

Data Release

Interest Charge-Domestic International Sales Corporation Statistics for 1987

Interest Charge-Domestic International Sales Corporations (IC-DISC's) filed 1,185 income tax returns for Tax Year 1987. An IC-DISC is a domestic corporation created to export U.S. products. The IC-DISC provisions were added to the Internal Revenue Code in 1984 to replace the then-existing DISC rules. To qualify to be an IC-DISC, at least 95 percent of the corporation's assets must be "qualified assets" and at least 95 percent of its gross receipts must be "qualified export receipts." Qualified assets includes property related to exporting. Qualified export receipts includes gross receipts from the sale of qualified assets and various other income related to exporting.

The income of an IC-DISC is generally exempt from U.S. tax. However, certain income of an IC-DISC is taxed to the shareholders of the IC-DISC, generally, U.S. parent corporations. First, the shareholders of the IC-DISC are subject to tax on actual distributions received from the IC-DISC that have not been taxed previously. In addition, the IC-DISC is deemed to distribute annually to its shareholders certain types of income earned by the IC-DISC, including the net income from any export gross receipts over \$10 million. Finally, any undistributed income of the IC-DISC is subject to a tax deferral. However, the shareholders of the IC-DISC must pay an interest charge on the tax that would have been imposed on this income had it not been subject to deferral.

Most IC-DISC returns were filed for companies exporting manufactured products. The largest product groups were electrical machinery, equipment and supplies (18 percent of all IC-DISC's) and machinery, except electrical machinery (14 percent). For 1987, IC-DISC's reported current-year total export gross receipts of \$3.6 billion and taxable income of \$258 million. (Although generally not subject to tax, an IC-DISC must compute taxable income for use in calculating the "deemed distribution" to shareholders. Taxable income is equal to net income reduced by the net operating loss and dividends-received deductions.) IC-DISC's made deemed distributions to shareholders of \$49 million and reported tax-deferred income of \$267 million (see Table 1).

All Returns of Active Interest Charge—Domestic International Sales Corporations

Table 1.—Assets, Receipts, Deductions, Income and Distributions of IC-DISC and Total Export Gross Receipts of IC-DISC and Related U.S. Persons, by Major Product or Service

