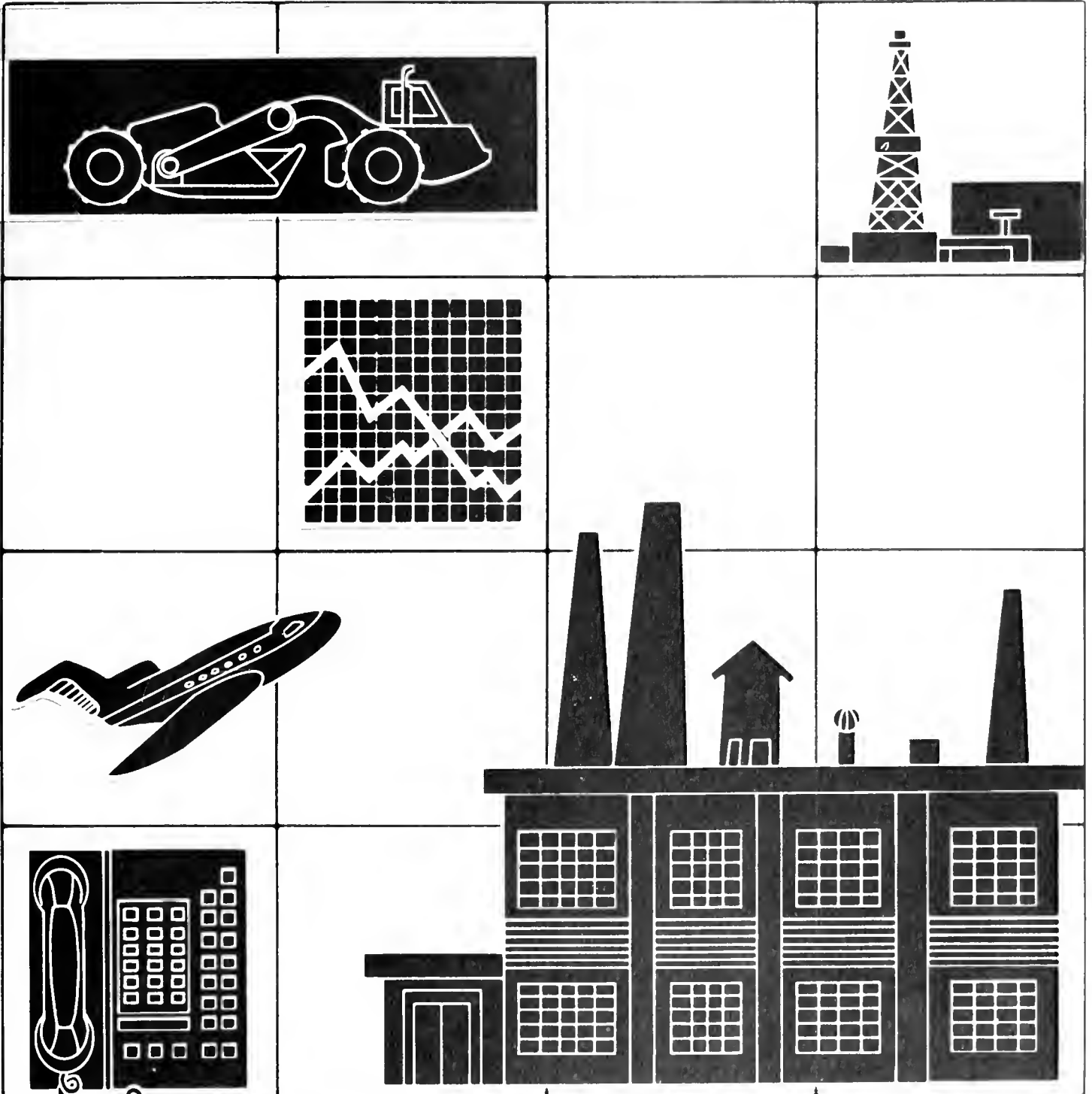




Statistics
of Income

Corporation Income Tax Returns

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ERRATA SHEET

U.S. Treasury Department
INTERNAL REVENUE SERVICE

December 1981

CHANGE SHEET

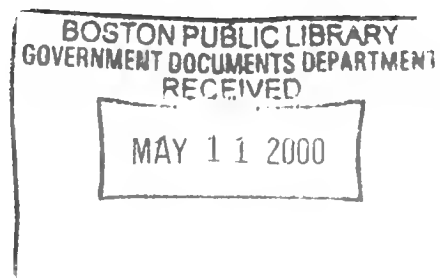
STATISTICS OF
INCOME 1977

CORPORATION INCOME TAX
RETURNS WITH ACCOUNTING
PERIODS ENDED

July 1977 - June 1978

Publication No. 16 (12-81)

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



1977
Statistics
of Income

Corporation
Income Tax
Returns

Publication 16 (12-81)

Department of the Treasury
Internal Revenue Service

Roscoe L. Egger, Jr.
Commissioner

Russell E. Dyke
Assistant Commissioner
(Planning and Research)

Fritz Scheuren
Director, Statistics Division

Lillie B. Dorsey
Chief, Statistics of Income Branch I

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

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

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

Suggested Citation

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COMMISSIONER OF INTERNAL REVENUE

Washington, DC 20224

December 1, 1981

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

Dear Mr. Secretary:

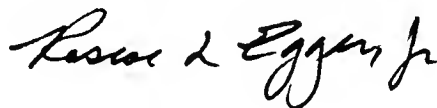
I am transmitting the complete report, *Statistics of Income--1977, Corporation Income Tax Returns*. This report has been produced in accordance with the mandate of section 6108 of the Internal Revenue Code which requires the preparation and publication of statistics reasonably available with respect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

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

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

With kind regards,

Sincerely,



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

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

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

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

OVERALL CORPORATE SUMMARY FOR 1977

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

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

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

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

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

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

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

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

ACTIVITIES INCLUDED

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

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

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

RETURN COVERAGE

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

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

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

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

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

TIME PERIOD EMPLOYED

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

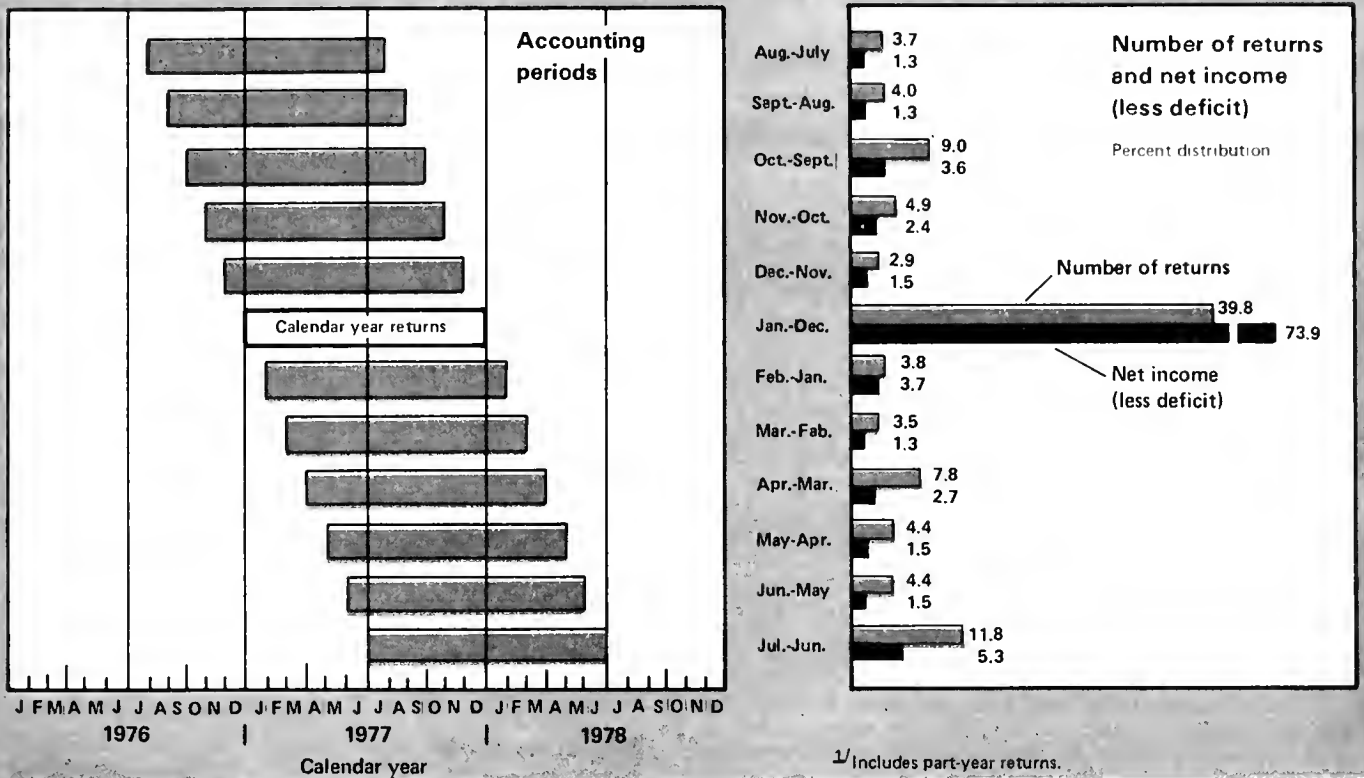
The 12 accounting periods covered by the 1977 report are presented in figure B. Code section 441 specified that, in general, the accounting period close at the end of the month. Thus, figure B shows a span of 23 months between the first-included accounting period, which began on August 1, 1976, and closed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

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

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

Figure B

Number of returns and net income (less deficit), by accounting periods ^{1/}



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

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

Corporation Returns/1977 • Introduction

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

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

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

¹Includes part-year returns.

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

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

TAX REFORM ACT OF 1976

Foreign Tax Credit

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

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

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

Investment Credit

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

Depreciation

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

Holding Period for Sales or Exchanges of Capital Assets

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

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

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

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

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

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

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

TAX REDUCTION AND SIMPLIFICATION ACT OF 1977

Tax Rate Change Extension

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

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

Amortization of Qualifying Child Care Facilities

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

New Jobs Credit

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

REVENUE ACT OF 1978

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

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

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

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

Income of Certain Regulated Public Utilities

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

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

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

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

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

Investment Credit and its Recapture

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

Single Purpose Agricultural or Horticultural Structures

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

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

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

Recapture of Investment Credit

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

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

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



SAMPLE SELECTION

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

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

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

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

METHOD OF ESTIMATION

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

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

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

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

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

SAMPLING VARIABILITY

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

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

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

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

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

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

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

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

⁴Returns classified in nonfinancial industries.

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

⁶Size of total assets of majority corporate stockholders.

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

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

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

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

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

$$SD(X) = X \cdot CV(X)$$

$$= 125,782 \cdot (0.036)$$

$$= 4,528 \text{ returns}$$

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

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

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

SAMPLE MANAGEMENT

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

ROUNDING AND MONEY AMOUNTS

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

CONSOLIDATED RETURNS

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

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

Estimated number of returns	Tables showing classification by size of total assets						Tables not showing classification by size of total assets	Form 1120-DISC table
	Under \$100,000 ¹	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000 ⁴		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	(Percent) ²							
200.....	91.0	62.2	40.3	29.9	17.5	9.8	91.0	21.5
300.....	74.3	50.8	32.9	24.4	14.3	8.0	74.3	17.6
400.....	64.4	44.0	28.5	21.2	12.4	6.9	64.4	15.2
500.....	57.6	39.3	25.5	18.9	11.1	6.2	57.6	13.6
600.....	52.5	35.9	23.3	17.3	10.1	5.7	52.5	12.4
700.....	48.6	33.2	21.6	16.0	9.4	5.2	48.6	11.5
800.....	45.5	31.1	20.2	15.0	8.8	4.9	45.5	10.8
900.....	42.9	29.3	19.0	14.1	8.3	4.6	42.9	10.1
1,000.....	40.7	27.8	18.0	13.4	7.8	4.4	40.7	9.6
1,200.....	37.2	25.4	16.5	12.2	7.2	4.0	37.2	8.8
1,400.....	34.4	23.5	15.2	11.3	6.6	3.7	34.4	8.1
1,600.....	32.2	22.0	14.3	10.6	6.2	3.5	32.2	7.6
1,800.....	30.3	20.7	13.4	10.0	5.8	3.3	30.3	7.2
2,000.....	28.8	19.7	12.8	9.5	5.5	3.1	28.8	6.8
2,500.....	25.7	17.6	11.4	8.5	5.0	2.8	25.7	6.1
3,000.....	23.5	16.1	10.4	7.7	4.5	2.5	23.5	5.6
4,000.....	20.4	13.9	9.0	6.7	3.9	2.2	20.4	4.8
5,000.....	18.2	12.4	8.1	6.0	3.5	2.0	18.2	4.3
7,000.....	15.4	10.5	6.8	5.1	3.0	1.7	15.4	3.6
10,000.....	12.9	8.8	5.7	4.2	2.5	1.4	12.9	3.0
15,000.....	10.5	7.2	4.7	3.5	2.0	1.1	10.5	(3)
25,000.....	8.1	5.6	3.6	2.7	1.6	(3)	8.1	(3)
35,000.....	6.9	4.7	3.0	2.3	1.3	(3)	6.9	(3)
50,000.....	5.8	3.9	2.6	1.9	1.1	(3)	5.8	(3)
75,000.....	4.7	3.2	2.1	1.5	0.9	(3)	4.7	(3)
100,000.....	4.1	2.8	1.8	1.3	0.8	(3)	4.1	(3)
150,000.....	3.3	2.3	1.5	1.1	0.6	(3)	3.3	(3)
250,000.....	2.6	1.8	1.1	(3)	(3)	(3)	2.6	(3)
500,000.....	1.8	1.2	(3)	(3)	(3)	(3)	1.8	(3)
700,000.....	1.5	(3)	(3)	(3)	(3)	(3)	1.5	(3)
1,000,000.....	1.3	(3)	(3)	(3)	(3)	(3)	1.3	(3)
1,500,000.....	1.1	(3)	(3)	(3)	(3)	(3)	1.1	(3)
2,000,000.....	0.9	(3)	(3)	(3)	(3)	(3)	0.9	(3)

¹Includes zero assets and assets not reported.

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

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

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

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

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

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

INDUSTRIAL CLASSIFICATION

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

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

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

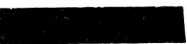
More detailed statistics are available in Publication 1053, Source Book of Statistics of Income--1977, for the industries shown in table 1 of this report. A general description of the Source Book including ordering information, is available from the Director, Statistics Division PR:S, Internal Revenue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

OTHER DATA LIMITATIONS

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

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

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



INCOME AND FINANCIAL DATA BY INDUSTRY OR SIZE

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

SELECTED SUBJECTS

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Minor industry	Number of returns		Total receipts		Business receipts	Cost of sales and operations	Net income (less deficit)	Net income	Deficit	Income subject to tax
	Total	With net income	All returns	Returns with net income						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Total returns of active corporations	2,241,887	1,424,528	4,128,304,478	3,655,771,492	3,813,925,121	2,725,009,554	219,243,043	245,274,490	26,031,447	212,501,782
Agriculture, forestry, and fishing	65,594	38,440	35,907,867	27,465,144	33,931,272	24,703,484	708,956	1,740,130	1,031,174	1,145,569
Agricultural production.....	46,315	28,241	27,972,217	20,976,999	26,279,006	19,260,447	501,766	1,393,604	891,838	932,618
Agricultural services (except veterinarians), forestry, fishing, hunting, and trapping.....	19,279	10,199	7,935,650	6,468,145	7,652,266	5,443,037	207,190	346,526	139,336	212,951
Mining	19,216	10,963	96,164,753	88,990,745	92,553,482	44,842,332	31,353,923	32,581,722	1,227,799	31,919,909
Metal mining.....	759	280	5,144,588	4,307,284	4,694,188	3,400,426	52,717	299,399	246,682	221,402
Iron ores.....	59	35	1,741,479	1,666,935	1,643,555	1,213,754	—	84,102	135,181	57,231
Copper, lead and zinc, gold and silver ores.....	310	85	2,718,412	2,293,299	2,398,507	1,814,496	98,111	170,781	72,670	138,521
Other metal mining.....	390	160	684,697	347,050	652,126	372,176	5,685	44,516	38,831	25,650
Coal mining.....	3,836	2,243	11,480,318	8,502,510	11,020,015	7,596,702	287,895	632,790	344,895	496,840
Oil and gas extraction.....	10,672	6,546	72,998,225	71,040,187	70,538,255	29,847,839	30,791,287	31,312,795	521,508	30,930,234
Crude petroleum, natural gas, and natural gas liquids.....	4,933	2,896	62,873,654	61,874,897	61,608,796	24,705,621	29,190,197	29,546,633	356,436	29,342,014
Oil and gas field services.....	5,739	3,650	10,124,571	9,165,290	8,929,729	5,142,218	1,601,090	1,766,162	165,072	1,588,220
Nonmetallic minerals, except fuels.....	3,949	1,894	6,541,622	5,140,764	6,300,754	3,995,365	222,024	336,738	114,714	271,433
Dimension, crushed, and broken stone, sand and gravel.....	3,574	1,629	4,625,036	3,859,951	4,481,990	2,866,735	221,479	275,829	54,350	226,562
Other nonmetallic minerals, except fuels.....	375	265	1,916,586	1,280,813	1,818,764	1,108,630	545	60,909	60,364	44,871
Construction	214,745	135,955	181,550,922	145,891,466	176,745,105	142,818,285	4,517,522	6,536,536	2,019,014	5,047,435
General building contractors and operative builders.....	84,924	50,099	78,660,877	60,924,612	76,403,771	65,783,246	1,464,691	2,448,215	983,524	1,865,007
General building contractors.....	81,205	47,836	73,216,815	56,613,049	71,250,146	61,590,833	1,310,352	2,163,975	853,623	1,634,734
Operative builders.....	3,719	2,263	5,444,462	4,311,563	5,153,225	4,192,413	154,339	284,240	129,901	230,273
Heavy construction contractors.....	16,875	11,580	37,344,404	31,857,213	35,740,112	28,759,758	1,303,559	1,614,677	311,318	1,372,439
Special trade contractors.....	112,946	74,276	65,545,641	53,109,641	64,601,222	48,275,281	1,749,472	2,473,644	724,172	1,809,989
Plumbing, heating, and air conditioning.....	23,383	16,047	17,410,082	14,222,739	17,230,432	13,380,931	429,845	569,325	139,480	422,203
Electrical work.....	18,771	12,327	10,043,004	7,776,079	9,878,135	7,498,966	232,344	359,403	127,059	268,415
Other special trade contractors and contractors not allocable.....	70,792	45,902	38,092,555	30,910,823	37,492,655	27,395,384	1,087,283	1,544,916	457,633	1,119,371
Manufacturing	231,149	158,995	1,653,531,899	1,500,494,094	1,591,340,869	1,165,901,411	100,008,887	107,608,932	7,600,045	101,639,157
Food and kindred products.....	16,048	11,039	200,282,466	178,095,737	196,642,579	151,186,646	7,868,406	8,452,384	583,978	6,030,154
Meat products.....	2,602	1,673	45,765,515	38,641,619	45,267,005	38,999,453	731,545	844,982	113,437	796,071
Dairy products.....	1,965	1,065	29,116,862	26,793,724	28,724,068	23,316,195	1,058,686	1,110,697	52,011	1,099,497
Preserved fruits and vegetables.....	1,230	975	18,284,144	17,383,766	17,756,094	13,062,868	828,893	877,572	48,679	801,989
Grain mill products.....	1,970	1,285	26,547,578	25,103,551	25,914,000	20,173,153	1,265,256	1,315,427	50,171	1,285,769
Bakery products.....	2,811	1,839	9,757,244	8,946,414	9,642,620	6,010,088	359,721	385,389	25,668	341,886
Sugar and confectionery products.....	971	720	9,686,715	6,276,148	9,403,642	6,841,210	243,807	362,751	118,944	335,325
Malt liquors and malt.....	32	16	7,563,576	5,691,530	7,476,726	4,573,686	277,394	308,675	31,281	303,938
Alcoholic beverages, except malt liquors and malt.....	141	125	10,257,716	9,825,782	10,018,016	6,979,396	467,702	474,103	6,401	460,431
Bottled soft drinks, and flavorings.....	1,374	1,333	15,946,987	15,134,571	14,868,298	9,553,483	1,555,303	1,561,146	5,843	1,477,797
Other food and kindred products.....	2,952	2,008	27,956,129	24,298,632	27,572,110	21,677,114	1,008,099	1,211,642	131,543	1,127,151
Tobacco manufactures.....	39	31	18,037,747	17,535,857	17,389,892	9,636,267	1,881,635	1,890,747	9,112	1,818,149
Textile mill products.....	5,805	4,257	36,407,585	30,929,218	35,859,792	28,087,993	1,268,103	1,654,168	368,065	1,543,862
Weaving mills and textile finishing.....	823	610	12,306,124	10,163,709	12,060,752	9,538,815	408,790	567,908	159,118	553,542
Knitting mills.....	1,550	958	16,622,727	14,479,132	15,663,893	4,288,908	1,920,016	2,171,590	79,574	234,576
Other textile mill products.....	3,432	2,689	18,478,734	16,286,377	18,235,147	14,260,270	685,297	814,670	129,373	755,564
Apparel and other textile products.....	17,390	11,165	40,146,024	35,024,382	39,608,716	29,808,655	1,622,032	1,941,517	319,485	1,761,388
Men's and boys' clothing.....	2,160	1,394	12,990,746	11,818,153	12,737,027	9,555,898	564,353	717,902	117,549	741,999
Women's and children's clothing.....	8,962	5,704	19,121,670	16,434,640	18,917,336	14,314,256	702,467	815,189	112,722	711,680
Other apparel and accessories.....	2,466	1,922	3,063,753	2,521,755	3,035,584	2,218,114	96,879	125,800	28,921	113,550
Miscellaneous fabricated textile products, textile products, not elsewhere classified.....	3,782	2,145	4,969,855	4,249,834	4,918,769	3,720,387	168,333	228,626	60,293	194,159
Lumber and wood products.....	13,923	9,763	43,738,111	40,100,241	41,492,402	31,105,958	2,575,272	2,814,782	239,510	2,650,000
Logging, sawmills, and planing mills.....	3,946	2,934	16,803,390	15,519,278	15,434,844	11,304,588	1,196,778	1,281,658	84,880	1,247,374
Millwork, plywood, and related products.....	4,972	3,398	16,633,535	15,740,454	16,059,609	12,037,386	985,514	1,047,337	61,823	971,709
Other wood products, including wood buildings and mobile homes.....	5,005	3,431	10,301,177	8,840,509	9,997,949	7,763,984	392,980	485,787	92,807	430,917
Furniture and fixtures.....	7,653	5,049	14,524,890	12,248,442	14,292,791	10,259,611	696,260	790,850	94,590	731,230
Paper and allied products.....	3,496	2,811	45,278,513	42,518,930	43,596,430	30,635,304	2,780,027	2,937,234	157,207	2,884,655
Pulp, paper, and board mills.....	142	120	26,580,306	25,139,942	25,400,166	18,285,082	1,367,830	1,461,180	93,350	1,452,468
Other paper products.....	3,354	2,691	18,698,207	17,378,988	18,196,264	12,350,222	1,412,197	1,476,054	63,857	1,432,187
Printing and publishing.....	33,324	22,517	50,203,180	46,353,172	48,466,565	30,446,095	4,125,207	4,501,129	375,922	4,199,140
Newspapers.....	4,454	3,100	16,829,200	16,089,051	16,206,902	10,098,811	1,942,182	2,086,641	144,459	1,977,156
Periodicals.....	3,149	2,151	6,336,507	5,552,789	6,106,685	3,934,298	405,522	470,119	64,597	419,143
Books, greeting cards, and miscellaneous publishing.....	5,616	2,936	9,086,592	8,362,720	8,508,205	4,784,774	801,174	868,663	67,489	833,025
Commercial and other printing and printing trade services.....	20,105	14,330	17,950,881	16,348,612	17,644,773	11,628,212	976,329	1,075,706	99,377	899,816
Chemicals and allied products.....	10,963	7,050	127,768,724	117,259,295	122,386,265	78,761,980	11,012,716	11,459,578	446,862	11,195,900
Industrial chemicals, plastics materials and synthetics.....	3,460	2,112	61,413,790	59,408,221	59,064,621	38,721,813	4,573,863	4,713,045	139,182	4,614,091
Drugs.....	982	606	26,806,674	25,220,412	25,135,842	14,466,652	3,552,251	3,622,958	70,707	3,580,225
Soap, cleaners, and toilet goods.....	1,929	1,098	18,563,575	17,611,992	17,811,494	11,149,869	2,046,253	2,086,331	40,078	2,016,489
Paints and allied products.....	1,239	766	5,703,718	3,950,710	5,629,617	4,032,169	251,172	283,612	32,440	274,506
Agricultural and other chemical products.....	3,353	2,468	15,280,967	11,067,960	14,744,691	10,391,477	589,177	753,632	164,455	710,589
Petroleum (including integrated) and coal products.....	1,201	930	335,638,541	329,529,322	326,031,048	269,071,979	17,648,117	18,270,504	622,387	16,559,109
Petroleum refining (including integrated).....	322	297	331,370,069	325,619,660	321,871,069	265,965,031	17,355,606	17,965,490	609,884	16,288,529
Petroleum and coal products, not elsewhere classified.....	879	633	4,268,472	3,909,662	4,159,979	3,106,948	252,511	303,014	12,503	270,580
Rubber and miscellaneous plastics products.....	8,804	6,063	34,713,720	32,590,688	33,944,329	23,614,801	1,666,217	1,819,711	153,494	1,729,988
Rubber products, plastics footwear, hose and belting.....	1,570	1,362	21,955,898	21,018,769	21,382,297	14,923,574	987,765	1,028,773	41,008	1,006,494
Miscellaneous plastics products.....	7,234	4,701	12,757,822	11,571,919	12,562,032	8,691,227	678,452	790,938	112,866	723,494
Leather and leather products.....										

RETURNS OF ACTIVE CORPORATIONS

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

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

Minor industry	Number of returns		Total receipts		Business receipts	Cost of sales and operations	Net income (less deficit)	Net income	Deficit	Income subject to tax
	Total	With net income	All returns	Returns with net income						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Manufacturing—Continued										
Primary metal industries	4,454	3,796	98,504,375	59,731,925	95,680,424	73,576,101	1,231,259	2,584,391	1,353,132	2,299,123
Ferrous metal industries, miscellaneous primary metal products	2,199	1,918	61,731,337	27,238,387	60,421,281	45,767,348	453,861	1,624,732	1,170,871	1,439,957
Nonferrous metal industries	2,255	1,878	36,773,038	32,493,538	35,259,143	27,808,753	777,398	959,659	182,261	859,166
Fabricated metal products	32,580	23,774	84,128,260	76,457,961	82,375,570	58,581,773	5,248,821	5,712,551	463,730	5,333,785
Metal cans and shipping containers	255	244	9,195,475	9,101,885	8,937,557	6,507,185	481,954	485,708	*3,754	478,930
Cutlery, hand tools, and hardware, screw machine products, bolts, and similar products	5,390	4,005	10,873,227	10,142,752	10,543,605	6,758,767	895,087	940,371	45,284	884,640
Plumbing and heating, except electric and warm air	1,056	476	5,922,595	5,743,651	5,801,223	3,974,670	497,244	514,838	17,594	499,110
Fabricated structural metal products	7,796	6,445	20,829,614	18,140,037	20,457,541	15,347,813	1,150,219	1,302,132	151,913	1,188,834
Metal forgings and stampings	3,434	2,416	9,911,727	8,274,707	8,989,401	6,590,645	519,519	553,741	34,222	518,045
Coating, engraving, and allied services	2,648	2,340	3,086,098	2,895,067	3,025,779	2,035,668	147,573	157,723	10,150	142,255
Ordnance and accessories, except vehicles and guided missiles	67	26	946,967	853,905	918,662	642,458	66,405	74,624	*6,219	74,063
Miscellaneous fabricated metal products	11,934	7,822	24,122,557	21,305,957	23,701,802	16,724,567	1,490,820	1,683,414	192,594	1,547,908
Machinery, except electrical	24,671	17,376	124,186,319	113,804,372	109,684,375	71,437,036	12,661,772	13,098,594	436,822	12,517,842
Farm machinery	1,570	733	10,262,909	8,500,121	9,743,074	6,617,604	475,360	530,766	55,406	503,789
Construction and related machinery	1,837	1,234	26,144,245	25,362,564	25,066,075	17,154,655	2,427,791	2,481,140	53,349	2,409,315
Metalworking machinery	7,335	5,574	10,044,740	9,267,001	9,788,235	6,328,294	769,652	809,212	39,560	770,470
Special industry machinery	3,105	2,553	10,955,125	10,108,054	10,534,697	7,244,106	747,940	802,492	54,552	732,503
General industrial machinery	2,855	1,831	14,091,567	11,800,287	13,620,462	9,494,994	986,654	1,029,328	42,674	992,099
Office, computing, and accounting machines	742	527	35,840,043	35,277,506	24,564,406	13,176,957	6,211,794	6,253,420	41,626	6,085,636
Other machinery, except electrical	7,227	4,244	16,847,690	13,488,839	16,367,426	11,420,426	1,042,581	1,192,236	149,665	1,024,030
Electrical and electronic equipment	13,313	7,924	114,307,940	107,716,229	108,913,623	73,764,031	7,821,789	8,477,796	556,007	7,966,303
Household appliances	650	438	12,509,679	12,123,472	12,199,842	8,555,495	906,659	937,720	31,061	917,186
Radio, television, and communication equipment	2,133	1,189	26,388,365	24,922,498	24,427,482	16,831,015	1,541,694	1,741,635	199,941	1,646,704
Electronic components and accessories	4,520	2,393	26,167,220	22,860,294	25,124,581	17,426,881	1,633,252	1,827,427	194,175	1,562,729
Other electrical equipment	6,010	3,904	49,242,676	47,809,965	47,161,718	30,950,640	3,840,184	3,971,014	130,830	3,839,684
Motor vehicles and equipment	2,318	1,796	138,077,131	132,852,767	133,156,738	97,478,839	11,726,720	11,856,377	129,657	11,751,594
Transportation equipment, except motor vehicles	3,718	2,218	49,147,971	38,112,339	46,660,800	35,219,568	1,389,795	2,021,643	631,848	1,870,011
Aircraft, guided missiles and parts	583	430	37,408,582	27,556,439	35,509,167	26,409,907	949,013	1,490,771	541,758	1,365,436
Ship and boat building and repairing	1,900	777	4,983,156	4,453,038	4,599,459	3,775,085	93,482	152,258	58,776	136,780
Other transportation equipment, except motor vehicles	1,235	1,011	6,756,233	6,102,862	6,552,174	5,034,576	347,300	378,614	31,314	367,795
Instruments and related products	5,674	4,088	27,037,134	25,400,630	25,707,217	15,204,537	2,747,531	2,881,757	134,226	2,791,670
Scientific instruments and measuring devices, watches and clocks	1,920	1,288	9,579,826	9,000,608	9,140,716	5,610,127	756,393	824,087	67,694	776,612
Optical, medical, and ophthalmic goods	3,070	2,292	9,514,089	9,132,157	8,997,157	5,383,800	842,474	888,695	46,221	863,859
Photographic equipment and supplies	684	508	7,943,219	7,267,865	7,569,344	4,210,602	1,148,664	1,168,975	*20,311	1,151,199
Miscellaneous manufacturing and manufacturing not allocable	13,621	9,397	24,708,651	21,972,108	24,083,615	16,460,909	1,281,223	1,544,633	263,410	1,345,463
Transportation and public utilities	85,215	52,064	330,112,349	301,367,276	318,432,740	199,942,778	18,393,402	20,304,871	1,911,469	18,892,706
Transportation	65,344	39,470	131,252,779	108,952,018	124,965,301	86,168,069	4,220,639	5,739,504	1,518,865	4,882,951
Railroad transportation	621	566	28,944,683	22,336,858	25,820,206	18,686,008	558,434	1,244,783	686,349	1,096,178
Local and interurban passenger transit	8,005	4,765	2,856,360	1,915,118	2,725,944	1,714,168	66,646	93,226	26,580	71,322
Trucking and warehousing	31,554	20,228	44,475,092	38,118,004	43,554,763	29,188,276	1,470,519	1,737,078	266,559	1,511,049
Water transportation	5,559	3,204	8,831,994	6,173,078	8,320,010	5,784,971	326,966	506,837	179,871	355,108
Transportation by air	6,772	3,209	28,174,513	25,163,456	27,125,192	17,625,687	1,201,057	1,314,379	113,322	1,065,638
Pipelines, except natural gas	193	112	5,773,221	5,440,330	5,732,957	4,603,107	334,613	460,181	*125,568	448,546
Transportation services, not elsewhere classified	12,640	7,392	12,196,916	9,805,174	11,686,229	8,565,852	262,404	383,020	120,616	335,110
Communication	10,474	6,857	71,385,558	70,443,070	69,571,442	32,587,642	6,146,290	6,266,990	120,619	5,987,743
Telephone, telegraph, and other communication services	4,751	2,810	61,472,210	61,075,670	60,071,489	27,441,368	4,843,437	4,898,327	54,890	4,750,288
Radio and television broadcasting	5,723	4,047	9,913,348	9,367,400	9,499,953	5,146,274	1,302,853	1,368,582	65,729	1,237,455
Electric, gas, and sanitary services	9,397	5,731	127,474,012	121,972,188	123,895,997	81,187,067	8,026,473	8,298,458	271,985	8,022,012
Electric services	445	250	40,722,277	37,892,292	39,740,810	23,061,816	2,693,256	2,800,446	107,190	2,750,368
Gas production and distribution	1,513	1,280	51,945,852	51,095,864	50,583,450	38,211,806	3,227,362	3,311,239	83,877	3,149,577
Combination utility services	250	206	31,194,480	29,819,232	30,170,123	18,198,696	1,853,829	1,887,798	*33,969	1,856,762
Water supply and other sanitary services	7,189	3,994	3,611,403	3,164,800	3,401,614	1,714,749	252,026	298,755	46,949	265,305
Wholesale and retail trade	672,384	443,545	1,239,882,173	1,076,112,188	1,215,615,448	955,267,447	30,180,147	35,097,805	4,917,658	25,618,892
Wholesale trade	237,597	169,702	635,527,555	559,961,334	625,265,644	525,860,602	16,954,338	19,300,256	2,345,918	12,989,110
Groceries and related products	21,253	14,278	99,392,159	87,398,146	98,225,337	86,433,784	1,060,659	1,273,882	213,223	1,024,113
Machinery, equipment, and supplies	49,753	35,298	74,531,305	67,451,610	72,576,654	54,199,012	3,969,017	4,285,097	316,080	3,212,294
Miscellaneous wholesale trade	166,591	120,126	461,604,991	404,211,578	454,464,653	385,227,806	11,924,662	13,741,277	1,816,615	9,043,703
Motor vehicles and automotive equipment	20,911	15,486	38,729,843	35,878,204	38,228,557	30,028,214	1,753,363	1,912,663	159,300	1,553,511
Furniture and home furnishings	3,370	1,957	4,891,981	4,010,943	4,625,258	3,538,628	83,797	139,013	55,216	120,795
Lumber and construction materials	9,395	7,624	24,554,326	22,699,696	24,233,967	19,967,307	696,788	754,841	58,053	603,807
Sporting, recreational, photographic, and hobby goods, toys, and supplies	2,178	1,495	3,224,758	2,610,324	3,172,743	2,344,974	80,728	121,280	40,552	89,829
Metals and minerals, except petroleum and scrap	4,213	2,925	35,076,930	26,266,813	34,643,331	31,285,696	566,148	668,024	101,876	519,158
Electrical goods	13,979	9,644	26,839,360	24,585,248	26,494,448	20,255,642	1,326,625	1,445,567	118,942	732,803
Hardware, plumbing, and heating equipment and supplies	13,056	10,774	23,275,753	22,047,927	22,733,384	17,563,674	762,125	815,872	53,747	676,901
Other durable goods	24,701	17,827	56,062,441	49,014,283	55,237,581	46,265,446	1,342,636	1,696,782	354,146	1,045,921
Paper and paper products	4,138	3,027	10,914,821	10,109,819	10,788,157	8,780,906	293,967	319,034	25,067	199,687
Drugs, drug preparations, and druggists' sundries	2,974	1,841	7,438,059	5,798,696	7,312,280	5,810,954	198,818	257,047	58,229	155,889
Apparel, piece goods, and notions	11,763	7,966	16,419,115	14,099,703	16,253,528	12,345,363	389,347	547,626	158,279	411,510
Farm-product raw materials	9,176	6,917	69,019,826	61,868,203	67,650,243	63,123,572	796,711	929,745	133,034	492,049
Chemicals and allied products	3,194	2,836	14,580,004	13,855,068	14,344,833	11,787,889	815,256	853,693	38,437	197,701
Petroleum and petroleum products	10,207	8,167	67,659,808	59,199,454	66,702,930	61,703,242	1,475,307	1,634,844	159,537	1,467,883
Alcoholic beverages	3,842	2,802	18,442,602	17,290,074	18,318,660	14,254,369	548,665	580,881	32,216	441,114
Miscellaneous nondurable goods, wholesale trade not allocable	29,494	18,838	44,474,464	34,877,123	43,524,753	36,171,930				

