## STATISTICS OF INCOME . . . 1954

## Corporation INCOME TAX RETURNS

for tax years ended
July 1954-June 1955
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# LETTER OF TRANSMITTAL 

TREASURY DEPARTMENT, Office of Commissioner of Internal revenue, Washington, D. C., November 12, 1957.


#### Abstract

SIR: In accordance with the provisions of section 6108 of the Internal Revenue Code of 1954 requiring the publication annuslly of statistica with respect to the operation of the Federal income and profits tax laws, I have the honor to transmit herewith a report entitled Statistics of Income-1954, Corporation Income Tax Returns, presenting data relative to income, deductions, assets, liabilities, tax liability, tax credit, and dividends paid as reported on corporation income tax returns for tax years ended July 1954 through June 1955. There are also included a hiatorical presentation of the income and of the tax liability reported by corporations for the years 1945 through 1954 and a aynopsis of corporation income and profits tax rates and other provisions of the Federal tax laws affecting comparability of the hiatorical data.

Respectfully,


Russell C. Harrington, Commissioner of Internal Revenue.

Hon. Robert B. Anderson,
Secretary of the Treasury.

# OTHER STATISTICS OF INCOME PUBLICATIONS 

|  | FOR 1954 |
| :---: | :---: |
| Corporations | Statistics of Income-1954, Preliminary, Corporation Income Iax Returns |
|  | Income statements, balance sheets, tax, dividends paid; classified by major industry groups. Historical summary of total compiled receipts, profit or loss, taxes, dividends paid, by net income status, 1950-1954. (39 pp., 30中) |
| Individuals | Statistics of Income-1954, Preliminary, Individual Income Tax Returns |
|  | Adjusted gross income, taxable income, income tax liability, sources of income, exemptions, tax credits, itemized nonbusiness deductions; classified by size of adjusted gross income. Selected sources of income by States and Territories. (20 pp., 20申) |
|  | Statistics of Income-1954, Individual Income Tax Returns |
|  | Adjusted gross income, taxable income, income and self-employment tax liability, sources of income, exemptions, tax credits, itemized nonbusiness deductions; classified by size of gdjusted gross income. Taxable income by taxable income size for applicable tax rates. Historical summary, 1945-1954. |
| Estates | Statistics of Income-1954, Estate Tax Returns |
|  | Gross estate, deductions, net estate, taxes, and tax credits. Classifications by size of gross estate, size of net estate before specific exemption. Selected estate tax data by States and Territories. (26 pp., 25t) |
| Fiduciaries | Statistics of Income-1954, Fiduciary Income Tax Returns |
|  | Total income, taxable income, income tax, sources of income, deductions, exemptions; classified by size of total income. Selected sources of income by States and Territories. Taxable income and income tax by size of taxable income. |
|  | FOR 1953 (Subjects not included for 1954) |
| Sole oroprietorships | Statistics of Income for 1953, Part 1, Individual Income Tax Returns, Estate Tax Returns, Gift Iax Returns |
|  | Sole proprietorship income, business receipts, net profit or loss. Classifications by size of total receipts, industry groups. (138 pp., 75s) |
| Partnerships | Statistics of Income-1953. Partnership Returns |
|  | Partnership receipts, deductions, profit and loss, assets, liabilities. Classifications by industry groups, size of ordinary net income or deficit, size of total receipts. Frequency of returns by year of organization, new or successor business. Self-employment income, and family partnership data. (62 pp., 45t) |
| Farmers conneratives | Statistics of Income-1953, Farmers' Cooperative Income Tax Returns <br> Receipts, deductions, net income or deficit, tax, assets, liabilities, srecial leductions and adjustments. Classifications by size of business receirts, size of total assets, net income status, states and Territories, type of service performed, exemption status. ( $42 \mathrm{pp} ., 40{ }_{4}^{\star}$ ) |
| Gifts | Statistics of Income for 1953, Part 1, Individual Income Tax Returns, Estate Tax Returns, Gift Tax Returns |
|  | Tutal eifts, exclusions, deductione, net gitts, tax. Classifications by : ize , f net eifts, size of total gifts plus fift tax, tax status, type of property. (138 Pp., risd) |

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## INTRODUCTION

Annual returns filed in compliance with Federal income tax laws offer a unique source of financial information. Statistics of Income-1954, Corporation Income Tax Returns is the 39 th volume in an annual series designed to present relatively complete, coordinated and consistently classified statistics from data submitted on corporation income tax returns. All domestic and resident foreign corporations, except certain nonprofit organizations, are required to file income tax returns which show income by source, deductions, credits, and Federal income and profits taxes. Other items of importance, particularly assets and liabilities, and dividends paid, are also reported.

The first section of this report summarizes the statistical measurements provided and the corporation income tax return categories used in compiling them.

The second section contains brief descriptions of changes in law which affect the tabulations and an explanation of the terms and methods employed in preparing the 1954 corporation statistics.

The third section of this report presents tax year 1954 data on income, deductions, assets, liabilities, tax, and dividends paid, classified by type of industry, size of total assets, and other pertinent classifications. The balance sheet data are shown in separate tables with related items of income, deductions, and tax.

The fourth section consists of historical data selected from the tabulations compiled for the years 1945-1954. Comparability of historical data is discussed in the accompanying text.

The sixth section of the report gives a synopsis of Federal tax laws affecting corporations. The synopsis tables show tax bases, rates, and other provisions useful in studying the statistics.

Facsimiles of the 1954 return forms on which corporate data were reported are provided in the final section of the report.

Some of the data presented in this more detailed complete report were available in May 1957 in the Preliminary Report, Statistics of Income1954, Corporation Income Tax Returns.

The complete report, Statistics of Income-1954, Corporation Income Tax Returns, introduces new methods of presenting these statistics. Principal features of the new presentation are the addition of a user's guide to the subjects and categories of returns found in the 1954 tabulations (sec. 1), the placement in the 1954 table section of many of the special tabulations formerly incorporated with the explanatory text material, and the independent numbering of tabulations limited to data from returns with net income which were formerly shown as Part II of similar tabulations prepared from all active corporation returns.

1. Guide to Subjects and Categories of Returns for 1954

# Guide to BENCHMARK DATA FROM CORPORATION INCOME TAX RETURNS - 1954 

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# Guide to <br> ..................NUMBER OF CORPORATION INCOME TAX RETURNS WITHIN PRINCIPAL CATEGORIES IN 1954 TABULATIONS 

> The number of returns from which data are summarized varies for different groups of 1954 corporation cax year tables, depending on subject matter and category of returns covered.


> - Financial data are available for 722,805 active corporations
> - No financial data are available for 31,214 inactive corporations

Data relating to ACTIIE CORPORATIONS are tabutated for:

| WITH NET INCOME | WITHOUT NET INCOME |
| :--- | :--- |



- 722,805 Returns with and without net income
- 441,177 Returns with net income
- 281,628 Returns without net income
- 722,805 Returns with and without balance sheets
- 667,856 Returns with balance sheets
- 54,949 Returns without balance sheets
- 722,805 Returns by final month in the annual accounting period covered by the return

SEPARATE TABLI ATIONS are made for returns with special tax provisions:


3,215 Returns with foreign tax credit $\qquad$ - 2,422 With Form 1118

687 Western Hemisphere trade corporation returns .......\{\{\{的 | $\bullet 278$ With credit claimed for foreign taxes |
| :--- |
| $\bullet 409$ Without credit claimed for foreign taxes |

3,818 Returns with personal holding company schedules... $\left\{\begin{array}{ll}\bullet & 273\end{array}\right.$ With undistributed income

## 2. Characteristics of Data Summarized for 1954

# CHARACTERISTICS OF DATA SUMMARIZED FROM CORPORATION INCOME TAX RETURNS FOR 1954 

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## 2. CHARACTERISTICS OF DATA SUMMARIZED FROM CORPORATION INCOME TAX RETURNS FOR 1954

## PURPOSE OF THIS SECTION

The tax return forms are designed primarily to facilitate collection of taxes authorized in revenue legislation and items on the return may change when the Internal Revenue Codeis amended. Brief descriptions of major changes in the law which affect tax year 1954 data for corporations are contained in this section along with summary figures and text to describe salient characteristics of the tabulations that follow. ${ }^{1}$ Rather than use numerous table footnotes, part of this section is devoted to an "Explanation of Terms" designed to aid the users of both tax year 1954 data and the historical material in tables 38 through 43.

## SUMMARY OF 1954 DATA

Profits after taxes for 1954 were $\$ 79.9$ billion which was approximately the same level as reported for 1953. Profits before taxes of $\$ 36.7$ billion for 1954, on the other hand, were $\$ 3.1$ billion less than for tax year 1953. A reduction of $\$ 1.4$ billion


[^1]in the income tax liability and of $\$ 1.6$ billion in excess profits tax liability accounted for the tax decrease reported for 1954. Although the excess profits tax terminated December 31, 1953, tax year 1954 returns still showed $\$ 38$ million in excess profits tax liability for corporations with part of their accounting period in 1953.

Active corporations filed a record $722,805 \mathrm{re}-$ turns for tax year 1954. Receipts on these returns aggregated nearly $\$ 555$ billion, $\$ 3$ billion less than the total compiled on 697,975 tax year 1953 returns from active corporations. Gross sales and gross receipts from operations accounted for more than 95 percent of the total receipts for both 1953 and 1954. Total receipts increased for the trade, finance, service, construction, and public utility divisions. The decrease was concentrated in manufacturing receipts, particularly in motor vehicles, the primary metal industries, electrical machinery and equipment, and machinery except transportation equipment and electrical. The relative changes from 1953 levels of total receipts of corporations classified by industrial divisions are shown on chart 2. Corporate net income for both years is similarly related on this chart.

Table A-RECEIPTS, DEDUCTIONS, TAX, PROFITS-ALL ACTIVE CORPORATION RETURNS, 1954 AND 1933

| Item | 1954 | 1953 |
| :---: | :---: | :---: |
|  | (billion dollare) |  |
| Gross receifts from sales and from operations. All other recelpts. <br> Total compiled receipts. | 528.9 | 534.6 |
|  | 25.9 | 23.7 |
|  | 554.8 | 558.2 |
| Cost of goods sold and of operations..........All other deductions...................... | 389.7 | 392.7 |
|  | 128.4 | 125.8 |
|  | 518.1 | 518.4 |
| ```Compiled net profit....................................................... Total tax............................................................... Compiled net profit less total tax...............................``` | 36.7 | 39.8 |
|  | 16.9 | 19.9 |
|  | 19.9 | 19.9 |

Table 2, on pages 37-42 of this report, provides detailed information about corporate receipts and deductions for 1954. Text table A above summarizes data for 1953 and 1954. Among the receipt items totaled in table A, tax year 1954 rent, interest, and net gains from sales of assets amounted to more than tax year 1953 sums for comparable receipt items. Among deduction items, depreciation and amortization charges, interest, compensation of officers, advertising, taxes, and rent were higher for 1954 than for the previous year.

The 441,177 corporations with net income for 1954 reported profits less wholly tax-exempt interest of $\$ 39.6$ billion. As shown in table B, this was about 5 percent less than the sum reported by the 441,767
corporations with net income which filed for tax year 1953. But compiled net profit after tax, amounting to $\$ 23.1$ billion in 1954, was about 4 percent higher than in 1953.

Deficits reported on 281,628 returns with no net income for tax year 1954, in the amount of $\$ 3.2$ billion, were 39 percent higher than those disclosed on 256,208 returns from corporations reporting no

Table B.-NUMBER OF RETURNS, NET INCOME OR OEFICIT, AND TAXES, CORPORATION RETURN, 1954 AND 1983

| Item | 1954 | 2953 | Increase or decrease (-) |  |
| :---: | :---: | :---: | :---: | :---: |
|  |  |  | Number or amount | Percent |
| Total number of returns. | 754.019 | 730,976 | 23,045 | 3.2 |
| Active corporations: |  |  |  |  |
| Number of returns...................... | 722.805 | 697.975 | 24.830 | 3.6 |
| Returns with net income: |  |  |  |  |
| Number of returns. | 4.4 .177 | 44.767 | -590 | -0.1 |
| Net income. . . . . . . thousand dollars. . | 34,572,830 | $\therefore 1.829,245$ | -2,246,615 | -5.4 |
| Income tax: |  |  |  |  |
| Number of returns ${ }^{1}$ | 391,522 | 399.204 | -7.742 | $-1.9$ |
| Amount...........thousend dollars.. | 16,823,241 | 18,255,025 | -1,432,384 | -7.8 |
| Excess profits tax: ${ }^{2}$ |  |  |  |  |
| Number of returns. | 3.724 | $26,507$ | -22,843 | -86.0 |
| Amount..........thousand dollars.. | 37,711 | 1,613,424 | -1,575,713 | -97.7 |
| Returns with no net incume: |  |  |  |  |
| Number of returns..................... | 281,628 | 256,208 | 25,420 | 9.9 |
| Deficit...........thousand dollars.. | 3,244,345 | 2,334,758 | 909,637 | 39.0 |
| Number of returns of inactive corporations. | 31.214 | 32.999 | -1,785 | -5.4 |

${ }^{1}$ Returns with net income but with no tax inability occur as a result of special atatutory deductions from the net income. The tax liability tabulated is berore foreign tax credit.
${ }^{2}$ The excess profits tax law terninated Dec. 31, 1953. Excess profits tax tabulated for this report was the tax on income earned before that date and reported on returns for annual accounting pertods ended July through November 1954 and returns for part years which began in 1953. Excess profits tax is before foreign tax credit. NOTE: See text for explanatory statements and for "Description of the Sample and Limitations of Data."
net income for 1953. The number of inactive (nonoperating) corporations in existence and required to file declined for tax year 1954, as it has for each tax year since 1950.

## CHANGES IN LAT AFFECTING 1954 DATA

Enactment of the Internal Revenue Code of 1954. On August 16, 1954, the Internal Revenue Code of 1954 superseded the Code enacted February 10, 1939. The new law is effective, generally, for all taxable years beginning after December 31, 1953 and ending after August 16, 1954. Returns for calendar years ended in December 1954 and fiscal years ended in the period January through June 1955 were filed under the 1954 Code; returns for fiscal years ended July through November 1954 were filed under provisions of the 1939 Code. The more important changes in revenue law affecting corporation data reported under the 1954 Code are summarized below.

Income and excess profits taxes.-The normal tax rate of 30 percent and surtax rate of 22 percent were unchanged. The $\$ 25,000$ exemption from surtax was also unchanged. The excess profits tax imposed by the Excess Profits Tax Act of 1950 ended December 31, 1953. The excess profits tax shown in this report is tax reported for taxable years beginning in 1953. The amount of tax reported was a prorated amount based on the number of days in the taxable year before January 1, 1954. The excess profits tax rate was 30 percent of the adjusted excess profits net income.

The maximum tax on long-term capital gains, used in computing the alternative tax, was reduced from


26 percent to 25 percent for taxable years beginning on or after April 1, 1954. For returns used in compiling this report, the alternative tax change applied only to returns with fiscal years ended in the period March through June 1955.

The 2 percent additional tax imposed on the consolidated taxable income of an affiliated group of corporations electing to file a consolidated return was made inapplicable to any portion of such income attributable to a regulated public utility (as defined by section 1503 of the 1954 Code).

Returns with net income (see definition of net income, p.25) may be nontaxable because of a net operating loss deduction, as in former years, or as a result of deductions for dividends received and for dividends paid on certain preferred stock of public utilities. Under the 1954 Code, the deductions for dividends are not subject to the limitation based on size of net income if the sum of the dividend deductions is greater than the net income. (See section 172(d)(6) and sections 243 through 247.)

Foreign tax credit.-The credit against income tax which could be claimed under the 1939 Code was subject to two limitations: (1) credit for taxes paid or accrued to any foreign country or United States possession could not exceed the same proportion of the United States income tax which taxable income from sources within such country bore to the entire taxable income, and (2) the total credit claimed could not exceed the same proportion of the United States income tax which aggregate taxable income from sources without the United States bore to the entire taxable income. Similar limitations applied to credit claimed with respect to the excess profits tax which ended December 31, 1953.

The 1954 Code drops the second of these limitations. This change removes any limit on the credit which might result from foreign losses when operations are carried on in more than one foreign country.

Foreign tax credit may be claimed for taxes deemed to have been paid on certain dividends received from foreign sources. The 1954 Code adds to the definition of dividends for this purpose the excess of royalties or compensation paid, in lieu of all dividends for the year, by a wholly owned manufacturing, production, or mining subsidiary over the cost of property or services furnished in consideration of such payments by the parent corporation.

Net operating loss deduction. - For tax purposes a net operating loss can be used to reduce taxable income of certain preceding and succeeding tax years. Under the 1939 Code a loss could first be carried back one year and then forward 5 years. Before taking a net operating loss deduction both the statutory net loss and the statutory net income from which the deduction was taken were subject to certain adjust-ments-tax-exempt interest was added to gross income, and deductions for depletion could not exceed the amount of depletion allowable on a cost basis. Statutory deductions for dividends received and dividends paid on certain preferred stock of public utilities were voided in loss years by a limitation based on size of net income. In the carryback and carryover years the dividends received deduction was voided by an adjustment to the net operating loss deduction.

The 1954 Code extends the carryback period to two years. Tax-exempt interest and depletion adjustments are abolished, and dividend deductions are made
fully effective. (The dividend deduction limitation based on size of net income is retained, in general, but if a net loss is determined after the dividend deduction the full statutory deduction is used in computing the amount of loss.)

The amount of net operating loss deduction tabulated for Statistics of Income is the net operating loss carryover deductible in the year reported. The carryover may represent losses of one or more years, reduced by any net incomes of carryback and preceding carryover years. The changes in computation of the net operating loss and offsetting net incomes of carryback and carryover years under the 1954 Codewill increase the net operating loss deduction. However, the extension of the carryback period from one to two years may, in a given year, tend to offset this increase in the net operating loss carryover tabulated for Statistics of Income.

The changes are effective January 1, 1954, and special transitional rules are provided for tax years beginning before and ending after that date. Computations for each year affected by a loss are made under the law in effect for that year.

Prepaid income.-Section 452 of the 1954 Code as originally enacted permitted taxpayers to spread the reporting of prepaid income over the life of the liability incurred. However, prepaid income was to be fully reported within 6 years, including year of receipt, unless an exception was granted. Prepaid income was defined as any amount includible in gross income which was received in connection with, and was directly attributable to, a liability to renderserkices, furnish goods or other property (except sale of a capital asset), or allow use of property if the liability extended to a future taxable year. Under the 1939 Code, applicable to tax years beginning before December 31, 1953, prepaid income was reported in the year received.

On June 15, 1955, section 452 was repealed by Public Law 74, effective retroactively to all tax years beginning after December 31, 1953, and taxed under the 1954 Code. Most tax years covered by the 1954 statistics ended before June 15, 1955, and the returns used for the tabulations included those for which the election under section 452 had been made. Data on supplementary reports filed as a result of the repealing act were not sufficient to adjust the original returns to the new basis. Therefore, net income tabulated for this report excluded the prepaid income deferred by taxpayers which made the election under section 452 and filed 1954 returns for tax years ended on or before June 15, 1955.

On the 1954 return form, taxpayers were instructed to report the balance sheet liability incurred for the prepaid income deferred under section 452 as a separate item on the balance sheet schedule. The amount of this liability, as reported on 1954 returns with balance sheets,was $\$ 471$ million (line 24 , table 4.)

Reserves for estimated expenses.-Under section 462 of the 1954 Code as originally enacted, taxpayers could elect to take as deductions in computing net income reasonable additions to reserves for various types of estimated future expenses. Estimated expenses were defined as expenses which (1) would be deductible in a subsequent taxable year except for the election under section 462, (2) could be estimated with reasonable accuracy, and (3) were attributable to income of a current or prior taxable year for which
the election under section 462 had been made. No deduction could be taken under section 462 for future expenses incident to (1) income of a year prior to year of election, (2) prepaid income deferred under section 452 , or (3) anticipated bad debts.

Under the 1939 Code, only future expenses which could be accurately determined were deductible in the year liability was incurred.

Section 462 was also repealed June 15, 1955, by Public Law 74, retroactive to all years taxed under the 1954 Code. Reserves for estimated expenses, reported on returns with balance sheets filed for tax years ending before repeal of section 462, amounted to $\$ 1,270$ million (table 4 , line 23).

This balance sheet item was designed to reflect the deduction made in computing the net income for 1954 since taxpayers were instructed to include in it only the reserves accumulated under section 462.

Depreciation. - Both the 1939 and 1954 Codes provide a "reasonable allowance" for depreciation. They differ in that the 1954 law specifies four methods or measurements which may be used in determining a reasonable depreciation allowance for tax years ended after December 31, 1953. However, statutory recognition of these methods does not prohibit use of other reasonable methods.

The first method specifically recognized by the 1954 Code is the straight-line method. This method, which was used under prior law, may be used for any property and, in general, results in equal annual deductions over the life of the property.

The other three specified methods of depreciation may be used only for new tangible property with a useful life of 3 years or more. These methods permit the writeoff of a large portion of the cost or other basis of new property in the early years of its life, about 40 percent during the first quarter of estimated useful life and about two-thirds during the first half of estimated useful life. "New" property means property constructed or reconstructed by the taxpayer after December 31, 1953 (including, where constructionwas started earlier, that portion built after December 31, 1953), and property which had not previously been used which was acquired by the taxpayer after December 31, 1953. The accelerated depreciation methods authorized by the 1954 Code for new tangible property are:
(a) Declining balance method.-Depreciation is computed by applying a uniform rate, not exceeding two times the applicable rate under the straight line method, to the cost or other basis of the property reduced by the amount of depreciation allowed in prior years;
(b) Sum of the years-digitso-The cost or other basis, reduced by estimated salvage, is multiplied by a changing fraction. The numerator of the fraction changes each year to a number corresponding to the remaining useful life of the asset (including year of computation). The denominator remains constant and equals the sum of all the years' digits corresponding to the estimated useful life of the asset. Thus, the cost or other basis of an asset withan estimated useful life of five years would be multiplied by the fraction $5 / 15$ in the first year ( 5 years useful life $/ 1+2+3+4+5$ or sum of the digits of each year of useful life), 4/15 in the second year, $3 / 15$ in the third year, etc.; and
(c) Any other consistent method which does not result, at any time during the first two-thirds of the useful life of the property, in an accumulated allowance greater than the amount allowable for the same period under the declining balance method above.
Specific permission is given by the 1954 Code to change from the declining balance method to the straight line method during the useful life of an asset.

Other methods approved as to reasonableness by the Commissioner may be used for both old and new property as in the past. For property not meeting the requirements for accelerated depreciation there is continued in effect an Internal Revenue Service ruling limiting the depreciation rate under the declining balance method to 150 percent of the applicable straight line method.

Depletion-Several important changes in the deduction for depletion of mining property are made by the 1954 Code.

Election to use depletion based on a percentage of income from the property is extended to cover all mineral and natural deposits (except soil, sod, turf, water, mosses, and minerals from inexhaustible sources such as sea water and air). Several changes are made in previously existing percentage rates, the most important of which is an increase from 15 to 23 percent in the rates accorded a number of minerals if they are produced within the United States.

Percentage depletion rates range from 5 percent to $271 / 2$ percent. Section 613 of the 1954 Code lists the rates and the minerals to which each applies. Minerals for which percentage depletion could be claimed under prior law and the specified percentage rates may be found in section 114 of the 1939 Code.

Depletion based on discovery value, permissible under the 1939 Code, is eliminated by the extension of percentage depletion.

The definition of mining is broadened to include extraction by mine owners or operators of ores or minerals from waste or residue of prior mining. Definitions pertaining to "ordinary treatment processes" which are included in the statutory term "mining" are also broadened. (See section 613 of the 1954 Code.)

Research and experimental expenditures. -Under the 1954 Code research and experimental expenditures may po either treated as ordinary business expenses, deductible in the year incurred, or capitalized. The treatment adopted must be used for all research and experimental expenditures and for subsequent years unless a specific exception is granted. The election does not apply to expenditures for land or property and improvements subject to depreciation or depletion allowance used in experimental or research work.

Capitalized expenditures which result in a property with a determinable useful life are charged off as depreciation or depletion over the useful life of the property.

The 1954 Code provides, for the first time, a method of charging off capitalized research and experimental expenditures which can not be recovered through depreciation or depletion. Under the 1954 Code such expenses can be treated as deferred ex-
penses subject to amortization over a period of not less than 60 months beginning with the first month that benefits from the expenditure is realized. Deductions taken under the 1954 Code for capitalized expenditures are included in the item "Depreciation and amortization" throughout this report.

Prior law made no specific provisions for research and experimental expenditures. To the extent that they were ordinary and necessary business expenses they were deductible. If the expenditure was capital in nature, it was capitalized and amortized over useful life. If useful life could not be determined, no deduction was available except for loss due to abandonment.

Exploration expenditures -The limit on deductions with respect to mine exploration expenditures was raised from $\$ 75,000$ to $\$ 100,000$ by the 1954 Code. This limited deduction is available for expenditures normally capitalized and may be taken in the year incurred or as a deferred expense charged off ratably against units of minerals sold. The deduction cannot be taken in more than 4 years, and does not apply to oil and gas wells. Exploration expenditures were included in the amortization deduction schedule in the 1954 return form, but taxpayers may have reported expenses fully deducted in the year incurred as costof sales or operations or "Other deductions."

Organizational expenditures.-Organizational expenses paid or incurred on or after August 16, 1954, may be treated as deferred expenses deductible ratably over a period of not less than 60 months. Organizational expenditures are definedas expenditures (1) incident to the creation of a corporation, (2) chargeable to capital account, and (3) amortizable if the corporation had a limited life. The term excludes costs of issuing and selling stocks or other securities, costs incident to transfer of assets to the corporation, and costs of a reorganization. Under prior law, organization expenses could be recovered for tax purposes only at time of liquidation or by depreciation if a limited term of existence was specified in the corporate charter. Deductions for organizational expenditures are included in the item "Depreciation and amortization."

Soil and water conservation expenditures. -Under prior law, conservation expenditures were generally required to be capitalized. The 1954 Code permits a taxpayer engaged in farming to take expenditures for soil or water conservation or prevention of erosion with respect to land used in farming as a business deduction. The deduction for any one year is limited to 25 percent of the gross income from farming for the year but excess expenditures may be carried forward until fully deducted. Expenditures for facilities subject to depreciation are excluded from this provision. This new deduction is tabulated as reported by the taxpayer and may be reflected in cost of sales or operations or in "Other deductions."

Amounts contributed under pension plans.-Under the 1954 Code, members of an affiliated group, as defined by section 1504, maintaining a common profit sharing or stock bonus plan based on profits may deduct contributions made to such common plan on behalf of employees of a member of the affiliated group which has insufficient earnings or profits out of which to provide for its own employees. The de-
duction may be taken whether or not a consolidated return is filed.

The new Code also specifies that deductions may be taken for payments made to an employee trust which is denied exemption under section 501 only because it is situated outside the United States.

Rents-received and paid by corporations. -Under prior law rents received included amounts paid, under the terms of a lease, to a lessor corporation as reimbursement for Federal income taxes payable on rentals from the leased property. These amounts were also reported by the lessee corporation and included in rents paid. The 1954 Code excludes from the income of the lessor and the deductions of the lessee payments made as reimbursement for income taxes on rental income if the lease is between corporations and was entered into before January 1,1954. Leases made before January 1,1954,include renewals or continuances made in accordance with an option in the original lease.

Taxes paid.-Real property taxes were formerly deductible only at the time legal liability occurred. Under the 1954 Code such taxes may be deducted ratably over the period for which they are levied.

Taxes for local benefits which increase the value of the property assessed may be deducted if (1) they are levied by a special taxing district covering at least one county and 1,000 persons, and (2) there are annual assessments at a uniform rate on the same assessed value of real property used for the general property tax. Under prior law such levies were considered capital expenditures and only that part attributabletointerest or maintenance was deductible.

Capital gains and losses.-The principal changes with respect to statutory capital gains and losses are definitional or technical. Among the changes are: (I) exclusion of accounts and notes receivable acquired in the ordinary course of business for services rendered or from sale of stock in trade or inventory from the statutory definition of capital assets; (2) clarification of the treatment of original issue discount on bonds which are capital assets and are issued after December 31, 1954; (3) removal of the requirement that the above securities be issued with coupons or in registered form to qualify gains or losses realized upon retirement as capital gains or losses; and (4) revision of certain provisions with respect to holding periods, gains and losses from short sales and options, proceeds from sale of patents by an inventor and sale of subdivided real estate. (Subch. P of ch. I, 1954 Code.) Capital assets are defined under "Capital gainor loss" in "Explanation of Terms."

Length of taxable year. -Under the 1954 Code, a corporation which regularly ends its annual accounting period on a particular day of the week, and in the last week of a calendar month, or the first or last week of a calendar month whichever causes the closing day to be nearest the end of the month, may use such accounting period as its taxable year. Under this method of accounting, the period covered by a taxable year may vary from 52 to 53 weeks. This elective method may be used for taxable years ending after August 16, 1954.

Unincorporated businesses filing corporation returns. -Section 1361 of the 1954 Code gives certain partnerships and sole proprietorships the privilege
of reporting business income and paying tax thereon under the laws applicable to corporations. Returns filed by unincorporated businesses on the corporation return Form 1120 under this elective provision could not be accurately identified among the returns used for corporate statistics. Therefore, a small amount of noncorporate financial data was included in the tabulations for this report.

The election as to corporate tax treatment under section 1361 is restricted to sole proprietorships or partnerships with not more than 50 individual members. Capital must be a material income producing factor or 50 percent or moreof the gross income must be derived from trading as a principal or from brokerage commissions on real property, stock, security, or comodity transactions. Election may be made for only one business if more than a 10 percent interest is held in two or more businesses by a common owner or partner. An ownership interest by nonresident aliens or foreign partnerships is prohibited.

Income defined as personal holding company income by section 543 of the 1954 Code is excluded from the corporate income tax treatment and must be reported on the personal returns of the proprietors or partners. Such income includes dividends, interest, and certain rents and royalties, but not brokerage commissions.

The election to file corporation returns is binding for future taxable years unless a 20 percent change in ownership occurs.

Consolidated returns.-Historical comparability of data classified by major industrial groups or, for example, by size of income or assets is affected by changes in the statutory definition of an "affiliated group" and by the privilege of making new elections for 1954 with respect to use of the consolidated returns. Under the 1939 Code at least 95 percent of the stock of each affiliate included in the consolidated return had to be owned within the group. A consolidated return must cover all qualified members of a related group. The new Code reduced the stock ownership requirement to 80 percent. Since a number of corporations formerly filing separate returns first qualified as members of affiliated groups filing consolidated returns in 1954, data for these corporations, and possibly the entire consolidated group, may have fallen in a different industrial group or size class than that in which they fell in prior years.

Because of the many changes in the income tax laws, corporations which had previously filed consolidated returns were permitted to change the method of filing for 1954. Corporations formerly filing consolidated returns may have, under the new election, filed separately for 1954, resulting in further shifts of data from one group to another.

Data for 1954 consolidated returns are shown in tables 24 through 27, on pages 123-128 of this volume. Table $C$ below compares the total number of consolidated returns (equivalent to number of parent corporations) and the number of subsidiaries shown on consolidated returns in 1954 and 1953. Difficulties arise in comparing data in these tables with similar tabulations made for prior periods when applicable provisions of income tax laws may have been different. See Synopsis of Tax Laws 1945-1954, page 186.

TADI C. -NUMBER OF CONSOLIDATED RETURNS AND SUBSIDAABES, BY INDUSTRIAL DIVISION, 1954 AND 1988

| Industrisl division | Number of consolidated returns |  | Number of subsidisries |  |
| :---: | :---: | :---: | :---: | :---: |
|  | 1954 | 1953 | 1954 | 1953 |
|  | (1) | (2) | (3) | (4) |
| All industrisl divisions.............. | 2,723 | 2,408 | 10,416 | 9,670 |
| Agriculture, forestry, and fishery... | 21 | 12 | 41 | 55 |
| Mining snd quarrying................. | 113 | 97 | 352 | 339 |
| Construction......................... | 122 | 112 | 311 | 264 |
| Manufacturing. ........................ | 759 | 742 | 2,748 | 2,621 |
| Public utilities....................... | 264 | 187 | 1,042 | 1,180 |
| Trade................................... | 624 | 558 | 2,017 | 1,969 |
| Finance, insurance, resl estate, and lessors of resl property.............. | 602 | 475 | 1,998 | 1,776 |
| Services................................ | 216 | 225 | 1,305 | 1,457 |
| Nsture of business not allocsble..... | 2 | 7 | 2 | 9 |

As mentioned in the discussion of tax changes above, income of regulated public utilities included in a consolidated return is now exempt from the 2 percent additional tax imposed on groups filing a consolidated return.

Personal holding companies. -The 1954 Code revised several of the provisions defining personal holding companies, personal holding company income, and the tax base (undistributed personal holding company income), but did not change the additional tax imposed on such companies.

In defining personal holding companies under the 1939 Code use was made of a two part test relative to personal holding company income-
(1) At least 80 percent of gross income was personal holding company income, or
(2) At least 70 percent of gross income was personal holding company income and the company was classed as a personal holding company in a prior taxable year unless (a) the company did not meet the stock ownership test for one intervening year, or (b) less than 70 percent of gross income was personal holding company income for three consecutive years.
The 1954 Code dropped the second part of the test.
In applying the 80 percent gross income test under the 1954 Code to nonrailroad corporations, an affiliated group filing a consolidated return is treated as a single corporation unless (1) a member of the group is exempt from personal holding company tax under section 542 (c), or (2) a member of the group derived 10 percent or more of its gross income from outside the group and 80 percent or more of such gross income was defined as personal holding company income. In computing the outside income for this test, there is excluded from gross income and personal holding company income dividends received by the common parent company from a nonpersonal holding corporation outside the affiliated group but in which the parent company holds 50 percent or more of the outstanding voting stock. Under both the 1954 and 1939 Codes an affiliated group of railroads filing a consolidated return is treated as a single corporation without qualification as to sources of income.

Also in defining personal holding companies, the criteria for stock ownership were revised to include in the term "individual"certain exempt organizations and charitable trusts (see sec. 542 of the 1954 Code).

In defining the income which distinguishes personal holding companies, three changes were made by the 1954 Code. Excluded from personal holding com-
pany income are (1) rent paid for use of corporation property by a principal stockholder (one controlling 25 percent or more of the value of outstanding stock) unless at least 10 percent of the corporate gross income other than rent is personal holding company income, and (2) interest earmed on special reserve funds established under the Merchant Marine Act, 1936. The third change limits gains from the sale of securities or commodities to the net amount above corresponding losses.

Under both the 1939 and 1954 Codes certain adjustments to corporate net income are made in determining the amount subject to the personal holding company tax. One adjustment is the deduction of Federal income and profits taxes not allowed in computing the net income. The 1954 Code specifies that such taxes are to be deducted as accrued. However, taxpayers may continue a cash basis method of deduction, if used under the 1939 Code, or make, at any time, an irrevocable election to change to the accrual basis.
The deduction for contributions allowed in computing the personal holding tax base was formerly limited to 15 percent of net income. The 1954 Code raises this limit to one comparable to that of individuals- 20 percent of net income with an additional 10 percent allowed for certain contributions to churches, schools, and hospitals. (Secs. $545(\mathrm{~b})(2)$ and $170(\mathrm{~b})(1)(\mathrm{A})$ and (B).)

The 1954 Code adds to the personal holding company tax base amounts released from United States liens which had been previously deducted under 1954 Code provisions. The 1939 Code allowed deduction of amounts subject to lien but did not provide for future restoration of released amounts to taxable income.

Under the 1954 Code an adjustment is made to the tax base for net long-term capital gain in excess of net short-term capital losses. Such gain, less income tax attributable thereto, is deducted from the net income in computing the undistributed personal holding company income. This deduction from undistributed personal holding company income was not made under the 1939 Code but the provisions for maximum tax on capital gain was made effective in the tax computation by the alternative tax.

## CHARACTERISTICS OF 1954 TABULATIONS

## Sources of Data

Data shown in this report as relating to the year 1954 are taken from a sample of corporation income tax returns filed for the calendar year ended December 31, 1954, annual noncalendar accounting periods ended within the interval July 1954 through June 1955, and part years with the greater portion of the accounting period in 1954. The data were compiled from corporation returns as filed on income tax Forms 1120, 1120L (life insurance), and Form 1120M (mutual insurance) and from personal holding company schedules filed under the 1954 Code and on the 1954 return form. Data are compiled prior to any revisions resulting from audit by the Internal Revenue Service and prior to carryback of subsequent operating losses to tax year 1954.
Returns on the corporation Form 1120 from a limited number of sole proprietorships and partnerships were used in the compilation, as were returns of foreign corporations engaged in business within the United States. Tax forms in the 990 series, filed by exempt organizations, were not used.

## Categories of Active Corporation Returns

Classification of returns into those with and without net income is based on the current year net income or deficit before any net operating loss deduction and other special statutory deductions available to corporations in computing taxable income. (See Synopsis of Federal Tax Laws, footnote 4, for computation of taxable income.) Returns with net income may be nontaxable because of a net operating loss deduction or special statutory deductions. Returns without net income include those with equal income and deductions and those with net deficit. Net income or deficit reported on tax returns excludes tax-exempt income. Data relating to tax year 1954 industrial division operations, summarized from returns with net income and returns without net income, are given in table D.
Data for returns with balance sheets are shom separately because a few corporations fail to report

Table D.-CORPOhation refurns with or without net income, by industrial division, 1954

| Industrial division | Totalnumber ofantivecorforationreturns | Returns with net income |  |  |  |  |  |  |  | Returns wi thout net income |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Number of returns | ```Percent of division total``` | $\begin{aligned} & \text { Total } \\ & \text { nompiled } \\ & \text { receipte } \\ & \text { (Thousand } \\ & \text { dollars) } \end{aligned}$ | Net incone <br> (Thousand dolfars) | Income tax |  | Excess profits tax ${ }^{2}$ |  | Number of returns | $\begin{gathered} \text { Percent } \\ \text { of } \\ \text { divisiun } \\ \text { tetal } \end{gathered}$ | Total compiled receipts <br> (Thousand dollars) | $\begin{aligned} & \text { Deficit } \\ & \text { (Thousend } \\ & \text { dollars) } \end{aligned}$ |
|  |  |  |  |  |  | Number of returns | Arount <br> (Thousand dollars) | Number of returns | Amount <br> (Thousand <br> dollars) |  |  |  |  |
|  | (1) | (2) | (3) | (a) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (23) |
| All injustrial 3iwisions................ | 722.305 | $\pm-1.177$ | 61.0 |  | 37, 572,830 | 301.522 | 10, 827.241 | 3.724 | 37,711 | 281,029 | 39.0 | 70, D9, | 3,244, 395 |
| Agriculsure, forestry, and fishery..... Mining and quarrying................. | 8.773 | i, 4,248 | 5\%.0 | $1,831,615$ $0,708,513$ | 176,168 946,048 | 3,754 | 65,713 427,760 | 45 48 | $\begin{array}{r}56 \\ 1.250 \\ \hline 57\end{array}$ | 4,032 | 4.0 55.7 | 1,942, 461 | $\begin{array}{r} 53.885 \\ 205.175 \end{array}$ |
| Monstruetion.............................. | 36,130 | 21, 421 | 59.3 | 14,674,881 | - 033,538 | 19,072 | $\begin{array}{r}256.353 \\ \hline, 451.650\end{array}$ | $\begin{array}{r}221 \\ \hline 507\end{array}$ | 512 30,899 | 14,719 46,289 | 48.7 38.3 | $2,815,940$ $28,299,156$ | 105.944 $1,303,686$ |
| manufacturirs............................ | 120,836 | 74, 6009 | 61.7 | 240,028,767 | $19,653,551$ $4,709,853$ | 65.313 15.193 | 2,451,660 | 1,507 | 30,899 | 46,288 11,686 | 40.1 | $\begin{array}{r} \quad 8,299,156 \\ 5,351,329 \end{array}$ | 1, 2 ¢9, $5<8$ |
| Public utilities.......................... | 29.122 238.523 | 17, 143,43 | 59.7 | $37,010,424$ $147,772,49$ | $4,705,853$ $4,356,658$ | 15.193 125,554 | 2,308,055 $1,890,522$ | 119 | 2,320 | -95,091 | 39.9 | $25,530,723$ |  |
| Frade................................... | 238,523 | 143,432 | 0.1 | 147,772,49 | 4,356,658 | 122,554 | 1,290,5e2 | - | 2,320 | 9,09 |  |  |  |
| lessors of real froperty.............. | 205,339 | 139,504 | 67.t | 25,469,350 | 8,273,140 | 220, 824 | 2,093,547 | 455 | 64.3 | 66,575 | 32.4 | $\frac{7,22 t, 369}{2,264,758}$ | 289,323 197.015 |
| Services.................................. | 44,845 | 34,682 | 53.5 | 10,145, 869 | 788,143 | 28,467 7,617 | 324,432 | 343 10 | ${ }^{1}, 2485$ | 30,163 7,731 |  | $2,426,758$ 41,332 | 197.015 10.983 |
| Nature of business not allocable. | 9,586 | 1,855 | 19.4 | 84, 15 | 15,731 | 1,417 | 4,893 | 10 |  | , |  |  |  |

[^2] annual accounting periods ended July through November 1954 and returns for part years which began in 1953.
${ }^{2}$ Less than $\$ 500$.
asset and liability items. Table E, compiled from returns with balance sheets, shows total assets, total compiled receipts, and net income or deficit classified by size of total assets. Ninety-two percent of the returms do have balance sheets and account for 98.6 percent of the total compiled receipts reported for 1954. Income statement items for returns with and without balance sheets are compared in table 3, page 43. Table $F$ relates the net income or deficit size classification of corporate income tax returns and the number in each size group submitting balance sheet information.

Accounting periods covered by returns used for this report are listed under "Sources of Data" and the accounting period classification is based on the closing month of the annual accounting period. Categories of returns with special tax features are based on specific provisions of the Internal Revenue Code and are discussed in detail in the explanatory text which follows.
table en Corporation returns wiph balance sheets, by size of total assets, 1954

| Size of total assets | Number of returns | Total <br> assets <br> (Thousand doltars) | Total compiled receipts (Thousand dollars) | Net income or deficit <br> (Thousand dollars) |
| :---: | :---: | :---: | :---: | :---: |
|  | (2) | (2) | (3) | (4) |
| Tinder ${ }^{\text {S2, }}$ 5,000. | 167,604 | 1,907,385 | 5,928,725 | ${ }^{1} 123,407$ |
| \$25,000 under \$50,000. | 105,461 | 3,842,977 | 8,694,501 | 36,314 |
| \$5, 2000 under \$ $100,000$. | 117,001 | 8,430,038 | 17,606,188 | 259,702 |
| \$10C.000 under \$250,000. | 134.299 | 21,379,649 | 42, 24,8,919 | 833,769 |
| \$250,000 under \$500,000. | 60,354 | 21,045,815 | 39,745,048 | 964,179 |
| \$500,000 under \$1,000,000. | 33,617 | 23, 491,388 | 38,903.995 | 1,211,122 |
| \$1,000,000 under \$2,500,000. | 24.906 | 38,817,924 | 48,549,707 | 1,901,333 |
| \$2,500,000 under \$5,000,000. | 10,864 | 38,121,693 | 33,774,943 | 1,719,221 |
| \$5,000,000 under \$10,000,000 | 6,324 | 4, 204,930 | 32,268,507 | 1,840,855 |
| \$10.000,000 under \$25,000.000 | 4,228 | 04,938,455 | 40,221,033 | 2,871,173 |
| \$25,000.000 under \$50,000,000. | 1,493 | 51,404, 46 | 30,445.884 | 2,327,125 |
| \$50,000,000 under \$100,000,000 | 79. | 55,544,463 | 31,400, 110 | 2,629,198 |
| \$100,000,000 under \$ $\$ 50,000,00$ | 541 | 82,875,468 | 41, 778,013 | 3,738,329 |
| , 250,000,000 or more........ | 390 | 349,295,661 | 135,535,686 | 15,887,768 |
| Total | 667,856 | 805,300,082 | 547,001,259 | 36,096,681 |

table f.-relation of corporation returns with balance sheets to all active


## Description of Tables

The number of returns covered in the tabulations in this volume tends to decrease as the reader moves
from table l to table 37. The first sixteen tables provide tax year 1954 data tabulated from either all 722,805 active corporation returns or 667,856 active corporation returns with balance sheets. Tables 7 through 11 and 15 show data separately for returns with net income and without net income. Tables 17 through 20, on the other hand, show data tabulated only from returns with net income, either the 441,177 active corporation returns with net income or the 419,679 returns with both net income and balance sheet data.

Tables 1-20—Categories and Coverage Returns with and without net income


Returns with net income


In tables 21 through 37, separate tabulations are made for returns with special tax provisions, active corporations filing first returns, and active manufacturing and trade corporation returns.

Tables 21-37-Categories and Coverage
Special tabulations

| Tables | Returns |
| :---: | :---: |
| 21......... Manufacturing and trade corporations, inventory study...... | 359,419 |
| 22........ Manufacturing and trade corporations with balance sheets, inventory study................... | 338,621 |
| 23......... Corporations filing first returns in 1954................... | 74,095 |
| Returns with special tax provisions |  |
| 24......... Consolidated returns | 2,723 |
| 25.......... Consolidated returns with balance sheets.................... | 2,652 |
| 26.......... Consolidated returns with net income............................. | 1,510 |
| 27......... Consolidated returns with balance sheets and net income.... | 1,478 |
| 28-30..... Corporation returns with foreign tax credit.................. | 3,215 |
| 31-33...... Western Hemisphere trade corporation returns................ | 687 |
| 34-37...... Active personal holding company schedules.................... | 3,818 |

In all tables, values in thousand dollars were rounded and, therefore, may not add to the totals.

## Industry Measurements

The Standard Industrial Classification issued by the Office of Statistical Standards, Bureau of the Budget, Executive Office of the President, has been adapted for use in this volume. Since the Standard Industrial Classification is designed on an establishment basis, it has been necessary to reduce greatly the number of groups and to make changes in the contents of groups in order to adapt the Standard Classification to the corporation income tax returns which are filed on an ownership basis. The classification in this volume is unchanged from that used for tax year 1953. Under the heading, "Comparability of Historical Data" page 142, there is a brief description of earlier revisions made for Statistics of Income tabulations of major industry data.

Industrial classification of each return was determined by the business activity reported thereon and by the source accounting for the largest percentage of the total receipts. Because many corporations, virtually all of the large ones, carry on business in more than one of the some 225 recognized classes, the classification of corporation data by industry is necessarily subject to many limitations. Year-to-year changes in the classification of specific corporations result from mergers, other alterations in corporate structure, and from the privilege of filing consolidated returns. For 1954, revisions in the law with respect to consolidated returns may have resulted in a greater than usual number of shifts of corporation data from one industrial group to another. Such factors are reflected in the 1954 data for the communications category, for example, which contains sales formerly included in manufacturing.

The industry classification in tablel is the most detailed grouping used in this volume. Based on tax year 1954 returns for all active corporations, table 1 shows the number of returns classified in each of 282 industry groups and totals and provides the following summaries for each group:

Total compiled receipts
Gross receipts from sales and from operations Cost of goods sold and of operations
Net income or deficit
In addition to the foregoing financial measurements, table l contains data on the income tax and excess profits tax liabilities shown on returns with net income.

Major industry receipts, deductions, assets and liabilities, itemized as indicated on page 44, are presented in tables 2, 4, 18 and 19. Classified in the 65 major groups, itemized receipts and deductions on all active corporation returns are tabulated in table 2 together with major industry compiled net profit or loss, net income or deficit, net operating loss deduction, taxes, compiled net profit less total tax, and dividends paid. Parallel tabulations of income statement items, but limited to returns with net income, are provided in table 18. Table 4, which is based on returns with balance sheets, provides figures on major industry assets and liabilities and related income, deduction, and tax items. In table 19 the items covered are similar to those in table 4 but the sumary is restricted to returns of corporations with balance sheets and net income.

Improvements in the corporate income tax return form made it possible to tabulate an expanded corporate balance sheet for tax year 1954. Categories of assets were added to show the distribution of corporate portfolios of Government obligations between obligations of the United States and other governmental units, the amount of prepaid expenses and supplies, corporate evaluation of depreciable assets and accumulated amortization or depreciation, depletable assets and accumulated depletion, and the net value of intangible assets. Liability items have been added to indicate the amount of accrued expenses, corporate prepaid income, and reserves for estimated expenses. The two latter liability items were supplied in connection with taxpayer elections permitted under 1954 Code sections 452 and 462 prior to their repeal on June 15, 1955.

Table 3 links the itemized income statement data summarized from 722,805 active corporation returns (table 2) with the itemized summary of balance sheets and income statement items submitted on 667,856 active corporation returns by presenting totals for income statement items (1) for all returns, (2) for returns with balance sheets, and (3) for returns with no balance sheets. Balance sheet data shown in Statistics of Income are tabulated as of the end of the corporate accounting period covered by the tax return. This holds for the assets and liabilities of a corporation into which one or more other corporations have been merged during the tax year, though the related incore statement items tabulated in this case exclude data for a part year period prior to its merger reported on a tax return submitted separately by an acquired corporation. In such cases, if the return from the acquired corporation covers a period with a greater number of months in calendar year 1954, it is tabulated as a return without balance sheet data.

The classification of items as they appeared on the taxpayer's return was revised when available information warranted a change to fit the standardized receipt, deduction, asset, and liability categories used in the tabulations. Revised editirg procedures, particularly for returns in the finance area, lessen item by item comparability of 1954 with prior periods.

In the financial division, data compiled from returns classified under the major group "Insurance carriers and agents" are affected by provisions of law with reference tolife and mutual insurance companies. Life insurance companies report only their investment income, i.e., interest, dividends, and rent, and may deduct only expenses incident thereto and wholly tax-exempt interest in arriving at net income. The deductions reported are taxes and depreciation, tabulated under their respective titles, and investment and real estate expenses, tabulated as "Other deductions." Mutual insurance companies report these items and, in addition thereto, net gain from sale or exchange of capital assets, interest paid,and capital losses sustained in meeting dividend and insurance claim payments. Capital losses are included with "Other deductions."

Computation of life and mutual insurance company taxable income also differs somewhat from that for other corporations shown in "Explanation of Terms," page 28, and Synopsis of Federal Tax Laws, page 187. Life companies deriving a portion of their
income from contracts other than life insurance, annuities, or noncancelable health and accident insurance make an upward adjustment in computing income for tax purposes for certain nonlife insurance reserves. The amount of this adjustment for 1954, shown in table G, is $\$ 27,737,000$. Life companies earning less than 105 percent of their required interest are allowed a reserve interest credit, computed under provisions of section 805 of the 1954 Code. This special adjustment for 1954 amounted to $\$ 15,777,000$ and is also shown in table G. Neither life nor mutual insurance companies are allowed a net operating loss deduction.

Special provisions affecting insurance industry tax are reviewed inthe Synopsis of Federal Tax Laws, pages 188 and 189.

Tabie G.-special adjustments made by life insurance companies in computing TAXABLE INCOME, 1954

| ItPm | $\begin{gathered} \text { Returns } \\ \text { with } \\ \text { net income } \end{gathered}$ | Returns <br> without <br> net. income |
| :---: | :---: | :---: |
| Number of life insurance compsny returns....................... | 1,042 | $\square$ |
| Number of life insurance company returns with balance sheets. | 703 | 27 |
| Adjustment for certain nonlife insurance reserves: |  |  |
| Returns with and without balance sheets: |  |  |
| Number of returns...... | 455 | 4 |
| Amourt. . . . . . . . . . . . . . . . . . . . . . . . . . . . thousand dollars.. | 27.727 | 19 |
| Returns with balance sheets: |  |  |
| Number of returns. | 385 | 3 |
| Amount. . . . . . . . . . . . . . . . . . . . . . . . . . . . . .thousand dollars.. | 27.543 | 18 |
| Reserve interest credit: |  |  |
| Returna with and without balence sheets: |  |  |
| Number of returns.... . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . | 227 | - |
| Amount. . . . . . . . . . . . . . . . . . . . . . . . . . . . . . thousand dollars. | 15.777 | - |
| Returns with balance sheets: |  |  |
| filubar of returns. | 103 | - |
|  | 15.123 | - |

## Asset Size and Income Size Distributions

Data on corporate returns with balance sheets are classified by asset size in tables 5, 6, 16, and 20 . In table 5 data for seventy-one items from corporate balance sheets and income accounts are distributed among 14 asset size classes. Table 20 provides similar item detail for returns with balance sheets and net incone. Table 6 shows seventeen selected balance sheet and income statement items by assetsize within each of the major industry groups. Table 16 relates asset size and corporate accounting period. For 667,856 returns with balance sheets, separate asset size distributions are made in table 16 for 282,762 returns pertaining to annual noncalendar year accounting periods, and for 385,094 returns covering calendar and part year accounting periods.

Corporation data are classified by net income or deficit size in tables 7, 8, 9, 10, and 15. Table 7, based on returns for all active corporations, shows industrial division net income,taxes, and dividends paid distributed separately by size of net income or deficit for returns with net income and returns with no net income. Table 8 provides net income size classification data on type of tax liability compiled for all active corporate returns, including a separate sunmary for returns showing the alternative income tax liability (defined on page 23). Table 9 presents distributions which relate net income or deficit size to the source of dividend receipts, and
to interest receipts on Government obligations. Dividends received from domestic and foreign corporations are tabulated separately for 17 income size classes. The data in this table distinguish between interest received on Govermment obligations which is wholly taxable, subject to surtax only, and wholly tax-exempt. These different classes of interest receipts are described briefly on page 25.

Table 10 is devoted to the $\$ 13.3$ billion in dividends paid by all active corporations. It contains net income and deficit size distributions of data on returns with dividends paid of the following types:
(1) Only cash and assets other than own stock
(2) Only corporation's own stock
(3) Both cash and assets other than own stock, and corporation's own stock

Table 15 relates net income or deficit size and corporate accounting period through separate size distributions for 293,003 active corporate returns for annual noncalendar year accounting periods and 429,802 active corporate returns which covered calendar and part year accounting periods.

Income size distributions are also available for returns with foreign tax credit (table 30) and for Western Hemisphere trade corporation returns (table 33).

Brief descriptions of the deductions attributable to dividends for tax purposes are contained in the "Explanation of Terms," page 24, and Synopsis of Federal Tax Laws, page 187.

## Dividends Summary

In addition to the net income size distributions of dividends received and type of dividends paid in tables 7, 9, and 10 , which are described immediately above, table $l l$ contains data on cash dividend payments separately for returns with net income and returns without net income, classified among 17 industrial categories. Tables 2 through 5, and 18 through 20 provide data on the value of dividends paid (1) in cash and assets other than own stock, and (2) in the corporation's own stock. In the latter seven tables, dividend data are classified either by major industry group or asset size. In table 6 dividends paid in cash and assets other than own stock are classified by both industry and asset size. Chart 3 shows the percentage composition of dividend distributions arising in the various industrial divisions.

## Accounting Periods and Methods

Tables 14, 15, 16, and 17 deal with the accounting period characteristics of the major industries and income and asset size groups. Table 14 summarizes industrial accounting period data from returns with and without net income, and table 17 is restricted in coverage to returns with net income. Table 16 data on assets are restricted to returns with balance sheets.

Table H below presents sumnary data relative to the distribution of all returns, returns with net income, and returns without net income among corporate accounting periods in tax year 1954.




Tables 12 and 13 provide measurements regarding inventory valuation methods and major industry corporation accounting usage of cash, accrual, and other accounting methods. The data on accounting methods are based on answers to questions contained on the income tax return (facsimile, page 195) and are probably characterized by a substantial amount of nonresponse. Tables in Statistics of Income volumes for 1945 and 1946 provide data on accounting methods used in these periods and a table in the 1950 volume shows the basis of valuing inventories then used bycorporations.

## Inventories

There are two special tables in this volume which provide beginning and ending inventory data for tax year 1954 as reported on 268,547 returns classified in manufacturing and trade. Table 21 relates both beginning and ending inventories to the gross sales
and the gross assets reported on returns in which inventory data for both beginning and end of the accounting period were given. Table 22 for the same sectors summarizes beginning and ending inventory data by the month in which the accounting period ended.


Charts 4 and 5 relate to the special inventory tabulations. Chart 4 is based on information in table 21 compiled fromtaxyear 1954 returns from manufacturing and trade corporations reporting the value of inventory at the beginning and end of their accounting period. Tax year 1954 gross sales shown in chart 5 and in table 21 are compiled from data on all tax year 1954 returns classified in manufacturing and trade activities. Statistics of Income for 1953, Part 2, is the source for 1953 gross sales data.


## New Businesses and Successor Businesses

Table 23 presents data derived from answers to question l, page 3 of the corporation income tax return form for 1954 or the incorporation date (see facsimile, pages 193-5). The "Explanation of Terms," page 25 , provides material helpful in interpreting this table. Similar data for prior years are available in Statistics of Income, Part 2, for 1945 and 1946.

## Consolidated Returns

A single return may contain financial data for two or more closely related concerns. Affiliated groups electing to tile consolidated returns are subject to an additional surtax of 2 percent of taxable income computed (1) before deduction of partially taxexempt interest, and (2) by excluding taxable income of regulated public utilities and Western Hemisphere trade corporations. In tabulating corporation statistics, a consolidated return is treated as a unit, each classification being determined onthe basis of combined data.

Data for 13,139 corporations (2,723 parent corporations and 10,416 active and inactive subsidiaries) were reported on 2,723 returns and included in all tabulations in this volume. Tables 24 through 27 show detailed financial data fromconsolidated returns separately. These corporations account for around 12 percent of all corporate receipts, net income, tax, and total assets reported. Only in the industrial division "Public utilities" does the proportion of consolidated data rise much above this average. In this division consolidated return data amount to about 50 percent of the total.

Corporations included in an affiliated group for tax purposes must be connected through stock ownership with a common parent corporation which owns stock of at least one member of the group equal to (1) at least 80 percent of the voting power of all
classes of stock, and (2) at least 80 percent of each class of nonvoting stock (except stock which is limited and preferred as to dividends). In addition, these same proportions of the stock of each other member of the group must be owned by one or more of the corporations within the group.

These stock ownership requirements are a sharp reduction from the 95 percent ownership required in each instance under the 1939 Code and will account for some change in both the number of consolidated returns filed and in the number of subsidiary companies. Corporate changes to or from a consolidated return basis affect comparability of data in each classification into which the individual companies or affiliated group would normally fall.

New elections, generally available because of the enactment of the 1954 Internal Revenue Code, may also affect comparability of 1954 data with that for other years. The third table in the Synopsis of Federal Tax Laws, page 186, describes the type of corporations which may elect to file consolidated returns, 1945 through 1954, and the conditions under which an election ceases to be binding for future tax years. Table C provides a comparison of the number of consolidated returns (equivalent to number of parent corporations), and number of subsidiaries for 1953 and 1954, by industrial division.

## Foreign Tax Credit Claimed

A credit for foreign income and excess profits taxes of $\$ 726$ million was claimed by 3,215 corporations against their 1954 income tax liability of $\$ 7$ billion. Only domestic corporations with a current year United States income tax liability can claim this credit for taxes paid to foreign countries or United States possessions.

Credit claimed for taxes paid to a foreign country or United States possession cannot exceed the amount of United States tax allocable to income from such country or possession determined by using the ratio of taxable income from the foreign source to total taxable income. For returns with accounting periods ended in the period July through November 1954 used in preparing this report, a further limitation was effective under the 1939 Code. For these returns the total credit against income tax was limited to the same proportion of total income tax as taxable income from all sources outside the United States was to total taxable income. Foreign taxes not offset against the income tax could be claimed as a credit against excess profits tax subject to two similar limitations based on excess profits net income and tax. Since only small amounts of excess profits tax and credit were reported in 1954, they were added to the income tax and credit to obtain the United States tax and foreign tax credit claimed tabulated for this report.

Tables 28, 29, and 30 show the amount of credit claimed against United States taxes, together with related income and tax data, distributed by major industry group, size of total assets, and size of net income.

Corporations claiming foreign tax credit are required to file supporting statements on Form 1118 showing taxable income fromforeign sources and total
foreign taxes paid. Statements for 2,422 corporations were available for tabulation. These corporations reported 92 percent of the net income and 87 percent of the foreign tax credit reported by the 3,215 corporations using the credit in 1954.

Some dividends tabulated as income from foreign sources may be from income earned by a foreign corporation in the United States as defined in section 861 of the 1954 Code. Taxes attributable to the portion of such dividends taken as a dividend received deduction under section 245 cannot be credited against the United States tax. Dividends from foreign sources are tabulated from Form 1120, schedule $C$.

In addition to direct taxes paid foreign countries on dividends, domestic corporations owning 10 percent or more of the foreign payor corporation's voting stock may claim credit for taxes paid on income from which the dividends were derived. This provision includes taxes of a foreign subsidiary in which the payor corporation owns 50 percent or more of the voting stock.

Also treated as dividends for purposes of the foreign tax credit are amounts, in excess of costs, paid (under a contract and in lieu of dividends) to a domestic corporation by a wholly owned subsidiary, engaged in manufacturing, production, or mining, for goods or services furnished by the parent corporation.

All corporations not claiming a foreign tax credit can take foreign taxes paid as anordinary deduction in computing net income but these taxes are notidentifiable onthe return. Corporations organized under the China Trade Act, 1922, and corporations receiving sufficient gross income from sources within a possession of the United States to receive the benefits of section 931 of the 1954 Code are treated as foreign corporations and denied the use of the foreign tax credit.

Data similar to that published in tables 28, 29, and 30 were published in volumes of Statistics of Income, Part 2, for 1950, 1951, and 1953.

## Western Hemisphere Trade Corporations

A Western Hemisphere trade corporation is defined by the Internal Revenue Code as a domestic corporation (1) all of whose business (except incidental purchasing) is done in North, Central, or South America, or the West Indies; (2) 95 percent or more of whose gross income for the 3 -year period ending with the close of the taxable year (or for such part of the period as the corporation was in existence) was derived from sources outside the United States; and (3) 90 percentor more of whose gross income for such period was derived from active conduct of a trade or business.

Western Hemisphere trade corporations are granted a tax concession in the form of a deduction from taxable income equal to approximately 27 percent of such income. Their income was exempt from excess profits tax (applicable to returns for tax years ended July through November 1954 used for this report), and, when included in the income of an affiliated group filing a consolidated return, is exempt from the 2 percent additional tax imposed on consolidated taxable income.

Tables 31, 32, and 33 show the net income or deficit, Western Hemisphere trade corporation deduction,
foreign income, incometax before foreign tax credit, foreign taxes paid, and credit claimed for foreign taxes paid reported by 687 companies. The data were tabulated by (1) industry groups, (2) size of total assets, and (3) size of net income or deficit. Income and tax data in these tables are not fully representative of Western Hemisphere trade corporations since aggregate data from 41, predominantly large, consolidated returns of affiliated groups were included in the tabulations. Data from a consolidated return are included if any member of the affiliated group qualifies as a Western Hemisphere trade corporation although in many cases the consolidated report reflects only a small amount of Western Hemisphere trade corporation experience. It was not possible to segregate data for the individual affiliates. The 41 consolidated returns used in preparing the 1954 data are almost double the 22 such returns used in tabulating the 1953 Western Hemisphere trade corporation data. This increase may result in part from the change in definition of affiliated corporations includible in a consolidated return. (See pagel4 for changein definition and effects on comparability of data.)

The best available measure of Western Hemisphere trade corporation activity available in the tabulations is the Western Hemisphere trade corporation deduction. This $\$ 141$ million deduction, based on a statutory allowance of approximately 27 percent of taxable Western Hemisphere trade corporation income, indicates that the amount of taxable income earned by these companies in 1954 was about $\$ 522$ million. (Taxable income as used here is defined as current year net income less net operating loss deduction, partially tax-exempt interest, dividends received deduction, and in the case of a public utility, the dividends paid deduction. Interest and dividends received deductions should be comparatively small, however, since, by the definition given above, 90 percent of gross income mustbe from trade or business.)

Form 1118 filed in support of the credit claimed for foreign taxes paid provides the only data available with respect to taxable income other than dividends from foreign sources and the amount of foreign taxes paid. Data are shown separately for the 256 returns for which the form was available. Dividends from foreign sources tabulated for these same corporationsare dividends received from foreign corporations reported on Form 1120, schedule C.

Almost half, or 332, of the Western Hemisphere trade corporations do not claim credit for foreign taxes. Over 80 percent of these corporations are engaged in trade.

Seventy-seven returns showed no net income. This number and the deficits tabulated are probably understated since Western Hemisphere trade corporations are frequently identifiable only by their special deduction from taxable income.

Similar tabulations for Western Hemisphere trade corporations are available for 1950, 1951, and 1953 in Statistics of Income, Part 2, for those years.

## Personal Holding Company Schedules

Supplementary data for personal holding corporations subject to additional tax on undistributed personal holding company income under section 541 of the 1954 Code are presentedin tables 34 through 37.

These tables show the computation of the undistributed personal holding company income from the net income base, additional personal holding company tax, sources of personal holding company income, and size of companies based on amount of personal holding and undistributed personal holding company income. Data are from schedule PH of the return Form 1120.

Personal holding companies are those with five or fewer individuals owning or controlling over half the value of outstanding stock, and with at least 80 percent of gross income consisting of personal holding company incomeas defined in "Explanation of Terms," page 26.

The 1954 data do not represent a full coverage of personal holding companies for tax years ended July 1954 through June 1955 because of changes resulting from enactment of the Internal Revenue code of 1954. Tabulation of combined data from the report forms filed under the provisions of the 1939 Code and those filed under the 1954 Code was not feasible. Therefore, the data tabulated for this volume were taken from the return Form 1120, schedule PH, filed under the provisions of the 1954 Code. Some returns filed for years taxable under the 1954 Code were filed in error on the 1953 return form and are excluded. The number of returns of active corporations filed on the 1954 form and used in the tabulations was 3,818.

In using 1954 data with that for prior years, comparability of items, affected by enactment of the 1954 Code, should be determined through use of the definitions of items provided in each volume and through the "Changes in Law Affecting 1954 Data" section of this volume. One of the principal changes in comparability of undistributed personal holding company income results from the elimination of net long-term capital gains in excess of the income tax thereon from the tax base (table 34). Personal holding company tax, however, is little affected by this change since both laws provide a maximum tax on net long-term capital gain.

Tables 35 through 37 provide data not heretofore tabulated. Prior to 1954 the personal holding company tax return did not require reporting of the personal holding company income by sources (table 35). Personal holding company income was tabulated from 3,097 of the 3,818 personal holding company schedules since some companies failed to complete the required data. Receipts from personal holding company income sources were included in the computation of net income for income tax purposes (tables 1 through 33).

Tables 36 and 37 provide income size measurements based on personal holding company income and undistributed personal holding company income. Neither of these classifications is comparable to the classification $2 y$ size of subchapter A net income, defined in Statistics of Income for 1952, used in prior years.

Table I provides a summary of personal holding company tax data. By law personal holding company income constitutes 80 percent or more of the gross income of the 3,097 companies showing sources of such income. Corporate net income or deficit, for all personal holding companies, is the base used in computing undistributed personal holding company income on which the personal holding company tax is paid.

Table 1.-personal holding company income and tax, 1054

${ }^{1}$ Deficit.

## DESCRIPTION OF THE SAMPLE AND LIMITATIONS OF DATA

The population. -The population consisted of 754,019 corporation income tax returns with accounting periods ended between July 1, 1954 and June 30, 1955. This figure includes returns filed on Forms ll20, 1120L, and 1120M. It includes 31,214 returns of inactive corporations and 43,393 part year returns. On the other hand,it excludes returns filed on Form 1120 H by personal holding companies. It also excludes amended returns not associated with anoriginal return, and returns which were received after the cut-off date of the tabulation.

The sample design. -The sample design was characterized by stratification, optimum allocation, and the use of prescribed serial number endings to designate sample returns.

The population was stratified by type of return, by volume of business, by tax status, that is by taxable or nontaxable returns, and by the 64 district offices. Returns for consolidated corporations, life insurance companies,mutual insurance companies, and those with overpayments of tax were included 100 percent. Other returns in the population were stratified by volume of business into large, medium, and small according to the following definitions.

1. Large returns were those with gross sales, gross receipts, or total income of $\$ 500,000$ or more.
2. Medium returns were those in which at least one of the items-gross sales, gross receipts, or total income-was between $\$ 100,000$ and $\$ 500,000$, but none $\$ 500,000$ or more.
3. Small returns were those with gross sales, gross receipts, and total income each less than \$100,000.
The sample size, sample rates, and estimated population for the volume of business and type of return stratification are given below:

## 1954 Corporation Sample

| Strata | $\begin{aligned} & \text { Sample } \\ & \text { size } \end{aligned}$ | $\begin{gathered} \text { Sampling } \\ \text { Tate } \end{gathered}$ | Estimated population |
| :---: | :---: | :---: | :---: |
| Special: |  |  |  |
| 1120 with Sch. PH.. | ${ }^{1} 1,029$ | ${ }^{1} 1.00$ | ${ }^{1} 1,029$ |
| $1120 \mathrm{~L} . . . . . . . . .$. | 1,173 | $1.00$ | 1,113 |
| 1120 M. 1120 consoiidated. | 12,723 | $1 \frac{1}{1.00}$ | 12,723 |
| Large | 107,248 | 1.00 | 107,248 |
| Medium | 37,889 | 0.20 | 189,445 |
| Small | 45,171 | 0.10 | 451,710 |
|  | 195,924 |  | 754,019 |
| ${ }^{1}$ A rew of these returns | pell in the | ata of s | nd medium |

The method of estimation.-The method of estimation was that of using the inverse of the sampling rate after the sample size had been adjusted to correct for any undersampling or oversampling which might exist in a district office. The adequacy of the sample size was tested by applying appropriate sampling rates to the number of returns of various types processed by each district office, and comparing this expected sample size with the number of sample returns actually received. If the number of sample returns was insufficient the weight was kept at the inverse of the sampling rate by duplicating the required number of sample returns. Past year sample data were also used as a basis of validating the sample.

Sampling variability.-The area of 100 percent coverage is large and therefore the sampling error on an overall basis for amount of total assets is only a fraction of 1 percent.

The maximum sample variability in the basic totals for all industry groups and asset sizes combinedare as follows:

|  | Percent |
| :---: | :---: |
| Total number of returns | $\pm 0.25$ |
| Total net income | $\pm 0.10$ |
| Total deficit income | $\pm 0.70$ |
| Total assets | $\pm 0.25$ |

These limits will be exceeded in the long run in about 5 out of 100 similar samples of the 1954 corporation returns.

The sampling error for the various characteristics for the industry groups with the smallest frequen-cies-forestry, anthracite mining, tobacco manufacturing, and ordnance and accessories-are extremely small because the large corporations included 100 percent account for most of the very small money values as well as for 75 percent or more of gross sales.

Nonsampling errors.-In addition to sampling variability the data are subject to certain biases due to processing, incomplete coverage, and taxpayer errors since the data were derived from unaudited returns. Control over coverage was exerted through an extensive system of sample management. On an overall basis, the amount of bias in money amounts of income or deficit as estimated from audited returns exceeds the sampling variabilities given above.

## EXPLANATION OF TERMS

The following definitions apply particularly to current year data but in most instances are also applicable to items shown in the historical tables $38-43$. When used with historical data, the "Comparability of Historical Data," pages 142-5 and Symopsis of Federal Tax Laws, pages 181-190 should also be consulted. Facsimiles of the return forms for 1954 referred to in the explanations are shown on pages 191-222.

Accounts and notes payable, shown in table 6, consists of amounts tabulated as bonds, notes, and mortgages payable with maturity of less than 1 year and accounts payable.

Alternative tax consists of a tax of 26 (or 25) percent of net long-term capital gain reduced by any net short-term capital loss, plus normal tax and
surtax at the usual rates on the balance of taxable income, and was reported only if it was less than the regular normal tax and surtax. Alternative tax was tabulated in "Income tax." The maximum tax rate for net long-term capital gain reduced by net shortterm capital loss was reduced from 26 percent to 25 percent for taxable years beginning on or after April 1, 1954. For returns used in compiling this report, this change applied only to returns with fiscal years ended in the period March through June 1955. (See Synopsis of Federal Tax Laws, 1945-1954, Table A, for maximum tax rate on long-term gain prior to 1954.)

Amortization. -Amortization deduction items are listed under "Depreciation and amortization" and descriptions of new items are given in "Changes in Law Affecting 1954 Data." Accumulated amortization for depreciable assets for fiscal years ended in the period July through November 1954 was not shown separately on the balance sheetschedule of returns filed for those years but was included in "Accumulated depreciation."

Assets and liabilities were tabulated as of December 31 of the tax yearor close of fiscal year nearest thereto. Adjustments were made in tabulating the data as follows: (1) reserves for depreciation, depletion, bad debts, etc., reported under liabilities, were transferred to the appropriate asset reserve accounts, and (2) deficits in surplus, reported under assets, were transferred to liabilities as negative amounts. Beginning in 1952 the liability items "Accounts payable" and "Capital stock, common" are overstated in the Finance Division,major industry group "Credit agencies other than banks," due to taxpayer reporting of some savings and loan association savings accounts as such liability items rather than as "Other liabilities" where they were typically reported.

Bonds, notes, mortgages payable.-The quality of the published data for 1954 as tabulated by maturity date is subject to inconsistencies in definition. The balance sheet schedules of the two return forms used for this report differed in that one requested classification of these obligations by original maturity date, while the other requested classification by time of maturity from date of the balance sheet. Thus, data for obligations with maturity of less than 1 year, while principally short-term obligations, may contain some long-term obligations nearing maturity, and the item for obligations with maturity of one year or more may contain obligations with maturity within one year.

In table 6 "Bonds and mortgages payable" are those tabulated as "Maturity of one year or more."

In historical table 41, data for years prior to 1954 were classified according to the original maturity date.

Capital assets less reserves in table 6 include depreciable, depletable, and intangible assets plus land, reduced by accumulated amortization, depreciation, and depletion.

Capital gain or loss is the gain or loss from sale or exchange of "capital assets" as defined by section 1221 of the 1954 Code, and the aggregate net gain from sale or exchange of certain "property used in the trade or business" and from involuntary conversion of such property and of "capital assets" held for more than 6 months.

An alternative tax may be computed for returns with a net long-term capital gain in excess of net shortterm capital loss.

Losses from sale or exchange of capital assets are allowed only to the extent of capital gains, but a net capital loss, reduced by capital gains in intervening years, may be carried over to the five succeeding taxable years. An aggregate net loss from sale or exchange of "property used in the trade or business" and from involuntary conversion of such property and of "capital assets" is treated as an ordinary loss.

In computing capital gains and losses-
"Capital assets" (as defined by section 1221) consists of all property held by taxpayer except: (1) property properly includible in inventory, or property held primarily for sale in the ordinary course of trade or business; (2) depreciable and real property used in trade or business; (3) accounts and notes receivable acquired in the ordinary course of trade or business for services rendered or from sale of property includible in inventory or ordinarily held for sale; (4) Government obligations issued on or after March 1, 1941, on a discount basis and payable without interest at a fixed maturity date not exceeding 1 year from date of issue; and (5) certain copyrights, literary, musical, or artistic compositions or similar properties.
"Property used in the trade or business" means real property and depreciable property, used in the business and held formore than 6 months (but not certain copyrights, etc.), and certain timber, coal, unharvested crops, and livestock.
"Short-term" pertains to gains or losses from property held 6 months or less; "long-term" to property held over 6 months.

Capital gains and losses are treated historically in table B, of the Synopsis of Federal Tax Laws.

Capital stock shown in table 6 consists of both preferred and common stock.

Compiled receipts.-See "Total compiled receipts."
Consolidated returns are defined in text, page 20. See also Synopsis of Federal Tax Laws, 1945-54, table C, page 186.

