SOI BULLETIN

— ANNIVERSARY ISSUE —
80 Years of SOI Data

SUMMER 1994

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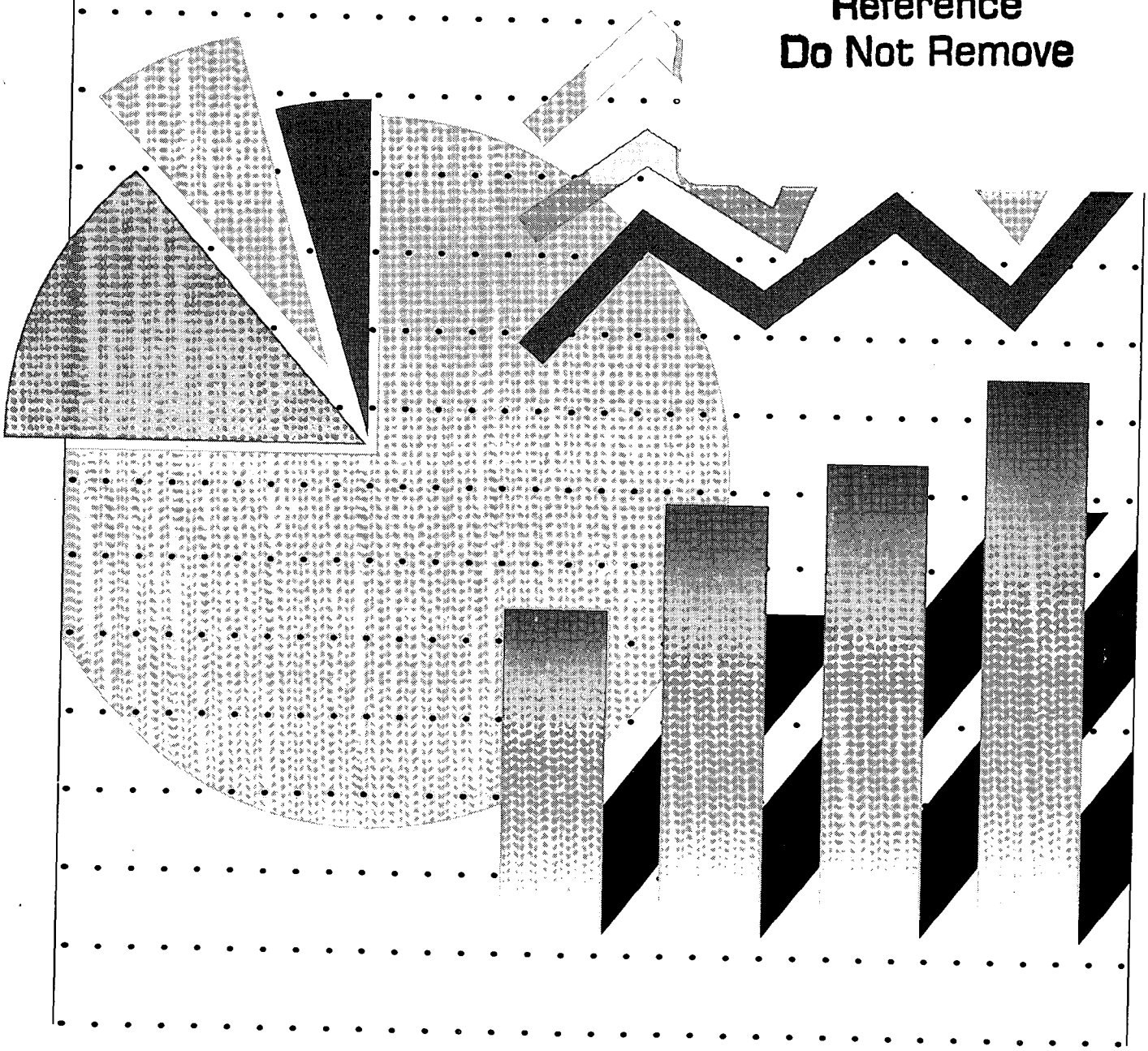

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Volume 14, Number 1

The *Statistics of Income (SOI) Bulletin* is issued quarterly, in July, October, January and April, by Statistics of Income of the Internal Revenue Service. The report provides the earliest published annual financial statistics obtained from the various types of tax and information returns filed, as well as information from periodic or special analytical studies of particular interest to students of the U.S. tax system, tax policymakers and tax administrators. It also includes personal income and tax data by State and historical data for selected types of taxpayers, in addition to data on tax collections and refunds and on other tax-related items.

Information on the availability of supplemental data on the topics included in this issue, special tabulations undertaken on a reimbursable basis, or other SOI subjects, may be obtained by telephoning the SOI Statistical Information Services office (202-874-0410), or by writing to the Acting Director, Statistics of Income CP:S, Internal Revenue Service, P.O. Box 2608, Washington, D.C. 20013-2608.

Robert Wilson and Beth Kilss of Statistics of Income are the technical editors of the *Bulletin*. Wendy Alvey, Clementine Brittain, Nancy Dutton, Bettye Jamerson, Ruth Schwartz, and Lisa Smith made major contributions in the production of this issue. Views expressed in the articles are those of the authors and do not necessarily represent the views of the Treasury Department or the Internal Revenue Service.

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This Issue at a Glance

Statistics of Income Studies of Individual Income and Taxes, 1913-1992

By Peter Sailer

This article commemorates 80 years of Statistics of Income data based on individual income tax returns. The first data were for 1913, the year when modern U.S. income taxation began, and were published in the *Statistics of Income* report for 1916. When the tax was enacted in 1913, it basically applied only to the wealthy. The 358,000 returns filed represented about 643,000 taxpayers, less than 1 percent of the population. By 1948, the 131.3 million exemptions (other than age and blindness) claimed on tax returns represented 89 percent of the population. This development transformed Statistics of Income from mainly a source of tax information to a major source of economic information, as well. The article also reviews some of the major studies comprising the individual income tax return statistical program -- including the several programs for preliminary or "early" data; the programs covering sole proprietorships, sales of "capital assets," Form W-2 wage and earnings statements, high-income returns, and geographic data -- and the availability of public-use files.

Corporation Income Tax Returns, 1991

By Allison Clark and Patrice Treubert

Corporate pre-tax profits as reported on tax returns for 1991 decreased for the third consecutive year. Profits dropped by 7 percent, to $344.9 billion, compared to 1990. Net losses of companies without net income continued to grow, from $181.9 billion to $190.9 billion, while the net income of companies reporting a profit declined from $552.5 billion to $535.8 billion. This decline in "positive" net income was accompanied by a decline in "income subject to tax," the tax base for the regular income tax, from $366.4 billion to $350.0 billion. As a result, the regular income tax (before credits) dropped from $119.4 billion to $116.3 billion. Even though credits against regular tax declined from $31.6 billion to $28.6 billion, the effect of the decline in the regular tax, as well as the decline in the "alternative minimum tax" (from $8.1 billion to $5.3 billion), was such that the total corporation income tax after credits, the amount payable to the U.S. Government, dropped for the first time since 1985, from $96.4 billion to $92.6 billion.

Foreign Recipients of U.S. Income, 1991

By Denise Bori

U.S.-source income paid to "foreign persons" in 1991 totaled over $70 billion, a net increase of 27 percent or $15 billion over 1989. However, the $2 billion in U.S. tax withheld on this income was 6 percent less than in 1989. This was because dividends, typically subject to high withholding rates, decreased by 21 percent, while all other income subject to withholding decreased by 9 percent; in addition, income exempt from withholding increased by 44 percent, to almost $55 billion. Most of the increase in total income was due to payments to persons in tax treaty countries, which are often either subject to reduced withholding rates or are exempt from withholding. Foreign corporations received more income and had more U.S. tax withheld than all other recipient types combined. Recipients in Japan and the United Kingdom accounted for almost 50 percent of the U.S. income paid to foreign persons.

Individual Income Tax Rates and Tax Shares, 1990

By Sarah E. Nutter

Nearly 89.9 million of the 113.7 million individual income tax returns for Tax Year 1990 reported an income tax liability. Tax totaled $447.1 billion, an average of $4,976 per return. The average tax rate (based on "adjusted gross income" or AGI) was 13.55 percent, continuing a steady decline from the 13.81 and 13.71 percents for 1988 and 1989, the first 2 years of the two-bracket tax structure introduced under the Tax Reform Act of 1986. However, using a constant definition of income (based on Tax Years 1979-1986), the average tax rates were 13.56 for 1985 and 13.59 for 1986, the last 2 years under prior law; then 13.49 for 1987, 13.71 for 1988, 13.58 for 1989, and 13.41 for 1990. The tax generated for 1990 is also presented by the rates introduced starting with 1988, and the total tax reported at each marginal rate is shown. The "alternative minimum tax" ($0.8 billion for 1990) is classified by AGI size. In addition, estimates are shown of the shares of total income tax by cumulative percentiles, based on the size of AGI for each year, 1980-1990, using the AGI definitions applicable to these years, as well as a constant income definition for years starting with 1985. For 1990, the top 5 percent of tax returns based on current definitions of AGI accounted for 43.64 percent of the tax; for 1985, the percentage was 39.28. Using the constant income definition, the top 5 percent for 1990 accounted for 43.19 percent of the tax, while the top 5 percent for 1985 accounted for 39.47 percent.

Tax-Based Research and Data on Nonprofit Organizations, 1975-1990

By Daniel F. Skelly

This article is one of several celebrating the 80th year of Statistics of Income data. Tax-exempt organizations represent a significant and growing sector within the U.S. economy. For 1990, the revenues and expenses of tax-

exempt organizations each represented 10 percent of the gross domestic product (GDP), up from less than 6 percent for 1975. Between 1975 and 1990, assets of tax-exempt organizations increased in real terms by over 150 percent, while revenues increased by over 227 percent. During the same period GDP grew by 52 percent. (Comparable data for years before 1975 are not available.) For 1990, there were about 1.4 million nonprofit organizations that were tax-exempt under Internal Revenue Code section 501(c)(3). Of these, 350,000 were churches or other religious organizations which, although tax-exempt, were not required to register or file tax returns with the Internal Revenue Service. Of the approximately 1 million organizations registered as tax-exempt, almost 455,000 were "nonprofit charitable organizations." The remainder encompassed a wide variety of voluntary and philanthropic institutions. The SOI exempt organization programs are summarized—private foundations, charitable organizations and trusts, other exempt organizations, and exempt organization "unrelated business income;" the availability of public-use files is also mentioned.

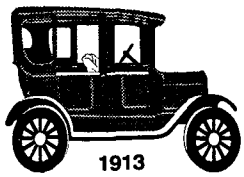
Controlled Foreign Corporations, 1990

Data Release

Transactions of Foreign Controlled Corporations, 1990

Data Release

Some Observation and Insights



Over the past year, the *Bulletin* has commemorated 80 years of producing Statistics of Income data. We began our celebration with a special article entitled "Turning Administrative Systems into Information Systems," by **Fritz Scheuren** and **Tom Petska**, in the Summer 1993 issue. Since then, special feature articles have appeared highlighting 80 years of SOI data for the individual income tax program (Fall 1993 and Spring 1994), international income and taxes (Winter 1993-1994), excise taxes (Fall 1993), and from a study of business trends over time (Spring 1994). This issue draws to a close our special anniversary series of articles, with two current papers which focus on the 80-year commemoration of SOI data — "Statistics of Income Studies of Individual Income and Taxes, 1913-1992," by **Peter Sailer**, and "Tax-Based Research and Data on Nonprofit Organizations, 1975-1990," by **Dan Skelly**, our Acting Director. As a special historical note, we are also reprinting a paper which presents one of the first uses of our data — "Income Tax Statistics," by **Roland P. Falkner** — which originally appeared in a 1915 issue of the *Journal of the American Statistical Association*. Look for this paper later in the issue, following the Data Releases.

While this concludes our "official" birthday celebration, the nature of our business is such that the 80th birthday of data for some of our programs is yet to come. So as not to leave anyone out, look for special anniversary articles that feature 1992 data in future issues. For example, 1992 SOI data on partnerships and sole proprietorships won't become available until this fall and those for corporations will not be ready until about a year from now.

We hope that this special treatment — especially overviews of some of our programs and time series data for others — has been of interest to you. Furthermore, we hope you have enjoyed the historical tidbits we have been able to dig up. We have certainly had fun reminiscing and look forward to continuing to provide you with more useful and timely data in the future.

Behind the Scenes

Estate and Wealth Report

SOI is pleased to announce the release of *Statistics of Income: Compendium of Federal Estate and Personal Wealth Studies*, edited by **Barry Johnson**. Despite the long history of the estate tax and of SOI data, this is the first compendium on this subject to be produced. It brings together data from estate tax returns, including articles on wealth estimation based on those returns. In some cases time series information is provided; in others, the focus is on recent results.

This is the first of a two-volume set on estate data. The second volume, due out in early 1995, will be titled *The Estate Fact Book, 1916-1950*. It will provide details of the estate tax in its early years, including data recently reprocessed from "old" estate tax returns.

The current volume is a 447-page report, divided into four main sections. It contains papers on:

- estate tax returns;
- charitable bequests;
- personal wealth data; and
- methodological issues.

In addition, the *Compendium* contains an extensive bibliography and a copy of the 1993 estate tax return.

The report is available for sale at $26 a copy. Copies can be obtained by contacting the SOI Statistical Information Services Office — call (202) 874-0410 or write to:

Statistics of Income CP:S:P
Internal Revenue Service
P.O. Box 2608
Washington, DC 20013-2608.

1991 Small Area Data

SOI is also pleased to inform you that both population migration data and 5-digit ZIP Code data are now available for release for 1991.

Migration Flow Data

The migration data are prepared by the Census Bureau for IRS, using individual income tax return information. They provide measures of migration from State-to-State and county-to-county, as well as aggregate income tallies by county and 5-digit ZIP Code.

The migration flow data present information based on changes in the tax return mailing address between Filing Years 1991 and 1992. They show moves in and out of each State and each county and include the number of individual income tax returns and the number of personal exemptions (the latter approximates the population). Tables of county income totals are also provided. Similar data have been released previously for selected time periods between 1978 and 1990.

Of course, all of the data are presented as statistical summaries, so as to ensure that no individual taxpayer is either directly or indirectly identified.

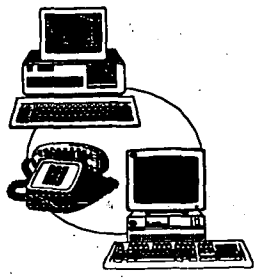
These data are available for sale in hard copy or on diskette by contacting the Statistical Information Services office (see above); the State data can also be accessed electronically by calling the SOI electronic bulletin board (see **Your Call**, below).

ZIP Code Data

The ZIP Code data are obtained from an IRS study of individual income tax returns filed for Tax Year 1991. They represent taxpayer-supplied mailing address ZIP Codes, as adjusted during tax return processing. These data present aggregate counts by 5-digit ZIP Code for number of returns, adjusted gross income, number of exemptions, total income tax (including alternative minimum tax), and State. State totals are also available. Any frequency count less than 10 has been deleted, to preserve confidentiality.

These data are in ASCII format and are sold only on diskette (not hard copy). To obtain information by ZIP code, contact the Statistical Information Services Office (see above).

Your Call



Perhaps you've noticed that over the past year many of the 80th Anniversary articles have featured "time series" data. Researchers and other data users may find it more useful to be able to access these tables directly through the SOI electronic bulletin board system (EBB).

The EBB now contains over 400 data files, including many which are updated for subsequent years. For example, quite often the historical tables at the back of each *Bulletin* present data for multiple years and many of these have been loaded onto the EBB for your use — e.g., selected business data for 1970-1991 are now on file for corporations, nonfarm sole proprietorships, and partnerships. In addition, some data which appear annually in SOI publications are now available electronically, so that users can build their own time series, e.g.,

- Individual SOI income and tax data by State for 1990-1992;
- State-to-State population migration data for 1988-1991;
- individual income data for county for 1990-1991;
- corporation alternative minimum tax data by industry division for 1987-1989;
- tax-exempt organization information for 1988-1989;
- "Taxpayer Usage Study" tables presenting 1993 statistics on individual income tax returns filed by April 15, 1994; and
- estate tax return information for 1989-1991 decedents.

Only public-use files are available for access through the EBB.

In case you wondered, the SOI electronic bulletin board began in June 1992. Recently we serviced our 2,600th user. Calls come in to the EBB from far and wide —

about 12-15 calls a day are received, from as far away as Norway, Denmark, and Japan. About one third of the users call back to access the system again. In fact, a State representative from Vermont who uses SOI data from the EBB even got written up in an article in *Government Computer News*!

If you are not already a user of the SOI electronic bulletin board system, all you need is a PC, a modem, and a telephone. Four phone lines are now operating to accommodate your calls. The phone number for most callers using analog telephone lines is (202) 874-9574 — digital systems users should call (202) 874-0408. The EBB can also be accessed through "gateway" systems set up by the Small Business Administration (SBA) and by FedWorld. The SBA's toll-free number is 1-800-827-5722. For assistance from the systems operator, contact **Jim Willis** at (202) 874-0277.

Upcoming Features

The following are some of the articles tentatively planned for inclusion in upcoming issues of the SOI Bulletin:

- Individual Income Tax Returns, 1993: Early Tax Estimates,
- Nonfarm Sole Proprietorships, 1992,
- Partnerships, 1992,
- Individual Foreign Earned Income and Foreign Tax Credit, 1991,
- Corporate Foreign Tax Credit, 1990: A Geographic Focus, and
- Self-Employed Nonfilers: Post-Audit Results, 1988.

Statistics of Income Studies of Individual Income and Taxes, 1913-1992

by Peter Sailer

This article commemorates 80 years of Statistics of Income (SOI) data based on individual income tax returns. The first data were for 1913, the year when modern U.S. income taxation began, and were included in the report, *Statistics of Income—1916,* published by the Internal Revenue Service (IRS) on June 1, 1918 [1]. Authority to publish SOI data was granted by the Revenue Act of 1916 and has been renewed since then through successive amendments to the tax laws.

Article I, Section 8 of the U.S. Constitution gave Congress the power to "lay and collect taxes, duties, imposts and excises...; but all duties, imposts and excises shall be uniform throughout the United States." The first income tax was instituted by Congress in 1861 to help defer the cost of the Civil War. It was allowed to expire in 1872. In 1894, Congress reinstituted the income tax, but in 1895, the U.S. Supreme Court ruled it was unconstitutional on grounds that it was a direct tax and had not been apportioned equally among the States according to population. It was not until February 25, 1913, with the ratification of the Sixteenth Amendment to the Constitution, that the income tax became constitutional again. The Sixteenth Amendment provided that "The Congress shall have power to lay and collect taxes on incomes ... without apportionment among the several States...."

Given the fact that "apportionment among the several States" was a major issue in the debate over the income tax, it is not surprising that the early reports in the *Statistics of Income* series strongly emphasized State data. Practically all of the items available at the national level were also shown for each State. The principal items shown were net income (including nine separate sources of income), tax, and "exemptions for normal tax." Classifiers, aside from States, were size of net income, marital status ("conjugal condition"), and (for 1916 only) occupation of taxpayer.

Over the years, the State data waned in importance in the annual *Statistics of Income* reports, until they disappeared entirely in the report for Tax Year 1983. On the other hand, the analyses of sources of income, types of deductions, and rates of taxation became more and more detailed. In addition, a myriad of special studies focused in more closely on the treatment of various types of income. It should be noted that, due to popular demand, the publication of State data classified by size of adjusted gross income was resumed in the Fall 1990 issue of the *Statistics of Income Bulletin*, with the publication of data for Tax Years 1986-1988 [2].

Peter Sailer is Chief of the Individual Special Projects Section.

Population Coverage by Individual Income Tax Returns

One of the reasons for the shifting emphasis of the Statistics of Income program has been the increasingly comprehensive coverage of the population by the income tax. When the income tax was reinstated for 1913, it basically applied only to the very wealthy. The 358,000 returns filed represented approximately 643,000 taxpayers (no dependent exemptions were allowed), or about 0.8 percent of the population [3]. By 1948, the 131.3 million exemptions (other than age and blindness) claimed represented 89 percent of the population (see Figure A). This development transformed *Statistics of Income* from mainly a source of tax information to a major source of economic information as well.

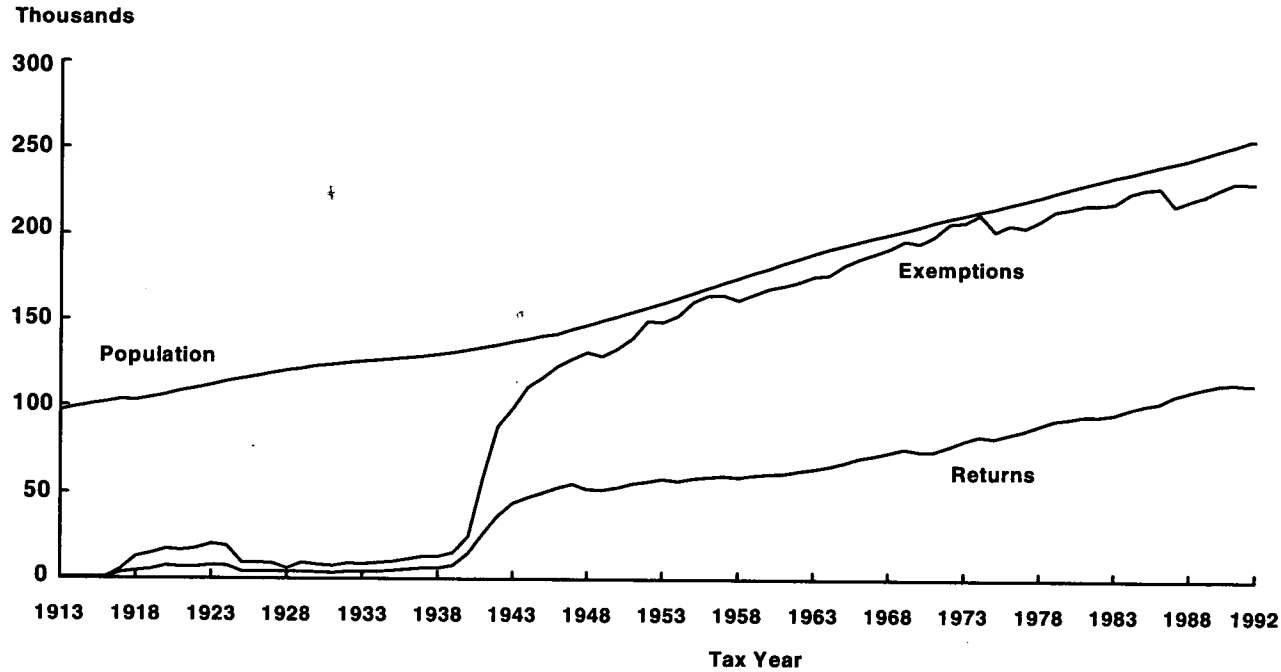
When the income tax was reinstated for 1913, it applied only to the top 0.8 percent of the population. By 1948 though, the population coverage had grown to 89 percent.

The increased coverage was related mainly to changes in the filing requirements (see Figure B). For 1913, when per capita personal income stood at $333, a "net income" (i.e. income after all deductions allowed for tax purposes, except personal exemptions) of $3,000 was required before a return had to be filed. On the other hand, in 1948, when per capita personal income stood at $1,426, the filing requirement was met by anybody with "gross income" (i.e., income before deductions for tax purposes and exemptions) of only $600. While the filing requirements started to relax beginning with Tax Year 1970 (when the filing requirement was raised to $1,700 for single person, $2,300 for married couples, even higher in the case of the elderly), various factors kept a large proportion of the population filing tax returns. These factors included income tax withholding by employers (which caused individuals with no tax liability to file for refunds), the "earned income credit" (which caused low-income earners with children to file returns in order to obtain this refundable credit), and the self-employment tax (which required individuals with $400 or more of net income from self-employment to file for social security tax purposes).

One caveat should be noted when comparing exemptions other than age and blindness to the population as a whole: prior to 1987, some individuals are counted twice in the exemptions data. The relaxed filing requirements beginning in 1970 did not apply to children who could be claimed as exemptions on their parents' returns and who also received unearned income in their own names. These children were frequently required to file their own returns,

Figure A

U.S. Population, Number of Exemptions, and Number of Returns, Tax Years 1913 to 1992



NOTE: Number of returns and exemptions are not comparable for all years. See footnote 3 at the end of this article for additional information.

on which they could claim their own exemptions. Beginning with Tax Year 1987, this double counting of exemptions was abolished by the Tax Reform Act of 1986, which prohibited dependents filing their own returns from claiming exemptions for themselves. Moreover, social security numbers had to be reported for all but the very youngest children claimed as exemptions. These two changes resulted in a decrease in exemptions (other than age or blindness) of 10.5 million between 1986 and 1987. At least 8 million of this decrease can be attributed to the elimination of the double counting [4].

Additional Studies on the Individual Income Tax

When the SOI program began, only one (annual) report was planned. It contained separate tables on individuals (which included fiduciaries, such as estates) and on corporations. Corporations were split out into a separate report beginning with Tax Year 1934. Over the years, SOI and its predecessor organizations have responded to customers' demands for additional products in the individual income tax area by issuing several series of special studies (see Figure C). Beginning in 1981, most of these special studies have been released as part of the *Statistics of Income Bulletin*.

Preliminary Reports

The first series of special studies, beginning with Tax Year 1928, was the "Preliminary Report," containing a limited number of data items, based on a sample of returns processed by late September. In producing the data, weights were adjusted to make up for returns the Service still expected to receive by the end of December, based on the previous year's October through December filings. While the major purpose of this report was to assist the Department of the Treasury in planning the Federal budget, the data have also been made available to the public—originally as a special report, more recently as part of an article in the *SOI Bulletin*.

Sales of Capital Assets Studies (SOCA)

Gains from the sales of property, generally referred to as "sales of capital assets," have been taxable since 1913. However, from 1913-1916, the only mention made of such gains in the tax return package was the instruction that business income was to include "dealings in property" along with income from "business, trade, and commerce." For 1917, a separate schedule (Schedule C) was created to report year of acquisition, cost, sales price, and nature of property. For 1921, the notion of special tax treatment for

Figure B

Per Capita Income, Filing Requirements, and Value of Personal Exemptions, 1913-1992

Tax year	Per capita income[1]	Filing requirements (gross income unless otherwise noted)			Value of exemptions			
		Single persons	Married couples	Plus this amount for single/couple age 65 or over	First taxpayer	Second taxpayer	Dependents	Age or blindness
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1913	333	3,000[2]	3,000[2]	N/A	3,000	1,000	N/A	N/A
1914	319	3,000[2]	3,000[2]	N/A	3,000	1,000	N/A	N/A
1915	325	3,000[2]	3,000[2]	N/A	3,000	1,000	N/A	N/A
1916	388	3,000[2]	3,000[2]	N/A	3,000	1,000	N/A	N/A
1917	481	1,000[2]	2,000[2]	N/A	1,000	1,000	200	N/A
1919	622	1,000[2]	2,000[2]	N/A	1,000	1,000	200	N/A
1920	689	1,000[2]	2,000[2]	N/A	1,000	1,000	200	N/A
1921	572	1,000[3]	2,000[3]	N/A	1,000	1,500[6]	400	N/A
1922	563	1,000[3]	2,000[3]	N/A	1,000	1,500[6]	400	N/A
1923	639	1,000[3]	2,000[3]	N/A	1,000	1,500[6]	400	N/A
1924	641	1,000[3]	2,500[3]	N/A	1,000	1,500	400	N/A
1925	648	1,500[3]	3,500[3]	N/A	1,500	2,000	400	N/A
1926	677	1,500[3]	3,500[3]	N/A	1,500	2,000	400	N/A
1927	669	1,500[3]	3,500[3]	N/A	1,500	2,000	400	N/A
1928	662	1,500[3]	3,500[3]	N/A	1,500	2,000	400	N/A
1929	691	1,500[3]	3,500[3]	N/A	1,500	2,000	400	N/A
1930	609	1,500[3]	3,500[3]	N/A	1,500	2,000	400	N/A
1931	519	1,500[3]	3,500[3]	N/A	1,500	2,000	400	N/A
1932	393	1,000[3]	2,500[3]	N/A	1,000	1,500	400	N/A
1933	366	1,000[3]	2,500[3]	N/A	1,000	1,500	400	N/A
1934	417	1,000[3]	2,500[3]	N/A	1,000	1,500	400	N/A
1935	467	1,000[3]	2,500[3]	N/A	1,000	1,500	400	N/A
1936	529	1,000[3]	2,500[3]	N/A	1,000	1,500	400	N/A
1937	567	1,000[3]	2,500[3]	N/A	1,000	1,500	400	N/A
1938	519	1,000[3]	2,500[3]	N/A	1,000	1,500	400	N/A
1939	549	1,000[3]	2,500[3]	N/A	800	1,500	400	N/A
1940	586	800	1,500	N/A	750	1,200	400	N/A
1941	711	750	1,200	N/A	500	750	400	N/A
1942	907	500	1,200	N/A	500	700	350	N/A
1943	1,102	500[4]	1,200[4]	N/A	500	700	350	N/A
1944	1,188	500	500[5]	N/A	500	500	500	N/A
1945	1,215	500	500[5]	N/A	500	500	500	N/A
1946	1,257	500	500[5]	N/A	500	500	500	N/A
1947	1,319	500	500[5]	N/A	500	500	500	N/A
1948	1,426	600	600[5]	N/A	600	600	600	600
1949	1,381	600	600[5]	N/A	600	600	600	600
1950	1,502	600	600[5]	N/A	600	600	600	600
1951	1,662	600	600[5]	N/A	600	600	600	600
1952	1,743	600	600[5]	N/A	600	600	600	600
1953	1,820	600	600[5]	N/A	600	600	600	600
1954	1,804	600	600[5]	600[5]	600	600	600	600
1955	1,903	600	600[5]	600[5]	600	600	600	600
1956	2,007	600	600[5]	600[5]	600	600	600	600
1957	2,081	600	600[5]	600[5]	600	600	600	600

Figure B

Per Capita Income, Filing Requirements, and Value of Personal Exemptions, 1913-1992–Continued

Tax year	Per capita income[1]	Filing requirements (gross income unless otherwise noted)			Value of exemptions			
		Single persons	Married couples	Plus this amount for single/couple age 65 or over	First taxpayer	Second taxpayer	Dependents	Age or blindness
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1958	2,109	600	600[5]	600[5]	600	600	600	600
1959	2,209	600	600[5]	600[5]	600	600	600	600
1960	2,263	600	600[5]	600[5]	600	600	600	600
1961	2,322	600	600[5]	600[5]	600	600	600	600
1962	2,430	600	600[5]	600[5]	600	600	600	600
1963	2,517	600	600[5]	600[5]	600	600	600	600
1964	2,661	600	600[5]	600[5]	600	600	600	600
1965	2,846	600	600[5]	600[5]	600	600	600	600
1966	3,061	600	600[5]	600[5]	600	600	600	600
1967	3,252	600	600[5]	600[5]	600	600	600	600
1968	3,537	600	600[5]	600[5]	600	600	600	600
1969	3,817	600	600[5]	600[5]	600	600	600	600
1970	4,052	1,700	2,300	600/1,200	625	625	625	625
1971	4,302	1,700	2,300	600/1,200	675	675	675	675
1972	4,671	2,050	2,800	750/1,500	750	750	750	750
1973	5,185	2,050	2,800	750/1,500	750	750	750	750
1974	5,637	2,050	2,800	750/1,500	750	750	750	750
1975	6,052	2,350	3,400	750/1,500	750	750	750	750
1976	6,631	2,450	3,600	750/1,500	750	750	750	750
1977	7,269	2,950	4,700	750/1,500	750	750	750	750
1978	8,122	2,950	4,700	750/1,500	750	750	750	750
1979	9,032	3,300	5,400	1,000/2,000	1,000	1,000	1,000	1,000
1980	9,949	3,300	5,400	1,000/2,000	1,000	1,000	1,000	1,000
1981	11,020	3,300	5,400	1,000/2,000	1,000	1,000	1,000	1,000
1982	11,589	3,300	5,400	1,000/2,000	1,000	1,000	1,000	1,000
1983	12,217	3,300	5,400	1,000/2,000	1,000	1,000	1,000	1,000
1984	13,344	3,300	5,400	1,000/2,000	1,000	1,000	1,000	1,000
1985	14,171	3,430	5,620	1,040/2,080	1,040	1,040	1,040	1,040
1986	14,916	3,560	5,830	1,080/2,160	1,080	1,080	1,080	1,080
1987	15,653	4,440	7,560	1,210/2,440	1,900	1,900	1,900	N/A
1988	16,630	4,950	8,900	750/1,200	1,950	1,950	1,950	N/A
1989	17,705	5,100	9,200	750/1,200	2,000	2,000	2,000	N/A
1990	18,695	5,300	9,550	800/1,300	2,050	2,050	2,050	N/A
1991	19,196	5,500	10,000	850/1,300	2,150	2,150	2,150	N/A
1992	20,137	5,900	10,600	900/1,400	2,300	2,300	2,300	N/A

N/A–Not applicable.

[1]U.S. Department of Commerce, Bureau of Economic Analysis (BEA). This column is supplied solely to lend perspective to the filing requirements data. The definition of income by BEA (i.e., personal income) differs slightly from that used by IRS to determine filing requirements.

[2]The filing requirement shown for 1913 to 1920 was based on net income (gross income less deductions, before subtracting personal exemptions).

[3]The filing requirement shown for 1921 to 1939 was based on net income; an additional filing requirement of $5,000 of "gross income," regardless of marital status, applied as well.

[4]A tax return had to be filed for 1943 if the taxpayer had a tax liability for 1942, regardless of size of income for 1943.

[5]Filing requirement and additional amount for age 65 or over applied separately to each spouse.

[6]If net income exceeded $5,000, the value of the secondary taxpayer's exemption was reduced to $1,000.

Figure C

Availability of Data on the Individual Income Tax

Name of product	Description	First tax year	Most recent tax year	Source of most recent tax year[1]	Future updates planned
Statistics of Income, Individual Income Tax Returns	Publication showing sources and size of income, deductions, exemptions, and tax computation	1916	1991	Publication 1304, U.S. Government Printing Office	Annually
Individual Income Tax Returns, Preliminary Data	SOI Bulletin article with income, deductions, and tax data based on returns filed through September	1928[2]	1992	Publication 1136, U.S. Government Printing Office Spring 1994 issue	Annually
Sales of Capital Assets Study	SOI Bulletin article showing asset types, holding periods, and capital gains and losses	1936[2]	1981	Publication 1136, Winter 1985-1986 issue, available from Director, SOI	A panel of returns with sales of capital assets for 1985-1992 is currently being readied; first data release scheduled for 1995
Sole Proprietorships	SOI Bulletin article with business income and deductions from Schedule C, by industry	1957[2]	1991	Publication 1136, U.S. Government Printing Office Fall 1993 issue	Annually
Individual Public Use Tax File	Disclosure-proofed micro-data file of Forms 1040, 1040A, and 1040EZ	1960	1990	Available from Director, SOI	Annually
ZIP Code Data	Tabulation, on tape, showing number of returns, exemptions, income, and tax by 5-digit ZIP Code	1966	1991	Available from Director, SOI	As permitted by resource availability
Taxpayer Usage Study (TPUS)	Weekly report during filing season	1969	1993	Available from Director, SOI, no charge	Annually
W-2 Study	Salaries and wages, shown separately for husbands and wives, taken from Forms W-2 matched to tax returns	1969[3]	1983	Publication 1136, Winter 1987-88 issue, available from Director, SOI	Updates planned for 1989 and 1993
State migration data	Tabulations on paper or diskette, showing flows of returns and exemptions for pairs of years (based on address changes)	1973-74	1991-92	Available from Director, SOI	Annually
High-income returns, taxable and nontaxable	Analysis of taxation of high-income taxpayers under various income and tax concepts	1974	1990	Publication 1136, U.S. Government Printing Office Winter 1993-1994 issue	Annually

Figure C

Availability of Data on the Individual Income Tax--Continued

Name of product	Description	First tax year	Most recent tax year	Source of most recent tax year[1]	Future updates planned
County migration data	Tabulations on paper or tape, showing flows of returns and exemptions for pairs of years (based on address changes)	1978-79	1991-92	Available from Director, SOI	Annually
County income data	Tabulations on paper or tape, showing number of returns, types of income, and adjusted gross income	1982	1991	Available from Director, SOI	Annually
State data by size of adjusted gross income from Individual Master File	Tabulations showing selected income and tax items for each State	1986[5]	1992	Publication 1136, U.S. Government Printing Office, each issue	Annually
Early Tax Estimates (ETE)	Selected income and tax items for timely-filed returns	1992	1992	Publication 1136, U.S. Government Printing Office Fall 1993 issue	Annually

[1]Cost available upon request, unless otherwise indicated.
[2]Originally published as a separate report.
[3]Originally published as part of Statistics of Income--Individual Income Tax Returns.
[4]Issued as a separate report for 1974-1978; as part of Statistics of Income--Individual Income Tax Returns for 1979-1988.
[5]State data by size of income were included in Statistics of Income--Individual Income Tax Returns for 1916-1981.

long-term gains was introduced: an optional Schedule D could be used to report gains from property held for more than 2 years, and these amounts were subject to a special 12.5 percent tax, not the normal tax and surtax. From then on until 1988, some sort of special treatment was available for capital gains, either in the form of a partial exclusion or in a cap on the maximum applicable tax rate. For 1991, after a 3-year hiatus, the rate cap was reintroduced.

The purpose of the special sales of capital assets (SOCA) studies, produced for the first time for 1936, is to tabulate data on sales price, cost, expense of sale, gross gain or loss, and holding periods for various categories of assets traded [5]. Beginning with Tax Year 1985, the SOI Division has been collecting data annually for a "panel" of taxpayers (i.e., the same taxpayers for successive years). Release of data from this panel study, which will show how taxpayers reacted to a number of changes in the tax law governing sales of capital assets, should begin sometime in 1995.

Sole Proprietorship Data

It is difficult to pinpoint the exact year the sole proprietorships program began. As early as 1917, the second SOI report contained a small table classifying "business operations netting $2,000 and over" by ten broad industrial divisions, and showing number of returns, gross sales, business expenses, and net income for each. Sole proprietorship tables were provided each year through 1939, and sporadically between 1940 and 1956. More detailed data on sole proprietorships became available when they were featured in a separate report for Tax Year 1957, entitled *Statistics of Income—U.S. Business Tax Returns* [6]. The original report showed, in separate but similar tables, data for sole proprietorships, partnerships, and corporations. Data on sole proprietorships classified by industry, showing gross and net income and amounts and types of business deductions, are currently published in the *Statistics of Income Bulletin.*

Public Use Files

In the early 1960's, as a result of the increasing power and availability of computers, the research community made an urgent appeal to what was then called the "Statistics Division" to make a representative sample of income tax returns available for the purpose of "modelling" proposed tax law changes, i.e., applying the proposals to the earlier years' return records and determining the characteristics of the individuals who would be affected, the revenue effect, and other information. While IRS must, by law, keep information about individual taxpayers confidential, a determination was made that it would be possible to limit the data items released in such a way that the user

would not be able to link the return to the taxpayer who had filed it, and the first public use file was released for Tax Year 1960—a subsample of the returns used to produce the regular SOI report for that year. Beginning in the early 1980's, with the increasing availability of computerized data from various sources, a determination was made to further disguise some of the data items by "blurring" them (averaging them over a number of tax returns) [7]. The public use file is made available annually.

The Taxpayer Usage Study (TPUS)

In preparation for the 1970 filing season (returns for 1969), a determination was made within the Internal Revenue Service that some statistical feedback was needed as returns were being filed, rather than at the end of the filing season. Thus was born the Taxpayer Usage Study (TPUS), which sampled returns in the service center mail rooms, prior to any other IRS processing. The sample size for this study is relatively small (usually around 10,000 returns). Data are released weekly during the filing season, beginning in early February, and include information on the reporting of new items and the filing of new forms or schedules. Standard items included every year are form type, method of preparation (by hand, typewriter, or computer), and use of paid preparers. The two-page TPUS reports are available free of charge during the filing season from SOI's Statistical Information Services (SIS) desk.

W-2 Studies

Before Tax Year 1969, the sole source of individual income statistics published in SOI was the tax return—Form 1040 and, when applicable, shortened versions thereof, such as 1040A and 1040EZ. For 1969, and in periodic years thereafter, a new source was added: Form W-2, the wage and tax withholding statement issued by employers to employees. The major advantage of the W-2 was that it separated the salaries and wages of the two taxpayers filing a joint return. W-2 data for 1969 and 1974 were included in the regular *Statistics of Income* reports. Thereafter, they were presented in articles in the *SOI Bulletin*. Future plans include use of Forms 1099 to separate other sources of income as well. Forms 1099 are used by payers of non-wage income, including interest, pensions, dividends, social security benefits, and many others, to report these amounts to taxpayers and to the IRS.

High-Income Returns, Taxable and Nontaxable

The Tax Reform Act of 1976 mandated the creation of an annual report which would further analyze the taxation of high-income taxpayers (generally defined as those with incomes of $200,000 or more). For purposes of this report, "income" was to be redefined, to the extent possible, to include amounts which were excluded from "adjusted gross income," the tax return income concept used in most SOI tables. On the other hand, "investment interest" (i.e., interest on loans taken for the purpose of producing investment income) was to be deducted from the redefined income concept. (On the tax return, this is an itemized deduction which is used to reduce taxable income, but not adjusted gross income.) *High-Income Returns*, which began as a separate report issued by the Department of the Treasury for Tax Years 1974 through 1978, was then incorporated into the regular *Individual Income Tax Returns* report for 1979 through 1988, and is now presented in the *SOI Bulletin*. Beginning with the report for 1984, the concept of "taxability" was further modified to show, in separate tables, taxpayers subject to U.S. taxation and taxpayers subject to world-wide taxation. In each of these reports, part of the analysis is devoted to showing the major reasons high-income returns become nontaxable.

Geographic Data from the Individual Master File

Most SOI statistical reports are based on data from samples of tax returns that have been subjected to a good deal of testing and perfecting, which are then weighted to represent the population as a whole. However, these samples are generally too small to yield reliable data at the subnational level. Therefore, SOI frequently uses the whole Individual Master File (IMF)—the IRS's administrative file of all individual taxpayers—to produce geographic data (albeit in less detail than the data available at the national level). The first effort of this kind was done for Tax Year 1966, the year the IMF was first established on a nationwide basis, and showed numbers of returns and amounts of income and tax by three-digit and five-digit ZIP Code. ZIP Code data at the three-digit level were subsequently repeated for 1969, 1979, and 1982. At the five-digit level, ZIP Code data were again presented for 1969 and 1991. Beginning with Tax Year 1986, the IMF has also been used to produce data by State and size of adjusted gross income, which are shown in each *SOI Bulletin*.

In addition, the Internal Revenue Service gives the Bureau of the Census an extract of selected items from the IMF each year to produce reports it uses as input to its demographic estimates program; these reports are, in turn, made available to the public by the SIS desk. One shows number of returns and amounts of income reported by taxpayers in each county in the United States. For the other two reports, Census matches together returns filed by individual taxpayers in 2 successive years, and, based on

changes in taxpayer address, tabulates migration flows between States and between counties for pairs of years. Geographic data are available both in hard copy and on magnetic medium.

Early Tax Estimates (ETE)

For Tax Years 1980 through 1988, and again for Tax Year 1991, the Taxpayer Usage Study (TPUS) sample, described earlier in this article, was used at the end of the filing season to produce some limited summary data on timely-filed returns, which were published in the *SOI Bulletin*. While these data lacked information on a significant proportion of filers with complicated returns and high incomes, who tend to file late, they did serve as early indicators of changes in incomes and taxes when compared to similar data from the previous year. The role of making these early estimates has now been shifted from TPUS to ETE, a subsample of the sample which is eventually used to produce the regular SOI report. To IRS, ETE has three advantages over TPUS: first, statistical editing of income and tax amounts for this sample represents a cost saving, since they would eventually be edited for SOI in any case; second, since the sample is selected on the last four digits of the primary taxpayer's social security number (SSN), a large portion of the sample is a "panel" (i.e., the same taxpayers for successive years), thus reducing year-to-year variability; and third, because the ETE sample is twice as large as the TPUS sample, the sampling variability for all estimates is lower.

Future Plans

SOI entered the computer age in the mid-1950's, when it started compiling some of its files and running some of its tables on one of the Census Bureau's two "UNIVAC I" computers. With the release of the 1960 Individual Public Use file began the era of the creation of data for the public in magnetic medium. It is anticipated that many future changes in the SOI program will be driven by changes in computer technology.

One of our most recent innovations, the SOI **Electronic Bulletin Board,** was established in 1992. Through the bulletin board, users worldwide can access select SOI data 24 hours a day. Currently, the SOI bulletin board contains 275 files.

Use of the SOI bulletin board will further facilitate customers' access to SOI data without the necessity of having to contact the SIS staff or other IRS technicians. Another advantage of the board is the timeliness of the data and the fact that it is accessible constantly, which should prove valuable to customers who work outside of official Government hours.

The bulletin board recently joined FedWorld Gateway System, a system that allows individuals to log on (by telephone or Internet Wide Area Network) to one electronic bulletin board, then without dialing any other number, log on to over 120 other Government bulletin boards. The SOI bulletin board now has a 486/33 computer with 600 megabytes of storage space and four telephone lines. Future plans include FAX-back capabilities and a CD-ROM.

Notes and References

[1] *Statistics of Income—1916,* 1918. Beginning with Tax Year 1934, data on corporations (from Forms 1120) were published in a separate volume, and the title of the publication with data from Forms 1040 became *Statistics of Income, Individual Income Tax Returns.*

[2] Windheim, Barry, "Individual Income Tax Return Data by State, 1986-1988," *Statistics of Income Bulletin,* Fall 1990, Volume 10, Number 2.

[3] The "number of returns" figures are not completely comparable over the entire period covered. From 1913 to 1927, deficit returns were excluded from processing (and thus from the statistics); however, returns of estates and trusts with taxable incomes were included with individual income tax returns for tabulation purposes. From 1928 on, individual returns with deficits were included in the statistics. From 1938 on, estate and trust returns were excluded.

[4] While there is no fool-proof method of distributing the decrease in exemptions between the tax law change and the change in the reporting requirement, the following approximation should yield reasonably accurate results. For 1987, there were 9.2 million individuals who filed without claiming a taxpayer exemption, indicating that they were being claimed as dependent exemptions on another taxpayer's return. Of these, 8 million had characteristics that would have caused them to file for 1986 as well (based either on presence of withholding or amount and type of income). It was assumed that all 8 million were dependents in 1986 and did, in fact, file for that year, thereby claiming double exemptions.

[5] *Statistics of Income—1936, Supplement, Individual Incomes, Section IV: Capital Gains and Losses,* 1940.

[6] *Statistics of Income—1957-58, U.S. Business Tax Returns*, 1960. Sole proprietorship data were then published in separate Statistics of Income reports for the next 24 years.

[7] Strudler, Michael; Oh, H. Lock; and Scheuren, Fritz. "Protection of Taxpayer Confidentiality with Respect to the IRS Tax Model," *Statistics of Income and Related Administrative Record Research: 1986-1987*, pp. 279-285.

Corporation Income Tax Returns, 1991

by Allison Clark and Patrice Treubert

For Tax Year 1991, corporate pre-tax profits showed a decrease for the third consecutive year. Profits dropped by 7 percent to $344.9 billion, as the increase in income failed to keep pace with the increase in deductions. Net losses of companies without net income continued to grow, increasing from $181.9 billion to $190.9 billion. Coinciding with this upsurge, the net income of companies reporting a profit again declined slightly, from $552.5 billion to $535.8 billion.

The decline in positive net income was accompanied by a decline in "income subject to tax" (the tax base for regular tax purposes) from $366.4 billion to $350.0 billion. This decline resulted in a drop in the regular income tax (before credits) from $119.4 billion to $116.3 billion. Due to the economic recession and an end to the growth of the "alternative minimum tax," the total income tax after credits (the amount actually payable to the U.S. Government) decreased for the first time in the past four years from $96.4 billion to $92.6 billion.

Number of Returns

For Tax Year 1991, the number of active corporation income tax returns increased 2.3 percent to over 3.8 million, although the rate of increase was slightly less than the 2.5 percent recorded for Tax Year 1990 [1]. Returns with net income grew by 1.7 percent, to 1.9 million. This increase was higher than that for 1990 and was the highest since 1987 (Figure A). Returns without net income grew by 3 percent, to 1.9 million, although the ratio of returns without net income to all returns remained the same as 1990, at 49 percent.

The following industrial divisions: agriculture, forestry and fishing; transportation and public utilities; and services, all showed an increase in returns of about 3 percent, while mining and manufacturing both showed decreases of about 1 percent (Figure B). For returns with net income, transportation and public utilities showed the largest increase, 8.4 percent.

By type of return, the largest increase in number was again for S Corporations (generally small corporations that elect to be taxed through their shareholders). The number of Forms 1120S increased in 1991 by nearly 8 percent to 1.7 million, a little less than the 11 percent increase for 1990 (Figure C). This increase continued a trend that began as a result of the Tax Reform Act of 1986 (TRA) which made the individual income tax rates (at which the profits of these corporations were taxed) more favorable than the corporate tax rates. For 1991, Form 1120S returns comprised 45 percent of all returns filed by corporations.

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Income Statement

Net Income

Reflecting the economic downturn, pre-tax profits reported on corporation income tax returns for Tax Year 1991 continued to decline. Compared to 1990, pre-tax profits, as computed under the Internal Revenue Code, decreased 7.0 percent to $344.9 billion [2]. By asset size, almost 84 percent of all corporate profits for 1991 was attributable to the 5,933 returns with total assets of $250 million or more. As in prior years, this percentage continued to rise, reflecting the growing number of returns of this size and the increasing proportion of corporate profits for which they accounted (Figure D).

Figure A

Number and Growth Rate of Active Corporation Returns Filed, Tax Years 1981-1991

Tax year	Total active corporation returns	Percentage increase	Number of returns with net income
	(1)	(2)	(3)
1981	2,812,420	3.8	1,597,298
1982	2,925,933	4.0	1,608,363
1983	2,999,071	2.5	1,676,288
1984	3,170,743	5.7	1,777,770
1985	3,277,219	3.4	1,820,120
1986	3,428,515	4.6	1,907,738
1987	3,612,133	5.4	1,995,452
1988[2]	3,562,789	-1.4	1,908,799
1989[2]	3,627,863	1.8	1,921,805
1990[2]	3,716,650	2.5	1,910,670
1991[2]	3,802,788	2.3	1,942,450

Tax year	Percentage increase	Number of returns without net income	Percentage increase
	(4)	(5)	(6)
1981	([1])	1,215,122	9.1
1982	0.6	1,317,576	8.4
1983	4.2	1,322,783	0.4
1984	6.0	1,392,973	5.3
1985	2.4	1,457,099	4.6
1986	4.8	1,520,777	4.4
1987	4.6	1,616,681	6.3
1988[2]	-4.3	1,653,990	2.3
1989[2]	0.7	1,706,058	3.1
1990[2]	-0.6	1,805,980	5.9
1991[2]	1.7	1,860,338	3.0

[1]Less than .05 percent.
[2]Excludes Foreign Sales Corporations and Interest-Charge Domestic International Sales Corporations.

Figure B

Number of Active Corporation Returns by Industrial Division, Tax Years 1990-1991

Industrial division	1990 Number of returns	1990 Percentage increase	1991 Number of returns	1991 Percentage increase
	(1)	(2)	(3)	(4)
All Industries[1]	**3,716,650**	**2.5**	**3,802,788**	**2.3**
Agriculture, forestry, and fishing	126,423	2.6	129,886	2.7
Mining	39,674	-4.7	39,199	-1.2
Construction	406,874	3.5	416,987	2.5
Manufacturing	301,669	0.1	300,122	-0.5
Transportation and public utilities	160,353	2.8	164,980	2.9
Wholesale and retail trade	1,023,057	0.9	1,043,534	2.0
Finance, insurance, and real estate	609,138	2.8	617,557	1.4
Services	1,029,447	4.0	1,061,657	3.1

[1]Includes returns not allocable by industrial division.
NOTE: Excludes Foreign Sales Corporations and Interest-Charge Domestic International Sales Corporations.

Figure C

Form 1120S Returns Compared to All Other Returns, Tax Years 1986-1991

Tax year	Number of Form 1120S returns	Percentage increase	Number of all other returns	Percentage increase
	(1)	(2)	(3)	(4)
1986	826,214	14.0	2,602,301	2.0
1987	1,127,905	36.5	2,484,228	-4.5
1988	1,257,191	11.5	2,305,598[1]	-7.2[1]
1989	1,422,967	13.2	2,204,896[1]	-4.4[1]
1990	1,575,092	10.7	2,141,558[1]	-2.9[1]
1991	1,698,271	7.8	2,104,517[1]	-1.7[1]

[1] Excludes Foreign Sales Corporations and Interest-Charge Domestic International Sales Corporations.

Figure D

Returns with Total Assets of $250 Million or More, Tax Years 1985-1991

Tax year	Returns: Number	Returns: Percentage of total	Net Income (less deficit): Amount	Net Income (less deficit): Percentage of total
	(1)	(2)	(3)	(4)
1985	4,052	0.12	177.2	73.8
1986	4,471	0.13	197.5	73.4
1987	4,794	0.13	247.6	75.4
1988	5,120	0.14[1]	320.7	78.0[1]
1989	5,450	0.15[1]	307.6	79.1[1]
1990	5,613	0.15[1]	302.9	81.7[1]
1991	5,933	0.16[1]	285.7	82.8[1]

[1]Total excludes Foreign Sales Corporations and Interest-Charge Domestic International Sales Corporations.

Agriculture, forestry, and fishing saw the largest decrease in profits at almost 46 percent to $625.7 million. Agricultural services (including commercial fishing, crop harvesting and forestry services) declined by 75 percent to $73 million, despite an increase in the number of returns. The profits reported for transportation and public utilities and for finance, insurance, and real estate, however, each increased. These increases were attributable to the telephone, telegraph, and other communication services and electric services industrial groups, and to mutual (property and casualty) insurance companies and real estate operators and lessors of buildings.

Net income fell in most industrial divisions. The largest drops occurred in the manufacturing and mining divisions. In mining, the oil and gas extraction industrial group accounted for the bulk of the $1.3 billion decrease. Similarly, petroleum refining reported the largest decline among manufacturers. Most of this decline was attributable to the economic slowdown in growth and the passage of the 1990 amendments to the Clean Air Act, which significantly impacted this sector with stricter regulations [3]. Finance, insurance, and real estate showed gains, however, especially for mutual life insurance companies. This industry group showed a sharp increase in net income, from $1.9 billion to $8.4 billion.

The deficit reported on returns without net income grew by almost 5 percent, from $181.9 billion for 1990 to $191.0 billion (Figure E). The largest percentage increase in deficit occurred in manufacturing, which was large enough to offset the gains reported for most other industrial divisions. The deficit reported for petroleum and coal industry groups nearly tripled, contrary to 1990 when the deficit reported by these companies actually declined in comparison to 1989. In addition, the deficit reported for manufacturers of fabricated metal products, $3.5 billion, was the largest recorded for any industrial group in manufacturing.

Profits increased 115 percent for foreign companies with income "effectively connected" with a U.S. business. The increase was concentrated in finance, insurance, and real estate, as banks (except bank holding companies) increased their profits to $1.4 billion, although the number of foreign banks was about the same as 1990. Overall, foreign banks accounted for 48.3 percent of total profits for the entire industry.

Receipts

Total receipts (Tables 1 and 2), which are the total of business receipts and investment income, increased only slightly for 1991 [4]. However, the size of the increase (0.24 percent) dropped for the third year in a row [5].

Figure E

Net Income (Less Deficit), by Industrial Division, Tax Years 1990-1991
[Money amounts are in thousands of dollars]

Industrial division	1990		1991	
	Net income or deficit	Percentage increase	Net income or deficit	Percentage increase
	(1)	(2)	(3)	(4)
NET INCOME (LESS DEFICIT)				
All industries [1]	**370,632,632**	**-4.7**	**344,859,794**	**-7.0**
Agriculture, forestry, and fishing	1,156,269	-25.4	625,656	-45.9
Mining	5,302,223	68.6	4,001,356	-24.5
Construction	6,824,608	-21.9	6,103,605	-10.6
Manufacturing	171,373,726	-5.0	132,269,225	-22.8
Transportation and public utilities	35,413,596	-9.4	37,742,965	6.6
Wholesale and retail trade	30,094,078	-16.8	29,951,221	-0.5
Finance, insurance, and real estate	109,901,881	0.9	124,545,504	13.3
Services	10,616,792	-3.7	9,769,891	-8.0
NET INCOME				
All industries [1]	**552,526,789**	**-0.7**	**535,816,622**	**-3.0**
Agriculture, forestry, and fishing	4,328,433	-0.4	3,774,209	-12.8
Mining	9,071,733	10.4	7,721,788	-14.9
Construction	15,859,977	-2.8	14,965,305	-5.6
Manufacturing	212,936,099	-1.6	181,884,248	-14.6
Transportation and public utilities	51,490,850	-8.9	53,590,652	4.1
Wholesale and retail trade	65,383,876	(2)	64,477,312	-1.4
Finance, insurance, and real estate	158,458,842	2.1	174,249,613	10.0
Services	34,850,560	3.0	34,963,661	0.3
DEFICIT				
All industries [1]	**181,894,157**	**8.0**	**190,956,827**	**5.0**
Agriculture, forestry, and fishing	3,172,164	13.4	3,148,553	-0.7
Mining	3,769,511	-25.0	3,720,432	-1.3
Construction	9,035,370	19.3	8,861,700	-1.9
Manufacturing	41,562,373	15.8	49,615,023	19.4
Transportation and public utilities	16,077,254	-7.8	15,847,686	-1.4
Wholesale and retail trade	35,289,798	20.6	34,526,092	-2.2
Finance, insurance, and real estate	48,556,962	4.8	49,704,109	2.4
Services	24,233,768	6.2	25,193,769	4.0

[1]Includes net income or deficit not allocable by industrial division.
[2]Less than - 0.05 percent.
NOTES: Excludes net income or deficit of Foreign Sales Corporations and Interest-Charge Domestic International Sales Corporations.
Detail may not add to totals because of rounding.

Business receipts (in general, gross receipts from sales and operations), the principal component of total receipts, increased by only 0.05 percent to $9,965.6 billion. Total receipts for the mining division decreased 7.3 percent, the largest percentage decrease compared to 1990, to $103.3 billion, while receipts for the services division at $809.7 billion showed the largest percentage increase, 3.9 percent. The manufacturing division, which accounts for a major portion of the dollar amount of total receipts, continued to do so for 1991, but the $3,658.5 billion reported by manufacturers represented a slight decline from the $3,688.7 billion recorded for 1990. This was the first such decline since 1986. In contrast to manufacturers, the receipts of wholesalers and retailers grew for 1991, from $3,184.9 billion to $3,380.6 billion.

After increasing for 1990, taxable interest showed a 6.2 percent drop to $883.3 billion (compared to $942.2 billion for 1990), mostly reflecting the recession and the decline in interest rates. As with prior years, most of the taxable interest was reported by corporations classified under finance, insurance, and real estate, particularly commercial banks and bank holding companies, which, combined, dropped from $402.6 billion to $364.3 billion. Tax-exempt interest (on State and local Government obligations), on the other hand, increased by 3.3 percent to $36.3 billion. This was a reversal of 1990, when taxable interest received increased and tax-exempt interest decreased. It was dividends received from foreign corporations, how-

ever, that showed the largest percentage decline, 13.5 percent. In contrast, dividends from domestic corporations ($13.1 billion) declined only slightly from the $13.4 billion reported for 1990.

In marked contrast to 1990, when net short-term capital gains (reduced by net long-term capital losses) decreased by 62 percent, net short-term gains for 1991 more than tripled, from $4.1 billion to $13.7 billion, reflecting the wide year-to-year fluctuations characterizing these short-term transactions. The majority of this increase was due to life insurance companies and regulated investment companies. In contrast, net long-term capital gains (reduced by net short-term capital losses) showed the largest dollar decline of all the sources of receipts for 1991, from $50.9 billion to $41.1 billion. This was a continuation of the trend that began with 1986, when the beneficial tax treatment of long-term capital gains was rescinded by TRA [6].

Deductions

Total deductions increased only slightly for 1991. However, this increase was 0.26 percent larger than the rate of increase for total receipts and was enough to cause overall net income, generally the difference between total receipts and total deductions, to drop.

Cost of sales and operations was again the largest deduction item at $6.6 trillion, although its growth was only 0.7 percent. This small increase was related to the small increase reported for business receipts. Similar to 1990, the interest paid deduction continued to decline, falling 11.2 percent to $735.7 billion. The largest decline was again in the finance division, where the deduction included interest paid on deposits of withdrawable shares as well on bonds, notes, loans, and mortgages. Bank holding companies again accounted for a major part of the decline, of $31.1 billion, due to lower interest rates and the cautious credit stance of both lenders and borrowers in 1991 [7]. The interest reported by bank holding companies was $191.0 billion for 1991, compared to $222.1 billion for 1990.

The bad debt deduction once more increased the most in percentage terms at 20.5 percent, the same as 1990. The largest dollar increases were in finance, insurance, and real estate. Bank holding companies increased their bad debt deductions by $9.8 billion to $34.3 billion, an increase that paralleled that recorded for 1990. However, the greatest percentage increase was in the agriculture, forestry and fishing division, which led to the decline in profits reported for the division.

Following the first drop in more than 50 years, depreciation deductions rose slightly for 1991, from $332.8 billion to $333.9 billion, mirroring a rise in the net depreciable assets shown on their balance sheets. From 1980 through 1985, depreciation deductions had risen at an average annual rate of 14.1 percent. Then, between 1985 and 1989, the average annual rate of increase dropped to 2.4 percent. The lower depreciation deductions, notwithstanding recent increases reported for net depreciable assets, may be related to the changes brought about by TRA. TRA instituted a Modified Accelerated Cost Recovery System (MACRS) that lengthened the periods over which assets could be depreciated for tax purposes and changed the depreciation methods for business property placed in service after 1986. The deduction for 5-year property acquired in 1991 was the largest current year depreciation item, although depreciation of property acquired in prior years continued to account for most of the deduction [8].

Balance Sheet

Assets

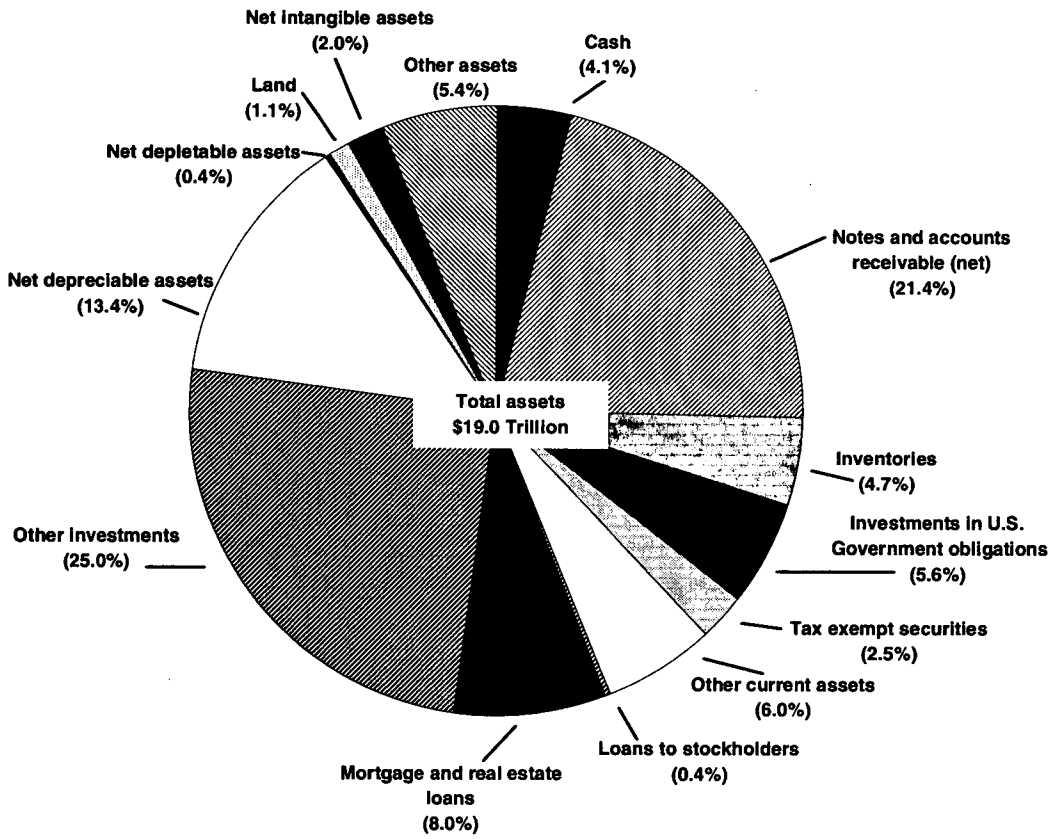
For 1991, year-end net growth in the book value of total assets reported on corporation income tax returns was up slightly from 1990. The 4.6 percent increase, from $18.2 trillion to $19.0 trillion, represents a small increase over the 1990 growth rate of 3.1 percent, the lowest in over a decade. The increases in total assets for 1989 and 1988, for comparison purposes, were 7.0 and 8.1 percents, respectively.

The largest increase in total assets occurred in finance, insurance, and real estate, which accounted for almost two-thirds of the difference between 1991 and 1990. The finance division alone accounted for 56.7 percent of the total assets reported by all corporations for 1991. Corporations classified in finance, insurance, and real estate reported $10.8 trillion in total assets, compared with $10.2 trillion for 1990. Within finance, insurance, and real estate, "holding and other investment companies (except bank holding companies)" accounted for the largest portion of the increase in total assets (23.8 percent) over 1990, with assets totaling $1.8 trillion at year end. Within this group, the total assets of regulated investment companies increased by 24.0 percent to $1.5 trillion, which seems to reflect the continued popularity of mutual funds among small investors. Insurance companies also contributed to the increase in the finance division, with assets up by 11.3 percent to $2.4 trillion.

The largest asset accounts on the tax return balance sheet were for "other investments" ($4.7 trillion), notes and accounts receivable net of the allowance for bad debts ($4.1 trillion), and net depreciable assets ($2.5 trillion)(Figure F). For 1991, "other investments" were up

Figure F

Total Assets by Type of Account, Tax Year 1991



NOTES: Asset accounts are listed in the order in which they appear on the corporation income tax return balance sheet, starting with "Cash."

by $0.6 trillion, with "holding and other investment companies (except bank holding companies)," especially regulated investment companies, accounting for a large part of the increase. This gain was most likely due to the increased valuation of securities from a strong market, as well as a growth in the number of both investors and funds [9]. "Other investments" surpassed net notes and accounts receivable as the largest asset account for the first time in over a decade, as receivables declined by $11.2 billion. The decline in receivables was particularly evident among manufacturers, especially manufacturers of motor vehicles and equipment. Total assets for motor vehicle manufacturers declined in 1991, perhaps reflecting intensified competition and declining sales, receipts, and profitability [10].

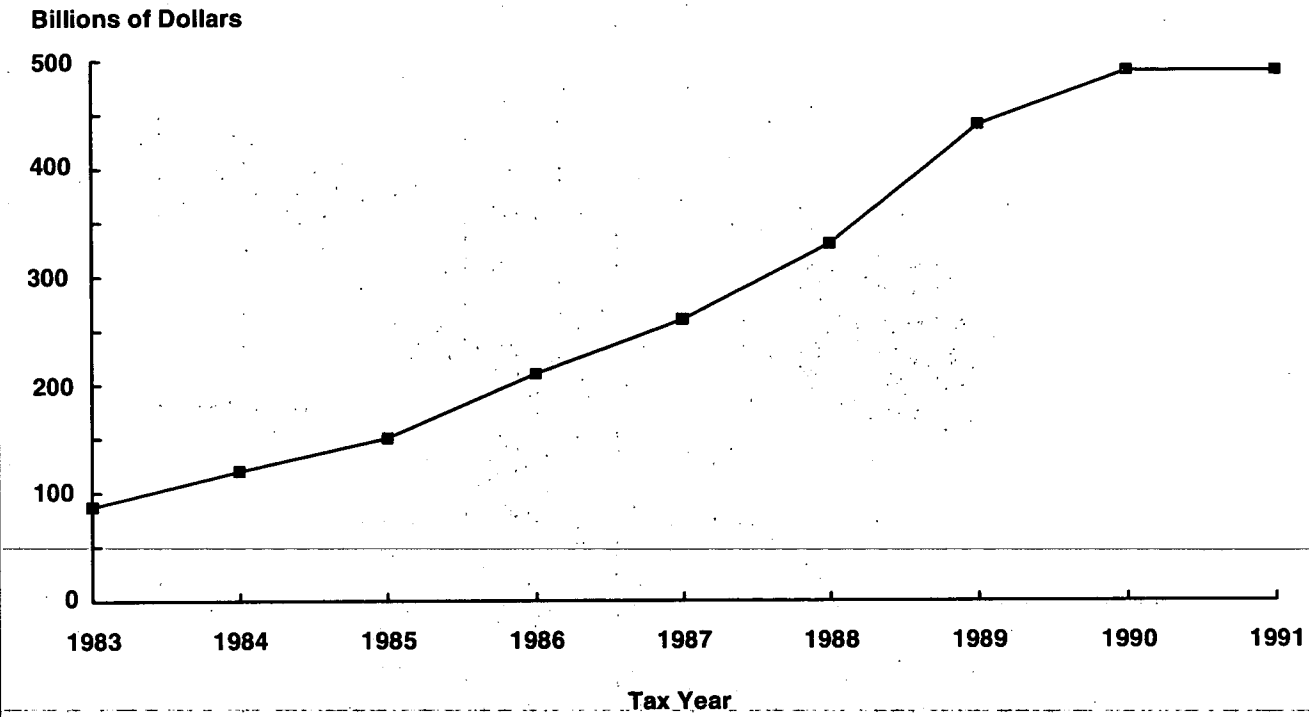
Intangible assets decreased for the first time in over a decade by 0.3 percent to $489.8 billion for 1991. This decline followed a decreased rate of growth in these assets that began with 1989 (Figure G). These assets, which include the acquisition costs of goodwill, trademarks, copyrights and like assets, tend to increase during periods when there is a high level of mergers and acquisitions. The lower level for 1991 may signify a decline in corporate merger activity [11].

Liabilities

Due in part to a change in the statistical treatment of liabilities whereby accounts payable became the largest account for some banking and savings and loan institutions instead of "other current liabilities," accounts

Figure G

Gross Intangible Assets, Tax Years 1983-1991



NOTE: Excludes Foreign Sales Corporations and Interest-Charge Domestic International Sales Corporations.

payable showed the largest relative increase of all the liability accounts [12]. The 53.6 percent gain brought the total for accounts payable to $1.7 trillion. The largest portion of the gain was reported by bank holding companies whose accounts payable increased in the aggregate by $371.6 billion to $443.6 billion. Insurance companies accounted for the large increase in "other liabilities." In contrast, "other liabilities" as a whole increased by 11.9 percent.

"Other current liabilities," which includes most of the deposits and withdrawable shares of banking and savings institutions, continued to be the largest account on the liabilities side of the balance sheet (Figure H). This account decreased slightly to $4.9 trillion, 6.6 percent less than 1990, due in part to the change in statistical treatment of liabilities. Short-term debt, which includes accounts payable and "other current liabilities," along with short-term mortgages, notes, and bonds payable, decreased slightly as well, by 0.7 percent, to $8.0 trillion. Long-term debt, which includes "other liabilities", along with bonds, notes and mortgages payable in 1 year or more and loans from stockholders, increased $358.7 billion to $5.7 trillion. By comparison, long-term debt increased only $146.6 billion for 1990.

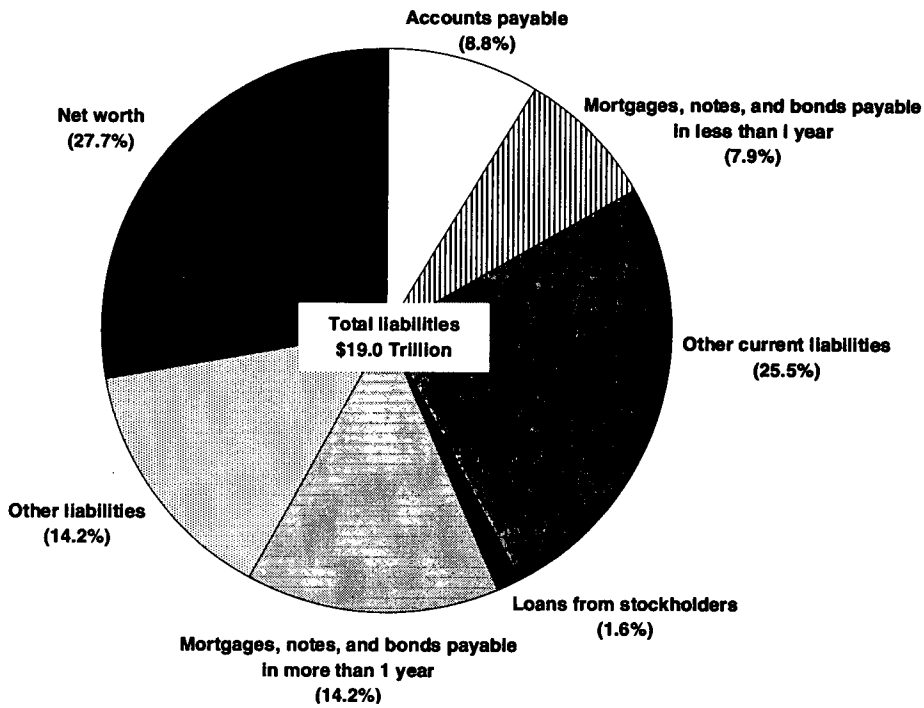
Along with the changes in intangible assets, another possible indicator of the diminished merger activity is the slowing of the growth rate for cost of treasury stock. Cost of treasury stock is the financial account where the purchase of a corporation's own stock is recorded. The amount reported for all corporations was $1.2 trillion, up by 8.6 percent from 1990. However, during the 1980's, the growth rate of cost of treasury stock averaged about 35 percent (tapering off in the later part of the decade). Contributing to this high growth rate, corporations in the 80's likely felt the threat of hostile takeovers and increased control of their equity by repurchasing their stock [13].

Income Tax and Tax Credits

Positive net income amounted to $535.8 billion for 1991. Reflecting the slight decline in positive net income from 1990 to 1991, "income subject to tax" (the term used to describe the corporate regular tax base for the statistics)

Figure H

Total Liabilities by Type of Account, Tax Year 1991



NOTES: Liability accounts and net worth are listed in the order in which they appear on the corporation income tax return balance sheet, starting with "Accounts payable." Net worth represents the stockholders' equity in the corporation. In the statistics, net worth is the sum of capital stock, paid-in or capital surplus, and retained earnings, less the cost of treasury stock.
Detail may not add to total because of rounding.

declined 4.5 percent to $350.0 billion for 1991 (Figure I). For most corporations, income subject to tax was equal to net income minus certain "statutory special deductions" [14].

Total statutory special deductions increased for 1991 by 2.7 percent to $122.6 billion, after allowing for a change in its definition to facilitate comparison with 1990 [15]. The largest of these special deductions for 1991 was for dividends paid by regulated investment companies and, to a lesser extent, by real estate investment trusts. These deductions increased $344.1 million to $68.4 billion for 1991, compared with an increase of $755.5 million for 1990.

The second largest special deduction was the net operating loss deduction or NOLD. The NOLD, for purposes of the statistics, represents certain prior-year losses carried forward and applied against current-year net income [16]. For 1991, the NOLD increased by 7.1 percent, from $38.4 billion to $41.2 billion. The increase was especially noticeable in banking and insurance companies. The increases for these industrial groups may reflect the increase in net income from which NOLD could be subtracted. For other industrial groups, the increase in the NOLD may only reflect an increase in prior-year losses that became eligible for carryforward.

The third biggest component of the special deductions was for intercorporate dividends received. This deduction increased from Tax Year 1990 levels, by 1.4 percent, to $12.6 billion, reflecting an increase in dividends received from certain Foreign Sales Corporations ($3.9 billion for 1991) and intercorporate dividends received. The largest increases in intercorporate dividends received were reported by corporations classified in manufacturing, particularly in food and kindred products and instruments and related products, followed by those classified in transportation and public utilities.

Figure I

Selected Tax and Tax Credit Items, Tax Years 1990 and 1991

[Money amounts are in thousands of dollars]

Item	1990	1991	Percentage increase
	(1)	(2)	(3)
Income subject to tax, total	**366,352,857**	**350,009,712**	**-4.5**
Income tax, total[1]	**128,185,666**	**121,121,231**	**-5.5**
Regular tax	119,434,430	116,275,308	-2.7
Personal Holding Company tax[2]	12,126	14,764	21.8
Tax from recapture of investment and low-income housing credits[2]	126,601	72,786	-42.5
Alternative minimum tax[2]	8,104,269	5,320,587	-34.4
Environmental tax[2]	520,167	479,288	-7.9
Tax credits, total	**31,782,567**	**28,554,911**	**-10.2**
Foreign tax credit	24,989,922	21,096,940	-15.6
U.S. possessions credit	3,194,481	3,472,330	8.7
Orphan drug credit	15,637	18,475	18.1
Nonconventional fuel source credit	81,790	244,732	199.2
General business credit	2,833,701	2,206,371	-22.1
Prior-year minimum tax credit	667,036	1,516,063	127.3
Total income tax after credits	**96,403,099**	**92,566,319**	**-4.0**

[1]Includes certain other taxes, not shown below.

[2]For purposes of the statistics, this tax is included in both income tax before and after credits. By law, tax credits can only offset regular tax.

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

Mainly as a result of the decline in income subject to tax, the regular income tax (before credits) dropped from $119.4 billion to $116.3 billion [17]. Total income tax before credits, which for Statistics of Income also includes such additional taxes as alternative minimum tax and environmental tax (see Figure I), decreased from $128.2 billion to $121.1 billion. Sixty-four percent of the decrease was due to manufacturers, with petroleum and coal products reporting the largest decrease.

Alternative minimum tax (AMT) decreased for the first time since its enactment in 1986, dropping by 34.4 percent from 1990 to $5.3 billion. Manufacturing's share dropped from 42.2 percent to 35.6 percent, due in large part to manufacturers of motor vehicles and equipment. These corporations reported $936.7 million for 1990, compared to $30.4 million for 1991. Paper and allied products, petroleum and coal products, nonelectrical machinery, and electrical and electronic equipment each accounted for between 11 and 13 percent of the 1991 total for manufacturers. The main reason AMT decreased between 1990 and 1991 can be traced to one of the components of the AMT income base, known as the adjusted current earnings (ACE) adjustment. The calculation of ACE included special depreciation rules on certain property that contributed more to the ACE for the first year in which it applied. Therefore, the resulting ACE adjustment for 1990 was about twice that reported for 1991, and it increased the size of "alternative minimum taxable income," and consequently, the AMT for 1990.

In determining the income tax due the U.S. Government, the regular tax was reduced by tax credits. The foreign tax credit continued to be the largest credit. For the first time since 1988 (and not since 1982 before then), the foreign tax credit decreased to $21.1 billion for 1991. The decrease was concentrated among manufacturers, especially those producing nonelectrical machinery and motor vehicles and equipment.

The "general business credit" continued to decline, from $2.8 billion to $2.2 billion, reflecting changes instituted by TRA. The "investment credit," the largest component of the general business credit, was rescinded by TRA, but with exceptions that included the carryover of a gradually diminishing portion of unused credits accumulated for years prior to TRA. TRA also reduced the maximum amount of tax against which the general business credit could be applied.

The "prior-year minimum tax credit" for 1991 more than doubled to $1.5 billion. Corporations that reported an AMT for prior years could elect to take a credit based on that AMT (subject to certain limitations) against regular tax liability, but not against their current year AMT liability. The increase for 1991, therefore, was consistent with the decline in AMT, as the credit was most likely taken by companies that reported AMT for prior tax years but not for 1991 (and they were also liable for the regular income tax for 1991). Most of the increase in this credit was due to a growth in the amounts claimed by insurance companies, which increased $54.8 million to $297.9 million. This was consistent with the $216.8 million decline in the AMT reported by insurers, to $669.8 million.

Total income tax after credits, the amount actually owed the Federal Government, decreased from $96.4 billion for Tax Year 1990 to $92.6 billion for Tax Year 1991. This was the first such decline since 1985.

Summary

The number of returns filed for Tax Year 1991 increased 2.3 percent. This increase was echoed by increases in all other return types. The number increased in each industrial division except mining and manufacturing.

Corporate pre-tax profits decreased for the third year in a row, dropping 7 percent to $344.9 billion. Losses reported by corporations without net income continued to increase, growing from $181.9 billion to 190.9 billion.

As positive net income declined, so did income subject to tax, the tax base tabulated for Statistics of Income.

Income subject to tax decreased from $366.4 billion to $350.0 billion, resulting in the drop in regular income tax (before credits) from $119.4 billion to $116.3 billion. Since AMT also decreased substantially, the total tax after credits declined as well, to $92.6 billion, compared to $96.4 billion for 1990.

Data Sources and Limitations

Data for Tax Year 1991 are based on a sample of corporation income tax returns with accounting periods ended July 1991 through June 1992. These returns represented domestic corporations filing Form 1120 or 1120-A (short form); foreign corporations with income "effectively connected" with a U.S. business filing Form 1120F; life insurance companies filing Form 1120L; property and casualty insurance companies filing Form 1120-PC; S Corporations filing Form 1120S; regulated investment companies filing Form 1120-RIC; and real estate investment trusts filing Form 1120-REIT. For purposes of the 1991 statistics, Forms 1120 IC-DISC filed by certain Domestic International Sales Corporations and Forms 1120-FSC filed by Foreign Sales Corporations were excluded. The 1987 revisions to the Standard Industrial Classification are not reflected in the industry statistics.

The data were estimated based on a stratified probability sample of approximately 81,900 corporation income tax returns drawn to represent the 3,803,000 returns filed for Tax Year 1991. The sample was selected after administrative processing was complete, but before any audit examination, and was stratified based on combinations of net income and total assets at rates ranging from 0.30 percent to 100 percent.

Because the data are based on a sample, they are subject to sampling error. In order to use the statistics properly, the magnitude of the sampling error, measured by the standard error, should be taken into account. The table below contains the standard errors corresponding to the estimated number of returns for each of the categories (Figure J).

Notes and References

[1] For 1988, the number of returns declined for the first time since the end of World War II. This decline was prompted by the Tax Reform Act of 1986, which caused some companies to be represented in the 1987 statistics twice, both by a part-year return and a full-year return, each with an accounting period that ended during the span of months July 1987 through June 1988 (the accounting periods comprising Tax Year 1987 for which statistics are presented).

The unusually large number of part-year returns filed for Tax Year 1987, in turn, led to an unusually large increase in the total number of returns for the year. The increase in part-year returns was due to many S Corporations (and Personal Service Corporations)

Figure J

Standard Error of the Number of Returns, by Asset Size and Industrial Division, Tax Year 1991

Industrial division	Total	Size of total assets									
		Zero Assets	$1 under $100,000	$100,000 under $250,000	$250,000 under $500,000	$500,000 under $1,000,000	$1,000,000 under $5,000,000	$5,000,000 under $10,000,000	$10,000,000 under $25,000,000	$25,000,000 under $50,000,000	$50,000,000 under $100,000,000
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
All industries[1]	26,124	7,715	22,096	9,644	5,202	3,225	2,003	453	210	90	5
Agriculture, forestry, and fishing	5,011	1,258	4,097	2,072	1,263	822	415	65	26	10	1
Mining	2,660	825	2,226	965	553	381	228	62	29	12	1
Construction	8,926	2,173	7,727	3,243	1,770	1,070	661	138	54	18	1
Manufacturing	6,889	1,840	5,642	2,751	1,661	1,124	773	202	98	41	2
Transportation and public utilities	5,703	1,756	4,857	1,982	1,106	712	420	100	48	19	1
Wholesale and retail trade	13,508	4,015	11,059	5,515	2,977	1,811	1,182	253	107	39	2
Finance, insurance, and real estate	10,417	3,190	8,732	3,861	2,140	1,356	834	202	108	57	3
Services	13,836	4,201	12,134	4,474	2,117	1,236	693	150	65	27	1

[1] Includes returns not allocable by industrial division.

NOTE: Returns with total assets of $100 million or more were sampled at the 100 percent rate and are, therefore, not subject to sampling error.

having to change their accounting periods from a non-calendar year to a calendar year as required by the 1986 Act. In addition, other corporations changed to S Corporation status in order to take advantage of the lower individual income tax rates that applied to S Corporation profits (which are taxed through shareholders) allowed under the Act; some of these companies also had to file part-year returns if they were not already using the required calendar accounting period.

Thus, since the increase in returns for Tax Year 1987 was followed by a decline for 1988, the upsurge for the one year (1987) was an anomaly. The increases recorded for Tax Years 1989 and 1990 are only significant in that they reflect a return to the more gradual upward trend in filings that previously existed.

[2] Starting with Tax Year 1987, statistics for net income or deficit, as well as for receipts and deductions, of S Corporations are limited to those derived from a trade or business. Investment or portfolio income (or loss), such as interest, dividends, rents, royalties and gain (loss) from sales of investment property, and the deductions related to this income, were not tabulated. Therefore, the overall statistics for receipts, deductions, and net income or deficit are slightly understated. (S Corporation net income or deficit from investment or portfolio income is allocated directly to shareholders for taxation.)

[3] Filas, Gregory P., "Petroleum Refining," *1993 U.S. Industrial Outlook* (U.S. Department of Commerce, International Trade Administration, January 1993), p. 4-3.

[4] See footnote 2 above.

[5] One reason for the decline may concern the calculation of total receipts. For 1990, net long-term capital gains were included in the total receipts computation, while for 1991 such gains were excluded. If the net long-term capital gains were included in the calculation, total receipts would increase by $12.9 billion. However, this would only have caused the percentage increase from 1990 to rise from 0.27 to 0.35 percent.

[6] The preferential "alternative tax" rate on net long-term capital gains (reduced by net short-term capital losses) was repealed by the Tax Reform Act of 1986 for tax years that began on or after July 1, 1987, effectively taxing corporate capital gains at the regular corporate tax rates. (Also, because they were no longer given preferential tax treatment, these gains were exempted from the "alternative minimum tax" on "tax preference" items.)

[7] Candilis, Wray O., "Savings Institutions," *1993 U.S. Industrial Outlook* (U.S. Department of Commerce, International Trade Administration, January 1993), p. 45-1.

[8] 1991 Corporation unpublished data.

[9] Muir, S. Cassin, "Mutual Funds," *1993 U.S. Industrial Outlook* (U.S. Department of Commerce, International Trade Administration, January 1993), p. 48-1.

[10] Miller, Randall and West, Heather, "Motor Vehicles and Parts," *1993 U.S. Industrial Outlook*, (U.S. Department of Commerce, International Trade Administration, January 1993), p. 35-3.

[11] *Mergers & Acquisitions, 1991 Almanac and Index*, May/June 1990, Volume 25, Number 6.

[12] In 1991, the statistical treatment of accounts payable and "other current liabilities" for banking and savings and loan associations was modified, resulting in a substantial increase in accounts payable and a corresponding decrease in "other current liabilities" compared to 1990. The amounts involved represented investors' deposits and withdrawable shares. For additional information, see *Statistics of Income -- 1991, Corporation Income Tax Returns.*

[13] The behavior of a corporation reacquiring its stock to ward off hostile takeovers is well documented in financial literature. There are other possibilities for this behavior, one of which is to support the stock's price given its current value and management's expectations for its future value. For a discussion on this topic, see "Share Repurchases," *The Economist*, July 2, 1994, Vol. 332, No. 7870, pp. 70-71.

[14] For 1991, statutory special deductions include the following: several dividends received deductions; the deduction for dividends paid on certain preferred stock of public utilities; the deduction for dividends paid by regulated investment companies and real estate investment trusts; the section 857 deduction for taxes paid by real estate investment trusts; and the deduction for small life insurance companies.

[15] For 1990, the capital gains dividends deduction applicable to regulated investment companies ($3.6 billion) was included in total statutory special de-

ductions ($122.9 billion) because it was used to offset the long-term capital gain income reported for regulated investment companies ($7.5 billion). However, for 1991, both the long-term capital gain for regulated investment companies ($12.8 billion) and the corresponding capital gains dividends deduction ($12.7 billion) were excluded from the statistics. To compare the 1991 total statutory special deductions to the 1990 amount for this article, the 1990 amount was adjusted to exclude the capital gains dividends deduction ($119.3 billion).

[16] In general, a deductible "net operating loss" must first be carried back for a period of 3 years; only the remainder is carried forward from subsequent years to be claimed as a deduction. Carryback adjustments from future tax years could not be shown on the tax returns used for the 1991 statistics and no attempt was made to obtain them at a later date.

[17] Regular tax is the tax based on the regular corporate tax rates applied to "income subject to tax" before all tax credits. The applicable credits are foreign tax credit, U.S. possessions tax credit, orphan drug credit, research credit, nonconventional fuel source sales or production credit, general business credit, and prior-year minimum tax credit.

Table 1.--Selected Balance Sheet, Income Statement, and Tax Items, by Industrial Division and Asset Size[1]

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

Item, industrial division	Total	Zero assets[2]	$1 under $100,000	$100,000 under $250,000	$250,000 under $500,000	$500,000 under $1,000,000
	(1)	(2)	(3)	(4)	(5)	(6)
ALL INDUSTRIES [3]						
Number of returns	3,802,788	213,340	1,963,525	629,829	376,585	258,942
Total assets	19,029,508,839	--	60,831,833	102,269,942	133,398,224	183,078,016
Total receipts	11,436,474,767	171,630,701	343,585,144	313,008,384	326,731,486	397,472,192
Business receipts	9,965,628,799	103,002,307	336,589,796	306,704,640	319,681,772	387,917,237
Interest paid	735,721,055	48,552,641	2,920,665	3,625,766	4,407,496	5,850,103
Net income (less deficit)	344,859,794	949,507	120,968	1,325,272	1,218,923	2,284,334
Total income tax [4]	121,121,231	1,362,849	322,162	561,866	771,038	1,003,751
Income tax after credits [4]	92,566,319	1,107,434	312,345	544,730	750,558	968,512
Net worth	5,276,485,550	--	-11,741,617	22,616,983	35,700,935	55,721,333
AGRICULTURE, FORESTRY, AND FISHING						
Number of returns	129,886	5,466	54,539	24,234	19,098	15,109
Total assets	67,756,553	--	1,858,927	4,125,595	6,817,300	10,718,344
Total receipts	85,945,700	614,175	6,868,833	6,749,297	10,416,224	10,675,750
Business receipts	80,981,260	481,545	6,654,849	6,431,862	9,770,007	9,918,472
Interest paid	2,634,724	37,268	100,783	202,411	260,196	386,322
Net income(less deficit)	625,656	15,808	10,255	-72,603	25,396	118,845
Total income tax [4]	520,185	12,637	16,118	19,014	38,437	44,110
Income tax after credits [4]	473,493	12,637	15,537	17,824	37,025	42,854
Net worth	22,769,981	--	-395,030	752,817	2,459,245	4,873,642
MINING						
Number of returns	39,199	2,567	17,877	6,178	4,091	3,576
Total assets	212,962,835	--	519,506	910,005	1,457,485	2,467,152
Total receipts	103,286,287	806,808	1,034,785	1,650,578	1,863,146	3,749,136
Business receipts	90,512,940	645,903	905,915	1,596,031	1,768,208	3,546,523
Interest paid	6,315,413	63,989	23,268	47,231	35,738	103,757
Net income (less deficit)	4,001,356	30,683	6,388	-30,352	-64,957	23,559
Total income tax [4]	1,814,367	11,647	7,134	209	7,708	10,811
Income tax after credits [4]	1,041,082	6,381	7,134	209	7,433	10,283
Net worth	106,585,141	--	-567,627	-216,911	-1,525,117	784,594
CONSTRUCTION						
Number of returns	416,987	16,601	225,018	70,180	42,695	29,086
Total assets	243,035,939	--	6,849,213	11,721,792	15,034,975	20,502,232
Total receipts	515,128,533	3,314,971	46,037,001	47,016,230	44,670,946	50,410,692
Business receipts	502,691,224	3,013,920	45,716,569	46,672,971	44,111,527	49,670,384
Interest paid	6,984,942	41,494	386,000	401,359	450,865	544,925
Net income (less deficit)	6,103,605	-4,679	607,930	181,596	91,754	331,005
Total income tax [4]	2,008,680	4,620	45,813	73,715	83,628	131,905
Income tax after credits [4]	1,722,422	4,451	45,282	72,445	81,324	120,648
Net worth	70,666,636	--	-73,294	3,575,710	5,057,365	7,083,938
MANUFACTURING						
Number of returns	300,122	13,229	110,087	48,200	36,875	31,002
Total assets	4,028,360,038	--	3,818,746	7,866,983	13,250,568	21,966,740
Total receipts	3,658,501,307	15,548,651	21,584,514	24,860,989	33,329,767	52,558,920
Business receipts	3,409,490,090	14,566,634	21,266,005	24,328,118	32,844,031	51,843,537
Interest paid	145,611,955	648,285	212,397	297,178	485,238	752,385
Net income (less deficit)	132,269,225	77,882	-365,493	-202,686	-186,352	254,546
Total income tax [4]	53,891,094	288,848	24,188	52,495	115,098	155,212
Income tax after credits [4]	32,104,071	54,211	23,743	44,207	111,778	149,142
Net worth	1,481,203,474	--	-874,199	1,249,033	3,005,659	7,780,182

Footnotes at end of table.

Table 1.–Selected Balance Sheet, Income Statement, and Tax Items, by Industrial Division and Asset Size[1]--Continued

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

Item, industrial division	$1,000,000 under $5,000,000	$5,000,000 under $10,000,000	$10,000,000 under $25,000,000	$25,000,000 under $50,000,000	$50,000,000 under $100,000,000	$100,000,000 under $250,000,000	$250,000,000 or more
	(7)	(8)	(9)	(10)	(11)	(12)	(13)
ALL INDUSTRIES [3]							
Number of returns	267,503	37,995	24,631	11,009	7,516	5,982	5,933
Total assets	558,017,320	264,101,157	383,658,181	389,027,738	533,131,086	962,808,364	15,459,186,978
Total receipts	1,174,352,977	497,549,938	563,361,101	393,954,387	393,687,262	591,529,448	6,269,611,748
Business receipts	1,143,701,710	481,882,989	541,251,453	357,123,866	357,123,866	518,839,952	5,100,178,001
Interest paid	18,974,847	8,552,703	12,834,920	13,777,878	19,716,329	35,076,225	561,431,481
Net income (less deficit)	7,988,035	4,674,078	6,704,013	7,161,796	8,230,729	18,512,359	285,689,781
Total income tax [4]	3,614,825	2,041,996	3,047,017	3,227,426	3,690,175	7,373,147	94,104,978
Income tax after credits [4]	3,458,630	1,935,290	2,819,044	2,915,160	3,266,933	6,075,433	68,412,250
Net worth	157,223,914	77,461,813	114,173,351	112,606,800	150,212,245	308,246,772	4,254,263,021
AGRICULTURE, FORESTRY, AND FISHING							
Number of returns	10,291	636	316	110	52	24	12
Total assets	18,665,630	4,380,985	4,860,527	3,895,042	3,765,090	3,924,818	4,744,293
Total receipts	19,825,842	5,400,772	5,260,286	5,317,040	4,836,649	4,952,464	5,028,367
Business receipts	18,504,470	5,067,062	4,992,505	5,133,434	4,642,884	4,626,624	4,757,547
Interest paid	729,742	167,857	201,163	140,418	109,839	170,682	128,044
Net income(less deficit)	143,533	99,315	316	73,511	-61,822	67,212	205,889
Total income tax [4]	112,223	40,831	32,137	52,714	23,486	33,708	94,770
Income tax after credits [4]	108,207	39,430	29,778	50,804	22,745	32,332	64,320
Net worth	6,308,473	1,323,654	1,527,438	1,292,053	1,052,481	1,373,482	2,201,725
MINING							
Number of returns	3,290	693	450	186	113	80	97
Total assets	6,739,841	4,876,693	6,919,073	6,750,958	8,110,122	13,686,827	160,525,173
Total receipts	7,404,659	3,699,109	5,862,239	4,222,063	4,953,505	8,147,695	59,892,565
Business receipts	6,584,520	3,266,080	5,326,945	3,784,188	4,326,899	7,144,145	51,617,582
Interest paid	186,198	125,517	181,570	156,137	209,397	431,637	4,750,974
Net income (less deficit)	288,611	-9,927	-5,542	-63,446	21,781	186,072	3,618,487
Total income tax [4]	59,442	31,260	50,289	53,094	57,971	173,833	1,350,969
Income tax after credits [4]	54,790	28,449	44,929	50,088	53,306	100,777	677,302
Net worth	705,063	1,679,168	3,123,478	3,157,827	3,713,394	6,703,153	89,028,118
CONSTRUCTION							
Number of returns	28,000	3,314	1,476	348	155	71	43
Total assets	57,302,073	22,705,473	22,168,428	12,031,637	12,505,546	11,354,233	50,860,335
Total receipts	127,115,811	47,715,518	44,501,466	21,492,836	19,089,247	17,157,203	46,606,613
Business receipts	125,328,268	46,881,643	43,691,133	20,908,537	18,536,546	16,480,671	41,679,056
Interest paid	1,256,980	421,742	477,313	252,075	278,073	293,311	2,180,807
Net income (less deficit)	1,290,340	709,451	634,810	347,849	166,167	227,337	1,520,046
Total income tax [4]	439,284	179,332	200,464	111,381	100,412	88,341	549,782
Income tax after credits [4]	404,586	167,648	191,210	103,319	98,401	83,507	349,602
Net worth	17,959,203	6,939,964	6,422,546	3,631,307	3,645,368	2,672,803	13,751,726
MANUFACTURING							
Number of returns	41,421	7,954	5,728	2,292	1,292	952	1,091
Total assets	91,520,253	55,786,640	89,369,052	79,953,430	91,336,836	172,063,411	3,401,427,379
Total receipts	204,126,833	108,014,593	160,240,975	123,824,351	128,379,753	205,641,254	2,580,390,708
Business receipts	200,997,532	106,303,266	157,537,441	121,212,643	125,210,267	196,821,181	2,356,559,433
Interest paid	3,097,732	1,782,716	2,810,905	2,607,321	3,126,038	6,510,388	123,281,374
Net income (less deficit)	2,462,452	1,941,038	3,907,768	3,769,267	3,463,045	6,802,099	110,345,658
Total income tax [4]	878,933	628,435	1,169,085	1,327,359	1,456,576	3,339,617	44,455,249
Income tax after credits [4]	835,957	578,241	1,019,986	1,108,748	1,145,142	2,316,510	24,716,408
Net worth	33,659,050	21,915,797	36,538,221	32,333,636	37,240,956	64,149,296	1,244,205,842

Footnotes at end of table.

Table 1.–Selected Balance Sheet, Income Statement, and Tax Items, by Industrial Division and Asset Size[1]–Continued

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

Item, industrial division	Total	Zero assets[2]	$1 under $100,000	$100,000 under $250,000	$250,000 under $500,000	$500,000 under $1,000,000
	(1)	(2)	(3)	(4)	(5)	(6)
TRANSPORTATION AND PUBLIC UTILITIES						
Number of returns	164,980	10,781	84,838	25,596	15,510	12,563
Total assets	1,573,824,265	--	2,797,616	4,094,269	5,487,448	8,900,446
Total receipts	954,944,592	4,233,762	20,638,117	13,361,065	16,004,294	23,625,441
Business receipts	897,131,837	3,730,739	20,338,741	13,090,335	15,721,933	23,062,540
Interest paid	59,686,545	248,347	167,429	191,724	253,798	377,655
Net income (less deficit)	37,742,965	-27,070	-23,131	61,440	65,162	-63,546
Total income tax[4]	17,143,124	22,713	18,438	34,211	32,513	57,034
Income tax after credits[4]	15,793,417	22,653	18,438	33,222	29,777	54,819
Net worth	528,942,779	--	-595,210	581,742	980,838	1,188,864
WHOLESALE AND RETAIL TRADE						
Number of returns	1,043,534	56,368	461,215	208,047	125,305	82,642
Total assets	1,483,427,907	--	17,550,547	33,864,777	44,688,679	58,345,378
Total receipts	3,380,598,972	64,491,183	100,251,345	136,086,826	149,890,073	182,296,807
Business receipts	3,291,367,866	62,851,078	99,112,554	134,665,819	148,073,697	179,681,557
Interest paid	61,081,388	703,646	779,264	1,218,493	1,496,251	1,912,342
Net income (less deficit)	29,951,221	-703,561	-1,308,282	128,078	290,333	779,476
Total income tax[4]	13,227,114	104,827	60,427	177,607	260,548	292,031
Income tax after credits[4]	12,015,216	102,683	59,130	175,990	258,342	287,872
Net worth	374,844,301	--	-3,035,581	7,188,596	13,561,839	18,949,221
FINANCE, INSURANCE, AND REAL ESTATE						
Number of returns	617,557	41,612	278,161	100,305	66,213	47,945
Total assets	10,780,681,276	--	8,399,703	16,417,698	23,449,608	34,057,346
Total receipts	1,924,317,623	71,754,442	24,846,690	14,914,624	13,979,755	15,062,648
Business receipts	928,022,390	7,522,078	22,930,478	13,382,708	12,124,438	12,891,023
Interest paid	426,757,261	46,502,076	369,410	405,544	577,828	826,554
Net income (less deficit)	124,545,504	1,754,791	-349,259	34,013	160,754	254,428
Total income tax[4]	27,281,531	858,680	51,834	67,987	111,011	117,577
Income tax after credits[4]	24,850,137	846,724	49,938	67,584	105,795	115,588
Net worth	2,513,553,034	--	-4,223,606	3,348,582	5,617,332	8,636,868
SERVICES						
Number of returns	1,061,657	60,181	713,925	144,675	65,506	36,720
Total assets	636,751,574	--	18,674,246	22,938,977	22,754,209	25,928,213
Total receipts	809,724,469	10,697,649	121,393,330	67,577,686	56,061,235	58,875,502
Business receipts	761,589,005	10,025,538	118,806,219	65,762,438	54,760,676	57,117,480
Interest paid	26,544,428	305,936	850,297	847,794	833,542	931,352
Net income (less deficit)	9,769,891	-135,931	1,576,713	1,229,104	892,088	607,306
Total income tax[4]	5,230,030	58,518	97,887	135,835	122,081	195,070
Income tax after credits[4]	4,561,377	57,333	92,823	132,458	119,069	187,306
Net worth	177,668,039	--	-1,722,663	6,031,999	6,539,866	6,361,705

Footnotes at end of table.

Table 1.--Selected Balance Sheet, Income Statement, and Tax Items, by Industrial Division and Asset Size[1]--Continued

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

Item, industrial division	$1,000,000 under $5,000,000	$5,000,000 under $10,000,000	$10,000,000 under $25,000,000	$25,000,000 under $50,000,000	$50,000,000 under $100,000,000	$100,000,000 under $250,000,000	$250,000,000 or more
	(7)	(8)	(9)	(10)	(11)	(12)	(13)
TRANSPORTATION AND PUBLIC UTILITIES							
Number of returns	11,483	1,766	1,207	421	247	201	367
Total assets	24,143,421	12,316,288	18,493,273	15,055,963	17,363,807	31,601,736	1,433,569,997
Total receipts	51,485,690	19,082,016	22,889,348	17,798,991	16,184,999	26,925,192	722,715,678
Business receipts	50,353,103	18,462,464	21,944,008	16,874,562	15,243,327	24,835,603	673,474,481
Interest paid	1,071,389	561,423	761,001	680,213	854,518	1,889,008	52,630,039
Net income (less deficit)	34,415	149,728	-23,859	148,450	-217,025	607,758	37,030,643
Total income tax[4]	205,470	157,340	171,422	183,056	158,130	440,398	15,662,399
Income tax after credits[4]	189,389	151,244	164,706	178,694	145,903	419,280	14,385,291
Net worth	4,720,196	2,493,816	4,710,644	2,923,211	3,045,176	5,368,463	503,525,040
WHOLESALE AND RETAIL TRADE							
Number of returns	89,398	11,288	5,902	1,670	765	496	439
Total assets	186,808,548	78,129,237	88,349,495	57,810,918	53,106,215	79,406,388	785,367,725
Total receipts	610,826,612	256,651,308	252,213,445	158,691,721	139,378,665	192,858,372	1,136,962,614
Business receipts	602,247,512	252,523,296	247,828,418	155,714,400	136,619,919	188,324,066	1,083,725,549
Interest paid	6,407,551	2,554,372	3,016,121	1,990,443	1,995,803	3,072,575	35,934,526
Net income (less deficit)	3,007,561	1,918,700	2,156,427	1,511,663	1,601,762	1,132,018	19,437,046
Total income tax[4]	1,063,314	506,126	662,673	508,897	545,818	899,050	8,145,796
Income tax after credits[4]	1,050,616	495,723	638,338	482,564	521,453	854,359	7,088,146
Net worth	55,995,630	21,649,541	24,186,660	16,691,388	15,250,877	22,951,908	181,454,222
FINANCE, INSURANCE, AND REAL ESTATE							
Number of returns	50,730	8,309	7,277	5,073	4,446	3,844	3,642
Total assets	106,389,092	57,991,510	118,300,999	181,633,128	315,462,633	601,295,224	9,317,284,336
Total receipts	36,871,877	18,975,596	28,095,711	27,642,985	45,987,198	89,920,529	1,536,265,568
Business receipts	28,714,008	13,662,635	18,175,037	12,446,748	20,349,116	39,467,020	7,726,357,101
Interest paid	3,512,004	1,784,279	3,981,070	6,709,725	11,819,178	20,744,298	329,525,294
Net income (less deficit)	-406,069	-405,649	-208,838	1,289,776	3,218,119	8,918,447	110,284,992
Total income tax[4]	415,975	269,443	455,400	684,016	1,045,713	1,945,358	21,258,537
Income tax after credits[4]	398,060	263,340	446,746	656,582	1,014,424	1,885,747	18,999,610
Net worth	23,470,138	15,855,431	28,821,025	45,012,125	78,918,838	190,371,952	2,117,724,350
SERVICES							
Number of returns	32,469	4,020	2,252	906	446	314	242
Total assets	65,672,431	27,841,217	34,863,728	31,714,249	31,480,837	49,475,727	305,407,740
Total receipts	115,746,910	37,944,987	44,146,825	34,726,724	34,877,247	45,926,738	181,749,635
Business receipts	110,055,546	35,651,506	41,620,595	32,446,206	32,194,907	41,140,642	162,007,252
Interest paid	2,702,969	1,154,286	1,399,027	1,230,991	1,323,484	1,964,327	13,000,422
Net income (less deficit)	1,145,178	274,418	225,926	97,952	38,703	571,415	3,247,020
Total income tax[4]	438,705	229,229	303,696	306,623	302,069	452,842	2,587,476
Income tax after credits[4]	415,546	211,216	281,500	284,075	265,559	382,921	2,131,571
Net worth	14,266,909	5,586,722	8,708,495	7,522,140	7,345,155	14,655,714	102,371,998

[1]Excludes Foreign Sales Corporations (Form 1120-FSC) and Interest Charge Domestic International Sales Corporations (Form 1120 IC-DISC).