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

Major product or service	Number of returns	Total assets	Qualified assets	Export property	Total current and long-term liabilities	Total qualified export receipts and nonqualified receipts	Qualified export receipts from the sale of export property	Other qualified export receipts	Cost of sales and operations	Total export promotion and other expenses	Export promotion expenses	Net income (less deficit)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
All products and services	1,185	910,910	900,105	46,401	318,316	1,829,245	1,673,285	145,354	1,248,988	323,505	250,079	256,752
Nonmanufactured products and services	100	154,215	153,432	1,385	62,408	346,754	217,186	125,353	172,657	132,715	120,001	41,382
Grains and soybeans	21	8,040	8,040	—	1,102	26,377	25,343	897	21,876	774	752	3,727
Crops, except cotton, grains and soybeans	23	27,056	26,955	41	10,609	96,515	95,392	842	74,546	12,882	3,336	9,086
Livestock and livestock products	6	18,315	17,640	475	11,259	42,943	38,947	268	37,338	2,284	404	3,321
Chemical and fertilizer mineral products and services	3	423	423	—	—	282	275	6	—	1	—	281
Export management services	3	350	350	—	414	24	—	23	—	213	—	-190
Computer software	11	30,492	30,489	—	—	12,627	11,038	1,589	—	1,216	1,216	11,411
Motion picture distribution	3	52,469	52,468	—	36,193	115,513	1,560	113,953	—	110,282	110,197	5,230
Engineering and architectural services	4	2,181	2,180	—	621	2,837	—	2,830	1,572	750	637	515
Manufactured products	1,085	756,695	746,673	45,016	255,908	1,482,490	1,456,099	20,001	1,076,331	190,790	130,078	215,370
Ordnance and accessories	3	1,765	1,754	327	690	4,741	4,615	126	2,651	1,630	1,120	460
Food and kindred products	51	40,174	40,125	4,619	14,587	115,527	114,513	638	93,599	13,597	6,896	8,331
Meat products	9	6,139	6,139	660	2,596	33,701	33,332	103	28,438	3,932	881	1,332
Canned and preserved fruits, vegetables and seafoods	4	6,330	6,330	1,407	756	25,845	25,701	59	21,981	2,084	1,552	1,780
Confectionery and related products	3	1,167	1,167	—	87	4,503	4,503	—	3,675	304	266	524
Beverages	10	8,743	8,714	2,034	1,520	11,362	11,362	259	7,011	2,046	965	2,563
Textile mill products	33	20,836	20,743	2,969	7,841	48,252	46,293	1,902	35,367	8,158	6,577	4,727
Yarn and thread mills	3	448	446	42	388	91	91	—	86	20	—	-14
Apparel and other finished products made from fabrics and similar materials	12	8,336	8,336	139	4,378	29,944	29,813	132	25,900	2,233	1,923	1,811
Lumber and wood products, except furniture	21	19,556	19,498	4,792	3,198	70,718	70,180	144	55,166	7,460	3,807	8,092
