in own stock..... | 61,536,761 | 1,257,465 | 1,013,476 | 897,492 | 831,852 | 823,229 |
| 83 | Corporation's own stock..... | 2,675,787 | *10,269 | *7,511 | 8,516 | 27,071 | 34,672 |

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

RETURNS OF ACTIVE CORPORATIONS

Table 4.—Balance Sheets and Income Statements, by Size of Total Assets—Continued

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

| Item | Size of total assets—Continued | | | | | | |
|---|-------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|--|---|--------------------------|
| | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| 1 Number of returns..... | 129,577 | 18,026 | 13,628 | 6,524 | 3,788 | 2,530 | 2,205 |
| 2 Total assets..... | 266,175,302 | 126,144,710 | 215,313,474 | 228,377,700 | 263,902,329 | 389,510,842 | 3,543,613,464 |
| 3 Cash..... | 20,318,940 | 8,698,451 | 14,476,102 | 14,183,897 | 13,777,138 | 17,950,414 | 237,632,984 |
| 4 Notes and accounts receivable..... | 62,571,246 | 34,228,973 | 70,150,481 | 73,199,672 | 69,322,126 | 78,898,234 | 891,296,300 |
| 5 Less: Allowance for bad debts..... | 1,320,345 | 689,919 | 1,562,353 | 2,186,699 | 3,073,708 | 5,024,891 | 19,436,955 |
| 6 Inventories..... | 58,697,993 | 20,916,646 | 23,187,671 | 16,170,084 | 17,846,812 | 25,665,181 | 177,505,908 |
| 7 Investments in Government obligations: | | | | | | | |
| 8 United States..... | 2,812,335 | 5,109,412 | 14,980,997 | 16,157,722 | 17,064,848 | 21,905,934 | 137,253,285 |
| 9 State and local..... | 1,133,725 | 2,532,826 | 9,477,095 | 12,482,741 | 13,234,237 | 15,630,454 | 109,510,092 |
| 10 Other current assets..... | 13,426,559 | 6,012,736 | 8,089,734 | 7,277,718 | 8,567,603 | 13,060,278 | 111,937,835 |
| 11 Loans to stockholders..... | 1,810,356 | 403,643 | 436,293 | 362,134 | 426,178 | 880,703 | 4,766,831 |
| 12 Mortgage and real estate loans..... | 4,269,281 | 5,192,289 | 18,049,331 | 36,009,004 | 62,555,802 | 106,713,124 | 424,678,595 |
| 13 Other investments..... | 18,169,830 | 10,278,518 | 19,484,941 | 21,585,917 | 28,952,534 | 53,767,569 | 654,413,657 |
| 14 Depreciable assets..... | 112,466,749 | 44,323,729 | 49,513,835 | 39,404,671 | 43,057,063 | 74,410,142 | 1,024,086,467 |
| 15 Less: Accumulated depreciation..... | 49,940,611 | 18,753,409 | 20,650,724 | 15,496,451 | 16,841,456 | 29,165,473 | 353,873,059 |
| 16 Depletable assets..... | 1,007,848 | 561,829 | 1,120,588 | 1,201,244 | 875,347 | 2,819,553 | 43,262,803 |
| 17 Less: Accumulated depletion..... | 238,523 | 179,562 | 300,552 | 397,535 | 204,510 | 848,476 | 18,246,189 |
| 18 Land..... | 13,485,612 | 4,115,064 | 4,331,626 | 3,395,483 | 3,303,794 | 4,483,172 | 20,615,988 |
| 19 Intangible assets (amortizable)..... | 1,558,984 | 790,830 | 869,264 | 869,106 | 1,042,768 | 1,042,768 | 7,703,906 |
| 20 Less: Accumulated amortization..... | 604,370 | 268,077 | 251,811 | 224,700 | 234,078 | 261,163 | 2,307,045 |
| 21 Other assets..... | 6,521,693 | 2,870,731 | 3,910,956 | 4,383,692 | 4,430,637 | 7,583,318 | 92,810,063 |
| 22 Total liabilities..... | 266,175,302 | 126,144,710 | 215,313,474 | 228,377,700 | 263,902,329 | 389,510,842 | 3,543,613,464 |
| 23 Accounts payable..... | 42,580,745 | 15,151,578 | 16,150,674 | 15,418,857 | 12,391,970 | 17,275,787 | 185,798,791 |
| 24 Mortgages, notes, and bonds payable in less than one year..... | 43,137,910 | 14,959,348 | 17,678,975 | 14,417,876 | 15,252,445 | 17,195,221 | 158,058,447 |
| 25 Other current liabilities..... | 28,824,560 | 29,724,181 | 91,745,287 | 120,087,453 | 141,359,695 | 198,678,853 | 1,432,109,147 |
| 26 Loans from stockholders..... | 6,288,430 | 1,634,008 | 1,225,435 | 783,357 | 1,143,384 | 1,294,981 | 12,429,469 |
| 27 Mortgages, notes, and bonds payable in one year or more..... | 51,510,459 | 20,912,371 | 23,784,314 | 22,286,430 | 24,569,658 | 39,154,150 | 455,001,057 |
| 28 Other liabilities..... | 9,415,653 | 5,196,424 | 9,194,008 | 10,326,301 | 12,496,796 | 24,405,703 | 425,102,466 |
| 29 Capital stock..... | 20,995,079 | 8,314,676 | 12,328,449 | 9,559,245 | 10,199,032 | 15,459,114 | 168,832,942 |
| 30 Paid-in or capital surplus..... | 12,664,586 | 7,473,836 | 12,590,015 | 14,390,509 | 19,312,645 | 32,297,924 | 241,819,741 |
| 31 Retained earnings, appropriated..... | 1,654,833 | 759,656 | 1,226,100 | 1,402,622 | 1,562,909 | 2,572,405 | 26,121,620 |
| 32 Retained earnings, unappropriated..... | 55,319,265 | 23,410,525 | 30,923,941 | 25,067,551 | 27,028,675 | 42,901,843 | 446,681,771 |
| 33 Less: Cost of treasury stock..... | 4,216,220 | 1,391,893 | 1,533,724 | 1,362,601 | 1,414,880 | 1,725,149 | 8,341,987 |
| 34 Total receipts..... | 537,523,559 | 181,890,359 | 198,860,957 | 149,633,255 | 160,759,837 | 235,561,727 | 1,926,320,200 |
| 35 Business receipts..... | 521,914,708 | 174,621,907 | 185,309,993 | 135,082,422 | 143,840,915 | 210,580,341 | 1,730,596,638 |
| 36 Interest on Government obligations: | | | | | | | |
| 37 United States..... | 194,826 | 360,612 | 1,052,317 | 1,125,774 | 1,192,225 | 1,451,020 | 8,631,442 |
| 38 State and local..... | 80,222 | 126,386 | 439,357 | 574,046 | 579,800 | 698,479 | 5,248,732 |
| 39 Other interest..... | 2,586,011 | 2,079,288 | 6,078,823 | 8,244,258 | 9,955,491 | 14,595,664 | 105,282,388 |
| 40 Rents..... | 3,676,131 | 1,223,725 | 1,320,999 | 1,079,467 | 985,047 | 1,227,523 | 16,451,211 |
| 41 Royalties..... | 274,000 | 127,248 | 149,948 | 157,566 | 239,884 | 413,580 | 4,305,223 |
| 42 Net short-term capital gain reduced by net long-term capital loss..... | 73,161 | 20,139 | 18,377 | 22,549 | 29,402 | 29,923 | 203,901 |
| 43 Net long-term capital gain reduced by net short-term capital loss..... | 1,231,240 | 482,452 | 590,247 | 423,743 | 576,718 | 921,708 | 5,880,150 |
| 44 Net gain, noncapital assets..... | 1,641,308 | 437,937 | 638,086 | 401,007 | 598,946 | 629,300 | 4,776,263 |
| 45 Dividends received from domestic corporations..... | 504,807 | 284,749 | 438,946 | 450,495 | 611,775 | 1,134,419 | 10,179,283 |
| 46 Dividends received from foreign corporations..... | 33,539 | 30,262 | 67,448 | 108,218 | 140,746 | 349,270 | 7,491,436 |
| 47 Other receipts..... | 5,913,606 | 2,095,654 | 2,556,416 | 1,963,710 | 2,008,888 | 3,530,500 | 27,273,533 |
| 48 Total deductions..... | 521,277,497 | 174,877,199 | 189,282,102 | 141,568,304 | 152,449,789 | 222,149,321 | 1,786,618,694 |
| 49 Cost of sales and operations..... | 402,101,882 | 134,351,484 | 140,714,498 | 100,165,860 | 107,351,706 | 152,674,313 | 1,207,384,450 |
| 50 Compensation of officers..... | 12,091,386 | 2,759,318 | 2,562,625 | 1,575,829 | 1,406,541 | 1,598,539 | 6,004,925 |
| 51 Repairs..... | 2,539,713 | 814,126 | 953,661 | 782,763 | 854,243 | 1,583,638 | 18,039,558 |
| 52 Bad debts..... | 1,313,987 | 490,278 | 741,422 | 651,945 | 840,216 | 1,245,499 | 7,015,197 |
| 53 Rent paid on business property..... | 5,536,385 | 1,657,250 | 2,084,826 | 1,529,781 | 1,683,341 | 2,800,267 | 20,188,715 |
| 54 Taxes paid..... | 10,111,664 | 3,429,723 | 4,066,833 | 3,347,718 | 3,569,501 | 5,488,253 | 56,028,489 |
| 55 Interest paid..... | 7,394,798 | 3,398,659 | 6,193,160 | 7,285,925 | 8,793,690 | 12,749,624 | 95,640,111 |
| 56 Contributions or gifts..... | 191,337 | 78,672 | 102,103 | 75,925 | 74,374 | 113,353 | 980,897 |
| 57 Amortization..... | 96,085 | 52,292 | 48,054 | 39,752 | 33,052 | 82,840 | 474,442 |
| 58 Depreciation..... | 9,313,940 | 3,463,309 | 3,876,521 | 2,931,053 | 3,187,010 | 5,184,246 | 64,990,686 |
| 59 Depletion..... | 193,689 | 144,341 | 194,926 | 163,022 | 141,278 | 312,015 | 4,315,639 |
| 60 Advertising..... | 3,490,923 | 1,351,531 | 1,548,856 | 1,393,006 | 1,542,158 | 2,516,985 | 17,707,806 |
| 61 Pension, profit-sharing, stock bonus, and annuity plans..... | 2,508,039 | 892,012 | 1,050,779 | 812,110 | 1,031,806 | 1,690,281 | 23,149,902 |
| 62 Employee benefit programs..... | 1,851,202 | 664,116 | 844,069 | 697,555 | 831,209 | 1,374,462 | 14,637,626 |
| 63 Net loss, noncapital assets..... | 175,055 | 98,546 | 116,968 | 98,652 | 104,218 | 157,906 | 487,981 |
| 64 Other deductions..... | 62,367,412 | 21,291,542 | 24,182,801 | 20,018,408 | 21,005,446 | 32,577,000 | 249,572,070 |
| 65 Total receipts less total deductions..... | 16,246,062 | 7,013,160 | 9,378,855 | 8,064,951 | 8,310,048 | 13,412,406 | 139,701,506 |
| 66 Constructive taxable income from related foreign corporations..... | 18,394 | 18,268 | 50,544 | 85,049 | 98,462 | 281,978 | 6,965,264 |
| 67 Net income (less deficit) (line 63 plus 64 minus 36)..... | 16,824,234 | 6,905,042 | 8,990,042 | 7,575,954 | 7,829,210 | 12,995,905 | 141,418,038 |
| 68 Net income..... | 20,311,712 | 8,375,711 | 10,533,919 | 8,602,753 | 8,787,348 | 14,442,039 | 145,845,415 |
| 69 Deficit..... | 4,129,478 | 1,470,669 | 1,543,877 | 1,026,799 | 958,638 | 1,446,134 | 4,427,377 |
| 70 Income subject to tax..... | 16,385,373 | 6,934,220 | 8,634,617 | 7,151,555 | 7,270,627 | 11,944,951 | 135,064,928 |
| 71 Income tax, total..... | 6,924,809 | 3,164,891 | 4,002,694 | 3,352,767 | 3,417,816 | 5,648,277 | 64,327,196 |
| 72 Normal tax, surtax, and alternative tax..... | 6,961,930 | 3,140,633 | 3,967,919 | 3,323,637 | 3,385,334 | 5,600,929 | 63,919,295 |
| 73 Tax from recomputing prior-year investment credit..... | 48,653 | 17,318 | 21,345 | 15,549 | 16,911 | 23,347 | 240,377 |
| 74 Tax from recomputing prior-year work incentive (WIN) credit..... | 420 | (1) | 1,450 | 1,480 | 1 | 31 | 10 |
| 75 Additional tax for tax preferences..... | 13,806 | 6,940 | 11,980 | 12,101 | 15,570 | 23,970 | 167,514 |
| 76 Foreign tax credit..... | 33,224 | 28,495 | 83,457 | 142,468 | 152,280 | 371,973 | 25,110,785 |
| 77 U.S. possessions tax credit..... | 42,099 | 55,741 | 108,792 | 138,748 | 90,765 | 209,570 | 180,055 |
| 78 Investment credit..... | 635,225 | 246,957 | 285,735 | 238,688 | 277,029 | 465,384 | 8,151,769 |
| 79 Work incentive (WIN) credit..... | 3,130 | 831 | 2,259 | 2,540 | 354 | 392 | 5,911 |
| 80 New jobs credit..... | 536,400 | 159,903 | 129,698 | 66,905 | 47,629 | 43,126 | 67,121 |
| 81 Distributions to stockholders: | | | | | | | |
| 82 Cash and property except in own stock..... | 2,343,291 | 1,163,705 | 1,876,682 | 1,728,574 | 1,857,173 | 4,104,242 | 43,639,580 |
| 83 Corporation's own stock..... | 192,922 | 86,126 | 140,686 | 164,846 | 303,604 | 392,031 | 1,307,533 |

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

Less than \$500 per return.

NOTE: Classification by size was based on amounts rounded to thousands of dollars prior to tabulation. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

RETURNS WITH NET INCOME

Table 5.—Balance Sheets and Income Statements, by Size of Total Assets

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

| | Item | Total returns with net income (1) | Size of total assets | | | | |
|----|--|--------------------------------------|----------------------|----------------------------|----------------------------------|----------------------------------|------------------------------------|
| | | | Zero assets (2) | \$1 under \$100,000 (3) | \$100,000 under \$250,000 (4) | \$250,000 under \$500,000 (5) | \$500,000 under \$1,000,000 (6) |
| 1 | Number of returns..... | 1,424,528 | 23,618 | 662,524 | 305,601 | 178,955 | 112,722 |
| 2 | Total assets..... | 4,760,953,557 | — | 25,885,385 | 49,228,649 | 63,225,936 | 78,898,642 |
| 3 | Cash..... | 327,909,694 | — | 5,281,955 | 7,503,991 | 7,934,048 | 8,216,732 |
| 4 | Notes and accounts receivable..... | 1,197,204,890 | — | 4,080,486 | 9,888,101 | 13,876,584 | 18,895,351 |
| 5 | Less: Allowance for bad debts..... | 30,623,906 | — | 56,898 | 125,041 | 203,226 | 396,154 |
| 6 | Inventories..... | 343,739,824 | — | 3,634,174 | 8,585,451 | 12,397,433 | 17,986,431 |
| 7 | Investments in Government obligations: | | | | | | |
| 8 | United States..... | 193,311,961 | — | 23,339 | 179,837 | 192,542 | 335,356 |
| 9 | State and local..... | 149,691,003 | — | 9,369 | 57,402 | 71,529 | 145,284 |
| 10 | Other current assets..... | 149,558,860 | — | 950,065 | 2,033,552 | 2,625,322 | 3,119,569 |
| 11 | Loans to stockholders..... | 11,194,332 | — | 1,015,117 | 1,173,720 | 815,194 | 769,272 |
| 12 | Mortgage and real estate loans..... | 623,978,874 | — | 345,083 | 668,800 | 856,571 | 826,491 |
| 13 | Other investments..... | 761,315,839 | — | 1,008,762 | 2,280,079 | 3,271,916 | 4,264,556 |
| 14 | Depreciable assets..... | 1,331,288,855 | — | 15,259,378 | 25,071,196 | 30,274,995 | 35,031,404 |
| 15 | Less: Accumulated depreciation..... | 499,143,435 | — | 7,969,451 | 12,633,623 | 14,877,490 | 16,746,516 |
| 16 | Depletable assets..... | 47,109,215 | — | 97,551 | 56,481 | 144,708 | 284,966 |
| 17 | Less: Accumulated depletion..... | 19,546,199 | — | 33,108 | 13,641 | 22,652 | 98,854 |
| 18 | Land..... | 53,105,357 | — | 1,103,232 | 2,993,014 | 4,174,934 | 4,358,681 |
| 19 | Intangible assets (amortizable)..... | 13,250,372 | — | 275,275 | 373,233 | 374,069 | 364,532 |
| 20 | Less: Accumulated amortization..... | 4,163,815 | — | 129,348 | 135,095 | 119,714 | 134,453 |
| 21 | Other assets..... | 111,771,836 | — | 990,384 | 1,471,192 | 1,639,163 | 1,675,994 |
| 22 | Total liabilities..... | 4,760,953,557 | — | 25,885,385 | 49,228,649 | 63,225,936 | 78,898,642 |
| 23 | Accounts payable..... | 293,135,980 | — | 3,555,695 | 7,062,518 | 9,209,497 | 12,874,812 |
| 24 | Mortgages, notes, and bonds payable in less than one year..... | 250,386,951 | — | 2,582,363 | 4,498,490 | 6,996,909 | 10,799,605 |
| 25 | Other current liabilities..... | 1,890,236,168 | — | 2,253,475 | 3,629,165 | 4,699,223 | 6,054,098 |
| 26 | Loans from stockholders..... | 30,402,780 | — | 2,789,553 | 3,224,240 | 2,845,456 | 2,675,185 |
| 27 | Mortgages, notes, and bonds payable in one year or more..... | 569,727,884 | — | 3,451,463 | 7,158,913 | 10,186,978 | 12,749,355 |
| 28 | Other liabilities..... | 470,816,284 | — | 964,474 | 1,159,497 | 1,662,506 | 2,010,647 |
| 29 | Capital stock..... | 243,302,233 | — | 5,331,663 | 6,990,324 | 7,323,739 | 7,435,146 |
| 30 | Paid-in or capital surplus..... | 299,431,561 | — | 1,133,976 | 1,767,524 | 1,739,941 | 2,312,250 |
| 31 | Retained earnings, appropriated..... | 34,236,795 | — | 115,232 | 201,376 | 373,414 | 457,516 |
| 32 | Retained earnings, unappropriated..... | 701,814,679 | — | 4,468,272 | 14,692,413 | 19,601,094 | 23,144,868 |
| 33 | Less: Cost of treasury stock..... | 22,537,758 | — | 780,781 | 1,155,811 | 1,412,821 | 1,614,840 |
| 34 | Total receipts..... | 3,655,771,492 | 23,445,685 | 102,037,428 | 124,520,927 | 146,992,045 | 187,513,534 |
| 35 | Business receipts..... | 3,373,574,060 | 19,711,667 | 99,427,363 | 121,195,286 | 142,380,044 | 182,667,806 |
| 36 | Interest on Government obligations: | | | | | | |
| 37 | United States..... | 12,884,220 | 169,957 | 49,810 | 13,367 | 20,612 | 33,407 |
| 38 | State and local..... | 7,122,248 | 19,592 | 4,245 | 5,049 | 9,675 | 18,674 |
| 39 | Other interest..... | 141,402,795 | 2,418,881 | 230,866 | 366,693 | 506,045 | 629,805 |
| 40 | Rents..... | 27,527,975 | 215,256 | 700,565 | 1,195,800 | 1,519,348 | 1,318,185 |
| 41 | Royalties..... | 5,780,335 | 41,242 | 104,014 | 99,993 | 74,701 | 75,275 |
| 42 | Net short-term capital gain reduced by net long-term capital loss..... | 408,835 | 20,881 | 8,637 | 14,878 | 21,379 | 19,745 |
| 43 | Net long-term capital gain reduced by net short-term capital loss..... | 10,863,133 | 189,069 | 302,172 | 290,564 | 384,082 | 452,355 |
| 44 | Net gain, noncapital assets..... | 8,991,078 | 164,070 | 266,717 | 298,921 | 419,978 | 423,482 |
| 45 | Dividends received from domestic corporations..... | 40,811 | 21,793 | 51,620 | 76,022 | 76,022 | 100,130 |
| 46 | Dividends received from foreign corporations..... | 13,263,898 | 40,811 | 6,288 | 7,507 | 4,475 | 7,879 |
| 47 | Other receipts..... | 8,129,935 | 32,603 | 920,598 | 981,249 | 1,575,884 | 1,766,791 |
| 48 | Total deductions..... | 45,702,980 | 441,576 | 96,824,289 | 117,922,342 | 140,264,799 | 179,716,322 |
| 49 | Cost of sales and operations..... | 3,410,844,090 | 21,373,774 | 96,824,289 | 117,922,342 | 140,264,799 | 179,716,322 |
| 50 | Compensation of officers..... | 2,391,959,274 | 14,005,921 | 51,708,901 | 77,705,258 | 99,192,770 | 135,497,960 |
| 51 | Repairs..... | 61,209,678 | 242,001 | 13,695,903 | 8,607,585 | 7,177,678 | 6,867,958 |
| 52 | Bad debts..... | 24,366,197 | 139,414 | 582,501 | 722,105 | 811,288 | 911,499 |
| 53 | Rent paid on business property..... | 11,398,186 | 122,223 | 150,728 | 244,138 | 336,372 | 459,237 |
| 54 | Taxes paid..... | 41,389,768 | 338,076 | 3,172,707 | 2,633,162 | 2,332,220 | 2,004,903 |
| 55 | Interest paid..... | 91,752,483 | 498,461 | 2,836,141 | 3,228,440 | 3,460,172 | 3,891,347 |
| 56 | Contributions or gifts..... | 131,864,600 | 1,971,421 | 582,031 | 1,032,234 | 1,438,917 | 1,905,925 |
| 57 | Amortization..... | 1,764,329 | 7,825 | 26,847 | 27,737 | 40,994 | 58,292 |
| 58 | Depreciation..... | 737,856 | 8,053 | 16,420 | 22,747 | 18,627 | 18,193 |
| 59 | Depletion..... | 93,028,592 | 423,335 | 1,677,687 | 2,294,573 | 2,603,673 | 3,029,544 |
| 60 | Advertising..... | 5,102,672 | 28,532 | 17,427 | 23,226 | 30,943 | 52,299 |
| 61 | Pension, profit-sharing, stock bonus, and annuity plans..... | 31,046,890 | 242,861 | 856,363 | 916,309 | 1,000,348 | 1,110,203 |
| 62 | Employee benefit programs..... | 33,004,950 | 108,743 | 1,765,770 | 849,196 | 802,142 | 1,030,811 |
| 63 | Net loss, noncapital assets..... | 20,732,923 | 113,720 | 401,853 | 391,899 | 501,168 | 608,878 |
| 64 | Other deductions..... | 712,678 | 3,918 | 13,281 | 13,507 | 17,859 | 19,690 |
| 65 | Total receipts less total deductions..... | 470,772,814 | 3,119,270 | 19,319,729 | 19,210,226 | 20,398,628 | 22,249,583 |
| 66 | Constructive taxable income from related foreign corporations..... | 244,927,402 | 2,071,811 | 5,213,139 | 6,598,585 | 6,727,246 | 7,797,212 |
| 67 | Net income (line 63 plus 64 minus 36)..... | 7,469,336 | 9,397 | 5,208,894 | 6,593,536 | 6,718,032 | 7,793,415 |
| 68 | Income subject to tax..... | 245,274,490 | 2,061,716 | 2,705,789 | 4,455,183 | 4,755,571 | 5,970,006 |
| 69 | Income tax, total..... | 212,501,231 | 1,226,946 | 553,885 | 554,826 | 1,303,489 | 2,019,151 |
| 70 | Normal tax, surtax, and alternative tax..... | 96,267,089 | 536,781 | 551,143 | 1,048,789 | 1,291,065 | 2,000,105 |
| 71 | Tax from recomputing prior-year investment credit..... | 85,627,421 | 12,989 | 3,270 | 8,086 | 10,616 | 15,995 |
| 72 | Tax from recomputing prior-year work incentive (WIN) credit..... | 408,350 | 177 | — | 156 | — | 114 |
| 73 | Additional tax for tax preferences..... | 3,836 | 3,938 | 413 | 1,638 | 1,808 | 3,337 |
| 74 | Foreign tax credit..... | 26,006,028 | 68,419 | — | 3,200 | 306 | 11,441 |
| 75 | U.S. possessions tax credit..... | 837,687 | 4,553 | 30 | 459 | 1,710 | 5,165 |
| 76 | Investment credit..... | 11,038,314 | 28,155 | 88,366 | 155,508 | 204,760 | 260,828 |
| 77 | Work incentive (WIN) credit..... | 19,327 | 8 | 581 | 1,229 | 1,428 | 2,784 |
| 78 | New jobs credit..... | 1,703,813 | 6,141 | 78,555 | 167,375 | 166,245 | 236,440 |
| 79 | Distributions to stockholders: | | | | | | |
| 80 | Cash and property except in own stock..... | 58,891,658 | 1,072,957 | 840,944 | 861,056 | 774,592 | 792,273 |
| 81 | Corporation's own stock..... | 2,489,269 | *10,269 | *6,008 | 8,433 | 25,581 | 34,552 |

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

RETURNS WITH NET INCOME

Table 5.—Balance Sheets and Income Statements, by Size of Total Assets—Continued

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

| Item | Size of total assets—Continued | | | | | | |
|---|-------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|--|---|--------------------------|
| | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| 1 Number of returns..... | 102,202 | 14,332 | 11,422 | 5,715 | 3,303 | 2,172 | 1,962 |
| 2 Total assets..... | 208,773,401 | 100,348,571 | 181,495,380 | 200,180,952 | 229,708,329 | 334,621,083 | 3,288,587,229 |
| 3 Cash..... | 17,507,634 | 7,278,048 | 12,687,463 | 12,730,602 | 12,185,659 | 15,418,509 | 221,165,053 |
| 4 Notes and accounts receivable..... | 52,424,093 | 28,545,013 | 61,282,931 | 65,293,802 | 60,804,796 | 65,967,860 | 816,545,863 |
| 5 Less: Allowance for bad debts..... | 1,026,882 | 554,363 | 1,284,254 | 1,950,686 | 2,731,139 | 4,362,693 | 17,932,570 |
| 6 Inventories..... | 49,358,901 | 17,826,592 | 19,388,150 | 13,720,680 | 15,311,957 | 22,452,007 | 163,078,048 |
| 7 Investments in Government obligations: | | | | | | | |
| 8 United States..... | 2,326,206 | 4,540,787 | 13,415,556 | 14,608,595 | 15,297,861 | 19,012,396 | 123,379,486 |
| 9 State and local..... | 904,155 | 2,253,200 | 8,578,808 | 11,389,394 | 11,886,444 | 13,271,178 | 101,124,220 |
| 10 Other current assets..... | 9,635,557 | 4,359,721 | 6,188,128 | 5,862,286 | 6,825,212 | 10,700,528 | 97,258,920 |
| 11 Loans to stockholders..... | 1,275,639 | 301,648 | 294,195 | 304,548 | 298,009 | 577,592 | 4,369,398 |
| 12 Mortgage and real estate loans..... | 3,005,924 | 4,495,581 | 16,608,137 | 34,042,449 | 59,039,145 | 99,698,334 | 404,392,459 |
| 13 Other investments..... | 13,624,573 | 7,678,405 | 15,732,301 | 17,927,591 | 23,461,708 | 45,858,443 | 626,207,505 |
| 14 Depreciable assets..... | 85,129,074 | 33,264,405 | 38,706,064 | 32,390,984 | 34,769,827 | 60,261,785 | 941,129,743 |
| 15 Less: Accumulated depreciation..... | 39,436,084 | 14,752,507 | 16,745,441 | 13,022,614 | 14,142,301 | 24,542,390 | 324,275,018 |
| 16 Depletable assets..... | 615,244 | 366,214 | 765,258 | 858,435 | 700,663 | 1,455,083 | 41,764,612 |
| 17 Less: Accumulated depletion..... | 180,008 | 139,587 | 237,357 | 288,871 | 169,912 | 408,652 | 17,953,557 |
| 18 Land..... | 8,611,178 | 2,649,751 | 2,954,413 | 2,543,168 | 2,416,605 | 3,245,534 | 18,054,847 |
| 19 Intangible assets (amortizable)..... | 997,209 | 490,192 | 571,541 | 682,664 | 690,621 | 930,623 | 7,500,413 |
| 20 Less: Accumulated amortization..... | 454,758 | 181,381 | 175,733 | 179,612 | 193,724 | 235,026 | 2,224,971 |
| 21 Other assets..... | 4,455,846 | 1,926,852 | 2,765,220 | 3,267,537 | 3,256,898 | 5,319,972 | 85,002,778 |
| 22 Total liabilities..... | 208,773,401 | 100,348,571 | 181,495,380 | 200,180,952 | 229,708,329 | 334,621,083 | 3,288,587,229 |
| 23 Accounts payable..... | 33,990,050 | 12,231,463 | 12,883,463 | 9,368,401 | 9,832,238 | 14,507,199 | 167,620,644 |
| 24 Mortgages, notes, and bonds payable in less than one year..... | 31,562,120 | 11,035,396 | 12,991,957 | 10,892,724 | 11,167,882 | 11,468,701 | 136,390,804 |
| 25 Other current liabilities..... | 21,398,409 | 25,084,507 | 82,531,744 | 110,395,867 | 130,071,973 | 178,146,045 | 1,325,971,662 |
| 26 Loans from stockholders..... | 3,779,247 | 771,555 | 750,278 | 517,981 | 681,149 | 906,455 | 11,461,681 |
| 27 Mortgages, notes, and bonds payable in one year or more..... | 32,879,773 | 12,811,467 | 15,666,837 | 16,159,943 | 17,515,010 | 28,644,063 | 412,504,062 |
| 28 Other liabilities..... | 6,309,829 | 3,321,810 | 6,621,758 | 7,974,008 | 10,008,656 | 19,495,983 | 411,267,116 |
| 29 Capital stock..... | 15,504,976 | 6,321,655 | 9,994,116 | 7,746,194 | 8,417,346 | 12,297,789 | 155,939,285 |
| 30 Paid-in or capital surplus..... | 7,436,956 | 4,487,086 | 8,830,892 | 11,422,524 | 15,292,253 | 25,542,008 | 219,466,151 |
| 31 Retained earnings, appropriated..... | 1,373,027 | 674,070 | 1,047,284 | 1,277,029 | 1,375,844 | 2,345,496 | 24,996,507 |
| 32 Retained earnings, unappropriated..... | 57,975,979 | 24,752,292 | 31,490,552 | 25,555,284 | 26,586,857 | 42,827,428 | 430,719,640 |
| 33 Less: Cost of treasury stock..... | 3,436,965 | 1,142,730 | 1,313,501 | 1,129,003 | 1,240,879 | 1,560,104 | 7,750,323 |
| 34 Total receipts..... | 462,846,766 | 158,158,626 | 168,746,280 | 130,316,881 | 139,886,805 | 205,636,723 | 1,806,069,790 |
| 35 Business receipts..... | 449,579,293 | 152,127,048 | 157,363,147 | 117,448,666 | 124,730,722 | 184,125,098 | 1,622,817,920 |
| 36 Interest on Government obligations: | | | | | | | |
| 37 United States..... | 161,800 | 323,788 | 951,957 | 1,024,284 | 1,086,121 | 1,271,636 | 7,777,481 |
| 38 State and local..... | 61,292 | 102,888 | 395,145 | 528,033 | 514,916 | 594,900 | 4,867,839 |
| 39 Other interest..... | 2,105,279 | 1,782,865 | 5,434,649 | 7,506,383 | 9,063,178 | 12,940,435 | 98,417,716 |
| 40 Rents..... | 2,761,903 | 926,024 | 954,383 | 810,804 | 678,470 | 869,126 | 15,578,111 |
| 41 Royalties..... | 243,155 | 104,828 | 125,390 | 126,013 | 209,306 | 373,962 | 4,202,456 |
| 42 Net short-term capital gain reduced by net long-term capital loss..... | 65,280 | 18,361 | 14,262 | 14,941 | 26,549 | 27,428 | 156,494 |
| 43 Net long-term capital gain reduced by net short-term capital loss..... | 1,075,271 | 401,796 | 516,313 | 376,699 | 533,087 | 831,706 | 5,650,019 |
| 44 Net gain, noncapital assets..... | 1,350,808 | 343,168 | 530,121 | 341,101 | 493,649 | 482,837 | 3,876,226 |
| 45 Dividends received from domestic corporations..... | 457,001 | 254,673 | 395,520 | 415,502 | 553,595 | 1,057,987 | 9,839,144 |
| 46 Dividends received from foreign corporations..... | 30,108 | 24,074 | 61,924 | 103,670 | 133,397 | 337,798 | 7,385,872 |
| 47 Other receipts..... | 4,755,578 | 1,749,113 | 2,003,469 | 1,620,785 | 1,663,815 | 2,723,810 | 25,500,512 |
| 48 Total deductions..... | 442,288,849 | 149,696,411 | 157,865,724 | 121,270,550 | 130,479,041 | 190,876,185 | 1,662,265,804 |
| 49 Cost of sales and operations..... | 344,968,752 | 116,571,723 | 118,195,000 | 86,274,220 | 92,241,874 | 132,108,337 | 1,123,488,558 |
| 50 Compensation of officers..... | 10,592,611 | 2,393,530 | 2,208,097 | 1,385,221 | 1,221,207 | 1,374,853 | 5,443,234 |
| 51 Repairs..... | 2,041,850 | 657,685 | 789,410 | 877,997 | 724,161 | 1,306,956 | 14,891,531 |
| 52 Bad debts..... | 936,871 | 335,684 | 494,274 | 504,934 | 695,123 | 893,871 | 6,284,991 |
| 53 Rent paid on business property..... | 4,446,024 | 1,315,868 | 1,697,597 | 1,299,178 | 1,430,824 | 2,384,125 | 18,335,084 |
| 54 Taxes paid..... | 8,367,624 | 2,884,000 | 3,437,606 | 2,973,729 | 3,016,573 | 4,789,254 | 52,369,136 |
| 55 Interest paid..... | 5,181,805 | 2,478,946 | 5,017,857 | 6,301,194 | 7,610,519 | 10,823,362 | 87,520,389 |
| 56 Contributions or gifts..... | 186,265 | 77,494 | 100,342 | 75,871 | 74,135 | 108,524 | 980,003 |
| 57 Amortization..... | 54,936 | 36,482 | 25,868 | 32,877 | 24,370 | 50,253 | 428,030 |
| 58 Depreciation..... | 7,258,683 | 2,723,004 | 3,081,915 | 2,430,924 | 2,607,837 | 4,315,460 | 60,581,957 |
| 59 Depletion..... | 168,987 | 111,932 | 171,907 | 138,372 | 117,592 | 248,410 | 3,993,045 |
| 60 Advertising..... | 2,856,877 | 1,121,541 | 1,317,456 | 1,211,355 | 1,357,131 | 2,176,985 | 18,879,361 |
| 61 Pension, profit-sharing, stock bonus, and annuity plans..... | 2,300,507 | 815,892 | 952,876 | 739,723 | 922,810 | 1,496,393 | 21,220,087 |
| 62 Employee benefit programs..... | 1,490,556 | 545,499 | 705,544 | 599,863 | 716,432 | 1,188,856 | 13,458,655 |
| 63 Net loss, noncapital assets..... | 60,873 | 27,762 | 28,065 | 47,724 | 44,815 | 58,622 | 375,462 |
| 64 Other deductions..... | 51,375,928 | 17,599,369 | 19,640,910 | 16,577,368 | 17,723,538 | 27,541,824 | 236,016,341 |
| 65 Total receipts less total deductions..... | 20,557,917 | 8,462,215 | 10,880,556 | 9,046,331 | 9,207,764 | 14,760,538 | 143,803,986 |
| 66 Constructive taxable income from related foreign corporations..... | 15,085 | 16,384 | 48,508 | 84,455 | 94,500 | 276,401 | 6,909,268 |
| 67 Net income (line 63 plus 64 minus 36)..... | 20,511,712 | 8,375,711 | 10,533,919 | 8,602,753 | 8,787,348 | 14,442,039 | 145,845,415 |
| 68 Income subject to tax..... | 16,385,340 | 6,934,143 | 8,634,617 | 7,151,555 | 7,270,627 | 11,944,833 | 135,064,621 |
| 69 Income tax, total..... | 6,916,943 | 3,162,115 | 3,997,940 | 3,350,572 | 3,414,863 | 5,643,651 | 64,290,985 |
| 70 Normal tax, surtax, and alternative tax..... | 6,861,823 | 3,140,616 | 3,967,919 | 3,323,637 | 3,385,334 | 5,600,886 | 63,919,223 |
| 71 Tax from recomputing prior-year investment credit..... | 41,357 | 14,937 | 17,317 | 13,757 | 15,241 | 21,704 | 233,481 |
| 72 Tax from recomputing prior-year work incentive (WIN) credit..... | 420 | (1) | 1,450 | 1,480 | 1 | 31 | 7 |
| 73 Additional tax for tax preferences..... | 13,243 | 6,562 | 11,254 | 11,698 | 14,287 | 21,030 | 138,274 |
| 74 Foreign tax credit..... | 33,224 | 28,495 | 83,457 | 142,468 | 152,280 | 371,973 | 25,110,765 |
| 75 U.S. possessions tax credit..... | 42,099 | 55,741 | 108,792 | 138,748 | 90,765 | 209,570 | 180,055 |
| 76 Investment credit..... | 635,225 | 246,956 | 285,735 | 238,688 | 277,029 | 465,366 | 8,151,698 |
| 77 Work incentive (WIN) credit..... | 3,130 | 831 | 2,259 | 420 | 354 | 392 | 5,911 |
| 78 New jobs credit..... | 536,400 | 159,903 | 129,698 | 66,905 | 47,629 | 43,101 | 67,121 |
| Distributions to stockholders: | | | | | | | |
| 79 Cash and property except in own stock..... | 2,230,319 | 1,135,685 | 1,811,188 | 1,651,552 | 1,772,794 | 3,905,754 | 42,042,544 |
| 80 Corporation's own stock..... | 188,498 | 83,263 | 129,947 | 159,112 | 280,772 | 351,066 | 1,211,767 |

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

† Less than \$500 per return.

NOTE: Classification by size was based on amounts rounded to thousands of dollars prior to tabulation. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| All Industries | | | | | | | | | | | | | |
| Number of returns..... | 2,241,887 | 57,304 | 1,203,764 | 424,648 | 235,472 | 144,421 | 129,577 | 18,026 | 13,628 | 6,524 | 3,788 | 2,530 | 2,205 |
| Total assets..... | 5,326,389,281 | — | 41,219,373 | 68,123,746 | 82,983,397 | 101,024,944 | 266,175,302 | 126,144,710 | 215,313,474 | 228,377,700 | 263,902,329 | 389,510,842 | 3,543,613,464 |
| Notes and accounts receivable, net..... | 1,303,557,066 | — | 6,178,266 | 12,288,054 | 16,513,370 | 22,205,214 | 61,250,901 | 33,539,054 | 68,588,126 | 71,012,973 | 66,248,418 | 73,873,343 | 871,859,345 |
| Inventories..... | 396,032,639 | — | 6,163,327 | 11,703,589 | 16,080,721 | 22,094,709 | 58,697,993 | 20,916,646 | 23,187,671 | 16,170,084 | 17,846,812 | 25,665,181 | 177,505,906 |
| Cash, Government obligations, and other current assets..... | 923,464,054 | — | 8,890,117 | 12,151,150 | 13,113,815 | 14,612,779 | 37,691,559 | 22,353,425 | 47,023,928 | 50,102,078 | 52,643,926 | 68,547,081 | 596,334,196 |
| Other investments and loans..... | 1,496,358,518 | — | 3,510,974 | 5,594,284 | 6,422,586 | 7,594,144 | 24,279,467 | 15,874,450 | 37,970,565 | 57,957,055 | 91,934,514 | 161,361,396 | 1,083,859,083 |
| Depreciable assets..... | 1,536,011,959 | — | 25,614,037 | 36,347,513 | 40,580,735 | 46,205,018 | 112,466,749 | 43,323,729 | 49,513,835 | 39,404,671 | 43,057,063 | 74,410,142 | 1,024,088,467 |
| Less: Accumulated depreciation..... | 576,129,137 | — | 13,234,195 | 17,668,192 | 19,125,755 | 21,379,812 | 49,940,611 | 18,753,409 | 20,650,724 | 15,496,451 | 16,841,456 | 29,165,473 | 353,873,059 |
| Other capital assets less reserves..... | 115,926,252 | — | 2,414,710 | 5,528,223 | 7,065,352 | 7,229,887 | 15,207,551 | 5,020,084 | 5,769,115 | 4,843,598 | 5,285,454 | 7,235,854 | 51,029,463 |
| Accounts and notes payable..... | 666,326,899 | — | 11,640,344 | 18,241,796 | 23,196,021 | 31,780,004 | 85,718,655 | 30,110,926 | 33,829,649 | 25,836,833 | 27,644,415 | 34,471,018 | 343,857,238 |
| Other current liabilities..... | 2,062,786,447 | — | 3,877,255 | 4,920,290 | 5,948,607 | 7,511,119 | 26,824,560 | 29,724,181 | 91,745,287 | 120,087,453 | 141,359,695 | 198,678,853 | 1,432,109,147 |
| Mortgages, notes, and bonds payable in one year or more..... | 694,119,251 | — | 7,498,906 | 12,832,179 | 16,569,000 | 20,000,727 | 51,510,459 | 20,912,371 | 23,784,314 | 22,286,430 | 24,569,658 | 39,154,150 | 455,001,057 |
| Net worth..... | 1,350,970,865 | — | 9,041,863 | 24,242,763 | 30,168,587 | 34,632,595 | 86,417,545 | 38,566,800 | 55,534,781 | 49,057,326 | 56,688,381 | 91,506,137 | 875,114,087 |
| Cost of property used for investment credit..... | 168,472,101 | 500,845 | 3,220,779 | 4,083,754 | 4,511,466 | 5,137,023 | 14,143,517 | 4,473,789 | 5,699,174 | 3,586,445 | 4,079,860 | 6,600,402 | 112,435,047 |
| Total receipts..... | 4,128,304,478 | 32,722,983 | 149,104,796 | 157,060,205 | 177,976,515 | 221,090,085 | 537,523,559 | 181,890,359 | 198,660,957 | 149,633,255 | 160,759,837 | 235,561,727 | 1,928,320,200 |
| Business receipts..... | 3,813,925,121 | 27,203,465 | 145,262,079 | 152,774,626 | 172,264,275 | 215,073,752 | 521,314,708 | 174,621,422 | 185,309,993 | 135,082,422 | 143,840,915 | 210,580,341 | 1,730,596,638 |
| Cost of sales and operations..... | 2,725,009,554 | 18,945,520 | 79,262,835 | 100,064,547 | 121,586,354 | 160,406,105 | 402,101,882 | 134,351,484 | 140,714,498 | 100,165,860 | 107,351,706 | 152,674,313 | 1,207,384,450 |
| Taxes paid..... | 104,262,166 | 700,019 | 4,347,171 | 4,217,339 | 4,267,867 | 4,707,589 | 10,111,664 | 3,429,423 | 4,066,833 | 3,347,718 | 3,569,501 | 5,488,253 | 58,028,489 |
| Interest paid..... | 152,865,323 | 3,548,546 | 1,159,230 | 1,724,546 | 2,291,747 | 2,745,283 | 7,394,798 | 3,338,659 | 6,193,160 | 7,285,925 | 8,793,690 | 12,749,224 | 95,640,111 |
| Depreciation..... | 106,972,692 | 715,394 | 2,778,840 | 3,221,876 | 3,446,229 | 3,863,386 | 9,313,940 | 3,463,300 | 3,876,521 | 2,931,053 | 3,187,010 | 5,184,266 | 64,980,886 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 36,463,699 | 153,339 | 2,227,914 | 886,558 | 1,098,603 | 2,508,039 | 8,922,012 | 1,050,779 | 1,050,779 | 1,050,779 | 1,031,806 | 1,690,281 | 23,149,902 |
| Employee benefit programs..... | 23,498,043 | 152,082 | 583,217 | 495,434 | 624,835 | 742,596 | 1,851,202 | 684,116 | 844,069 | 697,555 | 831,209 | 1,374,462 | 14,637,626 |
| Net income (less deficit)..... | 219,243,043 | 1,092,395 | 4,221,511 | 4,662,017 | 5,959,221 | 16,182,234 | 6,905,042 | 8,990,042 | 7,575,954 | 7,828,710 | 12,995,905 | 14,418,038 | 141,418,038 |
| Net income..... | 245,274,490 | 2,061,716 | 5,208,894 | 6,593,536 | 7,793,415 | 20,311,712 | 8,375,711 | 10,533,919 | 8,602,753 | 8,787,348 | 14,442,039 | 145,845,415 | 145,845,415 |
| Income subject to tax..... | 212,501,782 | 1,228,950 | 4,455,187 | 4,755,577 | 5,970,008 | 16,385,373 | 6,934,220 | 8,634,617 | 7,151,555 | 7,270,627 | 11,944,951 | 135,064,928 | 135,064,928 |
| Income tax, total..... | 96,340,453 | 556,591 | 557,262 | 1,059,658 | 1,306,177 | 2,022,315 | 6,924,809 | 3,164,891 | 4,002,694 | 3,352,767 | 3,417,816 | 5,648,277 | 64,327,196 |
| Additional tax for tax preferences..... | 263,316 | 4,059 | *413 | 1,638 | 1,808 | 3,517 | 13,806 | 6,940 | 12,101 | 15,870 | 15,870 | 23,970 | 167,514 |
| Foreign tax credit..... | 26,006,028 | 68,419 | *(1) | 3,200 | 306 | 11,441 | 33,224 | 28,495 | 83,457 | 142,468 | 152,280 | 371,973 | 25,110,765 |
| U.S. possessions tax credit..... | 837,687 | 4,553 | 30 | 459 | 1,710 | 5,165 | 42,099 | 55,741 | 108,792 | 138,748 | 90,765 | 209,570 | 180,055 |
| Investment credit..... | 11,038,404 | 28,155 | 88,366 | 155,508 | 204,760 | 260,828 | 635,225 | 246,957 | 285,735 | 238,688 | 277,029 | 465,384 | 8,151,769 |
| Work incentive (WIN) credit..... | 19,327 | 8 | *581 | 1,229 | 1,428 | 2,784 | 3,130 | 831 | 2,259 | 420 | 354 | 392 | 5,911 |
| New jobs credit..... | 1,703,838 | 6,141 | 76,855 | 167,375 | 166,245 | 236,440 | 536,400 | 159,903 | 129,698 | 66,905 | 47,629 | 43,126 | 67,121 |
| Distributions to stockholders except in own stock..... | 61,536,781 | 1,257,465 | 1,013,476 | 897,492 | 831,852 | 823,229 | 2,343,291 | 1,163,705 | 1,876,682 | 1,728,574 | 1,857,173 | 4,104,242 | 43,639,580 |
| Agriculture, Forestry, and Fishing | | | | | | | | | | | | | |
| Number of returns..... | 65,594 | 1,520 | 24,360 | 15,308 | 12,551 | 6,954 | 4,496 | 267 | 95 | 23 | 9 | 8 | 3 |
| Total assets..... | 28,902,259 | — | 958,152 | 2,541,760 | 4,450,670 | 4,815,296 | 8,536,915 | 1,797,463 | 1,435,179 | 727,243 | 598,085 | 1,254,964 | 1,786,532 |
| Notes and accounts receivable, net..... | 2,548,012 | — | 58,773 | 134,859 | 247,600 | 289,197 | 803,400 | 214,357 | 237,891 | 106,963 | 87,755 | 181,047 | 206,170 |
| Inventories..... | 2,838,025 | — | 53,033 | 136,312 | 322,382 | 421,101 | 971,147 | 170,569 | 183,276 | 79,921 | 70,420 | 192,654 | 137,121 |
| Cash, Government obligations, and other current assets..... | 2,749,895 | — | 157,125 | 316,276 | 367,757 | 357,331 | 755,504 | 272,644 | 135,006 | 73,082 | 36,203 | 120,881 | 203,286 |
| Other investments and loans..... | 3,001,748 | — | 47,631 | 166,946 | 352,967 | 392,666 | 858,860 | 187,484 | 174,101 | 108,984 | 107,502 | 288,277 | 316,330 |
| Depreciable assets..... | 16,853,654 | — | 921,437 | 2,076,489 | 2,980,936 | 2,858,863 | 4,454,926 | 800,804 | 687,891 | 339,024 | 345,420 | 355,879 | 1,031,985 |
| Less: Accumulated depreciation..... | 7,479,742 | — | 472,865 | 1,014,156 | 1,367,332 | 1,224,702 | 1,931,628 | 333,973 | 284,200 | 125,470 | 123,689 | 124,269 | 477,458 |
| Other capital assets less reserves..... | 7,035,254 | — | 157,681 | 671,224 | 1,385,748 | 1,498,597 | 2,318,851 | 442,037 | 249,026 | 107,745 | 62,652 | 121,956 | 19,737 |
| Accounts and notes payable..... | 6,778,389 | — | 216,646 | 671,857 | 910,940 | 997,028 | 2,344,296 | 512,749 | 456,905 | 189,464 | 129,321 | 206,933 | 142,250 |
| Other current liabilities..... | 1,331,156 | — | 32,459 | 70,497 | 94,795 | 159,913 | 300,957 | 68,483 | 99,845 | 45,644 | 37,737 | 204,879 | 215,947 |
| Mortgages, notes, and bonds payable in one year or more..... | 9,175,057 | — | 197,499 | 627,582 | 1,406,155 | 1,636,768 | 3,026,535 | 569,202 | 427,431 | 247,328 | 255,829 | 192,195 | 588,533 |
| Net worth..... | 8,927,574 | — | 275,734 | 768,927 | 1,603,810 | 1,543,395 | 2,142,602 | 496,208 | 380,026 | 205,415 | 144,129 | 601,710 | 765,618 |
| Cost of property used for investment credit..... | 1,987,523 | 18,919 | 168,417 | 271,394 | 390,027 | 363,713 | 469,255 | 80,413 | 72,563 | 34,519 | 38,476 | 32,628 | 49,199 |
| Total receipts..... | 35,907,867 | 1,720,554 | 2,324,568 | 2,973,677 | 4,080,574 | 4,475,407 | 10,030,439 | 2,300,038 | 1,979,569 | 979,924 | 1,238,870 | 979,574 | 2,824,673 |
| Business receipts..... | 33,931,272 | 1,650,484 | 2,226,627 | 2,815,925 | 3,833,232 | 4,186,597 | 9,446,849 | 2,188,188 | 1,876,683 | 915,382 | 1,190,087 | 902,697 | 2,698,521 |
| Cost of sales and operations..... | 24,703,484 | 1,211,700 | 1,331,320 | 1,777,607 | 2,363,159 | 2,897,013 | 7,459,671 | 1,780,862 | 1,511,321 | 753,785 | 1,023,985 | 647,328 | 1,945,733 |
| Taxes paid..... | 825,364 | 35,751 | 92,918 | 122,366 | 106,257 | 189,597 | 36,294 | 30,453 | 12,206 | 30,453 | 12,206 | 37,319 | 33,876 |
| Interest paid..... | 1,100,868 | 33,917 | 48,405 | 96,811 | 157,605 | 177,494 | 351,482 | 58,128 | 54,910 | 28,162 | 28,344 | 31,734 | 33,876 |
| Depreciation..... | 1,474,026 | 26,653 | 110,513 | 193,216 | 277,150 | 257,547 | 377,164 | 61,916 | 50,386 | 19,888 | 32,024 | 24,147 | 43,422 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 128,788 | 10,472 | 9,982 | 8,855 | 19,115 | 15,409 | 25,705 | 6,911 | 4,395 | 3,590 | 4,800 | 7,191 | 12,363 |
| Employee benefit programs..... | 92,024 | 8,453 | 4,713 | 4,555 | 7,935 | 6,468 | 18,544 | 4,270 | 4,506 | 2,022 | 3,187 | 3,566 | 24,015 |
| Net income (less deficit)..... | 708,956 | 29,200 | 3,732 | 74,608 | 98,601 | 75,651 | 131,818 | 61,497 | 41,656 | 34,134 | 16,330 | 94,471 | 47,458 |
| Net income..... | 1,740,130 | 62,485 | 121,812 | 234,104 | 276,944 | 252,772 | 401,971 | 104,873 | 66,693 | 49,156 | 20,614 | 101,248 | 47,458 |
| Income subject to tax..... | 1,145,569 | 44,039 | 55,319 | 107,170 | 171,088 | 176,046 | 251,532 | 86,656 | 53,245 | 43,488 | 12,888 | 99,190 | 44,908 |
| Income tax, total..... | 401,946 | 19,155 | 11,651 | 23,699 | 44,966 | 54,963 | 95,188 | 38,702 | 23,34 | | | | |

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Total Mining | | | | | | | | | | | | | |
| Number of returns..... | 19,216 | 175 | 7,181 | 3,863 | 2,588 | 2,187 | 2,405 | 321 | 256 | 100 | 50 | 43 | 47 |
| Total assets..... | 88,377,059 | — | 304,204 | 646,938 | 882,102 | 1,592,820 | 5,202,379 | 2,237,397 | 3,897,185 | 3,487,305 | 3,573,936 | 6,232,959 | 60,319,834 |
| Notes and accounts receivable, net..... | 17,326,699 | — | 50,897 | 111,563 | 135,730 | 313,721 | 936,189 | 403,994 | 542,967 | 534,497 | 444,949 | 614,995 | 13,237,197 |
| Inventories..... | 4,360,146 | — | *14,688 | 55,926 | 30,940 | 53,896 | 238,212 | 94,998 | 161,464 | 126,304 | 166,658 | 309,762 | 3,107,198 |
| Cash, Government obligations, and other current assets..... | 8,342,680 | — | 80,032 | 107,505 | 176,888 | 291,493 | 818,099 | 360,427 | 654,189 | 455,777 | 432,252 | 522,262 | 4,443,756 |
| Other investments and loans..... | 19,165,730 | — | 34,260 | 50,064 | 55,049 | 136,060 | 491,697 | 182,927 | 445,496 | 463,877 | 697,448 | 677,688 | 15,931,164 |
| Depreciable assets..... | 44,961,816 | — | 207,066 | 542,587 | 730,194 | 1,152,651 | 3,866,576 | 1,802,539 | 2,212,440 | 1,934,137 | 2,049,665 | 3,925,250 | 26,538,711 |
| Less: Accumulated depreciation..... | 16,419,702 | — | 103,153 | 264,646 | 355,862 | 555,604 | 1,869,201 | 1,008,626 | 1,026,487 | 808,017 | 795,228 | 1,550,600 | 8,082,278 |
| Other capital assets less reserves..... | 8,573,530 | — | 12,966 | 24,900 | 82,755 | 172,347 | 563,921 | 312,450 | 725,292 | 646,287 | 449,898 | 1,278,360 | 4,304,354 |
| Accounts and notes payable..... | 11,817,978 | — | 100,276 | 243,797 | 298,939 | 442,116 | 1,376,008 | 556,885 | 730,143 | 588,011 | 511,077 | 655,812 | 6,314,914 |
| Other current liabilities..... | 12,755,586 | — | 26,131 | 33,393 | 29,191 | 123,603 | 394,321 | 151,831 | 258,196 | 350,866 | 278,672 | 561,701 | 10,547,741 |
| Mortgages, notes, and bonds payable in one year or more..... | 15,098,612 | — | 40,195 | 142,131 | 184,057 | 277,105 | 1,038,664 | 462,144 | 850,395 | 753,146 | 766,480 | 1,817,439 | 8,766,856 |
| Net worth..... | 42,681,609 | — | -92,146 | 152,362 | 310,877 | 577,016 | 2,015,693 | 963,082 | 1,792,873 | 1,540,482 | 1,835,725 | 2,870,252 | 30,715,393 |
| Cost of property used for investment credit..... | 4,974,226 | 70,617 | 42,389 | 137,824 | 138,111 | 234,676 | 789,701 | 255,212 | 383,203 | 219,249 | 235,897 | 440,089 | 2,027,258 |
| Total receipts..... | 96,164,753 | 600,709 | 692,594 | 1,520,339 | 1,196,405 | 1,906,205 | 6,023,441 | 2,274,786 | 3,407,972 | 2,787,587 | 2,385,026 | 3,642,238 | 69,727,451 |
| Business receipts..... | 82,553,482 | 487,637 | 655,932 | 1,481,784 | 1,096,331 | 1,808,248 | 5,713,660 | 2,113,199 | 3,133,173 | 2,619,045 | 2,157,609 | 3,448,119 | 67,838,745 |
| Cost of sales and operations..... | 44,842,332 | 253,465 | 395,324 | 939,175 | 604,557 | 1,097,375 | 3,647,583 | 1,413,103 | 2,015,547 | 1,651,840 | 1,417,466 | 2,064,184 | 29,342,713 |
| Taxes paid..... | 1,509,443 | 12,780 | 17,919 | 41,446 | 40,747 | 68,539 | 192,536 | 61,452 | 100,086 | 88,348 | 80,289 | 109,388 | 895,913 |
| Interest paid..... | 1,507,766 | 18,574 | 6,473 | 15,944 | 25,562 | 33,404 | 124,063 | 53,100 | 87,526 | 71,535 | 71,913 | 144,575 | 855,097 |
| Depreciation..... | 3,043,533 | 52,185 | 27,815 | 67,195 | 75,098 | 132,448 | 449,355 | 168,993 | 212,344 | 155,585 | 172,066 | 281,447 | 1,248,872 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 418,761 | 5,079 | *1,717 | *3,158 | *8,940 | 10,903 | 41,916 | 14,444 | 16,400 | 15,373 | 17,805 | 32,448 | 250,490 |
| Employee benefit programs..... | 273,465 | 2,895 | 6,056 | 4,895 | 5,777 | 21,611 | 14,903 | 20,385 | 18,096 | 28,824 | 32,077 | 113,160 | 113,160 |
| Net income (less deficit)..... | 31,353,923 | 115,482 | -9,629 | 27,999 | 66,583 | 95,671 | 290,935 | 71,201 | 255,173 | 207,402 | 124,292 | 208,877 | 29,900,477 |
| Income subject to tax..... | 32,581,722 | 190,726 | 56,805 | 92,970 | 125,285 | 163,942 | 495,742 | 187,134 | 330,386 | 335,930 | 224,106 | 352,526 | 30,026,170 |
| Income tax, total..... | 31,919,909 | 180,778 | 29,748 | 54,547 | 58,068 | 103,080 | 388,570 | 146,576 | 286,798 | 298,893 | 208,508 | 326,128 | 29,838,215 |
| Additional tax for tax preferences..... | 15,263,122 | 89,183 | 7,484 | 14,284 | 10,106 | 178,601 | 70,233 | 139,587 | 143,816 | 97,016 | 158,785 | 158,785 | 14,307,254 |
| Foreign tax credit..... | 72,894 | 817 | *124 | *1,024 | *1,390 | 2,033 | 8,853 | 3,506 | 7,370 | 5,922 | 4,760 | 5,278 | 31,817 |
| U.S. possessions tax credit..... | 13,958,967 | 31,887 | — | — | — | — | *2,974 | *1,811 | 26,435 | 42,105 | 14,329 | 26,682 | 13,812,744 |
| Investment credit..... | 51 | — | — | — | — | — | — | — | 51 | — | — | — | — |
| Work incentive (WIN) credit..... | 223,125 | 3,148 | *676 | 3,651 | 5,622 | 9,879 | 34,484 | 11,985 | 16,962 | 16,778 | 13,607 | 21,609 | 84,724 |
| New jobs credit..... | 44 | — | — | — | — | — | — | — | — | — | — | — | — |
| Distributions to stockholders except in own stock..... | 27,131 | 159 | *457 | *3,206 | 1,237 | *1,178 | 9,906 | 3,226 | 2,882 | 1,871 | 771 | 1,149 | 1,089 |
| | 1,945,098 | 6,216 | *26,193 | *13,474 | 22,672 | 29,888 | 74,179 | 28,444 | 57,565 | 53,349 | 35,997 | 93,212 | 1,503,909 |
| Mining: Metal Mining | | | | | | | | | | | | | |
| Number of returns..... | 759 | 10 | *493 | — | *106 | *57 | *47 | *13 | 11 | 4 | — | — | 9 |
| Total assets..... | 11,777,577 | — | *23,347 | — | *31,376 | *33,958 | *109,677 | *86,558 | 174,814 | 129,435 | 943,277 | — | 10,245,135 |
| Notes and accounts receivable, net..... | 726,805 | — | *3,348 | — | *1,394 | *874 | *39,996 | *8,895 | 16,264 | 7,014 | 44,393 | — | 604,827 |
| Inventories..... | 981,953 | — | *3,100 | — | — | — | *5,982 | *20,143 | 5,281 | 17,528 | 90,586 | — | 839,333 |
| Cash, Government obligations, and other current assets..... | 1,483,845 | — | *1,736 | — | *18,078 | *1,064 | *15,482 | *10,788 | 47,090 | 13,484 | 43,401 | — | 1,332,722 |
| Other investments and loans..... | 3,718,451 | — | *1,488 | — | *1,360 | *4,218 | *5,392 | *20,465 | 21,070 | 4,432 | 253,857 | — | 3,406,169 |
| Depreciable assets..... | 5,661,515 | — | *14,854 | — | *3,454 | *22,672 | *69,118 | *66,924 | 48,223 | 189,582 | 603,844 | — | 4,842,844 |
| Less: Accumulated depreciation..... | 2,122,274 | — | *3,312 | — | *2,396 | *3,154 | *44,495 | *58,821 | 22,631 | 118,271 | 270,682 | — | 1,598,512 |
| Other capital assets less reserves..... | 846,533 | — | *2,133 | — | *9,350 | — | *4,178 | *7,146 | 34,347 | 10,536 | 47,060 | — | 731,783 |
| Accounts and notes payable..... | 1,417,556 | — | *5,585 | — | *34 | *8,512 | *32,822 | *3,583 | 18,275 | 21,779 | 136,742 | — | 1,190,224 |
| Other current liabilities..... | 860,156 | — | *7,688 | — | *1,364 | *266 | *17,083 | *7,175 | 7,483 | 11,678 | 69,593 | — | 737,826 |
| Mortgages, notes, and bonds payable in one year or more..... | 1,861,304 | — | *4,232 | — | — | — | *10,187 | *4,004 | 11,741 | 21,734 | 201,796 | — | 1,606,028 |
| Net worth..... | 6,039,195 | — | *20,694 | — | *29,800 | *14,480 | *41,755 | *68,682 | 114,620 | 40,597 | 448,858 | — | 5,301,097 |
| Cost of property used for investment credit..... | 676,275 | 1,473 | *496 | — | *442 | *2,014 | *10,982 | *1,108 | 3,856 | 9,656 | 36,551 | — | 610,697 |
| Total receipts..... | 5,144,588 | 69,062 | *36,704 | — | *12,932 | *6,873 | *135,726 | *49,970 | 69,434 | 86,879 | 499,431 | — | 4,177,477 |
| Business receipts..... | 4,694,188 | 63,602 | *36,704 | — | *1,064 | *6,346 | *131,676 | *48,706 | 58,501 | 84,411 | 477,750 | — | 3,785,428 |
| Cost of sales and operations..... | 3,400,426 | 40,620 | *19,592 | — | *798 | *2,926 | *83,797 | *31,077 | 39,735 | 54,106 | 362,952 | — | 2,764,823 |
| Taxes paid..... | 254,619 | 1,514 | *620 | — | *604 | *154 | *4,914 | *2,624 | 1,370 | 2,869 | 22,356 | — | 217,594 |
| Interest paid..... | 201,087 | 303 | *451 | — | *76 | *817 | *594 | *27 | 2,254 | 3,108 | 23,075 | — | 170,382 |
| Depreciation..... | 280,310 | 3,598 | *248 | — | *136 | *1,178 | *3,661 | *4,312 | 3,220 | 12,448 | 37,333 | — | 214,176 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 69,675 | 1,438 | — | — | — | — | — | — | — | — | — | — | — |
| Employee benefit programs..... | 18,908 | 465 | — | — | — | — | — | — | — | — | — | — | — |
| Net income (less deficit)..... | 52,717 | -22,195 | *-1,831 | — | *10,768 | *-591 | *220 | *-18,551 | 1,173 | -63,597 | -56,125 | — | 203,446 |
| Income subject to tax..... | 299,389 | 16,423 | *2,356 | — | *10,768 | — | *10,006 | *5,014 | 8,381 | 5,485 | 22,271 | — | 218,695 |
| Income tax, total..... | 221,402 | 16,290 | — | — | *3,366 | — | *10,462 | *4,536 | 5,357 | 1,076 | 19,408 | — | 160,907 |
| Additional tax for tax preferences..... | 96,321 | 7,862 | — | — | *1,060 | — | *4,816 | *2,964 | 1,312 | 2,964 | 9,343 | — | 66,452 |
| Foreign tax credit..... | 16,151 | 56 | — | — | — | — | *478 | *120 | 476 | 822 | 51 | — | 14,148 |
| U.S. possessions tax credit..... | 56,266 | 2,447 | — | — | — | — | — | *1,092 | 892 | 490 | 9,251 | — | 42,094 |
| Investment credit..... | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Work incentive (WIN) credit..... | 5,772 | 1,338 | — | — | *34 | — | *442 | — | 217 | — | — | — | — |
| New jobs credit..... | 35 | — | — | — | — | — | — | — | — | — | — | — | 3,741 |
| Distributions to stockholders except in own stock..... | 563 | — | — | — | — | — | *441 | — | — | — | — | — | 35 |
| | 150,864 | 3,548 | — | — | *850 | — | *5,520 | *3,948 | 1,629 | — | — | — | 103,846 |

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

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Mining: Coal Mining | | | | | | | | | | | | | |
| Number of returns..... | 3,836 | 20 | 948 | 1,138 | 393 | 437 | 707 | 77 | 61 | 20 | 18 | 12 | 5 |
| Total assets..... | 11,810,349 | — | 57,087 | 183,420 | 131,192 | 304,899 | 1,503,197 | 556,483 | 913,536 | 694,899 | 1,319,731 | 1,700,864 | 4,445,041 |
| Notes and accounts receivable, net..... | 1,216,476 | — | *6,246 | *20,814 | 11,103 | 39,269 | 219,726 | 69,164 | 115,465 | 75,486 | 107,597 | 130,990 | 420,816 |
| Inventories..... | 521,953 | — | *8,310 | *688 | *1,647 | *4,332 | 30,326 | 12,115 | 43,840 | 21,473 | 41,975 | 84,687 | 272,560 |
| Cash, Government obligations, and other current assets..... | 1,680,129 | — | 11,416 | 35,884 | 39,305 | 85,321 | 263,345 | 110,435 | 193,197 | 112,920 | 232,897 | 136,716 | 458,693 |
| Other investments and loans..... | 1,882,634 | — | *4,704 | *12,546 | *3,010 | 16,319 | 105,153 | 79,431 | 76,047 | 97,340 | 342,022 | 178,963 | 967,099 |
| Depreciable assets..... | 7,623,153 | — | 42,141 | 167,177 | 149,512 | 254,883 | 1,373,423 | 461,631 | 710,044 | 448,064 | 621,818 | 1,028,295 | 2,366,165 |
| Less: Accumulated depreciation..... | 2,975,296 | — | 16,845 | 56,323 | 78,588 | 105,776 | 615,171 | 244,615 | 342,005 | 190,777 | 257,702 | 329,390 | 738,104 |
| Other capital assets less reserves..... | 1,465,303 | — | — | *945 | 9,609 | 89,653 | 58,147 | 87,762 | 103,916 | 159,918 | 286,873 | 666,169 | — |
| Accounts and notes payable..... | 1,845,413 | — | 35,692 | 103,202 | 41,070 | 89,474 | 488,069 | 130,888 | 159,194 | 80,341 | 150,975 | 166,918 | 399,590 |
| Other current liabilities..... | 903,378 | — | *3,981 | 8,205 | *9,629 | 15,983 | 121,051 | 42,225 | 51,190 | 95,585 | 99,581 | 165,504 | 290,444 |
| Mortgages, notes, and bonds payable in one year or more..... | 3,014,725 | — | *19,892 | 70,016 | *26,265 | 71,476 | 415,198 | 149,546 | 157,929 | 116,099 | 312,208 | 602,647 | 1,173,349 |
| Net worth..... | 5,272,777 | — | -3,507 | -7,339 | 41,794 | 110,885 | 402,532 | 216,326 | 465,067 | 301,422 | 649,371 | 835,410 | 2,260,816 |
| Cost of property used for investment credit..... | 1,333,352 | *6,451 | *26,320 | 73,697 | *15,463 | 72,992 | 325,773 | 67,520 | 124,414 | 15,968 | 66,739 | 163,541 | 338,474 |
| Total receipts..... | 11,480,313 | 99,600 | 212,971 | 588,945 | 154,431 | 564,155 | 2,043,004 | 573,705 | 1,094,888 | 686,337 | 996,410 | 1,176,057 | 3,289,815 |
| Business receipts..... | 11,020,015 | *94,123 | 212,967 | 580,668 | 147,271 | 542,305 | 1,975,525 | 542,946 | 1,052,924 | 665,968 | 948,608 | 1,111,810 | 3,144,900 |
| Cost of sales and operations..... | 7,598,702 | *61,507 | 155,934 | 320,338 | 63,870 | 359,371 | 1,324,085 | 367,005 | 731,746 | 384,223 | 669,423 | 736,466 | 2,424,734 |
| Taxes paid..... | 431,055 | *2,753 | 7,256 | 17,817 | 6,317 | 22,884 | 66,064 | 21,767 | 38,310 | 46,356 | 32,218 | 33,527 | 135,786 |
| Interest paid..... | 272,930 | *5,557 | *1,219 | 6,815 | 4,678 | 6,303 | 46,208 | 18,537 | 17,810 | 11,555 | 33,356 | 39,800 | 79,092 |
| Depreciation..... | 813,054 | *13,338 | *9,881 | 32,491 | 18,956 | 43,404 | 191,469 | 49,900 | 80,579 | 34,086 | 84,241 | 85,866 | 168,643 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 94,856 | 324 | *477 | — | — | *836 | 11,518 | 5,787 | 4,054 | 5,866 | 6,173 | 8,727 | 51,094 |
| Employee benefit programs..... | 140,431 | *1,975 | *276 | *2,178 | *94 | 2,740 | 9,612 | 7,406 | 11,416 | 12,256 | 19,106 | 18,674 | 54,698 |
| Net income (less deficit)..... | 287,895 | -2,709 | -1,881 | 15,244 | -3,140 | 32,153 | 38,577 | -24,177 | 43,307 | 82,299 | 12,551 | 55,499 | 40,172 |
| Net income..... | 632,790 | 8,827 | *17,474 | 39,530 | *18,134 | 54,898 | 127,669 | 34,716 | 59,530 | 84,177 | 54,249 | 68,575 | 65,011 |
| Income subject to tax..... | 496,840 | 8,213 | *3,626 | *16,387 | *11,453 | 40,351 | 107,361 | 29,475 | 55,128 | 81,374 | 45,019 | 67,046 | 61,447 |
| Income tax, total..... | 241,408 | 3,935 | *772 | *4,231 | *4,556 | 17,357 | 36,077 | 14,913 | 26,785 | 40,684 | 22,874 | 33,858 | 35,366 |
| Additional tax for tax preferences..... | 25,192 | 653 | *124 | *156 | *165 | *732 | 2,544 | *1,083 | 2,439 | 2,244 | 2,627 | 4,109 | 8,316 |
| Foreign tax credit..... | 2,491 | — | — | — | — | — | *7 | — | 1 | (¹) | — | 1,189 | 1,294 |
| U.S. possessions tax credit..... | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Investment credit..... | 49,211 | 464 | *138 | *1,173 | *1,398 | 2,226 | 9,157 | 2,985 | 5,090 | 4,023 | 3,967 | 5,716 | 12,874 |
| Work incentive (WIN) credit..... | 6 | — | — | — | — | — | — | — | — | — | — | — | 6 |
| New jobs credit..... | 5,185 | — | — | *1,721 | — | *38 | 1,245 | *729 | 429 | 243 | 111 | 569 | 100 |
| Distributions to stockholders except in own stock..... | 228,678 | 500 | *9,440 | *11,385 | *2,511 | *11,799 | 29,881 | *4,613 | 14,902 | 14,699 | 15,889 | 20,194 | 92,865 |
| Mining: Oil and Gas Extraction | | | | | | | | | | | | | |
| Number of returns..... | 10,672 | 131 | 4,994 | 1,577 | 1,282 | 1,129 | 1,109 | 169 | 139 | 67 | 21 | 25 | 29 |
| Total assets..... | 57,477,734 | — | 199,222 | 255,265 | 471,847 | 820,086 | 2,454,236 | 1,156,866 | 2,153,469 | 2,346,280 | 1,489,606 | 3,741,325 | 42,389,532 |
| Notes and accounts receivable, net..... | 14,386,214 | — | 38,288 | 42,136 | 93,149 | 189,329 | 467,997 | 238,265 | 308,715 | 409,914 | 237,869 | 433,150 | 11,927,402 |
| Inventories..... | 2,042,107 | — | *1,418 | *415 | 20,146 | 26,663 | 100,008 | 35,189 | 61,146 | 63,604 | 47,187 | 152,832 | 1,533,519 |
| Cash, Government obligations, and other current assets..... | 4,502,251 | — | 64,052 | 47,938 | 84,392 | 147,408 | 393,776 | 187,583 | 330,192 | 293,448 | 159,049 | 311,822 | 2,482,591 |
| Other investments and loans..... | 12,440,812 | — | 27,478 | *13,643 | 42,916 | 96,766 | 292,621 | 56,208 | 306,627 | 317,863 | 162,465 | 373,932 | 10,750,293 |
| Depreciable assets..... | 25,845,181 | — | 93,060 | 198,369 | 291,589 | 406,759 | 1,322,399 | 892,764 | 944,716 | 1,059,492 | 871,108 | 2,312,461 | 17,452,468 |
| Less: Accumulated depreciation..... | 8,427,003 | — | 42,073 | 72,743 | 112,056 | 177,412 | 563,809 | 494,047 | 369,592 | 395,587 | 269,845 | 934,844 | 4,995,195 |
| Other capital assets less reserves..... | 5,698,419 | — | 10,833 | 42,495 | 113,657 | 344,655 | 188,471 | 492,491 | 498,159 | 244,293 | 953,818 | 2,799,339 | — |
| Accounts and notes payable..... | 7,510,824 | — | 49,287 | 91,930 | 178,494 | 245,317 | 629,733 | 330,708 | 476,916 | 448,084 | 295,280 | 354,403 | 4,410,872 |
| Other current liabilities..... | 10,617,491 | — | 13,521 | 9,988 | 13,152 | 82,152 | 201,342 | 75,992 | 150,959 | 230,032 | 127,457 | 324,474 | 9,388,422 |
| Mortgages, notes, and bonds payable in one year or more..... | 8,588,050 | — | *15,971 | *18,762 | 72,537 | 115,935 | 416,894 | 223,394 | 541,934 | 560,142 | 332,821 | 1,137,542 | 5,152,118 |
| Net worth..... | 27,774,768 | — | -64,686 | 90,975 | 173,772 | 235,552 | 992,557 | 455,198 | 835,070 | 997,972 | 693,856 | 1,734,114 | 21,630,388 |
| Cost of property used for investment credit..... | 2,456,469 | 61,853 | 10,241 | 62,494 | 69,805 | 68,638 | 320,619 | 153,863 | 208,375 | 135,314 | 103,422 | 256,433 | 975,412 |
| Total receipts..... | 72,998,225 | 391,756 | 358,429 | 725,395 | 736,220 | 751,701 | 2,520,005 | 1,087,826 | 1,573,009 | 1,679,213 | 684,440 | 1,964,976 | 60,525,255 |
| Business receipts..... | 70,538,525 | 290,543 | 323,438 | 711,325 | 669,028 | 689,132 | 2,328,450 | 981,048 | 1,386,891 | 1,547,088 | 536,899 | 1,843,950 | 59,230,733 |
| Cost of sales and operations..... | 29,847,839 | 120,087 | 163,185 | 504,012 | 391,681 | 403,733 | 1,433,045 | 625,182 | 800,129 | 989,077 | 276,080 | 968,979 | 23,172,639 |
| Taxes paid..... | 603,402 | 7,667 | 7,732 | 12,031 | 18,521 | 22,740 | 67,614 | 22,532 | 40,110 | 29,407 | 24,288 | 55,929 | 294,833 |
| Interest paid..... | 865,859 | 11,363 | 4,679 | 5,165 | 10,128 | 14,900 | 53,108 | 23,257 | 55,176 | 50,370 | 24,252 | 81,944 | 531,517 |
| Depreciation..... | 1,521,476 | 32,664 | 13,776 | 22,184 | 33,880 | 44,815 | 158,859 | 82,670 | 91,475 | 92,541 | 49,488 | 157,778 | 741,346 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 195,601 | 2,676 | *1,240 | *3,002 | *8,736 | *4,680 | 16,582 | 3,483 | 5,786 | 5,275 | 3,402 | 17,195 | 123,564 |
| Employee benefit programs..... | 74,592 | 290 | *810 | *3,325 | *5,586 | 899 | 5,489 | 5,026 | 1,356 | 2,006 | 1,587 | 12,587 | 31,561 |
| Net income (less deficit)..... | 30,791,287 | 141,801 | -1,116 | 20,127 | 38,686 | 43,008 | 192,941 | 82,677 | 176,761 | 169,806 | 110,560 | 187,667 | 29,628,369 |
| Net income..... | 31,312,795 | 165,102 | 35,611 | 39,716 | 69,648 | 72,483 | 276,260 | 110,177 | 225,643 | 252,662 | 141,872 | 266,648 | 29,683,971 |
| Income subject to tax..... | 30,930,234 | 155,910 | 24,758 | 31,232 | 31,755 | 45,840 | 228,716 | 82,786 | 193,892 | 196,545 | 136,988 | 244,139 | 29,557,673 |
| Income tax, total..... | 14,797,508 | 77,156 | 6,464 | 8,615 | 10,323 | 17,197 | 105,538 | 38,246 | 94,116 | 92,268 | 60,882 | 115,120 | 14,171,583 |
| Additional tax for tax preferences..... | 19,605 | 16 | (¹) | *868 | *1,225 | 1,206 | 4,010 | 1,712 | 3,325 | 2,409 | 920 | 558 | 3,356 |
| Foreign tax credit..... | 13,898,203 | 29,440 | — | — | — | — | *2,855 | *173 | 25,542 | 41,438 | 10,687 | 19,883 | 13,768,185 |
| U.S. possessions tax credit..... | 51 | — | — | — | — | — | — | — | 51 | — | — | — | — |
| Investment credit..... | 135,981 | 1,346 | *290 | 2,478 | 2,715 | 4,423 | 17,022 | 6,459 | 8,725 | 10,422 | 6,341 | 15,147 | 60,613 |
| Work incentive (WIN) credit..... | (¹) | — | — | — | — | — | — | — | — | — | — | — | (¹) |
| New jobs credit..... | 16,108 | — | *457 | *1,485 | *639 | *779 | 6,079 | 1,963 | 1,501 | 1,335 | 442 | 480 | 789 |
| Distributions to stockholders except in own stock..... | 1,387,684 | 2,168 | *16,753 | *2,089 | *11,797 | 8,904 | 22,688 | 12,950 | 30,687 | 33,380 | 11,761 | 42,804 | 1,191,703 |

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

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|----------------------|----------------------------|----------------------------|------------------------------|--------------------------------|---------------------------------|----------------------------------|----------------------------------|-----------------------------------|------------------------------------|-----------------------|
| | | Zero assets | \$1 under, \$100,000 | \$100,000 under, \$250,000 | \$250,000 under, \$500,000 | \$500,000 under, \$1,000,000 | \$1,000,000 under, \$5,000,000 | \$5,000,000 under, \$10,000,000 | \$10,000,000 under, \$25,000,000 | \$25,000,000 under, \$50,000,000 | \$50,000,000 under, \$100,000,000 | \$100,000,000 under, \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Mining: Nonmetallic Minerals, Except Fuels | | | | | | | | | | | | | |
| Number of returns..... | 3,949 | *14 | *746 | 1,148 | 807 | 564 | 542 | 62 | 45 | 9 | ** | 8 | 4 |
| Total assets..... | 7,311,399 | — | *24,548 | 208,253 | 247,687 | 433,877 | 1,135,269 | 437,490 | 655,366 | 316,691 | 612,092 | 3,240,126 | |
| Notes and accounts receivable, net..... | 997,204 | — | *3,015 | 48,613 | 30,084 | 84,249 | 208,470 | 87,670 | 102,523 | 42,083 | 105,945 | 284,552 | 461,786 |
| Inventories..... | 814,133 | — | *1,860 | *54,823 | 9,147 | 23,001 | 101,896 | 27,571 | 51,197 | 23,699 | 59,153 | 169,750 | |
| Cash, Government obligations, and other current assets..... | 676,455 | — | *2,828 | 23,683 | 35,113 | 57,700 | 145,496 | 51,621 | 83,710 | 35,925 | 70,629 | 63,897 | 807,603 |
| Other investments and loans..... | 1,123,833 | — | *590 | *23,875 | *7,763 | 16,757 | 88,531 | 26,823 | 41,752 | 44,242 | 53,789 | 2,077,234 | |
| Depreciable assets..... | 5,831,967 | — | *57,011 | 177,041 | 285,643 | 468,337 | 1,101,636 | 381,220 | 509,457 | 236,999 | 337,389 | 2,835,565 | 750,467 |
| Less: Accumulated depreciation..... | 2,895,129 | — | *40,923 | 135,580 | 162,822 | 269,262 | 645,726 | 211,143 | 292,259 | 103,382 | 283,565 | 1,063,363 | 835,363 |
| Other capital assets less reserves..... | 563,275 | — | — | *13,747 | 28,599 | 49,081 | 125,435 | 58,686 | 110,692 | 33,676 | 36,296 | 107,063 | |
| Accounts and notes payable..... | 1,044,185 | — | *9,712 | 48,665 | 79,341 | 88,813 | 225,384 | 91,706 | 75,758 | 37,807 | 62,571 | 314,428 | |
| Other current liabilities..... | 374,561 | — | *941 | 15,200 | 5,046 | 25,202 | 54,845 | 26,439 | 48,564 | 13,571 | 53,704 | 131,049 | |
| Mortgages, notes, and bonds payable in one year or more..... | 1,634,533 | — | *() | *53,353 | 85,255 | 79,507 | 202,568 | 87,620 | 138,791 | 55,171 | 96,905 | 344,368 | 835,363 |
| Net worth..... | 3,594,869 | — | *3,259 | 68,726 | 65,511 | 218,099 | 578,849 | 222,876 | 378,116 | 200,491 | 366,905 | 1,523,092 | 1,027,675 |
| Cost of property used for investment credit..... | 508,130 | 840 | *5,332 | *1,633 | 52,401 | 61,032 | 132,327 | 33,721 | 46,558 | 22,311 | 49,300 | 102,675 | |
| Total receipts..... | 6,541,622 | *40,291 | *84,490 | 205,999 | 292,822 | 583,376 | 1,324,706 | 563,285 | 670,641 | 335,156 | 705,950 | 1,734,904 | 1,027,675 |
| Business receipts..... | 6,300,754 | *39,369 | *82,823 | 189,791 | 278,968 | 570,465 | 1,278,009 | 540,499 | 634,857 | 321,578 | 686,711 | 1,677,684 | 1,027,675 |
| Cost of sales and operations..... | 3,995,365 | *31,251 | *56,603 | 114,825 | 148,208 | 331,345 | 806,656 | 389,839 | 443,937 | 224,434 | 467,750 | 980,517 | 477,000 |
| Taxes paid..... | 220,367 | *846 | *2,311 | 11,598 | 15,305 | 22,761 | 53,944 | 14,529 | 20,296 | 9,716 | 21,361 | 47,700 | 74,106 |
| Interest paid..... | 167,890 | 1,351 | *124 | *3,964 | 10,680 | 9,384 | 24,153 | 11,279 | 12,286 | 6,502 | 14,061 | 124,807 | 124,807 |
| Depreciation..... | 428,693 | *2,385 | *3,910 | 12,520 | 22,126 | 43,051 | 95,366 | 32,111 | 37,070 | 16,510 | 38,837 | 124,807 | 124,807 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 58,629 | *641 | — | *156 | *204 | 5,387 | 13,298 | 2,582 | 6,093 | 2,760 | 9,747 | 17,761 | 17,761 |
| Employee benefit programs..... | 39,534 | *165 | — | *553 | *915 | 2,148 | 5,706 | 4,522 | 3,851 | 1,133 | 7,114 | 13,427 | 13,427 |
| Net income (less deficit)..... | 222,024 | *-1,415 | *-4,801 | -7,372 | 20,269 | 21,101 | 58,657 | 31,252 | 33,932 | 18,894 | 23,017 | 28,490 | 28,490 |
| Income subject to tax..... | 336,738 | *374 | *1,364 | *13,722 | 26,735 | 36,561 | 81,807 | 37,227 | 36,832 | 20,606 | 23,017 | 58,493 | 58,493 |
| Income tax, total..... | 271,433 | *365 | *1,364 | *6,928 | *11,494 | 16,889 | 72,031 | 29,779 | 32,421 | 19,838 | 22,036 | 58,188 | 58,188 |
| Additional tax for tax preferences..... | 127,885 | *230 | *248 | *1,438 | *2,734 | 5,552 | 32,170 | 14,562 | 15,722 | 9,652 | 11,724 | 33,853 | 33,853 |
| Foreign tax credit..... | 11,946 | 92 | — | — | — | — | *95 | 1,821 | *591 | 1,130 | 447 | 5,997 | 5,997 |
| U.S. possessions tax credit..... | 2,007 | — | — | — | — | — | *112 | *546 | — | — | 177 | 1,171 | 1,171 |
| Investment credit..... | 32,161 | — | *248 | — | *1,475 | 3,230 | 7,863 | 2,541 | 2,930 | 2,333 | 4,045 | 7,496 | 7,496 |
| Work incentive (WIN) credit..... | 3 | — | — | — | — | — | — | — | — | 1 | 2 | — | — |
| New jobs credit..... | 5,275 | — | — | — | *598 | *361 | 2,141 | *534 | 830 | 293 | 318 | 200 | 200 |
| Distributions to stockholders except in own stock..... | 177,872 | — | — | — | *7,514 | *9,185 | 16,090 | *6,933 | 10,347 | 5,270 | 7,038 | 115,495 | 115,495 |
| Total Construction | | | | | | | | | | | | | |
| Number of returns..... | 214,745 | 4,005 | 114,621 | 45,050 | 22,694 | 14,703 | 11,803 | 1,132 | 517 | 126 | 46 | 33 | 15 |
| Total assets..... | 91,222,022 | — | 3,804,049 | 7,342,955 | 7,936,910 | 10,342,966 | 23,150,727 | 7,656,833 | 7,661,897 | 4,398,370 | 3,192,556 | 10,588,677 | 10,588,677 |
| Notes and accounts receivable, net..... | 24,734,482 | — | 898,127 | 1,896,968 | 2,243,464 | 3,152,426 | 6,925,910 | 2,272,285 | 2,272,285 | 1,375,762 | 1,335,762 | 2,325,760 | 2,325,760 |
| Inventories..... | 15,693,140 | — | 494,409 | 1,163,885 | 1,714,144 | 1,866,664 | 4,442,206 | 1,350,150 | 1,640,200 | 839,202 | 489,078 | 1,033,661 | 1,033,661 |
| Cash, Government obligations, and other current assets..... | 19,046,015 | — | 828,088 | 1,609,426 | 1,660,736 | 2,144,533 | 4,989,169 | 1,628,993 | 1,546,897 | 908,447 | 716,924 | 1,250,068 | 1,250,068 |
| Other investments and loans..... | 7,503,700 | — | 272,385 | 526,787 | 405,768 | 653,834 | 1,531,865 | 550,992 | 644,562 | 448,520 | 524,629 | 716,799 | 1,227,559 |
| Depreciable assets..... | 34,232,185 | — | 2,356,134 | 3,360,240 | 2,963,033 | 4,095,330 | 8,122,910 | 2,685,751 | 2,618,290 | 1,436,643 | 723,006 | 1,282,394 | 4,588,454 |
| Less: Accumulated depreciation..... | 16,920,611 | — | 1,302,584 | 1,729,764 | 1,537,867 | 2,212,097 | 4,442,708 | 1,371,647 | 1,344,518 | 680,958 | 289,236 | 544,485 | 1,464,747 |
| Other capital assets less reserves..... | 3,969,328 | — | 158,084 | 299,600 | 343,965 | 419,239 | 963,655 | 264,401 | 296,523 | 219,440 | 150,558 | 343,942 | 509,921 |
| Accounts and notes payable..... | 31,373,515 | — | 1,496,695 | 2,780,140 | 3,203,138 | 4,284,921 | 9,108,497 | 2,747,737 | 2,462,043 | 1,163,921 | 771,196 | 1,023,910 | 2,331,317 |
| Other current liabilities..... | 12,923,578 | — | 371,772 | 711,318 | 843,370 | 1,043,523 | 3,091,940 | 1,164,404 | 1,302,317 | 803,867 | 508,610 | 921,743 | 2,160,714 |
| Mortgages, notes, and bonds payable in one year or more..... | 14,103,707 | — | 516,993 | 1,038,497 | 1,032,110 | 1,353,760 | 3,192,576 | 1,173,214 | 1,223,183 | 873,189 | 658,357 | 1,010,211 | 2,031,617 |
| Net worth..... | 23,091,866 | — | 652,898 | 1,972,469 | 2,193,155 | 2,861,788 | 5,802,291 | 1,731,940 | 1,596,397 | 865,752 | 713,745 | 1,511,361 | 3,188,070 |
| Cost of property used for investment credit..... | 4,669,236 | 14,786 | 398,059 | 557,687 | 535,269 | 630,191 | 1,054,379 | 322,537 | 327,805 | 140,910 | 75,065 | 117,114 | 495,434 |
| Total receipts..... | 181,550,922 | 572,031 | 18,164,444 | 20,141,329 | 18,653,691 | 23,747,003 | 45,135,113 | 12,901,618 | 11,220,165 | 6,491,942 | 4,005,355 | 6,737,840 | 13,780,391 |
| Business receipts..... | 176,745,105 | 548,936 | 17,940,602 | 19,910,690 | 18,309,977 | 23,325,756 | 44,079,593 | 12,528,685 | 10,826,767 | 6,233,399 | 3,775,347 | 6,317,812 | 12,947,441 |
| Cost of sales and operations..... | 142,818,285 | 418,059 | 13,000,916 | 14,778,772 | 14,179,009 | 18,748,463 | 36,331,694 | 10,822,357 | 9,356,568 | 5,483,703 | 3,343,384 | 5,443,977 | 10,811,393 |
| Taxes paid..... | 3,782,109 | 17,198 | 556,186 | 452,381 | 530,719 | 900,719 | 2,111,737 | 199,843 | 82,147 | 48,566 | 74,627 | 198,294 | 198,294 |
| Interest paid..... | 2,050,494 | 10,046 | 125,354 | 188,480 | 190,919 | 233,143 | 470,068 | 147,571 | 142,685 | 87,738 | 69,324 | 105,817 | 278,348 |
| Depreciation..... | 3,176,543 | 18,870 | 300,250 | 361,123 | 317,573 | 398,770 | 746,748 | 231,129 | 203,183 | 106,648 | 51,601 | 94,966 | 345,749 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 860,981 | 1,718 | 37,261 | 63,966 | 71,696 | 134,619 | 251,740 | 59,831 | 63,068 | 19,409 | 14,810 | 48,917 | 93,946 |
| Employee benefit programs..... | 719,245 | 4,811 | 64,320 | 80,336 | 83,677 | 104,224 | 196,672 | 45,404 | 36,527 | 14,668 | 14,117 | 21,595 | 52,894 |
| Net income (less deficit)..... | 4,517,522 | -4,249 | 233,146 | 442,597 | 533,317 | 515,848 | 1,135,775 | 293,865 | 271,712 | 99,557 | 122,112 | 317,085 | 556,757 |
| Income subject to tax..... | 6,536,536 | 35,768 | 618,529 | 769,636 | 707,341 | 754,859 | 1,537,375 | 419,851 | 380,655 | 178,748 | 159,564 | 375,871 | 604,339 |
| Income tax, total..... | 5,047,435 | 25,365 | 291,812 | 494,141 | 514,421 | 567,247 | 1,271,053 | 355,236 | 314,934 | 156,602 | 130,641 | 582,883 | 582,883 |
| Additional tax for tax preferences..... | 1,919,876 | 10,405 | 81,861 | 111,452 | 144,202 | 190,573 | 524,712 | 161,735 | 146,664 | 73,002 | 60,126 | 155,850 | 279,294 |
| Foreign tax credit..... | 3,737 | — | *166 | *79 | *() | *228 | 564 | 301 | 245 | 276 | 26 | 538 | 538 |
| U.S. possessions tax credit..... | 122,733 | — | *() | — | — | — | *2,752 | *131 | 4,457 | 363 | 4,156 | 51,808 | 59,066 |
| Investment credit..... | 2,051 | — | — | — | 25 | 275 | 981 | 770 | — | — | — | — | — |
| Work incentive (WIN) credit..... | 220,629 | 767 | 7,142 | 20,108 | 22,205 | 30,502 | 61,752 | 15,395 | 16,131 | 7,681 | 4,951 | 8,672 | 25,323 |
| New jobs credit..... | 444 | — | — | *78 | — | — | *304 | *9 | 11 | — | 8 | 1 | 1 |
| Distributions to stockholders except in own stock..... | 238,736 | *1,119 | 15,068 | 30,468 | 32,417 | 48,472 | 81,921 | 16,898 | 7,929 | 2,085 | 1,183 | 648 | 528 |
| Distributions to stockholders except in own stock..... | 556,171 | *3,599 | 86,875 | 49,822 | 53,397 | 37,640 | 79,550 | 18,388 | 19,335 | 15,552 | 14,265 | 32,958 | 144,790 |

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

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Construction: General Building Contractors and Operative Builders | | | | | | | | | | | | | |
| Number of returns..... | 84,924 | 1,528 | 41,753 | 17,903 | 10,247 | 6,281 | 6,219 | 588 | 275 | 70 | 34 | 19 | 7 |
| Total assets..... | 45,012,301 | — | 1,344,205 | 2,995,725 | 3,643,573 | 4,442,177 | 12,460,186 | 4,030,667 | 4,051,437 | 2,406,608 | 2,401,404 | 2,981,108 | 4,255,211 |
| Notes and accounts receivable, net..... | 10,264,640 | — | 252,558 | 588,656 | 720,258 | 978,335 | 3,133,691 | 1,104,619 | 976,297 | 456,281 | 514,986 | 619,103 | 919,856 |
| Inventories..... | 10,420,146 | — | 260,231 | 691,931 | 1,217,324 | 1,236,144 | 3,242,001 | 960,507 | 1,014,350 | 494,117 | 417,482 | 547,733 | 338,326 |
| Cash, Government obligations, and other current assets..... | 10,136,629 | — | 332,250 | 722,361 | 833,397 | 1,019,453 | 2,826,437 | 836,316 | 862,520 | 638,560 | 505,633 | 731,194 | 828,708 |
| Other investments and loans..... | 3,876,649 | — | 117,612 | 243,839 | 158,329 | 290,313 | 874,137 | 316,944 | 343,059 | 208,715 | 380,594 | 366,881 | 576,226 |
| Depreciable assets..... | 10,452,228 | — | 559,190 | 860,311 | 690,733 | 940,727 | 2,481,584 | 801,756 | 849,090 | 633,494 | 454,977 | 653,858 | 1,526,708 |
| Less: Accumulated depreciation..... | 4,257,485 | — | 301,814 | 431,276 | 297,547 | 413,627 | 1,128,687 | 300,921 | 326,450 | 229,299 | 162,955 | 254,787 | 410,122 |
| Other capital assets less reserves..... | 2,687,606 | — | 92,381 | 202,852 | 233,517 | 260,731 | 630,211 | 150,873 | 205,692 | 105,278 | 142,782 | 264,404 | 398,885 |
| Accounts and notes payable..... | 17,785,254 | — | 579,810 | 1,437,863 | 1,802,650 | 2,125,833 | 5,537,847 | 1,708,942 | 1,530,062 | 670,498 | 639,248 | 563,594 | 1,188,907 |
| Other current liabilities..... | 6,296,781 | — | 140,528 | 360,075 | 422,329 | 421,484 | 1,776,863 | 665,382 | 674,484 | 377,897 | 350,032 | 446,310 | 661,397 |
| Mortgages, notes, and bonds payable in one year or more..... | 7,933,611 | — | 171,834 | 459,383 | 489,658 | 579,493 | 1,923,580 | 677,628 | 794,342 | 524,472 | 577,895 | 721,699 | 1,013,627 |
| Net worth..... | 7,764,756 | — | 232,997 | 281,179 | 592,302 | 871,851 | 2,085,020 | 560,376 | 510,148 | 380,042 | 500,909 | 702,570 | 1,047,362 |
| Cost of property used for investment credit..... | 1,228,273 | 429 | 90,844 | 124,916 | 102,232 | 115,272 | 272,048 | 75,755 | 70,800 | 53,769 | 33,495 | 53,387 | 235,326 |
| Total receipts..... | 78,660,877 | 176,356 | 6,597,399 | 7,155,330 | 7,537,764 | 9,400,154 | 22,172,664 | 6,444,271 | 5,380,975 | 2,767,331 | 2,876,541 | 3,401,625 | 4,750,467 |
| Business receipts..... | 76,403,771 | 169,260 | 6,530,087 | 7,068,910 | 7,405,467 | 9,220,239 | 21,603,549 | 6,238,577 | 5,145,448 | 2,620,593 | 2,697,691 | 3,198,817 | 4,505,133 |
| Cost of sales and operations..... | 65,783,246 | 140,390 | 5,291,496 | 5,826,441 | 6,242,365 | 7,893,205 | 18,885,553 | 5,591,998 | 4,582,396 | 2,262,246 | 2,373,758 | 2,787,219 | 3,896,179 |
| Taxes paid..... | 1,136,641 | 5,592 | 127,357 | 124,771 | 109,721 | 130,952 | 297,896 | 70,703 | 78,250 | 39,039 | 35,304 | 41,167 | 74,889 |
| Interest paid..... | 1,134,393 | 4,374 | 59,174 | 91,831 | 98,589 | 104,495 | 275,298 | 82,124 | 88,871 | 53,021 | 50,223 | 68,933 | 150,223 |
| Depreciation..... | 865,981 | 3,899 | 73,587 | 78,807 | 75,058 | 84,344 | 209,715 | 59,058 | 59,281 | 41,422 | 28,838 | 39,472 | 112,550 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 260,044 | *516 | 5,140 | 19,839 | 15,763 | 38,441 | 88,341 | 22,368 | 23,478 | 8,688 | 9,619 | 14,823 | 13,028 |
| Employee benefit programs..... | 177,272 | 2,318 | 17,644 | 15,135 | 17,850 | 26,359 | 48,990 | 15,291 | 12,128 | 7,293 | 12,020 | 7,938 | 4,306 |
| Net income (less deficit)..... | 1,464,691 | -21,253 | 19,821 | 45,250 | 152,843 | 177,226 | 445,446 | 111,489 | 92,265 | 58,483 | 108,154 | 91,631 | 183,336 |
| Net income..... | 2,448,215 | 6,170 | 182,835 | 208,847 | 231,831 | 263,135 | 644,866 | 178,304 | 153,684 | 87,647 | 132,370 | 127,860 | 230,918 |
| Income subject to tax..... | 1,865,007 | *3,285 | 95,054 | 144,727 | 149,515 | 184,562 | 504,768 | 148,362 | 119,585 | 78,748 | 106,325 | 112,396 | 217,680 |
| Income tax, total..... | 712,000 | *1,437 | 20,369 | 30,632 | 38,155 | 57,721 | 201,289 | 66,117 | 54,255 | 36,472 | 48,665 | 52,618 | 104,270 |
| Additional tax for tax preferences..... | 1,811 | — | — | — | — | — | 346 | 187 | 221 | 214 | 276 | 247 | 247 |
| Foreign tax credit..... | 45,047 | — | — | — | — | — | — | — | 5 | 257 | 184 | 2,183 | 35,889 |
| U.S. possessions tax credit..... | 264 | — | — | — | — | — | — | — | — | — | — | — | — |
| Investment credit..... | 56,445 | *15 | 1,992 | 3,811 | 3,582 | 5,585 | 14,744 | 4,093 | 3,931 | 2,785 | 3,029 | 1,304 | 11,574 |
| Work incentive (WIN) credit..... | 348 | — | — | *78 | — | *247 | *11 | *9 | 2 | — | — | — | — |
| New jobs credit..... | 70,204 | 12 | 2,846 | 4,720 | 7,301 | 12,877 | 29,116 | 7,124 | 3,542 | 1,146 | 967 | 353 | 200 |
| Distributions to stockholders except in own stock..... | 159,269 | *790 | 22,795 | *6,217 | 14,456 | 21,291 | 18,331 | 4,484 | 7,124 | 10,082 | 9,308 | 11,386 | 33,005 |
| Construction: Heavy Construction Contractors | | | | | | | | | | | | | |
| Number of returns..... | 16,875 | 458 | 6,198 | 3,258 | 2,258 | 2,262 | 1,959 | 290 | 137 | 27 | 20 | 8 | 8 |
| Total assets..... | 20,933,024 | — | 234,060 | 524,454 | 801,203 | 1,627,309 | 4,040,263 | 1,928,716 | 2,009,128 | 935,787 | 2,498,638 | 6,333,466 | 1,405,904 |
| Notes and accounts receivable, net..... | 5,580,849 | — | 42,058 | 122,994 | 219,246 | 480,773 | 1,257,359 | 531,542 | 543,007 | 234,730 | 743,238 | 1,405,904 | 695,335 |
| Inventories..... | 1,482,814 | — | 5,041 | 8,944 | 18,604 | 61,884 | 165,931 | 110,724 | 164,246 | 73,370 | 178,735 | 836,026 | 651,333 |
| Cash, Government obligations, and other current assets..... | 4,112,348 | — | 37,479 | 102,795 | 182,800 | 336,709 | 876,033 | 469,084 | 424,992 | 151,807 | 594,623 | 3,061,748 | 1,054,625 |
| Other investments and loans..... | 1,911,147 | — | 16,999 | 28,987 | 45,395 | 118,476 | 283,419 | 139,581 | 176,452 | 94,550 | 355,955 | 844,844 | 383,377 |
| Depreciable assets..... | 13,383,873 | — | 212,908 | 527,323 | 779,647 | 1,469,489 | 3,180,690 | 1,354,908 | 1,412,058 | 540,260 | 844,844 | 2,498,638 | 1,142,410 |
| Less: Accumulated depreciation..... | 7,177,311 | — | 105,402 | 289,245 | 468,723 | 922,113 | 1,968,302 | 821,799 | 853,019 | 308,799 | 385,290 | 1,499,317 | 1,103,038 |
| Other capital assets less reserves..... | 678,604 | — | 12,165 | 19,934 | 13,721 | 56,864 | 152,234 | 76,592 | 67,743 | 82,938 | 83,377 | 142,410 | 1,103,038 |
| Accounts and notes payable..... | 5,284,366 | — | 152,294 | 160,550 | 275,512 | 542,849 | 1,223,067 | 532,517 | 508,087 | 227,781 | 529,299 | 1,142,410 | 1,499,317 |
| Other current liabilities..... | 3,257,555 | — | 21,899 | 23,977 | 49,968 | 125,911 | 386,573 | 189,135 | 280,371 | 149,913 | 149,913 | 530,491 | 1,499,317 |
| Mortgages, notes, and bonds payable in one year or more..... | 3,172,598 | — | 56,856 | 83,627 | 118,301 | 259,866 | 613,418 | 285,413 | 285,651 | 201,843 | 249,633 | 1,017,990 | 2,140,708 |
| Net worth..... | 7,411,868 | — | 44,318 | 203,875 | 305,353 | 607,434 | 1,593,083 | 669,507 | 710,784 | 274,221 | 951,221 | 2,600,108 | 2,140,708 |
| Cost of property used for investment credit..... | 1,708,863 | *11,200 | 33,682 | 81,581 | 122,879 | 219,589 | 436,479 | 189,726 | 196,123 | 58,776 | 98,540 | 260,108 | 2,140,708 |
| Total receipts..... | 37,344,404 | 178,414 | 976,621 | 1,093,838 | 1,841,943 | 3,935,405 | 8,678,294 | 3,029,539 | 3,565,726 | 1,283,376 | 3,731,324 | 9,029,824 | 8,442,308 |
| Business receipts..... | 35,740,112 | 171,753 | 917,853 | 1,065,884 | 1,769,551 | 3,840,117 | 8,448,862 | 2,924,224 | 3,458,871 | 1,220,869 | 3,479,820 | 8,442,308 | 7,015,204 |
| Cost of sales and operations..... | 28,759,758 | 140,370 | 629,104 | 633,633 | 1,261,641 | 2,991,869 | 6,646,592 | 2,449,392 | 2,980,829 | 1,053,602 | 2,957,585 | 7,215,204 | 123,405 |
| Taxes paid..... | 751,442 | 4,409 | 24,781 | 40,517 | 55,841 | 96,398 | 210,384 | 63,381 | 65,610 | 21,741 | 36,975 | 129,126 | 233,199 |
| Interest paid..... | 434,067 | 1,727 | 8,088 | 14,032 | 20,784 | 40,273 | 85,393 | 38,557 | 36,831 | 20,825 | 38,421 | 129,126 | 233,199 |
| Depreciation..... | 1,161,294 | 8,375 | 29,570 | 54,521 | 79,974 | 131,779 | 284,618 | 117,709 | 104,710 | 43,793 | 73,078 | 129,126 | 233,199 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 236,622 | 86 | *1,614 | *6,602 | 6,520 | 16,876 | 42,705 | 17,580 | 21,066 | 5,881 | 36,774 | 80,818 | 48,588 |
| Employee benefit programs..... | 165,772 | *351 | *3,510 | *5,553 | 6,752 | 13,881 | 45,001 | 13,069 | 13,000 | 1,803 | 14,264 | 373,421 | 373,421 |
| Net income (less deficit)..... | 1,303,359 | 9,448 | 40,994 | 21,947 | 96,754 | 146,490 | 328,942 | 119,473 | 123,715 | 50,359 | 264,895 | 373,421 | 373,421 |
| Net income..... | 1,614,677 | 12,739 | 40,512 | 57,377 | 96,754 | 146,490 | 328,942 | 119,473 | 123,715 | 50,359 | 264,895 | 373,421 | 373,421 |
| Income subject to tax..... | 1,372,439 | *9,270 | 14,983 | 32,407 | 68,341 | 101,657 | 276,491 | 103,453 | 112,950 | 40,327 | 247,357 | 365,203 | 373,421 |
| Income tax, total..... | 596,487 | *4,306 | 3,465 | 7,397 | 19,525 | 37,862 | 117,867 | 47,856 | 53,283 | 18,884 | 111,018 | 175,024 | 108 |
| Additional tax for tax preferences..... | 1,101 | — | — | — | — | *228 | *126 | *96 | 302 | 23 | 218 | 108 | 108 |
| Foreign tax credit..... | 75,277 | — | — | — | — | — | *1,403 | — | 3,189 | 172 | 47,252 | 23,177 | 23,177 |
| U.S. possessions tax credit..... | 770 | — | — | — | — | — | — | 770 | — | — | — | — | — |
| Investment credit..... | 90,196 | *595 | 823 | 2,722 | 5,533 | 9,712 | 27,020 | 8,221 | 8,712 | 3,905 | 9,204 | 13,749 | 13,749 |
| Work incentive (WIN) credit..... | *11 | — | — | — | — | — | — | — | 9 | — | — | — | — |
| New jobs credit..... | 36,739 | *151 | *1,403 | *1,017 | *1,980 | 5,928 | 17,675 | 4,586 | 2,483 | 677 | 511 | 328 | 328 |
| Distributions to stockholders except in own stock..... | 211,403 | 1,871 | *2,627 | *5,900 | *23,025 | 8,427 | 16,605 | 8,739 | 6,712 | 3,258 | 22,454 | 111,785 | 111,785 |

Corporation Returns/1977

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Construction: Special Trade Contractors | | | | | | | | | | | | | |
| Number of returns..... | 112,946 | 2,019 | 66,670 | 23,889 | 10,189 | 6,160 | 3,625 | 254 | 105 | 29 | 6 | | |
| Total assets..... | 25,276,697 | — | 2,225,784 | 3,822,776 | 3,492,134 | 4,273,480 | 6,650,278 | 1,697,450 | 1,601,332 | 1,055,975 | 457,488 | | |
| Notes and accounts receivable, net..... | 8,888,993 | — | 603,511 | 1,185,318 | 1,303,960 | 1,693,318 | 2,534,860 | 636,124 | 515,595 | 288,673 | 127,634 | | |
| Inventories..... | 3,790,180 | — | 229,137 | 463,010 | 478,216 | 568,636 | 1,034,274 | 278,919 | 461,604 | 271,715 | 4,669 | | |
| Cash, Government obligations, and other current assets..... | 4,798,838 | — | 458,359 | 784,270 | 644,539 | 788,371 | 1,286,699 | 323,593 | 259,385 | 118,080 | 135,542 | | |
| Other investments and loans..... | 1,715,904 | — | 137,774 | 253,961 | 202,044 | 245,045 | 374,309 | 94,467 | 125,051 | 145,255 | 137,998 | | |
| Depreciable assets..... | 10,396,084 | — | 1,584,036 | 1,972,606 | 1,492,653 | 1,685,114 | 2,460,636 | 529,087 | 357,142 | 262,889 | 51,921 | | |
| Less: Accumulated depreciation..... | 5,485,815 | — | 895,368 | 1,009,243 | 771,597 | 876,357 | 1,345,719 | 248,927 | 165,049 | 142,866 | 30,689 | | |
| Other capital assets less reserves..... | 605,118 | — | 53,538 | 76,818 | 96,727 | 101,644 | 181,210 | 36,936 | 23,088 | 31,224 | 3,937 | | |
| Accounts and notes payable..... | 8,293,895 | — | 764,591 | 1,181,727 | 1,124,976 | 1,616,239 | 2,347,583 | 506,278 | 423,894 | 265,642 | 62,965 | | |
| Other current liabilities..... | 3,369,242 | — | 209,345 | 327,266 | 371,073 | 496,128 | 928,504 | 309,887 | 347,462 | 276,057 | 103,520 | | |
| Mortgages, notes, and bonds payable in one year or more..... | 2,997,488 | — | 288,303 | 495,487 | 424,151 | 514,401 | 655,578 | 210,173 | 143,190 | 146,874 | 119,341 | | |
| Net worth..... | 7,915,242 | — | 464,219 | 1,487,415 | 1,295,500 | 1,382,503 | 2,124,188 | 502,057 | 377,465 | 211,489 | 70,406 | | |
| Cost of property used for investment credit..... | 1,732,280 | 3,157 | 273,533 | 351,190 | 310,158 | 295,330 | 345,852 | 57,056 | 60,882 | 28,365 | 6,757 | | |
| Total receipts..... | 65,545,641 | 217,261 | 10,590,424 | 11,892,161 | 9,273,984 | 10,411,444 | 14,284,155 | 3,427,808 | 2,273,464 | 2,441,235 | 733,705 | | |
| Business receipts..... | 64,601,222 | 207,923 | 10,492,662 | 11,775,896 | 9,134,859 | 10,265,400 | 14,027,182 | 3,365,884 | 2,222,448 | 2,391,937 | 716,931 | | |
| Cost of sales and operations..... | 48,275,281 | 137,362 | 7,080,316 | 8,318,698 | 6,675,003 | 7,863,389 | 10,799,549 | 2,780,967 | 1,793,343 | 2,167,855 | 658,799 | | |
| Taxes paid..... | 1,894,026 | 7,197 | 340,419 | 390,898 | 286,819 | 303,369 | 391,574 | 77,653 | 54,983 | 31,367 | 8,747 | | |
| Interest paid..... | 482,034 | 3,945 | 58,092 | 82,617 | 71,546 | 88,375 | 109,377 | 26,880 | 16,983 | 13,892 | 10,327 | | |
| Depreciation..... | 1,149,268 | 6,596 | 197,143 | 227,795 | 162,541 | 182,610 | 252,415 | 54,362 | 39,192 | 21,433 | 5,181 | | |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 364,315 | *1,116 | 30,507 | 37,525 | 49,413 | 79,302 | 120,694 | 19,883 | 18,524 | 4,840 | 2,511 | | |
| Employee benefit programs..... | 376,201 | *2,142 | 53,166 | 59,848 | 59,075 | 83,984 | 120,681 | 17,044 | 11,399 | 5,572 | 1,490 | | |
| Net income (less deficit)..... | 1,749,472 | 7,556 | 191,378 | 356,353 | 309,080 | 237,081 | 439,904 | 97,080 | 88,572 | 23,319 | —851 | | |
| Net income..... | 2,473,644 | 16,859 | 395,434 | 503,412 | 378,756 | 345,234 | 563,567 | 116,074 | 103,256 | 40,742 | 10,310 | | |
| Income subject to tax..... | 1,809,989 | *12,810 | 181,775 | 317,007 | 296,565 | 281,028 | 469,794 | 103,421 | 82,399 | 37,527 | 7,663 | | |
| Income tax, total..... | 611,389 | *4,662 | 38,027 | 73,423 | 66,522 | 94,990 | 205,556 | 47,762 | 39,126 | 17,646 | 3,675 | | |
| Additional tax for tax preferences..... | 825 | — | *166 | *79 | — | — | *92 | *18 | 462 | 8 | — | | |
| Foreign tax credit..... | 2,409 | — | — | — | — | — | *1,349 | 42 | 1,011 | 7 | — | | |
| U.S. possessions tax credit..... | 1,017 | — | — | — | 25 | 11 | 981 | — | — | — | — | | |
| Investment credit..... | 73,988 | *157 | 4,327 | 13,575 | 13,090 | 15,205 | 19,888 | 3,081 | 3,488 | 991 | 86 | | |
| Work incentive (WIN) credit..... | *85 | — | — | — | — | *57 | *21 | — | (1) | — | 7 | | |
| New jobs credit..... | 131,793 | *956 | 10,819 | 24,731 | 23,136 | 29,667 | 35,130 | 5,188 | 1,904 | 262 | — | | |
| Distributions to stockholders except in own stock..... | 185,499 | *938 | 61,453 | 37,705 | 15,916 | 7,922 | 44,614 | 5,165 | 5,499 | 2,212 | 4,075 | | |
| Total Manufacturing | | | | | | | | | | | | | |
| Number of returns..... | 231,149 | 4,823 | 92,742 | 44,018 | 29,933 | 23,086 | 27,288 | 4,209 | 2,566 | 958 | 578 | 449 | 499 |
| Total assets..... | 1,182,263,458 | — | 3,587,875 | 7,181,823 | 10,748,309 | 16,535,686 | 58,973,536 | 29,060,044 | 39,313,131 | 33,399,752 | 40,600,693 | 70,893,831 | 871,968,778 |
| Notes and accounts receivable, net..... | 263,833,820 | — | 857,624 | 1,862,527 | 2,978,048 | 4,508,345 | 15,440,272 | 6,893,971 | 9,279,589 | 7,421,225 | 6,692,925 | 14,076,008 | 191,833,290 |
| Inventories..... | 207,458,394 | — | 647,994 | 1,404,784 | 2,348,459 | 3,859,828 | 16,221,261 | 8,314,202 | 10,777,478 | 8,532,674 | 9,891,741 | 18,184,533 | 129,275,229 |
| Cash, Government obligations, and other current assets..... | 110,682,415 | — | 593,992 | 1,257,278 | 1,674,763 | 2,276,100 | 7,240,473 | 3,476,631 | 4,343,386 | 3,663,087 | 4,086,113 | 7,747,807 | 74,323,785 |
| Other investments and loans..... | 200,877,536 | — | 185,555 | 329,760 | 408,369 | 740,545 | 3,003,178 | 1,746,596 | 3,003,164 | 3,306,032 | 4,681,545 | 9,428,095 | 174,044,697 |
| Depreciable assets..... | 602,208,407 | — | 2,424,976 | 4,297,574 | 6,147,684 | 9,323,499 | 29,613,658 | 14,381,491 | 18,721,188 | 15,248,825 | 19,548,198 | 35,568,983 | 446,932,331 |
| Less: Accumulated depreciation..... | 282,842,472 | — | 1,320,282 | 2,262,404 | 3,323,070 | 4,928,817 | 15,192,470 | 7,094,308 | 8,937,263 | 6,937,677 | 8,781,348 | 16,631,888 | 207,432,945 |
| Other capital assets less reserves..... | 41,881,216 | — | 72,743 | 147,805 | 253,909 | 458,609 | 1,576,167 | 780,128 | 1,135,915 | 1,162,778 | 1,214,189 | 2,191,363 | 28,677,810 |
| Accounts and notes payable..... | 227,399,912 | — | 1,214,104 | 2,155,149 | 3,089,807 | 4,828,526 | 17,088,281 | 7,409,162 | 8,903,106 | 6,376,303 | 7,145,642 | 10,874,542 | 158,315,492 |
| Other current liabilities..... | 120,554,009 | — | 645,430 | 647,653 | 1,002,671 | 1,543,289 | 5,566,529 | 2,636,180 | 3,841,131 | 3,325,990 | 4,128,721 | 8,020,024 | 89,438,391 |
| Mortgages, notes, and bonds payable in one year or more..... | 210,589,393 | — | 612,780 | 1,205,788 | 1,697,150 | 2,522,826 | 8,447,896 | 3,819,227 | 6,015,395 | 5,600,699 | 7,653,112 | 13,137,444 | 159,877,276 |
| Net worth..... | 547,343,667 | — | 594,246 | 2,361,356 | 4,181,068 | 6,853,178 | 25,847,510 | 14,210,767 | 19,103,210 | 16,920,138 | 20,164,368 | 36,569,550 | 400,538,276 |
| Cost of property used for investment credit..... | 67,785,127 | 173,955 | 317,696 | 675,330 | 823,062 | 1,157,308 | 3,205,191 | 1,473,618 | 2,397,636 | 2,014,721 | 3,172,070 | 50,926,862 | |
| Total receipts..... | 1,653,531,899 | 9,240,926 | 12,437,601 | 18,878,676 | 25,853,126 | 39,716,514 | 130,204,334 | 57,116,639 | 71,432,618 | 55,766,511 | 60,599,013 | 103,370,338 | 1,068,915,963 |
| Business receipts..... | 1,591,340,869 | 8,971,605 | 12,271,880 | 18,666,467 | 25,570,341 | 39,221,142 | 128,355,472 | 56,195,545 | 70,033,432 | 54,511,623 | 58,862,951 | 100,071,084 | 1,018,609,327 |
| Cost of sales and operations..... | 1,165,901,411 | 6,540,017 | 8,118,699 | 12,820,392 | 17,981,643 | 28,404,732 | 95,788,099 | 42,276,786 | 52,448,464 | 40,168,347 | 42,828,320 | 70,920,878 | 747,605,044 |
| Taxes paid..... | 44,548,521 | 190,135 | 438,305 | 562,618 | 730,374 | 1,023,876 | 3,047,787 | 1,247,968 | 1,409,625 | 1,618,260 | 2,951,170 | 29,670,913 | |
| Interest paid..... | 25,124,477 | 136,720 | 186,509 | 264,292 | 397,931 | 1,385,268 | 591,581 | 819,847 | 682,410 | 903,566 | 1,448,514 | 18,209,649 | |
| Depreciation..... | 44,372,471 | 201,993 | 256,683 | 423,436 | 548,299 | 782,841 | 2,368,179 | 1,105,179 | 1,397,093 | 1,164,742 | 1,469,982 | 2,550,510 | 32,103,534 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 19,076,277 | 86,427 | 37,801 | 75,320 | 125,911 | 258,516 | 837,320 | 398,952 | 497,518 | 406,264 | 539,101 | 1,028,810 | 14,784,337 |
| Employee benefit programs..... | 14,178,523 | 76,009 | 48,953 | 89,944 | 156,111 | 231,841 | 698,582 | 312,328 | 414,996 | 352,651 | 458,860 | 866,777 | 10,471,471 |
| Net income (less deficit)..... | 100,008,887 | 429,785 | 3,302 | 317,971 | 727,698 | 1,469,975 | 5,532,693 | 2,952,095 | 3,883,841 | 3,459,177 | 3,759,664 | 7,056,374 | 70,416,312 |
| Net income..... | 107,608,932 | 573,288 | 422,667 | 805,379 | 1,104,391 | 1,818,019 | 6,652,071 | 3,367,605 | 4,411,275 | 3,774,875 | 4,081,630 | 7,469,370 | 73,128,362 |
| Income subject to tax..... | 101,639,157 | 413,185 | 255,869 | 607,780 | 836,333 | 1,484,148 | 5,856,298 | 3,121,313 | 4,184,062 | 3,633,436 | 3,845,522 | 7,220,472 | 70,180,469 |
| Income tax, total..... | 47,434,803 | 196,391 | 55,280 | 149,239 | 240,532 | 424,198 | 2,573,593 | 1,454,464 | 1,976,331 | 1,729,734 | 1,818,504 | 3,422,724 | 33,275,813 |
| Additional tax for tax preferences..... | 94,444 | 725 | — | *78 | — | — | 640 | 737 | 736 | 464 | 1,539 | 4,697 | 84,828 |
| Foreign tax credit..... | 10,154,318 | — | — | *78 | *68 | *1,538 | 12,242 | 14,936 | 27,852 | 71,866 | 90,133 | 246,238 | 9,678,773 |
| U.S. possessions tax credit..... | 799,042 | 4,382 | 5 | 243 | 1,214 | 3,511 | 37,073 | 53,326 | 106,610 | 137,381 | 87,062 | 208,923 | 159,302 |
| Investment credit..... | 4,607,188 | 11,029 | 12,474 | 30,346 | 45,222 | 72,564 | 218,763 | 108,337 | 124,888 | 103,858 | 141,126 | 237,168 | 3,501,411 |
| Work incentive (WIN) credit..... | 9,777 | 2 | *124 | *234 | *265 | 1,357 | 1,225 | 336 | 393 | 293 | 202 | 304 | 5,042 |
| New jobs credit..... | 558,785 | 2,948 | 13,969 | 30,506 | 35,688 | 72,355 | 195,198 | 68,670 | 57,783 | 27,622 | 17,362 | 15,913 | 20,771 |
| Distributions to stockholders except in own stock..... | 26, | | | | | | | | | | | | |

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Manufacturing: Food and Kindred Products | | | | | | | | | | | | | |
| Number of returns..... | 16,048 | 120 | 4,483 | 3,240 | 2,113 | 1,986 | 2,991 | 494 | 306 | 131 | 63 | 60 | 61 |
| Total assets..... | 94,030,465 | — | 199,740 | 521,050 | 742,427 | 1,442,340 | 6,537,935 | 3,548,822 | 4,574,982 | 4,450,314 | 4,280,711 | 9,199,292 | 58,532,852 |
| Notes and accounts receivable, net..... | 17,861,750 | — | 25,167 | 108,504 | 147,626 | 350,673 | 1,560,076 | 829,172 | 963,794 | 912,442 | 759,405 | 1,572,048 | 10,632,843 |
| Inventories..... | 19,536,732 | — | 28,208 | 92,957 | 142,206 | 275,264 | 1,375,916 | 816,048 | 1,099,338 | 1,089,742 | 1,044,494 | 2,330,451 | 11,242,108 |
| Cash, Government obligations, and other current assets..... | 8,491,414 | — | 23,307 | 66,315 | 95,474 | 218,502 | 805,222 | 385,741 | 531,349 | 464,745 | 401,338 | 895,039 | 4,551,843 |
| Other investments and loans..... | 16,146,941 | — | *16,133 | 31,791 | 45,276 | 47,725 | 373,258 | 205,597 | 295,400 | 420,775 | 401,338 | 1,226,603 | 13,083,045 |
| Depreciable assets..... | 48,266,762 | — | 208,091 | 420,497 | 544,992 | 1,063,721 | 4,295,435 | 2,221,818 | 2,736,711 | 2,349,999 | 2,467,540 | 4,641,738 | 27,316,220 |
| Less: Accumulated depreciation..... | 21,274,159 | — | 109,367 | 224,178 | 294,563 | 594,660 | 2,225,352 | 1,103,218 | 1,302,360 | 1,062,602 | 1,113,625 | 2,068,075 | 11,176,159 |
| Other capital assets less reserves..... | 2,450,533 | — | 4,213 | 19,382 | 34,594 | 45,789 | 224,116 | 116,321 | 138,374 | 166,053 | 148,003 | 257,141 | 1,296,547 |
| Accounts and notes payable..... | 18,112,863 | — | 56,859 | 134,212 | 196,370 | 404,937 | 1,881,481 | 1,105,142 | 1,332,256 | 1,203,119 | 1,015,709 | 1,929,488 | 8,853,310 |
| Other current liabilities..... | 9,691,135 | — | 27,749 | 28,345 | 56,399 | 106,808 | 481,866 | 279,989 | 365,901 | 390,687 | 368,162 | 833,802 | 6,751,427 |
| Mortgages, notes, and bonds payable in one year or more..... | 16,246,986 | — | 37,381 | 129,183 | 129,020 | 208,295 | 967,398 | 478,065 | 708,785 | 836,325 | 716,598 | 1,755,469 | 10,280,467 |
| Net worth..... | 45,754,198 | — | 50,548 | 178,996 | 305,947 | 667,632 | 2,990,692 | 1,595,428 | 2,004,008 | 1,872,436 | 2,013,148 | 4,523,073 | 29,552,290 |
| Cost of property used for investment credit..... | 5,623,924 | 42,333 | 15,042 | 49,826 | 54,958 | 96,444 | 459,979 | 219,224 | 903,676 | 203,190 | 205,901 | 452,768 | 2,920,583 |
| Total receipts..... | 200,282,466 | 2,208,223 | 766,646 | 1,963,688 | 2,414,007 | 5,685,286 | 22,763,928 | 11,002,908 | 13,719,425 | 11,472,385 | 10,388,589 | 19,119,794 | 98,777,587 |
| Business receipts..... | 196,642,579 | 2,170,588 | 760,946 | 1,948,103 | 2,386,817 | 5,639,951 | 22,537,091 | 10,883,505 | 13,543,794 | 11,314,008 | 10,190,332 | 18,835,473 | 96,431,971 |
| Cost of sales and operations..... | 151,186,646 | 1,841,633 | 559,525 | 1,524,055 | 1,884,474 | 4,651,362 | 18,538,916 | 8,879,131 | 11,180,166 | 9,151,231 | 8,323,767 | 14,308,553 | 70,343,833 |
| Taxes paid..... | 5,061,766 | 29,962 | 19,012 | 39,614 | 41,150 | 80,050 | 377,314 | 167,810 | 187,860 | 363,594 | 302,200 | 781,335 | 2,531,422 |
| Interest paid..... | 2,015,572 | 25,643 | 4,534 | 14,334 | 18,112 | 36,231 | 158,091 | 76,402 | 108,892 | 111,846 | 103,875 | 207,975 | 1,149,655 |
| Depreciation..... | 3,799,536 | 34,402 | 17,051 | 33,714 | 46,497 | 84,652 | 347,432 | 179,663 | 201,967 | 171,496 | 166,195 | 327,961 | 2,188,506 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 1,193,989 | 6,086 | *2,077 | 5,233 | 7,441 | 13,936 | 83,863 | 43,978 | 54,489 | 47,410 | 41,931 | 121,304 | 766,241 |
| Employee benefit programs..... | 942,582 | 5,380 | *3,278 | 3,574 | 5,392 | 15,059 | 64,502 | 31,469 | 51,648 | 38,094 | 36,308 | 120,272 | 567,616 |
| Net income (less deficit)..... | 7,868,406 | 67,142 | -4,885 | 40,907 | 44,183 | 117,542 | 585,213 | 347,016 | 341,406 | 328,319 | 403,487 | 640,176 | 4,957,900 |
| Net income..... | 8,452,384 | 83,207 | 15,878 | 61,055 | 63,949 | 151,795 | 892,396 | 394,076 | 425,195 | 415,574 | 415,574 | 733,986 | 5,038,688 |
| Income subject to tax..... | 8,030,154 | 70,338 | 8,490 | 56,342 | 50,133 | 109,146 | 592,451 | 362,494 | 409,140 | 357,898 | 392,720 | 698,453 | 4,922,549 |
| Income tax, total..... | 3,768,403 | 34,205 | 1,628 | 13,868 | 14,882 | 39,799 | 259,169 | 167,968 | 193,460 | 172,266 | 185,891 | 333,948 | 2,350,859 |
| Additional tax for tax preferences..... | 1,730 | 12 | — | — | — | — | *7 | *153 | 98 | 54 | 411 | 56 | 939 |
| Foreign tax credit..... | 409,159 | 2,080 | — | — | — | *190 | *144 | *1,011 | 686 | 1,111 | 2,302 | 9,443 | 392,192 |
| U.S. possessions tax credit..... | 69,872 | 36 | — | — | — | 69 | 2,493 | 1,343 | 8,469 | 16,516 | 12,475 | 28,471 | — |
| Investment credit..... | 367,955 | 2,873 | *348 | 3,338 | 2,179 | 5,060 | 27,768 | 17,440 | 16,594 | 13,561 | 17,623 | 30,171 | 231,000 |
| Work incentive (WIN) credit..... | 377 | 1 | — | — | — | *57 | *118 | *28 | 20 | 15 | 6 | 13 | 119 |
| New jobs credit..... | 36,532 | *639 | *166 | *2,176 | *660 | 1,382 | 11,472 | 6,055 | 5,573 | 3,288 | 1,489 | 1,847 | 1,847 |
| Distributions to stockholders except in own stock..... | 2,169,116 | 17,396 | *40,055 | *378 | *8,006 | 26,550 | 92,302 | 32,246 | 42,122 | 42,546 | 60,398 | 199,364 | 1,607,753 |
| Manufacturing: Tobacco Manufactures | | | | | | | | | | | | | |
| Number of returns..... | 39 | — | — | — | — | — | *13 | *10 | 5 | — | 5 | — | 6 |
| Total assets..... | 18,693,166 | — | — | — | — | — | *40,482 | *71,130 | 101,257 | 573,840 | 17,906,457 | — | — |
| Notes and accounts receivable, net..... | 2,348,040 | — | — | — | — | — | *13,065 | *6,503 | 31,221 | 76,451 | 2,220,800 | — | — |
| Inventories..... | 4,808,995 | — | — | — | — | — | *35,234 | *37,592 | 37,592 | 242,145 | 4,472,149 | — | — |
| Cash, Government obligations, and other current assets..... | 1,004,429 | — | — | — | — | — | *3,130 | *6,421 | 8,775 | 24,318 | 961,785 | — | — |
| Other investments and loans..... | 5,804,980 | — | — | — | — | — | *13 | *5,550 | 8,200 | 61,048 | 5,730,169 | — | — |
| Depreciable assets..... | 4,770,477 | — | — | — | — | — | *7,715 | *36,441 | 29,207 | 209,975 | 4,487,139 | — | — |
| Less: Accumulated depreciation..... | 1,025,862 | — | — | — | — | — | *6,016 | *20,183 | 15,137 | 79,534 | 904,892 | — | — |
| Other capital assets less reserves..... | 475,381 | — | — | — | — | — | — | *999 | 1,274 | 15,844 | 457,264 | — | — |
| Accounts and notes payable..... | 2,297,342 | — | — | — | — | — | *27,526 | *35,173 | 28,773 | 89,374 | 2,116,496 | — | — |
| Other current liabilities..... | 1,830,738 | — | — | — | — | — | *1,068 | *2,382 | 950 | 37,877 | 1,788,461 | — | — |
| Mortgages, notes, and bonds payable in one year or more..... | 4,360,988 | — | — | — | — | — | *8,925 | *4,296 | 334 | 118,345 | 4,229,088 | — | — |
| Net worth..... | 9,229,957 | — | — | — | — | — | *2,824 | *5,247 | 66,923 | 326,688 | 8,808,275 | — | — |
| Cost of property used for investment credit..... | 436,966 | — | — | — | — | — | *98 | *2,622 | 2,184 | 12,042 | 420,020 | — | — |
| Total receipts..... | 18,037,747 | — | — | — | — | — | *89,609 | *165,086 | 111,370 | 900,738 | 16,770,944 | — | — |
| Business receipts..... | 17,389,892 | — | — | — | — | — | *89,118 | *161,467 | 106,905 | 890,530 | 16,141,672 | — | — |
| Cost of sales and operations..... | 9,636,267 | — | — | — | — | — | *75,301 | *149,679 | 77,851 | 562,154 | 8,771,282 | — | — |
| Taxes paid..... | 2,270,828 | — | — | — | — | — | *5,849 | *1,438 | 8,284 | 65,814 | 2,169,443 | — | — |
| Interest paid..... | 449,743 | — | — | — | — | — | *2,401 | *3,087 | 1,294 | 13,617 | 429,344 | — | — |
| Depreciation..... | 365,079 | — | — | — | — | — | *322 | *2,234 | 1,561 | 13,688 | 347,074 | — | — |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 168,282 | — | — | — | — | — | — | *216 | 129 | 6,494 | 161,443 | — | — |
| Employee benefit programs..... | 172,869 | — | — | — | — | — | *182 | *140 | 289 | 6,586 | 165,672 | — | — |
| Net income (less deficit)..... | 1,881,635 | — | — | — | — | — | *-4,707 | *1,985 | 7,505 | 67,620 | 1,809,232 | — | — |
| Net income..... | 1,890,747 | — | — | — | — | — | *651 | *1,985 | 7,547 | 71,332 | 1,809,232 | — | — |
| Income subject to tax..... | 1,818,149 | — | — | — | — | — | *651 | *1,829 | 6,872 | 71,321 | 1,737,476 | — | — |
| Income tax, total..... | 853,300 | — | — | — | — | — | *266 | *786 | 3,267 | 34,189 | 814,792 | — | — |
| Additional tax for tax preferences..... | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Foreign tax credit..... | 119,727 | — | — | — | — | — | — | — | — | 62 | 119,665 | — | — |
| U.S. possessions tax credit..... | 10,181 | — | — | — | — | — | — | 378 | 1,895 | 7,908 | — | — | — |
| Investment credit..... | 41,169 | — | — | — | — | — | *7 | *216 | 65 | 568 | 40,313 | — | — |
| Work incentive (WIN) credit..... | 5 | — | — | — | — | — | — | — | — | — | 5 | — | — |
| New jobs credit..... | *430 | — | — | — | — | — | — | *66 | 25 | 107 | 232 | — | — |
| Distributions to stockholders except in own stock..... | 441,330 | — | — | — | — | — | — | *120 | 755 | 22,769 | 417,686 | — | — |

Corporation Returns/1977

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

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Manufacturing: Textile Mill Products | | | | | | | | | | | | | |
| Number of returns..... | 5,805 | 28 | 2,403 | 620 | 808 | 609 | 889 | 198 | 138 | 54 | 27 | 17 | 14 |
| Total assets..... | 19,824,326 | — | 90,217 | 113,381 | 295,017 | 443,267 | 2,120,972 | 1,402,421 | 2,068,157 | 1,914,450 | 1,883,054 | 2,371,726 | 7,121,684 |
| Notes and accounts receivable, net..... | 5,183,663 | — | 28,174 | 40,229 | 89,809 | 115,280 | 552,534 | 349,482 | 522,377 | 445,110 | 466,370 | 598,586 | 1,975,718 |
| Inventories..... | 5,525,886 | — | 26,304 | 24,407 | 53,236 | 133,785 | 656,242 | 387,253 | 620,710 | 592,083 | 522,574 | 618,616 | 1,890,874 |
| Cash, Government obligations, and other current assets..... | 1,468,880 | — | 10,053 | 10,749 | 40,823 | 48,008 | 230,026 | 124,593 | 183,482 | 147,969 | 144,377 | 148,787 | 377,653 |
| Other investments and loans..... | 1,298,950 | — | *2,452 | *18,304 | *5,521 | 12,819 | 92,210 | 74,771 | 123,523 | 130,856 | 144,262 | 173,613 | 478,619 |
| Depreciable assets..... | 13,595,357 | — | 86,210 | *87,101 | 207,922 | 301,275 | 1,182,728 | 901,128 | 1,246,498 | 1,111,003 | 1,170,124 | 1,576,440 | 5,702,928 |
| Less: Accumulated depreciation..... | 7,699,509 | — | 75,678 | *69,406 | 110,038 | 181,932 | 659,626 | 469,781 | 704,536 | 548,938 | 632,963 | 829,483 | 3,417,128 |
| Other capital assets less reserves..... | 183,128 | — | — | *1,405 | *600 | 6,789 | 27,687 | 17,879 | 30,716 | 18,276 | 26,714 | 16,070 | 36,992 |
| Accounts and notes payable..... | 4,305,244 | — | 71,570 | *40,036 | 108,060 | 159,812 | 667,806 | 388,885 | 527,279 | 390,875 | 360,547 | 297,512 | 1,292,862 |
| Other current liabilities..... | 1,600,689 | — | 19,927 | *11,916 | 27,514 | 33,123 | 177,362 | 78,456 | 139,282 | 163,075 | 153,149 | 185,856 | 601,029 |
| Mortgages, notes, and bonds payable in one year or more..... | 3,350,946 | — | *6,067 | *10,680 | 36,596 | 61,235 | 306,556 | 197,116 | 318,966 | 359,342 | 492,386 | 457,546 | 1,104,456 |
| Net worth..... | 10,019,788 | — | 26,738 | 41,299 | 98,411 | 182,973 | 907,468 | 673,209 | 1,043,168 | 968,654 | 814,724 | 1,380,489 | 3,936,551 |
| Cost of property used for investment credit..... | 1,029,070 | *488 | *3,678 | *3,679 | 44,925 | 29,874 | 88,504 | 84,455 | 71,879 | 86,638 | 71,084 | 117,626 | 426,240 |
| Total receipts..... | 36,407,585 | 150,415 | 389,428 | 395,866 | 755,043 | 1,254,332 | 4,806,945 | 2,853,492 | 3,972,432 | 3,559,230 | 3,168,961 | 3,851,363 | 11,250,076 |
| Business receipts..... | 35,859,792 | 147,703 | 384,543 | 395,079 | 749,328 | 1,236,721 | 4,759,126 | 2,825,778 | 3,926,727 | 3,507,312 | 3,122,257 | 3,797,382 | 11,007,836 |
| Cost of sales and operations..... | 28,087,993 | 124,401 | 280,200 | 306,710 | 554,200 | 983,824 | 3,755,748 | 2,249,586 | 3,193,591 | 2,720,693 | 2,419,760 | 2,898,190 | 8,600,770 |
| Taxes paid..... | 870,266 | 3,227 | 17,295 | 17,666 | 22,808 | 33,489 | 99,545 | 61,950 | 78,444 | 80,388 | 73,179 | 97,925 | 284,350 |
| Interest paid..... | 461,989 | *3,192 | *1,983 | *1,211 | 5,884 | 10,558 | 57,045 | 39,371 | 50,666 | 53,100 | 45,821 | 47,502 | 147,502 |
| Depreciation..... | 959,040 | 4,617 | 5,705 | *6,651 | 16,675 | 20,232 | 86,545 | 63,195 | 82,992 | 90,222 | 79,487 | 114,338 | 388,381 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 230,648 | *260 | *738 | *338 | *3,715 | 5,784 | 20,540 | 11,514 | *10,504 | 17,070 | 21,728 | 29,144 | 101,783 |
| Employee benefit programs..... | 169,419 | *808 | *2,281 | *3,934 | 6,058 | 5,956 | 23,469 | 16,180 | 14,502 | 20,205 | 18,214 | 21,497 | 36,315 |
| Net income (less deficit)..... | 1,286,103 | 2,770 | 9,934 | 1,439 | 21,359 | 38,443 | 120,605 | 117,041 | 127,867 | 169,227 | 107,360 | 209,225 | 395,119 |
| Net income..... | 1,654,168 | *7,441 | 11,845 | *15,360 | 25,643 | 47,346 | 192,188 | 145,582 | 173,665 | 194,186 | 135,092 | 214,887 | 490,833 |
| Income subject to tax..... | 1,543,862 | *5,635 | *2,292 | *15,360 | 22,293 | 30,596 | 169,681 | 129,824 | 161,636 | 185,731 | 120,424 | 211,188 | 482,202 |
| Income tax, total..... | 721,348 | *2,832 | *2,670 | *4,149 | 6,518 | 10,918 | 75,067 | 60,934 | 76,122 | 90,753 | 57,698 | 101,305 | 232,381 |
| Additional tax for tax preferences..... | 119 | — | — | — | — | — | — | 63 | 52 | 4 | (¹) | — | — |
| Foreign tax credit..... | 7,638 | — | — | — | — | — | — | *39 | *417 | 751 | 114 | 1,672 | 1,176 |
| U.S. possessions tax credit..... | 6,644 | 186 | — | — | — | — | — | 1,593 | 3,634 | — | — | — | 3,469 |
| Investment credit..... | 88,564 | *443 | *333 | *468 | 2,797 | 1,081 | 6,269 | 5,940 | 5,484 | 7,967 | 5,355 | 11,392 | 41,035 |
| Work incentive (WIN) credit..... | 261 | — | — | *78 | — | *19 | *35 | *6 | 28 | 41 | 5 | 18 | 30 |
| New jobs credit..... | 21,595 | *93 | *1,476 | *1,395 | *1,997 | *2,142 | 6,427 | 2,998 | 1,874 | 1,666 | 536 | 486 | 405 |
| Distributions to stockholders except in own stock..... | 264,089 | *198 | *2,038 | — | — | *1,591 | 16,543 | 10,303 | 23,455 | 21,705 | 20,226 | 40,352 | 127,676 |
| Manufacturing: Apparel and Other Textile Products | | | | | | | | | | | | | |
| Number of returns..... | 17,390 | 446 | 8,248 | 3,038 | 1,829 | 1,270 | 2,088 | 261 | 139 | 37 | 19 | 9 | 6 |
| Total assets..... | 17,480,819 | — | 325,080 | 523,735 | 661,428 | 909,612 | 4,511,642 | 1,824,796 | 2,029,333 | 1,310,814 | 1,257,222 | 1,515,111 | 2,612,146 |
| Notes and accounts receivable, net..... | 4,981,879 | — | 91,188 | 153,938 | 227,504 | 340,452 | 1,460,521 | 530,084 | 582,506 | 378,923 | 320,208 | 358,856 | 539,699 |
| Inventories..... | 6,211,060 | — | 57,868 | 124,970 | 180,173 | 282,452 | 1,689,233 | 767,812 | 801,758 | 511,484 | 428,711 | 507,903 | 858,696 |
| Cash, Government obligations, and other current assets..... | 1,872,521 | — | 65,847 | 91,974 | 119,607 | 116,974 | 549,116 | 193,706 | 185,542 | 92,536 | 127,234 | 103,610 | 228,375 |
| Other investments and loans..... | 1,456,813 | — | 13,648 | 45,956 | 17,355 | 38,661 | 165,502 | 106,047 | 80,444 | 122,270 | 123,728 | 220,136 | 523,066 |
| Depreciable assets..... | 4,670,455 | — | 183,388 | 197,775 | 186,912 | 244,894 | 1,144,883 | 362,434 | 456,337 | 408,749 | 378,994 | 434,599 | 671,490 |
| Less: Accumulated depreciation..... | 2,301,636 | — | 100,442 | 103,426 | 94,123 | 134,145 | 580,049 | 177,301 | 205,742 | 195,598 | 175,646 | 209,217 | 331,947 |
| Other capital assets less reserves..... | 174,805 | — | *2,131 | 2,264 | 7,735 | 4,328 | 38,542 | 17,155 | 45,851 | 9,739 | 23,710 | 11,260 | 12,090 |
| Accounts and notes payable..... | 5,089,572 | — | 107,382 | 191,151 | 230,772 | 369,335 | 1,742,088 | 623,460 | 596,842 | 303,786 | 230,759 | 252,966 | 441,031 |
| Other current liabilities..... | 1,822,088 | — | 54,741 | 102,290 | 104,757 | 118,485 | 443,475 | 145,928 | 162,244 | 116,760 | 106,965 | 190,059 | 276,384 |
| Mortgages, notes, and bonds payable in one year or more..... | 2,073,990 | — | 41,008 | 40,050 | 52,386 | 65,000 | 392,693 | 125,320 | 280,325 | 202,991 | 258,999 | 316,291 | 298,925 |
| Net worth..... | 7,800,205 | — | 54,203 | 135,399 | 224,959 | 319,581 | 1,797,382 | 896,627 | 924,271 | 643,590 | 638,321 | 651,732 | 1,514,140 |
| Cost of property used for investment credit..... | 416,006 | 4,027 | 29,766 | 30,981 | 27,613 | 22,846 | 83,705 | 31,182 | 35,628 | 30,806 | 31,712 | 53,882 | 154,140 |
| Total receipts..... | 40,146,024 | 454,743 | 1,880,788 | 1,893,686 | 2,125,743 | 2,860,138 | 11,548,552 | 4,219,477 | 4,089,896 | 2,479,868 | 2,074,025 | 2,505,234 | 4,013,874 |
| Business receipts..... | 39,608,716 | 443,882 | 1,873,381 | 1,870,998 | 2,116,664 | 2,834,714 | 11,436,845 | 4,184,440 | 4,018,217 | 2,456,761 | 2,027,890 | 2,435,124 | 3,909,797 |
| Cost of sales and operations..... | 29,808,655 | 309,530 | 1,373,233 | 1,371,887 | 1,632,299 | 2,153,622 | 8,923,131 | 3,207,464 | 3,024,337 | 1,819,755 | 1,510,804 | 1,781,670 | 2,700,923 |
| Taxes paid..... | 985,582 | 13,858 | 97,967 | 58,029 | 72,373 | 102,286 | 322,286 | 173,862 | 90,800 | 55,859 | 49,661 | 65,723 | 87,796 |
| Interest paid..... | 441,198 | 6,502 | 6,441 | 15,340 | 12,357 | 23,621 | 129,710 | 36,855 | 53,272 | 32,141 | 32,677 | 49,992 | 42,290 |
| Depreciation..... | 372,670 | 4,621 | 21,908 | 23,143 | 15,935 | 19,308 | 82,061 | 29,969 | 36,704 | 29,858 | 29,693 | 32,737 | 46,733 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 211,659 | 1,690 | *6,836 | *6,679 | 9,845 | 17,824 | 61,194 | 19,546 | 18,145 | 15,761 | 8,709 | 13,885 | 31,745 |
| Employee benefit programs..... | 177,659 | 2,515 | 1,876 | 2,963 | 8,039 | 26,490 | 51,513 | 12,865 | 12,865 | 8,677 | 7,838 | 22,121 | 21,745 |
| Net income (less deficit)..... | 1,622,032 | 21,020 | 4,939 | 21,554 | 22,228 | 55,149 | 334,707 | 223,060 | 229,296 | 115,053 | 93,220 | 89,742 | 421,942 |
| Net income..... | 1,941,517 | 37,996 | 40,441 | 66,718 | 56,136 | 73,658 | 419,300 | 241,418 | 244,591 | 134,090 | 112,181 | 93,046 | 421,942 |
| Income subject to tax..... | 1,761,388 | 36,823 | 24,900 | 49,401 | 44,225 | 54,461 | 367,870 | 217,100 | 223,060 | 127,844 | 102,793 | 92,455 | 420,456 |
| Income tax, total..... | 794,120 | 17,546 | 6,325 | 13,893 | 12,147 | 19,476 | 160,978 | 101,669 | 105,733 | 60,882 | 49,090 | 44,797 | 201,584 |
| Additional tax for tax preferences..... | *42 | — | — | — | — | — | — | *42 | — | — | — | — | — |
| Foreign tax credit..... | 22,932 | 17 | — | — | — | — | — | *425 | *368 | 1,601 | 862 | 3,557 | 16,057 |
| U.S. possessions tax credit..... | 27,415 | 274 | — | 93 | 478 | 581 | 7,910 | 9,242 | 4,421 | — | 4,416 | — | — |
| Investment credit..... | 30,557 | *291 | 2,062 | 1,244 | 1,407 | 1,036 | 5,869 | 2,355 | 2,746 | 2,860 | 2,472 | 3,097 | 5,118 |
| Work incentive (WIN) credit..... | 132 | (¹) | — | — | — | — | *19 | *33 | *3 | 25 | 30 | 6 | 13 |
| New jobs credit..... | 32,316 | *308 | *2,947 | *5,041 | *1,624 | 1,491 | 12,324 | 4,079 | 2,729 | 793 | 600 | 200 | 200 |
| Distributions to stockholders except in own stock..... | 222,785 | *3,026 | *5,485 | *10,406 | 10,546 | 7,647 | 38,624 | 15,184 | 22,707 | 13,050 | 18,399 | 15,735 | 61,976 |