[2]Zero assets class includes returns of liquidating or dissolving corporations which had disposed of all assets, final returns of merging companies whose assets were included in the returns of the acquiring corporations, part-year returns (except those of newly incorporated businesses), returns of foreign corporations with income "effectively connected" with a U.S. trade or business (except foreign insurance businesses providing separate data for U.S. branches, assets for which are included in the appropriate size class).

[3]Includes "Nature of business not allowable," which is not shown separately.

[4]For purposes of the statistics, includes not only regular tax, but alternative minimum tax, tax from recapture of investment and low-income housing credits, and certain other taxes. By law, only regular tax could be reduced by tax credits.

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

Table 2.–Selected Balance Sheet, Income Statement, and Tax Items, by Asset Size [1]

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

Item	Total	Zero assets[2]	$1 under $100,000	$100,000 under $250,000	$250,000 under $500,000	$500,000 under $1,000,000
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns	**3,802,788**	**213,340**	**1,963,525**	**629,829**	**376,585**	**258,942**
Total assets	**19,029,508,839**	**--**	**60,831,833**	**102,269,942**	**133,398,224**	**183,078,016**
Cash	786,735,219	--	13,006,262	16,615,191	19,134,842	23,110,654
Notes and accounts receivable	4,191,331,906	--	6,577,945	15,306,867	22,344,901	34,351,686
Less: Allowance for bad debts	114,576,136	--	90,680	215,014	292,096	488,720
Inventories	883,913,179	--	7,517,302	14,969,799	22,351,248	31,661,622
Investments in U.S. Government obligations	1,068,564,351	--	58,740	141,437	374,922	612,843
Tax-exempt securities	469,245,167	--	38,568	171,861	113,790	365,477
Other current assets	1,133,425,425	--	2,461,676	4,505,620	6,430,908	8,951,830
Loans to stockholders	84,545,262	--	4,400,109	5,417,984	4,593,002	4,325,980
Mortgage and real estate loans	1,529,474,897	--	488,157	1,120,542	1,808,218	2,217,676
Other investments	4,749,822,622	--	1,854,547	4,638,773	6,981,916	10,691,198
Depreciable assets	4,549,055,093	--	61,696,583	75,963,903	88,110,550	107,901,714
Less: Accumulated depreciation	1,999,540,977	--	43,123,811	47,879,590	53,535,986	62,391,171
Depletable assets	141,758,337	--	319,423	292,033	512,707	703,630
Less: Accumulated depletion	61,141,866	--	166,982	62,434	263,412	307,070
Land	215,498,441	--	1,791,295	4,825,505	7,996,831	13,341,314
Intangible assets	489,782,490	--	2,645,086	3,840,242	3,498,233	4,123,076
Less: Accumulated amortization	110,369,202	--	1,399,325	1,895,335	1,358,022	1,650,087
Other assets	1,021,984,633	--	2,757,839	4,512,558	4,595,672	5,556,369
Total liabilities	**19,029,508,839**	**--**	**60,831,833**	**102,269,942**	**133,398,224**	**183,078,016**
Accounts payable	1,680,717,102	--	8,969,512	13,480,834	18,651,368	26,313,030
Mortgages, notes, and bonds payable in less than 1 year	1,500,043,192	--	8,166,007	10,148,953	17,671,398	20,293,484
Other current liabilities	4,856,874,743	--	6,968,485	8,384,013	10,002,156	13,588,993
Loans from stockholders	306,729,880	--	27,773,454	20,313,344	18,660,160	19,629,129
Mortgages, notes, and bonds payable in 1 year or more	2,697,909,300	--	14,350,807	23,426,487	29,201,749	40,623,941
Other liabilities	2,710,749,072	--	6,345,185	3,899,328	3,510,458	6,908,106
Net worth	5,276,485,550	--	-11,741,617	22,616,983	35,700,935	55,721,333
Capital stock	1,740,894,708	--	15,665,524	13,628,174	13,803,195	16,444,102
Paid-in or capital surplus	3,257,218,951	--	16,713,813	12,625,224	14,850,017	18,276,690
Retained earnings, appropriated	74,926,536	--	223,682	272,900	624,401	669,104
Retained earnings, unappropriated	1,257,360,248	--	-21,092,913	5,052,447	11,627,582	20,493,428
Other retained earnings (Form 1120S)	108,505,379	--	-19,604,334	-4,848,065	-534,383	5,180,096
Less: Cost of treasury stock	1,162,420,270	--	3,647,388	4,113,698	4,669,877	5,342,086
Total receipts	**11,436,474,767**	**171,630,701**	**343,585,144**	**313,008,384**	**326,731,486**	**397,472,192**
Business receipts	9,965,628,799	103,002,307	336,589,796	306,704,640	319,681,772	387,917,237
Taxable interest	883,325,876	55,728,259	599,560	863,652	1,214,360	1,580,415
Tax-exempt interest on State and local Government obilgations	36,339,860	310,785	18,835	13,838	22,585	43,515
Rents	101,958,702	1,438,234	485,639	590,701	842,474	1,218,093
Royalties	34,822,123	143,198	139,909	121,497	154,752	145,855
Net short-term capital gain less net long-term capital loss	13,742,293	134,120	60,678	30,617	33,163	90,035
Net long-term capital gain less net short-term capital loss	41,111,234	1,462,273	359,866	284,653	386,986	560,526
Net gain, noncapital assets	31,476,569	1,667,028	587,281	445,564	498,289	618,090
Dividends received from domestic corporations	13,114,605	66,187	7,698	46,802	84,993	92,074
Dividends received from foreign corporations	28,760,176	19,134	*13	*19,461	*3,607	*1,814
Other receipts	286,194,531	7,659,175	4,735,869	3,886,958	3,808,504	5,204,536

Footnotes at end of table.

Table 2.–Selected Balance Sheet, Income Statement, and Tax Items, by Asset Size [1]–Continued

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

Item	$1,000,000 under $5,000,000	$5,000,000 under $10,000,000	$10,000,000 under $25,000,000	$25,000,000 under $50,000,000	$50,000,000 under $100,000,000	$100,000,000 under $250,000,000	$250,000,000 or more
	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Number of returns	**267,503**	**37,995**	**24,631**	**11,009**	**7,516**	**5,982**	**5,933**
Total assets	**558,017,320**	**264,101,157**	**383,658,181**	**389,027,738**	**533,131,086**	**962,808,364**	**15,459,186,978**
Cash	52,423,626	22,167,992	28,245,175	25,677,061	30,192,942	44,987,105	511,174,368
Notes and accounts receivable	116,388,666	56,097,929	90,899,292	101,797,783	144,999,115	226,240,418	3,376,327,305
Less: Allowance for bad debts	1,930,801	1,213,809	2,259,577	2,507,501	3,916,963	6,525,353	95,135,623
Inventories	116,378,416	50,365,791	58,720,249	40,529,647	40,079,059	55,133,331	446,206,716
Investments in U.S. Government obligations	3,221,692	3,209,009	14,390,223	28,454,482	49,196,002	79,697,426	889,207,574
Tax-exempt securities	1,640,613	1,211,984	3,730,810	8,275,371	14,773,710	38,553,524	400,369,458
Other current assets	28,549,580	15,758,013	20,863,717	20,392,074	25,910,504	47,407,781	952,193,722
Loans to stockholders	8,209,503	2,758,281	2,455,780	1,722,253	1,794,456	3,683,202	45,184,712
Mortgage and real estate loans	5,920,078	3,103,478	6,631,238	13,812,437	33,590,474	80,761,469	1,380,021,135
Other investments	37,249,236	23,119,641	42,205,127	52,950,781	83,445,718	196,118,384	4,290,567,302
Depreciable assets	285,421,847	124,559,237	158,470,411	117,880,309	126,470,260	206,167,720	3,196,413,458
Less: Accumulated depreciation	151,627,935	61,481,729	74,505,111	51,571,567	53,798,107	86,462,404	1,313,163,567
Depletable assets	2,413,549	1,945,904	3,217,428	3,784,006	4,618,944	5,384,266	118,566,446
Less: Accumulated depletion	1,211,905	897,893	1,725,124	1,887,164	1,941,170	1,843,076	50,835,635
Land	33,854,949	12,589,589	14,641,647	10,107,706	10,071,604	13,162,398	93,115,603
Intangible assets	11,252,284	6,092,099	11,078,878	11,910,057	16,269,472	33,702,665	385,370,398
Less: Accumulated amortization	4,559,701	2,325,046	3,899,341	3,404,818	4,585,943	7,802,233	77,489,351
Other assets	14,423,624	7,040,688	10,497,359	11,104,820	15,961,009	34,441,739	911,092,957
Total liabilities	**558,017,320**	**264,101,157**	**383,658,181**	**389,027,738**	**533,131,086**	**962,808,364**	**15,459,186,978**
Accounts payable	84,454,907	37,847,857	60,791,679	68,139,456	96,112,042	137,493,349	1,128,463,069
Mortgages, notes, and bonds payable in less than 1 year	88,192,405	43,798,027	51,389,668	35,620,329	39,689,020	60,411,150	1,124,662,751
Other current liabilities	44,573,485	24,733,953	50,306,621	78,951,407	137,534,511	254,635,433	4,227,195,687
Loans from stockholders	41,237,001	12,794,535	11,418,030	7,425,657	7,183,943	10,070,373	130,224,255
Mortgages, notes, and bonds payable in 1 year or more	120,362,523	55,432,926	75,718,753	65,935,836	74,529,678	132,481,034	2,065,845,565
Other liabilities	21,973,085	12,032,046	19,860,078	20,348,253	27,869,648	59,470,253	2,528,532,631
Net worth	157,223,914	77,461,813	114,173,351	112,606,800	150,212,245	308,246,772	4,254,263,021
Capital stock	39,493,748	18,389,125	25,429,610	24,163,033	31,276,298	71,810,347	1,470,791,553
Paid-in or capital surplus	59,486,279	33,919,871	55,074,141	63,582,976	92,740,550	202,747,085	2,687,202,307
Retained earnings, appropriated	1,311,622	487,273	946,244	838,546	1,793,010	4,511,387	63,248,366
Retained earnings, unappropriated	34,306,328	7,111,991	9,870,477	12,187,916	18,628,151	41,778,546	1,117,396,294
Other retained earnings (Form 1120S)	34,977,009	22,489,436	28,044,812	15,485,581	12,108,397	10,071,380	5,135,450
Less: Cost of treasury stock	12,351,071	4,935,883	5,191,934	3,651,252	6,334,161	22,671,972	1,089,510,949
Total receipts	**1,174,352,977**	**497,549,938**	**563,361,101**	**393,954,387**	**393,687,262**	**591,529,448**	**6,269,611,748**
Business receipts	1,143,701,710	481,882,989	541,251,453	368,755,075	357,123,866	518,839,952	5,100,178,001
Taxable interest	4,738,504	2,632,155	6,768,555	11,869,956	21,713,594	41,418,695	734,198,171
Tax-exempt interest on State and local Government obilgations	206,321	164,613	390,430	687,993	1,319,942	3,186,435	29,974,568
Rents	3,821,657	1,594,861	2,606,186	1,934,469	2,156,768	4,974,968	80,294,652
Royalties	292,519	313,187	491,176	587,229	638,164	1,521,252	30,273,385
Net short-term capital gain less net long-term capital loss	126,062	67,514	143,392	235,917	400,463	1,158,220	11,262,112
Net long-term capital gain less net short-term capital loss	1,541,222	706,173	1,001,234	860,087	1,167,358	2,042,248	30,738,607
Net gain, noncapital assets	1,945,862	773,694	955,369	659,513	816,713	1,341,343	21,167,824
Dividends received from domestic corporations	382,977	217,346	254,351	287,859	322,131	557,217	10,794,968
Dividends received from foreign corporations	88,625	44,213	105,447	170,441	220,494	1,277,811	26,809,116
Other receipts	17,507,519	9,153,193	9,393,507	7,905,849	7,807,769	15,211,308	193,920,343

Footnotes at end of table.

Table 2.--Selected Balance Sheet, Income Statement, and Tax Items, by Asset Size [1]--Continued

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

Item	Total	Zero assets[2]	$1 under $100,000	$100,000 under $250,000	$250,000 under $500,000	$500,000 under $1,000,000
	(1)	(2)	(3)	(4)	(5)	(6)
Total deductions	**11,087,119,512**	**170,399,630**	**343,445,341**	**311,671,644**	**325,504,162**	**395,144,692**
Cost of sales and operations	6,654,370,271	76,177,547	161,658,730	173,114,231	196,272,981	247,220,770
Compensation of officers	201,408,195	1,669,770	32,399,826	22,930,874	19,111,368	20,847,660
Repairs	94,643,427	517,614	3,123,627	2,834,793	2,796,030	3,022,843
Bad debts	100,875,268	4,592,402	1,020,905	941,570	1,187,273	1,312,670
Rent on business property	192,743,992	2,505,587	15,948,622	10,877,794	9,252,013	9,616,907
Taxes paid	257,796,399	2,352,171	10,646,812	9,111,455	9,337,276	10,390,695
Interest paid	735,721,055	48,552,641	2,920,665	3,625,766	4,407,496	5,850,103
Contributions or gifts	4,762,763	32,828	43,768	118,964	66,064	79,059
Amortization	35,923,984	385,211	403,036	496,417	493,546	481,513
Depreciation	333,952,832	2,738,362	5,617,327	6,400,355	6,719,059	8,032,636
Depletion	8,417,411	37,296	16,469	14,425	41,425	74,421
Advertising	129,194,304	1,413,153	4,271,240	3,333,487	3,003,126	3,540,327
Pension, profit sharing, stock bonus, and annuity plans	46,487,339	256,654	1,208,304	1,026,166	1,060,778	1,500,458
Employee benefit programs	133,467,913	901,697	1,999,994	2,026,310	2,542,275	3,388,935
Net loss, noncapital assets	18,859,047	1,786,633	602,328	559,452	322,209	258,215
Other deductions	2,138,495,313	26,480,065	101,563,687	74,259,585	68,891,243	79,527,480
Total receipts less total deductions	**349,355,256**	**1,231,071**	**139,803**	**1,336,739**	**1,227,324**	**2,327,499**
Constructive taxable income from related foreign corporations	31,844,399	29,222	--	*2,371	*14,184	*350
Net income (less deficit)	**344,859,794**	**949,507**	**120,968**	**1,325,272**	**1,218,923**	**2,284,334**
Net income (less deficit), Form 1120A	-381,048	-42,032	-275,187	-48,106	-15,723	--
Net income (less deficit), Form 1120F	217,814	217,814	--	--	--	--
Net income (less deficit), Form 1120S[3]	29,074,913	-225,292	3,147,260	1,517,778	1,113,276	1,245,314
Net income	535,816,622	9,909,869	14,048,610	10,296,998	9,805,438	10,901,286
Deficit	190,956,827	8,960,362	13,927,643	8,971,726	8,586,515	8,616,953
Statutory special deductions, total[4]	**122,575,062**	**3,835,632**	**1,880,992**	**1,562,463**	**1,227,484**	**1,407,176**
Net operating loss deduction	41,152,433	3,334,760	1,876,804	1,530,894	1,142,695	1,330,740
Dividends received deduction	12,614,637	42,016	3,731	30,153	58,087	63,988
Public utility dividends paid deduction	45,015	--	*14	--	--	--
Income subject to tax[5]	**350,009,712**	**4,608,532**	**1,965,682**	**3,259,536**	**3,888,191**	**4,577,770**
Income tax before credits, total[6]	**121,121,231**	**1,362,849**	**322,162**	**561,866**	**771,038**	**1,003,751**
Regular tax	116,275,308	1,427,774	319,105	555,698	760,724	987,699
Personal Holding Company tax	14,764	*142	*874	*332	*151	*1033
Tax from recapture of investment and low-income housing credits	72,693	*15	--	--	--	--
Alternative minimum tax	5,320,587	50,310	1,698	4,934	9,298	17,278
Environmental tax	479,288	5,114	*14	*12	55	*40
Foreign tax credit	21,096,940	10,898	*4,806	*5,927	*5,419	*409
U.S. possessions tax credit	3,472,330	232,224	416	23	339	507
Orphan drug credit	18,475	--	--	--	--	--
Nonconventional source fuel credit	244,732	--	--	--	--	*265
General business credit	2,206,371	5,523	4,593	11,128	13,120	23,502
Prior year minimum tax credit	1,516,063	6,769	*1	*58	1,602	10,557
Total income tax after credits	**92,566,319**	**1,107,434**	**312,345**	**544,730**	**750,558**	**968,512**

Footnotes at end of table.

Table 2.--Selected Balance Sheet, Income Statement, and Tax Items, by Asset Size [1]--Continued

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

Item	$1,000,000 under $5,000,000	$5,000,000 under $10,000,000	$10,000,000 under $25,000,000	$25,000,000 under $50,000,000	$50,000,000 under $100,000,000	$100,000,000 under $250,000,000	$250,000,000 or more
	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Total deductions	**1,166,188,124**	**492,731,910**	**556,314,707**	**386,220,322**	**384,288,224**	**570,737,464**	**5,984,473,292**
Cost of sales and operations	816,665,107	361,796,949	397,319,439	266,123,694	254,304,944	358,693,232	**3,345,022,648**
Compensation of officers	37,811,784	11,014,793	10,567,646	5,835,168	5,046,480	5,777,402	28,395,423
Repairs	6,518,426	2,258,716	2,408,265	1,791,749	1,781,841	2,993,426	64,596,095
Bad debts	4,280,167	1,990,712	2,971,154	2,165,410	2,261,283	4,551,155	73,600,567
Rent on business property	18,939,250	6,296,746	7,150,481	5,378,923	5,814,278	8,498,574	92,464,819
Taxes paid	24,578,649	9,346,068	10,699,081	7,379,630	7,283,728	11,473,852	145,196,983
Interest paid	18,974,847	8,552,703	12,834,920	13,777,878	19,716,329	35,076,225	561,431,481
Contributions or gifts	200,332	74,796	126,512	129,385	145,623	274,916	3,470,516
Amortization	1,507,557	873,130	1,382,356	1,457,093	1,765,615	2,938,649	23,739,859
Depreciation	20,600,144	8,744,213	11,830,862	8,755,125	9,767,635	14,552,008	230,195,106
Depletion	175,686	102,955	204,113	296,823	205,754	447,371	6,800,674
Advertising	10,447,436	3,867,276	5,084,045	3,868,649	3,920,527	8,192,544	78,252,494
Pension, profit sharing, stock bonus, and annuity plans	3,775,798	1,475,978	1,691,022	1,297,459	1,222,467	2,102,960	29,869,295
Employee benefit programs	9,364,346	4,304,982	5,438,506	4,096,992	4,559,608	7,800,011	87,044,258
Net loss, noncapital assets	947,710	491,322	894,375	657,881	963,653	1,039,843	10,335,423
Other deductions	191,400,885	71,540,570	85,711,930	63,208,463	65,528,457	106,325,297	1,204,057,652
Total receipts less total deductions	**8,164,853**	**4,818,028**	**7,046,394**	**7,734,065**	**9,399,038**	**20,791,985**	**285,138,456**
Constructive taxable income from related foreign corporations	29,502	*20,662	48,050	115,725	151,633	906,809	30,525,893
Net income (less deficit)	**7,988,035**	**4,674,078**	**6,704,013**	**7,161,796**	**8,230,729**	**18,512,359**	**285,689,781**
Net income (less deficit), Form 1120A	--	--	--	--	--	--	--
Net income (less deficit), Form 1120F	--	--	--	--	--	--	--
Net income (less deficit), Form 1120S[3]	6,606,272	3,444,513	4,935,011	2,831,132	2,253,501	1,853,862	352,285
Net income	30,202,440	13,920,979	18,663,696	15,611,242	16,903,642	31,467,806	354,084,615
Deficit	22,214,405	9,246,901	11,959,683	8,449,446	8,672,912	12,955,447	68,394,834
Statutory special deductions, total[4]	**3,181,531**	**1,717,588**	**2,352,897**	**2,541,550**	**3,517,355**	**9,151,223**	**90,199,170**
Net operating loss deduction	2,700,208	1,329,604	1,631,304	1,397,480	1,420,346	2,724,524	20,733,073
Dividends received deduction	301,915	185,143	218,067	269,936	311,829	731,928	10,397,844
Public utility dividends paid deduction	--	--	*34	*712	623	92	43,540
Income subject to tax[5]	**11,859,370**	**5,935,347**	**8,690,360**	**9,145,163**	**10,440,637**	**20,327,939**	**265,311,186**
Income tax before credits, total [6]	**3,614,825**	**2,041,996**	**3,047,017**	**3,227,426**	**3,690,175**	**7,373,147**	**94,104,978**
Regular tax	3,448,327	1,972,286	2,929,374	3,091,964	3,544,022	7,041,717	90,196,617
Personal Holding Company tax	3,725	4,252	*591	*1,734	73	327	1,529
Tax from recapture of investment and low-income housing credits	*91	*137	1,024	942	146	199	70,138
Alternative minimum tax	156,644	77,053	119,881	121,601	138,161	299,360	4,324,367
Environmental tax	625	1,104	3,368	6,572	9,517	24,846	428,022
Foreign tax credit	26,381	20,532	41,456	72,091	96,488	621,186	20,191,345
U.S. possessions tax credit	12,576	29,815	96,112	151,926	217,208	472,281	2,258,904
Orphan drug credit	--	--	--	*484	--	--	17,991
Nonconventional source fuel credit	2,019	*402	1,272	451	1,472	1,728	237,123
General business credit	70,159	33,355	56,617	52,009	68,167	136,269	1,731,930
Prior year minimum tax credit	45,059	22,601	32,515	35,306	39,907	66,251	1,255,436
Total income tax after credits	**3,458,630**	**1,935,29**	**2,819,044**	**2,915,160**	**3,266,933**	**6,075,433**	**68,412,250**

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

[1] Excludes Foreign Sales Corporations (Form 1120-FSC) and Interest-Charge Domestic International Sales Corporations (Form 1120 IC-DISC).

[2] Zero assets class includes returns of liquidating or dissolving corporations which had disposed of all assets, final returns of merging companies whose assets were included in the returns of the acquiring corporations, part-year returns (except those of newly incorporated businesses), returns of foreign corporations with income "effectively connected" with a U.S. trade or business (except foreign insurance businesses providing separate data for U.S. branches, assets for which are included in the appropriate size class).

[3] Net income of S Corporations was taxed (with few exceptions) through shareholders. Therefore, the net income of these corporations was excluded from income subject to tax.

[4] Also includes deductions for dividends paid allowed regulated investment companies and real estate investment trusts. These deductions are not shown separately.

[5] See footnote 3.

[6] For purposes of the statistics, all of the taxes shown below, plus certain others not shown, are included in both income tax before and after credits. By law, tax credits could only offset regular tax.

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

Foreign Recipients of U.S. Income, 1991

by Denise Bori

United States source income paid to "foreign persons" in 1991 totaled over $70 billion, a net increase of 27 percent or $15 billion over 1989. However, the $2 billion in U.S. tax withheld on this income was 6 percent less than that for 1989. This was because dividend payments, typically subject to high withholding rates, decreased by 21 percent, while all other income subject to withholding declined by 9 percent, and, in addition, income not subject to withholding at all increased by 44 percent to almost $55 billion.

Most of the increase in total income for 1991 was due to payments made to persons in tax treaty countries, which are often either subject to reduced withholding rates or are exempt from withholding altogether. Even though interest, which was the principal source of income, increased by almost $14 billion, this form of income is generally subject to reduced withholding or is tax-exempt.

Payments to Japanese persons increased by 51 percent during the 2-year period, to $19.8 billion, making them the largest recipient group for 1991 U.S.-source income. Payments to United Kingdom recipients, the largest recipient group in 1989, remained stable, increasing by only 0.3 percent, to almost $13.7 billion. Together, these two countries accounted for almost half of all the income paid to foreign recipients.

Background

U.S.-source income of nonresident alien individuals and other foreign persons is reported on Form 1042S, *Foreign Persons' U.S.-Source Income Subject to Withholding.* This income is taxed at a flat, statutory rate of 30 percent (or a lower tax treaty rate). The income covered by this article includes, but is not limited to, certain interest, dividends, compensation for personal services, rents and royalties, retirement payments, and capital gains. Income that is "effectively connected" with a U.S. trade or business (see "Income Effectively Connected with a U.S. Trade or Business" in the *Explanation of Selected Terms* section), including bank deposit interest, is not subject to withholding and is not reported on Form 1042S.

Even though income that is exempt from U.S. taxation under a tax treaty between the person's country of residence and the United States, or under a U.S. statutory exemption (such as portfolio interest), is also not subject to withholding, it is nevertheless reported on Form 1042S. Portfolio interest is any interest (including original issue discount) which is not derived in the ordinary course of a trade or business. According to section 871(i) of the Internal Revenue Code, bank deposit interest (which is considered to be portfolio interest if such interest is not derived in the ordinary course of a trade or business within the United States) is exempt from withholding. The exemptions from U.S. tax vary under each treaty. (A foreign payee may claim an exemption or reduced tax rate by filing Form 1001, *Ownership, Exemption, or Reduced Rate Certificate.*)

U.S. individuals or businesses distributing U.S.-source income to foreign persons are required to withhold taxes on this income, or to appoint a withholding agent (normally a financial institution) to do so. The payer or designated agent is fully liable for all taxes owed by the recipient and reports the income paid to each foreign recipient on a Form 1042S. Without this withholding requirement there would be no way to enforce taxpayer compliance because foreign recipients are not required to file U.S. tax returns to report this income.

Data Highlights

Total U.S.-source income payments to foreign persons as reported on Form 1042S increased by $15.1 billion to $70.2 billion between 1989 and 1991 [1]. Interest ($47.2 billion for 1991) accounted for $13.9 billion of this increase. In addition to interest, total payments are comprised of dividends, capital gains, royalties, rents, pensions and annuities, scholarship or fellowship compensation, compensation for personal services, social security and railroad retirement payments, real estate distributions, and miscellaneous income. The last income category is used to report U.S.-source fixed or determinable annual income that is not reportable under any of the other income categories. Examples of such income are commissions, insurance proceeds, prizes, and racing purses. Miscellaneous income, as shown in the statistics, also includes income that taxpayers do not specifically classify as being one type or another.

Figure A depicts the percentages and Figure B shows the amounts of total income attributable to interest, dividends, and rents and royalties for 1987, 1989, and 1991. During this period there was a substantial increase in the amount of interest paid to foreigners ($11.4 billion to $47.2 billion), which raised the percentage of total income accounted for by interest from 50 percent to 67 percent.

The large increase in interest can be explained by many factors. The Deficit Reduction Act of 1984, which exempted most portfolio interest payments from withholding, enabled U.S. entities to compete more effectively for funds in international financial markets. Also, during the 1980's, the U.S. savings rate was one of the lowest in the

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Figure A

Selected Types of Income as Percentages of Total U.S.-Source Income, 1987-1991

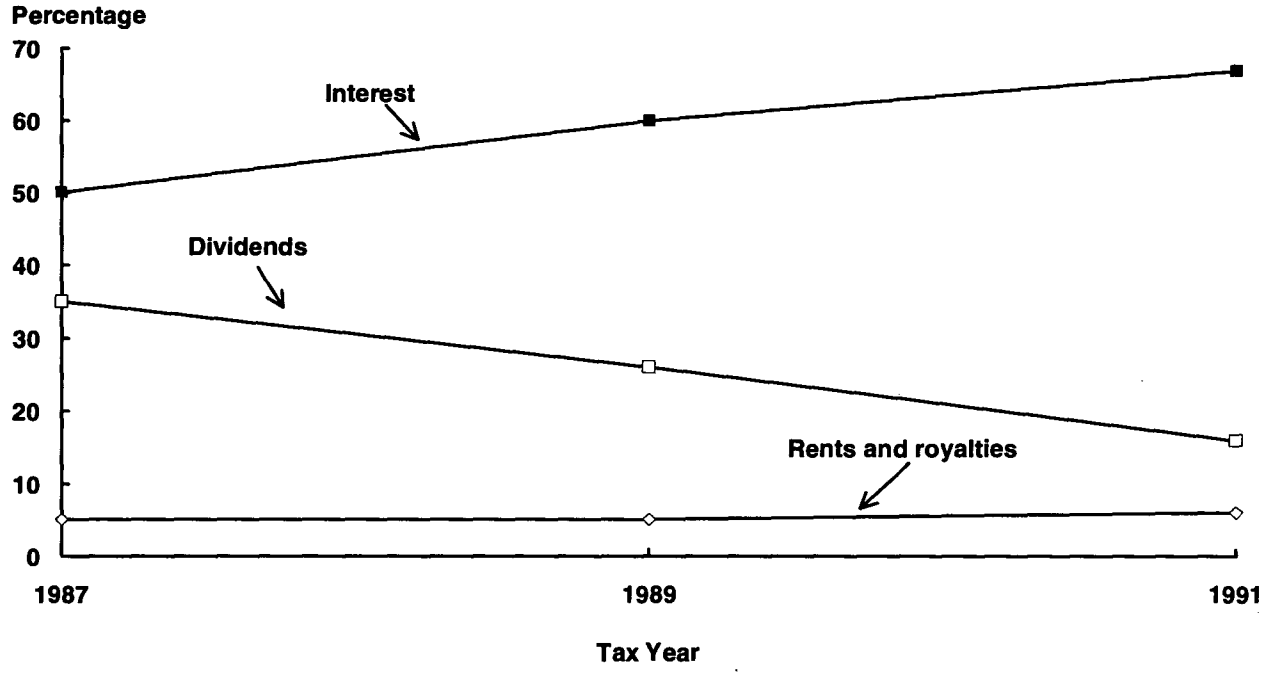
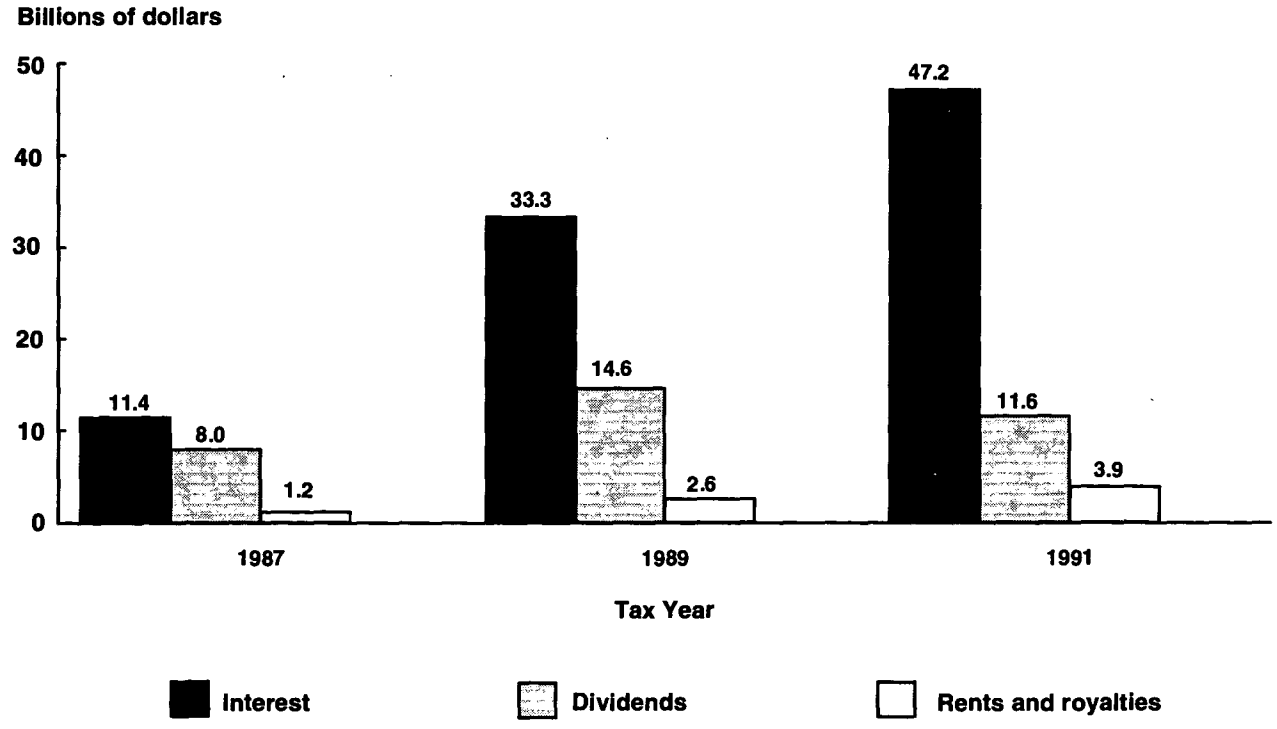


Figure B

U.S.-Source Income by Selected Income Type, 1987-1991



industrialized world, about 3 percent of national income [2]. As a result of these two factors, domestic entities were forced to search abroad for investment funds, and as a result, there were large inflows of foreign capital to U.S. banks to meet the surge in credit demand. At the same time, because national savings rates were considerably higher in other countries, foreign countries were able to respond to the U.S. demand for investment funds. Moreover, the demand for investment funds by U.S. entities exerted upward pressure on interest rates, making investment in the United States more attractive [3]. Foreign holdings of U.S. Treasury bonds and other bonds, alone, increased to record levels in the late 1980's [4]. For example, it is estimated that up to one-third of new issues of Treasury securities in 1988, were purchased by foreign persons [5]. On the other hand, dividends paid increased between 1987 and 1989 and then decreased slightly between 1989 and 1991, while the percentage of total income attributable to dividends decreased steadily. Rents and royalties, both as an amount of income paid and as a percentage of total income, steadily increased over the 1987-1991 period.

For 1991, the total number of Forms 1042S fell 6 percent to 1,209,120. The average payment increased to $58,039, up 36 percent from 1989. The average U.S. tax withheld (not including tax withheld by foreign governments and withholding agents) rose less than 1 percent to $1,534. For 1991, the average or effective withholding rate (tax withheld as a percentage of total U.S.-source income) was less than 3 percent. However, the effective withholding rate on the $15.5 billion of income subject to withholding tax was 12 percent, substantially less than the 30 percent statutory rate. Reasons for this are discussed in the Taxes Withheld section.

Tax Treaties

The United States participates in tax treaties with 40 of its principal trading partners (Table 1). It should be noted that during 1991 the United States exchanged instruments of ratification for new income tax treaties with Finland, Germany, India, Indonesia, Spain, and Tunisia [6]. Of these six countries, India, Indonesia, Spain, and Tunisia did not previously have treaties with the United States. Thus, in the statistics for previous years they are included in the nontreaty country total; in the 1991 data they are included as treaty countries.

The main purpose of tax treaties is to avoid international double taxation. Tax treaties typically designate primary taxing authority to the source country (the country in which the income is earned), although this authority is frequently limited. The resident country of the recipient is then granted the residual taxing authority. Tax treaties also generally involve reciprocal reductions in tax rates (or exemptions in some cases) between the participating countries.

Most countries, including the United States, tax their residents on their worldwide income. Residents of these countries are typically allowed a credit against their "domestic" income tax for taxes paid to other countries. Certain countries, including a number in Latin America, tax only that income earned within their borders. Generally, persons in these countries are granted exemptions from domestic taxation for any foreign-source income.

Tax treaties reduce the U.S. tax liability for foreign persons earning U.S.-source income. This reduction in U.S. tax revenue is at least partially offset by the reduction in foreign tax credits of U.S. persons receiving income from, and paying taxes to, treaty countries. Fewer foreign tax credits serve to increase the revenue intake of the United States. Another effect of tax treaties is to increase revenue through improved compliance programs because of the tax information exchange that exists among treaty countries.

For 1991, persons in treaty countries received 84 percent of total U.S.-source income payments to foreign persons, while accounting for 80 percent of the total U.S. tax withheld on these payments. The nontreaty countries which received the largest amounts of U.S.-source income were Bermuda, Hong Kong, Mexico, and Singapore (Table 2). Figure C compares income, U.S. tax withheld, and effective U.S. tax rates for treaty and nontreaty country recipients for 1991.

Figure C

Total U.S.-Source Income, U.S. Tax Withheld, and Effective U.S. Tax Rates for Treaty and Nontreaty Countries, 1991

[Money amounts are in millions of dollars]

Treaty status	Total U.S.-source income	U.S. tax withheld[1]	Effective U.S. tax rate (col. 2 / col. 1) (percent)
	(1)	(2)	(3)
All countries	**70,176**	**1,855**	**2.6**
Treaty countries	61,559	1,500	2.4
Nontreaty countries	8,617	355	4.1

[1] Excludes small amounts of U.S. tax withheld by foreign governments and withholding agents.

Types of Income

For 1991, interest payments (excluding bank deposit interest) reported on Forms 1042S increased by 42 percent to $47.2 billion, accounting for 67 percent of the total U.S.-source income paid to foreign persons. For 1989,

interest comprised 60 percent of total U.S.-source income and amounted to approximately $33.3 billion. Dividend payments, the second largest type of payment, decreased by 21 percent to $11.6 billion. As a result dividends accounted for only 16 percent of total income for 1991, down from 26 percent for 1989. Miscellaneous income almost doubled, from $2.3 billion in 1989 to $4.3 billion in 1991. Compensation for personal services also doubled, to $1.7 billion from $0.8 billion. Rents and royalties increased by 50 percent to $3.9 billion for 1991. Retirement payments increased 10 percent, totaling almost $1 billion. These payments included social security and railroad retirement benefits. Figure D details 1991 income and tax information for the different types of income.

Figure D

U.S.-Source Income and U.S. Tax Withheld, by Type of Income, 1991

[Money amounts are in millions of dollars]

Income type	Total U.S.-source income	U.S. tax withheld[1]	Percentage of U.S. tax withheld	Effective U.S. tax rate (col. 2 / col. 1) (percent)
	(1)	(2)	(3)	(4)
All income types	**70,176**	**1,855**	**100**	**2.6**
Interest	47,231	331	18	0.7
Dividends	11,555	1,206	65	10.4
Rents and royalties	3,926	151	8	3.8
Social security and railroad retirement payments	983	85	4	8.6
Compensation for personal services	1,651	31	2	1.9
Capital gains	77	1	(2)	1.3
Pensions and annuities	138	7	(2)	5.1
Scholarships and fellowships	309	14	1	4.5
Real estate distributions	47	14	1	29.8
Miscellaneous	4,258	15	1	0.4

[1] Excludes small amounts of U.S. tax withheld by foreign governments and withholding agents.

[2] Less than 0.05 percent.

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

Type of Recipient

Foreign corporations received 76 percent of the U.S.-source income paid in 1991, while accounting for 68 percent of the U.S. tax withheld. U.S.-source income paid to corporations totaled almost $53.5 billion, an $11.9 billion increase from 1989. Figure E presents percentages of total income and U.S. tax withheld by type of recipient.

In Figure E, tax withheld on corporations is low in comparison to the income earned by corporations (68 versus 76 percent of the totals for all recipients) because 78 percent of the income distributed to corporations was exempt from U.S. taxation, principally because of various tax treaties involving interest income, which made up 69 percent of the income distributed. Thus, only 1 percent of the income distributed to corporations was taxed at the maximum rate of 30 percent. In addition, "direct investment dividends" (i.e., those dividends paid on a parent company's return on investment in a subsidiary or other affiliate) were subject to a lower tax rate under some tax treaties than were portfolio dividends.

Individuals, in contrast to corporations, show a higher percentage of total taxes withheld relative to total income. Just 57 percent of the income distributed to individuals was exempt from U.S. taxation and 26 percent of this income was taxed at the maximum rate of 30 percent. Moreover, individuals received 43 percent of their income in the form of retirement benefits and dividends, two of the income types taxed at the highest effective rates, and not ordinarily covered by tax treaties.

Foreign governmental organizations received $2,568.6 million in U.S.-source income during 1991, but less than $0.5 million in taxes was withheld on this income. This was because income paid to these organizations was largely exempt from U.S. taxation. In 1989, the tax withheld was almost $19.8 million on income of $1,535.8 million. For 1991, most income received by these governmental organizations was in the form of interest (77 percent). Figures F and G show the countries whose governmental organizations received the most income and accounted for the most U.S. tax withheld, respectively.

Country of Recipient

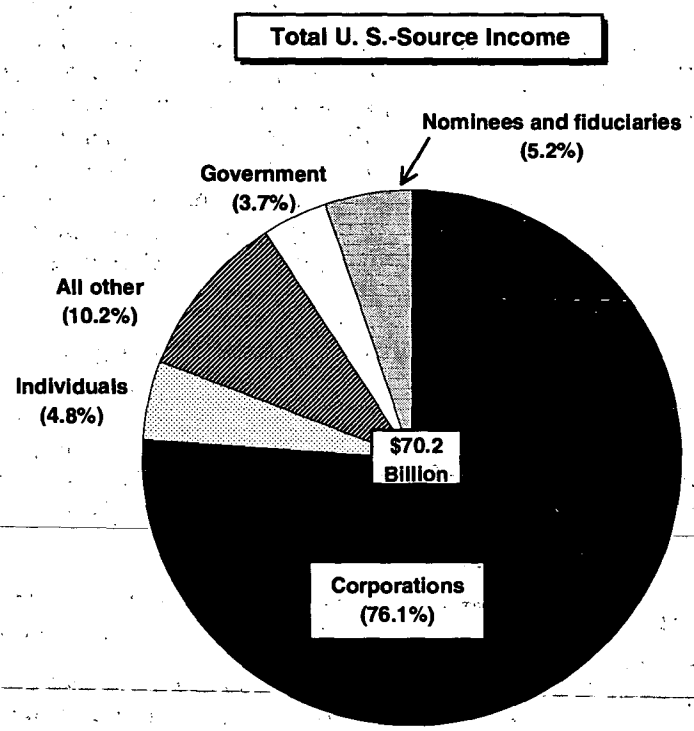
For 1991, persons in nine countries received total payments of more than $1 billion each. These countries represented 80 percent of the total U.S.-source income reported on Form 1042S and almost 73 percent of the total U.S. taxes withheld. Figure H ranks income and tax information for these countries according to the size of income totals.

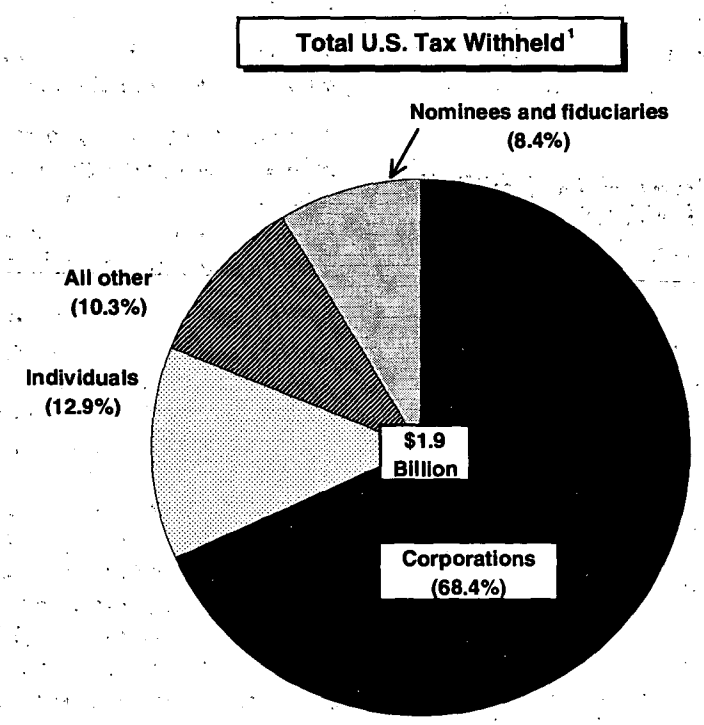
Persons in these nine countries had an aggregate effective U.S. tax rate of 2.4 percent. The effective U.S. tax rates of persons in these countries, however, varied between 0.8 percent and 3.8 percent. This variation can best be explained by differences in tax treaty provisions and differences in U.S. taxability of certain types of income.

For 1991, Japan received more U.S.-source income than any other country. Japan also received the most income during the 1987-1991 period (with the exception of 1989 when the United Kingdom received slightly more than Japan). Payments to Japanese residents increased by 51 percent from 1989 to a total of $19.8 billion. Most of this income, $13.6 billion, was interest paid to corporations, including banks. Japan accounted for more than 28 percent of the total income paid to foreign recipients. The 51-percent increase may be explained, in part, by the sharp

Figure E

Total U.S.-Source Income and U.S. Tax Withheld, by Type of Recipient, 1991





[1]Excludes small amounts of U.S. tax withheld by foreign governments and withholding agents.

Figure F

U.S.-Source Income and U.S. Tax Withheld for Countries Whose Governments Received the Most U.S.-Source Income, 1991

[Money amounts are in thousands of dollars]

Selected country or geographic area	U.S.-source income received by foreign government organizations	U.S. tax withheld
All countries[1]	**2,568,607**	**448**
United Kingdom	487,331	([2])
Singapore	358,033	--
Spain	346,733	2
Sweden	265,759	--
United Arab Emirates	263,085	--
Mexico	173,669	([2])
Kuwait	134,683	--

[1]Includes countries not shown separately.
[2]Less than $500.

Figure G

U.S-Source Income and U.S. Tax Withheld for Countries Whose Governments had the Most U.S. Tax Withheld, 1991

[Money amounts are in thousands of dollars]

Selected country or geographic area	U.S.-source income received by foreign government organizations	U.S. tax withheld
All countries[1]	**2,568,607**	**448**
British Virgin Islands	7,137	133
Cayman Islands	356	83
Germany	44,657	80
Saudi Arabia	50,855	56
Bahamas	3,272	29
Australia	34,529	27
Taiwan	2,249	12

[1] Includes countries not shown separately.

Figure H

U.S.-Source Income and U.S.Tax Withheld for Countries Whose Residents Received the Most U.S.-Source Income, 1991

[Money amounts are in millions of dollars]

Selected country or geographic area	Total U.S.-source income	Percentage increase from 1989	U.S. tax withheld[1]	Effective U.S. tax rate (col. 3 / col. 1) (percent)
	(1)	(2)	(3)	(4)
All countries	**70,176**	**27.5**	**1,855**	**2.6**
Japan	19,843	51.4	474	2.4
United Kingdom	13,677	0.3	334	2.4
Canada	4,789	14.1	133	2.8
Netherlands	4,483	5.1	95	2.1
Switzerland	3,535	12.8	136	3.8
France	3,188	66.6	78	2.4
Netherlands Antilles	2,637	6.9	22	0.8
Germany	2,529	2.1	54	2.1
Belgium	1,314	50.3	22	1.7
Other countries	14,181	58.1	507	3.6

[1]Excludes small amounts of U.S. tax withheld by foreign governments and withholding agents.

increase in Japanese investments in the United States in recent years, in the form of both securities and direct investment, especially the latter [7].

Although the United Kingdom experienced only a slight increase in U.S.-source income received from 1989 to 1991, the total was the second largest in 1991 in comparison to other foreign countries. In 1991, nearly $13.7 billion in income was paid to recipients in the United Kingdom ($10.3 billion was received by corporations), $7.8 billion of which was interest. Figure I displays the percentage of income and taxes by income type for Japanese and United Kingdom recipients.

Taxes Withheld

For 1991, the U.S. tax withheld amounted to nearly $1.9 billion on U.S.-source income of $70.2 billion. This translates to an effective tax rate of 2.6 percent. The overall effective tax rate was much lower than the statutory U.S. withholding rate of 30 percent for a number of reasons, some of which have previously been mentioned:

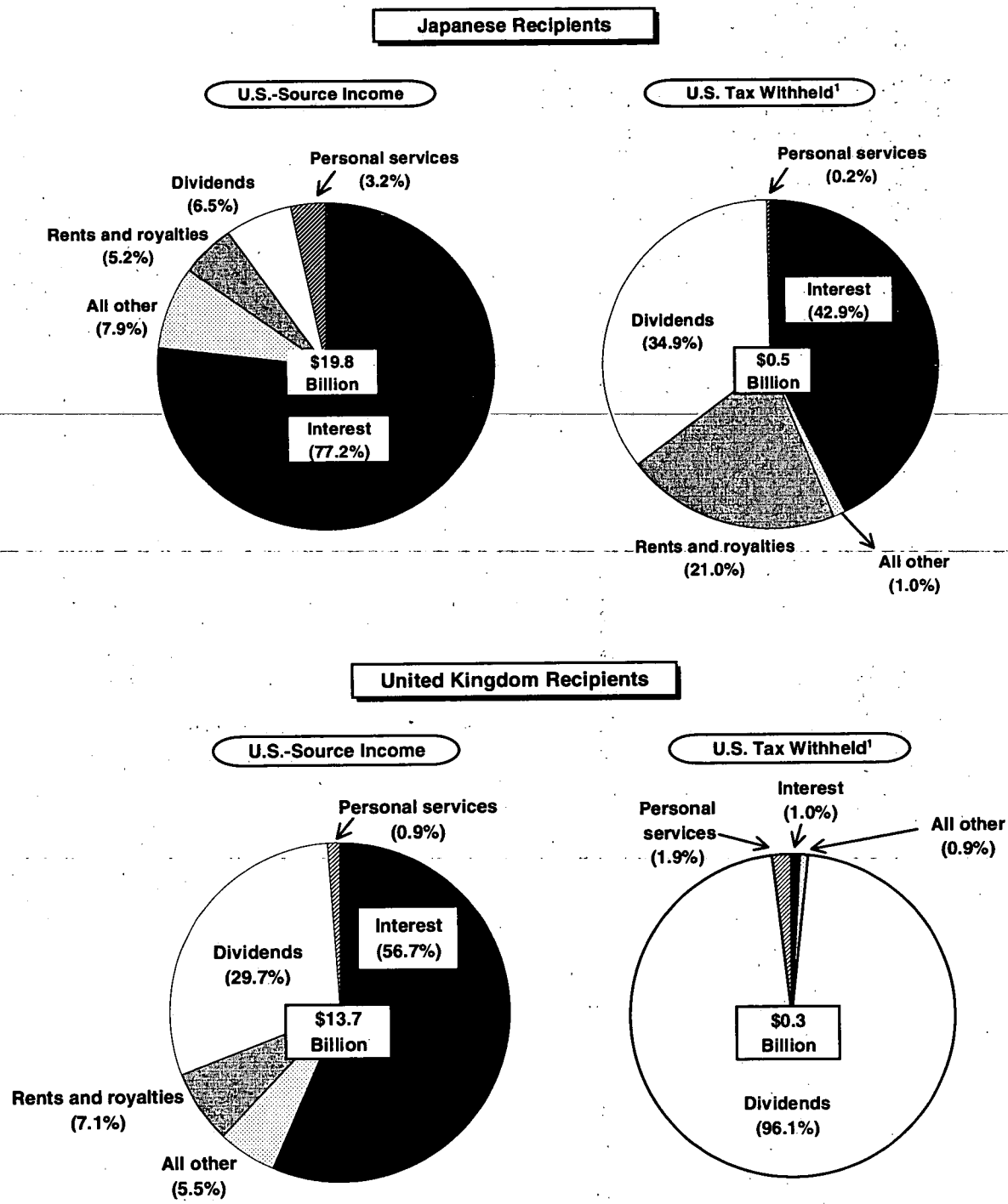
- tax treaties allow for lower tax rates on certain types of payments made to residents of treaty countries;
- under a statutory exemption, U.S.- source income paid to foreign governmental organizations is generally not taxed (although it must still be reported on Form 1042S);
- most U.S.- source income paid to foreign private foundations is taxed at a 4 percent rate;
- the effective tax rate for social security and railroad retirement benefit payments is 15 percent, because only half of these payments is subject to the full 30 percent statutory withholding rate, while the other half is not subject to the withholding tax; and
- the Tax Reform Act of 1984 rescinded the withholding tax on most interest, especially portfolio interest. However, this interest income (except bank deposit interest that is effectively connected with a business) must still be reported on Forms 1042S.

These factors result in considerable variation among countries (as well as among types of recipients and types of income paid) in terms of the effective U.S. withholding rate (tax withheld as a percentage of total income paid).

Seventy-eight percent (or $54.7 billion) of the $70.2 billion of total U.S.-source income reported on Form 1042S was exempt from taxation. Most of this was interest. Because of tax treaties, only $1.9 billion of the $15.5 billion of income subject to taxation was taxed at

Figure I

Total U.S.-Source Income and U.S. Tax Withheld, Japanese and United Kingdom Recipients, by Income Type, 1991



[1]Excludes small amounts of U.S. tax withheld by foreign governments and withholding agents.
NOTE: Detail may not add to totals because of rounding.

the 30 percent statutory rate. This was just 2.8 percent of the total U.S. source income. Figure J shows the countries with the highest and lowest effective tax rates for 1991 (for countries with total U.S.-source income of $10 million or more).

Sixty-eight percent of the total U.S. tax withheld on foreign recipients was for income paid to corporations, compared to 13 percent for individuals and 8 percent for nominees and fiduciaries. About 64 percent of taxes withheld for corporations was for dividend payments. Of the $1.3 billion in U.S. tax withheld on income paid to corporations, approximately half was accounted for by Japan ($0.4 billion) and the United Kingdom ($0.2 billion).

Figure J

Countries With Total U.S.-Source Income of $10 Million or More and With the Highest and Lowest Effective Tax Rates, 1991

[Money amounts are in thousands of dollars]

Selected country or geographic area	U.S.-source income	U.S. tax withheld[1]	Effective U.S. tax rate (col. 2 / col. 1) (percent)
	(1)	(2)	(3)
	Highest effective tax rates		
South Africa	12,415	1,663	13.4
Liechtenstein	62,147	7,661	12.3
Philippines	89,656	11,010	12.3
Turks and Caicos Islands	10,977	1,348	12.3
Panama	304,140	35,426	11.6
Argentina	40,611	4,143	10.2
Brazil	30,515	2,884	9.5
Greece	73,743	6,483	8.8
Mexico	526,974	42,765	8.1
Jersey (Channel Islands)	106,046	8,348	7.9
	Lowest effective tax rates		
Nigeria	58,962	682	1.2
South Korea	184,063	1,543	0.8
Kuwait	268,553	2,227	0.8
Netherlands Antilles	2,636,663	21,710	0.8
China	137,642	913	0.7
Singapore	561,189	3,750	0.7
Finland	207,449	1,139	0.5
Puerto Rico	102,178	474	0.5
United Arab Emirates	406,951	571	0.1
Brunei	87,448	15	([2])

[1] Excludes small amounts of U.S. tax withheld by foreign governments and withholding agents.

[2] Less than 0.05 percent.

For 1991, about $239 million in U.S. tax withheld was on income paid to foreign individuals. Recipients in Mexico, Canada, and Germany accounted for more U.S. taxes than persons in other countries. Taxes withheld on individuals in Mexico totaled $35 million. Almost $26 million of that amount was withheld on social security benefits, although only half of the amounts paid were subject to withholding. Of the $26 million in tax withheld on Canadian individuals, almost $9 million was on dividends. Of the $20 million withheld on German individuals, almost $11 million was for dividends.

U.S. taxes withheld on foreign governmental organizations totaled almost $450,000. The effective tax rates for these organizations was less than 0.05 percent, reflecting the fact that organizations of this type were generally exempt from tax under the Internal Revenue Code. Sixty percent of these taxes were withheld on dividend payments. Governmental organizations in the British Virgin Islands had the largest amount of U.S. tax withheld, $133,000, mostly on interest payments. The effective tax rate for payments to governmental organizations in the British Virgin Islands was 1.85 percent. Ecuador, a nontreaty country, was the only country for which U.S. tax withheld on payments to governmental organizations was computed at the maximum 30 percent rate.

Summary

U.S.-source income paid to foreign recipients totaled nearly $70.2 billion in 1991. U.S. tax withheld on this income amounted to nearly $1.9 billion. Recipients in Japan and the United Kingdom accounted for almost 50 percent of U.S. income paid to foreign persons.
Foreign corporations received more income ($53.5 billion) and had more U.S. tax withheld (almost $1.3 billion) than all other recipient types combined. Interest payments accounted for 67 percent of all income distributed, while tax on dividends accounted for 65 percent of the total U.S. tax withheld.

Data Sources and Limitations

Payers (or their authorized withholding agents) of most U.S.-source income to foreign persons must withhold tax in accordance with the Internal Revenue Code. Form 1042S, *Foreign Persons' U.S.- Source Income Subject to Withholding*, is filed by the payer to report this income and the U.S. tax withheld on it. Often a financial institution acts as the payer's withholding agent.

The statistics in this article were tabulated by calendar year, based on all Forms 1042S filed with the Internal Revenue Service in 1991. The data reflect the income that was paid and the U.S. tax that was withheld in 1991, except for U.S. tax withheld by foreign governmental organizations and their withholding agents. In a few countries, under treaty provisions, tax is withheld by foreign governmental organizations (or other authorized entities) for income paid to foreign nominees and fiduciaries if the ultimate recipient is unknown. The purpose of such tax withholding is to prevent persons in nontreaty countries from reaping treaty benefits by indirectly channelling their income through a treaty country. When the

ultimate recipient is not entitled to the treaty benefits, the foreign governmental organization (or withholding agent) remits the tax withheld back to the United States. This additional tax, therefore, is not generally attributable to specific income years. For this reason, the statistics in Tables 1 and 2 do not include tax withheld by foreign governmental organizations and foreign withholding agents (except for Canada, which remits its tax payments during the same calendar year in which the U.S. income is paid and which is, therefore, treated as if it were a domestic withholding agent for purposes of these statistics). The taxes received during 1991 from foreign governmental organizations are shown in Figure K.

Figure K

U.S. Tax Withheld by Foreign Governments and Withholding Agents During 1991
[Money amounts are in thousands of dollars]

Country or geographic area	U.S. tax withheld by foreign governments and withholding agents
All countries, total	**82,326**
Treaty countries, total	**82,326**
Austria	220
Belgium	4,343
France	735
Luxembourg	4,648
Netherlands	851
Switzerland	69,558
United Kingdom	1,971
Nontreaty countries	–

Because all Forms 1042S are included in the statistics, the data are not subject to sampling error. However, the data are subject to nonsampling error, such as computer data entry errors and minor taxpayer reporting errors. A limited computerized program was used to test the data for certain basic numerical relationships, including the calculation of the correct tax withheld, but the possibility of error was not completely eliminated. In addition, Forms 1042S with income greater than $2 million were manually verified.

Explanation of Selected Terms

Foreign Persons.— For purposes of this article, foreign persons include: (a) individuals whose residence is not within the United States and who are not U.S. citizens; and (b) corporations and other organizations (including partnerships, private foundations, estates, and trusts) created or organized outside the United States. Also, for purposes of this article, persons residing in Puerto Rico and U.S. possessions are considered foreign persons.

Income Effectively Connected with a U.S. Trade or Business.— Income that is "effectively connected" with a U.S. trade or business is exempt from the withholding tax requirements. This income is taxed at the ordinary graduated U.S. rates, in the same manner as any other income paid to U.S. citizens and residents. Foreign corporations (individuals) must report such income on a Form 1120F, U.S. Tax Return of a Foreign Corporation (Form 1040NR, U.S. Nonresident Alien Income Tax Return). Effectively connected income may be erroneously reported on Forms 1042S, but the extent of its inclusion in the statistics is believed to be insignificant although unknown.

Nominee and Fiduciary.— An entity chosen or appointed to accept income for the eventual recipient of the income. Typically, a financial institution acts as a nominee or fiduciary. A nominee differs from a fiduciary in that a nominee has little or no freedom to exercise judgment or control over income received.

Withholding Agent.— A withholding agent is anyperson or entity required to withhold taxes. Usually the withholding agent is the payer of the income or an entity (normally a financial institution) acting on behalf of the payer (see the Background section).

Notes and References

[1] Statistics on foreign recipients of U.S income are compiled yearly. Because of an error uncovered in the 1990 data published in the Spring 1993 issue of the *Statistics of Income Bulletin,* 1989 data are used for comparison purposes in this article. A revision of the 1990 data will be included in a subsequent issue of the *Bulletin.*

[2] "Whatever happened to saving?," *The Economist,* February 3-9, 1990, p. 13.

[3] Miller, Randy, "Foreign Recipients of U.S. Income, 1989," *Statistics of Income Bulletin,* Spring 1992, Volume 11, Number 4.

[4] Scholl, Russell B., "The Investment Position of the United States in 1989," *Survey of Current Business,* U.S. Department of Commerce, Bureau of Economic Analysis, June 1990, p. 58.

[5] Scholl, Russell B., "The Investment Position of the United States in 1988," *Survey of Current Business,* U.S. Department of Commerce, Bureau of Economic Analysis, June 1989, p. 44.

[6] U.S. Department of the Treasury, Internal Revenue Service, *U.S. Tax Treaties* (Revised November 1991), Publication 901.

[7] Scholl, Russell B., op. cit.

Table 1.--Forms 1042S: Number of Returns, Total U.S.-Source Income, and U.S.Tax Withheld, Tax Treaty Countries and Total Non-Tax Treaty Countries
[Money amounts are in thousands of dollars]

Country or geographic area	Number of Forms 1042S	U.S.-source income			U.S. tax withheld [1]
		Total	Exempt from U.S. tax withholding	Subject to U.S. tax withholding	
	(1)	(2)	(3)	(4)	(5)
Total	**1,209,120**	**70,175,989**	**54,707,295**	**15,468,694**	**1,854,617**
Treaty countries, total	**879,289**	**61,559,111**	**47,517,742**	**14,041,369**	**1,499,574**
Australia	16,780	830,000	541,624	288,376	22,026
Austria	6,285	233,946	209,793	24,153	3,716
Barbados	890	62,254	52,857	9,397	1,495
Belgium	11,001	1,314,487	1,146,357	168,130	22,195
Canada	314,523	4,789,064	3,814,077	974,987	133,214
China	16,442	137,642	127,797	9,845	913
Cyprus	1,065	9,875	8,425	1,450	192
Denmark	3,649	337,330	301,175	36,155	3,946
Egypt	2,273	15,731	13,368	2,363	326
Finland	1,844	207,449	194,316	13,133	1,139
France	22,885	3,188,708	2,411,202	777,506	77,824
Germany	103,323	2,528,641	2,141,629	387,012	54,499
Greece	16,248	73,743	33,929	39,814	6,483
Hungary	849	11,681	9,306	2,375	308
Iceland	227	656	275	381	45
India	5,800	35,402	20,936	14,466	2,166
Indonesia	2,019	14,433	11,566	2,867	433
Ireland	8,954	418,420	361,826	56,594	10,212
Italy	36,609	685,770	552,567	133,203	16,880
Jamaica	2,908	11,988	2,936	9,052	1,189
Japan	76,542	19,843,166	15,500,348	4,342,818	474,440
Luxembourg	3,187	851,852	705,359	146,493	36,481
Malta	733	2,931	2,269	662	105
Morocco	872	4,613	3,943	670	115
Netherlands	13,835	4,483,110	3,337,206	1,145,904	94,627
Netherlands Antilles	3,683	2,636,663	2,563,824	72,839	21,710
New Zealand	3,365	19,301	12,014	7,287	1,036
Norway	7,228	107,889	87,014	20,875	3,166
Pakistan	3,801	21,923	15,445	6,478	337
Philippines	24,531	89,656	17,433	72,223	11,010
Poland	3,445	21,074	8,270	12,804	1,815
Romania	273	1,652	1,452	200	49
South Korea	4,395	184,063	172,146	11,917	1,543
Spain	11,590	509,610	439,154	70,456	10,085
Sweden	8,486	633,941	517,009	116,932	13,777
Switzerland	24,850	3,535,322	2,094,060	1,441,262	135,546
Trinidad and Tobago	1,308	4,865	1,643	3,222	540
Tunisia	244	3,528	2,955	573	67
United Kingdom	109,877	13,677,374	10,062,802	3,614,572	333,563
USSR	2,470	19,358	17,435	1,923	361
Nontreaty countries, total	**329,831**	**8,616,878**	**7,189,553**	**1,427,325**	**355,043**

[1]Excludes small amounts of U.S. tax withheld by foreign governments and withholding agents.
NOTE: Detail may not add to totals because of rounding.

Table 2.--Forms 1042S: Number of Returns, U.S. Tax Withheld, and U.S.-Source Income, by Principal Types of Income, Selected Recipient Types, and Country of Recipient

[Money amounts are in thousands of dollars]

Selected country or geographic area and selected recipient type	Number of Forms 1042S	U.S. tax withheld[1]	Total U.S.-source income	Principal types of U.S.-source income				
				Interest	Dividends	Rents and royalties	Social security and railroad retirement payments	Personal services income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All countries, total	**1,209,120**	**1,854,617**	**70,175,989**	**47,230,787**	**11,555,120**	**3,926,292**	**983,970**	**1,651,273**
Individuals	**998,523**	**238,875**	**3,347,652**	**783,795**	**465,267**	**135,342**	**983,970**	**430,803**
Corporations	**88,162**	**1,268,570**	**53,498,656**	**36,886,627**	**8,254,258**	**3,590,510**	**–**	**1,141,825**
Argentina	12,661	4,143	40,611	21,576	5,810	601	5,313	1,698
Individuals	10,164	2,859	30,277	15,183	4,176	149	5,313	1,012
Corporations	180	766	4,879	3,015	578	273	–	(2)
Australia	16,779	28,280	830,000	502,502	136,543	18,846,593	5,487	14,838
Individuals	13,785	3,048	23,530	1,334,367	5,049	2,460	5,487	3,367
Corporations	1,364	15,325	614,020	66,491,558	59,403	17,588,092	–	9,852
Austria	6,285	3,716	233,946	196,455	17,672	2,854	3,486	3,077
Individuals	3,451	1,183	11,956	1,111	1,971	140	3,486	1,790
Corporations	1,914	1,691	174,508	154,495	10,846	2,357	–	14
Bahamas	4,579	22,920	394,330	308,669	78,942	1,208	765	681
Individuals	1,889	2,234	20,555	12,488	5,272	2	765	306
Corporations	1,746	17,023	309,691	244,179	62,618	1,195	–	301
Bahrain	695	1,611	78,884	69,605	7,799	–	8	1,122
Individuals	510	91	1,146	779	301	–	8	–
Corporations	131	660	48,006	44,676	1,940	–	–	1,122
Barbados	890	1,495	62,254	52,214	6,343	22	1,598	3
Individuals	677	271	2,268	73	178	21	1,598	2
Corporations	124	1,134	30,009	22,340	5,997	–	–	–
Belgium	11,001	22,195	1,314,487	924,631	102,440	47,082	2,527	17,908
Individuals	9,035	2,191	22,588	5,244	4,373	1,395	2,527	3,898
Corporations	716	16,809	527,590	205,628	68,399	27,321	–	13,396
Bermuda	3,250	25,386	718,364	572,430	84,337	7,362	596	23,583
Individuals	1,307	854	10,720	7,196	1,492	402	596	606
Corporations	878	19,700	368,161	246,290	63,814	6,953	–	22,976
Brazil	6,707	2,884	30,515	16,133	3,517	914	3,668	2,262
Individuals	5,704	2,065	17,047	5,132	2,727	184	3,668	1,634
Corporations	239	550	4,620	3,201	429	453	–	249
British Virgin Islands	5,809	13,788	451,019	385,683	56,290	35	–	1,158
Individuals	690	633	9,878	6,329	2,184	25	–	1,158
Corporations	3,619	8,560	315,603	276,024	38,735	(2)	–	–
Canada	314,523	133,214	4,789,064	2,816,897	1,010,903	164,786	238,549	122,339
Individuals	276,216	26,145	477,194	29,830	58,987	21,092	238,549	55,181
Corporations	16,095	93,190	3,783,858	2,592,056	651,167	131,921	–	55,322
Cayman Islands	4,747	28,241	903,391	794,019	86,064	108,207	358	122,339
Individuals	797	1,463	18,503	12,963	4,692	348	358	11
Corporations	2,690	20,963	722,302	638,986	61,906	278	–	269
China	16,442	913	137,642	30,655	1,207	149	155	71,527
Individuals	15,727	816	101,896	696	730	113	155	69,762
Corporations	126	40	28,897	25,643	218	4	–	–
Denmark	3,649	3,946	337,330	267,711	18,121	21,076	3,697	4,660
Individuals	3,134	847	7,853	612	769	96	3,697	753
Corporations	265	2,138	210,417	160,786	11,108	17,027	–	3,754
Ecuador	3,119	2,341	17,754	5,006	5,163	42	4,603	141
Individuals	2,771	1,071	11,153	2,621	1,033	30	4,603	83
Corporations	102	1,204	5,579	1,580	3,982	–	–	–
Finland	1,844	1,139	207,449	171,057	10,326	1,681	2,109	5,268
Individuals	1,463	474	6,135	987	146	41	2,108	872
Corporations	221	582	138,216	119,079	9,696	1,497	–	4,077
France	22,592	77,824	3,188,129	1,724,284	558,596	274,733	13,868	163,382
Individuals	17,710	9,874	168,340	23,535	73,296	10,269	13,868	33,071
Corporations	2,488	52,376	2,645,406	1,482,316	375,911	253,680	–	127,953
Germany	103,323	54,499	2,528,641	1,632,574	341,575	368,748	40,905	–
Individuals	91,507	20,830	277,803	106,323	78,410	11,887	40,905	12,741
Corporations	3,642	25,828	1,924,910	1,267,642	215,081	343,042	–	8,257

Footnotes at end of table.

Table 2.--Forms 1042S: Number of Returns, U.S. Tax Withheld, and U.S.-Source Income, by Principal Types of Income, Selected Recipient Types, and Country of Recipient--Continued

[Money amounts are in thousands of dollars]

Selected country or geographic area and selected recipient type	Number of Forms 1042S	U.S. tax withheld[1]	Total U.S.-source income	Principal types of U.S.-source income				
				Interest	Dividends	Rents and royalties	Social security and railroad retirement payments	Personal services income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Gibraltar	197	424	33,611	23,876	1,369	1	13	(2)
Individuals	60	27	136	34	89	(2)	13	–
Corporations	74	142	32,025	23,216	422,098	–	–	–
Greece	16,248	6,483	73,743	18,856	3,997	101	33,911	2,045
Individuals	15,354	6,084	47,331	2,191	2,679	93	33,911	2,014
Corporations	162	124	23,230	14,482	416	(2)	–	(2)
Guernsey (Channel Islands)	516	5,250	143,803	126,230	17,535	(2)	–	–
Individuals	72	134	3,861	3,598	260	–	–	–
Corporations	280	4,614	116,124	100,996	15,124	(2)	–	–
Hong Kong	18,757	24,282	692,292	497,367	49,288	2,024	4,043	19,895
Individuals	14,251	5,437	31,740	9,918	13,560	758	4,043	473
Corporations	2,037	12,298	488,896	338,442	13,822	1,251	–	18,817
India	5,800	2,166	35,402	5,739	1,385	261	773	10,100
Individuals	5,299	1,862	26,490	918	765	50	773	7,573
Corporations	64	202	6,422	3,063	474	205	–	2,264
Indonesia	2,019	433	14,433	8,112	1,217	9	48	1,911
Individuals	1,789	368	6,591	852	924	8	48	1,783
Corporations	58	16	6,926	6,768	46	–	–	65
Ireland	8,954	10,212	418,420	305,013	36,838	24,575	9,159	22,565
Individuals	8,084	1,879	32,227	795	1,910	1,063	9,159	17,342
Corporations	355	4,160	260,119	203,460	11,791	22,997	–	4,658
Israel	8,045	3,984	62,360	35,148	5,002	612	4,187	11,534
Individuals	6,508	2,751	25,515	4,364	2,139	333	4,187	8,987
Corporations	265	639	27,973	24,405	1,291	75	–	1,985
Italy	36,609	16,880	685,770	425,553	57,082	41,346	97,274	15,410
Individuals	34,498	2,751	131,331	3,943	4,739	1,125	97,274	8,297
Corporations	1,056	12,072	479,223	363,195	42,328	35,986	–	4,743
Japan	76,542	474,440	19,843,166	15,316,342	1,288,514	1,032,935	12,621	631,502
Individuals	44,889	5,732	177,960	50,066	8,394	15,111	12,621	66,474
Corporations	8,773	424,055	17,371,174	13,604,748	1,023,991	989,104	–	563,026
Jersey (Channel Islands)	803	8,348	106,046	79,848	24,524	162,925	6	(2)
Individuals	112	85	675	356	192	38	6	(2)
Corporations	352	5,198	74,896	60,669	13,158	7	–	–
Kuwait	1,480	2,227	268,553	206,345	56,961	12	–	5,063
Individuals	1,049	446	4,168	2,478	772	12	–	835
Corporations	188	1,354	75,765	64,006	7,456	(2)	–	4,228
Liberia	1,268	12,468	171,579	126,042	40,340	327	24	(2)
Individuals	358	499	3,504	1,597	1,279	–	24	–
Corporations	636	2,759	74,733	63,565	9,179	327	–	–
Liechtenstein	1,605	7,661	62,147	36,677	19,998	3,391	9	1,039
Individuals	324	816	8,775	5,781	2,910	2	9	7
Corporations	744	4,272	27,550	14,387	8,421	3,362	–	588
Luxembourg	3,187	36,481	851,852	701,762	147,145	15	175	1,160
Individuals	730	401	4,644	1,814	1,608	6	175	702
Corporations	1,113	21,684	545,810	458,707	85,698	9	–	448
Malaysia	2,616	404	23,492	21,115	1,271	27	20	172
Individuals	2,390	259	1,705	95	538	22	20	157
Corporations	69	8,156	13,915	13,634	279	2	–	–
Mexico	83,742	42,765	526,974	283,902	17,867	12,648	178,826	12,674
Individuals	79,182	35,064	271,372	54,352	8,777	3,972	178,825	6,467
Corporations	1,026	4,376	48,172	32,280	7,207	4,978	–	1,997
Netherlands	13,835	94,627	4,483,110	3,095,963	1,052,268	263,856	6,318	10,035
Individuals	9,644	4,062	36,111	3,919	11,521	1,686	6,318	7,894
Corporations	2,013	65,837	3,944,716	2,815,211	838,604	252,274	–	1,176
Netherlands Antilles	3,683	21,710	2,636,663	2,357,878	77,626	176,151	477	8,835
Individuals	1,454	2,139	11,269	3,471	6,806	19	477	139
Corporations	1,346	14,597	2,396,531	2,144,571	53,232	175,776	–	8,623
New Zealand	3,365	1,036	19,301	11,666	3,751	766	434	627
Individuals	2,832	463	4,084	328	1,048	551	434	319
Corporations	150	174	4,156	2,999	383	173	–	(2)

Footnotes at end of table.

Table 2.--Forms 1042S: Number of Returns, U.S. Tax Withheld, and U.S.-Source Income, by Principal Types of Income, Selected Recipient Types, and Country of Recipient--Continued

[Money amounts are in thousands of dollars]

Selected country or geographic area and selected recipient type	Number of Forms 1042S	U.S. tax withheld[1]	Total U.S.-source income	Principal types of U.S.-source income				
				Interest	Dividends	Rents and royalties	Social security and railroad retirement payments	Personal services income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Nigeria	1,007	682	58,962	55,422	1,396	17	11	138
Individuals	927	325	2,718	378	200	16	11	135
Corporations	27	346	53,218	52,065	1,152	–	–	–
Norway	7,228	3,166	107,889	58,292	6,295	2,520	12,671	9,934
Individuals	6,519	2,201	25,792	9,149	964	205	12,671	1,229
Corporations	324	740	70,247	46,116	3,894	2,247	–	8,469
Panama	8,670	35,426	304,140	216,793	50,372	20,827	1,013	461
Individuals	2,951	1,867	17,886	6,554	4,569	11	1,013	256
Corporations	4,236	22,508	225,382	188,059	28,155	1,679	–	161
Philippines	24,531	11,010	89,656	10,321	4,744	96	65,592	2,441
Individuals	23,882	10,829	77,962	2,505	2,330	94	65,592	1,376
Corporations	147	79	1,624	1,114	157	–	–	(2)
Portugal	8,550	4,126	121,897	94,602	1,243	27	24,540	506
Individuals	8,266	3,999	27,554	805	883	12	24,540	399
Corporations	131	62	12,567	12,312	189	4	–	–
Puerto Rico	6,694	474	102,178	100,742	1,151	40	20	71
Individuals	5,932	200	1,038	250	599	26	20	16
Corporations	325	200	91,873	91,366	488	13	–	6
Saudi Arabia	6,080	20,924	373,667	229,518	139,237	401	17	3,242
Individuals	4,758	1,556	12,671	7,715	3,315	381	17	222
Corporations	589	4,629	126,349	91,453	34,407	20	–	279
Singapore	9,782	3,750	561,189	477,448	78,629	70	126	1,242
Individuals	8,556	935	7,512	2,959	2,409	70	126	210
Corporations	462	2,441	143,953	140,130	1,779	–	–	163
South Africa	3,516	1,663	12,415	1,136	1,136	341	592	1,211
Individuals	3,168	1,243	10,560	739	763	153	592	434
Corporations	54	147	706	265	246	78	–	50
South Korea	4,395	1,543	184,063	158,133	4,969	1,046	120	8,588
Individuals	4,053	595	17,511	681	406	29	120	8,194
Corporations	168	900	69,636	61,507	4,280	622	–	29
Spain	11,590	10,085	509,610	381,507	16,577	3,402	15,145	3,750
Individuals	10,329	3,726	28,665	4,177	3,553	235	15,145	1,447
Corporations	482	5,092	111,724	94,065	8,794	1,374	–	1,044
Sweden	8,486	13,777	633,941	423,150	92,857	42,142	10,577	25,653
Individuals	7,524	3,905	35,065	1,991	1,996	595	10,577	16,921
Corporations	438	9,141	311,677	138,928	88,253	40,740	–	7,314
Switzerland	24,850	135,546	3,535,322	1,846,339	1,130,893	353,290	5,600	28,937
Individuals	14,171	7,260	108,184	53,371	32,410	4,523	5,600	5,069
Corporations	6,201	90,056	2,950,013	1,577,275	850,727	342,150	–	21,478
Taiwan	8,591	3,450	247,000	230,044	7,644	251	133	2,566
Individuals	7,523	2,375	20,430	6,439	5,323	243	133	2,253
Corporations	257	750	221,914	220,344	322,446	8	–	11
Thailand	1,927	569	20,045	15,227	638	66	416	616
Individuals	1,768	517	5,772	1,606	518	66	416	488
Corporations	32	15	1,119	735	6	–	–	–
Turks and Caicos Islands	270	1,348	10,977	6,401	4,463	4	32	–
Individuals	43	74	340	37	198	–	32	–
Corporations	150	1,253	10,088	5,896	4,189	–	–	–
United Arab Emirates	1,409	571	406,951	144,723	258,691	(2)	–	4
Individuals	1,224	231	4,818	433	865	(2)	–	3
Corporations	50	306	40,668	40,108	543	–	–	–
United Kingdom	109,877	333,563	13,677,374	7,750,480	4,062,775	976,607	48,107	129,292
Individuals	85,071	12,656	409,541	208,981	48,781	42,407	48,107	31,545
Corporations	11,311	243,899	10,269,326	5,455,800	3,289,839	877,454	–	78,663
Venezuela	8,927	3,201	47,428	36,609	5,667	623	1,313	947
Individuals	7,434	2,318	28,120	19,819	4,206	387	1,313	399
Corporations	509	373	10,471	9,514	729	53	–	–

[1]Excludes small amount of U.S. tax withheld by foreign governments and withholding agents.
[2]Less than $500.

Individual Income Tax Rates and Taxes Shares, 1990

by Sarah E. Nutter

Nearly 89.9 million (79 percent) of the 113.7 million individual income tax returns filed for Tax Year 1990 reported an income tax liability. The liability shown on these "taxable returns" totaled $447.1 billion, an average of $4,976 per return. The "average tax rate" for these taxable returns was 13.55 percent, continuing a decline from 13.81 percent and 13.71 percent for 1988 and 1989, respectively, the first 2 years of the two-bracket rate structure (with an effective third-bracket for certain income ranges) introduced under the Tax Reform Act of 1986.

The Tax Reform Act of 1986 (TRA86) introduced many changes in the tax treatment of income, losses, and deductions, which resulted in a broader definition of "adjusted gross income" (AGI) for tax years after 1986 [1]. All other things being equal, this broadened definition of AGI would reduce the average income tax rate, even if economic income and tax rates remained the same. Thus, direct comparisons of the average tax rates for 1987 and subsequent years with those for earlier years can be misleading. To overcome this limitation and to facilitate comparisons of income and income tax rates before and after the redefinition of AGI by TRA86, the AGI statistics have also been recomputed for 1985 and subsequent years using a consistent definition of income. Using this consistent definition of income, the average tax rates were 13.56 percent for 1985; 13.59 percent for 1986; 13.49 for 1987; 13.71 percent for 1988; 13.58 percent for 1989; and 13.41 percent for 1990.

1990 Tax Law Highlights

To put the discussion of individual income tax rates and tax shares into perspective, the following sections briefly describe the Federal individual income tax structure, major individual income tax law changes for 1990, and two Statistics of Income (SOI) concepts of income (the "1979 Income Concept" and the "modified" taxable income concept) used for this article.

Income Tax Structure

Each year, taxpayers must file an income tax return if they meet certain minimum filing requirements. The filing requirements for 1990 were generally based on the amount of "gross income," filing status, marital status, age, and, to a lesser extent, on dependency, blindness, and the amount of self-employment income [2]. As defined under section 61 of the Internal Revenue Code, gross income included all income (legal or illegal), received in the form of money, goods, property, or services, that was not expressly exempt from tax. For example, gross income included amounts from wages and salaries, interest and dividends, alimony, bartering income, canceled debt income, gambling winnings, rents and royalties, and gains from property sales or exchanges, as well as the gross profits from sole proprietorships and farming, income from partnerships and S Corporations, and distributions from estates and trusts [3]. Adjusted gross income (AGI), as defined under Code section 62, was equal to gross income less deductions for certain expenses, such as those incurred in the course of a trade or business or in connection with rents and royalties; losses from property sales or exchanges; and employee-related deductions, such as for contributions to an Individual Retirement Arrangement (IRA) or for the self-employed health insurance deduction.

For 1990, the top 10 percent of tax returns based on size of "adjusted gross income" reported 55.36 percent of the total individual income tax.

Individuals filing income tax returns for 1990 determined their "taxable income," which equaled AGI less the amount for personal exemptions and less either the standard deduction (including the additional amounts for age and blindness) for taxpayers who did not itemize deductions, or total allowable itemized deductions for all other taxpayers. Taxable income was the base on which income tax before credits (not including additional, special taxes and the alternative minimum tax) was computed.

Tax before credits was calculated from taxable income using tax rate schedules that varied with taxpayer filing status (single persons, married persons filing joint returns or qualifying widow(er)s, married persons filing separate returns, and heads of household). For 1990, tax rates for each filing status were 15 and 28 percent. In addition, the rate structure included an effective 33 percent tax rate (i.e., a 5 percent surtax) on taxable income within the ranges shown in Figure A. This higher tax rate was designed to phase out the benefits of having part of the income taxed at the 15 percent rate rather than at the 28 percent tax rate. For taxpayers with taxable income above the ranges shown in Figure A, the 33 percent rate continued until the benefits of the deductions for personal exemptions for taxpayers and their dependents were completely phased-out. At the point where the tax-savings from phasing-out the deductions for personal exemptions were complete, the taxpayer's marginal tax rate returned to 28 percent, and the average tax rate on taxable income plus the phased-out exemption amounts

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Figure A

Ranges of Taxable Income to Which the 33 Percent Rate Applied, by Filing Status, Tax Year 1990
[Money amounts are in whole dollars]

Filing status	Taxable income range
Single	$ 47,050 to $ 97,620
Head of household	$ 67,200 to $134,930
Married filing jointly	$ 78,400 to $162,770
Married filing separately	$ 39,200 to $123,570

for these returns became 28 percent [4].

To calculate their Federal income tax liability, taxpayers used either the (look-up) tax tables or the tax rate schedules. Taxpayers with taxable incomes less than $50,000 were required to use the tax tables, while those with taxable income of $50,000 or more were required to use the tax rate schedules. The tax tables were based on income tax "brackets" that were $50 wide and the midpoint of the bracket was used to calculate the tax with the tax rounded to the nearest dollar. As a result, the tax tables and the tax rate schedules could produce a different amount of tax for the same amount of taxable income. The highest marginal tax rate imbedded in the tax tables was 33 percent for 1990 for taxpayers using the single or married filing separately status; for taxpayers using the married filing jointly or head of household status, the highest imbedded marginal tax rate was 28 percent. For taxpayers (single or married filing separately) using the tax tables with taxable income that was subject to the 33 percent marginal rate, the maximum difference in tax between the tax rate schedules and the tax tables was $8.75 [5]. However, the actual difference in tax was generally smaller for most taxpayers. Use of the tax tables could have produced either a higher or a lower amount of tax than that produced by the tax rate schedules.

Major Tax Law Changes for 1990

The legislation enacted under TRA86 continued to alter the tax treatment of certain income and deductions for 1990. The phase-in of limitations on "passive activity losses" (i.e., generally those generated by any trade, business, or rental activity in which the taxpayer did not materially participate) continued, along with the phase-out of the itemized deduction for personal interest (i.e., interest on credit cards, car loans, or personal loans).

The passive loss rules were generally effective for tax years beginning after December 31, 1986. In general, these rules required that the losses from passive activities could not be deducted from other types of income, and that tax credits from passive activities could generally offset only the tax allocable to such activities [6]. However, the restrictions on deducting passive losses were phased-in for taxpayers who had acquired an interest in a passive activity prior to October 23, 1986. For 1990, these taxpayers could use only 10 percent of such losses to offset "active" (or "non-passive") income, but any disallowed passive losses for 1990 could generally be carried forward to offset future passive income. With the continued phase-out of the personal interest deduction, only 10 percent of personal interest expenses was deductible for 1990.

Other major changes in the tax law for 1990 included a new deduction for self-employed health insurance; an exclusion of interest income from Series EE U.S. savings bonds under certain conditions; and a deduction of one-half of the amount of an individual's self-employment tax liability. Taxpayers cashing series EE U.S. savings bonds in 1990 that were issued after 1989 could exclude part or all of the interest from income if the taxpayer paid for "qualified" higher education expenses [7]. In addition, the earned income credit, personal exemption amounts, standard deductions, and the tax bracket boundaries continued to be adjusted for inflation for 1990 [8].

Another change legislated by TRA86, which continued to have an impact for 1990, related to the treatment of investment income of minor children under 14 years of age. To moderate the use of "family income splitting," a mechanism used by higher-income tax bracket parents to reduce overall family taxes by shifting income-producing assets to dependent children in lower-income tax brackets, TRA86 included provisions that effectively taxed the unearned (investment-type) income over $1,000 of children under age 14 at the parent's highest marginal tax rate if the parent's rate was higher than the child's rate [9]. The two methods of reporting and paying tax on this income were: (1) filing Form 8814, *Parent's Election to Report Child's Interest and Dividends*, as part of the parent's individual income tax return, or (2) filing Form 8615, *Tax for Children Under Age 14 Who Have Investment Income of More than $1,000*, as part of the child's own individual income tax return [10]. Generally, these two methods of reporting the child's investment income would have resulted in the same amount of tax since, in either case, the income was subject to tax at the parent's highest marginal tax rate. However, because the child's deductions could not be reported on the parent's return when the child's income was included in the parent's AGI, using Form 8814 could have resulted in a higher overall family tax [11].

A parent could elect to file Form 8814 under the following conditions: (1) the child was under age 14 on January 1, 1991, (2) the child had income only from interest and dividends (including Alaska Permanent Fund dividends), (3) the dividend and interest income was

more than $500 and less than $5,000, (4) no estimated tax payments had been made for 1990 under the child's name and social security number, and (5) no Federal income tax had been withheld from the child's income under the "backup withholding" rules [12].

SOI Income Concepts

To analyze changes in income and taxes over a period of years, a consistent definition of income should be used. Because the components of AGI vary from year to year, the "1979 Income Concept" was developed to provide a more uniform measure of income across tax years. Tax Years 1979 through 1986 were used as base years in identifying the income and deduction items included in the 1979 Income Concept. The 1979 Income Concept includes the same income and deduction items in each year's income calculation and uses only items available on Federal individual income tax returns. As noted in Figure B, the 1979 Income Concept for 1990 includes many income and deductions that are also components of AGI. However, unlike AGI, the 1979 Income Concept also includes nontaxable (i.e., tax-exempt) amounts of income reported on individual income tax returns, as well as disallowed passive loss deductions. In addition, only straight-line deductions for depreciation are included in the 1979 Income Concept [13].

Each year, a relatively small number of returns for prior years are filed during the same period in which returns for the current year are being selected for *Statistics of Income—Individual Income Tax Return* statistics. These returns are included in the statistics as proxies for current tax year returns that will be filed during a later year. Because the tax on these returns is based on a previous year's tax law, which reflects different tax rates and income concepts, the taxable income reported on these prior-year returns was "modified" for the statistics in this article by substituting the taxable income necessary to generate the amount of tax reported on the return, using the current year's tax law. For returns other than prior-year returns, "modified taxable income" is generally the same as taxable income [14].

Income Tax Rates

Discussions of income tax rates generally, either explicitly or implicitly, center on measuring two distinct tax rates: average tax rates and marginal tax rates. Average tax rates are calculated by dividing some measure of tax by some measure of income. For purposes of the statistics, the average tax rate is defined as "total income tax" divided by "adjusted gross income" reported on returns showing an income tax liability. Measures of marginal tax rates, on the other hand, focus on determining the tax rate imposed on the last (or next) dollar of income earned by a taxpayer. For purposes of the statistics in this article, the marginal tax rate is defined as the rate at which the last dollar of taxable income is taxed [15]. The following sections describe the measurement of the average and marginal tax rates in more detail and discuss the statistics based on these rates for 1990.

Figure B

Components of the 1979 Income Concept for 1990

Income or Loss:
- Salaries and wages[1]
- Interest[1]
- Dividends[1]
- Alimony received[1]
- Capital gains (before exclusion) reported on Schedule D minus allowable capital losses[1]
- Capital gains and losses not reported on Schedule D (before exclusion)[1]
- Other gains and losses (Form 4797)[1]
- Business net income or loss[1]
- Farm net income or loss[1]
- Rent net income or loss[1]
- Royalty net income or loss[1]
- Partnership net income or loss[1]
- Subchapter S Corporation net income or loss[1]
- Farm rental net income or loss[1]
- Estate or trust net income or loss[1]
- Unemployment compensation[1]
- Depreciation in excess of straight-line depreciation[2]
- Total pension income[3]
- Other net income or loss[4]

Deductions:
- Disallowed passive losses (Form 6251)
- Moving expenses[5]
- Alimony paid[1]
- Unreimbursed business expenses[5]

[1]Included in Adjusted Gross Income for Tax Year 1990.
[2]Adjustment to add back excess depreciation (accelerated over straight-line depreciation) deducted in the course of a trade or business and included in net income (loss) amounts shown above.
[3]Includes taxable and tax-exempt pension and retirement distributions.
[4]Includes an adjustment to add back amounts reported for the "foreign earned income exclusion."
[5]Reported on Schedule A for those taxpayers who reported itemized deductions.

Average Tax Rates

The average tax rate, for this article, is defined as total income tax divided by the adjusted gross income reported on returns showing an amount for total income tax (i.e., "taxable returns"). Statistics on income (based on each year's definition of AGI, as well as on the common 1979 Income Concept) and taxes reported for 1985 through 1990 are presented in Figure C. These tax years can be partitioned into three distinct sub-periods: (1) Tax Years 1985 and 1986 (the last 2 years under the Economic Recovery Tax Act of 1981 or ERTA81, which indexed the tax bracket boundaries, personal exemptions, and standard

deductions for inflation); (2) Tax Year 1987 (the first year under TRA86, which included a 1-year transitional five-bracket tax rate structure and a partial phase-in of new provisions that broadened the definition of AGI); and (3) Tax Years 1988 through 1990 (the first 3 years under the effective three-rate tax bracket structure, i.e., two-rate tax bracket structure coupled with the 5 percent surtax, and the continuing phase-in of the provisions of TRA86).

As shown in Figure C, about 113.7 million individual returns were filed for Tax Year 1990, an increase of 1.4 percent from 1989. As for Tax Years 1988 and 1989, less than 80.0 percent of the returns were "taxable returns," down from 81.1 percent for Tax Year 1987 (81.5 percent for Tax Years 1985 and 1986). For 1990, taxpayers reported a total income tax of $447 billion, an increase of $14 billion or 3.2 percent from 1989.

Figure C

Adjusted Gross Income, Total Income Tax, Average Tax Rate, and Average Total Income Tax, Tax Year 1990

[Money amounts are in billions of dollars, except where indicated]

Tax year	Total number of returns	Taxable returns: Number of returns	Taxable returns: As a percentage of total returns [1]	Taxable returns: Adjusted gross income (less deficit)	Taxable returns: Total income tax
	(1)	(2)	(3)	(4)	(5)
	Using each tax year's adjusted gross income concept [2]				
1985	101,660,287	82,846,420	81.49	2,259	326
1986	103,045,170	83,967,413	81.49	2,440	367
1987	106,996,270	86,723,796	81.05	2,701	369
1988	109,708,280	87,135,332	79.42	2,990	413
1989	112,135,673	89,178,355	79.53	3,158	433
1990	113,717,138	89,862,434	79.02	3,299	447
	Using 1979 Income Concept				
1985	101,660,287	82,846,420	81.49	2,403	326
1986	103,045,170	83,967,413	81.49	2,703	367
1987	106,996,270	86,723,796	81.05	2,736	369
1988	109,708,280	87,135,332	79.42	3,011	413
1989	112,135,673	89,178,355	79.53	3,188	433
1990	113,717,138	89,862,434	79.02	3,335	447

Tax year	Average tax rate (percent) [3]	Taxable returns: Average per return [4]: Current dollars: Adjusted gross income (whole dollars)	Current dollars: Total income tax (whole dollars)	Constant dollars [5]: Adjusted gross income (whole dollars)	Constant dollars [5]: Total income tax (whole dollars)
	(6)	(7)	(8)	(9)	(10)
	Using each tax year's adjusted gross income concept				
1985	14.42	27,268	3,931	25,342	3,653
1986	15.05	29,062	4,374	26,516	3,991
1987	13.67	31,142	4,257	27,414	3,747
1988	13.81	34,313	4,738	29,005	4,005
1989	13.71	35,415	4,855	28,560	3,915
1990	13.55	36,711	4,976	28,088	3,807
	Using 1979 Income Concept				
1985	13.56	29,003	3,931	26,954	3,653
1986	13.59	32,194	4,374	29,374	3,991
1987	13.49	31,551	4,257	27,774	3,747
1988	13.71	34,556	4,738	29,210	4,005
1989	13.58	35,752	4,855	28,832	3,915
1990	13.41	37,108	4,976	28,392	3,807

[1] Number of taxable returns (column 2) divided by total number of returns (column 1).

[2] These statistics are based on adjusted gross income (AGI) recomputed to reflect the 1979 Income Concept, thus enabling more valid comparisons to be made of the average tax rates among years. Changes in the definition of AGI among years render direct comparison of the unadjusted figures misleading. For additional information, see Statistics of Income--Individual Income Tax Returns, for 1985-1990.

[3] Average tax rate is "total income tax" (column 5) as a percentage of adjusted gross income (AGI) (column 4).

[4] The average adjusted gross income, average total income tax and average tax rate were calculated from unrounded data.

[5] Constant dollars are based on the Consumer Price Index (CPI-U, 1982-1984=100) computed and reported by the U.S. Department of Labor, Bureau of Labor Statistics, and published in the Consumer Price Index Detailed Report, July 1993.

Total adjusted gross income reported on taxable returns increased to $3,299 billion ($3,335 billion using the common 1979 Income Concept), an increase of approximately 4.5 percent (4.6 percent) from 1989. In current dollars, the average income and taxes also increased from 1989 to 1990; average AGI increased from $35,415 ($35,752 under the common 1979 Income Concept) to $36,711 ($37,108 under the common 1979 Income Concept), while average taxes increased from $4,855 to $4,976. After adjusting for inflation, however, both average AGI and taxes continued to fall from the peak levels reported for Tax Year 1988 of $29,005 ($29,210 under the common 1979 Income Concept) and $4,005, respectively. For 1990, the average AGI in constant dollars was $28,088 ($28,392 under the common 1979 Income Concept) and the average total income tax was $3,807. The average total income tax in both current and constant dollars for Tax Years 1980 (the year prior to the enactment of ERTA81) through 1990 for taxable returns is shown in Figure D.

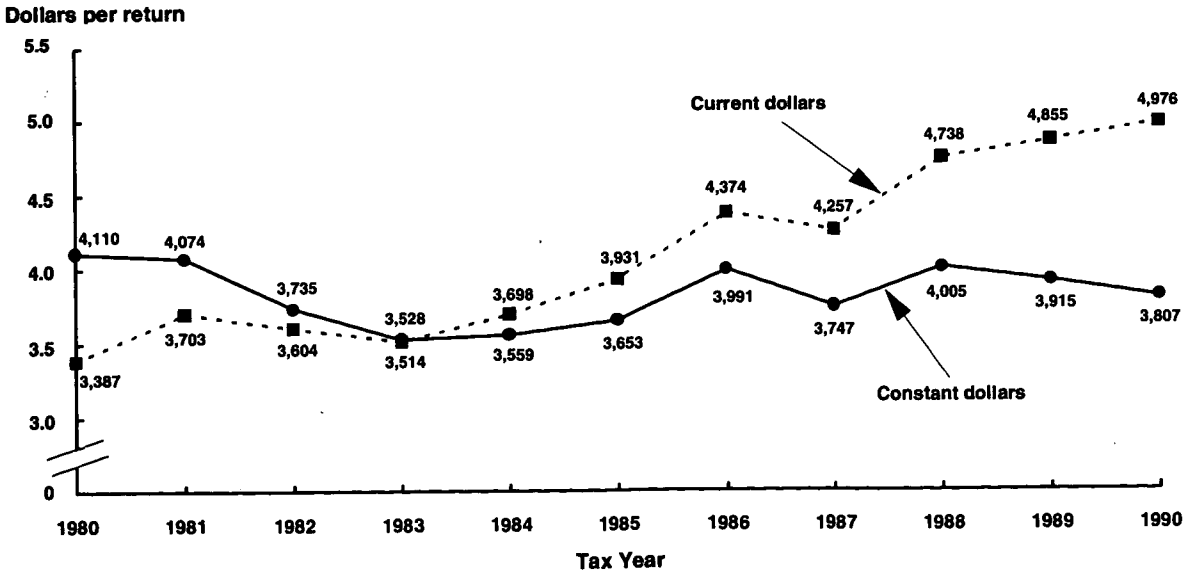
Because TRA86 reduced statutory tax rates and broadened the definition of AGI (i.e., by eliminating or limiting the preferential treatment of various tax items, such as restricting the use of passive losses to offset non-passive income and eliminating the beneficial tax treatment of net long-term capital gains), multi-year comparisons of average tax rates based on current-year definitions of AGI become less meaningful. All else being equal, the redefinition of AGI under TRA86, which increased AGI, would result in a decrease in the average tax rate. A comparison of the unadjusted average tax rates based on each year's "current" definition of AGI, presented in Figure C, does show the expected drop in the average tax rate for 1987; the average tax rates fell from 15.05 percent for 1986 (the last year prior to TRA86) to 13.67 percent for 1987 (the first transitional year following the enactment of TRA86). However, when the common 1979 Income Concept, which standardizes AGI across tax years, is used to calculate the average tax rates, the magnitude of the decrease is much smaller; the average tax rate falls from 13.59 percent for 1986 to 13.49 percent for 1987. Using either measure of income (AGI or the 1979 Income Concept), the average tax rates declined steadily from 1988 through 1990. Average tax rates based on AGI fell from 13.81 percent for 1988 to 13.55 percent for 1990, while average tax rates based on the 1979 Income Concept dropped from 13.71 percent to 13.41 percent over the same period.

Marginal Tax Rates

Under the U.S. progressive tax rate structure, different portions of taxable income are taxed at different rates. A simple example of this is illustrated in Figure E, for a

Figure D

Taxable Returns: Average Total Income Tax, Tax Years 1980-1990[1]



[1]Taxable returns are returns that show a tax liability based either on income tax before credits or alternative minimum tax.

NOTE: Constant dollars are based on the Consumer Price Index (CPI-U,1982-1984=100) computed and reported by the U.S. Department of Labor, Bureau of Labor Statistics, and published in the Consumer Price Index Detailed Report, July 1993.

single person using the standard deduction with an AGI of $100,000 derived from salaries and wages. In this instance, the first $19,450 of taxable income is taxed at the 15 per-cent rate, the next $27,600 at the 28 percent rate, and the final $47,650 at the 33 percent rate. As noted above, for purposes of the statistics in this article, the marginal tax rate is defined as the tax rate that applied to the last dollar of income (given certain assumptions about which source of income provided the last dollar of income subject to tax). In this example, the marginal tax rate is 33 percent.

Figure E

Income Tax Calculation for a Single Taxpayer With One Exemption who used the Standard Deduction, Tax Year 1990

[Money amounts are in whole dollars]

Item	Amount
Adjusted gross income	100,000.00
Less: Exemption amount	2,050.00
Standard deduction amount	3,250.00
Equals: Taxable income	94,700.00
Tax based on 1990 tax rates for single taxpayers:	
First $19,450 taxed at 15 percent	2,917.50
Next $27,600 taxed at 28 percent	7,728.00
Next $47,650 taxed at 33 percent	15,724.50
Total tax from tax rate schedule	26,370.00

Applying this general definition of marginal tax rates to individual tax returns, however, is more complicated because the Federal individual income tax structure includes a diverse set of income types (e.g., salaries and wages and investment income of dependents under age 14), deductions (e.g., the home mortgage interest deductions and medical expense deductions), exclusions (e.g., the foreign earned income exclusion and exclusion for municipal bond interest), credits (e.g., general business credit and foreign tax credit), and taxes (e.g., "regular" tax and alternative minimum tax). Determining marginal tax rates becomes more difficult in this setting because not all income and deduction items are subject to the same tax treatment under Federal income tax law. For example, the investment income in excess of $1,000 of a dependent under the age of 14 is treated differently from the salary and wage income of this same dependent; the first is generally taxed at the parent's highest marginal tax rate, while the latter is generally taxed at the dependent's own tax rate.

Calculating marginal tax rates for a particular individual income tax return generally depends on the type and amount of income and the assumptions made about the order in which the income is taxed, i.e., how the income is "stacked" or ranked. These "stacking" assumptions about which dollar was earned "last" are necessary in order to calculate the tax rate on the income earned from having taken advantage of the marginal or "last" economic opportunity. However, as noted above, this determination is complicated by the presence of items such as the alternative minimum tax and tax credits.

For purposes of the statistics, it was assumed that the income taxed at the highest rate was the "last" income received (with the exception of amounts over the ceiling for the 5 percent surtax). Thus, returns with taxable income less than the amounts subject to the 33 percent tax rate would have a top marginal rate of 15 or 28 percent. Returns that had taxable income within the ranges subject to the 33 percent tax rate were considered to have a 33 percent marginal tax rate (28 percent plus the 5 percent surtax). Returns that showed taxable income in excess of the largest amount to which the 33 percent tax rate was applied were considered to have a 28 percent marginal rate [16]. In addition, because of the special tax treatment of dependents under age 14 with investment income over $1,000, tax returns with either a Form 8615 (filed for dependents under age 14 with more than $1,000 in investment income) or Form 8814 (filed by parents choosing to include the investment income of their dependents on their own return if they had no tax liability other than that generated by the dependents' income) attached, are presented separately.

Thus, the classification of returns into marginal rate categories for Statistics of Income purposes was essentially a function of filing status, size of taxable income, amount of personal exemptions, and presence of a Form 8615 or Form 8814. Returns were classified into one of the following six mutually exclusive marginal tax rate categories: (1) 15 percent rate; (2) 28 percent rate (below the 33 percent rate, i.e., below the 5 percent surtax); (3) 33 percent rate; (4) 28 percent rate (above the 33 percent rate, i.e., above the 5 percent surtax); (5) Form 8615 (with income taxed at any rate); and (6) Form 8814 (15 percent rate with no tax liability other than that generated by the dependent's income).

The marginal rate classifications described above were used for the statistics presented in Figures F and G, as well as in Table 1. The statistics were based on individual income tax returns showing an amount for taxable income and items of income that were subject to the regular income tax, generally those included in AGI. Nontaxable (i.e., tax-exempt) forms of income, such as interest on State and local Government obligations, were not included

Figure F

Number of Taxable Returns, Modified Taxable Income, and Income Tax Generated at each Marginal Rate on Returns with the Indicated Marginal Tax Rate, Tax Year 1990

[Money amounts are in thousands of dollars]

Marginal tax rate classes	Taxable returns		Modified taxable income		Income tax generated at all rates	
	Number	Percentage	Amount	Percentage	Amount	Percentage
	(1)	(2)	(3)	(4)	(5)	(6)
All rates	**93,078,537**	**100.0**	**2,268,362,237**	**100.0**	**452,122,734**	**100.0**
15 percent rate	65,757,284	70.6	720,133,359	31.7	107,988,969	23.9
28 percent rate (below the 33 percent rate)	23,161,454	24.9	914,993,913	40.3	173,754,395	38.4
33 percent rate [1]	3,050,051	3.3	288,964,043	12.7	74,032,038	16.4
28 percent rate (above the 33 percent rate) [1]	716,242	0.8	342,790,143	15.1	95,980,470	21.2
Form 8615 [2]	383,964	0.4	1,477,735	0.1	366,403	0.1
Form 8814 [3]	9,541	(4)	3,045	(4)	459	(4)

[1] For 1990, the tax rate schedule provided only two basic rates: 15 percent and 28 percent. However, taxable income between certain amounts was taxed at a 33 percent effective rate. The purpose of this temporary rate was to phase out the benefits of the lower 15 percent tax rate and the deduction for personal exemptions for taxpayers and dependents. At the point where these benefits were completely phased out, the marginal rate returned to 28 percent, and the average tax rate on taxable income plus the phased-out personal exemptions was equal to 28 percent.

[2] Form 8615 was filed for a child under age 14 to report the child's investment income in excess of $1,000.

[3] Form 8814 was filed for a dependent child under age 14 for whom the parents made an election to report the child's investment income (if it was from interest or dividends totaling between $500 and $5,000) on the parents' income tax return. This rate classification is comprised of those returns with a tax liability only from the dependents' income and thus the overall total adjusted gross income for these returns is negative.

[4] Less than 0.05 percent.

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

in AGI. However, the receipt of some forms of tax-exempt income could have influenced the taxability of other income, such as social security benefits. When this occurred, the income made taxable by the receipt of other forms of nontaxable income was included in AGI. The alternative minimum tax was not included in the determination of the marginal tax rates for purposes of this article.