Sawmills and planing mills	3	6,360	6,307	3,168	907	18,193	17,961	41	14,302	2,611	815	1,280
Millwork, veneer, plywood, and prefabricated structural wood products	10	3,514	3,514	280	927	16,039	15,997	35	12,841	1,052	852	2,146
Furniture and fixtures	13	5,837	5,837	229	3,453	10,657	10,645	6	8,816	1,213	996	629
Household furniture	4	2,437	2,437	149	1,357	5,927	5,927	1	5,078	593	593	257
Paper and allied products	18	19,933	19,933	212	11,568	62,654	62,487	167	44,317	14,861	1,397	3,477
Paper mills, except building paper mills	3	10,861	10,861	20	8,873	47,274	47,239	35	33,151	13,647	371	476
Converted paper and paperboard products, except boxes	9	6,705	6,705	192	1,951	9,926	9,853	73	7,058	650	489	2,218
Paperboard containers and boxes	3	1,741	1,741	—	706	4,233	4,185	48	4,109	27	19	98
Printing, publishing, and allied products	17	22,150	21,843	131	5,106	30,739	30,126	159	20,139	2,576	1,850	8,024
Periodicals: publishing, printing	7	9,189	9,189	87	2,869	8,905	8,709	-149	4,444	686	571	3,775
Books	8	12,501	12,194	44	2,182	15,511	15,501	10	11,114	1,385	870	3,012
Chemicals and allied products	46	55,768	55,686	1,675	30,064	137,606	134,772	1,508	113,460	11,183	6,866	12,963
Industrial inorganic and organic chemicals	5	22,031	22,031	541	19,091	70,813	70,299	475	64,385	2,905	1,291	3,523
Plastic materials, synthetic and other man-made fibers	7	11,623	11,622	437	3,553	19,319	18,966	105	13,299	3,033	2,615	2,987
Drugs	4	4,938	4,938	—	2,984	10,773	9,877	21	9,194	1,032	374	547
Soaps, detergents, and toilet preparations	6	4,878	4,878	—	178	6,778	6,617	150	4,274	383	263	2,121
Paints and allied products	16	2,312	2,312	152	1,114	4,596	4,410	33	2,007	1,707	1,274	881
Petroleum refining and related products	5	3,449	3,449	—	313	3,166	3,120	43	960	1,025	778	1,180
Rubber and miscellaneous plastics products	17	15,158	15,158	1,073	5,379	32,273	31,147	1,110	25,567	2,388	1,865	4,318
Leather and leather products	9	7,410	7,410	1,339	5,291	31,221	31,204	17	26,608	3,482	1,740	1,131
Handbags and other personal leather goods	5	266	266	—	—	48	48	—	—	—	—	48
Stone, clay, glass, and concrete products	8	4,609	4,609	106	392	4,807	4,578	227	324	336	229	4,147
Glass products, made or purchased glass	4	1,455	1,455	106	154	2,417	2,280	137	115	54	7	2,249

All Returns of Active Interest Charge—Domestic International Sales Corporations

Table 1.—Assets, Receipts, Deductions, Income and Distributions of IC-DISC and Total Export Gross Receipts of IC-DISC and Related U.S. Persons, by Major Product or Service—Continued