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

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Manufacturing: Lumber and Wood Products | | | | | | | | | | | | | |
| Number of returns..... | 13,923 | 189 | 4,049 | 4,072 | 2,331 | 1,428 | 1,508 | 167 | 117 | 31 | 14 | 5 | 12 |
| Total assets..... | 29,861,754 | — | 175,892 | 641,795 | 861,589 | 999,740 | 2,996,452 | 1,161,078 | 1,788,408 | 1,030,485 | 990,902 | 810,981 | 18,404,432 |
| Notes and accounts receivable, net..... | 4,161,584 | — | 49,518 | 124,799 | 193,179 | 225,292 | 620,509 | 181,739 | 301,972 | 135,871 | 146,721 | 161,713 | 2,020,271 |
| Inventories..... | 4,986,680 | — | 23,100 | 117,880 | 164,321 | 220,512 | 843,604 | 355,207 | 434,845 | 193,594 | 231,151 | 121,234 | 2,281,232 |
| Cash, Government obligations, and other current assets..... | 2,519,262 | — | 26,996 | 105,696 | 145,256 | 130,781 | 369,532 | 166,949 | 219,521 | 150,464 | 83,793 | 81,292 | 1,038,982 |
| Other investments and loans..... | 4,000,164 | — | *5,369 | 31,865 | 25,991 | 38,832 | 153,359 | 84,458 | 117,294 | 51,908 | 134,400 | 106,381 | 3,248,307 |
| Depreciable assets..... | 18,418,892 | — | 146,774 | 431,300 | 598,569 | 671,698 | 1,737,349 | 501,841 | 771,677 | 411,617 | 470,236 | 359,605 | 12,318,226 |
| Less: Accumulated depreciation..... | 7,864,306 | — | 83,668 | 194,475 | 306,709 | 346,334 | 952,154 | 232,596 | 380,056 | 193,984 | 199,328 | 192,811 | 4,782,191 |
| Other capital assets less reserves..... | 2,684,715 | — | *4,211 | 15,253 | 30,665 | 50,357 | 176,406 | 77,244 | 225,010 | 257,060 | 123,812 | 1,646,154 | — |
| Accounts and notes payable..... | 4,868,452 | — | 81,041 | 167,212 | 232,139 | 266,694 | 841,454 | 312,618 | 374,265 | 200,419 | 147,702 | 151,152 | 2,093,756 |
| Other current liabilities..... | 3,002,709 | — | 22,486 | 47,601 | 64,825 | 84,169 | 112,212 | 114,430 | 162,007 | 108,343 | 109,272 | 72,852 | 1,942,612 |
| Mortgages, notes, and bonds payable in one year or more..... | 6,584,724 | — | 40,563 | 165,094 | 158,402 | 223,654 | 466,160 | 238,088 | 346,562 | 257,386 | 202,725 | 239,621 | 4,246,469 |
| Net worth..... | 13,957,238 | — | 9,538 | 194,074 | 332,115 | 358,761 | 1,334,187 | 423,154 | 765,793 | 386,397 | 420,289 | 329,425 | 9,403,505 |
| Cost of property used for investment credit..... | 2,159,031 | *2,511 | 13,442 | 102,497 | 108,652 | 109,549 | 197,178 | 70,503 | 74,513 | 39,925 | 29,268 | 17,710 | 1,393,283 |
| Total receipts..... | 43,738,110 | 97,336 | 881,553 | 1,615,047 | 2,018,284 | 2,604,723 | 6,741,357 | 2,453,485 | 3,285,354 | 1,981,892 | 1,843,039 | 1,136,927 | 19,076,113 |
| Business receipts..... | 41,492,402 | 96,548 | 869,110 | 1,594,146 | 1,988,946 | 2,563,345 | 6,581,381 | 2,388,497 | 3,154,108 | 1,908,146 | 1,739,571 | 1,065,018 | 17,543,586 |
| Cost of sales and operations..... | 31,105,958 | 67,926 | 593,519 | 1,190,974 | 1,416,289 | 1,905,240 | 5,236,418 | 1,914,257 | 2,568,676 | 1,592,644 | 1,407,754 | 809,854 | 12,402,407 |
| Taxes paid..... | 1,048,471 | *1,684 | 26,977 | 42,406 | 56,807 | 58,093 | 169,360 | 52,167 | 72,038 | 35,016 | 40,364 | 17,702 | 475,857 |
| Interest paid..... | 721,772 | *679 | 8,703 | 18,018 | 23,248 | 29,801 | 79,936 | 33,753 | 44,657 | 23,444 | 27,091 | 24,296 | 408,146 |
| Depreciation..... | 1,398,732 | 2,424 | 17,361 | 57,086 | 57,516 | 63,482 | 140,133 | 40,796 | 56,225 | 27,009 | 35,777 | 27,484 | 873,449 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 302,560 | *3,192 | *1,447 | *1,131 | 5,457 | 9,598 | 37,255 | 10,336 | 13,766 | 7,460 | 21,712 | 6,653 | 184,563 |
| Employee benefit programs..... | 172,453 | *381 | 4,226 | 4,289 | 7,051 | 7,833 | 33,346 | 8,348 | 13,314 | 6,215 | 8,670 | 2,238 | 77,586 |
| Net income (less deficit)..... | 2,575,272 | 11,071 | 24,346 | 42,801 | 83,810 | 98,742 | 326,107 | 97,693 | 161,023 | 99,030 | 118,312 | 40,562 | 1,510,277 |
| Net income..... | 2,814,782 | *11,336 | 47,880 | 42,801 | 102,749 | 110,806 | 372,158 | 130,168 | 185,523 | 122,162 | 135,684 | 43,238 | 1,510,277 |
| Income subject to tax..... | 2,650,000 | *10,333 | 24,749 | 27,907 | 65,879 | 73,145 | 313,960 | 113,669 | 170,417 | 120,298 | 125,826 | 37,805 | 1,566,012 |
| Income tax, total..... | 1,009,081 | *4,768 | 5,466 | 6,334 | 19,516 | 26,099 | 136,110 | 50,434 | 75,008 | 52,368 | 51,805 | 13,228 | 567,945 |
| Additional tax for tax preferences..... | 5,262 | — | — | — | — | — | *7 | *102 | 51 | 78 | 81 | 247 | 4,696 |
| Foreign tax credit..... | 31,312 | — | — | — | — | — | *13 | *12 | 325 | 38 | 4,812 | 13 | 26,099 |
| U.S. possessions tax credit..... | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Investment credit..... | 182,474 | *189 | 762 | 1,338 | 5,033 | 4,109 | 12,993 | 4,178 | 5,188 | 2,802 | 2,200 | 2,146 | 141,536 |
| Work incentive (WIN) credit..... | 266 | — | — | *156 | — | — | *27 | *6 | 11 | 4 | 1 | 60 | — |
| New jobs credit..... | 27,606 | *756 | *2,298 | *2,437 | *2,196 | 3,553 | 8,026 | 2,942 | 2,935 | 805 | 808 | 149 | 701 |
| Distributions to stockholders except in own stock..... | 497,884 | *1,561 | *1,871 | *524 | 15,159 | 15,197 | 38,790 | 6,406 | 12,591 | 8,231 | 12,545 | 8,190 | 376,819 |
| Manufacturing: Furniture and Fixtures | | | | | | | | | | | | | |
| Number of returns..... | 7,653 | *15 | 3,627 | 1,635 | 883 | 607 | 668 | 112 | 65 | 24 | 11 | 6 | — |
| Total assets..... | 7,106,788 | — | 159,273 | 260,470 | 303,086 | 413,790 | 1,457,691 | 800,748 | 1,007,382 | 882,533 | 834,943 | 986,872 | — |
| Notes and accounts receivable, net..... | 1,860,319 | — | 33,084 | 79,104 | 88,940 | 117,502 | 400,772 | 206,683 | 263,739 | 222,501 | 205,838 | 242,516 | — |
| Inventories..... | 2,195,342 | — | 54,179 | 76,635 | 112,191 | 138,812 | 471,265 | 278,965 | 318,769 | 289,913 | 218,063 | 236,550 | — |
| Cash, Government obligations, and other current assets..... | 689,633 | — | 13,994 | 36,170 | 22,897 | 50,283 | 152,689 | 76,169 | 75,160 | 72,453 | 90,015 | 99,803 | — |
| Other investments and loans..... | 452,741 | — | 6,429 | *2,319 | 9,645 | 9,636 | 72,208 | 58,739 | 85,226 | 47,247 | 33,194 | 128,098 | — |
| Depreciable assets..... | 3,090,077 | — | 89,965 | 104,486 | 123,596 | 166,582 | 578,634 | 332,787 | 422,455 | 414,542 | 394,196 | 462,834 | — |
| Less: Accumulated depreciation..... | 1,449,230 | — | 43,739 | 50,080 | 65,911 | 81,707 | 285,049 | 170,038 | 189,742 | 188,301 | 171,984 | 202,679 | — |
| Other capital assets less reserves..... | 145,804 | — | *1,767 | 8,049 | 9,590 | 7,129 | 42,403 | 13,115 | 18,969 | 14,778 | 12,013 | 17,991 | — |
| Accounts and notes payable..... | 1,549,264 | — | 68,739 | 82,188 | 100,235 | 158,381 | 443,824 | 162,465 | 222,090 | 120,087 | 79,826 | 111,429 | — |
| Other current liabilities..... | 692,471 | — | 18,005 | 19,956 | 21,021 | 38,343 | 151,768 | 65,190 | 90,856 | 100,972 | 76,381 | 109,979 | — |
| Mortgages, notes, and bonds payable in one year or more..... | 1,069,754 | — | 24,587 | 34,709 | 49,468 | 50,737 | 211,492 | 114,213 | 162,035 | 145,595 | 156,990 | 119,928 | — |
| Net worth..... | 3,516,991 | — | 16,417 | 58,234 | 111,869 | 149,900 | 595,619 | 441,741 | 509,144 | 481,685 | 516,164 | 636,216 | — |
| Cost of property used for investment credit..... | 274,423 | *53 | 14,754 | 15,732 | 13,228 | 17,868 | 48,023 | 24,385 | 31,567 | 32,538 | 41,420 | 34,855 | — |
| Total receipts..... | 14,524,890 | *18,080 | 473,639 | 665,157 | 872,626 | 1,029,238 | 3,486,817 | 1,661,172 | 1,830,952 | 1,508,223 | 1,343,225 | 1,835,961 | — |
| Business receipts..... | 14,292,791 | *18,060 | 469,304 | 661,157 | 867,887 | 1,011,533 | 3,444,331 | 1,632,866 | 1,801,863 | 1,470,308 | 1,326,194 | 1,589,288 | — |
| Cost of sales and operations..... | 10,259,611 | *11,491 | 338,806 | 457,607 | 616,902 | 738,145 | 2,516,863 | 1,218,638 | 1,319,517 | 1,052,714 | 887,510 | 1,101,418 | — |
| Taxes paid..... | 393,077 | *568 | 16,832 | 19,768 | 25,122 | 27,741 | 89,390 | 42,087 | 45,363 | 37,051 | 50,234 | 50,234 | — |
| Interest paid..... | 157,606 | *222 | 5,030 | 8,111 | 9,560 | 12,634 | 39,846 | 16,130 | 20,657 | 19,418 | 13,932 | 12,066 | — |
| Depreciation..... | 233,600 | *254 | 10,881 | 12,655 | 11,775 | 12,800 | 41,079 | 22,412 | 30,927 | 30,862 | 29,450 | 30,425 | — |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 105,017 | *133 | — | *827 | *1,206 | *6,390 | 21,272 | 7,460 | 11,517 | 15,823 | 17,552 | 22,837 | — |
| Employee benefit programs..... | 93,215 | — | *895 | *3,630 | 3,439 | 4,334 | 19,947 | 11,865 | 11,033 | 10,764 | 18,968 | 8,340 | — |
| Net income (less deficit)..... | 696,260 | *323 | —5,939 | 11,314 | 25,156 | 35,285 | 115,956 | 86,759 | 99,523 | 60,081 | 106,552 | 161,250 | — |
| Net income..... | 790,850 | *448 | 13,949 | 26,146 | 27,774 | 49,925 | 143,997 | 86,759 | 108,275 | 62,862 | 110,365 | 161,250 | — |
| Income subject to tax..... | 731,230 | *448 | *5,113 | *21,415 | 18,878 | 39,274 | 124,988 | 82,661 | 105,909 | 61,301 | 110,339 | 160,904 | — |
| Income tax, total..... | 324,816 | *119 | *969 | *5,026 | 4,312 | 13,976 | 54,150 | 38,865 | 50,105 | 29,101 | 52,854 | 75,339 | — |
| Additional tax for tax preferences..... | 79 | — | — | — | — | — | *28 | *51 | — | — | — | — | — |
| Foreign tax credit..... | 4,330 | — | — | — | — | — | *21 | *174 | 28 | 200 | 244 | 3,663 | — |
| U.S. possessions tax credit..... | 174 | — | — | — | — | — | — | — | — | — | — | — | — |
| Investment credit..... | 19,637 | *7 | *371 | *626 | 1,169 | 1,199 | 3,524 | 2,152 | 2,698 | 1,595 | 3,102 | 3,194 | — |
| Work incentive (WIN) credit..... | 167 | — | — | *1 | — | — | *38 | *63 | *21 | 13 | 2 | 15 | — |
| New jobs credit..... | 20,477 | — | *248 | *1,736 | *777 | 5,681 | 5,225 | 3,396 | 2,023 | 660 | 531 | 200 | — |
| Distributions to stockholders except in own stock..... | 72,796 | *21 | — | *2,065 | *102 | *1,292 | 13,141 | 3,087 | 6,960 | 8,660 | 16,546 | 20,922 | — |

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

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Manufacturing: Paper and Allied Products | | | | | | | | | | | | | |
| Number of returns..... | 3,486 | *40 | *842 | *237 | 590 | 698 | 820 | 105 | 68 | 28 | 19 | 26 | 23 |
| Total assets..... | 34,306,613 | — | *45,715 | *29,951 | 210,571 | 480,333 | 1,748,529 | 737,489 | 1,071,909 | 993,488 | 1,287,477 | 4,321,619 | 23,379,532 |
| Notes and accounts receivable, net..... | 4,696,003 | — | *12,609 | *5,080 | 56,260 | 125,522 | 461,239 | 154,729 | 213,007 | 162,280 | 168,880 | 680,242 | 2,655,155 |
| Inventories..... | 5,181,870 | — | *4,087 | *5,829 | 50,987 | 98,233 | 402,296 | 170,255 | 213,467 | 174,988 | 180,691 | 622,461 | 3,258,576 |
| Cash, Government obligations, and other current assets..... | 2,625,654 | — | *16,835 | *9,657 | 25,495 | 50,507 | 205,589 | 75,042 | 118,403 | 104,467 | 99,928 | 344,152 | 1,575,579 |
| Other investments and loans..... | 4,227,634 | — | — | *235 | *6,281 | 19,723 | 85,336 | 62,017 | 104,511 | 63,870 | 110,187 | 402,466 | 3,373,008 |
| Depreciable assets..... | 26,051,950 | — | *22,024 | *15,070 | 165,736 | 303,393 | 1,152,272 | 490,381 | 730,088 | 758,373 | 1,004,362 | 3,794,024 | 17,616,227 |
| Less: Accumulated depreciation..... | 12,046,248 | — | *10,368 | *6,078 | 99,457 | 145,487 | 620,080 | 234,428 | 350,148 | 378,002 | 429,168 | 1,879,306 | 7,895,726 |
| Other capital assets less reserves..... | 2,950,171 | — | *80 | — | *1,650 | 15,788 | 32,021 | 11,181 | 27,363 | 37,078 | 118,970 | 301,110 | 2,404,930 |
| Accounts and notes payable..... | 4,712,430 | — | *12,464 | *13,403 | 70,601 | 135,767 | 457,188 | 155,721 | 209,657 | 137,798 | 162,265 | 459,571 | 2,897,995 |
| Other current liabilities..... | 2,987,389 | — | *4,772 | *5,354 | 21,202 | 34,916 | 131,809 | 55,611 | 93,380 | 99,102 | 106,499 | 397,374 | 2,037,370 |
| Mortgages, notes, and bonds payable in one year or more..... | 7,737,157 | — | *1,670 | *6,164 | 24,739 | 117,545 | 278,937 | 128,545 | 191,606 | 204,516 | 317,696 | 894,413 | 5,571,326 |
| Net worth..... | 17,879,188 | — | *15,434 | *8,640 | 83,640 | 183,023 | 829,228 | 376,528 | 555,718 | 523,829 | 667,485 | 2,454,996 | 12,187,494 |
| Cost of property used for investment credit..... | 2,588,308 | *6,028 | *4,921 | *5,214 | 29,620 | 39,235 | 114,789 | 41,390 | 57,952 | 71,506 | 81,080 | 301,319 | 1,835,254 |
| Total receipts..... | 45,278,513 | *469,285 | *153,806 | *67,785 | 514,078 | 1,207,101 | 3,994,832 | 1,416,795 | 2,097,129 | 1,603,025 | 1,538,478 | 5,653,472 | 26,564,727 |
| Business receipts..... | 43,596,430 | *447,624 | *135,109 | *66,378 | 508,834 | 1,198,106 | 3,940,864 | 1,403,837 | 2,066,098 | 1,568,745 | 1,508,305 | 5,450,165 | 25,304,364 |
| Cost of sales and operations..... | 30,635,304 | *327,453 | *84,418 | *42,204 | 364,306 | 883,035 | 2,886,968 | 1,071,217 | 1,615,199 | 1,230,908 | 1,042,601 | 3,770,919 | 17,306,078 |
| Taxes paid..... | 1,144,117 | *9,810 | *3,675 | *2,203 | 14,548 | 29,537 | 93,419 | 34,542 | 41,471 | 33,018 | 36,667 | 154,782 | 690,445 |
| Interest paid..... | 708,429 | *8,249 | *2,755 | *866 | 4,527 | 15,222 | 37,201 | 17,263 | 20,638 | 21,170 | 31,648 | 90,760 | 458,610 |
| Depreciation..... | 1,622,121 | *23,813 | *3,583 | *1,499 | 11,724 | 29,097 | 84,117 | 31,007 | 47,542 | 48,829 | 71,019 | 261,007 | 1,210,884 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 521,025 | *2,216 | *2,312 | *5,175 | 23,508 | 9,289 | 23,508 | 9,289 | 13,167 | 9,319 | 12,917 | 63,675 | 375,231 |
| Employee benefit programs..... | 355,982 | *366 | *397 | *1,723 | 2,366 | 5,980 | 24,778 | 8,292 | 10,991 | 9,355 | 16,855 | 60,205 | 214,674 |
| Net income (less deficit)..... | 2,780,027 | *47,720 | *6,443 | *2,238 | — | 26,274 | 147,978 | 55,369 | 84,857 | 55,190 | 109,087 | 368,342 | 1,885,292 |
| Income subject to tax..... | 2,937,234 | *47,720 | *6,610 | *1,658 | 14,997 | 30,796 | 171,698 | 69,380 | 91,220 | 64,462 | 117,440 | 429,408 | 1,891,405 |
| Income tax, total..... | 2,884,655 | *40,290 | *3,571 | *1,658 | 10,207 | 28,271 | 163,040 | 64,908 | 84,776 | 57,603 | 113,363 | 424,183 | 1,892,899 |
| Additional tax for tax preferences..... | 1,262,457 | *16,861 | *741 | *316 | 2,558 | 8,111 | 71,334 | 30,113 | 39,833 | 27,286 | 54,012 | 186,813 | 812,813 |
| Foreign tax credit..... | 135,914 | (¹) | — | — | — | — | — | — | — | 4 | 8 | 387 | 9,171 |
| U.S. possessions tax credit..... | 706 | — | — | — | 127 | 12 | 567 | *99 | 185 | — | 23 | 21,728 | 113,598 |
| Investment credit..... | 195,212 | *933 | *123 | (¹) | *644 | 2,898 | 8,370 | 2,903 | 3,994 | 4,485 | 8,126 | 21,180 | 141,556 |
| Work incentive (WIN) credit..... | 637 | — | — | — | — | *493 | *937 | *9 | — | — | — | — | — |
| New jobs credit..... | 10,564 | 2 | — | *158 | *99 | *685 | 5,267 | *200 | 1,224 | 653 | 377 | 896 | 81 |
| Distributions to stockholders except in own stock..... | 859,789 | 9,289 | — | — | *5,051 | *2,791 | 22,022 | 4,782 | 9,336 | 7,731 | 16,535 | 90,819 | 691,433 |
| Manufacturing: Printing and Publishing | | | | | | | | | | | | | |
| Number of returns..... | 33,324 | 843 | 19,038 | 6,040 | 2,894 | 2,043 | 1,901 | 247 | 155 | 62 | 47 | 31 | 23 |
| Total assets..... | 33,765,363 | — | 649,268 | 970,778 | 1,010,834 | 1,472,438 | 3,896,594 | 1,700,847 | 2,437,527 | 2,252,258 | 3,334,082 | 4,768,774 | 11,271,983 |
| Notes and accounts receivable, net..... | 7,108,995 | — | 174,582 | 273,897 | 273,897 | 398,692 | 981,798 | 378,478 | 512,318 | 447,531 | 618,440 | 950,988 | 2,074,205 |
| Inventories..... | 3,656,333 | — | 62,157 | 59,637 | 124,598 | 173,056 | 527,788 | 231,475 | 320,452 | 278,635 | 298,624 | 548,183 | 1,030,728 |
| Cash, Government obligations, and other current assets..... | 5,450,797 | — | 131,252 | 191,245 | 204,502 | 274,139 | 644,629 | 282,732 | 348,108 | 349,108 | 429,615 | 769,530 | 1,748,270 |
| Other investments and loans..... | 4,904,810 | — | 26,837 | 47,726 | 60,394 | 100,240 | 367,778 | 165,255 | 309,318 | 356,887 | 709,761 | 612,042 | 2,148,572 |
| Depreciable assets..... | 16,459,752 | — | 466,915 | 732,571 | 630,917 | 876,270 | 2,247,657 | 949,635 | 1,190,843 | 1,047,319 | 1,548,830 | 2,050,193 | 4,718,502 |
| Less: Accumulated depreciation..... | 7,990,266 | — | 259,382 | 424,807 | 341,587 | 443,876 | 1,168,006 | 484,877 | 556,829 | 524,859 | 735,821 | 912,870 | 2,137,352 |
| Other capital assets less reserves..... | 1,737,632 | — | 8,985 | 31,497 | 40,011 | 128,013 | 75,845 | 99,066 | 79,412 | 169,160 | 169,160 | 272,623 | 814,677 |
| Accounts and notes payable..... | 5,292,449 | — | 172,793 | 344,051 | 246,604 | 374,965 | 817,285 | 275,614 | 419,082 | 287,849 | 360,390 | 418,091 | 1,575,725 |
| Other current liabilities..... | 4,433,609 | — | 72,345 | 81,334 | 109,166 | 165,681 | 442,969 | 172,129 | 277,673 | 242,226 | 414,578 | 732,474 | 1,723,034 |
| Mortgages, notes, and bonds payable in one year or more..... | 4,537,666 | — | 115,681 | 176,105 | 181,274 | 242,497 | 641,888 | 270,277 | 336,872 | 336,441 | 479,406 | 770,998 | 986,137 |
| Net worth..... | 17,211,258 | — | 166,896 | 281,039 | 353,513 | 602,397 | 1,807,265 | 845,486 | 1,209,741 | 1,200,483 | 1,916,056 | 2,553,651 | 6,274,741 |
| Cost of property used for investment credit..... | 1,552,269 | *469 | 62,310 | 113,444 | 75,314 | 127,715 | 234,749 | 91,093 | 116,732 | 81,117 | 117,783 | 178,969 | 352,574 |
| Total receipts..... | 50,203,180 | 71,120 | 2,329,687 | 2,316,138 | 2,336,313 | 2,999,377 | 7,364,540 | 2,678,602 | 3,652,197 | 3,200,844 | 3,939,955 | 5,513,775 | 13,800,632 |
| Business receipts..... | 48,466,565 | 65,349 | 2,300,369 | 2,283,598 | 2,307,326 | 2,946,029 | 7,190,893 | 2,587,110 | 3,552,356 | 3,114,345 | 3,815,943 | 5,239,515 | 13,063,732 |
| Cost of sales and operations..... | 30,446,095 | 36,707 | 1,414,904 | 1,437,973 | 1,477,061 | 1,863,924 | 4,835,298 | 1,699,038 | 2,315,754 | 2,114,074 | 2,385,731 | 2,807,888 | 8,057,743 |
| Taxes paid..... | 1,514,189 | 2,979 | 70,847 | 72,516 | 69,570 | 92,522 | 209,901 | 81,594 | 99,982 | 88,073 | 137,597 | 174,456 | 414,152 |
| Interest paid..... | 570,748 | 347 | 18,199 | 22,700 | 27,427 | 31,232 | 71,617 | 29,800 | 38,836 | 36,511 | 56,512 | 159,206 | 339,262 |
| Depreciation..... | 1,281,118 | 791 | 51,743 | 66,891 | 61,250 | 75,457 | 172,683 | 70,706 | 94,380 | 80,843 | 121,087 | 146,025 | 339,262 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 613,859 | 180 | 12,251 | 14,390 | 19,579 | 28,781 | 77,467 | 29,856 | 41,736 | 38,007 | 55,455 | 72,480 | 223,677 |
| Employee benefit programs..... | 413,539 | *223 | 11,755 | 11,838 | 32,365 | 19,189 | 52,622 | 20,457 | 26,020 | 21,411 | 42,312 | 44,212 | 131,135 |
| Net income (less deficit)..... | 4,125,207 | 11,639 | 22,389 | — | 10,099 | 139,691 | 399,435 | 197,024 | 295,821 | 252,131 | 447,931 | 624,913 | 1,682,913 |
| Income subject to tax..... | 4,501,129 | *14,015 | 80,083 | 113,026 | 123,409 | 169,337 | 454,904 | 214,124 | 313,702 | 259,747 | 463,260 | 632,609 | 1,682,913 |
| Income tax, total..... | 4,199,140 | *12,546 | 61,295 | 77,540 | 81,694 | 139,189 | 402,061 | 197,682 | 292,735 | 246,046 | 439,645 | 606,570 | 1,642,137 |
| Additional tax for tax preferences..... | 1,905,374 | *5,535 | 13,009 | 21,453 | 21,203 | 50,850 | 174,401 | 92,755 | 138,265 | 117,539 | 209,868 | 290,434 | 770,062 |
| Foreign tax credit..... | 57,051 | — | — | (¹) | — | — | *45 | *36 | 30 | (¹) | — | 19 | 9 |
| U.S. possessions tax credit..... | 159 | — | — | — | — | — | *18 | *129 | 314 | 2,983 | 4,483 | 7,537 | 41,244 |
| Investment credit..... | 116,957 | (¹) | 2,988 | 4,861 | 4,748 | 8,842 | 16,915 | 7,543 | 9,039 | 6,557 | 10,126 | 13,235 | 32,103 |
| Work incentive (WIN) credit..... | 72 | — | — | (¹) | — | *26 | *17 | *3 | 10 | 8 | 1 | 3 | 4 |
| New jobs credit..... | 31,137 | 8 | 3,197 | *1,485 | 2,111 | 3,613 | 9,002 | 3,629 | 2,988 | 1,434 | 1,272 | 1,243 | 1,145 |
| Distributions to stockholders except in own stock..... | 846,939 | *9,891 | *82,905 | *1,482 | 21,370 | 30,095 | 44,898 | 21,080 | 38,923 | 52,324 | 93,603 | 102,631 | 334,237 |

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

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | (13) |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | |
| Manufacturing: Chemicals and Allied Products | | | | | | | | | | | | | |
| Number of returns..... | 10,963 | 316 | 4,994 | 1,239 | 1,429 | 1,167 | 1,194 | 221 | 155 | 81 | 48 | 45 | 74 |
| Total assets..... | 105,403,697 | — | 145,231 | 205,397 | 510,852 | 791,149 | 2,552,882 | 1,531,686 | 2,375,996 | 2,843,753 | 3,293,892 | 7,213,293 | 83,939,566 |
| Notes and accounts receivable, net..... | 18,892,618 | — | 40,722 | 51,883 | 170,358 | 249,941 | 696,961 | 323,389 | 542,727 | 564,086 | 661,930 | 1,317,379 | 14,273,242 |
| Inventories..... | 17,812,421 | — | 27,065 | 43,114 | 114,087 | 213,843 | 618,915 | 368,066 | 585,834 | 546,369 | 592,605 | 1,213,718 | 13,489,005 |
| Cash, Government obligations, and other current assets..... | 7,370,203 | — | 16,801 | 46,473 | 58,841 | 84,366 | 330,506 | 189,713 | 263,268 | 345,508 | 445,801 | 863,802 | 4,605,124 |
| Other investments and loans..... | 19,018,271 | — | *13,630 | *4,392 | 29,997 | 14,576 | 122,870 | 137,488 | 219,175 | 356,036 | 405,283 | 1,456,316 | 16,258,500 |
| Depreciable assets..... | 67,940,677 | — | 75,763 | 76,253 | 256,643 | 380,031 | 1,261,352 | 767,011 | 1,155,453 | 1,267,893 | 1,831,122 | 3,171,071 | 57,696,085 |
| Less: Accumulated depreciation..... | 31,190,979 | — | 35,696 | 36,344 | 136,362 | 183,917 | 576,957 | 338,009 | 508,907 | 487,829 | 765,022 | 1,280,284 | 26,841,652 |
| Other capital assets less reserves..... | 2,877,665 | — | *699 | *5,515 | 5,739 | 22,402 | 55,059 | 57,589 | 56,420 | 131,331 | 73,862 | 196,855 | 2,272,194 |
| Accounts and notes payable..... | 15,236,643 | — | 47,170 | 66,505 | 150,551 | 287,292 | 767,773 | 406,229 | 521,162 | 449,376 | 534,600 | 1,016,090 | 10,951,895 |
| Other current liabilities..... | 10,097,107 | — | 5,818 | 12,831 | 37,083 | 57,593 | 197,611 | 108,241 | 207,490 | 209,347 | 243,770 | 532,647 | 8,484,676 |
| Mortgages, notes, and bonds payable in one year or more..... | 22,515,914 | — | 24,927 | 53,922 | 69,646 | 82,392 | 375,326 | 242,616 | 318,389 | 376,159 | 477,383 | 1,072,998 | 19,422,156 |
| Net worth..... | 54,002,853 | 75,342 | 22,408 | 28,962 | 30,651 | 55,966 | 136,161 | 99,672 | 113,074 | 113,189 | 200,863 | 373,909 | 6,563,071 |
| Cost of property used for investment credit..... | 7,613,268 | — | — | — | — | — | — | — | — | — | — | — | — |
| Total receipts..... | 127,768,724 | 2,474,459 | 378,610 | 441,481 | 1,126,811 | 1,852,317 | 5,213,367 | 2,633,814 | 3,954,628 | 3,692,350 | 4,395,748 | 7,536,501 | 94,068,642 |
| Business receipts..... | 122,386,265 | 2,381,936 | 371,847 | 434,652 | 1,110,825 | 1,835,064 | 5,117,927 | 2,588,246 | 3,859,203 | 3,608,396 | 4,258,624 | 7,162,362 | 89,657,183 |
| Cost of sales and operations..... | 78,761,980 | 1,522,200 | 298,513 | 304,240 | 790,336 | 1,322,630 | 3,715,398 | 1,795,880 | 2,703,042 | 2,256,850 | 2,908,154 | 4,371,561 | 56,831,176 |
| Taxes paid..... | 2,650,519 | — | 11,563 | 11,568 | 21,251 | 36,729 | 108,782 | 55,415 | 69,329 | 73,754 | 75,933 | 166,336 | 1,969,520 |
| Interest paid..... | 2,192,448 | — | 36,382 | 4,355 | 10,510 | 7,877 | 51,123 | 28,404 | 45,255 | 40,475 | 60,942 | 101,014 | 1,793,823 |
| Depreciation..... | 5,071,288 | 74,504 | 8,176 | 8,256 | 19,772 | 33,228 | 103,966 | 55,475 | 86,104 | 84,868 | 128,870 | 227,948 | 4,400,141 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 1,880,494 | 41,980 | *1,376 | *3,855 | *5,287 | 13,752 | 29,858 | 15,522 | 24,912 | 26,116 | 30,648 | 73,318 | 1,613,870 |
| Employee benefit programs..... | 1,020,699 | 26,185 | *1,062 | *3,860 | 6,577 | 6,002 | 21,904 | 11,771 | 21,770 | 22,639 | 14,931 | 42,537 | 841,461 |
| Net income (less deficit)..... | 11,012,716 | 63,545 | 2,758 | —11,505 | 42,920 | 96,880 | 300,997 | 174,414 | 301,014 | 420,209 | 411,958 | 1,061,101 | 8,512,986 |
| Net income..... | 11,459,578 | 86,411 | 18,878 | 55,390 | 90,290 | 268,185 | 59,290 | 288,185 | 159,060 | 291,548 | 413,715 | 1,041,911 | 8,374,497 |
| Income subject to tax..... | 11,195,900 | 84,693 | *13,704 | *10,917 | 45,754 | 33,815 | 118,378 | 74,560 | 137,806 | 197,076 | 193,206 | 499,795 | 3,897,251 |
| Income tax, total..... | 5,303,616 | 41,498 | *3,479 | *2,472 | 14,260 | 33,815 | *96 | *63 | 118 | 4 | 76 | 906 | 15,017 |
| Additional tax for tax preferences..... | 16,340 | 60 | — | — | — | — | — | — | — | — | — | — | — |
| Foreign tax credit..... | 904,190 | *7,291 | — | — | — | — | *857 | 3,213 | 5,051 | 11,270 | 12,481 | 64,261 | 799,766 |
| U.S. possessions tax credit..... | 442,709 | — | — | — | 2 | 380 | 6,261 | 3,732 | 28,921 | 61,095 | 45,717 | 137,299 | 159,302 |
| Investment credit..... | 569,923 | 3,144 | *623 | *304 | 1,384 | 3,898 | 8,984 | 4,517 | 7,015 | 7,199 | 13,455 | 16,774 | 502,626 |
| Work incentive (WIN) credit..... | 199 | — | — | — | — | — | *56 | 2 | 6 | — | — | — | 114 |
| New jobs credit..... | 24,048 | *317 | *992 | *312 | *370 | 3,136 | 7,113 | 2,197 | 2,909 | 1,270 | 908 | 1,238 | 3,286 |
| Distributions to stockholders except in own stock..... | 3,866,684 | 23,052 | *2,988 | *335 | *5,443 | 1,872 | 29,517 | 16,014 | 37,384 | 53,162 | 72,384 | 272,898 | 3,351,635 |
| Manufacturing: Petroleum (Including Integrated) and Coal Products | | | | | | | | | | | | | |
| Number of returns..... | 1,201 | *143 | *290 | *79 | *167 | *132 | 233 | 45 | 49 | 15 | 15 | 15 | 33 |
| Total assets..... | 237,840,080 | — | *14,246 | *8,410 | *59,671 | *93,068 | 561,898 | 298,451 | 1,200,320 | 1,137,981 | 2,541,400 | 231,924,635 | |
| Notes and accounts receivable, net..... | 43,763,715 | — | *5,144 | *2,163 | *14,333 | *17,185 | 202,904 | 76,293 | 332,577 | 285,831 | 462,468 | 42,364,817 | |
| Inventories..... | 16,661,224 | — | — | *5,044 | *6,535 | *7,169 | 84,332 | 44,428 | 190,775 | 121,691 | 425,633 | 15,775,617 | |
| Cash, Government obligations, and other current assets..... | 13,510,870 | — | *3,476 | *239 | *17,575 | *8,823 | 36,061 | 37,226 | 136,606 | 205,661 | 219,850 | 12,818,353 | |
| Other investments and loans..... | 68,406,866 | — | — | — | — | *9,834 | 36,685 | 21,308 | 156,274 | 156,274 | 345,492 | 67,720,412 | |
| Depreciable assets..... | 117,180,439 | — | *1,944 | *4,188 | *68,769 | *66,794 | 316,588 | 178,907 | 592,157 | 405,583 | 1,263,580 | 114,277,291 | |
| Less: Accumulated depreciation..... | 48,903,621 | — | *3,644 | *3,249 | *51,059 | *24,075 | 167,087 | 91,327 | 241,585 | 105,224 | 482,184 | 47,734,187 | |
| Other capital assets less reserves..... | 19,184,307 | — | *744 | *8 | *3,077 | 14,810 | 6,502 | 6,502 | 45,163 | 28,918 | 287,311 | 18,793,102 | |
| Accounts and notes payable..... | 39,788,045 | — | *4,896 | *5,936 | *11,988 | *29,013 | 209,448 | 84,135 | 417,408 | 285,068 | 727,113 | 38,013,040 | |
| Other current liabilities..... | 19,059,910 | — | (*) | — | *2,938 | *4,735 | 30,699 | 27,050 | 84,738 | 101,525 | 136,304 | 18,671,921 | |
| Mortgages, notes, and bonds payable in one year or more..... | 33,039,115 | — | — | — | *2,013 | *23,850 | 64,729 | 50,948 | 215,434 | 88,186 | 514,258 | 32,079,697 | |
| Net worth..... | 115,939,604 | 934 | *1,824 | *2,474 | *36,985 | *30,614 | 241,127 | 114,129 | 409,517 | 552,352 | 1,081,870 | 113,462,514 | |
| Cost of property used for investment credit..... | 15,549,669 | — | — | — | — | — | — | — | — | — | — | — | |
| Total receipts..... | 335,638,541 | *75,179 | *24,788 | *56,676 | *141,299 | *144,723 | 1,862,239 | 817,978 | 2,821,870 | 2,234,029 | 5,440,362 | 322,019,398 | |
| Business receipts..... | 326,031,048 | 72,485 | *23,920 | *56,670 | *139,721 | *141,146 | 1,847,772 | 806,252 | 2,746,952 | 2,147,045 | 5,360,656 | 312,688,229 | |
| Cost of sales and operations..... | 269,071,979 | — | *9,950 | *49,238 | *113,209 | *111,629 | 1,490,267 | 658,560 | 2,414,347 | 1,876,520 | 4,704,467 | 25,584,840 | |
| Taxes paid..... | 8,832,170 | — | *456 | *29 | *2,144 | 19,927 | 10,354 | 24,308 | 17,983 | 24,308 | 46,589 | 8,706,993 | |
| Interest paid..... | 3,655,414 | — | (*) | *137 | *696 | *3,639 | 11,060 | 8,524 | 22,009 | 14,724 | 50,107 | 3,544,323 | |
| Depreciation..... | 6,442,146 | — | *912 | *1,333 | *2,496 | *5,178 | 29,993 | 14,373 | 38,978 | 24,320 | 63,824 | 6,260,276 | |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 1,459,048 | — | 218 | — | — | — | 6,227 | 4,613 | 7,653 | 6,918 | 11,003 | 1,422,416 | |
| Employee benefit programs..... | 589,985 | — | 102 | — | *1,005 | *133 | 4,240 | *2,339 | 4,255 | 10,624 | 2,429 | 564,858 | |
| Net income (less deficit)..... | 17,648,117 | — | *3,142 | *—322 | *—671 | *5,045 | 54,742 | 26,662 | 135,752 | 131,025 | 191,458 | 17,096,112 | |
| Net income..... | 18,270,504 | — | *3,142 | — | *1,888 | *6,408 | 66,885 | 27,391 | 139,817 | 136,958 | 194,700 | 17,683,494 | |
| Income subject to tax..... | 16,559,109 | — | *2,522 | — | *1,888 | *4,313 | 50,175 | 25,427 | 133,223 | 119,883 | 183,470 | 16,033,344 | |
| Income tax, total..... | 7,898,059 | — | *496 | — | *364 | *1,330 | 22,679 | 11,952 | 61,746 | 51,464 | 86,688 | 7,659,349 | |
| Additional tax for tax preferences..... | 6,671 | — | — | — | — | — | — | — | 13 | 46 | 23 | 6,553 | |
| Foreign tax credit..... | 4,040,826 | — | — | — | — | — | — | *49 | *42 | 5,976 | 2 | 81 | 4,034,676 |
| U.S. possessions tax credit..... | 25,254 | — | — | — | — | — | — | — | — | — | — | — | 25,254 |
| Investment credit..... | 1,012,212 | 31 | (*) | — | *264 | — | *741 | 1,731 | 1,433 | 4,638 | 3,816 | 11,088 | 988,470 |
| Work incentive (WIN) credit..... | 39 | — | — | — | — | — | — | — | — | — | — | — | 39 |
| New jobs credit..... | 4,966 | — | — | — | — | — | *19 | 1,731 | *328 | 811 | 429 | 325 | 1,301 |
| Distributions to stockholders except in own stock..... | 5,052,368 | 12,417 | *372 | — | *340 | *76 | 9,955 | *3,217 | 12,356 | 12,876 | 25,004 | 4,975,755 | |

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

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Manufacturing: Rubber and Miscellaneous Plastics Products | | | | | | | | | | | | | |
| Number of returns..... | 8,804 | *15 | 3,698 | 1,549 | 1,035 | 1,098 | 1,171 | 120 | 70 | 19 | 9 | 11 | 9 |
| Total assets..... | 21,859,213 | — | 167,994 | 256,031 | 369,826 | 787,617 | 2,521,242 | 794,137 | 1,056,123 | 692,766 | 565,769 | 1,666,700 | 12,981,008 |
| Notes and accounts receivable, net..... | 5,474,700 | — | 49,066 | 68,333 | 122,294 | 207,460 | 670,370 | 190,566 | 288,522 | 162,880 | 110,950 | 398,626 | 3,205,633 |
| Inventories..... | 4,770,459 | — | 29,736 | 53,702 | 55,407 | 164,407 | 541,737 | 162,487 | 242,837 | 182,082 | 101,047 | 384,607 | 2,952,410 |
| Cash, Government obligations, and other current assets..... | 1,700,459 | — | 21,368 | 45,935 | 52,404 | 118,343 | 250,798 | 67,750 | 109,250 | 53,921 | 27,281 | 183,347 | 770,062 |
| Other investments and loans..... | 2,291,785 | — | *10,177 | *1,759 | 11,498 | 24,996 | 126,477 | 37,597 | 52,680 | 54,615 | 121,649 | 193,471 | 1,656,886 |
| Depreciable assets..... | 12,682,727 | — | 99,669 | 138,258 | 246,994 | 489,068 | 1,502,369 | 500,748 | 599,663 | 356,981 | 341,033 | 843,975 | 7,563,969 |
| Less: Accumulated depreciation..... | 5,837,016 | — | 51,352 | 54,891 | 132,873 | 249,155 | 745,510 | 226,168 | 279,238 | 155,586 | 158,407 | 382,675 | 3,401,161 |
| Other capital assets less reserves..... | 268,210 | — | *2,462 | *1,133 | *10,827 | 20,139 | 44,788 | 35,458 | 18,022 | 9,940 | 13,860 | 22,699 | 89,082 |
| Accounts and notes payable..... | 4,255,636 | — | 64,020 | 72,306 | 105,505 | 217,698 | 734,282 | 205,612 | 245,312 | 124,135 | 64,377 | 209,566 | 2,212,823 |
| Other current liabilities..... | 2,705,651 | — | 19,835 | 15,864 | 36,436 | 58,300 | 210,897 | 68,162 | 101,519 | 99,660 | 53,032 | 176,141 | 1,865,805 |
| Mortgages, notes, and bonds payable in one year or more..... | 4,140,609 | — | *21,806 | *38,303 | 67,986 | 122,871 | 416,742 | 146,290 | 173,373 | 128,985 | 136,096 | 449,531 | 2,438,656 |
| Net worth..... | 10,097,191 | — | 33,099 | 88,669 | 147,038 | 355,618 | 1,089,992 | 364,183 | 516,505 | 314,525 | 278,130 | 759,297 | 6,150,135 |
| Cost of property used for investment credit..... | 1,158,265 | 4,484 | 18,177 | 36,351 | 33,398 | 56,907 | 187,387 | 56,999 | 55,513 | 27,690 | 30,324 | 69,548 | 581,487 |
| Total receipts..... | 34,713,720 | *168,968 | 444,119 | 636,206 | 1,021,419 | 1,707,446 | 5,274,715 | 1,422,065 | 1,968,737 | 1,078,297 | 737,113 | 2,366,668 | 17,887,967 |
| Business receipts..... | 33,944,329 | *161,187 | 443,159 | 632,120 | 1,014,958 | 1,697,241 | 5,226,558 | 1,401,916 | 1,935,666 | 1,054,470 | 725,460 | 2,319,471 | 17,332,123 |
| Cost of sales and operations..... | 23,614,801 | *120,044 | 267,804 | 415,801 | 676,476 | 1,191,506 | 3,841,645 | 1,013,615 | 1,410,705 | 720,950 | 515,887 | 1,612,804 | 11,827,564 |
| Taxes paid..... | 989,642 | *6,574 | 13,624 | 21,137 | 47,656 | 29,131 | 125,159 | 33,397 | 44,108 | 27,751 | 21,293 | 95,228 | 524,584 |
| Interest paid..... | 498,264 | 1,412 | 2,831 | 5,721 | 11,082 | 17,189 | 65,214 | 19,857 | 23,388 | 18,350 | 12,358 | 44,976 | 275,886 |
| Depreciation..... | 1,023,829 | *4,070 | 9,708 | 14,184 | 28,091 | 44,249 | 137,970 | 39,528 | 46,886 | 27,603 | 26,520 | 62,242 | 582,778 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 478,192 | 3,211 | — | *780 | *4,579 | 14,460 | 27,012 | 9,336 | 13,182 | 9,030 | 9,433 | 23,840 | 363,329 |
| Employee benefit programs..... | 369,917 | *1,258 | *652 | *3,981 | 4,201 | 8,965 | 31,809 | 8,159 | 12,007 | 13,864 | 13,083 | 14,247 | 257,691 |
| Net income (less deficit)..... | 1,666,217 | *9,393 | —5,524 | 30,634 | 38,116 | 85,084 | 211,808 | 92,050 | 104,985 | 64,723 | 25,144 | 157,299 | 853,505 |
| Net income..... | 1,819,711 | *10,851 | 13,305 | 37,152 | 47,413 | 106,152 | 273,347 | 104,414 | 113,308 | 64,934 | 31,503 | 163,827 | 853,505 |
| Income subject to tax..... | 1,729,988 | *10,700 | 7,150 | 27,040 | 46,078 | 89,951 | 244,977 | 95,597 | 108,656 | 61,705 | 30,813 | 160,848 | 846,373 |
| Income tax, total..... | 792,373 | *4,902 | 1,405 | 6,750 | 14,935 | 34,721 | 108,653 | 44,010 | 51,363 | 29,270 | 14,732 | 77,292 | 404,340 |
| Additional tax for tax preferences..... | *120 | — | — | — | — | — | *14 | *6 | 26 | 74 | — | — | — |
| Foreign tax credit..... | 95,620 | 28 | — | — | — | — | *1,613 | *157 | 1,772 | 287 | — | 4,578 | 85,062 |
| U.S. possessions tax credit..... | 3,897 | — | — | — | (1) | — | 956 | 797 | 2,144 | — | — | — | — |
| Investment credit..... | 101,804 | 298 | *618 | 1,935 | 2,535 | 4,048 | 14,379 | 3,562 | 4,559 | 2,270 | 2,361 | 5,619 | 59,620 |
| Work incentive (WIN) credit..... | 478 | 1 | — | — | *66 | *56 | *33 | *9 | 3 | 2 | — | — | 307 |
| New jobs credit..... | 29,485 | — | — | *2,348 | 5,402 | 4,758 | 10,133 | 2,392 | 2,282 | 872 | 332 | 566 | 400 |
| Distributions to stockholders except in own stock..... | 357,976 | *4,731 | *835 | *869 | *429 | 10,070 | 20,047 | 13,509 | 8,962 | 5,745 | 6,364 | 24,888 | 261,527 |
| Manufacturing: Leather and Leather Products | | | | | | | | | | | | | |
| Number of returns..... | 1,751 | 3 | *290 | *418 | 433 | *147 | 332 | 68 | 39 | 10 | .. | .. | 4 |
| Total assets..... | 5,404,000 | — | *13,416 | *74,413 | 158,729 | *101,353 | 743,447 | 441,154 | 572,759 | 348,466 | 709,494 | 2,240,749 | |
| Notes and accounts receivable, net..... | 1,361,123 | — | *3,554 | *12,189 | 51,348 | *36,176 | 209,572 | 125,890 | 166,113 | 99,299 | 135,407 | 520,945 | |
| Inventories..... | 1,693,189 | — | *2,430 | *40,303 | 48,663 | *31,227 | 282,062 | 150,040 | 185,906 | 104,110 | 185,884 | 662,764 | |
| Cash, Government obligations, and other current assets..... | 722,846 | — | *5,400 | *10,974 | 41,156 | *11,321 | 76,439 | 42,611 | 59,581 | 44,875 | 73,427 | 327,082 | |
| Other investments and loans..... | 657,085 | — | *1,328 | *24 | *1,577 | *4,031 | 42,259 | 36,854 | 45,220 | 41,744 | 135,563 | 348,485 | |
| Depreciable assets..... | 1,673,039 | — | *4,839 | *21,058 | 51,367 | *54,374 | 256,660 | 163,130 | 195,875 | 78,210 | 220,651 | 628,875 | |
| Less: Accumulated depreciation..... | 875,175 | — | *4,160 | *11,846 | 36,249 | *37,795 | 147,984 | 84,703 | 95,322 | 33,648 | 99,892 | 323,576 | |
| Other capital assets less reserves..... | 46,230 | — | *584 | *198 | *1,905 | 8,765 | 3,643 | 7,654 | 7,858 | 5,873 | — | 9,750 | |
| Accounts and notes payable..... | 1,437,278 | — | *3,974 | *25,307 | 55,289 | *32,397 | 257,764 | 132,950 | 139,206 | 72,564 | 107,664 | 610,163 | |
| Other current liabilities..... | 369,224 | — | *1,125 | *10,683 | 8,287 | *2,058 | 60,876 | 25,848 | 52,127 | 23,133 | 47,093 | 137,994 | |
| Mortgages, notes, and bonds payable in one year or more..... | 890,996 | — | *220 | *9,531 | *16,284 | *15,536 | 91,499 | 55,644 | 83,170 | 49,367 | 150,418 | 419,327 | |
| Net worth..... | 2,540,655 | — | *7,548 | *21,412 | 70,753 | *42,249 | 311,593 | 222,514 | 278,317 | 183,015 | 347,600 | 1,055,654 | |
| Cost of property used for investment credit..... | 128,031 | 95 | *182 | *4,987 | *2,413 | *4,262 | 18,134 | 16,108 | 17,450 | 7,091 | 17,295 | 40,014 | |
| Total receipts..... | 10,384,927 | 155 | *73,038 | *211,073 | 444,074 | *281,889 | 1,728,962 | 871,608 | 1,190,176 | 647,028 | 984,628 | 3,952,296 | |
| Business receipts..... | 10,192,252 | 30 | *72,949 | *204,450 | 442,091 | *280,220 | 1,714,814 | 863,450 | 1,178,540 | 633,370 | 969,724 | 3,832,614 | |
| Cost of sales and operations..... | 7,511,845 | 32 | *53,931 | *139,469 | 331,773 | *220,309 | 1,360,795 | 677,128 | 894,605 | 443,291 | 685,374 | 2,705,138 | |
| Taxes paid..... | 245,939 | 4 | *2,693 | *5,939 | 12,270 | *7,323 | 37,103 | 21,633 | 25,535 | 15,307 | 28,017 | 90,115 | |
| Interest paid..... | 139,937 | 11 | *214 | *2,805 | 2,649 | *1,672 | 17,306 | 8,252 | 14,301 | 7,736 | 15,751 | 69,240 | |
| Depreciation..... | 125,068 | 31 | *447 | *1,699 | 2,951 | *3,656 | 19,745 | 12,006 | 14,443 | 7,165 | 16,247 | 46,678 | |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 52,378 | — | — | — | *297 | *2,246 | 7,672 | 3,913 | 7,065 | 3,619 | 5,403 | 22,163 | |
| Employee benefit programs..... | 48,433 | — | *544 | *803 | *3,581 | *866 | 7,522 | 4,142 | 7,464 | 3,360 | 6,927 | 13,224 | |
| Net income (less deficit)..... | 385,190 | 49 | *446 | *9,274 | 3,274 | *646 | 21,963 | 17,788 | 59,156 | 31,523 | 46,340 | 194,731 | |
| Net income..... | 461,416 | 61 | *446 | *15,849 | 6,937 | *5,079 | 53,419 | 30,152 | 63,556 | 34,060 | 46,340 | 205,517 | |
| Income subject to tax..... | 421,746 | 61 | — | *11,307 | 4,823 | *4,085 | 51,568 | 29,566 | 34,008 | 43,077 | 43,077 | 183,559 | |
| Income tax, total..... | 194,508 | 16 | — | *3,170 | *1,038 | *1,026 | 21,920 | 13,710 | 28,295 | 16,540 | 20,649 | 88,144 | |
| Additional tax for tax preferences..... | — | — | — | — | — | — | — | — | — | — | — | — | |
| Foreign tax credit..... | 1,981 | — | — | — | — | — | — | *543 | 10 | 228 | 187 | 1,013 | |
| U.S. possessions tax credit..... | 1,936 | — | — | 83 | — | — | 1,153 | 700 | — | — | — | — | |
| Investment credit..... | 9,348 | 9 | — | *522 | *102 | *228 | 1,226 | 1,072 | 1,114 | 541 | 1,588 | 2,946 | |
| Work incentive (WIN) credit..... | 52 | — | — | — | — | *19 | — | *6 | 15 | 2 | 5 | 5 | |
| New jobs credit..... | 7,109 | 5 | — | *1,485 | — | *133 | 3,766 | *1,093 | 427 | 200 | — | — | |
| Distributions to stockholders except in own stock..... | 96,929 | — | *280 | *56 | *396 | *1,029 | 2,295 | *3,874 | 7,457 | 4,958 | 17,944 | 58,640 | |

Corporation Returns/1977

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

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Manufacturing: Stone, Clay, and Glass Products | | | | | | | | | | | | | |
| Number of returns..... | 10,403 | 1,008 | 2,839 | 2,173 | 1,511 | 1,339 | 1,210 | 152 | 79 | 31 | 18 | 24 | 19 |
| Total assets..... | 27,281,845 | — | 112,975 | 383,209 | 559,300 | 916,224 | 2,473,802 | 1,080,457 | 1,224,334 | 1,104,794 | 1,395,070 | 4,104,719 | 13,926,961 |
| Notes and accounts receivable, net..... | 5,198,109 | — | 19,736 | 105,028 | 156,547 | 227,743 | 630,805 | 227,165 | 244,368 | 208,275 | 605,668 | 2,558,770 | 6,056,880 |
| Inventories..... | 4,198,182 | — | 19,754 | 64,566 | 115,063 | 134,936 | 409,836 | 200,900 | 226,275 | 165,165 | 200,955 | 654,829 | 2,005,883 |
| Cash, Government obligations, and other current assets..... | 2,477,028 | — | 24,165 | 74,111 | 80,678 | 117,979 | 298,104 | 125,545 | 134,646 | 124,162 | 85,130 | 383,011 | 1,029,487 |
| Other investments and loans..... | 3,263,475 | — | *7,157 | *4,530 | 8,162 | 35,925 | 117,039 | 47,717 | 76,627 | 145,376 | 59,803 | 466,104 | 2,294,035 |
| Depreciable assets..... | 20,979,780 | — | 72,660 | 296,919 | 416,253 | 795,310 | 1,915,350 | 818,198 | 991,149 | 794,683 | 1,314,682 | 3,239,373 | 10,325,203 |
| Less: Accumulated depreciation..... | 10,133,255 | — | 38,207 | 181,185 | 242,054 | 453,441 | 1,062,934 | 459,811 | 529,048 | 403,453 | 560,512 | 1,492,362 | 4,711,448 |
| Other capital assets less reserves..... | 931,757 | — | *3,562 | 12,438 | 16,410 | 41,638 | 139,619 | 79,849 | 57,175 | 47,386 | 59,975 | 173,729 | 299,976 |
| Accounts and notes payable..... | 3,974,314 | — | 19,130 | 92,253 | 151,864 | 231,792 | 652,103 | 241,936 | 220,812 | 143,597 | 128,537 | 514,276 | 1,578,014 |
| Other current liabilities..... | 2,813,045 | — | 15,797 | 25,524 | 30,025 | 54,128 | 183,105 | 86,820 | 109,199 | 73,952 | 106,660 | 531,112 | 1,596,923 |
| Mortgages, notes, and bonds payable in one year or more..... | 5,789,289 | — | *10,210 | 56,103 | 71,602 | 174,930 | 469,331 | 172,411 | 242,417 | 208,677 | 434,914 | 942,672 | 3,006,022 |
| Net worth..... | 13,746,186 | — | 33,993 | 160,761 | 266,129 | 403,419 | 1,085,604 | 532,685 | 632,600 | 632,643 | 664,020 | 1,996,393 | 7,348,939 |
| Cost of property used for investment credit..... | 2,014,320 | *2,173 | *7,808 | 40,156 | 46,848 | 107,330 | 256,377 | 85,394 | 89,296 | 59,409 | 150,724 | 242,648 | 926,157 |
| Total receipts..... | 36,309,691 | *23,991 | 309,662 | 919,873 | 1,156,664 | 1,866,672 | 4,624,613 | 1,705,736 | 1,652,770 | 1,263,111 | 1,444,550 | 4,706,326 | 16,635,723 |
| Business receipts..... | 35,175,446 | *22,272 | 299,549 | 907,301 | 1,142,002 | 1,840,496 | 4,535,302 | 1,655,465 | 1,607,542 | 1,223,905 | 1,425,403 | 4,566,148 | 15,950,061 |
| Cost of sales and operations..... | 24,051,483 | *13,981 | 208,175 | 607,565 | 775,059 | 1,256,481 | 3,235,282 | 1,187,072 | 1,126,978 | 869,273 | 1,042,852 | 3,151,364 | 10,577,401 |
| Taxes paid..... | 1,051,814 | 1,420 | 13,058 | 27,884 | 39,789 | 62,072 | 120,667 | 43,062 | 47,297 | 38,885 | 36,049 | 145,265 | 476,366 |
| Interest paid..... | 581,186 | *1,039 | 2,219 | 8,181 | 14,380 | 23,058 | 65,826 | 22,390 | 25,809 | 34,792 | 99,348 | 260,856 | 687,068 |
| Depreciation..... | 1,439,798 | *1,572 | 8,828 | 26,364 | 35,819 | 66,790 | 148,403 | 61,005 | 76,678 | 50,467 | 68,639 | 208,163 | 687,068 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 477,426 | 65 | — | *2,964 | 4,270 | 9,068 | 37,427 | 13,812 | 12,240 | 12,919 | 17,240 | 45,552 | 320,545 |
| Employee benefit programs..... | 351,558 | — | *1,673 | 2,418 | 4,200 | 7,849 | 26,038 | 10,417 | 12,883 | 9,397 | 11,447 | 37,049 | 227,935 |
| Net income (less deficit)..... | 2,252,795 | —4,446 | —22,187 | 9,554 | 50,691 | 87,626 | 251,829 | 97,341 | 126,506 | 96,495 | 77,823 | 289,078 | 1,304,220 |
| Net income..... | 2,437,170 | *1,493 | *5,166 | 40,375 | 59,118 | 67,790 | 229,030 | 87,635 | 118,875 | 66,517 | 68,830 | 280,352 | 1,219,760 |
| Income subject to tax..... | 2,238,045 | *1,327 | *3,483 | 30,506 | 43,940 | 52,560 | 183,804 | 99,127 | 115,512 | 41,182 | 33,319 | 135,096 | 578,316 |
| Income tax, total..... | 1,029,633 | *593 | *1,363 | — | 78 | — | — | *125 | *109 | 68 | 553 | — | — |
| Additional tax for tax preferences..... | 2,608 | — | — | — | — | — | — | *84 | *34 | 909 | 3,436 | 18 | 6,443 |
| Foreign tax credit..... | 100,154 | — | — | — | — | — | — | — | 206 | 1,949 | — | — | — |
| U.S. possessions tax credit..... | 2,997 | — | — | — | — | — | — | 842 | — | — | — | — | — |
| Investment credit..... | 165,750 | *198 | *123 | 1,796 | 2,672 | 5,579 | 17,240 | 5,415 | 5,530 | 4,686 | 5,610 | 24,182 | 92,719 |
| Work incentive (WIN) credit..... | 199 | — | — | — | — | — | — | *35 | 6 | 8 | — | 18 | 63 |
| New jobs credit..... | 19,715 | 100 | *246 | *549 | *1,445 | 1,746 | 8,382 | 2,509 | 1,484 | 783 | 400 | 1,075 | 996 |
| Distributions to stockholders except in own stock..... | 532,132 | *2,675 | *5,845 | *4,477 | *4,963 | 9,252 | 19,899 | 11,740 | 20,477 | 18,320 | 21,793 | 63,950 | 348,741 |
| Manufacturing: Primary Metal Industries | | | | | | | | | | | | | |
| Number of returns..... | 4,454 | 8 | *1,011 | 1,018 | 638 | 565 | 763 | 193 | 126 | 36 | 29 | 25 | 42 |
| Total assets..... | 92,502,236 | — | *57,547 | 168,831 | 232,715 | 399,598 | 1,665,317 | 1,368,003 | 1,997,191 | 1,209,780 | 2,121,883 | 3,380,056 | 79,901,315 |
| Notes and accounts receivable, net..... | 14,741,150 | — | *17,163 | 74,596 | 110,471 | 405,216 | 343,599 | 479,327 | 415,522 | 254,974 | 415,522 | 591,382 | 12,000,678 |
| Inventories..... | 14,736,943 | — | *15,895 | 39,396 | 73,718 | 376,184 | 364,036 | 532,771 | 334,311 | 571,281 | 991,943 | 1,141,846 | 11,418,146 |
| Cash, Government obligations, and other current assets..... | 6,367,367 | — | *9,470 | 46,113 | 39,179 | 57,424 | 208,904 | 148,380 | 165,462 | 105,095 | 173,785 | 197,601 | 5,215,954 |
| Other investments and loans..... | 14,371,349 | — | *248 | *4,462 | *5,881 | 17,318 | 119,493 | 47,810 | 88,387 | 65,642 | 146,332 | 308,225 | 13,567,551 |
| Depreciable assets..... | 67,536,886 | — | *42,120 | 95,912 | 158,252 | 263,350 | 930,602 | 846,450 | 1,214,244 | 669,950 | 1,236,069 | 2,428,682 | 59,651,255 |
| Less: Accumulated depreciation..... | 33,436,152 | — | *29,212 | 51,890 | 91,604 | 140,204 | 442,127 | 421,857 | 562,746 | 268,931 | 502,780 | 1,298,624 | 29,626,077 |
| Other capital assets less reserves..... | 1,764,140 | — | *124 | *5,132 | 7,093 | 10,657 | 39,753 | 30,553 | 41,279 | 22,462 | 64,363 | 51,199 | 1,491,525 |
| Accounts and notes payable..... | 15,485,098 | — | *18,634 | 29,384 | 40,044 | 110,637 | 485,833 | 351,837 | 459,978 | 264,338 | 365,268 | 575,816 | 12,783,329 |
| Other current liabilities..... | 7,437,479 | — | *5,648 | 17,545 | 17,130 | 35,470 | 153,984 | 157,167 | 160,950 | 108,720 | 222,308 | 331,568 | 6,226,989 |
| Mortgages, notes, and bonds payable in one year or more..... | 20,251,651 | — | *2,553 | *5,644 | 57,044 | 67,356 | 202,852 | 198,523 | 333,484 | 224,100 | 451,486 | 770,820 | 17,937,789 |
| Net worth..... | 41,879,222 | — | *28,825 | 101,703 | 112,196 | 167,305 | 777,124 | 634,590 | 1,004,015 | 553,673 | 1,001,347 | 1,587,174 | 35,911,270 |
| Cost of property used for investment credit..... | 5,724,009 | 1,560 | *16,309 | *13,728 | 8,014 | 25,856 | 133,582 | 79,622 | 107,916 | 64,486 | 86,615 | 137,903 | 5,048,418 |
| Total receipts..... | 98,504,375 | 100,628 | *306,487 | 555,063 | 572,087 | 969,100 | 3,502,432 | 2,882,701 | 3,699,520 | 1,954,912 | 3,319,839 | 5,013,982 | 75,627,624 |
| Business receipts..... | 95,680,424 | 97,883 | *304,992 | 552,743 | 562,342 | 960,591 | 3,473,195 | 2,850,401 | 3,663,791 | 1,927,820 | 3,254,022 | 4,792,142 | 73,240,702 |
| Cost of sales and operations..... | 73,576,101 | 74,995 | *205,074 | 355,574 | 418,255 | 712,963 | 2,668,113 | 2,268,332 | 2,936,718 | 1,501,837 | 2,487,413 | 3,782,066 | 56,143,661 |
| Taxes paid..... | 2,367,556 | 2,307 | *8,464 | 16,820 | 13,232 | 27,500 | 84,867 | 61,895 | 79,189 | 42,907 | 81,406 | 107,731 | 1,841,618 |
| Interest paid..... | 2,345,075 | 2,579 | *732 | *1,570 | 6,021 | 6,894 | 30,467 | 30,096 | 41,412 | 26,504 | 63,655 | 87,907 | 2,047,238 |
| Depreciation..... | 3,603,164 | 3,659 | *4,845 | 9,227 | 10,703 | 19,364 | 77,101 | 73,142 | 85,208 | 49,525 | 94,845 | 130,784 | 3,044,761 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 2,026,821 | 706 | *1,662 | *1,814 | *3,975 | 11,771 | 32,379 | 24,276 | 32,155 | 25,713 | 41,702 | 76,704 | 1,773,964 |
| Employee benefit programs..... | 1,272,017 | 854 | *2,365 | *3,702 | 5,397 | 5,659 | 17,745 | 19,189 | 27,449 | 23,927 | 38,284 | 79,561 | 1,048,886 |
| Net income (less deficit)..... | 1,231,259 | —264 | *1,222 | 27,795 | 24,853 | 29,941 | 186,449 | 123,321 | 145,483 | 75,420 | 124,239 | 139,532 | 353,478 |
| Net income..... | 2,584,391 | 3,919 | *7,860 | 29,612 | 27,210 | 40,291 | 210,294 | 142,219 | 176,324 | 98,614 | 159,074 | 217,039 | 1,474,536 |
| Income subject to tax..... | 2,299,123 | 2,781 | *18,580 | 16,334 | 16,334 | 34,000 | 196,156 | 135,314 | 168,589 | 92,916 | 144,410 | 212,459 | 1,271,278 |
| Income tax, total..... | 1,103,027 | 1,320 | *1,326 | *4,293 | 4,039 | 12,414 | 87,293 | 63,171 | 79,558 | 44,467 | 68,447 | 101,647 | 635,052 |
| Additional tax for tax preferences..... | 40,752 | — | — | — | — | — | — | *38 | *19 | 4 | 36 | 75 | 40,530 |
| Foreign tax credit..... | 160,215 | 716 | — | — | — | — | — | *36 | 537 | 1,849 | — | 2,143 | 146,778 |
| U.S. possessions tax credit..... | 391 | — | — | — | — | — | — | 221 | — | — | — | — | — |
| Investment credit..... | 155,095 | 80 | *166 | *937 | *372 | 1,159 | 8,015 | 5,626 | 7,267 | 3,982 | 5,765 | 8,697 | 113,029 |
| Work incentive (WIN) credit..... | 252 | — | — | — | — | — | — | *19 | *36 | — | 21 | 8 | 125 |
| New jobs credit..... | 17,143 | — | *1 | *906 | *1,273 | 6,309 | 2,440 | 2,376 | 866 | 331 | 686 | 1,332 | 1,392 |
| Distributions to stockholders except in own stock..... | 1,316,193 | 977 | — | *8,572 | *1,293 | 2,413 | 17,437 | 11,800 | 19,934 | 16,785 | 31,555 | 46,438 | 1,158,989 |

Corporation Returns/1977

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

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Manufacturing: Fabricated Metal Products | | | | | | | | | | | | | |
| Number of returns..... | 32,580 | 43 | 11,734 | 6,738 | 4,777 | 3,882 | 4,162 | 704 | 333 | 108 | 46 | 33 | 20 |
| Total assets..... | 51,506,962 | — | 519,593 | 1,050,975 | 1,709,359 | 2,886,980 | 8,891,314 | 4,676,621 | 5,059,870 | 3,695,146 | 3,241,454 | 5,185,897 | 14,589,753 |
| Notes and accounts receivable, net..... | 11,747,637 | — | 286,654 | 482,110 | 780,678 | 2,345,556 | 1,085,014 | 1,228,544 | 734,210 | 634,510 | 1,101,109 | 2,958,068 | 6,717,766 |
| Inventories..... | 12,707,236 | — | 85,953 | 187,389 | 377,371 | 707,909 | 2,497,595 | 1,394,341 | 1,550,706 | 1,029,036 | 925,439 | 1,317,637 | 2,633,860 |
| Cash, Government obligations, and other current assets..... | 5,569,113 | — | 87,630 | 168,786 | 242,108 | 414,969 | 1,052,690 | 741,696 | 522,411 | 429,989 | 275,969 | 538,186 | 1,094,879 |
| Other investments and loans..... | 5,877,958 | — | 28,588 | 41,693 | 66,290 | 143,008 | 418,397 | 222,641 | 341,746 | 408,727 | 386,224 | 763,029 | 3,057,615 |
| Depreciable assets..... | 25,476,765 | — | 361,848 | 726,073 | 979,337 | 1,562,918 | 4,526,429 | 2,285,948 | 2,360,021 | 1,692,938 | 1,511,556 | 2,405,991 | 7,063,712 |
| Less: Accumulated depreciation..... | 12,245,870 | — | 180,395 | 394,721 | 520,883 | 822,780 | 2,289,155 | 1,184,776 | 1,137,047 | 791,616 | 685,186 | 1,140,133 | 3,099,378 |
| Other capital assets less reserves..... | 1,208,501 | — | 9,210 | 22,107 | 34,288 | 62,236 | 236,403 | 76,828 | 111,019 | 103,175 | 93,846 | 79,530 | 379,859 |
| Accounts and notes payable..... | 10,182,409 | — | 165,366 | 494,356 | 802,588 | 2,352,113 | 1,095,460 | 1,072,514 | 549,958 | 510,875 | 677,035 | 2,147,384 | 3,171,854 |
| Other current liabilities..... | 5,262,023 | — | 60,000 | 84,566 | 170,418 | 269,160 | 848,915 | 329,995 | 519,138 | 385,738 | 320,285 | 588,489 | 1,665,319 |
| Mortgages, notes, and bonds payable in one year or more..... | 8,671,807 | — | 95,161 | 132,439 | 312,543 | 399,500 | 1,269,796 | 401,789 | 765,541 | 654,359 | 682,963 | 827,114 | 3,130,602 |
| Net worth..... | 25,032,670 | — | 107,956 | 454,975 | 612,925 | 1,300,917 | 4,123,002 | 2,701,950 | 2,544,858 | 1,995,174 | 1,640,041 | 2,833,106 | 6,717,766 |
| Cost of property used for investment credit..... | 2,501,239 | 5,263 | 49,135 | 88,608 | 135,827 | 191,834 | 445,673 | 210,968 | 218,188 | 163,699 | 142,025 | 213,371 | 636,648 |
| Total receipts..... | 84,128,260 | 395,208 | 1,519,957 | 2,742,987 | 3,809,090 | 6,311,636 | 17,135,977 | 8,149,881 | 8,341,764 | 5,437,590 | 4,656,410 | 7,159,396 | 18,468,384 |
| Business receipts..... | 82,375,570 | 384,972 | 1,506,076 | 2,726,615 | 3,767,203 | 6,236,217 | 16,915,501 | 8,046,089 | 8,214,517 | 5,318,093 | 4,562,743 | 6,967,840 | 17,727,904 |
| Cost of sales and operations..... | 58,581,773 | 277,806 | 915,238 | 1,791,129 | 2,590,802 | 4,411,917 | 12,311,425 | 5,930,463 | 6,001,963 | 3,817,497 | 3,252,042 | 4,817,772 | 12,463,719 |
| Taxes paid..... | 2,221,272 | 10,274 | 48,833 | 82,653 | 120,065 | 185,585 | 451,225 | 211,761 | 202,356 | 144,888 | 127,293 | 196,254 | 440,285 |
| Interest paid..... | 1,040,411 | 3,445 | 15,752 | 24,965 | 45,489 | 86,845 | 186,949 | 69,094 | 100,203 | 66,160 | 79,135 | 83,796 | 298,578 |
| Depreciation..... | 1,970,478 | 9,447 | 36,243 | 67,685 | 85,746 | 130,890 | 342,868 | 167,771 | 172,304 | 132,989 | 117,211 | 176,596 | 530,728 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 1,021,399 | 6,540 | *4,013 | 14,397 | 23,638 | 49,417 | 148,237 | 109,651 | 83,165 | 64,545 | 54,545 | 110,705 | 370,011 |
| Employee benefit programs..... | 717,862 | 7,329 | 8,231 | 11,914 | 27,427 | 50,152 | 122,487 | 58,129 | 66,130 | 42,148 | 36,146 | 83,189 | 204,580 |
| Net income (less deficit)..... | 5,248,821 | 18,509 | 729 | 84,733 | 96,264 | 307,628 | 909,782 | 499,104 | 514,558 | 467,731 | 307,118 | 663,342 | 1,379,323 |
| Net income..... | 5,712,551 | 21,536 | 53,023 | 112,356 | 173,879 | 342,917 | 1,046,595 | 540,714 | 571,013 | 484,465 | 322,887 | 663,833 | 1,379,323 |
| Income subject to tax..... | 5,333,785 | 20,199 | 54,023 | 112,356 | 173,879 | 342,917 | 1,046,595 | 540,714 | 571,013 | 484,465 | 322,887 | 663,833 | 1,379,323 |
| Income tax, total..... | 2,416,473 | 10,281 | 6,496 | 16,930 | 35,119 | 105,991 | 410,262 | 241,858 | 261,707 | 222,180 | 150,802 | 306,014 | 648,833 |
| Additional tax for tax preferences..... | 328 | — | — | — | — | — | *77 | *13 | 38 | 7 | 180 | 3 | — |
| Foreign tax credit..... | 173,249 | 5 | — | — | — | *1,254 | 2,070 | 521 | 3,749 | 5,499 | 6,530 | 16,634 | 136,987 |
| U.S. possessions tax credit..... | 8,466 | — | (¹) | — | 20 | 133 | 1,323 | 521 | 1,649 | 3,970 | — | — | — |
| Investment credit..... | 191,408 | 581 | 1,765 | 5,714 | 8,445 | 14,705 | 32,127 | 17,110 | 17,321 | 11,689 | 11,946 | 18,226 | 51,779 |
| Work incentive (WIN) credit..... | 945 | (¹) | — | — | *34 | *190 | 546 | *12 | 32 | 41 | 7 | 47 | 36 |
| New jobs credit..... | 86,062 | *373 | *1,240 | 1,494 | 5,415 | 17,704 | 31,511 | 11,486 | 8,391 | 3,836 | 1,770 | 1,515 | 1,327 |
| Distributions to stockholders except in own stock..... | 861,257 | *3,039 | *2,513 | *1,749 | 11,407 | 25,348 | 77,366 | 105,582 | 59,436 | 68,720 | 43,699 | 102,437 | 359,961 |
| Manufacturing: Machinery, Except Electrical | | | | | | | | | | | | | |
| Number of returns..... | 24,671 | 270 | 10,166 | 4,326 | 3,415 | 2,553 | 2,998 | 394 | 273 | 99 | 71 | 50 | 56 |
| Total assets..... | 114,577,828 | — | 372,830 | 681,687 | 1,229,312 | 1,850,214 | 6,467,642 | 2,648,323 | 4,238,532 | 3,485,755 | 5,083,830 | 7,773,327 | 80,746,376 |
| Notes and accounts receivable, net..... | 28,093,310 | — | 78,657 | 150,242 | 332,911 | 520,700 | 1,016,255 | 660,133 | 1,016,255 | 872,541 | 1,261,812 | 1,756,214 | 19,841,540 |
| Inventories..... | 28,496,094 | — | 65,152 | 94,598 | 221,972 | 430,106 | 2,101,352 | 918,826 | 1,391,367 | 1,054,830 | 1,571,402 | 2,230,108 | 18,416,381 |
| Cash, Government obligations, and other current assets..... | 15,466,279 | — | 51,629 | 148,608 | 231,785 | 273,656 | 842,400 | 254,415 | 451,833 | 359,622 | 470,952 | 895,291 | 11,486,088 |
| Other investments and loans..... | 15,557,760 | — | 26,689 | 39,286 | 42,770 | 103,717 | 316,203 | 152,287 | 338,034 | 379,556 | 562,116 | 1,043,118 | 12,553,894 |
| Depreciable assets..... | 47,249,239 | — | 316,629 | 448,979 | 772,887 | 1,079,628 | 2,867,375 | 1,113,662 | 1,658,917 | 1,258,035 | 2,003,867 | 2,913,170 | 32,816,090 |
| Less: Accumulated depreciation..... | 23,344,492 | — | 174,364 | 222,219 | 421,370 | 581,886 | 1,474,573 | 545,331 | 808,303 | 575,310 | 971,716 | 1,357,876 | 16,211,544 |
| Other capital assets less reserves..... | 1,356,731 | — | 4,979 | 12,285 | 24,263 | 65,692 | 153,935 | 59,741 | 96,376 | 70,493 | 70,493 | 125,953 | 652,920 |
| Accounts and notes payable..... | 22,880,436 | — | 94,207 | 152,275 | 302,793 | 429,538 | 1,695,488 | 665,633 | 831,793 | 613,018 | 927,145 | 1,100,174 | 16,068,372 |
| Other current liabilities..... | 13,579,002 | — | 34,104 | 62,943 | 135,939 | 218,086 | 741,102 | 339,842 | 533,023 | 461,079 | 676,035 | 1,264,714 | 9,112,135 |
| Mortgages, notes, and bonds payable in one year or more..... | 19,360,464 | — | 98,891 | 126,264 | 194,956 | 305,615 | 834,307 | 370,933 | 561,877 | 469,474 | 965,542 | 1,529,921 | 13,902,684 |
| Net worth..... | 51,819,898 | — | 48,360 | 266,970 | 529,435 | 837,495 | 2,843,940 | 1,221,585 | 2,149,645 | 1,840,854 | 2,408,520 | 3,671,484 | 35,901,610 |
| Cost of property used for investment credit..... | 4,726,309 | 10,579 | 33,980 | 80,229 | 87,867 | 133,976 | 314,890 | 124,340 | 168,403 | 132,447 | 251,599 | 334,138 | 3,053,861 |
| Total receipts..... | 124,186,319 | 829,712 | 1,038,425 | 1,371,975 | 2,507,097 | 3,422,758 | 11,124,897 | 3,860,622 | 5,910,125 | 4,520,068 | 6,258,411 | 9,405,205 | 73,937,024 |
| Business receipts..... | 109,684,375 | 807,849 | 1,028,151 | 1,344,624 | 2,475,930 | 3,382,771 | 10,924,701 | 3,780,390 | 5,745,590 | 4,353,990 | 5,910,857 | 8,870,516 | 61,058,006 |
| Cost of sales and operations..... | 71,437,036 | 482,573 | 634,498 | 800,535 | 1,617,076 | 2,265,966 | 7,550,029 | 2,639,414 | 3,904,710 | 2,840,898 | 3,965,520 | 5,996,565 | 38,739,251 |
| Taxes paid..... | 3,597,317 | 26,188 | 37,614 | 46,146 | 82,310 | 105,222 | 304,248 | 94,183 | 153,150 | 119,879 | 168,648 | 249,876 | 2,209,853 |
| Interest paid..... | 2,570,461 | 13,220 | 12,980 | 22,025 | 29,486 | 40,886 | 133,555 | 49,599 | 73,888 | 57,780 | 108,012 | 183,171 | 1,845,859 |
| Depreciation..... | 4,466,723 | 16,791 | 33,068 | 42,392 | 66,243 | 85,293 | 228,294 | 85,581 | 126,167 | 102,658 | 180,540 | 255,156 | 3,243,890 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 1,994,781 | 12,184 | *2,795 | *6,450 | 13,980 | 37,065 | 100,807 | 32,027 | 66,214 | 49,163 | 73,426 | 119,310 | 1,481,360 |
| Employee benefit programs..... | 1,455,366 | 21,693 | 6,412 | 14,176 | 18,443 | 34,882 | 81,661 | 31,398 | 51,876 | 39,065 | 69,596 | 90,556 | 995,608 |
| Net income (less deficit)..... | 12,661,772 | 115,463 | 1,864 | 91,888 | 110,896 | 195,798 | 696,461 | 269,879 | 471,553 | 474,243 | 467,564 | 825,070 | 8,941,093 |
| Net income..... | 13,098,594 | 123,459 | 39,147 | 121,722 | 142,047 | 218,824 | 791,042 | 308,129 | 503,957 | 488,839 | 489,749 | 850,492 | 9,021,187 |
| Income subject to tax..... | 12,517,842 | 14,821 | 18,350 | 91,133 | 121,979 | 188,112 | 697,870 | 275,360 | 479,428 | 477,135 | 488,135 | 798,358 | 8,895,121 |
| Income tax, total..... | 5,896,018 | 7,545 | 3,371 | 23,921 | 36,943 | 74,300 | 307,010 | 128,542 | 227,261 | 227,085 | 214,794 | 373,205 | 4,272,041 |
| Additional tax for tax preferences..... | 3,762 | 640 | — | — | — | — | *154 | (¹) | 20 | 94 | 92 | 1,036 | 1,726 |
| Foreign tax credit..... | 1,624,031 | 12 | — | — | — | — | 1,352 | 2,531 | 4,216 | 15,789 | 30,915 | 31,829 | 1,537,530 |
| U.S. possessions tax credit..... | 11,061 | — | — | — | 217 | 114 | 633 | 2,442 | 1,080 | 6,575 | — | — | — |
| Investment credit..... | 374,862 | 620 | 1,574 | 3,868 | 5,040 | 9,351 | 23,649 | 8,681 | 13,193 | 9,836 | 17,486 | 23,107 | 258,457 |
| Work incentive (WIN) credit..... | 523 | — | — | — | *33 | *111 | *42 | *15 | 25 | 23 | 28 | 47 | 189 |
| New jobs credit..... | 64,429 | *96 | (¹) | 5,990 | | | | | | | | | |

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Manufacturing: | | | | | | | | | | | | | |
| Electrical and Electronic Equipment | | | | | | | | | | | | | |
| Number of returns..... | 13,313 | 356 | 5,060 | 2,240 | 1,790 | 1,385 | 1,744 | 314 | 200 | 88 | 58 | 41 | 37 |
| Total assets..... | 96,099,283 | — | 183,833 | 380,474 | 647,537 | 1,021,757 | 3,930,097 | 2,225,594 | 3,191,439 | 3,078,096 | 3,923,680 | 6,490,248 | 71,026,528 |
| Notes and accounts receivable, net..... | 24,221,944 | — | 34,454 | 123,378 | 181,110 | 335,408 | 1,113,590 | 568,992 | 798,361 | 740,391 | 945,608 | 1,448,132 | 17,932,520 |
| Inventories..... | 18,805,538 | — | 63,133 | 96,488 | 197,215 | 294,945 | 1,316,271 | 697,610 | 903,060 | 837,593 | 1,120,626 | 1,533,757 | 11,744,840 |
| Cash, Government obligations, and other current assets..... | 15,084,300 | — | 17,145 | 64,268 | 101,687 | 135,171 | 474,626 | 275,814 | 371,650 | 411,575 | 461,941 | 700,977 | 12,069,446 |
| Other investments and loans..... | 14,007,298 | — | 12,652 | 11,964 | 16,051 | 58,706 | 163,430 | 144,478 | 337,430 | 328,482 | 509,609 | 1,007,717 | 11,416,779 |
| Depreciable assets..... | 35,755,076 | — | 60,143 | 152,540 | 234,795 | 368,836 | 1,373,389 | 800,585 | 1,169,471 | 1,120,851 | 1,382,932 | 2,808,578 | 26,282,956 |
| Less: Accumulated depreciation..... | 16,821,530 | — | 25,190 | 81,427 | 119,198 | 202,465 | 660,214 | 352,061 | 526,040 | 494,974 | 665,004 | 1,352,794 | 12,342,164 |
| Other capital assets less reserves..... | 1,219,547 | — | 10,648 | *1,764 | 13,015 | 19,766 | 79,418 | 44,480 | 59,742 | 66,598 | 65,441 | 109,472 | 749,203 |
| Accounts and notes payable..... | 21,759,482 | — | 71,293 | 131,110 | 222,932 | 347,082 | 1,201,826 | 477,307 | 704,248 | 569,959 | 737,716 | 882,715 | 16,413,494 |
| Other current liabilities..... | 13,142,169 | — | 13,476 | 40,925 | 67,330 | 131,584 | 483,061 | 269,212 | 369,258 | 321,230 | 459,541 | 777,552 | 10,209,000 |
| Mortgages, notes, and bonds payable in one year or more..... | 15,570,131 | — | *23,102 | 56,776 | 72,492 | 158,118 | 649,932 | 244,001 | 459,503 | 444,865 | 696,129 | 995,075 | 11,770,138 |
| Net worth..... | 38,390,424 | — | 41,752 | 107,845 | 219,688 | 317,447 | 1,448,111 | 1,136,273 | 1,569,790 | 1,658,821 | 1,659,312 | 3,614,563 | 26,306,822 |
| Cost of property used for investment credit..... | 5,843,808 | 10,402 | 7,664 | 16,607 | 30,631 | 47,688 | 203,292 | 104,420 | 138,148 | 126,613 | 169,732 | 238,203 | 4,750,408 |
| Total receipts..... | 114,307,940 | 1,100,750 | 495,324 | 892,476 | 1,437,212 | 2,227,944 | 7,470,924 | 3,508,669 | 4,643,931 | 4,334,761 | 5,341,126 | 9,382,843 | 73,471,980 |
| Business receipts..... | 108,913,623 | 1,074,370 | 490,931 | 871,656 | 1,424,979 | 2,189,560 | 7,335,443 | 3,412,202 | 4,210,355 | 4,507,323 | 5,185,307 | 8,977,973 | 69,233,524 |
| Cost of sales and operations..... | 73,764,031 | 821,793 | 346,566 | 571,097 | 963,353 | 1,520,179 | 4,981,798 | 2,329,263 | 3,104,543 | 2,949,044 | 3,536,229 | 6,074,561 | 46,565,605 |
| Taxes paid..... | 3,076,989 | 14,754 | 12,719 | 38,868 | 60,122 | 100,813 | 88,192 | 114,328 | 105,045 | 105,045 | 138,849 | 256,614 | 2,021,064 |
| Interest paid..... | 2,172,097 | 23,699 | 3,478 | 9,436 | 14,700 | 25,082 | 91,476 | 44,516 | 61,456 | 58,420 | 79,163 | 115,479 | 1,645,192 |
| Depreciation..... | 3,489,948 | 11,042 | 7,071 | 16,058 | 25,928 | 30,990 | 135,677 | 75,064 | 102,517 | 97,405 | 136,769 | 230,730 | 2,620,697 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 1,622,762 | 4,299 | *167 | *4,933 | 7,309 | 12,426 | 47,807 | 24,741 | 30,410 | 36,167 | 50,443 | 94,782 | 1,309,278 |
| Employee benefit programs..... | 1,199,884 | 3,668 | *1,038 | 6,540 | 7,665 | 10,554 | 39,775 | 24,055 | 29,664 | 31,321 | 44,936 | 100,785 | 899,883 |
| Net income (less deficit)..... | 7,921,789 | 37,302 | —18,474 | 657 | 21,962 | 55,028 | 389,530 | 292,159 | 318,147 | 319,564 | 358,858 | 819,108 | 5,327,948 |
| Net income..... | 8,477,996 | *59,107 | 19,946 | 34,554 | 62,327 | 97,455 | 350,870 | 312,030 | 392,487 | 370,532 | 390,232 | 856,571 | 5,351,685 |
| Income subject to tax..... | 7,966,303 | *59,082 | 14,701 | 32,471 | 48,455 | 89,402 | 462,329 | 282,693 | 357,456 | 356,646 | 361,370 | 833,189 | 5,068,509 |
| Income tax, total..... | 3,730,561 | 28,392 | 2,765 | 7,534 | 14,769 | 32,219 | 260,391 | 132,795 | 168,675 | 170,590 | 171,808 | 388,768 | 2,405,855 |
| Additional tax for tax preferences..... | 6,163 | — | — | — | — | — | — | — | 46 | 34 | 7 | 274 | 5,802 |
| Foreign tax credit..... | 704,168 | 403 | — | — | *68 | — | *1,157 | 2,481 | 8,091 | 8,091 | 36,772 | 643,205 | — |
| U.S. possessions tax credit..... | 126,742 | 1,448 | — | 6 | 63 | 1,208 | 7,302 | 22,166 | 25,801 | 34,303 | 16,546 | 17,899 | — |
| Investment credit..... | 367,848 | 855 | *124 | 1,095 | 2,181 | 3,548 | 12,671 | 9,498 | 9,404 | 9,725 | 13,398 | 21,796 | 283,553 |
| Work incentive (WIN) credit..... | 1,091 | — | *124 | — | *99 | *31 | *65 | — | 126 | 9 | 70 | 28 | 399 |
| New jobs credit..... | 57,439 | 140 | *992 | *390 | *4,017 | 6,651 | 21,115 | 8,361 | 6,775 | 3,014 | 2,388 | 1,444 | 2,152 |
| Distributions to stockholders except in own stock..... | 1,845,037 | *28,044 | *3,667 | *1,255 | *6,336 | 3,512 | 30,567 | 15,679 | 30,055 | 28,022 | 46,984 | 147,266 | 1,503,650 |
| Manufacturing: | | | | | | | | | | | | | |
| Motor Vehicles and Equipment | | | | | | | | | | | | | |
| Number of returns..... | 2,318 | *94 | *496 | *510 | 320 | 239 | 437 | 90 | 50 | 34 | 13 | 13 | 22 |
| Total assets..... | 102,590,127 | — | *29,543 | *89,217 | 117,642 | 186,642 | 976,190 | 613,362 | 747,944 | 1,179,455 | 992,369 | 2,395,291 | 95,262,471 |
| Notes and accounts receivable, net..... | 47,293,672 | — | *3,829 | *24,382 | *20,506 | 57,476 | 261,509 | 137,131 | 188,162 | 316,443 | 296,632 | 467,341 | 45,580,262 |
| Inventories..... | 16,216,058 | — | *14,623 | *32,657 | *28,601 | 79,284 | 355,451 | 221,969 | 262,550 | 374,869 | 276,438 | 581,106 | 13,988,710 |
| Cash, Government obligations, and other current assets..... | 7,601,740 | — | *2,859 | *12,050 | 27,193 | 51,218 | 77,780 | 59,163 | 61,137 | 103,273 | 64,976 | 390,920 | 6,787,171 |
| Other investments and loans..... | 10,816,650 | — | — | *228 | *8,691 | *1,116 | 30,112 | 18,613 | 42,469 | 89,464 | 160,003 | 269,268 | 10,196,686 |
| Depreciable assets..... | 39,118,463 | — | *10,577 | *37,337 | 50,920 | 57,887 | 420,985 | 268,929 | 277,591 | 466,068 | 413,193 | 1,087,110 | 36,027,866 |
| Less: Accumulated depreciation..... | 22,352,771 | — | *5,615 | *17,755 | 22,663 | 28,701 | 204,453 | 118,483 | 121,403 | 212,740 | 191,880 | 557,227 | 20,871,851 |
| Other capital assets less reserves..... | 796,378 | — | *2,019 | — | *3,374 | *1,818 | 19,970 | 8,786 | 16,038 | 20,740 | 12,907 | 27,675 | 683,051 |
| Accounts and notes payable..... | 31,398,129 | — | *8,509 | *66,504 | 34,280 | 68,860 | 342,431 | 150,383 | 190,956 | 218,314 | 129,669 | 481,092 | 29,706,131 |
| Other current liabilities..... | 9,188,639 | — | *7,819 | *10,485 | 10,485 | 15,690 | 83,608 | 65,393 | 88,309 | 117,394 | 110,964 | 283,348 | 8,404,235 |
| Mortgages, notes, and bonds payable in one year or more..... | 23,409,525 | — | *4,937 | *26,455 | *13,038 | *25,221 | 141,370 | 85,499 | 86,031 | 209,416 | 177,228 | 368,575 | 22,271,755 |
| Net worth..... | 36,181,617 | — | *8,711 | *13,022 | 57,961 | 68,836 | 381,632 | 286,871 | 364,663 | 612,018 | 531,263 | 1,190,431 | 32,709,871 |
| Cost of property used for investment credit..... | 5,472,618 | *3,922 | *1,194 | *2,370 | 9,726 | 7,145 | 45,930 | 25,107 | 26,206 | 54,296 | 57,575 | 117,225 | 5,021,922 |
| Total receipts..... | 138,077,131 | *227,057 | *76,835 | *264,495 | 218,322 | 411,537 | 2,124,940 | 1,210,083 | 1,429,810 | 1,995,288 | 1,446,381 | 3,489,917 | 125,182,486 |
| Business receipts..... | 133,156,738 | *220,140 | *76,454 | *263,392 | 214,496 | 398,632 | 2,091,721 | 1,196,634 | 1,408,622 | 1,959,747 | 1,416,592 | 3,409,855 | 120,500,452 |
| Cost of sales and operations..... | 97,478,839 | *162,273 | *53,924 | *166,589 | 142,153 | 301,692 | 1,567,570 | 912,787 | 1,078,123 | 1,451,212 | 960,673 | 2,298,881 | 88,362,881 |
| Taxes paid..... | 3,411,547 | *5,060 | *1,534 | *7,368 | 6,451 | 8,047 | 49,545 | 32,125 | 31,724 | 51,086 | 42,944 | 100,731 | 3,074,912 |
| Interest paid..... | 3,021,331 | *652 | *979 | *2,099 | 3,482 | 25,677 | 11,149 | 15,916 | 20,519 | 14,093 | 49,074 | 2,874,710 | |
| Depreciation..... | 4,047,580 | *4,440 | *1,959 | *3,781 | 4,770 | 4,629 | 35,457 | 19,754 | 20,604 | 47,458 | 29,826 | 86,115 | 3,788,787 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 2,907,660 | *2,805 | — | *286 | *1,023 | *2,465 | 11,881 | 6,454 | 11,043 | 14,611 | 24,723 | 36,433 | 2,795,936 |
| Employee benefit programs..... | 3,545,089 | *3,497 | *223 | *3,781 | *540 | *1,610 | 11,628 | 6,851 | 8,421 | 22,968 | 56,060 | 3,410,629 | |
| Net income (less deficit)..... | 11,726,720 | *23,661 | *1,715 | *2,149 | 10,111 | 19,293 | 90,999 | 65,949 | 101,154 | 151,624 | 110,909 | 244,679 | 10,907,911 |
| Net income..... | 11,856,377 | *28,941 | *2,125 | *12,948 | 19,293 | 110,445 | 76,037 | 110,576 | 154,350 | 152,552 | 250,552 | 10,963,330 | |
| Income subject to tax..... | 11,751,594 | *24,182 | *248 | *7,483 | 12,978 | 16,491 | 90,812 | 70,878 | 109,103 | 150,531 | 108,070 | 248,673 | 10,912,145 |
| Income tax, total..... | 5,632,218 | *11,424 | *1 | *1,539 | *3,718 | 5,814 | 39,912 | 33,021 | 51,904 | 71,869 | 51,595 | 119,337 | 5,242,085 |
| Additional tax for tax preferences..... | — | *35 | — | — | — | — | *7 | *15 | 13 | — | — | — | — |
| Foreign tax credit..... | 1,228,566 | 42 | — | — | — | — | — | *1 | 205 | 2,813 | 4,821 | 3,888 | 1,216,796 |
| U.S. possessions tax credit..... | 7,302 | 1,535 | — | — | — | — | 503 | 1,933 | — | 3,331 | — | — | — |
| Investment credit..... | 411,810 | 299 | *1 | *312 | *368 | 565 | 3,446 | 2,028 | 2,167 | 4,613 | 4,028 | 11,216 | 382,768 |
| Work incentive (WIN) credit..... | 3,203 | — | — | — | — | — | *15 | *3 | 13 | 12 | 22 | 17 | 3,121 |
| New jobs credit..... | 14,043 | 51 | — | *468 | *898 | *1,433 | 3,704 | 2,096 | 1,793 | 1,205 | 724 | 594 | 1,077 |
| Distributions to stockholders except in own stock..... | 2,808,355 | *2,792 | — | — | *1,683 | *508 | 13,494 | 4,650 | 7,292 | 15,947 | 23,862 | 42,491 | 2,695,636 |

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

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|---|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Manufacturing: Transportation Equipment, Except Motor Vehicles | | | | | | | | | | | | | |
| Number of returns..... | 3,718 | 4 | 1,651 | 795 | 368 | 306 | 405 | 82 | 39 | 15 | 19 | 12 | 22 |
| Total assets..... | 37,738,183 | — | 44,467 | 155,216 | 134,506 | 193,249 | 862,466 | 532,930 | 555,480 | 503,480 | 1,247,710 | 1,798,144 | 31,710,535 |
| Notes and accounts receivable, net..... | 6,380,246 | — | *10,021 | *25,442 | 15,173 | 47,639 | 141,773 | 107,241 | 133,157 | 114,375 | 299,940 | 306,316 | 5,179,169 |
| Inventories..... | 10,065,321 | — | *6,633 | 54,403 | 59,707 | 66,270 | 289,537 | 189,714 | 176,688 | 148,644 | 363,101 | 684,924 | 8,025,650 |
| Cash, Government obligations, and other current assets..... | 7,034,451 | — | 12,441 | 20,567 | 16,118 | 23,040 | 144,134 | 64,510 | 63,745 | 59,812 | 138,923 | 297,493 | 6,193,668 |
| Other investments and loans..... | 4,957,188 | — | *4,914 | *4,954 | *4,954 | 9,020 | 31,506 | 21,505 | 30,159 | 28,986 | 62,474 | 141,001 | 4,586,691 |
| Depreciable assets..... | 16,045,161 | — | 38,407 | 66,441 | 52,185 | 93,983 | 405,398 | 240,885 | 234,828 | 211,382 | 465,364 | 571,027 | 13,666,161 |
| Less: Accumulated depreciation..... | 8,943,249 | — | *3,578 | 19,394 | 20,622 | 53,888 | 206,851 | 108,256 | 107,440 | 90,128 | 193,963 | 264,331 | 7,846,774 |
| Other capital assets less reserves..... | 700,484 | — | *237 | *1,513 | *4,786 | 5,137 | 26,013 | 13,312 | 13,134 | 5,927 | 83,593 | 30,054 | 516,778 |
| Accounts and notes payable..... | 8,459,827 | — | *31,163 | 35,611 | 65,914 | 62,646 | 246,964 | 133,221 | 168,396 | 112,294 | 314,312 | 367,470 | 6,821,816 |
| Other current liabilities..... | 6,987,509 | — | *3,491 | 17,327 | 12,938 | 21,233 | 70,822 | 55,564 | 71,127 | 49,277 | 163,061 | 324,182 | 6,188,487 |
| Mortgages, notes, and bonds payable in one year or more..... | 5,947,759 | — | *1,674 | *30,644 | *31,197 | 55,272 | 111,565 | 77,632 | 89,930 | 82,682 | 257,607 | 224,527 | 4,985,209 |
| Net worth..... | 14,327,206 | — | — | 32,667 | 20,704 | 51,137 | 396,134 | 247,964 | 207,796 | 249,476 | 421,136 | 777,833 | 11,937,436 |
| Cost of property used for investment credit..... | 1,318,596 | 368 | *1,136 | *5,967 | *9,176 | 7,426 | 38,253 | 21,304 | 27,679 | 31,969 | 73,862 | 47,140 | 1,054,316 |
| Total receipts..... | 49,147,971 | 54,047 | 153,955 | 372,756 | 358,026 | 543,679 | 1,805,256 | 1,026,103 | 999,140 | 889,722 | 1,616,488 | 3,531,572 | 37,797,227 |
| Business receipts..... | 46,660,800 | 53,140 | 153,916 | 365,373 | 354,703 | 532,048 | 1,776,926 | 1,002,047 | 976,634 | 871,921 | 1,584,527 | 3,478,319 | 35,531,248 |
| Cost of sales and operations..... | 35,219,568 | 45,167 | 109,699 | 277,224 | 283,043 | 425,285 | 1,354,578 | 744,549 | 751,218 | 656,631 | 1,159,197 | 2,786,559 | 26,624,418 |
| Taxes paid..... | 1,419,742 | 843 | 5,113 | 10,710 | 9,235 | 13,427 | 48,369 | 24,971 | 25,256 | 20,465 | 41,987 | 69,034 | 1,130,332 |
| Interest paid..... | 684,760 | 3,217 | *2,956 | 5,036 | 5,422 | 7,111 | 21,165 | 12,615 | 12,383 | 10,135 | 32,210 | 23,318 | 549,192 |
| Depreciation..... | 1,200,136 | 1,073 | *1,165 | 6,111 | 5,694 | 7,801 | 34,066 | 16,663 | 18,682 | 14,633 | 36,945 | 40,664 | 1,016,639 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 1,187,889 | (¹) | — | *1,560 | — | *1,053 | 10,758 | 5,980 | 6,303 | 8,606 | 17,022 | 42,432 | 1,095,075 |
| Employee benefit programs..... | 673,985 | 75 | *66 | *1,428 | *620 | *1,461 | 9,587 | 4,170 | 7,488 | 6,932 | 11,239 | 40,358 | 590,461 |
| Net income (less deficit)..... | 1,369,795 | —5,568 | —2,282 | —5,860 | —6,712 | 11,193 | 68,658 | 66,981 | 45,827 | 52,473 | 110,379 | 183,607 | 871,099 |
| Income before taxes..... | 2,021,643 | 65 | *7,534 | *7,534 | *8,128 | 12,941 | 95,347 | 77,224 | 60,769 | 60,751 | 117,764 | 191,229 | 1,855,542 |
| Income subject to tax..... | 1,870,011 | 2 | *2,785 | *7,300 | *8,060 | 11,173 | 87,821 | 76,813 | 60,292 | 57,821 | 113,485 | 179,511 | 1,284,938 |
| Income tax, total..... | 879,107 | (¹) | *501 | *1,462 | *1,772 | 3,352 | 39,655 | 36,208 | 28,387 | 27,516 | 54,333 | 85,847 | 600,074 |
| Additional tax for tax preferences..... | *386 | — | — | — | — | — | *3 | — | — | 1 | — | — | 382 |
| Foreign tax credit..... | 88,958 | — | — | *78 | — | — | *88 | *2,149 | 340 | — | 2,762 | 210 | 83,310 |
| U.S. possessions tax credit..... | — | (¹) | (¹) | *146 | *401 | 516 | 2,956 | 2,010 | 2,388 | 2,391 | 5,701 | 3,141 | 68,571 |
| Investment credit..... | 88,221 | — | — | — | — | — | — | — | — | — | — | — | — |
| Work incentive (WIN) credit..... | 434 | — | — | — | — | 165 | *12 | — | 11 | 7 | 2 | 13 | 224 |
| New jobs credit..... | 10,964 | — | *167 | — | *136 | *608 | 5,123 | *1,655 | 865 | 688 | 577 | 450 | 685 |
| Distributions to stockholders except in own stock..... | 549,686 | — | — | *2,106 | — | *254 | 6,927 | 6,584 | 2,571 | 6,439 | 12,860 | 27,722 | 484,223 |
| Manufacturing: Instruments and Related Products | | | | | | | | | | | | | |
| Number of returns..... | 5,674 | *31 | 2,025 | 1,321 | 880 | 570 | 631 | 71 | 73 | 24 | 24 | 14 | 10 |
| Total assets..... | 19,271,009 | — | 71,137 | 229,505 | 311,398 | 397,639 | 1,451,966 | 513,965 | 1,106,249 | 823,038 | 1,709,426 | 2,467,819 | 10,188,667 |
| Notes and accounts receivable, net..... | 4,602,683 | — | *11,082 | 51,891 | 87,581 | 110,522 | 408,570 | 114,441 | 269,407 | 232,600 | 432,618 | 671,667 | 2,212,304 |
| Inventories..... | 4,933,002 | — | *8,869 | 66,315 | 97,118 | 106,879 | 483,960 | 186,104 | 307,495 | 241,792 | 499,195 | 761,160 | 2,174,115 |
| Cash, Government obligations, and other current assets..... | 2,146,723 | — | 19,628 | 37,780 | 35,155 | 40,215 | 172,784 | 40,551 | 112,526 | 88,444 | 103,434 | 303,309 | 1,192,897 |
| Other investments and loans..... | 1,684,395 | — | *3,521 | *25,614 | *14,248 | 14,737 | 59,796 | 31,408 | 144,653 | 45,168 | 260,492 | 176,002 | 908,756 |
| Depreciable assets..... | 9,780,825 | — | 35,615 | 122,950 | 170,116 | 503,642 | 187,960 | 348,377 | 270,276 | 586,886 | 853,688 | 6,621,080 | |
| Less: Accumulated depreciation..... | 4,590,940 | — | 13,789 | 34,283 | 77,749 | 75,025 | 230,569 | 73,420 | 134,171 | 107,310 | 263,380 | 436,901 | 3,144,343 |
| Other capital assets less reserves..... | 370,100 | — | *5,326 | *1,248 | *11,353 | 13,798 | 34,998 | 9,955 | 20,789 | 29,239 | 48,942 | 28,843 | 171,609 |
| Accounts and notes payable..... | 2,760,128 | — | *7,976 | 51,622 | 82,178 | 121,702 | 390,429 | 121,662 | 143,385 | 147,026 | 242,115 | 499,052 | 952,981 |
| Other current liabilities..... | 2,462,635 | — | *2,417 | 20,364 | 23,581 | 36,322 | 162,511 | 70,120 | 139,321 | 102,385 | 168,066 | 328,141 | 1,389,407 |
| Mortgages, notes, and bonds payable in one year or more..... | 2,258,978 | — | *6,183 | *36,398 | 38,178 | 33,978 | 220,503 | 68,333 | 162,650 | 122,408 | 343,805 | 430,391 | 796,151 |
| Net worth..... | 11,285,950 | — | 42,231 | 102,129 | 140,340 | 170,592 | 592,327 | 221,599 | 616,469 | 428,066 | 898,894 | 1,178,595 | 6,894,708 |
| Cost of property used for investment credit..... | 917,936 | 2,392 | *396 | 15,012 | 15,490 | 23,263 | 58,574 | 21,817 | 48,917 | 32,276 | 58,396 | 62,356 | 558,947 |
| Total receipts..... | 27,037,134 | *50,888 | 139,109 | 530,478 | 599,507 | 765,393 | 2,481,787 | 708,055 | 1,396,207 | 1,192,008 | 2,124,477 | 3,458,380 | 13,590,845 |
| Business receipts..... | 25,707,217 | *45,596 | 128,601 | 525,237 | 596,161 | 746,887 | 2,426,197 | 688,307 | 1,347,364 | 1,163,325 | 2,027,308 | 3,359,669 | 12,652,565 |
| Cost of sales and operations..... | 15,204,537 | *26,741 | 59,907 | 350,262 | 372,541 | 448,656 | 1,486,291 | 417,818 | 755,221 | 678,645 | 1,368,850 | 2,269,966 | 6,969,649 |
| Taxes paid..... | 735,765 | 5,404 | *14,798 | 27,156 | 23,192 | 27,051 | 139,424 | 40,841 | 40,841 | 30,357 | 86,651 | 80,224 | 360,530 |
| Interest paid..... | 273,603 | *563 | *1,084 | 4,539 | 5,949 | 9,160 | 36,559 | 11,950 | 17,837 | 14,686 | 45,112 | 46,799 | 79,365 |
| Depreciation..... | 791,620 | *1,748 | 4,047 | 8,300 | 11,908 | 17,358 | 42,939 | 14,475 | 30,781 | 21,824 | 55,746 | 73,294 | 518,200 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 443,814 | 514 | *223 | *6,963 | *1,980 | 6,714 | 19,272 | 5,511 | 12,772 | 8,166 | 20,877 | 45,841 | 314,981 |
| Employee benefit programs..... | 252,051 | *512 | *668 | *3,951 | 3,313 | 5,679 | 20,026 | 6,067 | 13,408 | 10,121 | 14,150 | 43,424 | 130,712 |
| Net income (less deficit)..... | 2,747,531 | *4,827 | 9,676 | 22,086 | 8,308 | 26,937 | 168,284 | 48,010 | 188,982 | 119,087 | 142,474 | 235,971 | 1,772,879 |
| Income before taxes..... | 2,881,757 | *10,314 | *12,850 | 23,429 | 26,410 | 46,926 | 209,158 | 58,158 | 194,586 | 128,030 | 154,222 | 243,592 | 1,774,582 |
| Income subject to tax..... | 2,791,670 | *10,315 | *3,199 | 20,530 | 23,010 | 38,071 | 184,706 | 58,128 | 189,138 | 123,837 | 147,230 | 239,239 | 1,754,167 |
| Income tax, total..... | 1,315,307 | *5,067 | *681 | 4,253 | 6,501 | 13,889 | 83,493 | 27,143 | 89,977 | 58,959 | 70,349 | 113,474 | 841,521 |
| Additional tax for tax preferences..... | 228 | — | — | — | — | — | — | — | — | — | — | 225 | 3 |
| Foreign tax credit..... | 202,475 | — | — | — | — | — | — | *3,841 | *771 | 1,984 | 3,380 | 10,914 | 175,909 |
| U.S. possessions tax credit..... | 35,951 | 903 | — | 54 | 212 | — | 3,754 | 404 | 20,928 | 9,696 | — | — | — |
| Investment credit..... | 80,284 | 132 | (¹) | 694 | 829 | 1,727 | 4,122 | 1,825 | 3,485 | 3,036 | 4,458 | 5,610 | 54,366 |
| Work incentive (WIN) credit..... | 213 | — | — | — | — | — | *47 | *15 | 7 | 4 | 16 | 47 | 77 |
| New jobs credit..... | 18,623 | 35 | — | *390 | — | *2,515 | 3,553 | 4,988 | 1,965 | 1,938 | 728 | 794 | 517 |
| Distributions to stockholders except in own stock..... | 600,374 | — | *2,877 | — | *1,353 | *5,114 | 11,082 | 2,129 | 6,764 | 10,151 | 28,929 | 48,031 | 483,944 |

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

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|---|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Manufacturing: Miscellaneous Manufacturing and Manufacturing not Allocable | | | | | | | | | | | | | |
| Number of returns..... | 13,621 | 851 | 5,798 | 2,730 | 1,722 | 1,062 | 1,130 | 161 | 107 | 26 | 20 | 8 | 6 |
| Total assets..... | 15,119,601 | — | 209,878 | 437,298 | 622,510 | 748,676 | 2,564,976 | 1,088,030 | 1,631,584 | 877,216 | 1,467,862 | 1,170,604 | 4,300,967 |
| Notes and accounts receivable, net..... | 3,860,680 | — | 58,690 | 103,000 | 191,972 | 200,533 | 732,667 | 287,247 | 402,839 | 208,756 | 393,054 | 295,280 | 986,642 |
| Inventories..... | 4,259,839 | — | 52,848 | 143,828 | 160,610 | 227,021 | 875,760 | 373,432 | 503,173 | 255,145 | 419,041 | 195,496 | 1,053,685 |
| Cash, Government obligations, and other current assets..... | 1,510,446 | — | 33,696 | 69,568 | 76,830 | 86,381 | 288,314 | 117,904 | 191,574 | 86,759 | 172,746 | 163,377 | 223,297 |
| Other investments and loans..... | 1,676,423 | — | *5,175 | 12,698 | 27,787 | 35,925 | 86,847 | 64,456 | 96,803 | 118,371 | 149,601 | 195,217 | 883,543 |
| Depreciable assets..... | 5,465,608 | — | 86,757 | 162,581 | 277,688 | 314,271 | 976,852 | 412,613 | 610,318 | 289,264 | 473,067 | 379,141 | 1,483,056 |
| Less: Accumulated depreciation..... | 2,516,206 | — | 44,412 | 80,650 | 138,196 | 147,344 | 487,724 | 197,884 | 263,396 | 144,936 | 206,076 | 172,293 | 633,295 |
| Other capital assets less reserves..... | 354,997 | — | 11,346 | *6,228 | 16,509 | 18,558 | 53,448 | 23,693 | 35,570 | 15,952 | 16,597 | 47,189 | 109,907 |
| Accounts and notes payable..... | 3,552,871 | — | 106,918 | 139,303 | 187,132 | 217,390 | 873,355 | 283,719 | 328,448 | 216,035 | 459,518 | 96,158 | 644,895 |
| Other current liabilities..... | 1,388,788 | — | 22,300 | 34,466 | 45,197 | 57,405 | 234,909 | 118,851 | 157,687 | 107,862 | 115,104 | 161,824 | 333,183 |
| Mortgages, notes, and bonds payable in one year or more..... | 2,780,944 | — | 56,159 | 71,324 | 118,284 | 89,224 | 325,695 | 148,718 | 300,168 | 165,454 | 248,480 | 257,036 | 1,000,402 |
| Net worth..... | 6,731,368 | — | -14,719 | 145,622 | 242,418 | 331,206 | 1,040,061 | 507,359 | 778,667 | 356,664 | 618,841 | 562,810 | 2,162,439 |
| Cost of property used for investment credit..... | 537,162 | *532 | 13,570 | 20,980 | 54,124 | 34,105 | 89,836 | 44,106 | 47,460 | 30,978 | 47,561 | 38,951 | 114,959 |
| Total receipts..... | 24,708,651 | 270,682 | 601,745 | 965,770 | 1,424,424 | 1,571,229 | 5,057,645 | 1,868,305 | 2,392,060 | 1,228,894 | 1,862,719 | 1,444,744 | 6,020,434 |
| Business receipts..... | 24,083,615 | 259,991 | 577,573 | 960,175 | 1,399,125 | 1,549,870 | 4,989,766 | 1,836,646 | 2,345,264 | 1,173,160 | 1,800,605 | 1,389,680 | 5,801,560 |
| Cost of sales and operations..... | 16,480,909 | 216,319 | 370,915 | 640,259 | 960,716 | 1,036,366 | 3,446,085 | 1,312,895 | 1,575,481 | 793,819 | 1,218,024 | 863,324 | 4,026,706 |
| Taxes paid..... | 659,953 | *7,398 | 24,625 | 24,583 | 39,945 | 51,052 | 127,147 | 42,056 | 60,282 | 46,282 | 45,262 | 46,243 | 161,276 |
| Interest paid..... | 424,415 | *5,472 | 7,076 | 13,598 | 14,694 | 16,737 | 73,044 | 23,074 | 41,450 | 26,533 | 39,044 | 33,239 | 130,634 |
| Depreciation..... | 468,799 | *2,231 | 11,962 | 16,427 | 26,806 | 27,677 | 77,328 | 30,360 | 46,453 | 30,018 | 36,209 | 35,726 | 127,602 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 176,574 | *148 | — | *2,720 | 10,018 | 10,601 | 32,884 | 12,021 | 18,366 | 10,059 | 10,941 | 12,070 | 56,746 |
| Employee benefit programs..... | 184,049 | *901 | *1,311 | 2,443 | 8,432 | 13,189 | 39,801 | 9,015 | 15,236 | 8,358 | 12,806 | 8,133 | 70,424 |
| Net income (less deficit)..... | 1,281,223 | *5,997 | 7,166 | -7,410 | 53,862 | 71,232 | 216,768 | 109,101 | 154,777 | 53,387 | 104,323 | 118,655 | 393,165 |
| Net income..... | 1,544,633 | *13,147 | 25,744 | 25,704 | 63,602 | 104,114 | 285,351 | 135,890 | 188,704 | 81,042 | 129,315 | 118,655 | 393,165 |
| Income subject to tax..... | 1,345,463 | *3,745 | 11,762 | 18,734 | 78,173 | 223,648 | 133,415 | 184,917 | 75,600 | 184,917 | 124,453 | 111,249 | 332,796 |
| Income tax, total..... | 605,004 | *1,496 | 2,589 | 5,274 | 13,352 | 30,293 | 97,345 | 62,817 | 87,582 | 36,100 | 56,103 | 53,527 | 158,516 |
| Additional tax for tax preferences..... | *106 | 13 | — | — | — | — | — | *78 | 9 | 2 | 4 | — | — |
| Foreign tax credit..... | 41,822 | — | — | — | — | — | *74 | *570 | 2,000 | 5,865 | 1,633 | 15,493 | 16,187 |
| U.S. possessions tax credit..... | 17,185 | — | 5 | 7 | 95 | 844 | 1,591 | 7,029 | 7,614 | — | — | — | — |
| Investment credit..... | 36,998 | *46 | *494 | 1,148 | 2,652 | 2,284 | 6,502 | 2,833 | 3,403 | 1,649 | 3,106 | 2,135 | 9,846 |
| Work incentive (WIN) credit..... | 232 | — | — | — | *33 | *114 | *32 | 16 | 6 | 7 | 1 | 1 | 22 |
| New jobs credit..... | 24,102 | 3 | *1 | *2,028 | 1,932 | *2,679 | 9,793 | 2,714 | 2,764 | 794 | 694 | 300 | 401 |
| Distributions to stockholders except in own stock..... | 186,097 | *163 | *3,448 | — | — | *8,052 | 5,759 | 13,866 | 16,321 | 13,744 | 16,348 | 17,650 | 83,027 |
| Total Transportation and Public Utilities | | | | | | | | | | | | | |
| Number of returns..... | 85,215 | 2,265 | 43,902 | 18,380 | 8,908 | 5,024 | 5,048 | 710 | 403 | 157 | 91 | 98 | 229 |
| Total assets..... | 538,778,308 | — | 1,649,541 | 2,917,006 | 3,103,540 | 3,494,016 | 10,543,525 | 4,830,632 | 6,302,525 | 5,674,518 | 6,400,874 | 15,612,109 | 478,250,022 |
| Notes and accounts receivable, net..... | 37,644,971 | — | 297,229 | 604,205 | 591,585 | 713,119 | 1,852,721 | 853,043 | 1,041,633 | 920,154 | 794,928 | 1,389,521 | 28,586,833 |
| Inventories..... | 18,692,638 | — | 24,464 | 45,453 | 110,524 | 181,547 | 268,883 | 137,695 | 161,642 | 164,664 | 252,887 | 535,229 | 16,892,130 |
| Cash, Government obligations, and other current assets..... | 32,297,925 | — | 338,256 | 470,879 | 490,462 | 544,440 | 1,530,061 | 660,862 | 763,969 | 562,547 | 640,031 | 1,155,890 | 25,140,728 |
| Other investments and loans..... | 45,930,150 | — | 82,323 | 125,912 | 183,820 | 145,141 | 755,408 | 350,290 | 497,056 | 438,563 | 642,737 | 1,534,566 | 41,174,334 |
| Depreciable assets..... | 518,697,258 | — | 1,570,436 | 2,841,461 | 2,901,141 | 3,203,538 | 9,218,318 | 4,028,734 | 5,385,665 | 5,441,474 | 14,143,101 | 464,991,762 | |
| Less: Accumulated depreciation..... | 139,874,368 | — | 825,000 | 1,399,934 | 1,436,234 | 1,519,713 | 3,999,472 | 1,652,001 | 2,114,169 | 1,901,877 | 1,982,366 | 4,240,159 | 112,809,443 |
| Other capital assets less reserves..... | 7,731,394 | — | 47,410 | 56,670 | 120,458 | 156,634 | 425,206 | 232,521 | 255,700 | 220,657 | 289,718 | 377,438 | 5,548,982 |
| Accounts and notes payable..... | 45,462,262 | — | 478,076 | 766,673 | 784,685 | 971,193 | 2,448,096 | 1,077,037 | 1,170,110 | 901,168 | 1,024,968 | 34,076,681 | |
| Other current liabilities..... | 57,087,381 | — | 220,381 | 174,301 | 234,368 | 802,505 | 506,706 | 670,370 | 670,370 | 670,370 | 716,709 | 1,763,296 | 51,416,726 |
| Mortgages, notes, and bonds payable in one year or more..... | 191,793,930 | — | 372,154 | 634,892 | 781,381 | 1,101,843 | 3,309,729 | 1,530,708 | 1,897,744 | 2,009,619 | 2,113,162 | 5,651,832 | 172,390,866 |
| Net worth..... | 218,166,812 | — | 328,537 | 949,136 | 1,036,872 | 979,135 | 3,284,949 | 1,439,068 | 2,162,431 | 1,873,351 | 2,208,289 | 5,574,716 | 198,330,328 |
| Cost of property used for investment credit..... | 55,261,605 | 71,983 | 245,560 | 381,570 | 431,473 | 462,095 | 1,174,924 | 495,816 | 443,620 | 443,620 | 575,393 | 1,151,151 | 49,271,632 |
| Total receipts..... | 330,112,349 | 2,980,452 | 5,350,949 | 7,119,202 | 6,438,127 | 6,845,931 | 15,191,132 | 5,948,235 | 7,579,074 | 6,542,441 | 7,212,614 | 11,934,039 | 246,970,153 |
| Business receipts..... | 318,432,740 | 2,824,982 | 5,152,072 | 7,004,499 | 6,266,473 | 6,724,183 | 14,765,106 | 5,732,027 | 7,286,151 | 6,340,406 | 7,030,170 | 11,392,871 | 237,913,800 |
| Cost of sales and operations..... | 199,942,778 | 1,391,677 | 3,211,642 | 4,608,678 | 4,044,530 | 4,473,495 | 9,387,481 | 3,911,162 | 4,946,462 | 4,347,753 | 4,868,274 | 7,918,355 | 146,833,269 |
| Taxes paid..... | 19,236,130 | 60,416 | 211,733 | 238,059 | 238,338 | 254,803 | 579,413 | 259,662 | 308,902 | 281,364 | 302,183 | 507,643 | 15,963,614 |
| Interest paid..... | 15,700,497 | 119,008 | 53,608 | 90,071 | 96,106 | 112,374 | 318,594 | 148,996 | 179,008 | 186,704 | 190,456 | 519,945 | 13,685,627 |
| Depreciation..... | 26,760,500 | 177,996 | 186,020 | 301,841 | 279,220 | 310,429 | 763,329 | 302,077 | 400,518 | 329,799 | 344,080 | 803,896 | 22,561,295 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 5,487,064 | 8,360 | 7,483 | 40,612 | 22,638 | 43,374 | 123,756 | 62,959 | 75,800 | 58,306 | 100,619 | 131,665 | 4,811,492 |
| Employee benefit programs..... | 2,899,235 | 15,253 | 17,238 | 33,465 | 45,336 | 30,877 | 144,746 | 54,893 | 83,073 | 74,453 | 75,587 | 111,468 | 2,212,846 |
| Net income (less deficit)..... | 18,393,402 | -10,723 | 11,352 | 162,515 | 171,456 | 195,560 | 625,213 | 279,639 | 438,037 | 372,941 | 352,060 | 471,169 | 15,324,183 |
| Net income..... | 20,304,871 | 52,375 | 174,906 | 281,813 | 265,360 | 268,244 | 794,364 | 349,230 | 486,360 | 401,368 | 389,739 | 690,224 | 16,150,888 |
| Income subject to tax..... | 18,892,706 | 33,942 | 80,919 | 180,259 | 191,800 | 207,031 | 696,956 | 267,993 | 430,000 | 365,810 | 346,639 | 599,343 | 15,492,014 |
| Income tax, total..... | 8,870,780 | 13,436 | 17,325 | 38,464 | 54,607 | 71,442 | 300,385 | 122,087 | 203,120 | 174,197 | 283,962 | 7,428,618 | |
| Additional tax for tax preferences..... | 18,900 | — | — | *1 | *38 | — | *274 | *154 | 359 | 75 | 720 | 519 | 16,761 |
| Foreign tax credit..... | 147,967 | 40 | — | — | — | — | *36 | *2,308 | 430 | 408 | 3,757 | 487 | 136,131 |
| U.S. possessions tax credit..... | 21,618 | — | — | — | — | 29 | 1,093 | 418 | 915 | — | — | — | 19,051 |
| Investment credit..... | 4,143,315 | 3,263 | 6,802 | 14,343 | 17,982 | 19,625 | 58,364 | 27,579 | 33,558 | 30,644 | 35,373 | 95,422 | 3,800,353 |
| Work incentive (WIN) credit..... | 512 | 4 | — | *78 | — | — | *125 | *3 | 6 | 2 | 46 | 4 | 244 |
| New jobs credit..... | 70,723 | 45 | 2,718 | 3,517 | 8,327 | 8,321 | 15,345 | 7,195 | 8,236 | 3,375 | 2,542 | 2,816 | 8,286 |
| Distributions to stockholders except in own stock..... | 11,836,726 | 15,565 | 18,065 | 28,805 | 24,930 | 24,316 | 84,399 | 38,545 | 78,375 | | | | |

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Transportation and Public Utilities: | | | | | | | | | | | | | |
| Transportation | | | | | | | | | | | | | |
| Number of returns..... | 65,344 | 1,998 | 35,289 | 13,383 | 6,424 | 3,962 | 3,325 | 457 | 252 | 93 | 57 | 42 | 62 |
| Total assets..... | 126,989,606 | — | 1,308,465 | 2,105,043 | 2,243,143 | 2,745,990 | 6,923,506 | 3,143,505 | 3,896,305 | 3,359,728 | 4,071,613 | 6,833,935 | 90,358,373 |
| Notes and accounts receivable, net..... | 14,832,287 | — | 246,538 | 476,278 | 463,663 | 608,332 | 1,464,372 | 698,421 | 805,297 | 723,386 | 621,278 | 789,901 | 7,934,821 |
| Inventories..... | 3,905,678 | — | 15,757 | 26,742 | 83,362 | 71,197 | 186,221 | 104,329 | 117,495 | 94,497 | 144,878 | 214,772 | 2,844,428 |
| Cash, Government obligations, and other current assets..... | 13,372,103 | — | 274,279 | 367,677 | 400,998 | 451,373 | 1,077,842 | 486,466 | 508,044 | 358,184 | 471,965 | 571,288 | 8,403,987 |
| Other investments and loans..... | 18,744,175 | — | 72,846 | 91,505 | 146,420 | 118,651 | 458,158 | 192,152 | 314,638 | 314,638 | 411,056 | 798,433 | 15,911,927 |
| Depreciable assets..... | 105,885,679 | — | 1,224,258 | 1,845,275 | 2,091,806 | 2,470,891 | 5,942,706 | 2,506,182 | 3,362,015 | 2,902,111 | 3,240,382 | 5,569,535 | 74,630,518 |
| Less: Accumulated depreciation..... | 38,298,054 | — | 643,286 | 959,097 | 1,098,432 | 1,204,352 | 2,732,110 | 1,137,301 | 1,477,759 | 1,229,334 | 1,222,351 | 1,700,887 | 24,893,145 |
| Other capital assets less reserves..... | 2,190,114 | — | 23,051 | 32,353 | 62,670 | 126,591 | 272,414 | 151,599 | 135,675 | 141,896 | 223,451 | 128,723 | 891,691 |
| Accounts and notes payable..... | 16,397,796 | — | 423,805 | 632,112 | 614,248 | 828,072 | 1,985,799 | 824,359 | 868,244 | 665,874 | 760,248 | 800,070 | 7,994,965 |
| Other current liabilities..... | 16,084,049 | — | 98,014 | 158,250 | 135,196 | 191,223 | 594,856 | 397,868 | 500,829 | 431,570 | 510,524 | 819,572 | 12,246,147 |
| Mortgages, notes, and bonds payable in one year or more..... | 38,188,043 | — | 272,213 | 435,182 | 513,019 | 847,835 | 1,932,578 | 848,273 | 948,560 | 1,125,972 | 1,211,420 | 2,241,025 | 27,811,966 |
| Net worth..... | 46,288,243 | — | 239,742 | 617,402 | 743,541 | 742,649 | 2,020,531 | 917,448 | 1,413,617 | 1,038,205 | 1,434,419 | 2,380,950 | 34,739,739 |
| Cost of property used for investment credit..... | 11,286,680 | 47,406 | 193,675 | 272,079 | 368,003 | 388,923 | 842,589 | 338,994 | 418,495 | 252,755 | 426,720 | 529,477 | 7,207,564 |
| Total receipts..... | 131,252,779 | 2,762,319 | 4,697,263 | 5,952,744 | 5,463,411 | 5,996,554 | 12,392,652 | 4,924,868 | 5,948,102 | 5,173,652 | 5,637,508 | 6,015,200 | 66,288,956 |
| Business receipts..... | 124,965,301 | 2,622,986 | 4,504,648 | 5,863,629 | 5,321,644 | 5,902,666 | 12,074,285 | 4,746,079 | 5,717,261 | 5,031,282 | 5,485,073 | 5,716,236 | 61,979,512 |
| Cost of sales and operations..... | 86,168,069 | 1,288,866 | 2,890,706 | 3,974,726 | 4,013,981 | 4,013,981 | 7,992,178 | 3,419,977 | 3,960,546 | 3,640,023 | 3,852,887 | 4,128,283 | 43,494,131 |
| Taxes paid..... | 5,630,817 | 50,665 | 182,055 | 194,529 | 197,539 | 223,842 | 467,837 | 209,390 | 239,216 | 213,003 | 250,234 | 226,352 | 3,176,155 |
| Interest paid..... | 3,268,748 | 109,934 | 41,949 | 67,110 | 67,585 | 89,888 | 217,183 | 90,946 | 101,784 | 102,410 | 116,664 | 208,801 | 2,054,494 |
| Depreciation..... | 6,389,199 | 163,362 | 150,829 | 223,772 | 224,704 | 259,680 | 563,539 | 209,126 | 281,292 | 201,803 | 250,778 | 342,325 | 3,517,990 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 1,540,788 | 7,037 | 6,121 | 32,107 | 19,039 | 40,459 | 106,018 | 55,732 | 62,704 | 45,653 | 88,376 | 94,176 | 863,365 |
| Employee benefit programs..... | 1,178,812 | 14,439 | 16,336 | 29,072 | 40,776 | 27,659 | 119,377 | 49,678 | 74,598 | 68,600 | 67,918 | 81,772 | 588,587 |
| Net income (less deficit)..... | 4,220,639 | —35,442 | 2,854 | 127,904 | 114,485 | 134,237 | 355,589 | 174,514 | 308,634 | 209,539 | 230,103 | 131,538 | 2,466,684 |
| Net income..... | 5,739,504 | 22,655 | 139,184 | 208,847 | 192,507 | 198,746 | 470,809 | 233,240 | 336,808 | 233,848 | 265,324 | 317,834 | 3,120,102 |
| Income subject to tax..... | 4,882,951 | 14,218 | 66,035 | 140,542 | 145,248 | 151,717 | 406,927 | 177,044 | 301,422 | 208,626 | 232,168 | 281,421 | 2,757,583 |
| Income tax, total..... | 2,179,966 | 5,183 | 14,011 | 30,229 | 41,939 | 51,249 | 174,493 | 80,341 | 142,750 | 99,477 | 108,876 | 131,888 | 1,299,530 |
| Additional tax for tax preferences..... | 8,980 | — | — | (⁽¹⁾) | — | — | 86 | 106 | 148 | 72 | 713 | 500 | 7,355 |
| Foreign tax credit..... | 83,051 | 40 | — | — | — | — | 36 | 2,308 | 373 | 405 | 3,602 | 1,896 | 74,391 |
| U.S. possessions tax credit..... | 146 | — | — | — | 112 | — | 34 | — | — | — | — | — | — |
| Investment credit..... | 971,905 | 1,311 | 5,949 | 11,166 | 14,486 | 15,792 | 39,539 | 17,750 | 23,138 | 17,964 | 24,972 | 45,882 | 753,956 |
| Work incentive (WIN) credit..... | 282 | — | — | 78 | — | — | 118 | 3 | 6 | (⁽¹⁾) | 41 | 2 | 33 |
| New jobs credit..... | 55,620 | 16 | 2,225 | 3,126 | 7,694 | 8,036 | 13,518 | 6,231 | 7,000 | 2,448 | 2,182 | 1,221 | 1,922 |
| Distributions to stockholders except in own stock..... | 1,268,843 | *4,231 | 18,065 | *18,054 | 13,975 | 11,987 | 40,206 | 23,553 | 51,184 | 49,348 | 59,175 | 108,466 | 870,599 |
| Transportation and Public Utilities: | | | | | | | | | | | | | |
| Communication | | | | | | | | | | | | | |
| Number of returns..... | 10,474 | 181 | 4,864 | 2,075 | 1,211 | 630 | 1,174 | 165 | 87 | 39 | 13 | 13 | 22 |
| Total assets..... | 147,276,756 | — | 213,617 | 339,861 | 412,590 | 432,058 | 2,528,770 | 1,125,290 | 1,378,621 | 1,373,123 | 862,906 | 2,279,863 | 136,330,055 |
| Notes and accounts receivable, net..... | 9,088,798 | — | 38,596 | 59,893 | 69,671 | 61,807 | 269,634 | 86,289 | 125,870 | 112,226 | 60,962 | 169,828 | 8,034,242 |
| Inventories..... | 4,341,864 | — | *6,651 | *2,059 | *6,974 | 2,768 | 30,158 | 16,986 | 29,340 | 24,655 | 36,693 | 4,162,996 | |
| Cash, Government obligations, and other current assets..... | 6,143,918 | — | 46,766 | 43,135 | 39,368 | 54,941 | 339,222 | 101,100 | 162,292 | 151,595 | 84,558 | 170,494 | 4,950,447 |
| Other investments and loans..... | 12,812,823 | — | *3,999 | 25,077 | 18,928 | 19,308 | 243,302 | 129,794 | 132,038 | 169,056 | 152,255 | 465,794 | 11,453,272 |
| Depreciable assets..... | 143,131,721 | — | 197,283 | 361,465 | 377,308 | 362,159 | 2,283,753 | 1,014,196 | 1,067,512 | 1,126,438 | 561,193 | 1,703,462 | 134,076,952 |
| Less: Accumulated depreciation..... | 31,315,728 | — | 104,635 | 186,587 | 162,751 | 141,915 | 930,680 | 350,963 | 350,158 | 423,523 | 174,891 | 463,760 | 28,025,865 |
| Other capital assets less reserves..... | 1,349,312 | — | 17,412 | 13,787 | 20,759 | 18,755 | 60,467 | 74,311 | 71,073 | 74,311 | 43,216 | 76,845 | 849,363 |
| Accounts and notes payable..... | 9,810,904 | — | 31,147 | 51,435 | 85,093 | 78,621 | 272,455 | 147,519 | 135,336 | 98,655 | 55,929 | 167,295 | 8,687,419 |
| Other current liabilities..... | 20,317,450 | — | 31,951 | 29,800 | 18,113 | 31,084 | 124,678 | 73,999 | 86,623 | 126,722 | 91,778 | 197,922 | 19,504,779 |
| Mortgages, notes, and bonds payable in one year or more..... | 48,489,562 | — | 69,559 | 73,353 | 141,533 | 169,271 | 1,041,040 | 525,928 | 671,768 | 544,227 | 349,745 | 945,781 | 43,957,357 |
| Net worth..... | 65,583,378 | — | 38,183 | 143,063 | 115,805 | 118,392 | 882,272 | 309,218 | 345,972 | 508,582 | 306,424 | 875,887 | 61,939,580 |
| Cost of property used for investment credit..... | 13,336,993 | 19,360 | 23,472 | 61,262 | 30,770 | 43,432 | 237,729 | 105,517 | 113,653 | 106,480 | 167,839 | 12,375,392 | |
| Total receipts..... | 71,385,558 | 138,045 | 463,940 | 441,342 | 421,781 | 337,567 | 1,697,855 | 618,920 | 746,555 | 805,904 | 400,205 | 1,043,331 | 64,270,113 |
| Business receipts..... | 69,571,442 | 122,316 | 460,384 | 432,674 | 405,248 | 314,384 | 1,638,790 | 591,746 | 708,022 | 765,242 | 383,735 | 1,637,059 | 62,803,842 |
| Cost of sales and operations..... | 32,587,642 | 39,133 | 231,431 | 193,397 | 177,285 | 116,810 | 625,035 | 229,369 | 320,916 | 329,230 | 160,167 | 396,943 | 29,767,926 |
| Taxes paid..... | 4,991,805 | 6,611 | 19,971 | 18,929 | 20,808 | 15,556 | 70,457 | 31,862 | 34,640 | 42,569 | 44,219 | 4,665,339 | |
| Interest paid..... | 3,830,023 | 7,809 | 7,059 | 10,234 | 16,863 | 13,004 | 72,179 | 43,222 | 51,682 | 57,308 | 26,001 | 76,908 | 3,447,754 |
| Depreciation..... | 10,212,073 | 13,117 | 18,498 | 33,457 | 30,483 | 23,931 | 150,113 | 69,574 | 80,664 | 93,809 | 37,975 | 127,784 | 9,532,668 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 2,743,799 | *1,204 | *861 | *4,435 | *1,422 | *1,596 | 10,644 | 6,107 | 7,080 | 7,975 | 3,484 | 11,540 | 2,687,451 |
| Employee benefit programs..... | 1,187,406 | 691 | *902 | *1,312 | 2,225 | 1,352 | 21,240 | 3,569 | 4,754 | 3,266 | 3,152 | 6,945 | 1,137,998 |
| Net income (less deficit)..... | 6,146,920 | 17,179 | 14,650 | 14,386 | 24,354 | 30,136 | 228,343 | 83,526 | 85,883 | 116,601 | 64,703 | 112,172 | 5,354,357 |
| Net income..... | 6,266,909 | *22,022 | 33,649 | 33,391 | 35,304 | 37,152 | 223,160 | 89,282 | 99,212 | 120,919 | 67,279 | 112,279 | 5,354,357 |
| Income subject to tax..... | 5,987,743 | *12,026 | 13,686 | 20,723 | 19,689 | 34,589 | 239,108 | 66,627 | 79,748 | 111,083 | 61,767 | 78,064 | 5,250,633 |
| Income tax, total..... | 2,890,174 | *5,633 | 3,067 | 4,171 | 5,174 | 12,512 | 104,783 | 30,551 | 37,411 | 52,801 | 29,491 | 37,110 | 2,567,470 |
| Additional tax for tax preferences..... | 217 | — | — | — | — | — | 188 | — | 20 | 3 | — | 6 | — |
| Foreign tax credit..... | 40,140 | — | — | — | — | — | — | — | 57 | 3 | — | 1,632 | 38,448 |
| U.S. possessions tax credit..... | 21,443 | — | — | — | — | — | 1,059 | 418 | 915 | — | — | — | 19,051 |
| Investment credit..... | 1,376,977 | *1,414 | *606 | 1,298 | 1,856 | 2,413 | 15,194 | 7,236 | 6,948 | 7,621 | 4,362 | 11,428 | 1,316,601 |
| Work incentive (WIN) credit..... | 108 | 4 | — | — | — | — | 6 | — | — | 2 | — | — | 94 |
| New jobs credit..... | 6,482 | 29 | *493 | *79 | *33 | *171 | 1,095 | 937 | 961 | 1,224 | 214 | 545 | 1,201 |
| Distributions to stockholders except in own stock..... | 3,771,600 | *11,170 | — | *6,347 | *1,044 | 2,508 | 37,019 | 11,496 | 12,935 | 22,918 | 12,252 | 44, | |

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$500,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Transportation and Public Utilities: Electric, Gas, and Sanitary Services | | | | | | | | | | | | | |
| Number of returns..... | 9,397 | *86 | 3,749 | 2,922 | 1,273 | 432 | 549 | 88 | 64 | 25 | 21 | 43 | 145 |
| Total assets..... | 264,511,946 | — | 127,459 | 472,102 | 447,807 | 315,968 | 1,091,249 | 561,837 | 1,027,599 | 941,667 | 1,466,353 | 6,498,311 | 251,561,594 |
| Notes and accounts receivable, net..... | 13,723,886 | — | 12,095 | 68,034 | 58,251 | 42,980 | 118,715 | 68,353 | 110,466 | 84,542 | 112,688 | 429,992 | 12,617,770 |
| Inventories..... | 10,445,096 | — | *2,076 | *14,652 | 20,188 | 7,581 | 50,504 | 16,380 | 34,307 | 47,584 | 83,354 | 283,764 | 9,884,706 |
| Cash, Government obligations, and other current assets..... | 12,781,904 | — | 17,211 | 59,867 | 50,096 | 38,126 | 112,997 | 73,296 | 93,633 | 52,768 | 83,508 | 414,108 | 11,786,294 |
| Other investments and loans..... | 14,373,152 | — | *9,330 | 18,472 | 7,182 | 53,948 | 28,344 | 50,380 | 41,124 | 79,426 | 270,333 | 13,809,135 | |
| Depreciable assets..... | 269,679,885 | — | 148,895 | 534,721 | 432,027 | 370,488 | 991,859 | 508,356 | 956,138 | 943,106 | 1,639,899 | 6,870,104 | 256,824,292 |
| Less: Accumulated depreciation..... | 64,260,586 | — | 77,079 | 254,250 | 175,051 | 173,446 | 330,682 | 163,737 | 286,252 | 249,020 | 585,124 | 2,075,512 | 59,990,433 |
| Other capital assets less reserves..... | 4,191,968 | — | *6,947 | 10,530 | 37,029 | 11,288 | 49,468 | 20,455 | 45,714 | 7,688 | 23,051 | 171,870 | 3,807,928 |
| Accounts and notes payable..... | 19,253,562 | — | 23,124 | 83,126 | 85,344 | 64,500 | 189,842 | 105,159 | 166,530 | 136,639 | 208,791 | 796,210 | 17,394,297 |
| Other current liabilities..... | 20,685,882 | — | 10,261 | 32,331 | 20,992 | 12,061 | 82,971 | 34,839 | 82,918 | 70,501 | 114,407 | 558,801 | 19,665,800 |
| Mortgages, notes, and bonds payable in one year or more..... | 105,116,325 | — | *30,382 | 126,357 | 126,829 | 84,737 | 336,111 | 156,507 | 277,416 | 339,420 | 551,997 | 2,465,026 | 100,621,543 |
| Net worth..... | 106,295,191 | — | 50,612 | 188,671 | 177,526 | 118,094 | 382,146 | 212,402 | 402,842 | 326,564 | 467,446 | 2,317,879 | 101,651,009 |
| Cost of property used for investment credit..... | 30,637,942 | *5,217 | 28,413 | 48,209 | 32,700 | 29,740 | 94,606 | 51,305 | 46,240 | 84,385 | 73,616 | 454,835 | 29,688,676 |
| Total receipts..... | 127,474,012 | *80,088 | 189,746 | 725,116 | 552,935 | 511,810 | 1,100,625 | 404,447 | 884,417 | 562,885 | 1,175,351 | 4,875,508 | 116,411,084 |
| Business receipts..... | 123,895,997 | *79,680 | 187,040 | 708,196 | 539,581 | 507,133 | 1,052,031 | 394,202 | 862,868 | 543,882 | 1,161,362 | 4,729,576 | 113,130,446 |
| Cost of sales and operations..... | 81,187,067 | *63,678 | 89,505 | 440,555 | 356,220 | 342,704 | 769,528 | 261,816 | 665,000 | 378,500 | 855,220 | 3,393,129 | 73,571,212 |
| Taxes paid..... | 8,613,508 | *3,140 | 9,707 | 19,991 | 15,405 | 41,119 | 18,410 | 35,046 | 25,792 | 31,072 | 61,105 | 237,072 | 8,122,120 |
| Interest paid..... | 8,601,726 | *1,265 | 4,600 | 12,727 | 11,658 | 9,482 | 29,232 | 14,829 | 25,542 | 26,986 | 47,791 | 234,236 | 8,183,739 |
| Depreciation..... | 10,159,228 | *1,517 | 16,694 | 44,612 | 24,033 | 26,818 | 49,677 | 23,377 | 38,562 | 34,187 | 55,327 | 333,787 | 9,510,637 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 1,202,477 | *119 | *501 | *4,070 | *2,177 | *1,319 | 7,094 | 1,119 | 6,016 | 4,678 | 8,759 | 25,949 | 1,140,676 |
| Employee benefit programs..... | 533,017 | *123 | *1 | *3,081 | *2,335 | *1,866 | 4,129 | *1,646 | 3,721 | 2,587 | 4,517 | 14,271 | 486,261 |
| Net income (less deficit)..... | 8,026,473 | *7,540 | -6,152 | 20,225 | 32,617 | 31,187 | 41,281 | 21,599 | 43,520 | 46,801 | 57,254 | 227,459 | 7,503,142 |
| Net income..... | 8,298,458 | *7,698 | 2,073 | 39,575 | 37,549 | 32,346 | 60,595 | 26,708 | 50,340 | 46,801 | 58,233 | 260,111 | 7,676,429 |
| Income subject to tax..... | 8,022,012 | *7,698 | *1,198 | 18,994 | 26,863 | 20,725 | 50,921 | 24,322 | 48,830 | 46,101 | 52,704 | 239,858 | 7,483,798 |
| Income tax, total..... | 3,800,640 | *2,620 | *247 | 4,064 | 7,494 | 7,681 | 21,109 | 11,195 | 22,959 | 21,919 | 24,770 | 114,964 | 3,561,618 |
| Additional tax for tax preferences..... | 9,703 | — | — | — | 38 | — | — | 48 | 191 | 7 | 13 | — | 9,406 |
| Foreign tax credit..... | 24,776 | — | — | — | — | — | — | — | — | — | 155 | 1,329 | 23,292 |
| U.S. possessions tax credit..... | 29 | — | — | — | — | 29 | — | — | — | — | — | — | — |
| Investment credit..... | 1,794,433 | *538 | *247 | 1,879 | 1,647 | 1,420 | 3,931 | 2,593 | 3,472 | 5,059 | 6,039 | 38,112 | 1,729,796 |
| Work incentive (WIN) credit..... | 122 | — | — | — | — | — | — | — | — | — | 5 | (¹) | 117 |
| New jobs credit..... | 8,621 | — | — | *312 | *600 | *114 | 731 | *27 | 275 | 203 | 146 | 1,050 | 5,163 |
| Distributions to stockholders except in own stock..... | 6,796,283 | 164 | — | *5,404 | *9,911 | *9,821 | 7,174 | 3,496 | 14,256 | 12,814 | 27,381 | 152,300 | 6,553,562 |
| Total Wholesale and Retail Trade | | | | | | | | | | | | | |
| Number of returns..... | 672,394 | 14,829 | 322,443 | 144,895 | 83,926 | 54,254 | 44,948 | 4,024 | 1,913 | 561 | 318 | 177 | 106 |
| Total assets..... | 414,650,094 | — | 12,813,320 | 23,417,497 | 29,652,238 | 37,887,863 | 88,149,622 | 27,722,237 | 28,731,872 | 19,415,054 | 22,008,545 | 26,196,194 | 98,655,652 |
| Notes and accounts receivable, net..... | 108,887,906 | — | 1,781,225 | 4,352,777 | 6,556,685 | 9,017,170 | 22,714,295 | 8,022,168 | 8,315,644 | 5,373,323 | 5,952,794 | 6,709,519 | 30,090,306 |
| Inventories..... | 135,571,381 | — | 4,341,082 | 8,234,043 | 10,807,899 | 15,221,227 | 34,848,658 | 9,974,119 | 9,471,254 | 6,008,214 | 6,596,817 | 7,347,541 | 22,719,827 |
| Cash, Government obligations, and other current assets..... | 41,281,371 | — | 2,201,434 | 3,614,764 | 4,081,513 | 4,349,012 | 8,698,683 | 2,546,945 | 2,877,855 | 1,969,511 | 2,120,706 | 2,448,610 | 6,372,338 |
| Other investments and loans..... | 37,747,872 | — | 646,852 | 1,200,960 | 1,386,967 | 1,734,822 | 4,529,985 | 1,633,035 | 1,524,686 | 2,514,578 | 3,005,015 | 17,344,629 | |
| Depreciable assets..... | 123,351,092 | — | 5,944,648 | 8,584,102 | 9,675,133 | 11,065,942 | 23,895,800 | 7,339,474 | 7,555,261 | 5,561,927 | 6,102,498 | 8,411,964 | 29,214,343 |
| Less: Accumulated depreciation..... | 51,833,521 | — | 2,972,825 | 4,006,837 | 4,501,157 | 5,166,091 | 10,431,316 | 3,034,324 | 3,043,967 | 2,248,915 | 2,384,730 | 3,223,750 | 10,819,609 |
| Other capital assets less reserves..... | 11,044,678 | — | 330,026 | 699,727 | 948,194 | 951,934 | 2,415,003 | 732,552 | 765,396 | 583,467 | 583,760 | 846,414 | 2,188,205 |
| Accounts and notes payable..... | 150,448,797 | — | 3,909,745 | 7,059,592 | 10,103,468 | 14,846,685 | 38,535,384 | 11,329,278 | 11,172,202 | 6,677,988 | 7,780,403 | 7,315,907 | 31,718,145 |
| Other current liabilities..... | 34,423,583 | — | 1,071,086 | 1,573,027 | 2,181,673 | 2,651,962 | 6,739,020 | 2,157,436 | 2,287,867 | 1,610,057 | 1,905,694 | 2,814,204 | 9,431,557 |
| Mortgages, notes, and bonds payable in one year or more..... | 54,851,783 | — | 2,053,676 | 3,557,532 | 4,057,289 | 4,487,164 | 9,840,259 | 3,154,719 | 3,491,828 | 2,521,002 | 3,244,849 | 4,609,302 | 13,834,163 |
| Net worth..... | 152,665,435 | — | 3,269,469 | 8,669,030 | 11,170,183 | 13,815,068 | 29,384,760 | 10,066,008 | 11,015,572 | 7,923,387 | 8,393,988 | 10,710,636 | 38,247,334 |
| Cost of property used for investment credit..... | 14,396,340 | 66,224 | 710,253 | 1,040,471 | 1,209,977 | 1,387,643 | 3,107,617 | 967,859 | 1,067,957 | 687,387 | 610,100 | 838,835 | 2,701,817 |
| Total receipts..... | 1,239,882,173 | 10,587,260 | 53,372,071 | 76,216,426 | 97,751,128 | 124,256,093 | 289,351,806 | 84,984,013 | 79,124,485 | 52,401,743 | 57,911,294 | 71,283,514 | 242,642,540 |
| Business receipts..... | 1,215,615,448 | 10,372,142 | 52,701,545 | 75,250,004 | 96,283,213 | 122,840,638 | 284,534,032 | 83,556,944 | 77,613,187 | 51,213,324 | 56,630,210 | 69,534,771 | 235,445,438 |
| Cost of sales and operations..... | 955,267,447 | 8,060,960 | 33,594,498 | 52,362,977 | 72,496,400 | 95,745,790 | 230,987,528 | 67,777,802 | 62,865,408 | 40,853,925 | 46,116,345 | 56,156,979 | 188,249,835 |
| Taxes paid..... | 17,004,379 | 143,454 | 1,238,781 | 1,445,841 | 1,608,824 | 1,848,375 | 3,414,496 | 1,012,207 | 995,518 | 756,235 | 743,478 | 857,839 | 2,939,331 |
| Interest paid..... | 10,016,411 | 109,087 | 509,087 | 540,156 | 685,031 | 918,067 | 2,225,571 | 656,999 | 660,072 | 419,182 | 501,672 | 649,464 | 2,351,868 |
| Depreciation..... | 11,166,222 | 70,036 | 664,708 | 843,317 | 903,672 | 1,038,912 | 2,233,749 | 723,013 | 729,842 | 494,305 | 495,242 | 687,767 | 2,281,659 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 3,637,755 | 18,455 | 115,535 | 169,946 | 293,764 | 412,250 | 867,037 | 232,248 | 286,194 | 138,668 | 149,994 | 184,996 | 848,658 |
| Employee benefit programs..... | 2,717,743 | 17,405 | 95,101 | 127,302 | 186,646 | 251,665 | 537,797 | 182,670 | 159,462 | 132,899 | 140,576 | 176,032 | 728,788 |
| Net income (less deficit)..... | 30,180,147 | 245,095 | 75,486 | 1,635,521 | 1,907,847 | 2,555,788 | 6,394,766 | 2,378,305 | 2,462,536 | 1,821,845 | 1,707,473 | 2,128,022 | 6,867,963 |
| Net income..... | 35,097,805 | 360,769 | 1,291,941 | 2,307,264 | 2,454,913 | 2,998,025 | 7,250,101 | 2,572,092 | 2,760,210 | 1,937,251 | 1,822,148 | 2,335,692 | 7,007,399 |
| Income subject to tax..... | 25,618,892 | 262,866 | 618,959 | 1,555,559 | 1,737,827 | 2,299,978 | 5,723,289 | 1,939,023 | 1,881,176 | 1,270,713 | 1,335,832 | 1,544,679 | 5,449,195 |
| Income tax, total..... | 10,547,774 | 113,217 | 125,018 | 363,831 | 456,186 | 752,844 | 2,378,875 | 892,931 | 886,332 | 603,984 | 635,126 | 731,654 | 2,607,766 |
| Additional tax for tax preferences..... | 5,519 | 13 | (¹) | *78 | *99 | *455 | 672 | 551 | 338 | 412 | 79 | 220 | 1,902 |
| Foreign tax credit..... | 604,147 | *666 | (¹) | *237 | — | *6,170 | 4,084 | 2,922 | 8,900 | 10,152 | 22,713 | 6,539 | 541,764 |
| U.S. possessions tax credit..... | 8,887 | — | 25 | 199 | 209 | 906 | 1,737 | 443 | 146 | — | 2,223 | — | — |
| Investment credit..... | 826,490 | 4,020 | 16,294 | 40,144 | 55,727 | 71,310 | 165,977 | 53,832 | 54,220 | 43,292 | 46,137 | 54,452 | 221,085 |
| Work incentive (WIN) credit..... | 5,788 | — | *166 | *604 | *366 | 721 | | | | | | | |