RETURNS OF ACTIVE CORPORATIONS

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

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

Minor industry	Number of returns		Total receipts		Business receipts	Cost of sales and operations	Net income (less deficit)	Net income	Deficit	Income subject to tax
	Total	With net income	All returns	Returns with net income						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Wholesale and retail trade—Continued										
Retail trade—Continued										
Food stores	32,614	18,841	131,357,216	109,888,220	130,029,604	100,795,227	1,679,294	1,942,477	263,183	1,727,682
Grocery stores	24,438	15,806	126,871,622	106,518,267	125,577,273	97,667,912	1,647,551	1,865,698	218,147	1,662,747
Other food stores	8,176	4,035	4,485,594	3,369,953	4,452,331	3,127,315	31,743	76,779	45,036	64,935
Automotive dealers and service stations	71,099	49,832	169,968,126	143,713,380	167,298,134	142,391,974	1,890,214	2,300,371	410,157	1,898,079
Motor vehicle dealers	34,900	25,199	134,454,720	114,683,989	132,308,726	114,629,492	1,337,555	1,584,419	246,864	1,314,722
Gasoline service stations	13,480	8,561	19,402,846	15,345,745	19,164,010	16,294,962	161,436	227,446	66,010	194,657
Other automotive dealers	22,719	16,072	16,110,560	13,673,646	15,825,398	11,467,520	391,223	488,506	97,283	388,700
Apparel and accessory stores	38,570	25,862	25,573,364	22,165,145	24,948,361	14,747,236	1,094,623	1,297,968	203,345	1,059,127
Furniture and home furnishings stores	34,939	22,386	23,008,223	18,577,853	22,241,926	14,046,564	660,058	837,120	177,062	672,798
Eating and drinking places	90,948	47,489	41,079,169	31,737,077	39,952,899	17,584,390	1,054,986	1,656,194	601,208	1,220,094
Miscellaneous retail stores	116,166	72,580	78,404,577	67,369,399	76,932,187	53,000,946	2,144,196	2,662,201	518,005	2,200,401
Drug stores and proprietary stores	20,251	14,501	20,307,708	18,530,446	20,048,400	14,080,463	550,599	619,916	69,317	536,644
Liquor stores	11,824	7,661	6,302,926	4,952,209	6,252,820	4,937,061	79,558	114,517	34,959	76,972
Other retail stores	84,091	50,418	51,793,843	43,886,744	50,631,327	33,983,422	1,514,039	1,927,768	413,729	1,586,785
Wholesale and retail trade not allocable	1,982	1,380	1,416,378	1,358,156	1,386,103	1,066,022	27,671	30,448		*2,777
Finance, insurance, and real estate	432,919	270,542	405,131,593	366,828,819	206,863,227	100,391,853	27,668,033	32,057,106	4,389,073	21,318,275
Banking	14,654	12,828	105,023,681	94,993,804	12,126,160	1,394,233	4,919,457	5,590,306	670,849	4,828,737
Mutual savings banks	468	431	10,658,149	10,096,314	349,270	73,530	529,788	541,066	11,278	328,998
Bank holding companies	938	804	63,368,612	58,543,067	9,176,186	1,242,627	2,995,107	3,156,741	161,634	2,738,432
Banks, except mutual savings banks and bank holding companies	13,248	11,593	30,996,920	25,854,423	2,600,704	78,076	1,394,562	1,892,499	497,937	1,761,307
Credit agencies other than banks	50,970	29,848	54,033,930	50,981,161	12,655,460	5,589,667	3,291,935	3,812,673	520,738	3,525,744
Savings and loan associations	4,833	4,447	33,942,341	32,515,559	2,116,873	314,614	2,096,401	2,162,616	66,215	2,110,330
Personal credit institutions	3,869	2,515	8,718,828	8,576,714	6,689,352	4,061,194	459,489	489,035	29,546	433,606
Business credit institutions	837	726	2,812,486	2,683,409	1,835,970	530,430	259,924	273,066	13,142	265,317
Other credit agencies, finance not allocable	41,431	22,160	8,560,275	7,205,479	2,013,265	683,429	476,121	887,956	411,835	716,491
Security, commodity brokers and services	6,158	3,457	9,588,383	6,473,927	4,015,019	322,843	340,298	539,313	199,015	429,988
Security brokers, dealers, and flotation companies	2,466	1,474	7,472,742	5,099,626	2,892,421	139,107	291,171	412,408	121,237	336,274
Commodity contracts brokers and dealers, security and commodity exchanges, and allied services	3,692	1,983	2,115,641	1,374,301	1,668,598	183,736	49,127	126,905	77,778	93,714
Insurance	8,131	6,128	177,311,749	168,346,898	143,804,053	81,547,809	10,418,424	10,843,303	424,879	7,548,608
Life insurance	1,771	1,235	97,542,117	91,367,313	73,064,117	39,736,904	5,572,989	5,805,642	232,653	5,041,735
Mutual insurance, except life or marine and certain fire or flood insurance companies	1,281	1,035	22,863,211	21,467,474	20,716,755	12,990,802	1,242,292	1,307,376	65,084	778,879
Other insurance companies	5,079	3,858	56,906,421	55,512,111	50,023,181	28,820,103	3,603,143	3,730,285	127,142	1,727,994
Insurance agents, brokers, and service	41,351	30,406	11,518,211	10,074,946	11,049,252	2,796,451	1,054,954	1,153,937	98,983	882,073
Real estate	267,128	158,672	36,869,322	27,533,009	21,047,039	7,866,728	2,622,950	4,437,888	1,814,938	3,171,754
Real estate operators and lessors of buildings	159,656	101,156	16,643,350	11,987,211	6,639,377	2,495,532	1,420,312	2,252,777	832,465	1,810,388
Lessors of mining, oil, and similar property	905	591	349,059	278,207	142,198	*69,167	55,095	63,967	8,872	56,906
Lessors of railroad property, and of real property, not elsewhere classified	7,848	4,345	240,411	173,809	54,490	10,213	16,475	57,892	41,417	46,825
Condominium management and cooperative housing associations	4,095	1,151	501,617	149,663	349,443	15,474	—37,668	4,445	42,113	2,902
Subdividers and developers	30,367	16,851	5,911,621	4,479,910	1,781,390	927,965	614,341	1,165,919	551,578	703,625
Other real estate	64,257	34,578	13,223,264	10,464,189	12,080,141	4,348,377	554,395	892,888	338,493	551,108
Holding and other investment companies, except bank holding companies	44,527	29,203	10,786,317	8,925,174	1,620,244	874,122	5,020,015	5,679,686	659,671	931,371
Regulated investment companies	1,306	1,032	4,363,711	4,193,933	212	—	3,715,963	3,717,489	*1,526	*2,022
Real estate investment trusts	455	235	1,157,585	397,586	36,383	25,762	—94,300	74,410	168,710	*25
Small business investment companies	577	475	72,936	55,310	7,283	—	18,203	24,485	6,282	16,087
Other holding and investment companies, except bank holding companies	42,189	27,461	5,192,085	4,278,345	1,576,366	848,360	1,380,149	1,863,302	483,153	913,237
Services	15,387	312,584	183,007,788	147,110,723	175,588,720	88,873,389	6,596,830	9,280,612	2,683,782	6,880,410
Hotels and other lodging places	15,546	8,482	11,855,006	8,665,668	10,989,330	5,473,090	405,224	688,001	282,777	479,269
Personal services	40,058	24,094	10,009,794	7,932,622	9,718,970	4,925,888	431,095	538,224	107,129	388,654
Business services	125,782	75,812	56,056,923	46,494,544	53,768,653	31,429,378	2,288,065	3,068,451	780,386	2,347,596
Advertising	14,605	9,108	16,260,095	14,946,313	15,992,652	11,941,358	526,335	602,296	75,961	535,593
Business services, except advertising	111,177	66,704	39,796,828	31,548,231	37,776,001	19,488,020	1,761,730	2,466,155	704,425	1,812,003
Auto repair, miscellaneous repair services	61,619	39,888	18,990,568	15,456,013	18,237,913	10,180,079	655,357	840,582	185,225	674,742
Auto repair and services	42,212	26,436	14,092,292	11,552,883	13,377,122	7,058,166	466,856	605,459	138,603	490,685
Miscellaneous repair services	19,407	13,452	4,898,276	3,903,130	4,860,791	3,121,913	188,501	235,123	46,622	184,057
Amusement and recreation services	40,660	21,895	21,227,669	17,749,780	19,586,029	10,255,220	1,048,795	1,477,256	428,461	1,142,961
Motion picture production, distribution, and services	4,868	1,982	7,184,182	6,643,159	6,528,484	3,506,525	436,463	511,290	74,827	437,634
Motion picture theaters	3,121	2,010	2,474,804	1,926,711	2,319,931	1,244,624	97,549	117,972	20,423	103,662
Amusement and recreation services, except motion pictures	32,671	17,903	11,568,683	9,179,910	10,737,614	5,504,071	514,783	847,994	333,211	601,665
Other services	232,722	142,423	64,867,826	50,512,096	63,287,807	26,609,734	1,768,284	2,668,098	899,804	1,847,188
Offices of physicians, including osteopathic physicians	61,543	45,711	18,443,305	14,480,838	18,306,707	4,202,448	328,889	448,288	119,399	405,036
Offices of dentists	18,872	14,172	3,867,849	3,066,473	3,839,480	1,192,450	77,512	91,147	13,605	77,738
Offices of other health practitioners	4,322	3,131	894,672	730,277	883,753	336,728	34,066	41,084	*7,018	36,558
Nursing and personal care facilities	7,737	4,832	5,349,302	4,397,995	5,212,981	3,205,578	173,405	239,324	65,919	147,370
Hospitals	932	862	3,338,278	3,065,465	3,232,774	1,833,543	134,050	156,344	22,294	143,238
Medical laboratories	3,125	2,125	773,391	494,976	756,140	385,871	38,707	48,626	10,119	24,843
Other medical services	11,214	7,197	4,662,578	3,926,085	4,518,164	2,088,044	174,461	231,322	56,861	148,471
Legal services	13,543	9,814	3,270,422	2,563,317	3,228,254	530,435	99,036	125,103	26,067	83,891
Educational services	14,358	7,119	2,201,895	1,619,459	2,125,713	984,010	73,525	131,096	57,571	73,435
Social services	3,009	1,629	544,628	393,490	541,408	325,706	25,644	31,479	5,835	*16,343
Membership organizations	4,770	2,563	1,383,116	948,195	1,240,885	618,473	30,592	52,465	21,873	38,815
Architectural and engineering services	17,204	11,175	9,508,852	7,217,556	9,212,419	4,991,074	436,458	533,276	96,818	319,061
Accounting, auditing, and bookkeeping services	5,172	2,980	682,752	564,705	669,473	248,117	19,352	32,455	13,103	26,134
Miscellaneous services (including veterinarians), not elsewhere classified	66,921	29,113	9,945,486	7,043,265	9,519,656	5,667,257	122,597	505,919	383,322	306,255
Nature of business not allocable	4,298	1,430	3,015,138	1,510,937	2,854,276	2,268,575	—184,657	66,776	251,433	39,429

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Minor industry	Total income tax	Foreign tax credit	Investment credit	New jobs credit	Total income tax after credits ¹	Distributions to stockholders except in own stock		Total assets	Net worth	Depreciable assets	Depreciation deduction
						All returns	Returns with net income				
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
Total returns of active corporations	96,340,453	28,006,028	11,038,404	1,703,839	58,735,189	81,538,781	58,881,858	5,326,389,281	1,350,970,865	1,536,011,959	106,972,892
Agriculture, forestry, and fishing	401,946	25,845	76,414	12,778	288,940	387,851	378,173	28,902,259	8,827,574	16,853,654	1,474,026
Agricultural production.....	329,876	25,372	59,884	8,773	235,684	314,624	308,276	25,134,880	7,666,996	13,838,749	1,164,235
Agricultural services (except veterinarians), forestry, fishing, hunting, and trapping.....	72,068	*273	16,530	4,005	51,246	73,027	69,895	3,767,379	1,260,576	3,014,905	308,791
Mining	15,263,122	13,958,967	223,125	27,131	1,053,804	1,945,098	1,604,898	68,377,059	42,681,609	44,961,816	3,043,533
Metal mining.....	96,321	56,266	5,772	*563	33,685	150,864	132,458	11,777,577	6,039,195	5,661,515	280,310
Iron ores.....	28,471	13,560	*2,228	—	*12,680	*63,981	3,090,666	1,342,145	1,943,949	89,149	89,149
Copper, lead and zinc, gold and silver ores.....	55,670	*39,367	*1,731	*541	13,999	*79,550	*63,040	7,766,243	4,351,425	3,261,611	155,234
Other metal mining.....	*12,180	*3,339	*1,813	22	*7,006	7,333	5,437	900,666	345,625	455,955	35,927
Coal mining.....	241,408	2,491	49,211	5,185	184,515	228,678	184,854	11,810,349	5,272,777	7,623,153	813,054
Oil and gas extraction.....	14,797,508	13,898,203	135,981	16,108	747,185	1,387,684	1,378,386	57,477,734	27,774,768	25,845,181	1,521,476
Crude petroleum, natural gas, and natural gas liquids.....	14,064,914	13,620,131	60,249	2,458	382,025	1,213,147	1,204,419	44,347,578	22,150,326	18,211,167	749,153
Oil and gas field services.....	732,594	278,072	75,732	13,650	365,140	174,537	173,967	13,130,156	5,624,442	7,634,014	772,323
Nonmetallic minerals, except fuels.....	127,685	2,007	32,161	5,275	86,439	177,872	108,998	7,311,399	3,594,869	5,831,967	428,693
Dimension, crushed, and broken stone, sand and gravel.....	99,234	*1,070	25,796	4,392	67,974	66,271	63,865	3,746,996	1,940,985	3,681,037	299,943
Other nonmetallic minerals, except fuels.....	28,651	937	6,365	883	20,465	111,601	45,133	3,564,403	1,653,884	2,150,930	128,750
Construction	1,919,876	122,733	220,629	238,736	1,335,283	556,171	526,845	91,222,022	23,091,866	34,232,185	3,176,543
General building contractors and operative builders.....	712,000	45,047	56,445	70,204	539,692	159,269	139,979	45,012,301	7,764,756	10,452,228	865,981
General building contractors.....	613,547	44,803	52,481	67,822	447,829	147,322	128,167	40,458,653	7,223,941	9,680,253	815,927
Operative builders.....	98,453	244	3,964	2,382	91,863	11,947	11,812	4,553,648	540,815	771,975	50,406
Heavy construction contractors.....	596,487	75,277	90,196	36,739	393,494	211,403	206,012	20,933,224	7,411,868	13,383,873	1,161,294
Special trade contractors.....	611,389	2,409	73,989	31,793	402,097	185,489	178,854	25,276,697	7,915,242	10,396,084	1,149,268
Plumbing, heating, and air conditioning.....	138,124	*17	11,655	35,540	90,860	32,218	32,820	6,554,423	1,892,592	1,717,294	187,278
Electrical work.....	84,142	2	6,888	19,236	57,985	21,278	17,304	4,078,123	1,244,299	1,180,562	128,329
Other special trade contractors and contractors not allocable.....	389,123	*2,390	55,445	77,017	253,252	131,003	128,730	14,644,151	4,778,351	7,498,228	833,661
Manufacturing	47,434,803	10,154,318	4,607,188	558,785	31,305,893	28,913,367	25,922,370	1,182,263,458	547,343,687	602,208,407	44,372,471
Food and kindred products.....	3,768,403	409,159	367,955	36,532	2,884,508	2,169,116	2,122,213	94,030,465	45,754,198	48,266,762	3,799,536
Meat products.....	367,534	*35,989	48,839	4,944	277,222	190,923	187,302	12,274,124	4,768,578	6,420,178	711,104
Dairy products.....	520,394	*47,485	43,504	2,749	426,151	264,262	264,121	11,311,424	5,741,414	5,891,004	462,770
Preserved fruits and vegetables.....	374,884	53,978	44,845	5,154	270,824	254,610	254,395	13,067,905	6,594,567	5,275,933	443,764
Grain mill products.....	606,952	606,952	53,020	2,253	477,041	362,754	361,523	12,310,329	6,204,918	6,430,402	434,771
Bakery products.....	155,626	*342	19,650	4,054	131,378	107,847	107,352	4,270,666	2,081,400	3,215,792	228,414
Sugar and confectionery products.....	152,876	19,640	10,928	2,604	111,489	83,034	75,223	7,069,323	3,053,810	3,566,916	223,833
Malt liquors and malt.....	146,090	128	23,703	304	121,948	78,638	58,358	4,472,614	2,500,776	4,195,143	305,409
Alcoholic beverages, except malt liquors and malt bottled soft drinks, and flavonings.....	218,721	7,425	19,681	683	181,547	111,243	111,086	8,872,555	3,860,550	2,574,440	140,082
Other food and kindred products.....	696,777	143,871	49,057	6,995	473,206	401,207	401,049	8,843,292	5,228,609	4,937,572	450,862
Tobacco manufactures.....	528,549	29,679	54,748	6,782	413,702	314,598	301,804	11,538,233	5,719,576	5,759,382	398,527
Tobacco products.....	853,300	119,727	41,169	*430	681,788	441,330	433,931	18,693,166	9,229,957	4,770,477	365,079
Weaving mills and textile finishing.....	721,348	7,638	88,564	21,595	596,646	264,089	258,888	19,824,326	10,019,788	13,955,357	959,040
Knitting mills.....	263,013	1,141	31,573	4,540	225,636	87,650	83,711	6,991,024	3,829,995	5,345,707	363,239
Other textile mill products.....	107,763	*997	11,821	6,196	82,398	31,370	31,370	2,885,248	1,295,641	1,661,514	130,444
Apparel and other textile products.....	350,572	5,500	45,170	10,859	288,612	145,069	143,807	9,948,054	4,884,152	6,688,136	465,357
Men's and boys' clothing.....	794,120	22,932	30,557	32,316	680,768	222,785	220,136	17,480,919	7,800,205	5,750,455	372,670
Women's and children's clothing.....	346,996	16,728	11,462	5,809	303,727	92,500	92,493	6,597,844	3,169,225	1,628,220	126,543
Other apparel and accessories.....	318,199	4,625	13,021	11,788	274,428	105,729	105,389	7,397,405	3,190,171	2,078,822	163,422
Miscellaneous fabricated textile products, textile products, not elsewhere classified.....	44,338	*114	2,246	7,766	33,166	7,892	5,690	1,253,655	514,031	288,827	30,461
Lumber and wood products.....	84,587	*1,465	3,828	6,953	69,447	16,664	16,564	2,232,015	926,178	674,586	52,244
Lumber and wood products.....	1,009,081	31,312	182,474	27,606	767,423	497,884	497,223	29,861,754	13,957,238	18,418,892	1,398,732
Logging, sawmills, and planing mills.....	430,819	20,233	96,312	7,780	306,641	236,393	236,393	13,936,886	7,113,472	8,957,283	683,919
Millwork, plywood, and related products.....	398,212	8,957	67,493	10,553	311,163	206,693	206,271	10,041,505	4,639,728	6,657,061	513,027
Other wood products, including wood buildings and mobile homes.....	180,050	*2,122	18,669	9,273	149,799	54,798	54,559	5,883,363	2,206,038	2,804,548	201,786
Furniture and fixtures.....	324,816	4,330	19,637	20,477	280,031	72,796	68,493	7,106,788	3,516,991	3,090,077	233,600
Paper and allied products.....	1,262,457	135,914	195,212	10,564	919,424	859,789	853,877	34,306,613	17,879,188	26,051,950	1,822,121
Pulp, paper, and board mills.....	604,280	74,086	117,345	3,183	409,432	459,966	454,482	22,584,903	11,218,675	17,805,957	1,197,223
Other paper products.....	658,177	61,828	77,867	7,381	509,992	399,823	399,395	11,721,710	6,660,513	8,245,993	624,898
Printing and publishing.....	1,905,374	57,051	116,957	31,137	1,699,998	864,939	759,368	33,765,363	17,211,258	16,459,532	1,281,118
Newspapers.....	920,326	3,950	43,816	7,731	864,826	375,992	375,866	13,152,986	7,788,401	6,633,329	495,548
Periodicals.....	191,659	24,797	11,237	2,403	153,062	80,951	79,846	4,041,063	1,512,162	1,551,633	117,418
Books, greeting cards, and miscellaneous publishing.....	387,802	25,576	16,259	3,746	342,110	234,901	234,901	7,319,339	3,265,933	2,166,548	184,039
Commercial and other printing and printing trade services.....	405,587	2,728	45,545	17,257	340,000	155,095	153,565	9,251,975	4,644,762	6,108,242	484,113
Chemicals and allied products.....	5,303,616	904,190	569,923	24,048	3,362,547	3,866,684	3,780,975	105,403,697	54,002,853	67,940,677	5,071,288
Industrial chemicals, plastics materials and synthetics.....	2,172,277	337,921	428,834	9,722	1,341,108	1,462,576	1,458,676	52,903,142	25,762,917	45,883,217	3,414,765
Drugs.....	1,708,038	295,610	54,512	4,952	873,674	1,462,543	1,433,009	25,318,996	15,123,108	8,513,574	610,408
Soap, cleaners, and toilet goods.....	962,580	188,554	28,798	3,237	740,392	643,437	636,759	10,383,679	6,194,468	3,687,799	293,094
Paints and allied products.....	125,466	6,408	4,925	2,252	111,455	56,011	45,983	2,658,102	1,328,244	1,228,654	86,220
Agricultural and other chemical products.....	335,255	75,697	51,854	3,885	195,918	242,117	206,548	14,139,778	5,594,119	8,627,433	664,801
Petroleum (including integrated) and coal products.....	7,898,059	4,040,826	1,012,212	4,966	2,814,782	5,052,368	4,987,168	237,840,080	115,939,604	117,180,439	6,442,146
Petroleum refining (including integrated).....	7,776,673	4,036,375	1,002,656	3,592	2,717,775	5,003,766	4,938,671	235,560,211	114,775,493	115,880,952	6,341,682
Petroleum and coal products, not elsewhere classified.....	121,386	*4,451	9,556								

RETURNS OF ACTIVE CORPORATIONS

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

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

Minor industry	Total income tax	Foreign tax credit	Investment credit	New jobs credit	Total income tax after credits	Distributions to stockholders except in own stock		Total assets	Net worth	Depreciable assets	Depreciation deduction
						All returns	Returns with net income				
						(11)	(12)				
Manufacturing—Continued											
Primary metal industries	1,103,027	160,215	155,095	17,143	769,931	1,316,193	899,728	92,502,236	41,879,222	67,536,866	3,603,164
Ferrorous metal industries, miscellaneous primary metal products	695,256	47,274	85,219	9,378	553,102	810,386	463,243	50,398,137	23,997,252	47,493,822	2,499,558
Nonferrous metal industries	407,771	112,941	69,876	7,765	216,829	505,807	436,485	42,104,099	17,881,970	20,043,064	1,103,606
Fabricated metal products	2,416,473	173,249	191,408	86,062	1,956,343	861,257	848,207	51,506,962	25,032,670	25,476,765	1,970,478
Metal cans and shipping containers	227,240	46,489	30,252	2,538	140,598	166,829	166,829	6,893,506	3,445,836	3,599,186	281,618
Cutlery, hand tools, and hardware, screw machine products, bolts, and similar products	403,138	32,856	28,697	9,570	331,261	162,065	159,220	6,761,234	3,558,265	3,434,852	286,386
Plumbing and heating, except electric and warm air	233,963	31,858	12,484	4,639	184,668	69,159	68,853	3,752,953	1,947,029	1,682,106	115,742
Fabricated structural metal products	537,036	32,252	30,017	23,414	447,970	148,568	142,872	12,239,208	5,307,586	5,204,609	402,926
Metal forgings and stampings	233,584	4,137	24,766	7,146	197,366	56,583	53,660	4,825,189	2,504,772	2,936,865	219,430
Coating, engraving, and allied services	56,248	*1,426	9,673	5,072	42,055	21,767	21,767	1,848,321	746,760	1,229,158	97,248
Ordnance and accessories, except vehicles and guided missiles	35,124	441	1,944	*976	31,751	17,062	16,803	597,040	326,357	311,817	21,672
Miscellaneous fabricated metal products	688,138	23,790	50,575	32,707	580,674	219,224	218,203	14,589,511	7,196,065	7,078,172	545,456
Machinery, except electrical	5,896,018	1,624,031	374,862	64,429	3,821,112	3,465,551	3,372,921	114,577,828	51,819,896	47,249,239	4,466,723
Farm machinery	237,643	26,606	23,247	3,031	184,688	107,550	99,180	10,041,358	3,684,953	2,673,193	228,921
Construction and related machinery	1,146,976	137,743	95,329	7,685	906,088	511,953	511,085	21,056,207	9,564,598	9,563,877	937,927
Metalworking machinery	335,342	29,014	31,987	17,615	255,892	90,528	89,947	6,930,891	3,536,713	3,864,405	276,729
Special industry machinery	335,507	57,435	19,904	8,091	249,772	120,371	119,333	7,679,465	3,620,654	3,092,408	239,577
General industrial machinery	459,070	75,688	27,012	8,944	347,388	221,251	188,196	10,213,841	4,813,457	4,195,670	311,627
Office, computing, and accounting machines	2,925,283	1,270,087	145,867	6,914	1,501,691	2,221,759	2,221,606	48,293,075	21,924,988	19,544,120	2,101,043
Other machinery, except electrical	456,197	27,458	31,516	12,149	375,593	192,139	143,574	10,362,991	4,674,535	4,315,926	370,899
Electrical and electronic equipment	3,730,561	704,168	367,848	57,439	2,473,273	1,845,037	1,815,281	96,099,283	38,390,424	35,755,076	3,489,948
Household appliances	436,223	59,762	15,855	4,025	356,332	173,840	173,804	7,917,164	3,860,376	2,882,632	235,370
Radio, television, and communication equipment	769,590	246,885	99,608	9,467	387,503	437,548	433,634	26,098,955	9,264,138	7,577,523	876,679
Electronic components and accessories	728,139	73,193	73,174	25,282	537,917	199,614	174,311	18,919,224	8,092,113	6,599,248	686,723
Other electrical equipment	1,796,609	324,328	179,211	18,665	1,191,521	1,034,035	1,033,522	43,163,940	17,173,797	18,695,673	1,691,176
Motor vehicles and equipment	5,632,218	1,228,566	411,810	14,043	3,967,294	2,808,355	2,805,376	102,590,127	36,181,617	39,118,463	4,047,580
Transportation equipment, except motor vehicles	879,107	88,958	88,221	10,964	690,530	549,686	451,099	37,738,183	14,327,206	16,045,161	1,200,136
Aircraft, guided missiles and parts	645,708	73,825	66,534	3,807	501,156	450,403	352,278	28,875,625	10,498,155	12,614,922	946,851
Ship and boat building and repairing	62,850	*3,711	6,163	1,501	51,441	47,981	47,441	5,123,684	2,200,152	1,362,480	97,212
Other transportation equipment, except motor vehicles	170,549	11,422	15,524	5,656	137,933	51,302	51,074	3,738,874	1,628,899	2,067,753	156,073
Instruments and related products	1,315,307	202,475	80,284	18,623	977,761	600,374	594,867	19,271,009	11,285,950	9,780,825	791,620
Scientific instruments and measuring devices, watches and clocks	362,703	34,757	17,870	9,405	291,637	98,260	97,671	6,579,557	3,186,368	2,407,264	193,359
Optical, medical, and ophthalmic goods	401,103	76,189	23,100	8,575	266,713	128,360	128,269	6,440,487	3,704,018	2,486,822	217,433
Photographic equipment and supplies	551,501	*91,529	39,314	*643	419,411	373,754	368,927	6,250,965	4,395,564	4,886,739	380,828
Miscellaneous manufacturing and manufacturing not allocable	605,004	41,822	36,098	24,102	485,565	186,097	181,528	15,119,601	6,731,368	5,465,608	468,799
Transportation and public utilities	8,870,780	147,967	4,143,315	70,723	4,486,645	11,836,726	11,411,318	538,778,308	218,166,812	518,697,285	26,760,500
Transportation	2,179,966	83,051	971,905	55,620	1,068,962	1,268,843	1,164,308	126,989,606	46,288,243	105,885,679	6,389,199
Railroad transportation	503,739	8,203	384,326	303	110,899	560,258	482,567	53,183,888	21,256,822	44,199,623	1,285,783
Local and interurban passenger transit	24,903	(*)	10,321	2,377	12,105	14,126	13,822	1,437,688	498,119	1,246,849	148,379
Trucking and warehousing	645,752	6,466	161,034	38,772	439,252	202,276	198,362	23,857,289	9,612,175	18,986,933	2,063,990
Water transportation	155,539	14,824	27,850	5,891	106,885	94,246	72,216	10,103,148	3,053,146	7,188,233	502,884
Transportation by air	500,136	41,609	341,309	1,153	116,065	105,707	105,198	22,320,858	7,506,014	22,338,945	1,629,404
Pipelines, except natural gas	214,206	1,576	17,789	*480	194,361	202,370	202,370	5,873,463	1,284,468	5,779,943	307,242
Transportation services, not elsewhere classified	135,691	10,373	29,276	6,644	89,395	89,860	89,773	10,212,932	3,071,497	6,145,603	451,517
Communication	2,890,174	40,140	1,376,977	6,482	1,445,024	3,771,600	3,768,435	147,276,756	65,583,378	143,311,721	10,212,073
Telephone, telegraph, and other communication services	2,313,382	21,253	1,339,991	3,222	929,775	3,541,034	3,538,271	138,023,801	61,216,163	138,818,940	9,774,224
Radio and television broadcasting	576,792	*18,887	36,986	3,260	515,249	230,566	230,164	9,252,955	4,367,215	4,312,781	437,849
Electric, gas, and sanitary services	3,800,640	24,776	1,794,433	8,621	1,972,659	6,796,283	6,478,575	264,511,965	106,295,191	269,679,885	10,159,228
Electric services	1,288,872	155	917,618	2,174	368,909	3,053,449	2,857,263	120,212,754	48,395,476	127,207,633	4,864,573
Gas production and distribution	1,504,583	21,591	316,149	2,208	1,164,542	1,312,562	1,303,689	59,890,174	22,238,734	52,780,828	2,130,274
Combination utility services	890,892	1,527	532,849	1,982	354,492	2,341,875	2,229,536	78,254,233	33,454,312	83,842,836	2,859,572
Water supply and other sanitary services	116,293	1,503	27,817	2,257	84,716	88,397	88,087	6,154,785	2,206,669	5,849,108	304,809
Wholesale and retail trade	10,547,774	604,147	826,490	474,527	8,629,935	6,732,712	414,650,094	152,665,435	123,351,092	116,266,222	
Wholesale trade	5,136,157	511,949	319,104	183,840	4,115,895	4,410,192	4,348,222	212,756,662	80,820,876	45,601,266	4,297,519
Groceries and related products	431,621	1,917	41,602	20,269	367,237	197,094	194,012	18,178,591	6,105,550	6,079,585	550,174
Machinery, equipment, and supplies	937,699	15,107	66,585	34,352	820,890	1,409,615	1,402,378	36,510,347	14,720,210	7,041,683	889,296
Miscellaneous wholesale trade	3,766,837	494,295	210,917	129,219	2,927,768	2,803,483	2,751,832	158,067,724	59,935,116	32,479,998	2,858,049
Motor vehicles and automotive equipment	481,548	2,077	16,835	18,975	443,644	349,642	348,376	14,776,253	5,886,738	2,586,932	246,023
Furniture and home furnishings	47,439	*1,128	2,712	2,854	40,679	15,992	15,616	1,880,001	628,905	310,746	29,938
Lumber and construction materials	245,724	*94	16,866	14,995	213,622	111,786	110,879	8,081,759	3,051,281	2,083,646	186,232
Sporting, recreational, photographic, and hobby goods, toys, and supplies	35,873	*151	1,616	1,963	32,139	11,641	11,019	1,476,653	476,678	215,915	20,792
Metals and minerals, except petroleum and scrap	225,292	13,202	15,836	6,643	189,529	136,458	131,794	11,690,074	3,304,120	1,952,426	172,355
Electrical goods	312,173	544	11,252	11,318	288,936	371,309	367,646	11,393,516	4,833,946	1,310,904	136,869
Hardware, plumbing, and heating equipment and supplies	263,248	*722	11,952	13,844	236,450	58,741	56,962	9,676,476	3,990,395	1,696,672	147,096
Other durable goods	423,084	10,759	22,032	16,658	373,498	372,682	367,571	21,018,978	7,038,103	3,310,768	334,546
Paper and paper products	80,968	*242	4,511	3,119	74,539	75,791	74,539	3,351,974	1,363,227	632,461	68,476
Drugs, drug proprietaries, and druggists' sundries	66,891	*548	4,038	3,296	58,072	88,202	86,757	2,787,466	919,905	485,841	43,816
Apparel, piece goods, and notions	167,024	3,684	5,532	7,244	150,387	70,396	69,851	6,250,681	2,087,232	678,297	71,113
Farm-product raw materials	200,185	23,558	29,576	1,910	145,140	281,282	278,756	18,980,409	6,131,615	6,690,825	463,761
Chemicals and allied products											

RETURNS OF ACTIVE CORPORATIONS

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

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

Minor industry	Total income tax	Foreign tax credit	Investment credit	New jobs credit	Total income tax after credits	Distributions to stockholders except in own stock		Total assets	Net worth	Depreciable assets	Depreciation deduction
						All returns	Returns with net income				
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
Wholesale and retail trade—Continued											
Retail trade—Continued											
General merchandise stores	1,484,295	62,978	118,473	17,374	1,284,809	943,440	932,433	52,359,599	19,997,591	17,843,769	1,298,640
Food stores	764,868	*8,427	112,755	29,561	611,229	312,616	306,210	24,722,281	9,237,727	14,855,421	1,281,204
Grocery stores	741,767	*8,427	108,578	26,983	594,897	310,065	303,901	23,886,451	9,022,023	14,368,939	1,226,288
Other food stores	23,101	—	4,177	2,578	16,332	*2,551	*2,309	835,830	215,704	586,482	54,916
Automotive dealers and service stations	678,411	*155	58,903	87,851	530,812	157,239	151,242	41,340,352	10,409,522	10,492,034	1,178,119
Motor vehicle dealers	481,726	*50	38,478	71,463	371,131	111,407	106,299	31,308,544	7,251,128	6,975,515	833,261
Gasoline service stations	70,882	22	9,125	7,119	54,612	19,606	19,606	3,811,116	1,337,828	1,903,024	168,238
Other automotive dealers	125,803	*83	11,300	9,269	105,069	26,226	25,337	6,220,694	1,820,566	1,613,695	176,620
Apparel and accessory stores	421,537	*616	16,777	18,505	384,383	336,440	333,690	10,464,032	5,013,090	2,847,564	274,867
Furniture and home furnishings stores	244,100	12	12,380	13,173	218,132	53,862	53,316	10,485,352	4,010,563	2,429,571	227,032
Eating and drinking places	470,028	5,030	77,473	51,210	335,641	198,733	193,838	16,838,205	5,048,199	13,944,317	1,201,019
Miscellaneous retail stores	856,352	14,896	80,334	41,661	718,796	307,246	289,771	29,821,733	11,590,859	10,586,807	997,618
Drug stores and proprietary stores	226,012	901	14,587	4,775	205,740	83,482	82,999	5,791,723	2,548,511	1,928,691	163,984
Liquor stores	23,103	—	2,694	*1,256	19,153	11,589	11,589	1,640,660	597,992	560,518	51,495
Other retail stores	607,237	13,995	63,053	35,630	493,903	212,175	195,183	22,389,350	8,444,356	8,097,598	782,139
Wholesale and retail trade not allocable	7,211	—	966	*515	5,727	*2,793	*2,559	453,836	153,173	87,401	11,148
Finance, insurance, and real estate	9,302,917	867,372	512,894	126,785	7,790,084	11,604,618	10,831,032	2,861,478,449	322,978,877	118,332,922	8,053,785
Banking	2,153,992	586,838	259,820	49,623	1,257,532	2,994,935	2,729,156	1,518,786,059	105,998,183	27,680,923	3,029,971
Mutual savings banks	152,765	420	4,178	2,539	145,609	—	—	143,240,998	7,418,627	1,571,874	96,740
Bank holding companies	1,274,232	569,220	197,480	13,585	493,844	2,092,886	1,927,481	974,748,361	69,171,876	17,545,823	2,254,097
Banks, except mutual savings banks and bank holding companies	726,995	17,198	58,162	33,499	618,079	902,049	801,675	400,796,700	29,407,680	8,563,126	679,134
Credit agencies other than banks	1,629,890	36,221	58,866	20,582	1,509,657	645,391	594,383	553,446,328	28,815,448	11,029,255	791,471
Savings and loan associations	1,003,958	49	16,779	15,257	968,107	179,353	178,151	427,791,089	13,769,640	6,669,548	346,753
Personal credit institutions	200,648	7,675	28,190	1,042	163,078	149,385	149,209	21,617,643	4,213,673	1,316,720	178,416
Business credit institutions	125,770	6,567	8,413	306	110,373	69,716	69,715	21,744,573	2,805,713	1,228,077	140,560
Other credit agencies, finance not allocable	299,514	21,930	5,464	3,977	266,099	246,937	197,308	82,293,023	8,026,422	1,814,800	125,742
Security, commodity brokers and services	188,502	4,021	11,122	3,143	170,019	125,580	99,549	51,817,223	4,821,136	1,011,067	118,625
Security brokers, dealers, and flotation companies	150,383	3,037	9,618	2,332	135,199	95,394	69,745	48,189,533	3,998,790	724,446	82,891
Commodity contracts brokers and dealers, security and commodity exchanges, and allied services	38,119	*984	1,504	811	34,820	30,186	29,804	3,627,690	822,346	286,621	25,734
Insurance	3,555,300	183,897	118,162	14,682	3,238,402	1,820,692	1,794,412	509,301,779	73,124,694	8,687,011	1,150,631
Life insurance	2,396,974	84,708	44,967	3,918	2,263,316	708,120	698,098	347,551,970	26,530,359	2,620,460	541,915
Mutual insurance, except life or marine and certain fire or flood insurance companies	365,610	2,546	9,664	3,329	350,050	—	—	35,053,740	9,647,702	648,151	108,836
Other insurance companies	792,716	96,643	63,531	7,435	625,036	1,112,572	1,096,314	126,696,132	36,946,633	5,418,400	501,880
Insurance agents, brokers, and service	339,983	10,026	14,347	12,139	303,470	219,546	216,477	11,329,125	3,279,365	1,264,683	169,238
Real estate	1,090,042	3,057	43,086	24,147	1,019,180	940,813	755,441	108,863,846	25,561,366	63,111,651	2,593,140
Real estate operators and lessors of buildings	596,214	3,011	22,872	3,140	567,032	626,834	481,351	64,354,937	17,463,561	52,290,028	2,050,622
Lessors of mining, oil, and similar property	22,022	4	999	—	21,019	—	—	714,895	151,221	242,432	12,692
Lessors of railroad property, and of real property, not elsewhere classified	12,118	—	943	*191	10,984	12,250	12,250	1,953,809	913,835	758,144	44,574
Condominium management and cooperative housing associations	623	—	*9	—	614	—	—	2,185,928	650,414	2,038,064	43,174
Subdividers and developers	280,630	6	6,571	5,695	267,983	138,357	128,186	24,523,821	3,402,184	3,852,670	194,996
Other real estate	178,435	*36	11,892	15,121	151,548	139,782	110,064	15,130,896	2,980,121	3,930,313	247,080
Holding and other investment companies, except bank holding companies	345,208	43,312	7,511	2,469	291,824	4,857,661	4,641,614	107,934,089	81,379,715	5,548,432	200,709
Regulated investment companies	*942	(¹)	—	—	*942	3,446,912	3,325,325	61,432,522	58,403,486	90,361	849
Real estate investment trusts	*24	—	—	—	*24	131,062	73,137	9,263,187	2,388,528	3,243,046	88,287
Small business investment companies	4,751	—	*4	*20	4,727	*4,018	*2,685	681,226	270,065	11,880	666
Other holding and investment companies, except bank holding companies	339,491	43,312	7,507	2,449	286,131	1,275,669	1,240,467	36,557,154	20,317,636	2,203,145	110,907
Services	2,584,017	124,879	426,663	193,152	1,834,727	1,441,254	1,277,916	119,286,766	34,615,631	76,773,111	8,851,415
Hotels and other lodging places	201,452	*3,287	22,328	5,886	169,788	118,901	114,741	14,084,260	3,306,006	12,195,842	698,333
Personal services	143,898	4,767	19,474	7,345	112,281	85,579	78,679	5,542,922	2,464,896	4,377,859	431,033
Business services	922,875	50,568	136,676	80,184	651,962	492,629	419,637	36,129,466	10,018,349	18,280,921	2,412,183
Advertising	222,593	23,116	12,927	14,205	172,258	100,077	91,584	5,487,495	1,573,064	1,517,082	145,247
Business services, except advertising	700,282	27,452	123,749	65,979	479,704	392,552	328,053	30,642,351	8,445,285	16,763,839	2,266,936
Auto repair, miscellaneous repair services	243,199	*4,272	59,524	22,932	156,050	66,434	63,727	13,962,914	3,219,875	12,420,015	2,022,368
Auto repair and services	182,436	*4,272	52,916	10,259	114,808	55,496	53,179	12,207,941	2,570,607	11,555,236	1,918,333
Miscellaneous repair services	60,763	—	6,608	12,673	41,242	10,938	10,548	1,754,973	649,268	864,779	104,035
Amusement and recreation services	490,045	48,678	95,923	8,736	336,528	248,931	226,793	19,596,677	6,420,779	12,814,519	1,841,722
Motion picture production, distribution, and services	198,960	43,078	63,238	1,500	91,066	94,229	77,579	7,524,482	2,231,389	2,106,082	1,085,235
Motion picture theaters	41,047	30	5,550	1,765	33,600	12,722	12,703	1,714,085	638,480	1,378,563	96,021
Amusement and recreation services, except motion pictures	250,038	5,570	27,135	5,471	211,862	141,980	136,511	10,358,110	3,550,910	9,329,874	660,466
Other services	582,548	13,307	92,738	68,069	408,118	428,780	374,339	29,970,147	9,185,736	16,684,155	1,445,776
Offices of physicians, including osteopathic physicians	89,051	—	16,529	6,879	65,643	14,641	14,140	2,957,852	1,257,714	2,094,498	262,091
Offices of dentists	15,279	—	3,742	1,898	9,639	*3,691	*3,567	729,042	362,346	673,166	79,637
Offices of other health practitioners	10,318	—	1,726	*1,300	7,292	*1,714	*1,714	221,059	124,423	131,560	15,650
Nursing and personal care facilities	50,282	—	6,554	10,824	32,834	85,896	81,454	4,247,129	770,298	3,225,504	155,370
Hospitals	62,139	471	17,904	4,866	38,866	10,849	10,849	2,595,786	834,629	1,890,130	135,342
Medical laboratories	8,741	—	2,981	*575	5,183	8,294	6,625	392,325	192,921	211,524	25,029
Other medical services	56,891	—	9,862	6,091	40,925	29,501	29,299	2,513,926	824,618	1,375,958	121,749
Legal services	17,965	—	4,299	3,684	9,982	*12,836	*12,572	813,107	282,040	441,806	53,292
Educational services	23,969	*37	4,187	3,751	15,975	8,593	8,559	2,803,992	874,614	1,693,388	66,094
Social services	*6,965	(¹)	*404	*1,092	*5,469	*2,673	*2,673	205,596	46,807	181,761	17,708
Membership organizations	14,471	*23	1,814	*1,042	11,586	*948	*948	1,005,341	362,122	442,767	31,327
Architectural and engineering services	120,360	11,740	11,591	14,309	82,699	100,839	65,822	4,127,642	1,549,540	1,34	