Contributions or gifts.-The law limits the deduction for charitable contributions or gifts in any one year to 5 percent of the net income for the year (before this deduction). Contributions or gifts in excess of this limitation made after December 31, 1953, may be carried forward as a deduction against net incomes of the following 2 years to the extent that contributions in such years are less than the statutory limitation.

Corporate net income or deficit.-See "Net income or deficit."

Cost of goods sold and Cost of operations. - Identifiable amounts of taxes, depreciation and amortization, depletion, advertising, pension and other benefit plan contributions reported in these costs were transferred to their specific headings. For years prior to 1951 only amortization of emergency facilities and pension plan contributions were so treated.
"Cost of goods sold" was reported for transactions in which inventories were an income-determining factor: "Cost of operations" was reported for all other transactions.

Credit claimed for foreign taxes paid and statement filed in support thereof.-See text, page 20.

Deficit.-See "Net income or deficit," below.
Depletion. - The 1954 Code increased the depletion allowance for a number of minerals. See "Changes in Law Affecting 1954 Data." These increases were not effectivewith respect to the depletion deduction and accumulated depletion (balance sheet) reported on returns for fiscal years ended July through November 1954 which were used in preparing this report.

Depreciation and amortization.-See "Changes in Law Affecting 1954 Data" for methods of depreciation and amortization allowances authorized by the Internal Revenue Code of 1954 which affect comparability of this deduction and the accumulated amounts (balance sheet) with similar data for other years.

Amortization includes deductions taken in lieu of depreciation for emergency facilities (section 168 of the 1954 Code) and grain storage facilities erected after December 31, 1952 (section 169), plus deductions taken for researchorexperimental expenditures capitalized but not subject to depreciation (section 174), mine exploration and development expenditures amortizable under sections 615 and 616, and organizational expenditures amortizable under section 248 of the 1954 Code.

Accumulated depreciation includes accumulated amortization reported for fiscal years ended in the period July through November 1954.

Dividends from foreign sources, in tables 28-33, are those from foreign corporations reported in column 4 of schedule C, Form 1120, and do not exclude dividends deducted from the net income under sections 245 and 246 of the 1954 Code. Foreign tax credit is available only for taxes paid on dividends from foreign corporations in excess of the deduction taken under these sections.

Dividends paid in cash and in assets other than own stnck exclude liquidating dividends.

Dividends received.-"Dividends, domestic corporations" consist of dividends received from domestic corporations subject to income taxation under chapter 1 of the Internal Revenue Code (1954) reported in columns 2 and 3, schedule C, page 2, Form 1120, for 1954. "Dividends, foreign corporations" were reported in column 4 of schedule $C$.

Deductions from net income are allowed with respect to a portion of the dividends from domestic corporations and of certain dividends from foreign corporations doing a substantial volume of business within the United States. Under the 1954 Code, if the sum of the allowable deductions is larger than the net income, a net operating loss results. See "Changes in Law Affecting 1954 Data." Prior to 1951, credit was not allowed for dividends from foreign corporations.

Dividends from other corporations reported in colunn 5 of scheduleC were included in "Ot her receipts." Such dividends include those from China Trade Act corporations, corporations deriving a large percentage of their gross income from sources withina possession of the United States, and corporations exempt from tax under sections 501 and 521.

Employee benefit plans other than those within the purview of section 404 of the 1954 Code include insurance plans, noninsured death benefits, health, accident and other welfare benefits deductible under
section 162. Prior to 1952 such amounts were tabulated in "Other deductions."

Excess profits tax. -The excess profits tax terminated December 31, 1953, and the amount shown is a prorated tax, based on the number of days in 1953 reported for tax years beginning in the period July through December 1953. This excess profits tax was imposed by section 430 of the Internal Revenue Code of 1939 upon adjusted excess profits net income as defined in section 431 of that code. The amount tabulated is before foreign tax credit.

First returns.-Classification of first returns was based on the response to the first question on page 3 of the return form, facsimile, page 195, and on the incorporation date. Returns without answers to any part of the question but with incorporation date in 1954, or in 1953 with the greater part of the tax year in 1954, were included in the group "Whether new or successor not stated," together with those on which only the first part of the question was answered.

Foreign tax credit. - See text, page 20.
Gross receipts from operations consists of amounts received from transactions in which inventories were not an income-determining factor. Cost of operations is shown as a deduction.

Gross sales consists of amounts received for goods, less returns and allowances, in transactions where inventories were an income-determining factor. Cost of goods sold is shown as a deduction.

Inactive corporations are those which reported no item of income or deduction. Such returns were filed in accordance with the regulation that a corporation having an existence during any portion of a taxable year is required to file a return. Returns of inactive corporations were not included in the tabulations, but the number filed is shown in table B and in historical table 38.

Income, other than dividends, from foreign sources is the net amount of taxable income or loss from foreign countries or United States possessions, reported on line 7 of Form 1ll8, reduced by the amount of dividends received from foreign corporations, reported in Schedule $C$ of Form 1120 (facsimiles on pages 219 and 194.)

Income tax consists of normal tax, surtax, and alternative tax. Tabulated with the income tax for returns with net income is a small amount of tax reported on returns with no net income under the special provisions applicable to certain mutual insurance companies, other than life or marine, and to mutual savings banks having separate life insurance departments.

The income tax tabulated is before credit for foreign taxes paid.

Industrial divisions and groups.-See description of industrial classification used in Statistics of Income, page 17.

Intangible assets.-Net values of intangible assets were tabulated. The balance sheet schedule of the 1954 return provided for the reporting of amortizable intangible assets separately for the first time. Quality of the published data is affected by inconsistencies in defining the assets and by inclusion of intangibles in other asset items on the 1953 return form used for fiscal years ended in the period July through November 1954.

Interest on Government obligations.-Interest on obligations of the United States issued after September l, 1917 (other than postal savings certificates for deposits made before March 1, 1941), and on obligations of corporations organized under act of Congress is exempt from taxation only to the extent provided by the acts authorizing issuance of the obligations.

Interest reported on obligations described on line 2(a), schedule C-1, page 2, Form 1120 for 1954 was subject to surtax only. That reported on obligations described on line 2(b) was wholly taxable.

Wholly tax-exempt interest, received on obligations of States, Territories, or political subdivisions thereof, the District of Columbia, or United States possessions, and on certain obligationsof the United States or its instrumentalities was reported as item 16, schedule M, page 4, of the 1954 Form 1120. The amounts tabulated are less amortizable bond premium.

Inventory valuation method.-Classification by inventory method is based on question 9, page 3 of Form 1120. Some corporations failed to answer the question. Inventory items valued on a last-in, first-out basis are classified with cost valuation methods.

Investments.-Goverment obligations of "States, Territories, and United States possessions" include obligations of their political subdivisions and of the District of Columbia. United States obligations include those of instmmentalities of the United States. Investments which were not identified on the returnas either "Government" or "Other" were included in "Other investments."

Land.-Land acquired and certified as an emergency facility is amortizable under the provisions of section 168 of the 1954 Code relating to emergency facilities. The net value of land, after deduction of this amortization, was reported on the balance sheet. Liabilities.-See "Assets and liabilities."
Net gain or loss, sales other than capital assets is the net gain or loss from the sale or exchange of (1) depreciable and real property used in trade or business; (2) accounts and notes receivable acquired in the ordinary course of trade or business for services rendered or from sale of property includible in inventory or ordinarily held for sale; (3) Govermment obligations issued on or after March 1, 1941, on a discount basis and payable without interest at a fixed maturity date not exceeding 1 year from date of issue; (4) certain copyrights, literary, musical, or artistic compositions or similar properties; and (5) securities by dealers. (See "Capital gain or loss" for treatment of certain depreciable and real property used in trade or business and held over 6 months.)

Net income or deficit is the difference between the gross income subject to tax and the total deductions reported, exclusive of the net operating loss deduction and special statutory deductions. See also "Taxable income."

Net operating loss deduction. - A net operating loss must be carried back as an offset to net income during the statutory carryback period before being carried forward. The deduction tabulated for Statistics of Income is derived from the net operating losses of prior years remaining as a carryover offset to net income for the year tabulated. It does not take
into account any carriback from a succeeding tax year which may subsequently be made. The 1939 Code provided a one year carryback and a five year carriforward for losses sustained after December 31, 1949, and before January 1, 1954.

The 1954 Code made a number of changes in the computation of the net operating loss and the method of deducting it from net income of other years. During the transitional period involving ircome or loss computed under the 1939 Code, computations for each year included in determining the deduction are to be made under the provisions of the Code nomally in effect for that sear. See "Changes in Law Affecting 1954 Data," above, and section 172 of the 1954 Code for pertinent changes and for further explanation of the net operating loss deduction.

Noncalendar year returns.-This classification, for returns ended in the periods July 1954 through November 1954 and January 1955 through June 1955, excludes returns for part years.

Number of returns excludes returns. of inactive corporations except in table $B$, page 10, and historical table 38 where inactives are included in "Total number of returns." It includes returns of unincorporated business enterprises which elected to be taxed as corporations under section 1361 of the 1954 Code.

Number of subsidiaries consists of the number of affiliated corporations other than the common parent corporations which were included in consolidated income tax returns

Cther assets are those not reported separately on the return and include sinking funds; other funds; deferred charges; suspense items; interest, discount, coupons, and dividends receivable; guaranty deposits; and, for tax years ended in the period July through November 1954, prepaid expenses and supplies and intangible assets which could not be segregated into the separate items for tabulating. "Other assets" of life insurance companies include market value of real estate and bonds and stocks in excess of book value; interest, rents, and premiums due; and agents' balances.

Other deductions include (1) salaries and wages not deducted elsewhere on the returns, (2) losses by abandonment, fire, storm, shipwreck, or other casualty (including war losses), and theft, (3) negative amounts reported under income, and (4) amounts not otherwise reported, such as: Administrative, general, and office expenses; bonuses and commissions; delivery changes; freight and shipping expenses; payments in connection with lawsuits; sales discount; selling costs; travel expenses; unrealized profits on installment sales; and Federal Deposit Insurance Corporation assessments reported by banks.

Other liabilities include deferred and suspense items; dividends payable; funds held in tmust; borrowed securities; outstanding coupors and certificates; and overdrafts. "Other liabilities" of life irsurance comparies include the net value of outstanding policies and annuities, and borrowed money. "Other liabilities" of banks include deposits (time, savirgs, demand, etc.) and bark notes in circulation.

Other receipts include amounts not elsewhere reported on the return such as: Profits from sales of commodities other than the principal commodity in which the corporation deals; income from minor opera-
tions; bad debts recovered; cash discounts; income from claims, license rights, judgments, and joint ventures; net amount under operating agreements; profit from commissaries; $\mu$ rofit on prior years' collections (installment basis); profit on purchase of corporation's own bonds; recoveries of bonds, stocks, and other securities; refunds for cancellation of contracts, for insurance, management expenses, and processing taxes; and income from sales of scrap, salvage, or waste.

Part year returns are returns for accounting periods of less than 12 months. Part year returns used for this volume were those with the greater part of the accounting period in calendar 1954. Short accounting periods result from reorganizations, newly organized businesses, liquidations, and changes to new annual accounting periods.

Pension plans include pension, annuity, stock bonus, profit-sharing, or other deferred compensation plans, contributions to which are deductible by the employer under section 404 of the 1954 Code.

Personal holding companies.-Personal holding company schedules used for the 1954 tabulations were those filed under the provisions of the 1954 Code and on the 1954 return form and do not represent a full coverage for the year. See page 22. Corporations meeting the following tests with respect to gross income and stock ownership are considered personal holding companies:
(1) Gross income test-80 percent or more of the gross income is personal holding company income (as defined below).
(2) Stock ownership test-more than 50 percent in value of the outstanding stock is owned, directly or indirectly, by or for not more than five individualsat some time during the last half of the taxable year. The term "individual" includes certain exempt organizations and charitable trusts (sec. 542, 1954 Code).
The following types of corporations are specifically excluded from classification as personal holding companies by section 542(c) of the 1954 Code: (1) corporations exempt from taxation under subchapter F of the 1954 Code; (2) banks, as defined in section 581; (3) life insurance companies; (4) surety companies; (5) foreign personal holding companies as defined in section 552; (6) certain finance companies; personal finance and small loan companies, and loan and investment companies; and (7) foreign corporations if gross income from within the United States for a 3-year period is less than 50 percent of total gross income and all stock outstanding during the last half of the year was owned by nonresident aliens.

Section 543 of the 1954 Code defines personal holding company income as that gross income derived from (1) dividends, interest (other than interest constituting rent under (7) or interest on special reserve funds set aside under the Merchant Marine Act, 1936), royalties (other than mineral, oil, or gas royalties), and annuities; (2) gains in excess of losses from stock and security transactions, exceft in the case of regular dealers; (3) gains in excess of losses from futures transactions in commodities; (4) income from estates and trusts; (5) incone from personal service contracts; (6) amounts received as compensation for a shareholder's use of
corporation property, but only if more than 10 percent of gross income other than rents is personal holding company income; (7) rents, unless constituting 50 percent or more of the gross income; and (8) mineral, oil, or gas royalties, unless such royalties constitute 50 percent or more of the gross income, and unless the deductions allowable for expenses under section 162 ( other than compensation for personal services rendered by shareholders) constitute 15 percent or more of the gross income.

Personal holding company income tabulated was the amount shown in "Schedules required under section 6501(f)" of the personal holding company return (facsimile page 20.). This schedule was not filled in on 721 of the 3,818 personal holding company returns tabulated.

The personal holding company tax is imposed on companies meeting personal holding company tests above, and having undistributed personal holding company income as defined below. The tax is 75 percent of the first $\$ 2,000$ of undistributed income and 85 percent of the balance. Personal holding company tax is imposed by section 541 of the 1954 Code.

The undistributed personal holding company income is the amount subject to personal holding company tax and is derived from the corporate net income or deficit (defined above) by certain adjustments and additional deductions. Computation of the undistributed personal holding company income is shown in table 34 and the items are explained below.

The amount of a valid lien in favor of the United States outstanding at the close of the taxable year is an allowable deduction to the extent of undistributed income computed without such deduction. Amounts deducted under provisions of the 1954 Code must be added to income of the year in which the lien is satisfied or released.

For personal holding company tax purposes, the allowance for expenses and depreciation applicable to property cannot exceed income from the property unless the propriety of the deduction can be established under section $545(\mathrm{~b})(8)$. The amount tabulated was the difference between the amount allowable for personal holding company tax purposes and the amount deducted in computing net income.

The amount of additional contributions and gifts is the difference between the deduction allowed in computing the net income, which was limited to 5 percent of net income before the deduction, and the amount allowed in computing undistributed personal holding company income. For personal holding company tax purposes the deduction for contributions and gifts is limited in general to 20 percent of the net income plus anadditional 10 percent with respect to gifts to tax-exempt church, school, and hospital organizations. (Secs. $545(\mathrm{~b})(2)$ and $170(\mathrm{~b})(\mathrm{I})(\mathrm{A})$ and (B).)

Federal income and excess profits taxes and foreign taxes are thosedisallowed under section 164 in computing net income. Foreign taxes include those for which a foreign tax credit was claimed.

Net operating loss deduction is the net operating loss of the previous year as determined under section 172(c).

Deduction for caoital gains is the excess of net long-term capital gain over net short-term capital
loss, minus income tax attributable to such excess as computed under section $545(b)(5)$.

Special deduction for bank affiliates is the amount certified by the Federal Reserve Board as having been invested during the year in readily marketable assets in compliance with section 5144 of the Revised Statutes (12 U.S.C.61).

The deduction for dividends paid consists of dividends paid during the year, consent dividends, and dividend carryover (sec. 561). Excluded are those paid during the year but claimed in the preceding year and deficiency dividends.

Dividends paid after close of taxable year are those paid before the 15 th day of the 3 rd month following end of year and considered paid during the year. The amount cannot exceed the undistributed personal holding company income for the year nor 10 percent of the dividends paid during the year.

Prepaid expenses and supplies.-This item appeared separately in the tax return balance sheet schedule for the first time for 1954. The data tabulated were principally for the calendar year 1954 and fiscal years ended January through June 1955, reported on the 1954 return form. For fiscal years ended July through November 2954, these assets were reported on the 1953 return formas "Other assets" and were tabulated as prepaid expenses and supplies only for some large corporations where they could be identified. Prepaid expenses and supplies include amounts of prepaid rents, insurance and interest, certain deposits, other prepaid expenses, and supplies not included in inventory.

Prepaid income.-See "Changes in Law Affecting 1954 Data" for definition of this item and limited coverage due to enactment and repeal of section 452 of the 1954 Code under which it was reported. Prepaid income not reported under section 452 was included in either "Other liabilities" or "Surplus reserves."

Rents received consist of gross amounts. Depreciation,repairs,interest,taxes, and other expenses, which were deductible from gross rents, were included in the respective deduction items. See also the change in law affecting rents paid and received.

Repairs are the costs of incidental repairs, including labor and supplies, which did not add materially to the value of the property or appreciably prolong its life.

Reserves for estimated expenses. - See "Changes in Law Affecting 1954 Data" for definition of this item and limited coverage due to enactment and repeal of section 462 of the 1954 Code under which it was reported. Reserves for estimated expense not reported under section 462 were included in "Surplus reserves."
Returns with balance sheets.-About 92 percent of the returns filed had balance sheet data. Only these returns were included in statistics shown for "returns with balance sheets."

Returns with both beginning and end of year inventory data.-Returns in this category are restricted to those with both the beginning of year and end of year balance sheet sections of schedule L of the return form (facsimile, page 196) completed and with inventory data reported on each balance sheet.

Returns without net income are those returns which had total deductions (exclusive of the net operating
loss deduction and special statutory deductions) equal to or exceeding total gross income subject to tax.

Royalties consist of gross amounts received. Depletion based on royalties was reported in deductions.

Surplus and undivided profits consists of "Paidin or capital surplus" and "Earned surplus and undivided profits" less negative amounts reported. In table 6 this item also includes "Reserves for estimated expenses" and "Surplus reserves."

Prior to 1954, negative amounts were shown separately.

Taxable income. - Income subject to normal tax is the current yearnet income, tabulated for Statistics of Income, less statutory deductions for partially tax-exempt interest, net operating losses, dividends received, certain dividends paid by public utilities, and Westerm Hemisphere trade corporations. The amount subject to surtax is computed in the same way except that no deduction is allowed for partially tax-exempt interest.

Taxes paid excludes (1) Federal income and excess profits taxes, (2) estate, inheritance,legacy, suc-
cession, and gift taxes,(3) income and profits taxes paid to a foreign country or possession of the United States if any portion was claimed as a tax credit, (4) taxes assessed against certain local benefits, (5) Federal taxes paid on tax-free covenant bonds, and (6) unidentifiable amounts of taxes reported in "Cost of goods sold" and "Cost of operations."

Tax year.-Data for a tax year cover accounting periods ended in the period July of the tax year through the following June and part year accounting periods with the greater number of months in the specified tax year.

Total compiled receipts is the sum of all items of taxable receipts and tax-exempt interest (see table 2 or historical table 40).

Total tax is the sum of the income and excess profits taxes.

Undistributed personal holding company income.See "Personal holding companies," above.

Western Hemisphere trade corporations.-See text, page 21.
3. Tables from Corporation Income Tax Returns, 1954

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all active corporation returns


## ALL ACTINE CORPORATION RETURNS


all active corporation returns

A11. ACTIIF. CORPORATION RETI RA:


[^3]Table 2．－INCOME，STATEMENTS，BY MAJOR INDUSTRIAL GROUP

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| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
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|  |  |  | © | $\xrightarrow{4}$ |  |  | $\begin{aligned} & \stackrel{n}{\infty} \\ & \infty \\ & \vdots \\ & \vdots \\ & \vdots \\ & \end{aligned}$ | $\begin{aligned} & n \\ & 0 \end{aligned}$ |  |  |  |  | $\square$ |  |  |
|  |  |  | $\infty$ | 9 |  |  | $\begin{aligned} & \hat{i} \\ & \underset{\sim}{n} \\ & \hat{d} \end{aligned}$ | arg |  | 品管岂 | $\begin{aligned} & 0 \\ & \alpha \\ & \vdots \\ & \underset{\sim}{n} \end{aligned}$ |  | $\\|_{i}^{\infty}$ | 䲓 |  |
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|  |  |  | $\pm$ | $\begin{aligned} & 0 \\ & \text { 罥 } \\ & 0 \end{aligned}$ |  |  |  |  |  |  |  |  | $58$ | ｜c |  |
|  |  |  | 3 | 号 |  |  | $\frac{10}{0}$ |  | $\mathrm{Na}_{\substack{9 \\ m_{0} \\ 0 \\ 0}}$ |  | $\begin{gathered} 9 \\ \dot{j} \\ \dot{n} \end{gathered}$ |  | $\sim_{n}$ | $\underset{\sim}{2}$ |  |
|  |  |  | 3 | 等 | $\underset{\sim}{\infty}$ |  | $\left\lvert\, \begin{gathered} \infty \\ \infty \\ \dot{\sim} \\ \dot{v} \end{gathered}\right.$ |  | $\tilde{x}_{\infty} \overrightarrow{a_{0}}$ | $\exists \exists ⿻ ⿰ 丿 亅 八 ⿱ 幺 小 心$ | $\stackrel{\tilde{c}}{\tilde{m}}$ | $\begin{aligned} & 50 \\ & y=0 \\ & 0.0 \end{aligned}$ |  | $\cdots$ |  |
|  |  |  | $\bar{E}$ | $\begin{aligned} & \text { E } \\ & 0 \end{aligned}$ |  |  |  |  |  |  |  | $9$ | $\not q_{i}$ | （8） |  |
|  | － |  | $3$ | $\dot{N}$ |  |  |  |  |  |  |  |  | $38$ | ¢ |  |
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|  |  | 郘 |  | $\begin{aligned} & \vdots \\ & \vdots \\ & \vdots \\ & \vdots \\ & \vdots \\ & \vdots \\ & \text { o } \\ & \vdots \\ & \overleftarrow{W} \\ & \frac{⿸ 厂 ⿱ 二 ⿺ 卜 丿 口 ~}{2} \end{aligned}$ |  |  | $\vdots$ $\vdots$ $\vdots$ $\vdots$ $\vdots$ $\vdots$ $\vdots$ $\vdots$ 0 $\vdots$ 0 0 0 0 0 0 |  |  | $\qquad$识茄 $\qquad$菅落菏 <br>  <br>  |  |  |  |  |  |



all active corporation reterns
Table 2.-ANCOME STATEMENTS, bY MAJOR LNDUSTRIAL GROUP-Continued



## all actine corporation retirns

Table 2.-INCOME STATEMENTS, BY MAJOR INDUSTRIAL GROUP-Conlunued


[^4]
## AII. ACTIVE CORPORATION RETI RNS

TABC. 3.-iNCOMF STATEMENTS, BY RETURNS WITH AND HITHOUT BALANCE SHEKTE


[^5]
## RETURNS WITH BALANCE SHEETS



Tablo 4-BALANCE SHEETS AND RELATED INGOME STATEMENTS, BY MAJOH INDUSTKIAL GROLP-ConLRuOd


See footnotes at end of table. See text ror explanatory statementa and for "Description of the Sample and Limitationa of Data.

RETURNS HITH BALANCE SHEETS
Table 4,-BALANCE SHEETS AND RELATED INCOME STATEMENTS, BY MAJOR INDUSTRIAL GROUP-Conhbued


## RETURNS WITH BALANCE SHEETS



[^6]

## RETIRNS WITH BALANCE SHEETS

Table 4.-balance sheets and related incoue statements, by major indistrial group-conunod

bee foctrotes at end of table. See text for Explanatory statements and for "Description of the Sampla and Limitations of Data

RETURNS HITH BALANCE SHEETS
Tathe t-bALANCE SHFETS AND RELATED INCOME STATEMENTS, BY MAIOR INDUSTRIAL GROUP-Continued


Set foctrotea at end of table. See test fur explanatory statements and for "pescription of the Sample and Limitations of Data."

RETLRNS WITH BALANCE SHEETS



[^7]

Table 5.-balance shee ts tnd related income statements, by size of total assets


## 


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RETURNS WITH BALANCE SHEETS










explsna tory statements and for "Description or the Sample and Limitutions of Deta."
un Jor induatrial group, aelected items

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 cost of goods sold and of operations......... ividends pald in canh and assets other than FISHERY
FISHERY
number of returns with balance sheets.......

 Capital assets 1 less reserves......
Total assets-Total 11 bbilities.. Accounts and notes payable....
Bonds and mortgages paysble...
 Total cocpilied receipts.....................
 potal tade paid in cash and assets other than total mining and quarrying Number of returns with balance sheets.
 See footnotes at end of tuble. See text for
RETIRNS WITH BALANCE SHEETS

RETURNS WITH BALANCE SHEETS

retcrns with balance sheets
tablo 0 .-selected assets, lablities, receipts, and costs, total tax, and dividends paid, by size of total assets, by major indutrial group-conuoued


| Wh．jor induatrial group，selected itens | Stze of total asseta |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | $\begin{gathered} \text { Under } \\ \$ 25,000 \end{gathered}$ |  | $\begin{array}{r} \$ 50,000 \\ \text { under } \\ \$ 1100,000 \\ \hline \end{array}$ | $\begin{aligned} & \$ 100,000 \\ & \text { under } \\ & \$ 250,000 \\ & \hline \end{aligned}$ | $\begin{aligned} & \$ 250,000 \\ & \text { under } \\ & \$ 500,000 \\ & \hline \end{aligned}$ | $\begin{gathered} \$ 500,000 \\ \text { under } \\ \text { wnder } 0,000 \end{gathered}$ | $\begin{aligned} & \$ 1,000,000 \\ & \text { wnder } \\ & \$ 2,200,000 \\ & \hline \end{aligned}$ | $\begin{array}{\|l\|} \hline 4,500,000 \\ \text { under } \\ \text { 45, } 000,000 \\ \hline \end{array}$ | $\begin{aligned} & 3,000,000 \\ & \text { under } \\ & \$ \$ 0,000,000 \\ & \hline \end{aligned}$ | $\begin{aligned} & \$ 10,000,000 \\ & \$ 25,0 \mathrm{nder}, 000 \\ & \end{aligned}$ | $\begin{array}{\|l} \$ 25,000,000 \\ \text { \$5ider } \\ \text { and }, 000,000 \end{array}$ | $\begin{aligned} & \$ 50,000,0,000 \\ & \$ 100,000,000 \\ & \text { unde } \end{aligned}$ | $\left[\begin{array}{l} \$ 100,000,000 \\ \$ 250,000,000 \end{array}\right]$ | $\begin{gathered} \text { \$250,000,000 } \\ \text { or more } \end{gathered}$ |
|  | （1） | （2） | （3） | （4） | （5） | （6） | （7） | （8） | （9） | （10） | 11） | （12） | （13） | （1i） | （15） |
| Nurber of |  | （2） |  |  | 53 | 25 | 21 | 12 | 18 | ， | 5 |  |  |  |  |
|  | （Thousand dotiors） |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 117，，05 | ${ }^{2}$ |  |  | 955 | 487 | 1，322 | 1，671 | ¢， 353 | 2，282 | 4, | 15，019 |  | 24，566 |  |
| Notes and accounts recelvable leas reaerve．．．． | 535，57\％ | （ ${ }^{2}$ |  |  |  | 1，033 | 2，378 |  |  | 23， 2 ，${ }^{2}$ | 8， 4,61 | 13，364 |  | 43， 4,89 | 437，539 |
|  | －， $\begin{array}{r}7225,229 \\ 76,793\end{array}$ | ${ }^{(2)}$ |  |  | ${ }^{3.237}$ | $\xrightarrow{1,812}$ | － 1,805 | $\begin{aligned} & 4,035 \\ & 1,557 \end{aligned}$ |  | ${ }^{\text {9，}}$ ， 827 | 33,773 16,577 | － 37.55 |  | 4＋3，183\％ | ，231＋，10t |
| Caplta1 essets leess reeerves．．．．．．．．．．．．．．．．． | 209，693 | （2） |  |  | 1，276 | 1，539 | 3.578 | 2，4， | 8，557 | 2，006 | 7,892 | －3， 3 3 3 |  | 20，0：5 |  |
| Total assets－Total 1 Lebilitifes．．．．．．．．．．．．．． | 2，896，230 | （2） |  |  | 7，583 | 5，355 | 15，733 | 22，224 | 59，669 | 28，＇152 | 74，36 ${ }^{\text {a }}$ | 169， 53 |  | 638，435 | ，8\％2，352 |
| Accounts and riotes payable． | 487，541 | ${ }^{2}$ 2） |  |  | 3，4，0 | 1，023 | 4，948 | 5，013 | 13，552 | 4，791 | 13，855 | 12．710 |  | 162，037 | 266，426 |
| Bonda and mortgages payable．．．．．．．．．．．．．．．．．．．．．． |  | ${ }_{(2)}{ }^{(2)}$ |  |  | 135 3.309 |  |  | 535 | 1，724 | ${ }^{875}$ | 7，455 | 3， 3.200 |  |  |  |
| Capital stock．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．． | 724,728 <br> 832,855 | ${ }^{(2)}$ |  |  | 3,309 46 | 1，572 | $\xrightarrow{3,147}$ | $\xrightarrow[\substack{8,177 \\ 6,786}]{\text { c，}}$ | － | $\xrightarrow{9,7128} 1$ | －3，656 | 57,600 <br> 66,112 <br> 602 |  | 200，${ }^{\text {90，}}$ | $\begin{aligned} & 507,898 \\ & 487,882 \end{aligned}$ |
| Gross sales and gross recelpts trom operations |  | （2） |  |  | 13，488 | 15，878 | 37，760 | 28，4tio | 73， 2,73 | 67，816 | 51，450 | 168，074 |  | 755， 3 込 | －487，882 |
| Total complled recelpts．．．．．．．．．．．．．．．．．．．．． | 3，650， 342 | （2） |  |  | 23，683 | ${ }_{15} 5.983$ | 38，060 | 28，$\times$ coi 7 | 74，052 | 68，012 | $53,-43$ | 169， 787 |  | 756，157 | 2， 332,780 |
| Cost of goods sold and of operations．．．．．．．． | 2，020，654 | 2 |  |  | 10， 136 | 13，110 | 32，585 | 20，092 | 54，052 | 52,40 | 27，772 | 108，385 |  | $44^{4}, 56$ | 2，2s，9， |
| Complied net proft or net loss．．．．．．．．．．．．．．． | 315,679 315,625 | （2） | － |  |  |  | （756 |  | －3，596 | ¢ | 5 | － 24,854 |  |  | \％28，991 |
| Tota1 tex．．．．．．．．．．．．．．．．． | 16， 205 | （2） |  |  | 124 | 98 | 363 | 54 | 2，112 | 1，393 | $2 \cdot 7 / 2$ | 7，611 |  | 30.538 | 128， 128 |
| dividends pald in cash and assets other than | 101，846 | （2） |  |  | 82 | 59 | 180 | 280 | \％ | 128 | ＜，54，${ }^{\text {a }}$ | 5，723 | － | 12，628 | ， |
| mantracturing：texthe－mill phoducts Number of returns with balance sheets．．．．．．．．． |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 5，111 | 5 | － | 699 | 1，083 | 19 | 545 | 53 | 256 | 138 | 73 | 30 | 2 |  |  |
|  | （Thousand dot tars） |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Cash． | ¢87，081 | 76. | 2， | ${ }^{6,691}$ | 18，565 | 22，710 | 30,024 | ${ }^{81,633}$ | 79，233 | 79，288 | 82，375 | 70， 213 | 72，650 | 54， 129 | －5，357 |
| Notees and accounts Invertortesc．．．．．．．．．．．．．．．．．．．．．．．．．． | 1，31，095 | 1，669 |  | 12,817 <br> 10,206 | 40，394 | ${ }_{4}^{49,083}$ |  | 156,737 <br> 260,206 | ${ }_{\text {2 }}^{125,048}$ | $\xrightarrow{103,203}$275，233 |  |  | 263,918 279,313 | （109， 088 |  |
| Investments．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．． | 1，005，951 | 153 | 120 | 2，101 | 5，661 | 11，071 | 26，363 | 78，680 | 86，967 | 202，708 | 97.953 | 12， 2,054 | 216，304 | 156，081 |  |
| Capital ascets less reserv | 3，029，322 | 2，636 | 6，$\alpha_{6}$ | 18，259 | 62，151 | 85，522 | ${ }^{1235,8173}$ | 294，032 | 318，619 | －40，215 | 3－7，527 | －375，447 | 427，433 |  |  |
| Total assets－Total 1iabiliti | 8，623，017 | 6，975 | 16，558 | 51,187 | 174，927 | 256，488 | 389，123 | 295，816 | $8{ }^{891,123}$ | P78， | ，077，37－ | 1，050，880 | 2，237，253 | 700，581 | 900，686 |
| Accourts and notes payable | 1，289，926 | 3，089 | 5，987 | 14，215 | 51，268 | 73，050 | ${ }^{88,156}$ | 180，759 | 136，429 | 116，705 | 122，365 | 97，788 | 188，572 | 64，076 | 4， 4 ， 518 |
| Capital stock．－．．．．．．．．．．．．．．．．．．．．．．．．．．．． | $1,736,935$ 2，095，626 | 5，8046 | 5，997 | 5,972 15,876 | 49，024 | 18,083 70,397 | 23,399 103,767 | －3，303 230，783 | 20．596 | 269， 218 |  | －2，5978 | 524，589 | － |  |
| Surplus and undivtded prorits．．．．．．．．．．．．．．． | 4，108，533 | 25，399 | 315 | 9，925 | 40，496 | 23，538 | ${ }^{1460,278}$ | 392，870 | －9，797 | 517，207 | 545，930 | 5er， 745 | 535，379 | 428,273 | 386， 279 |
| Groas sales and gross receipts from operations | 11，585，975 | 28，557 | 49，023 | 130，26i | 431，638 | 563,536 | 781，440 | 1，528，635 | 1，306，924 | 1，362，012 | 1，245， 793 | 2，181，698 | 2，28，8811 | 851，479 | 700， 375 |
| Total complled receipts．．．．．．．．．．．．．．．．．．． | 11，208，186 | 28，713 | 49，450 | 132，266 | 44， 553 | 569.439 | 788，564 | 1，545，541 | 1，322，423 | 1，374，903 | 1，402，322 | 1，177，827 | 2，190，631 | 862，004 | 746,560 |
| Cost of goods sold and of operations． | －9，557，692 <br> 313,808 | 20,75 1 1 1 | 37，781 | 98，998 | 3－7，755 | － 43.8200 | ${ }^{052,342}$ | 1，297，721 | 1，206，188 | 1，13，${ }^{3621}$ | 2，185，756 | 195，539 | 345，770 | 6－1，900 | 038， 217 |
| Complied net prorft or net 2035. |  |  |  |  |  |  |  | 23，205 |  |  |  | －7，351 |  | 65，133 |  |
| Net Ancome or deftcit． | 313，152 | $\begin{array}{r}1,328 \\ \hline 23\end{array}$ | 67 | 970 | 1，529 | 5，037 | 8，606 | 23，355 | 27，54．21 | 30，367 | 52,124 <br> 35,23 | －7，288 | 22，014 |  | 24， $\mathrm{iz} \times 8$ |
| Total tax．．．．．．．．．．．．．．．．．．．．．．．．． | 223，986 | 43 | 279 | 77.4 | 3，41\％ | 5，951 | 9，528 | 21，043 | 26，127 | 28，001 | 35，237 | 25，213 | 24， 171 | 32，550m | 12，476 |
| own stock．．．．．．．．．．．．．．．．．．．．．．．．．．．．． | 141，263 | 8 | 2 | 502 | 831 | 1，213 | 2，915 | 8，969 | 11，230 | 16．0\％ | $27, \ldots, 2$ | 15，2e\％ | 19，502 | 25，572 | 27，757 |
| MANJFACTURING：APPAREL AND PRODUCTS MADE FRCM FABRICS |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 13，076 | 3，397 | 2，058 | 2，397 | 2，693 | 1，300 | 671 |  | 88 | 38 | 25 | 2 | 2 |  |  |
| Number of returns with baiance sheets．．．．．．．． | （mousand dothars） |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 420，130 | 7.546 |  |  | 58，793 | 59，570 | 02.595 | 74， 167 | 30.247 | 24，904 | 41，938 | 4，468 | ${ }^{12,663}$ |  |  |
| Notes and accounts recelvable less rese Inventories．．．．．．．．．．．．．．．．．．．．．． | 931．113 | 10．479 | 22，316 | ${ }_{\substack{56 \\ 56.983 \\ \hline 8.855}}$ | 244，323 | 141，503 | 142.423 | 157，240 | 83．643 | 53,029 | 87，920 | 112．284 | 20，920 |  |  |
| Invertments． | －1，250，122 | 1， 1,216 | $\xrightarrow{-6,062} 3$ | － 48,485 | － 21,6 | $\begin{array}{r}102,128 \\ 23,28 \\ \hline\end{array}$ | ${ }^{170,23}$ | $\underset{\substack{234,046 \\ 43,050}}{ }$ | － | Pe， | ＋ $42.50,56$ | 20， 5983 | －3， $2 \times 8$ | － |  |
| Capital assets Less rese | 432，739 | 10，436 | 16，232 | 30，842 | ， 421 | 48，096 | 43，857 | 62，40？ | 35，633 | 35，389 | ， 597 |  |  |  |  |
| Total assets－Total 1iabilities．．．．．．．．．．．．．． | 3，369，864 | 40，038 | 74，548 | 274，554 | 435，074 | 449，569 | 407，087 | 589，97\％ | 331，074 | 24，327 | 384，502 | 62，486 | 12e，631 | － |  |
| Accourts and notes payable． | 944，905 | 15，182 | 22，477 | 59，392 | 147，745 | 159，103 | 159，353 | 169，889 | 83，050 | －6，300 | 60，525 | 10，092 | 5，791 | － |  |
| Bond and mortgages payable．．．．．．．．．．．．．．．．．．．． | 192，053 | 5，076 | 5，681 | 20，026 | 20，543 | 19，934 | 18，747 | 224，340 | 10，434 | 17， 5 ，50 | 33，37 | 6.675 | ：1，200 | － |  |
| carplus end undivided proyits．．．．．．．．．．．．．．．．． | － $\begin{aligned} & \text { 87，049，936 }\end{aligned}$ |  | 31，607 | 65，024 16,824 | 125，583 | － 120,530 | 120,760 133,770 | 退 |  | 99，691 | \％1，27 175,091 | － |  | － |  |
| Gross sales and gross receipts from operations | 8，775，560 | 250，399 | 295，220 | 622，950 | 1，432， 302 | 1，3971，982 | 1，24，028 | 2， $2,55,334$ | －26，970 |  | 600,063 | －0，50 |  |  |  |
| Total compiled receipts．．．．．．．．．．．．．．．．．．． | 8，823，872 | 251，538 | 296，022 | 624，078 | 1，436，593 | 1，397，902 | 1．250，295 | 1，463，256 | 731，408 | 455，494 | 605，241 | 71，570 | 200，575 | － |  |
| Cost of goods sold and of operations Complied net prortt or net | 7，028，408 | 198，981 | 231，093 |  | 1，148，869 | 1，223，775 | 1，013，197 | 1，175，901 | 575，518 | 358，813 | 494，12，${ }^{\text {a }}$ | 60，899 | 161，878 | － |  |
| Complied net prorit or net | 146，989 | ${ }_{1}^{18,8,88}$ | －2，250 |  |  | 26，720 | 18，733 | 边退，313 | 23，468 | ${ }^{18,4,46}$ | 32，087 |  | 0,363 |  |  |
| Total tax．．．．．．．．．．．． | 90，618 | ${ }^{277}$ | －${ }_{9}$ 900 | 2，198 | 6，610 | 88,720 | － 10,257 | 18，960 | ${ }_{12,021}^{2, \ldots 9}$ | $\stackrel{18,18}{9,3 \times 4}$ | 32， | ${ }_{735}$ |  | － |  |
| Dividends pard in cash and assets other than | 30，910 | 52 | 4 | 262 | 1，227 | 1，488 | 3，130 | 4，770 | 3，930 | 3，633 | 6，2． | 2，801 | 3，903 |  |  |

retirns with balance sheets


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heturns with balance sheets

| Major industrial group, selected itena | Slze of total asaeta |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | $\begin{aligned} & \text { Under } \\ & \$ 25,000 \end{aligned}$ | $\begin{aligned} & \begin{array}{l} 325,000 \\ \text { 3ndes } \\ \$ 50,000 \end{array} \\ & \hline \end{aligned}$ |  | $\begin{aligned} & \$ 100,000 \\ & \text { Nunder } \\ & \$ 200,000 \end{aligned}$ |  |  | $\begin{aligned} & \$ 1,000,000 \\ & \text { under } \\ & \text { u2, } 500,000 \\ & \hline \end{aligned}$ |  |  | $\begin{gathered} \$ 10,000,000 \\ \text { under } \\ \$ 25,010,000 \end{gathered}$ |  | $\begin{aligned} & \$ 50,000,000 \\ & \text { under } \\ & 1100,1.00,000 \end{aligned}$ | $\begin{aligned} & \$ 100,000,000 \\ & \text { } \\ & \text { \$ndider } \end{aligned}$ |  |
| MANUFACTUHING: PRINTING, YUELIUHING, AND Allied induthien Number of returns with bulance sheets......... | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | 10) | (11) | (12) | (23) | (14) | (15) |
|  | 13, | 3.827 | 2,222 | 2,387 | 2,514 | 1,063 | 1,00 | 423 | 15\% | 85 | 63 | 22 | 4 | 3 |  |
|  | (mousond dolinat |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Cash. | \% 5 , 500 | ,436 | $11 .$, ,70 | 25,932 | 54,200 | 35,075 | 03,225 | 4,925 | 73,21\% | re,zzo | 117, 4.56 | 40,166 | 50,763 |  |  |
| Notes and accourts recelvable less | 1,079, 2,8 | 12,12] |  | 41,0,2 | 97,32\% | 24,323 | 87,820 |  | 94, ¢, \% |  |  | 103,436 | 41,286 | ${ }^{51}, 083$ |  |
| Inventories Investments ....................... | 1,02e, | 4,223 1,211 | 8,249 8,705 | $\xrightarrow{15,914}$ | $\xrightarrow{4+, 307}$ | 58,039 <br>  <br> $0.0,175$ |  | ${ }^{88,54}$ | 81,251 <br> 40,800 <br> 8.2 |  | 105,723 $\substack{189,28, 1}$ |  | 32,097 | 22,583 |  |
| Capltal asseta lesa reserves. | 1,981, 5,8 | 16, 14.4 | 3',588 | 6, 6,368 | 14.3,815 | L.7, 135 | 155,785 | 200,3\%7 | 192,501 | 205,420 | ${ }^{1835,582}$ | $1.46,831$ <br> $28,2,705$ | (1) | 2er, 2.65 |  |
| Total assets-Total lisbilitie | 5,800, 778 | 42,246 | 80,435 | 168,477 | 394, 023 | 378,372 | 45,323 | 640, 283 | 560,738 | 597,080 | 933,050 | 802, 223 | 33\%, -87 | 417, 893 |  |
| Accounts and notes payable. | 779,935 | 27,200 | 16,735 | 35,951 | 80,525 | 17.228 | 03,517 | 76,456 | 61,987 | 69,691 | 40,828 | 72,286 | 47,4.2. |  |  |
| Bonds and mortgages payable................. | 448,332 |  |  |  |  |  |  | 38,115 |  |  |  |  |  | 18,863 |  |
|  |  | - | ${ }^{29.958}$ | 54,565 | 1055.775 <br> 138,273 | 83, 480 | 8 |  | -4,835 | \% 8.2022 |  | ${ }^{26,3,8, ~}$ | revise | $4.48,8,1$ |  |
| Gross skles and gross receipts from operations | 8,534,822 | 12.4.451 | 183,675 | 385,005 | 789,871 | \%46,425 | 757, 4.3 | 4,000, 4 : | 801,300 | ${ }_{848,32}^{20,020}$ | 1,138,253 | 4, 0 Oes, 5 et 3 | 109, $4 \times 5$ |  |  |
| Total complied recelpts................... | 8,763,90n | 237,913 | 185,4"4 | 387,023 | 798,515 | 703,955 | 76, ${ }^{\text {a }}$, 20 | 1,024,805 | 821,787 | 863,882 | 1,162,637 | 2, $2,8 \times 34$ | 4-4,222 | 365, 396 |  |
| Cost of goods sold and of operations. | 5,937, 215 | $8 \mathrm{e}, 205$ | 113,071 | [44,474 | 527,457 | -47,976 | 505,278 | 679,574 | 5.4,972 | 64, 005 | 775,953 | 151,022 | -. 533 | 32t, 177 |  |
| Compiled net prorit or net loss.... | 570,401 |  | 1,263 |  | ${ }^{2} 0,826$ | 32,180 | [8,837 | $7_{7}^{7,268}$ | 02,132 | 07,167 | 125,778 | 81,2m | 4,435 | 12,088 |  |
| Net incane or deficit......................... | 287, 580 | 4.4 | , 780 | - 4.320 | ${ }_{112,24}^{20,812}$ |  | 48,805 22,628 | 79,138 $00,0.48$ |  | 67,115 34,23 | 125,637 60,24 |  | $\begin{aligned} & 2,4,655 \\ & 2,0,26 \end{aligned}$ | $\begin{aligned} & 12,070 \\ & \hdashline, 0,030 \end{aligned}$ |  |
|  | 140,132 | 21.4 | 591 | 1,805 | 7, 4.4 | 0,711 | 8,979 | 18,016 | 11,571 | 15,574 | 32, $0 \times 2$ | 25,004 | 1.658 | 5,6ek |  |
| manfacturinc: chratcali and allied prodocts Number of returns with balance sheets. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 0.413 | 1, ", | 22 | 958 | 2,375 | 072 | 537 | $36^{-}$ | 155 | 101 | 76 | 32 | ${ }^{8} 8$ | 18 | 10 |
|  | (Tousand dollors) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 1,417,016 | 2,136 | 3,906 | 10,579 | 28,172 | 32,296 | 48,267 | 72,150 | 72,311 | ${ }^{92,186}$ | 128,251 | 88,886 | 198,373 | 220, 205 |  |
| Notes and accounts receivable less reserve.... inventori escu....................... | ${ }^{2}$ | 3,452 | 7,221 |  | 4, 2025 | ${ }_{5}^{55,462}$ | 78,701 | 100, 3 36 | 7,583 | 134, 289 | ${ }^{176.374}$ | 250,723 | 25.058 | ${ }^{258,014}$ | 35,054 |
| Investments. | 3,382,663 | 4 | 909 | 2,631 | 11,621 | 16,081 | 37,267 | 53.280 | 62, 332 | 88,972 | 259,852 | ivs, | 303, 305 | 321,2188 | 20, 26,50 |
| Capital assets less reserves | 0,040,406 |  | 7,900 | 20,017 |  |  |  | 10,9,152 | 106,003 | 26 | 443,590 | 4.49, 412 |  |  | ,875,150 |
| Total assets-Total 11abild | 20,028,583 | 15,799 | 32.745 | 08,579 | 224,053 | 242,098 | 380, 538 | 561,26 | 547,651 | 727,727 | 1,145,035 | 1,085,261 |  | 2,586,387 | ,055,692 |
| Accourts and notes payable | 1,327,510 | ${ }^{12,112}$ | 11,212 | 24,129 | 47,276 15,570 |  |  | 79,638 | 66,29 | 72,610 | 112,108 | 76,901 | ${ }^{161.630}$ | 175, 260 | 377. 895 |
| Capital stock............ | 3,565,580 | 10, 3 , 32 | 17.105 | 27,100 | 76,707 | 60, 31 | 77, 917 | 12, 1 ,515 | 108,337 | 158,364 | ${ }^{212,017}$ |  | -m, 087 | (20,3z1 |  |
| surplus and urdivided profits. | 7,550.74 | ${ }^{119,8,3}$ | ${ }^{12} 2,399$ | 26,34 | [7, 265 | 84,507 | 155,84 ${ }^{\text {c }}$ | ${ }_{209}$ | 270, 7 com | 361,408 | 553,988 | 59, ${ }^{\text {cher }}$ | 82', 5 , 5 ? | 2,006,232 | 3,38, 5 , 53 |
|  | 18,476,85: | [3, 085 | 76.299 | 152,0m | 470,275 | 545,219 | 759, 12 | 1,014,102 | 955,500 | 956, -18 | 2,202,253 | 1,163,969 | -999,481 |  | $5,834,955$ |
| Total complied receipts.................. | 18,878,113 | 35,505 | 27,247 | 154,23 | -480,012 | 550,107 | 774.096 | 1,025,1tm | 965,404 | 1,009, 544 | 1,484,778 | 1,185,448 | 2,030,791 | 3,056,253 | ¢,065,022 |
| Cost of goods sold and of opera Complited net proctt or net | 12,008,071 | 22,501 | ${ }^{50,776}$ | 99,681 | 333,806 | 391,112 | 54, 5725 | 702, 8711 | 639,107 | ${ }^{059} 9730$ | 917, 1988 | 074,380 | 2, 200,701 | 1,742, 0 ? | 3,306, 35t |
|  | 2,213,153 |  | - 365 | - 0,578 |  | 17,7722 | 32, 32 |  |  |  | 152,813 <br> 152,070 |  | 200, 3 20.2 | (770,662 |  |
| Total tax. | 1,097,060 | 12 | 58 | 1,771 | ,094 | 8,873 | ,319 | 31,001 | 20,241 | -3,231 | 81,503 | ${ }_{81,315}$ | - 3 , 91 | -1, 761 | S60, $5: 0$ |
| oxn stock......................... | 818,300 | 11 | 907 | 84 | 2,090 | 3,322 | \%,153 | 13,403 | 2,720 | 15,66.0. | 5t, 501 | 4,2,250 | 75,637 | 80,796 | , 12 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 1, tut 3,375 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Notes and $_{\text {ascounts }}^{\text {Inveceivable }}$ Less reserve | 3, $157,1.100$ | 75 | 752 303 | 1,153 | 4,020 | 0,999 | 10,980 | 21,426 | 15,339 | 40,670 | 36,93\% | 73, ${ }^{44}$ | 40,914 | 10, 0 , ${ }^{\text {a }}$ | 2, 278,774 |
| Investments..... | 6, $0,835,588$ | 20 | 464 | 292 | $\cdots 380$ | 1, 1,61 | cole | - | 1-200 | ${ }_{22,522}$ | 29, 254 | 4, 4 ,790 | $7_{4,2,3}$ | 180, 2 2 ${ }^{\text {a }}$ |  |
| Cap\{tal assets less reserves............... | 23,999,259 | 480 <br> 336 <br> 38 | 720 $\times 232$ | 2,542 | \%,996 | 2,900 | 21,836 | 42,04\% | \%, 883 | ${ }^{1133,001}$ | 140,501 | 290,356 |  | 480.062 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Socous end mort geges payabie | 2.800, 783 | ${ }_{521}^{526}$ | 458 | 2,371 | 4,296 | 7,685 | 4,272 | 22,520 | 16,058 | 50,283 | 57,081 | 102,930 | $40,8 \infty$ | 146,746 | - 3900,794 |
| Capital stock............ | 8,066, 153 | ${ }_{9} 98$ | ${ }_{978} 9$ | 1,711 | 5,836 | 7,832 | 10,269 |  |  | 37, 389 | $42,14.4$ | [130,023 |  | ${ }_{\text {12, }}^{121,203}$ |  |
| Surplus snd undivided pronits............... | 12,590,802 | ${ }^{1,802}$ | 901 | 20 | 7,042 | 8,387 | 22,020 | 25,965 | 30,854 | 95,400 | 123,110 | 213,492 | 220, 12 | <75,853 | 11,388,24i |
| Cross sales and gross receipts from operations |  | $\xrightarrow{2,575} \mathbf{2} \mathbf{2} 54$ | ¢,008 | 12,860 12,887 | 4,116 43,535 |  | 119,985 120,927 |  | 262, 586 <br> 163,838 | 48,389 |  | $\xrightarrow{671, \ldots 96}$ | 边 $389,1+8$ | 2,127,020 |  |
| cost of goods sold and of | 19,845,035 |  | 4,250 |  | 33,687 |  | 33,245 |  |  |  |  |  |  |  |  |
| Compiled net prorit or |  |  |  |  |  | 2,0,5 | 4,738 | 12,608 | 4,08? | 13,363 | 22,501 | 30,577 | 2, | 63,2tio |  |
| Net incone or deficlt........ | 1,593,24i4 | ${ }_{2}^{2016}$ | $30$ | ${ }^{1755}$ | 636 500 | 2,099 | $\begin{aligned} & 4,738 \\ & 2,696 \end{aligned}$ |  |  |  |  |  | 62.334 | ${ }^{03,248}$ |  |
| Dividends paid in cash and assets other than omi stock. | 2,027,002 |  | 11 | $\bigcirc$ | 206 | 199 | 830 | 1,173 | 1,547 | 3,633 | 3,511 | 6,2\% | -, 126 | 89, 48 | 956.75 |

retliras with balance sheets





[^8]retirns with balance sheets

returns with balance sheets
Table g. -selfected assets, labilities, receipts, and corts, total tax, and oividends paid, by stze of total assets, uy major industhial ghoup-conunuod

| Hajor induatrial group, selected itemo | Stze of total asaets |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Tota | Under | $\begin{aligned} & \$ 25,000 \\ & \$ 2 n d e r \\ & \$ \$ 0,000 \end{aligned}$ | $\begin{gathered} \$ 50,000 \\ \text { under } \\ \text { under } \\ \$ 100,000 \end{gathered}$ | $\begin{aligned} & \begin{array}{l} \text { \$100,000 } \\ \text { ndder } \\ \text { \$250, } \end{array} \end{aligned}$ | $\begin{aligned} & \begin{array}{l} \$ 250,000 \\ \text { under } \\ \$ 500,0000 \end{array} \end{aligned}$ | $\begin{gathered} \$ 500,000 \\ \begin{array}{c} \$ 0,00 \\ \text { niderer } \\ \hline \end{array}, 000,000 \end{gathered}$ | $\left.\begin{aligned} & \$ 1,000,000 \\ & \text { under } \\ & \$ 2,500,000 \end{aligned} \right\rvert\,$ | $\begin{aligned} & \$ 2,500,000 \\ & \text { under } \\ & \text { uns,00,000 } \\ & \hline \end{aligned}$ | $\begin{aligned} & \$, 000,000 \\ & \text { inder } \\ & \$ 10,000,000 \end{aligned}$ | $\left\lvert\, \begin{aligned} & \$ 10,000,000 \\ & 325,000,000 \\ & 320,00 \end{aligned}\right.$ | $\begin{aligned} & \$ 25,000,000 \\ & \text { under } \\ & 300,000,000 \end{aligned}$ | $\begin{aligned} & \$ 50,000,000 \\ & \text { under } \\ & \$ 100,000,000 \\ & \hline \end{aligned}$ | $\left\|\begin{array}{l} 1100,000,000 \\ \text { winder } \\ \$ 250,000,000 \end{array}\right\|$ | $\left\lvert\, \begin{gathered} \$ 230,000,000 \\ \text { or more } \end{gathered}\right.$ |
| MANUFACTURING: QRONANCE AND ACCELiORIE <br> Number of returns with balance sheets..... | (1) | (2) | (3) | (6) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) |
|  | 77 | (2) |  | 6 | 7 | 5 | 17 | , | 8 | 4 | 2 |  |  |  |  |
|  | (roumend doliere) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Cash. | 25,677 | ${ }^{(2)}$ |  | 21 | 41 | 476 | 1,256 | 1,001 | 2,830 | 7,716 | 1,860 |  | ;,973 |  |  |
| Notes and accounts recelvable less reserve.... | 26,046 63,092 6020 | (2) | : | 58 | 2, | 383 482 | 1,987 | 1,393 | ¢, | 4,106 | 1,925 | 8,578 | 2, 253 |  |  |
| Inventor 1 es, .................................. | ${ }^{63,009}$ | ${ }^{(2)}$ | = | 139 131 131 | (3, $\begin{array}{r}3.6 \\ 30 \\ 3\end{array}$ | 422 <br> 182 <br> 182 | 2,034 | 3,820 <br> 2,316 | - 8,698 | ${ }^{7,601}$ | $\underset{\substack{12,683 \\ 9,423}}{ }$ | 9,369 | 17,730 <br> 17206 <br> 182 |  |  |
| Investments $\ldots$.............................. | ce, 32,522 | (2) |  |  | 30 34 3 | ${ }^{182}$ | -355 | 2,316 1,171 | -1,762 | ${ }^{\text {8,978 }}$ | $1,2,23$ 4,627 | 5,564 | 17,206 17,261 |  |  |
|  | 201,886 | (2) |  | 502 | 9, 7 | 8,976 | 11.088 | 10,451 | 26, 8 mim | 30,032 | 30, 4 \% | 26,665 | 62.208 |  |  |
| Accounts end notes payable. | 29,671 | ${ }^{(2)}$ | - | 115 | 172 | 431 | 3,712 | 1,901 | 7,826 | 2,196 | 2,429 | 6,050 | 4.770 |  |  |
| Bonds and mortgagee payable..................... | ${ }_{3}^{11,4,542}$ | (2) |  | ${ }_{35}{ }^{-8}$ | ${ }_{586} 81$ | 156 513 | $\stackrel{\text { in }}{2180}$ | 915 | 2,036 |  | ${ }_{3}^{1,000}$ | 5,325 |  |  |  |
| Caprtal stock...........i................. | 37,652 87,759 | (2) |  | ${ }^{358}$ | ${ }_{53}^{586}$ | ${ }_{361}^{531}$ | ${ }_{1}^{4,7,787}$ | 4,929 | 3,336 | 5, 5 5,022 | 3,869 19,215 | $\underbrace{6,683}_{i, 569}$ | 31,173 |  |  |
| Gross sales and gross receipts from operations | 308,483 | $\left({ }^{(2)}\right.$ |  | 1,125 | 2, +8, | 25,228 | 20,789 | 10,34.4 | 82,330 | 60,359 | 27,488 | 59,257 | 7, 2933 |  |  |
| Total complied recelpts.................... | 370,876 |  |  | 1,123 | 1,987 | 25,247 | 21,439 | 20,474 | 82,522 | *0,728 | 27,886 | 60,222 | 72,7:8 |  |  |
| Cost of goods sold and or operations ......... | 273,667 | ${ }^{(2)}$ |  | \% | , 2 | 23,814 | 15,684 | 21, 122 | 70,009 | 48,487 | 17,98¢ | 34,56t | 4,057 |  |  |
| Net income or deftcit.................. | cen 32,672 | (2) |  | ${ }_{16}$ | 2 | ${ }_{239}^{239}$ | [ ${ }_{1}^{12,663}$ | - | - 4,338 | 退3,006 | 4,554. | 4,713 |  |  |  |
| Total tax... | 17, | $\left.{ }^{2}\right)$ |  | 1 | 23 | $3 \times 9$ | 663 | 1,277 | 2,228 | 2,587 | 2,298 | 715 | 8,303 |  |  |
| Dividends paid in cash and assets other then | 7,410 | ${ }^{(2)}$ |  | - |  | 20. | \% | 107 | \% | 096 | 2,86n | 120 | 4,287 |  |  |
| MANJFACTURING: SCIENTIFIC INETRMENTG; PHOTCCRAPHIC EQUIFMENT: WATCHES, CLDCK |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Number of returns with balance sheets........ | 1,970 | 405 | 267 | 373 | 3.7 | 197 | 133 | 200 | 37 | 22 | 29 | $\bigcirc$ |  | 2 |  |
|  | (Tmuvend dothero) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Cash.. | 234,571 | ${ }^{626}$ | ${ }^{884}$ | 3,589 | 5,802 | 9,685 | 10,755 | 13,647 | 15,618 | 20,239 | 43,034 | 20,793 | 39,4] | 26,447 | 23,861 |
| Inventorites............... | 826, 127 | 1,4621 | ,985 |  | -12,537 | 22,464 |  | 35,350 | -29,595 | ${ }_{71,576}^{3,019}$ | 95,037 136,877 | 36,67 81,610 | 88,121 103,861 |  |  |
| Investmerts.............................. | 302,267 | 80 | 230 | 2,106 | 3,074 | 3,531 | 0, 296 | 9,901 | 8,433 | 23,461 | 43,961 | 23,321 | 35,059 | 15,501 | 87,808 |
| Capital assets 2 ess reserves. | 664.827 | 2,263 | 3,438 | 6,357 | 12,122 | 15,379 | 18,942 | 33,599 | $2^{29,302}$ | 45,430 | 89,988 | 54,536 | 71,598 | 52,410 | 230.475 |
| Total assets-Total 11ab11ities............. | 2,690,560 | 4,972 | 10,276 | 27,364 | 53,178 | 70,002 | 79,261 | 151,71. | 23, 510 | 200, 248 | 414,903 | 220.33, | 3, 3 , 377 | 354, 580 | 622.388 |
| Accounts and notes payable. | 301,973 | 2,373 | 3,719 | 5,725 | 14,875 | 15,940 | 13,975 | 31, 186 | 15,431 | 16,993 | 50,679 | 13.711 | 3,052 | 54, 272 | 27.162 |
|  | 225,230 |  | 862 |  | 2,958 | ¢,897 | 4,732 | 13,2,54 |  | 22,131 | 38,48 | 35.012 |  | 53,200 |  |
| Capital stock................ | 541,706 | 2, 3, 3 \% ${ }^{\text {a }}$ |  | 8, 8,548 |  | -13,835 | 19,333 | 3, $3,12.2$ | 19,64 | -2,175 | 73,368 | 35,080 | ${ }^{09,658}$ | $\bigcirc .103$ | 188,240 |
|  | 1,179,850 | 1. 1.095 | ${ }^{1} 434$ | 8,565 | 10,553 | 24,518 | 32,203 | 53,556 | 63,61, | 79,021 | 207,395 | 107,400 | 108,010 | 142,056 | cta, 23: |
| Oross sales and gross receipts from operations Total compiled recelpts............. | 3,798,587 | -12,4,48 | 21,488 | 59,207 <br> 50,503 <br> 0. | ${ }^{105,120}$ | $\begin{array}{r}141,020 \\ \hline 2587\end{array}$ | 346,021 | ${ }^{265,627}$ | ${ }^{228,762}$ | 299,396 | 602,323 | 285,837 | 638,605 | 346, 266 | 0 0 E, 21.7 |
| Total compiled receipts.................. | 3,842,010 | 12,529 | 21,993 | 50,593 | 105,858 | 142.587 | 148,327 | 268,02t | 232,210 | 302,836 | 607,897 | 287,928 | -5,735 | 568,018 | 038,477 |
| Cost of goods sold and of operations. | 2,476,632 | 1,348 | 14,317 | 39,345 | 71,135 | 34,970 | 200,10. | 284,35. | 157,49 | 186,368 | 344, $3 \times 2$ | 146,213 | 285,202 | 424,23, |  |
| Coapfied net profit or net 20ss.............. |  |  | 305 <br> 305 | 1,160 | +1.515 |  | ${ }^{\text {9,009 }}$ | 22,015 | 18,669 | 28,080 | 58,292 | 21,474 | 40,713 | ${ }^{71,2,23}$ | 12.3,035 |
|  | ${ }_{216,615}^{41,87}$ | ${ }_{83}$ | 312 <br> 205 <br> 120 | ${ }^{1.169}$ | $\xrightarrow{1,626}$ | $\underbrace{\substack{6,533}}_{\text {6, }}$ |  | - 12,015 | 18,000 10,247 | 28,080 15,035 | 58,279 31,543 | 21,474 | 40,713 <br> 20,531 | 71,423 37,250 |  |
| Dividend paid in cssh and assets other tha | 93,000 | 53 | 20 | 266 | 579 | 602 | 897 | 2,688 | 1,856 | 5,008 | $12,6 \times 8$ | 0.054 | 13,000 | 15,637 | 30, , |
| OTHER MANTFACTURING <br> Number of returns with balance sheets........ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 10,237 | 2,970 | 1.550 | 2,776 | 1,904 | 968 | 533 | 321 | 122 | 50 | 3 |  | 1 |  |  |
|  | (Thausand dotiore) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Cash.. | 306,709 723,685 | 4,246 |  |  |  |  | $4.4,69$ | 59,553 | 48,045 | 45,050 | 53,934 | 15, 740 | 3,728 |  |  |
| Notes and accounts recelva Invertorles........... | 723,685 <br> 790,030 | 8,936 <br> 8,963 <br> 0,9 | $1.5,280$ 12,661 |  | 82,902 <br> 81,002 <br> 1020 | ${ }_{968,295}^{81,26}$ | 80,703 1006402 | 107,803 <br> 129,333 | 788,967 | 72,298 | 99,322 | 44,738 | 10,088 |  |  |
| Investreets. | 288,732 | 724 | 994 | 4,138 | 13,01\% | 16,581 | 23.020 | 35,069 | 38,627 | -46,633 | ¢9, ${ }^{\text {che }}$ | S31,778 | 17,890 | - |  |
| Capital assets less | 848,928 | ${ }^{9}$,997 | 27,974 | 34,053 | 80,734 | 89,273 | 92,462 | 126,129 | 103,607 | 82,818 | 151,136 | 39,361 |  |  |  |
| Total assets-Total 11 abl11 | 3,323,842 | 3,864 | 50,771 | 126,354 | 303,852 | 333,027 | 367,414 | 493,572 | 415,502 | 369,501 | 548,953 | 193,331 | 80,101 |  |  |
| Accounts ard notes payble................. | 020,061 | 12,479 | 17,022 | 41,545 | 88,028 | 77,500 | 84,374 | 96,457 | ${ }^{63,176}$ | 49,206 | 6,472 | 23,991 | $\therefore, 351$ |  |  |
|  | ${ }_{781,759}$ |  |  |  | 24, 237 87,623 |  | - | 33,63 103,520 |  | 27,907 65,390 | ${ }_{90}^{32,051}$ | (1,242 | -0,271 |  |  |
| Surplus and undivided profits. | 1,338,752 | ${ }^{114,397}$ | ${ }^{12,012}$ | 18,707 | 26,948 | 112,780 | 139,703 | 208,270 | 290,571 | 188,477 | 302,271 | 97,452 | 21,082 |  |  |
| Gross sales and gross receipts from operations | 5,891, 509 $5,953,487$ | 96,712 <br> 97,485 <br> 8.8 | 132,209 <br> 132,678 | 318,930 <br> 320,563 | - 686,858 |  | 712\%,7788 | ${ }_{\text {che }}^{903,938}$ | ¢68,961 <br> 693,856 | ${ }_{5381,502}^{54,50}$ |  | 241,9620, |  | : |  |
| Cost of goods sold and of operations......... | 4.229,363 | 69,3-2 | 93, 142 | 227,901 | 501,321 | 495,25.4. | 520,959 | 605,936 | 503,837 | 384,200 | 538,410 |  |  |  |  |
| coryiled net prortt or net loss............ | 261,125 | \%085 | , 54. | 1,046 |  | 17,226 |  |  |  |  |  |  | $\xrightarrow{69,574}$ |  |  |
| Total tax. . . | 20, |  |  | 1,0,6 | 2,830 | 17,422 | 29,508 | 42,290 |  |  | 8,610 | 22,240 | $\stackrel{7}{25}$ |  |  |
| Dividends paid in cash and asseese other than | 147,058 | 407 | 877 | 2,031 | 7,333 | 9,74, | 16,017 | 23,802 | 22,042 | 17,734 | 35, ${ }^{\text {c79 }}$ | 21,014 | 2,728 | - |  |
| own stock. | 58,504. | 40 | 238 | 743 | 1,930 | 2,774 | 4,009 | 0,353 | 8,b00 | 7,388 | 20,392 | 5,977 |  | - |  |

RETLRMS RITH BALANCE SHEETS


RETURNS WITH balance sheets

retirns aith balance sheets


## returns with balance sheets

| major induatrial group, selected itema | Stze of total asseta |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | rotal | $\begin{gathered} \text { Under } \\ \$ 25,000 \end{gathered}$ |  | $\begin{gathered} \$ 50,000 \\ \text { (1ndex } \\ \$ 100,000 \end{gathered}$ | $\begin{aligned} & \$ 100,000 \\ & \text { undive } \\ & \$ 250,000 \\ & \hline \end{aligned}$ | $\begin{aligned} & \begin{array}{l} 2250,000 \\ \text { under } \\ \$ 500, ~ \\ \$ \end{array} \\ & \hline \end{aligned}$ |  | $\begin{array}{r} \$ 1,00,000 \\ \text { under } \\ \$ 2 ., 500,000 \\ \hline \end{array}$ |  | $\begin{aligned} & \begin{array}{l} 10,000,000 \\ \text { under } \\ \text { anc, } 0000,000 \end{array} \\ & \hline \end{aligned}$ |  | $\left\|\begin{array}{c} \$ 25,000,000 \\ \text { under } \\ 350,000,000 \end{array}\right\|$ | $\begin{array}{\|c} \$ 50,000,000 \\ \text { under } \\ \$ 100,000,000 \\ \hline \end{array}$ |  | $\begin{gathered} \begin{array}{c} 2550,000,000 \\ \text { or more } \end{array} \end{gathered}$ |
|  | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) |
| er of returnt with dolance sheets......... | 128,458 | 13,864 | 25,834 | 20,5 | 26,870 | 9,463 | 3,794 | 2,73 | 630 | 21. | $10 \%$ | ${ }^{38}$ | 16 | 11 |  |
|  | (Tmousond dothar) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | w,1,135 |  | 109,539 | 08,980 | . 575797 | 49,168 | 281,42] | 77,08? | 174,173 |  |  |  |  |  |  |
| Notes and accounts recelvable | C.93, ${ }^{2}, 1$ | ,288 | 151,977 | 373,238 | 2,011,607 | 357, | 714,085 | 24, | 388,059 | 3t5,488 | \% $6,1,8,9$ | 20, 216 | 2.69, 112 | \%n, 5 Soi | 814,7,75s |
| Inventories. |  |  | 年 $\begin{gathered}374,720 \\ 21,319\end{gathered}$ | 4, $4.3,85$ | 2,501, 184.18 | - 12030,796 |  | 718.080 | ${ }^{124,8,770}$ | 377,611 <br> 129,383 | 180, | - $3 \times 2,286$ |  | -20,4,55 | , 2 , 4 , 126 |
| Capital asseta leas reserves. | -1,607, 778 | 230,589 | 230, 391 | , 2,005 | 878,020 | 718,134 | 34, 3,87 | 57, 43 | 3 | 37, ${ }^{129}$ | - | 13, $3 \times 5,400$ |  | \% 28,782 | 709, 2776 |
| Total asseta-Total 13ab11/tiea | 23,989, 435 | - | 740,937 | 1,896, 735 | 4,203.175 | 3,259,877 | $\sim$ - 59.4 .055 | 2-88.118 | 1,475,873 | 1,47\% , , 4t | 2,54,188 | 2,333,997 | 1,162, 2 , | 1,2074, 272 | , $0 \times 3,2 \mathrm{Cl}$ |
| Account and notes payable. | $\bigcirc 795,881$ | ${ }^{1759} 978$ | 289,597 | 518,803 | 1,042,362 | 752,6,78 | 556,590 | 235, 8.4 .6 | 134, 506 |  | 248,14 | Lee, 4.1 |  | 124, 135 | $51,4.45$ |
| Bonds and mortgages payable Capital stock........... | 2, $2,71,1.4$ |  | 98,721 | 180, | - 3 30, 1802 | 229, 4.4 | ${ }^{263,723}$ | 180, 1858 | 14,0,053 | 138,704 | 192,105 | 1\%,07 | 144.821 | 275,032 | 14, 14.679 |
| Surplus and undivided profits.. | 12,205,993 | ${ }_{1860.121}$ | 107,517 | 415,0.2 | i, $1,340,518$ | 1,24, 2,425 | 1,097,978 | 1,084,054 | - | -7, 52,46 | 314, |  | - | 3, | (\%an, 250 |
| Gross shlea and gross revelpts from operations | - ${ }^{78,359,198}$ | 1, $1,8297,3939$ | 2,883,299 | 5,539,099 | cole | 7,513,374 | 7,665,591 | -599,480 | +,522,922 | 3,524,394 | 3,785,787 | 1,014,127 | -,748,003 | $4,013,8$ ste. | 11,852,079 |
| rotal complied receipta | 74,767,000 | 1,822.931 | 2,912,237 | ¢, 007,179 | 12,292, 3.4 | 9,674,031 | 7,799,067 | 6,748,504 | - 3 ,01,004 | 3,617,934 | 3,873,059 | 3,068,570 | 2,786,302 | 4,04, ,471 | 12, 422 , 3 |
| Cost of goods sold and or operations | 58,815,880 |  | 2,050, 278 17 17 | 4, keo, H 4.4 | 9,4,4,769 | 7,476,437 | -. 0033,311 | 929,605 | -5.535,721 | -,502,036 | 2, 0 ,00, 863 | -,203,593 | $\because, 021,54$ | , 859,228 | 8,832,154 |
| Net Income or deftcit......... | 1,9,90, 000 | 135,412 | ${ }_{17,111}$ | 24,103 | 12, 213 | 12, ${ }^{1+399}$ |  | 1725,27 | 111, 417 | 123,546 | 140.039 | 125,003 | 100,ent |  |  |
| Total tax......................... | 2,027,841 | 3,54, | 30,360 | 24,0.4 | 65,199 | 67,196 | 67,477 | 88,583 | 59,067 | 62,324 | 23,099 | 63,600 | - 54.3 | 3, | 02,206 |
| wn stock.... | S18,164 | 3,500 | 0,308 | 11,268 | 25,983 | 26, 176 | 22,396 | 24, 881 | 17,548 | 22,897 | 33,015 | 20,587 | 35,555 | 56,847 | 91, 91.05 |
| TRADE; RETAIL; FOOD <br> Number of returns with balance sheets.......... |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | -, SB: | 3,298 | 1,849 | 1,067 | 1.493 | 020 | 312 |  | 6 | 4 | 19 | B |  |  |  |
|  | Trousend dollore) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Caoh...... | 028,536 | 5,217 | ${ }^{7,348}$ | 13,701 | 29,809 | 27,066 | ${ }^{26,618}$ | ${ }^{39,730}$ | 40, 12, ${ }^{2}$ | 50,971 | 40.860 | 4,583 | 45,253 | 49,854 | 22, 2, 28 |
| Notee and | 1,487, 1.95 | 5, ${ }_{\text {5, }}^{605}$ | 10,959 <br> 14.504 | ${ }_{2}^{15,212}$ | 3,0088 40,323 | 3,2505 <br> 39,742 | 37,055 | 38,772 |  |  |  | 35,48 |  |  |  |
| Investments. | 200, 2.27 | 1,272 | 2,205 | - 4,504 | 9,917 | 9,462 | 14,154, | 22,314 | 29,419 | 25,179 | 21,937 | -406 | 37,012 | 12.245 | 312,399 |
| Capital assete less reserve | 1,203,997 | 10,526 | 26,479 | 51,909 | 102,237 | ${ }^{93,992}$ | 90,182 | 117,227 | 74,597 | 112,079 | 98,683 | 4,2,2 | 83,836 | 26, 187 |  |
| Total assets-Total 1 Labilities | 3,684,9n9 | 41,171 | 65,848 | 117,102 | 233, 94.4 | 216,176 | 219,799 | 298,454 | 231,002 | 314,979 | 281,85, | 283,503 | 297,397 | 302;335 | 781,094 |
| Accounta and notes payable. | 815.033 | 2r,034 | 20,419 | 33,431 | 07,999 | 57,604 | 54,254 | u, 4,25 | 4 4, 474 | 56,781 | 53,289 | $4,3,50$ | 38,5006 | 4¢,068 | :17,13+ |
| Bonds and mort gages Capital atock.ag.a | 305,885 | 7,284 | 7,329 | 16,938 | 23,032 | 22, 54 | 23,393 | 0, 137 | 20,017 | 34,004 | 25,221 | 57,900 | $=2,+4{ }^{2}$ | 37,229 |  |
|  | 1, $121,1,4$ |  | $\underset{\substack{25,683 \\ 7,010}}{\substack{\text { a }}}$ | 17,095 | c, |  |  |  | 4, 9,47 | ${ }^{59,838}$ |  | 88,48 | 47,825 | ${ }^{35,825}$ | 1.4,755 |
| Gross sales and gross receipts from operations | 19,677,239 |  | 347,290 | 598,888 | 1,243,885 | 1,003,339 | 1,037,989 | 1.370,698 | 1,003,831 | 131,369 | 99,818 |  | 13, |  |  |
| Total compited recelpts.................... | 19,557,055 | 274, 176 | 349,288 | 602,370 | 1, $2,24,0,030$ | 1,008,628 | 1,043,989 | 2, $2,370,698$ |  | 1,438,525 | 1, $2,270,160$ | 1,1,14t, 314 |  | 1, $1,689,2850$ | : 8.847 .1236 |
| Cost of gods sold and of operat lons | 14,925,529 |  | 273.743 | -80,260 | 239, 12. | 778,705 |  | 1,04, 809 |  | 2,119,28: | 2,014,2i6 |  | 1,154, 475 | 1,392, 5 50 | . 55.32 c |
| Complied net profit or net loss....... Net Income or defiet............ | 402,190 | +12.380 |  |  | ${ }^{16,785}$ | 17,810 | 20,407 | 32,502 | ${ }^{28,086}$ | 42, 10 | 36, 559 | 3t,562 | -5,088 | 3t,701 |  |
| Total tax.............. | 203,339 |  | 908 | $\begin{aligned} & 2,836 \\ & 1,643 \end{aligned}$ |  | -17,809 | 20,405 9,241 |  | 28,675 | -12,9793 | 18, 7 |  |  | $\begin{aligned} & 36,742 \mid \\ & 18,938 \end{aligned}$ | ,481 |
| omi stock.............................. | 81,358 | 128 | 108 | 552 | 1,417 | 1,025 | 1,677 | 3,372 | 2,674 | ¢, 265 | 0,054 | 10, 1 bc | 1.,22 | 10,2 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| TRADE: Reetail: GENERAL MERCHANDISE <br> Number of raturns with balance sheets....... | ",055 | 518 | ,57 | 1.306 | 1.45 | 704 | 35.2 | 280 | 125 | ${ }^{9}$ | i7 | 22 |  |  |  |
|  | (Towemd dothere) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 2,126,460 | 2,2,25 | $6,6,075$ | 12,904 | ${ }_{38,914}^{28,94}$ | 40, 28.3 | ${ }_{00,8 \% 6}^{29,020}$ | 4, 4121,028 |  | 52,570 126,222 | 58,328 175,633 | .57,875 |  | 225,722 |  |
| Inventories | 2,56,402 | 9,306 | 22,195 | 47,034 | 100,020 | 91,518 |  | 139,954 |  | 132,237 |  |  |  | 291, 7 |  |
|  | 1,132,176 |  |  | -3,022 | 4, 4.9 .98 | 19,054 | 19,220 | 35,239 | 37,291 | 35,413 | 59,780 | 49, 6,62 | 102,274 | 222,55? | 529,710 |
| Total assets-Total 11abi11ties............... | $4,136,300$ | 18.,519 | - $5,3,329$ | 9, $9,5,135$ | 32, 32.50 | -4,48838 | 4, 47,178 | 100,871 | -2,131 | 119,942 | 211,030 | 230,43 | 193,297 | -30, 594 | 55 |
| Accounts and notes payab | 1,185,40.3 | 0.809 | 12,328 | 18,792 | 49,587 |  |  |  |  |  |  |  |  |  |  |
| Bonds and mortgages pa | 708,889 |  |  |  | 23,98 | 12,4,4 | 16,269 | 36,119 | 37,971 | 31,710 | 24,7x | 85, ,216 | t7, 0,0 | 188,8iz |  |
| Capital stock............. | 2,046, 50 | 10.712 | 18,475 | 33,811 | 109,937 | 78, 535 |  | 115,4,50 |  | 45,71-4 | 14,8,858 | 133,135 | 14, $1,8,1$ | 100,180 |  |
| Gross sales and gross receipts troo operations |  |  |  | ${ }^{28,344}$ | ${ }^{36,1116}$ | ${ }^{42,585}$ | 99,150 | 195,800 | 192,50.2 |  | 335.291 | 409,579 | 3688,95 | cos, 32 | ,7\%\% |
|  | 12,13, | 52,138 |  | ${ }_{\text {che }}^{\text {230,549 }}$ | - | -85.890 | S12,030 | - | ${ }_{\text {cke }}^{814.250 .250}$ | 918, 974.15 | 2, $2,387.058$ |  |  | 20,324,021 |  |
| Cost of goods sold and of op | 12,005,438 | 38,84t | 75,220 | 107,077 | 3-7, 5 , 5 | 33\%, 165 | 351,618 | 599,247 |  |  |  |  | 24,362 |  | St, |
| 1ed net prorft or net |  |  |  |  |  | 11,184 |  |  | ,174 | 34, 687 | 61,217 | 59,510 |  | 12tem 34 |  |
| trame or deflcit. |  | ${ }^{1,7135}$ |  |  | .455 | ${ }^{12,181}$ |  |  | 30, 248 |  |  |  |  | 12.2, |  |
| Hidenis pald in cash and assets | , 14 | 135 | 568 | 1,588 | . 302 | 5,215 | . 507 | 15, +ith | 10,871 | 20, 187 | 32,234 | 0, 563 | 27,987 | 05,520 | 4,0.55 |
| wil utork | 293,841 | 97 | 342 | 1,428 | , 4 | ,122 | 2,825 | c, 592 | 5,880 | 8,308 | 23,227 | 19,653 | 30,233 | -, | $\underline{106,937}$ |