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Wholesale and Retail Trade: | | | | | | | | | | | | | |
| Total Wholesale Trade | | | | | | | | | | | | | |
| Number of returns..... | 237,597 | 4,334 | 92,486 | 48,697 | 36,518 | 26,446 | 27,051 | 1,694 | 212 | 99 | 60 | | |
| Total assets..... | 212,756,662 | — | 3,410,706 | 8,058,062 | 13,006,813 | 18,589,681 | 66,163,411 | 32,684,329 | 14,552,304 | 14,217,691 | 42,073,665 | | |
| Notes and accounts receivable, net..... | 71,707,763 | — | 802,977 | 2,415,227 | 4,221,990 | 5,884,692 | 22,419,953 | 11,225,882 | 4,933,948 | 4,884,910 | 14,917,984 | | |
| Inventories..... | 61,974,706 | — | 866,431 | 2,429,711 | 4,009,321 | 6,501,438 | 22,496,935 | 10,264,257 | 4,392,784 | 3,634,819 | 7,379,010 | | |
| Cash, Government obligations, and other current assets | 21,087,710 | — | 745,713 | 1,315,245 | 1,869,627 | 2,171,085 | 6,365,313 | 2,987,694 | 1,323,047 | 1,191,604 | 3,118,382 | | |
| Other investments and loans..... | 23,790,290 | — | 252,365 | 402,676 | 558,438 | 872,661 | 3,894,902 | 2,807,238 | 1,686,980 | 2,007,968 | 11,309,660 | | |
| Depreciable assets..... | 45,601,266 | — | 1,177,143 | 2,185,304 | 3,485,429 | 4,865,211 | 15,476,375 | 6,558,915 | 2,794,934 | 2,953,235 | 6,104,720 | | |
| Less: Accumulated depreciation..... | 19,695,202 | — | 588,427 | 1,067,264 | 1,717,576 | 2,383,274 | 6,904,447 | 2,692,246 | 1,182,234 | 1,067,648 | 2,092,086 | | |
| Other capital assets less reserves..... | 4,146,342 | — | 63,076 | 175,715 | 326,992 | 326,992 | 1,332,341 | 684,545 | 268,868 | 261,890 | 661,995 | | |
| Accounts and notes payable..... | 84,976,555 | — | 1,194,924 | 2,746,283 | 4,811,545 | 7,328,639 | 27,723,726 | 13,375,913 | 6,224,306 | 4,700,626 | 16,870,593 | | |
| Other current liabilities..... | 14,865,108 | — | 315,460 | 573,558 | 1,000,942 | 1,308,314 | 4,732,338 | 2,287,274 | 1,149,962 | 1,462,205 | 2,035,055 | | |
| Mortgages, notes, and bonds payable in one year or more..... | 23,120,119 | — | 355,782 | 810,504 | 1,278,334 | 1,904,123 | 6,350,860 | 3,455,979 | 1,689,616 | 2,067,342 | 5,207,579 | | |
| Net worth..... | 80,820,876 | — | 963,906 | 3,234,446 | 5,071,211 | 7,134,647 | 24,610,383 | 12,628,055 | 5,102,181 | 5,574,217 | 16,503,830 | | |
| Cost of property used for investment credit..... | 6,049,297 | 17,314 | 201,627 | 326,961 | 501,076 | 691,631 | 2,132,311 | 876,450 | 302,784 | 339,197 | 660,146 | | |
| Total receipts..... | 635,527,555 | 5,388,104 | 15,610,883 | 28,352,814 | 46,293,374 | 61,296,765 | 201,411,520 | 86,348,957 | 38,732,888 | 39,159,007 | 112,933,243 | | |
| Business receipts..... | 625,265,644 | 5,331,302 | 15,330,937 | 27,928,941 | 45,577,832 | 60,454,655 | 198,504,066 | 84,773,139 | 38,091,759 | 38,397,504 | 110,875,509 | | |
| Cost of sales and operations..... | 525,860,602 | 4,661,169 | 10,066,260 | 21,010,587 | 35,896,454 | 48,389,457 | 163,771,762 | 71,669,397 | 33,037,857 | 34,400,578 | 102,957,081 | | |
| Taxes paid..... | 6,601,896 | 41,824 | 240,026 | 415,316 | 661,350 | 898,502 | 2,261,388 | 1,010,015 | 387,186 | 220,622 | 465,687 | | |
| Interest paid..... | 4,730,256 | 44,920 | 73,163 | 143,569 | 238,408 | 382,671 | 1,418,058 | 731,524 | 338,360 | 359,170 | 1,000,413 | | |
| Depreciation..... | 4,297,519 | 16,966 | 163,665 | 242,915 | 353,939 | 487,175 | 1,468,291 | 608,075 | 235,548 | 292,424 | 492,424 | | |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 1,781,381 | 4,188 | 90,208 | 91,700 | 174,282 | 246,558 | 692,162 | 209,448 | 81,718 | 69,359 | 121,757 | | |
| Employee benefit programs..... | 1,025,473 | 4,823 | 36,719 | 46,594 | 77,826 | 115,685 | 363,006 | 157,233 | 72,523 | 53,057 | 86,007 | | |
| Net income (less deficit)..... | 16,954,338 | 78,656 | 52,414 | 598,378 | 937,666 | 1,334,763 | 5,525,067 | 3,031,300 | 1,141,578 | 1,157,953 | 3,086,562 | | |
| Net income..... | 19,300,256 | 124,605 | 431,797 | 827,211 | 1,186,246 | 1,564,542 | 6,176,623 | 3,395,656 | 1,213,596 | 1,267,080 | 3,172,910 | | |
| Income subject to tax..... | 12,389,110 | 96,669 | 209,403 | 534,660 | 806,494 | 1,172,449 | 4,499,796 | 2,845,122 | 1,045,122 | 1,045,122 | 1,882,958 | | |
| Income tax, total..... | 5,136,157 | 43,610 | 43,822 | 116,913 | 212,932 | 386,637 | 1,928,531 | 871,036 | 359,627 | 267,528 | 906,239 | | |
| Additional tax for tax preferences..... | 4,058 | — | — | *78 | *99 | *417 | 714 | 369 | 695 | 68 | 1,618 | | |
| Foreign tax credit..... | 511,949 | *36 | *1 | *237 | 61 | 54 | 6,170 | 5,415 | 16,660 | 20,421 | 5,555 | 457,455 | |
| U.S. possessions tax credit..... | 1,882 | — | 5 | 81 | 54 | 537 | 1,089 | 146 | — | — | — | — | — |
| Investment credit..... | 319,104 | 1,204 | 3,891 | 13,684 | 23,845 | 37,235 | 117,634 | 47,544 | 20,169 | 14,910 | 38,988 | | |
| Work incentive (WIN) credit..... | 3,477 | — | *166 | *136 | — | *209 | 1,175 | — | 9 | 20 | 9 | | |
| New jobs credit..... | 183,940 | 616 | 2,196 | 10,572 | 18,326 | 26,048 | 95,065 | 22,842 | 4,778 | 2,020 | 1,377 | | |
| Distributions to stockholders except in own stock..... | 4,410,192 | 76,792 | 81,402 | 98,417 | 161,167 | 205,493 | 999,502 | 1,057,387 | 270,834 | 626,306 | 832,872 | | |
| Wholesale and Retail Trade: Wholesale Trade: Groceries and Related Products | | | | | | | | | | | | | |
| Number of returns..... | 21,253 | 214 | 8,662 | 4,701 | 3,066 | 2,029 | 2,347 | 189 | 30 | 11 | 4 | | |
| Total assets..... | 18,178,591 | — | 343,242 | 778,751 | 1,069,241 | 1,417,008 | 5,799,522 | 3,609,169 | 2,022,230 | 1,707,269 | 1,432,159 | | |
| Notes and accounts receivable, net..... | 5,668,657 | — | 76,573 | 221,929 | 385,356 | 577,258 | 2,092,867 | 956,242 | 557,164 | 381,687 | 419,381 | | |
| Inventories..... | 5,064,079 | — | 57,140 | 164,290 | 180,788 | 325,462 | 1,578,396 | 1,162,219 | 701,102 | 518,873 | 365,809 | | |
| Cash, Government obligations, and other current assets | 1,988,465 | — | 83,871 | 129,872 | 205,366 | 187,806 | 602,697 | 338,461 | 162,053 | 185,106 | 94,333 | | |
| Other investments and loans..... | 1,209,119 | — | 22,477 | 61,285 | 33,648 | 53,307 | 286,002 | 313,020 | 142,526 | 152,125 | 144,728 | | |
| Depreciable assets..... | 6,079,585 | — | 177,698 | 339,091 | 419,192 | 448,147 | 1,840,584 | 1,217,546 | 612,581 | 661,293 | 364,453 | | |
| Less: Accumulated depreciation..... | 2,710,703 | — | 103,709 | 171,584 | 224,348 | 226,366 | 808,725 | 512,298 | 250,311 | 280,377 | 132,985 | | |
| Other capital assets less reserves..... | 416,579 | — | 7,875 | 14,832 | 29,501 | 26,929 | 115,048 | 76,095 | 27,986 | 25,226 | 93,807 | | |
| Accounts and notes payable..... | 7,071,492 | — | 125,483 | 271,312 | 379,282 | 563,400 | 2,502,688 | 1,461,306 | 829,377 | 439,820 | 498,824 | | |
| Other current liabilities..... | 1,415,800 | — | 45,382 | 51,025 | 100,237 | 84,902 | 358,028 | 317,373 | 177,545 | 152,667 | 128,641 | | |
| Mortgages, notes, and bonds payable in one year or more..... | 2,562,909 | — | 27,704 | 93,053 | 126,648 | 129,958 | 680,879 | 504,546 | 356,862 | 284,348 | 358,911 | | |
| Net worth..... | 6,105,550 | — | 92,109 | 269,979 | 401,289 | 534,412 | 1,991,464 | 533,709 | 353,709 | 724,908 | 396,090 | | |
| Cost of property used for investment credit..... | 743,203 | 4,663 | 12,478 | 42,096 | 50,259 | 56,251 | 260,084 | 122,354 | 51,063 | 96,068 | 47,887 | | |
| Total receipts..... | 99,392,159 | 2,061,505 | 2,637,165 | 4,167,312 | 6,775,653 | 9,095,168 | 30,332,401 | 19,416,628 | 10,118,658 | 8,137,144 | 6,650,890 | | |
| Business receipts..... | 98,225,337 | 2,051,844 | 2,623,542 | 4,110,647 | 6,719,230 | 9,035,261 | 30,051,184 | 19,127,080 | 9,976,723 | 8,021,344 | 6,508,482 | | |
| Cost of sales and operations..... | 86,433,784 | 1,896,649 | 1,834,132 | 3,486,689 | 5,590,378 | 7,846,504 | 26,400,971 | 17,264,974 | 8,969,478 | 7,216,523 | 5,927,486 | | |
| Taxes paid..... | 672,896 | 7,917 | 31,665 | 35,374 | 63,868 | 60,942 | 207,510 | 111,820 | 64,765 | 51,198 | 37,837 | | |
| Interest paid..... | 412,266 | 3,467 | 5,018 | 14,150 | 18,667 | 27,429 | 118,670 | 79,695 | 59,727 | 45,291 | 40,152 | | |
| Depreciation..... | 550,174 | 4,108 | 22,218 | 31,648 | 39,919 | 48,114 | 164,745 | 97,310 | 47,620 | 59,814 | 34,678 | | |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 214,507 | 1,453 | *6,169 | *3,611 | 24,041 | 27,501 | 73,854 | 36,584 | 15,649 | 16,746 | 8,899 | | |
| Employee benefit programs..... | 153,014 | 2,236 | 7,829 | 4,137 | 8,580 | 14,098 | 46,903 | 29,481 | 20,048 | 13,883 | 5,819 | | |
| Net income (less deficit)..... | 1,060,659 | 8,101 | 1,784 | 20,804 | 61,843 | 78,626 | 437,505 | 192,852 | 71,244 | 86,484 | 100,418 | | |
| Net income..... | 1,273,882 | 8,730 | 37,260 | 53,606 | 90,206 | 98,405 | 474,491 | 224,487 | 76,111 | 110,170 | 100,416 | | |
| Income subject to tax..... | 1,024,113 | 8,080 | 10,674 | 33,811 | 66,231 | 79,289 | 353,770 | 202,084 | 71,132 | 108,654 | 92,388 | | |
| Income tax, total..... | 431,621 | 3,710 | 2,428 | 7,418 | 18,471 | 25,583 | 150,117 | 94,896 | 33,862 | 50,715 | 44,421 | | |
| Additional tax for tax preferences..... | *70 | — | — | — | — | — | *18 | (¹) | — | 52 | — | | |
| Foreign tax credit..... | 1,917 | — | — | — | — | — | *15 | 684 | — | 8 | 1,210 | | |
| U.S. possessions tax credit..... | 368 | — | — | 29 | 49 | 59 | 231 | — | — | — | — | | |
| Investment credit..... | 41,802 | *342 | *246 | 1,567 | 2,559 | 3,620 | 14,735 | 7,942 | 3,537 | 3,559 | 3,495 | | |
| Work incentive (WIN) credit..... | 228 | — | — | *1 | — | 57 | 152 | 16 | 3 | — | (¹) | | |
| New jobs credit..... | 20,269 | 63 | *124 | *78 | *3,663 | 1,833 | 10,099 | 3,301 | 601 | 220 | 287 | | |
| Distributions to stockholders except in own stock..... | 197,094 | 1,518 | *10,048 | *4,103 | 11,477 | 14,428 | 83,741 | 17,353 | 11,994 | 29,475 | 12,957 | | |

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

Corporation Returns/1977

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Wholesale and Retail Trade: Wholesale Trade: Machinery, Equipment, and Supplies | | | | | | | | | | | | | |
| Number of returns..... | 49,753 | 816 | 19,830 | 9,828 | 7,231 | 6,136 | ** | ** | ** | ** | 40 | 15 | 6 |
| Total assets..... | 36,510,347 | — | 743,516 | 1,626,113 | 2,552,460 | 4,357,918 | 12,817,601 | 6,342,187 | 2,834,041 | 1,938,917 | 1,938,917 | 1,938,917 | 3,297,594 |
| Notes and accounts receivable, net..... | 11,878,829 | — | 190,166 | 481,155 | 827,893 | 1,192,036 | 3,904,117 | 2,250,179 | 1,008,052 | 862,560 | 862,560 | 862,560 | 1,162,671 |
| Inventories..... | 12,975,624 | — | 212,729 | 526,422 | 915,474 | 1,973,013 | 5,043,292 | 2,069,434 | 973,280 | 521,689 | 521,689 | 521,689 | 740,291 |
| Cash, Government obligations, and other current assets..... | 3,178,474 | — | 158,563 | 275,979 | 322,083 | 420,093 | 1,213,628 | 397,612 | 136,710 | 80,832 | 80,832 | 80,832 | 172,974 |
| Other investments and loans..... | 3,017,429 | — | 47,922 | 75,112 | 109,460 | 162,614 | 630,521 | 498,230 | 350,474 | 270,263 | 270,263 | 270,263 | 872,833 |
| Depreciable assets..... | 7,041,683 | — | 201,196 | 365,239 | 566,109 | 931,824 | 2,637,006 | 1,267,407 | 400,873 | 200,480 | 200,480 | 200,480 | 471,549 |
| Less: Accumulated depreciation..... | 2,936,576 | — | 90,171 | 160,045 | 265,339 | 426,625 | 1,109,336 | 470,742 | 152,191 | 63,503 | 63,503 | 63,503 | 198,624 |
| Other capital assets less reserves..... | 532,507 | — | 9,123 | 25,169 | 35,455 | 55,845 | 218,020 | 98,898 | 41,993 | 14,662 | 14,662 | 14,662 | 33,342 |
| Accounts and notes payable..... | 13,695,422 | — | 279,088 | 539,104 | 1,018,485 | 1,928,880 | 5,247,193 | 2,172,054 | 949,717 | 499,671 | 499,671 | 499,671 | 1,061,230 |
| Other current liabilities..... | 2,533,872 | — | 59,901 | 136,797 | 198,586 | 300,803 | 916,091 | 438,254 | 175,378 | 165,704 | 165,704 | 165,704 | 142,358 |
| Mortgages, notes, and bonds payable in one year or more..... | 4,135,202 | — | 80,671 | 140,508 | 184,671 | 422,579 | 1,452,234 | 771,049 | 388,532 | 225,135 | 225,135 | 225,135 | 469,823 |
| Net worth..... | 14,720,210 | — | 170,315 | 667,937 | 971,896 | 1,503,646 | 4,766,827 | 2,818,134 | 1,276,373 | 975,034 | 975,034 | 975,034 | 1,570,048 |
| Cost of property used for investment credit..... | 1,332,214 | 1,559 | 53,298 | 70,744 | 94,570 | 167,158 | 529,502 | 266,444 | 68,334 | 39,229 | 39,229 | 39,229 | 41,376 |
| Total receipts..... | 74,531,305 | 156,369 | 2,542,204 | 4,865,789 | 7,234,399 | 10,670,777 | 27,070,632 | 9,853,081 | 4,465,783 | 2,141,806 | 2,141,806 | 2,141,806 | 5,530,465 |
| Business receipts..... | 72,575,654 | 144,342 | 2,496,964 | 4,793,535 | 7,073,535 | 10,391,215 | 26,386,257 | 9,487,366 | 4,352,222 | 2,048,486 | 2,048,486 | 2,048,486 | 5,401,732 |
| Cost of sales and operations..... | 54,199,012 | 104,786 | 1,579,446 | 3,213,995 | 5,225,225 | 7,860,486 | 19,899,412 | 6,986,663 | 3,307,738 | 1,463,801 | 1,463,801 | 1,463,801 | 4,557,460 |
| Taxes paid..... | 905,264 | 3,285 | 41,817 | 85,537 | 98,097 | 141,880 | 323,580 | 116,575 | 49,038 | 20,587 | 20,587 | 20,587 | 24,888 |
| Interest paid..... | 181,949 | 2,062 | 17,111 | 28,238 | 47,513 | 66,848 | 296,700 | 153,557 | 64,128 | 46,231 | 46,231 | 46,231 | 76,561 |
| Depreciation..... | 889,296 | 1,413 | 31,672 | 52,906 | 66,008 | 112,367 | 344,212 | 164,086 | 35,136 | 29,152 | 29,152 | 29,152 | 52,344 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 317,449 | *731 | 16,117 | 25,435 | 27,544 | 55,549 | 120,287 | 45,001 | 15,891 | 6,315 | 6,315 | 6,315 | 4,579 |
| Employee benefit programs..... | 191,461 | 398 | 6,392 | 8,150 | 19,206 | 26,545 | 72,896 | 29,982 | 15,693 | 5,902 | 5,902 | 5,902 | 6,257 |
| Net income (less deficit)..... | 3,969,017 | 8,311 | 20,113 | 167,601 | 220,643 | 350,244 | 1,272,357 | 876,441 | 319,522 | 273,763 | 273,763 | 273,763 | 460,022 |
| Net income..... | 4,285,097 | 14,193 | 101,327 | 189,179 | 256,125 | 392,082 | 1,348,924 | 910,231 | 326,958 | 276,046 | 276,046 | 276,046 | 460,022 |
| Income subject to tax..... | 2,321,294 | 8,919 | 58,066 | 130,426 | 170,548 | 304,665 | 883,078 | 394,851 | 194,068 | 74,641 | 74,641 | 74,641 | 102,032 |
| Income tax, total..... | 937,699 | 3,882 | 11,821 | 27,488 | 43,110 | 104,556 | 381,021 | 189,625 | 91,824 | 35,566 | 35,566 | 35,566 | 48,804 |
| Additional tax for tax preferences..... | 298 | — | — | — | *99 | — | 26 | 15 | 151 | 7 | 7 | 7 | — |
| Foreign tax credit..... | 15,107 | *18 | — | — | — | *6,137 | 1,476 | 593 | 1,594 | 242 | 242 | 242 | 5,047 |
| U.S. possessions tax credit..... | 105 | — | — | — | — | 45 | 60 | — | — | — | — | — | — |
| Investment credit..... | 66,585 | *99 | 787 | 3,238 | 4,802 | 9,097 | 27,464 | 11,943 | 4,230 | 1,574 | 1,574 | 1,574 | 3,351 |
| Work incentive (WIN) credit..... | 660 | — | — | — | — | *38 | 614 | 6 | 1 | 1 | 1 | 1 | — |
| New jobs credit..... | 34,352 | *61 | *404 | 2,738 | 4,266 | 5,581 | 14,370 | 4,792 | 1,603 | 300 | 300 | 300 | 237 |
| Distributions to stockholders except in own stock..... | 1,409,615 | *546 | 10,249 | 35,242 | 34,002 | 64,373 | 244,561 | 357,902 | 86,892 | 218,848 | 218,848 | 218,848 | 357,000 |
| Wholesale and Retail Trade: Wholesale Trade: Miscellaneous Wholesale Trade | | | | | | | | | | | | | |
| Number of returns..... | 166,591 | 3,304 | 63,994 | 34,168 | 26,221 | 18,281 | ** | ** | ** | ** | 142 | 73 | 50 |
| Total assets..... | 158,067,724 | — | 2,323,948 | 5,653,198 | 9,385,112 | 12,814,755 | 47,546,288 | 22,732,973 | 9,696,033 | 10,571,505 | 10,571,505 | 10,571,505 | 37,343,912 |
| Notes and accounts receivable, net..... | 54,160,277 | — | 536,238 | 1,712,143 | 3,008,741 | 4,115,598 | 16,422,969 | 8,019,461 | 3,368,732 | 3,640,463 | 3,640,463 | 3,640,463 | 13,335,932 |
| Inventories..... | 43,935,003 | — | 596,562 | 1,738,999 | 2,903,059 | 4,202,963 | 15,875,247 | 7,032,604 | 2,718,402 | 2,594,257 | 2,594,257 | 2,594,257 | 6,272,910 |
| Cash, Government obligations, and other current assets..... | 15,920,771 | — | 503,279 | 910,294 | 1,342,178 | 1,563,366 | 4,548,988 | 2,251,621 | 1,024,284 | 925,666 | 925,666 | 925,666 | 2,851,075 |
| Other investments and loans..... | 19,563,742 | — | 181,866 | 266,281 | 413,330 | 658,740 | 2,978,379 | 1,995,988 | 1,193,980 | 1,585,580 | 1,585,580 | 1,585,580 | 10,291,498 |
| Depreciable assets..... | 32,479,998 | — | 798,249 | 1,481,974 | 2,500,129 | 3,485,240 | 10,998,785 | 4,073,962 | 1,761,480 | 2,091,462 | 2,091,462 | 2,091,462 | 5,268,718 |
| Less: Accumulated depreciation..... | 14,047,923 | — | 394,547 | 735,635 | 1,227,889 | 1,730,293 | 4,986,386 | 1,709,206 | 779,732 | 723,768 | 723,768 | 723,768 | 1,760,477 |
| Other capital assets less reserves..... | 3,197,256 | — | 46,078 | 135,714 | 262,036 | 288,146 | 999,273 | 509,552 | 198,889 | 222,002 | 222,002 | 222,002 | 535,566 |
| Accounts and notes payable..... | 64,209,641 | — | 790,353 | 1,935,867 | 3,413,778 | 4,836,359 | 19,973,845 | 9,742,553 | 4,445,212 | 3,761,135 | 3,761,135 | 3,761,135 | 15,310,539 |
| Other current liabilities..... | 10,915,436 | — | 210,177 | 385,736 | 702,119 | 922,609 | 3,458,219 | 1,531,647 | 797,039 | 1,143,834 | 1,143,834 | 1,143,834 | 1,764,056 |
| Mortgages, notes, and bonds payable in one year or more..... | 16,422,008 | — | 247,407 | 576,943 | 967,015 | 1,351,586 | 4,217,747 | 2,180,384 | 944,222 | 1,557,859 | 1,557,859 | 1,557,859 | 4,378,845 |
| Net worth..... | 59,995,116 | — | 701,482 | 2,296,530 | 3,698,026 | 5,096,589 | 17,852,092 | 8,646,331 | 3,292,099 | 3,874,275 | 3,874,275 | 3,874,275 | 14,537,692 |
| Cost of property used for investment credit..... | 3,973,880 | 11,092 | 135,851 | 214,121 | 356,247 | 468,022 | 1,342,725 | 487,652 | 183,387 | 203,900 | 203,900 | 203,900 | 570,883 |
| Total receipts..... | 461,604,091 | 3,170,230 | 10,431,514 | 19,319,713 | 32,283,322 | 41,530,820 | 144,008,487 | 57,079,613 | 24,148,447 | 28,880,057 | 28,880,057 | 28,880,057 | 100,751,888 |
| Business receipts..... | 454,464,653 | 3,135,116 | 10,210,431 | 19,024,759 | 31,785,057 | 41,028,179 | 142,066,625 | 56,158,693 | 23,762,814 | 28,327,674 | 28,327,674 | 28,327,674 | 98,965,295 |
| Cost of sales and operations..... | 385,227,806 | 2,659,734 | 6,652,682 | 14,309,931 | 25,080,861 | 32,682,467 | 117,471,379 | 47,417,760 | 20,760,641 | 25,720,254 | 25,720,254 | 25,720,254 | 92,472,135 |
| Taxes paid..... | 5,023,736 | 30,622 | 166,544 | 294,405 | 499,385 | 695,700 | 1,730,298 | 781,620 | 273,383 | 148,837 | 148,837 | 148,837 | 402,942 |
| Interest paid..... | 3,499,041 | 39,391 | 51,034 | 101,181 | 172,228 | 268,394 | 1,002,688 | 498,272 | 214,505 | 267,648 | 267,648 | 267,648 | 883,700 |
| Depreciation..... | 2,858,049 | 11,445 | 109,775 | 158,361 | 248,012 | 326,694 | 959,334 | 346,679 | 145,765 | 146,582 | 146,582 | 146,582 | 405,402 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 1,249,425 | 2,004 | 62,922 | 126,654 | 122,697 | 122,697 | 428,021 | 127,863 | 50,179 | 46,298 | 46,298 | 46,298 | 108,279 |
| Employee benefit programs..... | 680,998 | 2,249 | 22,498 | 34,307 | 49,940 | 75,042 | 243,207 | 97,770 | 36,782 | 33,272 | 33,272 | 33,272 | 85,931 |
| Net income (less deficit)..... | 11,924,662 | 62,244 | 30,517 | 409,973 | 655,180 | 904,893 | 3,815,205 | 1,962,007 | 750,813 | 797,706 | 797,706 | 797,706 | 2,536,124 |
| Net income..... | 13,741,277 | 101,682 | 293,210 | 574,426 | 839,915 | 1,074,045 | 4,353,208 | 2,200,938 | 810,517 | 880,864 | 880,864 | 880,864 | 2,612,472 |
| Income subject to tax..... | 9,043,703 | 79,670 | 140,663 | 370,423 | 569,715 | 788,495 | 3,262,948 | 1,248,187 | 498,114 | 388,950 | 388,950 | 388,950 | 1,698,538 |
| Income tax, total..... | 3,766,837 | 36,018 | 29,573 | 61,287 | 151,351 | 256,496 | 1,397,393 | 586,517 | 233,941 | 181,247 | 181,247 | 181,247 | 813,014 |
| Additional tax for tax preferences..... | 3,690 | — | — | *78 | — | — | 670 | 354 | 544 | 9 | 9 | 9 | 1,618 |
| Foreign tax credit..... | 494,925 | 18 | *1 | *237 | — | *33 | 3,924 | 14,382 | 19,828 | 5,305 | 5,305 | 5,305 | 451,198 |
| U.S. possessions tax credit..... | 1,419 | — | 5 | 32 | — | 439 | 798 | — | — | — | — | — | — |
| Investment credit..... | 210,817 | 763 | 2,858 | 8,879 | 16,484 | 24,518 | 75,435 | 27,659 | 12,402 | 9,777 | 9,777 | 9,777 | 32,142 |
| Work incentive (WIN) credit..... | 2,589 | — | *186 | *136 | — | *114 | 409 | 5 | 19 | 19 | 19 | 19 | 9 |
| New jobs credit..... | 128,219 | 492 | 1,668 | 7,756 | 10,39 | | | | | | | | |

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|---|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Wholesale and Retail Trade: Total Retail Trade | | | | | | | | | | | | | |
| Number of returns..... | 432,815 | 10,156 | 228,953 | 95,814 | 47,273 | 27,714 | 20,398 | 1,507 | 581 | 189 | 106 | 78 | 46 |
| Total assets..... | 201,439,596 | — | 9,356,517 | 15,302,765 | 16,595,764 | 19,222,240 | 39,373,834 | 10,295,443 | 8,719,083 | 6,557,219 | 7,456,241 | 11,078,503 | 56,581,987 |
| Notes and accounts receivable, net..... | 37,067,869 | — | 963,473 | 1,923,257 | 2,329,185 | 3,121,740 | 6,431,355 | 1,869,081 | 1,494,925 | 918,876 | 1,018,846 | 1,824,608 | 15,172,322 |
| Inventories..... | 73,414,019 | — | 3,464,215 | 5,788,242 | 6,775,290 | 8,679,746 | 18,195,577 | 4,120,126 | 2,939,706 | 2,193,545 | 2,204,033 | 3,712,722 | 15,340,817 |
| Cash, Government obligations, and other current assets..... | 20,139,779 | — | 1,447,674 | 2,289,831 | 2,203,899 | 2,171,722 | 3,847,196 | 1,029,883 | 1,045,951 | 795,002 | 797,659 | 1,257,006 | 3,253,956 |
| Other investments and loans..... | 13,923,191 | — | 391,387 | 793,860 | 830,529 | 856,309 | 1,803,523 | 460,231 | 572,853 | 354,485 | 827,398 | 997,047 | 6,035,569 |
| Depreciable assets..... | 77,662,425 | — | 4,754,879 | 6,380,432 | 6,182,398 | 6,184,782 | 12,042,947 | 3,710,586 | 3,467,776 | 3,063,239 | 3,307,564 | 5,458,729 | 23,109,629 |
| Less: Accumulated depreciation..... | 32,105,539 | — | 2,380,368 | 2,932,831 | 2,781,038 | 2,777,177 | 5,058,267 | 1,499,753 | 1,364,086 | 1,225,868 | 1,202,496 | 2,156,102 | 8,727,523 |
| Other capital assets less reserves..... | 6,693,069 | — | 266,720 | 524,012 | 621,202 | 578,152 | 1,393,840 | 420,134 | 371,290 | 292,093 | 314,892 | 584,524 | 1,526,210 |
| Accounts and notes payable..... | 65,298,338 | — | 2,701,761 | 4,293,384 | 5,283,997 | 7,480,094 | 17,968,436 | 4,147,826 | 2,824,463 | 1,579,447 | 1,556,097 | 2,615,281 | 14,847,552 |
| Other current liabilities..... | 19,524,879 | — | 755,134 | 995,728 | 1,176,728 | 1,337,624 | 3,225,008 | 936,763 | 901,616 | 682,045 | 755,732 | 1,351,999 | 7,396,502 |
| Mortgages, notes, and bonds payable in one year or more..... | 31,657,951 | — | 1,695,363 | 2,738,948 | 2,764,165 | 2,570,654 | 5,136,362 | 1,498,244 | 1,362,172 | 1,168,266 | 1,555,233 | 2,541,960 | 8,626,584 |
| Net worth..... | 71,691,386 | — | 2,282,064 | 5,411,136 | 6,077,934 | 6,662,483 | 11,413,992 | 3,424,994 | 3,345,412 | 2,901,641 | 3,291,807 | 5,136,419 | 21,743,504 |
| Cost of property used for investment credit..... | 8,324,346 | 43,733 | 503,518 | 709,156 | 705,966 | 694,885 | 1,463,972 | 478,590 | 535,796 | 340,105 | 307,316 | 499,638 | 2,041,671 |
| Total receipts..... | 602,938,240 | 5,044,787 | 37,704,324 | 47,702,723 | 51,319,763 | 62,605,559 | 138,856,709 | 39,949,979 | 25,254,457 | 19,487,929 | 19,178,406 | 32,124,307 | 129,709,297 |
| Business receipts..... | 586,963,701 | 4,888,487 | 37,315,222 | 47,161,385 | 50,570,785 | 61,676,080 | 136,277,270 | 33,192,867 | 24,664,920 | 18,971,038 | 18,538,451 | 31,137,267 | 124,569,929 |
| Cost of sales and operations..... | 428,340,823 | 3,310,448 | 23,497,816 | 31,248,406 | 36,503,051 | 47,046,383 | 109,169,041 | 25,738,121 | 18,282,475 | 13,418,439 | 13,078,488 | 21,755,041 | 85,292,754 |
| Taxes paid..... | 10,387,796 | 100,782 | 997,905 | 1,027,078 | 945,652 | 947,835 | 1,696,524 | 467,285 | 386,412 | 351,130 | 356,292 | 637,217 | 2,473,664 |
| Interest paid..... | 5,270,677 | 60,477 | 224,805 | 395,845 | 444,923 | 533,037 | 1,177,207 | 286,157 | 204,947 | 138,018 | 163,512 | 290,294 | 1,351,455 |
| Depreciation..... | 6,857,555 | 50,559 | 499,782 | 598,563 | 548,552 | 550,317 | 1,108,529 | 381,220 | 344,122 | 269,736 | 266,721 | 452,219 | 1,789,235 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 1,853,456 | 14,267 | 25,327 | 78,246 | 118,228 | 165,588 | 327,264 | 79,259 | 70,692 | 63,772 | 68,275 | 115,637 | 726,901 |
| Employee benefit programs..... | 1,690,021 | 11,914 | 59,382 | 80,705 | 108,525 | 135,515 | 264,397 | 72,858 | 65,713 | 69,203 | 68,053 | 122,975 | 630,781 |
| Net income (less deficit)..... | 13,198,138 | 165,172 | 19,363 | 1,029,684 | 966,294 | 1,216,314 | 2,488,649 | 757,208 | 625,530 | 622,560 | 565,894 | 970,669 | 3,771,401 |
| Net income..... | 15,767,101 | 233,158 | 856,118 | 1,472,594 | 1,265,280 | 1,428,106 | 2,809,429 | 839,994 | 703,054 | 653,705 | 608,562 | 1,068,612 | 3,834,489 |
| Income subject to tax..... | 13,208,064 | 162,991 | 406,718 | 1,019,697 | 827,946 | 1,122,722 | 2,392,259 | 768,112 | 667,657 | 634,773 | 574,518 | 974,434 | 3,556,237 |
| Income tax, total..... | 5,404,406 | 68,939 | 80,580 | 247,398 | 242,213 | 364,383 | 888,638 | 353,795 | 314,538 | 302,770 | 275,498 | 464,126 | 1,701,527 |
| Additional tax for tax preferences..... | 1,461 | 13 | (1) | — | (1) | *38 | 342 | 167 | 257 | 124 | 84 | 152 | 284 |
| Foreign tax credit..... | 92,198 | 630 | — | — | — | — | *136 | 140 | 140 | 2,292 | 2,292 | 984 | 84,309 |
| U.S. possessions tax credit..... | 4,992 | — | 20 | 134 | 155 | — | 979 | 112 | — | — | 3,223 | — | — |
| Investment credit..... | 506,420 | 2,649 | 12,279 | 26,381 | 31,645 | 33,942 | 76,375 | 25,784 | 25,247 | 24,511 | 25,968 | 39,542 | 182,097 |
| Work incentive (WIN) credit..... | 2,311 | — | — | *468 | *366 | 512 | 603 | *99 | 38 | 13 | 14 | 33 | 165 |
| New jobs credit..... | 290,172 | 718 | 12,004 | 36,340 | 34,832 | 43,924 | 104,605 | 24,344 | 14,802 | 7,081 | 5,032 | 3,654 | 2,836 |
| Distributions to stockholders except in own stock..... | 2,432,295 | 29,182 | 125,996 | 196,797 | 112,661 | 127,621 | 199,892 | 83,311 | 67,894 | 53,037 | 83,221 | 238,865 | 1,113,618 |
| Wholesale and Retail Trade: Retail Trade: Building Materials, Garden Supplies, and Mobile Home Dealers | | | | | | | | | | | | | |
| Number of returns..... | 37,015 | 847 | 13,627 | 9,828 | 5,685 | 4,326 | 2,492 | 135 | 49 | 16 | .. | .. | .. |
| Total assets..... | 15,408,040 | — | 665,581 | 1,606,560 | 2,052,823 | 3,064,068 | 4,537,803 | 917,814 | 723,162 | 543,417 | 1,296,812 | 1,296,812 | 10 |
| Notes and accounts receivable, net..... | 3,729,440 | — | 101,998 | 271,406 | 437,307 | 794,925 | 1,248,524 | 226,717 | 184,176 | 105,839 | 358,546 | 358,546 | 10 |
| Inventories..... | 6,177,127 | — | 310,117 | 771,480 | 839,486 | 1,254,997 | 1,763,726 | 337,097 | 253,030 | 214,712 | 432,502 | 432,502 | 10 |
| Cash, Government obligations, and other current assets..... | 1,397,732 | — | 90,924 | 178,805 | 206,672 | 296,200 | 352,733 | 66,086 | 61,492 | 49,634 | 84,186 | 84,186 | 10 |
| Other investments and loans..... | 819,540 | — | 28,298 | 67,462 | 86,546 | 131,297 | 228,977 | 43,278 | 64,396 | 53,903 | 133,382 | 133,382 | 10 |
| Depreciable assets..... | 4,562,942 | — | 219,187 | 479,877 | 660,368 | 890,117 | 1,257,466 | 334,245 | 220,496 | 141,585 | 359,501 | 359,501 | 10 |
| Less: Accumulated depreciation..... | 2,140,524 | — | 125,920 | 224,019 | 310,082 | 441,854 | 578,708 | 153,784 | 97,616 | 58,796 | 149,745 | 149,745 | 10 |
| Other capital assets less reserves..... | 593,411 | — | 12,253 | 21,988 | 90,473 | 97,837 | 176,172 | 47,686 | 28,200 | 45,327 | 53,475 | 53,475 | 10 |
| Accounts and notes payable..... | 4,605,583 | — | 206,554 | 416,227 | 525,455 | 982,976 | 1,514,977 | 281,105 | 220,562 | 110,929 | 346,798 | 346,798 | 10 |
| Other current liabilities..... | 1,255,139 | — | 55,685 | 94,090 | 148,304 | 227,085 | 400,388 | 76,883 | 58,552 | 57,218 | 136,934 | 136,934 | 10 |
| Mortgages, notes, and bonds payable in one year or more..... | 2,207,288 | — | 94,680 | 280,222 | 283,084 | 407,489 | 558,665 | 150,074 | 93,642 | 83,499 | 255,933 | 255,933 | 10 |
| Net worth..... | 6,383,835 | — | 189,598 | 632,630 | 971,904 | 1,224,235 | 1,886,781 | 374,602 | 318,303 | 271,807 | 506,295 | 506,295 | 10 |
| Cost of property used for investment credit..... | 478,959 | *1,066 | 17,636 | 63,472 | 66,574 | 93,517 | 138,769 | 34,754 | 22,283 | 13,462 | 29,396 | 29,396 | 10 |
| Total receipts..... | 38,048,237 | 372,669 | 1,766,306 | 3,843,781 | 5,160,718 | 7,651,879 | 11,694,647 | 2,360,678 | 1,475,253 | 1,369,469 | 2,352,837 | 2,352,837 | 10 |
| Business receipts..... | 37,271,139 | 350,092 | 1,742,210 | 3,791,340 | 5,071,823 | 7,497,808 | 11,479,777 | 2,296,524 | 1,440,034 | 1,339,842 | 2,261,689 | 2,261,689 | 10 |
| Cost of sales and operations..... | 27,531,008 | 281,239 | 1,158,963 | 2,561,144 | 3,725,601 | 5,536,879 | 8,845,949 | 1,685,471 | 1,042,323 | 967,604 | 1,725,835 | 1,725,835 | 10 |
| Taxes paid..... | 679,053 | 4,866 | 44,404 | 82,230 | 115,237 | 131,998 | 166,834 | 39,978 | 25,690 | 22,868 | 39,312 | 39,312 | 10 |
| Interest paid..... | 375,929 | *2,464 | 16,938 | 41,704 | 45,572 | 74,653 | 103,159 | 28,491 | 18,636 | 11,178 | 34,934 | 34,934 | 10 |
| Depreciation..... | 399,056 | *1,936 | 21,506 | 46,435 | 57,852 | 77,229 | 107,429 | 31,963 | 16,815 | 12,936 | 24,955 | 24,955 | 10 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 130,485 | *1,231 | *1,667 | 7,605 | 12,902 | 28,225 | 48,806 | 7,611 | 6,159 | 5,779 | 10,500 | 10,500 | 10 |
| Employee benefit programs..... | 84,439 | *886 | 2,756 | 7,306 | 9,397 | 17,237 | 26,380 | 4,310 | 4,020 | 3,324 | 10,823 | 10,823 | 10 |
| Net income (less deficit)..... | 1,372,575 | 16,547 | —12,139 | 104,357 | 175,048 | 275,212 | 472,965 | 87,196 | 76,741 | 81,439 | 95,209 | 95,209 | 10 |
| Net income..... | 1,551,396 | *21,962 | 43,686 | 142,338 | 189,273 | 292,432 | 506,874 | 96,337 | 77,675 | 81,439 | 99,380 | 99,380 | 10 |
| Income subject to tax..... | 1,272,918 | *15,460 | 18,918 | 104,057 | 157,155 | 232,922 | 408,517 | 85,908 | 75,367 | 78,477 | 96,137 | 96,137 | 10 |
| Income tax, total..... | 484,815 | *5,216 | 3,605 | 24,304 | 40,147 | 78,667 | 175,961 | 39,718 | 35,311 | 37,264 | 44,622 | 44,622 | 10 |
| Additional tax for tax preferences..... | *12 | — | — | — | — | — | *7 | *3 | 2 | — | — | — | — |
| Foreign tax credit..... | 94 | — | — | — | — | — | — | — | — | — | — | — | — |
| U.S. possessions tax credit..... | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Investment credit..... | 29,325 | *84 | 129 | 2,159 | 4,273 | 4,700 | 9,523 | 2,379 | 1,776 | 1,087 | 3,221 | 3,221 | 10 |
| Work incentive (WIN) credit..... | *58 | — | — | — | — | — | — | — | — | — | — | — | — |
| New jobs credit..... | 30,837 | 18 | *703 | 3,911 | 4,058 | 5,080 | 11,982 | 2,417 | 1,462 | 867 | 339 | 339 | 10 |
| Distributions to stockholders except in own stock..... | 122,719 | *3,860 | *2, | | | | | | | | | | |

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|---|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Wholesale and Retail Trade: Retail Trade: General Merchandise Stores | | | | | | | | | | | | | |
| Number of returns..... | 11,464 | *292 | 4,819 | 2,715 | 1,589 | 850 | 374 | 142 | 78 | 35 | 25 | 26 | 19 |
| Total assets..... | 52,359,599 | — | 216,251 | 410,876 | 561,914 | 599,550 | 1,821,357 | 1,023,566 | 1,202,604 | 1,210,596 | 1,780,898 | 4,185,066 | 39,246,921 |
| Notes and accounts receivable, net..... | 16,050,284 | — | 9,157 | 56,310 | 86,181 | 96,756 | 305,707 | 234,098 | 214,558 | 159,646 | 346,734 | 823,069 | 13,716,068 |
| Inventories..... | 15,145,969 | — | 130,734 | 188,712 | 237,142 | 293,740 | 870,616 | 385,392 | 538,647 | 560,880 | 614,994 | 1,506,062 | 9,819,050 |
| Cash, Government obligations, and other current assets..... | 3,257,442 | — | 29,764 | 81,579 | 102,263 | 66,955 | 262,090 | 111,112 | 124,088 | 119,178 | 138,569 | 374,872 | 1,846,972 |
| Other investments and loans..... | 4,751,021 | — | *3,243 | 23,351 | 48,592 | 29,962 | 113,035 | 24,496 | 55,704 | 60,111 | 130,205 | 257,599 | 4,004,723 |
| Depreciable assets..... | 17,643,769 | — | 54,738 | 106,604 | 163,921 | 171,312 | 577,916 | 391,229 | 387,417 | 434,435 | 746,402 | 1,851,266 | 13,158,529 |
| Less: Accumulated depreciation..... | 6,970,571 | — | 22,181 | 57,044 | 91,923 | 85,029 | 277,820 | 171,535 | 171,655 | 201,749 | 275,424 | 700,988 | 4,910,223 |
| Other capital assets less reserves..... | 1,472,001 | — | 7,651 | 14,098 | 52,271 | 14,098 | 52,271 | 41,414 | 31,603 | 47,747 | 54,124 | 192,359 | 1,014,091 |
| Accounts and notes payable..... | 14,549,898 | — | 52,693 | 107,589 | 133,630 | 168,142 | 1,028,478 | 228,438 | 288,524 | 283,826 | 321,306 | 669,814 | 11,067,458 |
| Other current liabilities..... | 6,934,755 | — | 9,558 | 26,960 | 49,270 | 39,066 | 327,730 | 107,963 | 145,973 | 115,602 | 183,994 | 466,975 | 5,461,664 |
| Mortgages, notes, and bonds payable in one year or more..... | 6,971,351 | — | 37,063 | 47,367 | 32,217 | 79,925 | 297,392 | 173,581 | 205,803 | 240,797 | 482,572 | 1,044,150 | 4,330,484 |
| Net worth..... | 19,997,591 | — | 59,697 | 190,836 | 319,124 | 287,552 | 221,737 | 498,549 | 523,970 | 544,237 | 754,827 | 1,681,823 | 14,915,239 |
| Cost of property used for investment credit..... | 1,326,891 | — | 6,951 | 7,075 | 10,016 | 13,068 | 44,544 | 21,879 | 29,098 | 39,023 | 53,078 | 121,850 | 980,309 |
| Total receipts..... | 95,499,328 | *20,882 | 560,634 | 1,271,070 | 1,305,238 | 1,630,975 | 4,388,318 | 2,151,341 | 2,927,005 | 3,129,466 | 3,365,745 | 9,545,904 | 65,202,750 |
| Business receipts..... | 90,289,451 | *19,890 | 558,616 | 1,259,754 | 1,270,496 | 1,602,878 | 4,275,581 | 2,086,767 | 2,858,436 | 3,041,167 | 3,220,619 | 9,196,515 | 60,898,732 |
| Cost of sales and operations..... | 58,243,230 | *13,906 | 927,806 | 880,869 | 1,161,490 | 2,934,009 | 1,380,631 | 1,969,875 | 2,104,206 | 2,131,533 | 6,243,174 | 38,123,509 | 60,898,732 |
| Taxes paid..... | 2,208,744 | *125 | 13,600 | 20,465 | 29,342 | 30,988 | 43,864 | 53,391 | 62,932 | 73,923 | 247,844 | 1,548,447 | 1,548,447 |
| Interest paid..... | 1,355,788 | *372 | 4,389 | 11,070 | 7,072 | 11,507 | 40,933 | 20,115 | 24,366 | 24,539 | 49,243 | 137,642 | 1,024,540 |
| Depreciation..... | 1,298,640 | *127 | 7,156 | 9,141 | 12,413 | 12,413 | 81,859 | 26,253 | 28,720 | 31,981 | 48,998 | 120,084 | 961,150 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 516,863 | — | *3,051 | 10,064 | 5,974 | 15,197 | 10,682 | 9,545 | 8,898 | 12,917 | 31,091 | 409,444 | 269,521 |
| Employee benefit programs..... | 321,003 | — | *427 | *782 | 2,255 | 2,357 | 9,074 | 4,253 | 3,907 | 4,539 | 3,943 | 20,235 | 269,521 |
| Net income (less deficit)..... | 3,302,192 | *-5,453 | -1,026 | 24,820 | 30,546 | 42,071 | 125,398 | 92,795 | 104,487 | 93,936 | 92,020 | 341,923 | 2,470,551 |
| Net income..... | 3,519,374 | *3 | 15,138 | 41,059 | 39,758 | 56,832 | 154,515 | 92,795 | 104,487 | 104,557 | 104,557 | 322,054 | 2,206,624 |
| Income subject to tax..... | 3,156,965 | 3 | *2,803 | 37,977 | 26,687 | 41,555 | 135,597 | 89,438 | 100,152 | 89,518 | 42,696 | 152,859 | 1,056,004 |
| Income tax, total..... | 1,484,295 | 1 | *459 | 12,479 | 6,669 | 15,331 | 58,634 | 41,873 | 47,225 | 48,865 | 10 | 117 | — |
| Additional tax for tax preferences..... | 183 | — | — | — | — | — | *7 | *24 | (¹) | 25 | 80 | 60,782 | — |
| Foreign tax credit..... | 62,978 | — | — | — | — | — | — | — | — | 19 | 1916 | 181 | — |
| U.S. possessions tax credit..... | 616 | — | — | 60 | — | — | 46 | — | — | — | 510 | 80 | 91,193 |
| Investment credit..... | 118,473 | — | *332 | 158 | 504 | 966 | 3,018 | 1,649 | 2,165 | 3,164 | 4,867 | 10,457 | 20 |
| Work incentive (WIN) credit..... | 45 | — | — | — | — | — | — | — | 2 | (¹) | 3 | 29 | 1,136 |
| New jobs credit..... | 17,374 | — | — | *4,028 | *596 | *380 | 3,407 | 1,575 | 2,430 | 1,123 | 1,400 | 1,299 | 827,966 |
| Distributions to stockholders except in own stock..... | 943,440 | 2 | *3,588 | *3,775 | *3,697 | 8,605 | 9,582 | 5,973 | 11,937 | 7,119 | 11,845 | 49,351 | — |
| Wholesale and Retail Trade: Retail Trade: Food Stores | | | | | | | | | | | | | |
| Number of returns..... | 32,614 | 825 | 18,744 | 6,799 | 3,326 | 1,521 | 1,086 | 146 | 85 | 31 | 21 | 15 | 15 |
| Total assets..... | 24,722,281 | — | 758,698 | 1,118,131 | 1,143,691 | 994,428 | 2,199,074 | 995,291 | 1,357,526 | 1,182,798 | 1,470,557 | 2,151,395 | 11,350,692 |
| Notes and accounts receivable, net..... | 1,607,258 | — | 59,555 | 75,166 | 68,151 | 84,480 | 153,044 | 45,350 | 99,251 | 74,520 | 129,819 | 136,762 | 671,160 |
| Inventories..... | 8,287,416 | — | 208,546 | 347,636 | 391,444 | 287,727 | 631,814 | 300,202 | 393,087 | 411,173 | 494,956 | 692,693 | 4,128,138 |
| Cash, Government obligations, and other current assets..... | 2,908,745 | — | 116,218 | 174,861 | 187,664 | 182,958 | 333,277 | 134,966 | 200,981 | 163,967 | 148,540 | 227,622 | 1,038,031 |
| Other investments and loans..... | 2,097,908 | — | 21,706 | 58,183 | 76,611 | 69,281 | 180,530 | 77,305 | 53,022 | 99,889 | 148,540 | 219,402 | 1,179,665 |
| Depreciable assets..... | 14,955,421 | — | 543,101 | 652,073 | 675,565 | 565,533 | 1,341,182 | 639,040 | 839,031 | 743,299 | 878,804 | 1,413,212 | 6,664,581 |
| Less: Accumulated depreciation..... | 6,360,956 | — | 279,363 | 323,610 | 266,591 | 266,591 | 596,161 | 289,696 | 367,255 | 325,030 | 349,229 | 659,624 | 2,654,060 |
| Other capital assets less reserves..... | 798,094 | — | 17,560 | 49,273 | 33,235 | 36,062 | 104,717 | 63,368 | 76,654 | 37,699 | 44,858 | 67,138 | 267,530 |
| Accounts and notes payable..... | 6,670,550 | — | 222,465 | 300,378 | 356,670 | 299,584 | 706,961 | 289,109 | 414,922 | 311,094 | 423,595 | 549,302 | 2,796,470 |
| Other current liabilities..... | 2,634,788 | — | 57,061 | 77,267 | 94,403 | 81,901 | 184,754 | 97,248 | 137,296 | 114,645 | 151,783 | 251,046 | 1,387,384 |
| Mortgages, notes, and bonds payable in one year or more..... | 5,158,774 | — | 169,450 | 259,907 | 273,738 | 186,554 | 472,002 | 205,884 | 238,046 | 196,834 | 291,427 | 394,482 | 2,470,450 |
| Net worth..... | 9,237,727 | *1,159 | 355,812 | 322,463 | 322,463 | 378,014 | 698,167 | 387,248 | 544,955 | 545,557 | 553,930 | 903,605 | 4,385,292 |
| Cost of property used for investment credit..... | 1,618,090 | — | 82,887 | 88,180 | 73,775 | 79,950 | 151,340 | 51,766 | 87,831 | 67,145 | 85,315 | 149,836 | 698,906 |
| Total receipts..... | 131,357,216 | *350,896 | 4,383,064 | 6,532,434 | 8,071,905 | 6,595,256 | 13,622,858 | 5,979,892 | 7,677,347 | 6,796,696 | 7,481,138 | 10,836,362 | 53,029,368 |
| Business receipts..... | 130,029,604 | *342,922 | 4,346,494 | 6,488,085 | 8,009,156 | 6,555,770 | 13,452,509 | 5,919,020 | 7,609,818 | 6,709,038 | 7,367,522 | 10,675,812 | 52,553,358 |
| Cost of sales and operations..... | 100,795,227 | *253,250 | 3,107,082 | 5,055,196 | 6,398,847 | 5,196,545 | 10,642,726 | 4,673,682 | 5,998,370 | 5,315,439 | 5,789,854 | 8,197,611 | 40,156,615 |
| Taxes paid..... | 1,694,945 | *3,750 | 81,457 | 88,023 | 110,219 | 71,388 | 170,942 | 69,712 | 94,465 | 17,327 | 24,536 | 41,932 | 169,386 |
| Interest paid..... | 450,536 | *695 | 19,000 | 29,528 | 31,790 | 21,384 | 50,738 | 24,367 | 28,367 | 26,367 | 31,583 | 561,022 | 561,022 |
| Depreciation..... | 1,281,204 | *2,596 | 50,308 | 56,481 | 58,390 | 48,551 | 119,231 | 53,383 | 78,027 | 61,563 | 72,349 | 119,303 | 561,022 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 489,105 | *907 | *4,395 | 13,644 | 11,386 | 15,623 | 34,215 | 16,262 | 24,324 | 23,068 | 28,032 | 38,245 | 278,640 |
| Employee benefit programs..... | 595,773 | *529 | 7,507 | 9,533 | 22,746 | 19,894 | 34,352 | 22,141 | 28,174 | 35,260 | 38,245 | 332,999 | 782,399 |
| Net income (less deficit)..... | 1,679,294 | *40,757 | 9,102 | 83,471 | 47,710 | 78,706 | 154,773 | 95,134 | 110,293 | 101,256 | 93,164 | 134,045 | 772,007 |
| Net income..... | 1,942,477 | *41,250 | 70,300 | 110,428 | 97,513 | 96,862 | 188,676 | 98,752 | 110,293 | 100,514 | 96,606 | 141,152 | 768,374 |
| Income subject to tax..... | 1,727,682 | *11,394 | 33,400 | 65,149 | 66,423 | 75,832 | 167,906 | 91,435 | 109,497 | 100,514 | 46,987 | 66,209 | 369,050 |
| Income tax, total..... | 764,868 | *4,185 | 6,358 | 13,447 | 19,087 | 25,672 | 71,982 | 42,500 | 51,662 | 47,729 | 46 | 35 | 60 |
| Additional tax for tax preferences..... | 200 | — | — | — | — | — | *7 | *1 | (¹) | 4 | 48 | 46 | 8,422 |
| Foreign tax credit..... | 8,427 | — | — | — | — | — | — | — | — | — | — | 2,713 | — |
| U.S. possessions tax credit..... | 2,713 | — | — | — | — | — | 2,993 | 11,004 | 4,440 | 6,975 | 5,891 | 5,124 | 11,269 |
| Investment credit..... | 112,755 | *81 | 1,430 | 2,499 | 3,480 | (¹) | *33 | *96 | 17 | 5 | 1 | 3 | 28 |
| Work incentive (WIN) credit..... | 183 | — | — | — | — | — | — | — | — | — | — | 900 | 673 |
| New jobs credit..... | 29,561 | — | *1,239 | *1,170 | *1,937 | 3,629 | 10,999 | 3,830 | 3,155 | 929 | 1,100 | 30,579 | 200,832 |
| Distributions to stockholders except in own stock..... | 312,616 | *1,738 | *4,212 | *3,816 | 12,804 | 11,681 | 8,450 | 10,519 | 5,970 | 11,932 | 10,083 | 30,579 | — |

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

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry; by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Wholesale and Retail Trade: Retail Trade: Automotive Dealers and Service Stations | | | | | | | | | | | | | |
| Number of returns..... | 71,099 | 2,276 | 24,278 | 12,713 | 11,559 | 9,791 | 9,692 | 612 | 144 | 25 | ** | ** | ** |
| Total assets..... | 41,340,354 | — | 1,047,250 | 2,037,319 | 4,130,427 | 6,873,675 | 19,184,483 | 4,097,537 | 2,044,565 | 846,980 | 144,435 | 1,078,118 | 172,496 |
| Notes and accounts receivable, net..... | 5,553,474 | — | 185,029 | 292,781 | 479,814 | 767,995 | 2,458,825 | 676,952 | 375,147 | 144,435 | 1,078,118 | 172,496 | — |
| Inventories..... | 22,243,471 | — | 1,034,441 | 2,394,441 | 2,394,192 | 4,230,589 | 11,007,525 | 2,036,066 | 713,397 | 243,608 | 102,594 | 156,242 | — |
| Cash, Government obligations, and other current assets..... | 3,768,648 | — | 166,396 | 290,645 | 436,216 | 650,341 | 1,529,894 | 307,613 | 180,443 | 102,594 | 104,506 | 104,506 | — |
| Other investments and loans..... | 1,580,591 | — | 40,988 | 61,129 | 144,040 | 199,886 | 538,020 | 116,972 | 151,188 | 62,114 | 266,242 | 266,242 | — |
| Depreciable assets..... | 10,492,034 | — | 352,972 | 472,586 | 1,010,838 | 1,394,874 | 4,612,605 | 1,139,976 | 727,909 | 364,523 | 415,951 | 415,951 | — |
| Less: Accumulated depreciation..... | 4,309,886 | — | 167,559 | 233,370 | 500,519 | 626,910 | 1,830,914 | 397,657 | 254,349 | 150,500 | 148,108 | 148,108 | — |
| Other capital assets less reserves..... | 1,313,479 | — | 18,167 | 70,000 | 109,403 | 143,120 | 549,238 | 150,530 | 118,059 | 53,073 | 101,889 | 101,889 | — |
| Accounts and notes payable..... | 21,476,603 | — | 317,040 | 750,919 | 1,850,906 | 3,674,664 | 10,853,854 | 2,273,679 | 978,290 | 332,650 | 444,601 | 444,601 | — |
| Other current liabilities..... | 2,885,177 | — | 93,618 | 130,407 | 254,362 | 401,727 | 1,326,004 | 334,209 | 176,587 | 82,020 | 86,243 | 86,243 | — |
| Mortgages, notes, and bonds payable in one year or more..... | 4,738,505 | — | 178,983 | 262,460 | 485,234 | 634,412 | 1,949,671 | 488,853 | 305,178 | 170,269 | 263,445 | 263,445 | — |
| Net worth..... | 10,409,522 | — | 175,418 | 672,146 | 1,250,741 | 1,861,243 | 4,512,385 | 909,124 | 520,166 | 229,517 | 278,782 | 278,782 | — |
| Cost of property used for investment credit..... | 1,601,629 | *3,015 | 48,133 | 59,722 | 116,416 | 158,126 | 466,822 | 246,042 | 172,120 | 70,440 | 50,793 | 50,793 | — |
| Total receipts..... | 169,968,126 | 1,652,831 | 6,708,781 | 8,492,338 | 15,816,349 | 28,676,077 | 82,368,750 | 15,988,963 | 5,955,937 | 2,396,126 | 1,911,974 | 1,911,974 | — |
| Business receipts..... | 167,298,134 | 1,606,148 | 6,678,112 | 8,405,443 | 15,629,867 | 28,349,325 | 81,025,840 | 15,647,647 | 5,802,846 | 2,345,054 | 1,807,852 | 1,807,852 | — |
| Cost of sales and operations..... | 142,391,974 | 1,353,766 | 5,121,459 | 6,704,700 | 13,019,382 | 24,259,862 | 69,941,873 | 13,528,352 | 4,983,186 | 1,947,909 | 1,531,485 | 1,531,485 | — |
| Taxes paid..... | 1,739,805 | 19,427 | 119,823 | 18,827 | 172,953 | 291,423 | 748,619 | 166,230 | 54,008 | 25,884 | 39,611 | 39,611 | — |
| Interest paid..... | 1,495,661 | 14,721 | 27,055 | 70,977 | 147,471 | 255,024 | 717,353 | 144,798 | 68,100 | 27,583 | 22,579 | 22,579 | — |
| Depreciation..... | 1,178,119 | 6,210 | 39,643 | 50,217 | 94,182 | 129,824 | 465,352 | 161,149 | 113,045 | 50,170 | 68,327 | 68,327 | — |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 211,773 | *731 | *4,745 | 6,313 | 16,273 | 34,802 | 113,140 | 21,746 | 8,478 | 3,216 | 3,216 | 3,216 | — |
| Employee benefit programs..... | 267,380 | 3,681 | 11,124 | 9,784 | 24,843 | 49,281 | 129,878 | 22,399 | 9,065 | 3,296 | 4,029 | 4,029 | — |
| Net income (less deficit)..... | 1,890,214 | 21,994 | 21,948 | 109,011 | 171,418 | 294,065 | 921,083 | 224,368 | 79,027 | 34,603 | 12,697 | 12,697 | — |
| Net income..... | 2,300,371 | 39,013 | 103,457 | 157,026 | 231,824 | 354,800 | 1,002,840 | 254,368 | 89,725 | 46,243 | 25,350 | 25,350 | — |
| Income subject to tax..... | 1,898,079 | 35,499 | 62,844 | 111,966 | 168,758 | 287,492 | 860,093 | 225,194 | 77,048 | 44,256 | 24,929 | 24,929 | — |
| Income tax, total..... | 678,411 | 12,418 | 12,803 | 25,152 | 40,598 | 80,628 | 336,863 | 101,591 | 35,313 | 20,993 | 12,052 | 12,052 | — |
| Additional tax for tax preferences..... | 497 | — | — | — | (⁽¹⁾) | — | *314 | *86 | 97 | — | — | — | — |
| Foreign tax credit..... | *155 | — | — | — | — | — | — | — | — | — | — | — | — |
| U.S. possessions tax credit..... | — | — | — | — | — | (⁽¹⁾) | — | (⁽¹⁾) | 22 | 48 | 85 | 85 | — |
| Investment credit..... | 58,903 | *278 | 1,837 | 2,724 | 4,479 | 7,425 | 25,355 | 8,723 | 4,419 | 2,610 | 1,053 | 1,053 | — |
| Work incentive (WIN) credit..... | 690 | — | — | — | *102 | *151 | *432 | — | 1 | — | 4 | 4 | — |
| New jobs credit..... | 87,851 | *484 | *619 | 4,957 | 15,493 | 48,344 | 154,977 | 10,091 | 2,358 | 657 | 381 | 381 | — |
| Distributions to stockholders except in own stock..... | 157,239 | *4,321 | 18,005 | 6,446 | 9,426 | 27,700 | 55,676 | 20,799 | 8,875 | 4,207 | 1,784 | 1,784 | — |
| Wholesale and Retail Trade: Retail Trade: Apparel and Accessory Stores | | | | | | | | | | | | | |
| Number of returns..... | 38,570 | 653 | 20,023 | 11,641 | 3,460 | 1,630 | 966 | 117 | 46 | 16 | 12 | 6 | — |
| Total assets..... | 10,464,032 | — | 899,983 | 1,789,471 | 1,162,575 | 1,134,321 | 1,786,210 | 827,965 | 729,749 | 517,640 | 852,190 | 763,928 | — |
| Notes and accounts receivable, net..... | 1,645,989 | — | 75,457 | 235,212 | 168,099 | 193,804 | 313,618 | 151,063 | 119,804 | 99,016 | 98,539 | 191,377 | — |
| Inventories..... | 4,304,904 | — | 480,087 | 822,275 | 542,250 | 498,602 | 741,065 | 333,382 | 247,359 | 181,446 | 219,539 | 238,899 | — |
| Cash, Government obligations, and other current assets..... | 1,812,093 | — | 155,508 | 302,952 | 228,605 | 197,024 | 322,771 | 142,511 | 130,496 | 67,597 | 126,073 | 138,556 | — |
| Other investments and loans..... | 804,770 | — | 59,955 | 163,195 | 57,540 | 63,101 | 83,444 | 45,526 | 51,136 | 30,423 | 235,417 | 15,033 | — |
| Depreciable assets..... | 2,847,564 | — | 242,822 | 383,896 | 296,927 | 307,813 | 509,655 | 248,202 | 239,652 | 172,274 | 220,441 | 225,882 | — |
| Less: Accumulated depreciation..... | 1,319,377 | — | 144,518 | 172,600 | 155,591 | 150,916 | 246,402 | 119,155 | 91,176 | 58,752 | 87,757 | 92,510 | — |
| Other capital assets less reserves..... | 184,562 | — | 10,105 | 13,670 | 17,024 | 12,885 | 42,145 | 17,832 | 12,262 | 4,125 | 14,265 | 40,249 | — |
| Accounts and notes payable..... | 2,680,853 | — | 264,701 | 474,668 | 340,969 | 317,158 | 492,083 | 231,290 | 143,500 | 84,607 | 159,552 | 172,325 | — |
| Other current liabilities..... | 957,241 | — | 56,764 | 145,755 | 75,915 | 91,420 | 177,290 | 96,990 | 69,896 | 69,244 | 106,484 | 67,483 | — |
| Mortgages, notes, and bonds payable in one year or more..... | 1,136,185 | — | 117,459 | 158,293 | 137,498 | 118,507 | 157,183 | 55,187 | 64,749 | 76,536 | 135,685 | 115,088 | — |
| Net worth..... | 5,013,090 | — | 329,904 | 834,841 | 552,541 | 544,079 | 862,994 | 430,594 | 427,138 | 258,865 | 372,244 | 398,890 | — |
| Cost of property used for investment credit..... | 263,919 | 11,064 | 27,106 | 41,089 | 13,592 | 26,882 | 40,913 | 20,842 | 22,439 | 26,621 | 20,014 | 13,557 | — |
| Total receipts..... | 25,573,364 | 1,268,384 | 2,733,729 | 4,230,450 | 2,758,794 | 2,385,359 | 4,352,585 | 2,058,399 | 1,931,273 | 1,229,948 | 1,196,776 | 1,427,667 | — |
| Business receipts..... | 24,948,361 | 1,241,723 | 2,695,129 | 4,187,862 | 2,705,205 | 2,335,570 | 4,267,590 | 1,991,688 | 1,893,081 | 1,191,126 | 1,113,412 | 1,325,975 | — |
| Cost of sales and operations..... | 14,747,236 | 727,419 | 1,641,816 | 2,453,914 | 1,635,520 | 1,350,426 | 2,515,739 | 1,174,505 | 1,132,735 | 695,055 | 673,876 | 746,131 | — |
| Taxes paid..... | 566,374 | 31,509 | 59,385 | 88,703 | 59,311 | 54,670 | 91,483 | 46,502 | 41,533 | 30,117 | 31,244 | 31,917 | — |
| Interest paid..... | 192,535 | 29,305 | 20,471 | 26,762 | 22,379 | 16,847 | 25,184 | 13,346 | 9,084 | 8,748 | 11,938 | 8,471 | — |
| Depreciation..... | 274,867 | 15,832 | 24,299 | 39,585 | 28,016 | 27,625 | 43,867 | 23,127 | 22,312 | 15,065 | 17,686 | 17,453 | — |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 97,325 | 7,476 | *1,402 | 8,917 | 17,172 | 17,172 | 21,423 | 5,505 | 5,220 | 4,366 | 5,219 | 9,020 | — |
| Employee benefit programs..... | 61,910 | 804 | 3,742 | 8,878 | 6,234 | 5,898 | 8,402 | 7,614 | 3,025 | 2,119 | 5,023 | 10,171 | — |
| Net income (less deficit)..... | 1,094,623 | 35,381 | 6,958 | 207,361 | 79,653 | 96,423 | 182,080 | 90,460 | 83,772 | 66,055 | 88,834 | 147,646 | — |
| Net income..... | 1,297,968 | 37,200 | 88,398 | 258,933 | 92,029 | 100,403 | 202,223 | 91,662 | 104,134 | 75,267 | 96,760 | 150,959 | — |
| Income subject to tax..... | 1,059,127 | 16,423 | 52,365 | 207,148 | 70,622 | 90,992 | 188,321 | 88,848 | 102,152 | 74,919 | 72,694 | 94,643 | — |
| Income tax, total..... | 421,537 | 7,865 | 10,596 | 61,625 | 18,937 | 32,392 | 83,740 | 41,418 | 49,035 | 35,888 | 34,764 | 45,277 | — |
| Additional tax for tax preferences..... | 22 | 13 | — | — | — | — | — | 9 | — | — | — | — | — |
| Foreign tax credit..... | *616 | 533 | — | — | — | — | — | — | — | — | — | — | — |
| U.S. possessions tax credit..... | 1,087 | — | 20 | 74 | 117 | 203 | *24 | — | 51 | 2 | — | — | — |
| Investment credit..... | 16,777 | 158 | 167 | 1,391 | 599 | 2,168 | 3,151 | 1,921 | 2,115 | 2,598 | 1,379 | 1,129 | — |
| Work incentive (WIN) credit..... | *169 | — | — | — | *66 | *102 | — | — | — | — | — | — | — |
| New jobs credit..... | 18,505 | 100 | 1,159 | 4,309 | 2,510 | 3,130 | 3,238 | 1,405 | 1 | — | — | — | — |
| Distributions to stockholders except in own stock..... | 336,440 | *668 | 27,489 | 71,501 | 8,053 | 7,696 | 42,958 | 25,369 | 25,870 | 4,929 | 24,135 | 97,772 | — |

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

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Wholesale and Retail Trade: Retail Trade: Furniture and Home Furnishings Stores | | | | | | | | | | | | | |
| Number of returns..... | 34,939 | *178 | 17,144 | 8,597 | 5,194 | 2,362 | 1,346 | 65 | 33 | 13 | 3 | .. | 4 |
| Total assets..... | 10,485,352 | — | 747,562 | 1,403,532 | 1,825,175 | 1,610,288 | 2,372,653 | 445,148 | 446,767 | 449,308 | 193,586 | 991,333 | 91,892 |
| Notes and accounts receivable, net..... | 2,724,997 | — | 107,377 | 277,198 | 429,210 | 495,610 | 746,362 | 180,057 | 156,469 | 157,084 | 83,738 | 435,647 | 69,198 |
| Inventories..... | 4,308,488 | — | 359,427 | 685,161 | 778,901 | 653,953 | 890,716 | 171,903 | 161,265 | 121,512 | 50,003 | 32,045 | 32,045 |
| Cash, Government obligations, and other current assets..... | 1,150,950 | — | 105,752 | 183,894 | 239,072 | 175,661 | 240,847 | 25,685 | 36,153 | 54,763 | 19,925 | 12,114 | 338,805 |
| Other investments and loans..... | 453,063 | — | 23,132 | 39,756 | 93,031 | 56,443 | 146,645 | 7,780 | 15,155 | 26,962 | 12,114 | 13,841 | 74,481 |
| Depreciable assets..... | 2,429,571 | — | 226,911 | 371,070 | 374,728 | 318,288 | 475,848 | 75,191 | 97,452 | 119,472 | 31,806 | 18,411 | 338,805 |
| Less: Accumulated depreciation..... | 1,029,063 | — | 104,748 | 192,564 | 170,283 | 146,140 | 215,713 | 28,911 | 40,466 | 41,916 | 13,841 | 17,252 | 117,689 |
| Other capital assets less reserves..... | 256,205 | — | 8,548 | 22,352 | 47,122 | 37,204 | 61,860 | 9,636 | 147,609 | 102,139 | 27,088 | 18,641 | 117,689 |
| Accounts and notes payable..... | 3,125,821 | — | 249,052 | 429,258 | 483,042 | 513,089 | 821,169 | 182,123 | 44,144 | 56,931 | 18,641 | 37,666 | 309,742 |
| Other current liabilities..... | 944,405 | — | 69,282 | 83,747 | 134,516 | 145,755 | 227,155 | 46,545 | 55,601 | 60,103 | 35,743 | 44,088 | 371,666 |
| Mortgages, notes, and bonds payable in one year or more..... | 1,475,537 | — | 121,916 | 162,970 | 197,959 | 164,711 | 255,048 | 49,820 | 168,570 | 197,120 | 99,705 | 1,496 | 309,742 |
| Net worth..... | 4,010,563 | 63 | 182,381 | 559,387 | 800,399 | 660,464 | 891,525 | 141,270 | 8,233 | 22,141 | 1,496 | 44,088 | 44,088 |
| Cost of property used for investment credit..... | 260,266 | — | 29,558 | 33,914 | 38,900 | 30,947 | 45,114 | 5,812 | 8,233 | 22,141 | 1,496 | 44,088 | 44,088 |
| Total receipts..... | 23,008,223 | *26,753 | 2,623,188 | 3,329,827 | 4,022,157 | 3,627,579 | 4,848,542 | 831,198 | 748,854 | 690,955 | 264,757 | 1,808,088 | 1,751,379 |
| Business receipts..... | 22,241,926 | *25,927 | 2,607,423 | 3,276,638 | 3,937,219 | 3,519,211 | 4,624,655 | 794,908 | 748,854 | 690,955 | 264,757 | 1,808,088 | 1,751,379 |
| Cost of sales and operations..... | 14,046,564 | *17,010 | 1,647,277 | 2,099,898 | 2,508,397 | 2,315,854 | 3,010,835 | 504,404 | 453,528 | 398,413 | 172,035 | 1,203,913 | 1,181,913 |
| Taxes paid..... | 462,535 | *707 | 58,889 | 66,185 | 82,657 | 68,276 | 86,449 | 13,823 | 16,543 | 24,805 | 4,641 | 39,560 | 39,560 |
| Interest paid..... | 242,205 | *115 | 16,701 | 27,139 | 33,446 | 28,714 | 51,975 | 12,089 | 8,966 | 12,588 | 3,198 | 27,705 | 27,705 |
| Depreciation..... | 227,032 | *153 | 25,584 | 35,752 | 42,441 | 30,882 | 42,441 | 5,987 | 7,989 | 13,827 | 1,814 | 3,668 | 3,668 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 70,294 | *170 | 2,004 | 4,825 | 12,015 | 16,391 | 23,885 | 2,781 | 1,598 | 1,892 | 1,065 | 7,524 | 7,524 |
| Employee benefit programs..... | 60,044 | 113 | 5,347 | 7,308 | 8,240 | 9,840 | 12,030 | 2,367 | 2,263 | 4,013 | 999 | 110,424 | 110,424 |
| Net income (less deficit)..... | 660,058 | *-913 | -1,592 | 66,736 | 118,515 | 109,832 | 140,440 | 22,482 | 24,848 | 52,939 | 16,347 | 126,168 | 126,168 |
| Net income..... | 837,120 | *433 | 55,464 | 103,817 | 142,875 | 118,568 | 160,334 | 31,620 | 27,555 | 52,939 | 15,918 | 125,964 | 125,964 |
| Income subject to tax..... | 672,798 | *433 | 24,895 | 70,794 | 105,528 | 91,811 | 139,906 | 21,471 | 23,950 | 52,128 | 15,918 | 60,359 | 60,359 |
| Income tax, total..... | 244,100 | *135 | 4,978 | 14,494 | 25,366 | 28,908 | 56,588 | 9,701 | 11,199 | 24,996 | 7,376 | — | — |
| Additional tax for tax preferences..... | 9 | — | — | — | — | — | — | — | — | 9 | — | — | — |
| Foreign tax credit..... | 12 | — | — | — | — | — | — | — | — | — | — | — | — |
| U.S. possessions tax credit..... | 366 | — | — | — | — | — | 366 | — | — | — | — | — | — |
| Investment credit..... | 12,380 | 3 | 457 | 1,365 | 1,668 | 1,183 | 2,448 | 420 | 600 | 878 | 94 | 3,264 | 3,264 |
| Work incentive (WIN) credit..... | *37 | — | — | — | — | *19 | *14 | — | 1 | — | — | — | — |
| New jobs credit..... | 13,173 | 16 | *910 | *950 | 1,643 | 3,543 | 4,440 | *413 | 513 | 424 | 121 | 200 | 200 |
| Distributions to stockholders except in own stock..... | 53,862 | — | *4,177 | *14,116 | 5,286 | 8,786 | 12,623 | *705 | 911 | 4,722 | 854 | 1,682 | 1,682 |
| Wholesale and Retail Trade: Retail Trade: Eating and Drinking Places | | | | | | | | | | | | | |
| Number of returns..... | 90,948 | 3,247 | 59,734 | 17,876 | 6,236 | 2,550 | 1,136 | 70 | 48 | 25 | 13 | 10 | 3 |
| Total assets..... | 16,838,205 | — | 2,165,398 | 2,890,072 | 2,167,588 | 1,696,709 | 2,134,799 | 506,420 | 698,960 | 860,278 | 1,006,857 | 1,385,441 | 1,325,683 |
| Notes and accounts receivable, net..... | 961,932 | — | 63,619 | 160,099 | 97,088 | 63,441 | 131,507 | 29,530 | 62,649 | 42,356 | 86,462 | 147,204 | 77,977 |
| Inventories..... | 1,059,872 | — | 173,703 | 152,203 | 95,139 | 110,823 | 252,949 | 24,778 | 48,531 | 56,702 | 52,873 | 112,840 | 106,585 |
| Cash, Government obligations, and other current assets..... | 2,359,330 | — | 378,002 | 517,338 | 338,572 | 252,949 | 255,170 | 56,334 | 105,288 | 131,774 | 117,760 | 121,532 | 84,611 |
| Other investments and loans..... | 1,320,752 | — | 125,410 | 185,949 | 140,997 | 135,973 | 174,070 | 52,528 | 61,811 | 34,882 | 163,192 | 95,534 | 150,406 |
| Depreciable assets..... | 13,944,317 | — | 2,055,043 | 2,535,967 | 1,754,829 | 1,370,820 | 1,633,238 | 420,535 | 508,142 | 761,829 | 998,284 | 1,005,573 | 1,300,057 |
| Less: Accumulated depreciation..... | 5,186,451 | — | 962,065 | 1,085,397 | 601,114 | 494,270 | 555,006 | 136,239 | 174,713 | 269,141 | 170,274 | 292,768 | 445,464 |
| Other capital assets less reserves..... | 1,484,930 | — | 125,249 | 219,514 | 215,638 | 157,502 | 281,147 | 46,041 | 55,876 | 72,741 | 110,693 | 151,789 | 88,740 |
| Accounts and notes payable..... | 3,160,740 | — | 520,870 | 605,155 | 466,515 | 360,346 | 494,190 | 99,792 | 125,755 | 97,320 | 102,793 | 206,790 | 81,214 |
| Other current liabilities..... | 1,492,706 | — | 223,944 | 211,457 | 163,190 | 148,187 | 179,491 | 45,656 | 72,170 | 102,411 | 87,032 | 122,034 | 139,134 |
| Mortgages, notes, and bonds payable in one year or more..... | 5,325,325 | — | 526,847 | 959,800 | 774,453 | 588,847 | 723,081 | 164,984 | 188,870 | 218,643 | 249,901 | 422,845 | 507,054 |
| Net worth..... | 5,048,199 | — | 380,415 | 636,085 | 519,482 | 462,516 | 555,647 | 180,744 | 284,540 | 394,276 | 507,799 | 549,179 | 577,516 |
| Cost of property used for investment credit..... | 1,422,585 | 25,220 | 184,613 | 231,848 | 261,713 | 142,277 | 167,033 | 44,997 | 42,880 | 69,558 | 72,221 | 81,382 | 98,843 |
| Total receipts..... | 41,079,169 | 688,095 | 8,639,006 | 8,248,916 | 4,788,921 | 3,831,493 | 4,497,751 | 999,553 | 1,257,367 | 1,707,879 | 1,792,818 | 2,448,621 | 2,178,749 |
| Business receipts..... | 39,952,899 | 648,102 | 8,527,585 | 8,116,211 | 4,690,631 | 3,748,738 | 4,370,174 | 957,859 | 1,181,428 | 1,632,529 | 1,666,274 | 2,357,798 | 2,055,570 |
| Cost of sales and operations..... | 17,564,630 | 327,714 | 3,895,927 | 3,495,165 | 1,988,023 | 1,634,420 | 1,944,103 | 388,812 | 468,028 | 66,314 | 46,028 | 81,157 | 70,511 |
| Taxes paid..... | 1,575,806 | 22,240 | 382,534 | 324,926 | 183,893 | 158,070 | 153,890 | 29,576 | 34,882 | 18,990 | 19,936 | 40,008 | 37,172 |
| Interest paid..... | 528,343 | 6,920 | 105,281 | 73,818 | 73,818 | 61,804 | 73,026 | 16,266 | 17,556 | 18,990 | 19,936 | 108,322 | 108,322 |
| Depreciation..... | 1,201,019 | 16,680 | 208,275 | 213,850 | 147,711 | 109,662 | 137,340 | 32,691 | 36,817 | 58,825 | 54,711 | 76,135 | 76,135 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 83,957 | *1,774 | 3,065 | 8,679 | 9,220 | 10,495 | 16,500 | 2,298 | 4,666 | 8,219 | 5,634 | 5,544 | 7,863 |
| Employee benefit programs..... | 116,527 | *2,121 | 11,323 | 19,513 | 14,342 | 13,296 | 16,424 | 1,680 | 8,889 | 10,306 | 3,020 | 10,768 | 4,845 |
| Net income (less deficit)..... | 1,054,986 | 26,572 | 157,288 | 133,194 | 94,328 | 147,995 | 157,002 | 27,974 | 52,497 | 100,135 | 99,631 | 107,444 | 107,196 |
| Net income..... | 1,656,194 | 48,262 | 234,912 | 300,836 | 204,870 | 147,995 | 194,853 | 35,355 | 56,624 | 100,382 | 102,552 | 122,357 | 107,196 |
| Income subject to tax..... | 1,220,094 | 40,095 | 167,594 | 138,478 | 95,935 | 112,792 | 133,954 | 24,326 | 45,627 | 95,488 | 100,570 | 121,386 | 103,433 |
| Income tax, total..... | 470,028 | 19,309 | 18,753 | 39,370 | 42,184 | 41,664 | 67,514 | 15,699 | 24,326 | 45,627 | 48,485 | 58,284 | 48,813 |
| Additional tax for tax preferences..... | 329 | — | — | — | — | — | — | — | — | — | — | — | 224 |
| Foreign tax credit..... | 5,030 | 97 | — | — | — | — | — | *68 | *1,455 | 40 | 824 | — | 2,389 |
| U.S. possessions tax credit..... | 37 | — | — | — | — | — | — | — | — | — | — | — | — |
| Investment credit..... | 77,473 | 1,972 | 5,044 | 8,817 | 9,610 | 7,215 | 11,112 | 3,239 | 3,391 | 5,632 | 6,275 | 7,177 | 7,989 |
| Work incentive (WIN) credit..... | 637 | — | — | *390 | *165 | *38 | *22 | (¹) | 2 | 6 | 7 | — | — |
| New jobs credit..... | 51,210 | — | 3,273 | 9,608 | 13,404 | 7,007 | 12,539 | *1,596 | 1,161 | 1,180 | 701 | 541 | 200 |
| Distributions to stockholders except in own stock..... | 198,733 | *2,593 | 33,358 | 64,674 | 20,783 | 9,288 | 15,643 | 3,700 | 4,615 | 7,735 | 9,166 | 14,008 | 13,070 |

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

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Wholesale and Retail Trade: Retail Trade: Miscellaneous Retail Stores | | | | | | | | | | | | | |
| Number of returns..... | 116,166 | 1,838 | 70,584 | 25,645 | 10,224 | 4,684 | 2,806 | 220 | 98 | 28 | 18 | 15 | 6 |
| Total assets..... | 29,821,733 | — | 2,855,794 | 4,046,804 | 3,551,571 | 4,684 | 2,806 | 220 | 98 | 28 | 18 | 15 | 6 |
| Notes and accounts receivable, net..... | 4,794,295 | — | 361,281 | 555,085 | 3,249,201 | 5,237,455 | 1,481,702 | 1,515,750 | 946,202 | 1,260,026 | 2,581,034 | 3,096,194 | 476,152 |
| Inventories..... | 11,866,772 | — | 1,374,190 | 1,786,354 | 1,496,736 | 1,349,515 | 2,164,220 | 531,306 | 584,390 | 403,512 | 507,259 | 956,159 | 733,131 |
| Cash, Government obligations, and other current assets..... | 3,484,839 | — | 405,110 | 558,757 | 484,835 | 349,634 | 550,414 | 185,576 | 207,010 | 105,495 | 118,984 | 335,563 | 203,461 |
| Other investments and loans..... | 2,095,546 | — | 88,655 | 194,835 | 183,172 | 179,364 | 338,802 | 98,336 | 96,148 | 51,068 | 97,569 | 361,323 | 406,274 |
| Depreciable assets..... | 10,586,807 | — | 1,060,105 | 1,378,259 | 1,245,422 | 1,166,025 | 1,635,037 | 461,638 | 447,677 | 325,822 | 550,817 | 781,875 | 1,534,130 |
| Less: Accumulated depreciation..... | 4,788,711 | — | 603,040 | 688,474 | 627,916 | 565,467 | 757,543 | 197,806 | 166,856 | 119,984 | 201,961 | 300,897 | 558,767 |
| Other capital assets less reserves..... | 790,387 | — | 67,187 | 98,444 | 100,435 | 79,444 | 126,290 | 39,478 | 22,548 | 11,984 | 18,835 | 95,325 | 98,774 |
| Accounts and notes payable..... | 9,028,290 | — | 868,386 | 1,209,190 | 1,126,810 | 1,164,135 | 2,056,724 | 562,290 | 505,301 | 256,882 | 289,686 | 505,595 | 483,291 |
| Other current liabilities..... | 2,420,668 | — | 189,222 | 226,045 | 256,768 | 204,483 | 402,196 | 131,269 | 196,998 | 93,974 | 141,030 | 358,794 | 219,889 |
| Mortgages, notes, and bonds payable in one year or more..... | 4,644,986 | — | 448,965 | 607,929 | 579,982 | 390,209 | 723,320 | 209,861 | 210,283 | 121,585 | 213,276 | 392,072 | 747,504 |
| Net worth..... | 11,590,859 | — | 799,967 | 1,529,399 | 1,341,280 | 1,246,380 | 1,784,756 | 502,863 | 556,770 | 453,582 | 588,013 | 1,272,743 | 1,515,106 |
| Cost of property used for investment credit..... | 1,352,007 | 2,116 | 106,634 | 183,856 | 124,980 | 150,318 | 201,437 | 52,498 | 150,912 | 31,715 | 54,966 | 75,116 | 217,459 |
| Total receipts..... | 78,404,577 | 664,277 | 10,289,616 | 11,753,907 | 9,395,681 | 8,206,941 | 13,083,258 | 3,579,955 | 3,229,157 | 2,074,984 | 3,488,463 | 6,326,955 | 6,311,383 |
| Business receipts..... | 76,932,187 | 653,689 | 10,159,653 | 11,636,052 | 9,256,388 | 8,066,780 | 12,781,144 | 3,498,454 | 3,130,323 | 2,021,327 | 3,410,163 | 6,140,947 | 6,177,273 |
| Cost of sales and operations..... | 53,000,946 | 336,144 | 6,561,062 | 7,950,583 | 6,346,412 | 5,590,907 | 8,333,807 | 2,402,264 | 2,138,237 | 1,351,420 | 2,274,520 | 4,431,887 | 4,283,703 |
| Taxes paid..... | 1,466,534 | 18,158 | 256,177 | 236,719 | 192,040 | 141,022 | 194,484 | 57,600 | 54,754 | 39,468 | 62,552 | 99,719 | 113,841 |
| Interest paid..... | 629,680 | 5,885 | 62,685 | 83,384 | 83,375 | 63,104 | 114,839 | 31,199 | 54,754 | 39,468 | 62,552 | 99,719 | 113,841 |
| Depreciation..... | 997,618 | 7,025 | 123,011 | 147,102 | 116,745 | 114,131 | 149,010 | 46,667 | 40,397 | 25,369 | 49,630 | 58,162 | 120,369 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 253,654 | *1,978 | 8,049 | 25,212 | 34,763 | 36,906 | 54,098 | 12,010 | 10,702 | 8,334 | 12,027 | 15,159 | 22,830 |
| Employee benefit programs..... | 182,945 | 3,780 | 17,156 | 17,501 | 20,488 | 17,712 | 27,857 | 7,494 | 6,370 | 8,346 | 10,181 | 11,089 | 11,089 |
| Net income (less deficit)..... | 2,144,196 | 30,287 | 4,387 | 276,640 | 210,210 | 225,677 | 334,908 | 132,124 | 112,672 | 101,081 | 114,156 | 253,040 | 349,014 |
| Income subject to tax..... | 2,662,201 | 45,035 | 244,763 | 358,157 | 267,138 | 259,214 | 392,914 | 143,380 | 132,561 | 101,155 | 115,830 | 253,040 | 349,014 |
| Income tax, total..... | 2,200,401 | 43,684 | 115,558 | 255,012 | 194,295 | 189,326 | 333,560 | 131,864 | 127,481 | 99,473 | 113,887 | 251,472 | 344,789 |
| Additional tax for tax preferences..... | 856,352 | 19,810 | 23,028 | 56,527 | 49,025 | 61,121 | 137,356 | 61,295 | 60,467 | 47,577 | 54,559 | 120,417 | 165,170 |
| Foreign tax credit..... | 14,896 | — | — | — | — | — | — | — | 146 | — | — | — | — |
| U.S. possessions tax credit..... | 173 | — | — | — | — | — | — | — | — | — | — | — | — |
| Investment credit..... | 80,334 | *73 | 2,889 | 7,268 | 7,032 | 7,291 | 10,764 | 3,013 | 3,806 | 2,651 | 6,617 | 7,330 | 21,600 |
| Work incentive (WIN) credit..... | 492 | — | — | — | — | — | — | — | — | — | — | — | — |
| New jobs credit..... | 41,661 | 100 | 4,101 | 7,407 | 5,850 | — | — | — | 13 | (1) | 6 | 2 | 108 |
| Distributions to stockholders except in own stock..... | 307,246 | 16,000 | 32,592 | 24,221 | 32,716 | 18,287 | 28,936 | 11,377 | 6,256 | 7,964 | 22,349 | 42,738 | 63,810 |
| Wholesale and Retail Trade: Wholesale and Retail Trade not Allocable | | | | | | | | | | | | | |
| Number of returns..... | 1,982 | *339 | *1,004 | *384 | *135 | *94 | ** | ** | ** | ** | ** | ** | ** |
| Total assets..... | 453,836 | — | *46,097 | *56,670 | *49,661 | *75,942 | *39,171 | 186,295 | — | — | — | — | — |
| Notes and accounts receivable, net..... | 112,474 | — | *14,775 | *14,293 | *7,510 | *10,538 | *16,074 | 49,284 | — | — | — | — | — |
| Inventories..... | 182,656 | — | *10,436 | *16,090 | *23,289 | *40,043 | *10,839 | 81,960 | — | — | — | — | — |
| Cash, Government obligations, and other current assets..... | 53,882 | — | *8,047 | *9,688 | *7,987 | *6,205 | *3,236 | 18,719 | — | — | — | — | — |
| Other investments and loans..... | 34,391 | — | *3,100 | *4,422 | — | *5,852 | *4,364 | 16,653 | — | — | — | — | — |
| Depreciable assets..... | 87,401 | — | *12,626 | *18,366 | *7,306 | *15,949 | *5,896 | 27,258 | — | — | — | — | — |
| Less: Accumulated depreciation..... | 32,780 | — | *4,030 | *6,742 | *2,543 | *5,640 | *3,143 | 10,682 | — | — | — | — | — |
| Other capital assets less reserves..... | 5,267 | — | *230 | — | — | *2,862 | *1,240 | 935 | — | — | — | — | — |
| Accounts and notes payable..... | 173,904 | — | *13,060 | *19,925 | *7,926 | *37,952 | *24,674 | 70,367 | — | — | — | — | — |
| Other current liabilities..... | 33,596 | — | *492 | *3,741 | *4,003 | *6,024 | *2,347 | 16,989 | — | — | — | — | — |
| Mortgages, notes, and bonds payable in one year or more..... | 73,713 | — | *2,531 | *8,080 | *14,790 | *12,387 | *9,512 | 26,413 | — | — | — | — | — |
| Net worth..... | 153,173 | — | *23,499 | *23,448 | *21,038 | *17,938 | *1,399 | 65,851 | — | — | — | — | — |
| Cost of property used for investment credit..... | 22,697 | *5,177 | *5,108 | *4,354 | *2,935 | *1,527 | *603 | 2,993 | — | — | — | — | — |
| Total receipts..... | 1,416,378 | *154,369 | *56,864 | *160,889 | *137,991 | *353,769 | *117,611 | 434,885 | — | — | — | — | — |
| Business receipts..... | 1,386,103 | *152,353 | *55,386 | *159,678 | *134,596 | *349,903 | *116,773 | 417,414 | — | — | — | — | — |
| Cost of sales and operations..... | 1,066,022 | *89,343 | *30,422 | *103,984 | *96,895 | *309,950 | *86,406 | 349,022 | — | — | — | — | — |
| Taxes paid..... | 14,897 | *848 | *850 | *3,447 | *1,822 | *2,038 | *1,506 | 4,176 | — | — | — | — | — |
| Interest paid..... | 15,478 | *3,690 | *1,072 | *744 | *1,700 | *2,359 | *1,148 | 4,765 | — | — | — | — | — |
| Depreciation..... | 11,148 | *2,511 | *1,261 | *1,839 | *1,181 | *1,420 | *722 | 2,214 | — | — | — | — | — |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 2,918 | — | — | — | — | *1,254 | *114 | 212 | — | — | — | — | — |
| Employee benefit programs..... | 2,249 | *668 | — | — | — | *495 | *665 | 950 | — | — | — | — | — |
| Net income (less deficit)..... | 27,671 | *1,267 | *3,709 | *7,459 | *3,387 | *4,711 | *2,147 | 4,991 | — | — | — | — | — |
| Income subject to tax..... | 30,448 | *3,006 | *4,026 | *7,459 | *3,387 | *5,377 | *2,147 | 5,046 | — | — | — | — | — |
| Income tax, total..... | 21,718 | *3,006 | *2,834 | *1,202 | *3,387 | *4,807 | *2,145 | 4,337 | — | — | — | — | — |
| Additional tax for tax preferences..... | 7,211 | *668 | *616 | *240 | *1,051 | *1,824 | *842 | 1,970 | — | — | — | — | — |
| Foreign tax credit..... | — | — | — | — | — | — | — | — | — | — | — | — | — |
| U.S. possessions tax credit..... | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Investment credit..... | 3 | — | — | — | — | — | — | — | — | — | — | — | — |
| Work incentive (WIN) credit..... | 966 | *167 | *124 | *79 | *237 | *133 | *16 | 210 | — | — | — | — | — |
| New jobs credit..... | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Distributions to stockholders except in own stock..... | *515 | — | — | — | *66 | *228 | — | 221 | — | — | — | — | — |
| | *2,793 | — | — | *2,133 | — | *234 | — | 426 | — | — | — | — | — |

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

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Total Finance, Insurance, and Real Estate | | | | | | | | | | | | | |
| Number of returns..... | 432,919 | 15,795 | 212,527 | 87,605 | 46,698 | 24,225 | 22,715 | 6,041 | 7,310 | 4,436 | 2,615 | 1,685 | 1,267 |
| Total assets..... | 2,861,478,449 | — | 7,656,203 | 13,873,023 | 16,307,302 | 16,751,590 | 49,488,928 | 43,318,796 | 119,393,350 | 155,474,519 | 182,105,946 | 258,521,720 | 1,998,587,072 |
| Notes and accounts receivable, net..... | 827,447,193 | — | 861,465 | 1,681,012 | 2,186,260 | 2,555,823 | 8,790,522 | 13,258,548 | 45,391,496 | 54,582,459 | 48,452,120 | 48,166,282 | 601,521,206 |
| Inventories..... | 5,496,153 | — | 35,303 | 56,189 | 241,860 | 165,220 | 646,601 | 327,438 | 373,723 | 182,538 | 183,829 | 190,777 | 3,092,675 |
| Cash, Government obligations, and other current assets..... | 689,361,917 | — | 1,865,075 | 2,635,141 | 2,910,672 | 3,190,819 | 10,630,815 | 12,109,872 | 35,518,858 | 41,721,804 | 43,886,006 | 54,525,997 | 480,366,958 |
| Other investments and loans..... | 1,166,254,718 | — | 1,309,897 | 2,153,271 | 2,843,511 | 3,049,691 | 10,391,567 | 10,463,783 | 29,863,149 | 50,610,401 | 81,831,637 | 144,765,526 | 828,972,285 |
| Depreciable assets..... | 118,332,922 | — | 4,024,028 | 7,441,638 | 7,955,490 | 7,454,482 | 17,914,894 | 6,734,933 | 7,069,597 | 6,755,492 | 5,910,145 | 7,661,933 | 39,410,384 |
| Less: Accumulated depreciation..... | 35,088,513 | — | 1,964,395 | 3,434,018 | 3,435,111 | 2,912,000 | 5,968,506 | 1,941,986 | 1,838,331 | 1,668,899 | 1,366,802 | 1,608,483 | 8,949,982 |
| Other capital assets less reserves..... | 28,541,381 | — | 1,271,312 | 2,843,964 | 3,074,000 | 2,736,700 | 5,501,515 | 1,577,552 | 1,814,998 | 1,544,243 | 1,574,891 | 1,845,011 | 4,757,195 |
| Accounts and notes payable..... | 166,432,136 | — | 1,643,323 | 2,397,287 | 2,691,191 | 3,263,659 | 9,094,829 | 4,239,868 | 6,958,844 | 8,854,406 | 9,122,491 | 11,535,907 | 106,630,331 |
| Other current liabilities..... | 1,809,920,459 | — | 527,470 | 692,389 | 747,568 | 847,224 | 8,008,543 | 22,102,631 | 82,441,483 | 112,679,881 | 133,222,632 | 183,895,107 | 1,264,755,531 |
| Mortgages, notes, and bonds payable in one year or more..... | 164,180,619 | — | 1,798,422 | 3,499,930 | 4,776,406 | 5,329,847 | 15,519,416 | 6,892,187 | 7,046,622 | 8,426,623 | 8,381,955 | 10,828,620 | 91,680,591 |
| Net worth..... | 322,979,877 | — | 1,734,858 | 5,712,762 | 6,430,653 | 5,441,196 | 12,494,300 | 7,337,922 | 17,190,021 | 17,918,051 | 21,294,273 | 31,956,517 | 195,469,324 |
| Cost of property used for investment credit..... | 7,676,488 | 40,518 | 177,611 | 190,731 | 159,276 | 153,742 | 471,718 | 165,200 | 255,717 | 259,164 | 289,907 | 462,228 | 5,050,676 |
| Total receipts..... | 405,131,593 | 5,491,547 | 9,034,775 | 6,634,260 | 5,968,353 | 5,887,761 | 13,401,972 | 7,724,126 | 15,423,520 | 17,942,420 | 20,831,278 | 31,805,366 | 264,986,215 |
| Business receipts..... | 206,863,227 | 972,091 | 7,253,965 | 4,521,074 | 3,598,017 | 3,523,871 | 7,594,993 | 4,176,415 | 6,602,756 | 6,998,005 | 8,054,885 | 13,357,085 | 140,210,070 |
| Cost of sales and operations..... | 100,391,853 | 207,328 | 1,967,716 | 1,157,119 | 828,145 | 1,047,344 | 2,323,527 | 1,589,301 | 3,165,637 | 2,981,405 | 3,791,731 | 6,132,251 | 75,200,349 |
| Taxes paid..... | 11,147,760 | 189,984 | 371,565 | 441,021 | 429,445 | 369,210 | 842,241 | 309,812 | 456,418 | 474,333 | 493,230 | 787,809 | 5,982,692 |
| Interest paid..... | 93,359,456 | 3,066,463 | 238,295 | 358,263 | 469,275 | 542,154 | 1,748,893 | 1,378,628 | 3,949,709 | 5,618,924 | 6,855,251 | 9,688,144 | 59,445,457 |
| Depreciation..... | 8,053,785 | 88,341 | 264,100 | 349,083 | 353,956 | 324,606 | 730,349 | 296,556 | 328,544 | 335,826 | 321,310 | 444,769 | 4,216,345 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 3,253,260 | 13,864 | 71,116 | 46,418 | 44,791 | 67,442 | 109,683 | 52,249 | 109,716 | 119,416 | 143,089 | 222,659 | 2,552,817 |
| Employee benefit programs..... | 1,444,222 | 11,876 | 41,943 | 31,339 | 23,220 | 27,864 | 57,909 | 29,271 | 57,428 | 67,882 | 73,286 | 112,261 | 909,943 |
| Net income (less deficit)..... | 27,668,033 | 262,935 | 287,094 | 739,039 | 708,897 | 599,440 | 1,168,261 | 584,924 | 1,234,375 | 1,173,351 | 1,394,030 | 2,411,000 | 17,106,790 |
| Net income..... | 32,057,106 | 679,548 | 755,836 | 934,368 | 841,069 | 1,792,167 | 3,043,240 | 1,792,167 | 3,043,240 | 2,981,405 | 3,791,731 | 6,132,251 | 17,666,509 |
| Income subject to tax..... | 21,318,275 | 226,910 | 407,075 | 684,676 | 666,447 | 596,919 | 1,139,393 | 646,420 | 1,048,822 | 1,024,377 | 1,063,672 | 1,506,465 | 12,307,499 |
| Income tax, total..... | 9,302,917 | 97,286 | 83,592 | 177,877 | 183,705 | 183,705 | 428,545 | 254,829 | 423,529 | 440,933 | 483,281 | 703,657 | 5,852,468 |
| Additional tax for tax preferences..... | 65,236 | 2,497 | *123 | *346 | *215 | 389 | 2,198 | 1,487 | 1,928 | 4,635 | 7,220 | 12,694 | 31,504 |
| Foreign tax credit..... | 867,372 | 9,929 | (*) | *2,573 | *170 | 2,710 | 5,909 | 3,078 | 6,251 | 10,539 | 3,320 | 13,241 | 809,652 |
| U.S. possessions tax credit..... | 5,127 | 42 | — | — | — | — | 693 | 186 | 30 | 1,367 | 480 | 647 | 1,702 |
| Investment credit..... | 512,894 | 2,894 | 4,238 | 7,057 | 6,928 | 7,651 | 16,163 | 8,184 | 15,493 | 18,814 | 18,772 | 28,277 | 378,423 |
| Work incentive (WIN) credit..... | 655 | 2 | — | *171 | — | *38 | *43 | *32 | 25 | 26 | 15 | 20 | 283 |
| New jobs credit..... | 126,785 | 423 | 3,816 | 7,334 | 7,534 | 5,214 | 9,840 | 6,440 | 12,707 | 14,079 | 13,505 | 15,462 | 30,431 |
| Distributions to stockholders except in own stock..... | 11,604,618 | 760,782 | 224,473 | 225,864 | 198,328 | 148,333 | 434,734 | 240,859 | 552,792 | 528,044 | 624,639 | 1,224,896 | 6,440,874 |
| Finance, Insurance, and Real Estate: Banking | | | | | | | | | | | | | |
| Number of returns..... | 14,654 | 227 | *538 | *470 | — | *95 | 1,474 | 2,523 | 4,378 | 2,493 | 1,240 | 646 | 570 |
| Total assets..... | 1,518,786,059 | — | *22,950 | *64,887 | — | *60,021 | 5,053,523 | 18,580,175 | 71,895,087 | 86,424,475 | 85,744,990 | 98,226,994 | 1,152,712,957 |
| Notes and accounts receivable, net..... | 717,263,481 | — | *121 | *8,083 | — | *14,839 | 2,540,516 | 10,218,694 | 39,839,738 | 46,871,956 | 42,006,383 | 42,259,224 | 533,503,897 |
| Inventories..... | 231,496 | — | — | — | — | — | 4,548 | *3,747 | 19,489 | 82 | 82 | 3,079 | 200,427 |
| Cash, Government obligations, and other current assets..... | 497,230,321 | — | *14,909 | *35,681 | — | *14,858 | 2,087,747 | 7,184,571 | 27,529,300 | 32,333,099 | 30,702,302 | 33,203,674 | 364,125,180 |
| Other investments and loans..... | 247,906,184 | — | (*) | 16 | — | *27,341 | 292,733 | 759,654 | 3,006,140 | 5,249,675 | 10,876,027 | 20,280,687 | 207,313,911 |
| Depreciable assets..... | 27,680,923 | — | *22,703 | *20,527 | — | *2,375 | 114,878 | 363,928 | 1,392,095 | 1,774,699 | 1,823,241 | 2,060,452 | 20,108,025 |
| Less: Accumulated depreciation..... | 6,407,233 | — | *21,518 | *10,322 | — | *133 | 16,823 | 65,066 | 309,269 | 445,053 | 456,073 | 498,814 | 4,584,142 |
| Other capital assets less reserves..... | 2,779,214 | — | — | *79 | — | *494 | 14,257 | 42,160 | 243,227 | 173,116 | 243,227 | 257,078 | 253,304 |
| Accounts and notes payable..... | 35,722,160 | — | *369 | *5,659 | — | *969 | 29,394 | 98,957 | 283,298 | 308,175 | 494,374 | 459,620 | 34,041,345 |
| Other current liabilities..... | 1,313,526,727 | — | *16,494 | *34,736 | — | *40,736 | 4,404,172 | 16,634,200 | 64,684,651 | 78,028,446 | 77,396,050 | 88,682,184 | 983,824,018 |
| Mortgages, notes, and bonds payable in one year or more..... | 27,413,958 | — | *6,708 | — | — | — | 31,919 | 64,364 | 249,647 | 373,848 | 533,218 | 744,269 | 25,409,985 |
| Net worth..... | 105,998,183 | — | *6,086 | *10,583 | — | *18,297 | 535,454 | 1,587,430 | 5,784,426 | 6,452,935 | 6,140,884 | 6,900,232 | 78,561,856 |
| Cost of property used for investment credit..... | 3,792,929 | 18,336 | *16 | *500 | — | *57 | 76,479 | 42,498 | 114,737 | 136,724 | 147,955 | 201,665 | 3,053,862 |
| Total receipts..... | 105,023,681 | 2,984,493 | *44,167 | *46,905 | — | *2,641 | 352,192 | 1,329,912 | 5,094,228 | 6,060,628 | 6,074,033 | 7,027,750 | 76,006,732 |
| Business receipts..... | 12,126,160 | 155,248 | *34,177 | *41,568 | — | *855 | 35,513 | 99,298 | 339,581 | 397,552 | 426,551 | 577,989 | 10,025,828 |
| Cost of sales and operations..... | 1,394,233 | 543 | — | — | — | — | — | *387 | 5,529 | 2,345 | 10,397 | 22,521 | 1,352,511 |
| Taxes paid..... | 2,683,657 | 94,411 | *1,314 | *2,077 | — | *76 | 10,115 | 34,101 | 127,876 | 153,440 | 154,133 | 195,389 | 1,910,725 |
| Interest paid..... | 52,719,655 | 2,350,442 | *1,129 | *2,937 | — | *551 | 125,006 | 569,263 | 2,285,833 | 2,810,347 | 2,915,168 | 3,472,654 | 38,186,325 |
| Depreciation..... | 3,029,971 | 13,881 | *378 | *7,108 | — | *57 | 7,914 | 29,844 | 104,625 | 125,363 | 166,677 | 2,441,841 | |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 1,159,464 | 7,848 | 42 | 29 | — | — | 1,355 | 10,017 | 44,214 | 58,398 | 65,607 | 77,460 | 894,494 |
| Employee benefit programs..... | 652,672 | 5,383 | *250 | *628 | — | *19 | 2,469 | 8,292 | 30,827 | 35,254 | 35,402 | 42,075 | 492,073 |
| Net income (less deficit)..... | 4,919,457 | —146,139 | *7,222 | *5,180 | — | *513 | 28,767 | 98,106 | 378,406 | 402,503 | 334,905 | 314,844 | 3,495,150 |
| Net income..... | 5,590,306 | 92,521 | *7,284 | *5,180 | — | *931 | 130,761 | 447,538 | 441,172 | 377,538 | 441,172 | 367,991 | 3,685,119 |
| Income subject to tax..... | 4,828,737 | 80,062 | *2,368 | *147 | — | *494 | 38,113 | 120,861 | 407,604 | 403,591 | 334,060 | 313,412 | 3,126,025 |
| Income tax, total..... | 2,153,992 | 37,083 | *454 | *19 | — | *95 | 9,847 | 35,626 | 150,104 | 166,046 | 146,282 | 143,547 | 1,464,889 |
| Additional tax for tax preferences..... | 8,452 | *162 | — | — | — | — | — | *18 | 143 | 286 | 683 | 1,500 | 5,660 |
| Foreign tax credit..... | 586,838 | 6,042 | — | — | — | — | — | — | 24 | 25 | 35 | 385 | 580,309 |
| U.S. possessions tax credit..... | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Investment credit..... | 259,820 | 1,720 | *1 | *10 | — | — | 472 | 2,112 | 9,168 | 11,693 | 11,066 | 14,150 | 209,428 |
| Work incentive (WIN) credit..... | — | — | — | — | — | — | — | — | 2 | 21 | 6 | 125 | — |
| New jobs credit..... | 49,623 | 316 | 9 | — | — | — | 279 | 1,401 | 6,862 | 8,487 | 7,876 | | |

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Finance, Insurance, and Real Estate: Credit Agencies Other Than Banks | | | | | | | | | | | | | |
| Number of returns..... | 50,970 | 2,796 | 25,450 | 7,774 | 4,698 | 2,482 | 2,488 | 866 | 1,300 | 1,190 | 917 | 687 | 342 |
| Total assets..... | 553,446,328 | — | 910,680 | 1,198,113 | 1,615,093 | 1,758,562 | 5,615,935 | 6,413,415 | 21,938,446 | 42,563,068 | 64,069,818 | 103,435,322 | 303,927,876 |
| Notes and accounts receivable, net..... | 51,278,053 | — | 186,921 | 367,239 | 602,257 | 717,580 | 1,139,820 | 1,139,820 | 3,305,366 | 5,398,744 | 4,298,217 | 2,882,517 | 30,299,855 |
| Inventories..... | 1,582,129 | — | *1,225 | *936 | *12,761 | *5,931 | 68,335 | 30,585 | 64,227 | 11,291 | 78,292 | 37,892 | 1,272,654 |
| Cash, Government obligations, and other current assets..... | 46,850,323 | — | 282,279 | 244,752 | 367,378 | 357,139 | 773,002 | 738,858 | 2,037,156 | 3,583,308 | 5,162,027 | 8,575,650 | 24,849,774 |
| Other investments and loans..... | 440,018,946 | — | 317,531 | 395,518 | 524,523 | 386,140 | 2,141,222 | 4,237,600 | 15,909,456 | 32,662,463 | 53,312,933 | 89,566,012 | 240,563,448 |
| Depreciable assets..... | 11,029,155 | — | 60,884 | 103,995 | 116,743 | 132,828 | 289,687 | 159,779 | 515,526 | 692,156 | 1,022,278 | 1,897,410 | 6,037,869 |
| Less: Accumulated depreciation..... | 3,463,213 | — | 30,148 | 34,018 | 47,807 | 44,283 | 78,642 | 45,956 | 132,418 | 182,234 | 247,997 | 435,992 | 2,183,718 |
| Other capital assets less reserves..... | 2,606,670 | — | 69,698 | 77,145 | 110,338 | 146,211 | 221,507 | 50,992 | 96,720 | 153,311 | 221,256 | 510,120 | 949,372 |
| Accounts and notes payable..... | 55,563,374 | — | 209,146 | 429,301 | 310,087 | 456,780 | 1,728,903 | 1,420,960 | 3,509,268 | 5,230,268 | 6,069,024 | 30,963,813 | — |
| Other current liabilities..... | 390,539,445 | — | 66,140 | 51,207 | 156,781 | 110,015 | 1,322,642 | 3,772,911 | 15,283,079 | 31,478,448 | 51,517,219 | 87,687,736 | 199,093,267 |
| Mortgages, notes, and bonds payable in one year or more..... | 65,386,030 | — | 80,862 | 179,942 | 381,544 | 347,975 | 1,090,886 | 445,485 | 1,134,420 | 2,883,076 | 3,544,775 | 4,313,193 | 50,983,872 |
| Net worth..... | 28,815,448 | — | 122,594 | 330,895 | 592,206 | 573,387 | 975,325 | 496,979 | 1,450,377 | 2,225,501 | 2,607,524 | 3,324,044 | 16,116,816 |
| Cost of property used for investment credit..... | 983,997 | 6,445 | 13,875 | 7,511 | 17,157 | 12,590 | 42,011 | 14,850 | 36,247 | 34,912 | 50,286 | 81,233 | 666,880 |
| Total receipts..... | 54,033,930 | 810,817 | 171,363 | 173,928 | 185,576 | 262,369 | 876,068 | 683,514 | 2,025,843 | 3,388,749 | 5,072,531 | 8,283,766 | 32,099,388 |
| Business receipts..... | 12,655,460 | 75,207 | 78,051 | 78,739 | 64,305 | 64,305 | 264,222 | 383,422 | 783,422 | 1,264,224 | 420,123 | 622,246 | 9,991,203 |
| Cost of sales and operations..... | 5,589,667 | 3,779 | *37 | *2,574 | *7,541 | *22,060 | 67,295 | 53,199 | 108,763 | 9,578 | 48,020 | 82,311 | 5,184,510 |
| Taxes paid..... | 948,640 | 18,421 | 11,578 | 10,976 | 11,377 | 12,237 | 29,248 | 14,716 | 33,803 | 54,925 | 74,676 | 137,858 | 538,825 |
| Interest paid..... | 30,742,676 | 527,473 | 15,354 | 23,108 | 42,220 | 52,199 | 291,054 | 304,767 | 1,148,730 | 2,304,900 | 3,450,623 | 5,563,363 | 17,018,885 |
| Depreciation..... | 791,471 | 7,385 | 10,889 | 8,351 | 6,871 | 23,638 | 13,821 | 29,811 | 36,068 | 51,484 | 89,067 | 150,465 | 505,215 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 289,281 | 1,947 | *332 | *546 | *1,204 | 833 | 7,224 | 2,874 | 10,169 | 18,875 | 28,433 | 45,984 | 170,760 |
| Employee benefit programs..... | 151,717 | 607 | *1,814 | *578 | 1,005 | 3,749 | 2,273 | 5,778 | 8,887 | 13,246 | 21,676 | 90,548 | 1,702,548 |
| Net income (less deficit)..... | 3,291,935 | 56,048 | —16,799 | 6,166 | 10,769 | 11,991 | 24,622 | 30,380 | 115,934 | 197,768 | 298,569 | 468,261 | 2,088,228 |
| Net income..... | 3,812,673 | 75,207 | 55,294 | 49,205 | 49,957 | 61,192 | 107,271 | 61,460 | 137,258 | 214,846 | 339,212 | 542,485 | 2,121,947 |
| Income subject to tax..... | 3,525,744 | 61,787 | 25,270 | 28,199 | 36,352 | 47,912 | 84,241 | 50,163 | 123,186 | 206,524 | 327,465 | 515,797 | 2,018,848 |
| Income tax, total..... | 1,629,890 | 29,129 | 4,539 | 6,841 | 8,433 | 14,063 | 28,829 | 17,369 | 45,154 | 87,204 | 150,467 | 249,056 | 988,808 |
| Additional tax for tax preferences..... | 46,495 | 2,170 | — | — | *76 | *285 | 261 | 656 | 2,694 | 5,862 | 10,407 | 24,084 | — |
| Foreign tax credit..... | 36,221 | 51 | — | — | — | — | 693 | — | 260 | 461 | 526 | 33,989 | — |
| U.S. possessions tax credit..... | 4,557 | 42 | — | — | — | — | 137 | 166 | 30 | 1,367 | 481 | 633 | 1,702 |
| Investment credit..... | 58,846 | 246 | *334 | *78 | 169 | 114 | 957 | 555 | 1,470 | 1,845 | 2,842 | 4,054 | 46,392 |
| Work incentive (WIN) credit..... | 27 | — | — | — | — | — | — | — | 1 | — | — | — | 8 |
| New jobs credit..... | 20,582 | 23 | *124 | *468 | *67 | *266 | 641 | 1,800 | 2,255 | 4,848 | 4,488 | 7,149 | 13 |
| Distributions to stockholders except in own stock..... | 645,391 | 23,434 | 24,799 | 35,664 | 20,078 | 22,025 | 19,895 | 2,446 | 14,841 | 14,820 | 14,412 | 38,962 | 416,015 |
| Finance, Insurance, and Real Estate: Security, Commodity Brokers and Services | | | | | | | | | | | | | |
| Number of returns..... | 6,158 | 18 | 3,869 | *460 | 510 | 422 | 495 | 152 | 101 | 49 | 27 | 20 | 35 |
| Total assets..... | 51,817,223 | — | 89,070 | *78,206 | 171,179 | 306,662 | 1,227,818 | 1,071,514 | 1,551,306 | 1,724,342 | 1,872,450 | 2,826,383 | 40,898,493 |
| Notes and accounts receivable, net..... | 27,996,908 | — | 13,036 | *21,634 | 33,353 | 119,518 | 446,335 | 366,375 | 637,764 | 846,787 | 926,810 | 772,066 | 23,813,430 |
| Inventories..... | 23,697 | — | — | — | — | — | 8,052 | 2,931 | 135 | 11 | 11 | 468 | 12,080 |
| Cash, Government obligations, and other current assets..... | 18,425,522 | — | 29,255 | *21,825 | 85,096 | 117,290 | 548,055 | 657,372 | 635,966 | 657,744 | 655,633 | 1,540,153 | 13,547,133 |
| Other investments and loans..... | 3,969,258 | — | *16,474 | *29,051 | 26,402 | 50,121 | 108,655 | 57,521 | 172,573 | 131,966 | 181,376 | 384,503 | 2,850,616 |
| Depreciable assets..... | 1,011,067 | — | 35,352 | *5,887 | 21,172 | 17,553 | 92,329 | 44,804 | 56,798 | 89,106 | 63,820 | 148,468 | 435,777 |
| Less: Accumulated depreciation..... | 375,184 | — | 19,849 | *2,662 | 6,656 | 6,108 | 28,104 | 20,193 | 23,478 | 35,295 | 20,970 | 56,659 | 155,210 |
| Other capital assets less reserves..... | 159,366 | — | *3,873 | *2,390 | *5,050 | 1,462 | 13,066 | 6,890 | 7,431 | 8,154 | 3,754 | 37,920 | 69,376 |
| Accounts and notes payable..... | 31,009,792 | — | 39,444 | *25,517 | 63,302 | 112,393 | 567,008 | 537,363 | 767,563 | 905,300 | 859,931 | 1,485,599 | 25,666,372 |
| Other current liabilities..... | 11,266,732 | — | 9,496 | *8,335 | 4,446 | 44,070 | 126,387 | 253,503 | 270,163 | 413,364 | 511,115 | 615,952 | 9,009,901 |
| Mortgages, notes, and bonds payable in one year or more..... | 2,887,199 | — | *16,172 | *468 | *15,998 | 79,739 | 79,739 | 14,770 | 92,542 | 89,911 | 153,604 | 339,915 | 2,069,474 |
| Net worth..... | 4,821,136 | — | —11,852 | *40,207 | 66,105 | 125,235 | 350,081 | 225,481 | 326,069 | 251,010 | 273,075 | 314,015 | 2,861,710 |
| Cost of property used for investment credit..... | 253,060 | *893 | *2,560 | *2,363 | *5,224 | 5,905 | 39,701 | 10,257 | 16,385 | 9,269 | 5,786 | 38,493 | 116,224 |
| Total receipts..... | 9,588,383 | 130,576 | 397,561 | *123,835 | 95,191 | 360,813 | 734,039 | 473,519 | 665,074 | 792,967 | 681,362 | 589,733 | 4,543,713 |
| Business receipts..... | 4,561,019 | *35,660 | 335,482 | *121,404 | 44,407 | 245,971 | 470,410 | 364,271 | 505,812 | 616,135 | 525,643 | 410,324 | 885,500 |
| Cost of sales and operations..... | 322,843 | — | *2,392 | *6,155 | *7,239 | *8,923 | *62,895 | 138,687 | 12,731 | 12,731 | 24,979 | 4,757 | 54,085 |
| Taxes paid..... | 261,844 | 3,606 | 9,426 | *4,800 | 4,357 | 7,336 | 21,050 | 11,853 | 17,138 | 15,269 | 10,950 | 18,697 | 137,382 |
| Interest paid..... | 1,227,299 | *23,189 | 2,595 | *627 | 2,318 | 5,190 | 25,312 | 25,420 | 31,348 | 45,913 | 40,535 | 85,596 | 939,255 |
| Depreciation..... | 116,625 | *1,110 | 4,070 | *943 | 2,478 | 2,571 | 13,431 | 5,885 | 5,708 | 8,065 | 7,981 | 17,174 | 49,209 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 130,481 | 1,658 | *8,843 | *1,248 | *1,099 | 7,323 | 11,355 | 9,953 | 14,325 | 8,455 | 7,343 | 8,881 | 49,998 |
| Employee benefit programs..... | 64,359 | 2,963 | *5,774 | *1,105 | *646 | *1,179 | 4,083 | 2,424 | 2,516 | 4,632 | 5,076 | 3,686 | 30,275 |
| Net income (less deficit)..... | 340,298 | —11,780 | —30,291 | *6,419 | —2,998 | 33,434 | 48,704 | 31,149 | 39,422 | 22,032 | 30,418 | 21,409 | 152,380 |
| Net income..... | 539,313 | 849 | 4,203 | *13,268 | 13,115 | 39,931 | 64,680 | 45,075 | 48,716 | 40,598 | 33,633 | 30,079 | 205,166 |
| Income subject to tax..... | 429,988 | 669 | *1,162 | *12,174 | *5,808 | 32,383 | 48,010 | 37,061 | 42,349 | 31,965 | 28,986 | 25,816 | 183,805 |
| Income tax, total..... | 188,502 | 293 | *332 | *3,232 | *1,301 | 11,561 | 19,359 | 15,762 | 19,202 | 14,470 | 13,501 | 12,435 | 77,054 |
| Additional tax for tax preferences..... | *328 | — | — | — | — | — | — | *12 | 1 | 24 | (¹) | 291 | — |
| Foreign tax credit..... | 4,021 | — | — | — | — | — | *510 | *24 | 16 | 35 | 9 | 100 | 3,327 |
| U.S. possessions tax credit..... | 196 | — | — | — | — | — | 182 | — | — | — | — | 14 | — |
| Investment credit..... | 11,122 | 2 | (¹) | *78 | *68 | 266 | 1,184 | 462 | 504 | 786 | 381 | 1,504 | 5,887 |
| Work incentive (WIN) credit..... | *1 | — | — | — | — | — | (¹) | — | — | — | — | — | — |
| New jobs credit..... | 3,143 | 1 | *166 | *66 | *19 | 851 | *135 | 332 | 502 | 306 | 358 | 407 | 79,007 |
| Distributions to stockholders except in own stock..... | 125,580 | 99 | *791 | *10,310 | *990 | *739 | 9,365 | 3,317 | 3,183 | 6,391 | 7,190 | 3,298 | — |

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

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Finance, Insurance, and Real Estate: Insurance | | | | | | | | | | | | | |
| Number of returns..... | 8,131 | 41 | 3,122 | 1,051 | 691 | 609 | 973 | 382 | 430 | 256 | 183 | 175 | 218 |
| Total assets..... | 509,301,779 | — | 81,062 | 177,968 | 241,697 | 420,870 | 2,317,439 | 2,726,995 | 6,892,690 | 9,157,228 | 12,860,568 | 27,181,883 | 447,243,379 |
| Notes and accounts receivable, net..... | 12,737,618 | — | 14,129 | 45,337 | 47,044 | 45,498 | 81,089 | 84,193 | 157,201 | 234,053 | 283,346 | 545,369 | 11,200,359 |
| Inventories..... | 1,592,954 | — | — | — | — | — | *567 | 310 | 310 | 1,980 | 14,745 | 9,476 | 1,565,843 |
| Cash, Government obligations, and other current assets..... | 94,627,611 | — | 31,598 | 71,753 | 122,425 | 252,604 | 1,224,002 | 1,237,412 | 2,818,952 | 3,165,917 | 4,563,460 | 8,263,152 | 72,876,335 |
| Other investments and loans..... | 373,509,019 | — | 9,470 | 25,454 | 39,460 | 92,833 | 853,520 | 1,214,557 | 3,541,970 | 5,109,566 | 7,327,646 | 16,717,763 | 338,576,780 |
| Depreciable assets..... | 8,687,011 | — | 37,442 | 34,015 | 16,513 | 14,564 | 56,382 | 63,978 | 119,888 | 179,342 | 197,985 | 453,966 | 7,512,936 |
| Less: Accumulated depreciation..... | 1,596,022 | — | 16,980 | *12,638 | 7,485 | 4,544 | 10,229 | 11,725 | 9,328 | 18,480 | 21,182 | 46,286 | 1,377,147 |
| Other capital assets less reserves..... | 790,438 | — | *1,240 | *4,692 | *550 | *1,043 | 8,582 | 3,306 | 5,303 | 17,396 | 32,648 | 33,698 | 681,980 |
| Accounts and notes payable..... | 13,211,198 | — | 13,334 | *44,300 | 62,422 | 51,311 | 112,801 | 95,256 | 164,941 | 272,189 | 263,116 | 612,118 | 11,501,410 |
| Other current liabilities..... | 85,235,413 | — | 7,575 | 31,114 | 23,115 | 55,454 | 425,989 | 575,645 | 1,474,252 | 2,060,627 | 3,171,973 | 5,938,717 | 71,470,952 |
| Mortgages, notes, and bonds payable in one year or more..... | 7,956,201 | — | *3,807 | *1,170 | *14,169 | *1,182 | *24,440 | 27,343 | 43,426 | 96,312 | 97,227 | 378,029 | 7,269,096 |
| Net worth..... | 73,124,694 | — | 27,098 | 76,933 | 99,546 | 205,335 | 955,387 | 919,175 | 1,861,160 | 2,086,570 | 2,884,615 | 5,371,465 | 58,636,870 |
| Cost of property used for investment credit..... | 1,277,477 | 3,390 | 5,362 | 2,089 | 2,981 | 4,983 | 6,451 | 14,601 | 20,500 | 20,500 | 40,456 | 86,427 | 1,086,675 |
| Total receipts..... | 177,311,749 | 460,542 | 339,281 | 163,965 | 220,815 | 253,971 | 1,343,134 | 1,665,224 | 3,713,438 | 5,041,379 | 6,889,959 | 12,314,743 | 145,105,298 |
| Business receipts..... | 143,804,053 | 397,701 | 251,957 | 154,443 | 207,610 | 223,291 | 1,160,494 | 1,451,173 | 3,101,777 | 4,425,939 | 5,908,822 | 10,514,038 | 118,006,808 |
| Cost of sales and operations..... | 81,547,809 | 100,084 | 26,856 | 21,554 | 75,094 | 491,748 | 609,039 | 1,499,586 | 2,247,289 | 3,167,877 | 4,592,074 | 5,592,074 | 67,421,769 |
| Taxes paid..... | 3,834,467 | 5,543 | 7,808 | 4,153 | 5,335 | 2,036 | 7,158 | 7,480 | 15,086 | 16,472 | 35,916 | 74,741 | 312,183 |
| Interest paid..... | 2,805,620 | 4,434 | 980 | 815 | 1,403 | 2,036 | 5,157 | 6,877 | 11,622 | 15,177 | 24,609 | 50,421 | 1,022,788 |
| Depreciation..... | 1,150,631 | 2,113 | 4,968 | 2,615 | 2,872 | 1,622 | 6,863 | 9,531 | 15,620 | 22,366 | 33,406 | 71,288 | 1,083,620 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 1,255,575 | 1,384 | *1,704 | 1,051 | 4,860 | 4,042 | 5,797 | 5,236 | 10,596 | 15,767 | 25,383 | 34,476 | 265,947 |
| Employee benefit programs..... | 354,552 | 871 | 2,620 | 1,879 | 3,747 | 2,041 | 71,748 | 76,503 | 155,470 | 235,819 | 259,383 | 532,265 | 9,009,830 |
| Net income (less deficit)..... | 10,418,424 | 14,617 | 4,192 | 13,089 | 20,497 | 25,011 | 110,091 | 102,697 | 230,109 | 286,364 | 323,616 | 616,850 | 9,070,557 |
| Net income..... | 10,843,303 | 23,523 | 9,695 | 14,826 | 24,664 | 30,211 | 110,091 | 78,022 | 143,347 | 195,829 | 210,858 | 394,845 | 6,392,143 |
| Income subject to tax..... | 7,548,608 | 5,220 | 5,603 | 20,425 | 24,601 | 28,942 | 31,386 | 29,942 | 62,551 | 90,626 | 98,517 | 186,470 | 3,035,474 |
| Income tax, total..... | 3,555,300 | 2,342 | 1,005 | 2,120 | 7,154 | 7,713 | 1 | (¹) | 8 | 46 | 38 | 630 | 1,299 |
| Additional tax for tax preferences..... | 183,897 | (¹) | — | — | — | 8 | (¹) | — | — | — | — | — | 181,854 |
| Foreign tax credit..... | 183,897 | 14 | — | — | — | — | — | — | — | — | — | — | 105,630 |
| U.S. possessions tax credit..... | 118,162 | 376 | (¹) | 156 | 250 | 206 | 306 | 3 | (¹) | 2 | 8 | 6 | 137 |
| Investment credit..... | 157 | (¹) | — | — | 1 | — | — | — | — | — | — | — | 4,841 |
| Work incentive (WIN) credit..... | 14,682 | — | *167 | 3 | 1,376 | 188 | 292 | 675 | 1,202 | 1,358 | 1,791 | 2,789 | 83,360 |
| New jobs credit..... | 1,820,692 | 8,994 | *122 | 3 | *2,853 | 2,542 | 8,512 | 9,715 | 17,654 | 35,815 | 26,049 | — | 1,825,073 |
| Distributions to stockholders except in own stock..... | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Finance, Insurance, and Real Estate: Insurance Agents, Brokers, and Service | | | | | | | | | | | | | |
| Number of returns..... | 41,351 | 820 | 26,015 | 7,946 | 3,528 | 1,710 | 1,186 | 79 | 43 | 9 | 4 | 6 | 5 |
| Total assets..... | 11,329,125 | — | 855,880 | 1,264,407 | 1,215,798 | 1,178,243 | 2,202,481 | 552,036 | 659,915 | 295,670 | 328,501 | 1,010,561 | 1,784,633 |
| Notes and accounts receivable, net..... | 4,136,825 | — | 249,996 | 434,596 | 470,442 | 543,652 | 1,005,900 | 198,512 | 251,533 | 111,929 | 170,265 | 246,907 | 453,173 |
| Inventories..... | 9,570 | — | *79 | *2,013 | *2,490 | *96 | — | 4,774 | — | — | — | 118 | — |
| Cash, Government obligations, and other current assets..... | 3,224,748 | — | 318,202 | 368,322 | 345,567 | 344,577 | 613,054 | 186,748 | 153,757 | 106,582 | 86,469 | 278,473 | 422,997 |
| Other investments and loans..... | 2,092,784 | — | 90,590 | 97,955 | 97,955 | 101,464 | 181,248 | 110,773 | 158,037 | 47,909 | 54,340 | 407,697 | 726,860 |
| Depreciable assets..... | 1,264,683 | — | 198,613 | 192,849 | 155,582 | 147,797 | 280,957 | 40,225 | 67,359 | 9,155 | 10,184 | 39,473 | 122,489 |
| Less: Accumulated depreciation..... | 504,443 | — | 96,478 | 65,287 | 62,223 | 96,185 | 14,973 | 19,364 | 3,448 | 4,430 | 16,870 | 16,870 | 45,988 |
| Other capital assets less reserves..... | 292,244 | — | 15,635 | 66,277 | 50,136 | 39,708 | 89,796 | 4,091 | 12,284 | 1,269 | 1,399 | 3,431 | 8,218 |
| Accounts and notes payable..... | 5,270,269 | — | 383,734 | 582,930 | 650,428 | 707,650 | 1,175,223 | 212,126 | 305,650 | 104,150 | 153,555 | 409,571 | 585,252 |
| Other current liabilities..... | 1,397,455 | — | 99,639 | 111,898 | 91,488 | 104,525 | 344,149 | 82,052 | 90,220 | 94,245 | 100,665 | 160,758 | 117,816 |
| Mortgages, notes, and bonds payable in one year or more..... | 856,909 | — | 70,649 | 132,262 | 111,217 | 136,557 | 191,029 | 40,986 | 65,371 | 27,670 | 9,348 | 4,746 | 67,074 |
| Net worth..... | 3,279,365 | — | 204,948 | 384,988 | 298,416 | 216,689 | 398,322 | 164,017 | 171,735 | 52,596 | 34,973 | 399,243 | 953,433 |
| Cost of property used for investment credit..... | 257,772 | *317 | 41,306 | 35,146 | 37,422 | 36,326 | 48,174 | 9,119 | 13,273 | 1,882 | 2,303 | 7,643 | 24,861 |
| Total receipts..... | 11,518,211 | 63,542 | 2,834,705 | 1,681,692 | 1,257,382 | 1,227,439 | 1,973,676 | 488,724 | 405,733 | 140,391 | 99,364 | 396,692 | 948,871 |
| Business receipts..... | 11,049,252 | 55,717 | 2,790,465 | 1,629,159 | 1,224,570 | 1,194,250 | 1,889,879 | 455,843 | 371,379 | 125,359 | 78,485 | 371,487 | 862,659 |
| Cost of sales and operations..... | 2,796,451 | *28,236 | 1,178,938 | 489,385 | 258,511 | 295,469 | 295,469 | *145,149 | 123,522 | 27,213 | 3,804 | 13,042 | 42,969 |
| Taxes paid..... | 302,635 | 1,128 | 54,317 | 39,999 | 30,349 | 32,740 | 54,079 | 10,754 | 14,875 | 4,779 | 6,860 | 4,910 | 9,767 |
| Interest paid..... | 118,649 | *464 | 12,957 | 15,292 | 15,186 | 17,630 | 25,146 | 5,046 | 6,660 | 5,248 | 4,910 | 1,343 | 8,767 |
| Depreciation..... | 169,238 | *1,051 | 32,392 | 28,071 | 23,729 | 20,220 | 30,133 | 4,813 | 6,442 | 1,367 | 1,367 | 1,192 | 4,680 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 232,665 | *228 | 34,182 | 20,529 | 23,857 | 32,594 | 47,317 | 8,778 | 14,362 | 4,293 | 4,990 | 11,381 | 30,154 |
| Employee benefit programs..... | 103,323 | *63 | 13,629 | 15,045 | 7,154 | 16,477 | 20,674 | 3,070 | 3,500 | 1,718 | 1,098 | 5,365 | 15,530 |
| Net income (less deficit)..... | 1,054,954 | 3,633 | 129,395 | 116,305 | 106,634 | 95,978 | 151,742 | 58,831 | 51,171 | 19,148 | 25,313 | 78,958 | 242,555 |
| Net income..... | 1,153,937 | *6,765 | 164,387 | 128,558 | 114,358 | 106,131 | 169,449 | 68,082 | 55,261 | 19,148 | 25,313 | 78,958 | 242,555 |
| Income subject to tax..... | 882,073 | *6,133 | 86,379 | 84,078 | 65,065 | 55,335 | 121,941 | 55,861 | 50,255 | 18,369 | 21,383 | 77,143 | 240,131 |
| Income tax, total..... | 339,883 | *2,800 | 17,349 | 17,910 | 16,431 | 15,216 | 49,521 | 26,183 | 23,774 | 8,760 | 10,215 | 36,572 | 115,252 |
| Additional tax for tax preferences..... | 10,226 | — | (¹) | — | — | — | (¹) | *3 | *481 | 141 | 111 | 2,195 | 539 |
| Foreign tax credit..... | 14,347 | *22 | 1,555 | 1,704 | 1,214 | 2,577 | 2,675 | 686 | 980 | 142 | 200 | 493 | 2,099 |
| U.S. possessions tax credit..... | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Investment credit..... | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Work incentive (WIN) credit..... | — | — | *51 | *870 | 1,491 | 1,903 | 2,774 | 2,492 | 755 | 802 | 65 | 177 | 392 |
| New jobs credit..... | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Distributions to stockholders except in own stock..... | 219,546 | *381 | 25,093 | 11,043 | 20,304 | 11,005 | 20,680 | 6,152 | 7,367 | 2,908 | 7,662 | 29,825 | 77,126 |

Corporation Returns/1977

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

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued
 [All figures are estimates based on samples—money amounts are in thousands of dollars]

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|---|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Finance, Insurance, and Real Estate: Real Estate | | | | | | | | | | | | | |
| Number of returns..... | 267,128 | 9,225 | 132,445 | 61,774 | 32,428 | 15,748 | 13,066 | 1,535 | 574 | 202 | 78 | 36 | 17 |
| Total assets..... | 108,863,846 | — | 4,985,973 | 9,770,042 | 11,371,562 | 10,846,048 | 26,580,172 | 10,434,448 | 8,619,339 | 6,911,639 | 5,500,222 | 5,119,025 | 8,725,376 |
| Notes and accounts receivable, net..... | 9,485,102 | — | 339,005 | 664,185 | 890,891 | 913,512 | 2,031,411 | 922,158 | 742,776 | 637,221 | 513,366 | 648,801 | 1,181,778 |
| Inventories..... | 1,955,412 | — | 31,893 | 55,174 | 227,086 | 153,228 | 553,621 | 260,918 | 254,187 | 164,155 | 83,380 | 135,899 | 35,881 |
| Cash, Government obligations, and other current assets..... | 16,266,010 | — | 974,466 | 1,561,132 | 1,781,404 | 1,576,064 | 4,160,737 | 1,386,609 | 1,335,388 | 1,028,682 | 941,004 | 746,177 | 794,347 |
| Other investments and loans..... | 16,648,494 | — | 560,796 | 1,021,708 | 1,269,251 | 1,230,054 | 3,064,058 | 1,980,661 | 1,362,972 | 1,193,600 | 1,299,190 | 1,259,540 | 2,406,684 |
| Depreciable assets..... | 63,111,651 | — | 3,562,668 | 6,938,937 | 7,539,228 | 7,010,644 | 16,563,445 | 5,856,473 | 4,554,157 | 3,357,707 | 2,036,912 | 2,031,717 | 3,665,783 |
| Less: Accumulated depreciation..... | 21,655,633 | — | 1,711,415 | 3,239,200 | 3,272,216 | 2,744,677 | 5,535,133 | 1,722,676 | 1,250,219 | 860,893 | 484,752 | 456,780 | 377,672 |
| Other capital assets less reserves..... | 19,345,409 | — | 1,117,152 | 2,540,015 | 2,730,949 | 2,407,869 | 4,737,156 | 1,350,546 | 1,303,397 | 890,524 | 818,805 | 541,447 | 907,548 |
| Accounts and notes payable..... | 17,367,271 | — | 838,095 | 1,179,969 | 1,490,333 | 1,582,032 | 4,837,754 | 1,540,542 | 1,448,231 | 1,381,888 | 1,110,074 | 967,511 | 990,842 |
| Other current liabilities..... | 5,290,512 | — | 235,258 | 402,216 | 406,940 | 398,693 | 1,179,704 | 540,021 | 472,743 | 447,405 | 303,147 | 309,306 | 596,079 |
| Mortgages, notes, and bonds payable in one year or more..... | 49,124,854 | — | 1,521,636 | 2,979,947 | 4,036,199 | 4,485,094 | 13,133,612 | 5,959,212 | 4,644,249 | 3,799,553 | 2,623,865 | 2,311,940 | 3,629,547 |
| Net worth..... | 25,561,336 | — | 1,249,819 | 4,071,584 | 4,303,735 | 3,136,792 | 5,014,194 | 1,444,730 | 1,467,853 | 669,926 | 726,389 | 975,569 | 2,500,735 |
| Cost of property used for investment credit..... | 927,470 | 5,972 | 106,842 | 126,001 | 79,247 | 86,188 | 214,970 | 66,863 | 50,481 | 34,164 | 21,642 | 40,407 | 64,939 |
| Total receipts..... | 36,869,322 | 501,880 | 4,948,379 | 4,151,032 | 3,938,026 | 3,463,717 | 7,056,472 | 2,638,624 | 2,657,965 | 1,693,813 | 1,248,917 | 1,482,273 | 3,088,224 |
| Business receipts..... | 21,047,039 | 240,830 | 3,677,385 | 2,433,683 | 2,032,720 | 1,711,077 | 3,408,223 | 1,494,419 | 1,645,172 | 939,126 | 578,747 | 798,122 | 2,087,535 |
| Cost of sales and operations..... | 7,866,728 | 72,031 | 689,362 | 621,195 | 560,338 | 662,819 | 1,300,807 | 666,180 | 1,115,899 | 514,631 | 274,340 | 390,773 | 998,553 |
| Taxes paid..... | 2,847,837 | 63,021 | 271,875 | 363,444 | 363,994 | 298,302 | 663,979 | 191,134 | 181,605 | 108,521 | 87,421 | 104,761 | 169,780 |
| Interest paid..... | 4,603,684 | 142,170 | 193,228 | 295,605 | 387,641 | 428,979 | 1,170,510 | 425,744 | 376,988 | 319,322 | 258,701 | 224,268 | 380,528 |
| Depreciation..... | 2,593,140 | 61,636 | 203,306 | 298,584 | 310,288 | 287,246 | 624,595 | 224,808 | 153,767 | 129,262 | 71,001 | 83,101 | 145,546 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 149,456 | 682 | 22,192 | 18,956 | 13,261 | 19,556 | 30,032 | 9,354 | 7,046 | 5,384 | 2,046 | 5,779 | 15,170 |
| Employee benefit programs..... | 93,284 | 373 | 15,054 | 9,635 | 8,010 | 6,595 | 19,093 | 7,010 | 4,135 | 3,539 | 3,508 | 10,374 | 15,170 |
| Net income (less deficit)..... | 2,622,950 | —37,956 | 197,842 | 514,860 | 500,819 | 363,404 | 448,805 | 113,361 | 141,845 | 12,829 | 46,992 | 108,706 | 211,843 |
| Income subject to tax..... | 4,437,888 | 67,527 | 441,837 | 644,600 | 621,566 | 491,401 | 841,843 | 287,030 | 257,885 | 165,912 | 141,746 | 157,105 | 319,436 |
| Income tax, total..... | 3,171,754 | 40,819 | 248,034 | 488,272 | 475,248 | 363,890 | 569,788 | 213,192 | 183,659 | 106,331 | 109,578 | 106,617 | 266,126 |
| Additional tax for tax preferences..... | 1,090,042 | 12,663 | 50,761 | 124,567 | 126,845 | 111,262 | 216,512 | 89,404 | 81,017 | 50,615 | 52,176 | 50,125 | 126,195 |
| Foreign tax credit..... | 4,817 | 6 | *123 | *33 | *132 | *127 | 846 | 815 | 496 | 672 | 176 | 333 | 1,058 |
| U.S. possessions tax credit..... | 3,057 | 1 | — | *78 | (*) | — | *14 | (*) | 1,071 | 43 | — | 3 | 1,847 |
| Investment credit..... | 374 | — | — | — | — | — | 374 | — | — | — | — | — | — |
| Work incentive (WIN) credit..... | 43,086 | 87 | 2,348 | 4,602 | 4,791 | 4,102 | 8,707 | 3,304 | 1,914 | 1,914 | 985 | 1,755 | 8,577 |
| New jobs credit..... | 198 | 2 | — | — | *136 | *38 | *21 | — | (*) | (*) | 1 | — | — |
| Distributions to stockholders except in own stock..... | 24,147 | 32 | 2,356 | 5,294 | 4,122 | 1,891 | 4,053 | 2,328 | (*) | (*) | — | 277 | 213 |
| | 940,813 | 221,851 | 145,595 | 108,411 | 100,494 | 61,875 | 123,655 | 33,967 | 46,777 | 43,066 | 7,404 | 12,058 | 35,660 |
| Finance, Insurance, and Real Estate: Holding and Other Investment Companies, Except Bank Holding Companies | | | | | | | | | | | | | |
| Number of returns..... | 44,527 | 2,668 | 21,088 | 8,130 | 4,843 | 3,159 | 3,033 | 504 | 484 | 237 | 166 | 135 | 80 |
| Total assets..... | 107,934,089 | — | 710,588 | 1,319,400 | 1,691,973 | 2,181,184 | 6,491,760 | 3,540,213 | 7,836,567 | 8,398,097 | 11,728,397 | 20,721,552 | 43,314,558 |
| Notes and accounts receivable, net..... | 4,549,106 | — | 58,257 | 139,938 | 142,273 | 201,224 | 605,734 | 328,806 | 457,118 | 481,729 | 253,913 | 811,398 | 1,068,716 |
| Inventories..... | 100,895 | — | *2,195 | — | — | *6,061 | *17,040 | *24,007 | 27,805 | 4,823 | 9,319 | 3,825 | 5,790 |
| Cash, Government obligations, and other current assets..... | 12,737,382 | — | 214,365 | 331,676 | 349,802 | 528,287 | 1,224,218 | 788,302 | 1,009,339 | 846,472 | 1,775,111 | 1,918,618 | 3,751,192 |
| Other investments and loans..... | 82,112,053 | — | 314,936 | 565,633 | 885,920 | 1,561,738 | 3,750,131 | 2,103,017 | 5,712,001 | 6,215,222 | 8,700,125 | 16,169,324 | 36,534,006 |
| Depreciable assets..... | 5,548,432 | — | 106,366 | 145,428 | 112,252 | 128,721 | 517,216 | 205,746 | 363,773 | 653,333 | 755,725 | 1,030,347 | 1,529,525 |
| Less: Accumulated depreciation..... | 1,086,785 | — | 68,007 | 55,983 | 35,660 | 50,032 | 203,390 | 61,377 | 94,255 | 123,496 | 131,398 | 97,082 | 166,105 |
| Other capital assets less reserves..... | 2,568,040 | — | 63,714 | 153,366 | 176,977 | 139,913 | 417,151 | 119,567 | 216,747 | 230,362 | 239,950 | 465,092 | 345,201 |
| Accounts and notes payable..... | 8,288,072 | — | 141,201 | 129,611 | 114,619 | 352,524 | 643,746 | 334,664 | 479,893 | 652,436 | 1,005,617 | 1,552,464 | 2,881,297 |
| Other current liabilities..... | 2,664,175 | — | 92,868 | 52,883 | 64,798 | 93,731 | 205,500 | 243,259 | 166,375 | 157,346 | 222,463 | 521,454 | 843,498 |
| Mortgages, notes, and bonds payable in one year or more..... | 10,555,468 | — | 105,296 | 199,433 | 217,681 | 344,031 | 967,791 | 340,027 | 816,967 | 1,156,253 | 1,419,918 | 2,736,528 | 2,251,543 |
| Net worth..... | 81,379,715 | — | 136,165 | 797,562 | 1,070,645 | 1,165,461 | 4,265,537 | 2,499,570 | 6,128,401 | 6,826,813 | 8,626,813 | 14,671,944 | 35,838,104 |
| Cost of property used for investment credit..... | 183,783 | 4,665 | *7,650 | 17,521 | 16,664 | 9,695 | 45,400 | 15,162 | 9,993 | 21,713 | 21,479 | 6,360 | 7,481 |
| Total receipts..... | 10,786,317 | 539,697 | 299,319 | 292,903 | 271,363 | 316,811 | 1,066,391 | 444,609 | 861,239 | 824,493 | 965,112 | 1,710,389 | 3,193,991 |
| Business receipts..... | 1,620,244 | 11,728 | 86,448 | 62,078 | 24,405 | 53,616 | 257,217 | 111,539 | 255,613 | 229,670 | 114,514 | 62,879 | 350,537 |
| Cost of sales and operations..... | 874,122 | 2,655 | *2,148 | *10,954 | *5,201 | *21,973 | 159,285 | 52,452 | 173,851 | 167,618 | 65,633 | 27,497 | 184,855 |
| Taxes paid..... | 268,680 | 3,854 | 15,247 | 15,572 | 14,033 | 13,069 | 37,871 | 17,364 | 21,826 | 22,224 | 20,829 | 54,868 | 184,855 |
| Interest paid..... | 1,140,873 | 18,291 | 12,052 | 19,879 | 20,507 | 35,569 | 104,707 | 40,808 | 85,063 | 116,722 | 149,398 | 266,179 | 271,598 |
| Depreciation..... | 200,709 | 1,165 | 8,097 | 7,411 | 5,918 | 6,019 | 25,481 | 10,508 | 16,569 | 20,534 | 28,820 | 33,649 | 36,538 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 36,338 | 117 | *3,821 | *4,061 | *510 | *3,094 | 5,717 | 1,742 | 3,980 | 1,525 | 1,264 | 1,886 | 8,621 |
| Employee benefit programs..... | 24,315 | *1,616 | *2,802 | *2,469 | 2,107 | 548 | 2,044 | 966 | 1,274 | 2,660 | 1,158 | 1,475 | 5,196 |
| Net income (less deficit)..... | 5,020,015 | 384,412 | —4,467 | 77,017 | 71,176 | 89,109 | 394,073 | 176,594 | 352,127 | 285,961 | 398,450 | 888,557 | 1,907,006 |
| Income subject to tax..... | 5,679,686 | 415,817 | 73,156 | 110,304 | 110,708 | 137,272 | 455,085 | 209,188 | 399,618 | 311,297 | 446,488 | 989,211 | 2,021,542 |
| Income tax, total..... | 931,371 | 32,220 | 38,259 | 61,949 | 63,549 | 72,204 | 199,278 | 101,224 | 98,422 | 61,768 | 31,242 | 72,835 | 98,421 |
| Additional tax for tax preferences..... | 345,208 | 12,976 | 9,152 | 18,617 | 17,713 | 23,795 | 73,000 | 40,543 | 41,727 | 25,152 | 12,283 | 25,452 | 44,798 |
| Foreign tax credit..... | 4,406 | 159 | — | *313 | *83 | *186 | 1,052 | 381 | 433 | 959 | 474 | 116 | 250 |
| U.S. possessions tax credit..... | 43,312 | 3,821 | — | *2,495 | *170 | *2,702 | 4,671 | 2,565 | 4,693 | 9,826 | 210 | 10,389 | 1,770 |
| Investment credit..... | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Work incentive (WIN) credit..... | 7,511 | 441 | (*) | 429 | 436 | 386 | 1,862 | 576 | 579 | 931 | 1,188 | 263 | 420 |
| New jobs credit..... | 92 | — | — | — | *34 | — | *19 | *30 | — | — | — | — | — |
| Distributions to stockholders except in own stock..... | 2,469 | — | *124 | *76 | (*) | *76 | 1,236 | 505 | 228 | 87 | — | — | — |
| | 4,857,661 | 499,849 | 23,348 | 57,891 | 53,609 | 50,147 | 245,374 | 151,705 | 293,117 | 258,345 | 390,503 | 673,836 | 1,959,937</ |