RETURNS OF ACTIVE CORPORATIONS

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

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

Minor industry	Coefficient of variation (Percent)								
	Total number of returns	Total receipts	Net income	Deficit	Total income tax	New jobs credit	Distributions to stockholders except in own stock	Total assets	Depreciation deduction
	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
Total returns of active corporations.....	0.16	0.17	0.18	1.06	0.13	1.36	0.68	0.05	0.17
Agriculture, forestry, and fishing.....	3.58	2.63	3.37	5.11	3.72	14.09	30.96	2.00	2.89
Agricultural production	3.90	2.68	3.64	5.48	3.99	16.84	37.52	2.16	2.89
Agricultural services (except veterinarians), forestry, fishing, hunting, and trapping	7.75	7.25	8.56	14.30	9.87	25.71	31.43	5.42	6.87
Mining.....	8.38	0.72	0.18	3.54	0.13	10.37	1.35	0.43	1.45
Metal mining	34.42	1.68	3.46	3.86	3.67	73.02	4.01	0.51	1.12
Iron ores	36.55	3.86	8.99	0.50	10.75	—	9.11	1.16	1.33
Copper, lead and zinc, gold and silver ores	56.40	1.03	2.05	11.82	2.49	75.93	2.05	0.51	1.28
Other metal mining	49.53	6.75	13.88	10.73	9.02	(*)	(*)	3.08	5.91
Coal mining	12.23	3.25	4.92	8.27	4.13	29.32	6.92	1.62	3.75
Oil and gas extraction	9.01	0.69	0.14	5.13	0.11	13.37	1.21	0.46	1.67
Crude petroleum, natural gas, and natural gas liquids	12.57	0.61	0.07	6.24	0.05	12.85	0.68	0.43	1.29
Oil and gas field services	12.82	3.23	2.13	9.02	1.98	15.62	8.40	1.42	3.06
Nonmetallic minerals, except fuels	13.83	4.14	6.92	14.35	5.90	16.64	6.23	2.62	4.42
Dimension, crushed, and broken stone, sand and gravel	14.96	5.62	7.96	21.84	7.43	18.52	16.85	4.79	5.96
Other nonmetallic minerals, except fuels	29.07	4.01	12.94	18.91	5.93	37.48	0.48	1.91	5.00
Construction.....	2.10	1.32	1.65	3.36	1.74	4.62	6.08	0.94	1.89
General building contractors and operative builders	3.36	2.05	2.51	4.58	2.67	7.95	7.71	1.39	2.47
General building contractors	3.46	2.16	2.69	4.95	2.90	8.16	8.20	1.48	2.57
Operative builders	13.08	5.66	7.01	12.01	6.92	32.50	19.24	3.94	8.17
Heavy construction contractors	6.90	2.48	2.76	7.52	2.53	9.87	10.16	1.68	2.86
Special trade contractors	3.06	2.42	3.16	6.24	3.79	6.69	12.46	2.03	3.24
Plumbing, heating, and air conditioning	6.65	4.96	6.58	14.04	7.57	11.98	31.61	4.02	5.84
Electrical work	7.88	5.72	8.39	14.23	9.57	16.27	24.30	4.86	6.86
Other special trade contractors and contractors not allocable	3.92	3.20	4.03	7.99	4.92	9.18	15.21	2.73	4.16
Manufacturing.....	1.81	0.21	0.20	1.80	0.18	2.22	0.45	0.13	0.18
Food and kindred products	6.17	0.87	0.72	4.47	0.63	6.26	1.83	0.45	0.72
Meat products	14.45	2.68	2.62	9.95	2.29	14.15	1.81	1.43	1.51
Dairy products	17.79	2.56	1.18	19.85	1.10	18.04	0.45	1.40	2.30
Preserved fruits and vegetables	18.88	1.92	1.73	15.40	1.42	11.59	0.36	1.09	1.46
Grain mill products	15.49	1.76	1.33	22.80	1.16	28.03	1.74	1.12	1.71
Bakery products	18.51	4.23	5.55	22.95	4.79	29.37	6.68	2.80	3.96
Sugar and confectionery products	24.99	2.62	3.60	3.55	3.64	33.57	1.52	1.41	2.66
Malt liquors and malt	18.83	0.39	(*)	2.48	(*)	(*)	(*)	0.39	0.13
Alcoholic beverages, except malt liquors and malt	20.00	1.40	2.02	2.89	2.02	10.62	1.47	0.89	1.70
Bottled soft drinks, and flavorings	12.15	2.95	2.24	24.15	1.97	10.39	3.34	1.78	3.10
Other food and kindred products	15.75	1.72	2.05	10.95	1.84	14.84	11.33	1.45	2.65
Tobacco manufactures	24.12	0.60	0.04	55.61	0.04	12.16	0.02	0.21	0.31
Textile mill products	11.23	1.74	1.92	6.29	1.84	12.74	1.74	1.25	1.47
Weaving mills and textile finishing	25.88	2.45	2.43	7.37	2.23	21.31	1.40	1.70	1.88
Knitting mills	19.64	5.85	5.86	14.46	6.23	22.44	8.84	4.52	5.91
Other textile mill products	15.61	2.44	2.91	12.59	2.81	19.98	2.39	1.76	2.08
Apparel and other textile products	7.25	2.61	2.41	10.57	2.29	11.92	6.88	2.06	3.37
Men's and boys' clothing	16.78	3.44	2.53	15.11	2.22	17.79	4.54	2.42	3.68
Women's and children's clothing	10.53	4.29	4.20	21.76	4.31	19.21	12.57	3.54	5.71
Other apparel and accessories	19.64	10.25	13.15	25.32	13.64	33.64	22.94	9.38	17.71
Miscellaneous fabricated textile products, textile products, not elsewhere classified	15.31	7.39	8.49	21.62	8.25	19.65	36.37	6.69	8.78
Lumber and wood products	7.15	1.80	1.62	9.13	1.66	9.96	1.88	1.00	1.61
Logging, sawmills, and planing mills	11.66	2.57	2.21	15.28	2.52	17.28	2.65	1.35	2.86
Millwork, plywood, and related products	13.21	2.81	2.50	15.60	2.26	17.88	1.81	1.59	1.40
Other wood products, including wood buildings and mobile homes	11.88	4.52	5.09	15.92	5.07	15.92	10.75	2.91	4.34
Furniture and fixtures	10.92	3.97	3.99	17.79	3.70	13.74	9.31	3.11	3.49
Paper and allied products	12.12	1.15	0.90	8.95	0.87	11.46	1.21	0.62	0.78
Pulp, paper, and board mills	10.88	0.56	0.68	5.17	0.77	24.05	1.91	0.29	0.34
Other paper products	12.62	2.67	1.66	20.68	1.52	12.71	1.39	1.74	2.18
Printing and publishing	5.70	1.59	1.25	25.78	1.08	7.65	9.95	1.06	1.71
Newspapers	13.69	1.82	1.58	64.67	1.45	12.76	3.08	1.29	2.19
Periodicals	19.00	5.09	4.99	22.80	4.01	21.23	3.79	3.18	5.37
Books, greeting cards, and miscellaneous publishing	14.98	2.68	1.82	21.20	1.40	14.31	35.00	1.72	2.53
Commercial and other printing and printing trade services	7.37	3.43	3.33	15.50	3.12	11.83	8.10	2.80	3.60
Chemicals and allied products	8.95	0.48	0.35	5.30	0.31	8.70	0.21	0.26	0.27
Industrial chemicals, plastics materials and synthetics	14.45	0.64	0.53	11.78	0.48	13.56	0.27	0.33	0.30
Drugs	26.73	0.58	0.41	9.89	0.37	20.75	0.18	0.36	0.49
Soap, cleaners, and toilet goods	25.30	1.00	0.75	20.87	0.70	11.06	0.13	0.82	1.31
Paints and allied products	21.74	4.36	5.25	23.42	4.95	17.82	4.94	4.06	4.11
Agricultural and other chemical products	17.28	2.05	2.46	6.48	2.02	29.05	2.55	0.95	0.96
Petroleum (including integrated) and coal products	23.12	0.15	0.09	0.93	0.08	12.66	0.10	0.05	0.12
Petroleum refining (including integrated)	39.48	0.14	0.06	0.63	0.05	15.92	0.04	0.03	0.06
Petroleum and coal products, not elsewhere classified	28.06	5.05	3.85	35.40	3.84	19.06	8.96	4.27	6.55
Rubber and miscellaneous plastics products	9.58	1.73	2.26	14.48	2.15	12.14	2.64	1.24	1.69
Rubber products, plastics footwear, hose and belting	21.95	1.37	1.92	21.15	1.78	22.86	2.13	0.84	1.04
Miscellaneous plastics products	10.65	4.09	4.58	18.18	4.65	13.99	8.85	3.31	4.25
Leather and leather products	17.21	3.37	3.19	16.55	2.94	27.32	2.18	2.59	3.78
Footwear, except rubber	25.32	2.99	2.76	20.33	2.57	55.67	2.07	2.11	3.53
Leather and leather products, not elsewhere classified	21.13	8.93	9.99	26.01	9.62	26.48	10.47	7.94	9.69

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Minor industry	Coefficient of variation (Percent)								
	Total number of returns	Total receipts	Net income	Deficit	Total income tax	New jobs credit	Distributions to stockholders except in own stock	Total assets	Depreciation deduction
	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
Manufacturing—Continued									
Stone, clay, and glass products	8 66	1 56	1 49	10 60	1 37	10 22	1 99	1 02	1 41
Glass products	24 76	1 66	1 87	30 36	1 78	26 80	0 90	0 89	0 48
Cement, hydraulic	63 38	2 06	1 67	(¹)	1 21	25 99	0 17	0 84	1 02
Concrete, gypsum, and plaster products	10 86	3 70	4 08	13 30	4 00	14 97	5 82	2 75	3 89
Other nonmetallic mineral products	15 21	3 20	2 42	26 30	2 25	18 39	5 36	2 27	3 37
Primary metal industries	11 19	0 59	1 40	0 97	1 35	9 50	0 74	0 25	0 36
Ferrous metal industries, miscellaneous primary metal products	15 55	0 60	1 76	0 71	1 73	12 63	1 14	0 33	0 39
Nonferrous metal industries	16 08	1 21	2 31	5 55	2 18	14 40	0 61	0 39	0 78
Fabricated metal products	4 81	2 26	2 32	7 30	2 37	5 83	7 48	2 13	2 34
Metal cans and shipping containers	24 83	1 79	2 37	66 14	2 32	21 66	0 35	1 15	1 05
Cutlery, hand tools, and hardware, screw machine products, bolts, and similar products	12 15	3 26	2 62	19 67	2 38	12 07	2 71	2 56	3 66
Plumbing and heating, except electric and warm air	25 57	3 80	3 12	49 45	2 85	17 19	6 05	2 85	2 78
Fabricated structural metal products	9 49	2 76	2 85	11 67	2 63	12 32	6 76	2 12	2 71
Metal forgings and stampings	14 21	4 45	5 26	28 45	4 97	17 24	6 77	3 65	4 56
Coating, engraving, and allied services	18 78	6 86	9 98	46 04	9 94	29 04	12 11	5 64	7 88
Ordnance and accessories, except vehicles and guided missiles	50 79	4 67	7 00	29 61	6 91	48 02	4 87	5 41	3 73
Miscellaneous fabricated metal products	8 11	7 07	7 09	12 20	7 65	10 05	28 97	7 02	7 64
Machinery, except electrical	5 72	0 63	0 52	6 22	0 46	6 40	0 37	0 36	0 49
Farm machinery	22 82	2 09	3 07	9 19	2 78	30 46	6 03	1 16	1 69
Construction and related machinery	17 32	1 09	1 17	20 23	1 06	14 57	1 56	0 76	0 90
Metalworking machinery	10 79	3 85	3 93	21 07	3 70	12 35	2 66	2 94	4 40
Special industry machinery	14 23	3 01	3 90	20 25	3 74	16 12	4 37	2 48	3 40
General industrial machinery	17 50	1 92	2 31	15 61	2 07	13 59	1 98	1 44	2 06
Office, computing, and accounting machines	35 61	0 39	0 21	21 49	0 17	28 57	0 01	0 14	0 11
Other machinery, except electrical	11 01	2 27	2 48	11 22	2 42	14 56	1 62	1 81	3 16
Electrical and electronic equipment	7 68	0 67	0 64	5 76	0 60	7 53	1 36	0 35	0 43
Household appliances	31 27	1 67	1 38	23 39	1 25	27 99	0 31	1 00	1 13
Radio, television, and communication equipment	18 52	0 97	0 88	8 89	0 82	18 97	0 37	0 49	0 66
Electronic components and accessories	13 61	1 51	2 02	9 32	2 05	12 74	3 24	1 06	1 38
Other electrical equipment	11 43	0 96	0 87	13 88	0 80	10 65	2 33	0 52	0 59
Motor vehicles and equipment	14 93	0 26	0 20	10 53	0 16	10 19	0 29	0 16	0 18
Transportation equipment, except motor vehicles	15 19	0 78	1 05	2 54	1 06	14 85	0 59	0 41	0 60
Aircraft, guided missiles and parts	27 42	0 40	0 72	1 25	0 73	25 03	0 50	0 30	0 52
Ship and boat building and repairing	23 11	4 32	5 60	23 48	5 74	30 75	0 53	1 63	4 20
Other transportation equipment, except motor vehicles	25 75	4 18	4 29	14 86	4 25	21 94	4 47	2 61	2 10
Instruments and related products	11 81	1 46	1 18	14 25	1 07	12 52	0 95	1 06	1 02
Scientific instruments and measuring devices, watches and clocks	18 75	2 64	3 17	20 25	3 07	17 76	4 54	2 14	2 47
Optical, medical, and ophthalmic goods	16 00	3 08	2 11	28 91	1 90	18 67	0 88	2 14	2 75
Photographic equipment and supplies	41 01	1 05	0 92	2 89	0 75	25 32	0 92	0 86	0 68
Miscellaneous manufacturing and manufacturing not allocable	8 26	2 61	2 70	9 78	2 66	11 71	4 32	1 84	2 63
Transportation and public utilities	3 39	0 48	0 63	2 14	0 62	5 74	0 26	0 13	0 25
Transportation	3 95	1 11	1 01	2 42	0 89	7 14	1 37	0 40	0 89
Railroad transportation	36 60	0 28	0 76	0 14	0 56	(¹)	0 33	0 15	0 38
Local and interurban passenger transit	12 53	13 48	13 93	31 76	13 53	54 88	29 10	8 95	10 66
Trucking and warehousing	5 55	2 39	2 50	9 37	2 36	8 44	4 49	1 55	2 25
Water transportation	11 72	3 61	4 86	5 50	4 99	19 58	13 77	1 91	3 48
Transportation by air	13 08	0 88	0 84	13 73	0 52	2 92	2 16	0 57	0 94
Pipelines, except natural gas	25 50	1 54	1 57	1 40	1 55	61 80	1 93	1 07	1 79
Transportation services, not elsewhere classified	9 61	6 79	5 44	15 06	4 96	21 01	4 07	2 03	3 53
Communication	9 39	0 72	1 79	12 61	1 75	10 06	0 63	0 30	0 29
Telephone, telegraph, and other communication services	14 70	0 26	0 31	17 32	0 23	15 04	0 06	0 14	0 17
Radio and television broadcasting	12 11	4 95	8 14	18 06	8 71	13 38	10 31	4 23	5 65
Electric, gas, and sanitary services	9 62	0 24	0 28	3 52	0 19	6 32	0 13	0 07	0 16
Electric services	29 25	0 19	0 11	2 66	0 08	3 58	0 02	0 04	0 06
Gas production and distribution	18 45	0 42	0 41	3 18	0 19	1 96	0 59	0 16	0 29
Combination utility services	38 46	0 23	0 11	12 60	0 09	7 85	(¹)	0 04	0 06
Water supply and other sanitary services	11 76	5 29	6 22	16 34	5 73	22 70	4 55	2 59	4 89
Wholesale and retail trade	1 02	0 50	0 54	2 12	0 61	2 45	0 92	0 35	0 62
Wholesale trade	1 77	0 72	0 69	3 09	0 95	3 15	0 96	0 52	1 04
Groceries and related products	6 35	2 33	2 78	9 69	2 92	12 91	6 66	1 90	2 74
Machinery, equipment, and supplies	3 99	1 86	1 50	8 16	2 50	6 46	1 33	1 40	2 90
Miscellaneous wholesale trade	2 14	0 82	0 83	3 56	1 10	3 62	1 30	0 61	1 20
Motor vehicles and automotive equipment	6 31	2 73	2 00	12 59	2 90	10 22	2 02	2 09	3 79
Furniture and home furnishings	16 53	9 17	10 28	21 67	10 99	31 98	47 40	7 57	10 07
Lumber and construction materials	8 27	4 51	4 54	20 00	5 53	12 66	5 99	3 96	5 97
Sporting, recreational, photographic, and hobby goods, toys, and supplies	19 55	10 52	10 12	22 13	12 20	31 31	14 41	7 65	14 28
Metals and minerals, except petroleum and scrap	11 45	2 50	4 02	8 62	4 34	9 60	7 37	1 89	4 66
Electrical goods	7 96	3 29	2 45	14 38	4 16	10 95	3 07	2 46	4 68
Hardware, plumbing, and heating equipment and supplies	7 71	3 76	4 53	18 18	5 05	10 82	9 54	3 13	4 22
Other durable goods	5 72	2 12	2 46	6 94	3 74	9 77	2 76	1 77	4 36
Paper and paper products	13 86	6 55	5 62	22 46	8 23	22 96	4 29	4 64	7 76
Drugs, drug proprietaries, and druggists' sundries	17 57	5 91	6 63	24 94	9 52	24 96	9 70	4 78	5 90
Apparel, piece goods, and notions	8 50	4 93	5 27	19 10	6 03	13 77	14 19	4 70	7 71
Farm-product raw materials	7 58	2 27	2 55	15 05	3 27	19 49	4 64	1 58	2 61
Chemicals and allied products	14 54	3 49	2 35	13 58	8 12	20 12	3 66	2 70	7 69
Petroleum and petroleum products	7 49	2 14	1 61	7 10	1 27	17 30	5 73	1 21	3 37
Alcoholic beverages	11 97	5 14	5 49	22 41	6 47	16 10	13 31	4 30	7 28
Miscellaneous nondurable goods, wholesale trade not allocable	5 90	3 16	3 63	9 18	4 61	12 30	4 15	2 20	3 54

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Minor industry	Coefficient of variation (Percent)								
	Total number of returns	Total receipts	Net income	Deficit	Total income tax	New jobs credit	Distributions to stockholders except in own stock	Total assets	Depreciation deduction
	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
Wholesale and retail trade—Continued									
Retail trade	1.39	0.77	0.92	2.96	0.82	3.51	1.93	0.57	0.82
Building materials, garden supplies, and mobile home dealers	4.72	3.40	4.48	11.76	3.84	9.46	15.27	3.17	3.84
Building materials dealers	6.35	4.26	5.46	17.32	4.35	11.34	17.90	4.11	4.71
Hardware stores	8.98	6.89	8.78	27.41	10.08	21.34	29.37	6.50	7.82
Garden supplies and mobile home dealers	10.88	8.28	10.64	19.03	12.64	23.51	38.76	6.87	10.15
General merchandise stores	8.70	0.71	0.88	8.05	0.85	21.38	0.62	0.49	0.53
Food stores	5.75	1.58	2.51	8.28	1.63	9.53	2.86	1.20	1.40
Grocery stores	6.38	1.58	2.54	8.52	1.60	9.72	2.89	1.19	1.35
Other food stores	2.87	12.16	15.40	25.25	16.30	40.20	7.91	10.21	12.51
Automotive dealers and service stations	3.26	2.02	2.56	6.95	2.97	5.12	10.06	1.73	2.64
Motor vehicle dealers	3.78	2.27	3.00	9.19	3.53	5.16	12.45	2.05	3.15
Gasoline service stations	9.37	7.32	8.18	16.36	8.72	31.47	21.40	5.43	7.18
Other automotive dealers	6.41	4.80	6.11	13.94	7.18	14.67	24.22	4.20	6.64
Apparel and accessory stores	5.15	3.08	3.79	10.88	4.10	14.03	6.87	2.84	3.49
Furniture and home furnishings stores	5.29	3.53	4.06	10.68	3.93	14.86	17.61	3.03	4.45
Eating and drinking places	3.57	2.71	3.40	6.87	3.22	11.24	11.31	2.16	2.55
Miscellaneous retail stores	3.03	2.09	2.28	7.02	2.15	7.83	6.35	1.66	2.60
Drug stores and proprietary stores	7.30	3.29	3.54	19.52	2.06	16.02	9.71	3.11	3.44
Liquor stores	10.05	9.50	11.65	24.71	11.82	38.25	46.36	8.53	11.31
Other retail stores	3.58	2.67	2.86	7.90	2.91	8.80	7.97	1.98	3.16
Wholesale and retail trade not allocable	24.39	19.84	24.16	55.28	25.86	29.22	75.90	12.59	27.10
Finance, insurance, and real estate	1.37	0.26	0.98	1.54	0.35	2.85	2.98	0.06	0.50
Banking	2.43	0.09	0.22	0.74	0.11	0.26	0.18	0.04	0.09
Mutual savings banks	3.93	(¹)	(¹)	(¹)	(¹)	(¹)	—	0.01	(¹)
Bank holding companies	2.44	0.12	0.29	0.37	0.11	0.06	0.02	0.01	0.06
Banks, except mutual savings banks and bank holding companies	2.68	0.18	0.47	0.99	0.26	0.39	0.60	0.14	0.36
Credit agencies other than banks	4.99	0.33	0.73	6.04	0.42	2.81	4.38	0.20	1.19
Savings and loan associations	3.53	0.43	0.43	2.69	0.23	0.19	0.13	0.24	0.62
Personal credit institutions	13.56	0.52	1.45	20.76	1.18	7.44	0.74	0.79	0.90
Business credit institutions	26.26	0.73	1.26	29.93	1.02	3.86	6.18	0.44	1.36
Other credit agencies, finance not allocable	5.21	1.06	2.82	7.43	1.99	14.30	11.29	1.04	7.01
Security, commodity brokers and services	13.09	2.65	3.82	9.08	3.71	12.21	6.94	0.39	4.68
Security brokers, dealers, and flotation companies	18.21	2.89	3.72	8.62	3.60	12.81	3.96	0.35	4.79
Commodity contracts brokers and dealers security and commodity exchanges, and allied services	18.15	6.31	10.92	19.02	11.66	29.78	26.51	3.21	12.96
Insurance	9.10	0.10	0.15	1.25	0.17	8.90	0.20	0.03	0.23
Life insurance	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
Mutual insurance, except life or marine and certain fire or flood insurance companies	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
Other insurance companies	14.58	0.33	0.44	4.19	0.76	17.56	0.33	0.13	0.54
Insurance agents, brokers, and service	5.22	5.49	3.70	13.64	3.20	14.35	6.79	2.73	5.28
Real estate	1.98	2.09	2.58	3.26	2.95	14.35	13.26	1.41	1.53
Real estate operators and lessors of buildings	2.53	1.58	2.91	3.46	3.42	16.59	16.14	1.23	1.61
Lessors of mining, oil, and similar property	37.40	23.21	14.16	70.79	13.14	—	20.96	8.57	31.35
Lessors of railroad property, and of real property, not elsewhere classified	11.16	11.11	15.69	35.72	16.55	82.69	61.44	7.17	22.09
Condominium management and cooperative housing associations	16.70	14.74	28.91	10.71	34.53	—	—	6.96	9.80
Subdividers and developers	5.31	3.03	3.53	3.89	3.46	13.34	17.16	2.17	3.50
Other real estate	4.36	4.42	5.83	7.21	6.76	17.15	22.75	5.17	4.78
Holding and other investment companies, except bank holding companies	4.63	3.35	5.20	4.57	3.67	22.32	6.71	0.43	2.52
Regulated investment companies	19.94	7.32	7.83	29.78	(²)	—	8.67	0.22	(¹)
Real estate investment trusts	47.80	0.42	2.18	0.26	(²)	—	0.89	0.41	1.05
Small business investment companies	42.05	13.66	20.44	22.86	11.30	45.39	18.67	12.03	34.64
Other holding and investment companies, except bank holding companies	4.73	3.22	2.74	6.23	3.73	22.50	10.23	1.19	4.49
Services	1.34	1.72	1.38	3.01	1.39	5.46	7.85	1.68	1.51
Hotels and other lodging places	6.83	4.69	3.78	8.25	3.33	13.62	9.51	2.37	2.95
Personal services	5.66	4.71	5.36	14.21	5.06	19.73	11.68	3.78	4.66
Business services	3.09	4.14	2.56	5.59	2.50	9.49	11.01	1.83	2.33
Advertising	9.13	12.59	4.95	20.21	4.25	21.67	17.14	8.83	10.25
Business services, except advertising	3.31	2.77	2.96	5.80	3.01	10.56	13.11	1.47	2.40
Auto repair, miscellaneous repair services	4.47	3.65	4.67	9.77	5.26	14.86	17.07	2.36	3.12
Auto repair and services	5.35	4.08	4.91	10.93	5.26	16.53	19.13	2.47	3.25
Miscellaneous repair services	8.33	7.99	10.94	21.20	13.92	23.29	36.06	7.64	9.13
Amusement and recreation services	5.23	2.78	2.85	7.95	2.39	13.69	10.18	1.70	2.37
Motion picture production, distribution, and services	15.26	4.01	2.97	21.03	2.51	30.21	16.80	1.60	3.05
Motion picture theaters	18.47	7.31	10.51	28.26	10.40	44.78	26.60	5.66	6.97
Amusement and recreation services, except motion pictures	5.86	4.16	4.40	8.90	3.87	14.08	13.75	2.86	4.20
Other services	2.25	2.86	2.92	5.48	3.35	9.04	21.94	6.06	6.28
Offices of physicians, including osteopathic physicians	4.73	6.40	7.67	16.66	9.15	20.58	37.68	5.48	6.44
Offices of dentists	8.81	9.98	15.20	26.74	16.38	31.05	70.58	10.17	11.40
Offices of other health practitioners	18.43	19.01	30.64	43.34	42.59	61.33	99.51	22.43	23.57
Nursing and personal care facilities	10.46	6.86	9.80	18.77	10.22	21.24	39.33	4.52	5.59
Hospitals	26.32	7.90	6.44	34.01	5.26	39.72	8.01	3.75	4.30
Medical laboratories	20.38	17.42	22.73	53.56	24.08	63.98	44.18	12.58	18.15
Other medical services	10.84	8.54	9.40	15.86	8.84	41.80	17.95	4.31	6.93
Legal services	9.94	12.09	14.32	31.23	17.33	35.72	55.47	10.92	12.21
Educational services	10.01	9.80	12.00	22.48	15.36	38.17	49.71	58.11	11.41
Social services	21.55	25.47	35.67	40.60	62.00	67.52	99.70	25.79	29.64
Membership organizations	16.91	13.15	18.56	34.10	24.62	45.97	15.43	8.84	15.02
Architectural and engineering services	8.68	10.05	6.27	17.38	7.00	21.53	33.21	16.36	39.22
Accounting, auditing, and bookkeeping services	16.80	18.71	24.16	41.16	29.64	39.51	70.20	18.11	24.37
Miscellaneous services (including veterinarians), not elsewhere classified	4.46	6.31	7.44	8.64	10.05	22.29	55.11	4.07	7.93
Nature of business not allocable	17.14	25.41	28.08	66.14	22.60	55.13	84.15	29.18	45.29

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

¹ Credits include foreign tax, U.S. possessions tax, investment, work incentive (WIN), and new jobs credits² Less than \$500 per return³ Coefficient of variation is less than .005 but greater than zero⁴ Estimate is based on returns sampled at a 100 percent rate and coefficient of variation is zero

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Item	Major industry						
	All industries	Agriculture, forestry, and fishing	Mining				Nonmetallic minerals, except fuels
			Total	Metal mining	Coal mining	Oil and gas extraction	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
1 Number of returns, total	2,241,887	85,594	19,218	759	3,836	10,672	3,949
2 With net income	1,424,528	38,440	10,963	280	2,243	6,546	1,894
3 Total assets	5,326,389,281	28,902,259	88,377,059	11,777,577	11,810,349	57,477,734	7,311,399
4 Cash	361,549,924	1,665,861	3,323,447	214,874	736,782	1,994,698	377,093
5 Notes and accounts receivable	1,337,902,515	2,576,848	17,399,042	727,893	1,225,047	14,421,125	1,024,977
6 Less: Allowance for bad debts	34,345,449	28,836	72,343	1,088	8,571	34,911	27,773
7 Inventories	396,032,639	2,838,025	4,360,146	981,953	521,953	2,042,107	814,133
8 Investments in Government obligations							
9 United States	216,176,700	160,447	752,153	*67,689	244,666	397,124	42,674
10 State and local	164,364,130	46,586	81,786	3,285	40,890	32,586	5,025
11 Other current assets	181,373,300	876,991	4,185,294	1,197,997	657,791	2,077,843	251,663
12 Loans to stockholders	14,380,704	449,289	956,824	*68,525	65,473	805,345	17,481
13 Mortgage and real estate loans	661,272,988	296,321	323,335	18,775	19,526	245,270	39,764
14 Other investments	820,704,826	2,256,138	17,885,571	3,631,151	1,797,635	11,390,197	1,066,588
15 Depreciable assets	1,536,011,959	16,853,654	44,961,816	5,661,515	7,623,153	25,845,181	5,831,967
16 Less: Accumulated depreciation	576,129,137	7,479,742	16,419,702	2,122,274	2,975,296	8,427,003	2,895,129
17 Depletable assets	51,790,975	241,623	10,159,996	1,231,307	744,666	3,446,888	372,418
18 Less: Accumulated depletion	20,706,628	37,520	3,787,263	369,742	95,284	3,220,395	101,842
19 Land	73,887,346	6,787,851	1,055,956	77,494	270,654	435,653	272,155
20 Intangible assets (amortizable)	15,908,335	63,001	1,829,635	55,294	70,631	1,678,688	25,022
21 Less: Accumulated amortization	4,953,776	19,701	684,794	25,896	12,005	642,415	4,478
22 Other assets	131,167,930	1,355,413	2,066,160	480,749	395,997	989,753	199,661
23 Total liabilities	5,326,389,281	28,902,259	88,377,059	11,777,577	11,810,349	57,477,734	7,311,399
24 Accounts payable	346,521,170	1,630,998	7,606,695	544,847	787,655	5,581,738	692,355
25 Mortgages, notes, and bonds payable in less than one year	319,805,729	5,147,391	4,211,283	872,609	1,057,758	1,929,086	351,830
26 Other current liabilities	2,062,786,447	1,331,156	12,755,586	860,156	903,378	10,617,491	374,561
27 Loans from stockholders	47,328,015	1,972,277	1,182,393	159,472	91,021	743,949	187,951
28 Mortgages, notes, and bonds payable in one year or more	694,119,251	9,175,057	15,098,612	1,861,304	3,014,725	8,588,050	1,634,533
29 Other liabilities	504,857,804	897,806	4,840,881	1,439,894	683,035	2,242,852	475,300
30 Capital stock	286,775,916	4,742,216	3,461,694	568,666	538,886	1,717,551	636,591
31 Paid-in or capital surplus	353,452,174	2,233,322	13,905,290	2,222,621	1,460,445	9,967,822	354,402
32 Retained earnings, appropriated	36,677,846	174,240	3,609,652	*6,552	176,010	3,412,674	14,416
33 Retained earnings, unappropriated	700,688,279	2,324,607	22,205,106	3,266,410	3,218,873	12,993,663	2,726,160
34 Less: Cost of treasury stock	26,623,350	546,811	500,133	25,054	121,437	216,942	136,700
35 Total receipts	4,128,304,478	35,907,887	96,164,753	5,144,588	11,480,318	72,998,225	6,541,622
36 Business receipts	3,813,925,121	33,931,272	92,553,482	4,694,188	11,020,015	70,538,525	6,300,754
37 Interest on Government obligations							
38 United States	14,356,996	14,101	30,939	2,071	6,725	18,747	3,396
39 State and local	7,820,906	3,533	6,927	72	2,184	3,036	1,635
40 Other interest	154,491,738	174,829	532,030	70,593	67,743	352,953	40,741
41 Rents	32,638,084	213,662	196,731	4,534	82,640	76,511	33,046
42 Royalties	6,135,428	33,974	219,389	10,209	16,931	184,228	8,021
43 Net short-term capital gain reduced by net long-term capital loss	521,410	22,289	8,292	80	*3,087	4,891	*234
44 Net long-term capital gain reduced by net short-term capital loss	11,916,138	429,092	642,136	167,871	112,713	336,255	25,297
45 Net gain, noncapital assets	11,169,250	154,948	274,390	29,607	35,992	175,962	32,825
46 Dividends received from domestic corporations	13,932,345	38,305	157,704	20,569	24,479	106,014	6,642
47 Dividends received from foreign corporations	8,275,849	9,695	124,113	70,720	*1,995	50,990	*408
48 Other receipts	53,121,213	882,167	1,418,620	74,074	105,814	1,150,109	88,623
49 Total deductions	3,908,781,721	35,199,177	64,884,800	5,124,128	11,191,341	42,261,003	6,318,128
50 Cost of sales and operations	2,725,009,554	24,703,484	44,842,332	3,400,426	7,598,702	29,847,839	3,995,365
51 Compensation of officers	73,793,066	922,631	736,435	23,572	190,589	375,207	147,067
52 Repairs	30,158,253	711,709	746,463	53,199	221,731	266,424	205,109
53 Bad debts	14,249,343	45,670	68,861	4,824	12,687	38,098	13,252
54 Rent paid on business property	50,019,434	748,255	457,693	32,323	106,701	240,635	78,034
55 Taxes paid	104,282,166	825,364	1,509,443	254,619	431,055	603,402	220,367
56 Interest paid	152,865,323	1,100,868	1,507,766	201,087	272,930	865,859	167,890
57 Contributions or gifts	1,789,747	11,345	20,612	1,878	5,038	10,486	3,210
58 Amortization	981,002	4,915	11,934	3,360	1,009	6,639	926
59 Depreciation	106,972,692	1,474,026	3,043,533	280,310	813,054	1,521,476	428,693
60 Depletion	5,658,877	8,678	1,205,510	199,414	348,099	487,430	170,567
61 Advertising	35,298,210	126,942	55,413	1,497	3,978	28,762	21,176
62 Pension, profit-sharing, stock bonus, and annuity plans	36,463,859	128,788	418,761	69,675	94,856	195,601	58,629
63 Employee benefit programs	23,498,403	92,024	273,465	18,908	140,431	74,592	39,534
64 Net loss, noncapital assets	1,618,022	25,675	34,906	*823	1,465	26,948	5,650
65 Other deductions	546,123,930	4,268,803	9,961,473	578,213	948,996	7,671,605	762,659
66 Total receipts less total deductions	219,522,757	708,690	31,270,153	20,460	288,977	30,737,222	223,494
67 Constructive taxable income from related foreign corporations	7,541,192	3,799	90,697	*1,102	*1,102	57,101	*165
68 Net income (less deficit) (line 64 plus 65 minus 37)	219,243,043	708,956	31,353,923	52,717	287,895	30,791,287	222,024
69 Net income	245,274,490	1,740,130	32,581,722	299,399	632,790	31,312,795	368,738
70 Deficit	26,031,447	1,031,174	1,227,799	246,682	344,895	521,508	114,714
71 Income subject to tax	212,501,782	1,145,569	31,919,909	221,402	496,840	30,930,234	271,433
72 Income tax, total	86,340,453	401,946	15,263,122	96,321	241,408	14,797,508	127,885
73 Normal tax, surtax, and alternative tax	95,627,563	395,785	15,176,753	79,752	213,517	14,768,759	114,725
74 Tax from recomputing prior-year investment credit	445,735	5,271	13,153	418	2,587	8,995	1,153
75 Tax from recomputing prior-year work incentive (WIN) credit	3,839	*(1)	*322	—	112	*149	*61
76 Additional tax for tax preferences	263,316	890	72,894	16,151	25,192	19,605	11,946
77 Foreign tax credit	26,006,028	25,645	13,958,967	56,266	2,491	13,898,203	2,007
78 U.S. possessions tax credit	—	121	51	—	—	51	—
79 Investment credit	11,038,404	76,414	223,125	5,772	49,211	135,981	32,161
80 Work incentive (WIN) credit	—	—	44	*35	—	(1)	3
81 New jobs credit	1,703,838	12,778	27,131	*563	5,185	16,108	5,275
82 Distributions to stockholders							
83 Cash and property except in own stock	61,536,761	387,651	1,945,098	150,864	228,678	1,387,684	177,872
84 Corporation's own stock	2,675,787	*13,202	70,554	9,515	*11,814	48,904	*321