The amounts and percentages of modified taxable income and income tax generated (before reduction by tax credits) for the marginal rate categories defined above are presented in Figure F. For 1990, income taxes of $452.1 billion were generated from approximately 93.1 million individual returns with total modified taxable income of $2,268.4 billion. Approximately 70.6 percent of these individual returns, classified in the "15 percent" marginal rate category, generated 31.7 percent of the modified taxable income and 23.9 percent of the tax. The returns in the "28 percent (below the 33 percent rate)" category generated 40.3 percent of the modified taxable income and 38.4 percent of the tax. Approximately 4.1 percent of the returns, classified as "33 percent" or "28 percent (above the 33 percent rate)," accounted for 27.8 percent of modified taxable income, but 37.6 percent of the income tax generated.

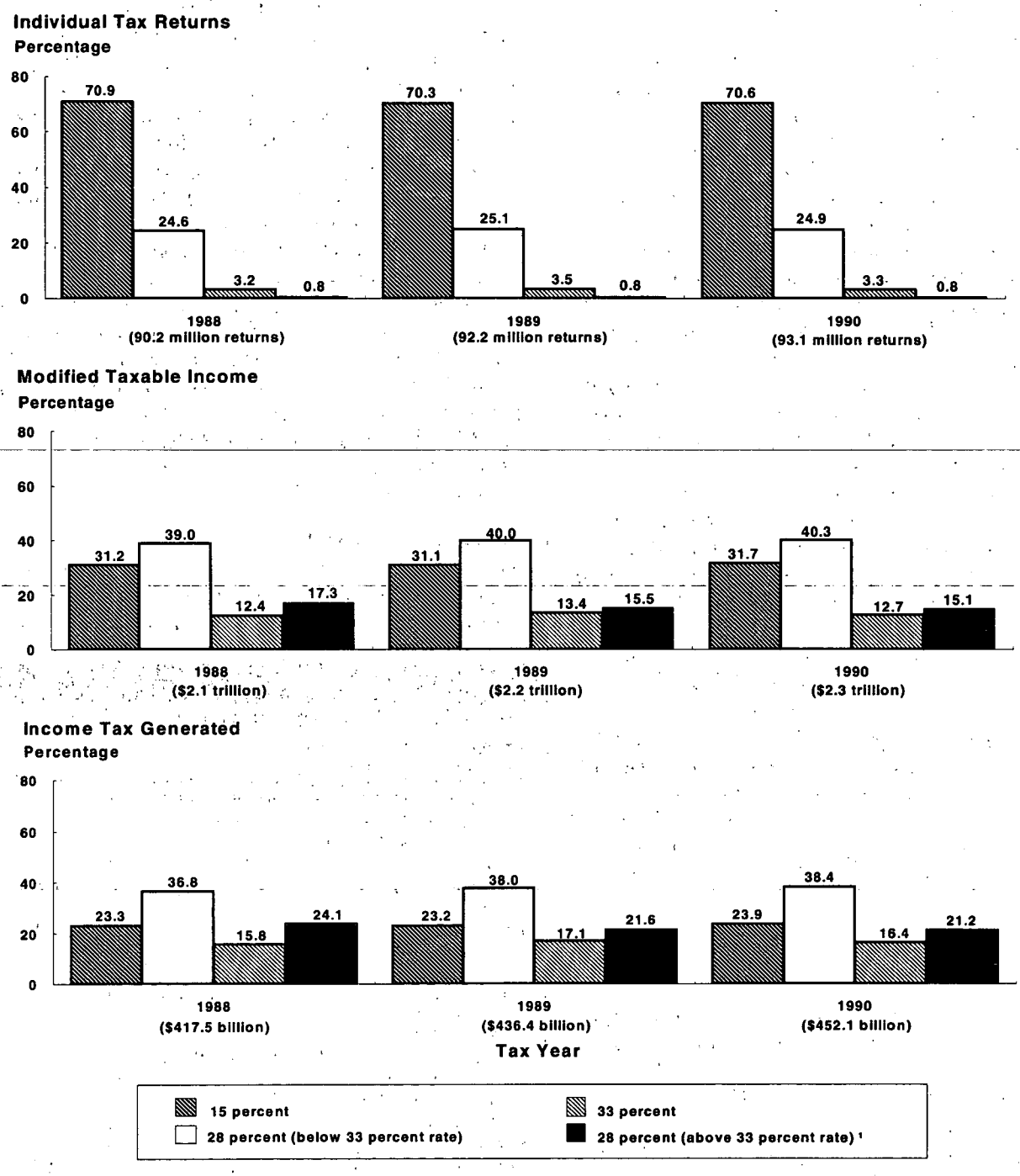
These percentage shares were fairly consistent across Tax Years 1988 through 1990. As shown in Figure G, the percentages of returns in each marginal tax rate category (excluding the two special categories related to Forms 8615 and 8814) were generally steady over this period. The combined percentage shares of modified taxable income increased slightly in the "15 percent" and "28 percent (below the 33 percent rate)" categories, with an offsetting decrease from 17.3 percent to 15.1 percent in the "28 percent (above the 33 percent rate)" category. The percentage shares of income tax generated reflect this same pattern.

Statistics by marginal rate classification and filing status for returns with modified taxable income are presented in Table 1. For each marginal rate classification, modified taxable income and income tax generated were computed "at all rates" and "at marginal rate." The "at all rates" computations (e.g., Table 1, columns 3 and 5) report the total amount of modified taxable income or tax generated on the returns of taxpayers included in each of the (mutually exclusive) marginal rate classifications. The "at marginal rate" computations (e.g., Table 1, columns 4 and 6) report the specific amounts of modified taxable income taxed and the tax generated at the marginal rate shown, for all returns in each of these marginal rate classifications. For example, consider returns with the "joint returns and returns of surviving spouses" filing status in the "33 percent" marginal rate classification. The total modified taxable income and the total tax generated for the 1,966,324 returns in this classification was $219.2 billion (Table 1, column 12) and $56.3 billion (Table 1, column 14), respectively. Approximately $65.0 billion (Table 1, column 13) of the $219.2 billion total of modified taxable income was subject to tax at the "33 percent" marginal tax rate. This $65.0 billion of modified taxable income generated $21.5 billion (Table 1, column 15) of tax. In sum, for these returns, total modified taxable income was $219.2 billion, of which $65.0 billion was

Individual Income Tax Rates and Tax Shares, 1990

Figure G

Percentages of Returns, Modified Taxable Income, and Income Tax Generated, by Marginal Rate Classification, Tax Years 1988-1990



[1]For 1990, the tax rate schedule provided only two basic rates: 15 percent and 28 percent. However, taxable income between certain amounts was taxed at a 33 percent effective rate. The purpose of this temporary rate was to phase out the benefits of the lower 15 percent tax rate and the deduction for personal exemptions for taxpayers and dependents. At the point where these benefits were completely phased out, the marginal rate returned to 28 percent, and the average tax rate on taxable income plus the phased-out personal exemptions was equal to 28 percent.

NOTE: Returns in the "Form 8615" and "Form 8814" categories were included in the calculation of the percentages, but are not shown separately. These two categories accounted for less than 0.05 percent of the returns, 0.07 percent of the "modified" taxable income, and 0.09 percent of the income tax generated. Therefore, detail may not add to totals.

subject to tax at the top marginal tax rate (for this classification) of 33 percent. About $21.5 billion of the total $56.3 billion in tax was generated by the 33 percent tax rate with the remainder generated by the lower (15 and 28 percent) tax rates.

Statistics on the tax generated, in total and at each marginal rate, for returns with modified taxable income are provided in Table 2. Returns are classified in this table by size of AGI rather than by the marginal rate classifications used in Table 1. The tax generated at each marginal tax rate was computed based on the modified taxable income for each individual return. For example, the 12.2 million returns included in the "$30,000 under $40,000" AGI-size classification showed total modified taxable income of $280.6 billion and total tax generated of $45.8 billion. Of the $280.6 billion of modified taxable income, nearly $252.4 billion was taxed at 15 percent, approximately $28.0 billion was taxed 28 percent, and the remainder was comprised of tax related to Form 8814 or Form 8615. Approximately $37.9 billion of the total tax generated of $45.8 billion was generated at the 15 percent rate, $7.9 billion was generated at the 28 percent rate, and the remainder was generated from income reported on Form 8814 or Form 8615. It should be noted that due to rounding differences, the sum of the tax generated at each rate (the sum of columns 7, 10, 13, 16, 19, and 22) may not equal the tax generated at all rates (column 4).

Statistics on the income and tax generated at each marginal rate (as in Table 2, columns 5 through 22) by filing status, instead of AGI-size, for returns with modified taxable income are presented in Table 3. In this table for example, approximately 8.7 million returns of the 39.6 million returns filed by single persons had some income taxed at the 28 percent tax rate. For these returns, the total modified taxable income subject to this rate was $92.1 billion and the tax generated at the 28 percent rate was $25.8 billion.

Components of Total Income Tax

Regular Tax

The marginal tax rate statistics presented in Table 1 include tax amounts for "tax generated" and "income tax after credits." The average tax rate statistics presented in Figures C and D (and in Tables 4 through 7) include an additional measure of tax, "total income tax." Total income tax is simply "income tax after credits" plus the "alternative minimum tax."

The relationship among the different tax measures used in this article, including a reconciliation of the total dollar amounts, is shown in Figure H. As shown in Figure H and also in column 5 of Table 1, the tax generated by applying the tax rates to modified taxable income (using either the tax rate schedules or tax tables) was approximately $452.1 billion for 1990. For most taxpayers, tax generated was equal to income tax before credits. However, for some taxpayers income tax before credits also included taxes from special computations applicable to accumulation distributions of trusts and lump-sum distributions from qualified retirement plans (when the special 5- or 10-year averaging method was used) [17]. (Since "tax generated" only shows the "regular" income tax generated, it differs from "income tax before credits.") Tax generated and tax before credits are before subtraction of the earned income credit. The earned income credit is reported in Figure H to the extent that its application did not reduce regular income tax below zero. The portion of the earned income credit used to reduce other taxes reported on the individual income tax return and the refundable portion of the credit is excluded [18]. Income tax after credits, shown in Figure H and column 7 of Table 1, amounted to $446.3 billion. "Total income tax" of $447.1 billion, also reported in Figure C as well as in Tables 4 through 7, is the sum of income tax after credits and the alternative minimum tax [19].

Alternative Minimum Tax

The "alternative minimum tax" or AMT provisions were originally enacted as part of the Revenue Act of 1978 (and have been subsequently modified) to help to ensure that

Figure H

Derivation of 1990 Total Income Tax as Shown in Statistics of Income

[Money amounts are in billions of dollars]

Tax generated from tax rate schedules or tax table	**452.1**
PLUS: Taxes from special computations, total	1.0
Tax on accumulation distributions of trusts	n.a.
Tax on lump-sum distributions from qualified retirement plans	n.a.
EQUALS:	
Income tax before credits	**453.1**
LESS: Tax credits, total	6.8
Child-care credit	2.5
Foreign tax credit	1.7
General business credit	0.6
Elderly or disabled credit	0.1
Earned income credit (limited to the amount needed to reduce total income tax to zero)	1.6
Credit for prior-year minimum tax	0.2
Other credits	(1)
EQUALS:	
Income tax after credits	**446.3**
PLUS: Alternative minimum tax	0.8
EQUALS:	
Total income tax	**447.1**

n.a. - Not available.
[1]Less than $0.05 billion.
NOTE: Detail may not add to totals because of rounding.

taxpayers do not use provisions of the tax code, meant primarily to stimulate economic activity, to generate substantial "economic income" without incurring some "minimum" level of tax. Individual taxpayers determined their AMT on Form 6251, *Alternative Minimum Tax for Individuals*. As shown in Figure I, the calculation of the AMT for 1990 began with taxable income. Then, certain items that were otherwise deductible for ordinary income tax purposes were added-back to taxable income to arrive at "alternative minimum taxable income" or AMTI, the tax base used to compute the alternative minimum tax.

The items added-back generally restrict the use of certain accounting methods and disallow or limit certain deductions and exclusions. The "adjustments" (i.e., amounts due to a change, for AMT purposes, in the computation of a deduction for regular taxation) and "tax preferences" (i.e., amounts representing all or a portion of the deductions or exclusions used to compute regular tax that were disallowed for AMT purposes) are shown in Figure I. In addition, the "net operating loss deduction," which also may have "tax preference" and "adjustment" items in its computation, was recomputed to adjust for these items and reported in the AMTI calculation as the "alternative tax net operating loss deduction." Essentially, the net difference between the net operating loss deductions calculated for regular tax purposes and AMT purposes affected the size of AMTI.

For 1990, the AMTI was reduced by an exemption, subject to phase-out at higher income levels, that depended on the filing status of the individual. The AMTI exemption for single filers (and heads of household) was $30,000; for joint filers, $40,000; and, for married persons filing separately, $20,000. The exemption was reduced (but not below zero) by 25 percent of the amount by which AMTI exceeded threshold levels of $112,500 for single filers (and heads of household), $150,000 for joint filers, and $75,000 for married persons filing separately. The exemption was generally completely phased-out for taxpayers whose status was single, married filing jointly, and married filing separately, at $232,500, $310,000, and $155,000 of AMTI, respectively.

After reduction by the exemption, the remaining AMTI was subject to tax at a 21 percent tax rate. This tax, reduced by the alternative minimum tax foreign tax credit, was equal to the "tentative minimum tax." Tentative minimum tax was then reduced by the regular tax before credits (including additional taxes from accumulation distributions of trusts or lump-sum distributions from qualified retirement plans and reduced by the foreign tax credit for regular tax purposes) to determine the alternative minimum tax or AMT. Dependents under the age of 14, with investment income over $1,000, who filed their own return were subject to special rules for AMT purposes. Essentially the rules required that these dependents pay the same amount of AMT that their parents would have paid had the parents included the dependent's income on their own return [20].

Statistics, by size of AGI, on the total adjustments, tax preferences, and alternative minimum tax reported by taxpayers showing an AMT liability on their returns are presented in Figure J. For 1990, an estimated 132,096 taxpayers reported an AMT liability of $830.3 million, based on total "adjustments" of $8,024.5 million, and "tax preferences" of $1,432.5 million.

Income and Tax Shares

Historical statistics on income and tax by cumulative percentiles (based on numbers of returns) are presented in Tables 4 through 7. Distributions of AGI, as defined for each year, and tax by descending and ascending cumulative percentiles of returns are presented in Tables 4 and 5. These tables are useful for making comparisons across cumulative percentile classes within each year, among years within the ERTA81 period (i.e., Tax Years 1982 through 1986), and among years within the post-TRA86 period (i.e., Tax Years 1987 through 1990). Tables 4 and 5 are not as useful for comparisons between pre- and post-TRA86 years because of the redefinition of AGI under TRA86 so Tables 6 and 7, which are based on a consistent definition of income (i.e., using the 1979 Income Concept), are included to facilitate such comparisons.

Because the statistics in Tables 4 and 5 are based on returns with positive amounts of AGI, while the statistics in Tables 6 and 7 are based on all returns filed, the data in the two pairs of tables are not completely comparable. Tables 4 and 6 are based on percentiles of returns cumulated downward from the highest income returns. The data are shown for the top 1, 5, 10, 25, and 50 percent of returns. In contrast, Tables 5 and 7 are based on returns cumulated upwards for the lowest income returns. Data are shown for the bottom 50, 75, 90, 95, and 99 percent of all returns.

As an example of how to use these statistics, consider the data in Table 4 for the top 10 percent of returns based on AGI-size (reported in column 4). For 1990, there were 11,281,226 returns classified in the top 10 percentiles based on AGI. The AGI and total income tax reported on these returns was approximately $1,338.0 billion and $247.5 billion, respectively. The amount of AGI needed for inclusion in this 10th percentile group (i.e., the AGI floor) was $60,287 ($46,126 in constant dollars) and the average tax rate was 18.50 percent. Returns in this percentile group reported 38.77 percent of the total AGI and 55.36 percent of the total income tax.

Figure I

Calculation of Alternative Minimum Taxable Income (AMTI), Tax Year 1990

Taxable Income

PLUS: **Net operating loss deduction**

PLUS: *Adjustments*

- Standard deduction
- Personal exemptions
- The lesser of deductible medical and dental expenses or 2.5 percent of adjusted gross income
- Miscellaneous itemized deductions subject to the 2-percent-of-adjusted gross income limitation
- Refunds of State and local income, real estate, and foreign taxes previously deducted (negative)
- Deductions for personal interest
- Deductions for State and local income, real estate, and foreign taxes
- Other interest adjustments [1]
- Excess of depreciation on property placed in service after 1986 over less liberal methods allowed for alternative minimum tax purposes (straight-line or 150-percent declining balance method, depending on the type of property)
- Excess of circulation and research and experimental expenditures paid or incurred after 1986 over allowable amortization had the expenditures been capitalized (the result could be negative)
- Excess of mining exploration and development costs paid or incurred after 1986 over allowable amortization had costs been expenditures been (the result could be negative)
- Deferred income from long-term contracts entered into after February 28, 1986, with certain exceptions and limitations (the result could be negative)
- Excess of rapid amortization of pollution control facilities placed in service after 1986 over otherwise allowable depreciation (the result could be negative)
- Adjustment from disallowing the installment sales method of accounting for sales of inventory and stock in trade after March 1, 1986, with certain exceptions (the result could be negative)
- Adjustment of gain or loss on property disposed of after 1987, the basis of which was affected by accelerated depreciation or rapid amortization and which was reduced for alternative minimum tax purposes; and on incentive stock options which were exercised after 1987 (the amount that the value of the option when exercised exceeded the price paid by the taxpayer; the result could be negative)
- Adjustment for refigured loss from activities in which allowable losses from partnerships or S Corporations were limited by "at-risk" and other rules, taking into account alternative minimum tax adjustments and preference items (the result could be negative)
- Adjustment for refigured tax shelter farm losses, taking into account alternative minimum tax adjustments and preference items
- Passive activity loss allowed for regular tax purposes for activities acquired before October 23, 1986, taking into account alternative minimum tax adjustments and preference items
- Difference between income distributions to beneficiaries of estates and trusts for regular tax purposes and the amounts refigured for alternative minimum tax purposes

Figure I

Calculation of Alternative Minimum Taxable Income (AMTI), Tax Year 1990—Continued

PLUS: *Tax Preference Items*

- Excess of deduction for charitable contributions of appreciated property over the basis of the property
- Tax-exempt interest from private activity bonds issued after August 7, 1986
- Excess of percentage depletion deduction for mineral reserves over their adjusted basis
- Excess of accelerated depreciation on real property placed in service before 1987 over straight-line depreciation as refigured for alternative minimum tax purposes
- Excess of accelerated depreciation on leased property placed in service before 1987 over straight-line depreciation as refigured for alternative minimum tax purposes
- Excess of rapid amortization on pollution control facilities placed in service before 1987 over allowable depreciation
- Amount by which the excess of intangible drilling costs deducted currently over allowable amortization (if these costs had been capitalized) was more than 65 percent of the taxpayer's "net income" from oil, mineral and geothermal properties, but with exceptions

MINUS: **Alternative tax net operating loss deduction**

EQUALS: **Alternative minimum taxable income**

[1] Includes interest attributable to the amount in excess of the remaining balance of a mortgage loan, when that loan had been refinanced for an amount greater than the remaining balance, and when that excess amount was not used for home improvements. Also includes the difference between the deduction for "investment interest expense" for regular tax purposes and the amount refigured for alternative minimum tax purposes.

Figure J

Returns with Alternative Minimum Tax: Selected Data from Alternative Minimum Tax Computation, by Size of Adjusted Gross Income, 1990

[Money amounts are in thousands of dollars]

	Total adjustments		Total tax preferences		Alternative minimum tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
All returns	**131,858**	**8,024,479**	**28,895**	**1,432,506**	**132,096**	**830,311**
No adjusted gross income	6,696	250,607	480	18,287	6,699	65,204
$1 under $10,000	7,879	122,739	261	91	7,879	12,650
$10,000 under $20,000	6,181	34,025	501	57	6,181	4,537
$20,000 under $30,000	8,290	204,708	10	13	8,290	24,484
$30,000 under $40,000	3,822	168,728	601	5,382	3,822	8,738
$40,000 under $50,000	5,813	142,335	583	13,895	5,813	7,657
$50,000 under $75,000	19,398	679,342	3,875	119,717	19,398	49,704
$75,000 under $100,000	14,675	568,404	3,372	47,780	14,675	34,130
$100,000 under $200,000	31,990	1,644,900	7,715	152,177	31,991	150,400
$200,000 or more	27,114	4,208,692	11,497	1,075,107	27,348	472,807

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

The estimates in Tables 4 through 7 were not derived from an actual ranking of the returns in the *Statistics of Income* sample, but were estimated instead, using a mathematical technique called "osculatory interpolation," applied to tabulations of aggregated data [21]. This technique is used to estimate the distribution of returns and amounts within each AGI-size class or within each size class under the 1979 Income Concept by percentile.

Explanation of Selected Terms

Brief explanations of the major tax concepts discussed in this article are given below. For more extensive definitions, see *Statistics of Income—1990, Individual Income Tax Returns.*

Adjusted Gross Income.—Adjusted gross income (AGI) is equal to "total income" less "statutory adjustments" (primarily business, investment, or employee-related

deductions, such as contributions to a Keogh self-employed retirement plan or an Individual Retirement Arrangement, and self-employed health insurance deductions). Total income includes, for example, salaries and wages, taxable interest, dividends, alimony, and the net amounts from business income, rents and royalties, and sales of capital and other assets. See also footnote 3, at the end of this article.

Marginal Tax Rate.—The marginal tax rate for a return is defined as the rate at which the last dollar of taxable income is taxed. For purposes of this article, the marginal tax rate is defined as follows: (1) if a return showed an amount of taxable income below or equal to the maximum amount to which the 33 percent tax rate was applied, then the marginal tax rate of the return was the highest rate at which any amount of taxable income reported on the return was taxed; or (2) if a return had an amount of taxable income in excess of the amount to which the 33 percent tax rate applied, then the return was defined as having a 28 percent marginal tax rate. Returns of dependents with a Form 8615 attached are shown separately when the use of this form resulted in the taxation of the dependent's income as if it were that of the parents. Returns of parents choosing to report the interest and dividend income of their dependents under age 14 on their own (i.e., the parents') return using Form 8814 are also shown separately when the child's income generated the only tax liability on the parent's return. For purposes of this article, the alternative minimum tax and income tax credits, such as the earned income credit, were not considered in determining the marginal tax rates.

Modified Taxable Income.—Each year, a small number of returns for prior tax years are filed during the same calendar year in which the tax returns for the current tax year are being selected for *Statistics of Income*. These returns act as proxies for returns for the current tax year that will be filed during a later calendar year. The tax on these returns is based on a previous year's tax law (which may reflect different tax rates and income concepts). For purposes of the statistics, taxable income on these returns is adjusted to equal an amount necessary to generate the tax actually shown on the return using current-year rates ("modified taxable income" in the statistics).

Taxable Income.—Taxable income is AGI less the sum of personal exemption amounts and either the standard deduction for non-itemizers or total itemized deductions.

Taxable Returns.—A return is classified as "taxable" based on the presence of "total income tax" (the sum of income tax after credits and the alternative minimum tax). The following additional taxes were not taken into account for this purpose: tax from recomputing prior-year investment or low-income housing credits, penalty taxes on Individual Retirement Arrangements, section 72 penalty taxes (for excess benefits from a qualified pension plan), "golden parachute" payments (made to key employees as compensation under certain circumstances), self-employment or Railroad Retirement Tax Act (RRTA) taxes, and uncollected employee social security tax on tips.

Tax Generated.—The tax generated was the tax calculated from either the tax rate schedules or the look-up tax tables on modified taxable income. It does not include the alternative minimum tax or the effect of tax credits. For most returns (those without the special taxes on lump-sum distributions from qualified retirement plans or on accumulation distributions of trusts), tax generated equaled "income tax before credits."

Total Income Tax.—Total income tax was the sum of income tax after credits and the alternative minimum tax.

Data Sources and Limitations

The statistics for Tax Year 1990 are based on a stratified probability sample of 104,505 individual income tax returns (Forms 1040, 1040A, and 1040EZ) selected from a population of 114,484,108 returns filed with the Internal Revenue Service in 1991. Returns in the sample were stratified based on the larger of "total income" or "total loss" amounts (adjusted gross income before subtraction of statutory adjustments), the size of business plus farm receipts, and the presence or absence of the following tax forms: Form 2555, *Foreign Earned Income*; Form 1116, *Computation of Foreign Tax Credit - Individual, Fiduciary, or Nonresident Alien Individual*; Schedule C, *Profit (or Loss) from Business or Profession*; Schedule F, *Farm Income and Expenses*; and Form 4835, *Farm Rental Income and Expenses*. Depending on the sampling class, returns were selected at rates ranging from 0.02 percent (for the more numerous, smaller-sized, homogeneous returns) to 100 percent (for the relatively few returns with large income amounts or unusual characteristics).

Because the statistics are based on a sample of returns filed, they are subject to sampling error. To properly use the statistical data provided, the magnitude of the potential sampling error must be known. (For information about the samples used for tax years other than 1990, referred to in the statistics, for example, in Tables 4 through 7, see the *Statistics of Income* reports for these years.) Coefficients of variation (CV's) are used to measure the magnitude of the potential sampling error. Approximate CV's for 1990 frequency estimates are presented in Figure K. The CV's shown are intended only as a general indication of the reliability of the data. The reliability of estimates based on samples, and the use of CV's for evaluating the precision

of estimates based on samples, are discussed in the methodological appendix at the back of this issue of the *Bulletin*.

Figure K

Coefficients of Variation for Frequency Estimates, 1990

Estimated number of returns	Estimated coefficient of variation
27,402,400	0.01
6,850,600	0.02
1,096,096	0.05
274,024	0.10
68,506	0.20
30,447	0.30
22,369	0.35
10,961	0.50

Notes and References

[1] For further information on the Tax Reform Act of 1986, see U.S. Congress, Joint Committee on Taxation, *General Explanation of the Tax Reform Act of 1986* (H.R. 3838, 99th Congress, Public Law 99-514), May 4, 1987.

[2] Taxpayers fall into one of five filing statuses: single, married filing jointly, married filing separately, head of household, and qualifying widow or widower. Being age 65 or older or being legally blind affects both the filing requirements and the amount of the standard deduction. For more information on the general filing requirements for 1990, see *Statistics of Income—1990, Individual Income Tax Returns* or U.S. Department of the Treasury, Internal Revenue Service, *Your Federal Income Tax—Publication 17 (1990)*.

[3] The definition of gross income is slightly different from the Form 1040, *U.S. Individual Income Tax Return*, concept of "total income," which is a component of the adjusted gross income (AGI) calculation on the Form 1040. Total income, used in the definition of AGI in the *Explanation of Selected Terms*, includes net amounts rather than gross amounts from items such as business income and rents and royalties, for example.

[4] Beginning with Tax Year 1991, the 33 percent rate was eliminated by the Revenue Reconciliation Act of 1990 in favor of a new 31 percent tax bracket, a phase-out of personal exemption amounts for taxpayers with income above certain thresholds, and a reduction in the total itemized deductions allowed taxpayers with adjusted gross income above certain thresholds.

[5] For example, assume a taxpayer filing as "married filing separately" who reported $39,250 of taxable income. Using the tax rate schedules the amount of tax would have been $8,883.25 but using the tax tables the amount of tax would have been $8,892; a difference of $8.75.

[6] Income from rental real estate activity was generally classified as passive source income. However, the Tax Reform Act of 1986 made an exception to the general passive loss rules for rental real estate activities. For taxpayers with modified adjusted gross income of $100,000 or less, up to $25,000 in rental real estate losses was allowed to offset non-passive income. (For married taxpayers filing separately and living *apart* for the entire year, the income limit was reduced to $50,000 and the losses allowed reduced to $12,500. Married taxpayers filing separately and living *together* for any part of the year were not eligible for this exception.) For taxpayers with income in excess of $100,000, the $25,000 exception was reduced by 50 percent of the income in excess of $100,000; this effectively eliminated the $25,000 exception for taxpayers with incomes of $150,000 or more. All rental real estate losses in excess of the exception amount were subject to the same limitation on deductibility as other passive losses.

[7] To qualify for this interest exclusion the following conditions must have been met: (1) the bonds must have been issued in the name of the taxpayer (or, if married, in the names of the taxpayer and spouse), and the taxpayer must have been age 24 or older before the bonds were issued, (2) the taxpayer must have paid "qualified" higher education expenses during 1990 for himself (or herself), a spouse, or a dependent, and (3) the taxpayer's filing status must have been single, married filing jointly, head of household, or qualifying widow(er) with dependent child.

[8] For 1990, the maximum earned income credit allowed increased to $953 for qualified individuals whose "earned income" and AGI were less than $20,264. The maximum earned income credit for 1989 was $910 for qualified individuals with less than $19,340 in AGI and earned income. The individual personal exemption increased from $2,000 for 1989 to $2,050 for 1990. The standard

deduction increased from $3,100 to $3,250 for single taxpayers, from $5,200 to $5,450 for married persons filing joint returns, from $2,600 to $2,725 for married persons filing separately, and from $4,550 to $4,750 for heads of households.

[9] For 1990, dependent children under age 14 were required to file an income tax return if their "gross income" included "unearned income" and exceeded $500. In contrast, dependent children with only "earned income" (e.g., from salaries and wages) were required to file only if their gross income was more than $3,250.

[10] Rules governing which parent could make the election to include the child's income via Form 8814 are illustrated in U.S. Department of the Treasury, Internal Revenue Service, *Your Federal Income Tax—Publication 17 (1990).*

[11] For example, if the parent elected to use Form 8814 to report the child's income, deductions which could have been taken on the child's return (if a return had been filed for the child) that were not deductible on the parent's return included: a) the additional $800 standard deduction if the child were blind; b) the deduction for the penalty on early withdrawal of the child's savings; and c) the child's itemized deductions. In addition, because the parent's AGI increased by the amount of the child's income, certain items on the parent's return that also could have been affected included: a) the deduction for contributions to an Individual Retirement Arrangement (IRA); b) itemized deductions for medical expenses, casualty and theft losses, and certain miscellaneous expenses; and c) the credit for child and dependent care expenses. Conversely, the AGI-limits on the deductions for charitable contributions could have increased resulting in a tax savings to the parent.

[12] The Alaska Permanent Fund was created to return some of the royalties generated by the Alaska pipeline to Alaskan residents. Alaska Permanent Fund dividends are the distributions from this fund to these residents. "Backup withholding" is a withholding tax system in which the payer of interest, dividend or bond redemption income, or of income from the sale of securities, withholds tax at a 20 percent rate if the payer has not been provided with a correct taxpayer identification number or the payee has not certified to the payer that the payee is not subject to such withholding. Backup withholding also may occur if the Internal Revenue Service requests that the payer begin such withholding because the payee has persistently failed to properly report and pay taxes on interest or dividends.

[13] For more details on the income computation under the 1979 Income Concept for 1990 and earlier years, see *Statistics of Income—Individual Income Tax Returns*, for the year concerned.

[14] Due to the phase-out of personal exemptions for those high-income taxpayers with taxable incomes in excess of the upper limits shown in Figure A, "modified taxable income" for these taxpayers included taxable income plus some or all of the exemption amount.

[15] For additional discussion of the measurement of average and marginal tax rates, see, for example, Bakija, Jon, and Steuerle, Eugene, "Individual Income Taxation Since 1948," *National Tax Journal*, Volume 44, Number 4, 1991; Fullerton, Don, "The Use of Effective Tax Rates in Tax Policy," *National Tax Journal*, Volume 39, Number 3, 1986; Spooner, Gillian M., "Effective Tax Rates From Financial Statements," *National Tax Journal*, Volume 39, Number 3, 1986; Bradford, David, and Stuart, Charles, "Issues in the Measurement and Interpretation of Effective Tax Rates," *National Tax Journal*, Volume 39, Number 3, 1986; and, Fullerton, Don, "Which Effective Tax Rate?" *National Tax Journal*, Volume 37, Number 1, 1984.

[16] This treatment is consistent with the analytical uses of marginal rates in testing hypotheses about the behavior of economic agents when faced with particular marginal rates. To the extent that the taxpayer can correctly predict that income will be large enough to exceed the top 33 percent bracket, the decision to undertake an economic opportunity is affected by the 28 percent rate rather than the 33 percent rate.

[17] The income amounts on which these special computations were based were not reflected in current-year taxable income.

[18] The total earned income credit for 1990 was $7.5 billion. This included the amount used to reduce the regular income tax to zero ($1.6 billion), the amount used to reduce other taxes (including the alternative minimum tax, self-employment social security tax, tax from recapture of certain prior-year tax credits,

social security tax on certain tip income, and tax applicable to an Individual Retirement Arrangement) reported on individual income tax returns to zero ($0.7 billion), and the excess which was refundable ($5.3 billion).

[19] Total income tax does not include certain other taxes reported on individual income tax returns, such as self-employment (social security) tax, social security tax on certain tip income, tax from recapture of prior-year investment or low-income housing credits, and tax applicable to early withdrawals from an Individual Retirement Arrangement (IRA). These taxes were included in the statistics for "total tax liability." For Tax Year 1990, total tax liability was equal to $468.6 billion and was reported on 92.1 million returns. These taxes were reported in *Statistics of Income—1990, Individual Income Tax Returns.*

[20] For 1990, dependents filing their own returns were limited to an exemption of $1,000 plus their "earned income." The dependent's AMT could be reduced if the parent had regular tax greater than the child's own tentative minimum tax, or if any other dependent under age 14 of the same parents had regular tax greater than this dependent's own tentative minimum tax.

[21] For an explanation of the osculatory interpolation technique, see Oh, H. Lock, "Osculatory Interpolation with a Monotonicity Constraint," *1977 Proceedings of the American Statistical Association, Section on Statistical Computing,* 1978.

Table 1.– Returns with Modified Taxable Income: Tax Classified by Both the Marginal Rate and Each Rate at Which Tax was Computed

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

Marginal tax rate classes	All returns								
	Classified by the highest marginal rate at which tax was computed								
	Number of returns	Adjusted gross income	Modified taxable income		Tax generated		Income tax after credits		
			At all rates	At marginal rate	At all rates	At marginal rate	Total	As a percentage of- Adjusted gross income	As a percentage of- Modified taxable income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All tax rates	93,078,537	3,342,902,181	2,268,362,237	1,428,270,346	452,122,734	310,457,490	446,276,704	13.3	19.7
15 percent (Form 8814) [1]	9,541	-153,652	3,045	3,045	459	459	188	([2])	6.2
15 percent	65,757,284	1,341,313,212	720,133,359	720,102,033	107,988,969	108,015,305	104,595,837	7.8	14.5
28 percent	23,161,454	1,240,207,758	914,993,913	280,806,601	173,754,395	78,625,848	172,888,965	13.9	18.9
33 percent [3]	3,050,051	365,960,931	288,964,043	83,366,853	74,032,038	27,511,061	73,452,650	20.1	25.4
28 percent [3]	716,242	393,921,368	342,790,143	342,784,204	95,980,470	95,979,577	94,984,459	24.1	27.7
Form 8615 [4]	383,964	1,652,566	1,477,735	1,207,610	366,403	325,240	354,604	21.5	24.0

Marginal tax rate classes	Joint returns and returns of surviving spouses								
	Classified by the highest marginal rate at which tax was computed								
	Number of returns	Adjusted gross income	Modified taxable income		Tax generated		Income tax after credits		
			At all rates	At marginal rate	At all rates	At marginal rate	Total	As a percentage of- Adjusted gross income	As a percentage of- Modified taxable income
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
All tax rates	42,634,059	2,286,481,609	1,563,615,549	963,481,706	319,437,774	217,683,806	316,136,584	13.8	20.2
15 percent (Form 8814)[1]	9,535	-129,850	3,039	3,039	458	458	188	([2])	6.2
15 percent	26,409,680	799,853,206	425,733,482	425,709,639	63,847,563	63,856,446	62,401,012	7.8	14.7
28 percent	13,741,145	892,894,025	645,804,512	199,876,080	122,854,873	55,965,303	122,138,560	13.7	18.9
33 percent [3]	1,966,324	280,648,711	219,207,190	65,031,493	56,332,790	21,460,393	55,871,610	19.9	25.5
28 percent [3]	507,376	313,215,517	272,867,325	272,861,455	76,402,090	76,401,207	75,725,215	24.2	27.8
Form 8615 [4]	--	--	--	--	--	--	--	--	--

Marginal tax rate classes	Returns of married persons filing separately								
	Classified by the highest marginal rate at which tax was computed								
	Number of returns	Adjusted gross income	Modified taxable income		Tax generated		Income tax after credits		
			At all rates	At marginal rate	At all rates	At marginal rate	Total	As a percentage of- Adjusted gross income	As a percentage of- Modified taxable income
	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)
All tax rates	1,844,519	52,531,545	37,785,567	24,365,043	8,068,956	5,732,270	7,901,628	15.0	20.9
15 percent (Form 8814) [1]	**	**	**	**	**	**	**	**	**
15 percent	*1,158,719	*16,309,614	*9,093,561	*9,093,311	*1,363,460	*1,363,997	*1,332,445	*8.2	*14.7
28 percent	564,775	18,430,933	13,734,147	4,570,676	2,654,193	1,279,789	2,649,702	14.4	19.3
33 percent [3]	108,589	7,622,306	6,100,540	1,843,761	1,571,258	608,441	1,550,104	20.3	25.4
28 percent [3]	12,435	10,168,691	8,857,318	8,857,296	2,480,046	2,480,043	2,369,377	23.3	26.8
Form 8615 [4]	--	--	--	--	--	--	--	--	--

Footnotes at end of table.

Table 1.-- Returns with Modified Taxable Income: Tax Classified by Both the Marginal Rate and Each Rate at Which Tax was Computed--Continued

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

Marginal tax rate classes	Returns of heads of household								
	Classified by the highest marginal rate at which tax was computed								
	Number of returns	Adjusted gross income	Modified taxable income		Tax generated		Income tax after credits		
			At all rates	At marginal rate	At all rates	At marginal rate	Total	As a percentage of- Adjusted gross income	As a percentage of- Modified taxable income
	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)
All tax rates	8,970,262	218,641,815	122,131,319	90,793,619	20,997,783	15,959,940	18,896,908	8.6	15.5
15 percent (Form 8814)[1]	--	--	--	--	--	--	--	--	--
15 percent	7,854,088	154,574,722	73,506,637	73,499,404	11,022,242	11,024,911	9,051,809	5.9	12.3
28 percent	1,038,161	49,445,981	36,506,380	9,458,895	6,705,630	2,648,491	6,621,356	13.4	18.1
33 percent [3]	63,730	7,813,814	6,135,970	1,852,991	1,594,859	611,487	1,576,743	20.2	25.7
28 percent [3]	14,283	6,807,297	5,982,332	5,982,328	1,675,052	1,675,052	1,647,000	24.2	27.5
Form 8615.[4]	--	--	--	--	--	--	--	--	--

Marginal tax rate classes	Returns of single persons								
	Classified by the highest marginal rate at which tax was computed								
	Number of returns	Adjusted gross income	Modified taxable income		Tax generated		Income tax after credits		
			At all rates	At marginal rate	At all rates	At marginal rate	Total	As a percentage of- Adjusted gross income	As a percentage of- Modified taxable income
	(37)	(38)	(39)	(40)	(41)	(42)	(43)	(44)	(45)
All tax rates	39,629,697	785,247,213	544,829,803	349,629,978	103,618,221	71,081,474	103,341,583	13.2	19.0
15 percent (Form 8814)[1]	**	**	**	**	**	**	**	**	**
15 percent	*30,334,803	*370,551,866	*211,799,685	*211,799,685	*31,755,706	*31,769,953	*31,810,571	*8.6	*15.0
28 percent	-7,817,374	279,436,818	218,948,873	66,900,950	41,539,699	18,732,266	41,479,347	14.8	18.9
33 percent [3]	911,408	69,876,100	57,520,343	14,638,607	14,533,131	4,830,740	14,454,193	20.7	25.1
28 percent [3]	182,148	63,729,863	55,083,167	55,083,126	15,423,281	15,423,275	15,242,868	23.9	27.7
Form 8615.[4]	383,964	1,652,566	1,477,735	1,207,610	366,403	325,240	354,604	21.5	24.0

** Data are combined with data in an adjacent rate class to avoid disclosure of information for specific taxpayers.

[1] Form 8814 was filed for a dependent child under age 14 for whom the parents made an election to report the child's investment income (if it was from interest or dividends totaling between $500 and $5,000) on the parents' income tax return. This rate classification is comprised of those returns with a tax liability only from the dependents' income and thus the overall total adjusted gross income for these returns is negative.

[2] Percentage not computed.

[3] For 1990, the tax rate schedule provided only two basic rates: 15 percent and 28 percent. However, taxable income between certain amounts was subject to an additional 5 percent tax, creating an effective "temporary" 33 percent marginal rate. The purpose of this temporary rate was to phase out the benefits of the lower 15 percent tax rate and the deduction for personal exemptions for taxpayers and dependents. At the point where these benefits were completely phased out, the marginal rate returned to 28 percent, and the average tax rate on taxable income plus the phased-out personal exemptions was equal to 28 percent.

[4] Form 8615 was filed for a child under age 14 to report the child's investment income in excess of $1,000.

NOTES: Detail may not add to totals because of rounding. Data in Table 1 reflect revisions to data in Table 3.4, Statistics of Income, 1990 -- Individual Income Tax Returns.

Table 2.– Returns With Modified Taxable Income: Tax Generated by Rate, 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 with modified taxable income	Taxable income	Modified taxable income	Tax generated at all rates	Tax generated at specified rate: 15 percent (from Form 8814) [1]		
					Number of returns	Income taxed at rate	Tax generated at rate
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total	**93,078,537**	**2,263,661,033**	**2,268,362,234**	**452,122,734**	**164,960**	**88,325**	**13,471**
Under $2,000	1,881,067	654,765	657,109	105,051	1,051	387	58
$2,000 under $4,000	2,006,411	1,192,548	1,216,792	202,928	–	–	–
$4,000 under $6,000	2,580,870	3,310,922	3,323,288	514,382	–	–	–
$6,000 under $8,000	3,876,653	7,473,863	7,489,341	1,129,545	*2,704	*189	*30
$8,000 under $10,000	3,930,011	13,089,817	13,102,489	1,965,294	*2,345	*1,173	*176
$10,000 under $12,000	4,551,920	19,376,342	19,386,845	2,914,128	–	–	–
$12,000 under $14,000	4,991,561	27,542,706	27,577,592	4,139,510	–	–	–
$14,000 under $16,000	4,695,758	33,454,977	33,465,767	5,017,634	*2,345	*1,156	*174
$16,000 under $18,000	4,537,620	39,167,223	39,213,273	5,885,865	*2,704	*2,450	*368
$18,000 under $20,000	4,392,922	46,283,928	46,305,636	6,952,396	–	–	–
$20,000 under $25,000	9,457,897	123,842,029	123,932,637	18,620,394	*8,608	*6,269	*941
$25,000 under $30,000	7,765,369	133,528,020	133,593,405	20,819,243	*76	*36	*5
$30,000 under $40,000	12,235,837	280,504,593	280,625,387	45,761,420	23,908	12,711	1,907
$40,000 under $50,000	8,817,271	270,449,536	270,553,507	45,209,089	16,181	7,195	1,123
$50,000 under $75,000	10,926,426	466,517,729	466,701,456	87,809,121	36,299	18,080	2,713
$75,000 under $100,000	3,272,134	205,237,566	205,293,763	44,607,035	23,931	12,965	1,944
$100,000 under $200,000	2,325,498	230,497,142	230,807,168	58,175,866	30,273	16,454	2,627
$200,000 under $500,000	642,857	152,657,211	155,075,010	43,483,307	11,566	7,452	1,132
$500,000 under $1,000,000	129,977	74,316,528	75,117,603	21,031,963	1,905	1,097	165
$1,000,000 or more	60,479	134,653,588	134,924,166	37,778,562	1,063	711	108

Size of adjusted gross income	Tax generated at specified rate--Continued: 15 percent			28 percent		
	Number of returns	Income taxed at rate	Tax generated at rate	Number of returns	Income taxed at rate	Tax generated at rate
	(8)	(9)	(10)	(11)	(12)	(13)
Total	**92,345,532**	**1,439,483,894**	**215,922,584**	**26,211,505**	**401,431,348**	**112,400,777**
Under $2,000	1,880,519	591,653	88,748	–	–	–
$2,000 under $4,000	2,003,706	1,029,379	154,407	–	–	–
$4,000 under $6,000	2,580,870	3,132,982	469,947	–	–	–
$6,000 under $8,000	3,873,949	7,416,249	1,112,437	–	–	–
$8,000 under $10,000	3,927,665	13,087,446	1,963,117	–	–	–
$10,000 under $12,000	4,551,920	19,334,259	2,900,139	–	–	–
$12,000 under $14,000	4,991,561	27,481,601	4,122,240	–	–	–
$14,000 under $16,000	4,695,758	33,464,611	5,019,692	–	–	–
$16,000 under $18,000	4,534,916	39,165,252	5,874,788	*5,408	*2,366	*663
$18,000 under $20,000	4,392,922	46,246,647	6,936,997	*9,413	*12,672	*3,548
$20,000 under $25,000	9,454,698	123,658,770	18,548,815	269,901	267,599	74,928
$25,000 under $30,000	7,765,369	127,572,170	19,135,825	2,404,247	6,021,199	1,685,936
$30,000 under $40,000	12,233,370	252,388,348	37,858,252	3,752,838	28,047,198	7,853,215
$40,000 under $50,000	8,817,268	234,975,906	35,246,386	4,278,034	35,412,364	9,915,462
$50,000 under $75,000	10,926,351	331,335,436	49,700,315	9,826,927	131,094,110	36,706,351
$75,000 under $100,000	3,272,134	101,710,189	15,256,528	3,235,456	96,590,343	27,045,296
$100,000 under $200,000	2,228,879	70,023,502	10,503,525	2,217,304	94,323,583	26,410,603
$200,000 under $500,000	212,998	6,852,608	1,027,891	211,474	9,640,048	2,699,213
$500,000 under $1,000,000	542	13,304	1,996	398	15,548	4,353
$1,000,000 or more	137	3,583	537	105	4,319	1,209

Footnotes at end of table.

Table 2.– Returns With Modified Taxable Income: Tax Generated by Rate, by Size of Adjusted Gross Income–Continued

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

Size of adjusted gross income	Tax generated at specified rate–Continued								
	33 percent [2]			28 percent [2]			Form 8615 [3]		
	Number of returns	Income taxed at rate	Tax generated at rate	Number of returns	Income taxed at rate	Tax generated at rate	Number of returns	Income taxed at rate	Tax generated at rate
	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
Total	**3,050,051**	**83,366,853**	**27,511,061**	**716,242**	**342,784,204**	**95,979,577**	**383,964**	**1,207,610**	**325,240**
Under $2,000	--	--	--	--	--	--	170,380	65,069	16,716
$2,000 under $4,000	--	--	--	--	--	--	113,455	187,412	49,260
$4,000 under $6,000	--	--	--	--	--	--	54,170	190,306	45,560
$6,000 under $8,000	--	--	--	--	--	--	*14,600	*72,902	*18,840
$8,000 under $10,000	--	--	--	--	--	--	*2,704	*13,870	*3,883
$10,000 under $12,000	--	--	--	--	--	--	*5,408	*52,586	*16,163
$12,000 under $14,000	--	--	--	--	--	--	*8,113	*95,991	*19,557
$14,000 under $16,000	--	--	--	--	--	--	--	--	--
$16,000 under $18,000	--	--	--	--	--	--	*2,704	*43,205	*12,182
$18,000 under $20,000	--	--	--	--	--	--	*2,704	*46,318	*13,881
$20,000 under $25,000	--	--	--	--	--	--	--	--	--
$25,000 under $30,000	--	--	--	--	--	--	--	--	--
$30,000 under $40,000	--	--	--	--	--	--	*5,420	*177,131	*52,061
$40,000 under $50,000	30,005	55,365	18,271	--	--	--	*2,467	*102,678	*29,898
$50,000 under $75,000	588,220	4,168,732	1,375,682	--	--	--	*1,320	*85,098	*24,406
$75,000 under $100,000	461,561	6,940,248	2,290,282	--	--	--	*506	*40,018	*12,934
$100,000 under $200,000	1,760,166	53,097,383	17,522,136	96,619	13,346,246	3,736,949	--	--	--
$200,000 under $500,000	209,700	19,081,746	6,296,976	429,855	119,493,156	33,458,084	--	--	--
$500,000 under $1,000,000	321	18,126	5,982	129,432	75,069,528	21,019,468	--	--	--
$1,000,000 or more	78	5,252	1,733	60,336	134,875,274	37,765,077	*13	*35,027	*9,897

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

[1] Form 8814 was filed for a dependent child under age 14 for whom the parents made an election to report the child's investment income (if it was from interest or dividends totaling between $500 and $5,000) on the parents' income tax return.

[2] For 1990, the tax rate schedules provided only two basic rates: 15 percent and 28 percent. However, taxable income over certain levels was subject to an additional 5 percent tax, creating an effective "temporary" 33 percent marginal tax rate. The purpose behind this was to phase out the benefit of the 15 percent rate and the benefit of the deduction for personal exemptions for taxpayers and dependents. After these benefits were phased out, the marginal rate reverted to 28 percent; the average tax rate on taxable income plus the phased-out exemptions amounts was equal to 28 percent.

[3] Form 8615 was filed for a child under age 14 to report the child's investment income in excess of $1,000.

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

Table 3.– Returns with Modified Taxable Income: Taxable Income and Tax, by Each Rate at Which Tax was Computed and Marital Status

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

Tax rates	All returns			Joint returns and returns of surviving spouses			Returns of single persons		
	Number of returns	Income taxed at rate	Income tax generated at rate	Number of returns	Income taxed at rate	Income tax generated at rate	Number of returns	Income taxed at rate	Income tax generated at rate
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All tax rates	**93,078,537**	**2,268,362,234**	**452,152,710**	**42,634,059**	**1,563,615,546**	**319,449,936**	**39,629,697**	**544,829,803**	**103,631,579**
15 percent (Form 8814) [1]	164,960	88,325	13,471	148,128	76,967	11,767	*113	*43	*6
15 percent	92,345,532	1,439,483,894	215,922,584	42,117,148	935,416,984	140,312,548	39,440,326	381,844,612	57,276,692
28 percent	26,211,505	401,431,348	112,400,777	15,707,468	290,228,647	81,264,021	8,728,782	92,055,804	25,775,625
33 percent [2]	3,050,051	83,366,853	27,511,061	1,966,324	65,031,493	21,460,393	911,408	14,638,607	4,830,740
28 percent [2]	716,242	342,784,204	95,979,577	507,376	272,861,455	76,401,207	182,148	55,083,126	15,423,275
Form 8615 [3]	383,964	1,207,610	325,240	--	--	--	383,964	1,207,610	325,240

Tax rates	Returns of heads of households			Returns of married persons filing separately		
	Number of returns	Income taxed at rate	Income tax generated at rate	Number of returns	Income taxed at rate	Income tax generated at rate
	(10)	(11)	(12)	(13)	(14)	(15)
All tax rates	**8,970,262**	**122,131,319**	**21,001,518**	**1,844,519**	**37,785,567**	**8,069,678**
15 percent (Form 8814) [1]	16,094	10,962	1,644	625	353	53
15 percent	8,955,979	102,203,657	15,330,549	1,832,079	20,018,641	3,002,796
28 percent	1,101,891	12,081,380	3,382,786	673,364	7,065,517	1,978,345
33 percent [2]	63,730	1,852,991	611,487	108,589	1,843,761	608,441
28 percent [2]	14,283	5,982,328	1,675,052	12,435	8,857,296	2,480,043
Form 8615 [3]	--	--	--	--	--	--

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

[1] Form 8814 was filed for a dependent child under age 14 for whom the parents made an election to report the child's investment income (if it was from interest or dividends totaling between $500 and $5,000) on the parents' income tax return.

[2] For 1990, the tax rate schedule provided only two basic rates: 15 percent and 28 percent. However, taxable income between certain amounts was subject to an additional 5 percent tax, creating an effective "temporary" 33 percent marginal rate. The purpose of this temporary rate was to phase out the benefits of the lower 15 percent tax rate and the deduction for personal exemptions for taxpayers and dependents. At the point where these benefits were completely phased out, the marginal rate returned to 28 percent, and the average tax rate on taxable income plus the phased-out personal exemptions was equal to 28 percent.

[3] Form 8615 was filed for a child under age 14 to report the child's investment income in excess of $1,000.

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

Table 4.--Returns with Positive Adjusted Gross Income (AGI): Number of Returns, Shares of AGI and Total Income Tax, AGI Floor on Percentiles in Current and Constant Dollars, and Average Tax Rates, by Selected Descending Cumulative Percentiles of Returns Based on Income Size Using the Definition of AGI for Each Year, Tax Years 1980-1990

[All figures are estimates based on samples]

Item, tax year	Total	Descending cumulative percentiles				
		Top 1 percent	Top 5 percent	Top 10 percent	Top 25 percent	Top 50 percent
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns: [1]						
1980	93,238,823	932,388	4,661,941	9,323,882	23,309,706	46,619,411
1981	94,586,878	945,869	4,729,344	9,458,688	23,646,719	47,293,439
1982	94,426,498	944,265	4,721,325	9,442,650	23,606,624	47,213,249
1983	95,330,713	953,307	4,766,536	9,533,071	23,832,678	47,665,356
1984	98,435,000	984,350	4,921,750	9,843,500	24,608,750	49,217,500
1985	100,625,484	1,006,255	5,031,274	10,062,548	25,156,371	50,312,742
1986	102,087,623	1,020,876	5,104,381	10,208,762	25,521,906	51,043,811
1987	106,154,761	1,061,548	5,307,738	10,615,476	26,538,690	53,077,380
1988	108,872,859	1,088,729	5,443,643	10,887,286	27,218,214	54,436,429
1989	111,312,721	1,113,127	5,565,636	11,131,272	27,828,181	55,656,361
1990	112,812,262	1,128,123	5,640,613	11,281,226	28,203,066	56,406,132
Adjusted gross income floor on percentiles (current dollars):						
1980	N/A	80,580	43,792	35,070	23,606	12,936
1981	N/A	85,428	47,845	38,283	25,655	14,000
1982	N/A	89,388	49,284	39,676	27,027	14,539
1983	N/A	93,512	51,553	41,222	27,827	15,044
1984	N/A	100,889	55,423	43,956	29,360	15,998
1985	N/A	108,134	58,883	46,322	30,928	16,688
1986	N/A	118,818	62,377	48,656	32,242	17,302
1987	N/A	139,289	68,414	52,921	33,983	17,768
1988	N/A	157,136	72,735	55,437	35,398	18,367
1989	N/A	163,869	76,933	58,263	36,839	18,993
1990	N/A	167,421	79,064	60,287	38,080	19,767
Adjusted gross income floor on percentiles (constant dollars): [2]						
1980	N/A	97,791	53,146	42,561	28,648	15,699
1981	N/A	93,980	52,635	42,116	28,223	15,402
1982	N/A	92,630	51,072	41,115	28,007	15,066
1983	N/A	93,888	51,760	41,388	27,939	15,104
1984	N/A	97,102	53,343	42,306	28,258	15,397
1985	N/A	100,496	54,724	43,050	28,743	15,509
1986	N/A	108,411	56,913	44,394	29,418	15,786
1987	N/A	122,614	60,224	46,585	29,915	15,641
1988	N/A	132,828	61,484	46,861	29,922	15,526
1989	N/A	132,152	62,043	46,986	29,709	15,317
1990	N/A	128,096	60,493	46,126	29,135	15,124
Adjusted gross income (millions of dollars): [3]						
1980	1,626,555	137,668	341,790	522,685	922,300	1,338,978
1981	1,791,116	148,722	372,171	572,719	1,015,006	1,473,267
1982	1,875,872	167,109	398,189	605,159	1,065,241	1,543,634
1983	1,969,600	182,895	428,162	645,661	1,127,019	1,625,287
1984	2,173,228	209,899	482,266	722,552	1,250,911	1,794,303
1985	2,343,989	235,095	531,372	791,481	1,358,860	1,939,351
1986	2,524,124	285,197	608,467	886,510	1,490,173	2,103,569
1987	2,813,728	346,635	722,221	1,038,221	1,709,389	2,373,869
1988	3,124,156	473,527	890,702	1,232,536	1,950,860	2,657,865
1989	3,298,858	468,079	918,421	1,286,539	2,054,478	2,805,235
1990	3,451,237	483,252	953,337	1,338,032	2,144,177	2,932,537

Footnotes at end of Table 5.

Table 4.--Returns with Positive Adjusted Gross Income (AGI): Number of Returns, Shares of AGI and Total Income Tax, AGI Floor on Percentiles in Current and Constant Dollars, and Average Tax Rates, by Selected Descending Cumulative Percentiles of Returns Based on Income Size Using the Definition of AGI for Each Year, Tax Years 1980-1990--Continued

[All figures are estimates based on samples]

Item, tax year	Total	Descending cumulative percentiles				
		Top 1 percent	Top 5 percent	Top 10 percent	Top 25 percent	Top 50 percent
	(1)	(2)	(3)	(4)	(5)	(6)
Total income tax (millions of dollars): [4]						
1980	250,240	48,270	92,773	123,799	182,966	232,662
1981	283,993	50,820	100,423	136,928	205,665	262,913
1982	277,470	53,528	100,958	135,394	201,466	257,160
1983	274,056	56,806	103,350	137,256	200,897	254,561
1984	301,504	65,707	116,512	154,142	222,515	279,574
1985	325,525	72,581	127,880	168,907	241,887	302,401
1986	366,979	94,491	156,240	200,703	278,976	343,289
1987	369,046	91,559	159,642	205,230	283,857	346,655
1988	412,761	113,841	188,303	236,411	321,297	389,145
1989	432,838	109,259	190,188	241,458	334,258	407,599
1990	447,061	112,338	195,088	247,514	344,340	421,075
Average tax rate (percentage): [5]						
1980	15.38	35.06	27.14	23.69	19.84	17.38
1981	15.86	34.17	26.98	23.91	20.26	17.85
1982	14.79	32.03	25.35	22.37	18.91	16.66
1983	13.91	31.06	24.14	21.26	17.83	15.66
1984	13.87	31.30	24.16	21.33	17.79	15.58
1985	13.89	30.87	24.07	21.34	17.80	15.59
1986	14.54	33.13	25.68	22.64	18.72	16.32
1987	13.12	26.41	22.10	19.77	16.61	14.60
1988	13.21	24.04	21.14	19.18	16.47	14.64
1989	13.12	23.34	20.71	18.77	16.27	14.53
1990	12.95	23.25	20.46	18.50	16.06	14.36
Adjusted gross income share (percentage):						
1980	100.00	8.46	21.01	32.13	56.70	82.32
1981	100.00	8.30	20.78	31.98	56.67	82.25
1982	100.00	8.91	21.23	32.26	56.79	82.29
1983	100.00	9.29	21.74	32.78	57.22	82.52
1984	100.00	9.66	22.19	33.25	57.56	82.56
1985	100.00	10.03	22.67	33.77	57.97	82.74
1986	100.00	11.30	24.11	35.12	59.04	83.34
1987	100.00	12.32	25.67	36.90	60.75	84.37
1988	100.00	15.16	28.51	39.45	62.44	85.07
1989	100.00	14.19	27.84	39.00	62.28	85.04
1990	100.00	14.00	27.62	38.77	62.13	84.97
Total income tax share (percentage):						
1980	100.00	19.29	37.07	49.47	73.12	92.98
1981	100.00	17.89	35.36	48.22	72.42	92.58
1982	100.00	19.29	36.39	48.80	72.61	92.68
1983	100.00	20.73	37.71	50.08	73.31	92.89
1984	100.00	21.79	38.64	51.12	73.80	92.73
1985	100.00	22.30	39.28	51.89	74.31	92.90
1986	100.00	25.75	42.57	54.69	76.02	93.54
1987	100.00	24.81	43.26	55.61	76.92	93.93
1988	100.00	27.58	45.62	57.28	77.84	94.28
1989	100.00	25.24	43.94	55.78	77.22	94.17
1990	100.00	25.13	43.64	55.36	77.02	94.19

Footnotes at end of Table 5.

Table 5.--Returns with Positive Adjusted Gross Income (AGI): Number of Returns, Shares of AGI and Total Income Tax, AGI Floor on Percentiles, and Average Tax Rates, by Selected Ascending Cumulative Percentiles of Returns Based on Income Size Using the Definition of AGI for Each Year, Tax Years 1980-1990

[All figures are estimates based on samples]

Item, tax year	Total	Ascending cumulative percentiles				
		Bottom 50 percent	Bottom 75 percent	Bottom 90 percent	Bottom 95 percent	Bottom 99 percent
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns: [1,6]						
1980	93,238,823	46,619,411	69,929,117	83,914,941	88,576,882	92,306,435
1981	94,586,878	47,293,439	70,940,158	85,128,190	89,857,534	93,641,009
1982	94,426,498	47,213,249	70,819,873	84,983,848	89,705,173	93,482,233
1983	95,330,713	47,665,356	71,498,035	85,797,642	90,564,177	94,377,406
1984	98,435,000	49,217,500	73,826,250	88,591,500	93,513,250	97,450,650
1985	100,625,484	50,312,742	75,469,113	90,562,936	95,594,210	99,619,229
1986	102,087,623	51,043,811	76,565,717	91,878,861	96,983,242	101,066,747
1987	106,154,761	53,077,380	79,616,071	95,539,285	100,847,023	105,093,213
1988	108,872,858	54,436,429	81,654,643	97,985,572	103,429,215	107,784,129
1989	111,312,721	55,656,361	83,484,542	100,181,451	105,747,087	110,199,596
1990	112,812,262	56,406,132	84,609,198	101,531,038	107,171,651	111,684,141
Adjusted gross income (millions of dollars): [1]						
1980	1,626,555	287,576	704,255	1,103,869	1,284,765	1,488,886
1981	1,791,116	317,848	776,110	1,218,397	1,418,945	1,642,393
1982	1,875,872	332,238	810,630	1,270,713	1,477,682	1,708,762
1983	1,969,600	344,313	842,581	1,323,939	1,541,438	1,786,705
1984	2,173,228	378,925	922,317	1,450,676	1,690,962	1,963,329
1985	2,343,989	404,637	985,129	1,552,508	1,812,617	2,108,894
1986	2,524,124	420,555	1,033,951	1,637,614	1,915,657	2,238,927
1987	2,813,728	439,859	1,104,338	1,775,506	2,091,507	2,467,093
1988	3,124,156	466,291	1,173,296	1,891,620	2,233,454	2,650,629
1989	3,298,858	493,623	1,244,380	2,012,319	2,380,437	2,830,779
1990	3,451,237	518,700	1,307,060	2,113,205	2,497,900	2,967,985
Total income tax (millions of dollars): [4]						
1980	250,240	17,578	67,274	126,441	157,467	201,971
1981	283,993	21,080	78,329	147,065	183,570	233,173
1982	277,470	20,310	76,005	142,076	176,512	223,942
1983	274,056	19,495	73,159	136,799	170,706	217,250
1984	301,504	21,930	78,990	147,362	184,992	235,797
1985	325,525	23,124	83,638	156,618	197,645	252,944
1986	366,979	23,690	88,002	166,276	210,739	272,488
1987	369,046	22,391	85,189	163,816	209,404	277,488
1988	412,761	23,616	91,464	176,350	224,459	298,920
1989	432,838	25,239	98,580	191,380	242,650	323,579
1990	447,061	25,986	102,721	199,547	251,973	334,723
Average tax rate (percentage): [5]						
1980	15.38	6.11	9.55	11.45	12.26	13.57
1981	15.86	6.63	10.09	12.07	12.94	14.20
1982	14.79	6.11	9.38	11.18	11.95	13.11
1983	13.91	5.66	8.68	10.33	11.07	12.16
1984	13.87	5.79	8.56	10.16	10.94	12.01
1985	13.89	5.71	8.49	10.09	10.90	11.99
1986	14.54	5.63	8.51	10.15	11.00	12.17
1987	13.12	5.09	7.71	9.23	10.01	11.25
1988	13.21	5.06	7.80	9.32	10.05	11.28
1989	13.12	5.11	7.92	9.51	10.19	11.43
1990	12.95	5.01	7.86	9.44	10.09	11.28

Footnotes at end of table.

Table 5.--Returns with Positive Adjusted Gross Income (AGI): Number of Returns, Shares of AGI and Total Income Tax, AGI Floor on Percentiles, and Average Tax Rates, by Selected Ascending Cumulative Percentiles of Returns Based on Income Size Using the Definition of AGI for Each Year, Tax Years 1980-1990--Continued

[All figures are estimates based on samples]

Item, tax year	Total	Ascending cumulative percentiles				
		Bottom 50 percent	Bottom 75 percent	Bottom 90 percent	Bottom 95 percent	Bottom 99 percent
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted gross income share (percentage):						
1980	100.00	17.68	43.30	67.87	78.99	91.54
1981	100.00	17.75	43.33	68.02	79.22	91.70
1982	100.00	17.71	43.21	67.74	78.77	91.09
1983	100.00	17.48	42.78	67.22	78.26	90.71
1984	100.00	17.44	42.44	66.75	77.81	90.34
1985	100.00	17.26	42.03	66.23	77.33	89.97
1986	100.00	16.66	40.96	64.88	75.89	88.70
1987	100.00	15.63	39.25	63.10	74.33	87.68
1988	100.00	14.93	37.56	60.55	71.49	84.84
1989	100.00	14.96	37.72	61.00	72.16	85.81
1990	100.00	15.03	37.87	61.23	72.38	86.00
Total income tax share (percentage):						
1980	100.00	7.02	26.88	50.53	62.93	80.71
1981	100.00	7.42	27.58	51.78	64.64	82.11
1982	100.00	7.32	27.39	51.20	63.61	80.71
1983	100.00	7.11	26.69	49.92	62.29	79.27
1984	100.00	7.27	26.20	48.88	61.36	78.21
1985	100.00	7.10	25.69	48.11	60.72	77.70
1986	100.00	6.46	23.98	45.31	57.43	74.25
1987	100.00	6.07	23.08	44.39	56.74	75.19
1988	100.00	5.72	22.16	42.72	54.38	72.42
1989	100.00	5.83	22.78	44.22	56.06	74.76
1990	100.00	5.81	22.98	44.64	56.36	74.87

N/A-- not applicable.

[1] The number of returns with negative adjusted gross income, i.e., returns with an adjusted gross deficit, and the corresponding amounts for adjusted gross deficit, were excluded from Table 4 and 5. By excluding deficit returns, alternative minimum tax reported on some of these returns was also excluded. For Tax Year 1990, there were 5,329 returns with no adjusted gross income that reported alternative minimum tax totaling $41.0 million.

[2] Constant dollar estimates were based on the Consumer Price Index (CPI-U 1982-84=100) computed and reported by the U.S. Department of Labor, Bureau of Labor Statistics in CPI Detailed Report, July 1993.

[3] See footnote 1.

[4] Total income tax is the sum of income tax after credits and alternative minimum tax reported on returns that showed a positive amount for adjusted gross income. Therefore, total income tax excludes alternative minimum tax reported on some returns with a negative amount for adjusted gross income. See also footnote 1.

[5] The average tax rate was computed by dividing total income tax (see footnote 4) by (positive) adjusted gross income.

[6] The numbers of returns by ascending cumulative percentiles for Tax Years 1980-1989 in columns 2-6 represent corrections to the numbers shown in the similar table (Table 6) on page 73 of the Spring 1993 Statistics of Income Bulletin. (The numbers in Table 5, page 71, of the Spring 1993 Bulletin table were inadvertently shown as being the same as those by descending cumulative percentiles.) The corrections do not apply to the dollar amounts or to the percentages presented either in this issue of the Bulletin or in the Spring 1993 issue.

Table 6.--All Returns: Number of Returns, Shares of Income Based on the 1979 Income Concept, and Total Income Tax, Income Floor on Percentiles in Current and Constant Dollars, and Average Tax Rates, by Selected Descending Cumulative Percentiles of Returns Based on Income Size Using the 1979 Income Concept, Tax Years 1985-1990

[All figures are estimates based on samples]

Item, tax year	Total	Descending cumulative percentiles				
		Top 1 percent	Top 5 percent	Top 10 percent	Top 25 percent	Top 50 percent
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns: [1]						
1985	101,660,287	1,016,610	5,083,050	10,166,100	25,415,250	50,830,500
1986	103,045,170	1,030,450	5,152,250	10,304,500	25,761,250	51,522,500
1987	106,996,270	1,069,940	5,349,700	10,699,400	26,748,500	53,497,000
1988	109,708,280	1,097,090	5,485,450	10,970,900	27,427,250	54,854,500
1989	112,135,673	1,121,330	5,606,650	11,213,300	28,033,250	56,066,500
1990	113,717,138	1,137,170	5,685,850	11,371,700	28,429,250	56,858,500
Income floor on percentiles (current whole dollars):						
1985	N/A	124,962	63,126	48,664	31,753	16,951
1986	N/A	147,970	68,058	51,848	33,304	17,651
1987	N/A	144,820	68,990	52,926	33,994	17,760
1988	N/A	160,947	73,105	55,425	35,237	18,362
1989	N/A	169,460	77,318	58,211	36,652	18,959
1990	N/A	173,600	80,192	60,390	37,862	19,715
Income floor on percentiles (constant whole dollars): [2]						
1985	N/A	116,136	58,667	45,227	29,510	15,754
1986	N/A	135,009	62,097	47,307	30,387	16,105
1987	N/A	127,482	60,731	46,590	29,924	15,634
1988	N/A	136,050	61,796	46,851	29,786	15,522
1989	N/A	136,661	62,353	46,944	29,558	15,290
1990	N/A	132,823	61,356	46,205	28,969	15,084
Income (millions of dollars):						
1985	2,487,383	309,327	638,986	917,620	1,512,627	2,113,168
1986	2,753,687	429,393	800,547	1,103,026	1,741,211	2,377,981
1987	2,813,525	364,909	752,112	1,071,761	1,748,543	2,418,826
1988	3,106,552	485,818	914,122	1,259,567	1,980,128	2,691,199
1989	3,286,325	488,655	950,515	1,322,394	2,092,555	2,846,169
1990	3,442,562	506,283	991,435	1,382,138	2,191,609	2,983,751
Total income tax (millions of dollars): [3]						
1985	325,710	71,841	128,546	168,452	242,082	301,937
1986	367,287	93,581	156,695	200,026	278,686	342,511
1987	369,203	90,452	159,684	205,420	283,813	346,406
1988	412,870	113,095	187,454	236,702	321,338	388,843
1989	432,940	108,372	188,883	242,297	333,678	407,418
1990	447,127	111,368	193,122	248,433	344,075	421,046
Average tax rate (percentage): [4]						
1985	13.09	23.22	20.12	18.36	16.00	14.29
1986	13.34	21.79	19.57	18.13	16.01	14.40
1987	13.12	24.79	21.23	19.17	16.23	14.32
1988	13.29	23.28	20.51	18.79	16.23	14.45
1989	13.17	22.18	19.87	18.32	15.95	14.31
1990	12.99	22.00	19.48	17.97	15.70	14.11
Income share (percentage):						
1985	100.00	12.44	25.69	36.89	60.81	84.96
1986	100.00	15.59	29.07	40.06	63.23	86.36
1987	100.00	12.97	26.73	38.09	62.15	85.97
1988	100.00	15.64	29.43	40.55	63.74	86.63
1989	100.00	14.87	28.92	40.24	63.67	86.61
1990	100.00	14.71	28.80	40.15	63.66	86.67
Total income tax share (percentage):						
1985	100.00	22.06	39.47	51.72	74.32	92.70
1986	100.00	25.48	42.66	54.46	75.88	93.25
1987	100.00	24.50	43.25	55.64	76.87	93.83
1988	100.00	27.39	45.40	57.33	77.83	94.18
1989	100.00	25.03	43.63	55.97	77.07	94.11
1990	100.00	24.91	43.19	55.56	76.95	94.17

Footnotes at end of Table 7.

Table 7.--All Returns: Number of Returns, Shares of Income Based on the 1979 Income Concept, and Total Income Tax, Income Floor on Percentiles, and Average Tax Rates, by Selected Ascending Cumulative Percentiles of Returns Based on Income Using the 1979 Income Concept, Tax Years 1985-1990

[All figures are estimates based on samples]

Item, tax year	Total	Ascending cumulative percentiles				
		Bottom 50 percent	Bottom 75 percent	Bottom 90 percent	Bottom 95 percent	Bottom 99 percent
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns: [1]						
1985	101,660,287	50,830,500	76,245,750	91,494,900	96,577,950	100,644,390
1986	103,045,170	51,522,500	77,283,750	92,740,500	97,892,750	102,014,550
1987	106,996,270	53,497,000	80,245,500	96,294,600	101,644,300	105,924,060
1988	109,708,280	54,854,500	82,281,750	98,738,100	104,223,550	108,611,910
1989	112,135,673	56,066,500	84,099,750	100,919,700	106,526,350	111,011,670
1990	113,717,138	56,858,500	85,287,750	102,345,300	108,031,150	112,579,830
Income (millions of dollars):						
1985	2,487,383	374,215	974,756	1,569,763	1,848,397	2,178,056
1986	2,753,687	375,706	1,012,476	1,650,661	1,953,140	2,324,294
1987	2,813,525	394,699	1,064,982	1,741,764	2,061,413	2,448,616
1988	3,106,552	415,353	1,126,424	1,846,985	2,192,430	2,620,734
1989	3,286,325	440,156	1,193,770	1,963,931	2,335,810	2,797,670
1990	3,442,562	458,811	1,250,953	2,060,424	2,451,127	2,936,279
Total income tax (millions of dollars): [3]						
1985	325,710	23,774	83,629	157,259	197,165	253,870
1986	367,287	24,776	88,601	167,261	210,592	273,706
1987	369,203	22,797	85,390	163,783	209,519	278,751
1988	412,870	24,027	91,532	176,168	225,416	299,775
1989	432,940	25,520	99,260	190,641	244,055	324,566
1990	447,127	26,081	103,052	198,694	254,005	335,759
Average tax rate (percentage): [4]						
1985	13.09	6.35	8.58	10.02	10.67	11.66
1986	13.34	6.59	8.75	10.13	10.78	11.78
1987	13.12	5.78	8.02	9.40	10.16	11.38
1988	13.29	5.78	8.13	9.54	10.28	11.44
1989	13.17	5.80	8.31	9.71	10.45	11.60
1990	12.99	5.68	8.24	9.64	10.36	11.43
Income share (percentage):						
1985	100.00	15.04	39.19	63.11	74.31	87.56
1986	100.00	13.64	36.77	59.94	70.93	84.41
1987	100.00	14.03	37.85	61.91	73.27	87.03
1988	100.00	13.37	36.26	59.45	70.57	84.36
1989	100.00	13.39	36.33	59.76	71.08	85.13
1990	100.00	13.33	36.34	59.85	71.20	85.29
Total income tax share (percentage):						
1985	100.00	7.30	25.68	48.28	60.53	77.94
1986	100.00	6.75	24.12	45.54	57.34	74.52
1987	100.00	6.17	23.13	44.36	56.75	75.50
1988	100.00	5.82	22.17	42.67	54.60	72.61
1989	100.00	5.89	22.93	44.03	56.37	74.97
1990	100.00	5.83	23.05	44.44	56.81	75.09

N/A--Not applicable.

[1] The number of returns in columns 2 through 6, Tables 6 and 7, were processed in thousands and, therefore, reflect differences due to rounding .

[2] See footnote 2 at the end of Table 5.

[3] Total income tax is the sum of income tax after credits and the alternative minimum tax.

[4] Average tax rate was computed by dividing total income tax (see footnote 3) by income, using the 1979 income concept (see text and Figure B).

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

Revision to the Statistics of Income--1990, Individual Income Tax Returns

The following corrections are being published in the *Statistics of Income Bulletin* as a convenience to users of *Statistics of Income—Individual Income Tax Returns,* who are also subscribers to the *Bulletin. Statistics of Income—1992, Individual Income Tax Returns,* Publication 1304, in which the corrections would normally appear, will be published by the U.S. Government Printing Office at a later date.

On pages 16-18 of *Statistics of Income—1990, Individual Income Tax Returns*:

Table 1.1, which presents summary data on income and tax, classified by cumulative adjusted gross income size classes, is reproduced in full in order to correct the amounts shown in column 16, pages 16-18, for "Total income tax"; the percentages in column 15, page 18, for "Income tax after credits" in that part of the table which presents data cumulated downward from the largest size of adjusted gross income; and the description on page 18 of that same part of the table, which is incorrectly described as presenting data "cumulated from the smallest size of adjusted gross income" instead of "cumulated from the largest size of adjusted gross income." ("Total income tax" is the sum of "income tax after credits," column 14, plus the "alternative miminum tax.")

On page 24 of *Statistics of Income—1990, Individual Income Tax Returns:*

In Table 1.4, which presents data on sources of income, statutory adjustments, and tax items, classified by size of adjusted gross income, the heading above columns 5-6 should read "Taxable interest" instead of "Taxable income."

Table 1.1-Selected Income and Tax Items, by Size and Accumulated Size of Adjusted Gross Income

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

Size and accumulated size of adjusted gross income	All returns					Taxable returns			
	Number of returns	Percentage of total	Adjusted gross income less deficit			Number of returns	Percentage of total	Adjusted gross income less deficit	
			Amount	Percentage of total	Average dollars			Amount	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Size of adjusted gross income									
Total	**113,717,138**	**100.0**	**3,405,427,348**	**100.0**	**29,946**	**89,862,434**	**100.0**	**3,298,920,383**	**100.0**
No adjusted gross income	904,876	0.8	-45,809,664	(1)	-50,625	7,386	(2)	-2,923,512	(1)
$1 under $1,000	2,782,846	2.4	1,712,429	0.1	615	723,656	0.8	556,020	(2)
$1,000 under $2,000	3,773,788	3.3	5,646,358	0.2	1,496	1,138,581	1.3	1,675,347	0.1
$2,000 under $3,000	3,604,792	3.2	8,961,810	0.3	2,486	869,062	1.0	2,154,531	0.1
$3,000 under $4,000	3,177,403	2.8	11,054,183	0.3	3,479	1,120,400	1.2	3,954,492	0.1
$4,000 under $5,000	3,139,442	2.8	14,122,259	0.4	4,498	1,047,974	1.2	4,697,937	0.1
$5,000 under $6,000	2,959,504	2.6	16,266,577	0.5	5,496	1,539,765	1.7	8,570,695	0.3
$6,000 under $7,000	3,044,732	2.7	19,754,245	0.6	6,488	1,928,443	2.1	12,519,214	0.4
$7,000 under $8,000	3,033,917	2.7	22,708,537	0.7	7,485	1,875,341	2.1	14,039,378	0.4
$8,000 under $9,000	2,991,621	2.6	25,467,999	0.7	8,513	1,726,327	1.9	14,705,783	0.4
$9,000 under $10,000	2,923,081	2.6	27,753,857	0.8	9,495	1,809,907	2.0	17,163,656	0.5
$10,000 under $11,000	2,967,728	2.6	31,150,431	0.9	10,496	1,868,290	2.1	19,632,501	0.6
$11,000 under $12,000	2,797,239	2.5	32,191,451	0.9	11,508	1,933,972	2.2	22,244,283	0.7
$12,000 under $13,000	2,775,412	2.4	34,734,189	1.0	12,515	1,951,719	2.2	24,431,635	0.7
$13,000 under $14,000	2,750,223	2.4	37,101,229	1.1	13,490	2,019,753	2.2	27,261,581	0.8
$14,000 under $15,000	2,632,148	2.3	38,198,964	1.1	14,512	2,048,413	2.3	29,741,559	0.9
$15,000 under $16,000	2,383,140	2.1	36,931,232	1.1	15,497	2,029,221	2.3	31,445,131	1.0
$16,000 under $17,000	2,303,300	2.0	38,010,959	1.1	16,503	2,119,638	2.4	34,987,140	1.1
$17,000 under $18,000	2,350,764	2.1	41,156,073	1.2	17,508	2,220,442	2.5	38,875,718	1.2
$18,000 under $19,000	2,305,512	2.0	42,650,437	1.3	18,499	2,187,340	2.4	40,463,521	1.2
$19,000 under $20,000	2,200,513	1.9	42,889,341	1.3	19,491	2,132,163	2.4	41,556,148	1.3
$20,000 under $25,000	9,572,317	8.4	214,321,942	6.3	22,390	9,429,905	10.5	211,173,551	6.4
$25,000 under $30,000	7,838,225	6.9	215,207,577	6.3	27,456	7,750,103	8.6	212,817,670	6.5
$30,000 under $40,000	12,282,786	10.8	426,384,692	12.5	34,714	12,216,500	13.6	424,130,001	12.9
$40,000 under $50,000	8,837,067	7.8	394,730,512	11.6	44,668	8,812,426	9.8	393,663,250	11.9
$50,000 under $75,000	10,944,102	9.6	657,214,261	19.3	60,052	10,924,763	12.2	656,050,396	19.9
$75,000 under $100,000	3,276,142	2.9	279,524,997	8.2	85,321	3,271,711	3.6	279,162,454	8.5
$100,000 under $200,000	2,329,562	2.0	305,567,590	9.0	131,170	2,325,498	2.6	305,030,894	9.2
$200,000 under $500,000	644,027	0.6	188,004,834	5.5	291,921	643,104	0.7	187,739,418	5.7
$500,000 under $1,000,000	130,252	0.1	87,142,014	2.6	669,026	130,062	0.1	87,011,992	2.6
$1,000,000 or more	60,677	0.1	154,676,032	4.5	2,549,171	60,571	0.1	154,388,000	4.7

Footnotes at end of table.

Table 1.1-Selected Income and Tax Items, by Size and Accumulated Size of Adjusted Gross Income--Continued

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

Size and accumulated size of adjusted gross income	Taxable returns										
	Taxable income			Income tax after credits			Total income tax				
								Percentage of			
	Number of returns	Amount	Percentage of total	Number of returns	Amount	Percentage of total	Amount	Total	Taxable income	Adjusted gross income less deficit	Average income tax (dollars)
Size of adjusted gross income	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Total	**89,831,443**	**2,255,609,952**	**100.0**	**89,844,225**	**446,296,392**	**100.0**	**447,126,703**	**100.0**	**19.8**	**13.6**	**4,976**
No adjusted gross income	-	-	-	714	352	(2)	65,556	(2)	(2)	(2)	8,876
$1 under $1,000	723,656	147,850	(2)	723,656	22,287	(2)	22,287	(2)	15.1	4.0	31
$1,000 under $2,000	1,138,581	506,425	(2)	1,138,581	83,408	(2)	83,408	(2)	16.5	5.0	73
$2,000 under $3,000	869,062	544,460	(2)	869,062	95,448	(2)	95,448	(2)	17.5	4.4	110
$3,000 under $4,000	1,120,400	645,927	(2)	1,120,400	105,104	(2)	105,531	(2)	16.3	2.7	94
$4,000 under $5,000	1,046,103	1,539,391	0.1	1,046,103	237,987	0.1	243,072	0.1	15.8	5.2	232
$5,000 under $6,000	1,534,767	1,771,531	0.1	1,539,765	289,690	0.1	289,690	0.1	16.4	3.4	188
$6,000 under $7,000	1,925,478	3,028,023	0.1	1,928,182	463,237	0.1	469,183	0.1	15.5	3.7	243
$7,000 under $8,000	1,869,855	4,384,114	0.2	1,875,264	664,649	0.1	665,350	0.1	15.2	4.7	355
$8,000 under $9,000	1,726,327	5,607,611	0.2	1,726,327	843,666	0.2	844,157	0.2	15.1	5.7	489
$9,000 under $10,000	1,809,907	7,138,355	0.3	1,809,907	1,061,420	0.2	1,061,420	0.2	14.9	6.2	586
$10,000 under $11,000	1,868,290	8,314,274	0.4	1,868,290	1,241,791	0.3	1,241,791	0.3	14.9	6.3	665
$11,000 under $12,000	1,933,471	9,640,675	0.4	1,933,471	1,466,299	0.3	1,466,335	0.3	15.2	6.6	758
$12,000 under $13,000	1,951,719	11,463,523	0.5	1,951,719	1,713,856	0.4	1,713,856	0.4	15.0	7.0	878
$13,000 under $14,000	2,019,753	13,500,362	0.6	2,019,753	1,964,918	0.4	1,968,550	0.4	14.6	7.2	975
$14,000 under $15,000	2,048,413	15,236,939	0.7	2,048,413	2,149,745	0.5	2,149,745	0.5	14.1	7.2	1,049
$15,000 under $16,000	2,028,960	16,380,545	0.7	2,028,960	2,288,084	0.5	2,288,657	0.5	14.0	7.3	1,128
$16,000 under $17,000	2,119,638	18,375,216	0.8	2,119,638	2,552,813	0.6	2,552,863	0.6	13.9	7.3	1,204
$17,000 under $18,000	2,220,442	20,221,630	0.9	2,220,442	2,854,172	0.6	2,854,172	0.6	14.1	7.3	1,285
$18,000 under $19,000	2,187,337	22,358,695	1.0	2,187,337	3,212,637	0.7	3,212,679	0.7	14.4	7.9	1,469
$19,000 under $20,000	2,132,155	23,621,445	1.0	2,132,155	3,455,979	0.8	3,456,184	0.8	14.6	8.3	1,621
$20,000 under $25,000	9,426,698	123,702,620	5.5	9,429,898	18,379,614	4.1	18,402,064	4.1	14.9	8.7	1,951
$25,000 under $30,000	7,750,084	133,318,027	5.9	7,750,084	20,555,429	4.6	20,557,463	4.6	15.4	9.7	2,653
$30,000 under $40,000	12,214,109	280,154,965	12.4	12,213,279	45,294,708	10.1	45,303,446	10.1	16.2	10.7	3,708
$40,000 under $50,000	8,812,298	270,376,907	12.0	8,811,129	44,844,051	10.0	44,851,708	10.0	16.6	11.4	5,090
$50,000 under $75,000	10,924,371	466,475,283	20.7	10,923,534	87,191,762	19.5	87,241,466	19.5	18.7	13.3	7,986
$75,000 under $100,000	3,271,435	205,197,482	9.1	3,271,053	44,341,122	9.9	44,375,252	9.9	21.6	15.9	13,563
$100,000 under $200,000	2,324,986	230,469,868	10.2	2,324,392	57,673,243	12.9	57,823,643	12.9	25.1	19.0	24,865
$200,000 under $500,000	642,730	152,635,560	6.8	642,410	43,263,538	9.7	43,437,775	9.7	28.5	23.1	67,544
$500,000 under $1,000,000	129,949	74,303,872	3.3	129,898	20,826,516	4.7	20,942,219	4.7	28.2	24.1	161,017
$1,000,000 or more	60,469	134,548,375	6.0	60,410	37,158,867	8.3	37,341,734	8.4	27.8	24.2	616,495

Footnotes at end of table.

Table 1.1-Selected Income and Tax Items, by Size and Accumulated Size of Adjusted Gross Income--Continued

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

Size and accumulated size of adjusted gross income	All returns					Taxable returns			
	Number of returns	Percentage of total	Adjusted gross income less deficit			Number of returns	Percentage of total	Adjusted gross income less deficit	
			Amount	Percentage of total	Average dollars			Amount	Percentage of total
Cumulated from smallest size of adjusted gross income	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
No adjusted gross income	904,876	0.8	-45,809,664	(1)	-50,625	7,386	(2)	-2,923,512	(1)
$1 under $1,000	2,782,846	2.4	1,712,429	(2)	615	723,656	0.8	556,020	(2)
$1 under $2,000	6,556,635	5.8	7,358,787	0.2	1,122	1,862,236	2.1	2,231,366	0.1
$1 under $3,000	10,161,427	8.9	16,320,597	0.5	1,606	2,731,298	3.0	4,385,897	0.1
$1 under $4,000	13,338,830	11.7	27,374,780	0.8	2,052	3,851,698	4.3	8,340,389	0.3
$1 under $5,000	16,478,272	14.5	41,497,039	1.2	2,518	4,899,673	5.5	13,038,326	0.4
$1 under $6,000	19,437,776	17.1	57,763,617	1.7	2,972	6,439,438	7.2	21,609,021	0.7
$1 under $7,000	22,482,508	19.8	77,517,861	2.2	3,448	8,367,881	9.3	34,128,235	1.0
$1 under $8,000	25,516,425	22.4	100,226,399	2.9	3,928	10,243,222	11.4	48,167,613	1.5
$1 under $9,000	28,508,045	25.1	125,694,397	3.6	4,409	11,969,549	13.3	62,873,396	1.9
$1 under $10,000	31,431,127	27.6	153,448,255	4.4	4,882	13,779,456	15.3	80,037,052	2.4
$1 under $11,000	34,398,855	30.2	184,598,685	5.3	5,366	15,647,746	17.4	99,669,554	3.0
$1 under $12,000	37,196,094	32.7	216,790,137	6.3	5,828	17,581,718	19.6	121,913,837	3.7
$1 under $13,000	39,971,505	35.1	251,524,326	7.3	6,293	19,533,437	21.7	146,345,471	4.4
$1 under $14,000	42,721,728	37.6	288,625,555	8.4	6,756	21,553,189	24.0	173,607,052	5.3
$1 under $15,000	45,353,877	39.9	326,824,519	9.5	7,206	23,601,603	26.3	203,348,611	6.2
$1 under $16,000	47,737,016	42.0	363,755,751	10.5	7,620	25,630,824	28.5	234,793,743	7.1
$1 under $17,000	50,040,316	44.0	401,766,710	11.6	8,029	27,750,462	30.9	269,780,883	8.2
$1 under $18,000	52,391,080	46.1	442,922,782	12.8	8,454	29,970,903	33.4	308,656,601	9.3
$1 under $19,000	54,696,592	48.1	485,573,219	14.1	8,878	32,158,243	35.8	349,120,122	10.6
$1 under $20,000	56,897,105	50.0	528,462,560	15.3	9,288	34,290,405	38.2	390,676,269	11.8
$1 under $25,000	66,469,421	58.5	742,784,502	21.5	11,175	43,720,311	48.7	601,849,820	18.2
$1 under $30,000	74,307,647	65.3	957,992,079	27.8	12,892	51,470,414	57.3	814,667,490	24.7
$1 under $40,000	86,590,433	76.1	1,384,376,771	40.1	15,988	63,686,913	70.9	1,238,797,491	37.5
$1 under $50,000	95,427,500	83.9	1,779,107,283	51.5	18,644	72,499,339	80.7	1,632,460,741	49.4
$1 under $75,000	106,371,602	93.5	2,436,321,545	70.6	22,904	83,424,102	92.8	2,288,511,137	69.3
$1 under $100,000	109,647,744	96.4	2,715,846,542	78.7	24,769	86,695,813	96.5	2,567,673,591	77.8
$1 under $200,000	111,977,305	98.5	3,021,414,132	87.5	26,982	89,021,311	99.1	2,872,704,485	87.0
$1 under $500,000	112,621,332	99.0	3,209,418,966	93.0	28,497	89,664,415	99.8	3,060,443,903	92.7
$1 under $1,000,000	112,751,585	99.2	3,296,560,980	95.5	29,237	89,794,477	99.9	3,147,455,895	95.3
$1 or more	112,812,262	99.2	3,451,237,012	100.0	30,593	89,855,049	100.0	3,301,843,895	100.0
All returns	**113,717,138**	**100.0**	**3,405,427,348**	**98.7**	**29,946**	**89,862,434**	**100.0**	**3,298,920,383**	**99.9**

Footnotes at end of table.

Table 1.1-Selected Income and Tax Items, by Size and Accumulated Size of Adjusted Gross Income--Continued

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

Size and accumulated size of adjusted gross income	Taxable returns										
	Taxable income			Income tax after credits			Total income tax				
								Percentage of			
	Number of returns	Amount	Percentage of total	Number of returns	Amount	Percentage of total	Amount	Total	Taxable income	Adjusted gross income less deficit	Average income tax (dollars)
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Cumulated from smallest size of adjusted gross income											
No adjusted gross income	-	-	-	714	352	(2)	65,556	(2)	(2)	(2)	8,876
$1 under $1,000	723,656	147,850	(2)	723,656	22,287	(2)	22,287	(2)	15.1	4.0	31
$1 under $2,000	1,862,236	654,275	(2)	1,862,236	105,695	(2)	105,695	(2)	16.2	4.7	57
$1 under $3,000	2,731,298	1,198,735	0.1	2,731,298	201,143	(2)	201,143	(2)	16.8	4.6	74
$1 under $4,000	3,851,698	1,844,662	0.1	3,851,698	306,247	0.1	306,674	0.1	16.6	3.7	80
$1 under $5,000	4,897,801	3,384,053	0.2	4,897,801	544,234	0.1	549,746	0.1	16.2	4.2	112
$1 under $6,000	6,432,568	5,155,584	0.2	6,437,566	833,923	0.2	839,435	0.2	16.3	3.9	130
$1 under $7,000	8,358,046	8,183,607	0.4	8,365,748	1,297,161	0.3	1,308,618	0.3	16.0	3.8	156
$1 under $8,000	10,227,901	12,567,721	0.6	10,241,012	1,961,810	0.4	1,973,969	0.4	15.7	4.1	193
$1 under $9,000	11,954,228	18,175,333	0.8	11,967,339	2,805,476	0.6	2,818,126	0.6	15.5	4.5	235
$1 under $10,000	13,764,135	25,313,688	1.1	13,777,245	3,866,895	0.9	3,879,545	0.9	15.3	4.8	282
$1 under $11,000	15,632,425	33,627,962	1.5	15,645,536	5,108,687	1.1	5,121,336	1.1	15.2	5.1	327
$1 under $12,000	17,565,896	43,268,637	1.9	17,579,007	6,574,986	1.5	6,587,671	1.5	15.2	5.4	375
$1 under $13,000	19,517,615	54,732,160	2.4	19,530,726	8,288,842	1.9	8,301,527	1.9	15.2	5.7	425
$1 under $14,000	21,537,368	68,232,523	3.0	21,550,479	10,253,760	2.3	10,270,077	2.3	15.1	5.9	476
$1 under $15,000	23,585,781	83,469,462	3.7	23,598,892	12,403,505	2.8	12,419,822	2.8	14.9	6.1	526
$1 under $16,000	25,614,741	99,850,006	4.4	25,627,852	14,691,589	3.3	14,708,480	3.3	14.7	6.3	574
$1 under $17,000	27,734,379	118,225,222	5.2	27,747,490	17,244,402	3.9	17,261,343	3.9	14.6	6.4	622
$1 under $18,000	29,954,821	138,446,853	6.1	29,967,932	20,098,574	4.5	20,115,514	4.5	14.5	6.5	671
$1 under $19,000	32,142,157	160,805,548	7.1	32,155,268	23,311,211	5.2	23,328,193	5.2	14.5	6.7	725
$1 under $20,000	34,274,312	184,426,993	8.2	34,287,423	26,767,190	6.0	26,784,377	6.0	14.5	6.9	781
$1 under $25,000	43,701,011	308,129,613	13.7	43,717,321	45,146,804	10.1	45,186,441	10.1	14.7	7.5	1,034
$1 under $30,000	51,451,095	441,447,640	19.6	51,467,406	65,702,233	14.7	65,743,903	14.7	14.9	8.1	1,277
$1 under $40,000	63,665,204	721,602,605	32.0	63,680,685	110,996,941	24.9	111,047,350	24.8	15.4	9.0	1,744
$1 under $50,000	72,477,502	991,979,512	44.0	72,491,814	155,840,992	34.9	155,899,058	34.9	15.7	9.5	2,150
$1 under $75,000	83,401,873	1,458,454,795	64.7	83,415,347	243,032,754	54.5	243,140,524	54.4	16.7	10.6	2,915
$1 under $100,000	86,673,308	1,663,652,277	73.8	86,686,400	287,373,876	64.4	287,515,776	64.3	17.3	11.2	3,316
$1 under $200,000	88,998,294	1,894,122,145	84.0	89,010,792	345,047,119	77.3	345,339,419	77.2	18.2	12.0	3,879
$1 under $500,000	89,641,024	2,046,757,705	90.7	89,653,203	388,310,657	87.0	388,777,194	87.0	19.0	12.7	4,336
$1 under $1,000,000	89,770,974	2,121,061,577	94.0	89,783,101	409,137,173	91.7	409,719,413	91.6	19.3	13.0	4,563
$1 or more	89,831,443	2,255,609,952	100.0	89,843,511	446,296,040	100.0	447,061,147	100.0	19.8	13.5	4,975
All returns	**89,831,443**	**2,255,609,952**	**100.0**	**89,844,225**	**446,296,392**	**100.0**	**447,126,703**	**100.0**	**19.8**	**13.6**	**4,976**

Footnotes at end of table.

Table 1.1-Selected Income and Tax Items, by Size and Accumulated Size of Adjusted Gross Income--Continued

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

Size and accumulated size of adjusted gross income	All returns					Taxable returns			
	Number of returns	Percentage of total	Adjusted gross income less deficit			Number of returns	Percentage of total	Adjusted gross income less deficit	
			Amount	Percentage of total	Average dollars			Amount	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Cumulated from largest size of adjusted gross income									
$1,000,000 or more	60,677	0.1	154,676,032	4.5	2,549,171	60,571	0.1	154,388,000	4.7
$500,000 or more	190,930	0.2	241,818,046	7.0	1,266,527	190,634	0.2	241,399,992	7.3
$200,000 ore more	834,957	0.7	429,822,880	12.5	514,784	833,738	0.9	429,139,409	13.0
$100,000 or more	3,164,519	2.8	735,390,470	21.3	232,386	3,159,236	3.5	734,170,304	22.2
$75,000 or more	6,440,660	5.7	1,014,915,467	29.4	157,579	6,430,947	7.2	1,013,332,758	30.7
$50,000 or more	17,384,762	15.3	1,672,129,729	48.5	96,184	17,355,709	19.3	1,669,383,154	50.6
$40,000 or more	26,221,829	23.1	2,066,860,241	59.9	78,822	26,168,135	29.1	2,063,046,404	62.5
$30,000 or more	38,504,615	33.9	2,493,244,933	72.2	64,752	38,384,635	42.7	2,487,176,404	75.3
$25,000 or more	46,342,841	40.8	2,708,452,510	78.5	58,444	46,134,738	51.3	2,699,994,074	81.8
$20,000 or more	55,915,157	49.2	2,922,774,452	84.7	52,272	55,564,643	61.8	2,911,167,626	88.2
$19,000 ore more	58,115,670	51.1	2,965,663,793	85.9	51,030	57,696,806	64.2	2,952,723,773	89.4
$18,000 or more	60,421,182	53.1	3,008,314,230	87.2	49,789	59,884,145	66.6	2,993,187,294	90.7
$17,000 or more	62,771,946	55.2	3,049,470,303	88.4	48,580	62,104,587	69.1	3,032,063,012	91.8
$16,000 or more	65,075,246	57.2	3,087,481,261	89.5	47,445	64,224,225	71.5	3,067,050,152	92.9
$15,000 or more	67,458,386	59.3	3,124,412,493	90.5	46,316	66,253,446	73.7	3,098,495,283	93.8
$14,000 or more	70,090,534	61.6	3,162,611,457	91.6	45,122	68,301,859	76.0	3,128,236,842	94.7
$13,000 or more	72,840,757	64.1	3,199,712,686	92.7	43,928	70,321,612	78.3	3,155,498,424	95.6
$12,000 or more	75,616,168	66.5	3,234,446,875	93.7	42,775	72,273,331	80.4	3,179,930,058	96.3
$11,000 or more	78,413,408	69.0	3,266,638,327	94.7	41,659	74,207,303	82.6	3,202,174,341	97.0
$10,000 or more	81,381,135	71.6	3,297,788,757	95.6	40,523	76,075,593	84.7	3,221,806,842	97.6
$9,000 or more	84,304,217	74.1	3,325,542,615	96.4	39,447	77,885,500	86.7	3,238,970,499	98.1
$8,000 or more	87,295,838	76.8	3,351,010,613	97.1	38,387	79,611,827	88.6	3,253,676,282	98.5
$7,000 or more	90,329,754	79.4	3,373,719,151	97.8	37,349	81,487,168	90.7	3,267,715,660	99.0
$6,000 or more	93,374,486	82.1	3,393,473,396	98.3	36,343	83,415,611	92.8	3,280,234,874	99.3
$5,000 or more	96,333,990	84.7	3,409,739,973	98.8	35,395	84,955,376	94.5	3,288,805,569	99.6
$4,000 or more	99,473,432	87.5	3,423,862,232	99.2	34,420	86,003,350	95.7	3,293,503,506	99.7
$3,000 or more	102,650,835	90.3	3,434,916,415	99.5	33,462	87,123,750	97.0	3,297,457,998	99.9
$2,000 or more	106,255,627	93.4	3,443,878,225	99.8	32,411	87,992,812	97.9	3,299,612,528	99.9
$1,000 or more	110,029,416	96.8	3,449,524,583	100.0	31,351	89,131,393	99.2	3,301,287,875	100.0
$1 or more	112,812,262	99.2	3,451,237,012	100.0	30,593	89,855,049	100.0	3,301,843,895	100.0
All returns	**113,717,138**	**100.0**	**3,405,427,348**	**98.7**	**29,946**	**89,862,434**	**100.0**	**3,298,920,383**	**99.9**

Footnotes at end of table.

Table 1.1-Selected Income and Tax Items, by Size and Accumulated Size of Adjusted Gross Income--Continued

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

Size and accumulated size of adjusted gross income	Taxable returns										
	Taxable income			Income tax after credits			Total income tax				
								Percentage of			
	Number of returns	Amount	Percentage of total	Number of returns	Amount	Percentage of total	Amount	Total	Taxable income	Adjusted gross income less deficit	Average income tax (dollars)
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Cumulated from largest size of adjusted gross income											
$1,000,000 or more	60,469	134,548,375	6.0	60,410	37,158,867	8.3	37,341,734	8.4	27.8	24.2	616,495
$500,000 or more	190,418	208,852,247	9.3	190,309	57,985,383	13.0	58,283,953	13.0	27.9	24.1	305,737
$200,000 or more	833,149	361,487,807	16.0	832,719	101,248,921	22.7	101,721,728	22.8	28.1	23.7	122,007
$100,000 or more	3,158,134	591,957,674	26.2	3,157,111	158,922,164	35.6	159,545,371	35.7	27.0	21.7	50,501
$75,000 or more	6,429,569	797,155,157	35.3	6,428,164	203,263,286	45.5	203,920,623	45.6	25.6	20.1	31,709
$50,000 or more	17,353,940	1,263,630,440	56.0	17,351,698	290,455,048	65.1	291,162,089	65.1	23.0	17.4	16,776
$40,000 or more	26,166,239	1,534,007,347	68.0	26,162,827	335,299,099	75.1	336,013,797	75.1	21.9	16.3	12,841
$30,000 or more	38,380,348	1,814,162,312	80.4	38,376,106	380,593,807	85.3	381,317,244	85.3	21.0	15.3	9,934
$25,000 or more	46,130,432	1,947,480,339	86.3	46,126,190	401,149,236	89.9	401,874,706	89.9	20.6	14.9	8,711
$20,000 or more	55,557,130	2,071,182,959	91.8	55,556,088	419,528,850	94.0	420,276,770	94.0	20.3	14.4	7,564
$19,000 or more	57,689,285	2,094,804,404	92.9	57,688,243	422,984,829	94.8	423,732,954	94.8	20.2	14.4	7,344
$18,000 or more	59,876,622	2,117,163,099	93.9	59,875,579	426,197,466	95.5	426,945,633	95.5	20.2	14.3	7,130
$17,000 or more	62,097,063	2,137,384,729	94.8	62,096,021	429,051,638	96.1	429,799,804	96.1	20.1	14.2	6,921
$16,000 or more	64,216,701	2,155,759,945	95.6	64,215,659	431,604,451	96.7	432,352,667	96.7	20.1	14.1	6,732
$15,000 or more	66,245,662	2,172,140,490	96.3	66,244,619	433,892,535	97.2	434,641,324	97.2	20.0	14.0	6,560
$14,000 or more	68,294,075	2,187,377,429	97.0	68,293,033	436,042,280	97.7	436,791,070	97.7	20.0	14.0	6,395
$13,000 or more	70,313,828	2,200,877,791	97.6	70,312,785	438,007,198	98.1	438,759,619	98.1	19.9	13.9	6,239
$12,000 or more	72,265,547	2,212,341,315	98.1	72,264,504	439,721,054	98.5	440,473,475	98.5	19.9	13.9	6,095
$11,000 or more	74,199,018	2,221,981,990	98.5	74,197,976	441,187,353	98.9	441,939,810	98.8	19.9	13.8	5,955
$10,000 or more	76,067,308	2,230,296,264	98.9	76,066,266	442,429,144	99.1	443,181,602	99.1	19.9	13.8	5,826
$9,000 or more	77,877,215	2,237,434,619	99.2	77,876,173	443,490,564	99.4	444,243,021	99.4	19.9	13.7	5,704
$8,000 or more	79,603,542	2,243,042,231	99.4	79,602,500	444,334,230	99.6	445,087,178	99.5	19.8	13.7	5,591
$7,000 or more	81,473,397	2,247,426,345	99.6	81,477,763	444,998,879	99.7	445,752,529	99.7	19.8	13.6	5,470
$6,000 or more	83,398,875	2,250,454,368	99.8	83,405,945	445,462,117	99.8	446,221,712	99.8	19.8	13.6	5,349
$5,000 or more	84,933,642	2,252,225,899	99.8	84,945,711	445,751,806	99.9	446,511,401	99.9	19.8	13.6	5,256
$4,000 or more	85,979,744	2,253,765,290	99.9	85,991,813	445,989,793	99.9	446,754,473	99.9	19.8	13.6	5,195
$3,000 or more	87,100,145	2,254,411,217	99.9	87,112,213	446,094,897	100.0	446,860,004	99.9	19.8	13.6	5,129
$2,000 or more	87,969,207	2,254,955,677	100.0	87,981,275	446,190,345	100.0	446,955,452	100.0	19.8	13.5	5,079
$1,000 or more	89,107,787	2,255,462,102	100.0	89,119,856	446,273,753	100.0	447,038,860	100.0	19.8	13.5	5,016
$1 or more	89,831,443	2,255,609,952	100.0	89,843,511	446,296,040	100.0	447,061,147	100.0	19.8	13.5	4,975
All returns	**89,831,443**	**2,255,609,952**	**100.0**	**89,844,225**	**446,296,392**	**100.0**	**447,126,703**	**100.0**	**19.8**	**13.6**	**4,976**

(1) Percentage not computed.
(2) Less than 0.05 percent.
NOTE: Detail may not add to total because of rounding.

Tax-Based Research and Data on Nonprofit Organizations, 1975-1990

by Daniel F. Skelly

Tax-exempt organizations represent a significant and growing sector within the U.S. economy [1]. For 1990, the revenues and expenses of tax-exempt organizations each represented 10 percent of the gross domestic product (GDP), up from less than 6 percent for 1975 (Figure A). Between 1975 and 1990, assets of tax-exempt organizations increased in real terms by over 150 percent, while revenues increased by over 227 percent. This is in comparison to a growth in real GDP of 52 percent over the same period.

