

Statistics of Income

SOI BULLETIN

Department of the Treasury
Internal Revenue Service

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Department of the Treasury
Internal Revenue Service

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This report contains information on: projections of the major types of returns to be filed from 1982-1990; individual income tax returns for 1980, covering financial data as well as taxpayer reporting characteristics; unincorporated business data, both sole proprietorships and partnerships, for 1979; and first quarter 1981 windfall profit tax liability.

Additional unpublished data concerning these topics are currently available upon request. Further information may be obtained by writing to the Statistics Division, Internal Revenue Service, Washington, DC 20224.

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COMMISSIONER OF INTERNAL REVENUE

Washington, DC 20224

January 4, 1982

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

Dear Mr. Secretary:

I am transmitting the Winter 1981-82 issue of the Statistics of Income Bulletin. 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.

In this issue, four subjects are presented and discussed. The first relates to the projected filings of the major types of returns through the end of the decade, reflecting recent tax law changes and economic conditions. There are two articles on the second subject, 1980 individual income tax returns. The first of these contains detailed income size and geographic statistics, while the second presents taxpayer reporting characteristics.

Sole proprietorship and partnership activity for 1979 is described in the third topic, on unincorporated businesses. Finally, windfall profit tax liability for the first quarter of 1981 is shown, including data on the types of exempt oil.

With kind regards,

Sincerely,

A handwritten signature in cursive script, appearing to read "Roscoe Egger", with a small flourish underneath.

Projections of Returns to be Filed in Fiscal Years 1982-1990

By Kenneth Utter and Max Johns*

The number of "primary" returns filed with the Internal Revenue Service (IRS) has greatly expanded since World War II. Filings have increased from 67.4 million in Fiscal Year (FY) 1945 to 137.4 million in 1980. This is true even though some types of returns filed in 1945 are no longer required and the filing requirements on others have been liberalized.

Much of this growth can be attributed to the general expansion of the economy, particularly the increase in the number of jobholders. While continued growth is anticipated, we expect the number of returns received in the next two years to increase more slowly than in the past, and the growth between 1985 and 1990 to be below the 35-year historical average.

Fiscal Year	Returns Filed (Thousands)	Annual Growth
1965.....	102,485	2.1%
1970.....	113,078	2.1
1975.....	125,117	2.1
1980.....	137,381	2.0
1981.....	139,544	1.6
1982.....	141,678	1.5
1985.....	150,460	2.1
1990.....	162,953	1.7

The "primary" returns constitute a major part of the IRS workload. Included in this grouping are such returns as Form 1040 and Form 1040A (U.S. Individual Income Tax Return), Form 941 (Employer's Quarterly Federal Tax Return), and Form 1120 (U.S. Corporation Income Tax Return). Not included are almost 400 million information documents such as Form 1099-DIV (Statement for Recipients of Dividends and Distributions) and Form 1087-INT (Statement for Recipients of Interest Income). Also not included are approximately 6 million supplemental returns such as amended returns or requests for filing extensions.

GENERAL SUMMARY

For workload planning purposes, filings of 58 different forms were projected. The major types of returns are expected to maintain their relative importance throughout the projected period. Total primary returns are expected to grow at an average rate of 1.9 percent per year from 1981 to 1990. Fiduciary returns and corporation returns are expected to grow moderately faster than the average. Employment and exempt organization returns are expected to grow more slowly. In contrast, the number of estate and gift returns is expected to decrease from the 1980 filing levels because of the liberalized filing requirements enacted by the Economic Recovery Tax Act of 1981. While not all of these changes become apparent until the mid-1980's, some patterns appear to be established as early as 1982.

Type of Return	1982 Projection (Thousands)	Change from 1981
Total	141,678	1.5%
Individual	96,404	2.0
Fiduciary	2,038	4.5
Partnership	1,499	3.2
Corporation	2,899	4.1
Estate and Gift	350	-0.6
Employment	26,528	0.3
Individual Declarations	9,212	-0.7
Other	2,748	-0.9

Highlights of the projections for 1982-1990 are listed below.

Individual Income Tax Returns.--These returns, which represent about two-thirds of the primary returns filed, will grow in number from 94.5 million for 1981 to 103.5 million for 1985, i.e., at an average annual rate of 2.4 percent. We anticipate, however, smaller increases in the number filed in 1986 and thereafter because of the indexing of filing thresholds and exemption levels provided by the Economic Recovery Tax Act of 1981. (The annual average growth rate over the period 1986-1990 will be about 1.4 percent.) A shift is projected in usage from the Form 1040 to the (short) Form 1040A--an additional 1.3 million 1040A returns in 1982 increasing to 2.5 million by 1990. This is because IRS has removed the current limits on the amount of interest and dividends reportable on the 1040A and increased the tax table limit to \$50,000.

Individual Declarations of Estimated Tax.--The basic trend of Form 1040ES returns has been revised upward to more nearly reflect recent filing experience. In addition, a downward adjustment has been made to reflect the new filing requirements enacted by the Economic Recovery Tax Act of 1981. That Act raised the tax due filing threshold, by annual \$100 increments, from \$100 in 1981 to \$500 in 1985. The net effect of these two adjustments is that the FY 1982 projection decreases from 1981 by 66,000 and then shows small annual increases through 1985 before the normal projected growth resumes after 1986.

Estate and Gift Tax Returns.--Fewer estate and gift tax returns are expected to be filed because of the Economic Recovery Tax Act of 1981 which: (a) gradually increases the unified credit against estate and gift taxes over a 5-year period, so that no tax will be imposed on transfers of \$600,000 or less by the end of that period; (b) repeals the existing limits on the marital deduction for estate and gift taxes; and (c) increases the excludable gifts in any single year to any individual person from \$3,000 to \$10,000. These provisions, when fully effective, will reduce the number of estate tax returns (Form 706) by almost 70 percent and the number of gift tax returns (Form 709) by 35 percent.

*Mr. Utter is Chief of the Returns Projections Section. Dr. Johns is Chief of the Economic Estimates and Studies Section. Both are under the direction of John P. Hiniker, Chief of the Projections and Special Studies Branch.

Exempt Organization Returns.--Only a modest increase from the FY 1980 filing level is expected by 1990. The projection reflects a relatively high level of filing with IRS because of an agreement between IRS officials and State government representatives that, in response to the Paperwork Reduction Act of 1980, allows a single form to satisfy both Federal and State filing requirements. The projection does not take into account possible increases in the income filing requirements (from \$10,000 to \$25,000) presently under consideration for Form 990.

Excise Tax Returns.--A modest increase by 1990 is expected for excise tax returns. The projected levels include an additional 20,000 Form 720 returns in 1981 and an additional 10,000 each year through 1989.

These additional returns are expected as a result of the Crude Oil Windfall Profit Tax of 1980. The projections also assume the expiration of the telephone excise tax on January 1, 1985, as provided for by the Economic Recovery Tax Act of 1981.

BASIC TABLE INFORMATION

Projections for the major types of primary returns for Fiscal Years 1982-1990 are shown in Table 1. For comparison purposes, actual receipt figures are shown for 1980 and estimated receipts are given for 1981. Following the table is a description of the methodology used to derive these projections.

Table 1.--Number of Returns Filed by Type, Fiscal Years 1980-1990

(Thousands)

Type of return	Actual 1980	Estimated 1981 ¹	Projected		
			1982	1983	1984
	(1)	(2)	(3)	(4)	(5)
Total primary returns.....	137,381	139,544	141,678	144,572	147,631
Individual, total.....	93,144	94,513	96,404	98,842	101,264
Form 1040A.....	37,691	36,837	38,146	39,078	40,521
Form 1040.....	55,301	57,511	58,091	59,595	60,573
Other ²	152	165	167	169	171
Individual Declaration of Estimated Tax...	8,699	9,278	9,212	9,236	9,322
Fiduciary.....	1,877	1,951	2,038	2,128	2,222
Partnership.....	1,390	1,452	1,499	1,547	1,595
Corporation ³	2,717	2,785	2,899	3,008	3,119
Estate.....	148	142	136	128	111
Gift.....	216	210	214	130	122
Employment ⁴	26,499	26,442	26,528	26,763	27,047
Exempt Organization ⁵	444	453	465	476	488
Employee Plan ⁶	792	819	845	872	894
Alcohol, Tobacco, and Firearms ⁷	547	547	548	549	550
Excise ⁸	909	953	888	893	897

Type of return	Projected--Continued					
	1985	1986	1987	1988	1989	1990
	(6)	(7)	(8)	(9)	(10)	(11)
Total primary returns.....	150,460	153,163	155,944	158,436	160,724	162,953
Individual, total.....	103,499	105,284	107,121	108,640	109,941	111,117
Form 1040A.....	41,800	43,115	43,738	44,028	43,898	43,768
Form 1040.....	61,525	61,993	63,204	64,430	65,857	67,161
Other ²	174	176	179	182	185	188
Individual Declaration of Estimated Tax...	9,352	9,680	10,031	10,387	10,739	11,148
Fiduciary.....	2,319	2,420	2,528	2,642	2,761	2,887
Partnership.....	1,643	1,691	1,739	1,788	1,836	1,885
Corporation ³	3,233	3,349	3,472	3,601	3,732	3,870
Estate.....	88	71	48	39	41	43
Gift.....	125	129	134	138	142	147
Employment ⁴	27,328	27,620	27,911	28,206	28,503	28,794
Exempt Organization ⁵	500	512	524	536	548	560
Employee Plan ⁶	920	948	970	986	1,001	1,017
Alcohol, Tobacco, and Firearms ⁷	550	550	551	551	551	551
Excise ⁸	903	909	915	922	928	934

¹Based on receipts through June 30, 1981.

²Forms 1040NR, 1040PR, 1040SS, 1040C, and 1042.

³Includes Forms 1120, 1120F, 1120-DISC, 1120-POL, 1120S, and 1120-H.

⁴Forms 940, 940PR, 941, 941E, 941PR, 941SS, 941M, 942, 942PR, 943, 943PR, CT-1 and CT-2.

⁵Forms 990, 990-PF, 990-C, 990-T, 4720, and 5227.

⁶Forms 5500, 5500-C, 5500-G, and 5500-K.

⁷Forms 7, 8, 11, 4705, 4706, 4707, 4708, and Alcohol and Tobacco forms.

⁸Forms 11C, 720, 720M, 730, and 2290; 11B, and 4638 (1980 only).

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

BASIC METHODOLOGY AND ASSUMPTIONS

The number of returns filed represents receipts of primary returns at IRS Service Centers during a fiscal year. Receipts for FY 1980 and earlier years are at the level reported in the Annual Report of the Commissioner of Internal Revenue. Data for FY 1981 include actual receipts through June with the remainder of the fiscal year estimated. The estimated part in most cases was based on receipt patterns in FY 1979. Until FY 1976, fiscal years were from July through June; beginning in FY 1977, fiscal years were from October through September.

The projections are based on regression models involving independent economic and demographic variables or on observed trends over time [1]. The models were updated to incorporate recent trends in return filing patterns and current economic outlook. The models are developed for calendar years because most filing requirements are on a calendar year basis.

The fiscal year projections are derived from calendar year projections by one of three methods. The method used most frequently employs the Census Bureau's X-11Q Seasonal Adjustment Program [2] to obtain seasonal factors. The method used next most frequently is to compute a ratio based on the filing experience of one or more previous years. The third method, which is used in instances where filing trends are not well defined, is to assume a logical pattern.

To illustrate the general process, projections for the combined total of Forms 1040 and 1040A for calendar years were prepared using a regression model which makes the projection a function of the forecasted values of total employment, employed married women, pension beneficiaries and annuitants, and a step function variable to adjust for the effect of the Tax Reduction and Simplification Act of 1977. The base period used was 1949-1981, with 1981 estimated based on January-June receipts.

Calendar year projections for Forms 1040 and 1040A were separately estimated (before forcing to the combined total) using regression models with employment, time, and a step function variable to adjust for the special emphasis by IRS to convert eligible filers to using Form 1040A. The resulting projections were then adjusted for the effects of the

Economic Recovery Tax Act of 1981 and the increased filing limit for Form 1040A. Other individual return forms in this group were each projected using similar types of models. After the calendar year projections were completed, they were converted to fiscal year projections by using X-11Q seasonal factors for Forms 1040 and 1040A and the filing experience in 1980 for the remaining forms.

Economic Assumptions

Since many projections are based on regression models involving economic variables, economic assumptions about the future greatly affect the projections.

It is assumed that tax cuts enacted by the Economic Recovery Tax Act of 1981 will bolster personal incomes and business cash flows by sufficient amounts to forestall as sharp declines in spending as might otherwise be expected from severely tight money and high interest rates. At the same time, the monetary constraints are assumed to restrain the economy from strong growth in real economic activity during the year ahead.

For the years beyond 1982, the Census Bureau anticipates that sharp decreases will occur in the growth rate of total population and the working-age population. Real output growth will be maintained in the face of a slowdown in this basic determinant of labor supply by further increases in the labor force participation rate and by productivity growth.

References

- [1] Internal Revenue Service, "Number of Returns to be Filed: Statistical Methodology," Calendar Year Projections series, Document 6186-B.
- [2] U.S. Bureau of the Census, "The X-11 Variant of the Census Method II Seasonal Adjustment Program," Technical Paper No. 15 (1967 revision).

Preliminary Income and Tax Statistics From 1980 Individual Income Tax Returns

By Noreen Hoffmeier*

Individuals reported more than \$1.6 trillion in adjusted gross income on the more than 93.6 million income tax returns filed for 1980. These preliminary estimates represent an increase of 9.7 percent in income and 1.1 percent in returns filed over the initial 1979 estimates (see Figure A). As was true for changes from 1978-79 [1], salaries increased at about the same rate (9.4 percent) as adjusted gross income (AGI), while certain types of investment income showed the largest gains over the previous year.

Income type	1980 Amount (millions)	Change from 1979
Interest received	\$100,903	37.8%
Royalty	3,699	22.5
Estate or trust	4,326	18.7
Dividends in AGI	37,972	14.8

In contrast, capital gains remained virtually the same from 1979-1980 (less than a 1.0 percent increase), compared to a 15.4 percent increase from 1978-1979. Business income generally declined from 1979-1980, and from 1978-1979 as well.

The overall increase in income is directly reflected in the distribution of returns by size of income. With the exception of the "no AGI" class (those returns showing deductions equal to or greater than income), every income class below \$20,000 showed a decrease in the number of returns, while each class above that level showed an increase. Summarized, the changes look as follows:

Size of AGI	1979 Returns (thousands)	1980 Returns (thousands)	Change, 1979 to 1980
Under \$5,000	20,853	19,952	-4.3%
\$5,000 - \$9,999	19,635	18,370	-6.4
\$10,000 - \$14,999	14,431	14,279	-1.1
\$15,000 - \$19,999	11,388	11,083	-2.7
\$20,000 - \$29,999	15,323	15,907	3.8
\$30,000 or more	10,986	14,027	27.9

Total income tax, in the meantime, did not directly follow the same pattern. There was an increase of 16.2 percent from 1979 to 1980, as total income tax rose from \$213.8 billion to \$248.4 billion. This increase was spread over most income classes, including those where the number of returns and adjusted gross income declined from 1979. In slightly less than half of those income groups below \$20,000 did the amount of income tax decline. However, the largest increases in tax occurred in the income classes between \$30,000 and \$75,000, where the largest increases in the number of returns filed also occurred.

While 1980 was a relatively quiet year for law changes affecting individuals, nonetheless the crude oil windfall profit tax went into effect and part of the residential energy credit was liberalized.

Individuals who held an economic interest in crude oil production ("producers") were required to pay an excise tax on oil production. (See the article on Windfall Profit Tax in this issue.) The tax was actually withheld and paid to the Treasury by the first purchaser of the oil. To the extent that the withholding exceeded the actual amount of the tax, the producer was entitled to a credit or refund of the excise tax on his or her income tax return. For 1980, more than 300,000 individuals reported a windfall profit tax overpayment of \$190.3 million on their income tax returns. Not surprisingly, the State of Texas accounted for the single largest share -- just over 75,000 claims for more than \$49.5 million.

The total number of returns with a residential energy credit fell only slightly from 1979 to 1980, going from 4.8 million returns to 4.6 million, compared to the drop of about 1 million returns from 1978 to 1979. The amount of the credit, however, increased from 1979-1980 at about the same rate it decreased from 1978-1979 (18.4 percent versus 18.5 percent, respectively). Much of this increase can probably be attributed to the revisions in the "renewable energy source" portion of the credit, which not only expanded the property types and taxpayers eligible but also increased the maximum amount of the credit to \$4,000 (from \$2,200 for 1978 and 1979). The number of returns with expenditures more than doubled and the amount of expenditures went up almost two and one-half times.

Renewable Energy Source

Tax Year	Returns	Expenditures (thousands)
1980	153,721	\$444,643
1979	75,759	184,818
1978	69,341	125,039

On the other hand, both the number of returns with and the expenditures for "energy conservation" property have steadily declined since 1978.

Energy Conservation

Tax Year	Returns	Expenditures (thousands)
1980	4,574,665	\$3,172,184
1979	4,772,662	3,287,056
1978	5,919,841	4,100,680

*Planning and Review Staff. Prepared under the direction of Robert A. Wilson, Chief. Research assistance and developmental work was provided by Denise Herbert.

Figure A.--Sources of Income and Selected Tax Items, 1979 and 1980

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

Item	Preliminary 1979	Preliminary 1980	Change, 1979 to 1980
	(1)	(2)	(3)
Number of returns, total.....	92,616,213	93,616,278	1,000,065
Taxable.....	71,577,417	73,739,632	2,162,215
Nontaxable.....	21,038,796	19,876,646	-1,162,150
Adjusted gross income less deficit.....	1,463,666,582	1,606,265,685	142,599,103
Sources of income:			
Salaries and wages.....	1,229,353,731	1,345,004,185	115,650,454
Pensions and annuities in adjusted gross income.....	37,181,977	43,309,841	6,127,864
Business and profession: Net profit.....	64,744,773	64,918,225	173,452
Net loss.....	8,915,899	10,894,560	1,978,661
Farm: Net profit.....	10,900,679	9,692,583	-1,208,096
Net loss.....	8,583,125	11,230,038	2,646,913
Partnership: Net profit.....	23,347,728	24,517,693	1,169,965
Net loss.....	10,448,752	13,747,987	3,299,235
Small Business Corporation: Net profit.....	4,936,146	4,266,215	-669,931
Net loss.....	2,620,724	3,326,592	705,868
Sales of capital assets: Net gain.....	29,624,449	29,961,247	336,798
Net loss.....	2,814,425	2,982,816	168,391
Sales of property <i>other</i> than capital assets: Net gain.....	2,353,118	1,926,372	-426,746
Net loss.....	1,444,463	412,881	-1,031,582
Dividends in adjusted gross income.....	33,078,347	37,971,572	4,893,225
Interest received.....	73,217,952	100,902,810	27,684,858
Rent: Net income.....	11,922,103	13,131,943	1,209,840
Net loss.....	9,779,981	12,582,491	2,802,510
Royalty: Net income.....	3,212,192	3,943,411	731,219
Net loss.....	193,863	244,836	50,973
Estate or trust: Net income.....	3,956,389	4,685,944	729,555
Net loss.....	312,419	360,212	47,793
All other sources (net) ¹	5,636,420	7,310,867	1,674,447
Total statutory adjustments.....	24,685,773	28,025,600	3,339,827
Total itemized deductions.....	182,910,289	214,784,413	31,874,124
Number of exemptions.....	225,087,422	227,090,827	2,003,405
Taxable income.....	1,154,749,564	1,273,558,005	118,808,441
Zero bracket amount.....	230,699,547	234,346,134	3,646,847
Income tax before credits.....	219,306,130	254,211,495	34,905,365
Total credits.....	6,556,492	6,745,156	188,664
Income tax after credits.....	212,749,638	247,466,339	34,716,701
Additional tax for tax preferences.....	1,004,456	934,263	-70,193
Total income tax.....	213,754,094	248,400,602	34,646,508
Self-employment tax.....	5,266,369	5,507,644	241,275
Total tax liability.....	219,020,463	253,908,246	34,887,783

¹Consists of State income tax refunds, alimony received, unemployment compensation in adjusted gross income, and other income less loss.

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

Over the 3-year period 1978-1980 the credit has retained its regional nature, as illustrated in Figure B. Generally, the higher percentage of returns with "energy" expenditures occurs in the colder regions of the country. For 1980, the distribution ranged from a high of 9.5 percent in Minnesota to a low of 2.1 percent in Florida.

BASIC TABLE INFORMATION

There are two basic tables containing individual income tax return data for 1980. Table 1 provides selected income, itemized deduction, and tax data, classified by size of adjusted gross income. Selected income, deduction, and tax data, including infor-

mation on the residential energy credit and the wind-fall profit tax overpayment, are shown in Table 2 for each State.

Following these tables is a brief statement on the sample used to compile the statistics presented here, as well as some of the limitations arising from both sampling and nonsampling error. In addition, there is a discussion of the 1980 individual income tax return estimates presented in the Fall 1981 issue of the SOI Bulletin compared to the estimates presented here.

Additional detailed statistics, as well as definitions of terms and a comprehensive description of the data limitations, will be available in Statistics of Income -- 1980, Individual Income Tax Returns.

Individual Income Tax Returns, 1980

Table 1.--All Returns: Selected Income, Deduction, and Tax Items, by Size of Adjusted Gross Income
 [All figures are estimates based on samples--money amounts are in thousands of dollars]

Size of adjusted gross income	Number of returns	Adjusted gross income less deficit	Salaries and wages		Interest received		Payments to an individual retirement arrangement		Returns with itemized deductions			
			Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Total itemized deductions	Medical and dental expense deduction	
											Number of returns	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
All returns, total.....	93,616,278	1,606,265,685	83,653,341	1,345,004,185	48,938,320	100,902,810	2,556,522	3,411,184	28,791,240	214,784,413	19,369,041	14,832,253
No adjusted gross income.....	626,582	-10,630,438	252,989	2,571,210	335,254	790,809	4,679	5,818	-	-	-	-
\$1 under \$1,000.....	3,013,967	1,754,919	2,739,106	1,970,341	568,997	159,338	648	194	16,271	66,653	11,693	14,753
\$1,000 under \$2,000.....	4,268,874	6,375,661	3,876,347	5,899,442	1,075,023	447,740	1,067	625	99,108	122,549	12,429	40,997
\$2,000 under \$3,000.....	4,381,185	10,889,840	3,994,272	9,989,869	1,274,792	654,345	1,127	2,319	83,763	205,285	26,834	37,078
\$3,000 under \$4,000.....	3,925,807	13,726,981	3,456,531	11,939,639	1,341,654	1,196,771	5,659	2,534	118,945	370,002	50,581	82,614
\$4,000 under \$5,000.....	3,735,373	16,790,231	3,154,814	13,848,378	1,383,714	1,655,235	5,464	3,010	131,605	462,656	86,632	119,548
\$5,000 under \$6,000.....	3,841,183	21,090,752	3,233,519	17,443,148	1,389,971	2,001,787	10,869	7,363	163,435	827,076	123,924	199,292
\$6,000 under \$7,000.....	3,783,388	24,587,805	3,145,706	19,792,971	1,446,146	2,288,498	17,012	11,054	238,043	1,184,510	169,302	418,804
\$7,000 under \$8,000.....	3,787,354	28,408,098	3,206,170	23,181,890	1,507,608	2,523,390	24,409	14,882	274,996	1,223,019	223,354	329,737
\$8,000 under \$9,000.....	3,540,525	30,122,406	3,014,086	24,701,988	1,405,775	2,459,877	25,957	24,246	305,151	1,616,109	241,491	428,821
\$9,000 under \$10,000.....	3,417,185	32,447,593	2,944,664	26,808,134	1,440,378	2,521,858	27,732	27,586	335,386	1,682,545	268,851	367,932
\$10,000 under \$11,000.....	3,204,017	33,604,648	2,809,315	28,010,102	1,404,187	2,492,094	41,421	34,683	450,997	2,178,635	371,877	544,209
\$11,000 under \$12,000.....	2,927,049	33,646,764	2,559,255	28,076,398	1,405,095	2,490,415	32,461	31,687	458,390	2,142,622	372,210	548,195
\$12,000 under \$13,000.....	2,892,089	36,134,580	2,578,884	30,950,562	1,334,639	2,295,818	37,711	36,131	474,703	2,446,392	353,394	461,203
\$13,000 under \$14,000.....	2,734,286	36,901,558	2,435,834	31,186,972	1,371,390	2,642,096	60,021	62,289	582,633	2,831,862	466,552	512,581
\$14,000 under \$15,000.....	2,521,221	36,517,995	2,277,014	31,568,374	1,262,006	2,432,947	47,277	50,368	585,576	3,077,230	456,652	471,285
\$15,000 under \$16,000.....	2,402,088	37,245,450	2,188,881	32,155,530	1,321,477	2,224,125	52,919	63,096	646,009	3,355,755	482,457	450,810
\$16,000 under \$17,000.....	2,238,360	36,910,201	2,033,219	32,149,913	1,185,169	2,069,151	56,230	62,976	665,168	3,325,414	450,610	352,169
\$17,000 under \$18,000.....	2,199,064	38,462,826	2,003,846	33,601,590	1,202,940	2,186,800	49,267	54,635	695,062	3,651,987	518,143	384,398
\$18,000 under \$19,000.....	2,155,997	39,887,394	2,001,637	35,464,665	1,261,843	1,913,404	59,005	69,948	739,649	3,899,736	509,017	335,783
\$19,000 under \$20,000.....	2,087,523	40,679,623	1,899,013	35,212,741	1,254,083	2,179,067	56,643	73,642	841,088	4,710,803	580,887	452,425
\$20,000 under \$25,000.....	9,127,402	204,801,408	8,519,567	181,513,744	5,956,980	9,998,430	360,866	456,555	4,631,122	26,994,568	3,085,107	2,049,216
\$25,000 under \$30,000.....	6,779,115	185,637,441	6,394,997	165,486,849	4,847,614	8,430,402	301,788	375,543	4,406,243	28,088,020	2,904,914	1,754,762
\$30,000 under \$40,000.....	7,111,046	271,671,598	7,470,832	239,000,638	6,346,759	12,468,140	529,136	747,652	6,227,012	45,703,175	4,041,599	2,192,923
\$40,000 under \$50,000.....	3,034,287	134,048,970	2,834,909	114,052,481	2,683,928	7,533,383	317,256	465,927	2,723,716	24,517,020	1,792,689	1,007,378
\$50,000 under \$75,000.....	2,009,790	118,613,662	1,750,897	87,231,984	1,896,708	7,986,824	279,927	466,433	1,868,245	22,140,864	1,199,348	872,228
\$75,000 under \$100,000.....	524,031	44,937,942	432,800	29,162,015	502,614	3,914,178	82,444	136,161	499,492	8,622,629	290,913	229,773
\$100,000 under \$200,000.....	434,041	57,232,819	353,984	34,193,190	420,568	5,157,912	56,167	101,845	417,883	10,578,647	221,573	258,633
\$200,000 under \$500,000.....	97,232	27,338,930	77,776	13,542,044	95,047	2,502,215	10,080	19,503	95,495	5,169,415	47,522	80,318
\$500,000 under \$1,000,000.....	12,105	8,059,284	9,397	2,798,255	11,891	729,958	1,021	1,995	11,983	1,677,220	6,332	10,992
\$1,000,000 or more.....	4,112	8,368,749	3,080	1,499,033	4,070	755,802	259	486	4,071	1,912,017	2,154	3,396
Total taxable returns.....	73,739,632	1,547,392,960	66,590,837	1,286,029,621	42,888,516	94,376,553	2,487,358	3,349,821	27,629,821	204,283,458	18,435,832	12,376,647
Total nontaxable returns.....	19,876,646	58,872,725	17,062,504	58,974,565	6,049,804	6,526,257	69,164	61,363	1,161,419	10,500,955	933,209	2,455,606
All returns, summary:												
Under \$5,000.....	19,951,788	38,907,193	17,474,059	46,218,878	5,979,434	4,904,239	18,644	14,499	449,692	1,227,145	188,169	294,991
\$5,000 under \$10,000.....	18,369,635	136,656,653	15,544,145	111,928,132	7,189,878	11,795,410	105,979	85,131	1,317,011	6,533,259	1,026,922	1,744,586
\$10,000 under \$15,000.....	14,278,662	176,805,544	12,660,302	149,792,499	6,777,317	12,353,369	218,891	215,157	2,552,299	12,676,739	2,020,685	2,357,472
\$15,000 under \$20,000.....	11,083,032	193,185,493	10,126,596	168,584,439	6,225,512	10,572,547	274,064	324,296	3,586,976	18,943,695	2,541,114	1,975,585
\$20,000 or more.....	29,933,161	1,060,710,801	27,848,239	868,480,238	22,766,179	61,277,245	1,938,944	2,772,100	20,885,262	175,403,575	13,592,151	8,459,618

Size of adjusted gross income	Returns with itemized deductions--Continued						Returns with zero bracket amount only		Taxable income		Total income tax			
	Taxes paid deduction		Contributions deduction		Interest paid deduction		Number of returns	Amount	Number of returns	Amount	Number of returns	Percent of all returns (Col. 1)	Average (Dollars)	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount								
														(13)
All returns, total.....	28,594,163	68,820,527	26,474,549	25,399,664	26,528,219	89,407,610	59,468,311	145,853,731	87,891,993	1,273,558,005	73,739,632	78.8	248,400,602	3,369
No adjusted gross income.....	-	-	-	-	-	-	-	-	-	-	-	-	-	
\$1 under \$1,000.....	14,453	15,177	7,920	3,998	11,864	30,303	33,154	1,617	9,268	8,460	1.1	58,699	8,601	
\$1,000 under \$2,000.....	77,129	22,858	23,080	4,993	15,710	46,819	3,476,896	1,779,085	3,559,909	2,027,505	130,734	3.1	1,909	
\$2,000 under \$3,000.....	62,904	32,962	27,945	11,370	26,344	102,904	3,807,374	5,251,050	3,870,137	5,520,194	132,132	3.0	21,005	
\$3,000 under \$4,000.....	82,433	57,805	54,238	18,554	46,281	152,871	3,484,074	7,017,330	3,569,791	7,986,091	1,908,315	48.6	115,135	
\$4,000 under \$5,000.....	118,521	80,807	79,786	37,172	65,617	148,141	3,482,903	7,347,325	3,589,644	10,500,606	2,510,372	67.2	414,642	
\$5,000 under \$6,000.....	152,297	104,330	118,928	70,152	110,330	359,126	3,625,260	8,189,455	3,744,443	13,600,471	2,538,658	66.1	720,873	
\$6,000 under \$7,000.....	218,363	185,078	173,776	112,735	157,050	399,975	3,512,679	8,400,645	3,711,604	16,890,038	2,636,511	69.7	1,141,385	
\$7,000 under \$8,000.....	267,422	239,051	218,808	108,786	216,084	455,639	3,499,921	8,798,891	3,753,115	20,216,901	2,940,189	77.6	1,551,568	
\$8,000 under \$9,000.....	300,938	288,147	251,546	143,412	249,792	648,352	3,228,683	8,409,734	3,506,671	22,026,260	3,091,478	87.3	1,940,926	
\$9,000 under \$10,000.....	327,121	322,017	271,674	136,753	287,125	705,162	3,079,566	8,053,895	3,392,197	24,404,965	3,214,979	94.1	2,466,828	
\$10,000 under \$11,000.....	441,565	415,674	392,854	238,034	376,979	825,437	2,750,503	7,262,549	3,180,877	25,726,057	3,074,294	96.0	2,846,114	
\$11,000 under \$12,000.....	457,931	487,843	413,695	240,863	401,563	887,663	2,468,659	6,588,112	2,913,474	26,184,233	2,845,961	97.2	3,068,226	
\$12,000 under \$13,000.....	472,721	533,071	403,114	221,144	432,330	1,036,937	2,417,386	6,576,823	2,882,668	28,294,649	2,828,424	97.8	3,499,231	
\$1														