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Total Services | | | | | | | | | | | | | |
| Number of returns..... | 516,387 | 13,842 | 383,280 | 65,197 | 27,573 | 13,716 | 10,598 | 1,304 | 557 | 163 | 81 | 37 | 39 |
| Total assets..... | 119,286,766 | — | 10,366,238 | 10,150,000 | 9,672,677 | 9,432,701 | 21,513,769 | 9,404,653 | 8,414,215 | 5,800,939 | 5,421,694 | 5,652,983 | 23,456,897 |
| Notes and accounts receivable, net..... | 20,841,219 | — | 1,360,887 | 1,643,353 | 1,535,660 | 1,828,698 | 3,656,632 | 1,601,090 | 1,707,489 | 1,094,668 | 1,153,750 | 1,400,209 | 4,058,583 |
| Inventories..... | 5,613,150 | — | 530,471 | 590,408 | 453,254 | 376,659 | 927,128 | 425,293 | 384,979 | 236,367 | 195,382 | 245,144 | 1,248,065 |
| Cash, Government obligations, and other current assets..... | 19,482,093 | — | 2,817,974 | 2,127,787 | 1,720,060 | 1,434,750 | 2,951,747 | 2,814,212 | 1,377,383 | 1,138,401 | 747,823 | 726,691 | 3,718,611 |
| Other investments and loans..... | 15,681,212 | — | 923,873 | 1,037,199 | 751,477 | 722,332 | 2,614,747 | 753,133 | 1,094,841 | 1,055,992 | 934,638 | 945,430 | 1,848,085 |
| Depreciable assets..... | 76,773,311 | — | 8,114,217 | 7,171,840 | 7,110,760 | 6,989,675 | 15,160,686 | 6,484,024 | 5,207,255 | 3,156,962 | 2,936,657 | 3,060,738 | 11,380,997 |
| Less: Accumulated depreciation..... | 31,383,290 | — | 4,248,407 | 3,540,505 | 3,113,795 | 2,823,498 | 6,013,226 | 2,281,219 | 2,041,509 | 1,124,638 | 1,118,057 | 1,241,839 | 3,836,597 |
| Other capital assets less reserves..... | 7,091,013 | — | 3,636,690 | 783,698 | 846,533 | 829,291 | 1,411,562 | 673,544 | 522,136 | 358,981 | 256,749 | 231,370 | 813,459 |
| Accounts and notes payable..... | 26,253,850 | — | 2,554,112 | 2,157,239 | 2,061,171 | 2,067,183 | 5,590,274 | 2,208,432 | 1,948,008 | 1,085,572 | 1,159,317 | 1,094,434 | 4,328,108 |
| Other current liabilities..... | 13,561,867 | — | 1,299,280 | 966,326 | 839,502 | 893,412 | 1,786,382 | 932,601 | 811,590 | 642,355 | 560,980 | 684,899 | 4,144,540 |
| Mortgages, notes, and bonds payable in one year or more..... | 34,089,293 | — | 1,895,455 | 2,118,786 | 2,593,508 | 3,223,310 | 7,103,284 | 3,289,193 | 2,776,757 | 1,854,824 | 1,495,914 | 1,907,107 | 5,831,155 |
| Net worth..... | 34,615,641 | — | 2,265,670 | 3,631,106 | 3,163,044 | 2,558,293 | 5,155,613 | 2,279,463 | 1,810,750 | 1,033,864 | 1,171,395 | 1,711,395 | 7,859,744 |
| Cost of property used for investment credit..... | 11,683,528 | 43,732 | 1,160,756 | 820,059 | 795,909 | 747,208 | 3,862,205 | 707,353 | 611,631 | 353,918 | 262,301 | 386,287 | 1,912,169 |
| Total receipts..... | 183,007,786 | 1,502,028 | 47,557,654 | 23,243,180 | 17,651,679 | 13,718,385 | 27,097,853 | 8,354,731 | 8,303,010 | 6,721,047 | 6,576,387 | 5,809,018 | 16,472,814 |
| Business receipts..... | 175,588,702 | 1,349,491 | 46,800,478 | 22,794,038 | 17,037,298 | 13,270,374 | 25,749,488 | 7,853,476 | 7,754,069 | 6,251,238 | 6,139,656 | 5,555,802 | 14,933,296 |
| Cost of sales and operations..... | 88,873,389 | 852,750 | 17,544,581 | 11,385,240 | 8,895,270 | 7,607,711 | 15,204,296 | 4,534,519 | 4,274,234 | 3,825,102 | 3,962,201 | 3,391,361 | 7,296,124 |
| Taxes paid..... | 6,183,058 | 50,038 | 1,491,722 | 834,595 | 633,747 | 502,835 | 922,001 | 287,570 | 314,943 | 253,460 | 240,357 | 171,337 | 500,413 |
| Interest paid..... | 3,880,753 | 54,427 | 888,441 | 246,963 | 297,154 | 326,843 | 766,932 | 299,960 | 295,540 | 191,270 | 172,964 | 161,431 | 779,188 |
| Depreciation..... | 8,851,415 | 79,044 | 960,630 | 680,788 | 650,844 | 632,210 | 1,635,494 | 568,047 | 551,771 | 324,260 | 300,675 | 296,742 | 2,189,910 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 3,591,202 | 8,952 | 1,948,351 | 551,167 | 299,536 | 154,213 | 248,469 | 63,743 | 76,703 | 51,084 | 61,588 | 33,597 | 95,799 |
| Employee benefit programs..... | 1,156,151 | 15,369 | 302,529 | 121,173 | 116,381 | 83,167 | 161,537 | 39,570 | 67,364 | 36,884 | 36,772 | 50,896 | 124,509 |
| Net income (less deficit)..... | 6,596,830 | 11,624 | 821,529 | 809,505 | 607,855 | 454,877 | 938,252 | 285,307 | 400,850 | 407,547 | 352,749 | 308,907 | 1,198,098 |
| Net income..... | 9,280,612 | 91,402 | 1,765,736 | 1,122,894 | 840,893 | 694,489 | 1,370,934 | 475,691 | 446,088 | 402,478 | 333,524 | 325,574 | 1,214,290 |
| Income subject to tax..... | 6,880,410 | 40,899 | 965,764 | 766,015 | 572,852 | 533,564 | 1,042,943 | 370,061 | 427,532 | 358,236 | 327,225 | 305,574 | 1,169,745 |
| Income tax, total..... | 2,584,017 | 16,984 | 195,051 | 184,359 | 166,943 | 185,995 | 438,171 | 169,496 | 200,039 | 169,973 | 154,910 | 146,834 | 555,162 |
| Additional tax for tax preferences..... | 1,696 | 7 | (*) | 33 | 68 | 393 | 296 | 174 | 56 | 50 | 187 | 24 | 347 |
| Foreign tax credit..... | 124,879 | *1,910 | (*) | *312 | 29 | *1,023 | 5,227 | 3,300 | 9,124 | 6,124 | 13,872 | 22,104 | 61,437 |
| U.S. possessions tax credit..... | 2,537 | 129 | (*) | 18 | 29 | 316 | 397 | 608 | 1,040 | — | — | — | — |
| Investment credit..... | 426,683 | 3,034 | 36,990 | 33,736 | 33,575 | 34,554 | 60,772 | 17,368 | 19,928 | 15,540 | 15,666 | 17,895 | 137,605 |
| Work incentive (WIN) credit..... | 2,059 | — | *291 | *235 | 626 | *364 | 229 | *21 | 45 | 54 | 58 | 10 | 126 |
| New jobs credit..... | 193,152 | *113 | 25,181 | 43,714 | 26,158 | 28,895 | 42,642 | 8,783 | 8,305 | 3,895 | 2,356 | 1,307 | 11,803 |
| Distributions to stockholders except in own stock..... | 1,441,254 | 112,664 | 265,752 | 179,047 | 115,764 | 64,401 | 185,960 | 65,510 | 64,409 | 68,601 | 95,216 | 59,714 | 164,216 |
| Services: Hotels and Other Lodging Places | | | | | | | | | | | | | |
| Number of returns..... | 15,546 | 437 | 4,051 | 4,265 | 2,990 | 1,971 | 1,508 | 205 | 76 | 24 | — | — | 19 |
| Total assets..... | 14,084,260 | — | 173,865 | 766,168 | 1,091,044 | 1,336,267 | 3,133,244 | 1,358,537 | 1,125,798 | 904,283 | 804,283 | 4,195,054 | |
| Notes and accounts receivable, net..... | 831,068 | — | *2,720 | 61,852 | 43,017 | 43,058 | 122,437 | 87,785 | 76,879 | 50,322 | 50,322 | 342,998 | |
| Inventories..... | 214,069 | — | 4,288 | 8,571 | 23,184 | 10,834 | 40,225 | 33,205 | 19,088 | 64,390 | 64,390 | 385,414 | |
| Cash, Government obligations, and other current assets..... | 1,267,781 | — | 30,181 | 77,213 | 80,425 | 86,368 | 268,361 | 127,526 | 117,027 | 75,266 | 75,266 | 1,012,280 | |
| Other investments and loans..... | 1,928,263 | — | *9,435 | 55,506 | 64,466 | 73,322 | 322,323 | 79,817 | 159,069 | 152,045 | 152,045 | 2,780,125 | |
| Depreciable assets..... | 12,195,842 | — | 218,638 | 856,435 | 1,090,677 | 1,441,376 | 3,011,143 | 1,206,417 | 849,189 | 741,842 | 741,842 | 885,793 | |
| Less: Accumulated depreciation..... | 4,397,161 | — | 121,948 | 455,178 | 425,108 | 547,319 | 1,064,193 | 345,852 | 308,782 | 242,978 | 242,978 | 276,706 | |
| Other capital assets less reserves..... | 1,537,494 | — | 23,812 | 142,333 | 170,768 | 208,525 | 332,185 | 151,334 | 136,160 | 95,671 | 95,671 | 263,579 | |
| Accounts and notes payable..... | 1,669,233 | — | 35,371 | 87,251 | 188,794 | 164,383 | 376,733 | 248,591 | 252,828 | 171,703 | 171,703 | 321,154 | |
| Other current liabilities..... | 912,194 | — | 26,722 | 62,222 | 62,722 | 71,972 | 170,592 | 103,620 | 76,731 | 52,359 | 52,359 | — | |
| Mortgages, notes, and bonds payable in one year or more..... | 6,811,892 | — | 56,733 | 344,711 | 519,867 | 823,329 | 1,776,855 | 747,347 | 494,306 | 475,815 | 475,815 | 1,672,929 | |
| Net worth..... | 3,306,006 | — | 76,993 | 214,793 | 196,873 | 135,454 | 472,271 | 134,518 | 251,488 | 272,860 | 272,860 | 1,704,742 | |
| Cost of property used for investment credit..... | 430,190 | 4,041 | 8,149 | 19,313 | 35,395 | 34,418 | 86,908 | 34,881 | 36,925 | 32,551 | 32,551 | 137,609 | |
| Total receipts..... | 11,855,006 | 114,268 | 373,821 | 850,897 | 1,254,039 | 940,459 | 2,438,834 | 1,004,016 | 872,045 | 550,361 | 550,361 | 3,456,266 | |
| Business receipts..... | 10,989,330 | 88,266 | 365,493 | 821,158 | 1,221,687 | 898,835 | 2,254,576 | 926,043 | 780,425 | 510,264 | 510,264 | 3,122,583 | |
| Cost of sales and operations..... | 5,473,090 | 51,544 | 145,610 | 380,900 | 579,276 | 418,166 | 1,088,959 | 474,116 | 369,470 | 263,408 | 263,408 | 1,701,641 | |
| Taxes paid..... | 681,075 | 6,285 | 18,501 | 64,648 | 74,455 | 65,971 | 142,676 | 57,490 | 53,582 | 29,503 | 29,503 | 167,966 | |
| Interest paid..... | 845,840 | 13,005 | 4,555 | 28,042 | 52,215 | 77,182 | 169,102 | 77,813 | 54,570 | 35,111 | 35,111 | 134,245 | |
| Depreciation..... | 698,333 | 7,016 | 16,431 | 49,372 | 77,869 | 77,869 | 165,509 | 61,015 | 45,396 | 37,723 | 37,723 | 175,786 | |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 29,412 | 11 | — | — | — | *534 | *477 | 4,225 | 2,808 | 3,148 | 2,495 | 15,714 | |
| Employee benefit programs..... | 76,380 | *159 | *3,139 | *530 | 11,607 | 1,631 | 10,199 | 4,525 | 10,083 | 3,721 | 3,721 | 30,786 | |
| Net income (less deficit)..... | 405,224 | 8,724 | —9,264 | 5,221 | —333 | 4,828 | 94,410 | 510 | 54,244 | 26,851 | 26,851 | 220,033 | |
| Net income..... | 688,001 | 20,735 | 14,820 | 37,089 | 33,707 | 43,935 | 156,513 | 47,090 | 75,770 | 38,977 | 38,977 | 221,965 | |
| Income subject to tax..... | 479,269 | 2,636 | *3,610 | 21,849 | 24,010 | 24,917 | 83,413 | 29,926 | 62,268 | 25,456 | 25,456 | 201,184 | |
| Income tax, total..... | 201,452 | 1,251 | *828 | 4,642 | 5,710 | 7,011 | 32,264 | 12,891 | 29,585 | 12,966 | 12,966 | 95,004 | |
| Additional tax for tax preferences..... | 478 | — | — | — | — | — | — | *140 | *42 | 13 | 11 | 272 | |
| Foreign tax credit..... | *3,287 | 8 | — | — | — | — | — | — | *996 | 1,457 | 1 | 825 | |
| U.S. possessions tax credit..... | 61 | — | — | — | 1,076 | 1,275 | 4,218 | 1,423 | 1,618 | 931 | 931 | 10,930 | |
| Investment credit..... | 22,328 | 108 | *123 | 626 | 95 | *95 | — | *3 | — | — | — | — | |
| Work incentive (WIN) credit..... | *102 | — | — | (*) | *269 | *228 | 1,825 | 785 | 1,332 | 323 | 323 | 655 | |
| New jobs credit..... | 5,886 | *9,446 | — | *3,268 | *2,135 | 10,001 | 28,953 | *4,989 | 2,613 | 8,902 | 8,902 | 48,534 | |
| Distributions to stockholders except in own stock..... | 118,901 | — | — | — | — | — | — | — | — | — | — | — | — |

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

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Services: Personal Services | | | | | | | | | | | | | |
| Number of returns..... | 40,058 | 1,435 | 29,873 | 5,228 | 2,424 | 611 | 423 | 27 | 24 | 5 | 8 | | |
| Total assets..... | 5,542,922 | — | 875,214 | 801,596 | 839,396 | 412,460 | 811,036 | 203,907 | 376,657 | 200,834 | 1,021,822 | | |
| Notes and accounts receivable, net..... | 991,703 | — | 100,388 | 141,839 | 139,961 | 71,319 | 125,270 | 30,068 | 70,321 | 42,723 | 269,814 | | |
| Inventories..... | 380,531 | — | 46,889 | 44,291 | 29,006 | 22,775 | 42,654 | *16,630 | 38,157 | 22,007 | 118,022 | | |
| Cash, Government obligations, and other current assets..... | 978,240 | — | 200,057 | 146,874 | 149,954 | 63,258 | 158,069 | 18,425 | 74,383 | 18,417 | 146,803 | | |
| Other investments and loans..... | 461,981 | — | 67,002 | 58,911 | 54,071 | 38,853 | 80,214 | *4,106 | 39,969 | 15,384 | 103,071 | | |
| Depreciable assets..... | 4,377,959 | — | 1,009,697 | 704,494 | 653,220 | 302,801 | 622,814 | 206,965 | 196,930 | 139,528 | 541,410 | | |
| Less: Accumulated depreciation..... | 2,318,588 | — | 645,866 | 381,987 | 313,457 | 144,965 | 317,052 | 106,367 | 95,558 | 54,737 | 258,599 | | |
| Other capital assets less reserves..... | 353,861 | — | 27,347 | 40,548 | 82,561 | 47,740 | 59,226 | *14,441 | 13,661 | 10,896 | 57,441 | | |
| Accounts and notes payable..... | 949,652 | — | 159,286 | 142,776 | 137,578 | 64,729 | 144,518 | 33,566 | 61,321 | 55,191 | 150,687 | | |
| Other current liabilities..... | 615,371 | — | 83,714 | 48,657 | 60,883 | 25,142 | 87,241 | 17,980 | 37,856 | 34,823 | 219,275 | | |
| Mortgages, notes, and bonds payable in one year or more..... | 1,096,794 | — | 143,551 | 161,036 | 232,661 | 116,410 | 196,516 | *38,868 | 71,563 | 28,368 | 107,821 | | |
| Net worth..... | 2,464,896 | — | 358,244 | 373,728 | 347,355 | 178,378 | 328,735 | 101,016 | 178,872 | 77,483 | 521,085 | | |
| Cost of property used for investment credit..... | 429,148 | *4,764 | 89,681 | 71,018 | 39,300 | 20,212 | 49,726 | *22,238 | 18,905 | 20,050 | 83,254 | | |
| Total receipts..... | 10,009,794 | 38,272 | 2,876,021 | 1,664,383 | 1,194,615 | 431,910 | 1,157,185 | 403,319 | 651,804 | 356,285 | 1,236,020 | | |
| Business receipts..... | 9,718,970 | 36,663 | 2,843,950 | 1,625,056 | 1,163,750 | 420,091 | 1,099,926 | *398,371 | 621,773 | 336,886 | 1,172,504 | | |
| Cost of sales and operations..... | 4,925,888 | 17,033 | 1,333,214 | 835,907 | 619,790 | 204,268 | 592,330 | *209,524 | 329,570 | 138,724 | 645,528 | | |
| Taxes paid..... | 391,985 | 1,931 | 120,956 | 62,589 | 44,895 | 17,714 | 42,841 | *16,923 | 25,616 | 11,962 | 46,558 | | |
| Interest paid..... | 146,102 | *681 | 23,025 | 19,866 | 23,819 | 10,752 | 20,886 | *5,631 | 8,462 | 8,147 | 24,833 | | |
| Depreciation..... | 431,033 | 1,582 | 87,669 | 60,591 | 57,468 | 21,071 | 50,801 | *20,334 | 22,935 | 16,739 | 91,843 | | |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 55,481 | *104 | 5,869 | *10,528 | 6,922 | 5,448 | 10,658 | *2,915 | 4,862 | 1,626 | 6,549 | | |
| Employee benefit programs..... | 49,314 | *115 | 10,582 | 9,264 | 4,434 | 3,816 | 7,997 | *1,288 | 4,091 | 3,121 | 4,606 | | |
| Net income (less deficit)..... | 431,095 | —4,404 | 70,517 | 72,677 | 56,697 | 16,924 | 49,885 | 14,770 | 40,379 | 14,300 | 99,350 | | |
| Net income..... | 538,224 | *1,130 | 113,668 | 89,110 | 72,289 | 18,902 | 65,418 | *17,475 | 42,797 | 18,085 | 99,350 | | |
| Income subject to tax..... | 388,654 | *357 | 45,397 | 51,234 | 49,512 | 15,001 | 56,618 | *16,414 | 38,412 | 18,001 | 97,708 | | |
| Income tax, total..... | 143,898 | *80 | 8,575 | 11,097 | 13,520 | 4,151 | 24,212 | *7,754 | 18,249 | 8,953 | 47,307 | | |
| Additional tax for tax preferences..... | — | — | — | *33 | — | — | — | — | — | — | — | | |
| Foreign tax credit..... | 4,767 | — | — | — | — | — | — | — | 852 | 109 | 3,806 | | |
| U.S. possessions tax credit..... | — | — | — | — | — | — | — | — | — | — | — | | |
| Investment credit..... | 19,474 | *38 | 2,198 | 2,683 | 1,479 | 1,149 | 2,952 | *1,360 | 1,326 | 1,599 | 4,690 | | |
| Work incentive (WIN) credit..... | — | *31 | — | — | — | — | — | — | — | — | 25 | | |
| New jobs credit..... | 7,345 | — | *1,941 | *1,329 | *813 | *209 | *1,713 | *600 | 608 | 32 | 100 | | |
| Distributions to stockholders except in own stock..... | 85,579 | — | 13,110 | *6,407 | 13,574 | *4,140 | 5,787 | *1,392 | 4,575 | 1,529 | 35,065 | | |
| Services: Business Services | | | | | | | | | | | | | |
| Number of returns..... | 125,782 | 2,947 | 93,513 | 14,683 | 7,167 | 3,755 | 3,067 | 334 | 192 | 60 | 30 | 21 | 13 |
| Total assets..... | 36,129,846 | — | 2,508,405 | 2,313,550 | 2,520,946 | 2,587,073 | 6,276,934 | 2,287,025 | 2,958,757 | 2,113,118 | 2,015,974 | 3,317,024 | 7,231,076 |
| Notes and accounts receivable, net..... | 9,843,760 | — | 487,857 | 559,623 | 617,310 | 724,746 | 1,900,860 | 602,869 | 898,032 | 621,008 | 651,106 | 919,329 | 1,861,020 |
| Inventories..... | 1,342,380 | — | 86,238 | 89,945 | 88,109 | 79,287 | 289,679 | 75,162 | 141,469 | 59,702 | 126,749 | 198,153 | 355,792 |
| Cash, Government obligations, and other current assets..... | 6,536,193 | — | 735,705 | 552,723 | 566,571 | 571,337 | 955,865 | 408,427 | 415,632 | 342,030 | 267,186 | 473,439 | 1,247,278 |
| Other investments and loans..... | 5,645,355 | — | 266,687 | 289,651 | 232,598 | 231,353 | 819,238 | 268,286 | 385,842 | 455,114 | 369,473 | 555,227 | 1,751,888 |
| Depreciable assets..... | 18,280,921 | — | 1,526,015 | 1,359,961 | 1,587,235 | 1,465,638 | 3,458,747 | 1,292,963 | 1,665,797 | 656,876 | 831,255 | 1,567,865 | 2,868,547 |
| Less: Accumulated depreciation..... | 8,108,068 | — | 772,004 | 709,126 | 774,303 | 665,465 | 1,524,793 | 520,653 | 753,402 | 350,569 | 598,277 | 1,181,648 | 1,818,648 |
| Other capital assets less reserves..... | 1,047,882 | — | 66,872 | 69,199 | 127,747 | 102,777 | 180,906 | 79,823 | 91,026 | 49,175 | 30,831 | 69,662 | 179,864 |
| Accounts and notes payable..... | 10,459,273 | — | 713,359 | 589,753 | 716,969 | 728,356 | 2,124,961 | 692,603 | 881,256 | 590,506 | 645,416 | 875,415 | 1,900,679 |
| Other current liabilities..... | 4,621,566 | — | 311,625 | 233,750 | 239,729 | 316,651 | 594,118 | 276,128 | 333,189 | 234,477 | 256,179 | 398,413 | 1,427,307 |
| Mortgages, notes, and bonds payable in one year or more..... | 8,104,986 | — | 447,974 | 380,224 | 529,757 | 587,110 | 1,372,162 | 589,445 | 833,518 | 480,292 | 368,752 | 802,589 | 1,613,183 |
| Net worth..... | 10,018,349 | — | 362,339 | 773,567 | 778,146 | 816,706 | 1,784,891 | 603,263 | 711,133 | 660,306 | 625,812 | 1,050,890 | 1,831,296 |
| Cost of property used for investment credit..... | 3,088,507 | 22,570 | 254,263 | 245,412 | 277,547 | 318,348 | 634,391 | 230,662 | 246,822 | 111,543 | 121,024 | 270,133 | 355,792 |
| Total receipts..... | 56,056,923 | 526,467 | 9,347,347 | 6,442,869 | 5,198,196 | 4,845,961 | 10,398,384 | 3,121,313 | 3,030,673 | 3,267,194 | 3,202,035 | 3,449,496 | 3,226,988 |
| Business receipts..... | 53,768,853 | 509,768 | 9,170,839 | 6,334,092 | 4,989,220 | 4,715,720 | 9,953,826 | 2,966,575 | 2,849,106 | 3,075,933 | 3,042,478 | 3,298,987 | 2,862,109 |
| Cost of sales and operations..... | 31,429,378 | 410,563 | 4,279,928 | 3,801,433 | 2,680,487 | 2,838,715 | 6,453,075 | 1,904,506 | 1,646,977 | 2,138,474 | 2,140,946 | 1,884,913 | 1,249,361 |
| Taxes paid..... | 1,629,634 | 5,671 | 349,700 | 201,648 | 175,700 | 154,638 | 243,100 | 68,457 | 76,120 | 95,693 | 95,455 | 80,800 | 80,800 |
| Interest paid..... | 1,063,253 | 12,898 | 71,300 | 46,669 | 69,488 | 60,715 | 167,507 | 73,196 | 103,737 | 67,467 | 55,111 | 83,728 | 251,637 |
| Depreciation..... | 2,412,183 | 29,971 | 211,113 | 152,211 | 173,989 | 181,648 | 449,194 | 172,742 | 214,035 | 89,211 | 107,818 | 152,330 | 477,921 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 565,547 | 2,415 | 82,037 | 41,303 | 80,435 | 52,907 | 130,837 | 27,634 | 31,921 | 26,356 | 44,812 | 26,961 | 17,929 |
| Employee benefit programs..... | 331,457 | 1,512 | 49,792 | 25,641 | 40,635 | 25,168 | 61,225 | 16,892 | 16,162 | 10,417 | 42,138 | 20,787 | 20,787 |
| Net income (less deficit)..... | 2,288,065 | —2,575 | 213,450 | 283,130 | 204,814 | 214,903 | 377,318 | 111,626 | 141,734 | 163,983 | 156,599 | 239,851 | 183,232 |
| Net income..... | 3,068,451 | 18,720 | 495,307 | 332,359 | 274,524 | 279,379 | 503,065 | 164,616 | 176,120 | 176,890 | 159,527 | 199,424 | 189,424 |
| Income subject to tax..... | 2,347,596 | 10,577 | 239,116 | 224,834 | 208,568 | 228,598 | 389,867 | 144,703 | 152,225 | 159,412 | 166,422 | 236,886 | 186,398 |
| Income tax, total..... | 922,875 | 50,806 | 50,806 | 58,305 | 62,769 | 83,038 | 165,808 | 67,234 | 70,743 | 75,647 | 80,170 | 114,500 | 89,030 |
| Additional tax for tax preferences..... | 152 | — | — | — | — | — | *25 | *39 | 67 | 21 | — | — | — |
| Foreign tax credit..... | 50,568 | 1,894 | — | *156 | — | *863 | *2,810 | *2,109 | 3,816 | 4,177 | 11,908 | 21,521 | 1,316 |
| U.S. possessions tax credit..... | 1,956 | 129 | — | 10 | 21 | 45 | 103 | 608 | 1,040 | — | — | — | — |
| Investment credit..... | 136,676 | 414 | 8,420 | 10,306 | 15,530 | 15,883 | 24,293 | 6,529 | 9,930 | 4,617 | 7,675 | 14,579 | 18,500 |
| Work incentive (WIN) credit..... | 1,529 | — | *167 | *235 | *574 | *228 | *112 | *3 | 8 | 27 | 8 | 117 | 117 |
| New jobs credit..... | 80,184 | *112 | 7,476 | 22,254 | 11,970 | 13,787 | 14,888 | 2,740 | 3,260 | 1,424 | 875 | 900 | 498 |
| Distributions to stockholders except in own stock..... | 492,629 | 56,245 | 129,278 | 23,928 | 20,797 | 12,009 | 52,055 | 24,900 | 17,877 | 22,154 | 46,493 | 50,077 | 36,816 |

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

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Services: Auto Repair; Miscellaneous Repair Services | | | | | | | | | | | | | |
| Number of returns..... | 61,619 | 1,316 | 43,672 | 10,134 | 3,192 | 1,595 | 1,474 | 165 | 48 | 11 | .. | 7 | 5 |
| Total assets..... | 13,962,914 | — | 1,401,001 | 1,506,309 | 1,095,979 | 1,117,670 | 2,975,652 | 1,105,309 | 735,244 | 399,624 | 670,770 | 2,955,356 | 635,682 |
| Notes and accounts receivable, net..... | 2,146,275 | — | 218,240 | 234,588 | 168,337 | 184,328 | 337,098 | 107,106 | 86,816 | 44,298 | 129,782 | 635,682 | 55,377 |
| Inventories..... | 1,058,497 | — | 233,208 | 219,772 | 131,993 | 132,323 | 168,180 | 46,003 | 33,857 | 10,868 | 26,916 | 263,895 | 136,564 |
| Cash, Government obligations, and other current assets..... | 1,456,915 | — | 217,302 | 251,443 | 164,404 | 99,247 | 231,198 | 85,731 | 46,359 | 34,441 | 62,895 | 263,895 | 19,962 |
| Other investments and loans..... | 588,675 | — | 50,324 | 71,465 | 46,936 | 58,987 | 93,223 | 24,714 | 31,299 | 55,201 | 19,962 | 136,564 | 970,851 |
| Depreciable assets..... | 12,420,015 | — | 1,082,544 | 1,019,112 | 773,612 | 900,582 | 2,939,561 | 1,125,023 | 683,600 | 309,338 | 896,092 | 2,690,551 | 970,851 |
| Less: Accumulated depreciation..... | 4,686,213 | — | 517,259 | 434,551 | 316,403 | 338,531 | 993,274 | 343,723 | 190,852 | 98,916 | 481,859 | 970,851 | 970,851 |
| Other capital assets less reserves..... | 655,618 | — | 59,294 | 114,171 | 85,504 | 66,876 | 120,660 | 52,736 | 14,802 | 26,829 | 12,533 | 102,213 | 464,749 |
| Accounts and notes payable..... | 3,886,415 | — | 367,197 | 359,865 | 300,166 | 344,642 | 1,177,786 | 392,988 | 238,391 | 75,627 | 165,004 | 464,749 | 607,941 |
| Other current liabilities..... | 1,284,717 | — | 107,422 | 102,132 | 61,608 | 71,325 | 169,671 | 40,801 | 42,858 | 35,220 | 45,739 | 607,941 | 607,941 |
| Mortgages, notes, and bonds payable in one year or more..... | 4,730,642 | — | 307,635 | 353,793 | 248,639 | 326,986 | 1,014,922 | 476,363 | 334,425 | 159,239 | 371,377 | 1,137,263 | 1,137,263 |
| Net worth..... | 3,219,875 | — | 391,646 | 533,958 | 398,715 | 325,178 | 512,544 | 156,904 | 101,369 | 83,927 | 83,927 | 639,146 | 639,146 |
| Cost of property used for investment credit..... | 2,557,486 | *2,432 | 187,648 | 137,796 | 163,691 | 171,712 | 666,264 | 313,364 | 175,672 | 71,575 | 105,714 | 561,818 | 561,818 |
| Total receipts..... | 18,990,568 | 96,253 | 5,034,957 | 2,930,147 | 1,981,033 | 1,950,056 | 3,812,577 | 778,395 | 589,997 | 314,703 | 507,070 | 1,975,380 | 1,975,380 |
| Business receipts..... | 18,237,913 | *52,753 | 4,990,097 | 2,862,568 | 1,900,343 | 1,884,620 | 2,682,368 | 740,584 | 540,628 | 285,461 | 478,740 | 1,819,751 | 1,819,751 |
| Cost of sales and operations..... | 10,180,079 | *27,890 | 3,005,652 | 1,693,083 | 1,125,162 | 1,284,012 | 1,357,166 | 311,184 | 249,675 | 130,804 | 240,101 | 755,350 | 755,350 |
| Taxes paid..... | 641,078 | 3,288 | 179,329 | 109,052 | 57,607 | 57,138 | 88,314 | 20,180 | 18,354 | 9,420 | 13,548 | 84,848 | 84,848 |
| Interest paid..... | 609,070 | *6,832 | 46,399 | 36,224 | 34,860 | 43,949 | 143,929 | 57,389 | 38,300 | 19,918 | 34,655 | 146,615 | 146,615 |
| Depreciation..... | 2,022,368 | *16,852 | 135,994 | 124,864 | 130,182 | 130,509 | 523,234 | 204,878 | 140,878 | 67,725 | 166,602 | 380,650 | 380,650 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 76,324 | — | 5,176 | 17,841 | 11,354 | 10,459 | 10,962 | 3,371 | 3,508 | 545 | 713 | 8,252 | 8,252 |
| Employee benefit programs..... | 84,390 | 6 | 21,519 | 12,710 | 5,394 | 5,294 | 10,492 | 1,557 | 3,545 | 788 | 713 | 22,362 | 22,362 |
| Net income (less deficit)..... | 655,357 | 2,572 | 72,697 | 114,790 | 76,092 | 87,358 | 127,432 | 22,422 | 2,613 | 11,298 | 4,447 | 133,636 | 133,636 |
| Net income..... | 840,592 | *5,922 | 157,209 | 144,928 | 84,648 | 94,931 | 156,333 | 30,012 | 12,145 | 12,206 | 8,612 | 133,636 | 133,636 |
| Income subject to tax..... | 674,742 | *1,228 | 90,793 | 108,916 | 69,305 | 78,581 | 143,152 | 25,365 | 8,759 | 10,201 | 6,338 | 132,104 | 132,104 |
| Income tax, total..... | 243,199 | *340 | 17,876 | 26,024 | 20,802 | 28,515 | 61,552 | 11,954 | 3,907 | 5,200 | 3,030 | 63,999 | 63,999 |
| Additional tax for tax preferences..... | *15 | — | (¹) | — | — | — | — | *15 | — | — | — | — | — |
| Foreign tax credit..... | *4,272 | — | — | — | — | — | *175 | *117 | 25 | — | — | 3,955 | 3,955 |
| U.S. possessions tax credit..... | 257 | — | (¹) | 8 | — | 16 | 233 | — | — | — | — | — | — |
| Investment credit..... | 59,524 | *320 | 3,929 | 5,592 | 3,809 | 5,585 | 10,647 | 2,735 | 1,061 | 730 | 1,520 | 23,596 | 23,596 |
| Work incentive (WIN) credit..... | *164 | — | *124 | — | *33 | — | *7 | — | — | — | — | — | — |
| New jobs credit..... | 22,932 | — | 2,486 | 3,613 | 3,017 | 6,563 | 5,780 | 484 | 459 | 200 | 100 | 250 | 250 |
| Distributions to stockholders except in own stock..... | 66,434 | *190 | 20,154 | *4,871 | *6,381 | 8,773 | 8,117 | 2,275 | 4,371 | 1,281 | 1,135 | 8,886 | 8,886 |
| Services: Amusement and Recreation Services | | | | | | | | | | | | | |
| Number of returns..... | 40,660 | 1,544 | 23,032 | 8,603 | 3,521 | 2,099 | 1,543 | 169 | 97 | 29 | 12 | 4 | 7 |
| Total assets..... | 19,596,677 | — | 587,928 | 1,376,390 | 1,269,933 | 1,464,206 | 2,905,723 | 1,154,043 | 1,421,213 | 1,000,522 | 766,757 | 685,041 | 6,994,921 |
| Notes and accounts receivable, net..... | 1,792,812 | — | 51,351 | 92,249 | 81,217 | 108,911 | 209,449 | 137,397 | 141,067 | 93,024 | 65,647 | 72,670 | 736,830 |
| Inventories..... | 1,249,254 | — | 22,957 | 68,229 | 37,233 | 33,920 | 72,394 | 18,947 | 52,607 | 44,926 | 19,797 | 33,768 | 844,476 |
| Cash, Government obligations, and other current assets..... | 3,538,119 | — | 134,858 | 190,694 | 182,039 | 200,637 | 468,920 | 210,688 | 209,840 | 154,073 | 144,832 | 116,387 | 1,525,151 |
| Other investments and loans..... | 3,192,816 | — | 38,675 | 96,344 | 73,038 | 78,978 | 371,530 | 95,342 | 229,223 | 138,830 | 97,564 | 88,573 | 1,684,719 |
| Depreciable assets..... | 12,814,519 | — | 741,396 | 1,512,968 | 1,322,088 | 1,394,489 | 2,559,186 | 813,505 | 984,368 | 720,447 | 598,841 | 343,450 | 1,823,781 |
| Less: Accumulated depreciation..... | 5,901,963 | — | 462,681 | 845,010 | 649,099 | 583,520 | 1,265,439 | 363,522 | 461,754 | 320,705 | 278,713 | 108,565 | 562,955 |
| Other capital assets less reserves..... | 1,864,960 | — | 30,248 | 221,682 | 195,081 | 195,557 | 403,921 | 195,463 | 117,183 | 79,213 | 70,353 | 174,521 | 174,521 |
| Accounts and notes payable..... | 3,647,195 | — | 235,568 | 332,803 | 155,528 | 195,399 | 570,803 | 183,762 | 209,421 | 149,154 | 123,230 | 74,377 | 1,417,150 |
| Other current liabilities..... | 2,729,006 | — | 102,652 | 96,562 | 116,888 | 127,588 | 241,653 | 132,770 | 124,527 | 128,758 | 73,766 | 85,532 | 1,496,310 |
| Mortgages, notes, and bonds payable in one year or more..... | 4,782,850 | — | 154,062 | 341,835 | 392,763 | 599,908 | 994,998 | 337,933 | 423,238 | 267,743 | 192,708 | 239,707 | 837,955 |
| Net worth..... | 6,420,779 | — | 162,104 | 335,557 | 442,627 | 381,805 | 765,940 | 373,663 | 538,049 | 358,005 | 317,204 | 245,161 | 2,814,972 |
| Cost of property used for investment credit..... | 1,517,708 | 1,621 | 53,249 | 114,269 | 72,060 | 109,820 | 204,233 | 41,813 | 80,429 | 79,522 | 32,896 | 692,669 | 692,669 |
| Total receipts..... | 21,227,669 | 253,521 | 1,566,195 | 2,106,111 | 1,374,473 | 1,752,710 | 3,103,466 | 1,140,255 | 1,168,831 | 967,290 | 846,957 | 1,173,734 | 5,774,126 |
| Business receipts..... | 19,586,029 | 212,341 | 1,519,504 | 2,026,469 | 1,246,470 | 1,654,506 | 2,866,932 | 1,036,831 | 1,063,758 | 849,920 | 799,941 | 1,142,647 | 5,146,710 |
| Cost of sales and operations..... | 10,255,220 | 104,575 | 722,434 | 1,025,146 | 610,944 | 860,376 | 1,539,601 | 539,679 | 540,778 | 419,631 | 443,863 | 779,778 | 2,668,415 |
| Taxes paid..... | 777,419 | 15,235 | 44,267 | 97,245 | 64,022 | 69,970 | 136,833 | 55,717 | 64,669 | 44,005 | 53,656 | 35,155 | 96,645 |
| Interest paid..... | 563,708 | 7,446 | 14,862 | 45,955 | 43,957 | 57,444 | 84,868 | 31,497 | 38,933 | 26,311 | 27,939 | 155,324 | 155,324 |
| Depreciation..... | 1,841,722 | 12,042 | 56,409 | 107,042 | 88,406 | 98,220 | 200,089 | 53,687 | 83,927 | 73,268 | 42,970 | 1,003,446 | 1,003,446 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 170,592 | *1,616 | -5,495 | 57,658 | 8,842 | 11,553 | 18,670 | 13,211 | 11,257 | 6,938 | 4,931 | 2,574 | 2,574 |
| Employee benefit programs..... | 83,096 | *633 | 3,489 | 3,391 | 4,383 | 5,737 | 9,214 | 6,392 | 8,571 | 5,332 | 10,838 | 4,002 | 20,114 |
| Net income (less deficit)..... | 1,048,795 | 3,274 | -42,534 | 16,975 | 64,730 | 35,658 | 151,362 | 51,473 | 73,377 | 106,357 | 31,824 | 36,048 | 520,256 |
| Net income..... | 1,477,256 | 18,323 | 78,567 | 91,364 | 94,309 | 86,467 | 202,257 | 94,142 | 98,478 | 116,543 | 40,502 | 36,048 | 520,256 |
| Income subject to tax..... | 1,142,961 | 8,602 | 31,346 | 48,961 | 34,002 | 67,957 | 141,447 | 76,309 | 73,274 | 84,715 | 37,729 | 33,261 | 505,348 |
| Income tax, total..... | 490,045 | 3,588 | 5,463 | 11,635 | 7,314 | 23,620 | 59,593 | 33,866 | 34,146 | 39,661 | 17,873 | 15,607 | 237,679 |
| Additional tax for tax preferences..... | 496 | 7 | — | — | — | *298 | *28 | *63 | 27 | 16 | 33 | 24 | — |
| Foreign tax credit..... | 48,678 | — | — | — | *68 | — | *1,471 | *71 | 354 | 90 | 385 | 90 | 46,149 |
| U.S. possessions tax credit..... | 102 | — | — | — | — | 102 | — | — | — | — | — | — | — |
| Investment credit..... | 95,923 | *69 | 1,135 | 3,343 | 1,800 | 4,675 | 7,566 | 2,054 | 2,400 | 3,352 | 1,561 | 1,266 | 66,702 |
| Work incentive (WIN) credit..... | *78 | — | — | — | — | — | *77 | (¹) | — | — | — | — | 1 |
| New jobs credit..... | 8,736 | — | (¹) | *394 | *135 | 2,223 | 3,044 | 670 | 711 | 765 | 206 | 188 | 400 |
| Distributions to stockholders except in own stock..... | 248,931 | 19 | *12,801 | 29,200 | 36,951 | 10,144 | 28,849 | 16,132 | 18,016 | 29,074 | 3,533 | 4,604 | 58,888 |

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

RETURNS OF ACTIVE CORPORATIONS

Table 6.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Major Industry, by Size of Total Assets—Continued

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

| Major industry, item | Total returns of active corporations | Size of total assets | | | | | | | | | | | |
|--|--------------------------------------|----------------------|---------------------|---------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|
| | | Zero assets | \$1 under \$100,000 | \$100,000 under \$250,000 | \$250,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$25,000,000 | \$25,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Services: Other Services | | | | | | | | | | | | | |
| Number of returns..... | 232,722 | 6,163 | 189,139 | 22,284 | 8,279 | 3,685 | 2,583 | 404 | 120 | 34 | 17 | 6 | 6 |
| Total assets..... | 29,970,147 | — | 4,819,825 | 3,385,987 | 2,855,379 | 2,515,061 | 5,411,180 | 3,295,832 | 1,796,546 | 1,182,558 | 1,143,705 | 1,105,752 | 2,458,322 |
| Notes and accounts receivable, net..... | 5,235,601 | — | 500,331 | 553,202 | 485,818 | 496,336 | 961,718 | 635,865 | 434,374 | 243,293 | 243,908 | 349,076 | 331,680 |
| Inventories..... | 1,368,419 | — | 136,793 | 159,600 | 143,729 | 97,520 | 313,996 | 235,346 | 99,801 | 40,393 | 35,364 | 32,395 | 32,395 |
| Cash, Government obligations, and other current assets..... | 5,706,845 | — | 1,499,871 | 908,840 | 576,667 | 413,903 | 849,334 | 526,586 | 275,160 | 123,596 | 148,441 | 90,163 | 294,284 |
| Other investments and loans..... | 3,864,722 | — | 491,750 | 465,322 | 280,368 | 241,039 | 927,684 | 280,868 | 249,439 | 239,618 | 296,692 | 264,878 | 187,264 |
| Depreciable assets..... | 16,684,155 | — | 3,535,927 | 1,718,870 | 1,683,928 | 1,484,767 | 2,569,235 | 1,839,151 | 827,371 | 588,931 | 468,172 | 336,225 | 1,631,578 |
| Less: Accumulated depreciation..... | 5,971,297 | — | 1,728,649 | 714,653 | 635,425 | 543,698 | 848,475 | 601,102 | 231,151 | 149,474 | 119,695 | 87,118 | 311,857 |
| Other capital assets less reserves..... | 1,631,198 | — | 156,117 | 195,765 | 184,872 | 207,816 | 314,764 | 179,747 | 84,649 | 59,227 | 61,317 | 51,472 | 135,452 |
| Accounts and notes payable..... | 5,642,082 | — | 1,043,331 | 644,791 | 562,136 | 569,674 | 1,195,473 | 656,922 | 324,791 | 143,391 | 136,145 | 126,812 | 238,616 |
| Other current liabilities..... | 3,399,013 | — | 667,145 | 456,903 | 297,672 | 280,734 | 523,107 | 361,302 | 196,429 | 156,918 | 123,187 | 160,270 | 175,346 |
| Mortgages, notes, and bonds payable in one year or more..... | 8,462,129 | — | 785,500 | 537,187 | 669,821 | 769,567 | 1,747,831 | 1,099,237 | 619,707 | 443,367 | 420,973 | 381,202 | 987,737 |
| Net worth..... | 9,185,736 | — | 1,372,538 | 1,399,503 | 999,328 | 710,772 | 1,291,232 | 910,199 | 490,669 | 340,727 | 409,413 | 318,866 | 942,489 |
| Cost of property used for investment credit..... | 3,640,489 | 8,304 | 567,766 | 232,251 | 207,916 | 92,698 | 2,220,663 | 64,395 | 52,878 | 38,677 | 23,213 | 21,900 | 109,808 |
| Total receipts..... | 64,867,826 | 473,247 | 28,359,313 | 9,248,793 | 6,649,323 | 3,797,289 | 7,167,407 | 1,907,433 | 1,989,660 | 1,265,214 | 1,080,400 | 809,590 | 2,120,157 |
| Business receipts..... | 63,287,807 | 449,700 | 28,010,595 | 9,124,693 | 6,515,828 | 3,696,602 | 6,871,860 | 1,785,579 | 1,898,379 | 1,192,774 | 987,513 | 756,319 | 1,988,472 |
| Cost of sales and operations..... | 26,609,734 | 241,145 | 8,057,743 | 3,648,771 | 3,279,611 | 2,002,174 | 4,173,165 | 1,095,510 | 1,137,764 | 834,061 | 631,468 | 563,829 | 944,493 |
| Taxes paid..... | 2,081,867 | 17,628 | 779,009 | 299,413 | 217,070 | 137,404 | 268,237 | 68,803 | 76,602 | 42,877 | 38,481 | 28,224 | 88,119 |
| Interest paid..... | 852,780 | 13,765 | 128,300 | 70,207 | 72,815 | 76,441 | 180,640 | 54,434 | 51,538 | 34,316 | 36,347 | 19,972 | 114,005 |
| Depreciation..... | 1,445,776 | 11,581 | 453,014 | 186,708 | 138,583 | 103,893 | 246,667 | 55,391 | 50,796 | 33,398 | 27,135 | 20,220 | 118,390 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 2,693,846 | *4,806 | 1,847,774 | 423,837 | 191,449 | 73,369 | 73,117 | 13,804 | 22,007 | 13,124 | 4,559 | 3,200 | 22,800 |
| Employee benefit programs..... | 531,524 | 12,944 | 214,008 | 69,637 | 49,928 | 41,521 | 62,410 | 9,116 | 18,786 | 7,760 | 6,692 | 4,756 | 33,966 |
| Net income (less deficit)..... | 1,768,294 | 4,033 | 516,663 | 316,717 | 205,585 | 95,206 | 137,845 | 84,506 | 88,503 | 84,758 | 64,559 | 18,430 | 151,489 |
| Net income..... | 2,668,098 | 26,572 | 906,165 | 428,144 | 281,416 | 170,875 | 287,348 | 122,358 | 116,783 | 85,380 | 65,380 | 26,183 | 151,489 |
| Income subject to tax..... | 1,847,188 | 17,499 | 555,502 | 310,221 | 187,455 | 118,510 | 228,446 | 77,344 | 92,594 | 60,451 | 29,901 | 20,824 | 148,441 |
| Income tax, total..... | 582,548 | 6,900 | 111,503 | 72,456 | 56,828 | 39,660 | 94,742 | 35,797 | 43,009 | 28,446 | 13,273 | 9,936 | 69,598 |
| Additional tax for tax preferences..... | 522 | — | — | — | — | *95 | *103 | *15 | 72 | 8 | 89 | — | 140 |
| Foreign tax credit..... | 13,307 | *8 | — | *156 | — | *160 | *771 | *7 | 2,620 | 2,125 | 39 | — | 7,421 |
| U.S. possessions tax credit..... | 161 | (¹) | — | — | 8 | 153 | — | — | — | — | — | — | — |
| Investment credit..... | 92,738 | *2,085 | 21,185 | 11,186 | 9,881 | 5,987 | 11,096 | 3,267 | 3,593 | 4,311 | 2,898 | 1,065 | 16,184 |
| Work incentive (WIN) credit..... | 155 | — | — | — | *19 | *41 | *33 | *15 | 32 | (¹) | 7 | 2 | 6 |
| New jobs credit..... | 68,609 | 1 | 13,278 | 15,655 | 9,954 | 5,885 | 15,392 | 3,524 | 1,935 | 1,151 | 675 | 219 | 400 |
| Distributions to stockholders except in own stock..... | 428,780 | *46,764 | 90,409 | 110,593 | 35,926 | 19,334 | 62,199 | 15,822 | 16,957 | 5,661 | 6,429 | 3,718 | 14,968 |
| Nature of Business not Allocable | | | | | | | | | | | | | |
| Number of returns..... | 4,268 | 50 | 2,708 | *332 | 601 | 272 | 276 | *18 | 11 | — | — | — | — |
| Total assets..... | 1,430,866 | — | 79,791 | *52,744 | 229,649 | 172,006 | 615,901 | *116,655 | 164,120 | — | — | — | — |
| Notes and accounts receivable, net..... | 292,764 | — | *12,039 | *790 | *36,338 | 46,715 | 130,760 | *29,598 | 36,524 | — | — | — | — |
| Inventories..... | 309,622 | — | 21,863 | *16,589 | *51,259 | *48,467 | 135,897 | *21,393 | 14,154 | — | — | — | — |
| Cash, Government obligations, and other current assets..... | 217,743 | — | 8,141 | *12,294 | 30,964 | 24,301 | 77,008 | *19,668 | 45,367 | — | — | — | — |
| Other investments and loans..... | 195,852 | — | *3,885 | *34,658 | *19,053 | 102,695 | *6,210 | *21,653 | — | — | — | — | — |
| Depreciable assets..... | 601,287 | — | *51,095 | *31,582 | *116,364 | 61,038 | 218,981 | *65,979 | 56,248 | — | — | — | — |
| Less: Accumulated depreciation..... | 286,918 | — | *15,928 | *55,327 | 37,290 | 98,084 | *35,325 | 20,280 | — | — | — | — | — |
| Other capital assets less reserves..... | 58,458 | — | *798 | *635 | *9,790 | *6,536 | 31,671 | *4,899 | 4,129 | — | — | — | — |
| Accounts and notes payable..... | 360,060 | — | 27,367 | *10,062 | *52,882 | 78,693 | 132,990 | *29,778 | 28,288 | — | — | — | — |
| Other current liabilities..... | 228,828 | — | 3,401 | *5,306 | *35,536 | *13,825 | 134,363 | *3,909 | 32,488 | — | — | — | — |
| Mortgages, notes, and bonds payable in one year or more..... | 236,857 | — | *11,732 | *7,041 | *40,944 | *68,104 | 32,300 | *21,777 | 54,959 | — | — | — | — |
| Net worth..... | 498,384 | — | 12,597 | *25,615 | 78,925 | 3,526 | 289,827 | *42,342 | 45,552 | — | — | — | — |
| Cost of property used for investment credit..... | 58,028 | 111 | *2,038 | *8,688 | *28,362 | *247 | 8,527 | *5,781 | 4,274 | — | — | — | — |
| Total receipts..... | 3,015,136 | 27,476 | 170,140 | *333,116 | 383,432 | 536,786 | 1,087,469 | *286,173 | 190,544 | — | — | — | — |
| Business receipts..... | 2,854,276 | *26,097 | 158,978 | *330,147 | *269,393 | 532,943 | 1,075,515 | *277,428 | 183,775 | — | — | — | — |
| Cost of sales and operations..... | 2,268,575 | *9,564 | 98,139 | *234,587 | *193,641 | 384,182 | 972,013 | *245,592 | 130,857 | — | — | — | — |
| Taxes paid..... | 45,402 | 263 | 3,924 | *4,655 | 11,645 | 2,975 | 15,739 | *3,021 | 3,180 | — | — | — | — |
| Interest paid..... | 124,601 | 306 | 1,424 | *1,349 | *105,803 | 4,233 | 3,927 | *3,696 | 3,863 | — | — | — | — |
| Depreciation..... | 74,197 | 276 | *8,121 | *1,877 | *40,417 | 4,694 | 9,573 | *6,399 | 2,840 | — | — | — | — |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 9,611 | 12 | *668 | *2,916 | *165 | *1,867 | *2,413 | *675 | 895 | — | — | — | — |
| Employee benefit programs..... | 17,955 | 11 | *334 | *1,264 | *734 | *513 | *13,804 | *807 | 328 | — | — | — | — |
| Net income (less deficit)..... | -184,657 | 13,346 | -14,028 | *11,749 | -157,467 | -3,589 | -34,739 | *-1,791 | 1,862 | — | — | — | — |
| Net income..... | 66,776 | 15,355 | *662 | *13,435 | *8,537 | *1,996 | 15,887 | *942 | 9,862 | — | — | — | — |
| Income subject to tax..... | 39,429 | *1,166 | *328 | *5,040 | *6,741 | *1,825 | 15,339 | *942 | 8,048 | — | — | — | — |
| Income tax, total..... | 15,218 | *534 | (¹) | *1,024 | *2,181 | *489 | 6,830 | *414 | 3,746 | — | — | — | — |
| Additional tax for tax preferences..... | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Foreign tax credit..... | — | — | — | — | — | — | — | — | — | — | — | — | — |
| U.S. possessions tax credit..... | 253 | — | — | — | — | — | — | — | — | — | — | — | — |
| Investment credit..... | 1,686 | (¹) | (¹) | — | *264 | (¹) | 128 | 125 | 674 | — | — | — | — |
| Work incentive (WIN) credit..... | — | — | — | — | — | — | — | — | — | — | — | — | — |
| New jobs credit..... | *1,221 | — | — | — | *231 | — | *821 | — | 169 | — | — | — | — |
| Distributions to stockholders except in own stock..... | *6,596 | — | — | *5,700 | — | *190 | — | *126 | 580 | — | — | — | — |

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

**Identifies (a) size classes for which data were deleted to avoid disclosure of information for specific corporations and (b) combined frequencies or amounts which include the data thus deleted from another size class.

¹Less than \$500 per return.

NOTE: Classification by size was based on amounts rounded to thousands of dollars prior to tabulation. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

RETURNS OF ACTIVE CORPORATIONS

Table 7.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Industrial Division, by Size of Business Receipts

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

| Industrial division, item | Total returns of active corporations | Size of business receipts | | | | | | | | | | | |
|--|--------------------------------------|-----------------------------|-------------------------|--------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|----------------------------------|--------------------------------|-----------------------------------|-----------------------|
| | | Under \$25,000 ¹ | \$25,000 under \$50,000 | \$50,000 under \$100,000 | \$100,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 to \$250,000,000 | \$250,000,000 under \$500,000,000 | \$500,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| All Industrial Divisions² | | | | | | | | | | | | | |
| Number of returns..... | 2,241,887 | 483,805 | 192,030 | 269,393 | 766,949 | 213,479 | 245,598 | 37,020 | 25,958 | 2,610 | 1,640 | 615 | 790 |
| Total assets..... | 5,326,389,281 | 34,049,627 | 17,037,978 | 27,488,414 | 145,412,202 | 123,034,895 | 516,159,093 | 273,345,649 | 634,426,694 | 315,030,847 | 487,619,025 | 356,565,521 | 2,396,219,346 |
| Notes and accounts receivable, net..... | 1,303,557,066 | 3,736,653 | 1,932,614 | 3,473,421 | 26,833,573 | 34,051,821 | 161,437,810 | 67,734,339 | 137,860,117 | 75,403,286 | 132,912,101 | 93,526,491 | 564,654,840 |
| Inventories..... | 396,032,639 | 1,269,227 | 651,376 | 1,588,620 | 14,994,701 | 14,025,413 | 52,361,455 | 26,333,375 | 51,026,974 | 18,388,189 | 25,438,744 | 167,685,786 | 1,678,578 |
| Cash, Government obligations, and other current assets..... | 923,464,054 | 5,772,269 | 2,888,241 | 4,766,936 | 27,511,397 | 27,331,405 | 112,603,887 | 50,838,070 | 114,598,780 | 59,509,000 | 101,633,489 | 66,931,128 | 349,079,452 |
| Other investments and loans..... | 1,496,358,518 | 7,627,440 | 3,199,979 | 3,959,272 | 19,116,395 | 16,646,796 | 110,500,530 | 92,615,433 | 250,078,556 | 121,569,099 | 149,608,008 | 95,115,061 | 626,319,949 |
| Depreciable assets..... | 1,536,011,959 | 11,459,855 | 8,362,538 | 15,064,429 | 70,689,487 | 41,645,389 | 109,208,248 | 47,902,308 | 100,325,537 | 48,413,260 | 95,121,650 | 95,068,355 | 892,750,903 |
| Less: Accumulated depreciation..... | 576,129,137 | 4,088,986 | 3,380,419 | 6,344,246 | 30,690,221 | 18,562,046 | 49,011,821 | 20,901,891 | 40,579,243 | 18,991,358 | 32,839,045 | 30,805,056 | 319,934,805 |
| Other capital assets less reserves..... | 115,826,252 | 6,577,496 | 2,751,371 | 3,960,390 | 12,111,367 | 5,221,125 | 11,303,723 | 5,006,149 | 10,773,488 | 4,776,184 | 6,251,387 | 5,874,908 | 41,319,024 |
| Accounts and notes payable..... | 666,326,899 | 7,869,277 | 2,600,292 | 5,479,398 | 30,611,279 | 24,081,318 | 85,579,140 | 42,154,160 | 81,534,707 | 31,892,805 | 47,754,159 | 32,401,187 | 274,369,177 |
| Other current liabilities..... | 2,062,786,447 | 1,769,989 | 875,101 | 1,565,723 | 22,224,859 | 40,355,299 | 246,479,609 | 140,743,367 | 333,934,695 | 169,986,449 | 251,974,026 | 142,601,364 | 710,275,746 |
| Mortgages, notes, and bonds payable in one year or more..... | 694,119,251 | 9,846,593 | 4,860,979 | 7,886,444 | 34,995,956 | 20,085,511 | 51,488,100 | 23,198,102 | 52,410,536 | 26,102,540 | 45,816,423 | 52,420,439 | 365,207,628 |
| Net worth..... | 1,350,970,865 | 6,834,627 | 6,014,984 | 8,879,789 | 43,825,369 | 30,922,183 | 111,009,199 | 56,479,418 | 133,980,192 | 64,273,173 | 100,637,759 | 83,784,304 | 704,329,969 |
| Cost of property used for investment credit..... | 168,472,101 | 955,301 | 643,900 | 1,200,704 | 6,761,637 | 4,411,217 | 12,641,019 | 7,255,770 | 10,534,685 | 5,202,761 | 11,259,852 | 11,060,072 | 96,545,187 |
| Total receipts..... | 4,128,304,478 | 5,306,457 | 7,666,926 | 20,520,691 | 188,473,586 | 153,305,429 | 526,993,099 | 261,197,330 | 502,819,142 | 261,197,330 | 260,799,362 | 217,489,586 | 1,798,642,649 |
| Business receipts..... | 3,813,925,121 | 2,315,024 | 5,636,949 | 17,632,463 | 177,506,109 | 145,263,169 | 494,365,863 | 243,514,955 | 461,599,231 | 163,388,456 | 232,060,433 | 196,661,541 | 1,673,980,928 |
| Cost of sales and operations..... | 2,725,009,554 | 1,014,108 | 2,483,098 | 8,077,294 | 95,820,030 | 93,023,885 | 360,187,156 | 186,658,262 | 355,414,048 | 120,665,999 | 166,207,186 | 138,489,234 | 1,196,969,254 |
| Taxes paid..... | 104,282,166 | 449,207 | 456,839 | 972,685 | 6,314,931 | 4,172,959 | 11,148,374 | 4,998,791 | 9,178,707 | 3,991,330 | 6,635,844 | 5,738,252 | 50,224,247 |
| Interest paid..... | 152,865,323 | 779,157 | 444,436 | 827,654 | 4,265,973 | 3,760,259 | 17,081,685 | 6,894,399 | 22,355,968 | 11,646,531 | 14,962,601 | 10,316,601 | 56,729,760 |
| Depreciation..... | 106,972,692 | 676,234 | 534,635 | 1,051,033 | 5,684,680 | 3,586,974 | 9,520,983 | 4,062,728 | 8,028,936 | 3,645,576 | 6,665,721 | 6,181,865 | 57,333,327 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 36,483,699 | 22,775 | 22,534 | 142,742 | 2,173,542 | 1,054,539 | 616,453 | 1,967,045 | 967,474 | 1,825,695 | 1,390,192 | 1,387,820 | 13,603,525 |
| Employee benefit programs..... | 23,498,403 | 29,257 | 29,551 | 75,755 | 714,790 | 17,591,663 | 9,218,656 | 21,206,847 | 9,203,032 | 13,738,813 | 11,302,276 | 127,694,125 | 1,196,969,254 |
| Net income (less deficit)..... | 219,243,043 | -1,733,413 | 70,563 | 406,691 | 5,688,823 | 4,855,167 | 17,591,663 | 9,218,656 | 21,206,847 | 10,365,549 | 14,870,639 | 12,047,229 | 130,820,177 |
| Net income..... | 245,274,490 | 920,207 | 884,103 | 1,631,745 | 9,867,145 | 6,885,374 | 21,839,171 | 10,888,977 | 24,223,634 | 10,365,549 | 14,870,639 | 12,047,229 | 130,820,177 |
| Income subject to tax..... | 212,501,782 | 558,056 | 522,515 | 956,202 | 6,218,627 | 4,735,961 | 15,964,549 | 8,455,916 | 18,978,697 | 8,455,916 | 12,765,926 | 11,091,280 | 123,785,100 |
| Income tax, total..... | 96,340,453 | 151,398 | 117,270 | 224,164 | 1,562,279 | 1,358,967 | 6,031,930 | 3,734,182 | 8,853,039 | 4,024,502 | 6,051,114 | 5,257,852 | 58,973,756 |
| Additional tax for tax preferences..... | 263,316 | 756 | 519 | 284 | 5,754 | 3,732 | 21,230 | 16,633 | 36,940 | 16,899 | 22,557 | 22,088 | 115,925 |
| Foreign tax credit..... | 26,006,028 | 17,131 | 346 | 761 | 14,578 | 4,992 | 39,665 | 35,342 | 174,223 | 337,202 | 450,289 | 409,361 | 24,522,138 |
| U.S. possessions tax credit..... | 837,687 | 2,949 | 6 | 112 | 1,173 | 4,129 | 56,036 | 74,816 | 315,870 | 238,882 | 78,636 | 65,078 | — |
| Investment credit..... | 11,038,404 | 8,574 | 8,458 | 26,917 | 232,053 | 197,399 | 660,417 | 302,519 | 635,810 | 295,851 | 672,563 | 665,068 | 7,332,775 |
| Work incentive (WIN) credit..... | 1,703,838 | 500 | 166 | 1,413 | 135,817 | 860 | 583,172 | 270,810 | 3,231 | 539 | 619 | 350 | 5,582 |
| New jobs credit..... | 1,109,087 | *671 | *1,019 | 17,543 | 242,908 | 81,239 | 28,260 | 49,015 | 10,817 | 19,949 | 8,300 | 20,769 | 36,683,911 |
| Total wages paid in 1977..... | 310,101,059 | 206,138 | 218,026 | 840,326 | 12,621,307 | 11,421,010 | 37,183,160 | 18,913,318 | 43,441,991 | 13,543,026 | 20,473,015 | 17,185,783 | 134,053,959 |
| Distributions to stockholders except in own stock..... | 61,536,761 | 818,250 | 290,114 | 377,568 | 1,697,584 | 968,484 | 3,622,796 | 1,963,168 | 4,846,921 | 2,538,596 | 4,197,201 | 3,532,168 | 36,683,911 |
| Agriculture, Forestry, and Fishing | | | | | | | | | | | | | |
| Number of returns..... | 65,594 | 13,603 | 8,400 | 8,533 | 25,524 | 5,126 | 3,606 | 473 | 314 | 8 | 7 | 7 | 7 |
| Total assets..... | 28,902,259 | 1,684,956 | 1,204,215 | 1,760,835 | 8,432,919 | 3,258,100 | 5,371,507 | 1,708,818 | 3,012,871 | 483,021 | 1,985,017 | 267,469 | 1,985,017 |
| Notes and accounts receivable, net..... | 2,548,012 | 67,419 | 45,459 | 58,154 | 399,158 | 249,772 | 586,683 | 253,309 | 546,958 | 73,631 | 30,719 | 257,482 | 30,719 |
| Inventories..... | 2,838,025 | 36,211 | 39,939 | 64,828 | 584,631 | 281,292 | 684,125 | 217,902 | 580,896 | 90,471 | 179,373 | 179,373 | 179,373 |
| Cash, Government obligations, and other current assets..... | 2,749,895 | 101,741 | 119,085 | 138,575 | 753,161 | 305,387 | 664,409 | 176,506 | 276,905 | 436,017 | 93,678 | 362,791 | 362,791 |
| Other investments and loans..... | 3,001,748 | 128,395 | 109,043 | 151,657 | 755,467 | 318,566 | 424,547 | 221,587 | 436,017 | 436,017 | 93,678 | 362,791 | 362,791 |
| Depreciable assets..... | 16,853,654 | 720,709 | 495,164 | 1,016,156 | 5,398,910 | 2,220,042 | 3,307,004 | 1,042,081 | 1,367,706 | 274,057 | 1,011,825 | 1,011,825 | 1,011,825 |
| Less: Accumulated depreciation..... | 7,479,742 | 269,348 | 205,442 | 432,893 | 2,437,206 | 927,964 | 1,444,461 | 458,091 | 587,155 | 143,478 | 513,704 | 513,704 | 513,704 |
| Other capital assets less reserves..... | 7,035,254 | 837,391 | 536,212 | 672,249 | 2,852,651 | 1,765,877 | 989,217 | 203,774 | 277,588 | 41,354 | 58,941 | 58,941 | 58,941 |
| Accounts and notes payable..... | 6,778,389 | 177,171 | 219,293 | 350,260 | 1,648,344 | 844,134 | 1,527,329 | 604,072 | 967,787 | 105,532 | 105,532 | 105,532 | 105,532 |
| Other current liabilities..... | 1,331,156 | 14,390 | 17,445 | 26,181 | 235,801 | 108,190 | 341,826 | 94,651 | 252,374 | 42,901 | 81,847 | 197,397 | 197,397 |
| Mortgages, notes, and bonds payable in one year or more..... | 9,175,057 | 637,982 | 326,967 | 612,611 | 2,936,279 | 1,164,969 | 1,616,661 | 554,942 | 719,699 | 81,847 | 523,700 | 523,700 | 523,700 |
| Net worth..... | 8,927,574 | 483,201 | 437,803 | 495,616 | 2,808,061 | 791,515 | 1,520,889 | 377,194 | 893,710 | 248,433 | 871,152 | 871,152 | 871,152 |
| Cost of property used for investment credit..... | 1,987,523 | 71,836 | 68,359 | 149,741 | 683,184 | 288,201 | 340,035 | 117,937 | 156,965 | 39,732 | 71,533 | 71,533 | 71,533 |
| Total receipts..... | 35,907,867 | 218,582 | 404,197 | 762,960 | 6,442,827 | 3,717,827 | 7,649,203 | 3,990,921 | 6,467,037 | 1,268,172 | 5,486,141 | 5,486,141 | 5,486,141 |
| Business receipts..... | 33,901,272 | 123,293 | 233,672 | 633,089 | 5,915,673 | 3,524,725 | 7,275,787 | 3,348,264 | 6,238,882 | 1,268,172 | 5,353,428 | 5,353,428 | 5,353,428 |
| Cost of sales and operations..... | 24,703,484 | 86,893 | 164,191 | 358,984 | 3,357,144 | 2,218,875 | 5,386,198 | 2,764,921 | 5,356,693 | 998,705 | 4,008,880 | 4,008,880 | 4,008,880 |
| Taxes paid..... | 825,364 | 17,912 | 19,320 | 32,627 | 224,066 | 100,918 | 100,918 | 208,253 | 75,773 | 116,962 | 13,528 | 57,426 | 57,426 |
| Interest paid..... | 1,100,868 | 33,916 | 34,927 | 78,492 | 337,662 | 143,929 | 180,080 | 266,802 | 79,770 | 121,676 | 68,848 | 68,848 | 68,848 |
| Depreciation..... | 1,474,026 | 44,764 | 43,845 | 93,873 | 514,431 | 211,416 | 340,035 | 117,937 | 156,965 | 39,732 | 71,533 | 71,533 | 71,533 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 1,228,788 | *507 | *498 | *112 | 2,285 | 18,040 | 14,714 | 6,996 | 7,170 | 16,108 | 8,991 | 1,736 | 36,031 |
| Employee benefit programs..... | 92,024 | *397 | 953 | 1,239 | 14,526 | 80,295 | 201,136 | 90,315 | 149,046 | 39,131 | 126,722 | 126,722 | 126,722 |
| Net income (less deficit)..... | 708,956 | -73,046 | -9,227 | -24,191 | 128,775 | 59,172 | 188,311 | 341,060 | 130,216 | 177,250 | 177,250 | 177,250 | 177,250 |
| Net income..... | 1,740,130 | 51,334 | 52,310 | 100,714 | 523,719 | 188,311 | 341,060 | | | | | | |

RETURNS OF ACTIVE CORPORATIONS

Table 7.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Industrial Division, by Size of Business Receipts—Continued

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

| Industrial division, item | Total returns of active corporations | Size of business receipts | | | | | | | | | | | |
|--|--------------------------------------|-----------------------------|-------------------------|--------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------------------|-----------------------|
| | | Under \$25,000 ¹ | \$25,000 under \$50,000 | \$50,000 under \$100,000 | \$100,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 under \$500,000,000 | \$500,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Mining | | | | | | | | | | | | | |
| Number of returns..... | 19,216 | 4,792 | 1,676 | 1,008 | 5,842 | 2,312 | 2,716 | 428 | 332 | 50 | 33 | 13 | 14 |
| Total assets..... | 88,377,059 | 1,288,677 | 318,977 | 293,490 | 1,924,289 | 1,662,603 | 5,679,546 | 3,010,433 | 8,439,619 | 6,187,462 | 8,531,648 | 11,406,646 | 39,633,669 |
| Notes and accounts receivable, net..... | 17,326,699 | 126,452 | 55,771 | 29,417 | 344,357 | 244,174 | 958,789 | 499,508 | 1,040,731 | 1,204,619 | 916,280 | 1,335,223 | 10,571,378 |
| Inventories..... | 4,360,146 | 81,224 | *21,590 | *410 | 67,998 | 57,381 | 209,620 | 112,490 | 279,868 | 294,672 | 344,655 | 783,798 | 2,106,440 |
| Cash, Government obligations, and other current assets..... | 8,342,680 | 163,176 | 88,789 | 51,536 | 313,501 | 307,522 | 894,751 | 442,707 | 994,084 | 420,255 | 794,410 | 951,269 | 2,920,680 |
| Other investments and loans..... | 19,165,730 | 372,576 | 36,393 | 51,090 | 259,851 | 155,664 | 611,141 | 235,804 | 844,118 | 1,305,330 | 1,666,920 | 2,847,282 | 10,779,561 |
| Depreciable assets..... | 44,961,816 | 497,794 | 85,870 | 119,083 | 1,071,032 | 1,086,504 | 3,945,914 | 2,179,270 | 5,614,925 | 3,282,941 | 5,431,032 | 5,528,663 | 16,118,788 |
| Less: Accumulated depreciation..... | 16,419,702 | 266,922 | 39,150 | 31,711 | 456,291 | 553,789 | 1,873,335 | 1,082,911 | 2,226,363 | 1,484,103 | 1,747,827 | 1,679,086 | 4,992,214 |
| Other capital assets less reserves..... | 8,573,530 | 191,820 | 35,648 | 72,516 | 274,443 | 253,701 | 767,862 | 546,524 | 1,427,494 | 944,446 | 802,448 | 1,478,773 | 1,679,855 |
| Accounts and notes payable..... | 11,817,978 | 163,869 | 103,006 | 79,992 | 539,948 | 479,415 | 1,394,023 | 745,107 | 1,291,103 | 1,295,671 | 759,016 | 1,563,781 | 3,403,047 |
| Other current liabilities..... | 12,755,586 | 58,196 | 8,535 | 16,771 | 106,448 | 126,976 | 485,922 | 200,608 | 616,599 | 377,866 | 767,531 | 675,593 | 9,314,541 |
| Mortgages, notes, and bonds payable in one year or more..... | 15,098,612 | 286,900 | *64,530 | 56,502 | 371,117 | 377,222 | 1,253,459 | 676,227 | 2,245,956 | 1,144,500 | 2,553,295 | 2,976,179 | 3,092,725 |
| Net worth..... | 42,681,609 | 419,691 | 51,163 | 120,642 | 659,580 | 576,294 | 2,233,344 | 1,214,355 | 3,885,325 | 2,996,793 | 3,794,335 | 5,375,419 | 21,354,668 |
| Cost of property used for investment credit..... | 4,974,226 | 53,087 | 38,117 | 38,117 | 211,890 | 247,053 | 815,725 | 311,119 | 722,274 | 433,179 | 579,508 | 641,833 | 888,913 |
| Total receipts..... | 96,164,753 | 147,648 | 123,078 | 97,930 | 1,692,252 | 1,747,802 | 6,350,652 | 3,112,800 | 7,002,440 | 3,998,483 | 5,492,593 | 5,022,971 | 61,376,104 |
| Business receipts..... | 92,553,482 | 16,745 | 57,413 | 74,250 | 1,551,133 | 1,602,625 | 5,944,274 | 2,942,565 | 6,603,712 | 3,466,630 | 5,107,569 | 4,606,892 | 60,575,674 |
| Cost of sales and operations..... | 44,842,332 | 21,846 | 23,733 | 50,130 | 816,336 | 929,429 | 3,752,298 | 1,788,256 | 4,106,961 | 2,208,937 | 2,975,451 | 2,631,640 | 25,537,315 |
| Taxes paid..... | 1,509,443 | 9,575 | 4,225 | 4,179 | 58,295 | 61,497 | 190,689 | 109,426 | 220,070 | 112,680 | 181,875 | 180,928 | 366,004 |
| Interest paid..... | 1,507,786 | 14,087 | 5,850 | 5,780 | 45,971 | 42,790 | 148,269 | 77,952 | 213,652 | 116,271 | 272,683 | 248,159 | 316,302 |
| Depreciation..... | 3,043,533 | 13,004 | 8,796 | 7,863 | 116,474 | 132,021 | 444,534 | 214,902 | 474,661 | 262,006 | 349,360 | 300,998 | 718,924 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 418,761 | 4,735 | — | *76 | 2,027 | 14,235 | 38,139 | 29,169 | 32,483 | 30,907 | 37,462 | 44,970 | 184,578 |
| Employee benefit programs..... | 273,465 | 5,767 | *5,120 | *99 | 8,795 | 5,582 | 21,697 | 14,543 | 39,798 | 35,184 | 38,841 | 19,521 | 80,518 |
| Net income (less deficit)..... | 31,353,923 | -234,937 | 3,569 | -20,951 | 56,179 | 56,143 | 323,443 | 190,439 | 505,465 | 567,219 | 620,363 | 474,659 | 28,812,332 |
| Net income..... | 32,581,722 | 76,322 | 38,165 | 13,608 | 163,276 | 146,384 | 563,086 | 251,526 | 706,044 | 634,113 | 647,365 | 529,501 | 28,812,332 |
| Income subject to tax..... | 31,919,909 | 69,881 | 14,771 | 8,894 | 102,569 | 95,721 | 396,000 | 195,920 | 642,625 | 590,531 | 584,132 | 508,210 | 28,710,655 |
| Income tax, total..... | 15,263,122 | 28,069 | 3,699 | 2,561 | 32,416 | 34,613 | 173,559 | 96,004 | 311,596 | 288,337 | 284,866 | 236,541 | 13,770,861 |
| Additional tax for tax preferences..... | 72,894 | *174 | — | *118 | 2,941 | 2,359 | 8,525 | 5,624 | 12,156 | 5,509 | 8,129 | 12,687 | 14,672 |
| Foreign tax credit..... | 13,956,967 | 16,185 | — | — | 6,409 | *49 | 2,938 | *2,853 | 27,261 | 196,892 | 113,395 | 67,833 | 13,525,152 |
| U.S. possessions tax credit..... | 51 | — | — | — | — | — | 51 | — | — | — | — | — | — |
| Investment credit..... | 223,125 | 121 | *181 | *340 | 7,299 | 8,661 | 33,813 | 15,722 | 40,316 | 16,350 | 27,573 | 40,692 | 32,057 |
| Work incentive (WIN) credit..... | 44 | — | — | — | — | — | — | — | 2 | 1 | — | 3 | 38 |
| New jobs credit..... | 27,131 | 22 | *334 | *57 | *906 | 2,370 | 9,236 | 4,662 | 6,870 | 883 | 986 | 360 | 445 |
| Total wages paid in 1977..... | 4,604,068 | *37,264 | *5,177 | *4,234 | 48,939 | 148,670 | 564,532 | 296,161 | 833,180 | 277,949 | 408,693 | 478,763 | 1,500,506 |
| Distributions to stockholders except in own stock..... | 1,945,098 | *16,889 | — | — | 17,244 | 29,879 | 92,761 | 37,523 | 113,857 | 82,499 | 140,218 | 261,314 | 1,152,914 |
| Construction | | | | | | | | | | | | | |
| Number of returns..... | 214,745 | 27,015 | 14,825 | 25,334 | 84,469 | 30,738 | 27,832 | 2,889 | 1,500 | 74 | 48 | — | 21 |
| Total assets..... | 91,222,022 | 1,758,072 | 648,267 | 1,197,036 | 10,064,237 | 9,215,458 | 25,766,029 | 9,306,614 | 14,644,605 | 3,165,956 | 4,976,794 | 10,478,894 | 39,633,669 |
| Notes and accounts receivable, net..... | 24,734,482 | 269,650 | 109,074 | 219,893 | 1,175,711 | 2,294,856 | 7,523,251 | 2,973,280 | 4,572,522 | 750,170 | 1,399,132 | 2,446,953 | 10,571,378 |
| Inventories..... | 15,693,140 | 330,077 | 98,229 | 204,660 | 1,714,920 | 1,996,591 | 5,236,369 | 1,663,989 | 2,295,023 | 630,013 | 333,712 | 1,181,557 | 1,679,855 |
| Cash, Government obligations, and other current assets..... | 19,048,015 | 434,820 | 151,553 | 281,475 | 2,302,711 | 2,057,384 | 5,422,000 | 1,933,513 | 2,899,719 | 698,558 | 1,035,184 | 1,831,098 | 2,106,440 |
| Other investments and loans..... | 7,503,700 | 63,775 | 140,607 | 757,632 | 555,834 | 1,524,368 | 701,069 | 1,186,470 | 362,469 | 967,228 | 967,228 | 990,798 | 2,920,680 |
| Depreciable assets..... | 34,232,185 | 328,482 | 309,056 | 568,036 | 4,537,671 | 3,552,944 | 8,458,661 | 3,206,288 | 5,362,350 | 925,773 | 1,581,827 | 4,401,097 | 16,118,788 |
| Less: Accumulated depreciation..... | 16,820,611 | 142,689 | 146,670 | 290,394 | 2,287,057 | 1,840,869 | 5,112,759 | 1,707,860 | 2,801,007 | 434,663 | 785,996 | 1,370,647 | 4,992,214 |
| Other capital assets less reserves..... | 3,969,328 | 209,982 | 37,058 | 50,390 | 554,897 | 368,329 | 1,003,341 | 274,124 | 613,711 | 156,711 | 301,768 | 399,027 | 1,679,855 |
| Accounts and notes payable..... | 31,373,515 | 846,587 | 190,446 | 488,110 | 3,445,849 | 3,565,212 | 10,307,211 | 3,448,841 | 4,775,531 | 807,968 | 1,156,050 | 2,341,710 | 1,679,855 |
| Other current liabilities..... | 12,923,578 | 195,566 | 65,710 | 126,495 | 1,082,984 | 1,041,045 | 3,286,655 | 1,337,151 | 2,116,712 | 516,242 | 802,070 | 2,352,948 | 1,679,855 |
| Mortgages, notes, and bonds payable in one year or more..... | 14,103,707 | 291,676 | 118,105 | 166,577 | 1,782,988 | 1,391,189 | 3,458,904 | 1,158,746 | 2,400,461 | 691,658 | 775,018 | 1,868,385 | 1,679,855 |
| Net worth..... | 23,081,866 | 33,431 | 12,973 | 148,499 | 2,484,351 | 2,402,462 | 6,202,278 | 2,459,216 | 3,617,399 | 692,142 | 1,721,219 | 3,149,896 | 1,679,855 |
| Cost of property used for investment credit..... | 4,669,236 | 39,868 | 48,958 | 92,326 | 710,798 | 571,650 | 1,392,464 | 414,306 | 638,354 | 110,005 | 158,624 | 491,863 | 1,679,855 |
| Total receipts..... | 181,550,922 | 408,669 | 606,348 | 1,942,792 | 21,087,554 | 21,920,241 | 56,498,789 | 19,896,789 | 28,430,311 | 5,187,884 | 8,068,156 | 17,503,550 | 39,633,669 |
| Business receipts..... | 176,745,105 | 198,715 | 563,175 | 1,845,371 | 20,625,186 | 21,594,153 | 55,463,888 | 19,481,292 | 27,613,112 | 5,019,863 | 7,564,110 | 16,776,240 | 39,633,669 |
| Cost of sales and operations..... | 142,818,285 | 119,750 | 341,747 | 1,204,783 | 14,462,414 | 16,510,357 | 44,491,318 | 16,198,794 | 23,899,230 | 4,486,315 | 6,546,979 | 14,556,598 | 39,633,669 |
| Taxes paid..... | 3,782,109 | 22,791 | 24,468 | 64,000 | 630,050 | 560,212 | 1,230,444 | 400,359 | 474,190 | 68,672 | 122,488 | 184,435 | 1,679,855 |
| Interest paid..... | 2,050,494 | 27,756 | 13,072 | 34,778 | 276,445 | 222,432 | 571,317 | 179,299 | 298,392 | 69,556 | 100,647 | 256,800 | 1,679,855 |
| Depreciation..... | 3,176,543 | 29,255 | 31,684 | 66,895 | 470,852 | 374,319 | 916,133 | 306,719 | 448,427 | 64,013 | 130,345 | 337,901 | 1,679,855 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 860,981 | *941 | *2,807 | *5,618 | 79,086 | 307,981 | 110,942 | 132,539 | 17,540 | 13,345 | 43,654 | 107,219 | 1,679,855 |
| Employee benefit programs..... | 719,245 | 538 | 4,317 | 7,957 | 73,981 | 107,864 | 253,560 | 90,841 | 90,478 | 9,324 | 20,261 | 60,124 | 1,679,855 |
| Net income (less deficit)..... | 4,517,522 | -60,183 | -25,618 | -2,600 | 534,572 | 495,217 | 1,287,917 | 521,128 | 718,495 | 51,300 | 362,546 | 634,408 | 1,679,855 |
| Net income..... | 6,536,536 | 82,321 | 24,817 | 110,694 | 933,552 | 794,709 | 1,793,890 | 671,656 | 921,172 | 118,367 | 399,220 | 686,138 | 1,679,855 |
| Income subject to tax..... | 5,047,435 | 60,114 | 9,787 | 41,619 | 550,963 | 554,304 | 1,384,482 | 562,551 | 746,801 | 97,780 | 365,233 | 673,762 | 1,679,855 |
| Income tax, total..... | 1,919,876 | 19,215 | 2,072 | 10,783 | 128,451 | 146,166 | 489,135 | 246,301 | 342,831 | 45,607 | 166,047 | 323,168 | 1,679,855 |
| Additional tax for tax preferences..... | 3,737 | *182 | — | — | *259 | — | *228 | 623 | 361 | 24 | 553 | 108 | 1,679,855 |
| Foreign tax credit..... | 122,733 | — | — | (*) | — | — | *1,573 | *1,211 | 4,106 | 4,792 | 28,970 | 82,081 | 1,679,855 |
| U.S. possessions tax credit..... | 2, | | | | | | | | | | | | |

RETURNS OF ACTIVE CORPORATIONS

Table 7.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Industrial Division, by Size of Business Receipts—Continued

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

| Industrial division, item | Total returns of active corporations | Size of business receipts | | | | | | | | | | | |
|---|--------------------------------------|-----------------------------|-------------------------|--------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------|---------------|
| | | Under \$25,000 ¹ | \$25,000 under \$50,000 | \$50,000 under \$100,000 | \$100,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$500,000,000 | \$500,000,000 or more | |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Manufacturing | | | | | | | | | | | | | |
| Number of returns | 231,149 | 25,725 | 10,566 | 18,730 | 79,555 | 31,405 | 46,529 | 9,306 | 7,123 | 961 | 607 | 256 | 386 |
| Total assets | 1,182,263,458 | 1,234,836 | 382,779 | 1,042,423 | 10,372,711 | 10,688,123 | 49,263,253 | 33,040,009 | 77,994,945 | 42,256,832 | 66,454,394 | 63,985,492 | 825,547,661 |
| Notes and accounts receivable, net | 263,833,820 | 138,276 | 62,273 | 171,238 | 1,236 | 2,307,871 | 2,775,683 | 8,395,917 | 18,173,232 | 9,076,283 | 13,245,734 | 12,552,186 | 184,298,915 |
| Inventories | 207,458,384 | 146,326 | 76,274 | 149,636 | 190,494 | 1,843,074 | 2,269,636 | 12,260,290 | 9,048,566 | 20,905,751 | 10,128,781 | 14,143,555 | 121,218,537 |
| Cash, Government obligations, and other current assets | 120,682,415 | 204,271 | 47,119 | 180,494 | 1,745,309 | 1,652,113 | 6,718,775 | 4,101,252 | 8,682,789 | 5,189,888 | 6,713,378 | 6,399,072 | 69,037,955 |
| Other investments and loans | 200,877,536 | 208,952 | 16,897 | 95,643 | 634,394 | 551,041 | 2,826,699 | 2,197,542 | 7,023,754 | 4,851,913 | 8,991,441 | 9,267,500 | 164,209,760 |
| Depreciable assets | 602,208,407 | 514,733 | 223,242 | 582,624 | 6,233,314 | 6,312,829 | 26,040,799 | 15,640,849 | 36,136,578 | 19,828,333 | 32,453,940 | 32,085,122 | 426,156,044 |
| Less: Accumulated depreciation | 282,842,472 | 154,614 | 90,065 | 223,275 | 3,121,590 | 3,379,295 | 13,486,451 | 7,880,731 | 17,115,345 | 9,227,386 | 14,704,686 | 14,585,311 | 198,873,723 |
| Other capital assets less reserves | 41,881,216 | 104,650 | 27,837 | 28,798 | 332,264 | 285,789 | 1,317,269 | 958,832 | 2,367,213 | 1,243,753 | 2,167,909 | 1,919,992 | 31,226,910 |
| Accounts and notes payable | 227,399,912 | 365,407 | 141,907 | 281,303 | 2,789,486 | 2,990,305 | 13,592,201 | 9,128,021 | 17,655,904 | 7,575,256 | 11,083,580 | 8,622,984 | 153,173,558 |
| Other current liabilities | 120,554,009 | 99,351 | 22,302 | 78,145 | 869,263 | 977,869 | 4,625,066 | 3,085,397 | 7,533,163 | 4,155,028 | 7,915,753 | 7,145,275 | 84,047,397 |
| Mortgages, notes, and bonds payable in one year or more | 210,589,393 | 290,575 | 85,719 | 239,669 | 2,098,853 | 1,751,874 | 7,483,198 | 4,527,660 | 11,809,902 | 7,117,551 | 13,031,731 | 13,005,980 | 149,146,681 |
| Net worth | 547,343,667 | 178,593 | 225,202 | 4,188,616 | 4,188,616 | 21,440,868 | 15,045,950 | 38,294,857 | 22,266,248 | 32,152,028 | 32,525,153 | 32,725,318 | 377,398,048 |
| Cost of property used for investment credit | 67,785,127 | 111,457 | 34,259 | 115,771 | 831,790 | 785,362 | 3,007,464 | 1,668,242 | 3,678,548 | 2,446,226 | 3,252,153 | 3,113,740 | 48,740,115 |
| Total receipts | 1,653,531,899 | 288,349 | 426,441 | 1,393,823 | 20,637,018 | 22,913,589 | 103,444,928 | 66,708,808 | 144,547,247 | 68,276,628 | 97,897,435 | 93,324,533 | 1,033,673,100 |
| Business receipts | 1,591,340,869 | 172,966 | 402,155 | 1,341,676 | 20,235,462 | 22,571,463 | 101,922,766 | 65,653,481 | 141,749,271 | 66,540,526 | 84,978,859 | 89,568,559 | 986,183,685 |
| Cost of sales and operations | 1,165,901,411 | 115,304 | 253,730 | 810,893 | 13,137,428 | 15,216,154 | 73,038,779 | 48,492,007 | 106,099,737 | 68,171,683 | 68,171,683 | 63,594,634 | 728,069,411 |
| Taxes paid | 44,548,521 | 15,662 | 14,066 | 51,315 | 721,824 | 717,846 | 2,736,635 | 1,621,860 | 3,151,462 | 1,675,004 | 2,660,610 | 2,696,747 | 28,485,870 |
| Interest paid | 25,124,477 | 23,776 | 11,660 | 24,143 | 262,113 | 268,451 | 1,149,725 | 723,346 | 1,679,911 | 904,927 | 1,524,045 | 1,374,044 | 17,778,336 |
| Depreciation | 44,372,471 | 26,553 | 19,228 | 54,208 | 563,339 | 555,825 | 2,132,460 | 1,235,320 | 2,786,321 | 1,547,556 | 2,426,116 | 2,042,516 | 30,621,860 |
| Pension, profit-sharing, stock bonus, and annuity plans | 19,076,277 | 51 | *657 | *2,440 | 81,139 | 113,825 | 697,608 | 492,459 | 969,862 | 543,137 | 869,411 | 1,094,970 | 14,210,718 |
| Employee benefit programs | 14,176,523 | 2,678 | 1,472 | 6,566 | 102,204 | 146,046 | 587,225 | 390,235 | 811,589 | 460,713 | 743,882 | 903,283 | 10,222,540 |
| Net income (less deficit) | 100,008,887 | -173,813 | -50,835 | -58,731 | 239,438 | 672,409 | 4,448,908 | 3,178,748 | 8,115,132 | 4,237,924 | 6,033,407 | 6,305,111 | 67,061,991 |
| Net income | 107,608,932 | 41,095 | 32,191 | 67,799 | 974,928 | 1,047,088 | 5,441,914 | 3,711,657 | 9,084,878 | 4,667,410 | 6,556,859 | 6,534,396 | 69,446,717 |
| Income subject to tax | 101,639,157 | 21,671 | 12,481 | 31,862 | 689,301 | 834,547 | 4,618,252 | 3,320,335 | 8,511,233 | 4,441,883 | 6,282,226 | 6,238,499 | 66,636,867 |
| Income tax, total | 47,434,803 | 7,994 | 2,455 | 9,195 | 166,907 | 242,431 | 1,852,838 | 1,506,821 | 4,000,344 | 2,111,523 | 2,974,874 | 2,945,060 | 31,614,421 |
| Additional tax for tax preferences | 94,444 | — | — | — | *78 | — | 840 | 610 | 1,468 | 1,332 | 4,514 | 3,815 | 9,480,947 |
| Foreign tax credit | 10,154,318 | *651 | — | *330 | *78 | *1,617 | 11,444 | 17,143 | 80,663 | 91,750 | 201,460 | 268,235 | — |
| U.S. possessions tax credit | 799,042 | 2,687 | 6 | 44 | 631 | 2,998 | 49,967 | 72,238 | 310,149 | 238,882 | 56,362 | 65,078 | 3,356,892 |
| Investment credit | 4,607,188 | 687 | 965 | 1,306 | 33,091 | 45,845 | 197,932 | 115,668 | 254,620 | 127,137 | 224,987 | 248,058 | 81,786 |
| Work incentive (WIN) credit | 9,777 | — | — | — | *156 | *260 | 2,318 | 531 | 701 | 308 | 343 | 219 | 4,941 |
| New jobs credit | 558,785 | 34 | *172 | (*) | 26,239 | 38,049 | 180,467 | 88,808 | 138,322 | 29,068 | 21,081 | 9,542,395 | 85,543,128 |
| Total wages paid in 1977 | 152,698,983 | 27,142 | *14,746 | 56,028 | 1,752,584 | 2,216,603 | 10,433,227 | 6,294,851 | 21,721,491 | 6,494,928 | 8,601,860 | 1,315,188 | 21,515,661 |
| Distributions to stockholders except in own stock | 26,913,367 | 62,446 | *2,988 | *13,329 | 159,087 | 97,400 | 512,713 | 331,397 | 911,235 | 591,949 | 1,399,974 | 1,315,188 | — |
| Transportation and Public Utilities | | | | | | | | | | | | | |
| Number of returns | 85,215 | 17,880 | 7,636 | 11,032 | 28,495 | 9,094 | 8,762 | 1,106 | 785 | 121 | 132 | 58 | 114 |
| Total assets | 538,778,308 | 1,285,673 | 753,306 | 861,406 | 5,618,183 | 4,240,665 | 10,662,348 | 5,204,699 | 15,593,795 | 10,329,796 | 37,356,838 | 41,527,146 | 405,344,453 |
| Notes and accounts receivable, net | 37,644,971 | 107,841 | 112,181 | 112,459 | 839,726 | 734,811 | 1,842,091 | 943,596 | 1,930,700 | 1,131,330 | 2,317,730 | 2,317,730 | 24,994,672 |
| Inventories | 18,692,638 | 21,590 | 4,200 | 5,223 | 119,168 | 98,538 | 119,168 | 117,674 | 418,582 | 271,369 | 1,019,429 | 1,293,728 | 15,047,741 |
| Cash, Government obligations, and other current assets | 32,297,925 | 171,395 | 96,680 | 98,935 | 751,138 | 638,095 | 1,521,780 | 651,261 | 1,469,509 | 774,443 | 2,245,883 | 1,921,992 | 21,956,814 |
| Other investments and loans | 45,930,150 | 99,024 | 34,701 | 26,998 | 344,043 | 377,766 | 704,127 | 396,045 | 1,733,681 | 965,329 | 2,596,859 | 2,296,913 | 36,354,664 |
| Depreciable assets | 518,697,285 | 1,066,858 | 557,111 | 868,235 | 5,322,800 | 3,731,189 | 9,911,021 | 4,261,892 | 13,243,772 | 9,128,400 | 36,392,610 | 41,147,421 | 393,065,976 |
| Less: Accumulated depreciation | 133,874,368 | 303,198 | 147,334 | 334,484 | 2,295,974 | 1,640,559 | 4,554,795 | 1,779,042 | 4,310,384 | 2,868,379 | 9,283,634 | 9,014,768 | 97,341,817 |
| Other capital assets less reserves | 7,731,394 | 15,606 | 41,628 | 27,620 | 254,551 | 127,927 | 410,446 | 200,489 | 476,291 | 248,866 | 891,758 | 764,409 | 4,272,433 |
| Accounts and notes payable | 45,462,262 | 214,911 | 118,823 | 189,833 | 1,380,474 | 971,006 | 2,434,212 | 1,112,853 | 2,347,681 | 1,350,420 | 3,212,488 | 3,417,714 | 28,711,837 |
| Other current liabilities | 57,087,381 | 33,663 | 24,761 | 51,426 | 311,492 | 272,016 | 896,084 | 409,146 | 1,724,906 | 1,128,304 | 3,182,112 | 3,375,146 | 45,680,325 |
| Mortgages, notes, and bonds payable in one year or more | 191,793,930 | 436,631 | 362,282 | 295,661 | 1,685,234 | 1,365,024 | 3,489,566 | 1,419,077 | 5,824,875 | 3,585,471 | 13,798,562 | 16,960,572 | 142,470,975 |
| Net worth | 218,166,812 | 269,501 | 143,378 | 148,385 | 1,707,535 | 1,263,409 | 3,155,216 | 1,926,735 | 4,953,911 | 3,512,382 | 14,761,844 | 15,673,428 | 170,651,088 |
| Cost of property used for investment credit | 55,261,605 | 99,017 | 30,758 | 169,697 | 663,389 | 475,592 | 1,252,252 | 567,323 | 1,231,365 | 790,600 | 5,050,245 | 5,431,223 | 39,457,144 |
| Total receipts | 330,112,349 | 309,262 | 299,026 | 837,930 | 6,988,813 | 6,672,606 | 18,549,857 | 7,990,988 | 16,482,895 | 8,687,244 | 22,536,307 | 20,587,727 | 220,268,542 |
| Business receipts | 318,432,740 | 317,579 | 280,978 | 818,839 | 6,753,031 | 6,412,454 | 18,126,291 | 7,632,869 | 16,037,706 | 8,358,148 | 21,771,431 | 19,544,014 | 212,559,400 |
| Cost of sales and operations | 189,942,778 | 51,747 | 131,894 | 413,398 | 3,511,965 | 3,918,197 | 12,132,816 | 4,916,870 | 10,852,782 | 5,628,086 | 14,058,895 | 12,970,737 | 131,355,291 |
| Taxes paid | 19,236,130 | 18,942 | 16,815 | 38,625 | 318,155 | 318,155 | 1,263,917 | 689,484 | 1,228,119 | 409,745 | 1,228,119 | 1,211,161 | 11,029,636 |
| Interest paid | 15,700,497 | 15,087 | 17,961 | 26,673 | 188,958 | 134,932 | 369,206 | 152,874 | 516,026 | 361,409 | 1,081,906 | 1,269,245 | 14,665,465 |
| Depreciation | 26,760,500 | 36,049 | 30,232 | 78,777 | 472,050 | 868,398 | 3,483,298 | 343,585 | 850,890 | 525,577 | 1,902,297 | 2,013,979 | 4,518,681 |
| Pension, profit-sharing, stock bonus, and annuity plans | 5,487,064 | *1,059 | *167 | *878 | 22,360 | 33,325 | 123,602 | 66,117 | 172,466 | 83,706 | 166,789 | 148,942 | 2,050,300 |
| Employee benefit programs | 2,899,235 | *1,180 | *444 | 1,423 | 33,122 | 42,332 | 131,719 | 62,923 | 164,446 | 96,605 | 186,759 | 166,462 | 13,407,477 |
| Net income (less deficit) | 18,393,402 | -41,813 | -30,940 | -12,075 | 246,616 | 249,617 | 678,627 | 310,538 | 825,546 | 369,348 | 1,327,997 | 1,468,962 | 13,955,944 |
| Net income | 20,304,871 | 35,515 | 15,681 | 46,431 | 431,619 | 232,335 | 857,171 | 415,717 | 968,865 | 473,152 | 1,554,938 | 1,227,503 | 13,955,944 |
| Income subject to tax | 18,892,706 | 13,049 | 10,674 | 27,935 | 269,300 | 254,722 | 698,315 | 331,266 | 874,714 | 390,423 | 1,432,754 | 1,174,537 | 13,415,017 |
| Income tax, total | 8,870,780 | 3,885 | 2 | | | | | | | | | | |

RETURNS OF ACTIVE CORPORATIONS

Table 7.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Industrial Division, by Size of Business Receipts—Continued

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

| Industrial division, item | Total returns of active corporations | Size of business receipts | | | | | | | | | | | |
|--|--------------------------------------|-----------------------------|-------------------------|--------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------------------|-----------------------|
| | | Under \$25,000 ¹ | \$25,000 under \$50,000 | \$50,000 under \$100,000 | \$100,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 under \$500,000,000 | \$500,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Wholesale and Retail Trade | | | | | | | | | | | | | |
| Number of returns..... | 672,394 | 60,845 | 37,373 | 73,725 | 258,818 | 90,678 | 118,434 | 18,373 | 12,481 | 886 | 476 | 150 | 155 |
| Total assets..... | 414,650,094 | 1,710,883 | 1,281,317 | 3,547,859 | 27,469,598 | 24,472,849 | 83,066,250 | 37,516,730 | 69,645,383 | 21,817,065 | 26,354,276 | 15,983,141 | 101,984,743 |
| Notes and accounts receivable, net..... | 108,887,906 | 324,550 | 150,586 | 419,111 | 4,734,836 | 5,363,935 | 20,898,716 | 10,060,656 | 19,338,705 | 6,412,611 | 7,626,066 | 3,555,175 | 30,002,959 |
| Inventories..... | 135,571,381 | 251,949 | 298,856 | 940,569 | 9,284,915 | 8,495,320 | 31,972,658 | 14,469,244 | 25,542,449 | 6,649,364 | 7,891,003 | 4,937,713 | 24,837,341 |
| Cash, Government obligations, and other current assets..... | 41,281,371 | 347,178 | 210,613 | 562,920 | 4,130,919 | 3,514,372 | 9,383,077 | 3,586,475 | 6,499,972 | 2,072,148 | 2,523,651 | 1,675,158 | 6,774,888 |
| Other investments and loans..... | 37,747,872 | 340,889 | 104,933 | 322,780 | 1,590,935 | 1,420,279 | 4,241,319 | 2,207,780 | 4,737,249 | 2,008,369 | 2,046,065 | 1,706,577 | 17,020,697 |
| Depreciable assets..... | 123,351,092 | 486,339 | 539,321 | 1,524,339 | 10,586,640 | 7,971,221 | 23,921,862 | 10,022,065 | 17,922,265 | 5,654,633 | 8,061,223 | 5,323,977 | 31,337,207 |
| Less: Accumulated depreciation..... | 51,833,521 | 189,069 | 187,348 | 596,866 | 4,747,822 | 3,791,837 | 11,097,987 | 4,407,823 | 7,522,852 | 2,274,677 | 3,172,511 | 2,080,467 | 11,814,362 |
| Other capital assets less reserves..... | 11,044,678 | 52,719 | 90,385 | 154,931 | 966,710 | 909,633 | 2,104,738 | 905,920 | 1,795,732 | 622,908 | 809,369 | 588,113 | 2,143,520 |
| Accounts and notes payable..... | 150,448,797 | 896,819 | 314,968 | 925,576 | 7,873,298 | 7,735,111 | 32,403,886 | 16,123,361 | 29,190,644 | 7,542,408 | 8,917,992 | 5,346,418 | 33,176,596 |
| Other current liabilities..... | 34,423,583 | 243,997 | 58,683 | 201,662 | 1,921,920 | 1,754,444 | 5,949,401 | 2,794,826 | 5,630,006 | 1,836,792 | 2,319,153 | 1,515,051 | 10,297,648 |
| Mortgages, notes, and bonds payable in one year or more..... | 54,851,783 | 290,635 | 287,659 | 718,932 | 4,763,020 | 3,441,590 | 9,706,207 | 4,057,009 | 7,806,006 | 2,871,143 | 3,872,082 | 2,603,473 | 14,454,027 |
| Net worth..... | 152,685,435 | —202,855 | 352,306 | 952,170 | 9,543,363 | 9,589,935 | 30,504,224 | 13,241,189 | 24,838,298 | 8,820,530 | 10,386,133 | 5,986,278 | 38,853,864 |
| Cost of property used for investment credit..... | 14,396,340 | 94,678 | 102,626 | 340,877 | 1,243,857 | 941,833 | 3,047,676 | 1,340,880 | 2,421,978 | 687,259 | 934,268 | 518,366 | 2,866,872 |
| Total receipts..... | 1,239,882,173 | 721,721 | 1,584,863 | 5,720,487 | 67,352,064 | 65,181,837 | 258,547,408 | 128,493,006 | 231,487,638 | 62,351,226 | 74,454,318 | 52,191,187 | 291,796,418 |
| Business receipts..... | 466,500 | 1,424,295 | 5,426,327 | 66,007,053 | 63,979,361 | 254,614,712 | 126,509,458 | 227,591,722 | 61,166,907 | 72,982,494 | 51,159,173 | 284,287,446 | 1,814,516 |
| Cost of sales and operations..... | 955,267,447 | 268,600 | 725,504 | 2,975,650 | 40,302,200 | 42,807,664 | 195,675,099 | 102,899,749 | 187,237,476 | 49,398,246 | 58,689,506 | 41,969,564 | 232,036,181 |
| Taxes paid..... | 17,004,379 | 30,429 | 58,338 | 181,227 | 1,667,281 | 1,306,224 | 3,741,664 | 1,506,273 | 2,690,214 | 782,810 | 1,056,527 | 3,240,471 | 12,470,570 |
| Interest paid..... | 10,016,411 | 22,519 | 27,242 | 78,329 | 633,635 | 550,822 | 1,987,133 | 985,302 | 1,764,805 | 497,963 | 588,397 | 400,514 | 2,476,750 |
| Depreciation..... | 11,166,222 | 36,572 | 57,838 | 153,751 | 1,007,581 | 792,509 | 2,276,561 | 981,671 | 1,744,004 | 497,960 | 705,226 | 443,252 | 2,469,297 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 3,637,755 | 9,565 | 12,325 | 12,935 | 159,922 | 214,891 | 867,091 | 374,396 | 582,773 | 154,315 | 180,743 | 140,678 | 936,123 |
| Employee benefit programs..... | 2,717,743 | 3,014 | 11,110 | 134,832 | 140,903 | 525,453 | 239,308 | 406,888 | 132,675 | 167,523 | 119,008 | 835,227 | 1,444,000 |
| Net income (less deficit)..... | 30,180,147 | —178,178 | —89,884 | —125,243 | 1,316,123 | 1,870,759 | 6,231,256 | 2,899,588 | 6,021,141 | —1,940,245 | 2,344,943 | 1,123,378 | 6,837,019 |
| Net income..... | 35,097,805 | 92,811 | 86,092 | 219,146 | 2,397,676 | 2,366,565 | 7,289,157 | 3,231,736 | 6,538,231 | 2,114,490 | 2,844,765 | 1,283,711 | 7,003,425 |
| Income subject to tax..... | 25,618,892 | 32,787 | 35,678 | 96,457 | 1,378,812 | 1,523,082 | 5,159,049 | 2,367,903 | 4,798,232 | 1,396,627 | 1,823,628 | 1,060,052 | 5,846,585 |
| Income tax, total..... | 10,547,774 | 9,976 | 7,349 | 18,972 | 316,758 | 388,370 | 1,758,623 | 986,087 | 2,188,217 | 659,227 | 912,773 | 505,700 | 2,795,722 |
| Additional tax for tax preferences..... | 5,519 | — | — | 19 | 393 | 105 | 731 | 408 | 714 | 322 | 1,206 | 88 | 1,535 |
| Foreign tax credit..... | 604,147 | — | — | — | 237 | 75 | 8,639 | 2,178 | 26,492 | 8,651 | 21,812 | 8,496 | 527,567 |
| U.S. possessions tax credit..... | 6,887 | — | — | 12 | 263 | 323 | 1,635 | 919 | 512 | — | 3,223 | — | — |
| Investment credit..... | 826,490 | 818 | 1,300 | 2,496 | 36,221 | 42,429 | 157,932 | 70,129 | 131,786 | 45,765 | 63,069 | 36,581 | 237,944 |
| Work incentive (WIN) credit..... | 5,788 | — | 166 | — | 526 | 198 | 1,793 | 351 | 2,345 | 163 | 32 | 28 | 186 |
| New jobs credit..... | 474,527 | 85 | 503 | 1,628 | 26,941 | 41,377 | 156,145 | 77,668 | 126,704 | 19,051 | 13,637 | 4,878 | 5,910 |
| Total wages paid in 1977..... | 57,450,983 | 9,293 | 31,096 | 100,661 | 2,977,179 | 2,603,821 | 10,794,424 | 5,615,482 | 9,495,543 | 2,608,328 | 3,345,949 | 2,059,202 | 17,910,005 |
| Distributions to stockholders except in own stock..... | 6,845,280 | 72,999 | 16,362 | 33,890 | 373,011 | 348,139 | 972,137 | 565,527 | 1,231,713 | 547,330 | 532,008 | 214,601 | 1,937,563 |
| Finance, Insurance, and Real Estate² | | | | | | | | | | | | | |
| Number of returns..... | 432,919 | 206,463 | 58,844 | 52,963 | 77,251 | 14,712 | 16,849 | 2,665 | 2,381 | 418 | 100 | 100 | 95 |
| Total assets..... | 2,861,478,448 | 19,826,901 | 10,172,969 | 14,726,555 | 57,725,577 | 58,865,893 | 314,056,725 | 176,159,997 | 432,806,199 | 225,636,011 | 335,443,241 | 212,294,768 | 1,003,763,613 |
| Notes and accounts receivable, net..... | 827,447,193 | 2,097,978 | 1,152,016 | 1,991,911 | 12,731,559 | 20,699,762 | 112,820,421 | 42,885,145 | 89,616,030 | 55,172,640 | 105,245,507 | 72,089,377 | 310,992,661 |
| Inventories..... | 5,496,153 | 212,136 | 33,608 | 72,124 | 345,416 | 332,876 | 534,848 | 275,526 | 514,206 | 114,568 | 138,815 | 183,842 | 2,737,898 |
| Cash, Government obligations, and other current assets..... | 689,361,917 | 3,569,156 | 1,786,052 | 2,648,217 | 12,911,824 | 17,071,956 | 84,674,279 | 38,823,324 | 91,645,191 | 49,329,176 | 87,366,562 | 54,541,787 | 244,894,418 |
| Other investments and loans..... | 1,166,254,718 | 5,083,774 | 2,444,640 | 2,789,131 | 12,459,492 | 12,389,927 | 97,783,591 | 85,907,385 | 232,378,553 | 111,376,202 | 131,998,377 | 77,237,198 | 394,406,448 |
| Depreciable assets..... | 118,332,922 | 5,253,525 | 4,679,049 | 7,168,460 | 19,484,202 | 8,630,519 | 17,068,267 | 7,033,837 | 13,618,542 | 6,601,217 | 6,443,751 | 4,600,763 | 17,750,790 |
| Less: Accumulated depreciation..... | 35,088,513 | 1,833,585 | 1,894,639 | 2,974,673 | 7,191,937 | 2,922,507 | 5,136,156 | 1,822,643 | 3,105,866 | 1,365,447 | 1,363,729 | 1,181,185 | 4,176,146 |
| Other capital assets less reserves..... | 28,541,381 | 4,552,054 | 1,786,997 | 2,573,148 | 5,326,671 | 1,904,256 | 3,516,175 | 1,617,929 | 3,184,985 | 1,269,482 | 1,744,074 | 606,742 | 1,458,869 |
| Accounts and notes payable..... | 166,432,136 | 4,083,012 | 1,149,192 | 2,291,899 | 7,991,101 | 4,996,129 | 18,011,824 | 9,076,753 | 22,486,313 | 11,802,895 | 21,067,818 | 11,210,917 | 52,264,283 |
| Other current liabilities..... | 1,809,920,459 | 813,165 | 459,929 | 836,671 | 15,710,643 | 35,002,873 | 228,658,563 | 131,931,998 | 314,423,036 | 161,348,500 | 235,756,000 | 128,777,234 | 556,201,847 |
| Mortgages, notes, and bonds payable in one year or more..... | 146,180,619 | 5,755,624 | 2,858,583 | 4,407,643 | 14,691,458 | 7,135,146 | 17,914,791 | 6,899,589 | 17,732,465 | 8,917,050 | 9,667,073 | 13,446,229 | 52,954,986 |
| Net worth..... | 322,979,877 | 5,309,451 | 4,509,970 | 5,664,857 | 15,607,656 | 9,393,354 | 40,777,279 | 20,240,165 | 54,038,006 | 24,605,717 | 34,665,162 | 20,241,526 | 88,626,234 |
| Cost of property used for investment credit..... | 7,676,488 | 108,003 | 55,104 | 129,118 | 561,481 | 206,263 | 659,978 | 312,590 | 771,907 | 480,682 | 607,227 | 526,458 | 3,267,877 |
| Total receipts..... | 1,651,744 | 2,113,144 | 3,735,349 | 16,520,321 | 10,299,621 | 35,137,862 | 18,520,617 | 49,829,055 | 29,163,585 | 41,816,761 | 32,931,388 | 163,412,146 | 1,003,763,613 |
| Business receipts..... | 206,863,227 | 346,276 | 697,525 | 1,703,185 | 9,891,359 | 5,257,437 | 11,458,813 | 5,337,828 | 18,092,447 | 11,744,065 | 19,615,195 | 18,950,099 | 103,771,996 |
| Cost of sales and operations..... | 100,391,853 | 62,496 | 118,723 | 253,276 | 1,897,102 | 1,566,733 | 3,837,902 | 1,915,343 | 7,463,739 | 5,482,792 | 9,165,148 | 8,889,536 | 59,739,063 |
| Taxes paid..... | 11,147,760 | 262,410 | 232,592 | 354,001 | 992,770 | 465,338 | 1,050,693 | 490,929 | 1,245,554 | 722,870 | 1,016,346 | 699,367 | 3,614,890 |
| Interest paid..... | 93,359,456 | 415,496 | 452,032 | 1,846,226 | 2,001,320 | 1,815,779 | 7,251,381 | 3,127,962 | 9,511,556 | 3,127,962 | 9,511,556 | 6,573,602 | 24,574,739 |
| Depreciation..... | 8,053,785 | 213,319 | 198,880 | 309,389 | 881,535 | 384,097 | 871,569 | 374,238 | 811,903 | 450,660 | 626,293 | 473,126 | 2,458,776 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 3,253,260 | 4,159 | 3,791 | 9,902 | 155,232 | 79,152 | 290,125 | 138,814 | 364,578 | 205,182 | 365,800 | 287,241 | 1,349,284 |
| Employee benefit programs..... | 1,444,222 | 6,748 | 6,015 | 15,780 | 74,277 | 47,324 | 144,802 | 77,926 | 186,182 | 114,251 | 181,734 | 94,509 | 494,674 |
| Net income (less deficit)..... | 27,668,033 | —514,111 | 307,394 | 505,596 | 1,663,671 | 768,658 | 3,239,886 | 1,530,832 | 3,977,465 | 1,746,726 | 2,473,447 | 1,681,314 | 10,287,155 |
| Net income..... | 32,057,106 | 364,612 | 476,274 | 699,918 | 2,241,126 | 1,090,707 | 3,844,559 | | | | | | |

RETURNS OF ACTIVE CORPORATIONS

Table 7.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Industrial Division, by Size of Business Receipts—Continued

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

| Industrial division, item | Total returns of active corporations | Size of business receipts | | | | | | | | | | | |
|---|--------------------------------------|-----------------------------|-------------------------|--------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------------------|-----------------------|
| | | Under \$25,000 ¹ | \$25,000 under \$50,000 | \$50,000 under \$100,000 | \$100,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 under \$500,000,000 | \$500,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Services | | | | | | | | | | | | | |
| Number of returns | 516,387 | 126,079 | 52,312 | 77,243 | 208,281 | 29,047 | 20,481 | 1,736 | 1,035 | 79 | 58 | 24 | 12 |
| Total assets | 119,286,766 | 5,153,456 | 2,205,864 | 4,014,471 | 23,699,358 | 10,506,848 | 21,589,027 | 7,333,461 | 12,968,160 | 4,947,684 | 8,018,813 | 7,894,381 | 10,955,243 |
| Notes and accounts receivable, net | 20,841,219 | 582,648 | 228,635 | 467,148 | 3,295,865 | 1,674,464 | 4,006,883 | 1,707,591 | 2,748,842 | 1,494,790 | 1,827,764 | 1,188,975 | 1,617,614 |
| Inventories | 5,613,150 | 175,895 | 57,374 | 146,550 | 1,004,218 | 456,523 | 1,046,785 | 416,236 | 574,422 | 158,131 | 352,453 | 323,725 | 901,038 |
| Cash, Government obligations, and other current assets | 19,482,093 | 756,203 | 375,889 | 783,600 | 4,593,896 | 1,767,172 | 3,239,593 | 1,008,983 | 2,166,669 | 944,037 | 919,950 | 889,330 | 2,036,771 |
| Other investments and loans | 15,681,212 | 1,120,467 | 376,549 | 380,430 | 2,291,905 | 858,831 | 2,282,846 | 747,458 | 1,879,782 | 540,683 | 1,247,440 | 1,293,472 | 2,661,349 |
| Depreciable assets | 76,773,311 | 2,560,974 | 1,467,545 | 3,164,520 | 17,993,592 | 8,099,066 | 15,237,041 | 4,491,955 | 7,368,244 | 2,615,579 | 4,483,210 | 4,869,001 | 4,422,584 |
| Less: Accumulated depreciation | 31,383,290 | 936,999 | 589,523 | 1,438,235 | 8,121,808 | 3,443,294 | 6,156,138 | 1,752,132 | 3,028,710 | 1,162,836 | 1,637,184 | 1,728,817 | 1,387,614 |
| Other capital assets less reserves | 7,091,013 | 608,353 | 194,999 | 379,968 | 1,743,333 | 701,604 | 1,162,222 | 392,805 | 693,914 | 222,760 | 392,707 | 312,455 | 285,893 |
| Accounts and notes payable | 26,253,850 | 1,101,580 | 352,100 | 862,008 | 4,915,901 | 2,467,159 | 5,727,730 | 1,894,165 | 2,929,533 | 1,348,949 | 1,451,683 | 1,443,025 | 1,760,017 |
| Other current liabilities | 13,561,867 | 288,174 | 192,990 | 227,388 | 2,082,210 | 1,049,864 | 2,116,879 | 873,582 | 1,740,406 | 505,140 | 1,188,506 | 740,200 | 2,556,528 |
| Mortgages, notes, and bonds payable in one year or more | 34,089,293 | 1,817,742 | 754,556 | 1,179,597 | 6,640,644 | 3,448,229 | 6,490,202 | 2,101,981 | 3,937,564 | 1,557,810 | 2,036,815 | 2,413,699 | 1,710,454 |
| Net worth | 34,615,641 | 328,145 | 414,979 | 1,111,360 | 7,532,978 | 2,664,499 | 5,532,476 | 1,956,774 | 3,701,925 | 1,256,647 | 2,908,605 | 2,642,254 | 4,564,999 |
| Cost of property used for investment credit | 11,663,528 | 358,568 | 222,117 | 316,621 | 1,846,819 | 889,025 | 2,119,151 | 2,521,009 | 953,800 | 198,801 | 638,095 | 637,944 | 961,578 |
| Total receipts | 183,007,786 | 1,446,402 | 2,091,720 | 5,960,135 | 47,597,330 | 20,606,967 | 39,252,558 | 12,804,544 | 19,457,715 | 5,971,517 | 9,261,620 | 8,441,738 | 10,115,540 |
| Business receipts | 175,588,702 | 848,838 | 1,894,499 | 5,732,719 | 46,377,306 | 20,074,112 | 38,014,293 | 12,337,411 | 18,517,312 | 5,699,458 | 8,806,893 | 7,958,820 | 9,327,041 |
| Cost of sales and operations | 88,873,389 | 284,971 | 711,347 | 1,978,324 | 18,247,755 | 9,595,639 | 20,584,022 | 7,478,047 | 11,112,204 | 3,382,631 | 5,420,819 | 4,317,087 | 5,780,543 |
| Taxes paid | 6,183,058 | 63,843 | 86,481 | 244,418 | 1,698,762 | 692,252 | 1,338,545 | 405,002 | 645,169 | 190,247 | 328,853 | 249,429 | 242,057 |
| Interest paid | 3,880,753 | 122,642 | 63,602 | 126,593 | 672,375 | 393,563 | 823,781 | 247,664 | 463,553 | 154,356 | 242,000 | 346,804 | 223,820 |
| Depreciation | 8,851,415 | 242,168 | 143,853 | 278,612 | 1,652,844 | 804,460 | 1,727,311 | 523,879 | 813,786 | 269,649 | 497,483 | 796,327 | 1,101,043 |
| Pension, profit-sharing, stock bonus, and annuity plans | 3,591,202 | 1,746 | 12,126 | 110,113 | 1,672,923 | 500,274 | 711,910 | 159,733 | 187,252 | 61,629 | 69,908 | 42,990 | 61,198 |
| Employee benefit programs | 1,156,151 | 11,147 | 8,202 | 31,247 | 272,987 | 119,236 | 273,343 | 83,736 | 119,921 | 38,248 | 536,879 | 531,235 | 663,034 |
| Net income (less deficit) | 6,596,830 | -299,898 | -32,573 | 154,553 | 1,500,494 | 654,592 | 1,210,594 | 493,344 | 921,208 | 253,268 | 551,229 | 545,758 | 663,034 |
| Net income | 9,280,612 | 205,228 | 158,444 | 373,435 | 2,191,920 | 920,685 | 1,678,666 | 635,505 | 1,077,097 | 279,611 | 492,533 | 537,841 | 644,904 |
| Income subject to tax | 8,880,410 | 96,722 | 71,756 | 194,821 | 1,429,429 | 626,838 | 1,215,683 | 474,844 | 848,214 | 246,825 | 492,533 | 537,841 | 644,904 |
| Income tax, total | 2,584,017 | 25,601 | 15,436 | 44,565 | 330,123 | 183,033 | 462,004 | 210,749 | 397,376 | 117,264 | 235,165 | 256,715 | 305,986 |
| Additional tax for tax preferences | 1,896 | — | — | — | *362 | *283 | 237 | *65 | 260 | 85 | 404 | — | — |
| Foreign tax credit | 124,879 | *294 | *268 | *68 | — | 161 | 174 | 1,124 | — | — | — | — | — |
| U.S. possessions tax credit | 2,537 | 10 | — | — | 772 | *825 | 2,117 | 2,385 | 17,273 | 10,433 | 33,531 | 14,055 | 42,858 |
| Investment credit | 426,663 | 4,001 | 2,792 | 11,245 | 66,066 | 35,341 | 73,965 | 21,169 | 40,538 | 11,818 | 31,057 | 59,260 | 69,411 |
| Work incentive (WIN) credit | 2,059 | — | — | — | *324 | *380 | 761 | — | 77 | 35 | 145 | 55 | 11 |
| New jobs credit | 193,152 | *103 | *466 | 2,488 | 37,628 | 29,051 | 73,764 | 26,430 | 16,275 | 2,413 | 2,321 | 1,320 | 893 |
| Total wages paid in 1977 | 22,639,575 | 76,836 | 78,906 | 430,666 | 4,526,956 | 2,615,088 | 5,487,445 | 2,014,419 | 2,521,451 | 744,302 | 1,593,667 | 1,357,385 | 1,192,454 |
| Distributions to stockholders except in own stock | 1,441,254 | 128,297 | 22,904 | 59,096 | 337,425 | 91,364 | 240,315 | — | 131,279 | 36,172 | 95,424 | 100,083 | 88,745 |
| Nature of Business not Allocable | | | | | | | | | | | | | |
| Number of returns | 4,268 | 1,403 | *398 | *825 | 614 | *367 | 589 | *44 | 28 | — | — | — | — |
| Total assets | 1,430,866 | 106,173 | *70,284 | *44,279 | 105,330 | *124,356 | 704,408 | *64,888 | 211,148 | — | — | — | — |
| Notes and accounts receivable, net | 292,764 | *21,841 | *16,619 | *4,812 | *4,590 | *19,561 | 156,764 | *15,937 | 53,240 | — | — | — | — |
| Inventories | 309,622 | *14,019 | *21,306 | *4,620 | *30,341 | *35,256 | 141,384 | *11,648 | 51,048 | — | — | — | — |
| Cash, Government obligations, and other current assets | 217,743 | 24,329 | *10,902 | *8,938 | *17,404 | *85,223 | 141,384 | *14,049 | 44,437 | — | — | — | — |
| Other investments and loans | 195,852 | *19,913 | *13,048 | *936 | *24,676 | *18,888 | 99,892 | *763 | *17,736 | — | — | — | — |
| Depreciable assets | 601,287 | *30,441 | *6,180 | *52,976 | *61,326 | *41,075 | 317,679 | *24,071 | 67,539 | — | — | — | — |
| Less: Accumulated depreciation | 286,918 | *12,562 | *248 | *31,715 | *30,536 | *15,932 | 149,839 | *10,658 | 35,428 | — | — | — | — |
| Other capital assets less reserves | 56,458 | *4,921 | *607 | *420 | *5,847 | *4,639 | 32,453 | *5,753 | *3,818 | — | — | — | — |
| Accounts and notes payable | 360,060 | *17,921 | *11,047 | *10,417 | *26,878 | *32,847 | 180,724 | *20,987 | 59,239 | — | — | — | — |
| Other current liabilities | 228,828 | *23,487 | *24,746 | *984 | *4,098 | *22,022 | 119,413 | *16,008 | 18,070 | — | — | — | — |
| Mortgages, notes, and bonds payable in one year or more | 236,857 | *38,828 | *22,578 | *9,252 | *26,363 | *10,268 | 75,712 | *2,891 | 50,965 | — | — | — | — |
| Net worth | 498,384 | 15,469 | *4,911 | *13,058 | 33,407 | *52,099 | 282,125 | *17,840 | 79,475 | — | — | — | — |
| Cost of property used for investment credit | 58,028 | *19,367 | *191 | *1,666 | *9,229 | *6,438 | 13,270 | *2,364 | *5,503 | — | — | — | — |
| Total receipts | 3,015,136 | 114,080 | *18,109 | *69,285 | 155,407 | *244,937 | 1,582,003 | *278,857 | 572,458 | — | — | — | — |
| Business receipts | 2,854,276 | *4,112 | *16,237 | *57,007 | 149,906 | *242,839 | 1,545,039 | *271,787 | 567,349 | — | — | — | — |
| Cost of sales and operations | 2,268,575 | *501 | *12,129 | *31,856 | 87,686 | *160,837 | 1,308,724 | *204,275 | 462,567 | — | — | — | — |
| Taxes paid | 45,402 | 7,643 | *534 | *2,293 | 3,728 | *4,134 | 17,707 | *4,082 | 5,281 | — | — | — | — |
| Interest paid | 124,601 | 103,878 | *1,053 | *934 | *2,588 | *2,020 | 8,222 | *808 | 5,198 | — | — | — | — |
| Depreciation | 74,197 | *32,550 | *279 | *7,665 | 5,574 | *2,847 | 17,215 | *2,644 | 5,423 | — | — | — | — |
| Pension, profit-sharing, stock bonus, and annuity plans | 9,611 | 12 | *163 | *668 | — | *711 | *4,560 | *1,533 | *1,964 | — | — | — | — |
| Employee benefit programs | 17,795 | — | *14 | *334 | *66 | *725 | *14,532 | *876 | *1,248 | — | — | — | — |
| Net income (less deficit) | -184,657 | -167,634 | *-1,223 | *-10,007 | 2,955 | *7,477 | -30,104 | *3,528 | 10,351 | — | — | — | — |
| Net income | 66,776 | 969 | *129 | — | *9,329 | *8,590 | 29,668 | *3,528 | *14,563 | — | — | — | — |

Corporation Returns/1977

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

RETURNS OF ACTIVE CORPORATIONS

Table 7.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Industrial Division, by Size of Business Receipts—Continued

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

| Industrial division, item | Total returns of active corporations | Size of business receipts | | | | | | | | | | | |
|---|--------------------------------------|-----------------------------|-------------------------|--------------------------|---------------------------|-----------------------------|-------------------------------|--------------------------------|---------------------------------|----------------------------------|-----------------------------------|-----------------------------------|-----------------------|
| | | Under \$25,000 ¹ | \$25,000 under \$50,000 | \$50,000 under \$100,000 | \$100,000 under \$500,000 | \$500,000 under \$1,000,000 | \$1,000,000 under \$5,000,000 | \$5,000,000 under \$10,000,000 | \$10,000,000 under \$50,000,000 | \$50,000,000 under \$100,000,000 | \$100,000,000 under \$250,000,000 | \$250,000,000 under \$500,000,000 | \$500,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Nature of Business not Allocable | | | | | | | | | | ** | ** | | |
| —Continued | | | | | | | | | | | | | |
| Income subject to tax | 39,429 | 401 | *130 | — | *1,429 | *5,936 | 15,365 | *3,440 | | *12,728 | — | — | — |
| Income tax, total | 15,216 | 165 | *41 | — | *223 | *2,048 | 5,436 | *1,314 | | *5,991 | — | — | — |
| Additional tax for tax preferences | — | — | — | — | — | — | — | — | | — | — | — | — |
| Foreign tax credit | — | — | — | — | — | — | — | — | | — | — | — | — |
| U.S. possessions tax credit | 253 | 125 | — | — | — | 128 | — | — | | — | — | — | — |
| Investment credit | 1,686 | (²) | *3 | — | *33 | *231 | *517 | *165 | | *737 | — | — | — |
| Work incentive (WIN) credit | — | — | — | — | — | — | — | — | | — | — | — | — |
| New jobs credit | *1,221 | — | (²) | — | — | *231 | *821 | — | | 169 | — | — | — |
| Total wages paid in 1977 | 61,522 | 51 | 138 | *3,006 | *9,665 | *8,917 | *23,950 | — | | *15,795 | — | — | — |
| Distributions to stockholders except in own stock | *6,596 | — | 50 | — | *5,893 | — | *96 | *190 | | *367 | — | — | — |

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

**Identifies (a) size classes for which data were deleted to avoid disclosure of information for specific corporations and (b) combined frequencies or amounts which include the data thus deleted from another size class.

¹Includes returns with zero receipts and receipts not reported.

²Size of total receipts was used in lieu of business receipts to classify statistics for the "Finance, insurance, and real estate" industrial division.

³Less than \$500 per return.

NOTE: Classification by size was based on amounts rounded to thousands of dollars prior to tabulation. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

RETURNS OF ACTIVE CORPORATIONS

Table 8.—Total Receipts, Net Income, Statutory Special Deductions, Income Tax, and Credits, by Accounting Period Ended

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

| Item | Total returns of active corporations | | Accounting period ended ¹ | | | | | | | | | | | |
|---|--------------------------------------|---------------|--------------------------------------|-------------|----------------|--------------|---------------|---------------|--------------|---------------|-------------|-------------|-------------|-------------|
| | Number of returns | Amount | July 1977 | August 1977 | September 1977 | October 1977 | November 1977 | December 1977 | January 1978 | February 1978 | March 1978 | April 1978 | May 1978 | June 1978 |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) |
| Returns With and Without Net Income | | | | | | | | | | | | | | |
| Number of returns..... | 2,241,887 | — | 83,801 | 90,364 | 202,230 | 110,723 | 64,990 | 889,880 | 84,273 | 78,790 | 174,076 | 99,051 | 98,616 | 265,093 |
| Total receipts..... | 2,157,793 | 4,128,304,478 | 95,527,474 | 98,240,027 | 224,810,683 | 140,189,167 | 72,199,682 | 2,496,943,381 | 183,885,585 | 82,973,846 | 221,284,181 | 101,458,707 | 104,628,014 | 306,163,731 |
| Net income (less deficit)..... | 2,218,681 | 219,243,043 | 2,891,180 | 2,904,721 | 7,832,527 | 5,281,861 | 3,384,419 | 161,773,291 | 8,155,791 | 2,775,965 | 5,989,957 | 3,393,161 | 3,269,716 | 11,590,454 |
| Total income tax..... | 1,014,623 | 96,340,453 | 1,212,668 | 1,288,796 | 3,424,723 | 2,152,029 | 1,370,740 | 73,102,640 | 2,626,526 | 1,088,134 | 2,582,432 | 1,362,552 | 1,313,378 | 4,835,835 |
| Inventories..... | 1,035,358 | 396,032,639 | 14,780,859 | 9,697,633 | 22,401,687 | 15,752,860 | 8,168,227 | 222,383,446 | 24,358,146 | 8,514,285 | 21,266,330 | 9,686,469 | 10,018,079 | 29,004,618 |
| Returns With and Without Net Income, Other Than Forms 1120S and 1120—DISC | | | | | | | | | | | | | | |
| Number of returns..... | 1,807,018 | — | 69,972 | 74,397 | 166,863 | 90,730 | 51,231 | 700,317 | 63,406 | 62,548 | 142,030 | 81,910 | 82,451 | 221,163 |
| Total receipts..... | 1,740,444 | 3,937,605,151 | 89,345,383 | 91,078,822 | 210,806,596 | 132,462,663 | 67,298,741 | 2,423,604,759 | 168,435,160 | 75,877,521 | 205,255,538 | 93,210,716 | 97,086,719 | 283,142,533 |
| Net income (less deficit)..... | 1,787,749 | 209,281,314 | 2,615,385 | 2,688,486 | 7,363,865 | 4,834,885 | 3,165,894 | 158,563,356 | 5,891,530 | 2,290,221 | 5,332,812 | 2,991,748 | 2,866,008 | 10,677,126 |
| Net income..... | 1,166,991 | 232,455,557 | 3,377,063 | 3,423,204 | 9,025,937 | 5,853,839 | 3,738,357 | 170,529,756 | 6,582,573 | 2,858,692 | 6,945,249 | 3,776,730 | 3,616,315 | 12,727,842 |
| Deficit..... | 620,758 | 23,174,243 | 761,678 | 734,718 | 1,662,072 | 1,018,854 | 572,463 | 11,966,400 | 691,043 | 568,471 | 1,612,437 | 784,982 | 750,309 | 2,050,716 |
| Statutory special deductions, total..... | 356,845 | 16,577,554 | 322,050 | 235,555 | 684,574 | 349,110 | 334,094 | 11,121,275 | 667,605 | 228,921 | 716,879 | 379,445 | 360,319 | 1,177,727 |
| Net operating loss deduction..... | 269,507 | 8,811,016 | 279,531 | 193,427 | 573,658 | 254,614 | 278,024 | 4,840,627 | 241,749 | 202,906 | 604,281 | 243,647 | 327,594 | 770,958 |
| Total special deductions..... | 95,455 | 7,766,538 | 42,519 | 42,128 | 110,916 | 94,496 | 56,070 | 6,280,648 | 425,856 | 26,015 | 112,598 | 135,798 | 32,725 | 406,769 |
| Western Hemisphere Trade Corporation deduction..... | 410 | 380,262 | 983 | 8,567 | 4,621 | 3,866 | *931 | 347,435 | *1,345 | 149 | 4,430 | *387 | 1,183 | 6,365 |
| Income subject to tax, total..... | 994,235 | 212,498,640 | 2,900,141 | 3,089,447 | 8,026,519 | 5,040,172 | 3,177,297 | 157,590,991 | 5,874,329 | 2,618,168 | 6,210,295 | 3,295,443 | 3,228,009 | 11,447,829 |
| Net long-term capital gain taxed at alternative rates..... | 36,052 | 7,497,642 | 92,176 | 106,982 | 195,137 | 188,796 | 102,268 | 5,713,218 | 141,618 | 48,123 | 228,444 | 121,439 | 164,880 | 394,761 |
| Income taxed at normal tax and surtax rates..... | 993,447 | 205,000,998 | 2,807,965 | 2,982,465 | 7,831,382 | 4,851,376 | 3,075,029 | 151,877,773 | 5,732,711 | 2,570,045 | 5,981,851 | 3,174,004 | 3,063,329 | 11,053,064 |
| Income tax, total..... | 1,014,473 | 96,340,229 | 1,212,617 | 1,288,796 | 3,424,712 | 2,149,285 | 1,370,992 | 73,054,796 | 2,624,134 | 1,087,519 | 2,558,229 | 1,360,141 | 1,312,151 | 4,830,160 |
| Normal tax, surtax, and alternative tax..... | 994,235 | 95,627,339 | 1,204,447 | 1,278,979 | 3,394,295 | 2,130,947 | 1,361,060 | 72,609,221 | 2,610,724 | 1,081,973 | 2,531,144 | 1,347,342 | 1,300,535 | 4,776,672 |
| Tax from recomputing prior-year investment credit..... | 140,979 | 445,735 | 5,570 | 8,050 | 21,853 | 18,073 | 6,485 | 286,969 | 14,047 | 4,910 | 20,055 | 10,778 | 10,778 | 37,077 |
| Tax from recomputing prior-year work incentive (WIN) credit..... | 753 | 3,839 | *19 | *0 | 178 | *1 | *10 | 2,035 | *38 | — | *1,250 | *238 | *0 | 70 |
| Additional tax for tax preferences..... | 10,605 | 263,316 | 2,583 | 1,767 | 8,391 | 3,008 | 3,185 | 204,395 | 1,605 | 1,251 | 9,983 | 3,104 | 2,065 | 21,979 |
| Foreign tax credit..... | 6,889 | 26,006,028 | 54,031 | 39,937 | 222,821 | 208,137 | 53,719 | 24,871,083 | 80,146 | 30,910 | 99,027 | 29,078 | 36,662 | 280,477 |
| U.S. possessions tax credit..... | 536 | 837,687 | 11,778 | 6,264 | 12,416 | 11,105 | 41,420 | 652,042 | 6,699 | 2,760 | 13,083 | 27,510 | 10,303 | 42,307 |
| Investment credit..... | 670,955 | 11,038,404 | 112,305 | 146,773 | 357,659 | 218,415 | 94,220 | 8,768,370 | 219,612 | 102,058 | 277,718 | 128,616 | 137,505 | 475,153 |
| Work incentive (WIN) credit..... | 5,905 | 19,327 | 155 | 410 | 350 | 472 | 115 | 13,202 | 334 | 562 | 1,098 | 288 | 253 | 2,088 |
| New jobs credit..... | 176,477 | 1,703,838 | *633 | 11 | *1,226 | *1,117 | *964 | 871,970 | 84,893 | 68,343 | 198,586 | 105,827 | 90,951 | 279,317 |
| Total income tax after credits..... | 776,294 | 56,734,945 | 1,033,717 | 1,094,066 | 2,830,245 | 1,712,783 | 1,180,302 | 37,925,953 | 2,232,450 | 883,501 | 1,972,920 | 1,071,233 | 1,037,704 | 3,756,456 |
| Returns With Net Income, Other Than Forms 1120S and 1120—DISC | | | | | | | | | | | | | | |
| Number of returns..... | 1,166,991 | — | 45,174 | 47,969 | 107,041 | 58,333 | 34,767 | 445,764 | 43,469 | 40,208 | 92,480 | 51,021 | 53,338 | 147,427 |
| Total receipts..... | 1,166,991 | 3,497,389,696 | 73,645,686 | 76,711,224 | 172,307,397 | 113,742,067 | 59,815,865 | 2,209,062,128 | 153,908,485 | 59,467,772 | 174,103,734 | 79,804,830 | 80,400,980 | 244,419,528 |
| Net income..... | 1,166,991 | 232,455,557 | 3,377,063 | 3,423,204 | 9,025,937 | 5,853,839 | 3,738,357 | 170,529,756 | 6,582,573 | 2,858,692 | 6,945,249 | 3,776,730 | 3,616,315 | 12,727,842 |
| Statutory special deductions, total..... | 345,257 | 16,367,981 | 318,724 | 230,420 | 679,638 | 343,732 | 330,730 | 10,975,595 | 660,774 | 226,725 | 706,951 | 376,939 | 358,275 | 1,161,478 |
| Net operating loss deduction..... | 269,507 | 8,811,016 | 279,531 | 193,427 | 573,658 | 254,614 | 278,024 | 4,840,627 | 241,749 | 202,906 | 604,281 | 243,647 | 327,594 | 770,958 |
| Total special deductions..... | 83,870 | 7,556,965 | 37,193 | 36,993 | 105,980 | 89,118 | 52,706 | 6,134,968 | 419,025 | 23,819 | 102,670 | 133,292 | 30,681 | 390,520 |
| Western Hemisphere Trade Corporation deduction..... | 410 | 380,262 | 983 | 8,567 | 4,621 | 3,866 | *931 | 347,435 | *1,345 | 149 | 4,430 | *387 | 1,183 | 6,365 |
| Net income of regulated investment companies and real estate investment trusts..... | 1,267 | 3,791,899 | 160,768 | 104,267 | 326,564 | 473,998 | 231,309 | 2,111,442 | 52,855 | 15,362 | 36,451 | 109,694 | 34,212 | 134,977 |
| Income subject to tax, total..... | 994,218 | 212,498,089 | 2,900,141 | 3,089,447 | 8,026,519 | 5,040,114 | 3,177,254 | 157,590,545 | 5,874,329 | 2,618,168 | 6,210,295 | 3,295,443 | 3,228,009 | 11,447,825 |
| Net long-term capital gain taxed at alternative rates..... | 36,052 | 7,497,642 | 92,176 | 106,982 | 195,137 | 188,796 | 102,268 | 5,713,218 | 141,618 | 48,123 | 228,444 | 121,439 | 164,880 | 394,761 |
| Income taxed at normal tax and surtax rates..... | 993,430 | 205,000,447 | 2,807,965 | 2,982,465 | 7,831,382 | 4,851,318 | 3,074,986 | 151,877,327 | 5,732,711 | 2,570,045 | 5,981,851 | 3,174,004 | 3,063,329 | 11,053,064 |
| Income tax, total..... | 995,823 | 96,266,885 | 1,212,101 | 1,287,461 | 3,420,796 | 2,149,285 | 1,370,992 | 73,054,796 | 2,624,134 | 1,087,519 | 2,558,229 | 1,360,141 | 1,312,151 | 4,830,160 |
| Normal tax, surtax, and alternative tax..... | 994,218 | 95,627,197 | 1,204,447 | 1,278,979 | 3,394,295 | 2,130,933 | 1,361,051 | 72,609,103 | 2,610,724 | 1,081,973 | 2,531,144 | 1,347,342 | 1,300,535 | 4,776,672 |
| Tax from recomputing prior-year investment credit..... | 122,752 | 408,350 | 5,147 | 6,805 | 18,000 | 15,455 | 5,894 | 270,625 | 11,868 | 4,360 | 18,433 | 9,579 | 9,624 | 32,500 |
| Tax from recomputing prior-year work incentive (WIN) credit..... | 659 | 3,836 | *19 | *0 | *175 | *1 | *10 | 2,035 | *38 | — | *1,250 | *238 | *0 | 70 |
| Additional tax for tax preferences..... | 10,086 | 227,482 | 2,488 | 1,677 | 8,266 | 2,896 | 3,137 | 173,033 | 1,504 | 1,186 | 7,402 | 2,982 | 1,992 | 20,919 |
| Foreign tax credit..... | 6,889 | 26,006,028 | 54,031 | 39,937 | 222,821 | 208,137 | 53,719 | 24,871,083 | 80,146 | 30,910 | 99,027 | 29,078 | 36,662 | 280,477 |
| U.S. possessions tax credit..... | 536 | 837,687 | 11,778 | 6,264 | 12,416 | 11,105 | 41,420 | 652,042 | 6,699 | 2,760 | 13,083 | 27,510 | 10,303 | 42,307 |
| Investment credit..... | 670,943 | 11,038,314 | 112,305 | 146,773 | 357,659 | 218,401 | 94,211 | 8,768,303 | 219,612 | 102,058 | 277,718 | 128,616 | 137,505 | 475,153 |
| Work incentive (WIN) credit..... | 5,905 | 19,327 | 155 | 410 | 350 | 472 | 115 | 13,202 | 334 | 562 | 1,098 | 288 | 253 | 2,088 |
| New jobs credit..... | ** | 1,703,813 | *633 | 11 | *1,226 | *1,117 | *964 | 871,945 | 84,893 | 68,343 | 198,586 | 105,827 | 90,951 | 279,317 |
| Total income tax after credits..... | 757,647 | 56,661,696 | 1,033,199 | 1,094,066 | 2,826,324 | 1,710,053 | 1,179,663 | 37,878,221 | 2,232,450 | 882,886 | 1,966,717 | 1,068,822 | 1,036,477 | 3,750,618 |

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

²Data deleted to avoid disclosure of information for specific corporations. Deleted data included in the appropriate totals.

³Includes full and part-year returns.

⁴Credits include foreign tax, U.S. possessions tax, investment, work incentive (WIN), and new jobs credits.

⁵Less than \$500 per return.

NOTE: See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

RETURNS OF ACTIVE SMALL BUSINESS CORPORATIONS, FORM 1120S

Table 9.—Balance Sheets and Income Statements, by Industrial Division

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

| Item | All industrial divisions | Industrial division | | | | | | | | Nature of business not allocable |
|--|--------------------------|------------------------------------|------------------|-------------------|-------------------|-------------------------------------|----------------------------|-------------------------------------|-------------------|----------------------------------|
| | | Agriculture, forestry, and fishing | Mining | Construction | Manufacturing | Transportation and public utilities | Wholesale and retail trade | Finance, insurance, and real estate | Services | |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| Number of returns, total..... | 428,204 | 20,282 | 3,277 | 49,559 | 37,846 | 19,113 | 147,140 | 51,271 | 99,330 | *386 |
| With net income..... | 251,722 | 9,957 | 1,755 | 32,632 | 22,514 | 9,305 | 89,719 | 29,714 | 56,107 | *19 |
| Total assets..... | 71,570,538 | 6,310,988 | 1,477,419 | 8,285,093 | 8,879,850 | 3,176,948 | 24,884,968 | 8,322,483 | 10,212,104 | *20,685 |
| Cash..... | 7,149,043 | 353,740 | 198,011 | 871,180 | 961,102 | 302,943 | 2,434,334 | 916,382 | 1,108,753 | *2,598 |
| Notes and accounts receivable..... | 13,108,683 | 382,679 | 253,932 | 1,924,797 | 2,380,397 | 491,567 | 5,037,855 | 1,355,676 | 1,301,586 | *194 |
| Less: Allowance for bad debts..... | 180,556 | 1,880 | 739 | 13,180 | 25,149 | 5,084 | 114,098 | 4,849 | 15,577 | — |
| Inventories..... | 14,720,223 | 535,601 | 38,825 | 1,888,392 | 1,843,873 | 53,523 | 9,650,946 | 273,634 | 434,336 | *1,093 |
| Investments in Government obligations: | | | | | | | | | | |
| United States..... | 247,049 | *5,279 | *2,722 | *12,871 | 44,015 | *7,811 | 67,424 | 78,757 | 28,170 | — |
| State and local..... | 134,982 | *7,390 | *350 | 13,237 | 61,871 | *2,260 | 40,096 | *1,424 | *8,354 | — |
| Other current assets..... | 4,359,562 | 128,746 | 81,141 | 895,974 | 254,441 | 141,643 | 579,915 | 1,763,791 | 513,815 | *96 |
| Loans to stockholders..... | 1,319,047 | 106,843 | 38,189 | 213,391 | 79,374 | 47,516 | 372,151 | 208,080 | 253,503 | — |
| Mortgage and real estate loans..... | 829,555 | 40,434 | *9,056 | 90,950 | 49,818 | *3,016 | 83,394 | 370,434 | 182,453 | — |
| Other investments..... | 2,460,625 | 270,026 | 54,391 | 258,822 | 343,098 | 76,937 | 610,247 | 512,286 | 334,818 | — |
| Depreciable assets..... | 33,911,811 | 3,709,085 | 1,206,859 | 3,051,159 | 4,848,634 | 3,018,938 | 8,503,662 | 1,587,741 | 7,964,745 | *21,588 |
| Less: Accumulated depreciation..... | 14,908,451 | 1,541,968 | 532,656 | 1,557,285 | 2,571,140 | 1,207,728 | 3,792,670 | 497,700 | 3,201,882 | *5,422 |
| Depletable assets..... | 263,514 | 17,088 | 79,834 | 23,469 | 20,651 | *2,111 | 16,174 | 67,338 | *36,849 | (?) |
| Less: Accumulated depletion..... | 61,971 | *1,100 | 15,376 | *5,266 | *9,385 | *262 | 7,847 | *12,671 | *9,964 | (?) |
| Land..... | 5,599,193 | 2,064,738 | 22,097 | 360,173 | 294,444 | 61,496 | 650,945 | 1,374,293 | 771,007 | — |
| Intangible assets (amortizable)..... | 799,475 | 14,490 | 1,369 | 8,725 | 82,850 | 51,416 | 214,623 | 42,026 | 383,925 | *51 |
| Less: Accumulated amortization..... | 362,614 | 5,909 | 724 | 4,252 | 29,363 | 19,617 | 56,122 | 13,468 | 233,148 | *11 |
| Other assets..... | 2,181,366 | 245,704 | 40,138 | 251,936 | 250,319 | 148,462 | 594,639 | 299,309 | 330,361 | *498 |
| Total liabilities..... | 71,570,538 | 6,310,988 | 1,477,419 | 8,285,093 | 8,879,850 | 3,176,948 | 24,884,968 | 8,322,483 | 10,212,104 | *20,685 |
| Accounts payable..... | 11,304,257 | 251,521 | 267,298 | 1,776,699 | 1,520,526 | 389,652 | 4,908,101 | 1,107,581 | 1,081,151 | *1,728 |
| Mortgages, notes, and bonds payable in less than one year..... | 11,752,423 | 1,137,189 | 226,696 | 1,792,010 | 1,007,238 | 405,714 | 4,358,527 | 1,765,685 | 1,059,364 | — |
| Other current liabilities..... | 5,091,022 | 133,439 | 88,529 | 875,623 | 760,164 | 190,068 | 1,663,018 | 569,495 | 810,088 | *598 |
| Loans from stockholders..... | 8,362,700 | 783,055 | 115,637 | 804,389 | 802,417 | 530,436 | 2,487,189 | 1,177,865 | 1,659,427 | *2,285 |
| Mortgages, notes, and bonds payable in one year or more..... | 15,069,322 | 2,193,508 | 292,499 | 1,083,449 | 1,245,444 | 1,048,765 | 3,528,515 | 2,065,651 | 3,599,220 | *12,271 |
| Other liabilities..... | 2,620,253 | 55,880 | 424,585 | 398,593 | 424,585 | 137,608 | 469,314 | 517,198 | 461,101 | *1 |
| Capital stock..... | 8,666,085 | 1,457,673 | 80,133 | 715,152 | 948,042 | 374,094 | 3,218,166 | 694,039 | 1,172,095 | *6,691 |
| Paid-in or capital surplus..... | 3,614,761 | 478,890 | 97,556 | 201,279 | 526,768 | 175,975 | 794,774 | 549,976 | 788,113 | *1,630 |
| Retained earnings, appropriated..... | 316,496 | 30,648 | *13,303 | 18,340 | 17,346 | 9,477 | 99,218 | 32,812 | 41,352 | — |
| Retained earnings, unappropriated..... | 5,647,487 | —209,328 | 273,007 | 682,501 | 1,718,826 | —28,129 | 3,636,126 | —79,629 | —341,568 | *-4,319 |
| Stockholders' undistributed taxable income previously taxed..... | 2,022,427 | —235,315 | 78,035 | 373,658 | 714,472 | —98,843 | 1,800,936 | —154,970 | —449,692 | *-5,854 |
| Less: Cost of treasury stock..... | 874,270 | 101,582 | 33,119 | 88,934 | 119,514 | 56,712 | 277,980 | 78,190 | 118,239 | — |
| Total receipts..... | 164,317,459 | 5,425,277 | 2,448,184 | 18,930,093 | 21,419,043 | 6,166,054 | 85,989,328 | 5,385,878 | 18,503,025 | *52,577 |
| Business receipts..... | 160,329,161 | 5,027,356 | 2,344,567 | 18,678,023 | 21,111,459 | 5,942,959 | 84,821,391 | 4,293,918 | 18,063,398 | *46,790 |
| Interest on Government obligations: | | | | | | | | | | |
| United States..... | 64,234 | 2,526 | *151 | 960 | 3,797 | *796 | 5,504 | 47,645 | 2,855 | — |
| State and local..... | 13,441 | *116 | *50 | 1,026 | 2,270 | *98 | 4,051 | *796 | *5,034 | — |
| Other interest..... | 471,571 | 23,399 | 10,758 | 37,787 | 48,340 | 9,104 | 184,712 | 108,309 | 49,157 | *5 |
| Rents..... | 483,866 | 40,719 | 5,398 | 33,330 | 43,689 | 19,088 | 127,636 | 128,348 | 85,568 | — |
| Royalties..... | 76,442 | 882 | 11,974 | *11 | 16,005 | (?) | 6,166 | *39,180 | *2,224 | — |
| Net short-term capital gain reduced by net long-term capital loss..... | 23,120 | 4,509 | *1,113 | *433 | *974 | *2,948 | 8,003 | 4,334 | 806 | — |
| Net long-term capital gain reduced by net short-term capital loss..... | 504,854 | 123,742 | 24,412 | 30,135 | 74,227 | 28,464 | 86,971 | 72,773 | 62,855 | *1,275 |
| Net gain, noncapital assets..... | 713,226 | 43,494 | 16,356 | 20,709 | 19,189 | 31,031 | 59,317 | 488,957 | 29,666 | *4,507 |
| Dividends received from domestic corporations..... | 21,729 | 1,494 | *373 | 1,805 | 5,527 | 261 | 7,929 | 2,354 | 1,986 | — |
| Dividends received from foreign corporations..... | 416 | *80 | — | — | *271 | — | *63 | — | *2 | — |
| Other receipts..... | 1,615,399 | 156,960 | 31,032 | 125,874 | 93,295 | 131,305 | 677,585 | 199,964 | 199,384 | — |
| Total deductions..... | 159,553,539 | 5,408,939 | 2,298,068 | 18,349,899 | 20,642,544 | 6,020,216 | 84,115,859 | 4,904,591 | 17,768,800 | *46,823 |
| Cost of sales and operations..... | 112,993,516 | 3,553,547 | 1,577,851 | 14,282,799 | 15,241,831 | 3,874,139 | 63,764,041 | 1,278,343 | 9,395,623 | *25,342 |
| Compensation of officers..... | 7,755,714 | 154,410 | 85,830 | 900,597 | 1,090,947 | 283,558 | 2,889,428 | 674,183 | 1,675,737 | *1,024 |
| Repairs..... | 1,091,368 | 160,512 | 49,145 | 159,812 | 139,089 | 41,976 | 311,701 | 26,084 | 203,025 | *24 |
| Bad debts..... | 298,834 | 9,174 | 3,695 | 30,318 | 39,363 | 13,693 | 141,403 | 23,449 | 37,739 | — |
| Rent paid on business property..... | 3,034,312 | 154,722 | 22,953 | 167,529 | 287,161 | 136,450 | 1,329,610 | 116,964 | 816,345 | *2,578 |
| Taxes paid..... | 3,875,486 | 126,037 | 57,426 | 437,494 | 566,611 | 229,332 | 1,407,514 | 156,650 | 692,974 | *1,448 |
| Interest paid..... | 2,055,696 | 266,252 | 34,119 | 216,076 | 191,736 | 119,379 | 611,767 | 254,643 | 361,043 | *681 |
| Contributions or gifts..... | 43,071 | 1,094 | 611 | 3,638 | 8,256 | 1,136 | 16,456 | 3,620 | 8,260 | — |
| Amortization..... | 45,578 | 1,530 | 19 | 2,482 | 5,178 | 2,294 | 16,522 | 2,934 | 14,611 | *8 |
| Depreciation..... | 3,270,182 | 353,500 | 149,707 | 332,799 | 422,785 | 325,203 | 825,418 | 126,405 | 729,401 | *5,324 |
| Depletion..... | 45,135 | 242 | 29,735 | *718 | *1,227 | *416 | 5,134 | *6,802 | 861 | — |
| Advertising..... | 1,305,322 | 10,591 | 1,141 | 58,197 | 119,495 | 27,093 | 728,897 | 123,997 | 235,198 | *713 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 369,085 | 6,273 | 8,884 | 52,921 | 87,659 | 16,586 | 110,289 | 26,012 | 60,461 | — |
| Employee benefit programs..... | 502,732 | 7,356 | 5,958 | 74,873 | 114,840 | 32,224 | 149,072 | 17,345 | 101,064 | — |
| Net loss, noncapital assets..... | 79,532 | 6,364 | *143 | 4,490 | 20,983 | 3,557 | 19,224 | 10,184 | 14,587 | — |
| Other deductions..... | 22,987,976 | 597,335 | 268,651 | 1,625,156 | 2,305,383 | 913,180 | 11,789,183 | 2,057,336 | 3,421,871 | *9,681 |
| Total receipts less total deductions..... | 4,763,920 | 16,338 | 150,116 | 580,194 | 776,499 | 145,838 | 1,873,669 | 481,287 | 734,225 | *5,754 |
| Net income (less deficit)..... | 4,750,479 | 16,222 | 150,066 | 579,168 | 774,229 | 145,740 | 1,869,618 | 480,491 | 729,191 | *5,754 |
| Net income..... | 7,584,844 | 377,028 | 242,752 | 805,574 | 1,214,652 | 314,752 | 2,664,013 | 736,459 | 1,242,077 | *7,537 |
| Distributions to stockholders: | | | | | | | | | | |
| Cash and property except in own stock..... | 2,767,894 | 145,734 | 128,276 | 229,964 | 490,379 | 115,586 | 815,425 | 298,820 | 538,010 | *5,700 |
| Corporation's own stock..... | *7,947 | — | — | *5,893 | *579 | *31 | *408 | — | *1,036 | — |

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

†This item is reflected in the statistics for "Retained earnings, unappropriated" and "Net worth" in tables which show these items.

‡Less than \$500 per return.