For 1990, there were approximately 1.4 million tax-exempt, nonprofit organizations in the "independent sector." Of these, 350,000 were churches, synagogues and other religious organizations that, although tax-exempt, were not required to register or file tax returns with the Internal Revenue Service (IRS). Of the approximately 1 million organizations registered as tax-exempt with the IRS, almost 455,000 were "nonprofit charitable organizations," exempt under Internal Revenue Code section 501(c)(3), that engaged in educational, research, scientific, religious, philanthropic, and other charitable activities [2]. The remaining organizations encompassed a vast array of voluntary and philanthropic institutions that provide a wide variety of services to the American population. These include, among others, civic leagues and social welfare organizations, business leagues, recreational and social clubs, fraternal and voluntary employees' beneficiary associations, and Federal credit unions.

Has the growth in the nonprofit sector been induced by cutbacks in Federal social programs? How has the mix of contributions received, program fees, investment income, and commercial income from unrelated activities fueled the growth in the sector? What types of organizations have exhibited the biggest growth rates and why? What role has the Government played in the growth? What policy decisions have contributed to the expansion of the sector? Tax policy issues like these can be addressed using data collected from Federal information and tax returns filed by tax-exempt organizations.

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Data from Federal information and tax returns of tax-exempt organizations are available from several sources [3]. First, the Statistics of Income (SOI) organization of the IRS, using sample data, conducts studies of tax-exempt, nonprofit organizations. Income statement, balance sheet, and other financial data, as well as a great amount of nonfinancial information, are collected in these SOI studies. The data are subject to comprehensive testing and correction procedures to ensure that they are of high quality. Second, the IRS collects, for administrative purposes, selected data items from all tax-exempt organization returns filed. Only limited information (for example, total assets and total receipts) is available to the public from this administrative file. These data are subject to limited testing; thus, taxpayer filing errors may not always be corrected. Finally, current information on tax-exempt organizations can be gathered from the actual returns filed. Copies of the publicly-disclosed tax and information returns can be obtained from the IRS district office where the organization is located or through public inspection at the organization itself.

From 1975 to 1990, the growth of tax-exempt organizations substantially exceeded the growth of the national economy.

The primary purposes of this article are to document the growth in the nonprofit sector relative to the economy as a whole and to describe ongoing SOI studies of nonprofit organizations [4]. Readers interested in the specific types of information on nonprofits available through SOI will appreciate the Products and Services section of this paper.

SOI Studies of Nonprofit Organizations

Beginning in the mid-1970's, SOI again began to collect information on nonprofit organizations, including periodic studies of private foundations and other tax-exempt organizations. Since 1982, studies of private foundations and nonprofit charitable organizations have been conducted annually (except for 1984) [5]. For 1988, the study of nonprofit charitable organizations was expanded to include organizations exempt under Code section 501(c)(4)-(9). An annual study of the "unrelated business income" of tax-exempt organizations was initiated in 1987. Together, these studies provide a basis for examining the growth in the nonprofit sector of the economy.

SOI data indicate that the growth of tax-exempt organizations from 1975 to 1990 substantially exceeded the growth of the national economy as a whole (Figure B). For example, while the real GDP grew by 51 percent in

Figure A

Total Revenue and Total Expenses as Percentages of Gross Domestic Product (GDP) for All Tax- Exempt Organizations, 1975 and 1990[1]

[Money amounts are in millions of dollars.]

Tax year	Total revenue	Percentage of GDP	Total expenses	Percentage of GDP
	(1)	(2)	(3)	(4)
1975[2]	93,833	5.9	90,135	5.7
1990[3]	577,900	10.4	551,058	9.9

[1]Organizations exempt under section 501(c) of the Internal Revenue Code, including private foundations.
[2] Includes amounts from the 1975 Statistics of Income study of section 501(c) organizations, excluding private foundations; augmented by estimates for foundations.
[3] Preliminary.

Figure B

Selected Data for Nonprofit Charitable Organizations, Except Private Foundations, in 1987 Constant Dollars

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

Item	1975	1982	1985	1986	1987	1988	1990[1]
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total assets	220,546	333,697	448,670	504,830	529,514	561,668	597,058
Total revenue	110,057[2]	234,255	284,311	301,840	310,766	341,334	359,978
Contributions, gifts, and grants	34,775	49,251	59,079	62,038	61,686	66,469	71,673
Dues and assessments	3,105	2,955	3,974	3,856	4,187	3,822	4,421
Program service revenue	n.a.	148,417	177,858	193,946	211,404	230,311	n.a.
Investment income	n.a.	11,302	14,758	14,296	16,192	18,543	20,062
Total expenses	104,165[2]	216,347	258,701	271,897	288,681	318,397	343,268
Program service expenses	74,737	180,988	218,850	229,003	242,188	270,975	n.a.
Gross domestic product[3]	3,221,700	3,760,300	4,279,800	4,404,500	4,539,900	4,718,600	4,897,300

Selected Data for Private Foundations, in 1987 Constant Dollars

[Money amounts are in millions of dollars]

Item	1974	1979	1982	1985	1986	1987	1988	1990[1]
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Fair market value of total assets	n.a.	68,165	75,044	102,849	116,797	114,301	124,051	142,283
Investments in securities	n.a.	n.a.	59,455	79,481	89,799	87,352	95,833	n.a.
Total revenue	7,267	9,180	10,891	17,387	20,672	17,117	15,669	16,275
Contributions received	2,710	3,484	3,197	5,786	7,382	5,285	5,070	5,465
Interest and dividends[4]	3,151	3,696	4,499	5,117	5,312	5,577	6,213	6,903
Net gain (less loss) from sale of assets	659	1,157	2,129	5,432	7,218	5,567	3,514	3,570
Total expenses	7,100	5,398	6,962	7,671	8,539	9,072	9,389	10,705
Grants paid	4,350	4,276	5,344	5,717	6,504	7,061	7,303	n.a.
Gross domestic product[3]	3,248,100	3,796,800	3,760,300	4,279,800	4,404,500	4,539,900	4,718,600	4,897,300

[1] Preliminary.
[2] Estimated from other data included in the SOI study of nonprofit organizations.
[3]Gross Domestic Product (GDP) data are from the Economic Report of the President, Table B-2, February 1994.
[4]This number represents the sum of "Interest on savings and temporary cash investments" and "Dividends and interest from securities."
n.a.-Not available.

the period from 1974 to 1990, the revenue of private foundations, adjusted for inflation, increased by 124 percent. The total revenue and total expenses of nonprofit charitable organizations, excluding private foundations, each grew by more than 225 percent from 1975 to 1990, while real GDP increased by 52 percent [6]. In current dollars, total revenue and expenses of all nonprofit charitable organizations, including private foundations, grew from less than 4 percent of GDP in 1975 to nearly 8 percent in 1990 (Figure C).

Nonprofit organizations tax-exempt under Internal Revenue Code section 501(c)

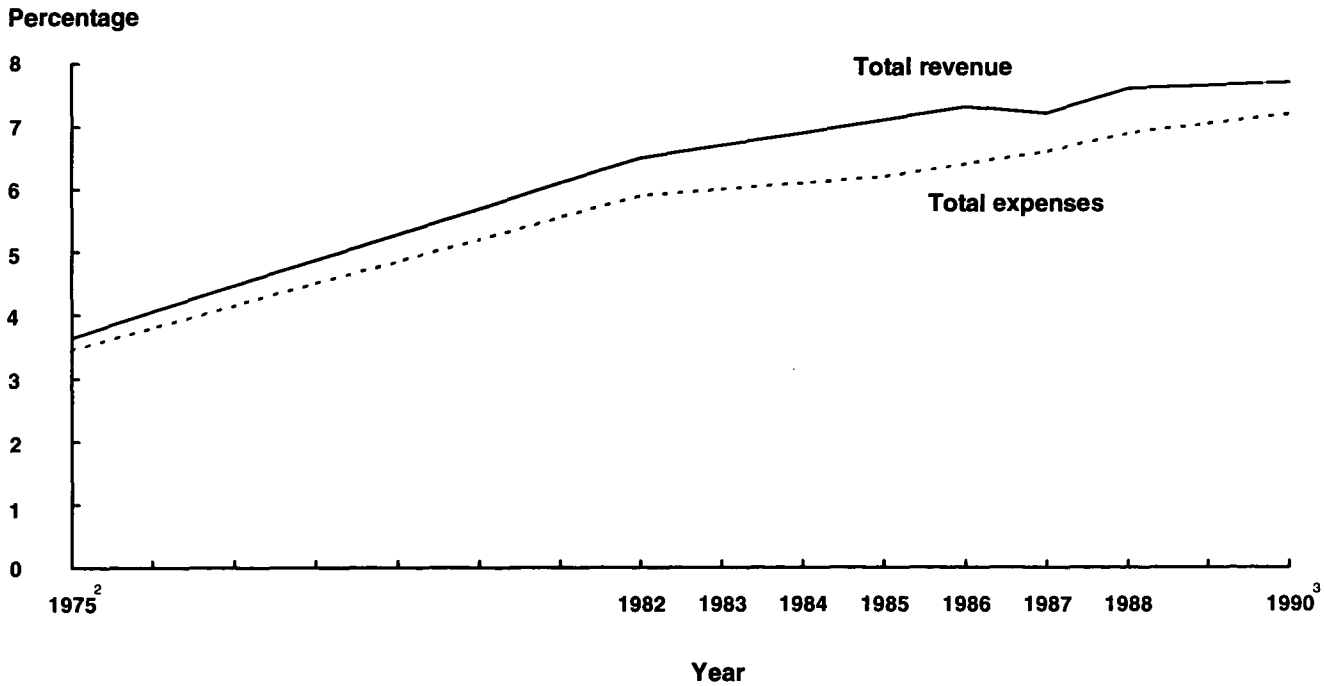
The first recent study of tax-exempt organizations conducted by SOI was for 1975 and included all section 501(c) organizations, charitable as well as other nonprofit organizations, but excluded private foundations. The most recent complete SOI financial data available for nonprofit charitable organizations are for 1989 [7]. The data base is a stratified probability sample of 11,400 organizations that includes all nonprofit charitable organizations with $10 million or more in assets (6,900 organizations) and 4,500 organizations with less than $10 million in assets. These data on nonprofit charitable organizations have also been classified by type of organization, including hospitals, educational institutions, and support organizations [8]. The 1989 data for Code section 501(c)(4)-(9) organizations consist of a sample of approximately 10,800 returns selected from a population of 97,300.

Administrative Data on Nonprofits

By any measure, nonprofit charitable organizations (excluding private foundations) receiving tax-exempt status under section 501(c)(3) are the largest group of tax-exempt organizations. Based on data for 1990 from IRS administrative files, returns filed by nonprofit charitable organizations represented 53 percent of the returns filed by all organizations tax-exempt under section 501(c) and

Figure C

Internal Revenue Code Section 501(c)(3) Organizations: Total Revenue and Total Expenses as Percentages of Gross Domestic Product, 1975-1990 [1]



[1]Includes private foundations and nonprofit charitable organizations.
[2]1975 data for private foundations were estimated based on 1974.
[3]Preliminary.

accounted for 66 percent of the total assets reported. Between 1975 and 1990, the number of nonprofit charitable organizations grew by 25 percent.

Over the 1975 to 1990 period, in real terms, total assets of nonprofit charitable organizations grew by 171 percent while total assets of business leagues, Code section 501(c)(6); State-chartered credit unions, section 501(c)(14); certain mutual insurance companies, section 501(c)(15); and war veterans organizations, section 501(c)(19), each grew by more than 140 percent. Total revenue for nonprofit charitable organizations grew by 275 percent over this period compared to real GDP growth of 52 percent.

Total revenue for all organizations exempt under section 501(c) (excluding private foundations) reached $560 billion for 1990, with nonprofit charitable organizations accounting for 73 percent, while voluntary employees' beneficiary associations, section 501(c)(9), and civic leagues and social welfare organizations, section 501(c)(4), ranked second and third. Total investment income was $33.5 billion, with $22.6 billion coming from nonprofit charities. Ranking second were State-chartered credit unions with $3.9 billion, followed by voluntary employees' beneficiary associations with $2.1 billion.

Total assets for all tax-exempt organizations exceeded $1 trillion (Figure D). Nonprofit charitable organizations held 66 percent of total assets, followed by State-chartered credit unions with 12 percent.

SOI Data on Nonprofits

More detailed information on exempt organizations is available from the SOI data files. Based on data from the 1989 SOI data file, program service revenue (fees collected to administer charitable programs) was the largest component of total nonprofit charitable organization revenue for 1989, accounting for nearly two-thirds of total revenue. Program service revenue includes a broad spectrum of revenue sources, such as hospital charges for patient care (whether paid by the patient or through third-party reimbursement); tuition, fees, and day-care charges at educational institutions; admissions to museums, concerts, and other performing arts events; educational workshop fees; charges for athletic programs and housing facilities at YMCA's; and payments received for insurance and retirement coverage by pension and annuity fund companies.

However, while program service fees were the major source of revenue for the large nonprofit charities, contributions (received directly from the public or indirectly through fundraising campaigns and Government grants) comprised the major portion of the revenues of the smaller charities. For 1989, contributions represented about 50 percent ($15.7 billion) of the total revenue ($27.5 billion) of organizations with assets of less than $1 million.

Using data from its nonprofit studies, SOI has recently been able to focus its attention on nonprofit hospitals, their financial performance, and how they compare to for-profit hospitals. Nonprofit hospitals and other health-care organizations hold over 30 percent of total nonprofit charitable organization assets and earn 45 percent of total revenue. While the nonprofit hospitals, as a group, hold over five times as much in assets as the for-profit hospitals, the assets of for-profit hospitals grew over three times as fast as those of nonprofit hospitals during the 1980's. Using data collected from IRS tax returns, along with supplementary data from the American Hospital Association and the National Center for Education Statistics, SOI has recently examined comparative financial indicators for nonprofit and for-profit hospitals, such as asset and revenue growth rates, operating margins, debt-to-equity ratios, and returns on equity. The results of the analysis show that the nonprofit hospitals earned higher operating margins, had notably lower debt-to-equity ratios, and earned similar returns on equity when compared to the for-profit hospitals. However, after accounting for the nonprofit advantage of tax-exempt bond financing, the for-profit hospitals earned higher "revised" operating margins and higher "revised" returns on equity than did the nonprofits. Figures E and F show hospital operating margins for the years 1987-1989.

Private foundations

The first SOI studies of information returns filed by private foundations were for 1974 and 1979. For 1982, an annual series was started. Included in the annual samples are the returns of all private foundations with total assets (book value) of $10 million or more (almost 1,500 returns for 1990, the most recent year for which data are available) [9]. These 1,500 returns, representing only 4 percent of the foundation population, accounted for 82 percent of the total assets of all private foundations. The returns in the remainder of the sample were randomly selected at various rates, ranging from 5.9 percent to 15.4 percent, depending on the size of the book value of total assets. For 1990, private foundations held $164.8 billion in assets and realized $19.5 billion in revenues.

One of the striking characteristics of foundations is the significance of investment assets as a percentage of the fair market value of total assets (Figure G). For 1990, investment assets accounted for 94.8 percent of total assets, with investments in securities alone accounting for 76.6 percent of total assets. Of the 76.6 percent, investments in corporate stock represented 48.1 percent; investments in U.S. and State Government obligations represented 19.7 per-

Figure D

Code Section 501(c)(3) Tax Exempt Organizations, Excluding Private Foundations: Number of Returns and Selected Financial Information, by Type of Organization, 1975 and 1990

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

Type of organization Internal Revenue Code section 501(c) subsection[1]	Number of returns	Total assets	Total liabilities	Total revenue[2]	Contributions, gifts, and grants	Gross dues and assessments	Total expenses[2]
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1975							
Total	**220,197**	**176,286,448**	**75,735,071**	**90,286,469**	**20,564,692**	**19,424,262**	**86,669,725**
Corporations organized under Act of Congress (1)	665	6,017,352	5,806,477	514,988	10,712	26,590	481,133
Title holding companies (2)	3,263	1,650,326	852,933	405,306	22,669	22,807	400,958
Charitable, religious, educational, and scientific organizations (3)	82,048	108,508,657	36,335,259	54,148,810	17,109,471	1,527,545	51,249,949
Civic leagues, social welfare and local associations of employees (4)	28,064	12,727,346	9,145,790	14,700,650	680,546	8,556,313	14,841,056
Labor, agricultural and horticultural organizations (5)	28,258	4,052,011	517,756	4,743,437	119,571	3,233,684	4,627,708
Business leagues, chambers of commerce, and real estate boards (6)	17,530	3,468,646	1,533,241	3,217,865	230,020	2,155,722	3,220,802
Social and recreational clubs (7)	18,228	3,379,389	1,161,802	1,899,864	31,952	1,081,785	1,888,801
Fraternal beneficiary societies (8)	12,066	6,296,592	4,274,971	1,430,821	45,617	719,610	1,339,760
Certain mutual and beneficiary associations (9)	4,285	4,301,564	1,507,429	4,958,124	1,925,523	1,648,112	4,841,506
Domestic fraternal societies (10)	4,674	1,202,932	400,195	300,514	21,327	94,487	273,625
Teachers retirement fund associations (11)	49	236,721	31,143	38,177	*5,911	*4,062	22,118
Local benevolent life insurance associations (12)	4,975	10,723,199	8,118,740	1,965,357	16,640	154,357	1,805,488
Cemetery companies (13)	1,518	1,044,161	221,874	180,880	5,076	1,931	154,320
State-chartered credit unions (14)	1,610	11,156,481	5,304,101	966,615	*1,225	8,265	577,337
Certain mutual insurance companies or associations (15)	864	115,065	6,834	56,934	*1	25,254	49,473
Farmers cooperatives organized to finance crop operations (16)	36	214,318	158,873	51,511	*18,460	*12,123	45,763
Supplemental unemployment benefit trusts (17)	496	292,046	76,960	425,758	244,362	65,411	610,393
Employee-funded pension trusts (18)	*42	*112,393	880	*12,546	*6,684	*23	*8,022
War veterans organizations (19)	1,921	167,478	30,381	88,693	6,848	23,089	81,267
Organizations not specified	9,605	619,773	239,436	244,171	62,078	63,092	216,529
1990							
Total	**274,483**	**1,019,138,751**	**461,646,309**	**559,526,262**	**93,363,490**	**30,254,786**	**538,991,732**
Corporations organized under Act of Congress (1)	1	9,501	9,057	--	--	--	1,140
Title holding companies (2)	2,634	13,238,730	2,678,973	1,714,842	55,638	31,415	676,250
Charitable, religious, educational, and scientific organizations (3)	146,041	674,078,671	305,117,957	406,414,677	80,918,569	4,990,978	387,549,701
Civic leagues, social welfare and local associations of employees (4)	23,098	30,959,948	21,186,898	19,053,822	1,700,786	2,019,975	18,465,150
Labor, agricultural and horticultural organizations (5)	21,989	13,990,196	2,413,756	12,720,921	310,698	7,716,959	12,190,669
Business leagues, chambers of commerce, and real estate boards (6)	23,916	19,395,481	11,525,202	18,423,846	1,016,425	7,722,588	18,188,157
Social and recreational clubs (7)	15,566	9,222,228	3,010,745	3,750,009	51,427	3,484,404	5,880,650
Fraternal beneficiary societies (8)	9,397	30,488,112	24,610,541	6,990,985	112,779	507,630	7,079,262
Certain mutual and beneficiary associations (9)	10,224	33,446,314	11,749,215	54,587,516	4,550,623	2,653,334	53,749,610
Domestic fraternal societies (10)	1,201	1,116,723	74,488	353,872	48,662	96,936	271,088
Teachers retirement fund associations (11)	6	527,415	10,041	78,579	--	12,553	47,581
Local benevolent life insurance associations (12)	3,299	41,754,694	28,548,753	10,332,493	543,391	194,071	15,092,661
Cemetery companies (13)	1,747	3,665,667	622,495	516,792	14,180	3,724	520,156
State-chartered credit unions (14)	1,152	119,522,430	41,981,289	11,698,822	2,349,248	152,260	7,539,145
Certain mutual insurance companies or associations (15)	738	918,094	720,030	269,450	1,154	61,399	233,412
Farmers cooperatives organized to finance crop operations (16)	11	265,603	217,464	21,942	109	71	19,674
Supplemental unemployment benefit trusts (17)	247	637,948	28,175	741,445	40,741	11,822	738,879
Employee-funded pension trusts (18)	4	851,911	10,293	105,613	--	6,027	62,777
War veterans organizations (19)	5,005	1,237,677	195,801	432,637	49,269	97,404	612,452
Organizations not specified	8,207	23,811,408	6,935,136	11,317,990	1,599,791	491,236	10,073,318

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

[1]Numbers in parentheses refer to subsections of Internal Revenue Code section 501(c).

[2]Total revenue and total expenses for 1975 estimated from other data included in the SOI study of nonprofit organizations (excluding private foundations).

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

Figure E

Hospital Operating Margins[1]

Size of hospital[2]	Median operating margins (percents)		
	1987	1988	1989
	(1)	(2)	(3)
Nonprofit			
Total	2.0	2.2	2.1
Small hospitals	1.5	1.5	1.1
Large hospitals	3.3	3.2	3.5
For-profit			
Total	1.9	-0.1	1.3
Small hospitals	1.9	-0.1	1.3
Large hospitals	-0.3	0.2	1.6

[1] Operating margin equals total revenue minus total expenses, divided by total revenue.
[2] Small hospitals hold less than $50 million in assets while large hospitals hold $50 million or more.

Figure F

"Revised" Hospital Operating Margins[1]

Size of hospital[2]	Median operating margins (percents)		
	1987	1988	1989
	(1)	(2)	(3)
Nonprofit			
Total	4.6	4.6	4.7
Small hospitals	3.7	3.7	3.5
Large hospitals	6.2	6.0	6.3
For-profit			
Total	5.7	3.1	4.8
Small hospitals	4.8	0.2	3.2
Large hospitals	11.5	10.6	12.0

[1] Revised operating margin equals total revenue minus total expenses (except interest expense), divided by total revenue.
[2] Small hospitals hold less than $50 million in assets while large hospitals hold $50 million or more.

cent; and investments in corporate bonds represented 8.7 percent.

Beginning with 1989 data, SOI again began collecting annual data on the charitable trusts included under Code section 4947(a)(1). These trusts have exclusively charitable interests, and, like foundations, file Form 990-PF. The trusts, which are presented separately from the foundations, represent only 6 percent of all Form 990-PF filers. For 1990, over 2,680 trusts held $2.8 billion in total assets and realized $270 million in total revenues.

Tax-exempt organizations' unrelated business income

In 1950, Congress imposed a tax on the income of tax-exempt organizations earned from a trade or business not substantially related to the organization's exempt purpose or function. The law's purpose was to restrict the potential for unfair competition between nonprofits and taxable for-profit businesses providing similar services. The Tax Reform Act of 1969 revised and expanded this tax on "unrelated business income." In more recent years, with Federal cutbacks in funding for social programs leading to increased fiscal pressure on exempt organizations, there has been an increased focus on the movement of exempt organizations into commercial activities and on the resulting impact of this movement on for-profit businesses.

SOI is currently collecting data on unrelated business income of tax-exempt organizations for Tax Years 1988 to 1990. Data are expected to be available by the fall of 1994.

Figure G

Percentage Distribution of Asset Components for Private Foundations, by Size of Fair Market Value of Total Assets, 1990

[Money amounts are in billions of dollars.]

Item	All foundations	Size of fair market value of total assets			
		$1 under $1,000,000	$1,000,000 under $10,000,000	$10,000,000 under $50,000,000	$50,000,000 or more
	(1)	(2)	(3)	(4)	(5)
Fair market value of assets, total	**164.8**	**6.0**	**23.0**	**27.4**	**108.4**
	(Percentages of total assets)				
Cash, non-interest-bearing accounts	0.8	6.0	1.8	1.1	0.2
Receivables[1]	1.0	3.0	1.6	1.7	0.6
Investments, total	94.8	84.2	91.1	92.2	96.8
Securities	76.6	50.3	67.2	73.9	80.7
U.S. and State Government obligations	19.7	13.9	22.1	23.3	18.6
Corporate stock	48.1	27.7	35.3	38.3	54.5
Corporate bonds	8.7	8.7	9.8	12.3	7.6
Savings and temporary cash investments	8.4	24.3	14.7	9.6	5.9
Land, buildings, and equipment (less accumulated depreciation)	2.1	1.6	2.4	2.2	2.1
Other investments	7.3	6.8	5.9	6.0	7.9
Charitable purpose land, buildings, and equipment (less accumulated depreciation)	1.8	3.8	3.4	3.4	1.0
Other assets	1.5	2.9	2.0	1.5	1.3

[1] Receivables include accounts receivable, pledges receivable, grants receivable, receivables due from disqualified persons and other notes and loans receivable (excluding mortgages).
NOTE: Detail may not add to 100 percent because of rounding.

Products and Services

Information on all of SOI's nonprofit studies are published in the quarterly *Statistics of Income Bulletin.* In addition, a *Compendium of Studies of Tax-Exempt Organizations: 1974-1987* was released by SOI [10,11]. This volume is comprised of articles published in the *Statistics of Income Bulletin,* the *Proceedings of the American Statistical Association,* and the *INDEPENDENT SECTOR's Spring Research Forum Working Papers,* along with facsimiles of tax forms and instructions and previously unpublished articles and tables. A second volume in SOI's tax-exempt compendium series, with updated articles on the tax-exempt sector, was published in the fall of 1993 [12]. These compendiums represent only a portion of the available statistical information that might be of value to interested users.

Copies of the microdata tapes for foundations and charitable organizations are available for purchase from Statistics of Income. Since the returns are open to public inspection, these tapes contain identifiable records. Since tax returns on the unrelated business income of organizations are not publicly disclosed, data from Form 990-T returns are not available on tape. Special tabulations can be prepared from all three sources on a reimbursable basis.

Conclusion

SOI is responding to rapid changes in the nonprofit sector with new programs for data collection and analysis. These can be classified as follows:

- *Programs to keep pace with growth and diversity in the nonprofit sector.* SOI is responding to the rapid growth and diversity of the nonprofit sector by working to improve the classification of tax-exempt organizations. This includes recoding all of the organizations registered with IRS, based on the National Taxonomy for Exempt Entities (NTEE) coding scheme. This will allow for better information about the various segments of the nonprofit sector, and will allow the IRS to identify groupings where there is a need to improve compliance through education efforts. In addition, SOI is helping with efforts to revise the Standard Industrial Classification (SIC) coding scheme to better reflect the activities of tax-exempt organizations.

- *Programs to compare for-profit and nonprofit organizations.* SOI is considering ways to expand the scope of its current statistical programs so that it would be possible to compare for-profit and nonprofit institutions, such as hospitals, in more systematic ways. Current comparisons of nonprofit and for-profit hospitals are a first step in this direction.

- *Programs to study the commercial income of nonprofits.* SOI has efforts underway to associate unrelated (commercial) income and income related to the exempt function of organizations. In addition, there are plans to collate information on nonprofits with their for-profit subsidiaries. This would permit an examination of organizational structures composed of different business types, such as hospitals.

Notes and References

[1] The term "tax-exempt organizations" applies to all organizations exempt from Federal income tax under Internal Revenue Code section 501(c). Tax-exempt status is accorded by the U.S. Government to organizations that engage in charitable, religious, and certain other nonprofit activities. The exemption from Federal income tax and the deduction from income allowed to individuals and businesses contributing to section 501(c)(3) organizations have been the major incentives Congress has provided to encourage these philanthropic activities.

[2] The Internal Revenue Code of 1986.

[3] Tax-exempt organizations file Form 990, *Return of Organization Exempt from Income Tax*; Form 990-PF, *Return of Private Foundation*; and Form 990-T, *Exempt Organization Business Income Tax Return.*

[4] See also Skelly, Daniel and Steuerle, Eugene, "The Nonprofit Sector and Taxes: Invaluable and Largely Untapped Research Bases," *Journal of Nonprofit Management and Leadership*, Summer 1992.

[5] Charitable organizations exempt under Code section 501(c)(3) are hereafter referred to as "nonprofit charitable organizations."

[6] Nonprofit charitable organizations differ from private foundations, which are also exempt under section 501(c)(3), because they derive their funds primarily from the general public.

[7] Hilgert, Cecelia and Arnsberger, Paul, "Charitable and Other Tax-Exempt Organizations, 1988." *Statistics of Income Bulletin*, Volume 12, Number 1, Summer 1992.

[8] Detailed financial information on these three types of

organizations is available on an annual basis from 1982 forward (except 1984).

[9] Riley, Margaret and Meckstroth, Alicia, "Private Foundation Returns, 1988," *Statistics of Income Bulletin*, Volume 11, Number 3, Winter 1991-1992, Internal Revenue Service, Fall 1991. See also Meckstroth, Alicia, "Analyzing the Trends Within Private Foundations," *Trusts and Estates*, August 1991, pp. 38-47.

[10] Meckstroth, Alicia, "Providing Health Care in America: A Comparative Analysis of Nonprofit and For-profit Hospitals," *INDEPENDENT SECTOR's Spring Research Forum Working Papers*, 1993, pp. 565-582.

[11] *Statistics of Income—Compendium of Studies of Tax-Exempt Organizations, 1974-1987*, 1991.

[12] *Statistics of Income—Compendium of Studies of Tax-Exempt Organizations, 1986-1992*, Volume 2, Fall 1993.

Controlled Foreign Corporations, 1990

Data Release

For 1990, the 7,500 largest (in total assets) foreign corporations controlled by large (more than $500 million in total assets) U.S. multinational corporations held nearly $1.3 trillion in assets and reported receipts of over $1.1 trillion. These amounts reflect increases from 1988 (the last year for which statistics are available) of over 30 percent in reported assets and receipts [1].

More than two-thirds of the largest 7,500 Controlled Foreign Corporations (CFC's) were in two industrial divisions, manufacturing, and finance, insurance, and real estate for 1990 (Table 1). However, over the last several years the number of top 7,500 CFC's in the manufacturing division has steadily declined, falling from 3,341 for 1986 to 2,962 for 1990, a decrease of over 11 percent. In spite of the decline, these 2,962 CFC's, nearly 40 percent of the largest 7,500, accounted for over half of the total $88.7 billion of "current earnings and profits" (less deficit) before taxes reported by the largest CFC's for 1990. In contrast, the number of CFC's in finance, insurance, and real estate steadily increased over this same period, climbing from 1,911 for 1986 to 2,234 for 1990, an increase of nearly 17 percent. These 2,234 CFC's, nearly 30 percent of the largest 7,500, accounted for approximately 16 percent of the current earnings and profits before taxes. The number of CFC's in wholesale and retail trade and their percentage share of current earnings and profits before taxes remained fairly consistent across this same period. For 1990, approximately 15 percent of the largest 7,500 CFC's were wholesalers and retailers and these corporations accounted for slightly more than 16 percent of the current earnings and profits before taxes. The number of CFC's in the services division also increased during this period, growing from 519 for 1986 to 655 for 1990. This division accounted for 9 percent of the largest 7,500 CFC's and 3 percent of the current earnings and profits before taxes for 1990.

Over half of the receipts and current earnings and profits before taxes reported by CFC's within the manufacturing division were accounted for by three major industrial groups: motor vehicles and equipment, chemicals and allied products, and non-electrical machinery. However, the proportion of receipts and profits accounted for by each of these groups varied. Those in the motor vehicles and equipment group accounted for 20 percent of the total receipts of $629.4 billion and 8 percent of the current earnings and profits before taxes of $46.9 billion reported by all CFC's that were manufacturers, while those classified in chemicals and allied products accounted for 16 percent of the total receipts and 21 percent of the current earnings and profits before taxes. CFC's classified under non-electrical machinery reported 15 percent and 22 percent of the total receipts and current earnings and profits before taxes, respectively.

Sixty-six percent of the largest 7,500 CFC's were incorporated in Europe or Canada (Table 2). These CFC's accounted for 73 percent of the total assets, 75 percent of the total receipts, and 68 percent of current earnings and profits before taxes reported for the largest 7,500 CFC's. Collectively, 2,622 (35 percent) of the largest 7,500 CFC's were incorporated in just three countries: the United Kingdom, Canada, and West Germany. These corporations accounted for 47 percent of the total assets, 45 percent of the total receipts, and 35 percent of current earnings and profits before taxes.

The United Kingdom was the country of incorporation for 1,257, approximately 17 percent, of the 7,500 largest CFC's (Table 3). These CFC's were heavily concentrated in finance, insurance, and real estate; nearly 44 percent of the CFC's incorporated in the United Kingdom were classified in this industrial division. However, they accounted for only 15 percent of the $189.8 billion in total receipts and 12 percent of the $11.8 billion in current earnings and profits before taxes reported for all CFC's incorporated in the United Kingdom. In contrast, CFC's in the manufacturing division accounted for more than half of the total receipts and nearly half of the current earnings and profits before taxes, even though they represented only 31 percent of the CFC's incorporated in the United Kingdom.

CFC's incorporated in Canada and West Germany accounted for 11 percent and 7 percent of the largest 7,500 CFC's, respectively. In both countries, nearly half of the CFC's were in the manufacturing industrial division (374 of 819 CFC's in Canada and 264 of 546 CFC's in West Germany). In Canada, these manufacturing CFC's accounted for 63 percent of the $174.3 billion in total receipts and 53 percent of the $10.5 billion in current earnings and profits before taxes reported for all CFC's in that country. Even higher percentages of receipts and profits were attributable to manufacturing CFC's in West Germany. There, CFC's in manufacturing accounted for 71 percent of the $134.4 billion in total receipts and 70 percent of the $6.4 billion in current earnings and profits before taxes reported for all West German CFC's.

Data Sources and Limitations

The statistics are based on data collected from corporation income tax returns in the Form 1120 series and attached Form(s) 5471, *Information Return of U.S. Persons with Respect to Certain Foreign Corporations* for U.S.

This data release was written by Sarah E. Nutter, an economist with the Foreign Returns Analysis Section, under the direction of Chris Carson, Chief.

corporations with accounting periods ending July 1990 through June 1991. These statistics report data for the largest (in terms of total assets) 7,500 foreign corporations controlled by U.S. corporations with total assets of $500 million or more. Because the Internal Revenue Service regulations require a U.S. corporation to submit a Form 5471 for any CFC with an accounting period ending with or within the U.S. parent's accounting period, the CFC's accounting period may have ended as early as August 1989 or as late as June 1991. However, most CFC activity did occur in Calendar Year 1990. The 7,500 largest CFC's accounted for approximately 94 percent of the total assets, 90 percent of the total receipts, and 92 percent of the current earnings and profits before taxes reported by all active CFC's of these U.S. corporations. The amount of total assets for these 7,500 largest CFC's ranged from approximately $17 million to nearly $20 billion [2].

Several limitations must be kept in mind when making comparisons to prior-year statistics. First, changes in the composition of the largest 7,500 CFC's may have occurred. For example, it is very possible that certain foreign corporations that were among the largest 7,500 CFC's for 1988 may still exist, but not be among the largest 7,500 CFC's for 1990. Second, large CFC's tend to be engaged primarily in manufacturing or finance, insurance, and real estate. For 1990, approximately 30 percent and 21 percent of all active CFC's of U.S. corporations with $500 million or more in assets were classified in manufacturing and in finance, insurance, and real estate, respectively. However, among the largest 7,500 CFC's, 40 percent were primarily engaged in manufacturing and 30 percent were classified in finance, insurance, and real estate. In contrast, the service and wholesale and retail trade divisions tend to be underrepresented in the largest 7,500 CFC's. Services and wholesale and retail trade accounted for 17 percent and 20 percent respectively, of all active CFC's controlled by U.S. parents with $500 million or more in assets, but only 9 percent and 16 percent of the largest 7,500 CFC's. Third, CFC's were classified by industrial group based on their principal business activity reported on Form 5471. Thus, it is not possible to measure the extent of any secondary business activities. Finally, pre-1986 statistics also included small and inactive CFC's. Therefore, some caution should be used in comparing statistics for the largest 7,500 CFC's to previously published statistics for years prior to 1986.

Explanation of Selected Terms

Controlled Foreign Corporation.--Under Internal Revenue Code section 957, a foreign corporation is a "Controlled Foreign Corporation" if more than 50 percent of its outstanding voting stock, or more than 50 percent of the value of all its outstanding stock is owned (directly, indirectly or constructively) by "U.S. shareholders" on any day during the foreign corporation's tax year. A "U.S. shareholder" for these purposes is defined as a U.S. person that owns 10 percent or more of the foreign corporation's total combined voting stock. (Ownership attribution rules apply here, and are discussed in Code section 958.) Apart from section 957 guidelines, a foreign corporation is "controlled," for purposes of these statistics, only if a single U.S. corporation satisfies either of the above 50 percent ownership requirements.

Country of Incorporation.--A CFC's country of incorporation was not necessarily the principal place where business was conducted. However, for 1990, less than 4 percent of the largest 7,500 CFC's reported a principal place of business other than their country of incorporation.

Current Earnings and Profits (Less Deficits) of Controlled Foreign Corporations.--The current portion of earnings and profits is the difference between beginning and end-of-year balances of accumulated earnings and profits available for distribution to the stockholders. Earnings and profits for tax purposes differs from both taxable income and income per books of account, but includes, for example, any tax-exempt income.

Distributions of Controlled Foreign Corporations.--The distributions of CFC's consisted primarily of dividends. Capital gain distributions and distributions paid out of capital (including capital stock, paid-in capital, and capital surplus) were generally not included.

OPEC Countries.--The members of the Organization of Petroleum Exporting Countries (OPEC) for 1990 were: Algeria, Ecuador, Gabon, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, United Arab Emirates, and Venezuela.

Subpart F Income.--For 1990, Subpart F of the Internal Revenue Code required certain U.S. shareholders of a Controlled Foreign Corporation to include in gross income the shareholder's ratable share of the CFC's: (1) Subpart F income, (2) increase in earnings invested in U.S. property, (3) previously excluded Subpart F income withdrawn from "qualified investments" in less developed countries and in "foreign base company" shipping operations, and (4) "factoring income." The Subpart F income of a CFC included: (1) certain insurance income, (2) "foreign base company" income, (3) international boycott participation income, (4) the sum of illegal bribes and other payments made to Government officials that would be unlawful under the Foreign Corrupt Practices Act of 1977, and (5) income derived from a country which is not recognized by the

United States, with which the United States does not conduct or has severed diplomatic relations, which repeatedly provides support for acts of international terrorism, or, for tax years beginning after January 1, 1988, the Republic of South Africa [3]. The total amount ($17.8 billion) reported for "Subpart F income" in Tables 1 through 3 is the shareholder's total pro rata share of includable income under the Subpart F rules. As such, the $17.8 billion is subject to U.S. tax, and includes Subpart F income (as defined above) of $13.5 billion, increases in earnings invested in U.S. property of $4.3 billion, previously excluded Subpart F income of $41.3 million, and factoring income of $8.0 million.

Tax Haven.--Tax haven countries are characterized by income tax rates that are lower than U.S. rates. In addition, financial and commercial information is frequently kept confidential. For purposes of the statistics, the following countries were classified as tax havens for 1990: Belize, Costa Rica, Panama, Barbados, Cayman Islands, Turks and Caicos Islands, Leeward Islands, Netherlands Antilles, Windward Islands, Antigua and Barbuda, Aruba, Bahamas, Bermuda, Luxembourg, Netherlands, Austria, Gibraltar, Liechtenstein, Monaco, Switzerland, Liberia, Bahrain, Singapore, and Hong Kong.

Total Receipts.--Receipts data on Controlled Foreign Corporations for 1990 are not altogether comparable with 1988, the last year for which statistics are available. For 1990, total receipts, consistent with other Statistics of Income data on corporations, equals business receipts (gross receipts from sales and operations), plus income from investments. For 1988, total receipts, as such, were not tabulated; instead, the term "business receipts" was used to describe data based on the larger of business receipts (gross receipts from sales and operations) and "total income." The latter is a tax return concept used to describe business receipts less cost of sales and operations, i.e., "gross profit," plus income from investments.

Notes and References

[1] Statistics of Income (SOI) studies on Controlled Foreign Corporations have historically been conducted every other year and, thus comparisons are made to 1988 data (see Latzy, John and Miller, Randy, "Controlled Foreign Corporations, 1988," *Statistics of Income Bulletin*, Fall 1992, Volume 12, Number 2). Previously published data for 1988 reported "business receipts," while the data included herein report "total receipts" (see "total receipts" in the *Explanation of Selected Terms* for definitions of these terms). Slight differences between these two measurements existed for 1990 as shown in Figure A. Overall, "total receipts" exceeded "business receipts" by approximately 3 percent and "total receipts" exceeded "business receipts" in all industrial divisions. Because of these differences, caution should be used when making comparisons to previous years based on receipts.

Figure A

Total Receipts and Business Receipts of the Largest 7,500 Controlled Foreign Corporations, 1990

[Money amounts are in thousands of dollars]

Industrial division	Total receipts	Business receipts
All industries	**1,111,407,020**	**1,080,135,455**
Agriculture, forestry and fishing	1,235,959	1,206,347
Mining	34,180,335	32,743,012
Construction	8,753,248	8,487,613
Manufacturing	629,398,700	609,643,852
Transportation and public utilities	15,469,041	14,876,475
Wholesale and retail trade	300,300,337	292,796,588
Finance, insurance and real estate	91,576,941	90,774,586
Services	29,742,444	28,881,867
Nature of business not allocable	750,015	725,115

[2] Based on unpublished data.

[3] For further information, see Latzy, John and Miller, Randy, "Controlled Foreign Corporations, 1988," *Statistics of Income Bulletin*, Fall 1992, Volume 12, Number 2.

Table 1.--U.S. Corporations with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Transactions by Type, by Selected Industrial Group of Controlled Foreign Corporation

[Money amounts are in thousands of dollars]

Selected industrial group of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns [1]	7,500 largest Controlled Foreign Corporations					
		Number of foreign corporations	Total assets	Total receipts	Current earnings and profits (less deficit) before taxes	Income taxes	Current earnings and profits (less deficit) after taxes
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All industries	**731**	**7,500**	**1,279,946,504**	**1,111,407,020**	**88,688,406**	**23,936,971**	**64,751,435**
Agriculture, forestry and fishing	**11**	**24**	**904,681**	**1,235,959**	**55,778**	**20,169**	**35,609**
Mining	**61**	**169**	**43,592,296**	**34,180,335**	**8,020,321**	**2,590,935**	**5,429,386**
Metal mining	13	19	2,278,249	1,350,117	228,560	39,945	188,615
Oil and gas extraction	46	142	40,566,031	32,420,672	7,812,159	2,550,870	5,261,289
Construction	**20**	**82**	**5,881,690**	**8,753,248**	**690,872**	**182,549**	**508,323**
General building contractors and operative builders	6	15	954,081	1,655,156	108,575	30,469	78,105
Heavy construction contractors	6	15	716,844	1,135,569	61,993	17,896	44,097
Special trade contractors	9	52	4,210,765	5,962,524	520,305	134,184	386,121
Manufacturing	**411**	**2,962**	**455,795,893**	**629,398,700**	**46,902,857**	**14,232,389**	**32,670,468**
Food and kindred products	44	324	35,717,817	54,833,663	5,037,193	1,573,124	3,464,069
Tobacco manufacturers	5	26	8,270,967	18,238,225	1,621,357	430,290	1,191,067
Textile mill products	11	27	1,153,859	996,938	4,407	3,956	451
Apparel and other textile products	12	30	2,310,163	3,224,362	346,825	72,010	274,815
Lumber and wood products	5	7	1,179,557	770,081	8,691	1,816	6,875
Furniture and fixtures	6	9	967,402	930,501	54,446	23,784	30,663
Paper and allied products	29	135	19,165,578	18,444,864	889,869	257,266	632,603
Printing and publishing	23	64	3,517,877	4,114,659	302,444	128,311	174,133
Chemicals and allied products	98	753	87,975,509	102,170,456	9,755,206	2,605,271	7,149,935
Petroleum (including integrated) and coal products	15	60	51,163,156	72,934,444	3,629,033	844,689	2,784,344
Rubber and miscellaneous plastics products	25	91	7,515,519	10,883,295	398,326	210,379	187,946
Stone, clay, and glass products	20	59	6,710,191	6,583,165	689,141	208,452	480,688
Primary metal industries	11	27	5,641,389	5,369,467	920,332	362,700	557,632
Fabricated metal products	57	178	11,233,400	12,857,063	1,013,029	330,089	682,940
Machinery, except electrical	67	278	79,696,645	92,117,805	10,234,719	3,153,472	7,081,246
Electrical and electronic equipment	82	348	37,484,129	55,011,142	3,522,330	726,265	2,796,065
Motor vehicles and transportation equipment	30	180	58,609,267	125,255,960	3,764,071	1,931,379	1,832,692
Transportation equipment, except motor vehicles	14	23	2,822,047	3,989,717	292,270	75,719	216,551
Instruments and related products	35	128	19,181,038	21,916,677	2,547,536	666,645	1,880,891
Transportation and public utilities	**61**	**180**	**20,936,285**	**15,469,041**	**2,014,581**	**412,528**	**1,602,053**
Transportation	42	115	10,115,915	8,610,250	766,893	58,817	708,076
Water transportation	21	61	6,633,484	5,082,395	629,468	14,228	615,240
Other transportation	26	54	3,482,432	3,527,855	137,425	44,589	92,836
Communication	10	21	4,438,030	2,306,551	470,959	137,359	333,600
Electric, gas and sanitary services	12	44	6,382,340	4,552,241	776,729	216,352	560,377

Footnotes at end of table.

Table 1.--U.S. Corporations with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Transactions by Type, by Selected Industrial Group of Controlled Foreign Corporation--Continued

[Money amounts are in thousands of dollars]

Selected industrial group of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns [1]	7,500 largest Controlled Foreign Corporations					
		Number of foreign corporations	Total assets	Total receipts	Current earnings and profits (less deficit) before taxes	Income taxes	Current earnings and profits (less deficit) after taxes
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Wholesale and retail trade	**246**	**1,164**	**132,321,382**	**300,300,337**	**14,579,667**	**3,770,549**	**10,809,118**
Wholesale trade	223	1,042	113,516,022	267,569,149	13,386,088	3,374,634	10,011,454
Groceries and related products	10	21	1,849,880	4,109,066	1,006,890	50,412	956,478
Machinery, equipment and related supplies	37	132	11,842,521	29,896,265	982,018	368,748	613,270
Miscellaneous wholesale trade	199	889	99,823,622	233,563,818	11,397,180	2,955,474	8,441,705
Drugs, chemicals and allied products	50	178	17,626,104	23,486,135	1,929,681	501,350	1,428,330
Petroleum and petroleum products	16	139	40,773,643	102,364,638	5,163,529	1,083,766	4,079,763
Other wholesale trade	157	572	41,423,876	107,713,045	4,303,970	1,370,358	2,933,612
Retail trade	47	116	18,559,709	32,324,205	1,175,293	387,665	787,628
Food stores	5	7	1,990,564	6,356,431	220,571	33,796	186,774
Automotive dealers and service stations	8	17	2,737,013	6,153,157	287,242	94,820	192,422
Apparel and accessory stores	5	8	481,072	983,263	39,827	16,631	23,195
Eating and drinking places	6	30	4,180,115	4,394,801	310,910	112,253	198,657
Miscellaneous retail stores	19	45	4,082,433	5,324,202	139,040	84,632	54,408
Finance, insurance and real estate	**472**	**2,234**	**574,031,383**	**91,576,941**	**13,817,418**	**1,923,074**	**11,894,343**
Banking	40	211	114,988,162	14,890,355	-280,122	222,628	-502,750
Credit agencies other than banks	175	581	164,273,828	23,184,080	4,029,609	628,096	3,401,513
Security, commodity brokers and services	37	154	89,679,115	10,006,345	-826,313	238,721	-1,065,034
Insurance carriers	147	270	48,812,444	16,212,737	1,456,327	219,344	1,236,983
Insurance agents, brokers and service	20	82	7,537,160	2,999,568	408,316	117,007	291,309
Real estate	46	93	12,114,541	2,914,661	201,079	55,138	145,941
Holding and other investment companies, except bank holding companies	320	843	136,626,134	21,369,196	8,828,522	442,141	8,386,381
Services	**182**	**655**	**44,158,175**	**29,742,444**	**2,613,315**	**797,160**	**1,816,155**
Hotels and other lodging places	10	33	1,798,882	1,401,533	141,621	42,107	99,514
Business services	104	324	22,469,737	14,954,909	1,643,453	392,798	1,250,655
Auto repair, miscellaneous repair services	3	3	175,502	147,694	34,132	1,642	32,490
Amusement and recreational services	13	52	4,674,307	4,852,334	280,797	102,242	178,556
Nature of business not allocable	**20**	**30**	**2,324,720**	**750,015**	**-6,403**	**7,616**	**-14,019**

Footnotes at end of table.

Table 1.--U.S. Corporations with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Transactions by Type, by Selected Industrial Group of Controlled Foreign Corporation--Continued

[Money amounts are in thousands of dollars]

Selected industrial group of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued						
	Foreign corporations with current earnings and profits (+) before taxes			Distributions from earnings and profits	Subpart F income	Receipts by foreign corporations from--	
	Current earnings and profits before taxes	Income taxes	Current earnings and profits after taxes			All related persons, total	U.S. corporation filing return
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
All industries	**102,614,262**	**23,829,845**	**78,784,418**	**46,429,916**	**17,841,936**	**273,799,308**	**47,762,454**
Agriculture, forestry and fishing	**70,567**	**18,672**	**51,895**	**16,436**	**1,589**	**320,733**	**9,895**
Mining	**8,346,795**	**2,594,259**	**5,752,535**	**4,139,635**	**992,587**	**7,050,749**	**375,157**
Metal mining	262,009	39,945	222,065	20,431	99,475	98,513	--
Oil and gas extraction	8,058,390	2,554,195	5,504,195	4,096,830	893,113	6,899,608	364,850
Construction	**760,337**	**187,099**	**573,237**	**203,822**	**43,975**	**730,846**	**1,742**
General building contractors and operative builders	115,178	31,268	83,909	42,272	--	37,316	--
Heavy construction contractors	81,127	21,423	59,704	14,595	21,882	201,884	658
Special trade contractors	564,033	134,408	429,624	146,954	22,092	491,646	1,083
Manufacturing	**52,491,672**	**14,231,638**	**38,260,034**	**23,087,711**	**5,410,015**	**178,988,153**	**41,231,082**
Food and kindred products	5,329,588	1,570,875	3,758,713	2,007,747	225,555	8,658,400	412,450
Tobacco manufacturers	1,623,262	430,290	1,192,972	690,298	83,996	991,070	--
Textile mill products	55,719	14,459	41,260	26,746	33,101	176,771	4,823
Apparel and other textile products	360,911	72,010	288,901	130,211	18,312	1,367,063	777,331
Lumber and wood products	12,739	1,093	11,647	21,081	2,526	190,025	185,660
Furniture and fixtures	55,837	24,128	31,709	18,620	139	90,957	1,292
Paper and allied products	1,109,178	261,005	848,174	285,006	34,432	3,606,052	971,020
Printing and publishing	370,976	133,907	237,069	129,576	630	257,208	18,571
Chemicals and allied products	10,568,312	2,637,585	7,930,727	5,032,959	852,167	22,092,975	1,785,311
Petroleum (including integrated) and coal products	3,770,749	843,179	2,927,570	1,269,889	307,297	12,139,212	2,026,133
Rubber and miscellaneous plastics products	582,444	205,260	377,184	190,564	19,081	3,209,273	784,934
Stone, clay, and glass products	738,074	206,434	531,640	384,702	111,483	921,324	205,747
Primary metal industries	945,947	362,700	583,248	509,219	6,138	1,428,516	415,426
Fabricated metal products	1,131,702	328,907	802,795	295,134	61,776	1,400,995	174,694
Machinery, except electrical	10,902,072	3,135,197	7,766,875	5,701,382	772,039	40,503,686	3,691,136
Electrical and electronic equipment	4,149,411	723,786	3,425,624	1,331,262	511,208	22,610,998	6,586,218
Motor vehicles and transportation equipment	5,717,849	1,888,065	3,829,784	2,754,124	1,938,635	46,192,866	20,746,002
Transportation equipment, except motor vehicles	337,654	75,443	262,211	220,915	8,080	990,647	720,844
Instruments and related products	2,640,339	671,238	1,969,102	1,054,828	238,108	8,463,698	1,275,777
Transportation and public utilities	**2,221,086**	**421,923**	**1,799,163**	**1,025,449**	**414,135**	**3,740,576**	**143,876**
Transportation	896,798	63,973	832,825	625,933	370,293	2,393,020	132,063
Water transportation	651,603	14,143	637,460	444,382	358,536	2,022,046	131,384
Other transportation	245,195	49,830	195,365	181,551	11,756	370,975	678
Communication	516,378	137,220	379,158	73,138	1,207	89,327	--
Electric, gas and sanitary services	807,910	220,730	587,181	326,379	42,636	1,258,229	11,813

Footnotes at end of table.

Table 1.--U.S. Corporations with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Transactions by Type, by Selected Industrial Group of Controlled Foreign Corporation--Continued

[Money amounts are in thousands of dollars]

Selected industrial group of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued						
	Foreign corporations with current earnings and profits (+) before taxes			Distributions from earnings and profits	Subpart F income	Receipts by foreign corporations from--	
	Current earnings and profits before taxes	Income taxes	Current earnings and profits after taxes			All related persons, total	U.S. corporation filing return
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Wholesale and retail trade	**15,985,128**	**3,702,845**	**12,282,283**	**6,434,300**	**3,208,595**	**50,473,278**	**3,792,835**
Wholesale trade	14,577,592	3,295,606	11,281,986	5,436,526	3,182,356	49,006,279	3,714,179
Groceries and related products	1,025,182	50,412	974,770	1,262,401	704,498	997,844	157,823
Machinery, equipment and related supplies	1,159,074	334,681	824,393	294,817	133,886	5,465,149	942,887
Miscellaneous wholesale trade	12,393,336	2,910,514	9,482,822	3,879,308	2,343,973	42,543,287	2,613,469
Drugs, chemicals and allied products	2,107,448	474,438	1,633,010	1,095,451	461,659	5,841,312	200,049
Petroleum and petroleum products	5,200,799	1,079,576	4,121,223	1,102,101	930,490	15,669,101	56,066
Other wholesale trade	5,085,089	1,356,499	3,728,589	1,681,757	951,823	21,032,874	2,357,353
Retail trade	1,388,395	398,989	989,406	996,431	26,239	1,293,824	69,343
Food stores	220,571	33,796	186,774	475,055	608	194,608	--
Automotive dealers and service stations	317,372	94,589	222,783	75,026	5,628	453,700	16,506
Apparel and accessory stores	39,944	16,631	23,313	2,787	1,146	--	--
Eating and drinking places	343,409	112,246	231,163	295,091	2,242	85,863	10,991
Miscellaneous retail stores	241,602	85,484	156,119	4,893	1,764	397,206	31,935
Finance, insurance and real estate	**19,329,044**	**1,885,259**	**17,443,785**	**10,518,766**	**7,341,297**	**26,799,265**	**1,640,928**
Banking	1,351,903	206,606	1,145,297	549,767	576,640	3,185,239	193,770
Credit agencies other than banks	4,820,106	590,898	4,229,208	2,058,136	2,851,199	7,290,341	828,088
Security, commodity brokers and services	729,483	221,270	508,213	99,594	148,215	2,143,649	6,803
Insurance carriers	1,835,100	217,854	1,617,246	729,184	1,141,457	2,323,829	256,154
Insurance agents, brokers and service	420,792	115,064	305,727	203,768	40,181	226,488	3,381
Real estate	252,381	60,551	191,830	74,097	21,244	516,112	40,312
Holding and other investment companies, except bank holding companies	9,919,280	473,016	9,446,264	6,804,219	2,562,361	11,113,607	312,420
Services	**3,367,362**	**780,363**	**2,586,999**	**999,303**	**428,387**	**5,663,378**	**566,938**
Hotels and other lodging places	166,574	41,886	124,688	48,123	14,264	28,183	54
Business services	1,946,459	397,237	1,549,222	669,592	240,690	4,429,157	492,425
Auto repair, miscellaneous repair services	34,132	1,642	32,490	4,228	4,263	15,387	13,710
Amusement and recreational services	474,139	96,647	377,492	69,474	12,850	122,858	--
Nature of business not allocable	**42,271**	**7,786**	**34,486**	**4,494**	**1,356**	**32,330**	**--**

Footnotes at end of table.

Table 1.--U.S. Corporations with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Transactions by Type, by Selected Industrial Group of Controlled Foreign Corporation--Continued

[Money amounts are in thousands of dollars]

Selected industrial group of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued							
	Receipts by foreign corporations from--Continued			Payments by foreign corporations to--				
	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporation controlled by U.S. corporation filing return	All other related persons	All related persons, total	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporation controlled by U.S. corporation filing return	All other related persons
	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
All industries	**41,847,741**	**183,671,939**	**517,174**	**318,694,008**	**87,845,241**	**70,822,306**	**159,697,349**	**329,112**
Agriculture, forestry and fishing	**8,349**	**302,488**	**--**	**121,571**	**34,640**	**67,891**	**19,040**	**--**
Mining	**4,988,652**	**1,670,706**	**16,234**	**6,233,699**	**1,136,212**	**4,163,045**	**934,411**	**31**
Metal mining	93,108	5,406	--	80,235	10,941	32,372	36,922	--
Oil and gas extraction	4,874,759	1,643,766	16,234	6,065,136	1,099,712	4,126,585	838,807	31
Construction	**81,425**	**647,680**	**--**	**836,083**	**21,725**	**220,355**	**594,002**	**--**
General building contractors and operative builders	281	37,035	--	53,725	6,926	36,629	10,170	--
Heavy construction contractors	28,673	172,553	--	146,253	95	23,567	122,592	--
Special trade contractors	52,471	438,092	--	636,104	14,705	160,159	461,241	--
Manufacturing	**17,242,341**	**120,092,406**	**422,323**	**183,544,645**	**57,422,173**	**39,594,107**	**86,403,038**	**125,327**
Food and kindred products	292,417	7,953,533	--	9,729,713	1,188,445	1,704,466	6,836,803	--
Tobacco manufacturers	52,305	938,764	--	2,360,022	6,058	1,069,847	1,284,117	--
Textile mill products	8,087	163,862	--	124,918	21,318	41,953	61,646	--
Apparel and other textile products	53,845	535,888	--	462,935	2,413	147,987	312,535	--
Lumber and wood products	--	4,365	--	30,195	17,409	7,394	5,392	--
Furniture and fixtures	40,710	48,955	--	70,236	43,789	2,387	24,060	--
Paper and allied products	357,331	2,227,301	50,400	1,705,707	518,358	218,658	955,829	12,863
Printing and publishing	11,141	227,496	--	603,767	268,157	136,984	198,626	--
Chemicals and allied products	1,869,131	18,427,388	11,145	28,929,071	7,552,972	5,601,715	15,750,056	24,328
Petroleum (including integrated) and coal products	3,051,144	7,061,936	--	18,271,644	6,496,355	6,896,852	4,878,436	--
Rubber and miscellaneous plastics products	174,040	2,250,299	--	3,424,029	1,046,746	156,587	2,220,696	--
Stone, clay, and glass products	117,438	598,133	7	1,149,296	363,350	233,730	552,217	--
Primary metal industries	214,508	441,856	356,726	1,464,696	574,900	295,437	507,389	86,969
Fabricated metal products	147,203	1,079,093	5	2,060,038	479,134	527,888	1,053,017	--
Machinery, except electrical	7,718,905	29,089,604	4,041	45,592,681	4,396,694	16,992,744	24,202,076	1,167
Electrical and electronic equipment	1,574,777	14,450,003	--	20,264,280	9,384,262	2,421,071	8,458,947	--
Motor vehicles and transportation equipment	1,249,794	24,197,070	--	34,382,799	20,691,810	1,768,875	11,922,114	--
Transportation equipment, except motor vehicles	14,325	255,477	--	709,027	189,585	136,481	382,960	--
Instruments and related products	122,075	7,065,846	--	7,314,355	2,845,446	317,485	4,151,424	--
Transportation and public utilities	**1,798,894**	**1,761,755**	**36,051**	**2,317,223**	**206,258**	**205,667**	**1,902,295**	**3,003**
Transportation	795,089	1,429,818	36,051	1,442,680	143,961	139,989	1,158,729	--
Water transportation	785,980	1,104,681	--	1,067,256	100,094	87,328	879,834	--
Other transportation	9,109	325,136	36,051	375,423	43,867	52,661	278,895	--
Communication	10,249	79,078	--	276,460	261	46,086	227,110	3,003
Electric, gas and sanitary services	993,556	252,859	--	598,084	62,036	19,591	516,456	--

Footnotes at end of table.

Table 1.--U.S. Corporations with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Transactions by Type, by Selected Industrial Group of Controlled Foreign Corporation--Continued

[Money amounts are in thousands of dollars]

Selected industrial group of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued							
	Receipts by foreign corporations from--Continued			Payments by foreign corporations to--				
	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporation controlled by U.S. corporation filing return	All other related persons	All related persons, total	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporation controlled by U.S. corporation filing return	All other related persons
	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
Wholesale and retail trade	**10,784,425**	**35,881,797**	**14,221**	**93,400,399**	**23,553,911**	**15,784,991**	**53,889,352**	**172,145**
Wholesale trade	10,691,184	34,586,696	14,221	86,713,182	23,066,531	13,956,894	49,517,612	172,145
Groceries and related products	323	839,698	--	2,529,447	157,998	1,068,839	1,302,610	--
Machinery, equipment and related supplies	174,300	4,347,962	--	13,051,774	4,248,444	766,761	8,036,569	--
Miscellaneous wholesale trade	10,516,561	29,399,036	14,221	71,131,961	18,660,089	12,121,293	40,178,433	172,145
Drugs, chemicals and allied products	215,344	5,425,918	--	11,300,262	2,635,728	1,756,441	6,908,093	--
Petroleum and petroleum products	8,307,975	7,297,929	7,131	21,204,700	3,870,615	7,225,047	10,109,038	--
Other wholesale trade	1,993,242	16,675,189	7,090	38,626,999	12,153,747	3,139,805	23,161,302	172,145
Retail trade	86,720	1,137,761	--	6,401,638	343,665	1,782,753	4,275,220	--
Food stores	--	194,608	--	1,230,823	1,794	577,387	651,642	--
Automotive dealers and service stations	332	436,862	--	2,350,780	6,144	3,607	2,341,028	--
Apparel and accessory stores	--	--	--	60,194	9,467	12,737	37,990	--
Eating and drinking places	26,790	48,083	--	626,067	104,139	422,107	99,821	--
Miscellaneous retail stores	42,161	323,110	--	1,627,442	162,979	396,452	1,068,012	--
Finance, insurance and real estate	**5,701,473**	**19,428,519**	**28,346**	**26,140,128**	**4,674,325**	**9,341,294**	**12,121,139**	**3,369**
Banking	1,904,682	1,086,786	--	3,780,284	292,290	2,142,644	1,345,351	--
Credit agencies other than banks	1,565,055	4,897,198	--	6,891,256	1,024,252	2,066,529	3,798,096	2,379
Security, commodity brokers and services	844,358	1,292,488	--	2,897,410	114,337	1,107,145	1,675,927	--
Insurance carriers	752,552	1,286,778	28,346	1,291,064	192,007	318,430	779,637	990
Insurance agents, brokers and service	46,982	176,125	--	356,646	19,289	47,366	289,991	--
Real estate	76,171	399,628	--	567,141	58,318	89,945	418,878	--
Holding and other investment companies, except bank holding companies	511,673	10,289,514	--	10,356,327	2,973,832	3,569,235	3,813,259	--
Services	**1,239,688**	**3,856,752**	**--**	**6,034,000**	**792,285**	**1,402,684**	**3,813,794**	**25,237**
Hotels and other lodging places	1,669	26,460	--	121,690	29,056	74,427	18,207	--
Business services	931,881	3,004,852	--	3,625,755	509,066	606,405	2,507,311	2,973
Auto repair, miscellaneous repair services	--	1,677	--	6,895	1,323	2	5,570	--
Amusement and recreational services	14,622	108,235	--	496,801	95,836	98,780	298,174	4,011
Nature of business not allocable	**2,495**	**29,835**	**--**	**66,260**	**3,712**	**42,271**	**20,277**	**--**

[1] Number of returns is not additive because some U.S. corporations have Controlled Foreign Corporations in more than one industrial group.

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

Table 2.–U.S. Corporations with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Transactions by Type, by Selected Country of Incorporation of Controlled Foreign Corporation

[Money amounts are in thousands of dollars]

Selected country of incorporation of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns [1]	7,500 largest Controlled Foreign Corporations					
		Number of foreign corporations	Total assets	Total receipts	Current earnings and profits (less deficit) before taxes	Income taxes	Current earnings and profits (less deficit) after taxes
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All geographic areas	**731**	**7,500**	**1,279,946,504**	**1,111,407,020**	**88,688,406**	**23,936,971**	**64,751,435**
Canada	**443**	**819**	**188,592,565**	**174,296,522**	**10,538,090**	**3,349,694**	**7,188,395**
Latin America, total	**241**	**754**	**80,150,466**	**73,563,910**	**8,158,510**	**1,805,094**	**6,353,416**
Mexico	79	115	9,708,719	13,205,361	1,182,626	447,214	735,412
Central America, total	45	79	8,145,671	5,917,537	1,502,017	60,518	1,441,498
Costa Rica	6	7	259,389	221,727	195	1,120	925
Honduras	5	6	188,059	383,480	26,874	8,781	18,093
Panama	41	63	7,529,556	5,081,544	1,443,578	44,772	1,398,806
Caribbean countries, total	79	104	21,798,795	5,227,545	1,277,479	127,521	1,149,958
Cayman Islands (British)	60	81	20,377,302	4,639,535	1,071,259	103,354	967,905
Dominican Republic	4	4	457,298	297,074	129,826	17,109	112,717
South America, total	162	456	40,497,281	49,213,467	4,196,388	1,169,841	3,026,547
Argentina	44	54	3,834,178	4,658,939	112,432	34,833	77,598
Brazil	135	259	28,532,012	37,814,102	3,403,598	1,000,180	2,403,418
Chile	28	60	4,252,533	2,633,986	304,851	17,059	287,792
Colombia	21	24	1,013,162	1,705,088	188,877	57,472	131,406
Peru	3	3	122,060	128,283	22,991	4,383	18,608
Uruguay	10	10	846,450	134,518	24,916	3,075	21,842
Venezuela	33	43	1,838,202	2,076,053	138,030	52,650	85,380
Other Western Hemisphere, total	**229**	**407**	**70,510,906**	**41,498,750**	**4,271,027**	**303,049**	**3,967,978**
Bahamas	25	39	8,906,936	3,636,874	737,580	124,943	612,637
Bermuda	147	226	29,760,630	18,771,947	2,310,727	112,702	2,198,025
Netherlands Antilles	96	131	29,665,439	3,026,366	1,066,075	55,526	1,010,549
Europe, total	**518**	**4,142**	**751,625,696**	**660,327,162**	**49,549,471**	**13,034,347**	**36,515,124**
European Economic Community, total	506	3,726	691,773,370	591,041,240	45,324,245	12,177,705	33,146,541
Belgium	133	224	32,780,563	26,376,146	2,347,287	406,600	1,940,687
Denmark	39	50	3,848,247	3,781,578	281,483	101,961	179,523
France (including Andorra)	239	504	65,695,198	83,505,632	4,930,243	1,565,191	3,365,052
Greece	19	23	893,002	1,935,422	66,746	26,128	40,618
Ireland	50	67	6,035,321	5,623,959	1,538,366	47,187	1,491,179
Italy (including San Marino)	197	368	51,132,195	56,707,179	4,728,502	1,457,936	3,270,566
Luxembourg	21	31	7,067,678	2,052,427	247,832	58,197	189,635
Netherlands	189	397	76,012,583	57,378,078	7,507,404	1,464,125	6,043,279
Portugal	28	36	2,509,303	3,508,991	326,856	93,238	233,618
Spain	146	223	27,132,141	26,057,936	2,481,620	774,539	1,707,081
United Kingdom	408	1,257	298,694,741	189,762,719	11,766,192	3,263,307	8,502,885
West Germany	256	546	119,972,398	134,351,175	9,101,714	2,919,295	6,182,419
Other West European countries, total	165	410	58,946,327	68,768,123	4,213,307	850,844	3,362,463
Austria	35	52	5,174,951	6,082,216	536,778	162,666	374,112
Finland	19	22	1,792,025	2,960,654	154,685	59,882	94,803
Liechtenstein	4	5	185,916	220,915	19,899	686	19,213
Norway	30	34	3,383,905	4,046,803	246,371	59,995	186,376
Sweden	50	64	7,245,368	9,989,937	-389,238	75,661	-464,899
Switzerland	119	209	39,986,409	43,659,694	3,620,632	465,150	3,155,482
Turkey	16	20	1,048,305	1,652,473	2,325	25,621	-23,296
East European countries	6	6	905,999	517,799	11,918	5,799	6,119

Footnotes at end of table.

Table 2.--U.S. Corporations with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Transactions by Type, by Selected Country of Incorporation of Controlled Foreign Corporation--Continued

[Money amounts are in thousands of dollars]

Selected country of incorporation of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns [1]	7,500 largest Controlled Foreign Corporations					
		Number of foreign corporations	Total assets	Total receipts	Current earnings and profits (less deficit) before taxes	Income taxes	Current earnings and profits (less deficit) after taxes
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Africa, total	**55**	**114**	**9,541,527**	**9,006,151**	**948,686**	**291,421**	**657,265**
North Africa, total	7	10	374,159	726,943	42,651	15,914	26,737
Egypt	4	4	145,314	276,383	19,987	7,216	12,771
Morocco	3	3	138,099	141,663	13,448	5,480	7,969
East Africa	5	6	267,556	291,166	52,158	19,026	33,132
West and Central Africa, total	29	63	7,094,935	5,283,295	663,543	197,789	465,754
Liberia	21	40	4,929,444	2,603,204	175,249	17,554	157,695
Nigeria	8	8	1,165,813	1,557,064	428,651	143,170	285,481
Zaire	3	3	186,907	127,438	14,039	3,425	10,613
Southern Africa, total	25	35	1,804,877	2,704,747	190,334	58,692	131,642
Zimbabwe	5	8	397,913	449,305	58,389	20,337	38,052
South Africa (including Namibia)	20	23	1,228,952	1,888,331	112,275	30,368	81,907
Asia, total	**243**	**795**	**116,758,731**	**109,037,188**	**12,040,356**	**4,133,451**	**7,906,906**
Middle East, total	14	21	1,106,942	1,258,491	131,797	16,599	115,198
Israel	8	13	694,266	685,462	99,825	16,376	83,450
Saudi Arabia	3	5	334,429	397,232	41,375	70	41,305
Southern and Southeastern Asia, total	101	212	20,788,508	23,240,750	3,447,241	892,801	2,554,440
India	9	10	592,502	770,062	106,984	43,846	63,138
Indonesia	10	12	957,076	1,618,380	884,864	481,355	403,509
Malaysia	18	28	2,486,438	3,899,445	303,575	46,077	257,498
Pakistan	3	3	74,062	120,465	16,630	6,989	9,640
Philippines	23	24	1,874,306	1,582,794	277,258	60,622	216,636
Singapore	63	90	9,759,066	10,051,565	1,292,235	94,535	1,197,700
Thailand	33	41	4,101,346	5,131,339	559,745	158,451	401,293
Eastern Asia, total	208	562	94,863,281	84,537,948	8,461,319	3,224,051	5,237,268
China	7	8	309,733	247,871	61,643	1,028	60,615
Taiwan	40	47	4,191,620	6,301,580	708,057	118,160	589,898
Hong Kong	92	143	30,489,722	13,067,115	1,786,625	224,687	1,561,938
Japan	155	321	53,856,711	61,927,739	5,415,995	2,737,597	2,678,398
South Korea	34	43	6,015,495	2,993,642	488,999	142,580	346,419
Oceania, total	**189**	**408**	**55,887,717**	**36,376,691**	**2,527,590**	**929,932**	**1,597,658**
Australia	179	342	48,692,521	33,628,327	2,434,844	891,417	1,543,427
New Zealand	41	62	6,976,701	2,577,354	94,170	37,244	56,927
Puerto Rico and U.S. Possessions, total	**44**	**61**	**6,878,895**	**7,300,646**	**654,676**	**89,983**	**564,693**
Puerto Rico	33	45	4,103,086	1,758,719	312,300	50,639	261,661
U.S. Possessions, total	12	16	2,775,809	5,541,927	342,376	39,344	303,032
Guam	6	7	642,566	2,017,034	264,317	34,081	230,236
Virgin Islands	7	9	2,133,244	3,524,893	78,059	5,263	72,796
OPEC countries (included above)	**49**	**72**	**4,677,221**	**5,756,968**	**1,502,055**	**680,814**	**821,241**
Tax haven countries (included above)	**430**	**1,543**	**273,021,785**	**186,994,767**	**22,042,995**	**2,943,829**	**19,099,165**

Footnotes at end of table.

Table 2.--U.S. Corporations with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Transactions by Type, by Selected Country of Incorporation of Controlled Foreign Corporation--Continued

[Money amounts are in thousands of dollars]

Selected country of incorporation of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued						
	Foreign corporations with current earnings and profits (+) before taxes			Distributions from earnings and profits	Subpart F income	Receipts by foreign corporations from--	
	Current earnings and profits before taxes	Income taxes	Current earnings and profits after taxes			All related persons, total	U.S. corporation filing return
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
All geographic areas	**102,614,262**	**23,829,845**	**78,784,418**	**46,429,916**	**17,841,936**	**273,799,308**	**47,762,454**
Canada	**12,062,627**	**3,408,701**	**8,653,926**	**5,950,116**	**1,293,543**	**40,074,499**	**22,507,713**
Latin America, total	**9,501,388**	**1,676,206**	**7,825,182**	**3,862,515**	**2,207,478**	**14,496,318**	**3,270,854**
Mexico	1,367,391	416,842	950,549	429,224	34,185	2,793,427	1,820,369
Central America, total	1,526,447	57,656	1,468,792	1,640,770	1,168,748	3,243,925	159,893
Costa Rica	13,845	1,120	12,725	1,339	2,295	59,497	1,677
Honduras	26,941	8,618	18,324	14,399	2,942	121,104	61,321
Panama	1,454,292	42,073	1,412,219	1,617,495	1,163,512	2,979,761	96,895
Caribbean countries, total	1,354,856	125,402	1,229,455	700,901	472,337	2,198,668	701,251
Cayman Islands (British)	1,143,751	101,456	1,042,295	655,136	421,430	2,079,289	661,267
Dominican Republic	134,711	16,887	117,824	21,011	-	3,840	-
South America, total	5,252,693	1,076,306	4,176,387	1,091,619	532,208	6,260,298	589,341
Argentina	348,002	26,433	321,570	116,061	32,873	1,018,017	5,032
Brazil	4,068,360	917,664	3,150,695	812,999	352,552	4,809,404	485,531
Chile	346,168	16,988	329,179	85,005	116,287	172,329	10,666
Colombia	194,058	56,399	137,659	54,848	9,965	123,712	83,309
Peru	34,105	4,383	29,722	207	-	12,900	206
Uruguay	28,168	3,075	25,093	5,034	8,074	6,602	221
Venezuela	230,728	51,365	179,363	13,948	12,257	105,239	4,378
Other Western Hemisphere, total	**4,563,328**	**301,942**	**4,261,386**	**3,030,219**	**2,873,064**	**15,813,608**	**1,503,878**
Bahamas	765,584	124,903	640,681	405,895	108,467	559,550	32,998
Bermuda	2,519,598	112,434	2,407,164	1,540,191	1,687,581	11,269,291	311,564
Netherlands Antilles	1,111,692	54,726	1,056,966	960,468	969,125	2,166,304	571,354
Europe, total	**58,687,516**	**13,000,574**	**45,686,943**	**26,971,302**	**9,494,862**	**164,529,551**	**9,455,844**
European Economic Community, total	53,300,846	12,145,712	41,155,133	24,449,788	7,801,359	148,815,899	8,474,475
Belgium	2,487,988	407,320	2,080,668	1,484,727	916,158	10,466,161	252,447
Denmark	343,643	101,961	241,682	111,575	6,641	680,768	48,888
France (including Andorra)	5,619,228	1,584,605	4,034,623	1,908,085	306,871	18,040,646	935,706
Greece	91,072	25,105	65,967	28,824	6,811	32,236	2,211
Ireland	1,555,231	47,085	1,508,145	937,501	104,537	1,850,357	85,074
Italy (including San Marino)	5,079,877	1,400,921	3,678,956	1,910,301	355,044	7,903,976	422,563
Luxembourg	262,415	57,307	205,107	218,837	25,349	1,396,853	74,068
Netherlands	7,705,763	1,462,018	6,243,745	3,631,195	1,030,278	24,146,661	1,064,192
Portugal	347,223	93,217	254,006	198,085	87,799	776,680	8,720
Spain	2,800,062	774,280	2,025,782	661,366	794,960	4,519,663	257,577
United Kingdom	17,232,427	3,278,828	13,953,599	9,146,682	2,196,112	43,418,115	2,707,121
West Germany	9,775,916	2,913,065	6,862,852	4,212,611	1,970,799	35,583,783	2,615,909
Other West European countries, total	5,347,210	849,063	4,498,147	2,506,084	1,687,615	15,713,649	981,369
Austria	562,958	161,066	401,892	115,400	217,920	1,299,525	61,599
Finland	170,694	55,765	114,929	105,497	3,373	91,415	1,602
Liechtenstein	22,774	686	22,088	46,379	13,644	80,026	42
Norway	297,969	60,870	237,099	57,267	67,606	428,826	108,275
Sweden	385,389	84,338	301,051	129,468	13,469	3,032,692	10,520
Switzerland	3,782,253	459,788	3,322,464	1,962,213	1,357,328	10,640,252	799,060
Turkey	103,245	25,366	77,879	74,502	13,649	136,160	230
East European countries	39,461	5,799	33,662	15,430	5,889	4	-

Footnotes at end of table.

Table 2.--U.S. Corporations with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Transactions by Type, by Selected Country of Incorporation of Controlled Foreign Corporation--Continued

[Money amounts are in thousands of dollars]

Selected country of incorporation of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued						
	Foreign corporations with current earnings and profits (+) before taxes			Distributions from earnings and profits	Subpart F income	Receipts by foreign corporations from--	
	Current earnings and profits before taxes	Income taxes	Current earnings and profits after taxes			All related persons, total	U.S. corporation filing return
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Africa, total	**979,809**	**291,138**	**688,672**	**558,263**	**215,935**	**2,727,987**	**345,690**
North Africa, total	48,514	15,914	32,600	11,928	3,368	10,753	179
Egypt	25,850	7,216	18,634	7,325	2,839	655	172
Morocco	13,448	5,480	7,969	2,793	529	9,655	7
East Africa	52,158	19,026	33,132	1,055	1,960	46,907	-
West and Central Africa, total	687,843	197,703	490,140	464,364	142,802	2,620,233	320,349
Liberia	198,396	17,476	180,919	141,467	137,306	1,143,691	62,538
Nigeria	428,651	143,170	285,481	295,098	3,120	1,293,733	256,744
Zaire	14,039	3,425	10,613	5,887	2,376	1,500	1,067
Southern Africa, total	191,294	58,494	132,799	80,916	67,804	50,094	25,163
Zimbabwe	58,510	20,140	38,370	24,859	-	8,354	-
South Africa (including Namibia)	112,476	30,368	82,109	51,589	60,874	41,689	25,163
Asia, total	**12,632,267**	**4,132,263**	**8,500,004**	**4,459,630**	**1,488,263**	**28,737,907**	**8,517,760**
Middle East, total	150,656	13,737	136,918	69,252	-	534,127	239,896
Israel	104,987	13,737	91,250	35,801	-	417,638	238,006
Saudi Arabia	43,861	-	43,861	33,451	-	113,828	81
Southern and Southeastern Asia, total	3,524,362	886,891	2,637,472	1,047,432	454,890	12,416,240	4,434,163
India	106,984	43,846	63,138	21,776	368	85,973	24,440
Indonesia	894,455	481,355	413,099	270,645	1,295	18,389	536
Malaysia	306,833	45,636	261,197	41,654	18,426	2,651,716	1,258,210
Pakistan	16,630	6,989	9,640	6,663	-	152	-
Philippines	291,623	59,335	232,288	27,563	52,069	372,366	101,758
Singapore	1,321,353	91,980	1,229,374	450,164	361,836	7,647,994	2,311,041
Thailand	580,485	156,823	423,661	228,467	17,524	1,604,295	738,177
Eastern Asia, total	8,957,249	3,231,636	5,725,613	3,342,946	1,033,373	15,787,540	3,843,701
China	61,643	1,028	60,615	-	58	34,941	434
Taiwan	717,586	117,967	599,619	468,175	53,921	1,033,438	334,424
Hong Kong	1,859,514	224,316	1,635,199	1,023,116	535,454	4,088,254	1,611,295
Japan	5,778,222	2,745,758	3,032,464	1,789,144	396,634	9,867,685	1,535,260
South Korea	540,285	142,568	397,717	62,512	47,306	763,223	362,287
Oceania, total	**3,520,875**	**929,118**	**2,591,757**	**1,288,135**	**250,520**	**4,280,849**	**421,670**
Australia	3,319,922	887,154	2,432,767	1,239,787	229,739	3,972,467	399,650
New Zealand	178,105	40,692	137,413	44,249	20,782	307,546	22,020
Puerto Rico and U.S. Possessions, total	**666,452**	**89,904**	**576,548**	**309,736**	**18,272**	**3,138,589**	**1,739,044**
Puerto Rico	323,452	50,566	272,886	143,354	11,061	414,461	-
U.S. Possessions, total	343,000	39,338	303,662	166,382	7,210	2,724,128	1,739,044
Guam	264,558	34,081	230,477	144,497	-	106,789	-
Virgin Islands	78,442	5,257	73,184	21,885	7,210	2,617,339	1,739,044
OPEC countries (included above)	**1,608,844**	**679,270**	**929,574**	**616,659**	**16,871**	**1,532,026**	**261,739**
Tax haven countries (included above)	**22,971,138**	**2,924,960**	**20,046,178**	**12,927,498**	**8,186,670**	**71,493,902**	**8,287,320**

Footnotes at end of table.

Table 2.–U.S. Corporations with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Transactions by Type, by Selected Country of Incorporation of Controlled Foreign Corporation--Continued

[Money amounts are in thousands of dollars]

Selected country of incorporation of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued							
	Receipts by foreign corporations from--Continued			Payments by foreign corporations to--				
	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporation controlled by U.S. corporation filing return	All other related persons	All related persons, total	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporation controlled by U.S. corporation filing return	All other related persons
	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
All geographic areas	**41,847,741**	**183,671,939**	**517,174**	**318,694,008**	**87,845,241**	**70,822,306**	**159,697,349**	**329,112**
Canada	**9,458,848**	**8,067,253**	**40,684**	**40,909,546**	**24,064,239**	**9,895,593**	**6,936,352**	**13,361**
Latin America, total	**3,056,937**	**8,150,207**	**18,319**	**15,892,772**	**5,838,663**	**4,819,828**	**5,197,065**	**37,215**
Mexico	426,987	546,070	–	4,302,515	2,971,249	666,300	664,966	–
Central America, total	444,316	2,623,378	16,338	3,187,102	520,468	1,930,144	708,407	28,083
Costa Rica	24	51,439	6,357	69,927	8,086	29,621	4,623	27,597
Honduras	5,976	53,808	–	117,022	80,092	13,797	23,133	–
Panama	438,316	2,444,290	259	2,983,906	431,300	1,877,705	674,901	–
Caribbean countries, total	454,684	1,042,734	–	2,349,126	961,846	693,075	690,194	4,011
Cayman Islands (British)	427,560	990,462	–	2,197,292	944,333	648,687	600,261	4,011
Dominican Republic	3,840	–	–	22,474	–	1,463	21,011	–
South America, total	1,730,949	3,938,025	1,981	6,054,028	1,385,100	1,530,308	3,133,499	5,121
Argentina	92,684	918,320	1,981	646,898	186,880	240,614	214,283	5,121
Brazil	1,573,537	2,750,336	–	4,200,815	813,334	905,641	2,481,840	–
Chile	36,406	125,258	–	290,395	91,804	89,195	109,396	–
Colombia	7,290	33,113	–	344,198	83,760	75,819	184,619	–
Peru	8,342	4,352	–	38,284	4,002	21,650	12,633	–
Uruguay	3,077	3,305	–	28,350	2,322	13,802	12,226	–
Venezuela	9,123	91,738	–	500,283	202,998	179,906	117,379	–
Other Western Hemisphere, total	**9,136,233**	**5,144,780**	**28,718**	**12,753,206**	**3,026,526**	**3,053,181**	**6,558,581**	**114,918**
Bahamas	45,110	481,442	–	1,197,891	203,755	370,244	623,892	–
Bermuda	7,676,882	3,252,499	28,346	7,021,930	558,027	2,239,212	4,224,568	123
Netherlands Antilles	1,118,704	476,246	–	1,276,625	694,889	324,736	257,000	–
Europe, total	**11,202,831**	**143,850,494**	**20,383**	**198,637,665**	**36,896,401**	**38,783,781**	**122,854,683**	**102,801**
European Economic Community, total	10,600,324	129,720,718	20,383	176,015,040	31,922,645	34,681,388	109,372,174	38,832
Belgium	587,848	9,625,866	–	8,917,606	1,303,731	1,024,046	6,586,856	2,973
Denmark	41,430	590,451	–	1,338,191	182,705	258,860	896,625	–
France (including Andorra)	1,251,155	15,853,785	–	24,085,253	3,152,432	4,867,686	16,065,134	–
Greece	5,249	24,775	–	320,066	44,120	60,138	215,808	–
Ireland	72,689	1,692,594	–	2,019,169	908,439	328,957	779,394	2,379
Italy (including San Marino)	655,490	6,822,867	3,057	17,167,037	2,880,729	3,470,424	10,814,717	1,167
Luxembourg	167,663	1,155,123	–	610,789	89,729	206,646	314,414	–
Netherlands	935,789	22,146,680	–	26,461,908	6,856,540	3,922,151	15,683,218	–
Portugal	22,108	745,852	–	1,294,594	102,119	388,812	803,663	–
Spain	231,225	4,030,840	21	6,997,672	679,384	1,004,987	5,313,301	–
United Kingdom	5,023,202	35,670,488	17,304	52,926,798	7,748,745	13,085,621	32,060,118	32,314
West Germany	1,606,477	31,361,397	–	33,875,958	7,973,970	6,063,060	19,838,928	–
Other West European countries, total	602,503	14,129,777	–	22,607,559	4,973,065	4,089,636	13,480,889	63,969
Austria	56,802	1,181,123	–	2,027,380	159,540	334,794	1,533,045	–
Finland	3,735	86,077	–	642,369	74,852	124,004	443,513	–
Liechtenstein	–	79,984	–	64,536	31,268	9,269	24,000	–
Norway	28,931	291,619	–	1,516,196	317,473	665,654	469,100	63,969
Sweden	228,400	2,793,772	–	2,970,344	277,154	558,749	2,134,440	–
Switzerland	217,255	9,623,937	–	14,865,322	4,091,956	2,301,387	8,471,980	–
Turkey	67,379	68,551	–	500,294	20,584	78,925	400,784	–
East European countries	4	–	–	15,067	691	12,757	1,619	–

Footnotes at end of table.

Table 2.--U.S. Corporations with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Transactions by Type, by Selected Country of Incorporation of Controlled Foreign Corporation--Continued

[Money amounts are in thousands of dollars]

Selected country of incorporation of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued							
	Receipts by foreign corporations from--Continued			Payments by foreign corporations to--				
	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporation controlled by U.S. corporation filing return	All other related persons	All related persons, total	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporation controlled by U.S. corporation filing return	All other related persons
	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
Africa, total	**2,024,435**	**339,032**	**18,829**	**1,125,035**	**199,794**	**509,215**	**413,883**	**2,143**
North Africa, total	1,532	9,042	--	66,174	7,815	17,725	40,633	--
Egypt	441	43	--	30,870	2,891	14,113	13,866	--
Morocco	1,092	8,556	--	29,269	4,924	72	24,272	--
East Africa	25,153	21,005	748	62,907	--	60,757	2,150	--
West and Central Africa, total	1,996,282	285,521	18,081	761,081	90,052	415,292	253,593	2,143
Liberia	807,487	273,665	--	322,801	21,673	79,776	221,352	--
Nigeria	1,027,776	9,213	--	306,824	62,724	234,624	9,476	--
Zaire	433	--	--	10,740	4,859	4,222	1,659	--
Southern Africa, total	1,467	23,464	--	234,873	101,926	15,440	117,507	--
Zimbabwe	--	8,354	--	34,838	8,560	1,217	25,061	--
South Africa (including Namibia)	1,416	15,110	--	195,077	93,366	13,500	88,211	--
Asia, total	**5,411,015**	**14,759,732**	**49,400**	**37,146,327**	**12,250,934**	**11,269,523**	**13,588,085**	**37,785**
Middle East, total	59,979	234,251	--	407,585	108,606	100,173	198,807	--
Israel	59,936	119,696	--	228,110	97,260	18,368	112,482	--
Saudi Arabia	--	113,747	--	127,308	4,075	46,274	76,959	--
Southern and Southeastern Asia, total	2,203,652	5,778,425	--	11,390,014	3,949,548	3,351,569	4,088,897	--
India	986	60,547	--	93,173	37,876	729	54,567	--
Indonesia	2,468	15,385	--	247,882	154,952	18,405	74,525	--
Malaysia	84,467	1,309,039	--	2,239,981	911,621	789,825	538,535	--
Pakistan	84	67	--	6,961	3,078	904	2,979	--
Philippines	24,483	246,126	--	546,950	66,701	46,754	433,495	--
Singapore	1,907,373	3,429,580	--	5,450,035	1,672,728	1,828,213	1,949,094	--
Thailand	157,479	708,639	--	2,778,457	1,102,591	640,688	1,035,178	--
Eastern Asia, total	3,147,384	8,747,056	49,400	25,348,727	8,192,780	7,817,781	9,300,381	37,785
China	234	34,273	--	49,516	11,021	3,148	35,346	--
Taiwan	264,039	434,975	--	1,664,981	681,057	620,496	363,428	--
Hong Kong	808,336	1,628,283	40,340	6,529,065	1,866,108	1,594,882	3,068,075	--
Japan	1,910,849	6,412,515	9,060	16,175,978	5,265,120	5,435,556	5,437,517	37,785
South Korea	163,927	237,009	--	929,188	369,475	163,699	396,014	--
Oceania, total	**523,674**	**2,994,663**	**340,842**	**8,373,162**	**2,219,947**	**2,262,190**	**3,870,136**	**20,889**
Australia	474,046	2,757,930	340,842	7,515,027	2,155,750	1,908,522	3,429,898	20,857
New Zealand	49,422	236,104	--	812,365	64,197	341,924	406,213	31
Puerto Rico and U.S. Possessions, total	**1,033,768**	**365,777**	**--**	**3,856,296**	**3,348,737**	**228,995**	**278,564**	**--**
Puerto Rico	189,494	224,967	--	406,928	96,679	101,902	208,347	--
U.S. Possessions, total	844,274	140,810	--	3,449,368	3,252,058	127,093	70,218	--
Guam	--	106,789	--	1,777,965	1,672,997	104,229	739	--
Virgin Islands	844,274	34,021	--	1,671,404	1,579,060	22,864	69,479	--
OPEC countries (included above)	**1,039,859**	**230,429**	**--**	**1,188,365**	**424,749**	**482,928**	**280,688**	**--**
Tax haven countries (included above)	**14,924,887**	**48,206,022**	**75,673**	**74,477,337**	**19,211,195**	**15,943,226**	**39,176,391**	**146,526**

[1] Number of returns is not additive because some U.S. corporations have Controlled Foreign Corporations in more than one country of incorporation.

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

Table 3.--U.S. Corporations with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Division of Controlled Foreign Corporation

[Money amounts are in thousands of dollars]

Selected country of incorporation and industrial division of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns [1]	7,500 largest Controlled Foreign Corporations				
		Number of foreign corporations	Total assets	Total receipts	Current earnings and profits (less deficit) before taxes	Income taxes
	(1)	(2)	(3)	(4)	(5)	(6)
ALL GEOGRAPHIC AREAS						
All industries [2]	**731**	**7,500**	**1,279,946,504**	**1,111,407,020**	**88,688,406**	**23,936,971**
Agriculture, forestry and fishing	11	24	904,681	1,235,959	55,778	20,169
Mining	61	169	43,592,296	34,180,335	8,020,321	2,590,935
Construction	20	82	5,881,690	8,753,248	690,872	182,549
Manufacturing	411	2,962	455,795,893	629,398,700	46,902,857	14,232,389
Transportation and public utilities	61	180	20,936,285	15,469,041	2,014,581	412,528
Wholesale and retail trade	246	1,164	132,321,382	300,300,337	14,579,667	3,770,549
Finance, insurance and real estate	472	2,234	574,031,383	91,576,941	13,817,418	1,923,074
Services	182	655	44,158,175	29,742,444	2,613,315	797,160
AUSTRALIA						
All industries [2]	**179**	**342**	**48,692,521**	**33,628,327**	**2,434,844**	**891,417**
Agriculture, forestry and fishing	**	**	**	**	**	**
Mining	7	10	1,712,197	723,316	161,706	3,596
Construction	4	5	347,899	473,889	-11,127	5,255
Manufacturing	97	127	13,306,678	17,872,895	1,685,134	668,331
Transportation and public utilities	4	8	363,594	226,963	20,870	3,512
Wholesale and retail trade	39	50	5,362,053	8,754,136	280,455	103,241
Finance, insurance and real estate	63	114	26,243,144	4,781,789	275,461	90,716
Services	18	23	1,192,301	759,267	16,893	15,382
BAHAMAS						
All industries [2]	**25**	**39**	**8,906,936**	**3,636,874**	**737,580**	**124,943**
Agriculture, forestry and fishing	--	--	--	--	--	--
Mining	4	4	795,819	475,231	253,311	72,577
Construction	--	--	--	--	--	--
Manufacturing	3	3	665,427	1,001,638	52,422	10,223
Transportation and public utilities	**	**	**	**	**	**
Wholesale and retail trade	5	8	597,207	619,514	164,106	40,738
Finance, insurance and real estate	13	19	5,534,278	461,685	52,365	-129
Services	**	**	**	**	**	**
BELGIUM						
All industries [2]	**133**	**224**	**32,780,563**	**26,376,146**	**2,347,287**	**406,600**
Agriculture, forestry and fishing	--	--	--	--	--	--
Mining	**	**	**	**	**	**
Construction	**	**	**	**	**	**
Manufacturing	80	97	12,645,212	17,060,290	1,106,235	264,008
Transportation and public utilities	**	**	**	**	**	**
Wholesale and retail trade	32	34	2,767,194	4,775,270	353,337	66,807
Finance, insurance and real estate	42	51	11,329,616	2,454,070	610,005	30,979
Services	29	34	5,252,967	1,639,911	247,015	37,659
BERMUDA						
All industries [2]	**147**	**226**	**29,760,630**	**18,771,947**	**2,310,727**	**112,702**
Agriculture, forestry and fishing	--	--	--	--	--	--
Mining	6	10	899,899	1,053,372	162,519	48,978
Construction	--	--	--	--	--	--
Manufacturing	9	11	1,496,861	1,287,243	328,239	15,114
Transportation and public utilities	6	10	619,954	1,042,640	187,215	--
Wholesale and retail trade	11	12	2,631,889	10,131,313	278,990	13,045
Finance, insurance and real estate	131	173	23,209,520	5,091,461	1,335,597	34,126
Services	8	10	902,507	165,918	18,168	1,439

Footnotes at end of table.

Table 3.--U.S. Corporations with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Division of Controlled Foreign Corporation--Continued

[Money amounts are in thousands of dollars]

Selected country of incorporation and industrial division of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns [1]	7,500 largest Controlled Foreign Corporations				
		Number of foreign corporations	Total assets	Total receipts	Current earnings and profits (less deficit) before taxes	Income taxes
	(1)	(2)	(3)	(4)	(5)	(6)
BRAZIL						
All industries [2]	**135**	**259**	**28,532,012**	**37,814,102**	**3,403,598**	**1,000,180**
Agriculture, forestry and fishing	**	**	**	**	**	**
Mining	4	4	88,976	88,943	903	199
Construction	**	**	**	**	**	**
Manufacturing	100	134	17,691,019	21,731,952	2,295,278	589,122
Transportation and public utilities	**	**	**	**	**	**
Wholesale and retail trade	19	29	2,971,122	7,894,140	429,756	127,157
Finance, insurance and real estate	42	66	5,662,689	5,164,206	380,404	85,243
Services	12	14	1,150,845	1,723,460	6,667	42,524
CANADA						
All industries [2]	**443**	**819**	**188,592,565**	**174,296,522**	**10,538,090**	**3,349,694**
Agriculture, forestry and fishing	**	**	**	**	**	**
Mining	34	41	16,502,989	15,341,691	1,298,102	470,227
Construction	8	10	685,572	1,167,865	152,725	13,888
Manufacturing	266	374	84,903,703	110,242,888	5,563,753	2,038,399
Transportation and public utilities	25	36	6,996,438	4,564,650	510,606	175,048
Wholesale and retail trade	94	108	13,656,493	28,888,753	742,120	226,591
Finance, insurance and real estate	113	186	60,887,952	10,524,506	2,006,514	321,940
Services	51	60	4,769,675	3,426,424	259,810	97,896
FRANCE (INCLUDING ANDORRA)						
All industries [2]	**239**	**504**	**65,695,198**	**83,505,632**	**4,930,243**	**1,565,191**
Agriculture, forestry and fishing	**	**	**	**	**	**
Mining	**	**	**	**	**	**
Construction	4	9	1,035,177	2,221,298	149,795	53,386
Manufacturing	150	275	37,274,199	53,688,928	3,601,662	1,095,513
Transportation and public utilities	**	**	**	**	**	**
Wholesale and retail trade	68	88	9,998,268	20,863,823	755,646	285,093
Finance, insurance and real estate	58	79	13,986,321	3,001,428	125,479	18,784
Services	32	46	2,658,653	3,494,068	253,142	101,215
HONG KONG						
All industries [2]	**92**	**143**	**30,489,722**	**13,067,115**	**1,786,625**	**224,687**
Agriculture, forestry and fishing	--	--	--	--	--	--
Mining	--	--	--	--	--	--
Construction	**	**	**	**	**	**
Manufacturing	26	30	1,490,940	3,509,258	248,225	30,224
Transportation and public utilities	**	**	**	**	**	**
Wholesale and retail trade	33	33	2,520,858	5,415,411	456,586	40,243
Finance, insurance and real estate	31	57	23,055,912	2,764,246	653,118	124,925
Services	13	15	654,533	326,008	78,977	7,070
ITALY (INCLUDING SAN MARINO)						
All industries [2]	**197**	**368**	**51,132,195**	**56,707,179**	**4,728,502**	**1,457,936**
Agriculture, forestry and fishing	**	**	**	**	**	**
Mining	**	**	**	**	**	**
Construction	**	**	**	**	**	**
Manufacturing	123	198	30,849,632	39,949,656	2,891,332	1,047,258
Transportation and public utilities	4	6	217,368	203,584	-7,932	372
Wholesale and retail trade	63	75	6,112,546	12,847,889	1,440,319	239,540
Finance, insurance and real estate	36	52	12,026,586	1,863,467	212,956	87,777
Services	19	30	1,477,708	1,459,863	134,477	68,052

Footnotes at end of table.

Table 3.--U.S. Corporations with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Division of Controlled Foreign Corporation--Continued

[Money amounts are in thousands of dollars]

Selected country of incorporation and industrial division of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns [1]	7,500 largest Controlled Foreign Corporations				
		Number of foreign corporations	Total assets	Total receipts	Current earnings and profits (less deficit) before taxes	Income taxes
	(1)	(2)	(3)	(4)	(5)	(6)
JAPAN						
All industries [2]	**155**	**321**	**53,856,711**	**61,927,739**	**5,415,995**	**2,737,597**
Agriculture, forestry and fishing	**	**	**	**	**	**
Mining	--	--	--	--	--	--
Construction	**	**	**	**	**	**
Manufacturing	97	134	34,739,846	34,034,292	3,881,439	1,925,146
Transportation and public utilities	**	**	**	**	**	**
Wholesale and retail trade	52	71	11,265,515	24,452,256	1,339,727	665,739
Finance, insurance and real estate	13	25	4,290,022	1,305,990	101,629	83,082
Services	16	86	3,158,754	1,180,816	73,330	51,477
MEXICO						
All industries [2]	**79**	**115**	**9,708,719**	**13,205,361**	**1,182,626**	**447,214**
Agriculture, forestry and fishing	**	**	**	**	**	**
Mining	**	**	**	**	**	**
Construction	**	**	**	**	**	**
Manufacturing	61	73	6,435,999	11,639,736	889,021	381,525
Transportation and public utilities	**	**	**	**	**	**
Wholesale and retail trade	15	17	990,220	969,520	133,543	35,871
Finance, insurance and real estate	15	17	1,968,875	381,822	132,337	20,116
Services	4	4	113,575	64,416	11,298	4,079
NETHERLANDS						
All industries [2]	**189**	**397**	**76,012,583**	**57,378,078**	**7,507,404**	**1,464,125**
Agriculture, forestry and fishing	--	--	--	--	--	--
Mining	5	5	3,986,660	3,281,584	1,898,464	572,946
Construction	3	3	108,987	234,879	26,793	5,210
Manufacturing	89	128	22,272,121	30,897,292	2,720,158	562,367
Transportation and public utilities	6	9	255,906	255,178	25,084	10,634
Wholesale and retail trade	48	58	6,249,190	15,037,001	664,880	167,072
Finance, insurance and real estate	101	157	39,606,202	5,086,130	1,726,752	76,965
Services	29	34	2,988,107	2,526,095	436,877	64,601
NETHERLANDS ANTILLES						
All industries [2]	**96**	**131**	**29,665,439**	**3,026,366**	**1,066,075**	**55,526**
Agriculture, forestry and fishing	--	--	--	--	--	--
Mining	**	**	**	**	**	**
Construction	**	**	**	**	**	**
Manufacturing	**	**	**	**	**	**
Transportation and public utilities	**	**	**	**	**	**
Wholesale and retail trade	**	**	**	**	**	**
Finance, insurance and real estate	88	122	28,599,772	2,734,564	1,062,300	52,510
Services	3	3	664,450	155,013	-21,226	1,144
PANAMA						
All industries [2]	**41**	**63**	**7,529,556**	**5,081,544**	**1,443,578**	**44,772**
Agriculture, forestry and fishing	--	--	--	--	--	--
Mining	**	**	**	**	**	**
Construction	**	**	**	**	**	**
Manufacturing	9	11	2,898,853	2,027,783	374,879	21,211
Transportation and public utilities	5	9	995,107	656,389	43,105	957
Wholesale and retail trade	10	11	1,412,017	1,785,685	835,401	6,877
Finance, insurance and real estate	16	19	1,388,918	231,245	125,728	5,564
Services	5	6	482,257	229,639	37,318	7,056

Footnotes at end of table.

Table 3.--U.S. Corporations with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Division of Controlled Foreign Corporation--Continued

[Money amounts are in thousands of dollars]

Selected country of incorporation and industrial division of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns [1]	7,500 largest Controlled Foreign Corporations				
		Number of foreign corporations	Total assets	Total receipts	Current earnings and profits (less deficit) before taxes	Income taxes
	(1)	(2)	(3)	(4)	(5)	(6)
SPAIN						
All industries [2]	**146**	**223**	**27,132,141**	**26,057,936**	**2,481,620**	**774,539**
Agriculture, forestry and fishing	3	3	87,331	140,859	14,440	3,010
Mining	--	--	--	--	--	--
Construction	**	**	**	**	**	**
Manufacturing	95	121	14,272,069	18,970,959	1,923,268	585,273
Transportation and public utilities	**	**	**	**	**	**
Wholesale and retail trade	36	39	2,669,128	4,179,691	303,989	100,987
Finance, insurance and real estate	22	30	8,503,661	1,690,058	85,737	40,553
Services	16	25	873,990	499,580	90,230	22,279
SWITZERLAND						
All industries [2]	**119**	**209**	**39,986,409**	**43,659,694**	**3,620,632**	**465,150**
Agriculture, forestry and fishing	--	--	--	--	--	--
Mining	**	**	**	**	**	**
Construction	**	**	**	**	**	**
Manufacturing	34	45	5,935,859	6,817,365	1,163,222	179,575
Transportation and public utilities	3	3	249,800	106,002	45,867	2,799
Wholesale and retail trade	48	58	12,072,612	33,228,130	1,286,808	150,240
Finance, insurance and real estate	47	78	20,535,967	2,702,311	1,011,293	115,149
Services	14	18	864,774	557,717	107,366	15,625
UNITED KINGDOM						
All industries [2]	**408**	**1,257**	**298,694,741**	**189,762,719**	**11,766,192**	**3,263,307**
Agriculture, forestry and fishing	--	--	--	--	--	--
Mining	23	36	10,147,855	7,387,210	2,439,235	618,875
Construction	10	15	1,181,191	1,703,178	112,828	33,623
Manufacturing	230	392	64,444,168	100,807,625	5,562,777	1,390,643
Transportation and public utilities	14	17	819,664	608,561	56,062	2,497
Wholesale and retail trade	86	116	22,459,686	45,175,164	1,893,595	763,508
Finance, insurance and real estate	201	549	189,908,137	27,517,269	1,399,423	333,647
Services	75	129	9,561,468	6,381,740	302,359	120,463
VENEZUELA						
All industries [2]	**33**	**43**	**1,838,202**	**2,076,053**	**138,030**	**52,650**
Agriculture, forestry and fishing	--	--	--	--	--	--
Mining	**	**	**	**	**	**
Construction	--	--	--	--	--	--
Manufacturing	25	29	1,212,269	1,578,542	59,965	38,922
Transportation and public utilities	--	--	--	--	--	--
Wholesale and retail trade	6	6	367,497	384,011	42,990	3,348
Finance, insurance and real estate	**	**	**	**	**	**
Services	**	**	**	**	**	**
WEST GERMANY						
All industries [2]	**256**	**546**	**119,972,398**	**134,351,175**	**9,101,714**	**2,919,295**
Agriculture, forestry and fishing	--	--	--	--	--	--
Mining	**	**	**	**	**	**
Construction	6	8	562,723	850,684	25,130	12,126
Manufacturing	153	264	56,249,592	95,091,834	6,415,639	2,270,019
Transportation and public utilities	6	7	735,334	1,098,506	-1,167	-2,976
Wholesale and retail trade	86	100	11,740,588	27,217,367	1,424,488	299,970
Finance, insurance and real estate	71	109	43,701,511	5,736,623	959,580	235,580
Services	33	53	3,889,912	3,333,457	274,368	103,194

Footnotes at end of table.