RETLRIS WITH BALA VE SHEETS

returns with balance sheets

RETLRM: MITH BALANCE: SHEETS

\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|}
\hline \multicolumn{15}{|l|}{Size of total asseta} \\
\hline Total \& \[
\begin{aligned}
\& \text { Under } \\
\& \$ 25,000
\end{aligned}
\] \& \[
\begin{aligned}
\& \begin{array}{l}
\$ 25,000 \\
\text { wnder } \\
\$ \$ 0,000
\end{array}
\end{aligned}
\] \&  \& \[
\begin{aligned}
\& \$ 100,000 \\
\& \text { Noses } \\
\& \$ 220,000
\end{aligned}
\] \& \[
\begin{aligned}
\& \begin{array}{c}
9250,000 \\
\text { udder } \\
5500,000
\end{array} \\
\& \hline
\end{aligned}
\] \& \[
\begin{gathered}
\$ 500,000 \\
\text { snded } \\
\text { si, }, 000,000
\end{gathered}
\] \& \[
\begin{aligned}
\& \$ 1,000,000 \\
\& \text { under } \\
\& \$ 2,500,000
\end{aligned}
\] \&  \& \[
\begin{aligned}
\& \$, 000,000 \\
\& \text { Under } \\
\& 10,000,000
\end{aligned}
\] \& \[
\begin{aligned}
\& \$ 10,000,000 \\
\& \text { under } \\
\& \$ 25,000,000
\end{aligned}
\] \& \[
\begin{array}{|l|}
\hline \$ 25,000,000 \\
\text { inder } \\
\text { itso,000,000 }
\end{array}
\] \& \[
\left.\begin{array}{|l|l|}
\hline \$ 0,000,000 \\
\text { under } \\
\$ 100,000,000
\end{array} \right\rvert\,
\] \& \[
\begin{aligned}
\& \$ 1200,000,000 \\
\& \$ 250,0000 \\
\& \$ 200000
\end{aligned}
\] \& \[
\begin{array}{|c}
\$ 250,000,000 \\
\text { or more }
\end{array}
\] \\
\hline (1) \& (2) \& (3) \& (b) \& (5) \& (6) \& (7) \& (8) \& (9) \& (10) \& (11) \& (12) \& 13) \& (14) \& (15) \\
\hline 22,581 \& 6,302 \& 5,11. \& 2,957 \& 4,202 \& 1,291 \& 40 \& 193 \& 32 \& 17 \& \& \& \& \& \\
\hline \multicolumn{15}{|l|}{(Thousend dollers)} \\
\hline 262, 27 \& 10,620 \& 22,881 \& 33,981 \& 02,433 \& 39,410 \& 28,209 \& 20,623 \& 8,4.50 \& 12,086 \& 3,569 \& 959 \& \& \& \\
\hline 807,192 \& 12, 835 \& 38,8, \& 80,789 \& 202,205 \& 145,378 \& 104,975 \& 98,974 \& 54, 3159 \& 41,354 \& 2t, 572 \& 12,801 \& \& \& \\
\hline 155, 192 \& 29,876 \& , 025 \& \(\xrightarrow{121,1836}\) \& \(\begin{array}{r}199,846 \\ \hline 28,326\end{array}\) \& \({ }_{\text {23,159 }}\) \& 93,194
23,30, \&  \&  \& 28, \& 12, 12,939 \&  \& \& \& \\
\hline \& 17,672 \& 37,830 \& 82,571 \& 136,588 \& 93,259 \& [2,633 \& 48,517 \& 18, 242 \& 18,350 \& 18,326 \& 21,673 \& \& \& \\
\hline 2,055,876 \& 79,122 \& 28e, 293 \& 352,49 \& 649,772 \& 451,329 \& 312,745 \& 278,19\% \& 103,042 \& 115,403 \& 81,642 \& 45,315 \& \& \& \\
\hline \%80,805 \& 34,179 \&  \& 96,738 \& \begin{tabular}{c} 
170,530 \\
57,302 \\
\hline
\end{tabular} \& \begin{tabular}{|c}
111,584 \\
32,771
\end{tabular} \& \({ }_{\substack{76,002 \\ 21,368}}\) \& 69,016
22,957 \& -28,976 \& 23,056 \& \({ }_{9}^{8.586}\) \& 2, 2,774 \& \& \& \\
\hline - 200,197 \& \begin{tabular}{l}
11,583 \\
41,838 \\
\hline
\end{tabular} \&  \& 13, \(\begin{array}{r}33,5888 \\ 11868\end{array}\) \& 57,302
165,648 \& 32,771
106,693 \&  \& 22,957
53,99 \&  \& 12,983
18,122 \& 9,019 \& \begin{tabular}{c} 
20,577 \\
5,895 \\
\hline
\end{tabular} \& \& \& \\
\hline 775,030 \& \({ }^{1} 16,284\) \& \& 74,889 \& 200,548 \& 156,398 \& 112,394 \& 96,258 \& 33,875 \& 43,707 \& 33,060 \& 24,308 \& \& \& \\
\hline  \& 262,135
264,388 \& 507,119
511,187 \& \({ }_{828,153}^{816,277}\) \& \(\xrightarrow{1,464,853} 1\) \& 905,899
928,725 \&  \& 492,150
512,816 \& 188,948
193,641 \& 247,122
255,628 \& 68,199
67,13 \& \({ }_{17}^{17,634}\) \& \& \& \\
\hline 3,979,332 \& 283,045 \& 30b, 408 \& 586,900 \& 1,071,770 \& 652,535 \& <35,695 \& 336,908 \& 233,904 \& 163,016 \& 40,012 \& 8,470 \& \& \& \\
\hline 1125,597 \& \& 2,899 \& 11,337 \& \& \& 16,342 \& \& \& \& 3,325 \& 2,470 \& \& \& \\
\hline \(\xrightarrow[\substack{115,508 \\ 54,016}]{\substack{\text { coid }}}\) \& - \& \[
\begin{aligned}
\& 2,899 \\
\& 2,120
\end{aligned}
\] \& \(\begin{array}{r}\text { 11, } \\ 5,050 \\ \hline\end{array}\) \& 26,398
10,675 \& \(\begin{array}{r}\text { 21, } \\ 8,935 \\ \hline 185\end{array}\) \& 26,330
7,395 \& \begin{tabular}{c} 
27,573 \\
8,293 \\
\hline
\end{tabular} \& 8,804
\(i, 126\)
\(i\), \& 7,157 \& 3,325
1,611
1,002 \& 2,470
1,279 \& \& \& \\
\hline 22,713 \& 5.4 \& 1,105 \& 1,558 \& 3,709 \& 4,4,46 \& 3,004 \& 2,789 \& 1,403 \& 1,476 \& 1,001 \& 1,678 \& \& \& \\
\hline 19,959 \& 6,972 \& 2,818 \& 3,656 \& 3,839 \& 1,030 \& 664 \& 257 \& 8 \& 22 \& 11 \& \& 1 \& 2 \& \\
\hline \multicolumn{15}{|l|}{(Thousand doilars)} \\
\hline 362,336 \& \({ }^{12,679}\) \& \({ }^{13,570}\) \& 31,467 \& -4, 896 \& 54,842 \& 42,536 \& 137,026 \& 24,365 \& 16,479 \& 11,788 \& 1,897 \& 7,138 \& 23,675 \& \\
\hline  \& 18,3121 \& cen 32,621 \& 73,704
88,183 \& \(\xrightarrow{182,049} 195\) \& \(\underset{\substack{156,152 \\ 168,240}}{ }\) \& \% \begin{tabular}{l}
127,953 \\
140,555 \\
\hline
\end{tabular} \& \(\frac{1123,576}{123,048}\) \& 81,462
88,399 \& \(\xrightarrow[\substack{51,507 \\ 39,674}]{ }\) \& 54,697
\(40,3 \times 9\) \& 5,013 \& 5,080 \& 133,129
23,972 \& \\
\hline \(\xrightarrow{1,041,3838}\) \& -1,947 \& \begin{tabular}{l} 
2, \\
3,919 \\
\hline, 919
\end{tabular} \& \begin{tabular}{l} 
8, 2,183 \\
12,30 \\
\hline 2050
\end{tabular} \& 195,274
28,373 \& \begin{tabular}{l}
168,240 \\
\hline 38,506 \\
\hline 15
\end{tabular} \& \(\xrightarrow{126,785}\) \& \(\xrightarrow{123,588}\) \& \({ }^{89} 8\) \& 12,238 \& 21,828 \& 5,71 \& \({ }_{12,015}^{2,064}\) \& 13,754 \& \\
\hline 700,025
\(3,608,262\) \& \begin{tabular}{l}
13,190 \\
69,758 \\
\hline
\end{tabular} \& 18,074
102,790 \& \% \(\begin{array}{r}51,095 \\ 262,823\end{array}\) \& (122,24 \& \% \(\begin{aligned} \& 124,559 \\ \& 555,908\end{aligned}\) \& 101,130 \& 78,169
387,888 \& ( \(\begin{array}{r}52,070 \\ 292,371\end{array}\) \& \(\begin{array}{r}33,308 \\ \hline 156,578\end{array}\) \& - 40,785 \& 5, 566
25,854 \& - 51,85787 \& \(\begin{array}{r}57,198 \\ 252,76 \pm \\ \hline\end{array}\) \& \\
\hline 960, 846 \& 33,961 \& \& \& \& \& 120,008 \& \& \& \& \& \& \& 127,680 \& \\
\hline 257,589 \& 7,648 \& 10,224 \& 18,265 \& 43,757 \& 38,710 \& - 35,127 \& 23,592 \& 30,652 \& 12, 467 \& 21,726 \& \({ }_{1}^{1,875}\) \& 13,556 \& \& \\
\hline - \(\begin{array}{r}835,204 \\ \text { 1,059,353 }\end{array}\) \&  \& \begin{tabular}{c} 
40,226 \\
8,260 \\
\hline 1
\end{tabular} \& 92,833 \& 163,560
170,509 \& 1385,817 \& 97,838
105,143 \& 91, 777
159,756
1 \& 57,881
120,115 \& \begin{tabular}{l}
30,394 \\
63,208 \\
\hline
\end{tabular} \& \begin{tabular}{l}
31,077 \\
81,578 \\
\hline
\end{tabular} \& ¢, 51316
13,352 \& \({ }_{13,28,391}^{18,3}\) \& \(\xrightarrow{26,148}\) \& \\
\hline 8,488, \({ }^{1} 829\) \& 270,413 \& 369,087 \& 760, 99.4 \& 1,732,724 \& 1,399,202 \& 1,116,316 \& 967,428 \& 669,15b \& 390,833 \& 266, 117 \& 47,263 \& 100,28.2 \& 420,504 \& \\
\hline 8,602,886 \& 272,902 \& 352,487 \& 769,053 \& 1,754,213 \& 1,418,276 \& 1,131,200 \& 982,132 \& 678,993 \& 396,122 \& 268,700 \& 47,406 \& 103,809 \& 427,587 \& \\
\hline 0,630,956 \& 207,989

2 \& 269,488 \& 596,742 \& 1,382,277 \& 1,122,306 \& 883,755 \& 773,523 \& 531,058 \& 317,208 \& 190,599 \& 36,360 \& 76,986 \& 252,233 \& <br>

\hline (182,360 \& ${ }_{57,263}$ \& ${ }_{724}^{724}$ \& 8,146 \& | 26, 238 |
| :--- |
| 26,737 | \& coter 26,863 \& 2, 2,067 \&  \& ${ }_{21}^{21,304}$ \& $\xrightarrow{14.4607}$ \& 9,292 \& -3,209 \& -2,499 \& 28,050 \& <br>

\hline -91,422 \& ${ }_{7} 78$ \& 1,539 \& 4,269 \& 11,000 \& 11,193 \& 11,539 \& 12,404 \& 10,381 \& 6,899 \& 4,556 \& 1,644 \& 1,029 \& 34,115 \& <br>
\hline 38,192 \& 145 \& 371 \& 1,122 \& 3,216 \& 3,846 \& 3,842 \& 4,120 \& -,,993 \& 2,510 \& 2,878 \& 74.8 \& 1,787 \& 8,814 \& <br>
\hline 187, 172 \& 36,40 \& 28,028 \& 32,382 \& 37,866 \& 17,248 \& 10,68b \& 10,336 \& 5,812 \& 3,763 \& 2,574 \& 896 \& 452 \& 290 \& 20.1 <br>
\hline
\end{tabular}



RETERS HITHBAEINC SHEETS


RETURNS WITH BAI.ANCE SHEFTS

retirns qith balance sheets

RETURNS WITH BALANCE SHEETS

| $\square$ | $\stackrel{\rightharpoonup}{\hat{*}}$ |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| $\left.\begin{array}{\|cc\|} \hline 8 & 8 \\ 8 & 8 \\ 8 & 2 \\ 5 & 8 \\ 0 & 8 \\ 0 & 8 \\ \hline & 8 \end{array} \right\rvert\,$ | ¢ |  |  | $\rightarrow$ |  |  | ＇ |
| $\begin{array}{\|l\|l\|} \hline 8 & 8 \\ 8 & 8 \\ 8 & 8 \\ 8 & 8 \\ 5 & 8 \\ 0 & 8 \\ \hline \end{array}$ | $\stackrel{\square}{3}$ |  | － | $\checkmark$ |  |  | ＇ |
|  | 3 | ${ }^{-1}$ |  |  |  |  <br>  |  |
|  | $\square$ | $\cdots$ |  | 7 |  |  |  |
| $\square$ | § | $\sim$ |  |  |  |  | $\cdots$ |
|  | － |  |  | 3 |  |  | T |
| $\square$ | 区 |  |  | 5 |  |  | $\square$ |
|  | E | $\pm$ |  | － |  |  <br>  | $\stackrel{\sim}{7}$ |
| $\begin{aligned} & 8.88 \\ & 0 \\ & 0 \\ & 0 \\ & 0 \end{aligned}$ | $\boxed{\square}$ | $\stackrel{\square}{6}$ |  | － |  |  | $\stackrel{\%}{\text { \％}}$ |
|  | $\triangle$ | $\begin{aligned} & 2 \\ & 3 \\ & 3 \\ & \hdashline \end{aligned}$ |  |  |  |  | 3 |
|  | $\pm$ | 0 |  | － |  |  | 管 |
|  |  | $\stackrel{3}{7}$ |  | 令 |  |  |  |
|  | $\triangle$ |  |  |  |  |  | $\cdots$ |
| 考 | $\Xi$ | － |  | 4 |  |  | $\stackrel{3}{2}$ |




 Total assets－Total liabilitles．． Accounts and notes payable．．．．
Bonds and nortgages payable．．．

Capital stock．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．
Surplus and undivided profits．．．．．．．．．．．．．．．
Gross sales and gross receipts from operations Gross sales and gross receipts from operations
Total compiled recelpts．．．．．．．．．．．．．．．． Cost of goods sold and of operations．
compiled net profit or net loss．．．．．


SERVICE：Bldink is SERVICRS

## Number of returns with bslance sheets．

Cash．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．
 Cap1tal assets less reserves．．．．．
Total assets－Total liabilities．
 Surplus and undivided profits．．．．．．．．．．．．．．．．．
Gross sales and gross receipts from operations Cost of goods sold and of operations．．．．．．．．．．． Cost or goods sold and of operations．．
Complied net proftt or net los．．．．．．
Net income or deficit．．．．．．．．．．．．．．．．．． Total tax ．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．． setvied：autanotive repair service： Number of returns with balance sheets． Cash．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．
 Total assets－Total 11atilities．．．．．．．．．．．．．．．．． Accounts and notes paysble．．． Capital stock．．．．．．．．．．．．．．
 Total sompiled receipts．．．．．．．．．．．．．．．．．．．
Cost or goods sold and or operations．．．．．．．．．
Compiled net prorfit or net loss．．．．．．．．．．．
 Sea footnotes at exd 0：talle．See text for
RETIRAS HITH BAIAVESHEETS



## returns with balance sheets





[^9]1 ent

## ALL ACTIVE CORPORATION RETURNS

Table 7.-NET INCOME OR DFFICIT, TAXES, AND DNUIDENDS PAID, BY SIZE OF NET INCOME OR DEFICIT, BI LNDUSTRIAL DIVISION-CORGRUOd


[^10]111. ACTIF GORPORATION RETIRAS




## ALL ACTIVE CORPORATION RETLRNS

Table g. -omidends received and dnterest received on government obligations, by size of net income or deficit


[^11]
## ALL ACTIVE CORPORATION RETLIRNS



WTE: Sev text f-r explanatory statements and for "Description of the Sample and Linitatiuns of Data."

## ALL ACTIVE CORPORATION RETURNS

Table 11．－CASH DINIDENDS PAD，B）INCOME STATUR，BY INDUSTHLAL DIVLSION

|  | Retueras aith metiraorn |  |  |  |  | R＋turns withon9 n＋1 in mom |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Dindur tids pail if．－Eht |  |  |  | Nather of <br>  | Dovijumbe pisil in chath |  |  |  |
|  |  | Numbe：ot returns | A：OU：： <br> （Thousiand coltars） |  |  |  | Wintut of necurne | Numat <br> （Thousand （hiflors） | $\begin{aligned} & \text { Retu: } 1.5 \mathrm{w}, \mathrm{th} \\ & \text { basiace sheet: } \end{aligned}$ |  |
|  |  |  |  | Na゙Me：Of「ロtirna | ，Unoll！${ }^{+}$ <br> Thoussand thedtar， |  |  |  | $\begin{gathered} \text { Sumbes } \\ \text { ieturnas } \end{gathered}$ | （ Thousand doflare） |
|  | 121 | 1.1 | ！ | （．） | $1 \quad 1$ | 4 | ＇${ }^{1}$ | （8） | d） | ，10） |
| All industrial fivisione．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．． | －．．1．1＂ |  | 11，：1\％，11： | 4．，，40， | 11，．，$\quad$ ，＂ | 91． 2.4 | 17.841 | 31．，111 | 13． 14 | －4，1．1． |
|  | $\cdots$ | 1， |  | － 1,11 | -1 $\cdots$ | $\therefore 313$ | $3{ }^{\prime \prime}$ | 1,10 $\cdots$ $1,6,8$ |  | 1,10 $.1,215$ |
|  | $\therefore+111$ |  | 18，．1． 1 |  | ，， 21 | 2－， 1 | 3.30 | －1，8．7 | ＋in | 5，501 |
| kanutu furing．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．． | $\because, 174$ | 1．3．1 | ，－4， 4.5 | －，¢N． | $\cdots, 1+1, \cdots$ | \％1－48 | ． 000 | 131，${ }^{\text {a }}$ | ＇， 1 fin | In，${ }^{\text {a }}$ 5 5 |
| Pubiic utiaities．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．． | ，．．．te | ，$\cdot+$ |  | ，rle | 1，＋4，20＇ | 11． 4. | 312 |  | ． 7.0 | ． 030 |
| Trate．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．． | 1－i．．．${ }^{\text {a }}$ | $\cdots$ | 星0．20 | － | P4， | 1．012 | 3．0．0． | － 2,888 | $\therefore 308$ | $5_{12} .00$ |
| nholessle．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．． | 1－ $2^{2}$ | 10．$\because$ | 314， 16 | 21，e． | 31．．08， | ，，， | 1，271． | 38，+1.4 | 1， | 37，729 |
| Retail． | 3，＂ |  | $204,31$. | 13，34， | 400.40 | $\because 355$ | $\therefore 1 \omega^{2}$ | 13，8．7 | $\therefore 08 \%$ | 13．295 |
|  | 1．，， 41 |  | 37， $\mathrm{S}_{4}$ ： | ． 3.32 | 3t． 118 | 二，80 | $\cdots$ | 1，01．7 | 225 | 1，038 |
| Fingnze，insuranve．reai estatr，and tosors of ：rat property．．．．．． | 139，$\ldots$ | ＋．．0．00 | 1， 504,880 | 130．20 | 7． 12.30 | ＋1．5\％ | 2．12： | 4「1，\％u－ | 1，713 | 50.387 |
| Barks and trust ：omparies．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．． | 2，${ }^{2}$ | 11， 1 | 517，$a_{4}$ | 12， 2 | －1．1． |  | 29.4 | 1， 2 ，7 | 14 | 1，204 |
|  | H，M， | 1， 1,88 | ＋73，521 | 1，${ }^{-7}$ | $1,84$ | 12， 501 | ，\％7 | $\because 7,33$ | （1）］ | － 5,758 |
| Insuranze qarriers and dgents．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．． | $\therefore \therefore$ |  | 297，064 | $\therefore, .43$ | $.3+, 70$ | －313 | 4 | ．．0．7 | 97 | 1，942 |
| Real estare and lessors of real prornity，ixapt Lutidimgo．．．．．． | 9．，, 18.4 | 13．41 | $2.02,01$ | 13，30．0 | ．111， 25 | $\square 0^{4}, 385$ | 283 | 8，4＋1 | 818 | 7．4．35 |
| Services．．．．．．．．．．．．．． | 3n，，，8， | 5，006 | 14， 778 | 4， 180 | 1006．0．54 | $30,10.3$ | 50 | $\therefore 727$ | 534 | 2，413 |
| Nature of business ：ot 3110cabl | 1，9，5 | 19 d | 2，075 | 188 | $\therefore, n 75$ | $\because, 731$ | 1.00 | 1，36 | 110 | 1，087 |

[^12]AIL. ACTIVE CORPORATION RETI RAS
Table 12-INVENTORI V ALUATION METHOD, BY NAJOR INDUSTRIAL OROUP


[^13]Table 13.-accounting method, ba major industrial group

|  | Man Sndstriga g\% uf | Nunture if returns by methed if accu untang |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Tutal |  | $\begin{aligned} & \text { Ac crual } \\ & \text { baceis } \end{aligned}$ | Cither ma: is | N t - 149+..1 |  |
|  |  | (1) | (-) | (3) | (.1) | (5) |  |
|  | All indu trial gmuyj... |  | $4 \mathrm{H}, \mathrm{Cr}$ | $\therefore$ ¢0, $27 \%$ | - 68 | 14.a.... | 1 |
|  |  | 8.304 | , 10.4 | 3, 18, | (1) ${ }^{1}$ | $\therefore$ |  |
|  |  | - | 1: | , | , | 141 | $\pm$ |
|  | Miming and quar reisg. | 7.585 | 1.4tic | $\cdots$ | (1) | , 1 | - |
|  |  | 2,1119 | $\cdots$ |  |  | (1) |  |
|  |  | $1, \cdots \cdots$ | ${ }_{3, t^{-}}{ }^{-}$ | 10 | 1 | (1) :0, | 8 |
|  |  | $\cdots$ | $\cdots$ | $\ldots$ |  | 1,114 | 10 |
| 1 |  | ., 1.1 |  | , | ( $)$ | -1,4 | 11 |
| 12 | Sors 'ructiol | 36, 12, | 1, 130 | -., lus | 752 | $\cdots, 822$ | 1. |
| - | Manuracturime | 120, | -1,28 | $8+, \cdots$ | (1) 219 | $\therefore$ | 13 |
|  | Beverag - . |  |  | 1, +2, |  | 1021 | 14 |
|  |  | O. 8.8 | (1) ${ }^{\text {a }}$ | , 11.1 |  | (1) ${ }^{\text {a }}$, | 15 |
|  | Texti1, -mil1 p maduct - . . . . . . | ,200 |  | , 4 , | : |  | 17 |
| 5 | Appared and greduet. mad frmmatrice | 3, | $\therefore$ | 20, |  | , 898+ | 18 |
| 12 | Lumber and nod fradue', - xeekt furniture. | 5,684 | 2,8 | 4,118 | 1) | 1,27* | $1{ }^{13}$ |
|  | Furriture ard $12 \mathrm{x}+$ wro.. . . . . . . | $\cdots$, | 135 | \%, ..-4 |  | , 4. | 20 |
| 22 | Pajwr and glleed moucts |  | 1) | -, 177 | , | "1. | 21 |
| - |  | 14, 158 | 1,1,40 | $\cdots$ | 1 | -, | $\cdots$ |
| - | Chemicaiz and ailiud faduet | , 3545 | \% | 5,24+8 | 2 | 1,712, | 2-4 |
| 5 | Rubber iroducts...... | 743 |  | 545 | - |  | 25 |
| \% | Leatner and product.. | 2,520 |  | 1,423 | 2 | 552 | 26 |
| 27 | 3tone, clay, and glas. fruct...... | 4,88. | 118 | $\cdots{ }^{\circ}$ | 3 | 1,1, ${ }^{\text {a }}$ | 27 |
| 28 | Ftimary metal indurimie ............ | 3,241 | 5tit | C. 77 | 11 | +1.1. | 28 |
| 29 | Fabricated metal product, exceft mdrance, machinury, and transfor | 21,775 | 20 | 8, 3 , 6,6 |  |  | 29 |
| 30 | Mashiners, exceft twansurtation equifment ani mectrical......... | 11, 16 | 374 | 2, 078 |  | 2, 俟 | 30 |
| 31 | Electr-asl machismers and \%uphrent. | 3,437 | 21\% | 3,131 | 1 | 1088 | 31 |
| 32 | Trampurtation equipment, Aceat gawt vehicie. | 1,206 | (1) | +10 |  | 2ris | $3 \cdot$ |
| 3 |  | 2,1424 |  | 158 | 1 | 16 | 33 |
| $3 \times$ |  | - 8 | Р¢ |  |  | (1) 4.37 | 35 |
| 6 | Other manufacturing. . . . . . . . . . . . . . . . . . . . . | 20, 0 - | 376 | -,8:5 | (1) | 2,.13 | 35 |
| 37 | Public utilities.. | <1, 12 | 3,4.u6 | 17,008 | 70 | 8, ¢2, | 37 |
| 38 | Transper*ation.. | 21 , inse | 2,358 | 13,129 | (1) | 5,B+(1) | 38 |
| ${ }^{\circ}$ | Comunication... | 4,433 | 3 | $\therefore 081$ |  | 1,582 | 39 |
| 4 | Electrie and ge- utilit. | 1,1.1.8 | ¢ | $77 \%$ |  | 308 | 40 |
| 4 | Uther puatic usit | $\therefore 085$ | 43 | 46. | 1 | 1177 | 41 |
| -2 | Trade. | 238,5.3 | 13,501 | $1 t=0,1$ tom | 1,603 | , 15 | $\cdots$ |
| $-3$ | Wholessle......... | 75,0tat | 2,120 | -.700 | 170 | 18,024 | 43 |
| 4 | Commission merchan ${ }^{\text {a }}$ | 10,:31 | 1,304 | t, 3600 | (1) | 3,021 | - |
| . 5 | Other mnalesalers. | 66,333 | 1,80t | 44, 3146 | 1.28 | 15,003 | 45 |
| $-6$ | Retai1............ | 134,953 | 2,381 | 73,758 | 1,371 | 35,063 | 46 |
| 4 |  | 10,597 | 8.9 | 0,958 | $\left.{ }^{12}\right)$ | 2,780 | 47 |
| -8 | Ceneral merchandise. | 7,545 | -90 | 5,174 | 53 | 1,8:8 | 48 |
| $=0$ | Fumiture and roverumzaning | 13,286 | 516 | 8,874 | 670 | 3,117 | 50 |
| 51 | Autactive dealers and fillirg Etatior.3. |  |  |  |  |  | S1 |
| 2 | Drug storez............................ | - 5,716 | 5.3 | - 31776 | 11 | 1, 0,14 | 52 |
| 2 | Eating and drinking flaces. | 18,6... | 3.320 | 10,2\% |  | 5,130 | 53 |
| 5. | Building materials and hardware. | 15,902 | 708 | 10, 427 | 62 | 4,275 | 54 |
| 55 | Other retail trade............ | 24,386 | 1,605 | 15,830 | 384 | 6,567 | 55 |
| E 0 | Trade tut aliocats. | 22,506 | 1,010 | 14,576 | 62 | 5,858 | 56 |
| 57 | Finance, inisurayce, real estate, and lessur. if real frop | 205,339 | 40,320 | 97, $17 \%$ | 1, ОЕ6 | 10.773 | 57 |
| 58 | Flnance.................. | -7,602 | 17,-6i | 2t, 138 | 239 | 13,761 | 58 |
| 59 | Banks ard truat sompario.. | 14,680 | 8,316 | 1,365 | 139 | 4, 3.01 | 59 |
| 60 61 | Credit agercies the:* thar, banke... | 24, 418 | 0.325 | 11,121 | 69 | 6,418 | 0 |
| 82 | Holding and other inve-tment companies. | 6,979 | 2,021 | 2,682 | (1) | $2,28 c^{\circ}$ | +1 |
| 82 | Security and commodty-exchange brokers and dealer | 1,605 | 302 | 970 | ${ }^{(2)}$ | 310 | 62 |
| 63 | Insurance carriers and agents. | 12,890 | 2.004 | 5,396 | 170 | 5,320 | 63 |
| 6 | Insurance carriers......... | 3,004, | 111 | 583 | 110 | 2,200 | tos |
| 55 | In-urance agents and broker | 9,886 | 1,893 | 4,813 | 60 | 3,120 | 45 |
| 66 | Real estate, except lezur ir real property sther than building | 139,821 | 25,308 | 73,906 | , 6it | 39,961 | $6{ }_{6}$ |
| $\square^{\circ}$ | Lessurs of real proper'\%, exceft building............... | 5,020 | 1,550 | 1,734 | (1) | 1,731 | 7 |
| ¢ | Servicez...................... | 24,84, | 10,340 | 36,123 | $25 t$ | 18,22E | ¢ |
| 69 | Hotels and other lodging places. | 7,.64 | 1,236 | -,285 |  | 1,254. | ${ }^{\circ}$ |
| ${ }^{\circ}$ | Personal servizes............. | 12.540 | 1,447 | 7,500 | (1) | 3.5926 |  |
| $\bigcirc$ | Business zary ices.. | 15,792 | 2,398 | 9,041 | (1) | $\cdots 318$ | 72 |
| ${ }^{2}$ | Automotive repair services and garages. | 6,151 | 321 | 3,854 | - | 1,7\% | 72 |
| 3 | Miscellaneous repair zurv-ses, hand trade. | 3,587 | 336 | 2,25. | - | 34 | 73 |
| 3 | Mution picturea. | 5,712 | 1,019 | 3,36 |  | 1,302 | 74 |
| 75 | Amusement, except, potion pictures. | 6,785 | 1,585 | 3,035 | (1) | 2,135 | 75 |
| \% | Other aervices, includirg schosis. | 6,804 | 1,798 | 2,822 | ${ }^{11}$ | <, 120 | 7 |
| 77 | Nature of business not allocable. | 7,585 | 1,954 | 4,936 | 13) | 2,351 | 77 |

[^14]Table lf-TOTAL AGETS, GROS RECEIPTN f ROM SALES AND FROM OPERATIONS, AND NET INCOME OR DEFICIT, BY MONTH IN WHICH ACCOUNTING PERIOD
ended. by major industrial group


ALL ACTIVE CORPORATION RETI RNS
TAble 14.-TOTAL, ASFTS, GROSS RECEIPTS RROM SALES AND FHOM OPERATIONS, AND NET INCOME OR DEFICIT, BY MONTH IN WHICH ACCOUNTING PERIOD ENDEG, BY MAJOR INDUSTRIAL GROUP-CORLINE






## ALL ACTIVE CORPORATION RETURNS

Table 14.-TOTAL ASSETS, GROS RECEIPTS FROM SALES AND FROM OPERATIONS, AND NET INCOME OR DEFICIT, BY MONTH IN WHICH ACCOUNTINO PERIOD ENDED, BY MAJOR INDUSTRIAL GROUP-Contanued


Table 14- TOTAL ASSETS, GROES RECEIPTS FROM SALES AND FROM OPERATIONS, AND NFT INCOME OR DEFICIT, BY MONTH IA WHICH ACCOLINTING PERIOD ENDED, BI MAJOR INDUSTRIAL GROUP-CONLDued

|  | Najar industrial group | Returns with antual accounting fertion ended-Continued |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | March 1955 |  |  |  |  |  | Apriz 14.5 |  |  |  |  |  |  |
|  |  | Tutai masets |  | Gruse recemp:s from sales and from yserations |  | Net income or |  | Total assets |  | fross rectifts from sules and t'rom aferations |  | Net income JT detra: 1 |  |  |
|  |  | Number 1 returns | Amount <br> (Thousand dollars) | Nuziber of returns | Atroun + <br> Thousand dollars) | $\begin{aligned} & \text { Number } \\ & \text { of } \\ & \text { returns } \end{aligned}$ | Afrount <br> (Thousand dol/ars) | $\begin{array}{c\|} \hline \text { Number } \\ \text { Uf } \\ \text { sturns } \\ \hline \end{array}$ | Ammunt <br> (Thou rand cholfars) | $\begin{aligned} & \text { Number } \\ & \text { returns } \end{aligned}$ |  |  | Amount <br> (Thousand dollars) |  |
|  |  | 101) | 1621 | -3.) | (000) | (65) | (0t) | (67) | (68) | (0) | (70) | (71) | (72) |  |
| 1 | All industrial group | 35.1780 | 10.038.077 | 28.848 | 17,8*2,123 | 30,444 | 631.343 | 24,041 | 8,644.410 | 14, ${ }^{\text {a }}$, 1 | 11,470,077 | 25,0040 | 477,286 | I |
|  | Agriculture, forestry, and fishery.......... Farms and agricultural services......... |  | 154,937 $1.40,2088$ | 560 5.8 | 150.575 1.88 .228 | 541 548 | 0,744 5,777 | (8) | 85.370 81.657 | 290 | 83,160 79.84 .4 | 290 | $\begin{aligned} & 5,550 \\ & 5,772 \end{aligned}$ | ? |
| $3$ | Farms and agricultural services................... Forestry................................................. | ${ }^{33} 3$ | (1) 3, 3108 | 5.8 |  | ( ${ }^{3} 34$ | (3) ${ }^{5} 3$ | $\bullet 7$ |  | cou | 7,804, | 5 |  | 5 |
| 5 | Fishery..................................... | , | (3) | (3) | (3) | $\left.{ }^{3}\right)$ | ${ }^{3}$ ) | 4 | . 713 | $\checkmark$ | 1.3 | $\checkmark$ | 1222 | 5 |
|  | Mining and quarrying . . . . . . . . . . . . . . . . . . . . . . . Metai mining | 485 | 308,645 12,067 | 471 | $\begin{array}{r} 307,153 \\ 8,703 \end{array}$ |  | ${ }^{4}+051$ | $\left(3^{1+14}\right.$ | $\begin{aligned} & 142 \cdot+4 \\ & (3) \\ & \left.3^{2}\right) \end{aligned}$ | $\left(3^{30}\right)^{34}$ | $205.606$ | $\left(3^{33 i}\right.$ | (3) ${ }^{616}$ | 7 |
| ${ }_{8} 8$ | Metai mining Anthracite mining................................. | (3) ${ }^{28}$ | ${ }^{13}{ }^{1,}$, | (3) ${ }^{47}$ | (3) ${ }^{8,703}$ | (3) ${ }^{39}$ | (3) | (J) | ${ }^{3} 106$ | (1) | -5,696 | ( ${ }^{3}$ | ${ }_{1} 125$ | 8 |
|  | Bituminous coal and lignite mining | 70 | 88.401 | 85 | 75,810 | 85 | 82 | 15 | +7.165 | 15 | 100,864 | 15 | 1,833 |  |
| 10 | Crude petroleum and natural gas production | 449 | 154.767 | -19 | 116,88 | 249 | 48 | 173 | 00.684 | 163 | 04,074 | 143 | 1,523 | 10 |
| 11 | Nonmetallic mining and quarrying......... | 132 | 107.277 | 132 | 103,414 | 14.2 | 8.541 | 92 | 25.427 | 112 | 33,423 | 112 | 3,249 | 11 |
| 12 | Construztion | 2.402 | 620,507 | 2.855 | 1, -13,308 | 2.986 | 33,830 | 1,503 | 352,219 | 1.450 | 726.680 | 1,626 | 16.701 | 12 |
| 13 | Manufscturing | 0.027 | 3. 5.59 .50 + | 6,462 | 0,584,311 | 0, 996 | 335,418 | 4,405 | 2,032,817 | -. 288 | 4,323,923 | -., 53 | 239,920 | 3 |
| 14 | Beverages. | 153 | 01,010 | 16.3 | 173,702 | 163 | 4,89\% | ${ }^{64}$ | 105,8540 | (1) | 154, 504 | 69 | 12,477 | 15 |
| 15 | Food and sindred product | 00. | 88 C .577 | $4 \times 8$ | 2,012.832 | 008 | 203,4*3 | 403 | 354.175 | 4.3 | 830,480 | 413 | 23,716 | 15 |
| 16 | Tobsceo marufsceures.... |  | 510 | 3 | 2,126 | 1 |  |  | 3,420 |  | 5.005 | 3 | 110 | 10 |
| 17 | Textile-rill froduats. | $\times 58$ | $305.29+$ | 258 | -4,213 | 259 | 13.611 | 225 | 137.001 | 225 | 235, 302 | 225 | 1,876 | 17 |
| 18 | Apparei and froduats made ince fabrics.... | 060 | 108.02. | $0 \times 1$ | $37 \%$ - | 681 | 2,618 | 545 | 113.625 | 597 | 325,578 | 617 | 4.030 | 18 |
| 19 | Lumber and wood produc:s, except fumiture | 327 | 202.555 | -48 | -42, 189 | 24, 8 | 24.100 | 204 | 232.058 | 19 | 308,319 | 204 | 14,877 | 14 |
| 20 | Fumiture and fixtures.................... | 270 | 202.080 | 280 | 221,145 | 280 | 12.673 | 215 | 08,781 | 205 | 142,634 | 215 | 4.484 | 20 |
| 21 | Pajer and allied froducts | 122 | 214,527 | 123 | 274,193 | 123 | 26,052 | 73 | -47,174 | 73 | 385,917 | 73 | 53.584 | 21 |
| 22 | Printing, fublishing and alijed industries | -099 | 164,752 | 600 | 293,899 | 080 | 11,896 | -4 5 | 100,885 | 430 | 257,105 | 465 | 27.516 | 22 |
| 23 | Chemicais and allied produts............. | 205 | 8:,000 | 205 | 175.495 | 265 | 11.224 | 15. | $4 \times, 84.2$ | 154 | 92,254 | $15 \%$ | 4.174 | 23 |
| -4 | Fetroleum and coal frodus: | 23 | 36, 800 | 23 | 180,302 | 23 | 0.8 .1 | - | 34,791 | 19 | 63,083 | 29 | 4,187 | 24 |
| 25 | Rubber froducts. | 27 | 12,406 | 27 | 28,271 | 27 | 1.390 | 21 | 14,777 | 21 | 33, 54, 7 | 21 | 3,009 | 25 |
| 25 | Lesther and products. | 136 | 35,081 | 130 | 86,890 | 1.06 | 3.525 | 117 | 44,109 | 217 | 93,890 | 117 | 2,480 | 26 |
| 27 | Stone, Glay, and glass froduc | 263 | 118,382 | -03 | 169,490 | 203 | 13,24? | 97 | 121,187 | 87 | 125,270 | 47 | 23,261 | 27 |
| 28 | Frimsry metal industries, | 126 | 61,400 | 130 | 105,015 | 136 | 4.752 | 116 | 4. 316 | 236 | 64,901 | 116 | ${ }_{3} 306$ | 28 |
| 29 | Fabrica*ed metal produ:ts, excert ordnance, machinery, and transpor:ation equipment. | 076 | 100,004 | 000 | 325,005 | 696 | 1.200 | 405 | 140, 108 | 405 | 242,824 | 415 | 13,247 | 29 |
| 30 | Machinery, except transportation equipment and electrical. | 014 | -50,495 | 634 | 537,317 | 0.4 | 34.740 | 400 | 193.574 | 390 | 292,914 | 400 | 14.014 | 30 |
| 31 | Electrical machinery and equipment. | 247 | 18b, 704 | 4 | -454,990 | 247 | 27,844 | 138 | 84, 4 2: | 133 | 157.252 | 143 | 8,935 | 31 |
| 32 | Iransportation equipment, exzept motor vehicles. | 55 | 15,412 | 55 | 33,331 | 55 | -80 | 88 | 166,936 | 78 | 230,113 | 88 | 12,637 | 32 |
| 33 | Motor vehicles and equipmert, except electrical. | ob | 31.721 | 06 | 04.772 | 66 | 2.079 | 25 | 11.115 | 25 | 30,942 | 25 | 279 | 33 |
| 34 | Ordnance and accesszries............. | 1 |  | ${ }^{1}$ | 651 | 1 | ${ }^{1} 114$ | $\cdots$ | - | $-$ | 72- | - |  | 35 |
| 35 | Szientiric irs:rumer:s; photographic equipment; watches, cloces. | 150 | 127.389 | 150 | 166.977 | 150 | 7.613 | 72 | 38,3,4 | 72 | 72,082 | 72 | 5,028 | 35 |
| 36 | Other marufacturim. ...................... | 064 | 155,239 | 674 | 273,880 | 67. | 13.584 | 1.85 | 85,313 | 457 | 108.89 | $\checkmark 8$ | 5.049 | 36 |
| 37 | Fublic utilisi | 250. | 173,068 | 8 tc | 170,628 | 884 | 4.684 | 077 | 170,414 | -4, 5 | +4,789 | 685 | 11,78\% | 37 |
| 38 | Transpor:atior | 738 | 153, 354 | 728 | -51,348 | 748 | 5,404 | 001 | 102,117 | 564 | 236.247 | 009 | 10,485 | 38 |
| 39 | Comuricatior..... | 6 | 10.557 | 81 | ${ }^{4}, 177$ | 81 | 1.977 | 3, ${ }^{23}$ | 3.472 | (3) ${ }^{2}$ | (3) ${ }^{\text {, }} 852$ | (3. 23 | +3030 | 19 |
| 40 | Eiectric and eas util |  | +.770 |  | 5.623 | 7 | 1.100 | $\left.{ }^{3}\right)$ |  | (3) |  | (3) | ${ }^{(3)}$ | 40 |
| 42 | 0 -her putlic inilities. | $\checkmark$ | 12, 747 | 46 | $\therefore .480$ | 46 | 86 | 4 | 126 | 42 | 2,253 | 42 | 141 | 41 |
| -2 | Trade. | 22,001 | 2,540,431 | 12,081 | 8,510,192 | 12,346 | 154, 325 | 8,057 | 1, 550, , 4148 | 8,2\%4 | 5,305, +11 | 8,36m | 101.224 | -2 |
| 43 | Wholesale.. | 4.271 | 1.307,920 | -2,144 | -.,550,125 | -, 33, | 76,411 | $\therefore .14{ }^{2}$ | 744.028 | $\therefore .070$ | 2,703.655 | 3,200 | $\bullet 6.747$ | 3 |
| - | Commission merc | 558 | 63,784 | 563 | 183.309 | 563 | 2.818 | 368 | 54, 032 | 358 | 178.824 | 308 | 2.586 | 4 |
| 45 | Oner whoiesale | 3.713 | 24,4,136 | . 656 | -. 366.822 | -,771 | 73,593 | $2.78 \pm$ | 73n, 7 \% 0 | 2.712 | 2,014.831 | 2,832 | 4.161 | 45 |
| -0 | Retail | 6.416 | 1,000,150 | 6,547 | - 525.886 | 0,687 | 72,271 | 4.098 | 549,084 | $\therefore 28$. | 2,060,026 | 4.314 | 43.451 | 40 |
| 47 | Food. | 708 | 330,898 | 699 | 2,702.663 | 719 | 45,451 | 387 | 179,211 | 393 | 918.106 | 393 | 20.871 | 47 |
| 48 | Gereral merchandise | 220 | 27.695 | 230 | 76,822 | 230 | 1.331 | 1 cm | 12,138 | 1.4 | 27.377 | 14.4 | 14 | 48 |
| 49 | Apparel and accessories................. | 713 | 72,924 | 683 | 114,993 | 73 | 1.185 | 394. | 24,198 | 45 | 52.572 | 409 | 671 | 49 |
| 50 | Furniture and housefumishings......... | 304 | 121,544 | 814 | 231,323 | 83.4 | 1,000 | 56. | 58.371 | 554 | 108.629 | 564 | 054 | 50 |
|  | Autorotive dealers and filling stations. | 882 | 147.870 | 897 | 546.863 | 917 | 4,199 | 501 | 87,.-74 | 521 | 341.813 | 521 | 2.495 | 51 |
| 52 | Drug stores............................ | 177 | 29.682 | 187 | 91,407 | 187 | 3,020 | 153 | 17.368 | 158 | 45.150 | 158 | 1,4i2 | 5. |
| 53 | Eatine and drinking places............. | 88. | 41,708 | 989 | 131,026 | 989 | ${ }_{5} 847$ | 590 | -10.984 | 720 | 110.912 | 740 | 1.550 | 5 |
| 54 | Building materials and hardmare | 630 | 94, 573 | 650 | 230,354 | 650 | 5.576 | 412 | 57.025 | 410 | 122.265 | 416 | 4.050 | 54 |
| 55 | Other retail trade.. | 1,398 | 192,236 | 1,448 | 400,367 | 1,43 | ',002 | 35. | 125.715 | 7409 | 333,290 | 909 | 12.247 | 55 |
| 56 | Trade not allocable | 1,314 | 172,361 | 1.285 | 434,181 | 1,325 | 0,243 | 810 | 156,286 | 84 | -52.230 | 850 | 10,526 | 56 |
| 57 | Finance, insurance, ${ }^{2}$ real estate, and lessors of real Froperty. | 8.072 | 2.788 .230 | 2,142 | 207.095 | 8,485 | 58,381 | 0.595 | 3,230.611 | 1.596 | 214,802 | 6.887 | 73,953 | 57 |
| 58 | Finance.... | 1,202 | 1,280,608 | 409 | 58.925 | 2.260 | 22.097 | 1.117 | 1.873,485 | 372 | 83,446 | 1.1 .9 | 32.868 | 58 |
| 59 | Baniss and trust compsnies............... | 42 | - 588,153 | $\checkmark 3$ | 15,215 | 43 | 1.380 | 28 | 227,120 | ( ${ }^{3}$ ) | (3) | 28 | 1.018 | 54 |
| 60 | Credit sgercies other thar, banks........ | 906 | 501, 4.48 |  |  | 753 | 5.208 | 874 | 1.192,370 | 310 | 17.009 | 894 | 7.423 | 60 |
| 61 | Roiding and other investrent companies.. | 161 | 280,681 | (3) | (3)', | 17 | 14,2400 | 15 t. | -272,626 | 1 |  | 158 | 21,724 | -1 |
| 62 | Security and commodity-exchange brokers ard dealers. | \% 3 | 40,300 | 4. | 23.214 | 3 | 2.865 | 59 | 200.769 | - 3 | 65.297 | 69 | 2,213 | 62 |
| ${ }_{6}^{63}$ |  | (3) $3^{-67}$ |  |  |  |  |  |  |  |  | ${ }^{13} .8 .820$ |  |  | 03 |
| 6.4 | Insurance carriers ${ }^{2}$........ | (3) ${ }^{3}$ | (3) ${ }^{3}$, 350 | (3) ${ }^{3} 5$ |  | ${ }^{(3)}$ | (3) ${ }^{3}$ | , | 26. 299 | ${ }^{(3)}$ | $1^{3} 16819$ | (3) | ${ }^{1}{ }^{3} 665$ | 64 |
| 65 | It.surance agerts and brokers. | 357 | 37,350 | 357 | 31,41\% | 367 | -,138 | 226 | 26, 542 | 226 | 16,819 | zib | 1.665 | t5 |
| 66 | Real ests"e, excep lessors of real froperiy orner than buidirgs. | E, 300 | 1,453,517 | 1,357 | 120.605 | 0,684. | 32,906 | 5,205 | 2.242, 361 | 476 | 113.872 | 5,335 | -8,878 | ob |
| 67 | Lessors of real froperty, exceft butidings | $1 \rightarrow 3$ | :t,.43 | ( ${ }^{3}$ ) | (3) | 103 | ${ }^{1} 377$ | 156 | 15,44.4 | (3) | (3) | ${ }^{1} \mathrm{tt}$ | 54. | c 7 |
| 68 | Services................................... | 3,062 | -99, 132 | $\because 343$ | 54.4.707 | 3.055 | 28,233 | 2,409 | -15.881 | 2,278 | $-60.225$ | 2,005 | - $2,3.37$ | -8 |
| 69 | Hotels and other ludging Fiaces........... | 35.4 | 84.681 | 269 | 43,064 | 374 | 3,334 | 348 | 220.011 | 247 | 137,049 | 38. | 7.372 | 69 |
| 70 | Personal services.......................... | 041 | 4.814 | 062 | 101,34: | 052 | 3,629 | 375 | -3.300 | 40 | 07.280 | +00 | 2.489 | 70 |
| T | Business services.......................... | 882 | 96,003 | 845 | 181,530 | 922 | 5.954 | 569 | 45.415 | 50.4 | 119.238 | 569 | 3,433 | ${ }_{71}$ |
| 72 | Automotive repair servizes and garages.... | 202 | 20,692 | 20 | 26,57 | 228 | 837 | 233 | 38, 40 | 208 | 23.490 | 203 | 1,905 | 72 |
| 73 | Miscellaneous repsir services, hand trades | 235 | 10.880 | 240 | 26,428 | 240 | 73 | 225 | 0.150 | 125 | 14,242 | 125 | 133 | 73 |
| 74 | Motion pictures............................ | 350 | 56, 343 | 357 | 03,24,5 | 367 | 5,326 | 186 | 12, 173 | 146 | 22.014 | 216 | 016 | 72 |
| 75 | Arusement, except motion हictures......... | 400 | 58,779 | 415 | 02,353 | 4.5 | 7.085 | 327 | 27.785 | 302 | -9,976 | 382 | 0.031 | 75 |
| 76 | Other services, inciuding schools......... | 292 | 17,260 | 313 | 39,.688 | 333 | 1,730 | 240 | 11.151 | 236 | 20.236 | 266 | 16 | 76 |
| 77 | Nature of business not allocable.. | 313 | 8,594 | 118 | 4,150 | 583 | 79. | 358 | 14,600 | 100 | 5.081 | 398 | 1210 | 77 |



## ALI ACTIVE CORPORATION RETIRNS

Table $15 .-$ - EET INCOME OR DEFICIT AND TAXRS, By CALENDAK AND NONCALENDAR YEAR ACCIUNTING FGRIOD, BY SIZE OF NET INCOME OR DEFICIT


[^15]-ncome. See "Explanation if Terme." Income trx, f. 25

## RETERNS WITH BALANCE SHEETS

Table 1g.- TOTAL ASSETS, vET INCOMF OR DFFICIT, AND TAYEG, BY CAIENDAR AND NONCALENDAK YEAR ACCOUNTING PERIOD, BY SIZE OF TOTAL ASSETS


[^16]
## RETL RNS HITH NET INCOME




[^17]
## RETURNS WITH NET INCOME

table it, -TOTAL ASBETS, orges receipts from sales and frow operations, and net ingome,by month in which accounting perioo ended, by major industrial oroup-Cool dud


## RETARNS ITH NET INCOME




Table 17.-TOTAL ASSETS, Groks receipts from sales and from oferations, and nft income,by month in which accounting period ended, by major industrial group-conliugd


## RETLRNS H ITH NET INCOME




RETURNS WITH NET INCOME
Table 1t.-total assets, gros receipts from salfs and from operations, and net income, by month in which adcounting period ended, by major industrial group-condined


## RETURNS WITH NET INCOME




[^18]
RETLRNS WITH NET INCOME

See footnotes at end of table. See text for explanatory statements and for "Deacription or the Sample and Limitations of Data."
RETURNS WITH NET INCOME

RETIRVSATH NET MCOME


reti ras with net income


${ }^{2}$ For treatment of life and mutual insurance companies, see text, p. 17 . Sample and Limitations of Data."
NOTE: See text for explanatory statements and for "Description of the Samp

## RETURNS WITH ballance sheets and net income

Table ig. -balance sheets and related income statements, by major inoustrial group



## RETLRNS WITH BALANCE SHEETS AND NET INCOME

Table 19. -BALANCE SHEETS AND RELATED INCOME STATEMENTS, BY MAJOR INDUSTRIAL GROUP-CONUDUED


## RETURNS WITH BALANCE SHEETS AND NET INCOME

Table 19.-balance sheets and related income statements, by major industrial group-Coninued


[^19]
## RETURNS WITH BALANCE SHEETS AND MET INCOME

Table 19.-BALANCE SHEETS AND RE, ATED INCOME STATEMENTS, BY MAJOK INDUSTRIAL GROUP-COntinued

|  | Itera | Major induatrial trum-C ntinurd |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Manufacturing-Continued |  |  |  |  | Public utilities |  |  |  |  |  |
|  |  | Transpor- tation equipment, exorpt motor venicles | $\begin{array}{\|c\|} \text { Motor } \\ \text { venicles and } \\ \text { equipment, } \\ \text { exzept } \\ \text { eiectrical } \end{array}$ | $\begin{gathered} \text { Ordnance } \\ \text { and } \\ \text { acessories } \end{gathered}$ | $\begin{array}{\|c\|} \hline \text { Scientific } \\ \text { instruments; } \\ \text { photugraphi } \\ \text { rquipment; } \\ \text { watcises, } \\ \text { locks } \end{array}$ | Other manutacturlite | Totel public utilities | Transportation | $\begin{gathered} \text { Communi- } \\ \text { cation } \end{gathered}$ | $\begin{aligned} & \text { Electri: } \\ & \text { and gab } \\ & \text { utilities } \end{aligned}$ | Other public utilities |  |
|  |  | (12) | (33) | 34. | (35) | 361 | (37) | (38) | (39) | (40) | 41) |  |
|  |  net income | 653 | S\% | $\cdots$ | 1,190 | , +6, | 10.4tich | 12,001 | 2,331 | 888 | 1, 08 |  |
|  |  | - (Thousand doflars) |  |  |  |  |  |  |  |  |  |  |
| , |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  | ,243,135 | 25,315 | 829, 213 | 607, $4 \times 1$ | 11.48, 435 | 1, 1, 81, | 4501, 155 | 1,086,23u | 31,200 | 3 |
| $\cdots$ |  |  | 3,54.3 | , 430 | 9,240 | 15,9+51 | 37,514 | 8, 8,23 | 5,368 | 22,818 | '807 |  |
| 5 |  |  | 1001.0 .2 | 00.19 | C69, 8 ax | 791,31, ${ }^{10}$ | , 1le.unt |  | 523, 257 | 1,003,200 | 12,380 |  |
| 。 |  |  | 21, ${ }^{\text {a }}$ | 1,728 | 13, ut, 2 | 17,007 | -t5, 204 | 7L, 51t | 120,104 | 69,922 | 3,253 |  |
| - |  | $\therefore 003$ |  | $\ldots$ | 4.191 |  | 28,488$\times, 555,394$ |  | 1,050,077 | 3,185 330,478 | 1,845 | 7 |
| 5 9 |  | $\begin{array}{r} 209.85 \\ 1,519 \end{array}$ | $1,058,40,3$ |  | $\therefore 15,9<5$ 3,15 3,05 | 37,388 $8,5,17$ |  | $1.105,+43$ Re, 041 | $1,750,077$ 1,313 | 330,478 1,014 | 8.924 23 |  |
| 10 |  | 131,702 | 1, 11 | 11,317 | 133,322 | 143,994 | 4.789,173 | 2,924,172 | 404,802 | 1,273,034 | 127,165 | 10 |
| 1 | Depreaiatie assetミ. | 1,770.001 | $=8.802,353$ | $\begin{array}{r} 8.2 \cdot 111 \\ 3,555 \\ 37,1770 \end{array}$ | $1.088,552$30,877 | $\begin{array}{r} 1,118,05 i \\ 8,063 \end{array}$ | $\begin{array}{r} 89.475 .+38 \\ 847.537 \end{array}$ | $\begin{array}{r} 9.531,9,9 \\ 711,448 \end{array}$ | $\begin{array}{r} 17,500,64 \\ 10,471 \end{array}$ | $\begin{array}{r} +1,22,223 \\ 119,6 \div 1 \end{array}$ | $\begin{array}{r} 1,171,1 x^{1} 4 \\ 5,297 \end{array}$ | 11 |
| 2 | Less: A Arumulated smartization.............. |  |  |  |  |  |  |  |  |  |  | 12 |
| 13 | Less: A-cumulated durecispion. . . . . . . . . . . | 838,404 | , 3e3,371 |  | - 7 7,520 | 480, 210 | 20,078, 2 , 31 | $7,36+, 961$45,358 | 4,645,2.51 | 7,840,515 | 192,855 | 1 |
| , | Tepletatle qssets............................. | ${ }^{571} 103$ |  | $37,074$ | $4,0.50$ 8,606 | 5,483 <br> 1,155 | 141.431 69.491 |  | 0, 2.42, 192 | 89,320 38,896 | 307 39 | 1 |
| 15 |  |  |  |  | 2t, 56.1 |  | $48,+1$ | $\begin{aligned} & 45,358 \\ & 28,364 \end{aligned}$ |  | 231, 8 h 2 | 21,424 | 1 |
| 17 | Intantitle asse: | -8, | T, | $\cdots 55$ |  | 30,470 | $\begin{array}{r} 4,021 \\ 2,108,317 \end{array}$ | $1+1,41$ | 35, 872 | 10,481 |  | 1 |
| 13 | Other assets | 0t,351 | 378,149 | 2,625 | $\begin{array}{r} 7.523 \\ 23,200 \end{array}$ | $\begin{gathered} \mathrm{t}, 77 \mathrm{t} \\ 58, \end{gathered}$ |  | 257,993 | 479,345 | 642,028 | 28,951 | 18 |
| 19 | Lisbilitips: | 5.870 .679 | 10, $+17,103$ | 191,391 | 2,530,127 | 2,710,352 | 87,464,017 | 30,850,980 | 16,300,162 | 39,001,163 | 1,251,712 | 19 |
|  |  | $\cdots$ | 1,436,302 | 19,881 | 102,948 | 272,842 | 2,538,760 | 1.490, 1,24 | 322.606 | 703,639 | 22,097 |  |
| 2 | Accounts fayable............... |  |  |  |  |  |  |  |  |  |  |  |
| 22 | Mowrity less thar 1 year.. | 295,343 | 56, 745472,488 | 8,413 | $\begin{array}{r} 41,541 \\ 203,587 \end{array}$ | $\begin{aligned} & 157,518 \\ & 161,558 \end{aligned}$ |  | 8,278,828 | $60,56.8$$4,917,798$ | 17,884,539 | 71,870537,782 |  |
| 22 | Moturity 1 year ar more. |  |  |  |  |  |  |  |  |  |  |  |
| 23 | Reserves for estirsted expenses ${ }^{1}$ | 32,308 | 6, 4.4 | 413 | 21,1371,122 | 17,446 | $\begin{array}{r} 32,018,1447 \\ 90,724 \end{array}$ | -3,089 | 4, $\begin{array}{r}\text { 417, } \\ 3,898 \\ 3,804\end{array}$ | 42,209 | 959 |  |
| $2-$ | Prepaid income ${ }^{2}$. | $\begin{array}{r}885 \\ 385 \\ \hline 827\end{array}$ | 1, (1). 2148 |  |  | 18r, 342 | 3,0+1,708 | 1, 557,651 | 1,028,9b6 | 1,012,255 | 30,93630 | 2 |
| - | Accrued expenses. |  |  | 21,767 | 2:7,851 |  |  |  |  |  |  | 2 |
| 28 | Other Miabilities.. | 1,223,204 | 1,111,372 | 12,208 | 197,026 | 108,881 | 2,910,074 | 1,486,117 | 232,345 | 634,382 | $64,130$ | 2 |
| 27 | Capital stock, pre:erre |  |  | 7,668 | $\begin{array}{r} 50,234 \\ 448,462 \end{array}$ | $\begin{aligned} & 101,294 \\ & 497,397 \end{aligned}$ | $\begin{array}{r} 4,397,439 \\ 21,259,758 \end{array}$ | $6,55,051$ $0,435,363$ | 224,790 $0,090,769$ | 3,423,314 | 93,684 |  |
| 28 | Cspitsl stock, comuon Surplus reserves..... | 544,474 153,138 | $67 \%, 051$ 818,391 | $\begin{array}{r} 24,448 \\ 3.643 \end{array}$ |  | $\begin{array}{r} 497,397 \\ 52,111 \end{array}$ | $\begin{array}{r} 21,259,758 \\ 1,00 t, 151 \\ 18,659,022 \end{array}$ | $\begin{array}{r} 36,146 \\ 10,440,435 \end{array}$ | $\begin{array}{r} 20,733 \\ 2,889,487 \end{array}$ | -663,915 | $\begin{array}{r} 228,753 \\ 9,357 \\ 185,310 \end{array}$ |  |
| 32 | Surplus and undivide | 1,801,710 | -4,80r, 170 | 87,049 | 1,053,140 | 1,158,398 |  |  |  | 5,134,790 |  |  |
| 31 | Total liabilities........................ | 5,870,679 | 1-1,217,103 | 191,391 | 2,530,129 | 2,716,352 | 87,464,017 | 30,850, 980 | 16,300, 102 | 39,061,163 | 1,251,712 |  |
|  | Receipts: |  |  |  |  |  |  |  |  |  |  |  |
| 32 | Gross salps... | 7,803,824 | 16.475.389 | 325,303 | 3,525,497 | 2,827,271 | 2,154,114 | 233,768 | 1,768,567 | 14,4,347 | 7.432 |  |
| 33 | Gross receipts from operations.... | 1212,039 | 7,432 | 28,7-2 | 25,321 | 56,453 | 33,047,833 | 15,947,203 | 6,520,157 | 10,912,138 | 218,335 |  |
|  | Interest on Governfent obligstions (less amortizable bond premium): |  |  |  |  |  |  |  |  |  |  |  |
| 3 | Wholly taxable............................. | 1,410 | 31,849 | 332 | 3,000 | 1,521 | 39, 16: | 22,935 | 10,609 | 5,491 | 127 |  |
| 35 | Subject to surtax only...................... |  | 229 | $\sim$ | 14 | 47 | 1,08t | 378 | 690 | 16 |  |  |
| 3 3 | Wholly tax-exers | 99 | 125 | 77 | 23 | 135 | \% 869 | 497 | 100 | 206 | 66 |  |
| 37 | Orher interest | 010 | 10,034 | 105 | 2,407 | $\therefore .427$ | 90,6 35 | 47,912 | 11,049 | 30,972 | 702 |  |
| 38 | Rents. | 4,134 | 8, 45 | 214 | 2,308 | 5.752 | 367,533 | 301,168 | 40,408 | 21,626 | 331 |  |
| 39 | Roysities........................... | 12,757 | 4,975 | b1 | 3,353 | 2,474 | 26,293 | 15,328 | 8,439 | 2,660 | 60 |  |
| -j | Net short-tera capital gain reduced by net long-term capital loss. |  | 43 | 1 | 69 | 7. | 3,25t | 2,065 | 1,097 |  |  |  |
| -1 | Net long-terw capi*al gain reduced by net short-term capital loss. | 5,537 | 26,84,8 | 124 | 4,301 | 11,343 | 99,003 | 22,881 | 9.317 | 16,348 | 1,057 |  |
|  | Het gain. sales other than capital assets, | 429 | 79 | - | 191 | 1,035 | 19,257 | 16,395 | 2,281 | 408 | 173 |  |
| 3 | Dividends, domestic corporations............. | 4,988 | 46,500 | 174 | 3,989 | 3,650 | 120,389 | 73,710 | 28,749 | 16,129 | 1,801 |  |
|  | Dividends, foreign corporations............... | 4,279 | 75,080 | $4 t$ | 7,460 | 2,387 | 13,410 | 2,089 | 2,292 | 9,029 |  |  |
| 4 | Other receipts | 22,748 | 10,575 | 702 | 12,711 | 20,078 | 208,033 | 94,339 | 6,626 | 104,951 | 2,117 |  |
| 45 | Total coupiled recei | 10,680,379 | 16,703,283 | 355,993 | 3,592,290 | 4,928,745 | 36,787,473 | 16,880,668 | 8,410,381 | 11,264,220 | 232.204 |  |
|  | Deductions: |  |  |  |  |  |  |  |  |  |  |  |
| 48 | Cost of goods sold Cost of operations. | 8, 157,16.5 | 203,075 | 240, bul | 274,232 | 3,394, 331 | $1,653,660$ $19,783,659$ | $\begin{array}{r}131,932 \\ \hline 130,535 \\ \hline 187,65\end{array}$ | 1,418,031 | 99,516 | 2,181 |  |
| 48 | Compensation of officers. | --,556 | 48,720 | 3,937 | 53,312 | 156,199 | -268,116 | 187,685 | 26,112 | 48, 520 | 5,799 |  |
| 50 | Rent paid on business proper | 36,115 | 13,092 | 1,131 | 19,265 | 37,923 | 738,056 | 583,115 | 99,794 | 54,246 | 901 |  |
| 51 | Fepairs.. | 140,901 | 214,183 | 3,590 | 47,159 | 40,353 | 79,351 | 35,182 | 38,002 | 5,147 | 1,020 |  |
| 52 | Bad debts. | 2,003 | 2,115 | 55 | 2,490 | 8,100 | 40,370 | 5,060 | 19,838 | 15,115 | 357 |  |
| 53 | Interest paid. | 29,068 | 28,106 | 1,299 | 14,038 | 16,553 | 1,125,195 | 328,179 | 173,895 | 602,558 | 20,563 |  |
| $5 \cdot$ | Taxes paid. | 155,088 | 403,856 | 5,681 | 75,609 | 79,961 | 2,202,330 | 832,251 | 473,813 | 873,258 | 23,008 |  |
| 55 | Contributions or gitts........................ | 0,619 | 7.814 | 614 | 4,065 | 4,134 | 21,179 | 6,822 | 5,094 | 9.094 | 169 |  |
| 56 | Depreciation and amortizarion | 130,076 | 349.612 | 6, © 01 | 77,269 | 79,990 | 3,058,096 | 1,201,845 | 581,647 | 1,252,185 | 22,369 |  |
| 57 | Depletion......... | 39 | 577 | 31.4 |  | 2,985 | 64,701 | 23,993 | ${ }_{3}{ }^{4} 1$ | 40,624 | 43 |  |
| 58 | Advertising. . . . . . . . . . . . . . . | 24,146 | 46,985 | 2,842 | 73,285 | 75,951 | 131,708 | 72,242 | 34, 84-4 | 24,298 | 322 |  |
| 59 | Abounts contributed under pension plans....... | 67,109 | 162,19 | 3,391 | 41,589 | 20,828 | 414,385 | 61,107 | 217,894 | 133,102 | 2.282 |  |
| 60 | Anounts contributed under other employee benefit plans. | 28,931 | 55,091 | 600 | 21,309 | 9,882 | 106,125 | 23,532 | 49,937 | 32,306 | 296 |  |
| 61 | Net loss, sales other than capital assets. | 1,707 | 495 |  | 420 | 1,328 | 7,000 | 2,541 | 740 | 3,620 |  |  |
| 02 | Other deductions. | 501,902 | 854,285 | 20,957 | 450,142 | 637,923 | 2,412,879 | 1,035,337 | 793,266 | 563,14. | 21,132 |  |
| 63 | Total compiled jeductio | 9,848,298 | 14,391,010 | 318,401 | 3,162,415 | 4,600,676 | 32,206,810 | 15,061,358 | 7,073,493 | 9,183,513 | 188, 4 Her |  |
| 64 | Complled net profit ( 46 leas 63). | 832,081 | 2,312,273 | 37,532 | 429,881 | 328,069 | 4,680,663 | 1,219,310 | 1,336,888 | 2,080,707 | 43,758 |  |
| 65 | Net income ( 04 less 30). | 831,982 | 2,312,148 | 37,455 | 429,858 | 327,934 | 4,679,794 | 1,218,813 | 1,336,788 | 2,080,501 | 43,692 |  |
| 66 | Net operating loss deduct | 22,102 | 2,357 | 3,579 | 2,110 | 7,268 | 31,003 | 20,031 | 1, , 37 | 8,682 | 653 |  |
| 67 | Income tax...... | 415,673 | 1,171,780 | 17,351 | 216,035 | 148,608 | 2,295,206 | 551,936 | 674,811 | 1,048,957 | 19,502 |  |
| 8 | Excesa prorits tax | 8,961 | 594 |  | 580 | 450 |  | 139 |  |  |  |  |
| 69 | Total tax. | $426,61$. | 1,172,374 | 17,442 | 216,615 | 149,058 | 2,295,725 | 552,075 | 675,121 | 1,049,012 | 19,517 |  |
| 70 | Compiled net profit less total tax ( 64 less 69 ). Dividends Frid: | 407,467 | 1,139,899 | 20,088 | 213,266 | 179,011 | 2,384,938 | 667,235 | 651,767 | 1,031,095 | 26,241 |  |
| 71 | Cash and assets other than om stock.......... | 155,131 | 010,659 | 7,403 | 93,136 | 57,035 | 2,003,963 | 446,975 | 508,869 | 1,032,020 | 15,499 |  |
| 72 | Corporation's own stock....................... | 51,767 | 3,585 | 187 | 58,329 | 9,342 | 39,891 | 11,137 | 0,894 | 20,592 | 1,268 |  |

See footnotes at end of table. See text for explanatory statements and for "Deacription of the Sample and Lifitations of Data."