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

Major product or service	Net income	Deficit	Taxable income	Taxable income attributable to excess qualified export receipts	Adjusted IC-DISC income subject to deferral computation	Total amount deemed distributed	Current-year tax deferred income	Deferred IC-DISC income reported to shareholders	Total actual distributions	Current-year total export gross receipts of IC-DISC and related U.S. persons		
										Total amount	IC-DISC's	All other related U.S. persons, except IC-DISC's
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
All products and services	260,250	3,488	258,130	33,992	217,343	48,888	209,556	267,322	92,858	4,118,994	3,622,605	496,389
Nonmanufactured products and services	41,668	286	41,542	5,189	36,066	-6,795	34,748	32,064	11,741	676,375	621,225	55,150
Grains and soybeans	3,739	12	3,739	387	3,303	456	3,283	3,909	6,435	157,358	157,358	—
Crops, except cotton, grains and soybeans	9,171	84	9,164	1,772	7,169	2,050	7,113	5,789	2,498	187,557	160,631	26,927
Livestock and livestock products	3,321	—	3,321	213	3,109	264	3,058	3,292	618	64,008	64,008	—
Chemical and fertilizer mineral products and services	281	—	281	—	281	17	264	133	—	31,680	5,755	25,925
Export management services	—	190	—	—	—	—	—	—	22	—	22	—
Computer software	11,411	—	11,411	218	11,177	891	10,520	10,855	42	44,292	41,993	2,299
Motion picture distribution	5,230	—	5,230	1,968	3,263	2,160	3,071	2,068	—	123,654	123,654	—
Engineering and architectural services	515	—	515	—	515	30	485	941	338	3,975	3,975	—
Manufactured products	218,582	3,211	216,587	28,803	181,277	42,094	174,808	235,258	81,116	3,442,619	3,001,381	441,239
Ordnance and accessories	460	—	460	—	394	88	372	687	244	7,196	7,196	—
Food and kindred products	8,602	271	8,468	1,123	7,000	1,795	6,679	16,468	5,163	407,495	306,400	101,095
Meat products	1,332	—	1,198	83	1,058	183	1,015	1,786	211	69,039	45,318	23,721
Canned and preserved fruits, vegetables and seafoods	1,780	—	1,780	730	1,050	778	1,009	2,966	36	25,718	25,718	—
Confectionery and related products	524	—	524	—	524	15	509	548	9	5,575	5,575	—
Beverages	2,563	—	2,563	—	2,305	394	2,169	7,584	546	72,606	32,476	40,130
Textile mill products	4,758	31	4,758	13	4,664	270	4,494	7,609	4,682	116,668	95,435	21,234
Yarn and thread mills	—	14	—	—	—	—	—	—	—	91	91	—
Apparel and other finished products made from fabrics and similar materials	1,871	60	1,871	74	1,798	138	1,733	1,392	78	40,657	38,892	1,765
Lumber and wood products, except furniture	8,092	—	7,890	750	7,079	928	6,962	5,737	1,016	126,634	100,770	25,865
Sawmills and planing mills	1,280	—	1,222	—	1,222	—	1,222	866	—	24,029	17,961	6,068
Millwork, veneer, plywood, and prefabricated structural wood products	2,146	—	2,146	—	2,118	50	2,096	360	34	17,722	17,651	71
Furniture and fixtures	918	289	918	—	918	18	900	1,457	225	17,086	17,086	—
Household furniture	257	—	257	—	257	13	244	504	51	5,927	5,927	—
Paper and allied products	3,477	—	3,477	—	3,416	117	3,359	3,207	1,314	136,993	101,672	35,321
Paper mills, except building paper mills	476	—	476	—	476	—	476	768	476	47,238	47,238	—
Converted paper and paperboard products, except boxes	2,218	—	2,218	—	2,157	117	2,101	2,338	734	68,722	33,401	35,321
Paperboard containers and boxes	98	—	98	—	98	—	98	101	—	4,185	4,185	—
Printing, publishing, and allied products	8,088	63	8,063	1,933	6,119	2,257	5,806	8,427	1,989	49,710	49,710	—
Periodicals: publishing, printing	3,775	—	3,775	970	2,794	1,102	2,673	3,461	1,085	23,671	23,671	—
Books	3,076	63	3,051	963	2,089	1,082	1,969	4,948	18	20,122	20,122	—
Chemicals and allied products	12,990	28	12,956	380	12,355	1,009	11,981	13,855	5,685	169,576	165,935	3,641
Industrial inorganic and organic chemicals	3,523	—	3,489	377	3,031	615	2,873	1,505	2,934	73,095	70,345	2,750
Plastic materials, synthetic and other man-made fibers	2,987	—	2,987	3	2,948	138	2,849	4,569	696	22,806	22,806	—
Drugs	565	18	565	—	565	11	554	1,002	100	10,768	9,877	891
Soaps, detergents, and toilet preparations	2,121	—	2,121	—	2,073	89	2,068	2,329	86	15,187	15,187	—
Paints and allied products	891	9	891	—	866	59	832	445	900	8,901	8,901	—
Petroleum refining and related products	1,180	—	1,180	—	1,180	14	1,166	1,916	193	14,044	14,044	—
Rubber and miscellaneous plastics products	4,319	1	3,693	109	3,366	430	3,262	3,833	95	51,655	51,655	—
Leather and leather products	1,131	—	1,131	—	1,131	20	1,126	837	146	36,330	36,330	—
Handbags and other personal leather goods	48	—	48	—	48	3	45	206	—	709	709	—
Stone, clay, glass, and concrete products	4,147	—	4,147	618	3,455	733	3,419	1,486	2,190	71,598	47,887	23,711
Glass products, made or purchased glass	2,249	—	2,249	618	1,631	622	1,627	266	1,699	58,587	34,876	23,711