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Item	Major industry—Continued									
	Construction				Manufacturing					
	Total	General building contractors and operative builders	Heavy construction contractors	Special trade contractors	Total	Food and kindred products	Tobacco manufactures	Textile mill products	Apparel and other textile products	
(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)		
1 Number of returns, total.....	214,745	84,924	16,875	112,946	231,149	16,048	39	5,805	17,390	
2 With net income.....	135,855	50,099	11,580	74,276	158,995	11,039	31	4,257	11,185	
3 Total assets.....	91,222,022	45,012,301	20,933,024	25,278,697	1,182,263,458	84,030,465	18,693,166	19,824,326	17,480,919	
4 Cash.....	8,712,907	3,868,130	1,981,462	2,863,315	39,726,110	3,886,404	565,356	832,050	1,089,137	
5 Notes and accounts receivable.....	24,952,578	10,319,053	5,623,707	9,009,818	269,729,095	18,271,639	2,377,043	5,286,578	5,099,322	
6 Less: Allowance for bad debts.....	218,096	54,413	42,858	120,825	5,895,275	409,889	29,003	104,915	117,443	
7 Inventories.....	15,693,140	10,420,146	1,482,814	3,790,180	207,458,384	19,536,732	4,808,995	5,525,886	6,211,060	
8 Investments in Government obligations.....										
9 United States.....	425,237	225,043	114,398	85,796	13,150,855	605,823	—	84,112	97,505	
10 State and local.....	269,394	121,216	94,819	53,359	2,556,835	230,768	40	34,226	35,412	
11 Other current assets.....	9,640,477	5,922,440	1,921,669	1,796,368	55,248,615	3,758,419	439,033	516,492	650,467	
12 Loans to stockholders.....	1,187,240	673,737	93,876	419,627	2,753,730	430,308	389,342	14,670	122,264	
13 Mortgage and real estate loans.....	799,460	664,947	42,277	92,236	2,962,043	542,556	92,893	14,188	16,817	
14 Other investments.....	5,517,000	2,537,965	1,774,994	1,204,041	195,161,763	15,174,077	5,322,745	1,268,092	1,317,732	
15 Depreciable assets.....	34,232,185	10,452,228	13,383,873	10,396,084	602,208,407	48,266,762	4,770,477	13,595,357	4,670,455	
16 Less: Accumulated depreciation.....	16,920,611	4,257,485	7,177,311	5,485,615	282,842,472	21,274,159	1,025,862	7,699,509	2,301,636	
17 Depletable assets.....	267,472	119,121	116,211	32,140	37,013,488	364,198	253,527	*10,392	*5,211	
18 Less: Accumulated depletion.....	40,579	10,485	26,253	3,841	15,619,489	90,575	—	*3,369	*872	
19 Land.....	3,518,741	2,437,679	539,740	541,323	15,988,286	1,800,283	172,658	144,458	136,330	
20 Intangible assets (amortizable).....	279,476	164,876	60,363	54,237	6,347,459	484,311	53,986	46,004	53,922	
21 Less: Accumulated amortization.....	55,792	23,584	13,457	18,741	1,848,528	107,684	4,730	14,357	19,786	
22 Other assets.....	2,961,783	1,431,688	962,700	567,395	38,164,152	2,550,492	506,726	271,971	415,022	
23 Total liabilities.....	91,222,022	45,012,301	20,933,024	25,278,697	1,182,263,458	84,030,465	18,693,166	19,824,326	17,480,919	
24 Accounts payable.....	18,312,543	9,195,731	3,642,105	5,474,707	147,715,712	11,781,704	1,412,890	2,588,652	3,217,661	
25 Mortgages, notes, and bonds payable in less than one year.....	13,060,972	6,589,523	1,652,261	2,819,188	79,684,200	6,331,159	884,452	1,716,592	1,871,911	
26 Other current liabilities.....	12,923,578	6,296,781	3,257,555	3,369,242	120,554,009	9,691,135	1,830,738	1,600,689	1,822,088	
27 Loans from stockholders.....	2,928,336	1,470,573	319,262	1,138,501	11,219,075	950,694	*134,647	184,899	299,848	
28 Mortgages, notes, and bonds payable in one year or more.....	14,103,707	7,933,611	3,172,598	2,997,498	210,589,393	16,246,986	4,360,986	3,350,946	2,073,990	
29 Other liabilities.....	6,801,020	3,761,326	1,477,375	1,562,319	65,157,402	3,274,589	839,494	362,760	395,216	
30 Capital stock.....	5,903,557	1,946,858	1,868,429	2,088,270	79,846,023	7,080,696	932,820	1,517,232	1,373,772	
31 Paid-in or capital surplus.....	3,306,109	1,643,194	993,122	669,793	122,355,361	8,231,351	2,924,188	1,398,371	1,084,077	
32 Retained earnings, appropriated.....	269,777	100,404	53,635	115,736	5,972,218	690,298	401,661	31,107	76,823	
33 Retained earnings, unappropriated.....	14,866,714	4,523,319	4,745,374	5,596,021	349,147,997	30,626,890	5,173,454	7,331,051	5,502,352	
34 Less: Cost of treasury stock.....	1,254,919	449,019	248,692	556,580	9,977,932	874,837	202,166	257,973	246,819	
35 Total receipts.....	181,550,922	78,660,877	37,344,404	65,545,641	1,653,531,888	200,282,466	18,037,747	36,407,585	40,148,024	
36 Business receipts.....	176,745,105	76,403,771	35,740,112	64,601,222	1,591,340,869	196,642,579	17,389,892	35,859,792	39,608,716	
37 Interest on Government obligations.....										
38 United States.....	37,335	18,741	9,392	9,202	1,003,273	45,225	323	8,438	8,945	
39 State and local.....	16,505	6,677	5,969	3,859	327,786	25,402	63	1,473	2,361	
40 Other interest.....	676,674	367,483	192,429	116,762	10,292,992	669,188	153,855	77,038	84,141	
41 Rents.....	828,427	516,788	165,276	146,363	10,959,763	279,745	23,521	32,612	48,028	
42 Royalties.....	20,117	4,754	14,849	514	4,339,989	274,077	53,311	29,809	65,065	
43 Net short-term capital gain reduced by net long-term capital loss.....	17,370	11,519	2,345	3,506	59,330	13,988	3,850	581	*589	
44 Net long-term capital gain reduced by net short-term capital loss.....	417,807	200,809	131,529	85,469	4,834,132	242,866	118,170	34,734	15,527	
45 Net gain, noncapital assets.....	441,130	161,617	196,408	83,105	1,425,391	176,869	*37,401	24,158	14,202	
46 Dividends received from domestic corporations.....	68,604	17,458	40,856	10,290	6,307,017	301,029	96,884	47,003	18,540	
47 Dividends received from foreign corporations.....	67,868	16,225	50,573	*1,070	7,205,465	350,225	17,318	17,620	18,353	
48 Other receipts.....	2,213,980	935,935	794,666	484,279	15,435,892	1,261,473	140,159	274,327	261,557	
49 Total deductions.....	177,093,366	77,228,641	36,070,914	83,793,811	1,558,542,934	182,678,837	16,202,473	35,125,935	38,539,216	
50 Cost of sales and operations.....	142,818,285	65,783,246	28,759,758	48,275,281	1,165,901,411	151,186,646	9,636,627	28,087,993	29,808,655	
51 Compensation of officers.....	6,164,320	2,076,629	773,715	3,313,976	14,301,818	1,167,159	37,558	430,203	921,771	
52 Repairs.....	1,002,962	275,604	365,392	361,966	19,609,681	1,605,446	120,822	298,676	76,976	
53 Bad debts.....	365,552	110,371	63,179	192,002	2,931,815	222,550	28,463	70,509	82,858	
54 Rent paid on business property.....	1,151,036	277,863	297,713	575,460	12,609,755	1,309,412	99,422	264,481	411,982	
55 Taxes paid.....	3,782,109	1,136,641	751,442	1,894,026	44,548,521	5,061,766	2,270,828	80,266	985,582	
56 Interest paid.....	2,050,494	1,134,393	434,067	482,034	25,124,477	2,015,572	449,743	461,989	441,198	
57 Contributions or gifts.....	49,240	20,916	11,775	16,549	910,837	75,110	12,192	23,607	26,457	
58 Amortization.....	10,910	5,044	1,414	4,452	339,725	20,295	1,856	3,312	4,047	
59 Depreciation.....	3,176,543	865,981	1,161,294	1,149,268	44,372,471	3,793,536	365,079	959,040	372,670	
60 Depletion.....	44,423	17,950	23,398	3,075	3,927,023	29,745	42,441	*1,175	21	
61 Advertising.....	435,619	200,975	40,122	194,522	17,408,358	4,725,979	911,144	245,719	290,242	
62 Pension, profit-sharing, stock bonus, and annuity plans.....	860,981	260,044	236,622	364,315	19,076,277	1,193,989	168,282	230,648	211,659	
63 Employee benefit programs.....	719,245	177,272	165,772	376,201	14,178,523	942,582	172,869	169,419	177,659	
64 Net loss, noncapital assets.....	48,283	31,510	6,490	8,283	546,263	58,320	9,926	44,601	24,540	
65 Other deductions.....	14,413,364	4,854,202	2,976,761	6,582,401	173,755,979	19,265,730	1,875,481	2,964,297	4,689,901	
66 Total receipts less total deductions.....	4,457,556	1,432,236	1,273,490	1,751,830	93,988,965	7,602,629	1,835,274	1,281,650	1,606,806	
67 Constructive taxable income from related foreign corporations.....	76,471	39,132	35,838	1,501	6,347,708	291,178	46,424	5,926	17,587	
68 Net income (less deficit) (line 64 plus 65 minus 37).....	4,517,522	1,464,691	1,303,359	1,749,472	100,008,887	7,868,406	1,881,635	1,286,103	1,622,032	
69 Net income.....	6,536,536	2,448,215	1,614,677	2,473,644	107,608,932	8,452,384	1,890,747	1,654,168	1,941,517	
70 Deficit.....	2,018,014	983,524	311,318	724,172	7,600,045	583,878	*9,112	368,065	319,485	
71 Income subject to tax.....	5,047,435	1,865,007	1,372,439	1,809,989	101,639,157	8,030,154	1,818,149	1,543,862	1,761,388	
72 Income tax, total.....	1,919,876	712,000	596,487	611,389	47,434,803	3,768,403	853,300	721,348	794,120	
73 Normal tax, surtax, and alternative tax.....	1,894,222	704,884	586,036	603,302	47,135,474	3,743,066	851,302	714,628	790,765	
74 Tax from recomputing prior-year investment credit.....	21,673	5,223	9,264	7,186	203,452	22,234	1,998	6,601	3,313	
75 Tax from recomputing prior-year work incentive (WIN) credit.....	*244	*82	*86	*76	1,433	*1,373	—	(¹)	(¹)	
76 Additional tax for tax preferences.....	3,737	1,811	1,101	825	94,444	1,730	—	119	*42	
77 Foreign tax credit.....	122,733	45,047	75,277	2,409	10,154,318	409,159	119,727	7,638	22,932	
78 U.S. possessions tax credit.....	2,051	264	770	1,017	799,042	69,872	10,181	6,644	27,415	
79 Investment credit.....	220,629	56,445	90,196	73,988	4,607,188	367,955	41,169	88,564	30,557	
80 Work incentive (WIN) credit.....	444	348	*11	*85	9,777	377	5	261	132	
81 New jobs credit.....	238,736	70,204	36,739	131,793	558,785	36,532	*430	21,595	32,316	
82 Distributions to stockholders.....										
83 Cash and property except in own stock.....	556,171	159,269	211,403	185,499	26,913,367	2,169,116	441,330	264,089	222,785	
84 Corporation's own stock.....	54,830	23,788	7,979	23,063	1,115,741	135,506	—	*4,397	24,520	

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Item	Major industry—Continued									
	Manufacturing—Continued									
	Lumber and wood products	Furniture and fixtures	Paper and allied products	Printing and publishing	Chemicals and allied products	Petroleum (including integrated) and coal products	Rubber and miscellaneous plastics products	Leather and leather products	Stone, clay, and glass products	
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	
1 Number of returns, total.....	13,923	7,653	3,496	33,324	10,963	1,201	8,904	1,751	10,403	
2 With net income.....	8,763	5,049	2,811	22,517	7,050	930	8,063	1,483	6,468	
3 Total assets.....	29,881,754	7,106,789	34,306,813	33,785,363	105,403,897	237,840,080	21,859,213	5,404,000	27,261,645	
4 Cash.....	1,261,752	402,994	923,729	2,229,379	2,872,780	2,982,847	1,027,680	478,559	1,112,529	
5 Notes and accounts receivable.....	4,249,652	1,909,376	4,808,540	7,712,090	19,340,060	44,256,143	5,564,186	1,392,877	5,329,126	
6 Less Allowance for bad debts.....	88,068	49,057	112,537	603,095	447,442	492,428	89,486	31,754	131,017	
7 Inventories.....	4,866,680	2,195,342	5,181,870	3,656,333	17,812,421	16,661,224	4,770,459	1,683,189	4,198,182	
Investments in Government obligations.....										
8 United States.....	117,869	14,825	513,678	541,022	540,127	2,259,277	56,204	15,728	322,347	
9 State and local.....	*16,861	*25,497	45,849	193,654	180,571	*60,064	*18,676	*18,676	22,270	
10 Other current assets.....	1,122,780	246,317	1,142,398	2,486,742	3,776,725	8,063,369	556,511	209,881	1,019,873	
11 Loans to stockholders.....	145,755	18,381	44,008	191,118	112,968	106,705	64,527	32,593	24,888	
12 Mortgage and real estate loans.....	926,081	5,455	16,309	83,640	28,690	72,603	42,761	*3,043	31,493	
13 Other investments.....	2,928,329	428,905	4,167,317	4,630,052	18,876,613	68,227,358	2,184,497	621,449	3,206,994	
14 Depreciable assets.....	18,418,892	3,090,077	26,051,950	16,459,752	67,940,677	117,180,439	12,682,727	1,873,039	20,979,780	
15 Less Accumulated depreciation.....	7,864,306	1,449,230	12,046,248	7,980,266	31,180,979	48,903,621	5,837,016	875,175	10,133,255	
16 Depletable assets.....	2,208,775	*2,406	2,386,191	150,338	1,140,341	28,390,919	*4,745	*30	369,633	
17 Less Accumulated depletion.....	74,250	*250	452,678	*1,827	263,903	14,151,810	*1,279	—	75,144	
18 Land.....	511,722	122,597	917,719	771,170	1,302,815	4,023,504	212,447	37,940	588,201	
19 Intangible assets (amortizable).....	53,913	33,345	124,848	967,930	908,087	1,435,058	70,886	10,333	73,425	
20 Less Accumulated amortization.....	15,445	12,294	25,909	149,979	209,675	513,284	18,601	2,073	24,358	
21 Other assets.....	954,763	122,102	619,579	2,437,310	2,682,821	8,036,280	507,889	125,663	366,789	
22 Total liabilities.....	29,861,754	7,106,789	34,306,613	33,765,383	105,403,897	237,840,080	21,859,213	5,404,000	27,261,645	
23 Accounts payable.....	2,460,023	992,858	3,272,332	3,206,112	11,053,014	34,451,297	2,553,039	837,322	2,811,861	
24 Mortgages, notes, and bonds payable in less than one year.....	2,408,429	556,406	1,440,098	2,086,337	4,185,629	5,336,748	1,702,597	599,956	1,162,453	
25 Other current liabilities.....	3,002,709	692,701	2,987,389	4,433,609	10,097,107	19,059,910	670,551	369,224	2,813,045	
26 Loans from stockholders.....	400,058	143,395	147,139	585,684	700,603	739,288	247,274	52,942	294,067	
27 Mortgages, notes, and bonds payable in one year or more.....	6,584,724	1,069,754	7,737,157	4,537,666	22,515,914	33,039,115	4,140,609	890,996	5,789,289	
28 Other liabilities.....	1,048,573	134,913	843,310	1,704,697	2,848,577	29,274,118	412,852	112,905	664,944	
29 Capital stock.....	2,148,069	371,572	2,914,312	2,442,107	7,669,956	13,370,542	1,249,682	614,330	2,311,239	
30 Paid-in or capital surplus.....	3,930,887	365,004	3,255,323	2,369,985	10,979,025	31,674,904	1,929,827	482,440	2,351,394	
31 Retained earnings, appropriated.....	119,477	22,566	51,451	335,844	209,062	1,114,021	374,387	*20,781	226,508	
32 Retained earnings, unappropriated.....	8,096,566	2,489,957	11,944,139	12,736,801	36,159,169	71,016,956	6,843,070	1,517,453	9,231,211	
33 Less Cost of treasury stock.....	337,761	92,108	286,036	673,479	1,014,359	1,236,819	299,775	94,349	374,166	
34 Total receipts.....	43,738,110	14,524,880	45,276,513	50,203,180	127,768,724	335,838,541	34,713,720	10,384,927	38,309,691	
35 Business receipts.....	41,492,402	14,292,791	43,596,430	48,466,565	122,386,265	326,031,048	33,944,329	10,192,252	35,175,446	
Interest on Government obligations.....										
36 United States.....	13,165	2,727	14,496	32,073	38,221	216,218	11,595	746	12,567	
37 State and local.....	1,799	1,479	9,609	10,040	16,526	9,759	768	487	1,373	
38 Other interest.....	248,920	25,774	180,845	259,156	737,685	1,854,657	116,483	42,056	142,836	
39 Rents.....	79,327	17,231	57,466	160,525	113,619	874,511	52,575	10,483	65,841	
40 Royalties.....	18,455	11,670	151,875	132,353	715,093	235,645	57,618	3,722	87,732	
41 Net short-term capital gain reduced by net long-term capital loss.....	2,951	*439	335	5,187	7,300	2,911	590	*28	175	
42 Net long-term capital gain reduced by net short-term capital loss.....	1,326,251	23,145	669,616	164,421	478,913	428,517	37,661	10,158	101,209	
43 Net gain, noncapital assets.....	69,191	11,033	24,161	59,520	202,749	156,029	31,195	2,530	62,005	
44 Dividends received from domestic corporations.....	94,214	8,325	110,557	101,885	614,087	1,725,470	35,916	30,784	126,620	
45 Dividends received from foreign corporations.....	33,346	5,452	167,836	55,411	718,575	1,593,328	106,586	*957	96,127	
46 Other receipts.....	358,719	124,830	296,287	756,044	1,739,691	2,510,448	318,404	90,724	437,760	
47 Total deductions.....	41,204,270	13,831,334	42,589,918	46,108,103	117,696,430	319,342,315	33,112,282	10,170,788	34,132,961	
48 Cost of sales and operations.....	31,105,958	10,259,611	30,635,304	30,446,095	78,761,980	269,071,979	23,614,801	7,511,845	24,051,463	
49 Compensation of officers.....	614,944	326,873	364,605	1,428,000	816,884	251,268	479,386	130,346	531,584	
50 Repairs.....	436,560	56,945	1,066,630	279,406	2,066,381	3,117,278	450,401	50,739	863,470	
51 Bad debts.....	65,689	36,288	67,509	298,237	202,052	278,806	89,063	24,156	96,987	
52 Rent paid on business property.....	333,913	163,378	350,650	682,170	1,157,910	1,840,102	398,304	208,993	306,735	
53 Taxes paid.....	1,048,471	393,077	1,144,117	1,514,189	2,650,519	8,832,170	989,642	245,939	1,051,814	
54 Interest paid.....	721,772	157,606	706,429	570,748	2,192,484	3,655,414	498,264	139,937	581,168	
55 Contributions or gifts.....	16,092	6,980	37,670	58,063	113,967	90,865	13,119	6,398	26,008	
56 Amortization.....	9,859	893	12,850	38,753	28,220	48,464	2,989	746	5,948	
57 Depreciation.....	1,398,732	233,600	1,822,121	1,281,118	5,071,288	6,442,146	1,023,929	125,068	1,439,796	
58 Depletion.....	1,351,239	418	380,164	51,388	218,511	1,040,780	1,328	*341	118,045	
59 Advertising.....	146,942	153,541	299,112	424,246	3,479,494	838,260	352,725	118,902	207,224	
60 Pension, profit-sharing, stock bonus, and annuity plans.....	302,560	105,017	521,025	613,859	1,890,494	1,459,048	479,192	52,378	477,428	
61 Employee benefit programs.....	172,453	93,215	355,982	413,539	1,020,699	589,985	369,917	48,433	351,588	
62 Net loss, noncapital assets.....	52,377	2,038	8,855	25,214	20,045	27,709	17,045	14,676	13,872	
63 Other deductions.....	3,426,709	1,841,854	4,826,895	7,983,078	18,001,492	21,758,041	4,333,279	1,331,991	4,010,053	
64 Total receipts less total deductions.....	2,533,840	693,556	2,678,595	4,095,077	10,082,284	16,296,226	1,601,439	374,139	2,178,710	
65 Constructive taxable income from related foreign corporations.....	43,231	4,177	11,041	40,170	946,948	1,361,650	65,547	11,538	77,458	
66 Net income (less deficit) (line 64 plus 65 minus 37).....	2,575,272	698,260	2,780,227	4,125,207	11,012,716	17,648,117	1,666,217	385,190	2,252,795	
67 Net income.....	2,814,782	790,850	2,937,234	4,501,129	11,459,578	18,270,504	1,819,711	461,416	2,437,170	
68 Deficit.....	239,510	94,890	157,207	375,922	448,862	622,387	153,494	76,226	184,375	
69 Income subject to tax.....	2,650,000	731,230	2,884,655	4,199,140	11,195,900	16,559,109	1,729,988	421,746	2,238,045	
70 Income tax, total.....	1,009,081	324,816	1,262,457	1,805,374	5,303,616	7,998,059	792,373	194,508	1,028,633	
71 Normal tax, surtax, and alternative tax.....	987,148	323,442	1,247,727	1,998,973	5,256,407	7,872,852	788,040	193,878	1,020,268	
72 Tax from recomputing prior-year investment credit.....	6,671	1,295	5,156	6,262	30,868	18,532	4,213	630	8,759	
73 Tax from recomputing prior-year work incentive (WIN) credit.....	(1)	—	(1)	(1)	1	4	—	—	(1)	
74 Additional tax for tax preferences.....	5,262	*79	9,574	*139	16,340	*6,671	*120	—	2,608	
75 Foreign tax credit.....	31,312	4,330	135,914	57,051	904,190	4,040,926	95,620	1,981	100,154	
76 U.S. possessions tax credit.....	—	174	706	159	442,709	25,254	3,897	1,936	1,936	
77 Investment credit.....	182,474	19,637	195,212	116,957	569,923	1,012,212	101,804	9,348	185,750	
78 Work incentive (WIN) credit.....	266	167	637	72	199	98	478	62	189	
79 New jobs credit.....	27,606	20,477	10,564	31,137	24,048	4,966	29,485	7,109	19,715	
80 Distributions to stockholders.....										
81 Cash and property except in own stock.....	497,894	72,796	859,789	846,939	3,866,684	5,052,368	357,976	96,929	532,132	
82 Corporation's own stock.....	*117,746	*19,960	*36,909	11,057	85,502	132,078	33,584	*1,837	31,634	

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

RETURNS OF ACTIVE CORPORATIONS

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

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

	Item	Major industry—Continued							
		Manufacturing—Continued							
		Primary metal industries	Fabricated metal products	Machinery, except electrical	Electrical and electronic equipment	Motor vehicles and equipment	Transportation equipment except motor vehicles	Instruments and related products	Miscellaneous manufacturing and manufacturing not allocable
	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	
1	Number of returns, total.....	4,454	32,580	24,871	13,313	2,318	3,718	5,674	13,621
2	With net income.....	3,796	23,774	17,378	7,824	1,796	2,218	4,088	9,397
3	Total assets.....	92,502,236	51,506,962	114,577,828	96,099,283	102,590,127	37,738,183	19,271,009	15,119,601
4	Cash.....	2,130,075	2,770,582	4,139,998	4,573,866	2,191,184	2,899,130	561,842	784,217
5	Notes and accounts receivable.....	15,005,936	11,998,198	29,334,351	24,817,642	47,800,894	6,504,750	4,688,526	3,980,166
6	Less: Allowance for bad debts.....	264,786	250,561	1,241,041	595,698	507,222	124,504	85,843	119,486
7	Inventories.....	14,736,943	12,707,236	28,496,094	18,805,538	16,216,058	10,065,321	4,933,002	4,259,839
8	Investments in Government obligations:								
9	United States.....	193,017	426,990	3,323,941	707,269	2,681,662	123,017	385,031	141,371
10	State and local.....	146,029	327,002	263,803	94,734	311,278	*9,176	304,986	30,591
11	Other current assets.....	3,898,246	2,044,538	7,738,537	9,708,411	2,417,616	4,003,128	894,864	554,267
12	Loans to stockholders.....	130,965	169,853	221,177	216,050	108,171	55,989	111,533	42,365
13	Mortgage and real estate loans.....	81,128	67,879	109,256	155,779	146,563	*486,207	28,384	10,118
14	Other investments.....	14,159,256	5,640,226	15,227,327	13,635,469	10,561,916	4,414,992	1,544,478	1,623,940
15	Depreciable assets.....	67,536,886	25,476,765	47,249,239	35,755,076	39,118,463	16,045,161	9,780,825	5,465,608
16	Less: Accumulated depreciation.....	33,436,152	12,245,870	23,344,492	16,821,530	22,352,771	8,943,249	4,590,940	2,516,206
17	Depletable assets.....	812,141	153,375	249,197	372,299	*10,158	*103,732	8,255	*17,625
18	Less: Accumulated depletion.....	287,415	7,722	30,919	151,429	3,854	14,619	3,607	*3,867
19	Land.....	1,008,031	828,581	877,336	710,731	772,879	567,839	263,874	216,171
20	Intangible assets (amortizable).....	375,625	345,475	464,510	430,520	31,805	69,525	144,372	169,567
21	Less: Accumulated amortization.....	144,242	112,208	203,393	142,574	14,610	25,993	42,794	44,499
22	Other assets.....	6,420,553	1,165,622	1,702,907	3,827,110	3,099,937	1,498,581	344,221	507,814
23	Total liabilities.....	92,502,236	51,506,962	114,577,828	96,099,283	102,590,127	37,738,183	19,271,009	15,119,601
24	Accounts payable.....	8,208,311	6,740,450	15,627,093	15,056,846	10,207,919	7,190,540	1,866,374	2,178,414
25	Mortgages, notes, and bonds payable in less than one year.....	7,276,787	3,441,959	7,253,343	6,762,636	21,190,210	6,262,287	893,754	1,373,457
26	Other current liabilities.....	7,437,479	5,262,023	13,579,002	13,142,169	9,188,639	6,987,508	2,462,635	1,388,788
27	Loans from stockholders.....	229,980	745,160	634,745	615,683	441,482	182,953	209,137	269,397
28	Mortgages, notes, and bonds payable in one year or more.....	20,251,651	8,671,807	19,360,464	15,570,131	23,409,525	5,947,758	2,258,978	2,780,944
29	Other liabilities.....	7,218,806	1,612,893	3,303,283	6,621,384	1,970,735	1,822,929	294,181	396,243
30	Capital stock.....	7,602,585	4,079,245	9,737,779	5,350,005	3,534,093	2,440,369	1,534,538	1,211,080
31	Paid-in or capital surplus.....	9,963,781	3,997,745	11,809,165	12,564,162	5,855,615	3,080,593	2,226,647	1,870,877
32	Retained earnings, appropriated.....	151,091	233,065	341,125	329,633	738,148	332,144	118,892	54,134
33	Retained earnings, unappropriated.....	24,733,968	17,522,969	30,620,285	21,283,431	26,210,273	8,787,672	7,504,290	3,816,241
34	Less: Cost of treasury stock.....	572,203	800,354	688,456	1,136,807	156,512	313,572	98,417	220,964
35	Total receipts.....	98,504,375	84,128,260	124,186,319	114,307,940	136,077,131	49,147,971	27,037,134	24,708,651
36	Business receipts.....	95,680,424	82,375,570	109,684,375	108,913,623	133,156,738	46,660,800	25,707,217	24,083,615
37	Interest on Government obligations:								
38	United States.....	16,943	24,627	242,728	41,069	231,881	16,035	21,495	3,756
39	State and local.....	9,138	7,348	34,749	156,555	17,803	5,328	7,395	6,337
40	Other interest.....	676,717	272,081	1,461,771	994,481	1,688,312	363,898	106,353	117,375
41	Rents.....	150,010	166,852	7,498,316	705,399	371,830	166,794	41,146	40,930
42	Royalties.....	97,886	78,257	1,590,345	395,712	73,997	86,186	131,816	49,675
43	Net short-term capital gain reduced by net long-term capital loss.....	6,869	4,475	4,240	3,998	*182	*117	368	*157
44	Net long-term capital gain reduced by net short-term capital loss.....	180,615	110,987	225,195	382,530	64,272	114,991	38,134	67,420
45	Net gain, noncapital assets.....	38,140	78,856	140,466	145,118	82,628	31,738	17,338	20,064
46	Dividends received from domestic corporations.....	311,137	97,186	664,482	742,941	432,558	465,782	206,070	72,547
47	Dividends received from foreign corporations.....	176,459	205,834	1,373,180	707,937	1,193,084	82,111	240,003	45,723
48	Other receipts.....	1,160,037	706,187	1,246,382	1,116,577	764,246	1,151,191	519,797	201,052
49	Total deductions.....	87,412,282	78,999,086	112,857,270	106,537,732	127,413,037	47,872,300	24,020,918	23,454,445
50	Cost of sales and operations.....	73,576,101	58,581,773	71,437,036	73,764,031	97,478,839	35,219,568	15,204,537	16,460,909
51	Compensation of officers.....	559,413	2,028,405	1,626,155	1,007,002	304,667	288,076	360,648	626,859
52	Repairs.....	4,254,818	873,657	999,027	584,537	1,448,351	433,482	389,730	136,830
53	Bad debts.....	119,839	198,645	317,807	327,789	215,035	47,955	56,027	75,551
54	Rent paid on business property.....	564,805	708,443	1,207,380	1,030,031	660,793	386,576	276,307	248,068
55	Taxes paid.....	2,367,556	2,221,272	3,587,317	3,076,989	3,411,547	1,419,742	735,765	659,953
56	Interest paid.....	2,345,075	1,040,411	2,570,461	2,172,097	3,021,331	684,760	273,603	424,415
57	Contributions or gifts.....	25,727	60,807	91,825	65,758	100,082	18,887	24,014	14,210
58	Amortization.....	39,794	11,704	54,649	21,783	6,316	5,402	10,061	11,684
59	Depreciation.....	3,603,164	1,970,478	4,466,723	3,489,948	4,047,580	1,200,136	791,620	468,799
60	Depletion.....	441,992	16,397	53,517	144,919	5,139	24,907	*1,004	*3,552
61	Advertising.....	272,216	554,039	847,122	1,461,726	815,156	216,726	593,234	454,609
62	Pension, profit-sharing, stock bonus, and annuity plans.....	2,026,821	1,021,399	1,994,781	1,622,762	2,907,660	1,187,889	443,814	176,574
63	Employee benefit programs.....	1,272,017	717,862	1,455,366	1,199,884	3,545,089	673,885	252,051	184,049
64	Net loss, noncapital assets.....	19,482	34,156	22,348	49,763	44,480	26,512	2,804	23,700
65	Other deductions.....	5,923,442	8,959,638	22,115,756	16,518,713	9,400,972	6,037,795	5,005,699	3,485,164
66	Total receipts less total deductions.....	1,092,113	5,129,174	11,329,049	7,770,208	10,664,094	1,275,671	2,616,216	1,254,206
67	Constructive taxable income from related foreign corporations.....	148,284	126,995	1,367,472	310,136	1,080,429	119,452	138,710	33,354
68	Net income (less deficit) (line 64 plus 65 minus 37).....	1,231,259	5,248,821	12,661,772	7,921,789	11,726,720	1,389,795	2,747,531	1,281,223
69	Net income.....	2,584,391	5,712,551	13,098,594	8,477,796	11,856,377	2,021,643	2,881,757	1,544,633
70	Deficit.....	1,353,132	463,730	436,822	556,007	129,657	631,848	134,226	263,410
71	Income subject to tax.....	2,299,123	5,333,785	12,571,842	7,966,303	11,751,594	1,870,011	2,791,670	1,345,463
72	Income tax, total.....	1,103,027	2,416,473	5,896,018	3,730,561	5,632,218	879,107	1,315,307	605,004
73	Normal tax, surtax, and alternative tax.....	1,057,716	2,404,521	5,865,865	3,703,916	5,617,198	873,182	1,311,544	603,038
74	Tax from recomputing prior-year investment credit.....	4,558	11,585	26,380	20,482	14,984	5,536	3,535	1,860
75	Tax from recomputing prior-year work incentive (WIN) credit.....	*1	*39	*11	—	—	3	—	—
76	Additional tax for tax preferences.....	40,752	328	3,762	6,163	*35	*386	228	*106
77	Foreign tax credit.....	160,215	173,249	1,624,031	704,168	1,228,566	88,958	202,475	41,822
78	U.S. possessions tax credit.....	391	8,466	11,061	126,742	7,302	—	35,951	17,185
79	Investment credit.....	155,095	191,408	374,862	367,848	411,810	88,221	80,284	36,098
80	Work incentive (WIN) credit.....	252	945	523	1,091	3,203	434	213	232
81	New jobs credit.....	17,143	86,062	64,429	57,439	14,043	10,964	18,623	24,102
82	Distributions to stockholders:								
83	Cash and property except in own stock.....	1,316,193	861,257	3,465,551	1,845,037	2,808,355	549,686	600,374	186,097
84	Corporation's own stock.....	62,904	52,967	91,052	71,094	*5,331	141,238	29,693	27,730

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Item	Major industry—Continued								
	Transportation and public utilities				Wholesale and retail trade				
	Total	Transportation	Communication	Electric, gas, and sanitary services	Total	Wholesale trade			
(34)	(35)	(36)	(37)	(38)	Total	Groceries and related products	Machinery equipment and supplies	Miscellaneous wholesale trade	
	(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)
1 Number of returns, total.....	85,215	65,344	10,474	9,397	672,394	237,597	21,253	49,753	166,591
2 With net income.....	52,064	39,476	6,857	5,731	443,545	169,702	14,278	35,286	120,128
3 Total assets.....	538,778,308	126,989,806	147,276,756	264,511,946	414,650,094	212,756,862	18,178,591	36,510,347	158,067,724
4 Cash.....	8,660,721	4,910,808	1,436,714	2,313,199	26,081,480	12,891,877	1,294,720	2,193,407	9,403,750
5 Notes and accounts receivable.....	38,295,854	15,128,098	9,244,754	13,923,002	111,006,030	72,876,250	5,782,648	12,084,378	55,009,224
6 Less: Allowance for bad debts.....	650,883	295,811	155,956	199,116	2,118,124	1,168,487	113,991	205,549	848,947
7 Inventories.....	18,692,630	3,905,678	4,341,864	10,445,096	135,571,381	61,974,706	5,064,079	12,975,624	43,935,003
8 Investments in Government obligations.....									
United States.....	5,129,337	1,591,588	1,702,958	1,834,791	1,167,850	681,231	119,625	50,608	510,998
State and local.....	225,853	197,416	23,682	4,755	321,826	234,928	22,956	15,587	196,385
9 Other current assets.....	18,282,014	6,622,291	2,980,564	8,629,159	13,710,215	7,279,674	551,164	918,872	5,809,638
10 Loans to stockholders.....	805,071	706,047	54,573	44,451	2,477,759	963,181	88,848	145,267	729,066
11 Mortgage and real estate loans.....	1,218,574	375,452	224,162	618,960	1,174,957	520,777	47,265	36,939	436,573
12 Other investments.....	43,906,505	17,662,676	12,534,088	13,709,741	34,095,156	22,306,332	1,073,006	2,835,223	18,998,103
13 Depreciable assets.....	518,697,285	105,885,679	143,131,721	289,679,885	123,351,092	45,601,266	6,079,585	7,041,683	32,479,998
14 Less: Accumulated depreciation.....	133,874,368	38,298,054	31,315,728	64,260,586	51,833,521	19,695,202	2,710,703	2,936,576	14,047,923
15 Depletable assets.....	2,388,986	217,572	15,141	2,156,273	706,659	424,439	*12,399	38,564	373,476
16 Less: Accumulated depletion.....	692,970	76,358	10	616,602	240,320	121,519	*4,175	14,567	102,777
17 Land.....	4,611,966	1,709,440	556,108	2,346,418	9,250,499	3,292,362	308,713	434,674	2,548,995
18 Intangible assets (amortizable).....	1,897,135	411,143	1,111,601	374,391	1,870,956	789,907	142,699	98,458	548,750
19 Less: Accumulated amortization.....	473,723	71,683	333,258	68,512	543,116	238,867	43,057	24,622	171,188
20 Other assets.....	11,658,313	6,357,624	1,724,048	3,576,541	8,599,315	4,143,787	462,810	822,377	2,858,600
22 Total liabilities.....	538,778,308	126,989,806	147,276,756	264,511,946	414,650,094	212,756,862	18,178,591	36,510,347	158,067,724
23 Accounts payable.....	23,552,985	8,880,876	4,409,689	10,262,420	86,830,434	50,466,477	4,792,868	6,696,245	38,977,364
24 Mortgages, notes, and bonds payable in less than one year.....	21,909,277	7,516,920	5,401,215	8,991,142	63,618,363	34,510,078	2,278,624	6,999,177	25,232,277
25 Other current liabilities.....	57,087,281	16,084,490	20,317,450	20,885,882	34,423,583	14,865,108	1,415,800	2,533,872	10,915,436
26 Loans from stockholders.....	2,389,325	1,544,480	393,516	451,329	11,144,427	4,583,652	539,637	845,703	3,198,312
27 Mortgages, notes, and bonds payable in one year or more.....	191,793,930	38,188,043	48,489,562	105,116,325	54,851,783	23,120,119	2,562,909	4,135,202	16,422,008
28 Other liabilities.....	23,878,598	8,486,995	2,681,946	12,709,657	11,116,069	4,390,352	483,203	579,938	3,327,211
29 Capital stock.....	83,821,529	10,035,935	19,543,640	54,241,954	32,134,576	15,736,854	1,290,408	2,419,981	12,026,465
30 Paid-in or capital surplus.....	55,466,700	16,459,069	18,886,617	20,121,014	19,790,562	9,342,152	721,785	1,098,065	7,522,302
31 Retained earnings, appropriated.....	1,435,362	633,642	211,929	589,791	2,235,689	1,392,726	80,936	1,356,614	1,176,176
32 Retained earnings, unappropriated.....	78,558,440	19,969,362	27,337,181	31,451,867	103,189,371	56,602,305	4,184,670	11,560,618	40,857,017
33 Less: Cost of treasury stock.....	1,115,219	809,765	395,989	109,465	4,684,763	2,253,161	172,249	494,068	1,586,844
34 Total receipts.....	330,112,349	131,252,779	71,385,558	127,474,012	1,239,882,173	635,527,555	99,392,159	74,531,305	461,604,091
35 Business receipts.....	318,432,740	124,965,301	69,571,442	123,895,997	1,215,615,448	625,265,644	98,225,337	72,575,654	454,464,653
36 Interest on Government obligations.....									
United States.....	188,333	107,673	32,350	48,310	92,583	52,186	4,962	7,210	40,014
State and local.....	20,595	14,162	2,613	3,820	31,084	18,961	1,618	3,399	13,944
37 Other interest.....	1,904,204	746,806	253,530	904,048	3,976,640	2,056,028	143,820	444,034	1,468,174
38 Rents.....	2,247,712	1,567,645	286,927	393,140	2,764,292	992,270	104,637	71,827	515,806
39 Royalties.....	196,237	97,384	69,098	29,755	212,075	73,655	7,297	7,043	59,315
41 Net short-term capital gain reduced by net long-term capital loss.....	41,103	6,627	16,857	17,619	30,189	17,181	7,284	1,898	7,999
42 Net long-term capital gain reduced by net short-term capital loss.....	838,800	459,561	65,925	313,314	867,901	434,414	34,420	46,782	353,212
43 Net gain, noncapital assets.....	864,950	471,663	46,222	101,065	621,601	332,438	26,638	93,472	212,328
44 Dividends received from domestic corporations.....	495,241	207,698	111,747	175,796	882,057	459,944	26,714	46,412	384,818
45 Dividends received from foreign corporations.....	149,972	82,547	30,143	27,282	356,123	207,581	2,135	8,894	259,552
46 Other receipts.....	4,732,462	2,269,712	898,884	1,563,866	14,432,180	5,554,253	805,297	924,680	3,824,276
47 Total deductions.....	311,785,440	127,053,145	65,265,278	119,467,017	1,210,396,709	619,201,088	98,331,242	70,572,262	450,297,584
48 Cost of sales and operations.....	199,942,778	86,168,069	32,587,542	81,187,067	955,267,447	525,860,602	86,433,784	54,199,012	385,227,806
49 Compensation of officers.....	2,512,700	1,751,333	366,629	395,098	19,970,330	9,720,472	944,227	2,040,345	6,736,100
50 Repairs.....	556,142	239,552	94,095	222,495	4,105,394	1,468,078	238,145	230,989	998,944
51 Bad debts.....	996,075	262,197	420,099	313,779	2,407,530	1,305,081	154,407	235,354	915,230
52 Rent paid on business property.....	6,967,225	5,415,745	999,125	552,355	16,068,075	3,600,054	499,471	561,170	2,539,413
53 Taxes paid.....	19,236,130	5,630,817	4,991,805	8,613,508	17,004,379	6,601,896	672,896	905,264	5,023,736
54 Interest paid.....	15,700,497	3,268,748	3,830,023	8,601,726	10,016,411	4,730,256	112,266	818,949	3,499,041
55 Contributions or gifts.....	156,621	39,946	60,354	56,321	285,904	130,061	17,351	21,732	90,978
56 Amortization.....	213,695	76,596	30,410	106,689	107,825	40,424	3,796	4,411	32,217
57 Depreciation.....	26,760,500	6,389,199	10,212,073	10,159,228	11,166,222	4,297,519	550,174	889,296	2,858,049
58 Depletion.....	288,569	56,012	*235	212,322	88,395	54,006	284	6,143	47,579
59 Advertising.....	1,219,249	639,627	455,602	124,020	11,124,363	2,434,780	214,400	320,376	1,902,004
60 Pension, profit-sharing, stock bonus, and annuity plans.....	5,487,064	1,540,788	2,743,799	1,202,477	3,637,755	1,781,381	214,507	317,449	1,249,425
61 Employee benefit programs.....	2,899,235	1,178,812	1,187,406	533,017	2,717,743	1,025,473	153,014	181,461	680,998
62 Net loss, noncapital assets.....	167,681	37,822	9,265	120,594	194,070	81,820	7,042	7,484	67,294
63 Other deductions.....	28,701,279	14,357,882	7,277,076	7,066,321	156,234,866	56,069,185	7,817,678	9,822,827	38,428,680
64 Total receipts less total deductions.....	18,326,909	4,199,634	6,120,280	8,006,995	29,485,464	16,326,467	1,060,917	3,959,043	11,305,507
65 Constructive taxable income from related foreign corporations.....	87,088	35,167	28,623	23,298	725,767	646,832	*1,360	13,373	632,099
66 Net income (less deficit) (line 64 plus 65 minus 37).....	18,393,402	4,220,639	6,146,290	8,026,473	30,180,147	16,954,338	1,060,659	3,969,017	11,924,662
67 Net income.....	20,304,871	5,739,504	6,266,909	8,298,458	35,097,805	19,300,256	1,273,882	4,285,097	13,741,277
68 Deficit.....	1,911,469	1,518,865	120,619	271,985	4,917,658	2,345,918	213,223	319,080	1,816,615
69 Income subject to tax.....	18,892,706	4,882,951	5,987,743	8,022,012	25,618,892	12,389,110	1,024,113	2,321,294	9,043,703
70 Income tax, total.....	8,870,780	2,179,966	2,890,174	3,800,640	10,547,774	5,136,157	431,621	937,699	3,766,837
71 Normal tax, surtax, and alternative tax.....	8,769,636	2,154,838	2,839,768	3,775,030	10,481,276	5,101,154	428,833	926,248	3,746,073
72 Tax from recomputing prior-year investment credit.....	80,907	14,811	50,189	15,907	60,653	30,637	2,718	10,852	17,067
73 Tax from recomputing prior-year work incentive (WIN) credit.....	1,337	1,337	—	—	326	*308	(¹)	*301	*7
74 Additional tax for tax preferences.....	18,900	8,980	217	9,703	5,519	4,058	*70	298	3,690
75 Foreign tax credit.....	147,967	83,051	40,140	24,776	604,147	511,949	1,917	15,107	494,925
76 U.S. possessions tax credit.....	21,618	146	21,443	29	6,887	1,892	368	105	1,419
77 Investment credit.....	4,143,315	971,905	1,376,977	1,794,433	826,490	319,104	41,602	66,585	210,917
78 Work incentive (WIN) credit.....	512	282	108	122	5,788	3,477	228	660	2,589
79 New jobs credit.....	70,723	55,620	6,482	8,621	474,527	183,840	20,269	34,352	129,219
80 Distributions to stockholders.....									
Cash and property except in own stock.....	11,836,726	1,268,843	3,771,600	6,796,283	6,845,280	4,410,192</			