RETURNS WITH BALANCE SHEETS AND NET INCOME
Table 10.-bALANCE SHEETS AND RELATED INCOME STATEMENTS, BY MAJOR INDUSTRIAL GROUP-CORLIBUEd


RETLRNS WITH BALANCE SHEETS AND NET INCOME
Table to. - BALANCE SHEETS AND RELATED INCOME STATEMENTS, BY MAJOR INDUSTRIAL GROUP-COnGIUOd


[^20]

## RETLBNS HITH BALANCE SHEETS AND VFT INCOME




[^21]RETLRNS WITH BALANCE SHEETS AND NET INCOME
Table 20.-BALANCE SHEETS AND RELATED INCOME STATEMENTS, BY SIZE OF TOTAL ASSETS


## RETURNS EITH BALANCE SHEETS AND NET income

Table do-balance sheets and relatto income statements, by size of toral assets-conamud


## MANLFACTURING AND TRADE CORPORATION RETLRN:

Table 21.-bEGINNING AND ENDING INVENTORIES, RELATED GROSS SALES AND TOTAL ASSETS, AND AGGREGATE GROSS SALES, FOR SELECTED INDUSTRY GROIPS


[^22]| Industry and item | $\left\lvert\, \begin{gathered} \text { Returns } \\ \text { whit balance } \\ \text { sheets } \end{gathered}\right.$ | Returns with both beginning and end of ywar inventory ta:a |  |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Total | Mnth in which annual smesuntiny perimd endea |  |  |  |  |  |  |  |  |  |  |  | part jear <br> returna |
|  |  |  | $\begin{aligned} & \text { July } \\ & 195 \% \end{aligned}$ | August $1754$ | ${\underset{c}{\text { September }}}_{1954}$ | $\begin{aligned} & \text { Oet tuber } \\ & 1.954 \end{aligned}$ | Nuvember <br> 1354 | December | $\underset{1,5}{\substack{\text { January }}}$ | $\underset{1955}{\substack{\text { February }\\}}$ |  | $\begin{aligned} & \text { Arril } \\ & \text { H\&ici } \end{aligned}$ | Way | $\begin{aligned} & \mathrm{J}_{1,5 \mu} \\ & \hline 15 \end{aligned}$ |  |
| Manufacturing: <br>  <br> Total assets. Inventories: <br> Beginning of year. <br> End of year. $\qquad$ thougend <br> dollars. . $\qquad$ | (1) | (2) | (3) | (4) | (5) | $1+1$ | 7) | 31 | ( +1 | (10) | 11 | 12 | (2) | 16) | (1.) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 181,890,701 | 178, $\begin{array}{r}24,057 \\ \hline 8.3\end{array}$ | 2, 550,3723 | $\therefore 8.879$ | 5.454.738 | 3.63.4 | 3.056 35,310 | cu, tm, | , 1,40 | , | 5, | 3 | 10, | 2...c | un |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  | \% | 51. |
|  | - | -1,200,024 | 994, 905 | 94.730 | 1,874,427 | -136,478 | 1,4.42.054 | 28,511.050 | 340,607 | ${ }^{47} .8 .83$ |  |  | 124,771 |  |  |
|  | $39.402,109$ | 39,372. 322 | 54.7, 3 36 | 831,309 | 1,77e.080 | 1,793,875 | 1,340,881 | 27,075, 919 | 331, ${ }^{\text {al }}$ |  | +10, 337 | +RL, $36{ }^{\text {a }}$ | 11,705 | 1,95, 1.0 .3 | , |
| Trade: <br> Number of returns. <br> Total assets. <br> Inventories: <br> Beginning of year. <br> End of year. $\qquad$ $\qquad$ $\qquad$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 222,801 | 174,494 | ¢,097 | 5,120 | 7,889 | 0,032 | 4,054 | 91,183 | 4,099 | ¢, 4, | $4,45.6$ | 5, \% | 5.75 | 16.389 | $\therefore, 777$ |
|  | 59.131,794 | 54,919,361 | 1,843,137 | 1,550,499 | 1,630,323 | 1,4,25,511 | 1,297.785 | 27.819,014 | 8,55, , 03 | 1.778.5tem | 2,314,350 | 17,4.9 | 1,436.6.81 | 3,34, 78, | ,uts |
|  | 18,138,316 | $17,587,795$ $17,507,381$ | 59,4881 590.419 | 40,, 2 n 3 402,039 | $\begin{aligned} & 560,773 \\ & 538,257 \end{aligned}$ | - 8.301 499.696 |  |  | 2, $2,47,036$ |  | 793, 74 | 4 | 42, $0^{0,2}$ | 1,105,351 | 356,146 |
| Wholesale: <br> Number of retu Total assets. Inventories: Beginning of End of year. |  |  |  |  |  |  |  |  | 2,40, |  | 743,42 | ¢5, | $\cdots$, | 1,178, | 201.50 |
|  | 73,884 | 52,705 | 1,010 | 1,70. | 2,513 | $\therefore 0.5$ | 1,629 | 26.503 | 1,0+5 | 1,734 | 3, 450 | r, 20 t | -, 360 | 5, $15+1$ | 64 |
|  | 20,933,902 | 24,317,019 | 79.4.467 | 1.00,1,540 | 340,725 | \$21,270 | 834,534 | 13.74.9.99 | t95,122 | 550.249 | 1,173,.33 | retes | 712,647 | 1.933,164 | , +.. |
|  | 8,342,120 | 7,973,269 | 260.585 205.043 | $\begin{aligned} & 224,886 \\ & 229,545 \end{aligned}$ | $\begin{aligned} & 301,141 \\ & 290,775 \end{aligned}$ | 232,663 $i 34,088$ | 293,314 $283,0 \mathrm{~mm}$ | - 513,502 $\sim, 545$ $\sim+83 i$ | $272.8<1$ 274.032 .2 |  | 407,033 415,500 | cener | - 20.754 | $\begin{aligned} & 660,87 \% \\ & 705,994 \end{aligned}$ |  |
| Retail:Number of returns..................................... |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 128,958 | 107,022 | 4,014 | 3,-92 | 4,763 | 3,234 | 1,986 | 57.972 | 7.589 | 3,248 | 5.317 | 3,3in | 2,54 | $3 \cdot 4.7$ | 1.ats. |
| Totai assets.....................thousand dollars.. Inventorles: | 28,789,035 | 27,434,239 | 989,679 | 450,018 | 675,633 | 513.202 | 341,915 | 12,255,488 | 7,602,986 | 1,124,779 | 349,323 | 559, | -ut.024 | 1.16E.tets | 183, ${ }^{109}$ |
| Beginning of year...........................do.. | - - | 8,682, 683 | 316.024 | 155.822 | 225.698 | 128,931 | 122,697 | 3,94,203 | 2,091.362 | 403,800 | 300,403 |  | 125,20t |  |  |
| End of year................................d. do.... | 8, "93, 900 | 8,470,204 | 306,041 | 153.857 | 212.894 | 176,547 | 120,205 | 3,826,420 | 2,157,383 | 497,012 | 3-t, $+\in 1$ | 153,781 | 132, 23 | 392, 5 5 5 | 107. 5.4 |
| Not allocable: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Number of returns................................... | 19,059 | 14.167 | 4843 | 58.435 | 204963 | 9724.8 | 121.40 | . 7.109 | 10, 4.5 | 484 | 876 | 579 | t15 | 1,250 |  |
| Inventories; <br> Total assets............................................. | 3,608,262 | 3,268,103 | 58,991 | 58.335 | 104,965 | 91,033 | 121,27t | 1,819,696 | 101,092 | 97,530 | 161,399 | 141,724 | 12i, 57. |  | 57, |
| Beginning of year. | 1,002,30 | ${ }^{931.863}$ | 17,672 | 18,555 | 34. 134 | 26,707 | 39,314 | 531,231 | 38.853 | 31,758 | 50,548 |  |  |  |  |
| End of year.............................do....... | 1,002,330 | 963,452 | 18,085 | 18,631 | 34,586 | 27,001 | 40,278 | 545,933 | 38.871 | 33,012 | 51,058 | 34,453 | 31,150 | 79, | 9,763 |

## table 28.-new businesses and successor businesses, by major industrial aroup



## CONSOLIDATED RETERNS



[^23] annual accounting periods ended July "hrough November. 195 and returns for part years which began in 1953.

[^24]CONSOLIDATED RETURNS WITH BALANGE SHEETS


## Table 23.-bilance sheets and relatfd income statements, ba size of total assets-Codhaved



${ }^{2}$ Capital stock which was not definitely designated es either compr. or preferred wes tabulated under commun stock.
Loss or deficit.


NOTES of Ser total taxpaymen
NOTE: See text for explanstory statemests and for "D-scrittion af the Sample and Limitations of Data."

## CONSOLIDATED RETURNS WITH NET INCOME

Tebin 28.-BALANCE SHEETS AND RELATED inCOME STATEMENTS, BY NDUSTRIAL DIVISION


Table 27.-balance sheets and related income statements, bi site of total assets


[^25]Table 27.-balance sheets and related income statements, by size of total assets-Continued

\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|}
\hline \& \multirow[b]{2}{*}{Itern} \& \multicolumn{7}{|c|}{Size or total asset. - Continued} \& \\
\hline \& \& \[
\begin{aligned}
\& \text { \$i,500,000 } \\
\& \text { under } \\
\& =, 000,000
\end{aligned}
\] \&  \& \[
\begin{gathered}
\$ 10,000,000 \\
\text { urder } \\
\$, 000, \text { ve0 }
\end{gathered}
\] \& \[
\begin{aligned}
\& \$ 25,000,000 \\
\& \text { under } \\
\& \text { un,00, } 000
\end{aligned}
\] \& \[
\begin{array}{r}
\$ 50,000,000 \\
\text { under } \\
\$ 100,000,000 \\
\hline
\end{array}
\] \& \[
\begin{aligned}
\& \$ 100, \text {, uno,000 } \\
\& \text { urder } \\
\& \$ 2 \mathrm{mi}, 000,000 \\
\& \hline
\end{aligned}
\] \& \[
\begin{aligned}
\& \$ 250,000,000 \\
\& \text { or more }
\end{aligned}
\] \& \\
\hline \multirow[t]{4}{*}{} \& \multirow{3}{*}{Wamber if zensulidatei returns with balance theet ard not invome.} \& (9) \& (10) \& (11) \& (12) \& (13) \& (14) \& (15) \& \\
\hline \& \& \[
\begin{aligned}
\& 140 \\
\& 5,5,5,
\end{aligned}
\] \& \[
\begin{gathered}
41 \\
477
\end{gathered}
\] \& 40
0.1 \& \[
\begin{array}{r}
53 \\
512
\end{array}
\] \& \[
\begin{aligned}
\& 35 \\
\& 384
\end{aligned}
\] \& \[
\begin{array}{r}
25 \\
691
\end{array}
\] \& \[
\begin{array}{r}
66 \\
1,599
\end{array}
\] \& \\
\hline \& \& \multicolumn{7}{|c|}{(Thousand dollars)} \& \\
\hline \& \multirow[t]{2}{*}{Assers:} \& \multicolumn{7}{|l|}{} \& \\
\hline \& \& 54.5 \& 71,714 \& 139,8394 \& 159.378 \& 24, 2 200 \& 3, \(51,50.3\) \& 3,623,170 \& \\
\hline 4 \& Hotes and accounts receivalle,
Less: Reserve for tad delits, \&  \& 137,220
2,825 \& 210,208
4,923 \& 403.068 \& 304,463
4,495 \& \(\begin{array}{r}\text { 514,203 } \\ \hline, 716\end{array}\) \& ¢, 578,711
216,925 \& \\
\hline \multirow[t]{3}{*}{} \& Inventories................ \& 70, 3 miz \& 35,178 \& 188,903 \& 191,87* \& 284,460 \& 123,260 \& 4,161,197 \& \\
\hline \& \multirow[t]{2}{*}{Frepaid expenses and sutplies.......
Irvestmerit,} \& \multirow[t]{2}{*}{3, \(87 \times\)} \& \multirow[t]{2}{*}{\(6,2+\pi\)} \& \multirow[t]{2}{*}{8,764} \& \multirow[t]{2}{*}{4,760} \& \multirow[t]{2}{*}{8,251} \& \multirow[t]{2}{*}{12,103} \& \multicolumn{2}{|l|}{\multirow[t]{2}{*}{402,860}} \\
\hline \& \& \& \& \& \& \& \& \& \\
\hline 5 \& States, Torritories, and United states posse
United States obilgations.............. \& \multirow[t]{2}{*}{- \(\begin{array}{r}4,378 \\ \hline, 238\end{array}\)} \& \multirow[t]{2}{*}{10,993} \& \multirow[t]{2}{*}{-0,437} \& \multirow[t]{2}{*}{81,219} \& \multirow[t]{2}{*}{143,74.} \& \multirow[t]{2}{*}{176,827} \& \multicolumn{2}{|l|}{\multirow[t]{2}{*}{\begin{tabular}{|c}
189,94 \\
\(5,203,269\) \\
100,301
\end{tabular}}} \\
\hline 11 \& Hot stated. \& \& \& \& \& \& \& \& \\
\hline \(\therefore\) \& Ther investmerits \& 91, 34.2 \& 92, R8, \& 240,829 \& 275.012 \& 531, 906 \& \multirow[t]{2}{*}{002,3.0} \& 7,745,490 \& 11 \\
\hline 12 \& Deprecianle assets. \& \multirow[t]{3}{*}{81, 238} \& 307,75 \& 7:3,00 \& \multirow[t]{2}{*}{1,082, 730} \& 1.283.235 \& \& \multicolumn{2}{|l|}{\multirow[t]{2}{*}{\[
\begin{array}{r}
65,226,286 \\
562,613
\end{array}
\]}} \\
\hline \& Less: Acsumulated gnortization. \& \& 1,325 \& \multirow[t]{2}{*}{209,0m} \& \& 1,524 \& \[
\begin{gathered}
.7 \times, 986 \\
20,201
\end{gathered}
\] \& \& \\
\hline 1. \& Less: Accumulated deprecistion. \& \& \(170,2{ }^{2}\) \& \& \& 49\%,214 \& 832,544 \& \multicolumn{2}{|l|}{\multirow[t]{2}{*}{\(19,026,717\)
\(2,460,163\)}} \\
\hline 5 \& [eplets:le assets.... \& 4,4,13 \& \multirow[t]{2}{*}{23,545
5,417} \& 75,20, \({ }^{\text {a }}\) \& 394,833
50,862 \& 497,214 \& \(\rightarrow 4\) \& \& \\
\hline 15 \& Less: Accurulated depletion. \& 2,265 \& \& 24,000 \& \multirow[t]{2}{*}{2,1542
\(0,2,865\)

0} \& \multirow[t]{2}{*}{4} \& \multirow[t]{2}{*}{20, $\begin{array}{r}8 \\ \hline 895\end{array}$} \& \multicolumn{2}{|l|}{\multirow[t]{2}{*}{1,262,193}} <br>
\hline \& Land. \& \multirow[t]{2}{*}{$\begin{array}{r}21,677 \\ 3,087 \\ \hline\end{array}$} \& 5,417
17,480 \& 4,2,181 \& \& \& \& \& 17 <br>

\hline 12 \& \multirow[t]{2}{*}{Intangible asset} \& \& 2,200 \& 18,565 \& \multirow[t]{2}{*}{$$
38,525
$$} \& 15.269 \& 13,586 \& $\begin{array}{r}531,035 \\ 81,614 \\ \hline\end{array}$ \& 18 <br>

\hline 17 \& \& 15.712. \& 20,77t. \& 38, <24 \& \& 120,754 \& 61,tued \& 1,451,065 \& 19 <br>
\hline \multirow[t]{2}{*}{$\cdots$} \& Total asset \& - $25 .-67$ \& 703,486 \& 1,403,729 \& 1, 700 1,003 \& 2, t,01, 85.6 \& 4, 190,25at \& 76,686,657 \& 20 <br>
\hline \& \multirow[t]{2}{*}{Liabilities:
Accounts payable..........} \& \& \multirow[b]{2}{*}{80,210} \& \multirow[b]{2}{*}{115,335} \& \multirow{3}{*}{190, 501} \& \multirow[t]{2}{*}{188,310} \& \& \multirow[b]{2}{*}{3,401,685} \& <br>

\hline 21 \& \& \multirow[t]{2}{*}{$$
42,010
$$} \& \& \& \& \& 157,678 \& \& 21 <br>

\hline 22 \& Bonds, notes, mortgages payatie:

Maturity less than 1 year..... \& \& 41,355 \& \multirow[t]{2}{*}{$$
\begin{array}{r}
84,487 \\
310,5,88
\end{array}
$$} \& \& \multirow[t]{2}{*}{\[

$$
\begin{aligned}
& 4,7,597 \\
& 50_{4}, 4,84
\end{aligned}
$$

\]} \& \multirow[t]{2}{*}{\[

$$
\begin{array}{r}
211,098 \\
1,112,970
\end{array}
$$

\]} \& \multirow[t]{2}{*}{\[

$$
\begin{array}{r}
975,375 \\
20,211,693
\end{array}
$$
\]} \& 22 <br>

\hline 23 \& Maturity 1 year or more... \& 127, 404 \& \multirow[t]{2}{*}{195,330

4,608} \& \& $$
\begin{gathered}
46,544 \\
3+7,7 \ldots 4
\end{gathered}
$$ \& \& \& \& 23 <br>

\hline 4 \& Reserves for estimated expenses ${ }^{1}$ \& \multirow[t]{2}{*}{1,0732} \& \& \& \multirow[t]{2}{*}{1,276} \& \multirow[t]{2}{*}{37, 5804} \& \multirow[t]{2}{*}{| 30,970 |
| ---: |
| 10 |} \& \multirow[t]{2}{*}{71,269

41,147} \& 24 <br>

\hline 25 \& Prepaid incone ${ }^{1}$, \& \& \multirow[t]{2}{*}{\[
29,523

\]} \& \multirow[b]{2}{*}{\[

57,035
\]} \& \& \& \& \& 25 <br>

\hline ct \& Accrued expenses \& 15.232 \& \& \& ${ }^{43}, 731$ \& 73,022 \& 149,859 \& $$
\begin{array}{r}
41,147 \\
2,761,558
\end{array}
$$ \& 26 <br>

\hline 27 \& Wher liabilities.. \& \multirow[t]{4}{*}{$$
\begin{array}{r}
24,, 499 \\
2 i, 243 \\
6,644 \\
9.973 \\
13 i, 417 \\
\hline
\end{array}
$$} \& \multirow[t]{4}{*}{\[

$$
\begin{array}{r}
37,6 \times 7 \\
24,273 \\
83,207 \\
22,897 \\
183,8,2 \\
\hline
\end{array}
$$

\]} \& \multirow[t]{4}{*}{\[

$$
\begin{array}{r}
4,058 \\
42,3,+1 \\
210,754 \\
45,79 \\
43,779
\end{array}
$$

\]} \& \multirow[t]{4}{*}{\[

$$
\begin{gathered}
24 n, \alpha, 7 \\
57,374 \\
21,808 \\
80,808 \\
76,3,102
\end{gathered}
$$

\]} \& \multirow[t]{4}{*}{\[

$$
\begin{array}{r}
269,529 \\
127.125 \\
370,893 \\
78,737 \\
883,071
\end{array}
$$

\]} \& \multirow[t]{4}{*}{\[

$$
\begin{array}{r}
365,956 \\
207,315 \\
758,936 \\
55,718 \\
1,134,84
\end{array}
$$

\]} \& \multirow[t]{4}{*}{\[

$$
\begin{array}{r}
5,756,683 \\
2,275,532 \\
19,769,602 \\
1,569,970 \\
19,852,14 \\
\hline
\end{array}
$$
\]} \& 27 <br>

\hline 28 \& Capital stock, preferred \& \& \& \& \& \& \& \& <br>
\hline ${ }^{24}$ \& Capital stock, conmon ${ }^{2}$ \& \& \& \& \& \& \& \&  <br>
\hline 12 \& surplus reserves............
surplus and undivited profit \& \& \& \& \& \& \& \& 30
31 <br>
\hline \multirow[t]{2}{*}{32} \& Total liabilities \& 485,207 \& 703,480 \& 1,403,729 \& 1,900,603 \& 2,601,84 \& $\cdots, 100,2 \mathrm{~m} 4$ \& 76,686,657 \& 32 <br>

\hline \& Feceipts: \& \multirow{4}{*}{$$
\begin{aligned}
& 45+, 202 \\
& 128,614
\end{aligned}
$$} \& \& \multirow[t]{4}{*}{\[

1,025,676

\]} \& \multirow{4}{*}{\[

$$
\begin{aligned}
& 1,291,100 \\
& 414,039
\end{aligned}
$$

\]} \& \multirow{4}{*}{\[

$$
\begin{array}{r}
1,383,101 \\
634,564
\end{array}
$$

\]} \& \multicolumn{2}{|l|}{\multirow[t]{4}{*}{\[

$$
\begin{array}{r|r}
734,074 & 30,211,213 \\
1,533,366 & 15,002,110
\end{array}
$$
\]}} \& <br>

\hline \& Gross ssles . . . . . . . . . . . \& \& \multirow[t]{3}{*}{$$
\begin{aligned}
& 2,33,814 \\
& 294,+77
\end{aligned}
$$} \& \& \& \& \& \& 33 <br>

\hline \& Gross reveipts from operations. \& \& \& \& \& \& \& \& 3 <br>
\hline \& Interest on Govermment ofligations (less mortizable bond \& \& \& \& \& \& \& \& <br>
\hline 2 \& Wholly taxable........................ \& \multirow[t]{2}{*}{143} \& \multirow[t]{3}{*}{} \& \multirow[t]{3}{*}{} \& \multirow[t]{3}{*}{1,119
7

361} \& \multirow[t]{3}{*}{$$
\begin{gathered}
2,373 \\
1,139 \\
1,
\end{gathered}
$$} \& \multirow[t]{3}{*}{\[

$$
\begin{array}{r}
2.608 \\
5 \\
210
\end{array}
$$

\]} \& \multicolumn{2}{|l|}{\multirow[t]{3}{*}{\[

$$
\begin{array}{r}
75,660 \\
2,286 \\
8,068
\end{array}
$$
\]}} <br>

\hline 3 \& Subject to surtax only, ........................................ \& \& \& \& \& \& \& \& <br>
\hline 37 \& Wholly tax-exempt. \& \multirow[t]{2}{*}{} \& \& \& \& \& \& \& <br>
\hline 38 \& Uther interest. \& \& 1,13 ${ }_{\text {5 }}^{4}$ \& 3,051 \& 11,989 \& 7.718 \& 20,799 \& \multicolumn{2}{|l|}{8,068
229,673} <br>
\hline 37 \& Hents... \& \multirow[t]{2}{*}{4,173} \& a,451 \& 13,078 \& \multirow[t]{2}{*}{1., 碞?} \& 15.720 \& 50,702 \& \multicolumn{2}{|l|}{315,760} <br>
\hline $\cdots$ \& Royaities........................................................ \& \& \multirow[t]{2}{*}{58
183} \& \multirow[t]{2}{*}{12,70,} \& \& \multirow[t]{2}{*}{11, 3} \& \multirow[t]{2}{*}{$\begin{array}{r}3,456 \\ \hline 0\end{array}$} \& \multicolumn{2}{|l|}{\multirow[t]{2}{*}{48,077}} <br>
\hline \& Wet short-term capital gain reduced ty net long-term dapital loss \& 36 \& \& \& - 70 \& \& \& \& <br>

\hline c \& Het long-term capital gain reduced by net short-term capital loss \& \multirow[t]{2}{*}{$$
\begin{aligned}
& 3,18 \mathrm{u} \\
& 2,004
\end{aligned}
$$} \& \multirow[t]{2}{*}{} \& \multirow[t]{2}{*}{1,5833} \& \multirow[t]{2}{*}{10, 30} \& \multirow[t]{2}{*}{30, 3 30} \& 5.649 \& \multicolumn{2}{|l|}{64,176 42} <br>

\hline $\rightarrow$ \& Het gain, sales other than capital assets. \& \& \& \& \& \& \multirow[t]{4}{*}{\[
$$
\begin{aligned}
& 10,74 \\
& 5 \\
& 5,750 \\
& 25,502
\end{aligned}
$$

\]} \& \multirow[t]{4}{*}{\[

$$
\begin{aligned}
& 16,672 \\
& 507,175 \\
& 107,059 \\
& 163,516
\end{aligned}
$$
\]} \& 43 <br>

\hline $\cdots$ \& Dividends, domestic corporations. \& \multirow[t]{2}{*}{$78 \%$
3.20} \& \multirow[t]{2}{*}{1,378} \& \multirow[t]{2}{*}{14,1364} \& \multirow[t]{2}{*}{10.204
$1,4+3$} \& \multirow[t]{2}{*}{} \& \& \& <br>
\hline \& Dividends, foreign zorporations. \& \& \& \& \& \& \& \&  <br>
\hline \multirow{8}{*}{-} \& other receipts. \& -, 470 \& 9.075 \& $4{ }^{9} 9$ \& $2 \therefore, 9,4$ \& 77,725 \& \& \& 46 <br>
\hline \& Total compiled receipts. \& UT, ,219 \& 761,175 \& 1, 562.420 \& 1,740,039 \& 2.131,211 \& 2,304, 231 \& 45,713,370 \& 47 <br>
\hline \& Deductions: \& \& \& \& \& \& \& \& <br>
\hline \& Cost of goods sold. \& 336, 304 \& 500,796 \& 193,407 \& 969,708 \& 1,0410,076 \& 416,042 \& 23,191,109 \& 48 <br>
\hline \& Cost of operations. \& 74, 12.7 \& 279,290 \& 330,349 \& 241,715 \& 59.828 \& 498,801 \& 8,061,584 \& 49 <br>
\hline \& Comprersution of offiers.... \& 11,471 \& ${ }^{7} .147$ \& 14,110 \& 14, 192 \& 11, 2,39 \& 13,817 \& 62,009 \& 5 <br>
\hline \& Rent pait on tusiness propert, \& 11. $111^{19}$ \& 11.122 \& 20,0018 \& 17,909 \& 24, 15.5 \& 34.379 \& ${ }_{5}^{5} 39,267$ \& 51 <br>

\hline \& | Aepairs |
| :--- |
| Bad detts. | \& 4,90. \& 2,039 \&  \&  \& 10,881

$1,4,1$ \& $\begin{array}{r}18,292 \\ \hline, 852 \\ \hline\end{array}$ \& 76,054
45,226 \& 52
53
53 <br>
\hline 5.4 \& Interest paid. \& 7,042 \& 10,443 \& 17,743 \& 21,414 \& [5, 0 +18 \& 47.495 \& 791,253 \& 54 <br>
\hline \& Taxes paid........ \& 12,187 \& 20,124 \& $3^{4}, 171$ \& 70,413 \& 2,',220 \& 73,759 \& 1,558,970 \& 55 <br>
\hline \& Contributione or titun, \& 321 \& 314 \& 1.015 \& 725 \& 753 \& 1,250 \& 27,487 \& <br>
\hline \& tepresiation and arortlzation. \& 14, 7 , \& 27.43 \& $4{ }^{2}, 2$ 2n \& \%as \& 4n,021 \& 41.083 \& 2, 273,283 \& 57 <br>
\hline \& Deepletion. \& 1,014 \& , 14.4 \& 4,151 \& 24, 315 \& 4,78t \& 3.760 \& 786,791 \& <br>
\hline \& Advertiaine. \& 7,974 \& ,367 \& 13, 20, \& $\therefore 1,786$ \& [1,413 \& x, 0.017 \& 217,149 \& 59 <br>
\hline \& Amouris zoritrituted under innsion plans.... \& 3.76 \& 4,277 \& 7,146 \& 12,309 \& 10,473 \& 18,201 \& 505,100 \& <br>
\hline 1 \& Arounts contriluted under other emyloyse lenefit mhans \& 1,174 \& 1.093' \& $\therefore 474$ \& ${ }^{7},{ }^{194}$ \& 4,177 \& ${ }^{5} \cdot 231$ \& 172,022 \& ${ }_{62} 6$ <br>
\hline \& Het loss, cales other than "apital astuts.......... \& \& \& \& \& \& \& 10,046
$3,412,671$ \& <br>
\hline - \& Total : Compilud detw tions \& 583, 418 \& 433,54.1 \& 1,49, 13t \& 1,774, 75 \% \& 1,424,036 \& $\therefore, 40,457$ \& 42,480,021 \& is <br>
\hline \& Complilel net prorit fas leses tu. \& \& \& \& \& 1.4., ${ }^{\text {a }}$, \& \& \& <br>
\hline \& Whet incoml (rs less $5^{\prime \prime}$ ). \& 23,097 \& 20, \& [n0, 0.51 \& 8(1, 11 \&  \& ild, ita \& 4,225,281 \& 60 <br>
\hline \& Net operatire lose detu"tion. \& 3.745 \& 4.54, \& 7,763 \& 2,13 \& , 15 \& 35. \& 9,144 \& <br>
\hline \& Ersonte tacte........ \& ${ }^{9} \cdot{ }^{4.5}$ \& 10, ${ }^{\text {a }}$ - \& 31,12? \& 12, ${ }^{\text {c\%e }}$ \& 58.417 \& 108, 276 \& 1,764,093 \& 68
69 <br>
\hline \& Iotal tax. \& 9 \& 10, 190 \& 41, 15. \& 7,, 337 \& $42,5=$ cr \& 108,276 \& 1,764, 293 \& 70 <br>
\hline \& Compiled nut frofit luse total tux (ous less \% Dividende paid: \& 14.11 \& $10 \cdot 19.1$ \& $\cdots{ }^{2}, \ldots, R^{2}$ \& -104, 54.3 \& 84,4.23 \& 110,598 \& 2,269,250 \& 71 <br>
\hline \& Casr aris dsarits other than own stork. \& $\therefore$ 亿,18 \& 5,tr. 1 \&  \& . 7.5094 \& 01,131 \& 10n, 7 e 3 \& $\therefore 113,042$ \& 72 <br>
\hline \& Coutoration'. own stan 'r.a.......... \& , 38 \& - 8 \& 1, 1 , ${ }^{\text {a }}$ \& 755 \& $\therefore$ ¢, \& 1.60 \& 404,333 \& 73 <br>
\hline
\end{tabular}

[^26]Theffic



RETIRNS MITH FOREIGN TAX CREDIT



[^27]RFTIRNS WITH FUREIGN TAX CREDIT
Table 29．－NET incowe，tixes．Foreign tax chedit clammo，and type of income from foreion sources，bi size of total assets

|  |  |  |  |  |  | － |  | （00． |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  | 9 |  |  |  |
|  |  |  |  |  |  |  | E | 号 |
|  |  |  | $\stackrel{\square}{\square}$ |  | $\stackrel{3}{4}$ |  |  |  |
|  |  |  | 2 |  | － |  |  | 莒 |
|  |  |  | क |  | － |  |  | 䨖 |
|  |  |  | E | वすこ | － |  |  | － |
|  |  |  | 3 | 为 |  |  |  | 芶 |
|  |  |  | 5 |  | 8 |  |  | \％ |
|  |  |  | I |  |  |  |  | 产 |
|  |  |  | a |  |  |  |  | \％ |
|  |  |  | － |  |  |  |  | 呂 |
|  |  | 管 | E |  |  |  |  | $\cdots$ |

[^28]
NaTE：See teat fer Explanator；Tatements ind for＂Description of the sample and Limitations of Datar．＂was included in each total．
retirns with foreign tax credit
Tablo 30．－net income，taxes，foreign tax credit claimeo，ano type of income from foreion sources，by size of net income

| Size ur not incone |  |  |  |  | Returns with Form 1118 statements filed in support or oredit clasmed |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Humber ofreturns |  | Total texbetoreroneigntay eredit（Thousanddodlers） | Creditchaimed fortoreigntaxes paid（Thousanddod／ars） | $\begin{gathered} \text { Number of } \\ \text { returns } \end{gathered}$ |  | Income trom foretign sourres |  |  |  |  | $\begin{gathered} \text { Fovelgn } \\ \text { taxes } \\ \text { paid } \\ \text { (Thousand } \\ \text { dollars) } \end{gathered}$ |  |
|  |  |  |  |  |  |  | Dividends |  | $\begin{aligned} & \text { Income other } \\ & \text { than divideras }{ }^{\text {In }} \end{aligned}$ |  |  |  |  |
|  |  |  |  |  |  |  | $\begin{aligned} & \text { Rniber of of } \\ & \text { enturn } \end{aligned}$ |  |  |  |  |  |  |
|  | 11 | （．） | （3） | $(-)$ | （5） | （t） | （7） | （8） | （9） | （10） | 11） | 12．） | （13） |
| ter $\mathrm{ml}^{\text {a }}$ |  |  |  |  |  |  |  |  |  |  |  |  |  |
| \＄1．300 wider to， 000 | － | 71 | ${ }^{(2)}$ | $(2)^{2}$ | （2） | （2） | （2） | （2） | （2） | （2） | （2） | （－） |  |
|  |  | $\left.{ }^{(2)}\right)^{12+4}$ |  | （2）${ }^{10}$ |  |  |  | ${ }^{(3)}$ |  |  |  |  |  |
| F－，oue urdee s－，000．． | （2） | （2） | （2） | （2） | ${ }^{(2)}$ | ${ }^{(2)}$ | （2） | ${ }^{(2)}$ | （2） | （2） | ${ }^{(2)}$ | （2） |  |
|  | 1， | 1，107 | 257 |  |  |  | （2） | ${ }^{(2)}$ | ${ }^{78}$ | 3.33 |  | 191 |  |
| \％1： | ${ }^{203}$ |  | 27 |  |  |  |  |  | $\cdots$ | ${ }_{8}^{287}$ | ${ }_{3}^{147}$ | 3.4 <br> 190 <br> 18 | 53 185 |
|  | $\cdots$ | 1，hi |  | ${ }^{536}$ | （2）${ }^{\text {b7 }}$ | （2）${ }^{1,120}$ | （2） | （2） |  | （2）${ }^{884}$ | （2）${ }^{337}$ | （2）${ }^{190}$ | （2）$^{185}$ |
| 3．ine dider fordou．． | 3－2， | 13，005 |  |  | 243 |  | 10． | ${ }^{1} 820$ | 157 |  | $\cdots$ | 1，185 | 781 |
| －Whas urser \＄120， 005 | 5 | － | 7，497 | 2，081 | －40 | 18.138 | 112 | 1，－17 | 100 | 2， 3,8 | 8705 | 2，151 |  |
|  | ${ }_{31} 17$ | 11．3．35 | 26,730 $-5,7+15$ | － 5,384 | 300 4 | － $8,4.45$ | 122 108 108 | －075 | \％ 14.8 | 10， 21.6 |  | ${ }_{5}^{4,087}$ | 3， 3,39 4.518 |
| －1． | 278 | 17， | $3{ }^{56,420}$ |  |  |  | ${ }^{108}$ |  | 170 |  |  |  |  |
|  | 536 | 1．．41，+8 | 55，${ }^{\text {a } 29}$ | － $0,0 \times 1$ | 48 | 1，13， 353 | －${ }^{1}$ | 81，089 | 337 | 80,352 | 517，081 | 51，059 | －3，548 |
|  | 153 | ，1，110， $30 \cdot 0$ | －400，213 | 34， 199 | 138 | 1992， 3.2 | 4 |  | 121 | 820．0943 | －337，933 | 24， $3 \times 3$ | －1．0．05 |
| \＄2I，exa， 300 or mase | 339 | 13， $3, \ldots, 87$ | 1，023，489 | －15，707 | 12 | 1．．．75，${ }^{\text {a }}$ | ${ }^{140}$ | 39， 0 ， 043 | 174 | 870,093 | $5,625,471$ | 545，250 | 240．794 |
| 12021. | $3.21 \times$ | 12， 24,410 | 7，247，355 | 725，549 | sad | 13，25i， 577 | 1，087 | 487，990 | 1，810 | 1，058，039 | ＋，713，990 | 544，937 | 630，808 |



## HESTERN HFMISPHFRE TRADE GORPORATION RETI RNS

table 31．－net income，wfsters hemisphere trade corporation deduction，taxes，foreign tax credit，and type of income from foreign sources，by major industrial group

|  | Ma，or macerial gat | Rucurns with wedit alaimed for foretgn taxe：pald |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Total |  |  |  |  |  |  |
|  |  | Rumber at r－turr． | Het incom <br> （Thousand <br> （t）（tir） | We turn Hemis，her：trade cortarati－n deduction |  | Income $48 x$ bet IT T．T elentex （Hhousand dothars |  |  |
|  |  |  |  | Number of return． | innuurit <br> （Thousand dolldis） |  |  |  |
|  |  | i） | （2） | （3） | （1．） | （5） | （6） |  |
| ： |  | ． 88 | ¢．．．1． | $\therefore \%$ | 131， $2 .$. | 1，．．．8，80． | 300，26t | 1 |
|  | Agricuiture，fo re try，erat | ＂， | 41，058 | － | $8,5.4$ $8,5.5$ | 11， 11.11 | 7，3ut． | ； |
|  |  | － |  | － |  |  |  |  |
|  |  | － | ，＋1． | ． 5 | 1．， $15 \cdot 4$ | 16， $6,8,2$ | 12， $2 \times 5$ | a |
|  | Metal mintega | 2 | ＇．．．＇ | 1．3 | 8，8，3 | 1．，3， 37 | 8，9＋1 |  |
|  | Anthusenterarivg．．．．．．．．． | － |  | － |  |  | － | 8 |
|  |  | － | $\cdots$ | － | － |  | 3.36 |  |
| $1{ }_{1}$ |  | $\stackrel{+}{-}$ | \％${ }^{\text {an }}$ | 1. | 3. | 4,5 | 3，344 | 110 |
| 12 | Coristrastis！，${ }^{2}$ ．．．．．．． | ir | 1．0．3t | 15 | $\therefore 5$. | S，ut！ | $\therefore \cdots$ | 1. |
| 13 | Manuracturitg ${ }^{\text {a }}$ ， | O－ | 1，．．．1，，${ }^{\text {a }}$ | ： 8 | ＋2，＋uli | （0）, 5.58 | 240，740 |  |
| 1. | Beverages．．．．．．．．． |  | ＂2\％ |  | ＜－3 | 331 | dia | 1. |
| 15 | Food and kindrad frucet ${ }^{\text {a }}$ | 1. | ぞい | 11 | 1，711 | 2，658 | 1，88 | 1 the |
| － | Tabacze manutacturue．．．． | $\stackrel{1}{-}$ | 11 | 1 | 3 | 3 |  | 17 |
| 12 | Textile－m111 products．．．．．．．．．．．．．．．．． | $-$ | － | － | － | $-$ | － | 18 |
| 19 |  | － | － | － | － | － | － | 14 |
| 20 |  | － | 136 |  | ¢1J | 03 | 45 | 2 |
| 21 | Pager ers alhied arducto． | ， | $25 \%$ | 1 | 78 | 10.4 | 10.4 | 21 |
|  |  | 1 | 1，055 | 1 | 28. | 32. | ${ }^{3} 19$ | 2： |
| 23 | Chemiesin and ullied mroduci－．．．．．．．．．．．．． | $\sim 1$ | 1．， 7 7s？ | $-1$ | 2－288 | －8，476 | 23 2,818 | 2 |
| 25 | Rubber arodue：${ }^{\text {a }}$ | 1 |  | 1 | $\%$ | 106 | 7. | ． 5 |
|  | Lestrer and produ：－．． | － | － | － | － | 1 | ， | io |
|  |  | － | － | － |  | － | － | 27 |
| 28 |  |  | $\cdots$ | $\cdots$ | 11.000 | －5．7＊ | 17，605 | 28 |
| 2 | Fabricated metal froducan exict ordrance，machinery，atd transportation equiph |  | $\therefore 620$ | 1 | 703 | 24 | $\begin{array}{r}837 \\ \hline 29\end{array}$ | 36 |
| 30 | Machineri，except tranapurtatios．equapmert and alectrical． | 1 |  | 1 | $c^{\prime \prime}$ | 24 | 24 | 36 |
| 1 | Electrical machinery and stuipmeri ${ }^{2}$ ． | 1 | 18，183 | 1 | 876 | 7，006 | 5，38， | 11 |
| 3.2 | Transportation equipment，except motor venicles ${ }^{2}$ ． | － | 28.08 | 2 | citis | 14，894 | 1，271 | 3. |
| 33 | Motor vehicles and equipmert，except ulectrical．．．．．．．． | － | － | － | － | － | － | 3.1 |
| 35 |  | － | 3，013－ | － | 130 | 1，312 | 72 | 35 |
| 36 | other maxuactırıg．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．．． | － | ， | － |  |  | － | 36 |
| 3 | Pubzie utalitie－${ }^{\text {a }}$ | 11 | 2，051，300 | 11 | S，02： | 535，50．1 | 8，513 | 37 |
| 38 | Trarsportat：cr．． |  | ©，tent |  | 1， 218 | 1，312 | －68 | 38 |
| 39 | Cemanica：1on ${ }^{\text {a }}$ ． ．．．．．．．．．． | 1 | $1, \ldots, 36$ | 1 |  | 526.583 | 800 7 | 39 |
| $\square 0$ |  | 1 | 17．080 | 1 | 3，3t3 | －，246 | 7，245 | 4 |
| － | Other putiic utilitits． | － |  | － |  |  |  | 1 |
|  | Trede ${ }^{\text {a }}$ | － | 47，07． | 31 | 7,293 | 18，4．4， | 8，058 | $\square 2$ |
| 3 | Whotessie ${ }^{\text {a }}$ ． | 73 | －10，206 | 72 | 7， 0 ¢ | 18，664 | 7，854 | 43 |
| 5 | Comuission merchatta． | 7 | 2，058 | 6 | 8，5540 |  | 7， 261 | 4 |
| 45 | Other wholesalers ${ }^{2}$ | $\pm 0$ | － 2,248 | 65 | 8，506 | 17，918 | 7，598 | $\therefore 5$ |
| 46 | Retail．．．．．． | 8 | 3 CL | 8 | 221 | 270 | 190 | 46 |
| 4 | Frod．．．．．．．．．．．．．．．．．． | － | ， | － |  | 5 | － | 48 |
| 48 | General marchandise．．．．．．．．．． |  | 213 | 5 | 58 | 54 | ＂ | 4 |
| 40 | Apparel and sccejiorie．．．．．．．． Fumioure and housefurnizhing | $:$ | － | － | － | － | － | 40 |
| 5 | Ausomotive dealer：and tillite stavious． | － | － | － | － | － | － | 5 |
| \％ | Drex sicres．．．．．．．．．．．．．．．．．．．．．．． | － | － | － | － | － | － | \％ |
| 53 | Ea＝Firg ard aririotg ylacez．．．．． | － | － | $\cdot$ | － | － | － | ： |
| $5-$ | Buijuing materexa and hardmeze |  | － | － |  | － |  | 5 |
| 55 | Otner re：ail trade．．．．．．．．．． | － 3 | 807 | 3 | 163 | 216 | 14.3 | 55 |
| 56 | Trade not allorabie． | ，3） | $\left.{ }^{3}\right)$ | （3） | （3） |  | （3） | so |
| 57 | Finarce，itsurarce，real eztais，end isbuers of reai pruper | $z$ | 671 | 2 | 180 | 242 | 42 | 57 |
| 58 | Finance．．．．．．．．．．．． | 1 | 6.25 | 1 | 168 | 232 | 83 | 58 |
| 59 |  | － | － | － | 168 | 0 | 9 | 59 |
| 60 | Gredit agenalaz ouner thar barks． | 1 | bic 5 | $i$ | 168 | 238 | 83 | ${ }^{\infty}$ |
| 61 | Holding and－ther investmer：zompaniec．．．．． | － | － | － | － | － | － | 61 |
| 62 | cecurity ard comodi\％－excharge trokers and fealer | － | － | － | － | － | － | 62 |
| 63 | Insurarce cartiers and agerit．．． | － | － | － | － | － | － | 63 |
| 6. | Insurance zarriers．．．．．．．．．．． | － | － | － | － | － | － | 60 |
| 65 | Insurarce agertic and troiers． |  | － | － | － | － | － | 05 |
| 66 |  | － | － | － | － | － | － | to |
| 6 ？ | Lesscrs of reai yeverty，excert dutiditiga．．．．．．．．．．．．．．． | ， | 4.6 | 1 | $\square$ | 10 | ， | 67 |
| 68 | Servicas ${ }^{2}$ ，．．．．．．．． | 66 | 63，836 | 85 | 1，423 | 30，491 | 8，565 | 68 |
| 69 | Hozels and other lodging fiaces． | － |  | － | － | － | － | ${ }^{-1}$ |
| 70 |  | － |  | － |  |  | － | 70 |
| 71 |  | ${ }^{17}$ | －70\％ | 17 | 256 | ：，612 | 2 2－ | 72 |
| 72 | Automotive repair services and garages． |  | － | － | － |  | － | 72 |
| 73 | Misceliareous repair services，hand trades．． | － | 53,56 | － | 1,3 | 27.732 | 8.231 | 73 |
| 74 | Mition pictures ${ }^{\text {a }}$ ． ． ． | 4 | 53，659 | 43 | 1，0．3 | 27，732 | 8，231 | 72 |
| 75 76 | Afuzement，except mctior pictures．． Other services，includirg schools．． | ${ }_{5}$ | ${ }^{4} 60^{-}$ | 5 | 12\％－ | 147 | 90 | 75 76 |
| 77 | Mature of buziness not ailocatle．．．．．．．． | － | － | － | － | － | － | 77 |

[^29]WESTERN HEMISPHERE TRADE CORPORATION RETURNS
teblo 81--net income, western hemisphere trade corporation deduction, taxes, foreign tax credit, and type of income from foreign sources, by major industrial oroup-con.


## WESTERN HEMISPHERE TRADE CORPORATION RETY RNS

table 31, - nef income, hestern hemsphere thade comporition deduction, taxfs, foreign tay chedit, and tipe of income from foreion sourges, bi ma ioh industrial group-con.

${ }^{1}$ Anounts ahow. ior income from foreigta zources sther than aividends were reduced by negative amounts.
${ }^{2}$ Includes retums of amzildated corporstions where one or more of the corporations within the affiliated group was a ke-tern hemisphere trade corration.
Sampling variability of this item was toc large to warrant showirg it separately. However, this value was incluted in ach total
NOTE: See text for explanatory starements and for "Description of the Jample and Limitations of Data.

## WESTER HE MISPHERE TRADE CORPORATION RETL RNS






[^30]
## PERSONAL HOLDING COMPAN SCIIEDULES

Table 34.-LINDIS TRIBUTED INCOAF, COMPUTATION AND PERSONAL HOLDNG COMPANY TAX, BY income status



## PERSONAL HOLDING COMPAN SCHEDL LES

Table 35.-sources of personal holding company income, by undistributed income status

| Source of personal holding iompany income | Total |  | Roturns with undistributed personal holding company income |  | Returns without undistributed personal holding company income |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Number of returns | Amount <br> (Thousand dolfars) | Number of returns | Amount <br> (Thousmand dolfare) | Number of returns | Adount <br> (Thousend dolfars) |
|  | (1) | (2) | (3) | (4) | (5) | (6) |
| Dividends. | 2,031 | 187,448 | 142 | 9,465 | 1,889 | 177,982 |
| Interest. | 2.115 | 23,170 | 153 | 1,84.4 | 1,962 | 21,326 |
| Rents.... | 758 | 10,050 | 62 | 414 | 697 | 10,236 |
| Royal'les: |  |  |  |  |  |  |
| Mineral, ges, and oil. ither............... | 178 164 | 16,902 4,250 | 4 | 300 418 | 174 156 | $\begin{array}{r} 16,686 \\ 3,832 \end{array}$ |
| Annuities.............. | - | - | - | - | - | - |
| Galns fron sale of stusk or securities. | 1,181 | 49,006 | 76 | 3,940 | 1,105 | 45,726 |
| Guins from futures transactions..... | 23 | 610 | 2 | 304 | 21 | 306 |
| Incume from estates and trusts... | 3 | 1 | - | - | 3 | 1 |
| Income frim personal servief cuntracts. | 58 | 1,427 | 4 | 28 | 54 | 1.399 |
| Income frum use of sorporation property by shareholder. | 46 | 430 | 4 | 20 | 42 | 410 |
| Tu* ${ }^{\text {a }}$, $\ldots$....... | 3.097 | 204.6.4.4 | 212 | 16,740 | 2,885 | 277,904 |
| A. Persunal hulding armany income reported. | 721 | $\bullet$ | 61 | - | 000 | - |
| Grand total | 3,818 | 294, 20 | 273 | 10,740 | 3,545 | 277,904 |

NOTE: Jee text for explanatury statements ard fur "Description of the Sample and Limitations of Data." See p. L2 for limitation in coverage.

PERSONAL HOLDING COMPAN SCHEDILES



## PERSONAL HOLDING COMPAM SCHEDLLES

Fable 3T.-PERSONAL HOLDING COMPANI INCOME, UNDLSTRIBUTEL INCOME, AND TAX, BY SIZE OF INDISTRIBUTED INCOME

|  | Hunter if returns | Fers.nal holdinf *mpars, aficump |  | :ndistributec <br> fersonal <br> nolding <br> ampary <br> income <br> (Thousand do/hars) | Gersond <br> tualine <br> " Mmpaty <br> $\operatorname{tax}$ <br> (Thousand (bol/ars) |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Number of returns | Arount. <br> (Thousand dolhars) |  |  |
|  | (1) | (2) | 31 | 4) | -) |
| U.iker si.jut. | 20 | : ${ }^{\circ}$ | ${ }^{+} . .$. | $\rightarrow \sim^{4}$ | 37 |
| *-No | -5 | $\therefore$ | $\therefore$, 2 ct | ${ }_{5}$ | 5.1 |
| \$5,000 Mater *ia, 000 |  | 2 | 1,4 | $\therefore$ | 23 |
| \$1u, 000 under $₹ 25,006$ | - | $\star$ | 45 | 2 | 22 |
| E.5,300 urier $\$ 50,000$. | 2 | $=$ | 15 | E\% | 7. |
| \$50,006 under \& $100,700$. | 1 | - | - | tir | 55 |
| \$100,000 under \$504, 200. | 3 | 3 | 2,5uch | 550 | - +7 |
| \$500,000 unver \$1,000, hr | 1 | 1 | 937 | 1.78 | 5.5 |
|  | - | - | - | - | - |
| \$5,001, 000 -г пСт | - | - | - | - | - |
| Tンさa | 273 | 212 | 10, | $1 . .68{ }^{\text {a }}$ | 1,253 |
|  | 3,545 | -,385 | 207, 3 | - | - |
| 3ranc toras. | 3,219 | 3, 20 |  | 2,488 | 1,25? |

[^31]
# 4. Historical Data, Corporation Income Tax Returns, <br> 1945-54 

## CORPORATION INCOME TAX RETURNS FOR 1945-54

Page Introduction. . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . 141 Description of historical tables............................................ 141
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## 4. HISTORICAL DATA, CORPORATION INCOME TAX RETURNS, 1945-1954

## INTRODUCTION

The historical data presented in this volume are selected from the tabulations prepared from corporation income tax returns for the years 1945 through 1954 and published in Statistics of Income for those years. The tables are preceded by a discussion of the comparability of the statistics during that period. This discussion is supplemented by the material presented in the Synopsis of Federal Tax Laws, 1945-54, pages 181-190 of this volume.

Data with respect to income and tax of corporations first became available in 1909 when an excise tax measured by the income of corporations was imposed by the Tariff Act of 1909. Selected data were published in the annual reports of the Commissioner of Internal Revenue for the years 1909 through 1915.

Following adoption of the l6th amendment to the Constitution a direct income tax was imposed, and 3 years later the Revenue Act of 1916 directed that statistics concerning the operation of the income tax laws were to be published annually. The first volume of Statistics of Income was published for the income year 1916 and presented only 5 basic income and tax items for corporations, distributed geographically and by type of industry.

The item "Total compiled receipts" was not tabulated from 1916 to 1921. Gross income, which was
total compiled receipts minus the amounts of nontaxable dividends excluded from gross income and of wholly tax-exempt interest received on certain Government obligations, for 1916 was $\$ 35$ billion on 341 thousand returns. By 1954 the amount of total compiled receipts had risen to $\$ 555$ billion on 723 thousand returns, nearly 16 times the gross income in 1916 while the number of returns more than doubled. Since the item was first tabulated separately in 1922, gross sales has been the largest single component of total compiled receipts, usually between 70 and 85 percent. Among the eight allocable industrial divisions, the largest industry, manufacturing, has almost always accounted for 40 to 55 percent of the total compiled receipts. The chart below shows the growth in the amount of receipts since 1916 for all industries, for manufacturing, and for trade.

Selected historical data for the years prior to 1945 were published in Statistics of Income for 1949, Part 2.

## DESCRIPTION OF HISTORICAL TABLES

The historical tabulations are presented in tables 38 through 43, pages 147-170. Table 38 shows the number of returns, by income or deficit status, and by net income, deficit, and total assets classes. Table 39 gives the number of returns, total compiled

receipts, net income or deficit, taxes, dividends paid, and total assets, by income and deficit status.

The number of returns, items of receipts and deductions, compiled net profit or net loss, net income or deficit, taxes, and dividends paid are shown in table 40 for all active corporation returns and for returns with net income. For returns with balance sheets these items, together with items of assets and liabilities, are given in table 41 for all active corporation returns and for returns with net income.

Data by major industrial groups are presented in table 42. Items shown are the number of returns, total compiled receipts, net income of deficit, and taxes. Data for returns with net income and returns without net income are given separately.

Table 43 presents data for returns filed on a consolidated basis and shows the number of returns and subsidiaries, total compiled receipts, net income or deficit, and taxes, by net income and deficit status.

## COMPARABILITY OF HISTORICAL DATA

The comparability of corporate statistics derived from income tax returns over a period of years is affected by a number of factors. Changes in income tax law affecting the data can be traced through a historical period and the effect estimated, but the effects resulting from achange in methods of filing or in the classification of a return because of changed status of a company are more difficult to identify and appraise. Some of the factors affecting comparability are discussed in the following paragraphs. This discussion covers both broad areas of data and specific items.

## Accrued expenses

Beginning in 1954, accrued expenses were tabulated as a separate balance sheet item. Accrued expenses were combined with "Other liabilities" prior to 1954.

## Accumulated amortization and depreciation and Accumulated depletion

For the years prior to 1954, these asset items were tabulated as "Reserves" under "Gross capital assets (except land)."

## Amortization

Under the 1954 Code, amortization in historical tables 40 and 41 includes not only deductions taken in lieu of depreciation for emergency facilities (sec. 168 of the 1954 Code) and grain storage facilities (sec. 169) as explained below for 1953, but also deductions taken for research or experimental expenditures capitalized but not subject to depreciation (sec. 174), mine exploration expenditures (sec. 615), and organizational expenditures (sec. 248), which are described in "Changes in Law Affecting 1954 Data," and development expenditures (sec. 616), which, like exploration expenditures do not apply to oil and gas wells and may be taken in the year incurred as "Cost of sales or operations" or "Other deductions" or as a deferred expense charged off ratably against units of minerals sold.

The amortization deduction for 1953 is that provided by sections 124A and 124 B of the 1939 Code.

Section 124A provides for the amortization of the cost of emergency facilities necessary for national defense and acquired or completed during the emergency period beginning January 1, 1950. Section 124B was enacted in the Technical Changes Act of 1953 to alleviate a critical shortage in grain storage facilities and is applicable to cost of erection or reconstruction of such facilities incurred after December 31, 1952. A 60-month amortization period is provided for both types of facilities. For 195052 the amortization deduction is that claimed under section 124A only. For 1945-49 amortization of emergency facilities was authorized by section 124 of the Code (1939) and was applicable to cost of emergency facilities acquired or completed during the emergency period beginning January 1, 1940. On September 29, 1945, the President proclaimed the ending of the emergency period defined in section 124. As a result, taxpayers holding certified emergency facilities on which the 60 -month amortization period had not expired could elect to terminate the amortization period as of September 30, 1945, and recompute the amortization deduction for each tax year involved, on the basis of the actual number of months in the shortened period. Thus, the amortization deductions reported on the 1945 returns are, in many instances, the increased amounts based on the shortened period.

See "Accumulated amortization and depreciation and Accumulated depletion" above and "Cost of goods sold and Cost of operations" below.

## Consolidated returns

Election to file, or to discontinue filing, a consolidated return results in relocation, classifica-tion-wise, of data for the companies included in the affiliated group. For example, industrial classification is based on the principal source of the collective receipts reported on the return. Thus, for a consolidated return, data for companies which, if nonconsolidated returns were filed, would fall in several industrial groups are contained in one industry classification. Use of the consolidated return also eliminates from the data reported profit or loss on intercompany transactions. Table C of the Synopsisof Federal Tax Laws shows the provisions of law governing election and discontinuance of filing consolidated returns.

For a description of changes effected by the 1954 Code, see "Consolidated returns" under "Changes in Law Affecting 1954 Data," page 14.

## Cost of goods sold and Cost of operations

Beginning in 1951 these items were reduced by any identifiable amounts of taxes, depreciation, depletion, amortization, advertising, and contributions under pension plans and, beginning in 1952, under other employee benefit plans included therein. Such items were transferred to their respective headings. For years prior to 1951, only amortization and pension plan contributions were so treated.

## Depreciation and depletion

"Depreciable assets" and "Depletable assets" were combined as "Gross capital assets (except land)" before 1954.

See "Cost of goods sold and Cost of operations" and "Accumulated amortization and depreciation and Accumulated depletion" above.

Employee benefit plans (other than pension plans, etc.)
The deduction in historical tables 40 and 41 for "Amounts contributed under other employee benefit plans" was tabulated with "Other deductions" prior to 1952.

See "Cost of goods sold and Cost of operations" above.

## Excess profits taxes

The excess profits tax in effect for 1950-53 is that imposed by section 430 which was added to the 1939 Code by the Excess Profits Tax Act of 1950, effective July 1, 1950. The amounts tabulated are after limitation and certain adjustments and before credit for foreign taxes paid. This tax terminated December 31, 1953, and for returns with fiscal years beginning before and ending after that date the tax is a prorated amount determined according to the number of days in the fiscal year before January 1, 1954.

The excess profits tax in effect during 1945-46 is that imposed by section 710 of the 1939 Code (added by the Second Revenue Act of 1940) and is the tax shown in historical tables 39 through 43 for the year 1946. For 1945 the excess profits tax compiled for the historical tables consists of the excess profits tax imposed by section 710 and the declared value excess-profits tax imposed by section 600 of the 1939 Code under the tax provisions of the National Industrial Recovery Act of 1933. The amounts of declared value excess-profits tax included in the data are shown in footnotes to the historical tables.

The excess profits tax tabulated for 1945-46 is the amount reported on the corporation excess profits tax return less the 10 percent credit. The amounts tabulated for each of the years 1945 and 1946 are also before the amount deferred under section 710 (a) (5) (relating to abnormalities under section 722) and before credit for foreign taxes paid, but are after any adjustments reported on the returns under other relief provisions.

Effective January 1, 1946, the corporate excess profits tax under section 710 was repealed. The amount of tax shown for 1946 is limited to 11,053 taxable excess profits tax returns, filed for fiscal years ending within the period July through November 1946, on which an excess profits tax liability is reported for the portion of the accounting period in 1945. The declared value excess-profits tax imposed by section 600 was repealed, effective with respect to income-tax taxable years ending after June 30, 1946.

## Gross capital assets (except land)

Beginning in 1954, capital assets were tabulated among the balance sheet items as "Depreciable assets" and "Depletable assets," and capital "Reserves" became "Accumulated amortization and depreciation" and "Accumulated depletion."

## Industrial classification

Beginning in 1952, data for the two Finance groups "Banks and trust companies" and "Credit agencies other than banks" were increased by the inclusion of returns for mutual savings banks and savings and loan, building and loan associations, respectively. For taxable years beginning before January 1, 1952, these organizations were exempt from taxation under section 101 of the 1939 Code.

In 1948 the Industrial Classification used in classifying income tax returns was revised to conform, in general, to recent revisions in the Standard Industrial Classification. A comparison of the industrial classifications used for Statistics of Income for 1947 and 1948 is shown on pages 425-450, Statistics of Income for 1948, Part 2. Adjustments were made in compiling the historical data by major industrial groups in table 42 where transfer of entire minor industrial groups or combination of two or more major groups made possible the improvement of comparability between the 1948-54 data and the 1945-47 data. These adjustments are as follows:

## Mining and Quarrying

Nonmetallic mining and quarrying. -For 1945-47 data, -two major groups "Nonmetallic mining and quarrying" and "Mining and quarrying not allocable" are combined.

## Manfacturing

Textile-mill products.-For 1945-47 the two major groups "Cotton manufactures" and "Textilemill products, except cotton" are combined.

Lumber and wood products, except furniture; Furniture and fixtures.-Adjustments have been made in the 1948-54 data by transferring data for "Other wood products" from "Lumber and wood products, except furniture" to the major group "Furniture and fixtures." Ad justments have been made for $1945-47$ by transferring "Wooden containers" from "Furniture and finished lumber products" to "Lumber and timber basic products" and by transferring "Matches" from "Furniture and finished lumber products" to "Other manufacturing."

Primary metal industries and Fabricated metal products (except ordnance, machinery, and transportation equipment). -For 1948-54 data the two major groups "Primary metal industries" and "Fabricated metal products, except ordnance, machinery, and transportation equipment" are combined. The 1945-47 data are obtained by combining the two major groups "Iron, steel, and products" and "Nonferrous metals and their products," the former group having been adjusted to exclude the five minor groups comprising "Ordnance and accessories" for 1948-54, and the latter group having been adjusted to exclude "Clocks and watches" and "Jewelry (except costume), silverware, plated ware."

Ordnance and accessories. -Ordnance and accessories became a major group in 1948. The data shown for 1945-47 have been extracted from the major group "Iron, steel, and products," where data for "Ordnance and accessories" were tabulated as five minor groups.

Scientific instruments; photographic equipment; watches, clocks; and other. -For 1948-54 data the two major groups "Scientific instruments; photographic equipment; watches, clocks" and "Other manufacturing" are combined. The 1945-47 data are obtained by (1) combining the two major groups "Other manufacturing" and "Manufacturing not allocable" and (2) by adding thereto "Clocks and watches" and "Jewelry (except costume), silverware, plated ware" (transferred from "Nonferrous metals and their products") and "Matches" (transferred from "Furniture and finished lumber products").

## Public Utilities

Electric and gas utilities and Other public utilities.-For 1945-47 "Electric and gas utilities," which appears as a major group for the first time in 1948, has been extracted from "Other public utilities."

## Trade: Retail

Automotive dealers and filling stations. - For 1945-47 the two major groups "Automotive dealers" and "Filling stations" are combined.

Building materials and hardware.-For 1945-47 the two major groups "Hardware" and "Building materials, fuel, and ice" are combined.

Other retail trade. -For 1945-47 data the three major industrial groups "Other retail trade," "Package liquor stores," and "Retail trade not allocable" are combined.

## Finance

Credit agencies other than banks. -For 194547 data the three major industrial groups "Longterm credit agencies, mortgage companies except banks," "Short-term credit agencies, except banks," and "Finance not allocable" are combined.

Holding and other investment companies.-For 1945-47 data the three major industrial groups "Investment trusts and investment companies," "Other investment companies, including holding companies," and "Other finance companies" are combined.

## Services

Other services, including schools. -For 194547 data the two major industrial groups "Other service, including schools," and "Service not allocable" are combined.
Comparability of industrial data may also be af fected by shifts in the industrial classification of an individual corporation whose major source of income has changed, and by a change from filing a consolidated return to filing separate returns, or vice versa, by a group of affiliated corporations. For provisions controlling the filing of consolidated returns see Synopsis of Federal Tax Laws, table C, page 186.

## Insurance carriers

Provisions under the 1954 Code are substantially the same as under the Revenue Act of 1951 which a-
mended the 1939 Code with respect to credits and tax rates applicable to income of life insurance companies. Provisions of law affecting life insurance companies are shown in the Synopsis of Federal Tax Laws, footnotes 4(g) and 5(b), pages 188 and 189.

## Intangible assets

See "Explanation of Terms," page 25 of this volume. Prior to 1954, intangible assets were included in "Gross capital assets (except land)" or other asset items.

Interest received on Government obligations, subject to surtax only
This interest consists of interest on United States savings bonds and Treasury bonds owned in principal amount of over $\$ 5,000$ issued prior to March 1,1941, and interest on obligations of instrumentalities of the United States (other than obligations of Federal land banks, joint stock land banks, and Federal intermediate credit banks) issued prior to March 1, 1941. For 1945 amounts shown include interest subject to surtax only and interest subject to declared value excess-profits tax and surtax. "Interest on United States Savings bonds and Treasury bonds owned in principal amount of over $\$ 5,000$ issued prior to March 1, 1941" was subject to declared value excessprofits tax and surtax. The amounts of such interest reported far 1945 are shown in footnotes to the historical tables. The interest tabulated is less amortizable bond premium.

## Internal Revenue Code of 1954 and Amendments to the Code of 1939

The Internal Revenue Code of 1954, enacted August 16, 1954, was generally effective for tax years which began after December 31, 1953 and ended after August 16, 1954. "Changes in Law Affecting 1954 Data," page 10, describes the more important changes in revenue law made by the 1954 Code affecting the comparability of data. During the period 1945-53 the 1939 Code was amended by the Tax Adjustment Act of 1945, the Revenue Acts of 1945, 1950, and 1951, and the Excess Profits Tax Act of 1950. The synopsis of laws, pages 181-190, shows a comparison of tax rates and bases, provisions pertaining to capital gains and losses, and provisions pertaining to consolidated returns for the years 1945-54.

Other specific items affected by the 1954 Code and these amendments to the 1939 Code are listed as separate paragraphs in this discussion.

## Net income or deficit

Net income or deficit for 1946-54 is the difference between the total income and the total deductions reported, exclusive of the net operating loss deduction and the special deductions applicable in 1954; for 1945 is the amount reported for declared value excess-profits tax computation, adjusted by excluding net operating loss deduction and adding Government interest subject to surtax only and excess of net long-term capital gain over net shortterm capital loss. These adjustments make the amounts tabulated during the two periods comparable.

## Net operating loss deduction

This deduction in historical tables 40 and 41 is the net operating loss carryover as defined in section 172 of the 1954 Code and section 122 of the 1939 Code and does not take into account whatever revisions may subsequently be made as the result of any carryback of net operating loss from the succeeding tax year. The net operating loss deduction in any taxable year is first used as a carryback and, to the extent not so used, may be used as a carryover. The net operating loss for 1954 may be carried back for 2 preceding years and carried over for 5 succeeding years; for 1950-53, the carryback is for 1 year; for 1948-49, the carryback is for 2 years, and the carryover for 3 years; for $1945-$ 47, the carryback is for 2 years and the carryover for 2 years. However, for corporations commencing business after December 31, 1945, the 1947 carryover is for 3 years. The net operating loss deduction has not been taken into consideration in computing the net income as tabulated in Statistics of Income.

For a discussion of the changes effected by the 1954 Code, see "Net operating loss deduction" under "Changes in Law Affecting 1954 Data," page 11.

## Cther deductions

For 1945-51 this item, in historical tables 40 and 41, includes "Amounts contributed under other
emplovee benefit plans" which is tabulated separately beginning in 1952.

Pension plans, amounts contributed under
See "Cost of goods sold and Cost of operations" above.

## Prepaid expenses and supplies

See "Explanation of Terms," page 27. This item was included in "Other assets" prior to 1954.

## Sampling of returns

Beginning in 1951 corporate data are based on a probability sample of the returns filed. A description of the sample and the sampling variability to be expected for any year maybe found in the Statistics of Income for that year. For the period 194550, data were tabulated from all returns filed.

## Taxes paid

See "Cost of goods sold and Cost of operations" above.

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table 3b, - numbeb of returns, by incomp, and deficit statis, and by size of net income, deficit, and total assets


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ALL CORPORATION RFTLRNS
Thale 89.-number of returns, by income and deficit status, and by size of net income, deficit, and total assets-conadud


[^33]
## ALL ACTIIE CORPORATION RETLRAS

Table 30.-NCMEER OF RETURNS, TOTAL COMFILED RFCEIPTS, NET INCOAE OR DEFICIT, TAXES, DIVIDENDS PAID, AND TOTAL ASEET, BY INCOME, AND DEFICIT STATUS

 Sample and Limitations of Data" for each of the years 1951-54 appears in the annul volume for those years.

ALL ACTIVE CORPORATION RETIRNS
table 39- - number of returns, total compiled receipts, net income or deficif, taxes, dinidends paid, and total assets, by income, and deficit status-Conlanud


[^34]

## all active corporation rettrns

Table 40.-DNCOME STATEMENTS


AIL. ACTIL CORPORATION RETIRN:


[^35] Data" for -an of the ary $2751-5$ appears in the annual volum for those yegrs.

Thule 41,-balance shefts and relaied income statement


[^36]
## RETIRNS WITH RALANCE SHEETS





2an

## ALL ACTIVE CORPORATION RETURNS

table q.-Number of returns, total compiled receipts, net income or deficit, and taxes, by major industrial group and by income and defictit status

${ }^{1}$ Sampling variability of this item was too large to warrant showing it separately. Humer, this value was included in industrial division total.
 Datan for each of the years 1951-54 appears in the annual volume for those years.

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ALL ACTIVE CORPORATION RETURNS
table 42.-Number of returns, total compiled receipts, net income or deficit, and taxes, by major mdustrial group and by income and deficit status-conlinued




ALL ACTIVE CORPORATION RETURNS
table 42.-number of returns, total compiled receipts, net income or deficit, and taxes, by major industrial group and by income and dehicit statuinconlinued

| Major industrial group, selected items | 1954 | 1953 | 1952 | 1951 | 1950 | 1949 | 1948 | 1947 | 19.6 | 1945 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| MINING AND QUARRYIN: NOMETALLIC MINING AND QUARRYING |  |  |  |  |  |  |  |  |  |  |
| Total number of returns of active corporations: <br> With net income. <br> Without net incomt | 1,306 845 | 1,204 | 1,273 0.84 | $\begin{array}{r}1,278 \\ \hline 681\end{array}$ | 1,244 | 2,189 750 | 1,159 673 | 1,040 | 955 633 | 767 680 |
|  | (Thousand dollors) |  |  |  |  |  |  |  |  |  |
| Returns with net income: <br> Total compiled rectipts <br> Net income.. | $1,095,457$ 120,400 | $1,030,135$ 109,875 | $1,038,580$ 112,781 | 974,130 133,314 | 836,137 140,550 | 717,976 110,156 | 717,397 118,638 | $\begin{array}{r} 591,831 \\ 9: 872 \end{array}$ | $\begin{array}{r} 460,436 \\ 70,299 \end{array}$ | $\begin{array}{r} 323,630 \\ 42,828 \end{array}$ |
| Total tax. | 59,388 | 55,243 | 55,152 | 67,867 | 59,245 | 39,202 | 42,311 | 33,030 | 24,548 | 21,607 |
| Income tax. <br> Bxcess protits taxes | 59,314 | 51,412 3,381 | 52,500 2,052 | 61,1054 6,813 | 54,324 4,921 | 39,202 | 42,311 | 33,030 | $\begin{array}{r} 24,402 \\ 80 \end{array}$ | $\begin{aligned} & 10,445 \\ & 11,162 \end{aligned}$ |
| Re:urns ithout neq incame: <br> Total compiled receipts. <br> Deficit | $\begin{aligned} & 82,914 \\ & 12,045 \end{aligned}$ | 102,417 10,460 | 63,475 6,889 | 53,033 7,056 | 4,1139 6,827 | 50,664 7,946 | 4,725 5,998 | $\begin{array}{r} 35,564 \\ 5,781 \end{array}$ | $\begin{array}{r} 22,493 \\ 5,587 \end{array}$ | 49,060 8,149 |
| construction |  |  |  |  |  |  |  |  |  |  |
| Total number of re:urns of ac:i:e sorparations: <br> With net income <br> without net income | 21,411 10,719 | 21,400 <br> 13,460 | 20,940 10,871 | $\begin{array}{r}19,764 \\ 9,829 \\ \hline\end{array}$ | 17,868 9,826 | 16,290 9,456 | $\begin{array}{r}26,155 \\ 7,325 \\ \hline\end{array}$ | 16,353 5,936 | 11,101 4,688 | 7,811 <br> 4,023 |
|  | (Thousand dollars) |  |  |  |  |  |  |  |  |  |
| Returns itn ret income: <br> Total compiled receifts <br> Net income. | $1-674,981$ 633,539 | $13,869,087$ 626,313 | $13,-94,727$ 683,685 | $12,360,392$ 652,506 | $9,963,007$ 651,035 | $8,676,131$ 591,250 | $8,518,903$ 625,240 | $6,367,029$ 430,150 | $3,732,496$ 269,994 | $2,458,988$ 140,070 |
| Total tax | 256,865 | 273,421 | 306,033 | 292,4.5 | 266,711 | 200,100 | 210,111 | 139,873 | 83,675 | 02,134 |
| Income tax <br> Excess profirs taxes. | 250,353 512 | 252,821 20,600 | 280,343 26,290 | 263,796 28,649 | 228,683 18,028 | 200,100 | 210,111 | 139,873 | 42,883 792 | 28,480 33,653 |
| Returns without net income: Total compiled receipts. Defici•........................ | 2,815,940 | $2,321,430$ 113,255 | $1,802,325$ 84,927 | $\begin{array}{r} 1,879,71 \\ 93,128 \\ \hline \end{array}$ | $\begin{array}{r} 1,598,772 \\ 89,018 \\ \hline \end{array}$ | $1,241,459$ 73,737 | $\begin{array}{r} 870,132 \\ 48,220 \\ \hline \end{array}$ | $\begin{array}{r} 680,976 \\ 38,511 \\ \hline \end{array}$ | $\begin{array}{r} 588,065 \\ 37,916 \\ \hline \end{array}$ | $\begin{array}{r}488,965 \\ 33,451 \\ \hline\end{array}$ |
| total manufacturing |  |  |  |  |  |  |  |  |  |  |
| Total number of re:urns of active corporatiuns <br> with net income. <br> Without net insome. . . . . . . . . . . . . . . . . . . . . . . . . . | $\begin{aligned} & 7 i n, 608 \\ & 40,288 \end{aligned}$ | $\begin{array}{r} 78,380 \\ 42,706 \end{array}$ | $\begin{aligned} & 80,795 \\ & 38,604 \end{aligned}$ | $\begin{aligned} & 80,877 \\ & 39,319 \end{aligned}$ | $\begin{aligned} & 79,186 \\ & 30,686 \end{aligned}$ | $\begin{aligned} & 68,317 \\ & 48,953 \end{aligned}$ | $\begin{array}{r} 73,638 \\ 43,108 \end{array}$ | $\begin{aligned} & 74,612 \\ & 37,572 \end{aligned}$ | $\begin{aligned} & 72,567 \\ & 25,564 \end{aligned}$ | $\begin{aligned} & 61,680 \\ & 17,432 \end{aligned}$ |
| ```Returns with net income: Total compiled receipts........................... Ne+ income............................................``` | (Thousand dollars) |  |  |  |  |  |  |  |  |  |
|  | 240,028,767 | 263,970,605 | 244,424,014 | 241,530,606 | 210,033,048 | 167,534,041 | 185,981,909 | 171,416,746 | 128,928,639 | 133,402,830 |
|  | 19,053,551 | 22,251,202 | 21,081,015 | 25,492,126 | 24,223,918 | 15,342,017 | 18,928,473 | 17,516,231 | 12,680,628 | 10,576,548 |
| Total tax. | 9,482,559 | 12,160,679 | 11,419,132 | 14,163,463 | 10,636,866 | 5,497,255 | 6,821,585 | 0.319,452 | 4,628,015 | 6,112,228 |
| Income tax. <br> Excess 戸roti*s *axes............................ | $9,451,660$ 30,899 | $\begin{array}{r} 10,771,452 \\ 1,389,227 \end{array}$ | $\begin{array}{r} 10,125,517 \\ 1,293,615 \end{array}$ | $\begin{array}{r} 12,088,130 \\ 2,075,333 \end{array}$ | $\begin{aligned} & 9,564,912 \\ & 1,071,954 \end{aligned}$ | 5,497,255 | 6,821,585 | 6,319,452. | $\begin{array}{r}4,468,311 \\ \hline 159,704\end{array}$ | $1,947,769$ $4,164,458$ |
| Returns without net income: <br> Total compled receifts............................. Deficit | $\begin{array}{r}28,299,156 \\ 1,363,680 \\ \hline\end{array}$ | $\begin{array}{r}17,151,197 \\ 829,856 \\ \hline\end{array}$ | $\begin{array}{r}16,671,142 \\ 762,895 \\ \hline\end{array}$ | $\begin{array}{r}13,475,918 \\ 630,291 \\ \hline\end{array}$ | $\begin{array}{r}10,269,289 \\ 502,383 \\ \hline\end{array}$ | $\begin{array}{r}19,812,782 \\ 1,095,151 \\ \hline\end{array}$ | $\begin{array}{r}14,029,497 \\ \hline 814,485 \\ \hline\end{array}$ | $\begin{array}{r}8,907,948 \\ \hline 664,264 \\ \hline\end{array}$ | $\begin{array}{r}10,492,919 \\ \hline 986,664 \\ \hline\end{array}$ | $\begin{array}{r} 7,881,133 \\ 326,331 \\ \hline \end{array}$ |
| Mantacturing: beverages <br> Total number of returns of actave cotporations: <br> With net inccme. . . . . . . . . . . . . . . . . . . . . . . . . . . <br> Withoui net incone.................................. |  |  |  |  |  |  |  |  |  |  |
|  | 1,717 1,042 | 1,690 1,026 | 2,088 1,207 | $\begin{array}{r}1,365 \\ 1,201 \\ \hline\end{array}$ | 1,773 1,405 | $\begin{array}{r}1,786 \\ 1,581 \\ \hline\end{array}$ | 1,751 1,027 | $\begin{array}{r}1,927 \\ 1,296 \\ \hline\end{array}$ | $\begin{array}{r}2,225 \\ 639 \\ \hline\end{array}$ | $\begin{array}{r}2,082 \\ \hline 09 \\ \hline\end{array}$ |
|  | (Thrusand dollors) |  |  |  |  |  |  |  |  |  |
| Returns with net incone: <br> Total compiled receipts.......................... | 6,640,212 | 6,993,509 | 6,787,382 | 6,535,431 | 5,170,177 | 4,957,037 | 4,820,625 | 4,475,420 | 4,667,147 | 4,272,086 |
| Wer incote....................................... | -378,867 | -420,430 | 4,448,155 | 4,47,685 | -492,392 | 471,046 | -510,994 | -501,375 | 512,351 | 418,168 |
| Total tax. | 189,029 | 220,053 | 238,335 | 243,149 | 204,756 | 171,910 | 189,181 | 185,783 | 197,672 | 255,779 |
| Incons tax........... <br> Excess profits taxes | 188,427 602 | 208,803 11,250 | 222,772 15,563 | 231,443 11,706 | 195,933 8,823 | 171,910. | 189,181. | 185,783 | 179,549 18,123 | $\begin{array}{r} 73,984 \\ 181,795 \end{array}$ |
| Re:urns ithout ne neone: <br> Tota: compiied receipts............................. <br> Deficit. | $\begin{array}{r} 748,015 \\ 38,542 \end{array}$ | $\begin{array}{r} 351,751 \\ 19,351 \\ \hline \end{array}$ | $\begin{array}{r} 494,054 \\ 27,050 \\ \hline \end{array}$ | $\begin{array}{r}497,466 \\ 27,824 \\ \hline\end{array}$ | $\begin{array}{r}428,422 \\ 30,219 \\ \hline\end{array}$ | $\begin{array}{r}497,423 \\ 37,912 \\ \hline\end{array}$ | $\begin{array}{r}516,077 \\ 43,043 \\ \hline\end{array}$ | $\begin{array}{r}467,595 \\ 45,129 \\ \hline\end{array}$ | $\begin{array}{r}109,426 \\ 9,741 \\ \hline\end{array}$ | $\begin{array}{r} 163,861 \\ 9,323 \\ \hline \hline \end{array}$ |
| MANUFACTURING: FOOD AND KINDRED PRODUCTS <br> Total number of returns of active sorporations: <br> with net income $\qquad$ <br> Wi thout net income. |  |  |  |  |  |  |  |  |  |  |
|  | 6,553 3,736 | 6,969 4,009 | $\begin{array}{r}6,867 \\ 3,383 \\ \hline\end{array}$ | 7,095 3,905 | 7,158 3,842 | $\begin{array}{r}7,056 \\ 4,263 \\ \hline\end{array}$ | 6,931 4,204 | $\begin{aligned} & 7,300 \\ & 3,562 \\ & \hline \end{aligned}$ | $\begin{aligned} & 8,058 \\ & 1,784 \\ & \hline \end{aligned}$ | $\begin{aligned} & 7,081 \\ & 1,647 \\ & \hline \end{aligned}$ |
|  | (Thousand dollars) |  |  |  |  |  |  |  |  |  |
| Returns with net income: Total compiled receipts. | 30,327,098 | 32,891,749 | 31,595,734 | 32,401,396 | 28,058,709 | 23,644,861 | 26,177,784 | 29,005,671 | 22,868,852 | 18,503,250 |
| Net income.......... | 1,301,554 | 1,329,467 | 1,229,982 | 1,247,020 | 1,443,626 | 1,281,586 | 1,222,361 | 1,479,709 | 1,572,586 | 1,010,275 |
| Total tax | 638,963 | 683,322 | 632,143 | 023,485 | 011,149 | 428,965 | 43,412 | 537,898 | 585,572 | 556,289 |
| ```Income vax Excess prorits taxes........................``` | $\begin{array}{r} 635,410 \\ 3,553 \end{array}$ | $\begin{array}{r} 650,725 \\ 32,597 \end{array}$ | 600,303 31,840 | 587,066 36,419 | $\begin{array}{r} 573,938 \\ 37,211 \end{array}$ | 428,965 | 263,412 | 537,898- | $\begin{array}{r} 502,204 \\ 23,308 \end{array}$ | $\begin{aligned} & 222,832 \\ & 333,456 \end{aligned}$ |
| Returns without net income: Total compiled receipts. Deficit. | $6,396,404$ 99,532 | $2,942,411$ 67,251 | $\begin{array}{r}4,591,467 \\ 92,187 \\ \hline\end{array}$ | $\begin{array}{r}3,503,175 \\ 74,752 \\ \hline\end{array}$ | $\begin{array}{r}4,001,490 \\ 55,416 \\ \hline\end{array}$ | $\begin{array}{r} 6,260,668 \\ 107,860 \\ \hline \end{array}$ | $\begin{array}{r} 5,408,370 \\ 114,355 \\ \hline \end{array}$ | $\begin{array}{r} 1,636,532 \\ 80,542 \\ \hline \end{array}$ | $\begin{array}{r} 535,480 \\ 28,740 \\ \hline \end{array}$ | $\begin{array}{r} 955,350 \\ 23,794 \\ \hline \end{array}$ |

[^37] Data" for each of the years 1951-54 appears in the annul volume for those years.