Individual Income Tax Returns, 1980

Table 2.--All Returns: Selected Income, Deduction, and Tax Items, by State

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

State	Number of returns	Adjusted gross income less deficit	Average adjusted gross income (Dollars)	Salaries and wages		Interest received		Total itemized deductions		Returns with zero bracket amount only	
				Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Zero bracket amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
United States, total.....	93,616,278	1,606,265,685	17,158	83,653,341	1,345,004,185	48,938,320	100,902,810	28,791,240	214,784,413	59,468,311	145,853,731
Alabama.....	1,394,881	21,424,985	15,360	1,273,820	18,695,594	578,051	1,102,720	427,820	2,759,746	879,983	2,188,361
Alaska.....	183,002	4,086,376	22,330	172,653	3,741,130	89,007	113,291	61,800	536,463	111,732	265,422
Arizona.....	1,107,715	18,236,489	16,463	969,319	14,810,619	575,396	1,404,011	416,044	2,996,773	639,690	1,537,168
Arkansas.....	808,748	11,212,471	13,864	711,989	9,406,925	333,312	787,156	183,082	1,175,869	565,588	1,421,630
California.....	10,314,329	188,802,596	18,305	9,144,035	157,025,466	5,348,423	13,469,874	3,961,981	36,496,618	5,805,420	13,799,961
Colorado.....	1,291,567	22,731,853	17,600	1,184,588	19,427,261	686,842	1,086,155	512,245	3,875,399	722,399	1,677,603
Connecticut.....	1,442,089	27,948,944	19,381	1,261,813	23,122,068	922,684	1,892,262	444,400	3,372,239	939,314	2,277,664
Delaware.....	252,714	4,597,449	18,192	226,783	3,823,145	130,533	221,971	80,672	591,024	161,760	385,566
District of Columbia.....	306,412	5,550,310	18,114	273,079	4,325,852	114,253	237,562	102,485	899,510	175,819	401,619
Florida.....	4,173,116	67,012,795	16,058	3,468,835	49,214,094	2,021,876	6,422,897	1,019,169	7,371,182	2,922,207	7,260,463
Georgia.....	2,125,095	33,028,680	15,542	1,979,254	29,003,203	815,631	1,624,597	607,894	4,400,056	1,383,008	3,403,698
Hawaii.....	1,442,089	27,948,944	19,381	1,261,813	23,122,068	922,684	1,892,262	444,400	3,372,239	939,314	2,277,664
Idaho.....	357,712	5,452,327	15,242	305,722	4,401,590	199,427	449,171	111,759	782,573	233,336	588,497
Illinois.....	4,831,157	90,049,822	18,639	4,335,611	76,091,053	2,789,842	5,761,969	1,565,856	10,916,497	3,034,869	7,258,135
Indiana.....	2,200,373	37,195,255	16,904	2,001,815	32,202,938	1,137,180	1,798,200	567,953	3,570,223	1,488,181	3,770,567
Iowa.....	1,189,252	19,845,651	16,688	981,350	14,840,285	772,605	1,746,176	358,626	2,316,607	751,261	1,937,588
Kansas.....	989,784	16,866,491	17,041	871,426	13,522,975	541,152	1,133,136	269,886	1,925,120	652,155	1,639,841
Kentucky.....	1,303,258	19,900,365	15,270	1,153,574	16,975,304	582,519	948,108	348,968	2,268,925	848,755	2,201,854
Louisiana.....	1,566,477	26,276,065	16,774	1,427,395	22,283,704	615,802	1,263,336	374,924	2,532,558	1,084,264	2,736,310
Maine.....	459,229	6,339,836	13,805	408,231	5,240,461	232,508	408,045	95,291	605,081	335,258	842,745
Maryland.....	1,868,204	34,304,751	18,362	1,695,395	28,864,350	982,652	1,927,085	704,960	5,512,779	1,053,796	2,482,079
Massachusetts.....	2,528,608	42,919,741	16,974	2,295,948	36,052,010	1,622,672	2,548,063	849,661	6,001,736	1,544,830	3,585,523
Michigan.....	3,654,866	66,514,526	18,199	3,309,542	57,272,200	2,054,264	3,648,552	1,399,984	9,736,992	2,054,235	4,894,277
Minnesota.....	1,732,985	29,596,278	17,078	1,488,147	24,546,851	1,073,138	1,816,267	623,082	4,581,167	1,010,724	2,398,838
Mississippi.....	858,999	11,950,645	13,912	793,010	10,214,158	271,424	536,232	196,050	1,316,846	574,305	1,414,980
Missouri.....	1,976,250	32,234,532	16,311	1,713,253	26,484,211	1,152,615	2,424,765	543,359	3,604,400	1,300,208	3,295,987
Montana.....	330,270	4,998,073	15,133	274,475	3,815,744	199,747	453,660	99,094	649,762	209,120	505,041
Nebraska.....	660,957	10,484,352	15,862	560,518	8,220,497	407,149	785,095	175,596	1,251,328	450,502	1,121,384
Nevada.....	391,833	6,736,283	17,192	361,132	5,819,561	157,337	396,276	119,473	490,494	251,389	623,932
New Hampshire.....	411,057	6,710,546	16,325	373,766	5,657,152	242,930	391,230	96,388	632,633	303,000	772,335
New Jersey.....	3,345,224	62,628,591	18,722	3,044,639	53,612,834	1,901,482	3,510,187	1,065,129	8,152,829	2,160,097	5,197,345
New Mexico.....	515,631	7,703,021	14,939	459,664	6,531,651	216,999	426,452	129,872	923,053	339,793	844,381
New York.....	7,123,635	128,464,239	18,034	6,368,806	105,964,766	4,219,311	9,251,691	2,650,732	21,530,833	4,119,186	9,715,687
North Carolina.....	2,334,560	34,360,387	14,718	2,155,608	29,608,418	959,797	1,591,900	601,282	3,925,409	1,586,736	3,957,846
North Dakota.....	270,171	3,976,459	14,718	218,055	2,954,815	174,909	406,062	59,302	393,110	188,273	479,925
Ohio.....	4,471,755	76,189,456	17,038	4,009,388	65,564,855	2,494,025	4,581,052	1,219,802	7,800,031	2,985,567	7,461,987
Oklahoma.....	1,175,297	19,573,844	16,654	1,034,690	16,087,992	489,652	1,150,796	336,569	2,494,251	767,090	1,989,935
Oregon.....	1,126,868	18,588,316	16,496	982,890	15,027,341	624,169	1,342,165	398,432	2,858,676	671,272	1,586,961
Pennsylvania.....	4,828,065	80,815,702	16,739	4,300,443	68,390,731	2,757,006	4,813,584	1,296,881	8,631,692	3,238,113	8,104,809
Rhode Island.....	405,621	6,363,916	15,689	371,053	5,316,761	219,876	402,484	106,157	709,251	279,896	668,610
South Carolina.....	1,181,230	17,316,843	14,660	1,110,015	15,497,078	443,422	625,860	350,186	2,261,806	762,894	1,897,510
South Dakota.....	277,512	3,731,939	13,448	220,104	2,676,598	161,907	418,619	48,774	311,585	194,127	502,691
Tennessee.....	1,760,645	26,644,880	15,134	1,608,567	23,061,940	724,874	1,441,538	355,523	2,403,909	1,267,098	3,251,808
Texas.....	5,799,972	102,441,619	17,662	5,305,942	86,795,300	2,291,191	5,662,440	1,283,818	9,975,089	4,151,178	10,583,403
Utah.....	536,374	8,719,255	16,256	492,391	7,483,939	270,781	388,204	224,520	1,722,147	280,188	650,112
Vermont.....	209,074	3,028,237	14,484	186,812	2,453,640	122,268	183,648	45,237	300,848	156,234	393,018
Virginia.....	2,222,860	38,687,686	17,404	2,029,236	33,152,751	1,088,698	1,876,903	706,641	5,417,612	1,415,270	3,465,580
Washington.....	1,784,175	32,638,369	18,293	1,564,512	26,761,554	1,015,562	2,309,763	545,204	3,751,591	1,136,729	2,825,635
West Virginia.....	673,535	10,882,892	16,158	614,320	9,460,281	333,884	540,968	113,333	720,245	519,063	1,372,952
Wisconsin.....	1,969,773	32,743,382	16,623	1,768,013	27,646,445	1,232,068	2,019,231	668,648	4,584,233	1,186,999	2,822,087
Wyoming.....	209,474	3,941,753	18,817	190,091	3,268,433	115,075	240,531	57,273	403,224	138,636	356,564
Puerto Rico.....	41,677	471,499	11,313	34,100	404,800	5,301	5,590	1,353	15,008	37,502	101,681
U.S. citizens abroad.....	219,484	6,064,144	27,629	185,470	6,154,799	143,826	457,818	50,423	534,476	149,098	384,822

Footnote at end of table.

Individual Income Tax Returns, 1980

Table 2.--All Returns: Selected Income, Deduction, and Tax Items, by State--Continued

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

State	Taxable income		Residential energy credit						Total income tax		Average total income tax (Dollars)	Windfall profit tax overpayment	
	Number of returns	Amount	Returns with total energy conservation expenditures		Returns with total renewable energy source expenditures		Residential energy credit used to offset income tax before credits		Number of returns	Amount		Number of returns	Amount
			Number of returns	Amount	Number of returns	Amount	Number of returns	Amount					
	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
United States, total...	87,891,993	1,273,558,005	4,574,665	3,172,184	153,721	444,643	4,640,839	556,798	73,739,632	248,400,602	3,369	312,522	190,257
Alabama.....	1,301,302	16,740,668	75,334	48,027	*2,062	*11,620	76,777	10,720	1,020,295	2,981,713	2,922	2,854	3,137
Alaska.....	172,573	3,365,034	7,691	4,925	*148	*698	7,559	690	146,577	768,737	5,245	690	116
Arizona.....	1,050,770	14,016,017	35,773	25,039	15,232	30,763	48,714	14,652	857,422	2,590,167	3,021	3,696	1,137
Arkansas.....	746,789	8,779,316	32,621	22,861	*3	*2	33,210	3,223	583,068	1,508,383	2,587	2,520	1,008
California.....	9,643,463	142,639,497	226,775	147,691	44,787	107,312	250,018	53,444	8,242,302	28,536,267	3,462	31,023	13,850
Colorado.....	1,226,487	17,917,253	86,428	61,540	4,431	10,226	88,051	11,824	1,039,193	3,494,799	3,363	5,784	3,738
Connecticut.....	1,376,557	22,826,395	107,727	67,001	4,994	18,770	109,701	15,545	1,180,036	4,983,813	4,223	1,415	434
Delaware.....	242,338	3,682,949	17,237	10,987	*636	*690	17,280	1,590	201,602	738,232	3,662	385	101
District of Columbia.....	277,852	4,328,622	9,294	10,043	*53	*46	9,241	1,275	245,586	958,802	3,904	406	331
Florida.....	3,931,232	53,689,492	76,738	47,712	11,172	20,285	82,810	11,889	3,248,156	10,764,907	3,314	8,251	6,411
Georgia.....	1,984,179	25,716,698	67,276	31,542	*405	*752	67,265	4,739	1,605,896	4,656,050	2,899	1,186	274
Hawaii.....	406,508	5,506,896	1,455	2,685	8,054	29,238	9,104	11,640	330,547	1,034,210	3,129	710	523
Idaho.....	342,194	4,226,018	15,738	11,754	736	1,530	15,740	2,078	268,428	701,002	2,612	1,286	254
Illinois.....	4,588,676	73,239,136	247,382	166,068	*4,373	*35,067	251,852	32,638	3,893,251	15,197,652	3,904	18,111	13,504
Indiana.....	2,049,560	30,548,266	110,973	61,707	*291	*2,922	110,431	9,673	1,719,510	5,861,633	3,409	1,608	1,294
Iowa.....	1,105,554	16,082,520	75,046	44,719	*582	*2,719	74,934	7,031	924,261	2,923,175	3,163	930	358
Kansas.....	916,442	13,639,569	44,266	23,900	*275	*1,016	41,763	3,432	771,381	2,629,922	3,409	18,023	14,263
Kentucky.....	1,197,183	15,812,613	45,339	24,884	*8	*3	45,998	3,541	1,007,692	2,864,387	2,843	5,380	1,425
Louisiana.....	1,455,417	21,377,630	44,583	41,789	-	-	46,198	4,419	1,217,145	4,288,328	3,523	15,704	10,218
Maine.....	428,830	5,010,538	32,170	21,400	363	680	32,513	2,845	346,217	832,818	2,405	146	16
Maryland.....	1,757,333	26,849,045	137,607	129,933	*2,139	*3,051	136,756	16,842	1,496,671	5,328,798	3,560	4,514	2,671
Massachusetts.....	2,388,960	34,212,549	225,193	190,230	9,691	36,134	229,489	32,910	2,025,297	6,668,690	3,293	2,478	536
Michigan.....	3,445,581	52,638,751	220,357	120,243	*2,053	*1,415	221,979	17,973	2,859,115	10,348,301	3,619	3,831	3,730
Minnesota.....	1,629,265	23,173,953	161,476	85,802	*692	*1,908	154,753	12,310	1,341,001	4,352,616	3,246	1,017	447
Mississippi.....	768,008	9,238,962	30,349	24,821	-	-	29,103	2,875	610,198	1,598,256	2,619	7,985	6,952
Missouri.....	1,837,329	25,973,653	99,829	51,914	*1,811	*4,399	99,104	8,751	1,541,172	4,912,647	3,188	5,657	3,645
Montana.....	306,193	3,981,879	20,528	10,641	417	765	19,762	1,683	244,568	699,336	2,859	2,182	1,414
Nebraska.....	624,621	8,431,643	38,957	23,816	*1,088	*10,571	39,281	5,631	498,273	1,505,693	3,022	3,780	2,937
Nevada.....	369,540	5,386,864	10,456	7,622	2,050	3,479	11,686	2,322	325,686	1,087,485	3,339	946	506
New Hampshire.....	398,899	5,458,011	24,071	12,657	489	1,067	25,519	2,276	343,752	1,013,309	2,948	57	37
New Jersey.....	3,213,074	50,026,394	250,461	188,612	*1,669	*7,530	251,537	27,058	2,753,620	10,318,471	3,747	1,600	1,815
New Mexico.....	468,609	6,006,321	16,191	9,762	3,129	12,232	17,949	5,556	371,149	1,078,933	2,907	4,025	2,470
New York.....	6,748,963	98,780,306	485,106	346,519	3,958	7,213	481,662	46,913	5,739,619	19,832,462	3,455	4,924	1,577
North Carolina.....	2,187,900	27,065,495	78,552	49,356	4,385	21,471	77,802	15,291	1,778,927	4,699,635	2,642	1,502	421
North Dakota.....	246,287	3,275,466	13,222	7,970	*629	*5,169	12,812	1,061	203,910	562,171	2,757	1,132	554
Ohio.....	4,194,809	61,960,929	212,327	153,880	3,241	9,705	214,597	23,026	3,627,860	11,979,479	3,302	13,079	5,203
Oklahoma.....	1,095,612	15,727,800	59,793	41,531	*121	*187	57,551	5,560	918,497	3,021,685	3,290	29,581	17,706
Oregon.....	1,068,224	14,639,092	63,578	77,886	2,394	6,605	65,432	12,451	882,868	2,674,274	3,029	1,466	497
Pennsylvania.....	4,522,124	65,597,761	345,138	281,830	2,725	5,767	347,664	36,061	3,863,424	12,552,768	3,249	4,109	2,627
Rhode Island.....	385,905	5,107,751	29,440	21,555	467	1,177	30,287	3,251	323,647	952,712	2,944	83	26
South Carolina.....	1,109,627	13,432,626	54,803	29,820	*299	*229	55,066	4,458	911,633	2,264,595	2,484	542	225
South Dakota.....	242,512	3,066,499	10,443	6,672	807	1,005	10,525	934	181,972	506,498	2,783	224	117
Tennessee.....	1,621,214	21,193,508	67,834	50,458	*455	*2,096	67,153	7,879	1,308,747	3,894,085	2,975	4,878	2,497
Texas.....	5,417,490	83,491,130	150,661	111,767	2,768	2,667	153,276	16,097	4,567,675	17,495,158	3,830	75,039	49,531
Utah.....	498,578	6,377,391	40,497	23,333	486	1,134	39,525	3,569	404,546	1,109,372	2,742	1,076	576
Vermont.....	201,054	2,413,756	13,086	8,555	902	2,368	13,116	1,777	165,599	408,711	2,468	107	22
Virginia.....	2,110,192	30,578,480	90,441	48,572	*397	*3,313	89,647	7,074	1,772,850	5,908,474	3,333	2,700	546
Washington.....	1,675,760	26,813,977	92,556	68,504	*2,132	*6,461	96,229	10,258	1,461,199	5,393,706	3,691	6,709	3,287
West Virginia.....	630,414	8,934,338	19,512	15,834	*1,261	*2,211	19,867	2,029	522,926	1,665,224	3,184	2,462	1,402
Wisconsin.....	1,853,337	25,735,482	139,277	87,081	*954	*2,168	138,471	12,270	1,526,285	4,641,382	3,041	1,025	177
Wyoming.....	195,569	3,274,950	11,125	7,774	845	5,280	11,710	3,044	166,181	673,007	4,050	2,419	3,039
Puerto Rico.....	38,855	298,521	-	-	-	-	-	-	17,162	13,576	791	-	-
U.S. citizens abroad.....	196,249	5,269,595	1,953	962	*662	*1,528	2,360	720	135,028	924,096	6,844	1,205	673

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

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

Figure C.--Estimated Number of Returns for Selected Upper Limit Coefficients of Variation by Size of Adjusted Gross Income/Deficit, 1980

[Cells are estimated number of returns]

Coefficient of variation (C.V.) (Percent)	Size of adjusted gross income/deficit								
	Under \$10,000 ¹	\$10,000 under \$15,000	\$15,000 under \$20,000	\$20,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 under \$500,000	\$500,000 and over
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
2.....	6,527,000	6,163,500	4,639,800	5,191,600	3,791,900	1,094,600	256,200	73,600	2,200
5.....	1,044,300	986,200	742,400	830,700	606,700	175,100	41,000	11,800	300
10.....	261,100	246,500	185,600	207,700	151,700	43,800	10,200	2,900	90
20.....	65,300	61,600	46,400	51,900	37,900	10,900	2,600	700	20
30.....	29,000	27,400	20,600	23,100	16,900	4,900	1,100	300	10
35.....	21,300	20,100	15,200	17,000	12,400	3,600	800	200	7
50 ²	10,400	9,900	7,400	8,300	6,100	1,800	400	100	3

¹This column should be used for estimated number of returns not classified by adjusted gross income/deficit.

²Estimates with C.V.'s of 50 percent have standard deviations which are about one-half as large as the estimates themselves.

NOTE: This table is applicable to frequencies only and not to estimated amounts.

DATA SOURCES AND LIMITATIONS

These preliminary statistics were based on a sample of unaudited individual income tax returns, Forms 1040 and 1040A. The sample was stratified based on the presence or absence of a Schedule C, the State from which the return was filed, size of adjusted gross income or deficit, or largest source of income or loss, and size of business plus farm receipts. The 1980 returns were selected at rates ranging from 0.05 percent to 100 percent. There were 160,213 returns in the 1980 preliminary sample, estimating a total population of 93,827,000. The corresponding sample size and population for 1979 were 187,262 and 92,616,213, respectively.

Because the estimates are based on a sample, they are subject to sampling error. The return data are also subject to nonsampling error due to taxpayer reporting variations and to discrepancies introduced during statistical processing.

Sampling Error

The upper limits of the coefficients of variation for 1980 shown in Figure C (for frequency estimates only) are intended as a general indication of the reliability of the data.

Additional measures of the coefficients of variation for various data items will be presented in the forthcoming Statistics of Income complete report for Tax Year 1980. The computed coefficients of variation of estimates previously published in the 1978 Statistics of Income report can be used as an approximate measure of the reliability of similar estimates for 1980.

Nonsampling Error

Nonsampling error was controlled during statistical processing by a variety of methods. Among them was a systematic verification, at all field processing locations, of the manual abstraction of data. As a further check on the quality of the abstraction, small subsamples selected after verification were reprocessed in the National Office. Also, 100 percent verification of the key-entered data was performed at the field processing locations.

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

DEFINITIONS AND LAW CHANGES

In general, the definitions of the terms used here are the same as those shown in the complete report, Statistics of Income--1978, Individual Income Tax Returns and the Summer 1981 SOI Bulletin. Updated definitions will be available in the Statistics of Income--1979, Individual Income Tax Returns. However, the statistics shown for 1980 were affected by the following tax law changes.

- (1) That portion of the residential energy credit based on renewable energy source costs was increased from 30 percent of the first \$2,000 plus 20 percent of the next \$8,000, to 40 percent of the first \$10,000 spent on solar, geothermal, or wind-powered equipment.
- (2) The refundable portion of the business energy investment credit was abolished for 1980. The non-refundable portion, however, remained in effect.
- (3) The windfall profit tax became effective for Tax Year 1980.

REFERENCES

- [1] Comparisons for 1978-79 data were published in the Summer 1981 SOI Bulletin. Data for 1978 are from the complete report, Statistics of Income--1978, Individual Income Tax Returns, while the 1979 data are based on a preliminary (generally smaller) sample. If the comparisons were based on the two respective complete reports, somewhat different changes would be obtained.
- [2] For further background on estimation methods, see Dumais, J., and Shadid, R., "Individual Statistics of Income: Advancing the Closeout Date," 1981 Proceedings, American Statistical Association, Section on Survey Research Methods (to appear).

Individual Income Tax Returns: Selected Characteristics From the 1980 Taxpayer Usage Study

By Paul Grayson*

Since 1970 the Taxpayer Usage Study (TPUS) of the Internal Revenue Service has provided, shortly after the close of each filing period, early indications of how taxpayers are using the current-year Form 1040 and 1040A Individual Income Tax Returns. In view of changes in the tax laws, redesign of the tax forms and other factors, IRS officials have found this early analysis of the characteristics of income tax returns useful for a variety of planning purposes involving processing workloads, forms design, taxpayer reporting behavior, and the like. The study is based on a sample of about 7,500 Forms 1040 and 1040A filed between January 1 and about May 1 each year. The study report is normally released during the summer, providing frequency information on return entries made by taxpayers, and other key characteristics of the returns filed.

THE SIGNATURE OF A PREPARER

Whether more or fewer taxpayers--and what kind--engage the services of return preparers is significant for a variety of reasons. From the IRS standpoint, a preparer return is likely to be more expensive for IRS to process than a self-prepared one, as evidenced by data presented here. From a broader perspective, the incidence of preparer returns can be viewed as a reflection of the complexity of the tax law and the tax return. From the taxpayers' standpoint, their perceptions of the need to employ preparers result in additional costs to them in complying with the tax laws. In addition, one may view the return preparer as a medium whose cooperation IRS can enlist to improve the tax administration system. What, then, do we know about preparer returns and their characteristics?

The Taxpayer Usage Study employs, as an indicator of a "preparer return," the presence of an accepted signature on the line of the return for "Paid Preparer's Use Only--Preparer's signature and date." Other returns are designated "self-preparer." (Included in this latter category are returns with a signature on the line made by a family member or inadvertently by the taxpayer. Also classed as "self-preparer" are returns signed by identifiable unpaid preparers such as IRS personnel.)

In terms of specific forms filed for 1980, 52 percent of Forms 1040 were signed by preparers as opposed to 17 percent of Forms 1040A. The trend in average usage of preparers over recent years is as follows:

Tax year	Preparer returns (Percent)	Tax year	Preparer returns (Percent)
1980.....	38	1976.....	47
1979.....	39	1975.....	46
1978.....	39	1974.....	43
1977.....	42	1973.....	48

The downward trend of the last four years is accentuated by the drop in 1976-1977. Beginning with 1977, the law has called for the signature of only paid preparers. The 1976-1977 shift can undoubtedly be attributed to the change in the requirement: many unpaid preparers, such as friends and relatives, no longer felt obligated to sign the returns they prepared.

Tables 1 and 2 provide comparative "profiles" of preparer and self-preparer returns filed during January through April of 1981, for Tax Year 1980. Eighty-two percent of preparer returns were filed on Form 1040; only 46 percent of self-preparer returns were 1040's. Preparer returns were more likely to have entries for income tax liability, but less likely to have refunds, than self-preparer. Preparer returns were less likely to have the label, envelope and return that IRS provides in the mailing package--a consistent TPUS finding over the course of several years.

Table 2 shows that certain attached forms and schedules are more frequent among preparer returns than among self-preparer, but that this does not hold for all attachments. Schedule A, for example, accompanied about one-half the 1040's filled out by preparers and about the same proportion of self preparer 1040's. (The names of these schedules may be found at the end of this article.) Schedules C and E represent the more common condition: each was relatively more frequent among preparer than self-preparer Forms 1040.

Table 1.--Percentage Frequency of Selected Items Among Preparer and Self-Preparer Returns, Tax Year 1980

Item	Individual returns		
	All	Preparer	Self-preparer
	(1)	(2)	(3)
Form 1040.....	59.3	81.8	45.5
Income tax liability.....	79.5	84.9	76.3
Refund.....	70.2	65.5	73.1
Presidential campaign fund contribution.....	34.2	29.5	37.1
Official preaddressed label..	59.3	56.1	61.3
Official IRS envelope.....	79.8	66.3	88.1
IRS mailed package return....	58.1	30.9	74.7

NOTE: Of the 89,154,000 total returns, there were 33,820,000 preparer and 55,333,000 self-preparer returns.

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Table 2.--Percentage Frequency of Selected Forms and Schedules Among Preparer and Self-Preparer Form 1040 Returns, Tax Year 1980

	Form 1040 returns		
	All	Preparer	Self-preparer
	(1)	(2)	(3)
Schedule:			
A.....	51.7	51.9	51.3
B.....	42.5	43.4	41.4
C.....	15.5	19.5	11.2
D.....	12.1	14.6	9.3
E.....	19.3	24.7	13.5
F.....	4.2	5.7	2.5
G.....	9.3	11.7	6.7
Form:			
2106.....	10.1	9.8	10.2
2210.....	5.7	9.4	1.7
2441.....	8.0	7.9	8.1
3468.....	6.5	10.2	2.3
4797.....	2.5	4.4	(¹)
5695.....	8.8	8.7	8.8

¹Less than 0.05 percent.

NOTE: Of the 52,841,000 total Form 1040 returns, there were 27,673,000 preparer and 25,168,000 self-preparer returns. See page 21 for identity of forms and schedules.

When a form or schedule accompanies a self-preparer 1040, it is almost invariably a standard form designed and printed by IRS--99 percent of the time. Not so with preparer returns, where more than one-fourth of the attachments are of the preparer's design, or from some other non-IRS source. The 1980 TPUS, in covering 18 types of attachments, each with at least 400,000 filed, found that preparer returns contributed over 20 million attachments in a non-standard form. Self-preparer returns, in contrast, contributed only about 700,000.

Thus, for several reasons, preparer returns are likely to be more expensive for IRS to process than self-preparer returns: the former are less likely to have the official mailing label, they frequently have more attached forms and schedules, and their attachments are less likely to be in a standard form.

As shown below, preparer returns for 1980, taken as a group, had a median adjusted gross income (AGI) of about \$16,500; the median for self-preparer returns was \$11,600. However, when this comparison is made within Form 1040 and 1040A returns separately, the difference between preparer and self-preparer returns almost vanishes.

Median Adjusted Gross Income, Returns for Tax Year 1980

	Return		
	All	Preparer	Self-preparer
Total.....	\$13,000	\$16,400	\$11,600
Form 1040.....	20,000	19,200	20,800
Form 1040A.....	7,500	7,500	7,500

The explanation of the apparent paradox is both the generally higher AGI of 1040 returns and, as previously noted, the greater frequency of 1040 usage among preparer returns.

The Table 3 data (portrayed in Figure 1) show, for Form 1040A, a mild tendency for the proportion of preparer returns to decline in the higher AGI classes. The line for Form 1040 shows an even stronger tendency to fall as AGI increases--except in the highest class, for \$50,000 and over. For "All Returns," the line moves progressively upward with increasing size of AGI. This is another version of the "paradox" of the medians, and the explanation is essentially the same. Form 1040 filers generally use preparers more heavily than 1040A filers; and, with increasing income, the proportion of returns filed on Form 1040 increases at the expense of the 1040A. Thus in computing the average percentage of all preparer returns, the (high) percent of preparer returns among 1040's gets an ever-increasing weight as AGI increases.

Table 3.--Percent of Returns With Entry for Paid Preparer's Signature by Type of Return and by Size of Adjusted Gross Income, Tax Year 1980

Size of adjusted gross income	Return		
	All	Form 1040	Form 1040A
	(1)	(2)	(3)
Total.....	37.9	52.4	16.9
Under \$5,000.....	27.7	59.7	15.8
\$5,000 under \$10,000.....	33.8	54.0	19.6
\$10,000 under \$15,000.....	34.3	52.8	15.3
\$15,000 under \$20,000.....	41.4	53.9	16.8
\$20,000 under \$30,000.....	45.4	50.0	16.1
\$30,000 under \$50,000.....	47.8	48.8	*14.3
\$50,000 and over.....	55.3	55.3	(¹)

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

¹No returns in sample.

Table 4 and Figure 2 show that the 1980 "All returns" pattern was basically the same as the average for the entire 1977-1980 period, i.e., higher income taxpayers tended to use preparers more than did lower income taxpayers. The 1975-1976 line suggests that, prior to 1977, taxpayers in the "middle income" levels (\$15,000 to \$30,000) tended to use preparers somewhat less than those with incomes of \$5,000 to \$15,000. The decline in indicated average usage appears concentrated in the income classes below \$15,000.

If most of the indicated decline for 1976-1977 was due to the nonsigning of returns by unpaid preparers after 1976, it may be that unpaid preparers were--and perhaps still are--relatively more important in the lower income classes than in the higher ones.

THE WAGE AND TAX WITHHOLDING STATEMENT, FORM W-2

The Form W-2 is the most important of a small family of forms dealing with tax withheld. It relates to more taxpayers, covers more dollars of income, and there are more of them than any other in the "W" group. (In 1981, about 150 million Forms W-2 were filed with tax returns.) Per square inch, the W-2 probably contains more information than any other tax

Figure 1

Percentage Frequency of Preparer Returns by Adjusted Gross Income Class by Type of Return, Tax Year 1980

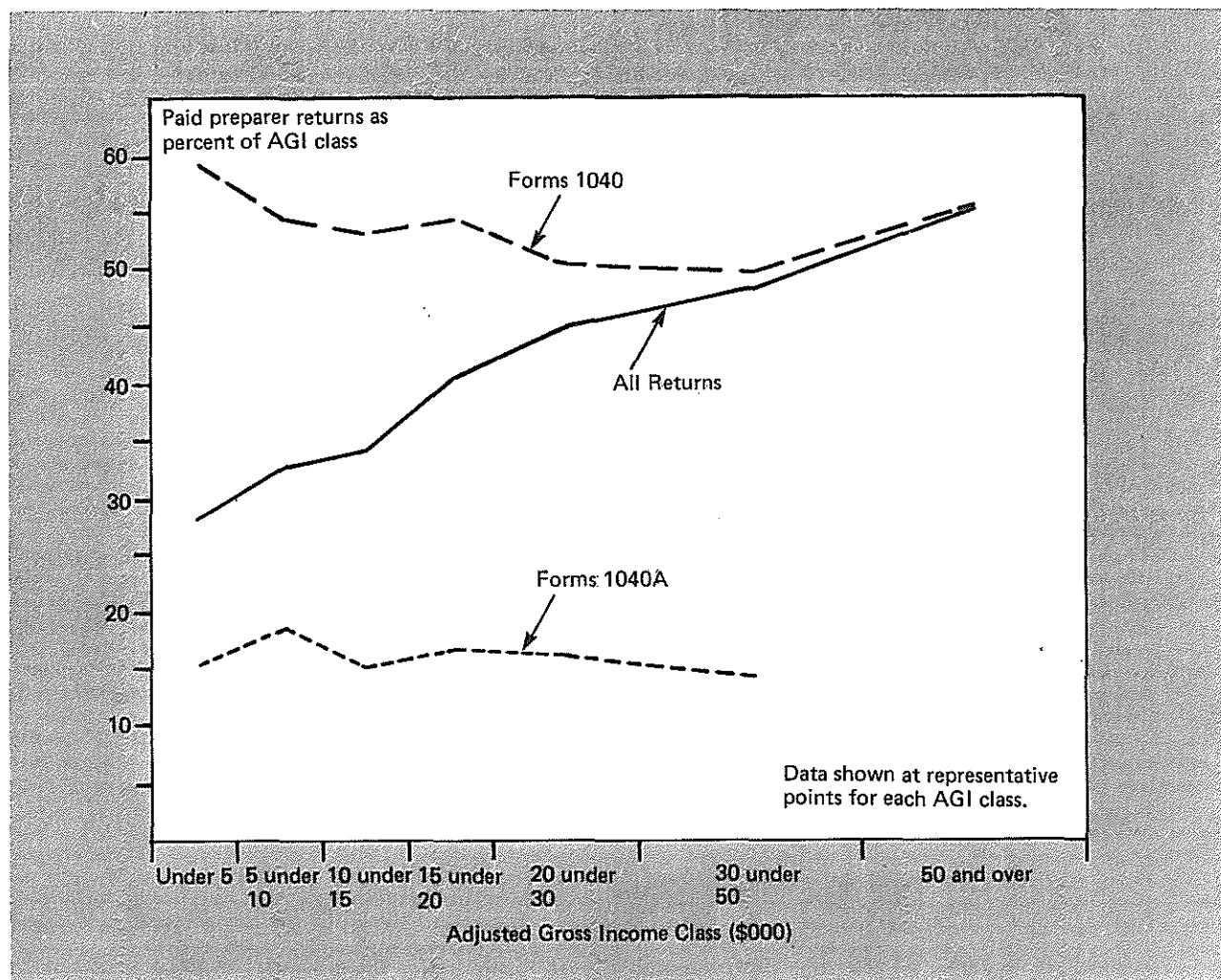


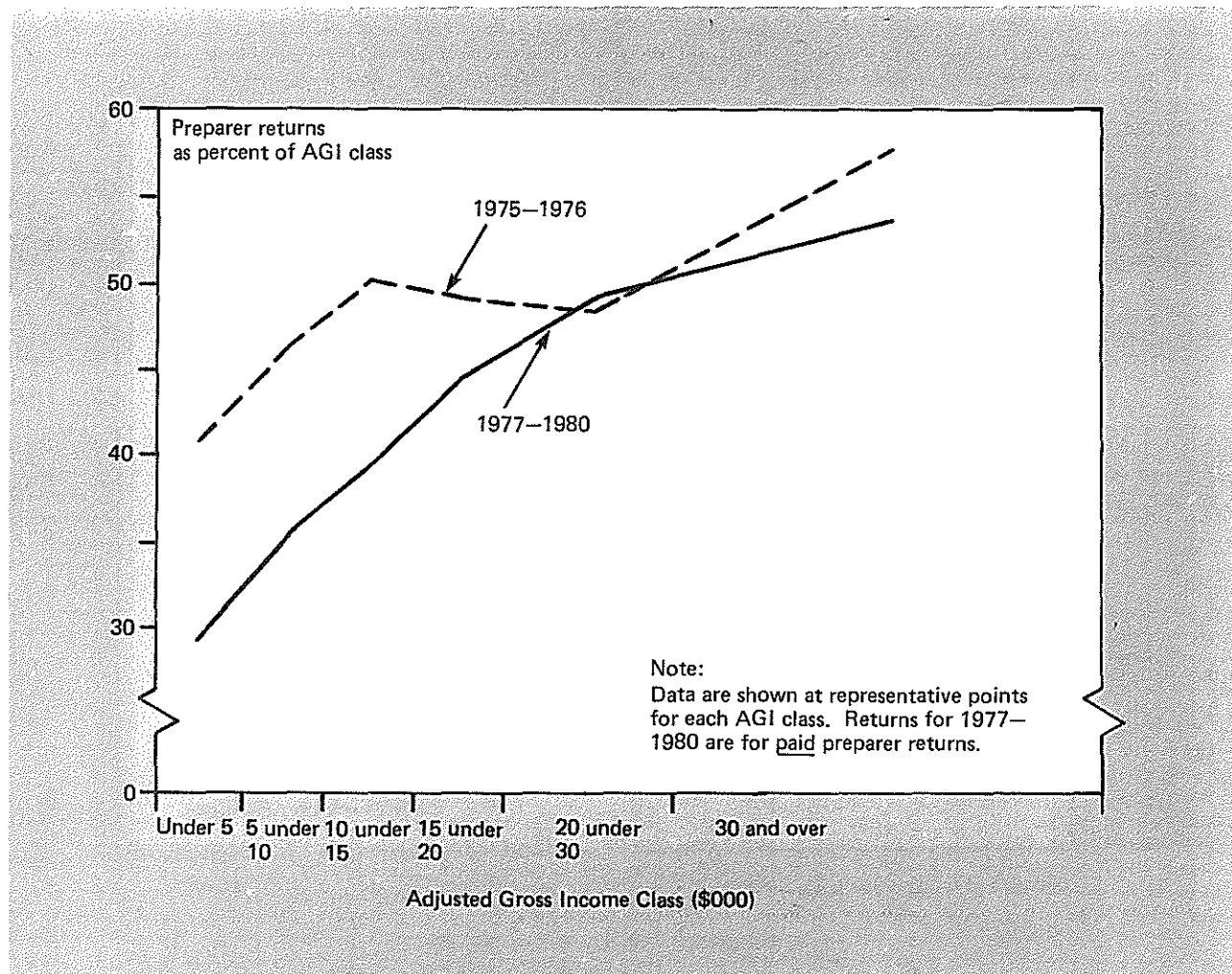
Table 4.--Percent of Returns With Entry for Preparer Signature by Size of Adjusted Gross Income, Tax Years 1969, 1975-1980

Tax year	Average	Size of adjusted gross income					
		Under \$5,000	\$5,000 under \$10,000	\$10,000 under \$15,000	\$15,000 under \$20,000	\$20,000 under \$30,000	\$30,000 and over
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1980.....	37.9	27.7	33.8	34.3	41.4	45.4	49.2
1979.....	39.3	28.8	35.1	39.0	43.3	46.0	52.9
1978.....	39.3	27.7	35.4	39.1	44.6	49.0	54.6
1977.....	42.4	32.7	38.8	45.0	48.2	51.6	55.1
1976.....	47.3	41.0	47.7	52.5	48.8	47.1	56.4
1975.....	45.5	40.1	46.0	47.7	47.5	46.9	58.5
1969.....	52.9	46.0	59.6	55.5		55.5	74.8

NOTE: For 1977-1980: Returns read essentially, "Paid preparer's signature"; for other years, simply "Preparer's signature."