RETURNS OF ACTIVE CORPORATIONS

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

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

Item	Major industry—Continued									
	Wholesale and retail trade—Continued									
	Retail trade									
	Total	Building materials, garden supplies, and mobile home dealers	General merchandise stores	Food stores	Automotive dealers and service stations	Apparel and accessory stores	Furniture and home furnishings stores	Eating and drinking places	Miscellaneous retail stores	Wholesale and retail trade not allocable
	(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)	(52)
1 Number of returns, total	432,815	37,015	11,464	32,814	71,099	38,570	34,839	90,848	118,166	1,962
2 With net income	272,463	26,539	7,834	18,841	49,832	25,862	22,386	47,489	72,580	1,380
3 Total assets	201,439,596	15,408,040	52,358,598	24,722,281	41,340,354	10,484,032	10,485,352	16,838,205	29,821,733	453,838
4 Cash	13,144,538	1,020,952	1,916,637	1,703,632	2,533,449	873,757	1,516,264	2,336,752	45,065	45,065
5 Notes and accounts receivable	38,015,907	3,846,434	16,302,162	1,628,570	5,699,526	1,686,400	2,821,995	981,157	5,049,663	113,873
6 Less Allowance for bad debts	948,238	116,994	251,878	21,312	146,052	40,411	96,998	19,225	255,368	1,389
7 Inventories	73,414,019	6,177,127	15,145,969	8,287,416	22,243,471	4,304,904	4,308,488	1,059,872	11,886,772	182,656
8 Investments in Government obligations										
9 United States	486,619	16,293	60,356	176,157	62,662	48,900	*4,280	84,633	33,338	—
10 State and local	86,898	*5,618	8,847	13,175	*7,641	28,104	10,500	*12,445	7,468	—
11 Other current assets	6,421,724	354,869	1,271,602	1,015,781	1,171,796	491,994	262,413	745,988	1,107,281	8,817
12 Mortgage and real estate loans	1,504,006	98,212	161,917	120,612	258,406	180,732	89,408	258,602	335,117	*10,572
13 Other investments	654,174	107,578	195,419	34,925	91,394	17,249	12,046	104,822	90,741	8
14 Other investments	11,765,011	613,750	4,393,685	1,842,371	1,229,791	606,789	351,609	957,328	1,669,688	23,813
15 Depreciable assets	77,662,425	4,562,942	17,843,769	14,955,421	10,492,034	2,847,564	2,429,571	13,944,317	10,586,807	87,401
16 Less Accumulated depreciation	32,105,539	2,140,524	6,970,571	6,360,956	4,309,886	1,319,377	1,029,063	5,186,451	4,788,711	32,780
17 Depletable assets	282,220	11,563	*9,874	*0,086	98,208	(¹)	*2,481	*17,778	136,230	—
18 Less Accumulated depletion	118,801	*1,163	*5,877	*3,565	37,419	(¹)	*932	*4,679	65,166	—
19 Land	5,953,080	564,178	1,421,241	744,940	1,217,734	131,224	229,635	1,070,303	573,825	*5,037
20 Intangible assets (amortizable)	1,080,813	29,545	57,854	77,133	56,727	76,618	34,950	519,156	228,830	*236
21 Less Accumulated amortization	304,243	10,712	11,091	26,500	21,771	23,280	9,929	117,628	83,332	*6
22 Other assets	4,444,983	268,372	809,684	428,995	698,543	183,527	191,141	893,523	971,798	10,545
23 Total liabilities	201,439,596	15,408,040	52,358,598	24,722,281	41,340,354	10,484,032	10,485,352	16,838,205	29,821,733	453,838
24 Accounts payable	36,267,752	2,545,081	12,111,307	5,715,642	4,147,496	1,930,208	1,921,490	1,857,486	6,039,042	96,205
25 Mortgages, notes, and bonds payable in less than one year	29,030,586	2,060,520	2,438,591	954,908	17,329,107	750,645	1,204,331	1,303,254	2,989,248	77,689
26 Other current liabilities	19,524,879	1,255,139	6,934,755	2,634,788	2,885,177	957,241	944,405	1,422,706	2,420,668	33,596
27 Loans from stockholders	6,548,546	652,757	537,552	431,304	1,256,429	442,950	457,991	1,350,296	1,419,267	*12,229
28 Mortgages, notes, and bonds payable in one year or more	31,657,951	2,207,288	6,971,351	5,158,774	4,738,505	1,136,185	1,475,537	5,325,325	4,644,986	73,713
29 Other liabilities	6,718,496	303,438	3,368,452	589,138	574,118	233,713	471,035	460,939	717,663	7,221
30 Capital stock	16,368,231	1,629,664	2,874,581	1,680,291	3,301,394	1,171,904	1,162,226	1,691,709	2,856,462	29,481
31 Paid-in or capital surplus	10,426,289	584,516	3,120,789	1,851,952	814,939	626,712	410,600	1,259,586	1,757,185	22,121
32 Retained earnings, appropriated	840,375	57,323	226,732	89,148	103,367	41,487	126,084	58,903	157,361	*2,588
33 Retained earnings, unappropriated	46,482,225	4,336,041	14,106,744	5,844,593	6,723,476	3,358,476	2,482,419	2,233,123	7,395,353	104,841
34 Less Cost of treasury stock	2,425,734	225,709	331,225	208,257	533,654	185,489	170,766	195,132	575,502	*5,868
35 Total receipts	602,938,240	38,048,237	95,489,328	131,357,216	189,968,128	25,573,384	23,008,223	41,078,168	78,404,577	1,418,378
36 Business receipts	588,963,701	37,271,139	90,289,451	130,029,604	167,298,134	24,948,361	22,241,926	39,952,899	76,932,187	1,386,103
37 Interest on Government obligations:										
38 United States	40,397	1,355	9,131	11,077	4,970	4,029	1,010	4,702	4,123	—
39 State and local	12,110	909	1,092	1,518	814	1,206	585	4,419	1,767	13
40 Other interest	1,916,392	137,350	468,150	109,785	723,051	101,562	134,394	71,537	170,563	4,220
41 Rents	1,770,940	117,020	436,317	232,928	400,892	64,072	74,975	221,688	223,248	1,082
42 Royalties	138,420	548	*1,144	12,277	10,787	*434	*370	104,421	8,439	—
43 Net short-term capital gain reduced by net long-term capital loss	13,008	754	*60	308	2,726	*943	*329	4,654	3,234	—
44 Net long-term capital gain reduced by net short-term capital loss	433,326	59,582	61,437	51,025	95,682	19,279	14,059	68,437	63,815	*161
45 Net gain, noncapital assets	288,918	33,547	16,089	47,961	88,913	8,074	11,508	40,711	42,115	*245
46 Dividends received from domestic corporations	421,083	10,570	272,422	10,635	15,809	82,924	4,594	10,613	13,516	*1,030
47 Dividends received from foreign corporations	85,542	*2,572	65,178	*8,741	1,120	*1,574	248	*249	5,860	—
48 Other receipts	8,854,403	412,891	3,878,857	841,357	1,325,618	340,906	524,225	594,839	935,710	23,524
49 Total deductions	589,806,927	36,674,753	92,255,723	128,684,459	166,078,174	24,478,553	22,347,914	40,023,041	76,264,010	1,388,694
50 Cost of sales and operations	428,340,823	27,531,008	58,243,238	100,795,227	142,391,974	14,747,236	14,046,564	17,584,630	53,000,946	1,066,022
51 Compensation of officers	10,216,356	1,065,025	394,634	785,219	2,410,615	815,755	943,100	1,319,039	2,482,969	33,502
52 Repairs	2,634,304	161,075	446,988	661,325	360,898	87,176	83,832	523,794	309,116	3,012
53 Bad debts	1,083,777	169,340	272,913	64,008	204,727	56,024	101,988	27,716	184,991	18,672
54 Rent paid on business property	12,440,755	425,660	2,384,461	1,996,943	1,380,957	1,560,075	714,831	2,069,253	1,908,845	27,266
55 Taxes paid	10,387,796	673,053	2,208,744	1,694,945	1,739,805	566,374	462,535	1,575,806	1,466,534	14,687
56 Interest paid	5,270,677	375,929	1,355,789	500,536	1,485,661	1,232,525	242,205	528,343	629,680	15,478
57 Contributions or gifts	155,556	11,956	49,844	19,361	22,327	12,304	7,693	8,732	23,329	287
58 Amortization	67,384	2,931	7,553	5,715	5,771	4,763	1,525	20,293	18,833	*17
59 Depreciation	6,857,555	399,056	1,298,640	1,281,204	1,178,119	274,867	227,032	1,201,019	997,618	11,148
60 Depletion	34,373	1,974	*423	*1,117	13,134	*4,748	*991	*1,936	10,050	16
61 Advertising	8,677,128	374,773	2,325,787	1,284,797	1,301,488	508,856	814,435	755,236	1,311,756	12,455
62 Pension, profit-sharing, stock bonus, and annuity plans	1,853,456	130,485	516,863	489,105	211,773	97,325	70,294	83,957	253,654	2,818
63 Employa benefit programs	1,690,021	84,439	321,003	595,773	267,380	61,910	60,044	116,527	182,945	2,249
64 Net loss, noncapital assets	110,789	3,985	8,862	8,277	16,422	22,640	2,786	33,870	13,947	*1,461
65 Other deductions	99,986,177	5,264,064	22,419,882	19,590,907	15,077,183	5,466,265	4,566,049	14,172,830	13,468,997	179,504
66 Total receipts less total deductions	13,131,313	1,373,484	3,243,605	1,672,757	1,889,952	1,094,511	660,309	1,056,128	2,140,577	27,684
67 Constructive taxable income from related foreign corporations	78,935	—	59,679	8,055	876	*1,318	334	3,277	5,396	—
68 Net income (less deficit) (line 64 plus 65 minus 37)	13,198,138	1,372,575	3,302,192	1,679,294	1,890,214	1,084,623	660,058	1,054,986	2,144,196	27,671
69 Net income	15,767,101	1,551,396	3,519,374	1,942,477	2,300,371	1,237,868	837,120	1,656,194	2,562,201	30,448
70 Deficit	2,568,963	178,821	217,182	263,183	410,157	203,344	170,062	601,208	518,005	*2,777
71 Income subject to tax	13,208,064	1,272,918	3,156,965	1,727,692	1,890,079	1,059,127	672,798	1,220,094	2,200,401	21,718
72 Income tax, total	5,404,406	484,615	1,484,295	764,866	678,411	421,537	244,100	470,028	856,352	7,211
73 Normal tax, surtax, and alternative tax	5,373,028	483,179	1,479,171	760,040	670,054	419,917	243,204	466,358	851,105	7,094
74 Tax from recomputing prior-year investment credit	29,899	1,624	4,941	4,628	7,860	1,598	887	3,341	5,020	*117
75 Tax from recomputing prior-year work incentive (WIN) credit	*18	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	*18	—
76 Additional tax for tax preferences	1,461	*12	183	200	497	*22	9	329	*209	—
77 Foreign tax credit	92,198	84	62,978	*8,427	*155	*616	12	5,030	14,896	—
78 U.S. possessions tax credit	4,992	—	616	2,713	—	1,087	366	37	173	3
79 Investment credit	506,420	29,325	118,473	112,755	58,903	16,777	12,380	77,473	80,334	966
80 Work incentive (WIN) credit	2,311	*58	45	183	690	*169	*37	637	492	—
81 New jobs credit	290,172	30,837	17,374	29,561	87,851	18,505	13,173	51,210		

RETURNS OF ACTIVE CORPORATIONS

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

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

Item	Major industry—Continued							
	Finance, insurance, and real estate							
	Total	Banking	Credit agencies other than banks	Security, commodity brokers and services	Insurance	Insurance agents, brokers, and service	Real estate	Holding and other investment companies, except bank holding companies
(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)	
1 Number of returns, total.....	432,818	14,854	50,970	8,158	8,131	41,351	287,128	44,527
2 With net income.....	270,542	12,828	29,848	3,457	8,128	30,406	158,872	28,203
3 Total assets.....	2,861,478,449	1,518,786,059	553,446,328	51,817,223	509,301,779	11,329,125	108,863,846	107,934,089
4 Cash.....	261,972,218	227,151,829	14,943,893	1,665,535	6,591,053	2,425,962	5,713,658	3,280,288
5 Notes and accounts receivable.....	852,148,909	726,135,961	65,486,524	28,033,993	12,974,014	4,242,818	9,985,379	5,290,220
8 Less: Allowance for bad debts.....	24,701,716	8,872,480	14,208,471	37,085	236,396	105,893	500,277	741,114
7 Inventories.....	5,496,153	231,496	1,582,129	23,697	1,592,954	9,570	1,955,412	100,895
Investments in Government obligations.....								
8 United States.....	194,728,395	139,772,874	21,938,317	3,907,826	25,787,974	168,694	545,543	2,607,167
9 State and local.....	160,215,023	110,177,873	1,867,240	556,027	45,759,860	155,395	225,001	1,473,627
10 Other current assets.....	72,446,281	20,127,745	8,100,873	12,096,134	16,488,724	474,697	9,781,808	5,376,300
11 Loans to stockholders.....	4,251,111	571,159	1,125,381	34,054	197,999	144,391	1,195,954	982,173
12 Mortgage and real estate loans.....	652,549,280	127,153,239	416,827,066	141,513	97,573,573	74,496	5,089,668	5,689,725
13 Other investments.....	509,454,327	120,181,786	22,064,499	3,793,691	275,737,447	1,873,877	10,362,872	75,440,155
14 Depreciable assets.....	118,332,822	27,680,923	11,029,155	1,011,067	8,687,011	1,264,683	63,111,651	5,548,432
15 Less: Accumulated depreciation.....	35,088,513	6,407,233	3,463,213	375,184	1,596,022	504,443	21,655,633	1,086,785
16 Depletable assets.....	792,291	13,026	48,044	*78,717	43,641	*3,267	265,697	339,899
17 Less: Accumulated depletion.....	225,651	825	6,403	*11,575	21,643	*1,818	84,749	98,638
18 Land.....	26,825,585	2,593,826	2,401,087	56,649	646,447	108,427	16,802,671	2,216,478
19 Intangible assets (amortizable).....	1,646,197	222,500	238,106	57,269	149,187	282,856	540,307	1,555,972
20 Less: Accumulated amortization.....	497,041	49,313	74,164	21,694	27,194	100,488	178,517	45,671
21 Other assets.....	61,132,676	32,101,673	3,546,265	606,589	18,953,150	812,634	3,707,401	1,404,966
22 Total liabilities.....	2,861,478,449	1,518,786,059	553,446,328	51,817,223	509,301,779	11,329,125	108,863,846	107,934,089
23 Accounts payable.....	49,108,160	4,459,338	5,518,183	18,810,134	9,932,286	4,733,063	3,950,868	1,704,288
24 Mortgages, notes, and bonds payable in less than one year.....	117,323,976	31,262,822	50,045,191	12,199,658	3,278,912	537,206	13,416,403	6,583,784
25 Other current liabilities.....	1,809,920,459	1,313,526,727	390,539,445	11,266,732	85,235,413	1,397,455	5,290,512	2,664,175
26 Loans from stockholders.....	11,397,646	2,650,185	1,196,106	135,009	1,201,986	158,093	5,118,251	937,116
27 Mortgages, notes, and bonds payable in one year or more.....	164,180,619	27,413,958	65,386,030	2,887,199	7,956,201	856,909	49,124,854	10,555,468
28 Other liabilities.....	386,567,712	33,474,846	11,945,925	1,696,455	328,572,287	367,034	6,401,622	4,109,543
29 Capital stock.....	66,158,696	20,662,179	6,582,288	748,357	5,573,466	672,113	11,027,384	20,892,900
30 Paid-in or capital surplus.....	125,627,964	33,500,602	5,876,425	1,871,049	14,126,160	874,186	8,749,954	60,629,588
31 Retained earnings, appropriated.....	22,557,493	6,826,890	3,918,166	31,161	10,292,102	31,736	406,035	1,051,403
32 Retained earnings, unappropriated.....	115,068,148	45,546,064	12,844,019	2,372,080	43,730,057	1,929,448	6,607,791	2,038,689
33 Less: Cost of treasury stock.....	6,432,424	537,552	405,450	201,511	597,091	228,118	1,229,828	3,232,874
34 Total receipts.....	405,131,593	105,023,681	54,033,930	9,588,383	177,311,749	11,518,211	36,869,322	10,786,317
35 Business receipts.....	206,863,227	12,126,160	12,655,460	4,561,019	143,804,053	11,049,252	21,047,039	1,620,244
Interest on Government obligations.....								
36 United States.....	12,942,076	9,442,143	1,527,951	274,608	1,296,932	13,550	49,303	337,589
37 State and local.....	7,382,993	4,825,685	143,906	51,589	2,256,951	23,699	19,200	61,963
38 Other interest.....	135,781,129	71,868,663	37,557,009	1,118,261	21,086,230	156,648	1,259,336	2,734,982
39 Rents.....	13,828,742	1,639,701	448,041	27,273	1,947,786	32,339	8,860,901	872,701
40 Royalties.....	616,998	8,933	9,704	2,725	23,239	*1,348	166,729	404,320
41 Net short-term capital gain reduced by net long-term capital loss.....	316,712	25,573	11,686	65,525	40,251	288	36,104	137,285
42 Net long-term capital gain reduced by net short-term capital loss.....	3,355,073	295,712	220,790	60,586	440,713	26,555	1,022,352	1,288,365
43 Net gain, noncapital assets.....	6,921,096	589,628	284,955	2,895,080	101,242	10,982	2,926,241	112,968
44 Dividends received from domestic corporations.....	5,795,854	621,120	73,768	75,507	2,508,850	30,842	119,096	2,368,671
45 Dividends received from foreign corporations.....	295,201	111,465	24,532	4,263	46,574	9,179	3,056	96,132
46 Other receipts.....	11,032,492	3,468,898	1,076,128	451,947	3,760,928	163,529	1,359,965	751,097
47 Total deductions.....	370,210,093	95,320,859	50,617,998	9,189,167	164,665,866	10,450,018	34,228,115	5,728,259
48 Cost of sales and operations.....	100,391,853	1,394,233	5,589,667	322,843	81,547,809	2,796,451	7,866,728	874,122
49 Compensation of officers.....	10,559,162	4,036,586	992,070	861,694	792,891	1,591,096	1,968,003	1,316,822
50 Repairs.....	1,659,314	504,058	182,903	19,809	125,310	29,809	756,992	40,433
51 Bad debts.....	6,813,895	3,057,065	2,277,261	47,979	299,472	82,493	3,552,234	314,391
52 Rent paid on business property.....	5,359,327	1,959,893	488,474	331,908	1,203,804	293,463	993,872	87,913
53 Taxes paid.....	11,147,760	2,683,657	948,640	261,844	3,834,467	302,635	2,847,837	268,680
54 Interest paid.....	93,359,456	52,719,655	30,742,676	1,227,299	2,805,620	119,649	4,603,884	1,140,873
55 Contributions or gifts.....	278,161	113,878	32,210	6,650	73,574	9,403	30,891	11,555
56 Amortization.....	150,752	40,987	16,372	9,002	22,267	17,353	35,458	9,303
57 Depreciation.....	8,053,785	3,029,971	791,471	118,625	1,150,631	169,238	2,593,140	200,709
58 Depletion.....	106,688	3,782	1,852	14,173	7,770	*57	17,956	61,108
59 Advertising.....	2,877,661	895,937	610,049	84,016	490,690	109,927	666,181	20,861
60 Pension, profit-sharing, stock bonus, and annuity plans.....	3,253,260	1,159,464	289,281	130,481	1,255,575	232,665	149,456	36,338
61 Employee benefit programs.....	1,444,222	652,672	151,717	64,359	354,552	103,323	93,284	24,315
62 Net loss, noncapital assets.....	148,195	148,801	59,153	20,333	13,215	3,372	145,841	67,480
63 Other deductions.....	124,296,582	22,520,010	7,444,203	5,678,152	70,688,219	4,589,084	11,123,558	2,253,356
64 Total receipts less total deductions.....	34,921,510	9,703,022	3,415,931	389,216	12,645,883	1,068,193	2,641,207	5,058,058
65 Constructive taxable income from related foreign corporations.....	129,516	42,120	19,910	2,671	29,492	10,460	*943	23,920
66 Net income (less deficit) (line 64 plus 65 minus 37).....	27,668,033	4,919,457	3,291,935	340,298	10,418,424	1,054,954	2,622,950	5,020,015
67 Net income.....	32,057,106	5,590,306	3,812,673	539,313	10,843,303	1,153,937	4,437,866	5,679,686
68 Deficit.....	4,388,073	670,849	520,738	199,015	424,879	98,983	1,814,938	659,671
69 Income subject to tax.....	21,318,275	4,828,737	3,525,744	429,988	7,548,608	882,073	3,171,754	931,371
70 Income tax, total.....	9,302,917	2,153,892	1,629,890	188,502	3,555,300	339,983	1,090,042	345,208
71 Normal tax, surtax, and alternative tax.....	9,203,930	2,130,702	1,576,980	187,593	3,549,593	338,948	1,080,617	339,497
72 Tax from recomputing prior-year investment credit.....	33,730	14,838	6,394	581	4,983	1,021	4,608	1,305
73 Tax from recomputing prior-year work incentive (WIN) credit.....	21	(*)	21	—	(*)	—	(*)	—
74 Additional tax for tax preferences.....	65,236	8,452	46,495	*328	724	*14	4,817	4,406
75 Foreign tax credit.....	867,372	586,838	36,221	4,021	183,897	10,026	3,057	43,312
76 U.S. possessions tax credit.....	5,127	—	4,557	196	—	—	374	—
77 Investment credit.....	512,894	259,820	58,846	11,122	118,162	14,347	43,086	7,511
78 Work incentive (WIN) credit.....	655	179	27	*1	157	*1	198	*92
79 New jobs credit.....	126,785	49,623	20,582	3,143	14,682	12,139	24,147	2,469
Distributions to stockholders.....								
80 Cash and property except in own stock.....	11,604,618	2,894,335	645,391	125,580	1,820,692	219,546	940,813	4,857,661
81 Corporation's own stock.....	704,648	421,671	38,325	*19,028	77,950	*4,370	15,259	128,045

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Item	Major industry—Continued							Nature of business not allocable
	Services							
	Total	Hotels and other lodging places	Personal services	Business services	Auto repair miscellaneous repair services	Amusement and recreation services	Other services	
(61)	(62)	(63)	(64)	(65)	(66)	(67)	(68)	
1 Number of returns, total.....	516,387	15,546	40,058	125,782	61,619	40,660	232,722	4,268
2 With net income.....	312,594	8,482	24,094	75,612	39,888	21,895	142,423	1,430
3 Total assets.....	119,286,766	14,084,280	5,542,922	36,129,846	13,962,914	19,596,677	29,970,147	1,430,866
4 Cash.....	11,252,556	734,799	685,201	3,626,176	931,077	1,438,402	3,836,901	154,624
5 Notes and accounts receivable.....	21,494,627	885,749	1,015,609	10,045,162	2,190,137	1,897,280	5,460,690	299,532
6 Less Allowance for bad debts.....	653,408	54,681	23,906	201,402	43,862	104,468	225,089	6,768
7 Inventories.....	5,613,150	214,069	380,531	1,342,380	1,058,497	1,249,254	1,368,419	309,622
8 Investments in Government obligations.....								
9 United States.....	656,936	20,457	*8,326	224,987	79,060	158,090	165,416	5,490
10 State and local.....	644,332	*10,509	*45,876	458,637	*4,419	40,513	84,378	2,485
11 Other current assets.....	6,928,269	502,016	236,237	2,226,393	442,359	1,901,114	1,620,150	55,144
12 Loans to stockholders.....	1,489,660	143,606	84,776	384,807	90,814	138,954	646,703	*10,200
13 Mortgage and real estate loans.....	1,866,429	249,856	22,317	477,985	39,984	786,515	289,772	*82,589
14 Other investments.....	12,325,123	1,534,801	354,288	4,782,563	457,877	2,267,347	2,928,247	103,243
15 Depreciable assets.....	76,773,311	12,195,842	4,377,859	18,280,921	12,420,015	12,814,519	16,684,155	601,287
16 Less Accumulated depreciation.....	31,383,290	4,397,161	2,318,588	8,108,068	4,686,213	5,901,963	5,971,297	286,918
17 Depletable assets.....	217,835	*27,912	*16,786	37,254	37,254	34,570	74,053	*2,625
18 Less Accumulated depletion.....	61,846	*1,335	*5,954	23,676	*10,212	*13,404	7,265	*990
19 Land.....	5,794,843	1,413,277	283,856	674,013	565,951	1,531,903	1,325,843	53,619
20 Intangible assets (amortizable).....	1,969,522	147,290	86,820	488,205	98,140	773,243	375,824	4,954
21 Less Accumulated amortization.....	829,341	49,650	27,647	127,914	25,521	461,352	137,257	1,750
22 Other assets.....	5,188,058	506,904	319,935	1,541,423	323,132	1,046,160	1,450,504	42,058
23 Total liabilities.....	119,288,766	14,084,280	5,542,922	36,129,846	13,962,914	19,596,677	29,970,147	1,430,866
24 Accounts payable.....	11,518,635	684,839	458,454	4,808,643	1,413,610	1,471,495	2,681,594	254,008
25 Mortgages, notes, and bonds payable in less than one year.....	14,735,215	984,394	491,198	5,650,630	2,472,805	2,175,700	2,960,488	115,052
26 Other current liabilities.....	13,561,867	912,194	4,621,566	1,284,717	2,729,006	3,399,013	228,828	
27 Loans from stockholders.....	5,233,195	775,409	233,792	1,263,136	447,193	1,009,849	1,503,816	41,341
28 Mortgages, notes, and bonds payable in one year or more.....	34,089,293	6,911,892	1,096,794	8,104,986	4,730,642	4,782,850	8,462,129	236,857
29 Other liabilities.....	5,532,920	509,526	182,417	1,662,536	394,072	1,006,998	1,777,371	65,396
30 Capital stock.....	10,522,473	1,349,460	713,509	2,639,545	778,430	2,235,928	2,805,601	185,152
31 Paid-in or capital surplus.....	10,664,506	1,337,578	184,266	3,757,453	471,841	2,093,403	2,819,965	102,360
32 Retained earnings, appropriated.....	414,678	56,254	5,925	100,490	30,282	52,258	169,469	*8,737
33 Retained earnings, unappropriated.....	14,922,199	813,357	1,694,228	4,146,618	2,062,850	2,278,211	3,926,935	205,997
34 Less Cost of treasury stock.....	1,908,215	250,643	133,032	625,757	123,528	299,021	536,234	*3,562
35 Total receipts.....	183,007,786	11,855,006	10,009,794	56,056,323	18,990,568	21,227,669	64,867,826	3,015,136
36 Business receipts.....	175,588,702	10,989,330	9,718,970	53,768,653	18,237,913	19,586,029	63,287,807	2,854,276
37 Interest on Government obligations.....								
38 United States.....	47,864	1,950	624	21,510	3,879	6,617	13,284	*492
39 State and local.....	30,665	5,772	2,950	10,332	*397	2,417	8,797	*818
40 Other interest.....	1,133,096	84,813	46,109	459,738	98,661	206,277	237,498	20,144
41 Rents.....	1,500,196	194,225	51,965	557,871	257,739	221,450	216,946	98,559
42 Royalties.....	496,421	81,887	20,464	18,796	12,445	338,147	24,692	*228
43 Net short-term capital gain reduced by net long-term capital loss.....	26,027	9,603	*2,136	5,473	*1,235	5,176	1,864	98
44 Net long-term capital gain reduced by net short-term capital loss.....	522,870	117,669	24,718	111,314	21,505	134,398	113,266	8,327
45 Net gain, noncapital assets.....	459,282	35,719	25,600	124,976	156,573	49,474	66,940	6,462
46 Dividends received from domestic corporations.....	187,465	30,825	12,706	60,277	6,286	47,791	29,580	*98
47 Dividends received from foreign corporations.....	67,412	*3,419	4,084	42,022	*5,777	7,255	4,855	—
48 Other receipts.....	2,947,786	299,794	99,468	875,961	188,158	622,098	862,307	25,634
49 Total deductions.....	176,460,437	11,445,241	9,578,773	53,792,223	18,336,852	20,201,487	63,105,861	3,198,975
50 Cost of sales and operations.....	88,873,389	5,473,090	4,925,888	31,429,378	10,180,079	10,255,220	26,609,734	2,268,575
51 Compensation of officers.....	18,565,941	244,128	666,321	3,293,837	1,060,506	824,409	12,477,100	59,729
52 Repairs.....	1,726,912	287,638	133,106	408,286	279,327	273,527	345,028	39,676
53 Bad debts.....	617,175	55,489	38,028	184,783	56,977	54,222	227,676	2,770
54 Rent paid on business property.....	6,606,042	727,343	506,177	1,641,250	604,669	749,146	2,377,457	52,026
55 Taxes paid.....	6,183,058	681,075	391,985	1,629,634	641,078	777,419	2,061,867	45,402
56 Interest paid.....	3,880,753	645,840	146,102	1,063,253	609,070	652,708	852,780	124,601
57 Contributions or gifts.....	76,862	4,303	4,430	23,594	3,610	12,229	28,696	165
58 Amortization.....	141,049	6,589	7,598	71,539	4,864	31,412	19,047	197
59 Depreciation.....	8,851,415	698,333	431,033	2,412,183	2,022,368	1,841,722	1,445,776	74,197
60 Depletion.....	9,401	364	*533	3,300	*397	1,141	3,666	*180
61 Advertising.....	2,009,405	269,866	190,754	430,618	179,587	574,115	384,465	41,200
62 Pension, profit-sharing, stock bonus, and annuity plans.....	3,591,202	29,412	55,481	565,547	76,324	170,592	2,693,846	9,611
63 Employee benefit programs.....	1,156,151	76,380	49,314	331,457	84,380	83,086	531,524	17,795
64 Net loss, noncapital assets.....	142,888	11,268	2,578	67,053	7,565	18,894	35,530	*61
65 Other deductions.....	34,028,794	2,234,123	2,029,445	10,236,511	2,526,051	3,970,995	13,031,669	462,790
66 Total receipts less total deductions.....	6,547,349	409,765	431,021	2,264,700	653,716	1,026,182	1,761,965	— 183,839
67 Constructive taxable income from related foreign corporations.....	80,146	1,231	3,024	33,697	2,038	25,300	15,126	—
68 Net income (less deficit) (line 64 plus 65 minus 37).....	6,596,830	405,224	431,095	2,288,065	655,357	1,048,795	1,768,294	— 184,657
69 Net income.....	9,280,612	688,001	538,224	3,068,451	840,582	1,477,256	2,668,098	66,776
70 Deficit.....	2,683,782	282,777	107,129	780,386	185,225	428,461	899,804	251,433
71 Income subject to tax.....	6,880,410	479,269	388,654	2,347,596	674,742	1,142,961	1,847,188	39,429
72 Income tax, total.....	2,584,017	201,452	143,898	922,875	243,199	490,045	582,548	15,218
73 Normal tax, surtax, and alternative tax.....	2,555,357	199,976	142,246	912,569	237,349	486,101	577,116	15,130
74 Tax from recomputing prior-year investment credit.....	26,808	998	1,619	10,154	5,835	3,448	4,754	88
75 Tax from recomputing prior-year work incentive (WIN) credit.....	*156	—	—	(1)	—	(1)	*156	—
76 Additional tax for tax preferences.....	1,696	478	*33	152	*15	496	522	—
77 Foreign tax credit.....	124,879	*3,287	4,767	50,568	*4,272	48,678	13,307	—
78 U.S. possessions tax credit.....	2,537	61	—	1,956	257	102	161	253
79 Investment credit.....	426,663	22,328	19,474	136,676	59,524	95,923	92,738	1,686
80 Work incentive (WIN) credit.....	2,059	*102	*31	1,529	*164	*78	155	—
81 New jobs credit.....	193,152	5,886	7,345	80,184	22,932	8,736	68,069	*1,221
82 Distributions to stockholders.....								
83 Cash and property except in own stock.....	1,441,254	118,901	85,579	492,629	66,434	248,931	428,780	*6,596
84 Corporation's own stock.....	137,631	*3,927	*2,260	19,083	*7,665	*79,274	25,422	46

*Estimate should be used with caution because of the small number of sample returns on which it is based
 †Less than \$500 per return

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

RETURNS WITH NET INCOME

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

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

Item	All industries	Major industry					
		Agriculture, forestry, and fishing	Total	Mining			Nonmetallic minerals, except fuels
				Metal mining	Coal mining	Oil and gas extraction	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
1 Number of returns	1,424,528	38,440	10,983	280	2,243	8,546	1,894
2 Total assets	4,760,953,557	18,879,884	73,966,106	9,943,483	8,824,545	52,595,553	4,822,525
3 Cash.....	327,909,694	1,337,598	2,794,153	180,130	547,730	1,766,468	299,825
4 Notes and accounts receivable.....	1,197,204,890	1,940,553	16,123,573	610,374	918,080	13,814,787	780,332
5 Less: Allowance for bad debts.....	30,623,906	16,076	60,269	459	7,361	27,992	24,457
6 Inventories.....	343,739,824	2,024,524	3,468,597	800,231	308,650	1,937,756	241,960
Investments in Government obligations.....							
7 United States.....	193,311,961	60,763	706,199	*53,872	221,357	391,541	39,429
8 State and local.....	149,691,003	40,670	81,604	3,285	40,714	32,580	5,025
9 Other current assets.....	149,558,860	570,578	3,603,247	1,113,414	410,639	1,864,585	214,609
10 Loans to stockholders.....	11,194,332	257,147	914,126	64,019	51,939	782,310	15,858
11 Mortgage and real estate loans.....	623,978,874	183,518	261,449	3,832	*13,868	213,347	30,402
12 Other investments.....	761,315,839	1,550,502	15,301,997	3,259,472	564,716	11,050,522	427,287
13 Depreciable assets.....	1,331,288,859	10,965,879	37,347,380	4,657,879	5,082,896	23,504,276	4,102,229
14 Less: Accumulated depreciation.....	499,143,435	5,123,690	13,958,014	1,720,160	2,157,926	7,858,478	2,221,450
15 Depletable assets.....	47,109,215	133,303	7,283,775	736,998	428,316	5,829,214	289,247
16 Less: Accumulated depletion.....	19,546,199	17,490	3,063,822	171,468	56,297	2,763,590	72,467
17 Land.....	53,105,357	3,815,505	706,578	45,891	124,578	341,315	194,794
18 Intangible assets (amortizable).....	13,250,372	40,236	1,664,811	*12,732	35,566	1,610,091	6,422
19 Less: Accumulated amortization.....	4,163,815	12,302	633,007	*4,616	4,177	621,919	2,295
20 Other assets.....	111,771,836	928,468	1,443,729	297,957	301,257	728,740	115,775
21 Total liabilities	4,780,953,557	18,679,884	73,986,106	9,943,483	8,824,545	52,595,553	4,822,525
22 Accounts payable.....	293,135,980	1,120,797	6,350,941	484,105	490,544	5,005,433	370,859
23 Mortgages, notes, and bonds payable in less than one year.....	250,386,951	2,736,786	3,012,284	761,332	564,051	1,417,116	269,785
24 Other current liabilities.....	1,890,236,168	906,128	11,829,909	674,540	544,184	10,288,761	322,424
25 Loans from stockholders.....	30,402,780	76,003	556,358	*136,621	27,176	253,365	139,196
26 Mortgages, notes, and bonds payable in one year or more.....	569,727,884	4,692,854	10,196,909	1,454,621	1,308,398	6,641,087	792,813
27 Other liabilities.....	470,816,284	605,446	3,940,119	1,359,005	343,579	2,022,217	215,318
28 Capital stock.....	243,302,233	2,829,989	2,355,710	439,434	229,365	1,322,461	364,540
29 Paid-in or capital surplus.....	299,431,561	1,262,890	11,531,346	1,840,229	377,836	9,112,280	201,001
30 Retained earnings, appropriated.....	34,236,795	124,317	3,602,966	6,552	176,010	3,406,367	14,037
31 Retained earnings, unappropriated.....	701,814,679	3,993,092	20,993,460	2,799,100	2,853,894	13,309,224	2,031,242
32 Less: Cost of treasury stock.....	22,537,758	299,708	383,896	*12,056	90,482	182,758	98,600
33 Total receipts	3,855,771,492	27,485,144	88,980,745	4,307,284	8,502,510	71,040,187	5,140,784
34 Business receipts.....	3,373,574,060	26,054,905	85,808,797	3,896,824	8,169,560	68,780,588	4,961,825
Interest on Government obligations.....							
35 United States.....	12,884,220	8,138	26,842	*1,205	5,516	16,978	3,143
36 State and local.....	7,122,249	2,758	6,659	72	2,177	2,987	1,423
37 Other interest.....	141,402,795	125,308	479,831	62,209	54,785	326,755	36,082
38 Rents.....	27,527,975	146,486	155,882	3,965	65,192	63,778	22,747
39 Royalties.....	5,780,335	26,157	191,869	8,386	13,178	166,486	3,819
40 Net short-term capital gain reduced by net long-term capital loss.....	408,835	20,437	4,490	79	*731	3,452	228
41 Net long-term capital gain reduced by net short-term capital loss.....	10,983,133	349,631	593,766	*164,928	82,494	322,963	23,381
42 Net gain, noncapital assets.....	8,991,078	112,472	227,996	26,162	20,987	152,031	28,816
43 Dividends received from domestic corporations.....	13,263,898	32,778	147,731	16,753	23,481	101,883	5,614
44 Dividends received from foreign corporations.....	8,129,935	6,614	112,484	59,219	*1,908	50,949	*408
45 Other receipts.....	45,702,980	579,460	1,234,598	67,482	62,501	1,051,337	53,278
46 Total deductions	3,410,844,090	25,726,054	58,492,935	4,040,142	7,868,845	39,781,380	4,802,768
47 Cost of sales and operations.....	2,391,959,274	18,393,418	40,006,381	2,816,387	5,368,593	28,713,967	3,107,434
48 Compensation of officers.....	61,209,878	699,159	599,035	18,229	149,835	313,552	117,419
49 Repairs.....	24,366,197	487,738	587,450	30,600	141,355	249,705	165,790
50 Bad debts.....	11,398,186	32,080	47,349	4,171	8,163	26,285	8,730
51 Rent paid on business property.....	41,389,768	514,375	363,585	26,248	83,764	208,308	45,265
52 Taxes paid.....	91,752,483	634,431	1,255,126	221,766	314,650	551,129	167,581
53 Interest paid.....	131,864,600	576,543	1,104,839	154,165	150,354	693,379	106,941
54 Contributions or gifts.....	1,764,329	11,138	20,410	1,865	4,849	10,486	3,210
55 Amortization.....	737,856	3,126	7,694	1,598	324	5,085	587
56 Depreciation.....	93,028,592	958,001	2,439,357	230,360	556,827	1,336,856	315,314
57 Depletion.....	5,102,672	7,670	989,280	153,425	274,055	429,127	132,673
58 Advertising.....	31,046,890	96,498	47,362	*880	2,392	24,588	19,402
59 Pension, profit-sharing, stock bonus, and annuity plans.....	33,004,950	117,813	370,594	54,063	79,233	187,581	49,717
60 Employee benefit programs.....	20,732,923	73,290	224,230	12,930	116,773	65,388	28,139
61 Net loss, noncapital assets.....	712,679	5,950	20,297	*62	699	19,190	*346
62 Other deductions.....	470,772,814	3,114,824	8,409,946	313,393	616,779	6,946,654	533,120
63 Total receipts less total deductions.....	244,927,402	1,739,090	32,497,810	267,142	633,865	31,258,807	337,996
64 Constructive taxable income from related foreign corporations.....	7,469,336	3,798	90,571	32,329	*1,102	56,975	*165
65 Net income (line 63 plus 64 minus 36).....	245,274,490	1,740,130	32,581,722	299,399	632,790	31,312,795	336,738
66 Income subject to tax.....	212,501,231	1,145,569	31,819,909	221,402	496,840	30,930,234	271,433
67 Income tax, total.....	96,267,089	400,870	15,255,210	94,393	236,419	14,796,977	127,421
68 Normal tax, surtax, and alternative tax.....	95,627,421	395,785	15,176,753	79,752	213,517	14,768,759	114,725
69 Tax from recomputing prior-year investment credit.....	408,350	4,237	12,213	*107	2,244	8,785	1,077
70 Tax from recomputing prior-year work incentive (WIN) credit.....	3,836	(¹)	*322	—	112	*149	*61
71 Additional tax for tax preferences.....	227,482	848	65,922	14,534	20,546	19,284	11,558
72 Foreign tax credit.....	26,006,028	25,645	13,958,967	56,266	2,491	13,898,203	2,007
73 U.S. possessions tax credit.....	837,667	121	51	—	—	51	—
74 Investment credit.....	11,038,314	76,414	223,125	5,772	49,211	135,981	32,161
75 Work incentive (WIN) credit.....	19,327	*48	44	35	6	(¹)	3
76 New jobs credit.....	1,703,813	12,778	27,131	*563	5,185	16,108	5,275
Distributions to stockholders.....							
77 Cash and property except in own stock.....	58,891,658	378,173	1,804,696	132,458	184,854	1,378,386	108,998
78 Corporation's own stock.....	2,489,269	*10,741	44,561	540	*5,555	38,186	*280