## ALL ACTIVE CORPORATION RETURNS

Table 22.-NUMBER OF RETURNS, TOTAL COMPILED RECEIPTS, NET INCOME OR DEFICIT, ANO TAXES, HY MAJOR INDUSTRIAL OROUP AND BY INCOME AND OEFICIT STATUS-CODLDUED


Lata" fre each of the yeara 1351-54 appuars in the annual volume for those years.

## ALL ACTIVE CORPORATION RETLRNS

table te.-number of returns, total compiled receipts, net income or deficit, and tanes, by major industrial group and bi income and deficit statub-conlougd

| Ma for industrisi group, selected items | 1954 | 1953 | 1952 | 1951 | 1950 | 19.69 | 1948 | 1947 | 1946 | 1945 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| MANIFACTURING: PAPER AND ALLIED PRODUCTS <br> Total number of returns of active corporations: <br> With net income....................................... <br> wi thou" net income | $\therefore, 004$ | 2.074 021 | $\therefore 2025$ | 2,271 | 2,148 460 | 1,698 888 | 1,898 058 | 2,087 4.6 | 2,099 262 | $\begin{array}{r}1,848 \\ \hline 239\end{array}$ |
|  | (Theurand dollors) |  |  |  |  |  |  |  |  |  |
| Returns with net income: <br> Total compl2ed recelfta............................. <br> Net income...... | $8,120, \ldots 38$ $910, \ldots 0$ | 8,125,4012 | $\begin{array}{r}7,523,728 \\ 907,088 \\ \hline\end{array}$ | $8,269,421$ $1,344,338$ | $0,883,225$ $1,014,336$ | $5,002,330$ 583,745 | $5,737,079$ 798,787 | $\begin{array}{r}\text { 5,627,782 } \\ \hline 928,005\end{array}$ | $4,314,069$ 576,522 | 3,510,239 345,350 |
| Total tax. | -53,100 | 515,832 | 536,073 | 800,300 | 452,146 | 214,000 | 295,838 | 343,388 | 213,122 | 197,707 |
| Income tax. <br> Excess prorits taxes.. | -.5i, 510 | 476,179 <br> 41,653 | 480,242 53,831 | 657,400 142,900 | 411,101 | 214,000 | 295,838 | 343, 388. | $\begin{array}{r} 207,684 \\ 5,438 \end{array}$ | $\begin{array}{r} 09,596 \\ 128,110 \end{array}$ |
| Returns without net income: <br> Total compiled receipts. <br> Dericit | $\begin{array}{r}\text { 52,753 } \\ -4.259 \\ \hline 2 .\end{array}$ | $\begin{array}{r} 259,420 \\ 18,749 \\ \hline \end{array}$ | $\begin{array}{r} 347,053 \\ 20,969 \\ \hline \end{array}$ | $\begin{array}{r} 160,819 \\ 10,837 \\ \hline \end{array}$ | 84, 865 6,940 | $\begin{array}{r} 465,220 \\ 28,307 \\ \hline \end{array}$ | $\begin{array}{r} 268,652 \\ 14,789 \end{array}$ | $\begin{array}{r} 95,642 \\ 6,582 \\ \hline \end{array}$ | 66,401 0,636 | $\begin{array}{r} 74,019 \\ 3,073 \\ \hline \end{array}$ |
| MANUFACTURING: PRINTING, PUBLISHING. AND RLLIED INDUSTRIES |  |  |  |  |  |  |  |  |  |  |
| Total number of returns or getiqe corporgetions: <br> with net income. <br> W. thout net income. | 4,454 | 9,427 4.175 | 9,672 3,783 | 9,127 4,168 | 8,939 4,031 | 8,547 4,239 | 8,978 3,519 | 8,789 <br> 3,120 | 8,518 2,478 | 8,021 2,036 |
|  | (Thousand dohars) |  |  |  |  |  |  |  |  |  |
| Returns with reet incone: <br> Total corrided receipts. <br> Net incone.............................. . ............. | $7.007,780$ 030,330 | $7.841,005$ 003,023 | $7,251,273$ 647,890 | $6,939,919$ 654,993 | $0,217,762$ 629,486 | $5,838,843$ 557,700 | $5,795,347$ 616,198 | $5,317,103$ 065,430 | $4,593,908$ 677,279 | $3,744,226$ 590,971 |
| Tota | 289,592 | 337,296 | 324,523 | 321,980 | 248,170 | 194,540 | 215,974 | 232,870 | 239,878 | 352,100 |
|  | 288,775 817 | 309,767 27,529 | 329,551 24,972 | 295,021 26,959 | 235,436 12,734 | 194,540, | 215,974 | 232,870 | 236,163 3,715 | 97,830 254,271 |
| Returns without net income: <br> To:al compiled receipts. <br> Der゙ャit............... | $\begin{array}{r}1,259,683 \\ 59,107 \\ \hline\end{array}$ | $\begin{array}{r}716,987 \\ 37,301 \\ \hline\end{array}$ | $\begin{array}{r}722,531 \\ 33,259 \\ \hline\end{array}$ | $\begin{array}{r}534,392 \\ 33,808 \\ \hline\end{array}$ | $\begin{array}{r}596,157 \\ 4,757 \\ \hline\end{array}$ | $\begin{array}{r}595,156 \\ 41,056 \\ \hline\end{array}$ | $\begin{array}{r} 484,388 \\ 38,385 \\ \hline \end{array}$ | $\begin{array}{r} 415,738 \\ 35,842 \\ \hline \end{array}$ | $\begin{array}{r}253,169 \\ 20,767 \\ \hline\end{array}$ | $\begin{array}{r}101,050 \\ 6,825 \\ \hline\end{array}$ |
| manfacturina: Chemecali and allied products |  |  |  |  |  |  |  |  |  |  |
| Total number of returns af aitive corpurations: <br> $W$.th net income.. <br> Wi:hout net incom | $\begin{array}{r}4,588 \\ 2,768 \\ \hline\end{array}$ | 4,669 | 4,655 2,973 | 4,932 2,735 | 4,847 2,540 | 4,273 3,240 | 4,323 3,088 | 4,577 4,9288 | 4,608 2,229 | 4,414 <br> 1,772 |
|  | (Thousand dolliars) |  |  |  |  |  |  |  |  |  |
| Retums with ne" income: Total complied recenp:s | 17,970,928 | 17,917,808 | 17,451,511 | 17,699,542 | 16,217,543 | 12,491,858 | 13,696,104 | 13,224,389 | 10,558,939 | 9,359,557 |
| Ne* income............. | 2,289,153 | 2,380,653 | 2,297,826 | 2,953,169 | 2,793,959 | 1,715,658 | 1,728,534 | 1,832,298 | 1,524,699 | 1,059,701 |
| Total | 2,105,108 | 1,329,111 | 1,276,556 | 1,720,532 | 1,258,809 | 606,108 | 609,526 | 653,199 | 549,315 | 563,268 |
| Income taj............ <br> Excess profits taxes | $1,103,970$ 1,138 | $1,103,050$ 100,001 | $1,217,635$ 158,931 | $1,412,072$ 303,460 | $1,108,061$ 150,748 | 606,208 | 609,526 | 653,199 | 538,262 11,053 | $\begin{aligned} & 225,502 \\ & 337,766 \end{aligned}$ |
| Feturns without net invone: |  |  |  |  |  |  |  |  |  |  |
|  | $\begin{array}{r} 1,123,605 \\ -\quad 3,860 \\ \hline \end{array}$ | $\begin{array}{r} 927,664 \\ 56,896 \end{array}$ | $\begin{array}{r} 616,639 \\ 55,594 \\ \hline \end{array}$ | $\begin{gathered} 704,064 \\ 32,701 \end{gathered}$ | $\begin{array}{r}250,070 \\ 21,990 \\ \hline\end{array}$ | $\begin{array}{r}843,313 \\ 62,134 \\ \hline\end{array}$ | 558,489 46,566 | $\begin{array}{r}370,891 \\ 41,016 \\ \hline\end{array}$ | $\begin{array}{r}270,887 \\ 27,311 \\ \hline\end{array}$ | $\begin{array}{r}550,655 \\ 28,736 \\ \hline\end{array}$ |
| manfacturing: petroielm and coal products |  |  |  |  |  |  |  |  |  |  |
| Totel nurber of returns of sctire corparations: With net income. <br> Sthou: net income . . . . . . . . . . . . . . . . . . . . . . . . . . | $\begin{array}{r} 432 \\ 283 \end{array}$ | 477 473 | 476 221 | 524 166 | 516 <br> 146 | 428 238 | 453 181 | 407 | 346 <br> 339 | 311 131 |
|  | (Thousand dollars) |  |  |  |  |  |  |  |  |  |
| Re*iarns nite, net incore: <br> Total corpiled receipts. | 27,674,777 | 26,318,954 | 24,482,556 | 24,278,326 | 19,973,951 | 27,523,579 | 19,738,277 | 14,968,960 | ,630,769 |  |
| Ttet incore...................................... | 1,602,847 | 26,914,038 | 1,768,903 | 2,327,353 | 1,826,031 | 1,169,222 | 2,000,180 | 1,309,630 | 742,103 | 370,575 |
| Total tax. | 650,380 | 742,995 | 061,833 | 1,019,472 | 616,713 | 344,484 | 660,04, | 421,901 | 230,669 | 108,896 |
| Income :aß. Excess protits :3xe5............................ | 656,250 130 | 735,127 7,868 | 650,285 11,548 | 957,732 61,740 | 603,308 13,405 | 344,484 | 660,044 | 421,901 | 230,216 | $\begin{aligned} & 98,260 \\ & 10,636 \end{aligned}$ |
| Retarns mithout ne: income: <br> Total comtiled receipts <br> Detion: | 797,430 27,563 | $\begin{array}{r}\text { 407,701 } \\ 7,600 \\ \hline\end{array}$ | $\begin{array}{r}483,694 \\ 8,329 \\ \hline\end{array}$ | $\begin{array}{r}178,651 \\ 2,954 \\ \hline\end{array}$ | $\begin{array}{r}126,226 \\ 4,427 \\ \hline\end{array}$ | $\begin{array}{r}663,574 \\ 30,929 \\ \hline\end{array}$ | 228,900 17,142 | $\begin{array}{r}111,496 \\ 6,463 \\ \hline\end{array}$ | $\begin{array}{r}189,072 \\ 7,070 \\ \hline\end{array}$ | $\begin{array}{r}767,502 \\ 19,193 \\ \hline\end{array}$ |
| manfacturing: RUBBER products |  |  |  |  |  |  |  |  |  |  |
| Ts:al number of returns of active corporetions: <br> With net income. <br> Wi thout net incoue. | $\begin{aligned} & 544 \\ & 249 \end{aligned}$ | $\begin{aligned} & 568 \\ & 256 \end{aligned}$ | 523 <br> 211 | 567 150 | 535 <br> 131 | 427 <br> 221 | 4318 | 388 247 | 400 | $\begin{array}{r}361 \\ 92 \\ \hline\end{array}$ |
| ```foturns with net income: Total compiled receipts. Net income.............................................``` | (Thousand dollor +) |  |  |  |  |  |  |  |  |  |
|  | 4,459,202 | 4,922,761 | 4,818,770 | 4,907,036 | 4,033,219 | 2,873,770 | 3,307,856 |  |  | 3,299,988 |
|  | - 311,606 | 4,921,784 | 4, 387,998 | 4,551,711 | 4,436,897 | -164,597 | -262,315 | 240,979 | 321,391 | 248,125 |
| Totar :ax....................................... | 154,693 | 227,74.4 | 219,817 | 329,094 | 196,524 | 58,396 | 92,297 | 84,457 | 122,017 | 169,987 |
| ```Income tax Excess profits taxes........................``` | 154,537 156 | $\begin{array}{r} 204,945 \\ 22,799 \end{array}$ | $\begin{array}{r} 191,458 \\ 28,359 \end{array}$ | 268,667 50,427 | 174,393 22,131 | 58,396 | 92,297 | 84,457 | $\begin{array}{r} 114,151 \\ 7,866 \end{array}$ | $\begin{array}{r} 30,291 \\ 139,696 \end{array}$ |
| Returns without net income: <br> Total compiled receipts <br> Deficit. | $\begin{array}{r}166,095 \\ 11,912 \\ \hline\end{array}$ | $\begin{array}{r}233,994 \\ 5,291 \\ \hline\end{array}$ | $\begin{array}{r}128,412 \\ 5,595 \\ \hline\end{array}$ | $\begin{array}{r} 50,708 \\ 2,287 \\ \hline \end{array}$ | $\begin{array}{r} 22,823 \\ 2,140 \\ \hline \end{array}$ | $\begin{array}{r} 193,506 \\ 11,871 \end{array}$ | $\begin{array}{r} 81,937 \\ 7,345 \\ \hline \hline \end{array}$ | $\begin{array}{r}67,530 \\ 7,667 \\ \hline\end{array}$ | $\begin{array}{r}49,092 \\ 3,394 \\ \hline\end{array}$ | $\begin{array}{r}61,070 \\ 1,773 \\ \hline\end{array}$ |

[^38]
## ALL ACTIVE CORPORATION RETURNS

Table 42.-number of returns, total Compiled receipts, net income or deficit, and taxes, by major mdustrial group and by income and deficit status conlauad

| Major industrial group, selected items | 1956 | 1953 | 1952 | 1951 | 1950 | 1949 | 1948 | 1947 | 1946 | 1945 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| manufacturing: Leather and products |  |  |  |  |  |  |  |  |  |  |
| Total number of returns of active corporations: <br> With net income. <br> *ithout net income. | 1,621 889 | 1,671 1,227 | 2,908 1,013 | 1,710 1,130 | 1,836 | 1,620 1,297 | 1,734 1,271 | 1,984 1,108 | 2,195 | 1,769 290 |
|  | (Thousand doltars) |  |  |  |  |  |  |  |  |  |
| Returns with net income: Total compled receipts. | 2,629,113 | 2,754,279 | 2,954,884 | 2,900,015 | 2,851,780 | 2,420,065 | 2,734,855 | 3,008,591 | 2,730,553 | 2,142,515 |
| Net income.................................... | 129,672 | 126,241 | 134,440 | 141,038 | 170,029 | 114,010 | 258,434 | 232,435 | 235,940 | 137,064 |
| Total tax | 60,733 | 62,994 | 65,961 | 70,133 | 68,538 | 40,658 | 57,448 | 84,705 | 89,355 | 77,374 |
| Income tax........................... | 00,411 322 | 58,753 4,261 | 61,879 4,082 | 6,86 5,270 | $\begin{array}{r} 65,004 \\ 3,534 \end{array}$ | 40,658 | 57,448 | 84,705 | 83,243 6,112 | $\begin{aligned} & 28,371 \\ & 49,003 \end{aligned}$ |
| Returns without net income: |  |  |  |  |  |  |  |  |  |  |
|  | $\begin{array}{r} 446,069 \\ 17,610 \\ \hline \end{array}$ | $\begin{array}{r} 496,547 \\ 18,261 \\ \hline \end{array}$ | 379,815 15,534 | $\begin{array}{r} 571,050 \\ 32,411 \end{array}$ | $\begin{gathered} 342,974 \\ 12,491 \end{gathered}$ | 502,253 26,297 | 426,264 26,397 | $\begin{array}{r} 278,958 \\ 18,462 \end{array}$ | 103,599 6,641 | 48,870 1,559 |
| MANUFACTURING: STONE, CLAY, AND GLLASS products |  |  |  |  |  |  |  |  |  |  |
| Total sumber of returns of active corporations: With net income <br> Without net income. | $\begin{aligned} & 2,842 \\ & 1,440 \end{aligned}$ | $\begin{aligned} & 2,9424 \\ & 1,324 \end{aligned}$ | $\begin{array}{r}2,988 \\ 1,221 \\ \hline\end{array}$ | 3,232 <br> 1,224 | $\begin{aligned} & 3,099 \\ & 1,149 \end{aligned}$ | 2,750 <br> 1,474 | 2,851 <br> 1,342 | 2,769 <br> 1,362 | $\begin{array}{r}2,641 \\ \hline 986 \\ \hline\end{array}$ | $\begin{array}{r}1,952 \\ \hline 818 \\ \hline\end{array}$ |
|  | (Thousnnt dollar, |  |  |  |  |  |  |  |  |  |
| Returns with ret income: Total compiled receipts Net income | $6,311,786$ 818,585 | $6,249,443$ 785,282 | $5,328,165$ 669,405 | $5,583,388$ 843,393 | $4,944,036$ 860,626 | $3,758,426$ 520,957 | $3,982,753$ 549,486 | $3,522,149$ 465,924 | $2,839,855$ 373,149 | 2,201,944 |
| Total | 405,873 | 43,773 | 374,283 | 490,099 | 394,268 | 190,574 | 202,687 | 169,926 | 135,505 | 119,577 |
| Income tax......................... | 405,455 418 | 392,077 51,696 | 3740,369 43,914 | 409,437 80,662 | 347,253 46,915 | 190,574 | 202,687 | 169,926 | 133,723 1,782 | $\begin{aligned} & 52,857 \\ & 66,721 \end{aligned}$ |
| Returns without net income: <br> Total compiled rectipts. <br> Dericit | $\begin{array}{r} 338,765 \\ 25,707 \end{array}$ | 276,354 17,475 | 300,048 19,579 | 191,305 11,971 | 123,968 10,441 | 232,166 18,419 | 157,056 18,977 | $\begin{array}{r} 129,872 \\ 15,123 \end{array}$ | 110,399 9,553 | $\begin{array}{r} 141,887 \\ 12,938 \\ \hline \end{array}$ |
| MANUFACTURING: PRIMARY METAL INDUSTRIES AND fabricated metal products (except ordnance, MACHINERY, AND TRANSPORTATION EQUIPMENT) |  |  |  |  |  |  |  |  |  |  |
| Total number of returns of astive corporations: <br> With net income <br> Witheut net incom | 9,636 5,380 | 10,057 3,735 | 10,711 3,091 | 10,791 2,871 | 9,858 2,998 | 7,571 5,030 | 8,489 3,904 | 8,320 3,532 | 7,283 2,734 | 6,133 1,867 |
| Returns with net rncone: <br> Total compiled receipts. <br> Ne* income. | (Thousant dollors) |  |  |  |  |  |  |  |  |  |
|  | 30,933,065 | 36,167,622 | 32,150,893 | 35,027,680 | 29,333,265 | 21,376,029 | 25,755,178 | 22,341,959 | 15,857,203 | 17,020,798 |
|  | 2,588,590 | 3,399,742 | 2,801,598 | 4,386,861 | 3,688,378 | 2,108,376 | 2,810,463 | 2,354,055 | 1,382,820 | 1,165,097 |
| Ttal tax, | 1,282,912 | 1,866,123 | 2,526,225 | 2,600,531 | 1,688,940 | 777,097 | 1,035,335 | 863,265 | 506,186 | 666,254 |
| Income tax. <br> Excess prifịs taxes | $1,279,700$ 3,211 | $\begin{array}{r} 1,677,144 \\ 188,979 \end{array}$ | $1.376,035$ 150,190 | $2,139,475$ 461,056 | $1,499,573$ 189,367 | 777,097 | 1,035,335 | 863,265 | 498,457 7,729 | 222,577 443,676 |
| Returns kithout net income: |  |  |  |  |  |  |  |  |  |  |
|  | $2,703,431$ 182,256 | $2,541,454$ 74,238 | $1,042,909$ 68,469 | 556,061 34,795 | $\begin{array}{r}470,014 \\ 56,822 \\ \hline\end{array}$ | $\begin{array}{r}1,823,640 \\ \hline 136,789 \\ \hline\end{array}$ | $\begin{array}{r} 724,332 \\ 63,604 \\ \hline \end{array}$ | 702,643 55,575 | $\begin{array}{r}1,277,476 \\ 100,018 \\ \hline\end{array}$ | $\begin{array}{r}1,347,545 \\ 51,040 \\ \hline\end{array}$ |
| MANUTACTURING: MACHINERY, EXCEPT TRANSPORTATION Equiment and electrical |  |  |  |  |  |  |  |  |  |  |
| Total number af returtia of active corporations: <br> Wher, nor: ineorn <br> Without tuet income. | 7,025 4,691 | 8,157 <br> 3,453 | 8,231 2,679 | $\begin{array}{r}8,359 \\ 2,354 \\ \hline\end{array}$ | 7,129 2,786 | 5,607 4,252 | 6,362 3,296 | 5,893 2,850 | 4,969 <br> 2,542 | $\begin{array}{r}4,536 \\ 1,656 \\ \hline\end{array}$ |
|  | (Thousand dothers) |  |  |  |  |  |  |  |  |  |
|  | $\begin{array}{r} 19,532,019 \\ 1,882,667 \end{array}$ | $\begin{array}{r} 22,339,320 \\ 2,224,232 \end{array}$ | $\begin{array}{r} 21,854,755 \\ 2,462,772 \end{array}$ | $\begin{array}{r} 20,213,049 \\ 2,696,837 \end{array}$ | $\begin{array}{r} 15,359,360 \\ 2,087,800 \end{array}$ | $\begin{array}{r} 12,516,574 \\ 1,434,196 \end{array}$ | $\begin{array}{r} 34,472,780 \\ 1,800,259 \end{array}$ | $\begin{array}{r} 12,406,988 \\ 1,564,277 \end{array}$ | $7,797,663$ 890,451 | $\begin{array}{r} 9,297,767 \\ 966,618 \end{array}$ |
| Total sma | 938,722 | 1,268,526 | 1,439,627 | 1,567,727 | 919,873 | 531,508 | 668,698 | 577,520 | 330,937 | 599,375 |
| Iticome ias <br> Exeess praties axes.................................. | 934,066 4,056 | $1,100,809$ 167,717 | $1,228,927$ 210,700 | $\begin{array}{r}1,309,294 \\ \hline 258,43\end{array}$ | 840,607 79,260 | 531,508 | 668,698 | 577,520 | 321,055 9,882 | $\begin{aligned} & 158,430 \\ & 400,925 \end{aligned}$ |
|  <br>  | $\begin{array}{r} 1,936,764 \\ 125,793 \end{array}$ | $\begin{array}{r}1,259,297 \\ \hline 70,330 \\ \hline\end{array}$ | $\begin{array}{r} 463,755 \\ 42,595 \end{array}$ | $\begin{array}{r} 483,045 \\ 37,422 \end{array}$ | $\begin{gathered} 507,024 \\ 44,071 \end{gathered}$ | $\begin{array}{r} 1,119,427 \\ 96,685 \end{array}$ | $\begin{array}{r} 591,588 \\ 58,795 \\ \hline \end{array}$ | $\begin{array}{r} 760,594 \\ 83,249 \end{array}$ | $\begin{array}{r} 1,351,692 \\ 169,872 \\ \hline \end{array}$ | $\begin{array}{r} 583,081 \\ 38,384 \\ \hline \end{array}$ |
| MANFACTURING: ELECTHICAL MACHINERY AND EQUIPKENT |  |  |  |  |  |  |  |  |  |  |
|  <br> Hith brt LouOme <br> $W_{1}$ 中rout net. inccme. | 2,439 1,498 | 2,398 2,069 | 2,461 1,178 | 2,373 1,042 | $\begin{array}{r}2,169 \\ \hline 958 \\ \hline\end{array}$ | 1,656 2,611 | 1,645 1,364 | $\begin{aligned} & 1,716 \\ & 1,274 \end{aligned}$ | 1,508 1,041 | $\begin{array}{r}1,345 \\ 520 \\ \hline\end{array}$ |
|  | (Thoushnt dollars) |  |  |  |  |  |  |  |  |  |
|  | 23,559,706 | 16,442,377 | 14,048,641 | 12,007,404 | 10,407,747 | 7,089,844 | 8,302,169 | 7,690,761 | 3,806,041 | 6,678,548 |
|  | 1,199,092 | 1,007,139 | 1,606,314 | 12,535,493 | 10,438,210 | 744,086 | -923,936 | 837,797 | 317,970 | 619,199 |
| Ist n: tur .................... .............. | 594.223 | 957,503 | 970,678 | 921,761 | 660,212 | 270,251 | 139,091 | 307,912 | 116,900 | 395,338 |
| Incomi $4: 1 \%$ <br>  | $\begin{array}{r} 595,937 \\ 3,286 \end{array}$ | $\begin{aligned} & 808,238 \\ & 149.265 \end{aligned}$ | $\begin{aligned} & 805,712 \\ & 164,94,6 \end{aligned}$ | $\begin{aligned} & 749,699 \\ & 172,062 \end{aligned}$ | $\begin{array}{r} 576,273 \\ 83,939 \end{array}$ | 270,251 | 339,091 | 307.912 | $\begin{array}{r} 114,434 \\ 2,460 \end{array}$ | $\begin{array}{r} 90,272 \\ 305,065 \end{array}$ |
|  | $\begin{array}{r} 8.84,405 \\ 61,130 \end{array}$ | $\begin{array}{r} 464,532 \\ 32,849 \end{array}$ | $\begin{array}{r} 326,192 \\ 28,194 \end{array}$ | $\begin{array}{r} 364,744 \\ 33,632 \\ \hline \end{array}$ | $\begin{array}{r} 205,398 \\ 21,292, \end{array}$ | $\begin{array}{r} 515,053 \\ 47,518 \end{array}$ | $\begin{array}{r} 450,781 \\ 47,804 \end{array}$ | 542,654 56,435 | $1,650,937$ 140,227 | $\begin{array}{r} 445,441 \\ 24,938 \\ \hline \end{array}$ |




ALL ACTIVE CORPORATION RETURNS
table 43.-number of returns, total compiled receipts, net income or deficti, and taxes, by major industrial oroup and by income and deficit status-conlmuad


[^39] Data" for each of the years 1951-54 appears in the annual volume for those years.

ALL ACTIVE CORPORATION RETURNS
Table 42.-nUMBER of returns, total complleo receipts, net income or deficit, and taxes, by major inoustrial group and by income and deficit status-Conumued

| Major industrial group, selected items | 1954 | 1953 | 1952 | 1951 | 1950 | 1949 | 1948 | 1947 | 1946 | 1945 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Public Utilities: transportation |  |  |  |  |  |  |  |  |  |  |
| Total number of returns of active corporations: <br> with net income <br> Without net income | 12,590 8,860 | $\begin{array}{r}13,392 \\ 8,185 \\ \hline\end{array}$ | $\begin{array}{r}13,124 \\ 7,730 \\ \hline\end{array}$ | $\begin{array}{r}22,237 \\ 7,117 \\ \hline\end{array}$ | $\begin{array}{r}11,621 \\ 7,270 \\ \hline\end{array}$ | 10,274 8,306 | 10,905 7,060 | $\begin{array}{r} 10,673 \\ 6,207 \end{array}$ | $\begin{array}{r} 10,027 \\ 5,115 \end{array}$ | $\begin{aligned} & 8,610 \\ & 4,583 \end{aligned}$ |
| Returns with net income: <br> Total compiled receipts. <br> Net income | (Thowsand dol/are) |  |  |  |  |  |  |  |  |  |
|  | 17,020,174 | 21,026,021 | 21,058,766 | 20,555,406 | $\begin{array}{r} 18,047,239 \\ 2,169,928 \end{array}$ | $\begin{array}{r} 15,714,956 \\ 1,296,100 \end{array}$ | $\begin{array}{r} 17,105,238 \\ 1,846,225 \end{array}$ | $\begin{array}{r} 14,599,522 \\ 1,445,721 \end{array}$ | $\begin{array}{r} 9,416,514 \\ 967,153 \end{array}$ | $\begin{array}{r} 11,984,273 \\ 1,459,866 \end{array}$ |
|  | 1,233,657 | 1,870,291 | 2,030,005 | 2,091,739 |  |  |  |  |  |  |
| Tots 1 tax. | 558,092 | 889,402 | 987,154 | 1,005,941 | $\begin{gathered} 862,261 \\ 835,834 \\ 26,427 \end{gathered}$ | $\begin{aligned} & 447,853 \\ & 447,853 \end{aligned}$ | $\begin{aligned} & 649,001 \\ & 649,001 \end{aligned}$ | $\begin{aligned} & 509,281 \\ & 509,281 \end{aligned}$ | $\begin{array}{r} 333,705 \\ 332,292 \\ 1,414 \end{array}$ | $\begin{aligned} & 799,426 \\ & 320,058 \\ & 479,368 \end{aligned}$ |
| Income tax... <br> Excess proits taxes | 558,552 140 | 872,246 17,150 | $\begin{array}{r}989,952 \\ \hline 27,202\end{array}$ | 963,741 42,200 |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |
| Total compiled receifts Defici | $\begin{array}{r} 5,058,962 \\ 228,755 \\ \hline \end{array}$ | $\begin{array}{r} 2,787,773 \\ 229,631 \\ \hline \end{array}$ | $\begin{array}{r} 2,997,0777 \\ 110,371 \end{array}$ | $\begin{array}{r} 1,550,83 i \\ 83,467 \end{array}$ | $\begin{array}{r} 1,477,385 \\ \hline 98,873 \\ \hline \end{array}$ | $\begin{array}{r} 2,092,880 \\ 125,981 \end{array}$ | $\begin{array}{r} 1,946,229 \\ 126,596 \\ \hline \end{array}$ | $\begin{array}{r} 2,802,877 \\ 256,308 \end{array}$ | $\begin{array}{r} 4,961,039 \\ 357,498 \end{array}$ | $\begin{array}{r} 2,621,876 \\ 147,324 \end{array}$ |
| Ptralic utilities: comunication |  |  |  |  |  |  |  |  |  |  |
| Total number of requrns of active corporstions: <br> with net income <br> *ithout net income. | $\begin{aligned} & 2,713 \\ & 1,720 \end{aligned}$ | $\begin{aligned} & 2,966 \\ & 1,836 \end{aligned}$ | $\begin{aligned} & 2,901 \\ & 1,498 \end{aligned}$ | $\begin{aligned} & 2,752 \\ & 1,498 \end{aligned}$ | $\begin{array}{r} 2,655 \\ 1,572 \\ \hline \end{array}$ | $\begin{aligned} & 2,413 \\ & 1,768 \end{aligned}$ | $\begin{aligned} & 2,265 \\ & 1,819 \end{aligned}$ | $\begin{aligned} & 2,118 \\ & 1,834 \end{aligned}$ | $\begin{aligned} & 2,235 \\ & 1,526 \end{aligned}$ | $\begin{aligned} & 2,260 \\ & 1,334 \end{aligned}$ |
| Returns with net income: <br> Total compiled receipts. <br> Net income. | (Thousand dollare) |  |  |  |  |  |  |  |  |  |
|  | $8,226,150$ $2,340,264$ | $0,256,352$ $1,203,838$ | $5,720,214$ 999,901 | $5,133,917$ 898,921 | $4,542,509$ 740,037 | $3,424,906$ 372,006 | $3,776,284$ 539,006 | $2,734,834$ 429,517 | $2,920,553$ 575,766 | $\begin{array}{r} 2,719,948 \\ 703,925 \end{array}$ |
| Total tax. | 676,750 | 586,996 | 482,550 | 423,335 | 282,773 | 136,452 | 235,011 | 111,060 | 156,450 | 315,776 |
| Income tax............................. | 676,414 336 | 581,132 5,864 | 478,510 4,040 | 419,728 3,607 | 280,818 2,955 | 136,452 | 135,611 | 121,060 | 155,851 599 | $\begin{aligned} & 131,917 \\ & 183,860 \end{aligned}$ |
| Returns without net income: Total compiled receipts Deficit $\qquad$ |  |  |  |  |  |  |  |  |  |  |
|  | 234,660 27,409 | 97,061 | 60,206 4,669 | $\begin{array}{r}74,065 \\ 8,348 \\ \hline\end{array}$ | 62,254 8,018 | $\begin{array}{r} 327,078 \\ 17,334 \end{array}$ | 207,629 12,472 | $\begin{gathered} 625,522 \\ 18,958 \end{gathered}$ | $\begin{array}{r} 239,322 \\ 15,682 \end{array}$ | $\begin{array}{r} 224,457 \\ 14,812 \end{array}$ |
| Plalic ufilities: electric and gas utilities | $\begin{aligned} & 948 \\ & 200 \end{aligned}$ | $\begin{array}{r} 1,000 \\ 266 \end{array}$ | $\begin{aligned} & 779 \\ & 177 \end{aligned}$ | $\begin{aligned} & 966 \\ & 260 \end{aligned}$ | $\begin{array}{r} 1,000 \\ 261 \\ \hline \end{array}$ | $\begin{aligned} & 968 \\ & 276 \end{aligned}$ | $\begin{aligned} & 969 \\ & 306 \end{aligned}$ | $\begin{aligned} & 985 \\ & 270 \end{aligned}$ | $\begin{aligned} & 995 \\ & 282 \end{aligned}$ | 998 <br> 291 |
| Total number of returns of active corporations: <br> Hith net income. <br> without net income. |  |  |  |  |  |  |  |  |  |  |
| Returns with ne inccme: <br> Total compiled receipts <br> Net income.. | (Thousand dollars) |  |  |  |  |  |  |  |  |  |
|  | $11,319,574$ $2,087,228$ | $10,274,173$ $2,069,716$ | 9,454,933 $1,961,278$ | $8,604,059$ $1,749,717$ | $\begin{aligned} & 7,583,716 \\ & 1,503,114 \end{aligned}$ | $\begin{aligned} & 0,897,049 \\ & 1,324,234 \end{aligned}$ | $\begin{aligned} & 6,436,0444 \\ & 1,177,202 \end{aligned}$ | $\begin{aligned} & 5,587,267 \\ & 1,110,079 \end{aligned}$ | $\begin{aligned} & 5,122,601 \\ & 1,157,471 \end{aligned}$ | $\begin{array}{r} 4,850,911 \\ 946,526 \end{array}$ |
| T=tal tax. | 1,052,310 | 1,052,034 | 991,720 | 858,586 | 607,550 | 461,774 | 409,692 | 383,484 | 399,341 | 422,978 |
|  | $1,052,255$ 55 | $1,046,639$ 5,995 | 982,516 9,204 | 849,168 9,418 | 600,102 7,448 | 461,74 | 409,692 | 383,484 | 398,920 422 | $\begin{aligned} & 260,294 \\ & 162,683 \end{aligned}$ |
| Feturns without ret income: <br> Fotal compiles receipts <br> Defleit | 137,435 10,409 | $\begin{array}{r}91,025 \\ 7,254 \\ \hline\end{array}$ | 67,048 4,413 | $\begin{array}{r} 6,371 \\ 5,085 \end{array}$ | $\begin{array}{r} 200,189 \\ 5,201 \\ \hline \end{array}$ | $\begin{array}{r} 73,202 \\ 4,070 \\ \hline \end{array}$ | $\begin{array}{r} 124,907 \\ 5,486 \\ \hline \hline \end{array}$ | $\begin{array}{r} 284,809 \\ 20,139 \\ \hline \end{array}$ | $\begin{array}{r} 123,560 \\ 6,798 \\ \hline \hline \end{array}$ | $\begin{array}{r} 134,154 \\ 32,757 \\ \hline \hline \end{array}$ |
| Other public utilities |  |  |  |  |  |  |  |  |  |  |
| Total nurker or returns of act ve corporations: <br> with net income <br> without net income. | 1,185 900 | $\begin{array}{r}1,332 \\ 902 \\ \hline\end{array}$ | 1,278 978 | 1,234 | $\begin{array}{r}1,176 \\ 722 \\ \hline\end{array}$ | $\begin{array}{r}1,155 \\ 748 \\ \hline\end{array}$ | $\begin{array}{r}1,075 \\ \hline 736 \\ \hline\end{array}$ | 1,081 561 | $\begin{array}{r}1,238 \\ \hline 505 \\ \hline\end{array}$ | $\begin{array}{r}1,098 \\ \hline 662 \\ \hline\end{array}$ |
| Ferturns with net zncome: <br> Total compiled rrceipts <br> Het incore | (Thersand doltars) |  |  |  |  |  |  |  |  |  |
|  | 244,528 48,804 | 234,996 47,49 | 225,507 41,537 | 223,384 4.457 | $\begin{array}{r} 187,215 \\ 33,074 \end{array}$ | $\begin{array}{r} 161,966 \\ 31,703 \end{array}$ | $\begin{array}{r} 164,789 \\ 32,799 \end{array}$ | $\begin{array}{r} 132,312 \\ 28,355 \end{array}$ | $\begin{aligned} & 114,996 \\ & 25,779 \end{aligned}$ | $\begin{array}{r} 217,623 \\ 23,577 \end{array}$ |
| Tital Pax. | 22,409 | 21,107 | 18,330 | 27,671 | 11,164 | 10,219 | 9,840 | 9,440 | 8,567 | 9,425 |
|  | 21,434 15 | 20,957 150 | $\begin{array}{r}18,130 \\ \hline 200\end{array}$ | 17,517 154 | 11,082 82 | 10,219 | 9,840 | 9,40 | 8,545 | $\begin{aligned} & 7,374 \\ & 2,051 \end{aligned}$ |
| Fetiarns withsut ne: income: <br>  | 20,202 2,955 | 42,179 2,722 | 23,313 2,979 | 15,278 2, 293 | $\begin{aligned} & 16,422 \\ & 2,051 \end{aligned}$ | $\begin{array}{r} 31,111 \\ 2,897 \\ \hline \hline \end{array}$ | $\begin{array}{r} 14,700 \\ 1,058 \\ \hline \hline \end{array}$ | $\begin{array}{r}28,852 \\ 2,160 \\ \hline\end{array}$ | $\begin{array}{r} 27,861 \\ 3,509 \\ \hline \end{array}$ | $\begin{array}{r} 10,108 \\ 1,925 \\ \hline \end{array}$ |
| total. thaile |  |  |  |  |  |  |  |  |  |  |
| Th, al fumber of returnis of atian gorpurations: <br> W. Th now. inconce.... <br> Wh hat net income. | $\begin{array}{r} 143,432 \\ 95,091 \\ \hline \end{array}$ | $\begin{array}{r} 143,602 \\ 84,758 \end{array}$ | $\begin{array}{r} 148,365 \\ 72,949 \end{array}$ | $\begin{array}{r} 150,670 \\ 65,639 \\ \hline \end{array}$ | $\begin{array}{r} 148,655 \\ 60,684 \end{array}$ | $\begin{array}{r} 129,320 \\ 74,705 \end{array}$ | $\begin{array}{r} 138,304 \\ 58,44 \\ \hline \end{array}$ | $\begin{array}{r} 133,192 \\ 44,105 \\ \hline \end{array}$ | $\begin{array}{r} 122,132 \\ 29,379 \\ \hline \end{array}$ | $\begin{aligned} & 97,550 \\ & 23,398 \\ & \hline \end{aligned}$ |
| Foplirns with nut. incorme: <br>  <br> in. 1 income: | (Thousand dollars) |  |  |  |  |  |  |  |  |  |
|  | $\begin{array}{r} 147,772,449 \\ 4,356,658 \end{array}$ | $\begin{array}{r} 147,510,638 \\ 4,524,569 \end{array}$ | $\left\|\begin{array}{r} 150,8 . e, 341 \\ 4,858,728 \end{array}\right\|$ | $\begin{array}{r} 152,849,291 \\ 5,919,667 \end{array}$ | $\begin{array}{r} 145,424,883 \\ 0,019,727 \end{array}$ | $\begin{array}{r} 120,657,145 \\ 4,387,400 \end{array}$ | $126,237,227$ | $\begin{array}{r} 115,730,031 \\ 6,368,344 \end{array}$ | $\begin{gathered} 92,867,195 \\ 5,714,298 \end{gathered}$ | $\begin{array}{r} 64,016,723 \\ 3,439,123 \end{array}$ |
|  |  |  |  |  |  |  |  |  |  |  |
|  | $\begin{array}{r} 1,892,844^{2} \\ 1,890,522 \\ 2,320 \end{array}$ | $\begin{array}{r} 2,068,465 \\ 1,984,108 \\ 84,157 \end{array}$ | 2,255,801 | 2,775,747 | 2,618,569 | 1,492,595 | 2,127,938 | $2,221,121$$2,221,121$ | $\begin{array}{r} \therefore, 028,250 \\ 2,946,115 \\ 82,135 \end{array}$ | $\begin{array}{r} 1,902,014 \\ 028,993 \\ 1,273,021 \end{array}$ |
|  |  |  | $2,246,545$ 109,116 | $2,577.553$ $1+8,194$ | - 430,707 187,862 | 1,492,595 | 2,127,038 |  |  |  |
|  | $\begin{array}{r}15,530,73 \\ 708,890 \\ \hline\end{array}$ | $\begin{array}{r}22,482,505 \\ \hline 991,929\end{array}$ | $\begin{array}{r}17,830,729 \\ 439,907 \\ \hline\end{array}$ | $15,410,6.51$ $4,26,233$ | $9,077,861$ 305,019 | $13,834,124$ 547,048 | $11,268,073$ 370,213 | $7,601,462$ 287,417 | $3,866,349$ 132,262 | $\begin{array}{r}2,623,717 \\ 76,211 \\ \hline\end{array}$ |

[^40]ALL ACTIV CORPORATION RETI RNS
table q2- - Nimber of returss, total complled receipts, net income or deficit, and taxes, by major mdistrial orour and bi income wdo deficit statuincontinued

| major mindas-ial grouf. solec*ed if mis | $1+6$ | 1959 | + + - | 1451 | 2. 50 | an. | -24:8 | 19.4 | 1250 | 19.5 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  |  |  |  |  |  |  |
|  | - 0 , | -9.691 <br> -2.519 | 64, 12.8 | 52,099 17,083 | 1\%, | - 25.388 | \%,int | 4,381 4,059 | 38,0210 9,241 | 28,838 6,84 |
|  | (Thounand soltar, |  |  |  |  |  |  |  |  |  |
|  <br> Total complied reats <br> Ne中 ine | 71,7,5.500 |  | -5,380, 29.90 | $7,250,288$ $\therefore, 28 i, 902$ |  | $55,759,352$ $2,544,925$ | 61,301,75t | $50,200,550$ $\therefore, 48,063$ | $\begin{array}{r} 4,508,531 \\ 2,3 \times 4,733 \end{array}$ | $\begin{array}{r} 31,021,180 \\ 1,249,108 \end{array}$ |
| Tctas +ax |  | 255.733 | 950,408 | 1,392, 8.25 | 1,203,450 | 575,979 | 840,185 | 427,875 | 8, $4,1,63$ | 6575,842 |
| $\begin{aligned} & \text { Invore sax........... } \\ & \text { Excess prys } \end{aligned}$ | 758,278 | 3ter ${ }^{3}$ |  | $1,200,004$ $1.0,821$ |  | 5-5,979 | 840.185 | 9.7 275 | $\begin{array}{r} 241,+24 \\ 51,245 \end{array}$ | $\begin{gathered} 232,796 \\ 403,=00 \end{gathered}$ |
| Returns without net ancone: |  |  |  |  |  |  |  |  |  |  |
| Totar compledrerirsa..................... |  | 26,0-3, |  | 7,990,028 | $4.723,416$ 119,187 | 8,125,009 | 0, 501, 204 | $3,925,883$ 147,439 | 2.0104,949 | $\begin{array}{r} 1,277,514 \\ 33,174 \end{array}$ |
|  |  |  |  |  |  |  |  |  |  |  |
| total number of returna of active - portions <br> nh net inaze <br> W- | 6,017 | 5,973 | 0,173 3,492 | 0,98 0,872 | $\begin{aligned} & \epsilon, 39 i \\ & 3,19 i \end{aligned}$ | $\begin{aligned} & 5,4.41 \\ & -, 202 \end{aligned}$ | $\begin{aligned} & 5,779 \\ & 3,504 \end{aligned}$ | $\begin{array}{r} 5,412 \\ 2,751 \end{array}$ | $\begin{array}{r} 4,862 \\ 1,938 \\ \hline \end{array}$ | 3,861 <br> 1,457 |
|  | (Thoussant doltara) |  |  |  |  |  |  |  |  |  |
|  | $\cdots$ | 3,270,380 | $3,878,704$ <br> 109.764 | $4,162,132$ 2,0,582 | $3,747,060$ 197,007 | $2,988,920$ 140,744 | $3,402,481$ 175,272 | 3,193,018 | $2,274,809$ 150,178 | $1,598,788$ 95,508 |
| Tota: | -3, mie | 50,2,55. | 0, 725 | 36,859 | 71,778 | 4,4,112 | 50,000 | 64,015 | 52,742 | 46,722 |
|  | -3,8,8 | 7,29 <br> $\therefore 24$ | 59,21 3,314 | 79,432 7,377 | 26,352 5,426 | 4, 12i | S6,000 | 24.015 | $\begin{array}{r}29.900 \\ \hline 2.836\end{array}$ | $\begin{aligned} & 17,041 \\ & 29,012 \end{aligned}$ |
|  <br> Defic: | 830,799 c-8, |  | 780,047 17.754 | 380,119 14,497 | 303,775 14,504 | $\begin{array}{r}\text { 615, } \\ \text { - } \\ -4,741 \\ \hline\end{array}$ | $\begin{aligned} & 469,702 \\ & 20,057 \end{aligned}$ | 338,119 14,313 | 188,086 7,004 | $\begin{array}{r} 133,321 \\ 4,247 \end{array}$ |
| 2THER mHoLeshiers |  |  |  |  |  |  |  |  |  |  |
|  <br>  <br> natoos: re! -nzomat | 40.171 | 43,613 <br> 20.549 | 28,007 | $\begin{array}{r}45,911 \\ 10,511 \\ \hline\end{array}$ | $\begin{gathered} 4,658 \\ 14,621 \end{gathered}$ | 36,305 31,319 | $\begin{aligned} & 38,365 \\ & 17,192 \end{aligned}$ | $\begin{aligned} & 35,968 \\ & 11,908 \end{aligned}$ | $\begin{array}{r} 33,554 \\ 7,303 \end{array}$ | $\begin{array}{r} 24,977 \\ 5,386 \end{array}$ |
|  | (Thersasat dotiars) |  |  |  |  |  |  |  |  |  |
|  | $58,272,510$ $2,675,300$ | $67,622,234$ $1,773,114$ | $71,502,992$ $1,920,831$ | $75,188,756$ $2,682,320$ | $0,872,477$ $2,722,010$ | $52,770,432$ $1,554,081$ | $57,053,275$ $2,240,288$ | $53,305,538$ $2, \ldots 3,772$ | $43,233,722$ $2,173,555$ | $29,412,392$ $1,153,566$ |
| T=ta- : 3 x , | 715,506 | 804,778 | 34, 183 | 2,305,960 | 1,092,178 | 531,867 | 783,585 | 803,360 | 793,697 | 629,120 |
| Income ex............. | 714,402 | 768,950 35,828 | 348,829 45,354 | $2,186,522$ 119,24 | $1,007,552$ 84,526 | 531,867 | 783,585 | 863,860 | 741,588 49,109 | 215,155 413,965 |
|  | $\begin{array}{r} 10,783,647 \\ 238,197 \end{array}$ | $7,838,933$ 205,984 | $\begin{array}{r}8,489,230 \\ 161,282 \\ \hline\end{array}$ | $\begin{array}{r}7,609,009 \\ 176,000 \\ \hline\end{array}$ | $\begin{array}{r} -389,6,11 \\ 104,0,3 \\ \hline \end{array}$ | $\begin{array}{r} 7.509,704 \\ \quad 232,701 \\ \hline \end{array}$ | $\begin{array}{r}6,031,502 \\ 160,215 \\ \hline\end{array}$ | $\begin{array}{r} 3,587,764 \\ 133,120 \\ \hline \end{array}$ | $\begin{array}{r} 1,876,863 \\ 54,171 \\ \hline \end{array}$ | $\begin{array}{r} 1,144,193 \\ 29,026 \\ \hline \end{array}$ |
| TFAEE: TOTAL PETAIL |  |  |  |  |  |  |  |  |  |  |
|  | 86,203 59,950 | 32,160 <br> 52,471 | $\begin{aligned} & 86,194 \\ & 45,-60 \end{aligned}$ | $\begin{array}{r} 87,593 \\ 41,635 \end{array}$ | $\begin{array}{r} 87,343 \\ 38,155 \\ \hline \end{array}$ | $\begin{aligned} & 75,632 \\ & 43,160 \\ & \hline \end{aligned}$ | $\begin{aligned} & 7,67 \\ & 31,74 \end{aligned}$ | $\begin{array}{r} 75,257 \\ 23,879 \\ \hline \end{array}$ | $\begin{aligned} & 68,343 \\ & 16,415 \end{aligned}$ | $\begin{array}{r} 57, \bullet z 2 \\ 23,527 \\ \hline \end{array}$ |
|  | (thousand doltars) |  |  |  |  |  |  |  |  |  |
| rns ant. net zazone: <br> Total compiled raceipts <br> Net incorne | $\begin{array}{r} 68,498,994 \\ 2,329,795 \end{array}$ | $\begin{array}{r} 69,025,683 \\ 2,089,693 \end{array}$ | $\begin{array}{r} 67,945,544 \\ 2,555,472 \end{array}$ | $\begin{array}{r} 66,132,301 \\ 2.770,945 \end{array}$ | $\begin{array}{r} 04,790,656 \\ 3,392,545 \end{array}$ | $\begin{array}{r} 54,105,286 \\ 2,469,197 \end{array}$ | $\begin{array}{r} 55,563,939 \\ 3,246,640 \end{array}$ | $\begin{array}{r} 49,854,715 \\ 3,282,265 \end{array}$ | $\begin{array}{r} 39,698,040 \\ 2,905,584 \end{array}$ | $\begin{array}{r} 27,983,634 \\ 1,922,222 \end{array}$ |
| (ta - ${ }^{\text {a }}$ | 1,040,529 | 1,126,920 | 1,203,314 | 1,269,493 | 1,340,220 | 838,773 | $\therefore, 132,177$ | 1,109,272 | 1,023,157 | 1,099,700 |
| Ircome tax, <br> Exvess protita : exes. | $1,039,508$ 1,012 | 1,074,417 | $1,147,981$ <br> 55,333 | $1,205,317$ 64,276 | $1,249,728$ 90,692 | 838,773 | 1,132,177 | 3,109,272. | $\begin{array}{r} 996,380 \\ 26,777 \end{array}$ | $\begin{array}{r} 336,669 \\ 755,037 \end{array}$ |
| Returns withou: ne: - тicome: <br> Totaz compiled recuipos. <br> Dericit..... | $\begin{array}{r}12,738,536 \\ 395,041 \\ \hline\end{array}$ | $\begin{array}{r}10,743,524 \\ \hline 316,330 \\ \hline\end{array}$ | $7,546,736$ 231,946 | $\begin{array}{r}6,617,613 \\ 265,332 \\ \hline\end{array}$ | $\begin{array}{r} 4,331,059 \\ 162,977 \\ \hline \end{array}$ | $\begin{array}{r}6,553,323 \\ \hline 24,296 \\ \hline\end{array}$ | $\begin{array}{r} 3.870,917 \\ 1.9,261 \end{array}$ | $\begin{array}{r} 2,390,588 \\ 106,551 \end{array}$ | $\begin{array}{r} 1,374,376 \\ 50,343 \\ \hline \end{array}$ | $\begin{array}{r} 1,030,694 \\ 33,338 \\ \hline \end{array}$ |
| Thide: frTail: FGOD |  |  |  |  |  |  |  |  |  |  |
| total nubber or returns af active eorparations: <br> *ith net income. <br> \#- hout ne: income............................................ | 6,287 <br> 4,310 | 6, 2,66 3,809 | 6,338 <br> 3,937 | 5,553 | $\begin{aligned} & 5,49 \\ & 3,742 \end{aligned}$ | $\begin{aligned} & 5,257 \\ & 3,808 \end{aligned}$ | $\begin{aligned} & 5,00 t \\ & 3,60 \end{aligned}$ | $\begin{aligned} & 4,522 \\ & 2,30-8 \end{aligned}$ | $\begin{array}{r} 4,913 \\ 1,646 \\ \hline \end{array}$ | $\begin{array}{r} 4,194 \\ 1,353 \\ \hline \end{array}$ |
|  | (Thousand dollars) |  |  |  |  |  |  |  |  |  |
| TJtal sompiled reseiges........................... <br> We: inctre. | 19,017,478 | $18,056,798$ 394,009 | $16,771,339$ 343,324 | $14,829,198$ 299,322 | $\begin{array}{r} 12,953,945 \\ 336,996 \end{array}$ | $\begin{array}{r} 11,820,096 \\ 322,969 \end{array}$ | 21,426,585 | $10,019,503$ <br> 269,267 | 7,746,405 | $\begin{array}{r} 5,883,809 \\ 161,6.26 \end{array}$ |
|  | 205,540 | 202,521 | 175,022 | 147,992 | 142,940 | 113,290 | 97,900 | 97,550 | 74,962 | 88,424 |
| Incone tax <br> Excess profi: z taxes.............................. <br> ........ | 205,128 352 | 190,953 11,668 | 165,323 9,699 | 142,488 5,504 | 133,273 9,667 | 113,290 | 97, 20 | 97,550 | 97,449 71.3 | $\begin{aligned} & 35,063 \\ & 53,380 \end{aligned}$ |
| feturns aithou net meom <br> Tc:al compled receipts. <br> Dtficit | $\begin{array}{r}985,648 \\ 82,382 \\ \hline\end{array}$ | 773,675 17,309 | $\begin{array}{r}1,030,511 \\ 19,976 \\ \hline\end{array}$ | $\begin{array}{r}1,047,738 \\ 21,918 \\ \hline\end{array}$ | $\begin{array}{r}675,913 \\ 14,302 \\ \hline\end{array}$ | 666,544 | $\begin{array}{r}692,206 \\ -0,562 \\ \hline\end{array}$ | 490,792 12,933 | 184,167 4,083 | $\begin{array}{r} 16.2,760 \\ 2,764 \end{array}$ |

[^41] Data" for each of the years 1951 -54 appears in the annual volume for those years.

## all active corporation returns

table 42.-number of returns, total compiled receipts, net income or defict, ano taxes, by major industrial oroup and by income and deficit status-Contioued


[^42]

## ALL ACTIVE CORPORATION RETURNS


 Data" for each of the years 295-54 appears in the annual volume for those years.

ALL ACTIVE CORPORATION RETURNS




## ALL ACTIVE CORPORATION RETIRNS




[^43][^44]
## AIL ACTIVE CORPORATION RETLRNS

TADIE 42,-NUMBER OF RETURNS, TOTAL COMPILED RECEIPTS, NET INCOME DR DEFICIT, AND TAXES, BY MAJOR INDUSTRIAL GROUP AND BY INCOME AND DEFICIT STATUS-CONGDUQ

| wajor industribl group, selected items | 1954 | 2453 | 1952 | 1951 | 1950 | 1949 | 1948 | 1947 | 1946 | 19.5 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| TOTAL SERVICES |  |  |  |  |  |  |  |  |  |  |
| Total number of refurns of active ecrmoretion. <br> With net income <br> Without net income. | $\begin{aligned} & 34,082 \\ & 30.263 \end{aligned}$ | $\begin{aligned} & 35,477 \\ & 28,047 \end{aligned}$ | $\begin{aligned} & 35,084 \\ & 20,563 \end{aligned}$ | $\begin{aligned} & 33,265 \\ & 25,003 \end{aligned}$ | $\begin{aligned} & 30,164 \\ & i 5,060 \end{aligned}$ | 29,408 24,510 | 29,412 21,044 | 28,154 17,821 | 26,169 13,479 | 22,977 <br> 12,130 |
| ```Returns with net income: Total compiled ruceifts Not income............................................``` | (thoersand dollors) |  |  |  |  |  |  |  |  |  |
|  | $\begin{array}{r} 15,140,860 \\ 788,143 \end{array}$ | $\begin{array}{r} 0,482,826 \\ 749,682 \end{array}$ | $\begin{array}{r} 9,080,232 \\ 761,988 \end{array}$ |  | $\begin{array}{r} 7,855,853 \\ 693,381 \end{array}$ | $\begin{array}{r} 7,556,431 \\ 6 B 2^{2}, 310 \end{array}$ | $7,460,049$755,282 | $7,401,951$815,255 | $6,600,362$874,592 | $\begin{array}{r} 5,374,674 \\ 648,697 \end{array}$ |
|  |  |  |  |  |  |  |  |  |  |  |
| Total tax. | 325,917 | 323,832 | 331,405 | 329.074 | 240,530 | $\begin{aligned} & 223,745 \\ & 223,745 \end{aligned}$ | $\begin{aligned} & 245,907 \\ & 245,907 \end{aligned}$ | $\begin{aligned} & 263,800 \\ & 263,800 \end{aligned}$ | $\begin{array}{r} 293,069 \\ 276,818 \\ 16,251 \end{array}$ | $\begin{aligned} & 316,519 \\ & 131,970 \\ & 184,548 \end{aligned}$ |
| Income tax........ Exeess pr fits laxus | 324,432 1,485 | 302,002 21,830 | 309,052 22.323 | 306,806 22,268 | 230,868 9,662 |  |  |  |  |  |
| Returns withour net income <br> Total compiled rreip s.............................. Deficit | $\begin{array}{r} 2-67,758 \\ 197 \end{array}$ | $\begin{array}{r} 2,117,724 \\ 141,331 \end{array}$ |  |  |  |  |  |  |  |  |
|  |  |  | $\begin{array}{r} 1,920,334 \\ 132,233 \end{array}$ | $\begin{array}{r} 1,809,810 \\ 135,793 \end{array}$ | $\begin{array}{r} 1.737,435 \\ 121,309 \end{array}$ | $\begin{array}{r} 1,729,144 \\ 124,911 \end{array}$ | $\begin{array}{r} 1,55 \%, 925 \\ 124,931 \end{array}$ | $\begin{array}{r} 1,094,352 \\ 91,681 \\ \hline \end{array}$ | $\begin{array}{r} 773,183 \\ 72,068 \\ \hline \end{array}$ | $\begin{array}{r} 597,319 \\ 47,002 \\ \hline \end{array}$ |
| BERVICES: HOTEIS AND OTHER LODGING PLACES <br> Total number of returns af totive sorphoritions: <br> Wret. ne ${ }^{+}$income . . . . . . . . . . . . . . . . . . . . . . . . . . . . <br> W. Thut? net ineomer | 3, 3 3, 85 | $\begin{aligned} & 3,678 \\ & 3,276 \end{aligned}$ | $\begin{aligned} & 3,912 \\ & 2,915 \end{aligned}$ | $\begin{aligned} & 3,784 \\ & 2,864 \end{aligned}$ | $\begin{aligned} & 3,599 \\ & 2,703 \end{aligned}$ | $\begin{aligned} & 3,584 \\ & 2,547 \end{aligned}$ | $\begin{aligned} & 3,667 \\ & 2,160 \end{aligned}$ | $\begin{aligned} & 3,547 \\ & 1,809 \end{aligned}$ | 3,69 <br> 1,336 | 3,1291,105 |
|  |  |  |  |  |  |  |  |  |  |  |
|  <br> Tipa: complipd recertrin............................... <br> $\mathrm{N}+1$ income | (Thou sant dolliars) |  |  |  |  |  |  |  |  |  |
|  | $\begin{array}{r} 1.395,335 \\ 106,269 \end{array}$ | $\begin{array}{r} 1,305,023 \\ 108,170 \\ 45,784 \\ 44,508 \\ 1,470 \end{array}$ | $\begin{array}{r} 1,408,594 \\ 118,985 \\ 51,295 \\ 49,644 \\ 1,651 \end{array}$ | $\begin{array}{r} 1,325,004 \\ 119,839 \\ 50,030 \\ 48,286 \\ 1,750 \end{array}$ | $\begin{array}{r} 1,274,887 \\ 117,892 \\ 41,334 \\ 39,990 \\ 1,344 \end{array}$ | $\begin{array}{r} 1,267,249 \\ 115,486 \\ 37,904 \\ 37,904 \end{array}$ | $\begin{array}{r} 1,314,502 \\ 131,851 \\ 43,739 \\ 43,739 \end{array}$ | $\begin{array}{r} 1.279,380 \\ 131,837 \\ 44,077 \\ 44,077 \end{array}$ | $\begin{array}{r} 1,206,243 \\ 139,764 \\ 40,698 \\ 45,071 \\ 1,62^{2} 7 \end{array}$ | $\begin{array}{r} 1,004,424 \\ 111,990 \\ 53,262 \\ 25,533 \\ 27,729 \end{array}$ |
| T=tal tax.... | 43,411 |  |  |  |  |  |  |  |  |  |
| Encome tax....................... . . . | $\begin{array}{r}43,273 \\ \hline 138\end{array}$ |  |  |  |  |  |  |  |  |  |
| ```Fefurns without ne incorte: Tu*3& zompiled roctipl= Derici*``` <br> SERVICES: FERCOMAL sERVICES | $\begin{array}{r} 451,500 \\ 30,652 \end{array}$ | $\begin{array}{r} 375,774 \\ 24,720 \end{array}$ | $\begin{gathered} 280,039 \\ 16,934 \end{gathered}$ | $\begin{array}{r} 315.454 \\ 20,861 \\ \hline \end{array}$ | $\begin{array}{r} 265,126 \\ 19,528 \end{array}$ | $\begin{array}{r} 264,255 \\ 28,94 \\ \hline \end{array}$ | 231,131 10,008 | $\begin{array}{r} 169,270 \\ 16,878 \end{array}$ | $\begin{array}{r} 132,701 \\ 11,496 \end{array}$ | $\begin{array}{r} 91,747 \\ 8,859 \\ \hline \end{array}$ |
|  |  |  |  |  |  |  |  |  |  |  |
| Intal number of re*urns uf tor ive zorporttane: <br> $W_{1}$ th net inceme... <br> Ha*hout nut intimb | 7,122 5,428 | 7.576 5,1500 | $7,15 \mathrm{t}$ <br> 5,093 | 7,278 <br> 4,785 | 6,597 5,031 | $\begin{array}{r}6,689 \\ 4,922 \\ \hline\end{array}$ | 0,796 <br> 4,467 | $\begin{array}{r}6,515 \\ 3,490 \\ \hline\end{array}$ | 6,165 <br> 2,703 | 5,679 <br> 2,274 |
| Returns *** net 2hatre: <br>  <br>  | (Thousand dollars) |  |  |  |  |  |  |  |  |  |
|  | 1,453, 81.416 | $1,407,457$ 80.617 | $\begin{array}{r} 1,340,741 \\ 78,654 \end{array}$ | $\begin{array}{r} 1,324,083 \\ 79,183 \end{array}$ | $\begin{array}{r} 1,205,990 \\ 74,077 \end{array}$ | $1.191,893$ 78,04 | $\begin{array}{r} 1,200,188 \\ 80,430 \end{array}$ | $1,166,970$ 83,974 | $1,010,312$ 74,887 | $\begin{array}{r} 821,866 \\ 59,553 \end{array}$ |
| I + taitax. | 29,412 | 30,718 | 30,438 | 29,658 | 22,063 | 22,765 | 23,280 | 24,483 | 21,861 | 23,375 |
| Income t3, <br> Exces <br>  | 29.685 $\times 27$ | 24,099 1,019 | 28,007 1,831 | 27,080 1,978 | $\begin{array}{r}21,900 \\ \hline 757\end{array}$ | 22,765 | 23,180 | 24,483 | $\begin{array}{r}21,303 \\ \hline 558\end{array}$ | 13,466 9,909 |
| Fet arns without the Intai mompent D. | $\begin{array}{r}\text { +23, } \\ 17.288 \\ \hline\end{array}$ | $\begin{array}{r}348,043 \\ 17,008 \\ \hline\end{array}$ | $\begin{array}{r}350,604 \\ 15,810 \\ \hline\end{array}$ | $\begin{array}{r} 384,308 \\ 16,401 \\ \hline \end{array}$ | $\begin{array}{r} 341,716 \\ 16,173 \\ \hline \end{array}$ | $\begin{array}{r} 316,611 \\ 10,048 \\ \hline \end{array}$ | $\begin{array}{r} 285,781 \\ 15,150 \\ \hline \end{array}$ | $\begin{array}{r} 211,293 \\ 11,397 \\ \hline \end{array}$ | $\begin{array}{r} 153,850 \\ 8,231 \\ \hline \end{array}$ | $\begin{array}{r} 136,190 \\ 5.432 \\ \hline \end{array}$ |
| CERVICEG: BUEINESS SERVICES <br>  <br>  <br>  |  |  |  |  |  |  |  |  |  |  |
|  | 9,434 0,358 | 8,748 5,648 | 9,45 5,329 | 7,671 4,056 | 6,673 4,699 | 0,007 4,737 | 5,811 4,083 | 5,359 3,570 | $\begin{array}{r}4,598 \\ 2,878 \\ \hline\end{array}$ | $\begin{array}{r}4,080 \\ 2,548 \\ \hline\end{array}$ |
|  | (Moustmit duplors) |  |  |  |  |  |  |  |  |  |
|  | 3,143,456 | 3.108.90.00 | $\begin{aligned} & 2,862,5, t \\ & 215,34 \% \end{aligned}$ | $\begin{array}{r} \therefore 506,514 \\ 210.543 \end{array}$ | $\begin{array}{r} 2,097,14 \mathrm{ki} \\ 179,725 \end{array}$ | $\begin{array}{r} 1,827,037 \\ 153,279 \end{array}$ | $\begin{array}{r}1,714.722 \\ \hline 52.735\end{array}$ | $\begin{array}{r} 1,513,700 \\ 135,000 \end{array}$ | $\begin{array}{r} 1,244,683 \\ 111,149 \end{array}$ | $\begin{array}{r} 1,041,843 \\ 83,389 \end{array}$ |
|  |  | $\begin{array}{r} 161.1710 \\ 9.863 \\ 8.153 \end{array}$ | $\begin{array}{r} 9 \times 4,482 \\ 80,861 \\ 7,6,21 \end{array}$ | $\begin{array}{r} 48,063 \\ 88,452 \\ 9,111 \end{array}$ | $\begin{array}{r} 05,743 \\ 01,714 \\ 4,029 \end{array}$ | $\begin{aligned} & 51.076 \\ & 51.070 \end{aligned}$ | $\begin{aligned} & 51,151 \\ & 51,151 \end{aligned}$ | $\begin{aligned} & 44,703 \\ & 44,703 \end{aligned}$ | $\begin{array}{r} 36,840 \\ 30,070 \\ 904 \end{array}$ | $\begin{aligned} & 39,899 \\ & 18,981 \\ & 20,919 \end{aligned}$ |
|  |  |  |  |  |  |  |  |  |  |  |
|  | $\begin{gathered} 40,1,20 \\ 49,158 \end{gathered}$ |  | $\begin{array}{r} 419,083 \\ 30,985 \end{array}$ | $\begin{array}{r} 330,867 \\ 24,-24, t \end{array}$ | $\begin{array}{r} 324,551 \\ 16,535 \end{array}$ | $\begin{array}{r} 332,179 \\ 23,039 \\ \hline \end{array}$ | $\begin{array}{r} 269,707 \\ 15,273 \end{array}$ | $\begin{array}{r} 268,883 \\ 13,910 \\ \hline \end{array}$ | $\begin{array}{r} 203,643 \\ 10,939 \\ \hline \hline \end{array}$ | $\begin{array}{r} 115,539 \\ 5,829 \\ \hline \hline \end{array}$ |
|  <br>  | $\begin{array}{r} 1,431 \\ \therefore, 7718 \end{array}$ | $\begin{aligned} & 3,754 \\ & \therefore .4 \end{aligned}$ |  | $\begin{aligned} & 3,165 \\ & 1,758 \end{aligned}$ | $\begin{array}{r} \therefore, 726 \\ 1.067 \\ \hline \end{array}$ | $\begin{aligned} & 2.488 \\ & 1,776 \\ & \hline \end{aligned}$ | $\begin{array}{r} 598 \\ \therefore 1,407 \\ \hline \end{array}$ | $\begin{array}{r} 2.497 \\ 1.050 \\ \hline \end{array}$ | 2.24 .4 865 | $\begin{array}{r}1,982 \\ \hline 993 \\ \hline\end{array}$ |
|  <br>  | (Thumant fullors) |  |  |  |  |  |  |  |  |  |
|  |  <br> $11, \cdots$ <br> $11,+2$ <br> 184, 'tan 11 $1 \div, 1 \mathrm{lb}$ |  | $\begin{array}{r} 5119,345 \\ 43,924 \\ 15,203 \\ 14,074 \\ 684 \\ 87,584 \\ 4,9.1 \end{array}$ | $\begin{array}{r} 461,572 \\ 34,038 \\ 13,113 \\ \because 2,517 \\ 544 \\ 946,815 \\ 4,701 \end{array}$ |  | $\begin{array}{r} 295,286 \\ 6,911 \\ 7,9+1 \\ 7,911 \\ - \\ 86,2^{24+2} \\ 5,465 \end{array}$ | $\begin{array}{r} 709,705 \\ 32,484 \\ 9,3+10 \\ 9,356 \\ - \\ 0 \times 2,007 \\ 3,684 \end{array}$ | $\begin{array}{r} 302,978 \\ 31.418 \\ 8.690 \\ 8.090 \\ \\ 43.004 \\ 2.675 \end{array}$ | $\begin{array}{r} 237,330 \\ 25,580 \\ 7,040 \\ 0,893 \\ 153 \\ 29,123 \\ 1,808 \\ \hline \end{array}$ | $\begin{array}{r} 149,033 \\ 10,487 \\ 3,479 \\ 2,286 \\ 1,192 \\ \\ 32,584 \\ 1,607 \\ \hline \end{array}$ |
|  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |

## ALL ACTIVE CORPORATION RETLRNS

Table 42.-NUMBER OF RETURNS, TOTAL COMPILED RECEIPTS, NET INCOME OR DEFICIT, AND TAXES, BY MAJOR INDUSTRIAL GROUP AND BY INCOME AND DEFICTT STATUECONUDUAD

| Major industrisl group, selected items | 1954 | 1953 | $295{ }^{2}$ | 1951 | 1950 | 1949 | 17.48 | 1447 | 1940 | 1445 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| SERVICES: MSCELLANEOUS REPAIR SERVICES, HAND THADES |  |  |  |  |  |  |  |  |  |  |
| Tital number of returns of sctive corperstions: <br> With ne: income. <br> Wi thout net income | 1,702 | 1,098 | $1,87 \%$ 1,323 | 1,980 | 1, +6. | 1.187 | 1.232 8500 | 1, 319 | 2,068 629 | 201 <br> 528 |
| Requrns with net income: <br> Totsl compiled receipts <br> Net income | (Thre eant dollares) |  |  |  |  |  |  |  |  |  |
|  | $\begin{array}{r}\text {-83, } \\ \text { 13, } \\ \hline 1305\end{array}$ |  | 320,231$20,10 t$ |  | $\begin{array}{r} 37,415 \\ 18,917 \end{array}$ | $\begin{array}{r} 203,481 \\ 14,145 \end{array}$ | $\begin{aligned} & 14,980 \\ & 10,136 \end{aligned}$ | $\begin{array}{r} 191,-32 \\ 13,750 \end{array}$ | 170,1108,130 | $\begin{array}{r} 1154,009 \\ \because, 303 \end{array}$ |
|  |  |  |  |  |  |  |  |  |  |  |
| Total tax | -,991 | 8, 53, | 7.829 | -,042 | 6,368 | -,543 | 5.071 5,071 | 4, 14, | 2,239 | 3,187 |
| Income tax............................... | 4,077 | $-705$ | $\begin{array}{r} 7.190 \\ 033 \end{array}$ | 8,232 810 | 0,004 | 4,543 | - | 4,748 | $\cdots$ | 1.301 1,825 |
| Returns without net income <br> Total comilied rectiptá <br> Deficit | 189,0319,308 | 99,0837,010 | $\begin{array}{r}108,015 \\ 4,174 \\ \hline\end{array}$ |  |  |  |  |  |  | $\begin{array}{r}11.573 \\ 1.14 \\ \hline\end{array}$ |
|  |  |  |  | $57,-65$ 3,330 | $\begin{array}{r} 63,2,20 \\ 4,710 \end{array}$ | $\begin{array}{r} 65.845 \\ 4,849 \end{array}$ | $\begin{array}{r} 33.545 \\ 3,316 \\ \hline \end{array}$ | $\begin{array}{r} 33, c 51 \\ \therefore, 240 \\ \hline \end{array}$ | 2,039 |  |
| SERVICES: MOTION PICTUREE <br> Total number of re*urns of detive zorpurations: <br> With net incame.................................... <br> Without net inesmp | $\begin{array}{r} 3,183 \\ 2,529 \end{array}$ | $\begin{aligned} & 3,215 \\ & 2, \infty 03 \end{aligned}$ | $\begin{array}{r} 3.225 \\ 2.505 \\ \hline \end{array}$ | $\begin{array}{r} 3,320 \\ 2,709 \end{array}$ | $\begin{array}{r} 3,314 \\ 2,567 \\ \hline \end{array}$ | $\begin{array}{r} 3,558 \\ 1,967 \\ \hline \end{array}$ | $\begin{aligned} & 3,551 \\ & 1,606 \\ & \hline \end{aligned}$ | $\begin{aligned} & 3,415 \\ & 1,190 \end{aligned}$ | $\begin{array}{r}3,426 \\ \hline 854\end{array}$ | $\begin{array}{r}3.107 \\ \hline 767 \\ \hline\end{array}$ |
|  |  |  |  |  |  |  |  |  |  |  |
|  | (thousand dotines) |  |  |  |  |  |  |  |  |  |
| Merurns m.th ret income: <br> Total compa hel reaedpts <br> Net inesme. | $\begin{array}{r} 1,803,0.8 \\ 100,730 \\ 73,487 \\ 73,45 \\ 512 \end{array}$ | $\begin{gathered} 1,550,103 \\ 220,09 \\ 52,007 \\ 49,86 \mathrm{~m} \\ 2,543 \end{gathered}$ | $\begin{array}{r} 1,754,733 \\ 631,331 \\ 58,514 \\ 55,974 \\ 2,544 \end{array}$ | $\begin{array}{r} 1,018,094 \\ 149,500 \\ 04.009 \\ 02,21 \\ 1,795 \end{array}$ | $\begin{array}{r} 1,008,1064 \\ 156,308 \\ 33.344 \\ 50,551 \\ 703 \end{array}$ | $1,731,820$182,736 | $1.030,955$271,410 | $2,920,307$289.715 | $1,8907,737$306.575 | $1,600,587$273,440 |
|  |  |  |  |  |  |  |  |  |  |  |
| Tetal tax |  |  |  |  |  | 60,083 | 70,885 | 44,9]9 | 128,316 | 234.675 |
|  |  |  |  |  |  | 00,083 | 7.885 | 24,919. | 110,746 <br> 31,570 | $\begin{aligned} & 53,325 \\ & 93,350 \end{aligned}$ |
| Returns without net income: <br> Total compiled receipts. <br> Deficit. | $\begin{gathered} 312,866 \\ 30,31 . \end{gathered}$ | $-20,612$ $-0,077$ | 312,372 25,901 | $\begin{array}{r} 319,231 \\ 32,743 \end{array}$ | $\begin{array}{r} 347.240 \\ \times 6,569 \\ \hline \end{array}$ | $\begin{array}{r} 313,393 \\ 22,770 \\ \hline \end{array}$ | $\begin{array}{r} 404,461 \\ -18,503 \end{array}$ | $\begin{array}{r} 146,832 \\ 14,036 \end{array}$ | $\begin{aligned} & 58,643 \\ & 13,408 \end{aligned}$ | $\begin{array}{r} 63,754 \\ 7,612 \end{array}$ |
| SERVICES: AMSEMENT, EXCEPT MOTION PICTURES Total nutber of re.arns of aztive eurporations: With net incone... <br> nithout net anzom: | $\begin{aligned} & 2,934 \\ & 3,851 \end{aligned}$ | $\begin{aligned} & 2,947 \\ & 3,-36 \end{aligned}$ | $\begin{aligned} & 3,012 \\ & 3,091 \end{aligned}$ | $\begin{aligned} & 2,735 \\ & 3,607 \\ & \hline \end{aligned}$ | $\begin{aligned} & 2.087 \\ & 4,153 \\ & \hline \end{aligned}$ | $\begin{array}{r}2.822 \\ \hline, 008 \\ \hline\end{array}$ | 3.408 | 2,471 <br> 3,424 | $\begin{aligned} & 2,022 \\ & 1,956 \end{aligned}$ | 1,8811,844 |
|  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |
| Returns wth net incame: <br> Tital complied reseipts. <br> Ne: incrme.. | (theosant dothars) |  |  |  |  |  |  |  |  |  |
|  | 680,531 | 660,085 | 033,279 | 523,210 | -93,686 | 505,034 | 53, 702 | 518,727 | 525,508 | $\begin{array}{r} 340,816 \\ 4,957 \\ 43,822 \\ 11,695 \\ 32,127 \end{array}$ |
|  | 86,175 | 78,901 | 87,410 | 75,425 | 01,281 | 02,262 | 76,507 | 77,384 | 103,683 |  |
| Futai tax | 38,226 | 30.505 | 38,850 | 24,800 | 23,098 | 23,955 | 26,178 | ct, 723 | 77,092 |  |
| Income tan........................... | 38.027 190 | $34,2,44$ 2,250 | 36,426 2,430 | 32,563 2,237 | 22,285 813 | 23,955 | 26,178 | 20,23 | $\begin{array}{r} 35,680 \\ 1,412 \end{array}$ |  |
| Returns without net inzom: <br> Total comfles rezeftos <br> Defize: | $\begin{array}{r} 193,810 \\ 17,40 \end{array}$ | $\begin{array}{r} 151,206 \\ 14,051 \end{array}$ | $\begin{array}{r} 175,43 \\ 16,353 \end{array}$ | $\begin{array}{r} 173,243 \\ 19,152 \end{array}$ | $\begin{array}{r} 100,278 \\ 29,748 \end{array}$ | $\begin{array}{r} 178,909 \\ 79,188 \end{array}$ | $\begin{array}{r} 142,924 \\ 17,653 \end{array}$ | $\begin{array}{r} 115,540 \\ 14,992 \end{array}$ | $\begin{aligned} & 7,007 \\ & 12,208 \\ & \hline \end{aligned}$ | $\begin{array}{r} 50,700 \\ 5,779 \\ \hline \end{array}$ |
| OTHER SERVICES, INCLUDING SCHOOLE <br> Total nutber af re*urne an se" <br> Ni:n ne : incone <br>  | $\begin{aligned} & 3,252 \\ & 3,552 \end{aligned}$ | $\begin{aligned} & 3,42 t \\ & 3,251 \end{aligned}$ | $\begin{aligned} & 3,2 \times 4 \\ & 3,3<1 \end{aligned}$ | $\begin{aligned} & 3,535 \\ & 3,135 \end{aligned}$ | $\begin{aligned} & 3,1 r t \\ & 3,24 \end{aligned}$ | $\begin{aligned} & 3,079 \\ & 3,379 \end{aligned}$ | $\begin{array}{r} 3,259 \\ 3,255 \end{array}$ | $\begin{aligned} & 3,131 \\ & 3,101 \\ & \hline \end{aligned}$ | $\begin{array}{r} 2,578 \\ 1.258 \\ \hline \end{array}$ |  |
|  |  |  |  |  |  |  |  |  |  | $\begin{array}{r}2,1988 \\ 2,071 \\ \hline\end{array}$ |
|  |  |  |  |  | (Thousund dondars) |  |  |  |  |  |
| Fe-ims with net :ncome: <br> Tota: compiled reat.fis <br> se: incure... | $\begin{array}{r} 95,272 \\ 67,015 \\ 27,012 \\ 20,432 \\ 79 \end{array}$ | 894,05872,061 |  | 74,78906,682 | 590,5<4 | 535,0,5 | 536,835 | 512,397 | 375,445 | 305,496 |
|  |  |  |  |  | 52,194 | - $0,0,4$ : | 52,950 | 52.277 | 41,512 | 27.518 |
| Tctal : ac. |  | 34,640 | 35,288 | 30,353 | 18,470 | 14.0,908 | 16,347 | 10,151 | 12,95? | 12, 只4 |
| income -ax.... <br> Ex:ess profits tantis........................... |  | 30,087 4,559 | 30,370 | 26,302 3,991 | 26,854 2,222 | 14,908 | 16,347 | 10,151 | 12,839 | $*, 324$ 7,490 |
| ```Fu:urs N:thou* re* inz=me:```  ```DE***it.....................................................``` | $\begin{aligned} & -3,871 \\ & 25,374 \end{aligned}$ | 175,502 19,300 | $\begin{array}{r} 186,539 \\ 16,209 \end{array}$ | $\begin{array}{r} 15,6.12 \\ 13,753 \end{array}$ | $\begin{array}{r} 156, \ldots 9 \\ 15,941 \end{array}$ | $\begin{array}{r} 171,000 \\ 14,028 \end{array}$ | $\begin{array}{r} 1-9,734 \\ 14,750 \end{array}$ | $\begin{gathered} 125,6] \\ 14,54 \end{gathered}$ | $115,32 \%$ 12.399 | $\begin{array}{r}93,235 \\ 10.28 \\ \hline\end{array}$ |
| NATURE OF BUEIRESS NOT ALIOCRBLE <br> :il number of returns of active zorjurat.1ons: <br> d=thre* meore.... <br> W2:r.s.: ret incore......................................... | $\begin{aligned} & 1,955 \\ & 7,731 \end{aligned}$ | $\begin{aligned} & 1,539 \\ & 5,301 \end{aligned}$ | $\begin{array}{r} 997 \\ -, 668 \end{array}$ | $\begin{aligned} & 1,069 \\ & 4,511 \end{aligned}$ | $\begin{array}{r} 1.145 \\ 4.557 \\ \hline \end{array}$ |  |  |  |  |  |
|  |  |  |  |  |  | $\begin{array}{r}90 . \\ 3.574 \\ \hline\end{array}$ | $\begin{array}{r}953 \\ 3,213 \\ \hline\end{array}$ | 3, 0474 | $\begin{array}{r}1,221 \\ 3,208 \\ \hline\end{array}$ | 1,02 3,459 |
|  | (Thousanit duallars) |  |  |  |  |  |  |  |  |  |
| ```Fe* ims m2th net in:%q-: Fotal ovmpiled rocezpus..................... id-` income....... T-Lal %%......... ncometax Encoecs prctits :3xgs Feryms altrour net inemms: Ij:al compiley p-ronpts Deficzt.``` | $\begin{array}{r} 84,615 \\ 25,731 \\ 4,895 \\ 4,395 \\ - \\ 41,335 \\ 20,483 \end{array}$ | $\begin{array}{r} 67,554 \\ 7,66= \\ 4,118 \\ 3,034 \\ 484 \\ 31,853 \\ 16,152 \end{array}$ | $\begin{gathered} 39,2 t 2 \\ 10,9, i 4 \\ 3,961 \\ 3,610 \\ \text { citc } \\ 14,030 \\ 8,875 \end{gathered}$ | $\begin{array}{r} 90,319 \\ 14,9 \times 16 \\ 4,771 \\ 4,597 \\ 174 \\ 29,353 \\ 13,593 \\ \hline \end{array}$ | $\begin{array}{r} 97.071 \\ 17,157 \\ 4,525 \\ 4,386 \\ 139 \\ 20,980 \\ 10,292 \\ \hline \end{array}$ |  | 99,225 | 172,597 | 281.875 | $\begin{array}{r} 139,061 \\ 15,<82 \\ 5,362 \\ 3,692 \\ 2,8,6 \end{array}$ |
|  |  |  |  |  |  |  | 12.345 | -5,153 | 24, |  |
|  |  |  |  |  |  |  | 3,002 | 0.954 | 0.530 |  |
|  |  |  |  |  |  |  | 3,602 | 6.959 | 0.412 |  |
|  |  |  |  |  |  |  | 22,288 22,769 | $\begin{array}{r}33,2688 \\ 9,554 \\ \hline\end{array}$ | $\begin{array}{r}31,05 \\ 3,03 \\ \hline\end{array}$ | $\begin{array}{r}26,503 \\ 20,900 \\ \hline\end{array}$ |

[^45]
## CONSOLIDATED RETLRNS

table ab.-number of returns and subsidahies, total complled receipts, net income or deficit, net operatino losis deduction, and taxes, by income and deficit status

| Item | $1{ }^{1} \times 10$ | 1453 | $13 c_{1}$ | 1+h1 | + " ${ }^{\text {a }}$ | 1"い | 1-148 | $1{ }^{4}$ | + ${ }^{\text {a }}$ + | 14.5 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  ```A.* nrote nem............ A.:1 ut t. NuTb-r : zucsiciaries.``` |  |  |  |  | $t, e_{2}$ |  | $\begin{array}{r} 8.8 \\ 2,975 \end{array}$ |  |  | $\begin{array}{r} 1,189 \\ i, 1+3 \end{array}$ |
|  | (Thousand dallare) |  |  |  |  |  |  |  |  |  |
|  <br>  |  |  |  | $\begin{array}{r} -1,88 \cdot 80 \\ \cdots, 186, \\ \cdots \end{array}$ | , cet. <br> .115.昭, $1+$ |  |  |  | 28,20 1,01 3,011 | $\begin{array}{r} 29,7 C 2,067 \\ 2,035,203 \\ 9,010 \\ \hline \end{array}$ |
|  | , , , - , ${ }^{\circ} \cdot$ |  | 1, 91, 28 | 1, ${ }^{\text {a }} \cdot 1,1$ | 1,2, 1111 | "O, | 88, ,54 | ctar 5 | 4-0,385 | 985, 8.06 |
|  | $\cdots$ | $1.8: 5,012$ 28,061 | $1,084,181$ $1,1-7$ | $\begin{array}{r}1.85 \cdot, 11 \\ 100, \\ \hline\end{array}$ | 1. 17.14 | 733, 537 | 83: , 543 |  | $\underset{4}{4}$ | $\begin{aligned} & 185,060 \\ & 2+4,786 \end{aligned}$ |
|  <br> Ta:a~ evplited receaf ${ }^{\dagger}$ <br> Deri-1...... |  | $\begin{array}{r} 4,-70, \ldots+8 \\ 1811,803 \end{array}$ | $\begin{array}{r} 3,908,77 \\ 1.8,94 \end{array}$ | $\begin{array}{r} 2,108,4+4 \\ 73,27 i \\ \hline \end{array}$ |  | $\begin{array}{r} 2,83,150 \\ 187.396 \\ \hline \end{array}$ | $\begin{array}{r} 1,85,004 \\ 10, .284 \end{array}$ | $\begin{array}{r} \therefore 001,+18 \\ 1+4,148 \end{array}$ | $\begin{array}{r} 255,5+8 \\ \hline \end{array}$ | $\begin{array}{r} 1,871,296 \\ 149,545 \\ \hline \end{array}$ |



5. Source Book of Statistics of Income,

1926-51,
1953-54

## SOURCE BOOX OF STATISTICS OF INCOME

PageDescription and use ..... 173
Chart I.-Data available in the Source Book of Statistics of In- come from corporation returns for the years 1926-51, 1953-54... ..... 174
Chart II. - Industrial groups for which data from corporation re-turns are shown in the Source Book of Statistics of Income, forthe years 1926-51, 1953-54: Years for which data are availablein major group tables and years for which data are available inminor group tables..................................................minor group tables.177

## 5. SOURCE BOOK OF STATISTICS OF INCOME, 1926-1954

The Source Book consists of aseries of unpublished volumes containing tabulations of financial information from income and profits tax returns, by more detailed classifications than in the published reports, Statistics of Income. The Source Book volumes are maintained in the Statistics Division of the Internal Revenue Service, and are available for research purposes to officials of the Federal, State, and other governmental units and to qualified representatives of accredited organizations. Permission to copy data from the Source Book may be obtained upon presentation of a written request addressed to the Comrissioner of Internal Revenue.

The corporation data in the Source Book are from the income and profits tax returns for 1926 through 1951 and 1953 through 1954. As an aid to acceleration of the published data, the Source Book was not prepared for 1952 data. The data are tabulated in aggregate (l) for all returns and (2) for returns with balance sheets, also segregated in both instances as to returns with net income and returns with no net income.

For the years 1932-34, tabulations of data from consolidated returns are also shown. A considerable number of corporations filing consolidated returns for 1932 and 1933 were denied this privilege for taxable years beginning after December 31, 1933, by section 141 of the Revenue Act of 1934, which limited the filing of consolidated returns to common carriers by railroad and their related holding and leasing companies. These tabulations were made to show the shift effected by this provision of the Revenue Act of 1934 on data from the returns for 1934 as compared with corresponding items from the returns for prior years. (Beginning in 1942, the privilege of filing consolidated returns is again extended, in general, to all corporations.)

Beginning with 1951, a probability sample has been used as the basis of the tabulated data. Description of the sample and limitations of data for each year may be found in the published volume for the year.

A sumary description of the data contained in the Source Book is presented in Charts I and II. The first chart shows the years and classifications for which the items are available and the second is a detailed presentation of the industries for which the items are available in the major group tables and in the minor group tables. By use of these two charts one can quickly determine whether or not the desired data are available in the Source Book. For example: To determine the availability of figures representing gross sales of anthracite coal mining companies for the years 1926 through 1951 and 1953 through 1954, the first chart shows that gross sales will be found for the years 1926 through 1951 and 1953 through 1954 for major and minor industrial groups; the second chart (items 17-19, under "Mining and quarrying") shows that anthracite mining is included with bituminous, etc., for the years 192627 but is tabulated separately for 1928-51 and 1953-54.
Charli.-data avallable in the source book of statistice of income frow corporation returns for the years 1926-51, 1983 -64

Chart t.-data avallable in the source book of stafistics of income from corporarion returns for the tears 192b-si, 1953-84-Conlinued







## Chart I.-industrial groups for hhich data from corporation returns are shown in the soltoce book of statistics of income, for the years 192g-5l, 1953.54: Years for which data

 are avallable in yijor oroup tables and years for which data are avallable in minor group tables-Continued



 ARE IVAILABLE IN HAJOR GROUP TABLEK AND YFARS FOR WHICH DATA ARE AVAILABLE IN GIVOR OROUP TABLES-Continued
[For list of itoms available, see thart I]

|  | Industrial grouf | Years for which data avallable in- |  | - -3 | Industrial grouk | Years for which data avaljable in- |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | $\begin{gathered} \text { Major group } \\ \text { qables } \end{gathered}$ | $\begin{gathered} \text { Minor grour } \\ \text { tabies } \end{gathered}$ |  |  | Major grour tables | Minor group tablea |
| - 7 |  | $\begin{aligned} & 1938-51 ; 53-54 \\ & 1941)-51 ; 53-54 \\ & 19 m-51 ; 53-54 \end{aligned}$ | $\begin{array}{r} 1938-39 \\ 1926-51 ; 53-54 \\ 1926-39 \\ 1940-41 \\ 1942 \end{array}$ |  | Personal services. <br> Domestic service-Laundries, hotels, restaurants, operating apartments of office buildinge, etc. (Restaurants included in No. 338 for 1938-51;53-54). | 1938-51;53-5is |  |
| 4.16 | Insuranct carriers and agents |  |  |  |  |  |  |
| $\cdots$ | Insurance cerriers. |  |  |  |  |  |  |
| $\cdots 1$ | Insurance agents and brokers. |  |  |  |  |  | 1926-37 |
| $-12$ | Lift insurance combanies mutual ar stock |  |  | $\begin{array}{r} 4 \\ +2.4 \\ +2.5 \end{array}$ | Laundries, cleaners, and dyers. |  | 1938-51:53-54 |
| -33 | Insurance zompanles. exceft inite.... |  |  |  | Photograrhic studios (inciuding comercia? fhoto- |  |  |
| 41. | Mrtual insirance comenmes, except life |  |  |  | graphy)....... |  | 1938-51:53-54 |
| $\rightarrow 15$ | Mutual insurance comparies, except dife wr marame. |  |  | - 4 | 0ther personel services |  | 1938-51:53-54 |
| -0. | Mutual insurance, except life ar marint or fire int surance compries issuing perprtasl jaingies....... |  | 1943-51;53-54 | 4. | Personal services not allocable (included in No. Wh for 1448-51;53-54).. |  | 1938-47 |
| $4{ }^{-1}$ | uther insurance carriers................................. |  | 1940-51;53-54 |  |  |  |  |
| $41^{2}$ | Real estate included in No. Stat fur latul |  |  | $4 \sim 8$ | Business services - Detective bureaus, trade shows, mimeographing, publishing directories, etc. ir- |  |  |
| 412 | Real estate and realty holding companles-Realty develcpment, holdire or leasing; realty trusts, etc.. |  | 1927-37 | 449 |  | 1948-51;53-54 | 1927-37 |
| $\cdots-$ | Real estate, except lessors of real property other |  |  | 450 | Advertising. |  | 1938-51;53-54 |
|  | tnen buildings. . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . | 1938-51:53-54 |  | 451 | Other business services |  | 1938-51;53-54 |
| -11 | Deglers and development companies, lessors of buildings, lessee and wher operaturs of buildings.... |  | 1930-39 | 452 | Business services not allocable (included in No. 451 for 1468-51;53-56) |  | 1938-47 |
| $4{ }^{2}$ | Real estate ggerts, brokers, and managers............. |  | 1938-51;53-54 |  |  |  |  |
| -. 3 | Onner oferators and lessors of buildings............. |  | 19i0-47 | 453 | Automorive repast servaces and garages (see No. 354). | 1938-51:53-54 | . . |
| 4 LC | Feal estate cperaturs, including lessors of buildings |  | 1948-51:53-54 |  |  |  |  |
| $\square$ | Lessee operators of buildine |  | 1940-47 | 454 | Miscellanemus reparir services, hand trades. | 1940-51,53-54 |  |
| $\cdots$ | Onmers for imrrovement. |  | $1940-47$ |  |  |  |  |
| $\cdots$ | Trading for wh sccount | $\cdots$ | 14.0-6. 67 | 455 | Anusement | 1938-39 |  |
| 4 | Developers of real froperty, includine traders in am azcount. |  |  | 458 457 4 | Amusement, except motion pictures..................... Theuters, motion pictures, all other amusements, etc. | 1944-51.53-54 |  |
| at ${ }^{15}$ | Titie abstrazt commanies |  | 14001-51;53-54 | 458 | Thesters, legitimate, vaudeville, etc................ |  | 1926 $1927-37$ |
| 473 | Feal estate, inaludine lessors of buildings not gllozable inciuded in Nu. 4 31 for 1248-51;51-54 ...... |  | 2438-4 | - 59 | Dther amusements-Circuses, golf linss, racetracks, Hleasure resorts, yte........................................ |  | 1927-39 |
| 412 | Dther rea- estate, excupt lessors of real property |  |  | 4, 0 | Amusemant rot allocsble. |  | 1938-39 |
|  | bther than buidings............................... |  | 174.8.51;53-5.4.4 | 4 tc 1 | Motion pactures production and theaters) | 1440-51;53-54 |  |
| 43. | Lessmrs of real property, except bualdings. | 139-51;53 |  | 4 H 2 | Mution picture producers. |  | 1927-51:53-54 |
| 431 | igricuitural, forest, and simisar propertape. | --51,5 | 1432-51:53-54 | 403 | Mction picture theaters. | $\ldots$ | 1927-51;53-54 |
|  | Mining, oil, and similar proferties....... |  | 1938-51:53-54 |  | Other servaces not elsewhere specifled-Auto camps, |  |  |
| $43 E_{1}$ | failrase property.... |  | 1438-51:53-54 |  | cemeteries, boards of trade, newspaper syndicates, |  |  |
| 430 | Fublic-stility properta |  | 1938-51;53-54 |  | Thotographers, concessionaires-amusement, cloak- |  |  |
| 437 | Other real proferty, except thildings |  | 1938-51;53-54. |  | rooms, ttc. |  | 1927-37 |
| 439 | Lessors of real property, exceft buildings, not sllacable , ancluded in No. 437 for 1448-51;53-54) |  |  | 405 406 | Other services, including schools................... | 1938-51:53-54 | ... |
| 439 | Finance, insurance, real estate, and lescors of real property not gllocable. | 1938.39 | 1938-4 | 4.06 | Fruressional services-Curative, educetional, enginetring, legas, etc. (included in No. itb for 1938-51;53-54) |  | 1926-37 |
| 4 m | Services | -720-51;53-54 |  | 467 | Services not ellocable (included in No. 4́s for 1948-51; 53-54) | 1938-47 | . . . |
| $4+1$ | Hotels and other lodgng places. | 19441-51;53-54 | 1938-39 | 408 | Nature of business not allocable (not given) ........ | 1926-51:53-54 | . |

## 6. Synopsis of <br> Federal Tax Laws, 1945-54

## SYNOPSIS OF FEDERAL TAX LAWS, 1945-54

Affecting the Comparability of Historical Data in Statistics of Income
Page
Corporation income and profits tax returns:
A. Tax rates.................................................................... . . 183
B. Capital gain and loss provisions...................................... 185
C. Consolidated returns-provisions for filing and tax rates... 186

182







| Fridiral fiss Law: ${ }^{\text {a }}$ <br> Revenue A-ts <br> mmenditne 3 ac <br> (date of ensetmenc) | $\begin{aligned} & \text { Invare } \\ & \text { year" } \end{aligned}$ |  |  <br> .1 |  |
| :---: | :---: | :---: | :---: | :---: |
|  |  |  Heow, ewepl <br>  <br>  <br>  <br>  <br>  <br>  I I wervi <br> d.tiurily hod t.r ealr. <br>  <br>  <br>  <br>  iny $\mathrm{Hit}^{+}$. n <br>  <br> a) funtrem i, it ertain bund. ot <br>  <br>  <br> 1) Ir. Iurtury in $n$ er: : a and walr $r$, acharge t certain <br>  <br> i) holit for invertment by sucurity deralers. ${ }^{10}$ <br>  <br>  <br>  <br>  c. lne) $\because$ afplicatle. <br> (1) Nut Juss fir-m sales ar wxhanges icertain bundo. \#tc.. by tanks. <br>  tusin=as fr perty if a ret iaza is realiznd.ts <br> d) Cer*ain salu io wxahage fincer in a cullapsible rpors:i-n. <br> (e) Crlain sales oxchancen depreciable property of a retr lied rerati n. ${ }^{2}$ <br> $\rightarrow$ ) Shart-timeraplal erains ant laeses ure those from capital <br>  frour edfital gssut= hell wry ormonths. | Incimid in taxatle itherme and taxm at <br>  <br>  [apatal luar in which "q... the atterna the tomay the used if it in Jeas ham thrermalar tax. The altomative tux is the swin of 1) the erpular tax <br>  <br>  <br>  and -) It furome if zuch (xipess tur Taxutile yemre burimame belore Apr. 1. <br>  taxable years breinaine in or umtor AIF. 1, $145 i$. |  |
|  | 13*1 |  | Same as 1954, except that tax an excess d net long-temm caustal gain cuer net short-tem capital iss was 25 percent for taxable years beginning before Apr. 1, 1951, and net capital gain was excluded from the exzese profits met income for taxable years ended after June 30, 1950. | Carried firward and treated as a net short-term capital loss (deductible against any capital gains) for a period not in exceed 5 years. <br> Capital gains and losses were exciuded in the computation of the excess profits net income for taxalle years ended after June 30, 1950. |
| Rever.je Act if $\mathrm{A}_{\mathrm{ma}}$ Fek. 25. 194.4). |  | Same as 1 j5un, ex-ppt <br> l(J), l.f), =... E', and E! are nat applicatie. <br>  | Same as 1954, except that for 19is the excess of net long-term capital gain over net short-terai capital loss was excluded from net incume for declared value excess-prafits tax and lorg-term gain was excluded from excess profits net income, The treatment for income tax purposes was not affected by these changes. | Carried forward and treated as a net short-term cepital loss (deductible against ary capital gains) for a period not to exceed s years. Frir 1945 long-term gains and losurs were excluded in computing excess profits net income. |

Fit foctrotes, see p. 187 .



## Footnotes for synopsis of laws tables

${ }^{1}$ For income years 1909 through 1944, see Statistics of Income for 1950, Part 2, pp. 247-282.
${ }^{2}$ Returns for the income yesr 1954 were filed under the Internal Revenue Code of 195: as amended. Returns for 1945-53 were filed under the provisions of the Internal Revenue Code approved Feb. 10, 1939, and the various amendments thereto. There is no one effective date for all provisions of an internal revenue law-some of the provisions may be retroactive, some apply to the current tax period, and some to a future tax year.
${ }^{3}$ The income year is the calendar year and tax years beginning therein.
"The tax bases are, in general, the same for all corporations and are derived from the corporation's net income after allowance of certain statutory deductions. Net income is the gross income (exclusive of tax-exempt interest) less the ordinary business expenses deductible under secs. 161 through 171, 173 through 176 and 248 of the 1954 Code (sec. 23 of the 1939 Code). Treatment of the net operating loss deduction, derivation of the tax bases from net income, and significant variations in the bases applicable to certain classes of corporations are shown in (a) through (k) below.
(a) The net operating loss deduction is allowed as a deduction against the gross income by sec. 172 of the 1954 Code (sec. 23(s) of the 1939 Code). The net income as tabulated in Statistics of Income is the net income for the current year, i.e., before the deduction permitted with respect to a loss year. Therefore, the net operating loss deduction must be taken into account in relating the tabulated net income to the tax base. The net operating loss of any tax year is first carried back against the net income of certain preceding tax years and the excess, if any, may then be carried over to certain succeeding tax years. The amount reported on the return and tabulated for Statistics of Income is the net
operating loss carryover from prior tax years. The carryback and carryover periods for a net operating loss sustained under the 1954. Code is, carryback 2 years, carryover 5 years; under the 1939 Code, the carryback for loss years 1950-53 was 1 year, the carryover 5 years; 1948-49, carryback 2 years, carryover 3 years; and 1945-47, carryback 2 years, carryover 2 years, except that for corporations commencing business after Dec. 31, 1945, the carryover for 1947 is 3 years.

See "Changes in Law Affecting 1954 Data," p. 10 of this volume for changes made in the computation of the net operating loss deduction by the 1954 Code. For additional information on the net operating loss deduction, see appropriate sections of the 1954 and 1939 Codes.
(b) Taxable income. -Under the 1954 Code the tax base, subject to normal tax, is designated "Taxable income." It is the net income less any net operating loss carryover and the statutory deductions shown in the table below. As indicated in footnote (e), under the 1954 Code these deductions can result in a net operating loss. The surtax base is the taxable income computed without deduction of partially tsx-exempt interest.

The tax bases under the 1939 Code were computed in essentially the same way but were designated "normal-tax net income" and "surtax net income" and were derived from net income less net operating loss deduction through use of limited credits which could never result in complete elimination of taxable income.

Variations in computation of the 2 tax bases in the period 194-54 are shown in the table. Deductions used in computing the amounts subject to normal tax are identified by the symbol ( $N$ ) in the table colum, and those used in computing the amounts subject to surtax are identified by the symbol (S).

The terms "taxable income" and "deductions" are used throughout this synopsis in lieu of the "normal-tax net income," "surtax net income" and "credit" designations of the 1939 Code.

| Items tor which detuction is allowed | Percent of 1tem deductible- |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1254 | 1952-53 | 1951 |  |  | 1950 |  |  |  | 1948-49 ${ }^{\circ} \mathrm{c}$ | 1845 |
|  |  |  | Calendar jear | Other tax jears ${ }^{\text {a }}$ |  | Calendar gear | Other tax jears ${ }^{\text {a }}$ |  |  |  |  |
|  |  |  |  | Part <br> Drior to <br> ADr. 1 <br> (4) | Part after Mar. 31 |  | Begin-ningafterJune $30^{b}$(7) | 8eginning berareJuly1 |  |  |  |
|  |  |  |  |  |  |  |  | $\begin{gathered} \text { part } \\ \text { prior to } \\ \text { July } \\ \text { (8) } \\ \hline \end{gathered}$ | $\begin{gathered} \text { Part } \\ \text { arter } \\ \text { June } 30 \end{gathered}$ <br> (9) |  |  |
| 1. Partially tax-exempt interest ${ }^{\text {d }}$...................... | $\begin{aligned} & 100 \\ & (\mathrm{~N}) \end{aligned}$ | $\frac{1}{1}(\mathrm{~N})$ | $\begin{gathered} 100 \\ (N) \end{gathered}$ | $\begin{aligned} & 100 \\ & (\mathrm{~N}) \end{aligned}$ | $\begin{aligned} & 100 \\ & (\mathrm{~N}) \end{aligned}$ | $\begin{aligned} & 100 \\ & (\mathrm{~N}) \end{aligned}$ | $\begin{aligned} & 100 \\ & (N) \end{aligned}$ | $\begin{aligned} & 100 \\ & (\mathrm{~N}) \end{aligned}$ | $\begin{aligned} & 100 \\ & (\mathrm{~N}) \end{aligned}$ | $\begin{aligned} & 100 \\ & (N) \end{aligned}$ | $\begin{aligned} & 100 \\ & (\mathrm{~N}) \end{aligned}$ |
| 2. Dividends received irom a domestic corporation subject to the income tax lother than dividends on certain preferred stock of a publlc utility). ${ }^{\text {e }}$ | $8 \mathrm{~S}$ | $8 \mathrm{~B}$ | $\begin{aligned} & 85 \\ & (\mathrm{~N})(\mathrm{S}) \end{aligned}$ | $\begin{aligned} & 8 \mathrm{~S} \\ & (\mathrm{~N})(\mathrm{S}) \end{aligned}$ | 85 <br> (N) (S) | $\begin{aligned} & 85 \\ & (\mathrm{~N})(\mathrm{S}) \end{aligned}$ | $\begin{aligned} & 85 \\ & (\mathrm{~N})(\mathrm{S}) \end{aligned}$ | 85 <br> (N) (S) | $\begin{aligned} & 85 \\ & (\mathrm{~N})(\mathrm{S}) \end{aligned}$ | $\begin{aligned} & 8 \mathrm{~S})(\mathrm{S}) \\ & \left.()^{2}\right) \end{aligned}$ | $\begin{aligned} & 85 \\ & (\mathrm{~N})(\mathrm{S}) \end{aligned}$ |
| 3. Iividends received on certain preferred stock of a public ut1lity. | $\begin{array}{\|l} 82.115 f \\ (\mathrm{~N})(\mathrm{S}) \end{array}$ | $\begin{array}{\|l\|} \hline 62 \\ (N)(S) \end{array}$ | $\begin{aligned} & 81 \\ & (\mathrm{~N})(\mathrm{S}) \end{aligned}$ | $\begin{array}{\|l\|} \hline 58 \\ (N)(S) \end{array}$ | $\begin{aligned} & 82 \\ & (N)(S) \end{aligned}$ | $\begin{aligned} & 57 \\ & (\mathrm{~N})(\mathrm{S}) \end{aligned}$ | $\begin{aligned} & 59 \\ & (N)(S) \end{aligned}$ | $\begin{array}{\|l\|l} 85 \\ (N) \end{array}$ | $\left\lvert\, \begin{aligned} & 50 \\ & (N)(S) \end{aligned}\right.$ | $\begin{aligned} & 8 \mathrm{~S}) \\ & (\mathrm{N}) \end{aligned}$ | 85 (N) |
| 4. Divicends received from certain forelan corporations dotig a substantial volume of business athin the Unfted States and derived from thcome earned in the United States.e | $\begin{aligned} & 8 \mathrm{~S} \\ & (\mathrm{~N})(\mathrm{S}) \end{aligned}$ | $\begin{array}{\|l\|l} 85 \\ (N)(S) \end{array}$ | $8(\mathrm{~N})(\mathrm{S})$ | $8(\mathrm{~N})(\mathrm{S})$ | 85 <br> (N) (S) | None | None | None | None | None | None |
| S. Dividends pait on certain preferred stock o: a public utility or the net income of the public utility minus the deductions provided in 1 through 4 above. whlchever is the lower.g | $\begin{aligned} & 26.823 f \\ & (N)(S) \end{aligned}$ | $\left\lvert\, \begin{aligned} & 27 \\ & (N)(S) \end{aligned}\right.$ | $\begin{aligned} & 28 \\ & (\mathrm{~N})(\mathrm{S}) \end{aligned}$ | $\begin{array}{\|l\|} \hline 30 \\ (N)(S) \end{array}$ | $\begin{aligned} & 27 \\ & (N)(S) \\ & \hline \end{aligned}$ | $\begin{array}{\|l\|l\|} \hline 33 \\ (N) \\ \hline \end{array}$ | $\begin{aligned} & 30 \\ & (\mathrm{~N})(\mathrm{S}) \end{aligned}$ | $\begin{aligned} & 100 \\ & (S) \end{aligned}$ | $\left\lvert\, \begin{aligned} & 31 \\ & (\mathrm{~N}) \end{aligned}\right.$ | $\begin{aligned} & 100 \\ & \text { (S) } \end{aligned}$ | $\begin{aligned} & 100 \\ & (8) \end{aligned}$ |
| 6. Western Hemisphere rade corporation taxably income computed without rezard to this deduction. | $\begin{aligned} & 28.923 f \\ & (\mathrm{~N})(\mathrm{S}) \end{aligned}$ | $27$ | $\begin{aligned} & 28 \\ & (N)(S) \end{aligned}$ | $\begin{aligned} & 30 \\ & (\mathrm{~N})(\mathrm{S}) \end{aligned}$ | $\begin{aligned} & 27 \\ & (N)(S) \end{aligned}$ | $\begin{aligned} & 33 \\ & (N)(8) \end{aligned}$ | $\begin{aligned} & 30 \\ & (N)(S) \end{aligned}$ | None | $\begin{aligned} & 31 \\ & (N)(S) \end{aligned}$ | None | None |
| 7. Adjusted excess ${ }_{i}$ profits ne: income as de:1ned in section $710(b))^{2}$ | None | None | None | None | None | None | None | None | Nane | Nane | $\begin{aligned} & 100 \\ & (N)(S) \end{aligned}$ |

## ${ }_{b}^{a}$ See rootnote 7 for proration of deductions.

${ }^{\text {For deductlons after Mar. 31. 1951, see coi. (5). }}$
${ }^{C}$ For a tax year 1949 ended aiter June 30. 1950, see col. (9) for deductions
applicable arter that date.
a Under the 1939 Code not income less the deduction for partially tax-exempt Interest was desimnated "Adjusted net income. " (Sec. 13 (a) of 1939 Code.)
eunder the 1954 code. total deductions for dividends recelved (11nes 2 through 4 of the table) in excess of net income results in a net operating loss for the deduction is ifited to 85 percent of the net incomeafter deduction income, the tax-exempt interest but before any net operating loss deduction. Under the 1939 code the total dividends received deduction for each tax base could not exceed: $1950-53$, 85 percent of the net income adjusted by the deduction for partially tax-exempt interest (ine 1) but terore any net operating loss deduction; 194e-47, 85 percent of the net income adjusted by the deduction for partially tax-exenpt interest and after net operating loss deduction; and 1945 , 85 percent of the net income after net operating loss deduction adjusted by the deduction for income subject to the excess profits tax (1ine 7), plus, for normal-tax net income oniy. the deduction for partially tax-exempt interest.

This percentage is derived from a cormula contatned in the internal Revenue Code of 1954 which relates the amount of deduction to the tax rate.
${ }^{g}$ For treatment of dividends pald with respect to dividends unpaid and accumu-
iated for prior tax years. and ior definitions of pubilc utility and preferred lated for prior tax years. and for dermitions of pub11c utility and preferred ${ }^{0} t_{n}$ the 1939 Code.
ha domestic corporation, all of whose business is done in any country or countries of North, Central, or South America, or in the West Indies, is classiried as a western Hemisphere trade corboration if (1) 95 percent or more of its gross the ome for the 3-year perlod 1 monediately preceding the close of the tax year (or Por such part of that perlod as the corporation was 1 n existence) was derived
from sources outside the United States: and (2) 90 percent or more of ats gross from sources outside the united States; and (2) 90 percent or more of 1 ts gross income for such period was derived rom the active conduct of atrade or business. vislons of the 1239 code (shown in sec. 26 (e)). the credit was $100 / 95$ of such tax before the aplication of the 80 Dercent 1imitation (footnote 8). before the credit for foreign taxes paid (footnote s(a)) and before any adjusiment in case of position inconsistent with prior income tax 1lability (sec. 734).
(c) Net long-term capital gain in excess of net short-term capital loss.-Capital gain and loss provisions are shown in table B of this synopsis.
(d) Consolidated return provisions are shown in table $C$ of this synopsis.
(e) The adjusted excess profits net income for 1950-53 was the excess profits net income less the amounts of the excess profits credit and the unused excess profits credit adjustment. A minimum credit of $\$ 25,000$ was provided. Excess prof its net income and methods of credit computation are discussed on pages 9-21 of Statistics of Income for 1951, Part 2. A change in the percentage of average base period net income used in computing the excess profits credit under the income credit method was made on July 1, 1951. For the period July 1, 1950 through June 30, 2951, this percentage was 85 percent. Beginning July 1, 1951, it was 83 percent. The credit was prorated for tax years which began before and ended after July 1, 1951, and an 84 percent intermediate rate was provided for the calendar year 1951 by the 1939 Code.

Special provisions applicable to computation of excess profits credit of certain companies are shown in Statistics of Income for 1951, Part 2, pages 11-12.

For 1945 the adjusted excess profits net income was the excess profits net income minus a specific exemption of $\$ 10,000$ ( $\$ 50,000$ for certain mutual insurance companies) and minus the amounts of the excess profits credit and the unused excess profits credit adjustment. The excess profits net income was obtained from the taxable income (computed without allowance of credit for income subject to excess profits tax and without allowance of dividends received credit) by making the following adjustments:
(1) Under the income credit method there was added the net short-term capital gain and the adjustment to net operating loss deduction and there was subtracted the sum of:
(a) Net gain from sale or exchange of capital assets.
(b) Income from retirement or discharge of bonds.
(c) Refunds and interest on Agricultural Adjustment Act taxes.
(d) Recoveries of bad debts.
(e) Dividends received credit adjustment.
(f) Nontaxable income of certain industries with depletable resources.
(2) Under the invested capital credit method, the excess profits net income was computed as in (1) above plus (a) 50 percent of interest on borrowed capital and (b) interest on Government obligations.

The excess profits credit provisions for 1945 are discussed on pp. 64-65 of Statistics of Income for 1945. Part 2. Under those provisions the excess profits credit based on income consisted of 95 percent of the average base period net income and 8 percent of the net capital addition, reduced by 6 percent of the net capital reduction. The excess profits credit based on invested capital was the sum of the following percentages:

> Percent
> First $\$ 5,000,000$ of invested capital
> 8
> Next $\$ 5,000,000$ of invested capital. 6
> Over $\$ 10,000,000$ of invested capital.
> 5

The unused excess profits credit, which was the excess of the excess profits credit over the excess profits net income for the tax year, was, for 1950-53, carried back as an unused excess profits credit adjustment to the first preceding tax year, and the remainder, if any, could then be carried forward as an adjustment to succeeding years. The carryforward period was 5 years. No carryback of unused excess profits credit computed under the provisions of the Excess Profits Tax Act of 1950 could be made to tax years ended before July 1 , 1950, and no portion of the minimum $\$ 25,000$ credit could be considered as unused excess profits credit. For 1965 the carryback period was 2 years and the carryforward period 2 years. For computation of the unused excess profits credit adjuatment for the years 1950-53, see sec. 432 of the 1939 Code, and for the year 1945, sec. 710(c) of such Code. The unused excess profits credit adjustment shown in Statistics of Income was the unused excess profits credit carryforward applicable to the year for which it was reported.
(f) Declared value excess-profits tax.-The net income used for the computation of this tax differed from that used for
income tax by (i) the disallowance of the deduction for the declared value excess-profits tax, and (ii) exclusion from gross income of the excess of net long-term capital gain over net short-term capital loss. The 85 percent credit for dividends received was allowed against the net income. This tax was imposed on corporations subject to the capital stock tax under sec. 1200 of the 1939 Code. Insurance companies were exempt. The declared value excess-profits tax was repealed, effective for income tax years ended after June 30, 1946.
(g) Life insurance companies.-For 1945-54 the net income reported by a life insurance company was the net investment income (the gross amount of interest, dividends, and rents less investment and real estate expenses, tax-free interest, and depreciation). Taxable income and excess profits tax net income were derived in the same manner as for other corporations except that no deduction was allowed for a net operating loss. Before imposition of tax, however, recognition was made of requirements for reserve earnings, deferred dividends, and interest paid. In lieu of deductions for these items, for 1951-54 special income tax rates (note 5(b)) and a reserve interest credit for companies whose adjusted net income was less than 105 percent of their required interest were used. For 1945-50, a reserve and other policy liability credit based on representative data for the preceding year was allowed and the regular tax rates were imposed. These provisions were offset, in case of nonlife insurance business, by an adjustment forcertain nonlife insurance reserves. In computing the excess profits net income for 1950-53 and 1945, a deduction based on a reserve and other policy liability credit was allowed. The regular excess profits tax rates were imposed. (Computation of credits and other provisions are shown in secs. 801-807 of the 1954 Code andsecs. 201-203A of the 1939 Code.)
(h) Hutual insurance companies.-Taxable income iscomputed in the same manner as for life insurance companies except that certain capital gains and losses and interest paid are included in the computation of net income. See sec. 822 of the 1954 Code (sec. 207 of the 1939 Code). See footnote 5(c) for imposition of tax.
(i) Insurance companies other than Life or mutual.-Gross income of these companies includes investment and underwriting incomes, and deductions allowed include general business expenses, losses, and distributionsto policy holders as provided by sec. 832 of the 1954 Code (sec. 204 of the 1939 Code). Taxable income is derived as shown in (b) above and the regular tax rates are imposed.
(j) Regulated investment companies meeting the requirements of subch. M, ch. I of the 1954 Code (Supplement Q of the 1939 Code) are taxed only on undistributed income. One of the requirements is that distributions to shareholders, exclusive of capital gain dividends, shall equal 90 percent or more of investment company taxable income (exclusive of capital gains). The regular alternative tax is payable on undistributed income with the maximum tax on capital gains fixed at 25 percent. See the above-mentioned parts of the Internal Revenue Codes for definitions and further conditions under which these tax provisions apply.
(k) Mutual savings banks conducting separate life insurance departments compute net income and tax for such departments under Internal Revenue Code provisions applicable to life insurance companies (see par. (g) above). In tabulating the data for Statistics of Income, the life insurance department income and tax are added to those reported for the $b a n k$ department. These banks were exempt from taxation under sec. 101 of the 1939 Code prior to 1952 and were exempt from excess profits tax for 1952-53 under sec. 454 of the 1939 Code.
${ }^{5}$ The tax rates shown are those applicable, in general, to all corporations, domestic and foreign. Credits against the tax and certain exceptions to the rates are shown in (a) through (i) below:
(a) Credits against the tax.-(1) Income and profits taxes paid to foreign countries and possessions of the United States may be used as a credit against the income and excess profits taxes in the manner and to the extent allowed by sec. 901 of the 1954 code and sec. 131 of the 1939 Code. The allowance of this credit, and the limitations thereon, as applicable for the year 1954, are discussed on p .20 of this volume and the differences in limitations under the 1954 and 1939 codes are discussed on p. 11.
(2) For 1945 a credit of 10 percent of the excess profits tax was allowed against the excess profits tax liability. (b) Life insurance companies. - Beginning with 1951 special income tax rates were provided. These rates, which were the same for 1951-54, were: $3 \mathrm{3} / \mathrm{4}$ percent on the first $\$ 200$,000 of life insurance company taxable income and $61 / 2$ percent on such ne: income in excess of $\$ 200,000$. (As an offset to these rates, adjustments for nonlife reserves were multiplied by 8.) For 1945, the declared value excess-profits tax was not applicable to life insurance compamies
(c) Hutual insurance companies, except life or marine, or fire insurance companies issuing perpetual policies.-Sec. 501 of the 1954 Code (sec. 101 (11) of the 1939 Code) exempts these companies from taxation if their gross income from interest, dividends, rents, and premiums (including deposits and assessments) does not exceed $\$ 75,000$. When such gruss income exceeds $\$ 75,004$, sec. 821 if the 1954 code (sec. 207 of the 1939 Code) provides income taxation based, in general, on the regular corporate rates, but with certain alternative provisions and limitations. The excess profits tax rate was the same as that for regular corporations with the exception of a limitation for companies whose gross income from the sources shown above was less than $\$ 125,000$. See sec. $430(\mathrm{~d})$ of the 1939 Code.
Mutual insurance companies were not subject to the declared value excess-profits tax in 1945.
(d) Monresident foreign corporations, not engaged in trade or business within the United States, are taxed, under sec. 881 of the 195: Code (sec.231(a) of the 1939 Code), on income (except interest on bank deposits) from sources within the United States. The tax is 30 percent of such income except as modified by treaties with ather nations. Such corporations were not subject to the excess profits and declared value excess-profits taxes. The returns of nonresident foreign corporations are not included in Statistics of Income.

Under the provisions of sec. 551 of the 1954 Code (Supplement P of the 1939 Code), income of certain foreign personal holding cumpanies is includible in the income of the shareholders and is not reported by the company fur taxation.
(e) Cordorations exempt from tavation under sec. 501 of the 1954 Code or sec. 101 of the 1939 Code.-Such corporations include labor, agricultural or horticultural organizations, certain types of cooperative and mutual organizations, corporations organized and operated exclusively for religious, charitable, scientific, literary, or educational purFoses, nonprofit civic, business, and social organizations, and for 1945-51, certain matual savings banks, building and loan associations, and cooperative banks. Beginning with 1951 a normal tax and a surtax were imposed on the unrelated business net income in excess of $\$ 1,000$ of certain of these corporations by Supplement $U$ of the 1939 Code. Secs. 501 and 511-515 of the 1954 Code expand and continue these taxes. The rates are similar to the regular corporate income tax rates. However, the returns filed by these corporations are not included in Statistics of Income, Corporation Income Tax Returns.
(f) Additional corporations exempt from tie excess profits tax (unless a merber of an affiliated group of corporations filing a consolidated return).-Specific exemption from the excess profits tax under the 1939 Code was granted to: (1) Regulated investment companies (defined in sec. 361 of the 1939 Code); (2) personal holding companies (defined in sec. 501); (3) domestic corporations if 95 percent of gross income for the 3 -year period immediately preceding the close of the iax yearmas derived from sources outside of the United States and 50 percent of such income was derived from active conduct of a irade or business; (4) certain corporations subject to provisions of Title IV of the Civil Aeronautics Act of 1938; and (5) beginning in 1952, certain mutual savings banks, building and loan associations, and cooperative banks formerly exempt from taxation under sec. 101 of the 1939 Code. In addition, fersonal service corporations might elect to be exempt from the tax on excess profits, tax teing imposed under Supplement $S$ of the 1939 Code or the individual shareholders.
(g) Mestern Hemisnhere trade corporations (delined in footnote "h" of note $4(b)$ above) were exempt from the surtax for

1945-49. For exemption from the consolidated return tax for 1950-5\%, see table $C$ of this synopsis.
(h) Corporations subject to additional tax. - Fersonal holding companies are subject to an additional tax, imposed under sec. 541 of the 1954 Code (ch. 2, subch. A ot the 1939 Code), and based on the undistributed personal holding company in:ome. For the years 1945-54 the tax was 75 percent of the undistributed personal holding company income not in excess of $\$ 2,000$ plus 85 percent of such income in excess of $\$ 2,000$. (See pp. 14, 21, and 26 of this volume for general definitions and differen es between the 1954 and 1939 Code provisions affecting this tax.)

Corporations improperly accumulating surplus are subject to an additional surtax imposed by sec. 531 of the 1954 Code (sec. 102 of the 1939 Code). This tax is not aptlicable to corporations subject to personal holding company tax provisions and those exempt from taxation ( (e) above). The eftects of the provisions of this section are not reflected in Statistics of Income.
(i) Hutual savings banks conducting separate life insurance department s . - See note $4(\mathrm{k})$.
${ }^{6}$ Limitations on the excess profits tax.-The excess profits tax under the Excess Profits Tax Aot of 1950 became effective July 1, 1950, and ended Dec. 31, 1953. Ceiling rates and the alternative tax for new corporations under this act are shown on pp. 12-13 of Statistics of Income for 1951, Part 2. For 1945 the excess profits tax imposed by sec. 710 of the 1939 Code was limited to the dilference between the income tax (other than that shown in footnote $5(h)$ ) and 80 percent of the surtax net income (computed before the credit for income subject to the excess profits tax and without regard to 80 percent of credit for dividends paid on certain preferred stock). For 1945 certain corporations claiming relief under the provisions of sec. 722 of the 1939 Code were permitted to defer payment of 33 percent of the reduction claimed in tax. The privilege was confined to corporations whose adjusted excess profits net income for the tax year, computed without the benefits of sec. 722, was in excess of 50 percent of the taxable income (computed without the credit for income subject to the excess profits tax). The amount tabulated for Statistics of Income was the excess profits tax after this deferment. The excess profits tax effective in 1945 was repealed Jan. 1, 1946.

For proration of the excess profits tax for 1953-54, 194950 , and 1945, see footnote 7.

For special provisions affecting certain companies, see p. 12 of Statistics of Income for 1951, Part 2, and the 1939 Code.
${ }^{7}$ When a return is filed for a tax year during which a change in tax rates occurs, tentative taxes are computed applying each rate in effect during the tax year to the entire taxable income. The amounts so determined are then prorated on the basis of the number of days in the year during which each rate is in effect. The prorated portions of the tentative taxes are then combined to determine the actual liability which is the amount tabulated in Statistics of Income. To give effect to changes in the deductions from net income used in computing the tax bases, taxable income used in calculating each tentative tax is computed with the deductions applicable to the period to which the tax rate applies.
${ }^{8}$ A tentative surtax was computed at 19 percent of the surtax net income in excess of $\$ 25,000$. The actual liability was then determined by reducing this amount by 1 percent of the lower of (a) partially tax-exempt interest, or (b) surtax net income in excess of $\$ 25,000$.
${ }^{9}$ The excess profits tax imposed by the Excess Profits Tax Act of 1950 was in effect from July 1, 1950 through Dec. 31, 1953. For tax years which began before or ended after those dates, the tax was the prorated portion applicable to that part of the year the tax was in effect. See footnote 7.
${ }^{10}$ For tax years which began in 1949 and ended after June 30, 1950, the rates shown for the income year 1950 period beginning July 1, 1950, and ending Mar. 31, 1951, were effective after June 30 , 1950. For proration of tax, see footnote 7.
${ }^{11}$ For income year 1945 returns ended after Dec. 31, 1945, see footnate 7 for proration of surtax.

The excess profits tax effective in 1945 was repealed Jan. 1, 1946, and the tax for noncalendar year returns was prorated according to the number of days before that date.

The declared value excess-profits tax was repealed for income tax years ending after June 30, 1946, and was not subject to proration.
${ }^{12}$ Net capital gain is the excess of gains from sales or exchanges of capital assets over losses from such sales or exchanges. Both short- and long-term gains and losses are included. Conversely net capital loss is the excess of losses over gains.
${ }^{13}$ Effective for tax years beginning after Sept. 23, 1950.
${ }^{14}$ See secs. 1231-1241, 165, 341, and 582 of the 1954 Code (secs. $117(\mathrm{f})$ through $(0)$ and $\sec .23(\mathrm{~g}),(j)$, and $(k)$ of the 1939 Code).
${ }^{15}$ Applicable to involuntary conversion of capital assets, involuntary conversion, sale, or exchange of real property and property subject to depreciation which was used in the trade or business, amounts received for timber and amounts received or accrued for coal after Dec. 31, 1950, where disposel was by contract under which owner retained an economic
interest, all of above property having been held for more than 6 months; timber held for more than 6 months before beginning of tax year in which cut, iftaxpayer so elects; certain unharvested crops on business real property held for more than 6 months and sold in a tax year beginning after Dec. 31, 1950; and livestock, except poultry, held for draft, breeding, or dairy purposes for 12 months (prior to Dec. 31, 1950, holding period was 6 months and poultry was not excluded). Depreciable property in items $3(a)$ and (e) of table are excluded.
${ }^{16}$ Applicable to sales or exchanges made after Nov. 19, 1951.
${ }^{17}$ Applicable to sales or exchanges made after May 3, 1951.
${ }^{18}$ For conditions under which a consolidated return may not be filed for personal holding company tax, see "Changes in Law Affecting 1954 Data," p. 14.
${ }^{19}$ In the case of a domestic corporation owning or controlling, directly or indirectly, 100 percent of the capital stock (exclusive of directors' qualifying shares) of a corporation organized under the laws of Canada or of Mexico and maintained solely for the purpose of complying with the laws of such country as to title and operation of property, such foreign corporation may, at the option of the domestic corporation, be treated as a domestic corporation.
7. Facsimiles of Corporation Return Forms for 1954

## CORPORATION RETURN FORMS, 1954

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Form 1120: Corporation income tax return............................. ..... 193
Form 1120L: Life insurance company income tax return. ..... 211
Form 1120M: Mutual insurance company income tax return............ ..... 215
Form 1118: Statement in support of credit claimed for taxes paid to a foreign country or United States possession.................... ..... 219
(A facsimile of Form 1120 schedule EP for 1953 from which the excess profits tax was tabulated can be found in Statistics of Income for 1953, Part 2.)


## SIGMATURE AND VERLFICATION (See Instruction E)

I. the undersigned, president, rice-president, treasurer, assistant treaeurer, chiel accounting ollicer (or other duly authorized officer) of the corporntion for which this return is made, declare under the penalties of perjury that this return (including any accompanyng schedules and statements) has been examined by me and is, to the best of my knowledge and beliet, a true, correct, and complete return, made in geod faith, lor the taxable year stated, pursuant to the Internal Revence Code and the regulations iseved thereunder.


I declare under the penalies of perjury that 1 prepared the return tor the person named herein; and that this return (including any accompanying schedules and statements) is, to the best of my knowledge and beliel, a true, correct, and complete return based on all the information relatung to the matters required to be reportod in this return of which I have any knowledge.


Schedule F.-bAD DEBTS. (See Instruction 20)

Total. (Enter bere and as item 22, page 1.) . \$



Ichedule 1.-DEPRECLATION AND AMORTIZATION (WHEREVER CLAIMED). (See Inatraction 25) Attnch a dotailed achedule in support of each of the lines in this schedule

| Part R.-DEPRECLITION CLAIMED |  |  | Patt b.-AMORTIZATION CLAIMED |  |
| :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | \$ |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| Part C | 14. Lees: Amounts of depreciation and amortization claimed in Schedules A or B or elsewhere on return <br> 15. Balance-Enter here and as item 25, page 1 |  |  |  |

Schedule J.-0THER DEDUCTIONS. (See Indruction 29) 3
Lins Schedale K.-SPECIAL DEDUCTIONS. (See Instruction 32 (b))

1. Deduction for partially tax-exempt interest (line 2 (a) in colurnn 3 ol 5chedule $\mathrm{C}-1$ )
2. Dividends received deductions
(a) $85 \%$ of column 2, schedule C .
(b) $62.115 \%$ of column 3, schedule C
(c) $85 \%$ of dividends received from certan toreign corporations.

3. Total dividende received deductions (sum of lines $2(\mathrm{a})$, (b), and (c), but not to exceed 85 percent of the excess of item 31, page !, over the sum of lines 1 and 5 ol this Schedule)
4. Deduction for dividends paid on certain preferred stocks of public utilities
5. Deduction for Western Hemisphere trade corporations
6. Total special deductions (Enter as item 32 (b), page 1)

tAX COMPUTATION FOR CALENDAR YEAR I954 AND TAXABLE YEARS ENDING ON OR BEFORE MARCH 3I, 1955 For othex taxable yeare attaoh Schedule 1120FY. (See tax computation instructiona)
7. Itern 33, page 1, $\$ \ldots . . . . . . . . . . . . . . . . . . . . .$. plug live 1, Schedule K, above $\$$............................... (Enter total here).
8. If amount of line 7 is:
(a) Not over $\$ 25,000$; enter 30 percent of line 7 ( 32 percent if a consolidated return)
(b) Over $\$ 25,000$; enter 52 percent of line 7 ( 54 percent if a consollated return) Subtract $\$ 5,500$, and enter difference
9. Less: Adjustment for partially tax-exempt interest; enter 30 percent of line 1 , Schedule K, above, but not in excess of 30 percent of line 7 .
10. Nomal tax and surtox (sum of lines 8 and 9
11. Total tax (line 10, or line 20 of separate Schedule D). Eater here and as item 34, page 1

additional information required
12. Is this the corporation's first return?
(Answer "Yes" or "No.")
If "Yes," check whether-
(a) $\square$ completely new business, or
(b) $\square$ successor to previously exasting busidess, which was orgnnized as
(1) $\square$ a corporation
(2) $\square$ a partnership.
(3) $\square$ sole proprietorship, or
(4) $\square$ other (indicate)

If auccessor to preniously existing business, give oame and address of the previous business organization

District Director's office where the corporation's return for the preceding pear was fled
3. Enter amount of income (or debicit) from item

32, page 1, Form 1120 for 1953
4. The corporation's books are in care of

Located at
5. Is the corporation a personal holding company within the meaning of section 542 of the Internal Revenue Code?
(Answer "Yes" or "No.").
If "Yes," attach appropriate Schedule ll20 PH. See Instructions.
6. If this is not a consolidated return
(a) did the corporation at any time during the torable year own 50 percent or more of the vohng stock of another corporation either domestic or foreign? (Answer "Yes" or "No.")
(b) did any corporation, individual, partnerstip, trust, or association at any hme during the tarable year own 50 percent or more of the corporation's voting stock?
(Answer "Yes" or "No.")
If either answer is "Yes," attach separate echedule showing: (1) Name and address; (2) percentage of stock owned; (3) date stock wos ocquired; and (4) the District Director' office in which the income ation for the last tarable year was filed.)
7. Is the corporation a cooperative association?
(Answer "Yes" or "No.")
If "Yes," check whether-
(a) $\square$ formerg' marketing or a tarmers' purchasing cooperative association,
(b) $\square$ consumers' cooperative association, or
(c) $\square$ other cooperative association
8. Check whether this retura wos prepared by the
(a) $\square$ cash method,
(b) $\square$ accrual method, or
(c) $\square$ other. If other method used, explain
9. Did the corporation use inventories at the end of the taxable year?
(Answer "Yes" or "No.")
II "Yes," check method used-
(a) $\square$ cost,
(b) $\square$ cost or market, whichever is lower;
(c) $\square$ last-in, hirst-out;
(d) Other. (If other method is used, explain fully in eeparate statement, giving date inventory was last reconciled with stock.) (See Specific [nstruction 2.)
10. Did the corporation pay social security taxes for any employees for any quarter of 1954? (Answer "Yes" or "No.")
If answer is " Y es"
Enter emploger identification nnmber(s)
II. Did the

1096 and poration make a refurn of information on Forma ingtuad 1099 for the colendar year 1954? (See General ingtuction G-(1).) (Answer "Yes" or "No.").
2. Has any transaction described in General Instruction G -(3) "ccurred on or after Jonuary 1, 1951? (Answer "Yeg" or "No.")
13. Did the corporation, during the taxable year have any contracts or subcontracts subject to the Revegotiation Act of 1951 ? (Answer "Yes" or "No.").
H answer is "Yes," state the approximate aggregate gros dollar amount billed during the torable year under all auch contracts and/or subcostracts. (See General Instruction
G-(4).) G-(4).)
. Did the corporation at any time during the tarable year owr directly or indirectly any stock of a foreign corporation? (Answer "Yes" or "No.")

If answer is "Yes," attach statement ns required by General

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# How To Prepare Your 1954 Corporation 



## GENERAL INSTRUCTIONS

A. Corporations required to make a return on Form 1120.Every domestic and every resident foreign corporation not expressly exempt from taxation under chapter 1 (Section 501), whether or not having any taxable income, must file a return. The term "corporation" is defined by the Code to include associations, joint-stock companics, and insurance companies.

Partnerships and proprietorships may elect to be taxcd as domestic corporations if an election is made not later than 60 days after the close of the taxable year and if certain qualifications are met. (Section 1361.) If the return is filed by a proprietorship or partnership, electing to be taxed as a corporation under section 1361, it must be signed by the proprietor or a partner.

If a receiver, trustec in dissolution, trustee in bankruptcy, or assignee has possession of or holds title to all or substantially all the property or business of a corporation, whether or not the property or business is being operated, he must make a return of income for the corporation in the same manner and form required of other corporations. (Section 6012.)

A mutual savings bank not having capital stock represented by shares; a domestic building and loan association, a domestic savings and loan association, a Federal savings and loan association, substantially all the business of which is confined to making loans to members; and a cooperative bank without capital stock, operated for mutual purposes and without profit, are subject to income tax and must file returns.
B. Period to be covered by return.-Returns shall be filed for the calendar year 1954 or fiscal year beginning in 1954 and ending in 1955. A fiscal year is an accounting period of 12 months ending on the last day of a calendar month other than December, but if a taxpayer has made the election provided in section 441 (f), the term "fiscal year" means an annual period varying from 52 to 53 weeks. If a taxpayer has no annual accounting period, or keeps no books, or has an accounting period which does not qualify as a fiscal year, the return must be filed for the calendar year, except as provided in section 443.

For the procedure to follow in changing an established accounting period, see your District Director.

C-(1). Accounting methods.-Taxable income shall be computed in accordance with the method of accounting regularly used by the taxpayer in maintaining its books and records. In all cases the method adopted should clearly reflect taxable income. The basic methods of accounting are the "cash receipts and disbursements method" and the "accrual method." Section 446 permits the use of these methods or any other method permitted under the Code or any combination of these methods in accordance with regulations. If a taxpayer engages in more than one trade or business, it may, with respect to each trade or business, use a different method of accounting. Each method must, however, clearly reflect the income of the particular trade or business with which it is used, and separate profit and loss statements for each trade or business must be submitted. Except in those cases where the law specifically permits it, a taxpayer may not change the method of accounting upon the basis of which it has reported its income in prior years (for its income as a whole or with respect to any separate trade or business) without first securing consent. For procedure to be followed in securing consent, see your District Director.

Cash receipts and disbursements method.-Under this method, a taxpayer includes all items of taxable income (whether cash, property, or services) in the year when it is actually or constructively received and claims as deductible expenses only those expenses actually paid. Income is constructively received when the amount is credited to the taxpayer's account, or set aside for it, and is unconditionally subject to its command. This includes uncashed checks, bank interest credited, matured bond coupons, and other similar items which can be immediately turned into cash. Do not deduct capital expenditures.

Accrual method.-Under this method income is reported in the year when the taxpayer first has a definite right to income, the amount of which can be ascertained with reasonable accuracy
while deductions are taken in the ycar in which there is first established a specific liability, the amount of which can be ascertained with reasonable accuracy. Where the right to income or the liability for expense is uncertain, or the amount of such income or expense cannot be ascertained with reasonable accuracy, accrual is generadly postponed until a determination is possible.

Other methods.-Separate provisions are contained in section 453 for installment method of accounting. For other information on accounting methods, see your District Directcr.

## C-(2). Special items.

Prepaid income.-Prepaid income is income (other than income tieated as gain from the sale or other disposition of a capital asset) received in a transaction in which a taxpayer assumes a liability (to render services, furnish goods or other property, or allow the usc of property) which extends beyond the cnd of the taxable year. A taxpayer receiving such income may elcct, with respect to each separate trade or business, to take it into account in portions in the year of receipt and subsequent taxable years (not to excced five except with the consent of the Commissicner) to which the liability extends. This may be done only when the method of accounting used in the trade or business in connection with which such income arises is other than the cash receipts and disbursements method. The election, when made, will apply to all prepaid income of the particular trade or business with respect to which it is made. A taxpayer desiring to defer prepaid income to subsequent taxable years will elect to do so by attaching to its return a statement indicating that the election is being made and showing: (a) the method of accounting used in the business for which the election is made; $(b)$ the nature of each item of prepaid income; ( $c$ ) the period over which the liability extends; ( $d$ ) the amount of income to be taken into account in the present and in each future taxable year; and (e) the method of allocating to taxable years. The amount of prepaid income deferred to later taxable years will be entered on line 18 of Schedule L.

Estimated expenses.-Estimated expenses are those expenses, part or all of which would, under section 461 , be taken into account in some subsequent taxable year but which will, when incurred, be attributable to income recejved in the present taxable year and which can, in the opinion of the Commissioner, be estimated with reasonable accuracy. These do not include deductions: (a) attributable to income of a taxable year prior to the one in which an election to claim estimated expenses is first made ; (b) attributable to prepaid income with respect to which the taxpayer has made an election under section 452; or (c) allowable as an addition to a reserve for bad debts under section 166. A taxpayer having estimated expenses may elect, with respect to each separate trade or business, to take into account in computing taxable income a reasonable addition to a reserve for these expenses. This may be done only when the method of accounting used in the trade or business in connection with which such estimated expenses arise is other than the cash receipts and disbursements method. The election, when made, will apply to all estimated expenses of the particular trade or business with respect to which it is made. A taxpayer desiring to deduct additions to reserves for estimated expenses will elect to do so by attaching to its return a statement indicating that the election is being made and showing: (a) the method of accounting employed in the business for which the election is made; $(b)$ the nature of the estimated expenses; (c) whether the estimated expense is on account of a guaranty or warranty contract and the period of time for which such contracts extend; and (d) a schedule showing in detail the manner in which the estimated expense with respect to the taxable year was computed. The reserves for estimated expenses will be entered on line 16 of Schedule $L$. Expenses attributable to income received in a taxable year prior to that in which the above election is made are deductible in the year in which incurred.

## PAGE 2

D. Filing of return and payment of tax.-Returns of domestic and resident foreign corporations must be filed on or before the 15th day of the third month following the close of the taxable year with the District Director of Internal Revenue for the district in which the corporation's principal place of business or principal office or agency is located. Returns of exempt cooperative associations taxable under section 522 must be fited on or before the 15 th day of the 9 th month following the close of the taxable year. (Section 6072.)

Request for automatic extension of 3 months for filing of return must be made on Form 7004. (Section 6081 (b).)

The tax must be paid in full when the return is filed or in two installments, 50 percent on or before the 15 th day of the third month and 50 percent on or before the 15th day of the sixth month following the close of the taxable year.

If any instaltment is not paid on or before the date fixed for its payment, the whole amount of the tax unpaid shall be paid upon notice and demand by the District Director. The tax may be paid in cash or by check or money order drawn to the order of "District Director, I. R. S." Cash payment should be made only in person at the District Director's office.

Effective for taxable years ending on or after December 31, 1955, section 6016 provides that a corporation subject to income tax shall make a declaration of estimated tax for the taxable year if its income tax liability for such taxable year, reduced by the amount which the corporation cstimates as the sum of any credits against tax provided by the 1954 Code, can reasonably be expected to exceed $\$ 100,000$. Filing requirements will not become effective until September of 1955. Before that time instructions and forms will be made available.
E. Signature and verification.-The return must be signed either by the president, vice-president, treasurer, assistant treasurer or chief accounting officer, or by any other corporate officer authorized to sign. A receiver, trustee, or assignee must sign any return which he is required to file on behalf of a corporation. The statement at the bottom of page 1 of the return is required to be signed by any person, firm, or corporation who prepared the taxpayer's return. If the return is prepared by a firm or corporation, it should be signed in the name of the firm or corporation. The statement is not required if the return is prepared by a regular, full-time employee.
F. Failure to file, etc.-Substantial additions to the tax are imposed for failing to file a return, for late filing, and for filing a false or fraudulent return.
G-(1). Information at the source.-Every corporation making payments in the course of its trade or business of (1) interest. rents, commissions or other fixed or determinable income of $\$ 600$ or more during the calendar year 1954 to an individual. a partnership, or a fiduciary, or (2) salaries or wages of $\$ 600$ or more shall make returns on Forms 1096 and 1099, except that the making of such return will not be required with respect to salary or wage payments included on Form $\mathrm{W}-2$, provided copies of withholding statements on Form $\mathrm{W}-2$ are furnished. If a portion of such salary or wage payments was reported on a Withholding Statement (Form W-2), only the remainder must be reported on Form 1099.

Except as stated below, the returns on Forms 1096 and 1099 shall also include dividend payments totaling $\$ 10$ or more during the ealendar year 195t to each shareholder who is an individual (citizen or resident of the United States), a resident fiduciars, or a resident partnership any member of which is a eitizen or resident. In the case of a building and loan association, a cooperative bank, a homestead association, a credit union, or a savings and loan association, such total shall be $\$ 600$ or more. In the case of a corporation described in sections 501 (c) (12), (15), (16), 521 and 522 , or in the case of a national farm loan association or a production credit association, such total shall be $\$ 100$ or more.

The returns on Forms 1096 and 1099 shall also include (except in the case of insurance companies taxable under Subchapter L and corporations exempt under section 501 (c) (12) or (15)) patronage dividends, rebates, and refunds totaling $\$ 100$ or more during the calendar year 1954, whether in cash. merchandise, capital stoek, revolving fund certificates, retain certificates, certificates of indehtedness, letters of advice, or in some other manner.
G-(2). Information regarding dissolution or liquidation.-
Every corporation shall, within 30 days after the adoption by the corporation of a resolution or plan for the dissolution of the corporation or for the liquidation of the whole or any part of its capital stock, render a correct return on Furm 966 setting forth the terms of such resolution or plan.
Every corporation making distributions in liquidation of the whole or any part of its capital stock shall also make returns on Forms 1096 and 1099 L , as required by instructions on Form 1096 , for the calendar year 1954.

G-(3). Certain transfers of property on or after January 1, 1951.-Under certain circumstances the $\$ 25,000$ exemption from surtax and the $\$ 60,000$ accumulated earnings credit are not allowed or may be reduced to a lesser figure. Section 1551 provides that if a corporation on or after January 1, 1951, transfers all or part of its property (other than money) to another corporation which was created for the purpose of acquiring such property or which was not actively engaged in business at the time of such acquisition and if after such transfer the transferor corporation or its stockholders, or both, are in control of such transferee corporation during any part of the taxable year of such transferee corporation, the transferee corporation shall not for sueh taxable year (except as may be otherwise determined under section 269 (b)) be allowed either the $\$ 25,000$ exemption from surtax provided in section 11 (e) or the $\$ 60,000$ accumulated earnings credit provided in section 535 (c), unless such transferee corporation shall establish by clear preponderance of the evidence that the securing of such exemption or credit was not a major purpose of such transfer. For this purpose control means the ownership of stock possessing at least 80 percent of the total combined voting power of all classes of stock entitled to vote or at least 80 percent of the total value of shares of all classes of stock of the corporation. Rules are provided in sections 544 and 1551 for determining ownership of stock. For allocation of the surtax exemption and the accumulated earnings credit in certain cases, see section 269 (b).