Figure 2

Percentage Frequency of Preparer Returns by Adjusted Gross Income Class Tax Years 1975-76 and 1977-80



form. It tells the taxpayer and IRS the amount of wages paid by an employer subject to Federal income tax and to social security tax (or "FICA"), the amount withheld for each purpose and for State income tax, and provides miscellaneous other information. In addition, it is the only source of information in the files of the tax system on such economic data as single-earner versus two-earner married couples and number of employers of workers in the course of a year. Further, since the W-2 contains the employer identification number (EIN), it provides a link to tax and economic data on the employer in IRS's Business Master File.

For Tax Year 1980, virtually every Form 1040A had at least one W-2 attached, regardless of income class (see Table 5). In contrast, about eight in every ten Forms 1040 had at least one W-2. The proportion of 1040's with W-2's within an income class, however, depends on the level of income, rising from only about one-half in the lowest AGI class to better than 90 percent in the higher classes (but falling to 87 percent in the AGI class \$50,000 and over). Overall, 89 percent of individual income tax returns had one or more attached W-2's.

Over the past 11-year period, this proportion has been measured by TPUS seven times and has never been found to be more than one percentage point above or below 89 percent. At the start of this period, the

average number of W-2's per return filed was just shy of 1.7; in the late 1970's it was close to 1.6 per return.

Tax year	Returns with Form W-2 (Percent)	Average Forms W-2 per return
1970.....	89.5	1.68
1973.....	90.0	1.69
1974.....	88.5	1.65
1975.....	88.4	1.59
1976.....	88.6	1.57
1978.....	88.9	1.62
1980.....	88.9	n.a.

As might be expected, there are substantial differences between joint and nonjoint returns in W-2 reporting. Based on 1976 TPUS information, almost three-fifths of nonjoint returns had only one attached W-2, compared with only about one-third of the joint returns (see Table 6). Conversely, almost another third of the joint returns, but less than 20 percent of nonjoint returns, had two W-2's. Table 6 also shows that Forms 1040 and 1040A differ mainly with respect to the zero and one W-2 categories.

Table 5.--Percent of Returns With Form W-2 by Type of Return and by Size of Adjusted Gross Income, Tax Year 1980

Size of adjusted gross income	All returns	Form 1040 returns	Form 1040A returns
	(1)	(2)	(3)
Total.....	88.9	82.4	98.5
Under \$5,000.....	85.0	51.0	97.6
\$5,000 under \$10,000.....	84.2	63.4	98.8
\$10,000 under \$15,000.....	88.8	79.4	98.4
\$15,000 under \$20,000.....	91.3	87.1	99.7
\$20,000 under \$30,000.....	94.1	93.2	100.0
\$30,000 under \$50,000.....	94.1	93.9	100.0
\$50,000 and over.....	87.0	87.0	(¹)

¹No returns in sample.

Table 6.--Percentage Distribution of Returns by Number of Attached Forms W-2 by Filing Status; by Return Type, Tax Year 1976

Number of Forms W-2	Total	Filing status		Type of return	
		Joint	Non-joint	Form 1040	Form 1040A
	(1)	(2)	(3)	(4)	(5)
Total.....	100.0	100.0	100.0	100.0	100.0
0.....	11.8	11.8	11.8	18.2	1.8
1.....	46.0	34.6	58.7	39.6	58.7
2.....	26.0	32.6	18.7	26.7	24.2
3.....	10.4	12.9	7.7	10.2	10.4
4.....	3.5	4.8	2.1	3.4	3.0
5 or more.....	2.2	3.4	0.9	2.0	2.0
Average per return..	1.57	1.77	1.33	1.50	1.63

Tables 7 and 8 focus on joint returns. In Table 7 we note, for example, that about 17 percent of the joint tax returns had no W-2 for the husband; about one-half had no W-2 for the wife. We also note that about 43 percent of the joint returns had two earners reported (for 1970, the comparable figure was 41 percent). Table 8, for jointly filed Forms 1040A, shows the steady increase in the proportion of dual-earner returns as income increases. In this case, dual-earner status is presumably a prime determinant of higher income.

CARRYING OUT THE STUDY

In December of each year, instructions are sent to all 10 Internal Revenue service centers (where all income tax returns are filed) to select a systematic sample of 1/13,000th of all mail items received between the following January 1 and June 30. (The bulk of the selection is made through the use of a counting device on the automatic envelope opening machines.) If the selected item contains a Form 1040 or 1040A, the entire contents are reproduced, including the envelope. If it does not include a 1040 or 1040A, only page 1 of the contents is reproduced. On Friday, the accumulated weekly sample is express-mailed to the IRS Statistics Division for Monday or Tuesday delivery. Weekly reports on key items on Forms 1040 and 1040A are issued by Thursday.

Table 7.--Percentage Distribution of Joint Returns by Number of Forms W-2 for Husband by Number for Wife, Tax Year 1976

Number of Forms W-2 for wife	Total	Number of Forms W-2 for husband		
		0	1	2 or more
	(1)	(2)	(3)	(4)
Total.....	100.0	17.4	60.3	22.3
0.....	51.4	11.8	29.9	9.7
1.....	39.5	4.7	25.5	9.3
2 or more.....	9.1	0.9	4.9	3.3

Table 8.--Percent of Jointly Filed Form 1040A Returns by Number of Spouses With Form W-2 and by Size of Adjusted Gross Income, Tax Year 1980

Item	Total	Size of adjusted gross income				
		Under \$5,000	\$5,000 under \$10,000	\$10,000 under \$15,000	\$15,000 under \$20,000	\$20,000 and over
	(1)	(2)	(3)	(4)	(5)	(6)
All joint Forms 1040A filed.....	100.0	100.0	100.0	100.0	100.0	100.0
At least one spouse indicated on Form(s) W-2.....	99.6	98.9	99.4	99.4	100.0	100.0
One spouse only.....	52.3	73.9	72.1	53.9	43.0	34.9
Two spouses.....	47.3	25.0	27.3	45.5	57.0	65.1
No Form W-2 attached.....	*0.4	*1.1	*0.6	*0.6	-	-

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

Uncorrected data--as entered on the tax return--are manually abstracted to check sheets and later transcribed into magnetic form; both operations are 100 percent verified. The magnetic data file is tested and corrected to eliminate processing error. The major report is based on sampling through about May 1, so that the large influx of tax returns filed around April 15 can be covered. By the May 1 cutoff, the TPUS sample consists of a total of about 7,500 current-year returns filed on Forms 1040 and 1040A. (Prior-year returns are considered "out of scope.") Sample returns received between May 1 and June 30--about 300 in number--are separately tabulated; these will be later referred to as the "Late Sample." Returns in the "regular" and late samples are permanently retained.

The designed sampling rate has been set at 1/13,000 to yield a sample of about 7,000. However, in most recent years the average effective sampling rate has exceeded the designated rate; in addition, the effective rate for 1040A's has exceeded that for the 1040's. Research to date on the responsible factors has been inconclusive.

The estimation procedure is based on using the inverse of the effective sampling rates for Forms 1040 and 1040A weighted separately. For example, in 1981, the official IRS count of Forms 1040 received by May 1 was 52,841,000, while the number of sample 1040's was 4,367. Thus the effective sampling rate for 1040's was 1/12,100 and the weight assigned was 12,100. For Forms 1040A, the weight was 11,448.

Because the TPUS samples are unstratified, data from them are fundamentally of one kind--frequency of occurrence, generally presented both in absolute numbers at the population level, and as percentage frequencies. Items selected for tabulation predominantly deal with the presence of line item entries and types of attached forms and schedules.

LIMITATIONS OF TPUS

As previously indicated, the TPUS sample--the whole TPUS program, in fact--was designed with a clearly defined objective in mind: to provide "characteristic-type" data and to provide them as early in the filing year as possible. The sample is therefore small, has a uniform designated sampling rate, and is not stratified in the customary sense. (From one point of view, the TPUS sample might be termed stratified by service center and week of receipt of the tax return. While more research might be done in this area, the relative efficiency of these strata with respect to reducing the sampling variability of most items is likely to be quite insignificant.)

The characteristics of the TPUS sample have been important in a variety of ways. Because of the sample's relatively small size and lack of stratification, calculated sampling errors are larger than those experienced in the much larger Statistics of Income sample of individual income tax returns--which has ranged to 150,000 returns or more in the recent past--and is highly stratified to boot. IRS administrators and others have, nevertheless, made extensive use of the TPUS reports for characteristic-type data.

Information on sampling error assists in the interpretation of TPUS results by enabling the user to set confidence limits with known probability on the estimates. From the illustration given below, if a characteristic occurred on 50 percent of the approximately 50 million Forms 1040 in the Tax Year 1980 TPUS, it had a relative sampling error, or coefficient of variation (CV), of 1.6 percent. Now 1.6 percent of 50 is 0.8 percent; and 50 ± 0.8 is 49.2 and 50.8. One can, therefore, have 68 percent confidence that the percentage in the population is between 49.2 and 50.8 percent. For 95 percent confidence, one doubles the CV to obtain the range, 48.4 to 51.6 percent.

Estimated percentage with characteristic	Size of population (with and without characteristic)-- Coefficient of variation (Percent)	
	20,000,000	50,000,000
1.5	19.9	12.5
10.0	7.4	4.7
50.0	2.5	1.6

The sampling error of dollar estimates derived from an unstratified sample is a matter of much greater concern, when high tax or income returns as well as low are being sampled at an across-the-board rate of 1/13,000. The original practice has therefore been retained of not using TPUS to estimate dollar amounts, except for very special and limited purposes.

The TPUS sample, by its very nature, is an incomplete sample. Past experience indicates that the regular TPUS report has covered about 95 percent of the total individual returns filed each year. TPUS counts of returns with a given characteristic are bound to be smaller than the count for the entire year. TPUS percentages may, or may not, differ from the population for the year, depending on whether the variable being measured is present in the same proportion among returns received before and after May 1. Items vary in this respect, our analyses show (see the section on the Late Sample, below). Further experimentation with ratio estimating techniques may lead to new approaches to presenting the sample data, both with respect to frequencies and dollar amounts. (See, for example, Peter Sailer and Noreen Hoffmeier: "Early Highlights from 1980 Individual Income Tax Returns," SOI Bulletin 1(2), Fall 1981, pp. 1-5.)

Rare items--or rare combinations of items--can be measured by the TPUS sample, but only with much imprecision, as already suggested. For example, the coefficient of variation (CV) for an estimate of 200,000 returns approaches 25 percent. (At the current sampling rate, an estimate of 200,000 is based on only 17 sample returns.) The CV's for smaller estimates are even larger. A characteristic that occurred on only 10,000 tax returns in the population might well not appear in the sample at all. TPUS reports, where necessary, therefore may combine classes or may indicate that the datum is either missing in the sample or possesses a sampling error too high for it to be considered reliable.

THE REPRESENTATIVENESS OF TPUS--A LOOK AT THE RECORD

Viewed against the background thus far indicated, it is reasonable to ask, "How good are the TPUS statistics? How does the total TPUS system, with its limitations, stack up against an accepted benchmark?" The most useful benchmark, because of its wealth of detail, is the annual series, Statistics of Income--Individual Income Tax Returns (SOI).

The upper half of Table 9 shows how the TPUS distributions for AGI in four recent years closely tracked those of SOI. The lower half shows the value of "d," the relative difference between the TPUS and SOI estimates in each AGI class/year cell, as a percentage of the SOI estimate. The overall average for 24 cells (irrespective of sign) is 3.8 percent. (An average coefficient of variation for the TPUS estimate percentages is about 2.5 percent.)

In all four years, TPUS underestimated the percentage importance of the under \$5,000 class and the class of \$30,000 and over. No valid reason for the former phenomenon is apparent. The situation in the high income class, however, is consistent with the greater frequency of high income returns among returns filed after May 1 than before that date (see section,

Table 9.--Percentage Distribution of Tax Returns by Size of Adjusted Gross Income, Tax Years 1976-1979--Taxpayer Usage Study and Statistics of Income Compared

Tax year, source	Total or average ¹	Size of adjusted gross income					
		Under \$5,000	\$5,000 under \$10,000	\$10,000 under \$15,000	\$15,000 under \$20,000	\$20,000 under \$30,000	\$30,000 and over
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1976:							
TPUS.....	100.0	27.0	23.9	17.9	13.7	12.4	5.1
SOI.....	100.0	28.3	23.5	17.2	13.2	12.2	5.6
1977:							
TPUS.....	100.0	26.3	22.9	16.5	13.4	14.0	7.0
SOI.....	100.0	26.9	22.3	16.5	13.2	14.0	7.2
1978:							
TPUS.....	100.0	23.1	22.4	² 17.0	12.8	16.0	8.7
SOI.....	100.0	24.2	21.9	15.8	12.7	15.5	9.9
1979:							
TPUS.....	100.0	21.2	21.9	16.3	² 13.1	16.4	11.1
SOI.....	100.0	22.5	21.2	15.6	12.3	16.6	11.9
Percent difference ³ (d) in distribution percentage = 100 (TPUS-SOI) / SOI							
1976.....	4.0	-4.6	1.7	4.1	3.4	1.6	-8.9
1977.....	1.5	-2.2	2.7	0.0	1.5	0.0	-2.8
1978.....	5.1	-4.5	2.3	7.6	0.8	3.2	-12.1
1979.....	4.7	-5.8	3.3	4.5	6.5	-1.2	-6.7
Average ¹	3.8	4.3	2.5	4.0	3.0	1.5	7.6

¹Average = $\sum |d| \div n$ where d is irrespective of sign.

²Direction of change from previous year in TPUS not the same as in SOI.

³Example: For 1976, Under \$5,000: $100 (27.0 - 28.3) / 28.3 = -4.6$ percent.

below). While these high income late returns are sampled for SOI, they are not sampled for the regular TPUS report.

Whether an AGI class is gaining or losing in relative importance from year to year is indicated almost as well by TPUS as by SOI. Thus TPUS showed the class below \$5,000 with a drop of 0.7 percentage point from 27.0 percent in 1976 to 26.3 in 1977. SOI also showed a 1976/1977 decline. Out of 18 such comparisons of the two sources for year-to-year change, all but two (noted in the top half of the table) showed TPUS moving in the same direction as

SOI. (Comparison of the SOI preliminary data for 1980 --published in the preceding article--with the 1980 TPUS provides similar results in terms of levels and direction of change.)

Amounts of change in the percentage importance of the AGI classes can also be derived from the top half of the table. In the previous example, a 0.7 percentage point drop was noted from 1976 to 1977 in TPUS for the lowest income class. The total of such changes over the four-year period for the two sources, by income class, is as follows:

Source	Sum of percentage changes					
	Under \$5,000	\$5,000 under \$10,000	\$10,000 under \$15,000	\$15,000 under \$20,000	\$20,000 under \$30,000	\$30,000 and over
	(1)	(2)	(3)	(4)	(5)	(6)
TPUS.....	-5.8	-2.0	-1.6	-0.6	4.0	6.0
SOI.....	-5.8	-2.3	-1.6	-0.9	4.4	6.3

These are rather remarkable results, comparable to an engineering structure that resists much higher stresses than it was designed to withstand. There are limits, however, to the "strength" of the TPUS system, and the primary ones must be borne in mind: the small sample size and the concentration on the first four months of receipts.

Both the strength and weakness of the total TPUS program are further revealed by a consideration of the counts of certain characteristics published in the TPUS report. One of the major areas covered in each report is the counts of Form 1040 returns with specified forms and schedules attached. Historically, TPUS counts have fallen short of SOI indications. (Since SOI does not count, for example, "returns with Schedule A," the SOI count of "returns with itemized deductions" can be taken as the equivalent.)

The accompanying table of Tax Year 1978 data (Table 10) supports the basic soundness of TPUS sampling and processing, but also indicates the limitations placed on the program by the need for a report based on an early May cut-off. About 4 million returns, represented by about 300 late TPUS sample returns, are filed in May and June. About one or two million more returns are received in the rest of the year. Taking Schedule A as an example, one notes that the regular TPUS reported 23.8 million returns with this schedule, or 27.5 percent of all returns covered by the regular sample. With the addition of the late sample, the number of returns with Schedule A becomes 25.7 million (compared with SOI's 25.8 million) and comprises 28.4 percent of the augmented population (compared with SOI's 28.8 percent).

The data from the regular TPUS on the presence of the indicated schedules, in other words, is entirely reasonable for the period covered by the report. When the regular TPUS counts and percentages are supplemented by late sample data, the combined results are virtually on a par with SOI.

Comparing the Late Sample to the Regular Sample

The late sample of returns filed during May and June is characterized by somewhat higher adjusted gross income compared with the earlier returns filed. Table 11 indicates that incomes below \$10,000 are less common in the late sample, while incomes over \$50,000 are more frequent.

Table 10 has already shown (see the second and fourth columns) that the late sample, compared with the regular sample, is much more prone to have attached schedules such as Schedules A, C, D, and G. Close to one-half of the late sample, for example, had an attached Schedule A compared with only a bit more than one-fourth of the regular sample.

Two features that further contrast late and regular TPUS samples (see Table 12) are the preponderance of the Form 1040 and the greater frequency of the signature of paid preparers among the late sample returns. Undoubtedly associated with these characteristics are the significantly lower levels of usage in the late sample of official IRS label, official envelope, and mailed package return. Requests for refund, as might be expected, were only 76 percent as frequent in the 1979 late sample as in the regular sample, but entries for income tax occurred about equally often in the two groups.

Returns received after April, then, are likely to be more expensive per unit to process; they are more likely to have attached schedules and thus be more complex, to have higher income, and to be less likely to be associated with the standardized forms, labels and envelopes that would simplify IRS processing.

Table 10.--Returns With Five Selected Schedules, Tax Year 1978--Taxpayer Usage Study and Statistics of Income Compared

[Numbers of returns in millions]

Schedule	TPUS						SOI	
	Regular		Late sample		Combined		Number	Percent with schedules
	Number	Percent with schedules	Number	Percent with schedules	Number	Percent with schedules		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total returns..	86.4	-	4.2	-	90.6	-	89.7	-
Schedule:								
A.....	23.8	27.6	1.9	45.8	25.7	28.4	25.8	28.8
C.....	7.5	8.7	1.3	30.9	8.8	9.7	8.2	9.1
D.....	7.4	8.6	0.9	21.0	8.3	9.2	8.6	9.6
F.....	2.6	3.0	0.2	4.8	2.8	3.1	2.9	3.0
G.....	3.5	4.0	0.6	15.3	4.1	4.6	4.5	5.0

Table 11.--Size of Adjusted Gross Income Percentage Distribution, Regular TPUS versus Late Sample, Tax Year 1979

Source	Total	Size of adjusted gross income						
		Under \$5,000	\$5,000 under \$10,000	\$10,000 under \$15,000	\$15,000 under \$20,000	\$20,000 under \$30,000	\$30,000 under \$50,000	\$50,000 and over
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Late.....	100.0	17.2	15.7	17.9	13.8	17.4	10.4	7.5
Regular.....	100.0	21.2	21.9	16.3	13.1	16.4	9.2	2.0

Table 12.--Presence of Selected Characteristics, Regular TPUS versus Late Sample, Tax Year 1979

Source	Percent of source with characteristic								
	Form 1040	Preparer signature	Official IRS label	Official envelope	Mailed package return	Computer printed	Entry for--		
							Income tax	Refund	Earned income credit
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Late.....	81.8	64.5	46.1	51.8	41.3	3.1	81.1	55.0	5.9
Regular.....	58.2	39.3	59.6	76.8	59.2	3.3	78.5	72.5	6.9

NOTE TO TABLE 2

IDENTITY OF LISTED SCHEDULES AND FORMS

<u>Schedule</u>	<u>Title</u>	<u>Form</u>	<u>Title</u>
A	Itemized Deductions	2106	Employee Business Expenses
B	Interest and Dividend Income	2210	Underpayment of Estimated Tax by Individuals
C	Profit or (Loss) from Business or Profession	2441	Credit for Child and Dependent Care Expenses
D	Capital Gains and Losses	3468	Computation of Investment Credit
E	Supplemental Income Schedule	4797	Supplemental Schedule of Gains and Losses
F	Farm Income and Expenses	5695	Residential Energy Credit
G	Income Averaging		

Unincorporated Businesses for 1979

By Robert A. Wilson*

Income Year 1979 saw new records established by the Nation's unincorporated businesses. The number of sole proprietorships and partnerships grew to 13.6 million and the receipts they reported amounted to \$746.0 billion. Below is a comparison of the number of businesses and their receipts for 1978 and 1979.

Unincorporated businesses	1978 Number (thousands)	1979
Total.....	13,252	13,629
Sole proprietorships...	12,018	12,330
Partnerships.....	1,234	1,300
<u>Total receipts (billions)</u>		
Total.....	\$662.5	\$746.0
Sole proprietorships...	443.4	487.8
Partnerships.....	219.2	258.2

SOLE PROPRIETORSHIP ACTIVITY

The first detailed statistics from business schedules attached to individual income tax returns for Income Year 1979 show that there were over 300,000 more sole proprietorships in operation than there were for 1978. Businesses engaged in providing services, in particular business services, led the way with an increase of more than 180,000. Retailers and real estate agents, brokers and managers also showed increases over the year before: 77,000 and 76,000, respectively. For some activities, there were declines, however. Farming, manufacturing and wholesaling each dropped off in terms of the number of businesses.

The table below by industrial division compares the number of businesses in 1979 with 1978. Retailers and real estate proprietorships are also shown.

Sole Proprietorships by Industry

	<u>Number (thousands)</u>	
<u>Industry</u>	1978	1979
Total	12,018	12,330
Agriculture, forestry and fishing	3,387	3,263
Mining	82	97
Construction	1,069	1,097
Manufacturing	241	236
Transportation and utilities	413	415
Trade	2,334	2,455
Retail trade	1,908	1,986
Finance, insurance and real estate	984	1,058
Real estate	738	805
Services	3,473	3,654
Not allocable	36	55

Business receipts, which, for the most part, comprised the gross receipts from sales and operations, approached \$500 billion for 1979. All industrial divisions shared in the \$45 billion increase over 1978, with the exception of construction where a slight decline occurred. Receipts for 1979 and for recent prior years are presented below. The amounts for business receipts and, later on in this discussion, for other amounts as well, are in "current dollars" for the years involved and, therefore, are not adjusted for the effects of inflation.

<u>Income Year</u>	<u>Business receipts (billions)</u>	<u>Annual Increase</u>
1979.....	\$487.8	10.0%
1978.....	443.4	12.6
1977.....	393.9	5.0
1976.....	375.0	10.6
1975.....	339.2	-

The overall profits of sole proprietorships were at a record high for 1979 at \$60.8 billion, up slightly from the 1978 previous record of \$59.0 billion. As shown in the following 2-year comparison, about two-thirds of all firms reported a profit for 1979 (amounting to \$80.3 billion), while the remaining third reported a deficit (amounting to \$19.5 billion).

<u>Sole Proprietorships</u>	<u>1978 Number (thousands)</u>	<u>1979</u>
Total.....	12,018	12,330
With net income.....	8,255	8,331
Without net income.....	3,763	3,999
<u>Net income (billions)</u>		
Total.....	\$59.0	\$60.8
With net income.....	75.3	80.3
Without net income.....	-16.3	-19.5

The increase in profits for 1979 was dampened by the continued increase in the deduction for interest paid on business indebtedness, up by nearly 25 percent over the year before, from \$10.9 billion to \$13.6 billion. In large part a reflection of the rise in interest rates, more than half of the total deduction was reported for farm businesses.

Around 45 percent of the interest deduction for 1979 (as well as for 1978) was reported by businesses that operated at a loss. While the average interest deduction reported by businesses operating at a profit was under \$900 for 1979, the average for those that operated at a loss was about \$1,550. Figure A shows the trend in profits and in the deduction for interest paid beginning with 1970.

PARTNERSHIP ACTIVITY

The number of partnerships filing returns for Income Year 1979 was over 65,000 more than for 1978, according to initial statistics for the year. The

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Figure A
Sole Proprietorship Net Income and Interest Paid Deduction, 1970-79

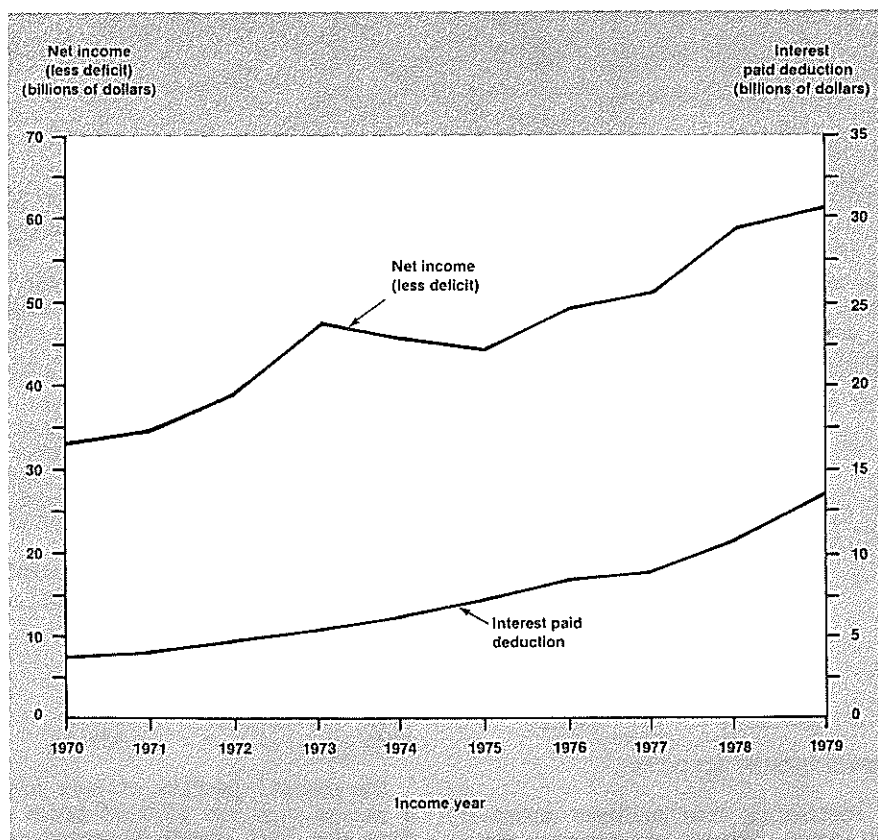
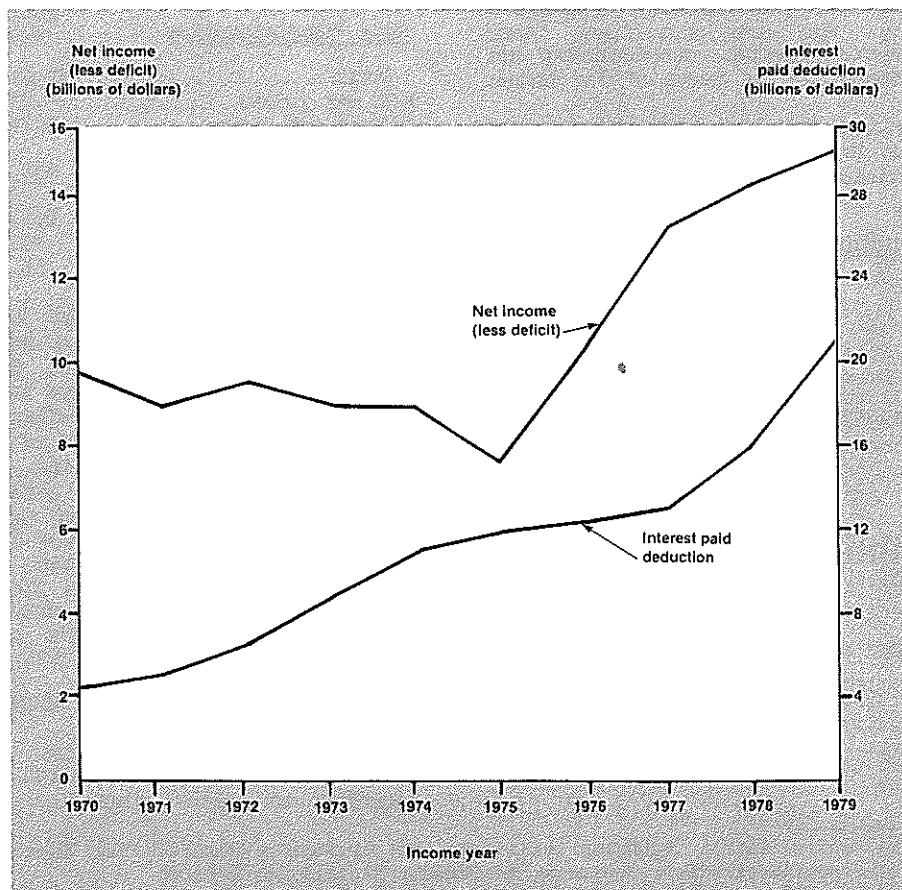


Figure B
Partnership Net Income and Interest Paid Deduction, 1970-79



numbers by industrial division were more or less stable in comparison to 1978, except for finance, insurance and real estate. The increase for this division was almost equal to the total increase in partnerships. Within the finance division, the increase can be further pinpointed to real estate and, within real estate, to operators and lessors of buildings. Counts of partnerships by industrial grouping for 1978 and 1979 are presented in the following table:

Partnerships by Industry

	<u>Number (thousands)</u>	
<u>Industry</u>	<u>1978</u>	<u>1979</u>
Total	1,234	1,300
Agriculture, forestry and fishing	127	125
Mining	24	28
Construction	78	75
Manufacturing	28	30
Transportation and utilities	20	20
Trade	200	205
Retail trade	170	173
Finance, insurance and real estate	516	577
Real estate	391	431
Services	241	239

Unlike sole proprietorships, partnerships are required to report investment income (with certain exceptions), in addition to their gross receipts from sales and operations. (In the case of sole proprietorships, such income was attributed directly to the owner and, therefore, was not considered to be income from the business). Investment income was usually incidental to the principal business activity of the partnership. However, for partnerships classified in finance, insurance or real estate, investment income often represented the major operating income of the business. Therefore, to facilitate economic analysis, the data below summarizing operating receipts for 1975-79 include investment income for returns classified in the finance division, in addition to the regularly-defined "business receipts" shown in Table 2.