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

RETURNS WITH NET INCOME

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

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

Item	Major industry—Continued								
	Construction				Manufacturing				
	Total	General building contractors and operative builders	Heavy construction contractors	Special trade contractors	Total	Food and kindred products	Tobacco manufacturers	Textile mill products	Apparel and other textile products
(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
1 Number of returns.....	135,955	50,099	11,580	74,276	158,995	11,039	31	4,257	11,165
2 Total assets.....	88,904,562	31,880,735	17,288,135	19,835,892	1,063,973,492	83,913,029	18,446,456	16,745,931	15,254,601
3 Cash.....	7,377,791	3,156,246	1,724,222	2,497,323	35,893,792	3,617,221	560,165	754,259	990,944
4 Note and accounts receivable.....	18,166,321	7,437,176	4,823,299	7,105,846	248,631,913	16,590,318	2,327,699	4,474,582	4,562,746
5 Less: Allowance for bad debts.....	156,793	30,705	30,774	85,314	5,365,803	358,125	*27,926	78,116	98,102
6 Inventories.....	11,638,236	7,472,675	1,213,584	2,951,977	183,972,988	17,341,402	4,709,744	4,708,229	5,441,208
7 Investments in Government obligations.....									
8 United States.....	392,191	207,195	109,710	75,286	12,877,283	591,032	40	68,672	95,047
9 State and local.....	198,837	82,143	67,294	49,400	2,504,620	223,466	—	34,226	35,018
10 Other current assets.....	6,812,776	3,854,274	1,568,728	1,289,774	48,050,609	3,187,018	432,279	431,394	544,104
11 Loans to stockholders.....	846,525	492,657	67,858	285,010	2,333,178	405,027	389,342	13,190	52,663
12 Mortgage and real estate loans.....	561,527	456,773	26,807	77,947	2,858,496	521,416	82,893	13,773	16,215
13 Other investments.....	4,207,189	1,827,678	1,517,796	861,715	183,896,998	13,809,068	5,289,218	1,030,827	1,182,565
14 Depreciable assets.....	25,264,422	6,895,603	10,555,406	7,712,413	524,008,081	41,851,353	4,673,003	11,604,168	3,754,318
15 Less: Accumulated depreciation.....	12,399,752	2,914,556	5,473,798	4,011,398	247,868,921	18,408,925	978,219	6,634,824	1,831,974
16 Depletable assets.....	130,658	22,436	91,460	16,762	36,016,941	361,431	253,527	205	*5,211
17 Less: Accumulated depletion.....	23,476	2,464	19,119	1,883	15,347,244	*90,250	—	98	*872
18 Land.....	2,472,315	1,652,494	406,028	413,793	14,115,119	1,510,031	166,444	120,278	108,541
19 Intangible assets (amortizable).....	199,981	143,919	18,448	37,614	5,709,285	423,510	53,986	23,684	27,939
20 Less: Accumulated amortization.....	42,781	19,380	8,645	14,756	1,652,460	92,817	4,790	7,618	11,231
21 Other assets.....	2,159,595	946,571	829,731	383,293	33,359,617	2,330,853	499,053	189,101	380,607
22 Total liabilities.....	88,904,562	31,880,735	17,288,135	19,835,892	1,063,973,492	83,913,029	18,446,456	16,745,931	15,254,601
23 Accounts payable.....	13,414,922	6,454,886	2,967,159	3,992,877	130,903,144	10,387,708	1,369,357	2,029,515	2,749,817
24 Mortgages, notes, and bonds payable in less than one year.....	8,334,967	5,391,744	1,076,018	1,867,205	68,366,040	4,763,032	846,382	1,275,763	1,484,024
25 Other current liabilities.....	9,844,636	4,415,762	2,860,436	2,568,438	104,097,424	8,493,155	1,818,069	1,423,101	1,561,014
26 Loans from stockholders.....	1,583,917	714,929	187,715	681,273	8,832,900	681,579	*134,647	108,237	150,489
27 Mortgages, notes, and bonds payable in one year or more.....	9,180,875	4,766,481	2,397,242	2,017,152	182,348,362	13,924,454	4,284,691	2,337,563	1,620,971
28 Other liabilities.....	4,994,021	2,702,676	1,168,382	1,122,963	60,415,607	3,043,259	838,550	188,115	284,546
29 Capital stock.....	4,367,620	2,149,142	1,586,667	1,531,811	69,433,331	6,151,800	925,626	1,305,230	1,099,962
30 Paid-in or capital surplus.....	2,361,438	1,062,127	852,330	446,981	109,755,247	6,960,777	2,880,106	953,678	919,418
31 Retained earnings, appropriated.....	240,552	88,533	44,378	107,641	5,529,800	619,753	401,661	29,510	62,319
32 Retained earnings, unappropriated.....	15,413,996	5,295,122	4,336,178	5,782,696	333,235,580	29,640,158	5,148,024	7,270,444	5,647,637
33 Less: Cost of treasury stock.....	832,382	260,667	188,370	483,345	8,943,943	753,406	200,657	175,225	225,596
34 Total receipts.....	145,981,466	80,824,612	31,857,213	53,109,841	1,500,494,094	178,095,737	17,535,857	30,929,218	35,024,382
35 Business receipts.....	142,091,604	59,209,238	30,471,218	52,411,148	1,441,855,190	174,747,872	16,894,081	30,484,524	34,562,717
36 Interest on Government obligations.....									
37 United States.....	31,990	15,756	8,574	7,660	966,932	43,269	323	6,283	8,164
38 State and local.....	12,296	4,421	4,102	3,773	324,900	25,098	62	1,466	2,360
39 Other interest.....	546,614	280,442	170,028	95,144	9,586,192	630,179	153,022	55,434	76,545
40 Rents.....	595,556	365,561	130,487	99,508	10,586,448	253,406	22,348	23,548	39,418
41 Royalties.....	17,858	4,459	13,158	*241	4,170,459	265,670	52,902	29,370	60,996
42 Net short-term capital gain reduced by net long-term capital loss.....	14,418	10,087	1,054	3,277	57,359	13,890	3,850	*429	*580
43 Net long-term capital gain reduced by net short-term capital loss.....	333,654	158,660	110,366	64,628	4,568,415	230,893	*117,557	32,070	12,899
44 Net gain, noncapital assets.....	312,276	112,210	137,939	62,127	1,246,269	139,059	*37,311	17,010	10,149
45 Dividends received from domestic corporations.....	62,614	13,126	39,920	9,569	5,979,018	280,604	99,684	44,368	16,560
46 Dividends received from foreign corporations.....	66,958	15,346	50,573	*1,039	7,098,060	348,538	17,225	10,803	15,476
47 Other receipts.....	1,806,628	735,306	719,794	351,528	14,054,852	1,117,259	137,492	221,913	218,518
48 Total deductions.....	139,417,126	58,509,129	30,274,272	50,633,725	1,398,849,842	168,908,057	15,691,366	29,279,510	33,098,092
49 Cost of sales and operations.....	113,405,277	50,378,921	24,323,385	38,702,971	1,047,611,679	132,680,018	9,236,993	23,469,515	25,788,383
50 Compensation of officers.....	4,812,810	1,565,549	623,747	2,623,514	12,432,090	1,017,828	35,090	355,356	783,868
51 Repairs.....	761,873	192,519	292,032	277,322	15,998,821	1,395,096	119,293	268,881	63,175
52 Bad debts.....	221,852	45,486	38,217	138,149	2,485,687	167,358	22,494	53,651	69,539
53 Rent paid on business property.....	816,179	197,786	223,810	394,583	11,194,019	1,165,378	94,956	203,048	329,566
54 Taxes paid.....	2,955,885	849,059	595,850	1,510,976	40,233,289	4,555,956	2,257,078	754,351	835,522
55 Interest paid.....	1,351,298	709,000	321,726	320,572	21,433,056	1,665,833	439,338	342,282	339,995
56 Contributions or gifts.....	48,725	20,897	11,597	16,231	908,302	74,074	12,192	23,607	29,457
57 Amortization.....	6,816	2,914	1,140	2,762	263,037	18,287	1,641	1,953	3,122
58 Depreciation.....	2,380,157	584,390	925,308	870,459	39,362,730	3,342,725	358,526	807,198	302,878
59 Depletion.....	33,886	13,403	17,914	2,369	3,645,520	29,117	42,391	99	(¹)
60 Advertising.....	325,886	141,566	32,622	151,698	16,177,805	4,323,585	902,250	226,806	249,451
61 Pension, profit-sharing, stock bonus, and annuity plans.....	747,433	218,318	219,691	309,424	16,983,337	1,104,170	166,415	214,152	200,060
62 Employee benefit programs.....	566,832	130,958	137,647	298,227	12,738,398	846,781	198,722	142,178	159,857
63 Net loss, noncapital assets.....	17,653	5,476	7,003	5,174	273,276	40,558	9,591	5,797	7,233
64 Other deductions.....	10,964,764	3,452,887	2,502,583	5,009,294	157,108,895	17,481,293	1,823,416	2,410,636	3,935,986
65 Total receipts less total deductions.....	6,474,340	2,415,483	1,582,941	2,475,916	101,644,152	8,187,680	1,844,471	1,649,708	1,926,290
66 Constructive taxable income from related foreign corporations.....	74,492	37,153	35,838	1,501	6,289,680	289,802	46,338	5,926	17,587
67 Net income (line 63 plus 64 minus 36).....	6,536,536	2,448,215	1,614,677	2,473,644	107,608,932	8,452,384	1,890,747	1,654,168	1,941,517
68 Income subject to tax.....	5,047,435	1,865,007	1,372,439	1,809,989	101,639,157	8,030,154	1,818,149	1,543,862	1,761,388
69 Income tax, total.....	1,915,100	710,032	594,868	610,182	47,389,668	3,766,408	853,299	720,613	793,985
70 Normal tax, surtax, and alternative tax.....	1,894,222	704,884	586,036	603,302	47,135,474	3,743,066	851,302	714,628	790,765
71 Tax from recomputing prior-year investment credit.....	17,314	3,311	7,956	6,047	184,964	20,533	1,997	5,892	3,178
72 Tax from recomputing prior-year work incentive (WIN) credit.....	*244	*82	*86	*76	1,430	*1,373	—	(¹)	(¹)
73 Additional tax for tax preferences.....	3,320	1,755	808	757	67,800	1,436	—	*93	*42
74 Foreign tax credit.....	122,733	45,047	75,277	2,409	10,154,318	409,159	119,727	7,638	22,932
75 U.S. possessions tax credit.....	2,051	264	770	1,017	799,042	69,872	10,181	6,644	27,415
76 Investment credit.....	220,629	56,445	90,196	73,988	4,607,188	367,955	41,169	88,564	30,557
77 Work incentive (WIN) credit.....	444	348	111	*85	9,777	377	5	261	132
78 New jobs credit.....	238,736	70,204	36,739	131,793	558,785	36,532	*430	21,595	32,316
79 Distributions to stockholders.....									
80 Cash and property except in own stock.....	526,845	139,979	208,012	178,854	25,922,370	2,122,213	433,931	256,888	220,136
81 Corporation's own stock.....	51,757	22,135	*6,559	23,063	1,092,196	132,826	—	*4,397	24,514

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

RETURNS WITH NET INCOME

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

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

Item	Major industry—Continued								
	Manufacturing—Continued								
	Lumber and wood products	Furniture and fixtures	Paper and allied products	Printing and publishing	Chemicals and allied products	Petroleum (including integrated) and coal products	Rubber and miscellaneous plastics products	Leather and leather products	Stone, clay, and glass products
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)
1 Number of returns	9,763	5,049	2,811	22,517	7,050	930	6,063	1,483	6,488
2 Total assets	27,874,302	5,879,118	31,883,633	31,221,888	95,826,134	228,772,383	20,808,622	4,124,038	25,326,255
3 Cash	1,168,248	358,919	857,940	2,079,557	2,690,122	2,832,869	881,777	387,800	1,050,878
4 Notes and accounts receivable	3,859,424	1,582,831	4,478,015	7,135,955	18,009,608	43,162,089	5,277,757	1,081,644	4,984,741
5 Less: Allowance for bad debts	76,027	40,205	102,432	559,008	419,219	486,570	78,359	20,859	118,814
6 Inventories	4,589,101	1,765,351	4,628,800	3,354,693	15,927,351	15,971,556	4,478,138	1,282,718	3,919,315
7 Investments in Government obligations									
8 United States	116,975	14,156	513,678	531,510	534,460	2,259,277	55,604	11,548	293,631
9 State and local	*16,861	*25,260	45,849	187,383	179,786	205,377	*80,064	*4,666	19,909
10 Other current assets	1,013,022	201,555	1,042,556	2,251,214	3,230,916	7,479,503	506,787	180,114	918,039
11 Loans to stockholders	120,490	15,985	33,003	158,077	85,466	98,853	55,594	31,456	21,195
12 Mortgage and real estate loans	914,906	5,330	13,244	82,498	21,356	72,803	42,377	*1,380	24,848
13 Other investments	2,816,840	353,041	3,769,564	4,326,580	17,838,797	67,853,796	2,116,603	438,348	3,141,395
14 Depreciable assets	17,319,696	2,582,121	24,486,078	15,226,691	62,460,739	110,045,534	11,814,191	1,197,182	19,309,318
15 Less: Accumulated depreciation	7,371,346	1,209,592	11,316,994	7,416,580	29,577,102	47,812,478	5,421,783	597,734	9,393,598
16 Depletable assets	2,118,502	*2,406	2,326,528	149,503	967,874	28,328,676	*4,136	*30	356,250
17 Less: Accumulated depletion	65,427	*250	430,820	*1,493	243,832	14,117,472	*1,013	—	72,684
18 Land	450,212	99,327	890,702	709,092	1,001,867	4,010,234	197,181	28,209	527,075
19 Intangible assets (amortizable)	49,162	29,825	119,273	898,058	858,484	1,408,394	52,329	7,791	66,699
20 Less: Accumulated amortization	14,017	11,155	23,139	124,815	197,146	509,949	14,892	1,473	23,031
21 Other assets	847,680	104,213	561,788	2,232,823	2,456,014	7,968,891	481,131	111,242	293,090
22 Total liabilities	27,874,302	5,879,118	31,883,633	31,221,888	95,826,134	228,772,383	20,808,622	4,124,038	25,326,255
23 Accounts payable	2,170,287	780,949	2,902,228	2,870,177	10,017,645	33,177,883	3,321,955	687,498	2,561,374
24 Mortgages, notes, and bonds payable in less than one year	1,971,992	403,895	1,040,709	1,711,288	3,211,971	4,878,754	1,496,626	323,444	890,594
25 Other current liabilities	2,839,290	572,333	2,842,525	4,104,171	9,354,180	14,154,534	2,602,575	292,183	2,630,082
26 Loans from stockholders	246,092	89,053	99,786	348,176	463,307	691,351	197,468	46,625	159,091
27 Mortgages, notes, and bonds payable in one year or more	5,866,456	791,193	7,023,946	3,880,520	19,063,241	32,741,483	3,857,664	519,844	5,210,441
28 Other liabilities	921,194	84,811	764,800	1,545,611	2,652,462	29,250,253	366,544	86,975	599,196
29 Capital stock	1,938,013	568,680	2,658,314	2,145,302	6,926,788	13,161,613	1,064,310	433,749	2,088,131
30 Paid-in or capital surplus	3,753,026	287,621	3,060,952	1,971,993	9,696,808	30,649,878	1,840,887	273,371	2,080,080
31 Retained earnings, appropriated	116,421	22,354	51,449	311,693	203,837	1,114,021	362,258	*8,662	177,707
32 Retained earnings, unappropriated	8,366,432	2,351,787	11,661,765	12,942,978	35,199,875	70,174,536	6,761,488	1,489,954	9,895,900
33 Less: Cost of treasury stock	314,901	73,558	222,821	610,221	963,980	1,222,023	283,153	38,268	356,341
34 Total receipts	40,100,241	12,248,442	42,518,930	46,353,172	117,259,295	329,529,322	32,590,688	8,092,328	34,168,151
35 Business receipts	37,940,003	12,048,398	40,902,354	44,723,580	112,249,124	320,043,444	31,843,695	7,961,410	33,090,553
36 Interest on Government obligations									
37 United States	13,054	2,110	14,374	30,972	36,195	215,157	11,521	506	10,747
38 State and local	1,799	1,473	9,575	9,704	16,494	9,759	768	484	1,203
39 Other interest	230,422	21,872	173,122	246,077	650,303	1,834,785	113,028	25,352	132,631
40 Rents	69,431	15,843	48,380	146,184	99,801	866,687	49,650	8,502	60,840
41 Royalties	17,546	10,971	149,801	124,105	694,904	222,925	55,820	3,722	86,448
42 Net short-term capital gain reduced by net long-term capital loss	2,131	*338	335	4,806	7,299	2,911	590	*23	*165
43 Net long-term capital gain reduced by net short-term capital loss	1,316,827	21,679	658,516	159,476	457,357	392,595	35,239	2,956	94,262
44 Net gain, noncapital assets	61,582	6,688	22,235	42,854	185,302	153,745	29,303	858	52,774
45 Dividends received from domestic corporations	84,369	6,126	105,995	100,371	584,142	1,716,593	34,877	30,447	126,080
46 Dividends received from foreign corporations	33,346	5,400	165,291	55,411	708,958	1,585,739	106,303	*559	96,005
47 Other receipts	329,731	107,544	268,952	709,632	1,569,416	2,484,982	309,894	57,709	416,443
48 Total deductions	37,326,891	11,459,941	39,683,182	41,882,509	106,716,099	312,610,709	30,835,711	7,830,477	31,807,236
49 Cost of sales and operations	28,150,994	8,511,602	28,531,475	27,779,148	71,103,055	264,541,560	21,980,074	5,810,654	22,459,096
50 Compensation of officers	537,982	266,050	326,837	1,238,356	709,761	239,388	424,842	107,208	467,922
51 Repairs	401,805	46,257	1,019,636	258,755	1,934,591	3,079,509	427,050	45,632	822,132
52 Bad debts	59,212	26,113	57,913	263,979	169,495	275,312	74,147	12,974	77,682
53 Rent paid on business property	300,304	126,512	322,619	587,748	1,015,119	1,798,716	372,369	158,890	284,171
54 Taxes paid	959,259	329,606	1,075,718	1,394,982	2,466,493	8,260,598	933,044	189,571	980,397
55 Interest paid	623,806	121,888	624,507	489,127	1,807,062	3,223,947	454,273	77,567	506,493
56 Contributions or gifts	16,072	6,973	37,670	58,061	113,216	90,864	13,092	6,390	26,007
57 Amortization	7,448	823	6,625	36,535	21,676	39,926	2,160	829	3,656
58 Depreciation	1,298,550	196,622	1,715,553	1,180,111	4,641,896	6,040,377	956,329	93,257	1,330,760
59 Depletion	1,312,821	418	372,988	51,388	187,971	1,023,275	1,328	*341	112,809
60 Advertising	134,492	134,753	295,156	382,014	3,297,003	823,806	338,408	91,386	198,680
61 Pension, profit-sharing, stock bonus, and annuity plans	297,244	86,935	498,818	589,705	1,805,236	1,436,510	466,049	44,844	465,529
62 Employee benefit programs	154,182	67,911	330,336	388,378	955,732	579,865	349,212	37,868	334,271
63 Net loss, noncapital assets	22,624	1,713	2,675	11,740	17,559	27,709	2,379	550	5,547
64 Other deductions	3,050,095	1,535,765	4,462,636	7,172,481	16,470,234	21,130,357	4,040,954	952,716	3,731,314
65 Total receipts less total deductions	2,773,350	788,501	2,835,748	4,470,663	10,543,196	16,918,613	1,754,977	461,851	2,360,915
66 Constructive taxable income from related foreign corporations	43,231	3,822	11,041	40,170	932,876	1,361,650	65,502	49	77,458
67 Net income (line 63 plus 64 minus 36)	2,814,782	790,850	2,927,234	4,501,129	11,458,578	18,270,504	1,819,711	461,416	2,437,170
68 Income subject to tax	2,650,000	713,230	2,884,655	4,199,140	11,195,900	16,559,109	1,728,988	421,746	2,238,045
69 Income tax, total	1,008,760	324,601	1,261,659	1,904,552	5,297,630	7,897,973	791,336	194,176	1,027,862
70 Normal tax, surtax, and alternative tax	997,148	323,442	1,247,727	1,898,973	5,256,407	7,872,852	788,040	193,878	1,020,266
71 Tax from recomputing prior-year investment credit	6,350	1,080	4,690	5,440	28,403	18,482	3,247	298	5,147
72 Tax from recomputing prior-year work incentive (WIN) credit	—	—	—	—	—	—	—	—	—
73 Additional tax for tax preferences	*5,262	*79	9,242	*139	12,819	6,635	*49	—	2,549
74 Foreign tax credit	31,312	4,330	135,914	57,051	904,190	4,040,826	95,620	1,981	100,154
75 U.S. possessions tax credit	—	174	706	159	442,709	25,254	3,897	1,936	2,997
76 Investment credit	182,474	19,637	195,212	116,957	568,823	1,012,212	101,804	9,348	165,750
77 Work incentive (WIN) credit	266	167	637	72	199	39	478	52	199
78 New jobs credit	27,606	20,477	10,564	31,137	24,048	4,966	29,485	7,109	18,715
79 Distributions to stockholders									
80 Cash and property except in own stock	497,223	68,493	853,877	759,368	3,780,975	4,987,168	355,621	95,009	520,461
81 Corporation's own stock	*117,746	*18,960	*36,909	11,057	85,446	132,079	32,081	*1,837	31,634

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

RETURNS WITH NET INCOME

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

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

Item	Major industry—Continued							
	Manufacturing—Continued							
	Primary metal industries	Fabricated metal products	Machinery, except electrical	Electrical and electronic equipment	Motor vehicles and equipment	Transportation equipment, except motor vehicles	Instruments and related products	Miscellaneous manufacturing and manufacturing not allocable
	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)
1 Number of returns	3,796	23,774	17,376	7,924	1,796	2,218	4,088	9,397
2 Total assets	56,440,809	46,836,685	104,961,885	91,182,132	100,001,889	27,840,811	17,960,768	13,092,343
3 Cash	1,252,477	2,575,084	3,832,349	4,339,436	2,134,024	2,325,075	524,019	680,628
4 Notes and accounts receivable	10,586,200	10,825,988	26,352,580	23,595,973	47,209,838	4,730,603	4,339,185	3,474,187
5 Less: Allowance for bad debts	192,664	226,159	1,175,891	555,263	500,027	100,465	74,213	97,360
6 Inventories	9,494,799	11,359,060	25,991,684	17,203,465	15,596,648	7,998,466	4,524,723	3,684,846
7 Investments in Government obligations								
8 United States	154,543	423,889	3,222,032	705,589	2,681,662	93,195	370,009	140,736
9 State and local	142,593	326,463	261,037	94,734	311,278	*8,826	304,986	16,838
10 Other current assets	1,981,315	1,841,615	7,274,271	9,435,895	2,205,623	2,584,985	831,438	468,966
11 Loans to stockholders	60,697	138,889	161,707	178,129	107,441	53,124	105,120	27,730
12 Mortgage and real estate loans	63,121	61,384	94,925	146,146	146,563	*486,207	27,295	9,838
13 Other investments	10,650,740	5,401,995	14,304,782	13,196,731	10,277,277	3,061,665	1,452,324	1,475,344
12 Depreciable assets	31,558,953	22,925,067	44,323,528	34,008,657	38,105,563	12,808,250	9,373,011	4,580,660
14 Less: Accumulated depreciation	14,990,899	11,067,225	22,215,734	15,967,848	21,963,493	7,286,882	4,392,356	2,114,235
15 Depletable assets	362,341	129,666	172,300	370,708	*10,158	*9,475	8,255	*9,759
16 Less: Accumulated depletion	132,755	7,677	20,143	15,269	3,854	3,407	3,607	*320
17 Land	645,285	721,229	776,889	653,820	717,569	356,409	246,211	186,514
18 Intangible assets (amortizable)	326,869	284,500	388,748	335,608	27,596	61,042	118,808	146,326
19 Less: Accumulated amortization	123,978	97,262	182,961	102,513	13,679	22,996	35,005	37,993
20 Other assets	4,601,172	1,020,158	1,379,782	3,674,134	2,951,702	595,839	240,565	439,779
21 Total liabilities	56,440,809	46,836,685	104,961,885	91,182,132	100,001,889	27,840,811	17,960,768	13,092,343
22 Accounts payable	4,448,346	5,771,372	14,228,680	13,831,333	9,462,095	5,785,759	1,604,691	1,734,474
23 Mortgages, notes, and bonds payable in less than one year	6,115,255	2,619,762	5,902,221	5,934,492	20,875,258	871,907	717,901	1,020,770
24 Other current liabilities	4,639,906	4,848,161	12,070,908	12,479,201	8,998,330	4,759,802	2,355,246	1,221,898
25 Loans from stockholders	119,307	587,706	3,478,819	403,158	393,407	90,742	169,874	173,886
26 Mortgages, notes, and bonds payable in one year or more	10,990,769	7,496,249	17,028,034	14,647,501	22,853,789	4,070,243	1,901,114	2,238,016
27 Other liabilities	4,889,069	1,483,175	3,031,928	6,406,886	1,954,717	1,411,820	244,512	347,204
28 Capital stock	3,623,316	3,577,241	8,885,702	4,954,447	3,402,482	2,232,863	1,318,125	871,637
29 Paid-in or capital surplus	7,675,038	3,651,131	10,566,689	11,414,189	5,470,630	2,287,159	1,878,391	1,383,325
30 Retained earnings, appropriated	85,986	220,530	338,944	308,787	627,404	310,545	118,871	37,088
31 Retained earnings, unappropriated	14,255,085	17,104,153	30,050,391	21,894,876	26,110,763	6,223,063	7,842,085	4,114,186
32 Less: Cost of treasury stock	501,268	722,815	620,431	1,112,738	146,986	249,272	90,142	160,141
33 Total receipts	59,731,925	76,457,961	113,804,372	107,718,229	132,852,787	38,112,339	25,400,830	21,972,108
34 Business receipts	57,698,366	74,827,741	99,720,188	102,539,125	127,988,941	36,055,813	24,125,650	21,407,611
35 Interest on Government obligations:								
36 United States	8,366	24,178	242,294	39,305	231,716	6,787	15,856	3,735
37 State and local	8,365	7,270	34,696	158,417	17,801	5,181	7,320	5,605
38 Other interest	488,055	259,613	1,366,630	964,629	1,674,013	286,893	92,447	111,130
39 Rents	52,185	155,483	7,443,582	684,089	356,841	122,396	38,476	29,366
40 Royalties	59,179	76,859	1,572,719	370,553	71,630	73,931	126,535	43,874
41 Net short-term capital gain reduced by net long-term capital loss	6,806	4,463	4,014	3,987	180	27	368	*157
42 Net long-term capital gain reduced by net short-term capital loss	116,077	103,737	212,339	371,946	63,481	73,155	35,736	59,618
43 Net gain, noncapital assets	23,544	66,899	121,237	141,620	76,262	15,598	15,998	17,641
44 Dividends received from domestic corporations	258,560	90,846	635,505	715,796	427,547	347,870	202,136	70,542
43 Dividends received from foreign corporations	119,594	204,450	1,365,937	703,786	1,192,445	79,536	237,981	45,277
45 Other receipts	892,798	636,423	1,085,231	1,022,966	751,910	1,035,952	502,527	177,560
46 Total deductions	57,268,129	70,864,598	102,038,529	99,388,190	122,056,383	36,200,811	22,848,792	20,454,930
47 Cost of sales and operations	43,680,651	52,526,943	63,744,831	69,019,930	92,988,091	27,054,559	14,064,584	14,488,733
48 Compensation of officers	460,623	1,780,848	1,445,728	854,518	282,542	238,580	319,859	538,634
49 Repairs	1,458,810	830,430	927,399	561,000	1,414,115	149,904	381,463	123,888
50 Bad debts	88,478	169,223	270,716	290,074	200,523	36,249	40,114	60,441
51 Rent paid on business property	379,879	621,364	1,107,403	944,241	626,246	39,049	245,419	213,022
52 Taxes paid	1,341,930	2,007,315	3,328,718	2,888,255	3,336,378	1,067,273	690,391	580,464
53 Interest paid	1,533,639	882,883	2,251,292	2,015,947	2,955,184	520,187	213,776	344,030
54 Contributions or gifts	25,718	60,656	91,339	65,734	100,081	18,887	24,014	14,196
55 Amortization	22,002	10,743	48,034	11,454	3,892	4,821	7,754	8,855
56 Depreciation	1,807,131	1,775,941	4,218,124	3,309,730	3,849,488	888,723	756,049	381,762
57 Depletion	279,340	16,388	47,366	144,908	*5,139	12,934	*1,004	*3,485
58 Advertising	214,990	521,666	777,199	1,368,959	767,715	187,371	557,241	384,883
59 Pension, profit-sharing, stock bonus, and annuity plans	982,174	876,526	1,908,820	1,581,253	2,858,884	688,706	435,313	164,894
60 Employee benefit programs	667,984	651,257	1,316,580	1,158,989	3,464,141	555,038	240,800	167,316
61 Net loss, noncapital assets	7,455	24,826	12,972	10,175	43,104	11,812	1,604	5,653
62 Other deductions	4,317,325	8,007,587	20,538,908	15,153,023	9,061,860	4,198,248	4,669,407	2,964,654
63 Total receipts less total deductions	2,463,796	5,593,363	11,767,843	8,328,039	10,794,384	1,911,728	2,751,838	1,517,178
64 Constructive taxable income from related foreign corporations	128,960	126,458	1,365,447	308,174	1,079,794	115,096	137,239	33,060
65 Net income (line 63 plus 64 minus 36)	2,584,391	5,712,551	13,098,594	8,477,796	11,856,377	2,021,643	2,881,757	1,544,633
66 Income subject to tax	2,299,123	5,333,785	12,517,842	7,966,303	11,751,594	1,870,011	2,791,670	1,345,463
67 Income tax, total	1,079,683	2,413,620	5,894,683	3,730,008	5,632,078	877,184	1,314,897	604,561
68 Normal tax, surtax, and alternative tax	1,057,716	2,404,521	5,865,865	3,703,916	5,617,198	873,182	1,311,544	603,038
69 Tax from recomputing prior-year investment credit	3,168	8,741	25,332	19,958	14,857	3,619	3,125	1,427
70 Tax from recomputing prior-year work incentive (WIN) credit	*1	*39	*11	—	1	—	—	—
71 Additional tax for tax preferences	18,798	319	3,475	6,134	*22	383	228	*96
72 Foreign tax credit	160,215	173,249	1,624,031	704,168	1,228,566	88,958	202,475	41,822
73 U.S. possessions tax credit	391	8,466	11,061	126,742	7,302	—	35,951	17,185
74 Investment credit	155,095	191,408	374,862	367,848	411,810	88,221	80,284	36,098
75 Work incentive (WIN) credit	252	945	523	1,091	3,203	434	213	232
76 New jobs credit	17,143	86,062	64,429	57,439	14,043	10,964	18,623	24,102
77 Distributions to stockholders:								
78 Cash and property except in own stock	899,728	848,207	3,372,921	1,815,281	2,805,376	451,099	584,867	181,528
79 Corporation's own stock	57,964	51,110	90,106	61,233	*5,331	141,239	29,693	26,034

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

RETURNS WITH NET INCOME

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

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

Item	Major industry—Continued								
	Transportation and public utilities				Wholesale and retail trade				
	Total	Transportation	Communication	Electric, gas, and sanitary services	Total	Total	Groceries and related products	Machinery equipment, and supplies	Miscellaneous wholesale trade
(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)	
1 Number of returns.....	52,084	39,476	6,857	5,731	443,545	189,702	14,278	35,298	120,126
2 Total assets.....	497,553,373	102,156,989	145,523,097	249,873,287	357,786,477	185,133,225	15,554,801	32,622,765	136,955,559
3 Cash.....	7,823,811	4,262,156	1,382,493	2,179,162	23,101,878	11,522,601	1,152,183	1,997,456	8,372,962
4 Notes and accounts receivable.....	35,500,280	13,241,653	9,036,163	13,222,464	98,603,143	64,645,024	5,047,519	11,097,722	48,499,783
5 Less: Allowance for bad debts.....	586,071	260,228	138,503	187,340	1,757,790	966,736	87,966	178,151	700,619
6 Inventories.....	17,426,758	3,252,337	4,300,609	9,873,812	116,257,602	53,506,299	4,402,073	11,398,254	37,705,972
7 Investments in Government obligations.....									
8 United States.....	4,878,303	1,356,453	1,702,958	1,818,892	1,068,109	607,539	86,680	47,019	473,840
9 State and local.....	223,997	195,958	23,284	4,755	227,610	158,651	22,932	13,763	121,956
10 Other current assets.....	15,959,809	4,853,570	2,903,204	8,203,035	10,909,208	5,716,102	422,153	774,871	4,519,078
11 Loans to stockholders.....	457,729	362,289	40,593	34,853	1,887,380	745,894	61,367	102,073	582,454
12 Mortgage and real estate loans.....	1,100,292	356,444	223,972	539,876	914,479	368,683	37,164	35,171	296,348
13 Other investments.....	39,167,409	13,536,823	12,334,408	13,296,178	30,469,591	20,138,234	926,505	2,681,071	16,530,658
14 Depreciable assets.....	486,127,277	89,279,533	141,874,908	254,872,936	103,697,652	38,537,351	5,078,287	6,007,373	27,451,691
15 Less: Accumulated depreciation.....	125,402,773	33,295,278	30,946,947	61,160,548	43,547,279	16,648,396	2,273,771	2,561,625	11,813,000
16 Depletable assets.....	2,298,221	185,539	13,515	2,099,167	506,082	327,352	11,627	31,894	283,831
17 Less: Accumulated depletion.....	658,027	63,976	10	594,041	187,683	105,421	3,941	12,457	89,023
18 Land.....	3,559,976	1,095,509	523,116	1,941,351	7,735,842	2,756,923	252,630	381,119	2,123,174
19 Intangible assets (amortizable).....	1,667,110	315,945	997,528	353,637	1,432,346	673,023	124,430	88,319	460,274
20 Less: Accumulated amortization.....	423,224	55,929	302,547	64,748	415,848	199,369	39,342	21,184	138,843
21 Other assets.....	8,432,496	3,538,197	1,554,353	3,339,946	6,864,065	3,349,471	334,371	740,077	2,275,023
22 Total liabilities.....	497,553,373	102,156,989	145,523,097	249,873,287	357,786,477	185,133,225	15,554,801	32,622,765	136,955,559
23 Accounts payable.....	21,175,043	7,218,676	4,285,683	9,670,684	73,762,902	43,040,989	4,031,743	5,729,022	33,280,224
24 Mortgages, notes, and bonds payable in less than one year.....	19,058,089	5,513,865	5,251,639	8,292,585	50,410,364	27,305,940	1,844,873	5,892,724	19,568,343
25 Other current liabilities.....	53,876,377	13,668,021	20,201,267	20,009,086	30,380,641	13,193,406	1,272,598	2,288,223	9,632,585
26 Loans from stockholders.....	1,198,246	646,489	266,416	285,341	7,221,815	3,106,225	350,296	627,747	2,128,180
27 Mortgages, notes, and bonds payable in one year or more.....	174,552,270	28,282,748	47,437,044	98,832,478	42,934,347	18,479,068	2,081,149	3,408,317	12,989,602
28 Other liabilities.....	19,893,179	5,146,472	2,479,932	12,266,775	9,303,067	3,619,749	441,610	425,754	2,752,385
29 Capital stock.....	78,050,899	7,389,791	19,340,278	51,320,830	25,805,734	12,995,333	991,362	2,104,702	9,899,269
30 Paid-in or capital surplus.....	45,826,635	8,303,271	18,703,579	18,819,785	14,812,352	6,882,867	515,684	894,795	5,472,388
31 Retained earnings, appropriated.....	1,315,879	558,751	211,352	545,876	2,071,998	1,292,797	79,078	117,945	1,095,774
32 Retained earnings, unappropriated.....	83,753,664	26,095,466	27,725,038	29,933,160	104,834,556	57,111,844	4,087,812	11,575,167	41,448,865
33 Less: Cost of treasury stock.....	1,149,005	666,561	379,131	103,313	3,771,299	1,894,993	141,306	441,631	1,312,056
34 Total receipts.....	301,367,276	108,952,018	70,443,070	121,972,188	1,076,112,188	559,061,334	87,398,146	67,451,610	404,211,578
35 Business receipts.....	291,568,400	104,381,930	68,656,899	118,529,571	1,054,868,513	550,075,701	86,365,934	65,707,187	398,002,580
36 Interest on Government obligations.....									
37 United States.....	150,319	73,249	31,929	45,141	85,172	47,321	4,764	6,667	35,890
38 State and local.....	19,352	13,154	2,563	3,635	27,277	15,670	1,599	2,696	11,375
39 Other interest.....	1,772,324	661,965	247,604	862,755	3,494,508	1,815,506	125,641	425,521	1,264,344
40 Rents.....	1,912,252	1,247,073	283,567	381,612	2,313,676	830,915	95,327	316,980	418,608
41 Royalties.....	194,412	96,234	69,098	20,980	184,353	63,291	5,827	6,401	51,063
42 Net short-term capital gain reduced by net long-term capital loss.....	37,949	4,553	16,857	16,539	22,459	14,202	5,159	1,884	7,159
43 Net long-term capital gain reduced by net short-term capital loss.....	777,878	404,538	64,745	308,595	783,362	401,845	29,636	40,980	331,229
44 Net gain, noncapital assets.....	727,035	584,843	43,617	98,575	525,721	292,414	20,959	82,497	188,958
45 Dividends received from domestic corporations.....	488,490	201,297	111,591	175,602	818,896	404,637	24,742	42,939	336,956
46 Dividends received from foreign corporations.....	148,809	91,694	29,893	27,222	345,029	264,325	2,135	8,052	254,138
47 Other receipts.....	3,570,056	1,191,488	884,707	1,493,861	12,643,222	4,835,507	716,423	809,806	3,309,278
48 Total deductions.....	281,130,039	103,234,425	64,202,221	113,693,393	1,041,706,847	540,388,784	86,124,025	63,177,190	391,087,569
49 Cost of sales and operations.....	180,143,476	70,704,434	32,106,276	77,332,766	827,568,638	460,987,538	76,186,967	48,933,993	335,866,578
50 Compensation of officers.....	2,134,496	1,437,598	328,148	368,750	16,887,872	8,438,876	784,528	1,773,540	5,880,806
51 Repairs.....	527,314	218,484	91,429	217,401	3,473,948	1,253,084	206,163	199,356	847,565
52 Bad debts.....	924,897	215,662	410,158	299,077	1,826,810	920,297	94,113	202,499	623,685
53 Rent paid on business property.....	5,671,990	4,180,733	972,885	518,372	13,201,457	2,989,570	429,371	466,482	2,093,717
54 Taxes paid.....	17,759,996	4,567,042	4,954,762	8,238,192	14,583,062	5,881,981	583,080	802,681	4,496,220
55 Interest paid.....	14,318,839	2,456,620	3,741,978	8,120,241	7,902,822	3,722,940	329,113	682,400	2,711,427
56 Contributions or gifts.....	152,563	39,811	57,595	55,057	281,828	129,133	17,351	21,388	90,394
57 Amortization.....	196,397	73,766	19,801	102,830	73,320	24,286	1,872	3,455	18,959
58 Depreciation.....	25,256,850	5,445,934	10,109,515	9,701,401	9,250,210	3,598,329	460,979	738,756	2,398,597
59 Depletion.....	259,042	53,975	232	204,835	69,866	48,180	282	4,585	43,313
60 Advertising.....	1,113,229	555,274	441,491	116,464	9,336,558	2,092,340	183,501	283,359	1,625,480
61 Pension, profit-sharing, stock bonus, and annuity plans.....	5,317,715	1,429,179	2,740,516	1,148,200	3,421,147	1,664,179	194,846	295,382	1,173,951
62 Employee benefit programs.....	2,883,569	977,792	1,182,207	523,570	2,250,270	893,437	130,876	172,410	590,049
63 Net loss, noncapital assets.....	91,875	14,489	7,224	70,162	69,299	27,739	2,930	4,637	20,172
64 Other deductions.....	24,577,791	10,863,532	7,038,004	6,676,252	131,509,720	47,716,875	6,517,954	8,592,267	32,606,654
65 Total receipts less total deductions.....	20,237,237	5,717,593	6,240,849	8,278,795	34,405,341	18,672,550	1,274,121	4,274,420	13,124,009
66 Constructive taxable income from related foreign corporations.....	86,986	35,065	28,623	23,298	719,741	643,376	1,360	13,373	628,643
67 Net income (line 63 plus 64 minus 36).....	20,304,811	5,739,504	6,266,909	8,298,458	35,097,805	19,300,256	1,273,882	4,285,097	13,741,277
68 Income subject to tax.....	18,892,706	4,882,951	5,987,743	8,022,012	25,618,892	12,389,110	1,024,113	2,321,294	9,043,703
69 Income tax, total.....	8,869,246	2,179,070	2,890,140	3,800,030	10,539,954	5,132,417	431,404	936,702	3,764,311
70 Normal tax, surtax, and alternative tax.....	8,769,636	2,154,838	2,839,768	3,775,036	10,481,276	5,101,154	428,833	926,248	3,746,073
71 Tax from recomputing prior-year investment credit.....	78,806	13,955	50,155	15,696	53,040	26,959	2,501	9,858	14,600
72 Tax from recomputing prior-year work incentive (WIN) credit.....	1,337	1,337	—	—	326	*308	(1)	*301	*7
73 Additional tax for tax preferences.....	18,467	8,940	217	9,310	5,312	3,996	*70	295	3,631
74 Foreign tax credit.....	147,967	83,051	40,140	24,776	604,147	511,949	1,917	15,107	494,925
75 U.S. possessions tax credit.....	21,618	146	21,443	29	6,887	1,892	368	105	1,419
76 Investment credit.....	4,143,315	971,905	1,376,977	1,794,433	826,490	319,104	41,602	66,585	210,917
77 Work incentive (WIN) credit.....	512	282	108	122	5,788	3,477	228	660	2,589
78 New jobs credit.....	70,723	55,620	6,482	8,621	474,527	183,840	20,269	34,352	129,219
79 Distributions to stockholders.....									
80 Cash and property except in own stock.....	11,411,318	1,164,308	3,768,435	6,478,575	6,732,712	4,348,222	194,012	1,402,378	2,751,832
81 Corporation's own stock.....	133,966	44,893	145,860	43,213	377,702	206,979	17,271	47,909	141,799