NOTE: Active Small Business Corporations filing Form 1120S returns reported "Income subject to tax" of \$3,142,000 and "Income tax" of \$224,000. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

RETURNS OF ACTIVE DOMESTIC INTERNATIONAL SALES CORPORATIONS, FORM 1120—DISC

Table 10.—Number of Returns, Selected Balance Sheet and Income Statement Items, and Distributions to Stockholders, by Selected Industrial Divisions

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

| Item | All industrial divisions ¹ | Selected industrial divisions | | | | |
|--|---------------------------------------|-------------------------------|-------------------|----------------|-------------------------------------|----------------|
| | | Wholesale and retail trade | | | Finance, insurance, and real estate | Services |
| | | Total ² | Wholesale trade | Retail trade | | |
| (1) | (2) | (3) | (4) | (5) | (6) | |
| Number of returns, total..... | 6,665 | 6,380 | 6,293 | *57 | 105 | 129 |
| With net income..... | 5,815 | 5,622 | 5,565 | *47 | 95 | 98 |
| Total assets | 15,955,073 | 15,513,301 | 15,484,235 | *28,980 | 206,147 | 221,477 |
| Notes and accounts receivable, net..... | 10,162,176 | 9,892,035 | 9,868,489 | *23,546 | 136,023 | 134,060 |
| Inventories..... | 713,448 | 713,186 | 713,186 | — | — | *283 |
| Cash, Government obligations, and other current assets..... | 519,158 | 497,971 | 497,103 | *792 | 1,193 | 6,217 |
| Other investments and loans..... | 3,515,071 | 3,370,996 | 3,366,485 | *4,511 | 67,691 | 76,384 |
| Depreciable assets..... | 25,523 | 23,332 | 23,211 | 121 | — | 2,191 |
| Less: Accumulated depreciation..... | 10,875 | 10,088 | 10,029 | 59 | — | *787 |
| Accounts and notes payable..... | 1,354,316 | 1,347,103 | 1,340,552 | *6,540 | *2,017 | 5,196 |
| Other current liabilities..... | 641,486 | 621,386 | 619,156 | *2,230 | *172 | 6,489 |
| Mortgages, notes, and bonds payable in one year or more..... | 77,361 | 76,458 | 73,732 | *2,726 | *437 | *266 |
| Net worth..... | 13,678,545 | 13,268,124 | 13,250,566 | *17,484 | 202,538 | 207,374 |
| Total receipts | 26,381,868 | 26,114,459 | 26,059,329 | *55,052 | 20,541 | 246,863 |
| Business receipts..... | 25,751,511 | 25,516,769 | 25,461,782 | *54,909 | *734 | 234,008 |
| Total deductions | 21,184,663 | 21,042,423 | 20,995,867 | *46,501 | 1,328 | 140,887 |
| Cost of sales and operations..... | 19,764,041 | 19,643,759 | 19,602,074 | *41,639 | — | 120,282 |
| Taxes paid..... | 46,148 | 45,274 | 45,088 | *179 | 114 | 755 |
| Interest paid..... | 26,457 | 26,434 | 26,389 | *45 | 8 | *12 |
| Depreciation..... | 6,785 | 6,337 | 6,324 | 13 | — | *448 |
| Pension, profit-sharing, stock bonus, and annuity plans..... | 8,030 | 7,923 | 7,803 | *120 | — | 107 |
| Employee benefit programs..... | 4,391 | 4,302 | 4,262 | 20 | — | *89 |
| Net income (less deficit)..... | 5,211,250 | 5,088,081 | 5,077,174 | *8,884 | 19,213 | 105,876 |
| Net income..... | 5,234,089 | 5,108,857 | 5,099,625 | *9,209 | 19,213 | 106,019 |
| Total statutory special deductions..... | 498 | 498 | 498 | — | — | — |
| Tax deferred income and income taxable to stockholders..... | 5,233,691 | 5,108,459 | 5,099,227 | *9,209 | 19,213 | 106,019 |
| Distributions to stockholders in cash..... | 3,154,836 | 3,091,835 | 3,087,505 | *4,330 | 14,529 | 48,472 |

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

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

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

NOTE: See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

RETURNS OF MEMBERS OF CONTROLLED GROUPS, OTHER THAN FORM 1120-DISC

Table 11.—Number of Returns, Total Assets, Total Receipts, Net Income (Less Deficit), and Total Income Tax, by Selected Industrial Divisions

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

| Item | All industrial divisions ¹ | Selected industrial divisions | | | | | | | | | |
|--|---------------------------------------|------------------------------------|------------|--------------|---------------|-------------------------------------|----------------------------|-----------------|--------------|-------------------------------------|------------|
| | | Agriculture, forestry, and fishing | Mining | Construction | Manufacturing | Transportation and public utilities | Wholesale and retail trade | | | Finance, insurance, and real estate | Services |
| | | | | | | | Total ² | Wholesale trade | Retail trade | | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | |
| Total returns of members of controlled groups, other than Form 1120-DISC: | | | | | | | | | | | |
| Number of returns | 308,314 | 4,936 | 3,849 | 25,641 | 43,194 | 15,033 | 83,791 | 35,764 | 47,609 | 78,710 | 52,083 |
| Total assets | 4,065,729,482 | 9,190,690 | 78,281,080 | 46,457,829 | 1,081,155,821 | 490,883,563 | 235,930,496 | 116,592,875 | 119,131,110 | 2,056,079,548 | 66,841,216 |
| Total receipts | 2,914,336,520 | 14,502,605 | 85,067,105 | 78,227,474 | 1,434,113,834 | 282,580,394 | 665,837,227 | 340,534,404 | 324,589,604 | 278,332,955 | 74,152,372 |
| Intragroup domestic dividends received qualifying for 100 percent deduction: | | | | | | | | | | | |
| Number of returns | 2,352 | 5 | 30 | 125 | 519 | 69 | 418 | 232 | 166 | 908 | 278 |
| Amount | 2,916,150 | 899 | 65,442 | 3,730 | 1,222,706 | 183,387 | 435,653 | 87,481 | 347,327 | 959,726 | 44,607 |
| Intragroup domestic dividends received qualifying for transitional deduction under Code section 1564(b): | | | | | | | | | | | |
| Number of returns | 251 | — | — | ** | 30 | ** | 78 | 51 | *27 | 117 | *14 |
| Amount | 88,782 | — | — | ** | 10,976 | ** | 13,012 | 12,399 | *613 | 11,423 | *1,774 |
| Net income (less deficit) | 175,251,092 | 382,706 | 30,909,105 | 2,148,992 | 90,413,379 | 16,547,290 | 15,023,382 | 6,735,811 | 8,276,120 | 16,384,426 | 3,618,745 |
| Net income | 167,945,512 | 570,621 | 31,519,478 | 2,883,174 | 95,488,480 | 17,771,763 | 16,758,185 | 7,736,787 | 9,009,226 | 18,470,231 | 4,442,217 |
| Total income tax | 82,473,389 | 186,443 | 14,949,059 | 1,104,445 | 43,064,716 | 8,026,347 | 7,087,651 | 3,279,035 | 3,804,916 | 6,328,845 | 1,715,649 |
| Distributions to stockholders except in own stock | 47,165,063 | 72,685 | 1,684,453 | 290,649 | 25,327,582 | 10,807,464 | 2,408,223 | 697,823 | 1,709,891 | 5,975,853 | 597,531 |
| Consolidated returns: | | | | | | | | | | | |
| Number of returns | 46,663 | 604 | 909 | 3,738 | 10,735 | 2,670 | 11,387 | 5,708 | 5,482 | 10,065 | 6,441 |
| Number of subsidiary corporations | 142,077 | 1,111 | 2,553 | 11,288 | 37,610 | 8,974 | 33,565 | 12,511 | 20,786 | 27,145 | 18,581 |
| Total assets | 3,434,717,657 | 5,976,539 | 69,348,775 | 30,084,576 | 980,191,108 | 471,214,614 | 144,268,720 | 70,059,826 | 74,123,709 | 1,682,869,803 | 50,534,898 |
| Total receipts | 2,309,872,210 | 9,974,321 | 75,113,096 | 43,868,228 | 1,268,899,723 | 262,487,866 | 400,372,197 | 201,077,825 | 198,972,584 | 196,239,015 | 52,403,893 |
| Net income (less deficit) | 147,452,404 | 240,502 | 29,552,524 | 1,264,244 | 79,756,547 | 15,522,686 | 7,959,629 | 3,059,010 | 4,894,972 | 10,462,866 | 2,690,641 |
| Net income | 156,629,973 | 324,820 | 29,980,139 | 1,670,320 | 84,129,778 | 16,544,123 | 8,988,684 | 3,659,660 | 5,322,656 | 11,856,319 | 3,142,588 |
| Total income tax | 70,011,749 | 124,207 | 14,270,599 | 670,988 | 38,180,930 | 7,506,251 | 3,955,741 | 1,541,739 | 2,412,168 | 3,994,232 | 1,304,823 |
| Distributions to stockholders except in own stock | 41,601,665 | 52,906 | 1,552,668 | 205,942 | 23,290,322 | 10,413,020 | 1,255,430 | 297,683 | 957,238 | 4,384,885 | 445,965 |

*Estimate should be used with caution because of the small number of sample returns on which it is based.
 **Data deleted to avoid disclosure of information for specific corporations. Deleted data included in the appropriate totals.
¹Includes "Nature of business not allocable" which is not shown separately.
²Includes "Wholesale and retail trade not allocable" which is not shown separately.
 NOTE: See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

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

Table 12.—Number of Returns and Selected Tax Items, by Size of Normal Tax, Surtax, and Alternative Tax After Credits

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

| Size of normal tax, surtax, and alternative tax after credits ¹ | Number of returns of active corporations, other than Forms 1120S and 1120-DISC | Total income subject to tax | Income tax before credits ¹ | | Foreign tax credit | Investment credit | Income tax after credits ¹ | |
|--|--|-----------------------------|--|---|--------------------|-------------------|---------------------------------------|---|
| | | | Total | Normal tax, surtax, and alternative tax | | | Total | Normal tax, surtax, and alternative tax |
| | | | (1) | (2) | | | (3) | (4) |
| Total² | 1,807,018 | 212,498,640 | 96,340,229 | 95,627,339 | 26,006,028 | 11,038,404 | 56,734,945 | 56,022,055 |
| Returns with net income | 1,166,991 | 212,498,089 | 96,266,865 | 95,627,197 | 26,006,028 | 11,038,314 | 56,661,696 | 56,022,028 |
| Returns without net income | 640,027 | 551 | 73,364 | 142 | — | 90 | 73,249 | 27 |
| Returns with normal tax, surtax, and alternative tax before credits ¹ | 994,235 | 212,498,640 | 96,251,812 | 95,627,339 | 26,006,028 | 11,038,404 | 56,646,528 | 56,022,055 |
| Returns with normal tax, surtax, and alternative tax after credits, total ¹ | 727,114 | 204,300,915 | 93,120,346 | 92,558,035 | 24,529,444 | 10,108,906 | 56,584,366 | 56,022,055 |
| Under \$6,000 | 479,469 | 5,827,182 | 1,361,149 | 1,340,644 | 4,499 | 262,004 | 818,483 | 797,978 |
| \$6,000 under \$10,000 | 84,113 | 3,473,456 | 815,513 | 806,927 | 2,754 | 99,132 | 626,932 | 618,346 |
| \$10,000 under \$15,000 | 34,766 | 1,950,156 | 532,175 | 523,998 | 4,180 | 63,317 | 400,454 | 392,277 |
| \$15,000 under \$20,000 | 18,225 | 1,332,168 | 437,451 | 431,551 | 8,452 | 55,353 | 311,648 | 305,748 |
| \$20,000 under \$25,000 | 12,818 | 1,086,895 | 376,130 | 372,244 | 8,493 | 40,041 | 283,956 | 280,070 |
| \$25,000 under \$50,000 | 34,190 | 4,066,646 | 1,548,639 | 1,534,430 | 11,178 | 164,324 | 1,213,704 | 1,199,495 |
| \$50,000 under \$75,000 | 15,337 | 2,798,903 | 1,154,430 | 1,143,162 | 10,218 | 103,452 | 950,464 | 939,196 |
| \$75,000 under \$100,000 | 9,323 | 2,303,143 | 986,953 | 978,885 | 12,764 | 81,406 | 806,261 | 798,193 |
| \$100,000 under \$250,000 | 21,189 | 8,844,942 | 3,975,649 | 3,940,843 | 80,272 | 295,573 | 3,313,156 | 3,278,350 |
| \$250,000 under \$500,000 | 8,737 | 7,710,088 | 3,567,368 | 3,534,792 | 44,115 | 275,938 | 3,051,857 | 3,019,281 |
| \$500,000 under \$1,000,000 | 4,070 | 7,634,019 | 3,577,243 | 3,541,043 | 115,539 | 352,015 | 2,867,645 | 2,831,445 |
| \$1,000,000 under \$10,000,000 | 4,179 | 58,864,580 | 28,002,092 | 27,855,420 | 14,079,426 | 2,266,962 | 11,374,175 | 11,227,503 |
| \$10,000,000 under \$50,000,000 | 575 | 37,474,861 | 17,689,442 | 17,572,591 | 2,931,548 | 2,541,899 | 12,183,872 | 12,067,021 |
| \$50,000,000 under \$100,000,000 | 76 | 17,182,027 | 8,196,979 | 8,175,174 | 2,111,267 | 660,434 | 5,420,854 | 5,398,849 |
| \$100,000,000 or more | 47 | 43,751,849 | 20,899,133 | 20,806,331 | 5,104,739 | 2,827,056 | 12,961,105 | 12,868,303 |

¹Credits include foreign tax, U.S. possessions tax, investment, work incentive (WIN), and new jobs credits.
²Returns of active corporations, other than Forms 1120S and 1120-DISC, reported an amount of U.S. possessions tax credit of \$837,687,000, an amount of work incentive (WIN) credit of \$19,327,000, and an amount of new jobs credit of \$1,703,838,000.
³Amount was reported by life insurance companies and banks with life insurance departments taxable under special provision of the Internal Revenue Code.
 NOTE: Classification by size was based on amounts rounded to thousands of dollars prior to tabulation. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

RETURNS OF ACTIVE CORPORATIONS, OTHER THAN FORM 1120-DISC

Table 13.—Investment Credit and Selected Items, by Selected Industrial Divisions

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

| Item | All industrial divisions ¹ | Selected industrial divisions | | | | | | | | | |
|---|---------------------------------------|------------------------------------|-----------|--------------|---------------|-------------------------------------|----------------------------|-----------------|--------------|-------------------------------------|------------|
| | | Agriculture, forestry, and fishing | Mining | Construction | Manufacturing | Transportation and public utilities | Wholesale and retail trade | | | Finance, insurance, and real estate | Services |
| | | | | | | | Total ² | Wholesale trade | Retail trade | | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | |
| Number of returns of active corporations, other than Form 1120-DISC..... | 2,235,222 | 65,594 | 19,216 | 214,745 | 231,149 | 85,215 | 666,034 | 231,304 | 432,758 | 432,814 | 516,258 |
| Returns with investment credit items, other than Form 1120-DISC: | | | | | | | | | | | |
| Number of returns..... | 1,153,233 | 45,095 | 11,838 | 124,582 | 159,019 | 52,728 | 379,435 | 137,495 | 240,968 | 112,065 | 267,035 |
| Cost of property used for investment credit: | | | | | | | | | | | |
| Number of returns..... | 1,088,289 | 43,396 | 11,627 | 119,316 | 152,701 | 49,261 | 358,041 | 131,560 | 225,509 | 103,548 | 249,090 |
| Amount..... | 168,472,101 | 1,987,523 | 4,974,226 | 4,669,236 | 67,785,127 | 55,261,605 | 14,396,340 | 6,049,297 | 8,324,346 | 7,676,488 | 11,663,528 |
| Investment qualified for credit: | | | | | | | | | | | |
| Number of returns..... | 877,704 | 30,014 | 9,712 | 93,773 | 130,383 | 38,563 | 283,378 | 110,756 | 171,851 | 88,207 | 202,443 |
| Amount..... | 134,326,934 | 1,300,136 | 4,129,299 | 3,184,943 | 57,769,502 | 43,195,525 | 10,525,391 | 4,380,710 | 6,129,701 | 6,148,157 | 8,037,967 |
| Tentative investment credit, total: | | | | | | | | | | | |
| Number of returns..... | 874,050 | 29,718 | 9,693 | 92,693 | 129,832 | 38,525 | 282,325 | 110,398 | 171,163 | 88,011 | 202,188 |
| Amount..... | 14,033,620 | 127,865 | 424,670 | 313,390 | 6,096,040 | 4,645,660 | 1,029,632 | 425,849 | 602,324 | 604,317 | 789,660 |
| 10 percent tentative investment credit: | | | | | | | | | | | |
| Number of returns..... | 873,262 | 29,718 | 9,693 | 92,659 | 129,619 | 38,460 | 282,285 | 110,366 | 171,155 | 87,989 | 201,774 |
| Amount..... | 13,285,657 | 127,696 | 412,529 | 311,076 | 5,745,287 | 4,288,005 | 1,021,897 | 424,067 | 596,371 | 594,776 | 782,005 |
| 7 percent tentative investment credit: | | | | | | | | | | | |
| Number of returns..... | 2,202 | *23 | *15 | *54 | 671 | 318 | 391 | *64 | *327 | 63 | 667 |
| Amount..... | 98,265 | *12 | *129 | *1 | 58,438 | 38,817 | 216 | *127 | *89 | 86 | 566 |
| 1 percent additional tentative investment credit for qualifying stock ownership plans: | | | | | | | | | | | |
| Number of returns..... | 1,377 | *6 | 33 | 23 | 307 | 191 | 512 | 136 | 376 | 55 | 250 |
| Amount..... | 570,939 | *157 | 11,263 | 2,214 | 250,706 | 285,573 | 6,802 | 1,476 | 5,326 | 7,159 | 7,065 |
| .5 percent additional tentative investment credit for qualifying stock ownership plans: | | | | | | | | | | | |
| Number of returns..... | 309 | — | 5 | 3 | 38 | 81 | 4 | ** | ** | *10 | *168 |
| Amount..... | 78,759 | — | 749 | 99 | 41,609 | 33,265 | 717 | ** | ** | *2,296 | *24 |
| Investment credit carryover: | | | | | | | | | | | |
| Number of returns..... | 269,551 | 11,691 | 4,060 | 28,805 | 38,436 | 17,916 | 74,259 | 22,827 | 51,345 | 24,761 | 69,245 |
| Amount..... | 6,977,611 | 350,032 | 469,755 | 188,532 | 2,002,113 | 2,621,435 | 387,623 | 155,171 | 232,096 | 400,559 | 546,083 |
| Investment credit: | | | | | | | | | | | |
| Number of returns..... | 670,955 | 19,580 | 6,211 | 65,497 | 100,356 | 28,806 | 225,814 | 92,225 | 132,914 | 69,584 | 154,565 |
| Amount..... | 11,038,404 | 76,414 | 223,125 | 220,629 | 4,607,188 | 4,143,315 | 826,490 | 319,104 | 506,420 | 512,894 | 426,663 |
| Unused investment credit: | | | | | | | | | | | |
| Number of returns..... | 360,233 | 16,502 | 5,681 | 41,265 | 51,908 | 21,885 | 102,060 | 32,481 | 69,312 | 32,791 | 87,322 |
| Amount..... | 9,973,610 | 401,483 | 671,300 | 281,312 | 3,490,965 | 3,123,780 | 591,220 | 262,161 | 326,210 | 492,125 | 909,246 |

*Estimate should be used with caution because of the small number of sample returns on which it is based.
 **Data deleted to avoid disclosure of information for specific corporations. Deleted data included in the appropriate totals.
¹Includes "Nature of business not allocable" which is not shown separately.
²Includes "Wholesale and retail trade not allocable" which is not shown separately.
 NOTE: See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

RETURNS OF ACTIVE CORPORATIONS, OTHER THAN FORM 1120-DISC

Table 14.—New Jobs Credit and Selected Items, by Selected Industrial Divisions

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

| Item | All industrial divisions ¹ | Selected industrial divisions | | | | | | | | | |
|--|---------------------------------------|------------------------------------|-----------|--------------|---------------|-------------------------------------|----------------------------|-----------------|--------------|-------------------------------------|------------|
| | | Agriculture, forestry, and fishing | Mining | Construction | Manufacturing | Transportation and public utilities | Wholesale and retail trade | | | Finance, insurance, and real estate | Services |
| | | | | | | | Total ² | Wholesale trade | Retail trade | | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | |
| Number of returns of active corporations, other than Form 1120-DISC..... | 2,235,222 | 65,594 | 19,216 | 214,745 | 231,149 | 85,215 | 666,034 | 231,304 | 432,758 | 432,814 | 516,258 |
| Returns with new jobs credit items, other than Form 1120-DISC: | | | | | | | | | | | |
| Number of returns..... | 334,431 | 7,017 | 3,451 | 43,406 | 52,268 | 13,623 | 113,783 | 39,844 | 73,766 | 31,115 | 69,305 |
| Unemployment insurance wages paid in 1977: | | | | | | | | | | | |
| Number of returns..... | 328,189 | 6,987 | 3,381 | 43,005 | 51,419 | 13,259 | 110,823 | 39,145 | 71,506 | 30,560 | 68,292 |
| Amount..... | 114,916,339 | 596,792 | 1,534,541 | 6,513,754 | 51,044,132 | 9,303,005 | 26,024,229 | 6,376,889 | 19,626,536 | 9,749,113 | 10,123,422 |
| 102% of unemployment insurance wages paid in 1976: | | | | | | | | | | | |
| Number of returns..... | 293,492 | 6,308 | 2,854 | 36,992 | 48,201 | 12,157 | 99,292 | 35,070 | 64,050 | 26,464 | 60,761 |
| Amount..... | 102,211,527 | 485,941 | 1,323,898 | 4,802,786 | 47,057,068 | 8,401,124 | 22,854,466 | 5,543,192 | 17,294,287 | 8,871,905 | 8,392,929 |
| Total wages paid in 1977: | | | | | | | | | | | |
| Number of returns..... | 328,246 | 6,987 | 3,381 | 43,005 | 51,468 | 13,259 | 110,823 | 39,145 | 71,506 | 30,561 | 68,299 |
| Amount..... | 310,101,059 | 1,119,087 | 4,604,068 | 16,078,996 | 152,698,983 | 30,653,948 | 57,450,983 | 17,127,585 | 40,274,879 | 24,793,897 | 22,639,575 |
| 105% of total wages paid in 1976: | | | | | | | | | | | |
| Number of returns..... | 294,058 | 6,308 | 2,854 | 36,992 | 48,374 | 12,157 | 99,384 | 35,070 | 64,142 | 26,635 | 60,891 |
| Amount..... | 272,459,321 | 920,606 | 3,919,239 | 12,105,739 | 136,872,961 | 27,357,471 | 50,394,139 | 14,853,025 | 35,499,816 | 22,214,342 | 18,622,746 |
| Total qualified wages after limitation: | | | | | | | | | | | |
| Number of returns..... | 316,528 | 6,620 | 3,350 | 41,976 | 50,205 | 13,122 | 106,535 | 37,329 | 69,034 | 29,153 | 65,271 |
| Amount..... | 3,473,589 | 37,120 | 57,328 | 579,624 | 916,247 | 161,360 | 945,265 | 308,032 | 636,228 | 235,085 | 538,736 |
| 1977 qualified unemployment insurance wages paid to vocational rehabilitation employees: | | | | | | | | | | | |
| Number of returns..... | 1,337 | — | ** | *46 | 298 | ** | 671 | 89 | 582 | 50 | *254 |
| Amount..... | 8,931 | — | ** | *935 | 2,423 | ** | 3,757 | 195 | 3,562 | 521 | *930 |
| Tentative new jobs credit..... | 3,068,833 | 30,867 | 53,011 | 505,730 | 855,168 | 145,083 | 825,362 | 281,340 | 543,201 | 212,751 | 438,037 |
| Corporate partner's new jobs credit before limitation: | | | | | | | | | | | |
| Number of returns..... | 1,039 | *16 | *5 | 318 | 51 | *9 | 233 | 165 | 68 | 193 | 214 |
| Amount..... | 18,534 | *37 | *71 | 11,796 | 1,736 | *268 | 1,983 | 1,262 | 721 | 2,158 | 485 |
| New jobs credit: | | | | | | | | | | | |
| Number of returns..... | 176,477 | 2,673 | 1,657 | 20,854 | 32,643 | 5,899 | 61,591 | 24,234 | 37,262 | 19,135 | 31,960 |
| Amount..... | 1,703,838 | 12,778 | 27,131 | 238,736 | 558,785 | 70,723 | 474,527 | 183,840 | 290,172 | 126,785 | 193,152 |

¹Estimate should be used with caution because of the small number of sample returns on which it is based.
²Data deleted to avoid disclosure of information for specific corporations. Deleted data included in the appropriate totals.
³Includes "Nature of business not allocable" which is not shown separately.
⁴Includes "Wholesale and retail trade not allocable" which is not shown separately.
 NOTE: See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

RETURNS OF ACTIVE CORPORATIONS

Table 15.—Returns With Beginning and Ending Inventories and With Inventory Valuation Methods, by Selected Industrial Divisions

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

| Item | All industrial divisions ¹ | Selected industrial divisions | | | | | | | | | Services |
|---|---------------------------------------|------------------------------------|-----------|--------------|---------------|-------------------------------------|----------------------------|-----------------|--------------|-------------------------------------|-----------|
| | | Agriculture, forestry, and fishing | Mining | Construction | Manufacturing | Transportation and public utilities | Wholesale and retail trade | | | Finance, insurance, and real estate | |
| | | | | | | | Total ² | Wholesale trade | Retail trade | | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | |
| Number of returns of active corporations | 2,241,887 | 65,594 | 19,216 | 214,745 | 231,149 | 85,215 | 672,394 | 237,597 | 432,815 | 432,919 | 516,387 |
| Returns showing inventories for both beginning and end of year: | | | | | | | | | | | |
| Inventories, beginning of year | 339,552,552 | 2,277,602 | 3,685,569 | 11,973,836 | 185,565,450 | 15,022,173 | 112,052,399 | 51,822,302 | 60,107,092 | 3,831,885 | 5,019,662 |
| Inventories, end of year | 381,860,185 | 2,556,944 | 4,221,793 | 14,200,091 | 203,887,843 | 18,192,959 | 129,150,952 | 58,993,800 | 70,004,103 | 4,484,709 | 5,018,105 |
| Number of returns with inventory valuation methods for end-of-year inventories, total | 813,274 | 13,173 | 3,891 | 79,547 | 151,272 | 7,514 | 457,922 | 146,387 | 310,737 | 5,340 | 92,282 |
| Number of returns with cost method only | 376,740 | 5,858 | 1,410 | 43,996 | 60,383 | 3,394 | 209,489 | 59,184 | 149,820 | 3,865 | 47,546 |
| Number of returns with lower of cost or market method only | 375,196 | 3,333 | 1,415 | 29,087 | 82,853 | 2,595 | 223,470 | 79,493 | 143,687 | 1,253 | 30,433 |
| Number of returns with other methods or with combinations of methods | 61,338 | 3,982 | 1,066 | 6,464 | 8,036 | 1,525 | 24,963 | 7,710 | 17,130 | 222 | 14,303 |
| Number of returns with LIFO ³ inventory valuation method for end-of-year inventories, total ⁴ | 12,645 | *33 | 60 | 309 | 5,232 | 63 | 6,607 | 3,527 | 3,080 | 18 | 323 |
| Number of returns with percent of inventories using LIFO ⁵ method: | | | | | | | | | | | |
| Under 50 percent | 740 | — | 4 | *6 | 374 | 4 | 341 | 207 | 134 | — | *11 |
| 50 under 100 percent | 3,054 | ** | *15 | *21 | 1,373 | 15 | 1,596 | 674 | 922 | ** | *23 |
| 100 percent | 5,386 | *7 | *29 | 208 | 2,143 | *22 | 2,878 | 1,916 | 962 | 3 | *96 |
| Number of returns with full absorption method of inventory costing | 43,772 | 248 | 155 | 2,470 | 30,501 | 152 | 7,801 | 3,470 | 4,324 | 663 | 1,606 |

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

²Data deleted to avoid disclosure of information for specific corporations. Deleted data included in the appropriate totals.

³Includes "Nature of business not allocable" which is not shown separately.

⁴Includes "Wholesale and retail trade not allocable" which is not shown separately.

⁵Includes "Wholesale and retail trade not allocable" which is not shown separately.

⁶Last-in, first-out⁷ inventory valuation method.

⁷Includes returns with percent of inventories using LIFO method not specified.

NOTE: See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Table 16.—Book Net Income or Deficit and Provision for Federal Income Tax, by Selected Industrial Divisions

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

| Item | All industrial divisions ¹ | Selected industrial divisions | | | | | | | | | Services |
|--|---------------------------------------|------------------------------------|------------|--------------|---------------|-------------------------------------|----------------------------|-----------------|--------------|-------------------------------------|-----------|
| | | Agriculture, forestry, and fishing | Mining | Construction | Manufacturing | Transportation and public utilities | Wholesale and retail trade | | | Finance, insurance, and real estate | |
| | | | | | | | Total ² | Wholesale trade | Retail trade | | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | |
| Total returns of active corporations: | | | | | | | | | | | |
| Number of returns | 2,241,887 | 65,594 | 19,216 | 214,745 | 231,149 | 85,215 | 672,394 | 237,597 | 432,815 | 432,919 | 516,387 |
| Net income (less deficit) | 219,243,043 | 708,956 | 31,353,923 | 4,517,522 | 100,008,887 | 18,393,402 | 30,180,147 | 16,954,338 | 13,198,138 | 27,668,033 | 6,596,830 |
| Returns with book net income or deficit: | | | | | | | | | | | |
| Number of returns, total | 1,994,704 | 57,078 | 16,435 | 197,099 | 210,659 | 76,876 | 603,833 | 217,711 | 384,150 | 379,969 | 449,331 |
| With book net income | 1,278,016 | 32,736 | 10,769 | 123,119 | 145,992 | 46,036 | 398,156 | 156,324 | 240,480 | 240,857 | 279,270 |
| With book deficit | 716,688 | 24,342 | 5,666 | 73,980 | 64,667 | 30,840 | 205,677 | 61,387 | 143,670 | 139,112 | 170,061 |
| Book net income (less deficit) | 129,565,920 | 433,503 | 2,806,358 | 2,891,322 | 54,164,837 | 16,109,595 | 19,958,382 | 11,938,109 | 7,969,650 | 29,191,514 | 4,180,357 |
| Book net income | 149,712,085 | 1,353,963 | 3,418,834 | 4,497,735 | 59,164,463 | 17,694,383 | 24,232,722 | 13,919,349 | 10,260,282 | 32,566,239 | 6,731,857 |
| Tax net income (less deficit) | 100,365,158 | 364,382 | 1,770,443 | 2,895,970 | 44,932,197 | 10,451,984 | 18,574,339 | 11,862,279 | 7,691,536 | 16,409,894 | 4,158,538 |
| Provision for Federal income tax, net: | | | | | | | | | | | |
| Number of returns | 696,802 | 15,831 | 5,941 | 60,774 | 88,573 | 21,331 | 222,666 | 96,554 | 125,516 | 154,258 | 126,594 |
| Amount | 52,298,587 | 258,214 | 1,129,319 | 1,180,696 | 27,828,003 | 5,666,163 | 8,114,872 | 4,005,192 | 4,103,154 | 6,497,774 | 1,611,798 |
| Provision for Federal income tax (+): | | | | | | | | | | | |
| Number of returns | 664,278 | 15,314 | 5,546 | 56,413 | 82,344 | 19,896 | 213,575 | 92,482 | 120,548 | 149,596 | 120,790 |
| Amount | 54,296,328 | 274,651 | 1,161,899 | 1,297,550 | 29,076,971 | 5,758,343 | 8,330,573 | 4,144,692 | 4,179,145 | 6,730,216 | 1,654,237 |
| Provision for Federal income tax (—): | | | | | | | | | | | |
| Number of returns | 32,524 | 517 | 395 | 4,361 | 6,229 | 1,435 | 9,091 | 4,072 | 4,968 | 4,662 | 5,804 |
| Amount | 1,997,741 | 16,437 | 32,580 | 116,854 | 1,248,968 | 92,180 | 215,701 | 139,500 | 75,991 | 232,442 | 42,439 |
| Total income tax after investment, work incentive (WIN), and new jobs credits | 56,702,305 | 268,756 | 1,460,414 | 1,252,095 | 33,202,025 | 3,414,628 | 8,209,200 | 4,222,782 | 3,981,409 | 7,273,120 | 1,609,986 |
| Foreign tax credit | 9,468,555 | 8,468,555 | *11,504 | 99,516 | 7,347,280 | 89,904 | 546,222 | 459,986 | 86,236 | 695,229 | 102,785 |
| U.S. possessions tax credit | 836,519 | 121 | 51 | 2,051 | 798,195 | 21,618 | 6,873 | 1,892 | 4,978 | 4,836 | 2,521 |

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

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

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

NOTE: See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

The following explanations include definitions and limitations of terms used, and adjustments made in preparing the statistics. The instructions for the tax forms in section 7 will provide additional information about many items. These explanations are designed to aid the user in interpreting the statistical content of this report and should not be construed as interpretations of the Internal Revenue Code or policies. Code sections cited were those in effect for 1977. Whenever a year is cited, it refers to the calendar year, unless otherwise stated. Finally, definitions marked with the symbol (#) have been modified from the previous year's report to reflect processing or tax law changes.

Accounting Periods

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

Accounts and Notes Payable

This item consisted of accounts payable and mortgages, notes, and bonds payable in less than one year. Each is described separately under its own heading below.

Accounts Payable

Relatively short-term liabilities arising from the conduct of trade or business which were not secured by notes of indebtedness were generally included under this heading. Nontrade payables, on the other hand, were generally includable in the estimates for "Other Current Liabilities."

Banks and savings institutions may have reported deposits and withdrawable shares in accounts payable. When these amounts could be identified, they were transferred to "Other Current Liabilities."

Additional Tax for Tax Preferences (#)

Additional tax for tax preferences, the so-called "minimum tax," was intended to make possible the taxation, to some extent, of selected income and deduction items (described by law as "tax preferences") afforded special tax treatment in the computation of taxable income.

For the most part, the 15 percent tax was levied on the sum of a corporation's tax preferences which exceeded \$10,000 or the current-year income tax reduced by foreign tax credit, investment credit, U.S. possessions tax credit, work incentive (WIN) credit and new jobs credit. The carryover of regular taxes as an offset to preference income was discontinued (except for taxes due to income from timber) for tax years beginning after June 30, 1976.

Items included as tax preferences were: (1) accelerated depreciation (depreciation in excess of the amount computed under the straight-line method allowed on personal property subject to a lease, low-income

rental housing, and other real property); (2) amortization (special rapid write-offs in excess of what otherwise would have been a depreciation deduction under Code section 167 for certified pollution control facilities, railroad rolling stock, on-the-job training facilities, and child care facilities); (3) reserves for losses on bad debts of financial institutions (additions to reserves for bad debts in excess of actual bad debt losses, based on prescribed rules); (4) depletion (depletion deduction in excess of the cost or other basis of the property, reduced by depletion taken in prior years); (5) capital gains (net long-term capital gain in excess of net short-term capital loss when this amount was taxed at the special lower capital gains rate; the preference item was the excess net long-term gain multiplied by a ratio of the regular tax rate of 48 percent less the rate applicable to capital gains, generally 30 percent for 1977, to the regular corporate rate of 48 percent); and (6) intangible drilling costs. Tax preferences for "accelerated depreciation subject to a lease" and "intangible drilling costs" were not applicable to corporations other than Small Business Corporations electing to be taxed through their stockholders and Personal Holding Companies.

There were also special rules in effect for timber income, including both gains from the cutting of timber and the long-term gains from the sale of timber. These rules provided that the items of tax preference for timber gains be reduced by one-third and then further reduced by \$20,000. Then the regular tax deduction was reduced by the lesser of one-third, or the preference reduction described above. These adjustments compensated for the general minimum tax rate increase brought about by the Tax Reform Act of 1976 by scaling down the entire minimum tax base, as it related to timber, by one-third, and then subjecting that lower base to the new 15 percent tax rate (one-third more than the old 10 percent rate). The reduction in timber preference by the additional \$20,000 effectively increased the exemption to \$30,000.

Also, the regular tax deduction carryover remained in effect for that portion of the corporation's prior-year income tax attributable to timber income. If for any taxable year the taxes imposed on a corporation that were attributable to income from timber exceeded the items of tax preference for that year, then the amount of the excess could be used to offset tax preferences over the next 7 years.

In general, all corporations were liable for the additional tax. However, regulated investment companies and real estate investment trusts were subject to the tax only on amounts attributable to tax preferences not passed through to their stockholders for taxation. Small Business Corporations electing to be taxed through their stockholders were liable for the additional tax only on certain capital gains, on accelerated depreciation subject to a lease, and on intangible drilling costs. All other items of tax

preference for these corporations were passed on to the stockholders for taxation. However, members that were Domestic International Sales Corporations (DISC's) were not subject to the additional tax for tax preferences.

In addition, members of a controlled group of corporations filing separate returns were required to apportion a single \$10,000 statutory exclusion among the members of the group either equally or based on a plan adopted for all members. The Revenue Act of 1978 revised the method of computing the exemption from the additional tax for tax preferences for members of controlled groups of corporations. For taxable years beginning after December 31, 1976, the \$10,000 exemption was allocated to each of the component members of the group in proportion to each member's regular tax deduction. (See the discussion under Changes in Law in section 2.)

Advertising

Advertising expenses were allowable as a deduction under Code section 162, if they were ordinary and necessary and bore a reasonable relation to the trade or business of the corporation. The amount shown in the statistics includes advertising identified as a cost of sales and operations as well as advertising reported separately as a business deduction.

The types of expenditures covered by the advertising deduction may have varied somewhat from company to company and a few companies did not separately identify advertising when it was included in the cost of sales and operations. In addition, certain kinds of advertising expenditures, such as for billboards, were capitalized and recovered only as part of depreciation. For these reasons, a more definitive explanation of the advertising deduction statistics is not possible.

Allowance for Bad Debts

Most corporations identified on their balance sheet the allowance or reserve set aside to cover uncollectible or doubtful notes, accounts, and loans as an adjustment to notes and accounts receivable. A few corporations, however, reported only net receivables and, thus, did not show their allowance for bad debts. In addition, tax return balance sheets used by life and certain mutual insurance companies did not require the allowance to be reported. Both the statistics for the allowance and for the gross amount of "Notes and Accounts Receivable" are understated by these unidentified amounts.

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

Amortization (#)

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

- bond premiums (section 171)
- child care facilities (section 188)
- coal mine safety equipment (section 187)

- lessee's improvements to leased property (section 178)
- on-the-job training facilities (section 188)
- organizational expenditures of corporations (section 248)
- pollution control facilities (section 169)
- railroad rolling stock (section 184)
- railroad tunnel bores and grading (section 185)
- research and experimental expenditures (section 174)
- trademark and trade name expenditures (section 177).

Of these, amortization of leasehold improvements was frequently reportable as depreciation and amortization of bond premiums (as well as of such other financial items as loan or mortgage costs) was often reported as part of "other deductions." Write-offs of patents, copyrights, and other intangibles were usually included in depreciation. None of these amounts involved rapid write-offs of the assets concerned. Therefore, in order to confine the statistics insofar as possible to rapid write-offs, identifiable amounts reported as amortization that related to leasehold improvements, bond premiums (or other financial items), and intangible assets, and, in addition, to depreciable assets other than those eligible for rapid amortization, were transferred to "depreciation" or "other deductions," as appropriate. (See also, "Depreciation" and "Other Deductions.")

The Tax Reduction and Simplification Act of 1977 extended the expiration date of the election to amortize costs of construction of child care facilities from December 31, 1976, to December 31, 1981. See the discussion under Changes in Law in section 2.

The amounts shown in the statistics include any identifiable amortization (as described above) reported as part of the cost of sales and operations.

See also, "Additional Tax for Tax Preferences."

Annual Returns

Annual or calendar year returns were those filed for the 12-month period beginning in January and ending in December. Most of the larger corporations filed for this period. Figure B in section 1 shows the percentage of returns filed for each of the accounting periods covered in this report.

Bad Debts (#)

Bad debts occurring during the year, or a reasonable addition to an allowance or reserve for bad debts, were allowable as a deduction under Code section 166.

Commercial banks, mutual savings banks, savings and loan associations, small business investment companies and other financial institutions were permitted to take a deduction for a reasonable addition to their bad debt balance which was far greater than that allowed other businesses. Unlike other businesses, which could deduct additions to their reserves only to the extent justified by their actual loss experience, these financial institutions could elect to increase their reserves based on percentages of outstanding loans. However, certain restrictions were introduced in 1969 to begin to bring these institutions in line with other businesses.

For commercial banks, beginning with 1969, deductible additions to the reserves were to decrease in three transitional steps. These steps were to be completed by 1988, at which time the deduction would have to be based on actual losses for the current and 5 preceding years, the same as for other businesses. For taxable years beginning after 1975, but before 1982, the percentage for eligible loans outstanding used as the basis for the deduction was 1.2 percent.

For small business investment companies, deductions for additions to the reserves, using an industry average as the norm, were permitted during the first 10 years of a company's existence. Thereafter, additions to the reserves had to be based on its own experience.

For mutual savings banks, savings and loan associations, and cooperative banks, the deduction was based on a percentage of an adjusted taxable income figure before reduction by the bad debts deduction, provided it did not increase the reserve beyond 6 percent of qualifying loans. The percentage was to decrease from 60 to 40 over a 10-year period, in general, starting with 1970. For 1977, the percentage was 42.

For banks and other financial institutions, corporate or government debts evidenced by certain bonds which became worthless during the year were chargeable as bad debts under Code section 582. For other corporations, such losses were subject to the special capital gain or loss provisions of the law. See the explanation for "Net Capital Gains" in this section.

Recoveries of bad debts previously deducted by corporations which used the reserve method were netted against the year's bad debts deduction. However, amounts of recovered bad debts reported by corporations which deducted actual bad debts were included in "Other Receipts."

See also "Additional Tax for Tax Preferences."

Book Net Income (or Deficit)

This was the after-tax profits as reported in tax return schedules reconciling income per books of account with income per Internal Revenue Code (see Schedule M-1, "Reconciliation of income per books with income per return," on the Form 1120 return facsimile in section 7 of this report), or in the case of most insurance companies, from the annual statements filed with the return.

For the most part, tax law provisions agree with accepted accounting practices and recognize the application of general accounting principles to the conditions and practices of a particular trade or business. However, for certain kinds of income, deductions, or transactions, the law allowed or required special accounting that digressed from generally accepted accounting methods.

Four fundamental reasons account for most of the disparity between tax and book profits: (1) different bases, or accounting values, assigned to property which, for example, affect the size of depreciation or gain or loss when the property is sold; (2) different definitions of numerous components, e.g., depreciation, depletion, and bad debt losses; (3) accounting differences in timing the receipt of income and the expensing of deductions, e.g., installment sales, income from construction contracts, prepaid income or anticipated future losses or expenses, income from foreign subsidiaries and expenses typically capitalized on the books but expensed on the tax return (e.g., intangible drilling costs), or vice versa; and (4) recognition of certain income and deductions for tax purposes only, e.g., the foreign dividend income resulting from foreign taxes deemed paid, or for book purposes only, e.g., interest on State and local Government obligations, lobbying expenses, and certain undistributed profits of foreign subsidiaries.

The data shown are subject to certain limitations. Although all corporations were required to provide data for a reconciliation of profits, some did not include them in their tax returns as originally filed, while others provided them in schedules of their own design from which total book net income could not always be determined. This last group included those consolidated returns in which book net income was shown separately for each affiliated corporation, but the consolidated net income after

reduction by intercompany transactions was not shown. (See "Consolidated Returns" in this section.) Also, net income for tax purposes is likely to be more uniformly determined than net income for book purposes because of the necessity to conform to provisions of the Internal Revenue Code, although complete uniformity is lacking because of the various elections, special treatments, and other provisions in the law.

In addition, book net income was calculated after taxes were deducted. The income tax liability reported on the tax return often differs from the book amount because of the several methods of accounting for taxes on the books. The statistics may be slightly overstated depending on how parent corporations accounted for the earnings of their nonconsolidated subsidiaries. Duplication resulted when the parent reported its equity in subsidiaries in its book net income and the subsidiaries then also reported their individual book net incomes on their own returns.

On an historical basis, both book and net income are affected by changes in accounting practices by particular companies, in generally accepted accounting principles, and in tax law. Moreover, because more definitive measures of the differences between tax and book profits are not available, there is no way of knowing how much of the difference is permanent (because of different definitions) or only temporary (timing differences would be expected to "wash out" over a number of years).

Business Receipts

Business receipts were, in general, the gross operating receipts of the corporation reduced by the cost of returned goods and allowances.

Business receipts included rents reported as a principal business income by real estate operators and by certain types of manufacturing, public utility, and service corporations. The latter corporations included manufacturers that frequently rented products rather than sold them, such as automatic data processing equipment; lessors of public utility facilities, such as docks, warehouses, and pipelines; and companies engaged in rental services, such as the rental of automobiles or clothing.

Some corporations treated sales taxes and excise and related taxes which were included in the sales price of their products as part of their gross receipts from sales; others reported their receipts after adjustment for these taxes. When treated as receipts, sales taxes and excise and related taxes were deducted on the tax return as part of the cost of sales and operations or were included in the separately itemized deduction for taxes paid. In any case, the receipts as reported by the taxpayer were included in the statistics. See also, "Cost of Sales and Operations" and "Taxes Paid."

In the finance, insurance, and real estate industries, business receipts included such banking items as fees, commissions, trust department earnings, exchange collections, discounts, and service charges, when identified in schedules attached to the return. Business receipts also included interest which could not be separately identified as such. (Interest, the principal operating income of banking and savings institutions, is shown separately in the statistics under "Other Interest" and is, therefore, excluded from business receipts.) Special statistical treatment was required for the few banking institutions which reported the purchase and sale of Federal funds as part of cost of sales and operations and business receipts, respectively. For the statistics, the amount paid by the banking institutions for these funds was excluded from the "Cost of Sales and Operations" and a corresponding amount was excluded from business receipts.

Also in the finance, insurance, and real estate industries, premium income of most insurance companies was included in business receipts. However, certain mutual insurance companies with total receipts of less than \$500,000 were not required to report premium income. Therefore, total business receipts for insurance carriers are slightly understated.

Generally, in the finance, insurance, and real estate industries, income from investments, when identified in schedules attached to the return, was allocated to one of the specific types of investment income for which statistics are shown separately. Rent reported by real estate operators, however, was accepted as business receipts.

Business receipts reported by stock and commodity brokers, dealers, and exchanges, and by real estate subdividers, developers, and operative builders, required special statistical treatment. For these operations, net profit or loss from the sale of stocks, commodities, or real estate, when identifiable, was allocated to the statistics for net gain or loss from sales or exchanges of noncapital assets. If the corporation reported both business receipts and cost of sales and operations without identifying the source, and the cost of sales and operations was 50 percent or more of the business receipts, the items were considered to include stock, commodity, or real estate transactions and only the net gain or loss was used for the statistics. Otherwise, business receipts for these companies were used as reported and included commissions and service fees.

For Domestic International Sales Corporations (DISC's), business receipts included only "qualified" export receipts, i.e., the sum of (1) gross receipts from noncommission sales of export property, leasing or renting of export property, services related and subsidiary to a qualified export sale or lease, engineering and architectural services, and export management services, and (2) commissions earned by DISC's acting as commission agents for someone else (rather than the gross receipts on which the commissions were earned). In other words, "qualified" receipts were those which were considered to be export-related and as such were the only receipts included in the statistics for business receipts. Receipts not considered to be export-related (i.e., "nonqualified" receipts) were included in "Other Receipts."

In addition to the income types described above which were uniquely treated by law, by the tax return, or for the statistics, there were certain other kinds of income from sales and operations that are not reflected in business receipts. In general, this income was included as part of the much broader category, sales of property used in trade or business.

For additional information about this income, see "Net Capital Gains" and "Net Gain (or Loss), Non-capital Assets."

Capital Stock

This end-of-year balance sheet liability item included amounts shown for outstanding shares of both common and preferred stock.

Cash

This balance sheet asset item included the amount of actual money or instruments and claims which were usable and acceptable as money on hand at the end of the taxable year.

For Domestic International Sales Corporations (DISC's), this item was the sum of the following accounts shown separately on the tax return: working capital (i.e., cash and necessary temporary investments) and funds awaiting investment (i.e., cash in U.S. banks in excess of working capital needed to acquire other qualified assets).

Compensation of Officers

Salaries, wages, stock bonuses, bonds, and other forms of compensation were included in this deduction item if they were identified as having been paid to officers for personal services rendered. Understatement was possible to the extent compensation was reported as part of another deduction item (such as an overall employee compensation figure) and, if not clearly identified, was included in the statistics for "Cost of Sales and Operations" or "Other Deductions."

Consolidated Returns

Consolidated returns were income tax returns which contained the combined financial data of two or more corporations meeting the following requirements: (1) a common parent corporation owned at least 80 percent of the voting power of all classes of stock and at least 80 percent of each class of nonvoting stock (except stock which was limited and preferred as to dividends) of at least one member of the group, and (2) these same proportions of stock of each other member of the group were owned within the group.

Corporations electing to file consolidated returns in one year had to file consolidated returns in subsequent years, with certain exceptions. The consolidated filing privilege could be granted to all affiliated domestic corporations connected through stock ownership with a common parent corporation except: (1) regulated investment companies, (2) real estate investment trusts, (3) corporations deriving a large percentage of their gross income from sources within a U.S. possession, (4) corporations designated tax-exempt under Code section 501, (5) China Trade Act corporations, and (6) Domestic International Sales Corporations (DISC's). Affiliated insurance companies were allowed to file a consolidated return if they were taxable under the same provisions of the Code; however, noninsurance companies with which they also may have been affiliated could not be included in the same return.

A consolidated return, filed by the common parent company, was treated as a unit, each statistical classification being determined on the basis of the combined data of the affiliated group. Therefore, filing changes to or from a consolidated return basis affect year-to-year comparability of certain statistics (such as data classified by industry and size of total assets).

Constructive Taxable Income from Related Foreign Corporations (#)

This represented the sum of (1) "Includable Income from Controlled Foreign Corporations" and (2) "Foreign Dividend Income Resulting from Foreign Taxes Deemed Paid."

Includable income from Controlled Foreign Corporations represented amounts, not actually received, which a domestic corporation owning at least 10 percent of a Controlled Foreign Corporation was required by Code section 951 to include in its gross income. For most purposes, the foreign corporation was considered controlled if more than 50 percent of its voting stock was controlled by U.S. persons, including domestic corporations, each of whom owned at least 10 percent of its voting stock.

The includable income consisted of:

- (1) subpart F income, defined below;
- (2) any previously excluded subpart F income which had been invested in qualified assets in "less developed countries," but which was now either withdrawn from these countries or remitted to the U.S. stockholders and was thereupon taxable; and
- (3) any increase in Controlled Foreign Corporation earnings due to investment in U.S. property.

Subpart F income, defined in Code section 952, included:

(1) income attributable to premiums received by foreign insurance companies that were Controlled Foreign Corporations (here defined in terms of 25 percent voting stock ownership), 75 percent or more of whose insurance business was on U.S. risks; and

(2) "foreign base company income," which included:

(a) "foreign personal holding company income" (income derived from portfolio investments or from "passive" investments);

(b) "foreign base company sales income" (generally from the sale of property produced in the United States or a foreign country by one corporation and sold by a related corporation, generally a trading company, organized in another country having a low rate of taxation, for use outside that country); and

(c) "foreign base company services income" (in general, income from services performed or furnished for a related person, which included corporations, outside the country of incorporation of the Controlled Foreign Corporation, but with certain exceptions).

Foreign base company income excluded income from qualified investments in less developed countries or from sales of U.S. exports as well as income derived from use of aircraft or vessels in foreign commerce and related services.

Foreign dividend income resulting from foreign taxes deemed paid related to certain foreign taxes on profits of companies which were 10 percent or more owned by domestic corporations. If dividends were distributed to a domestic corporation (from these foreign profits), the domestic corporation was required to increase (or "gross-up") such dividends by a proportionate amount of the foreign taxes deemed paid on the foreign profits for which the domestic corporation claimed a foreign tax credit. See also, "Foreign Tax Credit."

The Tax Reform Act of 1976 provided that dividends from less developed country corporations (as formerly defined in Code section 955) be treated the same as dividends from other foreign corporations. Thus, the amount of the dividend was grossed-up by the amount of foreign taxes deemed paid on that dividend. The gross-up treatment for distributions of current income was generally effective for taxable years beginning after December 31, 1975. However, distributions made in taxable years beginning after December 31, 1975, and received by domestic corporations before January 1, 1978, were to be grossed-up only to the extent that the distributions were made from earnings and profits of the foreign corporation accumulated in taxable years beginning after December 31, 1975. Prior to the 1976 Act, only those dividends received from "developed country" corporations were required to be grossed-up.

Analysis of returns of some of the larger corporations revealed instances where amounts reported as foreign dividend income resulting from foreign taxes deemed paid were actually dividends received from foreign corporations, and instances where amounts reported as dividends received from foreign corporations were actually the gross-up of foreign taxes deemed paid. (Both of these items were reportable on the dividends received schedule of the income tax return.) If these amounts were so identified on supporting schedules they were transferred to the correct item for the statistics.

Contributions or Gifts

Contributions or gifts to charitable, religious, educational, and similar organizations were deductible under Code sections 170, 809, and 882. In general, the deduction was limited to 5 percent of net income computed without regard to this deduction; certain

additional adjustments were required in the case of life insurance companies. Amounts contributed in excess of this limitation during the 5 preceding years could be carried forward and included in the current-year's deduction as long as the sum of the current-year contributions and the amounts carried forward did not exceed the limitation based on current-year income. The excess was again carried forward until the 5-year carryover period expired. The amounts shown for 1977, therefore, include some contributions actually made in previous years, and exclude some contributions made in 1977 which exceeded the current-year 5-percent limitation. These excess contributions were then carried forward.

Cost of Property Used for Investment Credit

Amounts included under this heading are estimates for the total cost or basis of depreciable property (defined in Code section 48 and described under "Investment Credit" in this section) reported in connection with the computation of the investment credit. Only property with a useful life of 3 years or more was eligible for investment credit treatment.

Although corporations generally reported their investments at cost, most corporations claiming the investment credit for leased property used the fair market value instead.

The statistics include amounts reported but not used for the computation of the investment credit. A limitation, for instance, was placed on the amount of used property which could be taken into account in the computation of the credit. (See "Investment Credit.") Also included were amounts which were ultimately used in the computation of the credit by end-of-the-year stockholders of Small Business Corporations electing to be taxed through those stockholders.

Cost of Sales and Operations

Cost of sales and operations generally included the direct costs incurred by the corporation in producing goods or providing services. Included were costs of materials used in manufacturing; costs of goods purchased for resale; direct labor; and certain overhead expenses, such as rent, utilities, supplies, maintenance, and repairs.

Corporations with manufacturing or production operations were required to compute taxable income in accordance with the "full absorption" method of inventory costing as prescribed by the income tax regulations. In general, under full absorption costing, certain indirect production costs as well as direct production costs were allocated to goods produced during the taxable year, whether included as costs of the taxable year or as inventory at the close of the year determined in accordance with the corporation's method of identifying goods in inventory. In determining inventory costs, indirect production costs were: (1) always included, such as for repairs, indirect labor, and indirect materials and supplies; (2) not required to be included, such as for marketing expenses, selling or other distribution expenses, and interest; or (3) included or excluded from the cost of sales and operations dependent upon how such costs were treated in the corporation's books of account. These costs included insurance costs, taxes paid, and depletion expenses. Thus, the statistics also include certain indirect production costs reported by corporations as a cost of sales.

Corporations not using the full absorption method before September 19, 1973, had to change to that method. Corporations which made the election during the first 180 days of any taxable year beginning after September 18, 1973, and before November 29,

1975, could prorate any inventoriable costing adjustments over a period designated by the corporation at the time of the election, starting with the year of the transition. The transition period could not exceed the lesser of 10 taxable years or the number of years for which the prior inventory costing method was used. Corporations which switched after the transition period were not eligible to use the transitional rules. These inventory costing adjustments were included in the statistics for the income or deduction items in which they were reported by the corporation.

Included in cost of sales were costs incurred by Domestic International Sales Corporations (DISC's) for warehousing (which could include rental warehouse facilities, labor, heat and power) of export-related articles.

Sales taxes and excise and related taxes may have been reported in cost of goods sold schedules when corporations treated these taxes as part of the sales price of products. When taxes were identified in cost of goods sold schedules, they were added to the statistics shown for the separate deduction for "Taxes Paid." Similarly, expenses for depreciation, depletion, amortization, rent of buildings or real estate, advertising, contributions to pension plans, and contributions to employee benefit programs, whether direct or indirect costs in the case of corporations with manufacturing or production operations, were transferred to their respective deduction categories when identified in cost of goods sold schedules.

The income or loss from sales of securities, commodities, or real estate by stock and commodity brokers, dealers, and exchanges, and by real estate subdividers, developers, and operative builders was transferred from business receipts, and the net profit or loss from these transactions included in net gain or loss from sales or exchanges of noncapital assets. Special statistical treatment was also required for the few banking institutions which traded certain securities "on their own account" and which reported the purchase and sale of the securities as part of cost of sales and operations and business receipts, respectively. For the statistics, the amount paid for these securities was excluded from cost of sales and operations and a corresponding amount was excluded from business receipts. Therefore, the cost of such sales was excluded from the statistics. (See also, "Business Receipts.")

Cost of Treasury Stock

This item was the total value of issued common or preferred stock which had been reacquired and was held at the end of the accounting year by the issuing corporations. The stock, which was available again for resale or cancellation, may have been purchased by the corporation or acquired through donation or as settlement of a debt. Treasury stock was not a part of capital stock outstanding and did not include unissued capital stock.

The amounts shown may be somewhat understated. Treasury stock intended for resale may have been reported as an asset on some tax returns and, if not clearly identified as for resale, would have been included in the statistics for "Other Investments." When identified, though, such stock was transferred to the statistics for "Cost of Treasury Stock."

Depletable Assets

Depletable assets represented, in general, the gross end-of-year value of mineral property, oil and gas wells, other natural deposits, standing timber, intangible development and drilling costs capitalized, and leases and leaseholds, each subject to depletion. Accumulated depletion represented the cumulative adjustment to these assets shown on the corporation's

books of account. In some instances, depletable assets may have been included with "Depreciable Assets," or may have been reported as land or as "other investments" by the taxpayer, and could not be identified for this report.

The value of depletable assets and accumulated depletion may not be closely related to the current-year depletion deduction. The depletable assets and accumulated depletion balance sheet accounts reflected book values; the depletion reflected the amount claimed for tax purposes.

Depletion (#)

This deduction was allowed for the exhaustion of natural deposits and timber. For standing timber, depletion was computed on the basis of cost. In the case of natural deposits, the depletion could be computed either on the basis of cost or upon a fixed percentage of the gross income, less rents and royalties, from the depletable property. Generally, for gas and oil wells the gross income was the actual sales price, or representative market or field price if the gas or oil was later converted or manufactured prior to sale. For other natural deposits, gross income was the gross income from mining, defined to include extractive and certain treatment processes. Also included as gross income were exploration expenditures, previously deducted, that were required under provisions of Code section 617 to be recaptured when the mine reached the production stage.

Under elective provisions of the Code, exploration and development expenditures connected with certain domestic natural deposits (except gas and oil) could be deducted currently, treated as deferred expenses, or capitalized. The write-offs of amounts deferred or capitalized were not included as part of depletion.

Percentage depletion, though based on percentages of gross income from depletable property, was limited. Generally, it could not exceed 50 percent of the net income from the property computed without the depletion deduction. Percentage rates of gross income for each type of natural deposit were listed in Code section 613 and ranged from 5 to 22 percent.

The 22 percent depletion rate for oil and gas wells applied only to domestic crude oil and domestic natural gas. Specifically covered were: (1) regulated natural gas, (2) natural gas sold under a fixed contract, (3) any geothermal steam deposit in the United States or a U.S. possession which was determined to be a gas well according to Code section 613, and (4) small (independent) producers and royalty owners. The depletion rate applicable under the first three exceptions was 22 percent of gross income from the property, less rents and royalties paid, limited to 50 percent of the net income from the property before the depletion deduction. The limitation in the case of small (independent) producers and royalty owners was 65 percent of net income from all sources. If the 65 percent limitation caused an amount to be disallowed for a taxable year, the disallowed portion could be carried over to the next year for inclusion in the depletion deduction, provided it was within the limitation for that year.

Crude oil refiners and retailers that processed daily more than 50,000 barrels of crude oil and certain retailers of oil, natural gas or any of their derivative products were specifically denied the use of the percentage depletion allowance. Retailers were defined for this purpose as those that sold such products through retail outlets they operated, or to any person who was obligated to sell under the taxpayer's trademark or permitted to operate one of the retailer's outlets. The Tax Reform Act of 1976 made several changes in the definition of retailers by excluding the following types of retail sales for which percentage depletion was otherwise denied: (1)

direct bulk sales of oil or natural gas to industrial or commercial users, (2) sales of oil, natural gas or any of their derivative products when gross receipts for a taxable year were less than \$5 million, and (3) sales by retail outlets of oil, natural gas or any of their derivative products, made outside the United States, if none of corporation's domestic production was exported during the taxable year or the immediately preceding taxable year.

For 1977, the depletion rate for oil and gas covered under the small (independent) producer and royalty owners was 22 percent of the maximum daily average of 1,600 barrels. In subsequent years through 1980, the maximum daily average was to be phased down by 200 barrels a year to 1,000 barrels, where it was to remain. The law also provided for reduction of the depletion rate in certain later years for these same taxpayers.

The amounts shown in the statistics include any identifiable depletion reported as part of the cost of sales and operations.

See also, "Additional Tax for Tax Preferences."

Depreciable Assets

Depreciable assets, reported on the corporation's end-of-year balance sheet, consisted of tangible property (such as buildings and equipment) which was used in the trade or business or held for the production of income and which had a useful life of 1 year or more. The statistics for this item could include fully depreciated assets still in use and partially completed assets for which no deduction was allowed, when the corporation reported them as depreciable in its balance sheet. The statistics for depreciable assets exclude those intangible assets which were depreciable or amortizable only for tax purposes. Such assets, patents and copyrights for example, were includable in "Intangible Assets." The amounts shown as accumulated depreciation represent the portion of the assets that were written off in the current year, as well as in prior years.

The amounts shown for depreciable assets are, in general, the gross amounts before adjustments for depreciation or amortization charged in current and prior years. Some corporations, however, reported only the net amount of depreciable assets after adjusting for these depreciation or amortization charges. Among the corporations reporting only a net amount of depreciable assets were many insurance carriers reporting balance sheet information in the format required by State insurance regulations. This format usually provided for the reporting of only net depreciable assets and only the home and branch office buildings and equipment were included. Other real estate holdings of these corporations were reported as "other investments."

The value of depreciable assets and accumulated depreciation may not be closely related to the current-year depreciation deduction. The depreciable assets and accumulated depreciation balance sheet accounts reflected book values; the depreciation deduction reflected the amount claimed for tax purposes.

Depreciation (#)

Depreciation deducted as a reasonable allowance for the exhaustion, wear and tear, and obsolescence of business property was allowable under Code section 167. A deduction for depreciation was not allowable on inventories, or land apart from the physical improvements or developments added to it.

Several methods of computation could have been used in determining the deduction for the year. A common method was straight-line, whereby an equal amount of depreciation is deducted in each year of

the useful life of the asset. The declining balance and the sum-of-the-years-digits methods, whereby a larger portion of the asset's cost is written off during the earlier years of its life than during its later years, were also commonly used. Accelerated methods of depreciation were restricted for public utilities and certain kinds of real property.

Effective for taxable years beginning after December 31, 1976, a corporation operating a railroad and using the retirement-replacement method was allowed a current depreciation deduction for the replacement of an existing railroad crosstie regardless of the quality or kind of material used. (See the discussion under Changes in Law in section 2.)

Property lives could be based either on the corporation's own experience, asset-by-asset, or on the Class Life Asset Depreciation Range (CLADR) system which provided for generally shorter than average lives. For a detailed description of the CLADR system, see Statistics of Income—1976, Corporation Income Tax Returns.

Amounts shown as depreciation include any identifiable depreciation reported in schedules in support of the cost of sales and operations. Also included as depreciation were amounts deducted on leasehold improvements, patents, and copyrights, small amounts of additional first-year depreciation allowed under Code section 179, and amounts deducted for prepublication expenditures by corporations in the printing and publishing industries.

To comply with the definition of depreciation under the Internal Revenue Code, so-called amortization on station connections in the communications industry and of capitalized film production costs in the motion picture industry reported elsewhere in the return were also included in the statistics.

See also, "Additional Tax for Tax Preferences."

Distributions to Stockholders

Distributions to stockholders consisted of the corporation's own stock, and of cash and other property, generally reported as part of the analysis of unappropriated retained earnings. Liquidating dividends, when identified, were excluded.

In those instances where a corporation reported only a single total for distributions to stockholders and did not identify these distributions as cash or stock or other property, that total was treated as a distribution to stockholders in cash and property other than in the company's own stock.

Regulated investment companies and real estate investment trusts could treat certain dividends paid after the close of their taxable year as distributions during the current taxable year. In a similar manner, for Small Business Corporations electing to be taxed through stockholders, distributions of money made within 2-1/2 months after the close of the taxable year were considered to be distributions of the corporation's undistributed taxable income of the preceding taxable year. Otherwise, the statistics do not include amounts taxed to stockholders in 1977, but which would not actually be distributed to them until a future year. Conversely, the statistics do include amounts taxed through stockholders in previous years, but which were not actually distributed until 1977.

For Domestic International Sales Corporations (DISC's), only amounts actually distributed (i.e., distributions that were made to meet the DISC qualification requirement under Code section 992, including "deficiency distributions" made after the close of the taxable year to avoid disqualifications as a DISC, or other actual distributions) were included in the statistics. Dividends which were not actually distributed, but rather deemed distributed under section 995, were excluded.

Dividends Received from Domestic Corporations

Dividends received from domestic corporations represented most distributions from current as well as accumulated earnings and profits of companies incorporated in the United States. (For a discussion of other distributions of domestic corporations, see "Other Receipts" in this section.) For the most part, dividends received from domestic corporations represented those recognized in computing the special deduction from net income for domestic intercorporate dividends received. (See also, "Statutory Special Deductions.")

Certain domestic dividends, although not deductible, were nevertheless included in dividends received from domestic corporations. These were dividends received by regulated investment companies, real estate investment trusts, and Small Business Corporations electing to be taxed through stockholders. Dividends from Domestic International Sales Corporations (DISC's) were also included as domestic dividends received, but were not deductible. Certain other dividends, not deductible, were treated for the statistics as "Other Receipts."

For most of the domestic dividends received, the deductible portion was equal to 85 percent (about 60 percent for dividends received on certain preferred stock of public utilities). However, a 100-percent deduction was allowed for dividends received by members of a controlled group from other members of the same controlled group when a consolidated return was not used to report for the group as a whole. This deduction was allowed when the group did not elect to file a consolidated return and agreed instead to apportion a single surtax exemption among the group members in computing income tax.

Dividend distributions among member corporations electing to file a consolidated return were eliminated from the statistics as part of the consolidated reporting of tax accounts. For tax purposes, dividends reported on these returns represented amounts received from corporations that were outside the tax-defined affiliated group.

For a discussion of the dividends received from a DISC see "Domestic International Sales Corporation Returns."

Dividends Received from Foreign Corporations

These dividends were paid from current as well as accumulated earnings and profits of companies incorporated in foreign countries.

Dividends received from foreign corporations included:

(1) dividends, subject to the 85-percent deduction, received by U.S. corporations from those foreign corporations at least 50 percent or more of whose gross income was "effectively connected" with business conducted in the United States;

(2) dividends, subject to the 100-percent deduction, received by U.S. corporations from wholly-owned foreign subsidiaries all of whose gross income was "effectively connected" with the conduct of a U.S. trade or business; and

(3) any other foreign dividends, not subject to a deduction, which included: certain gains from the sale, exchange, or redemption of Controlled Foreign Corporation stock and foreign dividends received by Small Business Corporations electing to be taxed through stockholders.

Excluded from the dividend statistics was the "gross-up" of foreign taxes deemed paid on the profits from which the dividends of foreign subsidiaries were distributed. This was done even though "foreign dividend income resulting from foreign taxes deemed paid" (gross-up) was considered by law to be part of the dividends received. Dividends only

constructively received from foreign subsidiaries reported on the tax returns as "includable income from Controlled Foreign Corporations," were also excluded. If these amounts were actually distributed at a later date, they were neither retaxed nor reported. For the statistics, both items were combined and shown under "Constructive Taxable Income from Related Foreign Corporations."

The foreign dividend statistics presented in this report are subject to certain limitations. Some corporations reported certain foreign dividends as "includable income from Controlled Foreign Corporations," while others did the reverse, since both were reported in the schedule for dividends received. Also, some corporations included as foreign dividends the gross-up of dividends by foreign taxes paid or deemed paid ("foreign dividend income resulting from foreign taxes deemed paid"), while others did the reverse. Where these variations in taxpayer reporting were identified, the amounts were transferred to the correct item for the statistics.

Domestic International Sales Corporation Returns (#)

Form 1120-DISC, Domestic International Sales Corporation Return, was filed by corporations which were established under the Revenue Act of 1971 in order to provide a system of tax deferral on profits derived from exports of U.S. goods and services.

The profits of DISC's were not taxed to the DISC's, but were instead taxed to the stockholders (mainly parent corporations) when distributed or deemed to be distributed to them. A stockholder of a DISC was treated as having received a distribution taxable as a dividend equal to the stockholder's pro rata share of the sum of: (1) the gross interest derived during the taxable year from producer's loans; (2) the gain recognized by the DISC during the taxable year on the sale or exchange of property, other than property which in the hands of the DISC is a qualified export asset, previously transferred to it in a transaction in which gain was not recognized in whole or in part, but only to the extent that the transferor's gain on the previous transfer was not recognized; (3) the gain (other than the gain described in (2)) recognized by the DISC during the taxable year on the sale or exchange of property (other than property which in the hands of the DISC is stock in trade or other property described in Code section 1221(1)) previously transferred to it in a transaction in which gain was not recognized in whole or in part, but only to the extent that the transferor's gain on the previous transfer was not recognized and would have been treated as ordinary income if the property had been sold or exchanged rather than transferred to the DISC; (4) 50 percent of the taxable income of the DISC for the year attributable to "military property;" (i.e., property which is an arm, ammunition, or implement of war designated pursuant to the Military Security Act of 1954) (5) the taxable income for the taxable year attributable to "base period export gross receipts," (base period was 1972 through 1975); (6) the sum of: (a) one-half of the excess of the taxable income of the DISC for the taxable year, before reduction for any distributions during the year, over the sum of the amounts deemed distributed for the year under Code section 995; (b) an amount equal to (a) multiplied by the "international boycott factor;" and (c) any illegal bribe, kickback, or other payment paid by or for the DISC to a representative of a foreign government; and (7) the amount of foreign investment attributable to producer's loans of a DISC for the taxable year. For this purpose, taxable income was the DISC's net income minus statutory special deductions. See "Tax Deferred Income and Income Taxable to Stockholders."

The amount deemed distributed was fully taxable to the stockholders. Income taxation was deferred on the remainder of the DISC's taxable income which was not deemed distributed until one of the following events occurred: (1) the income was actually distributed to the DISC's stockholders; (2) a stockholder disposed of the DISC stock; (3) the DISC was liquidated; or (4) the election to be treated as a DISC was terminated or revoked.

Corporate stockholders receiving DISC dividends were not permitted the intercorporate dividends received deduction. The dividends received deduction was designed to prevent multiple taxation of corporate earnings; consequently, as a DISC itself was not subject to taxation the dividends received deduction was not applicable.

Dividends (deemed or actual) paid by a DISC were treated as dividends from a foreign corporation to the extent the dividends were attributable to certain export receipts of the DISC. Thus, all stockholders could claim a foreign tax credit for any foreign taxes imposed on a DISC dividend. Stockholders that were corporations could also claim an indirect credit for foreign taxes paid by a DISC.

To qualify as a DISC, a corporation must have been organized under the laws of any State or the District of Columbia, have only one class of stock, issued outstanding capital stock with a par or stated value of at least \$2,500, and satisfied the "gross receipts" and "gross assets" tests.

The gross receipts test required that at least 95 percent of the corporation's gross receipts consist of "qualified export receipts." Qualified export receipts were: gross receipts from the sale, exchange, or other disposition of "export property"; (described below) gross receipts from the lease or rental of export property, which were used by the lessee of such property outside the United States; gross receipts from the sale, exchange, or other disposition of "qualified export assets" (other than export property); gross receipts from services which were related and subsidiary to any qualified sale, exchange, lease, rental, or other disposition of export property; dividends with respect to stock of a related foreign export corporation; interest on any obligation which was a qualified export asset; gross receipts from engineering or architectural services for construction projects located (or proposed for location) outside the United States; and gross receipts from the performance of managerial services in furtherance of the production of other qualified export receipts of a DISC.

The gross assets test required that at least 95 percent of the corporation's assets be "qualified export assets." In general, qualified export assets were inventories of "export property" (i.e., property which: (1) had been manufactured, produced, grown or extracted in the United States by other than a 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 DISC not more than one-half of its fair market value attributable to imported articles) necessary operational equipment and supplies; trade receivables from export sales (including commissions receivable); producer's loans (i.e., loans of the DISC's profits to a U.S. export producer whether or not related to the DISC); working capital (i.e., cash and necessary temporary investments); investments in related foreign export corporations (including real property holding companies and associated foreign corporations); obligations issued, guaranteed, or insured by the Export-Import Bank or the Foreign Credit Insurance Association; and obligations of the Private Export Funding Corporation.

A DISC which, for a taxable year, failed to satisfy the gross receipts test or the gross assets test, thereby failing to qualify as a DISC, could nevertheless satisfy these qualification requirements by making a "deficiency distribution" for such a year, whereby the DISC made a distribution to its stockholders after the close of the taxable year. The DISC, at this time, had to demonstrate that the failure to make these distributions prior to the close of the year was due to reasonable cause.

To qualify as a DISC, a new or previously existing corporation had to file an election requesting to be treated as a DISC. For the election to be valid, all stockholders of the corporation on the first day of the election year must have consented in writing. The election remained valid unless the corporation revoked it or failed to qualify as a DISC for 5 consecutive years.

A DISC usually acquired export property from its parent or an affiliated corporation ("related suppliers") and then sold the property abroad; however, it could act simply as a commission agent on export sales of related suppliers. The method used for allocating income between a DISC and its related suppliers was achieved through special intercompany pricing rules. This allocation of income was affected to the extent that the DISC itself incurred "export promotion expenses" (i.e., the ordinary and necessary expenses incurred to obtain qualified export receipts).

The types of corporate organizations not eligible to be treated as a DISC were: (1) tax-exempt corporations; (2) Personal Holding Companies; (3) banks and trust companies; (4) mutual and savings banks, domestic building and loan associations, and cooperative banks; (5) insurance companies; (6) regulated investment companies; (7) China Trade Act corporations; and (8) Small Business Corporations electing to be taxed through their stockholders.

For any taxable year in which a corporation was a DISC or in which at any time it owned, directly or indirectly, stock in a DISC or a former DISC, the corporation was not allowed to take the Western Hemisphere Trade Corporation deduction.

For additional information regarding DISC's see Annual Reports, The Operation and Effect of the Domestic International Sales Corporation Legislation issued by the Department of the Treasury as required by the Revenue Act of 1971.

Employee Benefit Programs

Contributions made by employers to such plans as death benefit plans, health plans, accident and sickness plans, and other welfare plans, were deductible under Code section 162. The statistics for this item include amounts identified in the cost of sales and operations schedules.

Foreign Tax Credit

Code section 901 allowed a credit against the U.S. income tax for income, war profits and excess profits taxes paid or accrued to foreign countries or U.S. possessions including Puerto Rico. Credit was also allowed against the U.S. tax under sections 902 and 960 for foreign taxes "deemed paid." Foreign taxes included amounts paid by partnerships that were allocated directly to the partners (including those that were corporations) for their use as a credit (or a deduction, as described below).

The credit could be claimed by domestic corporations, and also by foreign corporations engaged in trade or business in the United States for foreign taxes on income "effectively connected" with the U.S. business.

However, the credit was not allowed for Small Business Corporations electing to be taxed through stockholders even when these corporations were taxed on certain capital gain income. These corporations had to deduct from gross income any foreign taxes they paid and could not pass them on to their stockholders for their use as a foreign tax credit. The credit was not allowed either, for regulated investment companies which elected under Code section 853 to allow their stockholders to claim the credit for the foreign taxes paid by these companies. Since Domestic International Sales Corporations (DISC's) themselves were not taxable, foreign tax credit was not applicable; however, DISC stockholders could claim an indirect credit for foreign taxes paid by a DISC.

A corporation that claimed the foreign tax credit could not also claim a business deduction for foreign taxes paid. The U.S. income tax which could be reduced by the credit excluded the tax from recomputing prior-year investment credit, the tax from recomputing prior-year work incentive (WIN) credit, the additional tax for tax preferences (minimum tax), and the Personal Holding Company tax.

Under Code section 902, credit was allowed for foreign taxes deemed paid when a domestic corporation received a dividend from a foreign corporation in which it owned a 10-percent-or-more voting stock interest, for the taxes paid on the foreign corporation's profits out of which the dividends were paid. A portion of the taxes paid or accrued by the "first-tier" foreign corporation was deemed to have been paid by the domestic corporation. The taxes eligible for credit were determined based on the relationship between the foreign corporation's profits and the amount paid to the domestic corporation as dividends.

In addition, if the first-tier foreign corporation owned 10 percent or more of the voting stock of a "second-tier" foreign corporation from which it received a dividend, the first-tier foreign corporation was deemed to have paid a proportionate amount of the foreign taxes of the second-tier foreign corporation. In turn, the domestic corporation was deemed to have paid a portion of these same taxes. However, a foreign tax credit was not allowed unless the percentage of voting stock owned by the domestic corporation in the first-tier foreign corporation and the percentage of voting stock owned by the first-tier foreign corporation in the second-tier foreign corporation equalled at least 5 percent when multiplied together.

The second-tier foreign corporation was deemed to have paid a proportionate amount of the foreign taxes paid or accrued by a "third-tier" foreign corporation whenever it owned 10 percent or more of the voting stock of a third-tier foreign corporation from which it received a dividend, and the product of the following equalled at least 5 percent: the percentage of voting stock owned by the domestic corporation in the first-tier foreign corporation, the percentage of voting stock owned by the first-tier foreign corporation in the second-tier foreign corporation, and the percentage of voting stock owned by the second-tier foreign corporation in the third-tier foreign corporation. In turn, the first-tier foreign corporation and the domestic corporation were deemed to have paid a portion of these same taxes.

Credit computed the same way as that described above under Code section 902 was also allowed for taxes deemed paid on distributions constructively received from Controlled Foreign Corporations under section 951. The credit was allowed for these distributions if the domestic corporation owned 10 percent or more of the voting stock of the first-tier Controlled Foreign Corporation.

Under provisions of the Tax Reform Act of 1976, effective for taxable years beginning after December 31, 1976, domestic corporations were allowed to claim a credit on foreign taxes deemed paid by a third-tier foreign corporation whose undistributed subpart F income was taxed to its stockholders. (See the discussion under Changes in Law in section 2.)

In the case of taxes paid on "foreign mineral income," the foreign tax credit was reduced to the extent that (1) the foreign tax exceeded the U.S. income tax payable on such income and (2) the excess was due to the lower profits recognized for U.S. tax purposes because of the deduction for percentage depletion. (See "Depletion.")

A special reduction of the foreign taxes available for credit was prescribed for foreign taxes paid on "foreign oil and gas extraction income (i.e., taxable income derived from sources without the United States and its possessions from the extraction of minerals from oil or gas wells, or the sale or exchange of assets used by the taxpayer in the trade or business of such extraction) and otherwise eligible for the credit. The foreign oil and gas extraction taxes which could be used to compute the credit could not exceed 100 percent of the sum of the normal tax rate and surtax rate (generally 48 percent) which applied to that corporation. Foreign taxes in excess of these rates were lost to the taxpayer for foreign tax credit purposes. They also could not be claimed as a business deduction.

These special reductions were in addition to the general limitation on the credit. The Tax Reform Act of 1976 repealed the per-country limitation on the foreign tax credit and required corporations to compute the limitation using the overall method. This mandatory use of the overall method was generally effective for taxable years beginning after December 31, 1975, but a later effective date applied to income from U.S. possessions and certain mining companies. The separate limitation for certain interest income that was previously computed using the per-country method was required to be computed using the overall method.

Generally, five types of income from foreign sources were separated for purposes of computing the foreign tax credit. For taxes paid in connection with certain interest income, the credit was computed separately. Also, for dividends received from DISC's that were attributed to certain export receipts (and were thereby regarded as foreign dividends), the foreign tax credit limitation was computed separately with respect to aggregate dividends received from all DISC's, and then to other foreign source income. Additionally, corporations had to compute their foreign tax credit separately for foreign oil-related income, which included foreign oil and gas extraction income. Further, foreign oil-related losses were to be "recaptured" by treating future foreign oil-related income (to the extent of such losses) as U.S. source income, and by correspondingly reducing in foreign taxes available for credit. Also, corporations had to compute their foreign tax credit separately for possessions income. Finally, all other sources of income were treated, in the aggregate, separately.

Foreign taxes in excess of the limitation for any one year could be carried back, chronologically, to the 2 preceding years and then carried over to the 5 succeeding years to reduce income tax, subject to the foreign tax credit limitation of the years to which they were carried. (Excess taxes carried back or carried over were applied against the amount by which a limitation exceeded the creditable foreign taxes in a given year.)

Income Subject to Tax (#)

The 1954 Code provided different tax bases upon which tax was levied for different types of corporations. These included the "taxable income" base defined by Code section 63, used by the majority of corporations, and to which the normal tax and surtax rates applied; a variation of this base in combination with long-term capital gain when the lower capital gains rate was applicable; the special capital gains tax base of Small Business Corporations electing to be taxed through their stockholders; the several tax bases applicable to insurance companies; and the amounts taxable to regulated investment companies and real estate investment trusts. All of these tax bases are included under the heading, Income Subject to Tax. However, small amounts of regulated investment company undistributed long-term capital gains (described below) were excluded. Since Domestic International Sales Corporations (DISC's) themselves were not taxable, income subject to tax for these corporations was not applicable (see "Domestic International Sales Corporation Returns").

For most corporations, income subject to tax consisted of net income minus certain "statutory special deductions" (described in this report under a separate heading). However, there were certain exceptions. In some cases, the statutory special deductions for dividends received and for dividends paid on certain preferred stock of public utilities exceeded net income. For these returns, income subject to tax was reduced to zero and the excess of the two special deductions became the statutory loss for the year, available for net operating loss deduction purposes over the prescribed carryback and carryover periods.

Also, the tax bases applicable to Small Business Corporations electing to be taxed through their stockholders, life insurance companies, regulated investment companies, and real estate investment trusts were not defined as net income less statutory special deductions.

Depending on which resulted in the lowest tax, the tax base for Small Business Corporations electing to be taxed through their stockholders was: (1) net income; (2) net long-term capital gain in excess of \$25,000; when net long-term capital gain was more than 50 percent of a net income that was over \$25,000; or (3) the amount attributed to gain from the disposition of property using a "substituted basis" (i.e., the basis that was transferred from another corporation which was not a Small Business Corporation electing to be taxed through its stockholders). No net operating loss or "special deductions" were available.

For the life insurance company statistics, net income was derived from gain or loss from operations to which statutory special deductions were added back; income subject to tax was the smaller of gain from operations (which included statutory special deductions) or taxable investment income. To this amount the following were added: (1) when taxable investment income was smaller than gain from operations, 50 percent of the difference between these two amounts, and (2) amounts subtracted from the policyholders' surplus account (which contained income nontaxable in the year earned, but taxable later on when withdrawn from this reserve account, even if the company had no current-year net income).

In addition, the life insurance company provisions applied to life insurance departments of mutual savings banks, where the departments were separately taxed from the remainder of the banks. However, data for the banking and life insurance departments were combined in the statistics.

In the case of regulated investment companies and real estate investment trusts, any net long-term capital gain (reduced by net short-term capital loss)

which was not distributed to stockholders was taxed to the companies at the capital gains rate, even though the alternative tax method was not allowed. The balance of undistributed income was taxed at the normal tax and surtax rates. Undistributed net long-term capital gain taxed at the capital gains rate was not available from the income tax computation schedule of the return form and no attempt was made to obtain it from attached schedules for the statistics.

See also, "Income Tax."

Income Tax (#)

Income tax was the gross amount of income tax liability before deducting the foreign tax, U.S. possessions tax, investment, work incentive (WIN) and new jobs credits. (This item did not apply to DISC's, which are taxable through their stockholders; see "Domestic International Sales Corporation Returns" in this section.)

Basic tax rates from July 1977 through December 1978 were as follows: normal tax rates consisted of 20 percent tax on the first \$25,000 of taxable income, 22 percent on the next \$25,000, and 48 percent on the remainder of taxable income (22 percent plus a 26 percent surtax). The surtax rate applied to amounts in excess of a \$50,000 "surtax exemption."

For corporations with amounts of net long-term capital gain an alternative method of tax computation was required. For these corporations the excess of net long-term capital gain over net short-term capital loss was taxed at the capital gains rate while the balance of income was taxed at the normal tax and surtax rates. This method of computing income tax was not available to regulated investment companies and real estate investment trusts. The alternative capital gains rate was 30 percent. (See "Net Capital Gains" in this section.)

In addition to the normal and alternative taxes, the statistics for income tax also include:

- (1) an additional tax for tax preferences ("minimum tax"); (described under a separate heading)
- (2) the tax from recomputing a prior-year investment credit; (described under a separate heading)
- (3) the tax from recomputing a prior-year work incentive (WIN) credit; (described under a separate heading)
- (4) the 30-percent tax on certain long-term capital gains of Small Business Corporations electing to be taxed through their stockholders; and
- (5) the 30-percent tax on undistributed net long-term capital gain (reduced by net short-term capital loss), and the normal tax and surtax on the balance of undistributed income of regulated investment companies and real estate investment trusts.

Income tax shown in this report for returns without net income was attributable to the small number of returns showing:

- (1) income tax under special provisions of the Internal Revenue Code applicable to life insurance businesses;
- (2) tax from recomputing a prior-year investment credit;
- (3) tax from recomputing a prior-year work incentive (WIN) credit; and
- (4) additional tax for tax preferences ("minimum tax").

Statistics for income tax do not reflect the Personal Holding Company tax, nor do they reflect any adjustments to the tax liability such as those resulting from:

- (1) recomputation of the 1977 taxable income to reflect the carryback of net operating losses and certain capital losses for future years;
- (2) reduction of income tax by foreign tax, investment, U.S. possessions tax, and work incentive

(WIN) credits recomputed to take account of the carry-back of unused investment and WIN credits and of unused foreign taxes, of certain future years;

(3) audit examinations and other enforcement activities; and

(4) uncollectible taxes.

The statistics, therefore, differ somewhat from the actual income tax collections and the final income tax liability of corporations for Tax Year 1977. Publication 55, Annual Report of the Commissioner of Internal Revenue, contains income tax collection data on a fiscal year basis as opposed to the income year basis in SOI publications. Publication 55 is available from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC, 20402.

Intangible Assets

The total gross value (before the reduction by amounts of accumulated amortization) of contracts, copyrights, formulas, licenses, patents, registered trademarks, research or experimental expenditures and similar assets were included in this category only if amortization (or depreciation) was actually being taken. These assets could be amortized only if they had a definite life and value. Other intangible assets which were not amortizable were included in the statistics with "Other Assets."

Accumulated amortization represented the cumulative adjustment to these intangible assets as shown on the corporation's books of account. Amounts of accumulated depreciation shown as adjustments to intangible assets are included in the statistics with "Accumulated Amortization."

Interest on State and Local Government Obligations

The interest on obligations issued by States, municipalities and other local Governments, the District of Columbia, and U.S. possessions, including Puerto Rico, was exempt from the income tax. The amounts shown for this item are reduced by the amortizable bond premium.

For statistical presentation, this interest is shown as part of the income statement and is included in "Total Receipts." Most corporations reported this tax-exempt interest in the "Reconciliation of income per books with income per returns" (see Schedule M-1 on the Form 1120 tax return facsimile in section 7 of this report).

Interest on U.S Government Obligations

This taxable interest, a component of total receipts, was received from obligations issued by the United States, its agencies, or its instrumentalities. The amounts shown for this item are reduced by the amortizable bond premium.

Interest Paid

These amounts include interest paid by corporations on business indebtedness including amounts paid on installment purchases if they were stated in the contract, as well as certain "unstated" amounts under Code section 483. For banking and savings institutions the amounts also included interest paid on deposits and withdrawable shares.

Inventories

Based on amounts reported on the balance sheet, inventories included such items as raw materials, finished and partially finished goods, merchandise on hand or in transit, and growing crops reported as assets by agricultural concerns. Inventories were generally valued at cost or at the lower of cost or

market price. When valued at cost, inventories were generally identified by first-in, first-out (FIFO) or last-in, first-out (LIFO) methods.

Amounts reported by investment and holding companies (other than operating holding companies), security and commodity brokers, dealers and exchanges, and real estate developers and operative builders, were excluded and included in the statistics for "Other Investments." However, for consolidated returns which included these types of companies, amounts which could not specifically be identified on a company-by-company basis were accepted as reported and included in the statistics for inventories.

See also, "Cost of Sales and Operations" and "LIFO Inventory Method under Code Section 472."

Investment Credit (#)

Investment credit was the reduction of income tax allowed corporations for investment in qualifying depreciable (or amortizable) property with a useful life of at least 3 years. Such property could not be disposed of or cease to be qualifying property prior to the end of the useful life used as the basis of the credit; otherwise, the credit already taken had to be repaid as an additional tax for the year in which the disposition or disqualification occurred. (See "Tax from Recomputing Prior-Year Investment Credit.")

The Tax Reduction Act of 1975 broadened the definition of property eligible for investment credit to include "qualified progress expenditures" (described below) and temporarily increased the investment credit (before limitations) from 7 percent of "investment qualified for credit" (4 percent in the case of public utility property) to 10 percent for all corporate taxpayers and to 11 percent for corporations that contributed 1 percent of their qualified investment to an "employee stock ownership plan" (ESOP). As described below, the credit could be as much as 11.5 percent of the qualified investment if it were derived in connection with an ESOP.

Special rules required that the ESOP (also referred to as a TRASOP or Tax Reduction Act Stock Ownership Plan) be established in writing, designed to invest primarily in securities, and funded by transfers of the corporation's securities (cash could be transferred if it were used to purchase the corporation's securities). Further, the ESOP qualifying rules required the total amount transferred to be allocated to the participants' account, and the participants had to be able to direct the plan as to how the allocation should be voted.

The Tax Reform Act of 1976 extended the period of the temporary increase for 4 more years through 1980 (i.e., from January 22, 1975, through December 31, 1980, instead of through December 31, 1976) and permitted corporations that claimed the 1 percent ESOP credit still another additional credit. Under this provision, for taxable years that began after December 31, 1976, such corporations could claim up to a maximum of 0.5 percent additional credit if their employees matched the amount the corporation contributed to a qualified ESOP. Thus, the investment credit for these corporations could be up to 11.5 percent. The additional 0.5 percent credit was not allowed for public utilities which were required to pass through benefits of the investment credit to their consumers in the form of lower rates, instead of using the credit to offset the cost of capital investment.

For property acquired and placed in service during the 1975-1976 period, the 10 (or 11) percent rate generally applied. The 10 (or 11) percent rate was also applicable to the extent of the cost (or other basis) incurred for property constructed, reconstructed, or erected during this period. However, for

property ordered during this period, but not placed in service until 1981, and property acquired after December 31, 1980, the credit was to be figured at 7 percent (or 4 percent of public utility property).

While a corporation could only claim one-half the regular investment credit, i.e., 5 percent, for such transactions, this restriction did not deny a larger credit if the property qualified under other investment credit provisions. Thus, corporations that did not use qualified withdrawals to purchase, construct, or reconstruct qualified vessels could claim the full investment credit. However, if borrowed funds were used, any amount that was repaid with qualified withdrawals had to be recaptured as tax from recomputing prior-year investment credit. Moreover, the amount of indebtedness being liquidated with the qualified withdrawals and subject to recapture could not exceed one-half of the full investment credit taken on the purchase price of the qualified vessel.

The income tax available for investment credit did not include the tax from recomputing prior-year investment credit, the tax from recomputing prior-year work incentive (WIN) credit, the additional tax for tax preferences, the Personal Holding Company tax, and the special capital gains tax on Small Business Corporations electing to be taxed through their stockholders. (Since these corporations were not eligible to claim the investment credit, their investment was allocated among the stockholders who then claimed the credit.) In addition, the tax available for credit was after reduction by the foreign tax credit and the U.S. possessions tax credit, but before reduction by the work incentive (WIN) credit and the new jobs credit. Prior to amendment by the Tax Reduction Act of 1975, the investment credit could equal the income tax available for the credit, unless the available tax was in excess of \$25,000 plus 50 percent of the excess over \$25,000. The \$25,000 limitation was uniquely applied to members of controlled groups (as defined by Code section 1563) in that it was applied to the group as a whole and, thus, had to be apportioned among the component members of the group when separate tax returns were filed for each member.

Under the Tax Reduction Act of 1975, for public utility companies that were adversely affected by increasing energy costs and whose total investment qualified for credit was 75 percent or more "public utility property," the percentage limitation was increased from 50 percent to 100 percent. This increased limitation was to be reduced gradually to 50 percent over the 5-year period, 1977 through 1981, by 10 percent annual decrements. Thus, in 1977 the percentage limitation was 90 percent.

Certain limitations on the credit were applicable to special classes or kinds of corporations. Code section 46 limited the applicability of the credit for mutual savings banks, building and loan associations, and cooperative banks by reducing the qualified investment and \$25,000 tax liability limitation by 50 percent. In the case of regulated investment companies and real estate investment trusts, the qualified investment and \$25,000 tax liability limitation were reduced in the same proportion in which the organization's taxable income was reduced by dividends paid to stockholders. Similarly in the case of cooperatives, the qualified investment and \$25,000 tax liability limitation were reduced in the same proportion as that by which the organization's taxable income was reduced by patronage dividends and nonpatronage distributions. Section 48 reduced the tax and used property limitations for members of "controlled groups" so that the group as a whole was subject to the same dollar limitations as an individual corporation not part of a group. For this purpose, the controlled group was somewhat more broadly defined than it was for ordinary tax computation purposes.

Generally, the investment credit that could not be claimed due to the preceding limitations, became the unused investment credit for the current taxable year and could be used to reduce the income tax liability in other years.

Other than for qualified progress expenditures (described below), credit was allowed for the first year that the property was placed in service. Property qualified for the credit was defined as tangible personal property, tangible real property (except buildings and their structural components), elevators and escalators, and single-purpose agricultural and horticultural structures. See the discussion under Changes in Law in Section 2.

"Tangible personal property" comprised all property which was contained in or attached to a building, such as machinery or equipment. Certain types of property, even though physically located outside a building or accessory to a building, were also considered to be tangible personal property. Tangible personal property also included livestock other than horses, and certain motion picture and television film.

"Tangible real property" included property used as an integral part of manufacturing, production, or extraction; or, used in furnishing transportation, communication, electrical energy, gas, water or sewage disposal services; or, used as a research or bulk storage facility in connection with any of these activities.

"Single-purpose agricultural structures" included structures used to house particular types of livestock (including poultry) and the equipment necessary to raise and feed that livestock. "Single-purpose horticultural structures" included greenhouses used for the commercial production of plants.

Corporations could elect to claim advance credits for taxable years before qualified property was placed in service under the progress payment rules enacted under the Tax Reduction Act of 1975. The election was for "qualified progress expenditures," defined as investment in property with a normal construction period of at least 2 years and an expected useful life of at least 7 years, for which construction was not yet completed.

Effective with payments made after January 21, 1975, the qualified progress expenditures provision was to be phased in over a 5-year period, i.e., taxable years which ended in 1975 through 1979. During this 5-year phase-in period, the percent of qualified progress expenditures included in investment qualified for credit was gradually increased 20 percent each year. Thus, 60 percent of the 1977 expenditures would be included for 1977; 80 percent of the 1978 expenditures would be included for 1978; and finally, 100 percent of the 1979 expenditures would be included for 1979. In addition, the expenditures not included in investment qualified for credit for a given year, based on these percentage limitations, were nevertheless included in subsequent years through 1979. Increments of 20 percent of the expenditures would be included in investment qualified for credit for each subsequent year. Thus, of the 40 percent 20 percent was separately included for 1977, and the final 20 percent was separately included for 1979. The same 20-percent formula applied to the 20 percent not recognized for 1978.

For the taxable year in which progress expenditure property was placed in service, investment qualified for credit was the full cost or basis of the property reduced by that portion of qualified progress expenditures on which credits were previously taken.

"Public utility property," which was generally eligible for the credit, was property used predominantly in the business of selling or furnishing: (1) electrical energy, water, or sewage disposal services; (2) gas through local distribution systems; (3) telephone services, and telegraph services by means of domestic telegraph operations; and (4) other communi-

cation services except international telegraph services. However, the rates for any of these services had to be established or approved by certain types of government regulatory bodies. When acquired by nonregulated companies, the type of communication property (or property used for communication purposes) normally used by regulated utilities was also included in public utility property subject to the credit.

Investment credit could not be claimed for "short-lived" property, and the eligibility of used property was further limited in that the total cost recognized could not exceed \$100,000. The \$100,000 limitation represented a temporary increase for taxable years beginning in 1976 (under the Tax Reduction Act of 1975). Under prior law, the limitation was \$50,000.

Also ineligible for the investment credit was: (1) property used for lodging, except for coin-operated machines in apartment buildings, (2) property used predominantly outside the United States, except for commercial communication satellites, submarine telephone cable used exclusively in communication links between the United States and foreign countries, and drilling equipment used in international or territorial waters; (3) property used by certain tax-exempt organizations; (4) property used by governmental units, or international organizations; (5) property consisting of horses, or of other livestock if sold and replaced by substantially identical animals during a relatively short specified period of time; (6) pollution control facilities, railroad rolling stock, coal mine safety equipment, on-the-job training and child care facilities, and expenditures for the rehabilitation of low-income rental housing, for which the special 5-year amortization was elected in lieu of ordinary depreciation; and (7) certain foreign-produced property (especially defined) that was stated under executive order of the President.

Investment Credit Carryover (#)

Amounts of "tentative" or "earned" credit based on "qualified investment" (entitled "Investment Qualified for Credit" in the statistics) could not be claimed if they exceeded the first \$25,000 of income tax plus 50 percent of the tax in excess of \$25,000 in a given year. (For this purpose, income tax was defined as the amount remaining after deducting any foreign tax credit and U.S. possessions tax credit, excluding additional tax for tax preferences, tax from recomputing prior-year investment credit, tax from recomputing prior-year work incentive (WIN) credit, and Personal Holding Company tax.) Under the Tax Reduction Act of 1975, for public utility companies that were adversely affected by increasing energy costs and whose "public utility property" comprised 75 percent or more of their total qualified investment, the percentage limitation was increased from 50 percent to 100 percent. This increased limitation only applied to companies with taxable years ending in 1975 and 1976 after which the liberalized limitation was to be reduced gradually to 50 percent over the 5-year period, 1977 through 1981, by 10 percent annual decrements. (See "Investment Credit" in this section.)

Any amount of the investment credit not used in the current taxable year because it was in excess of the limitation based on income tax liability (including an amount of the credit earned by a corporation that had no tax for the year) could be carried back chronologically, for use in the preceding 3 years. This unused investment credit was applied against the amount by which income tax liability exceeded the amount of investment credit actually taken during these 3 years. Any excess credit remaining could then be carried over to the 7 succeeding years, in chronological order, in the same manner.

For taxable years beginning after December 31, 1975, a first-in, first-out rule applied to the order in which unused investment credit was to be used and required that carryovers to the current taxable year be used first, investment credit earned in the current taxable year be used second, and that carrybacks to the current taxable year be used last.

Data for the carryback of unused credit were not reported on the current year return and, thus, are not reflected in the statistics.

Investment Qualified for Credit (#)

Qualifying property with a useful life of 3 years or more was eligible for the investment credit. If property had a life of 3 but less than 5 years, one-third of its cost (or basis) comprised "qualified investment" eligible for credit. Property with a life of 5 but less than 7 years "qualified" with respect to two-thirds of its cost while property with a life of 7 years or more was fully "qualified."

"Qualified investment" (approximated by the statistics for "Investment Qualified for Credit") was the base upon which the credit was computed. It took into account purchases of new property, purchases of used property to a limited extent, and "qualified progress expenditures." (See "Investment Credit.")

While, for corporations in general, qualified investment equalled the sum of amounts based on the useful life class percentages described above, for "public utility property" acquired before January 22, 1975, qualified investment was equal to four-sevenths of the sum thus determined. Thus, in effect, the investment credit for public utility property was 4 percent, instead of the 7 percent allowed corporations in general. However, in completing Form 3468, Computation of Investment Credit, corporations with investment in public utility property were asked to report the full amount of qualified investment, but to use a reduced percentage (4 percent) in computing the tentative investment credit. (See "Tentative Investment Credit.") Therefore, "Investment Qualified for Credit" is somewhat higher than "qualified investment" as defined by the law. This should be taken into consideration in relating statistics for "Investment Qualified for Credit" and "Tentative Investment Credit."

The Tax Reduction Act of 1975 temporarily (from January 22, 1975, through December 31, 1976) increased the investment credit from 7 percent of qualified investment (4 percent in the case of public utility property) to 10 percent (or 11 percent under certain conditions) for all corporate taxpayers. (The period of the temporary increase was extended for 4 years through December 31, 1980, by the Tax Reform Act of 1976.)

The Tax Reform Act of 1976 also permitted an extra additional investment credit equal to up to 0.5 percent of the qualified investment of corporations that qualified for the additional 1 percent credit for participation in an "employee stock ownership plan" (ESOP), also referred to as a Tax Reduction Act Stock Ownership Plan (TRASOP). To receive the additional credit, the corporation had to transfer corporate securities to the plan that had an aggregate value of not more than 0.5 percent of the "qualified investment" made for taxable years that ended before January 1, 1981. (Transfer of cash was permitted if designated for the purchase of such securities.) No credit could be taken unless the amount was matched by an employee contribution. The additional 0.5 percent credit could not be taken by regulated public utilities that were required to pass through benefits of the investment credit to consumers in the form of lower rates, instead of using the credit to offset the cost of capital investment. In cases where an investment credit was recaptured, the 1976 Act permitted, under certain conditions, the employer to

withdraw from the ESOP an amount equal to the amount transferred to the ESOP. The employer could either reduce the amount to be contributed to the ESOP in the current year by the recaptured amount, or take a tax deduction subject to the limitation in Code section 404 (relating to the deduction for contributions to an employee's trust or plan).

Other limitations regarding qualified investment applied to certain banking and savings institutions, investment companies, and cooperatives.

Investments in Government Obligations

This balance sheet asset item comprised (1) bonds or other obligations of a State or U.S. possession (including Puerto Rico), including obligations of political subdivisions and of the District of Columbia, and (2) U.S. obligations, including those of instrumentalities of the Federal Government. In those instances where a corporation reported only one total for investments in Government obligations and did not indicate whether the obligations represented those of the United States or of State and local Governments, the total was treated as investments in U.S. obligations.

Land

Land, which was reported as a separate capital asset on the balance sheet, may be understated in this report because it could not always be identified. Some corporations may have included land as part of depreciable or depletable assets or included it in "other investments." Some corporations may have included land as part of depreciable assets; if so, the amount was statistically reclassified as land. If land had previously been certified as an emergency facility for the national defense, it could be amortized. If so, only the net land value (i.e., the value of land after the adjustment for amortization) was reported.

LIFO Inventory Method under Code Section 472

Table 15 includes statistics on corporations which elected to account for their inventories using the last-in, first-out (LIFO) method authorized under Code section 472. Corporations electing to do so were required to attach Form 970, Application to Use LIFO Inventory Method, to their return. The Form 970 or equivalent statement must have been attached to the return form and such application had to be for the year at the close of which the LIFO method was first used. Additionally, an analysis of the inventory to which the method applied to must have been furnished in detail. Once this inventory method was adopted, permission was required from the local District Director of Internal Revenue to change to another method.

LIFO could be adopted for tax purposes only if it was also used in accounting for inventories in the corporation's books and, in general, the election to use it applied to the entire inventory. (The LIFO method could be adopted only if inventories were valued at cost.) However, there were situations under which it could be used in combination with other methods.

One of these situations allowed corporations operating more than one distinctly different type of business to use different methods for each business. Thus, LIFO could be elected separately for each business. Moreover, corporations could further elect to apply LIFO only to the raw materials in their manufacturing or processing operation. This election could apply to all or only part of the raw materials inventoried. In a consolidated return LIFO could be separately elected for each group member.

The taxpayer generally indicated the method of inventory valuation in answer to the question in the Cost of Goods Sold Schedule (Schedule A) on the return; sometimes this was indicated in schedules attached to the return. (See the facsimile of the return form in section 7.)

The use of LIFO was based on the proposition that the most recently purchased or produced items in inventory were those that were sold first and that income was most clearly reflected by relating current costs to sales. Thus, in a period of rising prices, older less costly items in inventory were deemed unsold at the end of the year so that the cost of closing inventory was reduced. In turn, the smaller closing inventory resulted in a larger deduction for cost of goods sold and, consequently, a lower taxable income.

Under LIFO, goods and materials remaining on hand at the close of the year were treated, first, as those included in opening inventory to the extent thereof, and, second, as those added during the year.

Items treated as having been in opening inventory were valued in order of acquisition except for the first LIFO year, when they were valued at average cost. Additions to inventory during the year were valued, at the corporation's option, on the basis of the most recent purchases, at an average cost for the year, in order in which they were acquired, or by any other method that reflected income most clearly.

LIFO could be applied to each item in inventory, or it could be applied to the dollar value of pools of items set up along product or business activity lines. In order to determine whether or not closing inventory of a pool had increased over opening inventory, the change in dollar value was first converted to cost at the beginning of the first LIFO year. An increase in value was converted to current-year cost for LIFO by applying to the base-year cost, a ratio that related current-year cost to base-year cost. The result was added to the base-year cost and became the closing LIFO inventory. (Current-year cost was determined using the same optional rules described above to determine the cost of additions to inventory during a LIFO year.) A decrease in value was applied against the most recent prior-year additions to the pool (expressed in terms of base-year cost), working backward chronologically from the current year. Any of the additions that remained for these earlier years were reconverted to a LIFO basis by using the ratio that was in effect for each year. The result was added to the base-year cost and became the closing LIFO inventory.

In addition, corporations with retail trade operations could use LIFO in conjunction with the retail valuation method in establishing the value of their retail stock. But, when the retail method was used in combination with LIFO, an adjustment similar in effect to that required for nonretail operations when "dollar value LIFO" was used, had to be made for changes in price level that occurred during the year. Thus, closing inventories valued at retail were first converted to the price level of opening inventory at the beginning of the first LIFO year by use of index numbers such as those issued by the Bureau of Labor Statistics. The current-year closing retail value was then compared with the value of the original inventory to determine if there had been an increase or a decrease during the current year. An increase was converted to current-year cost by taking account of markups and markdowns. A decrease was applied against prior-year increases, adjusting each prior year for price level by reference to the appropriate index numbers for the year.

Loans from Stockholders

This balance sheet liability item was regarded as long-term in duration and may have included loans from affiliated corporations as well as from other stockholders.

Loans to Stockholders

This balance sheet asset item was regarded as long-term in duration and included loans to affiliated corporations as well as to other stockholders.

Members of Controlled Groups

Members of controlled groups were those corporations which were related to one another generally through 80 percent or more common stock ownership and which could file separate tax returns, under special provisions of the Code.

These provisions also effectively covered the filing prerequisites for most consolidated returns since the stock ownership requirement used to define an affiliated group eligible to file a consolidated return was similar to the controlled group ownership requirements. In computing income tax, Code section 1561 limited the surtax exemption to one per group, whether or not the group was included in a consolidated return. (See "Consolidated Returns.")

The controlled group provisions applied when (1) a common parent corporation had 80 percent or more control of one or more chains of subsidiaries (parent-subsidiary group), or when (2) five or fewer persons (individuals, estates, or trusts), individually or in combination, had 80 percent or more control of each of two or more corporations, but where the sum of each person's "identical" ownership in the group totaled more than 50 percent (brother-sister group). "Identical" ownership was considered to be the lowest common percent of ownership of an individual owner in each of the corporations comprising the group. Thus, if a person had ownership in each corporation in a given group and the smallest percent ownership was, for example, 5 percent of corporation A, that person's identical ownership in the entire group was considered to be 5 percent. Combination groups were possible when a person or persons controlled two or more corporations, one of which was the parent of one or more subsidiary corporations.

Two or more related life insurance companies were required to be treated as a controlled group separate from any other corporation to which they may have been related. Domestic International Sales Corporations (DISC's) were by their nature members of controlled groups. However, control was defined in terms of 50 percent stock ownership.

Control was based on the total combined voting power or total value of all classes of outstanding shares. Certain stock was disregarded altogether and special constructive stock ownership rules applied depending on the type of controlled group involved. Certain corporations were not considered as members of controlled groups. Included in this category were franchised corporations, tax-exempt organizations, foreign corporations with income not effectively connected with a U.S. trade or business, and corporations which were members of the controlled group for less than one-half the days in their taxable year that preceded December 31.

Mortgage and Real Estate Loans

Mortgage and real estate loans were, in general, the total amount which a corporation loaned on a long-term basis, accepting mortgages, deeds of trust, land contracts, or other liens on real estate as security.

Because the return form did not provide a separate place for reporting any reserve for uncollectible mortgage and real estate loan accounts, such reserves may have been included in the "Allowance for Bad Debts," shown in this report as an adjustment to "Notes and Accounts Receivable." If a separate reserve was indicated in supporting schedules, statistics for it were, therefore, added to the "Allowance for Bad Debts."

Mortgages, Notes, and Bonds Payable

These liabilities were separated on the balance sheet according to the length of time to maturity of the obligations. The length of time to maturity was based on the date of the balance sheet rather than on the date of issue of the obligations. Accordingly, long-term obligations, maturing within the coming year were included together with short-term obligations in the statistics for mortgages, notes, and bonds payable in less than one year.

Deposits and withdrawable shares may have been reported in mortgages, notes, and bonds payable by banks and savings institutions. When identified, such amounts were transferred to "Other Current Liabilities."

Net Capital Gains (Net long-term capital gain reduced by net short-term capital loss) (Net short-term capital gain reduced by net long-term capital loss) (#)

Net capital gains represented the excess of gains over losses from the sales or exchanges of capital assets subject to the limitations described below. Gains and losses were short-term if the asset was held for 6 months or less (9 months for taxable years beginning after December 31, 1976) or long-term if the asset was held for more than 6 months (9 months for taxable years beginning after December 31, 1976). (See the discussion under Changes in Law in section 2.)

Net short-term gains (reduced by net long-term losses) were taxed as ordinary income. However, net long-term gains (reduced by net short-term losses) were taxed at a rate of 30 percent.

Excess net losses could be carried back as short-term losses to be applied against the net capital gains of the 3 preceding years; any losses remaining after carryback were carried over the 5 succeeding years. Use of the carryback for excess net losses was limited; it was not allowed to increase or cause a deductible "net operating loss" for prior years and was not allowed for foreign expropriation capital losses (although a special carryover period of 10 years for such losses was allowed instead) or for capital losses of Small Business Corporations electing to be taxed through their stockholders. If the unused capital loss carryover was not eliminated within the prescribed span of years, it could not be taken.

In general, "capital assets" for tax purposes meant property regarded or treated as an investment, such as stocks and bonds. Code section 1221 defined the capital assets (or transactions) to which special treatment applied as all property held by the corporation except:

- (1) stock in trade, or property of a kind includable in inventories;
- (2) property held for sale to customers in the ordinary course of business;
- (3) notes and accounts receivable acquired in the ordinary course of business;
- (4) certain short-term Government obligations sold at a discount;
- (5) depreciable property used in the trade or business;

(6) real property used in the trade or business; and

(7) certain copyrights, literary, musical, or artistic compositions or similar properties.

Net gains from dispositions of some of the property types excluded from the definition of capital assets under Code section 1221, could receive capital gain treatment under special conditions set forth in other sections, while net gains from some of the property types included under the definition could be denied capital gain treatment under still other sections. The latter are referred to under the heading, "Net Gain (or Loss), Noncapital Assets."

Property used in trade or business, excluded from the tax definition of capital assets, received special treatment under Code section 1231. Gains and losses from sales or other dispositions of this property had to be aggregated first. If the overall result was a net gain, it was included in the computation of net long-term capital gain or loss. If the overall result was a net loss, it was included in the computation of net gain or loss from sales of property other than capital assets. Thus, a net gain under section 1231 could receive the more beneficial treatment of a long-term capital gain taxable at the alternative tax rate, while a net loss under section 1231 could receive the more beneficial treatment as an ordinary loss fully deductible against all types of income and not just against capital gain income.

The types of property (or transactions) to which Code section 1231 applied were:

(1) real and depreciable property used in the trade or business, held for more than 6 months (9 months for taxable years beginning after December 31, 1976), and not includable in inventory or not held for sale in the ordinary course of business;

(2) timber cut by the taxpayer during the year, if owned, or held under contract to cut, for more than 6 months (9 months for taxable years beginning after December 31, 1976) and if an election was made under Code section 631 to treat the cutting as a sale or exchange of property used in trade or business (The Tax Reform Act of 1976 eliminated the requirement that the holding period be met before the beginning of the year of cutting. Instead, the holding period was measured up to the time of cutting. (See the discussion under Changes in Law in section 2.));

(3) domestic iron ore, timber, or coal, held for more than 6 months (9 months for taxable years beginning after December 31, 1976), if disposed of under a royalty contract whereby the owner retained an economic interest in the property, so that under Code section 631, the net gain or loss on the royalty income was treated as a net gain or loss on a sale or exchange of property used in trade or business;

(4) unharvested crops disposed of with the land on which they were growing and used in the business of farming if the land was held for more than 6 months (9 months for taxable years beginning after December 31, 1976); and

(5) livestock (including fur-bearing animals such as chinchillas, minks, and foxes), except poultry, held for drafting, breeding, dairying, or sporting purposes, and, except for cattle and horses, acquired after 1969, held for 12 months or more. The holding period for cattle and horses acquired after 1969 was 24 months or more.

The amounts of gain eligible for capital gains treatment under Code section 1231 was reduced in the case of certain real and depreciable property by sections 1245, 1250, 1251, 1252, and 1254, and in the case of certain mining property, by section 617.

Code section 1245 provided that eligible gain for most depreciable property, except certain kinds of real property, be based on the amount of depreciation allowed on it prior to 1962. Section 1250 provided that eligible gain for certain depreciable

realty be based on a percentage of the excess of accelerated depreciation over straight-line depreciation allowed prior to 1963 and on the length of time the property was held. However, with certain exceptions for sales of housing, no gain based on excess depreciation taken after 1969 was eligible for capital gains treatment.

Section 1251 further limited the eligible gain for certain types of real or depreciable property to the amount in excess of farm net losses accumulated after 1969 or, in the case of farmland, to an amount in excess of certain agricultural deductions accumulated during the most recent 5-year period. Section 1252 went further, by then limiting the gain treatment of farmland depending on the length of time the property was held. Section 1254 limited the gain treatment on sales of residential real property and on the disposal or sale of productive oil and gas wells.

Section 617 limited eligible gain on certain mining property to an amount in excess of the sum of current- and recent-prior year deductions for exploration and development expenditures.

None of these Code provisions had any effect on the treatment under Code section 1231 of losses resulting from the disposition of such property. For a description of the property to which sections 1245, 1250, 1251, 1252, 1254, and 617 applied, see the explanation of "Net Gain (or Loss), Noncapital Assets."

Net gains and certain net losses under Code section 1231 also resulted from "involuntary conversions," not only of the property types or transactions otherwise covered by section 1231, but also of the capital assets defined in section 1221, if they were held for more than 6 months. Gain or loss from involuntary conversions such as by condemnation were included in the regular consolidation of section 1231 gains and losses previously described. However, a separate netting of gains and losses was required for involuntary conversions by theft, or from fire, storm, shipwreck or other casualty, whether insured or uninsured. If the result was a net loss, it was treated as a fully deductible loss (without regard to other section 1231 transactions) and was excluded from the capital gain statistics. If, on the other hand, the result was a net gain, then it was consolidated with other gains and losses under section 1231. See the discussions of "Net Gain (or Loss), Noncapital Assets" and "Other Deductions."

See also, "Additional Tax for Tax Preferences."

Net Gain (or Loss), Noncapital Assets (#)

In general, "noncapital assets" related to property of a business nature. The computation of net gain or loss, noncapital assets, resulted mostly from the sale or exchange of: (1) certain depreciable, depletable, and real property (described below); (2) notes and accounts receivable acquired in the ordinary course of business for services rendered or from the sale of property includable in inventory, or ordinarily held for sale; (3) certain copyrights, literary, musical, or artistic compositions or similar properties; (4) securities by dealers; (5) securities, including Government obligations, and other evidence of indebtedness, such as convertible debentures, by banking, savings, and certain other financial institutions; (6) certain patents, inventions or designs, secret formulas or processes, and similar property rights by domestic corporations to their more-than-50-percent owned foreign subsidiaries; and (7) qualified export assets by Domestic International Sales Corporations (DISC's). Also included in the computation were amounts resulting from certain "involuntary conversions" including net losses from casualty and theft, and amounts resulting from certain sales, exchanges, or redemptions of Controlled Foreign Corporation stock (see "Dividends Received from Foreign Corporations").

With respect to the statistics for net gain or loss, noncapital assets, an assumption was made in the case of sales of stocks and commodities by stock and commodity dealers; and sales of real estate by real estate subdividers; developers, and operative builders. If these transactions were included in gross receipts and cost of goods sold on the tax return, instead of in net gain or loss from noncapital assets, the resulting profit or loss from the transactions (representing the difference between the receipts and the cost of sales) was transferred to the statistics for net gain or loss, noncapital assets, but only if the cost of sales was 50 percent or more of the receipts (if less than 50 percent, the receipts were regarded as commission income). The tax return data for receipts and cost of sales were accordingly adjusted for the statistics.

As explained under the definition of "Net Capital Gains," a net gain from dispositions of (or certain transactions involving) specified types of business assets that were considered noncapital assets based on Code section 1221, could receive capital gains treatment under section 1231. Gains and losses from these dispositions or transactions first had to be aggregated. If the overall result was a net gain, it was included in the computation of net long-term capital gain, but if the overall result was a net loss, it was included in the computation of net gain or loss, noncapital assets. The special treatment in this computation of gains and losses resulting from involuntary conversions, due mostly to casualty and theft, is described under "Net Capital Gains." Form 4797, Supplemental Schedule of Gains and Losses, called for net losses from casualty and theft to be included in the computation of "net gain or loss, noncapital assets" (although some corporations reported them in "other deductions").

The amount of gains (but not losses) on dispositions of property includable in the computation of net gain or loss under Code section 1231, was limited as a result of sections 1245, 1250, 1251, 1252, 1254 (described below), and 617. To the extent the amount eligible for capital gains treatment was thereby reduced, the amount included in the statistics for net gain or loss, noncapital assets, was increased.

Code sections 1245 and 1250 applied to certain depreciable property. Sections 1251 and 1252 prescribed additional rules for much of this same property if it was used in the business of farming, as well as for certain other types of property used in farming and covered under section 1231. Section 617 applied to certain depletable property.

Code sections 1245 and 1250:

The depreciable property to which Code section 1245 applied was: (1) personal property other than livestock, whether tangible (such as machinery and equipment) or intangible (such as patents and copyrights); and (2) other tangible property including certain realty other than buildings and their structural components, if it was an integral part of specified business activities, or which constituted research or storage facilities used in connection with such activities. The business activities qualifying were manufacturing, production, or the providing of transportation, communications, electrical energy, gas, water, or sewage disposal services.

Gain from the sale of residential rental property that was equal to the excess of accelerated depreciation over straight-line depreciation was recaptured as ordinary income.

The depreciable property to which Code section 1250 applied was real property not already covered by section 1245. In general, this property consisted of buildings and their structural components, in the case of tangible property; or leaseholds of land, in the case of intangible property.

The amount of gain on dispositions of depreciable property under Code sections 1245 and 1250, treated as ordinary income and included in the statistics for net gain or loss, noncapital assets, generally depended upon the amount of depreciation claimed on the asset after a certain date prior to its disposition, although other factors were also considered in the case of section 1250 dispositions.

Under Code section 1245, the amount of gain treated as ordinary income was based on the depreciation (or amortization in the case of defense "emergency facilities") allowed or allowable after 1961 (after 1963 for elevators and escalators and after 1969 for livestock (including fur-bearing animals such as chinchillas, minks, and foxes)). This "depreciation recapture" applied to dispositions of property made during taxable years beginning after 1962 (after 1963 for elevators and escalators and after 1969 for livestock).

Under Code section 1250, the amount of gain treated as ordinary income was based, in general, on the excess of accelerated over straight-line depreciation allowed or allowable after 1963. However, this "depreciation recapture" was further qualified in the case of depreciation taken during 1963-69 so that if the property was held for more than 20 months, the "recapture" was further reduced to a proportion of this difference until, when the property was held for 10 years, the "recapture" as ordinary gain was not applicable at all. For depreciation taken after 1969, these qualifications were rescinded (with certain exceptions for residential rental housing, housing rehabilitation expenditures, and Government-subsidized housing), so that the entire amount of post-1969 excess depreciation was "recaptured" as ordinary income.

Code sections 1251 and 1252:

Under Code section 1251, net gain or loss from noncapital assets included ordinary gains from the sale or other disposition of certain types of farm business property which would otherwise have been eligible for long-term capital gain treatment under section 1231. Dispositions already regarded as ordinary gain or loss using section 1250 rules were excluded.

Amounts treated as ordinary gain were based on farm net losses accumulated after 1969. These net losses were before consideration of the gain or loss under Code section 1231 and, over the years, were first offset against any farm net income. The resulting accumulated loss was then applied against the gain on farm property. If the gain exceeded the accumulated loss, it was treated as ordinary gain to the extent of the loss and only the excess gain was eligible for capital gains treatment. If the reverse was the case, the gain was similarly treated and the excess loss was carried over for use in connection with future gains. For electing Small Business Corporations, this recapture of farm losses was less restrictive and was applicable only if farm net loss exceeded \$25,000, nonfarm net income exceeded \$50,000, and none of the stockholders had a farm net loss of their own. Section 1251 was not applicable if farming operations were accounted for on an accrual basis, inventories used, and deductible amounts capitalized and recovered over the years through depreciation, even though the law permitted expensing of the full amount currently on an elective basis.

Code section 1231 property subjected to these recapture rules included depreciable personal property; livestock (including fur-bearing animals such as chinchillas, minks, and foxes), except poultry; unharvested crops sold with the land on which they were growing; and land. For land, there was a limitation under section 1251 on the amount of gain treated as ordinary income: the amount recaptured could not

exceed accumulated deductions for soil and water conservation and land clearance expenditures in the current and 4 preceding taxable years. However, there was an additional recapture for land, under section 1252. This recapture was based on a declining annual percentage of total post-1969 deductions for these same expenditures. The percentage was reduced to zero when land was held for 10 years or more, at which time the additional recapture did not apply.

Code section 1254:

Code section 1254 required recapture of amounts deducted for intangible drilling expenses on productive wells to the extent that those amounts deducted exceeded the amounts which were allowable had the intangible drilling expenses been capitalized and amortized over the useful life of the well. This was in addition to the requirement that the gain on the sale of oil and gas property be recognized as ordinary income to the extent of depreciation of tangible personal property.

Code section 617:

Under Code section 617, corporations engaged in domestic mining operations that elected to claim unlimited deductions for exploration and development expenses (except for oil and gas) had to "repay" their post-1969 deductions when the mine reached the producing stage or when it was sold. If the mine was sold, the profit was treated as an ordinary net gain from a noncapital asset to the extent that the gain was equal to or less than any post-1969 deductions not already "recaptured" prior to the sale. Such gains are reflected in the statistics for net gain (or loss), noncapital assets. Any net gain in excess of the deductions was a net gain under section 1231, and eligible for capital gains treatment.

Net Income (or Deficit)

This is the difference between gross taxable receipts and the ordinary and necessary business deductions allowed by the Code, and reflects not only actual receipts but "constructive" receipts (i.e., certain income from Controlled Foreign Corporations and foreign dividend income resulting from foreign taxes deemed paid) as well.

Because certain statutory special deductions from net income were allowed most corporations in computing their income subject to tax, the statistics for net income are generally larger than the amounts shown for "Income subject to tax." Included in the net income statistics are amounts for Small Business Corporations (only certain long-term capital gains were taxable to these corporations). Also, the net income statistics include amounts for Domestic International Sales Corporations (DISC's); these corporations were not taxable.

For mutual insurance companies other than life or marine and other than certain fire or flood insurance companies, the net income (or deficit) in this report is the sum of the net investment income or loss, the statutory underwriting income or loss, and the subtractions from the Protection Against Loss (PAL) account before reduction by the statutory special deductions allowed corporations in general. Consequently, net income (or deficit) reflects not only the ordinary business deductions, but the statutory deductions from underwriting income allowed only to these mutual insurance companies. Net income (or deficit) also reflects the additions (if any) to taxable income of amounts in the PAL account previously deferred from taxation. Further, for some small mutual insurance companies electing to report under Code section 821(c), net income was net investment

income only. (Electing companies were not required to report underwriting income.) The section 821(c) provisions were applicable only to companies with income from investments (other than capital gains), with premiums of less than \$500,000, and with no reserve in the PAL account.

For life insurance companies, the net income (or deficit) used for statistical purposes comprised the gain or loss from operations adjusted by adding back the dividends received and the operations loss deductions. Gain or loss from operations (which included both underwriting and investment income) represented gross taxable receipts reduced by ordinary and necessary business deductions and by additions to required reserves, certain other statutory deductions pertinent only to these companies, and by the dividends received and operations loss deductions.

Net Long-Term Capital Gain Taxed at Alternative Rate

This was the part of the tax base used for the tax computation for those returns using the alternative tax rate. The alternative method, allowed under Code section 1201, was used if it provided a lower tax liability than did the use of the normal tax and surtax rates on total taxable income. See the discussions of "Income Subject to Tax" and "Income Tax."

Income subject to tax for returns with alternative tax was the sum of (1) net long-term capital gain (reduced by net short-term capital loss), and (2) income taxed at normal tax and surtax rates (the balance of taxable income).

For most corporations, use of the alternative tax did not affect the amount shown as "Income Subject to Tax." However, when net long-term capital gain (reduced by net short-term capital loss) was greater than taxable income (net income minus statutory special deductions) but the alternative rate (30 percent) applied to the capital gains was less than the regular rates applied to taxable income, the capital gains, rather than taxable income, became the tax base and was used for the "Income Subject to Tax" statistics.

Net Worth

Net worth represented the stockholders' equity in the assets of the corporation (total assets minus the claims of creditors). In the statistics, net worth comprises the net sum of the following items:

- (1) capital stock;
- (2) paid-in or capital surplus;
- (3) retained earnings, appropriated;
- (4) retained earnings, unappropriated; and
- (5) less: cost of treasury stock.

Each of these items is explained under its own heading in this section. Tables 2, 3, 4, and 5 show these items separately; tables 1, 6, and 7 combine these items and show them under the statistics for net worth.

New Jobs Credit (#)

The Tax Reduction and Simplification Act of 1977 created a new jobs credit. See the discussion of this credit under Changes in Law in section 2.

Noncalendar Year Returns

Returns filed for a 12-month accounting period ended during July through November 1977 or during January through June 1978 were included in this classification. Figure B in section 1 shows the percentage of returns filed for each of the accounting periods covered in this report.

Notes and Accounts Receivable (#)

Notes and accounts receivable were, in general, the gross amounts arising from business sales or services to customers on credit during the ordinary course of trade or business which would normally be converted to cash within 1 year. Current nontrade receivables were generally included in "Other Current Assets."

The balance sheets on most corporation income tax forms called for the reporting of both "gross" receivables and the "allowance for bad debts." However, some corporations reported only the net amount. In the case of insurance companies filing balance sheets in the form required under State law, only the net amount was reported.

Loans and mortgages may have been reported in notes and accounts receivable by savings and loan associations. When identified, such mortgage loans were transferred to "Mortgage and Real Estate Loans."

The "Allowance for Bad Debts," shown as an adjustment, may also include the reserves for the separate account, "Mortgage and Real Estate Loans." As a result, it was possible for the "Allowance for Bad Debts" to exceed the amount of notes and accounts receivable.

In those tables where the item "Notes and Accounts Receivable, Net" appears, the amount shown includes a deduction of "Allowance for Bad Debts."

Number of Returns

Returns of inactive corporations were excluded from the statistics. (See "Returns of Inactive Corporations.") The number of Form 1120-DISC and Form 1120S returns filed, respectively, by Domestic International Sales Corporations and Small Business Corporations for which an election was made to be taxed through stockholders are included in each total number (except for those tables which specifically exclude these returns) and are also shown separately in some of the tables.

See also "Consolidated Returns" and "Returns of Active Corporations."

Number of Stockholders

This was the number of persons, at the end of the accounting period, who held stock in a Small Business Corporation electing to be taxed through its stockholders. By law the number of stockholders at any one time was limited to no more than ten (fifteen if the accounting period began after December 31, 1976 (See the discussion under Changes in Law in section 2.)). Husbands and wives listed on the return form as joint owners were counted only once. However, if each spouse was listed as a separate owner they were counted as two stockholders unless the return was from a "community property" State.

Stock which was community property of a husband and wife, or which was held jointly by them, was regarded as owned by one stockholder for purposes of qualifying for the election by the corporation to be taxed through stockholders. Even if the husband or wife owned stock individually and both also were joint owners of stock, the law prescribed that they be counted only once with respect to all of their stock. But if each of them owned stock separately and also owned stock jointly, they continued to be regarded as two stockholders, unless the stock was community property.

Although the husband and wife were thus generally considered as one stockholder, each had to consent to the election by the corporation and each had to include in his or her gross income his or her share of the distributed and undistributed net income of the company. Actual distributions of net income

were made to all stockholders who were owners during the year. A net operating loss for the year was allocated in a similar manner. However, amounts of net income deemed, but not actually distributed, were allocated only among end-of-year stockholders.

Number of stockholders as shown in the statistics is based on the number of stockholder names listed in the schedule of income and distributions (Schedule K). If the holding period of stock ended on the last day of the corporation's tax year, the stockholder was counted among the number of stockholders, end-of-tax year.

With regard to the enumerating of husband and wife stockholders, a general rule was applied whereby both were counted as one stockholder. In order to facilitate statistical processing, no allowance was made for the one situation in which both husband and wife owned stock individually as well as jointly and should have been counted as two separate stockholders.

Other Assets

Other assets comprised, in general, noncurrent assets which were not allocable to a specific account on the balance sheet, and certain accounts for which no distinction could be made between current and non-current status.

Includable were such items as deferred charges reported as noncurrent by the corporations, interest discounts, guaranty deposits, and intangible assets not subject to amortization. Other assets of banks included property held in trust if included in the banks' assets. Other assets of life insurance companies included the market value of real estate, and that portion of stock and bond holdings in excess of book value. For Domestic International Sales Corporation (DISC's), this item also included "nonqualified assets" (i.e., assets that were not export-related or that failed to meet the requirements indicated for "qualified export assets" in Code section 993).

Other Capital Assets Less Reserves (#)

This item consisted of depletable assets less accumulated depletion, land and intangible assets less accumulated amortization. Each is described separately under its own heading, in this section.

Other Current Assets

Assets not allocable to a specific current account in the return form balance sheet, and assets specifically reported as short-term by the corporation, as well as marketable securities other than Government obligations, comprised this account.

Includable were prepaid expenses, nontrade receivables, coupons and dividends receivable, claims and judgments, and similar items. For construction corporations, amounts reported as current for contract work in progress in excess of billings were includable.

Also includable in other current assets were amounts reported as inventories on nonconsolidated returns of holding and other investment companies (except operating holding companies); security and commodity brokers, dealers, and exchanges; and real estate subdividers, developers, and operative builders.

Other Current Liabilities

Other current liabilities included, for the most part, certain amounts due and payable within the coming year. The account comprised accrued expenses, as well as current payables not arising from the purchase of goods and services and not evidenced by bonds, notes, or mortgages. Examples of other current

liabilities were taxes accrued or payable, accrued employee accounts such as for payrolls and contributions to benefit plans, dividends payable, overdrafts, accrued interest or rent, and deposits and withdrawable shares of banking and savings institutions.

For construction corporations, amounts of advances of deposits on uncompleted contracts or jobs in progress were included in this item, if reported as current.

Other Deductions (#)

Other deductions comprised (1) business expenses which were not allocable to a specific deduction item on the return form, or which were not included elsewhere on the return form, and (2) certain amounts which were given special treatment in the course of statistical processing.

The first category included such items as administrative, general, and selling expenses; bonuses and commissions; delivery, freight, and shipping expenses; sales discounts; travel and entertainment expenses; utility expenses not reported as part of the cost of goods sold; and similar items. Included in this item are any amounts deducted for the removal of architectural and transportation barriers to the handicapped and elderly under Code section 190. (See the discussion under the Changes in Law in section 2.)

The second category included salaries and wages not reported as a cost of sales and operations and not reported as a part of another deduction item; amortization of bond premiums, loan and mortgage costs, and other financial items reported as amortization rather than as part of other deductions; unrealized profit on current-year installment sales; reported amounts of negative income; and certain "involuntary conversions" (described below). Also included were itemized business deductions and other deductions unique to Domestic International Sales Corporations (DISC's), life and most mutual insurance companies. In the case of DISC's, the statistics include deductions such as those for market studies, sales commissions, and freight and other expenses (whether or not they were considered export promotion expenses).

The statistics for other deductions may include losses resulting from involuntary conversions by theft, or from fire, storm, shipwreck, or other casualty, if these losses were reported in the taxpayer's own schedule for other deductions. For the statistics, no attempt was made to transfer the data to the ordinary gains or losses computation. Losses from involuntary conversions which were reported as ordinary losses derived from Form 4797, Supplemental Schedule of Gains and Losses, were included in the estimates for "Net Gain (or Loss), Noncapital Assets." See also the discussion under "Net Capital Gains" in this section.

Other Interest

Included in this item were amounts received on loans, notes, mortgages, bonds, bank deposits, and corporate bonds less amortizable bond premiums. For installment sales, interest received included amounts stated in the contract and certain unstated amounts of interest, as provided in Code section 483.

For Domestic International Sales Corporations (DISC's), this item included "Interest on Producer's Loans." See the explanation of "Domestic International Sales Corporation Returns" in this section.

Other Investments

This category generally included long-term non-Government investments and certain investments for which no distinction could be made as to their current or long-term nature. Non-Government

investments generally not held for conversion to another form within the coming year included stocks, bonds, loans on notes or bonds, loans to subsidiaries, and other types of financial securities. Also included in this category were investments unique to Domestic International Sales Corporations (DISC's), such as investments in related foreign export corporations, Export-Import Bank obligations, and producer's loans.

Real estate not reported as a fixed asset could also be included. In certain instances, land and buildings owned by real estate operators (except lessors of real property other than buildings), and real holdings of insurance carriers (other than their home office and branch office buildings and equipment), were reported as "other investments."

In one respect the statistics may be somewhat overstated. Treasury stock held for resale or for future distribution may have been reported as an asset on some tax returns and, if not clearly identified as Treasury stock, would have been included in the statistics for "Other Investments." When these amounts could be identified, they were transferred to the liability side of the balance sheet statistics under "Cost of Treasury Stock."

Other Investments and Loans (#)

This item consisted of loans to stockholders, mortgage and real estate loans, and other investments. Each is described separately under its own heading, in this section.

Other Liabilities

Other liabilities were obligations which were not allocable to a specific account on the balance sheet and which were either noncurrent accounts, in general not due within 1 year, or accounts which could not be identified as either current or long-term.

Examples of other liabilities were deferred or unearned income not reported as part of a current account, provisions for future taxes based on the effects of either accelerated depreciation or possible income tax adjustments such as for the investment credit, and principal amounts of employee and similar funds.

Other Receipts

Other receipts included amounts not elsewhere reported on the return form, such as: profits from sales of commodities other than the principal commodity in which the corporation dealt; income from minor operations; cash discounts; income from claims, license rights, judgments, and joint ventures; net amount earned under operating agreements; profit from commissaries; profit on prior-years' collections (installment basis); profit on the purchase of a corporation's own bonds; recoveries of losses and bad debts previously claimed for tax purposes; refunds for the cancellation of contracts; and income from sales of scrap, salvage, or waste. Also regarded as other receipts were certain dividends received, such as from Federal Reserve and Federal Home Loan Banks, and from the following special classes of corporations: China Trade Act corporations; corporations deriving a large percent of their gross income from sources within a U.S. possession; and tax-exempt charitable, educational, religious, scientific and literary organizations, and mutual and cooperative societies including farmers' cooperatives.

For Domestic International Sales Corporations (DISC's), other receipts comprised all "nonqualified" gross receipts reported on the return except nonqualified dividends. In addition, in the case of DISC's acting as commission agents for someone else, only

the commissions earned and not the underlying gross receipts on which the commissions were earned were included in the statistics. Nonqualified gross receipts thus took into account: (1) sales of goods and services for ultimate use or consumption in the United States; (2) exports subsidized by the U.S. Government; (3) certain direct or indirect sales or leases for use by the U.S. Government; and (4) sales to other DISC's in the same controlled group of corporations. (See also "Business Receipts.")

Paid-In or Capital Surplus

This balance sheet item comprised additions to the corporation's capital from sources other than earnings. These sources included amounts of surplus occasioned by donation, appreciation of assets, receipts from the sale of capital stock in excess of stated value, stock redemptions or conversions, and similar transactions. The amounts shown are after deducting any negative amounts.

Part-Year Returns

Part-year returns were those filed for accounting periods of less than 12 months which ended in the period July 1977 through June 1978. Such returns were filed as a result of business liquidations, reorganizations, mergers, and changes to new accounting periods. Figure B in section 1 shows the percentage of returns filed for each of the accounting periods covered in this report.

Pension, Profit-Sharing, Stock Bonus, and Annuity Plans

Contributions made by employers to these plans were deductible under Code section 404. The Code imposed limitations on the amounts deductible for the taxable year and provided a carryover feature for certain amounts paid in excess of these limitations. Deductions were also allowed for employer contributions made to benefit plans established for certain U.S. citizens employed for foreign subsidiaries and branches of domestic corporations. The statistics for this item include such amounts identified in the cost of sales and operations schedules.

The Employee Retirement Income Security Act of 1974 (ERISA), revised the requirements relating to the participating, vesting, and funding of private pension and employee benefit plans and to the deductibility of employer contributions to these plans. New rules under ERISA were effective at varying times, but generally applied to plan years beginning after September 2, 1974. Under ERISA, employee benefit plans were qualified for tax purposes only if they met certain compulsory standards. Stated differently, employee benefit plans generally had to meet these new standards before the related trusts set up by the employer to administer them could be exempted from income taxation and before employers could deduct their contributions to these trusts.

There were limitations on the deductions claimed by employers for certain of their contributions to qualified pension plans. For example, regular corporate plans based on a combination of the earnings of the individual employee and the aggregate compensation paid by the employer were subject to limitations. Limitations were also prescribed for deductible contributions to defined contribution plans (i.e., plans which provided for an individual account for each participant employee and for benefits based solely on the amount contributed to the participant's account, and any income and expenses, gains and losses, and forfeitures of accounts of other participants which could be allocated to such participant's account).

Contributions deductible for a given year were limited. However, limitations were not the same for employer contributions to defined pension plans as they were for profit-sharing plans or stock bonus trusts. For defined pension plans, the limitation was an amount equal to the greater of the minimum funding requirements or a maximum annual deduction. The maximum annual deduction, which formerly included normal costs plus 10 percent of past service costs, was changed to include normal costs plus amounts needed to amortize past service costs in 10 equal annual payments (including interest and principal). The maximum annual deduction limitation applied unless it was less than the amount needed to meet the minimum funding requirements. If this was the case, the amount needed to satisfy the minimum funding requirements took precedence and was deducted in full, so that, in effect, this amount became the maximum annual deduction.

For profit-sharing plans or stock bonus trusts, the amount deducted in a given year could not exceed 15 percent of the aggregate compensation paid by the employer in that year. For combination profit-sharing and pension plans, the limitation was 25 percent of the aggregate compensation paid by the employer in the given year.

Employer contributions in excess of the limitations were carried over to future years, in order of time, until they were fully deducted. The amount carried over, when combined with the current year's allowable amount, could not exceed either the maximum annual deduction, minimum funding requirements or 25 percent of the aggregate compensation paid by the employer. The total amount (i.e., the current deduction plus the carryover amount) deductible in a carryover year could not exceed 25 percent, in the case of a combination profit-sharing and pension plan. For profit-sharing plans alone, the limit was also 25 percent for carryover years.

Excluded were deductions claimed for employer contributions to pension plans and certain other deferred compensation plans within the scope of Code section 404.

Provision for Federal Income Tax

In general, this was the net amount of Federal income tax accrued, or the provision for such tax, for the taxable year as reported in corporations' books of account and in tax return schedules reconciling book and tax profits (see Schedule M-1, "Reconciliation of income per books with income per return," on the Form 1120 return facsimile in section 7 of this report), or in the case of most insurance companies, from the annual statements filed with the returns.

When corporations identified the amount of Federal income tax which was current and the amount which was deferred, only the amount reported as current was used for the statistics. Deferred Federal income tax as shown on the books of account represented the tax consequence resulting from differences between book and tax accounting in the recognition of various items of income and expenses. (See "Book Net Income (or Deficit).")

Corporations occasionally reported foreign and State taxes together with Federal taxes and the components were not separately identified. The resulting effect on the statistics was to overstate the provision for Federal income tax. This had no effect, of course, on the after-tax profit amount shown in the statistics as "Book Net Income (or Deficit)."

Rent Paid on Business Property

These deductions for ordinary and necessary expenses consisted of rents paid for the use of land

or structures, and rents paid for leased roads, rolling stock, and work equipment for railroad companies. Identifiable amounts of taxes paid and other expenses of lessees in connection with rent paid were included in their respective deduction headings.

Rents

These were the gross amounts received for the use or occupancy of property. Expenses related to rental property, such as depreciation, repairs, interest paid, and taxes paid, were not deducted directly from the rental income, but were reported as business deductions from total receipts. The rental income of manufacturing, public utility, and service corporations which frequently leased rather than sold their products, was included in the "Business Receipts" rather than in rents.

Repairs (#)

Repairs reported as an ordinary and necessary business expense were the costs of maintenance and incidental repairs and could include the cost of labor, supplies and other items which did not add to the value or appreciably prolong the life of the property. Expenditures for new buildings, machinery or equipment, or for permanent improvements which increased the cost or basis of the property were not deductible currently and were charged to capital expenditures, which were generally depreciable.

For taxpayers using the Class Life Asset Depreciation Range (CLADR) system (see Statistics of Income—1976, Corporation Income Tax Returns), a relatively few elected an alternative method of computing the deduction for repairs. This method was available when ambiguity existed as to whether expenditures for repairs, maintenance, rehabilitation, or improvement of depreciable property could be deducted in the year paid or incurred, or had to be capitalized and depreciated over the useful life of the property.

Under the rules prescribed, all qualifying expenditures within a given asset guideline class were treated as currently deductible repairs provided they did not exceed the "repair allowance." The repair allowance for an asset guideline class was based on the percentage prescribed for that class applied to the "average" cost or unadjusted basis of "repair allowance property" in that class. Amounts in excess of the percentage had to be capitalized and recovered as depreciation.

Retained Earnings, Appropriated

Earnings set aside for specific purposes and not available for distribution to stockholders were included under this heading. Included were guaranty funds and reserves for plant expansion, bond retirements, and contingencies for extraordinary losses. Specifically excluded were the reserves for bad debts, for depreciation, for depletion, and for amortization, which were shown separately; and, the reserves for taxes, and unrealized profits or unearned income, which were includable in "Other Liabilities."

Retained Earnings, Unappropriated

Retained earnings, unappropriated, consisted of the retained earnings and profits of the corporation less any reserves (shown in the statistics as "Retained Earnings, Appropriated"). The statistics shown are net figures after deduction of any negative amounts.

For Domestic International Sales Corporations (DISC's), this item included previously taxed income, accumulated DISC income, and other earnings and profits.

Similarly, for Small Business Corporations electing to be taxed through their stockholders, this item included earnings from before the corporation's election as well as earnings since the election, to the extent that they had not yet been distributed to the stockholders. (See "Stockholders' Undistributed Taxable Income Previously Taxed.")

Returns of Active Corporations

These returns were the basis for all financial statistics presented in the report. They comprised the vast majority of the returns filed, and were defined for the statistics as returns of corporations reporting any income or deduction items.

Returns of Inactive Corporations

Corporations in existence during any portion of the taxable year were required to file a return even though they may have been inactive. Inactive corporations are defined for this report as returns showing no item of income or deduction. Financial data from these returns were excluded from the statistics.

Returns With Net Income

Returns with net income were those showing gross taxable receipts exceeding the ordinary and necessary business deductions allowed by the Code. (See "Net Income (or Deficit).")

Returns Without Net Income

Returns without net income were those for which ordinary and necessary business deductions allowed by the Code exceeded gross taxable receipts. In addition to deficit returns, this classification also included returns where gross taxable receipts and business deductions were equal. (See "Net Income (or Deficit).")

Royalties

Royalties were payments received, generally on an agreed percentage basis, for the use of property rights. Included were amounts received from such properties as copyrights, patents, and trademarks; and from natural resources such as timber, mineral mines, and oil wells. The amount reported was the gross amount received. Expenses relating to royalties, depletion or taxes, for example, were not deducted directly from this income, but were reported among the various business deductions from total gross income.

Excluded from the statistics were certain royalties received under a lease agreement on timber, coal deposits, and domestic iron ore deposits, which were allowed special tax treatment. Under elective provisions of Code section 631, the net gain or loss on such royalties was included in the computation of net gain or loss on sales or exchanges of certain business property under section 1231. If the overall result of this computation was a net gain, it was eligible for treatment as a long-term capital gain, taxable at the capital gains rates. If the overall result was a net loss, it was fully deductible in the current year as an ordinary noncapital loss. See the discussions of "Net Capital Gains" and "Net Gain (or Loss), Non-capital Assets."

Size of Business Receipts

Size of business receipts was based on the gross amounts from sales and operations for industries except those in the finance, insurance, and real estate divisions. For these industries, total

receipts, which is the sum of business receipts and investment income, were used as the basis for classification. See the discussions of "Business Receipts" and "Total Receipts."

Size of Income Tax After Credits (#)

Table 12 presents statistics for corporations classified by size of income tax after credits. Income tax after credits was the net amount of income tax liability after deducting the foreign tax, investment, possessions, new jobs and work incentive (WIN) credits. It included the normal tax, surtax, and alternative tax. As such, it excluded the tax from recomputing prior-year investment credit, tax from recomputing prior-year WIN credit, and additional tax for tax preferences.

Size of Total Assets

Size of total assets was based on the amount reported in the end-of-year balance sheet. Returns with zero assets were used as a classification for returns of: (1) liquidating or dissolving corporations which had disposed of all their assets and whose income tax returns were final returns; (2) merging corporations whose assets and liabilities were included in the returns of the acquiring corporations; (3) corporations filing a part-year tax return because of a change in accounting period; and (4) foreign corporations with income effectively connected with the conduct of a trade or business within the United States (except foreign insurance companies providing balance sheet information for U.S. branches). (See also, "Total Assets and Total Liabilities.")

Small Business Corporation Returns (#)

Form 1120S, U.S. Small Business Corporation Income Tax Return, was filed by corporations electing to be taxed through stockholders under section 1372 of the Code.

To qualify as a Small Business Corporation, a firm had to be a domestic corporation, with no more than ten stockholders, each of which was an individual (or an estate) and no one of which was a nonresident alien. For taxable years beginning after December 31, 1976, a Small Business Corporation which had been an electing Small Business Corporation for 5 consecutive taxable years could have as many as fifteen stockholders (see "Number of Stockholders"). The corporation could have only one class of stock and could not be a member of an affiliated group eligible to file a consolidated return. Moreover, the corporation could not receive more than 80 percent of its gross receipts from sources outside the United States nor more than 20 percent from passive investments (interest, rents, royalties, annuities, and gains from the sale or exchange of stock and securities). The 20 percent passive-income limitation did not apply during the first 2 years of business unless such income, for the year in question, was \$3,000 or more.

Net income of Small Business Corporations was computed in the same manner as for most corporations. The net operating loss deduction and other statutory special deductions allowed most corporations, such as for dividends received, could not be taken.

An electing Small Business Corporation was generally not taxed. However, an existing corporation that elected (under Code section 1372) to become a Small Business Corporation was subject to a special tax for the first 3 taxable years of the election. On the other hand, a new corporation which was an electing Small Business Corporation for each year of its existence was not subject to the special tax at

all. Section 1378 of the Code provided that the amount of the tax was the lower of the following: (1) 30 percent of the excess of net long-term capital gain (reduced by net short-term capital loss) over \$25,000 when net long-term capital gain was more than 50 percent of a net income that was over \$25,000; (2) 30 percent of the gain from the disposition of property using a "substituted basis" (i.e., the basis that was transferred from another corporation which was not also an electing Small Business Corporation); or (3) the normal tax and surtax rates applied to net income. Foreign tax credit, investment credit, U.S. possessions tax credit, work incentive (WIN) credit and new jobs credit were not available to the corporation to reduce this tax (although the cost of investment credit property and WIN Program salaries and wages were allocated to stockholders for their use in computing the credits).

Generally, the income of the Small Business Corporation was taxable to its stockholders as ordinary income. Net long-term capital gains (reduced by any tax paid on them by the corporation) were not taxable as ordinary income, but instead retained their character in the hands of the stockholders. Also, stockholders were allowed to deduct their share of the corporation's deficit from other forms of individual (or fiduciary) income as part of their net operating loss deduction. Undistributed income earned in previous years was taxable to stockholders in the year it was earned, and could be distributed during the current year without any further tax.

Statutory Special Deductions (#)

Statutory special deductions is the term used for the statistics to describe the deductions for: (1) net operating losses of prior years, and (2) total "special deductions" as defined by the Code, i.e., the sum of deductions for intercorporate dividends received, for dividends paid on certain preferred stock of public utilities, and for Western Hemisphere Trade Corporations. Since these deductions were allowed by law, in addition to ordinary and necessary business deductions, they are shown as deductions from net income.

In general, net income less statutory special deductions equalled income subject to tax. However, the two dividend deductions were not restricted to returns with net income, nor, in general, to the amount of net income and thus became part of the statutory "net operating loss" for some corporations. Statutory special deductions were not allowed to Small Business Corporations for which an election was made to be taxed through stockholders, nor to regulated investment companies and real estate investment trusts.

Although Domestic International Sales Corporations (DISC's) were not taxable, in order to compute "tax deferred income and income taxable to stockholders," two of the statutory special deductions, i.e., net operating loss deduction and intercorporate dividends received deduction, discussed below, were allowed.

Definitions for the statutory special deductions contained in the statistics are as follows:

(1) Net operating loss deduction.—The total net operating loss deduction was based on statutory net operating losses of prior or subsequent years which could be used to reduce taxable income for a specified number of years. The amount shown in this report, however, consists only of losses from prior years actually used to reduce taxable income for 1977. Losses incurred after 1977 and carried back to that year at a later date could not be reported on the returns used for this report. In general, losses were carried back over a 3-year period, chronologically, and any amount not offset against income during that time could then be carried forward against

income for a period not exceeding 5 years. Longer carryover periods were allowed for certain foreign expropriation losses, and for corporations applying for tax assistance under the Trade Expansion Act of 1962, for regulated transportation corporations, and for new life insurance companies.

Net operating losses on which the current-year deduction was based included: (a) the excess of ordinary and necessary business expenses over income in the previous loss years, and (b) statutory special deductions claimed in the loss year for dividends received and for dividends paid on certain preferred stock of public utilities (or any excess of such deductions over net income).

The net operating loss deducted for the current year was limited to net income reduced, first, by the deductions for dividends received and for dividends paid on certain preferred stock of public utilities.

Net operating losses incurred by Domestic International Sales Corporations (DISC's) were deductible from net income only if the DISC had been a corporation prior to its election to become a DISC and only for losses incurred prior to the election. The statistics are overstated to the extent small amounts of net operating loss deductions were reported by DISC's without net income; no attempt was made to suppress these amounts for the statistics.

For a "parent-subsidiary" controlled group that had elected separate surtax exemptions for each group member under prior law, but which had shifted to a single group exemption and filed a consolidated return under subsequent law, special provisions for the treatment of net operating losses of the individual group members applied. The net operating losses of such individual group members sustained in years during which the election of multiple surtax exemptions was in effect could be carried over and deducted from consolidated net income.

(2) Total special deductions.—The total special deductions contained in this report was the sum of the following deductions:

(a) Intercorporate dividends received deduction.—The intercorporate dividends received deduction, under Code sections 243–246, was the sum of the following components:

(1) A deduction equal to 85 percent of dividends received from domestic corporations which were themselves subject to the income tax. This particular deduction accounted for the major portion of the intercorporate dividends received deduction. Since DISC's were not subject to tax, the intercorporate dividends received deduction was not allowed for dividends received by their stockholders. However, if the dividends were paid out of earnings and profits from a year before the election was made to become a DISC, the stockholders were entitled to the deduction for such dividends.

(2) A deduction equal to 85 percent of certain dividends received from foreign corporations (a) which had been engaged in a trade or business within the United States for at least 3 years, and (b) which also had at least 50 percent of their gross income "effectively connected" with the U.S. trade or business.

(3) A transitional deduction equal to 100 percent of certain intragroup dividends received (qualifying under Code section 1564) allowed members of controlled groups claiming multiple surtax exemptions under section 1562. Beginning with the tax year which included December 31, 1970, the former rate of 85 percent was gradually increased by 2.5 percent increments per year for such controlled groups so that for tax

years beginning after December 31, 1974, the deduction would be the same 100 percent deduction described below under (4).