Table 3.–U.S. Corporations with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Division of Controlled Foreign Corporation–Continued

[Money amounts are in thousands of dollars]

Selected country of incorporation and industrial division of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations					
	Current earnings and profits (less deficit) after taxes	Foreign corporations with current earnings and profits (+) before taxes			Distributions from earnings and profits	Subpart F income
		Current earnings and profits before taxes	Income taxes	Current earnings and profits after taxes		
	(7)	(8)	(9)	(10)	(11)	(12)
ALL GEOGRAPHIC AREAS						
All industries [2]	**64,751,435**	**102,614,262**	**23,829,845**	**78,784,418**	**46,429,916**	**17,841,936**
Agriculture, forestry and fishing	35,609	70,567	18,672	51,895	16,436	1,589
Mining	5,429,386	8,346,795	2,594,259	5,752,535	4,139,635	992,587
Construction	508,323	760,337	187,099	573,237	203,822	43,975
Manufacturing	32,670,468	52,491,672	14,231,638	38,260,034	23,087,711	5,410,015
Transportation and public utilities	1,602,053	2,221,086	421,923	1,799,163	1,025,449	414,135
Wholesale and retail trade	10,809,118	15,985,128	3,702,845	12,282,283	6,434,300	3,208,595
Finance, insurance and real estate	11,894,343	19,329,044	1,885,259	17,443,785	10,518,766	7,341,297
Services	1,816,155	3,367,362	780,363	2,586,999	999,303	428,387
AUSTRALIA						
All industries [2]	**1,543,427**	**3,319,922**	**887,154**	**2,432,767**	**1,239,787**	**229,739**
Agriculture, forestry and fishing	**	**	**	**	**	**
Mining	158,110	174,535	2,796	171,740	4,901	9,913
Construction	-16,381	18,490	5,549	12,941	--	11,779
Manufacturing	1,016,804	1,878,417	671,540	1,206,877	767,566	67,842
Transportation and public utilities	17,358	28,804	3,526	25,278	2,341	557
Wholesale and retail trade	177,214	393,630	96,379	297,250	43,969	6,101
Finance, insurance and real estate	184,744	768,696	90,704	677,992	405,167	131,262
Services	1,511	50,857	15,278	35,579	14,812	2,283
BAHAMAS						
All industries [2]	**612,637**	**765,584**	**124,903**	**640,681**	**405,895**	**108,467**
Agriculture, forestry and fishing	--	--	--	--	--	--
Mining	180,734	264,762	72,537	192,225	65,560	2,677
Construction	--	--	--	--	--	--
Manufacturing	42,199	60,365	10,223	50,142	9,998	11,625
Transportation and public utilities	**	**	**	**	**	**
Wholesale and retail trade	123,367	164,106	40,738	123,367	129,055	17,534
Finance, insurance and real estate	52,494	60,975	-129	61,104	34,039	45,430
Services	**	**	**	**	**	**
BELGIUM						
All industries [2]	**1,940,687**	**2,487,988**	**407,320**	**2,080,668**	**1,484,727**	**916,158**
Agriculture, forestry and fishing	--	--	--	--	--	--
Mining	**	**	**	**	**	**
Construction	**	**	**	**	**	**
Manufacturing	842,228	1,204,241	265,388	938,853	602,477	351,355
Transportation and public utilities	**	**	**	**	**	**
Wholesale and retail trade	286,530	371,476	66,345	305,131	447,568	137,926
Finance, insurance and real estate	579,026	621,276	30,782	590,494	290,630	332,027
Services	209,356	253,113	37,194	215,919	142,338	75,893
BERMUDA						
All industries [2]	**2,198,025**	**2,519,598**	**112,434**	**2,407,164**	**1,540,191**	**1,687,581**
Agriculture, forestry and fishing	--	--	--	--	--	--
Mining	113,541	221,610	48,827	172,783	135,950	62,437
Construction	--	--	--	--	--	--
Manufacturing	313,125	352,272	15,226	337,047	126,136	105,439
Transportation and public utilities	187,215	187,400	--	187,400	155,000	183,418
Wholesale and retail trade	265,945	284,690	13,045	271,645	89,258	68,077
Finance, insurance and real estate	1,301,470	1,449,602	33,928	1,415,674	1,028,733	1,249,031
Services	16,729	24,024	1,409	22,615	5,114	19,179

Footnotes at end of table.

Table 3.--U.S. Corporations with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Division of Controlled Foreign Corporation--Continued

[Money amounts are in thousands of dollars]

Selected country of incorporation and industrial division of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations					
	Current earnings and profits (less deficit) after taxes	Foreign corporations with current earnings and profits (+) before taxes			Distributions from earnings and profits	Subpart F income
		Current earnings and profits before taxes	Income taxes	Current earnings and profits after taxes		
	(7)	(8)	(9)	(10)	(11)	(12)
BRAZIL						
All industries [2]	**2,403,418**	**4,068,360**	**917,664**	**3,150,695**	**812,999**	**352,552**
Agriculture, forestry and fishing	**	**	**	**	**	**
Mining	704	4,184	199	3,985	1,913	--
Construction	**	**	**	**	**	**
Manufacturing	1,706,156	2,708,758	557,762	2,150,996	605,403	98,463
Transportation and public utilities	**	**	**	**	**	**
Wholesale and retail trade	302,599	509,240	101,719	407,521	43,383	132,960
Finance, insurance and real estate	295,161	480,526	72,714	407,812	98,148	95,324
Services	-35,857	63,420	25,727	37,694	30,291	25,193
CANADA						
All industries [2]	**7,188,395**	**12,062,627**	**3,408,701**	**8,653,926**	**5,950,116**	**1,293,543**
Agriculture, forestry and fishing	**	**	**	**	**	**
Mining	827,875	1,416,104	477,708	938,396	804,053	394,756
Construction	138,838	155,771	15,050	140,721	17,643	--
Manufacturing	3,525,354	6,377,425	2,064,196	4,313,229	3,388,925	190,146
Transportation and public utilities	335,558	542,862	175,661	367,201	75,123	7,741
Wholesale and retail trade	515,529	904,298	236,209	668,089	878,284	42,148
Finance, insurance and real estate	1,684,574	2,199,218	339,233	1,859,985	748,956	650,845
Services	161,914	454,508	94,940	359,567	30,144	7,907
FRANCE (INCLUDING ANDORRA)						
All industries [2]	**3,365,052**	**5,619,228**	**1,584,605**	**4,034,623**	**1,908,085**	**306,871**
Agriculture, forestry and fishing	**	**	**	**	**	**
Mining	**	**	**	**	**	**
Construction	96,409	150,665	53,386	97,279	68,588	--
Manufacturing	2,506,149	3,952,745	1,105,383	2,847,362	1,372,841	167,400
Transportation and public utilities	**	**	**	**	**	**
Wholesale and retail trade	470,553	887,754	281,692	606,062	245,695	33,258
Finance, insurance and real estate	106,695	296,342	31,994	264,348	173,211	64,649
Services	151,926	280,962	100,954	180,008	42,322	41,564
HONG KONG						
All industries [2]	**1,561,938**	**1,859,514**	**224,316**	**1,635,199**	**1,023,116**	**535,454**
Agriculture, forestry and fishing	--	--	--	--	--	--
Mining	--	--	--	--	--	--
Construction	**	**	**	**	**	**
Manufacturing	218,001	260,999	30,342	230,657	154,338	55,559
Transportation and public utilities	**	**	**	**	**	**
Wholesale and retail trade	416,344	465,642	39,892	425,750	284,011	195,184
Finance, insurance and real estate	528,193	701,209	124,925	576,284	268,991	260,362
Services	71,907	81,441	7,070	74,371	69,818	19,816
ITALY (INCLUDING SAN MARINO)						
All industries [2]	**3,270,566**	**5,079,877**	**1,400,921**	**3,678,956**	**1,910,301**	**355,044**
Agriculture, forestry and fishing	**	**	**	**	**	**
Mining	**	**	**	**	**	**
Construction	**	**	**	**	**	**
Manufacturing	1,844,074	3,095,501	1,035,151	2,060,350	1,561,194	190,495
Transportation and public utilities	-8,303	12,401	--	12,401	--	--
Wholesale and retail trade	1,200,780	1,491,291	236,079	1,255,213	181,898	116,379
Finance, insurance and real estate	125,180	258,605	46,701	211,904	134,338	43,881
Services	66,425	164,730	68,052	96,678	25,467	3,311

Footnotes at end of table.

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[Money amounts are in thousands of dollars]

Selected country of incorporation and industrial division of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations					
	Current earnings and profits (less deficit) after taxes	Foreign corporations with current earnings and profits (+) before taxes			Distributions from earnings and profits	Subpart F income
		Current earnings and profits before taxes	Income taxes	Current earnings and profits after taxes		
	(7)	(8)	(9)	(10)	(11)	(12)
JAPAN						
All industries [2]	**2,678,398**	**5,778,222**	**2,745,758**	**3,032,464**	**1,789,144**	**396,634**
Agriculture, forestry and fishing	**	**	**	**	**	**
Mining	--	--	--	--	--	--
Construction	**	**	**	**	**	**
Manufacturing	1,956,293	4,049,721	1,943,280	2,106,442	1,363,660	232,087
Transportation and public utilities	**	**	**	**	**	**
Wholesale and retail trade	673,988	1,417,892	656,493	761,399	384,237	105,728
Finance, insurance and real estate	18,547	186,494	82,983	103,512	12,723	47,882
Services	21,853	102,143	51,104	51,039	24,509	10,937
MEXICO						
All industries [2]	**735,412**	**1,367,391**	**416,842**	**950,549**	**429,224**	**34,185**
Agriculture, forestry and fishing	**	**	**	**	**	**
Mining	**	**	**	**	**	**
Construction	**	**	**	**	**	**
Manufacturing	507,496	1,063,140	353,328	709,812	345,883	16,520
Transportation and public utilities	**	**	**	**	**	**
Wholesale and retail trade	97,672	137,946	34,369	103,577	41,186	6,599
Finance, insurance and real estate	112,221	135,239	20,116	115,124	38,674	10,989
Services	7,218	13,044	4,079	8,964	--	78
NETHERLANDS						
All industries [2]	**6,043,279**	**7,705,763**	**1,462,018**	**6,243,745**	**3,631,195**	**1,030,278**
Agriculture, forestry and fishing	--	--	--	--	--	--
Mining	1,325,518	1,900,955	573,739	1,327,216	1,233,262	7,608
Construction	21,583	26,793	5,210	21,583	20,471	--
Manufacturing	2,157,791	2,771,065	564,110	2,206,955	1,206,879	182,034
Transportation and public utilities	14,450	39,783	10,634	29,149	141,403	--
Wholesale and retail trade	497,808	687,493	167,022	520,470	277,716	117,640
Finance, insurance and real estate	1,649,787	1,793,826	76,216	1,717,610	682,224	667,402
Services	372,276	474,401	60,757	413,644	69,240	55,594
NETHERLANDS ANTILLES						
All industries [2]	**1,010,549**	**1,111,692**	**54,726**	**1,056,966**	**960,468**	**969,125**
Agriculture, forestry and fishing	--	--	--	--	--	--
Mining	**	**	**	**	**	**
Construction	**	**	**	**	**	**
Manufacturing	**	**	**	**	**	**
Transportation and public utilities	**	**	**	**	**	**
Wholesale and retail trade	**	**	**	**	**	**
Finance, insurance and real estate	1,009,790	1,070,108	52,256	1,017,852	877,343	889,046
Services	-22,370	5,325	657	4,668	5,829	4,668
PANAMA						
All industries [2]	**1,398,806**	**1,454,292**	**42,073**	**1,412,219**	**1,617,495**	**1,163,512**
Agriculture, forestry and fishing	--	--	--	--	--	--
Mining	**	**	**	**	**	**
Construction	**	**	**	**	**	**
Manufacturing	353,667	379,316	21,316	358,000	245,170	251,962
Transportation and public utilities	42,148	43,105	957	42,148	4,130	25,269
Wholesale and retail trade	828,524	839,782	6,225	833,557	1,200,851	764,611
Finance, insurance and real estate	120,164	126,479	5,564	120,915	107,797	92,706
Services	30,262	37,654	7,056	30,598	54,929	5,685

Footnotes at end of table.

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		Current earnings and profits before taxes	Income taxes	Current earnings and profits after taxes		
	(7)	(8)	(9)	(10)	(11)	(12)
SPAIN						
All industries [2]	**1,707,081**	**2,800,062**	**774,280**	**2,025,782**	**661,366**	**794,960**
Agriculture, forestry and fishing	11,431	14,440	3,010	11,431	1,786	--
Mining	--	--	--	--	--	--
Construction	**	**	**	**	**	**
Manufacturing	1,337,995	2,123,888	587,363	1,536,525	492,296	707,965
Transportation and public utilities	**	**	**	**	**	**
Wholesale and retail trade	203,001	340,804	98,455	242,348	94,170	6,617
Finance, insurance and real estate	45,184	140,573	40,035	100,537	7,677	71,825
Services	67,950	93,032	22,979	70,052	25,769	8,554
SWITZERLAND						
All industries [2]	**3,155,482**	**3,782,253**	**459,788**	**3,322,464**	**1,962,213**	**1,357,328**
Agriculture, forestry and fishing	--	--	--	--	--	--
Mining	**	**	**	**	**	**
Construction	**	**	**	**	**	**
Manufacturing	983,647	1,164,642	179,556	985,086	499,801	188,024
Transportation and public utilities	43,069	45,867	2,799	43,069	31,999	35,326
Wholesale and retail trade	1,136,569	1,298,297	150,180	1,148,117	489,475	440,839
Finance, insurance and real estate	896,144	1,121,223	110,289	1,010,934	848,236	648,937
Services	91,741	112,062	15,202	96,860	89,158	44,202
UNITED KINGDOM						
All industries [2]	**8,502,885**	**17,232,427**	**3,278,828**	**13,953,599**	**9,146,682**	**2,196,112**
Agriculture, forestry and fishing	--	--	--	--	--	--
Mining	1,820,360	2,456,761	618,073	1,838,688	1,182,981	471,326
Construction	79,206	119,851	37,045	82,806	11,927	8,317
Manufacturing	4,172,134	6,881,133	1,401,995	5,479,138	3,647,976	465,206
Transportation and public utilities	53,566	74,789	5,063	69,726	36,169	5,415
Wholesale and retail trade	1,130,087	2,250,710	749,139	1,501,570	631,796	408,900
Finance, insurance and real estate	1,065,775	4,912,067	338,073	4,573,994	3,453,892	811,717
Services	181,896	536,483	129,387	407,096	181,942	25,230
VENEZUELA						
All industries [2]	**85,380**	**230,728**	**51,365**	**179,363**	**13,948**	**12,257**
Agriculture, forestry and fishing	--	--	--	--	--	--
Mining	**	**	**	**	**	**
Construction	--	--	--	--	--	--
Manufacturing	21,043	146,055	38,687	107,369	12,454	7,349
Transportation and public utilities	--	--	--	--	--	--
Wholesale and retail trade	39,642	47,051	3,126	43,925	1,493	2,488
Finance, insurance and real estate	**	**	**	**	**	**
Services	**	**	**	**	**	**
WEST GERMANY						
All industries [2]	**6,182,419**	**9,775,916**	**2,913,065**	**6,862,852**	**4,212,611**	**1,970,799**
Agriculture, forestry and fishing	--	--	--	--	--	--
Mining	**	**	**	**	**	**
Construction	13,004	35,790	12,126	23,664	14,308	--
Manufacturing	4,145,620	6,604,623	2,274,654	4,329,969	3,407,026	1,391,978
Transportation and public utilities	1,809	3,636	--	3,636	--	--
Wholesale and retail trade	1,124,518	1,587,801	292,011	1,295,791	282,886	126,912
Finance, insurance and real estate	724,000	1,232,565	229,339	1,003,226	439,755	427,143
Services	171,174	307,643	103,383	204,260	68,637	24,767

[1] Number of returns is not additive because some U.S. corporations have Controlled Foreign Corporations in more than one industrial division and more than one country of incorporation.

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

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

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

Transactions Between Foreign-Owned Corporations and Related Foreign Persons, 1990

Data Release

Since 1960, U.S. parent corporations have been required to report transactions with and between their foreign affiliates [1]. However, prior to the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA), no similar reporting requirements existed for transactions between U.S. subsidiaries of foreign corporations and their foreign affiliates. Concerned that these related party transactions could be manipulated to avoid U.S. taxation, Congress added new reporting requirements as part of TEFRA to provide the Internal Revenue Service with more information about the nature and amount of the transactions between foreign-owned domestic corporations (owned 25 percent or more by a foreign person) and their related foreign "persons."

For 1990, based on these reporting requirements, 187 large foreign-owned domestic corporations (with total receipts of $1 billion or more) reported receipts of $69.1 billion and payments of $138.1 billion in transactions with related foreign persons, increases from 1989 of 160 percent and 35 percent, respectively [2]. These foreign-owned domestic corporations also reported ending balances in outstanding loans of $49.0 billion (borrowed from related foreign persons) and $10.2 billion (loaned to related foreign persons).

During 1990, these 187 large foreign-owned domestic corporations reduced their borrowing from related foreign persons by nearly half; loan balances declined from $90.7 billion (beginning balances) to $49.0 billion (ending balances). This large decrease was principally due to U.S. manufacturing corporations, which cut back their loan balances to related persons with United Kingdom residences. Overall, based on ending balances, foreign-owned corporations borrowed ($49.0 billion) almost five times the amount they loaned ($10.2 billion) to related foreign persons for 1990. Both interest expense and income reflected these borrowing differences; interest paid to related foreign persons of $5.2 billion exceeded the $0.6 billion of interest received from related foreign persons by nearly nine-fold. Overall, transactions with related foreign persons whose "primary country" of "residence" (see *Primary Country* and *Residence of Related Person* in the Explanation of Selected Terms) was the United Kingdom accounted for $18.4 billion (nearly 38 percent) of the ending balance in amounts borrowed and $6.3 billion (approximately 62 percent) of the $10.2 billion ending balance in amounts loaned.

The bulk of the transactions (excluding ending loan balances) with related foreign persons was for sales or purchases of stock in trade. Approximately $124.4 billion (90 percent) of the $138.1 billion foreign-owned domestic corporations paid to related foreign persons was for purchases of stock in trade. Receipts from sales of stock in trade to related foreign persons amounted to nearly $60.9 billion (88 percent) of the $69.1 billion received from related foreign persons.

Over 70 percent of the growth in receipts (which grew from $26.5 billion to $69.1 billion for 1990) and payments (which grew from $102.7 billion for 1989 to $138.1 billion for 1990) was related to U.S. corporations classified in finance, insurance, and real estate. The receipts from related foreign persons reported by these corporations increased from $0.3 billion for 1989 to $30.8 billion for 1990, while payments increased from $2.3 billion to $29.5 billion. More than 95 percent of these receipts and payments associated with U.S. corporations classified in finance, insurance, and real estate was due to transactions in stock in trade, primarily with foreign corporations whose "residence" was in the United Kingdom or Switzerland. Nearly $19.7 billion in sales of stock in trade and $19.4 billion in purchases of stock in trade were with related foreign persons whose residence was the United Kingdom. Sales and purchases of stock in trade with related foreign persons whose residence was Switzerland were $9.5 billion and $9.1 billion, respectively [3].

Nearly two-thirds of the 3,734 related foreign persons with which the 187 largest foreign-owned domestic corporations reported transactions were residents of Europe, Canada, or Japan (Table 1). Nearly 40 percent of all related foreign persons were residents of just five countries: the United Kingdom (14 percent), West Germany (9 percent), Japan (7 percent), Canada (6 percent), and Switzerland (4 percent). Nearly 88 percent ($60.6 billion) of the $69.1 billion in receipts was due to transactions with related foreign persons in these five countries: the United Kingdom ($25.1 billion), Japan ($19.6 billion), Switzerland ($10.6 billion), Canada ($3.5 billion), and West Germany ($1.8 billion). Foreign-owned domestic corporations also paid nearly 83 percent ($113.9 billion) of the total payments ($138.1 billion) to related foreign persons that were residents of the same five countries: Japan ($52.3 billion), the United Kingdom ($29.7 billion), West Germany ($13.6 billion), Switzerland ($12.1 billion), and Canada ($6.3 billion).

Overall, for 1990, transactions with related foreign persons whose country of residence was Japan accounted for $19.6 billion (28 percent) and $52.3 billion (38 percent) of receipts and payments, respectively. In percentage terms, this reflects a decrease from 1989 levels. For 1989, related foreign persons that were residents of Japan

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accounted for $11.3 billion (43 percent) of the $26.5 billion in receipts reported and $52.8 billion (67 percent) of the payments reported ($78.9 billion) [4]. However, in absolute terms, payments to these related foreign persons remained relatively constant, falling slightly from $52.8 billion for 1989 to $52.3 billion for 1990.

Nearly half of the 187 largest foreign-owned domestic corporations were manufacturers (Table 2). These 91 corporations reported transactions with 2,642 (71 percent) of the 3,734 related foreign persons and engaged in the majority of the loan transactions (based on ending balances) with related foreign persons. Among U.S. manufacturers, the bulk of the outstanding loan (ending) balances resulted from transactions with related foreign persons whose country of residence was the United Kingdom. Nearly $15.7 billion (44 percent) of the $35.6 billion borrowed from, and $5.6 billion (68 percent) of the $8.2 billion loaned to, related foreign persons, were to related foreign persons that were residents of the United Kingdom. Transactions with Canadian related foreign persons accounted for the largest percentage share of the sales of stock in trade reported by U.S. manufacturers, while the largest percentage share of purchases of stock in trade was associated with Japanese related foreign persons. Approximately $2.2 billion (31 percent) of the $7.2 billion of sales of stock in trade was to related foreign persons that were residents of Canada and $6.8 billion (22 percent) of the $31.5 billion of purchases of stock in trade was associated with related foreign persons that were residents of Japan [5].

Stock in trade transactions for foreign-owned domestic corporations classified in wholesale and retail trade, and finance, insurance, and real estate were dominated by related foreign persons in Japan and the United Kingdom, respectively. About two-thirds of both the sales and purchases of stock in trade reported by foreign-owned domestic corporations classified as wholesalers and retailers was attributable to transactions with related foreign persons whose country of residence was Japan. Transactions with these Japanese related foreign persons accounted for approximately $15.6 billion (65 percent) of the $23.9 billion in sales of stock in trade and $42.1 billion (67 percent) of the $63.3 billion in purchases of stock in trade. Within finance, insurance, and real estate, approximately $19.7 billion (67 percent) of the $29.4 billion in sales of stock in trade and $19.4 billion (68 percent) of the $28.7 billion in purchases of stock in trade were with related foreign persons that were residents of the United Kingdom [6].

Data Sources and Limitations

Under Internal Revenue Code section 6038A, domestic corporations, which were 25-percent or more owned by a foreign person, and foreign corporations engaged in a U.S. trade or business must report transactions with related foreign persons [7]. For 1990, these transactions were reported on Form 5472, *Information Return of a 25% Foreign Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business.*

The foreign-owned corporation statistics, collected annually starting with 1988, include data from Forms 5472 for all U.S. corporations with total receipts of $1 billion or more that were owned (25-percent or more) by a foreign person and reported transactions with related foreign persons, and that were included in the corporation *Statistics of Income* sample of U.S. corporation income tax returns with accounting periods ending July 1990 through June 1991 [8]. The corporation *Statistics of Income* sample included approximately 82,600 corporation income tax returns chosen from the 3,716,650 returns filed for Tax Year 1990. These returns were selected after administrative processing was complete, but before any audit examinations [9].

The statistics for 1990 also include a small number (9 out of 187) of corporations with $1 billion or more in total receipts for 1989, but with less than $1 billion in total receipts for 1990. Once a corporation has met the criteria for inclusion in the statistics for a specific year, it is included for subsequent years as well, as long as it reports transactions with related foreign persons and is part of the Statistics of Income corporate sample of returns. Foreign corporations engaged in a U.S. trade or business with Forms 5472 attached to their U.S. income tax returns were excluded from the 1990 statistics altogether because so few met the $1 billion-or-more in total receipts requirement. Thus, the statistics for 1990 include only domestic corporations that were 25-percent or more owned by a foreign person.

The statistics in this article augment the data for a portion of the returns included in the Statistics of Income data for domestic corporations "controlled" by foreign persons [10]. The "control" requirement for the two sets of statistics differs in that "control" for the foreign-controlled domestic corporation data is defined as ownership by any foreign person, directly or indirectly, of 50 percent or more of a U.S. corporation's voting stock at the end of the tax year, a more stringent requirement than for the foreign-owned corporation statistics reported herein, which include domestic corporations that were 25-percent or more owned by a foreign person. However, beginning with Tax Year 1991, the corporation income tax return requirements were changed to call for identification of corporations that were 25-percent-or-more foreign controlled. It is estimated that the 187 foreign-owned corporations included in the

foreign-owned corporation statistics represented approximately 0.4 percent of returns, but 47 percent of the estimated total assets of $1.7 trillion, and 57 percent of the estimated total receipts of $1.1 trillion reported by the domestic corporations 25-percent or more "controlled" by foreign persons for 1990.

These statistics provide additional information about the nature and amount of the transactions between related U.S. and foreign persons and supplement the data available from the statistics on Controlled Foreign Corporations (also included in this issue of the *Bulletin*). The Controlled Foreign Corporation statistics are for the largest 7,500 (in total assets) foreign subsidiaries of U.S. parent corporations with total assets of $500 million or more, while the statistics on foreign-owned U.S. corporations provide information on domestic corporations which are 25-percent or more foreign-owned with total receipts of $1 billion or more (for either 1989 or 1990) that report transactions with related foreign persons. These two studies provide information about both the inbound (foreign to United States) and outbound (United States to foreign) transactions of these related parties. However, the statistics are not altogether comparable. The reported "amounts received" in the foreign-owned corporation statistics reflect receipts from foreign persons by the related foreign-owned corporations with operations in the United States (inbound transactions). In contrast, the "amounts received" from related persons in the Controlled Foreign Corporation statistics reflect amounts received from U.S persons (as well as from other related persons) by the related controlled foreign corporation (outbound transactions).

Explanation of Selected Terms

Amounts borrowed and loaned.--Both the beginning and ending balances of amounts borrowed and loaned by foreign-owned corporations from and to, respectively, their related foreign persons, are presented in Tables 1 and 2. The ending balances are also included in the total amounts received and paid in Tables 1 and 2. However, because the ending balance reflects only the amounts outstanding at the end of the year, these amounts may not equal the actual amounts borrowed and loaned *during* Tax Year 1990.

Foreign Person.--The term "foreign person" generally includes (1) any partnership, association, company or corporation that was not created or organized under the laws of the United States or the laws of any State; (2) any individual who is not a citizen or resident of the United States; (3) any individual who is a citizen of a U.S. possession, but is not otherwise a U.S. citizen or resident; and (4) any foreign trust, estate or government. For the most part, most of the foreign persons for purposes of these statistics are corporations.

Foreign-Owned Corporation.--For purposes of these statistics, a corporation was considered foreign-owned if at least 25 percent of the total voting power of all classes of stock entitled to vote, or 25 percent of the total value of all classes of stock of the corporation, was owned, directly or indirectly, at any time during the tax year by one foreign shareholder (usually a foreign parent corporation). This is in contrast to the other Statistics of Income data on foreign-owned domestic corporations which are based on 50-percent or more ownership by a foreign person.

Number of Persons.--The data shown in Tables 1 and 2 generally represent the number of Forms 5472 attached to the 187 income tax returns filed by corporations with total receipts of $1 billion or more that were owned 25-percent or more by a foreign person. Member corporations of an affiliated group that filed a consolidated income tax return could also join in filing a consolidated Form 5472 for transactions with a given foreign related person. However, some affiliated corporations that could have filed consolidated Forms 5472 filed separate forms instead. When these forms were identified during statistical processing, the information on them was combined and the result treated as a single Form 5472. To this extent, the "number of persons" understates the actual number of Forms 5472 attached to the 187 income tax returns included in the statistics.

OPEC Countries.--Summary statistics are provided (Table 1) for the following Asian countries that were members of the Organization of Petroleum Exporting Countries (OPEC) for 1990: Iran, Iraq, Kuwait, Qatar, Saudi Arabia, and the United Arab Emirates. The other OPEC countries were: Algeria, Ecuador, Gabon, Indonesia, Libya, Nigeria, and Venezuela. Some of these countries are shown individually in Table 1.

Primary Country.--In almost all instances, the U.S. corporation filing a Form 5472 reported only one country of residence for the 25-percent-or-more foreign owner. However, approximately 1.4 percent of all Forms 5472 reported two or more countries of residence. For these Forms 5472, the primary country of residence was determined based on a comparison of the address and country where business was conducted.

Related Person.--Persons related to the corporation that filed a Form 5472 include the 25-percent foreign shareholder, any person that was related to the reporting corporation or the 25-percent shareholder (as described in Internal Revenue Code section 267(b) or 707(b)(1)), or any other person that was related to the reporting corporation within the meaning of Internal Revenue Code section 482 and the associated regulations.

Residence of Related Person.--The income tax regulations under Code section 6038A require that "each country in which each 25-percent shareholder files an income tax return as a resident under the tax laws of that country" be reported on Form 5472 for each related foreign person (Regulation Section 1.6038A-2). The statistics in Table 1 are based on this reported residence of the related foreign person and, within this meaning, the related foreign person is a "resident" of a particular foreign country.

Notes and References

[1] As part of Public Law 86-780, enacted in 1960, a U.S. corporation was required to furnish, as part of its tax return, information on its controlled foreign corporations. For data on these transactions for 1990, see Nutter, Sarah E., "Controlled Foreign Corporations, 1990," in this issue of the *SOI Bulletin*.

[2] Tables 1 and 2 include total amounts "received" from and "paid" to related foreign persons of $118.0 billion and $148.2 billion, respectively. However, these totals include outstanding loans (ending balances) which are conceptually different from the other types of amounts reported on Form 5472, *Information Return of a 25% Foreign Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business*. Ending loan balances reflect amounts held as either liabilities or assets on the balance sheets of the foreign-owned corporation. As such, they do not necessarily reflect current-year payments or receipts, but rather a balance at a particular point in time. Therefore, all references to "total" amounts "received" or "paid" exclude outstanding loans (ending balances) of $49.0 billion (amounts borrowed) and $10.2 billion (amounts loaned) from the total amounts "received" and "paid," respectively. The remaining amounts received ($69.1 billion) and paid ($138.1 billion), which were for items such as sales or purchases of stock and trade, represented receipts or expenditures for 1990.

[3] Based on unpublished data.

[4] See also, Latzy, John, "Transactions Between Foreign Controlled Corporations and Related Foreign Persons, 1989," *Statistics of Income Bulletin*, Spring, 1993, Volume 12, Number 4.

[5] Based on unpublished data.

[6] Based on unpublished data.

[7] Internal Revenue Code sections 267 (b), 482, and 707(b) (1) define a "related person."

[8] For Tax Year 1991, the basis for inclusion in the statistics will be total receipts of $500 million or more.

[9] For more information on the sample of corporation income tax returns for 1990, see *Statistics of Income -- 1990, Corporation Income Tax Returns.*

[10] The statistics on domestic corporations controlled by foreign persons for 1990 are reported in Hobbs, James R., "Domestic Corporations Controlled by Foreign Persons, 1990," *Statistics of Income Bulletin*, Fall 1993, Volume 13, Number 2.

Transactions Between Foreign-Owned Corporations and Related Foreign Persons, 1990

Table 1.--Foreign-Owned Corporations with Total Receipts of $1 Billion or More: Transactions Between Foreign-Owned Corporations and Related Foreign Persons, by Selected Country of Residence of Related Foreign Person

[Money amounts are in thousands of dollars]

Selected country	Reporting corporations [1]			Transactions between foreign-owned corporations and related foreign persons			
	Number of foreign-owned corporations	Total assets	Total receipts	Number of related foreign persons	Amounts received from related foreign persons: Total	Sales of stock in trade	Sales of tangible property other than stock in trade
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All countries	**187**	**814,514,404**	**616,625,608**	**3,734**	**118,036,425**	**60,869,560**	**2,476,118**
Canada	**103**	**508,317,862**	**407,651,135**	**221**	**4,401,665**	**2,861,539**	**35,571**
Latin America, total	**81**	**405,660,732**	**357,674,373**	**463**	**1,203,295**	**358,585**	**5,556**
Brazil	50	226,639,584	234,719,187	89	48,391	43,612	1,341
Ecuador	14	105,696,535	103,051,013	14	8,605	7,597	--
Mexico	45	222,833,631	230,289,268	82	310,077	111,624	2,536
Panama	17	133,123,513	124,593,518	29	225,959	64,801	587
Venezuela	31	169,003,671	174,926,827	48	492,426	62,676	1
Other Western Hemisphere, total	**35**	**271,467,917**	**138,412,397**	**53**	**4,256,778**	**80,579**	**79,130**
Bermuda	16	117,926,167	82,456,465	22	229,863	58,653	39,978
Netherlands Antilles	17	95,601,057	49,982,150	22	3,852,967	21,093	--
Europe, total	**155**	**733,006,406**	**540,107,725**	**1,969**	**78,412,568**	**36,822,876**	**214,893**
Austria	20	91,577,008	69,441,693	34	23,874	20,373	--
Belgium	44	252,811,653	237,559,108	76	624,128	292,412	4,065
Denmark	23	143,594,227	109,483,247	34	18,192	12,546	4
France (including Andorra)	70	371,681,185	321,868,549	210	1,233,077	412,854	12,516
Italy (including San Marino)	52	286,179,048	244,422,555	108	140,659	70,193	1,141
Luxembourg	8	151,040,709	59,185,052	8	22,423	19,993	52
Netherlands	82	482,468,610	335,273,238	191	12,987,050	534,417	1,000
Norway	19	106,834,760	90,767,245	32	234,387	3,792	351
Spain	42	254,195,920	220,878,386	73	88,483	56,938	16,694
Sweden	30	168,574,569	148,713,663	96	465,296	123,393	989
Switzerland	49	271,008,228	206,846,881	134	13,253,484	10,247,077	1,339
United Kingdom	112	590,971,266	428,807,616	536	43,496,723	23,847,052	82,070
West Germany	82	324,941,557	309,398,594	329	5,263,596	1,097,627	92,966
Africa, total	**33**	**197,791,458**	**142,383,851**	**97**	**65,680**	**51,934**	**1,325**
Liberia	3	15,829,032	19,066,608	10	1,407	--	--
South Africa	23	139,026,735	103,348,349	38	21,888	21,068	34
Asia, total	**112**	**573,612,542**	**441,937,447**	**687**	**25,853,067**	**18,489,299**	**2,115,934**
Hong Kong	59	337,539,648	269,207,483	85	1,680,007	1,524,791	1,019
Indonesia	10	102,924,223	77,297,793	14	16,775	7,182	4,664
Japan	85	465,998,293	358,084,693	255	22,602,541	16,223,498	2,104,053
Middle East countries (except OPEC) [3]	8	87,820,168	62,127,729	13	44,028	38,586	641
OPEC countries (excluding Indonesia) [4]	7	76,217,349	57,907,362	14	243,662	95,365	65
Philippines	16	138,095,122	101,656,489	20	1,518	1,375	--
Oceania, total	**73**	**386,962,917**	**319,113,692**	**201**	**891,936**	**250,521**	**4,948**
Puerto Rico and U.S. Possessions	**13**	**138,089,649**	**107,827,453**	**16**	**71,230**	**38,449**	**77**

Footnotes at end of table.

Table 1.–Foreign-Owned Corporations with Total Receipts of $1 Billion or More: Transactions Between Foreign-Owned Corporations and Related Foreign Persons, by Selected Country of Residence of Related Foreign Person–Continued

[Money amounts are in thousands of dollars]

Selected country	Transactions between foreign-owned corporations and related foreign persons–Continued						
	Amounts received from related foreign persons--Continued						
					Amounts borrowed		
	Rents and royalties	Sales and leases of intangible property rights	Consideration received for services	Commissions received	Beginning balance	Ending balance	Interest received
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
All countries	**145,937**	**293,096**	**2,082,969**	**347,174**	**90,680,302**	**48,956,334**	**594,570**
Canada	**11,110**	**4,231**	**84,841**	**2,792**	**587,793**	**921,339**	**11,262**
Latin America, total	**1,085**	**4,846**	**66,252**	**1,475**	**326,530**	**575,230**	**3,179**
Brazil	38	43	78	763	6,169	2,250	148
Ecuador	--	5	874	45	--	--	89
Mexico	564	2,968	3,137	60	1,912	2,296	242
Panama	64	793	58,317	32	198,057	101,231	7
Venezuela	--	--	1,265	5	115,336	428,179	264
Other Western Hemisphere, total	--	--	**107,507**	--	**5,274,222**	**3,859,185**	**17,088**
Bermuda	--	--	37,805	--	127,293	80,841	12,584
Netherlands Antilles	--	--	1,488	--	5,146,929	3,778,343	3,200
Europe, total	**85,430**	**186,109**	**1,023,937**	**71,359**	**74,957,098**	**38,579,376**	**370,035**
Austria	--	--	807	87	--	(2)	(2)
Belgium	460	2,709	5,575	609	74,746	315,076	2,895
Denmark	--	1,540	155	15	3,050	3,899	33
France (including Andorra)	7,123	13,998	72,773	2,916	793,872	699,356	9,733
Italy (including San Marino)	3,305	2,302	9,347	45	78,977	19,631	2,788
Luxembourg	--	--	1,630	--	166	746	2
Netherlands	6,598	6,507	118,910	676	10,076,425	12,136,703	57,896
Norway	410	1,128	559	22	207,092	207,884	20,240
Spain	412	8,345	1,826	356	10,718	3,868	3
Sweden	674	3,461	11,184	16,378	262,512	274,674	9,193
Switzerland	--	30,996	78,703	8,841	2,357,559	2,603,714	29,064
United Kingdom	58,416	20,915	344,952	29,552	57,850,921	18,364,881	193,390
West Germany	4,267	92,009	369,785	11,001	3,057,225	3,494,429	38,721
Africa, total	**1,917**	**175**	**8,569**	**1,588**	**451**	**15**	**158**
Liberia	--	--	920	479	--	9	--
South Africa	365	122	75	99	49	--	125
Asia, total	**20,680**	**84,317**	**645,787**	**247,456**	**7,912,081**	**3,666,445**	**142,154**
Hong Kong	12	11,474	3,578	2,185	12,827	134,501	2,098
Indonesia	2	9	3,944	110	6,410	826	--
Japan	9,828	69,215	507,755	232,968	4,046,707	3,033,064	139,091
Middle East countries (except OPEC) [3]	253	--	4,548	--	--	(2)	--
OPEC countries (excluding Indonesia) [4]	9,832	--	95,759	9,755	709,857	32,885	--
Philippines	33	--	86	--	--	--	--
Oceania, total	**6,551**	**13,377**	**15,638**	**761**	**770,091**	**550,046**	**49,940**
Puerto Rico and U.S. Possessions	**51**	**42**	**32,472**	--	**6,135**	--	**139**

Footnotes at end of table.

Table 1.--Foreign-Owned Corporations with Total Receipts of $1 Billion or More: Transactions Between Foreign-Owned Corporations and Related Foreign Persons, by Selected Country of Residence of Related Foreign Person--Continued

[Money amounts are in thousands of dollars]

Selected country	Transactions between foreign-owned corporations and related foreign persons--Continued						
	Amounts received from related foreign persons--Continued		Amounts paid to related foreign persons				
	Premiums received for insurance or reinsurance	Other amounts received	Total	Purchases of stock in trade	Purchases of tangible property other than stock in trade	Rents and royalties	Purchases and leases of intangible property rights
	(15)	(16)	(17)	(18)	(19)	(20)	(21)
All countries	**495,501**	**1,775,166**	**148,241,930**	**124,350,900**	**4,176,009**	**572,903**	**802,076**
Canada	**453,424**	**15,559**	**6,778,540**	**5,671,963**	**94,403**	**3,930**	**5,334**
Latin America, total	**35**	**187,052**	**4,794,913**	**4,495,743**	**26,805**	**1,322**	**178**
Brazil	--	118	229,081	184,032	13,854	--	(2)
Ecuador	--	--	610	227	--	--	--
Mexico	--	186,649	515,000	486,774	12,947	124	82
Panama	--	126	415,163	398,188	--	1,197	--
Venezuela	35	--	3,435,608	3,409,452	--	--	--
Other Western Hemisphere, total	**1**	**113,289**	**879,694**	**79,037**	--	--	--
Bermuda	1	--	205,141	64,192	--	--	--
Netherlands Antilles	--	48,842	645,291	1,892	--	--	--
Europe, total	**40,208**	**1,018,345**	**70,746,150**	**54,591,536**	**1,645,745**	**322,028**	**789,380**
Austria	3	2,604	3,044	2,167	--	--	--
Belgium	--	327	548,362	452,747	239	344	21,312
Denmark	--	--	1,631	697	--	4	11
France (including Andorra)	--	1,808	2,895,634	1,242,159	1,285,696	12,708	3,511
Italy (including San Marino)	--	31,907	63,582	45,716	--	--	1,189
Luxembourg	--	(2)	67,490	67,326	119	--	--
Netherlands	21	124,322	2,356,570	505,738	1,263	66,329	30,538
Norway	--	--	15,617	12,735	--	4	1
Spain	--	42	26,051	22,316	--	288	--
Sweden	--	25,352	2,047,259	1,956,021	1	3,309	92
Switzerland	21,728	232,022	12,648,355	11,258,292	151,145	27,476	249,885
United Kingdom	18,434	537,062	36,034,793	25,944,536	142,222	78,747	468,010
West Germany	23	62,769	13,861,383	13,014,682	64,963	124,113	14,666
Africa, total	--	--	**53,906**	**49,299**	--	--	**5**
Liberia	--	--	648	--	--	--	--
South Africa	--	--	44,142	43,981	--	--	5
Asia, total	**1,180**	**439,814**	**61,503,261**	**56,795,232**	**2,342,297**	**240,849**	**5,324**
Hong Kong	--	349	1,704,573	1,418,687	18,057	38	--
Indonesia	--	38	4,098	4,054	--	--	--
Japan	1,009	282,058	52,980,184	49,108,384	2,241,439	240,793	5,297
Middle East countries (except OPEC) [3]	--	--	33,233	11,386	--	--	--
OPEC countries (excluding Indonesia) [4]	--	--	4,338,115	4,062,589	--	--	--
Philippines	24	--	2,556	2,501	--	--	--
Oceania, total	**150**	**4**	**1,198,736**	**604,917**	**65,680**	**3,596**	**1,855**
Puerto Rico and U.S. Possessions	--	--	**317,034**	**306,526**	--	--	--

Footnotes at end of table.

Table 1.--Foreign-Owned Corporations with Total Receipts of $1 Billion or More: Transactions Between Foreign-Owned Corporations and Related Foreign Persons, by Selected Country of Residence of Related Foreign Person--Continued

[Money amounts are in thousands of dollars]

Selected country	Transactions between foreign-owned corporations and related foreign persons--Continued						
	Amounts paid to related foreign persons--Continued						
			Amounts loaned				
	Consideration paid for services	Commissions paid	Beginning balance	Ending balance	Interest paid	Premiums paid for insurance	Other amounts paid
	(22)	(23)	(24)	(25)	(26)	(27)	(28)
All countries	**1,401,564**	**166,110**	**9,515,401**	**10,158,250**	**5,215,131**	**411,709**	**987,277**
Canada	**342,691**	**13,507**	**93,308**	**492,192**	**65,152**	**63,416**	**25,954**
Latin America, total	**10,246**	**5,407**	**5,861**	**54,284**	**30,020**	**167,956**	**2,953**
Brazil	--	1,167	410	27,841	2,149	--	38
Ecuador	--	164	100	219	--	--	--
Mexico	595	2,726	1,024	8,459	438	--	2,855
Panama	7,689	23	2,590	7,364	680	--	21
Venezuela	(2)	648	33	546	24,959	--	2
Other Western Hemisphere, total	**33,200**	**22**	**277,114**	**156,698**	**558,547**	**52,190**	**1**
Bermuda	492	--	209,215	126,033	5,139	9,284	--
Netherlands Antilles	16,398	22	67,899	30,665	553,408	42,906	--
Europe, total	**455,652**	**77,009**	**8,190,180**	**7,859,082**	**4,219,862**	**123,256**	**662,600**
Austria	207	13	1,327	657	--	--	--
Belgium	9,999	880	14,348	42,444	19,486	564	347
Denmark	(2)	5	222	491	423	--	--
France (including Andorra)	54,103	38,082	839,752	177,497	76,740	--	5,139
Italy (including San Marino)	9,416	177	2,417	5,425	8	1	1,649
Luxembourg	--	--	--	--	44	--	--
Netherlands	84,344	3,237	370,048	349,901	1,146,975	1,366	166,879
Norway	354	106	140	1,502	916	--	--
Spain	7	183	200	2,028	1,227	--	2
Sweden	2,849	329	3,751	2,515	29,541	48,883	3,719
Switzerland	87,808	11,761	364,717	559,146	253,181	38,353	11,306
United Kingdom	169,822	20,115	6,209,167	6,338,636	2,373,986	30,225	468,495
West Germany	30,849	2,045	299,003	301,471	300,258	3,865	4,472
Africa, total	**1,497**	**4**	**2,036**	**1,515**	**3**	**1,583**	--
Liberia	--	--	1,283	648	--	--	--
South Africa	--	4	371	153	--	--	--
Asia, total	**418,598**	**52,424**	**528,246**	**1,115,195**	**237,438**	**1,516**	**294,389**
Hong Kong	2,689	9,208	22,646	251,794	3,956	--	144
Indonesia	30	--	103	13	--	--	2
Japan	108,262	37,177	391,027	723,433	223,435	1,516	290,450
Middle East countries (except OPEC) [3]	21,843	4	--	--	--	--	--
OPEC countries (excluding Indonesia) [4]	266,625	12	--	1	8,888	--	--
Philippines	--	13	--	--	41	--	(1)
Oceania, total	**9,345**	**272**	**417,479**	**475,898**	**35,129**	**1,472**	**572**
Puerto Rico and U.S. Possessions	--	**8,070**	--	**1,514**	**924**	--	--

[1] Number of reporting corporations is not additive because a given corporation could have related foreign persons in more than one country.
[2] Less than $500.
[3] Includes Bahrain, Cyprus, Gaza Strip, Israel, Jordan, Lebanon, Oman, Syria, and Yemen (including the former Yemen Arab Republic).
[4] Includes Iran, Iraq, Kuwait, Qatar, Saudi Arabia, and the United Arab Emirates.
NOTE: Detail may not add to totals because of rounding.

Table 2.--Foreign-Owned Corporations with Total Receipts of $1 Billion or More: Transactions Between Foreign-Owned Corporations and Related Foreign Persons, by Industrial Division of Foreign-Owned Corporation

[Money amounts are in thousands of dollars]

Industrial division	Reporting corporations			Transactions between foreign-owned corporations and related foreign persons			
					Amounts received from related foreign persons		
	Number of foreign-owned corporations	Total assets	Total receipts	Number of related foreign persons	Total	Sales of stock in trade	Sales of tangible property other than stock in trade
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All industries	**187**	**814,514,404**	**616,625,608**	**3,734**	**118,036,425**	**60,869,560**	**2,476,118**
Agriculture, forestry and fishing	--	--	--	--	--	--	--
Mining	3	13,448,130	7,793,714	141	555,992	318,598	38,472
Construction	4	3,745,901	5,937,746	22	7,839	237	--
Manufacturing	91	410,569,990	298,316,863	2,642	45,380,801	7,185,597	150,210
Transportation and public utilities	**	**	**	**	**	**	**
Wholesale and retail trade	67	130,403,981	259,853,644	810	36,158,489	23,927,361	2,245,574
Finance, insurance and real estate	18	242,916,647	37,180,952	94	33,210,737	29,434,119	41,861
Services	**	**	**	**	**	**	**

Industrial division	Transactions between foreign-owned corporations and related foreign persons--Continued						
	Amounts received from related foreign persons--Continued						
					Amounts borrowed		
	Rents and royalties	Sales and leases of intangible property rights	Consideration received for services	Commissions received	Beginning balance	Ending balance	Interest received
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
All industries	**145,937**	**293,096**	**2,082,969**	**347,174**	**90,680,302**	**48,956,334**	**594,570**
Agriculture, forestry and fishing	--	--	--	--	--	--	--
Mining	6,636	519	164,791	2,394	17,636	19,751	20
Construction	472	--	2,866	--	33,412	605	3,404
Manufacturing	116,230	241,170	1,039,824	95,895	75,052,161	35,564,090	350,448
Transportation and public utilities	**	**	**	**	**	**	**
Wholesale and retail trade	6,000	51,407	862,916	211,015	10,589,843	8,291,695	112,069
Finance, insurance and real estate	16,599	--	12,295	37,869	1,849,634	2,361,977	128,205
Services	**	**	**	**	**	**	**

Footnote at end of table.

Table 2.--Foreign-Owned Corporations with Total Receipts of $1 Billion or More: Transactions Between Foreign-Owned Corporations and Related Foreign Persons, by Industrial Division of Foreign-Owned Corporation--Continued

[Money amounts are in thousands of dollars]

Industrial division	Transactions between foreign-owned corporations and related foreign persons--Continued						
	Amounts received from related foreign persons--Continued		Amounts paid to related foreign persons				
	Premiums received for insurance or reinsurance	Other amounts received	Total	Purchases of stock in trade	Purchases of tangible property other than stock in trade	Rents and royalties	Purchases and leases of intangible property rights
	(15)	(16)	(17)	(18)	(19)	(20)	(21)
All industries	**495,501**	**1,775,166**	**148,241,930**	**124,350,900**	**4,176,009**	**572,903**	**802,076**
Agriculture, forestry and fishing	--	--	--	--	--	--	--
Mining	3	4,807	696,679	500,479	2,504	--	5,124
Construction	--	254	477,876	328,260	--	--	--
Manufacturing	12,691	624,646	46,971,684	31,497,151	456,300	383,249	790,402
Transportation and public utilities	**	**	**	**	**	**	**
Wholesale and retail trade	233	450,220	69,306,979	63,322,028	3,717,205	188,559	5,216
Finance, insurance and real estate	482,574	695,238	30,400,734	28,702,981	--	902	--
Services	**	**	**	**	**	**	**

Industrial division	Transactions between foreign-owned corporations and related foreign persons--Continued						
	Amounts paid to related foreign persons--Continued						
			Amounts loaned				
	Consideration paid for services	Commissions paid	Beginning balance	Ending balance	Interest paid	Premiums paid for insurance	Other amounts paid
	(22)	(23)	(24)	(25)	(26)	(27)	(28)
All industries	**1,401,564**	**166,110**	**9,515,401**	**10,158,250**	**5,215,131**	**411,709**	**987,277**
Agriculture, forestry and fishing	--	--	--	--	--	--	--
Mining	39,324	54,318	--	--	83,394	8,148	3,390
Construction	20,040	--	81,884	121,028	8,051	--	496
Manufacturing	1,179,672	45,259	7,792,200	8,157,383	3,907,853	100,054	454,360
Transportation and public utilities	**	**	**	**	**	**	**
Wholesale and retail trade	98,891	60,882	858,429	954,724	607,014	54,766	297,694
Finance, insurance and real estate	58,652	5,647	738,096	911,950	293,872	195,393	231,338
Services	**	**	**	**	**	**	**

**Not shown to avoid disclosure about specific corporations. However, data are included in totals for "All industries."

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

Supplement to Statistics of Income Studies of Individual Income and Taxes, 1913-1992

While present-day users of Statistics of Income are familiar with the content and purposes of this series, they may also be interested to learn what some of the users in an earlier age expected and what their reactions were to the first Statistics of Income. The following article, published in 1915, helps to provide a perspective to the 80-year old series.

INCOME TAX STATISTICS.

By Roland P. Falkner, Ph.D., *Statistician, National Civic Federation.*

The adoption of a federal income tax has led students of economics and of public finance to hope for some illuminating material upon the distribution of national income and the operations of the tax. While the results as published in the annual report of the Commissioner of Internal Revenue are worthy of study, they are somewhat of a disappointment. This follows in part from the fact that the system is in its infancy, since the law as a whole affected the income of the year 1913 for ten months only and not the entire year, and since the provisions of the law regarding withholding at the source were operative for the last two months of the year only, and in part from the fact that the information given in the report is somewhat crude in form and meagre in detail.

TABLE I.

INCOME RETURNS FOR 1913.

Incomes for Ten Months, Ending December 31, 1913.		Equivalent Annual Incomes.		
Class in Thousand Dollars.	Number of Returns.	Class in Thousand Dollars.	Number of Thousand Dollars in Each Class.	Number of Income Returns per Thousand Dollars in Each Class.
2½ to 3½	79,426	3 to 4	1	79,426
3½ to 5	114,484	4 to 6	2	57,242
5 to 10	101,718	6 to 12	6	16,953
10 to 15	26,818	12 to 18	6	4,470
15 to 20	11,977	18 to 24	6	1,995
20 to 25	6,817	24 to 30	6	1,136
25 to 30	4,164	30 to 36	6	694
30 to 40	4,553	36 to 48	12	379
40 to 50	2,427	48 to 60	12	202
50 to 75	2,618	60 to 90	30	87
75 to 100	998	90 to 120	30	33
100 to 150	785	120 to 180	60	13
150 to 200	311	180 to 240	60	5
200 to 250	145	240 to 300	60	2
250 to 300	94	300 to 360	60	1.5
300 to 400	84	360 to 480	120	0.7
400 to 500	44	480 to 600	120	0.4
500 to 1,000	91	600 to 1,200	600	
1,000 and over	44	1,200 and over		

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The most general information given in the official report concerns the number of individual incomes for which returns were made.* This is given in a table and chart, the essential features of the table being reproduced in the first two columns of the accompanying Table I. The remaining columns have been added by the writer to bring out the significance of the official figures.

The fact that the returns are for a period of ten months from March 1, 1913, to December 31, 1913,† and not for the calendar year 1913, has been lost sight of in most of the popular discussion of the results. It has, therefore, seemed desirable to add a column showing the annual equivalents for the different income classes given in the table.‡

The table contains a complete showing of all income returns, the obligation to make a return being imposed upon all persons having an annual income of $3,000 and upwards, or who had for the ten months, March to December, 1913, an income of $2,500 or upwards. Since married persons enjoy an exemption of $4,000, the returns include some incomes not subject to taxation. No record of this number is given in the report, information concerning the number of married and "single" persons being given not by classes of income but only for the whole number of returns.

The facts given in the second column as to the number of returns in each income group have been widely published by the press and much surprise has been expressed over the fact that the second group of the table is larger than the first. It has been cited as a very singular phenomenon, quite contrary to our general impressions, that smaller incomes are much more numerous than larger ones. The ingenious explanation

* For the United States as a whole the information is given in a chart and table facing p. 20, for collection districts on pp. 110-111, and for states on pp. 112-113.

† The chart and table facing p. 20 somewhat confuse the matter by referring to the returns as being for the taxable period, March 1 to December 31, 1914.

‡ In transforming the income classes given in the table into their annual equivalents, it has been assumed that the income reported for the ten months was five sixths of the annual income. In view of the fact that the months omitted were those of January and February, 1913, in which fall so many of the payments of interest on securities, it is more than likely that the remaining ten months represent somewhat less than five sixths of the annual income for the year. But as there is no way of estimating with precision the actual difference, we have throughout this paper generally assumed that annual incomes would be one fifth larger than those reported in 1913.

has even been offered that among the smaller income group there may have been an extraordinary amount of tax dodging.

An examination of the table will show that this apparently anomalous statistical fact results merely from the irregular grouping of incomes. If attention be given to the equivalent annual incomes it will be seen that incomes of the first group have a range of $1,000, those of the second of $2,000, and those of the third of $6,000. In the final column of the table here printed is a statement of the number of incomes for each $1,000 included in each group. It will be noted that in this column the distribution of incomes accords better with our general information. Not only is the first group more numerous than the second, but the third group which, in the original statement is nearly as large as the second, becomes only slightly more than one fourth as great.

The misleading impression of the official table is heightened by the accompanying chart. For the purpose of showing how a chart should not be prepared, it is reproduced here for comparison with a chart which gives a clearer view of the distribution of incomes.

A comparison of these general results with the experience of European countries, which have long had income taxes, is tempting but difficult. The British income tax is more complicated in its details than the American tax, and the official returns show the sources of income but do not show the whole number of incomes taxed. From time to time various writers have attempted estimates of the number of persons receiving incomes of a certain size. With the aid of figures drawn from taxes on legacies and on houses, Mr. L. G. Chiozza-Money* has estimated that in 1908–09 there were in the United Kingdom 280,000 persons in receipt of incomes in excess of £700 ($3,406). A comparison with the estimated population shows this number to be equivalent to 625 per 100,000. Though the minimum is higher in this estimate than in the United States the proportion of persons receiving these incomes is notably superior to that which results from our income tax figures. In Continental Europe incomes are taxed directly and the number of taxable incomes is available in the official records.

* Riches and Poverty, 1910.

American Statistical Association.

The exemptions are commonly much less than in the United States and the whole number of incomes taxed cannot therefore be compared with the similar figures here. While statements for certain countries are available by income classes, the divisions used in the foreign figures do not permit an exact comparison. The last edition of Conrad's *Handwörterbuch der Staatswissenschaften* gives a very full statement of income statistics from which some facts may be selected which at least in a rough way may be compared with the figures for the United States. Such figures are given in Table II.

TABLE II.

INCOMES IN FOREIGN COUNTRIES AND THE UNITED STATES COMPARED.

Country.	Year.	Incomes above (Dollars.)	Number.	Population.	Incomes per 100,000 of Population.
France	1907	4,000	64,000	(a) 39,252,267	163
Austria	1907	2,400	25,600	27,729,500	113
German States					
Prussia	1908	2,375	105,000	38,026,556	276
Hamburg	1901	2,500		(b) 768,349	884
Saxony	1906	3,000	12,500	(c) 4,508,601	287
United States (d)	1913	3,000	356,579	96,765,563	368
	1913	4,000	277,499	96,765,563	287

a) 1906. (b) 1900. (c) 1905. (d) Excluding Alaska, Hawaii and Porto Rico.

The lowest income here noted is that which approaches most closely in the respective classifications to the United States minimum. Numbers differ widely according to the size of the countries considered, and reference to the population is necessary. France and Austria present a marked contrast, though the lower limit of incomes referred to is much higher in France, which has the largest proportion of such incomes. Austria, with a minimum income $600 lower than the United States has not even one third as many incomes above the minimum. Comparing incomes above $4,000, France has somewhat more than half as many as the United States. For the German Empire there is no imperial income tax, but such taxes are found in most of the states. The table shows figures for Saxony for the incomes above the $3,000 minimum, which are a little more than three fourths as numerous as in the United States. In Prussia incomes in excess of

Income Tax Statistics.

$2,400 in round numbers appear to be somewhat less than three fourths as frequent in proportion to the population as are incomes in excess of $3,000 in the United States. Hamburg shows a percentage of incomes above $2,500 much higher than the figures for the United States. This higher percentage is not due to the lower minimum but rather to the fact that Hamburg is a rich city, the centre of the lucrative foreign commerce of the Empire. In the United States no separate figures are published for corresponding city areas, such as New York, Chicago, and Philadelphia. But we shall see later that as high a proportion to the population is found in New York State as a whole as in the city of Hamburg.*

The foregoing comparisons suffer under the fact that for the different countries compared the minimum income for which figures are given differs. This inconvenience can be removed, at the cost however of accuracy of statement, by estimating the number of incomes superior to $3,000 per annum for the purpose of comparing such estimate with the population and with the figures for the United States. In order to make such an estimate all the facts concerning the incomes in these countries were plotted in curves in such way that the height of the ordinate at any given point represented the whole number of reported incomes above that point. The curves for the different countries, with the exception of Saxony where the figure was already known, gave the following estimates of the number of incomes above $3,000 in the various countries, by means of which we have calculated the number per 100,000

Country.	Incomes of $3,000 and over.	
	Number.	Per 100,000 of the Population.
Austria	20,000	59
France	95,000	242
Prussia	75,000	197
Hamburg	——	700
Saxony	12,500	287
United States	350,579	368

*The second and third New York collection districts include the Borough of Manhattan. In these two districts the incomes returned numbered 50,049. If we compare this number with the population of Manhattan Borough, as returned in the Census of 1910, we find the unusual number of 2,142 returns per 100,000 inhabitants. Of course it is to be remembered that the taxes are paid at the principal place of business, and that not all who paid taxes in Manhattan are residents of that Borough.

American Statistical Association.

of the population. In more convenient form this estimate shows the larger number of incomes of $3,000 and upwards which is reported in the United States as compared with all of the countries included in the comparison except the city of Hamburg.

In making these comparisons there is tacit assumption that the incomes reported in the United States are a full and complete indication of the wealth of individuals in this country but there is much reason to doubt whether the total number of returnable incomes actually in existence in the United States found its way into the treasury reports. The system of income taxation is in its infancy and it is more than probable that a considerable number of taxable incomes escaped the tax in the first year of its operation. Under the older and more vigilant administration of the tax in European countries a fuller report of all taxable incomes is probable. In presenting the figures given in Column 2 of Table I, the Secretary of the Treasury makes this comment upon the completeness of the returns:

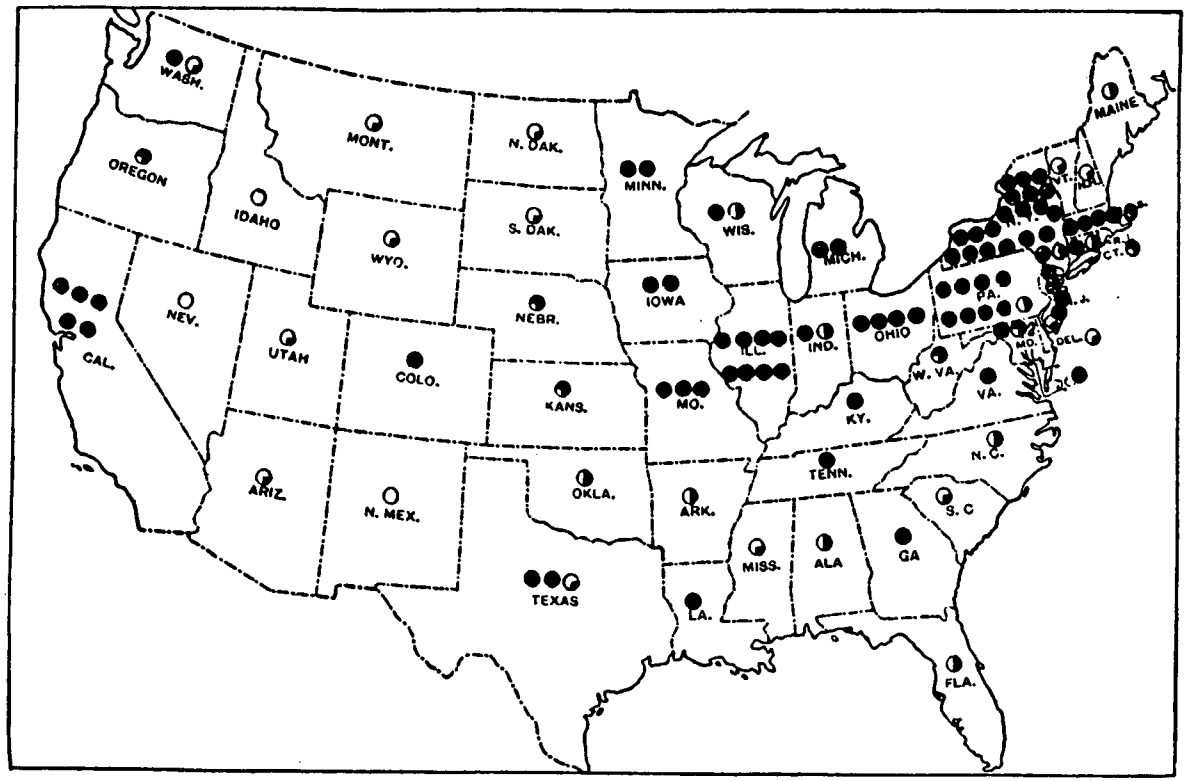
"It is obvious, upon the face of the returns, that there were more than 79,426 persons out of a total population of approximately a hundred million in this country who had net incomes of from $2,500 to $3,333 for 10 months—the taxable period for the calendar year 1913. It may be said with equal truth that there were more than 114,484 people out of our e. re population who had a net income of from $3,333 to $5,000, and more than 101,718 people out of our entire population who had a net income of from $5,000 to $10,000 for the same period. It is clear that there were thousands of persons who failed altogether to make a return as required by law."

It will be noted that especial emphasis is laid in this statement upon the lowest income class and indeed a consideration of the figures themselves suggests that the returns in this class are not so full and complete as in the subsequent classes. Incompleteness of the returns, particularly in this class, might be due in part to a desire to evade the tax but it is much more probable that it results in large measure from ignorance of the requirements of the law. The greater number of persons whose income fell in 1913 in the first group—equivalent to

$3,000 to $4,000 per annum—are not in fact subject to taxation because they can claim the benefit of the $4,000 exemption accorded married persons. That such persons are required to make returns although not subject to taxation is not generally known among the public and where it is known such persons are prone to be indifferent about making returns. If we knew how many of the persons who made returns in 1913 were not subject to taxation because of this exemption, we should be able to estimate how far the factor now under consideration had been at work in reducing the whole number of returns.

Returning to the specific information available in the report of the Commissioner of Internal Revenue concerning the incomes in the United States, our attention may first be directed to the geographical distribution of the returns, which is shown by the map accompanying this paper and by the tables which follow. The map shows the income tax returns to be numerous in a group of states extending from Illinois eastward to Massachusetts and in California. Elsewhere returns are comparatively few. When information concerning the income tax returns was first given to the public it received considerable attention in the press. Each newspaper was of course especially interested in its own state, but nearly all of them called attention to the fact that New York State alone had 81,972 returns, or over one fifth of the whole number. In explaining this preponderance, the relation of New York City in the large number of returns to the state was pointed out, but the fact that New York is also the largest state in population was overlooked. The states whose income returns numbered over 10,000 are given in Table III, giving the number of returns for the leading states, and also comparisons with the population.

DISTRIBUTION OF INCOMES SUBJECT TO INCOME TAX



Explanation:—Each dark circle represents 4,000 returns, each quadrant represents 1,000 returns, the last 1,000 being rounded off. Empty circles indicate less than 500 returns.

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TABLE III.

NUMBER OF TAX RETURNS FOR INCOMES EQUIVALENT TO $3,000 OR MORE PER ANNUM, BY STATES.

Area.	Returns.					
	All Incomes.			Incomes of $24,000 and over, Yearly.		
	Number.	Per 100,000 of the Population of April 15, 1910.		Number.	Per 100,000 of the Population of April 15, 1910.	
		Total.	Urban.		Total.	Urban.
United States (a)	356,579	388	860	23,114	25	54
New York	81,972	899	1,141	7,323	80	102
Pennsylvania	34,226	447	741	2,719	35	59
Illinois	32,242	572	950	1,935	34	56
California	19,557	822	1,323	933	40	63
Massachusetts	19,314	581	618	1,906	57	61
Ohio	16,078	337	628	1,043	22	39
New Jersey	13,345	526	700	783	31	41
Missouri	11,816	359	845	642	19	46
Total for states named	228,550	590	884	17,284	45	67
Other states	128,029	241	764	5,830	11	35

(a) Excluding Alaska, Hawaii, and Porto Rico, from which 1,019 returns were received.

The eight states named in the table contain a little more than two thirds of all incomes returned, but they comprised a little more than four tenths of the population of the country in 1910. In making comparisons with the population the figures of the 1910 census have been used. The utility of such comparisons between different states would not be greatly enhanced by estimating the population of 1913. It may be remarked that for the United States as a whole the ratio of 388 income tax returns per 100,000 of the population of 1910 becomes 368 when the estimated population of 1913 is used. In the group of states here named, the returns per 100,000 inhabitants are more than twice as numerous as in the rest of the country. New York stands at the head of the list in the ratio to the population as well as in absolute numbers, though California follows close behind in the ratio. The order in relation to population does not follow that of absolute numbers.

It cannot fail to be noticed that the states named are those

which contain the largest cities within their limits.* As it is probable that comparatively few of the persons receiving annual incomes of $3,000 and more live in rural communities, it has seemed desirable to establish a further ratio between the number of income tax returns and the urban population which as defined by the census comprises all persons living in communities of 2,500 inhabitants and upwards. Such a comparison shows that relatively the largest number of income tax returns is reported from California and not New York, the smallest number being from Massachusetts. Moreover there is comparatively little difference between this group of states and the rest of the country when ratios are established with the urban population only.

In the foregoing table incomes of $20,000 and over for ten months in 1913, equivalent to annual incomes of $24,000 and over, are shown separately. These are the incomes which in 1913 were subject to the additional tax. They are comparatively few in number, but are more frequent in the states here named than in the remainder of the United States.

The geographical distribution of $3,000 incomes for the different sections of the country, which are familiar in census usage, with ratios to the total and urban population, is shown in Table IV.

*The results of the first assessment make it clear that the income tax is primarily an urban tax. Over 40 per cent. of the entire tax is assessed in Milwaukee city alone, and more than 80 per cent. in the seventeen Counties containing cities. . . . Measured by income there are plainly more persons capable of paying taxes in the city than in the country. . . . 6th Biennial Report of the Wisconsin State Tax Commission (1912), p. 31.

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TABLE IV.

NUMBER OF TAX RETURNS FOR INCOMES EQUIVALENT TO $3,000 OR MORE PER ANNUM BY DIVISIONS.

Area.	Returns.					
	All Incomes.			Incomes of $24,000 Yearly, and over.		
	Number.	Per 100,000 of the Population of April 15, 1910.		Number.	Per 100,000 of the Population of April 15, 1910.	
		Total.	Urban.		Total.	Urban.
United States (a)	356,579	388	860	23,114	25	50
The North	265,893	477	811	19,198	35	59
New England	32,277	493	592	2,956	45	54
Middle Atlantic	129,543	671	944	10,825	56	79
East North Central	68,720	430	714	3,996	22	42
West North Central	35,353	342	913	1,421	12	37
The South	55,736	190	842	2,376	8	36
South Atlantic	27,595	265	892	1,211	10	39
East South Central	10,690	142	679	427	5	27
West South Central	17,451	267	892	738	8	38
The West	34,950	512	1,050	1,540	23	46
Mountain	8,048	480	848	322	12	34
Pacific	26,902	1,113	1,129	1,218	29	51
East of Mississippi River	268,825	415	803	19,415	30	58
West of Mississippi River	87,754	322	959	3,699	14	40

(a) Excluding Alaska, Hawaii and Porto Rico, from which 1,019 returns were received.

This table confirms with greater detail that which preceded it. Returnable incomes are vastly more numerous in the North than in the South or West. But if reference be had to the total population it appears that relatively North and West have somewhere about the same number of returns, the advantage being for the West. The South falls far below. Quite different is the showing when comparisons are made with the urban population. In this comparison the South as well as the West exceeds the North in the number of returns. There is, however, less divergence among the various sections when the comparison is made with the urban population than when it is made with the general population. The distribution of returnable incomes among the different sections reflects, therefore, the distribution of urban population in those sections.

It may, however, be observed that the larger incomes are

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more frequent in the older parts of the country. The largest proportions are found in New England and the Middle States. These divisions, with the Pacific division, are the only ones which exceed the average for the United States and appear in marked contrast to the other parts of the country.

With respect to the persons who pay the income tax, the report gives us the further information that 78,763 are single and 278,835 are married. It is to be remembered that in the income tax law these words have a significance different from that of the census and similar statistics. Under the income tax law the term married is only applicable to a married person who has a wife or husband, as the case may be, living with the person making the return. All other persons, whether bachelors or spinsters, separated, widowed or divorced, are single for the purposes of the income tax law. The "single" persons of the income tax payers are 28 per cent. of the total number, and in the population twenty-five years of age and upward such "single" persons are 26 per cent. of the total. It may also be noted that the 278,835 married persons represent 272,153 households, since 6,682 married women living with their husbands made a separate return of their incomes.

Concerning the income represented by these returns the report gives no definite information, though from the number of incomes and from the product of the tax some approximations may be made. The normal tax of 1 per cent. was levied upon incomes for ten months in 1913, in an aggregate amount of $1,272,803,802. While this is the taxable income it falls short of the true income, first by the amount of the personal exemptions, and second by the income received in the form of dividends. The personal exemptions of $2,500 for 78,760 single persons and of $3,333.33 for 272,152 married persons amounted to $1,104,084,166, which added to the taxable income makes a total of about $2,400,000,000. An additional sum to represent dividend income would have to be added to obtain the total income.

While the figures printed in the report do not give directly the total income, either for the income tax payers as a whole or for any of the different income classes represented in statistics, such information, at least so far as the larger incomes

are concerned, can be derived with the expenditure of no little patience from the figures giving the results of the supertax. The supertax is paid on the entire income and is not subject to deductions either for personal exemptions or for income from dividends. It is paid at varying rates on the excess of total incomes over $20,000. The report of the Commissioner of Internal Revenue gives the product of this tax according to the several rates of taxation, as follows:

Income Class, Thousands of Dollars.	Rate of Taxation. Per Cent.	Tax Collected.
20 to 50	1	$2,934,754
50 to 75	2	1,645,639
75 to 100	3	1,323,023
100 to 250	4	3,835,948
250 to 500	5	2,334,583
500 and over	6	3,437,850
Total		$15,511,797

The combination of the figures here given with those in a previous part of the report in regard to the number of incomes, enables us to analyze each of the several tax classes. Thus taxation at 1 per cent. falls in part on incomes exceeding $20,000 but less than $50,000, and in part on incomes exceeding $50,000. We know the aggregate amount of tax which is paid at the rate of 1 per cent. It is obvious that on all incomes higher than $50,000, the first $30,000 over the untaxed minimum of $20,000 is taxed at 1 per cent. As we know the number of such incomes the amount of the incomes so taxed can be determined and also the amount of the tax upon it. Having ascertained the taxation at 1 per cent. upon all incomes over $50,000, we can deduct this from the total receipts at 1 per cent., to find how much is attributable to the first class, namely $20,000 to $50,000. The amount collected by this taxation multiplied by 100 represents the income which is so taxed.

A similar process can be applied to taxation at the rate of 2, 3, 4, and 5 per cent., respectively, while for the taxation at 6 per cent. no calculation is necessary, as all income above $500,000 is taxed at this uniform rate. The results are shown in Table V.

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TABLE V.

ANALYSIS OF ADDITIONAL TAX, SHOWING UPON WHAT INCOMES EACH TAX RATE FALLS.

Line Number.	Tax Class, Thousands of Dollars.	Income Class, Thousands of Dollars.	Number of Incomes Taxed.	Amount of Each Income Higher than the Class Taxed at thisRate.	Tax paid by Each Income Class.	Total Income Taxed in Each Class at This Rate.
1.....	20 to 50	20-50	17,961		$1,370,554	$137,055,400
2.....	taxed at 1%	50-75	2,618	30,000	785,400	78,540,000
3.....		75-100	998	30,000	299,400	29,940,000
4.....		100-250	1,241	30,000	372,300	37,230,000
5.....		250-500	222	30,000	66,600	6,660,000
6.....		500 and over	135	30,000	40,500	4,050,000
7.....			23,175		2,934,754	293,475,400
8.....	50 to 75	50-75	2,618		347,639	17,381,950
9.....	taxed to 2%	75-100	998	25,000	499,000	24,950,000
10.....		100-250	1,241	25,000	620,500	31,025,000
11.....		250-500	222	25,000	111,000	5,550,000
12.....		500 and over	135	25,000	67,500	3,375,000
13.....			5,214		1,645,639	82,281,950
14.....	75 to 100	75-100	998		124,523	4,150,767
15.....	taxed at 3%	100-250	1,241	25,000	930,750	31,025,000
16.....		250-500	222	25,000	166,500	5,550,000
17.....		500 and over	135	25,000	101,250	3,375,000
18.....			2,596		1,323,023	44,100,767
19.....	100 to 250	100-250	1,241		1,693,948	42,348,700
20.....	taxed at 4%	250-500	222	150,000	1,332,000	33,300,000
21.....		500 and over	135	150,000	810,000	20,250,000
22.....			1,598		3,835,948	95,898,700
23.....	250 to 500	250-500	222		647,083	12,941,660
24.....	taxed at 5%	500 and over	135	250,000	1,687,500	33,750,000
25.....			357		2,334,583	46,691,660
26.....	500 and over taxed at 6 %	500 and over	135		3,437,850	57,297,500

The figures in Table V are given by tax classes. They may be rearranged to show the incomes and the tax paid in each income class. Such a rearrangement of the material for incomes of half a million dollars and over is given in Table VI.

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TABLE VI.

INCOMES OF $500,000 AND OVER (135 IN NUMBER).

Taxation Classes, Thousands of Dollars.	Rate of Tax Per Cent.	Portion of Each Income Taxed at Each Rate	Total Income Taxed at Each Rate	Tax paid at Each Rate.
Under 20	0	0	$2,700,000	0
20 to 50 (line 6, Table V)	1	$30,000	4,050,000	$40,500
50 to 75 (line 12, Table V)	2	25,000	3,375,000	67,500
75 to 100 (line 17, Table V)	3	25,000	3,375,000	101,250
100 to 250 (line 21, Table V)	4	150,000	20,250,000	810,000
250 to 500 (line 24, Table V)	5	250,000	33,750,000	1,687,500
500 and over (line 26, Table V)	6	All	57,297,000	3,437,850
			$123,057,500	$6,145,100

Without repeating the component parts of each income class —all the materials are found in Table V—we can gather the following information for total incomes, including the untaxed minimum of $20,000, which are subject to the additional tax.

Income Classes, Thousands of Dollars.	Number.	Income.
20 to 50	17,961	$496,375,000
50 to 75	2,618	148,281,950
75 to 100	998	79,000,767
100 to 250	1,241	166,448,700
250 to 500	222	68,441,660
500 and over	135	123,057,500
Total	23,175	$1,081,605,977

This leaves us with only the incomes from $2,500 to $20,000 to determine. An approximation to the total incomes should be obtainable from the numbers in the different income classes. The average income in each class has been estimated by adding to the minimum an amount equal to one third of the difference between the maximum and the minimum of each class. This estimate allows for the fact already noted that incomes fall off in number as they increase in amount. Whether the allowance is correctly made appears from a comparison of this estimate for figures already given for incomes over $20,000. To permit this comparison and to secure a complete estimate of total income on this basis the estimate is made for all classes, though our special interest at present is in the incomes under $20,000. The results are given in Table VII.

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TABLE VII.

NUMBER OF INCOMES AND ESTIMATE OF THEIR AMOUNT.

Income Classes, Thousands of Dollars.	Number of Returns.	Estimated Income.	
		Average.	Total.
2½ to 3½	79,426	$2,778	$220,645,428
3½ to 5	114,484	3,889	445,228,276
5 to 10	101,718	6,667	678,153,906
10 to 15	26,818	11,667	312,885,606
15 to 20	11,977	16,667	199,620,459
20 to 25	6,817	21,667	147,703,939
25 to 30	4,164	26,667	111,041,388
30 to 40	4,553	33,333	151,765,144
40 to 50	2,427	43,333	105,169,191
50 to 75	2,618	58,333	152,715,794
75 to 100	998	83,333	83,166,334
100 to 150	785	116,667	91,583,595
150 to 200	311	166,667	52,833,431
200 to 250	145	216,667	31,416,715
250 to 300	94	266,667	25,066,698
300 to 400	84	333,333	27,999,972
400 to 500	44	433,333	19,066,652
500 to 1,000	91	666,667	60,666,697
1,000 and over	44	$1,500,000	66,000,000
Total	357,598		$2,982,729,225

In applying the method described to the group receiving $1,000,000 and over, which, of course, has no upper limit, it was necessary to assign to this group a purely arbitrary estimate of the average income. The aggregate of incomes under $20,000 appears in this table as $1,856,533,675, while the estimate for the group $20,000 to $500,000 is $999,528,853. The correct figure for the group $20,000 to $500,000 is $958,548,477. We have, therefore, for this large group from $20,000 to $500,000 a direct comparison of actual figures and the estimate, and it appears that the correct figure is 95.9 per cent. of the estimated figure. It seems proper to assume that in the estimate of incomes under $20,000 we have the same excess. Deducting 4.1 per cent. from the estimate of such incomes and adding to the result the correct figures for incomes from $20,000 to $500,000, and for incomes for $500,000 and over, as given in a former table, we have a corrected estimate of an aggregate income of $2,862,021,776 for ten months in 1913, of all persons who had in that period a minimum income of $2,500. From the figures of the normal tax we had already accounted for an income of $2,370,000,000, and if this sum be deducted from

our estimate of the total income it would appear that there is a difference of $490,000,000 to be explained by the income received in the form of dividends, which is not subject to the normal tax. It will be interesting to inquire whether the corporation income tax throws any light upon this subject of dividend income.

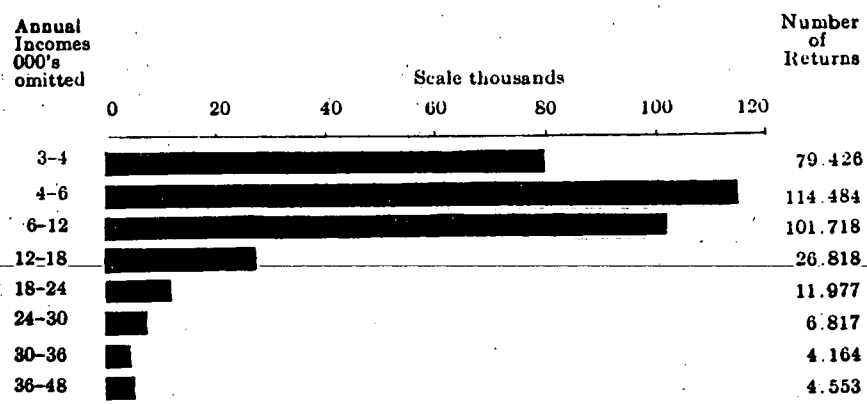

Diagram I. Incomes reported 1913 as shown in report of Commissioner of Internal Revenue

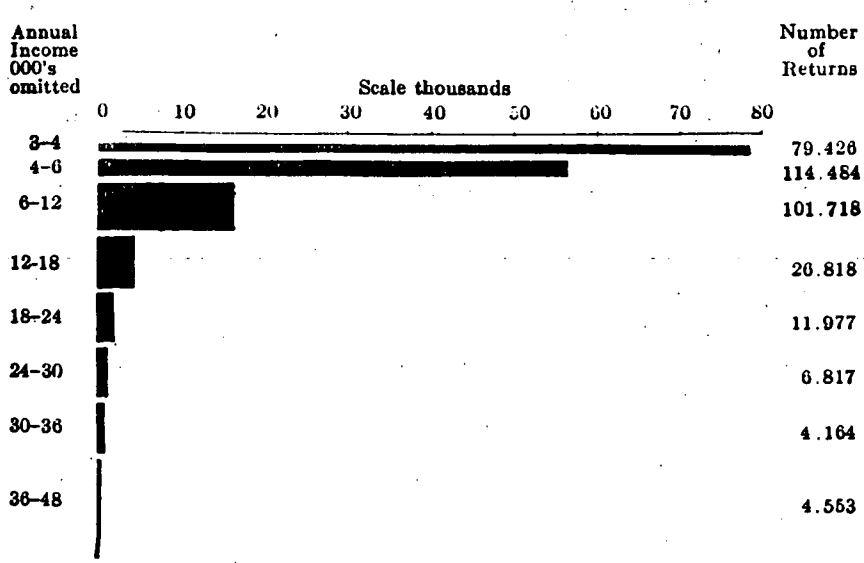

Diagram II. Incomes reported 1913

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The tax upon the net income of corporations for ten months of 1913 produced $32,456,662.67. As the tax is 1 per cent., it was therefore levied upon a corporate income of $3,246,000,000. How much of this corporate income was distributed in the form of dividends we have no means of knowing. If dividends averaged only 4 per cent. of the reported capital stock of $64,000,000,000 for all corporations paying taxes, dividend payments would have amounted to $2,640,000,000.* Of course all dividend payments do not become personal income; a large part of it is corporate income of holding companies and to some extent of investing companies, such as savings banks and insurance companies. But it does not seem unlikely that as much as $2,000,000,000 becomes personal income. If this be correct it must be confessed that such income is not fully accounted for in the calculation of personal income which allowed only $490,000,000 for income of this nature to income tax payers. Of course a certain portion of this dividend income goes to persons who are not affected by the income tax, whose annual incomes are less than $3,000, but it seems doubtful whether the greater part goes to such persons.

The foregoing computation necessarily assumes that the figures are correctly reported both for the number of incomes and for the receipts at each tax rate. It would seem unnecessary to mention this assumption were it not for the fact that a closer study of the tables showing the returns of incomes on pages 112 and 113 of the report with the table giving the tax receipts, shows many inconsistencies between the tables. It may be that for the total of the United States the inaccuracies of the tables counterbalance one another and the result which we have obtained can be regarded as substantially correct.

Unfortunately the method of ascertaining incomes which is here indicated cannot be applied to the individual states because of inconsistencies between the two tables which are combined in this operation. Some of the inconsistencies are obvious and some lie below the surface. Some of the most

*In his work on "Income" (New York, 1915), p. 146, Dr. Scott Nearing estimates the dividends paid in 1913 by the corporations reporting to the Commissioner of Internal Revenue as between 2,300 and 2,900 million dollars.

unmistakable discrepancies between the figures are shown in the following comparison of the highest classes which are indicated by the respective tables of the Report of the Commissioner of Internal Revenue:

MAXIMUM INCOMES IN CERTAIN STATES, ACCORDING TO INCOME CLASSES SUBJECT TO ADDITIONAL TAX.

State.	Highest Income.	Group Indicated by.
	Returns of Income (pp. 112-113.)	Receipts from Additional Tax (pp. 192-193.)
District of Columbia	$250,000 to $500,000	$500,000 and over
Florida	75,000 to 100,000	500,000 and over
Georgia	100,000 to 250,000	500,000 and over
Indiana	250,000 to 500,000	500,000 and over
Nevada	20,000 to 50,000	250,000 to $500,000
Alaska	50,000 to 75,000	30,000 to 50,000
Arizona	100,000 to 250,000	30,000 to 50,000
Idaho	100,000 to 250,000	Under 20,000
Mississippi	100,000 to 250,000	75,000 to 100,000
Montana	75,000 to 100,000	Under 20,000
North Dakota	75,000 to 100,000	50,000 to 75,000
Utah	100,000 to 250,000	Under 20,000
Washington	250,000 to 400,000	20,000 to 50,000
Wyoming	100,000 to 250,000	Under 20,000

But there are other discrepancies which are not so obvious and which would be revealed only by an examination of each state. Thus for North Carolina the table on page 112 reports 2 incomes between $250,000 and $500,000. The additional taxation upon these 2 incomes would be as follows: At 1 per cent., $600; at 2 per cent., $1,000; at 3 per cent., $1,500; and at 4 per cent., $12,000. But the actual receipts reported from all incomes in North Carolina at the rates of 2, 3, and 4 per cent., respectively, were less than the sums here named. Again, in Michigan we find 15 incomes reported as exceeding $250,000. Taxation at 4 per cent. falls on that part of such incomes which is above $100,000 and below $250,000, which, at $6,000 for each income, should give tax receipts of $90,000 for the 15 incomes to which reference has been made, without any consideration of other incomes which may fall between $100,000 and $250,000. But the receipts returned at 4 per cent. in the state of Michigan amount to only $85,228.

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There is no clue in the report of the Commissioner of Internal Revenue as to the cause of these discrepancies. The suggestion naturally occurs that in some cases the taxes are in arrears and such an explanation would cover a number of discrepancies which have been noted, but not all of them. It would not, for instance, explain that in the state of Nevada a tax has actually been paid upon an income which can be estimated at $256,000, while no income higher than $40,000 appears in the tabulation of returns. Moreover there is no suggestion in the report of the treasury officials that any considerable proportion of the income tax is in arrears. According to the best information which I can obtain on the subject the discrepancies between the tables are due to the fact that they have been made by different sets of clerks, and that no effort has been made to check them one against the other. It also appears that classifications have been made at different periods of the year and that some of the discrepancies may be due to changes in the classifications which had taken place as a result of the activities of the treasury department.*

In view of the discrepancies to which attention has been called, we may well hesitate to attempt to ascertain the amount of incomes for any lesser areas than for the whole United States. With the exception of the state of New York, of which it forms a part, the Borough of Manhattan with its 50,000 taxable incomes is the largest group in the United States. The number is probably large enough to render of comparatively little significance the idiosyncrasies of the tables to which we have referred. Subject to these reservations we can, therefore, ascertain for the Borough of Manhattan the dis-

* The matter herein referred to was submitted to the Commissioner of Internal Revenue, who, under date of April 5, 1915, replied concerning the discrepancies which have been noted in part as follows:

"In reply you are advised that the table on pages 112-113 shows the correct classifications, numerically by states, and was compiled by this office from the individual returns themselves.

"The receipts shown in the table on pages 192-193, both items by states and totals, represent the actual collections for the fiscal year ended June 30, 1914, verified by this office as of that date. The classifications of income shown in this table, however, are based on the reports of Collectors of Internal Revenue from the facts before them at the time of their reports; and the exigencies of administration will not permit the office, at the present time, to trace the various changes that have since been made, or that have been required to be made, in individual returns as originally rendered."

One cannot feel that the explanation is subject to any other interpretation than that given in the text. While the writer asserts in the first paragraph that the table on pages 112 and 113 shows the correct classifications because they were compiled in the central office, one cannot feel complete assurance of this fact when we have a record of receipts on incomes higher than any of those named in the classification. The correspondence admits the discrepancies and does not, I feel, offer any explanation of their cause.

tribution of incomes represented by the returns. This is shown in Table VIII.

TABLE VIII.

INCOME TAX PAYERS AND INCOMES—BOROUGH OF MANHATTAN.

Income Classes, Thousands of Dollars.	Tax Payers.		Incomes.	
	Number.	Per Cent. of U. S. Total.	Total.	Per Cent. of U. S. Total.
2.5 to 20	44,481	13.3	$259,152,196 (a)	14.6(a)
20 to 50	4,058	22.5	109,592,400	22.1
50 to 75	697	26.5	37,802,233	25.5
75 to 100	293	29.4	26,308,233	33.3
100 to 250	353	28.4	46,287,825	27.8
250 to 500	91	41.0	26,170,100	33.9
500 and over	76	56.3	96,779,417	78.6
20 and over	5,568	23.6	342,940,025	31.7
Total	50,049	14.0	602,092,221(b)	21.0(b)

(a) Estimated. (b) Partly estimated.

It will be noted that while Manhattan has 14 per cent. of all the taxpayers, the income which they represent is 21 per cent. of the total estimated income in the United States. Generally speaking, the share attributable to Manhattan grows as the incomes become larger. The reader will not fail to observe that more than half of all the incomes of $500,000 and over are in Manhattan and that the income which they represent is more than three fourths of all the income of this class in the United States.

It would fall short of a complete analysis of the available figures were we to neglect the fiscal aspects of the tax. Besides considerations affecting the distribution of incomes there are others which are derivable from the report, and concern the weight of taxation, its geographical distribution, and its future fruitfulness, which may well engage our attention.

In a taxation system as composite as the income tax with its exemptions and graduated rates, there is an interest in ascertaining the total weight of the tax with reference to the total income. The total product of the tax in 1913 was $28,253,534, and this was levied according to our calculations upon a total

income of $2,862,021,776. Disregarding all exemptions, therefore, the taxes paid both as normal and as additional tax amounted to approximately 1 per cent. (0.98) of the total income of persons subject to income taxation. In the aggregate the normal tax was equivalent to 0.44 per cent. of the total income as computed. In view of the progressive taxation of the supertax, it would be desirable to carry out calculations similar to those indicated for each income class. Such a problem offers considerable difficulty on account of the scanty material at our disposal, regarding the normal tax. For the additional tax, however, exact information is available. Table IX exhibits the amount of additional tax paid by each income class and the resulting rate of taxation.

TABLE IX.

INCOMES OF $20,000 OR MORE AND ADDITIONAL TAX PAID.

Income Class Thousands.	Incomes.		Additional Tax Paid.	
	Number.	Amount.	Amount.	Per Cent. of Total Income.
20 to 50	17,961	$496,375,400	$1,370,554	0.28
50 to 75	2,618	148,281,950	1,133,039	0.76
75 to 100	998	79,000,767	922,923	1.17
100 to 250	1,241	166,448,700	3,617,498	2.17
250 to 500	222	68,441,660	2,323,683	3.39
500 and over	135	123,057,500	6,145,100	4.13
Total	23,175	$1,081,605,977	$15,511,797	1.43

Our table compares the total additional tax paid with the total income of the persons subject to such tax and not with their taxable income alone. While incomes of over $500,000 are subject to an additional tax of 6 per cent., this rate applies to the excess over $500,000—not to the total income. A person enjoying an income in excess of $500,000 pays his additional tax in the manner shown in Table VI, namely, no additional tax on $20,000, 1 per cent. on the next $30,000, 2 per cent. on the next $25,000, 3 per cent. on the next $25,000, 4 per cent. on the next $150,000, 5 per cent. on the next $250,000, and 6 per cent. on all beyond that, or beyond $500,000. A person therefore with an income of $600,000 would pay additional taxes to the amount of $26,050, equiv-

alent to 4.34 per cent. of his entire income. His total tax would be increased by the normal tax which by reason of the personal exemption and the omission of incomes, if any, from dividends, would be somewhat less than 1 per cent. His total taxation, if he were married and had no income whatever from dividends, would be 5.33 per cent. of his total income, while if we could assume the extreme case that all his income arose from dividends, his total taxation and his additional taxation would be identical, namely, 4.34 per cent. of his total income. Table IX refers to the additional tax only, and shows that it increases from an average of 0.28 per cent. on the incomes over $20,000 and less than $50,000, to 4.13 per cent. for the highest income class.

While we know that the normal tax averages 0.44 per cent. of total income of all classes, we cannot add this figure to the rates above calculated for the additional tax in the several income classes, to determine total taxation in each class. There are no figures given in the official documents showing receipts from normal tax by income classes, nor can these figures be calculated with any degree of precision. We could indeed estimate the distribution of income below the tax limit for normal taxation with a slight degree of error. For if we assume that the married and unmarried taxpayers are evenly distributed among the different income classes, we have only to distribute the exempted income (p. 532) in proportion to the number of taxpayers in each class. If we should deduct the personal exemptions, so estimated, from the aggregate income of each tax class as computed or estimated in the earlier part of this paper, we should have a series of figures from which we could derive the proportion of the normal tax receipts attributable to each tax class, always, be it noted, under the assumption that dividend income is distributed among the different classes in the same proportion as other income. By such a calculation we reach the tentative result that incomes under $20,000 paid $5,409,000 normal tax and incomes above that sum $7,319,000. If such were the receipts they were equivalent to a tax of 0.30 per cent. on total income of persons with less than $20,000, and 0.68 per cent. on total income of persons with larger incomes. But these results

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would doubtless be changed if we knew anything about the distribution of dividend income. If dividend income is more frequently a constituent part of larger than of smaller incomes, then the amount of normal tax paid by incomes under $20,000 would be greater than the sum given above and the average rate of taxation would be also greater, while the converse would be true as respects incomes over $20,000. How large the change might be it would be hazardous to estimate. The possible limits can be, however, pointed out. If there were absolutely no dividend income received by persons having less than $20,000 income, the normal tax paid by such persons would have been $7,478,763 or 0.42 per cent. of the total income of this class. And if all the dividend income belonged to those whose incomes exceeded $20,000, their normal tax would have been $5,249,275 or 0.48 per cent. of the total income of this class. It is clear that whatever the distribution of dividend incomes, as between these two groups, the normal tax would always form a larger percentage of the total income of the group with higher incomes, than of the group with lower incomes.

The conclusion seems to be warranted that for incomes of less than $20,000 the total taxation which is all normal tax probably does not exceed four tenths of 1 per cent. of the total income of this group. It is further clear that to the rates for the additional tax shown in Table IX for incomes of $20,000 and over, there must be added for the normal tax a figure which is somewhere between 0.45 and 0.65 per cent. of the total income, if we are to ascertain the total rate of income taxation for these classes.

If for reasons already stated we must forego an attempt to compare geographically the number of incomes with the amount of such income, the tax receipts throw some light upon how far the distribution of income by numbers differs from that by amounts. In Tables X and XI figures are given for the amount of tax receipts, both for the normal tax and the additional tax, with relative figures showing also the distribution of taxable incomes, for the same geographical areas as figured in our previous tables.

Income Tax Statistics.

TABLE X.

INCOMES AND TAX RECEIPTS BY LEADING STATES, 1913.

Area.	Incomes Subject to Normal Tax.			Incomes Subject to Supertax.		
	Tax Paid.	Per Cent. Distribution.		Tax Paid.	Per Cent. Distribution.	
		Tax Paid.	Number of Incomes, See Table III.		Tax Paid.	Number of Incomes. See Table III.
United States	$12,711,050	100.0	100.0	$15,505,232	100.0	100 0
New York	5,445,937	42.8	22.9	7,076,860	45.6	31.7
Pennsylvania	1,243,747	9.8	9.5	1,932,348	12.5	11.8
Illinois	880,028	6.9	9.0	1,196,143	7.7	8.4
California	494,761	3.9	5.4	385,613	2.5	4.0
Massachusetts	670,313	5.3	5.4	835,573	5.4	8.2
Ohio	354,511	2.8	4.5	549,997	3.5	4.5
New Jersey	338,565	2.7	3.7	378,191	2.4	3.4
Missouri	287,876	2.3	3.3	369,182	2.4	2.8
Total	9,715,738	76.4	64.1	12,723,907	82.1	74.8
Other states	2,995,322	23.6	35.9	2,781,325	17.6	25.2

TABLE XI.

INCOMES AND TAX RECEIPTS BY GEOGRAPHICAL DIVISIONS, 1913.

Area.	Incomes Subject to Normal Tax.			Incomes Subject to Supertax.		
	Tax Paid.	Per Cent. Distribution.		Tax Paid.	Per Cent. Distribution.	
		Tax Paid.	Number of Incomes. See Table IV.		Tax Paid.	Number of Incomes. See Table IV.
United States	$12,711,050	100.0	100.0	$15,505,232	100.0	100.0
The North	10,506,759	82.7	74.5	14,093,115	90.9	83.1
New England	1,020,403	8.3	9.0	1,432,973	9.2	12.8
Middle Atlantic	7,028,249	55.3	36.3	9,387,399	60.5	46.8
East North Central	1,778,710	14.0	19.2	2,621,603	16.9	17.3
West North Central	679,397	5.3	9.9	651,140	4.2	6.1
The South	1,389,525	10.9	15.6	881,661	5.7	10.3
South Atlantic	700,738	5.5	7.7	626,980	4.0	5.2
East South Central	225,242	1.8	2.9	73,883	.5	1.8
West South Central	463,545	3.6	4.8	180,798	1.2	3.2
The West	814,766	6.4	9.8	530,456	3.4	6.7
Mountain	182,308	1.4	2.2	70,011	.5	1.4
Pacific	632,458	5.0	7.5	460,445	3.0	5.3
East of Mississippi River	10,753,342	84.6	75.4	14,142,838	91.2	84.0
West of Mississippi River	1,957,708	15.4	24.6	1,362,394	8.8	16.0

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Table X shows that New York and Pennsylvania, of all the states named, pay a larger proportion of the normal tax than their proportion of the total number of incomes. This points, of course, to larger average incomes than elsewhere. In like manner these two states pay a larger percentage of the supertax than their share of the number of incomes subject to such tax. It is, however, both as respects normal tax as well as supertax, only in the case of New York that the discrepancy is marked.

Table XI showing geographical divisions, emphasizes the fact that tax receipts not only for the normal tax but especially for the additional tax, are more concentrated in the North, and particularly in the Middle Atlantic section, than are the incomes subject to taxation.

The total receipts for the first ten months' experience in the tax were, as has already been stated, upwards of $28,000,000. It may be noted that for the year 1914 the Secretary of the Treasury estimates the receipts from the personal income tax at $40,000,000. At the first blush it might seem that the estimated increase was somewhat excessive but there are several factors which enter into the probabilities of the case. Some of them are indicated by the Secretary of the Treasury, and others are not mentioned though doubtless they contributed towards forming his judgment of the probable income.

There are at least six factors which would lead us to anticipate greater receipts from the personal income tax in 1914 than in 1913:

1. The tax in 1914 will affect the whole year's income and this in itself would account for an addition of one fifth to the receipts were no other persons taxed than those who made returns in 1913.

2. The returns for 1914 will include the income for January and February of that year, months which were omitted in 1913 and also months in which certain kinds of income, especially receipts from interest upon securities, are abnormally heavy.

3. The system of taxation at the source will be in full vigor in 1914. Apart from the fact that this may lead to a more ac-

curate ascertainment of incomes, there can be no doubt that such taxation at the source will affect the incomes of persons not really subject to taxation because of the failure of large numbers of persons who are receiving income in comparatively small quantities from interest on securities to make the necessary declarations of exemption.

4. With the natural growth of population, other things being equal, a larger number of persons would probably be subject to the income tax in 1914 than in 1913.

5. The tax for 1914 will probably be levied more fully than in 1913 and the evasions of the tax, either through willful tax dodging or through ignorance of the law, will be less frequent.

6. As the incomes for the year will be larger, they will, so far as the additional tax is concerned, often be subject to taxation at higher rates. Thus a person whose income in 1913 was exactly $20,000 was not subject to the additional tax, but his income for 1914 will be at least $24,000 and the excess over $20,000 will be taxable at 1 per cent.

As a partial offset to these various factors which will tend to increase the productivity of the income tax in 1914 as compared with 1913, we must take into account the fact that the general condition of business was less prosperous in 1914 than in 1913. That this element will have some effect can hardly be doubted although the extent of its influence is not susceptible of measurement.

From the meagre and incomplete figures which we have attempted to analyze in this paper, the most obvious conclusion is the need for far more complete information in regard to incomes and the income tax than we now possess. Returns for the year 1914 are now in the hands of the internal revenue officials. Let us hope that next year the Commissioner of Internal Revenue will tell us what these returns really contain. The system of taxation at the source will be in full vigor and new and interesting questions will arise which can only be answered by a much more detailed analysis of the figures. There seems to be no reason why the public should not know for each income class not only the number of persons included in it, but also how many are single, how many are married, what is the amount of exempted income, what the amount of

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dividend income, what the amount taxed at the source, the amount of taxable income and the product of the tax. Such an analysis would be easily derivable from the income tax returns. If the information given is to be valuable, considerable attention must be given to taxation at the source, and salary payments should be distinguished from interest payments. If this is done we should be able to distinguish income from salaries and similar sources, that from dividends and that from interest. Furthermore it would seem a comparatively simple thing to ascertain revenues from business undertakings.

There are also some special questions on which the public is entitled to information. One of them concerns particularly the income received from dividends. Such an analysis of the net income of corporations as would show how much of this income is distributed in the form of dividends, is highly desirable. It is also important to ascertain how much of such dividend income goes to other corporations and is taxed again through their income tax, and how much of it goes to individuals. If the latter point were ascertained and the declarations of the individual income tax properly tabulated, we should be able to see how much of the tax on the dividends falls upon those persons who are liable to income taxation, and how much falls upon persons who are not so liable, either because their income is less than $3,000 per annum or because they are educational and other institutions exempted from the payment of the tax. A further question which will be of particular interest in the coming year, when the system of taxation at the source is in full swing, relates to the payment of interest by corporations. Under the law the tax on such interest must be paid at the source unless there is filed for the individual recipients declarations of exemption. It is undoubtedly a fact that a considerable number of holders of small amounts will not file such notices of exemption and that consequently so far as the interest on the securities is concerned it will really be paid for persons who are not subject to the personal income tax. If the amount of tax paid at the source by corporations should be compared with the aggregate interest noted in the individual returns as taxed at the source, we

should then be able to ascertain how far the former exceeded the latter.

These are simple illustrations of the kind of information which could be derived from the income tax returns if they were properly systematized and presented to the public. They are in fact a veritable mine of economic information, but it is a mine which needs to be worked. Surely the government must have at its disposal the advice of expert economists and statisticians who could show what facts ought to be presented to the public, and how the material should be analyzed to obtain such information. Unless appearances are misleading, the Commissioner of Internal Revenue did not seek such advice in preparing his first report. With a full year's returns for 1914, and with the system in complete operation, it is to be hoped that these problems will receive more adequate attention.

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Notice: The data on the following pages are the latest and most accurate available at time of publication. However, they are subject to continuous revision as more information becomes available. Data labeled as preliminary should be used with caution.