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

RETURNS WITH NET INCOME

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

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

Item	Major industry—Continued									
	Wholesale and retail trade—Continued									
	Retail trade									
	Total	Building materials, garden supplies, and mobile home dealers	General merchandise stores	Food stores	Automotive dealers and service stations	Apparel and accessory stores	Furniture and home furnishings stores	Eating and drinking places	Miscellaneous retail stores	Wholesale and retail trade not allocable
(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)	(52)	
1 Number of returns.....	272,463	26,539	7,934	19,841	49,832	25,882	22,386	47,489	72,580	1,380
2 Total assets.....	172,223,321	13,420,587	48,171,998	21,180,150	34,146,717	8,775,139	8,586,477	12,779,761	25,182,512	409,931
3 Cash	11,536,512	916,411	1,583,572	1,534,018	2,284,495	1,097,864	771,205	1,304,406	2,044,541	42,765
4 Notes and accounts receivable	33,858,535	3,465,632	15,366,361	1,380,083	4,772,227	1,430,838	2,393,390	748,113	4,281,891	99,584
5 Less: Allowance for bad debts	789,741	103,007	216,303	16,060	117,217	32,121	81,094	13,296	210,643	1,313
6 Inventories	62,578,938	5,365,189	13,978,718	6,921,265	18,545,936	3,551,900	3,428,835	804,251	9,982,844	172,365
7 Investments in Government obligations										
8 United States	460,570	15,326	55,965	174,148	50,522	48,688	*2,278	81,585	32,058	—
9 State and local	68,959	*4,007	*7,407	*12,231	*15,635	*10,219	*12,383	6,336	—	—
10 Other current assets	5,187,198	291,844	1,136,824	727,544	953,494	399,371	211,361	542,313	924,427	5,908
11 Loans to stockholders	1,130,914	61,538	120,073	96,831	177,047	162,600	74,748	181,352	256,725	*10,572
12 Mortgage and real estate loans	545,790	79,010	180,853	29,928	72,278	12,169	11,182	71,073	89,297	6
13 Other investments	10,307,978	563,780	3,832,361	1,850,818	831,413	550,036	319,504	855,704	1,504,364	23,379
14 Depreciable assets	65,084,217	3,889,271	16,389,322	12,864,606	8,481,671	2,318,645	1,947,242	10,382,595	8,810,865	76,084
15 Less: Accumulated depreciation	26,868,079	1,824,494	6,336,170	5,461,255	3,494,710	1,067,328	821,492	3,894,411	3,968,219	30,804
16 Depletable assets	178,730	11,535	*9,874	*6,086	6,261	(*)	*2,173	*7,312	135,489	—
17 Less: Accumulated depletion	82,262	*1,163	*5,877	*3,555	*1,709	(*)	*932	*4,441	64,575	—
18 Land	4,976,744	464,771	1,283,860	654,826	994,376	100,868	176,550	820,701	480,990	*2,175
19 Intangible assets (amortizable)	759,290	22,358	54,189	42,288	38,204	53,166	24,965	359,076	164,024	*123
20 Less: Accumulated amortization	216,479	9,080	9,249	18,201	16,538	14,900	8,743	83,375	56,399	(*)
21 Other assets	3,505,507	207,639	720,218	363,561	568,224	147,708	125,246	604,420	768,491	9,087
22 Total liabilities.....	172,223,321	13,420,587	48,171,998	21,160,150	34,146,717	8,775,139	8,586,477	12,779,761	25,182,512	409,931
23 Accounts payable	30,631,089	2,174,202	11,409,386	4,659,065	3,241,153	1,583,820	1,372,544	1,260,928	4,929,991	90,824
24 Mortgages, notes, and bonds payable in less than one year	23,032,064	1,650,557	2,205,498	707,442	14,051,938	471,776	952,749	769,643	2,222,461	72,360
25 Other current liabilities	17,154,719	1,107,210	6,517,489	2,230,188	2,362,790	843,697	809,611	1,141,712	2,142,022	32,516
26 Loans from stockholders	4,103,815	438,773	463,083	259,075	884,312	288,183	299,052	559,468	911,869	*11,775
27 Mortgages, notes, and bonds payable in one year or more	24,394,651	1,719,673	5,818,021	4,266,913	3,484,714	789,936	1,122,195	3,642,216	3,550,983	60,628
28 Other liabilities	5,679,478	240,602	3,020,747	444,929	400,360	210,835	404,755	361,738	575,512	3,840
29 Capital stock	12,781,980	1,337,857	2,530,560	1,385,321	2,688,703	904,243	794,189	1,045,758	2,095,349	28,421
30 Paid-in or capital surplus	7,908,339	440,563	2,550,164	1,354,553	496,210	455,531	660,392	1,405,314	2,050,314	21,146
31 Retained earnings, appropriated	776,613	55,378	224,270	59,223	93,119	33,622	120,921	49,526	140,554	*2,588
32 Retained earnings, unappropriated	47,631,011	4,441,134	13,610,479	5,968,333	6,871,489	3,318,881	2,490,629	3,230,315	7,699,751	91,701
33 Less: Cost of treasury stock	1,870,438	185,382	177,699	174,892	448,071	125,385	125,780	141,935	491,299	*5,868
34 Total receipts.....	515,682,698	34,202,810	88,038,814	109,888,220	143,713,380	22,185,145	18,577,853	31,737,077	67,369,399	1,358,156
35 Business receipts	503,464,447	33,543,366	83,175,036	108,751,943	141,488,875	21,626,050	17,940,603	30,834,119	66,104,455	1,328,365
36 Interest on Government obligations										
37 United States	37,851	1,147	8,996	10,866	4,657	3,602	947	4,350	3,286	—
38 State and local	11,594	897	734	1,434	611	1,190	584	4,419	1,725	13
39 Other interest	1,675,057	124,476	404,953	100,820	628,524	89,455	117,836	59,733	149,260	3,945
40 Rents	1,481,751	90,910	367,252	200,772	322,226	50,139	56,659	182,516	191,277	*1,010
41 Royalties	121,062	534	*1,019	9,376	10,236	*434	*370	90,700	8,393	—
42 Nat short-term capital gain reduced by net long-term capital loss	8,257	738	50	258	1,996	*933	*329	1,254	2,699	—
43 Net long-term capital gain reduced by net short-term capital loss	381,356	50,444	55,531	44,440	86,988	15,858	10,520	64,573	53,002	*161
44 Net gain, noncapital assets	233,062	27,364	13,552	34,356	70,777	5,429	9,509	34,421	37,652	*245
45 Dividends received from domestic corporations	413,229	10,288	271,147	10,578	11,908	82,342	4,507	9,822	12,637	*1,030
46 Dividends received from foreign corporations	80,704	*20	*65,167	*8,741	525	*220	172	*224	*5,635	—
47 Other receipts	7,784,328	352,626	3,655,377	714,634	1,086,057	289,493	435,817	450,946	799,378	23,387
48 Total deductions.....	498,990,368	32,650,517	84,578,385	107,952,384	141,412,731	20,866,003	17,740,149	30,079,741	64,710,478	1,327,695
49 Cost of sales and operations	365,558,516	24,758,128	53,409,250	84,149,056	120,258,691	12,743,154	11,205,974	13,375,250	45,659,013	1,022,584
50 Compensation of officers	8,417,326	948,933	342,097	60,675	2,089,021	672,193	757,375	887,220	1,979,812	31,670
51 Repairs	2,218,142	143,219	418,666	580,550	298,475	74,579	65,798	387,270	249,585	2,722
52 Bad debts	888,693	149,589	238,315	53,741	155,114	41,911	83,757	18,523	147,743	7,820
53 Rent paid on business property	10,185,229	344,649	2,168,517	1,654,953	1,099,461	1,335,449	515,115	1,508,458	1,558,627	26,658
54 Taxes paid	8,687,828	594,518	2,052,355	1,416,021	1,403,114	482,370	369,504	1,170,418	1,199,528	13,253
55 Interest paid	4,167,590	295,234	1,176,164	357,301	1,167,847	145,234	186,456	355,201	484,153	12,292
56 Contributions or gifts	152,408	11,283	49,870	19,290	20,834	12,098	7,690	8,678	22,665	287
57 Amortization	49,025	2,696	7,319	4,286	3,442	4,058	1,384	12,908	12,932	*9
58 Depreciation	5,641,279	340,556	1,174,946	1,104,873	905,445	225,635	181,483	888,112	820,229	10,602
59 Depletion	21,690	1,733	*423	*783	5,751	*1,795	*867	*464	9,874	16
60 Advertising	7,231,835	323,966	2,094,188	1,006,835	1,080,907	421,808	647,733	580,719	1,075,979	12,383
61 Pension, profit-sharing, stock bonus, and annuity plans	1,754,050	127,293	497,349	454,130	198,281	92,806	67,641	76,194	240,356	2,918
62 Employee benefit programs	1,354,751	76,197	266,638	435,205	222,689	52,875	45,893	95,104	160,150	2,082
63 Net loss, noncapital assets	40,099	1,497	3,963	4,359	7,806	1,492	2,092	12,156	6,734	*1,461
64 Other deductions	83,621,907	4,531,026	20,678,325	16,070,306	12,495,853	4,558,546	3,601,387	10,603,066	11,083,998	170,938
65 Total receipts less total deductions	15,702,330	1,552,293	3,460,429	1,935,856	2,300,649	1,299,142	837,704	1,657,336	2,658,921	30,461
66 Constructive taxable income from related foreign corporations	76,365	—	59,679	8,055	333	16	(*)	3,277	*5,005	—
67 Net income (line 63 plus 64 minus 36)	15,767,101	1,551,396	3,519,374	1,942,477	2,300,371	1,297,968	837,120	1,656,194	2,662,201	30,448
68 Income subject to tax	13,208,064	1,272,918	3,156,965	1,727,682	1,898,079	1,059,127	727,998	1,220,094	2,200,401	21,718
69 Income tax, total	5,400,326	484,698	1,483,732	764,379	677,746	420,824	244,052	469,495	855,400	7,211
70 Normal tax, surtax, and alternative tax	5,373,028	483,179	1,479,171	760,040	670,054	419,917	243,204	466,358	851,105	7,094
71 Tax from recomputing prior-year investment credit	25,964	1,510	4,456	4,167	7,195	885	839	2,816	4,096	*117
72 Tax from recomputing prior-year work incentive (WIN) credit	*18	(*)	(*)	(*)	(*)	—	(*)	—	*18	—
73 Additional tax for tax preferences	1,316	*9	*105	172	497	*22	9	*321	*181	—
74 Foreign tax credit	92,198	84	62,978	*8,427	*155	*616	12	5,030	14,896	—
75 US possessions tax credit	4,992	—	616	2,713	—	1,087	366	37	173	3
76 Investment credit	506,420	29,325	118,473	112,755	58,903	16,777	12,380	77,473	80,334	966
77 Work incentive (WIN) credit	2,311	*58	45	183	690	*169	*37	637	492	—
78 New jobs credit	290,172	30,837	17,374	29,561	87,851	18,505	13,173	51,210	41,661	*515
79 Distributions to stockholders:										
80 Cash and property except in own stock	2,381,931	121,431	832,433	306,210	151,242	333,690	53,316	193,838	289,771	*2,559
81 Corporation's own stock	170,723	*9,385	17,309	74,746	6,281	*2,171	198	*12,002	48,631	—

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

RETURNS WITH NET INCOME

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

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

Item	Major industry—Continued							
	Finance, insurance, and real estate							Holding and other investment companies, except bank holding companies
	Total	Banking	Credit agencies other than banks	Security, commodity brokers and services	Insurance	Insurance agents, brokers, and service	Real estate	
(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)	
1 Number of returns	270,542	12,828	29,848	3,457	6,128	30,406	158,872	29,203
2 Total assets	2,590,416,250	1,387,583,633	517,103,834	30,222,546	490,278,178	9,718,298	67,145,951	66,366,110
3 Cash	240,317,956	211,041,492	13,321,403	1,024,049	5,883,479	2,251,717	4,418,568	2,396,250
4 Notes and accounts receivable	760,330,969	663,289,811	54,707,089	16,017,729	12,732,242	3,778,849	6,472,865	3,334,284
5 Less: Allowance for bad debts	22,174,822	7,837,520	13,548,961	28,515	234,708	101,526	188,398	139,196
6 Inventories	4,583,122	219,339	1,403,149	*21,500	1,581,331	8,285	1,258,631	76,887
7 Investments in Government obligations								
United States	172,748,521	123,137,290	21,223,675	1,338,989	24,129,312	152,262	476,162	2,290,831
State and local	145,811,606	98,088,246	1,450,208	328,228	44,304,484	131,637	184,713	1,324,090
9 Other current assets	58,383,783	17,564,928	7,160,527	7,262,307	15,735,390	384,860	6,351,862	3,923,908
10 Loans to stockholders	3,424,296	518,867	949,332	23,858	188,381	111,106	828,288	806,366
11 Mortgage and real estate loans	616,674,732	116,158,964	398,873,321	132,138	95,516,843	58,145	3,265,662	2,569,659
12 Other investments	477,110,174	113,618,123	20,063,081	3,039,867	264,803,709	1,375,039	6,643,317	67,567,038
13 Depreciable assets	87,198,386	24,596,518	8,853,055	718,577	8,380,987	1,108,296	39,718,133	2,824,820
14 Less: Accumulated depreciation	26,971,406	5,583,223	3,230,423	246,711	1,571,155	448,376	15,218,312	673,206
15 Depletable assets	594,148	10,687	32,176	*53,887	43,601	*3,267	230,037	220,493
16 Less: Accumulated depletion	204,005	704	5,644	*11,575	21,639	*1,818	78,263	84,382
17 Land	16,886,304	2,262,765	1,698,516	47,109	617,744	82,026	11,058,562	1,119,582
18 Intangible assets (amortizable)	1,158,655	182,477	209,331	26,823	142,972	241,324	252,543	103,185
19 Less: Accumulated amortization	350,827	38,639	67,557	8,800	24,769	83,340	97,932	29,690
20 Other assets	54,894,658	30,453,912	2,909,356	481,188	18,079,974	666,545	1,571,513	732,170
21 Total liabilities	2,590,416,250	1,387,583,633	517,103,834	30,222,546	490,278,178	9,718,298	67,145,951	66,366,110
22 Accounts payable	37,592,687	3,593,243	4,658,715	11,778,847	9,727,984	4,255,083	2,378,721	1,188,084
23 Mortgages, notes, and bonds payable in less than one year	88,894,290	26,395,085	43,757,602	5,767,618	3,130,852	11,318	7,562,900	1,866,915
24 Other current liabilities	1,668,479,039	1,201,879,098	373,448,287	4,848,631	82,031,727	1,051,384	3,424,290	1,694,642
25 Loans from stockholders	7,746,710	2,580,081	793,335	81,143	1,178,049	118,938	2,510,934	484,230
26 Mortgages, notes, and bonds payable in one year or more	123,220,032	25,104,003	56,944,813	2,223,880	7,656,877	628,883	26,280,660	4,382,918
27 Other liabilities	368,222,102	31,266,723	10,882,911	1,532,221	316,834,707	297,281	3,803,842	3,604,417
28 Capital stock	53,662,004	18,349,225	4,805,930	548,063	5,064,925	548,173	6,257,556	18,088,132
29 Paid-in or capital surplus	107,075,990	29,648,406	4,651,895	1,355,168	12,165,186	664,007	3,986,155	54,584,973
30 Retained earnings, appropriated	21,038,669	6,418,247	3,675,517	15,869	8,768,484	28,885	226,836	904,831
31 Retained earnings, unappropriated	119,951,732	42,797,324	13,748,665	2,208,076	43,296,546	1,818,187	11,509,085	4,571,849
32 Less: Cost of treasury stock	5,456,805	447,902	265,036	579,159	137,870	195,831	806,028	3,024,879
33 Total receipts	366,828,819	94,493,804	50,881,161	6,473,927	168,348,898	10,074,948	27,533,009	8,925,174
34 Business receipts	188,675,902	10,807,301	12,148,057	3,089,163	136,218,144	8,665,291	15,519,195	1,228,751
Interest on Government obligations								
United States	11,573,715	8,368,729	1,476,355	158,359	1,203,989	12,885	41,334	312,064
State and local	6,701,025	4,279,399	114,432	30,265	2,185,540	16,410	15,410	55,302
Other interest	124,482,435	64,931,983	35,355,691	641,054	20,368,599	140,129	870,668	2,173,311
Rents	10,604,249	1,397,053	392,475	19,346	1,894,398	25,325	6,481,228	394,424
Royalties	536,451	8,675	4,864	*2,438	23,078	*1,291	148,767	347,338
Net short-term capital gain reduced by net long-term capital loss	228,938	22,571	10,295	33,137	37,544	*238	29,657	95,496
Net long-term capital gain reduced by net short-term capital loss	3,118,000	274,353	206,452	50,904	423,714	24,833	901,231	1,236,513
Net gain, noncapital assets	5,497,250	529,320	255,812	2,073,683	98,351	10,299	2,448,570	80,215
43 Dividends received from domestic corporations	5,559,971	593,926	70,423	64,366	2,426,600	27,147	110,834	2,266,675
44 Dividends received from foreign corporations	286,224	109,918	24,336	2,755	45,875	9,179	2,692	91,469
45 Other receipts	9,564,759	3,170,576	921,969	308,457	3,410,066	148,652	961,423	643,616
46 Total deductions	328,188,310	84,866,219	47,073,563	5,906,216	155,337,547	8,921,792	23,078,964	3,214,009
47 Cost of sales and operations	93,067,309	1,301,585	5,492,623	197,270	77,771,782	2,330,965	5,311,591	661,493
48 Compensation of officers	9,022,838	3,563,984	889,445	564,738	718,718	1,431,844	1,600,296	253,813
49 Repairs	1,208,785	439,767	168,300	15,801	77,607	24,384	461,362	21,564
50 Bad debts	5,410,271	2,831,214	2,075,685	25,539	279,067	68,523	92,296	37,947
51 Rent paid on business property	4,570,343	1,721,563	428,535	228,636	1,152,308	254,784	725,558	58,595
52 Taxes paid	9,477,276	2,408,762	878,601	196,723	3,653,609	273,508	1,881,952	184,121
53 Interest paid	82,501,307	47,217,845	28,696,281	612,880	2,748,604	91,902	2,659,885	473,910
54 Contributions or gifts	266,313	108,514	32,163	6,648	73,348	8,391	28,664	7,564
55 Amortization	106,774	33,763	14,670	4,294	19,197	14,347	15,544	4,959
56 Depreciation	6,608,751	2,717,392	725,422	86,037	1,117,631	148,091	1,705,188	108,990
57 Depletion	91,095	3,375	1,410	10,918	7,752	*57	12,316	55,267
58 Advertising	2,491,492	800,181	580,912	70,756	402,706	78,673	544,721	13,543
59 Pension, profit-sharing, stock bonus, and annuity plans	3,038,143	1,048,728	276,119	110,782	1,216,527	222,338	128,046	34,603
60 Employee benefit programs	1,281,117	582,351	140,578	44,660	332,487	93,232	68,697	18,112
61 Net loss, noncapital assets	189,127	124,570	22,014	6,996	12,926	2,639	20,309	5,973
62 Other deductions	108,867,369	18,762,625	6,650,785	3,729,837	65,753,278	3,877,114	7,820,539	1,273,191
63 Total receipts less total deductions	38,630,609	9,627,585	3,907,598	567,711	13,009,351	1,153,154	4,454,045	5,711,165
64 Constructive taxable income from related foreign corporations	127,522	42,120	19,507	1,867	29,492	10,460	*259	23,823
65 Net income (line 63 plus 64 minus 36)	32,057,106	5,590,306	3,812,673	539,313	10,843,303	1,153,837	4,437,888	5,678,686
66 Income subject to tax	21,317,724	4,828,430	3,525,744	429,988	7,548,364	882,073	3,171,754	931,371
67 Income tax, total	9,299,771	2,152,854	1,629,689	187,956	3,555,207	339,973	1,089,475	344,617
68 Normal tax, surtax, and alternative tax	9,203,788	2,130,630	1,576,980	187,593	3,548,523	338,848	1,080,617	339,497
69 Tax from recomputing prior-year investment credit	31,792	13,923	6,371	326	4,960	1,011	4,290	911
70 Tax from recomputing prior-year work incentive (WIN) credit	21	(*)	21	—	—	—	(*)	—
71 Additional tax for tax preferences	64,170	8,301	46,317	*37	724	*14	4,568	4,209
72 Foreign tax credit	867,372	586,838	36,221	4,021	183,897	10,026	3,057	43,312
73 U.S. possessions tax credit	5,127	—	4,557	196	—	—	374	—
74 Investment credit	512,804	259,749	58,846	11,122	118,143	14,347	43,086	7,511
75 Work incentive (WIN) credit	655	178	27	*1	157	*1	198	*92
76 New jobs credit	126,760	49,623	20,582	3,143	14,657	12,139	24,147	2,469
Distributions to stockholders								
Cash and property except in own stock	10,831,032	2,728,156	584,383	98,548	1,794,412	216,477	755,441	4,641,614
Corporation's own stock	644,677	391,386	13,275	*18,907	76,005	*3,884	14,886	126,334

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

RETURNS WITH NET INCOME

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

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

Item	Major industry—Continued							
	Total	Hotels and other lodging places	Personal services	Services			Other services	Nature of business not allocable
				Business services	Auto repair, miscellaneous repair services	Amusement and recreation services		
(61)	(62)	(63)	(64)	(65)	(66)	(67)	(68)	
1 Number of returns	312,594	6,482	24,094	75,812	38,888	21,895	142,423	1,430
2 Total assets	89,219,705	10,117,252	4,370,135	27,575,812	11,216,818	15,486,897	20,452,791	553,908
3 Cash	9,102,468	591,726	571,500	3,041,415	807,739	1,194,781	2,895,307	60,247
4 Notes and accounts receivable	16,787,062	683,865	828,281	7,950,694	1,857,846	1,580,895	3,885,481	121,076
5 Less: Allowance for bad debts	483,799	46,389	20,290	129,833	36,090	91,181	160,016	2,483
6 Inventories	4,238,162	151,519	294,011	1,022,639	831,106	1,102,264	836,623	129,835
Investments in Government obligations:								
7 United States	575,102	20,442	*5,851	177,860	*78,694	143,927	148,328	5,490
8 State and local	599,574	*10,509	*45,876	444,110	*4,419	31,706	62,954	2,485
9 Other current assets	5,247,884	410,572	183,472	1,638,252	325,637	1,665,855	1,024,096	20,966
10 Loans to stockholders	1,064,199	101,471	62,815	253,666	67,680	90,965	487,602	*9,752
11 Mortgage and real estate loans	1,419,316	180,094	21,173	280,363	29,701	738,478	169,507	*5,065
12 Other investments	9,572,144	1,377,908	284,038	3,679,058	421,552	2,007,758	1,801,830	39,835
13 Depreciable assets	56,448,251	8,437,492	3,357,346	13,616,457	9,919,910	9,441,444	11,675,612	232,517
14 Less: Accumulated depreciation	23,659,349	3,205,586	1,777,021	6,201,551	3,836,535	4,411,758	4,226,898	111,251
15 Depletable assets	143,462	*19,595	*7,610	35,277	*24,377	*15,908	40,695	*2,625
16 Less: Accumulated depletion	43,462	*158	*498	23,120	*9,053	*5,591	5,042	*990
17 Land	3,792,698	913,015	216,110	462,346	429,627	944,054	827,546	21,020
18 Intangible assets (amortizable)	1,376,519	101,973	63,645	359,694	65,922	520,831	264,454	1,339
19 Less: Accumulated amortization	632,851	34,122	18,647	89,150	20,967	363,270	106,695	515
20 Other assets	3,672,315	403,326	244,863	1,057,635	255,253	879,831	831,407	16,895
21 Total liabilities	89,219,705	10,117,252	4,370,135	27,575,812	11,216,818	15,486,897	20,452,791	553,908
22 Accounts payable	8,727,677	437,358	331,514	3,960,075	1,177,114	1,121,293	1,700,323	87,867
23 Mortgages, notes, and bonds payable in less than one year	9,521,361	524,079	363,566	3,448,606	1,754,692	1,669,124	1,761,294	62,770
24 Other current liabilities	10,751,187	625,316	484,610	3,746,339	1,123,756	2,357,325	2,413,841	68,830
25 Loans from stockholders	2,479,770	294,000	140,835	540,628	251,024	488,298	784,985	*16,061
26 Mortgages, notes, and bonds payable in one year or more	22,525,589	4,535,287	798,552	5,356,267	3,556,809	2,988,442	5,290,232	76,646
27 Other liabilities	3,428,573	358,608	121,895	940,825	313,613	692,083	1,001,559	14,170
28 Capital stock	6,747,136	870,173	471,176	1,650,040	584,551	1,641,337	1,529,859	49,810
29 Paid-in or capital surplus	6,783,286	857,390	133,930	2,415,721	366,375	1,465,234	1,544,636	22,487
30 Retained earnings, appropriated	305,647	42,403	5,262	90,724	26,106	50,514	90,638	*6,867
31 Retained earnings, unappropriated	19,546,652	1,764,976	1,621,854	6,000,463	2,160,936	3,197,630	4,800,793	151,947
32 Less: Cost of treasury stock	1,597,173	192,338	103,049	573,876	98,158	184,383	445,369	*3,547
33 Total receipts	147,110,723	8,965,668	7,932,622	46,484,544	15,456,013	17,749,780	50,512,096	1,510,937
34 Business receipts	141,166,744	8,225,178	7,685,489	44,663,930	14,846,683	16,444,630	49,300,834	1,484,005
Interest on Government obligations:								
35 United States	40,620	1,585	477	17,318	3,657	5,737	11,846	*492
36 State and local	27,163	5,772	2,950	9,166	*239	2,163	6,873	*818
37 Other interest	910,803	72,516	41,276	324,728	93,352	185,495	193,436	5,780
38 Rents	1,210,516	149,362	42,415	459,991	199,774	177,437	181,537	3,110
39 Royalties	458,548	80,529	20,464	15,529	*11,502	316,364	14,160	*228
40 Net short-term capital gain reduced by net long-term capital loss	22,785	9,446	*1,182	4,814	*288	5,557	1,498	—
41 Net long-term capital gain reduced by net short-term capital loss	456,738	97,332	21,337	101,296	17,914	118,078	100,781	1,689
42 Net gain, noncapital assets	341,116	27,478	20,184	95,520	120,195	33,169	44,570	*943
43 Dividends received from domestic corporations	174,311	30,046	12,493	56,162	6,132	45,275	24,243	*89
44 Dividends received from foreign corporations	65,757	*3,341	3,983	40,711	*5,777	7,250	4,695	—
45 Other receipts	2,235,622	263,123	80,372	705,379	150,500	408,625	627,623	13,783
46 Total deductions	137,879,494	8,273,126	7,394,374	43,447,516	14,617,230	16,295,391	47,851,857	1,443,343
47 Cost of sales and operations	70,674,922	4,007,879	3,850,763	26,041,420	8,217,482	8,391,295	20,166,083	1,088,174
48 Compensation of officers	14,586,176	176,310	488,305	2,728,738	833,390	674,777	9,684,656	35,402
49 Repairs	1,311,623	204,247	103,181	321,261	227,417	203,207	252,310	8,645
50 Bad debts	447,093	41,326	27,594	133,407	48,902	42,289	153,575	2,147
51 Rent paid on business property	5,037,013	562,603	348,959	1,291,915	495,641	575,656	1,762,239	20,807
52 Taxes paid	4,833,328	491,393	302,556	1,314,903	513,875	619,938	1,590,663	20,090
53 Interest paid	2,665,338	408,552	108,475	680,016	470,891	399,585	597,819	10,558
54 Contributions or gifts	74,890	4,201	4,348	21,980	3,597	12,189	28,575	160
55 Amortization	80,506	4,555	6,339	34,080	2,317	20,273	12,942	186
56 Depreciation	6,752,455	498,692	343,303	1,721,451	1,563,784	1,583,176	1,042,049	20,081
57 Depletion	6,313	81	*165	1,643	*236	*901	3,287	*180
58 Advertising	1,437,096	204,186	134,067	323,694	140,184	462,645	172,320	20,964
59 Pension, profit-sharing, stock bonus, and annuity plans	3,001,670	27,287	51,794	513,692	66,204	156,105	2,186,588	7,098
60 Employee benefit programs	911,451	56,011	35,878	272,019	75,704	73,329	398,510	3,765
61 Net loss, noncapital assets	45,140	6,826	1,602	16,241	5,544	6,940	7,987	*61
62 Other deductions	26,014,480	1,578,977	1,587,045	8,031,056	1,952,062	3,073,086	9,792,254	205,025
63 Total receipts less total deductions	9,231,229	692,542	538,248	3,047,028	838,783	1,454,389	2,660,239	67,594
64 Constructive taxable income from related foreign corporations	76,546	1,231	2,926	30,589	2,038	25,030	14,732	—
65 Net income (line 63 plus 64 minus 36)	9,280,612	688,001	538,224	3,068,451	840,582	1,477,256	2,668,098	66,776
66 Income subject to tax	6,880,410	479,269	388,654	2,347,596	674,742	1,142,961	1,847,188	39,429
67 Income tax, total	2,582,052	201,430	143,727	922,046	242,842	489,814	582,193	15,218
68 Normal tax, surtax, and alternative tax	2,555,357	199,976	142,246	912,569	237,349	486,101	577,116	15,130
69 Tax from recomputing prior-year investment credit	24,896	988	1,448	9,325	5,478	3,221	4,436	*88
70 Tax from recomputing prior-year work incentive (WIN) credit	*156	—	—	—	—	—	*156	—
71 Additional tax for tax preferences	1,643	466	*33	152	*15	492	485	—
72 Foreign tax credit	124,879	*3,287	4,767	50,568	*4,272	48,678	13,307	—
73 U.S. possessions tax credit	2,537	61	—	1,956	257	102	161	253
74 Investment credit	426,663	22,328	19,474	136,676	59,524	95,923	92,738	1,686
75 Work incentive (WIN) credit	2,059	*102	*31	1,529	*164	*78	155	—
76 New jobs credit	193,152	5,886	7,345	80,184	22,932	8,736	68,069	*1,221
Distributions to stockholders:								
77 Cash and property except in own stock	1,277,916	114,741	78,679	419,637	63,727	226,793	374,339	*6,596
78 Corporation's own stock	133,623	*3,927	*2,260	15,713	*7,027	*79,274	25,422	46

*Estimate should be used with caution because of the small number of sample returns on which it is based
Less than \$500 per return

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Item	Total returns of active corporations	Size of total assets				
		Zero assets	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000
	(1)	(2)	(3)	(4)	(5)	(6)
1 Number of returns.....	2,241,887	57,304	1,203,784	424,848	235,472	144,421
2 Total assets.....	5,326,388,281	—	41,219,373	88,123,746	82,983,397	101,024,944
3 Cash.....	361,549,924	—	7,108,662	8,847,740	9,086,081	9,469,515
4 Notes and accounts receivable.....	1,337,902,515	—	6,297,312	12,453,161	16,767,018	22,717,992
5 Less: Allowance for bad debts.....	34,345,449	—	119,046	165,107	253,648	512,778
6 Inventories.....	396,032,639	—	6,163,327	11,703,589	16,080,721	22,094,709
7 Investments in Government obligations.....						
8 United States.....	216,176,700	—	47,274	218,147	209,498	417,148
9 State and local.....	164,364,130	—	15,132	80,506	89,145	178,177
10 Other current assets.....	181,373,300	—	1,719,049	3,004,757	3,729,091	4,547,939
11 Loans to stockholders.....	14,380,704	—	1,506,458	1,592,435	1,096,477	1,099,196
12 Mortgage and real estate loans.....	661,272,988	—	487,300	960,104	1,145,559	1,182,599
13 Other investments.....	820,704,826	—	1,517,216	3,041,745	4,180,550	5,312,349
14 Depreciable assets.....	1,536,011,959	—	25,614,037	36,347,513	40,580,735	46,205,018
15 Less: Accumulated depreciation.....	576,129,137	—	13,234,195	17,668,192	19,125,755	21,379,812
16 Depletable assets.....	51,790,975	—	141,543	159,834	235,794	404,592
17 Less: Accumulated depletion.....	20,706,628	—	48,013	71,553	49,987	121,728
18 Land.....	73,887,346	—	1,997,819	5,081,364	6,501,889	6,575,535
19 Intangible assets (amortizable).....	15,908,335	—	560,040	548,677	556,502	568,396
20 Less: Accumulated amortization.....	4,953,776	—	236,679	190,099	178,846	196,908
21 Other assets.....	131,167,930	—	1,682,137	2,179,125	2,332,573	2,463,005
22 Total liabilities.....	5,326,388,281	—	41,219,373	88,123,746	82,983,397	101,024,944
23 Accounts payable.....	346,521,170	—	6,448,498	10,308,446	12,391,506	16,804,308
24 Mortgages, notes, and bonds payable in less than one year.....	319,805,729	—	5,191,846	7,933,350	10,804,515	15,175,696
25 Other current liabilities.....	2,062,786,447	—	3,877,255	4,920,290	5,948,607	7,511,119
26 Loans from stockholders.....	47,328,015	—	7,359,868	6,121,922	4,799,341	4,247,820
27 Mortgages, notes, and bonds payable in one year or more.....	694,119,251	—	7,498,906	12,832,179	16,569,000	20,000,727
28 Other liabilities.....	504,857,804	—	1,801,137	1,764,796	2,301,841	2,852,679
29 Capital stock.....	286,775,916	—	10,246,296	10,370,136	10,407,975	10,062,972
30 Paid-in or capital surplus.....	353,452,174	—	2,532,753	3,021,738	3,059,271	4,289,156
31 Retained earnings, appropriated.....	36,677,846	—	179,700	256,463	415,219	526,323
32 Retained earnings, unappropriated.....	700,698,279	—	2,679,779	12,152,046	18,025,504	21,856,937
33 Less: Cost of treasury stock.....	26,623,350	—	1,237,107	1,557,620	1,739,376	2,102,793
34 Total receipts.....	4,128,304,478	32,722,983	148,104,796	157,060,205	177,876,515	221,900,085
35 Business receipts.....	3,813,925,121	27,203,465	145,262,079	152,774,626	172,264,275	215,073,752
36 Interest on Government obligations.....						
37 United States.....	14,356,996	219,076	52,354	15,805	23,994	37,551
38 State and local.....	7,820,906	30,646	4,435	6,572	10,592	21,639
39 Other interest.....	154,491,738	3,549,655	294,198	454,258	619,314	752,390
40 Rents.....	32,638,084	372,012	1,117,264	1,527,696	1,975,571	1,681,448
41 Royalties.....	6,135,428	54,091	123,620	109,147	81,025	100,096
42 Net short-term capital gain reduced by net long-term capital loss.....	521,410	22,910	32,283	20,375	24,909	23,481
43 Net long-term capital gain reduced by net short-term capital loss.....	11,916,138	175,669	353,153	340,970	423,472	516,616
44 Net gain, noncapital assets.....	11,169,250	245,102	341,022	380,921	504,499	574,859
45 Dividends received from domestic corporations.....	13,932,345	59,076	24,684	56,045	78,917	109,149
46 Dividends received from foreign corporations.....	8,275,849	33,593	*629	7,551	4,475	8,682
47 Other receipts.....	53,121,213	757,688	1,499,075	1,366,249	1,965,472	2,190,422
48 Total deductions.....	3,908,781,721	31,609,837	147,688,377	152,832,132	173,304,367	215,124,102
49 Cost of sales and operations.....	2,725,009,554	18,945,520	79,262,835	100,064,547	121,586,354	160,406,105
50 Compensation of officers.....	73,793,066	393,574	18,709,594	10,462,354	8,387,732	7,840,649
51 Repairs.....	30,158,253	187,247	936,064	1,085,026	1,207,679	1,174,535
52 Bad debts.....	14,249,343	199,007	290,022	352,472	504,615	604,683
53 Rent paid on business property.....	50,019,434	473,783	5,079,957	3,507,032	2,965,257	2,512,840
54 Taxes paid.....	104,282,166	700,019	4,347,171	4,217,339	4,267,867	4,707,592
55 Interest paid.....	152,865,323	3,548,548	1,159,230	1,724,548	2,291,747	2,745,283
56 Contributions or gifts.....	1,789,747	11,652	28,751	30,246	43,038	59,399
57 Amortization.....	981,002	12,645	43,730	33,545	33,834	31,631
58 Depreciation.....	106,972,692	715,394	2,778,840	3,221,876	3,446,229	3,863,388
59 Depletion.....	5,658,877	44,420	23,734	31,311	34,536	59,966
60 Advertising.....	35,298,210	351,471	1,394,902	1,239,791	1,275,746	1,485,035
61 Pension, profit-sharing, stock bonus, and annuity plans.....	36,463,699	153,339	2,227,914	962,358	886,556	1,098,603
62 Employee benefit programs.....	23,498,403	152,082	583,217	495,434	624,835	742,596
63 Net loss, noncapital assets.....	1,618,022	50,320	116,948	75,108	67,131	69,189
64 Other deductions.....	546,123,930	5,670,816	30,705,468	25,329,145	25,681,211	27,722,611
65 Total receipts less total deductions.....	219,522,757	1,113,146	1,416,419	4,228,073	4,672,148	5,965,983
66 Constructive taxable income from related foreign corporations.....	7,541,192	9,895	—	—	*461	*14,877
67 Net income (less deficit) (line 63 plus 64 minus 36).....	219,243,043	1,092,395	1,411,984	4,221,501	4,662,017	5,959,221
68 Net income.....	245,274,490	2,061,716	5,208,894	6,593,536	6,718,032	7,793,415
69 Deficit.....	26,031,447	969,321	3,796,910	2,372,035	2,056,015	1,834,194
70 Income subject to tax.....	212,501,782	1,228,950	2,705,789	4,455,187	4,755,577	5,970,008
71 Income tax, total.....	96,340,453	556,591	557,262	1,059,658	1,306,177	2,022,315
72 Normal tax, surtax, and alternative tax.....	95,627,563	536,782	551,143	1,048,790	1,291,066	2,000,105
73 Tax from recomputing prior-year investment credit.....	445,735	15,573	5,706	9,074	13,303	18,579
74 Tax from recomputing prior-year work incentive (WIN) credit.....	3,839	177	—	*156	(*)	114
75 Additional tax for tax preferences.....	263,316	4,059	*413	1,638	1,808	3,517
76 Foreign tax credit.....	26,006,028	68,419	(*)	3,200	306	11,441
77 U.S. possessions tax credit.....	837,687	4,553	30	459	1,710	5,165
78 Investment credit.....	11,038,404	28,155	88,366	155,508	204,760	260,828
79 Work incentive (WIN) credit.....	19,327	8	*581	1,229	1,428	2,784
80 New jobs credit.....	1,703,838	6,141	76,855	167,375	166,245	236,440
Distributions to stockholders.....						
81 Cash and property except in own stock.....	61,536,761	1,257,465	1,013,476	897,492	831,852	823,229
82 Corporation's own stock.....	2,675,787	*10,269	*7,511	8,516	27,071	34,672