<u>Income Year</u>	<u>Receipts from Operations (billions)</u>	<u>Annual Increase</u>
1979	\$253.0	17.7%
1978	214.9	21.8
1977	176.5	12.0
1976	157.6	7.9
1975	146.0	-

The increase in receipts over 1978, about 18 percent overall, was evident in all industrial divisions. It was particularly so in mining, dominated by oil and gas extraction, where receipts rose by 48 percent. Notable increases were also reported for partnerships classified in trade (from \$52.9 billion to \$58.2 billion), services (from \$43.5 billion to \$49.7 billion), and especially in finance, insurance

and real estate (from \$62.8 billion to \$76.3 billion). In the latter division, real estate partnerships accounted for most of the increase (from \$42.3 billion to \$51.8 billion). Within real estate, operators and lessors of buildings were the major reason for this increase; receipts for them went from \$31.7 billion for 1978 to \$38.8 billion for 1979.

Partnership profits for 1979 topped \$15.2 billion which, as Figure B shows, was the highest on record. While the number of firms reporting a net income for the year increased only slightly over 1978, total net income reported increased by 19 percent. Deficits reported by partnerships without net income, however, increased by 29 percent, partly reflecting the sharp rise in the number of firms with deficits for 1979.

	<u>1978</u>	<u>1979</u>
<u>Partnerships</u>	<u>Number (thousands)</u>	
Total	1,234	1,300
With net income	762	766
Without net income	472	534
	<u>Net income (billions)</u>	
Total	\$14.5	\$15.2
With net income	33.7	40.0
Without net income	-19.2	-24.8

The presence of significantly large amounts deducted for interest paid on indebtedness was notable, just as it was for sole proprietorships, with the deduction itself up by nearly a third over the year before, from \$16.0 billion to \$21.3 billion. Unlike sole proprietorships though, operators and lessors of buildings accounted for most of the deduction as well as for most of the increase over 1978. Also unlike sole proprietorships, most of the total amount deducted (64 percent) was due to partnerships without net income, thus contributing in large part to the 29 percent deficit increase noted above. An indication of the effect of the deduction for interest paid on partnerships is the size of the average interest deduction reported by partnerships without net income (\$25,597), in contrast to the average for partnerships with net income (\$9,934).

In addition to showing the trend in profits, Figure B shows how the deduction for interest paid increased over the 10-year period ending with 1979.

BASIC TABLE INFORMATION

Table 1 provides selected income and deduction data for detailed industry groupings for sole proprietorships; separate data are presented for businesses with net income. Table 2 presents detailed income statement data for summarized industry groupings for partnerships; separate data are also presented for businesses with net income.

Information on the samples used for the statistics, on sampling and nonsampling error, and on definitions and law changes may be found immediately following Table 2.

Additional 1979 information about these two legal forms of business will be included in Statistics of Income--1979-80, Sole Proprietorship Returns, and Statistics of Income--1979, Partnership Returns. These reports will also include complete definitions of terms and discussions of data limitations.

Table 1.—Sole Proprietorship Businesses: Business Receipts, Selected Deductions, and Net Income, by Industry.

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

Industry	Businesses with and without net income							Businesses with net income						
	Number of businesses	Business receipts	Depreciation	Taxes paid deduction	Interest paid	Payroll	Net income (less deficit)	Number of businesses	Business receipts	Depreciation	Taxes paid deduction	Interest paid	Payroll	Net income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
All industries.....	12,329,982	487,807,384	24,170,602	9,903,005	13,629,184	42,366,149	60,758,789	8,330,816	406,773,035	15,435,186	7,524,184	7,414,195	34,664,364	80,277,325
All nonfarm industries.....	9,343,603	395,669,594	12,929,133	7,484,662	6,386,472	36,281,642	56,528,403	6,753,806	342,751,756	8,873,347	5,959,592	3,915,397	32,243,975	67,078,638
Agriculture, forestry, and fishing.....	3,262,599	98,568,112	11,756,794	2,543,391	7,419,483	5,055,952	5,225,460	1,743,375	71,429,443	6,869,904	1,661,159	3,591,423	3,256,340	14,633,895
Farms, total.....	2,986,379	92,137,790	11,241,468	2,418,343	7,242,712	4,084,507	4,230,385	1,577,012	66,021,277	6,561,839	1,564,592	3,498,797	2,420,389	13,198,687
Field crop.....	1,337,958	36,924,075	5,309,980	1,279,725	3,139,959	1,589,899	4,674,401	888,851	29,577,729	3,464,898	912,524	1,647,561	1,038,575	7,593,046
Vegetable and melon.....	45,617	2,158,362	205,660	64,081	140,485	274,891	6,589	18,934	1,222,240	85,237	23,616	41,391	137,730	192,080
Fruit and tree nut.....	79,054	2,405,065	262,267	92,889	189,904	424,463	179,922	43,165	1,749,699	125,762	57,568	50,361	262,933	490,534
Horticultural specialty.....	15,060	301,639	30,146	12,626	20,701	60,784	-6,880	7,766	209,050	21,067	5,064	10,015	38,014	35,207
Beef cattle feedlots.....	2,850	1,028,466	19,979	4,026	30,162	11,477	-9,321	1,984	649,600	12,266	1,505	16,085	5,493	44,342
Beef cattle, except feedlots.....	661,086	23,595,014	2,230,868	447,476	1,768,532	679,092	-587,854	291,635	15,924,800	1,057,654	244,958	830,234	314,749	2,020,997
Hogs, sheep, and goats.....	241,994	6,841,245	813,508	140,493	523,110	170,772	-223,530	88,705	4,493,647	439,689	84,485	206,124	78,195	607,030
Dairy farms.....	174,331	11,342,153	1,550,645	222,217	914,410	612,958	1,077,772	129,017	8,637,176	1,096,717	162,124	540,685	434,412	1,457,768
Poultry and eggs.....	42,895	1,935,831	169,895	21,359	102,710	97,466	92,689	26,107	1,278,875	100,834	11,905	58,520	55,519	228,108
General livestock, except animal specialty.....	79,924	4,166,480	276,031	44,025	250,815	74,215	-231,593	23,399	2,363,290	109,105	17,932	71,416	29,378	206,174
Animal specialty.....	93,486	593,257	156,735	15,928	55,599	45,366	-377,816	14,169	274,965	22,287	3,214	5,053	15,788	66,133
Farms not allocable.....	211,524	846,202	215,753	73,497	107,324	43,126	-363,994	53,300	640,205	26,322	39,698	21,352	9,601	257,268
Farms, operators only, total.....	2,578,709	87,559,507	10,886,489	1,987,003	7,058,865	4,014,072	2,273,909	1,235,076	61,914,925	6,317,989	1,182,645	3,400,179	2,372,653	11,048,295
Field crop.....	1,004,929	33,216,370	5,051,554	923,651	2,998,773	1,551,046	2,918,606	599,957	25,102,611	3,266,763	597,112	1,564,292	1,010,525	5,735,822
Vegetable and melon.....	44,120	2,145,268	204,316	63,367	140,267	274,650	172	17,442	1,209,193	83,923	22,912	41,238	137,491	185,539
Fruit and tree nut.....	76,231	2,342,845	259,065	91,125	186,993	409,300	156,806	41,970	1,696,152	123,538	56,026	49,425	249,854	465,318
Horticultural specialty.....	13,435	288,603	23,257	12,328	19,652	60,784	-7,378	6,141	196,014	14,178	4,766	9,965	38,014	34,709
Beef cattle feedlots.....	2,850	1,028,466	19,979	4,026	30,162	11,477	-9,321	1,984	649,600	12,266	1,505	16,085	5,493	44,342
Beef cattle, except feedlots.....	649,536	23,383,656	2,214,601	437,080	1,759,991	674,752	-634,507	272,266	15,791,957	1,049,767	238,998	827,089	313,449	1,955,972
Hogs, sheep, and goats.....	236,529	6,674,778	808,765	128,396	522,292	169,922	-231,628	84,631	4,419,509	436,567	74,562	206,109	77,502	598,003
Dairy farms.....	172,382	11,276,528	1,539,375	217,914	906,067	611,207	1,070,144	127,396	8,596,756	1,090,668	158,515	539,732	434,267	1,446,118
Poultry and eggs.....	42,197	1,930,332	168,451	20,278	102,555	97,319	93,287	26,100	1,278,763	100,803	11,894	58,516	55,519	228,082
General livestock, except animal specialty.....	79,915	4,159,129	276,011	44,025	250,589	74,215	-231,792	23,390	2,355,939	109,085	17,932	71,190	29,378	205,975
Animal specialty.....	92,094	581,410	155,683	15,899	55,521	44,409	-383,496	12,821	263,682	21,423	3,192	4,976	14,942	60,119
Farms not allocable.....	164,491	532,119	165,431	28,913	86,004	34,992	-466,982	20,998	354,750	9,008	5,829	12,562	6,219	88,296
Farms, landlords only, total.....	407,670	4,578,283	354,979	431,340	183,847	70,435	1,956,477	341,936	4,106,351	243,849	371,947	98,618	47,736	2,150,392
Field crop.....	333,029	3,707,705	258,426	358,074	141,186	38,852	1,755,796	289,894	3,475,118	198,135	315,413	83,269	28,050	1,857,224
Vegetable and melon.....	1,497	13,094	1,344	714	*219	*240	6,417	1,492	13,048	1,314	704	*153	*240	6,540
Fruit and tree nut.....	3,423	62,221	3,202	1,764	1,911	15,163	23,117	1,195	53,548	2,223	1,540	*937	*13,079	25,216
Horticultural specialty.....	*1,625	*13,036	*6,869	*1,050	*1,050	—	*498	*1,625	*13,036	*6,869	—	*1,050	—	*498
Beef cattle feedlots.....	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Beef cattle, except feedlots.....	11,550	211,356	16,267	10,395	8,540	4,340	46,553	9,369	132,843	7,887	6,559	3,145	1,300	65,025
Hogs, sheep, and goats.....	5,465	166,467	4,744	12,097	*819	*850	8,098	*4,074	*74,138	*3,122	*9,923	*15	*693	*9,027
Dairy farms.....	1,949	65,624	11,270	4,304	*8,343	*1,751	7,628	1,621	40,420	6,049	*3,609	*953	*146	11,650
Poultry and eggs.....	*698	*5,499	*1,444	*1,082	*154	*147	*598	*7	*111	*31	*11	*4	—	*26
General livestock, except animal specialty.....	*9	*7,351	*20	*226	*199	*9	*199	*9	*7,351	*20	—	*226	—	*199
Animal specialty.....	*1,392	*11,848	*1,051	*29	*78	*958	*5,680	*1,348	*11,284	*864	*21	*77	*846	*6,014
Farms not allocable.....	47,033	314,083	50,323	44,584	21,320	8,134	102,968	32,302	285,456	17,314	33,869	8,790	3,363	168,972
Agricultural services.....	199,260	4,763,859	342,733	102,649	139,119	768,768	642,875	119,435	4,014,064	208,575	81,359	76,502	665,348	972,755
Veterinary services.....	16,151	1,086,731	44,787	24,089	29,476	163,364	312,032	13,592	993,503	38,984	21,373	17,705	140,566	320,144
Livestock breeding.....	10,159	98,616	13,054	1,019	5,064	1,490	-22,272	2,293	81,064	2,264	415	1,280	*606	17,328
Animal services, except livestock breeding and veterinary.....	52,538	637,764	70,901	12,983	33,358	83,750	-74,521	19,385	468,330	21,742	7,413	12,442	63,407	88,127
Landscape and horticultural services.....	84,092	1,665,935	111,527	35,419	24,779	289,393	325,530	61,866	1,402,356	77,277	28,763	14,105	233,862	384,106
Other agricultural services.....	36,320	1,274,811	102,465	29,138	46,439	250,771	102,106	22,299	1,068,811	68,308	23,395	30,971	226,907	163,049
Forestry.....	11,823	185,170	15,817	5,026	5,454	22,715	16,488	5,332	136,120	7,160	2,895	973	14,510	40,369
Fishing, hunting, and trapping.....	65,137	1,481,294	156,775	17,373	32,198	179,962	335,711	41,596	1,257,983	92,331	12,314	15,151	156,093	422,085
Mining.....	97,488	6,084,218	400,916	224,029	204,421	325,036	90,450	48,690	4,616,215	233,997	156,261	86,822	206,028	1,066,922
Metal mining.....	4,702	27,750	793	793	793	1,887	-83,602	347	20,636	*747	*376	*210	*880	7,522
Coal mining.....	3,922	468,383	59,131	15,924	17,659	76,871	-30,142	1,124	268,152	25,297	7,127	4,659	32,168	24,482
Oil and gas extraction.....	85,735	5,319,929	316,742	198,817	178,147	207,215	218,532	45,894	4,124,206	195,257	142,851	78,186	145,535	1,004,033
Nonmetallic minerals, except fuels.....	3,129	268,157	21,498	8,504	7,828	39,062	-14,338	1,325	203,220	12,696	5,908	3,767	27,445	30,884

Footnotes at end of table.

Table 1.—Sole Proprietorship Businesses: Business Receipts, Selected Deductions, and Net Income, by Industry—Continued

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

Industry	Businesses with and without net income							Businesses with net income						
	Number of businesses	Business receipts	Depreciation	Taxes paid deduction	Interest paid	Payroll	Net income (less deficit)	Number of businesses	Business receipts	Depreciation	Taxes paid deduction	Interest paid	Payroll	Net income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Construction	1,097,417	50,942,938	1,722,012	882,504	761,750	8,103,729	7,947,840	933,457	45,209,490	1,318,039	745,596	543,597	6,956,712	8,706,799
General building contractors and operative builders.....	233,779	19,351,815	393,896	264,719	355,006	2,841,027	1,964,180	187,261	16,592,851	303,124	213,554	235,002	2,315,543	2,298,979
General building contractors.....	230,423	18,550,700	383,478	253,467	317,681	2,776,962	1,918,625	184,641	15,969,385	295,315	205,314	211,329	2,258,761	2,236,610
Operative builders.....	3,356	801,115	10,418	11,252	37,325	64,066	45,554	2,620	623,466	7,809	7,240	23,673	56,792	62,369
Heavy construction contractors.....	27,723	1,757,002	173,731	42,829	43,682	297,238	179,857	18,466	1,359,755	110,892	31,467	27,292	212,155	247,105
Highway and street construction.....	8,320	746,521	77,434	18,186	15,993	131,945	28,783	4,547	541,522	39,007	12,167	8,044	97,627	64,039
Heavy construction, except highway.....	19,403	1,010,481	96,297	24,643	27,690	165,293	151,073	13,919	818,234	71,885	19,300	19,248	114,528	183,066
Special trade contractors.....	787,396	28,185,647	1,105,463	543,146	337,221	4,759,095	5,530,334	687,479	25,858,996	874,384	479,793	262,268	4,259,610	5,856,319
Plumbing, heating, and air conditioning.....	74,984	4,686,585	126,909	100,267	43,550	741,304	616,109	60,277	4,119,776	100,849	84,350	33,225	624,789	684,102
Painting, paper hanging, and decorating.....	119,536	2,794,157	74,180	64,109	24,010	605,920	710,890	105,225	2,603,754	63,285	59,788	17,894	549,111	739,674
Electrical work.....	55,313	2,548,270	75,044	55,716	23,062	418,246	425,189	47,054	2,282,242	62,131	46,336	19,683	347,431	451,607
Masonry, stonework, tile setting, and plastering.....	91,803	4,171,934	93,382	68,473	20,351	920,570	841,443	84,533	4,028,924	84,363	66,465	18,790	876,855	856,583
Carpentering and flooring.....	239,736	4,662,074	123,078	54,495	47,570	592,575	1,403,776	222,931	4,405,071	108,166	49,535	39,700	548,434	1,452,304
Roofing and sheet metal work.....	42,743	1,786,865	46,759	27,402	15,660	308,056	343,421	38,358	1,661,490	38,437	24,633	11,277	274,990	357,382
Concrete work.....	22,327	1,361,767	52,819	28,924	14,513	272,659	184,901	18,821	1,227,629	44,533	24,477	12,730	230,483	193,911
Water well drilling.....	7,133	353,509	29,789	7,431	6,289	44,941	64,894	5,022	331,109	21,048	6,790	5,124	41,762	77,938
Miscellaneous special trade contractors.....	133,821	5,820,488	483,504	136,329	142,215	854,824	939,712	105,258	5,199,002	351,573	117,399	103,847	765,756	1,042,818
Contractors not allocable.....	48,519	1,648,474	48,921	31,810	25,841	206,370	273,470	40,251	1,397,887	29,639	20,783	19,934	169,404	304,395
Manufacturing	235,526	12,928,527	702,296	314,644	228,781	2,240,025	1,512,431	151,128	10,941,164	493,909	256,495	146,422	1,848,716	1,890,474
Food and kindred products.....	4,303	1,074,563	25,163	12,311	8,618	100,448	45,394	3,202	9,121,969	21,079	10,947	6,634	85,005	60,993
Textile mill products.....	2,274	129,509	3,705	4,117	*2,218	*21,189	29	1,216	49,075	*673	*598	*160	*4,668	5,556
Apparel and other textile products.....	10,413	580,550	9,704	25,065	3,987	213,174	59,686	8,441	486,158	8,159	23,574	2,360	174,386	72,005
Lumber and wood products, except furniture.....	66,559	3,611,004	278,475	76,969	88,065	540,143	381,102	46,611	3,041,265	210,564	63,846	58,899	435,606	465,147
Furniture and fixtures.....	5,696	355,561	11,423	8,073	3,776	62,911	44,553	3,454	345,464	10,238	7,956	3,361	61,266	48,501
Printing, publishing, and allied industries.....	53,484	2,806,322	147,929	78,742	38,140	528,518	357,997	34,257	2,432,029	92,212	64,297	25,994	431,645	439,815
Chemicals and allied products.....	1,344	184,887	5,483	3,164	2,648	19,765	14,616	1,025	161,347	*3,419	*2,525	*1,757	*16,739	22,117
Leather and leather products.....	*455	*7,891	*166	*220	*62	*1,906	*236	*243	*6,667	*57	*191	*16	*1,906	*477
Stone, clay, and glass products.....	15,059	479,930	23,481	13,109	8,432	58,170	17,097	5,587	320,784	11,518	8,677	3,350	41,298	43,540
Primary metal industries.....	1,405	138,747	4,400	2,530	*1,986	17,367	29,036	1,062	126,476	3,224	1,933	*1,375	14,038	29,936
Fabricated metal products.....	8,744	546,562	21,352	16,811	8,868	108,525	87,328	6,631	439,911	16,871	11,269	5,159	86,752	95,805
Machinery, except electrical.....	21,999	1,437,846	96,373	39,558	30,119	342,176	290,852	14,812	1,327,483	75,923	35,879	21,824	319,752	314,013
Electrical and electronic equipment.....	6,319	301,384	16,516	7,906	10,852	51,570	18,879	3,252	215,919	11,825	3,194	4,351	26,235	44,865
Transportation equipment.....	2,939	218,566	7,621	6,471	4,221	25,552	-4,623	1,435	147,838	3,257	5,892	1,664	20,290	19,820
Other manufacturing industries.....	31,119	925,986	42,052	15,883	13,812	126,332	155,945	17,983	815,038	21,372	13,822	7,310	113,006	204,745
Manufacturing not allocable.....	3,214	129,200	8,474	3,715	2,977	22,261	14,304	1,937	103,740	3,519	1,895	*2,207	*16,124	23,138
Transportation, communication, electric, gas, and sanitary services	415,472	18,069,893	1,741,726	547,807	563,272	1,748,440	1,956,999	295,192	14,592,510	1,195,506	411,277	373,239	1,356,158	2,616,570
Local and interurban passenger transit.....	50,892	941,666	73,172	29,519	18,324	156,523	176,324	40,345	815,261	59,977	24,230	15,495	133,135	200,701
Taxicabs.....	36,807	460,699	24,677	12,765	6,053	45,201	107,250	29,720	420,359	20,219	11,093	5,608	*42,072	119,064
Other passenger transportation.....	14,085	480,967	48,494	16,754	12,272	111,321	69,074	10,625	394,902	39,758	13,137	9,887	91,063	81,637
Trucking and warehousing.....	292,338	14,253,843	1,449,103	466,984	463,397	1,289,225	1,605,174	214,568	11,438,017	1,028,751	347,435	320,659	968,596	2,046,905
Trucking, local and long distance.....	290,321	14,031,550	1,438,298	463,410	456,305	1,270,085	1,590,121	213,230	11,272,945	1,029,159	344,868	316,189	954,221	2,025,444
Public warehousing and trucking terminals.....	2,017	222,293	10,805	3,574	7,093	19,139	15,052	1,338	165,072	5,592	2,566	4,470	14,374	21,461
Water transportation.....	8,572	262,575	50,873	3,621	26,627	16,395	20,277	3,231	195,718	13,435	2,162	6,288	13,153	74,717
Air transportation.....	7,676	204,225	38,436	3,516	16,607	8,675	-15,645	4,278	147,413	14,662	1,905	8,129	5,353	20,342
Transportation services.....	21,886	1,395,825	30,151	14,376	14,491	113,732	47,747	13,974	1,075,853	15,205	10,450	4,203	80,435	95,030
Passenger transportation arrangement.....	15,581	994,672	7,712	10,606	7,852	81,871	20,188	9,746	725,328	4,181	7,414	1,553	52,269	58,870
Freight transportation arrangement.....	1,387	95,209	3,614	1,324	1,507	*3,617	13,157	836	89,289	*1,175	*983	*141	*3,139	15,572
Other transportation services.....	4,918	305,945	18,825	2,446	5,133	28,243	14,402	3,392	261,236	9,849	2,053	2,510	20,588	20,588
Communication.....	5,159	174,076	27,962	8,328	4,220	42,856	12,368	3,522	162,013	10,766	3,839	2,062	40,262	41,088
Electric, gas, and water services.....	1,764	191,203	5,398	2,517	1,542	*14,608	12,205	1,537	188,345	2,485	*1,355	*14,580	12,346	12,346
Sanitary services.....	27,185	646,480	66,631	20,946	18,065	106,426	98,549	13,737	569,888	47,835	18,771	15,048	100,645	125,442

Footnotes at end of table.

Table 1.—Sole Proprietorship Businesses: Business Receipts, Selected Deductions, and Net Income, by Industry—Continued

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

Industry	Businesses with and without net income							Businesses with net income						
	Number of businesses	Business receipts	Depreciation	Taxes paid deduction	Interest paid	Payroll	Net income (less deficit)	Number of businesses	Business receipts	Depreciation	Taxes paid deduction	Interest paid	Payroll	Net income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Wholesale and retail trade	2,454,720	195,654,840	2,916,906	3,266,452	1,798,577	12,681,765	11,173,789	1,515,131	167,175,158	2,107,764	2,624,360	1,216,109	10,369,330	14,378,969
Wholesale trade.....	314,727	43,800,602	526,608	392,628	301,604	1,573,101	3,194,048	236,768	38,180,874	416,877	338,815	220,226	1,355,176	3,604,376
Motor vehicles and automotive equipment	12,962	2,426,756	17,881	27,103	15,326	125,521	165,463	10,899	2,134,274	16,326	24,273	13,168	114,717	176,296
Lumber and construction materials	6,886	1,043,018	25,669	16,169	14,363	74,063	77,913	5,397	942,925	23,105	14,943	12,129	69,105	81,400
Electrical goods.....	11,316	898,875	15,959	12,462	7,664	62,796	118,528	7,413	781,649	10,381	8,881	4,834	56,888	132,412
Hardware, plumbing, and heating equipment.....	9,097	893,374	16,479	12,688	5,901	50,583	114,379	7,429	796,417	15,075	11,337	4,962	43,347	121,429
Farm machinery and equipment.....	7,822	2,337,563	22,721	20,204	25,606	113,277	94,629	5,842	1,976,042	17,553	17,477	20,160	98,310	115,631
Other machinery, equipment, and supplies.....	27,669	2,801,409	59,241	36,754	31,997	200,716	306,856	21,799	2,604,396	51,946	33,144	23,784	185,518	340,320
Other durable goods.....	55,920	4,886,861	78,817	35,780	46,655	183,661	552,287	39,193	4,476,690	61,184	30,635	36,077	170,357	611,109
Drugs, chemicals, and allied products.....	10,453	699,963	9,430	3,256	3,262	11,896	83,925	6,150	554,442	7,782	2,530	1,066	10,511	106,628
Apparel, piece goods, and notions.....	13,968	628,707	5,043	3,824	2,907	18,579	141,351	10,812	566,403	4,215	2,988	2,206	15,223	153,271
Groceries and related products.....	37,055	7,258,230	74,852	44,407	34,506	272,768	371,198	29,807	6,382,679	60,096	33,916	21,976	216,381	407,220
Farm-product raw materials.....	10,840	7,478,065	36,354	10,490	32,686	58,678	84,959	8,350	5,777,516	25,092	8,350	20,102	45,700	117,264
Alcoholic beverages.....	1,516	651,667	9,505	5,739	4,959	35,589	30,660	1,017	613,367	6,426	4,425	2,619	32,989	43,297
Other nondurable goods.....	54,911	9,537,110	118,346	145,872	64,009	295,671	454,041	38,743	8,533,942	89,455	130,424	46,312	237,286	564,263
Wholesalers not allocable.....	54,312	2,259,003	36,312	17,880	11,753	69,313	597,857	49,917	2,040,133	28,242	15,493	10,110	58,844	631,836
Retail trade.....	1,985,755	146,100,911	2,258,775	2,767,829	1,444,133	10,793,298	7,341,927	1,178,955	124,150,636	1,609,788	2,219,322	959,897	8,761,718	9,956,190
Building materials, paint, hardware, garden supply, and mobile home dealers.....	67,350	7,091,833	144,380	143,827	117,775	559,763	469,085	42,835	6,188,538	103,909	119,074	74,590	474,501	587,375
Lumber and other building materials dealers.....	12,524	2,048,862	40,048	47,871	24,044	186,457	128,277	9,836	1,812,828	32,883	41,781	14,508	154,497	149,265
Paint, glass, and wallpaper stores.....	8,879	773,093	13,279	15,492	7,838	101,573	62,328	6,591	688,500	11,276	14,609	6,622	90,140	71,479
Hardware stores.....	17,704	2,102,075	33,675	33,985	38,159	133,219	164,441	11,949	1,841,566	24,287	27,287	24,840	108,147	203,359
Retail nurseries and garden supply stores.....	21,765	1,102,750	30,919	23,136	10,776	101,840	68,156	10,267	945,534	21,061	18,255	6,878	89,493	96,365
Mobile home dealers.....	6,478	1,055,052	26,458	23,343	38,958	36,673	45,883	4,192	890,110	14,403	17,142	21,743	32,224	66,908
General merchandise stores.....	28,303	3,656,999	43,190	51,979	34,255	172,337	178,526	19,316	3,240,312	35,200	45,144	30,778	161,220	218,588
Variety stores.....	5,262	524,023	5,901	7,903	4,648	42,220	43,331	3,732	493,517	4,705	4,133	4,133	41,645	45,372
Other general merchandise stores.....	23,041	3,132,976	37,199	44,076	29,607	130,117	135,194	15,584	2,746,795	30,495	37,953	26,645	119,575	173,216
Food stores.....	173,284	27,096,966	323,978	370,114	188,907	1,543,207	1,011,956	123,309	23,071,907	241,881	304,945	127,101	1,271,630	1,255,361
Grocery stores.....	111,649	22,170,113	230,769	297,421	148,370	1,122,221	706,472	80,001	18,859,057	173,091	245,910	100,818	930,408	882,771
Meat and fish markets, including freezer provisioners.....	13,417	1,543,149	20,729	15,082	11,853	89,679	65,219	9,453	1,228,180	15,828	10,442	7,326	67,691	89,135
Fruit stores and vegetable markets.....	10,324	711,377	9,775	6,069	3,680	32,692	37,389	7,025	633,735	7,617	4,776	2,860	30,720	44,477
Candy, nut, and confectionery stores.....	5,873	297,965	5,054	4,417	1,421	12,535	14,054	4,378	269,401	4,025	5,322	4,015	6,376	21,857
Dairy products stores.....	6,054	697,642	15,371	10,602	8,762	54,353	35,885	4,176	560,345	9,443	8,497	5,129	36,894	42,960
Retail bakeries.....	16,496	963,627	30,982	22,895	11,525	191,521	100,458	11,998	868,706	23,435	18,821	8,257	162,725	112,725
Miscellaneous food stores.....	9,471	713,095	11,298	13,328	3,297	40,205	52,028	6,278	652,483	8,442	12,483	2,178	36,814	61,438
Automotive dealers and service stations.....	219,067	48,886,939	385,454	676,351	314,395	2,471,511	1,935,242	161,261	42,912,515	308,377	574,988	219,689	2,134,969	2,275,699
Motor vehicle dealers - new car dealers (franchised).....	5,449	3,268,869	14,248	21,873	53,816	144,510	35,272	3,343	2,488,998	9,659	15,953	36,020	109,167	52,958
Motor vehicle dealers - used cars only.....	42,493	5,549,975	36,961	48,210	61,324	175,974	119,968	25,726	3,865,653	23,493	30,177	33,369	119,092	211,291
Auto and home supply stores.....	31,210	3,490,307	60,874	68,388	41,092	303,592	225,961	21,609	3,001,808	46,788	58,533	29,297	239,891	273,141
Gasoline service stations.....	121,076	34,381,127	235,197	511,636	106,548	1,734,727	1,513,286	100,100	31,882,187	207,225	450,405	87,799	1,578,398	1,637,396
Boat dealers.....	5,933	573,042	11,572	7,899	20,337	41,144	7,905	2,187	372,084	7,323	5,405	10,941	28,606	28,398
Recreational vehicles.....	3,515	434,623	5,056	2,890	8,621	13,507	—955	2,620	365,317	3,633	2,190	5,183	10,313	11,921
Motorcycle dealers.....	3,073	558,029	4,586	7,891	10,683	36,474	17,153	2,405	510,973	4,052	6,852	8,966	31,881	23,102
Miscellaneous aircraft and automotive dealers.....	6,318	630,967	16,960	7,564	11,973	21,583	16,652	3,271	425,495	6,202	5,472	8,114	17,622	37,491
Apparel and accessory stores.....	71,199	4,652,161	71,715	102,513	61,984	462,981	349,570	45,152	3,826,327	45,466	77,181	38,497	347,924	511,793
Men's and boys' clothing and furnishings stores.....	3,844	443,410	3,576	6,454	2,977	39,480	64,717	3,387	430,339	3,477	5,947	2,673	38,072	65,460
Women's ready-to-wear stores.....	16,283	1,080,323	19,302	27,933	12,456	112,451	43,013	8,445	817,647	12,599	18,443	6,590	79,066	92,826
Women's accessory and specialty stores.....	6,635	213,294	3,528	4,980	3,383	30,853	10,683	4,060	154,669	*1,900	2,381	*1,362	*13,776	21,808
Children's and infant wear stores.....	4,489	322,567	5,192	7,000	6,258	29,329	18,840	2,283	244,281	3,135	5,442	3,347	23,452	26,108
Family clothing stores.....	13,689	855,366	19,334	22,795	14,172	72,511	27,797	7,161	618,897	6,762	16,990	6,795	42,129	77,756
Shoe stores.....	9,449	947,172	7,370	16,409	12,057	98,570	95,163	7,643	851,561	6,302	14,004	9,914	85,493	106,832
Furriers and fur shops.....	*1,074	*91,652	*408	*931	*538	*14,322	*16,712	*998	*84,300	*280	*760	*319	*13,726	*19,883
Apparel and accessory stores, not elsewhere classified.....	15,736	698,376	13,006	16,011	10,144	65,446	72,645	11,175	624,634	11,012	13,214	7,487	53,211	101,121

Footnotes at end of table.