Table 1.--Individual Income Tax Returns: Selected Income and Tax Items for Specified Tax Years, 1970-1992

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

Item	1970	1975	1980	1985	1990	1991	p1992
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All returns	**74,279,831**	**82,229,332**	**93,902,469**	**101,660,287**	**113,717,138**	**114,730,123**	**113,752,244**
Form 1040 returns	74,279,831	54,527,726	57,122,592	67,006,425	69,270,236	68,992,987	65,740,664
Form 1040A returns	N/A	27,701,606	36,779,877	18,124,702	25,917,288	26,605,992	28,919,784
Form 1040EZ returns	N/A	N/A	N/A	16,529,160	18,529,614	19,131,143	19,091,795
Adjusted gross income (AGI)[1]	**631,692,540**	**947,784,873**	**1,613,731,497**	**2,305,951,483**	**3,405,427,348**	**3,464,533,661**	**3,639,545,943**
Salaries and wages:							
Number of returns	66,965,659	73,520,046	83,802,109	87,198,001	96,729,912	97,066,245	96,588,155
Amount	531,883,892	795,399,462	1,349,842,802	1,928,200,978	2,599,401,271	2,674,260,752	2,814,991,334
Taxable interest received:							
Number of returns	32,630,355	40,378,240	49,019,575	64,526,434	70,369,662	70,161,547	67,471,438
Amount	22,021,267	43,433,554	102,009,444	182,109,194	227,083,888	209,411,465	158,504,263
Tax-exempt interest:[2]							
Number of returns	n.a.	n.a.	n.a.	n.a.	3,916,925	4,128,715	4,493,201
Amount	n.a.	n.a.	n.a.	n.a.	40,228,405	43,111,140	46,737,298
Dividends in AGI:[3]							
Number of returns	7,729,939	8,853,491	10,738,982	15,527,579	22,904,441	23,228,826	23,773,040
Amount	15,806,924	21,892,126	38,761,253	55,046,351	80,168,536	77,284,498	77,517,269
Business or profession net income:							
Number of returns	4,827,064	5,434,857	6,305,794	8,640,701	11,221,925	11,549,015	11,717,502
Amount	33,542,837	44,861,623	66,995,010	98,775,563	161,657,252	162,870,485	169,171,408
Business or profession net loss:							
Number of returns	1,332,921	1,807,685	2,575,325	3,259,640	3,415,666	3,480,310	3,592,377
Amount[4]	2,988,636	5,440,145	11,865,856	20,002,986	20,227,059	21,006,471	18,390,100
Net capital gain in AGI:[5]							
Number of returns	5,488,224	5,798,724	6,973,930	9,991,808	9,217,141	10,394,928	12,072,203
Amount	10,655,553	16,034,430	32,723,298	72,183,321	123,783,047	111,442,947	118,321,741
Net capital loss in AGI:							
Number of returns	2,474,439	2,513,399	1,955,544	2,667,409	5,070,741	4,614,075	4,421,777
Amount	1,648,870	1,727,272	3,063,698	3,905,541	9,551,854	8,667,127	8,402,632
Pensions and annuities in AGI:[6]							
Number of returns	3,249,558	5,088,937	7,373,704	13,133,295	17,014,091	17,907,232	17,852,743
Amount	7,878,808	20,886,871	43,339,736	95,096,003	159,294,448	176,501,725	189,069,183
Unemployment compensation in AGI:[7]							
Number of returns	N/A	N/A	1,798,210	4,771,546	8,014,136	9,931,421	10,373,763
Amount	N/A	N/A	2,028,456	6,355,539	15,453,147	23,309,714	31,565,678
Social security benefits in AGI:							
Number of returns	N/A	N/A	N/A	2,956,073	5,082,575	5,333,413	5,615,138
Amount	N/A	N/A	N/A	9,594,182	19,686,539	21,359,312	23,595,827
Rent net income:[8]							
Number of returns	3,595,041	3,737,264	3,653,996	3,541,964	3,933,823	4,025,577	4,025,093
Amount	4,884,370	8,053,918	13,664,671	16,340,908	25,886,388	27,447,747	29,356,219
Rent net loss:[8]							
Number of returns	2,456,606	2,834,547	3,809,821	5,390,750	5,163,186	5,101,001	4,891,046
Amount	2,457,918	4,621,220	13,464,274	36,163,023	33,450,215	33,252,799	29,290,133
Royalty net income:[9]							
Number of returns	473,160	547,192	707,018	960,701	1,170,627	1,205,808	1,155,210
Amount	877,106	1,867,085	4,213,345	7,243,748	4,534,436	4,863,698	4,680,239
Royalty net loss:[9]							
Number of returns	32,691	24,809	37,297	77,189	49,133	43,097	38,313
Amount	70,741	97,700	308,361	385,360	125,855	111,869	81,867
Partnership and S Corporation net income:[10]							
Number of returns	2,200,000	2,500,000	3,200,000	2,477,459	3,210,384	3,164,227	3,120,327
Amount	12,637,912	12,811,091	10,099,346	48,477,552	112,029,507	109,117,232	118,051,129
Partnership and S Corporation net loss:							
Number of returns[11]	([12])	([12])	([12])	3,010,212	2,767,074	2,335,233	2,029,932
Amount[11]	([12])	([12])	([12])	51,004,143	45,007,276	45,926,843	31,380,175
Estate or trust net income:							
Number of returns	573,700	676,691	865,381	1,075,119	444,953	414,875	415,550
Amount	1,533,321	2,740,733	4,974,127	10,328,599	4,633,163	4,313,452	4,374,815
Estate or trust net loss:							
Number of returns	41,473	56,990	40,916	73,534	74,127	62,331	55,454
Amount	84,521	186,410	414,096	652,621	467,976	608,053	562,576
Farm net income:							
Number of returns	1,792,438	1,340,485	1,123,085	891,562	996,360	934,032	913,045
Amount	5,688,226	10,112,147	9,938,950	6,493,117	11,395,305	9,544,222	10,485,126
Farm net loss:							
Number of returns	1,234,092	1,414,556	1,485,345	1,729,299	1,324,793	1,356,876	1,387,909
Amount[13]	2,899,513	6,548,822	11,731,416	18,498,600	11,829,067	12,397,229	12,180,318
Total statutory adjustments:							
Number of returns[14]	6,370,552	9,024,255	13,148,919	37,763,418	16,648,032	16,990,443	17,120,418
Amount[14]	7,665,251	15,101,999	28,614,061	95,082,299	33,974,231	34,716,128	34,754,917
Individual Retirement Arrangements:[15]							
Number of returns	N/A	1,211,794	2,564,421	16,205,846	5,223,737	4,666,078	4,538,662
Amount	N/A	1,436,443	3,430,894	38,211,574	9,858,219	9,030,177	8,835,601
Self-employed retirement plans:							
Number of returns	591,655	595,892	568,936	675,822	824,327	840,087	914,527
Amount	847,692	1,603,788	2,007,666	5,181,993	6,777,645	6,912,855	7,369,123
Deduction for self-employment tax:							
Number of returns	N/A	N/A	N/A	N/A/	11,006,093	11,751,761	12,143,505
Amount	N/A	N/A	N/A	N/A/	9,921,387	10,712,138	11,251,590

Table 1.–Individual Income Tax Returns: Selected Income and Tax Items for Specified Tax Years, 1970-1992--Continued
[All figures are estimates based on samples--money amounts are in thousands of dollars]

Item	1970	1975	1980	1985	1990	1991	p1992
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Exemptions:							
Number of exemptions, total[16]	204,126,402	212,202,596	227,925,098	244,180,202	227,549,246	231,296,627	230,998,367
Number, age 65 or over	8,904,331	9,937,208	11,847,168	16,748,810	N/A	N/A	N/A
Amount[16]	127,531,202	159,140,845	227,569,280	253,720,447	465,985,366	491,084,150	524,182,006
Total deductions:							
Number of returns[17]	73,862,448	81,585,541	88,491,251	96,848,626	112,795,712	113,794,693	112,783,277
Amount[17]	120,549,755	233,181,778	346,000,155	554,733,523	789,941,575	818,773,883	843,083,891
Standard deductions:[18]							
Number of returns, total	38,432,401	55,511,480	59,540,969	57,000,442	80,620,774	81,304,774	80,256,754
Amount	32,371,271	100,921,181	127,972,016	149,709,998	331,456,520	351,076,010	368,040,563
Returns with additional standard deductions for age 65 or blindness:							
Number of returns	N/A	N/A	N/A	N/A	10,954,167	11,038,416	10,738,712
Amount	N/A	N/A	N/A	N/A	10,615,715	10,979,059	11,430,316
Itemized deductions:[19]							
Number of returns	35,430,047	26,074,061	28,950,282	39,848,184	32,174,938	32,489,919	32,526,523
Amount[19]	88,178,487	122,260,601	218,028,139	405,023,525	458,485,055	467,697,873	475,043,328
Medical and dental expense:[20]							
Number of returns	27,437,549	19,483,273	19,458,318	10,777,296	5,090,958	5,338,966	5,479,336
Amount	10,585,749	11,422,312	14,972,082	22,926,214	21,456,587	23,726,112	25,522,221
Taxes paid:[21]							
Number of returns	35,160,636	25,929,082	28,749,278	39,548,023	31,594,114	31,968,878	31,960,203
Amount	32,014,673	44,141,289	69,404,275	128,084,618	140,011,461	147,858,422	159,523,149
Interest paid:[22]							
Number of returns	29,205,679	23,385,461	26,676,836	36,286,822	29,394,600	27,418,495	27,314,779
Amount	23,929,477	38,885,282	91,187,006	180,094,578	208,354,360	213,725,293	203,852,819
Contributions:							
Number of returns	33,633,601	24,642,672	26,601,428	36,162,178	29,230,265	29,551,349	29,641,121
Amount	12,892,732	15,393,331	25,809,608	47,962,848	57,242,757	60,575,848	63,430,132
Taxable income:[23]							
Number of returns	59,593,598	65,852,602	88,104,696	96,124,046	93,148,332	92,717,816	90,906,949
Amount	401,154,285	595,492,866	1,279,985,360	1,820,740,833	2,263,661,230	2,284,087,935	2,396,902,332
Income tax before credits:[24]							
Number of returns	59,596,755	65,854,734	76,135,819	85,994,216	93,089,368	92,635,791	90,820,502
Amount[25]	84,156,695	132,452,044	256,294,315	332,165,333	453,127,579	454,502,664	482,221,869
Total tax credits:							
Number of returns[26]	n.a.	n.a.	19,674,483	20,995,285	12,483,535	12,736,913	12,730,229
Amount[26]	396,610	8,069,846	7,215,839	10,248,044	6,831,187	7,286,497	7,396,191
Child care credit:							
Number of returns	n.a.	n.a.	4,230,757	8,417,522	6,143,590	5,896,435	5,978,923
Amount	n.a.	n.a.	956,439	3,127,702	2,549,004	2,520,549	2,523,891
Credit for the elderly and disabled:							
Number of returns	1,357,266	784,808	561,918	462,548	339,818	285,085	243,065
Amount	167,656	128,968	134,993	108,642	61,898	57,083	51,769
Residential energy credit:							
Number of returns	N/A	N/A	n.a.	n.a.	N/A	N/A	N/A
Amount	N/A	N/A	562,141	811,675	N/A	N/A	N/A
Foreign tax credit:							
Number of returns	200,397	n.a.	393,074	453,863	772,143	874,583	1,073,778
Amount	169,623	381,985	1,341,675	782,561	1,682,307	1,824,334	1,823,936
Investment credit:[27]							
Number of returns	n.a.	n.a.	n.a.	([27])	([27])	([27])	([27])
Amount	30,554	1,593,150	3,288,415	([27])	([27])	([27])	([27])
General business credit:[27]							
Number of returns	N/A	N/A	N/A	4,614,307	262,573	259,625	240,682
Amount	N/A	N/A	N/A	4,791,132	616,288	522,507	507,114
Income tax after credits:							
Number of returns	59,314,011	61,483,928	73,840,395	82,762,130	89,844,225	88,717,148	86,875,661
Amount	83,787,323	124,382,197	249,078,475	321,917,289	446,296,392	447,216,167	474,825,678
Total income tax:[28]							
Number of returns	59,317,371	61,490,737	73,906,244	82,846,420	89,862,434	88,733,587	86,896,849
Amount	83,909,311	124,526,297	250,341,440	325,710,254	447,126,703	448,429,593	475,963,901
Minimum tax:[29]							
Number of returns	18,942	20,188	94,599	N/A	N/A	N/A	N/A
Amount	121,988	144,099	412,638	N/A	N/A	N/A	N/A
Alternative minimum tax:[29]							
Number of returns	N/A	N/A	122,670	427,688	132,103	243,672	273,396
Amount	N/A	N/A	850,326	3,791,672	830,313	1,213,426	1,138,238
Overpayments, total:[30]							
Number of returns	55,273,385	63,825,188	69,868,451	77,424,003	83,507,580	85,564,104	81,255,520
Amount	15,727,692	29,363,945	49,458,344	76,220,146	88,479,352	95,269,292	90,130,633
Overpayment refunds:							
Number of returns	53,126,294	62,660,424	68,232,903	74,914,665	80,514,484	82,402,017	78,230,815
Amount	14,043,494	27,252,870	46,680,072	68,933,993	78,103,385	84,043,194	79,094,521
Tax due at time of filing:[31]							
Number of returns	16,478,813	15,842,400	21,755,516	21,210,194	26,986,948	25,567,640	28,962,019
Amount	8,725,671	14,208,747	32,843,576	39,091,228	56,561,150	53,046,236	50,444,373

See notes following Table 21.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
UNITED STATES [2]								
Number of returns	115,422,876	46,088,738	28,485,359	21,181,531	11,885,348	4,005,642	2,818,095	958,163
Number of exemptions	252,799,825	71,672,638	64,316,783	56,364,443	36,060,065	12,488,868	8,859,800	3,037,228
Adjusted gross income (less deficit)	3,623,404,564	261,145,491	618,518,553	827,156,191	716,782,062	341,659,596	369,101,834	489,040,838
Salaries and wages:								
Number of returns	96,363,198	34,687,748	24,440,487	19,258,240	11,012,955	3,688,267	2,479,770	795,731
Amount	2,798,921,373	242,374,732	490,394,198	688,407,934	600,928,814	277,216,129	259,778,856	239,820,709
Interest income:								
Number of returns	67,249,214	17,963,919	15,569,690	15,784,731	10,486,882	3,774,726	2,724,234	945,032
Amount	163,669,657	28,056,925	28,873,248	27,523,038	21,621,882	11,112,921	15,628,029	30,853,614
Dividends:								
Number of returns	23,785,073	5,012,180	4,464,587	5,243,242	4,443,140	2,032,120	1,818,245	771,559
Amount	78,227,372	7,211,320	8,968,942	10,802,466	10,186,327	6,352,869	10,585,785	24,119,663
Net capital gain (less loss):								
Number of returns	13,415,318	2,528,316	2,386,101	2,739,152	2,360,148	1,220,276	1,443,808	737,517
Amount	116,926,019	7,088,450	4,181,590	6,993,377	9,099,167	7,225,267	16,514,511	65,823,657
Taxable pensions and annuities:								
Number of returns	17,700,517	5,155,670	5,029,538	3,749,579	2,278,041	779,887	545,874	161,928
Amount	184,882,698	28,102,850	48,566,892	44,823,622	32,128,408	13,203,931	11,774,025	6,282,970
Unemployment compensation:								
Number of returns	10,361,957	3,602,523	3,106,348	2,310,359	1,020,997	219,538	91,404	10,788
Amount	31,461,518	10,145,377	9,990,086	7,015,082	3,174,898	735,619	352,062	48,392
Number of sole proprietorship returns	15,476,015	4,632,524	3,412,762	3,365,469	2,153,085	843,597	773,046	295,532
Number of farm returns (Schedule F)	1,942,046	601,029	490,102	447,844	240,121	73,258	59,517	30,175
Total itemized deductions:								
Number of returns	33,337,600	2,221,614	5,227,322	9,763,783	8,949,080	3,605,263	2,661,671	908,867
Amount	502,974,787	31,660,076	54,108,918	104,819,478	119,748,260	64,406,218	68,057,645	60,174,193
Average (whole dollars)	15,087	14,251	10,351	10,736	13,381	17,864	25,570	66,208
Medical and dental expense:								
Number of returns	5,816,725	1,304,425	1,916,015	1,639,051	697,205	167,469	82,045	10,515
Amount	35,368,319	12,593,353	10,781,787	6,519,316	3,008,369	1,084,852	940,317	440,326
Taxes paid deductions:								
Number of returns	32,740,896	1,982,223	5,064,161	9,653,529	8,898,397	3,589,689	2,648,877	904,020
Amount	166,665,708	5,444,791	11,876,636	29,226,668	38,517,325	22,169,190	26,078,185	33,352,914
Interest paid deductions:								
Number of returns	27,755,005	1,328,896	3,895,869	8,280,830	7,958,552	3,212,357	2,313,209	765,292
Amount	212,364,898	10,047,561	20,867,529	47,836,466	55,172,113	28,748,064	29,219,617	20,473,550
Contributions:								
Number of returns	29,920,149	1,393,804	4,375,601	8,801,334	8,436,511	3,471,305	2,562,773	878,821
Amount	63,384,064	1,438,281	5,562,129	12,330,334	14,477,091	7,838,683	8,804,183	12,933,363
Taxable income:								
Number of returns	91,001,614	22,747,189	27,531,478	21,086,321	11,865,600	4,000,384	2,813,795	956,847
Amount	2,396,218,094	71,884,354	325,371,128	539,874,032	501,005,971	247,760,513	282,023,586	428,298,510
Total tax liability:								
Number of returns	93,226,094	24,893,426	27,594,393	21,095,284	11,868,578	4,001,578	2,815,365	957,470
Amount	503,915,816	14,190,999	52,593,903	91,930,778	93,795,624	53,976,021	71,337,194	126,091,297
Average (whole dollars)	5,405	570	1,906	4,358	7,903	13,489	25,339	131,692
Earned income credit:								
Number of returns	14,372,339	9,768,024	4,604,315	--	--	--	--	--
Amount	13,409,470	10,855,325	2,554,145	--	--	--	--	--
Excess earned income credit [3]								
Number of returns	11,300,582	9,428,678	1,871,904	--	--	--	--	--
Amount	10,182,949	9,293,863	889,087	--	--	--	--	--

See notes following Table 21.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
ALABAMA								
Number of returns	1,745,034	776,089	436,133	294,643	154,944	45,406	27,769	10,050
Number of exemptions	3,975,897	1,329,883	1,066,897	833,562	481,068	143,305	88,318	32,864
Adjusted gross income (less deficit)	47,859,009	5,326,655	9,372,973	11,478,417	9,307,535	3,861,503	3,610,541	4,901,386
Salaries and wages:								
Number of returns	1,518,656	640,441	385,741	272,401	145,270	42,147	24,247	8,409
Amount	37,761,478	4,565,931	7,753,231	9,823,021	7,939,093	3,117,640	2,365,750	2,196,811
Interest income:								
Number of returns	814,064	213,458	193,130	197,727	131,213	42,038	26,591	9,907
Amount	1,754,213	310,436	333,442	308,500	242,341	119,442	157,224	282,828
Dividends:								
Number of returns	253,962	47,198	46,277	58,097	53,448	22,735	17,971	8,236
Amount	711,748	57,954	73,843	94,152	97,119	64,221	102,956	221,502
Net capital gain (less loss):								
Number of returns	142,920	25,288	25,291	29,839	26,721	13,273	14,590	7,918
Amount	1,263,590	59,404	50,795	80,441	102,898	85,291	185,365	699,397
Taxable pensions and annuities:								
Number of returns	256,638	74,728	75,283	55,470	32,931	10,143	6,345	1,738
Amount	2,690,574	433,301	740,546	669,018	471,921	182,059	139,680	54,048
Unemployment compensation:								
Number of returns	168,271	73,016	50,540	32,809	9,750	1,674	446	36
Amount	268,621	123,908	77,043	48,091	15,459	3,142	908	69
Total itemized deductions:								
Number of returns	406,505	26,132	73,870	122,453	109,549	39,324	25,568	9,609
Amount	4,905,900	310,014	621,635	1,152,558	1,252,613	575,962	563,143	429,974
Taxable income:								
Number of returns	1,309,197	352,235	424,825	294,107	154,861	45,379	27,751	10,039
Amount	30,226,732	1,072,861	4,633,514	7,509,136	6,725,148	2,931,359	2,896,426	4,458,289
Total tax liability:								
Number of returns	1,341,780	385,667	424,038	294,057	154,845	45,375	27,755	10,043
Amount	6,125,911	207,995	741,677	1,232,778	1,241,405	640,904	742,147	1,319,005
Average (whole dollars)	4,566	539	1,749	4,192	8,017	14,125	26,739	131,336
Earned income credit:								
Number of returns	362,084	260,812	101,272	-	-	-	-	-
Amount	367,936	307,052	60,885	-	-	-	-	-
Excess earned income credit: [3]								
Number of returns	298,544	255,206	43,338	-	-	-	-	-
Amount	292,761	271,481	21,280	-	-	-	-	-
ALASKA								
Number of returns	352,619	174,587	58,763	52,100	37,460	17,248	10,521	1,940
Number of exemptions	572,707	111,966	124,850	130,066	112,128	54,421	33,279	5,997
Adjusted gross income (less deficit)	9,746,947	513,413	1,291,976	2,051,278	2,288,194	1,477,598	1,336,191	788,297
Salaries and wages:								
Number of returns	230,638	68,681	52,036	47,465	35,039	16,276	9,560	1,581
Amount	7,514,614	428,962	1,010,854	1,668,158	1,895,524	1,228,364	964,192	318,561
Interest income:								
Number of returns	173,273	54,104	27,917	34,038	29,976	15,402	9,934	1,902
Amount	261,332	28,790	27,751	42,443	45,317	31,216	40,792	45,022
Dividends:								
Number of returns	69,189	19,577	10,384	12,415	11,792	7,413	6,133	1,475
Amount	119,841	13,713	11,593	15,181	16,962	12,776	18,951	30,666
Net capital gain (less loss):								
Number of returns	32,470	4,887	3,890	6,037	6,699	4,643	4,872	1,442
Amount	198,712	9,310	7,859	12,881	21,677	22,535	52,091	72,358
Taxable pensions and annuities:								
Number of returns	33,187	4,477	6,974	8,115	7,296	3,596	2,384	345
Amount	478,669	26,440	71,319	119,650	125,169	68,404	55,522	12,165
Unemployment compensation:								
Number of returns	39,171	11,161	11,280	9,089	5,667	1,508	447	19
Amount	116,621	27,703	34,955	30,535	17,579	4,370	1,398	80
Total itemized deductions:								
Number of returns	72,052	3,307	7,131	16,814	21,443	13,087	8,815	1,455
Amount	918,294	33,741	64,813	169,501	258,324	188,496	160,038	43,380
Taxable income:								
Number of returns	310,776	134,594	57,064	51,989	37,430	17,243	10,517	1,939
Amount	7,010,463	211,881	720,802	1,415,392	1,689,951	1,142,163	1,091,987	738,287
Total tax liability:								
Number of returns	316,121	139,497	57,531	51,973	37,424	17,242	10,516	1,938
Amount	1,503,898	40,464	122,319	255,347	333,211	254,196	279,494	218,867
Average (whole dollars)	4,757	290	2,126	4,913	8,904	14,743	26,578	112,934
Earned income credit:								
Number of returns	18,101	10,970	7,131	-	-	-	-	-
Amount	13,645	10,210	3,436	-	-	-	-	-
Excess earned income credit: [3]								
Number of returns	12,284	10,101	2,183	-	-	-	-	-
Amount	8,540	7,648	892	-	-	-	-	-

See notes following Table 21.

Table 2.–Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992–Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
ARIZONA								
Number of returns	1,669,306	705,923	424,667	291,032	154,726	49,231	32,820	10,907
Number of exemptions	3,853,746	1,234,748	1,026,242	817,060	481,910	154,575	103,939	35,272
Adjusted gross income (less deficit)	47,304,670	4,011,568	9,151,855	11,337,000	9,315,349	4,195,720	4,296,806	4,996,371
Salaries and wages:								
Number of returns	1,367,533	540,449	353,561	255,054	138,440	43,565	27,686	8,778
Amount	35,962,387	3,896,166	7,040,323	9,035,721	7,467,170	3,216,490	2,860,628	2,445,888
Interest income:								
Number of returns	881,223	237,844	219,620	204,857	131,424	45,404	31,346	10,728
Amount	2,295,694	401,577	448,108	416,412	315,671	165,090	222,068	326,767
Dividends:								
Number of returns	333,833	76,092	72,728	75,104	56,971	24,407	20,303	8,228
Amount	1,134,739	134,433	175,777	195,168	162,270	92,901	128,023	246,167
Net capital gain (less loss):								
Number of returns	225,518	48,473	47,229	47,928	37,155	17,675	18,538	8,520
Amount	1,488,067	85,129	61,399	116,566	154,183	124,845	254,104	691,840
Taxable pensions and annuities:								
Number of returns	291,370	81,895	87,296	64,089	36,888	11,613	7,485	2,104
Amount	3,336,597	467,024	901,142	875,871	603,254	227,762	175,739	85,805
Unemployment compensation:								
Number of returns	113,906	49,531	33,254	20,247	8,203	1,793	807	71
Amount	293,471	123,195	87,782	52,963	21,744	4,894	2,641	252
Total itemized deductions:								
Number of returns	517,048	45,584	100,397	158,609	124,788	45,393	31,568	10,709
Amount	7,012,953	568,072	923,653	1,654,257	1,643,793	785,621	785,744	651,813
Taxable income:								
Number of returns	1,267,288	324,843	405,447	289,739	154,458	49,160	32,757	10,884
Amount	29,951,359	1,067,276	4,555,814	7,199,936	6,446,781	3,051,634	3,294,875	4,335,045
Total tax liability:								
Number of returns	1,300,594	356,448	406,913	289,877	154,498	49,172	32,788	10,898
Amount	6,106,740	205,718	733,970	1,209,524	1,193,594	665,979	832,040	1,265,916
Average (whole dollars)	4,695	577	1,804	4,173	7,726	13,544	25,376	116,160
Earned income credit:								
Number of returns	249,461	173,800	75,661	–	–	–	–	–
Amount	236,700	193,890	42,810	–	–	–	–	–
Excess earned income credit: [3]								
Number of returns	203,745	168,878	34,867	–	–	–	–	–
Amount	188,442	170,946	17,496	–	–	–	–	–
ARKANSAS								
Number of returns	989,876	454,495	264,240	164,140	70,929	18,558	12,746	4,768
Number of exemptions	2,290,434	807,193	670,034	478,430	221,125	58,035	40,467	15,150
Adjusted gross income (less deficit)	24,763,065	2,896,077	5,669,594	6,343,400	4,237,200	1,578,267	1,688,125	2,350,401
Salaries and wages:								
Number of returns	834,219	362,441	228,192	148,336	64,321	16,335	10,605	3,989
Amount	18,881,935	2,572,315	4,503,261	5,203,606	3,388,009	1,126,711	975,244	1,112,789
Interest income:								
Number of returns	466,012	138,728	122,972	110,380	59,850	17,161	12,229	4,692
Amount	1,117,648	230,582	249,419	205,835	141,760	64,581	88,033	137,438
Dividends:								
Number of returns	157,697	34,375	36,298	37,997	26,512	9,972	8,698	3,845
Amount	475,789	42,354	53,841	59,775	48,714	28,704	46,063	196,339
Net capital gain (less loss):								
Number of returns	108,520	24,200	25,811	24,501	16,295	6,759	7,282	3,672
Amount	711,316	39,692	54,761	76,864	81,264	53,765	101,312	303,659
Taxable pensions and annuities:								
Number of returns	139,603	44,545	44,321	29,527	14,370	3,828	2,312	700
Amount	1,387,234	245,169	426,484	359,350	214,475	69,929	48,856	22,970
Unemployment compensation:								
Number of returns	102,959	43,327	35,013	19,028	4,733	594	239	25
Amount	223,091	92,300	76,399	41,544	10,582	1,540	649	78
Total itemized deductions:								
Number of returns	191,614	14,855	34,737	59,163	49,948	16,313	11,961	4,637
Amount	2,482,622	229,371	387,707	551,717	567,464	241,970	253,139	251,254
Taxable income:								
Number of returns	733,074	205,246	257,017	163,894	70,869	18,549	12,736	4,763
Amount	15,236,157	636,831	2,764,939	4,135,745	3,059,557	1,196,515	1,347,465	2,095,105
Total tax liability:								
Number of returns	764,088	235,729	257,536	163,890	70,878	18,548	12,742	4,765
Amount	3,091,503	134,670	456,926	686,926	574,561	270,162	351,806	616,451
Average (whole dollars)	4,046	571	1,774	4,191	8,106	14,566	27,610	129,371
Earned income credit:								
Number of returns	194,502	135,253	59,249	–	–	–	–	–
Amount	187,324	153,165	34,159	–	–	–	–	–
Excess earned income credit: [3]								
Number of returns	154,709	130,565	24,144	–	–	–	–	–
Amount	142,258	130,672	11,586	–	–	–	–	–

See notes following Table 21.

Table 2.–Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992–Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CALIFORNIA								
Number of returns	13,721,398	5,542,058	3,164,064	2,402,194	1,453,544	585,332	436,729	137,477
Number of exemptions	31,379,725	10,043,564	7,453,119	6,113,818	4,240,826	1,778,826	1,327,787	421,985
Adjusted gross income (less deficit)	453,941,080	26,428,482	68,929,887	93,816,559	88,225,239	50,073,326	57,124,879	69,342,709
Salaries and wages:								
Number of returns	11,226,414	4,073,433	2,676,063	2,135,120	1,321,134	533,366	378,075	109,223
Amount	350,094,369	29,462,573	54,698,294	77,092,230	73,038,476	40,903,131	40,548,990	34,350,675
Interest income:								
Number of returns	7,622,511	1,827,616	1,663,009	1,758,092	1,268,982	548,670	420,781	135,361
Amount	21,097,744	3,188,224	3,059,193	3,242,056	2,837,038	1,633,560	2,497,012	4,640,662
Dividends:								
Number of returns	2,610,971	500,103	450,607	551,135	489,883	262,077	254,934	102,232
Amount	9,354,887	874,166	1,062,910	1,288,866	1,195,056	764,058	1,277,971	2,891,861
Net capital gain (less loss):								
Number of returns	1,594,972	275,034	251,857	308,479	285,679	167,128	206,799	99,996
Amount	16,332,017	1,151,784	402,839	767,937	1,150,875	1,040,090	2,620,450	9,198,041
Taxable pensions and annuities:								
Number of returns	1,849,420	461,137	497,026	405,243	275,174	109,580	79,698	21,562
Amount	22,041,454	2,704,588	5,184,223	5,383,593	4,230,079	1,901,464	1,729,122	908,384
Unemployment compensation:								
Number of returns	1,410,518	578,063	379,730	256,609	134,985	39,096	19,772	2,263
Amount	4,067,203	1,550,770	1,167,221	762,315	400,811	116,864	61,097	8,123
Total itemized deductions:								
Number of returns	4,597,639	378,055	709,010	1,235,875	1,163,275	547,152	428,087	136,185
Amount	93,037,123	7,100,819	9,558,166	17,264,360	20,140,056	12,440,769	13,998,230	12,534,722
Taxable income:								
Number of returns	10,141,753	2,231,450	2,937,605	2,369,812	1,446,770	583,560	435,397	137,159
Amount	288,049,419	7,320,747	34,225,463	58,162,358	57,384,081	33,590,180	40,416,311	56,950,279
Total tax liability:								
Number of returns	10,489,720	2,545,370	2,958,993	2,378,543	1,449,240	584,250	435,993	137,331
Amount	62,480,237	1,583,062	5,599,222	10,202,049	10,891,680	7,236,697	10,176,286	16,791,240
Average (whole dollars)	5,956	622	1,892	4,289	7,515	12,386	23,340	122,268
Earned income credit:								
Number of returns	2,118,514	1,586,436	532,078	–	–	–	–	–
Amount	2,032,135	1,739,796	292,339	–	–	–	–	–
Excess earned income credit [3]								
Number of returns	1,808,964	1,534,952	274,012	–	–	–	–	–
Amount	1,668,477	1,529,347	139,130	–	–	–	–	–
COLORADO								
Number of returns	1,662,525	646,453	406,876	311,043	180,546	61,582	43,214	12,811
Number of exemptions	3,505,505	894,982	880,061	818,451	545,994	190,820	135,073	40,124
Adjusted gross income (less deficit)	52,167,039	3,202,375	8,853,729	12,154,357	10,906,430	5,251,830	5,656,224	6,142,094
Salaries and wages:								
Number of returns	1,399,010	493,679	350,957	282,161	166,904	56,531	38,085	10,693
Amount	40,007,176	3,432,804	7,035,642	9,987,690	8,981,102	4,130,098	3,815,640	2,624,200
Interest income:								
Number of returns	1,013,423	265,285	233,122	240,562	161,520	58,387	41,875	12,672
Amount	2,212,724	381,277	356,338	359,838	299,914	163,527	233,806	418,023
Dividends:								
Number of returns	395,407	81,619	72,592	90,341	76,858	34,520	29,260	10,217
Amount	1,055,508	114,364	128,714	156,903	150,611	94,807	154,785	255,324
Net capital gain (less loss):								
Number of returns	250,924	48,111	44,243	52,829	46,191	23,362	25,717	10,471
Amount	2,138,070	112,219	70,530	131,466	184,688	156,555	334,559	1,148,051
Taxable pensions and annuities:								
Number of returns	242,310	59,024	68,140	56,577	35,818	12,503	8,254	1,994
Amount	2,818,271	336,746	708,885	748,522	555,173	223,546	176,485	68,915
Unemployment compensation:								
Number of returns	89,726	28,988	28,678	20,484	8,763	1,877	848	88
Amount	251,076	78,636	81,205	57,145	25,434	5,632	2,706	318
Total itemized deductions:								
Number of returns	561,030	36,863	92,832	173,304	147,328	56,793	41,497	12,413
Amount	7,541,903	485,201	823,932	1,758,665	1,909,189	947,262	957,158	660,496
Taxable income:								
Number of returns	1,344,433	341,512	394,831	310,228	180,372	61,531	43,168	12,791
Amount	35,036,910	1,103,485	4,726,098	7,863,118	7,601,090	3,853,113	4,418,833	5,471,173
Total tax liability:								
Number of returns	1,376,431	371,996	396,268	310,237	180,401	61,533	43,192	12,804
Amount	7,365,916	216,493	774,014	1,347,890	1,425,238	846,899	1,126,067	1,629,315
Average (whole dollars)	5,351	582	1,953	4,345	7,900	13,763	26,071	127,250
Earned income credit:								
Number of returns	164,193	105,292	58,901	–	–	–	–	–
Amount	148,839	116,809	32,030	–	–	–	–	–
Excess earned income credit [3]								
Number of returns	123,312	100,208	23,104	–	–	–	–	–
Amount	108,061	97,183	10,878	–	–	–	–	–

See notes following Table 21.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CONNECTICUT								
Number of returns	1,572,212	497,240	361,213	313,724	217,496	88,253	68,074	26,212
Number of exemptions	3,221,025	603,855	691,399	732,168	626,876	269,311	213,231	84,185
Adjusted gross income (less deficit)	67,088,035	2,429,456	7,971,558	12,323,386	13,214,713	7,551,741	8,987,215	14,609,966
Salaries and wages:								
Number of returns	1,306,245	343,973	305,115	285,293	203,975	83,079	62,094	22,716
Amount	52,580,924	2,214,575	6,132,126	10,163,400	11,271,955	6,423,348	6,922,700	9,452,820
Interest income:								
Number of returns	1,164,115	282,561	236,834	261,817	204,060	85,874	66,973	25,996
Amount	2,840,374	445,259	446,351	460,609	382,359	196,301	274,612	634,883
Dividends:								
Number of returns	452,482	95,677	73,334	88,934	83,501	44,541	44,676	21,819
Amount	1,731,453	141,374	173,116	221,228	220,248	140,102	256,099	579,286
Net capital gain (less loss):								
Number of returns	230,121	37,925	31,921	41,428	41,285	24,298	33,222	20,042
Amount	2,192,969	84,302	34,516	73,091	115,878	108,759	276,607	1,499,815
Taxable pensions and annuities:								
Number of returns	273,601	73,405	69,823	57,164	40,661	15,856	12,366	4,326
Amount	2,810,833	373,628	613,106	628,177	513,130	244,462	254,554	183,776
Unemployment compensation:								
Number of returns	180,458	45,034	53,070	44,201	28,126	6,431	3,097	499
Amount	758,028	192,053	231,110	184,751	107,823	25,618	13,994	2,679
Total itemized deductions:								
Number of returns	582,213	32,009	68,961	143,046	164,436	81,313	66,478	25,970
Amount	10,534,556	507,213	837,872	1,743,151	2,377,303	1,497,745	1,801,433	1,769,840
Taxable income:								
Number of returns	1,358,670	297,435	350,406	311,657	216,908	88,114	67,953	26,197
Amount	47,898,884	934,623	4,589,974	8,239,021	9,169,331	5,418,250	6,736,066	12,811,620
Total tax liability:								
Number of returns	1,377,764	313,005	353,189	312,199	217,019	88,145	68,001	26,206
Amount	10,845,781	177,152	742,453	1,448,137	1,731,069	1,170,713	1,693,528	3,882,709
Average (whole dollars)	7,872	566	2,102	4,639	7,977	13,282	24,904	148,161
Earned income credit:								
Number of returns	77,638	43,432	34,206	--	--	--	--	--
Amount	63,193	45,500	17,693	--	--	--	--	--
Excess earned income credit: [3]								
Number of returns	51,826	40,821	11,005	--	--	--	--	--
Amount	40,805	36,118	4,688	--	--	--	--	--
DELAWARE								
Number of returns	330,109	117,818	81,286	64,138	40,425	14,698	9,199	2,545
Number of exemptions	704,975	167,013	171,996	161,002	121,957	46,235	28,798	7,974
Adjusted gross income (less deficit)	11,114,035	769,987	1,760,617	2,512,465	2,449,780	1,254,058	1,188,259	1,178,869
Salaries and wages:								
Number of returns	280,849	91,474	69,369	58,269	37,653	13,742	8,334	2,008
Amount	8,542,243	628,009	1,372,205	2,056,817	2,051,622	1,038,034	866,038	529,517
Interest income:								
Number of returns	197,196	46,245	42,745	47,219	35,665	13,871	8,930	2,521
Amount	437,314	66,939	80,446	81,928	61,923	33,831	41,156	71,092
Dividends:								
Number of returns	86,338	14,832	15,074	19,786	18,412	9,054	6,984	2,196
Amount	375,594	21,164	30,154	40,572	40,983	27,924	46,543	168,254
Net capital gain (less loss):								
Number of returns	35,536	5,171	5,511	7,211	6,840	4,065	4,728	2,010
Amount	297,099	9,401	7,380	16,875	23,698	22,205	48,420	169,120
Taxable pensions and annuities:								
Number of returns	60,066	14,669	16,577	13,494	9,293	3,351	2,150	532
Amount	711,857	83,649	170,649	173,520	142,978	61,219	52,248	27,596
Unemployment compensation:								
Number of returns	27,714	7,492	7,448	7,752	4,101	748	161	12
Amount	79,853	20,740	24,434	20,970	11,035	1,995	629	51
Total itemized deductions:								
Number of returns	110,766	4,832	14,644	32,789	32,961	13,978	9,043	2,519
Amount	1,626,657	46,979	125,411	326,310	416,991	239,663	292,304	178,999
Taxable income:								
Number of returns	275,591	65,380	79,441	63,969	40,391	14,682	9,188	2,540
Amount	7,389,904	213,613	970,268	1,670,076	1,719,641	910,157	909,143	997,006
Total tax liability:								
Number of returns	277,860	67,678	79,399	63,962	40,399	14,688	9,194	2,540
Amount	1,503,656	37,907	153,706	282,163	316,929	194,335	226,030	292,584
Average (whole dollars)	5,412	560	1,936	4,411	7,845	13,231	24,585	115,191
Earned income credit:								
Number of returns	34,538	22,225	12,313	--	--	--	--	--
Amount	32,206	25,237	6,969	--	--	--	--	--
Excess earned income credit: [3]								
Number of returns	26,424	21,623	4,801	--	--	--	--	--
Amount	24,444	22,177	2,267	--	--	--	--	--

See notes following Table 21.

Table 2.–Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992–Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
DISTRICT OF COLUMBIA								
Number of returns	305,450	109,262	95,518	53,302	23,715	9,636	9,929	4,088
Number of exemptions	578,374	174,477	192,567	101,952	50,049	22,296	25,513	11,520
Adjusted gross income (less deficit)	10,225,762	490,015	2,087,819	2,043,991	1,434,118	825,580	1,329,243	2,014,995
Salaries and wages:								
Number of returns	250,613	79,581	83,895	46,784	20,578	8,325	8,438	3,012
Amount	7,570,546	617,071	1,756,979	1,676,646	1,128,084	626,756	929,553	835,459
Interest income:								
Number of returns	143,796	29,520	37,546	34,619	19,751	8,845	9,471	4,044
Amount	417,130	50,380	38,680	52,431	48,118	32,846	57,343	137,332
Dividends:								
Number of returns	51,527	8,127	8,132	10,972	8,935	5,028	6,826	3,507
Amount	339,553	13,159	15,333	25,538	31,390	25,007	61,315	167,811
Net capital gain (less loss):								
Number of returns	28,061	3,472	3,302	4,882	4,767	3,198	5,206	3,234
Amount	441,002	73,861	4,637	9,074	15,828	17,473	49,483	270,646
Taxable pensions and annuities:								
Number of returns	46,848	11,333	14,152	10,414	5,543	2,372	2,220	814
Amount	834,464	89,076	205,273	208,559	145,061	71,236	78,515	36,743
Unemployment compensation:								
Number of returns	16,261	8,013	5,500	1,709	684	202	134	19
Amount	68,820	31,568	25,007	7,469	3,199	917	569	91
Total itemized deductions:								
Number of returns	93,435	5,655	18,522	26,861	19,582	9,060	9,695	4,060
Amount	1,673,621	69,966	175,501	301,803	288,439	178,979	296,624	362,309
Taxable income:								
Number of returns	245,754	52,347	93,253	52,975	23,610	9,602	9,889	4,078
Amount	7,018,788	186,180	1,166,882	1,411,973	1,021,330	597,954	983,702	1,650,767
Total tax liability:								
Number of returns	245,066	53,560	91,349	52,947	23,617	9,608	9,900	4,085
Amount	1,559,238	32,676	175,987	251,610	210,558	137,318	254,943	496,146
Average (whole dollars)	6,363	610	1,927	4,752	8,916	14,292	25,752	121,456
Earned income credit:								
Number of returns	48,840	30,608	18,232	--	--	--	--	--
Amount	45,678	35,408	10,272	--	--	--	--	--
Excess earned income credit: [3]								
Number of returns	38,449	30,259	8,190	--	--	--	--	--
Amount	35,662	31,708	3,954	--	--	--	--	--
FLORIDA								
Number of returns	6,238,791	2,678,245	1,641,298	1,030,645	523,677	172,765	132,801	59,360
Number of exemptions	13,702,424	4,514,217	3,776,183	2,737,061	1,556,530	527,370	408,330	182,733
Adjusted gross income (less deficit)	187,754,399	14,931,416	35,186,167	40,025,939	31,521,319	14,740,821	17,638,067	33,710,670
Salaries and wages:								
Number of returns	4,906,954	1,971,178	1,326,637	868,673	447,087	145,680	103,555	44,144
Amount	128,054,712	14,294,405	25,944,429	30,272,089	23,760,250	10,586,383	10,383,880	12,813,275
Interest income:								
Number of returns	3,406,335	991,536	885,022	738,665	446,409	159,283	127,012	58,408
Amount	12,946,576	2,058,923	2,231,678	2,052,221	1,551,551	807,060	1,269,664	2,975,478
Dividends:								
Number of returns	1,400,028	342,624	323,027	296,810	211,474	90,941	87,222	47,930
Amount	7,134,383	710,825	949,033	1,047,546	895,596	529,290	887,948	2,114,145
Net capital gain (less loss):								
Number of returns	903,040	199,474	191,961	184,671	136,235	64,926	77,912	47,861
Amount	10,382,604	506,266	242,924	492,919	681,329	535,357	1,278,890	6,644,919
Taxable pensions and annuities:								
Number of returns	1,136,324	328,009	345,985	239,430	134,401	43,461	32,293	12,745
Amount	13,742,308	1,825,840	3,588,936	3,445,225	2,426,077	924,012	868,381	663,837
Unemployment compensation:								
Number of returns	416,129	177,608	124,235	74,399	29,344	6,727	3,360	456
Amount	1,321,884	514,761	417,191	248,873	101,316	24,417	13,294	2,032
Total itemized deductions:								
Number of returns	1,559,594	165,335	326,855	431,238	337,098	136,380	112,873	49,815
Amount	22,138,643	2,178,328	3,501,760	4,605,367	4,243,983	2,197,101	2,563,222	2,848,882
Taxable income:								
Number of returns	4,779,064	1,280,706	1,587,684	1,024,703	522,075	172,281	132,409	59,206
Amount	128,055,396	4,268,348	18,145,488	26,527,424	22,920,365	11,238,609	14,184,347	30,770,815
Total tax liability:								
Number of returns	4,929,604	1,427,161	1,590,669	1,025,228	522,321	172,413	132,538	59,274
Amount	27,732,223	859,245	2,925,270	4,474,137	4,330,912	2,480,942	3,619,923	9,041,794
Average (whole dollars)	5,626	602	1,839	4,364	8,292	14,390	27,312	152,542
Earned income credit:								
Number of returns	847,682	587,528	260,154	--	--	--	--	--
Amount	812,582	664,624	147,958	--	--	--	--	--
Excess earned income credit: [3]								
Number of returns	671,924	564,567	107,357	--	--	--	--	--
Amount	611,789	561,056	50,734	--	--	--	--	--

See notes following Table 21.

Table 2.–Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992–Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
GEORGIA								
Number of returns	2,986,756	1,225,497	758,160	520,331	292,070	99,203	68,855	22,640
Number of exemptions	6,539,619	1,952,167	1,719,345	1,388,240	881,361	308,081	217,760	72,665
Adjusted gross income (less deficit)	89,567,973	7,434,202	16,346,154	20,288,391	17,633,595	8,459,724	9,025,408	10,380,501
Salaries and wages:								
Number of returns	2,606,636	993,403	680,690	482,929	275,316	92,878	62,176	19,244
Amount	72,035,478	7,125,451	13,762,837	17,312,179	15,060,525	6,994,385	6,542,328	5,237,773
Interest income:								
Number of returns	1,395,132	326,567	310,654	337,085	241,444	91,063	66,047	22,272
Amount	3,086,464	476,884	522,302	530,548	435,478	233,479	320,556	567,217
Dividends:								
Number of returns	497,707	83,082	79,680	112,342	107,182	51,848	45,212	18,361
Amount	1,444,179	103,486	129,181	180,082	190,615	129,666	224,801	486,348
Net capital gain (less loss):								
Number of returns	274,609	43,882	42,273	54,972	52,405	29,024	34,644	17,409
Amount	2,459,839	185,259	79,271	143,256	200,721	165,874	392,524	1,292,934
Taxable pensions and annuities:								
Number of returns	384,424	91,005	107,295	91,211	58,693	19,901	12,855	3,464
Amount	4,146,348	499,642	1,036,102	1,066,824	818,932	337,310	267,447	120,091
Unemployment compensation:								
Number of returns	238,643	89,748	74,485	50,422	18,784	3,636	1,433	135
Amount	490,889	192,968	142,488	100,727	41,044	8,894	4,299	470
Total itemized deductions:								
Number of returns	880,166	48,490	143,498	266,385	238,683	93,531	67,235	22,344
Amount	12,461,053	498,742	1,409,773	2,765,403	3,125,512	1,648,204	1,707,603	1,305,817
Taxable income:								
Number of returns	2,313,668	575,714	737,030	518,720	291,721	99,102	68,771	22,610
Amount	57,589,477	1,840,027	8,416,491	13,086,687	12,236,335	6,096,330	6,864,563	9,049,044
Total tax liability:								
Number of returns	2,369,053	631,179	736,674	518,849	291,793	99,125	68,807	22,626
Amount	11,878,283	360,848	1,352,458	2,196,328	2,255,803	1,317,649	1,734,137	2,661,060
Average (whole dollars)	5,014	572	1,836	4,233	7,731	13,293	25,203	117,611
Earned income credit:								
Number of returns	512,534	355,537	156,997	–	–	–	–	–
Amount	499,658	408,040	91,618	–	–	–	–	–
Excess earned income credit: [3]								
Number of returns	409,619	345,376	64,243	–	–	–	–	–
Amount	386,393	355,866	30,527	–	–	–	–	–
HAWAII								
Number of returns	569,334	200,387	153,208	106,659	65,433	24,732	14,712	4,203
Number of exemptions	1,179,166	258,935	311,944	272,382	198,920	78,265	45,646	13,074
Adjusted gross income (less deficit)	18,398,690	1,010,132	3,344,521	4,163,518	3,968,807	2,108,212	1,910,698	1,892,802
Salaries and wages:								
Number of returns	477,557	147,206	134,473	96,225	60,412	22,963	12,889	3,389
Amount	14,174,357	1,065,118	2,745,910	3,389,898	3,231,440	1,686,561	1,243,788	811,642
Interest income:								
Number of returns	400,625	99,430	106,568	90,456	61,486	24,066	14,446	4,173
Amount	755,517	106,013	124,756	139,656	125,249	66,928	80,269	112,645
Dividends:								
Number of returns	119,955	21,592	22,552	26,814	23,997	12,379	9,304	3,317
Amount	325,698	26,871	33,084	46,704	48,835	31,547	50,379	88,278
Net capital gain (less loss):								
Number of returns	57,262	8,739	9,002	11,819	11,309	6,356	6,988	3,049
Amount	547,399	27,186	13,700	29,458	46,783	43,428	119,084	267,760
Taxable pensions and annuities:								
Number of returns	89,556	19,759	24,746	20,491	14,547	5,406	3,604	1,003
Amount	1,186,795	112,185	263,078	303,413	257,281	110,233	90,614	49,991
Unemployment compensation:								
Number of returns	35,275	8,182	11,531	9,492	4,784	957	299	30
Amount	113,268	25,056	40,205	30,024	14,140	2,708	1,035	100
Total itemized deductions:								
Number of returns	173,584	9,384	25,604	48,229	49,171	22,908	14,162	4,126
Amount	3,000,693	124,923	262,584	700,182	765,383	456,483	398,353	292,785
Taxable income:								
Number of returns	474,145	110,710	148,737	105,878	65,248	24,695	14,682	4,195
Amount	12,121,549	392,728	1,868,110	2,703,466	2,675,661	1,469,977	1,416,378	1,595,229
Total tax liability:								
Number of returns	483,020	118,577	149,489	106,077	65,276	24,707	14,697	4,197
Amount	2,471,607	72,491	297,950	465,223	499,288	314,028	357,333	465,295
Average (whole dollars)	5,117	611	1,993	4,386	7,649	12,710	24,313	110,864
Earned income credit:								
Number of returns	37,486	21,238	16,248	–	–	–	–	–
Amount	31,185	22,724	8,462	–	–	–	–	–
Excess earned income credit: [3]								
Number of returns	25,605	19,959	5,646	–	–	–	–	–
Amount	20,446	17,905	2,540	–	–	–	–	–

See notes following Table 21.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
IDAHO								
Number of returns	461,326	196,258	118,194	86,820	40,151	10,402	7,088	2,413
Number of exemptions	1,113,824	318,187	315,175	277,087	136,085	34,843	24,424	8,023
Adjusted gross income (less deficit)	12,478,059	1,082,534	2,570,355	3,373,015	2,399,486	884,457	930,851	1,237,362
Salaries and wages:								
Number of returns	381,125	149,517	100,037	78,352	36,518	9,087	5,723	1,891
Amount	9,101,220	1,007,106	1,956,443	2,719,515	1,895,623	618,573	488,819	415,141
Interest income:								
Number of returns	259,031	77,933	64,499	62,594	35,015	9,755	6,857	2,378
Amount	602,239	120,977	127,570	111,279	80,289	37,631	54,021	70,471
Dividends:								
Number of returns	86,540	19,426	18,749	20,851	15,594	5,568	4,534	1,818
Amount	229,233	24,945	31,855	35,183	29,299	15,597	24,960	67,394
Net capital gain (less loss):								
Number of returns	68,570	15,585	15,319	15,568	11,301	4,481	4,398	1,918
Amount	620,236	39,844	48,535	64,587	68,077	43,715	92,881	262,597
Taxable pensions and annuities:								
Number of returns	67,603	20,379	20,714	15,119	7,749	1,977	1,297	368
Amount	657,761	108,931	197,272	174,380	103,181	32,734	27,772	13,491
Unemployment compensation:								
Number of returns	51,674	17,366	19,419	11,591	2,725	391	167	15
Amount	118,304	36,802	46,026	26,755	6,907	1,221	545	49
Total itemized deductions:								
Number of returns	127,161	9,133	23,343	43,830	32,364	9,543	6,654	2,294
Amount	1,680,702	185,149	202,429	430,263	407,297	160,772	154,301	140,490
Taxable income:								
Number of returns	354,548	95,312	112,691	86,549	40,113	10,390	7,081	2,412
Amount	7,695,603	283,998	1,222,092	2,083,468	1,647,465	642,369	723,024	1,093,187
Total tax liability:								
Number of returns	367,436	106,957	113,886	86,584	40,121	10,392	7,084	2,412
Amount	1,580,096	59,489	206,936	351,436	307,822	145,226	188,724	320,462
Average (whole dollars)	4,300	556	1,817	4,059	7,672	13,975	26,641	132,862
Earned income credit:								
Number of returns	60,978	38,649	22,329	–	–	–	–	–
Amount	56,129	43,970	12,160	–	–	–	–	–
Excess earned income credit: [3]								
Number of returns	46,023	36,728	9,295	–	–	–	–	–
Amount	40,949	36,355	4,594	–	–	–	–	–
ILLINOIS								
Number of returns	5,364,490	2,039,269	1,277,365	1,029,703	613,873	206,049	145,055	53,176
Number of exemptions	11,694,111	3,009,166	2,800,499	2,712,332	1,887,006	649,925	462,704	172,479
Adjusted gross income (less deficit)	181,322,404	11,649,469	27,896,643	40,326,739	37,065,331	17,563,476	19,060,594	27,760,153
Salaries and wages:								
Number of returns	4,477,065	1,494,068	1,096,641	943,782	575,667	191,893	130,044	44,970
Amount	139,418,263	9,841,231	22,127,757	33,883,969	31,548,466	14,451,623	13,788,403	13,776,813
Interest income:								
Number of returns	3,337,637	891,653	730,146	782,124	546,985	194,336	139,956	52,437
Amount	8,587,619	1,482,937	1,512,238	1,461,026	1,148,121	570,874	771,829	1,640,595
Dividends:								
Number of returns	1,264,006	265,917	227,511	272,667	242,470	111,288	99,648	44,505
Amount	4,174,671	363,469	463,243	572,748	553,958	346,353	560,835	1,314,064
Net capital gain (less loss):								
Number of returns	640,579	108,499	103,948	130,002	118,993	62,231	75,235	41,671
Amount	6,450,076	409,735	162,196	298,908	424,142	360,480	868,094	3,926,521
Taxable pensions and annuities:								
Number of returns	848,658	263,067	234,308	173,539	106,775	36,645	25,597	8,727
Amount	7,590,064	1,292,229	2,005,008	1,771,150	1,231,729	515,791	463,147	311,012
Unemployment compensation:								
Number of returns	432,241	131,165	126,427	108,429	51,394	10,118	4,201	507
Amount	1,471,292	421,966	471,556	362,513	165,206	32,668	15,353	2,030
Total itemized deductions:								
Number of returns	1,493,720	82,330	200,607	420,900	426,646	177,851	134,495	50,891
Amount	21,315,962	1,175,836	2,061,625	4,300,485	5,328,625	2,892,089	3,031,879	2,525,423
Taxable income:								
Number of returns	4,314,106	1,029,342	1,240,915	1,026,649	613,249	205,879	144,929	53,143
Amount	125,050,837	3,140,390	15,214,008	26,931,556	26,490,977	13,089,187	15,009,788	25,174,930
Total tax liability:								
Number of returns	4,380,055	1,095,961	1,239,666	1,027,008	613,372	205,917	144,972	53,159
Amount	26,720,247	587,537	2,429,751	4,615,648	4,987,656	2,868,231	3,817,935	7,413,489
Average (whole dollars)	6,100	536	1,960	4,494	8,132	13,929	26,336	139,459
Earned income credit:								
Number of returns	575,354	381,220	194,134	–	–	–	–	–
Amount	525,275	418,682	106,592	–	–	–	–	–
Excess earned income credit: [3]								
Number of returns	449,236	370,399	78,837	–	–	–	–	–
Amount	402,958	365,498	37,460	–	–	–	–	–

See notes following Table 21.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INDIANA								
Number of returns	2,526,136	993,830	616,013	506,412	275,219	76,810	42,822	15,030
Number of exemptions	5,603,881	1,459,125	1,407,260	1,433,350	867,433	246,990	140,145	49,578
Adjusted gross income (less deficit)	75,257,277	6,150,409	13,362,765	19,898,869	16,503,650	6,517,145	5,580,463	7,243,976
Salaries and wages:								
Number of returns	2,162,592	772,403	532,834	472,832	261,636	72,162	37,777	12,948
Amount	59,546,455	5,036,858	10,706,118	17,232,282	14,371,179	5,355,159	3,611,120	3,233,738
Interest income:								
Number of returns	1,487,941	417,001	332,536	368,416	241,227	72,424	41,469	14,868
Amount	3,025,260	613,285	655,631	572,251	407,517	182,236	219,009	375,332
Dividends:								
Number of returns	466,066	101,086	89,606	106,622	92,195	36,888	27,497	12,172
Amount	1,213,475	115,747	154,439	176,714	159,995	94,791	159,904	351,885
Net capital gain (less loss):								
Number of returns	248,736	48,276	46,742	53,979	45,585	20,813	21,754	11,587
Amount	1,606,192	135,233	86,687	141,201	168,675	122,504	244,902	706,988
Taxable pensions and annuities:								
Number of returns	422,978	148,818	119,833	83,158	47,349	13,420	7,845	2,555
Amount	3,448,451	780,244	1,041,468	771,381	475,438	174,882	135,917	69,120
Unemployment compensation:								
Number of returns	165,688	48,478	46,296	45,823	20,166	4,139	735	51
Amount	301,133	106,063	92,638	70,836	25,890	4,270	1,306	128
Total itemized deductions:								
Number of returns	602,237	30,203	80,002	186,880	184,142	66,474	40,058	14,478
Amount	7,354,549	413,848	860,186	1,695,431	2,023,815	939,845	793,486	627,938
Taxable income:								
Number of returns	2,037,209	519,214	602,663	505,635	275,098	76,778	42,799	15,022
Amount	50,035,434	1,596,671	7,136,701	13,257,348	12,003,252	4,968,956	4,475,217	6,599,290
Total tax liability:								
Number of returns	2,072,056	552,918	603,804	505,619	275,096	76,786	42,806	15,027
Amount	10,065,794	294,933	1,150,677	2,206,379	2,224,630	1,089,647	1,152,311	1,947,217
Average (whole dollars)	4,858	533	1,906	4,364	8,087	14,191	26,919	129,581
Earned income credit:								
Number of returns	270,062	171,381	98,681	--	--	--	--	--
Amount	246,561	191,839	54,723	--	--	--	--	--
Excess earned income credit: [3]								
Number of returns	201,861	166,033	35,828	--	--	--	--	--
Amount	181,126	164,346	16,780	--	--	--	--	--
IOWA								
Number of returns	1,268,415	520,251	319,495	250,941	122,844	29,899	18,998	5,987
Number of exemptions	2,833,766	739,049	762,799	748,965	401,840	98,349	62,916	19,848
Adjusted gross income (less deficit)	34,817,509	2,955,796	6,958,268	9,782,724	7,336,322	2,535,019	2,492,503	2,756,877
Salaries and wages:								
Number of returns	1,030,105	381,973	262,359	225,775	112,389	26,504	15,969	5,136
Amount	25,777,857	2,401,669	5,079,280	7,827,555	5,891,186	1,637,013	1,488,791	1,252,363
Interest income:								
Number of returns	870,539	282,150	212,992	207,096	114,606	29,080	18,672	5,943
Amount	2,135,506	442,911	508,780	440,377	294,459	125,035	146,429	177,514
Dividends:								
Number of returns	306,412	74,732	68,476	74,089	53,238	17,403	13,447	5,027
Amount	672,366	77,438	105,396	115,422	101,744	55,832	82,804	133,731
Net capital gain (less loss):								
Number of returns	197,013	46,318	47,266	45,334	30,618	11,433	11,281	4,763
Amount	1,071,630	83,335	123,288	149,030	137,502	78,863	128,070	371,544
Taxable pensions and annuities:								
Number of returns	196,694	66,172	59,930	40,668	20,045	5,270	3,531	1,078
Amount	1,452,529	304,246	459,697	341,808	196,186	64,291	57,725	28,576
Unemployment compensation:								
Number of returns	98,024	28,974	33,181	25,757	8,911	953	220	28
Amount	223,492	70,543	78,763	55,021	16,471	1,956	637	101
Total itemized deductions:								
Number of returns	324,881	27,355	54,118	101,392	90,881	27,116	18,130	5,889
Amount	3,999,590	518,367	464,059	897,956	995,934	402,748	394,351	326,175
Taxable income:								
Number of returns	1,029,797	290,446	311,066	250,621	122,795	29,893	18,993	5,983
Amount	22,420,257	842,240	3,635,082	6,391,307	5,261,815	1,901,059	1,965,250	2,423,504
Total tax liability:								
Number of returns	1,059,357	318,602	312,518	250,561	122,801	29,895	18,995	5,985
Amount	4,496,274	166,532	614,045	1,083,559	987,561	426,654	509,425	708,499
Average (whole dollars)	4,244	523	1,965	4,325	8,042	14,272	26,819	118,379
Earned income credit:								
Number of returns	111,443	67,120	44,323	--	--	--	--	--
Amount	97,888	74,235	23,654	--	--	--	--	--
Excess earned income credit: [3]								
Number of returns	78,674	63,726	14,948	--	--	--	--	--
Amount	66,051	59,113	6,938	--	--	--	--	--

See notes following Table 21.

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992—Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
KANSAS								
Number of returns	1,112,620	436,800	277,806	217,197	116,594	34,244	22,332	7,647
Number of exemptions	2,522,829	637,792	669,236	632,153	373,470	110,970	73,730	25,478
Adjusted gross income (less deficit)	33,449,436	2,441,834	6,041,046	8,486,706	7,002,673	2,911,121	2,924,037	3,642,019
Salaries and wages:								
Number of returns	922,302	327,452	234,244	196,353	107,535	30,992	19,228	6,498
Amount	25,224,969	2,149,637	4,609,314	6,907,609	5,740,880	2,237,125	1,891,294	1,689,111
Interest income:								
Number of returns	694,924	199,325	162,576	166,454	104,714	32,560	21,727	7,568
Amount	1,801,549	331,251	377,623	339,191	243,389	113,193	144,666	252,237
Dividends:								
Number of returns	244,307	51,018	48,961	58,113	46,404	18,541	15,030	6,240
Amount	684,089	61,043	78,918	93,939	87,761	54,253	87,103	221,072
Net capital gain (less loss):								
Number of returns	153,591	31,272	31,703	34,039	26,087	11,762	12,667	6,061
Amount	917,216	66,749	58,488	84,784	91,959	59,930	121,551	433,754
Taxable pensions and annuities:								
Number of returns	172,882	49,309	50,863	38,361	22,005	6,705	4,212	1,227
Amount	1,494,845	239,129	422,709	374,756	253,061	97,774	72,584	34,832
Unemployment compensation:								
Number of returns	75,719	24,933	24,743	17,837	6,617	1,133	420	36
Amount	195,123	63,944	64,808	44,852	17,045	3,004	1,344	126
Total itemized deductions:								
Number of returns	292,179	18,985	43,095	86,516	84,529	30,495	21,147	7,412
Amount	3,740,957	250,050	386,093	813,784	975,671	464,925	459,422	391,012
Taxable income:								
Number of returns	897,960	231,038	269,467	216,763	116,519	34,228	22,306	7,639
Amount	22,103,994	693,563	3,114,205	5,556,053	5,012,672	2,180,558	2,304,954	3,241,990
Total tax liability:								
Number of returns	919,188	251,748	270,130	216,633	116,500	34,226	22,309	7,642
Amount	4,569,806	135,545	516,506	940,028	940,643	484,766	594,856	957,462
Average (whole dollars)	4,972	538	1,912	4,339	8,074	14,164	26,664	125,289
Earned income credit:								
Number of returns	110,464	67,156	43,308	–	–	–	–	–
Amount	97,206	73,816	23,391	–	–	–	–	–
Excess earned income credit: [3]								
Number of returns	80,640	64,185	16,455	–	–	–	–	–
Amount	69,013	61,295	7,718	–	–	–	–	–
KENTUCKY								
Number of returns	1,531,492	664,624	384,691	277,141	136,326	36,414	23,666	8,630
Number of exemptions	3,423,169	1,086,226	913,109	779,321	424,962	115,778	75,887	27,886
Adjusted gross income (less deficit)	41,645,828	4,285,608	8,328,525	10,793,966	8,168,619	3,089,789	3,113,635	3,865,687
Salaries and wages:								
Number of returns	1,296,623	516,658	334,055	256,778	128,003	33,542	20,402	7,185
Amount	32,405,100	3,548,420	6,640,729	9,180,945	6,922,229	2,435,269	1,939,255	1,738,253
Interest income:								
Number of returns	787,102	224,399	190,075	191,074	116,397	33,925	22,733	8,499
Amount	1,778,068	380,519	385,069	328,616	233,581	102,553	138,289	209,442
Dividends:								
Number of returns	236,557	48,965	46,577	54,790	45,746	18,142	15,384	6,953
Amount	710,080	61,538	79,988	99,765	97,570	61,833	103,341	206,045
Net capital gain (less loss):								
Number of returns	137,210	28,116	27,238	29,290	23,365	10,567	12,082	6,552
Amount	1,004,855	76,161	62,852	90,249	105,242	71,514	155,467	443,369
Taxable pensions and annuities:								
Number of returns	231,235	77,620	68,657	47,238	25,059	6,849	4,479	1,333
Amount	2,091,507	415,815	641,402	497,551	307,475	104,672	84,590	40,002
Unemployment compensation:								
Number of returns	160,111	53,369	54,491	38,164	12,025	1,534	473	55
Amount	338,203	119,851	117,789	72,581	22,922	3,498	1,336	226
Total itemized deductions:								
Number of returns	381,946	22,276	62,161	126,295	106,300	33,747	22,740	8,427
Amount	4,616,389	269,647	516,156	1,160,443	1,228,461	525,801	500,090	415,792
Taxable income:								
Number of returns	1,179,295	321,573	376,118	276,687	136,252	36,395	23,648	8,622
Amount	26,317,002	1,021,777	4,246,467	7,051,044	5,813,847	2,291,481	2,451,112	3,441,274
Total tax liability:								
Number of returns	1,227,322	368,366	377,298	276,717	136,254	36,401	23,661	8,625
Amount	5,296,868	207,268	695,511	1,168,874	1,071,634	504,110	634,776	1,014,695
Average (whole dollars)	4,316	563	1,843	4,224	7,865	13,849	26,828	117,646
Earned income credit:								
Number of returns	219,252	148,927	70,325	–	–	–	–	–
Amount	199,832	161,396	38,436	–	–	–	–	–
Excess earned income credit: [3]								
Number of returns	168,907	143,228	25,679	–	–	–	–	–
Amount	146,097	134,246	11,851	–	–	–	–	–

See notes following Table 21.

Table 2.–Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992–Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
LOUISIANA								
Number of returns	1,695,680	782,118	411,122	277,438	144,904	42,081	27,397	10,620
Number of exemptions	3,979,907	1,391,280	1,045,398	811,987	467,943	138,044	89,924	35,331
Adjusted gross income (less deficit)	45,043,846	4,722,339	8,845,321	10,822,161	8,701,496	3,579,025	3,601,131	4,772,374
Salaries and wages:								
Number of returns	1,458,943	636,542	361,666	255,829	135,298	38,353	22,888	8,367
Amount	35,362,417	4,458,051	7,240,323	9,187,900	7,358,740	2,817,062	2,210,175	2,090,166
Interest income:								
Number of returns	785,973	220,281	185,436	184,600	120,846	38,454	25,979	10,377
Amount	1,694,216	310,953	315,323	292,652	228,110	114,417	163,744	269,017
Dividends:								
Number of returns	253,889	53,150	48,445	57,145	48,896	20,598	17,292	8,363
Amount	710,105	70,004	82,925	99,772	98,411	63,238	102,163	193,592
Net capital gain (less loss):								
Number of returns	142,092	27,550	25,273	29,211	25,429	12,280	14,201	8,148
Amount	965,409	58,659	34,386	57,640	78,985	65,600	145,707	524,432
Taxable pensions and annuities:								
Number of returns	231,073	69,596	66,365	49,041	29,473	9,218	5,669	1,711
Amount	2,383,124	410,511	672,359	582,009	393,935	148,478	122,268	53,563
Unemployment compensation:								
Number of returns	122,754	51,702	38,344	23,319	7,695	1,251	397	46
Amount	268,827	108,062	89,015	50,622	17,043	2,810	1,118	156
Total itemized deductions:								
Number of returns	297,315	18,501	48,955	85,185	80,769	31,374	22,858	9,673
Amount	3,635,202	268,704	440,499	819,460	880,911	426,866	423,970	374,791
Taxable income:								
Number of returns	1,233,763	333,689	398,379	276,848	144,810	42,055	27,372	10,610
Amount	29,003,985	995,449	4,341,151	7,138,314	6,401,726	2,783,754	2,963,419	4,380,171
Total tax liability:								
Number of returns	1,271,733	371,705	398,316	276,842	144,806	42,064	27,384	10,616
Amount	5,991,970	201,438	700,064	1,187,833	1,202,316	620,483	778,775	1,301,062
Average (whole dollars)	4,712	542	1,758	4,291	8,303	14,751	28,439	122,557
Earned income credit:								
Number of returns	376,267	278,191	98,076	–	–	–	–	–
Amount	367,212	310,997	56,216	–	–	–	–	–
Excess earned income credit [3]								
Number of returns	313,162	271,897	41,265	–	–	–	–	–
Amount	294,847	275,246	19,602	–	–	–	–	–
MAINE								
Number of returns	549,887	223,835	146,074	106,823	50,720	12,100	7,721	2,614
Number of exemptions	1,183,476	320,536	331,233	301,347	158,803	38,176	24,963	8,418
Adjusted gross income (less deficit)	14,947,015	1,414,563	3,172,579	4,148,221	3,025,960	1,027,209	1,018,753	1,139,731
Salaries and wages:								
Number of returns	461,338	171,406	125,580	98,078	46,960	10,779	6,379	2,156
Amount	11,281,704	1,097,316	2,439,239	3,431,327	2,498,470	763,028	586,834	465,488
Interest income:								
Number of returns	354,466	104,287	92,965	87,467	47,668	11,837	7,638	2,604
Amount	668,601	130,077	146,402	131,926	93,698	42,142	57,779	66,579
Dividends:								
Number of returns	105,188	25,041	23,751	24,538	18,155	6,361	5,206	2,136
Amount	350,990	36,283	51,405	60,508	55,528	31,766	51,475	64,025
Net capital gain (less loss):								
Number of returns	58,520	12,155	12,067	12,571	9,358	4,002	4,349	2,018
Amount	413,277	23,887	27,263	43,440	53,182	37,475	69,860	158,170
Taxable pensions and annuities:								
Number of returns	85,553	26,284	26,893	18,529	9,546	2,329	1,518	454
Amount	832,972	142,989	264,414	216,489	128,926	38,670	30,134	11,351
Unemployment compensation:								
Number of returns	72,445	31,240	23,137	13,920	3,572	421	141	14
Amount	211,427	90,675	70,737	38,402	9,852	1,243	473	46
Total itemized deductions:								
Number of returns	145,431	9,300	25,088	48,841	40,570	11,483	7,555	2,594
Amount	1,897,257	115,331	240,779	485,638	499,558	196,889	190,702	168,360
Taxable income:								
Number of returns	442,801	120,577	142,644	106,504	50,669	12,084	7,709	2,614
Amount	9,323,333	384,328	1,665,385	2,672,378	2,114,262	743,195	775,757	968,026
Total tax liability:								
Number of returns	457,045	134,035	143,415	106,512	50,670	12,087	7,712	2,614
Amount	1,834,891	77,556	276,096	445,354	387,366	163,835	200,307	284,377
Average (whole dollars)	4,015	579	1,925	4,181	7,645	13,555	25,973	108,790
Earned income credit:								
Number of returns	55,605	34,449	21,156	–	–	–	–	–
Amount	47,586	36,174	11,412	–	–	–	–	–
Excess earned income credit [3]								
Number of returns	39,351	32,210	7,141	–	–	–	–	–
Amount	30,740	27,511	3,230	–	–	–	–	–

See notes following Table 21.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MARYLAND								
Number of returns	2,330,493	770,652	572,370	453,728	300,115	125,526	86,597	21,505
Number of exemptions	4,917,024	1,040,962	1,176,118	1,091,891	876,050	388,922	272,975	70,106
Adjusted gross income (less deficit)	84,008,780	4,236,504	12,523,625	17,789,923	18,252,816	10,738,690	11,146,768	9,320,454
Salaries and wages:								
Number of returns	1,982,930	578,707	499,697	411,045	278,218	117,721	79,464	18,078
Amount	66,638,311	3,980,275	10,226,971	14,813,624	15,389,040	9,054,436	8,479,529	4,694,435
Interest income:								
Number of returns	1,445,506	315,103	298,984	340,860	266,274	118,743	84,253	21,289
Amount	3,121,626	433,871	438,623	511,163	473,381	280,076	386,299	598,213
Dividends:								
Number of returns	512,178	88,838	75,968	106,756	107,544	60,297	55,113	17,662
Amount	1,596,702	122,334	147,386	214,458	236,494	162,739	268,311	444,979
Net capital gain (less loss):								
Number of returns	257,086	36,326	33,231	47,499	50,702	32,198	40,437	16,693
Amount	1,999,144	202,692	46,989	95,920	147,765	139,391	357,839	1,008,549
Taxable pensions and annuities:								
Number of returns	370,679	82,745	93,758	84,543	61,701	25,849	18,261	3,822
Amount	5,161,109	505,370	1,039,564	1,276,652	1,150,672	552,917	475,308	160,627
Unemployment compensation:								
Number of returns	172,092	55,173	51,585	37,616	20,741	4,908	1,891	178
Amount	568,399	187,563	174,375	119,625	64,206	15,409	6,498	723
Total itemized deductions:								
Number of returns	935,536	43,729	131,296	268,931	262,453	121,967	85,799	21,361
Amount	15,540,562	842,218	1,395,388	3,135,660	3,947,708	2,416,088	2,356,331	1,447,169
Taxable income:								
Number of returns	1,960,381	420,508	555,516	451,304	299,653	125,413	86,518	21,469
Amount	55,193,771	1,335,832	6,813,119	11,359,370	12,171,156	7,451,667	8,210,556	7,852,070
Total tax liability:								
Number of returns	1,981,245	442,170	554,496	451,458	299,671	125,416	86,549	21,485
Amount	11,401,480	247,405	1,070,819	1,936,991	2,237,064	1,573,217	2,028,915	2,307,070
Average (whole dollars)	5,755	560	1,931	4,291	7,465	12,544	23,442	107,380
Earned income credit:								
Number of returns	233,430	142,533	90,897	--	--	--	--	--
Amount	212,476	161,760	50,715	--	--	--	--	--
Excess earned income credit: [3]								
Number of returns	173,127	137,659	35,468	--	--	--	--	--
Amount	153,402	136,801	16,601	--	--	--	--	--
MASSACHUSETTS								
Number of returns	2,793,134	947,101	709,439	551,555	339,853	124,964	90,648	29,574
Number of exemptions	5,657,512	1,217,131	1,355,300	1,324,969	997,709	383,991	283,685	94,727
Adjusted gross income (less deficit)	99,257,247	4,621,899	15,569,826	21,522,293	20,604,382	10,656,067	11,911,696	14,371,084
Salaries and wages:								
Number of returns	2,339,635	676,429	608,523	508,342	320,932	117,907	82,265	25,237
Amount	77,203,795	4,496,986	12,211,264	18,011,598	17,687,808	9,004,292	8,803,349	6,988,498
Interest income:								
Number of returns	2,021,867	518,481	479,465	465,855	318,348	121,118	89,208	29,392
Amount	4,341,330	737,137	743,544	730,377	581,181	302,123	428,625	818,343
Dividends:								
Number of returns	655,554	140,444	117,607	135,591	118,890	60,215	58,397	24,410
Amount	2,199,374	192,844	222,513	279,303	278,788	187,011	352,842	686,073
Net capital gain (less loss):								
Number of returns	339,258	57,499	50,526	63,766	61,358	36,372	46,602	23,135
Amount	3,518,540	195,423	65,335	131,698	205,662	189,798	504,315	2,226,309
Taxable pensions and annuities:								
Number of returns	454,125	135,533	129,835	91,937	56,927	20,205	14,997	4,691
Amount	4,402,758	728,134	1,234,338	1,022,389	683,066	287,111	286,966	160,755
Unemployment compensation:								
Number of returns	308,647	90,051	92,489	74,056	39,088	8,673	3,829	461
Amount	1,350,465	338,226	432,061	344,868	175,288	39,096	18,547	2,380
Total itemized deductions:								
Number of returns	969,968	59,447	135,358	266,373	272,453	117,839	89,179	29,319
Amount	15,527,797	870,909	1,512,384	2,991,599	3,808,701	2,137,571	2,323,614	1,883,018
Taxable income:								
Number of returns	2,376,081	553,813	689,326	548,780	339,242	124,842	90,538	29,540
Amount	68,339,586	1,816,719	8,982,899	14,261,725	14,214,881	7,624,184	8,983,600	12,455,576
Total tax liability:								
Number of returns	2,420,640	592,447	694,368	549,445	339,355	124,884	90,583	29,558
Amount	14,551,007	350,632	1,454,600	2,500,493	2,676,431	1,650,250	2,265,343	3,653,258
Average (whole dollars)	6,011	592	2,095	4,551	7,887	13,214	25,008	123,596
Earned income credit:								
Number of returns	167,745	98,631	69,114	--	--	--	--	--
Amount	142,124	105,271	36,854	--	--	--	--	--
Excess earned income credit: [3]								
Number of returns	116,308	92,209	24,099	--	--	--	--	--
Amount	93,736	82,969	10,767	--	--	--	--	--

See notes following Table 21.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MICHIGAN								
Number of returns	4,122,250	1,600,262	914,377	814,700	501,581	168,902	94,661	27,767
Number of exemptions	8,909,268	2,249,080	2,004,164	2,168,329	1,551,025	541,062	305,527	90,081
Adjusted gross income (less deficit)	131,883,866	9,799,293	19,892,444	32,135,685	30,278,140	14,375,004	12,180,205	13,223,094
Salaries and wages:								
Number of returns	3,487,824	1,212,260	767,533	756,385	478,771	161,254	86,958	24,663
Amount	104,918,398	7,384,652	14,953,260	27,259,793	26,422,353	12,377,144	9,137,354	7,383,841
Interest income:								
Number of returns	2,567,167	702,515	533,892	610,154	442,653	159,100	91,485	27,368
Amount	5,116,691	977,562	1,005,660	904,464	707,010	350,167	435,746	736,081
Dividends:								
Number of returns	968,936	209,088	178,093	213,985	194,747	87,331	62,652	23,040
Amount	2,532,348	268,704	336,656	376,219	344,564	203,563	301,477	701,166
Net capital gain (less loss):								
Number of returns	481,083	91,112	85,188	99,238	90,566	46,052	47,297	21,630
Amount	2,914,450	213,435	152,675	257,029	321,912	233,026	450,189	1,286,183
Taxable pensions and annuities:								
Number of returns	706,707	253,169	198,765	128,618	77,915	26,781	16,923	4,536
Amount	6,874,053	1,495,573	2,051,790	1,507,191	961,313	370,790	326,474	160,923
Unemployment compensation:								
Number of returns	558,742	126,847	143,959	172,553	91,353	19,757	4,012	261
Amount	1,702,213	407,418	521,424	489,454	222,519	47,057	12,970	1,371
Total itemized deductions:								
Number of returns	1,346,127	69,475	176,554	412,240	407,179	160,596	92,619	27,464
Amount	17,054,265	800,468	1,499,382	3,863,678	4,819,718	2,540,321	2,122,989	1,407,709
Taxable income:								
Number of returns	3,345,506	845,977	893,942	813,129	501,293	168,830	94,583	27,752
Amount	87,956,880	2,621,100	10,785,974	21,341,249	21,444,813	10,574,487	9,403,698	11,785,559
Total tax liability:								
Number of returns	3,399,430	897,100	896,586	813,213	501,312	168,839	94,617	27,763
Amount	17,823,074	479,057	1,732,690	3,598,146	3,952,226	2,264,151	2,343,855	3,452,951
Average (whole dollars)	5,243	534	1,933	4,425	7,884	13,410	24,772	124,372
Earned income credit:								
Number of returns	368,166	243,702	124,464	-	-	-	-	-
Amount	316,447	250,217	66,230	-	-	-	-	-
Excess earned income credit: [3]								
Number of returns	279,250	235,099	44,151	-	-	-	-	-
Amount	231,438	211,358	20,079	-	-	-	-	-
MINNESOTA								
Number of returns	2,065,246	770,752	502,330	418,193	238,610	70,063	48,643	16,655
Number of exemptions	4,422,811	983,908	1,069,946	1,166,508	763,647	226,401	159,213	53,188
Adjusted gross income (less deficit)	67,252,721	4,484,247	10,975,360	16,385,274	14,347,706	5,959,118	6,406,384	8,694,631
Salaries and wages:								
Number of returns	1,742,428	576,611	428,684	386,359	225,986	65,809	44,237	14,742
Amount	51,629,819	3,716,381	8,427,321	13,619,252	12,237,122	4,875,099	4,658,713	4,095,930
Interest income:								
Number of returns	1,378,340	382,388	314,653	333,505	216,812	66,953	47,514	16,515
Amount	2,854,804	509,548	568,316	504,463	361,225	163,082	232,599	515,571
Dividends:								
Number of returns	502,565	105,183	97,290	117,223	97,014	39,009	33,227	13,619
Amount	1,311,006	121,249	154,950	183,167	158,888	92,956	155,733	444,063
Net capital gain (less loss):								
Number of returns	313,751	62,076	62,944	67,796	54,912	24,931	27,786	13,306
Amount	2,482,582	105,118	147,391	186,857	194,317	130,996	271,838	1,446,066
Taxable pensions and annuities:								
Number of returns	296,157	86,545	89,099	63,805	35,401	10,720	7,695	2,892
Amount	2,718,631	434,846	810,159	680,727	408,705	149,268	138,851	96,078
Unemployment compensation:								
Number of returns	152,775	36,022	49,175	44,459	18,486	3,149	1,339	145
Amount	476,002	100,362	159,681	141,937	58,311	10,297	4,871	543
Total itemized deductions:								
Number of returns	733,792	38,411	113,755	240,980	208,293	67,960	47,904	16,489
Amount	10,412,083	550,168	1,091,294	2,394,780	2,680,125	1,293,096	1,235,586	1,187,033
Taxable income:								
Number of returns	1,724,748	444,681	489,238	417,150	238,436	70,008	48,600	16,635
Amount	44,167,668	1,352,732	5,993,105	10,454,171	9,799,872	4,248,018	4,830,662	7,489,309
Total tax liability:								
Number of returns	1,763,382	480,188	492,278	417,160	238,462	70,028	48,621	16,645
Amount	9,148,758	259,818	991,752	1,780,436	1,792,699	918,523	1,213,879	2,191,651
Average (whole dollars)	5,188	541	2,015	4,268	7,518	13,117	24,966	131,670
Earned income credit:								
Number of returns	149,133	89,165	59,968	-	-	-	-	-
Amount	128,558	96,376	32,182	-	-	-	-	-
Excess earned income credit: [3]								
Number of returns	104,861	84,125	20,736	-	-	-	-	-
Amount	84,507	75,067	9,440	-	-	-	-	-

See notes following Table 21.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MISSISSIPPI								
Number of returns	1,039,942	520,801	259,268	155,233	71,039	17,680	11,680	4,241
Number of exemptions	2,434,324	969,460	665,933	463,603	226,709	56,823	37,959	13,837
Adjusted gross income (less deficit)	24,286,039	3,505,041	5,529,318	6,025,982	4,244,119	1,501,096	1,539,080	1,941,404
Salaries and wages:								
Number of returns	913,607	442,078	232,986	143,618	65,963	15,868	9,731	3,363
Amount	19,112,186	3,171,614	4,630,549	5,104,918	3,503,917	1,113,591	861,912	725,685
Interest income:								
Number of returns	403,886	114,998	102,126	97,374	58,033	16,093	11,087	4,175
Amount	899,865	177,438	187,408	168,012	124,961	55,961	76,533	109,552
Dividends:								
Number of returns	124,699	25,877	25,659	29,651	23,692	8,842	7,531	3,447
Amount	323,752	30,473	37,581	45,958	45,112	26,514	44,512	93,602
Net capital gain (less loss):								
Number of returns	74,035	14,717	14,518	16,267	13,146	5,655	6,420	3,312
Amount	634,831	39,837	34,446	54,798	65,870	44,992	96,870	298,017
Taxable pensions and annuities:								
Number of returns	128,096	38,919	38,533	28,438	15,157	3,997	2,372	680
Amount	1,240,473	212,200	361,988	319,387	208,936	69,371	47,952	20,638
Unemployment compensation:								
Number of returns	90,621	48,064	24,109	14,146	3,589	521	180	12
Amount	183,633	96,392	49,945	28,002	7,554	1,212	499	29
Total itemized deductions:								
Number of returns	187,047	12,247	35,323	59,132	50,058	15,383	10,827	4,077
Amount	2,174,890	109,339	315,568	560,454	570,380	223,131	214,347	181,671
Taxable income:								
Number of returns	723,005	212,069	251,397	154,974	70,983	17,670	11,673	4,239
Amount	14,332,040	616,730	2,641,083	3,886,595	3,052,184	1,139,808	1,241,567	1,754,073
Total tax liability:								
Number of returns	747,749	237,249	250,963	154,956	70,992	17,673	11,676	4,240
Amount	2,865,198	126,007	427,666	642,168	568,520	255,964	327,459	517,414
Average (whole dollars)	3,832	531	1,704	4,144	8,008	14,483	28,045	122,032
Earned income credit:								
Number of returns	297,985	226,762	71,223	-	-	-	-	-
Amount	304,280	261,556	42,724	-	-	-	-	-
Excess earned income credit: [3]								
Number of returns	253,247	222,853	30,394	-	-	-	-	-
Amount	248,536	233,804	14,733	-	-	-	-	-
MISSOURI								
Number of returns	2,294,398	952,501	574,627	424,653	221,074	64,720	42,100	14,723
Number of exemptions	5,055,239	1,451,807	1,336,995	1,186,316	690,304	205,937	136,010	47,870
Adjusted gross income (less deficit)	66,759,002	5,952,488	12,442,328	16,568,626	13,280,934	5,502,062	5,521,661	7,490,904
Salaries and wages:								
Number of returns	1,907,393	719,841	487,160	386,716	205,413	59,223	36,539	12,501
Amount	50,756,422	4,808,674	9,625,992	13,741,201	11,125,716	4,366,568	3,658,816	3,429,454
Interest income:								
Number of returns	1,335,114	382,597	323,345	317,257	195,627	60,906	40,801	14,581
Amount	3,359,591	647,317	724,580	618,364	437,244	205,740	265,167	461,179
Dividends:								
Number of returns	497,933	104,105	102,920	117,888	94,045	37,154	29,503	12,318
Amount	1,554,715	134,246	185,894	221,697	207,961	125,514	216,784	462,619
Net capital gain (less loss):								
Number of returns	286,617	60,188	60,353	62,423	47,224	21,211	23,511	11,707
Amount	1,970,673	113,616	120,456	166,828	176,844	119,183	259,417	1,014,330
Taxable pensions and annuities:								
Number of returns	376,281	119,099	114,251	77,479	41,711	12,767	8,442	2,532
Amount	3,395,991	613,882	1,026,893	828,449	502,247	181,463	158,781	84,276
Unemployment compensation:								
Number of returns	225,027	86,168	66,821	50,130	17,998	2,865	946	99
Amount	505,325	203,458	151,539	104,125	36,479	6,475	2,647	601
Total itemized deductions:								
Number of returns	564,954	32,396	85,782	175,701	160,154	57,313	39,420	14,188
Amount	7,246,842	503,755	815,832	1,677,210	1,911,762	852,479	820,162	665,642
Taxable income:								
Number of returns	1,812,392	485,565	560,578	423,875	220,933	64,671	42,060	14,710
Amount	43,902,041	1,509,618	6,507,189	10,951,694	9,570,491	4,151,461	4,405,101	6,806,487
Total tax liability:								
Number of returns	1,861,783	533,258	562,207	423,903	220,942	64,681	42,073	14,719
Amount	9,036,554	291,641	1,063,634	1,841,736	1,786,732	915,596	1,131,423	2,005,792
Average (whole dollars)	4,854	547	1,892	4,345	8,087	14,156	26,892	136,272
Earned income credit:								
Number of returns	279,121	182,925	96,196	-	-	-	-	-
Amount	253,795	200,804	52,992	-	-	-	-	-
Excess earned income credit: [3]								
Number of returns	212,029	176,381	35,648	-	-	-	-	-
Amount	186,120	169,509	16,612	-	-	-	-	-

See notes following Table 21.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MONTANA								
Number of returns	373,757	171,777	92,780	66,938	28,966	6,799	4,903	1,594
Number of exemptions	836,505	263,526	234,072	202,033	93,846	21,924	16,000	5,104
Adjusted gross income (less deficit)	9,167,530	914,826	2,012,817	2,598,732	1,721,642	577,219	652,185	690,110
Salaries and wages:								
Number of returns	294,886	125,166	75,560	58,459	25,317	5,531	3,682	1,171
Amount	6,287,154	798,175	1,433,260	1,975,004	1,250,151	336,024	287,721	206,819
Interest income:								
Number of returns	236,776	81,586	61,009	54,606	26,664	6,550	4,782	1,579
Amount	578,534	113,007	127,799	115,700	79,876	34,941	48,014	59,198
Dividends:								
Number of returns	90,958	25,304	21,643	21,626	13,424	4,149	3,524	1,288
Amount	220,142	31,329	38,505	40,936	34,037	16,244	26,094	32,998
Net capital gain (less loss):								
Number of returns	66,289	17,640	16,013	15,080	9,471	3,398	3,372	1,315
Amount	447,095	41,058	49,397	68,015	67,658	41,633	69,576	109,757
Taxable pensions and annuities:								
Number of returns	57,749	19,272	18,086	12,186	5,616	1,454	901	234
Amount	558,152	103,449	177,454	148,588	81,203	24,880	17,503	5,076
Unemployment compensation:								
Number of returns	31,249	11,868	10,974	6,519	1,612	193	75	8
Amount	69,891	24,632	26,181	14,500	3,818	480	256	24
Total itemized deductions:								
Number of returns	97,863	10,382	20,622	32,969	21,944	5,891	4,534	1,521
Amount	1,149,228	164,320	168,863	305,520	251,960	90,688	95,029	72,847
Taxable income:								
Number of returns	282,595	84,100	89,469	66,806	28,940	6,791	4,896	1,593
Amount	5,688,378	247,348	989,659	1,655,805	1,222,141	435,799	522,785	614,841
Total tax liability:								
Number of returns	294,909	95,754	90,144	66,783	28,939	6,796	4,899	1,594
Amount	1,164,913	52,622	170,592	284,256	234,810	102,316	139,497	180,820
Average (whole dollars)	3,950	550	1,892	4,256	8,114	15,055	28,475	113,438
Earned income credit:								
Number of returns	44,932	29,304	15,628	--	--	--	--	--
Amount	40,011	31,535	8,477	--	--	--	--	--
Excess earned income credit: [3]								
Number of returns	33,586	27,652	5,934	--	--	--	--	--
Amount	27,700	24,925	2,774	--	--	--	--	--
NEBRASKA								
Number of returns	740,785	310,468	190,003	139,923	67,176	17,720	11,404	4,091
Number of exemptions	1,649,323	437,052	457,340	423,266	220,606	58,847	38,596	13,616
Adjusted gross income (less deficit)	20,430,878	1,778,175	4,113,103	5,444,656	4,018,377	1,506,061	1,493,910	2,076,594
Salaries and wages:								
Number of returns	614,213	238,099	160,069	125,733	61,214	15,847	9,723	3,528
Amount	15,068,650	1,558,394	3,115,205	4,344,611	3,187,954	1,093,037	893,631	875,819
Interest income:								
Number of returns	484,880	155,750	121,428	113,257	62,103	17,083	11,190	4,069
Amount	1,181,217	236,494	273,575	237,369	159,453	67,172	80,864	126,291
Dividends:								
Number of returns	168,841	38,637	37,216	41,438	29,803	10,430	7,890	3,427
Amount	412,989	42,970	55,392	61,888	56,385	33,187	50,331	112,836
Net capital gain (less loss):								
Number of returns	109,920	25,667	25,437	24,985	16,924	6,832	6,778	3,297
Amount	712,514	56,794	66,446	83,414	81,403	49,482	83,912	291,062
Taxable pensions and annuities:								
Number of returns	98,868	29,068	29,859	22,091	11,590	3,377	2,191	692
Amount	829,788	126,566	237,270	214,515	139,789	51,057	39,706	20,885
Unemployment compensation:								
Number of returns	33,523	13,433	10,860	6,997	1,873	247	104	9
Amount	55,058	22,326	17,792	10,986	3,153	498	269	34
Total itemized deductions:								
Number of returns	177,066	11,661	28,939	56,662	49,433	15,697	10,707	3,967
Amount	2,366,928	166,640	320,544	609,641	572,228	242,208	233,463	222,204
Taxable income:								
Number of returns	596,287	172,143	184,134	139,686	67,130	17,711	11,396	4,087
Amount	13,148,436	513,365	2,117,579	3,513,903	2,854,668	1,123,037	1,176,248	1,849,636
Total tax liability:								
Number of returns	614,006	189,071	184,989	139,609	67,139	17,715	11,395	4,088
Amount	2,691,268	101,224	357,716	598,425	536,739	250,849	303,225	543,090
Average (whole dollars)	4,383	535	1,934	4,286	7,994	14,160	26,610	132,850
Earned income credit:								
Number of returns	74,031	45,257	28,774	--	--	--	--	--
Amount	66,586	50,805	15,781	--	--	--	--	--
Excess earned income credit: [3]								
Number of returns	53,996	43,230	10,766	--	--	--	--	--
Amount	46,257	41,170	5,087	--	--	--	--	--

See notes following Table 21.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
NEVADA								
Number of returns	671,644	260,478	182,830	123,714	65,573	19,893	13,332	5,824
Number of exemptions	1,413,435	394,808	388,427	320,413	193,833	59,457	39,680	16,817
Adjusted gross income (less deficit)	22,040,874	1,440,922	3,937,349	4,823,523	3,943,946	1,693,235	1,757,076	4,444,824
Salaries and wages:								
Number of returns	558,344	192,026	160,703	112,389	60,219	17,824	10,828	4,355
Amount	15,751,766	1,452,722	3,201,352	3,979,505	3,219,907	1,296,681	1,061,791	1,539,807
Interest income:								
Number of returns	318,053	74,222	78,673	77,483	51,772	17,708	12,508	5,687
Amount	1,116,690	140,011	140,290	143,452	123,144	69,535	115,979	384,279
Dividends:								
Number of returns	108,989	21,412	22,281	24,664	20,103	8,608	7,590	4,331
Amount	470,551	38,606	46,108	52,170	48,893	27,909	53,802	203,063
Net capital gain (less loss):								
Number of returns	76,434	14,143	14,432	16,036	13,403	6,473	7,362	4,585
Amount	1,177,338	40,037	22,945	44,913	67,033	57,676	148,807	795,926
Taxable pensions and annuities:								
Number of returns	104,679	25,200	30,485	24,547	15,450	4,848	3,146	1,003
Amount	1,244,086	150,903	314,722	325,427	239,706	93,659	76,455	43,214
Unemployment compensation:								
Number of returns	61,329	21,567	19,050	13,584	5,742	995	342	49
Amount	173,095	61,288	56,191	36,946	14,570	2,698	1,205	197
Total itemized deductions:								
Number of returns	181,278	14,672	34,571	54,591	45,128	16,363	11,283	4,670
Amount	2,536,504	201,225	340,953	581,432	585,976	279,783	262,278	284,858
Taxable income:								
Number of returns	531,127	126,242	177,237	123,232	65,453	19,858	13,300	5,805
Amount	15,389,899	454,045	2,113,547	3,181,256	2,814,890	1,272,046	1,402,784	4,151,331
Total tax liability:								
Number of returns	540,219	135,322	177,131	123,309	65,475	19,862	13,305	5,815
Amount	3,456,067	83,087	334,730	539,565	529,622	280,726	361,864	1,326,473
Average (whole dollars)	6,398	614	1,890	4,376	8,089	14,134	27,198	228,112
Earned income credit:								
Number of returns	75,332	46,876	28,456	-	-	-	-	-
Amount	68,600	52,923	15,677	-	-	-	-	-
Excess earned income credit: [3]								
Number of returns	57,351	45,442	11,909	-	-	-	-	-
Amount	51,453	45,893	5,560	-	-	-	-	-
NEW HAMPSHIRE								
Number of returns	532,355	186,909	131,184	108,700	66,275	21,620	13,970	3,697
Number of exemptions	1,127,805	241,341	268,207	289,166	204,028	68,726	44,703	11,634
Adjusted gross income (less deficit)	17,825,211	973,901	2,871,000	4,265,896	4,002,258	1,840,906	1,818,248	2,053,003
Salaries and wages:								
Number of returns	453,925	141,593	113,982	100,385	62,396	20,140	12,360	3,069
Amount	14,071,922	929,989	2,284,983	3,593,677	3,448,662	1,536,749	1,307,789	970,073
Interest income:								
Number of returns	367,206	92,699	83,476	90,145	62,301	21,089	13,815	3,681
Amount	722,563	122,682	127,085	128,507	100,922	52,903	74,586	115,878
Dividends:								
Number of returns	120,290	25,517	21,990	26,740	23,575	10,640	8,856	2,972
Amount	446,567	37,887	48,779	61,842	59,296	38,126	66,903	133,735
Net capital gain (less loss):								
Number of returns	67,551	12,396	11,265	14,168	12,658	6,625	7,512	2,927
Amount	743,824	35,079	16,489	33,561	45,095	36,520	89,939	487,141
Taxable pensions and annuities:								
Number of returns	80,228	21,825	22,169	17,885	11,230	3,772	2,628	719
Amount	797,324	112,108	199,249	195,308	143,562	60,468	57,732	28,897
Unemployment compensation:								
Number of returns	48,402	13,806	14,864	12,598	5,697	1,018	398	21
Amount	137,297	36,747	40,853	36,595	17,966	3,492	1,541	103
Total itemized deductions:								
Number of returns	174,763	11,968	25,928	51,525	49,880	19,281	12,984	3,197
Amount	2,407,282	145,373	257,466	562,653	663,085	324,616	295,198	158,890
Taxable income:								
Number of returns	444,758	103,876	127,244	108,199	66,190	21,605	13,949	3,695
Amount	12,130,351	332,501	1,585,080	2,763,556	2,789,175	1,349,755	1,423,247	1,887,037
Total tax liability:								
Number of returns	455,817	113,492	128,547	108,307	66,210	21,609	13,957	3,695
Amount	2,524,778	67,069	263,453	473,747	517,769	293,039	359,197	550,503
Average (whole dollars)	5,539	591	2,049	4,374	7,820	13,561	25,736	148,986
Earned income credit:								
Number of returns	37,915	22,271	15,644	-	-	-	-	-
Amount	32,947	24,607	8,340	-	-	-	-	-
Excess earned income credit: [3]								
Number of returns	25,669	20,654	5,015	-	-	-	-	-
Amount	21,015	18,774	2,242	-	-	-	-	-

See notes following Table 21.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
NEW JERSEY								
Number of returns	3,782,018	1,264,113	885,224	721,559	490,475	209,458	160,515	50,674
Number of exemptions	8,011,129	1,735,212	1,815,008	1,709,002	1,424,389	650,377	511,344	165,797
Adjusted gross income (less deficit)	148,626,077	7,187,146	19,402,755	28,256,389	29,851,536	17,938,846	20,941,626	25,047,778
Salaries and wages:								
Number of returns	3,150,228	886,570	752,754	656,886	461,139	198,884	149,076	44,919
Amount	117,637,056	5,892,342	15,107,259	23,460,063	25,545,106	15,436,229	16,601,769	15,594,288
Interest income:								
Number of returns	2,567,284	629,661	531,114	564,892	439,668	197,656	154,509	49,784
Amount	6,395,463	998,031	1,037,076	1,050,914	887,952	479,263	655,631	1,286,597
Dividends:								
Number of returns	1,015,939	209,098	160,728	198,334	193,752	107,499	104,725	41,803
Amount	3,236,092	296,440	371,674	466,352	460,885	291,133	462,672	886,936
Net capital gain (less loss):								
Number of returns	489,660	79,946	67,999	87,410	88,822	54,966	72,417	38,100
Amount	3,437,953	98,291	61,792	139,189	224,902	204,560	541,596	2,167,623
Taxable pensions and annuities:								
Number of returns	609,642	165,768	158,407	124,702	88,467	36,723	27,773	7,804
Amount	6,059,065	836,134	1,430,323	1,389,713	1,108,675	511,464	503,150	279,606
Unemployment compensation:								
Number of returns	417,790	126,261	117,678	87,915	59,116	17,353	8,406	1,061
Amount	2,011,421	539,304	605,923	444,101	289,565	83,906	42,809	5,812
Total itemized deductions:								
Number of returns	1,428,028	89,054	195,462	353,622	387,440	195,250	156,908	50,292
Amount	24,423,589	1,332,080	2,206,621	4,096,956	5,561,944	3,604,853	4,202,609	3,418,527
Taxable income:								
Number of returns	3,178,205	697,559	853,748	717,083	489,632	209,242	160,318	50,623
Amount	102,139,852	2,144,965	10,667,614	18,714,918	20,590,097	12,810,954	15,642,881	21,568,424
Total tax liability:								
Number of returns	3,216,843	733,029	855,247	718,307	489,857	209,321	160,427	50,655
Amount	22,328,150	402,886	1,698,622	3,282,185	3,894,653	2,756,397	3,896,879	6,396,528
Average (whole dollars)	6,941	550	1,986	4,569	7,951	13,168	24,291	126,276
Earned income credit:								
Number of returns	338,193	212,868	125,325	-	-	-	-	-
Amount	304,798	236,664	68,133	-	-	-	-	-
Excess earned income credit: [3]								
Number of returns	254,625	204,062	50,563	-	-	-	-	-
Amount	224,217	200,599	23,618	-	-	-	-	-
NEW MEXICO								
Number of returns	686,563	319,512	170,485	110,289	55,461	16,791	11,122	2,903
Number of exemptions	1,582,521	563,562	430,316	320,151	173,389	52,044	34,182	8,877
Adjusted gross income (less deficit)	17,171,181	1,822,831	3,659,734	4,284,659	3,330,335	1,430,294	1,446,940	1,196,389
Salaries and wages:								
Number of returns	576,253	255,057	146,638	98,090	49,812	15,041	9,387	2,228
Amount	13,194,648	1,743,188	2,913,403	3,462,360	2,640,249	1,070,793	901,528	463,127
Interest income:								
Number of returns	337,809	97,558	85,211	77,709	47,865	15,790	10,807	2,869
Amount	747,226	129,941	146,492	141,732	112,765	56,392	74,125	85,778
Dividends:								
Number of returns	114,007	24,851	23,174	26,197	21,197	8,976	7,332	2,280
Amount	318,920	35,639	44,450	54,413	50,110	27,749	43,822	62,738
Net capital gain (less loss):								
Number of returns	76,165	15,855	15,116	16,363	13,501	6,324	6,620	2,386
Amount	494,644	33,997	27,663	45,505	63,272	46,182	95,823	182,202
Taxable pensions and annuities:								
Number of returns	104,326	29,585	30,703	23,545	13,239	4,118	2,614	522
Amount	1,277,404	178,506	337,938	340,969	242,551	89,560	69,057	18,822
Unemployment compensation:								
Number of returns	41,557	19,997	13,065	6,144	1,869	340	132	10
Amount	103,770	49,781	33,370	14,701	4,470	983	432	34
Total itemized deductions:								
Number of returns	148,264	10,438	25,746	44,851	39,110	14,813	10,528	2,778
Amount	1,894,412	108,270	230,380	443,845	491,012	236,539	234,647	149,740
Taxable income:								
Number of returns	497,029	137,073	163,773	109,999	55,397	16,773	11,116	2,898
Amount	10,627,425	434,668	1,790,166	2,776,855	2,375,854	1,068,153	1,138,078	1,043,651
Total tax liability:								
Number of returns	516,202	155,903	164,087	110,010	55,403	16,780	11,119	2,900
Amount	2,119,288	86,657	290,003	464,633	445,896	235,986	289,758	306,356
Average (whole dollars)	4,106	556	1,767	4,224	8,048	14,064	26,060	105,640
Earned income credit:								
Number of returns	127,900	90,836	37,064	-	-	-	-	-
Amount	119,459	98,429	21,030	-	-	-	-	-
Excess earned income credit: [3]								
Number of returns	105,008	88,507	16,501	-	-	-	-	-
Amount	93,801	85,695	8,107	-	-	-	-	-

See notes following Table 21.

Table 2.–Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992–Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
NEW YORK								
Number of returns	7,950,229	2,884,012	2,002,283	1,505,279	879,221	330,943	250,280	98,211
Number of exemptions	16,806,966	4,276,303	4,276,976	3,660,242	2,535,468	1,004,784	755,727	297,466
Adjusted gross income (less deficit)	291,690,261	15,447,150	43,927,010	58,660,453	53,179,989	28,294,251	32,849,188	59,332,218
Salaries and wages:								
Number of returns	6,565,245	2,023,621	1,721,712	1,378,719	822,893	309,957	225,993	82,350
Amount	221,359,292	13,913,664	34,927,927	49,192,172	45,095,732	23,610,467	24,332,122	30,287,208
Interest income:								
Number of returns	5,302,364	1,407,009	1,223,987	1,202,367	810,079	318,317	243,662	96,943
Amount	14,724,773	2,363,548	2,160,651	2,106,072	1,715,782	917,603	1,347,672	4,113,445
Dividends:								
Number of returns	1,869,415	414,655	332,967	385,489	333,030	163,913	158,525	80,836
Amount	7,489,030	640,958	704,489	841,878	798,851	519,383	921,464	3,062,007
Net capital gain (less loss):								
Number of returns	976,365	178,366	156,088	185,316	167,451	94,058	120,297	74,789
Amount	10,339,879	547,766	195,028	350,815	465,783	402,506	1,041,677	7,336,303
Taxable pensions and annuities:								
Number of returns	1,264,674	378,991	344,363	255,077	161,574	61,429	47,059	16,181
Amount	13,322,470	2,011,872	3,290,812	3,057,523	2,271,363	1,023,246	1,011,052	656,601
Unemployment compensation:								
Number of returns	824,574	286,703	237,359	168,913	91,774	25,382	12,479	1,964
Amount	3,440,142	1,046,187	1,090,859	728,193	389,627	113,171	61,624	10,481
Total itemized deductions:								
Number of returns	2,884,167	175,281	455,165	833,434	755,242	320,018	247,326	97,701
Amount	51,264,691	2,437,144	5,135,557	9,376,973	11,021,471	6,350,248	7,181,599	9,761,699
Taxable income:								
Number of returns	6,490,119	1,506,488	1,932,605	1,495,752	877,175	330,348	249,742	98,009
Amount	195,673,696	4,675,707	23,468,121	38,018,419	35,989,084	19,781,985	24,112,520	49,627,859
Total tax liability:								
Number of returns	6,630,865	1,643,070	1,934,101	1,497,424	877,613	330,548	249,989	98,120
Amount	43,143,682	927,050	3,714,175	6,531,488	6,767,583	4,276,139	6,094,957	14,832,291
Average (whole dollars)	6,506	564	1,920	4,362	7,711	12,937	24,381	151,165
Earned income credit:								
Number of returns	830,710	528,861	301,849	–	–	–	–	–
Amount	746,967	587,809	159,158	–	–	–	–	–
Excess earned income credit: [3]								
Number of returns	621,532	503,771	117,761	–	–	–	–	–
Amount	537,930	484,613	53,317	–	–	–	–	–
NORTH CAROLINA								
Number of returns	3,096,584	1,277,807	830,217	548,347	282,215	83,639	56,122	18,237
Number of exemptions	6,687,831	1,993,866	1,862,677	1,486,527	851,690	258,632	176,484	57,955
Adjusted gross income (less deficit)	88,166,197	8,922,854	17,747,702	21,381,500	16,948,478	7,120,684	7,356,707	8,688,273
Salaries and wages:								
Number of returns	2,724,412	1,063,643	746,866	508,453	263,766	76,851	49,344	15,489
Amount	69,200,642	7,765,940	14,799,089	18,035,237	14,194,319	5,641,256	4,952,686	3,812,115
Interest income:								
Number of returns	1,587,995	399,666	396,047	392,101	247,930	79,333	54,804	18,114
Amount	3,081,436	530,662	579,546	554,028	437,085	219,839	299,138	461,137
Dividends:								
Number of returns	540,180	101,361	103,341	127,025	109,044	46,085	38,294	15,030
Amount	1,578,798	129,827	181,414	239,653	241,858	153,923	247,244	384,878
Net capital gain (less loss):								
Number of returns	297,013	51,440	53,225	63,437	56,241	27,627	30,623	14,420
Amount	2,380,885	118,170	105,812	174,114	228,508	179,564	378,819	1,195,897
Taxable pensions and annuities:								
Number of returns	455,385	115,908	133,806	109,010	63,016	18,421	11,801	3,423
Amount	4,368,809	576,210	1,150,817	1,169,537	826,146	300,418	238,889	106,792
Unemployment compensation:								
Number of returns	268,216	101,082	90,294	58,777	15,129	2,036	806	92
Amount	479,660	176,633	156,677	104,473	32,774	5,811	2,897	394
Total itemized deductions:								
Number of returns	850,523	51,524	147,703	267,455	231,188	79,594	55,030	18,029
Amount	11,351,207	656,792	1,385,144	2,644,860	2,895,393	1,356,063	1,340,407	1,072,548
Taxable income:								
Number of returns	2,453,384	655,008	811,431	547,147	281,949	83,560	56,072	18,217
Amount	55,454,946	2,129,967	9,165,787	13,884,726	11,865,722	5,170,464	5,641,603	7,596,677
Total tax liability:								
Number of returns	2,507,198	708,891	811,209	547,188	282,007	83,577	56,095	18,231
Amount	11,136,838	401,614	1,474,890	2,299,594	2,178,608	1,126,290	1,432,931	2,222,911
Average (whole dollars)	4,442	567	1,818	4,203	7,725	13,476	25,545	121,930
Earned income credit:								
Number of returns	503,333	338,272	165,061	–	–	–	–	–
Amount	487,277	390,146	97,131	–	–	–	–	–
Excess earned income credit: [3]								
Number of returns	393,652	329,363	64,289	–	–	–	–	–
Amount	367,745	338,026	29,719	–	–	–	–	–

See notes following Table 21.