G-(4). Information regarding renegotiable contracts.-Every corporation which held, during the taxable year, contracts or subcontracts which were subject to the Renegotiation Act of 1951 shall, in answer to question 13 , page 3 , state the actual or, if not accurately determinable, its best estimate of the aggregate gross dollar amount billed during the current taxable year under all contracts and/or subeontracts.
H. Returns of certain corporations. Domestic corporations entitled to benefits of section 931 .-Domestic corporations within the possessions of the United States (except the Virgin Islands) may report as gross income only gross income from sources within the United States, provided (a) 80 percent or more of the gross income for the 3 -year period immediately preceding the close of the taxable year (or such part thereof as may be applicable) was derived from sources within a possession of the United States, and (b) 50 percent or more of the gross income for such period or such part thereof was derived from the active conduct of a trade or business within a possession of the United States.

Resident foreign corporations.-Foreign corporations which at any time within the taxable year are engaged in trade or business within the United States shall make returns on Form 1120 of income derived from sources within the United States. (Section 882.)

Nonresident foreign corporations.-Foreign corporations not engaged in trade or business within the United States at any time within the taxable year are subject to tax upon gross income from sources within the United States (determined under the provisions of sections 861 through 864) consisting of fixed or determinable annual or periodical income and of certain gains derived from the disposal of timber and coal. They are required to make returns on Form 1120NB with respect to such income onlv in the event their tax liability has not been fully satished at the source.

Insurance companies.-Life insurance companies subject to tax imposed by section 802 shall make returns on Form 1120 L . Mutual insurance companies subject to tax imposed by section 821 shall make returns on Form 1120M. Insurance companies described in section 831, and mutual savings banks described in section 594 and conducting life insurance business, shall make returns on Form 1120 . There should be filed with the return a copy of the 1954 annual statement approved by the National Convention of Insurance Commissioncrs which contains the underwriting and investment exhibit.

Regulated investment companies.-If for any given year the investment company satisfies the requirements of section 851 it will be considered a regulated investment company. (See Tax Computation Instructions, item 8.)

Personal holding companies.-Section 541 imposes a tax upon the undistributed personal holding company income (as defined in section 545) of corperations classified as personal holding companies. Every personal holding company must file a schedule 1120 PII with its return.

Under the provisions of section 542, a corporation is a "personal holding company" if at least 80 percent of its gross income for the taxable year is personal holding company income as defined in section 543, and if at any time during the last half of the taxable year more than 50 percent in value of its outstanding stock is nwned, directly or indirectly, by or for not more than five individuals. (Sections 541-547.)
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Foreign personal holding companies.-Section 551 (a) requires that the undistributed foreign personal holding company income of a foreign personal holding company, as defined in section 55? shall be included as a dividend in the gross income of the United States shareholders in the amount provided by subsection (b). Schedule 1120 PH is not required, but monthly and annual information returns on Forms 957 and 958 must he filed by the officers, directors, and certain United States shareholders as provided by sections 6035 (a) and (b).

A foreign corporation which is a personal holding company, as defined in section 542 but not within the definition of section 552, is subject to the tax imposed by section 541 on undistributed personal holding company income and must file a schedule 1120PH with its return

1. Consolidated returns.-Subject to the provisions of sections 1501 through 1552 and the regulations, an affiliated group of corporations may make a consolidated income tax return in lieu of separate returns. The making of a consolidated return shall be upon the condition that all corporations which at any time during the taxable year have been members of the affiliated group consent to all the consolidated return regulations prescribed under section 1502 prior to the last day prescribed by law for the filing of such return. The common parent corporation, when filing a consolidated return, shall attach thereto a schedule showing the names and addresses of all the corporations included in the return. Form 851, Affiliations Schedule, should be obtained from the District Director of Internal Revenue and filed as a part of the return. Each subsidiary must prepare two duplicate originals of Form 1122 authorizing the making of the return on its behalf. One such form shall be attached to the consolidated return as a part thereof, and the other shall be filed, at or before the time the consolidated return is filed, in the office of the District Director for the subsidiary's district.

Supporting schedules shall be filed with the consolidated return These schedules shall be prepared in columnar form, one column being provided for each corporation included in the consolidation, showing in detail the items of gross income and deductions and the computation of taxable income; one column for a total of like items before adjustments are made; one column for intercompany eliminations and adjustments; and one column for a total of like items after giving effect to the eliminations and adjustments. The items included in the column for eliminations and adjustments should be symbolized to identify contra items affected, and suitable explanations appended, if necessary. Similar schedules shall also contain in columnar form a reconciliation of surplus for each corporation, together with a reconciliation of the consolidated surplus.

Consolidated balance shcets as of the beginning and close of the taxable year of the group shall accompany the consolidated return in a form similar to that required for reconciliation of surplus.
J. Tax on improperly accumulated earnings.-In order to prevent accumulation of earnings and profits for the purpose of
enabling shareholders to avoid the tax on individuals, section 531 provides an additional tax upon the accumulated taxable income of corporations formed or availed of for the purpose of such tax avoidance.
K. Stock ownership in foreign corporations.-In addition to the information to be shown in Schedule C of the retum, a corporation owning any stock of a foreign corporation must attach a statement showing the name and address of each company and the total number of shares of each class of outstanding stock owned during the taxable year. If the corporation owned 5 percent or more in value of the outstanding stock of a foreign personal holding company, attach a statement setting forth in complete detail the information required by section 551 (d).
L. Balance sheets.-The balance shrets, Schedulc l, should agree with the books of account or any differences should be reconciled. The balance shects for a consolidated return of affiliated corporations should be furnished in accordance with Instruction I. All corporations reporting to the Interstate Commerce Commission or to any National, State, municipal, or other public officer, may submit, in licu of Schedule L. copies of their balance sheets prescribed by such authorities as at the beginning and end of the taxable year.

Line 9, Schedule L, should show land less any accumulated amortization of the land as an emergency facility under the authority of sections 124 and 124 A of the Internal Revenue Code of 1939 or section 168 of the Internal Revenue Code of 1954.

Line 16, Schedule L, should include those reserves accumulated by charges made under the election provided in section 462, and only such reserves. A taxpayer who does not make, or is not qualified to make, such an election but who has set up accounts for estinated expenses should include the total of such reserves in line 22 , Schedule L (surplus reserves). (Sce instruction C-(2).)

Line 18, Schedule L, should reflect only those items of prepaid income deferred for reporting in subsequent taxable years under the election provided by section 452. Other income items classified by the taxpayer for financial accounting purposes as prepaid income (including installment sales profits deferred under section 453 ) should be included either in line 19 , or line 22, Schedule $L$ (See instruction $\mathrm{C}-(2)$.)
M. Forms other than prescribed by return.-Banks, insurance companies, and other corporations required to submit statements of income and expenses to any National, State, municipal, or other public officer may submit with the return a statement of income and expenses in the form furnished to such officer, in lieu of the information requested in items 1 to 33, page 1, except that a railroad company may submit with the return a statement on Form 1090. In such cases the taxable income will be reconciled by means of Schedule M with the net profit shown by the income and expense statement submitted, and should be entered as item 33, page 1.

## SPECIFIC INSTRUCTIONS (Numbered to correspond with item numbers on page 1 of return)

2. Cost of goods sold.-If the production, manufacture, purchase, or sale of merchandise is an income-determining factor in the trade or business, inventories of merchandise on hand should be taken at the beginning and end of the taxable year, and may be valued at cost, or at cost or market, whichever is lower, or by any other permissible method.

An inventory method once properly adopted is controlling until permission to change is obtained from the Commissioner. Application for permission to change an inventory method shall be made in writing and filed with the Commissioner within 90 days after the beginning of the taxable year in which it is desired to effect a change. In case the inventories reported do not agree with the balance sheet, attach a statement explaining the difference.
A corporation electing to use the last-in, first-out method of valuing inventory provided for in section 472 must file Form 970 with the return for the first year of the election. Thereafter, attach separate schedule showing: (1) a summary of all inventories; (2) with respect to any inventories computed under section 472, the computation of the quantities and cost by acquistion levels.
9. Interest on corporation bonds, etc.-Enter net amount of interest from column 3, line 1, of Schedule C-1, page 2, on bonds, debentures, notes, or certificates or other evidences of indebtedness, issued by any corporation and bearing interest, with interest coupons or in registered form. Do not include interest on any such obligations which constitute stock in trade of the taxpayer or any such obligations of a kind which would properly be included in the inventory of the taxpayer if on hand at the close of the taxable year, or any such obligations held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business. Such interest should be entered in item 8. For provisions relating to amortizable bond premium, see section 171.
10. Interest on obligations of the United States, etc.-Enter from column 3, Schedule C-1, the total of lines 2 (a) and 2 (b). Also enter in Schedule L, the amounts of the various obligations owned. Enter on line 16, Schedule M, all interest received or accrued during the year on the various obligations listed therein. The total amount of interest reported on line 2 (a) in column 3 of Schedule C-1, page 2, is also allowable as a deduction. See paragraph 32 (b) of these instructions. The amount of interest received or accrued on obligations issued on or after March 1, 1941, by the United States or any agency or instrumentality thereof should be entered on linc 2 (b), Schedule C-1. For provisions relating to amortizable bond premium, see section 171.

For special rules applicable to dealers in securities, with respect to premium attributable to certain tax-exempt securities, see section 75.

Non-interest-bearing obligations issued at a discount.-Taxpayers on the cash basis may elect, as to all non-interest-bearing obligations issued at a discount and redeemable for fixed amounts increasing at stated intervals (for example, United States Savings Bonds), to include the increase in redemption price applicable to the current year. For the year of election the total increase in redemption price of such obligations occurring between the date of acquisition and the end of the year must be included. Attach statement listing obligations owned and computation of the increase. (Section 454.)
11. Rents.-Enter the gross amount received for the rent of property. Any expenses, including repairs, interest, taxes, and depreciation, should be included in the proper items of deductions on page 1. In the case of a lease entered into prior to January 1, 1954, if both lessor and lessee are corporations and if under the lease the lessee is obligated to pay any part of the lessor's income
tax on the rental payment, this tax is excluded from lessor's gross income and and may not be deducted by lessee. (Section 110.) 12. Royalties.-Enter the gross amount received as rovalties. If a deduction is claimed for depletion, it must be reported in item 26, page 1.
13. Gains and losses from sales or exchanges of capital assets and other property.-The computation of gains and losses from sales or exchanges of capital assets and property other than capital assets should be made on separate Schedule D. Every sale or exchange of property, even though no gain or loss is indicated, must be reported in detail. If for anv taxable year the net longterm capital gain exceeds the net short-term capital loss, or in case of only a net long-term capital gain, a computation of the alternative tax should be made on separate Schedule D.
14. Other income.-Enter total amount of other income not reported elsewhere in the return and attach schedule showing details.
18. Rent.--Enter rent paid or accrued for business property in which the corporation has no equity. With respect to leases entered into prior to January 1,1954 , see instruction No. 11 .
19. Repairs.-Enter the cost of incidental repairs, including labor, supplies, and other items, which do not add to the value or appreciably prolong the life of the property. Expenditures for new buildings, machinery, equipment, or for permanent improvements or betterments which increase the value of the property are chargeable to capital account.
20. Bad debts.-Bad debts may be treated in either of two ways- (1) by a deduction from income in respect of debts which become worthless in whole or in part, or (2) b) a deduction from income of a reasonable addition to a reserve for bad debts. (Section 166.)

A taxpaver filing a first return of income mav select either of the two methods, and that method must be followed for subsequent years, unless permission is granted by the Commissioner to change to the other method. Application for permission to change the method shall be made in writing at least 30 days prior to the close of the taxable year for which it is desired to effect the change.

Worthless debts arising from unpaid rents, and similar items of taxable income, will not be allowed as a deduction unless the income such items represent has been included in the return of income for the sear for which the bad debt deduction is claimed, or for a previous year.

For treatment of bad debts of a mutual savings bank not having capital stock represented by shares, a domestic building and loan association, and a cooperative bank without capital stock organized and operated for mutual purposes and without profit, see section 593 and the regulations thereunder.
21. Interest. - Enter interest paid or accrued on business indebtedness. Do not include in item 21 interest on indebtedness incurred or continued to purchase or carrvobligations (other than obligations of the Enited States issued after September 24. 1917, and originally subscribed for by the taxpayer) the interest on which is whollu exempt from income tax. (Section 265.)

See section 267 for limitation on deductions for unpaid expenses and interest in the case of transactions between related taxpavers.
22. Taxes.- Enter taxes paid or accrued during the taxable year and fill in Schedule G. Do not include Federal income, warprofits, and excess-profits taxes; estate, inheritance, legacy, succession. and gift taxes; foreign or United States possession income taxes if anv credit is claimed in item 35, page 1; Federal taxes paid on bonds containing a tax-free covenant, nor taxes not imposed upon the taxpayer. See section 164 (d) regarding apportronment of taxes on real property between seller and purchaser. 23. Concributions or gifts paid.-Enter contributions or gifts actually paid within the taxable year to or for the use of (1) a State. a Territory a possession of the United States, or anv political suldivision of any of the foregoing, or the United States or the District of Columbia for exclusively public purposes: (2) a corporation. trust, or community chest. fund, or foundation, created or organized in the Linited States or in any possession thereof or under the law of the United States of of ans State or Territors. or of the District of Columbia, or of any possession of the Lnited States, organized and operated exclusivelv for religious, charitable. seinntific. literars, or edacational purposes or the prevention of cruelte to children or animals (hut in the case of contributions or gifts to a trust, chest, fund, or foundation only if such contributions or gifts are to be used within the United States or any of its possessions exclusively for such purposes), no part of the net earnings of which inures to the benefit of anc prisate shareholder or individual, and no substantial part of the aetivities of which is garring on propaganda, or otherwise attempting to influence legiblation; (3) posts or organizations of war vertelams, of atmiliary umits of, or trusts or foundations for, anv whe posts or organizations, if such posts, organizations, untits, tusts, or foundations are onganized in the United States oi any of its possessions, and if no
part of their net earnings inures to the benefit of any private shareholder or individual; or (4) nonprofit cemetery or burial companies. The amount claimed shall not exceed 5 percent of the corporation's taxable income computed without regard to (1) this deduction, (2) the "special deductions" in Schedule K and (3) any net operating loss carryback to the taxable year under section 172.

In the case of a corporation on the accrual basis, any contribution or gift will, at the election of the taxpayer, made at the time the return is filed, be considered as paid during the taxable year if payment is actually made on or before the fifteenth day of the third month following the close of the taxable year, and if the contribution or gift has during the taxable vear been authorized by the board of directors of the corporation. A copy of such authorization must be attached to the return. Do not deduct as a business expense charitable contributions which come within the above description, but which are unallowable in whole or in part because of the limitation contained in section 170.

Any contributions paid during the taxable ycar in excess of the amount deductible may be carried over and deducted in the two succeeding taxable years subject to the 5 percent limitation provided in section 170 (b) (2).
24. Losses by fire, storm, shipwreck, or other casualty, or theft.Enter losses sustained during the year, arising from fire, storm, shipwreck, or other casualty. The amount deductible is based on the difference between the fair market value of the property damaged or destroyed immediately before the casualty and the fair market value immediately after the casualty. This difference or the adjusted basis, whichever is less, should then be reduced by any insurance or other reimbursement to arrive at the deductible loss. Theft losses are deductible only in the year in which discovered.
25. Depreciation and amortization.-The summary of depreciation and amortization allowances shown in lines 1 to 12 of Schedule I of the return must be supported by detailed schedules giving information necessary to sustain the allowances claimed. These schedules must include: description of the property or expenditures; date of acquisition of the property or dates of expenditures; the cost or other basis of the asset, or the unamortized amount of the expenditures in the case of organizational, research and experimental, and exploration and development expenditures; the amount of depreciation or amortization allowed and allowable in prior years; the method under which the depreciation allowance is being claimed; rate of depreciation, expected useful life, or amortizable period over which such expenditures are to be ratably deducted, or units used as the basis for amortization; and depreciation or amortization allowance this vear.

Depreciation.-A reasonable allowance for the exhaustion, wear and tear, and obsolescence of property used in the trade or business or of property held by the taxpayer for the production of income shall be allowed as a depreciation deduction. The allowance does not apply to insentories or stock-in-trade nor to land apart from the improvements or physical development added to it. Depreciation on leasehold improvements, patents and copyrights shall be included in Part A, Schedule I.

The useful life of an asset can be measured in units of production or machine hours (for machinery) or in miles of operation (for automotive equipment), etc., but the ordinary practice is to measure useful life in years. Business experience, engineering information, and other relevant factors provide a reasonable basis for estimating the useful life of property. The cost (or other basis) to he recovered should be charged off over the expected useful life of the property. For guidance, comprehensixe tables of "average useful lives" of various kinds of buildings, machines, and equipment in many industries and businesses have been published in a booklet called Bulletin F, which may be purchased for 30 cents from the Superintendent of Documents, Government Printing Office, Washington 25, D. C.
(a) Straight line method.-The most common method of computing depreciation is the "straight line" method. It allows for the recoverv of cost in equal annual amounts over the life of the property, with onlv salvage value remaining at the end of its useful life. To compute the deduction, add the cost of improvements to the cost (or other basis) of the asset and deduct both the estimated salvage value and the total depreciation allowed or allowable in past years. Divide the result by the number of sears of useful life remaining to the asset-the quotient is the depreciation deduction.
(b) Declining balance method.- Under this method a uniform rate is applied each vear to the remaining cost or ather basis of property (withont adjustment for salvage value) determined at the beginning of such vear. For property acquired before Janwary 1, 1954, or used property whenever acquired, the rate of depreciation under this method may not exceed one and one-half times the applicable straight-line rate.
(c) Special rules for new arsets asquired after December 31, 1953.-The.cost or other basis of an asset acquired after December 31, 1953, may be depreciated under methods proper in the past; or, it may be depreciated under any of the following methods provided (1) that the asset is tangible, (2) that it has an estimated uscful life of three years or more, and (3) that the original use of the asset commenced with the taxpayer and commenced after December 31, 1953. If an asset is constructed, reconstructed, or erected by the taxpayer, so much of the basis of the asset as is attributable to construction, reconstruction or erection after December 31, 1953, may be depreciated under methods proper in the past; or, it may be depreciated under any of the following methods provided that the asset meets qualifications (1) and (2) above.
(t) Declining balance method.-This method may be used with a rate not in excess of twice the applicable straight-line rate.
(2) Sum of the years-digit method.-Under this method annual allowances for depreciation are computed by applying changing fractions to the taxpayer's cost or other basis of property (reduced by estimated salvage).
The deduction for each year is computed by multiplying the cost or other basis of the asset (reduced by estimated salvage value) by the number of years of useful life temaining (including the year for which the deduction is computed) and dividing the product by the sum of all the digits corresponding to the years of the estimated useful life of the asset. In the case of a 5 -year life this sum would be $15(5+4+3+2+1)$. For the first year five-fifteenths of the cost reduced by estimated salvage value would be allowable, for the second year four-fifteenths, etc.
(3) Other methods.-A taxpayer may use any consistent method which does not result in accumulated allowances at the end of any year greater than the total of the accumulated allowances which would have resulted from the use of the declining balance method. This limitation applies only duting the first two-thirds of the useful life of the property.

Amortization.-The law makes special provisions for amortization of certain kinds of assets and expenditures.
(a) Emergency facilities.-A corporation is entitled at its election, to a deduction with respect to the amortization of the adjusted basis (for determining gain) of an emergency facilitv, such amortization to be based on a period of 60 months. The term "emergency facility"' means any facility, land, building, machinery, or equipment, or any part thereof, the construction, installation, or acquisition of which was completed after December 31, 1949 , and with respect to which a certificate has been issued. The cost or other basis subject to amortization is limited to the portion thereof which has been certified as attributable to defense purposes by the appropriate certifying authority. The corporation may elect to take such a deduction starting with the month following the month in which the facility is completed or acquired, or with the succeeding taxable year by filing a statement with the return for the taxable year in which falls the first month of the period so elected. The portion of the basis of such a facility not subject to amortization may be recovered by deductions for depreciation under section 167. A corporation may elect to terminate its amortization deductions at any time by filing a written statement with the District Director of Internal Revenue. If the taxpayer elects to discontinue amortization deductions, the unamortized basis of the facility is subject to the depreciation provisions of law. (Section 168.)
(b) Grain storage facilities.-A corporation may elect to amortize the adjusted basis (for determining gain) of a grain storage facility ratably over a 60 -month period. The term "grain storage facility" means (1) any public grain warehouse permanently equipped for receiving, elevating, conditioning, and loading out grain, and (2) any corncrib, grain bin, or grain elevator, or any similar structure suitable primarily for and intended for the storage of grain produced by the taxpayer. "Such term does not include any facility any part of which is an "emergency facility." The amortization deduction is allowable only if the facility is completed after December 31, 1952, and only with respect to property of a character which is subject to the allowance for depreciation under section 167. If a structure is converted through alteration or remodeling into a structure so described and if the alteration or remodeling is completed after December 31, 1952, then such alteration or remodeling shall be treated as the construction of a grain storage facility. The 60 -month period shall, at the election of the taxpayer, begin with the month following the month in which the facility is completed or acquired, or with the succeeding taxable year. The election must be made by a statement in the return for the year in which the period begins, and may be terminated at any time by filing a written statement to that effect with the District Director of Internal Revenue. If the taxpayer elects to discontinue arnortization
deductions, the unamortized basis of the facility is subject to the depreciation provisions of law. (Section 169.)
(c) Research and experimental expenditures.-A corporation may treat research or experimental expenditures paid or incurred by it during the taxable year as expenses not chargeable to capital acenunt and may deduct them. As an alternative, such expenditures, if they are chargeable to capital account, may at the taxpayer's election, be treated as deferred expenses, and amortized ratably over a period of not less than 60 months beginning with the month in which the taxpayer first realizes benefits from such expenditures. However, if the property resulting from such expenditures has a determinable useful life, the capitalized expenditures must be amortized over such life in accordance with the provisions of section 167.

Expenditures which are chargeable to property of a character subject to an allowance for depreciation or depletion, expenditures for land, and expenditures for the purpose of ascertaining the existence, location, extent, or quality of any deposits of ore or other mineral (including oil or gas) are not subject to amortization as deferred expenses for research and experimentation.

A corporation electing to amortize research and experimental expenditures may make an election by attaching a statement to the return for the first taxable year to which the election is applicable. The method or period selected for such amortization cannot be changed unless prior approval is secured. (Section 174.)
(d) Exploration expenditures.-Under section 615 a corporation may deduct expenditures paid or incurred by it during the taxable year for ascertaining the existence, location, extent or quality of any deposit of ore or other mineral (other than oil or gas) in an amount not exceeding $\$ 100,000$ paid or incurred before the beginning of the development of such deposit. At its election it mav treat such expenditures (in an amount not exceeding $\$ 100,000$ in a taxablc year) as deferred expenses deductible on a ratable basis as the units of produced ores or minerals (discovered or explored by reason of such expenditures) are sold. Such election must be made on the return or by filing a statement not later than 6 months after the filing of the return, for any taxable year to which such election is applicable. The election shall be binding for the taxable year with respect to which it is made. No further deduction or election may be taken or exerciscd under section 615 if in any four preceding years (not necessarily consecutive) the taxpayer or certain transferors of such mineral or property have been allowed a deduction or made such election. (Scction 615.)
(e) Development expenditures.-A corporation may deduct expenditures paid or incurred during the taxable year for the developing of a mine or any other natural deposit (other than an oil or gas well) if paid or incurred after the existence of ores or minerals in commercially marketable quantities has been disclosed. At its election it may treat such expenditures as deferred expense deductible on a ratable basis as the units of produced ores or minerals benefited by such expenditures are sold. Such election must be made on the return or by filing a statement not later than 6 months after filing the return for the taxable year for which the election is applicable. (Section 616.)
(f) Organizational expenditures.-A corporation may elect to amortize expenditures which are incident to the creation of the corporation ratably over a period of not less than 60 month (beginning with the month in which the corporation begins business). These expenses must be chargeable to capital account and of a character which, if expended incident to the creation of a corporation with limited life, would be amortizable over such life. Amortization may not be taken on such expenditures paid or incurred before August 16, 1954. Such election may be made by filing a statement with the return for the year in which the election is made. The statement shall set forth the description and amount of the expenditures and the number of months over which such expenditures are to be deducted. Once a period for amortization has been selected it may not be changed. (Section 248.)
( $g$ ) Election statements.-For details concerning the information which must be furnished in the statements of election required above, consult your District Director.
26. Depletion of mines, oil and gas wells, timber, etc.-If a deduction is claimed on account of depletion, procure from the District Director: Form M (mines and other natural deposits), Form O (oil and gas), or Form T (timber), fill in and file with return. If complete valuation data have been filed with questionnaire in previous years, then file with your return information necessary to bring your depletion schedule up to date, setting forth in full statement of all transactions bearing on deductions from or additions to value of physical assets during the taxable vear with explanation of how depletion deduction for the taxable year has been determined. (Sections 611, 612, and 613.) Expenditures to be deferred and deducted ratably under the election provided

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in sections 616 (b), relating to certain expenditures in the development of mines, and 615 (b), relating to deductions for mine exploration, are not to be taken into account in determining the adjusted basis for property for the purpose of computing a deduction for depletion under section 611 .

28 (a). Amounts contributed under a stock bonus, pension, profitsharing or annuity plan.-Enter in item 28 (a) the total amount deductible under section 404. A corporation claiming a deduction under section 404 must submit with its return, in addition to the information specified in the regulations concerning such deduction, a statement with respect to each plan showing the type of plan, i. e., pension, annuity, profit-sharing, stock bonus, or other plan deferring the receipt of compensation, whether or not the plan is qualified under section 401 (a), and if trusteed, whether or not the trust is exempt under section 501 (a), and the method of funding, j. e., individual annuity or insurance contracts, group annuity contract, group permanent contract, or self-insured trust. If not funded, so indicate.

28 (b). Amounts contributed under other employee benefit plans.-Enter in item 28 (b) deductions for contributions to employee benefit plans other than those claimed in item 28 (a), such as insurance, health, or welfare plans. Submit with the return a schedule for each plan showing (1) the nature of benefits, i. e., group term life insurance, group permanent life insurance, noninsured death benefit, hospitalization, surgical, medical, sickness, accident, major medical expense, or other welfare benefits; (2) method of financing, i. e., insured, industry or areawide fund, self-insured fund, or direct benefit payments; (3) the amount of deduction: (4) the amount of employee contributions; (5) the number of employees covered; and (6) if a self-insured plan, the amount of bencfits paid during the taxable year. Also show the number of emplosees employed by the corporation.
29. Other deductions authorized by Iaw.--Enter in item 29 any other authorized deductions for which no space is provided on the return. Any deduction claimed should be explained in Schedule J.

No deduction is allowable for the amount of any item or part thereof allocable to a class of exempt income, other than wholly tax-exempt interest income. However, for interest on indebtedness incurred or continued to purchase or carry tax-exempt securities, see instruction 21. Items directly attributable to wholly exempt income shall be allocated thercto, and items directly attributabie to any class of taxable income shall be allocated to such taxable income. If an item is indirectly attributable both to taxable income and exempt income, a reasonable proportion thereof, determined in the light of all the facts and circumstances in each case, shall be allocated to each. A taxpayer receiving any exempt income, other than interest, or holding any property or engaging in any activity the income from which is exempt, shall submit with its return as a part thereof an itemized statement, in detail, showing (1) the amount of each class of exempt income, and (2) the amount of expense items allocated to each such class (the amount allocated by apportionment being shown separately).

In the case of mutual savings banks, cooperative banks, and domestic building and loan associations, any amounts paid or credited to the accounts of depositors or holders of accounts as dividends on their deposits or withdrawable accounts, if such amounts may be withdrawn on demand subject only to customary notice of intention to withdraw, are allowable deductions in computing taxable income. (Section 591.)

Under section 592 a special deduction in computing taxable income is allowed a mutual savings bank not having capital stock represented by shares, a domestic building and loan association, or a cooperative bank without capital stock organized and operated for mutual purposes and without profit, for repayment during the taxable vear of loans made before September 1, 1951, by the United States or its wholly owned agencies, or by a mutual fund established under the authority of State law.

For deductions on account of research and experimental expenditures, and exploration and development expenditures in the case of mines, see instruction 25.

32 (a). Net operating loss deduction.-The "net operating loss deduction" is the sum of the net operating loss carryovers and carrybacks to the taxable year. (Section 172 (a).) A net operating loss for taxable years ending after December 31, 1953, may be carried back 2 years (1 year for excess profits tax purposes) and carricd over 5 years. The net operating loss must first be carried to the earliest of the 7 taxable years to which it may be carried, then to the next earliest year, etc. The portion of such loss which shall be carried to each of the other 6 taxable years shall be the excess, if any, of the amount of such loss over the sum of the taxable income for each of the prior taxable years to which such loss may be carried. (Section 172 (b).)

The term "net operating loss" means, for taxable years ending after December 31, 1953, the excess of allowable deductions over gross income computed with the following modifications:
(a) No net operating loss deduction is allowed.
(b) The special deductions provided in section 242 (partially tax-exempt interest) and section 922 (Western Hemisphere trade corporations are not allowed).
(c) The special deductions allowed by section 243 (dividends received by corporations), section 244 (dividends received on certain preferred stock of public utilities), and section 245 (dividends received from certain foreign corporations) are computed without regard to the limitation provided in section 246 (b).
(d) The special deduction allowed by section 247 (dividends paid on certain preferred stock of public utilities) is computed without regard to the provisions of subsection (a) (1) (B) of such section.

As stated, the net operating loss deduction is the sum of the carryovers and carrybacks. However, the following modifications must be taken into account in determining the taxable income for any year which must be subtracted from a net operating loss to determine the portion of such loss which will still be available to carry to a subsequent year:
(a) The special deductions provided in sections 242 (partially tax-exempt interest) and 922 (Western Hemisphere trade corporations) are not allowed.
(b) The special deductions allowed by sections 243, 244, and 245 are computed with regard to the limitations provided in section 246 (b).
(c) The special deduction allowed by section 247 is computed with regard to the provisions of subsection (a) (1) (B) of such section.
(d) The amount of the net operating loss deduction is determined without regard to the net operating loss for the loss year or any taxable year thereafter.
For further information on computation of amount of carryovers and carrybacks, see section 172 (b).

With respect to all taxable years, whether they begin before, on, or afier, January 1, 1954, in determining the amount of any net operating loss carryback or carryover to any taxable year, the necessary computations involving any other taxable year must be made under the law applicable to such other taxable year. (Section 172 (e).)

The determination of any taxable year to which a net operating loss sustained in a taxable year ending before January 1, 1954, may be carried, must be made under the Internal Revenue Code of 1939 ; such determination for a net operating loss sustained in any taxable year ending after December 31, 1953, shall be made under the 1954 Code. (Section 172 (g).)

If the corporation desires prompt adjustment for an overpayment attributable to a net operating loss carryback, an application for a tentative adjustment should be filed on Form 1139 within 12 months after the close of the taxable year in which the net operating loss is sustained. (Section 6411.)

For treatment of net operating loss carryovers in certain corporate acquisitions, sec section 381.
For special limitation on net operating loss carryovers in case of a corporate change of ownership, see section 382 .

Section 852 (b) (2) provides that no net operating loss deduction shall be allowed in the case of a regulated investment company.

32 (b). Special deductions from Schedule K. (Sections 241247.) (Numbered to correspond to line numbers on page 3.)
(I) Partially tax-exempt interest.- Enter the amount received as interest on obligations of the United States or on obligations of corporations organized under Act of Congress which are instrumentalities of the United States, but only if (1) such interest is included in gross income; and (2) such interest is exempt from normal tax under the Act authorizing the issuance of such obligations. This deduction must be reduced by any amortizable bond premium as provided in section 171.
(2) (a) Dividends received from a domestic corporation.Enter an amount equal to 85 percent of the amount received as dividends (except dividends on certain preferred stock of public utilities) from a domestic corporation subject to income tax. Amounts received as dividends from mutual savings banks, cooperative banks, and domestic building and loan associations and allowed as a deduction to such banks or building and loan associations shall not be treated as dividends. In the case of dividends received from a regulated investment company, see section 854 regarding limitations on amount deductible.
(b) Dividends received on certain preferred stock of public utilities.-Enter 62.115 percent for taxable years beginning after December 31, 1953, and prior to April 1, 1955 (59.681 percent for taxable years beginning on or after April 1, 1955), of the amount received as dividends on the prefersed stock of a public utility which is subject to income tax and is allowed a deduction, as provided in section 247, for dividends paid.
(c) Dividends received from certain foreign corporations.Enter 85 percent of dividends received from certain foreign cor-
porations. See section 245 for qualifications and limitations on the amount of this deduction.
(3) Dividends paid on certain preferred stock of public utili-ties.-In the case of a public utility there is allowed, in accordance with section 247, an amount equal to 26.923 percent, for taxable years beginning after Dccember 31, 1953, and prior to April 1, 1955 (29.787 percent for taxable years beginning on or after April 1. 1955), of the lesser of (1) the amount of dividends paid on its preferred stock during the taxable year, or (2) the taxable income for the taxable year computed without regard to the deduction provided in section 247.
(4) Western Hemisphere trade corporation. - In the case of a Western Hemisphere trade corporation, as defined in section 921, there is allowed under section 922 a deduction equal to 26.923 percent, for taxable years beginning after December 31, 1953. and prior to April 1, 1955 (29.787 percent for taxable years beginning on or after April 1, 1955), of the taxable income of such corporation computed without regard to the deduction provided in section 922 .
33. Taxable income.-Under the provisions of section 443 (b) (1) if a corporation changes its accounting period, the taxable income for the short period beginning on the day after the close of the former taxable year and ending at the close of the day before the dav designated as the first day of the new taxable year shall be placed on an annual basis by multiplying the amount thereof $b v 12$ and dividing by the number of months in the short period. The.tax shall be that same part of the tax computed on the annual basis which the number of months in the short period is of 12 months.

However, taxpayers may elect to compute the tax for the short period according to the method described below if an application to do so is filed not later than the date when (giving effect
to any extensions granted) the return for the first full taxable year after the beginning of the short period must be filed. (Section 443 (b) (2).) For details concerning the form and content of such an application, consult the District Director.

If a proper application is filed, the taxpayer may elect to pay whichever tax under the following two methods is greater, in place of the short period tax under section 443 (b) (1): (1) Establish the actual taxable income for the 12 months beginning with the first day of the short period; then compute the tax on that income. Then determine as a short period tax that part of the tax so computed which bears the same proportion to the total tax so computed as the taxable income of the short period bears to the taxable income of the 12 months. However, a taxpayer which distributes substantially all its assets before the end of the 12 -month period described above, shall employ in the ahove computation the 12 month period ending with the last day of the short period. (2) Compute a tax on the taxable income of the short period as if the short period were a full taxable year.

In annualizing income of a short period consisting of 7 days or more, by reason of a change to a 52-53 week fiscal year, the annualization is made on a daily basis as provided in section 441 (f) (2) (B) (iii).
35. Credit for taxes.-If, in accordance with section 901 , a credit is claimed by a domestic corporation in item 35, page 1, on account of income, war-profits and excess-profits taxes paid or accrued to a foreign country or a possession of the United States, Form 1118 should be submitted with the return, together with the receipt for each such tax payment. In case credit is sought for taxes accrued but not paid, the form must have attached to it a certified copy of the return on which each such accrued tax was based, and the District Director may require a bond on Form 1119 as a condition precedent to the allowance of the credit.

## TAX COMPUTATION INSTRUCTIONS

1. Normal tax.-Section 11 provides a normal tax for taxable years beginning before April 1, 1955, equal to 30 percent of taxable income. In the case of a taxable year beginning after March 31, 1955, the normal tax is equal to 25 percent 'of taxable income.
2. Surtax.-Section 11 provides a surtax equal to 22 percent of the amount by which the taxable income (computed without regard to the deduction, if any, provided in section 242 for partially tax-exempt interest) exceeds $\$ 25,000$.
3. Exceptions.-The tax imposed by section 11 shall not apply to a corporation subject to a tax imposed by--(1) section 594 (relating to mutual savings banks conducting life insurance business), (2) subchapter $L$ (section 801 and following, relating to insurance companies), (3) subchapter $M$ (section 851 and following, relating to regulated investment companies), or (4) section 881 (a) (relating to foreign corporations not engaged in business in United States).
4. Consolidated returns.-Section 1503 provides that the tax imposed under section 11 (c) or section 831 shall be increased for any taxable year for which an affliated group of includible corporations makes or is required to make a consolidated return by 2 percent of the consolidated taxable income (computed without regard to the deduction, if any, provided in section 242 for partially tax-exempt interest). If the affiliated group includes one or more Western Hemisphere trade corporations or one or more regulated public utilities, the increase of 2 percent shall be applied only on the amount by which the consolidated taxable income of the affiliated group exceeds the portion (if any) of the consolidated taxable income attributable to the Western Hemisphere trade corporations and regulated public utilities included in such group.
5. Insurance companies other than life or mutual.-All insurance companies (other than life or mutual insurance companies) including mutual marine insurance companies and mutual fire insurance companies exclusively issuing either perpetual policies or policies for which the sole premium charged is a single deposit are subject to the taxes imposed by section 11. The taxable income of such insurance companies is defined in section 832 and differs from the taxable income of other corporations. This paragraph does not apply to foreign insurance companies not carrying on arr insurance business within the United States. (Section 831.)
6. Life insurance departments of mutual savings banls.- $\mathbf{A}$ mutual savings bank not having capital-stock represented by shares, authorized under State law to conduct a life insurance business and which conducts such business in a separate department the accounts of which are maintained separatcly from the accounts of other depertments of the bank is taxable under section 594 provided the life insurance department would, if it were treated as a separate corporation, qualify as a life insurance company under section 801 .

The tax consists of the sum of-(1) a partial tax computed under section 11 upon the taxable income of the bank determined without regard to any items of gross income or deductions properly allocable to the business of the life insurance department; and (2) a partial tax upon the taxable income (computed as provided in section 803 ) of the life insurance departmert determined without regard to any items of gross income or deductions not properly allocable to such department. at the rates and in the manner provided in subchapter $L$ with respect to life insurance companies.

Tax computation.-For the purpose of computing the first partial tax, a mutual savings bank should use Form 1120, filling in all applicable items (except items 34 and 36 , page 1 ) and schedules. The first partial tax should be computed by using the Tax Computation schedule on page 3 of Form 1120. For the purpose of computing the second partial tax Form 1120 L should be used. The first partial tax should be added to the second partial tax and the sum thereof entered in item 34 as the total income tax. Subtract from item 34 the sum of any credits in jtem 35 and enter in item 36 the balance of income tax. Form 1120 L properly filled in should be attached to and made a part of Form 1120 and properly identified as an accompanying schedule. However, any Form 1120L so used need not be separately executed under the penalty of perjury.
7. Resident foreign corporations.-Foreign corporations engaged in trade or business within the United States are subject to tax on their incomes from sources within the United States at the rates specified in section 11 . (Section 882.)
8. Regulated investment companies.-For provisions relating to the method of taxation of regulated investment companies, see sections 851 through 855.

## PRINCIPAL BUSINESS ACTIVITY

In reporting the "Pincipal business activity," on page 1, give the one business activity that accounts for the largest percentage of "total receipts." "Total rcceipts" means gross sales (item 1), plus gross rcceipts (item 4), plus all other income (items 7 through 14). State the broad field of business activity as well as the specific product or service, such as "Mining copper," "Manufacturing cotton broad woven fabic," "Wholesale food," or "Retail apparel." Where receipts ore derived from two or more of the detailed industry groups listed below, show only one which is the major source of receipts. Use the appropriate group under the heading "FINANCE" if over 50 percent of "total receipts" consists of investment income.

Enter the "business group code number" on page 1 from the following list. Give the code for the specific industry group from which the largest percentage of "total receipts" is derived.
agriculture, forestry, and
FISHERIES
Code
011 Farma and agricultural gerices.
081 Forestry, eacluding logging campa.
091 Fisheries.
Metal mining:
MINING
Metal mining:
101 Iron ore.
102 Copper, lead, zinc. gold, silver ores. 109 Other metal mining.
Coal mining:
111 Anthracite coal.
21 Bituminous coal and lignite.
Crude pelroleum and natural gas extracion: 131 Crude petroleum, Datural gac, and
138 Oil-and gas-field contract services. Noometallir mineral mining:
141 Stone, sand, gravel.
149 Other nonmetallic minerals, except fuels.

## CONSTRUCTION

151 General contractors: buildings. 152 General contractors: other. 153 Special trade contractors.
159 Other construction.

## manufacturing

## Bererages:

191 Bottled solt drinks and carbonated
192 Malt liquers and malt.
194 Wines. 195 Distilled, rectified, blended liquors.
Food and hindred products:
201 Meat products.
202 Dairy products, except market
203 Canning and preserving truits, vegetahles, and seafonds.
204 Grain-mill products, except cereal preparations.
205 Bakery products.
206 Sugar, cane and heet.
207 Confectionery, related products.
208 Cereal preparations.
209 Other, including manufactured ice and favoring sirups.
Tobaceo manufacturers:
212 Cigars.
Teatile-mill products:
221 Yarn and thread (cotton, wool, silk, and synthetic fiber).
222 Broad-woven fabric (woolen and worsted).
223 Broad-woven fabric (cotton).
24 Narrow labrics and other small wares (cotton, wool, silk, and Kynthetic fiber).
226 Dyeing and finishing textiles (except knit goods).
227 Carpets, rugs, and other floor coverings.
229 Other except cloth and millinery. broad-woven labric.
Apparel and other finished producta made fram labrice and similas materiala:
231 Men's and boys' clothing and furnishings, except fur and Wromber.
233 Women's clothing, and chiddren's and infants' wear, ercept fur and 235 Millinery.
235 Millinery.
238 Other apparel and accessories including gloves, robes, and
239 Other fabricated textlle products including curtains, tags, and awnings.
Lumber and wood producte (except larniture):
241 Lokging camps, Jopging contrac. 43 tors, sawmills, and planing mills. Millwork, plywood, and prefabri-
cated structural wood products. 244 Wooden centaners.
249 Other wood products.
Furninure and fistured (wood or metal):
201 Furniture - Leusehold, office, jublic building, and professioual.

## Code

254 Partitions, shelving, lockers; and 256 Winde and store fixtures.
259 other, venetian blinds. niture.
Paper and allied products:
261 Pulp, paper, and paperhoard mills.
266 Paper trags and paperboard containers and hoxes.
269 Pulp goods, and other converted paper products.
Printing, publishing, and allied indastries:
271 New printingers.
272 Periodicals.
273 Books.
275 Commercial printing, including lithographing.
279 Other publishing, hookhinding, and service industries for the printing trade.
Chemicals and allied producta:
281 Industrial inorganic chemirals.
282 Industrial organic chemicals, including plastic materials, synthetic rubber, and synthetic thetic
fibers.
283 Drugs and medicines.
284 Soap and glycerine, cleaning and polishing preparations, etr.
285 Paints, varnishes, lacquers, etc. toilet preparations.
287 Fertilizers.
288 Vegetable and animal nils and fats, except edible cooking oils.
289 Other, including gum and wood chemicals.
Products of petroleum and coal:
291 Petroleum refining.
299 Other.
Rubher producta:
301 Tires and infier tuhes.
309 Other rubber products.
Leather and leather products:
311 Leather: tannerl, curried, etc.
314 Fontwear (except rubber).
19 Other leather goors
Stone, clay, and glass producta:
321 Glass and glass products.
324 Cement (bydraulic).
325 Structural clay products.
326 Pottery and related products.
327 Concrete, gypsum, and plaster products, including lime.
329 Abrasive, asbestos, and other nonmetallic mineral products.
Primary metal industries:
331 Blast furnaces, steel works, and rolling mills.
332 Iron and steel foundries.
333 Primary and secondary smelting, refining, rolling, drawing, and alloying of nonferrous metals and alloys.
336 Nonferrous foundries.
339 Other, including iron and steel forgings and wire drawing.
Fabricatod metal producta (escept ord-
nance, machinery, and tranaportation nance, machinery, and transportation equipment):
341 Tin cans and nther tinware.
342 Cutlery, hand tools, and general hardware.
343 Heating apparatus (except electric) and plumbers' supplies.
344 Fabricated structural metal products, including boiler shop products.
346 Metal stamping, coating, and engraving.
347 Lighting fixtures.
348 Fabricated wire products
349 Other, including screw macbine products.
Machinery (eserpt electrical):
351 Engines and turbines, except automostive, aircraft, and railway.
352 Agricultural methy. and tractors.
353 Construction and mining machin-
354 ery and cquipment.
354 Metalworking machinery including machine tools.
355 Special industry machinery.
$35 t$ Oeneral industry machinery and equipment.

Code
357 Office and store machines and
3:8 Service industry and bouseheld machines.
359 Otber machinery parts, and machine shops
Electrical machinery, equipment, and supplies:
lectrical generating. transmission, distribution and iodustrial apparatus.
362 Electrical appliances.
363 Insulated wire and cahle.
364 Electrical equipment for motor vehicles, aircraft, and rallway loconotives and cars.
365 Electric tamps
366 Radio, radar, and television equipment, and phonographs (except ment, and ph
367 Other communication
368 Miscellaneous electrical products including batteries.
Transportation equipment (except electrical and motor pehicle equipment):
2 Aircratt and parts, including aircraft engines.
373 Ship and boat building, repairing. 4 Railroad equipment, including locomotives, and street cars.
379 Other transportation equipment.
Motor vehicles and motor vehicle equip-
ment (escept electrical equipment):
38) Motor vehicles, including bodies and truck trailers.
384 Motor vehicle parts and accessories, including engines, and trailers for passenger cars.
Ordnance and accessories:
391 Qans, and related equipment including small arms.
396 Small arms ammunition.
399 Other.
Prolessional, scientific, and controlling inatrumenta; photographic and optical goods:
01 Professional, scientlic, and controlling instrumeats, jacluding photographic and optical goods.
407 Watches, clocks, and clockworkoperated devices.
Other manulacturing industries:
411 Jewelry (precious metal), silver-
412 Costure and plated ware.
412 Costume jewelry (except precious metal).
413 Fahricated plastic products, except plastic materials.
419 Other, including matches.
TRANSPORTATION, COMMUNICATION,
AND OTHER PUBLIC UTILITIES
Tranaporiation:
461 Railroads, rallway express.
462 Urban, suburhan, and interurban railways (with and without busses).
463 Trucking and warehousing.
464 Other motor vehicle transportation, jucluding taxicabs aod busses.
465 Petroleum pipelines.
466 Water transportation.
467 Air transportatiou
468 Services, supplementary to transportation.
69 Other transportation.
Communication:
471 Telephone (wire or radio).
472 Telegraph (wire and radio). 479 Other communication.
Electric and gas utilities:
81 Electrle light and power
82 Qas production and distribution, except natural gas production.
Orther public utilities:
491 Water supply.
409 Other public utilities. WHOLESALE TRADE
501 Commission merchants.
Other wholesalers:
$\$ 11$ Food, including nullk.
b12 Alcoholic beverages.
613 Apparel and dry goods
614 Chemicals, paints, aud drugs.
b1b Mardware, electrlcalgoods, plumbing and heating equipment, etc.

Code
516 Lumber, millwork, and construction materials.
617 Machinery, equipment, suppliss.
818 Farm products-raw materials:
cotton, grain, wool, leaf tohacco,
livestock, etc.
E18 Other wholesalers
RETAIL TRADE
521 Food, including milk
General merchandiso:
\$31 Department stores.
:32 Variety stores.
33 Variety stores.
S41 Apparel and accessories.
551 Aurniture, home turnishings, etc.
Automotive dealers, dealers in parts and accessories, and filling atations:
${ }^{8} 63$ Automobiles and trucks.
\&fi Filling stations.
581 Eating and drinking places.
Lumber, building materials, and hardware: 91 Lumber and buils, matprials.
95 Hardware and tarm implements.
Other retail trade:
fol Liquor stores.
fog Other retail stores.
FINANCE, INSURANCE, AND REAL ESTATE
621 Banks and rust companies.
622 Mutual savings banks.
632 Savings and loan associations.
Credit agencies other than banks:
Ck4 Personal credit agencies.
635 Business credit agencies.
th39 Other credit agencies.
Holding and other inrealment companies:
64t Operating-bolding companies (companies which deriver) less than 90 percent hut more than 80 percent of "total receipts" from investments).
642 Other investment and holding companies (companies which derived 90 percent or more of total
651 Security and commodity bro
dealers, exchangex, and services.
Insurance carriera:
662 Mutual, except life or marine, and
ercept mutual fire insurance com panies issuing perpetual policies.
669 Otber.
671 Inaurancesgents, brokers, and sersice.
Real estate:
cxl Real estate owners and operators including lessors of buildings (excludes developers of real property and lessors of real
683 Developers of real property in083 Deluding traders on own account cluding traders on own account 685 'Title ahstract companies.
689 Other real estate.
Lessors of real property, eacept buildings:
Lessors of real property, eacept buidinga:
681 Agricultural, forest, and similar
681 Agricultural, torest, and simiar 692 Mining, ois, and sim
694 Public-atility property.
699 Other real property except build. ings.

701 Hotels, rooming sod boarding houses, campa.

## Persenal erices:

721 Laundries, cleaning and dycing.
723 l'hotographle studios including commercial photography.
720 Other personal service.
Business ser vices:
731 Advertising.
739 Other business servlces.
751 Automobile repair servicosand garazes.
761 Other repair aorsices.
Motion pictures:
781 Motion picture productlon, dis783 Motion pien theaters
783 Motion picture thesters.
791 Amusement and recreation rervice
801 Other aervices, ineluding achoole.
or other taxable year beginning
Name and oddresa


## Summary of Capital Gains and Losses

| Ciassifitation | Gain or Loss Ta Be Taken Into Account |  |
| :---: | :---: | :---: |
|  | a. Gaın | b. Loss |
| 6. Net short term capital gan or loss from line 3 |  |  |
| 7. Net long-term capital gain or loss from line 5 |  |  |
| 8. Net shortterm copital gain (hne 6, col. a) reduced by any net long-term capital loss (line 7 . col. b). Enter here and as stem 13 (a), page 1, Form 1120 |  | $\mathrm{x} \times \mathrm{xx} \mathrm{x} \times \mathrm{x} \times \mathrm{x}$ |
| 9. Net long-term capital gan (hne 7. col. a) reduced by any net short-term capital loss (line 6, col. b). Enter here and as item 13 (b), page 1. Form 1120 |  | $\mathrm{x} \times \mathrm{x} \mathrm{x} \times \mathrm{x} \times \mathrm{x} \times \mathrm{x}$ |
| 10. Excess of losses over gains in lines 6 and 7. This excess is not allowable |  | \$ |

Alternative Tax Computation for Calendar Year 1954 and Taxable Years Ending on or Before March 31.1955
11. Line 7. page 3. Form 1120

When deductons are allowable under sections 243.244 245247.922 , and 94 , disrezard lines 11 and 12 and compute taxable income
12. Net long term capital gain reduced by any net short-term capital loss (line 9 of summary)
13. Line 11 minus line 12
14. If amount of hine 13 is
(a) Not over $\$ 25,000$; enter 30 percent of line 13 ( 32 percent if a consolidated return)
(b) Over $\$ 25,000$; enter 52 percent of line 13 ( 54 percent if a consolidated return) Subtract $\$ 5,500$ and enter difference

djustment for partally tax exempt interest; enter 30 percent of line 1, Schedule K, Form 1120, but not in excess of 30 percent of line 13 .
16. Partial tax
17. 26 percent of line 12 ( $25 \%$ for years beginning on or after Apri! 1, 1954)
18. Alternatuve tax (hne 16 plus line 17 )
19. Normal tax and surtax (line 10, page 3. Form 1120)
20. Tax laability (line 18 or 19 , whichever is lesser). Enter here and as line 11, page 3, Form 1120 . \$
(II) PROPERTY OTHER THAN CAPITAL ASSETS


Stcte with respect to each atem of property reported in Schedule D (1) and (10). (1) How property was acquired
(2) Whether at ume of sale or exchange-(Check appropriate block(s))
$\square$ (o) purchaser owned directly or indirectly outstanding stock.
$\square$ (b) where purchaser was a cosporation, more than 50 percent in value of 1ts copital stock and 50 percent in vaiue of your capital stock same individual or his family, and
$\square$ (c) where purchaser was a corporathon whether more than 50 percent in value of its capital stock was owned directly or indirectly by you.

## INSTRUCTIONS <br> Instructions For Insurancs Companles Using This Schedule

Companies taxable under section 831 and having losses from capital assets old or exchanged in order to obtain funds to meet abnormal insurance losse etc., shall attach a schedule corresponding to Schedule E, Form 1120 M . For companies taxable under section 831 or section 821 (a) (1) or (b), "nct capital loss" means the amount by which the losses for the taxable yeas from sales or exchanges of capital assets exceed the sum of the gains from such sales ur exchanges and the lesser of (1) the taxable income (computed Without regard to gains or losses from sales or exchanges of capital assets or
to the deduction for partially tax-exempt interest provided in section 242)
or (2) losses from the sale or exchange of capital assets sold or exchanged to obtain funds to meet abnormal insurance losses and to provide for the payment of dividends and simular distributions to policyholders.
"item" or "line" numbers, Form 1120 , shall be considered as references to the appropriate "itern" or ""line" in Form 1120 M . It will be necessary for such companies to substitute for lines 14. is, and 16 on other side a computation conformang to that on pages 2 and 3 of Form 1120 M .

GENERAL INSTRUCTIONS

Gains and losses from sales or exchaoges of capital assets and other property.-Report sales or exchanges of capital assets and sales or exchanges orchange of property even though no gain or loss may be indicated sale be reported in detail.
Losses from sales or exchanges of capteal assets shall be allowed onlv to the apital loss sustained in sales or exchanges. However, the amount of a net five suiceeding taxable years and ereated may be carried over to tacable year as a short-terfic capital loss to the extent not allowed as a deduction against any net capital gans of any taxable year intervening between the taxable year in which the net capital loss was sustained and the taxable yeas to which carried. Definition of caposal assets.- The term "capital assets" means property held by the taxpayer (whether of not connected with its trade or business), but does not include (1) stock in trade of the taxpayer or other property of a kind which would properly be included in the inventory of the taxpayer if on hand at the close of the taxable year, or property held by the taxpayer primarily for sale to customers in the ordinary course of its trade or business; or (2) property used in the trade or business, of a character which is subject to the allowance for depreciation provided in section 167, or real property used in the rade or business of the taxpayer; or (3) certain copyrights, Iiterary. musical, or astustic compositions, or similar properties; or ( 4 ) accounts or rendered of from the sale of property described in (1) above, or (5) an obil. rendered or from the sale of propesty described in (1) above, or \{5\} an oblıgation of the United States or any of its possessions, of of a State or Ternitury, or any political subdivision thereof, or of the District of Columbia, issued on fixed maturity date not exceeding i year from the date of issue
Classificatron of capust gates and losses- The phrase "short-term" applies o the category of gains and losses arising from the sale or exchange of capital of gans and losses anthing from the sale or exchange of capital assets held for of gains and losses
Enter full description of each item of property sold or exchanged, even though no gain or loss may be indicated Such description should include description of improvements, detats explaination and descraption of land, or other evidences of indebiedness, name of issuing corporation, description of the particular issue denomination and amount: (c) for stocks, name of ssuing corpotation, class of stock, number of shares, and capital changes ffecting basis (nontaxable stock dividends, other nontaxable diseributions. tock rights, etc)
The "basis" for the property is not subbect to the same rule for reportung gains as for losses, if the propetty was acquired before March 1. 1913 If the property sold or exchanged was acquired pror to March 1, 1913. the basis or determining GAIN is the cost or the far market value as of March 1. 1913 adjusted as provided in section 1016, whichever ts greater, but in determining 28. 1913, basis for both gain and loss is the cost of such property, except as 28. 1913, basis tor both gain and loss is the cost of such property. except as by bequest, gift, tax-free exchange, involuntary conversion, or wash sale of tock, see sections 1014 , 1015 , 1031,1033 , and 1091 , respectively if the
sto amount show in as the basis is other than actual cash cost of the property sold or exchanged full detals must be furnshed regarding the acquisition of the property.
Enter in column $e$, on other side, the amount of depreciation, exhaustion. wear and tear. obsolescence, amortization, and depletion in respect of the property This amount shall be the sum of the following
(a) The amount of depreciation, exhaustion. wear and tear, obsolescence, amortuzation. and depletion which has been allowed (but not less than the amount allowable) in respect of such property since date of acquisition, or since February 28. 1913 . if the property was acquired before that date. For any pertod after December 31, 1951, the amount of depreciation, etc., allowed (and which is in excess of the amount allowable) shall be disregarded to the extent that such excess does not result in a teduction for any taxable year of
the taxpayer's income or excess profits taxes. In respect of any period after he taxpayer's income or excess profts taxes. In respect of any period after February 28. 1913, and betore January 1, 1952, the taxpayer may disregard
depreciation, etc, which was in excess of the amount allowable and which did not result in reduction of income or excess profis taxes only if an election is made in accordance with regulations See section 1020: and
(b) The amount of depreciation, exthaustion, wear and tear, obsolescence.
amortization, and depletion actually sustaned prior to March 1, 1913 , if the property was acquared before that date
Subsequent improvements to be entered in column $f$ include expenditures for additions, improvernents, renewals. and replacements made to restore the property or prolong its useful life Do not include ordinary repairs, interest, or taxes in column if or elsewhere in compueing gain or loss
If emergency facilities are sold or exchanged, see section 1238
Lasies on securitres becomung worbbless.-If any securities (as defined below) become worthless within the taxable yeat and are capital assets, the loss resulting; therefrom shall, in the case of a taxpayer other than a bank, as defined in section 88 , the constdered as a loss from the sale or exchange,
the last day of such taxable year, of capital assets. Section $165(\mathrm{~g})(\mathrm{i})$.
Definution of sercurity. For the purpose of determining capital losses under section 165, the term "security" mean a share of stock in a corporation; a right to subscribe for. of to receive, a shate of stock in a corporation; of a bond, debenture. note, or certificate, or nther evidence of indebtedness. assued hy a corpotaton or hy a government or polatical subdivision thereof, with interest coupuns or in registered form However, securities issued by certain
Lomed corpurations shall not to deemed caputal assets. Section $165(\mathrm{~g})$ (3)
Lomes not allourable - No loss shall be recognazed in any sale or other disposition of shares of stock or securnties where there has been acquired substanoption to acquire substantially identical stock or secuities withon 30 days option to acquire substantially identical stock or secuities withon 30 days
before or after the date of such sale or disposition, except in cases of dealers in stocks and securities and with respect to transactions made in the ordinary in stocks and securities and with respect
course of such husiness Section 1091
Except in the case of distrihutions in liquidation, no deduction shall be indirectly, between an individual and a corporation in which such individual owns, directly or, indirectly, more than 50 percent in value of the outstanding owns, directly or. indirectly, more than so percent in value of the outstanding
stock, of (except in the case of distributions in liquidation) between two
corporations more than 50 percent in value of the outstanding stock of each of which is owned, directly or indirectly, by or for the same individual, if ether one of such corporations, with respect to the taxable year of the corporation preceding the date of the sale or exchange was, under the law applicable to such taxable year. (1) a personal holding company, as defined in $\$ \$ 2$. (For the purpose of determining the ownership of stack, in applying this paragraph, see section 267.)
Gain on sules by a "controlled" corporation-In the case of a sale or ex. change, directly or indirectly, of property between an individual and a corporation more than 80 percent in value of the outstanding stock of which is owned by such individual, his spouse, and his minor children and minor grandchuldren, any gan recognized to the transferor from such sale or exchange
shall be treated as gain from the sale or exchange of property which is neither shall be treated as gain from the sale or exchange of property which is neither a caputal asset nor property described in section 1231 , if such property in
hands of the eransferee is depreciable under section 167 . Section 1239.
Gains and losses from involunsary conversion and from the sale or exchange of certan properiy used in she trade or business.- The term "property used in the trade or business." as used in section 1231, means property which has been held more than 6 months, which is used in the trade or busioess, and which is erther real property or property subject to depreciation under section 167. and which is not (a) property of a kind which would properiy be includible in the inventory of the taxpayer if on hand at the close of the taxable year,
(b) property held by the taxpayer primarily for sale to customers in the ordi. (b) property held by the taxpayer primarily for sale to customers in the ordi.
aary course of its trade or business, or (c) certain copyrights of similar prop. arty course of its trade or business, or (c) certain copyrights of similar prop-
ertes Such term also madudes tumber and coal with respect to which section erties Such term also uncludes timber and coal with respect to which section
631 applies as well as unharvested crops to which section 1231 (b) (4) applies. 631 applies as well as unharvested crops to which section 1231 (b) (4) applies.
Such term also includes livestock (but not poultry) held for draft, breeding, Such term also includes livestock (but not poultry) held for draft, breeding,
or daity purposes and held for 12 months or more from the date of acquisition. or daity purposes and held for 12 months or more from the date of acquisition. sale or exchange of "property used in the trade or business" and upon the compulsory or involuntary conversion of (1) such property and (2) capital assets held for more than 6 months Such gains and losses during the tapable year are treated as gains and losses from the sale or exchange of capital assets
held for more than 6 months, if the aggregate of such gains exceeds the held for more than 6 month, if the aggregate of such gains exceeds the
aggregate of such losses. If, however, such gains do not exceed such losses, such gans and losses shall not be treated as gains and losses from the sale or exchange of capital assets.
In determang whether gains do or do not exceed losses, it is necessary to include the gains and losses to the extent that they would be included if they were all ordinary gains and losses. The limitation of section 1211 on the dedurtibility of capital losses does not operate to exclude any such losses from the computation
included in full.
For special treatment of gain or loss upon the cutting of timber, or upon the disposal of tumber or coal under a contract by which the owner retains an economic interest in such timber or coal, see section 631 .
Ahernatute tax.-If for any taxable year the net long term capital gain exceeds the net short-term capital loss, or if there is only a net long-term capral gain, section 1201 imposes an alternative tax in hieu of the normal tax
and surtax imposed upon taxable income, if any, only if such tax is less than and surtax imposed upon taxable income, if any, only if such tax is less than
the tax imposed by section 11 (relating to normal tax and surtax on corporations), sections 821 and 831 (relating to normal tax and suftax on insurance companies, other than life insurance compantes), or section sil (a) (i) (relating to taxatuon of business ancome of certain organizations described in section 511 (a) (2)). The alternative tax is the sum of (1) a partial tax, computed at the normal tax and surtax rates on the taxable income decreased by the amount of the excess of the net long-term capital gann over the net short-term capital loss, and (2) 26 percent of such excess for taxable years beginning before April 1, 1954, determined without regard to section 21, or 25 percent for years beginning after March 31, 1954
If the corporation computes an alternative tax under section 1201 and is entatled to special deductions for dividends received (sections 243, 244, 245) ; the special deduction for dividends paid (section 247); the special deduction or deduction for a China Trade Act corporation (s
entered on line 13 shall be computed as follows:
(1) Add back to the taxable income (item 33, page 1, Form 1120) any deductions claimed in item 29 or item 32 (b), page 1, Form 1120
under the authority of sections $243,244,245,247,922$, and 941
2) Subtract from this total the excess of net long term capital gain over 2) Subtrat from this total the excess of net long-ter
(3) Recompute the special deductions allowable under sections 243,244 , 245. 247. 922, and 941 For the purpose of this recomputation, the term "taxable income" employed in these sections and in section 246 shall be considered to be the result in (2) above.
(4) Subtract from the result in (2) above the special deductions recomputed in (3) above and enter the difference, plus line 1 . Schedule K.
Form 1120 . in line 13 Form 1120 . in line 13
Bonds, eic., losses of bints. - In the case of a bank, as defined in section
81 if the losses in the taxable year from sales or exchanges of bonds deben. 381, if the losses in the taxable year from sales or exchanges of bonds. debentures, notes, or certificates, or other evidences of indebtedness, issued by any corporation (including one issued by a government or political subdivision thereof) with interest coupons or in registered form. exceed the gains from such sales or exchanges, such excess shall be considered
and deductible in full against other income Section 582 .
Dealees in securitres. Capisal gains and ordnnary losses,- Under the provisions of sectun 1236, gain by a dealer in securitues from the sale or exchange of a security, as defined in section 1236, shall ta no event be considered as gain from the sale or exchange of a capital asset unless (a) the security was, before the expuration of the thirtieth day after the date of its acquisition, clearly identified in the dealer's records as a security held for investment or, 1f acquired
before October 20, 1951, was so tdentified before November 20. 1951; and before October 20, 1951, was 50 tdentined before November 20 . 1951 , and
$(b)$ the security was not, at any time after the expiration of such thittieth day, (b) the secunity was not, at any time after the expiration of such thistieth day, held hy the dealer primanily for sate to customers in the ordinary course of
trade or business. A loss from the sale or exchange of a security shall, if sertinn 582 ( c ) is not applicable, be considered a capital loss if at any time
afier Novernber 19. 1951, the security was dearly identified in the dealer's corords as a security held for investment.
Shorr sales of capinal assets.-For rules regarding tax consequences of ces. rain short sales of stock or other securnties (including those deale with on a "when issued" basis), and transactions in commodity futures, see section 1233.
U $s$ governmeni priminc offac. $154-0-307329$


## SCHEDULE REQUIRED UNDER SECTION 6501 ( f )

(a) Personal Holding Company Income


Enter below the names and addresses of the indiflduals (b) Stock Ownership
owned, directly or indirectly, at any time during the last half of the taxoble year, more than 50

| Nome | Addres |  |  |
| :---: | :---: | :---: | :---: |
| Neme |  | Preterrise | common |
| (1) |  |  |  |
| (2) |  |  |  |
| (3) |  |  |  |
| (4) |  |  |  |
| (5) |  |  |  |

schodulo A-EXCESS OF EXPENSES AND DEPRECIATION OVER INCOME FROM PROPERTY NOT ALLDWABLE UNDER SECTION SAS (b) (8). (Soo IMstruction 3)


Schedule C.-INCOME, WAR-PROFITS, ANO EXCESS-PROFITS TAXES OF A FOREIGN COUNTRY OR U. S. POSSESSION. (See Instruction 7)
Nature of Tax

Schodule D.-DEDUCTION FOR DIVIDENDS PAID. (See Instructlon 13)

1. Taxable dividende pald, excluding (a) dividends patd in current taxable year and claimed in the preceding year under section 563, arid (b) deficiency diviciends as defined in section 547
2. Consent dividends. (Submit schedule).
3. Taxable distributions (total of lines 1 and 2)
4. Difidend carry-over from first and secand preceding taxable years. (Subrnit schedule of computation
5. Deduction for dividends paid (total of lines 3 and 4). (Enter here and as item 13, page 1)


Schedule E.-AMOUNT USED OR SET ASIDE TO PAY OR RETIRE INDEETEDNESS INCURREO PRIOR TO JANUARY 1, 1934. (See Imstruction 14)

## 1. Description of ladebtedness

2. Date incurred or assumed
3. Date due.
4. Orignal amount of indebtedness
B. Amount used or set aside prior to January 1, 1934, to pay or retire such Indebtedness
B. Excess af indebtedness on lanuary 1. 1934, over total amount used or set aside prior ta that date to pay or retire such indebtedness.
5. Aggregate of amounts used or set aside to retire such indebtedness in taxable yeara beginning on and after January 1, 1934 (not including tozable year covered by this return).
6. Arnount used or Irrevocably sel aside durtng the tazable year covered by this return to pay or retire such indebtedness
7. Total at lines 7 and 8
8. Balance of indebtedness (ine 6 minus the 9)
9. Indicate separately:
(a) Amount actually used during the taxable year covered by this return to pay or retire the indebtedness
(b) Amount trrevocably set aside during the taxable year covered by this return to pay or retire the tridebtedness, but not actually used during the taxable year for such purpose
10. Portions of amounts entered on line 8 above, claimed as deductions for the taxible year covered by this return. (Enter portions of amounts here and total of such portions as 1tem 14, page 1)


Indicate by check mark whether the deduction clatmed in item 14, page I of this return, represents:
A $\square$ Arnount actually used during the tazable year to pay or retire the indebtedness;
B $\square$ Amount Irrevacably set aside during the taxable yeat to pay or retire the indebtednesa; or
$C \square$ Combination of both A and B .
There must be furnished all of the facts and ctrcurnstances upon which the taxpayer relies to establish the reasanableness of the amount clatmed as a deduction. Describe fully in an attached statement the plan for payment or retirement af the ohigations, indicating date and method of adoption, and where the plan is covered by a mandatory sinking fund agreement or similar arrangement, submil a copy of the indenture or agreement by which the the was stablished and under which it to maintained

If the amount clatmed as a deduction in 1 tem 14, pagel of this return, represents an amount irrevocably get astde bay or retire the indebtedness, explain fully in an attached viatement 4.0 ctroumstances and method by which th was irrevocably set aside.

[^46]
## INSTRUCTIONS FOR SCHEDULE PH 1120

## COMPUTATION OF U. S. PERSONAL HOLDING COMPANY TAX

## (Under Subtitic A, Internal Rovenue Code)

## (Reforences are to the Internal Revenue Code of 1954 unloue othorwlee noted)

## GENERAL INSTRUCTIONS

Corporations which must file Schedule PH (1120).-Every corporation which woses withon the classification of " "personal holding company" must file a Schedwe PH. The term "personal holding company" means any corporation, other than those listed in the exceptions below. if at least 80 percent of its gross income for the taxatle year is personal holding company income and if at any time during the last half of the taxable year more than 50 percent in value of its outstanding stock is owned, directly or indirectly, by of for not more than 5 individuals. For purposes of determining such stock ownership, an organization described in section 503 (b) or a portion of a trust permanently set aside of to be used exclusively tor the purposes described in section 642 ( 6 ) or a corresponding provision of a prior income tax law shall be considered an individual. (See section 542 (a).)

In the case of corporations filing consolidated returas, see section 542 (b).
The term "personal bolding company," as referred to above, does not include ang of the followiog:
(1) A corporation exempt from tax under subchapter $F$ (sec. 501 and following):
(2) a bank as defined in section 581;
(3) a life insurance company;
(4) a surety company;
(5) a forengn personal holding company as defined in section 552 ;
(6) a licensed personal finance company as defined in section 542 (c) (6);
(7) a lending company as defined in section 542 (c) (7);
(8) a loan or investment corporation as defined in section 542 (c) (8);
(9) a finance company as defined in section 542 (c) (9); and
(10) a foreign corporation the gross income and stock ownersbip of which falls wathin the provisions of section 542 (c) (10).
A foreigo corporation, whether resident or nonresident, which is classified as a personal holding company under section 542 (not uncluding a foreign personal bolding compans as defined in section 552 ) is subject to the tax imposed by section 541 with respect to its income from sources witho the United States even thougb such income is not fuxed or determinable annual or periodical income specified in section 881 (a). (See section 861.) The term "personal holding company" as used 10 subtitle A does not include a foreign corporation if (1) its gross income from sources within the United States for the period specifed in section 861 (a) (2) (B) is less than 50 percent of its total gross income from all sources and (2) all of its stock outstanding during the last half of the taxable year is owned by nonresident alien individuals, whether directly or indirectly through other foreign corporations.

Personal holding company income.-The term 'personal holding company income" is defined by section 543 as the portion of the gross income which consists of:
(1) Dividends, etc-Dividends, interest, royalties (other than mineral, oil, or gas royalties), and anourties. This paragraph shall not apply to interest coostituting rent as defined in paragraph ( 7 ) or to interest on amounts set aside in a reserve fund under section 511 or 607 of the Merchant Marine Act, 1936.
(2) Stock and securimes transactions.-Except in the case of regular dealers in stock or securities, gains from the sale or exchange of stock or securities.
(3) Commoomes transactions.-Gains from futures transactions in any commodiry on or subject to the rules of a board of trade or commodity exchange. This paragraph shall not apply to gains by a producer, processor, merchant, or handler of the commodity which arise out of bona fide bedging transactions reasonably necessary to the conduct of its business in the manner in which such business is customarily and usually conducted by others.
i4) Estates and trusts.-Amounts includible in computing the taxable income of the corporation under part I of subchapter J (sec. 641 and following, relating to estates, trusts, and beneficiaries); and gains from the sale or other disposition of any interest in an estate or trust.
(5) Personal service contracts.-
(A) Amounts received under a contract under which the corporation is to turnish personal services; if some person other than the corporation bas the agnt to designate (by name of by description) the individual who is to perform ane services, or if the individual who is to perform the services is designated zoe services, or if the individual who is to perfo
(ov name or by description) in the contract; and
(B) amounis received from the sale or other disposition of such a contract. This paragraph shall apply with respect to amounts received for services under - particula: contract only if at some time during the taxable gear 25 percent or gore in value of the outstanding stock of the corporation is owned, directly or indirectly, hy or tor the individual who has performed, is to perform, or may be cesignated (by name or by description) as the ooe to perform, such services.
(6) USE OF CORPORATION PROPERTY BY SHAREMOLDER-Amounts received es compensation (however designated and from whomsoever received) for the use of, or right to use, property of the corporation in any case where, at any time during the tarable year, 25 percent or more in value of the outstanding stock of the corporation is owoed, directly or indirectly, by or for an individual entited
to the use of the property; whether such right is obtained direcly from the corporation or by means of a sublease or other arrangernent. This paragraph shall apply only to a corporation which has personal holding company income for the taxable year, computed without regard to this paragraph and paragraph (7), in excess of 10 percent of its gross income.
(7) Rents.-Reats, unless constitutiog 50 percent or more of the gross income. For purposes of this paragraph, the term "reats" means compensation, however designated, for the use of, or right to use, property, and the interest on debts owed to the corporation, to the extent such debts represent the price for which real properly held primarity for sale to customers in the ordinary course of its trade or business was sold or exchanged by the corpotation; but does not include amounts constituting personal holding company income under paragraph (6).
(8) Mineral, oil, or gas royalttes.-Mineral, oil, or gas royalties, unless-
(A) such royalties constitute so percent or more of the gross income, and
(B) the deductions allowable under section 162 (relating to trade or business expenses) other than compensation for personal services rendered by the shareholders, constitute is percent or more of the gross income.
Stock ownership.-Section 544 contains the following provision with refereace to stock ownership.
(a) Constructive Ofnership.-For purposes of determining whether a corporation is a personal holding company, insofar as such determination is based on stock owoership under section 542 (a) (2), section 543 (a) (5), or section 543 (a) (6)-
(1) Stock not ownbo by individual.-Stock owned, directly or indirectly, by or for a corporation. partnership, estate, or tust shall be considered as being owned proportionately by its shareholders, partners, or beneficiaries.
(2) Family and fartnership ownership.-An individual shall be considered as owning the stock owned, directly or indirectly, by or for his family or by or for his partner. For purposes of this paragraph, the family of an individual includes only bis brothers and sisters (whether by the whole or half blood), spouse, ancestors, and lineal desceodants.
(3) Options.-If any person has an option to acquire stock, such stock shall be considered as owned by such person. For purposes of this paragraph, an option to acquire such an option, and each one of a series of such options, shall be considered as an option to acquire such stock.
(4) Application of family-partnership and option rulbs.-Paragraphs (2) and (3) shall be applied-
(A) for purposes of the stock ownership requirement provided in section 542 (a) (2), if, but only if, the effect is to make the corporation a personal bolding company;
(B) for purposes of section 543 (a) ( $\$$ ) (selating to personal service contracts), or of section 543 (a) (6) (relating to the use of property by sharebolders), if, but only if, the effect is to make the amounts therein referred to includible under such paragraph as personal holding company income.
(5) CONSTRUCTIVE OWNERSMIP AS ACTUAL OWNERSHIP.-Stock constructively owned by a person by reason of the application of paragraph (1) or (3) shall, for purposes of applying paragraph (1) or (2), be treated as actually owned by such person; but stock constructively owaed by an individual by reason of the application of paragraph (2) shall not be treated as owned by him for purposes of again applying such paragraph in order to make another the constructive owner of such stock
(6) Option rule in led of family and partnership rule.-lf stock may be coosidered as owned by an individual under either paragraph (2) or (3) it shall be considered as owned by him under paragraph (3).
(b) Convertible Securimies.-Outstanding securities convertible into stock (whether or not convertible during the taxable gear) shall be considered as out. standing stock-
(1) for purposes of the stock ownership requirement provided in section 542 (a) (2), but only if the effect of the inclusion of all such securities is to make the corporation a personal holding company;
(2) for purposes of section 543 (a) ( 5 ) (relating to personal service con. eracts), but only if the effect of the inclusion of all such securities is to make the amounts therein referred to includible under such paragraph as personal bolding company income; and
(3) for purposes of section 543 (a) (6) (relating to the use of property by shareholders). but only if the effect of the inclusion of all such securities is to make the amounts therein referred to includible under such paragraph as personal holding company income.
The requirement in paragraphs (1), (2), and (3) that all convertible securities The requirement in paragraphs (1), (2), and (3) that all converible securities where some of the outstanding securities are convertible only after a later date than in the case of others, the class having the earlier conversion date may be included although the others are not included, but no convertible securities shall be included unless all outstanding securities having a prior conversion date are also included.