Table 1.—Sole Proprietorship Businesses: Business Receipts, Selected Deductions, and Net Income, by Industry—Continued

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

Industry	Businesses with and without net income							Businesses with net income						
	Number of businesses	Business receipts	Depreciation	Taxes paid deduction	Interest paid	Payroll	Net income (less deficit)	Number of businesses	Business receipts	Depreciation	Taxes paid deduction	Interest paid	Payroll	Net income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Wholesale and retail trade—Continued														
Retail trade—Continued														
Furniture and home furnishings stores.....	109,838	7,393,256	133,142	152,709	96,494	602,932	500,381	70,529	5,999,285	95,165	111,778	65,334	487,611	683,199
Furniture stores.....	24,736	2,054,253	34,959	38,969	22,926	151,056	197,744	17,013	1,768,482	28,439	31,842	19,101	128,100	231,898
Floor covering stores.....	12,420	1,142,744	17,588	23,343	9,900	115,453	76,555	8,966	819,983	11,378	13,597	5,209	86,695	104,116
Drapery, curtain and upholstery stores.....	9,747	311,202	7,333	9,426	1,221	27,479	41,471	7,381	303,251	4,483	8,924	761	27,226	52,136
Home furnishings and equipment stores, except appliances.....	18,103	553,866	13,342	11,042	7,313	38,301	41,511	10,144	489,282	9,492	9,087	5,275	36,332	61,691
Household appliance stores.....	13,565	1,537,089	18,594	32,354	23,856	112,486	77,478	8,807	1,156,804	14,039	22,538	13,445	87,721	98,439
Radio and television stores.....	18,286	955,419	23,938	16,271	16,261	88,244	24,109	9,473	783,191	15,013	10,788	9,499	69,274	73,934
Music stores.....	12,981	838,686	17,388	21,305	15,017	69,913	41,513	8,745	678,292	12,321	15,002	12,023	52,263	60,984
Eating and drinking places.....	241,882	18,024,491	565,593	761,228	312,257	3,124,912	1,016,699	161,941	14,414,429	395,476	570,198	194,132	2,333,042	1,485,457
Eating places.....	173,860	13,911,924	433,552	543,030	238,271	2,601,612	808,125	117,424	11,203,145	306,729	410,903	148,981	1,946,342	1,151,542
Drinking places.....	68,222	4,112,566	132,041	218,198	73,986	523,301	208,574	44,517	3,211,284	88,747	159,295	45,150	386,700	333,915
Miscellaneous retail stores.....	1,041,012	28,106,378	557,438	506,957	303,261	1,793,667	1,757,265	533,929	23,506,392	367,519	400,780	202,728	1,505,555	2,762,898
Drug stores and proprietary stores.....	17,838	2,875,444	33,387	45,459	21,223	294,488	257,710	13,895	2,748,470	28,084	42,777	19,327	282,758	282,716
Liquor stores.....	25,695	4,753,828	49,241	101,347	38,695	196,864	208,507	19,295	3,983,750	41,711	75,372	27,482	163,880	239,021
Used merchandise stores.....	76,487	1,876,438	54,797	35,988	43,134	119,759	126,439	38,841	1,559,333	33,727	27,574	31,998	99,858	221,193
Sporting goods and bicycle shops.....	43,771	2,167,830	34,480	42,301	33,387	150,691	167,944	24,381	1,818,027	24,545	34,276	20,919	120,322	205,799
Book stores.....	14,168	933,412	16,238	18,909	10,691	70,099	30,802	7,257	665,406	7,481	12,681	3,504	54,048	64,201
Stationery stores.....	5,000	462,877	10,392	7,567	4,279	31,555	41,544	4,096	406,523	8,762	6,278	3,069	27,619	43,268
Jewelry stores.....	31,674	1,723,674	27,639	31,709	22,167	118,190	240,808	20,110	1,637,312	22,804	29,909	19,389	113,422	276,009
Hobby, toy, and game shops.....	14,792	259,289	7,518	5,711	5,666	18,147	—551	6,341	162,909	3,099	3,388	3,579	9,537	21,087
Camera and photographic supply stores.....	803	70,687	1,015	1,250	*515	5,378	1,123	92	56,546	*461	*789	*401	*4,080	3,369
Gift, novelty, and souvenir shops.....	39,210	1,255,248	28,223	33,226	16,815	103,731	74,391	20,326	1,066,451	18,104	25,825	11,115	85,143	136,641
Luggage and leather goods stores.....	2,526	119,322	1,650	2,050	743	*11,503	20,885	1,780	110,747	654	2,007	*683	*11,503	22,028
Sewing, needlework, and piece goods stores.....	14,909	399,400	6,531	12,210	5,559	30,282	12,339	8,659	291,416	2,863	7,751	1,146	19,096	38,773
Mail order houses.....	16,191	435,687	6,103	4,865	3,944	42,229	5,905	400,899	4,731	4,144	2,516	6,204	36,204	76,044
Merchandising machine operators.....	20,242	707,571	65,842	20,346	7,303	34,564	39,917	9,109	633,016	48,441	17,731	5,880	32,710	64,108
Direct selling organizations.....	599,008	3,625,387	78,793	29,990	30,948	73,789	107,180	278,922	2,493,467	39,976	17,359	14,988	45,881	525,673
Fuel and ice dealers, except fuel oil dealers and bottled gas dealers.....	7,063	194,691	9,871	4,919	3,615	9,722	14,154	3,583	178,476	5,445	4,351	1,741	7,498	26,104
Fuel oil dealers.....	3,294	843,962	8,897	8,725	3,482	34,294	41,999	2,698	742,837	7,548	7,853	2,655	31,260	44,249
Liquified petroleum gas (bottled) dealers.....	1,212	119,556	2,182	2,059	954	6,584	10,713	1,173	100,147	1,194	1,639	298	*4,553	11,375
Florists.....	33,344	1,464,117	40,923	45,820	17,724	201,684	65,978	18,902	1,200,009	22,504	37,555	9,266	162,621	128,185
Cigar stores and stands.....	4,270	470,991	10,574	13,825	7,324	25,014	2,090	2,816	292,920	5,271	9,296	*4,450	*15,791	14,465
News dealers and newsstands.....	7,143	497,075	5,806	4,422	2,234	29,126	37,176	5,558	489,050	5,609	4,405	2,232	29,126	39,055
Other miscellaneous retail stores.....	62,372	2,749,891	57,338	34,455	22,860	185,973	196,337	38,090	2,468,676	34,506	27,821	16,090	148,649	277,534
Retail trade not allocable.....	33,820	1,191,888	33,885	22,151	14,806	62,007	123,200	20,683	990,933	16,796	15,234	7,049	45,267	175,820
Wholesale and retail trade not allocable.....	154,238	5,753,327	131,523	85,994	52,840	315,366	637,818	99,408	4,843,648	81,100	66,224	35,985	252,436	818,403
Finance, insurance, and real estate.....	1,057,726	21,156,800	869,139	342,445	993,055	996,622	7,072,331	775,168	18,301,632	514,592	201,495	406,235	818,239	8,185,727
Finance.....	34,710	2,030,305	40,168	13,074	82,866	34,503	393,751	24,441	1,422,764	21,887	9,836	29,831	21,283	491,271
Banking and miscellaneous finance.....	2,823	194,098	1,543	554	6,198	2,651	32,741	2,548	191,089	1,056	544	2,351	2,593	43,257
Credit agencies other than banks.....	4,356	131,493	3,057	1,289	17,728	7,138	34,082	2,937	98,576	1,325	570	12,003	2,827	56,618
Security and commodity brokers and services.....	27,531	1,704,714	35,568	11,250	58,940	24,714	266,927	18,956	1,133,099	19,506	8,722	15,477	15,863	391,396
Security brokers and dealers, except underwriting syndicates.....	15,155	774,510	14,083	7,749	27,855	8,508	169,430	10,859	572,563	9,758	6,897	11,668	6,583	225,843
Commodity contracts brokers, exchanges, and services.....	12,376	930,203	21,485	3,502	31,085	16,206	97,497	8,097	560,535	1,825	1,825	3,809	9,280	165,553
Insurance agents, brokers, and service.....	217,533	5,800,652	134,440	60,352	66,283	548,141	2,416,684	177,381	5,557,220	110,350	55,355	57,143	520,852	2,579,779
Real estate.....	805,483	13,325,842	694,530	269,019	843,906	413,978	4,321,897	573,346	11,321,648	382,356	136,303	319,261	276,104	5,114,676
Operators and lessors of buildings.....	25,032	1,065,566	200,425	79,372	290,208	62,724	—27,991	10,612	566,818	68,230	38,037	89,776	44,144	109,902
Lessors, other than buildings.....	53,283	226,656	52,501	32,604	62,205	7,834	—23,290	21,339	142,223	11,662	10,841	8,128	1,165	74,699
Real estate agents, brokers, and managers.....	702,275	10,799,435	409,550	135,918	376,689	284,612	4,186,304	523,201	9,668,850	283,116	76,083	167,240	199,576	4,650,563
Title abstract companies.....	2,151	45,277	794	*678	*576	*2,570	25,760	2,151	45,277	794	*678	*576	*2,570	25,760
Subdividers and developers, except cemeteries.....	10,088	864,377	21,193	15,558	98,330	33,913	37,718	6,884	594,805	9,874	6,760	42,114	8,081	114,116
Cemetery subdividers and developers.....	575	8,843	*458	*473	*514	*9	—296	*412	*8,558	*75	*95	*285	—	*3,321
Combined real estate, insurance, loans, law offices.....	12,079	315,688	9,610	4,417	15,384	22,316	123,690	8,747	293,116	8,606	3,811	12,143	20,567	136,313

Footnotes at end of table.

Table 1.—Sole Proprietorship Businesses: Business Receipts, Selected Deductions, and Net Income, by Industry—Continued

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

Industry	Businesses with and without net income							Businesses with net income						
	Number of businesses	Business receipts	Depreciation	Taxes paid deduction	Interest paid	Payroll	Net income (less deficit)	Number of businesses	Business receipts	Depreciation	Taxes paid deduction	Interest paid	Payroll	Net income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Services.....	3,654,001	83,289,968	4,017,261	1,757,174	1,633,191	11,132,523	25,531,243	2,826,461	75,507,960	2,669,421	1,445,962	1,037,703	9,778,126	28,511,320
Hotels and other lodging places	69,170	2,895,113	380,501	172,416	338,020	369,232	87,041	34,547	1,882,902	177,188	93,948	159,236	203,699	339,319
Hotels.....	4,416	362,230	34,196	22,975	40,724	79,678	3,851	2,516	223,519	17,607	12,828	21,821	34,413	36,947
Motels, motor hotels, and tourist courts.....	34,259	1,843,359	250,102	114,811	234,172	255,621	47,261	14,968	1,136,692	108,247	58,355	102,214	146,480	199,067
Rooming and boarding houses.....	9,739	107,435	9,697	5,754	5,956	7,143	16,198	7,678	97,346	6,713	4,622	3,616	6,599	23,691
Sporting and recreational camps.....	6,169	191,655	24,385	6,718	13,807	7,310	—17,542
Travelling parks and camp sites.....	14,566	389,065	61,946	22,080	43,211	19,212	37,996	7,611	316,493	38,677	17,221	28,406	14,785	69,212
Organizational hotels and lodging houses, on a membership basis.....	*21	*1,369	*175	*78	*150	*268	*—723	**	**	**	**	**	**	**
Personal services.....	718,527	10,009,981	520,089	262,745	165,771	1,872,708	2,421,731	589,514	9,090,341	399,687	226,360	127,163	1,636,201	2,693,750
Coin-operated laundries and dry cleaning.....	28,522	698,348	95,839	18,417	25,383	63,745	24,261	16,532	541,267	59,600	13,715	15,583	48,702	77,584
Other laundry, cleaning, and garment services.....	57,141	1,930,747	120,312	52,074	37,993	419,943	340,495	45,016	1,757,457	104,460	44,106	32,091	360,873	371,211
Photographic studios, portrait.....	56,590	937,673	59,537	17,842	11,446	103,510	155,602	29,420	847,455	40,432	15,528	10,053	101,140	213,394
Beauty shops.....	237,833	3,475,334	112,391	104,867	32,299	940,799	903,170	201,157	3,181,092	90,149	92,805	24,389	824,297	965,842
Barber shops.....	71,932	731,117	14,882	14,601	4,650	76,212	401,514	67,369	716,383	14,065	13,467	4,563	71,647	406,125
Shoe repair and hat cleaning shops.....	11,763	278,608	7,264	7,346	2,649	45,018	78,164	9,967	252,991	4,976	6,536	2,212	35,797	80,635
Funeral service and crematories.....	13,107	916,508	51,631	26,152	24,607	82,651	207,837	11,798	885,306	46,274	24,879	21,699	78,203	220,515
Miscellaneous personal services.....	241,639	1,032,646	58,234	21,445	26,745	140,831	310,686	208,255	908,391	39,730	15,325	16,593	115,543	358,444
Business services.....	817,002	14,158,263	801,168	225,930	309,580	1,506,460	4,204,731	635,530	12,587,226	467,041	178,273	165,277	1,289,651	4,880,669
Advertising.....	33,545	1,292,366	28,102	13,984	9,512	87,496	173,252	22,144	1,092,742	22,696	10,359	6,101	66,984	212,026
Services to buildings.....	137,741	1,688,598	65,851	34,265	18,693	325,908	559,915	120,208	1,563,887	52,462	31,207	15,382	285,107	603,536
Computer and data processing services.....	22,451	417,626	35,749	3,308	8,123	31,166	184,250	17,618	396,867	12,574	2,868	3,804	30,733	207,070
Management and public relations.....	258,435	4,100,117	114,644	29,093	73,514	179,622	1,870,746	202,245	3,786,077	76,793	21,412	36,018	138,898	2,078,509
Equipment rental and leasing.....	38,368	1,517,459	369,926	46,518	129,401	174,074	—1,042	18,331	1,105,925	168,201	29,618	54,974	127,678	190,327
Other business services.....	326,462	5,142,099	186,896	98,763	70,336	708,193	1,417,611	254,984	4,641,627	132,135	82,609	49,999	640,251	1,589,201
Automobile repair and services.....	205,092	8,813,203	378,711	224,305	174,411	1,201,477	1,064,700	150,317	7,560,096	257,815	186,123	112,261	1,013,903	1,272,009
Automotive rentals, without drivers.....	12,590	380,743	102,065	15,942	36,070	13,439	9,493	6,239	254,040	51,337	8,167	17,087	8,830	48,701
Automobile parking.....	1,776	87,358	874	3,654	921	13,535	13,302	1,753	84,901	419	3,452	..	13,374	15,805
Automotive top and body repair shops.....	44,047	1,881,398	53,452	49,355	21,233	344,532	224,033	34,354	1,676,592	43,046	43,996	17,277	294,687	271,425
General automotive repair shops.....	106,731	4,576,484	151,152	106,285	76,674	576,822	572,128	78,487	3,936,717	114,855	89,746	54,295	470,195	658,528
Other automotive repair shops.....	18,262	1,197,217	23,630	29,035	9,711	175,441	172,448	15,423	1,088,319	21,384	27,120	9,357	167,621	180,767
Automotive services, except repair.....	21,686	690,003	47,537	20,034	29,802	77,708	73,295	14,061	519,529	26,774	13,643	14,237	59,195	96,783
Miscellaneous repair services.....	257,404	4,977,842	221,231	95,998	76,708	597,462	964,547	185,459	4,387,020	157,136	81,007	59,822	512,949	1,094,659
Radio and TV repair shops.....	33,491	593,767	28,511	14,582	6,439	58,793	101,009	22,646	546,424	20,564	12,287	5,787	57,428	125,885
Electrical repair shops, except radio and TV.....	33,735	854,345	29,061	16,879	15,375	82,142	170,928	25,679	786,781	22,676	15,033	12,048	75,309	187,632
Reupholstery and furniture repair.....	37,992	539,030	21,262	9,119	6,770	69,991	102,056	27,728	420,720	14,293	6,897	5,372	42,274	118,413
Other miscellaneous repair shops.....	152,186	2,990,700	142,396	55,418	48,123	386,537	590,553	109,406	2,633,095	99,603	46,790	36,615	337,938	662,730
Motion pictures.....	10,321	477,817	33,309	9,986	6,177	29,887	20,777	6,330	435,563	10,113	8,738	2,631	27,487	67,955
Motion picture production, distribution, and services.....	7,394	287,067	26,411	3,519	2,950	18,223	4,778	4,481	266,856	6,485	3,287	1,198	17,040	45,368
Motion picture theaters.....	2,927	190,750	6,899	6,467	3,667	11,665	15,999	1,849	168,708	3,628	5,452	*1,433	10,447	22,587
Amusement and recreation services, except motion pictures.....	282,311	3,812,276	375,003	81,119	82,359	382,360	161,801	152,970	2,898,891	134,990	49,477	29,207	265,977	862,565
Producers, orchestras, and entertainers.....	127,760	1,287,923	73,194	20,246	8,953	95,871	340,708	86,128	1,136,705	39,186	10,495	4,216	79,435	478,644
Billiard and pool establishments.....	4,024	71,309	5,001	1,955	*582	*1,846	11,411	1,798	47,406	*1,261	*1,552	*205	*1,695	15,180
Bowling alleys.....	2,113	135,142	19,339	6,908	14,894	20,772	1,516	1,330	102,079	12,401	3,819	8,600	*12,922	12,990
Professional sports clubs and promoters.....	2,820	18,182	919	*116	*351	*539	—2,106	1,109	11,160	*69	*48	*54	*198	1,455
Racing, including track operation.....	61,248	808,461	145,207	15,233	14,131	97,814	—292,789	16,391	453,079	20,548	8,324	3,189	58,836	102,198
Other amusement and recreation services.....	84,346	1,491,258	131,344	36,660	43,449	165,517	103,063	46,214	1,148,461	61,525	25,239	12,943	112,892	252,099
Medical and health services.....	421,280	22,012,395	681,579	395,150	277,319	3,046,062	10,334,944	383,285	21,486,218	624,660	372,245	245,409	2,904,341	10,494,345
Offices of physicians.....	156,153	10,058,465	267,179	148,679	70,815	1,131,401	5,567,680	141,650	9,876,816	248,044	143,961	65,584	1,099,256	5,633,169
Offices of dentists.....	84,926	6,783,980	225,673	135,885	97,089	1,129,655	2,841,575	80,120	6,718,068	214,832	132,614	92,686	1,107,500	2,864,194
Offices of osteopathic physicians.....	2,511	174,511	4,840	3,046	1,337	22,191	89,857	2,362	173,793	4,736	3,004	1,297	21,967	90,523
Offices of chiropractors.....	19,721	934,728	45,809	15,796	33,987	79,525	381,561	17,217	902,933	40,423	14,869	28,892	75,732	391,096
Offices of optometrists.....	13,709	1,037,457	32,253	16,603	16,718	101,036	330,599	12,486	1,013,193	29,118	16,274	15,422	97,541	336,554
Registered and practical nurses.....	47,631	294,216	2,881	996	446	*2,213	231,010	46,465	292,744	1,970	940	386	*2,213	233,702
Nursing and personal care facilities.....	17,581	909,729	42,889	46,513	38,889	319,599	100,982	14,671	770,438	33,288	37,032	27,396	265,544	119,794
Hospitals.....	400	127,904	4,650	5,479	*1,076	54,192	11,295	*395	*97,544	*3,969	*3,831	*591	*38,836	*12,

Partnership Returns/1979

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Table 2.—Total Assets and Income Statement for Selected Industries

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

Item	All industries	Agriculture, forestry, and fishing								
		Total	Farms							
			Total	Field crop	Vegetable and melon	Fruit and tree nut	Beef cattle feedlots	Beef cattle, except feedlots	Hogs, sheep, and goats	Dairy farms
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Partnerships With and Without Net Income										
Number of partnerships.....	1,299,593	124,825	108,327	39,452	3,475	10,845	2,004	23,247	6,125	16,575
Number of partners.....	6,954,767	375,386	324,147	116,337	8,561	51,676	7,120	65,413	15,003	40,145
Total assets.....	447,130,068	19,363,189	17,159,936	6,194,423	594,418	2,656,516	487,518	3,973,067	657,987	1,700,047
Total receipts.....	258,197,936	22,293,664	19,940,381	5,422,076	1,347,975	1,437,459	1,256,445	5,378,368	907,818	2,857,610
Business receipts.....	242,653,710	20,809,259	18,559,302	4,808,118	1,277,367	1,308,000	1,176,655	5,130,282	876,484	2,724,259
Income from other partnerships and fiduciaries.....	1,208,335	12,996	11,805	5,670	1,657	1,760	415	1,541	1,227	531
Nonqualifying dividends.....	95,663	2,215	2,188	1,091	27	223	1	192	3	65
Interest received.....	7,246,203	110,929	101,815	35,725	7,480	14,786	1,758	27,802	2,202	5,778
Rents received.....	1,058,713	138,253	133,479	64,586	6,554	11,921	1,052	33,958	2,777	7,343
Royalties.....	528,617	29,434	25,722	6,018	41	3,065	184	13,872	2,445	1,876
Farm net profit.....	25,245	19,207	19,187	12,120	648	699	—	423	—	5,297
Net gain, noncapital assets.....	980,769	145,511	139,706	49,347	5,670	11,231	3,141	38,259	1,281	19,541
Other receipts.....	4,402,681	1,025,866	947,077	439,401	48,532	85,774	73,240	132,038	24,600	92,818
Total deductions.....	242,992,028	21,232,266	19,016,173	4,963,885	1,265,468	1,376,763	1,235,424	5,309,492	894,746	2,597,294
Cost of sales and operations.....	102,096,671	13,287,497	12,165,122	2,523,658	778,937	825,134	981,258	4,051,808	643,336	1,663,715
Inventory, beginning of year.....	11,229,392	533,161	469,313	141,963	4,600	33,354	73,413	181,235	3,272	15,019
Purchases.....	64,201,085	5,597,434	4,941,007	415,564	124,445	63,525	611,910	2,995,433	255,919	199,248
Cost of labor.....	6,737,888	1,263,270	1,139,855	331,088	225,021	215,241	15,570	99,011	26,704	144,995
Material and supplies.....	5,835,434	477,331	390,151	109,746	64,560	43,472	8,308	46,060	10,193	64,271
Other costs.....	27,301,430	6,059,447	5,786,810	1,674,847	368,360	314,676	321,759	996,865	351,961	1,262,556
Less: Inventory, end of year.....	13,208,558	643,146	562,014	149,549	8,049	45,135	49,702	266,798	4,712	22,374
Salaries and wages.....	19,392,819	289,274	109,053	31,445	3,439	15,802	4,385	12,754	1,750	7,230
Less: Jobs credit.....	38,624	1,263	732	120	372	11	18	167	—	24
Guaranteed payments to partners.....	4,109,882	238,050	175,700	71,659	6,664	18,622	3,251	26,285	3,918	32,738
Rent paid.....	5,781,027	854,278	822,613	378,193	69,643	34,802	14,837	185,182	30,479	90,988
Interest paid.....	21,276,551	1,285,845	1,205,231	401,586	51,188	154,307	37,845	283,680	47,677	181,144
Taxes paid.....	8,328,583	376,444	332,977	115,786	35,470	46,919	5,448	51,357	11,133	46,325
Bad debts.....	352,371	14,190	12,278	4,558	41	439	45	2,896	—	568
Repairs.....	4,085,662	736,943	672,911	285,979	50,421	49,158	13,794	96,108	31,878	122,629
Depreciation.....	17,662,667	1,548,171	1,400,462	536,666	81,907	121,387	23,267	231,428	71,862	269,948
Amortization.....	381,229	7,555	4,382	1,387	1,647	643	11	129	30	32
Depletion.....	442,699	13,479	2,816	541	—	304	—	1,488	—	29
Pension, profit sharing, annuity, and bond purchase plans.....	311,926	4,084	2,976	981	423	253	18	154	—	829
Employee benefit plans.....	598,606	14,992	11,111	3,339	1,899	1,408	206	1,541	107	1,589
Net loss from other partnerships and fiduciaries.....	2,693,818	58,826	55,310	10,172	3,495	3,748	11,792	21,880	—	3,428
Farm net loss.....	18,624	15,495	15,399	5,199	—	—	—	—	—	—
Net loss, noncapital assets.....	439,234	14,229	11,684	3,170	18	7	5	3,547	446	3,735
Other deductions.....	55,099,282	2,474,177	2,017,081	589,673	180,646	303,842	139,253	339,423	52,126	172,362
Net income (less deficit).....	16,205,908	1,061,398	924,208	456,191	82,507	60,697	21,021	68,676	13,072	260,317
Net income.....	40,000,896	2,614,317	2,303,879	867,565	170,677	266,202	64,251	413,856	77,068	344,033
Deficit.....	24,794,987	1,552,919	1,379,672	409,375	86,170	205,505	43,230	344,991	63,997	83,716
Capital gains and losses allocable to partners:										
Net short-term capital gain (less loss).....	139,975	-738	-892	174	-85	899	781	-5,587	652	24
Net long-term capital gain (less loss).....	4,740,180	221,421	211,963	98,202	3,831	10,663	2	51,692	2,822	33,396
Partnerships With Net Income										
Number of partnerships.....	765,575	78,122	68,926	26,853	2,385	5,422	1,177	13,274	3,475	13,117
Number of partners.....	4,051,871	215,877	187,525	72,660	5,725	23,670	3,120	34,135	8,147	30,960
Total assets.....	202,994,406	9,877,965	8,976,113	3,569,734	300,900	1,277,736	293,338	1,847,220	342,845	975,098
Total receipts.....	195,307,018	16,385,621	14,521,841	4,132,768	967,442	1,125,541	937,956	3,866,242	647,174	1,995,387
Business receipts.....	183,482,567	15,333,947	13,544,521	3,677,370	919,145	1,017,754	861,911	3,724,973	625,537	1,907,019
Income from other partnerships and fiduciaries.....	1,140,833	10,707	9,648	4,705	1,433	1,698	367	1,380	—	65
Nonqualifying dividends.....	84,510	1,175	1,149	778	23	133	—	142	3	60
Interest received.....	5,480,186	77,059	71,450	24,185	5,831	10,876	1,499	18,958	1,341	4,762
Rents received.....	686,873	76,166	73,058	40,810	3,689	6,320	860	13,318	1,509	3,113
Royalties.....	468,222	24,026	23,663	5,681	17	2,680	18	13,025	90	1,732
Farm net profit.....	23,648	19,203	19,183	12,116	648	699	—	423	—	5,297
Net gain, noncapital assets.....	780,548	97,678	95,965	41,279	5,279	8,338	1,901	20,506	935	12,762
Other receipts.....	3,179,630	745,861	683,200	325,844	31,378	77,043	71,401	73,517	17,758	60,574
Total deductions.....	155,306,123	13,771,503	12,217,962	3,265,202	796,765	859,340	873,705	3,452,386	570,105	1,651,354
Cost of sales and operations.....	81,226,034	9,181,386	8,330,325	1,735,053	519,314	442,021	695,278	2,872,858	435,570	1,079,635
Inventory, beginning of year.....	8,081,097	391,557	351,446	97,762	352	27,646	65,910	243,635	1,908	7,334
Purchases.....	52,595,165	4,090,097	3,592,234	349,979	75,189	49,521	413,654	2,293,334	194,223	76,795
Cost of labor.....	5,079,440	827,649	739,481	219,658	154,464	163,288	11,157	46,652	18,426	77,161
Material and supplies.....	4,534,150	339,159	283,610	71,359	49,538	32,111	5,689	21,655	7,865	44,389
Other costs.....	19,930,988	3,968,642	3,773,250	1,105,284	241,034	207,652	239,561	611,132	216,009	883,132
Less: Inventory, end of year.....	8,935,865	435,717	389,717	108,989	1,263	38,196	40,673	183,549	2,855	9,176
Salaries and wages.....	15,402,335	204,611	62,479	19,995	1,586	9,930	3,065	7,543	280	3,762
Less: Jobs credit.....	33,044	736	242	33	11	—	18	143	—	23
Guaranteed payments to partners.....	2,704,523	121,741	84,540	38,429	3,706	8,854	2,402	10,415	2,618	13,129
Rent paid.....	3,957,485	553,294	531,572	262,185	39,937	23,364	11,277	96,715	20,642	65,934
Interest paid.....	7,605,972	606,257	570,908	209,823	21,409	60,613	23,257	126,154	18,720	90,583
Taxes paid.....	4,942,695	256,174	223,671	81,465	24,213	31,024	4,108	31,126	6,641	32,122
Bad debts.....	192,766	2,814	1,413	745	20	16	18	92	—	336
Repairs.....	2,287,928	497,429	454,675	200,183	33,689	34,668	10,847	55,088	21,604	85,263
Depreciation.....	7,281,355	952,034	880,418	362,038	57,295	64,196	16,050	121,058	40,700	185,059
Amortization.....	131,651	1,634	1,005	994	—	—	—	—	—	3
Depletion.....	269,550	2,299	2,180	449	—	75	—	1,435	—	28
Pension, profit sharing, annuity, and bond purchase plans.....	281,472	3,013	2,181	761	299	213	7	139	—	487
Employee benefit plans.....	465,943	6,583	4,866	916	1,278	915	185	275	102	703
Net loss from other partnerships and fiduciaries.....	118,289	5,925	5,381	2,595	29	1,411	271	544	—	443
Farm net loss.....	28,821	1,854	1,830	453	18	7	5	262	213	789
Other deductions.....	28,442,237	1,373,006	1,060,760	349,149	93,970	182,039	106,955	128,820	23,012	93,101
Net income (less deficit).....	40,000,896	2,614,317	2,303,879	867,565	170,677	266,202	64,251	413,856	77,068	344,033
Capital gains and losses allocable to partners:										
Net short-term capital gain (less loss).....	117,326	-4,275	-4,331	114	—	172	701	-5,317	-17	-6
Net long-term capital gain (less loss).....	2,095,514	121,120	118,993	56,802	2,107	7,808	2	20,602	1,274	24,853

Footnotes at end of table.

Partnership Returns/1979

Table 2.—Total Assets and Income Statement for Selected Industries—Continued

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

Item	Agriculture, forestry, and fishing—Continued				Mining			Construction	
	Farms—Continued			Agricultural services, forestry, and fishing	Total	Oil and gas extraction	Other mining	Total	General contractors
	Poultry and eggs	General livestock including animal specialty	Other farms						
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
Partnerships With and Without Net Income									
Number of partnerships.....	1,200	2,843	2,561	16,490	28,069	24,052	4,017	75,275	30,326
Number of partners.....	3,237	6,924	9,731	51,239	689,445	636,793	52,652	168,649	72,729
Total assets.....	295,625	272,589	327,748	2,203,253	16,438,544	11,378,580	5,059,964	8,731,920	7,317,314
Total receipts.....	646,045	323,137	363,449	2,353,283	10,251,058	6,465,726	3,785,333	20,285,538	14,556,756
Business receipts.....	621,035	295,433	341,668	2,249,958	9,721,011	6,049,862	3,671,149	19,733,317	14,065,407
Income from other partnerships and fiduciaries.....	—	*5	—	*1,090	92,950	58,789	*34,161	78,017	77,153
Nonqualifying dividends.....	*582	—	—	*26	237	*230	—	2,667	*92
Interest received.....	506	3,618	2,158	9,108	64,037	52,327	11,710	80,326	72,846
Rents received.....	1,134	2,972	*1,182	4,774	32,308	26,350	3,975	71,390	59,362
Royalties.....	—	*419	—	*3,711	110,375	107,747	2,629	*1,378	*336
Farm net profit.....	—	—	—	*20	*184	—	—	*1,235	*1,151
Net gain, noncapital assets.....	*761	6,118	*4,358	5,805	45,747	40,207	5,540	17,528	9,827
Other receipts.....	22,026	14,571	14,078	78,789	184,212	128,234	55,978	299,478	270,582
Total deductions.....	653,491	335,210	384,402	2,216,093	12,759,290	8,177,294	4,581,995	18,158,551	13,242,054
Cost of sales and operations.....	491,615	219,216	186,446	1,122,375	3,769,584	1,818,099	1,951,485	13,673,945	10,562,893
Inventory, beginning of year.....	5,703	4,938	5,816	69,849	110,332	12,307	98,025	1,428,608	1,298,097
Purchases.....	103,048	125,824	46,093	658,426	1,291,392	1,051,726	239,665	2,636,871	1,496,445
Cost of labor.....	24,561	9,754	47,910	123,415	337,562	49,283	288,279	1,687,211	1,081,559
Material and supplies.....	23,123	3,581	18,836	87,180	289,818	32,953	256,865	2,672,459	2,180,893
Other costs.....	342,187	80,817	72,782	272,637	1,886,753	689,240	1,197,512	6,406,186	5,734,769
Less: Inventory, end of year.....	7,008	5,699	*2,989	61,132	146,274	17,411	128,862	1,353,389	1,228,871
Salaries and wages.....	6,531	10,505	15,212	180,221	281,613	172,467	109,345	816,778	352,147
Less: Jobs credit.....	*10	—	*11	531	*903	*408	*495	3,427	1,346
Guaranteed payments to partners.....	4,848	3,796	3,919	62,350	82,010	60,223	21,787	386,039	173,043
Rent paid.....	4,705	3,821	9,952	31,665	161,098	108,987	52,111	122,579	61,418
Interest paid.....	16,742	12,834	18,128	80,614	490,097	300,245	189,852	343,927	292,858
Taxes paid.....	4,896	3,914	11,730	43,467	373,545	181,288	192,258	267,601	143,000
Bad debts.....	*70	*39	*3,602	1,911	5,890	3,319	2,571	16,834	10,191
Repairs.....	6,095	6,389	10,519	64,032	169,163	60,277	108,886	127,653	71,222
Depreciation.....	22,258	17,103	24,637	147,709	895,340	553,779	341,561	334,917	179,050
Amortization.....	*497	—	*5	3,173	16,114	3,974	12,139	7,480	6,900
Depletion.....	—	*59	*193	10,863	328,934	104,561	224,373	1,230	682
Pension, profit sharing, annuity, and bond purchase plans.....	*128	*3	*187	1,109	20,078	4,187	15,892	10,105	4,373
Employee benefit plans.....	318	*389	*321	3,691	27,721	2,616	25,105	62,808	24,913
Net loss from other partnerships and fiduciaries.....	*70	*726	—	3,516	359,219	351,600	*7,619	7,290	7,151
Farm net loss.....	—	—	*10,200	*98	*17	—	*17	—	—
Net loss, noncapital assets.....	*22	*448	*286	*2,545	70,135	64,677	5,458	3,701	2,084
Other deductions.....	94,712	55,969	89,074	457,096	5,709,435	4,387,405	1,322,031	1,979,901	1,351,485
Net income (less deficit).....	-7,446	-12,072	-20,953	137,190	-2,508,231	-1,711,569	-796,663	2,126,987	1,314,703
Net income.....	30,717	25,268	44,242	310,438	2,521,601	2,133,691	387,910	2,510,946	1,610,441
Deficit.....	38,163	37,340	65,195	173,248	5,029,833	3,845,260	1,184,573	383,959	295,736
Capital gains and losses allocable to partners:									
Net short-term capital gain (less loss).....	*2,250	—	—	154	4,454	5,770	*1,316	-63	-105
Net long-term capital gain (less loss).....	*849	*5,539	*4,767	9,458	59,304	39,205	26,099	22,180	19,822
Partnerships With Net Income									
Number of partnerships.....	615	1,064	1,544	9,196	13,970	12,325	1,645	57,611	20,758
Number of partners.....	1,782	2,171	5,155	28,352	411,789	405,980	5,809	126,016	47,921
Total assets.....	151,448	70,283	146,711	901,852	7,429,694	4,783,740	2,645,954	5,829,423	4,683,779
Total receipts.....	344,876	255,931	246,525	1,863,979	8,283,991	5,450,062	3,033,891	17,054,005	11,993,631
Business receipts.....	328,694	243,803	238,314	1,789,426	7,682,920	5,143,988	2,738,932	16,560,423	11,557,082
Income from other partnerships and fiduciaries.....	—	—	—	*1,059	85,686	57,822	*27,764	77,048	76,184
Nonqualifying dividends.....	*5	—	*5	*26	*101	*94	*7	2,863	88
Interest received.....	401	*2,580	1,023	5,604	36,327	30,444	5,883	67,078	60,037
Rents received.....	*666	*2,298	*474	3,108	24,894	21,823	3,071	51,594	41,133
Royalties.....	—	*419	—	*363	89,542	88,597	946	*764	*38
Farm net profit.....	—	—	—	*20	*80	—	*80	*84	—
Net gain, noncapital assets.....	*2	*841	*4,122	1,713	36,888	31,767	5,121	15,034	7,893
Other receipts.....	15,108	5,989	4,587	62,661	127,617	75,529	52,088	279,114	251,177
Total deductions.....	314,158	230,663	204,283	1,553,541	5,762,352	3,316,371	2,445,981	14,543,059	10,383,190
Cost of sales and operations.....	240,494	197,220	112,882	851,062	2,828,360	1,555,302	1,273,059	11,155,474	8,479,877
Inventory, beginning of year.....	*976	*1,191	*4,730	40,111	63,987	9,073	54,914	1,064,885	952,482
Purchases.....	52,138	123,737	23,685	497,843	1,109,418	1,025,027	84,391	2,175,707	1,154,362
Cost of labor.....	14,746	7,164	26,765	88,167	247,965	35,203	212,762	1,472,409	940,383
Material and supplies.....	16,318	2,218	12,468	75,549	255,913	30,180	225,733	2,463,363	1,860,708
Other costs.....	157,254	64,279	47,920	195,391	1,241,090	469,749	771,341	4,823,847	4,311,830
Less: Inventory, end of year.....	*940	*1,370	*2,708	45,999	90,014	13,930	76,084	844,737	739,888
Salaries and wages.....	4,082	*1,530	*10,706	142,132	199,867	138,440	61,428	683,490	278,511
Less: Jobs credit.....	*1	—	*11	*495	*284	—	—	2,844	910
Guaranteed payments to partners.....	1,995	*1,437	*1,553	37,202	35,891	23,648	12,243	233,220	91,974
Rent paid.....	4,224	1,258	6,035	21,722	90,393	52,259	38,133	100,833	48,302
Interest paid.....	6,662	5,668	8,019	35,349	186,820	135,254	53,565	216,892	178,000
Taxes paid.....	3,093	2,177	7,702	32,503	308,537	144,233	164,304	215,205	104,899
Bad debts.....	*69	—	*118	1,401	1,506	296	1,210	9,804	5,068
Repairs.....	3,485	2,932	6,915	42,753	144,155	50,142	94,013	106,843	56,693
Depreciation.....	12,457	4,668	16,896	71,616	447,340	285,552	161,787	258,193	126,982
Amortization.....	—	—	—	628	9,735	1,610	*8,125	3,487	3,018
Depletion.....	—	*59	*130	*110	237,991	31,594	206,396	1,230	682
Pension, profit sharing, annuity, and bond purchase plans.....	*128	*3	*144	832	18,984	4,159	14,824	9,608	4,066
Employee benefit plans.....	*227	*101	*182	3,797	23,012	1,844	21,168	54,164	23,242
Net loss from other partnerships and fiduciaries.....	*69	—	—	*563	18,337	17,826	*511	2,550	2,441
Farm net loss.....	—	—	—	*36	—	—	—	—	—
Net loss, noncapital assets.....	—	*82	—	*26	2,068	—	*18	3,289	1,687
Other deductions.....	37,175	13,629	33,010	312,246	1,209,624	874,426	335,198	1,491,519	978,658
Net income (less deficit).....	30,717	25,268	44,242	310,438	2,521,601	2,133,691	387,910	2,510,946	1,610,441
Capital gains and losses allocable to partners:									
Net short-term capital gain (less loss).....	*22	—	—	*56	367	385	*19	682	641
Net long-term capital gain (less loss).....	*-2	*787	*4,764	2,127	36,867	14,136	22,732	15,141	12,784

Footnotes at end of table.