Table 2.–Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992–Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
NORTH DAKOTA								
Number of returns	283,750	123,481	72,642	53,169	23,744	5,485	3,985	1,244
Number of exemptions	639,992	174,736	182,780	165,381	80,555	18,634	13,699	4,207
Adjusted gross income (less deficit)	7,225,740	689,641	1,575,579	2,066,928	1,409,892	466,497	528,377	488,825
Salaries and wages:								
Number of returns	225,635	92,144	57,764	46,170	20,774	4,534	3,206	1,043
Amount	5,006,607	595,461	1,081,665	1,533,116	1,025,273	280,575	269,219	221,297
Interest income:								
Number of returns	190,955	65,237	49,327	44,083	21,926	5,260	3,893	1,229
Amount	438,642	89,777	112,295	93,702	60,312	24,656	29,448	28,452
Dividends:								
Number of returns	57,360	13,978	13,456	13,992	9,335	2,977	2,638	984
Amount	106,632	13,681	18,900	20,366	16,304	9,247	12,909	15,224
Net capital gain (less loss):								
Number of returns	44,983	11,356	11,618	10,265	6,197	2,222	2,385	940
Amount	204,746	22,090	34,919	37,464	30,706	16,944	29,149	33,474
Taxable pensions and annuities:								
Number of returns	32,539	9,460	10,493	7,347	3,504	887	644	204
Amount	260,575	42,931	82,901	68,460	38,487	12,019	10,320	5,456
Unemployment compensation:								
Number of returns	18,811	6,029	6,991	4,625	1,026	92	48	**
Amount	44,157	12,051	17,517	11,487	2,730	236	137	**
Total itemized deductions:								
Number of returns	51,352	4,493	9,123	16,180	13,437	3,837	3,157	1,125
Amount	614,385	100,898	78,924	145,836	140,514	51,098	57,310	39,806
Taxable income:								
Number of returns	228,255	70,059	70,680	53,073	23,734	5,482	3,983	1,244
Amount	4,631,005	207,379	797,774	1,346,170	1,030,316	365,045	437,639	446,682
Total tax liability:								
Number of returns	236,803	78,368	70,956	53,035	23,734	5,482	3,984	1,244
Amount	961,973	42,897	140,937	238,146	203,578	87,310	117,556	131,548
Average (whole dollars)	4,062	547	1,986	4,490	8,577	15,927	29,507	105,746
Earned income credit:								
Number of returns	26,848	16,619	10,229	--	--	--	--	--
Amount	23,853	18,352	5,501	--	--	--	--	--
Excess earned income credit: [3]								
Number of returns	19,176	15,694	3,482	--	--	--	--	--
Amount	15,883	14,301	1,583	--	--	--	--	--
OHIO								
Number of returns	5,083,082	1,960,642	1,381,980	1,025,778	477,635	120,684	84,717	31,646
Number of exemptions	10,576,281	2,765,683	2,900,827	2,668,459	1,479,051	386,552	274,046	101,663
Adjusted gross income (less deficit)	148,229,516	12,868,321	30,179,992	40,020,545	28,471,624	10,264,869	11,144,542	15,279,623
Salaries and wages:								
Number of returns	4,323,473	1,509,915	1,198,166	953,692	449,108	110,603	74,544	27,445
Amount	115,733,870	9,920,230	24,076,765	34,233,901	24,266,078	8,121,476	7,584,722	7,530,697
Interest income:								
Number of returns	3,061,273	851,229	786,345	775,336	421,175	113,838	82,029	31,321
Amount	6,032,679	1,190,693	1,328,493	1,162,248	773,439	335,533	433,545	808,728
Dividends:								
Number of returns	1,092,171	235,105	232,774	275,328	192,807	68,805	60,191	27,161
Amount	3,086,656	289,366	401,406	478,363	419,459	248,331	401,157	848,576
Net capital gain (less loss):								
Number of returns	506,957	92,453	99,790	117,216	89,287	38,808	44,870	24,533
Amount	3,209,140	156,519	156,954	270,485	329,302	224,372	451,701	1,619,807
Taxable pensions and annuities:								
Number of returns	857,535	296,624	264,156	168,946	83,399	22,935	16,108	5,367
Amount	7,861,467	1,627,602	2,491,548	1,811,896	1,025,284	365,849	318,387	220,902
Unemployment compensation:								
Number of returns	433,907	126,900	136,141	117,795	45,532	5,652	1,693	194
Amount	1,248,894	373,765	444,573	306,392	103,309	14,309	5,765	781
Total itemized deductions:								
Number of returns	1,398,388	64,458	268,137	486,730	355,724	110,268	81,873	31,198
Amount	16,631,530	727,787	1,975,358	4,260,011	4,138,451	1,761,615	1,901,217	1,867,090
Taxable income:								
Number of returns	4,198,004	1,100,793	1,359,029	1,023,973	477,337	120,592	84,653	31,627
Amount	97,654,661	3,562,680	17,139,212	26,989,016	20,333,991	7,591,115	8,660,436	13,378,210
Total tax liability:								
Number of returns	4,261,988	1,161,574	1,361,963	1,024,137	477,377	120,615	84,683	31,639
Amount	19,741,190	646,956	2,754,881	4,645,565	3,813,403	1,679,829	2,226,279	3,974,278
Average (whole dollars)	4,632	557	2,023	4,536	7,988	13,927	26,290	125,613
Earned income credit:								
Number of returns	472,901	303,879	169,022	--	--	--	--	--
Amount	416,539	325,886	90,652	--	--	--	--	--
Excess earned income credit: [3]								
Number of returns	350,625	293,462	57,163	--	--	--	--	--
Amount	300,959	275,357	25,603	--	--	--	--	--

See notes following Table 21.

Table 2.–Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992–Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
OKLAHOMA								
Number of returns	1,336,857	586,213	345,073	233,905	113,405	30,866	20,192	7,203
Number of exemptions	3,062,099	987,757	864,445	672,961	353,942	96,788	63,723	22,483
Adjusted gross income (less deficit)	35,342,070	3,272,490	7,452,520	9,085,736	6,789,571	2,624,864	2,652,738	3,464,151
Salaries and wages:								
Number of returns	1,093,568	440,362	290,369	209,383	103,133	27,483	16,918	5,920
Amount	26,933,944	3,069,287	5,829,064	7,443,067	5,516,840	1,984,320	1,642,886	1,448,478
Interest income:								
Number of returns	679,273	194,866	171,186	161,857	96,383	28,626	19,266	7,089
Amount	1,663,050	316,593	340,456	304,806	221,327	103,814	137,081	238,974
Dividends:								
Number of returns	214,122	44,546	44,361	51,424	39,801	15,565	12,809	5,616
Amount	622,208	56,348	70,959	83,630	78,574	47,795	76,687	208,216
Net capital gain (less loss):								
Number of returns	139,810	31,533	29,052	30,465	22,453	9,954	10,830	5,523
Amount	861,151	73,076	46,807	64,292	70,992	49,731	110,252	446,002
Taxable pensions and annuities:								
Number of returns	211,633	60,220	65,666	47,220	25,724	7,115	4,397	1,291
Amount	2,304,612	358,322	695,222	602,307	387,309	126,724	96,368	38,360
Unemployment compensation:								
Number of returns	82,374	30,988	26,270	17,210	6,199	1,249	418	40
Amount	221,373	86,196	71,837	43,110	15,386	3,249	1,443	152
Total itemized deductions:								
Number of returns	342,192	26,080	62,917	110,161	88,202	28,413	19,383	7,036
Amount	4,170,825	249,476	527,837	1,131,439	1,010,349	433,896	423,624	394,203
Taxable income:								
Number of returns	1,003,924	264,413	334,527	233,449	113,323	30,845	20,174	7,193
Amount	22,392,370	829,026	3,679,127	5,905,118	4,852,428	1,966,934	2,097,051	3,062,685
Total tax liability:								
Number of returns	1,046,204	305,684	335,522	233,445	113,321	30,853	20,178	7,201
Amount	4,555,657	175,692	606,467	985,650	902,141	435,671	542,703	907,332
Average (whole dollars)	4,354	575	1,808	4,222	7,961	14,121	26,896	126,001
Earned income credit:								
Number of returns	202,588	136,575	66,013	–	–	–	–	–
Amount	185,897	149,691	36,205	–	–	–	–	–
Excess earned income credit: [3]								
Number of returns	157,299	130,952	26,347	–	–	–	–	–
Amount	137,837	125,333	12,504	–	–	–	–	–
OREGON								
Number of returns	1,348,134	538,680	342,676	259,245	132,841	38,626	27,263	8,803
Number of exemptions	3,006,090	849,127	791,371	722,395	408,285	120,370	86,719	27,823
Adjusted gross income (less deficit)	39,710,820	3,270,474	7,464,324	10,104,990	7,972,677	3,284,670	3,587,939	4,025,747
Salaries and wages:								
Number of returns	1,092,944	396,112	283,366	230,599	119,681	33,754	22,335	7,097
Amount	28,478,788	2,649,368	5,563,206	8,040,352	6,271,919	2,347,497	2,057,752	1,548,694
Interest income:								
Number of returns	822,498	228,971	199,466	200,901	120,789	37,025	26,638	8,708
Amount	1,982,563	360,919	392,469	365,022	280,976	137,565	190,027	255,585
Dividends:								
Number of returns	286,344	66,886	59,703	64,719	49,902	20,192	17,880	7,062
Amount	792,408	94,987	118,574	126,388	111,536	64,368	99,093	177,461
Net capital gain (less loss):								
Number of returns	209,955	44,628	43,822	46,264	35,640	15,854	16,675	7,072
Amount	1,786,601	101,712	111,183	179,308	226,243	163,383	297,366	707,405
Taxable pensions and annuities:								
Number of returns	216,495	68,847	65,232	44,594	24,371	7,290	4,744	1,417
Amount	2,236,051	370,711	647,254	568,062	376,062	131,117	96,151	46,694
Unemployment compensation:								
Number of returns	156,342	53,816	52,247	35,632	11,851	1,950	740	106
Amount	449,005	139,102	160,018	104,431	35,692	6,569	2,756	438
Total itemized deductions:								
Number of returns	474,590	42,240	88,189	154,840	116,561	37,317	26,761	8,682
Amount	6,683,157	706,126	926,608	1,574,201	1,553,248	678,297	696,524	548,153
Taxable income:								
Number of returns	1,065,055	268,318	330,983	258,424	132,703	38,591	27,244	8,792
Amount	25,047,896	855,847	3,858,711	6,385,844	5,428,709	2,337,869	2,710,633	3,470,283
Total tax liability:								
Number of returns	1,093,534	294,982	332,748	258,431	132,730	38,596	27,248	8,799
Amount	5,144,589	170,726	640,100	1,085,970	1,011,322	519,202	701,081	1,016,188
Average (whole dollars)	4,705	579	1,924	4,202	7,619	13,452	25,730	115,489
Earned income credit:								
Number of returns	142,147	92,743	49,404	–	–	–	–	–
Amount	128,433	102,027	26,406	–	–	–	–	–
Excess earned income credit: [3]								
Number of returns	107,380	88,297	19,083	–	–	–	–	–
Amount	94,597	85,474	9,122	–	–	–	–	–

See notes following Table 21.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
PENNSYLVANIA								
Number of returns	5,428,601	2,080,085	1,379,018	1,068,288	570,998	172,382	117,188	40,642
Number of exemptions	11,622,442	2,984,369	2,982,904	2,857,235	1,745,012	544,081	376,785	132,076
Adjusted gross income (less deficit)	168,777,613	12,798,385	30,026,457	41,716,400	34,303,401	14,678,450	15,375,902	19,878,618
Salaries and wages:								
Number of returns	4,453,569	1,479,441	1,164,200	979,247	533,759	159,291	103,117	34,514
Amount	128,737,157	9,481,579	22,944,503	34,847,799	29,078,077	11,915,874	10,664,162	9,805,163
Interest income:								
Number of returns	3,604,357	1,037,483	866,841	858,229	522,386	165,100	114,097	40,221
Amount	7,571,814	1,552,469	1,583,872	1,375,070	972,815	446,695	583,462	1,057,430
Dividends:								
Number of returns	1,298,031	308,494	259,010	287,429	230,549	95,806	82,158	34,585
Amount	4,175,773	422,699	540,498	621,880	559,327	325,671	524,832	1,180,865
Net capital gain (less loss):								
Number of returns	577,615	114,493	105,480	117,788	98,921	49,271	59,962	31,700
Amount	4,236,810	192,877	170,655	284,688	364,499	272,756	606,090	2,345,245
Taxable pensions and annuities:								
Number of returns	1,005,078	361,122	286,100	190,169	104,119	32,763	23,380	7,425
Amount	9,079,224	1,915,393	2,601,144	1,984,637	1,260,070	508,660	497,761	311,557
Unemployment compensation:								
Number of returns	636,171	191,025	203,935	164,026	62,457	10,216	4,057	455
Amount	2,370,371	627,710	827,720	610,755	238,396	43,908	19,309	2,574
Total itemized deductions:								
Number of returns	1,471,908	75,307	214,569	458,329	418,381	154,826	111,174	39,322
Amount	19,714,769	1,058,739	1,958,502	4,538,312	5,159,988	2,523,789	2,540,656	1,934,783
Taxable income:								
Number of returns	4,454,755	1,140,135	1,348,794	1,065,429	570,485	172,230	117,070	40,612
Amount	112,920,607	3,563,459	16,481,011	27,628,886	24,394,189	10,851,630	12,011,701	17,989,732
Total tax liability:								
Number of returns	4,527,048	1,207,651	1,353,256	1,065,618	570,539	172,259	117,108	40,617
Amount	23,306,223	659,979	2,658,126	4,674,063	4,549,822	2,381,440	3,076,857	5,305,934
Average (whole dollars)	5,148	546	1,964	4,386	7,975	13,825	26,274	130,633
Earned income credit:								
Number of returns	465,021	284,336	180,685	-	-	-	-	-
Amount	405,066	308,590	96,476	-	-	-	-	-
Excess earned income credit [3]								
Number of returns	334,553	272,192	62,361	-	-	-	-	-
Amount	283,034	255,081	27,953	-	-	-	-	-
RHODE ISLAND								
Number of returns	449,729	167,675	115,862	88,676	48,935	15,522	9,748	3,311
Number of exemptions	930,235	227,916	235,208	229,879	147,575	48,485	30,757	10,415
Adjusted gross income (less deficit)	14,138,579	1,055,420	2,512,075	3,470,161	2,946,965	1,320,190	1,282,386	1,551,381
Salaries and wages:								
Number of returns	378,903	126,017	99,837	81,356	45,903	14,433	8,538	2,819
Amount	10,761,575	846,080	1,946,158	2,861,820	2,469,782	1,065,409	851,529	720,797
Interest income:								
Number of returns	296,491	79,201	72,345	71,994	45,143	14,951	9,568	3,289
Amount	625,658	116,927	124,724	116,849	87,436	42,359	54,199	83,164
Dividends:								
Number of returns	90,588	19,972	17,841	20,155	16,516	7,280	6,145	2,679
Amount	314,050	25,967	35,014	44,826	41,946	27,103	48,639	90,556
Net capital gain (less loss):								
Number of returns	47,199	8,453	8,094	10,075	8,611	4,400	5,024	2,542
Amount	353,949	16,191	12,255	22,243	33,251	27,695	55,384	186,929
Taxable pensions and annuities:								
Number of returns	73,091	22,115	21,149	15,628	8,889	2,848	1,892	570
Amount	743,875	111,637	199,095	190,464	127,799	50,194	41,509	23,177
Unemployment compensation:								
Number of returns	72,005	23,189	21,868	17,596	7,508	1,235	524	85
Amount	275,431	77,819	90,139	70,375	29,274	5,115	2,322	387
Total itemized deductions:								
Number of returns	144,241	8,333	22,106	45,834	40,261	14,813	9,605	3,289
Amount	2,161,661	124,224	257,965	504,399	541,154	261,183	251,816	220,919
Taxable income:								
Number of returns	374,265	95,729	112,829	88,315	48,853	15,508	9,726	3,305
Amount	9,226,868	319,513	1,392,300	2,244,263	2,028,767	948,473	966,596	1,326,954
Total tax liability:								
Number of returns	381,102	101,866	113,456	88,371	48,860	15,511	9,730	3,308
Amount	1,879,901	59,306	224,589	380,939	372,983	205,624	245,913	390,547
Average (whole dollars)	4,933	582	1,980	4,311	7,634	13,257	25,274	118,061
Earned income credit:								
Number of returns	36,204	22,606	13,598	-	-	-	-	-
Amount	31,836	24,527	7,309	-	-	-	-	-
Excess earned income credit [3]								
Number of returns	26,431	21,647	4,784	-	-	-	-	-
Amount	22,397	20,268	2,130	-	-	-	-	-

See notes following Table 21.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SOUTH CAROLINA								
Number of returns	1,565,487	678,158	417,373	262,905	137,163	38,831	23,384	7,673
Number of exemptions	3,438,661	1,092,100	963,091	734,017	426,471	123,529	74,870	24,583
Adjusted gross income (less deficit)	41,732,975	4,581,507	8,914,076	10,252,459	8,228,756	3,298,175	3,049,757	3,408,246
Salaries and wages:								
Number of returns	1,378,475	570,937	374,960	242,530	127,960	35,665	20,083	6,340
Amount	33,109,985	4,064,556	7,469,977	8,607,846	6,876,204	2,601,882	1,947,408	1,542,111
Interest income:								
Number of returns	723,066	178,835	181,779	178,518	117,224	36,399	22,711	7,600
Amount	1,389,362	235,738	267,016	259,385	199,318	100,437	137,768	189,702
Dividends:								
Number of returns	239,128	44,435	46,028	56,862	49,618	20,476	15,518	6,191
Amount	695,423	61,456	79,733	107,172	104,811	64,850	107,703	169,698
Net capital gain (less loss):								
Number of returns	134,040	23,232	24,552	29,228	25,792	12,376	12,798	6,062
Amount	1,056,329	52,108	48,983	81,746	105,189	79,741	174,883	513,679
Taxable pensions and annuities:								
Number of returns	233,198	58,091	68,274	56,095	33,975	9,721	5,566	1,476
Amount	2,458,944	305,803	645,507	662,246	483,639	175,857	133,818	52,073
Unemployment compensation:								
Number of returns	131,459	60,275	39,700	22,536	7,462	1,037	417	32
Amount	268,453	121,528	77,636	47,871	17,032	2,959	1,305	123
Total itemized deductions:								
Number of returns	410,295	22,941	74,844	132,190	112,913	36,973	22,882	7,552
Amount	5,317,492	252,887	717,345	1,314,531	1,412,743	628,492	556,701	434,793
Taxable income:								
Number of returns	1,196,566	320,495	406,937	262,275	137,041	38,791	23,357	7,670
Amount	25,578,664	1,029,342	4,544,703	6,589,495	5,727,332	2,388,458	2,334,949	2,964,385
Total tax liability:								
Number of returns	1,221,594	345,696	406,703	262,307	137,050	38,799	23,373	7,666
Amount	5,014,184	191,401	724,159	1,086,390	1,040,460	516,151	592,504	863,119
Average (whole dollars)	4,105	554	1,781	4,142	7,592	13,303	25,350	112,591
Earned income credit:								
Number of returns	295,057	204,964	90,093	-	-	-	-	-
Amount	292,147	238,592	53,555	-	-	-	-	-
Excess earned income credit: [3]								
Number of returns	237,751	200,735	37,016	-	-	-	-	-
Amount	229,009	211,491	17,518	-	-	-	-	-
SOUTH DAKOTA								
Number of returns	318,253	143,694	84,332	56,858	22,574	5,180	4,006	1,609
Number of exemptions	719,055	214,449	213,443	179,626	75,455	17,237	13,597	5,248
Adjusted gross income (less deficit)	8,071,283	757,926	1,819,937	2,198,563	1,338,855	440,884	535,040	980,078
Salaries and wages:								
Number of returns	258,734	109,285	70,338	50,438	19,912	4,284	3,159	1,318
Amount	5,479,106	708,040	1,330,235	1,683,617	972,125	260,020	251,230	273,839
Interest income:								
Number of returns	199,792	71,416	52,929	44,467	20,513	4,954	3,914	1,599
Amount	505,157	106,828	122,049	98,016	62,529	25,586	34,394	55,756
Dividends:								
Number of returns	65,869	17,902	15,879	15,679	9,547	2,972	2,620	1,270
Amount	150,279	19,718	22,783	24,370	18,937	10,253	14,921	39,299
Net capital gain (less loss):								
Number of returns	57,493	16,578	15,167	12,354	7,027	2,462	2,623	1,282
Amount	427,812	40,523	52,747	60,943	47,199	25,744	43,022	157,635
Taxable pensions and annuities:								
Number of returns	40,160	12,755	12,904	8,960	3,752	891	637	261
Amount	326,101	56,431	104,080	88,729	46,365	13,557	10,255	6,684
Unemployment compensation:								
Number of returns	11,300	4,344	4,081	2,280	483	73	39	**
Amount	19,257	7,051	7,065	3,971	883	185	101	**
Total itemized deductions:								
Number of returns	44,759	4,083	8,565	14,095	11,071	3,210	2,676	1,059
Amount	548,248	94,718	78,731	129,286	117,126	42,306	46,482	39,598
Taxable income:								
Number of returns	247,948	76,252	81,575	56,761	22,568	5,179	4,004	1,609
Amount	5,290,706	222,506	916,062	1,427,469	987,238	349,434	452,755	935,244
Total tax liability:								
Number of returns	258,591	86,354	82,137	56,740	22,568	5,178	4,005	1,609
Amount	1,128,960	46,406	158,759	246,574	193,941	83,731	122,216	277,334
Average (whole dollars)	4,366	537	1,933	4,346	8,594	16,171	30,516	172,364
Earned income credit:								
Number of returns	37,156	23,246	13,910	-	-	-	-	-
Amount	34,060	26,243	7,817	-	-	-	-	-
Excess earned income credit: [3]								
Number of returns	27,348	22,137	5,211	-	-	-	-	-
Amount	23,281	20,790	2,491	-	-	-	-	-

See notes following Table 21.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
TENNESSEE								
Number of returns	2,213,466	941,860	579,324	390,319	193,453	55,580	38,059	14,871
Number of exemptions	4,848,554	1,512,844	1,332,972	1,070,073	590,117	173,596	121,345	47,607
Adjusted gross income (less deficit)	62,724,533	5,980,328	12,470,970	15,174,705	11,595,502	4,727,463	5,006,648	7,768,918
Salaries and wages:								
Number of returns	1,923,337	783,389	518,516	383,492	181,443	51,076	32,946	12,475
Amount	50,069,605	5,344,170	10,429,633	13,095,658	9,922,784	3,788,492	3,306,979	4,181,889
Interest income:								
Number of returns	1,087,499	291,741	266,618	263,538	162,973	51,424	36,530	14,675
Amount	2,424,283	453,337	470,994	421,345	315,582	151,967	211,279	399,778
Dividends:								
Number of returns	316,719	63,319	59,307	71,892	61,439	25,888	23,228	11,646
Amount	868,558	74,322	91,051	112,955	109,689	70,166	126,834	283,541
Net capital gain (less loss):								
Number of returns	191,970	35,896	34,723	39,576	33,607	16,553	20,046	11,569
Amount	1,789,824	97,716	75,540	115,066	137,557	103,765	241,300	1,018,879
Taxable pensions and annuities:								
Number of returns	303,032	92,908	88,876	64,462	36,273	10,966	7,204	2,343
Amount	2,798,278	487,348	788,395	687,187	460,670	171,478	137,826	65,374
Unemployment compensation:								
Number of returns	222,027	91,803	71,146	44,000	12,286	1,923	769	100
Amount	417,517	173,476	130,162	81,135	25,440	4,748	2,232	326
Total itemized deductions:								
Number of returns	410,343	26,131	68,759	119,740	110,430	42,112	31,194	11,977
Amount	4,999,433	272,258	703,438	1,120,918	1,225,839	592,135	588,191	496,655
Taxable income:								
Number of returns	1,714,768	455,679	567,649	389,699	193,305	55,543	38,036	14,857
Amount	41,679,313	1,439,769	6,480,474	10,159,842	8,566,626	3,670,504	4,121,707	7,240,390
Total tax liability:								
Number of returns	1,766,160	506,750	567,915	389,716	193,317	55,556	38,042	14,864
Amount	8,726,800	286,955	1,049,318	1,694,053	1,616,325	822,980	1,078,385	2,178,785
Average (whole dollars)	4,941	566	1,848	4,347	8,361	14,814	28,347	146,581
Earned income credit:								
Number of returns	361,580	245,995	115,585	-	-	-	-	-
Amount	341,522	275,145	66,376	-	-	-	-	-
Excess earned income credit: [3]								
Number of returns	283,006	238,793	44,213	-	-	-	-	-
Amount	256,134	235,515	20,619	-	-	-	-	-
TEXAS								
Number of returns	7,672,030	3,384,410	1,835,296	1,251,533	715,023	248,398	177,179	60,191
Number of exemptions	17,706,331	5,928,077	4,538,475	3,484,811	2,219,005	782,956	561,118	191,889
Adjusted gross income (less deficit)	224,454,811	17,452,106	39,567,993	48,807,673	43,200,306	21,188,437	23,207,400	31,030,896
Salaries and wages:								
Number of returns	6,523,788	2,674,493	1,613,132	1,141,040	662,326	228,571	155,452	48,774
Amount	177,630,549	18,772,409	32,624,190	41,109,055	36,460,859	17,258,163	16,404,873	15,001,000
Interest income:								
Number of returns	3,576,486	924,031	790,732	817,899	588,724	226,933	168,976	59,191
Amount	9,493,739	1,588,214	1,454,601	1,452,742	1,196,025	661,079	966,947	2,174,131
Dividends:								
Number of returns	1,182,218	219,402	199,528	254,141	235,983	117,618	109,097	46,449
Amount	4,105,913	344,069	369,836	480,347	484,159	329,839	575,325	1,522,339
Net capital gain (less loss):								
Number of returns	765,220	137,650	125,088	150,480	138,986	75,518	91,006	46,492
Amount	6,886,939	627,721	173,640	292,587	400,802	342,468	822,132	4,227,590
Taxable pensions and annuities:								
Number of returns	991,298	248,109	272,655	224,824	147,935	52,270	35,662	9,843
Amount	10,728,137	1,386,327	2,622,785	2,649,857	2,047,469	858,221	781,651	381,826
Unemployment compensation:								
Number of returns	492,170	204,298	146,000	87,475	39,329	9,890	4,716	462
Amount	1,519,428	581,581	472,824	282,122	130,756	33,570	16,870	1,704
Total itemized deductions:								
Number of returns	1,441,888	89,825	198,510	373,971	401,631	185,822	145,077	47,052
Amount	19,990,357	1,570,243	2,056,448	3,820,314	4,664,937	2,715,191	2,885,835	2,277,389
Taxable income:								
Number of returns	5,643,504	1,430,259	1,764,834	1,248,644	714,404	248,214	177,013	60,136
Amount	152,991,546	4,464,154	19,975,782	32,692,721	31,807,744	16,377,166	18,952,304	28,721,675
Total tax liability:								
Number of returns	5,845,682	1,628,815	1,767,945	1,248,912	714,502	248,268	177,074	60,166
Amount	32,855,399	938,701	3,249,136	5,564,907	6,059,920	3,645,428	4,881,374	8,515,934
Average (whole dollars)	5,620	576	1,838	4,456	8,481	14,683	27,567	141,541
Earned income credit:								
Number of returns	1,413,644	1,008,619	405,025	-	-	-	-	-
Amount	1,363,423	1,133,220	230,202	-	-	-	-	-
Excess earned income credit: [3]								
Number of returns	1,156,176	976,433	179,743	-	-	-	-	-
Amount	1,068,357	980,063	88,295	-	-	-	-	-

See notes following Table 21.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
UTAH								
Number of returns	729,628	301,014	172,184	145,841	74,334	19,239	12,720	4,296
Number of exemptions	1,827,020	411,379	465,807	518,493	288,106	74,404	51,296	17,535
Adjusted gross income (less deficit)	21,057,454	1,681,816	3,770,568	5,693,312	4,451,207	1,633,474	1,680,330	2,146,747
Salaries and wages:								
Number of returns	624,505	239,770	147,818	134,706	69,614	17,749	11,178	3,670
Amount	16,460,826	1,558,536	2,986,699	4,829,381	3,747,737	1,275,012	1,107,860	955,602
Interest income:								
Number of returns	428,418	120,677	98,781	109,047	65,265	18,123	12,291	4,234
Amount	701,333	125,594	134,574	125,930	100,160	45,451	63,490	106,133
Dividends:								
Number of returns	121,088	25,653	23,996	29,285	23,258	8,582	7,257	3,057
Amount	327,449	31,197	38,787	44,860	43,681	23,767	41,686	103,492
Net capital gain (less loss):								
Number of returns	83,906	16,698	16,285	19,117	15,397	6,436	6,810	3,165
Amount	571,964	52,123	32,621	50,889	64,241	44,929	90,809	236,351
Taxable pensions and annuities:								
Number of returns	107,455	27,488	32,756	26,036	14,308	3,949	2,288	630
Amount	1,228,790	168,261	364,524	345,307	215,087	70,166	47,973	17,472
Unemployment compensation:								
Number of returns	43,022	13,911	14,820	10,208	3,400	471	195	17
Amount	107,108	33,142	38,198	25,086	8,549	1,421	621	90
Total itemized deductions:								
Number of returns	245,135	13,185	42,341	90,525	64,277	18,267	12,353	4,187
Amount	3,234,257	142,501	365,943	935,258	857,622	326,742	318,606	287,584
Taxable income:								
Number of returns	574,170	155,268	163,303	145,109	74,259	19,228	12,710	4,293
Amount	12,657,384	455,689	1,780,242	3,294,157	2,889,635	1,134,886	1,250,618	1,852,158
Total tax liability:								
Number of returns	586,847	165,570	165,441	145,308	74,289	19,230	12,715	4,294
Amount	2,524,189	85,471	289,831	543,337	518,146	243,868	315,192	528,344
Average (whole dollars)	4,301	516	1,752	3,739	6,975	12,682	24,789	123,042
Earned income credit:								
Number of returns	79,094	48,355	30,739	--	--	--	--	--
Amount	72,520	55,624	16,897	--	--	--	--	--
Excess earned income credit [3]								
Number of returns	59,584	46,092	13,492	--	--	--	--	--
Amount	53,015	46,392	6,623	--	--	--	--	--
VERMONT								
Number of returns	263,137	104,402	68,663	51,022	25,518	7,359	4,925	1,248
Number of exemptions	556,530	145,832	147,722	140,629	79,433	23,385	15,601	3,928
Adjusted gross income (less deficit)	7,417,345	604,286	1,489,791	1,985,349	1,531,951	624,996	642,298	538,673
Salaries and wages:								
Number of returns	220,332	78,216	59,574	46,985	23,705	6,660	4,214	978
Amount	5,608,858	510,948	1,156,598	1,632,595	1,254,700	468,970	394,261	190,786
Interest income:								
Number of returns	177,936	53,011	45,107	42,466	24,077	7,171	4,865	1,239
Amount	367,206	73,229	76,769	68,911	50,786	25,214	32,270	40,027
Dividends:								
Number of returns	61,874	15,435	12,868	13,870	10,708	4,411	3,532	1,050
Amount	216,687	22,833	28,630	34,442	32,497	20,416	34,050	43,819
Net capital gain (less loss):								
Number of returns	34,683	8,059	7,063	7,284	5,662	2,709	2,888	1,018
Amount	242,312	17,636	19,702	28,596	30,182	23,155	48,526	74,515
Taxable pensions and annuities:								
Number of returns	36,077	11,348	10,547	7,727	4,108	1,177	928	242
Amount	326,459	56,053	90,505	80,935	52,882	18,760	18,574	8,751
Unemployment compensation:								
Number of returns	30,382	12,154	10,032	6,245	1,607	228	111	5
Amount	81,753	32,583	27,163	16,436	4,437	738	389	7
Total itemized deductions:								
Number of returns	76,977	5,568	13,173	24,723	20,417	7,014	4,843	1,239
Amount	994,053	62,817	117,843	244,197	251,673	116,377	120,834	80,312
Taxable income:								
Number of returns	214,594	57,851	66,899	50,843	25,487	7,350	4,918	1,246
Amount	4,751,876	188,495	801,844	1,285,967	1,075,141	455,184	488,500	456,745
Total tax liability:								
Number of returns	221,946	64,676	67,392	50,861	25,495	7,354	4,920	1,248
Amount	946,909	38,655	133,923	217,165	199,806	100,064	123,733	133,564
Average (whole dollars)	4,266	598	1,987	4,270	7,837	13,607	25,149	107,022
Earned income credit:								
Number of returns	24,024	14,584	9,440	--	--	--	--	--
Amount	20,339	15,340	4,999	--	--	--	--	--
Excess earned income credit [3]								
Number of returns	16,546	13,496	3,050	--	--	--	--	--
Amount	12,661	11,329	1,332	--	--	--	--	--

See notes following Table 21.

Table 2.–Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
VIRGINIA								
Number of returns	2,926,138	1,050,687	721,475	560,373	341,017	133,083	97,594	21,909
Number of exemptions	6,232,327	1,485,872	1,546,265	1,422,782	997,762	407,046	302,373	70,227
Adjusted gross income (less deficit)	98,313,769	6,294,447	15,720,905	21,914,224	20,667,885	11,388,412	12,562,837	9,765,060
Salaries and wages:								
Number of returns	2,525,657	833,243	635,950	510,700	314,483	123,514	89,243	18,524
Amount	78,109,329	5,980,421	12,989,042	18,404,173	17,247,308	9,343,766	9,397,649	4,746,970
Interest income:								
Number of returns	1,677,296	375,487	361,699	402,357	296,592	125,050	94,493	21,618
Amount	3,752,417	548,449	573,400	628,495	559,585	321,305	426,182	695,002
Dividends:								
Number of returns	650,780	108,889	101,715	144,678	140,238	72,545	64,735	17,980
Amount	1,906,637	136,165	175,410	260,598	297,233	211,109	339,991	486,130
Net capital gain (less loss):								
Number of returns	333,274	48,073	47,390	65,906	67,240	40,099	47,637	16,929
Amount	2,901,545	174,497	80,211	152,253	222,260	197,500	473,644	1,601,180
Taxable pensions and annuities:								
Number of returns	459,707	100,790	116,638	105,260	75,982	31,771	24,859	4,407
Amount	6,360,878	574,465	1,220,044	1,515,666	1,447,253	736,353	694,203	172,894
Unemployment compensation:								
Number of returns	171,593	59,589	54,932	37,989	14,111	3,237	1,609	126
Amount	395,562	135,882	124,143	84,364	36,345	9,424	4,970	434
Total itemized deductions:								
Number of returns	981,616	46,508	139,943	281,744	272,203	124,269	95,273	21,676
Amount	15,059,521	691,939	1,444,575	3,082,757	3,802,860	2,296,171	2,434,338	1,306,861
Taxable income:								
Number of returns	2,422,207	569,102	701,975	558,191	340,584	132,989	97,499	21,867
Amount	64,889,016	1,848,742	8,422,697	14,262,861	14,282,651	8,144,258	9,475,321	8,452,487
Total tax liability:								
Number of returns	2,461,548	606,900	703,218	558,392	340,603	133,002	97,543	21,890
Amount	13,334,312	341,531	1,342,585	2,408,573	2,648,581	1,745,214	2,346,111	2,501,717
Average (whole dollars)	5,417	563	1,909	4,313	7,776	13,122	24,052	114,288
Earned income credit:								
Number of returns	316,935	208,811	108,124	–	–	–	–	–
Amount	298,600	237,852	60,748	–	–	–	–	–
Excess earned income credit: [3]								
Number of returns	244,386	202,031	42,355	–	–	–	–	–
Amount	223,904	204,376	19,528	–	–	–	–	–
WASHINGTON								
Number of returns	2,411,219	857,152	588,694	495,666	294,585	94,776	60,834	19,512
Number of exemptions	5,224,427	1,215,614	1,259,753	1,310,044	897,114	292,273	189,190	60,439
Adjusted gross income (less deficit)	81,104,698	4,900,914	12,891,122	19,444,457	17,761,255	8,064,694	7,954,288	10,087,968
Salaries and wages:								
Number of returns	1,999,623	640,329	491,754	444,037	270,323	86,076	51,461	15,643
Amount	60,480,379	4,358,527	9,924,272	15,905,952	14,613,092	6,287,466	5,038,720	4,352,349
Interest income:								
Number of returns	1,498,524	355,646	337,191	375,709	261,346	90,123	59,220	19,289
Amount	3,621,957	523,697	631,364	650,899	547,210	283,165	391,306	594,315
Dividends:								
Number of returns	526,280	100,655	98,387	120,708	104,593	47,405	39,137	15,395
Amount	1,556,451	140,219	189,247	227,293	218,154	127,123	201,151	453,264
Net capital gain (less loss):								
Number of returns	353,532	59,129	63,893	77,739	68,025	33,782	35,298	15,666
Amount	3,714,055	146,285	143,318	267,068	381,504	298,232	617,498	1,860,151
Taxable pensions and annuities:								
Number of returns	381,195	95,111	108,060	87,114	56,822	18,993	11,905	3,190
Amount	4,351,684	562,075	1,135,299	1,124,669	826,504	323,240	258,075	121,823
Unemployment compensation:								
Number of returns	243,811	75,891	76,388	58,793	25,824	4,811	1,686	218
Amount	723,365	207,973	239,489	174,448	77,937	15,645	6,937	937
Total itemized deductions:								
Number of returns	684,385	41,075	97,442	206,469	196,336	76,310	51,281	15,472
Amount	9,183,437	662,598	996,029	2,159,504	2,424,504	1,185,332	1,085,090	670,380
Taxable income:								
Number of returns	1,990,548	454,510	572,562	494,149	294,332	94,714	60,781	19,500
Amount	56,275,792	1,508,489	7,115,474	12,957,001	12,783,091	6,124,858	6,417,471	9,369,408
Total tax liability:								
Number of returns	2,023,083	484,418	575,044	494,241	294,364	94,715	60,799	19,502
Amount	11,940,219	284,650	1,160,302	2,231,918	2,418,747	1,358,935	1,651,968	2,835,699
Average (whole dollars)	5,902	588	2,018	4,516	8,217	14,327	27,171	145,406
Earned income credit:								
Number of returns	203,952	132,703	71,249	–	–	–	–	–
Amount	178,446	141,199	37,247	–	–	–	–	–
Excess earned income credit: [3]								
Number of returns	152,388	126,944	25,444	–	–	–	–	–
Amount	130,412	118,884	11,528	–	–	–	–	–

See notes following Table 21.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
WEST VIRGINIA								
Number of returns	692,894	301,455	174,327	128,774	62,959	13,965	8,338	3,076
Number of exemptions	1,587,795	509,831	432,330	367,334	197,318	43,867	26,872	10,243
Adjusted gross income (less deficit)	18,243,072	2,104,054	3,767,841	5,022,637	3,753,955	1,181,444	1,096,254	1,316,886
Salaries and wages:								
Number of returns	576,952	228,016	148,373	119,280	59,230	12,695	6,915	2,443
Amount	13,998,926	1,503,768	2,892,595	4,273,418	3,222,819	917,845	630,761	557,720
Interest income:								
Number of returns	390,018	118,792	97,703	94,554	54,806	13,068	8,060	3,035
Amount	790,794	181,418	188,444	150,102	102,646	43,660	53,797	70,728
Dividends:								
Number of returns	118,545	26,827	24,834	28,938	22,401	7,439	5,580	2,526
Amount	338,522	33,852	46,824	56,193	50,440	29,175	48,476	73,562
Net capital gain (less loss):								
Number of returns	55,080	11,618	11,272	12,152	9,458	4,041	4,226	2,313
Amount	317,872	16,678	21,157	32,678	37,797	24,853	50,518	134,191
Taxable pensions and annuities:								
Number of returns	128,355	49,728	37,802	23,208	11,992	3,170	1,870	585
Amount	1,135,045	284,778	366,453	248,333	141,016	47,170	34,454	12,840
Unemployment compensation:								
Number of returns	78,329	27,959	26,596	18,072	5,003	547	142	10
Amount	231,386	72,322	87,797	54,575	14,343	1,743	578	29
Total itemized deductions:								
Number of returns	98,003	4,434	12,361	28,545	31,295	10,784	7,606	2,978
Amount	1,142,357	45,133	106,730	256,227	324,117	142,776	143,356	124,018
Taxable income:								
Number of returns	633,764	145,883	170,944	128,632	62,934	13,961	8,334	3,076
Amount	11,536,745	441,776	1,904,514	3,383,648	2,801,774	923,047	893,119	1,188,867
Total tax liability:								
Number of returns	549,984	161,846	171,214	128,616	62,934	13,962	8,336	3,076
Amount	2,262,697	85,188	307,222	553,637	520,688	205,749	236,463	353,753
Average (whole dollars)	4,114	526	1,794	4,305	8,274	14,736	28,366	115,004
Earned income credit:								
Number of returns	96,848	64,409	32,439	--	--	--	--	--
Amount	87,197	69,486	17,711	--	--	--	--	--
Excess earned income credit [2]								
Number of returns	74,793	62,253	12,540	--	--	--	--	--
Amount	65,419	59,474	5,945	--	--	--	--	--
WISCONSIN								
Number of returns	2,284,654	879,169	555,308	471,848	257,121	65,886	40,655	14,667
Number of exemptions	4,924,154	1,180,242	1,190,754	1,334,512	822,324	214,026	134,339	47,957
Adjusted gross income (less deficit)	69,840,579	5,585,969	12,107,162	18,525,334	15,379,767	5,588,779	5,326,806	7,326,763
Salaries and wages:								
Number of returns	1,946,470	672,949	478,891	440,031	243,879	61,450	36,365	12,905
Amount	54,005,531	4,324,287	9,427,806	15,716,739	13,176,493	4,480,029	3,606,719	3,273,458
Interest income:								
Number of returns	1,612,308	478,084	375,221	399,041	241,624	63,936	39,914	14,568
Amount	3,118,697	627,223	661,391	571,974	415,399	183,593	233,470	425,645
Dividends:								
Number of returns	552,787	128,676	112,039	130,793	103,915	36,830	28,236	12,298
Amount	1,425,111	147,035	193,637	215,878	201,586	112,793	173,997	380,186
Net capital gain (less loss):								
Number of returns	311,913	67,075	66,114	69,421	52,783	22,018	22,942	11,560
Amount	2,287,925	124,639	194,572	260,915	263,601	169,037	301,271	973,889
Taxable pensions and annuities:								
Number of returns	351,704	118,089	103,244	71,716	38,200	10,507	7,208	2,740
Amount	2,972,739	575,701	892,859	718,790	427,417	147,401	126,638	83,932
Unemployment compensation:								
Number of returns	255,926	63,500	82,235	75,219	29,989	3,872	1,008	103
Amount	562,478	144,792	191,311	158,634	57,003	7,844	2,619	274
Total itemized deductions:								
Number of returns	721,484	37,959	102,691	246,250	217,443	63,056	39,701	14,384
Amount	8,976,084	375,628	918,712	2,332,739	2,607,721	1,037,130	928,945	775,209
Taxable income:								
Number of returns	1,907,949	515,906	542,974	470,927	256,988	65,861	40,629	14,664
Amount	45,622,786	1,554,682	6,663,669	12,002,080	10,696,810	4,062,101	4,109,999	6,533,245
Total tax liability:								
Number of returns	1,988,834	544,379	545,420	470,863	257,002	65,868	40,638	14,664
Amount	9,137,285	280,014	1,079,730	2,001,909	1,941,275	879,038	1,039,230	1,915,290
Average (whole dollars)	4,713	516	1,980	4,252	7,554	13,345	25,573	130,612
Earned income credit:								
Number of returns	182,151	113,828	68,323	--	--	--	--	--
Amount	160,737	123,455	37,281	--	--	--	--	--
Excess earned income credit [2]								
Number of returns	132,655	109,542	23,113	--	--	--	--	--
Amount	111,635	101,180	10,455	--	--	--	--	--

See notes following Table 21.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1992--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income: Under $15,000 [1]	$15,000 under $30,000	$30,000 under $50,000	$50,000 under $75,000	$75,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
WYOMING								
Number of returns	211,925	88,130	49,074	41,894	23,004	5,416	3,175	1,232
Number of exemptions	480,272	125,859	121,093	125,892	75,870	17,652	10,173	3,733
Adjusted gross income (less deficit)	6,197,984	431,061	1,068,301	1,645,788	1,373,796	458,450	419,001	801,586
Salaries and wages:								
Number of returns	178,753	69,404	41,763	38,120	21,352	4,774	2,491	849
Amount	4,513,935	442,836	820,855	1,359,137	1,138,140	327,794	201,502	223,671
Interest income:								
Number of returns	127,362	38,233	28,452	31,300	19,953	5,108	3,098	1,218
Amount	334,371	51,814	54,210	54,323	40,926	19,987	29,305	83,807
Dividends:								
Number of returns	47,586	10,763	9,292	11,935	9,346	3,019	2,226	1,005
Amount	176,436	16,187	18,915	23,087	21,148	12,490	21,336	63,271
Net capital gain (less loss):								
Number of returns	30,994	6,942	6,357	7,100	5,411	2,086	2,059	1,039
Amount	313,411	18,128	16,633	25,184	26,528	20,313	41,442	165,183
Taxable pensions and annuities:								
Number of returns	30,473	8,275	8,646	7,166	4,443	1,128	604	211
Amount	305,618	44,577	82,171	81,526	53,281	16,818	14,047	13,198
Unemployment compensation:								
Number of returns	15,618	5,770	5,644	3,096	935	129	40	4
Amount	35,741	12,959	13,506	6,634	2,094	399	132	16
Total itemized deductions:								
Number of returns	38,752	2,708	5,937	12,172	11,605	3,428	2,092	810
Amount	433,921	27,708	51,443	109,579	117,493	43,036	35,818	48,846
Taxable income:								
Number of returns	166,955	44,705	47,634	41,817	22,987	5,412	3,172	1,228
Amount	4,259,657	132,362	545,487	1,091,508	1,020,297	364,728	355,955	749,320
Total tax liability:								
Number of returns	171,933	49,421	47,884	41,819	22,993	5,413	3,173	1,230
Amount	894,814	26,393	91,173	184,770	193,156	82,847	94,906	221,569
Average (whole dollars)	5,204	534	1,904	4,418	8,401	15,305	29,910	180,137
Earned income credit:								
Number of returns	23,260	15,147	8,113	-	-	-	-	-
Amount	20,585	16,251	4,334	-	-	-	-	-
Excess earned income credit [3]								
Number of returns	17,556	14,526	3,030	-	-	-	-	-
Amount	14,917	13,509	1,408	-	-	-	-	-
OTHER AREAS [4]								
Number of returns	1,071,038	679,647	188,455	96,200	47,809	21,003	25,708	12,216
Number of exemptions	2,047,307	988,572	476,718	266,970	137,691	61,465	78,378	37,513
Adjusted gross income (less deficit)	23,363,782	1,582,741	3,972,214	3,712,239	2,894,226	1,805,692	3,513,995	5,882,675
Salaries and wages:								
Number of returns	731,740	376,067	168,704	88,366	44,196	19,599	23,864	10,944
Amount	29,674,138	6,787,560	4,487,805	4,184,733	3,280,526	2,086,422	4,058,488	4,788,604
Interest income:								
Number of returns	486,097	216,903	104,194	70,528	40,616	18,763	23,580	11,513
Amount	1,098,337	238,568	148,380	138,807	117,549	70,112	120,779	264,141
Dividends:								
Number of returns	181,038	62,640	29,931	29,245	21,661	11,458	16,538	9,565
Amount	722,809	93,381	68,204	74,117	72,078	47,757	96,589	270,682
Net capital gain (less loss):								
Number of returns	97,203	34,654	12,159	12,348	10,955	6,689	12,230	8,168
Amount	1,007,709	79,199	42,526	53,645	63,705	48,883	129,484	590,267
Taxable pensions and annuities:								
Number of returns	74,073	27,734	19,040	12,366	7,635	3,022	3,061	1,215
Amount	1,017,456	197,299	259,716	206,935	150,417	65,750	76,838	60,501
Unemployment compensation:								
Number of returns	14,476	6,650	4,238	2,074	899	308	256	53
Amount	53,236	23,562	15,745	7,761	3,491	1,307	1,186	183
Total itemized deductions:								
Number of returns	211,400	87,017	32,081	28,214	22,475	13,264	19,073	9,276
Amount	2,194,393	255,394	286,496	317,976	307,112	214,776	398,849	413,790
Taxable income:								
Number of returns	605,874	223,367	180,429	95,568	47,652	20,972	25,676	12,210
Amount	17,130,753	868,132	1,891,992	2,457,945	2,149,114	1,408,204	2,922,887	5,432,478
Total tax liability:								
Number of returns	657,632	295,373	168,745	89,085	46,192	20,614	25,465	12,158
Amount	2,948,519	293,496	271,784	362,123	358,085	252,721	484,698	925,612
Average (whole dollars)	4,484	994	1,611	4,065	7,752	12,260	19,034	76,132
Earned income credit:								
Number of returns	20,005	12,118	7,887	-	-	-	-	-
Amount	15,174	11,381	3,793	-	-	-	-	-
Excess earned income credit [3]								
Number of returns	15,429	11,524	3,905	-	-	-	-	-
Amount	11,778	10,126	1,652	-	-	-	-	-

See notes following Table 21.

Table 3.--Number of Individual Returns, Income, Tax and Average Tax by Size of Adjusted Gross Income, Tax Years 1989-1992

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

Size of adjusted gross income	Number of returns [1]		Adjusted gross income (AGI) [1]		Taxable income [1]		Total income tax [2]
	1989	1990	1989	1990	1989	1990	1989
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total	**112,135,673**	**113,717,138**	**3,256,358,156**	**3,405,427,348**	**2,173,345,881**	**2,263,661,230**	**432,939,998**
No adjusted gross income	822,952	904,876	-42,499,835	-45,809,664	-	--	102,251
$1 under $1,000	3,042,994	2,782,846	1,842,104	1,712,429	158,497	147,900	26,595
$1,000 under $3,000	7,330,646	7,378,581	14,364,878	14,608,168	1,026,356	1,051,956	175,791
$3,000 under $5,000	6,395,856	6,316,845	25,381,428	25,176,442	2,250,491	2,187,015	361,934
$5,000 under $7,000	6,080,369	6,004,236	36,276,901	36,020,822	5,196,365	4,814,969	808,791
$7,000 under $9,000	6,037,574	6,025,538	48,189,579	48,176,536	11,392,055	10,116,781	1,700,016
$9,000 under $11,000	5,954,986	5,890,809	59,572,156	58,904,288	17,522,902	16,222,041	2,483,871
$11,000 under $13,000	5,846,086	5,572,651	70,223,349	66,925,640	26,350,589	23,356,241	3,572,710
$13,000 under $15,000	5,390,708	5,382,371	75,328,410	75,300,193	32,229,078	31,079,932	4,343,324
$15,000 under $17,000	4,913,743	4,686,440	78,583,188	74,942,191	38,538,699	35,853,156	5,325,208
$17,000 under $19,000	4,679,582	4,656,276	84,168,352	83,806,510	45,058,301	42,919,171	6,465,468
$19,000 under $22,000	6,118,287	6,307,571	125,149,987	129,109,902	70,675,174	71,719,685	10,516,360
$22,000 under $25,000	5,358,979	5,465,258	125,645,626	128,101,382	75,113,973	75,920,473	11,181,574
$25,000 under $30,000	7,615,123	7,838,226	209,191,554	215,207,576	131,904,440	133,528,020	20,726,836
$30,000 under $40,000	12,100,369	12,282,787	420,231,928	426,384,692	278,320,161	280,504,593	45,597,596
$40,000 under $50,000	8,590,273	8,837,067	383,689,075	394,730,512	263,107,712	270,449,536	44,034,240
$50,000 under $75,000	9,921,341	10,944,102	594,483,386	657,214,261	424,581,970	466,517,729	81,250,313
$75,000 under $100,000	3,059,386	3,276,142	261,107,136	279,524,997	193,047,596	205,237,566	42,671,702
$100,000 under $200,000	2,090,358	2,329,562	276,331,693	305,567,590	212,184,703	230,497,142	54,471,932
$200,000 under $500,000	612,814	644,027	179,115,618	188,004,834	146,390,252	152,657,211	41,631,082
$500,000 under $1,000,000	115,646	130,252	78,516,288	87,142,014	66,881,786	74,316,528	18,882,584
$1,000,000 or more	57,603	60,677	151,465,353	154,676,032	131,414,782	134,563,588	36,609,819

Size of adjusted gross income	Total income tax [2] --Continued	Percentage of returns showing no total income tax [2]		Returns showing total income tax			
				Average tax (whole dollars) [2]		Tax as percentage of AGI [1,2]	
	1990	1989	1990	1989	1990	1989	1990
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Total	**447,126,703**	**20.5**	**21.0**	**4,855**	**4,976**	**13.7**	**13.6**
No adjusted gross income	65,556	99.3	99.2	17,153	8,876	--	--
$1 under $1,000	22,287	74.8	74.0	35	31	4.5	4.0
$1,000 under $3,000	178,856	72.5	72.8	87	89	4.6	4.7
$3,000 under $5,000	348,603	65.5	65.7	164	161	4.2	4.0
$5,000 under $7,000	758,873	38.4	42.2	216	219	3.6	3.6
$7,000 under $9,000	1,509,507	37.8	40.2	453	419	5.7	5.3
$9,000 under $11,000	2,303,211	34.5	37.6	637	626	6.4	6.3
$11,000 under $13,000	3,180,191	27.2	30.3	839	818	7.0	6.8
$13,000 under $15,000	4,118,295	20.0	24.4	1,007	1,012	7.2	7.2
$15,000 under $17,000	4,841,520	8.7	11.5	1,187	1,167	7.4	7.3
$17,000 under $19,000	6,066,851	4.6	5.3	1,448	1,376	8.1	7.6
$19,000 under $22,000	10,600,417	1.8	2.3	1,750	1,720	8.0	8.4
$22,000 under $25,000	11,257,831	1.6	1.2	2,120	2,085	9.0	8.9
$25,000 under $30,000	20,557,462	1.0	1.1	2,748	2,653	10.0	9.7
$30,000 under $40,000	45,303,447	0.4	0.5	3,785	3,708	10.9	10.7
$40,000 under $50,000	44,851,709	0.4	0.3	5,144	5,090	11.5	11.4
$50,000 under $75,000	87,241,466	0.2	0.2	8,202	7,986	13.7	13.3
$75,000 under $100,000	44,375,252	0.2	0.1	13,973	13,563	16.4	15.9
$100,000 under $200,000	57,823,643	0.1	0.2	26,092	24,865	19.7	19.0
$200,000 under $500,000	43,437,775	0.1	0.1	68,027	67,544	23.3	23.1
$500,000 under $1,000,000	20,942,219	0.1	0.1	163,497	161,017	24.1	24.1
$1,000,000 or more	37,341,734	0.2	0.2	636,582	616,495	24.2	24.2

See notes following Table 21.

Table 3.--Number of Individual Returns, Income, Tax and Average Tax by Size of Adjusted Gross Income, Tax Years 1989-1992--Continued

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

Size of adjusted gross income	Number of returns [1]		Adjusted gross income (AGI)[1]		Taxable income [1]		Total income tax [2]
	1991	p1992	1991	p1992	1991	p1992	1991
	(15)	(16)	(17)	(18)	(19)	(20)	(21)
Total	**114,730,123**	**113,752,244**	**3,464,524,369**	**3,639,545,944**	**2,284,087,935**	**2,396,902,331**	**448,429,593**
No adjusted gross income[3]	926,020	937,147	-51,617,151	-38,694,281	--	--	80,940
$1 under $1,000	2,849,361	2,527,807	1,683,768	1,522,000	116,682	89,576	17,637
$1,000 under $3,000	7,083,525	6,559,371	13,883,582	12,994,985	972,640	883,881	162,746
$3,000 under $5,000	6,136,013	5,868,715	24,519,899	23,439,547	1,738,887	1,290,542	275,433
$5,000 under $7,000	6,103,154	5,962,145	36,691,283	35,830,113	4,069,204	3,599,692	633,850
$7,000 under $9,000	6,100,223	5,932,062	48,748,999	47,435,467	9,716,366	7,816,691	1,474,313
$9,000 under $11,000	5,870,993	5,725,253	58,581,732	57,122,379	15,035,511	12,936,632	2,155,525
$11,000 under $13,000	5,572,994	5,597,911	66,796,371	67,133,875	20,520,281	19,115,173	2,804,309
$13,000 under $15,000	5,363,932	4,976,979	75,239,187	69,604,213	29,156,451	24,679,844	3,843,145
$15,000 under $17,000	5,104,491	4,890,960	81,613,352	78,201,009	36,318,492	32,311,473	4,686,613
$17,000 under $19,000	4,477,972	4,527,973	80,625,320	81,364,127	39,149,865	36,999,247	5,283,917
$19,000 under $22,000	6,106,224	6,220,597	125,067,606	127,411,148	66,638,998	64,650,576	9,608,292
$22,000 under $25,000	5,591,888	5,461,381	131,214,635	128,265,849	74,990,961	71,183,869	11,131,373
$25,000 under $30,000	7,873,619	7,608,726	216,086,077	208,737,472	131,461,525	123,947,448	19,978,743
$30,000 under $40,000	12,346,753	12,333,088	429,097,816	428,816,293	279,498,354	274,285,339	45,090,210
$40,000 under $50,000	8,816,813	9,043,497	393,548,840	404,545,260	266,283,650	270,305,327	43,457,571
$50,000 under $75,000	11,390,205	11,830,854	685,643,232	714,292,017	481,213,204	497,936,986	87,835,843
$75,000 under $100,000	3,571,629	3,983,329	305,015,139	340,194,539	221,951,125	247,684,771	47,012,249
$100,000 under $200,000	2,597,908	2,810,209	339,097,584	367,863,258	258,310,875	280,896,864	62,842,884
$200,000 under $500,000	676,038	745,705	196,264,221	218,418,695	165,216,471	186,830,459	46,262,078
$500,000 under $1,000,000	118,350	141,491	79,606,495	95,313,137	69,658,824	84,712,582	20,490,663
$1,000,000 or more	52,019	67,044	127,116,380	169,734,842	112,069,567	154,745,359	33,301,257

Size of adjusted gross income	Total income tax [2] --Continued	Percentage of returns showing no total income tax [2]		Returns showing total income tax			
				Average tax (whole dollars)[2]		Tax as percentage of AGI[1,2]	
	p1992	1991	p1992	1991	p1992	1991	p1992
	(22)	(23)	(24)	(25)	(26)	(27)	(28)
Total	**475,963,898**	**22.7**	**23.6**	**5,034**	**5,477**	**13.4**	**13.7**
No adjusted gross income[3]	54,295	99.1	99.2	9,861	7,618	--	--
$1 under $1,000	14,438	77.2	78.3	27	26	3.4	3.3
$1,000 under $3,000	142,399	74.5	75.0	90	87	4.7	4.6
$3,000 under $5,000	206,716	69.0	72.6	145	128	3.6	3.1
$5,000 under $7,000	549,103	49.5	57.6	205	217	3.3	3.5
$7,000 under $9,000	1,166,486	38.6	41.1	394	334	4.9	4.2
$9,000 under $11,000	1,888,640	40.1	43.7	613	586	6.1	5.9
$11,000 under $13,000	2,653,558	34.6	37.9	769	764	6.4	6.4
$13,000 under $15,000	3,296,969	28.5	30.7	1,002	956	7.1	6.8
$15,000 under $17,000	4,226,738	21.3	26.7	1,167	1,179	7.3	7.4
$17,000 under $19,000	4,898,370	11.5	15.4	1,333	1,278	7.4	7.1
$19,000 under $22,000	9,093,354	3.2	6.0	1,626	1,555	7.9	7.6
$22,000 under $25,000	10,514,364	2.3	1.9	2,038	1,962	8.7	8.4
$25,000 under $30,000	18,546,257	1.2	1.7	2,568	2,479	9.4	9.0
$30,000 under $40,000	43,742,168	0.8	0.6	3,681	3,569	10.6	10.3
$40,000 under $50,000	43,748,549	0.3	0.3	4,943	4,851	11.1	10.8
$50,000 under $75,000	88,772,391	0.3	0.2	7,732	7,521	12.8	12.5
$75,000 under $100,000	51,640,429	0.1	0.1	13,172	12,970	15.4	15.2
$100,000 under $200,000	67,503,052	0.2	0.1	24,239	24,044	18.6	18.4
$200,000 under $500,000	52,289,727	0.1	0.1	68,530	70,176	23.6	24.0
$500,000 under $1,000,000	24,903,606	0.2	0.1	173,419	176,104	25.8	26.1
$1,000,000 or more	46,112,289	0.2	0.1	641,284	688,130	26.3	27.2

See notes following Table 21.

Table 4.--Reconciliation of Adjusted Gross Income (AGI) and Personal Income Used in the National Income and Product Accounts (NIPA), for Specified Years, 1970-1991

[All figures are estimates--money amounts are in billions of dollars]

Income and adjustment items	1970	1975	1980	1985	1989	1990r	1991p
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1. Personal income (per NIPA)	**831.0**	**1,307.3**	**2,265.4**	**3,379.8**	**4,380.3**	**4,673.8**	**4,850.9**
2. Portion of personal income not included in AGI	**179.7**	**346.0**	**603.7**	**1,039.4**	**1,217.0**	**1,342.8**	**1,458.4**
Transfer payments (except taxable military pay and taxable Government pensions)	77.0	171.6	282.1	407.4	509.1	558.3	623.6
Other labor income (except fees)	31.9	65.0	138.0	188.5	247.6	269.8	292.1
Imputed income[1]	25.2	32.0	47.6	66.2	74.2	83.7	95.2
Investment income received by nonprofit institutions or retained by fiduciaries	7.5	11.1	19.9	32.6	44.1	50.5	48.5
Investment income retained by life insurance carriers and noninsured pension funds[2]	12.5	23.5	58.7	122.1	181.1	192.7	203.7
Net differences in accounting treatment (NIPA vs. IRS)[3]	10.0	17.8	15.3	89.9	82.4	94.3	93.9
Other excluded or tax exempt income	15.8	24.9	42.1	132.6	78.6	93.5	101.3
3. Portion of AGI not included in personal income	**47.1**	**85.9**	**157.0**	**303.1**	**527.3**	**521.6**	**537.2**
Personal contributions for social insurance	27.9	50.4	88.6	149.1	211.4	224.9	237.8
Net capital gain less loss from sales of property	7.8	13.9	27.1	60.9	142.1	107.6	88.7
Taxable private pensions	6.3	14.0	32.7	90.2	123.2	139.2	153.9
S Corporation income (taxed through shareholders) less loss	1.7	2.1	0.7	6.3	37.7	36.4	35.9
Other taxable income less loss	3.4	5.4	7.9	-3.4	12.9	13.6	20.9
4. Total net adjustment for conceptual differences (line 2 minus line 3)	**132.6**	**260.1**	**446.7**	**736.4**	**689.7**	**821.2**	**921.2**
5. Estimated total AGI (per NIPA) (line 1 minus line 4)	**698.4**	**1,047.1**	**1,818.7**	**2,643.5**	**3,690.6**	**3,852.6**	**3,929.7**
6. Adjusted gross income (AGI) (SOI)	**631.7**	**947.8**	**1,613.7**	**2,306.0**	**3,256.4**	**3,405.4**	**3,471.5**
7. Estimated difference in AGI (NIPA vs. SOI) (line 5 minus line 6)[4]	**66.7**	**99.4**	**205.0**	**337.5**	**434.2**	**447.1**	**458.2**

See notes following Table 21.

Table 5.--Personal Income and Total Adjusted Gross Income Based on Individual Income Tax Returns per National Income and Product Accounts (NIPA), Tax Years 1947-1993

[All figures are estimates--money amounts are in billions of dollars]

Tax year	Personal income (per NIPA)[1]	Total adjusted gross income (AGI) (per NIPA)[1,3]	Difference	
			Amount[3]	Percentage of personal income[3]
	(1)	(2)	(3)	(4)
1947r	190.1	170.0	20.1	10.6
1948r	209.0	183.1	25.9	12.4
1949r	206.1	181.0	25.1	12.2
1950r	227.8	201.8	26.0	11.4
1951r	256.5	228.7	27.8	10.8
1952r	273.7	241.1	32.6	11.9
1953r	290.4	255.5	34.9	12.0
1954r	293.0	256.7	36.3	12.4
1955r	314.5	278.5	36.0	11.4
1956r	337.5	299.4	38.1	11.3
1957r	356.5	312.7	43.8	12.3
1958r	367.2	316.5	50.7	13.8
1959	391.2	338.2	52.9	13.5
1960	409.2	350.9	58.3	14.3
1961	426.5	364.8	61.7	14.5
1962	453.4	386.7	66.7	14.7
1963	476.4	408.1	68.2	14.3
1964	510.7	441.5	69.2	13.5
1965	552.9	478.9	74.0	13.4
1966	601.7	520.3	81.4	13.5
1967	646.5	554.5	92.0	14.2
1968	709.9	607.9	102.0	14.4
1969	773.7	662.6	111.1	14.4
1970	831.0	698.4	132.6	16.0
1971	893.5	744.0	149.5	16.7
1972	980.5	824.3	156.2	15.9
1973	1,098.7	926.0	172.7	15.7
1974	1,205.7	1,004.1	201.5	16.7
1975	1,307.3	1,047.1	260.1	19.9
1976	1,446.3	1,166.8	279.5	19.3
1977	1,601.3	1,293.3	308.0	19.2
1978	1,807.9	1,465.6	342.3	18.9
1979	2,033.1	1,651.7	381.4	18.8
1980	2,265.4	1,818.7	446.7	19.7
1981	2,534.7	2,001.8	532.9	21.0
1982	2,690.9	2,077.5	613.4	22.8
1983	2,862.5	2,227.1	635.5	22.2
1984	3,154.6	2,454.7	699.9	22.2
1985	3,379.8	2,643.5	736.3	21.8
1986	3,590.4	2,880.6	709.9	19.8
1987	3,802.0	3,165.5	636.5	16.7
1988	4,075.9	3,441.2	634.8	15.6
1989	4,380.3	3,690.6	689.7	15.8
1990	4,673.8	3,852.6	821.2	17.6
1991	4,850.9	3,929.7	921.2	19.0
1992	5,144.9	n.a.	n.a.	n.a.
1993r	5,388.3	n.a.	n.a.	n.a.

See notes following Table 21.

Table 6.–Total Adjusted Gross Income Estimated from National Income and Product Accounts (NIPA) and Adjusted Gross Income Reported on Individual Income Tax Returns per SOI, Tax Years 1947-1992

[All figures are estimates–money amounts are in billions of dollars]

Tax year	Adjusted gross income (AGI)		Difference	
	Total (per NIPA)[1,2]	Reported on tax returns (per SOI)[2]	Amount[2]	Percentage of total[2]
	(1)	(2)	(3)	(4)
1947r	170.0	149.7	20.3	11.9
1948r	183.1	163.6	19.5	10.6
1949r	181.0	160.6	20.4	11.3
1950r	201.8	179.1	22.7	11.2
1951r	228.7	202.4	26.3	11.5
1952r	241.1	215.3	25.8	10.7
1953r	255.5	228.7	26.8	10.5
1954r	256.7	229.2	27.5	10.7
1955r	278.5	248.5	30.0	10.8
1956r	299.4	267.8	31.6	10.6
1957r	312.7	280.4	32.3	10.3
1958r	316.5	281.2	35.3	11.2
1959	338.2	305.1	33.1	9.8
1960	350.9	315.5	35.4	10.1
1961	364.8	329.9	35.0	9.6
1962	386.7	348.7	38.0	9.8
1963	408.1	368.8	39.4	9.7
1964	441.5	396.7	44.8	10.1
1965	478.9	429.2	49.7	10.4
1966	520.3	468.5	51.9	10.0
1967	554.5	504.8	49.7	9.0
1968	607.9	554.4	53.5	8.8
1969	662.6	603.5	59.0	8.9
1970	698.4	631.7	66.7	9.6
1971	744.0	673.6	70.4	9.5
1972	824.3	746.0	78.3	9.5
1973	926.0	827.1	98.8	10.7
1974	1,004.1	905.5	98.6	9.8
1975	1,047.1	947.8	99.4	9.5
1976	1,166.8	1,053.9	112.9	9.7
1977	1,293.3	1,158.5	134.8	10.4
1978	1,465.6	1,302.4	163.1	11.1
1979	1,651.7	1,465.4	186.3	11.3
1980	1,818.7	1,613.7	205.0	11.3
1981	2,001.8	1,772.6	229.1	11.4
1982	2,007.5	1,852.1	225.4	11.2
1983	2,227.1	1,942.6	284.5	12.8
1984	2,454.7	2,139.9	314.8	12.8
1985	2,643.5	2,306.0	337.5	12.8
1986	2,880.6	2,481.7	398.9	13.8
1987	3,165.5	2,773.8	391.7	12.4
1988	3,456.3	3,083.0	373.3	10.8
1989	3,690.6	3,256.4	434.2	11.8
1990	3,852.6	3,405.4	447.1	11.6
1991	3,929.7	3,464.5	465.2	11.7
p1992	n.a.	3,639.5	n.a.	n.a.

See notes following Table 21.

Table 7.--Standard, Itemized, and Total Deductions Reported on Individual Income Tax Returns, Tax Years 1944-1992

[All figures are estimates based on samples--number of returns are in millions; money amounts are in billions of dollars]

Tax year	Total number of returns	Standard deduction		Itemized deductions		Total deductions	
		Number of returns[1]	Amount[2]	Number of returns[1]	Amount[3]	Amount[4]	As a percentage of adjusted gross income (AGI)[5]
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1944	47.1	38.7	8.0	8.4	4.8	12.8	11.0
1945	49.9	41.5	8.1	8.5	5.5	13.6	11.3
1946	52.8	44.1	8.9	8.8	6.3	15.2	11.3
1947	55.1	44.7	9.8	10.4	7.8	17.6	11.8
1948	52.1	43.2	11.5	8.8	7.9	19.4	11.9
1949	51.8	42.1	11.1	9.7	8.8	19.9	12.4
1950	53.1	42.7	12.0	10.3	9.9	21.9	12.2
1951	55.4	43.9	13.3	11.6	11.9	25.2	12.5
1952	56.5	43.7	13.7	12.8	13.6	27.3	12.7
1953	57.8	43.4	14.2	14.4	15.6	29.8	13.0
1954	56.7	41.0	13.3	15.7	17.4	30.7	13.4
1955	58.3	41.4	13.6	16.9	20.0	33.6	13.5
1956	59.2	40.7	13.8	18.5	22.6	36.4	13.6
1957	59.8	39.7	13.8	20.2	25.7	39.5	14.1
1958	59.1	38.3	13.2	20.8	27.5	40.7	14.5
1959	60.3	37.8	13.4	22.5	32.0	45.4	14.9
1960	61.0	36.9	13.1	24.1	35.3	48.4	15.3
1961	61.5	36.2	12.9	25.3	38.4	51.3	15.6
1962	62.7	36.3	13.1	26.5	41.7	54.8	15.7
1963	63.9	35.8	13.1	28.2	46.1	59.2	16.1
1964	65.4	38.5	20.2	26.9	46.8	67.0	16.9
1965	67.6	39.7	20.6	27.9	50.7	71.4	16.6
1966	70.2	41.6	21.8	28.6	54.6	76.4	16.3
1967	71.7	41.9	22.1	29.8	59.6	81.7	16.2
1968	73.7	41.7	22.1	32.0	69.2	91.3	16.5
1969	75.8	40.9	21.6	34.9	80.2	101.8	16.9
1970	74.3	38.8	32.4	35.4	88.2	120.5	19.1
1971	74.6	43.9	48.1	30.7	91.9	139.9	20.8
1972	77.6	50.6	69.8	27.0	96.7	166.4	22.3
1973	80.7	52.6	73.6	28.0	107.0	180.6	21.8
1974	83.3	53.8	76.1	29.6	119.4	195.5	21.6
1975	82.2	56.1	100.9	26.1	122.3	233.2	24.6
1976	84.7	58.7	113.8	26.0	133.9	247.6	23.5
1977	86.6	63.7	137.7	22.9	138.5	276.2	23.8
1978	89.8	64.0	139.8	25.8	164.4	304.3	23.4
1979	92.7	66.2	148.8	26.5	184.2	333.0	22.7
1980	93.9	65.0	146.0	29.0	218.0	346.0	21.4
1981	95.4	63.8	144.7	31.6	256.4	401.2	22.6
1982	95.3	61.9	140.2	33.4	284.5	425.2	23.0
1983	96.3	61.1	138.5	35.2	309.6	448.7	23.1
1984	99.4	61.2	139.5	38.2	358.9	499.6	23.3
1985	101.7	61.8	145.0	39.8	405.0	554.7	24.1
1986	103.3	62.4	151.0	40.7	447.1	611.3	24.6
1987	107.0	71.4	215.2	35.6	392.0	607.2	21.9
1988	109.7	76.5	289.6	31.9	395.2	686.0	22.3
1989	112.1	79.3	309.4	32.0	431.0	740.4	22.7
1990	113.7	80.6	331.5	32.2	458.5	789.9	23.2
1991	114.7	81.3	351.1	32.5	467.7	818.8	23.6
p1992	113.8	80.3	368.0	32.5	475.0	843.1	23.2

See notes following Table 21.

Table 8.--Personal Income per National Income and Product Accounts (NIPA), and Taxable Income and Individual Income Tax per SOI, Tax Years 1947-1993

[All figures are estimates--money amounts are in billions of dollars]

Tax year	Personal income (per NIPA) [1]	Taxable income (per SOI) [2]		Total income tax (per SOI) [3]		
		Amount	As a percentage of personal income	Total	As a percentage of..... Personal income [1]	As a percentage of..... Taxable income [2]
	(1)	(2)	(3)	(4)	(5)	(6)
1947r	190.1	75.4	39.7	18.1	9.5	24.0
1948r	209.0	74.8	35.8	15.4	7.4	20.6
1949r	206.1	71.7	34.8	14.5	7.0	20.2
1950r	227.8	84.3	37.0	18.4	8.1	21.8
1951r	256.5	99.2	38.7	24.2	9.4	24.4
1952r	273.7	107.2	39.2	27.8	10.2	25.9
1953r	290.4	114.3	39.4	29.4	10.1	25.7
1954r	293.0	115.3	39.4	26.7	9.1	23.2
1955r	314.5	128.0	40.7	29.6	9.4	23.1
1956r	337.5	141.5	41.9	32.7	9.7	23.1
1957r	356.5	149.4	41.9	34.4	9.6	23.0
1958r	367.2	149.3	40.7	34.3	9.3	23.0
1959	391.2	166.5	42.6	38.6	9.9	23.2
1960	409.2	171.6	41.9	39.5	9.7	23.0
1961	426.5	181.8	42.6	42.2	9.9	23.2
1962	453.4	195.3	43.1	44.9	9.9	23.0
1963	476.4	209.1	43.9	48.2	10.1	23.1
1964	510.7	229.9	45.0	47.2	9.2	20.5
1965	552.9	255.1	46.1	49.6	9.0	19.4
1966	601.7	286.3	47.6	56.1	9.3	19.6
1967	646.5	315.1	48.7	63.0	9.7	20.0
1968	709.9	352.8	49.7	76.7	10.8	21.7
1969	773.7	388.8	50.3	86.6	11.2	22.3
1970	831.0	401.2	48.3	83.9	10.1	20.9
1971	893.5	414.0	46.3	85.4	9.6	20.6
1972	980.5	447.6	45.7	93.6	9.6	20.9
1973	1,096.7	511.9	46.6	108.1	9.8	21.1
1974	1,205.7	573.6	47.6	123.6	10.3	21.5
1975	1,307.3	595.5	45.6	124.5	9.5	20.9
1976	1,446.3	674.9	46.7	141.8	9.8	21.0
1977	1,601.3	733.8	45.8	159.8	10.0	21.8
1978	1,807.9	846.4	46.8	188.2	10.4	22.2
1979	2,033.1	926.6	45.6	214.5	10.6	23.2
1980	2,265.4	1,045.2	46.1	250.3	11.0	23.0
1981	2,534.7	1,170.1	46.2	284.1	11.2	24.3
1982	2,690.9	1,231.9	45.8	277.6	10.3	22.5
1983	2,862.5	1,300.2	45.4	274.2	9.6	21.1
1984	3,154.6	1,447.0	45.9	301.9	9.6	20.9
1985	3,379.8	1,550.5	45.9	325.7	9.6	21.0
1986	3,590.4	1,665.6	46.4	367.3	10.2	22.1
1987	3,802.0	1,850.6	48.7	369.2	9.7	20.0
1988	4,075.9	2,070.0	50.8	412.9	10.1	19.9
1989	4,380.3	2,173.3	49.6	432.9	9.9	19.9
1990	4,673.8	2,263.7	48.4	447.1	9.6	19.8
1991	4,850.9	2,284.1	47.1	448.4	9.6	19.6
p1992	5,144.9	2,396.9	46.6	476.0	9.3	19.9
p1993r	5,388.3	n.a.	n.a.	n.a.	n.a.	n.a.

See notes following Table 21.

Table 9.--Number of Individual Income Tax Returns by Type of Tax Settlement, Tax Years 1944-1992
[All figures are estimates based on samples--number of returns are in millions]

Tax year	Total number of returns	Returns with--		
		Tax due at time of filing	Overpayments[1]	No overpayments or tax due at time of filing
	(1)	(2)	(3)	(4)
1944	47.1	22.6	22.9	1.6
1945	49.9	14.5	33.5	1.9
1946	52.8	13.6	34.4	4.8
1947	55.1	15.3	33.0	6.7
1948	52.1	8.1	38.4	5.6
1949	51.8	13.8	30.2	7.9
1950	53.1	14.3	32.0	6.8
1951	55.4	18.6	31.0	5.8
1952	56.5	19.3	32.1	5.1
1953	57.8	19.0	32.7	6.2
1954	56.7	16.6	35.2	5.0
1955	58.3	18.7	35.4	4.2
1956	59.2	19.4	36.1	3.7
1957	59.8	18.6	37.6	3.6
1958	59.1	18.1	37.4	3.6
1959	60.3	19.1	38.4	2.8
1960	61.0	18.1	39.4	3.5
1961	61.5	18.6	40.0	2.9
1962	62.7	18.7	40.9	3.1
1963	63.9	19.3	41.4	3.3
1964	65.4	22.5	39.3	3.5
1965	67.6	20.0	44.3	3.2
1966	70.2	17.8	49.4	3.0
1967	71.7	17.5	51.2	3.0
1968	73.7	20.3	50.6	2.8
1969	75.8	17.9	54.9	3.0
1970	74.3	16.5	55.3	2.5
1971	74.6	17.0	55.3	2.4
1972	77.6	11.9	63.3	2.3
1973	80.7	14.2	64.2	2.2
1974	83.3	15.4	65.8	2.1
1975	82.2	15.8	63.8	2.6
1976	84.7	16.9	65.0	2.8
1977	86.6	17.8	66.0	2.8
1978	89.8	21.6	65.5	2.7
1979	92.7	18.8	71.4	2.4
1980	93.9	21.8	69.9	2.3
1981	95.4	23.0	70.0	2.4
1982	95.3	20.3	72.4	2.6
1983	96.3	18.5	75.0	2.9
1984	99.4	21.2	75.6	2.7
1985	101.7	21.2	77.4	3.0
1986	103.0	21.5	78.1	3.5
1987	107.0	23.8	79.8	3.4
1988	109.7	27.2	79.1	3.4
1989	112.1	28.0	80.9	3.2
1990	113.7	27.0	83.5	3.2
1991	114.7	25.6	82.4	6.7
p1992	113.8	29.0	81.3	3.5

See notes following Table 21.

Table 10.-- Nonfarm Sole Proprietorship Returns: Selected Income Statement Items for Specified Income Years, 1970-1992

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

Item	1970	1975	1980	1985	1991	1992
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns with nonfarm businesses net income or deficit, total	**5,769,741**	**7,221,346**	**8,931,712**	**11,928,573**	**15,180,722**	**15,495,419**
Number with nonfarm business net income	n.a.	n.a.	n.a.	8,640,701	11,550,579	11,720,148
Number of nonfarm businesses	**6,493,789**	**7,759,576**	**9,730,019**	**n.a.**	**16,959,688**	**17,292,286**
Business receipts, total	**198,582,172**	**273,954,741**	**411,205,713**	**540,045,430**	**712,567,989**	**737,082,032**
Income from sales and operations	n.a.	272,342,560	407,169,299	528,675,271	700,681,216	725,666,334
Total deductions [1]	**168,044,746**	**234,318,288**	**356,258,495**	**461,272,852**	**571,153,515**	305,960,049
Cost of sales and operations	109,148,811	146,261,435	209,889,809	232,294,132	272,626,595	274,219,623
Inventory, beginning-of-year	n.a.	n.a.	n.a.	21,435,438	29,516,926	28,860,062
Inventory, end-of-year	11,060,775	15,578,040	21,996,236	24,969,895	29,782,755	29,898,172
Purchases	88,585,913	117,722,352	168,301,517	n.a.	200,860,580	204,316,835
Cost of labor	7,704,285	8,791,083	10,922,221	14,504,201	21,917,899	18,838,120
Materials and supplies	6,216,057	9,090,638	12,909,222	n.a.	28,072,005	28,825,291
Advertising	n.a.	n.a.	n.a.	n.a.	6,712,252	7,344,070
Car and truck expenses	n.a.	n.a.	13,378,289	17,044,421	22,594,000	23,919,600
Commissions	1,274,016	2,225,830	3,333,345	n.a.	7,628,344	10,456,775
Depletion	n.a.	n.a.	n.a	n.a.	717,387	628,917
Depreciation	5,451,525	7,958,143	13,952,703	26,291,389	23,076,150	23,273,917
Pension and profit sharing plans	72,741	125,296	141,463	311,323	519,358	527,945
Employee benefit programs	n.a.	n.a.	n.a.	n.a.	1,016,368	1,186,031
Insurance	2,309,608	3,503,812	6,003,126	n.a.	13,064,988	13,259,715
Interest paid, total	1,784,276	3,390,845	7,190,257	11,913,982	12,077,268	10,406,164
Mortgage interest	n.a.	n.a.	n.a.	n.a.	5,527,499	4,626,346
Other interest	n.a.	n.a.	n.a.	n.a.	6,549,769	5,779,818
Legal and professional services	699,229	1,164,048	2,633,596	n.a.	5,376,814	5,698,841
Meals and entertainment expenses before limitation	n.a.	n.a.	n.a.	n.a.	5,646,857	5,715,169
Meals and entertainment deduction	n.a.	n.a.	n.a.	n.a.	4,516,821	4,571,529
Office expenses	n.a.	n.a.	n.a.	n.a.	7,086,395	7,395,168
Rent paid, total	4,636,528	6,676,314	9,636,290	15,258,690	23,643,282	25,148,446
On machinery	n.a.	n.a.	n.a.	n.a.	4,160,172	4,551,560
On other business property	n.a.	n.a.	n.a.	n.a.	19,483,110	20,596,886
Repairs	2,444,607	3,044,175	5,031,573	n.a.	9,158,697	9,705,814
Net salaries and wages (not deducted elsewhere)	15,107,047	20,227,859	26,560,821	38,265,691	48,889,989	52,316,452
Taxes paid	3,775,502	5,423,961	7,672,459	n.a.	10,629,067	12,618,367
Travel	n.a.	n.a.	n.a.	n.a.	5,475,477	5,860,143
Utilities (including telephone)	n.a.	n.a.	4,790,337	n.a.	13,259,743	14,546,685
Bad debts	n.a.	n.a.	n.a.	600,613	1,130,267	1,065,802
Business use of home	n.a.	n.a.	n.a.	n.a.	2,897,903	2,966,899
Net income (less deficit) [1]	**30,537,426**	**39,636,453**	**54,947,219**	**78,772,578**	**141,515,783**	**153,960,246**
Net income [1]	33,735,732	45,624,890	68,010,051	98,775,563	162,426,709	173,472,549
Deficit [1]	3,198,306	5,988,437	13,062,832	20,002,986	20,910,927	19,512,304

See notes following Table 21.

Table 11.--Partnership Returns: Selected Balance Sheet and Income Statement Items for Specified Income Years, 1970-1991

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

Item	1970	1975	1980	1985	1990	1991
	(1)	(2)	(3)	(4)	(5)	(6)
Total number of active partnerships	**938,133**	**1,073,094**	**1,379,654**	**1,713,603**	**1,553,529**	**1,515,345**
Number with net income	639,795	661,134	774,173	875,846	853,676	855,523
Number with balance sheets	555,741	783,271	1,194,236	1,227,498	1,081,224	1,047,704
Number of partners	**3,697,818**	**4,950,634**	**8,419,899**	**13,244,824**	**17,094,966**	**15,801,047**
Total assets [1]	**16,752,751**	**235,468,301**	**597,503,923**	**1,269,434,302**	**1,735,285,033**	**1,816,567,895**
Depreciable assets (net)	n.a.	113,124,969	239,139,823	695,878,822	681,409,780 r	696,335,452
Inventories, end of year	n.a.	11,985,431	33,218,272	27,279,234	56,507,062	56,845,071
Land	n.a.	36,731,958	70,241,248	152,179,314	214,757,035	212,850,061
Total liabilities [1]	**n.a.**	**193,875,629**	**488,734,023**	**1,069,221,649**	**1,415,247,893**	**1,460,065,895**
Accounts payable	n.a.	12,302,055	33,899,048	40,871,755	66,747,965	63,086,121
Short-term debt [2]	n.a.	22,709,476	48,001,839	102,760,363	88,092,149	116,756,131
Long-term debt [3]	n.a.	136,296,764	178,044,406	381,960,685	497,560,607	490,848,692
Nonrecourse loans [3]	n.a.	n.a.	118,910,380	327,558,208	470,139,911	474,221,624
Partners' capital accounts [1]	**n.a.**	**41,592,672**	**108,769,900**	**200,212,653**	**320,037,140**	**356,502,000**
Total receipts [4]	**93,348,080**	**148,417,529**	**291,998,115**	**367,117,316**	**566,212,218** r	**562,636,625** r
Business receipts [5]	90,208,834	142,505,781	271,108,832	302,733,374	483,417,504	483,164,395
Interest received [6]	942,304	2,477,173	10,869,323	20,558,966	20,799,631	19,872,179
Total deductions [4]	**83,557,684**	**140,679,959**	**283,749,460**	**376,000,991**	**549,602,678**	**541,229,674**
Cost of sales and operations	46,040,874	64,672,843	113,885,668	146,315,315	242,448,195	236,500,500
Purchases	31,820,581	42,608,734	70,439,607	91,925,923	140,521,621	134,086,152
Cost of labor	4,146,927	4,585,836	7,015,547	8,845,106	13,924,993	14,188,250
Salaries and wages	8,129,233	12,489,039	22,336,337	33,884,204	56,025,118	57,907,843
Taxes paid	3,159,258	5,770,918	9,553,145	7,745,756	9,339,396	9,863,080
Interest paid	4,470,206	12,097,100	28,362,385	28,674,933	29,617,935	27,973,593
Depreciation [7]	4,578,820	10,108,834	21,576,189	53,650,790	60,204,443	58,362,541
Net income (less deficit)	**9,790,396**	**7,737,570**	**8,248,655**	**-8,883,674**	**16,609,540**	**21,406,607**
Net income	14,419,124	22,431,931	45,061,756	77,044,693	116,317,801	113,408,221
Deficit	4,628,728	14,694,361	36,813,100	85,928,367	99,708,261	92,001,615

See notes following Table 21.

Table 12.--Number of Business Income Tax Returns by Size of Business for Specified Income Years, 1970-1992
[All figures are estimates based on samples--number of businesses are in thousands]

Size of business	1970	1975	1980	1985	1991	1992
	(1)	(2)	(3)	(4)	(5)	(6)
CORPORATIONS						
Receipt size [1]						
Under $25,000 [2]	451.9	468.9	557.0	710.8	924.2	n.a.
$25,000 under $50,000	170.7	186.4	207.7	236.6	260.1	n.a.
$50,000 under $100,000	219.8	260.7	322.7	330.2	375.6	n.a.
$100,000 under $250,000	} 516.9	673.9 {	558.4	620.5	665.6	n.a.
$250,000 under $500,000			367.3	489.2	514.5	n.a.
$500,000 under $1,000,000	141.1	184.2	279.8	352.4	415.8	n.a.
$1,000,000 or more	165.0	249.5	417.7	537.6	647.1	n.a.
Asset size						
Under $100,000 [3]	961.0	1,177.7	1,514.6	1,833.5	2,176.9	n.a.
$100,000 under $1,000,000	599.1	704.6	968.9	1,152.5	1,265.4	n.a.
$1,000,000 under $10,000,000	87.0	116.4	191.8	245.4	305.5	n.a.
$10,000,000 under $25,000,000	9.8	12.2	16.6	20.9	24.6	n.a.
$25,000,000 under $50,000,000	3.9	5.6	7.8	10.4	11.0	n.a.
$50,000,000 under $100,000,000	2.1	3.1	4.8	6.2	7.5	n.a.
$100,000,000 under $250,000,000	1.4	2.1	3.2	4.4	6.0	n.a.
$250,000,000 or more	1.2	1.9	2.9	4.1	5.9	n.a.
PARTNERSHIPS						
Receipt size [1,4]						
Under $25,000 [2]	501.7	549.7	638.0	840.1	955.6	n.a.
$25,000 under $50,000	125.2	141.0	181.8	195.5	113.5	n.a.
$50,000 under $100,000	119.6	133.7	183.6	199.5	120.1	n.a.
$100,000 under $250,000	97.2	114.0	155.2	190.1	143.7	n.a.
$250,000 under $500,000	65.2	90.6	135.6	165.5	78.5	n.a.
$500,000 under $1,000,000	17.0	25.5	48.1	66.9	49.4	n.a.
$1,000,000 or more	10.3	18.6	37.4	56.0	54.6	n.a.
Asset size [5]						
Under $25,000 [3]	635.7	611.0	541.9	794.1	700.1	n.a.
$25,000 under $50,000	80.8	105.9	156.3	132.7	97.3	n.a.
$50,000 under $100,000	73.5	106.8	180.2	165.8	110.2	n.a.
$100,000 under $250,000	74.7	116.0	219.1	210.9	181.8	n.a.
$250,000 under $500,000	33.8	56.9	117.9	142.8	125.4	n.a.
$500,000 under $1,000,000	19.3	35.3	72.1	100.0	109.7	n.a.
$1,000,000 or more	18.3	41.2	92.2	167.2	190.8	n.a.
NONFARM SOLE PROPRIETORSHIPS						
Receipt size [6]						
Under $2,500 [3]	1,894.3	2,299.9	2,783.1	3,067.5	3,985.0	3,775.9
$2,500 under $5,000	815.1	959.4	1,158.6	1,444.6	1,704.6	1,741.3
$5,000 under $10,000	891.5	1,041.7	1,262.9	1,633.6	2,058.8	2,005.4
$10,000 under $25,000	1,137.4	1,325.7	1,711.8	2,104.6	2,809.7	2,869.3
$25,000 under $50,000	746.4	849.5	1,079.1	1,393.9	1,724.8	1,817.0
$50,000 under $100,000	562.0	644.5	835.6	1,094.1	1,327.0	1,269.0
$100,000 under $200,000	297.4	380.9	} 795.8	1,060.2 {	843.2	869.2
$200,000 under $500,000	122.3	209.2			545.4	584.4
$500,000 under $1,000,000	20.8	35.3	73.9	89.3	122.7	133.1
$1,000,000 or more	6.6	13.5	29.2	40.7	59.5	58.4

See notes following Table 21.

Table 13.--Corporation Income Tax Returns: Balance Sheet, Income Statement and Tax Items for Specified Income Years, 1970-1991

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

Item	1970	1975	1980	1985[1]	1990[1]	1991[1]
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns, total[1]	**1,665,477**	**2,023,647**	**2,710,538**	**3,277,219**	**3,716,650**	**3,802,788**
Number with net income	1,008,337	1,226,208	1,596,632	1,820,120	1,910,670	1,942,450
Consolidated returns[1,2,3]	19,871	38,307	57,890	79,598	71,769	69,120
S Corporation returns[1,3,4]	257,475	358,413	545,389	724,749	1,575,092	1,698,271
DISC returns[1,3,5]	N/A	6,431	8,665	1,383	([1])	([1])
FSC returns[1,3,6]	N/A	N/A	N/A	2,341	([1])	([1])
Total assets[1]	**2,634,706,564**	**4,286,556,273**	**7,617,238,403**	**12,773,093,888**	**18,190,057,609**	**19,029,508,839**
Cash	176,924,573	290,426,439	528,914,747	683,204,264	771,086,440	786,735,219
Notes and accounts receivable	614,667,367	1,051,542,806	1,984,601,790	3,317,635,191	4,198,016,230	4,191,331,906
Less: Allowance for bad debts	20,030,327	31,032,998	50,057,307	61,580,335	110,059,993	114,576,136
Inventories[7]	190,401,642	317,718,545	534,806,547	714,722,928	893,586,141	883,913,179
Investments in Government obligations[8]	106,222,911	176,955,397	265,542,521	916,550,098	921,193,216	1,068,564,351
Tax-exempt securities[8]	90,402,479	139,176,302	206,517,216	([5])	380,320,504	469,245,167
Other current assets	73,058,482	145,101,716	310,177,160	629,136,396	1,164,582,476	1,133,425,425
Loans to stockholders	4,774,082	9,355,636	29,873,250	56,761,232	94,866,044	84,545,262
Mortgage and real estate loans	327,593,354	548 054,483	894,323,489	1,258,672,577	1,537,899,636	1,529,474,897
Other investments	401,389,022	626,266,074	1,213,986,210	2,413,551,474	4,136,891,162	4,749,822,622
Depreciable assets	868,908,018	1,276,564,500	2,107,027,914	3,174,193,649	4,317,781,452	4,549,055,093
Less: Accumulated depreciation	334,646,086	483,798,526	767,841,763	1,232,072,530	1,848,022,862	1,999,540,977
Depletable assets	18,517,264	38,511,396	71,901,490	112,339,389	129,370,543	141,758,337
Less: Accumulated depletion	6,774,796	14,501,561	19,569,556	37,203,920	55,075,300	61,141,866
Land	46,626,157	66,819,206	92,931,935	141,448,357	209,579,296	215,498,441
Intangible assets (amortizable)	12,818,168	12,823,183	45,480,694	145,290,625	491,252,807	489,782,490
Less: Accumulated amortization	5,984,184	4,491,990	18,393,037	42,505,240	95,754,475	110,369,202
Other assets	69,838,438	121,065,665	187,015,106	582,949,738	1,052,544,294	1,021,984,633
Total liabilities	**2,634,706,564**	**4,286,556,273**	**7,617,238,403**	**12,773,093,888**	**18,190,057,609**	**19,029,508,839**
Accounts payable[9]	148,812,597	263,417,584	542,172,368	891,571,443	1,094,001,051	1,680,717,102
Mortgages, notes, and bonds payable in less than 1 year	170,884,261	272,123,551	504,802,288	1,001,337,795	1,802,732,358	1,500,043,192
Other current liabilities	892,218,397	1,577,425,991	2,706,796,360	4,234,983,432	5,197,682,027	4,856,874,743
Loans from stockholders	24,573,814	38,143,936	85,718,510	174,317,253	268,559,197	306,729,880
Mortgages, notes, and bonds payable in 1 year or more	362,700,303	586,703,526	986,663,932	1,699,272,481	2,665,098,250	2,697,909,300
Other liabilities	283,106,029	451,676,880	846,696,691	1,467,912,913	2,423,067,175	2,710,749,072
Capital stock	201,213,719	251,715,862	417,153,783	920,182,882	1,584,840,863	1,740,894,708
Paid-in or capital surplus	196,642,421	298,534,854	532,039,407	1,420,996,805	2,814,210,083	3,257,218,951
Retained earnings, appropriated	16,657,051	29,955,676	41,461,644	54,074,364	60,978,729	74,926,536
Retained earnings, unappropiated	349,225,750	537,631,026	1,027,902,049	1,311,512,589	1,349,027,584	1,365,865,627
Less: Cost of treasury stock	11,327,778	20,772,613	74,168,627	403,068,064	1,070,139,706	1,162,420,270
Total receipts[10]	**1,750,776,503**	**3,198,627,860**	**6,361,284,012**	**8,398,278,426**	**11,409,520,074**	**11,436,474,767**
Business receipts[11,12]	1,620,886,576	2,961,729,640	5,731,616,337	7,369,538,953	9,860,441,633	9,965,628,799
Interest on State and local Government obligations	3,775,917	6,711,606	12,620,876	20,164,514	35,164,734	36,339,860
Other interest	67,794,508	136,587,304	354,243,674	617,622,425	942,237,940	883,325,876
Dividends received from domestic corporations[10,12]	5,238,421	8,818,282	18,654,800	16,967,379	13,413,839	13,114,605
Dividends received from foreign corporations[10]	3,466,515	5,467,726	14,563,353	20,770,361	33,261,669	28,760,176
Rents[10]	13,938,502	21,765,130	41,371,141	89,700,937	100,642,848	101,958,702
Royalties[10]	2,586,387	5,167,141	12,450,250	15,237,421	32,142,258	34,822,123
Net short-term capital gain reduced by net long-term capital loss	190,439	301,601	2,013,510	7,032,062	4,110,745	13,742,293
Net long-term capital gain reduced by net short-term capital loss[13,14]	5,481,580	8,364,523	24,910,957	53,771,685	50,935,859	41,111,234
Net gain, noncapital assets	5,315,562	7,757,287	20,117,615	33,537,842	32,275,111	31,476,569
Other receipts	22,102,096	35,957,620	128,721,498	153,934,848	304,893,438	286,194,531

Table 13.--Corporation Income Tax Returns: Balance Sheet, Income Statement and Tax Items for Specified Income Years, 1970-1991--Continued

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

Item	1970	1975	1980	1985[1]	1990[1]	1991[1]
	(1)	(2)	(3)	(4)	(5)	(6)
Total deductions[10]	**1,682,778,847**	**3,052,674,597**	**6,125,365,155**	**8,158,144,126**	**11,032,574,630**	**11,087,119,512**
Cost of sales and operations[10]	1,146,263,273	2,129,928,467	4,204,905,905	4,894,254,081	6,610,769,883	6,654,370,271
Compensation of officers	32,846,381	57,832,552	108,973,751	170,737,540	205,403,164	201,408,195
Repairs	13,986,819	23,422,171	42,407,967	81,495,784	95,887,821	94,643,427
Bad debts	6,479,814	13,781,147	18,769,771	43,333,588	83,690,549	100,875,268
Rent paid on business property	23,842,355	40,769,829	71,990,832	134,661,335	184,771,540	192,743,992
Taxes paid	49,523,243	81,530,302	163,003,622	200,977,161	250,928,813	257,796,399
Interest paid	62,055,010	129,307,921	344,612,542	568,645,475	825,372,164	r735,721,055
Contributions or gifts	797,029	1,202,130	2,358,554	4,471,736	4,752,406	4,762,763
Amortization	745,005	717,398	1,374,658	6,133,737	31,503,958	35,923,984
Depreciation	52,941,266	86,295,664	157,345,828	304,380,703	332,781,754	333,952,832
Depletion[14]	5,623,339	5,341,489	8,871,993	7,779,731	9,646,712	8,417,411
Advertising	18,089,097	26,605,786	52,266,004	91,922,667	126,417,097	129,194,304
Pension, profit-sharing, stock bonus and annuity plans[14]	12,225,912	26,526,129	51,529,310	49,588,712	42,233,693	46,487,339
Employee benefit programs[14]	7,398,283	15,690,563	40,179,104	71,601,577	113,320,117	133,467,913
Net loss, noncapital assets[10,11]	1,289,305	1,804,079	5,903,104	7,893,175	22,330,746	18,859,047
Other deductions[14]	248,672,716	411,918,970	850,872,216	1,520,267,133	2,092,764,214	r2,138,495,313
Total receipts less total deductions[10,15]	**67,997,656**	**145,953,263**	**235,918,858**	**240,134,300**	**376,945,444**	**349,355,256**
Constructive taxable income from related foreign corporations[10,15,16]	1,679,875	3,395,169	15,708,560	20,299,335	36,776,886	31,844,399
Net income (less deficit)[10,15,16]	65,901,614	142,636,826	239,006,542	240,119,020	370,632,632	344,859,794
Net income[10,15,16]	83,710,924	169,483,336	296,787,201	363,867,384	552,526,789	535,816,622
Deficit[10,15,16]	17,809,310	26,846,510	57,780,659	123,748,365	181,894,157	190,956,827
Income subject to tax[17]	72,374,437	146,589,287	246,598,486	266,060,609	366,352,857	350,009,712
Income tax, total[18]	**33,293,018**	**66,144,308**	**105,142,436**	**111,340,839**	**128,185,666**	**121,121,231**
Regular and alternative tax[18,19]	32,949,937	65,769,822	103,831,172	109,106,358	119,434,430	116,275,308
Recapture of prior-year investment credit	77,832	217,138	867,571	1,497,597	126,600	72,693
Recapture of prior-year work incentive (WIN) credit	N/A	608	4,873	N/A	N/A	N/A
Minimum tax and alternative minimum tax[20]	265,249	156,740	438,820	725,878	8,104,269	5,320,587
Environmental tax	N/A	N/A	N/A	N/A	520,167	479,288
Foreign tax credit	4,548,986	19,987,724	24,879,737	24,263,487	24,989,922	21,096,940
U.S. possessions tax credit	N/A	N/A	1,572,734	2,450,583	3,194,481	3,472,330
Investment credit[21]	865,954	6,459,746	15,102,812	([21])	([21])	([21])
Work incentive (WIN) credit	N/A	5,321	36,483	N/A	N/A	N/A
Jobs credit[21]	N/A	N/A	601,444	([21])	([21])	([21])
Nonconventional source fuel credit	N/A	N/A	2	43,267	81,790	244,732
Alcohol fuel credit[21]	N/A	N/A	4	([21])	([21])	([21])
Research activities credit	N/A	N/A	N/A	1,627,997	([21])	([21])
Employees stock ownership credit[21]	N/A	N/A	N/A	([21])	N/A	N/A
Orphan drug credit	N/A	N/A	N/A	204	15,637	18,475
General business credit[21]	N/A	N/A	N/A	19,607,097	2,833,701	2,206,371
Prior year minimum tax credit	N/A	N/A	N/A	N/A	667,036	1,516,063
Distributions to stockholders:						
Cash and property except in own stock	32,012,677	45,224,392	97,378,617	n.a.	n.a.	n.a.
Corporation's own stock	1,922,810	2,066,559	3,525,549	n.a.	n.a.	n.a.

See notes following Table 21.