(4) A deduction equal to 100 percent of certain intragroup dividends allowed members of controlled groups not electing to file consolidated returns, but sharing instead, a single surtax exemption under Code section 1561.

(5) A deduction equal to 100 percent of dividends received from wholly-owned foreign subsidiaries whose entire gross income was "effectively connected" with the conduct of a trade or business within the United States.

(6) A deduction equal to about 60.2 percent of dividends received on certain preferred stock of public utilities for which a dividends paid deduction, described below, was also allowed the distributing corporation. The applicable percentage was based on the income tax rate.

(7) A deduction equal to 100 percent of dividends received by small business investment companies. For tax returns with net income for the taxable year, there was a limitation on the deduction, based on net income, for dividends received not subject to the 100 percent deduction (Code section 246). For these returns the deduction could not exceed 85 percent of net income less any Western Hemisphere Trade Corporation deduction (described below) and less any 100 percent deduction for domestic intragroup dividends. This limitation was not applicable if the corporation had no net income for the year. In this case, the deduction became part of the statutory net operating loss previously described. In the case of life insurance companies, the above percentage deductions were further reduced by the ratio of investment yield less total exclusions (operations) to investment yield.

(b) Deduction for dividends paid on certain preferred stock of public utilities.—For public utility companies, as defined by law, a special deduction was allowable under Code section 247 for dividends if paid on certain preferred cumulative stock deemed issued prior to October 1, 1942. This deduction, based on the income tax rate, amounted to about 29.2 percent of the dividends paid on such stock.

If the dividends paid were greater than net income reduced (in general) by all other statutory special deductions for the year, the deduction could not exceed the above-described percentage of net income after this adjustment.

(c) Western Hemisphere Trade Corporation deduction.—This deduction was allowed certain domestic companies which qualified under section 921 of the Code. These companies conducted almost all of their business outside the United States, but within the Western Hemisphere. The deduction was equal to taxable income (computed without regard to the deduction, i.e., net income minus the statutory special deductions for net operating losses and for intercorporate dividends received and for dividends paid on certain public utility stock) multiplied by a fraction having a numerator of 14 percent and a denominator equal to the combined U.S. normal tax rate and surtax rate. The Tax Reform Act of 1976 provided for a phaseout of the 14 percent figure. For 1977,

the numerator was 8 percent. The Act also repealed the Western Hemisphere Trade Corporation deduction for taxable years beginning after December 31, 1979.

Stockholders' Undistributed Taxable Income Previously Taxed

This end-of-year balance sheet item was the accumulated taxable income, i.e., net income (or deficit), earned by Small Business Corporations since they had first elected to be taxed through their stockholders, to the extent that it had not yet been distributed to the stockholders. Taxable income, whether distributed or not to the stockholders, was taxable to the stockholders in the year earned so that later distributions from this account were nontaxable. (See "Small Business Corporation Returns.") This item is reflected in the statistics for "Retained Earnings, Unappropriated" and "net worth" in those tables which show these items.

Tax Deferred Income and Income Taxable to Stockholders

This amount represented the net income (less deficit) of a Domestic International Sales Corporation (DISC) minus statutory special deductions (described under a separate heading). This "taxable income" was used in determining the amount of the DISC's earnings and profits that were considered to be "amounts deemed distributed" to stockholders of the DISC. Generally, taxation on a portion of this amount could be deferred indefinitely and the remainder was taxable to stockholders in the year earned.

See also "Domestic International Sales Corporation Returns."

Taxes Paid

Taxes paid included the amounts reported as an ordinary and necessary business deduction as well as identifiable amounts reported in the cost of goods sold and operations schedules. Included among the deductible taxes were ordinary State and local taxes paid or accrued during the year; social security and payroll taxes; unemployment insurance taxes; import and tariff duties; and business, license and privilege taxes. Income and profits taxes paid to foreign countries or U.S. possessions were also deductible unless claimed as a credit against income tax. However, Small Business Corporations electing to be taxed through their stockholders had to deduct from gross income any foreign taxes they paid. They could not claim a foreign tax credit, nor could they pass these taxes on to their stockholders for their use as a foreign tax credit. (See "Foreign Tax Credit.")

Taxes not deductible included Federal income and excess profits taxes, gift taxes, taxes assessed against local benefits, and Federal taxes paid on interest from tax-free covenant bonds.

Some corporations included sales taxes and excise and related taxes, which were part of the sales price of their products, as receipts. When this occurred, an equal and offsetting amount was usually included in the cost of sales and operations or as part of the separate deduction for taxes paid. When included in the cost of sales and operations, these taxes often were not identifiable and, therefore, could not be included in the statistics for taxes paid.

Tax from Recomputing Prior Year Investment Credit (#)

This tax, a recapture of investment credit, was required when depreciable (or amortizable) property used in computing the investment credit of a prior

year was either disposed of or ceased to be qualifying property before the end of its useful life assumed at the time the credit was originally computed.

The tax was payable for the year in which the property was disposed of or became disqualified. It amounted to the difference between the credit originally claimed based on the intended life in the year of acquisition and the credit that would have been allowed based on the actual life in the year of disposition or disqualification. Useful life classes for investment credit purposes were shortened for property acquired after August 15, 1971. The revised useful life classes applied to investment credit property disposed of or disqualified after this date, even if the property was acquired (and the credit claimed) using the longer useful life classes specified under prior law.

Recapture of investment credit was required after August 15, 1971, when investment credit property was effectively disposed of prematurely by reason of casualty or theft. Recapture was also required when the following subsequent elections caused property for which credit had been claimed earlier to cease to be qualifying property: (1) 5-year accelerated depreciation elected for expenditures to rehabilitate low-income rental housing, and (2) 5-year rapid amortization elected for certain expenditures for child care facilities and certain railroad rolling stock.

Effective for taxable years ending after March 31, 1976, the Revenue Act of 1978 exempted transferor railroad companies from additional tax on the transfer of their rail properties to the Consolidated Rail Corporation (ConRail), i.e., such railroad companies were not liable for tax from recomputing prior-year investment credit. See the discussion under Changes in Law in section 2.

Unless otherwise indicated, tax from recomputing prior-year investment credit is included in the statistics for "Income Tax" in this report.

See also, "Investment Credit".

Tax from Recomputing Prior Year Work Incentive (WIN) Credit

A "recapture" of the work incentive (WIN) program credit was required whenever an employer that had claimed the credit in a prior year (1) terminated without cause the employment of an employee hired under the WIN program, or (2) failed to pay a WIN employee wages comparable with non-WIN employees for the same services. Generally, if the WIN employee's employment did not last at least 24 months, the WIN credit had to be paid back, even though a WIN credit could be taken for only the first 12 months of employment.

The Tax Reduction Act of 1975 included a temporary credit for Aid to Families with Dependent Children (AFDC) program recipients hired under the Social Security Act provisions. (The original WIN credit provisions applied only to AFDC program recipients hired under the WIN program.) The temporary credit, which was first slated to expire July 1, 1976, was extended by the Tax Reform Act of 1976 until January 1, 1980. The Tax Reform Act of 1976 liberalized the recapture provisions for termination of employees hired under the WIN program. See "Work Incentive (WIN) Credit."

Unless otherwise indicated, tax from recomputing prior year work incentive (WIN) credit is included in the statistics for "Income tax" in this report.

Tax Net Income (or Deficit) (#)

In order to facilitate comparison between after-tax book and tax profits in table 16, an effort was made to adjust the net income computed under the

Internal Revenue Code (and described under a separate heading) in order to recognize taxes in a consistent manner under the two profit concepts, insofar as possible.

Corporations were asked to report book net income as after income tax. Because the net income under the Code was reported before taxes, tax net income was the term used for the statistics to describe the net income after it was reduced by the income tax. For this purpose, the taxes subtracted from net income were defined to include the sum of the regular income tax, the additional tax for tax preferences, and the taxes from recomputing prior-year investment and work incentive (WIN) credits, reduced by the current year's investment, WIN and new jobs credits, but not by the foreign tax credit nor U.S. possessions tax credit.

Thus, an "economic" or "accounting" approach was used to compute tax net income in regard to the treatment of foreign income and taxes to the extent that foreign income was included in the income statistics. The U.S. possessions tax credit was also excluded for this purpose.

It was felt that the corresponding income tax, whether domestic or foreign, should be uniformly reflected to the extent possible in the taxes used in this computation. By disregarding the foreign tax credit, foreign income taxes in effect were recognized as a deduction in arriving at tax net income, just as they were in arriving at book net income. To have done otherwise, by treating these taxes as a credit against U.S. tax, would have meant disregarding the effect of foreign income taxes on tax net income altogether. This was because corporations with a foreign tax credit could be thought of as having satisfied their U.S. income tax liabilities by paying taxes (to the extent of the credit) to foreign governments instead of the U.S. Government. The foreign tax credit was, after all, merely a device to prevent double taxation of foreign income.

This approach to foreign taxes for the statistics has drawbacks. The foreign tax credit, because of the limitations required in its computation, was not synonymous with total foreign income taxes. Because of the carryover provisions, some of the taxes credited for 1977 were actually paid in other years while other amounts, paid on 1977 income, had to be carried to other years for crediting. In addition, most foreign dividends had to be "grossed up" by the foreign taxes deemed paid on this income (see "Constructive Taxable Income from Related Foreign Corporations"). To the extent that such taxes were included as income, tax net income, conceptually, is overstated in comparison to book net income.

The user of the statistics can derive another estimate of tax net income (or deficit) by taking into account only the income tax payable to the United States. Under this approach, the before-tax net income (or deficit) shown in the statistics should be reduced by income tax after the investment, WIN and new jobs credits, and after the foreign tax credit as well.

Aside from conceptual problems associated with the treatment of foreign income and taxes, it should be noted that Domestic International Sales Corporations (DISC's) and, for the most part, Small Business Corporations electing to be taxed through stockholders, were not subject to the corporation income tax. Therefore, "Tax Net Income (or Deficit)" (the after-tax concept) for these companies is the same as "Net Income (or Deficit)" (the before-tax concept).

See also "Book Net Income (or Deficit)" for some of the other reasons for differences between book and tax profits.

Tax Preference Items

These items constituted the basis (after adjustments described under "Additional Tax for Tax Preferences") upon which the 15 percent additional tax for tax preferences (or "minimum tax") was levied. They comprised various kinds of tax-favored income and deductions, which, in effect, provided corporations with nontaxable "economic" income.

In general, the tax preference items were attributable to U.S. sources. However, the capital gain preference (described below) included amounts from foreign sources if they were not subject to foreign taxation, or if the foreign tax was a preferential one. Other items attributable to foreign sources were treated as preferences only to the extent they reduced U.S. taxable income.

For Small Business Corporations electing to be taxed through their stockholders, all of the tax preference items described below were reported, but only the capital gain preference and the intangible drilling cost preference were taxable to the corporations themselves. The other items were taxable only to the stockholders of such corporations.

Items included as tax preferences were:

(1) Accelerated depreciation (depreciation in excess of the amount computed under the straight-line method) allowed on: (a) low-income rental housing; (b) other real property (defined in Code section 1250); and (c) personal property (defined by section 1245) subject to a lease. The tax preference in connection with personal property subject to a lease did not apply to corporations other than Personal Holding Companies and Small Business Corporations electing to be taxed through their stockholders.

(2) Amortization of (a) certified pollution control facilities, (b) railroad rolling stock, (c) on-the-job training facilities, and (d) child care facilities. The tax preference was the excess of these special rapid write-offs over what otherwise would have been a depreciation deduction under section 167.

(3) Reserves for losses on bad debts of financial institutions. Financial institutions (mostly banks and savings and loan associations) were allowed deductions for additions to a reserve for bad debts under prescribed rules. When these deductions exceeded amounts based on the actual bad debt loss experience of the institution (or in the case of a new company, industry experience), the excess was considered a tax preference. (The appearance of this preference for other than finance division corporations was caused chiefly by the filing of consolidated returns that included finance subsidiaries.)

(4) Depletion. The excess of the depletion deduction over the cost or other basis of the property (reduced by depletion taken in prior years) was a tax preference.

(5) Capital gains. This tax preference was based on the excess of net long-term capital gain over the net short-term capital loss, when these net gains were taxed at the special lower capital gain rate. The amount treated as a preference was this amount multiplied by a ratio of the regular tax rate of 48 percent less the rate applicable to capital gains (generally 30 percent) to the regular corporate tax rate of 48 percent.

(6) Intangible drilling costs. This was the excess of deductible intangible drilling and development costs incurred in connection with oil and gas wells (other than costs incurred in drilling a nonproductive well) over the amount that would have been deductible if such costs had been capitalized and depreciated under the straight line method.

Items (5) and (6) above were the only tax preferences for which Small Business Corporations electing to be taxed through their stockholders (Form 1120S) would be liable (see the discussion under "Small Business Corporation Returns" in this section). Tax preferences for these corporations were ordinarily passed on to the stockholders for taxation. Regulated investment companies and real estate investment trusts also included capital gains as a tax preference but only to the extent that such gains were not passed on to their stockholders.

Tentative Investment Credit

Tentative investment credit represented the earned credit before taking into account the statutory limitations based on the presence and size of income tax.

Prior to January 22, 1975, for most corporations, the tentative credit was equal to 7 percent of investment qualified for credit, an amount based on the cost of certain depreciable purchases and designed to give weight to longer-lived assets. (See "Investment Qualified for Credit.") An exception was made for investment in certain public utility property. Prior law also specified that for such property the otherwise qualified investment should be reduced to four-sevenths of the total amount. As a matter of practical computation, however, the full qualified investment was usually reported, and a 4-percent rate substituted for the 7-percent rate in order to obtain the legal tentative credit.

The Tax Reduction Act of 1975 temporarily (from January 22, 1975, through December 31, 1976) increased the tentative investment credit from 7 percent of qualified investment (4 percent in the case of public utility property) to 10 percent (11 percent under certain conditions) for all corporate taxpayers. (The period of the temporary increase was extended for 4 years through December 31, 1980, by the Tax Reform Act of 1976.) Thus, no special computations for reporting qualified investment of public utility property or the tentative credit on such property were required.

The Tax Reform Act of 1976 also permitted an extra investment credit equal to up to 0.5 percent of the qualified investment of corporations that qualified for the additional 1 percent for participation in an "employee stock ownership plan" (ESOP). The 0.5 percent additional credit was available only to corporations that transferred to the participants' accounts corporate securities held under the ESOP. (See "Investment Credit.")

See the facsimile for Form 3468, Computation of Investment Credit, in section 7 of this report.

Total Assets and Total Liabilities (#)

Total assets and total liabilities were those reported in the end-of-year balance sheet in the corporations' books of account. Total assets were net amounts after reduction by accumulated depreciation, accumulated amortization, accumulated depletion, and the reserve for bad debts. When reserves for bad debts were reported as liabilities, they were treated as reductions from the asset accounts to which they related and the totals of assets and liabilities were adjusted accordingly. When used in this report, the term total liabilities includes both the claims of creditors and stockholders' equity (see "Net Worth"). In addition, total liabilities were net amounts after reduction by the cost of Treasury stock. Moreover, when Treasury stock intended for resale was identified in "Other investments" on the asset side of the balance sheet, it was moved to the liability side for the statistics, and the totals of assets and liabilities were also adjusted.

Asset and liability estimates for returns of corporations that failed to provide complete balance sheet information were imputed from data in other schedules on the return form or by using either reference books or relationships between income statement and balance sheet items on similar returns in the same industrial group.

Because Forms 1120L and 1120M used by life insurance companies and certain mutual insurance companies did not provide for the complete reporting of balance sheet information, asset and liability data for these companies were obtained from reference books or from balance sheets filed with the returns in the form required by State law. These sources were also used for any other insurance companies, not filing returns on Forms 1120L or 1120M, which filed balance sheets in the form required by State law in lieu of the income tax return schedule. (See also, "Size of Total Assets.")

Total Deductions

As presented in the tables of this publication, total deductions comprised (1) the cost of sales and operations, (2) the ordinary and necessary business deductions from gross income, and (3) net loss from sales of noncapital assets. Components of total deductions are shown in the income statement segment of various tables throughout this report.

For certain mutual insurance companies, with total receipts under \$500,000, total deductions represents only investment expenses; business expenses were excluded by law.

Total Receipts

The components of total receipts are shown in the income statement segment of various tables throughout this report. This amount was derived as follows:

Included items--(1) Gross taxable receipts (before deduction of cost of sales and operations, ordinary and necessary business expenses, and net loss from sales of noncapital assets), and (2) Nontaxable interest received from State and local government obligations.

Excluded items--(1) Other nontaxable income recognized by the corporation, and (2) Certain taxable income from related foreign corporations only constructively received.

For certain mutual insurance companies, with total receipts under \$500,000, the gross taxable receipts included in the statistics represent only the receipts from investments; operating income was excluded by law.

Total Receipts Less Total Deductions

This item differed from net income (less deficit) for tax purposes in that it included nontaxable "Interest on State and Local Government Obligations" and excluded "Constructive Taxable Income from Related Foreign Corporations." As such, it included all of the income "actually" (as opposed to "constructively") received by the corporation and reported on the income tax return.

U.S. Possessions Tax Credit (#)

In order to provide a tax incentive for domestic corporations to invest in Puerto Rico and U.S. possessions (including American Samoa, Guam, Johnston Island, Midway Islands, the Panama Canal Zone, and Wake Island, but not the Virgin Islands), the Tax Reform Act of 1976 added, under Code section 936, a new tax credit -- the U.S. possessions tax credit. Under the new provisions in Code section 936, the U.S. possessions tax credit was equal to the U.S. tax on domestic

corporations' income from sources within a possession in which the corporations actively conducted a trade or business. Formerly, under Code section 931, qualified possessions income was exempted from U.S. income tax.

The amount of the credit was equal to that portion of the U.S. tax of the domestic corporation attributable to taxable income from sources outside the United States from the active conduct of a trade or business within a U.S. possession and from qualified possession source investment income. In determining the amount of tax attributable to the income from the active conduct of a possession trade or business or from qualified possessions investment income, losses from other sources were taken into account.

Qualified possessions source investment income included only income from sources within a possession in which the possessions corporation actively conducted a trade or business (whether or not such business produced taxable income). The corporation had to establish that the funds invested were obtained from the active conduct of a trade or business within that same possession and were actually invested in assets in that possession. Funds placed with an intermediary (such as a bank located in the possession) were to be treated as invested in that possession only if it could be shown that the intermediary did not reinvest the funds outside the possession.

The U.S. possessions tax credit provisions called for possessions corporations to be taxed on worldwide income just like any other U.S. corporation; however, the possessions corporations could receive a full tax credit attributable to qualified possessions source income even if no tax was paid to the Governments of the possessions. Thus, the effect of the U.S. possessions tax credit provisions was: (a) to exempt qualified possessions source income from U.S. income tax, (b) to allow a dividends-received deduction for dividends repatriated by the possessions corporations to their U.S. parent corporations; and (c) to tax currently foreign source income (which was not taxable under prior law), subject to the foreign tax credit with allowances for foreign taxes paid with respect to such income. Foreign source income continued to be exempt from U.S. taxes for investment income that was earned before October 31, 1976, whether or not the investment income was initially derived from the possessions' business.

Before the U.S. possessions tax credit could be claimed, a domestic corporation had to make an election and satisfy two tests: (1) receive for the "applicable" period immediately preceding the close of the taxable year at least 80 percent of its gross income from sources within a U.S. possession, and (2) receive for the "applicable" period at least 50 percent of its gross income from the active trade or business within a U.S. possession. "Applicable" period was the lesser of 3 years or the period during which the corporation was engaged in the active conduct of a trade or business within a U.S. possession. Once in effect, the election was to remain in force for 9 years after the first year for which the election was effective and for which the domestic corporation met the 80 percent source of income and 50 percent active trade or business income requirements. The election could be revoked during this 10-year period only with the consent of the Secretary of the Treasury, based on cases of substantial hardship where no tax avoidance could result from the revocation. After revocation during the 10-year period, a domestic corporation could make the election for the 10-year period again, provided the two preconditions were met. After the 10-year period, no consent was needed to revoke the election.

Additionally, possessions corporations were prohibited by the election from filing or joining in the filing of consolidated returns, as they had been able to do under the prior law, in years in which they incurred losses. The new law permitted possessions corporations to be included in consolidated returns only in the case where their losses resulted from initial start-up expenses incurred at the time their possessions operations were just beginning. Even these losses would be subject to recapture if the possessions corporations derived foreign source income in later years.

The U.S. possessions tax credit could not be taken by corporations that were Domestic International Sales Corporations (DISC's), former DISC's, or owned stock in a DISC or former DISC. The credit could be taken however, by those stockholders who no longer held stock in the DISC's or former DISC's.

While the U.S. possessions tax credit could be taken against corporate income taxes, it could not be taken against:

- (1) additional tax for tax preferences (minimum tax);
- (2) tax on accumulated earnings;
- (3) taxes relating to recoveries of foreign expropriation losses, previously deducted as part of a net operating loss deduction; or
- (4) Personal Holding Company tax.

None of these taxes could be taken into account in the determination of the amount of U.S. tax paid by the corporation which was attributable to the possessions' active trade or business and investment income.

Since the U.S. possessions tax credit was separate from the foreign tax credit, the income (and associated taxes) used in the computation of the possessions tax credit could not be used for foreign tax credit purposes. Similarly, possessions income included in the foreign tax credit computation could not be used for possessions tax credit purposes.

The 1976 Act also provided a dividends-received deduction for dividends from corporations eligible for the U.S. possessions tax credit. Corporations which would otherwise qualify for the 100-percent dividends-received deduction, if an election were not in effect, could still receive that deduction for dividends from another possessions corporation. Likewise, corporations eligible for the 85-percent dividends-received deduction were to receive the deduction with respect to dividends from possessions corporations. The amount of the dividend income received from a possessions corporation was treated as domestic or foreign source income according to the existing Code section 861 rules. This same amount was also used to compute the Code section 904 limitation on the Code section 901 foreign tax credit. The new rules on the dividends-received deduction applied to dividends paid in taxable years of possessions corporations beginning after December 31, 1975, regardless of when the income, out of which the dividends were distributed, was earned.

Work Incentive (WIN) Credit

This credit was intended to expand job opportunities for Aid to Families with Dependent Children (AFDC) program recipients. Taxpayers were allowed a credit against their income tax liability if they were engaged in a trade or business and hired AFDC recipients under the Work Incentive (WIN) program of the Social Security Act (as authorized by the Revenue Act of 1971) or if they hired AFDC recipients under the Social Security Act, regardless of whether or not they were covered by the WIN program (as authorized by the Tax Reduction Act of 1975).

The credit equalled: (1) 20 percent of WIN Program expenses, i.e., salaries and wages (described below) that were paid WIN program participants; and (2) 20 percent of Federal welfare recipient employment incentive expenses, i.e., wages that were paid to AFDC recipients hired after March 29, 1975, for services rendered to the corporation before July 1, 1976. (This date was extended to January 1, 1980, by the Tax Reform Act of 1976.) A tax credit for wages paid to an individual was allowable under either the original WIN rules or the 1975 Federal welfare recipient employment incentive rules, but not both.

Under the original WIN program, to qualify as WIN program expenses, salaries and wages must have:

- (1) been paid to employees certified by the Secretary of Labor as being from the WIN program and the employees could not have displaced any individual from employment;
- (2) consisted entirely of cash remuneration;
- (3) been paid or incurred:
 - (a) for services rendered during the first 12 months of employment (although the employee must have been employed for at least 24 months, the first 12 months could span a 24-month period, after which, the employee must have been employed for 12 months consecutively), and
 - (b) in the employer's trade or business;
- (4) not been less than wages paid to the non-WIN employees performing comparable services;
- (5) not been reimbursed to the employer (if so, the expenses, for credit purposes, were disregarded to the extent of the reimbursement); and
- (6) not been paid or incurred:
 - (a) for employment outside the United States;
 - (b) after the end of the 24-month period beginning with the first day of the employee's employment (the employee's total months of employment must have equalled 12 on or before the end of this period); and
 - (c) to an ineligible individual (in the case of corporations, an employee who owned directly or indirectly more than 50 percent of the value of the corporation's stock; or was a relative of such an employee).

The Federal welfare recipient employment incentive rules applied solely to the employment of an AFDC recipient who:

- (1) had continuously received AFDC financial assistance during the 90-day period immediately before being hired;
- (2) had been employed by the corporation for a period in excess of 30 consecutive days on a substantially full-time basis;
- (3) had not displaced any other employee; and
- (4) was not a migrant worker (i.e., an individual who was employed for services for which the customary period of employment by one employer was less than 30 days and if the nature of such services required the employee to travel from place to place for a short period of time).

Unlike the original WIN program, WIN credit for wages paid AFDC recipients could also be claimed when the employee's services were not performed in connection with the trade or business of the corporation. Additionally, under the 1976 Act, qualifying wages paid to AFDC recipients were limited to 12 months, whether consecutive or not, of employment.

The amounts of WIN credit allowed under the Federal welfare recipients employment incentive expense provisions and under the 1971 Act were tentative. These credits were combined on Form 4874, Credit for Work Incentive (WIN) Program Expenses, and represented earned credit before the limitations based on the presence or size of income tax. The WIN credit was applied against tax liability that had first been reduced by foreign tax, investment and U.S. possessions credits, respectively. Tax which could be reduced by the credit did not include tax from re-

computing a prior-year investment credit, tax from recomputing a prior-year WIN credit, additional tax for tax preferences, Personal Holding Company tax, or the special capital gains tax on Small Business Corporations.

Under the limitation based on size of income tax, the credit could not exceed \$25,000 plus 50 percent of tax in excess of \$25,000. The limitation was uniquely applied to members of controlled groups (as defined by Code section 1563) in that the \$25,000 cutoff applied to the group as a whole and, thus, had to be apportioned among the component members of the group when separate tax returns were filed for each member.

The Tax Reform Act of 1976 raised the limit on both the WIN credit and the welfare recipient tax credit from \$25,000 to \$50,000 of tax plus one-half of the excess tax liability over \$50,000 for each credit.

For Small Business Corporations electing to be taxed through their stockholders, WIN program expenses and Federal welfare recipient employment incentive expenses were allocated among the end-of-the-taxable-year stockholders for use in computing their own WIN credit.

Unused WIN credit, the amount in excess of the limitation based on the size or presence of tax, could (a) be carried back or forward for use in other years under the original WIN rules, or (b) be carried forward only for use in other years under the 1975 Federal welfare recipients employment incentive rules. Unused WIN credit based on the original WIN rules had to be first carried back, chronologically, for use in the 3 preceding taxable years. Any amount remaining could then be carried over to the 7 succeeding years, in chronological order. Unused WIN credit based on the 1975 rules, however, could only be carried over, chronologically, to the 7 succeeding years. The unused credit carryback and carryover could be used to reduce the income tax liability for years to which it was carried provided it was within the limitation based on size of tax for that year.

Under provision of the original WIN program, if the participant was involuntarily terminated at any time during the first 12 months of employment or before the close of the 12th calendar month of employment thereafter, any WIN credit taken for that particular participant had to be recaptured. The recapture resulted in an increase in the employer's income tax liability, for the year of the termination, by the amount of the disallowed WIN credit. Under the 1975 Federal welfare recipients employment incentive rules, the employer was not subject to these recapture provisions for the newly-added WIN credit.

Under the 1976 Act, the WIN credit was made available from the date of hiring if employment was not terminated without cause before the end of 90 days after the first 90 days of employment.

The Tax Reform Act of 1976 also made the following provisions applicable: (1) there was no recapture of WIN credit if the employee was laid off due to substantial reduction in business; (2) there was a limit of 12 months (whether or not consecutive) for which the wages of any one employee were eligible for the welfare recipient tax credit; (3) the expiration date of the welfare recipient tax credit was extended through December 31, 1979; and (4) WIN agencies could certify eligibility for the welfare recipient tax credit.

Zero Assets

In general, included in this total assets-size class were:

- (1) final returns of liquidating or dissolving corporations which had disposed of all assets;

(2) final returns of merging corporations whose assets and liabilities were reported in the returns of the acquiring corporations;

(3) part-year returns of corporations (except initial returns of newly incorporated businesses); and

(4) returns of foreign corporations with income "effectively connected" with the conduct of a trade or business in the United States (however, balance sheet data for U.S. branches of foreign insurance companies are included in the statistics and are classified by the size of total assets of these branches).

FIGURE G—COMPARISON OF STANDARD INDUSTRIAL AND ENTERPRISE STANDARD INDUSTRIAL CLASSIFICATIONS WITH GROUPINGS USED FOR STATISTICS OF INCOME, 1977

| Standard Industrial Classification, 1972 (1) | Enterprise Standard Industrial Classification, 1974 (2) | Statistics of Income Classification, 1977 (3) |
|---|---|--|
| AGRICULTURE, FORESTRY, AND FISHING | | |
| 01 Agricultural production—crops | 01 Agricultural production—crops | } 0400 Agricultural production. |
| 02 Agricultural production—livestock | 02 Agricultural production—livestock | |
| 07 Agricultural services | 07 Agricultural services | } 0600 Agricultural services (except veterinarians), forestry, fishing, hunting and trapping. |
| 08 Forestry | 08 Forestry | |
| 09 Fishing, hunting, and trapping | 09 Fishing, hunting, and trapping | |
| MINING | | |
| 10 Metal mining | 10 Metal mining | MINING |
| 101 Iron ores | [No corresponding identification] | Metal mining. |
| 102 Copper ores | } [No corresponding identification] | 1010 Iron ores. |
| 103 Lead and zinc ores | | |
| 104 Gold and silver ores | } [No corresponding identification] | 1070 Copper, lead and zinc, gold and silver ores. |
| 105 Bauxite and other aluminum ores | | |
| 106 Ferroalloy ores, except vanadium | | |
| 108 Metal mining services | | |
| 109 Miscellaneous metal ores | } [No corresponding identification] | 1098 Other metal mining. |
| [No corresponding identification] | | |
| 11 Anthracite mining | 11 Coal mining | } 1150 Coal mining. |
| 12 Bituminous coal and lignite mining | [No corresponding identification] | |
| 13 Oil and gas extraction | 13 Oil and gas extraction | Oil and gas extraction. |
| 131 Crude petroleum and natural gas | } 133 Crude petroleum (no refining) | 1330 Crude petroleum, natural gas, and natural gas liquids (excludes extraction in integrated petroleum refining and extraction in 2910, below). |
| 132 Natural gas liquids | | |
| 138 Oil and gas field services | 138 Oil and gas field services | 1380 Oil and gas field services. |
| 14 Mining and quarrying of nonmetallic minerals, except fuels | 14 Nonmetallic minerals, except fuels | Nonmetallic minerals (except fuels). |
| 141 Dimension stone | } [No corresponding identification] | 1430 Dimension, crushed, and broken stone; sand and gravel. |
| 142 Crushed and broken stone, including riprap | | |
| 144 Sand and gravel | } [No corresponding identification] | 1498 Other nonmetallic minerals, except fuels. |
| 145 Clay, ceramic, and refractory minerals | | |
| 147 Chemical and fertilizer mineral mining | | |
| 148 Nonmetallic minerals (except fuels) services | | |
| 149 Miscellaneous nonmetallic minerals, except fuels | | |
| CONSTRUCTION | | |
| 15 Building construction—general contractors and operative builders. | 15 General building contractors | CONSTRUCTION |
| 152 General building contractors—residential buildings. | 152 Residential building construction | General building contractors and operative builders. |
| 154 General building contractors—nonresidential buildings. | 154 Nonresidential building construction | } 1510 General building contractors. |
| 153 Operative builders | 153 Operative builders | |
| 16 Construction other than building construction—general contractors. | 16 Heavy construction contractors | 1531 Operative builders. |
| 17 Construction—special trade contractors | 17 Special trade contractors | 1600 Heavy construction contractors. |
| 171 Plumbing, heating (except electric) and air conditioning. | 171 Plumbing, heating, air conditioning | Special trade contractors. |
| 173 Electrical work | 173 Electrical work | 1711 Plumbing, heating, and air conditioning. |
| 172 Painting, paper hanging, and decorating | 172 Painting, paper hanging, decorating | } 1731 Electrical work. |
| 174 Masonry, stonework, tile setting, and plastering | 174 Masonry, stonework, and plastering | |
| 175 Carpentering and flooring | 175 Carpentering and flooring | } 1798 Other special trade contractors and contractors not allocable. |
| 176 Roofing and sheet metal work | 176 Roofing and sheet metal work | |
| 177 Concrete work | 177 Concrete work | |
| 178 Water well drilling | 179 Special trade contractors, not elsewhere classified | |
| 179 Miscellaneous special trade contractors | | |

FIGURE G—COMPARISON OF STANDARD INDUSTRIAL AND ENTERPRISE STANDARD INDUSTRIAL CLASSIFICATIONS WITH GROUPINGS USED FOR STATISTICS OF INCOME, 1977—Continued

| Standard Industrial Classification, 1972 (1) | Enterprise Standard Industrial Classification, 1974 (2) | Statistics of Income Classification, 1977 (3) |
|--|--|---|
| MANUFACTURING | | |
| 20 Food and kindred products | 20 Food and kindred products | MANUFACTURING Food and kindred products. |
| 201 Meat products | 201 Meat products | 2010 Meat products. |
| 202 Dairy products | 202 Dairy products | 2020 Dairy products. |
| 203 Canned and preserved fruits and vegetables | 203 Preserved fruits and vegetables | 2030 Preserved fruits and vegetables. |
| 204 Grain mill products | 204 Grain mill products | 2040 Grain mill products. |
| 205 Bakery products | 205 Bakery products | 2050 Bakery products. |
| 206 Sugar and confectionery products | 206 Sugar and confectionery products | 2060 Sugar and confectionery products. [No corresponding identification.] |
| 208 Beverages | 208 Beverages | 2081 Malt liquors and malt. |
| 2082 Malt beverages | | 2088 Alcoholic beverages, except malt liquors and malt. |
| 2083 Malt | 2081 Alcoholic beverages | |
| 2084 Wines, brandy, and brandy spirits | | |
| 2085 Distilled, rectified, and blended liquors | | |
| 2086 Bottled and canned soft drinks and carbonated waters. | 2088 Bottled soft drinks and flavorings | 2089 Bottled soft drinks, and flavorings. |
| 2087 Flavoring extracts and flavoring sirups, not elsewhere classified. | | |
| 207 Fats and oils | 207 Fats and oils | 2096 Other food and kindred products. |
| 209 Miscellaneous food preparations and kindred products. | 209 Miscellaneous food and kindred products | |
| 21 Tobacco manufactures | 21 Tobacco manufactures | 2100 Tobacco manufactures. |
| 22 Textile mill products | 22 Textile mill products | Textile mill products. |
| 221 Broad woven fabric mills, cotton | | |
| 222 Broad woven fabric mills, man-made fiber and silk | | |
| 223 Broad woven fabric mills, wool (including dyeing and finishing). | 221 Weaving and finishing mills | 2228 Weaving mills and textile finishing. |
| 226 Dyeing and finishing textiles, except wool fabric and knit goods. | | |
| 225 Knitting mills | 225 Knitting mills | 2250 Knitting mills. |
| 227 Floor covering mills | 227 Floor covering mills | |
| 228 Yarn and thread mills | 228 Yarn and thread mills | 2298 Other textile mill products. |
| 224 Narrow fabrics and other smallwares mills: cotton, wool, silk, and man-made fiber. | 229 Textile mill products, not elsewhere classified | |
| 229 Miscellaneous textile goods | | |
| 23 Apparel and other finished products made from fabrics and similar materials. | 23 Apparel and other textile products | Apparel and other textile products. |
| 231 Men's, youths', and boys' suits, coats, and overcoats | 231 Men's and boys' suits and coats | 2315 Men's and boys' clothing. |
| 232 Men's, youths', and boys' furnishings, work clothing, and allied garments. | 232 Men's and boys' furnishings | |
| 233 Women's, misses', and juniors' outerwear | 233 Women's and misses' outerwear | |
| 234 Women's, misses', children's, and infants' undergarments. | 234 Women's and children's undergarments | 2345 Women's and children's clothing. |
| 236 Girls', children's, and infants' outerwear | 236 Children's outerwear | |
| 235 Hats, caps, and millinery | | |
| 237 Fur goods | 238 Apparel and accessories, not elsewhere classified | 2388 Other apparel and accessories. |
| 238 Miscellaneous apparel and accessories | | |
| 239 Miscellaneous fabricated textile products | 239 Miscellaneous fabricated textile products | 2390 Miscellaneous fabricated textile products; textile products, not elsewhere classified. |
| 24 Lumber and wood products, except furniture | 24 Lumber and wood products | Lumber and wood products. |
| 241 Logging camps and logging contractors | 241 Logging camps and logging contractors | 2415 Logging, sawmills, and planing mills. |
| 242 Sawmills and planing mills | 242 Sawmills and planing mills | |
| 243 Millwork, veneer, plywood, and structural wood members | 243 Millwork and plywood | 2430 Millwork, plywood, and related products. |
| 245 Wood buildings and mobile homes | 245 Wood buildings and mobile homes | |
| 244 Wood containers | | |
| 249 Miscellaneous wood products | 249 Wood products, not elsewhere classified | 2498 Other wood products, including wood buildings and mobile homes. |

FIGURE G—COMPARISON OF STANDARD INDUSTRIAL AND ENTERPRISE STANDARD INDUSTRIAL CLASSIFICATIONS WITH GROUPINGS USED FOR STATISTICS OF INCOME, 1977—Continued

| Standard Industrial Classification, 1972 (1) | Enterprise Standard Industrial Classification, 1974 (2) | Statistics of Income Classification, 1977 (3) |
|---|--|---|
| MANUFACTURING—Continued | | |
| 25 Furniture and fixtures | 25 Furniture and fixtures | 2500 Furniture and fixtures. [No corresponding identification.] |
| 251 Household furniture | 251 Household furniture | |
| 252 Office furniture | | |
| 253 Public building and related furniture | | |
| 254 Partitions, shelving, lockers, and office and store fixtures. | 259 Furniture and fixtures, not elsewhere classified. | [No corresponding identification.] |
| 259 Miscellaneous furniture and fixtures | | |
| 26 Paper and allied products | 26 Paper and allied products | Paper and allied products. |
| 261 Pulp mills | | |
| 262 Paper mills, except building paperboard mills | 262 Pulp, paper, and board mills | 2625 Pulp, paper, and board mills. |
| 263 Paperboard mills | | |
| 266 Building paper and building board mills | | |
| 264 Converted paper and paperboard products, except containers and boxes. | 264 Miscellaneous converted paper products | 2699 Other paper products. |
| 265 Paperboard containers and boxes | 265 Paperboard containers and boxes | |
| 27 Printing, publishing, and allied industries | 27 Printing and publishing | Printing and publishing. |
| 271 Newspapers: publishing, publishing and printing | 271 Newspapers | 2710 Newspapers. |
| 272 Periodicals: publishing, publishing and printing | 272 Periodicals | 2720 Periodicals. |
| 273 Books | 273 Books | |
| 277 Greeting card publishing | 274 Greeting cards and publishing, not elsewhere classified. | 2735 Books, greeting cards, and miscellaneous publishing. |
| 274 Miscellaneous publishing | | |
| 275 Commercial printing | 275 Commercial printing and business forms | |
| 276 Manifold business forms | | |
| 278 Blankbooks, looseleaf binders, and bookbinding and related work. | 278 Bookbinding and printing services | 2799 Commercial and other printing and printing trade services. |
| 279 Service industries for the printing trade | | |
| 28 Chemicals and allied products | 28 Chemicals and allied products | Chemicals and allied products. |
| 281 Industrial inorganic chemicals | | |
| 282 Plastics materials and synthetic resins, synthetic rubber, synthetic and other man-made fibers, except glass. | 281 Industrial chemicals and synthetics | 2815 Industrial chemicals, plastics materials and synthetics. |
| 286 Industrial organic chemicals | | |
| 283 Drugs | 283 Drugs | 2830 Drugs. |
| 284 Soaps, detergents, and cleaning preparations, perfumes, cosmetics, and other toilet preparations. | 284 Soap, cleaners, and toilet goods | 2840 Soap, cleaners, and toilet goods. |
| 285 Paints, varnishes, lacquers, enamels, and allied products. | 285 Paints and allied products | 2850 Paints and allied products. |
| 287 Agricultural chemicals | 287 Agricultural chemicals | |
| 289 Miscellaneous chemical products | 289 Miscellaneous chemical products | 2898 Agricultural and other chemical products. |
| 29 Petroleum refining and related industries (includes integrated refining and extraction). | 29 Petroleum and coal products | Petroleum (including integrated) and coal products. |
| 291 Petroleum refining | 291 Petroleum refining (including integrated) | 2910 Petroleum refining (including those integrated with extraction). |
| 295 Paving and roofing materials | 299 Petroleum and coal products, not elsewhere classified. | 2998 Petroleum and coal products, not elsewhere classified. |
| 299 Miscellaneous products of petroleum and coal | | |
| 30 Rubber and miscellaneous plastics products | 30 Rubber and miscellaneous plastics products | Rubber and miscellaneous plastics products. |
| 301 Tires and inner tubes | | |
| 302 Rubber and plastics footwear | | |
| 303 Reclaimed rubber | 305 Rubber products | 3050 Rubber products; plastics footwear, hose and belting. |
| 304 Rubber and plastics hose and belting | | |
| 306 Fabricated rubber products, not elsewhere classified. | | |
| 307 Miscellaneous plastics products | 307 Miscellaneous plastics products | 3070 Miscellaneous plastics products. |

FIGURE G—COMPARISON OF STANDARD INDUSTRIAL AND ENTERPRISE STANDARD INDUSTRIAL CLASSIFICATIONS WITH GROUPINGS USED FOR STATISTICS OF INCOME, 1977—Continued

| Standard Industrial Classification, 1972 (1) | Enterprise Standard Industrial Classification, 1974 (2) | Statistics of Income Classification, 1977 (3) |
|--|---|--|
| MANUFACTURING—Continued | MANUFACTURING—Continued | MANUFACTURING—Continued |
| 31 Leather and leather products | 31 Leather and leather products | Leather and leather products. |
| 314 Footwear, except rubber | 314 Footwear, except rubber | 3140 Footwear, except rubber. |
| 311 Leather tanning and finishing | 319 Leather and leather products, not elsewhere classified. | 3198 Leather and leather products, not elsewhere classified. |
| 313 Boot and shoe cut stock and findings | | |
| 315 Leather gloves and mittens | | |
| 316 Luggage | | |
| 317 Handbags and other personal leather goods | | |
| 319 Leather goods, not elsewhere classified | | |
| 32 Stone, clay, glass, and concrete products | 32 Stone, clay, and glass products | Stone, clay, and glass products. |
| 321 Flat glass | 321 Glass products | 3225 Glass products. |
| 322 Glass and glassware, pressed or blown | | |
| 323 Glass products, made of purchased glass | | |
| 324 Cement, hydraulic | | |
| 327 Concrete, gypsum, and plaster products | | |
| 325 Structural clay products | 324 [Included in 329 below] | 3240 Cement, hydraulic. |
| 326 Pottery and related products | | |
| 328 Cut stone and stone products | 327 Concrete, gypsum and plaster products | 3270 Concrete, gypsum, and plaster products. |
| 329 Abrasive, asbestos, and miscellaneous nonmetallic mineral products. | | |
| 33 Primary metal industries | 329 Nonmetallic mineral products, not elsewhere classified. | 3298 Other nonmetallic mineral products. |
| 331 Blast furnaces, steel works, and rolling and finishing mills. | 33 Primary metal industries | |
| 332 Iron and steel foundries | 331 Blast furnaces and steel mills | Primary metal industries. |
| 339 Miscellaneous primary metal products | 332 Iron and steel foundries | 3370 Ferrous metal industries; miscellaneous primary metal products. |
| 333 Primary smelting and refining of nonferrous metals | | |
| 334 Secondary smelting and refining of nonferrous metals | 335 Nonferrous metals, except foundries | 3380 Nonferrous metal industries. |
| 335 Rolling, drawing, and extruding of nonferrous metals | | |
| 336 Nonferrous foundries (castings) | 336 Nonferrous foundries | |
| 34 Fabricated metal products, except machinery and transportation equipment. | 34 Fabricated metal products | Fabricated metal products. |
| 341 Metal cans and shipping containers | 341 Metal cans and shipping containers | 3410 Metal cans and shipping containers. |
| 342 Cutlery, hand tools, and general hardware | 342 Cutlery, hand tools, and hardware | 3428 Cutlery, hand tools, and hardware; screw machine products, bolts, and similar products. |
| 345 Screw machine products, and bolts, nuts, screws, rivets, and washers. | 345 Screw machine products, bolts, etc. | |
| 343 Heating equipment, except electric and warm air; and plumbing fixtures. | 343 Plumbing and heating; except electric | 3430 Plumbing and heating, except electric and warm air. |
| 344 Fabricated structural metal products | 344 Fabricated structural metal products | 3440 Fabricated structural metal products. |
| 346 Metal forgings and stampings | 346 Metal forgings and stampings | 3460 Metal forgings and stampings. |
| 347 Coating, engraving, and allied services | 347 Metal services, not elsewhere classified | 3470 Coating, engraving, and allied services. |
| 348 Ordnance and accessories, except vehicles and guided missiles. | 348 Ordnance and accessories, not elsewhere classified. | 3480 Ordnance and accessories, except vehicles and guided missiles. |
| 349 Miscellaneous fabricated metal products | 349 Miscellaneous fabricated metal products | 3490 Miscellaneous fabricated metal products. |
| 35 Machinery, except electrical | 35 Machinery, except electrical | Machinery, except electrical. |
| 352 Farm and garden machinery and equipment | 352 Farm and garden machinery | 3520 Farm machinery. |
| 353 Construction, mining, and materials handling machinery and equipment | 353 Construction and related machinery | 3530 Construction and related machinery. |
| 354 Metalworking, machinery and equipment | 354 Metalworking machinery | 3540 Metalworking machinery. |
| 355 Special industry machinery, except metalworking machinery | 355 Special industry machinery | 3550 Special industry machinery. |
| 356 General industrial machinery and equipment | 356 General industrial machinery | 3560 General industrial machinery. |
| 357 Office, computing, and accounting machines | 357 Office and computing machines | 3570 Office, computing, and accounting machines. |
| 358 Refrigeration and service industry machinery | 358 Refrigeration and service machinery | 3598 Engines and turbines, service industry machinery, and other machinery, except electrical. |
| 351 Engines and turbines | 351 Engines and turbines | |
| 359 Miscellaneous machinery, except electrical | 359 Miscellaneous machinery, except electrical | |

FIGURE G—COMPARISON OF STANDARD INDUSTRIAL AND ENTERPRISE STANDARD INDUSTRIAL CLASSIFICATIONS WITH GROUPINGS USED FOR STATISTICS OF INCOME, 1977—Continued

| Standard Industrial Classification, 1972 (1) | Enterprise Standard Industrial Classification, 1974 (2) | Statistics of Income Classification, 1977 (3) |
|---|---|--|
| MANUFACTURING—Continued | | |
| 36 Electrical and electronic machinery, equipment and supplies. | 36 Electrical and electronic equipment | Electrical and electronic equipment. |
| 363 Household appliances | 363 Household appliances | 3630 Household appliances. |
| 365 Radio and television receiving equipment, except communication types. | 366 Radio, TV, and communication equipment | 3665 Radio, television, and communication equipment. |
| 366 Communication equipment | 367 Electronic components and accessories | 3670 Electronic components and accessories. |
| 367 Electronic components and accessories | 364 Electric lighting and wiring equipment | 3698 Other electrical equipment. |
| 364 Electric lighting and wiring equipment | 369 Electrical machinery, not elsewhere classified | |
| 361 Electric transmission and distribution equipment | | |
| 362 Electrical industrial apparatus | | |
| 369 Miscellaneous electrical machinery, equipment, and supplies. | | |
| 37 Transportation equipment | 37 Transportation equipment | [No corresponding identification.] |
| 371 Motor vehicles and motor vehicle equipment [No corresponding identification] | 371 Motor vehicles and equipment [No corresponding identification] | 3710 Motor vehicles and equipment. |
| 372 Aircraft and parts | 377 Aircraft, guided missiles and parts | Transportation equipment, except motor vehicles. |
| 376 Guided missiles and space vehicles and parts | 373 Ship and boat building and repairing | 3725 Aircraft, guided missiles and parts. |
| 373 Ship and boat building and repairing | 379 Transportation equipment, not elsewhere classified. | 3730 Ship and boat building and repairing. |
| 374 Railroad equipment | 38 Instruments and related products | 3798 Other transportation equipment, except motor vehicles. |
| 375 Motorcycles, bicycles, and parts | | Instruments and related products. |
| 379 Miscellaneous transportation equipment | | |
| 38 Measuring, analyzing, and controlling instruments; photographic, medical, and optical goods; watches and clocks. | 381 Scientific and measuring instruments | 3815 Scientific instruments and measuring devices; watches and clocks. |
| 381 Engineering, laboratory, scientific, and research instruments and associated equipment. | 387 Watches, clocks, and watchcases | |
| 382 Measuring and controlling instruments | 383 Optical and ophthalmic goods | |
| 387 Watches, clocks, clockwork operated devices, and parts. | 384 Medical instruments and supplies | |
| 383 Optical instruments and lenses | 386 Photographic equipment and supplies | |
| 385 Ophthalmic goods | 39 Miscellaneous manufacturing industries | 3845 Optical, medical, and ophthalmic goods. |
| 384 Surgical, medical, and dental instruments and supplies | | 3860 Photographic equipment and supplies. |
| 386 Photographic equipment and supplies | | 3998 Miscellaneous manufacturing and manufacturing not allocable. |
| 39 Miscellaneous manufacturing industries | 399 Manufacturing industries, not elsewhere classified | [No corresponding identification.] |
| [No corresponding identification] | | |
| TRANSPORTATION, COMMUNICATION, ELECTRIC, GAS, AND SANITARY SERVICES | | |
| [No corresponding identification] | [No corresponding identification] | TRANSPORTATION AND PUBLIC UTILITIES |
| 40 Railroad transportation | 40 Railroad transportation | Transportation. |
| 41 Local and suburban transit and interurban highway passenger transportation. | 41 Local and interurban passenger transit | 4000 Railroad transportation. |
| 42 Motor freight transportation and warehousing | 42 Trucking and warehousing | 4100 Local and interurban passenger transit. |
| 44 Water transportation | 44 Water transportation | 4200 Trucking and warehousing. |
| 45 Transportation by air | 45 Transportation by air | 4400 Water transportation. |
| 46 Pipe lines, except natural gas | 46 Pipe lines, except natural gas | 4500 Transportation by air. |
| 47 Transportation services | 47 Transportation services | 4600 Pipe lines, except natural gas. |
| 48 Communication | 48 Communication | 4700 Transportation services, not elsewhere classified. |
| 481 Telephone communication (wire or radio) | 481 Telephone communication | Communication. |
| 482 Telegraph communication (wire or radio) | 482 Telegraph communication | 4825 Telephone, telegraph, and other communication services. |
| 489 Communication services, not elsewhere classified | 489 Communication services, not elsewhere classified | |
| 483 Radio and television broadcasting | 483 Radio and television broadcasting | 4830 Radio and television broadcasting. |

FIGURE G—COMPARISON OF STANDARD INDUSTRIAL AND ENTERPRISE STANDARD INDUSTRIAL CLASSIFICATIONS WITH GROUPINGS USED FOR STATISTICS OF INCOME, 1977—Continued

| Standard Industrial Classification, 1972 (1) | Enterprise Standard Industrial Classification, 1974 (2) | Statistics of Income Classification, 1977 (3) |
|--|---|--|
| TRANSPORTATION, COMMUNICATION, ELECTRIC, GAS, AND SANITARY SERVICES—Continued | TRANSPORTATION AND PUBLIC UTILITIES—Continued | TRANSPORTATION AND PUBLIC UTILITIES—Continued |
| 49 Electric, gas, and sanitary services 491 Electric services 492 Gas production and distribution 493 Combination electric and gas, and other utility services 494 Water supply 495 Sanitary services 496 Steam supply 497 Irrigation systems | 49 Electric, gas, and sanitary services 491 Electric services 492 Gas production and distribution 493 Combination utility services 499 Water, steam and sanitary service | Electric, gas, and sanitary services. 4910 Electric services. 4920 Gas production and distribution. 4930 Combination utility services. 4990 Water supply and other sanitary services. |
| [No corresponding identification] | [No corresponding identification] | WHOLESALE AND RETAIL TRADE |
| Wholesale trade | Wholesale trade | Wholesale trade. |
| 50 Wholesale trade—durable goods | 50 Wholesale trade—durable goods | [No corresponding identification.] |
| 514 Groceries and related products 508 Machinery, equipment, and supplies [No corresponding identification] 501 Motor vehicles and automotive parts and supplies 503 Lumber and other construction materials 505 Metals and minerals, except petroleum 506 Electrical goods 507 Hardware, and plumbing and heating equipment and supplies 502 Furniture and home furnishings 504 Sporting, recreational, photographic, and hobby goods, toys and supplies. 509 Miscellaneous durable goods | 514 Groceries and related products 508 Machinery, equipment, and supplies [No corresponding identification.] 501 Motor vehicles and equipment 503 Lumber and construction materials 505 Metals and minerals, except petroleum 506 Electrical goods 507 Hardware; plumbing and heating 509 Durable goods, not elsewhere classified | 5140 Groceries and related products. 5008 Machinery, equipment, and supplies. Miscellaneous wholesale trade. 5010 Motor vehicles and automotive equipment. 5030 Lumber and construction materials. 5050 Metals and minerals, except petroleum and scrap. 5060 Electrical goods. 5070 Hardware, plumbing, and heating equipment and supplies. 5020 Furniture and home furnishings. 5040 Sporting, recreational, photographic, and hobby goods, toys and supplies. 5098 Other durable goods. |
| 51 Wholesale trade—nondurable goods | 51 Wholesale trade—nondurable goods | [No corresponding identification.] |
| 511 Paper and paper products 512 Drugs, drug proprietaries and druggists' sundries 516 Chemicals and allied products 513 Apparel, piece goods, and notions 515 Farm-product raw materials 517 Petroleum and petroleum products 518 Beer, wine and distilled alcoholic beverages 519 Miscellaneous nondurable goods | 511 Paper and paper products 512 Drugs, proprietaries, and sundries [No corresponding identification.] 513 Apparel, piece goods, and notions 515 Farm-product raw materials 517 Petroleum and petroleum products 518 Beer, wine, and distilled beverages 519 Nondurable goods, not elsewhere classified (includes 516 Chemicals and allied products). | 5110 Paper and paper products. 5129 Drugs, drug proprietaries and druggists' sundries. 5160 Chemicals and allied products. 5130 Apparel, piece goods, and notions. 5150 Farm-product raw materials. 5170 Petroleum and petroleum products. 5180 Alcoholic beverages. 5190 Miscellaneous nondurable goods; wholesale trade not allocable. |
| Retail trade | Retail trade | Retail trade. |
| 52 Building materials, hardware, garden supply, and mobile home dealers. | 52 Building materials and garden supplies | Building materials, garden supplies, and mobile home dealers. |
| 521 Lumber and other building materials dealers 523 Paint, glass, and wallpaper stores 525 Hardware stores 526 Retail nurseries, lawn and garden supply stores 527 Mobile home dealers | 522 Building materials dealers 525 Hardware stores 526 Retail nurseries and garden stores 527 Mobile home dealers | 5220 Building materials dealers. 5251 Hardware stores. 5265 Garden supplies and mobile home dealers. |
| 53 General merchandise stores | 53 General merchandise stores | 5300 General merchandise stores (excludes nonstore retailers; see 5995). |
| 54 Food stores | 54 Food stores | 5410 Grocery stores. 5490 Other food stores. |
| 55 Automotive dealers and gasoline service stations | 55 Automotive dealers and service stations | Automotive dealers and service stations. |
| 551 Motor vehicle dealers (new and used) | 551 New and used car dealers | 5515 Motor vehicle dealers. |
| 552 Motor vehicle dealers (used only) | 554 Gasoline service stations | 5541 Gasoline service stations. |
| 554 Gasoline service stations | 553 Auto and home supply stores | |
| 553 Auto and home supply stores | 559 Automotive dealers, not elsewhere classified | |
| 555 Boat dealers | | |
| 556 Recreational and utility trailer dealers | | |
| 557 Motorcycle dealers | | 5598 Other automotive dealers (excludes mobile home dealers; see 5265). |
| 559 Automotive dealers, not elsewhere classified | | |

FIGURE G—COMPARISON OF STANDARD INDUSTRIAL AND ENTERPRISE STANDARD INDUSTRIAL CLASSIFICATIONS WITH GROUPINGS USED FOR STATISTICS OF INCOME, 1977—Continued

| Standard Industrial Classification, 1972 (1) | Enterprise Standard Industrial Classification, 1974 (2) | Statistics of Income Classification, 1977 (3) |
|---|--|--|
| [No corresponding identification]—Continued | [No corresponding identification]—Continued | WHOLESALE AND RETAIL TRADE—Continued |
| Retail trade—Continued | Retail trade—Continued | Retail trade—Continued |
| 56 Apparel and accessory stores | 56 Apparel and accessory stores | 5600 Apparel and accessory stores. |
| 57 Furniture, home furnishings, and equipment stores | 57 Furniture and home furnishings stores | 5700 Furniture and home furnishings stores. |
| 58 Eating and drinking places | 58 Eating and drinking places | 5800 Eating and drinking places. |
| 59 Miscellaneous retail | 59 Miscellaneous retail | Miscellaneous retail stores. |
| 591 Drug stores and proprietary stores | 591 Drug stores and proprietary stores | 5912 Drug stores and proprietary stores. |
| 592 Liquor stores | 592 Liquor stores | 5921 Liquor stores. |
| 596 Nonstore retailers | 596 Nonstore retailers | } 5995 Other retail stores. |
| 594 Jewelry stores | 597 Jewelry stores | |
| 598 Fuel and ice dealers | 598 Fuel and ice dealers | |
| 593 Used merchandise stores | 599 Retail stores, not elsewhere classified | |
| 594 Miscellaneous shopping goods stores (excludes 594 jewelry stores, above). | [No corresponding identification] | |
| 599 Retail stores, not elsewhere classified | [No corresponding identification] | 5997 Wholesale and retail trade not allocable. |
| [No corresponding identification] | [No corresponding identification] | 5997 Wholesale and retail trade not allocable. |
| FINANCE, INSURANCE, AND REAL ESTATE | FINANCE, INSURANCE, AND REAL ESTATE | FINANCE, INSURANCE, AND REAL ESTATE |
| 60 Banking | 60 Banking | Banking. |
| 603 Mutual savings banks | 603 Mutual savings banks | 6030 Mutual savings banks. |
| 601 Federal Reserve Banks | 601 Federal Reserve Banks | [No corresponding identification] |
| [No corresponding identification] | [No corresponding identification] | 6060 Bank holding companies. |
| 602 Commercial and stock savings banks | 602 Commercial and stock savings banks | } 6090 Banks, except mutual savings banks and bank holding companies. |
| 604 Trust companies not engaged in deposit banking | 609 Banking, not elsewhere classified | |
| 605 Establishments perf. functions closely related to banking | 61 Credit agencies other than banks | |
| 61 Credit agencies other than banks | 612 Savings and loan associations | |
| 612 Savings and loans associations | 617 Personal and business credit agencies | |
| 614 Personal credit institutions | 616 Mortgage bankers and brokers | 6120 Savings and loan associations. |
| 615 Business credit institutions | 619 Credit agencies, not elsewhere classified | 6140 Personal credit institutions. |
| 616 Mortgage bankers and brokers | 62 Security, commodity brokers and services | 6150 Business credit institutions. |
| 611 Rediscount and financing institutions for credit agencies other than banks. | 624 Brokers, dealers, and exchanges | 6199 Other credit agencies; finance not allocable. |
| 613 Agricultural credit institutions | 628 Security and commodity services | Security, commodity brokers and services. |
| 62 Security and commodity brokers, dealers, exchanges, and services. | 63 Insurance carriers | 6210 Security brokers, dealers and flotation companies. |
| 621 Security brokers, dealers, and flotation companies | 631 Life insurance | 6299 Commodity contracts brokers and dealers; security and commodity exchanges; and allied services. |
| 622 Commodity contracts brokers and dealers | 632 Medical service and health insurance | Insurance. |
| 623 Security and commodity exchanges | 633 Fire, marine and casualty insurance | 6355 Life insurance (as defined in Internal Revenue Code section 801. Excludes predominantly cancellable accident and health companies). |
| 628 Services allied with the exchange of securities or commodities. | [Included in 639, below] | 6356 Mutual insurance, except life or marine and certain fire or flood insurance companies (as defined in Internal Revenue Code section 821. Includes predominantly cancellable mutual accident and health companies). |
| 63 Insurance | 639 Insurance carriers, not elsewhere classified | 6359 Other insurance companies (as defined in Internal Revenue Code section 831. Consists of mutual fire or flood insurance companies operating on basis of perpetual policies or premium deposits, mutual marine insurance companies, and other insurance companies except life or mutual). |
| 631 Life insurance | 64 Insurance agents, brokers and service | 6411 Insurance agents, brokers, and service. |
| 632 Accident and health insurance and medical service plans. | | |
| 633 Fire, marine, and casualty insurance | | |
| 635 Surety insurance | | |
| 636 Title insurance | | |
| 637 Pension, health, and welfare funds | | |
| 639 Insurance carriers, not elsewhere classified | | |
| 641 Insurance agents, brokers, and service | | |

FIGURE G—COMPARISON OF STANDARD INDUSTRIAL AND ENTERPRISE STANDARD INDUSTRIAL CLASSIFICATIONS WITH GROUPINGS USED FOR STATISTICS OF INCOME, 1977—Continued

| Standard Industrial Classification, 1972 (1) | Enterprise Standard Industrial Classification, 1974 (2) | Statistics of Income Classification, 1977 (3) |
|--|--|--|
| FINANCE, INSURANCE, AND REAL ESTATE—Continued | | |
| 65 Real estate | 65 Real estate | Real estate. |
| 6512 Operators of nonresidential buildings | 651 Real estate operators and lessors | 6511 Real estate operators (except developers) and lessors of buildings. |
| 6513 Operators of apartment buildings | | |
| 6514 Operators of dwellings other than apartment buildings. | | |
| 6515 Operators of residential mobile home sites | | |
| 6519 Lessors of real property, not elsewhere classified | | |
| 6517 Lessors of railroad property | 6519 Real property lessors, not elsewhere classified | 6516 Lessors of mining, oil, and similar property. 6518 Lessors of railroad property and of real property not elsewhere classified. |
| 655 Subdividers and developers | 655 Subdividers and developers | 6550 Subdividers and developers (excludes operative builders in 1531, above). 6530 Condominium mgmt and coop housing associations. |
| [No corresponding identification] | [No corresponding identification] | 6599 Other real estate. |
| 653 Real estate agents and managers | 653 Real estate agents and managers | |
| 654 Title abstract offices | 654 Title abstract companies | |
| 661 Combinations of real estate, insurance, loans, law offices. | 66 Combined real estate, insurance, etc. | |
| 67 Holding and other investment offices | 67 Holding and other investment companies | Holding and other investment companies. 6742 Regulated investment companies (Internal Revenue Code section 851). 6743 Real estate investment trusts (Internal Revenue Code section 856). 6744 Small business investment companies (Small Business Investment Act of 1958). 6749 Holding and other investment companies not elsewhere classified. |
| 672 Investment offices | 672 Investment companies | 6749 Holding and other investment companies not elsewhere classified. |
| 671 Holding offices | 679 Holding companies and miscellaneous investing | SERVICES 7000 Hotels and other lodging places. 7200 Personal services. Business services. 7310 Advertising. |
| 673 Trusts | | |
| 679 Miscellaneous investing | | |
| SERVICES | SERVICES | |
| 70 Hotels, rooming houses, camps, and other lodging places | 70 Hotels and other lodging places | |
| 72 Personal services | 72 Personal services | |
| 73 Business services | 73 Business services | |
| 731 Advertising | 731 Advertising | |
| 732 Consumer credit reporting agencies, mercantile reporting agencies, and adjustment and collection agencies. | 732 Credit reporting and collection | |
| 733 Mailing, reproduction, commercial art and photography, and stenographic services. | 733 Mailing, reproduction, stenographic | |
| 734 Services to dwellings and other buildings | 734 Services to buildings | 7389 Business services, except advertising. |
| 737 Computer and data processing services | 737 Computer and data processing services | |
| 735 News syndicates | 739 Miscellaneous business services | Auto repair; miscellaneous repair services. 7500 Auto repair and services. 7600 Miscellaneous repair services. Amusement and recreational services. 7812 Motion picture production, distribution, and services. 7830 Motion picture theaters. 7900 Amusement and recreation services, except motion pictures. |
| 736 Personnel supply services | | |
| 739 Miscellaneous business services | | |
| [No corresponding identification] | | |
| 75 Automotive repair, services, and garages | [No corresponding identification] | |
| 76 Miscellaneous repair services | 75 Automotive repair, services, and garages | |
| [No corresponding identification] | 76 Miscellaneous repair services | |
| 781 Motion picture production and allied services | [No corresponding identification] | |
| 782 Motion picture distribution and allied services | 784 Motion pictures, except theaters | |
| 783 Motion picture theaters | 783 Motion picture theaters | |
| 79 Amusement and recreation services, except motion pictures. | 79 Amusement and recreation services | |

FIGURE G—COMPARISON OF STANDARD INDUSTRIAL AND ENTERPRISE STANDARD INDUSTRIAL CLASSIFICATIONS WITH GROUPINGS USED FOR STATISTICS OF INCOME, 1977—Continued

| Standard Industrial Classification, 1972 (1) | Enterprise Standard Industrial Classification, 1974 (2) | Statistics of Income Classification, 1977 (3) | |
|--|---|--|--|
| SERVICES—Continued | | | |
| 80 Health services | 80 Health services | Other services. | |
| 801 Offices of physicians | } 801 Offices of physicians and osteopaths | 8015 Offices of physicians, including osteopathic physicians. | |
| 803 Offices of osteopathic physicians | | 802 Offices of dentists | 8021 Offices of dentists. |
| 802 Offices of dentists | | 804 Offices of health practitioners, not elsewhere classified. | 8040 Offices of other health practitioners. |
| 804 Offices of other health practitioners | | 805 Nursing and personal care facilities | 8050 Nursing and personal care facilities. |
| 805 Nursing and personal care facilities | 806 Hospitals | 8060 Hospitals. | |
| 806 Hospitals | 807 Medical and dental laboratories | 8071 Medical laboratories. | |
| 807 Medical and dental laboratories | } 809 Health and allied services, not elsewhere classified. | 8099 Other medical services. | |
| 808 Outpatient care facilities | | 81 Legal services | 8111 Legal services. |
| 809 Health and allied services, not elsewhere classified. | | 82 Educational services | 8200 Educational services. |
| 81 Legal services | 83 Social services | 8300 Social services. | |
| 82 Educational services | } 89 Miscellaneous services | 8600 Membership organizations. | |
| 83 Social services | | [No corresponding identification] | 8911 Architectural and engineering services. |
| 84 Museums, art galleries, botanical and zoological gardens. | | | 8930 Accounting, auditing and bookkeeping. |
| 85 Miscellaneous services | | | 8980 Miscellaneous services (including veterinarians). |
| [No corresponding identification] | | 9000 NATURE OF BUSINESS NOT ALLOCABLE. | |

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Schedule J Tax Computation

1 Taxable income (line 30, page 1)
2 Enter line 1 or \$25,000, whichever is lesser. (Members of a controlled group, see instructions)
3 Line 1 less line 2
4 Enter line 3 or \$25,000, whichever is lesser. (Members of a controlled group, see instructions)
5 Line 3 less line 4
6 20% of line 2
7 22% of line 4
8 48% of line 5
9 Income tax (Sum of lines 6, 7 and 8 or alternative tax from separate Schedule D, whichever is lesser)
10 (a) Foreign tax credit (attach Form 1118)
(b) Investment credit (attach Form 3468)
(c) Work incentive (WIN) credit (attach Form 4874)
(d) New jobs credit (attach Form 5884)
11 Total of lines 10(a), (b), (c), and (d)
12 Line 9 less line 11
13 Personal holding company tax (attach Schedule PH (Form 1120))
14 Tax from recomputing a prior year investment credit (attach Form 4255)
15 Tax from recomputing a prior year WIN credit (see instructions—attach computation)
16 Minimum tax on tax preference items (see instructions—attach Form 4626)
17 Total tax—Add lines 12 through 16. Enter here and on line 31, page 1.

Schedule K Record of Federal Tax Deposits Tax Class Number 503 (List deposits in order of date made—See instruction G)

Table with 6 columns: Date of deposit, Amount, Date of deposit, Amount, Date of deposit, Amount

G Did you claim a deduction for expenses connected with:
(1) Entertainment facility (boat, resort ranch, etc.)?
(2) Living accommodations (except for employees on business)?
(3) Employee's families at conventions or meetings?
(4) Employee or family vacations not reported on Form W-2?
H (1) Did you at the end of the taxable year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation?
(2) Did any individual, partnership, corporation, estate or trust at the end of the taxable year own, directly or indirectly, 50% or more of your voting stock?
I Did you ever declare a stock dividend?
J Taxable income or (loss) from line 28, page 1, Form 1120 for your taxable year beginning in: 1974, 1975, 1976
K Were you a member of a controlled group subject to the provisions of section 1561?
L Refer to page 8 of instructions and state the principal: Business activity, Product or service
M Did you file all required Forms 1087, 1096 and 1099?
N Were you a U.S. shareholder of any controlled foreign corporation?
O Was this firm in business at the end of 1977?
P How many months in 1977 was this firm in business?
Q During this taxable year, did you pay dividends (other than stock dividends and distributions in exchange for stock) in excess of your current and accumulated earnings and profits?
R If you are a farmers' cooperative, check type: purchasing, marketing, service, other
S Did you, at any time during the taxable year, have any interest in or signature or other authority over a bank, securities or other financial account in a foreign country?
T Were you the grantor of, or transferor to, a foreign trust during any taxable year, which foreign trust was in being during the current taxable year, whether or not you have any beneficial interest in such trust?

Schedule L Balance Sheets

Table with columns: ASSETS, LIABILITIES AND STOCKHOLDERS' EQUITY, Beginning of taxable year (A) Amount, (B) Total, End of taxable year (C) Amount, (D) Total. Rows include Cash, Trade notes and accounts receivable, Inventories, Gov't obligations, Other current assets, Loans to stockholders, Mortgage and real estate loans, Other investments, Buildings and other fixed depreciable assets, Depletable assets, Land, Intangible assets, Other assets, Total assets, Accounts payable, Retained earnings, etc.

Schedule M-1 Reconciliation of Income Per Books With Income Per Return

Table with 2 columns: Income per books, Income per return. Rows include Net income per books, Federal income tax, Excess of capital losses over capital gains, Expenses recorded on books this year not deducted in this return, Total of lines 1 through 5, Income recorded on books this year not included in this return, Deductions in this tax return not charged against book income this year, Total of lines 7 and 8, Income (line 28, page 1)—line 6 less 9.

Schedule M-2 Analysis of Unappropriated Retained Earnings Per Books (line 24 above)

Table with 2 columns: Balance at beginning of year, Balance at end of year. Rows include Balance at beginning of year, Net income per books, Other increases, Distributions: Cash, Stock, Property, Other decreases, Total of lines 5 and 6, Balance at end of year (line 4 less 7).

1977 Department of the Treasury Internal Revenue Service Instructions for Form 1120 U.S. Corporation Income Tax Return

(References are to the Internal Revenue Code.)

General Instructions

A. Who must file Form 1120.—

1. Domestic corporations; whether or not having any taxable income, unless exempt under section 501.

2. Real estate investment trusts defined in section 856.

3. Regulated investment companies defined in section 851.

4. Insurance companies described in section 831.

If an organization more nearly resembles a corporation than a partnership or trust, it will be an association taxed as a corporation.

B. Returns required of certain organizations.—

1. Foreign corporations other than life and mutual insurance companies filing Forms 1120L and 1120M—file Form 1120F.

2. Life insurance companies (section 802)—file Form 1120L.

3. Mutual insurance companies (section 821)—file Form 1120M.

4. Exempt farmers' cooperatives (section 1381)—file Form 990-C.

5. Exempt organizations with unrelated trade or business income—file Form 990-T.

6. Small business corporations (section 1372(a))—file Form 1120S.

7. Domestic International Sales Corporations (section 992)—file Form 1120-DISC.

8. Political organizations (section 527)—file Form 1120-POL.

9. Homeowners Association (section 528)—file Form 1120-H.

C. Where to file.—

If the corporation's principal business, office, or branch is located in

Use the following Internal Revenue Service Center address

| | |
|---|----------------------|
| New Jersey, New York City and counties of Nassau, Rockland, Suffolk, and Westchester | Holtzville, NY 00501 |
| New York (all other counties), Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont | Andover, MA 05501 |
| Alabama, Florida, Georgia, Mississippi, South Carolina | Atlanta, GA 31101 |
| Michigan, Ohio | Cincinnati, OH 45999 |
| Arkansas, Kansas, Louisiana, New Mexico, Oklahoma, Texas | Austin, TX 73301 |
| Alaska, Arizona, Colorado, Idaho, Minnesota, Montana, Nebraska, Nevada, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming | Orlando, UT 84201 |

| | |
|---|------------------------|
| Illinois, Iowa, Missouri, Wisconsin | Kansas City, MO 64999 |
| California, Hawaii | Fresno, CA 93888 |
| Indiana, Kentucky, North Carolina, Tennessee, Virginia, West Virginia | Memphis, TN 37501 |
| Delaware, District of Columbia, Maryland, Pennsylvania | Philadelphia, PA 19255 |

Corporations having their principal place of business outside the United States or claiming a possessions tax credit (section 936) must file with the Internal Revenue Service Center, Philadelphia, PA 19255.

The separate income tax returns of a group of corporations located in several Service Center regions may be filed with the Service Center for the area in which the principal office of the managing corporation that keeps all the books and records is located.

D. When to file.—In general, Form 1120 must be filed on or before the 15th day of the 3d month after the end of the taxable year.

File Form 7004 to request an automatic 3-month extension of time to file Form 1120.

File Form 7005 to request an additional extension after obtaining an automatic 3-month extension by filing Form 7004.

E. Information returns and forms that may be required.—

1. Forms W-2 and W-3.—Employee's wage and tax statement; and transmittal of income and tax statements.

2. Form W-2P.—Statement for recipients of annuities, pensions or retired pay.

3. Forms 1087-DIV, INT, MED, MISC, and OID.—Nominees' information returns for reporting dividends, interest, medical and health care payments, miscellaneous income, and original issue discount that were received as a nominee on behalf of another person.

4. Form 1096.—Annual summary and transmittal of U.S. information returns.

5. Form 5452.—Corporate report of nontaxable dividends.

6. Forms 966 and 1099L.—Information returns regarding dissolution or liquidation, and distributions in liquidation.

7. Forms 1099-DIV, INT, MED, MISC, OID, PATR, and R.—Information returns for reporting certain dividends, interest, income, medical and health care payments, miscellaneous income payments,

original issue discount, patronage dividends, and lump-sum distributions from profit-sharing and retirement plans.

8. Form 3921.—Information return concerning exercise of a qualified or restricted stock option.

9. Form 5713.—International boycott report for persons having operations in or related to "boycotting" countries. In addition, persons who participate in or cooperate with an international boycott, may have to complete Schedule A or Schedule B and Schedule C of Form 5713 to compute their loss of the following items: the foreign tax credit, the deferral of earnings of a controlled foreign corporation, and DISC benefits.

F. Period to be covered by 1977 return.—File the 1977 return for calendar year 1977 and fiscal years beginning in 1977 and ending in 1978. If the return is for a fiscal year, fill in the taxable year space on the form.

FINAL RETURNS.—If the corporation ceases to exist, write "FINAL RETURN" at the top of the form.

G. Depository method of tax payment.—The balance of the tax due (line 33) must be paid in full when the return is filed or in two installments, 50% by the 15th day of the 3d month and 50% by the 15th day of the 6th month after the end of the taxable year.

All corporation income tax payments and estimated income tax payments must be deposited at an authorized commercial bank depository or Federal Reserve Bank or Branch (FRB), with a Federal Tax Deposit Form prescribed with a Tax Class Number 503, in accordance with instructions appearing on the reverse of that form. Deposits made at a FRB must be made with the FRB servicing the geographic area where a taxpayer is located. The deposit must be made in a form of payment that the receiving FRB considers to be an immediate credit item. Additional information can be obtained from a commercial bank or FRB. Each deposit must be accompanied by a Federal Tax Deposit Form prescribed with a Tax Class Number 503. Do not remit directly to Internal Revenue. Records of deposits will be sent to Internal Revenue for crediting to the corporation's account.

In Schedule K, list all Tax Class Number 503 deposits that relate to the taxable year for which this return is filed and which were made before or simultaneously with the filing of this return.

The timeliness of deposits will be determined by date received by a commercial bank depository or FRB. If a tax payment is made by mail, a deposit received after the due date will be considered timely if the taxpayer establishes that it was mailed on or before the second day before the prescribed due date as provided by section 7502. Tax deposits made

at FRBs which are not in compliance with deposit requirements will nevertheless be processed by the receiving FRB rather than returned to the taxpayer. Furthermore, such tax payments received by an FRB will be dated as paid based upon the date when the proceeds of the accompanying payment instrument are collected by the FRB, and if made by mail section 7502 will not apply.

Federal Tax Deposit Forms prescribed with a Tax Class Number 503 will be mailed to corporations on a cyclical basis depending on the taxable year of the corporation. Corporations needing such deposit forms may obtain them from the Internal Revenue Service Center where they will file their returns. The application should include the corporation's name, identification number, address, and the taxable year to which the deposits relate.

H. Change in accounting period.—To change an accounting period, see section 1.442-1 of the regulations and Form 1128, Application for Change in Accounting Period.

I. Accounting methods.—Taxable income must be computed using the method of accounting regularly used in keeping the corporation's books and records. In all cases, the method adopted must clearly reflect taxable income. (See section 446.)

Corporations engaged in farming operations may be required to use the accrual method of accounting. See section 447 for exceptions to the general rule.

Unless the law specifically permits, the method of accounting used to report income in prior years (for income as a whole or for any material item) may not be changed without first obtaining consent on Form 3115, Application for Change in Accounting Method.

Rounding off to whole-dollar amounts.—Money items may be shown as whole-dollar amounts by eliminating any amount less than 50 cents and increasing any amount from 50 cents through 99 cents to the next higher dollar.

J. Estimated tax.—A corporation must make estimated tax payments if it can expect its estimated tax (income tax less credits) to be \$40 or more.

See Form 1120-W which may be used as a worksheet to compute estimated tax.

If there was an overpayment of estimated tax, file Form 4466 for a "quick refund" if the overpayment is (1) at least 10% of expected income tax liability AND (2) at least \$500. This application must be made within 2½ months after the end of the taxable year and before Form 1120 is filed.

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K. Consolidated returns.—The parent corporation must attach Form 851, Affiliations Schedule, to the consolidated return. For the first year a consolidated return is filed, each subsidiary must attach Form 1122.

File supporting schedules for each corporation included in the consolidated return. The schedules must be in columnar form and show, both before and after adjustments, the items of gross income and deductions, a computation of taxable income, balance sheets as of the beginning and end of the taxable year, and a reconciliation of retained earnings. Also attach consolidated balance sheets and a reconciliation of consolidated retained earnings.

L. Stock ownership in foreign corporations.—See section 551(c), and attach the required statement if there was an ownership of 5% or more in value of the outstanding stock of a foreign personal holding company.

A taxpayer who controls a foreign corporation, or who is a 10% or more shareholder of a controlled foreign corporation, may be required to file Forms 2952 and 3646.

M. Financial statements.—The balance sheets must agree with your books and records. Any differences must be reconciled. Copies of balance sheets required by Federal, State, etc., authorities may be used in place of Schedule L. Certificates of deposit should be included as cash on line 1 of the balance sheet.

Banks, insurance companies, and other corporations required to submit substantially similar statements of income and expense to any Federal, State, etc., authority may submit copies of such statements in place of the information required on lines 1 through 30, page 1. Railroads may substitute Form 1090. In such cases, taxable income must be reconciled in Schedule M-1 with the net profit shown on the statement and entered as line 30, page 1.

Financial statements are to be completed in accordance with the method of accounting used in computing taxable income.

N. Attachments.—If more space is needed on forms or schedules, attach separate sheets. Attach schedules in alphabetical order and forms in numerical order to the back of Form 1120. Be sure to put the taxpayer's name and employer identification number on these separate sheets.

O. Amended return.—Use Form 1120X to correct any error in a previously filed income tax return.

P. Transfers to corporation controlled by transferor.—If a person acquires stock or securities of a corporation in

exchange for property, and no gain or loss is recognized under section 351, the transferor and transferee must attach the information required by section 1.351-3 of the regulations.

Q. Signature.—The return must be signed and dated by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or any other corporate officer (such as tax officer) authorized to sign. A receiver, trustee, or assignee must sign and date any return required to be filed on behalf of a corporation.

An individual who prepares Form 1120 for pay must manually sign the return as preparer. Signature stamps or labels are not acceptable. If someone prepares Form 1120 for free, that person does not have to sign that return.

If more than one person prepares the return, the individual preparer with the primary responsibility for the overall accuracy of the return must sign as preparer. The preparer required to sign the return shall also enter his or her social security number to the right of that signature. If the preparer is self-employed, he or she must write "SE" to the right of the preparer's social security number.

If the individual is paid by another to prepare (or is a partner in a partnership preparing) Form 1120, the payer's (or partnership's) name and identification number must be entered below the preparer signature line. (Special rules apply to identification numbers for foreign tax return preparers. Such preparers should see sections 1.6109-2(a) and 301.7701-15(a)(5) of the regulations.)

The return must also show, below the preparer's signature, the address of the preparer's place of business where the return was completed. However, if this place of business is not maintained on a year-round basis, the return should show the address of such preparer's principal business location which is maintained on a year-round basis or, if none, the preparer's residence.

The preparer must give the taxpayer a copy of Form 1120 in addition to the copy filed with IRS. Employers, partnerships, and self-employed preparers must file Form 5717, Annual List of Income Tax Return Preparers.

Note: A \$25 penalty may be charged a paid preparer who does not give the taxpayer a copy of Form 1120 in addition to the copy filed with IRS. A penalty may also be charged a preparer required to sign who does not show an original signature or a photocopy of the original signature in the space provided. A penalty may be charged a self-employed preparer who does not show his or her identifying number in the space provided.

If the individual is paid by another to prepare (or is a partner in a partnership

preparing) Form 1120, the payer or partnership may be charged a penalty if the return does not show the individual's social security number and the payer's (or partnership's) employer identification number.

If Form 1120 is prepared by the taxpayer's regular, full-time employee, such as a clerk, secretary or bookkeeper, or by the taxpayer's partner (if an individual), that person is not subject to the above rules.

R. Corporations that liquidate within one calendar month under section 333.—Such corporations should attach a computation (following the format in Rev. Proc. 65-10, 1965-1 C.B. 738, as modified by Rev. Proc. 75-17, 1975-1 C.B. 677) of accumulated earnings and profits including all items of income and expense accrued up to the date the transfer of all property is completed.

S. U.S. person.—(See question H (2)(c), page 3, Form 1120.)—The term "U.S. person" means: (1) a citizen or resident of the United States, (2) a domestic partnership, (3) a domestic corporation, or (4) any estate or trust (other than a foreign estate or trust within the meaning of section 7701(a)(31)).

Owner's country, for individuals, is their country of residence. For all others, it is the country where incorporated, organized, created, or administered.

T. Penalties.

Avoid penalties and interest by correctly filing and paying the tax when due.

1. A corporation that fails to file its tax return by the prescribed due date including any extensions of time for filing may be subject to a penalty of 5% a month, up to a maximum of 25%, for each month the return is not filed (the penalty is imposed on the net amount due—section 6651(a)(1)).

2. A corporation that fails to pay the tax when due may be subject to a penalty of $\frac{1}{2}\%$ a month or fraction of a month, up to a maximum of 25%, for each month the tax is not paid (the penalty is imposed on the net amount due—section 6651(a)(2)).

The above penalties will not be imposed if the corporation can show that the failure to file or to pay was due to reasonable cause and not to willful neglect.

These penalties are in addition to the interest charge imposed on unpaid tax at a rate pursuant to section 6621.

3. A corporation that fails to pay the proper estimated tax when due may be subject to an underpayment penalty for the period of underpayment (section 6655) at a rate pursuant to section 6621.

If estimated tax was underpaid and a penalty charge should not be assessed, attach Form 2220.

U. Real Estate Investment Trusts.—Real Estate Investment Trusts see sections 856-860 for special rules. Attach schedules where applicable.

V. Foreign Bank, Securities and Other Financial Accounts.—If at any time during the taxable year, you had an interest in or signature or other authority over a bank account, securities account, or other financial account in a foreign country or were a grantor of, or transferor to a foreign trust, which trust was in being during the taxable year, you must check the appropriate Yes box(es) in questions S and T. (If you own more than 50 percent of the stock in any corporation that owns one or more foreign bank accounts, you must check the Yes box for question S.)

If you had any interest in or signature or other authority over a bank, securities, or other financial account in a foreign country (except in a U.S. military banking facility operated by a U.S. financial institution), you must file Treasury Department Form 90-22.1, Report of Foreign Bank, Securities, and Other Financial Accounts.

This form, which is due before July 1, 1978, should be filed with the U.S. Treasury Department at P.O. Box 28309, Central Station, Washington, D.C. 20005.

Form 90-22.1, which replaces Internal Revenue Service Form 4683, U.S. Information Return on Foreign Bank, Securities and Other Financial Accounts, and Foreign Trusts, may be obtained from Internal Revenue Service offices or by writing to the above address.

Specific Instructions

(Numbered to correspond with the line items on page 1 of the return.)

Item D. Employer Identification Number. If the employer identification number (EIN) is wrong on the label or if a label was not received, show the correct number on the return.

Corporations that do not have an EIN should apply for one on Form SS-4, available from any IRS or Social Security Administration office. Send Form SS-4 to the same Internal Revenue Service Center to which Form 1120 is sent.

Item F. Total Assets.—If there are no assets at the end of the taxable year, show the total assets as of the beginning of the taxable year.

Gross Income

1. **Gross receipts.**—Enter gross receipts or sales from all business operations except those required to be re-

ported in lines 4 through 10. For reporting advance payments and long-term contracts, see section 1,451-5 of the regulations.

If the installment method is used, enter on line 1 the gross profit on collections from installment sales and carry the same amount to line 3. Attach a schedule showing for the current and 3 preceding years: (a) gross sales, (b) cost of goods sold, (c) gross profits, (d) percentage of gross profits to gross sales, (e) amount collected, and (f) gross profit on amount collected.

2. **Cost of goods sold.**—See instructions for Schedule A.

4. **Dividends.**—(Numbered to correspond with line numbers in Schedule C.)

[1.] Enter dividends received from domestic corporations subject to income tax and which are subject to the 85% deduction under section 243(a)(1). Include on this line taxable distributions from a DISC or former DISC that are designated as being eligible for the 85% deduction.

Small business investment companies must enter dividends received from domestic corporations subject to income tax even though a deduction is allowed for the entire amount of such dividends in line 1 of Schedule I. For dividends received from a regulated investment company, see section 854 for the amount subject to the 85% deduction.

So-called dividends or earnings received from mutual savings banks, etc., are really interest and should not be treated as dividends.

[2.] Enter dividends received on the preferred stock of a public utility that is subject to income tax and is allowed the deduction provided in section 247 for dividends paid.

[3.] Enter dividends received from foreign corporations and which qualify for the 85% deduction provided in section 245(a).

[4.] Enter dividends received from wholly-owned foreign subsidiaries and which are eligible for the 100% deduction provided in section 245(b).

In general, this deduction applies to dividends paid out of the earnings and profits of a foreign corporation for a taxable year during which (1) all of its outstanding stock is owned (directly or indirectly) by the domestic corporation receiving the dividends and (2) all of its gross income from all sources is effectively connected with the conduct of a trade or business within the U.S.

This 100% deduction does not apply if an election under section 1562 (election of multiple surtax exemptions) by a

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controlled group of corporations) was effective for the taxable year of the foreign corporation out of the earnings and profits of which the dividends are paid.

[5.] Enter foreign dividends (including minimum distributions under subpart F) not reportable on lines 3 and 4. Exclude distributions of amounts constructively taxed in the current year or in prior years under subpart F.

[6.] Include income constructively received from controlled foreign corporations under subpart F. This amount should equal the total of amounts reported in Schedule A, Form(s) 3646.

[7.] Include gross-up for taxes deemed paid under sections 902 and 960.

[8.] Enter only those dividends subject to the elective provisions of section 243(b) and are entitled to the 100% dividends-received deduction under section 243(a)(3). Corporations making this election are subject to the provisions of section 1561.

[9.] Enter only those dividends that are subject to the elective provisions of section 243(b) and are entitled to the dividends-received deduction as computed under the provisions of section 1564(b).

[10.] Enter taxable distributions from a DISC or former DISC that are designated as not being eligible for the 85% deduction.

[11.] Include dividends (other than capital gain dividends and exempt interest dividends) received from regulated investment companies and which are not subject to the 85% deduction; dividends from tax-exempt organizations; dividends (other than capital gain dividends) received from a real estate investment trust which, for the taxable year of the trust in which the dividends are paid, qualifies under sections 856-860; dividends not eligible for a dividends-received deduction because of the holding period of the stock or an obligation to make corresponding payments with respect to similar stock; and any other taxable dividend income not properly reported above. If patronage dividends or per unit retain allocations are included in line 11, Schedule C, identify the total of these amounts in a schedule attached to Form 1120.

6. **Other interest.**—Enter interest on loans, notes, mortgages, bonds, bank deposits, corporate bonds, tax refunds, etc.

Do not offset interest income against interest expense.

7. **Gross rents.**—Enter the gross amount received for the rent of property. Deduct expenses such as repairs, interest, taxes, and depreciation in the proper lines for deductions.

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9(a). **Capital gain net income.**—Every sale or exchange of a capital asset must be reported in detail in Schedule D even though no gain or loss is indicated.

If the net long-term capital gain exceeds the net short-term capital loss, or in case of only a net long-term capital gain, compute the alternative tax on separate Schedule D to see if it produces a lesser tax.

9(b). **Gain or (loss).**—Enter the net gain or loss from line 9, Part II, Form 4797.

10. **Other income.**—The attached schedule should include recoveries of bad debts deducted in prior years under the specific charge-off method. Refunds of taxes deducted in prior years should be reported here and not offset against current year's taxes.

If "other income" consists of only one item, identify it by showing the account caption in parentheses on line 10.

Deductions

12. **Compensation of officers.**—Complete columns 1 through 6, Schedule E for all officers. Complete column 7, Schedule E for your six highest paid officers. To determine the highest paid officers, add all allowances, including expense account allowances, to each officer's compensation. Expense account allowance means (1) amounts, other than compensation, received as advances or reimbursements and (2) amounts paid by or for the corporation for expenses incurred by or on behalf of an officer. Column 7 does not have to be completed for any officer for whom the combined amount is less than \$30,000.

This information is to be submitted by each member of an affiliated group included in a consolidated return.

14. **Repairs.**—Enter the cost of incidental repairs, such as labor and supplies, that do not add to the value or appreciably prolong the life of the property. Include in this line the total amount of repairs from Form 4832 if the Class Life Asset Depreciation Range (CLADR) system is used.

Expenditures to remove architectural and transportation barriers to handicapped and elderly.—For new rules for expenses in taxable years beginning after December 31, 1976 and before January 1, 1980 to remove architectural and transportation barriers to handicapped and elderly persons, see section 190 and Temporary Internal Revenue Regulations section 7.190.

15. **Bad debts.**—Bad debts may be treated in either of two ways—(1) as a deduction for debts that become worthless in whole or in part, or (2) as a deduction for a reasonable addition to a reserve for bad debts. (Section 166.)

Application to change the method of computing bad debts must be made on Form 3115.

17. **Taxes.**—Enter taxes paid or accrued during the taxable year and attach a schedule showing the type and amount of tax.

Do not include Federal income taxes, foreign or U.S. possession income taxes if a foreign/possession tax credit is claimed, or taxes not imposed on the corporation. See section 164(d) for apportionment of taxes on real property between seller and purchaser.

18. **Interest.**—Do not include interest on indebtedness incurred or continued to purchase or carry obligations on which the interest is wholly exempt from income tax. (Section 265.)

Mutual savings banks, building and loan associations, and cooperative banks should enter amounts paid or credited to the accounts of depositors as dividends, interest, or earnings.

See section 267 for limitation on deductions for unpaid expenses and interest in transactions between related taxpayers.

Generally, a cash basis taxpayer cannot deduct prepaid interest allocable to years subsequent to the current taxable year. A cash basis taxpayer, who in 1977 prepaid interest allocable to any period after 1977, can only deduct the amount allocable to 1977. Please see Publication 545, Income Tax Deduction for Interest Expense.

19. **Contributions.**—Enter contributions or gifts actually paid within the taxable year to or for the use of charitable and governmental organizations described in section 170(c) and any unused contributions carried over from prior years.

The total amount claimed may not exceed 5% of taxable income (line 30) computed without regard to (1) any deduction for contributions, (2) the special deductions in line 29(b), (3) deductions allowed under sections 249 and 250, (4) any net operating loss carryback to the taxable year under section 172, and (5) any capital loss carryback to the taxable year under section 1212(a)(1).

Charitable contributions in excess of the 5% limitation may not be deducted for the taxable year but may be carried over to the next 5 taxable years.

A contribution carryover is not allowed, however, to the extent that it increases a net operating loss carryover. See section 170(d)(2)(B).

Corporations on the accrual basis may elect to deduct contributions paid on or before the 15th day of the 3d month after the end of the taxable year if the con-

tributions are authorized by the board of directors during the taxable year. A declaration, signed by an officer, stating that the resolution authorizing the contributions was adopted by the board of directors during the taxable year, and a copy of the resolution, must both be attached to the return.

Attach a schedule showing the name of each organization and the amount paid. If a contribution is made in property other than money, describe the kind of property contributed and the method used in determining its fair market value. If a contribution carryover is included, show the amount and how it was determined.

Special rule for contributions of certain property.—If a charitable contribution of property is made, the contribution must be reduced by the sum of

- (1) the ordinary income, short-term capital gain and
- (2) for certain contributions, 62½% of the long-term capital gain,

that would have resulted if the property were sold at its fair market value. The reduction for 62½% of the long-term capital gain applies to (1) contributions of tangible personal property for use by an exempt organization for a purpose or function unrelated to the basis for its exemption, and (2) contributions of any property to or for the use of certain private foundations. (Section 170(e).) For special rules regarding the close of inventory, and other ordinary income property (described in section 1221(1) or (2)), to an exempt organization described in section 501(c)(3), for use in the care of the ill, needy, or infants, see section 170(e)(3).

Bargain sale to a charitable organization.—If a charitable contribution deduction is taken for property sold to a charitable organization, the adjusted basis for determining gain from the sale is an amount which is in the same ratio to the adjusted basis as the amount realized is to the fair market value of the property.

20. Amortization.—If a deduction is claimed for amortization, attach a schedule showing: (1) a description of the expenditures being amortized; (2) date acquired, completed, or expended; (3) amount being amortized; (4) amortization deducted in prior years; (5) amortization period (number of months); (6) amortization for this year; and (7) the total amount of amortization less the amount claimed in Schedule A and elsewhere on the return.

See section 169 and related regulations for conditions under which the cost of certified pollution control facilities may be amortized over 60 months.

See section 188 for conditions under which certain expenditures for on-the-job

training and child care facilities may be amortized over 60 months. An election under section 188 will not apply to on-the-job training capital expenditures made after December 31, 1976.

See section 191 (and Temporary Internal Revenue Regulations section 7.191) under which the cost incurred in a certified rehabilitation of a historic structure may be amortized over a 60-month period.

21. Depreciation.—See Instructions for Form 4562, Depreciation.

22. Depletion.—See section 613 and 613A for percentage depletion rates applicable to natural deposits.

Attach Form T if a deduction is claimed for depletion of timber.

24. Pension, profit-sharing, etc. plans.—The number of plans to be entered refers to all plans for which all assets have not been distributed. Also include any plans in which assets were distributed in the current year. The number of plans must be indicated whether or not a deduction is claimed.

Complete Form 5500 for each plan and file as a separate return. Complete Form 5500-C in lieu of Form 5500 if there were fewer than 100 participants at the beginning of the plan year. See instructions for above forms for computation of allowable deduction on line 24. File these forms on or before the last day of the 7th month following the close of the plan year. ERISA imposes penalties for failure to furnish complete information and failure to file statements and return/reports.

25. Employee benefit programs.—Enter the amount of contributions to employee benefit programs (e.g. insurance, health and welfare programs) that are not an incidental part of a pension, profit-sharing, etc., plan included on line 24. Also include contributions to a qualified group legal services plan. Section 120 imposes certain rules on an employer which will permit employees (including spouses and dependents) to exclude from income employer contributions to a qualified group legal services plan.

26. Other deductions.—No deduction is allowable for any amount allocable to a class of exempt income other than exempt interest income. Items directly attributable to wholly exempt income must be allocated to such income, and items directly attributable to any class of taxable income must be allocated to such taxable income.

If an item is indirectly attributable both to taxable income and exempt income, a reasonable proportion of the item, determined in the light of all the facts and circumstances in each case, must be allocated to each.

Attach a statement showing (1) the amount of each class of exempt income and (2) the amount of expense items allocated to each such class. Show the amount allocated by apportionment separately.

If patronage dividends are included in line 26, page 1, Form 1120, identify this deduction and the total amount in the schedule "Other deductions" to be attached to Form 1120.

29(a). Net operating loss deduction.—The "net operating loss deduction" is the sum of the net operating loss carryovers and carrybacks to the taxable year. (Section 172(e).)

Generally, a net operating loss may be carried back to each of the 3 years preceding the year of such loss and carried over to each of the 7 years following the year of such loss; or, an election may be made whereby a net operating loss may be carried over to each of the 7 years following the year of such loss. The election is made by attaching a statement to a timely filed return, including extensions, and is irrevocable. After applying the net operating loss to the first taxable year to which it may be carried, the portion of the loss that may be carried to each of the remaining taxable years is the excess, if any, of the loss over the sum of the taxable income for each of the prior taxable years to which the loss may be carried. (Section 172(b).)

If there is a net operating loss carryback, file Form 1139 within 12 months after the close of the taxable year in which the net operating loss occurred for a "quick refund" of taxes. (Section 6411.)

If a net operating loss carryback creates an unused investment credit or an unused work incentive (WIN) credit, in a preceding year, the unused credit may be carried back to the 3 preceding years (however, the WIN credit cannot be carried back to years beginning before 1972), and under the provisions of section 6411, a quick refund of the taxes affected may be obtained by filing Form 1139.

See section 172 for special rules, limitations, and definitions pertaining to net operating loss carrybacks and carryovers.

29(b). Special deductions.—See instructions for Schedule I.

Schedule A—Cost of Goods Sold

The method of valuing inventories may not be changed without permission. Application for permission to change must be made on Form 3115. Check method(s) used for valuing closing inventories in 8(a).

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If this is the first year the "Last-In First-Out" (LIFO) inventory method provided in Section 472 was adopted and used, attach Form 970 or a statement with the information required by Form 970 to Form 1120 and check the LIFO box in line 8(b). Enter the amount or percent (estimates may be used) of total closing inventories covered under Section 472 in line 8(c).

Full absorption method of inventory costing.—Taxpayers engaged in manufacturing or production operations must use the full absorption method of inventory costing. If they are not using the full absorption method of inventory costing, they must change to this method under which both direct and certain indirect production costs are included for inventory value purposes. The change to full absorption may be made by filing Form 3115. For further details, see Rev. Proc. 75-40, 1975-2 C.B. 571 and section 1.471-11 of the regulations.

Cost of operations (where inventories are not an income-determining factor).—If the amount entered on line 2 includes an amount applicable to cost of operations, attach a schedule, showing (1) salaries and wages and (2) other costs in detail.

If per unit retain allocations are included on line 4, Schedule A, identify this cost and the total amount in the Schedule "Other costs" to be attached to Form 1120.

Schedule I—Special Deductions

(Numbered to correspond with line numbers in Schedule I.)

1. A small business investment company operating under the Small Business Investment Act of 1958 may deduct 100% of dividends received from domestic corporations subject to income tax. (Section 243(a)(2).)

No deduction is allowed under section 243 for a dividend from a DISC or former DISC (as defined in section 992(a)) to the extent such dividend is paid out of the corporation's accumulated DISC income or previously taxed income, or is a deemed distribution under section 995(b)(1).

In general, no dividends-received deduction will be allowed on any share of stock (a) that is disposed of if the corporation held it 15 days or less, or (b) to the extent the corporation is under an obligation to make corresponding payments with respect to substantially identical stock or securities.

2. Limitation on dividends-received deduction.—Line 2 may not exceed 85% of

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(line 28, page 1, less the sum of lines 3, 4, and 6 of Schedule I). For this purpose, line 28, page 1, is to be computed without regard to any capital loss carryback to the taxable year under section 1212(a)(1).

In a year in which a net operating loss occurs, sections 172(d) and 246(b) provide that this 85% limitation does not apply even if the loss is created by the dividends-received deduction.

In the case of a small business investment company, the dividends-received deduction of 100% included in line 2 is not subject to the overall 85% limitation.

Financial institutions should see section 596 for special limitation on dividends-received deduction.

5. Deduction for dividends paid on certain preferred stock of public utilities.—Section 247 allows public utilities a deduction of 29.167% of the lesser of (1) dividends paid on their preferred stock during the taxable year, or (2) taxable income computed without regard to this deduction. In a year in which a net operating loss occurs, section 172(d) provides that the deduction is to be computed without regard to section 247(a)(1)(B).

6. Deduction for Western Hemisphere Trade Corporations.—Section 922, allows Western Hemisphere Trade Corporations a deduction of 16.667% of taxable income computed without regard to this deduction.

However, no deduction is allowed to a corporation for a taxable year for which it is a DISC or during which it owns directly or indirectly at any time stock in a DISC or former DISC as defined in section 992(a).

Schedule J—Tax Computation

The Tax Reduction and Simplification Act of 1977 extends through 1978 the lower tax rates and higher surtax exemption.

(Personal holding companies—see Schedule PH (Form 1120) before completing Schedule J.)

1. Surtax Exemption.—In general, corporations are entitled to a surtax exemption of \$50,000. However, members of a controlled group are entitled to one \$50,000 surtax exemption which is to be divided equally unless the group consents to split up the exemption in accordance with an apportionment plan. If no apportionment plan is adopted, for purposes of lines 2 and 4, members of a controlled group will enter one-half of their surtax exemption on line 2 and the remaining one-half on line 4. For example, if there are 5 members and they allocate the \$50,000 surtax exemption

equally (i.e. \$10,000 each), each member will enter on line 2, one-half of \$10,000, i.e. \$5,000, and on line 4, the remaining one-half of the surtax exemption, i.e. \$5,000. If an apportionment plan is adopted, see section 1561 and the regulations thereunder for the time and manner of making the consent.

2. Tax Installment Payments Under the Bank Holding Company Tax Act of 1976.—Section 6158 provides that a bank holding company may elect to pay in installments the tax attributable to the sale of certain assets, the divestiture of which is certified by the Board of Governors of the Federal Reserve System. If this election is exercised, the Bank Holding Company must attach a statement showing the tax computation and the amount of the installment paid with this return. Also, in the right-hand margin next to line 9, Schedule J (Form 1120), enter the amount of the installment payment followed by the words "computed under section 6158."

3. Mutual savings banks conducting life insurance business.—The tax under section 594 consists of the sum of (1) a partial tax computed on line 110 on the taxable income of the bank determined without regard to income or deductions allocable to the life insurance department; and (2) a partial tax on the taxable income computed on Form 1120L of the life insurance department. Enter the combined tax on line 9 of Schedule J, Form 1120. Attach Form 1120L as a schedule and identify as such.

4. Possession tax credit.—See Form 5712 for rules on how to elect to claim the possession tax credit (section 936). Compute the credit on Form 5735 and include the amount of the credit in the total for line 11, Schedule J (Form 1120). Write in the margin next to the entry on line 11, the amount of the credit and identify it as being a section 936 credit.

5. Credit for wages paid or incurred in Work Incentive (WIN) Program.—Employers may claim a credit of 20% of the salaries and wages paid or incurred to employees hired under a WIN program. The credit is allowed for the salaries and wages paid or incurred for the first 12 months of employment.

For special rules and limitations, see Form 4874 and sections 50A and 50B.

6. Tax from recomputing a prior year WIN credit.—If a WIN program employee is dismissed before completing a certain period of employment, the WIN credit previously taken on such employee may be subject to recapture. If so, repay (with certain exceptions) any tax credit previously taken on the salaries and wages paid or incurred to that employee. (See Form 4874.)

The tax from recomputing a prior year work incentive credit may not be offset

against the current year's work incentive credit.

7. Investment credit.—In most cases, the investment credit rate is 10% for property acquired and placed in service during the taxable year. Corporations may elect an 11% credit for such property if the corporation contributes 1% of the qualified investment to an employee stock ownership plan (ESOP). Beginning in 1977, in lieu of the 11% credit, a corporation may elect up to an 11.5% credit for qualifying 10% property if (1) the corporation increases its ESOP contribution from 1% up to 1.5% of the qualified investment in 10% property and (2) corporate employees make an ESOP contribution of up to one-half percent in similar type property. Complete Form 5500 for each employee stock ownership plan and file it on or before the last day of the 7th month following the close of the plan year.

The limit on the amount of used property eligible for the investment credit is \$100,000.

The investment credit also applies to progress payments made during the construction of property that requires at least two years to construct and that has an expected useful life of at least seven years.

See Form 3468 for special rules and limitations.

8. Tax from recomputing a prior year investment credit.—If property is disposed of prior to the life-years category used in computing the investment credit, the credit must be recomputed using as the useful life the period the property was actually held. (For recomputation of the investment credit for qualified progress expenditures, see section 47(a)(3).) If the credit taken, including carrybacks and carryovers, exceeds the recomputed credit, the tax in the year of disposition must be increased by the excess. Form 4255 may be used to compute the tax.

The tax from recomputing a prior year investment credit may not be offset against the current year's investment credit.

9. New jobs credit.—In general, for a taxable year beginning in 1977, the credit shall be an amount equal to 50 percent of the excess of the aggregate unemployment insurance wages paid during 1977 over 102 percent of the aggregate unemployment insurance wages paid during 1976. An additional 10% credit may be claimed for certain vocational rehabilitation referrals during the calendar year 1977. See Form 5884 for definitions, special rules, and limitations. Also see

Publication 902, Tax Information on Jobs Tax Credit.

Do not take an expense deduction for that portion of the wages or salaries paid or incurred which is equal to the amount of the new jobs credit (determined without regard to the limitation based on tax (section 53)). Members of a controlled group or a trade or business under common control with other trades or businesses, see section 280C.

10. Minimum tax.—In general, the corporate minimum tax rate is 15 percent and the minimum tax exemption is the greater of \$10,000 or the regular income taxes for the year.

The tax preference items for corporations are accelerated depreciation on real property; accelerated depreciation on leased personal property (applicable only to personal holding companies); amortization of certified pollution control facilities, railroad rolling stock, on-the-job training facilities and child care facilities; reserve for losses on bad debts of financial institutions; depletion; intangible drilling costs (applicable only to personal holding companies); and, capital gains.

Attach Form 4626 if tax preference items exceed \$10,000 even if there is no minimum tax, OR if there is any minimum tax liability deferred from a prior taxable year to this year.

Codes for Principal Business Activity

These industry titles and definitions are based, in general, on the Enterprise Standard Industrial Classification system. "Total receipts" means the Office of Management and Budget, Executive Office of the President, to classify enterprises by type of activity in which they are engaged. The system follows closely the Standard Industrial Classification used to classify establishments.

Using the list below, enter on page 1, under C, the code number for the

specific industry group from which the largest percentage of "total receipts" is derived. "Total receipts" means the Office of Management and Budget, Executive Office of the President, to classify enterprises by type of activity in which they are engaged. The system follows closely the Standard Industrial Classification used to classify establishments.

Using the list below, enter on page 1, under C, the code number for the

AGRICULTURE, FORESTRY, AND FISHING

Code
0400 Agricultural production.
0600 Agricultural services, except veterinar-
lans, forestry, fishing, hunting, and
trapping.

MINING

Metal Mining:
1010 Iron ores.
1070 Copper, lead and zinc, gold and silver
ores.
1098 Other metal mining.
1150 Coal mining.
Oil and gas extraction:
1330 Crude petroleum, natural gas, and natural
gas liquids.
1360 Oil and gas field services.
Nonmetallic minerals (except fuels) mining:
1430 Dimension, crushed and broken stone;
sand and gravel.
1498 Other nonmetallic minerals, except fuels.

CONSTRUCTION

General building contractors and operative
builders:
1510 General building contractors.
1531 Operative builders.
1600 Heavy construction contractors.
Special trade contractors:
1711 Plumbing, heating, and air conditioning.
1731 Electrical work.
1798 Other special trade contractors.

MANUFACTURING

Food and kindred products:
2010 Meat products.
2020 Dairy products.
2030 Preserved fruits and vegetables.
2040 Grain mill products.
2050 Bakery products.
2060 Sugar and confectionary products.
2091 Malt liquors and malt.
2098 Alcoholic beverages, except malt liquors
and malt.
2099 Bottled soft drinks, and flavorings.
2096 Other food and kindred products.
2100 Tobacco manufactures.
Textile mill products:
2228 Weaving mills and textile finishing.
2250 Knitting mills.
2298 Other textile mill products.
Apparel and other textile products:
2315 Men's and boys' clothing.
2345 Women's and children's clothing.
2388 Hats, caps, millinery, fur goods, and other
apparel and accessories.
2390 Misc. fabricated textile products.
Lumber and wood products, except furniture:
2415 Logging camps and logging contractors,
sawmills and planing mills.
2430 Millwork, plywood, and related products.
2498 Other wood products, including wood
buildings and mobile homes.
2500 Furniture and fixtures.
Paper and allied products:
2625 Pulp, paper, and board mills.
2699 Other paper products.
Printing, publishing, and allied industries:
2710 Newspapers.
2720 Periodicals.
2735 Books, greeting cards, and misc.
publishing.
2799 Commercial and other printing, and print-
ing trade services.

Chemicals and allied products:
2815 Industrial chemicals, plastics materials
and synthetics.
2830 Drugs.
2840 Soap, cleaners, and toilet goods.
2850 Paints and allied products.
2898 Agricultural and other chemical products.
Petroleum refining and related industries
(including those integrated with extraction):
2910 Petroleum refining (including those inte-
grated with extraction).
2998 Other petroleum and coal products.
Rubber and misc. plastics products:
3050 Rubber products; plastics footwear, hose
and tubing.
3070 Misc. plastics products.
Leather and leather products:
3140 Footwear, except rubber.
3198 Other leather and leather products.
Stone, clay, glass, and concrete products:
3228 Glass products.
3250 Cement, hydraulic.

Code
3270 Concrete, gypsum, and plaster products.
3298 Other nonmetallic mineral products.
Primary metal industries:
3370 Ferrous metal industries; misc. primary
metal products.
3380 Nonferrous metal industries.

Fabricated metal products, except machinery
and transportation equipment:
3410 Metal cans and shipping containers.
3428 Cutlery, hand tools, and hardware; screw
machine products, bolts, and similar
products.
3430 Plumbing and heating, except electric and
warm air.
3440 Fabricated structural metal products.
3450 Metal forgings and stampings.
3470 Coating, engraving, and allied services.
3480 Ordnance and accessories, except vehicles
and guided missiles.
3490 Misc. fabricated metal products.
Machinery, except electrical:
3520 Farm machinery.
3530 Construction, mining, and materials
handling machinery and equipment.
3540 Metalworking machinery.
3550 Special industry machinery, except
metalworking machinery.
3560 General industrial machinery.
3570 Office, computing, and accounting
machines.
3598 Engines and turbines, service industry
machinery, and other machinery, except
electrical.

Electrical and electronic machinery, equipment,
and supplies:
3630 Household appliances.
3660 Radio, television, and communication
equipment.
3670 Electronic components and accessories.
3698 Other electric equipment.

Transportation equipment:
3710 Motor vehicles and equipment.
3725 Aircraft, guided missiles and parts.
3730 Ship and boat building and repairing.
3758 Other transportation equipment.
Measuring and controlling instruments; photo-
graphic and medical goods, watches and clocks:
3815 Scientific instruments and measuring de-
vices; watches and clocks.
3845 Optical, medical, and ophthalmic goods.
3860 Photographic equipment and supplies.
3998 Other manufacturing products.

TRANSPORTATION, COMMUNICATION, ELECTRIC, GAS, AND SANITARY SERVICES

Transportation:
4000 Railroad transportation.
4100 Local and interurban passenger transit.
4200 Trucking and warehousing.
4400 Water transportation.
4500 Transportation by air.
4600 Pipe lines, except natural gas.
4700 Other transportation services.
Communications:
4825 Telephone, telegraph, and other com-
munication services.
4830 Radio and television broadcasting.
Electric, gas, and sanitary services:
4910 Electric services.
4920 Gas production and distribution.
4930 Combination utility services.
4990 Water supply and other sanitary services.

WHOLESALE TRADE

Durable
5008 Machinery, equipment, and supplies.
5010 Motor vehicles and automotive equipment.
5020 Furniture and home furnishings.
5030 Lumber and construction materials.
5040 Sporting, recreational, photographic, and
hobby goods, toys, and supplies.
5050 Metals and minerals, except petroleum
and scrap.
5060 Electrical goods.
5070 Hardware, plumbing and heating
equipment.
5098 Other durable goods.
Nondurable
5110 Paper and paper products.
5129 Drugs, drug proprietaries, and druggists'.
5130 Apparel, piece goods, and notions.
5140 Groceries and related products.
5150 Farm-product raw materials.
5160 Chemicals and allied products.
5170 Petroleum and petroleum products.

Code
5180 Alcoholic beverages.
5190 Misc. nondurable goods.

RETAIL TRADE

Building materials, hardware, garden supply,
and mobile home dealers:
5220 Building materials dealers.
5231 Hardware stores.
5265 Garden supplies and mobile home dealers.
5300 General merchandise stores.
5410 Grocery stores.
5490 Other food stores.
Automotive dealers and service stations:
5515 Motor vehicle dealers.
5541 Gasoline service stations.
5598 Other automotive dealers.
5600 Apparel and accessory stores.
5700 Furniture and home furnishings stores.
5800 Eating and drinking places.
Misc. retail stores:
5912 Drug stores and proprietary stores.
5921 Pharmacies.
5995 Other misc. retail stores.

FINANCE, INSURANCE, AND REAL ESTATE

Banking:
6030 Mutual savings banks.
6050 Bank holding companies.
6090 Banks, except mutual savings banks and
bank holding companies.
Credit agencies other than banks:
6120 Savings and loan associations.
6140 Real estate credit institutions.
6150 Business credit institutions.
6199 Other credit agencies.
Security, commodity brokers, dealers,
exchanges, and services:
6210 Security brokers, dealers, and flotation
companies.
6299 Commodity contracts brokers and deal-
ers in security and commodity exchanges;
and allied services.

Insurance:
6355 Life insurance.
6356 Mutual insurance, except life or marine
and certain fire or flood insurance com-
panies.
6399 Other insurance companies.
6411 Insurance agents, brokers, and services.
Real Estate:
6511 Real estate operators (except developers)
and lessors of buildings.
6516 Lessors of mining, oil, and similar
property.
6518 Lessors of railroad property and other real
property.
6530 Condominium management and coopera-
tive housing associations.
6550 Subdividers and developers.
6599 Other real estate.
Holding and other investment companies:
6742 Regulated investment companies.
6743 Real estate investment trusts.
6744 Small business investment companies.
6749 Holding and other investment companies,
except bank holding companies.

SERVICES

7000 Motels and other lodging places.
7200 Personal services.
Business services:
7310 Advertising.
7389 Business services, except advertising.
Auto repair and services; misc. repair services:
7500 Auto repair and services.
7500 Misc. repair services.
Amusement and recreational services:
7812 Motion picture production, distribution,
and services.
7830 Motion picture production.
7900 Amusement and recreation services, ex-
cept motion pictures.
Other Services:
8015 Office of physicians, including osteo-
pathic physicians.
8021 Offices of dentists.
8040 Offices of other health practitioners.
8050 Nursing and personal care facilities.
8060 Hospitals.
8071 Medical laboratories.
8099 Other medical services.
8111 Legal services.
8200 Educational services.
8300 Social Services.
8500 Membership Organizations.
8511 Architectural and engineering services.
8530 Accounting, auditing, and bookkeeping.
8980 Miscellaneous services (including veteri-
narians).

Domestic International Sales Corporation Return

1977

Department of the Treasury Internal Revenue Service

(PLEASE TYPE OR PRINT)

For calendar year 1977 or other taxable year beginning 1977, ending 1977, ending 1977, ending 1977, ending

Form fields for A (Date of DISC election), B (Business code number), C (Employer identification number), D (Date incorporated), and E (Total assets).

F Did any corporation, individual, partnership, trust or estate at the end of your taxable year own, directly or indirectly, 50% or more of your voting stock?

Table with columns for Name, Identifying number, Address, Percentage of voting stock owned, Total assets (Corporations only), and Foreign owner.

G Indicate by placing an "X" in the appropriate box(es) the inter-company pricing rule or rules which were applied to 25% or more of total receipts (line 4, page 1).

All Computations Must Reflect Inter-Company Pricing Rules Under Section 994 If Used (See Schedule P (Form 1120-DISC))

Gross Income

Table for Gross Income with rows for 1. Qualified export receipts, 2. Other qualified export receipts, 3. Nonqualified gross receipts, 4. Total of lines 1, 2, and 3, and 5. Less: Cost of goods sold.

Deductions

Table for Deductions with rows for 7. Export promotion expenses and 8. Other expenses not deducted above.

Computation of Taxable Income

Table for Computation of Taxable Income with rows for 10. Taxable income before net operating loss deduction, 11. Less: (a) Net operating loss deduction, (b) Dividends-received deduction, and 12. Taxable income.

13 Refund of U.S. tax on special fuel, nonhighway gas, and lubricating oil (attach Form 4136)

Signature and title fields for the officer and the paid preparer.

Schedule A Cost of Goods Sold (See instructions for Schedule A) Reflect ACTUAL purchases from a related supplier at the transfer price determined under the inter-company pricing rules of section 994, if used. See Schedule P (Form 1120-DISC).

Schedule A form with rows for 1. Inventory at the beginning of the year, 2. Purchases, 3. Salaries and wages, 4. Other costs, 5. Total, 6. Less: Inventory at the end of the year, 7. Cost of goods sold, and 8. Check valuation method(s) used for total closing inventory.

Schedule B Gross Income (See instructions for Schedule B)

Schedule B table with columns for A. Type of receipt, B. Gross receipts, C. Commission, D. Other receipts, and E. Total (add columns B and D). Rows include 1. Qualified export receipts and 2. Other qualified export receipts.

Schedule C Dividends (See instructions for Schedule C)

- 1 Domestic corporations subject to the 85% deduction
2 Certain preferred stock of public utilities
3 Foreign corporations subject to the 85% deduction
4 Dividends from wholly-owned foreign subsidiaries subject to the 100% deduction (section 245(b))
5 Other dividends from foreign corporations
6 Includable income from controlled foreign corporations under subpart F (attach Forms 3646)
7 Taxable dividends from a DISC or former DISC not included in line 1 (section 246(d))
8 Other dividends
9 Total
10 Less: Qualified dividends—Enter the qualified dividends here and on line 2(e), column D, Schedule B.

11 Nonqualified dividends—Enter here and on line 3(e), column D, Schedule B

Schedule E Deductions (See instructions for Schedule E)

- 1 Export promotion expenses:
(a) Market studies
(b) Advertising
(c) Depreciation (attach Form 4562)
(d) Salaries and wages
(e) Rents
(f) Sales commissions
(g) Warehousing
(h) Freight (excluding insurance—see instructions)
(i) Compensation of officers
(j) Repairs (see instructions)
(k) Amortization (attach schedule)
(l) Pension, profit-sharing, etc. plans (see instructions) (enter number of plans)
(m) Employee benefit programs
(n) Other (list):

(e) Total—Enter here and on line 7, page 1

- 2 Other expenses not deducted above:
(a) Bad debts (Schedule F if reserve method is used)
(b) Taxes (attach schedule)
(c) Interest
(d) Contributions (not over 5% of line 12, page 1 adjusted per instructions—attach schedule)
(e) Freight
(f) Freight insurance
(g) Other (attach schedule)

(h) Total—Enter here and on line 8, page 1

Schedule F Bad Debts—Reserve Method

Table with 7 columns: 1. Year, 2. Trade notes and accounts receivable outstanding at the end of the year, 3. Sales on account, 4. Current year's provision, 5. Recoveries, 6. Amount charged against the reserve, 7. Reserve for bad debts at the end of the year. Rows for years 1972, 1973, 1974, 1975, 1976, 1977.

Schedule I Dividends-received Deduction (See instructions for Schedule I)

- 1 (a) 85% of line 1, Schedule C
(b) 60.208% of line 2, Schedule C
(c) 85% of line 3, Schedule C
(d) 100% of line 4, Schedule C

2 Total—See instructions for limitation. Enter here and on line 11(b), page 1.

Schedule J Deemed and Actual Distributions to Shareholders for the Taxable Year (See instructions for Schedule J)

PART I—Deemed Distributions Under Section 995(b)(1)

- 1 Gross interest derived during the year from producer's loans (section 995(b)(1)(A))
2 Gain recognized on the sale or exchange of property (section 995(b)(1)(B)) (see instructions—attach schedule)
3 Gain recognized on the sale or exchange of property (section 995(b)(1)(C)) (see instructions—attach schedule)
4 50% of taxable income attributable to military property (section 995(b)(1)(D)) (see instructions—attach schedule)
5 Total of lines 1, 2, 3, and 4
6 Taxable income (line 12, page 1)
7 Adjusted taxable income (line 6 less line 5) (enter here and on line 1, Part II)
8 Taxable income attributable to base period export gross receipts (section 995(b)(1)(E)) (from line 22, Part II)
9 Line 7 less line 8 (enter zero if less than zero)
10 50% of line 9 (section 995(b)(1)(F)(i))
11 International boycott income (section 995(b)(1)(F)(ii)) (see instructions)
12 Amount of illegal bribes and other payments (section 995(b)(1)(F)(iii)) (see instructions)
13 Total of lines 5, 8, 10, 11, and 12
14 Earnings and profits for year (see instructions—attach schedule)
15 Enter the smaller of line 13 or line 14 (but not less than zero)
16 Foreign investment attributable to producer's loans (section 995(b)(1)(G)) (see instructions—attach schedule)
17 Total deemed distributions under section 995(b)(1) (add lines 15 and 16)

PART II—Computation of Taxable Income Attributable to Base Period Export Gross Receipts

- 1 Adjusted taxable income (from line 7, Part I)
2 Enter the larger of (a) 365 divided by the number of days in your taxable year or (b) 1 (one)
3 Annualized adjusted taxable income (line 1 times line 2)
4 Annualized adjusted taxable income of all other DISCs in your controlled group (see instructions for exceptions)
5 Line 3 plus line 4 (if \$100,000 or less see instructions)
6 Taxable years beginning in 1972, 1973, 1974, and 1975 (use a separate line for each full or part year, starting with the earliest):
(a) (b) (c) (d) (e)
(f) Totals (add lines (a) through (e))
(g) Base period export gross receipts (Column 6C, line (f) less Column 6D, line (f))

- 7 Enter the lesser of (a) 1,461 divided by the number of days in your base period or (b) 1 (one)
8 Line 6(g) times line 7
9 Adjustment factor
10 Adjusted base period export gross receipts (line 8 times line 9)

- 11 Additions to adjusted base period export gross receipts:
(a) Adjusted base period export gross receipts of all other DISCs in your controlled group
(b) Other additions (attach schedule—see instructions)
(c) Total additions (line 11(a) plus line 11(b))

- 12 Line 10 plus line 11(c)
13 (a) Qualified export receipts as described in sections 993(a)(1)(A), (B), (C), (G), and (H). (Add the amounts from Schedule B, Columns B and D, lines 1(c), 2(a), 2(b), 2(c), and 2(d))
(b) 50 percent of qualified export receipts on line 13(a) attributable to military property
(c) Export gross receipts (line 13(a) less line 13(b))

- 14 Annualized export gross receipts (line 2 times line 13(c))
15 Annualized export gross receipts of all other DISCs in your controlled group
16 Line 14 plus line 15
17 Enter the lesser of (a) line 12 divided by line 16 or (b) 1 (one)
18 Line 5 times line 17
19 Small DISC phaseout:
(a) Enter the greater of (a) \$150,000 less line 5 (but not more than \$50,000) or (b) zero
(b) Line 19(a) times 2 (two)
20 Line 18 less line 19(b) (enter zero if less than zero)
21 Line 1 divided by line 5
22 Taxable income attributable to base period export gross receipts (line 20 times line 21) (enter here and on line 8, Part I)

PART III.—Deemed Distributions Under Section 995(b)(2)

Table with 2 columns: Description of deemed distributions and a blank column for amounts.

PART IV.—Actual Distributions

Table with 2 columns: Description of actual distributions and a blank column for amounts.

Schedule K Shareholder's Statement of DISC Distribution (Attach a separate Copy A, Schedule K (Form 1120-DISC) for each shareholder receiving a deemed or actual distribution. Give Copy B to the shareholder. See instructions on the back of Copy C.)

Additional Information Required

Table with 3 columns: Question, Yes, No. Contains questions H through S regarding deductions, controlled foreign corporations, and distributions.

Schedule L Balance Sheets

Table with 3 columns: Description of assets and liabilities, (A) Beginning of the taxable year, (B) End of the taxable year. Includes sections for Assets, Liabilities and Stockholders' Equity, and Schedule M-1.

Schedule M-1 Reconciliation of Income per Books With Income per Return. Table with 3 columns: Description, Amount, and another Amount column.

Schedule M-2 Analysis of Other Earnings and Profits (Line 10 above). Table with 3 columns: Description, Amount, and another Amount column.

Schedule M-3 Analysis of Previously Taxed Income (Line 11 above). Table with 3 columns: Description, Amount, and another Amount column.

Schedule M-4 Analysis of Accumulated DISC Income (Line 12 above). Table with 3 columns: Description, Amount, and another Amount column.

Schedule N Export Gross Receipts of the DISC and Related U.S. Persons (Attach separate Schedule N (Form 1120-DISC))

Schedule P Computation of Inter-company Transfer Price or Commission (Attach separate Schedule P (Form 1120-DISC))

1977 Department of the Treasury Internal Revenue Service Instructions for Form 1120-DISC Domestic International Sales Corporation Return

(References are to the Internal Revenue Code)

Sec. 992. Requirements of a DISC

(a). **General rule.**—A DISC is a corporation that is incorporated under the laws of any State or the District of Columbia and satisfies the following conditions for the taxable year:

(1) 95% or more of its gross receipts (as defined in section 993(f)) consists of qualified export receipts (as defined in section 993(a));

(2) the adjusted basis of its qualified export assets (as defined in section 993(b)) at the end of the taxable year equals or exceeds 95% of the sum of the adjusted basis of all its assets at the end of the taxable year;

(3) it does not have more than one class of stock and the par or stated value of its outstanding stock is at least \$2,500 on each day (for a new corporation, on the last day for making an election and for each succeeding day) of the taxable year;

(4) it has made an election to be treated as a DISC and the election is in effect for the taxable year;

(5) it has its own bank account on each day of the taxable year (for exceptions see section 1.992-1(i) of the regulations) and maintains separate books and records; and

(6) it is not an ineligible corporation.

(b). **Election.**—An election by an existing corporation to be treated as a DISC for a taxable year must be made at any time during the 90-day period immediately preceding the beginning of the taxable year and by a new corporation within 90 days after the beginning of the first taxable year.

In general, the election will be valid only if all persons who are shareholders in the corporation on the first day of the first taxable year for which the election is effective consent to the election. (See Form 4876, Election to be Treated as a DISC.)

An election may be terminated by a revocation of the election for any taxable year after the first taxable year for which the election is effective if made at any time during the first 90 days of the taxable year (or for the taxable year following the taxable year in which made, if made after the close of such 90 days).

The election will be terminated by the continued failure of the corporation to be a DISC for each of any 5 consecu-

tive taxable years for which an election is effective.

(c). **Distributions to meet qualification requirements.**—A corporation that for a taxable year does not satisfy the gross receipts or qualified export assets conditions will be deemed to satisfy the condition for the taxable year if it makes a pro rata distribution of property after the close of the taxable year to its shareholders (designated at the time of the distribution as a distribution to meet qualification requirements) with respect to their stock in an amount which is equal to (1) the portion of its taxable income attributable to its gross receipts that are not qualified export receipts if it fails the gross receipts condition, (2) the fair market value of those assets that are not qualified export assets on the last day of the taxable year if the qualified export assets condition is not met, and (3) the sum of (1) and (2) if neither condition is met.

See section 992(c)(2) for reasonable cause for failure to make distributions to meet qualification requirements and section 992(c)(3) for distributions made within 8½ months after the close of the taxable year.

For computation of deficiency distributions to meet qualification requirements, and interest thereon, in the case of distributions made after the 15th day of the 9th month after the close of the taxable year with respect to which such distribution is made, see section 1.992-3 of the regulations.

(d). **Ineligible corporations.**—The following corporations are not eligible for DISC treatment:

(1) a corporation exempt from tax under section 501,

(2) a personal holding company as defined in section 542,

(3) a financial institution to which section 581 or 593 applies,

(4) an insurance company subject to the tax imposed by subchapter L,

(5) a regulated investment company as defined in section 851(a),

(6) a China Trade Act corporation receiving the special deduction provided in section 941(a), or

(7) an electing small business corporation as defined in section 1371(b).

(e). **Restrictions on DISCs and DISC corporate stockholders.**—For any tax-

able year in which a corporation is a DISC or in which at any time it owns, directly or indirectly, stock in a DISC or former DISC, such corporation is not allowed to take the Western Hemisphere Trade Corporation deduction (section 922), and is not entitled to the benefits of section 936.

Sec. 993. Definitions

(a). **Qualified export receipts.**—Except as provided by regulations under section 993(a)(2), qualified export receipts of a corporation are:

(1) gross receipts from the sale, exchange, or other disposition of export property;

(2) gross receipts from the lease or rental of export property that is used by the lessee of the property outside the U.S.;

(3) gross receipts for services that are related and subsidiary to any qualified sale, exchange, lease, rental, or other disposition of export property by the corporation;

(4) gain from the sale, exchange, or other disposition of qualified export assets (other than export property);

(5) dividends (or amounts included in gross income under section 951) with respect to stock of a related foreign export corporation;

(6) interest on any obligation that is a qualified export asset;

(7) gross receipts for engineering or architectural services for construction projects located (or proposed for location) outside the U.S.; and

(8) gross receipts for the performance of managerial services in furtherance of the production of other qualified export receipts of a DISC.

(b). **Qualified export assets.**—Qualified export assets of a corporation are:

(1) export property;

(2) assets used primarily in connection with the sale, lease, rental, storage, handling, transportation, packaging, assembly, or servicing of export property, or the performance of engineering or architectural services as described in section 993(a)(1)(G) or managerial services in the furtherance of the production of qualified export receipts as described in section 993(a)(1)(A), (B), (C), (D), (G), or (H);

(3) accounts receivable and evidences of indebtedness that arise by reason of transactions described in section 993(a)(1)(A), (B), (C), (D), (G), or (H);

(4) money, bank deposits, and other similar temporary investments that are reasonably necessary to meet the working capital requirements of the corporation;

(5) obligations arising in connection with a producer's loan;

(6) stock or securities of a related foreign export corporation;

(7) certain obligations issued, guaranteed, or insured, in whole or in

part, by the Export-Import Bank of the U.S. or the Foreign Credit Insurance Association in those cases where the obligations are acquired from the bank or association or from the seller or purchaser of the goods or services from which the obligations arose;

(8) certain obligations issued by a domestic corporation organized solely for the purpose of financing sales of export property pursuant to an agreement with the Export-Import Bank of the U.S. under which the corporation makes export loans guaranteed by the bank; and

(9) amounts (other than reasonable working capital) on deposit in the U.S. that are utilized during the period provided by regulations to acquire other qualified export assets.

(c). **Export property.**—Export property is property (except property excluded under section 993(c)(2) and property in short supply):

(1) manufactured, produced, grown, or extracted in the U.S. by a person other than a DISC;

(2) held primarily for sale, lease, or rental in the ordinary course of trade or business, by, or to, a DISC, for direct use, consumption, or disposition outside the U.S.;

(3) consisting of a fair market value of which not more than 50% is attributable to articles imported into the U.S.; and

(4) not sold or leased (i) by a DISC, or with a DISC as commission agent, to another DISC that is a member of the same controlled group (as defined in section 993(a)(3)) as the DISC or (ii) by any person to a Western Hemisphere trade corporation (as defined in section 921) that is a related person (a member of the same controlled group as defined in section 993(a)(3) or a relationship that would result in a disallowance of losses under section 267 or section 707(b)) immediately before or after a transaction with respect to the seller, lessor, or commission agent.

(d). **Producer's loans.**—An obligation subject to the rules provided in section 993(d)(2) and (3) will be treated as arising out of a producer's loan if:

(1) the loan, when added to the unpaid balance of all other producer's loans made by the DISC, does not exceed the accumulated DISC income at the beginning of the month in which the loan was made;

(2) the obligation is evidenced by a note (or other evidence of indebtedness) with a stated maturity date not more than 5 years from the date of the loan;

(3) the loan is made to a person engaged in the U.S. in the manufacturing, production, growing, or extraction of export property; and

(4) it is designated as a producer's loan at the time of the loan.

(e). **Related foreign export corporation.**—A DISC may acquire and receive income in the form of dividends and interest from the following investments that are related to exports from the U.S.

Foreign international sales corporation (FISC).—A foreign corporation is a related foreign export corporation if:

(1) stock possessing more than 50% of the total combined voting power of all classes of stock entitled to vote is owned directly by the DISC;

(2) 95% or more of the foreign corporation's gross receipts for its taxable year ending with or within the taxable year of the DISC consists of qualified export receipts described in section 993(a)(1)(A) through (D) and interest on any obligation described in section 993(b)(3) and (4); and

(3) the adjusted basis of the qualified export assets held by the foreign corporation at the close of the taxable year equals or exceeds 95% of the sum of the adjusted basis of all assets held by it at the close of the taxable year.

Real property holding company.—A foreign corporation is a related foreign export corporation if:

(1) stock possessing more than 50% of the total combined voting power of all classes of stock entitled to vote is owned directly by the DISC; and

(2) its exclusive function is to hold title to real property for the exclusive use (under a lease or otherwise) of the DISC because of a requirement of applicable foreign law that the DISC cannot hold title.

Associated foreign corporation.—A foreign corporation is a related foreign export corporation if:

(1) less than 10% of the total combined voting power of all classes of the foreign corporation's stock entitled to vote is owned (within the meaning of section 1563(d) and (e)) by the DISC or by a controlled group of corporations (within the meaning of section 1563) of which the DISC is a member, and

(2) the ownership of stock and securities in the foreign corporation by the DISC is determined to be reasonably in furtherance of a transaction or transactions giving rise to qualified export receipts of the DISC.

(f). **Gross receipts.**—The term gross receipts means the total receipts from the sale, lease, or rental of property held primarily for sale, lease, or rental in the ordinary course of a trade or business and gross income from all other sources.

In the case of commissions on the sale, lease, or rental of property, the amount taken into account will be the gross receipts on the sale, lease, or rental of the property on which the commissions arose.

(g). **United States.**—U.S. includes the Commonwealth of Puerto Rico and the possessions of the U.S.

Sec. 994. Inter-Company Pricing Rules

In the case of a sale of export property to a DISC by a person described in section 482, the taxable income of the DISC and the other person may be based upon a transfer price which would allow the DISC to derive taxable income attributable to the sale (regardless of the sales price actually charged) in an amount which does not exceed the greatest of:

(1) 4% of the qualified export receipts on the sale of the property by the DISC plus 10% of the export promotion expenses of the DISC attributable to the receipts;

(2) 50% of the combined taxable income of the DISC and the person which is attributable to the qualified export receipts on the property derived as the result of a sale by the DISC plus 10% of the export promotion expenses of the DISC attributable to the receipts, or

(3) taxable income based upon the sale price actually charged (subject to the rules provided in section 482).

Note: Generally, inter-company pricing rules (1) and (2) above will not permit the related person to price at a loss. See Schedule P (Form 1120-DISC.)

Export promotion expenses are those expenses incurred to advance the distribution or sale of export property for use, consumption, or distribution outside the U.S. but do not include income tax. They include freight expenses to the extent of 50% of the cost of shipping export property aboard airplanes owned and operated by U.S. persons or ships documented under the laws of the U.S. in those cases where law or regulations do not require that the property be shipped aboard such airplanes or ships.

General Instructions

A. Corporations required to file Form 1120-DISC.—Form 1120-DISC must be filed by a domestic corporation that has elected to be treated as a DISC and has satisfied the requirements under section 992 for treatment as a DISC for the taxable year.

A "former DISC," as defined in section 992(a)(3), must file Form 1120.

B. Where to file.

If the principal business, office, or agency is located in:

| | Use this address |
|--|--|
| New Jersey, New York City and counties of Nassau, Rockland, Suffolk, and Westchester | Internal Revenue Service Center Holtville, NY 00501 |
| New York (all other counties), Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont | Internal Revenue Service Center Andover, MA 05501 |
| Alabama, Florida, Georgia, Mississippi, South Carolina | Internal Revenue Service Center Atlanta, GA 31101 |

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| | |
|--|--|
| Michigan, Ohio | Internal Revenue Service Center Cincinnati, OH 45999 |
| Arkansas, Kansas, Louisiana, New Mexico, Oklahoma, Texas | Internal Revenue Service Center Austin, TX 73301 |
| Alaska, Arizona, Colorado, Idaho, Minnesota, Montana, Nebraska, Nevada, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming | Internal Revenue Service Center Ogden, UT 84201 |
| Illinois, Iowa, Missouri, Wisconsin | Internal Revenue Service Center Kansas City, MO 64999 |
| California, Hawaii | Internal Revenue Service Center Fresno, CA 93888 |
| Indiana, Kentucky, North Carolina, Tennessee | Internal Revenue Service Center Memphis, TN 37501 |
| Virginia, West Virginia | Internal Revenue Service Center Philadelphia, PA 19755 |
| Delaware, District of Columbia, Maryland, Pennsylvania | Internal Revenue Service Center Philadelphia, PA 19755 |

The separate income tax returns of a group of corporations located in several Service Center regions may be filed with the Service Center for the area in which the principal office of the managing corporation that keeps all the books and records is located.

C. When to file.—Form 1120-DISC must be filed on or before the 15th day of the 9th month following the close of the taxable year.

No extension of time to file will be granted.

D. Period to be covered by the 1977 return.—The 1977 return is to be filed for calendar year 1977 and fiscal years beginning in 1977 and ending in 1978. If the return is for a fiscal year, fill in the taxable year space on the form.

Final return.—If the corporation ceases to exist, write "FINAL RETURN" at the top of the form.

E. Change in accounting period.—To change an accounting period, see section 1.442-1 of the regulations and Form 1128, Application for Change in Accounting Period.

F. Accounting methods.—A DISC may, generally, choose any method of accounting permissible under section 446(c) and the regulations thereunder. However, if a DISC is a member of a controlled group (as defined in section 993(a)(3)), the DISC may not choose a method of accounting that, when applied to transactions between the DISC and other members of the controlled group, will result in a material distortion of the income of the DISC or any other member of the controlled group. A material distortion would occur, for example, if a DISC chooses to use the cash method of accounting where the DISC acts as a commission agent in a substantial volume of sales of property by a related corporation that uses the accrual method of accounting and customarily pays commissions to the DISC more than 2 months after the sales.

Unless the law specifically permits, you may not change the method of accounting used to report income in prior years (for income as a whole or for any material item) without first obtaining consent on Form 3115, Ap-

plication for Change in Accounting Method.

Rounding off to whole-dollar amounts.—Money items may be shown as whole-dollar amounts by dropping any amount less than 50 cents and increasing any amount from 50 cents through 99 cents to the next higher dollar.

G. Stock ownership in foreign corporations.—If you owned 5% or more in value of the outstanding stock of a foreign personal holding company, attach the statement required by section 551(c).

If you control a foreign corporation or were a 10% or more shareholder of a controlled foreign corporation, you may be required to file Forms 2952 and 3646.

H. Financial statements.—The balance sheets must agree with your books and records. Any differences must be reconciled.

I. Attachments.—If more space is needed on forms or schedules, attach separate sheets. Attach schedules in alphabetical order and forms in numerical order to the back of Form 1120-DISC. Be sure to put the taxpayer's name and employer identification number on these separate sheets.

J. Amended return.—Correct any error in a previously filed return by filing an amended Form 1120-DISC.

K. Signature.—The return must be signed by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or by any other corporate officer (such as tax officer) authorized to sign.

A receiver, trustee, or assignee must sign any return that he is required to file on behalf of a corporation.

An individual who prepares Form 1120-DISC for pay must manually sign the return as preparer. Signature stamps or labels are not acceptable. If someone prepares Form 1120-DISC for free, that person does not have to sign that return.

If more than one person prepares the return, the individual preparer with the primary responsibility for the overall accuracy of the return must sign as preparer. The preparer required to sign the return shall also enter his or her social security number to the right of that signature. If the preparer is self-employed, he or she must write "SE" to the right of the preparer's social security number.

If the individual is paid by another to prepare (or is a partner in a partnership preparing) Form 1120-DISC the preparer's (or partnership's) name and identification number must be entered below the preparer signature line. (Special rules apply to identification numbers for foreign tax return preparers. Such preparers should see sections 1.6109-2(a) and 301.7701-15(a)(5) of the regulations.)

The return must also show, below the preparer's signature, the address of the

preparer's place of business where the preparation of the return was completed. However, if this place of business is not maintained on a year-round basis, the return should show the address of such preparer's principal business location which is maintained on a year-round basis, or if none, the preparer's residence.

The preparer must give the taxpayer a copy of Form 1120-DISC in addition to the copy filed with IRS. Employers, partnerships, and self-employed preparers must file Form 5717, Annual List of Income Tax Return Preparers.

Note: A \$25 penalty may be charged a paid preparer who does not give the taxpayer a copy of Form 1120-DISC in addition to the copy filed with IRS. A penalty may also be charged a preparer required to sign who does not show an original signature or a photocopy of the original signature in the space provided. A penalty may be charged a self-employed preparer who does not show his or her identifying number in the space provided.

If the individual is paid by another to prepare (or is a partner in a partnership preparing) the return, the payer or partnership must be charged a penalty if the return does not show the individual's social security number and the payer's (or partnership's) employer identification number.

If the return is prepared by the taxpayer's regular, full-time employee, such as a clerk, secretary, or bookkeeper, or by the taxpayer's partner (if an individual), that person is not subject to the above rules.

L. Total assets.—If there are no assets at the end of the taxable year, enter the total assets at the beginning of the taxable year.

M. Penalty for failure to file returns and provide information.—A penalty is imposed by section 6686 (in addition to the penalty imposed by section 7203) on any person required to supply information or file a return at the time prescribed or who files a return that does not show the information required.

Unless it is shown that the failure is due to reasonable cause, the penalty is (1) \$100 for each failure to supply information (the total amount imposed for all failures during any calendar year will not exceed \$25,000) or (2) \$1,000 for each failure to file a return.

N. Taxation of a DISC.—A DISC is not subject to any tax imposed by sections 1 through 1564 except for the tax imposed by sections 1491 through 1494 on certain transfers to avoid tax.

A DISC is not subject to the corporate income tax, the minimum tax on tax preferences, or the accumulated earnings tax.

A DISC is subject to the provisions of sections 1441 through 1461 relating to withholding of tax on nonresident aliens and foreign corporations.

O. Investment credit and work incentive (WIN) credit.—The investment credit and the work incentive (WIN) credit do not apply to a DISC and they do not pass through to any shareholder in a DISC.

P. Nonresident alien individuals and foreign corporations, trusts, and estates.—Treat all gains on the disposition of stock in a DISC or former DISC and all distributions out of accumulated DISC income, including deemed distributions, as effectively connected with the conduct of a trade or business conducted through a permanent establishment within the U.S.

Q. Stock ownership.—For rules of stock attribution, see section 267(c). If the owner of the voting stock of the DISC was an alien individual or a foreign entity (corporation, partnership, trust, or estate), so indicate by placing an X in the "Yes" box in the "Foreign Owner" column and enter the name of the owner's country in parentheses in the address column. "Owner's country" for individuals is their country of residence; for other foreign entities, it is the country in which organized or otherwise created, or in which administered.

R. Foreign bank, securities and other financial accounts.—If at any time during the taxable year, you had an interest in or signature or other authority over a bank account; securities account; or other financial account in a foreign country or were a grantor of, or transferor to, a foreign trust, which trust was in being during the taxable year, you must check the appropriate Yes box(es) in questions R and S. (If you own more than 50 percent of the stock in any corporation that owns one or more foreign bank accounts, you must check the Yes box for question R.)

If you had any interest in or signature or other authority over a bank, securities, or other financial account in a foreign country (except in a U.S. military banking facility operated by a U.S. financial institution), you must file Treasury Department Form 90-22.1, Report of Foreign Bank, Securities, and Other Financial Accounts.

This form, which is due before July 1, 1978, should be filed with the U.S. Treasury Department at P.O. Box 28309, Central Station, Washington, DC 20005.

Form 90-22.1, which replaces Internal Revenue Service Form 4683, U.S. Information Return on Foreign Bank, Securities and Other Financial Accounts, and Foreign Trusts, may be obtained from Internal Revenue Service offices or by writing to the above address.

Specific Instructions

(Numbered to correspond with the line numbers on page 1 of the return.)

5. Cost of goods sold.—Enter the amount shown on line 7, Schedule A.

Cost of operations (where inventories are not an income-determining factor).—If the amount entered on line 5 includes an amount applicable to cost of operations, attach a schedule showing (1) salaries and wages and (2) other costs in detail.

Computation of Taxable Income

11(a). Net operating loss deduction.—The "net operating loss deduction" is the sum of the net operating loss carryovers and carrybacks to the taxable year. (Section 172(a).)

A net operating loss may be carried back to each of the 3 years preceding the year of each loss and carried over to each of the 7 years following the year of such loss; or, an election may be made whereby a net operating loss may be carried over to each of the 7 years following the year of such loss. After applying the net operating loss to the initial year, the portion of the loss that may be carried to each of the remaining taxable years is the excess, if any, of the loss over the sum of the taxable income for each of the prior taxable years to which the loss may be carried. (Section 172(b).)

The term "net operating loss" means the excess of allowable deductions over gross income, computed with the following modifications under section 172(d):

- (1) No net operating loss deduction is allowed.
- (2) The dividends-received deduction in line 1 of Schedule I is computed without regard to the 85% limitation provided in section 246(b). See section 1.172-2 of the regulations.

A deficit in earnings and profits is chargeable in the following order:

- (1) first, to other earnings and profits, to the extent thereof;
- (2) second, to accumulated DISC income, to the extent thereof; and
- (3) finally, to previously taxed income.

except that a deficit in earnings and profits will not be applied against accumulated DISC income which has been determined to be deemed distributed to the shareholders (pursuant to section 995(b)(2)(A)) as a result of a revocation of election or other disqualification.

In determining the taxable income that must be subtracted from a net operating loss to determine the portion of the loss that will still be available to carry to a subsequent year, the net operating loss deduction is determined without regard to the net operating loss for the loss year or any taxable year thereafter, and, under certain circumstances, without regard to any portion of a net operating loss attributable to a foreign expropriation loss.

12. Taxable income.—If either the gross receipts method or combined taxable income method is chosen for com-

puting the taxable income of the DISC attributable to a transaction or group of transactions consisting of products or product lines, attach a Schedule P (Form 1120-DISC) showing, in detail, the computation of the DISC's taxable income attributable to each such transaction or group of transactions.

Schedule A.—Cost of goods sold

If inter-company pricing rules are used, reflect in Schedule A actual purchases from a related supplier at the transfer price determined under the inter-company pricing rules of section 994. See Schedule P (Form 1120-DISC).

Where the DISC acts as a commission agent on a sale for any person, do not enter any amount in Schedule A for such sale. See Schedule P (Form 1120-DISC).

The method of valuing inventories may not be changed without permission. Application for permission to change must be made on Form 3115. Check method(s) used for valuing closing inventories on line 8(a).

If this is the first year the "Last-in First-out" (LIFO) inventory method provided in section 472 was adopted and used, attach Form 970 or a statement with the information required by Form 970 to Form 1120-DISC and check the LIFO box in line 8(b). Enter the amount or percent (estimates may be used) of total closing inventories covered under section 472 in line 8(c).

Schedule B.—Gross Income

(Numbered to correspond with the line numbers in Schedule B.)

Enter gross income in lines 1 through 3 categorized as either (1) qualified export receipts from the sale of export property, (2) other qualified export receipts, or (3) nonqualified gross receipts. If an income item consists of two or more categories, report each on the applicable line. For example, if interest income consists of qualified interest from a foreign international sales corporation and nonqualified interest from a domestic obligation, enter the qualified interest on an attached schedule for line 2(g) and the nonqualified interest on an attached schedule for line 3(f).

Special rule when the DISC acts as a commission agent.—For commissions on the sale, lease, or rental of property, or the furnishing of services, list in column B the gross receipts on the sale, lease, or rental of property, or the furnishing of services on which the commissions arose and in column C the commissions earned. Receipts from non-commission sales, leases, rentals, or the furnishing of services and all other receipts should be reported on the appropriate lines in column D. Column E is the sum of commissions reported in Column C and receipts from

non-commission sales, leases, or rentals and all other receipts reported in column D.

See instructions for lines 2(h) and 2(f) for details regarding the reporting of gains from sale of qualified export assets.

If you use the installment method of reporting, attach a schedule showing for the current and 3 preceding years: (a) gross sales, (b) cost of goods sold, (c) gross profit, (d) percentage of gross profit to gross sales, (e) amount collected, and (f) gross profit on the amount collected.

1. Qualified export receipts from the sale of export property.—These are receipts from the sale of property, such as inventory, produced in the U.S. for direct use, consumption, or disposition outside the U.S.

For a sale to meet the export requirement, it must meet (1) a destination test and (2) a requirement that the sale not be for ultimate use in the U.S.

The destination test will be considered satisfied if the property is delivered (regardless of the F.O.B. point or the place at which title passes or risk of loss shifts from the seller or lessor):

(a) Within the U.S. to a carrier or freight forwarder for ultimate delivery outside the U.S. to a purchaser or lessee (or to a subsequent purchaser or sublessee);

(b) Within the U.S. to a purchaser or lessee, if the property is ultimately delivered outside the U.S. (including delivery to a carrier or freight forwarder for delivery outside the U.S.) by the purchaser or lessee (or a subsequent purchaser or sublessee) within one year after the sale or lease;

(c) Within or outside the U.S. to a purchaser or lessee that, at the time of the sale or lease, is a DISC and is not a member of the same controlled group (as defined in section 993(a)(3)) as the seller or lessor;

(d) From the U.S. to the purchaser or lessee (or a subsequent purchaser or sublessee) at a point outside the U.S. by means of the seller's or lessor's own ship, aircraft, or other delivery vehicle;

(e) Outside the U.S. to a purchaser or lessee from a warehouse, a storage facility, or assembly site located outside the U.S. if the property was previously shipped by the seller or lessor from the U.S.; or

(f) Outside the U.S. to a purchaser or lessee if the property was previously shipped by the seller or lessor from the U.S. and if the property is located outside the U.S. pursuant to a prior lease by the seller or lessor, and either (a) the prior lease terminated at the expiration of its term (or by the action of the prior lessee acting alone), (b) the sale occurred or the term of the subsequent lease began after the time at which the term of the prior lease would have expired, or (3) the lessee under the subsequent lease is not a related person (a member of the same controlled group as defined in section 993(a)(3)) or a relationship that would result in a dis-

allowance of losses under section 267 or section 707(b) immediately before or after the lease with respect to the lessor and the prior lease was terminated by the action of the lessor (acting alone or together with the lessee).

The second part of the export requirement for sales is that the sale must not be for ultimate use in the U.S. This test is applied at the time of the sale. If the property is to be used predominantly outside the U.S., the sale is not for ultimate use in the U.S.

Property sold to an unrelated person is considered sold for ultimate use in the U.S. if it is sold pursuant to an agreement or understanding that it will be used in the U.S. or if a reasonable person would have believed that it will be used in the U.S.

For example, if property is sold to a foreign wholesaler and it is known in trade circles that the wholesaler, to a substantial extent, supplies the U.S. retail market, the sale would not be a qualified export sale.

Special rules apply in the case of certain exported components incorporated into products imported into the U.S.

In general, related purchasers are purchasing corporations that are members of the same controlled group (as defined in section 993(a)(3)) as the DISC. Unrelated purchasers are all other purchasers.