Table 2.—Total Assets and Income Statement for Selected Industries—Continued

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

Item	Construction—Continued					Manufacturing				
	Special trade contractors					Total	Lumber and wood products, except furniture	Printing, publishing, and allied industries	Machinery, except electrical	Other manufacturing industries
	Total	Plumbing, heating, and air conditioning	Painting, paper hanging and decorating	Masonry, stonework, tile setting and plastering	Contractors, not elsewhere classified					
	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)
Partnerships With and Without Net Income										
Number of partnerships	44,949	6,017	3,889	6,023	29,023	30,454	5,972	6,517	1,322	16,643
Number of partners	95,820	13,092	8,538	12,663	61,527	87,230	14,386	18,852	2,889	51,103
Total assets	1,414,806	189,795	45,171	140,853	1,038,768	8,900,756	1,227,852	788,347	375,985	6,508,572
Total receipts	5,728,781	952,940	319,995	751,720	3,704,126	13,467,931	1,966,794	908,413	674,618	9,918,107
Business receipts	5,667,910	946,541	316,154	736,956	3,668,259	13,107,895	1,887,044	888,893	647,738	9,684,220
Income from other partnerships and fiduciaries	*864	—	—	—	*864	32,426	*121	—	*271	*32,034
Nonqualifying dividends	2,775	*42	—	—	*2,733	3,513	*1	*62	—	3,450
Interest received	7,480	1,481	*117	327	5,555	61,294	7,899	4,611	13,709	35,274
Rents received	12,028	*1,597	*2,086	*619	6,924	22,235	5,702	6,262	*309	9,963
Royalties	*1,042	—	*316	—	*726	15,434	*6,273	*86	*126	8,949
Farm net profit	*84	—	—	—	*84	*804	*784	—	*11	—
Net gain, noncapital assets	7,701	1,484	*303	*65	5,870	23,586	3,589	5,176	648	14,161
Other receipts	28,898	1,815	*218	13,754	13,110	200,744	55,561	3,321	11,807	130,055
Total deductions	4,916,497	841,427	258,100	625,011	3,191,960	12,983,368	1,897,656	821,611	634,716	9,629,385
Cost of sales and operations	3,111,062	607,258	137,430	377,901	1,988,463	9,248,281	1,251,089	356,942	453,444	7,186,806
Inventory, beginning of year	130,521	37,908	1,534	10,987	80,092	1,009,634	120,182	27,118	126,921	735,413
Purchases	1,138,428	281,243	39,215	81,819	740,150	6,050,279	675,108	188,451	256,454	4,930,267
Cost of labor	608,652	62,157	56,829	119,414	367,453	1,297,032	167,890	72,247	85,044	971,851
Material and supplies	691,565	147,902	26,565	95,057	422,042	615,050	164,522	32,945	16,414	401,163
Other costs	671,416	108,291	20,972	80,325	461,828	1,459,757	251,576	75,533	68,229	1,084,418
Less: Inventory, end of year	124,518	30,232	*1,485	9,700	83,101	1,183,471	128,190	39,351	99,617	916,312
Salaries and wages	464,631	53,294	38,350	93,167	279,820	708,303	127,513	93,803	47,367	439,619
Less: Jobs credit	2,081	*72	*98	—	1,911	2,289	628	*173	*18	1,470
Guaranteed payments to partners	212,995	36,608	19,036	23,736	133,616	167,831	32,620	22,216	6,708	108,289
Rent paid	61,161	5,876	2,693	7,041	45,551	169,142	26,179	16,733	9,242	116,987
Interest paid	51,069	8,270	2,568	2,973	37,257	281,775	40,092	17,595	20,464	203,625
Taxes paid	124,602	17,813	8,424	21,812	76,552	239,104	38,990	20,446	7,960	171,708
Bad debts	6,642	1,605	671	949	3,418	27,846	1,011	4,430	539	21,865
Repairs	56,431	4,571	1,355	5,392	45,114	151,249	41,059	18,270	4,764	87,156
Depreciation	155,868	17,868	6,736	14,156	117,108	453,956	86,506	58,134	14,437	294,878
Amortization	580	—	*144	—	435	5,745	1,081	2,356	—	2,309
Depletion	*548	—	—	*296	*252	66,176	64,563	*95	—	1,519
Pension, profit sharing, annuity, and bond purchase plans	5,732	1,603	*389	*677	3,062	24,975	2,961	1,965	*1,006	19,042
Employee benefit plans	37,985	4,623	5,225	7,692	20,445	60,836	8,258	5,250	4,997	42,331
Net loss from other partnerships and fiduciaries	*139	*1	—	—	*138	22,893	*191	*5,884	*10	*16,808
Farm net loss	1,617	*7	*1	—	1,609	*65	*65	—	—	—
Net loss, noncapital assets	627,517	82,092	35,175	69,219	441,031	1,353,209	172,776	197,600	63,752	919,081
Other deductions	812,284	111,513	61,896	126,709	512,166	484,564	69,138	86,002	39,902	288,721
Net income (less deficit)	900,505	119,712	65,527	143,444	571,823	1,357,723	146,144	165,542	72,263	973,774
Deficit	88,221	8,199	*3,631	*16,734	59,657	873,159	77,006	78,739	*32,361	685,052
Capital gains and losses allocable to partners:										
Net short-term capital gain (less loss)	*42	*123	—	*33	*-3	4,261	1,036	*-116	—	3,342
Net long-term capital gain (less loss)	2,358	*1,025	—	—	1,334	39,216	21,828	*2,937	*15	14,436
Partnerships With Net Income										
Number of partnerships	36,853	4,731	3,133	5,346	23,643	19,076	4,472	3,416	1,092	10,096
Number of partners	78,095	10,287	6,653	11,083	50,072	51,150	10,376	9,993	2,411	28,370
Total assets	1,145,643	132,088	39,343	120,101	854,111	4,530,556	460,722	282,274	202,408	3,595,152
Total receipts	5,060,374	850,414	281,156	668,798	3,260,097	10,089,171	1,317,685	685,744	385,479	7,709,263
Business receipts	5,003,343	845,252	277,956	654,460	3,225,675	9,883,012	1,303,388	669,841	375,769	7,533,994
Income from other partnerships and fiduciaries	*864	—	—	—	*864	*23,536	*119	—	*271	*23,146
Nonqualifying dividends	2,775	*42	—	—	*2,733	2,593	*1	*48	—	2,544
Interest received	7,041	1,397	*117	311	5,215	33,456	3,971	3,798	2,502	29,185
Rents received	10,461	*656	*2,637	*235	6,733	17,224	1,611	6,220	*309	9,085
Royalties	*726	—	*726	—	*726	8,881	*719	*86	*126	7,950
Farm net profit	*84	—	—	—	*84	*776	*766	—	*11	—
Net gain, noncapital assets	7,142	1,464	*59	*65	5,554	20,773	3,234	4,204	124	13,211
Other receipts	27,937	1,604	*185	13,727	12,422	98,919	3,878	1,547	6,348	87,146
Total deductions	4,159,869	730,703	215,628	525,354	2,688,184	8,731,448	1,171,541	520,202	313,216	6,726,489
Cost of sales and operations	2,675,597	548,633	125,280	319,653	1,681,824	6,589,730	753,405	251,371	225,431	5,359,524
Inventory, beginning of year	112,403	30,072	*1,514	8,435	72,362	628,285	75,507	21,938	45,537	485,304
Purchases	1,021,345	245,307	30,476	76,561	669,001	4,571,609	508,100	157,422	108,748	3,797,339
Cost of labor	532,026	55,776	55,897	104,069	316,284	931,953	96,771	43,454	40,208	751,520
Material and supplies	602,655	134,757	23,081	78,970	365,847	334,381	60,617	14,714	11,822	247,228
Other costs	512,017	105,898	15,805	57,374	332,639	890,808	96,812	42,253	48,060	703,683
Less: Inventory, end of year	104,849	22,878	*1,485	5,777	74,629	767,305	84,401	28,411	28,944	625,550
Salaries and wages	404,979	40,238	29,621	84,256	250,864	526,615	103,142	77,108	23,288	323,077
Less: Jobs credit	1,934	*72	*98	—	1,764	1,792	623	*114	*18	1,036
Guaranteed payments to partners	141,247	24,929	*8,755	13,422	94,140	109,528	23,242	8,428	6,083	71,774
Rent paid	52,531	4,778	2,225	6,127	39,400	87,150	18,978	10,251	2,954	54,968
Interest paid	38,892	4,076	1,709	2,263	30,845	91,872	15,713	5,042	2,710	68,407
Taxes paid	110,306	14,830	7,377	18,591	69,509	174,267	28,573	15,645	5,807	124,242
Bad debts	4,736	1,177	*413	724	2,422	17,846	703	3,512	281	13,350
Repairs	50,150	4,089	1,252	4,658	40,150	114,491	36,805	17,448	3,070	57,171
Depreciation	131,212	14,281	5,565	11,405	99,961	237,629	46,770	12,680	8,476	169,703
Amortization	470	—	*144	—	324	3,966	*575	1,826	—	1,595
Depletion	*548	—	—	*296	*252	12,005	*10,504	—	—	*1,502
Pension, profit sharing, annuity, and bond purchase plans	5,541	1,555	*389	*677	2,919	16,893	1,980	1,850	*625	12,429
Employee benefit plans	30,921	3,704	5,137	6,523	15,558	38,397	6,386	4,448	4,147	23,416
Net loss from other partnerships and fiduciaries	*108	*1	—	—	*108	1,193	*16	*421	*3	*754
Farm net loss	1,602	*7	*1	—	1,594	957	*315	*60	*44	538
Net loss, noncapital assets	512,962	68,275	27,851	55,758	360,079	710,673	125,060	110,220	30,314	445,078
Other deductions	900,505	119,712	65,527	143,444	571,823	1,357,723	146,144	165,542	72,263	973,774
Net income (less deficit)	900,505	119,712	65,527	143,444	571,823	1,357,723	146,144	165,542	72,263	973,774
Capital gains and losses allocable to partners:										
Net short-term capital gain (less loss)	*41	*13	—	*33	*-4	3,491	*281	*-116	—	3,326
Net long-term capital gain (less loss)	2,357	*1,025	—	—	1,332	16,506	9,566	*2,937	*15	3,991

Footnotes at end of table.

Partnership Returns/1979

Table 2—Total Assets and Income Statement for Selected Industries—Continued

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

Item	Transportation, communication, electric, gas, and sanitary services					Wholesale and retail trade				
	Total	Transportation			Communication, electric, gas, and sanitary services	Total	Wholesale trade	Retail trade		
		Total	Trucking and warehousing	Other transportation				Total	Building materials, hardware, garden supply and mobile home dealers	
	(30)	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)
Partnerships With and Without Net Income										
Number of partnerships.....	19,778	16,781	11,136	5,645	2,997	204,916	31,513	173,190	8,525	2,843
Number of partners.....	61,036	44,277	25,806	16,471	16,759	487,619	81,868	405,421	21,193	7,003
Total assets.....	7,993,284	4,574,252	856,932	3,717,320	3,419,032	16,336,201	5,511,297	10,819,340	1,065,986	336,748
Total receipts.....	5,492,363	3,890,435	1,525,120	2,365,316	1,601,920	58,924,271	20,781,995	38,126,776	2,768,569	906,011
Business receipts.....	5,409,055	3,832,870	1,497,405	2,335,464	1,576,186	58,229,310	20,512,475	37,702,076	2,713,720	896,017
Income from other partnerships and fiduciaries.....	798	661	661	—	137	14,289	6,940	7,348	217	352
Nonqualifying dividends.....	232	232	86	146	—	3,213	858	2,357	687	173
Interest received.....	24,345	14,199	6,227	7,972	10,146	109,848	48,548	61,054	9,105	2,329
Rents received.....	11,276	10,414	5,657	4,547	852	151,121	47,820	103,269	17,225	2,674
Royalties.....	212	212	211	1	—	6,139	841	5,298	16	—
Farm net profit.....	—	—	—	—	—	2,150	1,148	1,002	12	—
Net gain, noncapital assets.....	18,994	14,372	7,889	6,483	4,622	34,577	7,922	26,426	1,269	345
Other receipts.....	27,450	17,474	6,772	10,702	9,976	373,623	155,443	217,946	26,326	4,122
Total deductions.....	5,124,629	3,374,877	1,410,906	1,963,971	1,749,751	56,065,870	19,872,912	36,179,048	2,585,557	852,508
Cost of sales and operations.....	1,957,638	1,202,696	374,959	827,737	754,943	43,906,867	17,155,195	26,741,659	1,965,464	663,951
Inventory, beginning of year.....	15,911	11,578	6,429	5,139	4,333	4,877,282	1,465,304	3,409,247	397,918	124,956
Purchases.....	1,078,341	492,065	175,849	316,216	584,276	41,235,543	15,983,115	25,244,147	1,881,648	651,046
Cost of labor.....	111,460	84,598	38,688	45,910	26,862	834,244	220,997	613,247	32,933	7,644
Material and supplies.....	40,148	35,251	9,164	26,087	4,897	471,419	183,104	288,314	36,549	1,739
Other costs.....	740,446	595,846	151,827	444,020	144,600	2,040,790	971,025	1,069,765	61,659	19,691
Less: Inventory, end of year.....	26,668	16,642	7,008	9,634	10,026	5,552,411	1,668,349	3,883,061	444,242	141,125
Salaries and wages.....	402,815	293,747	197,088	96,659	109,068	3,532,763	670,523	2,860,790	182,323	59,293
Less: Jobs credit.....	468	416	272	144	51	8,897	1,139	7,757	293	143
Guaranteed payments to partners.....	61,088	47,855	32,770	15,085	13,233	725,185	197,763	527,419	47,211	13,809
Rent paid.....	81,287	57,447	36,072	21,375	23,840	1,076,174	130,280	945,843	32,342	11,694
Interest paid.....	315,583	241,761	49,385	192,376	73,822	544,513	160,537	383,914	37,153	7,312
Taxes paid.....	146,418	94,615	55,929	38,686	51,803	947,853	180,303	767,366	49,875	13,500
Bad debts.....	9,654	4,669	708	4,261	4,685	90,046	32,743	56,797	9,730	974
Repairs.....	164,354	141,257	94,147	47,110	23,097	300,151	80,730	219,419	18,777	3,515
Depreciation.....	852,963	599,914	151,331	448,584	252,749	676,544	165,129	511,358	38,729	7,525
Amortization.....	6,792	2,607	1,881	726	4,185	17,184	1,860	15,324	519	363
Depletion.....	58	58	58	—	—	7,994	2,459	5,535	5,296	—
Pension, profit sharing, annuity, and bond purchase plans.....	7,474	5,398	3,574	1,825	2,075	24,326	12,428	11,898	2,271	206
Employee benefit plans.....	15,081	10,887	8,341	2,145	4,594	69,266	20,203	49,322	3,555	735
Net loss from other partnerships and fiduciaries.....	4,060	1,060	696	364	3,000	7,866	6,184	1,502	213	—
Farm net loss.....	—	—	—	—	—	27	27	—	—	—
Net loss, noncapital assets.....	5,306	5,156	186	4,970	150	9,157	589	8,568	169	15
Other deductions.....	1,094,826	666,265	404,054	262,212	428,560	4,138,769	1,057,095	3,080,092	191,222	69,759
Net income (less deficit).....	367,734	515,558	114,214	401,344	147,823	2,858,401	909,083	1,947,728	183,011	53,503
Net income.....	1,079,300	869,580	164,012	705,569	209,719	3,578,092	1,055,738	2,520,764	206,949	63,334
Deficit.....	711,565	354,022	49,798	304,224	357,543	719,691	146,655	573,036	23,937	9,831
Capital gains and losses allocable to partners:										
Net short-term capital gain (less loss).....	130	16	86	70	146	7,919	6,509	1,411	592	24
Net long-term capital gain (less loss).....	12,426	554	428	982	12,980	54,442	9,786	43,834	6,431	148
Partnerships With Net Income										
Number of partnerships.....	11,777	9,933	7,359	2,574	1,844	134,643	22,639	111,791	6,326	1,723
Number of partners.....	29,642	24,178	16,367	7,811	5,464	321,525	59,503	261,492	16,052	4,673
Total assets.....	3,224,244	2,024,396	511,710	1,512,686	1,199,849	12,432,776	4,495,585	7,931,647	868,373	240,710
Total receipts.....	4,319,880	3,023,942	1,216,889	1,807,053	1,295,938	50,075,610	18,648,077	31,412,041	2,410,919	767,533
Business receipts.....	4,261,666	2,984,233	1,195,827	1,788,406	1,277,433	49,504,246	18,420,770	31,068,710	2,370,217	758,606
Income from other partnerships and fiduciaries.....	495	358	358	—	137	10,544	5,821	4,723	217	352
Nonqualifying dividends.....	206	206	86	186	—	2,922	724	2,198	687	173
Interest received.....	19,468	12,365	6,088	6,277	7,122	96,681	43,471	52,964	7,360	2,143
Rents received.....	5,837	5,468	4,778	668	392	117,686	37,173	80,480	10,336	2,287
Royalties.....	212	212	211	1	—	6,049	810	5,239	16	—
Farm net profit.....	—	—	—	—	—	2,147	1,148	999	12	—
Net gain, noncapital assets.....	16,119	11,771	6,079	5,691	4,348	25,918	6,598	19,091	911	82
Other receipts.....	15,857	9,351	3,461	5,690	6,506	309,417	131,548	177,636	21,173	3,892
Total deductions.....	3,240,580	2,154,362	1,052,877	1,101,485	1,086,219	46,497,518	17,592,332	28,891,276	2,203,970	704,200
Cost of sales and operations.....	1,568,682	927,279	308,022	619,257	641,403	37,416,773	15,395,713	22,011,048	1,700,060	556,749
Inventory, beginning of year.....	12,646	8,835	5,575	3,259	3,810	3,851,261	1,253,036	2,595,494	339,214	88,281
Purchases.....	890,948	372,904	142,881	230,023	518,043	35,163,593	14,350,920	20,804,391	1,625,794	541,636
Cost of labor.....	86,303	70,819	31,616	39,003	15,685	617,398	184,391	433,005	28,531	4,154
Material and supplies.....	34,513	33,088	7,394	25,694	1,425	393,793	160,326	233,467	34,784	1,584
Other costs.....	563,457	453,571	126,227	327,345	109,885	1,764,528	866,963	897,565	44,612	17,654
Less: Inventory, end of year.....	19,185	11,740	5,673	6,067	7,445	4,373,801	1,419,924	2,952,876	372,876	96,540
Salaries and wages.....	283,296	210,943	148,019	62,924	72,353	2,768,606	577,844	2,189,312	159,784	50,942
Less: Jobs credit.....	352	301	272	128	51	7,957	1,139	6,827	272	79
Guaranteed payments to partners.....	32,382	21,318	12,038	9,281	11,063	520,305	158,301	362,001	35,793	10,050
Rent paid.....	51,197	36,106	26,240	9,858	15,091	757,656	104,984	652,620	25,091	7,975
Interest paid.....	109,546	77,999	31,047	46,952	31,547	343,168	106,709	236,397	26,221	4,651
Taxes paid.....	100,618	72,477	41,121	31,356	28,142	747,020	157,469	589,367	41,659	11,713
Bad debts.....	6,027	3,738	503	3,235	2,289	61,683	15,541	46,142	828	278
Repairs.....	109,100	94,825	74,520	20,306	14,274	230,114	67,313	162,799	15,881	2,291
Depreciation.....	359,061	244,354	97,258	147,095	114,707	474,444	126,542	347,845	30,321	5,217
Amortization.....	1,452	300	223	77	1,152	10,325	1,442	8,883	204	233
Depletion.....	58	58	58	—	—	2,459	2,199	260	173	—
Pension, profit sharing, annuity, and bond purchase plans.....	5,554	4,870	3,081	1,789	684	23,011	11,909	11,102	2,200	206
Employee benefit plans.....	10,634	8,696	7,462	1,234	1,938	56,346	18,199	38,147	3,022	686
Net loss from other partnerships and fiduciaries.....	1,013	1,013	649	364	2	2,662	1,824	839	213	—
Farm net loss.....	—	—	—	—	—	14	14	—	—	—
Net loss, noncapital assets.....	206	168	148	20	38	2,068	504	1,564	152	15
Other deductions.....	602,106	450,521	302,754	147,767	151,585	3,088,831	842,965	2,244,283	157,054	52,722
Net income (less deficit).....	1,079,300	869,580	164,012	705,569	209,719	3,578,092	1,055,738	2,520,764	206,949	63,334
Capital gains and losses allocable to partners:										
Net short-term capital gain (less loss).....	15	18	86	103	33	7,741	6,443	1,298	592	24
Net long-term capital gain (less loss).....	8,964	550	307	244	8,414	31,404	7,955	22,626	1,297	146

Footnotes at end of table.

Table 2.—Total Assets and Income Statement for Selected Industries—Continued

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

Item	Wholesale and retail trade—Continued									
	Retail trade—Continued									
	Food stores			Automotive dealers and service stations				Apparel and accessory stores	Furniture and home furnishings stores	Eating places
	Total	Grocery stores	Other food stores	Total	Motor vehicle dealers	Gasoline service stations	Other automotive dealers			
	(40)	(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)	(49)
Partnerships With and Without Net Income										
Number of partnerships.....	21,807	14,530	7,277	23,704	4,892	11,776	7,033	14,064	12,409	29,295
Number of partners.....	48,704	32,090	16,814	53,250	10,779	26,929	15,542	31,237	29,236	78,421
Total assets.....	1,112,441	835,494	276,946	1,950,087	761,577	599,183	599,327	808,406	962,495	1,948,173
Total receipts.....	6,902,175	5,572,627	1,329,548	10,122,370	3,278,402	5,349,567	1,494,402	1,829,358	2,393,985	5,006,394
Business receipts.....	6,854,311	5,529,594	1,324,717	10,029,557	3,234,484	5,318,260	1,476,813	1,808,224	2,327,190	5,655,760
Income from other partnerships and fiduciaries.....	660	660	—	1,334	—	1,334	—	—	2,933	644
Nonqualifying dividends.....	1,286	1,261	*25	22	*3	*18	*1	*86	*3	*33
Interest received.....	4,962	4,421	541	9,074	4,613	2,730	1,732	4,926	9,893	5,839
Rents received.....	12,916	11,979	937	25,559	14,863	8,481	2,215	7,154	5,936	16,542
Royalties.....	*2,935	*2,929	*6	*1,713	*39	*1,667	*7	—	*146	*25
Farm net profit.....	*103	*62	*41	*741	—	*538	*203	*124	—	—
Net gain, noncapital assets.....	1,901	1,317	584	4,579	2,955	1,401	822	403	911	7,251
Other receipts.....	23,100	20,404	2,696	49,791	22,045	15,138	12,608	8,439	46,973	19,300
Total deductions.....	6,829,770	5,350,296	1,279,474	9,701,269	3,200,609	5,075,348	1,425,312	1,713,934	2,248,923	5,667,497
Cost of sales and operations.....	5,482,469	4,509,756	972,713	8,264,594	2,781,294	4,400,148	1,083,152	1,505,093	1,505,256	2,834,729
Inventory, beginning of year.....	353,137	317,743	35,394	771,463	400,008	113,630	257,825	365,313	400,073	93,903
Purchases.....	5,298,276	4,399,819	898,458	7,802,360	2,534,186	4,218,177	1,049,997	1,147,009	1,418,999	2,338,295
Cost of labor.....	37,987	20,091	17,895	75,035	34,810	19,368	20,858	17,660	53,520	333,028
Material and supplies.....	38,044	7,570	30,466	72,037	25,001	11,906	35,130	2,648	16,668	63,960
Other costs.....	133,248	105,075	28,172	428,112	211,737	182,844	34,531	43,022	57,002	106,937
Less: Inventory, end of year.....	378,222	340,549	37,672	885,413	424,447	145,777	315,189	421,759	441,292	101,084
Salaries and wages.....	385,774	289,766	96,008	412,045	115,794	204,695	91,558	159,485	208,578	978,072
Less: Jobs credit.....	539	176	*363	1,152	123	870	*158	*81	137	1,051
Guaranteed payments to partners.....	54,986	35,785	19,201	99,809	27,525	44,892	21,592	43,708	61,892	82,121
Rent paid.....	87,270	54,699	32,572	116,276	18,614	71,368	26,294	79,368	60,757	329,475
Interest paid.....	37,901	27,744	10,157	87,821	48,517	17,849	21,555	18,064	26,618	90,830
Taxes paid.....	99,426	79,158	20,268	143,570	24,078	91,861	27,641	34,514	47,249	224,758
Bad debts.....	3,810	3,395	415	15,450	5,268	5,800	4,382	4,899	9,562	1,901
Repairs.....	33,919	25,574	8,345	31,375	12,159	12,965	6,251	6,156	13,062	68,849
Depreciation.....	67,530	47,168	20,362	75,222	22,896	32,781	19,545	21,598	29,791	154,777
Amortization.....	1,345	859	485	999	343	363	234	666	292	6,950
Depletion.....	*128	—	—	*16	—	—	—	—	—	—
Pension, profit sharing, annuity, and bond purchase plans.....	3,143	1,834	1,308	1,222	643	327	*252	452	540	1,362
Employee benefit plans.....	9,121	6,785	2,336	8,248	5,569	927	1,750	1,553	4,652	14,917
Net loss from other partnerships and fiduciaries.....	*30	*30	—	*24	*7	*17	—	*98	—	*72
Farm net loss.....	—	—	—	—	—	—	—	—	—	—
Net loss, noncapital assets.....	1,231	754	*477	1,808	*1,313	267	*28	*71	*118	839
Other deductions.....	362,226	267,036	95,190	444,045	136,697	192,169	115,179	187,200	282,393	860,988
Net income (less deficit).....	272,404	222,331	50,073	421,102	77,793	274,219	69,090	115,424	145,062	237,897
Net income.....	323,886	250,356	73,531	494,099	95,866	294,829	103,404	161,399	194,201	429,735
Deficit.....	51,482	28,025	23,457	72,997	18,073	20,610	34,314	45,975	49,140	191,837
Capital gains and losses allocable to partners:										
Net short-term capital gain (less loss).....	*21	*21	—	*266	*3	*330	*—	*—	*—	*173
Net long-term capital gain (less loss).....	2,756	2,586	*170	7,233	2,133	3,576	*1,524	*1,633	*784	6,948
Partnerships With Net Income										
Number of partnerships.....	15,277	11,018	4,259	16,783	3,310	9,009	4,464	8,461	7,933	16,721
Number of partners.....	34,509	24,606	9,903	37,249	7,357	20,165	9,727	19,965	10,299	49,306
Total assets.....	868,009	680,938	187,071	1,485,357	562,493	500,096	422,768	621,259	786,723	1,175,334
Total receipts.....	5,976,267	4,905,015	1,071,251	8,525,962	2,585,596	4,778,655	1,161,711	1,437,333	1,985,145	4,324,656
Business receipts.....	5,934,049	4,866,343	1,067,706	8,452,773	2,553,736	4,752,556	1,146,481	1,410,867	1,926,767	4,288,409
Income from other partnerships and fiduciaries.....	660	660	—	1,49	—	1,49	—	—	2,505	*314
Nonqualifying dividends.....	1,132	1,107	*25	20	*1	*1	*1	*85	*3	*63
Interest received.....	4,516	4,169	347	7,863	4,145	2,337	1,381	4,798	8,654	4,481
Rents received.....	11,581	10,761	819	20,704	12,111	7,297	1,296	6,418	5,923	11,817
Royalties.....	*2,935	*2,929	*6	*1,678	*11	*1,667	—	—	*146	—
Farm net profit.....	*103	*62	*41	*739	—	*538	*203	*124	—	—
Net gain, noncapital assets.....	1,577	1,204	373	3,061	1,766	482	813	*382	768	4,911
Other receipts.....	19,714	17,781	1,934	38,974	13,824	13,614	11,536	6,659	40,379	14,391
Total deductions.....	5,652,380	4,654,660	997,720	8,031,863	2,489,730	4,483,826	1,058,307	1,275,934	1,790,943	3,894,921
Cost of sales and operations.....	4,745,003	3,957,497	787,506	6,920,096	2,180,052	3,912,279	827,766	879,997	1,217,873	2,021,484
Inventory, beginning of year.....	288,608	262,991	25,616	568,532	280,394	98,381	189,757	263,300	285,798	64,226
Purchases.....	4,584,797	3,855,761	729,036	6,544,148	1,992,044	3,762,997	789,107	878,277	1,142,354	1,682,295
Cost of labor.....	25,835	14,181	11,654	59,831	27,939	12,713	19,166	13,715	42,442	211,995
Material and supplies.....	34,702	6,545	28,158	64,974	20,404	10,527	34,044	1,562	13,992	44,121
Other costs.....	127,873	104,008	23,266	347,623	168,118	158,300	23,205	30,750	50,726	87,180
Less: Inventory, end of year.....	316,811	286,588	30,223	665,012	306,840	130,640	227,533	307,638	327,438	68,332
Salaries and wages.....	317,555	250,510	67,045	332,288	88,862	176,011	67,395	120,757	171,524	670,200
Less: Jobs credit.....	532	169	*363	953	118	684	*150	*52	125	2,659
Guaranteed payments to partners.....	49,575	30,144	13,431	63,468	16,793	30,551	16,121	30,684	41,932	52,592
Rent paid.....	64,823	43,532	21,291	93,959	14,557	63,387	16,015	50,374	41,913	214,101
Interest paid.....	24,250	18,781	5,489	60,044	32,121	19,050	14,973	9,272	19,043	44,442
Taxes paid.....	82,716	67,506	15,210	118,160	18,493	79,946	19,721	26,355	38,255	153,973
Bad debts.....	2,961	2,663	298	11,074	4,144	4,537	2,393	4,369	7,553	638
Repairs.....	26,527	20,588	5,840	25,121	10,011	10,967	4,540	10,516	47,289	47,289
Depreciation.....	49,904	37,358	12,545	57,314	16,628	27,261	13,426	14,828	20,292	98,933
Amortization.....	443	342	*101	912	323	322	257	*246	*236	4,483
Depletion.....	—	—	—	*2	—	—	—	—	—	—
Pension, profit sharing, annuity, and bond purchase plans.....	2,653	1,668	985	1,129	554	327	*249	427	509	1,324
Employee benefit plans.....	7,122	5,753	1,369	6,311	4,194	859	1,259	1,107	4,323	9,854
Net loss from other partnerships and fiduciaries.....	*30	*30	—	*24	*7	*17	—	*98	*298	*72
Farm net loss.....	—	—	—	—	—	—	—	—	—	—
Net loss, noncapital assets.....	784	308	*476	110	*11	*86	*13	*71	*22	138
Other deductions.....	284,586	218,148	66,416	342,824	103,097	164,881	74,846	131,888	216,778	583,156
Net income (less deficit).....	323,886	250,356	73,531	494,099	95,866	294,829	103,404	161,399	194,201	429,735
Capital gains and losses allocable to partners:										
Net short-term capital gain (less loss).....	*15	*15	—	*346	*3	*330	*13	*—	*—	*35
Net long-term capital gain (less loss).....	2,639	2,538	*102	3,423	2,134	*379	*911	*1,312	*784	2,040

Footnotes at end of table.