## SPECIEIC INSTRUCTIONS

The following instructions are numbered to correspond with item numbers on page 1 of this schedule.

1. Taxable income before net operating loss deduction and special deductions from Schedule K, Form 1120.-Enter here the amount shown on line 31, Form 1120, computed in accordance with the provisions of subtitle A, but without regard to section 443 (b) (relating to income placed on an annual basis). In the event such tarable income in item 1 includes any amount with respect to coal royalties
to which section 631 (c) is applicable, see section 631 (c) and the regulations thereunder.

In the case of a nooresident foreign corporation (oot engaged in trade or business within the United States) which qualifies as a personal holding company under section 542 but not as a foreign personal holding company under section 552 , the amount to be entered in item 1 must be computed under section 861 rather than under section 881 (a). The taxable income so computed will reflect, in addition
to income from all other sources within the United States, gains from sales or exchanges made withio the United States of capital assets including stocks, securities, and commodities. Although such gans may not be subject to tax under section 881 (a), they are subject to tax imposed by section 541 .
2. Amount to be included in income where lien in favor of the United States is satisfied or released. The sum of the amounts deducted from taxable iocome under section 545 (b) (9) with respect to any lien in favor of the United States must be added to taxable income, in computing undistributed personal holding company income, in the tayable vear in which the lien is satisfied or released. Where an amount is so added to taxathle income, the shareholders of the corporation may, pursuant to regulations prescrithed by the Secretary or his delegate, elect to compute the income tax with respect to such dividends as are attributable to such amount as though they were received ratably over the period the lien was io effect.
3. Expenses and depreciation applicable so property of the tarpager in excess of amount allowable under section 545 (b) (B). If the corpotation derived rent or other compensation for the use or right to use property which was less than the sum of the expeoses iocurred to connection therewith and deductible under section 162 and the depreciation allowable under section 167, Schedule A should be filled in and the excess of the expeoses and depreciation over the reat or other compensation shown therein should be entered as item 3, page 1. This adjustmeot must be made unless the taxpayer establishes, io accordance with section 545 (b) (g), that the rent or other compensation received was the highest obtainable, or, if nooe was recerved, that none was obtainable; that the property was held in the course of a busmess carried on booa fide for profit; and either that there was reasonable expectation that the operation of the property would result in a proft, or that the property was necessary to the conduct of the business.

The burden of proof will rest upon the taxpayer to sustain the deduction of the aggregate of the expenses and depreciation allowed uoder subtitle $A$ in excess of the rent or other compensation derived from the property. A corporation claiming such excess deductions shall, in lieu of Glling in Schedule A, attach to the return a statement setting forth its daim for allowance of the deductions together with a complete statement of facts, circumstances, and arguments on which it relies in support of the deductions. Such statement shall include:
(a) A description of the property;
(b) The cost or other basis to the corporation and the nature and value of the consideration paid for the property;
(c) The name and address of the person from whom acquired and the date thereof;
(d) The name and address of the persos to whom leased or rented, or the person permitted to use the property, and the number of shazes of stock, if any, held by such person and the members of his family;
(e) The pature (cash, securities, services, etc.) and gross amount of the rent or other compensation recerved or accrued for the use of, or the right to use, the property during the taxable year and for each of the five preceding years and the amount of the expenses iacurred with respect to, and the depreciation sustained on, the properiy for such gears;
(f) Evideoce that the reat or other compensation was the highest obtainable and if none was received or accrued, a statement of the reasons therefor;
(g) A copy of the contract, lease, or rental agreement;
(b) The purpose for which the property was used;
(i) The business carried on by the corporation with respect to which the propenty was held and the gross income, expenses, and net nocome derived from the conduct of such business for the taxable year aod for each of the five preceding pears;
(j) A statement of any reasons which existed for expectation that the operation of the property would be profitable, or a statement of the oecessity for the use of the property to the business of the corporation and the reasons why the property was acquired;
(k) Any other information on which the corporation relies.
5. Additional cootributions or gifts deductible under section 545 (b) (2) (not deducted in computing item 1).-For purposes of the personal holding company tax, section 545 (b) (2) provides for a larger limitation on deductions for charitable cootributions than the $s$ percent limutation for purposes of determining the corporate tax The limitations on charitable deductions of iodividuals are appli. cable but are to be applied to the amount of taxable income to which the $s$ percent limitation applied. (See Specific Instruction 23, Form 1120.) However, a further adjustrmenr for this purpose is that the taxable income shall also be computed without the deduction of the amouat disallowed under section 345 (b) ( 8 ) (relating to expenses and depreciation applicable to property of the taxpayer). 6. Federal income and excess profirs taxes.-Section 545 (b) (1) provides that there shall be allowed as a deduction Federal income and excess profits taxes (other thao the excess profis tax imposed by subchapter $E$ of chapter 2 of the Internal Revenue Code of 1939 for taxable years beginning after Decernber 31, 1940) accrued during the taxable year, but not iacluding the accumulated earoings tax imposed by section 531 , the personal hoiding company tax imposed by section 341 , or the taxes imposed by corresponding sections of a prior income tax law. How. ever, a taxpayer shall deduce Federal income and excess profits taxes under this paragraph when paid if for each taxable year in which it was subject to tax imposed by section 500 of the Internal Revenue Code of 1939 it deducted such taxes when paid, unless it elects, in its return for a taxable year ending after June 30, 1954, to deduct the taxes described in this paragraph when accrued. Such ao election shall be irrevocable and shall apply to the taxable year for which the election is made and all subsequent taxable pears.
7. Income, wat-profirs, and excess profits taxes of a foreign country or U. S. possession (oor deducted in compusing item 1). -The credut allowed to domestic corporations by secuon 901 for ancome, war profis, and excess profts taxes of foreigo countries and U.S. possessions is not allowed as a credit with respect to the personal holding company tax. However, there shall be allowed as a deduction the income, war profits, and excess profits taxes of forelga countries and possessions of the United States accrued during the taxable year, eveo though the taxpayer clams a credit for such taxes in cormputing its income tax.
Foreign corporations should treat such taxes as deductions to be allocated in accordance with sectuan 861 in compuung incumo from sources within the Unted

Staces, and in such cases taxes of this nature will be reflected in taxable iocome stated in itern 1 instead of being stated separately as a deduction in item 7.
8. Net operating loss for the preceding year deductible under section 545 (b) (4).-Section 545 (b) (4) provides that in lies of the net operating loss deduction provided in section 172 there shall be allowed the arnount of the oet operating loss (as defined in section 172 (c)) for the preceding taxable gear.
11. Lien in favor of the United States. The taxpayer may deduct the amount not to exceed its taxable income, of any lien in favor of the United States (notice of which has been filed as provided in section 6323 (a) (1), (2), or (3)) to which the taxpayer is subject at the close of the taxable year.
13. Deduction for dividends paid. Enter as atem 13 the amount of the dividendspaid deduction as computed in Schedule D. The deduction for dividends paid is the sum of (1) the dividends paid during the taxable year, (2) the consent dividends for the taxable year, and (3) the dividead carryover from the two preceding taxable years
In general, a consent dividend is not an actual corporate distribution hut is a hypothetical distribution evideoced by shareholjers' consents to tueat as a dividend an amount which would constitute a dividend if distributed in money to such shareholders on the last day of the taxable year of such corporation. Such conseot dividend may be availed of only if the petson fling such consent owns common stock (or participating preferred stock, the participating sights of which are unlimited), and the amount specified in the conseat is pro rata, with no preference to any share of stock as compared with othet shares of the same class, and with oo preference to one class of stock as compared with another class except to the extent that the former is entitled to such preference. The effect of the consent is that the amount of the consent dividend is treated both as a dividend and as a contribution to the capital of the cotporation by the shareholder on the last day of the taxable year of the corporstion. A consent shall be filed in duplicate on Form 972 at ans time but not later than the due date of the corporation's income tax return for the taxable year for which credit is claimed. In addition. Form 973 must be filed by the taxpayer corporation.
The divideod carryover to a taxable year shall be determined as follows:
(1) For each of the 2 preceding taxable years there shall be determioed the taxable income computed with the adjustments provided in section 543 (relating to the computation of undistributed personal holding company income) (whether or oot the taxpayer was a personal holding company for either of such preceding taxable years), and there shall also be determined for each such year the deduction for dividends paid during such year as provided in section 961 (but determined without regard to the dividead carryover to such year).
(2) There shall be determined for each such taxable year whether there is an excess of such cuxable income over such deduction for dividends paid or an excess of such deduction for divideads paid over such taxable income, and the amount of each such excess.
(3) If there is an excess of such deductions for dividends paid over such taxable income for the first preceding taxable year, such excess shall be allowed as a dividend carryover to the taxable year.
(4) If there is an excess of such deduction for dividends paid over such taxable income fot the second precediag taxable year, such excess shall be reduced by the amount determined in paragraph (5), and the remainder of such excess shall be allowed as a dividend carryover to the taxable pear.
(5) The amount of the reduction specified in paragraph (4) shall be the amount of the excess of the taxable iocome, if any, for the first preceding taxable year over such deduction for dividends paid, if any, for the first preceding taxable vear.
14. Amounts used or irrevocably set aside ro pay or retire indebtedness of any kiad incurred prior to January 1, 1934.-Enter as item 14 the total amount reflected in line 12 , Schedule E. Section 545 (b) (7) provides that in determining undistributed personal holding company income there shall be allowed as a deduction amounts used or irrevocably set aside to pay or retire indebredness of any kind incurred before January 1, 1934, if such amounts are reasonable with reference to the size and terms of such iodebtedness.
17. Dividends paid after close of taxable year (excluding deficiency divideads as defined in section 547 (d)).-Enter as item 17 and not in Schedule $D$, the amount of tie dividends paid after the close of the taxable year and before the 15 th day of the third month thereafter, if the taxpayer elects io its return for the taxable year to have such divideods considered as paid during such taxable year. The amount allowed as a dividend under this paragraph with respect to any taxable year shall not exceed either the undistnbuted personal holding company income of the corporation for the taxable year, computed without regard to the dividends paid pursuant to this paragraph (Itern 16 of page 1 of this Schedule) or 10 percent of the sum of the dividends paid during the taxable year, computed without regard to this paragraph (i. e. 10 perceat of line 3, Schedule D).
Neither item 13 nor item 17 should raclude "deficiency dividends." The term "deficieocy dividends" means in general only those divideods which are paid by a corporation pursuant to a specific procedure set forth in section 547, which includes a requirement that there must first be a determination by a court, by closing agreement, or (under regulations) a written agreement signed by the District Director and by or on behalf of the taxpayer relating to the liability of the corporation for personal holding company tax.
Schedule required under section 6501 ( $f$ ).-Section 6501 ( $f$ ) provides as follows:
(f) Personal Holding Company Tax.-If a corporation which is a personal holding company for any taxable year fails to filc with its retum under chapter 1 for such pear a schedule setting forth-
(1) the items of gross income, described ia section 543 (a), eceived by the corporation during such year, and
(2) the names and addresses of the individuals who owned, within the meaoing of section 344 (relating to rules for determining stock ownership), at any time during the last half of such year more than 50 persent in value of the outstanding capital stock of the corporation,
the personal holding company tax for such year may be assessed, or a proceeding in court for the collcction of such tax may be begun without assessment, at any tume within 6 years after the return for such your was filed.


## SIGNATURE AND VERIFICATION (See Inctruction E)

I. the undersigned, president, vice president, treasurer, ossistant treasurer, chief accounting officer (or other duly authorized olficer) of the corporation for which this refurn is made, declare under the penalties of perfury thot this return (including any accompanying schedules and statements) has been examined by me and is, to the best of my knowledge and belief, a true, cortect, and complete return, made in good faith, for the taxable year stated, pursuant to the Internal Revenue Code and the regulations issued thereunder.


I declare under the penalties of perjury that I prepared this return for the person named herein: and that this return (including any accompanying schedules and statements) is, to the best of my knowledge and belief, a true, correct, and complete return based on all the information relating to the matters regured to be reported in this return of which I have any knowledge.



## RDDITIONAL INFORMATION REQUIRED

1. Was a return filed under the same name for the preced. ing taxable year?
2. State amount of deferred dividend funds at end of taxable year, exclusive of any amount held for pay-
ments in following taxable year. ................... ments in tollowing taxable year
3. Is this a consolidated relurn?

If "Yes," procure from the District Director of Internal Fevenue tor your distract Form 851. Affhations Schedule, which shall be filled in and filed as a part of this return.
4. "It thes is rict a consolidated return-
(a) did the company at any lime durina the taxable year own 50 fercent or more of the voting stock of ansther corporation etther domestse or foreign?
(b) did any corparation, in invidual, fratnership, trust. or arvaciatin at ony time during the taxable year own 50 per-ent or more of yuur voling stock?
fithar onswet pin feq ettach Ehowing (1) Name and nddress; (2) percentage of stock owmed, (3) fatw stock wras acquired. and (4) the Defract Direct restin ats wheth the lacome tox return of such corfaraticm, Individual, partnership, trusk, or arboctabori tor the fia: I traxiblay year was hlod.


6. Did the company at any time during the taxable year own directly or indrectly any stock of a loreig corporation?. .............................................
If answer is "Yes," attoch statement required by General Instruction J.
7. Did the company file with the District Director of Internal Revenue a copy of the annual statement for the preced ing year as requared by General lnstruction $K$ ? .....
If answer is "Yes," state District Director's office in which statement was filed.
8. If a copy of the annual statement required by General Instruction K does not accompany this return, state reason why the statement is not attached.
$\qquad$
9. If the company is a burial or funeral benelit insurance company, state whether it is engaged directly in the manufacture of funeral supphes or in the performance of !uneral services

# Tarpayers will find it helpful to read the General Instnctions $A$ to $L$ betore commencing to fill in their returns GENERAL INSTRUCTIONS 

A. Companies required to file a return.-Every domestic life insurance company and every toreign life insurance company carrymg on an insurance busmess within the United States (it with respect to its Uniled States business it would qualify as a life insurance company), which is engaged in the business of issuing hife insurance and annuty contracts (enther separately or combined wath health and accident insurance) or noncancelloble contracts of health and accident insurance and ct which the lite insurance reserves, plus unearned premiums and unpard losses on noncancellable life, health, or accident policies not included in lite insurance reserves, comprise more than $S 0$ percent of its total reserves, shall file a return on this form) (See sechon 801.)

If a receiver, trustee in dissolution, trustee in bankruptcy, or assignee has possession of or holds tille to all or substantially all the property or business of a corporation, whether or not the property or business is being operatod, he must make a return of income tor the corporation in the same manner and form required of other corporations. (See section 6012.)
B. Period covered. -The return shall be tor the calendar year ended December 31, 1954, and the taxable ineome compuled on the calendar year bass in accordance with the Siate laws regulating insurance companies.
C. Accounting Methods.-A return on this form shall be diled using the cash or accrual methed of accountho, except that whichever method is adopted in hling the company's lirst return must be tollowed untll the consent of the Commissioner is received to change the methad.
D. Time and place lor filing. -The return must be sent to the District Drector of Internal Revenue tor the district in which the company's principal. place of busmess or prancipal office or agency is located, on or before March 1S. 1955.
E. Signature and verification. -The return must be signed either by the president, vice-president, treasurer, assistant treasurer or chief accounting officer, or by any other corparate olficer authorized to sign. A receiver, trustee, or assignee must sign any relurn which he is required to file on behali of a corporation. The statement at the bottom of page 1 of the return is requred to be signed by any person, 11 m , of corporation who prepared the taxpayer's return. It the return is prepared by a hrm or corparation, it should be signed in the name of the firm or corporation. The statement is not requared if the return is prepared by a regular, full turne employee.
F. Payment of tax. -The tax must be paid in full when the return is hled or in two mstallments, 50 percent on or betore the 15 th day of the third month and 50 percent on or betore the 15 th day of the sixth month following the close of the taxable year.

If any installment is not paid on or belore the date fixed for its payment, the whole amount of the tox unpaid shall be paid upon notice and demand by the Distruct Director. The tox may be paid in cash or by check or money order drawn to the order of "District Director, I. R. S." Cash payment should be made only in person at the District Drector's office.
G. Penalties.-Failure to Ele, etc.-Substantial additions to the tax are
imposed for falling to the a return, for late hilng, and for filing a false or fraudulent return.
H. Information at eource.-Every insurance company making payments in the course of its trade or business of (1) interest, rents, commissions, or other fized or determinable income of $\$ 600$ or more durina the calendar year 1954 to an individual, a partnership, or a liduciary, or (2) salarles or wages of $\$ 600$ or more shall make returns on Forms 1096 and 1099 , except that the making of such return will not be regured with respect to salary or wage payments ancluded on Form W-2, provided copies of withholding slatements on Form W-2 are furnushed. If a partion of such salary or wage payments was reparted on a Withholding Statement (Form W-2), only the remainder must be reparted on Form 1099.
The returns on Forms 1096 and 1099 shall also include dividend payments totaling $\$ 10$ or more during the calendar year 1954 to each shareholder who is an individual (citizen or resident of the United States), a resident fiduciary. or a resident partnership any memker of which is a citizen or resident.

1. Information by corporations-1. Contemplated dissolution or liguidation.-Every corporation shall, within 30 days after the adoption by the corparation of a resolutron or plan for the dissolution of the corporation or for the liquidation of the whole or any part of its capital stock, render a correct return on Form 966 setting torth the terms of such resolution or plan. (See section 6043.)
2. Distribution in liquidation.-Every corporation making distributions in liquidation of the whale ar any part of its capstal stock shall also make returns on Foms 1096 and 1099L, as required by instructions on Form 1096, for the calendar year 1954.
J. Stock ownership in foreign corporations. - In addition to the schedule required by Specific Instruction 2, a corparation owning any stock of a foreign corporation must attach a statement showing the name and address of euch company and the tutal number of shares of each class of outstanding stock owned during the taxable year. It the corparation owned 5 percent or more in value of the outstanding stock of a foreign personal holding company, attach a statement setting forth in complete detail the information recuired by section SS1 (d).
K. Annual statement. - A copy of the annual statement for lite insurance companies adopled by the National Convention of Insurance Commssioners for the year 1954, as filed with the Insurance Department of the Stale, Territory, or District of Columbia, which shows the reserves used in computing the net income reported on the return, together with copies of Schedule A (real estate) and Schedule D (bonds and stocks), must accompany the return. Similar copies for the preceding year must also be furnished, if not liled for such year. In the case of a foreign life insurance company carrying on a hie in. surance busmess within the United States, the copies submitted shall be those relating to the United States busmess of the company.
L. List of attached schedules.-Attach a list of the schedules accompanying the return, giving for each a brel title and the schedule number. panying the return, giving for each a bree title and the
Place name and address of company on each schedule.

## SPECIFIC INSTRUCTIONS

The following instructions are nambered to correspond with item numbers on the first page of the return
I. Interest.-Enter interest received or accrued from all sources during the taxable year. The gross amount of interest reparted as gross income shall be decreased by the amortization of premium and increased by the accrual of discount attributable to the taxable year on bonds, notes, debentures, or other evidences of indebtedness, determined (i) in accordance with the method regularly employed, if reasonable, or (2) in accordance with regulations prescribed by the Secretary or his delegate. (Attach statement showing method and computation.)
2. Dividends. - Enter as item 2 (a) the amount received cr accrued as dividends from a domestic corporation which is subject to takation under Subtile $A$, except dindends on certain preferted stock of a pubic uthlity, dividends received trom a corparation entitled to the benefts of sectaon 931, and from a corporation organized under the China Trade Act, 1922. Enter as stem 2 (b) dividends received on certan preterred stock of a public uthity which is sub. ject to taxation under Subtule A. Enler as item 2 (c) dividends from foreign corporahons. Enler as item 2 (d) dividends trom all other corporations, including dividends on share accounts in Federal savings and loan associations issued on or after March 28, 1942. Enter in tem ! (c) dinndends on share acecunts in Federal savings and loan associations issued proor to March 28, 1942. Sukmit schedule stemizing all dividends received during the year, statirg the names and addresses of the corporations declaring the dividends and armounts secenved from each.
3. Rents.-Enter rents recelved or accrued from tenants.
5. Interest wholly exempt from tax.-Enter the amount of isterest which is wholly exempt from taxation under the provisions of section 103 .
6. Investment expenses.-Enter expenses paid or incurred which are properly chargeable to investment expenses, the total amount of which, if there be any allocation of general expenses to investrnent expenses, should not exceed one-fourth of 1 percent of the mean of the invested assets reported on line 12 . Schedule B. plus, in cases where the taxable income computed without any deduction for (1) investment expenses and (2) tax-tree interest, exceeds 3s/4 percent of the book vaiue of such mean of the invested assets, one-fourth of such excess. Submit a schedule showing the nature and amount of the tems included herein, the mancr thems being grouped in one amount. (See section 803 (g) (2).)
7. Taxes.-Enter taxes paid or accrued exclusively upan real estate owned by the company and taxes assessed against individual shareholders and paid by the company without reimbursement as provided in section 803 (g) (3). Do not include taxes assessed againsi local benefits of a kand tending to increase the value of the property assessed, as for paving, sewers, etc. (For imitation on deduction, zee Instruction 10 (b).)
8. Real estate expenses.-Enter all ordinary and necessary building expenses, such as fire insurance, heat, light, labor, etc., and the cost of incidental repars which nether materaliy add to the value of the property nor appreciably prolong its life, but keep it in an ordinarily efticient operating conditon. Do not anclude any amount paid out for new burldings or for permanent improvements or betterments made to increase the value of any property or any amount expended on foreclosed property belore such property is held forth for rental purpases. (For limitation on deduction, soe Instruction 10 (b).)
9. Depreciation. -The amount deductible on account of depreciation is an amount reasonably measuring a portion of the investment in depreciable property which, by reason of exhaustion, wear and tear, or obsolescence, is properly chargeable against the operations of the year. In any event the deduction is limated to the depreciation on the property that is used, and to the extent used, for the purpose of producing the ancome specified in section 803 (a). The amount of depreciation should be determined upan the basis of the original cost (not replacement cost) of the property, and the probable number at years remaning of its expected useful hite
(a) Straight line method. -The mest common method of computing depreci ation is the "straight line" method. It allows for the recovery of cost in equal annual amounts over the life of the property, with only salvage value remaining at the end of its useful life To compute the deduction. add the cost of improvements to the cost (or other basis) of the asset and deduct both the estumated salvage value and the total depreciation allowed or allowable in past years. Divide the result by the number of years of uselul hife remaning to the asset; the quotient in the depreciatian deduction.
(b) Declining belance method.-Under this method a uniform rate is applied each year to the remaining cost or other basis of property (without adjustment for salvage value) determmed at the begnning of such year. For
property acquiled before january 1, 1954, or used prsperty whenever acquired, the rate of depreciation under thils method may not exceed one and one-half Himes the applicable stralght line rate.
(c) Special rules for new asseta acquired after December 31, 1933.-The cost or other basis of an asset acquired after December 31, 1953, may be depreclated under methods proper in the past, or, it may be depreciated under any of the following methods provided (1) that the asset is tangible. (2) that it has an estimated useful hife of three years or more, and (3) that the original use of the asset commenced with the faxpayer and commenced after December 31, 1953. If an asset is constructed, reconstructed, or erected by the taxpayer, so much of the basis of the asset as is attributable to construction, reconstruction or erection after December 31, 1953, may be depreciated under methods proper in the past; or, it may be depreciated under any of the following methods provided the asset meets qualifications (1) and (2) above.
(1) Declining balance method. - This method may be used with a rate not in excess of twice the applicable straight line rate.
(2) Sum of the years-digits method. - Under this method annual allowances for depreciation ore computed by applying changing tractions to the taxpayer's cost or other basis of property (reduced by estimated salvage value). A deduction for each year is computed by multiplying the cost or other basis of the asset (reduced by estimaled salvage value) by the number of years of useful lite remaining (including the year for which the deduction is computed) ond dividing the product by the sum of all the digits correspanding to the years at the estimated useful hife of the asset. In the case of a five-year lite this sum would be 15 ( 5 plus 4 plus 3 plus 2 plus 1). For the first year $5-15$ th of the cost reduced by estimated salvage value would be allowable, for the second year 4-15th, etc.
(3) Other methods.- A toxpayer may use any consistent method which does not result in accumulated allowances at the end of any year greater than the total of the accumulated allowances which would have resulted from the use of the declining balance method. This limitation apples only during the use of the dechining balance method. This him
first two-thirds of the useful life of the property.
If a deduction is clamed on account of depreciation, a schedule should be hiled with the return showing: (1) description of the property; (2) date ol acquts!tion of the property; (3) the cost or other basis of the asset; (4) the amount of depreciation allowed and allowable in prior years; (5) the method under which the depreciation allowance is being claimed; (6) rate of depreciation, and expected useful life; and ( 7 ) depreciation allowance this year. In case obsolescence is included, state separately amount claimed and basis upon which it is computed. Cost or value of land is not subject to depreciation, which it is computed. Cost or value of land is not and building were purchased for a lump sum the cost of the buildings subject to depreciation must be established.
The adjusted property accounts and the accumulated depreciation shown in the schedule should be reconciled with those accounts as rellected on the books of the taxpayer. For limitation on deduction, see Instruction 10 (b) below.
10. Total deductions.-(o) Enier the total of iterns 5 to 9 , inclusive.
(b) Lumitation on deductions relating to soal owtate awned and accupled. - The deduc. ton included in llems 7 to 9 on account af real estate awned and occupped in whale or in part
 (computed whthout regard to the rental value of the entire praperty. (Submit detailed schedule)
(e) Iteme not deductibla. - No deduction is allowable for the amount of any stem or part thereot allocable to a class of erempt income. other than interest. Items directly attributable to such oxempt income shall be allocoled thereta, and items directly atributable to any class of toxable income ehall be allocated to such tarable income. If an items io indirectly attributable to both taxable income and exempl income. a reasonable proporton theteot, determined in the light of all the facte and circumstances in each case. ohall be allocaled to each. Appartionmonts muet in all casss be reawonable A laxpayer recelving any exempt income, other than
intereat, or halding any property or engaging in any activty the income from which in exempt


12 through 23. Computation of tax.-In general.-All lite insurance companes (including toreign life insurance companies carrying on a life tnsurance business within the Unted States) are subject to the tox imposed by section 802. For taxable years beginning in 1954, section 802 (b) provides for a tax equal to 34 percent of the first $\$ 200,000$ of 1954 hife insurance company tarable income and 63 percent of the cmount in excess of $\$ 200,000$. No consideration is to be given in the computation of the tax to any amount of the reserve and other policy liability deduction provided tn section 804 . The term "1954 life insurance company taxable income" is defined as the taxable income plus 8 times the amount of the adjustment for certain nonlife insurance reserves provided in section 806 and minus the reserve interest credit, if any, as delined in section 805 (b). The taxable income of a foreign hife insurance company carrying on a lite insurance business within the United States consists of that portion of its faxable income from the United States business (shawn on the form approved tor life insurance companies by the National Association of Insurance Commissioners) computed under the provisions of section 807.
15. Dividenda received deductions. - The deductions provided in line 15 are as follows (a) 85 percent of the amount recerved as dividends (except dividends on certain preferred stock of public utilites) trom a domestre corporation subject to income tax. Amounts received as dividends from mutual savinge banks, cooperative banke, and domestic building and loan asseciathons and allowed as a deduction to such banks or bulding and loan associa. tions shall not be treated as dividends. In the case af dividends recerved from a regulated investment company, see section 854 regarding limbtatians
on amount deductible; (b) 62.115 percent of the amount recelved as divdends on the preferred stock of a public uthity which is subject to tncome tax and is allowed a deduction, as provided in section 247, for dividends patd; and (c) 85 percent of dividends received trom certatn toreign corporations. See section 245 for qualifications and limatations on the amount of this deduction. Dividends received from a corporation described in section 246 (a) (Chino Trade Act Corporation, etc.) should be entered in Item 2 (d).
17. Adjustment for certain non-life insurance reserves.-For companies writing contracts other than life insurance or annuity contracts (either separately or combined with noncancellable health and accident insurance), add to the tarable income 3 ,i percent of the unearned premiums and unpaid losses on such other contracts which are not included in lite insurance reserves, but not less than 31\% percent of unpaid losses plus $3 \frac{1}{1}$ percent of 25 percent of the net premiums written during the taxable year on such other contracts. Section 805 (a) provides that there shall be odded to normol-tax net income an amount equal to eight tumes the amount of the adjustment for certain re. serves provided in section 806.
19. Reserve interest credit.-Schedule $C$ on page 2 should be used to compute the amount of the reserve interest credit. The reserve interest credit is allowed in instances in which the relationship between adjusted taxable income and requred interest is such that the adjusted taxable income is less than 105 percent of the required interest. The term "adjusted taxable in. come" is detined as the taxable income computed without any deduction for tax free interest or without the benefit of the special deductions provided by sections 242 through 245, minus 50 percent of the amount of the adjustment for certam non-lite insurance reserves. The term "required interest" means the total of-
(1) The sum of amounts obtained by multiplying (a) each fale of interest assumed in computing the life insurance reserves by (b) the means of the cmounts of the adjusted reserven puting the life insurance reserves by (b) the means of the cmounta
computed at that rate of the beginning and end of the tazable yoars
(2) Iwa percont of the roserve for deferred dividends, and
(3) Interest pald.

If the adjusted taxable income is 105 percent or more of the required interest, the reserve interest credit is stated as zero. If the adjusted taxable income is 100 percent or less of the required interest, the reserve interest credit is deter. mined as an amount equal to 50 percent of the taxable income. If the adjusted tazable income is more than 100 percent but less than 105 percent of the required interest, the reserve interest credit ts computed by multuplying the taxable income by ten tumes the difference between 105 percent and the actual percentage established. The percentage established by comparing adjusted taxable income to the required interest should be carried to at least the nearest one-tenth of a percentage point with the result that the multiplication by ten of the difference between 105 percent and such percentage will be productive of a more accurately graduated figure thon would be possible were no such fractional percentage to be allowed.
22. Credit for income taxes paid to a foreign country or United States possession.- 1f, in accordance with section 901, a credit is clamed by a domestic corporation in item 22, on account of income, war-profits and excessprofits taxes paid or accrued to a foreign country or a possession of the United States, Form 1118 should be submilled with the return, together with the recempt for each such tax payment. In case credit is sought for taxes accrued but not paid, the form must have atlached to it a certitied copy of the return on which each such accrued tax was based, and the District Director may re. quire a band on Form 1119 as a condition precedent to the allowance of a credit for such accrued taxes. A foreign company is not entitled to claim this credit.

## SCHEDULE A.-DATA FOR RESERVE RND OTHER POLICY LIKBILITY CREDIT FOR THE SUCCEEDING TAXABLE YEAR

Data for eucceeding tazable year. The following data shall be fur. ntshed in Schedule A by every life insurance company tor the computation of the figure, tor the succeeding year, to be proclamed by the Secretory to determne the reserve and other palicy liabulaty credit:
(1) Raaervas (lines 1 to 5 , inclusive).- List data pertaining to life Insurance reservea, Describe lully the nature of the reserve, the mothod al computatian. the interest rate uned, and
the amounf of each euch reserve at the beginning and end af the taxable year. Include mor. the amount at each euch reservo at the beginning ald end at the taxable year. Include mar.
tality and morbitity reserves an nancancellable hile, healh, or accident contracte. Do not include pro rato unearned premiums or unpald loseen on cancelloble accident and health coniracts. For reserves computed on a madifiad basis. such as Illinciu Standard, or Select and Utirgate, list 107 percent of the amount of such reserves. (For detinition of lite insurance reserves, (For reserves compuled on a matified baits, see nection 803 and the requlatone thereunder.)
(2) Renerve earninge rate (line 8).-Reserve aarninge rate means a rate computed by adding 21125 perceril ( 65 percent of 34 percent) and 35 percent of the overage rato of interest as. oumed in computing life losuranco reserves.
(3) Renarve for deforred difidende (line 11). Enter an amount equal ta 2 percent of the reserve held at the end al the tarable year for deterred dividends the payment of which is deterred tor a period of not less than 5 years trom the date of the policy contract. Do nat inciude in such reaerve dividends payable during the following toxable year.
(4) Intarast pald or accrued (line 12). - Enter the amount af interest pald or accrued
during the taxable year on the companys indebtedriens, except on Indebtedness incurred or during the taxable year on the company's indebtedriona, except on Indehtedness Incurred or
conitinued to purchase or carry obligatione fother than obllicatione of the Uniled Slates insurd ofter September 24, 1917. and orginally eubacribed lor by the taipayor) the interent upan which to whally exempt trom taxation, and all amounta in tho nature al interest, whether or not which is wholly exempt trom taxation, and all amounta in tho nalure al interest, whether or not
guaranieed. pald or accrued within the faxable your on insurance contracts (or contracte arizing out af insurance contractn) which do not involve, at the tree of paymenk, tite. Bealth, or accidani contingencies Interoet on dividende hold on deponit and surrendered during the taxable yoar should be included in that itom. Do not includo any intereat on delerred dividendo which were inctuded under (3) above.


|  |  |  | CORPORATE SEAL |
| :---: | :---: | :---: | :---: |
| (Date) | (Sicmature of officer) | (Tite) |  | reparted in this return of which I have any knowledge.

NORMAL TAX AND SURTAX COMPUTATIONS


## COMPUTATION OF TAX ON GROSS AMOUNT OF INCOME

## Section 821 (a) (2)) (Not Applicable to Interinsuress and Reciprocal Underwriters)

13. Total gross inccme in atems 1 to 3 . inclusive page
14. Net Eremums
15. Iztal gross amount ci inome (hme 13 plus line 14)
16. Less. Eividends to pohcyholders.
17. lnterest wholly exempt from tax (ntem 1 (a), column 4 page 1)
18. Gross amoun an income (ane 15 minus the sum of hnes 16 and 17 ).

Over $\$ 75,000$ and Not Over $\$ 150,000$
19. Iax (2 percent at excess of line 18 ovet $\$ 75,000$
20. Tox (1 percent of hne 18)

Over $\$ 150,000$
21. Tax under saction 821 (a) (2) (line 19 or 201 whichever 15 nonlacable

Tax Under Section 821 (a) (1) or (2), or (b)
22. Line 12 for internsurers and reciprocal underwnters; hne 12 or 21 , whohever is greater, for others.

## Limitation of Tax Under Section 821 (c)

Gross omounts received from interest, dividends, rents and premurns of over $\$ 75,000$ and less than $\$ 125,000$
23. Iriterest, dividends, and tents (line 13 above)
24. Gross premums recelved
25. Total of hines 23 and 24
26. Limitation under section 821 (c) (hne 22, above, multyhley by the ratio which the excess of line 25 , above, over $\$ 75,000$ bears to $\$ 50,0001$


Schedule A.-INVESTED ASSETS BOOK VALUES (See Instruction 7
(Schedule A Need Not Be Filled In if No Deduction Is Clamed for Any General Expenses That Are Allocated to Investment Income)

1. Peal estate
2. Mortgage loans
3. Cchlateral loans
4. Policy loans, including premium notes
5. Bonds of domestic corparations
6. Stock:s ol domestic corporations
7. Government ohligations, etc. (Attach Schedule)
8. Bark deposits bearing interest
9. Other interest-bearing assets (Attach Schedule)
10. Totals lines 1 to 9
11. Total ci columns 1 and 2 , luse 10
12. Moan of the invested assets for the taxable year (one half of line II)
13. One fourth of 1 percent of the mean of the invested assets
14. Income kase (item 5, page 1. minus ntems 8 to 12, inclusive, page 1)
15. $3^{3}$ percert of hine 12
16. Excess (if any) of line ! 4 over hne 15
17. One-fourth of line 16
18. Limit on dedurtion tor inivestment expenser (ime 13 plus hire 17 )


Schedule B. OTHER CAPITAL LOSSES (See Instruction 12)
Caputal Assets Sold ar Exchanged To Meet Abnormal Insurance Losses and To Provide for the Payment of Dividends and Similar Distribution to Pohcyholders

1. Divadends and samilar distribuhons pand to policyholders
2. Losses paid
3. Expenses pard
4. Tctal of lines 1 to 3 . inclusive
5. Less: Interest recerved (item 1, culumn 4. puge 1, adjusted to cash method if on accial method)
6. Dividends receiven (item 2, page 1, adjuited to cash method if on accrual methat)
7. Fent re nved (itam 3, pagm 1, adustud to cash methad it on accrual method).
8. Net premums re mived (hine 14, poge 2. adjusted to cash method it on accrual method)
9. Exce.. (if any) of line a cuer surn cines 5, 6, 7, and 8

10. Talal

(Form l120).
Eriter tutal cther capntal loseses (line 10, column 7) as them 12. page 1.

## General instructions

A. Companies Requirad To File a Return.-Every mutural insurance company other than a hife or marme insurance company and other than a fire insurance ecmpany subject to the tax imposed by section 831 (except a turemn mutual insurance company other than a life or marine insurance company or a tire insurance vompany sublect to the tax imposed by section 831-nit carrying on an insura: ce busiress within the Unted Stutes) with gross amount received from: wheres: dividends rents, and premums (including deposits and assess ments), in exuess of $\$ 25,000$ shall hie a return on this torm. (See section 501 (15) )
If a recever fruster in dissclution truster in bankruptcy of assignee ha possess rin ct or holds thle tw oll or substantally all the property or business of a corrosition, whether or not the property or busmess is being operated, he must make a refurn of income for the corporation in the same manner and form requireis of other sorporations. (Sertion 6012.)
B. Period Covered.-The return shall be tor the calendar year ended Decenter 31. 1954 and the taxable income computed on the calerdar year bass in accordance with the State laws requlating insurance conipanies.
C. Azesunting Methods.- $\AA$ return on this form shall be flled using the cash cr accrual methad of accourting except that whichever method is adoptend in fring the company's first return must be followed untal the consent of the Commasmoner is recelved to change the method.
D. Time and Place for Filing.- The rehurn must be sent to the District Director of internal fevenue for the district in which the company's primeipal place of business or principal oftice or agency is located, on or before March 15. 1955.
E. Signature and Verification. - The return must be signed either by the presiden: vice president, treasurer, assistant treasurer or chief accounting ifficer cr by any other corporate oticer auth rized to sign. A receiver trustre. -r assignee must agn ony return which he is regured to thie on behalf of a
tporation. The statement at the bottom of page i of the return is required to be :imed by any ferscn lirm, or corporation who prepared the toxpayer's return. It the return is prefayed by a hirm or corporation, it should be signed in the name of the lirr: or ocpporation. The statement is nct required if the return is prepared by a requar, ful tume employee.
F. Payment of Tax-The taz must be pard in full when the return is flled ot in two installments, 50 percent on or before the 15 th day of the third month and 50 percent on or before the 15 th day of the sixth month following the close of the taxable year.
If any instaliment as not paid on or before the date fixed for ats payment, the whole amount of the tax unpand shall be pand upon nothee and demand by the District Director. The tax may be paid in cash or by check or money order drawn to the order of "District Directer, 1. R. S." Cash payment should be made onily in person at the District Director's office.
G. Failure To File, Etc.--Substantial atditions to the tax are imposed for Galing to file a return, for lute fhing and for filing a fulse or fraudulent return.
H. Information at Source. Every imsur noce fumbany making payments in the course if its thate or buane: of (1) interect rents commassinns, or other fixed or determuable meome of of,00 or more darmy the calendar year 1954 to an indiwdual, a partner hup, or a fiduany or (2) nlanes or wages of $\$ 600$ or more shall make returns on Forms 1096 and $10 \%$ except that the making of such return will not be rezured with respect to salary or wage payments included on Form W-2, provided copree of withholding statements on Form W-2 are furmshod If a portion of such salary or wage payments was reported on o withiholding Stalement (Furm W-2), only the temander must be reported on Form 1099.
The returns on Forms 1096 and 1099 shall also include dividend payments totaling $\$ 10$ or more during the calendar year 1954 to each shareholder who is an individual (citizen or resident of the United States), a resident fiduciary, or a resident partnership any member of which is a citizen or resident

1. Information by Corporations-1. Contemplated Dissolution or Liqui-dation-Every corporation shall, within 30 days after the adoption by the corporation of a resolution or plan tor the dissolution of the corporation or for the liquidation of the whole or ary part of its capital stock. render a correct return on Form 966, setting forth the terms of such resolution or plan. (See section 6043)
2. Distributions in Liquidation.-Every corporation making distributions in fiquidation of the whole or any part of its capital stock shall also make returns on Firms 1096 and 1099L, as required by instructoons on Form 1096, for the colerudar year 1954.
J. Stock Ownership in Foreign Corporations.-In adition to the schedule fequired by Specific Instruction 2, a corporation owning any stock of a foreign corporation must attach a statement showing the name and address o! each company and the tota! number of shares of each class of outstanding stock owned during the taxable yerr. It the corporation owned 5 percent or more in value of the outstanting stak of a foreign personal holding company, attach a statement setting forth in c implete detail the information required by section 551 (d).
K. Annual Statement. - A copy of tho annual statement for mutual insurance companies adopted by the Nationil Cinvention of Insurance Commissoners for the year 1954, as filed with the Insurance Department of the State, Terntory, or District of Columbia, together with copies of Schedule $\AA$ (real estate) and Sched whe $D$ (bonds and stocks), must accompany the return. Similar copies for the preceding year must also be furnished, if not hiled for such year.
L. List of Attached Schedules. - Attach a list of the schedules accompanying the return, giving for each a brief title and the schedule number. Place name and adiress of company on each schedule.

## SPECIFIC INSTRUCTIONS

The Following Instructions are Numbered to Correspond With Item Numbers on Page 1 of the Return Unless Otherwise Indicated

1. Interest.-Enter interest received or accrued from all sources during the taxable year. The gross amount of interest reported as gross income shall be decreased by the amortzation cf premums and increased by the accrual of discount attributable to the taxable year on bonds, notes, debentures or other evidences of indebtedness, determinet (1) in azcordance with the method regulariy employed if reasonable, or (2) in occcrdance with regulations prescribed by the Secretary or his delegate. (Attach statement showing method and computation.)
2. Dividends.-Enter as item 2 (a) the amount received or accrued as dividends from a domestic corporation which is subject to taxation under Subtitle A excert dividends on certain preferred stock of a publio uthity corporation, and dividends received from a corporation entitied to the benefits of sectron 931 and from a corporation organzzed under the Chino Trade Act, 1922. Enter as them 2 (b) dividends received on certan preferted stock of a public uthity which is subject to tox unter Subutle A. Enter as item 2 (c) dividend: from foreign corporations. Enter as item 2 (d) dividends from all other corporations includine dividends on share accounts in Federal savings and ban cascications issued on or after Warch 28, 1942. Enter in item ! (c) dividends on share accounts in Federal savings and loan associations issued prior to March 28, 1942. Submit schedule, atemizing all dividends received during the year, stating the names ord addresses of the corporations declaring the dividends and amounts recerved from each.
3. Rents.-Enter rents received or accrued from tenants.
4. Gains and Losses From Sales or Exchanges of Capital Assets. Report sales or exchanges of eapital assets in separate Schedule D (Form 1120) (but see Schedule B, page 2). Every sale or exchange of a capital asset, even though no gain or loss may be indicated, must be reported in detail.
Losses from sales or exchanges of capital assets (except losses Irom capitat assets sold or exchanged in order to obtain funds to meet abnormal insurance losses and to provide for the payment of dividends and similar distributions to policyholders) shall be allowed to the extent of gans trom such sales or exchanges. with respect to companies taxable under section 821 (a) or (b). The ne! capital loss for such compones shall be the amount by which lasses tor such year from sales or exchanges of capital assers exceed the sum of the gains from such sales or exchanges and (1) the corporation surtax net income (computed without regard to gains or losses from sales cr exchanges of capital assets) or (2) losses from the sale or exchange of capital assets sold or exchanged to obtain funds to meet abnormal insurance losses and to provide tor the payment of dividends and
similar distributions to policyholders, whichever is the lesser. However, the amount ot a net capital loss sustaned in any taxable year may be carried over to each of the five succeeding taxable years and treated in each such succeeding taxable year as a shortterm capital loss to the extent not allowed as a deduction aganst any net capital gains of any taxable year intervenng between the taxable year in which the net capital loss was sustaned and the taxable year to which carried.
For lurther information relating to gains and losses from sales or exchanges of property, see instructions on back of separate Schedule D (Form 1120).
5. Interest Wholly Exempt From Tax.-Enter the amount of interest which is wholly exempt from taxation under the provistons of sezton 103.
6. Inveatrnent Expensea.-Enter expenses paid or accrued which are properly chargeable to investment expenses, the total amount of which, if there be any allocation of general expenses to investment expenses, shouid not exceed one-fourth of 1 percent of the mean of the invested assets reported on hne 12, Schedule A. plus, in cases where the taxable income computed without any deduciton for (1) investment expenses and (2) tax free interest exceeds $3^{3}$ s percent of the book value of such mean of the invested assets, one-fourth of such excess. Submit a schedule showing the nature and amant of the items included herenn, the minor items being grouped in one amount. (See section 822 (c) (2).)
7. Taxee.-Enter taxes paid or accrued exclusively upon real estate owned by the company and taxes assessed aganst imividual shareholders and pard by the company without reimbursement as provided in section 822 (c) (3). Do not include taxes assessed against local benefits of a kind tending to increase the value of the property assessed, as for paving, sewers, etc. For limitation on deduction, see Instruction 13 (b) below,
8. Real Estate Expenses.--Enter all ordinary ard nevessary bulding expenses, paid or accrued, such as lire insurance, heat, light. labor, etc., and the cost of incidental repairs which nether materially add to the value of the property nor appreciably prolong its life, but keep it in an ordinarily efficient operatng condition. Do not include any amount paid out for new buildings or for permanent improvements or betterments made to increase the value of any property or any amount expended on toreclosed property before such property is held forth for rental purposes. For himitation on deduction, see Instruction 13 (b) below.
9. Depreciation. - The amount deductible on account of depreciation is an amount reasonably measuring a portion of the investment in depreciable property which, by reason of exhaustion, wear and tear, or obsolescence, is
properly chargeable aganst the operations of the year. In any event the deduction is limited to the deprectation on the property that is used, and to the extent used, for the purpose of producing the income specthed in section 803 (a). The amount of depreciation should be determined upon the basis of the original cost (not repiacement cost) of the property, and the probable number of years remaining of its expected useful lite.
(a) Straight Line Method.-The most common method of computing depreci. ation is the "straight line" method. It allows for the recovery of cost in equal annual amounts over the life of the property, with only salvage value remaming at the end of its useful hite. To compute the deduction, add the cost of mprove ments to the cost (or other) basss of the asset and deduct both the estimated salvage value and the total depreciatuon allowed or allowable in past years Divide the result by the number of years of uselul life remaining to the asset; the guotient in the depreciation deduction.
(b) Declining Balance Method.-Under this method a unitorm rate 15 applied each year to the remaning cost or other basis of property (without adjustrient for salvage value) determined at the begnning of such year. For property acquired betore January 1, 1954, or used property whenever acqured, the rate of depreciation under this method may not exceed one and one-hall tumes the applicable straight line rate.
(c) Special Rules for New Assets Åcquired After December 31, 1953.-The cost or other basis of an asset accuired after December 31, 1953, may be depreciated under methods proper in the past; or, it may be depreciated under any of the following methods provided (1) that the asset is tangible, (2) that it has an estmated useful hife of 3 years or more, and (3) that the original use of the asset commenced with the taxpayer and commenced after December 31, 1953. If on asset is constructed, reconstructed, or erected by the taxpayer, so much of the basis of the asset as is attributable to construction, reconstruction or erection after December 31, 1953, may be deprecıated under methods proper in the past; or, it may be depreciated under any of the following methods provided the asset meets qualifications (1) and (2) above
(1) Declining Balance Method.-This method may be used with a rate not in excess of twice the applicable straight line rate.
(2) Sum of the Years-Digits Method.-Under this method annual allow ances for deprecraton are computed by applying changang fractions to the taxpayer's cost or other basis of property (reduced by estmated salvage value).
A deduction for each year is computed by multiplying the cost or other basis of the asset (reduced by estimated salvage value) by the number of years of useful life remaining (including the year for which the deduction is computed) and dividing the product by the sum of all the digits correspanding to the years of the estimated useful hife of the asset. In the case of a five-year life this sum would he 15 ( 5 plus 4 plus 3 plus 2 plus 1). For the tirst year 5-15th of the cost reduced by estmated salvage value would be allowable, for the second year 4-15th, etc.
(3) Other Methods.-A taxpayer may use any consistent method which does not result in accumulated allowances at the end of any year greater than the total of the accumulated allowances which would have resulted from the use of the dechining balance method. This limitation applies only during the first two-thirds of the useful life of the property.

If a deduction $1 s$ clamed on account of depreciation, a schedule should be filed wath the return showing: (1) description of the property; (2) date of accuisstion of the property; (3) the cost or other basis of the asset; (4) the amount of depreciation allowed and allowable in prior years: (5) the method under which the depreciation allowance is being clamed; (6) rate of depreciation, and expected usetul hite, and (7) depreciation anwance this year. In case obsoles cence is moluded, state separately amount clamed and basis upon which it is computed. Cost or value of land is not subject to depreciator, and wher land and building were purchased for a lump sum the cost of the buildings subject to depreciation must be established.
The adusted property accounts and the accumulated deprecialion shown in the schedule should be reconclled wath those accounts as reflected on the books of the taxpayer. For limitation on deduction, see Instruction 10 (b) below
11. Interest.-Enter the amount of interest pand or accrued during the taxable year on the company's indebtedness, except on indebtedness incurred or con tinued to purchase or carry obligations (other than obligations of the United States issued after September 24, 1917, and ongmally subscribed for by the tampayer) the interest upon which is wholly exemp: from taxation.
12. Other Capital Lossee.-Enter as item 12 losses from capital assets sold or exchanged to provide funds to meet abnormal insurance losses and to provide for the payment of dividends and similar distributions to policyholders. Capital assets shall be considered as sold or exchanged to provide for such funds or payments to the extent that the gross recelpts from therr sale or exchange are not greater than the excess, if any, for the taxable year of the sum of dividends and similar distributions pard to policyholders and losses and expenses paid. over the sum of interest divicends, rents, and net premiums received. (Soe Schedule B.)
13. Total Deductions, - (a) Enter the total of items 6 to 12, inclusive.
(b) Limitation on deductions relating to real estate owned and occupied. -The deduction included in atems 8 to 10 on account of real estate owned and occupied in whale or in part by the company shall be limited to an amount which bears the same ratio to such deduction (computed without regard to section 822 (d) (1)) as the rental value of the space not so occupied bears to the rental value of the entire property, (Submat detanled schedule.)
(c) Iterns not deductible.-No deduction is allowable for the amount of any item or part thereot allocable to a class of exempt income, other than wholly tax-exempt interest income. However tor interest on indebtedness incurred or continued to purchase or carry tax exempt securities, see instruction II. Items directly attributable to wholly exempt income shall be allocated thereto, and stems directly attributable to any class of taxable income shall be allocated to such taxable income. If an itern is indirectly attubutable both to taxable income and exempt income, a reasonable proportion thereot, determined in the light of all the facts and arcumstances in each case, shall be allocated to each. A taxpayer receivng any exempt income, other than interest, or hoiding any property or engagno in any activity the income from which is exempt, shall submit with ats return as a part thereol an itemized statement, in detal, showing (1) the amount of each class of exempt income, and (2) the amount of expense items allocated to each such class the amount allocated by apportionment being shown separately).
15. Inierest Partially Exempt From Tax.-Enter as jtem 15 the amount of interest meluded in gross income which is partially exempt from taxation and for which a special deduction is allowed under the provisions of section 242.
17. Dividends Received Deductions. -The deductons provided in line 15 are as follows (a) 85 percent of the amount receved as dividends (except dividends on certain preferred stock of public uthithes) from a domestic corporation subject to income tax. Amounts received as dividends from mutual savings banks, cooperative banks, and domestic building and loan associations and allowed as a deduction to such banks or bulding and loan associations shall not be treated as dividends. In the case of dividends received from a regulated investment company, see section 854 regarding limitations on amount deductible; (b) 62.115 percent of the amount received as dividends on the preferred stock of a public uthty which is subject to income tax and is allowed a deduction, as provided in section 247, for dividends paid; and (c) 85 percent of dividends received from certain foreign corporations. See sechon 245 for qualitrcations and limitations on the amount of this deduction.

Dividends recelved from a corporation described in sechon 246 (a) (China Trade Act Corporation, etc.) should be entered in Item 2 (d).

Page 1-22. Credit for Income Taxes Paid to a Foreign Country or United States Possession.-II, in accordance with section 901, a credit is clamed by a domestic corporation in item 22, on account of income, war-profits, and excessprofits taxes pard or accrued to a foreign country or a passession of the United States, Form 1118 should be submitted with the return, together with the receipt tor each such tox payment. In case credit is sought for taxes accrued but not pand, the form must have attached to it a certhied copy of the return on which each such accrued tax was based, and the District Director may regure a bond on Form 1119 as a condution precedent to the allowance of a credit for such accrued taxes. A foreign company is not entitled to clam this credit.

Page 2-14. Net Premiums.-Enter as line 14 the amount of gross premiums (including depostts and assessments) written or received on insurance contracts durng the taxable year, less return premsums and premums pand or incurted for remsurance. Amounts returned where the amount is not hixed in the insurance contract but depends upan the experience of the company or the discretion of the management are not to be included in return premiums but are to be treated as dividends to pahcyholders and included in line 16. (See section 823 (1).)

Page 2-16. Dividends to Policyholders.-Enter as line 16 dividends and similar distributions paid or deciared (depending upon the method of accounting regularly employed) to pahcyholders. (See section 823 (2).)

# U. S. Treasury Department-Internal Revenue Service <br> form 1118 <br> REV. NOV. 1954 <br> <br> STATEMENT IN SUPPORT OF CREDIT CLAIMED BY DOMESTIC CORPORATION FOR TAXES PAID <br> <br> STATEMENT IN SUPPORT OF CREDIT CLAIMED BY DOMESTIC CORPORATION FOR TAXES PAID OR ACCRUED TO A FOREIGN COUNTRY OR A POSSESSION OF THE UNITED STATES 

 OR ACCRUED TO A FOREIGN COUNTRY OR A POSSESSION OF THE UNITED STATES}

For Calendar Year 19



## SCHEDULE A.-Credit Claimed Against Incorne Tax

Taxes Paid or Accrued During the Taxable Year to a Foreign Country or a Possession of the United States ${ }^{2}$

Name of loreign country or possession of United States imposing tax $\qquad$ Character of tax
(Income, war prohts, or excess profits)
Statutes imposing tox
(To be nomed fully and clecrly so as to be easily identifed)

1. Tax withheld at source on dividends (attach receipt or return)
2. Tax paid or accrued (exclusive of tax withheld at source on dividends) (attach receipt or return) ${ }^{3}$
3. Tax deemed to have been paid or accrued by a related corporation (Item 10, Schedule B)
4. Total taxes (sum of Items 1, 2, and 3).

## LIMITATION

5. Dividends received from sources in this foreign country or U. S. possession (excluding dividends from a loreign corporation doing 50 percent or more of its business in the United States to the extent of the deduction under sections 245 and 246) ${ }^{6}$ ?.
6. Other taxable income (or loss) from sources in this foreign country or U. S. possession (exclusive of dividends received) ${ }^{8}$
7. Tota! taxable income in Items 5 and 6

8. Taxable income from all sources (Item 33, Page l, Form 1120) $\qquad$
9. Total United States income tax (Item 34, page 1, Form 1120).
10. Ratio of taxable income from sources in this foreign country or U. S. possession to taxable income from all sources (Item 7 divided by Item 8).
11. Amount of tox which may be claimed as credit under limitation of Section 904 (Item 9, multiplied by Item 10, but not in excess of Item 4). $\qquad$

SUMMARY OF TAXES ALLOWABLE AS A CREDIT (FROM SCHEDULE A, ABOVE, AND FROM ANY ADDITIONAL FORMS II18)2 (Fill in summary on only one Form 1118)

Name of foreign country or U.S. possession

> Amourt of tax clomed as credt (Schedule A, Item 11 of each Form 1118 ) $\$$
$\qquad$
$\qquad$
 ...............................

SCHEDULE B.-Taxes Paid or Accrued to a Foreign Country or a Possession of the United States by (1) a Related Foreign Corporation or (2) a Related Domestic Corporation Entitled to the Benefits of Section 931 or 94101011
(Where Section 902(b) applies, make computatian thereunder first. Altach another Schedule B appropriatcly completed)


Name of foreign country or possession of United States imposing tax $\qquad$ Character of tax (Income, wat prolits, or excess prohts)

Statutes imposing tax $\qquad$ (To be named tully ard clearl, so as to te eashly identhed)

1. Amount received during the taxable year as dividends from zuch related foreign corporation less the amount of the deduction allowable under Sections 245 and $246^{\circ}$ (In foreign money) which (converted at an exchange rate
of ................................... 4) equals in dollars
Submit computation or relerence to uem and line numbers on corporation . . . . . . . . . . . . . . . . . . . . . . . . . . .

$$
\$
$$

$\qquad$
Date and amount of each dividend payment $\qquad$
2. Dividends segregated according to years when prol:ts from which they were paid were accumulated ${ }^{14}$.
3. Total profits of related foreign corporation before tax was deducted therefrom ${ }^{6}{ }^{15} 18$
4. Accumulated profits (total profits less tax thereon) out of which dividends were paid. which, converted at an exchange rate of equals in dollars
5. Amount of taxes paid by the related foreign corporation or deemed to have been pand by it ${ }^{17}$ under Section 902 (based upon attached tax receipts ${ }^{18}$ ) or taxes accrued, in forergn money upon Item 3. which, converted at an exchange rate of. equals in dollars
6. Potio of accumuloted profits to total profits (Item 4 divided by Item 3)
7. Tax paid on or with respect to accumulated proits (Item 5 multuplied by ltem 6)
8. Patio of amount of dividends received to occumulated profits (Itern 2 divided by Item 4)
9. Amount of tax payments deemed to have been paid on prcfits distributed as dividends (ltem 7 multuphed ty Item 8). .

10. Total flay fryments deemed to have laen paut on profits distributed as dividends (totol of item 9). Enter as Item 3, Schedula A

## (See Notes on Page 3)

SIGNATURE AND VERIFICATION

I, the undersigned, president, vice president, treasurer, assistunt treasurer, chief accounting officer (or other duly authorized officer) of the corporation for which this statrment is made, declare under the penalties if perjury that this statement has been examined by me and is, to the best of my knowledge and belief, a true and complete statement of facts relating to the credit for tax as provided in sections 901 to 905 , inclusuve, of the Internal Revenue Code of 1954.


#### Abstract

NOTES Page 3

1 If the corporation elects under Section 905 to claim credit for taxes accrued, write "a-crued" in the space provided. (See Sectron 905 and instructions on paqe 4.) a Where there is more than cne ferem conntry or possession of the United States to which taxes are and by the domestic onperation, or more than one related twana comporacn, or mare than one forean country or possession of the Utoite ! S: :tes to whin texes are pation tehaif of a related forelan corporation addimenal Whedules sheuld be altwhed, and the amount ot the credat shown cn enk such schedule should be moluded in the summary. ${ }^{3}$ Ste:t the amount in the currency of the foreign country or possession of the United States (e. a., pounds, trancs, marks). - Give rate of exchange used and attach a statement describing in reasonable detal inty and how this partwcular rate was determmed. ${ }^{5}$ Include : it ll tux paid or accrued whether or not the mome upon which the tax was kused was subiect to United States Federal mome tax. ${ }^{6}$ lnclude any dividends received tran a freign subsidiary of the related foreign corperation. ? For the purpose of Sectrons 901-905 dividends received from a foreign corporatuon shall be treated as moome from sources wathout the United States only to the extent surh dwadends exceed the amount of the deduction allowable under Sezicns 245 and 246 an regpect of such dividends. (See Section 861 (a) (2) (B) 1 - Irclude all income taxable (or losses allowable) by the United States whether or not taxable (or ailowable) by the toreign country or United States possession. - The "erm "toreian corporuticn" es used in Schedule B inchudes a domestic corporation entrled to the benphts of Sectron 931 or 941 . (See Section 901 (c) below.) ${ }^{10}$ If the required ownership of at least 10 percent of the voting stock was attaned or relinquished during the year by the domestac corporation claiming credit, state the date when such change took place. ${ }^{11}$ For purposes of this form, a foreign corporation is considered a "related foresan corparaticn" if the domestic corpuration owns at least 10 percent of the vating stanck al a foreign corporation from whe hat reterves dividents. Effectiva for diviends recenved in taxable years hechmmonafter Dec. 31, 1940 ${ }^{12}$ Each column relales to that part of tutal dividends pund from accumulated profits shown therem. ${ }^{13}$ Where payments were of toxes accrued for only l year, give dates of beginning and ending of such year in first column. Where the payments were of taxes accrued for more than 1 year, give in separate columns the dates of each annua! period during which any part of the tax payments accrued.

14 If dividends recenved durng the taxable year from a related foreign corparation nust be considered under the stratute to be paid out of the income of such corparation for a period of nore thin 3 years, a separate schedule containing the intormation required in ltems 2 to 9 , inclusive, of Schedule $B$, shall be submitted covering all years involved. The total of the amounts entered in Item 2 must agree with the amount shown in Item 1 of Schedule B. ${ }^{15}$ The amount to be shown as total prohits under Item 3 of Schedule B should be the profits from all sources whatsoever (whether or not subjected to foreagn tox). from which, after deduction of the foreign tax shown in liem 5, the diva. dends nay be deemed to have been paid by the foreign corporation. ${ }^{16}$ Conversion to be made at same exchange rate as that used for dividends in Item 1 of Schedule B. ${ }_{17}$ The portion of the taxes paid by the foreign subsidiary ol the related foreign corporation, which is deemed to have been paid by the related foreign corporation, will be computed by the same method employed in computing the portion of the tax paid by the related foreign corporation, which is deemed to have been paid by the domestic corporation. ${ }^{19}$ Enter in each column for the annual period named at the top, the amount of the tax payment which accrued with respect to income of such pernod.


## EXTRACTS FROM SECTIONS 901-905 OF THE INTERNAL REVENUE CODE OF 1954

## (Foreign Tax Credit)

Sec. 901. Taxes of Foreign Countries and of Possessions of United States-(a) Allowance of Credit.-If the taxpayer chooses to have the benefits of this subpart, the tax imposed by this chapter shall, subject to the limitation of section 904, be credited with the amounts provided in the applicable paragraph of subsection (b) plus, in the case of a corporation, the taxes deemed to have been paid under section 902. Such choice may be made or chariged at any time prior to the expiration of the period prescribed for making a claim for credit or refund of the tax against which the credit is allowable. The credit shall not be allowed against the tax imposed by section 531 (relating to the tax on accumulated earnings), against the additional tax imposed for the taxable year under section 1333 (relating to war loss recoveries), or against the personal holding company tax imposed by section 541 .
(b) Amount Allowed.-Subject to the limitation of section 904, the following amounts shall be allowed as the credit under subsection (a):
(1) Citizens and domestic corporations.- In the case of a citizen of the United States and of a domestic corporation, the amount of any income, war profits, and excess profits taxes paid or accrued during the taxable year to any foreign country or to any possession of the United States; and
(c) Corporations Treated as Foreign.-For purposes of this subpart, the following corporations shall be treated as foreign corporations:
(1) a corporation entitled to the benefits of section 931, by reason of receiving a large percentage of its gross income from sources within a possession of the United States; and
(2) a corporation organized under the China Trade Act, 1922 (15 U. S. C., chapter 4), and entitled to the deduction provided in section 941.

Sec. 902. Credit for Corporate Stockholder in Foreign Corporation-(a) Treatment of Taxes Paid by Foreign Corpora-tion.-For purposes of this subpart, a domestic corporation which
owns at least 10 percent of the voting stock of a foreign corporation from which it receives dividends in any taxable year shall be deemed to have paid the same proportion of any income, war profits, or excess profits taxes paid or deemed to be paid by such foreign corporation to any foreign country or to any possession of the United States, on or with respect to the accumulated profits of such foreign corporation from which such dividends were paid, which the amount of such dividends bears to the amount of such accumulated profits.
(b) Foreign Subsidiary of Foreign Corporation.-If such foreign corporation owns 50 percent or more of the voting stock of another foreign corporation from which it receives dividends in any taxable year, it shall be deemed to have paid the same proportion of any income, war profits, or excess profits taxes paid by such other foreign corporation to any foreign country or to any possession of the United States, on or with respect to the accumulated profits of the corporation from which such dividends were paid, which the amount of such dividends bears to the amount of such accumulated profits.
(c) Applicable Rules.--
(1) The term "accumulated profits", when used in this section in reference to a foreign corporation, means the amount of its gains, profits, or income in excess of the income, war profits, and excess profits taxes imposed on or with respect to such profits or income; and the Secretary or his delegate shall have full power to determine from the accumulated profits of what year or years such dividends were paid, treating dividends paid in the first 60 days of any year as having been paid from the accumulated profits of the preceding year or years (unless to his satisfaction shown otherwise), and in other respects treating dividends as having been paid from the most recently accumulated gains, profits, or earnings.
(2) In the case of a foreign corporation, the income, war profits, and excess profits taxes of which are determined on the basis of an accounting period of less than 1 year, the word "year" as used in this subsection shall be construed to mean such accounting period.
(d) Special Rules for Certain Wholly-Owned Foreign Corpora-tions.-For purposes of this subtitle, if-
(1) a domestic corporation owns, directly or indirectly, 100 percent of all classes of outstanding stock ot a foreign corporation engaged in manufacturing, production, or mining,
(2) such domestic corporation receives property in the form of a royalty or compensation from such foreign corporation pursuant to any form of contractual arrangement under which the domestic corporation agrees to furnish services or property in consideration for the property so received, and
(3) such contractual arrangement provides that the property so received by such domestic corporation shall be accepted by such domestic corporation in lieu of dividends and that such foreign corporation shall neither declare nor pay any dividends of any kind in any calendar year in which such property is paid to such domestic corporation by such foreign corporation,
then the excess of the fair market value of such property so received by such domestic corporation over the cost to such domestic corporation of the property and services so furnished by such domestic corporation shall be treated as a distribution by such foreign corporation to such domestic corporation, and for purposes of section 301, the amount of such distribution shall be such excess, in lieu of any amount otherwise determined under section 301 without regard to this subsection; and the basis of such property so received by such domestic corporation shall be the fair market value of such property, in lieu of the basis otherwise determined under section 301 (d) without regard to this subsection.
Sec. 903. Credit for Taxes in Lieu of Income, Etc., Taxes.For purposes of this subpart and of section 164 (b), the term "income, war profits, and excess profits taxes" shall include a tax paid in lieu of a tax on income, war profits, or excess profits otherwise generally imposed by any foreign country or by any possession of the United States.

Sec. 904. Limitation on Credit-(a) Limitation.-The amount of the credit in respect of the tax paid or accrued to any country shall not exceed the same proportion of the tax against which such credit is taken which the taxpayer's taxable income from sources within such country (but not in excess of the taxpayer's entire taxable income) bears to his entire tayable income for the same taxable year.

Sec. 905. Applicable Rules--(a) Year in Which Credit Taken.-The credits provided in this subpart may, at the option of the taxpayer and irrespective of the method of accounting employed in keeping his books, be taken in the year in which the tazes of the foreign country or the possession of the United States accrusd, subject, however, to the conditions prescribed
in subsection (c). If the taxpayer elects to take such credits in the year in which the taxes of the foreign country or the possession of the United States accrued, the credits for all subsequent years shall be taken on the same basis, and no portion of any such taxes shall be allowed as a deduction in the same or any succeeding year.
(b) Proof of Credits.-The credits provided in this subpart shall be allowed only if the taxpayer establishes to the satisfaction of the Secretary or his delegate (1) the total amount of income derived from sources without the United States, determined as provided in part $I$, (2) the amount of income derived from each country, the tax paid or accrued to which is claimed as a credit under this subpart, such amount to be determined under regulations prescribed by the Secretary or his delegate, and (3) all other information necessary for the verification and computation of such credits.
(c) Adjustments on Payment of Accrued Taxes.-If accrued taxes when paid differ from the amounts claimed as credits by the taxpayer, or if any tax paid is refunded in whole or in part, the taxpayer shall notify the Secretary or his delegate, who shall redetermine the amount of the tax for the year or years affected. The amount of tax due on such redetermination, if any, shall be paid by the taxpayer on notice and demand by the Secretary or his delegate, or the amount of tax overpaid, if any, shall be credited or refunded to the taxpayer in accordance with subchapter B of chapter 66 (sec. 6511 and following). In the case of such a tax accrued but not paid, the Secretary or his delegate, as a condition precedent to the allowance of this credit, may require the taxpayer to give a bond, with sureties satisfactory to and to be approved by the Secretary or his delegate, in such sum as the Secretary or his delegate may require, conditioned on the payment by the taxpayer of any amount of tax found due on any such redetermination; and the bond herein prescribed shall contain such further conditions as the Secretary or his delegate may require. In such redetermination by the Secretary or his delegate of the amount of tax due from the taxpayer for the year or years affected by a refund, the amount of the taxes refunded for which credit has been allowed under this section shall be reduced by the amount of any tax described in section 901 imposed by the foreign country or possession of the United States with respect to such refund; but no credit under this subpart, and no deduction under section 164 (relating to deduction for taxes) shall be allowed for any taxable year with respect to such tax imposed on the refund. No interest shall be assessed or collected on any amount of tax due on any redetermination by the Secretary or his delegate, resulting from a refund to the taxpayer, for any period before the receipt of such refund, except to the extent interest was paid by the foreign country or possession of the United States on such refund for such period.

## INSTRUCTIONS

When Credit for Taxes May Be Taken.-The credit for taxes provided by section 901 (a) may ordinarily be taken either in the return for the year in which the taxes accrued or in which the taxes were paid, dependent upon whether the accounts of the taxpayer are kept and its returns filed upon the accrual method or upon the cash recripts and disbursements method. Where a taxpayer $k \in \in p$ its books of account on the accrual method, a credit for taxes paid to a foreign country must also be taken on
that method and the time of payment of the taxes has in such case nothing to do with the time of credit. A taxpayer whose books of account are kept on the cash receipts and disbursements method has the privilege of taking the credit for foreign taxes on an accrual method, but if it elects to do so, the credit for foreign taxes with respect to all subsequent years must be taken upon the same method.

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of Terms

Tables for
Tax Year 1954

## Historical Data

Synopsis of
Federal Tax Laws

Facsimiles of
Return Forms


[^0]:    

[^1]:    ${ }^{1}$ For a more complete discussion or some problems encountered in the use of tax returns to obtain data on the ifnancial characteristics of the economy, see $n \mathrm{Tax}$ Returns as a Source of Benchmark Statistics" by Helen F. Demond in Improving the Quality of Statistical Surveys, distributed by the American Statistical Assoclation, Wash1ngton, D. C. 1958.

[^2]:    The excess profits tax law terminated Dec. 31, 1953. Excess frofits tax tabulated for this report was

[^3]:    

[^4]:    
    For traatment of life and mutual insurance companies, see text, p. 17.
    NOTE: See text for explanatory statements and for "Description of the Sample and Limitations of Data.

[^5]:    
    

[^6]:    Sew footnotes at end of table. See text for explanatory statererits and for "Desuription of the Sample and Limitations uf Data

[^7]:    2Capital
    ${ }^{3}$ Luss of deficit.
    
    ${ }^{6} \mathrm{~F}$ OS after total taxpaymens

[^8]:    See footnotes at end of table. See text fur explanatory statements and for "Description of the Sarple and Limitations of Data."

[^9]:    [1. 1 , 1

[^10]:    annual accounting periads ended Jhy through Noventer 1954 and returns for part years which began in las
    
    Note: See text for expianatory statements and ror thescription or the Sampeand Limitations fi Data,

[^11]:    

[^12]:    NOTE：seep text for explanatory stathments und ：o：＂Deaription of the Sample and Limitations of Data．＂

[^13]:    

[^14]:    ${ }^{1}$ Sampling variabiiity of thic tem was to large to warrant, showing it separately. How ver, this value was included in each total.
    NOTE: See text for explanatury starements and $f=r$ "Description of the Sample and Limitations of Data."

[^15]:    

[^16]:     gnnus acounting feri de mided July thr umb November 1454 and returne fir part years which began in 1953.
    

[^17]:    See fochotes at end of table. see text for expianatory statements and for "Deacription of the Sanfle and Limitations of Deta.

[^18]:    ${ }^{2}$ Sampling variatili:y of this item was :00 large to warrant sncwing

[^19]:    :he Coctrites of end of table. See text for "xphanatory statements and for "Description of the Sample and Limitations of Data."

[^20]:    

[^21]:    *Sum reported on returns with balance sneets filed for tax yours beginning after Dec. 31, 1953 and ending on or b
    a Capital stock which mas not definitely designated as either commor preferred was tabulated under common stock
     annual accounting periods ended July through Novemiter 2754 and returns for part years wnich begar. in 1353.
    NOTE: See text for explamatory statements and for "Description of the Sample and Limitations of Data

[^22]:    Nute: See t.y.t for explaratory staumete and for "Description of the Sample and Limitations of Data."

[^23]:    2capital stock wich was not derinitely designated os either common or preferred was tabulated under zommon siock.

[^24]:    448404 - $-57-9$

[^25]:    See footnotes at end of table. See text for explanatory statements and for "Description of the Sample and Limitations of Data."

[^26]:    

[^27]:    Amouns shown for income from foreigh sources other than dividends were reduced by negative amounts.
    ${ }^{2}$ Sampling variability of this item was toc 2 arge to warrant showing it separately. However, this value was included in each total.
    ${ }^{3}$ Less than $\$ 500$.

    - Dericit.

    NOTE: See text for explariatory statements and for "Description of the Sample and Limitations of Data."

[^28]:    

[^29]:    See foctnotes at erd of tatle．See text for explanatory statemerte and for mescription of the Sample and Lamitationa of Data．

[^30]:    

[^31]:    

[^32]:    

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[^38]:    Nors: For explanatory statementa and comparability of data, see the texta for

[^39]:    

[^40]:    Cuts" for each of tht years litl-5 appears in the fitumal volume for those years.

[^41]:    Nore: For explanatory statements and comparability of date, see the texts for the 1954 tablea and for these historical tables. "Description of the Sample and Limitations of

[^42]:    

[^43]:    NOTE: For explanatory statements and comparability of data, see the texts for

[^44]:    Data" for each of the years 1951-54 appears in the anrual volume for those years

[^45]:    NoTE: For explanatory statements and comparal.alty of date, see the texts for the

[^46]:    