1(a).—Enter the DISC's qualified export receipts (other than those entered on line 1(b)) from sales of export property to foreign unrelated purchasers for delivery outside the U.S.

1(b).—Enter the DISC's qualified export receipts from sales of export property for delivery outside the U.S. to (1) a related foreign entity for resale (directly or indirectly) to a foreign unrelated purchaser, or (2) an unrelated purchaser where a related foreign entity acts as commission agent. A related foreign entity is a foreign corporation that is a member of the same controlled group (as defined in section 993(a)(3)) as the DISC.

2(a). Leasing of export property.—Enter the gross amount received from the leasing (including subleasing) of export property to unrelated persons for use outside the U.S.

Whether the leased property satisfies the usage test is to be determined on a year-by-year basis.

The receipts from a lease of export property may qualify in some years and not in other years depending upon the place where the lessee uses the property in the years involved.

Deduct expenses such as repairs, interest, taxes, and depreciation on the proper lines for such deductions.

2(b). Services related and subsidiary to a qualified export sale or lease.—A service is related to a sale or lease if it is of a kind customarily and usually furnished with that type of transaction in a trade or business in which the transaction arose and if the agreement to fur-

nish the services is connected with the sale or lease. A service is subsidiary if it is of less importance and value as compared to the sale or lease.

2(c). Engineering and architectural services.—Receipts from engineering or architectural services on foreign construction projects which are either located abroad or proposed for location abroad are qualified receipts. They include feasibility studies, design and engineering, and general supervision of construction but do not include services connected with exploration for minerals.

2(d). Export management services.—Include receipts for export management services provided to unrelated DISCs.

2(f). Interest on producer's loans.—A producer's loan must be evidenced by a note or other evidence of indebtedness, be designated as a producer's loan, have a stated maturity not to exceed 5 years, and be attributable to the borrower's assets used in exporting and research and development.

2(g). Other interest.—Enter interest on any qualified export asset other than interest on producer's loans.

Include, for example, interest on accounts receivable arising out of sales in which the DISC acted as a principal or agent and interest on certain obligations issued, guaranteed, or insured by the Export-Import Bank or the Foreign Credit Insurance Association.

2(h). Net capital gains.—Every sale or exchange of a capital asset must be reported in detail on a separate Schedule D (Form 1120) even though no gain or loss is indicated.

In addition to completing Schedule D (Form 1120), attach a separate schedule computing the gain from the sale of qualified export assets.

2(i). Ordinary gain or (loss).—Enter the total ordinary gain or loss from line 9, Part II, Form 4797.

In addition to completing Form 4797, attach a separate schedule computing the gain from the sale of qualified export assets.

3(b). Exports subsidized by the U.S. Government.—Enter receipts from the sale of products subsidized under a program of the U.S. Government, or any instrumentality thereof, that have been designated as excluded receipts.

3(c). Certain direct or indirect sales or leases for use by the U.S. Government.—Enter receipts from direct or indirect sales or leases of property or services for use by the U.S. Government, or any instrumentality thereof, where the use of U.S. products or services is required by statute or regulations.

3(d). Sales to another DISC in the same controlled group.—Enter receipts from a DISC that is a member of the same controlled group of corporations.

See section 993(a)(3) for the definition of controlled group.

3(f). Other.—Include in an attached schedule any nonqualified gross receipts not reported on lines 3(a) through 3(e). Do not offset an item of income against a similar item of expense.

Schedule C.—Dividends

(Numbered to correspond with the line numbers in Schedule C.)

1. Enter dividends received from domestic corporations subject to income tax and the 85% deduction under section 243(b)(1).

Include on this line taxable distributions received from a DISC or former DISC that are designated as being eligible for the 85% dividends-received deduction.

For dividends received from a regulated investment company, see section 854 for the amount subject to the 85% deduction.

So-called dividends or earnings received from mutual savings banks, etc., are really interest and should not be treated as dividends.

2. Enter dividends received on the preferred stock of a public utility that is subject to income tax and is allowed the deduction provided in section 247 for dividends paid.

3. Enter dividends received from foreign corporations that qualify for the 85% deduction provided in section 245(a).

4. Enter dividends received from wholly-owned foreign subsidiaries that are eligible for the 100% deduction provided in section 245(b).

5. Enter foreign dividends (including minimum distributions under subpart F) that are not reportable on lines 3 and 4. Exclude distributions of amounts constructively taxed in the current year or in prior years under subpart F.

6. Include income constructively received from controlled foreign corporations under subpart F. This amount should equal the total of amounts reported in Schedule A, line 5 of Form(s) 3546.

7. Enter taxable distributions from a DISC or former DISC that are designated as not being eligible for the 85% dividends-received deduction. (See sections 246(d), 995(b), and 996(a)(3).)

8. Include dividends (other than capital gain dividends) received from regulated investment companies that are not subject to the 85% deduction; dividends from tax-exempt organizations; dividends (other than capital gain dividends) received from a real estate investment trust which, for the taxable year of the trust in which the dividends are paid, qualifies under sections 856 through 858; dividends not eligible for

a dividends-received deduction because of the holding period of the stock or an obligation to make corresponding payments with respect to similar stock; and any other taxable dividend income not properly reported above.

10. Enter dividends (and income constructively received from controlled foreign corporations under subpart F) from a qualified foreign investment of a DISC in a related foreign export corporation which constitute qualified dividends. Generally, the investment will be in stock or securities of a foreign selling subsidiary of the DISC which qualifies as a foreign international sales corporation (FISC).

Schedule E.—Deductions

(Numbered to correspond with the line numbers in Schedule E.)

Enter export promotion expenses in line 1. Export promotion expenses are a DISC's ordinary and necessary expenses paid or incurred to obtain qualified export receipts (but do not include income taxes). Any expense (or any part of an expense) not incurred to obtain qualified export receipts should be entered in line 2.

1(c). Depreciation.—Attach Form 4562 if you claim a deduction for depreciation. Enter on this line the depreciation not claimed in Schedule A and elsewhere on the return.

1(h). Freight.—Enter one-half of the freight expenses (not including insurance) for shipping export property aboard U.S. flag vessels and U.S. owned and operated aircraft (unless required by law).

1(i). Compensation of officers.—Attach a schedule showing the name, social security number, amount of compensation, and expense account allowance for your 6 highest paid officers.

To determine the highest paid officers, add all allowances, including expense account allowances, to each officer's compensation. Expense account allowance means (1) amounts, other than compensation, received as advances or reimbursements and (2) amounts paid by or for the corporation for expenses incurred by or on behalf of an officer. The expense account allowance does not have to be shown for any officer for whom the combined compensation and expense account allowance is less than \$30,000.

For this purpose, an officer is a person, such as regular officer, chairman of the board, etc., who is elected or appointed to office or who is designated as an officer in the corporation's charter or bylaws.

1(j). Repairs.—Enter the cost of incidental repairs, such as labor and supplies, that do not add to the value or appreciably prolong the life of the property. Include on this line the total amount of repairs from Form 4832, if the Class Life Asset Depreciation Range (CLADR) system is used.

1(k). Amortization.—If a deduction for amortization is claimed, attach a schedule showing: (1) a description of the expenditures being amortized; (2) date acquired, completed, or expended; (3) amount being amortized; (4) amortization deducted in prior years; (5) amortization period (number of months); (6) amortization for this year; and (7) the total amount of amortization less the amount claimed in Schedule A and elsewhere on the return.

1(l). Pension, profit-sharing, etc. plans.—The number of plans to be entered refers to all plans for which all assets have not been distributed. Also include any plans in which assets were distributed in the current year. The number of plans must be indicated whether or not a deduction is claimed. Complete Form 5500 for each plan and file each as a separate return. Complete Form 5500-C in lieu of Form 5500 if there were fewer than 100 participants at the beginning of the plan year. See instructions for above forms for computation of the amount of allowable deduction. File these forms on or before the last day of the 7th month following the close of the plan year.

Caution: ERISA imposes penalties for failure to furnish complete information and failure to file statements, returns and reports.

1(m). Employee benefit programs.—Enter the amount of your contributions to employee benefit programs (e.g. insurance, health and welfare programs) that are not an incidental part of a pension, profit-sharing, etc., plan included on line 1(i). Also include contributions to a qualified group legal services plan. Section 120 imposes certain rules on an employer which will permit employees (including spouses and dependents) to exclude from income employer contributions to a qualified group legal services plan.

2(a). Bad debts.—Bad debts may be treated in either of two ways—(1) as a deduction for debts that become worthless in whole or in part, or (2) as a deduction for a reasonable addition to a reserve for bad debts. (Section 166.) Application to change the method of computing bad debts must be made on Form 3115.

2(b). Taxes.—Enter taxes paid or accrued during the taxable year and attach a schedule showing the type and amount of tax.

See section 164(d) for apportionment of tax on real property between seller and purchaser.

2(c). Interest.—Do not include interest on indebtedness incurred or continued to purchase or carry obligations on which the interest is wholly exempt from income tax. (Section 265.)

See section 267 for the limitation on deductions for unpaid expenses and interest in transactions between related taxpayers.

See section 461(g) for limitation on deduction for prepaid interest by a cash basis taxpayer.

2(d). Contributions.—Enter contributions or gifts actually paid within the taxable year to or for the use of charitable and governmental organizations described in section 170(c) and any unused contributions carried over from prior years.

The total amount claimed may not exceed 5% of taxable income (line 12 of page 1) computed without regard to (1) any deduction for contributions, (2) the dividends-received deduction on line 11(b) of page 1, (3) deductions allowed under sections 249 and 250, (4) any net operating loss carryback to the taxable year under section 172, and (5) any capital loss carryback to the taxable year under section 1212(b)(1).

Charitable contributions in excess of the 5% limitation may not be deducted for the taxable year but may be carried over to the next 5 taxable years.

A contribution carryover is not allowed to the extent that it increases a net operating loss carryover. See section 170(d)(2)(B).

Corporations on the accrual basis may elect to deduct contributions paid on or before the 15th day of the 3d month following the close of the taxable year if the contributions are authorized by the board of directors during the taxable year. A declaration, signed by an officer, stating that the resolution authorizing the contributions was adopted by the board of directors during the taxable year, and a copy of the resolution, must both be attached to the return.

Attach a schedule showing the name of each organization and the amount paid. If a contribution is made in property other than money, describe the kind of property contributed and the method used in determining its fair market value. If a contribution carryover is included, show the amount and how it was determined.

Special rule for contributions of certain property.—If a charitable contribution of property is made, the contribution must be reduced by the sum of

- (1) the ordinary income and
- (2) for certain contributions, 62½% of the long-term capital gain,

that would have resulted if the property were sold at its fair market value. The reduction for 62½% of the long-term capital gain applies to (1) contributions of tangible personal property for use by an exempt organization for a purpose or function unrelated to the basis for its exemption, and (2) contributions of any property to or for the use of certain private foundations. (Section 170(e).) However, a charitable contribution of inventory and property described in section 1221(1) and (2), to an exempt organization described in section 501(c)(3) for use in the care of the ill, needy, or children may be deducted to the extent of basis plus one-half of appreciation of such property, but in no event may the deduction exceed twice the basis for such property. (Section 170 (e).)

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Bargain sale to a charitable organization.—If a charitable contribution deduction for property sold to a charitable organization is claimed, the adjusted basis for determining gain from the sale is an amount which is in the same ratio to the adjusted basis as the amount realized is to the fair market value of the property.

2(e). Freight.—Enter the freight expense not deducted on line 1(h) as an export promotion expense.

2(g). Other.—No deduction is allowable for any amount allocable to a class of exempt income. Items directly attributable to wholly exempt income must be allocated to such income, and items directly attributable to any class of taxable income must be allocated to such taxable income.

If an item is indirectly attributable both to taxable income and exempt income, a reasonable proportion of the item, determined in the light of all the facts and circumstances in each case, must be allocated to each.

Attach a statement showing (1) the amount of each class of exempt income and (2) the amount of expense items allocated to each class. Show the amount allocated by apportionment separately.

Schedule I.—Dividends-received deduction

1. In general, no dividends-received deduction will be allowed on any share of stock (a) that is disposed of before the corporation has held it 15 days or less or (b) to the extent the corporation is under an obligation to make corresponding payments with respect to substantially identical stock or securities.

No deduction is allowed under section 243 for a dividend from a DISC or former DISC (as defined in section 992(a)) to the extent it is paid out of accumulated DISC income or previously taxed income or is a deemed distribution pursuant to section 995(b)(1).

2. Limitation on dividends-received deduction.—Line 2 may not exceed 85% of line 10, page 1.

For this purpose, line 10 is to be computed without regard to any capital loss carryback to the taxable year under section 1212(a)(1).

In a year in which a net operating loss occurs, sections 172(d) and 246(b) provide that this 85% limitation does not apply even if the loss is created by the dividends-received deduction.

Schedule J.—Deemed and Actual Distributions to Shareholders for the Taxable Year

Part I.—Deemed distributions under section 995(b)(1) (Numbered to correspond with the line numbers in Part I of Schedule J.)

2. Attach a computation showing the gain recognized by the DISC during the

taxable year on the sale or exchange of property, other than property which in the hands of the DISC is a qualified export asset, previously transferred to it in a transaction in which gain was not recognized in whole or in part, but only to the extent that the transferor's gain on the previous transfer was not recognized.

3. Attach a computation showing the gain (other than the gain entered on line 2) recognized by the DISC during the taxable year on the sale or exchange of property (other than property which in the hands of the DISC is stock in trade or other property described in section 1221(1)) previously transferred to it in a transaction in which gain was not recognized in whole or in part, but only to the extent that the transferor's gain on the previous transfer was not recognized and would have been treated as ordinary income if the property had been sold or exchanged rather than transferred to the DISC.

4. For purposes of computing the portion of taxable income attributable to military property use the gross income for the year attributable to military property and the deductions which any property apportioned or allocated to such income. See section 38 of the International Security Assistance and Arms Export Control Act of 1976 (22 USC 2778) and regulations thereunder (22 CFR 121.01) for definition of "military property."

11. Under section 995(b)(1)(F)(ii), a DISC is deemed to distribute the entire amount of its income attributable to participation in or cooperation with an international boycott. See Form 5713 for computation of this deemed distribution and reporting requirements of any DISC with operations in or related to a "boycotting" country.

12. Under section 995(b)(1)(F)(iii), a DISC is deemed to distribute the amount of any illegal bribe, kickback or other payment paid by or on behalf of the DISC, directly or indirectly, to an official, employee or agent of any government.

14. Attach a computation showing the earnings and profits for the taxable year.

For purposes of computing the earnings and profits for taxable years beginning after June 30, 1972, the allowance for depreciation (and amortization, if any) is the amount which would be allowable for such year if the straight line method of depreciation had been used for each taxable year beginning after June 30, 1972. See section 312(k)(2) for exception.

16. Attach a computation showing the amount of (1) foreign investment attributable to producer's loans (as defined in section 995(d)) of the DISC for the taxable year; (2) all accumulated earnings and profits including earnings and profits for the taxable year less the amount on line 15, Part

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I; and (3) accumulated DISC income. Enter the smaller of these 3 amounts (but not less than zero) on line 16.

Foreign investment attributable to producer's loans will be the smallest of these 3:

- (1) the net increase in foreign assets by members of the controlled group (as defined in section 993(a)(3)) that includes the DISC,
- (2) the actual foreign investment by domestic members of the group, or
- (3) the amount of the DISC's outstanding producer's loans to members of the controlled group.

For the definitions of "net increase in foreign assets" and "actual foreign investment," see sections 995(d)(2) and 995(d)(3).

Part II.—Computation of Taxable Income Attributable to Base Period Export Gross Receipts

4. Include the annualized taxable income but no taxable losses incurred by any DISC which is a member of your controlled group (as defined in section 993(a)(3)) for their latest taxable year ending with or within your taxable year.

5. If this amount is \$100,000 or less, omit lines 6 through 21 and enter zero on line 22 and on line 8, Part I.

6. Column C.—Generally, if export property does not qualify in the current year under 993(c)(2) as giving rise to export gross receipts, then the gross receipts from such property should be

excluded in computing the export gross receipts for the base period.

However, if, by virtue of section 603(b)(2) of the Tax Reduction Act of 1975, export property qualifies in the current year as giving rise to export gross receipts, then the DISC must increase its export gross receipts for the base period. See section 1101(g)(5) of the Tax Reform Act of 1976 for computation to be used.

Note: Enter gross receipts, not just commissions, in the case of transactions made on a commission basis.

11b. Additions must be made to base period export gross receipts in certain cases where there has been a separation in ownership of the stock in the DISC from ownership in the underlying trade or business which produced the export gross receipts during the base period, and in cases where any 5% or more shareholder, owned 5% or more of the stock of another DISC in any base period year. (See sections 995(e)(9) and 995(e)(10).)

15. Include on this line the annualized export gross receipts of all DISCs which are members of your controlled group (as defined in section 993(a)(3)) for their latest taxable year ending with or within your taxable year.

Part III.—Deemed distribution under section 995(b)(2)

A shareholder of a corporation that revoked its election to be treated as a DISC or failed to qualify as a DISC for a taxable year will be deemed to have received a distribution taxable as a dividend equal to his pro rata share of the

DISC income of the corporation accumulated during the immediately preceding consecutive taxable years for which the corporation was a DISC. The distributions will be deemed to be received in equal installments on the last day of each of the 10 taxable years of the corporation following the year of the termination or disqualification (but in no case over more than twice the number of immediately preceding consecutive taxable years during which the corporation was a DISC).

Schedule K.—Shareholder's Statement of DISC Distribution

Attach a separate Copy A, Schedule K (Form 1120-DISC) to Form 1120-DISC for each shareholder who had an actual or deemed distribution during the DISC's taxable year.

Schedule N.—Export Gross Receipts of the DISC and Related U.S. Persons

Complete and attach Schedule N (Form 1120-DISC) to Form 1120-DISC.

Schedule P.—Computation of Inter-company Transfer Price or Commission

Attach a separate Schedule P (Form 1120-DISC) for each transaction or group of transactions to which the inter-company pricing rules of section 994(a)(1) and (2) are applied.

Codes for Principal Business Activity

These industry titles and definitions are based, in general, on the Enterprise Standard Industrial Classification system developed by the Office of Management and Budget, Executive Office of the President, to classify enterprises by type of activity in which they are engaged. The system follows closely the Standard Industrial Classification used to classify establishments. However, certain activities such as manufacturing, do not apply to a DISC. Using the list below, enter on page 1, under B, the code

number for the specific industry group from which the largest percentage of "total receipts" is derived. "Total receipts" means all income (line 4, page 1). On page 5, question J, state the principal business activity and principal product or service that account for the largest percentage of total receipts. For example, if the principal business activity is "Wholesale trade: Machinery, equipment, and supplies," the principal product or service may be "Engines and turbines."

| TRANSPORTATION, COMMUNICATION, ELECTRIC, GAS, AND SANITARY SERVICES | Code | Code |
|--|---|--|
| Code | Nondurable: | 8600 Apparel and accessory stores |
| Transportation: | 5110 Paper and paper products | 8700 Furniture and home furnishings stores |
| 4400 Water transportation | 5129 Drugs, drug proprietaries, and druggists' sundries | 8800 Eating and drinking places |
| 4700 Other transportation services | 5130 Apparel, piece goods, and notions | Miscellaneous retail stores: |
| Electric, gas, and sanitary services: | 5140 Groceries and related products | 5912 Drug stores and proprietary stores |
| 4910 Electric services | 5150 Farm-product raw materials | 5921 Liquor stores |
| 4920 Gas production and distribution | 5170 Petroleum and petroleum products | 5995 Other miscellaneous retail stores |
| 4930 Combination utility services | 5180 Alcoholic beverages | FINANCE, INSURANCE, AND REAL ESTATE |
| | 5190 Miscellaneous nondurable goods | Credit agencies other than banks: |
| | | 6199 Other credit agencies |
| | WHOLESALE TRADE | SERVICES |
| Durable: | Building materials, hardware, garden supply, and mobile home dealers: | Business services: |
| 5008 Machinery, equipment, and supplies | 5200 Building materials dealers | 7389 Export management services |
| 5010 Motor vehicles and automotive equipment | 5251 Hardware stores | Auto repair and services; miscellaneous repair services: |
| 5020 Furniture and home furnishings | 5265 Garden supplies and mobile home dealers | 7500 Lease or rental of motor vehicles |
| 5030 Lumber and construction materials | 5300 General merchandise stores | Amusement and recreation services: |
| 5040 Sporting, recreational, photographic, and hobby goods, toys, and supplies | 5410 Grocery stores | 7812 Motion picture production, distribution, and services |
| 5050 Metals and minerals, except petroleum and scrap | 5490 Other food stores | Other services: |
| 5060 Electrical goods | Automotive dealers and service stations: | 8911 Architectural and engineering services |
| 5070 Hardware, plumbing and heating equipment | 5515 Motor vehicle dealers | 8930 Accounting, auditing, and bookkeeping |
| 5098 Other durable goods | 5541 Gasoline service stations | 8990 Miscellaneous services |
| | 5598 Other automotive dealers | |

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Form **1120F**

U.S. Income Tax Return of a Foreign Corporation

1977

Department of the Treasury
Internal Revenue Service

For calendar year 1977 or other taxable year beginning
1977, ending 19

Name
Employer identification number
Number and street
City or town, State and ZIP code, or country

NOTE: Complete Section I to compute tax on income from U.S. sources that is NOT effectively connected with the conduct of a trade or business within the U.S. Complete Section II to compute tax on income effectively connected with the conduct of a trade or business within the U.S. Corporations having both income effectively connected and income not effectively connected must complete both Sections I and II. Corporations having only income that is NOT effectively connected need file only pages 1 and 2.

A Country of incorporation
B Foreign country under whose laws the income reported on this return is subject to tax
C Date incorporated
D The corporation's books are in care of
E Were you at any time during the taxable year engaged in a trade or business within the U.S?
F Did you have a permanent establishment in the U.S. at any time during the taxable year within the meaning of section 894(b) and any applicable tax convention between the U.S. and a foreign country?
G (1) Did you at the end of the taxable year own, directly or indirectly, 50% or more of the voting stock of a U.S. corporation?
(2) Did any corporation, individual, partnership, trust, or association at the end of the taxable year own, directly or indirectly, 50% or more of your voting stock?
H Have you filed a U.S. income tax return for the preceding taxable year?
I Did you have an agent in the U.S. at any time during the year?
J Are you a foreign personal holding company under Section 552?
K Are you a personal holding company?
L Are you a controlled foreign corporation as defined in Section 957?

1 Tax from Section I (line 14, page 2)
2 Tax from Section II (line 15, Schedule J—Tax Computation, page 5)
3 Personal holding company tax (attach Schedule PH (Form 1120))
4 Minimum tax (see instructions)
5 TOTAL tax—Add lines 1 through 4
6 Credits: (a) Overpayment from 1976 allowed as a credit
(b) 1977 estimated tax payments
(c) Less refund of 1977 estimated tax applied for on Form 4466
(d) Tax deposited with Form 7004 (attach copy)
(e) Tax deposited with Form 7005 (attach copy)
(f) Credit from regulated investment companies (attach Form 2439)
(g) U.S. tax on special fuels, nonhighway gas, and lubricating oil (attach Form 4136)
(h) U.S. income tax paid or withheld at the source

7 TAX DUE (line 5 less line 6). See instruction D for depositary method of payment
8 OVERPAYMENT (line 6 less line 5)
9 Enter amount of line 8 you want: Credited to 1978 estimated tax
Refunded

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which the preparer has any knowledge.

Signature of officer Date
Paid preparer's signature and identifying number (see instructions)
Title
Paid preparer's address (or employer's name, address and identifying number)

Form 1120F (1977)

Page 2

SECTION I To Be Completed for Income From U.S. Sources That Is Not Effectively Connected With the Conduct of a Trade or Business Within the U.S.

If you are required to complete Section II or are using the form as a claim for refund of tax withheld at the source, include in this section ALL income from U.S. sources that is not effectively connected with the conduct of a trade or business in the U.S. Otherwise, you may include only those items of income on which the U.S. income tax was not fully paid at the source. The rate of tax on each item of income listed below is 30% unless limited by tax treaty. Fill in treaty rates where applicable.

Name of treaty country, if any
Nature of income
Amount
Rate of tax (%)
Amount of tax
1 Interest
2 Dividends
3 Rents
4 Royalties
5 Annuities
6 Gains from disposal of timber, coal, or domestic iron ore with a retained economic interest (attach statement of details)
7 Gains from certain evidences of indebtedness issued after September 28, 1965 and before April 1, 1972
8 Gains from certain evidences of indebtedness issued after May 27, 1969 and before April 1, 1972
9 Gains from certain evidences of indebtedness issued after March 31, 1972
10 An amount equal to the original issue discount accrued since the last payment of interest on gains from certain evidences of indebtedness issued after March 31, 1972 (but not in excess of the interest less the tax imposed on the interest)
11 Gains from sale or exchange of patents, copyrights, etc.
12 Fiduciary distributions (attach a statement showing the kind of income and rate)
13 Other fixed or determinable annual or periodical income (specify):
14 Total—Enter here and on line 1, page 1

Explanation of Lines 1 Through 13 Above (Enter each individual item of income)

1. Payer of income and, if known, withholding agent (name and address) (Show owner of record if other than taxpayer)
2. Nature of income (such as interest, dividends, etc.)
3. Gross amount of income
4. Date of payment
5. Amount of U.S. income tax paid or withheld at the source
Total of column 3
Total of column 5. Enter here and on line 6(h), page 1

SECTION II To Be Completed for Income Effectively Connected With the Conduct of a Trade or Business Within the U.S.

IMPORTANT—Fill in all applicable lines and schedules. If the lines on the schedules are not sufficient, see instruction V.

GROSS INCOME section with lines 1-11 including Gross receipts or gross sales, Less: Returns and allowances, Less: Cost of goods sold, Gross profit, Dividends, Interest on obligations, Other interest, Gross rents, Gross royalties, Capital Gain Net Income, Net gain or (loss), and Other income.

DEDUCTIONS section with lines 12-27 including Compensation of officers, Salaries and wages, Repairs, Bad debts, Rents, Taxes, Interest, Contributions, Amortization, Depreciation, Depletion, Advertising, Pension, profit-sharing, etc. plans, Employee benefit programs, and Other deductions.

Summary lines 28-30: 28 Taxable income before net operating loss deduction and special deductions, 29 Less: (a) Net operating loss deduction, (b) Special deductions, 30 Taxable income.

Section M: Business description (1) Business code no., (2) Principal business activity, (3) Principal product or service. Section N: Were you a member of a controlled group... Section O: Amount of taxable income or (loss) from line 28, page 3 for your taxable year beginning in: 1974, 1975, 1976. Section P: Did you file all required Forms 1042, 1087, 1096, and 1099? Section Q: Did you claim a deduction for expenses connected with: (1) Entertainment facility, (2) Living accommodations, (3) Employees' families at conventions or meetings? Section R: Total amount of deduction(s) on Form 1120F that are claimed under section 274.

Schedule A Cost of Goods Sold (See instructions for Schedule A)

Schedule A lines 1-8: 1 Inventory at beginning of year, 2 Merchandise bought for manufacture or sale, 3 Salaries and wages, 4 Other costs, 5 Total of lines 1 through 4, 6 Less: Inventory at end of year, 7 Cost of goods sold, 8 (a) Check valuation method(s) used for total closing inventory: Cost, Lower of cost or market, Other.

Schedule C Dividends (See instruction 4)

Schedule C lines 1-7: 1 Domestic corporations subject to the 85% deduction, 2 Certain preferred stock of public utilities, 3 Foreign corporations subject to the 85% deduction, 4 Other dividends from foreign corporations, 5 Foreign dividend gross-up, 6 Taxable dividends from a DISC, 7 Other, 8 Total.

Schedule E Compensation of Officers (See instruction 12)

Table with 7 columns: 1. Name of officer, 2. Social security number, 3. Time devoted to business, 4. Common, 5. Preferred, 6. Amount of compensation, 7. Expense account allowances. Includes a row for Total compensation of officers.

Schedule F Bad Debts—Reserve Method (See instruction 15)

Table with 7 columns: 1. Year, 2. Trade notes and accounts receivable outstanding at end of year, 3. Sales on account, 4. Current year's provision, 5. Recoveries, 6. Amount charged against reserve, 7. Reserve for bad debts at end of year. Rows for years 1972-1977.

1977 Department of the Treasury Internal Revenue Service Instructions for Form 1120F U.S. Income Tax Return of a Foreign Corporation

(References are to the Internal Revenue Code)

General Instructions

A. Who must file.—Except as otherwise provided, Form 1120F must be filed by every foreign corporation that (1) is engaged in a trade or business in the U.S. at any time during the taxable year, (2) has income from U.S. sources that is not effectively connected with the conduct of a trade or business within the U.S. (section 881), (3) has income that is effectively connected with the conduct of a trade or business within the U.S. (section 882), or (4) has items of tax preference (described in section 57) which enter into the computation of unrelated business income.

For example, a foreign corporation engaged in a trade or business in the U.S. at any time during the taxable year must file Form 1120F even though (a) it has no income effectively connected with the conduct of a trade or business in the U.S., (b) it has no income from sources within the U.S., or (c) its income is exempt from income tax by reason of an income tax convention or any section of the Code. However, if the foreign corporation has no gross income for the taxable year, it is not required to complete the return schedules but a statement must be attached to the return showing the nature of any amounts excluded from gross income and the amounts of such exclusions to the extent they are readily determinable.

Under section 819A, a domestic mutual life insurance company can elect to exclude from the computation of its taxable income all income and expense of its contiguous country (Canada and Mexico) branches. If this election is made, the contiguous country branch is treated as a foreign corporation for the purposes of the tax imposed by sections 881, 882, and 1442 on U.S. sourced income. Form 1120F must be used to report these types of income.

If a receiver, trustee in dissolution, trustee in bankruptcy, or assignee has possession of or holds title to all, or substantially all, the property or business of a corporation, whether or not the property or business is being operated, he must file a return for the corporation in the same manner and form required of other corporations. (Section 6012.)

If a foreign corporation has no office or place of business in the U.S. at the

time a return is due, but has an agent in the U.S., the agent must file the return. (Section 882(f).)

Exceptions.—(1) A foreign corporation which at no time during the taxable year is engaged in a trade or business in the U.S. is not required to file if its tax liability for the taxable year is fully satisfied by the withholding of tax at the source.

This exception does not apply to:

(a) a foreign corporation which has income for the taxable year which is treated under section 882(d) or (e) as income which is effectively connected with the conduct of a trade or business in the U.S. by that corporation for the taxable year.

(b) a foreign corporation making a claim for the refund of an overpayment of tax for the taxable year, or

(c) to a foreign corporation described in section 1.532-1(c) of the regulations whose accumulated taxable income for the taxable year is determined under section 1.535-1(b)(2) of the regulations.

(2) A foreign corporation that is a beneficiary of an estate or trust which is engaged in a trade or business in the U.S. is not required to make a return for the taxable year merely because it is deemed to be engaged in a trade or business within the U.S. under section 875(2). However, the foreign corporation will be required to make a return if it otherwise satisfies the filing requirements.

(3) Foreign insurance companies described in section 1.6012-2(c)(1) and (2) of the regulations must file Form 1120L or Form 1120M. All other foreign insurance companies must file Form 1120F.

B. Where to file.—All foreign corporations (whether or not engaged in a trade or business within the U.S.) must file their return with the Internal Revenue Service Center, Philadelphia, PA 19255.

C. When to file.—Foreign corporations having an office or place of business within the U.S. must file on or before the 15th day of the 3d month following the end of their taxable year.

Foreign corporations NOT having an office or place of business within the

U.S. must file on or before the 15th day of the 6th month following the end of their taxable year.

File Form 7004 to request an automatic 3-month extension of time to file Form 1120F.

Form 7005 may be used to request an additional extension but only by those corporations that previously obtained an automatic 3-month extension by filing Form 7004.

D. Payment of tax.

(1) **Foreign corporations having an office or place of business within the U.S.**—The balance of tax due (line 7, page 1) must be paid in full when the return is filed or in two installments—50% by the 15th day of the 3d month and 50% by the 15th day of the 6th month after the close of the taxable year.

All corporation income tax payments and estimated income tax payments must be deposited at an authorized commercial bank depository or Federal Reserve Bank or Branch (FRB), with a Federal Tax Deposit Form prescribed with a Tax Class Number 503, in accordance with instructions appearing on the reverse of that form. Deposits made at an FRB must be made with the FRB servicing the geographic area where the corporation's place of business is located. The deposit must be made in a form of payment that FRB considers to be an immediate credit item. Additional information can be obtained from a commercial bank or FRB. Each deposit must be accompanied by a Federal Tax Deposit Form prescribed with a Tax Class Number 503. Do not remit directly to Internal Revenue. Records of deposits will be sent to Internal Revenue for crediting to the corporation's account. In Schedule K, list all Tax Class Number 503 deposits that relate to the taxable year for which this return is filed and which were made before or simultaneously with the filing of this return.

The timeliness of deposits will be determined by the date received by a commercial bank depository or FRB. If a tax payment is made by mail, a deposit received after the due date will be considered timely if the taxpayer establishes that it was mailed on or before the second day before the prescribed due date as provided by section 7502. Tax deposits made at FRBs which are not in compliance with deposit requirements will nevertheless be processed by the receiving FRB rather than returned to the taxpayer. Furthermore, such tax payments received by an FRB will be dated as paid based upon the date when the proceeds of the accompanying payment instruments are collected by the FRB, and, if made by mail, section 7502 will not apply.

Foreign corporations needing Federal Tax Deposit Forms may obtain them from the Philadelphia Service Center. The application should include the corporation's name, identification number, address, taxable year to which the deposits relate, and a statement identifying the corporation as a foreign corporation.

(2) **Foreign corporations not having an office or place of business within the U.S.**—The balance of tax due (line 7, page 1) must be paid in full when the return is filed or in two installments—50% on or before the 15th day of the 6th month and 50% on or before the 15th day of the 9th month following the close of the taxable year.

The tax may be paid by check or money order drawn to the order of "Internal Revenue Service" and remitted to the Internal Revenue Service Center, Philadelphia, PA 19255.

Enter the employer identification number on all remittances.

E. Taxation of foreign corporations.—Foreign corporations are taxed at regular corporate tax rates on income that is effectively connected with the conduct of a trade or business within the U.S. (see instruction F), and at a 30% or lower treaty rate on income from U.S. sources that is not effectively connected with the conduct of a trade or business within the U.S. (See instruction G.)

F. Income effectively connected with the conduct of a trade or business within the U.S.—Foreign corporations engaged in a trade or business within the U.S. are taxed at regular corporate tax rates on the following income:

1. All income, gain, or loss from U.S. sources derived in the conduct of the trade or business.
2. Certain fixed or determinable annual or periodical income from U.S. sources and gain or loss from U.S. sources from the sale or exchange of capital assets if (a) the income, gain, or loss is derived from assets used in, or held for use in, the conduct of the corporation's trade or business, or (b) the activities of the corporation's trade or business were a material factor in the realization of the income, gain, or loss.
3. Under certain circumstances, limited categories of income from foreign sources will be treated as effectively connected income.

A foreign corporation not engaged in a trade or business within the U.S. will not have any effectively connected income unless (1) it elects under section 882(d) to treat real property income as effectively connected income (see instruction H), or (2) it is a corporation created or organized in a U.S. possession and conducts a banking

business in a U.S. possession and receives interest on U.S. obligations (in such case the interest will be treated as effectively connected income). All gains on the disposition of stock in a DISC or former DISC and all distributions out of accumulated DISC income, including deemed distributions, are treated as effectively connected with the conduct of a trade or business conducted through a permanent establishment within the U.S.

For further details relating to effectively connected income, see section 864(c).

G. Income from U.S. sources not effectively connected with the conduct of a trade or business within the U.S.—In general, whether or not a foreign corporation is engaged in a trade or business, the gross amount of this type of income is subject to tax at a 30% or lower treaty rate. No deductions are allowed against income that is not effectively connected with the conduct of a trade or business within the U.S.

A corporation created or organized in Guam or under the law of Guam is not considered a foreign corporation for purposes of the tax imposed by section 881.

In general, the income consists of the following types of income described in section 881 (to the extent not effectively connected with the conduct of a trade or business within the U.S.):

1. Interest (other than original issue discount as defined in section 1232(b)), dividends, rents and royalties, salaries, wages, premiums, annuities, compensation, remunerations, emoluments, and other fixed or determinable annual or periodical gains, profits, and income;

2. Gains described in section 631(b) or (c) from disposal of timber, coal, or domestic iron ore with a retained economic interest;

3. In the case of:
(a) bonds or other evidences of indebtedness issued after September 28, 1965 and before April 1, 1972, amounts which under section 1232(a)(2)(B) are considered as gain from the sale or exchange of property which is not a capital asset and, in the case of corporate obligations issued after May 27, 1969 and before April 1, 1972, amounts which would be so considered but for the fact that the obligations were issued after May 27, 1969,

(b) bonds or other evidences of indebtedness issued after September 28, 1965 and before April 1, 1972, amounts which under section 1232(a)(2)(B) are considered as gain from the sale or exchange of property which is not a capital asset and, in the case of corporate obligations issued after May 27, 1969 and before April 1, 1972, amounts which would be so considered but for the fact that the obligations were issued after May 27, 1969,

(c) bonds or other evidences of indebtedness issued after March 31, 1972 and payable more than 6 months from the date of original issue (without regard to the period held by the taxpayer), amounts which under section 1232(a)(2)(B) would be considered as gain from the sale or exchange of property

which is not a capital asset but for the fact that the obligations were issued after May 27, 1969, and

(c) the payment of interest on an obligation described in (b) above, an amount equal to the original issue discount (but not in excess of the interest less the tax imposed at a 30% or lower treaty rate) accrued on the obligation since the last payment of interest; and

4. Certain gains from the sale or exchange of patents, copyrights, and other intangible property, as described in section 881(a)(4).

Complete Section I of the form to compute the tax on such income.

H. Election to treat real property income as effectively connected income.—A foreign corporation having income from real property located in the U.S. or from any interest in such real property, including (1) gains from the sale or exchange of real property or interest in real property, (2) rents or royalties from mines, wells, or other natural deposits, and (3) gains described in section 631(b) or (c), may elect to treat the income as being effectively connected with the conduct of a trade or business within the U.S. (See section 882(d).)

The election may be made by attaching to the return for the year to which the election is to apply (1) a statement to the effect that the election is being made, (2) a complete schedule of all real property, or any interest in real property, of which the taxpayer is titular or beneficial owner, which is located in the U.S., (3) a statement indicating the extent to which the taxpayer has direct or beneficial ownership in each item of real property, or interest in real property, (4) the legal identification and location of the real property or interest in the real property, (5) a description of any substantial improvements on the property, and (6) any other information required by regulations.

If you make this election, complete Section II to compute the tax on such income.

I. Source of income.—Gross income of a foreign corporation includes only (1) gross income that is derived from sources within the U.S. and that is not effectively connected with the conduct of a trade or business within the U.S. and (2) gross income (regardless of source) that is effectively connected with the conduct of a trade or business within the U.S.

Except as otherwise provided by tax convention, determine the source of income under sections 861 through 864 and the regulations thereunder.

J. Trade or business within the U.S.—A foreign corporation that is a member of a partnership or is a beneficiary of an estate or trust will be con-

sidered to be engaged in a trade or business within the U.S. if the partnership, estate, or trust is so engaged.

Under some circumstances, the term "trade or business within the U.S." does not include the trading of stocks, securities, or commodities through a resident broker, commission agent, custodian, or other independent agent. Special rules apply when the corporation is trading for its own account.

For details concerning trading in stocks, securities, or commodities, see section 864(b)(2).

K. Period to be covered by the 1977 return.—File the 1977 return for calendar year 1977 and fiscal years beginning in 1977 and ending in 1978. If the return is for a fiscal year, fill in the taxable year space on the form.

Final return.—If the corporation ceases to exist, write "FINAL RETURN" at the top of the form.

Amended return.—Correct any error in a previously filed income tax return by filing an amended Form 1120F.

Change in accounting period.—To change an accounting period, see section 1.442-1 of the regulations and Form 1128, Application for Change in Accounting Period.

L. Personal holding companies.—A foreign corporation that is a personal holding company as defined in section 542, but not a foreign personal holding company as defined in section 552, is subject to the tax imposed by section 541. Section 541 imposes a tax upon undistributed personal holding company income (as defined in section 545) of personal holding companies. Every foreign corporation that is a personal holding company under section 542 must file a Schedule PH (Form 1120) with its Form 1120F. See Schedule PH (Form 1120) before completing Schedule J, Form 1120F.

M. Foreign personal holding companies.—Section 551(a) requires that the undistributed foreign personal holding company income of a foreign personal holding company, as defined in section 552, must be included as a dividend in the gross income of its U.S. shareholders in the amount provided by section 551(b). Schedule PH (Form 1120) is not required, but Form 957 must be filed by certain officers, directors, or U.S. shareholders. (Section 6035 and regulations thereunder.)

N. Signature.—The return must be signed and dated by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or by any other corporate officer (such as tax officer) authorized to sign.

A receiver, trustee, or assignee must sign and date any return required to be filed on behalf of a corporation.

A person who prepares Form 1120F for pay must manually sign the return as preparer. Signature stamps or labels are not acceptable. If someone prepares Form 1120F for free, that person does not have to sign that return.

If more than one person prepares the return, the individual preparer with the primary responsibility for the overall accuracy of the return must sign as preparer. The preparer required to sign the return shall also enter his or her social security number to the right of that signature. If the preparer is self-employed, he or she must write "SE" to the right of the preparer's social security number.

If the individual is paid by another to prepare (or a partner in a partnership preparing) Form 1120F, the payer's (or partnership's) name and identification number must be entered below the preparer's signature line. (Special rules apply to identification numbers for foreign tax return preparers. Such preparers should see sections 1.6109-2(a) and 301.7701-15(a)(5) of the regulations.)

The return must also show, below the preparer's signature, the address of the preparer's place of business where the preparation of the return was completed. However, if this place of business is not maintained on a year-round basis, the return should show the address of such preparer's principal business location which is maintained on a year-round basis or, if none, the preparer's residence.

The preparer must give the taxpayer a copy of Form 1120F in addition to the copy filed with IRS. Employers, partnerships, and self-employed preparers must file Form 5717, Annual List of Income Tax Return Preparers.

Note: A \$25 penalty may be charged a paid preparer who does not give the taxpayer a copy of Form 1120F in addition to the copy filed with IRS. A penalty may also be charged a preparer required to sign who does not show an original signature or a photocopy of the original signature in the space provided. A penalty may be charged a self-employed preparer who does not show his or her identifying number in the space provided.

If the individual is paid by another to prepare (or is a partner in a partnership preparing) Form 1120F, the payer or partnership may be charged a penalty if the return does not show the individual's social security number and the payer's (or partnership's) employer identification number.

If Form 1120F is prepared by the corporation's, full-time employee, such as a clerk, secretary or bookkeeper, or by the corporation's partner (if an individual), that person is not subject to the above rules.

O. Claim for refund.—If a foreign corporation has only income that is not effectively connected with the conduct of a trade or business within the U.S. and this form is being used as a claim for refund, include all income from sources within the U.S., even though the tax on it has been fully satisfied at the source. If the refund results from the withholding of tax at the source, a statement must be attached to the claim for refund declaring that the person making the claim is the beneficial owner of the income and showing (1) the amounts of tax withheld, with the names and post office addresses of withholding agents, (2) the name in which the tax was withheld if other than that of the taxpayer, and, if applicable, (3) facts sufficient to show that, at the time the income was derived, the taxpayer was entitled to the benefit of a reduced rate of, or exemption from, tax with respect to that income under the provisions of an income tax convention to which the United States is a party.

P. Tax treaties.—Section 881 imposes a tax of 30% on U.S. source income described in that section. However, if you are a corporation created under the laws of any country that has a treaty to which the U.S. is a party, refer to the applicable income tax convention to determine if you are entitled to an exemption from, or reduced rates of, U.S. income tax.

If the gross income of a foreign corporation includes income, the tax on which is limited by a tax convention, a statement must be attached to the return showing with respect to that income:

- the amounts of tax withheld,
- the names and post office addresses of withholding agents, and
- information sufficient to show the taxpayer's entitlement to the reduced rate of tax under the tax convention.

For purposes of applying an exemption from, or a reduction of, any U.S. tax provided by any treaty with respect to income not effectively connected with the conduct of a trade or business within the U.S., a foreign corporation will be deemed not to have a permanent establishment in the U.S. at any time during the taxable year. (See section 894(b).)

Q. Accounting methods.—Taxable income must be computed using the method of accounting regularly used in maintaining the corporation's books and records. In all cases, the method adopted must clearly reflect taxable income. (See section 446.)

Unless the law specifically permits, a taxpayer may not change the method of accounting used to report income in

prior years (for income as a whole or for any material item) without first securing consent on Form 3115 Application for Change in Accounting Method.

Rounding off to whole-dollar amounts.—Money items may be shown as whole-dollar amounts by dropping any amount less than 50 cents and increasing any amount from 50 cents through 99 cents to the next higher dollar.

R. Estimated tax.—A corporation must make estimated tax payments if it can expect its estimated tax (income tax less credits) to be \$40 or more.

Form 1120-W may be used as a worksheet to compute estimated tax.

If there was an overpayment of estimated tax, file Form 4466 for a "quick refund" if the overpayment is (1) at least 10% of the expected income tax liability AND (2) at least \$500.

This application for a quick refund must be made within 2½ months after the end of the taxable year and before Form 1120F is filed.

S. Information returns.—Various forms 1099 must be filed to report certain dividends, interest income, miscellaneous income, etc. See Form 1096 and instructions for details.

Form 1096 must be filed to summarize and transmit information returns. Form 5452 must be filed by corporations paying non-taxable dividends.

T. Consolidated returns.—Except for certain subsidiary corporations organized under the laws of Canada or Mexico and maintained solely for the purpose of complying with the laws of such country as to title and operation of property, a foreign corporation may not be included as a member of an affiliated group of corporations for purposes of filing a consolidated return.

U. Financial statements.—Financial statements are to be completed in accordance with the method of accounting used in computing taxable income on page 3 of this return. Any differences must be reconciled. Copies of balance sheets required by Federal, State, etc., authorities may be used in place of Schedule L.

Certificates of deposit should be included as cash in line 1 of the balance sheet.

You may elect to limit the balance sheets and reconciliation of income per books with income per return to:

- the corporation's assets located in the U.S. and its other assets used in the trade or business conducted in the U.S. and
- its income effectively connected with the conduct of a trade or business in the U.S. and its other income from sources within the U.S.

Banks, insurance companies, and other corporations required to submit substantially similar statements of income and expense to any Federal, State, etc., authority may submit copies of such statements in place of the information required on lines 1 through 30, page 3. In such cases, taxable income must be reconciled in Schedule M-1 with the net profit shown on the statement and entered as line 30, page 3.

V. Attachments.—If more space is needed on forms or schedules, attach separate sheets. Attach schedules in alphabetical order and forms in numerical order to the back of Form 1120F. Be sure to put the taxpayer's name and employer identification number on these separate sheets.

W. Minimum tax.—In general, the minimum tax rate is 15 percent and the minimum tax exemption is the greater of \$10,000 or the regular income taxes for the year.

The tax preference items for corporations are accelerated depreciation on real property; accelerated depreciation on leased personal property (applicable only to personal holding companies); amortization of certified pollution control facilities, railroad rolling stock, on-the-job training facilities and child care facilities; reserve for losses on bad debts of financial institutions; depletion; intangible drilling costs (applicable only to personal holding companies); and capital gains.

Attach Form 4626 if items of tax preference exceed \$10,000, even if there is no minimum tax OR if there is any minimum tax liability deferred from a prior taxable year until this year.

X. Transfers to corporation controlled by transferor.—If a person acquires stock or securities of a corporation in exchange for property, and no gain or loss is recognized under section 351, the transferor and transferee must attach the information required by section 1.351-3 of the regulations.

Y. Penalties.—
1. A corporation that fails to file its tax return by the prescribed due date including any extensions of time for filing may be subject to a penalty of 5% a month, up to a maximum of 25%, for each month the return is not filed (the penalty is imposed on the net amount due—section 6651(a)(1)).

2. A corporation that fails to pay the tax when due may be subject to a penalty of ½% a month or fraction of a month, up to a maximum of 25%, for each month the tax is not paid (the penalty is imposed on the net amount due—section 6651(a)(2)).

The above penalties will not be imposed if the corporation can show that the failure to file or to pay was due to

reasonable cause and not to willful neglect.

These penalties are in addition to the interest charge imposed on unpaid tax at a rate established pursuant to section 6621.

3. A corporation that fails to pay the proper estimated tax when due may be subject to an underpayment penalty for the period of underpayment (section 6655) at a rate established pursuant to section 6621.

If estimated tax was underpaid and a penalty charge should not be assessed, attach Form 2220.

Z. Reporting international boycott operations.—Any corporation, or a member of a controlled group which includes that corporation, which has operations in, or related to, a country (or with the government, a company, or a national of a country) which requires participation in or cooperation with an international boycott as a condition of doing business within such country or with the government, company, or national of such country, may be required to file Form 5713 (section 999(a)).

Further, if that corporation or member participates in or cooperates with an international boycott (as defined in section 999(b)(3)) during the taxable year, a portion of the foreign tax credit and DISC benefits will be denied. Any corporation subject to the reporting requirements of section 999(a), as outlined above, is required to file Form 5713 in duplicate. The original copy is to be filed with the Internal Revenue Service Center, Philadelphia, Pennsylvania 19255. The duplicate copy of Form 5713 is to be attached to the corporation's income tax return.

Specific Instructions for Section II

(Numbered to correspond with the line numbers on page 3 of the return.)

Gross Income

Enter in lines 1 through 10 gross income (regardless of source) which is effectively connected with the conduct of a trade or business within the U.S.

1. **Gross receipts.**—Enter gross receipts or sales from all business operations except those required to be reported in lines 4 through 10. For reporting advance payments and long-term contracts, see section 1.451-5 of the regulations.

If the installment method of reporting is used, enter on line 1 the gross profit on collections from installment sales and carry the same amount to line 3. Attach a schedule showing for the current and 3 preceding years: (a) gross sales, (b) cost of goods sold, (c) gross profit, (d) percentage of gross profit to gross sales, (e) amount collected, and (f) gross profit on amount collected.

2. **Cost of goods sold.**—See instructions for Schedule A.

4. **Dividends.**—(Numbered to correspond with line numbers in Schedule C.)

(1) Enter dividends received from domestic corporations subject to income tax and the 85% deduction under section 243(a)(1). For dividends received from a regulated investment company, see section 854 for the amount subject to the 85% deduction.

Include on this line taxable distributions received from a DISC or former DISC that are designated as being eligible for the 85% dividends-received deduction.

So-called dividends or earnings received from mutual savings banks, etc., are really interest and should not be treated as dividends.

(2) Enter dividends received on the preferred stock of a public utility that is subject to income tax and is allowed the deduction provided in section 247 for dividends paid.

(3) Enter dividends received from foreign corporations that qualify for the 85% deduction provided in section 245(a).

(5) If the corporation claims the foreign tax credit, the amount of tax deemed paid under section 902(a)(1) (relating to credit for corporate stockholder in foreign corporation) must be treated as a dividend received from the foreign corporation. (See section 906(b)(4).)

(6) Enter taxable distributions from a DISC or former DISC that are designated as not being eligible for the 85% dividends-received deduction. (See sections 246(d), 995(b), and 996(a)(3).)

(7) Include dividends (other than capital gain dividends and exempt interest dividends) received from regulated investment companies that do not qualify for the 85% deduction; dividends from tax-exempt organizations; dividends (other than capital gain dividends) received from a real estate investment trust that, for the taxable year of the trust in which the dividends are paid, qualifies under sections 856-858; dividends not eligible for a dividends-received deduction because of the holding period of the stock or an obligation to make corresponding payments with respect to similar stock; and any other taxable dividend income not properly reported above.

6. **Other interest.**—Enter interest on loans, notes, mortgages, bonds, bank deposits, corporate bonds, tax refunds, etc.

Do not offset interest income against interest expense.

7. **Gross rents.**—Enter the gross amount received for the rent of prop-

erty. Deduct expenses such as repairs, interest, taxes, and depreciation on the proper lines for deductions.

9(a). **Capital Gain Net Income.**—Every sale or exchange of a capital asset must be reported in detail in Schedule D (Form 1120) even though no gain or loss is indicated.

If the net long-term capital gain exceeds the net short-term capital loss, or in case of only a net long-term capital gain, compute the alternative tax on separate Schedule D to see if it produces a lesser tax.

9(b). **Gain or (loss).**—Enter the net ordinary gain or loss from line 9, Part II, Form 4797.

10. **Other income.**—The attached schedule should include recoveries of bad debts deducted in prior years under the specific charge-off method.

Refunds of tax deducted in prior years should be reported here and not offset against current year's tax.

If "other income" consists of only one item, identify it by showing the account caption in parentheses on line 10.

Deductions

In computing the taxable income of a foreign corporation engaged in a trade or business within the U.S., deductions are allowed only to the extent that they are connected with income that is effectively connected with the conduct of a trade or business within the U.S. Charitable contributions, however, may be deducted whether or not they are so connected. See section 882(c)(1) for allocation of deductions.

12. **Compensation of officers.**—Complete columns 1 through 6, Schedule E, for all officers. Complete column 7, Schedule E, for your six highest paid officers. To determine the highest paid officers, add all allowances, including expense account allowances, to each officer's compensation. Expense account allowance means (1) amounts, other than compensation, received as advances or reimbursements and (2) amounts paid by or for the corporation for expenses incurred by or on behalf of an officer. Column 7 does not have to be completed for any officer for whom the combined amount is less than \$30,000.

14. **Repairs.**—Enter the cost of incidental repairs, such as labor and supplies, that do not add to the value or appreciably prolong the life of the property. Include on this line the total amount of repairs from Form 4832 if the Class Life Asset Depreciation Range (CLADR) system is used.

15. **Bad debts.**—Bad debts may be treated in either of two ways—(1) as a deduction for debts that become worthless in whole or in part, or (2) as a deduction for a reasonable addition

to a reserve for bad debts. (Section 166.)

Application to change the method of computing bad debts must be made on Form 3115.

17. **Taxes.**—Enter taxes paid or accrued during the taxable year and attach a schedule showing the type and amount of tax.

Do not include Federal income tax; foreign or U.S. possession income tax if a foreign tax credit is claimed; or taxes not imposed upon the corporation.

See section 164(d) for apportionment of tax on real property between seller and purchaser.

Section 906(b)(1) provides that certain foreign taxes imposed on income from U.S. sources may not be taken as a deduction.

18. **Interest.**—Do not include interest on indebtedness incurred or continued to purchase or carry obligations on which the interest is wholly exempt from income tax. (Section 265.)

See section 267 for limitation on deductions for unpaid expenses and interest on transactions between related taxpayers.

Generally, a cash basis taxpayer cannot deduct prepaid interest allocable to years subsequent to the current taxable year. A cash basis taxpayer, who in 1977 prepaid interest allocable to any period after 1977, can only deduct the amount allocable to 1977. Please see Publication 545, Income Tax Deduction for Interest Expense.

19. **Contributions.**—Enter contributions or gifts actually paid within the taxable year to, or for the use of, charitable and governmental organizations described in section 170(c) and any unused contributions carried over from prior years.

The total amount claimed may not exceed 5% of taxable income (line 30) computed without regard to (1) any deduction for contributions, (2) the special deductions in line 29(b), (3) deductions allowed under sections 249 and 250, (4) any net operating loss carryback to the taxable year under section 172, and (5) any capital loss carryback to the taxable year under section 1212(a)(1).

Charitable contributions in excess of the 5% limitation may not be deducted for the taxable year but may be carried over to the next 5 taxable years.

A contribution carryover is not allowed, however, to the extent that it increases a net operating loss carryover. See section 170(d)(2)(B).

Corporations on the accrual basis may elect to deduct contributions paid on or before the 15th day of the 3d month following the close of the taxable year if the contributions are au-

thorized by the board of directors during the taxable year. A declaration, signed by an officer, stating that the resolution authorizing the contributions was adopted by the board of directors during the taxable year, and a copy of the resolution, must both be attached to the return.

Attach a schedule showing the name of each organization and the amount paid. If a contribution is made in property other than money, describe the kind of property contributed and the method used in determining its fair market value. If a contribution carryover is included, show the amount and how the carryover was determined.

Special rule for contributions of certain property.—In the case of a charitable contribution of property, the contribution must be reduced by the sum of

(1) the ordinary income, short-term capital gain and

(2) for certain contributions, 62½% of the long-term capital gain,

that would have resulted if the property were sold at its fair market value. The reduction for 62½% of the long-term capital gain applies to (1) contributions of tangible personal property for use by an exempt organization for a purpose or function unrelated to the basis for its exemption, and (2) the contributions of any property to or for the use of certain private foundations. (Section 170(e).) For special rules regarding the contribution of inventory, and other ordinary income property (described in section 1221(1) or (2)) to an exempt organization described in section 501(c)(1) for use in the care of the ill, needy, or children, see section 170(e)(3).

Bargain sale to a charitable organization.—If a charitable contribution deduction for property sold to a charitable organization is taken, the adjusted basis for determining gain from the sale is an amount which is in the same ratio to the adjusted basis as the amount realized is to the fair market value of the property.

20. **Amortization.**—If a deduction for amortization is claimed, attach a schedule showing: (1) a description of the expenditures being amortized; (2) date acquired, completed, or expended; (3) amount being amortized; (4) amortization deducted in prior years; (5) amortization period (number of months); (6) amortization for this year; and (7) the total amount of amortization less the amount claimed in Schedule A and elsewhere on the return.

See section 169 and related regulations for conditions under which the cost of certified pollution control facilities may be amortized over 60 months.

6

See section 188 for conditions under which certain expenditures for on-the-job training and child care facilities may be amortized over 60 months. An election under section 188 will not apply to on-the-job training capital expenditures made after December 31, 1976.

21. **Depreciation.**—See instructions for Form 4562, Depreciation.

22. **Depletion.**—See sections 613 and 613A for percentage depletion rates applicable to natural deposits.

Attach Form T if a deduction is claimed for depletion of timber.

24. **Pension, profit-sharing, etc. plans.**—The number of plans to be entered refers to all plans for which all assets have not been distributed. Also include any plans in which assets were distributed in the current year. The number of plans must be indicated whether or not a deduction is claimed. Complete Form 5500 for each plan and file as a separate return. Complete Form 5500-C in lieu of Form 5500 if there were fewer than 100 participants at the beginning of the plan year. See instructions for the above Forms for computation of the allowable deductions. File these Forms on or before the last day of the 7th month following the close of the plan year.

Caution: ERISA imposes penalties for failure to furnish complete information and failure to file statements, returns and reports.

25. **Employee benefit programs.**—Enter the amount of your contributions to employee benefit programs (e.g. insurance, health and welfare programs) that are not an incidental part of a pension, profit-sharing, etc., plan included on line 24. Also include contributions to a qualified group legal services plan. Section 120 imposes certain rules on an employer which will permit employees (including spouses, and dependents) to exclude from income employer contributions to a qualified group legal services plan.

26. **Other deductions.**—No deduction is allowable for any amount allocable to a class of exempt income including income exempt by tax convention. Items directly attributable to wholly exempt income must be allocated to such income, and items directly attributable to any class of taxable income must be allocated to such taxable income.

If an item is indirectly attributable both to taxable income and exempt income, a reasonable proportion of the item, determined in the light of all the facts and circumstances in each case, shall be allocated to each.

Attach a statement showing (1) the amount of each class of exempt income and (2) the amount of expense items

allocated to each class. Show separately the amount allocated by apportionment.

29(a). **Net operating loss deduction.**—The "net operating loss deduction" is the sum of the net operating loss carryovers and carrybacks to the taxable year. (Section 172(a).)

Generally, a net operating loss may be carried back to each of the 3 years preceding the year of such loss and carried over to each of the 7 years following the year of such loss; or, an election may be made whereby a net operating loss may be carried over to each of the 7 years following the year of such loss (the election is made by attaching a statement to a timely filed return, in closing extensions, and is irrevocable). After applying the net operating loss to the first taxable year to which it may be carried, the portion of the loss to be carried to each of the remaining taxable years is the excess, if any, of the amount of the loss over the sum of the taxable income for each of the prior taxable years to which the loss may be carried. (Section 172(b).)

If there is a net operating loss carryback, file Form 1139 within 12 months after the close of the taxable year in which the net operating loss occurred for a "quick refund" of tax. (Section 6411.)

If a net operating loss carryback creates an unused investment credit or an unused work incentive (WIN) credit in a preceding year, the unused credit may be carried back to the 3 preceding years (however, the WIN credit cannot be carried back to years beginning before 1972), and, under the provisions of section 6411, a quick refund of the taxes affected may be obtained by filing Form 1139.

See section 172 for special rules, limitations, and definitions pertaining to net operating loss carrybacks and carryovers.

29(b). **Special deductions.**—See Instructions for Schedule I.

Schedule A—Cost of Goods Sold

The method of valuing inventories may not be changed without permission. Application for permission to change must be made on Form 3115. Check method(s) used for valuing closing inventories in line 8(a).

If this is the first year the "Last-in First-out" (LIFO) inventory method provided in Section 472 was adopted and used, attach Form 970 or a statement with the information required by Form 970 to Form 1120F and check the LIFO box in line 8(b). Enter the amount or percent (estimates may be used) of total closing inventories covered under Section 472 in line 8(c).

Full absorption method of inventory costing.—Taxpayers engaged in manu-

facturing or production operations must use the full absorption method of inventory costing. If they are not using the full absorption method of inventory costing, they must change to this method under which both direct and certain indirect production costs are included for inventory value purposes. The change to full absorption may be made by filing Form 3115. For further details, see Rev. Proc. 75-40, 1975-2 C.B. 571 and section 1.471-11 of the regulations.

Cost of operations (where inventories are not an income-determining factor).—If the amount entered on line 2 includes an amount applicable to cost of operations, attach a schedule showing (1) salaries and wages and (2) other costs in detail.

If per unit retain allocations are included on line 4, Schedule A, identify this cost and the total amount in the Schedule "Other costs" to be attached to Form 1120F.

Schedule I—Special Deductions

(Numbered to correspond with line numbers in Schedule I)

1. Exclusion of certain dividends.—In general, no dividends received deduction will be allowed on any share of stock (a) that is disposed of before the corporation has held it 15 days or less, or (b) to the extent the corporation is under an obligation to make corresponding payments with respect to substantially identical stock or other securities.

No dividends received deduction is allowed under section 243 for a dividend from a DISC or former DISC (as defined in section 992(a)) to the extent the dividend is paid out of the corporation's accumulated DISC income, previously taxed income, or is a deemed distribution under section 995(b)(1).

2. Limitation on dividends received deduction.—Line 2 may not exceed 85% of line 28, page 3. For this purpose, line 28, page 3, is to be computed without regard to any capital loss carryback to the taxable year under section 1212(a)(1).

In a year in which a net operating loss occurs, sections 172(d) and 246(b) provide that this 85% limitation does not apply even if the loss is created by the dividends received deduction.

3. Deduction for dividends paid on certain preferred stock of public utilities.—Section 247 allows public utilities a deduction of 29.167% of the lesser of (1) dividends paid on their preferred stock during the taxable year, or (2) taxable income computed without regard to this deduction. In a year in which a net operating loss occurs, section 172(d) provides that the deduction shall be computed without regard to section 247(a)(1)(B).

Schedule J—Tax Computation

1. Surtax exemption and tax rates.—In general, corporations are entitled to a surtax exemption of \$50,000. However, members of a controlled group are entitled to one \$50,000 surtax exemption which is to be divided equally unless the group consents to split up the exemption in accordance with an apportionment plan.

The tax rates for 1977 are 20% of the first \$25,000 of taxable income; 22% of the next \$25,000; and 48% of taxable income in excess of \$50,000.

Members of a controlled group under section 1561.—For members of a controlled group, the \$50,000 surtax exemption is to be divided equally unless the group consents to split up the exemption in accordance with an apportionment plan. Accordingly, for purposes of lines 2 and 4, members of a controlled group will enter one-half of their surtax exemption on line 2 and the remaining one-half on line 4. See section 1561 and the regulations thereunder for the time and manner of making the consent.

2. Foreign tax credit.—A foreign corporation engaged in a trade or business within the U.S. is allowed a credit under section 901 for income, war profits, and excess profits tax paid (or deemed paid under section 902) or accrued during the taxable year to any foreign country or U.S. possession with respect to income effectively connected with the conduct of a trade or business within the U.S. In general, the per country limitation cannot be used in computing the foreign tax credit. For further details and exceptions, see section 906 and Form 1118.

3. Investment credit.—In most cases, the investment credit rate is 10% for property acquired and placed in service during the taxable year. Corporations may elect an 11% credit for such property if the corporation contributes 1% of the qualified investment to an employee stock ownership plan (ESOP). Beginning in 1977, in lieu of the 11% credit, a corporation may elect up to an 11.5% credit for qualifying 10% property if (1) the corporation increases its ESOP contribution from 1% up to 1.5% of the qualified investment in 10% property and (2) corporate employees make an ESOP contribution of up to .5%. Complete Form 5500 for each employee stock ownership plan and file it on or before the last day of the 7th month following the close of the plan year.

The limit on the amount of used property eligible for the investment credit is \$100,000.

The investment credit also applies to qualified progress expenditure pay-

ments made during the construction of property that requires at least two years to construct and that has an expected useful life of at least seven years.

See Form 3468 for special rules and limitations.

4. Tax from recomputing a prior year investment credit.—If property is disposed of prior to the life-years category used in computing the investment credit, the investment credit must be recomputed using as the useful life the period the property was actually held. (For recomputation of the investment credit for qualified progress expenditures, see section 47(a)(3).) If the credit taken (including carrybacks and carryovers) exceeds the recomputed credit, the tax for the year of disposition must be increased by the excess. Form 4255 may be used to compute the tax.

The tax from recomputing a prior year investment credit may not be offset against the current year's investment credit.

5. Credit for wages paid or incurred in a work incentive (WIN) program.—Employers may claim a credit of 20% of the salaries and wages paid or incurred for employees hired under a WIN program.

For special rules and limitations, see Form 4874 and sections 50A and 50B.

6. Tax from recomputing a prior year WIN credit.—If a WIN program employee is dismissed before completing a certain period of employment, the WIN credit previously taken on such employee may be subject to recapture. (See Form 4874.)

The tax from recomputing a prior year work incentive credit may not be offset against the current year's work incentive credit.

7. New jobs credit.—In general, for a taxable year beginning in 1977, the credit shall be an amount equal to 50% of the excess of the aggregate unemployment insurance wages paid during 1977 over 102% of the aggregate unemployment insurance wages paid during 1976. An additional 10% credit may be claimed for certain vocational rehabilitation referrals during the calendar year 1977. See Form 5884 for definitions, special rules, and limitations. Also see Publication 902, Tax Information on Jobs Tax Credit.

Do not take an expense deduction for that portion of the wages or salaries paid or incurred which is equal to the amount of the new jobs credit (determined without regard to the limitation based on tax (section 53)). Members of a controlled group or a trade or business under common control with other trades or businesses, see section 280C.

7

Codes for Principal Business Activity

These industry titles and definitions are based, in general, on the Enterprise Standard Industrial Classification system developed by the Office of Management and Budget, Executive Office of the President, to classify enterprises by type of activity in which they are engaged. The system follows closely the Standard Industrial Classification used to classify establishments.

Using the list below, enter on page 3, under M, the code number for

the specific industry group from which the largest percentage of "total receipts" is derived. "Total receipts" means a gross receipts (line 1, page 3) plus all other income (lines 4 through 10, page 3). On page 3, under M, state the principal business activity and principal product or service that accounts for the largest percentage of total receipts. For example, if the principal business activity is "Grain mill products," the principal product or service may be "Cereal preparations."

AGRICULTURE, FORESTRY, AND FISHING

Code
0400 Agricultural production.
0600 Agricultural services (except veterinarians), forestry, fishing, hunting, and trapping.
MINING
Metal mining:
1010 Iron ores.
1070 Copper, lead and zinc, gold and silver ores.
1098 Other metal mining.
1150 Coal mining.
Oil and gas extraction:
1330 Crude petroleum, natural gas, and natural gas liquids.
1380 Oil and gas field services.
Nonmetallic minerals (except fuels) mining:
1430 Dimension, crushed and broken stone: sand and gravel.
1498 Other nonmetallic minerals, except fuels.

CONSTRUCTION

General building, construction, and operative builders:
1510 General building contractors.
1511 Operative builders.
1600 Heavy construction contractors.
Special trade contractors:
1711 Plumbing, heating, and air conditioning.
1731 Electrical work.
1798 Other special trade contractors.

MANUFACTURING

Food and kindred products:
2010 Meat products.
2020 Dairy products.
2030 Preserved fruits and vegetables.
2040 Grain mill products.
2050 Bakery products.
2060 Sugar and confectionery products.
2081 Malt liquors and malt.
2088 Alcoholic beverages, except malt liquors and malt.
2089 Bottled soft drinks, and flavorings.
2095 Other food and kindred products.
2100 Tobacco manufactures.
Textile mill products:
2228 Weaving mills and textile finishing.
2250 Knitting mills.
2298 Other textile mill products.
Apparel and other textile products:
2315 Men's and boys' clothing.
2345 Women's and children's clothing.
2388 Hats, caps, millinery, fur goods, and other apparel and accessories.
2390 Misc. fabricated textile products.
Lumber and wood products, except furniture:
2415 Logging camps and logging contractors, sawmills, and planing mills.
2430 Millwork, plywood, and related products.
2498 Other wood products, including wood buildings and mobile homes.
2500 Furniture and fixtures.
Paper and allied products:
2625 Pulp, paper, and board mills.
2699 Other paper products.
Printing, publishing and allied industries:
2710 Newspapers.
2720 Periodicals.
2735 Books, greeting cards, and misc. publishing.
2799 Commercial and other printing, and printing trade and allied industries.

CHEMICALS AND ALLIED PRODUCTS

2815 Industrial chemicals, plastics materials and synthetics.
2830 Drugs.
2840 Soap, cleaners, and toilet goods.
2850 Paints and allied products.
2898 Agricultural and other chemical products.
Petroleum refining and related industries (including those integrated with extraction):
2910 Petroleum refining (including those integrated with extraction).
2918 Other petroleum and coal products.
Rubber and misc. plastics products:
3050 Rubber products; plastics footwear, hose and belting.
3070 Misc. plastics products.
Leather and leather products:
3140 Footwear, except rubber.
3198 Other leather and leather products.
Stone, clay, glass, and concrete products:
3225 Glass product and allied products.
3240 Cement, hydraulic.
3270 Concrete, gypsum, and plaster products.
3298 Other nonmetallic mineral products.

Code

Primary metal industries:
3370 Ferrous metal industries; misc. primary metal products.
3380 Nonferrous metal industries.
Fabricated metal products, except machinery and transportation equipment:
3410 Metal cans and shipping containers.
3428 Cutlery, hand tools, and hardware; screw machine products, bolts, and similar products.
3430 Plumbing and heating, except electric and warm air.
3440 Fabricated structural metal products.
3460 Metal forgings and stampings.
3470 Coating, engraving, and allied services.
3480 Ordnance and accessories, except vehicles and guided missiles.
3490 Misc. fabricated metal products.

Machinery, except electrical:

3520 Farm machinery.
3530 Construction, mining, and materials handling machinery and equipment.
3540 Metalworking machinery.
3550 Special industry machinery, except metalworking machinery.
3560 General industrial machinery.
3570 Office, computing, and accounting machines.
3598 Engines and turbines, science industry machinery, and other machinery, except electrical.

Electrical and electronic machinery, equipment, and supplies:

3630 Household appliances.
3655 Radio, television, and communication equipment.
3670 Electronic components and accessories.
3698 Other electric equipment.

Transportation equipment:

3710 Motor vehicles and equipment.
3725 Aircraft, guided missiles and parts.
3730 Ships and boat building and repairing.
3798 Other transportation equipment.
Measuring and controlling instruments; photographic and medical goods, watches and clocks:
3815 Scientific instruments and measuring devices; watches and clocks.
3845 Optical, medical, and ophthalmic goods.
3860 Photographic equipment and supplies.
3998 Other manufacturing products.

TRANSPORTATION, COMMUNICATION, ELECTRIC, GAS, AND SANITARY SERVICES

Transportation:
4000 Railroad transportation.
4100 Local and interurban passenger transit.
4200 Trucking and warehousing.
4400 Water transportation.
4500 Transportation by air.
4600 Pipe lines, except natural gas.
4700 Other transportation services.
Communication:
4825 Telephone, telegraph, and other communication services.
4830 Radio and television broadcasting.

Electric, gas, and sanitary services:

4910 Electric services.
4920 Gas production and distribution.
4930 Combination utility services.
4990 Water supply and other sanitary services.

WHOLESALE TRADE

Durable machinery, equipment, and supplies:
5000 Machinery, equipment, and supplies.
5010 Motor vehicles and automotive equipment.
5020 Furniture and home furnishings.
5030 Lumber and construction materials.
5040 Sporting, recreational, photographic, and hobby goods, toys, and supplies.
5050 Metals and minerals, except petroleum and scrap.
5065 Electrical goods.
5070 Hardware, plumbing and heating equipment.
5098 Other durable goods.
Nondurable:
5110 Paper and paper products.
5129 Drugs, drug propolatories, and druggists' sundries.
5130 Apparel, piece goods, and notions.
5140 Groceries and related products.
5150 Farm-product raw materials.
5225 Chemicals and allied products.
5170 Petroleum and petroleum products.
5180 Alcoholic beverages.
5190 Misc. nondurable goods.

Code

RETAIL TRADE
Building materials, hardware, garden supply, and mobile home dealers:
5220 Building materials dealers.
5251 Hardware stores.
5265 Garden supplies and mobile home dealers.
5300 General merchandise stores.
5410 Grocery stores.
5490 Other food stores.
Automotive dealers and service stations:
5515 Motor vehicle dealers.
5541 Gasoline service stations.
5598 Other automotive dealers.
Apparel and accessory stores:
5700 Furniture and home furnishings stores.
5800 Eating and drinking places.
Misc. retail stores:
5912 Drug stores and proprietary stores.
5921 Liquor stores.
5995 Other misc. retail stores.

FINANCE, INSURANCE, AND REAL ESTATE

Banking:
6030 Mutual savings banks.
6060 Bank holding companies.
6090 Banks, except mutual savings banks and bank holding companies.
Credit agencies other than banks:
6120 Savings and loan associations.
6141 Personal credit institutions.
6150 Business credit institutions.
6199 Other credit agencies.
Security, commodity brokers, dealers, exchanges, and services:
6210 Security brokers, dealers, and flotation companies.
6299 Commodity contracts brokers and dealers; security and commodity exchanges; and related services.

Insurance:

6355 Life insurance.
6356 Mutual insurance, except life or marine and certain fire or flood insurance companies.
6359 Other insurance companies.
6411 Insurance agents, brokers, and services.

Real estate:

6511 Real estate operators (except developers) and lessors of buildings.
6516 Lessors of mining, oil, and similar property.
6518 Lessors of railroad property and other real property.
6530 Condominium management and cooperative housing associations.
6550 Subdividers and developers.
6599 Other real estate.
Holding and other investment companies:
6742 Regulated investment companies.
6743 Real estate investment trusts.
6744 Small business investment companies.
6749 Holding and other investment companies.

SERVICES

7000 Hotels and other lodging places.
7200 Personal services.
Business services:
7310 Advertising.
7389 Business services, except advertising.
Auto repair and services; misc. repair services:
7500 Auto repair and services.
7600 Misc. repair services.

Amusement and recreational services:

7812 Motion picture production, distribution, and services.
7830 Motion picture theaters.
7900 Amusement and recreation services, except motion pictures.

Other services:

8015 Offices of physicians, including osteopathic physicians.
8021 Offices of dentists.
8043 Offices of other health practitioners.
8048 Nursing and personal care facilities.
8060 Hospitals.
8071 Medical laboratories.
8099 Other medical services.
8111 Legal services.
8300 Educational services.
8301 Social services.
8600 Membership organizations.
8700 Architecture and engineering services.
8930 Accounting, auditing, and bookkeeping.
8980 Miscellaneous services (including veterinarians).

8

Please type or print

Name A Employer identification number

Number and street B Date and place incorporated

City or town, State, and ZIP code

C Check if Legal reserve company—If so, check
Type of company— Stock Mutual
Principal business— Life insurance
 Health and accident insurance
 Fraternal or assessment association
 Barial or other insurance company

D Do you have any variable annuity contracts outstanding? Yes No

E Do you have any segregated asset accounts? Yes No
If "Yes," see instruction P.

F Were you a member of a controlled group subject to the provisions of Section 1561? Yes No
If answer is "Yes," check type of relationship:
(a) Parent-subsidiary
(b) Brother-sister
(c) Combination of (a) and (b)

G Amount of total insurance liabilities. (See instruction O).

H Enter the percentage that the total of your life insurance reserves (Sec. 801 (b)) plus unearned premiums and unpaid losses (whether or not ascertained on noncancellable life, health or accident policies not included in life insurance reserves is to your total reserves (sec. 801(c)). Attach schedule.

| | | | |
|-----------------|---|------|--|
| TAXABLE INCOME | 1 (a) Taxable investment income (Schedule C) | 1(a) | |
| | (b) Gain from operations (Schedule E) (If a loss, enter zero) | 1(b) | |
| | (c) The smaller of (a) or (b) | 1(c) | |
| | 2 50% of any excess of 1(b) over 1(a) | 2 | |
| TAX COMPUTATION | 3 Amount subtracted from policyholders' surplus account (line 5, Schedule G) | 3 | |
| | 4 Life insurance company taxable income (total of lines 1(c), 2, and 3) | 4 | |
| | 5 Enter line 4 or \$25,000, whichever is lesser (members of a controlled group, see instructions) | 5 | |
| | 6 Line 4 less line 5 | 6 | |
| | 7 Enter line 6 or \$25,000, whichever is lesser (members of a controlled group, see instructions) | 7 | |
| | 8 Line 6 less line 7 | 8 | |
| | 9 20% of line 5 | 9 | |
| | 10 22% of line 7 | 10 | |
| | 11 48% of line 8 | 11 | |
| | 12 Total of lines 9, 10, and 11 | 12 | |
| | 13 Income tax—the lesser of line 12 (above) or line 25 of Schedule D (Form 1120L) | 13 | |

| | | | |
|--|---|-------|--|
| TAX | 14 Less: (a) Foreign tax credit (attach Form 1118) | 14(a) | |
| | (b) Investment credit (attach Form 3468) | 14(b) | |
| | (c) Work Incentive (WIN) credit (attach Form 4874) | 14(c) | |
| | (d) New jobs credit (attach Form 5884) | 14(d) | |
| | 15 Total of lines 14(a), (b), (c), and (d) | 15 | |
| | 16 Balance of tax (line 13 less line 15) | 16 | |
| | 17 Foreign corporations—tax on income not connected with U.S. business (see Tax Computation Instructions) | 17 | |
| | 18 Tax from recomputing a prior year investment credit (attach Form 4255) | 18 | |
| | 19 Tax from recomputing a prior year WIN credit (see instructions—attach computation) | 19 | |
| | 20 Minimum tax on tax preference items (see instructions—attach Form 4626) | 20 | |
| | 21 Total tax (add lines 16 through 20) | 21 | |
| | 22 Credits: (a) Overpayment from 1976 allowed as a credit | 22(a) | |
| | (b) 1977 estimated tax payments | 22(b) | |
| | (c) Less refund of 1977 estimated tax applied for on Form 4466 | 22(c) | |
| | (d) Tax deposited with Form 7004 (attach copy) | 22(d) | |
| (e) Tax deposited with Form 7005 (attach copy) | 22(e) | | |
| (f) Credit from regulated investment companies (attach Form 2439) | 22(f) | | |
| (g) U.S. tax on special fuels, nonhighway gas and lubricating oil (attach Form 4136) | 22(g) | | |
| (h) U.S. income tax paid or withheld at source | 22(h) | | |

23 TAX DUE (line 21 less line 22). See instruction F for depositary method of payment 23

24 OVERPAYMENT (line 22 less line 21) 24

25 Enter amount of line 24 you want: Credited to 1978 estimated tax Refunded 25

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which the preparer has any knowledge.

Signature of officer Date

Paid preparer's signature and identifying number (see instructions)

Title Paid preparer's address (or employer's name, address, and identifying number)

| Schedule A INVESTMENT YIELD (See instructions) | | 1. Interest | 2. Accrual of discount | 3. Amortization of premium | 4. Total (for line 1: column 1 plus column 2 less column 3) |
|--|--|-------------|------------------------|----------------------------|---|
| GROSS INVESTMENT INCOME | 1 Interest: | | | | |
| | (a) Wholly exempt obligations (attach schedule) | | | | |
| | (b) U.S. obligations and U.S. instrumentalities | | | | |
| | (c) Loans, notes, mortgages, bank deposits, bonds, debentures, etc. | | | | |
| | (d) Totals | | | | |
| | 2 Dividends (see instructions): | | | | |
| | (a) Domestic corporations subject to 85% deduction | | | | |
| | (b) Certain preferred stock of public utilities | | | | |
| | (c) Foreign corporations subject to 85% deduction | | | | |
| | (d) Qualifying dividends received from affiliated groups and subject to the 100% deduction (section 243(e)(3)) | | | | |
| | (e) Qualifying dividends received from affiliated groups and subject to the provisions of section 1564(b) | | | | |
| | (f) Other (attach schedule) | | | | |
| | 3 Gross rents (attach schedule) | | | | |
| | 4 Gross royalties (attach schedule) | | | | |
| | 5 Leases, terminations, etc. | | | | |
| 6 Net short-term capital gain reduced by any net long-term capital loss (line 10, Schedule D (Form 1120L)) | | | | | |
| 7 Gross income from trade or business other than insurance business (attach schedule). (Also include amount from line 30(b), Schedule D, (Form 1120L)) | | | | | |
| 8 GROSS INVESTMENT INCOME (add lines 1(d) through 7) | | | | | |
| DEDUCTIONS | 9 Investment expenses (attach schedule) (see Schedule H) | | | | |
| | 10 Real estate expenses (attach schedule) | | | | |
| | 11 Depreciation (attach Form 4562) | | | | |
| | 12 Depletion (attach schedule) | | | | |
| | 13 Trade or business deductions as provided in section 804(c)(5) (attach schedule) | | | | |
| | 14 Total deductions (add lines 9 through 13) | | | | |
| | 15 INVESTMENT YIELD (line 8 less line 14) | | | | |

Schedule B PART I—POLICY AND OTHER CONTRACT LIABILITY REQUIREMENTS (Section 805(a)) (See instructions)

| | |
|---|---|
| 1 Adjusted life insurance reserves (from Part VI) | |
| 2 Multiplied by the adjusted reserves rate (lesser of lines 1 or 7, Part III) | % |
| 3 Pension plan reserves (line 6, column 7, Part V) | |
| 4 Multiplied by the current earnings rate (line 1, Part III) | % |
| 5 Interest paid (from Part VII) | |
| 6 Policy and other contract liability requirements (add lines 2, 4 and 5) | |

| PART II—ASSETS (Section 805(b)(4)) | | | |
|--|------------------------------|------------------------|-----------------------------------|
| | 1. Beginning of taxable year | 2. End of taxable year | 3. Mean of column 1 and column 2* |
| 1 Real estate | | | |
| 2 Mortgages: (a) Without service fees | | | |
| (b) With service fees | | | |
| 3 Collateral loans | | | |
| 4 Policy loans, including premium notes | | | |
| 5 Corporate bonds | | | |
| 6 Stocks | | | |
| 7 Government obligations, etc. (attach schedule) | | | |
| 8 Bank deposits, cash, etc. | | | |
| 9 Other assets (attach schedule) | | | |
| 10 Totals | | | |

*Adjusted under section 806(a) (see instructions—attach schedule)

| PART III—EARNINGS RATES (Section 805(b)) | |
|--|---|
| 1 Current earnings rate (line 15, Schedule A, divided by line 10, column 3, Part II) | % |
| 2 Earnings rate for first preceding year (attach schedule) | % |
| 3 Earnings rate for second preceding year (attach schedule) | % |
| 4 Earnings rate for third preceding year (attach schedule) | % |
| 5 Earnings rate for fourth preceding year (attach schedule) | % |
| 6 Total (add lines 1 through 5) | % |
| 7 Average earnings rate (see instructions) | % |

PART IV—AVERAGE INTEREST RATE ASSUMED (Section 805(c)(2))

Table with 8 columns: 1. Nature of reserve, 2. Assumed morbidity, 3. Assumed interest rate, 4. Method of computation, 5. Amount of reserve at beginning, 6. Amount of reserve at end, 7. Mean of column 5 and 6, 8. Column 3 times column 7.

6 Average rate of interest assumed in computing life insurance reserves (total of column 8 divided by total of column 7) %

PART V—PENSION PLAN RESERVES (Section 805(d))

Table with 8 columns for pension plan reserves: 1 Section 805(d)(1) reserves, 2 Section 805(d)(2) reserves, 3 Section 805(d)(3) reserves, 4 Section 805(d)(4) reserves, 5 Section 805(d)(5) reserves, 6 Totals.

PART VI—ADJUSTED LIFE INSURANCE RESERVES (Section 805(c)(1))

Table for adjusted life insurance reserves: 1 Mean of the reserves, 2 (a) Plus 10 times the average rate of interest assumed, (b) Total, (c) 10 times the adjusted reserves rate, (d) Line (c) less line (b), 3 Adjusted life insurance reserves.

PART VII—INTEREST PAID (Section 805(e))

Table for interest paid: 1 Interest on indebtedness, 2 Amounts in the nature of interest, 3 Discount on prepaid premiums, 4 Interest on certain special contingency reserves, 5 Total interest paid.

Schedule C TAXABLE INVESTMENT INCOME (See instructions)

Table for taxable investment income: 1 Policyholder's share, 2 Company's share, 3 Total.

4 Interest wholly tax-exempt (line 1(a), col. 4, Schedule A—see instructions)

Table for interest wholly tax-exempt: 5 (a) Dividends from line 2(a), Schedule A, (b) Dividends from line 2(b), Schedule A, (c) Dividends from line 2(c), Schedule A, (d) Dividends from line 2(d), Schedule A, (e) Dividends from line 2(e), Schedule A, (f) Dividends from line 2(f), Schedule A, 6 Other items of investment yield, 7 Net capital gain, 8 Totals.

REDUCTIONS

Table for reductions: 9 Interest wholly tax-exempt, 10 Dividends-received deduction, 11 Small business deduction, 12 Total, 13 Taxable investment income.

Table for gain or loss from operations: 1 Policyholder's share, 2 Company's share, 3 Total.

Table for gain or loss from operations (continued): 4 Interest wholly tax-exempt, 5 (a) Dividends from line 2(a), Schedule A, (b) Dividends from line 2(b), Schedule A, (c) Dividends from line 2(c), Schedule A, (d) Dividends from line 2(d), Schedule A, (e) Dividends from line 2(e), Schedule A, (f) Dividends from line 2(f), Schedule A, 6 Other items of investment yield, 7 Totals, 8 Net capital gain, 9 Gross premiums, 10 (a) Decrease in reserves, (b) Decrease in section 811(b)(2) reserves, 11 Other amounts, 12 Total.

DEDUCTIONS

Table for deductions: 13 Death benefits, etc., 14 Increase in reserves, 15 Assumption by another person, 16 Interest wholly tax-exempt, 17 Investment expenses, etc., 18 Small business deduction, 19 Other deductions, 20 Total, 21 Dividends-received deduction, 22 Operations loss deduction, 23 Tentative deduction, 24 Plus: (a) Dividends to policyholders, (b) Accident and health, and group life insurance, (c) Certain nonparticipating contracts, 25 Total deductions, 26 Gain or (loss) from operations.

Schedule E-1 REQUIRED INTEREST (Section 809(a)(2))

Table for required interest: 1. Rate, 2. Beginning of taxable year, 3. End of taxable year, 4. Mean of columns 2 and 3, 5. Column 1 times column 4. 1 Sec. 810(c)(1) reserves, 2 Sec. 810(c)(3) reserves, 3 Sec. 810(c)(4) reserves, 4 Sec. 810(c)(5) reserves, 5 Sec. 810(c)(6) reserves, 6 Required interest.

Schedule E-2 PART I—LIMITATION ON DEDUCTION (LINE 24, SCHEDULE E) (Section 809(f))

Table for limitation on deduction: 1 Statutory amount, 2 (a) Line 12, Schedule E, (b) Less: Tentative deduction, 3 Gain from operations, 4 Less: Taxable investment income, 5 Excess of line 3 over line 4, 6 Maximum possible deduction, 7 Deduction for dividends, 8 Maximum deduction for accident and health, 9 Deduction for accident and health, and group life insurance, 10 Maximum deduction for certain nonparticipating contracts, 11 Deduction for certain nonparticipating contracts.

PART II—DIVIDENDS TO POLICYHOLDERS (Section 809(d)(3))

1 Dividends paid to policyholders
2 (a) Increased by the excess of (i) over (ii):
(i) Reserve at the end of the taxable year
(ii) Reserve at the end of the preceding taxable year
OR
(b) Decreased by the excess of (i) over (ii):
(i) Reserve at the end of the preceding taxable year
(ii) Reserve at the end of the taxable year
3 If positive, enter on line 7, Schedule E-2; if negative, enter on line 10(b), Schedule E

PART III—CERTAIN ACCIDENT AND HEALTH INSURANCE AND GROUP LIFE INSURANCE (Section 809(d)(6))

1 Amount of deductions allowed or allowable in prior years under section 809(d)(6)
2 Net premiums
3 Line 2 multiplied by 2%
4 Tentative deduction—the lesser of line 3 or (50% of line 2, less amount on line 1)

PART IV—CERTAIN NONPARTICIPATING CONTRACTS (Section 809(d)(5))

1 (a) Reserve at the end of the taxable year
(b) Less: Reserve at the beginning of the taxable year
(c) Increase (if the difference is negative, enter zero)
(d) Multiplied by 10%
2 (a) Net premiums
(b) Multiplied by 3%
3 Tentative deduction—the greater of line 1 or line 2

Schedule F SHAREHOLDER'S SURPLUS ACCOUNT (Section 815(b))

1 (a) Balance at the end of the preceding year
(b) Transfers under section 815(d)(1) and (4) for preceding year
(c) Balance at the beginning of the taxable year (line 1(a) plus line 1(b))
2 Life insurance company taxable income computed without regard to section 802(b)(3) (line 1(c), page 1, plus line 2, page 1)
3 Net capital gain income reduced by any income on line 2
4 Dividends-received deduction (affiliated groups—see instructions):
(a) 85% of line 2(a), Schedule A
(b) 60.208% of line 2(b), Schedule A
(c) 85% of line 2(c), Schedule A
(d) Total, but not to exceed 85% of line 12 less line 20, Schedule E
5 Interest wholly exempt from tax (line 1(a), column 4, Schedule A)
6 Small business deduction (line 11, Schedule C)
7 Total (add lines 1 through 6)
8 Less: Tax liability for 1977 under section 802(a) (computed without regard to section 802(b)(3)) (income tax computed on line 2 as if line 2 was total life insurance company taxable income)
9 Excess of line 7 over line 8
10 Less: Distributions in 1977 (not to exceed line 9)
11 Balance as of the end of the taxable year

Schedule G POLICYHOLDER'S SURPLUS ACCOUNT (Section 815(c))

1 Balance as of the beginning of the taxable year
2 Add: (a) 50% of any excess of the gain from operations over the taxable investment income (line 2, page 1)
(b) The deduction for certain nonparticipating contracts (line 24(c), Schedule E)
(c) The deduction for accident and health, and group life insurance (line 24(b), Schedule E)
3 Total (line 1 plus line 2)
4 (a) Actual distributions only in excess of line 9, Schedule F
(b) Tax increase on line 4(a) by reason of section 802(b)(3)
(c) Subtractions under section 815(d)(1) and (4) (see instructions)
(d) Tax increase on line 4(c) by reason of section 802(b)(3)
(e) Subtraction required under section 815(d)(2) due to termination
5 Total of lines 4(a) through (e) (not to exceed line 3). Enter here and on line 3, page 1
6 Balance at the end of the year (line 3 less line 5)

Schedule H LIMITATION OF INVESTMENT EXPENSE DEDUCTION

(You need not fill in Schedule H unless you claim a deduction for general expenses allocated to investment income.)

1 Mean of the assets for the taxable year (line 10, column 3, Part II, Schedule B)
2 One-fourth of 1% of the mean of the assets (line 1)
3 Mortgage service fees
4 (a) (i) Investment yield computed without regard to investment expenses
(ii) Three and three-fourths percent of line 1
(iii) Line (i) less line (ii)
(iv) One-fourth of line (iii)
(v) Mortgage service fees (line 3)
(vi) Line (iv) less line (v)
(b) One-fourth of 1% of the amount on line 2(a), column 3, Part II, Schedule B
(c) The greater of (a)(vi) or (b)
5 Limit on deduction for investment expenses (add lines 2 through 4)

Schedule J COMPENSATION OF OFFICERS (See instructions, page 8)

Table with 7 columns: 1. Name of officer, 2. Social security number, 3. Time devoted to business, 4. Common, 5. Preferred, 6. Amount of compensation, 7. Expense account allowance

I (1) Did you at the end of the taxable year own, directly or indirectly 50% or more of the voting stock of a domestic corporation...
L Did you claim a deduction for expenses connected with:
(1) Entertainment facility (boat, resort, ranch, etc.)?
(2) Living accommodations (except for employees on business)?
(3) Employees' families at convention or meetings?
(4) Employee or family vacations not reported on Form W-2?
M Did you file all required Forms 1087, 1096, and 1099?
N Were you a U.S. shareholder of any controlled foreign corporation?
O Enter the number of defined benefit and defined contribution plans you have for your employees (see instruction I)
P Did you, at any time during the taxable year, have any interest in or signature or other authority over a bank, securities, or other financial account in a foreign country...
Q Were you the grantor of, or transferor to, a foreign trust during any taxable year, which foreign trust was in being during the current taxable year...
K Does a copy of the 1977 annual statement accompany this return? If "No," explain why the statement is not attached.

Department of the Treasury
Internal Revenue Service

1977 Instructions for Form 1120L U.S. Life Insurance Company Income Tax Return

(References are to the Internal Revenue Code.)

Contiguous country branch.—Effective for taxable years beginning after 1975, at the election (see section 819A(g)) of a domestic stock life insurance company or a mutual life insurance company which has a contiguous country life insurance branch, the assets of such branch may be transferred to a foreign corporation organized under the laws of a contiguous country without the application of section 367 or 1491.

Establishing a contiguous country life insurance branch.—May result in a taxable gain to the domestic life insurance company. See section 819A(d) or 819A(h).

General Instructions

A. Who must file Form 1120L.—Every domestic life insurance company and every foreign corporation carrying on an insurance business within the U.S. (if with respect to its U.S. business it would qualify as a life insurance company) which is engaged in the business of issuing life insurance and annuity contracts (either separately or combined with health and accident insurance) or non-cancelable contracts of health and accident insurance and of which the life insurance reserves, plus unearned premiums and unpaid losses (whether or not ascertained), on noncancelable life, health, or accident policies not included in life insurance reserves, comprise more than 50% of its total reserves, adjusted in each case for policy loans as required by section 801(d), must file a return on Form 1120L.

For this purpose, the term "noncancelable" includes guaranteed renewable life, health, and accident insurance which is not cancellable by the company but under which the company reserves the right to adjust premium rates by class in accordance with experience under the type of policy involved. The terms "life insurance reserves" and "total reserves" do not include deficiency reserves.

A burial or funeral benefit insurance company engaged directly in the manufacture of funeral supplies or the performance of funeral services is taxable under section 821 or section 831 and should file Form 1120M, U.S. Mutual Insurance Company Income Tax Return, or Form 1120, U.S. Corporation Income Tax Return. (Section 801(f).)

If a receiver, trustee in bankruptcy, or assignee has possession or title to, all or substantially all the property or business of a corporation, whether or not the property or business is being operated, he must make a return in the same manner and form as would be required were such corporation required to make its own return. (Section 6012.)

If a life insurance company disposes of its life insurance business and life insurance reserves under a reinsurance agreement with another company, but continues its corporate existence for the purpose of winding up and liquidating its affairs, it will not be taxable as a life insurance company after the effective date of such agreement.

B. Period covered.—The return is to be filed for calendar year 1977. (Section 843.) If the corporation ceases to exist, write "FINAL RETURN" at the top of the form.

C. Accounting methods.—The return must be filed using the accrual method of accounting or, to the extent permitted under regulations, a combination of the accrual method with any other method, other than the cash receipts and disbursements method.

Unless the law specifically permits, the method of accounting used to report income in prior years (for income as a whole or for an material item) may not be changed without first obtaining consent on Form 3115, Application for Change in Accounting Method.

Rounding off to whole dollar amounts.—Money items may be shown as whole-dollar amounts by eliminating any amount less than 50 cents and increasing any amount from 50 cents through 99 cents to the next higher dollar.

D. Where to file.

If the corporation's principal business, office, or agency is located in

Use this address

New Jersey, New York City and counties of Nassau, Rockland, Suffolk, and Westchester

Internal Revenue Service
Center
Hotellville, NY 09501

New York (all other counties), Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont

Internal Revenue Service
Center
Andover, MA 05501

Alabama, Florida, Georgia, Mississippi, South Carolina

Internal Revenue Service
Center
Atlanta, GA 31101

Michigan, Ohio

Internal Revenue Service
Center
Cincinnati, OH 45999

Arkansas, Kansas, Louisiana, New Mexico, Oklahoma, Texas

Internal Revenue Service
Center
Austin, TX 73301

Alaska, Arizona, Colorado, Idaho, Minnesota, Montana, Nebraska, Nevada, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming

Internal Revenue Service
Center
Ogden, UT 84201

Illinois, Iowa, Missouri, Wisconsin

Internal Revenue Service
Center
Kansas City, MO 64399

California, Hawaii

Internal Revenue Service
Center
Fresno, CA 93388

Indiana, Kentucky, North Carolina, Tennessee, Virginia, West Virginia

Internal Revenue Service
Center
Memphis, TN 37501

Delaware, District of Columbia, Maryland, Pennsylvania

Internal Revenue Service
Center
Philadelphia, PA 19255

Foreign corporations carrying on an insurance business within the U.S. must file their return with the Internal Revenue Service Center, Philadelphia, PA 19255.

The separate income tax returns of a group of corporations located in several Service Center regions may be filed with the Service Center for the area in which

the principal office of the managing corporation that keeps all the books and records is located.

E. When to file.—In general, Form 1120L must be filed on or before March 15, 1978.

File Form 7004 to request an automatic 3-month extension of time to file Form 1120L.

File Form 7005 to request an additional extension after obtaining an automatic 3-month extension by filing Form 7004.

F. Depository method of payment of tax.—The balance of tax due (line 23) must be paid in full when the return is filed or in two installments, 50% by March 15, 1978 and 50% by June 15, 1978.

All corporation income tax payments and estimated income tax payments must be deposited at an authorized commercial bank depository or Federal Reserve Bank or Branch (FRB), with a Federal Tax Deposit Form preinscribed with a Tax Class Number, in accordance with instructions appearing on the reverse of that form. Deposits made at an FRB must be made with the FRB servicing the geographic area where the taxpayer is located. The deposit must be made in a form of payment that the receiving FRB considers to be an immediate credit item. Additional information can be obtained from a commercial bank or FRB. Each deposit must be accompanied by a Federal Tax Deposit Form preinscribed with a Tax Class Number 503. Do not remit directly to Internal Revenue. Records of deposits will be sent to Internal Revenue for crediting to the corporation's account.

The timeliness of deposits will be determined by date received by a commercial bank depository or FRB. If a tax payment is made by mail, a deposit received after the due date will be considered timely if the taxpayer establishes that it was mailed on or before the second day before the prescribed due date as provided by section 7502. Tax deposits made at FRBs which are not in compliance with deposit requirements will nevertheless be processed by the receiving FRB rather than returned to the taxpayer. Furthermore, such tax payments received by an FRB will be dated as paid based upon the date when the proceeds of the accompanying payment instrument are collected by the FRB, and if made by mail section 7502 will not apply.

Federal Tax Deposit Forms preinscribed with a Tax Class Number 503 will be mailed to corporations on a cyclical basis depending on the taxable year of the corporation. Corporations needing such deposit forms may obtain them from the Internal Revenue Service Center where they will file their returns. The application should include the corporation's name, identification number, address, and the taxable year to which the deposits relate.

Estimated tax.—A corporation must make estimated tax payments if it can expect its estimated tax (income tax less credits) to be \$40 or more.

Form 1120-W may be used as a worksheet to compute estimated tax.

If there was an overpayment of estimated tax, file Form 4466 for a "quick refund" if the overpayment is (1) at least 10% of expected income tax liability AND (2) at least \$500. This application must be made within 2½ months after the end of the taxable year and before Form 1120L is filed.

G. Signature.—The return must be signed and dated by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or any other corporate officer (such as tax officer) authorized to sign. A receiver, trustee, or assignee must sign and date any return required to be filed on behalf of a corporation.

An individual who prepares Form 1120L for pay must manually sign the return as preparer. Signature stamps or labels are not acceptable. If someone prepares Form 1120L for free, that person does not have to sign that return.

If more than one person prepares the return, the individual preparer with the primary responsibility for the overall accuracy of the return must sign as preparer. The preparer required to sign the return shall also enter his or her social security number to the right of that signature. If the preparer is self-employed, he or she must write "SE" to the right of the preparer's social security number. If the individual is paid by another to prepare (or is a partner in a partnership preparing) Form 1120L, the payer's (or partnership's) name and identification number must be entered below the preparer's signature line. (Special rules apply to identification numbers for foreign tax return preparers. Such preparers should see section 1.6109-2(a) and 301.7701-15(a)(5) of the regulations.)

The return must also show, below the preparer's signature, the address of the preparer's place of business where the return was completed. However, if this place of business is not maintained on a year-round basis, the return should show the address of the preparer's principal business location which is maintained on a year-round basis, or, if none, the preparer's residence.

The preparer must give the taxpayer a copy of Form 1120L in addition to the copy filed with IRS. Employers, partnerships, and self-employed preparers must file Form 5717, Annual List of Income Tax Return Preparers.

Note: A \$25 penalty may be charged a paid preparer who does not give the taxpayer a copy of Form 1120L in addition to the copy filed with IRS. A penalty may also be charged a preparer required to sign who does not show an original signature or a photocopy of the original signature in the space provided. A penalty may be charged a self-employed preparer who does not show his or her identifying number in the space provided.

If the individual is paid by another to prepare (or is a partner in a partnership preparing) Form 1120L, the payer or partnership may be charged a penalty if the return does not show the individual's social security number and the payer's (or partnership's) employer identification number.

If Form 1120L is prepared by the taxpayer's regular, full-time employee, such as clerk, secretary or bookkeeper, or by the taxpayer's partner (if an individual), that person is not subject to the above rules.

H. Information returns and forms that may be required.

1. Forms W-2 and W-3.—Employee's wage and tax statement; and transmittal of income and tax statements.

2. Form W-2P.—Statement for recipients of annuities, pensions or retired pay.

3. Forms 1087-DIV, INT, MED, MISC, and OID.—Nominees' information re-

turns for reporting dividends, interest, medical and health care payments, miscellaneous income, and original issue discounts that were received as a nominee on behalf of another person.

4. Form 1096.—Annual summary and transmittal of U.S. information returns.

5. Form 5452.—Corporate report of nontaxable dividends.

6. Forms 966 and 1099L.—Information returns regarding dissolution or liquidation, and distributions in liquidation.

7. Forms 1099-DIV, INT, MED, MISC, OID, PATR, and R.—Information returns for reporting certain dividends, interest income, medical and health care payments, miscellaneous income payments, original issue discount, patronage dividends, and lump-sum distributions from profit-sharing and retirement plans.

8. Form 5713.—International boycott report for persons having operations in or related to "boycotting countries." In addition, persons who participate in or cooperate with an international boycott, may have to complete Schedule A or Schedule B and Schedule C of Form 5713 to compute their loss of the following items: the foreign tax credit, the deferral of earnings of a controlled foreign corporation, and DISC benefits.

9. Pension, profit-sharing, etc. plans.—The number of plans to be entered refers to all plans for which all assets have not been distributed. Also include any plans in which assets were distributed in the current year. The number of plans must be indicated whether or not a deduction is claimed. Complete Form 5500 for each plan and file as a separate return. Complete Form 5500-C in lieu of Form 5500 if there were fewer than 100 participants at the beginning of the plan year. See instructions for above forms for computation of allowable deduction. File these forms on or before the last day of the 7th month following the close of the plan year. ERISA imposes penalties for failure to furnish complete information and failure to file statements and return/reports.

Employee benefit programs.—Enter the amount of contributions to employee benefit programs (e.g. insurance, health and welfare programs) that are not an incidental part of a pension, profit-sharing, etc., plan. Also deduct contributions to a qualified group legal services plan. Section 120 imposes certain rules on an employer which will permit employees (including spouses and dependents) to exclude from income employer contributions to a qualified group legal services plan.

J. Stock ownership in foreign corporations.—See section 551(c) and attach the required statement if there was an ownership of 5% or more in value of the outstanding stock of a foreign personal holding company.

A taxpayer who controls a foreign corporation or who is a 10% or more shareholder of a controlled foreign corporation, may be required to file Forms 2952 and 3646.

K. Annual statement.—A copy of the annual statement for life insurance companies adopted by the National Association of Insurance Commissioners for the year 1977, as filed with the insurance Department of the State, or District of Columbia, which shows the reserves used in computing the taxable income reported on the return, together with copies of Schedule A (real estate) and Schedule D (bonds and stocks), must accompany the

return (see section 1.6012-2(c) of the regulations).

Similar copies for the 4 preceding years must also be furnished if not already filed for such years. In the case of a foreign life insurance company carrying on a life insurance business within the U.S., the copies submitted must relate to the U.S. business of the company.

If you use miniature statements, they may be filed instead of larger statements.

L. Attachments.—If more space is needed on forms or schedules, attach separate sheets and use the same arrangement as the printed forms, but show the totals on the printed forms. Be sure to put the taxpayer's name and employer identification number on these separate sheets.

M. Consolidated returns.—Subject to the provisions of sections 1501 through 1504, section 1552, and the regulations thereunder, an affiliated group of corporations, each qualifying as a life insurance company, may make a consolidated income tax return instead of separate returns. The parent corporation must attach Form 851, Affiliations Schedule, to the consolidated return. For the first year a consolidated return is filed, each subsidiary must attach Form 1122.

N. Percentage computations.—In computing earnings rates, assumed rates, and policyholders' and company's share of investment yield, the computation should be carried out to a sufficient number of decimal places to insure substantial accuracy and to eliminate any significant error in the resulting tax liability.

O. Total insurance liabilities.—Domestic company.—The term "total insurance liabilities" means the sum of the total reserves (as defined in section 801(c)) as of the end of the taxable year plus (to the extent not included in total reserves) the items referred to in paragraphs (3), (4), (5), and (6) of section 810(c) as of the end of the taxable year. See section 819(a)(2) and instruction P below.

Foreign company.—The term "total insurance liabilities" relates only to U.S. business.

P. Segregated asset accounts.—All companies with segregated asset accounts must attach a schedule showing separately for the regular accounts and for the segregated asset accounts, section 819(a)(2) total insurance liabilities and section 805(b)(4) assets. See section 1.801-8(h) of the regulations.

Q. Transfers to corporation controlled by transferee.—If a person acquires stock or securities of a corporation in exchange for property, and no gain or loss is recognized under section 351, the transferee and transferees must attach the information required by section 1.351-3 of the regulations.

R. U.S. person.—The term "U.S. person" means: (1) a citizen or resident of the United States, (2) a domestic partnership, (3) a domestic corporation, or (4) any estate or trust (other than a foreign estate or trust within the meaning of section 7701(a)(31)).

Owner's country, for individuals, is their country of residence. For all others, it is the country where incorporated, organized, created, or administered.

S. Penalties.

Avoid penalties and interest by correctly filing and paying the tax when due.

1. A corporation that fails to file its tax return by the prescribed due date including any extensions of time for filing

may be subject to a penalty of 5% a month, up to a maximum of 25%, for each month the return is not filed (the penalty is imposed on the net amount due—section 6651(a)(1)).

2. A corporation that fails to pay the tax when due may be subject to a penalty of 1/2% a month or fraction of a month, up to a maximum of 25% for each month the tax is not paid (the penalty is imposed on the net amount due—section 6651(a)(2)).

The above penalties will not be imposed if the corporation can show that the failure to file or to pay was due to reasonable cause and not to willful neglect.

These penalties are in addition to the interest charge imposed on unpaid tax at a rate pursuant to section 6621.

3. A corporation that fails to pay the proper estimated tax when due may be subject to an underpayment penalty for the period of underpayment (section 6655) at a rate pursuant to section 6621.

If estimated tax was underpaid and you believe a penalty charge should not be assessed, attach Form 2220.

T. Foreign Bank, Securities and Other Financial Accounts.—If at any time during the taxable year, you had an interest in or signature or other authority over a bank account, securities account, or other financial account in a foreign country or were a grantor of, or transferee to a foreign trust, which trust was in being during the taxable year, you must check the appropriate YES box(es) in questions P and Q. (If you own more than 50 percent of the stock in any corporation that owns one or more foreign bank accounts, you must check the YES box for question P.)

If you had any interest in or signature or other authority over a bank, securities, or other financial account in a foreign country (except in a U.S. military banking facility operated by a U.S. financial institution), you must file Treasury Department Form 90-22.1. Report of Foreign Bank, Securities, and Other Financial Accounts.

This form, which is due before July 1, 1978, should be filed with the U.S. Treasury Department at P.O. Box 28309, Central Station, Washington, D.C. 20005.

Form 90-22.1, which replaces Internal Revenue Service Form 4583, U.S. Information Return on Foreign Bank, Securities and Other Financial Accounts, and Foreign Trusts, may be obtained from Internal Revenue Service offices or by writing to the above address.

U. Employer Identification Number.—Enter the employer identification number (EIN) assigned to the corporation.

Corporations who do not have an EIN should apply for one on Form SS-4, available from any IRS or Social Security Administration office. Send Form SS-4 to the same Internal Revenue Service Center to which Form 1120L is sent.

Specific Instructions

(Numbered to correspond with the line numbers on the return.)

SCHEDULE A.—Investment Yield

The term "investment yield" means gross investment income, as defined in section 804(b), less the deductions al-

lowed in section 804(c). The entire amount of the items of income and allowable deductions are to be reported in Schedule A. The purpose of including the entire amount of these items is to provide the basis for the exclusion of the policyholders' share of the investment yield from the life insurance company's taxable income.

1. **Interest.**—Enter interest from all sources during the taxable year. The gross amount of interest reported as gross income shall be decreased by the amortization of premium and increased by the accrual of discount (except market discount) attributable to the taxable year on bonds, notes, debentures, or other evidences of indebtedness, determined in accordance with: (1) the method regularly employed, if reasonable, or (2) regulations prescribed by the Secretary or his delegate. See section 818(b). (Attach a statement showing method and computation.)

2. Dividends.

(a) Enter dividends received from domestic corporations subject to income tax and which are subject to the 85% deduction under section 243(a)(1).

So-called dividends or earnings received from mutual savings banks, etc., are really interest and should not be treated as dividends. For dividends received from a regulated investment company, see section 854 for the amount subject to the 85% deduction.

(b) Enter dividends received on the preferred stock of a public utility that is subject to income tax and is allowed the deduction provided in section 247 for dividends paid.

(c) Enter dividends received from foreign corporations and which qualify for the 85% deduction provided in section 245(a).

Also include in line 2(c) dividends received from wholly-owned foreign subsidiaries that are eligible for the 100% deduction provided in section 245(b). In general, this deduction applies to dividends paid out of the earnings and profits of a foreign corporation for a taxable year during which (1) all of its outstanding stock is owned (directly or indirectly) by the domestic corporation receiving such dividends and (2) all of its gross income from all sources is effectively connected with the conduct of a trade or business within the U.S.

The 100% deduction does not apply to any dividend if an election under section 1562 (relating to multiple surtax exemptions by a controlled group of corporations) is effective for the taxable year of the foreign corporation out of the earnings and profits of which such dividends are paid.

If dividends received from wholly-owned foreign subsidiaries are included in line 2(c), attach a schedule showing the amount of these dividends included.

(d) Enter dividends entitled to the 100% dividends-received deduction under section 243(a)(3) and which are subject to the elective provisions of section 243(b).

(e) Enter dividends that are subject to the elective provisions of section 243(b) and are entitled to the div-

idends-received deduction as computed under the provisions of section 1564(b).

(f) Attach a schedule showing separately:

(1) Foreign dividends (including minimum distributions under subpart F) not reportable on line 2(c). Exclude distributions of amounts constructively taxed in the current year or in prior years under subpart F.

(2) Include income constructively received from controlled foreign corporations under subpart F. This amount should equal the total of amounts reported in Schedule A, of Form(s) 3646.

(3) Include gross-up for taxes deemed paid under sections 902 and 960.

(4) Include dividends (other than capital gain dividends and exempt interest dividends) received from regulated investment companies and which are not subject to the 85% deduction; dividends from tax-exempt organizations; dividends (other than capital gain dividends) received from a real estate investment trust which, for the taxable year of the trust in which the dividends are paid, qualifies under sections 856-858; dividends not eligible for the dividends-received deduction because of the holding period of the stock or an obligation to make corresponding payments with respect to similar stock; and any other taxable dividend income not properly reported above.

5. **Gross rents.**—Enter the gross amount received for the rent of property. Deduct expenses such as repairs, taxes, and depreciation in the proper lines for deductions.

6. **Gross royalties.**—Enter the gross amount of royalties. If a deduction is claimed for depletion, report it on line 12.

7. **Leases, terminations, etc.**—Enter the gross amount of income from the entering into (or the alteration or termination) of any lease, mortgage, or other instrument or agreement from which the life insurance company derives interest, rents, or royalties.

8. **Net short-term capital gain.**—Enter the amount (if any) by which the net short-term capital gain exceeds the net long-term capital loss. See separate Schedule D (Form 1120L).

9. **Gross income from trade or business other than insurance business.**—Enter the gross income from any trade or business (other than an insurance business) carried on by the life insurance company, or by a partnership of which the life insurance company is a member.

Include section 1245 and section 1250 etc., gains from Form 4797 with respect only to investment assets.

10. **Deductions.**

1. **Investment expenses.**—Enter expenses which are properly chargeable as investment expenses. If you allocate general expenses to investment expenses, the total deduction cannot exceed line 5, Schedule H. Attach a schedule showing

the nature and amount of items included and group the minor items into one amount.

10. **Real estate expenses.**—Enter the amount of taxes (section 164); all ordinary and necessary building expenses, such as fire insurance, heat, light, labor; and the cost of incidental repairs which neither materially add to the value of the property nor appreciably prolong its life, but keep it in an ordinary efficient operating condition, exclusively on or with respect to the real estate owned by the company. Do not include any amount paid for new buildings or for permanent improvements or betterments made to increase the value of any property or any amount expended on foreclosed property before such property is held for rental purposes. These taxes and other expenses should be itemized in an attached schedule. (For limitation on deduction, see instruction 11.)

11. **Depreciation.**—See Instructions for Form 4562.

Limitation on deductions relating to real estate owned and occupied.—The deductions included on lines 10 and 11 for real estate owned and occupied for insurance purposes in whole or in part by the company is limited to an amount which bears the same ratio to those deductions (computed without regard to the second sentence of section 804(c)(3)) as the rental value of the space not so occupied bears to the rental value of the entire property. Attach a detailed schedule.

12. **Depletion.**—See section 613 and 613A for percentage depletion rates applicable to natural deposits.

Attach Form F if a deduction is claimed for depletion of timber.

13. **Trade or business deductions.**—Enter the total deductions attributable to any trade or business (other than an insurance business) income that is included in the life insurance company's gross investment income under section 804(b)(3). Do not include losses (a) from (or considered as from) sales or exchanges of capital assets, (b) from sales or exchanges of property used in the trade or business (as defined in section 1221(b)), or (c) from the compulsory or involuntary conversion of property used in the trade or business.

The deduction for net operating losses (section 172) and the special deductions (sections 241 through 250) are not allowed.

SCHEDULE B.—

Part I—Policy and Other Contract Liability Requirements (Section 805(a))

Purpose.—The next step after determining investment yield (Schedule A) is to determine the policy and other contract liability requirements. This computation furnishes the numerator, with the total of the investment yield as the denominator, to determine the policyholders' share of investment yield which is not included in computing taxable investment income (Schedule C).

Definition.—The term "policy and other contract liability requirements" means the sum of (1) the adjusted life insurance reserves (from Part VI), multiplied by the adjusted reserves rate (from Part III); (2) the mean of the pension plan reserves at the beginning and end

of the taxable year (from Part V), multiplied by the current earnings rate (from Part III); and (3) the interest paid (from Part III).

Part II—Assets (Section 805(b)(4))

Purpose.—This computation is necessary in order to determine the earnings rates in Part III.

Definition.—The term "assets" for this purpose means all assets of the company (including nonadmitted assets) and includes all moneys but does not include real and personal property (other than money) used by the company in carrying on an insurance trade or business.

Valuation.—The amount attributable to real property and to stocks is their fair market value. The amount attributable to other assets is the adjusted basis of such assets for purposes of determining gain on sale or other disposition. This adjusted basis is determined under section 1011, and related sections, without regard to section 817(b).

Section 806(a) adjustment.—If, during the taxable year, there is a change in life insurance reserves (either increases or decreases) attributable to the transfer between the taxpayer and another person of liabilities under contracts taken into account in computing such reserves, the mean of the assets must be appropriately adjusted on a daily basis to reflect the amounts involved in such transfer. See section 806 of the regulations. Attach a schedule showing the adjustment.

Part III—Earnings Rates (Section 805(b))

The term "current earnings rate" means the percentage determined by dividing the investment yield for the taxable year (Schedule A), by the mean of the assets at the beginning and end of the taxable year (Part II—Assets).

The term "average earnings rate" means the sum of the current earnings rate for the taxable year and the earnings rate for each of the 4 taxable years immediately preceding the taxable year, divided by 5. If, in computing the 5-year average earnings rate for any taxable year, the company was an insurance company (but not a life insurance company) in any of the 4 years preceding the taxable year, the computation shall be made as if the company were a life insurance company for such year. Where the company was not in existence for one or more of the 4 preceding years or was not an insurance company for one or more of such years, no entry shall be made for such year or years. The average earnings rate (line 7) is determined by adding the percentages entered and dividing this sum by the number of applicable years. For example, if entries are made on three lines, divide the sum by 3. See General instruction N.

Part IV—Average Interest Rate Assumed (Section 805(c)(2))

The purpose of this schedule is to determine a rate which is used in the computation of adjusted life insurance reserves (Part VI). See General instruction N. Exclude pension plan reserves from life insurance reserves for the purpose of determining the taxpayer's assumed rate under this part. See Part V.

Columns 5 and 6.—Adjustment under section 806(b).—If the basis for determining the amount of any item referred to in section 810(c) (life insurance reserves, etc.) is of the close of the taxable

year differs from the basis for such determination as of the beginning of the taxable year, then the amount of the item as of the close of the taxable year must be the amount computed on the old basis, and the amount of the item as of the beginning of the next taxable year must be the amount computed on the new basis.

Adjustment under section 818(c).—This adjustment is required where the company actually computes its life insurance reserves on one of the recognized preliminary term bases but elects to convert them to a net level premium basis in the computation of the reserves for tax purposes.

If elected, the conversion may be made by one of two methods:

Method 1. **Exact revaluation:** Under this method, the company must compute the reserves for all contracts (with respect to which reserves are computed on a preliminary term basis) on a net level premium basis using the same mortality assumptions and interest rates for both the preliminary term basis and the net level premium basis.

Method 2. **Approximate revaluation:** Under this method, with respect to contracts for which reserves are computed on a preliminary term basis, the reserves are increased by the sum of (1) \$21 per \$1,000 of insurance in force (other than term insurance), less 2.1% of reserves under such contracts; and (2) \$5 per \$1,000 of term insurance in force under contracts which at the time of issuance cover a period of more than 15 years, less 0.5% of reserves under such contracts.

A life insurance company may elect, under section 818(c), the approximate revaluation method for all its life insurance reserves, other than noncancelable accident and health reserves, and use the exact revaluation method for all its noncancelable accident and health reserves. (Revenue Ruling 60-61, 1960-1 C.B. 268.)

Column 7.—Adjustment under section 806(a).—If, during the taxable year, there is a change in life insurance reserves attributable to the transfer between the company and another person of liabilities under contracts taken into account in computing such reserves, the means of such reserves must be appropriately adjusted on a daily basis to reflect the amounts involved in such transfer. (See section 1.806-3 of the regulations.) This adjustment is applicable whether or not the transferor of the liabilities was the original insurer. However, this adjustment is not applicable to reinsurance ceded by another person to the taxpayer or by the taxpayer to another person. For the definition of "life insurance reserves," see section 801(b).

Part V—Pension Plan Reserves (Section 805(d))

These reserves must be adjusted under sections 806 and 818(c) as described in Part IV above.

Part VI—Adjusted Life Insurance Reserves (Section 805(c)(1))

This term constitutes the mean of the life insurance reserves (as defined in section 801(b)), computed under Part IV (excluding pension plan reserves taken into account under Part V), adjusted as set forth in Part VI, Schedule B.

Part VII—Interest Paid (Section 805(e))

1.—Enter all interest for the taxable year on indebtedness, except on indebted-

edness incurred or continued to purchase or carry obligations the interest on which is wholly exempt from tax.

2.—Enter all amounts in the nature of interest, whether or not guaranteed, for the taxable year on insurance or annuity contracts (including contracts supplementary thereto) which do not involve, at the time of accrual, life, health, or accident contingencies.

3.—Enter all amounts accrued for the taxable year for discounts in the nature of interest, whether or not guaranteed, on premiums or other consideration paid in advance on insurance or annuity contracts.

4.—Enter all interest for the taxable year on special contingency reserves under contracts of group term life insurance which are established and maintained for the provision of insurance on retired lives, for premium stabilization, or for a combination thereof.

SCHEDULE C.—Taxable Investment Income

General.—The policyholders' share of each item of investment yield (including tax-exempt interest, and dividends received) of any life insurance company cannot be included in taxable investment income.

1.—Enter the percentage that represents the policyholders' share of each item of investment yield. This percentage is determined by dividing the policy and other contract liability requirements (Schedule B) by the investment yield (Schedule A), except that if the amount of the policy and other contract liability requirements exceeds the investment yield, the policyholders' share of any items must be 100%. See General Instruction N.

2.—Enter the percentage that represents the life insurance company's share of any item of investment yield. This percentage is equal to the difference between 100% and the percentage on line 1.

4-7.—Enter on line 4, column 1, the amount of interest which is wholly exempt from tax under section 103. (Where securities of a municipality are originally issued at a price not less than par value and are subsequently acquired by a purchaser at a discount, such discount is not in the nature of tax-exempt interest within the meaning of section 103.) Multiply the amount on each line in column 1 by the percentage from line 1 and enter the product for each line in column 2. The amounts entered in column 2 represent the policyholders' share of these items which is not included in taxable investment income. Enter in column 3 the difference obtained by subtracting column 2 from column 1. The amount in column 3 represents the company's share of these items of investment yield.

Reductions

9. Interest wholly tax-exempt.—Enter the amount from line 4, column 3. This amount is the company's share of wholly tax-exempt interest which, like the policyholders' share of such interest (from line 4, column 2), is not included in taxable investment income.

10. Dividends-received deduction.—(a) Dividends received from domestic corporations.—Enter 85% of the com-

pany's share (line 5(a), column 3) of the amount received as dividends (except dividends on certain preferred stock of public utilities) from domestic corporations subject to income tax. Members of certain affiliated groups may elect to deduct 100% of the qualifying dividends received from other members of the same group. Include the company's share of the 100% deduction on line 10(a). See section 243.

(b) Dividends received on certain preferred stock of public utilities.—Enter 60.208% of the company's share (line 5(b), column 3) of the amount received as dividends on the preferred stock of a public utility which is subject to income tax and which is allowed a deduction for dividends paid under section 247. See section 244.

(c) Dividends received from foreign corporations subject to the 85% deduction.—Enter 85% of the company's share (line 5(c), column 3) of dividends received from foreign corporations subject to the 85% deduction.

Also enter on this line 100% of the company's share of dividends received from wholly-owned foreign subsidiaries that are eligible for the 100% deduction provided in section 245(b).

See section 245 for qualifications and limitations on the amount of these deductions.

(d) Total dividends-received deduction.—The total of the dividends-received deduction cannot exceed 85% of taxable investment income computed without regard to this deduction.

The limitation for a member of an electing affiliated group is 85% of taxable investment income computed without regard to this deduction. However, this deduction must be reduced by the deduction for 100% (as described in 10(a) above) of the qualifying dividends received from the same group since these dividends are not subject to the 85% limitation.

In general, no dividends-received deduction will be allowed on any share of stock (a) that is disposed of if the corporation held it 15 days or less, or (b) to the extent the corporation is under an obligation to make corresponding payments with respect to substantially identical stock or securities.

11. Small business deduction.—Enter 10% of the investment yield (Schedule A) but not to exceed \$25,000. Members of certain affiliated groups are limited to one \$25,000 limitation. (Section 243.)

Members of a controlled corporate group are limited to one \$25,000 small business deduction. See section 1561(a).

SCHEDULE E.—Gain and Loss From Operations

General.—The share of each item of investment yield (including tax-exempt interest and dividends received) of any life insurance company set aside for policyholders cannot be included in gain and loss from operations.

1.—Enter the percentage which represents the share of any item of investment yield which is set aside for policyholders. This percentage is determined by dividing the required interest (Schedule E-1) by the investment yield (Schedule A), except that if the amount of the required interest exceeds the investment yield, then the share of any item set aside for policyholders must be 100%. See General Instruction N.

2.—Enter the percentage which represents the life insurance company's share of any item of investment yield. This percentage is equal to the difference between 100% and the percentage on line 1.

4-6.—Enter on line 4, column 1, the amount of interest which is wholly exempt from tax under section 103. (Where securities of a municipality are originally issued at a price not less than par value and are subsequently acquired by a purchaser at a discount, such discount is not in the nature of tax-exempt interest within the meaning of section 103.) Multiply the amount on each line in column 1 by the percentage from line 1 and enter the product for each line in column 2. The amounts entered in column 2 represent the policyholders' share of these items which are not included in gain and loss from operations. Enter in column 3 the difference obtained by subtracting column 2 from column 1. The amounts entered in column 3 represent the company's share of these items of investment yield.

9.—Enter the gross amount of premiums and other consideration (including advance premiums, deposits, fees, assessments, and consideration from assuming liabilities under contracts not issued by the company) on insurance and annuity contracts (including contracts supplementary thereto); less return premiums, and premiums and other consideration arising out of reinsurance ceded. Except in the case of premiums or other consideration related to another life insurance company from reinsurance ceded, amounts returned where the amount is not fixed in the contract but depends on the experience of the company or the discretion of the management cannot be included. However, amounts rebated or refunded due to policy cancellations or to erroneously computed premiums are treated as return premiums.

10(a). Decrease in reserves.—Enter the excess of the sum of the items described in section 810(c) as of the beginning of the taxable year over the sum of such items as of the close of the taxable year (reduced by the policyholders' share of investment yield not included in gain and loss from operations—from line 7, column 2).

10(b). Decrease in section 811(b)(2) reserves.—Enter the amount (from line 3, Part II, Schedule E-2) by which the decrease for the taxable year in the reserves for policyholder dividends exceeds the amount of dividends paid to policyholders during such year. Enter also one-tenth of any net decrease in reserves attributable to the operation of section 810(d).

11. Other amounts.—Enter the total amount of other income not included in computing investment yield and not otherwise included above to the extent that such items are includible in gross income. However, exclude all gains from the sale or exchange of capital assets and gains considered as gains from the sale or exchange of a capital asset.

Deductions

13. Death benefits, etc.—Enter the amount of all claims and benefits accrued (including matured endowments and amounts allowed on surrender) and losses incurred (whether or not ascertained) during the year on insurance,

annuity, and supplementary contracts. The term "losses incurred (whether or not ascertained)" refers to a reasonable estimate of the amount of the losses incurred but not reported, as well as losses reported but where the amount cannot be ascertained by the end of the year.

14. Increase in reserves.—Enter the excess of the sum of the items described in section 810(c) as of the close of the taxable year (reduced by the policyholders' share of investment yield not included in gain and loss from operations (line 7, col. 2)) over the sum of such items as of the beginning of the taxable year. Enter also one-tenth of any net increase in reserves attributable to the operation of section 810(d).

15. Assumption by another person of liabilities under insurance, etc., contracts.—Enter the amount of the consideration (other than consideration arising from reinsurance ceded) from the assumption by another person of liabilities under insurance and annuity contracts (including contracts supplementary thereto).

16. Interest wholly tax-exempt.—Enter the amount from line 4, column 3. This amount is the company's share of wholly tax-exempt interest, like the policyholders' share of such interest (from line 4, column 2), is not included in gain and loss from operations.

17. Investment expenses.—Enter the excess of the total investment expenses over the amount allowed in computing investment yield (Schedule A) and the amount (if any) by which the sum of the deductions allowable (line 14, Schedule A) exceeds the gross investment income (line 9, Schedule A). Attach a schedule showing computations.

18. Small business deduction.—Enter 10% of the investment yield (Schedule A) but not to exceed \$25,000. Members of certain affiliated groups are limited to one \$25,000 limitation. (Section 243.)

Members of a controlled group are limited to one \$25,000 small business deduction. See section 1561(a).

19. Other deductions.—Enter the total amount of all other deductions, not included in computing investment yield and not included in lines 21 through 24, to the extent allowable as deductions in computing taxable income except as modified below:

(a) Interest.—No deduction is allowed under section 163 for interest on the items described in section 810(c).

(b) Bad debts.—No deduction is allowed under section 166(c), but a deduction for specific bad debts is permitted to the extent that the other provisions of that section are applicable.

(c) Contributions.—Attach a schedule showing the name of each organization and the amount paid. If a contribution is made in property other than money, describe the kind of property contributed and the method used in determining its fair market value. If a contribution carryover is included, show the amount and how it was determined. For limitation and the application of a charitable contribution carryover,

see section 1.809-6(c) of the regulations.

In applying section 170, the 5% limitation on total deductions must be computed under section 809(e)(3). See section 1.809-6(c) of the regulations.

Charitable contributions in excess of the 5% limitation may not be deducted for the taxable year but may be carried over to the next 5 taxable years.

Companies on the accrual basis may elect to deduct contributions paid on or before the 15th day of the 3d month following the end of the taxable year if the contributions are authorized by the board of directors during the taxable year. A declaration, signed by an officer stating that the resolution authorizing the contribution was adopted by the board of directors during the taxable year, and a copy of the resolution, must both be attached to the return.

Special rule for contributions of certain property.—If a charitable contribution of property is made, the contribution must be reduced by the sum of

(1) the ordinary income, short-term capital gain, and any other tax-exempt interest, like the policyholders' share of such interest (from line 4, column 2), is not included in gain and loss from operations.

(2) for certain contributions, 62½% of the long-term capital gain, that would have resulted if the property were sold at its fair market value. The reduction for 62½% of the long-term capital gain applies to (1) contributions of tangible personal property for use by an exempt organization for a purpose or function unrelated to the basis for its exemption, and (2) contributions of any property to or for the use of certain private foundations. (Section 170(e).) For special rules regarding a contribution of inventory, and other ordinary income property described in section 1221(1) or (2) to an exempt organization described in section 501(c)(3), for use in the care of the ill, needy, or infants, see section 170(e)(5).

Bargain sale to a charitable organization.—If a charitable contribution deduction is taken for property sold to a charitable organization, the adjusted basis for determining gain from the sale is an amount which is in the same ratio to the adjusted basis as the amount realized is to the fair market value of the property.

(d) Amortizable bond premiums.—No deduction is allowed under section 171 since a deduction for such premiums has already been taken into account in Schedule A.

(e) Net operating loss deduction.—The deduction under section 172 is not allowed since in lieu thereof an "operations loss deduction" is allowed. See line 22.

(f) Dividends received.—No deduction is allowed under sections 243, 244, or 245 in view of the deduction allowed under section 809(d)(8). See line 21.

Attach a schedule showing the nature and amount of items included and group the minor items into one amount. If a deduction is claimed for depreciation, attach Form 4562, Depreciation.

21. Dividends-received deduction.—(a) Dividends received from domestic corporations.—Enter 85% of the company's share (line 5(a), column 3) of the amount received as dividends (except dividends on certain preferred stock of public utilities) from domestic corporations subject to income tax. Members of certain affiliated groups may elect to deduct 100% of the qualifying dividends received from other members of the same group. Include the company's share of the 100% deduction on line 21(a). See section 243.

(b) Dividends received on certain preferred stock of public utilities.—Enter 60.208% of the company's share (line 5(b), column 3) of the amount received as dividends on the preferred stock of a public utility which is subject to income tax and which is allowed a deduction for dividends paid under section 247. See section 244.

(c) Dividends received from foreign corporations subject to the 85% deduction.—Enter 85% of the company's share (line 5(c), column 3) of dividends received from foreign corporations subject to the 85% deduction.

Also enter on this line 100% of the company's share of dividends received from wholly-owned foreign subsidiaries that are eligible for the 100% deduction provided in section 245(b).

See section 245 for qualifications and limitations on the amount of these deductions.

(d) Section 245(b) limitation.—In applying this 85% limitation to the total dividends-received deduction, the gain from operations is computed without regard to the deductions for certain non-participating contracts (line 24(c)); accident and health insurance, and group life insurance (line 24(b)); dividends to policyholders (line 24(a)); the operations loss deduction (line 22); and the dividends-received deduction. Since these items have not been deducted, the 85% limitation is applicable to the excess, if any, of line 12 over line 20.

For a member of an electing affiliated group, the 85% limitation is applicable to the excess, if any, of line 12 over line 20. Line 20, however, must first be reduced by the deduction for 100% (as described in 21(a) above) of qualifying dividends received from the same group, since these dividends are not subject to the 85% limitation.

Exception.—The 85% limitation does not apply to any year for which there is a loss from operations.

22. Operations loss deduction.—This deduction allowed under section 809(d)(4) and determined under section 812 is, in substance, the same as the net operating loss deduction provided by section 172.

The "operations loss deduction" is the sum of the operations loss carryovers carrybacks to the taxable year (sec. 812 (a)).

Generally a net operating loss may be carried back to each of the 3 years preceding the year of each loss and carried over to each of the 7 years following the year of such loss or, an irrevocable election may be made whereby a net operating loss may be carried over to each of the 7 years following the year of such loss. See section 812(b)(3). If the company is a new company for the loss year, the carryover is for 10 years. For the definition of a new company and for the

limitations on the 10 year carryover, see section 812(e) and the related regulations. After applying the net operating loss to the first taxable year to which it may be carried, the portion of the loss that may be carried to each of the remaining taxable years is the excess, if any, of the loss over the sum of the taxable income for each of the prior taxable years to which the loss may be carried.

See section 844 for special loss carryover rules that pertain to an insurance company that has changed its form of organization or has had a change in the nature of its insurance business.

For tax treatment of recoveries of foreign expropriation losses, see section 1351.

The term "offset" (for any taxable year) means an amount equal to the increase in the operations loss deduction for the taxable year that reduces the life insurance company taxable income (computed without regard to section 802(b)(3)) for the year to zero.

The term "loss from operations" means the excess of allowable deductions (computed with the modifications in (a) and (b) below) over the amount on line 12.

(a) No operations loss deduction is allowed.

(b) The deductions allowed by section 243 (dividends received by corporations), section 244 (dividends received on certain preferred stock of public utilities), and section 245 (dividends received from certain foreign corporations) must be computed without regard to section 246 (b), as modified by section 809(d)(8)(B).

24.—The deduction for certain nonparticipating contracts, accident and health insurance and group life insurance, and dividends to policyholders cannot exceed \$250,000 plus the amount, if any, by which (a) the gain from operations for the taxable year, computed without regard to these deductions, exceeds (b) the taxable investment income for the taxable year. The limitation in the foregoing sentence will apply to the amount of the deduction for: first, dividends to policyholders; then, accident and health insurance and group life insurance; and finally, certain nonparticipating contracts. See Schedule E-2, Part 1.

SCHEDULE E-1.—Required Interest (Section 809(a)(2))

The term "required interest" for any taxable year means the sum of the products obtained by multiplying (A) each rate of interest required, or assumed by the taxpayer, in calculating the reserves described in section 810(c), by (B) the means of the amount of such reserves computed at such rate at the beginning and end of the taxable year. See General Instruction N.

SCHEDULE E-2.—Part I—Limitation on Deduction (Line 24, Schedule E) (Section 809(f))

Parts II, III, and IV should be completed before making entries in this schedule. By completing this schedule, the limitation provided in section 809(f) and explained in connection with line 24, Schedule E, automatically applies.

Part II—Dividends to Policyholders (Section 809(d)(3))

The term "dividends to policyholders" means dividends and similar distributions

made to policyholders in their capacity as such. In general, amounts returned where the amount is not fixed in the contract but depends on the experience of the company or the discretion of the management are to be treated as dividends to policyholders. The term does not include interest paid (as defined in section 805(a)), or, for example, so-called excess interest payments made with respect to supplementary contracts not involving life, accident, or health contingencies merely because such interest payments exceed the amounts guaranteed under such contracts.

The deduction is an amount equal to the dividends paid to policyholders during the taxable year plus (or minus) any increase (or decrease) in the reserves for policyholder dividends payable during the following taxable year. For this purpose, reserves for policyholder dividends at the end of any taxable year includes all amounts set aside before the 16th day of the third month of the year following such taxable year for payment of policyholder dividends during the year following such taxable year.

If the amount of the decrease for the taxable year in the reserves for policyholder dividends exceeds the amount of dividends paid to policyholders during the year, the amount of the excess shall be taken into account as an income item (line 10(b), Schedule E).

Part III—Certain Accident and Health Insurance and Group Life Insurance (Section 809(d)(6))

This deduction is an amount equal to 2% of the premiums for the taxable year attributable to accident and health insurance contracts (other than those to which Schedule E-2, Part IV applies) and group life insurance contracts. The term "premiums" means the net amount of the premiums and other consideration taken into account in Schedule E. However, the deduction allowed for the taxable year and all preceding taxable years cannot exceed an amount equal to 50% of the premiums for the taxable year attributable to the contracts.

Part IV—Certain Nonparticipating Contracts (Section 809(d)(5))

This deduction is an amount equal to 10% of the increase for the taxable year in the reserves for nonparticipating contracts (excluding group contracts) or, if greater, an amount equal to 3% of the premiums for the taxable year (excluding that portion of the premiums which is allocable to annuity features) attributable to nonparticipating contracts (other than group contracts) which are issued or renewed for periods of 5 years or more. The term "reserves for nonparticipating contracts" means such part of the life insurance reserves (excluding that portion of the reserves which is allocable to annuity features) as relates to nonparticipating contracts (other than group contracts). The term "premiums" means the net amount of the premiums and other consideration taken into account in Schedule E.

The premiums referred to include only premiums attributable to nonparticipating contracts (other than group contracts) which are issued or renewed for periods of 5 years or more, but do not include that portion of the premiums which is allocable to annuity features. The determination of whether a contract meets the 5-year requirement will be made as of the date it was issued or renewed, whichever is applicable. Thus, a 20-year nonpartic-

ipating endowment policy will qualify under section 809(d)(5), even though the individual subsequently dies at the end of the second year, since the policy was issued for a period of 5 years or more. However, a 1-year renewable term contract will not qualify, in that, as of the date it was issued (or of any renewal date), it was not for a period of 5 years or more. Also, a policy originally issued for a 3-year period and subsequently renewed for an additional 3-year period will not qualify. However, if this policy were renewed for a period of 5 years or more, the policy would qualify under section 809(d)(5) from the date it was renewed.

SCHEDULE F.—Shareholders' Surplus Account (Section 815(b))

Section 815(b)(1) provides that each stock life insurance company (both domestic and foreign) must establish and maintain a shareholders' surplus account. The balance remaining in this account as of January 1, 1977 must be increased by the net additions thereto as provided in section 815(b)(2) (lines 2-8 of the schedule). In determining the amount to be entered on line 3, the amount, if any, of the net capital gain must be reduced by the taxable income (computed without regard to section 802(b)(3)). For instructions on the limitation of the dividends-received deduction on line 4 when the 100% dividends-received deduction under section 243(b) or the dividends-received deduction under section 1564 is applicable, see instructions for line 21(d), Schedule E. Subtract from this account any amount that is treated under section 815 as a distribution to shareholders. Any distribution to shareholders must be treated as made first out of this account, to the extent thereof.

SCHEDULE G.—Policyholders' Surplus Account (Section 815(c))

Section 815(c)(1) provides that every stock life insurance company (both domestic and foreign) shall establish and maintain a policyholders' surplus account. The balance remaining in this account as of January 1, 1977 must be increased by the additions as provided in section 815(c)(2) (line 2 of the schedule) and must be decreased by the subtractions as provided in section 815(c)(3) (line 4 of the schedule).

Enter on line 4(a) the actual distributions to shareholders in excess of the amount reported on line 9, Schedule F. The amount to be entered on line 4(b) is the tax attributable to the amount (which is treated as a subtraction from this account) which after deducting the tax is the amount reflected on line 4(a). This amount can be determined by applying to the amount on line 4(a), a ratio, the numerator of which is 100% and the denominator of which is 100% minus the taxpayer's tax rate (the sum of the normal tax rate plus, if applicable, the surtax rate). The subtractions to be entered on line 4(c) must be treated as made only after the subtractions have been made on lines 4(a) and (b).

Section 815(c)(5) provides that if any amount added to the policyholders' surplus account increases or creates a loss from operations and part or all of the loss cannot be used in any other year to reduce the company's taxable income, then the loss will reduce (as of the time the

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amount was added) the policyholders' surplus account. The reduction from the account must be made after any addition and before any amounts are subtracted from the account. If the policyholders' surplus account has been adjusted under section 815(d)(5) and the balance at the end of the preceding year is different from the balance as of the beginning of the current year, attach a schedule showing adjustments to reconcile the preceding balance and current balance.

SCHEDULE J.—Compensation of Officers

Complete columns 1 through 6, Schedule J for all officers. Complete column 7, Schedule J for your six highest paid officers. To determine the highest paid officers, add all allowances, including expense account allowances, to each officer's compensation. Expense account allowance means (1) amounts, other than compensation, received as advances or reimbursements, and (2) amounts paid by or for the corporation for expenses incurred by or on behalf of an officer. Column 7 does not have to be completed for any officer for whom the combined amount is less than \$30,000.

The information is to be submitted by each member of an affiliated group included in a consolidated return.

Tax Computation Instructions

General.—Section 802(a)(1) provides a normal tax and surtax on the life insurance company taxable income computed at the rates provided in section 11.

1. Surtax exemption.—In general, corporations are entitled to a surtax exemption of \$50,000. However, members of a controlled group are entitled to an \$50,000 surtax exemption which is to be divided equally unless the group consents to split up the exemption in accordance with an apportionment plan. If no apportionment plan is adopted for purposes of lines 5 and 7, members of a controlled group will enter one-half of their surtax exemption on line 5 and the remaining one-half on line 7. For example, if there are 5 members and they allocate the \$50,000 surtax exemption equally (i.e. \$10,000 each), each member will enter on line 5, one-half of \$10,000, i.e. \$5,000, and on line 7, the remaining one-half of the surtax exemption, i.e. \$5,000. If an apportionment plan is adopted, see section 1561 and the regulations thereunder for the time and manner of making the consent.

2. Credit for wages paid or incurred in Work Incentive (WIN) program.—Employers may claim a credit of 20% of the salaries and wages paid or incurred for employees hired under a WIN program. The credit is allowed for the salaries and wages paid or incurred for the first 12 months of employment.

For special rules and limitations, see Form 4874 and sections 50A and 50B.

3. Tax from recomputing a prior year WIN credit.—If a WIN program employee is dismissed before completing a certain period of employment, the WIN credit previously taken on such employee may be subject to recapture. If so, you must repay (with certain exceptions) any tax credit previously taken on the salaries and wages paid or incurred for that employee. (See Form 4874.)

The tax from recomputing a prior year work incentive credit may not be offset against the current year's work incentive credit.

4. Investment credit.—In most cases, the investment credit rate is 10% for property acquired and placed in service during the taxable year. Corporations may elect an 11% credit for such property if the corporation contributes 1% of the qualified investment to an employee stock ownership plan (ESOP) beginning in 1977, in lieu of the 11% credit, a corporation may elect up to an 11.5% credit for qualifying 10% property if (1) the corporation increases its ESOP contribution from 1% up to 1.5% of the qualified investment in 10% property and (2) corporate employees make an ESOP contribution of up to .5% in similar type property. Complete Form 5500 for each employee stock ownership plan and file it on or before the last day of the 7th month following the close of the plan year.

The limit on the amount of used property eligible for the investment credit is \$100,000.

The investment credit also applies to progress expenditures made during the construction of property that requires at least two years to construct and has an expected useful life of at least seven years. See Form 3468 for special rules and limitations.

5. Tax from recomputing a prior year investment credit.—If property is disposed of prior to the life-years category used in computing the investment credit, the credit must be recomputed using as the useful life the period the property was actually held. (For recomputation of the investment credit for qualified progress expenditures, see section 47(a)(3).) If the credit taken, including carrybacks and carryovers, exceeds the recomputed credit, the tax in the year of disposition must be increased by the excess. Form 4255 may be used to compute the tax.

The tax from recomputing a prior year investment credit may not be offset against the current year's investment credit.

6. New Jobs Credit.—In general, for a taxable year beginning in 1977, the credit shall be an amount equal to 50 percent of the excess of the aggregate unemployment insurance wages paid during 1977 over 102% of the aggregate unemployment insurance wages paid during 1976. An additional 10% credit may be claimed for certain vocational rehabilitation referrals during the calendar year 1977. See Form 5884 for definitions, special

rules, and limitations. Also see Publication 902, Tax Information on Jobs Tax Credit.

Do not take an expense deduction for that portion of the wages or salaries paid or incurred which is equal to the amount of the new jobs credit (determined without regard to the limitation based on tax section 531). Members of a controlled group, see section 280C.

7. Foreign corporations.—A foreign corporation carrying on an insurance business within the U.S. is taxable in the same manner as a domestic insurance company with respect to its income effectively connected with the conduct of a trade or business within the U.S. See section 842. Income from sources without the U.S. which is attributable to U.S. business is treated as effectively connected with the conduct of a trade or business within the U.S. For further definition of effectively connected income, see section 864(c).

Any other U.S. source income received by a foreign corporation not effectively connected with the conduct of a trade or business within the U.S. is taxed at a 30% (or lower treaty) rate. See section 881. If you have any such income, attach a schedule showing: the nature of income, amount of income, rate of tax (30% or lower treaty rate), and amount of tax.

Where the surplus of a foreign life insurance company held in the U.S. is less than a specified minimum, an adjustment is required under section 819. When this minimum surplus adjustment is applicable, a reduction of tax imposed by section 881 is provided in section 819 (a)(3). Attach a statement showing the computation of reduction of section 881 tax and enter the net amount of the tax imposed by section 881 on line 17, page 1.

8. Minimum tax items.—In general, the corporate minimum tax rate is 15 percent and the minimum tax exemption is the greater of \$10,000 or the regular income taxes for the year.

The tax preference items are accelerated depreciation on real property; amortization of certified pollution control facilities; railroad rolling stock, on-the-job training facilities and child care facilities; reserve for losses on bad debts of financial institutions; depletion; and capital gains.

Attach Form 4626 if tax preference items exceed \$10,000 even if there is no minimum tax. OR, if there is any minimum tax liability deferred from a prior taxable year to this year.

9. Foreign tax credit.—See Form 1118 for rules on how to compute the foreign tax credit.

10. Possession tax credit.—See Form 5712 for rules on how to elect to claim the possession tax credit (section 936). Compute the credit on Form 5725 and include the amount of the credit in the total for line 15, page 1, Form 1120L. Write in the margin next to the entry on line 15, the amount of the credit and identify it as being a section 936 credit.

U.S. Life Insurance Company Sales or Exchanges of Property

1977

Name Employer identification number

Part I Capital Assets—Short-term capital gains and losses—Assets held 9 months or less

Table with 7 columns: a. Kind of property, b. Date acquired, c. Date sold, d. Gross sales price, e. Depreciation allowed, f. Cost or other basis, g. Gain or loss.

2 Unused capital loss carryover (attach computation)
3 Net short-term capital gain or (loss) (total of column g). Enter here and on line 8.

Long-term capital gains and losses—Assets held more than 9 months (Use columns a through g except that columns a through k must be used for gains on assets whose F.M.V. on 12/31/58 exceeded the adjusted basis on that date.)

Table with 7 columns: a. Kind of property, b. Date acquired, c. Date sold, d. Gross sales price, e. Depreciation allowed, f. Cost or other basis, g. Gain or loss.

5 Total of column g (where columns h through k are not required)

Table with 4 columns: h. F.M.V. as of 12/31/58, i. Adjusted basis as of 12/31/58, j. Excess of column h over column i, if any, k. Gain (excess of column g over column j), but not less than zero.

6 Total of column k
7 Net long-term capital gain or (loss) (total of lines 5 and 6). Enter here and on line 9.

Part II Summary of Capital Gains and Losses

Table with 2 columns: a. Loss, b. Gain. Rows include net short-term and long-term capital gains/losses.

Part III Alternative Tax Computation

Table with 2 columns for alternative tax computation. Rows include taxable investment income, gain from operations, and alternative tax.

Part IV Ordinary Gains and Losses (Use columns a through g except that columns a through k must be used for gains on assets whose F.M.V. on 12/31/58 exceeded the adjusted basis on that date.)

Table with 7 columns: a. Kind of property, b. Date acquired, c. Date sold, d. Gross sales price, e. Depreciation allowed, f. Cost or other basis, g. Gain or loss.

28 Total of column g (where columns h through k are not required)

Table with 4 columns: h. F.M.V. as of 12/31/58, i. Adjusted basis as of 12/31/58, j. Excess of column h over column i, if any, k. Gain (excess of column g over column j), but not less than zero.

29 Total of column k
30 (a) Total of lines 28 and 29
(b) Less sections 1245 and 1250 etc. gains related to investment assets. Enter here and on line 7, Schedule A.
(c) Total net ordinary gain or (loss). Enter here and include in total of line 11, Schedule E.

Part V Gain from Disposition of Depreciable Property and Certain Real Property Held More Than 9 Months—Section 1245 (Report gain from disposition of other depreciable real property in Part VI. For investment assets, see instructions for Part I.)

Table with 5 columns: a. Kind of property, b. Date acquired, c. Date sold, d. Gross sales price, e. Cost or other basis and expense of sale.

Table with 6 columns: f. Total depreciation allowed, g. Adjusted basis, h. Total gain, i. Depreciation allowed after applicable date, j. Ordinary gain, k. Other gain.

32 Total ordinary gain. Enter here and on line 27, and identify as gain from line 32.

33 Total other gain. Enter here and on line 37, and identify as gain from Part V. (If this amount includes any gain from casualty or theft, see instructions.)

Part VI Gain from Disposition of Depreciable Real Property Held More Than 9 Months—Section 1250 (If held 1 year or less, see instructions for column i, l, and o. For investment assets, see instructions for Part I.)

Table with 6 columns: a. Kind of property, b. Date acquired, c. Date sold, d. Gross sales price, e. Cost or other basis and expense of sale, f. Total depreciation allowed.

Table with 6 columns: g. Adjusted basis, h. Total gain, i. Enter additional depreciation after 12/31/75, j. Applicable percentage, k. Enter excess, l. Enter additional depreciation after 12/31/69 and before 1/1/76.

Table with 6 columns: m. Applicable percentage, n. Enter excess, o. Enter additional depreciation after 12/31/63 and before 1/1/76, p. Applicable percentage, q. Ordinary gain, r. Other gain.

35 Total ordinary gain. Enter here and on line 27, and identify as gain from line 35.

36 Total other gain. Enter here and on line 37, and identify as gain from Part VI. (If this amount includes any gain from casualty or theft, see instructions.)

Part VII Sale or Exchange of Property Used in Trade or Business and Involuntary Conversions—Section 1231

Table with 7 columns: a. Kind of property, b. Date acquired, c. Date sold, d. Gross sales price, e. Depreciation allowed, f. Cost or other basis and expense of sale, g. Gain or loss.

38 Total (If gain, enter on line 4; if loss, enter on line 27. Identify as gain or (loss) from Part VII.)

Instructions

(References are to the Internal Revenue Code.)

Every sale or exchange of property must be reported in detail even though no gain or loss results.

In general, all or part of the gain on a disposition of property may be required to be reported as ordinary income under the provisions of sections 1245, 1250 (see Parts V and VI), 1251, 1252, and 1254. The remainder of the gain may or may not be subject to capital gain treatment depending on the circumstances.

Rules for Dispositions of Farm Property, Oil and Gas Property, Certain Involuntary Conversions, Options to Buy or Sell, and Gain from Sale of Depreciable Property Between Certain Related Taxpayers.

(1) **Farm property.**—Refer to sections 1251 and 1252 for the treatment of gains on disposition of certain farm property.

(2) **Oil and gas property.**—Refer to section 1254 for treatment of gains on disposition of oil and gas property.