Table 14.--Corporation Income Tax Returns: Selected Balance Sheet, Income Statement and Tax Items by Industrial Division for Specified Income Years, 1970-1991

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

Industrial division and item	1970	1975	1980	1985[1]	1990[1]	1991[1]
	(1)	(2)	(3)	(4)	(5)	(6)
AGRICULTURE, FORESTRY AND FISHING						
Number of returns, total[1]	37,283	56,280	80,883	103,156	126,423	129,886
Number with net income[1]	19,843	33,328	43,827	52,776	70,965	69,543
Total assets	11,909,403	21,177,941	40,738,977	52,651,197	68,338,381	67,756,553
Net worth	4,012,068	6,844,949	11,460,935	15,406,221	23,360,455	22,769,981
Total receipts[2]	14,277,707	28,118,514	52,089,915	70,491,486	88,101,065	85,945,700
Business receipts[2]	13,591,763	26,624,149	48,850,056	65,419,402	82,114,836	80,981,260
Interest received[2,4]	69,742	171,732	476,654	775,383	681,127	553,203
Total deductions[2]	14,209,713	27,369,286	51,418,280	70,559,478	86,883,128	85,331,571
Cost of sales and operations[2]	10,555,539	19,738,447	35,798,332	45,085,526	52,758,720	51,674,544
Interest paid	356,225	797,420	2,184,441	2,758,952	2,852,242	2,634,724
Net income (less deficit)[2]	65,295	746,908	673,158	-74,270	1,156,269	625,656
Net income[2]	493,400	1,493,168	2,464,381	2,930,905	4,328,433	3,774,209
Deficit[2]	428,105	746,260	1,791,222	3,005,175	3,172,164	3,148,553
Regular and alternative tax[5]	113,115	351,059	533,768	531,787	569,812	498,545
Total income tax after credits[6]	107,023	294,584	422,356	344,626	554,818	473,493
Distributions to stockholders except in own stock	65,824	244,524	304,733	n.a.	n.a.	n.a.
MINING						
Number of returns, total[1]	14,465	14,242	25,576	41,426	39,674	39,199
Number with net income[1]	7,303	8,297	12,698	18,031	18,436	17,893
Total assets	23,972,812	64,505,341	126,947,880	240,815,996	219,197,640	212,962,835
Net worth	13,381,821	32,765,690	54,068,148	104,772,797	110,339,579	106,585,141
Total receipts[2]	17,747,750	65,909,994	176,672,390	142,038,595	111,444,457	103,286,287
Business receipts[2]	16,699,586	63,670,496	167,397,918	126,710,610	97,321,579	90,512,940
Interest received[2,4]	176,728	522,757	1,301,266	3,584,890	3,849,674	3,289,590
Total deductions[2]	15,927,348	42,348,765	169,051,624	145,389,514	106,466,509	99,537,632
Cost of sales and operations[2]	9,955,600	30,171,612	116,989,880	87,972,035	62,070,361	56,314,253
Interest paid	388,032	1,166,182	3,440,080	7,789,995	6,674,114	6,315,413
Net income (less deficit)[2]	1,834,315	23,574,833	7,750,561	-2,543,487	5,302,223	4,001,356
Net income[2]	2,399,507	24,347,893	10,133,685	6,166,623	9,071,733	7,721,788
Deficit[2]	565,192	773,060	2,383,124	8,710,110	3,769,511	3,720,432
Regular and alternative tax[5]	1,031,550	11,361,037	3,947,569	1,736,952	1,897,245	1,505,027
Total income tax after credits[6]	342,928	1,051,138	1,674,566	557,519	1,348,333	1,041,082
Distributions to stockholders except in own stock	1,177,550	1,015,895	4,757,780	n.a.	n.a.	n.a.
CONSTRUCTION						
Number of returns, total[1]	138,905	191,219	272,432	318,276	406,874	416,987
Number with net income[1]	82,078	108,852	150,368	185,613	223,434	233,866
Total assets	42,719,792	76,691,947	132,939,026	215,297,771	243,829,026	243,035,939
Net worth	11,819,604	19,029,077	32,826,174	54,687,270	63,865,550	70,666,636
Total receipts[2]	90,610,644	146,955,117	267,205,356	387,232,953	534,654,044	515,128,533
Business receipts[2]	88,945,385	143,412,715	260,387,692	374,590,273	522,586,199	502,691,224
Interest received[2,4]	219,698	614,583	2,073,650	3,851,628	3,621,561	3,415,774
Total deductions[2]	89,070,022	144,717,309	262,116,275	382,823,113	527,800,795	509,247,728
Cost of sales and operations[2]	73,434,969	116,845,554	208,064,925	295,803,244	407,448,745	389,883,167
Interest paid	711,496	1,973,244	4,278,502	6,407,652	7,368,430	6,984,942
Net income (less deficit)[2]	1,538,418	2,236,262	5,271,209	4,370,924	6,824,608	6,103,605
Net income[2]	2,548,013	4,514,864	8,911,143	11,053,145	15,859,977	14,965,305
Deficit[2]	1,009,595	2,278,602	3,639,934	6,682,220	9,035,370	8,861,700
Regular and alternative tax[5]	776,979	1,320,196	2,521,507	2,243,786	1,983,902	1,910,621
Total income tax after credits[6]	756,637	1,131,960	1,973,659	1,662,563	1,906,537	1,722,422
Distributions to stockholders except in own stock	299,204	464,553	793,764	n.a.	n.a.	n.a.
MANUFACTURING						
Number of returns, total[1]	197,807	217,354	242,550	276,545	301,669	300,122
Number with net income[1]	120,814	136,839	153,640	159,778	167,509	163,599
Total assets	612,912,516	944,581,970	1,709,471,700	2,644,393,424	3,921,323,756	4,028,360,038
Net worth	308,923,293	442,587,674	749,186,774	1,099,645,876	1,392,233,318	1,481,203,474
Total receipts[2]	722,952,890	1,296,359,650	2,404,323,844	2,831,062,496	3,688,693,895	3,658,501,307
Business receipts[2]	700,090,661	1,258,338,650	2,301,056,550	2,656,345,750	3,434,141,360	3,409,490,090
Interest received[2,4]	4,748,499	8,691,092	28,315,784	47,753,626	81,135,811	81,950,229
Total deductions[2]	692,455,462	1,230,689,496	2,290,593,808	2,733,105,346	3,545,121,842	3,548,746,793
Cost of sales and operations[2]	495,879,549	925,111,030	1,707,143,900	1,797,852,805	2,377,226,499	2,355,261,594
Interest paid	12,570,242	22,055,903	54,177,356	90,452,072	151,214,835	145,611,955
Net income (less deficit)[2]	31,846,078	68,406,627	125,667,815	113,758,645	171,373,726	132,269,225
Net income[2]	37,925,489	74,466,554	141,547,510	142,541,119	212,936,099	181,884,248
Deficit[2]	6,079,411	6,059,927	15,879,695	28,782,474	41,562,373	49,615,023
Regular and alternative tax[5]	16,744,905	32,306,739	59,577,413	55,553,921	60,664,655	51,769,226
Total income tax after credits[6]	13,242,226	21,024,964	32,726,986	25,382,459	38,971,197	32,104,071
Distributions to stockholders except in own stock	14,616,282	19,973,061	37,306,509	n.a.	n.a.	n.a.

Table 14.--Corporation Income Tax Returns: Selected Balance Sheet, Income Statement and Tax Items by Industrial Division for Specified Income Years, 1970-1991--Continued

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

Industrial division and item	1970	1975	1980	1985[1]	1990[1]	1991[1]
	(1)	(2)	(3)	(4)	(5)	(6)
TRANSPORTATION AND PUBLIC UTILITIES						
Number of returns, total[1]	67,398	80,701	111,324	138,337	160,353	164,980
Number with net income[1]	38,204	45,360	62,232	69,938	81,418	88,263
Total assets	287,740,207	443,236,797	758,364,400	1,246,426,899	1,522,045,738	1,573,824,265
Net worth	121,205,022	176,444,407	290,655,693	490,481,127	508,667,821	528,942,779
Total receipts[2]	135,495,271	243,480,637	523,807,396	772,358,188	936,277,062	954,944,592
Business receipts[2,4]	131,463,171	234,689,427	507,372,820	733,943,970	874,111,070	897,131,837
Interest received	930,266	1,520,913	5,760,072	12,310,594	18,194,729	17,919,573
Total deductions[2]	127,931,131	233,409,166	503,954,285	747,836,158	900,960,832	917,837,603
Cost of sales and operations[2]	77,743,359	143,932,463	336,868,172	381,028,354	405,924,209	413,508,684
Interest paid[2]	7,364,200	13,761,062	27,638,591	44,880,858	59,190,735	59,686,545
Net income (less deficit)[2]	7,543,718	10,099,571	20,046,155	25,087,629	35,413,596	37,742,965
Net income[2]	9,471,595	12,088,189	24,917,293	37,880,144	51,490,850	53,590,652
Deficit[2]	1,927,877	1,988,618	4,871,138	12,792,516	16,077,254	15,847,686
Regular and alternative tax[5]	4,342,334	5,107,158	10,532,722	14,881,470	15,228,031	15,887,339
Total income tax after credits[6]	4,036,650	2,836,470	5,322,655	8,432,924	15,882,038	15,793,417
Distributions to stockholders except in own stock	5,837,565	8,900,353	17,329,807	n.a.	n.a.	n.a.
WHOLESALE AND RETAIL TRADE						
Number of returns, total[1]	518,062	614,632	799,628	917,301	1,023,057	1,043,534
Number with net income[1]	339,987	399,668	487,300	510,825	527,128	536,277
Total assets	192,181,800	323,496,726	646,901,005	1,009,965,739	1,447,296,828	1,483,427,907
Net worth	77,002,132	122,649,734	222,289,687	286,260,274	354,827,439	374,844,301
Total receipts[2]	522,547,923	969,938,872	1,955,523,778	2,473,865,453	3,308,988,336	3,380,598,972
Business receipts[2,4]	511,316,883	951,463,550	1,919,347,689	2,408,174,933	3,216,861,660	3,291,367,866
Interest received	1,291,906	3,857,318	10,503,989	21,633,480	29,851,239	31,285,080
Total deductions[2]	512,910,193	947,511,780	1,919,454,218	2,440,403,373	3,279,066,687	3,350,908,857
Cost of sales and operations[2]	392,391,856	745,299,204	1,538,128,634	1,869,766,621	2,482,483,270	2,527,007,700
Interest paid	4,309,663	8,587,173	25,645,855	38,217,998	63,914,431	61,081,388
Net income (less deficit)[2]	9,671,044	22,489,430	38,309,671	33,126,702	30,094,078	29,951,221
Net income[2]	12,395,411	27,681,721	49,426,500	51,434,500	65,383,876	64,477,312
Deficit[2]	2,724,367	5,192,291	11,116,829	18,307,798	35,289,798	34,526,092
Regular and alternative tax[5]	4,476,047	8,103,316	13,515,653	16,130,885	13,324,360	12,789,106
Total income tax after credits[6]	4,237,181	7,348,619	10,564,358	13,396,555	12,615,991	12,015,216
Distributions to stockholders except in own stock	2,068,501	5,029,897	10,343,087	n.a.	n.a.	n.a.
FINANCE, INSURANCE AND REAL ESTATE						
Number of returns, total[1]	406,235	411,846	493,426	518,432	609,138	617,557
Number with net income[1]	248,586	243,409	273,853	285,273	269,667	273,097
Total assets	1,401,153,520	2,321,965,956	4,022,206,073	7,029,452,681	10,193,295,357	10,780,681,276
Net worth	196,480,448	269,770,527	530,541,317	1,161,968,009	2,142,041,011	2,513,553,034
Total receipts[2]	177,321,173	315,795,981	697,460,846	1,182,034,309	1,954,709,651	1,924,317,623
Business receipts[2,3]	92,091,887	157,126,715	256,892,475	501,993,840	900,908,453	928,022,390
Interest received[2,4]	63,694,046	127,040,303	315,146,115	541,268,193	830,451,126	771,288,512
Total deductions[2]	161,630,060	297,963,817	652,637,787	1,104,572,202	1,809,867,575	1,771,169,018
Cost of sales and operations[2]	48,434,362	84,614,209	129,644,330	237,577,803	526,244,728	556,461,819
Interest paid	34,548,509	77,677,659	219,167,684	363,009,417	506,921,011	r426,757,261
Net income (less deficit)[2]	12,214,079	11,663,330	33,122,792	60,670,526	109,901,881	124,545,504
Net income[2]	15,081,939	18,825,003	46,040,390	90,546,934	158,458,842	174,249,613
Deficit[2]	2,867,860	7,161,673	12,917,599	29,876,408	48,556,962	49,704,109
Regular and alternative tax[5]	4,404,449	5,558,647	9,680,755	13,369,981	20,709,720	26,890,049
Total income tax after credits[6]	4,150,009	4,673,705	7,699,628	10,193,877	20,511,294	24,850,137
Distributions to stockholders except in own stock	7,387,211	8,729,977	24,692,146	n.a.	n.a.	n.a.
SERVICES						
Number of returns, total[1]	281,218	435,672	671,338	939,390	1,029,447	1,061,657
Number with net income[1]	159,525	249,641	408,716	529,337	546,268	551,235
Total assets	61,875,140	90,534,067	178,163,737	330,982,941	572,842,266	636,751,574
Net worth	19,529,062	26,855,374	52,865,513	89,852,365	143,154,346	177,668,039
Total receipts[2]	69,572,626	131,377,364	279,883,187	534,587,609	779,329,609	809,724,469
Business receipts[2]	66,459,515	125,747,462	266,088,619	497,980,990	726,041,364	761,589,005
Interest received[2,4]	435,070	875,506	3,269,412	6,561,301	9,526,124	9,941,775
Total deductions[2]	68,384,452	127,996,443	271,792,974	528,685,613	769,035,909	800,163,940
Cost of sales and operations[2]	37,733,747	63,724,869	129,352,692	176,070,808	290,965,307	301,802,690
Interest paid	1,802,802	3,279,438	8,033,612	15,027,259	27,188,190	26,544,428
Net income (less deficit)[2]	1,198,703	3,396,744	8,193,903	5,883,782	10,616,792	9,769,891
Net income[2]	3,384,869	6,025,592	13,246,601	21,124,460	34,850,560	34,963,661
Deficit[2]	2,186,166	2,628,848	5,052,698	15,240,678	24,233,768	25,193,769
Regular and alternative tax[5]	1,058,264	1,625,093	3,497,265	4,621,875	5,041,377	5,016,937
Total income tax after credits[6]	1,003,130	1,323,637	2,603,370	3,343,830	4,597,561	4,561,377
Distributions to stockholders except in own stock	558,452	855,402	1,841,945	n.a.	n.a.	n.a.

See notes following Table 21.

Table 15.--Corporation Profits Before Taxes per National Income and Product Accounts (NIPA) and per SOI, and Income Subject to Tax per SOI, Income Years 1960-1993

[All figures are estimates--money amounts are in billions of dollars]

Income year	Profits before taxes (per NIPA)[1]	Net income (less deficit) (per SOI)[2]	Income subject to tax (per SOI)[3]
	(1)	(2)	(3)
1960	51.1	43.5	47.2
1961	51.0	45.9	47.9
1962	56.4	49.6	51.7
1963	61.2	54.3	54.3
1964	68.0	61.6	60.4
1965	78.8	73.9	70.8
1966	85.1	80.5	77.1
1967	81.8	78.2	74.8
1968	90.6	86.0	81.4
1969	89.0	80.2	81.2
1970	78.4	65.9	72.4
1971	90.1	79.7	83.2
1972	104.5	96.8	95.1
1973	130.9	120.4	115.5
1974	142.8	148.2	144.0
1975	140.4	142.6	146.6
1976	173.7	185.4	183.5
1977	203.3	219.2	212.5
1978	237.9	246.9	239.6
1979	261.4	284.6	279.4
1980	240.9	239.0	246.6
1981	228.9	213.6	241.5
1982	176.3	154.3	205.2
1983	210.7	188.3	218.7
1984	240.5	232.9	257.1
1985	225.0	240.1	266.1
1986	217.8	269.5	276.2
1987	287.9	328.2	311.8
1988	347.5	413.0	383.2
1989	342.9	389.0	371.1
1990	365.7	370.6	366.4
1991	362.3	344.9	350.0
1992	395.4	n.a.	n.a.
p1993	449.4	n.a.	n.a.

See notes following Table 21.

Table 16.--Estate Tax Returns as a Percentage of Adult Deaths, Selected Years of Death, 1934-1991
[Starting with 1956, number of returns are estimates based on samples]

Selected year of death [1]	Total adult deaths[1]	Taxable estate tax returns [2]	
		Number	Percentage of adult deaths
	(1)	(2)	(3)
1934	983,970	8,655	0.88
1935	1,172,245	9,137	0.78
1936	1,257,290	12,010	0.96
1937	1,237,585	13,220	1.07
1938	1,181,275	12,720	1.08
1939	1,205,072	12,907	1.07
1940	1,237,186	13,336	1.08
1941	1,216,855	13,493	1.11
1942	1,211,391	12,726	1.05
1943	1,277,009	12,154	0.95
1944	1,238,917	13,869	1.12
1946	1,239,713	18,232	1.47
1947	1,278,856	19,742	1.54
1948	1,283,601	17,469	1.36
1949	1,285,684	17,411	1.35
1950	1,304,343	18,941	1.45
1953	1,237,741	24,997	2.02
1954	1,332,412	25,143	1.89
1956	1,289,193	32,131	2.49
1958	1,358,375	38,515	2.84
1960	1,426,148	45,439	3.19
1962	1,483,846	55,207	3.72
1965	1,578,813	67,404	4.27
1969	1,796,055	93,424	5.20
1972	1,854,146	120,761	6.51
1976	1,819,107	139,115	7.65
1981	1,898,067	41,620	2.19
1982	1,897,820	35,148	1.86
1983	1,945,913	31,507	1.62
1984	1,968,128	30,518	1.55
1985	2,015,070	23,731	1.18
1986	2,033,978	21,335	1.05
1987	2,053,084	18,948	0.92
1988	2,096,704	20,695	0.99
1989	2,079,035	23,158	1.11
1990	2,079,034	n.a.	n.a.
1991	2,101,746	n.a.	n.a.

See notes following Table 21.

Table 17.--Gross Tax Collections: Amount Collected by Quarter and Fiscal Year, 1987-1994

[Money amounts are in millions of dollars]

Quarter and fiscal year	Amount collected by type of return					
	Total	Individual income taxes [1]	Corporation income taxes [2]	Excise taxes [3]	Employment taxes [4]	Estate and gift taxes
	(1)	(2)	(3)	(4)	(5)	(6)
FISCAL YEAR 1987, TOTAL	**886,290**	**465,452**	**102,859**	**33,311**	**277,000**	**7,668**
October 1986 - December 1986	180,580	92,346	22,466	8,281	55,615	1,872
January 1987 - March 1987	209,032	105,483	22,649	7,925	71,156	1,819
April 1987 - June 1987	285,477	164,008	29,748	8,493	81,139	2,089
July 1987 - September 1987	211,201	103,615	27,996	8,612	69,090	1,888
FISCAL YEAR 1988, TOTAL	**945,459**	**473,667**	**109,683**	**36,286**	**318,039**	**7,784**
October 1987 - December 1987	200,033	97,479	24,828	9,413	66,500	1,813
January 1988 - March 1988	222,721	111,215	22,006	7,578	80,161	1,761
April 1988 - June 1988	298,865	160,018	35,991	9,240	91,426	2,190
July 1988 - September 1988	223,840	104,955	26,858	10,055	79,952	2,020
FISCAL YEAR 1989, TOTAL	**1,023,421**	**515,732**	**117,015**	**36,076**	**345,625**	**8,973**
October 1988 - December 1988	216,133	104,522	29,551	9,272	70,632	2,156
January 1989 - March 1989	238,290	114,475	20,760	8,504	92,587	1,964
April 1989 - June 1989	333,964	180,947	40,825	9,386	100,077	2,729
July 1989 - September 1989	235,034	115,788	25,879	8,914	82,329	2,124
FISCAL YEAR 1990, TOTAL	**1,066,515**	**540,228**	**110,017**	**37,289**	**367,219**	**11,762**
October 1989 - December 1989	222,859	110,077	26,390	8,966	74,982	2,444
January 1990 - March 1990	251,913	127,277	21,433	8,044	92,868	2,291
April 1990 - June 1990	343,951	181,180	37,398	10,808	110,281	4,284
July 1990 - September 1990	247,792	121,694	24,796	9,471	89,088	2,743
FISCAL YEAR 1991, TOTAL	**1,099,124**	**546,877**	**113,598**	**42,578**	**384,451**	**11,473**
October 1980 - December 1980	242,881	118,047	29,248	9,135	83,646	2,735
January 1991 - March 1991	256,949	119,891	22,974	9,820	101,569	2,618
April 1991 - June 1991	338,469	181,949	35,953	10,967	106,426	3,173
July 1991 - September 1991	260,825	126,990	25,423	12,656	92,810	2,947
FISCAL YEAR 1992, TOTAL	**1,120,799**	**557,723**	**117,951**	**46,919**	**400,081**	**11,479**
October 1991 - December 1991	246,273	117,980	28,571	11,822	88,749	2,735
January 1992 - March 1992	264,161	136,220	19,751	10,963	97,425	2,606
April 1992 - June 1992	345,447	173,437	41,930	11,757	118,503	3,266
July 1992 - September 1992	264,918	130,086	27,699	12,377	95,404	2,872
FISCAL YEAR 1993, TOTAL	**1,190,373**	**585,774**	**131,548**	**48,649**	**411,511**	**12,891**
October 1992 - December 1992	258,823	124,812	30,324	11,877	92,284	3,015
January 1993 - March 1993	282,851	154,596	21,124	11,388	96,042	2,772
April 1993 - June 1993	353,737	168,977	47,920	12,182	120,767	3,891
July 1993 - September 1993	294,962	137,389	32,180	13,202	102,418	3,213
FISCAL YEAR 1994, TOTAL						
October 1993 - December 1993	282,642	132,790	36,088	13,183	97,012	3,569

See notes following Table 21.

Table 18.--Tax Refunds: Amount Refunded by Quarter and Fiscal Year, 1987-1994
[Money amounts are in millions of dollars]

Quarter and fiscal year	Amount refunded by type of return					
	Total	Individual income taxes [1]	Corporation income taxes [2]	Excise taxes [3]	Employment taxes [4]	Estate and gift taxes
	(1)	(2)	(3)	(4)	(5)	(6)
FISCAL YEAR 1987, TOTAL	**96,969**	**73,583**	**19,891**	**1,381**	**1,900**	**214**
October 1986 - December 1986	8,668	3,406	4,789	111	312	50
January 1987 - March 1987	28,422	22,198	5,296	479	r393	56
April 1987 - June 1987	50,063	42,858	5,948	332	r669	57
July 1987 - September 1987	9,816	5,121	3,858	459	326	52
FISCAL YEAR 1988, TOTAL	**94,480**	**74,399**	**16,477**	**1,114**	**2,263**	**227**
October 1987 - December 1987	7,701	3,437	3,727	207	275	55
January 1988 - March 1988	27,798	21,744	5,248	198	553	55
April 1988 - June 1988	49,202	43,769	3,848	421	1,114	50
July 1988 - September 1988	9,776	5,449	3,654	288	321	67
FISCAL YEAR 1989, TOTAL	**93,613**	**73,597**	**14,921**	**2,054**	**2,771**	**269**
October 1988 - December 1988	8,380	3,362	4,461	118	359	80
January 1989 - March 1989	32,041	26,759	4,462	182	570	67
April 1989 - June 1989	43,538	38,895	3,849	350	381	63
July 1989 - September 1989	9,654	4,581	2,149	1,404	1,461	59
FISCAL YEAR 1990, TOTAL	**99,656**	**76,065**	**18,324**	**2,261**	**2,677**	**329**
October 1989 - December 1989	8,487	3,094	4,605	300	409	79
January 1990 - March 1990	37,121	31,367	4,922	342	423	67
April 1990 - June 1990	43,308	36,952	4,209	549	1,492	106
July 1990 - September 1990	10,740	4,652	4,588	1,070	353	77
FISCAL YEAR 1991, TOTAL	**104,380**	**82,877**	**17,440**	**1,188**	**2,471**	**404**
October 1990 - December 1990	8,284	3,367	4,148	344	323	102
January 1991 - March 1991	38,020	32,811	4,286	293	538	92
April 1991 - June 1991	47,962	41,638	4,748	226	1,249	101
July 1991 - September 1991	10,114	5,061	4,258	325	361	109
FISCAL YEAR 1992, TOTAL	**113,106**	**88,624**	**19,688**	**1,997**	**2,398**	**401**
October 1991 - December 1991	10,072	3,607	5,639	379	346	101
January 1992 - March 1992	44,657	38,183	5,750	201	430	93
April 1992 - June 1992	47,817	42,231	4,596	476	399	115
July 1992 - September 1992	10,562	4,603	3,703	941	1,223	92
FISCAL YEAR 1993, TOTAL	**93,580**	**74,234**	**16,035**	**958**	**1,969**	**384**
October 1992 - December 1992	7,891	3,081	4,190	208	324	88
January 1993 - March 1993	37,213	31,503	4,971	239	396	104
April 1993 - June 1993	39,325	35,353	3,195	290	397	90
FISCAL YEAR 1994, TOTAL						
October 1993 - December 1993	7,329	2,322	4,176	394	324	113
January 1994 - March 1994	34,614	27,859	5,800	403	445	107

See notes following Table 21.

Table 19.–Excise Taxes by Specified Fiscal Years, 1970-1993

[Money amounts are in thousands of dollars]

Selected class of tax	Taxes reported by fiscal year					
	1970	1975	1980	1985	1991	1992
	(1)	(2)	(3)	(4)	(5)	(6)
ALCOHOL AND TOBACCO TAXES, TOTAL[1]	**6,840,594**	**7,665,948**	**8,151,184**	**9,881,293**	**12,125,900**	**13,353,696**
Distilled spirits	3,469,508	3,851,837	3,927,235	3,501,559	3,763,058	3,889,720
Wine	180,353	172,440	211,493	305,339	499,037	615,696
Beer	1,076,148	1,305,034	1,545,441	1,569,726	2,964,591	3,402,057
Cigarettes and cigars	2,092,935	2,312,342	2,442,357	4,473,210	4,781,936	5,189,516
MANUFACTURERS EXCISE TAXES, TOTAL	**6,683,061**	**5,516,611**	**6,487,421**	**10,020,574**	**14,223,212**	**16,642,890**
Gasoline and gasohol[2]	3,517,586	4,071,465	4,326,549	9,062,630	13,001,336	15,465,988
Tires, tubes and tread rubber[3]	614,795	697,660	682,624	242,923	284,360	279,852
Motor vehicles, bodies, parts[4]	1,753,327	662,556	1,088,696	N/A	N/A	N/A
Recreational products	53,427	84,946	136,521	166,666	145,877	242,401
Coal[5]	N/A	N/A	251,288	548,356	630,700	630,600
SPECIAL FUELS AND RETAIL TAXES, TOTAL	**257,820**	**404,187**	**560,144**	**3,802,608**	**4,753,159**	**5,237,506**
Diesel and special motor fuels	257,712	370,489	512,718	2,430,165	3,690,518	4,198,979
Truck and trailer chassis and bodies	N/A	N/A	N/A	1,289,750	926,381	904,861
MISCELLANEOUS EXCISE TAXES, TOTAL	**2,084,730**	**3,306,077**	**6,359,198**	**11,044,833**	**9,903,242**	**10,871,808**
Telephone and teletype	1,469,562	2,023,744	1,117,834	2,307,607	2,952,522	3,173,000
Air transportation	250,802	850,567	1,748,837	2,589,818	4,299,627	4,661,757
Highway use	135,086	207,663	263,272	456,143	593,123	596,167
Policies issued by foreign insurers	8,614	19,458	74,630	73,494	69,800	116,822
Exempt organization net investment income	N/A	63,828	65,280	136,153	182,997	204,780
Crude oil windfall profit[6]	N/A	N/A	3,051,719	5,073,159	-425,106	-259,625
Environmental taxes[7]	N/A	N/A	N/A	272,957	1,729,459	1,675,294

Selected class of tax	Taxes reported by fiscal year quarter ending–					
	Dec. 1991	March 1992	June 1992	Sept. 1992	Dec. 1992	March 1993
	(7)	(8)	(9)	(10)	(11)	(12)
ALCOHOL AND TOBACCO TAXES, TOTAL[1]	**3,548,782**	**2,777,001**	**3,410,142**	**3,478,119**	**3,452,635**	**3,069,112**
Distilled spirits	1,140,621	810,463	971,647	966,989	1,096,035	846,323
Wine	178,434	131,029	156,222	150,011	178,641	130,390
Beer	816,852	731,598	928,830	924,777	766,438	757,887
Cigarettes and cigars	1,408,141	1,101,116	1,383,566	1,296,693	1,408,572	1,293,234
MANUFACTURERS EXCISE TAXES, TOTAL	**4,163,568**	**4,132,125**	**4,122,928**	**4,224,969**	**4,311,911**	**4,110,846**
Gasoline and gasohol	3,852,821	3,867,168	3,820,232	3,925,767	4,000,154	3,858,731
Tires, tubes and tread rubber[3]	79,496	56,429	70,000	73,927	80,388	74,904
Recreational products[4]	53,790	49,890	69,279	69,442	58,601	60,275
Coal[5]	162,100	155,200	159,600	154,400	156,972	155,663
SPECIAL FUELS AND RETAIL TAXES, TOTAL	**1,294,641**	**1,331,379**[r]	**1,242,427**	**1,401,959**	**1,366,809**	**1,397,738**
Diesel and special motor fuels	1,044,394	1,055,937	989,722	1,108,926	1,056,174	1,064,456
Truck and trailer chassis and bodies	218,661	216,800	213,300	256,100	267,081	283,102
MISCELLANEOUS EXCISE TAXES, TOTAL	**2,565,390**	**2,726,675**	**2,584,633**	**2,974,017**	**2,724,224**	**2,714,820**
Telephone and teletype	807,100	763,000	781,900	789,400	845,100	794,200
Air transportation	1,175,434	1,160,000	1,164,855	1,161,814	1,176,748	1,148,271
Highway use	41,417	149,933	103,085	301,732	59,000	136,535
Policies issued by foreign insurers	28,293	28,165	28,654	31,710	30,000	27,400
Exempt organization net investment income	22,402	41,688[r]	76,946	63,508	41,619	29,663
Crude oil windfall profit[6]	-67,267	-1,552	-145,915	-44,891	-365	--
Environmental taxes[7]	399,051	395,046	406,606	474,591	400,902	400,440

See notes following Table 21.

Table 20.--Selected Returns and Forms Filed or to be Filed by Type During Specified Calendar Years, 1970-1994

Type of return or form	Number filed in calendar year--						
	1970	1975	1980	1985	1990	1993r	1994 (Projected)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Individual income[1]	**77,281,384**	**84,026,785**	**93,196,076**	**99,704,246**	**112,596,000**	**114,116,286**	**115,333,665**
Form 1040	77,143,251	61,450,279	55,360,030	64,010,068	74,488,600	69,567,324	71,130,027
Form 1040A	N/A	22,462,776	37,692,282	18,779,084	18,380,000	22,339,336	22,007,581
Form 1040EZ	N/A	N/A	N/A	16,739,767	19,436,400	17,073,662	17,410,058
Form 1040PC	N/A	N/A	N/A	N/A	N/A	4,774,064	4,354,099
Other	138,133	113,730	143,764	175,327	291,000	361,900	431,900
Business	9,013,900	10,073,126	11,402,889	14,136,768	16,170,200	17,410,484	17,875,567
Schedule C	6,351,304	7,438,968	8,944,298	11,767,348	14,149,000	15,495,331	15,909,255
Schedule F	2,662,596	2,634,158	2,458,591	2,369,420	2,021,300	1,915,153	1,966,312
Nonbusiness	68,129,351	51,377,153	43,957,141	49,873,300	58,318,300	96,343,902	97,026,198
Corporation income[2]	**1,772,600**	**2,132,758**	**2,675,704**	**3,437,249**	**4,319,500**	**4,516,214**	**4,679,700**
Forms 1120	1,523,664	1,762,920	2,115,542	2,432,265	2,334,600	2,127,419	2,113,600
Form 1120A	N/A	N/A	N/A	199,665	332,000	354,370	362,200
Form 1120S	248,936	367,219	528,070	736,945	1,536,100	1,905,765	2,063,900
Other	-	2,619	32,092	68,374	116,800	128,660	140,000
Partnership, Form 1065	**991,904**	**1,132,839**	**1,401,567**	**1,755,339**	**1,750,900**	**1,567,200**	**1,526,800**
Fiduciary, Forms 1041 and 1041S[3]	**1,149,445**	**1,564,200**	**1,881,800**	**2,124,969**	**2,778,717**	**2,950,200**	**2,998,800**
Estate Tax, Forms 706 and 706NA[4]	**141,156**	**225,827**	**147,303**	**80,768**	**60,810**	**72,925**	**76,400**
Gift Tax, Form 709	**146,338**	**273,184**	**214,789**	**97,720**	**147,700**	**217,821**	**224,500**
Exempt Organization[5]	**387,469**	**403,809**	**442,607**	**454,097**	**487,400**	**537,500**	**551,800**
Forms 990 (and 990EZ)	377,030	346,627	362,632	365,506	359,700	391,600	402,200
Form 990-PF	N/A	29,637	33,137	32,005	44,700	48,000	50,000
Form 990-T	5,046	19,683	23,455	26,181	39,100	44,200	45,700
Forms 990C, 4720, and 5227	5,393	7,862	23,383	30,405	43,900	53,700	53,900

See notes following Table 21.

Table 21.--Taxpayers Receiving Assistance, Paid and Unpaid, Tax Years 1988-1992

[Some estimates based on samples--all data are in thousands]

Type of assistance	Tax year				
	1988	1989	1990	1991	1992
	(1)	(2)	(3)	(4)	(5)
Returns with paid preparer signature:[1]					
All returns	51,507	52,808	54,499	55,711	56,051
1040EZ	887	725	648	667	777
1040A	4,290	3,885	4,801	4,695	5,530
1040, total	46,330	48,197	49,049	50,348	49,744
1040 Business, total	11,570	12,092	10,723	12,657	12,864
Nonfarm	9,981	10,371	9,025	10,986	11,212
Farm	1,590	1,721	1,697	1,671	1,652
1040 Nonbusiness, total	34,759	36,105	36,629	37,691	36,880
With itemized deductions	14,929	17,002	17,249	17,749	17,367
Without itemized deductions	19,831	19,103	19,380	19,942	19,513
Electronically filed[2]	n.a.	n.a.	4,715	7,448	8,696
Assistance provided by IRS:[3]					
Telephone inquiries	36,982	33,906	35,100	34,951	34,035
Recorded telephone information	27,812	22,178	28,880	32,334	29,088
Office walk-ins, information	7,008	7,104	7,173	7,247	6,520
Written inquiries	187	172	188	202	152
Special programs:					
Community classes and seminars (taxpayers assisted)	952	722	924	711	677
Volunteer Income Tax Assistance (VITA) (returns prepared)	404	466	401	403	388
Tax Counseling for the Elderly (returns prepared)	419	448	496	516	493

See notes on following page.

Notes to Selected Historical and Other Data Tables

General notations and statement

N/A - Not applicable.

n.a. - Not available.

p - Preliminary.

r - Revised.

* - Estimate should be used with caution because of the small number of sample returns on which it is based. See "Appendix—SOI Sampling Methodology and Data Limitations."

** - Not shown to avoid disclosure of information about specific taxpayers. However, the data are included in the appropriate totals.

Detail may not add to totals because of rounding.

Table 1

[1] Less deficit. Starting with 1987, data are not comparable with earlier years because of major changes in the law, many of which are referred to in other footnotes.

[2] Not included in AGI.

[3] Starting with 1987, represents total dividends; previously, represented total dividends after statutory exclusion.

[4] Starting with 1987, losses are after "passive loss" limitation.

[5] Starting with 1987, represents total capital gains; previously, represented total capital gains after statutory exclusion. For other changes affecting capital gains, see *Statistics of Income—Individual Income Tax Returns*, various years.

[6] Before 1980 and starting again after 1987, excludes Individual Retirement Arrangement (IRA) distributions; for intervening years, pensions and IRA distributions in AGI were reported together on the tax return. Effective during 1986, the more liberal of the two methods of computing the nontaxable portion of pensions and annuities (representing taxpayer contributions to certain pension plans) was repealed.

[7] Starting with 1987, represents total unemployment compensation; previously, all or part was excludable under certain conditions.

[8] Excludes sole proprietorship (including farm) rental income or loss. Starting with 1987, rental losses are before "passive loss" limitation and, therefore, exceed the amount included in AGI.

[9] Excludes certain royalties included in computations of capital gain or loss and of ordinary gain or loss, sales of noncapital assets.

[10] Prior to 1981, amounts for net income are actually for net income (less loss). Net income and loss were not separately tabulated. Also, for these years, the number of returns shown with net income was rounded to millions during processing; the more exact number was not tabulated.

[11] See footnote 4.

[12] See footnote 10.

[13] See footnote 4.

[14] Includes adjustments not shown separately in Table 1. Starting with 1987, excludes employee moving and certain other business-related expenses, deduction for married two-earner couples, and certain alimony payments, but includes self-employed health insurance deduction; see also footnote 15. (The latter deduction expired July 1992, but was later reinstated retroactively; however, resulting deductions, reported on amended returns, are not reflected in the 1992 statistics.) Starting with 1990, adjustments include deduction for one-half of self-employment (social security) tax. For changes in adjustments for earlier years, see *Statistics of Income—Individual Income Tax Returns.*

[15] Deductible Individual Retirement Arrangement (IRA) contributions, reflected in adjustment statistics starting with 1980, were limited starting with 1987.

[16] Includes exemptions for blindness repealed effective 1987. Deduction for exemptions was limited for higher-income taxpayers starting with 1991. Exemption amounts were indexed for inflation starting with 1985 and were limited for certain high-income taxpayers starting with 1987.

[17] In general, represents the sum of standard and itemized deductions. For 1980 and 1985 data, includes total itemized deductions before subtraction of "zero bracket amount," plus, for non-itemized deduction returns, the zero bracket amount and, for 1985 data only, charitable contributions deduction. Starting with 1987, includes revised itemized deductions (see also footnotes 19-22), "basic" standard deduction and "additional"

standard deductions for age 65 or over for blindness (for changes in the standard deduction and its relation to the zero bracket amount, see *Statistics of Income—Individual Income Tax Returns,* for appropriate years). Starting with 1991, total itemized deductions are after statutory limitation (see footnote 19).

[18] For 1980 and 1985 data, represents "zero bracket amount" used on returns of non-itemizers; see also footnote 23. Zero bracket amount for 1985 and standard deduction, starting with 1986, were indexed for inflation.

[19] Includes itemized deductions not shown separately in Table 1, including revised deductions, starting with 1987, for "miscellaneous expenses" after limitation and for employee moving expenses; see also footnotes 20-22. In general, total itemized deductions were limited for certain high-income taxpayers starting with 1991. For changes in deductions for earlier years, see *Statistics of Income—Individual Income Tax Returns.*

[20] Deductible medical and dental expenses were limited, starting with 1987, based on a revised percentage of AGI. For changes in the deduction for 1987 and earlier years, see *Statistics of Income—Individual Income Tax Returns.*

[21] Starting with 1987, State sales taxes were no longer deductible.

[22] Starting with 1987, deductions for "personal" interest and mortgage real estate loan interest were limited and, starting with 1991, personal interest was no longer deductible.

[23] For 1980 and 1985 data, taxable income *includes* the "zero bracket amount," repealed effective 1987 and partially replaced by standard deductions which were *subtracted* in computing taxable income. A standard deduction was similarly used prior to 1980. For the percentages of AGI used for the standard deduction and the limitation on the deduction, see *Statistics of Income—Individual Income Tax Returns.*

[24] Different tax rate structures applied to Tax Years 1970, 1971-1978, 1979-1981, 1982-1986, 1987, and 1988-1992. Indexing of tax rate boundaries for inflation was introduced starting with 1985. The preferential maximum tax rate on long-term capital gains under "alternative tax" was revised over the years. Alternative tax was abolished effective 1987, but a maximum capital gains tax rate slightly less than the maximum regular tax rate continued to apply under certain conditions starting with 1991. For additional information on changes affecting tax computations, see *Statistics of Income—Individual Income Tax Returns.*

[25] For 1970, includes tax surcharge of $2,018,078,000.

[26] Includes credits not shown separately in Table 1, such as the political contributions credit (repealed effective 1987), earned income credit (liberalized starting with 1987 and 1991), and low-income housing credit (introduced effective 1987); see also footnote 27. For changes in credits allowed for earlier years, see *Statistics of Income—Individual Income Tax Returns.*

[27] Investment credit was included in the more-inclusive general business tax credit starting with 1984. With exceptions, investment credit was repealed effective 1986.

[28] Includes income tax after credits and additional tax for tax preferences, i.e, "minimum tax" or "alternative minimum tax" (see footnote 29).

[29] The add-on "minimum tax" on "tax preferences" (chief among which were long-term capital gains) was introduced starting with 1970. (This tax was formerly described in Statistics of Income as the "additional tax for tax preferences.") The minimum tax computation, using a base related to taxable income, was revised and the tax rate increased effective 1976. The number of preferences subject to tax was also revised effective 1976 and 1981. Starting with 1979, two major preferences formerly subject to minimum tax (including long-term capital gains) were subjected, instead, to the new "alternative minimum tax" (AMT) which required taxpayers to pay the larger of the regular income tax or AMT. Computation of AMT was revised effective 1980 (to allow tax to be reduced by certain credits) and, again, effective 1981 (to modify the graduated rate structure). Minimum tax was abolished effective 1983 and many of the tax preferences subject to this tax subjected, instead, to a revised AMT. AMT was increased starting with 1983 by introduction of a single tax rate which replaced the two graduated rates that were lower; the single rate was increased effective 1987 and 1991. (Preferential tax treatment of long-term capital gains was removed effective 1987, and the gains exempted from AMT as a result.)

[30] Includes refunds and credits to the following year's estimated tax, and refundable portion of earned income credit. Reflects overpayments of income tax, tax recapture of certain prior-year tax credits, tax applicable to Individual Retirement Arrangements (IRA's), self-employment (social security) tax, social security tax on certain tip income, and certain other income-related taxes (for the taxes applicable to the years shown, see *Statistics of Income—Individual Income Tax Returns*).

[31] Reflects taxes mentioned in footnote 30.

SOURCE: *Statistics of Income—Individual Income Tax Returns*, appropriate years. Data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of the changes mentioned above.

Table 2

[1] Includes returns with adjusted gross deficit.

[2] U.S. totals in Table 2 do not agree with Tables 1 and 3 mostly because Table 2 also includes (a) "substitutes for returns," whereby the Internal Revenue Service constructs returns for certain known nonfilers on the basis of available information and imposes an income tax on the resulting estimate of "taxable income," and (b) returns of nonresident or departing aliens. In addition, for purposes of Table 2:

a. "Number of exemptions" also includes responses of taxpayers who checked the boxes on their tax return for age 65 or over or for blindness in order to claim the additional standard deductions for age or blindness. This treatment enables some comparability to be maintained between State data starting with 1987 and data for years prior to 1987. Number of exemptions are still understated, however, because these boxes are not checked if taxpayers itemize deductions. (Prior to 1987, checking these boxes entitled taxpayers to additional personal exemptions.)

b. "Itemized deductions" includes any amounts reported by the taxpayer, even if they were not used in computing taxable income, e.g., amounts reported on returns with no adjusted gross income.

c. "Total tax liability" includes income tax after credits, alternative minimum tax, tax recapture of prior-year investment or low-income housing credits, tax applicable to Individual Retirement Arrangements (IRA's), self-employment (social security) tax, social security tax on certain tip income, and certain other income-related taxes. Total tax liability is before reduction by earned income credit (see footnotes 2(d) and 3, below).

d. "Earned income credit" includes both the refundable and nonrefundable portions. The nonrefundable portion could reduce income tax and certain related taxes to zero. See also footnote 3.

[3] "Excess earned income credit" represents the refundable portion of the credit (see footnote 2(d)) and equals the amount in excess of total tax liability (defined in footnote 2(c)), including any advance earned income credit payments for those returns which had such an excess.

[4] Includes, for example, returns filed from Army Post Office and Fleet Post Office addresses by members of the armed forces stationed overseas; returns filed by other U.S. citizens abroad; and returns filed by residents of Puerto Rico with income from sources outside of Puerto Rico or with income earned as U.S. Government employees.

NOTE: This table presents aggregates of all returns filed and processed through the Individual Master File (IMF) system during Calendar Year 1993. Data have not been edited for Statistics of Income purposes.

SOURCE: Internal Revenue Service, Corporate Systems, Individual Statistics Branch.

Table 3

[1] There were major changes in filing requirements and conceptual changes in the definitions of adjusted gross income (AGI) and taxable income starting with 1987. Percentages based on AGI starting with 1987 are therefore not comparable with 1986 and earlier years. For explanations, see "Individual Income Tax Returns, Preliminary Data, 1987," *Statistics of Income Bulletin*, Spring 1989, Volume 8, Number 4, and *Statistics of Income—1987, Individual Income Tax Returns*.

[2] Includes income tax after credits and the "alternative minimum tax" (see footnote 3).

[3] In addition to low-income taxpayers, this size class (and others) includes taxpayers with "tax preferences," not reflected in adjusted gross income or taxable income, which are subject to the "alternative minimum tax" (included in "total income tax") defined in footnote 29, Table 1.

SOURCE: *Statistics of Income—Individual Income Tax Returns*, appropriate years. Data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of the changes mentioned above.

Table 4

[1] Represents "income" from owner-occupied nonfarm housing (less actual rental income and subsidies); proprietors' income; services to individuals furnished without payment by financial intermediaries (except life insurance carriers and private non-insured pension plans); employment-related food to employees, including that related to military and domestic service; standard military clothing issued to military personnel; and employees' lodging. Excludes employer-paid health and life insurance premiums.

[2] Represents imputed interest received by persons from life insurance carriers and private non-insured pension plans.

[3] Starting with 1990, the procedure for estimating the difference between NIPA and IRS treatment of depreciation was revised. Therefore, the data for years before 1990 are not comparable to data for later years.

[4] Represents income of low-income individuals not required to file individual income tax returns, unreported income, and statistical errors or omissions and effects of errors in data for adjusted gross income or personal income.

SOURCE: U.S. Department of Commerce, Bureau of Economic Analysis, *The National Income and Product Accounts of the United States, Volume 1, 1929-58,* 1993, and *Volume 2, 1959-88,* 1992; for years after 1988, *Survey of Current Business*, various issues. Statistics of Income data are subject to sampling error; tax law and tax form changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of the changes mentioned above.

Tables 5 and 6

[1] See Table 4 for the differences between personal income and adjusted gross income.

[2] Beginning with 1987, data are not comparable with earlier years because of major changes in the definition of adjusted gross income.

SOURCE: U.S. Department of Commerce, Bureau of Economic Analysis, *The National Income and Product Accounts of the United States, 1929-58, Volume 1*, 1993, and *Volume 2, 1959-88,* 1992; for years after 1988, *Survey of Current Business*, various issues. Statistics of Income data are subject to sampling error; tax law and tax form changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of the changes mentioned above.

Table 7

[1] Returns with standard deduction, starting with 1955, include a small number with no adjusted gross income and no deductions. (For 1977-1986, standard deduction is the "zero bracket amount," which was also reported on a small number of returns included in the 1987-1988 statistics; see footnote 2.) For 1944-1954, returns with no adjusted gross income are included in the number of returns with itemized deductions.

[2] Amount of standard deduction for 1944-1957 was estimated by Joseph A. Pechman, The Brookings Institution, on the basis of the distribution of the number of returns by income class and marital status in *Statistics of Income—Individual Income Tax Returns*, and, starting with 1958, was obtained directly from Statistics of Income tabulations for these years. Represents "zero bracket amount" for 1977-1986. Starting with 1987, represents the sum of "basic" and "additional" standard deductions (for age 65 or over and for blindness); also includes zero bracket amount reported on the small number of prior-year returns filed in 1988-1989 that were included in the 1987-1988 statistics.

[3] For 1977-1986, itemized deductions are before subtraction of "zero bracket amount."

[4] Sum of standard and itemized deductions, plus charitable deduction reported on standard deduction returns for Tax Years 1982-1986. For 1987-1988, total deductions also include "zero bracket amount" reported on a small number of returns (see footnote 2).

[5] See footnote 2, Tables 5 and 6.

SOURCE: Except as indicated in footnote 1, *Statistics of Income—Individual Income Tax Returns*, and unpublished tables, appropriate years. Data are subject to sampling error. Tax law and form changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of the changes mentioned above.

Notes to Selected Historical and Other Data Tables

Table 8

[1] See Table 4 for the differences between personal income and adjusted gross income.

[2] Excludes the "zero bracket amount" for 1977-1986. Because of major changes in law, taxable income starting with 1955 and 1987 is not comparable with earlier years. See also footnote 23, Table 1.

[3] For the definition of total income tax, see footnote 28, Table 1.

SOURCE: U.S. Department of Commerce, Bureau of Economic Analysis, *The National Income and Product Accounts of the United States, Volume 1, 1929-58,* 1993, and *Volume 2, 1959-88,* 1992; for years after 1988, *Survey of Current Business*, various issues; and *Statistics of Income—Individual Income Tax Returns*, appropriate years. Statistics of Income data are subject to sampling error; tax law and tax form changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of the changes mentioned above.

Table 9

[1] Starting with 1975, includes refundable portion of the earned income credit.

SOURCE: Statistics of Income—Individual Income Tax Returns, and unpublished tables, appropriate years. Data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of the changes mentioned above.

Table 10

[1] Includes deductions not shown separately. After 1986, total deductions includes disallowed "passive losses." Therefore, business receipts minus total deductions do not equal net income (less deficit), which excludes disallowed amounts, but which also is after subtraction of passive loss carryover from prior years. (Net income or deficit also excludes disallowed passive losses, and is after subtraction of passive loss carryover.)

SOURCE: *Statistics of Income—Sole Proprietorship Returns*, appropriate years, and *Statistics of Income Bulletin*, Summer issues (for most years). Data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of the changes mentioned above.

Table 11

[1] Includes assets and liabilities not shown separtely. Totals are somewhat understated because not all partnership returns included a complete balance sheet.

[2] Short-term debt is the abbreviated title for mortgages, notes, and bonds payable in less than 1 year.

[3] Long-term debt is the abbreviated title for mortgages, notes, and bonds payable in 1 year or more. In addition, for Tax Year 1975, long-term debt included nonrecourse loans.

[4] "Total receipts" and "total deductions" include amounts not shown separately. Prior to 1981, "total receipts" included *gross* income from farming, rents, and royalties. Expenses related to this income were included under "total deductions." Starting with 1981, only the *net* incomes or deficits from farming, rents, and royalties were tabulated; the positive amounts were included under "total receipts" and the negative amounts, under "total deductions." The related expenses were not tabulated. Because of a redesign of the partnership return, starting with 1987, total receipts was computed as the sum of "total income from a trade or business;" "portfolio income" distributed directly to partners, from interest, dividends, royalties, and "other" (omitted from the receipts shown in certain other Statistics of Income tables), but not from net capital gains; rental real estate income (positive amounts only); and income from other rental activities (positive amounts only). Most, but not all, of these types of income were included in receipts data for 1986 and earlier years. Portfolio income from capital gains, starting with 1987, was intentionally omitted to improve the comparability of the data with earlier years.

[5] Starting with 1987, "business receipts" represents gross receipts from sales and operations and, for partnerships in finance, insurance, and real estate, investment income, such as interest, dividends, and rents (but not capital gains). Also, in finance, insurance, and real estate prior to 1981, only gross rentals reported as investment income were treated as business receipts and only if they were the principal operating income.

[6] For 1982-1986, also includes certain dividends reported in combination with interest.

[7] After 1980, represents the more complete amounts reported in depreciation computation schedules

rather than the amounts reported as the depreciation deduction (augmented by depreciation identified for the statistics in cost of sales and operations schedules).

SOURCE: *Statistics of Income—Partnership Returns*, appropriate years, and *Statistics of Income Bulletin*, Summer or Fall issues (for most years). Data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of the changes mentioned above.

Table 12

[1] Size classes are based on "business receipts," i.e., gross amounts from sales and operations, for industries except those in finance, insurance, and real estate. For the latter industries, "total receipts," which is the sum of business receipts and investment income, was used. For partnerships, comparability of data by size of receipts is affected by revisions to the definition of receipts; see also footnotes 4 and 5, Table 11. To help minimize the break in comparability caused by the change in statistical treatment of partnership farm and rental income, an effort was made for 1981-1987 only, to include rental (though not farm) gross income in the receipts used for the size distribution in Table 12. Starting with 1988 though, only partnership net rentals are reflected in the size distribution.

[2] Includes returns with no business receipts.

[3] Includes corporations and partnerships with zero assets and liabilities. In addition, for partnerships, includes partnerships without balance sheet information (see also footnote 5, below).

[4] See footnote 4, Table 11.

[5] Prior to 1979, partnerships that had liquidated were assumed to have zero assets and liabilities, even if their balance sheets showed otherwise, and were included in the "under $25,000" asset size class. Beginning with 1980, balance sheet data for liquidated partnerships were tabulated as reported and were included in the appropriate asset size classes.

[6] For the difference between the number of business returns and the number of businesses, see Table 10.

SOURCE: *Statistics of Income—Corporation Income Tax Returns; Statistics of Income—Partnership Returns, Sole Proprietorship Returns,* and *Business Income Tax Returns*, depending on the year; and *Statistics of Income Bulletin*, Summer or Fall issues (for most years). Tax law and tax form changes affect the year-to-year comparability of the data. See the appropriate Statistics of Income reports for a description of sampling error and of the changes mentioned above.

Table 13

[1] Starting with 1985, number of returns excludes taxable cooperatives, and, starting with 1988, excludes returns filed by Foreign Sales Corporations (FSC's) and Interest Charge-Domestic International Sales Corporations (IC-DISC's); see also footnotes 5 and 6, below. Because of the omission of these returns, totals for all income and financial items shown in the statistics (except those not applicable to IC-DISC's and FSC's, such as "income subject to tax," "income tax," and tax credits) are slightly understated.

[2] Consolidated returns were filed on an elective basis for groups of affiliated corporations (with exceptions), in general, if 80 percent or more of the stock of the affiliates was owned within the group and a common parent corporation owned at least 80 percent of the stock of at least one of the affiliates.

[3] Included in "number of returns, total" and "number with net income."

[4] In general, certain small, closely-held corporations that elected to be taxed at the shareholder level, with no more than 35 shareholders (25 for 1982; 15 for 1979-1981; 10 or 15 for 1977-1978, depending on conditions contained in the law; and 10 for earlier years).

[5] Domestic International Sales Corporations (DISC's) were designed to promote U.S. exports. They were taxed through parent corporations, but only when profits were distributed or deemed distributed to them. This system of tax deferral was generally replaced after 1984 with a new system of Foreign Sales Corporations (FSC's); see footnote 6. Tax benefits of DISC's remaining after 1984 were limited and an interest charge for tax-deferred amounts was imposed on the parent corporations whose DISC subsidiaries were unable to meet the FSC requirements and that elected to continue as IC-DISC's. Counts presented for DISC's after 1984 are, therefore, limited to IC-DISC's.

[6] Foreign Sales Corporations (FSC's) generally replaced DISC's as a means of promoting U.S. exports (see footnote 5). Under the FSC provisions, a

portion of these subsidiaries' "foreign trade income" was exempt from U.S. income tax.

[7] Starting with 1985, inventories includes amounts reported by real estate subsidividers and developers previously included in "other investments."

[8] For 1980 and 1985 data, tax-exempt securities, representing investments in State and local Government obligations, were reported with investments in U.S. Government obligations as a combined total on the tax return. Starting with 1989, tax-exempt securities were again reported separately, but were defined to include, not only investments in State and local Government obligations, but also stock in investment companies that distributed dividends during the current year representing tax-exempt interest on such obligations.

[9] Starting with 1991, accounts payable of banking and savings and loan institutions includes deposits and withdrawable shares previously reported in "other current liabilities."

[10] In general, starting with 1983, statistics for receipts, deductions, and net income (or deficit) of S Corporations are limited to those attributable to a trade or business. Therefore, most investment income or loss, such as from taxable interest, dividends, rents, royalties, and gain (loss) from sales of investment property; the deductions related to this income; as well as deductions for charitable contributions, intangible drilling and development costs, oil and gas depletion, foreign taxes paid, and the limited expensing of the cost of depreciable assets (Code section 179), are not reflected in net income (because they were allocated directly to shareholders, instead). See also footnote 11.

[11] Starting with 1987, "business receipts" includes the full amount reported by stock and commodity brokers and exchanges, and by real estate subdividers, developers and operative builders, even when they bought and sold securities, commodities and real estate on their own account. Previously, such transactions were treated as "net gain (loss), noncapital assets."

[12] See footnote 10.

[13] Starting with the 1985 statistics, includes any dividends reported in combination with interest on Form 1120-S by S Corporations, i.e., certain corporations that elect to be taxed through share holders (see footnote 4). Based on prior years when Form 1120-S required each to be reported separately, nearly all of the combined amount represents interest.

[14] For the 1985 statistics, "other deductions" includes depletion and employer contributions to pension, profit-sharing, stock bonus, and annuity plans, and to employee benefit programs, reported on the Form 1120-A short form. Starting with 1988, identifiable amounts reported on Form 1120-A for any of these items are included in the statistics for the appropriate deduction. See footnote 10.

[15] In general, "total receipts less total deductions" includes nontaxable interest on State and local Government obligations, but excludes income from related foreign corporations only "constructively" received. As such, total receipts less total deductions" represents all income, taxable and nontaxable, "actually" received by the corporation, as reported on the corporation income tax return, and excludes all income only "constructively" "received. In contrast, "net income (less deficit)" represents all taxable income, actually or constructively received. Therefore, in the statistics, "total receipts less total deductions" minus "nontaxable interest on State and local Government obligations" and "constructive taxable income from related foreign corporations" equals "net income (less deficit)." For the exception, see footnote 16.

[16] "Net income (less deficit)," "net income," and "deficit" for 1988 and 1990-1991 exclude net long-term capital gain reduced by net short-term capital loss reported by regulated investment companies. See also footnote 15.

[17] For most years, "income subject to tax" (the corporate tax base) exceeds "net income (less deficit)" chiefly because of the deficits reported on returns without net income. Moreover, it is the sum of the several tax bases applicable over time to different classes of corporations, not all of which were directly related to net income. Income subject to tax thus includes the "taxable income" base used by most companies (and defined as net income minus certain statutory special nonbusiness deductions); prior to 1988, a variation of this base in combination with net long-term capital gains in certain situations where the lower capital gains tax applied; and the special tax bases applicable to S Corporations (otherwise taxed through their shareholders), insurance businesses, and certain investment companies. Profits of Domestic International Sales Corporations were tax-deferred; most of those of

qualifying Foreign Sales Corporations were tax-exempt and those of S Corporations were taxed through their individual shareholders. Therefore, the net income of all these corporations is excluded from income subject to tax for years for which data for these companies are included in the statistics (see also footnote 1.)

[18] For 1970, includes tax surcharge of $784,437,000. For 1975-1980, includes tax from recapture of Work Incentive Program (WIN) credit; starting with 1985, includes Personal Holding Company tax; starting with 1988, includes tax on "branch profits" of foreign corporations with U.S. operations; and, starting with 1989, includes certain lesser taxes, including special taxes applicable to real estate investment trusts and foreign corporations with U.S.-source income.

[19] Different tax rate structures applied for Tax Years 1970, 1971-1974, 1975-1978, 1979-1981, 1982, 1983-1986, and 1987-1991. In general, starting with tax years beginning in 1987, "alternative tax" was repealed. This tax included a maximum rate on long-term capital gains that produced a tax that was less than that produced by the regular tax rates.

[20] Effective during 1987, the "alternative minimum tax" replaced the "minimum tax" (formerly referred to in the statistics as the "additional tax for tax preferences"), which was introduced for tax years that ended in 1970. The tax rate for minimum tax was increased and the computation revised starting with Tax Year 1976; computation was further modified effective with Tax Years 1977, 1983, 1984, and 1990. Tax preferences subject to the tax were redefined starting with Tax Year 1976, and slightly expanded starting with Tax Year 1977. The alternative minimum tax rate exceeded that applicable under the former minimum tax.

[21] Starting with the 1985 statistics, general business credit includes alcohol fuel, investment, jobs and employee stock ownership plan (ESOP) credits which were reported separately for previous years. Also included are the research credit (starting 1986) and the low-income housing credit (starting 1987). With exceptions, investment credit was repealed effective 1986; employee stock ownership plan contributions credit was repealed effective 1987. For changes in definitions of component credits, see *Statistics of Income—Corporation Income Tax Returns,* for the years concerned.

SOURCE: *Statistics of Income—Corporation Income Tax Returns*, appropriate years. Data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data. See the appropriate Statistics of Income reports for a description of sampling error and of the changes mentioned above.

Table 14

[1] See footnote 1, Table 13.

[2] See footnote 10, Table 13.

[3] See footnote 11, Table 13.

[4] See footnote 13, Table 13.

[5] See footnotes 18 and 19, Table 13.

[6] In addition to regular (and alternative tax, for years prior to 1988), includes certain other taxes either shown in Table 13, or specified in footnote 18, Table 13. See *Statistics of Income—Corporation Income Tax Returns,* for the years concerned for more detailed explanations.

SOURCE: *Statistics of Income—Corporation Income Tax Returns*, appropriate years. Data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data. See the appropriate Statistics of Income reports for a description of sampling error and of the changes mentioned above.

Table 15

[1] Profits shown are without inventory valuation and capital-consumption adjustments.

[2] "Net income (less deficit)" and "income subject to tax" exclude taxable cooperatives starting with Tax Year 1980. Net income (less deficit) starting with 1985 excludes Foreign Sales Corporations (FSC's) and Interest-Charge Domestic International Sales Corporations (IC-DISC's); see also Table 13, footnote 1. For regulated investment companies, see Table 13, footnote 16.

[3] For the definition of "income subject to tax," see footnote 17, Table 13. See also footnote 2, above.

SOURCE: U.S. Department of Commerce, Bureau of Economic Analysis, *The National Income and Product Accounts of the United States, Volume 1, 1929-58,* 1993, and *Volume 2, 1959-88,* 1992; for years after 1988, *Survey of Current Business*, various issues; and *Statistics of Income—Corporation Income Tax Returns*, appropriate years. Statistics of Income data are subject to sampling error; tax law and tax form changes affect the year-to-year comparability of the data. See the specific Statistics of

Income reports for a description of sampling error and of the changes mentioned above.

Table 16

[1] Total adult deaths represent those of individuals age 20 and over, plus deaths for which age was unavailable.

[2] Prior to 1982, number of taxable returns by year of death is only approximate because, while the majority of returns filed in a given calendar year represent estates of decedents who died in the immediately-preceding year, many represent estates of decedents who died in earlier years. Therefore, the number of taxable returns shown as for 1976 decedents are actually the number of taxable returns filed in 1977, regardless of year of death. Starting with 1982, statistics for year of death are more accurate, since they are based on year of death as reported on return filings over a period of 3 successive years. Thus, returns of 1989 decedents, for example, are based on the year of death reported on returns that were filed in 1989-1991.

Data for 1965 and subsequent years are not altogether comparable with earlier years. Starting with 1965, the number of taxable returns with taxable estate was based on estate tax *after* credits; previously, it was based on estate tax *before* credits.

Year-to-year comparability is affected by changes in the gross estate filing threshold which is based on date of death: 1934 ($50,000); 1935 ($50,000 changing to $40,000); 1936-1941 ($40,000); 1942 ($40,000 changing to $60,000); 1943-1976 ($60,000); 1977 ($120,000); 1978 ($134,000); 1979 ($147,000);1980 ($161,000);1981 ($175,000); 1982 ($225,000); 1983 ($275,000); 1984 ($325,000); 1985 ($400,000); 1986 ($500,000); and 1987 and thereafter ($600,000).

SOURCE: For years after 1953, *Statistics of Income -- Estate Tax Returns*; *Estate and Gift Tax Returns*; *Fiduciary, Estate and Gift Tax Returns*, depending on the year; or the *Statistics of Income Bulletin*, selected issues. For years prior to 1954, *Statistics of Income--Part 1*. Adult deaths are from National Center for Health Statistics, Public Health Service, U.S. Department of Health and Human Services, *Vital Statistics of the United States*, unpublished tables.

Tables 17 and 18

[1] Includes that portion which was designated for the Presidential election campaign fund by taxpayers on their tax returns. Also included is the fiduciary income tax collected (from estates and trusts). Fiduciary income tax collected *in* 1993 was $6.0 billion; *in* 1992, $6.1 billion; *in* 1991, $4.8 billion; *in* 1990, $5.9 billion; *in* 1989, 6.0 billion; *in* 1988, $6.5 billion; and, *in* 1987, $8.4 billion. Presidential election campaign designations amounted to $24.9 million *in* 1993; $29.6 million *in* 1992; $32.3 million *in* 1991; $32.5 million *in* 1990; $32.3 million *in* 1989; $33.2 million *in* 1988; and $33.2 million *in* 1987.

[2] Includes various taxes applicable to tax-exempt organizations, including the tax on "unrelated business income." Total taxes collected from tax-exempt organizations were $173.6 million *in* 1993, $181.6 million *in* 1992, $155.6 million *in* 1991, $127.9 million *in* 1990, $115.6 million *in* 1989, $137.5 million *in* 1988, and $119.9 million *in* 1987.

[3] Excise taxes are imposed on selected products, services and activities, such as on alcohol and tobacco products and on gasoline. Statistics shown in Table 17 have been revised, starting with Fiscal Year 1988, to include alcohol and tobacco taxes, collection of which was transferred from the Internal Revenue Service to the Bureau of Alcohol, Tobacco, and Firearms, starting with that year. Collections of manufacturers tax on recreational products include taxes on firearms, responsibility for which was transferred from the Internal Revenue Service to the Bureau of Alcohol, Tobacco, and Firearms starting January 1991. Collections exclude taxes on cargoes paid to the U.S. Customs Service.

[4] Employment taxes include payroll taxes levied on salaries and wages, such as social security, railroad retirement, and unemployment taxes; plus the self-employment tax imposed on "self-employment income."

NOTES: Refunds in Table 18 are associated with the taxes (including alcohol, tobacco, and firearms taxes) described in footnotes 1-4, Table 17. Collections (or refunds) are those made during time periods indicated, regardless of the year or other period during which the tax liability was incurred (or to which the refund applied).

Collections represent the gross amounts before refunds and include amounts paid with the tax return; prior to filing the return (as applicable, income tax withheld by employers and estimated tax payments); and subsequent to filing the return (chiefly the result of initial return processing or of examination and enforcement activities).

Collections also include interest and penalties.

Refunds result chiefly from tax overpayments determined at time of filing a return. Also included are amounts subsequently determined as due the taxpayer as a result of an amended return or a claim for refund (including those produced by "net operating loss" and other carryback adjustments from future taxable years); or as a result of initial return processing or of IRS examination and other activities. Individual income tax refunds are net of offsets under laws which require IRS to act as collecting agent for delinquent payments owed various U.S. Government agencies under specific programs. All refund data include interest paid by IRS (*in* 1993, $2.1 billion; *in* 1992, $3.2 billion; *in* 1991, $2.8 billion; *in* 1990, $2.4 billion; *in* 1989, $0.5 billion; *in* 1988, $0.4 billion; and, *in* 1987, 0.4 billion.

For 1970 and 1975, the fiscal year was defined as July of the previous calendar year through June of the year noted. Starting with 1980, the fiscal year was redefined as October of the previous calendar year through September of the year noted. (For Fiscal Year 1976, data are not shown for the interim period, July-September 1976.)

Starting with Fiscal Year 1988, additional detail on manufacturers excise taxes, retail and special fuel taxes, and miscellaneous excise taxes is available in the fourth quarter *Internal Revenue Report of Excise Taxes*; previously this information was published in the *Internal Revenue Service Annual Report*. For additional detail on alcohol, tobacco, and firearms taxes, see the Statistical Release, *Alcohol and Tobacco Tax Collections*, Bureau of Alcohol, Tobacco, and Firearms, U.S. Department of the Treasury.

SOURCE: U.S. Department of the Treasury, Internal Revenue Service, Case Processing, Accounting Branch.

Table 19

[1] Alcohol and tobacco taxes each include special (occupational) taxes prior to Fiscal Year 1988. Starting with Fiscal Year 1988, occupational taxes are excluded from the separate amounts shown for alcohol and for tobacco taxes, although they are reflected in the combined total for *all* alcohol and tobacco taxes.

[2] Also includes lubricating oil taxes. Effective January 7, 1983, taxes on lubricating oil were repealed.

[3] Effective January 1, 1984, taxes on tubes and tread rubber were repealed.

[4] Effective January 7, 1983, the manufacturers excise taxes on parts and accessories for trucks and buses, which are included in this classification, were repealed. Beginning with the quarter ending December 1983, taxes on motor vehicles are excluded.

[5] Includes taxes on diesel and special motor fuels which were classified as miscellaneous excise taxes in 1970. Starting with the quarter ended December 1983, includes taxes on motor vehicles and, starting with the quarter ended March 1990, leaking underground storage tank trust fund tax (except for fuel used in aviation, which is classified under environmental excise taxes).

[6] Repealed effective August 23, 1988. Amounts reported for more recent time periods result from amended filings, delinquent taxes, examination activities and refunds of tax deposited in excess of tax liabilities.

[7] Environmental "Superfund" tax expired September 1985, but was reimposed January 1987. Data include oil spill trust fund and ozone-depleting chemical taxes, effective January 1990. Also includes leaking underground storage trust fund tax for quarters ended March 1988 through December 1989; thereafter, except for the tax on aviation fuel use, this tax is classified under special fuels tax.

NOTE: Amounts reported for specific excise taxes are the total tax liabilities reported on returns processed during the period shown and thus differ from amounts collected during the same period through deposits and payments attached to returns, some of which were processed in other quarters. Gross excise tax collections are shown in Table 17.

SOURCE: U.S. Department of the Treasury, Internal Revenue Service, Case Processing, Accounting Branch; and Financial Management Service.

Table 20

[1] Form 1040 is the "long form;" Form 1040A, the "short form." Prior to 1994, Form 1040EZ was a special short form for single taxpayers with no dependents; starting with 1994, certain married taxpayers with no dependents could also file on this form. Starting with Calendar 1992, each of these three categories exclude "paper" returns (so-called Form 1040PC returns), filed by taxpayers (or tax preparers) using an IRS-approved computer software-generated format. "Other" includes Form 1040C (departing aliens) in years before 1992; 1040NR (nonresident aliens); 1040PR (self-employment tax, Puerto Rico); and 1040SS (self-employment tax, Virgin Islands, Guam, and American Samoa). However, "other" excludes Form 1040X (amended returns) and "substitutes for returns" (returns "con-

structed" by the Internal Revenue Service for certain known nonfilers on the basis of available information).

Totals for Forms 1040, 1040A, and 1040EZ (including so-called Forms 1040PC) are comprised of "business" and "nonbusiness" returns. "Business" returns are filed on Form 1040 (or on "Form 1040PC," starting with the statistics for Calendar year 1993); "nonbusiness" returns are filed on Forms 1040, 1040A, and 1040EZ (or on "Form 1040PC," also starting with Calendar Year 1993). Schedule C is for reporting nonfarm sole proprietorship businesses and Schedule F is for reporting farm income and expenses.

Starting in 1986, totals for Forms 1040, 1040A, and 1040EZ, as well as for nonbusiness and nonbusiness Form 1040 returns, are comprised of "paper returns" (including those classified as "Form 1040PC," starting in 1993), plus "standard" electronically-filed (ELF) returns (usually filed by tax preparers). Starting in 1992, the totals also include returns filed by telephone ("TeleFile").

[2] Form 1120 is the basic corporation income tax return; Form 1120A is the short form; and Form 1120S is for S Corporations (certain small companies electing to be taxed through their shareholders, no more than 35 shareholders starting with 1983, and either 15 or 10, for earlier years). "Other" includes Forms 1120F (most foreign companies with U.S. income); 1120L (life insurance companies) starting in 1992 (included in the statistics for Form 1120 in the earlier years); 1120 POL (certain political associations); 1120H (homeowners associations); 1120-FSC (Foreign Sales Corporations or FSC's) starting in 1986; starting in 1988, 1120-REIT for real estate investment trusts, 1120-RIC for regulated investment companies (both of which formerly filed on Form 1120), and 1120-PC for property and casualty insurance companies (which formerly filed on Form 1120 or 1120M, described below). "Other" also includes Form 1120 DF (for designated funds) starting in 1988; and for years before 1988, Form 1120M, discontinued, for mutual non-life insurance companies which now file on Form 1120 or Form 1120-PC (and are included in the statistics for Form 1120 in the earlier years). "Other" excludes Forms 1120-DISC for Domestic International Sales Corporations or DISC's, discontinued after 1985 and mostly replaced by FSC's (see above); 1120 IC-DISC for Interest Charge-Domestic International Sales Corporations, which replaced certain DISC's after 1985; and 1120X, amended returns.

[3] Form 1041 is the regular fiduciary income tax return filed for estates and trusts. For 1988-1990, includes Form 1041S (short form). For 1970, includes Form 1041A (trust accumulation of charitable trusts, information return).

[4] Form 706 is the regular estate tax return; Form 706NA is for U.S. estates of nonresident aliens.

[5] Form 990 is for tax-exempt organizations, except private foundations (Form 990-PF). Form 990EZ is the short form. Form 990-T is the income tax return filed for businesses conducted by tax-exempt organizations. Form 990-C is for farmers' cooperatives. Form 4720 is for computing the special excise taxes applicable to certain private foundations and Form 5227 is for split-interest trusts treated as private foundations. The 1970 total on the line for Forms 990 and 990EZ also includes Forms 990A filed for tax-exempt charitable organizations.

SOURCE: U.S. Department of the Treasury, Internal Revenue Service, Compliance Research, Projections and Forecasting Group.

Table 21

[1] Number of returns with a paid preparer signature is based on different sources, depending on the year. Data for 1988 are estimated based on the Statistics of Income sample for that year. Data for 1989-1992 are from the Individual Master File of all individual income taxpayers, with the following exceptions: starting with 1989, the number of returns with itemized deductions; starting with 1990, the number of returns that were filed electronically. These latter numbers were estimated from the Statistics of Income—Taxpayer Usage Study (TPUS) samples of returns filed during the first 4 months for these years.

[2] Data on electronically-filed returns are included in the counts of Form 1040 returns shown above in Table 21, for all years. Starting with Tax Year 1990, data are based on the TPUS sample (see footnote 1) of returns filed, extended to cover the first 8 months of the filing year. No adjustment was made for the returns filed after the first 8 months on the assumption that few were likely to have been filed electronically during these months.

[3] Data on IRS Taxpayer Service Programs are collected either on a fiscal-year or calendar-year basis, depending on the program. In general, assistance rendered in a given fiscal year may be related to returns due on

April 15th during that fiscal year and is for the tax year ending with the previous December. As a result, data in Table 21 on telephone and written inquiries; office walk-in's, information; and taxpayer contacts through community classes and seminars, which are presented on a tax year basis, are actually for a fiscal year. Therefore, data for these contacts shown as for Tax Year 1992, for example, are actually for Fiscal Year 1993.

NOTE: Data on IRS assistance represent taxpayer contacts. Some taxpayers make more than one contact. The number of taxpayers assisted (in contrast to the number of contacts made) is not known.

SOURCE: Data on paid preparers were obtained from Statistics of Income; and Corporate Systems, Individual Systems Branch. Data on IRS assistance were obtained from Taxpayer Service.

SOI Sampling Methodology and Data Limitations

Appendix

This appendix discusses typical sampling procedures used in most Statistics of Income (SOI) programs. Aspects covered briefly include sampling criteria, selection techniques, methods of estimation and sampling variability. Some of the nonsampling error limitations of the data are also described, as well as the tabular conventions employed.

Additional information on sample design and data limitations for specific SOI studies can be found in the separate SOI reports (see the References at the end of this appendix). More technical information is available, upon request, by writing to the Acting Director, Statistics of Income CP:S, Internal Revenue Service, P.O. Box 2608, Washington, DC 20013-2608.

Sample Criteria and Selection of Returns

Statistics compiled for the SOI studies are generally based on stratified probability samples of income tax returns or other forms filed with the Internal Revenue Service (IRS). The statistics do not reflect any changes made by the taxpayer through an amended return or by the IRS as a result of an audit. As returns are filed and processed for tax purposes, they are assigned to sampling classes (strata) based on criteria such as: industry, presence or absence of a tax form or schedule, accounting period, State from which filed and various income factors or other measures of economic size (total assets, for example, is used for the corporation and partnership statistics). The samples are selected from each stratum over the appropriate filing periods. Thus, sample selection can continue for a given study for several calendar years — 3 for corporations because of the prevalence of fiscal (non-calendar) year reporting. Because sampling must take place before the population size is known precisely, the rates of sample selection within each stratum are fixed. This means, in practice, that both the population and the sample size can differ from that planned. However, these factors do not compromise the validity of the estimates.

The probability of a return being designated depends on its sample class or stratum and may range from a fraction of 1 percent to 100 percent. Considerations in determining the selection probability for each stratum include the number of returns in the stratum, the diversity of returns in the stratum and interest in the stratum as a separate subject of study. All this is subject to constraints based on the estimated cost or the target size of the total sample for the program.

For most SOI studies, returns are designated by computer from the IRS Master Files based on the taxpayer identification number (TIN), which is either the social security number (SSN) or the employer identification number (EIN). A fixed and essentially random number is associated with each possible TIN. If that random number falls into a range of numbers specified for a return's sample stratum, then it is selected and processed for the study. Otherwise, it is counted (for estimation purposes), but not selected. In some cases, the TIN is used directly by matching specified digits of it against a predetermined list for the sample stratum. A match is required for designation.

Under either method of selection, the TIN's designated from one year's sample are for the most part selected for the next year's, so that a very high proportion of the returns selected in the current sample are from taxpayers whose previous years' returns were included in earlier samples. This longitudinal character of the sample design improves the estimates of change from one year to the next.

Method of Estimation

As noted above, the probability with which a return is selected for inclusion in a sample depends on the sampling rate prescribed for the stratum in which it is classified. Weights are, in general, computed by dividing the count of returns filed for a given stratum by the count of sample returns for that same stratum. "Weights" are used to adjust for the various sampling rates used — the lower the rate, the larger the weight. For some studies, it is possible to improve the estimates by subdividing the original sampling classes into "post-strata," based on additional criteria or refinements of those used in the original stratification. Weights are then computed for these post-strata using additional population counts. The data on each return in a stratum are multiplied by that weight. To produce the tabulated estimates, these weighted data are summed to produce the published statistical totals.

Sample returns are designated by computer from the IRS Master Files based on the taxpayer identification number.

Information for this appendix was compiled by Bettye Jamerson, Coordination and Publications Staff, under the direction of Robert Wilson, Technical Advisor. Major contributions were made by Paul McMahon, Mathematical Statistics Team.

Sampling Variability

The particular sample used in a study is only one of a large number of possible random samples that could have been selected using the same sample design. Estimates derived from the different samples usually vary. The standard error of the estimate is a measure of the variation among the estimates from all possible samples and is used to measure the precision with which an estimate from a particular sample approximates the average result of the possible samples. The sample estimate and an estimate of its standard error permit the construction of interval estimates with prescribed confidence that this interval includes the actual population value.

In transcribing and tabulating data from tax returns, checks are imposed to improve the quality of the statistics.

In SOI reports the standard error is not directly presented. Instead, the ratio of the standard error to the estimate itself is presented in decimal form. This ratio is called the coefficient of variation (CV). The user of SOI data may multiply an estimate by its coefficient of variation to recreate the standard error and to construct confidence intervals.

For example, if a sample estimate of 150,000 returns is known to have a coefficient of variation of 0.02, then the following arithmetic procedure would be followed to construct a 68 percent confidence interval estimate:

150,000	(sample estimate)
x 0.02	(coefficient of variation)
= 3,000	(standard error of estimate)
150,000	(sample estimate)
+ or - 3,000	(standard error)
=147,000-153,000	(68 percent confidence interval).

Based on these data, the interval estimate is from 147 to 153 thousand returns. A conclusion that the average estimate of the number of returns lies within an interval computed in this way would be correct for approximately two-thirds of all possible similarly selected samples. To obtain this interval estimate with 95 percent confidence, the standard error should be multiplied by 2 before adding to and subtracting from the sample estimate. (In this particular case, the resulting interval would be from 144 to 156 thousand returns.)

Generally in the *Statistics of Income Bulletin* only conservative upper limit CV's are provided for frequency estimates. These do, however, provide a rough guide to the order of magnitude of the sampling error.

Further details concerning sample design, sample selection, estimation method and sampling variability for a particular SOI study, may be obtained on request by writing the Acting Director, Statistics of Income Division, at the address given above.

Nonsampling Error Controls and Limitations

Although the previous discussion focuses on sampling methods and the limitations of the data caused by sampling error, there are other sources of error that may be significant in evaluating the usefulness of SOI data. These include taxpayer reporting errors, processing errors and effects of an early cut-off of sampling. More extensive information on nonsampling error is presented in SOI reports, when appropriate.

In transcribing and tabulating the information from the returns or forms selected for the sample, checks are imposed to improve the quality of the resultant estimates. Tax return data may be disaggregated or recombined during statistical "editing" in order both to improve data consistency from return to return and to achieve definitions of the data items that are more in keeping with the needs of major users. In some cases not all of the data are available from the tax return as originally filed. Sometimes the missing data can be obtained through field follow up. More often, though, they are obtained through imputation methods. As examples, other information in the return or in accompanying schedules may be sufficient to enable an estimate to be made; prior-year data for the same taxpayer may be used for the same purpose; or data from another return for the same year that has similar characteristics may be substituted. Research to improve methods of imputing data that are missing from returns continues to be an ongoing process [1].

Quality of the basic data abstracted from the returns is subjected to a number of quality control steps including 100-percent key verification. The data are then subjected to many tests based on the structure of the tax law and the improbability of various data combinations. Records failing these tests are then subjected to further review and any necessary corrections are made. In addition, the Statistics of Income Division in the National Office conducts an independent reprocessing of a small subsample of statistically-processed returns as a further check [2].

Finally, before publication, all statistics are reviewed for accuracy and reasonableness in light of provisions of the tax laws, taxpayer reporting variations and limitations, economic conditions, comparability with other statistical series and statistical techniques used in data processing and estimating.

Tabular Conventions

Estimates of frequencies and money amounts that are considered unreliable due to the small sample size on which they are based are noted in SOI tables. The presence of the indicator means that the sampling rate is less than 100 percent of the population and that there are fewer than 10 sample observations available for estimation purposes.

A dash in place of a frequency or amount indicates that no sample return had that characteristic. In addition, a dash in place of a coefficient of variation for which there is an estimate indicates that all returns contributing to the estimate were selected at the 100-percent rate.

Whenever a weighted frequency in a data cell is less than 3, the estimate is either combined with other cells or deleted in order to avoid disclosure of information about individual taxpayers or businesses. These combinations and deletions are indicated in the tables.

Notes

[1] See, for example, Hinkins, Susan M., "Matrix Sampling and the Effects of Using Hot Deck Imputation," in *1984 Proceedings of the American Statistical Association, Section on Survey Research Methods.* Other research efforts are included in *Statistical Uses of Administrative Records: Recent Research and Present Prospects*, Volume 1, Internal Revenue Service, March 1984.

[2] Quality control activities for all SOI studies are published from time to time in a series of separate reports. These reports provide detailed information relating to quality in all phases of SOI processing.

References

Reports that contain additional information about the samples include:

Statistics of Income—1991, Individual Income Tax Returns, (see especially pages 13-17).

Statistics of Income—1990, Corporation Income Tax Returns (see especially pages 9-17).

Statistics of Income—1974-1987, Compendium of Studies of Tax-Exempt Organizations (see descriptions at the end of each chapter).

Statistics of Income—1986-1992, Compendium of Studies of Tax-Exempt Organizations, Volume 2 (see descriptions for selected articles).

Statistics of Income—1984-1988, Compendium of Studies of International Income and Taxes, Foreign Income and Taxes Reported on U.S. Tax Returns (see descriptions at the end of each chapter).

Statistics of Income Bulletin (see each issue).

SOI Projects and Contacts

General Statistical Information: (202) 874-0410 Fax: (202) 874-0922

Project	Primary Analysts	Frequency and Program Content
Americans Living Abroad: 1991 Program	Melissa Redmiles	This periodic study is conducted every 4 years (every 5 years, after 1991). It covers foreign income and taxes paid, and foreign tax credit shown on individual income tax returns. Data are by size of adjusted gross income and country.
Corporation Foreign Tax Credit: 1991 Program 1992 Program 1993 Program	Kimberly Veletto Bill States	This annual study provides data on foreign income and taxes paid and foreign tax credit reported on corporation income tax returns. Data are classified by industry (all years) and country (even-numbered years).
Corporation Income Tax Returns: 1991 Program 1992 Program 1993 Program	Patrice Treubert Allison Clark Janice Washington Jonathan Shook Ellen Legel Victor Rehula	Basic data are produced annually and cover complete income statement, balance sheet, tax and tax credits, and detail from supporting schedules. Data are classified chiefly by industry group or asset size. (Beginning with the 1992 program, S Corporations are a separate study.)
Environmental Excise Taxes (Superfund) Study: 1992 Program 1993 Program	Sara Boroshok	The Superfund Amendments and Reauthorization Act of 1986 (SARA) replaced the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA), authorizing the collection of environmental taxes, a type of excise tax. This study, published annually, is the only source of data that provides detailed tabulations by type of chemical.
Estate Collation	Barry Johnson	This periodic study links estate tax return data for decedents and beneficiaries. Income information for beneficiaries is available both for years preceding and following the decedent's death. Information on gift tax returns is available for the last 2 years of the decedent's life. The most recent study is based on decedents who died in 1982. The next study will be for decedents who died in 1989.
Estate Tax Returns: 1992-1994 Program	Barry Johnson	This annual study includes information on gross estate and its composition, deductions, and tax; and information on the age, sex, and marital status of the decedents. Basic estate tax return data by year in which returns are filed are produced every year. Other statistics are available on a year-of-death basis (approximately every 3 years). The most recent study is based on decedents who died in 1989 with returns filed in 1989-91.
Exempt Organizations Business Income Tax Returns: 1990 Program 1991 Program	Peggy Riley Sara Boroshok	This annual study includes tabulations of "unrelated business" income and deductions for organizations classified as tax-exempt under the Internal Revenue Code. The data file will also be linked with the Forms 990 and 990-PF data files of tax-exempt organizations and private foundations.

SOI Projects and Contacts

General Statistical Information: (202) 874-0410 Fax: (202) 874-0922

Project	Primary Analysts	Frequency and Program Content
Foreign Controlled Corporations: 1990 Program 1991 Program 1992 Program	 John Latzy Dan Holik	This annual study includes data on transactions between U.S. corporations and their foreign owners. Data are classified by country and industry.
Foreign Corporations: 1990 Program 1992 Program 1993 Program	 Bill States Randy Miller Maggie Lewis	This annual study (as of 1992) provides data on activities of foreign corporations that are controlled by U.S. corporations. Data are classified by industry and country.
Foreign Recipients of U.S. Income: 1991 Program 1992 Program	 Denise Bori	This annual study provides data by country on income paid to nonresident aliens and the amount of tax withheld for the U.S. Government.
Foreign Sales Corporations (FSC): 1992 Program	 Dan Holik	These corporations replaced the Domestic International Sales Corporation, or DISC, as of January 1, 1985. Balance sheet, income statement, and export-related data are tabulated annually through 1987, and then on a 4-year cycle after 1992.
Foreign Trusts: 1990 Program	 Randy Miller	This periodic study, conducted every 4 years, provides data on foreign trusts that have U. S. persons as grantors, transferors, or beneficiaries. Data include country where trust was created, value of transfer to the trust and the year the trust was created.
Individual Income Tax Return Public Use File	Mario Fernandez	Microdata magnetic tape files, produced annually, contain detailed information obtained from the individual statistics program, with identifiable taxpayer information omitted to make the file available for public dissemination, on a reimbursable basis. (In addition to microdata files, specific tabulations from them are produced, also on a reimbursable basis.)
Individual Income Tax Returns: 1991 Program 1992 Program 1993 Program	 Michael Strudler Marty Shiley	Basic data are produced annually and cover income, deductions, tax, and credits reported on individual income tax returns and associated schedules, chiefly by size of adjusted gross income.
Interest-Charge Domestic International Sales Corporations (IC-DISC): 1991 Program	 Dan Holik	These corporations replaced the Domestic International Sales Corporation, or DISC, as of January 1, 1985. Balance sheet, income statement, and export-related data are tabulated annually through 1987, and then on a 4-year cycle.
Intergenerational Wealth	Barry Johnson Marvin Schwartz	This on-going study involves estate returns filed since the inception of the estate tax (1916), and focuses on changes in the concentration of wealth and the intergenerational transfer of wealth, as well as the history of the estate tax system. The asset composition, available demographic information, and an analysis of beneficiaries of estates will be emphasized.

SOI Projects and Contacts

General Statistical Information: (202) 874-0410 Fax: (202) 874-0922

Project	Primary Analysts	Frequency and Program Content
International Boycott Participation: 1991 Program 1992 Program	Melissa Redmiles	This study provides data on business operations of U.S. persons in boycotting countries, as well as the requests and agreements to participate in, or cooperate with, international boycotts not sanctioned by the U.S. Government.
Migration Flow and County Income Data	Sandy Byberg	Migration flow data (based on changes in individual income tax return addresses) and county or State income data are available annually on a reimbursable basis. The most recent data are for 1991-92.
Nonprofit Charitable and Other Organizations: 1990 Program 1991 Program	Cecelia Hilgert	This annual study includes balance sheet and income statement data for organizations classified as tax-exempt under subsections 501(c)(3)-(9) of the Internal Revenue Code.
Nonresident Alien Estates: 1990 Program	Randy Miller	This periodic study, planned for every 4 years, provides data on estates of nonresident aliens who had more than $60,000 of assets in the United States. The estates are subject to U.S. estate taxation on U.S. property.
Occupation Studies	Bobby Clark Dodie Riley	This periodic study, based on availability of outside funding, is designed to classify individual income tax returns by occupation and to develop a dictionary of occupation titles that can be used to enhance the economic data of many other individual income tax return studies.
Partnership Returns of Income: 1992 Program 1993 Program	Tim Wheeler Elaina Shekhter	Basic data, produced annually, cover income statement, balance sheet, and details from supporting schedules. Data are classified chiefly by industry group.
Partnership Withholding Study: 1991 Program	Kimberly Veletto	This annual study includes data on U.S. partnership payments to foreign partners. Data are classified by country and recipient type.
Personal Wealth Study: 1992 Program	Barry Johnson Marvin Schwartz	This periodic study provides data estimates of personal wealth of top wealth-holders that are generated from estate tax return data using the "estate multiplier" technique, in conjunction with both filing-year and year-of-death estate data bases. The most recent data (1989) are based on returns filed from 1989 to 1991. The 1992 program will be based on returns filed from 1992-1994.
Private Foundations: 1990 Program 1991 Program	Alicia Meckstroth	This annual study includes balance sheet and income statement data for private foundations and charitable trusts filing a Form 990-PF.

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General Statistical Information: (202) 874-0410 Fax: (202) 874-0922

Project	Primary Analysts	Frequency and Program Content
S Corporations: 1992 Program 1993 Program	Amy Gill	Annual study data are collected for the income statement, balance sheet, and from supporting schedules. Data are classified by industry group or by asset size.
Sales of Capital Assets: 1985 Program 1985-1993 Panel Study	Barbara Longton Janette Wilson	This periodic study provides detailed data on the sales of capital assets reported on Schedule D of the individual income tax return, sales of residences, and personal or depreciable business property. A panel study provides the same data on capital asset transactions for a subsample of the returns in the Sales of Capital Assets basic study, over a period of years.
Sales of U.S. Real Property Interests by Foreign Persons: 1992 Program	Chris Carson	This annual study will provide data on transfers of U.S. real property interests, when these interests are acquired from foreign persons. Data include the amount realized on transfers, U.S. tax withheld, and the country of foreign persons.
Sole Proprietorships: 1991 Program 1992 Program 1993 Program	Jeffrey A. Hartzok	Basic program data, produced annually, cover the business receipts, deductions and net income reported on Schedule C (for nonfarm proprietors), by industry group. Similar data from Schedule F (for farmers) are available on an occasional basis.
State Data: 1985 Program 1988 Program	Mario Fernandez	Special tabulations of selected individual income, deduction, and tax data by State are produced on a reimbursable basis. (The data file for 1988 is the most recent.)
Statistical Subscription Services: Corporation Source Book	Sandy Byberg	Annual data by more detailed industry groups than are used for the regular corporation statistics are produced by asset size.
Tax-exempt Bond Issues: 1991 Program 1992 Program	Marvin Schwartz	This annual study provides information on private activity and governmental bond issues by type of property financed, size of face amount and State.
Taxpayer Usage Study: 1993 Program	Laura Prizzi	Basic data, produced annually, provide weekly frequencies of specific line entries made by taxpayers, the use of various return schedules and associated forms, and general characteristics of the individual taxpayer population for returns received during the primary filing season (January through April).
U.S. Possessions Corporations: 1989 Program	Randy Miller	This periodic study, planned for every 4 years, provides data on income statement, balance sheet, tax, and "possessions tax credit" data for "qualifying" U. S. possessions corporations. (Most of these corporations are located in Puerto Rico.)

Publications & Tapes

Statistical Information Services

For questions about the availability of SOI data, other statistical services, or release dates for new publications, please contact the Statistical Information Services Office on **(202) 874-0410 or FAX (202) 874-0922**. As its name implies, this office is best able to answer questions about data. It is not the place to call to obtain tax forms or information about the status of an individual's tax refund or audit examination. Also, all requests from the media should be directed to the IRS Public Affairs Office on (202) 622-4000.

The following *Statistics of Income* reports and tapes can be purchased from Statistics of Income (unless otherwise indicated). Prepayment is required, with checks made payable to the IRS Accounting Section. Please write:

Acting Director
Statistics of Income (CP:S)
Internal Revenue Service
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Washington, DC 20013-2608

Compendiums

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Publication 1416 – Price $26.00

This publication presents 22 articles from *Statistics of Income* studies on tax-exempt organizations. The articles emphasize important issues within the nonprofit sector, and also include several other articles previously unpublished in the *SOI Bulletin*, as well as papers published in proceedings of the American Statistical Association and the Independent Sector Research Forum. Topics featured are:

- nonprofit charitable organizations (primarily charitable, educational and health organizations);
- private foundations and charitable trusts; and
- unrelated business income of exempt organizations.

Studies of Tax-Exempt Organizations, 1986-1992

Publication 1416 – Price $26.00

This is the second volume in a series of *Statistics of Income* (SOI) publications on tax-exempt, nonprofit organizations. The volume includes data covering 1986-1992 and contains 12 previously-published articles from SOI studies, including articles from the *SOI Bulletin*, as well as papers prepared for the *Journal of Nonprofit Management and Leadership, Trusts and Estates*, the Independent Sector Research Forum, the National Research Council's Committee on National Statistics, and the American Statistical Association.

Studies of International Income and Taxes, 1984-1988

Publication 1267 – Price $26.00

This report presents information from 13 *Statistics of Income* studies in the international area (many of them previously published in the *SOI Bulletin)*, including:

- foreign activity of U.S. corporations;
- activity of foreign corporations in the United States;
- foreign controlled U.S. corporations;
- statistics related to individuals, trusts and estates; and
- data presented by geographical area or industrial activity, as well as other classifiers.

Compendium of Federal Estate Tax and Personal Wealth Studies

Publication 1773 -- $26.00

Part I of this report focuses on data from estate tax returns, describing decedents, their beneficiaries, and the composition of their estates. It contains a methodological discussion of the strategy used in weighting the sample data for the estate studies, and also statistics on selected components of decedents' estates, 1916-1990. Information on charitable giving is also included.

Part II presents a series of articles describing the estate-multiplier tachnique and its applications for personal wealth estimates, estimates of personal wealth for selected years, 1962-1989, as well as a discussion of the relationship among realized income, wealth, and well-being.

Reimbursable Services

Corporation Source Book, 1990

Publication 1053 - Price $175

This 479-page document presents detailed income state-

ment, balance sheet, tax, and selected other items, by major and minor industrial groups and size of total assets, for all returns and separately for returns with net income. The report, which underlies the *Statistics of Income--Corporation Income Tax Returns* publication, is part of an annual series and can be purchased for $175 (issues prior to 1982 are for sale at $150 per year). A magnetic tape or diskette containing the tabular statistics for 1990 can be purchased for $1,500.

Public Use Magnetic Tape Microdata Files

(Price depends on the request.)

This includes individual income tax returns for 1979-1990. A limited number of files for 1989 are also available on CD-ROM. (Individual income tax returns for 1966-1978 are available for sale by writing to the Center for Electronic Records (NNX) of the National Archives and Records Administration, Washington, DC 20408.) Files containing more limited data for each State are also available for 1985 and 1988. All of these files have been edited to protect the confidentiality of individual taxpayers. Files for private foundations for 1982-1983 and 1985-1991 and nonprofit charitable organizations for 1982-1983 and 1985-1990 are also available from Statistics of Income. The individual, private foundation and charitable organization files are the only microdata files that can be released to the public.

Migration Data

(Price depends on the request.)

Compilations are available showing migration patterns, from where to where, by State and county, based on year-to-year changes in the individual income tax return address. Data are also available for selected time periods (according to the years in which the returns were filed) between 1978 and 1992 and include counts of the number of returns and the number of personal exemptions (which can be used to approximate population). Tabulations are available as hard copy for all years, on magnetic tape for all years except 1983, and diskette starting with 1989. (Compilations showing State-to-State migration flows only are also accessible through the SOI electronic bulletin board starting with 1988; see below.)

County Income Data

(Price depends on the request.)

Tables present adjusted gross income by source and number of personal exemptions (which can be used to approximate population) reported on individual income tax returns for Income Years 1982 and 1984 through 1991. Data are available as hard copy or on magnetic tape for each year, or on diskette starting with 1988.

ZIP Code Area Data

(Price depends on the request.)

Recent statistics are available for Income Year 1991 only, either on computer tape or diskette, showing the number of individual income tax returns, the number of personal exemptions (which can be used to approximate population), adjusted gross income, and income tax, by 5-digit ZIP Code.

Other Unpublished Tabulations

(Price depends on the request.)

Unpublished tabulations are also available, including detailed tables underlying those published in the *SOI Bulletin*. Special tabulations may also be produced, depending on the availability of resources.

Other Publications

The following *Statistics of Income* publications are available from the Superintendent of Documents, U.S. Government Printing Office. For copies, please use the order form following this section or write:

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If you determine from the Government Printing Office that any of the next three items is out-of-print, please telephone the Statistical Information Services Office on (202) 874-0410, for assistance.

Statistics of Income (SOI) Bulletin

Quarterly Publication 1136, Stock No. 748-005-00000-5
Subscription price, $25.00; Single copy price, $13.00

Provides the earliest published financial statistics from individual and corporation income tax returns. The *Bulle-*

tin also includes annual data on nonfarm sole proprietorships and on partnerships, as well as from periodic or special studies of particular interest to tax analysts and administrators and to economists. Historical tables include data from SOI, as well as on tax collections and refunds by type of tax.

Statistics of Income – 1990, Corporation Income Tax Returns

Publication 16, Stock No. 048-004-02322-9
Price $19.00

This report presents more comprehensive and complete data on corporation income tax returns with accounting periods ended July 1990 through June 1991, than those published earlier in the *SOI Bulletin.*

Presents information on:
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Data are classified by:
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- accounting period;
- size of total assets; and
- size of business receipts.

Statistics of Income – 1991, Individual Income Tax Returns

Publication 1304, Stock No. 048-004-02326-1
Price $11.00

This report presents more comprehensive and complete data on individual income tax returns for 1990 than those published earlier in the *SOI Bulletin.*

Presents information on:
- sources of income;
- exemptions;
- itemized deductions; and
- tax computations.

Data are presented by:
- size of adjusted gross income; and
- marital status.

The following *Statistics of Income* publication is available from Statistics of Income. For copies, please write to the Acting Director at the address shown at the beginning of this section.

Turning Administrative Systems Into Information Systems: 1993

Publication 1299 – Free of Charge

This report is the second edition of the IRS' methodology reports series which documents technological and methodological changes in Statistics of Income programs and other related statistical uses of administrative records. Previous volumes in the series were called *Statistics of Income and Related Administrative Record Research.* Topics featured are:

- reinvention of the Federal statistical system;
- data on individuals from the IRS population -- filers and nonfilers;
- data on economic conditions;
- sample design issues;
- methodological approaches to analysis;
- quality measurement and productivity; and
- technological improvements.

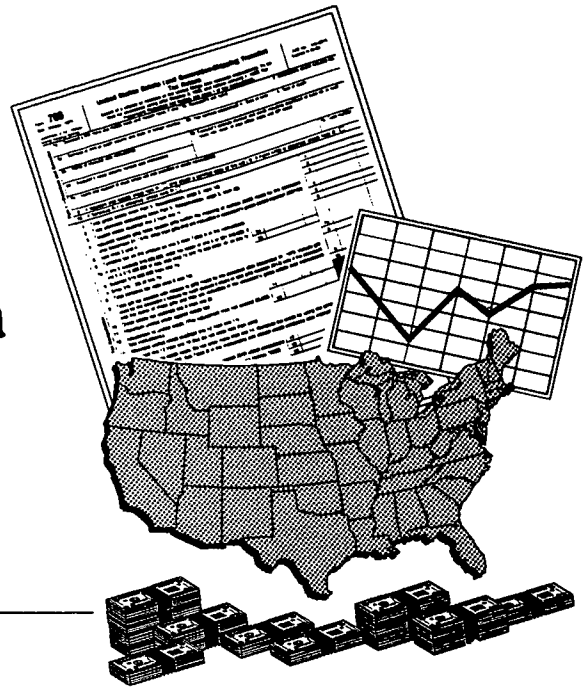
SOI Electronic Bulletin Board

Since June 1992, over 460 files have been added to the SOI electronic bulletin board system (BBS) and are available for access. They include data from recent *SOI Bulletin* publications for returns covering individuals, corporations, partnerships, sole proprietorships and estates. The BBS also contains files on personal wealth and international topics, such as foreign tax credits and Controlled Foreign Corporations, as well as tax collections and refunds from the IRS administrative system.

Electronic Bulletin Board Numbers:
(202) 874-9574 (Analog – Most Users)

Systems Administrator: Jim Willis (202) 874-0277
Systems Coordinator: Jim Hobbs (202) 874-0268.

Compendium of Federal Estate Tax and Personal Wealth Studies



In this publication, Statistics of Income (SOI) of the Internal Revenue Service has assembled, for the first time, the complete record of its efforts to estimate the wealth of the Nation's living population using Federal estate tax returns. In addition, papers are presented discussing the most recent Federal estate tax studies, as well as new tabulations of historical estate tax data collected between 1963 and 1990.

The volume contains statistical data and articles on these subjects:

- Personal Wealth Estimates, 1962-1989
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For further information or to order copies, please contact SOI's Statistical Information Services Office at (202) 874-0410, or write to:

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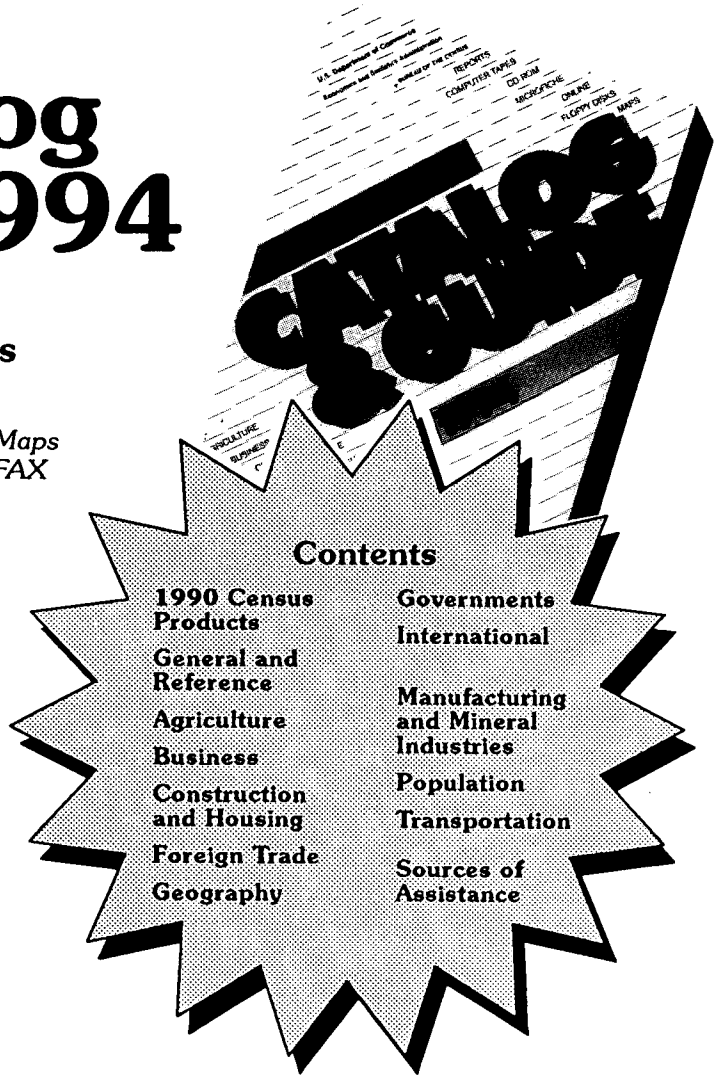

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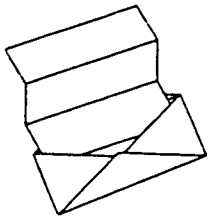

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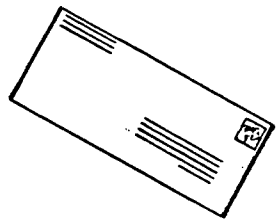

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Excise taxes:
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Environmental:
1990, Winter 1992-93 (12-3)
1991, Summer 1993 (13-1)

Exempt organizations:
Business income and tax:
1987, Winter 1991-92 (11-3)

Nonprofit charitable and other organizations (except foundations):
1988, Summer 1992 (12-1)
1989, Winter 1993-94 (13-3)

Private foundations and charitable trusts:
1989, Winter 1992-93 (12-3)
1990, Winter 1993-94 (13-3)

Foreign recipients of U.S. income:
1989, Spring 1992 (11-4)
1990, Spring 1993 (12-4)

Recipients of partnership income:
1990, Fall 1992 (12-2)

Individual income tax returns:
(See also International income and taxes)

Evidence on Delinquent Filing
1980-1989, Spring 1994 (13-4)

High-income tax returns:
1989, Spring 1993 (12-4)
1990, Winter 1993-94 (13-3)

Individual income tax shares and average tax rates:
1916-50, Winter 1988-89 (8-3)
1951-86, Spring 1989 (8-4)
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Marginal and average tax rates:
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Preliminary data:
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International income and taxes:
Controlled Foreign Corporations:
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1988, Fall 1992 (12-2)

Corporation foreign tax credit:
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1990, Spring 1994 (13-4)

Domestic corporations controlled by foreign persons:
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1990, Fall 1993 (13-2)

Foreign corporations with U.S. operations:
1988, Spring 1992 (11-4)
1989, Summer 1993 (13-1)

Foreign trusts:
1990, Winter 1992-93 (12-3)

Individual foreign income and taxes:
1987, Winter 1991-92 (11-3)
1987, Winter 1992-93 (12-3)

International boycott participation:
1990, Fall 1992 (12-2)

Transactions between foreign controlled corporations and related foreign persons:
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Partnership returns:
Balance sheets by industry:
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Income statements by industry:
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1990, Summer 1992 (12-1)

Partnerships and passive losses:
1981-87, Winter 1989-90 (9-3)
1987-89, Summer 1992 (12-1)

Personal wealth:
1986, Spring 1990 (9-4)
1989, Spring 1993 (12-4)

Private activity tax-exempt bonds:
1985, Spring 1987 (6-4)
1986, Summer 1988 (8-1)

Projections of returns to be filed:
1994-2000, Winter 1993-94 (13-3)

Self-employed nonfilers:
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Sole proprietorship returns:
Income statements by industry:
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