Partnership Returns/1979

Table 2.—Total Assets and Income Statement for Selected Industries—Continued

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

Item	Wholesale and retail trade—Continued				Finance, insurance, and real estate				
	Retail trade—Continued			Total	Finance				Insurance agents, brokers, and service
	Dining places	Liquor stores	Other retail stores		Total	Banking, and credit agencies other than banks	Security and commodity brokers and service	Holding and investment companies	
	(50)	(51)	(52)	(53)	(54)	(55)	(56)	(57)	(58)
Partnerships With and Without Net Income									
Number of partnerships.....	9,048	3,746	47,749	577,336	139,453	3,385	3,416	132,652	6,912
Number of partners.....	21,050	9,414	105,913	4,271,344	2,020,803	28,318	19,193	1,973,292	22,397
Total assets.....	385,583	333,069	1,916,353	331,625,052	94,703,747	2,473,969	21,169,987	71,059,792	3,068,319
Total receipts.....	770,914	1,180,916	5,347,085	76,258,032	21,185,327	400,752	14,150,440	6,634,135	3,235,738
Business receipts.....	752,692	1,172,420	5,292,184	65,911,001	13,931,239	187,727	12,716,450	1,027,061	2,953,512
Income from other partnerships and fiduciaries.....	—	—	1,207	916,636	783,195	1,590	19,628	761,977	1,835
Nonqualifying dividends.....	—	—	2	78,136	67,493	1,574	2,113	63,806	1,827
Interest received.....	1,403	362	13,156	6,472,164	5,261,017	198,471	1,066,809	3,995,738	116,073
Rents received.....	4,802	1,433	9,028	392,849	109,249	4,473	4,120	100,655	7,662
Royalties.....	—	—	460	322,023	302,314	—	1,357	300,941	—
Farm net profit.....	—	—	—	1,660	—	—	—	765	—
Net gain, noncapital assets.....	5,204	468	4,094	566,368	173,111	1,908	10,132	161,070	377
Other receipts.....	6,812	6,184	26,899	1,597,196	556,946	5,004	329,821	222,122	154,442
Total deductions.....	711,597	1,124,639	4,943,356	76,778,961	20,721,809	246,793	13,942,861	6,532,156	2,800,860
Cost of sales and operations.....	379,042	940,184	3,550,875	8,618,895	96,221	1,142	61,687	34,392	325,077
Inventory, beginning of year.....	21,014	102,312	779,159	2,843,837	55,504	—	—	55,504	3,302
Purchases.....	346,289	947,461	3,412,766	3,041,597	153,061	—	54,714	98,348	71,412
Cost of labor.....	14,195	2,999	38,248	146,844	3,244	—	—	3,244	1,442
Material and supplies.....	8,550	762	46,958	480,937	2,346	—	—	2,346	16,317
Other costs.....	13,950	335	205,031	5,877,243	62,147	1,142	6,973	55,032	241,174
Less: inventory, end of year.....	24,956	113,681	931,288	3,771,563	180,081	—	—	180,081	5,569
Salaries and wages.....	70,964	48,802	357,454	2,945,373	833,116	40,240	705,369	87,506	273,664
Less: Jobs credit.....	123	32	2,109	2,095	618	12	531	75	300
Guaranteed payments to partners.....	15,669	10,489	97,825	817,772	362,526	6,787	195,525	160,214	58,028
Rent paid.....	31,535	23,071	174,054	1,155,811	140,653	7,531	68,543	64,579	40,052
Interest paid.....	17,450	9,976	50,591	16,119,115	2,385,828	68,339	1,018,797	1,298,692	17,350
Taxes paid.....	34,244	21,635	98,595	4,485,561	233,361	5,819	83,112	144,450	33,423
Bad debts.....	1,460	1,185	7,826	105,173	27,509	3,427	4,671	19,411	8,100
Repairs.....	11,257	5,112	25,395	1,937,138	37,455	1,175	6,423	29,856	5,977
Depreciation.....	28,272	12,410	75,504	9,537,785	468,712	4,599	23,272	440,841	16,894
Amortization.....	842	1,184	2,155	194,367	23,599	324	2,257	21,018	589
Depletion.....	—	—	95	22,417	16,176	—	5	16,172	98
Pension, profit sharing, annuity, and bond purchase plans.....	436	65	2,202	46,313	32,174	2,043	27,231	2,900	6,479
Employee benefit plans.....	711	465	5,368	73,998	22,190	1,371	11,337	9,482	9,617
Net loss from other partnerships and fiduciaries.....	624	—	143	2,169,694	1,757,045	393	114,221	1,642,430	1,550
Farm net loss.....	—	—	—	3,020	—	—	—	2,834	—
Net loss, noncapital assets.....	57	75	4,385	299,292	262,883	12	41,195	221,676	24
Other deductions.....	119,157	50,018	492,994	28,249,331	14,020,127	104,603	11,579,749	2,335,776	2,004,299
Net income (less deficit).....	59,317	56,278	403,729	— 520,929	463,518	163,959	207,579	101,979	434,878
Net income.....	83,120	63,842	500,199	12,647,300	5,110,573	165,820	744,533	4,200,220	522,981
Deficit.....	23,803	7,563	96,470	13,168,229	4,647,055	11,861	536,953	4,098,240	88,103
Capital gains and losses allocable to partners:									
Net short-term capital gain (less loss).....	51	20	322	110,148	31,707	120	— 46,539	78,126	— 626
Net long-term capital gain (less loss).....	2,417	2,281	13,201	4,114,307	1,977,751	18,720	469,093	1,489,939	— 9,794
Partnerships With Net Income									
Number of partnerships.....	5,595	2,842	28,130	293,167	83,805	2,999	2,473	78,333	5,037
Number of partners.....	13,133	6,199	63,107	2,381,752	1,404,522	26,366	13,154	1,365,002	16,995
Total assets.....	199,253	242,414	1,444,215	140,498,583	53,429,854	2,042,133	10,811,506	40,576,215	2,685,984
Total receipts.....	544,658	983,545	4,456,022	45,429,762	13,125,416	379,518	7,385,625	5,360,273	2,999,115
Business receipts.....	531,236	975,911	4,411,875	37,565,741	7,339,315	174,938	6,644,485	519,891	2,736,555
Income from other partnerships and fiduciaries.....	—	—	225	877,794	758,899	1,590	17,781	739,529	1,796
Nonqualifying dividends.....	—	—	53	69,977	61,200	1,574	1,086	58,539	1,827
Interest received.....	1,123	319	11,707	4,856,330	4,005,742	190,724	455,147	3,359,872	105,920
Rents received.....	3,552	1,174	6,687	220,580	83,611	4,408	4,008	75,195	7,500
Royalties.....	—	—	460	304,323	287,778	—	1,037	286,735	—
Farm net profit.....	—	—	—	1,358	—	—	—	763	—
Net gain, noncapital assets.....	3,360	469	3,571	457,684	149,658	1,905	4,404	143,349	134
Other receipts.....	5,367	5,624	21,443	1,075,974	438,450	4,373	267,676	176,401	145,373
Total deductions.....	461,538	919,704	3,955,823	32,782,462	8,014,843	213,697	6,641,092	1,160,053	2,476,134
Cost of sales and operations.....	268,023	782,245	2,919,517	6,747,471	87,469	1,142	58,979	28,348	227,286
Inventory, beginning of year.....	13,687	81,239	592,580	1,794,551	10,381	—	—	10,381	302
Purchases.....	248,919	787,511	2,768,660	2,146,239	106,306	—	52,006	54,300	65,466
Cost of labor.....	11,937	1,903	32,663	86,675	1,578	—	—	1,578	940
Material and supplies.....	3,224	695	33,848	260,302	1,971	—	—	1,971	16,073
Other costs.....	7,337	335	183,475	4,559,572	23,532	1,142	6,973	16,417	144,652
Less: inventory, end of year.....	17,081	89,439	691,710	2,099,868	56,299	—	—	56,299	347
Salaries and wages.....	41,631	37,764	286,887	1,629,890	527,524	37,221	453,890	36,413	232,051
Less: Jobs credit.....	122	32	2,002	1,538	515	12	434	68	132
Guaranteed payments to partners.....	7,495	6,146	70,268	381,626	171,817	6,657	127,667	37,493	41,537
Rent paid.....	17,952	18,072	118,360	507,356	82,088	7,012	46,936	28,140	36,301
Interest paid.....	7,371	7,005	34,099	5,212,150	965,807	60,381	478,258	427,168	14,995
Taxes paid.....	23,393	15,680	77,583	1,962,243	123,005	5,281	57,267	60,458	28,926
Bad debts.....	299	724	6,956	40,414	10,673	3,054	1,922	5,699	6,756
Repairs.....	7,254	3,816	18,564	748,254	23,044	1,017	5,452	16,576	5,900
Depreciation.....	14,455	8,862	52,719	3,048,419	98,285	2,868	17,105	78,313	14,463
Amortization.....	630	844	650	41,365	3,746	62	1,235	2,428	457
Depletion.....	—	—	65	11,613	10,750	—	5	10,745	—
Pension, profit sharing, annuity, and bond purchase plans.....	436	65	2,154	34,956	23,421	2,043	21,107	271	6,237
Employee benefit plans.....	524	455	4,561	41,546	12,126	1,362	9,712	1,052	9,370
Net loss from other partnerships and fiduciaries.....	—	—	104	62,541	41,798	310	13,295	28,193	1,442
Farm net loss.....	—	—	—	—	—	—	—	—	—
Net loss, noncapital assets.....	22	1	250	11,261	7,400	2	2,388	5,011	24
Other deductions.....	72,174	38,058	365,069	12,302,895	5,826,403	86,278	5,346,309	393,816	1,850,519
Net income (less deficit).....	83,120	63,842	500,199	12,647,300	5,110,573	165,820	744,533	4,200,220	522,981
Capital gains and losses allocable to partners:									
Net short-term capital gain (less loss).....	—	20	322	103,424	74,137	117	14,040	59,980	— 626
Net long-term capital gain (less loss).....	37	1,603	9,344	1,751,326	969,852	18,301	35,729	915,822	— 12,911

Footnotes at end of table.

Table 2.—Total Assets and Income Statement for Selected Industries—Continued

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

Item	Finance, insurance, and real estate—Continued					Services			
	Real estate					Hotels and other lodging places			
	Total	Operators and lessors of buildings	Lessors, other than buildings	Real estate agents, brokers, and managers	Other real estate	Total	Total	Motels, motor hotels, and tourist courts	Other lodging places
	(59)	(60)	(61)	(62)	(63)	(64)	(65)	(66)	(67)
Partnerships With and Without Net Income									
Number of partnerships.....	430,971	360,555	27,130	21,161	22,125	238,716	16,952	8,930	8,022
Number of partners.....	2,226,144	1,888,645	130,195	110,962	98,342	813,459	81,916	45,485	36,431
Total assets.....	233,852,986	205,580,374	5,423,473	6,296,577	16,552,562	37,659,177	11,949,091	5,760,889	6,198,202
Total receipts.....	51,836,967	38,757,094	772,140	3,315,657	8,992,076	51,216,172	6,881,387	3,523,684	3,357,003
Business receipts.....	49,026,251	36,752,003	684,010	3,088,031	8,502,206	49,727,591	6,600,623	3,377,928	3,222,694
Income from other partnerships and fiduciaries.....	131,605	104,381	2,493	6,174	18,558	58,221	7,142	6,093	1,049
Nonqualifying dividends.....	8,816	7,802	772	9	233	5,250	110	91	19
Interest received.....	1,095,073	816,430	34,521	76,773	167,350	323,263	42,076	17,885	24,191
Rents received.....	275,938	92,152	7,552	69,858	106,376	235,795	116,418	66,312	50,101
Royalties.....	19,699	9,146	10,203	177	172	43,621	606	336	270
Farm net profit.....	895	—	496	258	5	—	—	—	—
Net gain, noncapital assets.....	392,880	314,467	13,496	13,608	51,291	128,459	11,409	7,525	3,884
Other receipts.....	885,808	660,693	18,598	60,888	145,631	693,967	103,004	47,409	55,595
Total deductions.....	53,256,292	41,390,369	600,186	3,139,132	8,126,606	39,876,879	6,778,958	3,408,027	3,370,931
Cost of sales and operations.....	8,197,597	589,052	69,649	1,510,680	6,028,216	7,631,630	1,606,845	847,304	759,541
Inventory, beginning of year.....	2,788,032	167,471	55,159	371,164	2,194,237	410,625	50,869	24,756	26,113
Purchases.....	2,817,123	258,064	8,712	683,638	1,866,709	3,275,628	638,788	338,770	300,016
Cost of labor.....	142,156	26,084	6,944	48,228	60,901	1,060,264	253,550	83,839	169,711
Material and supplies.....	462,274	45,425	9,635	64,571	322,643	588,231	92,829	14,729	78,101
Other costs.....	5,573,922	389,862	47,064	850,042	4,286,954	2,826,502	632,486	418,064	214,422
Less: Inventory, end of year.....	3,585,913	297,855	57,865	526,964	2,703,229	531,619	61,677	32,855	28,822
Salaries and wages.....	1,836,594	1,447,828	13,577	214,343	162,846	10,415,018	1,009,559	532,750	476,809
Less: Jobs credit.....	1,177	405	—	183	590	1,283	1,810	530	530
Guaranteed payments to partners.....	397,218	230,835	9,280	86,365	70,738	1,631,674	55,354	25,076	30,278
Rent paid.....	975,106	862,555	32,596	48,468	31,487	2,140,658	204,397	97,681	106,716
Interest paid.....	13,715,938	12,540,071	155,645	295,601	724,620	1,890,824	826,667	417,504	409,164
Taxes paid.....	4,218,757	3,972,647	65,140	66,196	114,773	1,491,595	366,183	187,044	179,139
Bad debts.....	69,565	53,544	477	7,362	8,181	82,738	18,531	9,990	8,541
Repairs.....	1,893,706	1,820,453	22,499	23,552	27,182	496,434	207,127	107,312	99,815
Depreciation.....	9,052,179	8,777,647	85,862	87,804	100,746	3,362,246	692,965	352,119	340,848
Amortization.....	170,179	149,964	898	898	15,744	105,903	17,989	5,520	12,460
Depletion.....	6,203	5,394	764	25	20	2,410	48	—	48
Pension, profit sharing, annuity, and bond purchase plans.....	7,661	4,873	640	1,072	1,076	174,571	2,869	541	2,328
Employee benefit plans.....	42,191	29,024	316	4,987	7,854	273,550	38,901	12,741	26,160
Net loss from other partnerships and fiduciaries.....	411,099	274,047	4,365	101,236	31,451	64,150	9,689	504	9,185
Farm net loss.....	186	—	117	69	—	—	—	—	—
Net loss, noncapital assets.....	36,366	23,853	34	895	11,603	33,143	1,622	921	701
Other deductions.....	12,224,905	10,608,976	138,208	687,075	790,645	10,097,818	1,722,030	812,301	909,729
Net income (less deficit).....	-1,419,326	-2,633,275	171,954	176,525	865,470	11,339,292	102,429	115,557	-13,128
Net income.....	7,013,745	4,799,815	311,339	465,494	1,417,098	13,691,535	629,216	307,481	321,734
Deficit.....	8,433,071	7,433,089	139,385	308,969	551,627	2,352,243	526,787	191,925	-334,862
Capital gains and losses allocable to partners:									
Net short-term capital gain (less loss).....	79,067	66,150	7,399	2,070	3,448	13,863	3,400	3,291	109
Net long-term capital gain (less loss).....	2,146,350	1,896,813	118,930	52,234	78,372	216,884	70,229	18,676	51,553
Partnerships With Net Income									
Number of partnerships.....	203,325	164,832	18,269	8,983	11,241	157,109	8,105	4,536	3,569
Number of partners.....	960,235	783,024	80,790	46,298	50,115	513,920	39,117	22,474	16,643
Total assets.....	84,382,745	71,920,061	2,580,341	2,621,555	7,260,788	19,171,137	5,230,624	2,918,867	2,319,757
Total receipts.....	29,305,231	18,895,500	593,220	2,549,478	7,267,033	43,668,702	4,312,463	2,414,359	1,899,104
Business receipts.....	27,489,871	17,662,267	530,435	2,383,115	6,914,055	42,490,495	4,126,055	2,302,047	1,824,558
Income from other partnerships and fiduciaries.....	117,099	81,760	2,493	6,094	16,751	55,124	7,125	6,076	1,049
Nonqualifying dividends.....	9,351	6,717	81	153	4,674	109	109	19	19
Interest received.....	744,687	528,681	25,670	58,518	131,900	273,768	24,458	14,476	9,962
Rents received.....	129,470	40,347	4,057	40,290	44,766	172,892	80,805	52,449	28,360
Royalties.....	16,536	6,652	9,585	177	121	34,425	593	324	270
Farm net profit.....	596	—	305	141	19	—	—	—	—
Net gain, noncapital assets.....	307,892	239,878	12,391	11,644	43,979	110,455	7,222	4,016	3,207
Other receipts.....	492,150	319,199	8,294	49,499	115,157	526,871	65,562	34,883	30,579
Total deductions.....	22,291,486	14,095,686	281,882	2,063,984	5,849,935	29,977,167	3,693,247	2,108,878	1,576,370
Cost of sales and operations.....	6,432,717	422,972	33,059	1,177,035	4,799,651	5,738,131	1,042,085	639,905	403,180
Inventory, beginning of year.....	1,783,869	116,063	15,318	201,468	1,450,998	273,325	39,795	17,225	16,751
Purchases.....	1,974,467	190,513	3,862	565,871	1,214,221	2,388,554	390,539	220,455	170,083
Cost of labor.....	84,156	12,052	482	35,944	35,679	809,088	141,332	46,860	94,471
Material and supplies.....	242,258	8,503	4,418	29,704	199,633	452,683	59,006	6,315	52,691
Other costs.....	4,391,189	270,256	24,593	701,521	3,394,820	2,119,044	459,731	372,051	87,680
Less: Inventory, end of year.....	2,043,223	174,435	15,613	357,473	1,495,701	305,161	42,499	24,002	18,497
Salaries and wages.....	870,315	630,863	10,502	137,302	91,648	9,105,960	540,372	308,912	231,461
Less: Jobs credit.....	892	305	—	152	436	17,530	1,221	680	341
Guaranteed payments to partners.....	168,272	59,031	4,043	59,068	46,129	1,269,831	31,605	15,679	15,925
Rent paid.....	388,967	336,961	9,899	25,336	16,771	1,809,606	129,192	70,127	59,065
Interest paid.....	4,231,348	3,715,716	54,577	133,138	327,916	839,288	354,857	222,016	132,841
Taxes paid.....	1,810,312	1,683,468	39,437	28,466	58,941	1,178,631	204,372	119,535	84,837
Bad debts.....	22,985	19,144	156	556	3,129	52,671	9,650	5,517	4,133
Repairs.....	719,310	681,147	13,425	11,475	13,263	337,543	118,057	62,963	55,094
Depreciation.....	2,935,871	2,821,488	40,882	34,695	38,605	1,504,234	310,168	184,386	125,782
Amortization.....	37,162	31,031	156	605	5,368	59,658	3,373	1,841	1,532
Depletion.....	863	79	755	9	20	1,905	48	—	48
Pension, profit sharing, annuity, and bond purchase plans.....	5,297	3,632	640	1,471	553	169,453	2,899	541	1,550
Employee benefit plans.....	20,049	15,420	289	2,401	1,939	233,162	22,171	8,909	13,172
Net loss from other partnerships and fiduciaries.....	19,301	12,877	636	1,752	4,036	24,067	1,446	340	105
Farm net loss.....	—	—	—	—	—	—	—	—	—
Net loss, noncapital assets.....	3,837	3,216	21	119	480	7,099	110	58	52
Other deductions.....	4,625,973	3,658,945	73,402	451,707	441,920	7,663,477	916,112	468,181	447,931
Net income (less deficit).....	7,013,745	4,799,815	311,339	485,494	1,417,098	13,691,535	629,216	307,481	321,734
Capital gains and losses allocable to partners:									
Net short-term capital gain (less loss).....	29,912	25,815	286	1,561	2,251	5,913	58	5	63
Net long-term capital gain (less loss).....	794,386	718,422	37,641	11,142	27,180	114,183	18,250	11,400	6,850

Footnotes at end of table.

Partnership Returns/1979

Table 2.—Total Assets and Income Statement for Selected Industries—Continued

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

Item	Services—Continued										
	Personal services					Business services	Total	Automobile repair and services			
	Total	Laundries, dry cleaning and garment services	Beauty shops	Barber shops	Other personal services			Automobile repair shops			Automobile parking and other services
								Total	General automotive repair shops	Other automotive repair	
	(68)	(69)	(70)	(71)	(72)	(73)	(74)	(75)	(76)	(77)	(78)
Partnerships With and Without Net Income											
Number of partnerships.....	24,266	6,807	7,970	2,628	6,861	42,274	22,070	15,509	7,923	7,586	6,561
Number of partners.....	54,324	15,117	16,604	5,350	17,253	155,306	54,242	35,908	16,234	19,674	18,334
Total assets.....	640,011	238,382	61,579	10,120	329,930	8,925,612	1,289,482	419,201	195,455	223,746	870,281
Total receipts.....	1,485,332	498,291	319,349	112,530	555,162	4,243,690	2,203,487	1,551,016	762,246	788,770	652,470
Business receipts.....	1,467,295	490,490	318,183	112,519	546,103	4,009,392	2,165,301	1,540,309	757,285	783,024	624,992
Income from other partnerships and fiduciaries.....	*15	—	—	—	*15	2,384	*967	*45	—	*45	*922
Nonqualifying dividends.....	*6	—	—	—	*5	1,043	*14	*12	*12	—	*1
Interest received.....	3,256	621	*79	—	2,555	44,359	1,922	801	573	228	1,121
Rents received.....	6,617	4,365	*713	—	1,538	22,347	11,945	3,653	2,706	949	8,292
Royalties.....	*624	—	—	—	*624	*102	*46	—	—	—	*46
Farm net profit.....	—	—	—	—	—	—	*5	—	—	—	*5
Net gain, noncapital assets.....	3,858	1,638	*349	—	*1,871	45,580	10,166	794	*702	*91	9,372
Other receipts.....	3,662	1,175	*25	*12	2,450	118,491	13,122	5,401	968	4,434	7,721
Total deductions.....	1,290,724	441,478	284,331	86,969	477,946	4,056,920	1,946,569	1,318,229	652,052	666,177	628,340
Cost of sales and operations.....	402,182	117,683	72,838	9,238	202,424	742,806	1,010,386	809,050	418,435	390,623	201,328
Inventory, beginning of year.....	28,115	2,189	3,158	*575	22,192	18,838	77,890	66,999	35,367	31,632	10,891
Purchases.....	159,321	21,554	12,577	*2,657	122,533	287,588	713,648	589,510	326,321	263,190	124,138
Cost of labor.....	96,183	41,464	34,396	*4,369	15,955	109,299	97,227	73,440	32,405	41,035	23,787
Material and supplies.....	59,720	22,945	18,933	*1,890	15,952	67,825	105,472	80,718	22,212	58,506	24,753
Other costs.....	88,923	32,370	6,226	*393	49,934	315,041	97,607	68,904	37,643	31,261	28,703
Less: Inventory, end of year.....	30,080	2,839	2,453	*646	24,142	55,785	81,458	70,513	35,513	35,000	10,945
Salaries and wages.....	231,808	82,494	63,298	25,430	60,588	379,598	180,742	132,379	50,700	81,679	48,363
Less: Jobs credit.....	197	167	—	—	*31	530	—	138	—	—	*123
Guaranteed payments to partners.....	107,117	19,175	35,786	25,426	26,731	113,525	73,089	60,938	22,272	38,697	12,151
Rent paid.....	90,730	28,488	30,160	8,728	23,354	98,664	79,073	41,445	22,182	19,283	37,628
Interest paid.....	25,387	10,159	2,868	643	11,717	429,178	74,047	16,096	7,512	8,585	57,951
Taxes paid.....	44,141	15,949	10,837	3,478	13,878	77,307	58,787	38,424	17,495	20,929	20,364
Bad debts.....	7,779	1,880	*48	*26	5,826	14,018	4,358	2,823	1,678	1,145	1,535
Repairs.....	21,998	12,667	2,718	596	6,018	46,965	26,476	10,368	6,572	3,797	16,108
Depreciation.....	66,335	32,608	8,849	2,179	22,699	1,408,190	176,502	32,835	18,082	14,773	143,667
Amortization.....	1,578	560	*45	—	973	8,489	1,013	*315	*315	*315	697
Depletion.....	—	—	—	—	—	—	*3	*3	—	—	—
Pension, profit sharing, annuity, and bond purchase plans.....	859	*520	—	—	*338	5,221	312	*130	*70	*60	*182
Employee benefit plans.....	3,271	1,716	*389	*99	1,067	11,888	2,935	2,219	961	1,258	716
Net loss from other partnerships and fiduciaries.....	*104	*83	*21	—	—	14,940	*1,524	*59	*59	—	*1,465
Farm net loss.....	—	—	—	—	—	—	—	—	—	—	—
Net loss, noncapital assets.....	*237	*174	*57	—	*6	21,079	*170	*43	*28	*16	*126
Other deductions.....	287,394	117,491	56,416	11,128	102,359	685,581	257,290	171,106	86,043	85,063	86,184
Net income (less deficit).....	194,608	56,813	35,018	25,561	77,216	186,777	256,917	232,787	110,194	122,593	24,130
Net income.....	233,671	67,538	41,287	26,348	98,498	938,017	326,632	247,669	118,801	128,868	78,962
Deficit.....	39,063	10,725	6,269	*787	21,282	751,240	69,714	14,882	8,607	6,275	54,832
Capital gains and losses allocable to partners:											
Net short-term capital gain (less loss).....	*176	—	—	—	*176	8,607	*44	*12	—	*12	*56
Net long-term capital gain (less loss).....	*46	—	*48	—	*2	48,677	2,002	*303	—	*303	*1,699
Partnerships With Net Income											
Number of partnerships.....	16,840	4,683	5,305	1,906	4,946	24,225	16,515	12,331	6,384	5,947	4,184
Number of partners.....	37,745	10,295	10,897	3,906	12,647	82,490	41,061	29,217	13,120	16,097	11,844
Total assets.....	455,958	160,492	42,964	8,384	244,115	2,963,303	778,105	338,579	147,258	191,321	439,526
Total receipts.....	1,243,678	427,227	229,064	87,861	499,526	2,983,432	1,871,323	1,398,236	675,555	722,681	473,087
Business receipts.....	1,228,221	421,607	227,932	87,849	490,832	2,794,725	1,844,735	1,388,008	670,809	717,199	456,727
Income from other partnerships and fiduciaries.....	*15	—	—	—	*15	1,817	*967	*45	—	*45	*922
Nonqualifying dividends.....	*5	—	—	—	*5	844	*12	*12	*12	—	—
Interest received.....	3,033	573	*73	—	2,387	28,075	1,516	676	452	224	841
Rents received.....	5,272	3,070	*685	—	1,516	16,379	9,652	3,653	2,706	946	5,998
Royalties.....	*624	—	—	—	*624	*102	*46	—	—	—	*46
Farm net profit.....	—	—	—	—	—	—	—	—	—	—	—
Net gain, noncapital assets.....	3,062	*894	*349	*12	*1,819	40,509	7,230	*751	*680	*70	6,479
Other receipts.....	3,446	1,083	*25	*12	2,327	100,981	7,164	5,091	895	4,195	2,074
Total deductions.....	1,010,007	359,688	187,777	61,513	401,028	2,045,415	1,544,691	1,150,567	556,754	593,813	394,125
Cost of sales and operations.....	348,273	108,616	45,841	9,094	184,722	561,945	853,627	716,753	360,756	355,997	136,874
Inventory, beginning of year.....	25,139	1,915	2,143	*467	20,614	15,288	62,586	55,795	26,358	29,438	6,791
Purchases.....	143,222	17,945	9,223	*2,480	113,574	198,975	612,247	517,722	276,761	240,981	94,525
Cost of labor.....	86,982	40,515	27,410	*4,366	14,702	94,172	75,559	66,359	27,685	38,673	9,200
Material and supplies.....	43,085	19,083	7,679	*1,890	14,432	55,032	93,103	74,505	22,164	52,341	18,598
Other costs.....	76,168	31,726	*1,060	*393	42,989	219,838	78,104	61,647	34,285	27,362	16,457
Less: Inventory, end of year.....	26,333	2,567	1,674	*502	21,589	21,360	67,972	59,275	26,497	32,778	8,697
Salaries and wages.....	187,505	71,848	45,089	*18,966	51,801	305,867	155,548	120,620	43,591	77,030	34,928
Less: Jobs credit.....	197	167	—	31	530	—	138	—	*15	—	*78
Guaranteed payments to partners.....	84,837	9,403	22,670	*18,789	17,901	65,295	50,293	40,846	15,085	25,760	9,448
Rent paid.....	14,405	5,800	2,008	*282	6,315	63,897	67,161	34,604	19,284	15,340	32,556
Interest paid.....	34,875	13,234	7,956	1,935	11,750	124,797	42,245	12,506	5,658	6,848	29,739
Taxes paid.....	6,117	577	*24	*15	5,500	26,424	2,897	1,971	901	1,069	927
Bad debts.....	17,763	10,254	1,919	283	5,308	29,391	18,793	8,967	5,570	3,397	9,826
Repairs.....	47,484	24,178	5,568	931	16,607	401,993	93,882	28,178	14,511	13,668	65,704
Depreciation.....	1,210	*451	*45	—	*719	2,141	548	*315	—	*315	*233
Depletion.....	—	—	—	—	—	—	—	—	—	—	—
Pension, profit sharing, annuity, and bond purchase plans.....	859	*520	—	—	*338	5,015	*233	*63	*3	*60	*171
Employee benefit plans.....	2,574	1,435	*161	—	978	8,950	2,697	2,161	945	1,215	536
Net loss from other partnerships and fiduciaries.....	*104	*83	*21	—	—	1,459	*1,191	*59	*59	—	*1,132
Farm net loss.....	—	—	—	—	—	—	—	—	—	—	—
Net loss, noncapital assets.....	*67	*3	*57	—	*6	2,524	*98	*43	*28	*16	*55
Other deductions.....	215,369	91,626	36,198	5,914	81,631	410,851	205,917	148,325	74,909	73,416	57,592
Net income (less deficit).....	233,671	67,538	41,287	26,348	98,498	938,017	326,632	247,669	118,801	128,868	78,962
Capital gains and losses allocable to partners:											
Net short-term capital gain (less loss).....	*176	—	—	—	*176	5,422	*19	*12	—	*12	*6
Net long-term capital gain (less loss).....	*36	—	*48	—	*12	26,895	*1,162	*78	—	*78	*1,084

Footnotes at end of table.