Interest Charge—Domestic International Sales Corporations, 1987

All Returns of Active Interest Charge—Domestic International Sales Corporations—Continued

Table 1.—Assets, Receipts, Deductions, Income and Distributions of IC-DISC and Total Export Gross Receipts of IC-DISC and Related U.S. Persons, by Major Product or Service—Continued

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

Major product or service	Number of returns	Total assets	Qualified assets	Export property	Total current and long-term liabilities	Total qualified export receipts and nonqualified receipts	Qualified export receipts from the sale of export property	Other qualified export receipts	Cost of sales and operations	Total export promotion and other expenses	Export promotion expenses	Net income (less deficit)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Manufactured products—Continued												
Primary metal products	55	25,897	25,897	106	3,560	70,621	70,437	179	60,186	1,643	933	8,792
Iron and steel foundries	3	875	875	—	703	4,440	4,440	—	3,947	46	21	447
Fabricated metal products, except ordnance, machinery, and transportation equipment	78	38,604	38,542	2,588	8,276	48,323	47,096	1,118	29,031	6,306	4,910	12,986
Cutlery, hand tools, and general hardware	5	1,492	1,492	—	388	4,004	4,004	—	2,412	935	834	657
Fabricated structural metal products	3	2,460	2,460	—	584	4,087	3,954	133	3,089	222	213	777
Metal stampings	7	2,155	2,154	8	98	2,141	2,136	—	1,491	30	8	620
Machinery, except electrical	169	104,173	100,133	4,558	27,325	166,430	162,133	3,573	114,311	22,883	17,028	29,236
Engines and turbines	5	4,063	4,063	9	2,815	15,352	15,320	32	14,322	393	206	637
Farm machinery and equipment	5	2,017	2,017	—	119	2,301	2,255	47	613	840	409	848
Construction, mining, and materials handling machinery	18	19,430	16,433	2,306	6,048	14,340	13,500	416	8,125	4,028	3,313	2,187
Metalworking machinery and equipment	11	4,941	4,938	—	1,335	8,076	7,819	256	6,253	785	632	1,038
Special industry machinery, except metalworking machinery	38	24,530	24,529	1,875	7,714	59,457	57,694	1,671	43,275	8,032	5,238	8,150
General industrial machinery and equipment	17	9,610	9,610	175	1,849	18,823	18,642	181	14,547	2,008	1,803	2,268
Office, computing, and accounting machines	8	4,801	3,789	—	476	3,217	3,009	150	1,142	275	194	1,800
Electrical machinery, equipment, and supplies	209	121,839	118,501	6,072	37,409	207,564	202,995	3,781	146,093	28,733	23,798	32,738
Electrical industrial apparatus	36	3,271	3,271	99	1,559	7,175	7,154	12	5,368	645	499	1,162
Household appliances	3	4,451	4,451	—	—	1,157	1,022	135	—	—	—	1,157
Radio and television receiving sets, except communication types	3	1,614	1,614	500	605	2,009	1,991	18	1,401	451	406	157
Communication equipment	21	5,718	5,715	517	429	4,686	4,281	332	2,280	615	512	1,792
Electronic components and accessories	60	54,940	51,649	4,022	16,793	94,560	93,165	1,224	67,632	14,142	11,878	12,786
Transportation equipment	73	75,552	75,234	8,534	24,537	145,162	142,925	1,753	101,162	20,776	15,719	23,224
Motor vehicles and motor vehicle equipment	47	37,211	37,204	2,124	7,947	54,082	52,813	937	36,445	5,456	3,954	12,180
Aircraft and parts	18	33,180	32,875	5,843	14,946	79,105	78,322	639	57,359	14,053	10,742	7,693
Railroad equipment	3	2,271	2,271	266	1,247	4,875	4,774	101	2,290	438	343	2,147
Professional, scientific, and controlling instruments; photographic and optical goods; watches and clocks	138	83,134	83,021	2,426	25,426	107,336	105,112	2,064	60,309	13,472	9,802	33,555
Engineering, laboratory, and scientific and research instruments	25	46,289	46,289	1,704	16,100	49,577	48,280	1,257	24,676	3,802	2,612	21,099
Instruments for measuring physical characteristics	66	13,107	12,997	50	3,633	13,466	13,310	153	6,958	2,701	2,346	3,806
Surgical, medical, and dental instruments and supplies	29	16,961	16,958	671	3,882	32,289	31,620	611	19,786	6,019	4,621	6,484
Ophthalmic goods	7	3,225	3,225	—	200	8,424	8,364	27	6,966	33	21	1,425
Photographic equipment and supplies	12	3,552	3,552	—	1,612	3,580	3,538	16	1,923	917	202	741
Miscellaneous manufactured products	110	81,741	80,188	3,122	37,112	153,331	150,503	1,341	111,558	26,691	21,707	15,083
Musical instruments	5	4,025	4,025	—	2,238	9,615	9,490	124	8,469	340	167	806
Toys, amusement, sporting and athletic goods	13	7,189	7,145	101	678	11,826	11,286	183	6,534	2,374	2,173	2,918
Pens, pencils, and other office and artists' materials	4	2,108	2,108	—	945	8,423	8,421	2	6,597	1,524	896	302
Costume jewelry, costume novelties, buttons, and miscellaneous notions, except precious metal	5	322	322	—	66	—	—	—	—	1	—	—

All Returns of Active Interest Charge—Domestic International Sales Corporations

Table 1.—Assets, Receipts, Deductions, Income and Distributions of IC-DISC and Total Export Gross Receipts of IC-DISC and Related U.S. Persons, by Major Product or Service—Continued