(3) **Involuntary conversions.**—

(a) If gains from involuntary conversions arising from casualty or theft of property used in a trade or business or of any capital asset held more than 9 months equal or exceed the losses, the gains and losses are to be entered in Part VII and treated as section 1231 gains and losses along with gains and losses on dispositions of other section 1231 property. If the losses from such involuntary conversions exceed the gains, the gains and losses are to be entered in Part IV and treated as ordinary gains and losses. This applies to both insured and uninsured property.

(b) Gains from such involuntary conversions of property which is also section 1245 or 1250 property must first be reported in Part V or Part VI to determine how much gain is ordinary income. Any remaining gain (line 33, Part V, or line 36, Part VI) is included in the separate computation described in the above paragraph.

(4) **Options to buy or sell.**—For rules pertaining to the treatment of gain or loss in the case of a purchaser or that of a grantor of an option in the case of stock, securities, or commodities, see section 1234.

(5) **Gain from sale of depreciable property between certain related taxpayers may be subject to ordinary income.** See section 1239.

PART I

Capital assets.—Each item of property held by a corporation (whether or not connected with its trade or business) is a capital asset except as provided in section 1221. However, see section 817(a)(2) which provides that the gains or losses from the sale or exchange of depreciable assets attributable to any trade or business (other than an insurance business) carried on by the life insurance company, such as renting various pieces of real estate or operating a radio station, a housing development, or a farm, will be treated as gains or losses from the sale or exchange of capital assets.

Exchange of "Like Kind" Property.—Although no gain or loss is recognized when property held for productive use in a trade or business, or for investment (not including stock in trade or other property held primarily for sale, nor stocks, bonds, notes, choses in action, certificates of trust or beneficial interest, or other securities or evidences of indebtedness or interest) is exchanged solely for property of a "like kind" to be held either for productive use in a trade or business or for investment, you must report the transaction in the appropriate part and identify

the property disposed of in column (a). Enter the date of acquisition in column (b) and write the date of exchange in column (c). Write "like kind exchange" in column (d) and enter the adjusted basis in column (f). Enter zero in column (g). (See section 1031.)

Investment assets.—Gains or losses from the sale or exchange of investment assets are treated as gains or losses from the sale or exchange of capital assets. (See above.) All sales of investment assets subject to sections 1245 and 1250 should be reported in Parts V and VI respectively, regardless of the length of time held. If held 9 months or less, the other gain reported in column k, Part V and column r, Part VI, should be entered on line 1, Part I and identified as gain from Part V or Part VI. If held more than 9 months, the other gain reported in column k, Part V and column r, Part VI, should be entered on line 4, Part I, and identified as gain from Part V or Part VI. Any amount included in column j, Part V and column q, Part VI as ordinary income from the sale of investment assets should be included in line 7, Schedule A.

Column g.—Except where section 817 is applicable, the gain or loss is the result of column d plus column e, less column f. Where section 817 is applicable, complete columns a through f and attach a schedule showing the method of computing the gain reported in column g. See instructions for "Basic."

Columns h-k.—These columns are to be used only in the event of gains on disposition of property if the F.M.V. of such property held on December 31, 1958 exceeded the adjusted basis for determining gain as of such date.

Line 4.—(A) Cols. a-g. Enter the total of applicable items from Part VII and other long-term capital gains and losses (excluding the gains from those assets whose F.M.V. on 12/31/58 exceeded the adjusted basis on that date).

(B) Cols. a-k. Enter only the long-term capital gains of those assets whose F.M.V. on 12/31/58 exceeded the adjusted basis on that date.

Capital losses.—Capital losses are allowed only to the extent of capital gains. A net capital loss may be carried back 3 years and forward 5 as a short-term capital loss. However, the amount allowable as a capital loss carryback is subject to the limitations of section 1212(a)(1). Under the provisions of section 6411, a quick refund of the tax overpayment created by the capital loss carryback may be obtained by filing Form 1139. If a net capital loss carryback creates an unused investment credit or an unused work incentive (WII) credit in a preceding year, the unused credit may be carried back to the 3 preceding years, and, under the provisions of section 6411, a quick refund of the tax overpayment may likewise be obtained by filing Form 1139.

Worthless securities.—Except for banks, if securities which are capital assets become wholly worthless during the taxable year, the loss is to be treated as a capital loss as of the last day of the taxable year.

Losses not allowable.—No loss is allowed for wash sale of stock or securities. (See section 1091.) No loss is allowed (distributions in liquidation excepted) on transactions between related persons. (See section 267.)

Long-term capital gains from regulated investment companies.—Include in income as a long-term capital gain the amount the corporation has been notified constitutes its share of the undistributed capital gains of a regulated investment company.

Short sales of capital assets.—See section 1259 for rules relating to certain short sales of stock or other securities and transactions in commodity futures.

Basis.—The "basis" for certain property is not subject to the same rule for reporting gains as for losses.

(a) **Gain on property held on December 31, 1958.**—Section 817(b)(1), in effect, limits the amount of gain that is to be recognized on the sale or other disposition of certain property held by the company on December 31, 1958. This is accomplished by treating the gain on the sale or other disposition of such property as an amount (but not less than zero) equal to the amount by which the gain (determined without regard to section 817(b)(1)) exceeds the difference between the fair market value on December 31, 1958, and the adjusted basis (as provided in section 1016(a)) for determining gain as of such date. This limitation on the amount of gain recognized applies only if (1) the property was held by a life insurance company on December 31, 1958; (2) the fair market value of the property on December 31, 1958, is greater than the adjusted basis for determining gain as of that date; and (3) the taxpayer has been a life insurance company at all times on and after December 31, 1958, until the date of sale or other disposition of the property.

(b) **Certain substituted property acquired after December 31, 1958.**—See section 817(b)(2)(A) through (E) for certain rules for such property.

Section 817(b)(3) provides that the term "property" (for purposes of (a) and (b), above) does not include insurance and annuity contracts (and contracts supplementary thereto) and property described in section 1221(l) (relating to stock in trade or inventory-type property).

(c) **Property held on December 31, 1958, and certain substituted property acquired after December 31, 1958.**—In determining loss for such property (described in (a) and (b), above) the basis is cost adjusted as provided by section 1016.

(d) **Other property acquired after December 31, 1958.**—Where property, other than property described in (b) above, was purchased after December 31, 1958, the basis is cost, adjusted as provided in section 1016. Where property was acquired by bequest, gift, involuntary conversion, or wash sale of stock, see sections 1014, 1015, 1033, and 1091, respectively.

(e) **If a charitable contribution deduction is allowed by reason of the sale of property to a charitable organization, the adjusted basis for determining gain from the sale is an amount which is in the same ratio to the adjusted basis as the amount realized is to the fair market value of the property.**

PART III

Alternative tax.—If the net long-term capital gain exceeds the net short-term capital loss, then, in place of the normal tax and surtax imposed upon taxable income, there is imposed an alternative tax (if the tax is less than the normal tax and surtax).

The alternative tax is the sum of (1) a partial tax computed at the normal tax and surtax rates on the taxable income determined by reducing the taxable investment income, and the gain from operations, by the amount of the excess of the net long-term capital gain over the net short-term capital loss, and (2) 30% of such excess.

PART IV

Ordinary gains and losses.—For investment assets, see instructions for Part I, include gains and losses from disposition of investment conversion of land and depreciable property held 9 months or less and gains and losses from compulsory or involuntary conversion of capital assets held 9 months or less.

If after grouping all section 1231 transactions the losses exceed the gains, report the net loss in Part IV as an ordinary loss.

If losses from involuntary conversions arising from casualty or theft of property used in a trade or business (as defined in section 1231) or of any capital asset held more than 9 months exceed the gains, enter the gains and losses in Part IV as ordinary gains and losses.

PART V

Gain from disposition of depreciable property and certain real property held more than 9 months. (Section 1245.)—(Report any gain from property held not more than 9 months in Part IV. For investment assets, see instructions for Part I.)

In general, when section 1245 property (as defined below) is disposed of, gain will be treated as ordinary income to the extent of depreciation allowed (or allowable) after 1961. Except for certain involuntary conversions referred to in section 1231, the balance of the gain, if any, is to be combined in Part VII with gains and losses from section 1231 property.

Section 1245 property is property which is depreciable (or subject to amortization under section 169 or section 195) and is either—

- personal property,
- elevators and escalators,
- real property (other than property described in (d)) subject to amortization under section 169, 185, 188, 190, or 191, or
- tangible real property (except buildings and their structural components) if used as an integral part of certain business activities or as a facility for research or as a facility for the bulk storage of fungible commodities (including commodities in a liquid or gaseous state) in connection with such activities. These business activities are manufacturing, production, extraction or furnishing transportation, communications or certain other public utility services.

See section 1245(b) for exceptions and limitations involving: (a) disposition by gift, (b) certain tax-free transactions, (c) like kind exchanges, involuntary conversions, (d) sales or exchanges to effectuate FCC policies and exchanges to comply with SEC orders, and (e) transfers to tax-exempt organization where property will be used in an unrelated business.

Column l.—Enter depreciation allowed (or allowable) after December 31, 1961. However, use June 30, 1963 for elevators and escalators and December 31, 1969 for livestock.

PART VI

Gain from disposition of depreciable real property held more than 9 months. (Section 1250.)—(Report any gain from such property held not more than 9 months in Part IV. For investment assets, see instructions in Part I.)

In general, when section 1250 property (as defined below) is disposed of, all or a portion of the "additional depreciation" will be treated as ordinary income. Except for certain involuntary conversions referred to in section 1231, the balance of gain, if any, is to be combined in Part VII with gains and losses from section 1231 property.

Section 1250 property is depreciable real property other than section 1245 property.

See section 1250(d) for exceptions and limitations involving: (a) disposition by gift, (b) certain tax-free transactions, (c) like kind exchanges, involuntary conversions, (d) sales or exchanges to effectuate FCC policies and exchanges to comply with SEC orders, (e) disposition of qualified low-income housing, (f) transfers to tax-exempt organization where property will be used in unrelated business, and (g) property disposed of pursuant to foreclosure proceedings.

Columns i, l, and o, additional depreciation.—In the case of section 1250 property held 1 year or less, additional depreciation is the total amount of depreciation claimed. In such case, omit columns i thru o and enter in column q the lesser of the amount of gain (column h) or the total amount of depreciation claimed (column l).

For property held more than 1 year, additional depreciation is the excess of actual depreciation after December 31, 1963, over depreciation computed for the same period

using the straight line method. Enter in column i the additional depreciation for the period after December 31, 1975, in column l the additional depreciation for the period after December 31, 1969, and before January 1, 1976, and in column o the additional depreciation for the period after December 31, 1963, and before January 1, 1970.

For additional depreciation attributable to rehabilitation expenditures, see section 1250 (b)(4).

Column j, applicable percentage.—Enter 100% of column i in column j, except as follows:

(a) For section 1250 property on which a mortgage is insured under section 221(d)(3) or 236 of the National Housing Act, or housing financed or assisted by direct loan or tax abatement under similar provisions of State or local laws with respect to which the owner is subject to the restrictions in section 1039(b)(1)(B), the applicable percentage is 100% minus 1% for each full month the property was held over 100 full months;

(b) For dwelling units which, on the average, were held for occupancy by families or individuals eligible to receive subsidies under section 8 of the U.S. Housing Act of 1937, as amended, or under the provisions of State or local law authorizing similar levels of subsidy for lower income families, the applicable percentage is 100% minus 1% for each full month the property was held over 100 full months;

(c) For section 1250 property on which a loan is made or insured under title V of the Housing Act of 1949, the applicable percentage is 100% minus 1% for each full month the property was held over 100 full months; and

(d) For section 1250 property for which a depreciation deduction for rehabilitation expenditures was allowed under section 167(k), the applicable percentage is 100% minus 1% for each full month over 100 full months after the date the property was placed in service.

In the case of a building (or a portion of a building devoted to dwelling units), if on the average, 85% or more of the dwelling units contained in such building (or portion thereof) are units described in paragraph (b), such building (or portion thereof) shall be treated as property described in paragraph (b).

Items (a), (b), and (c) shall not apply with respect to the additional depreciation described in section 1250(b)(4).

Column m, applicable percentage.—Enter 100% of column i in column m, except as follows:

(a) For section 1250 property disposed of under a written contract that was, on July 24, 1969, and thereafter, binding on the property owner, the applicable percentage is 100% minus 1% for each full month the property was held over 20 full months;

(b) For section 1250 property on which a mortgage is insured under section 221(d)(3) or 236 of the National Housing Act, or housing financed or assisted by direct loan or tax abatement under similar State or local laws, and on which the owner is subject to the restrictions described in section 1039(b)(1)(B), the applicable percentage is 100% minus 1% for each full month the property was held over 20 full months;

(c) For residential rental property (as defined in section 167(j)(2)(B)) other than that covered by (a) and (b) above, the applicable percentage is 100% minus 1% for each full month the property was held over 100 full months;

(d) For section 1250 property for which a depreciation deduction for rehabilitation expenditures was allowed under section 167(k),

the applicable percentage is 100% minus 1% for each full month over 100 full months after the date the property was placed in service.

Items (a), (b), and (c) shall not apply with respect to the additional depreciation described in section 1250(b)(4).

Column p, applicable percentage.—The applicable percentage is 100% minus 1 percentage point for each full month the property was held after the date it was held over 20 full months.

PART VII

Sale or exchange of property used in trade or business and involuntary conversion. (Section 1231.)—Section 1231 provides special treatment for the recognized gains and losses on the sale or exchange of "property used in the trade or business" and upon the compulsory or involuntary conversion of (1) such property and (2) capital assets held more than 9 months.

Note: Refer to page 3 for rules for involuntary conversions resulting from casualty or theft.

After determining in Parts V and VI how much of the total gain from disposition of depreciable property is ordinary gain, combine the total other gain with other gains and losses from section 1231 property to determine if there is a net gain or net loss. The total shown on line 38 determines whether the items reflected therein represent a long-term capital gain or an ordinary loss. This total must be entered on line 4 or line 27, whichever is applicable.

In determining whether gains exceed losses, include the gains and losses to the extent they would be included if they were all ordinary gains and losses. The limitation of section 1211 on the deductibility of capital losses does not apply.

Section 817(a) provides that in applying section 1231(a), the term "property used in the trade or business" shall be treated as including only (1) property used in carrying on an insurance business, which is subject to depreciation provided in section 167 and held for more than 9 months (including real property but excluding (a) inventorable property or property held primarily for sale to customers, and (b) certain copyrights; literary, musical or artistic compositions; letters or memorandums; or similar property); and (2) timber, coal, and domestic iron ore to which section 631 applies.

The total shown on line 38, page 2, determines whether the items reflected therein represent a long-term capital gain or an ordinary loss. In either case, after the initial determination, the items must be segregated into (1) assets held on December 31, 1958, where the F.M.V. exceeded the adjusted basis on that date, and (2) other. Enter the totals into the appropriate schedules of Part I or Part IV.

Line 37.—Enter each section 1231 item not carried over from line 31.

Line 38.—Enter the net gain or loss of the section 1231 items described in Part VII.

Minimum tax on tax preference items.—If the net long-term capital gain exceeds the net short-term capital loss, you may be liable for minimum tax. See Form 4625.

Members of a controlled group under section 1561.—For members of a controlled group, the \$50,000 surtax exemption is to be divided equally unless the group consents to split up the exemption in accordance with an apportionment plan. Accordingly, for purposes of lines 18 and 20, members of a controlled group will enter one-half of their surtax exemption on line 18 and the remaining one-half on line 20. For example, if there are 5 members and they allocate the \$50,000 surtax exemption equally (i.e., \$10,000 each), each member will enter on line 18, one-half of \$10,000, i.e., \$5,000, and on line 20, the remaining one-half of the surtax exemption, i.e., \$5,000. See section 1561 and the regulations thereunder for the time and manner of making the consent.

Form **1120M**

**U.S. Mutual Insurance Company
Income Tax Return**

FOR CALENDAR
YEAR
1977

Department of the Treasury
Internal Revenue Service

Of the Mutual Companies Other Than Life and Certain Marine Insurance Companies and Other Than Fire
or Fidelity Insurance Companies That Operate on a Basis of Perpetual Policies or Premium Deposits

Name _____
Number and street _____
City or town, State, and ZIP code _____

A Employer identification number _____
B Date incorporated _____
C Place incorporated _____

D Did you previously submit a copy of the National Association of Insurance Commissioners' annual statement for the preceding year as required by General Instruction I? Yes No

If "Yes," name the Internal Revenue Service Center where filed _____

E Does a copy of the 1977 National Association of Insurance Commissioners' annual statement accompany this return? Yes No

If "No," explain why the statement is not attached _____

F Did you at the end of the taxable year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) Yes No

If "Yes," explain why the statement is not attached _____

G Were you a U.S. shareholder of any controlled foreign corporation? (See sections 951 and 957.) Yes No

If "Yes," attach Form 3646 for each such corporation.

| | | | |
|------------------------|--|----|--|
| TAXABLE INCOME | 1 Taxable investment income or (loss) (Schedule A) | 1 | |
| | 2 Statutory underwriting income or (loss) (Schedule B) | 2 | |
| | 3 Amounts subtracted from the Protection Against Loss Account (line 9(d), Schedule C) | 3 | |
| | 4 Total (add lines 1 through 3) | 4 | |
| | 5 Less: Unused loss deduction (attach schedule) | 5 | |
| | 6 Mutual insurance company taxable income | 6 | |
| TAX COMPUTATION | 7 Enter the lesser of (a) or (b): (a) 20% of the first \$25,000 of taxable income on line 6, PLUS 22% of amount by which line 6 exceeds \$25,000; or (b) 44% of amount by which line 6 exceeds \$6,000 | 7 | |
| | 8 Surtax: 26% of [(amount by which line 6 exceeds \$50,000—members of a controlled group, see instructions) and amount \$_____ to be included by reciprocal—see instructions] | 8 | |
| | 9 Total (line 7 plus line 8) | 9 | |
| | 10 Alternative tax for certain small companies (line 6, Schedule A-2) | 10 | |

| | | | |
|------------|--|-----|--|
| TAX | 11 Income tax—line 9 or 10 above, or line 21 of separate Schedule D (Form 1120), whichever applies | 11 | |
| | 12 (a) Foreign tax credit (attach Form 1118) | 12a | |
| | (b) Investment credit (attach Form 3468) | 12b | |
| | (c) Work incentive (WIN) credit (attach Form 4874) | 12c | |
| | (d) New jobs credit (attach Form 5884) | 12d | |
| | 13 Total of lines 12(a), (b), (c), and (d) | 13 | |
| | 14 Line 11 less line 13 | 14 | |
| | 15 Foreign Corporations—tax on income not connected with U.S. business (see instructions) | 15 | |
| | 16 Tax from recomputing a prior year investment credit (attach Form 4255) | 16 | |
| | 17 Tax from recomputing a prior year WIN credit (see instructions—attach computation) | 17 | |
| | 18 Minimum tax on tax preference items (see instructions—attach Form 4626) | 18 | |
| | 19 Total tax (add lines 14 through 18) | 19 | |

| | | | |
|--------------------|---|----|--|
| TAX CREDITS | 20 Credits: (a) Overpayment from 1976 allowed as a credit | | |
| | (b) 1977 estimated tax payments | | |
| | (c) Less refund of 1977 estimated tax applied for on Form 4466 () | | |
| | (d) Tax deposited with Form 7004 (attach copy) | | |
| | (e) Tax deposited with Form 7005 (attach copy) | | |
| | (f) Credit from regulated investment companies (attach Form 2439) | | |
| | (g) Credit by reciprocal for tax paid by attorney-in-fact under section 826(e) | | |
| | (h) Other tax credits (see instructions) | | |
| | 21 TAX DUE (line 19 less line 20). See instruction G for depositary method of payment | 21 | |
| | 22 OVERPAYMENT (line 20 less line 19) | 22 | |
| | 23 Enter amount of line 22 you want credited to 1978 estimated tax | 23 | |

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which the preparer has any knowledge.

Signature of officer _____ Date _____
Paid preparer's signature and identifying number (see instruction) _____
Title _____ Paid preparer's address (or employer's name, address and identifying number) _____

Form 1120M (1977) Page 2

| | | | | |
|--|---|----------------------|----------------------------|-----------------------------------|
| Schedule A Taxable Investment Income or (Loss)—Section 822 | | | | |
| GROSS INVESTMENT INCOME | 1 Interest on: | 1. Interest received | 2. Amortization of premium | 3. Total (Column 1 less column 2) |
| | (a) Wholly exempt obligations (attach schedule) | | | |
| | (b) U.S. obligations | | | |
| | (c) Loans, notes, mortgages, bank deposits, bonds, debentures, etc. | | | |
| | (d) Totals | | | |
| | 2 Dividends (Schedule E, Part I) | | | |
| | 3 Gross rents (attach schedule) | | | |
| | 4 Gross royalties (attach schedule) | | | |
| | 5 Gross income from trade or business other than insurance business and from Form 4797. (Include sections 1245 and 1250 etc. gains with respect to investment assets only.) | | | |
| | 6 Leases, etc. | | | |
| 7 Total (add lines 1 through 6) | | | | |
| 8 Gain from separate Schedule D (Form 1120) | | | | |
| 9 Gross investment income (add lines 7 and 8) | | | | |
| 10 Interest wholly exempt from tax (line 1(a), column 3) | | | | |
| 11 Investment expenses (attach schedule) | | | | |
| 12 Taxes | | | | |
| 13 Real estate expenses | | | | |
| 14 Depreciation (attach Form 4562—see instructions) | | | | |
| 15 Depletion (attach schedule) | | | | |
| 16 Trade or business deductions as provided in section 822(c)(8) (attach schedule) | | | | |
| 17 Interest paid or accrued | | | | |
| 18 Other capital losses (Schedule A-3) | | | | |
| 19 Total deductions (add lines 10 through 18) | | | | |
| 20 Line 9 less line 19 | | | | |
| 21 Less: Dividends-received deduction (line 6, Part I, Schedule E—see instructions for 85% limitation) | | | | |
| 22 Taxable investment income or (loss) | | | | |

Schedule A-1 Invested Assets Book Values
(Schedule need not be filled in if no deduction is claimed for any general expenses that are allocated to investment income.)

| | | | |
|----|---|------------------------------|------------------------|
| | | 1. Beginning of taxable year | 2. End of taxable year |
| 1 | Real estate | | |
| 2 | Mortgage loans | | |
| 3 | Collateral loans | | |
| 4 | Policy loans, including premium notes | | |
| 5 | Bonds of domestic corporations | | |
| 6 | Stock of domestic corporations | | |
| 7 | Government obligations, etc. (attach schedule) | | |
| 8 | Bank deposits bearing interest | | |
| 9 | Other interest-bearing assets (attach schedule) | | |
| 10 | Totals of lines 1 through 9 | | |
| 11 | Total of columns 1 and 2, line 10 | | |
| 12 | Mean of the invested assets for the taxable year (one-half of line 11) | | |
| 13 | One-fourth of 1% of line 12 | | |
| 14 | Income base (line 9, Schedule A, less the sum of lines 12 through 18, Schedule A) | | |
| 15 | 3 3/4% of line 12 | | |
| 16 | Line 14 less line 15 (but not less than zero) | | |
| 17 | One-fourth of line 16 | | |
| 18 | Limit on deduction for investment expenses (line 13 plus line 17) | | |

Schedule A-2 Alternative Tax for Certain Small Companies—Section 821(c)

| | |
|---|---|
| 1 Taxable investment income (line 22, Schedule A) | 5 (a) Amount from line 7, Schedule A |
| 2 Normal tax—the lesser of (a) or (b): | (b) Premiums (see instructions) |
| (a) 20% of the first \$25,000 on line 1, PLUS 22% of amount by which line 1 exceeds \$25,000; or | (c) Total of (a) plus (b) (if \$150,000 or less, enter zero. If \$250,000 or more, enter \$250,000) |
| (b) 44% of amount by which line 1 exceeds \$3,000 | (d) |
| 3 Surtax: 26% of (line 1 minus the lesser of \$50,000 or amount apportioned under section 1561) | (e) Excess of line (c) over (d) |
| 4 Total (add lesser of lines 2(a) or (b) to line 3) | 6 Amount on line 4 multiplied by line 5(e) divided by \$100,000 |

Schedule A-3 Other Capital Losses (See Instructions) (Capital assets sold or exchanged to meet abnormal insurance losses and to provide for the payment of dividends and similar distributions to policyholders)

- 1 Dividends and similar distributions paid to policyholders
2 Losses paid
3 Expenses paid
4 Total of lines 1 through 3
5 Interest received
6 Dividends received
7 Lines 3 through 6 of Schedule A
8 Net premiums received
9 Excess (if any) of line 4 over the sum of lines 5 through 8

Table with 7 columns: 1. Description of capital asset, 2. Date acquired, 3. Gross sales price, 4. Cost or other basis, 5. Expense of sale, 6. Depreciation allowed, 7. Loss (col. 4 plus col. 5 less the sum of cols. 3 and 6)

Schedule B Statutory Underwriting Income or (Loss)—Section 823

- 1 Gross income
2 Less: Gross investment income
3 Deductions
4 Less: The sum of (a) Line 19, Schedule A, (b) Line 21, Schedule A
5 Line 2 less line 4
6 Special deduction
7 Line 5 less line 6
8 Protection against loss deduction
9 Statutory underwriting income or (loss)

Schedule B-1 Income and Deductions

- 1 Investment income—Section 832(b)(2): (a) Interest, (b) Dividends, (c) Rents
2 Premiums earned—Section 832(b)(4)
3 (a) Gain from sale of other disposition of capital assets, (b) Ordinary gain from Form 4797
4 Other income—Section 832(b)(1)(C)
5 Decrease in subscriber accounts—Section 823(b)(2)(B)
6 Gross income (add lines 1 through 5)

- 7 Salaries and wages—Section 832(c)(11)
8 Rents—Section 832(c)(1)
9 Interest—Section 832(c)(2)
10 Taxes—Section 832(c)(3)
11 Losses incurred on insurance contracts—Section 832(c)(4)
12 Capital losses—Section 832(c)(5)
13 Other capital losses—Section 832(c)(5)
14 Worthless agency balances and bills receivable—Section 832(c)(6)
15 Interest (excluded under section 103)—Section 832(c)(7)
16 Depreciation—Section 832(c)(8)
17 Depletion—Section 832(c)(8)
18 Contributions—Section 832(c)(9)
19 Dividends paid or declared to policyholders—Section 832(c)(11)
20 Increase in subscriber accounts—Section 823(b)(2)(A)
21 (a) Pension, profit-sharing, etc. plans, (b) Employee benefit programs
22 Other deductions—Section 832(c)(10)
23 Total deductions on lines 7 through 22
24 Line 6 less line 23
25 Dividends-received deduction—Section 832(c)(12)
26 Total deductions (line 23 plus line 25)

- 1 Amount from line 7, Schedule A
2 Premiums (see instructions)
3 Total (add lines 1 and 2)
4 If line 3 is not more than \$500,000, enter \$6,000. If line 3 is less than \$1,100,000, but in excess of \$500,000, enter 1% of the difference between \$1,100,000 and the amount on line 3.

Schedule B-3 Protection Against Loss Deduction—Section 824(a)

- 1 Losses incurred on insurance contracts (line 11, Schedule B-1)
2 1% of line 1
3 25% of underwriting gain on line 7, Schedule B
4 Concentrated risks: (a) Amount of line 2, Schedule B-1, (b) Amount of line 4(a) attributable to insuring against losses arising, either in any one State or within 200 miles of any fixed point selected by the taxpayer, from windstorm, hail, flood, earthquake, or similar hazards
(c) Divide (b) by (a)
(d) Less
(e) Premium percentage which exceeds 40%
(f) Line 7, Schedule B, multiplied by (e)
5 Total (add lines 2 through 4)

Schedule C Protection Against Loss Account

- 1 Balance at beginning of year
2 Additions (Schedule B-3)
3 Totals (add lines 1 and 2)
SUBTRACTIONS:
4 Section 824(d)(1)(A)
5 Section 824(d)(1)(B)
6 Section 824(d)(1)(C)
7 Section 824(d)(1)(D)
8 Section 824(d)(1)(E)
9 Totals (add lines 4 through 8)
10 Balances at end of year (line 3 less line 9)

Schedule E Dividends (See Instructions)

- PART I—Income
1 Certain domestic corporations
2 Certain public utility corporations
3 Certain foreign corporations
4 Certain affiliated groups
5 Other corporations (attach schedule)
6 Total (add lines 1 through 5)
PART II—Deductions
1 85% of line 1, Part I
2 60.208% of line 2, Part I
3 85% (see instr. for 100%) of line 3, Part I
4 Total (see instructions for 85% limitation)
5 100% of line 4, Part I
6 Total (line 4 plus line 5)

Schedule F Compensation of Officers (See Instructions)

Table with 5 columns: 1. Name of officer, 2. Social security number, 3. Time devoted to business, 4. Amount of compensation, 5. Expense account allowances

- H Did you claim a deduction for expenses connected with: (1) Entertainment facility, (2) Living accommodations, (3) Employees' families, (4) Employee or family vacations not reported on Form W-2?
I Are you required to prorate your surtax exemption under section 1561 because of an election under section 243(b)?
J Did you file all required Forms 1087, 1096, and 1099?
K Did you, at any time during the taxable year, have any interest in or signature or other authority over a bank, securities, or other financial account in a foreign country?
L Were you the grantor of, or transferor to, a foreign trust during any taxable year, which foreign trust was in being during the current taxable year, whether or not you have any beneficial interest in such trust?

1977 Department of the Treasury Internal Revenue Service Instructions for Form 1120M

U.S. Mutual Insurance Company Income Tax Return

(References are to the Internal Revenue Code.)

General Instructions

A. Who must file Form 1120M.—Every domestic mutual insurance company (except a life insurance company subject to tax under section 802 and other than a fire, flood, or marine insurance company subject to tax under section 831) and every foreign corporation carrying on an insurance business within the U.S. (if with respect to its U.S. business it would qualify as a mutual insurance company subject to tax under section 821) must file Form 1120M.

Exceptions.—(a) Certain mutual insurance companies exempt under section 501(c)(15). (See Form 990.)

(b) A mutual insurance company subject to tax under section 821, which disposes of its insurance business and reserves or otherwise ceases to be entitled to be taxed under section 821, but continues its corporate existence for the purpose of winding up and liquidating its affairs. (See Form 1120.)

B. Information returns and forms that may be required.—

1. Forms W-2 and W-3.—Employee's wage and tax statement; and transmittal of income and tax statements.

2. Form W-2P.—Statement for recipients of annuities, pensions or retired pay.

3. Forms 1087-DIV, INT, MED, MISC, and OID.—Nominees' information returns for reporting dividends, interest, medical and health care payments, miscellaneous income, and original issue discount that were received as a nominee on behalf of another person.

4. Form 1096.—Annual summary and transmittal of U.S. information returns.

5. Form 5452.—Corporate report of nontaxable dividends.

6. Forms 966 and 1099L.—Information returns regarding dissolution or liquidation, and distributions in liquidation.

7. Forms 1099-DIV, INT, MED, MISC, OID, PATR, and R.—Information

returns for reporting certain dividends, interest income, medical and health care payments, miscellaneous income, original issue discount, patronage dividends, and lump-sum distributions from profit-sharing and retirement plans.

8. Form 5713.—International boycott report for persons having operations in or related to "boycotting" countries. In addition, persons who participate in or cooperate with an international boycott, may have to complete Schedule A or Schedule B and Schedule C of Form 5713 to compute their loss of the following items: the foreign tax credit, the deferral of earnings of a controlled foreign corporation, and DISC benefits.

C. Period covered.—This return is for calendar year 1977. (Section 843.) If the company ceases to exist, write "FINAL RETURN" at the top of the form.

D. Accounting methods.—Taxable income must be computed using the method of accounting regularly used in keeping the corporation's books and records. In all cases, the method adopted must clearly reflect taxable income. (See section 446.)

Unless the law specifically permits, the method of accounting used to report income in prior years (for income as a whole or for any material item) may not be changed without first obtaining consent on Form 3115, Application for Change in Accounting Method.

Rounding off to whole-dollar amounts.—Money items may be shown as whole-dollar amounts by eliminating any amount less than 50 cents and increasing any amount from 50 cents through 99 cents to the next higher dollar.

E. Where to file.

If the corporation's principal business, office, or agency is located in

New Jersey, New York City and counties of Nassau, Rockland, Suffolk, and Westchester Internal Revenue Service Center
Holtzville, NY 00501

New York (all other counties), Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont Internal Revenue Service Center
Andover, MA 05501

Alabama, Florida, Georgia, Mississippi, South Carolina Internal Revenue Service Center
Atlanta, GA 31101

Michigan, Ohio Internal Revenue Service Center
Cincinnati, OH 45999

Arkansas, Kansas, Louisiana, New Mexico, Oklahoma, Texas Internal Revenue Service Center
Austin, TX 73301

Alaska, Arizona, Colorado, Idaho, Minnesota, Montana, Nebraska, Nevada, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming Internal Revenue Service Center
Ogden, UT 84201

Illinois, Iowa, Missouri, Wisconsin Internal Revenue Service Center
Kansas City, MO 64999

California, Hawaii Internal Revenue Service Center
Fresno, CA 93888

Indiana, Kentucky, North Carolina, Tennessee, Virginia, West Virginia Internal Revenue Service Center
Memphis, TN 37501

Delaware, District of Columbia, Maryland, Pennsylvania Internal Revenue Service Center
Philadelphia, PA 19255

Foreign corporations carrying on an insurance business within the U.S. must file their returns with the Internal Revenue Service Center, Philadelphia, PA 19255.

The separate income tax returns of a group of corporations located in several Service Center regions may be filed with the Service Center for the area in which the principal office of the managing corporation that keeps all the books and records is located.

F. When to file.—The return must be filed on or before March 15, 1978.

File Form 7004 to request an automatic 3-month extension of time to file Form 1120M.

File Form 7005 to request an additional extension after obtaining an automatic 3-month extension by filing Form 7004.

G. Depositary method of tax payment.—The balance of tax due (line 21) must be paid in full when the return is filed or in two installments, 50% on or before March 15, 1978 and 50% on or before June 15, 1978.

All corporation income tax payments and estimated income tax payments must be deposited at an authorized commercial bank depository or Federal Reserve Bank or Branch (FRB), with a Federal Tax Deposit Form prescribed with a Tax Class Number 503, in accordance with instructions appearing on the reverse of that form. Deposits made at an FRB must be made with the FRB servicing the geographic area where a taxpayer is located. The deposit must be made in a form of payment that the receiving FRB considers to be an immediate credit item. Additional information can be obtained from a commercial bank or FRB. Each deposit must be accompanied by a Federal Tax De-

posit Form prescribed with a Tax Class Number 503. Do not remit directly to Internal Revenue. Records of deposits will be sent to Internal Revenue for crediting to the corporation's account.

The timeliness of deposits will be determined by the date received by a commercial bank depository or FRB. If a tax payment is made by mail, a deposit received after the due date will be considered timely if the taxpayer establishes that it was mailed on or before the second day before the prescribed due date as provided by section 7502. Tax deposits made at FRBs which are not in compliance with deposit requirements will nevertheless be processed by the receiving FRB rather than returned to the taxpayer. Furthermore, such tax payments received by an FRB will be dated as paid based upon the date when the proceeds of the accompanying payment instrument are collected by the FRB, and if made by mail section 7502 will not apply.

Federal Tax Deposit Forms prescribed with a Tax Class Number 503 will be mailed to corporations on a cyclical basis depending on the taxable year of the corporation. Corporations needing such deposit forms may obtain them from the Internal Revenue Service Center where they will file their returns. The application should include the corporation's name, identification number, address, and the taxable year to which the deposits relate.

Estimated tax.—A corporation must make estimated tax payments if it can expect its estimated tax (income tax less credits) to be \$40 or more.

Form 1120-W may be used as a worksheet to compute estimated tax.

If there was an overpayment of estimated tax, file Form 4466 for a "quick refund" if the overpayment is (1) at least 10% of your expected income tax liability AND (2) at least \$500. This application must be made within 2½ months after the end of the taxable year and before Form 1120M is filed.

H. Stock ownership in foreign corporations.—See section 551(c) and attach the required statement if there was an ownership of 5% or more in value of the outstanding stock of a foreign personal holding company.

A taxpayer who controls a foreign corporation or is a 10% or more shareholder of a controlled foreign corporation, may be required to file Forms 2952 and 3646.

I. Annual statement.—A copy of the annual statement for mutual insurance companies adopted by the National As-

sociation of Insurance Commissioners for the year 1977, as filed with the Insurance Department of the State or District of Columbia, together with copies of Schedule A (real estate) and Schedule D (bonds and stocks) must accompany the return (see section 1.6012-2(c) of the regulations).

Similar copies for the preceding year must also be furnished, if not already filed for such year.

If you use miniature statements, they may be filed instead of the larger statements.

J. Signature.—The return must be signed and dated by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or any other corporate officer (such as tax officer) authorized to sign. A receiver, trustee, or assignee must sign and date any return required to be filed on behalf of a corporation.

An individual who prepares Form 1120M for pay must manually sign the return as preparer. Signature stamps or labels are not acceptable. If someone prepares Form 1120M for free, that person does not have to sign that return.

If more than one person prepares the return, the individual preparer with the primary responsibility for the overall accuracy of the return must sign as preparer. The preparer required to sign the return shall also enter his or her social security number to the right of that signature. If the preparer is self-employed, he or she must write "SE" to the right of the preparer's social security number.

If the individual is paid by another to prepare (or is a partner in a partnership preparing) Form 1120M, the payer's (or partnership's) name and identification number must be entered below the preparer signature line. (Special rules apply to identification numbers for foreign tax return preparers. Such preparers should see sections 1.6109-2(a) and 301.7701-15(a)(5) of the regulations.)

The return must also show, below the preparer's signature, the address of the preparer's place of business where the return was completed. However, if this place of business is not maintained on a year-round basis, the return should show the address of such preparer's principal business location which is maintained on a year-round basis or, if none, the preparer's residence.

The preparer must give the taxpayer a copy of Form 1120M in addition to the copy filed with IRS. Employers, partnerships, and self-employed preparers must file Form 5717, Annual List of Income Tax Return Preparers.

Note: A \$25 penalty may be charged a paid preparer who does not give the taxpayer a copy of Form 1120M in addition to the copy filed with IRS. A penalty may also be charged a preparer required to sign who does not show an original signature or a photocopy of the original signature in the space provided. A penalty may be charged a self-employed preparer who does not show his or her identifying number in the space provided.

If the individual is paid by another to prepare (or is a partner in a partnership preparing) Form 1120M, the payer or partnership may be charged a penalty if the return does not show the individual's social security number and the payer's (or partnership's) employer identification number.

If Form 1120M is prepared by the taxpayer's regular, full-time employee, such as a clerk, secretary or bookkeeper, or by the taxpayer's partner (if an individual), that person is not subject to the above rules.

K. Attachments.—If more space is needed on forms or schedules, attach separate sheets and use the same arrangement as the printed forms, but show the totals on the printed forms. Be sure to put the taxpayer's name and employer identification number on these separate sheets.

L. Penalties.

Avoid penalties and interest by correctly filing and paying the tax when due.

1. A corporation that fails to file its tax return by the prescribed due date including any extensions of time for filing may be subject to a penalty of 5% a month, up to a maximum of 25%, for each month the return is not filed (the penalty is imposed on the net amount due—section 6651(a)(1)).

2. A corporation that fails to pay the tax when due may be subject to a penalty of ½% a month or fraction of a month, up to a maximum of 25% for each month the tax is not paid (the penalty is imposed on the net amount due—section 6651(a)(2)).

The above penalties will not be imposed if the corporation can show that the failure to file or to pay was due to reasonable cause and not to willful neglect.

These penalties are in addition to the interest charge imposed on unpaid tax at a rate pursuant to section 6621.

3. A corporation that fails to pay the proper estimated tax when due may be subject to an underpayment penalty for the period of underpayment (section 6655) at a rate pursuant to section 6621.

If the estimated tax was underpaid and you believe a penalty charge should not be assessed, attach Form 2220.

M. Foreign bank, securities and other financial accounts.—

If at any time during the taxable year, you had an interest in or signature or other authority over a bank account, securities account, or other financial account in a foreign country or were a grantor of, or transferor to a foreign trust, which trust was in being during the taxable year, you must check the appropriate Yes box(es) in questions K and L. (If you own more than 50% of the stock in any corporation that owns one or more foreign bank accounts, you must check the Yes box for question K.)

If you had any interest in or signature or other authority over a bank, securities, or other financial account in a foreign country (except in a U.S. military banking facility operated by a U.S. financial institution), you must file Treasury Department Form 90-22.1, Report of Foreign Bank, Securities, and Other Financial Accounts.

This form, which is due before July 1, 1978, should be filed with the U.S. Treasury Department at P.O. Box 28309, Central Station, Washington, D.C. 20005.

Form 90-22.1, which replaces Internal Revenue Service Form 4683, U.S. Information Return on Foreign Bank, Securities and Other Financial Accounts, and Foreign Trusts, may be obtained from Internal Revenue Service offices or by writing to the above address.

N. Employer identification number.—Enter the employer identification number (EIN) assigned to the corporation.

Corporations who do not have an EIN should apply for one on Form SS-4, available from any IRS or Social Security Administration office. Send Form SS-4 to the same Internal Revenue Service Center to which Form 1120M is sent.

Specific Instructions

(Numbered to correspond with the line numbers on the return.)

For Page 1 of Return

5. Unused loss deduction.—The amount of the deduction is the total of the unused loss carryovers and carrybacks to the taxable year.

Unused loss.—The term "unused loss" for any taxable year means the amount by which—

(1) the sum of the statutory underwriting loss and the investment loss, exceeds

(2) the sum of—

(a) the taxable investment income,

(b) the statutory underwriting income, and

(c) the amount required by section 824(d) to be subtracted from the protection against loss account.

The unused loss for any loss year is (1) an unused loss carryback to each of the 3 taxable years preceding the loss year, and (2) an unused loss carryover to each of the 7 taxable years following the loss year; or an irrevocable election may be made whereby a net operating loss may only be carried over to each of the 7 years following the year of such loss thus relinquishing the carryback period. After applying the net operating loss to the initial year, the portion of the loss that may be carried to each of the remaining taxable years is the excess (if any) of the amount of the loss over the sum of the offsets (as defined in section 825(f)) for each of the prior taxable years to which the loss may be carried.

Limitations.—An unused loss may not be carried—

(1) to or from any taxable year for which the insurance company is not subject to the tax imposed by section 821(a), or

(2) to any taxable year if, between the loss year and such taxable year, there is an intervening taxable year for which the insurance company was not subject to the tax imposed by section 821(a).

See section 844 for special carryover loss rules regarding an insurance company that has changed its form of organization or has changed the nature of its insurance business.

S. Surtax.—For election and attachment required of a reciprocal to be subject to the limitation in section 826(b), see section 826(a) and the regulations thereunder.

Amount to be included by reciprocal.—If the mutual insurance company taxable income before giving effect to the election under section 826(a) is not less than \$50,000, then make no entry.

If the taxable income before giving effect to the election is not more than \$50,000, then:

(1) Where taxable income after the election is \$50,000 or less, the excess of such taxable income over taxable income before giving effect to the election must be entered as the amount required on line 8.

(2) Where taxable income after the election is over \$50,000, the excess of \$50,000 over taxable income before the election must be entered as the amount required on line 8.

Where the amount subtracted from the protection against loss account was added because of the election under section 826(a), then to the extent the amount increases mutual insurance company taxable income for the taxable year, the amount is not entitled to the \$50,000 surtax exemption. See section 1.826-2(b) of the regulations.

Where the surtax exemption is pro-rated under section 1561 because of an election under section 243(b), the pro-rated amount must be used in place of the \$50,000 referred to in the preceding paragraphs and line 8, page 1.

10. Alternative tax for certain small companies.—See instructions for Schedule A-2.

12(a). Foreign tax credit.—In general, the per-country limitation cannot be used in computing the foreign tax credit. See Form 1118 for rules on how to compute the foreign tax credit.

12(b). Investment credit.—In most cases, the investment credit rate is 10% for property acquired and placed in service during the taxable year. Corporations may elect an 11% credit for such property if the corporation contributes 1% of the qualified investment to an employee stock ownership plan (ESOP). Beginning in 1977, in lieu of the 11% credit, a corporation may elect up to an 11.5% credit for qualifying 10% property if (1) the corporation increases its ESOP contribution from 1% up to 1.5% of the qualified investment in 10% property and (2) corporate employees make an ESOP contribution of up to 1/2% in similar type property. Complete Form 5500 for each employee stock ownership plan and file it on or before the last day of the 7th month following the close of the plan year.

The limit on the amount of used property eligible for the investment credit is \$100,000.

The investment credit also applies to qualified progress expenditures made during the construction of property that requires at least two years to construct and that has an expected useful life of at least 7 years. See Form 3468 for special rules and limitations.

12(c). Credit for wages paid or incurred in a Work Incentive (WIN) Program.—Employers may claim a credit of 20% of the salaries and wages paid or incurred to employees hired under a WIN program. The credit is allowed for the salaries and wages paid

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or incurred for the first 12 months of employment.

For special rules and limitations, see Form 4874 and sections 50A and 50B.

12(d). New jobs credit.—In general, for a taxable year beginning in 1977, the credit shall be an amount equal to 50% of the excess of the aggregate unemployment insurance wages paid during 1977 over 102% of the aggregate unemployment insurance wages paid during 1976. An additional 10% credit may be claimed for wages paid to certain vocational rehabilitation referrals during the calendar year 1977. See Form 5884 for definitions, special rules, and limitations. Also see Publication 902, Tax Information on Jobs Tax Credit.

Do not take an expense deduction for that portion of the wages or salaries paid or incurred which is equal to the amount of the new jobs credit (determined without regard to the limitation based on tax (section 53)). Members of a controlled group or a trade or business under common control with other trades or businesses, see section 280C.

13. Possession tax credit.—See Form 5712 for rules on how to elect to claim the possession tax credit (section 936). Compute the credit on Form 5735 and include the amount of the credit in the total for line 13, page 1, Form 1120M. Write in the margin next to the entry on line 13, the amount of the credit and identify it as being a section 936 credit.

15. Foreign corporations.—A foreign corporation carrying on an insurance business within the U.S. is taxable in the same manner as a domestic insurance company with respect to its income effectively connected with the conduct of a trade or business within the U.S. See section 842.

Any other U.S. source income received by a foreign corporation not effectively connected with the conduct of a trade or business within the U.S. is taxed at a 30% (or lower treaty) rate. See section 881. If you have any such income, attach a schedule showing the nature of income, amount of income, rate of tax (30% or lower treaty rate), and amount of tax. Enter the amount of tax imposed by section 881 on line 15, page 1.

16. Tax from recomputing a prior year investment credit.—If property is disposed of prior to the life-years category used in computing the investment credit, the investment credit must be recomputed using as the useful life the period the property was actually held. (For recomputations of the investment

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credit for qualified progress expenditures, see section 47(b)(3).) If the credit taken, including carrybacks and carryovers, exceeds the recomputed credit, the tax in the year of disposition must be increased by the excess. Form 4255 may be used to compute the tax.

The tax from recomputing a prior year investment credit may not be offset against the current year's investment credit.

17. Tax from recomputing a prior year WIN credit.—If a WIN program employee is dismissed before completing a certain period of employment, the WIN credit previously taken on such employee may be subject to recapture. If so, you must repay (with certain exceptions) any tax credit previously taken on the salaries and wages paid or incurred for that employee. (See Form 4874.)

The tax from recomputing a prior year work incentive credit may not be offset against the current year's work incentive credit.

18. Minimum tax on tax preference items.—In general, the corporate minimum tax rate is 15% and the minimum tax exemption is the greater of \$10,000 or the regular income taxes for the year.

The tax preference items are accelerated depreciation on real property; amortization of certified pollution control facilities, railroad rolling stock, on-the-job training facilities and child care facilities; reserve for losses on bad debts of financial institutions; depletion; and capital gains.

Attach Form 4626 if items of tax preference exceed \$10,000 even if there is no minimum tax, OR if you have any minimum tax liability deferred from a prior taxable year to this year.

20(g). Credit by reciprocal for tax paid by attorney-in-fact.—See section 826(e) and the regulations thereunder.

20(h). Other tax credits.—Section 39 provides a credit for Federal excise tax on: (1) gasoline used (a) on a farm for farming use, (b) in vehicles and machines used off the highway, such as in boats and, generally, in commercial aircraft, and (c) in vehicles furnishing certain public transportation by land; (2) lubricating oil used for any purpose other than in a highway motor vehicle; and (3) special fuels used (a) on a farm for farming use, (b) in vehicles furnishing certain public transportation by land, and (c) generally in commercial aviation or under other conditions not subject to tax.

Also include on line 20(h) any of the tax included on line 15, page 1, which was withheld at the U.S. source.

SCHEDULE A.—Taxable Investment Income or (Loss)

1. Interest.—Enter interest received or accrued from all sources during the taxable year. The gross amount of interest reported as gross income must be decreased by the amortization of premiums attributable to the taxable year on bonds, notes, debentures or other evidences of indebtedness, determined (1) in accordance with the method regularly employed, if reasonable, or (2) in accordance with regulations. (Attach a statement showing method and computation.)

3. Gross rents.—Enter the gross amount received for the rent of property. Deduct expenses such as repairs, interest, taxes, and depreciation in the proper lines for deductions.

4. Gross royalties.—Enter the gross amount of royalties. If a deduction is claimed for depletion, report it on line 15.

5. Gross income from trade or business other than insurance business.—Enter the gross income from any trade or business (other than an insurance business) carried on by the mutual insurance company, or by a partnership of which the mutual insurance company is a member. Include section 1245 and section 1250 etc. gains from Form 4797 with respect to investment assets only.

6. Leases, etc.—Enter the gross amount of income received from the entering into (or the alteration or termination) of any lease, mortgage or other instrument or agreement from which the mutual insurance company derives interest, dividends, rents, or royalties.

8. Net gain from sale or exchange of capital assets.—Report sales or exchanges of capital assets in separate Schedule D (Form 1120) (but see Schedule A-3, page 3). Every sale or exchange of a capital asset, even though no gain or loss results, must be reported in detail.

Losses from sales or exchanges of capital assets (except losses from capital assets sold or exchanged to obtain funds to meet abnormal insurance losses and to provide for the payment of dividends and similar distributions to policyholders) are allowed to the extent of gains from such sales or exchanges with respect to companies taxable under section 821.

The net capital loss for such companies is the amount by which losses for the year from sales or exchanges of capital assets exceed the sum of the gains from sales or exchanges and the lesser of (1) the taxable investment income (computed without regard to gains or losses from sales or exchanges of capital assets) or (2) losses from the

sale or exchange of capital assets sold or exchanged to obtain funds and to meet abnormal insurance losses and to provide for the payment of dividends and similar distributions to policyholders.

However, the amount of a net capital loss sustained in a taxable year may be carried back 3 years and forward 5 years as a short-term capital loss. The amount allowable as a capital loss carryback is subject to the limitations of section 1212(a)(1).

For further information relating to gains and losses from sales or exchanges of property, see instructions for separate Schedule D (Form 1120).

Deductions

10. Interest wholly exempt from tax.—Enter the amount of interest which is wholly exempt from taxation under section 103.

11. Investment expenses.—Enter expenses which are properly chargeable as investment expenses. If you allocate general expenses to investment expenses, the total deduction cannot exceed the limitation on line 18, Schedule A-1. Attach a schedule showing the nature and amount of the items and group the minor items into one amount. See section 822(c)(2).

12. Taxes.—Enter taxes paid or accrued exclusively upon real estate owned by the company as provided in section 164. For limitation on deduction, see instruction 19(a).

13. Real estate expenses.—Enter all ordinary and necessary building expenses, paid or accrued, such as fire insurance, heat, light, labor, etc.; and the cost of incidental repairs which neither materially add to the value of the property nor appreciably prolong its life, but keep it in an ordinary efficient operating condition. Do not include any amount paid out for new buildings or for permanent improvements or betterments made to increase the value of any property or any amount expended on foreclosed property before such property is held for rental purposes. For limitation on this deduction, see instruction 19(a).

14. Depreciation.—The amount deductible for depreciation is an amount reasonably measuring a portion of the investment in depreciable property which, by reason of exhaustion, wear and tear, or obsolescence, is properly chargeable against the operations of the year. In any event, the deduction is limited to the depreciation on the property that is used, and to the extent used, for the purpose of producing the income specified in section 822(b). For limitation on this deduction, see instruction 19(a). Also see instructions for Form 4562, Depreciation.

15. Depletion.—See section 613 and 613A for percentage depletion rates applicable to natural deposits.

Attach Form T if a deduction is claimed for depletion of timber.

16. Trade or business deductions.—Enter total deductions attributable to any trade or business (other than an insurance business), the income from which is included in the mutual insurance company's gross investment income by reason of section 822(b)(2). Do not include losses (a) from sales or exchanges of capital assets, (b) from sales or exchanges of property used in the trade or business, or (c) from the compulsory or involuntary conversion of property used in the trade or business.

17. Interest paid or accrued.—Enter the amount of interest paid or accrued during the taxable year on the company's indebtedness, except on indebtedness incurred or continued to purchase or carry obligations on which the interest is wholly exempt from taxation. (Section 265.)

18. Other capital losses.—Enter losses from capital assets sold or exchanged to provide funds to meet abnormal insurance losses and to provide for the payment of dividends and similar distributions to policyholders. Capital assets are considered as sold or exchanged to provide for such funds or payments to the extent that the gross receipts from their sale or exchange are not greater than the excess, if any, for the taxable year of the sum of: (a) dividends and similar distributions paid to policyholders, (b) losses paid, and (c) expenses paid, over: (1) amount on line 7, and (2) net premiums received. (See Schedule A-3.)

19. Total deductions:

(a) **Limitation on deductions relating to real estate owned and occupied.**—The deductions included on lines 12, 13, and 14 for real estate owned and occupied in whole or in part by the company are limited to an amount which bears the same ratio to those deductions (computed without regard to section 822(d)(1)) as the rental value of the space not so occupied bears to the rental value of the entire property. (Attach a schedule.)

(b) **Items not deductible.**—No deduction is allowable for any amount allocable to a class of exempt income other than exempt interest income. Items directly attributable to wholly exempt income must be allocated to such income, and items directly attributable to any class of taxable income must be allocated to taxable income.

If an item is indirectly attributable both to taxable income and exempt income, a reasonable proportion of the item, determined in the light of all the facts and circumstances in each case, must be allocated to each.

Attach a statement showing (1) the amount of each class of exempt income, and (2) the amount of expense items al-

located to each such class. Show the amount allocated by apportionment separately.

21. Dividends-received deduction.—See instructions for Schedule E, Part II. The 85% limitation on the dividends-received deduction does not apply for any year in which there is a loss from taxable investment income.

SCHEDULE A-2.—Alternative Tax for Certain Small Companies

Section 821(c) provides an alternative tax for companies if the gross amount reported on line 7, Schedule A, plus premiums, is over \$150,000 but not over \$500,000.

The term "premiums" means the total amount of the premiums and other consideration provided in the insurance contract without any deduction for commissions, return premiums, reinsurance, dividends to policyholders, dividends left on deposit with the company, discounts on premiums paid in advance, interest applied in reduction of premiums (whether or not required to be credited in reduction of premiums under the terms of the contract), or any other item of a similar nature.

Such term includes advance premiums, premiums deferred and uncollected, and premiums due and unpaid, deposits, fees, assessments, and consideration in respect of assuming liabilities under contracts not issued by the taxpayer (such as a payment or transfer of property in an assumption reinsurance transaction), but does not include amounts received from other insurance companies for losses paid under reinsurance contracts. (See section 1821-4(a)(1)(ii) of the regulations.)

Any mutual insurance company that is subject to the tax imposed by section 821(c) may elect to be subject to the tax imposed by section 821(a). See section 821(d) and the regulations thereunder for election to include statutory underwriting income or loss.

The alternative tax is not available to a company that has a balance in its protection against loss account at the beginning of the taxable year, or to a company that has an election in effect under section 821(d) to be taxed under section 821(a).

SCHEDULE A-3.—Other Capital Losses

Total gross receipts from sales of capital assets, line 10, column 3, should not exceed the amount shown on line 9. If necessary, gross receipts from a particular sale of a capital asset should be apportioned in the above schedule and the excess reported in separate Schedule D (Form 1120).

Except for the apportionment, sales reported in this schedule should not be reported in separate Schedule D.

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Enter total other capital losses (line 10, column 7) on line 18, Schedule A and line 13, Schedule B-1.

SCHEDULE B-1.—Income and Deductions

1. Investment income.—To all interest, dividends, and rents received during the taxable year, add interest, dividends, and rents due and accrued at the end of the taxable year and deduct all interest, dividends, and rents due and accrued at the end of the preceding taxable year.

2. Premiums earned.—From the amount of gross premiums written on insurance contracts during the taxable year, deduct return premiums and premiums paid for reinsurance. To the result so obtained, add unearned premiums on outstanding business at the end of the preceding taxable year and deduct unearned premiums on outstanding business at the end of the taxable year.

3(a). Gain from sale or other disposition of capital assets.—Enter the amount of gain (only) from the sale or other disposition of capital assets from Schedule D (Form 1120).

3(b). Ordinary gain.—For reporting sales or exchanges of property (other than capital assets) including involuntary conversions, and all section 1245 and section 1250 etc. gains, see Form 4797, Supplemental Schedule of Gains and Losses.

5. Decrease in subscriber accounts.—Enter the amount of the decrease for the taxable year in savings credited to subscriber accounts of an interinsurer or reciprocal underwriter. See instruction 20 for Schedule B-1 for savings credited to subscriber accounts.

Deductions

7. Salaries and wages.—Enter the amount of salaries and wages paid or accrued during the taxable year.

8. Rents.—Enter the amount of rent paid or accrued for business property in which the company has no equity.

9. Interest.—Do not include interest on indebtedness incurred or continued to purchase or carry obligations on which the interest is wholly exempt from income tax. (Section 265.)

See section 267 for the limitation on deductions for unpaid expenses and interest in the case of transactions between related taxpayers.

10. Taxes.—Enter taxes paid or accrued during the taxable year and attach a schedule showing the type and amount of tax. Do not include Federal income tax, foreign or U.S. possession income taxes if a foreign tax credit is claimed, or taxes not imposed upon the corporation.

See section 164(d) for apportion-

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ment of taxes on real property between seller and purchaser.

11. Losses incurred on insurance contracts.—To losses paid during the taxable year, add salvage and reinsurance recoverable outstanding at the end of the preceding taxable year and deduct salvage and reinsurance recoverable outstanding at the end of the taxable year. To this result, add all unpaid losses outstanding at the end of the taxable year and deduct unpaid losses outstanding at the end of the preceding taxable year.

12. Capital losses.—Enter only capital losses to the extent of capital gains from separate Schedule D (Form 1120). Capital gains should be entered on line 3. (Also, see instruction 8 for Schedule A.)

13. Other capital losses.—Enter the amount of losses from capital assets sold or exchanged to provide funds to meet abnormal insurance losses and to provide for the payment of dividends and similar distributions to policyholders. (Also, see instruction 18 for Schedule A.)

14. Worthless agency balances and bills receivable.—Enter the amount of debts in the nature of agency balances and bills receivable that became worthless during the taxable year.

15. Interest.—Enter the amount of interest earned during the taxable year that is excluded from gross income under section 103.

16. Depreciation.—See instructions for Form 4562, Depreciation.

17. Depletion.—See instruction 15 for Schedule A.

18. Contributions.—Enter contributions or gifts paid within the taxable year to or for the use of charitable and governmental organizations described in section 170(c) and any unused contributions carried over from prior years.

Corporations on the accrual basis may elect to deduct contributions paid on or before the 15th day of the 3d month after the end of the taxable year if the contributions are authorized by the board of directors during the taxable year.

A declaration, signed by an officer, stating that the resolution authorizing the contributions was adopted by the board of directors during the taxable year, and a copy of the resolution, must both be attached to the return.

The total amount claimed may not exceed 5% of line 24, Schedule B-1, computed without regard to any deduction for contributions.

Charitable contributions in excess of the 5% limitation may not be deducted for the taxable year but may be carried over to the next 5 taxable years.

Attach a schedule showing the name of each organization and the amount paid. If a contribution is made in property other than money, describe the kind of property contributed and the method used in determining its fair market value. If a contribution carryover is included, show the amount and how it was determined.

Special rule for contributions of certain property.—If a charitable contribution of property is made, the contribution must be reduced by the sum of

(1) the ordinary income, short-term capital gain and

(2) for certain contributions, 62½% of the long-term capital gain,

that would have resulted if the property were sold at its fair market value. The reduction for 62½% of the long-term capital gain applies to (1) contributions of tangible personal property for use by an exempt organization for a purpose or function unrelated to the basis for its exemption, and (2) contributions of any property to or for the use of certain private foundations. (Section 170(e).) For special rules regarding a contribution of inventory, and other ordinary income property (described in section 1221(1) or (2)) to an exempt organization described in section 501(c)(3), for use in the care of the ill, needy, or infants, see section 170(e)(3).

Bargain sale to a charitable organization.—If a charitable deduction is taken for property sold to a charitable organization, the adjusted basis for determining gain from the sale is an amount which is in the same ratio to the adjusted basis as the amount realized is to the fair market value of the property.

19. Dividends paid or declared to policyholders.—Enter the amount of dividends and similar distributions paid or declared to policyholders.

20. Increase in subscriber accounts.—In the case of a mutual insurance company which is an interinsurer or reciprocal underwriter, a deduction is allowed for the increase in savings credited to subscriber accounts for the taxable year.

The term "savings credited to subscriber accounts" means such portion of the surplus credited to the individual accounts of subscribers on or before March 15, 1978. This applies only if the company would be obligated to pay such amount promptly to a subscriber if the subscriber terminated the contract at the close of the company's taxable year and only if the subscriber has been notified as required by section 1823-6(c)(2)(v) of the regulations. For purposes of determining the taxable income, the subscriber must treat any such savings credited to the sub-

Schedule K Computation of Undistributed Taxable Income and Summary of Distributions and Other Items

Computation of Corporation's Undistributed Taxable Income

1 Taxable income (line 28, page 1)
2 Less: (a) Money distributed as dividends out of earnings and profits of the taxable year
(b) Tax imposed on certain capital gains (line 31, page 1)
3 Corporation's undistributed taxable income
4 Actual dividend distributions taxable as ordinary income. (Do not include amounts shown on line 6)
5 Actual dividend distributions taxable as long-term capital gains (after tax)
6 Actual dividend distributions taxable as ordinary income and qualifying for dividend exclusion
7 Nondividend distributions
8 Undistributed taxable income—taxable as ordinary income or (loss)
9 Undistributed taxable income—taxable as long-term capital gain (after tax)
10 Investment credit property
11 Interest on investment indebtedness:
(a) (1) Interest on investment indebtedness incurred prior to December 17, 1969
(2) Interest on investment indebtedness incurred prior to September 11, 1975, but after December 16, 1969
(3) Interest on investment indebtedness incurred after September 10, 1975
(b) Net investment income or (loss)
(c) Excess expenses from "net lease property"
(d) Net capital gain attributable to investment property
12 Item of tax preference (see instructions): (a) Accelerated depreciation on—
(1) Low income rental housing
(2) Other real property
(3) Personal property subjected to a lease
(b) Amortization: (1) (2) (3) (4)
(c) Reserve for losses on bad debts of financial institutions
(d) Depletion
(e) Intangible drilling costs
(f) Net capital gain (after tax)
13 New jobs credit (see instructions)

Additional Information Required

F Did you at the end of the taxable year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation?
G Taxable income or (loss) from line 28, Page 1, Form 1120S for your taxable year beginning in: 1974
1975
1976
1977
H Refer to page 7 of instructions and state the principal:
Business activity
Product or service
I Were you a member of a controlled group subject to the provisions of section 1561?
J Did you claim a deduction for expenses connected with:
(1) Entertainment facility (boat, resort, ranch, etc.)?
(2) Living accommodations (except for employees on business)?
(3) Employees' families at conventions or meetings?
(4) Employee or family vacations not reported on Form W-2?
Enter total amount of deduction(s) on Form 1120S that are claimed under section 274 (entertainment, gifts, etc.)
K Did you file all required Forms 1087, 1096, and 1099?
L Answer only if (1) this is the first 1120S return filed since your election to be treated as a small business corporation and (2) the corporation was in existence for the taxable year prior to the election and had investment credit property: Was an agreement filed under section 147-4(b) of the regulations?
M Did you, at any time during the taxable year, have any interest in or signature or other authority over a bank, securities, or other financial account in a foreign country (except in a U.S. military banking facility operated by a U.S. financial institution)? If "Yes," see Instruction R.
N Were you the grantor of, or transferor to, a foreign trust during any taxable year, which foreign trust was in being during the current taxable year, whether or not you have any beneficial interest in such trust? If "Yes," you may be required to file Forms 3520, 3520-A, or 926.
O Was this firm in business at the end of 1977?
P How many months in 1977 was this firm in business?

Schedule L Balance Sheets

Assets
1 Cash
2 Trade notes and accounts receivable
(a) Less allowances for bad debts
3 Inventories
4 Gov't obligations: (a) U.S. and instrumentalities
(b) State, subdivisions thereof, etc.
5 Other current assets (attach schedule)
6 Loans to shareholders
7 Mortgage and real estate loans
8 Other investments (attach schedule)
9 Buildings and other fixed depreciable assets
(a) Less accumulated depreciation
10 Depletable assets
(a) Less accumulated depletion
(c) Less accumulated amortization
11 Land (net of any amortization)
12 Intangible assets (amortizable only)
(a) Less accumulated amortization
13 Other assets (attach schedule)
14 Total assets
Liabilities and Shareholders' Equity
15 Accounts payable
16 Mtes., notes, bonds payable in less than 1 year
17 Other current liabilities (attach schedule)
18 Loans from shareholders
19 Mtes., notes, bonds payable in 1 year or more
20 Other liabilities (attach schedule)
21 Capital stock
22 Paid-in or capital surplus
23 Retained earnings—appropriated (attach schedule)
24 Retained earnings—unappropriated
25 Shareholders' undistributed taxable income previously taxed
26 Less cost of treasury stock
27 Total liabilities and shareholders' equity

Schedule M-1 Reconciliation of Income Per Books With Income Per Return

1 Net income per books
2 Federal income tax
3 Excess of capital losses over capital gains
4 Income subject to tax not recorded on books this year (itemize)
5 Expenses recorded on books this year not deducted in this return (itemize)
6 Total of lines 1 through 5
7 Income recorded on books this year not included in this return (itemize)
(a) Tax-exempt interest \$
8 Deductions in this tax return not charged against book income this year (itemize)
9 Total of lines 7 and 8
10 Income (line 28, page 1)—line 6 less line 9

Schedule M-2 Analysis of Unappropriated Retained Earnings Per Books (line 24 above)

1 Balance at beginning of year
2 Net income per books
3 Other increases (itemize)
4 Total of lines 1, 2, and 3
5 Distributions out of current or accumulated earnings and profits: (a) Cash
(b) Stock
(c) Property
6 Current year's undistributed taxable income or net operating loss (total of lines 8 and 9, Schedule K)
7 Other decreases (itemize)
8 Total of lines 5, 6, and 7
9 Balance at end of year (line 4 less line 8)

1977 Department of the Treasury Internal Revenue Service Instructions for Form 1120S U.S. Small Business Corporation Income Tax Return

(References are to the Internal Revenue Code.)

General Instructions

A. Who must file Form 1120S.—Every small business corporation (as defined in section 1371(a)) that has filed a proper and timely election under section 1372(a) not to be subject to the income tax imposed by chapter 1 (other than by sections 559(d)(2) and 1378) must file Form 1120S. See Form 2553.

B. Affirmative refusal to consent.

An election by a small business corporation shall terminate if a new shareholder (any person who was not a shareholder on the first day of the first taxable year for which the election is effective, or on the day on which the election is made, whichever is later) affirmatively refuses to consent to the election on or before the 60th day after the day on which the new shareholder acquired the stock.

The new shareholder's affirmative refusal to consent to the election must be filed with the Internal Revenue Service Center having jurisdiction or the area in which the principal business, office or agency of the corporation is located.

Any termination of an election by reason of the affirmative refusal of any person to consent to such election shall be effective for the taxable year of the corporation in which such person becomes a shareholder in the corporation and for all succeeding taxable years of the corporation. (See section 1372(e)(1) for additional details.)

C. Termination or revocation.

The election by the corporation is automatically terminated: (1) if a person becoming a new shareholder affirmatively refuses to consent to the election as explained in B above; (2) if it ceases to be a small business corporation as defined in section 1371(a)(1); (3) if it derives more than 80% of its gross receipts from sources outside the U.S.; or (4) if it has gross receipts more than 20% of which is passive investment income (defined in section 1372(e)(5)(C)), except during the first 2 taxable years of active conduct of any trade or business if passive investment in-

come is less than \$3,000. This termination is effective for the taxable year in which any one of the foregoing occurs and for all succeeding taxable years of the corporation (section 1372(e)).

The election may be revoked for any taxable year after the first taxable year for which the election is effective. An election to revoke may be made only if all persons who are shareholders on the day on which the revocation is made consent to the revocation. The revocation is effective (1) for the taxable year in which made, if made before the close of the first month of the taxable year, or (2) for the taxable year following the taxable year in which made, if made after the close of the first month; and for all succeeding taxable years. The revocation is to be made in the manner prescribed by section 1.1372-4 of the regulations.

If the small business corporation has made an election under section 1372(a) and the election has been terminated or revoked, the corporation is not eligible to make the election again under section 1372(a) for 5 years unless the Commissioner consents.

D. Period to be covered by 1977 return.

File the 1977 return for calendar year 1977 and fiscal years beginning in 1977 and ending in 1978. If the return is for a fiscal year, fill in the taxable year space on the form.

FINAL RETURNS.

If the corporation ceases to exist, write "FINAL RETURN" at the top of the form.

E. When to file.

In general, Form 1120S must be filed on or before the 15th day of the 3d month after the end of the taxable year.

File Form 7004 to request an automatic 3-month extension to file Form 1120S. File Form 7005 to request an additional extension after obtaining an automatic 3-month extension by filing Form 7004.

F. Where to file.

If the corporation's principal business, office, or agency is located in:

Use the following Internal Revenue Service Center address

| | |
|---|------------------------|
| Illinois, Iowa, Missouri, Wisconsin | Kansas City, MO 64399 |
| California, Hawaii | Fresno, CA 93888 |
| Indiana, Kentucky, North Carolina, Tennessee, Virginia, West Virginia | Memphis, TN 37501 |
| Delaware, District of Columbia, Maryland, Pennsylvania | Philadelphia, PA 19255 |

G. Depository method of payment of tax.

The balance of tax due (line 33) must be paid in full when the return is filed or in two installments: 50% by the 15th day of the 3d month and 50% by the 15th day of the 6th month after the end of the taxable year.

All corporation income tax payments and estimated income tax payments must be deposited at an authorized commercial bank depository or Federal Reserve Bank or Branch (FRB), with a Federal Tax Deposit Form preinscribed with a Tax Class Number 503, in accordance with instructions appearing on the reverse of that form. Deposits made at an FRB must be made with the FRB servicing the geographic area where a taxpayer is located. The deposit must be made in a form of payment that the receiving FRB considers to be an immediate credit item. Additional information can be obtained from an authorized commercial bank or FRB. Each deposit must be accompanied by Federal Tax Deposit Form preinscribed with a Tax Class Number 503. Do not remit directly to Internal Revenue. Records of deposits will be sent to Internal Revenue for crediting to the corporation's account.

The timeliness of deposits will be determined by date received by a commercial bank depository or FRB. If a tax payment is made by mail, a deposit received after the due date will be considered timely if the taxpayer establishes that it was mailed on or before the second day before the prescribed due date as provided by section 7502. Tax deposits made at FRBs which are not in compliance with deposit requirements will nevertheless be processed by the receiving FRB rather than returned to the taxpayer. Furthermore, such tax payments received by an FRB will be dated as paid based upon the date when the proceeds of the accompanying payment instrument are collected by the FRB, and if made by mail, section 7502 will not apply.

Corporations needing Forms 503 may obtain them from the Internal Revenue Service Center where they will file their returns. The application should include the corporation's name, identification number, address, and the taxable year to which the deposits relate.

H. Change in accounting period.

To change an accounting period, see section 1.442-1 of the regulations and Form 1128, Application for Change in Accounting Period.

I. Accounting methods.

Taxable income must be computed using the method of accounting regularly used in keeping the corporation's books and records. In all cases, the method adopted must clearly reflect taxable income. (See section 446.) Unless the law specifically permits, the method of accounting used to report income in prior years (for income as a whole or for any material item) may not be changed without first obtaining consent on Form 3115, Application for Change in Accounting Method.

Rounding off to whole-dollar amounts.

Money items may be shown as whole-dollar amounts by eliminating any amount less than 50 cents and increasing any

amount from 50 cents through 99 cents to the next higher dollar.

J. Information returns that may be required.

Form 1096.—Annual summary and transmittal of U.S. information returns.
Form 1099-DIV.—Actual dividend distributions taxable as ordinary income, actual dividend distributions taxable as long-term capital gains (after tax), non-dividend distributions, and dividends qualifying for the dividend exclusion must be reported on Form 1099-DIV.

Constructive dividends (undistributed taxable income) do not have to be reported on Form 1099-DIV but must be reported on Schedule K-1 (Form 1120S).

Forms 966 and 1099L.—Information returns regarding dissolution or liquidation, and distributions in liquidation.

K. Stock ownership in foreign corporations.—See section 551(c) and attach the required statement if there was an ownership of 5% or more in value of the outstanding stock of a foreign personal holding company.

A taxpayer who controls a foreign corporation or is a 10% or more shareholder of a controlled foreign corporation, may be required to file Forms 2952 and 3646.

L. Balance sheets.—The balance sheets must agree with the corporation's books and records. Any differences must be reconciled. Copies of balance sheets required by Federal, State, etc., authorities may be used in place of Schedule L. Certificates of deposit should be included as cash on line 1 of the balance sheet.

Financial statements are to be completed in accordance with the method of accounting used in computing taxable income.

M. Net operating loss and other deductions.—The deduction for net operating losses provided by section 172 and the special deductions in Part VIII (except section 248) of subchapter B are not allowed to an electing small business corporation. (Section 1375(d).)

The corporation's net operating loss is allowed as a deduction from gross income of the shareholders. (Section 1374.)

N. Attachments.—If more space is needed on forms or schedules, attach separate sheets. Attach schedules in alphabetical order and forms in numerical order to the back of Form 1120S. Be sure to put the corporation's name and employer identification number on these separate sheets.

O. Signature.—The return must be signed and dated by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or any other corporate officer (such as tax officer) authorized to sign.

A receiver, trustee, or assignee must sign and date any return he or she is required to file on behalf of a corporation.

An individual who prepares Form 1120S for pay must manually sign the return as preparer. Signature stamps or labels are not acceptable. If someone prepares Form 1120S for free, that person does not have to sign that return.

If more than one person prepares Form 1120S, the individual preparer with the primary responsibility for the overall accuracy of the return must sign as preparer. The preparer required to sign the return should also enter his or her social security number to the right of that signature. If the preparer is self-employed, he or she must write "SE" to the right of the preparer's social security number.

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If the individual is paid by another to prepare (or is a partner in a partnership preparing) Form 1120S, the payer's (or partnership's) name and identification number must be entered below the preparer signature line. (Special rules apply to identification numbers for foreign tax return preparers. Such preparers should see sections 1.6109-2(a) and 301.7701-15(a)(5) of the regulations.)

The return must also show, below the preparer's signature, the address of the preparer's place of business where the return was completed. However, if this place of business is not maintained on a year-round basis, the return should show the address of such preparer's principal business location which is maintained on a year-round basis, or, if none, the preparer's residence.

The preparer must give the taxpayer a copy of Form 1120S in addition to the copy filed with IRS. Employers, partnerships, and self-employed preparers must file Form 5717, Annual List of Income Tax Return Preparers.

Note: A \$25 penalty may be charged a preparer who does not give the taxpayer a copy of Form 1120S in addition to the copy filed with IRS. A penalty may also be charged a preparer required to sign who does not show an original signature or a photocopy of the original signature in the space provided. A penalty may be charged a self-employed preparer who does not show his or her identifying number in the space provided.

If the individual is paid by another to prepare (or is a partner in a partnership preparing) Form 1120S, the payer or partnership may be charged a penalty if the return does not show the individual's social security number and the payer's (or partnership's) employer identification number.

If Form 1120S is prepared by the taxpayer's regular, full-time employee, such as clerk, secretary or bookkeeper, or by the taxpayer's partner (if an individual), that person is not subject to the above rules.

P. Transfers to corporation controlled by transferor.—If a person acquires stock or securities of a corporation in exchange for property, and no gain or loss is recognized under section 351, the transferor and transferee must attach the information required by section 1.351-3 of the regulations.

Q. Penalties.

1. A corporation that fails to file its tax return by the prescribed due date including any extensions of time for filing may be subject to a penalty of 5% a month, up to a maximum of 25%, for each month the return is not filed (the penalty is imposed on the net amount due—section 6651 (e)(1)).

2. A corporation that fails to pay the tax when due may be subject to a penalty of 1/2% a month or fraction of a month, up to a maximum of 25%, for each month the tax is not paid (the penalty is imposed on the net amount due—section 6651(a)(2)).

The above penalties will not be imposed if the corporation can show that the failure to file or to pay was due to reasonable cause and not to willful neglect.

These penalties are in addition to the interest charge imposed on unpaid tax at a rate pursuant to section 6621.

R. Foreign Bank, Securities and Other Financial Accounts.

If at any time during the taxable year, you had an interest in or signature or other authority over a bank account, securities account, or other financial account in a foreign country or were

a grantor of, or transferor to a foreign trust, which trust was in being during the taxable year, you must check the appropriate Yes box(es) in questions M and N. (If you own more than 50 percent of the stock in any corporation that owns one or more foreign bank accounts, you must check the Yes box for question M.)

If you had any interest in or signature or other authority over a bank, securities, or other financial account in a foreign country (except in a U.S. military banking facility operated by a U.S. financial institution), you must file Treasury Department Form 90-22.1, Report of Foreign Bank, Securities, and Other Financial Accounts.

This form, which is due before July 1, 1978, should be filed with the U.S. Treasury Department at P.O. Box 28309, Central Station, Washington, D.C. 20005.

Form 90-22.1, which replaces Internal Revenue Service Form 4683, U.S. Information Return on Foreign Bank, Securities and Other Financial Accounts, and Foreign Trusts, may be obtained from Internal Revenue Service offices or, by writing to the above address.

Specific Instructions

(Numbered to correspond with the line numbers on page 1 of the return.)

Gross Income

1. **Gross receipts.**—Enter gross receipts or sales from all business operations except those required to be reported on lines 4 through 10.

For reporting advance payments and long-term contracts, see section 1.451-5 of the regulations.

If the installment method is used, enter on line 1 the gross profit on collections from installment sales and carry the same amount to line 3. Attach a schedule showing for the current and 3 preceding years: (a) gross sales, (b) cost of goods sold, (c) gross profit, (d) percentage of gross profit to gross sales, (e) amount collected, and (f) gross profit on amount collected.

2. **Cost of goods sold.**—The method of valuing inventories may not be changed without permission. Application for permission to change must be made on Form 3115. Check the applicable method(s) used for valuing closing inventories in line 8(a) of Schedule A.

If this is the first year the "Last-In-First-Out" (LIFO) inventory method provided in Section 472 was adopted and used, attach Form 970 or a statement with the information required by Form 970 to Form 1120S and check the LIFO box in line 8(b). Enter the amount or percent (estimates may be used) of total closing inventories covered under Section 472 in line 8(c).

Full absorption method of inventory costing.—Taxpayers engaged in manufacturing or production operations must use the full absorption method of inventory costing. If they are not using the full absorption method of inventory costing, they must change to this method under which both direct and certain indirect production costs are included for inventory value purposes.

The change to full absorption may be made by filing Form 3115. For further details, see Revenue Procedure 75-40, 1975-2 CB 571, and section 1.471-11 of the regulations.

Cost of operations (where inventories are not an income-determining factor).—If the amount entered on line 2 includes an amount applicable to cost of operations, attach a schedule showing (1) salaries and wages and (2) other costs in detail.

6. Other interest.—Enter interest on loans, notes, mortgages, bonds, bank deposits, corporate bonds, etc.
Do not offset interest income against interest expense.

7. Gross rents.—Enter the gross amount received for the rent of property. Deduct expenses such as repairs, interest, taxes, and depreciation in the proper lines for deductions.

The corporation may be limited in the amount of expense deductions attributable to the rental of a vacation home if the property is used by a shareholder for personal purposes. (See section 280A.)

9. Sales or exchanges of capital assets and other property.—See separate Schedule D (Form 1120S), and Form 4797, Supplemental Schedule of Gains and Losses.

If line 9(b) exceeds \$25,000, see instructions for Schedule J—Tax Computation.

Every sale or exchange of a capital asset must be reported in detail in Schedule D (Form 1120S) even though no gain or loss is indicated.

10. Other income.—The attached schedule should include recoveries of bad debts deducted in prior years under the specific charge-off method. Refunds of taxes deducted in prior years should be reported here and not offset against current year's taxes.

If "other income" consists of only one item, identify it by showing the account caption in parentheses on line 10.

Deductions

12. Compensation of officers.—Complete columns 1 through 5, Schedule E, for all officers. Complete column 6, Schedule E, for your six highest paid officers. To determine the highest paid officers, add all allowances, including expense account allowances, to each officer's compensation. Expense account allowance means (1) amounts, other than compensation, received as advances or reimbursements and (2) amounts paid by or for the corporation for expenses incurred by or on behalf of an officer. Column 6 does not have to be completed for any officer for whom the combined amount is less than \$30,000.

14. Repairs.—Enter the cost of incidental repairs, such as labor and supplies, that do not add to the value or appreciably prolong the life of the property.

You may elect to deduct as a current expense certain expenditures for the removal of architectural and transportation barriers to the handicapped and elderly. See section 190.

Include on this line the total amount of repairs from Form 4832.

15. Bad debts.—Bad debts may be treated in either of two ways—(1) as a deduction for debts that become worthless in whole or in part, or (2) as a deduction for a reasonable addition to a reserve for bad debts. (Section 166.)

Application to change the method of computing bad debts must be made on Form 3115.

17. Taxes.—Enter taxes paid or accrued during the taxable year and attach a schedule showing the type and amount of tax.

Do not include Federal income tax or taxes not imposed on the corporation. See section 164(d) for apportionment of taxes on real property between seller and purchaser.

Do not deduct amounts paid or accrued during the year for nonresidential real property construction period taxes if the construction period begins on or after the first day of the first taxable year beginning after December 31, 1975. (See section 189 for definitions and special amortization rules.)

18. Interest.—Enter interest expense, including investment interest expense, but do not include interest on indebtedness incurred or continued to purchase or carry obligations on which the interest is wholly exempt from income tax. (Section 265.)

See section 267 for limitation on deductions for unpaid expenses and interest on transactions between related taxpayers.

Do not deduct amounts paid or accrued during the year for nonresidential real property construction period interest if the construction period begins on or after the first day of the first taxable year beginning after December 31, 1975. (See section 189 for definitions and special amortization rules.)

Generally, a cash basis taxpayer cannot deduct prepaid interest allocable to years subsequent to the current taxable year. A cash basis taxpayer, who in 1977 prepaid interest allocable to any period after 1977, can only deduct the amount allocable to 1977. Please see Publication 545, Income Tax Deduction for Interest Expense.

19. Contributions.—Enter contributions or gifts actually paid within the taxable year to or for the use of charitable and governmental organizations described in section 170(c) and any unused contributions carried over from prior years.

The total amount claimed may not exceed 5% of taxable income (line 28, page 1) computed without regard to this deduction.

Charitable contributions in excess of the 5% limitation may not be deducted for the taxable year but may be carried over to the next 5 taxable years.

Corporations on the accrual basis may elect to deduct contributions paid on or before the 15th day of the 3d month after the end of the taxable year if the contributions are authorized by the board of directors during the taxable year. A declaration, signed by an officer, stating that the resolution authorizing the contributions was adopted by the board of directors during the taxable year, and a copy of the resolution, must both be attached to the return.

Attach a schedule showing the name of each organization and the amount paid. If a contribution is made in property other than money, describe the kind of property contributed and the method used in determining its fair market value. If a contribution carryover is included, show the amount and how it was determined.

Special rule for contributions of certain property.—If you make a charitable contribution of property, the contribution must be reduced by the sum of

(1), the ordinary income, short-term capital gain and

(2) for certain contributions, 62½% of the long-term capital gain,

that would have resulted if the property were sold at its fair market value. The reduction for 62½% of the long-term capital gain applies to (1) contributions of tangible personal property for use by an exempt organization for a purpose or function unrelated to the basis for its exemption, and (2) contributions of any property to or for the use of certain private foundations. (Section 170(e).)

Bargain sale to a charitable organization.—If you take a charitable contribution deduction for property sold to a charitable organization, the adjusted basis for determining gain from the sale is an amount which is in the same ratio to the adjusted basis as the amount realized is to the fair market value of the property.

20. Amortization.—If a deduction is claimed for amortization, attach a schedule showing: (1) a description of the expenditures being amortized; (2) date acquired, completed, or expended; (3) amount being amortized; (4) amortization deducted in prior years; (5) amortization period (number of months); (6) amortization for this year; and (7) the total amount of amortization less the amount claimed in Schedule A.

For special amortization rules regarding pollution control facilities, child care facilities, and historic structures see sections 169, 188, and 191 respectively.

For the special treatment of certain expenditures incurred in the production of films, books, records, or similar property, see section 280.

21. Depreciation.—See Instructions for Form 4562, Depreciation.

22. Depletion.—See sections 613 and 613A for rates applicable to natural deposits.

Attach Form T if a deduction is claimed for depletion of timber.

24. Pension, profit-sharing, etc. plans.—The number of plans to be entered refers to all plans for which all assets have not been distributed. Also include any plans in which assets were distributed in the current year. The number of plans must be indicated whether or not a deduction is claimed.

Complete Form 5500 for each plan and file as a separate return. Complete Form 5500-C in lieu of Form 5500 if there were fewer than 100 participants at the beginning of the plan year. See Instructions for above forms for computation of allowable deduction on line 24. File these forms on or before the last day of the 7th month following the close of the plan year. ERISA imposes penalties for failure to furnish complete information and failure to file statements and annual reports.

If you have a profit-sharing or stock bonus plan, it will be disqualified unless it specifically states that plan forfeitures attributable employer contributions after 1970 tax years cannot benefit a shareholder-employee.

Taxability of shareholder-employee beneficiaries.—See section 1379(b) for inclusion of excess contributions in gross income of the shareholder-employee beneficiary. Also, see instructions for column 4 in Part VIII of Schedule K-1.

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25. Employee benefit programs.—Enter the amount of contributions to employee benefit programs (e.g., insurance, health and welfare programs) that are not an incidental part of a pension, profit-sharing, etc., plan included on line 24.

Also include the corporation's contributions to a qualified group legal services plan established for the exclusive benefits of employees (including shareholders) or their spouses or dependents. Section 120 imposes certain rules on an employer which will permit employees (including their spouses and dependents) to exclude from income employer contributions to a qualified group legal services plan.

26. Other deductions.—No deduction is allowable for any amount allocable to a class of exempt income other than exempt interest income. Items directly attributable to wholly exempt income must be allocated to such income, and items directly attributable to any class of taxable income must be allocated to such taxable income.

If an item is indirectly attributable both to taxable income and exempt income, a reasonable proportion of the item, determined in the light of all the facts and circumstances in each case, must be allocated to each.

Attach a statement showing (1) the amount of each class of exempt income and (2) the amount of expense items allocated to each such class. Show the amount allocated by apportionment separately.

In the case of a farming syndicate, a deduction for amounts paid for feed, seed, fertilizer, or other similar farm supplies shall only be allowed in the taxable year in which such items are actually used or consumed. For definitions, exceptions to the general rule, and special rules for poultry, see section 464. For special rules for orchard and vineyard expenses, see section 278.

Include as a deduction that portion of any loss(es) from section 465 activities which was not allowable for distribution to shareholders for the corporation's 1976 taxable year because of section 465 limitations. (See section 465 and the instruction for line 28 for details.)

28. Taxable income.—Effective for taxable years beginning after December 31, 1975, section 465 limits certain corporate losses used in computing line 28 for the following activities:

- (a) holding, producing, or distributing motion picture films or video tapes,
- (b) farming (as defined in section 464(a)),
- (c) equipment leasing, or
- (d) exploring for, or exploiting, oil and gas resources.

The losses of these section 465 activities are limited to the aggregate amount with respect to which the corporation is "at-risk" for each separate activity at the close of the taxable year. The corporation is considered "at-risk" for an activity with respect to the amounts described in section 465(b)(1) and (2). The amounts borrowed are not considered to be "at-risk" if such amounts are excluded or excepted under section 465(b)(3) and (4).

Where the corporation is involved in more than one activity, and one or more of

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the activities is a section 465 activity with a loss for the year, then each section 465 activity profit and loss is to be computed separately. The corporation should attach a schedule reflecting the amount at-risk and gross income and deductions for each section 465 activity.

If a loss from a section 465 activity exceeds the amount the corporation is at-risk for the activity at the end of the taxable year, the amount that would otherwise be entered on line 28 of Form 1120S is to be modified for the excess. Only the allowable loss (described above) may be passed through to the shareholders for the taxable year. See Schedule K-1 Instructions. Any loss from an "at-risk" activity not allowed under this section for the taxable year shall be treated as a deduction allocable to such activity in the first succeeding taxable year.

See section 204(c)(2) and (3) of the Tax Reform Act of 1976 for special transitional rules relating to movies, video tapes, and leasing activities.

30. Minimum tax on tax preference items.—Electing small business corporations are subject to the minimum tax only with respect to the capital gains item of tax preference and only to the extent that the gains are subject to the tax imposed by section 1378. Corporations having such capital gains in excess of \$10,000 must attach Form 4626, Computation of Minimum Tax.

All other items of tax preference, excluding capital gains, must be apportioned among the shareholders in a manner consistent with the way net operating losses are apportioned under section 1374(c)(1).

The capital gains are excluded from this apportionment since these gains are (1) passed through to the shareholders, (2) included in their income on Schedule D (Form 1040), to the extent provided under the rules in section 1375(a), and (3) included in the computation of the shareholders' capital gains tax preference.

SCHEDULE J

Tax Computation

Section 1378 imposes a tax on certain capital gains of an electing small business corporation.

If net capital gain (line 9(b), page 1) exceeds \$25,000 and you are not liable for the tax, attach an explanation why this tax does not apply. (Questions A through D below may be answered and this page attached to your return as an explanation.)

By answering the following questions, you can determine if you are liable for the tax.

If the answers to Questions A, B, and C or Questions A, B, and D are "Yes," the tax applies and you must complete Schedule J—Tax Computation on page 2. Otherwise, you are not liable for the tax.

A. Does taxable income, line 28, page 1, exceed \$25,000? Yes No

B. Does net capital gain (line 9(b), page 1) exceed \$25,000, and exceed 50% of taxable income (line 28, page 1)? Yes No

C. Have you been other than an 1120S corporation at any time during the 3 immediately preceding taxable years or since existence if less than 4 years? Yes No

D. If answer to Question C is "No," does any long-term capital gain (line 6, Schedule D (Form 1120S)) represent gain from property described in items 1, 2, and 3 below? Yes No

1. Property acquired during the taxable year or within 36 months preceding the taxable year;

2. Property acquired, directly or indirectly, from a corporation, that was not in existence as an 1120S corporation during the taxable year or within 36 months preceding the taxable year up to the time of the acquisition; and

3. Property having a substituted basis (basis determined by reference to its basis in the hands of the transferor corporation) to you?

If the answer to Question D is "Yes," and the tax is applicable, compute 30% of the excess of net long-term capital gain over the net short-term capital loss attributable to property described in Question D. If this amount is less than the tax on line 9 or line 13, Schedule J, attach this computation to the return. Enter this amount on line 14 and note to the left of the amount, "Substituted Basis." (Section 1378(c)(3).)

Members of a controlled group.—If the corporation is a component member of a controlled group of corporations, see section 1561 and related regulations for rules on how to determine the surtax exemption.

Capital gains tax.—The capital gains tax rate for electing small business corporations is 30%.

For purposes of Questions C and D above, a corporation is not considered to be in existence for any taxable year that precedes the first taxable year in which the corporation has shareholders, acquires assets, or begins business, whichever occurs first.

SCHEDULE K

Computation of Undistributed Taxable Income and Summary of Distributions and Other Items

Lines 1, 2, and 3.—Undistributed taxable income is taxable income less the sum of:

(1) The taxes imposed by sections 58(d)(2) and 1378(a), and

(2) The amount of money distributed as dividends out of earnings and profits of the taxable year.

Distributions of money made within 2 months and 15 days after the close of the corporation's taxable year are treated as distributions of that prior year's undistributed taxable income to the extent of the shareholders' pro rata shares.

Summary of Distributions and Other Items

Actual dividend distributions described on lines 4, 5, and 6 of Schedule K should be reported on Form 1099-DIV. The amount shown on line 7 of Schedule K (nondividend distribution) should be entered in the space provided for nontaxable distributions on Form 1099-DIV.

If a prior actual distribution reported to shareholders as ordinary income on Form 1099-DIV is determined to be capital gain at the close of the corporation's taxable year, the corporation must issue amended Forms 1099-DIV to the shareholders.

The constructive dividends, as described on lines 8 and 9 of Schedule K, must be reported on Schedule K-1.

Line 4.—Enter the actual dividend distributions of money or property that are out of current earnings and profits and taxable as ordinary income. A dividend distribution of property does not reduce undistributed taxable income.

Line 5.—Enter actual dividend distributions that are to be treated by the shareholders as long-term capital gain after tax.

Line 6.—Only those dividends that are not considered to be out of the earnings and profits of the taxable year qualify for the dividend exclusion. For purposes of this rule, the earnings and profits of the taxable year are deemed not to exceed taxable income for the year. The dividends entitled to the exclusion would include, for example, dividends paid out of accumulated earnings and profits.

Line 7.—Enter the total amount of distributions of money and property not out of earnings and profits.

For taxable years after the first taxable year to which the Subchapter S election applies, include any distribution of undistributed taxable income previously taxed to shareholders as allowed by section 1375(d). See section 1377(d) for purposes of determining whether a distribution is out of the corporation's undistributed taxable income previously taxed to shareholders.

Distributions of money made within 2 months and 15 days after the close of the taxable year are treated as nondividend distributions of such year's undistributed taxable income to the extent they do not exceed the shareholders' shares of undistributed taxable income for such year. For example, if a 1977 calendar year corporation makes a distribution which qualifies under section 1375(f) within 2 months and 15 days after the close of its taxable year, this distribution is to be reported as a nondividend distribution on Schedule K, of the 1978 Form 1120S, and also on the 1978 Form 1099-DIV. (See section 1375(f).)

Line 8.—Enter that portion of undistributed taxable income that is to be treated by the shareholders as ordinary income. The undistributed taxable income is the amount that the shareholders would have received as a dividend if such income had been distributed pro rata to them on the last day of the corporation's taxable year.

A dividend distribution of property other than money, may cause the corporation's undistributed taxable income (line 3) to exceed the total of lines 8 and 9.

If there is a net operating loss for the taxable year, report it here.

Line 9.—Enter that portion of undistributed taxable income that is to be treated by the shareholders as long-term capital gain after tax.

The amount cannot exceed taxable income (line 28) for the taxable year computed as provided in section 1373(d).

Line 11. Interest on investment indebtedness.—List the amounts of interest on investment indebtedness, and the applicable items of: (1) net investment income or (loss), (2) excess expenses over rental income attributable to net lease property, and (3) excess net long-term capital gains over net short-term capital losses attributable to investment property which were included in the computation of the taxable income for the corporation.

The interest on investment indebtedness must be allocated to the period in which the indebtedness was incurred. The indebtedness incurred periods are: (1) prior to December 17, 1969, (2) prior to September 11, 1975 but after December 16, 1969, and (3) after September 10, 1975. For additional information see Form 4952.

Shareholders are to be notified of their pro rata share of the above information for purposes of computing their limitation on interest on investment indebtedness at the shareholder level. (See Form 4952 and section 163(d).)

Line 12.—Enter the amount of each item of tax preference. The total amount of amortization deducted by the corporation (line 20) is to be listed in the amount column of line 12(b), and the dollar amount of each specific type of amortization contained in this total is to be listed in the following order in the four spaces provided: (1) certified pollution control facilities, (2) railroad rolling stock, (3) on-the-job training facilities, and (4) child care facilities. These amounts are also taken into account in computing the taxable income of the corporation in the regular manner but are subject (with certain reductions) to a minimum tax at the shareholder level. (See instruction 30.) These amounts are to be taken into account by the shareholder along with similar items of tax preference from all other sources in preparing Form 4625, Computation of Minimum Tax (Form 4626 for the shareholder who is an estate or trust).

Line 13.—Enter the new jobs credit (line 13 of attached Form 5884) computed by the corporation. The new jobs credit is computed at the corporate level and then apportioned pro rata among the persons who are shareholders of the corporation on the last day of the corporation's taxable year.

Generally, the credit is equal to 50% of the excess of the corporation's (employer) total unemployment insurance wages paid during calendar year 1977 over the greater of (a) 102% of total unemployment insurance wages paid during calendar year 1976 or (b) 50% of total unemployment insurance wages paid during calendar year 1977. An additional credit is allowable equal to 10% of the unemployment insurance wages paid to vocational rehabilitation referral employees (limited to \$4,200 per employee). See Form 5884 for definitions, special rules, and limitations.

The corporation is not allowed a deduction for that portion of the wages and salaries paid or incurred which is equal to the amount of new jobs credit distributed to individual shareholders. (See section 280C.)

SCHEDULE K-1

Shareholder's Share of Undistributed Taxable Income, etc.

Complete a separate Schedule K-1 (Form 1120S) for each shareholder, and file Copy A with Form 1120S.

Schedule K-1 (Form 1120S) must show complete information with respect to all persons who were shareholders of the corporation during any portion of the taxable year. Shareholders generally are taxed on their distributive shares of the current taxable income of the corporation, whether or not actually distributed. In addition to the undistributed taxable income, Schedule K-1 also includes each shareholder's pro rata share of losses from section 465 activities, items of tax preference, items used to compute the limitation for interest on investment indebtedness, property eligible for investment credit, property subject to recapture of investment credit, new jobs credit and other shareholder information.

Report actual dividend distributions aggregating \$10 or more to a shareholder during the calendar year on Form 1099-DIV.

PART I.—Income

Line 1.—Enter each shareholder's pro rata share of undistributed taxable income that is taxable as ordinary income. This amount is to be reported by the shareholder on Schedule E (Form 1040). Each shareholder's share of a net operating loss is also reported on line 1 and on Schedule E (Form 1040). (Note: The section 465 net loss is also to be included on line 1, Part I, and entered in Part II. The entry in Part II is only for information purposes to assist the shareholder in determining how much section 465 activity loss the shareholder is allowed to deduct on his or her individual tax return. See instructions for Part II (below) for an explanation of section 465 activity loss limitations.)

A shareholder's distributive share of a net operating loss may not exceed the adjusted basis of the shareholder's stock in the corporation plus the adjusted basis of any indebtedness of the corporation to the shareholder. (See section 1374.)

Actual dividend distributions taxable as ordinary income must be reported on line 3, Part II, Schedule B (Form 1040).

Line 2.—Enter each shareholder's pro rata share of undistributed long-term capital gain after tax. This amount is to be reported by the shareholder on Schedule D (Form 1040) as "net long-term gain from small business corporations (Subchapter S)."

Actual dividend distributions taxable as long-term capital gain must be reported on line 3, Part II, Schedule B (Form 1040).

Each shareholder is entitled to treat as long-term capital gain a portion of the sum of the dividends received plus his or her share of undistributed taxable income. The shareholder's portion is determined by applying to the excess of net long-term capital gain over net short-term capital loss (line 9(b), page 1) reduced by any tax (line 31), the same ratio that the amount of each shareholder's dividends (actual

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and constructive), which are out of earnings and profits of the current year, bears to the total dividends (actual and constructive) includable by all shareholders from the same source.

In making the allocation, the excess of net long-term capital gain over net short-term capital loss (reduced by tax) cannot exceed taxable income (line 28, page 1).

PART II.—Losses from Section 465 Activities

Effective for taxable years beginning after 1975, special rules apply in the case of an electing small business corporation engaged in the following activities:

- holding, producing, or distributing motion picture films or video tapes,
- farming (as defined in section 464(e)),
- equipment leasing, or
- exploring for, or exploiting, oil and gas.

Section 465 provides that the amount of loss which may be deducted in connection with one of the above activities cannot exceed the aggregate amount with respect to which the shareholder is at risk for each such activity at the close of the taxable year.

A shareholder is generally considered at risk for the activity to the extent of the amount of money and the adjusted basis of the property the shareholder contributed to the activity plus any amounts borrowed for use in the activity with respect to which the shareholder has personal liability for payment from his or her personal assets or has pledged property, other than property used in such activity, as security for such borrowed amount (to the extent of the net fair market value of the taxpayer's interest in such property). (See section 465(b)(3) and (4) for exclusions and exceptions to the above general rule, and section 204(c)(2) and (3) of the Tax Reform Act of 1976 for special transitional rules concerning movies and video tapes and leasing activities.)

If the corporation is engaged solely in one or more of the above section 465 activities, or is engaged in other activities in addition to the section 465 activities, and one or more of the section 465 activities has an operating loss for the year, then the section 465 activity losses are to be entered in Part II. (If more than one section 465 activity loss is to be entered in Part II, attach a supporting schedule listing each loss separately.)

Any disallowed under section 465 for the taxable year shall be treated as a deduction allocable to such activity in the first succeeding taxable year. (See section 465.)

PART III.—Interest on Investment Indebtedness

Each shareholder must be notified of his or her pro rata share of interest on investment indebtedness and the applicable items of: (1) net investment income or (loss), (2) excess expenses over rental income attributable to net lease property, and (3) excess net long-term capital gains over net short-term capital losses attributable to investment property which were included in the computation of the taxable income for the corporation.

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The interest on investment indebtedness must be allocated to the period in which the indebtedness was incurred. The indebtedness incurred periods are: (1) prior to December 17, 1969, (2) prior to September 11, 1975 but after December 16, 1969, and (3) after September 10, 1975. For additional information see Form 4952.

These items are combined with similar items from other sources to compute the shareholder's limitation on the deduction for interest incurred on investment indebtedness. (See Form 4952 and section 163(d).)

PART IV.—Items of Tax Preference

All items of tax preference are taken into account by the shareholders, along with similar items from other sources, in preparing Form 4625, Computation of Minimum Tax (Form 4626 for Estates or Trusts). The items of tax preference, except capital gains, are apportioned to each shareholder on a daily basis and not as of the end of each year. This manner is consistent with the way net operating losses are apportioned under section 1374. (See section 1374 and instruction 30.)

PART V.—Property Eligible for Investment Credit

Investment Credit.—Shareholders are allowed a tax credit on their individual returns for their share of the corporation's investment in certain depreciable property. Shareholders claiming the credit must attach Form 3468 to their returns.

In most cases, the investment credit rate is 10 percent for property acquired and placed in service during the taxable year. The additional 1% or 1.5% investment credit as provided for in section 46(a)(2)(B) for amounts contributed to an employee stock ownership plan is not available in the case of an electing small business corporation.

The limit on the amount of used property eligible for the investment credit is \$100,000.

The investment credit also applies to progress payments made during the construction of property that requires at least two years to construct and that has an expected useful life of at least seven years.

PART VI.—Property Used in Recouping a Prior Year Investment Credit

When property is disposed of prior to the "life years" assigned, each shareholder must be notified. Each shareholder must recapture the amount by which the credit taken in a prior year or years exceeds the credit as recomputed due to the early disposition of the property. See section 1.47-4 of the regulations and instructions for Form 4255. For recomputation of the investment credit for qualified progress expenditures, see section 47(a)(3).

The tax from recomputing a prior year investment credit may not be offset against the current year's investment credit.

PART VII.—New Jobs Credit

Shareholders of record on the last day of the taxable year are allowed a tax credit on their individual tax returns for their

pro rata share of the new jobs credit computed by the corporation on Form 5884 (line 13).

PART VIII.—Other Shareholder Information

Column 3.—If the number of shares owned by a shareholder changed during the year, attach a statement showing the number of shares held for each period.

Column 4.—Enter the compensation paid to each shareholder including any excess contributions to a pension, profit-sharing, etc. plan made on behalf of a shareholder-employee. Excess contributions are those deductible by the corporation under section 404(a)(1), (2), or (3) over the lesser of:

- 15% of the compensation received or accrued by the shareholder-employee from the corporation during its taxable year, or
- \$7,500.

A shareholder-employee of the corporation is an employee or officer who owns (or is considered as owning under section 318(a)(1)) on any day of the taxable year of the corporation, more than 5% of its outstanding stock. The above excess contribution rule does not apply to contributions to a trust described in section 401(j)(6).

Credit for wages paid or incurred in Work Incentive (WIN) program.—Shareholders are allowed a WIN credit on their returns for their share of the WIN wages paid or incurred by the corporation. The credit is 20% of the salaries and wages paid or incurred to employees hired under a WIN program. The credit is allowed for the salaries and wages paid or incurred for the first 12 months of employment. For special rules and limitations, see Form 4874 and sections 50A and 50B.

The corporation must attach a statement showing each shareholder's share of WIN wages for each WIN employee. This statement must also show each WIN employee's name, social security number, initial date of employment, and total WIN wages.

Shareholders must attach Form 4874 to their returns.

Tax from recomputing a prior year WIN credit.—If a WIN employee is dismissed within the first 90 days of employment (whether or not consecutive) or before the end of the 90th calendar day after the day in which such employee completes 90 days of employment, the WIN credit previously taken may be subject to recapture. If so, each shareholder must be given a statement showing his or her share of WIN wages attributable to each such WIN employee and the employee's name, social security number, and period of employment. Each shareholder must add to his or her tax liability the prior credit taken with respect to each such WIN employee.

For exceptions and limitations, see Form 4874 and section 1.50A-5 of the regulations.

The tax from recomputing a prior year work incentive credit may not be offset against the current year's work incentive credit.

For more information obtain Publication 589, Tax Information on Subchapter S Corporations, from your local Internal Revenue office.

Codes for Principal Business Activity

These industry titles and definitions are based, in general, on the Enterprise Standard Industrial Classification system developed by the Office of Management and Budget, Executive Office of the President, to classify enterprises by type of activity in which they are engaged. The system follows closely the Standard Industrial Classification used to classify establishments.

Using the list below, enter on page 1, under B, the code number for

AGRICULTURE, FORESTRY, AND FISHING

Code
0400 Agricultural production.
0500 Agricultural services (except veterinarians), forestry, fishing, hunting, and trapping.

MINING

Metal mining:
1010 Iron ores.
1070 Copper, lead and zinc, gold and silver ores.
1098 Other metal mining.
1150 Coal mining.
Oil and gas extraction:
1330 Crude petroleum, natural gas, and natural gas liquids.
1380 Oil and gas field services.
Nonmetallic minerals (except fuels) mining:
1430 Dimension, crushed and broken stone; sand and gravel.
1498 Other nonmetallic minerals, except fuels.

CONSTRUCTION

General building contractors and operative builders:
1510 General building contractors.
1531 Operative builders.
1600 Heavy construction contractors.
Special trade contractors:
1711 Plumbing, heating, and air conditioning.
1731 Electrical wiring.
1798 Other special trade contractors.

MANUFACTURING

Food and kindred products:
2010 Meat products.
2020 Dairy products.
2030 Preserved fruits and vegetables.
2040 Grain mill products.
2050 Bakery products.
2060 Sugar and confectionery products.
2081 Malt liquors and malt.
2088 Alcoholic beverages, except malt liquors and malt.
2093 Bottled soft drinks, and flavorings.
2096 Other food and kindred products.
2100 Tobacco manufactures.
Textile mill products:
2228 Weaving mills and textile finishing.
2250 Knitting mills.
2298 Other textile mill products.
Apparel and other textile products:
2315 Men's and boys' clothing.
2345 Women's and children's clothing.
2388 Hats, caps, millinery, fur goods, and other apparel and accessories.
2390 Misc. fabricated textile products.
Lumber and wood products, except furniture:
2415 Logging camps and logging contractors, sawmills and planing mills.
2430 Millwork, plywood, and related products.
2498 Other wood products, including wood buildings and mobile homes.
2500 Furniture and fixtures.
Paper and allied products:
2625 Pulp, paper, and board mills.
2699 Other paper products.
Printing, publishing, and allied industries:
2710 Newspapers.
2720 Periodicals.
2735 Books, greeting cards, and misc. publishing.
2799 Commercial and other printing, and printing trade services.
Chemicals and allied products:
2815 Industrial chemicals, plastics materials and synthetics.
2830 Drugs.
2840 Soap, cleanser, and toilet goods.
2850 Paints and allied products.
2898 Agricultural and other chemical products.
Petroleum refining and related industries (including those integrated with extraction):
2910 Petroleum refining (including those integrated with extraction).
2998 Other petroleum and coal products.
Rubber and misc. plastics products:
3050 Rubber products; plastics footwear, hose and belting.
3070 Misc. plastics products.
Leather and leather products:
3140 Footwear, except rubber.
3198 Other leather and leather products.
Stone, clay, glass, and concrete products:
3225 Glass products.
3240 Cement, hydraulic.

Code
3270 Concrete, gypsum, and plaster products.
3298 Other nonmetallic mineral products.
Primary metal industries:
3370 Ferrous metal industries; misc. primary metal products.
3380 Nonferrous metal industries.
Fabricated metal products, except machinery and transportation equipment:
3410 Metal cans and shipping containers.
3428 Cutlery, hand tools, and hardware; screw machine products, bolts, and similar products.
3430 Plumbing and heating, except electric and warm air.
3440 Fabricated structural metal products.
3450 Metal forgings and stampings.
3460 Coiling, engraving, and allied services.
3480 Ordnance and accessories, except vehicles.
3490 Misc. fabricated metal products.

Machinery, except electrical:

3520 Farm machinery.
3530 Construction, mining, and materials handling machinery and equipment.
3540 Metalworking machinery.
3550 Special industry machinery, except metalworking machinery.
3560 Metal industrial machinery.
3570 Office, computing, and accounting machines.
3598 Engines and turbines, service industry machinery, and other machinery, except electrical.
Electrical and electronic machinery, equipment, and supplies:
3630 Household appliances.
3665 Radio, television, and communication equipment.
3670 Electronic components and accessories.
3698 Other electric equipment.
Transportation equipment:
3710 Motor vehicles and equipment.
3725 Aircraft, guided missiles and parts.
3730 Ship and boat building and repairing.
3798 Other transportation equipment.
Measuring and controlling instruments; photographic and medical goods, watches and clocks:
3815 Scientific instruments and measuring devices; watches and clocks.
3845 Optical, medical, and ophthalmic goods.
3860 Photographic equipment and supplies.
3998 Other manufacturing products.

TRANSPORTATION, COMMUNICATION, ELECTRIC, GAS, AND SANITARY SERVICES

Transportation:
4000 Railroad transportation.
4100 Local and intrastate passenger transit.
4200 Trucking and warehousing.
4400 Water transportation.
4500 Transportation by air.
4600 Pipe lines, except natural gas.
4700 Other transportation services.
Communication:
4825 Telephone, telegraph, and other communication services.
4830 Radio and television broadcasting.
Electric, gas, and sanitary services:
4910 Electric services.
4920 Gas production and distribution.
4930 Combination utility services.
4990 Water supply and other sanitary services.

WHOLESALE TRADE

Durable
5008 Machinery, equipment, and supplies.
5018 Motor vehicles and automotive equipment.
5020 Furniture and home furnishings.
5030 Lumber and construction materials.
5040 Sporting, recreational, photographic, and hobby goods, toys and supplies.
5050 Metals and minerals, except petroleum and scrap.
5060 Electrical goods.
5070 Hardware, plumbing and heating equipment.
5098 Other durable goods.
Nondurable
5110 Paper and paper products.
5129 Drugs, drug proprietaries, and drug-
5130 Apparel, place goods, and notions.
5140 Groceries and related products.
5150 Farm-product raw materials.
5160 Chemicals and allied products.
5180 Petroleum and petroleum products.
5180 Alcoholic beverages.
5190 Misc. nondurable goods.

the specific industry group from which the largest percentage of "total receipts" is derived. "Total receipts" means gross receipts (line 1, page 1) plus all other income (lines 4 through 10, page 1). On page 3, under H, state the principal business activity and principal product or service that account for the largest percentage of total receipts. For example, if the principal business activity is "Grain mill products," the principal product or service may be "Cereal preparations."

RETAIL TRADE

Code
Building materials, hardware, garden supply, and mobile home dealers:
5220 Building materials dealers.
5251 Hardware stores.
5255 Garden supplies and mobile home dealers.
5300 General merchandise stores.
5410 Grocery stores.
5490 Other food stores.
Automotive dealers and service stations:
5515 Motor vehicle dealers.
5541 Gasoline service stations.
5598 Other automotive dealers.
5600 Apparel and accessory stores.
5700 Furniture and home furnishings stores.
5800 Eating and drinking places.
Misc. retail stores:
5913 Drug stores and proprietary stores.
5921 Liquor stores.
5995 Other misc. retail stores.

FINANCE, INSURANCE, AND REAL ESTATE

Banking:
6030 Mutual savings banks.
6050 Bank holding companies.
6090 Banks, except mutual savings banks and bank holding companies.
Credit agencies other than banks:
6120 Savings and loan associations.
6140 Personal credit institutions.
6150 Business credit institutions.
6199 Other credit agencies.
Security, commodity brokers, dealers, exchanges, and services:
6210 Security brokers, dealers, and flotation companies.
6299 Commodity contracts brokers and dealers; security and commodity exchanges; and allied services.
Insurance:
6355 Life insurance.
6356 Mutual insurance, except life or marine and certain fire or flood insurance companies.
6359 Other insurance companies.
6411 Insurance agents, brokers, and services.
Real Estate:
6511 Real estate operators (except developers) and lessors of buildings.
6516 Lessors of mining, oil, and similar property.
6518 Lessors of railroad property and other real property.
6530 Condominium management and cooperative housing associations.
6550 Subdividers and developers.
6599 Other real estate.
Holding and other investment companies:
6742 Regulated investment companies.
6743 Real estate investment trusts.
6744 Small business investment companies.
6749 Holding and other investment companies, except bank holding companies.

SERVICES

7000 Hotels and other lodging places.
7200 Personal services.
Business services:
7310 Advertising.
7389 Business services, except advertising.
Auto repair and services; misc. repair services:
7600 Misc. repair services.
Amusement and recreational services:
7812 Motion picture production, distribution, and services.
7830 Motion picture theaters.
7900 Amusement and recreation services, except motion picture theaters.
Other services:
8015 Offices of physicians, including osteopathic physicians.
8021 Offices of dentists.
8040 Offices of other health practitioners.
8050 Nursing and personal care facilities.
8060 Hospitals.
8071 Medical laboratories.
8099 Other medical services.
8111 Legal services.
8200 Educational services.
8300 Social Services.
8600 Membership Organizations.
891 Architectural and engineering services.
8930 Accounting, auditing, and bookkeeping.
8980 Miscellaneous services (including veterinarians).

Computation of Investment Credit

1977

▶ Attach to your tax return.

Name _____ Identifying number as shown on page 1 of your tax return _____

1 Use schedule below to list qualified investment in new and used property acquired or constructed and placed in service during the taxable year; and also list qualified progress expenditures made during the 1977 taxable year and qualified progress expenditures made in 1974, 1975, and 1976 taxable years providing a proper election as prescribed in section 46(d)(6) was made for such prior years. If progress expenditure property is placed in service during the taxable year, do not list qualified progress expenditures for this property. See instruction for line 1.
If 100% investment credit is being claimed on certain ships, check this block. See Instruction K for details.

Note: Include your share of investment in property made by a partnership, estate, trust, small business corporation, or lessor.

| Type of property | Line | (1) Life years | (2) Cost or basis (See instruction G) | (3) Applicable percentage | (4) Qualified investment (Column 2 x column 3) |
|---|------|---------------------------|---|---------------------------------|--|
| New property | (a) | 3 or more but less than 5 | | 33½% | |
| | (b) | 5 or more but less than 7 | | 66% | |
| | (c) | 7 or more | | 100 | |
| Qualified progress expenditures | (d) | 1974, 1975 and 1976 | | 20 | |
| | (e) | 1977 | | 60 | |
| Used property (See instructions for dollar limitation) | (f) | 3 or more but less than 5 | | 33½% | |
| | (g) | 5 or more but less than 7 | | 66% | |
| | (h) | 7 or more | | 100 | |

- 2 Qualified investment—add lines 1(a) through (h)
3 10% of line 2
4 7% (4% for public utility property) of certain property (see instruction for line 1)
5 Corporations electing the additional investment credit for contributions to Employee Stock Ownership Plans—Attach election statement. (See Instruction I and instruction for line 5.)
(a) Additional 1% credit—Enter 1% of line 2
(b) Additional credit not to exceed .5%—Enter allowable percentage times adjusted line 2 (attach schedule)
6 Carryback and carryover of unused credit(s). See Instruction F—attach computation
7 Tentative investment credit—Add lines 3 through 6

Limitation

- 8 (a) Individuals—Enter amount from line 37, page 2, Form 1040
(b) Estates and trusts—Enter amount from line 26 or 27, page 1, Form 1041
(c) Corporations—Enter amount from line 9, Schedule J, page 3, Form 1120
9 (a) Credit for the elderly (individuals only)
(b) Foreign tax credit
(c) Tax on lump-sum distributions (see instruction for line 9(c))
(d) Possession Tax Credit (corporations only)
(e) Section 72(m)(5) penalty tax
10 Total—Add lines 9(a) through (e)
11 Line 8 less line 10
12 (a) Enter amount on line 11 or \$25,000, whichever is lesser. (Married persons filing separately, controlled corporate groups, estates, and trusts, see instruction for line 12.)
(b) If line 11 exceeds line 12(a), enter 50% of the excess. (Public utilities, railroads, and airlines, see instruction J.)
13 Total—Add lines 12(a) and (b)
14 Investment credit—Amount from line 7 or line 13, whichever is lesser. Enter here and on line 41, Form 1040; line 10(b), Schedule J, page 3, Form 1120; or the appropriate line on other returns

Schedule A If any part of your investment in line 1 or 4 above was made by a partnership, estate, trust, small business corporation, or lessor, complete the following statement and identify property qualifying for the 7% or 10% investment credit.

| Name (Partnership, estate, trust, etc.) | Address | Property | | | Life years |
|--|---------|-----------------------|-----|------|------------|
| | | Progress expenditures | New | Used | |
| | | \$ | \$ | \$ | |
| | | | | | |
| | | | | | |

If property is disposed of prior to the life years used in computing the investment credit, see Instruction E.

Form **3468** (1977)

Instructions for Form 3468 Computation of Investment Credit

(References are to the Internal Revenue Code)

Caution: At the time Form 3468 went to print, Congress was considering legislation which provided for a business energy investment credit. If this legislation becomes law, a separate Schedule B (Form 3468) will be made available to provide for the computation of this credit.

General Instructions

A. Who Must File.—Any individual, estate, trust, or corporation claiming an investment credit must attach this form to its income tax return.

Partnerships and small business corporations are not required to file this form because the credit is claimed by the partners and shareholders, but they must complete Schedule K on their returns showing the amount of investment credit property and qualified progress expenditures which is to be allocated to the partners and shareholders.

The investment credit is not applicable to a Domestic International Sales Corporation (DISC) and does not pass through to any DISC shareholder.

An estate or trust is allowed a credit for its share of the investment in certain depreciable property with an estimated useful life of 3 or more years. Estates and trusts that apportion the qualified investment between themselves and the beneficiaries should, in addition to filing this form, attach a statement showing the allocation of the investment among the beneficiaries. The statement must show each beneficiary's allocable share of (1) the basis of the new property and (2) the cost of used property, and the "life years" assigned to the property. If the estate or trust has made an election under section 46(d)(5), the statement must show each beneficiary's allocable share of the qualified progress expenditures made by the estate or trust.

B. When Allocated.—The credit is allowed for the first year the qualified property is placed in service or the year in which progress expenditures are taken into account (see section 46(d)(4)(F) for exceptions).

C. Property Defined.—You are allowed a credit against your tax for investment in certain depreciable property with an estimated useful life of 3 years or more or for qualifying progress expenditures for property with a useful life of 7 years or more. Except as provided below, the investment credit is applicable to:

- tangible personal property,
- elevators and escalators,
- other tangible property, including certain real property (except buildings and their structural compo-

nents and land) if used as an integral part of manufacturing, production, or extraction, etc., or used as a research facility or bulk storage facility for fungible commodities in connection with these activities, and livestock (other than horses) if substantially identical livestock (not subject to recapture tax) is not sold or disposed of (except in an involuntary conversion) during the one-year period beginning 6 months before the acquisition date. You must reduce the cost of the acquired livestock by the amount realized on the disposition of the substantially identical livestock.

The investment credit is not applicable to:

- certain property used predominantly outside the U.S.;
- property used for lodging or in connection with furnishing lodging, except (a) property used in certain commercial facilities located therein (such as a restaurant), (b) property used by a hotel or motel, or (c) coin-operated vending machines, washing machines, and dryers;
- property owned by or leased to a tax-exempt organization (except when the unrelated business income tax applies);
- property owned by or leased to governmental units; and
- railroad rolling stock, rehabilitation of low income rental housing, or child care facilities (see sections 184, 167(A), or 188, respectively) that the taxpayer has elected to amortize over a 5-year period.

D. Election for Leased Property.—A lessor may elect to treat all or part of an investment in new property as if made by the lessee instead of the lessor. (See section 48(d).) For limitation on availability of the credit to certain lessors, see section 46(e)(3).

E. Recaptured Tax on Early Disposition of Property.—If property is disposed of prior to the life-years category used in computing the investment credit, recompute the credit using as the useful life the period the property was actually held. In recomputing the credit, use the life year categories shown on Form 3468. If the credit taken, including carrybacks and carryovers, is more than the recomputed credit, you must increase the tax for the year of disposition by the excess. You may use Form 4255 to compute the tax increase.

For recomputation of the investment credit for qualified progress expenditures, see section 47(a)(3).

F. Carryback and Carryover of Unused Credits.—Any part of an investment credit you cannot use because it exceeds the amount allowable (including any unused credit created by the carryback of a

net capital loss or a net operating loss) may be carried back 3 years and forward 7 and may be used to the extent permissible within the limitations applicable in those years.

Special Rule for Carryover of Unused Credits from Taxable Years Ending Before 1971.—Unused credits from taxable years ending before 1971 that can be carried over to a taxable year beginning after 1970, may be carried forward for a total of 10 years.

Unused credits not absorbed because of the special 20% limitation on carryovers and carrybacks to years beginning after 1968 and before 1971 may be carried forward a total of 10 years.

You may make a claim for refund based upon the carryback of an unused investment credit by filing Form 1040X (individuals) or Form 1120X (corporations), for the year to which the unused credit is carried. Taxpayers who want a tentative (quick) refund may file Form 1045 (individuals) or Form 1139 (corporations).

Priority of Application of Credits.—The limitation is first absorbed by:

- investment credit carryovers to current year, then by
- investment credit earned in current year, and then by
- investment credit carrybacks.

G. Basis and Cost.—The credit for new property applies to the basis of the property. The credit for used property applies to the cost of the property. The cost of used property does not include the basis of any property traded in unless the trade-in resulted in the recapture of all or any portion of an investment credit previously allowed or in a reduction of an investment credit carryback or carryover. No adjustment for additional first-year depreciation or salvage value is required.

For purposes of the investment credit, the useful life of the qualifying property must be the same as the useful life used for depreciation or amortization.

H. Qualified Progress Expenditures.—A taxpayer, by attaching a statement to Form 3468 may elect under section 46(d) to increase qualified investment for the taxable year by the aggregate qualified progress expenditures made after January 21, 1975 and during the taxable year for the construction of property which has a normal construction period of 2 years or more if such property will be new section 38 property and will have an estimated useful life of 7 years or more in the hands of the taxpayer when it is placed in service. See section 46(d).

The amount of qualified progress expenditures which may be taken into account in a taxable year beginning in 1977 is the sum of (a) 60% of the qualified progress expenditures (defined in section 46(d)(3)) made in a taxable year beginning in 1977 plus (b) 20% of the qualified progress expenditures made after January 21, 1975 in taxable years beginning in 1974, 1975, and 1976, providing a proper election as prescribed in section 46(d)(6) was in effect for such years. An election under section 46(d)(6) shall apply to the year made and to all subsequent taxable years. The election is to be attached to Form 3468 for the year in which it is made.

I. 11%–11.5% Investment Credit (Applicable to Corporations Only).—Corporate taxpayers may elect an 11% investment credit with respect to qualified investment in property which is otherwise eligible for the 10% credit providing the corporation makes the necessary contribution to an

employee stock ownership plan (ESOP). Such taxpayer must contribute an amount equal to the allowable portion of the 1% additional credit for each taxable year until the sum of such contributions equals 1% of the qualified investment.

Beginning in 1977, in lieu of the 11 percent credit, a corporation may elect up to a maximum 11.5 percent credit for qualifying 10 percent property if (1) the corporation increases its ESOP contribution from 1 percent to 1.5 percent of the qualified investment in 10 percent property acquired, constructed, or erected after December 31, 1976, and (2) corporate employees make a matching ESOP contribution of .5 percent. The matching contribution requirement means that if the corporation and the employees do not contribute equal amounts, then the lesser percentage contributed (up to a maximum of .5%) determines the allowable credit. For example, if the corporation contributed .5% and the employees contributed .3%, the allowable percentage would be 11.3%.

A corporation may elect the additional credit by attaching a statement to Form 3468. This election may not be made unless the corporation meets the requirements in section 46(a)(2)(B).

J. Public Utilities, Railroads, or Airlines.—For taxable years ending before 1981 for public utilities (for a taxable year ending after calendar year 1976 and before calendar year 1983 for railroads and airlines), if the amount of qualified investment for the taxable year which is attributable to public utility property (or railroad property) (or air-line property) is 25% or more of the aggregate qualified investment for the taxable year, the alternative limitation under section 46(a)(7) (public utilities), 46(a)(8) (railroads), or 46(a)(9) (airlines), will apply.

K. Ships.—An investment credit equal to 50 percent of the normal investment credit is allowed for certain vessels which are acquired, constructed, or reconstructed with funds withdrawn from the untaxed portion of a capital gain account or out of an ordinary income account in a capital construction fund established under section 607 of the Merchant Marine Act of 1936.

For purposes of computing the credit, the amount of cost and qualified progress expenditures is 50 percent of the qualified withdrawal from the capital construction fund. Where a taxpayer purchases a vessel with borrowed funds and uses withdrawals from the capital construction fund to pay off the indebtedness, see section 46(g)(4). See section 46(g)(1) through (6) for additional details.

Note: If you claim 100 percent in lieu of the 50 percent stated above, you are required to check the block in the instruction for line 1 on the front of Form 3468.

L. Movie and Television Films.—See section 48(k) for special rules relating to the computation of investment credit for movies and television films.

Specific Instructions

Mutual Savings Institutions, Regulated Investment Companies, Real Estate Investment Trusts, and Cooperatives.—See section 1.46-4 of the regulations for special limitations.

Line 1. New Property.—Enter the basis of property (as described in instructions C and G) placed in service during the taxable year.

Qualified Progress Expenditures.—Enter on line 1(d) the amount of qualified progress expenditures made in taxable years 1974, 1975, and 1976. Enter on line 1(e) the amount of qualified progress expenditures made in taxable year 1977. See instruction H and section 46(d)(7).

No qualified progress expenditures shall be taken for the year the progress expenditure property is placed in service or the taxable year for which recapture is required for the property. The investment credit allowed for the year the property is placed in service is based on the entire qualified investment in the property reduced by the progress expenditures included as qualified investment in previous years.

Example: In February 1975 a calendar year taxpayer starts construction of investment credit property which is expected to be completed in December 1977. The completed property will have an estimated useful life of 10 years and the taxpayer elects to treat the property as progress expenditure property. The taxpayer makes qualified progress expenditures of \$20,000 in 1975 and \$40,000 in 1976. The property is completed and placed in service in December 1977 with \$50,000 expenditures being made in 1977. Thus, total expenditures of \$110,000 were made in the three years.

| Taxable Year | Qualified Progress Expenditures | Progress Expenditures taken into account as qualified investment during each taxable year | |
|---------------|---------------------------------|---|-----------------|
| | | 1975 | 1976 |
| 1975 | \$20,000 | \$4,000* | \$4,000* |
| 1976 | \$40,000 | — | \$16,000** |
| 1977 | — | — | — |
| Totals | \$60,000 | \$4,000 | \$20,000 |

* (20% of \$20,000)

** (40% of \$40,000)

The allowable qualified investment for the property for 1977 is \$86,000 (\$110,000 less the \$24,000 progress expenditures taken into account as qualified investment during the prior taxable years 1975 and 1976). The \$86,000 would be reported as "New Property with life of 7 years or more" on the 1977 Form 3468.

Note: A 7% (4% for public utility property) investment credit is allowed for qualified investment in property which was acquired or constructed prior to January 22, 1975 and placed in service during the taxable year. The investment credit for this property is to be claimed on line 4 of Form 3468. (Attach schedule.)

Used Property.—Enter the cost (subject to dollar limitation below) of used property placed in service during the taxable year. See instruction G. Property inherited, received as a gift, or acquired from certain related parties does not qualify for the investment credit.

Dollar Limitation on Used Property.—In general, the amount of used property you may take into account may not exceed \$100,000 (determined without regard to the applicable percentages based on useful life).

If a husband and wife file separate returns, each may claim up to \$50,000 unless one of them has no qualifying used property, in which case the other may claim up to \$100,000.

The amount of used property placed in service by a partnership, small business corporation, estate, or trust that may be taken into account may not exceed \$100,000. The \$100,000 limitation also applies to each partner, shareholder, and beneficiary.

A controlled group of corporations (see section 48(c)(3)(C)) must apportion the \$100,000 limitation among the component members of the group based on the total cost of used property each member placed in service. Make the apportionment without regard to both the \$100,000 limitation and the applicable percentages based on useful life.

Estates and Trusts.—In case of an estate or trust the amount of qualified investment is apportioned between the estate or trust and the beneficiaries based on the income of the estate or trust allocable to each.

Line 5(a). The additional 1% credit on line 5(a) is allowable to the extent the corporation makes the required contribution of stock or cash to a qualified employee stock ownership plan (ESOP). This required contribution must equal 1% of the qualified investment (line 2, Form 3468) less any portion of the additional credit carried over to a later year.

Line 5(b). The credit to be entered on line 5(b) is limited to a maximum of .5% times the qualified investment attributable to investment credit property acquired, constructed, or erected after December 31, 1976. Accordingly, line 2 must be reduced by line 1(d) and any other qualified investment attributable to property acquired, constructed, or erected prior to January 1, 1977 which is included in the line 2 total. (See section 46(a)(2)(B) and (D).)

The maximum .5% (explained above) is allowed when the employer and the employee each contribute at least .5% to the qualified ESOP. If either the employer or employee contribute less than .5%, then this lesser percentage is to be used in determining the credit to be entered on line 5(b).

Line 9(c). Tax on Lump-Sum Distributions.—Enter the amount of partial tax included in line 8 by the recipients of lump-sum distributions from qualified employees' trusts or annuity plans. (See section 402(e).)

Line 12. Limitation.—If the tax liability (line 11) is \$25,000 or less, the investment credit may not exceed the amount of the tax liability.

If the tax liability exceeds \$25,000, the credit may not exceed \$25,000 plus 50% of the excess.

If a husband and wife file separate returns and both are entitled to an investment credit, compute the limitation by substituting \$12,500 for the \$25,000 shown in line 12(a).

Controlled corporate groups (see section 46(a)(6)) must apportion the \$25,000 among all component members.

An estate or trust must reduce the \$25,000 amount to (a) \$25,000 multiplied by (b) the qualified investment apportioned to the estate or trust, divided by (c) the aggregate qualified investment apportioned among the estate or trust and its beneficiaries.

Form **5884**

Department of the Treasury
Internal Revenue Service

New Jobs Credit

▶ See separate instructions.
▶ Attach to your tax return.

1977

Name _____

Identifying number as shown on page 1 of your tax return _____

Important—The employer's wage and salary deduction must be reduced by the tentative new jobs credit on line 13. (See Instruction F.)

Small business corporations, partnerships, and estates or trusts which apportion the credit to shareholders, partners, or beneficiaries are to complete only lines 1 through 13. The individual shareholder, partner, or beneficiary receiving the credit from the above entities and having no other jobs credit will disregard lines 1 through 13, complete lines 14 through 17, enter the apportioned credit on line 18, 19, or 20 respectively and complete the balance of the form as applicable. Those individuals having other new jobs credit, see instruction for line 13.
Note: If this form is being completed by a member of a group of trades or businesses that are under common control or an estate or trust that apportions the new jobs credit between itself and its beneficiaries, see instruction G and the instruction for line 13, before completing the form.

- 1 Enter the aggregate unemployment insurance wages (limited to \$4,200 for each employee) paid during calendar year 1977 (see instruction for line 1)
- 2 Enter 102% of the aggregate unemployment insurance wages (limited to \$4,200 for each employee) paid during calendar year 1976 (see instruction for line 2)
- 3 Line 1 less line 2
- 4 Enter 50% of line 1
- 5 Enter the lesser of line 3 or line 4
- 6 Enter total wages paid in calendar year 1977 (see instruction for line 6)
- 7 Enter 105% of total wages paid in calendar year 1976 (see instruction for line 6)
- 8 Line 6 less line 7
- 9 Enter 50% of the lesser of line 5 or line 8
- 10 Enter the lesser of line 9 or \$100,000 (married individuals filing separately, estates and trusts, see instruction for line 10)
- 11 Enter the unemployment insurance wages (limited to \$4,200 for each employee) paid to vocational rehabilitation referral employees during calendar year 1977 (see instruction D)
- 12 Enter the lesser of (a) 10% of line 11 or (b) 20% of line 9
- 13 Tentative new jobs credit—Add lines 10 and 12 (members of a group of trades or businesses that are under common control, electing small business corporations, partnerships, and estates or trusts, see instruction for line 13)

Limitation

- 14 (a) Individuals—Enter amount from line 37, page 2, Form 1040
- (b) Estates and trusts—Enter amount from line 26 or 27, page 1, Form 1041
- (c) Corporations—Enter amount from line 9, Schedule J, page 3, Form 1120
- 15 (a) Credit for the elderly (individuals only)
- (b) Foreign tax credit
- (c) Investment credit
- (d) WIN credit
- (e) Contributions to candidates for public office credit (individuals only)
- (f) Child and dependent care expenses credit (individuals only)
- (g) Possession tax credit (corporations only)
- (h) Tax on lump-sum distributions (see instruction for line 15(h))
- (i) Section 72(m)(5) penalty tax
- 16 Total (add lines 15(a) through (i))
- 17 Line 14 less line 16. (All filers, other than shareholders, partners, or beneficiaries to which lines 18, 19, or 20 apply, are to skip lines 18 through 21; enter zero on line 22, and complete lines 23 through 25)
- 18 Shareholder's new jobs credit from Schedule K-1 (Form 1120S) (See instruction for line 13)
- 19 Partner's new jobs credit from Schedule K-1 (Form 1065) (See instruction for line 13)
- 20 Beneficiary's new jobs credit from Schedule K-1 (Form 1041) (See instruction for line 13)
- 21 (a) Line 18 limitation (enter the lesser of line 18 or the amount computed in accordance with the formula in the instruction for line 21)
- (b) Line 19 limitation (enter the lesser of line 19 or the amount computed in accordance with the formula in the instruction for line 21)
- (c) Line 20 limitation (enter the lesser of line 20 or the amount computed in accordance with the formula in the instruction for line 21)
- 22 Add lines 21(a), (b), and (c)
- 23 Line 17 less line 22
- 24 Enter the lesser of line 13 or line 23
- 25 Total allowable new jobs credit (add lines 22 and 24). Enter here and on line 44, Form 1040; line 10(d), Schedule J, page 3, Form 1120; or the appropriate line on other returns

1977 Department of the Treasury
Internal Revenue Service
Instructions for Form 5884

New Jobs Credit

(References are to the Internal Revenue Code)

Note: The new jobs credit will also be available for taxable years beginning in 1978.

General Instructions

Generally, employers who hire additional workers may claim a new jobs credit for taxable years beginning in 1977 equal to 50% of the excess of the employer's total unemployment insurance wages (limited to \$4,200 for each employee) paid during calendar year 1977 over the greater of (a) 102% of total unemployment insurance wages (limited to \$4,200 for each employee) paid during calendar year 1976 (line 2) or (b) 50% of total unemployment insurance wages (limited to \$4,200 for each employee) paid during calendar year 1977 (line 1).

The credit is limited to the lesser of the following amounts:

- (1) 50% of the excess of (a) total wages (determined without regard to the \$4,200 limitation) paid during calendar year 1977 over (b) 105% of total wages (determined without regard to the \$4,200 limitation) paid during calendar year 1976;
- (2) \$100,000—married persons filing separately and estates and trusts, see instruction for line 10 (the total jobs credit of a taxpayer involved in more than one business enterprise may not exceed \$100,000); or
- (3) tax liability as defined in section 53.

To compute the credit and the limitation in (1) above, fiscal year taxpayers with taxable years beginning in 1977 are to use wages paid during calendar years 1976 and 1977 rather than wages paid during the fiscal year. For example, if a taxpayer's taxable year began 12/1/77, such taxpayer would compute the credit and the limitation in (1) above by taking into account wages paid during the calendar years 1976 and 1977.

An employer is also allowed an additional credit equal to 10% of the unemployment insurance wages paid to vocational rehabilitation referral employees during the calendar year. See instruction D for definitions and limitations concerning this credit.

A. Who Must File.—Any individual, estate, trust, organization, or corpora-

tion claiming a new jobs credit, or any small business corporation, partnership, estate, or trust which apportions the credit among its shareholders, partners, or beneficiaries, must attach this form to its income tax return.

Small business corporations, partnerships, estates, or trusts that apportion the credit among their shareholders, partners, and beneficiaries must, in addition to filing this form with their income tax return, attach Schedule K-1 showing the allocation of the credit to each shareholder, partner, or beneficiary.

For further details on allocation of the credit, see section 52(f) and (g).

B. Credit Not Allowed.—Employers, other than agricultural and railroad employers, who are not subject to the Federal Unemployment Tax Act (FUTA) or who are tax-exempt organizations (other than a cooperative described in section 521), do not qualify for the credit.

C. Unemployment Insurance Wages.—Generally, unemployment insurance wages are Federal Unemployment Tax Act (FUTA) wages up to \$4,200 per employee. Agricultural employers not covered by FUTA use Federal Insurance Contributions Act (FICA) wages up to \$4,200. Railroad employers not covered by FUTA use 3/4 of Railroad Unemployment Insurance Act (RUIA) wages up to \$4,200. See section 51(f)(1), (2) and (3).

D. Vocational Rehabilitation Referral Employees.—For 1977, employers may claim an additional credit of 10% of the first \$4,200 of FUTA wages paid in 1977 to each vocational rehabilitation referral employee (defined below). This additional credit is limited to 1/2 of the regular 50% new jobs credit (determined without regard to the \$100,000 limitation). For 1978, the additional 10% credit will be computed, subject to the 1/2 limitation, on the basis of the first \$4,200 of FUTA wages paid during 1978, reduced by FUTA wages paid to each vocational rehabilitation referral employee in 1977.

The wages to be taken into account with respect to any such employees are only those wages attributable to services rendered during the 1-year period begin-

ning with the vocational rehabilitation referral employee's first payment of wages by the employer after the beginning of such individual's rehabilitation plan and only if such first payment occurs after December 31, 1976. (See section 51(e).)

A vocational rehabilitation referral employee is a handicapped employee who has been referred to the employer upon completion of (or while receiving) rehabilitative services pursuant to a written rehabilitation plan under a state plan for vocational rehabilitation services approved under the Rehabilitation Act of 1973, or a program of vocational rehabilitation carried out under chapter 31 of title 38, United States Code. See section 51(f)(4).

E. Unused Credit.—If the amount of the credit determined under section 51 exceeds the tax liability limitation of section 53, the excess (unused credit) may be carried back to each of the 3 taxable years preceding the year of the unused credit and may then be carried forward to each of the 7 taxable years following the year of the unused credit. (See section 53(c).)

F. Employer's Deduction for Wages and Salaries.—The employer's deduction for wages and salaries must be reduced by the amount of the new jobs credit contained on line 13 regardless of any unused new jobs credit. (See section 280C and proposed regulation 1.280C-1.)

For example, assume an employer would be entitled to a \$20,000 new jobs tax credit but has tax liability of only \$18,000. The employer would reduce the wage and salary deduction by \$20,000 even though the allowable new jobs tax credit was only \$18,000 (the excess credit of \$2,000 would be available for carryback and carryforward purposes).

G. Special Rules.—

(1) Trades or Businesses that are Under Common Control.—In the case of a group of trades or businesses that are under common control, the new jobs credit computed under section 51 is computed as if all the organizations that are under common control are one trade or business. The new jobs credit computed for the group must then be apportioned among the members of the group on the basis of each member's proportionate contribution to the increase in unemployment insurance wages of the entire group. See section 52 and proposed regulation 1.52-1 for definitions and other details.

(2) Adjustments for Certain Acquisitions and Dispositions.—See section 52(c) and proposed regulation 1.52-2 concerning adjustments that are to be made when a major portion of a trade or business is acquired or disposed of after December 31, 1975.

(3) **Change in Status from Self-Employed to Employee.**—If during 1976 an individual has net earnings from self-employment which are attributable to a trade or business, and for any portion of the 1977 calendar year such individual is an employee of such trade or business, then for purposes of determining the credit allowable for a taxable year beginning in such succeeding calendar year, the employer's aggregate unemployment insurance wages for 1976 shall be increased by an amount equal to so much of the self-employment net earnings as does not exceed \$4,200.

(4) **Short Taxable Year.**—If the employer has more than one taxable year beginning in 1977, the new jobs credit shall be determined for the employer's last taxable year beginning in 1977.

(5) Wages paid by an employer to an employee during any calendar year shall be taken into account only if more than one-half of the wages so paid is for services performed in the United States in a trade or business of the employer.

Specific Instructions

Mutual Savings Institutions, Regulated Investment Companies, Real Estate Investment Trusts, and Cooperatives.—See proposed regulation 1.52-3 for special limitations.

Line 1.—Enter the aggregate unemployment insurance wages (limited to \$4,200 for each employee) paid during calendar year 1977. Generally, such wages would be reported on line 15 of the 1977 Form 940. Special rules apply to agricultural and railroad employees. See section 51(f)(2) and (3).

Line 2.—Enter 102% of the aggregate unemployment wages (limited to \$4,200 for each employee) paid during calendar year 1976. Generally, such wages would be computed by multiplying the wages on line 15 of the 1976 Form 940 by 102%. Special rules apply to agricultural and railroad employees. See section 51(f)(2) and (3).

Line 6.—Enter total wages (determined without reference to the \$4,200 limitation) paid in calendar year 1977. An employee's wages shall be taken into account only if more than one-half of the wages paid during the calendar year are for services performed in a trade or business in the United States. Total wages include salaries, wages, commissions, fees, bonuses, vacation allowances, salaries and wages paid to temporary or part-time employees, and the value of goods, lodging, food and clothing that are subject to the FUTA tax. With respect to agricultural and railroad employers, total wages paid include the above except that generally for such employers only cash remuneration is subject to the FICA and RUIA taxes. The special rules contained in Instruction G are also

to be taken into account in the computation of these total wages.

Generally, for purposes of line 6, total wages can be determined by adding lines 13 and 15 of the 1977 Form 940, while for purposes of line 7, total wages can be determined by adding lines 13 and 15 of the 1976 Form 940.

Line 10.—If a husband and wife file separate returns, the \$100,000 limitation must be reduced to \$50,000. This reduction does not apply if the taxpayer's spouse has no interest in a trade or business for the taxable year of such spouse which ends within or with the taxpayer's taxable year.

For an estate or trust, the \$100,000 amount shall be reduced to an amount which bears the same ratio to \$100,000 as the portion of the new jobs credit allocable to the estate or trust bears to the entire amount of such credit.

Line 13.—When a group of trades or businesses are under common control (see Instruction G(1)), the member of the group which made the greater proportionate contribution to the increase in unemployment insurance wages of the group must report the computation of the group credit on lines 1 through 13 (ignoring lines 14 through 25) of Form 5884. In order for each member to determine its allowable new jobs credit, each member (including the above member) must enter its apportioned share of the new job credit on line 13 of a separate Form 5884 (ignoring lines 1 through 12) and complete lines 14 through 25 as applicable. Each member must attach a schedule to its Form 5884 showing the apportionment of the total group credit to the members of the group.

If the new jobs credit computed by an estate or trust is to be apportioned to the estate or trust itself as well as the beneficiaries, the credit on line 13 is apportioned between the estate or trust and the beneficiaries on the basis of the income of the estate or trust allocable to each. The estate or trust must attach a schedule to Form 5884 showing this apportionment and enter and identify the estate's or trust's portion and the beneficiaries' portion in the margin to the right of line 13. The estate or trust will then complete lines 14 through 25 as applicable to determine its allowable new jobs credit to be claimed on Form 1041. The beneficiaries' share will be apportioned to the individual beneficiaries and each beneficiary is to determine his or her allowable new jobs credit as explained below.

The credit computed on lines 1 through 13 by a small business corporation, partnership, or estate and trust is apportioned to the individual shareholders, partners, and beneficiaries, respectively. This apportioned credit is entered on lines 18, 19, or 20 of a separate Form 5884 by these individuals who will then

complete the limitation section of the separate Form 5884 to determine the allowable credit to be entered on Form 1040.

Note: Where an individual shareholder, partner, or beneficiary is entitled to a new jobs credit from two sources, for example from a sole proprietorship and a partnership, the new jobs credit of the proprietorship would be computed on lines 1 through 13 of Form 5884 and the new jobs credit arising from the partnership would be entered on line 19 of the same form. In this case, lines 14 through 25 would be used to determine the total allowable credit (proprietorship credit on line 13 plus the partnership credit on line 19) to be entered on the individual taxpayer's Form 1040.

Line 15(h). Tax on lump-sum distributions.—Enter the amount of partial tax included in line 14 by the recipients of lump-sum distributions from qualified employees' trusts or annuity plans. (See section 402(e).)

Line 21. Limitations.—The new jobs credit on lines 18, 19, or 20 is limited to the proportionate part of the tax liability on line 17 which is attributable to the shareholder's, partner's, or beneficiary's interest in each small business corporation, partnership, estate, or trust from which the credit is derived.

The credit from each entity is limited to an amount computed in accordance with the following formula:

$$\text{Line 17} \times \frac{\text{Portion of person's taxable income attributable to the person's interest in each 1976, 1975, or 1941 entity}}{\text{Person's taxable income for the year reduced by the person's zero bracket amount (section 6302), if any}}$$

See sections 53(a) and (b) for further information.

Note: The carryback or carryover of an unused new jobs credit resulting from the application of any of the limitations (line 21(a), 21(b), 21(c), or 23) is subject to these respective separate limitations as applicable in prior and subsequent years. (See Instruction E.)

Line 23.—Line 23 contains the tax liability limitation in excess of the separate limitation computed under section 53(b). This is the amount of the credit allowable from all sources other than partnerships, estates and trusts, and small business corporations.

\$100,000 Limitation.—The total new jobs credit to be entered on line 21(a); 21(b); 21(c); 22; or 25 may not exceed \$100,000 plus the dollar amount of the credits earned by employers attributable to the hiring of vocational rehabilitation referral employees.

Publication 902.—For more detailed information please get Publication 902, Tax Information on Jobs Tax Credit, from your local Internal Revenue office.

Form **970**(Rev. April 1977)
Department of the Treasury
Internal Revenue Service**Application to Use LIFO Inventory Method**

▶ Attach to your tax return.

Name Identifying number (See instruction B) Address (Number, street, city, State and ZIP code)

The taxpayer named above hereby applies to adopt and use the LIFO inventory method provided by section 472. This method is to be applied for the first time as of the close of the taxable year ending _____, to the following specified goods (see instruction C; use additional sheets if necessary):

The taxpayer agrees to make any adjustments incident to the change to or from the LIFO method, or incident to its use, in the inventories of prior taxable years or otherwise, as the District Director of Internal Revenue upon the examination of the taxpayer's return deems necessary to clearly reflect income for the years involved. See also 3(a) and 3(b) below.

1. Nature of business 2. (a) Inventory method used up to this time (b) Will inventory be taken at actual cost regardless of market value? If "No," attach explanation. Yes No3. (a) Was the closing inventory of the specified goods at the end of the immediately preceding taxable year valued at cost, as required by section 472(d)? If "No," attach explanation. Yes No(b) Were the adjustments resulting from the change to LIFO taken into income of the prior year by filing an amended return? Yes No
See Rev. Proc. 76-6, 1976-1, C.B. 545. If "No," attach explanation.4. (a) List goods subject to inventory but which are not to be inventoried under the LIFO method (b) Were the goods of the specified type included in opening inventory considered as having been acquired at the same time and at a unit cost equal to the actual cost of the aggregate divided by the number of units on hand? If "No," attach explanation. Yes No5. (a) Did you issue credit statements, or reports to shareholders, partners, other proprietors, or beneficiaries, covering the first taxable year to which this application refers? Yes No(b) If "Yes," state to whom, and on what dates (c) Show the inventory method used in determining income, profit, or loss in those statements

6. Method used to determine the cost of the goods in the closing inventory in excess of those in the opening inventory. (See section 1.472-2, of the regulations.)

 Most recent purchases Earliest acquisitions during the year Average cost of purchases during the year Other—Attach explanation

7. Method used in valuing LIFO inventories

 Unit method Dollar-value method8. (a) If pools are used, list and describe contents of each pool (b) Describe briefly the cost system used

(c) Method used in computing LIFO value of dollar-value pools

 Double extension method Other method (If other, describe and justify—see last paragraph of instruction F.)9. Did you change your method of valuing inventories with the permission of the Commissioner for this taxable year? If "Yes," attach a copy of the National Office's "grant letter" to this Form 970. Yes No10. Were you ever on LIFO before? If "Yes," please attach information and explanation indicating which taxable years and the reason LIFO was discontinued. Yes No

Under penalties of perjury, I declare that I have examined this application, including any accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete.

Date Signature of taxpayer Date Signature of officer Title

218-291-1

Instructions

(References are to the Internal Revenue Code.)

A. LIFO inventory method.—The LIFO inventory method, as described in section 472, may be adopted and used only if the taxpayer makes an election with his income tax return. This election must be made for the taxable year as of the close of which the LIFO method is first to be used. The election must be made on Form 970 or in a statement that contains the information required by Form 970. (See section 1.472-3(a) of the regulations.)

B. Identifying number.—The identifying number for an individual is his social security number. For all others, it is their employer identification number.

C. Analysis of inventory.—Enter the taxable year you will first use the LIFO method and specify in detail the goods to which it is to be applied.

Attach a detailed analysis of all inventories as of the beginning and end of the taxable year for which you first propose to use the LIFO method and as of the beginning of the preceding taxable year. Also include the ending inventory as reported on your return for the preceding taxable year. Prepare this analysis in accordance with sections 1.472-2 and 1.472-3 of the regulations.

D. Change to LIFO method.—You may not change to the LIFO method unless you agree to and make any adjustments incident to the change to or from that method, or incident to its use, in the inventories of prior taxable years or otherwise, as Internal Revenue deems necessary to clearly reflect income for the years involved. See Revenue Procedure 76-6, 1976-1, C.B. 545 for further information.

E. Change from LIFO method.—The LIFO inventory method, once adopted, is irrevocable and must be used

in all subsequent years unless the Commissioner requires or permits you to change to another method.

F. Dollar-value method.—You may elect to determine the cost of your LIFO inventories under the so-called "dollar-value" LIFO method, provided you use that method consistently and that it clearly reflects income in accordance with section 1.472-8 of the regulations.

Section 1.472-8(b) of the regulations tells how manufacturers and processors may establish dollar-value LIFO pools. Subject to the provisions of that section, you may use natural business unit pools, multiple pools, or raw materials content pools.

Section 1.472-8(c) of the regulations tells how wholesalers, retailers, jobbers, and distributors may establish dollar-value LIFO pools.

Section 1.472-8(e) of the regulations describes the methods for computing the LIFO value of a dollar-value pool. If you do not use the "double-extension" or "index" method, as described in section 1.472-8(e)(2) of the regulations, to compute the value of the dollar-value pool, furnish a detailed statement describing the method used. Also provide an analysis as to how your use of a method other than "double extension" is justified under section 1.472-8(e)(1) of the regulations. For example, if the "link-chain" method is used, attach a statement explaining in detail why the "double extension" method and the "index" method is impractical or unsuitable in view of the nature of a particular pool.

G. Signature.—If the application is filed by a corporation, it must be signed by the president, vice president, treasurer, assistant treasurer or chief accounting officer, or by a corporate officer (such as a tax officer) authorized to sign.

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218-291-1

1977

Statistics
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Returns

Section

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