Table 2.—Total Assets and Income Statement for Selected Industries—Continued

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

Item	Services—Continued										
	Miscellaneous repair services	Amusement and recreation services, including motion pictures	Medical and health services			Legal services	Engineering and architectural services	Accounting, auditing, and bookkeeping services			Other services
			Total	Offices of physicians	Other medical and health services			Total	Certified public accountants	Other accounting, auditing, and bookkeeping services	
	(79)	(80)	(81)	(82)	(83)	(84)	(85)	(86)	(87)	(88)	(89)
Partnerships With and Without Net Income											
Number of partnerships.....	9,094	19,031	20,910	8,929	11,981	28,836	7,370	12,657	8,430	4,227	35,256
Number of partners.....	19,238	85,124	79,301	35,471	43,830	105,273	20,624	43,670	34,123	9,547	114,441
Total assets.....	187,422	3,525,684	2,236,399	499,810	1,736,589	2,568,580	521,293	1,432,661	1,341,925	90,756	4,382,922
Total receipts.....	647,996	3,480,189	7,602,926	3,869,212	3,733,714	12,506,300	2,594,081	6,356,661	5,998,068	350,593	3,126,114
Business receipts.....	643,018	3,195,270	7,473,890	3,815,379	3,658,511	12,424,203	2,527,651	6,305,001	5,953,069	351,932	2,915,948
Income from other partnerships and fiduciaries.....	—	7,711	13,031	*1,347	*11,684	3,628	10,554	10,858	10,223	*635	*1,931
Nonqualifying dividends.....	—	*116	*159	*157	*3	675	*697	804	804	—	1,626
Interest received.....	1,044	23,358	16,301	8,254	10,047	34,566	9,111	15,906	14,919	986	131,367
Rents received.....	*815	23,120	15,591	5,032	10,558	16,719	2,915	4,035	2,167	*1,868	15,273
Royalties.....	—	36,930	*12	*11	*2	901	*2,389	*53	*53	—	*1,957
Farm net profit.....	—	—	—	—	—	—	—	—	—	—	—
Net gain, noncapital assets.....	2,036	27,467	2,699	1,068	1,631	6,041	11,147	3,107	272	*2,836	4,949
Other receipts.....	1,084	174,219	81,242	39,963	41,279	99,566	29,617	16,897	16,561	337	50,063
Total deductions.....	547,842	3,507,933	5,233,822	2,089,862	3,143,961	6,744,360	2,197,894	4,889,589	4,635,765	253,824	2,682,267
Cost of sales and operations.....	316,816	928,647	502,938	59,678	443,260	176,557	629,722	82,471	75,656	*6,815	1,232,460
Inventory, beginning of year.....	33,958	44,116	15,688	948	14,741	—	*7,145	*3,097	*2,925	*172	130,909
Purchases.....	230,252	215,298	87,001	10,589	76,432	*15,813	*42,328	*851	—	*851	884,741
Cost of labor.....	31,924	69,757	134,811	7,708	126,902	8,802	143,718	44,745	39,158	*5,587	71,447
Material and supplies.....	38,060	29,788	62,621	5,855	56,766	3,535	32,124	1,482	*787	*695	94,776
Other costs.....	24,092	616,166	216,114	35,765	180,349	148,407	412,272	36,356	35,801	*565	240,027
Less: Inventory, end of year.....	41,669	45,479	13,097	1,168	11,829	—	*7,855	*4,070	*3,014	*1,055	180,439
Salaries and wages.....	60,938	537,587	1,717,250	715,447	1,001,814	2,951,554	602,044	2,413,361	2,311,424	101,937	330,206
Less: Jobs credit.....	*366	504	1,580	783	797	6,044	736	6,995	6,774	*230	—
Guaranteed payments to partners.....	28,500	54,984	235,377	127,706	107,671	302,095	111,492	467,781	495,703	31,078	82,361
Rent paid.....	16,382	150,192	368,336	181,507	186,831	684,491	78,577	297,618	283,325	14,293	72,197
Interest paid.....	5,964	173,724	126,963	15,760	111,203	53,755	11,643	50,994	46,206	4,787	112,501
Taxes paid.....	14,166	98,850	198,294	58,140	140,154	308,042	59,500	187,630	179,095	8,535	78,694
Bad debts.....	894	3,756	13,653	2,241	11,413	8,864	2,872	4,052	3,797	*255	3,862
Repairs.....	4,346	53,969	39,373	13,336	26,036	40,001	6,410	18,009	16,247	1,762	33,760
Depreciation.....	13,511	424,841	144,088	38,488	105,600	181,952	28,299	93,378	85,231	8,147	132,184
Amortization.....	*585	45,889	1,716	250	1,467	3,640	331	19,541	18,953	588	5,141
Depletion.....	—	*423	*53	*53	—	*53	—	*1,000	*1,000	—	*831
Pension, profit sharing, annuity, and bond purchase plans.....	*64	6,313	30,123	22,531	7,593	66,782	16,690	43,428	42,434	*993	1,911
Employee benefit plans.....	*479	13,019	64,657	30,490	34,168	66,164	15,320	49,404	47,765	1,640	7,511
Net loss from other partnerships and fiduciaries.....	—	5,208	*157	*150	*7	13,434	10,783	—920	920	—	7,312
Farm net loss.....	—	—	—	—	—	—	—	—	—	—	—
Net loss, noncapital assets.....	*118	4,539	1,421	*1,320	*101	2,165	*108	*249	*242	*17	1,435
Other deductions.....	85,645	1,008,418	1,790,991	823,550	967,441	1,890,857	624,479	1,166,747	1,093,540	73,207	580,185
Net income (less deficit).....	100,154	—19,744	2,369,104	1,779,351	589,753	5,841,940	396,180	1,467,073	1,362,303	104,770	443,487
Net income.....	107,062	526,843	2,471,647	1,785,504	686,143	5,866,064	451,612	1,486,527	1,381,113	105,414	654,245
Deficit.....	6,908	546,587	102,543	6,154	96,390	24,124	55,424	19,454	18,610	*644	210,398
Capital gains and losses allocable to partners:											
Net short-term capital gain (less loss).....	—	601	*44	—	*44	711	*93	*281	*31	*312	467
Net long-term capital gain (less loss).....	*248	22,139	9,949	*55	*9,894	12,123	921	1,974	1,645	*329	48,576
Partnerships With Net Income											
Number of partnerships.....	6,778	6,975	16,438	7,992	8,444	25,702	5,969	10,995	7,350	3,645	10,569
Number of partners.....	14,207	31,050	62,196	31,656	30,540	97,907	17,222	39,509	31,250	8,259	51,416
Total assets.....	153,362	1,331,133	1,621,160	462,042	1,159,119	2,490,815	473,750	1,361,440	1,299,143	82,297	2,283,478
Total receipts.....	574,150	2,352,987	6,832,401	3,752,309	3,080,092	12,406,413	2,376,667	6,210,424	5,871,449	338,976	2,504,765
Business receipts.....	569,250	2,155,022	6,730,318	3,700,389	3,029,949	12,253,571	2,311,536	6,159,739	5,827,307	332,432	2,316,773
Income from other partnerships and fiduciaries.....	—	*7,025	*12,071	*1,347	*10,724	3,628	10,489	10,841	10,206	*635	*1,146
Nonqualifying dividends.....	—	*32	*159	*157	*3	675	*697	804	804	—	*1,365
Interest received.....	973	14,676	13,822	6,232	7,590	33,576	8,894	15,526	14,658	868	129,240
Rents received.....	*815	13,924	12,160	5,005	7,151	15,951	2,124	3,590	1,722	*1,868	12,215
Royalties.....	—	28,111	*12	*11	*2	901	*2,389	*53	*53	—	*1,593
Farm net profit.....	—	—	—	—	—	—	—	—	—	—	—
Net gain, noncapital assets.....	2,036	23,988	2,055	1,068	987	6,019	11,147	3,101	285	*2,836	4,105
Other receipts.....	1,076	110,228	61,803	38,115	23,688	92,091	29,391	16,770	16,434	337	38,357
Total deductions.....	467,088	1,826,144	4,360,754	1,966,804	2,393,949	6,540,349	1,925,055	4,723,899	4,490,336	233,562	1,850,520
Cost of sales and operations.....	274,315	558,882	434,029	59,678	374,351	144,027	539,816	80,968	74,153	*6,815	900,165
Inventory, beginning of year.....	27,097	20,130	12,407	948	11,459	—	*7,145	*3,097	*2,925	*172	67,060
Purchases.....	196,058	126,492	77,199	10,589	66,629	—	37,006	*851	—	*851	605,965
Cost of labor.....	30,114	31,361	109,684	7,708	101,975	*8,802	129,036	44,097	38,510	*5,587	57,919
Material and supplies.....	33,378	20,097	55,921	5,855	50,067	3,432	32,120	1,435	*740	*695	56,075
Other costs.....	23,332	368,584	187,975	35,765	152,210	131,793	342,309	35,558	34,992	*565	175,654
Less: Inventory, end of year.....	35,662	27,802	9,158	1,168	7,989	—	*7,799	*4,070	*3,014	*1,055	62,506
Salaries and wages.....	55,129	287,482	1,465,146	690,887	774,259	2,904,781	572,149	2,347,586	2,261,120	89,465	284,396
Less: Jobs credit.....	*290	*494	1,540	783	757	6,044	736	6,995	6,840	*220	—
Guaranteed payments to partners.....	15,454	28,250	177,605	108,113	69,492	259,437	93,858	433,802	403,236	30,566	44,459
Rent paid.....	14,687	83,136	309,390	176,516	132,874	664,637	69,487	287,106	273,271	13,835	56,077
Interest paid.....	4,823	61,044	64,277	14,755	69,522	51,433	10,635	46,441	42,271	4,170	44,310
Taxes paid.....	12,572	56,417	161,929	55,985	105,943	303,670	55,858	183,004	174,524	8,480	58,092
Bad debts.....	863	1,173	11,175	2,241	8,934	8,805	2,414	4,052	3,797	*255	2,883
Repairs.....	3,930	29,338	33,677	13,130	20,546	39,731	5,906	17,548	15,800	1,748	23,410
Depreciation.....	11,126	184,485	106,215	32,217	73,998	178,143	24,840	88,548	80,567	7,980	57,390
Amortization.....	*535	28,505	1,078	249	829	3,615	240	18,084	17,704	*360	330
Depletion.....	—	*6	*53	*53	—	*53	—	*1,000	*1,000	—	*745
Pension, profit sharing, annuity, and bond purchase plans.....	*64	4,565	28,905	22,029	6,876	66,510	16,605	43,428	42,434	*993	1,421
Employee benefit plans.....	*443	5,723	58,853	29,993	26,861	65,714	14,636	48,738	47,099	1,640	4,862
Net loss from other partnerships and fiduciaries.....	—	1,419	*157	*150	*7	12,670	4,596	489	469	—	*1,556
Farm net loss.....	—	—	—	—	—	—	—	—	—	—	—
Net loss, noncapital assets.....	*2	*1,415	*130	*38	*92	2,165	*103	*249	*242	*17	*235
Other deductions.....	73,435	494,798	1,491,676	761,553	730,123	1,841,002	514,629	1,128,937	1,058,490	70,447	370,751
Net income (less deficit).....	107,062	526,843	2,471,647	1,785,504	686,143	5,866,064	451,612	1,486,527	1,381,113	105,414	654,245
Capital gains and losses allocable to partners:											
Net short-term capital gain (less loss).....	—	*782	*44	—	*44	711	*93	*281	*31	*312	467
Net long-term capital gain (less loss).....	*248	5,672	9,949	*55	*9,894	10,494	921	1,974	1,645	*329	48,576

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

Note: "Contractors not allocable," "Wholesale and retail trade not allocable," and "Nature of business not allocable" are not shown separately because of the small number of sample returns on which they were based. However, the data are included in the appropriate totals.

DATA SOURCES AND LIMITATIONS

Sole proprietorship statistics are based on a probability sample of unaudited individual income tax returns, Forms 1040, processing during 1980. The sample was stratified based on presence or absence of a Schedule C (Profit (or Loss) from Business or Profession), State in which the return was filed, adjusted gross income or deficit, or largest source of income or loss, and size of business plus farm receipts. The 1979 returns were selected at rates ranging from 0.05 percent to 100 percent. There were 92,293 returns (accounting for 108,335 businesses) in the 1979 sample, estimating a total population of 11,502,906 returns (and 12,329,982 businesses).

The partnership statistics are based on a stratified probability sample of unaudited partnership returns, Form 1065, processed during 1980. The sample was stratified based on industry, gross receipts, net income or deficit, and total assets, and selected at rates which ranged from 0.5 percent to 100 percent. There were 50,105 returns in the sample drawn from a population of 1,375,919.

Because the estimates are based on samples, they are subject to sampling error. The return data are also subject to nonsampling error due to taxpayer reporting variations and to discrepancies introduced during statistical processing.

Coefficient of Variation

The upper limits of the coefficient of variation shown below for 1979 (for frequency estimates only) are intended as a general indication of the reliability of the data.

<u>Coefficient of Variation</u>	<u>Number of Sole Proprietorships</u>	
	<u>Agriculture, forestry and fishing</u>	<u>All other industries</u>
1%	-	11,359,600
2	-	2,839,900
3	2,179,100	1,262,200
5	784,500	454,400
10	196,100	113,600
20	49,000	28,400
30	21,000	12,600
35	16,000	9,300
50	7,800	4,500

<u>Coefficient of Variation</u>	<u>Number of Partnerships</u>
2%	940,000
5	150,000
10	37,000
20	9,400
30	3,100
50	1,500

Additional measures of the coefficient of variation for specific industries and for various data items will be presented separately in the forthcoming Statistics of Income reports for 1979. The computed coefficients of variation of estimates already published in the 1978 Statistics of Income reports can be used to approximate the reliability of similar 1979 estimates. However, for sole proprietorships, the 1979 coefficients of variation, when computed, are expected to be less than the corresponding 1978 values because of the increased sample size.

Nonsampling Error

Nonsampling error was controlled during statistical processing by a variety of methods. Among these was a systematic verification at field processing locations of the manual data editing and industry coding. As a further check on the quality of the editing and industry coding, subsamples selected after field verification were reprocessed in the National Office. Key entry of the data at the processing locations was also subjected to 100 percent verification.

Prior to tabulation, numerous computer tests were applied to each return record to check for inconsistencies. Lastly, prior to publication all statistics and tables were reviewed for accuracy and reasonableness in light of provisions of the tax law, business reporting variations and limitations, and economic conditions.

Definitions and Law Changes

There were no major law changes affecting the comparability of the data with statistics for prior years.

Definitions of the data items presented in the tables are, in general, the same as those presented in Statistics of Income--1978, Sole Proprietorship Returns and Statistics of Income--1978, Partnership Returns. Industry groupings are defined in accord with the Standard Industrial Classification, issued by the Office of Management and Budget.

Receipts are defined differently for sole proprietorships and partnerships. For sole proprietorships, the total receipts of the business, mainly the gross receipts from sales and operations, are reflected in the statistics for "business receipts" in Table 1. Miscellaneous business receipts, such as from sales of scrap, are also included, but incidental investment income received through the business (such as interest, dividends, income or loss from rents or royalties, and capital and ordinary gains and losses from the sale of investment property and other assets) is excluded. Incidental investment income is not considered to be income from the business and is reported on the proprietor's individual income tax return in combination with nonbusiness investment income.

For partnerships, total receipts are more all-inclusive than they are for sole proprietorships and take into account not only "business receipts", i.e., gross receipts from sales and operations, but also other types of income received through the business, mostly from investments. These latter types of income are shown in Table 2 as dividends not qualified for the exclusion allowed individuals, interest, rents, royalties, ordinary gain or loss from sales of property not meeting the tax definition of capital assets, income or loss from other partnerships or from fiduciaries, as well as certain profits from farming operations. Also included in the total receipts shown in Table 2 are miscellaneous business receipts which, in contrast to sole proprietorships, are not considered to be part of business receipts.

For most industries, partnership investment income is incidental to the principal business activity, but for partnerships classified in the industrial division, finance, insurance and real estate, it often comprises a large part of the total operating income of the business and is the major source of receipts. Therefore, in order to overcome the limitations of the presentation in Table 2 and to obtain a more meaningful measure of the total operating income of partnerships, both in total and for businesses in the finance division, "total receipts" may be used for analysis in lieu of "business receipts."

Partly as a result of the differing definitions of receipts between sole proprietorships and partnerships, the net income for each is also defined differently. Therefore, profits data for the two forms of business organization are not additive. Conceptual differences in net income are as follows:

(a) Sole proprietorships -- Excludes investment income (as described above) and deductions for salaries paid to owners and for charitable contributions made through the business, neither of which is recognized as a sole proprietorship business expense. Investment income and salaries of owners are reported as personal income and, as such, are part of the owner's taxable income; charitable contributions are deducted as a personal (nonbusiness) expense. Net income also reflects deductions for "additional first-year depreciation," depletion on oil and gas wells and for any foreign taxes paid (unless the owner elects to claim these taxes as a credit against U.S. income tax, instead of deducting them as a business expense). These two deductions were not allowed partnerships, as mentioned below.

(b) Partnerships -- Includes most types of investment income, as explained above. Excluded are tax-exempt interest on State and local Government obligations, capital gains and losses and, under Internal Revenue Code section 1231, gains and losses on sales of assets associated with the business and on certain "involuntary conversions." (Although excluded from net income, partnership capital gains and losses are shown as information items in Table 2). Unlike sole proprietorships, net income takes into account the deduction for salaries and certain other payments to owners (partners). However, it excludes any deductions for charitable contributions made through the business, foreign taxes paid, "additional first year depreciation," and depletion on oil and gas wells. The later two deductions are allowed sole proprietorships, however. For various tax-related reasons, these excluded items (except for tax-exempt interest) are allocated directly to the partners for use in computing their total income tax liability.

Windfall Profit Tax, 1980-81

By Phil Clark*

Windfall profit tax liability after adjustments for the first quarter of 1981 amounted to approximately \$7.1 billion, according to preliminary data. This represents almost 42 percent of the total liability reported since the tax went into effect in 1980. This large increase in quarterly tax liability is due in part to the decontrol of crude oil prices as of January 1981.

The table below provides a summary of tax liability by quarter since the inception of the windfall profit tax. First quarter 1981 figures continue a trend in which the liability before adjustments has increased in each quarter since the enactment of the tax. The statistics show that adjustments had a net positive effect on tax liability in the first quarter of 1981 for the first time. First quarter 1981 adjustments represent, in large part, a 1980 year-end account balancing by withholding agents.

Millions of Dollars			
Quarter Ending	Tax Before Adjustments	Adjustments	Tax After Adjustments
Total.....	17,852	-786	17,066
March 1980 1/...	788	-	788
June 1980.....	2,842	-21	2,821
September 1980..	3,413	-88	3,325
December 1980...	3,918	-927	2,991
March 1981.....	6,891	+250	7,141

1/ One month only.

THE TAX

The Crude Oil Windfall Profit Tax Act of 1980 imposed a Federal excise tax on domestic crude oil extracted on or after March 1, 1980. The windfall profit per barrel is the removal price of a barrel of oil less the sum of the adjusted base price and the State severance tax adjustment applicable to that barrel. The base price for this computation is determined by a method set forth in the Act (see Definitions). The adjusted base price is the base price multiplied by a quarterly inflation adjustment factor [1], which is computed by the Internal Revenue Service (IRS). The windfall profit tax is the windfall profit times the appropriate tax rate.

The tax rate varies with the classification of the taxable crude oil into one of three tiers. In addition, for independent producers (generally a producer not involved in the refining or retailing of oil) lower rates are allowed on the first 1,000 barrels per day of tier one and tier two oil attributable to working interests. Following are the tax rates applicable for each category of oil:

Type of Oil	General Rates	Independent Producer Rates
Tier 1-- All nonexempt domestic oil except Tier 2 and Tier 3 oil.....	70%	50%*
Tier 2-- Stripper oil and oil produced from a National Petroleum Reserve.....	60%	30%*
Tier 3-- Newly discovered oil, heavy oil and incre- mental tertiary oil.....	30%	30%

* First 1,000 barrels per day.

The tax is imposed on the holders of the economic interest, the producers; however, for taxpayers other than integrated oil companies the tax is withheld and paid by the first entity buying the crude oil, known as the first purchaser, or by a qualified intermediary. This process of withholding and paying the tax is similar to the way an employer withholds income and social security tax from an employee. Integrated oil companies deposit the tax on their own production. The total number of withholding entities for 1980 was between 800 and 900, although the number for any one quarter never reached that total, due to shifts in the filing population from quarter to quarter.

Should under- or over-withholding occur, the depositing or withholding agent is responsible for correcting that error to the extent possible by adjusting the amounts withheld in succeeding quarters. In addition, the net income limitation provision of the Act limits the windfall profit to 90 percent of the net income per barrel of oil. Overpayment due to the application of the net income limitation may be accounted for currently on a quarter-by-quarter basis.

Additional information about the windfall profit tax provisions may be found in the Fall 1981 SOI Bulletin. [2]

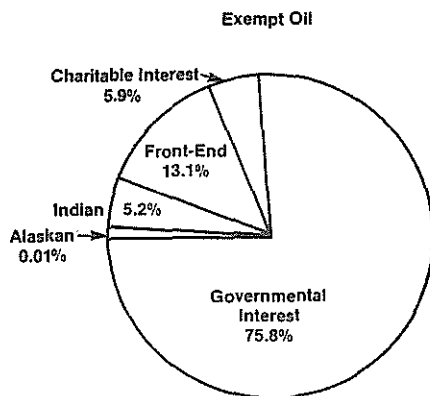
EXEMPT OIL

The Act allows five specific types of oil production to be exempt from the windfall profit tax. Because filers were not required to supply information on exempt oil in 1980, this is the first report

on this type of production. In total, filers reported production of 17.1 million barrels of exempt oil in the first quarter of 1981.

In general, the five types of exempt production are: a) oil produced by State and local governments, the net income from which is used for public purposes; b) oil produced by charitable medical and educational institutions, or by a church if the net proceeds are dedicated to such an institution; c) oil produced by certain qualified Indian tribes or individuals; d) oil produced in certain remote areas of Alaska; and e) certain oil deregulated by the Department of Energy to be used to finance a tertiary recovery project ("exempt front-end oil"). For a more detailed discussion of these terms, see Definitions.

The distribution of exempt oil among the five types, for those returns which included such information for the first quarter of 1981, is as follows:



BASIC TABLE INFORMATION

Shown in Table 1 is the tax liability before adjustments by tier and tax rate for the quarter ending March 31, 1981, and for the entire period since the tax took effect, March 1, 1980, through March 31, 1981. Also shown are the components of the windfall profit for the entire period as reported on returns showing these items. Table 2 shows the volume of exempt oil classified by type of exemption and by tier of oil.

The 1981 data in these tables are from returns received through September 1981. Delinquent returns and amended returns, as well as adjustments to liability reported in subsequent quarters, may result in revisions to these tables. Revisions are not yet available for 1980 data.

Following these tables is a description of the source of the data and selected definitions.

DATA SOURCES AND LIMITATIONS

The Quarterly Federal Excise Tax Return, Form 720, is the form on which the windfall profit tax is reported. The windfall profit tax is only one of more than 20 excise taxes reported on that form. Form 6047, Windfall Profit Tax, shows how the tax is computed and is filed as an attachment to Form 720. Returns are due two months after the end of the quarter in which the oil is removed.

The data for the first quarter of 1981 are based only on returns with a tax liability of \$1 million or more before adjustments. In the last three quarters of 1980 (the tax took effect in March 1980, and thus the first quarter of 1980 contained only one taxable month) returns falling in this liability range accounted for 98.3 percent of the liability. Data for 1981 have been adjusted upward to estimate the total liability and barrels of oil. Data in Table 1 for 1980 are based on all returns filed through mid-summer 1981.

The Internal Revenue Service also releases windfall profit tax statistics in a quarterly report on all excise tax collections [3]. A number of considerations affect comparison of data from these two sources. The excise tax collection figures show the liability after adjustments, as reported on Form 720, of returns entered into the IRS' computerized Business Master File (BMF) each quarter. Returns are not due until two months after the close of the taxable quarter; consequently, the report for the third quarter of 1980, for instance, shows amounts attributable to liabilities accrued for oil removed in the first and second quarter of 1980. Furthermore, the interval between the close of the taxable period and the final recording of the return often varies, so that the quarterly BMF totals can represent several taxable periods. On the other hand, the data presented here have been tabulated for specific taxable periods. As a result, the two sets of statistics are not directly comparable.

Since no statistical sampling was involved, the data in this report are not subject to sampling error. The data, however, are subject to nonsampling error. There may be errors as a result of the extrapolation of all figures to account for the 1.7 percent of the population not tabulated. In addition, although attempts were made to secure all returns filed, some returns may have been omitted due to time and resource constraints. Attempts were also made to correct imbalances in taxpayer entries concerning the components of windfall profit; if this proved impossible, an out-of-balance return was treated as a return on which the components were not reported, and therefore only the liability for each tier was tabulated. A number of verification checks were performed at all stages of manual data abstraction and tabulation.

Table 1.--Windfall Profit Tax Liability by Oil Tier and Tax Rate for the Quarter Ended March 31, 1981;
Components of Windfall Profit Cumulative from March 1, 1980, to March 31, 1981

[Money amounts are in millions of dollars]

Oil tier and tax rate	Tax liability before adjustments		Returns with components of windfall profit cumulative from March 1, 1980, to March 31, 1980 ¹					
	Quarter ended March 31, 1981	Cumulative from March 1, 1980, to March 31, 1981	Number of barrels of oil (000's)	Removal value	Adjusted base value	State severance tax adjustment	Windfall profit	Tax liability before adjustments
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All returns, total.....	6,891	17,852	751,249	22,467	11,133	594	10,740	6,094
Returns with tax liability shown by oil tier and tax rate:								
Total.....	6,546	15,402	751,249	22,467	11,133	594	10,740	6,094
Tier one, other than Sadlerochit oil:								
Taxed at 70 percent.....	4,691	9,506	396,729	11,367	5,487	322	5,558	3,892
Taxed at 50 percent.....	306	620	45,309	1,242	643	34	565	282
Tier one, Sadlerochit oil:								
Taxed at 70 percent.....	313	959	31,837	736	452	30	254	178
Taxed at 50 percent.....	21	32	822	31	11	4	16	8
Tier two oil:								
Taxed at 60 percent.....	612	2,327	79,557	2,848	1,345	69	1,434	860
Taxed at 30 percent.....	194	679	56,727	2,115	982	44	1,089	326
Tier three oil (taxed at 30 percent):								
Newly discovered oil.....	313	930	104,446	3,209	1,658	87	1,464	440
Incremental tertiary oil.....	12	21	2,348	83	45	1	37	11
Heavy oil.....	84	329	33,474	836	510	3	323	97
Total returns with tax liability not shown by oil tier and tax rates.....	345	2,450	-	-	-	-	-	-

¹Represents 64.5 percent of all returns tabulated and 34 percent of liability. Filers were not required to report this detail for 1980.

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

Table 2.--Exempt Oil Volume by Tier and Category, Quarter Ended March 31, 1981

[Thousands of barrels]

	Total	Tier one	Tier two	Tier three		
				Newly discovered oil	Incremental tertiary oil	Heavy oil
	(1)	(2)	(3)	(4)	(5)	(6)
Total.....	17,115	14,222	1,790	926	16	161
Exempt governmental interest.....	12,976	11,444	652	729	15	136
Exempt charitable interest.....	1,008	625	259	113	1	10
Exempt Indian oil.....	885	434	372	77	-	2
Exempt Alaskan oil.....	2	-	-	2	-	-
Exempt front-end oil.....	2,244	1,719	507	5	-	13

Definitions

Brief definitions of many of the terms used in this article are given below. For a more detailed treatment see Reference [4], below.

Adjusted Base Price.--The base price multiplied by the inflation adjustment, which is determined from the "implicit price deflator" derived by the Department of Commerce [1].

Adjustments to Liability.--Corrections applied to the current quarter's liability in order to correct over- and under-withholding in previous quarters.

Base Price.--For tier one oil, the upper tier ceiling price, as defined by Department of Energy price control regulations [5], which would have applied to the oil had it been produced and sold in May 1979, reduced by 21 cents. This is expected to average about \$12.81 a barrel. For tier two and three oil, the base prices were approximately \$15.20 and \$16.55, respectively, adjusted for grade and quality.

Crude Oil.--The term applies only to natural crude petroleum and does not include synthetic petroleum, such as oil from shale or tar sands. It does, however, include natural gas liquids treated as crude oil under the June 1979 energy pricing regulations issued by the Department of Energy.

Exempt Alaskan Oil.--Oil from a reservoir other than the Sadlerochit reservoir that has been commercially exploited by any well north of the Arctic Circle; and oil produced north of the Alaska-Aleutian Range, and at least 75 miles from the nearest point of the Trans-Alaska Pipeline System.

Exempt Charitable Oil.--Oil produced from economic interests held by charitable medical facilities and educational institutions (as defined in Internal Revenue Code section 170), if such interest was held on January 21, 1980, and at all times thereafter; and oil produced from interests held by a church on January 21, 1980, if, prior to January 22, 1980, the net proceeds of such oil were dedicated to the support of a medical facility or educational institution.

Exempt Front-End Oil.--Certain oil that the Department of Energy deregulates to be used to finance a tertiary recovery project (see Tier Three Oil, Incremental Tertiary Oil). For a discussion of the many limitations and exceptions to this exemption, see Reference [4] below. This category of oil no longer existed after January 28, 1981, due to the deregulation of all domestic oil.

Exempt Governmental Oil.--Oil produced from an economic interest held by a State or political subdivision (including agencies and instrumentalities) the net income from which is used for public purposes.

Exempt Indian Oil.--Oil produced from mineral interests held by or on behalf of Indian tribes or individuals on January 21, 1980, which is one of the following three types: (a) production received by Indian tribes and individuals from Tribal Trust Lands (the title of such land is held by the United States in trust for the tribes), (b) production from land or mineral interests held by an Indian tribe eligible for services provided to Indians by the Secretary of the Interior, or (c) oil from which the proceeds are paid into the U.S. Treasury to the credit of tribal or native trust funds pursuant to law. This exemption also applies to production of any Alaska Native Corporation prior to 1991.

First Purchaser.--First entity buying domestic crude oil.

Integrated Oil Company.--Entity that both produces oil and is either a retailer or a refiner.

National Petroleum Reserve.--Located at Point Barrow, Alaska.

Net Revenue.--This equals the gross, or excise, tax (excluding that amount attributable to U.S. Government interests) less the reduction of income tax resulting from taxpayers claiming deductions for windfall profit tax paid. Figures presented in this report are gross liabilities.

Producer.--Holder of an economic interest with respect to crude oil in place. The producer may either have a working interest and share the cost of development and production or have a royalty or other non-working interest.

Qualified Disburser.--A disburser is an entity which receives payments from the sale of crude oil and is responsible for distributing some or all of these payments to the producers. In general, a qualified disburser must distribute 10 percent or more of the total proceeds, or be an integrated oil company or a Federally-registered partnership.

Removal Price.--Generally, the price for which a barrel of oil is sold. In some instances, a constructive sales price is used.

Sadlerochit Oil.--Crude oil production from the Sadlerochit reservoir in the Prudhoe Bay oil field in Alaska.

State Severance Tax Adjustment.--A State severance tax is a tax imposed by a State with respect to the extraction of oil. The windfall profit is reduced by the amount by which the severance tax exceeds that which would have been imposed had the oil been valued at its adjusted base price.

Stripper Oil.--In general, oil from a property from which the average daily production per well has been 10 barrels or less for any consecutive 12-month period after 1972.

Tier One Oil.--All domestically-produced crude oil other than any oil classified in tiers two or three, or explicitly exempted from the tax by the Act. This includes the bulk of domestic oil from reservoirs proven to be productive before 1979.

Tier Two Oil.--Any oil, other than oil classified in tier three, which is from a stripper well property within the meaning of the June 1979 Department of Energy pricing regulations and oil from a U.S. economic interest in a National Petroleum Reserve.

Tier Three Oil, Heavy Oil.--All crude oil which is (1) produced from property which had a weighted average gravity of 16.0 degrees API [6] or less, corrected to 60 degrees Fahrenheit, for the last month of production prior to July 1979 or (2) oil from a property with a weighted average gravity of 16.0 degrees API or less, corrected to 60 degrees Fahrenheit, for the taxable period.

Tier Three Oil, Incremental Tertiary Oil.--Production in excess of a base level on a property on which a qualified tertiary recovery project (one which utilizes one of several specific chemical, fluid or gaseous recovery methods to extract oil not

recoverable using standard techniques) has been undertaken. The non-incremental oil (i.e., the amount of production up to the base level) remains in the otherwise applicable tier.

Tier Three Oil, Newly Discovered Oil--Crude oil that is sold after May 31, 1979, and that is produced from (1) an outer continental shelf area for which the lease was entered into on or after January 1, 1979, and from which there was no production in Calendar Year 1978 or (2) an on-shore property developed after Calendar Year 1978.

References

- [1] The inflation adjustment, calculated by the Statistics Division, is published quarterly in the Internal Revenue Bulletin. (See for example IRS Bulletin 1981-24, dated June 15, 1981.)
- [2] U.S. Department of Treasury, Internal Revenue Service, SOI Bulletin, Volume I, Number 2, Publication 1136, U.S. Government Printing Office, 1981.
- [3] "Internal Revenue Collections of Excise Taxes," released quarterly by the Internal Revenue Service.
- [4] Joint Committee on Taxation (Staff), General Explanation of the Crude Oil Windfall Profit Tax Act of 1980, U.S. Government Printing Office, 1981
- [5] The pricing regulations were most recently published in 46 Federal Register 20512, April 3, 1981.
- [6] A discussion of the API (American Petroleum Institute) degree gravity scale, used to indicate the density of crude oil, can be found in API Technical Data Handbook-Petroleum Refining, Volume I, Chapter 6. The higher the API gravity, the lighter the oil. The normal range is 27 degrees to 40 degrees.

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Data, 1978

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

Early Individual Income Tax
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Tape Files Available

Individual Tax Model File, 1966-1978
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