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

Major product or service	Net income	Deficit	Taxable income	Taxable income attributable to excess qualified export receipts	Adjusted IC-DISC income subject to deferral computation	Total amount deemed distributed	Current-year tax deferred income	Deferred IC-DISC income reported to shareholders	Total actual distributions	Current-year total export gross receipts of IC-DISC and related U.S. persons		
										Total amount	IC-DISC's	All other related U.S. persons, except IC-DISC's
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Manufactured products—Continued												
Primary metal products	8,792	—	8,792	2,678	5,978	3,053	5,739	12,152	3,477	183,190	132,525	50,666
Iron and steel foundries	447	—	447	—	447	10	438	—	289	11,140	11,140	—
Fabricated metal products, except ordnance, machinery, and transportation equipment	12,986	—	12,968	1,334	11,129	2,317	10,683	14,231	4,328	191,984	186,792	5,191
Cutlery, hand tools, and general hardware	657	—	657	—	657	—	657	481	482	8,153	8,153	—
Fabricated structural metal products	777	—	774	—	641	154	620	779	—	10,411	7,832	2,579
Metal stampings	620	—	620	—	620	27	593	1,043	189	10,477	10,477	—
Machinery, except electrical	30,383	1,147	30,189	2,622	26,996	4,335	26,005	34,011	6,844	422,797	395,901	26,896
Engines and turbines	637	—	637	—	610	69	575	448	—	20,082	20,082	—
Farm machinery and equipment	848	—	848	—	808	59	789	284	—	7,033	7,033	—
Construction, mining, and materials handling machinery	3,187	999	3,187	1,045	2,141	1,204	2,019	3,778	1,312	50,620	44,217	6,403
Metalworking machinery and equipment	1,038	—	1,038	—	936	145	893	2,969	355	8,308	8,308	—
Special industry machinery, except metalworking machinery	8,150	—	7,957	302	7,641	677	7,305	6,586	708	105,748	100,256	5,492
General industrial machinery and equipment	2,284	16	2,284	—	2,284	114	2,170	3,520	77	34,493	33,781	712
Office, computing, and accounting machines	1,800	—	1,800	—	1,676	150	1,650	3,088	1,735	12,168	11,532	636
Electrical machinery, equipment, and supplies	33,126	388	33,015	1,330	30,291	4,003	29,029	39,267	10,362	550,412	421,515	128,897
Electrical industrial apparatus	1,162	—	1,162	—	1,159	17	1,145	947	605	18,553	18,553	—
Household appliances	1,157	—	1,157	—	1,157	49	1,108	538	13	14,081	14,081	—
Radio and television receiving sets, except communication types	161	4	161	—	143	27	135	725	—	5,829	5,829	—
Communication equipment	1,792	—	1,754	—	1,670	166	1,588	3,023	2,689	22,286	22,286	—
Electronic components and accessories	12,806	20	12,806	628	11,592	1,713	11,104	17,629	2,219	262,259	138,917	123,341
Transportation equipment	23,266	42	23,196	3,080	19,120	4,628	18,576	23,339	15,374	308,800	300,391	8,409
Motor vehicles and motor vehicle equipment	12,222	42	12,152	2,253	9,192	3,214	8,942	12,325	6,747	195,079	186,670	8,409
Aircraft and parts	7,693	—	7,693	827	6,642	1,212	6,486	9,721	5,337	85,047	85,047	—
Railroad equipment	2,147	—	2,147	—	2,100	157	1,991	—	2,147	11,574	11,574	—
Professional, scientific, and controlling instruments; photographic and optical goods; watches and clocks	34,011	456	33,697	11,650	20,618	13,855	19,858	24,342	15,496	263,160	261,519	1,640
Engineering, laboratory, and scientific and research instruments	21,099	—	20,830	11,117	8,477	12,672	8,172	8,561	12,970	134,010	134,010	—
Instruments for measuring physical characteristics	4,249	443	4,223	—	4,107	299	3,924	5,494	957	45,244	45,244	—
Surgical, medical, and dental instruments and supplies	6,497	13	6,486	532	5,920	731	5,755	7,525	1,252	62,748	62,748	—
Ophthalmic goods	1,425	—	1,425	—	1,398	103	1,325	1,798	301	12,273	10,632	1,640
Photographic equipment and supplies	741	—	732	—	716	51	682	964	16	8,885	8,885	—
Miscellaneous manufactured products	15,518	435	15,251	1,110	13,805	2,070	13,205	20,723	2,215	275,220	268,312	6,908
Musical instruments	806	—	806	—	806	47	758	967	—	15,694	15,694	—
Toys, amusement, sporting and athletic goods	2,918	—	2,918	—	2,784	275	2,643	3,779	174	38,703	38,703	—
Pens, pencils, and other office and artists' materials	302	—	294	—	294	17	276	414	17	9,361	9,361	—
Costume jewelry, costume novelties, buttons, and miscellaneous notions, except precious metal	—	1	—	—	—	—	—	—	—	—	—	—

Note: Detail may not add to total because only selected products and services are included.