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Item	Size of total assets—Continued						
	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 or more
	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1 Number of returns.....	129,577	18,026	13,628	6,524	3,788	2,530	2,205
2 Total assets.....	266,175,302	126,144,710	215,313,474	228,377,700	263,902,329	389,510,842	3,543,813,464
3 Cash.....	20,318,940	8,698,451	14,476,102	14,183,897	13,777,138	17,950,414	237,632,984
4 Notes and accounts receivable.....	62,571,246	34,228,973	70,150,481	73,199,672	69,322,126	78,898,234	891,296,300
5 Less: Allowance for bad debts.....	1,320,345	689,919	1,562,353	2,186,699	3,073,708	5,024,891	19,436,955
6 Inventories.....	58,697,993	20,916,646	23,187,671	16,170,084	17,846,812	25,665,181	177,505,906
Investments in Government obligations							
7 United States.....	2,812,335	5,109,412	14,980,997	16,157,722	17,064,948	21,905,834	137,253,285
8 State and local.....	1,133,725	2,532,826	9,477,095	12,482,741	13,234,237	15,630,454	109,510,092
9 Other current assets.....	13,426,559	6,012,736	8,089,734	7,277,718	8,567,603	13,060,279	111,937,835
10 Loans to stockholders.....	1,810,356	403,643	436,293	362,134	426,178	880,703	4,766,831
11 Mortgage and real estate loans.....	4,299,281	5,192,289	18,049,331	36,009,004	62,555,802	106,713,124	424,678,595
12 Other investments.....	18,169,830	10,278,518	19,484,941	21,585,917	28,952,534	52,767,569	654,413,657
13 Depreciable assets.....	112,466,749	44,323,729	49,513,835	39,404,671	43,057,063	74,410,142	1,024,088,467
14 Less: Accumulated depreciation.....	49,940,611	18,753,409	20,650,724	15,496,451	16,841,456	29,165,473	353,873,059
15 Depletable assets.....	1,007,848	561,829	1,120,588	1,201,244	875,347	2,819,553	43,262,803
16 Less: Accumulated depletion.....	238,523	179,562	300,552	397,535	204,510	848,476	18,246,189
17 Land.....	13,485,612	4,115,064	4,331,626	3,395,483	3,303,794	4,483,172	20,615,988
18 Intangible assets (amortizable).....	1,556,984	790,830	869,264	869,106	841,862	1,042,768	7,703,906
19 Less: Accumulated amortization.....	604,370	268,077	251,811	224,700	234,078	261,163	2,307,045
20 Other assets.....	6,521,693	2,870,731	3,910,956	4,383,692	4,430,637	7,583,318	82,810,063
21 Total liabilities.....	266,175,302	126,144,710	215,313,474	228,377,700	263,902,329	389,510,842	3,543,813,464
22 Accounts payable.....	42,580,745	15,150,674	11,418,857	12,391,770	12,391,770	17,275,707	185,798,781
23 Mortgages, notes, and bonds payable in less than one year.....	43,137,910	14,959,348	17,678,975	14,417,976	15,252,445	17,195,221	158,058,447
24 Other current liabilities.....	26,824,560	29,724,181	91,745,287	120,087,453	141,359,695	198,678,853	1,432,109,147
25 Loans from stockholders.....	6,288,430	1,634,008	1,225,435	783,357	1,143,384	1,294,981	12,429,469
26 Mortgages, notes, and bonds payable in one year or more.....	51,510,459	20,912,371	23,784,314	22,286,430	24,569,658	39,154,150	455,001,057
27 Other liabilities.....	9,415,653	5,196,424	9,194,008	10,326,301	12,496,796	24,405,703	425,102,466
28 Capital stock.....	20,995,079	8,314,676	12,328,449	9,559,245	10,199,032	15,459,114	168,832,942
29 Paid-in or capital surplus.....	12,664,586	7,473,836	12,590,015	14,390,509	19,312,645	32,297,924	241,819,741
30 Retained earnings, appropriated.....	1,654,835	759,656	1,226,100	1,402,822	1,562,909	2,572,405	26,121,620
31 Retained earnings, unappropriated.....	55,319,265	23,410,525	30,923,941	25,067,551	27,028,675	42,901,843	446,681,771
32 Less: Cost of treasury stock.....	4,216,220	1,391,893	1,533,724	1,362,601	1,414,880	1,725,149	8,341,987
33 Total receipts.....	537,523,559	181,890,359	198,660,957	149,633,255	160,759,837	235,561,727	1,926,320,200
34 Business receipts.....	521,314,708	174,621,907	185,309,993	135,082,422	143,840,915	210,580,341	1,730,596,638
Interest on Government obligations							
35 United States.....	194,826	360,612	1,052,317	1,125,774	1,192,225	1,451,020	8,631,442
36 State and local.....	80,222	126,386	439,357	574,046	579,800	698,479	5,248,732
37 Other interest.....	2,586,011	2,079,288	6,078,823	8,244,258	9,955,491	14,595,664	105,282,388
38 Rents.....	3,676,131	1,223,725	1,320,999	1,079,467	985,047	1,227,523	16,451,211
39 Royalties.....	274,000	127,248	149,948	157,566	239,884	413,580	4,305,223
40 Net short-term capital gain reduced by net long-term capital loss.....	73,161	20,139	18,377	22,549	29,402	29,923	203,901
41 Net long-term capital gain reduced by net short-term capital loss.....	1,231,240	482,452	590,247	423,743	576,718	921,708	5,880,150
42 Net gain, noncapital assets.....	1,641,308	437,937	638,086	401,007	598,946	629,300	4,776,263
43 Dividends received from domestic corporations.....	504,807	284,749	438,946	450,495	611,775	1,134,419	10,179,283
44 Dividends received from foreign corporations.....	33,539	30,262	67,448	108,218	140,746	349,270	7,491,436
45 Other receipts.....	5,913,660	2,095,616	2,556,416	1,963,710	2,008,888	3,630,500	27,273,533
46 Total deductions.....	521,277,497	174,877,199	189,282,102	141,568,304	152,449,789	222,149,321	1,786,818,694
47 Cost of sales and operations.....	402,101,882	134,351,484	140,714,498	100,165,860	107,351,706	152,674,313	1,207,384,450
48 Compensation of officers.....	12,091,386	2,759,318	2,562,625	1,575,829	1,406,541	1,598,539	6,004,925
49 Repairs.....	2,539,713	814,126	953,661	782,763	854,243	1,583,638	18,039,558
50 Bad debts.....	1,313,987	490,278	741,422	651,945	840,216	1,245,499	7,015,197
51 Rent paid on business property.....	5,536,385	1,657,250	2,084,826	1,529,781	1,683,341	2,800,267	20,188,715
52 Taxes paid.....	10,111,664	3,429,723	4,066,833	3,347,718	3,569,501	5,488,253	56,028,489
53 Interest paid.....	7,394,798	3,338,659	6,193,160	7,285,925	8,793,690	12,749,624	95,640,111
54 Contributions or gifts.....	191,337	78,672	102,103	75,925	74,374	113,353	980,897
55 Amortization.....	96,085	52,292	48,054	38,752	33,052	82,940	474,442
56 Depreciation.....	9,313,940	3,463,309	3,876,521	2,931,053	3,187,010	5,184,246	64,990,886
57 Depletion.....	193,689	144,341	194,926	163,022	141,278	312,015	4,315,639
58 Advertising.....	3,490,923	1,351,531	1,548,856	1,393,006	1,542,158	2,516,985	17,707,806
59 Pension, profit-sharing, stock bonus, and annuity plans.....	2,508,039	892,012	1,050,779	812,110	1,031,806	1,690,281	23,149,902
60 Employee benefit programs.....	1,851,202	664,116	844,069	697,555	831,209	1,374,462	14,637,626
61 Net loss, noncapital assets.....	175,055	98,546	116,968	98,652	104,218	157,906	487,981
62 Other deductions.....	62,367,412	21,291,542	24,182,801	20,018,408	21,005,446	32,577,000	249,572,070
63 Total receipts less total deductions.....	16,246,062	7,013,160	9,378,855	8,064,951	8,310,048	13,412,406	139,701,506
64 Constructive taxable income from related foreign corporations.....	16,394	18,268	50,544	85,049	98,462	281,978	6,965,264
65 Net income (less deficit) (line 63 plus 64 minus 36).....	16,182,234	6,905,042	8,990,042	7,575,954	7,828,710	12,995,905	141,418,038
66 Net income.....	20,311,712	8,375,711	10,533,919	8,602,753	8,787,348	14,442,039	145,845,415
67 Deficit.....	4,129,478	1,470,669	1,543,877	1,026,799	958,638	1,446,134	4,427,377
68 Income subject to tax.....	16,385,373	6,934,617	8,634,617	7,151,555	7,270,627	11,944,951	135,064,928
69 Income tax, total.....	6,924,809	3,164,891	4,002,694	3,352,767	3,417,816	5,648,277	64,327,196
70 Normal tax, surtax, and alternative tax.....	6,861,930	3,140,633	3,967,919	3,323,637	3,385,334	5,600,929	63,919,295
71 Tax from recomputing prior-year investment credit.....	48,653	17,318	21,345	15,549	16,911	23,347	240,377
72 Tax from recomputing prior-year work incentive (WIN) credit.....	420	(1)	1,450	1,480	1	31	10
73 Additional tax for tax preferences.....	13,806	6,940	11,980	12,101	15,570	23,970	167,514
74 Foreign tax credit.....	33,224	28,495	83,457	142,468	152,280	371,973	25,110,765
75 U.S. possessions tax credit.....	42,099	55,741	108,792	138,748	90,765	209,570	180,055
76 Investment credit.....	635,225	246,957	285,735	238,688	277,029	465,384	8,151,769
77 Work incentive (WIN) credit.....	3,130	831	2,259	420	354	392	5,911
78 New jobs credit.....	536,400	159,903	129,698	66,905	47,629	43,126	67,121
Distributions to stockholders							
79 Cash and property except in own stock.....	2,343,291	1,163,705	1,876,682	1,728,574	1,857,173	4,104,242	43,639,580
80 Corporation's own stock.....	192,922	86,126	140,686	164,846	303,604	392,031	1,307,533

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

† Less than \$500 per return

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

RETURNS WITH NET INCOME

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

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

	Item	Total returns with net income	Size of total assets				
			Zero assets	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000
		(1)	(2)	(3)	(4)	(5)	(6)
1	Number of returns.....	1,424,528	23,818	682,524	306,601	178,955	112,722
2	Total assets.....	4,780,953,657	—	25,885,385	49,228,849	83,225,938	78,898,842
3	Cash.....	327,909,684	—	5,281,955	7,503,991	7,934,048	8,218,732
4	Notes and accounts receivable.....	1,197,204,890	—	4,080,486	9,688,101	13,676,584	18,895,351
5	Less Allowance for bad debts.....	30,823,906	—	56,898	125,041	203,228	398,154
6	Inventories.....	343,739,824	—	3,634,174	8,585,451	12,397,433	17,986,431
7	Investments in Government obligations.....						
8	United States.....	193,311,981	—	23,339	179,837	192,542	335,358
9	State and local.....	148,691,003	—	8,389	57,402	71,529	145,284
10	Other current assets.....	149,558,860	—	950,065	2,033,552	2,825,322	3,119,569
11	Loans to stockholders.....	11,194,332	—	1,015,117	1,173,720	815,194	789,272
12	Mortgage and real estate loans.....	623,078,874	—	345,083	668,800	856,571	828,491
13	Other investments.....	761,315,839	—	1,008,762	2,280,079	3,271,918	4,284,558
14	Depreciable assets.....	1,331,288,855	—	15,259,378	25,071,196	30,274,995	35,031,404
15	Less Accumulated depreciation.....	498,143,435	—	7,989,451	12,833,823	14,877,490	18,746,518
16	Depletable assets.....	47,109,215	—	97,551	56,481	144,708	284,968
17	Less Accumulated depletion.....	19,546,199	—	33,108	13,641	22,652	98,854
18	Land.....	53,105,357	—	1,103,232	2,993,014	4,174,934	4,358,881
19	Intangible assets (amortizable).....	13,250,372	—	275,275	373,233	374,069	364,532
20	Less Accumulated amortization.....	4,163,815	—	129,348	135,095	119,714	134,453
21	Other assets.....	111,771,836	—	990,384	1,471,192	1,639,163	1,675,994
21	Total liabilities.....	4,760,953,557	—	25,885,385	49,228,849	83,225,938	78,898,842
22	Accounts payable.....	293,135,980	—	3,555,695	7,062,518	8,209,497	12,874,812
23	Mortgages, notes, and bonds payable in less than one year.....	250,386,951	—	2,582,363	4,498,490	6,996,909	10,799,605
24	Other current liabilities.....	1,890,236,168	—	2,253,475	3,629,165	4,699,223	6,054,098
25	Loans from stockholders.....	30,402,780	—	2,789,553	3,224,240	2,845,456	2,675,185
26	Mortgages, notes, and bonds payable in one year or more.....	569,727,884	—	3,451,463	7,158,913	10,186,978	12,749,355
27	Other liabilities.....	470,816,284	—	984,474	1,159,487	1,662,506	2,010,647
28	Capital stock.....	243,302,233	—	5,331,663	6,990,324	7,323,739	7,405,146
29	Paid-in or capital surplus.....	299,431,561	—	1,133,978	1,767,524	1,739,941	2,312,250
30	Retained earnings, appropriated.....	34,236,795	—	115,232	201,376	373,414	457,516
31	Retained earnings, unappropriated.....	701,814,679	—	4,468,272	14,692,413	19,601,094	23,144,868
32	Less: Cost of treasury stock.....	22,537,758	—	780,781	1,155,811	1,412,821	1,614,840
33	Total receipts.....	3,855,771,492	23,445,685	102,037,428	124,520,927	146,992,045	187,513,534
34	Business receipts.....	3,373,574,060	18,711,667	99,427,363	121,195,286	142,380,044	182,667,806
35	Interest on Government obligations.....						
36	United States.....	12,884,220	169,957	49,810	13,367	20,612	33,407
37	State and local.....	7,122,248	19,592	4,245	5,049	9,675	18,674
38	Other interest.....	141,402,795	2,418,861	230,886	366,693	506,045	629,805
39	Rents.....	27,527,975	215,256	700,565	1,195,800	1,519,348	1,318,185
40	Royalties.....	5,780,335	41,242	104,014	99,993	74,701	75,275
41	Net short-term capital gain reduced by net long-term capital loss.....	408,835	20,891	8,637	14,878	21,379	19,745
42	Net long-term capital gain reduced by net short-term capital loss.....	10,983,133	169,069	302,172	290,564	384,082	452,355
43	Net gain, noncapital assets.....	8,991,078	164,070	266,717	298,921	419,978	423,482
44	Dividends received from domestic corporations.....	13,283,898	40,911	21,793	51,620	76,022	100,130
45	Dividends received from foreign corporations.....	8,129,935	32,603	628	7,507	4,475	7,879
46	Other receipts.....	45,702,980	441,576	920,598	981,249	1,575,684	1,766,791
46	Total deductions.....	3,410,844,090	21,373,774	96,624,289	117,922,342	140,284,799	179,716,322
47	Cost of sales and operations.....	2,381,959,274	14,005,921	51,708,901	77,705,258	99,192,770	135,497,960
48	Compensation of officers.....	61,209,878	242,001	13,695,903	8,607,585	7,177,678	6,867,958
49	Repairs.....	24,366,197	139,414	582,501	722,105	811,288	911,499
50	Bad debts.....	11,398,186	122,223	150,728	244,138	336,372	459,237
51	Rent paid on business property.....	41,389,768	338,076	3,172,707	2,633,162	2,332,220	2,004,903
52	Taxes paid.....	91,752,483	498,461	2,838,141	3,228,440	3,460,172	3,891,347
53	Interest paid.....	131,864,600	1,971,421	582,031	1,032,234	1,438,917	1,905,925
54	Contributions or gifts.....	1,764,329	7,825	26,847	27,737	40,994	58,292
55	Amortization.....	737,856	8,053	16,420	22,747	19,627	18,193
56	Depreciation.....	93,028,592	423,335	1,677,687	2,294,573	2,603,673	3,029,544
57	Depletion.....	5,102,672	28,532	17,427	23,226	30,943	52,299
58	Advertising.....	31,046,890	242,861	856,363	916,309	1,000,348	1,110,203
59	Pension, profit-sharing, stock bonus, and annuity plans.....	33,004,950	108,743	1,765,770	849,196	802,142	1,030,811
60	Employee benefit programs.....	20,732,923	113,720	401,853	391,899	501,169	608,878
61	Net loss, noncapital assets.....	712,678	3,918	13,281	13,507	17,858	19,690
62	Other deductions.....	470,772,814	3,119,270	19,319,729	19,210,226	20,398,628	22,249,583
63	Total receipts less total deductions.....	244,927,402	2,071,911	5,213,139	6,598,585	6,727,246	7,797,212
64	Constructive taxable income from related foreign corporations.....	7,469,338	9,397	—	—	*461	*14,877
65	Net income (line 63 plus 64 minus 36).....	245,274,490	2,061,716	5,208,894	6,583,536	6,718,032	7,793,415
66	Income subject to tax.....	212,501,231	1,228,946	2,705,789	4,455,183	4,755,571	5,970,006
67	Income tax, total.....	96,267,089	553,885	554,826	1,058,669	1,303,489	2,019,151
68	Normal tax, surtax, and alternative tax.....	85,627,421	536,781	551,143	1,048,789	1,291,065	2,000,105
69	Tax from recomputing prior-year investment credit.....	408,350	12,889	3,270	8,086	10,616	15,595
70	Tax from recomputing prior-year work incentive (WIN) credit.....	3,836	177	—	*156	*(1)	114
71	Additional tax for tax preferences.....	227,482	3,938	*413	1,638	1,808	3,337
72	Foreign tax credit.....	26,006,028	68,419	*(1)	3,200	306	11,441
73	U.S. possessions tax credit.....	837,687	4,553	30	459	1,710	5,185
74	Investment credit.....	11,038,314	28,155	88,366	155,508	204,760	260,828
75	Work incentive (WIN) credit.....	19,327	8	*581	1,229	1,428	2,784
76	New jobs credit.....	1,703,813	6,141	76,855	167,375	166,245	236,440
77	Distributions to stockholders.....						
78	Cash and property except in own stock.....	58,891,858	1,072,957	840,944	861,056	774,592	792,273
79	Corporation's own stock.....	2,489,269	*10,268	*6,008	8,433	25,581	34,552

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

RETURNS WITH NET INCOME

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

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

Item	Size of total assets—Continued						
	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 or more
	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1 Number of returns.....	102,202	14,332	11,422	5,715	3,303	2,172	1,962
2 Total assets.....	208,773,401	100,348,571	181,495,380	200,180,952	229,708,329	334,621,083	3,288,587,229
3 Cash.....	17,507,634	7,278,048	12,687,463	12,730,602	12,185,659	15,418,509	221,165,053
4 Notes and accounts receivable.....	52,424,093	28,545,013	61,282,931	65,293,802	60,804,796	65,967,860	816,545,863
5 Less Allowance for bad debts.....	1,026,882	554,363	1,284,254	1,950,686	2,731,139	4,362,693	17,932,570
6 Inventories.....	49,358,901	17,826,592	19,388,150	13,720,680	15,311,957	22,452,007	163,078,048
7 Investments in Government obligations.....							
8 United States.....	2,326,206	4,540,787	13,415,556	14,608,595	15,297,861	19,012,396	123,379,486
9 State and local.....	904,155	2,253,200	8,578,808	11,389,394	11,886,444	13,271,178	101,124,220
10 Other current assets.....	9,635,557	4,359,721	6,188,128	5,862,286	6,825,212	10,700,528	97,258,920
11 Loans to stockholders.....	1,275,639	301,648	294,195	304,548	298,009	577,592	4,369,398
12 Mortgage and real estate loans.....	3,005,824	4,495,581	16,608,137	34,042,449	59,039,145	99,698,334	404,392,459
13 Other investments.....	13,624,573	7,678,405	15,732,301	17,927,591	23,461,708	45,856,443	626,207,505
14 Depreciable assets.....	85,129,074	33,264,405	38,706,064	32,390,984	34,769,827	60,261,785	941,129,743
15 Less Accumulated depreciation.....	39,436,084	14,752,507	16,745,441	13,022,614	14,142,301	24,542,390	324,275,018
16 Depletable assets.....	615,244	366,214	765,258	858,435	700,663	1,455,083	41,764,612
17 Less Accumulated depletion.....	180,008	139,587	237,357	288,871	169,912	408,652	17,953,557
18 Land.....	8,611,178	2,649,751	2,954,413	2,543,168	2,416,605	3,245,534	18,054,847
19 Intangible assets (amortizable).....	997,209	490,192	571,541	682,664	690,621	930,623	7,500,413
20 Less Accumulated amortization.....	454,758	181,381	175,733	179,612	193,724	235,026	2,224,971
21 Other assets.....	4,455,846	1,926,852	2,765,220	3,267,537	3,256,898	5,319,972	85,002,778
22 Total liabilities.....	208,773,401	100,348,571	181,495,380	200,180,952	229,708,329	334,621,083	3,288,587,229
23 Accounts payable.....	33,990,050	12,231,463	12,883,463	9,368,401	9,832,238	14,507,199	167,620,644
24 Mortgages, notes, and bonds payable in less than one year.....	31,562,120	11,035,396	12,991,957	10,892,724	11,167,882	11,468,701	136,390,804
25 Other current liabilities.....	21,398,409	25,084,507	82,531,744	110,395,867	130,071,973	178,146,045	1,325,971,662
26 Loans from stockholders.....	3,779,247	771,555	750,278	517,981	681,149	906,455	11,461,681
27 Mortgages, notes, and bonds payable in one year or more.....	32,879,773	12,811,467	15,666,837	16,159,943	17,515,010	28,644,083	412,504,062
28 Other liabilities.....	6,309,829	3,321,810	6,621,758	7,974,008	10,008,656	19,495,983	411,267,116
29 Capital stock.....	15,504,976	6,321,655	9,994,116	7,746,194	8,417,346	12,297,789	155,939,285
30 Paid-in or capital surplus.....	7,436,956	4,487,086	8,830,892	11,422,524	15,292,253	25,542,008	219,466,151
31 Retained earnings, appropriated.....	1,373,027	674,070	1,047,284	1,277,029	1,375,844	2,345,496	24,996,507
32 Retained earnings, unappropriated.....	57,975,979	24,752,292	31,490,552	25,555,284	26,586,857	42,827,428	430,719,640
33 Less Cost of treasury stock.....	3,436,965	1,142,730	1,313,501	1,129,003	1,240,879	1,560,104	7,750,323
34 Total receipts.....	462,846,768	158,158,262	168,746,280	130,316,881	139,686,805	205,636,723	1,806,069,790
35 Business receipts.....	449,579,293	152,127,048	157,363,147	117,448,666	124,730,722	184,125,098	1,622,817,920
36 Interest on Government obligations.....							
37 United States.....	161,800	323,788	951,957	1,024,284	1,086,121	1,271,636	7,777,481
38 State and local.....	61,292	102,888	395,145	528,033	514,916	594,900	4,867,839
39 Other interest.....	2,105,279	1,782,865	5,434,649	7,506,383	9,063,178	12,940,435	98,417,716
40 Rents.....	2,761,903	926,024	954,383	810,804	678,470	869,126	15,578,111
41 Royalties.....	243,155	104,828	125,390	126,013	209,306	373,962	4,202,456
42 Net short-term capital gain reduced by net long-term capital loss.....	65,280	18,361	4,262	14,941	26,549	27,428	156,944
43 Net long-term capital gain reduced by net short-term capital loss.....	1,075,271	401,796	516,313	376,699	533,087	831,706	5,650,019
44 Dividends received from domestic corporations.....	1,350,808	343,168	530,121	341,101	493,649	482,837	3,876,226
45 Dividends received from foreign corporations.....	457,001	254,673	395,520	415,502	553,595	1,057,987	9,839,144
46 Other receipts.....	30,108	24,074	61,924	103,670	133,397	337,798	7,385,872
47 Total deductions.....	442,288,849	149,696,411	157,865,724	121,270,550	130,479,041	190,876,185	1,662,265,804
48 Cost of sales and operations.....	344,968,752	116,571,723	118,195,000	86,274,220	92,241,874	132,108,337	1,123,488,558
49 Compensation of officers.....	10,592,611	2,393,530	2,208,097	1,385,221	1,221,207	1,374,853	5,443,234
50 Repairs.....	2,041,650	657,685	789,410	677,997	734,161	1,306,956	14,891,531
51 Bad debts.....	936,671	335,684	494,274	504,934	635,123	893,871	6,284,931
52 Rent paid on business property.....	4,446,024	1,315,868	1,697,597	1,299,178	1,430,824	2,384,125	18,335,084
53 Taxes paid.....	8,367,624	2,884,000	3,437,606	2,973,729	3,016,573	4,789,254	52,369,136
54 Interest paid.....	5,181,805	2,478,946	5,017,857	6,301,194	7,610,519	8,232,362	87,520,389
55 Contributions or gifts.....	186,265	77,494	100,342	75,871	74,135	108,524	980,003
56 Amortization.....	54,936	36,482	25,868	32,877	24,370	50,253	428,030
57 Depreciation.....	7,258,683	2,723,004	3,081,915	2,430,924	2,607,837	4,315,460	60,581,957
58 Depletion.....	168,987	111,932	171,907	138,372	117,592	248,410	3,993,045
59 Advertising.....	2,856,977	1,121,541	1,317,456	1,211,355	1,357,131	2,176,985	16,879,361
60 Pension, profit-sharing, stock bonus, and annuity plans.....	2,300,507	815,892	952,876	739,723	922,810	1,496,393	21,220,087
61 Employee benefit programs.....	1,490,556	545,499	705,544	599,863	716,432	1,198,856	13,458,655
62 Net loss, noncapital assets.....	60,873	27,762	29,065	47,724	44,915	58,622	375,462
63 Other deductions.....	51,375,928	17,599,369	19,640,910	16,577,368	17,723,538	27,541,924	236,016,341
64 Total receipts less total deductions.....	20,557,919	8,461,751	10,880,556	9,046,331	9,207,764	14,760,538	143,803,986
65 Constructive taxable income from related foreign corporations.....	15,085	16,384	48,508	84,455	94,500	276,401	6,909,268
66 Net income (line 63 plus 64 minus 36).....	20,311,712	8,375,711	10,533,919	8,602,753	8,787,348	14,442,039	145,845,415
67 Income subject to tax.....	16,385,340	6,934,143	8,634,617	7,151,555	7,270,627	11,944,833	135,064,621
68 Income tax, total.....	6,916,943	3,162,115	3,997,940	3,350,572	3,414,863	5,643,651	64,290,985
69 Normal tax, surtax, and alternative tax.....	6,861,923	3,140,616	3,967,919	3,323,637	3,385,334	5,600,886	63,919,223
70 Tax from recomputing prior-year investment credit.....	41,357	14,937	17,317	13,757	15,241	21,704	233,481
71 Tax from recomputing prior-year work incentive (WIN) credit.....	420	(1)	1,450	1,480	1	31	7
72 Additional tax for tax preferences.....	13,243	5,662	11,254	11,698	14,287	21,030	138,274
73 Foreign tax credit.....	33,224	28,495	83,457	142,468	152,280	371,973	25,110,765
74 U.S. possessions tax credit.....	42,099	55,741	108,792	138,748	90,765	209,570	1,800,055
75 Investment credit.....	635,225	246,956	285,735	238,688	277,029	465,366	8,151,698
76 Work incentive (WIN) credit.....	3,130	831	2,259	420	354	392	5,911
77 New jobs credit.....	536,400	159,903	129,698	66,905	47,629	43,101	67,121
78 Distributions to stockholders.....							
79 Cash and property except in own stock.....	2,230,319	1,135,685	1,811,188	1,651,552	1,772,794	3,905,754	42,042,544
80 Corporation's own stock.....	188,499	83,263	129,947	159,112	280,772	351,066	1,211,767

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

† Less than \$500 per return.

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

RETURNS OF ACTIVE CORPORATIONS

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

Major industry, item	Size of total assets										\$1,000,000 or more		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)		(11)	(12)
Total returns of active corporations													
All Industries													
Number of returns	2,241,887	57,304	1,203,764	424,648	235,472	144,421	129,577	18,026	13,628	6,524	3,788	2,530	2,205
Total assets	5,326,389,281	—	41,219,373	68,123,746	82,983,397	101,024,944	126,144,710	126,144,710	13,628	228,377,700	263,902,320	389,510,842	3,549,619,464
Notes and accounts receivable, net	1,303,587,066	—	6,178,266	12,288,054	16,513,370	22,205,214	33,539,504	33,539,504	58,588,128	71,012,973	79,102,973	117,872,345	1,771,873,345
Inventories	396,032,639	—	6,163,327	11,703,589	10,080,721	22,034,709	20,916,646	20,916,646	23,187,571	16,170,894	17,846,912	25,665,181	87,505,906
Cash, Government obligations, and other current assets	923,464,034	—	8,890,117	12,510,815	13,113,815	14,612,779	16,612,779	16,612,779	23,553,428	50,102,078	52,643,925	68,547,081	596,324,196
Other investments and loans	1,496,358,518	—	3,510,974	5,594,284	6,422,986	7,584,144	24,279,467	15,874,450	37,970,565	57,957,075	91,934,514	161,361,396	1,083,859,083
Depreciable assets	1,536,011,959	—	25,814,037	36,347,513	40,580,735	46,205,018	24,279,467	44,323,729	49,513,835	39,404,671	43,934,063	74,410,142	1,024,068,467
Less: Accumulated depreciation	576,129,137	—	13,234,195	17,668,192	19,125,755	21,379,812	11,246,674	18,750,724	20,560,724	15,486,451	16,841,456	29,165,473	353,873,059
Other capital assets less reserves	115,936,257	—	2,414,710	5,528,223	7,065,362	7,228,887	15,207,551	5,020,084	5,769,115	4,843,598	4,582,413	7,235,854	51,029,463
Accounts and notes payable	666,326,839	—	11,840,344	18,247,796	23,398,021	31,760,004	26,824,556	30,110,926	33,926,649	25,866,853	27,546,413	34,471,018	343,857,238
Other current liabilities	2,062,786,457	—	3,877,255	4,920,290	5,948,607	7,511,119	26,824,556	29,774,361	91,745,287	120,087,453	141,359,693	196,617,863	1,422,109,147
Mortgages, notes, and bonds payable in one year or more	694,119,251	—	7,498,906	12,832,179	16,668,279	20,000,727	51,510,459	20,912,371	23,784,314	22,286,430	24,569,658	39,154,150	455,001,057
Net worth	1,350,970,865	500,845	9,041,863	24,242,763	30,168,587	34,632,595	86,415,517	38,564,781	55,534,781	58,588,128	61,506,137	81,506,137	875,111,087
Cost of property used for investment credit	1,684,722,101	—	3,220,779	4,083,754	4,511,466	5,137,023	14,143,517	4,733,789	5,699,174	3,886,445	4,079,860	5,600,402	112,435,047
Total receipts	4,128,304,478	32,722,983	149,104,796	157,080,205	177,976,515	221,090,085	537,523,553	181,890,359	198,660,957	149,633,253	160,759,637	235,561,727	1,926,320,200
Business receipts	3,613,925,121	18,945,463	145,262,079	152,774,626	172,284,273	215,073,752	521,314,708	174,621,907	185,309,993	135,062,422	143,840,915	210,580,341	1,730,596,638
Cost of sales and operations	2,725,009,534	16,945,320	79,262,835	100,064,347	121,586,354	160,406,105	402,101,882	134,351,484	140,714,498	100,165,860	107,351,706	152,674,313	1,207,384,450
Taxes paid	154,282,196	600,018	4,271,339	4,271,339	4,261,967	4,707,589	10,111,568	3,428,723	4,066,633	3,347,716	3,369,501	5,486,253	95,620,489
Interest paid	152,865,353	3,548,168	1,159,200	1,278,458	1,291,974	1,402,283	7,394,336	3,336,659	6,193,160	2,825,923	2,793,650	12,749,624	96,600,111
Depreciation	108,972,692	715,394	2,778,840	3,221,876	3,446,229	3,863,368	9,313,006	3,669,521	2,931,053	2,931,053	3,167,010	5,184,246	64,990,886
Pension, profit-sharing, stock bonus, and annuity plans	36,463,699	153,339	1,533,339	982,358	886,956	1,098,603	2,508,039	892,012	1,050,779	812,110	1,031,806	1,690,281	23,149,902
Employee benefit programs	23,498,403	102,982	983,217	495,434	624,835	742,596	1,851,202	664,116	844,069	697,555	831,209	1,374,462	14,637,626
Net income (less deficit)	219,243,043	1,092,393	1,411,984	4,221,501	4,862,017	5,959,221	16,182,234	6,905,402	8,990,042	7,575,954	7,828,710	12,995,905	141,418,038
Net income	245,274,490	2,061,716	5,208,884	6,593,536	7,160,032	7,793,414	20,317,712	8,375,711	10,533,919	8,602,753	8,767,348	14,442,039	145,845,415
Income subject to tax	212,501,782	1,228,950	2,705,789	4,455,187	4,753,577	5,000,008	16,363,712	6,934,220	8,634,617	7,151,553	7,270,627	13,644,951	135,064,928
Income tax, total	96,340,453	536,591	557,262	1,059,658	1,306,177	2,022,313	6,824,809	3,164,881	4,002,694	3,352,767	3,417,876	5,648,277	64,327,196
Additional tax for tax preferences	263,314	4,059	413	1,538	1,808	3,517	13,808	6,940	11,980	12,101	15,570	23,970	167,514
Foreign tax credit	26,006,028	68,419	3,200	3,200	306	11,441	33,224	28,495	83,457	142,468	152,280	371,973	25,110,765
U.S. possessions tax credit	837,687	4,553	30	459	1,710	5,165	42,099	55,741	108,792	138,748	90,765	209,570	180,055
Investment credit	11,038,404	28,155	86,368	155,508	204,760	260,828	635,225	246,957	285,735	238,688	277,029	485,384	8,151,769
Work incentive (WIN) credit	19,327	8	581	1,428	1,229	2,784	3,130	831	2,259	420	354	392	5,911
New jobs credit	1,703,838	6,141	76,858	167,375	166,245	236,440	536,400	159,903	129,698	66,905	47,629	131,176	67,121
Distributions to stockholders except in own stock	61,536,761	1,257,465	1,013,476	897,492	831,852	823,229	2,343,291	1,876,682	1,876,682	1,728,574	1,857,173	4,104,242	43,639,580
Agriculture, Forestry, and Fishing													
Total of returns	65,594	1,520	24,360	15,308	12,551	6,954	4,496	267	95	23	9	8	3
Total assets	28,902,259	—	958,152	2,541,760	4,450,670	4,815,296	6,536,915	1,435,179	1,435,179	727,243	598,085	1,254,964	1,786,532
Notes and accounts receivable, net	2,548,012	—	58,773	134,859	247,600	269,197	303,400	214,357	233,691	106,963	87,755	181,047	206,170
Inventories	2,838,025	—	50,333	136,312	322,962	421,101	971,147	270,658	183,276	79,921	70,420	192,654	137,121
Cash, Government obligations, and other current assets	2,749,895	—	157,125	316,276	367,577	357,331	755,504	135,006	135,006	36,203	36,203	175,681	203,266
Other investments and loans	3,001,748	—	47,631	166,946	392,666	858,860	187,484	174,101	108,984	107,502	107,502	288,277	316,330
Depreciable assets	16,853,654	—	921,437	2,076,489	2,980,936	2,858,863	4,454,926	800,484	687,891	339,024	345,420	355,879	1,031,985
Less: Accumulated depreciation	7,479,742	—	472,865	1,014,156	1,387,332	1,931,628	284,200	303,973	284,200	125,470	123,689	124,269	477,458
Other capital assets less reserves	7,035,254	—	157,681	671,224	1,385,748	1,498,597	2,318,851	442,037	249,025	107,745	121,956	121,956	19,737
Accounts and notes payable	6,778,369	—	216,646	671,857	910,940	987,028	2,344,296	512,749	456,905	189,454	129,321	206,933	143,250
Other current liabilities	1,331,156	—	32,459	70,497	94,795	159,913	300,957	68,483	99,845	45,644	37,737	204,879	215,947
Mortgages, notes, and bonds payable in one year or more	9,175,057	—	197,489	627,582	1,406,155	1,636,768	4,273,431	569,202	427,431	247,328	255,625	192,195	588,533
Net worth	8,927,574	18,919	75,734	768,927	1,603,810	1,543,395	2,143,602	496,208	380,025	205,415	144,129	601,710	765,618
Cost of property used for investment credit	1,967,523	—	166,417	271,994	390,027	363,713	469,255	80,413	72,563	34,519	38,476	32,628	49,199
Total receipts	95,907,867	1,720,554	2,324,589	2,973,776	4,080,574	4,475,407	10,030,439	2,300,038	1,979,569	979,934	1,238,870	976,574	2,624,573
Business receipts	33,930,272	1,650,460	2,226,997	2,915,625	4,066,597	4,866,597	9,466,649	2,868,198	2,868,198	1,508,030	1,508,030	907,627	2,694,521
Cost of sales and operations	24,703,444	1,276,660	1,382,520	2,563,732	3,563,732	3,563,732	7,459,649	1,786,482	1,816,583	763,795	1,023,982	697,938	1,739,573
Taxes paid	1,895,344	12,751	60,625	92,918	127,368	179,829	480,597	139,450	30,450	23,206	30,450	38,400	72,319
Interest paid	1,100,868	33,917	48,405	96,811	157,605	177,944	351,482	58,128	54,910	26,344	26,344	31,734	33,876
Depreciation	1,474,026	26,653	110,513	193,216	277,150	257,547	377,164	61,916	50,386	19,888	32,024	24,147	43,422
Pension, profit-sharing, stock bonus, and annuity plans	128,788	10,472	9,982	8,855	19,115	15,409	25,705	6,911	3,590	3,590	4,800	7,191	12,363
Employee benefit programs	92,024	8,453	4,713	4,555	10,544	6,468	18,544	4,270	4,506	2,022	3,187	3,356	20,015
Net income (less deficit)	7,081,936	29,200	3,732	74,608	98,601	131,616	61,497	41,650	34,134	16,330	16,330	47,458	47,458
Net income	1,740,150	62,485	121,812	234,104	252,772	401,971	1,048,733	66,693	49,136	10,264	10,264	41,458	41,458
Income subject to tax	1,145,309	44,039	55,319	107,170	171,088	251,532	663,545	36,536	23,346	43,688	43,688	99,190	99,190
Income tax, total	401,946	19,155	11,651	23,659	34,966	54,963	159,186	36,302	23,346	17,028	17,028	46,711	20,621
Additional tax for tax preferences	—	—	—	—									

RETURNS OF ACTIVE CORPORATIONS

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

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

Major industry, item	Size of total assets												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	Total returns of active corporations	Zero assets	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 or more
Mining: Coal Mining													
Number of returns	3,836	20	948	1,138	1,138	437	707	77	61	20	18	12	5
Total assets	11,810,349	180,420	57,087	180,420	131,192	304,899	1,503,197	556,483	913,536	694,899	1,319,731	1,700,864	4,445,041
Notes and accounts receivable, net	2,126,476	20,814	6,246	20,814	11,103	38,269	219,726	69,164	115,465	75,466	107,957	130,990	420,616
Inventories	521,953	688	1,810	688	1,810	4,332	30,326	12,115	43,840	21,473	41,975	84,687	272,560
Cash, Government obligations, and other current assets	1,680,129	11,416	39,305	35,884	39,305	85,321	283,345	110,435	193,197	112,930	232,897	136,716	458,693
Other investments and loans	1,882,634	4,704	16,319	15,846	16,319	37,010	105,153	79,431	70,044	97,340	342,022	178,963	967,099
Depreciable assets	7,623,153	167,177	149,512	167,177	149,512	254,883	1,372,423	461,615	710,044	440,064	621,818	1,028,295	2,366,165
Less: Accumulated depreciation	2,975,296	56,323	16,845	56,323	16,845	107,716	615,171	244,615	402,005	190,777	257,702	329,390	738,104
Other capital assets less reserves	1,465,303	945	35,692	945	35,692	96,099	89,653	89,653	87,762	103,916	159,918	286,873	666,169
Accounts and notes payable	1,645,413	103,202	35,692	103,202	103,202	89,474	488,069	130,888	159,914	150,975	166,918	399,590	1,000,000
Other current liabilities	903,378	8,205	3,981	8,205	3,981	15,983	121,051	42,225	51,190	95,985	99,581	165,504	290,444
Mortgages, notes, and bonds payable in one year or more	3,014,725	70,016	19,992	70,016	19,992	71,476	415,998	149,546	157,929	116,099	312,208	502,647	1,173,349
Net worth	5,274,777	7,339	3,507	7,339	3,507	11,085	402,532	216,326	465,067	301,422	649,371	835,410	2,260,816
Cost of property used for investment credit	1,333,352	6,451	26,320	6,451	26,320	72,992	325,773	124,414	124,414	151,968	66,739	163,541	328,874
Total receipts	11,480,318	99,600	212,971	99,600	154,431	564,153	2,043,004	574,705	1,094,888	686,337	1,176,057	1,176,057	3,289,815
Business receipts	11,020,015	94,123	212,967	94,123	147,271	542,305	1,975,525	542,946	1,052,924	665,968	948,608	1,111,810	3,144,900
Cost of sales and operations	7,598,702	61,507	155,934	320,338	63,870	359,371	1,324,085	367,005	731,746	384,223	669,423	736,466	2,424,734
Taxes paid	431,055	2,753	7,256	17,817	22,884	66,064	66,064	21,767	38,310	46,356	32,218	33,527	135,786
Interest paid	272,930	5,557	1,219	6,815	4,678	8,303	46,208	18,537	17,810	11,555	33,356	39,800	79,092
Depreciation	813,054	13,584	9,881	32,491	18,956	43,404	191,469	49,900	80,579	84,241	85,866	168,643	400,000
Pension, profit-sharing, stock bonus, and annuity plans	94,856	324	477	—	—	836	11,518	5,787	6,173	5,866	6,173	8,727	51,094
Employee benefit programs	140,431	1,975	276	2,178	—	2,740	9,612	7,406	11,416	12,256	19,106	18,674	54,698
Net income (less deficit)	287,895	2,709	17,474	15,244	18,134	54,898	127,669	24,177	43,307	82,299	12,551	55,499	40,172
Net income (less deficit)	632,790	8,827	17,474	39,530	18,134	54,898	127,669	24,177	43,307	82,299	12,551	55,499	40,172
Income subject to tax	496,840	8,213	11,453	16,387	11,453	40,351	77,361	29,475	59,530	84,177	54,249	68,575	65,011
Income tax, total	241,408	3,935	7,772	16,387	11,453	40,351	77,361	29,475	59,530	84,177	54,249	68,575	65,011
Additional tax for tax preferences	25,192	653	1,231	1,556	4,556	17,357	36,077	14,913	26,785	40,684	22,874	33,858	35,366
Foreign tax credit	2,491	—	—	—	—	—	7	—	—	—	—	—	—
U.S. possessions tax credit	—	—	—	—	—	—	—	—	—	—	—	—	—
Investment credit	49,211	464	1,138	1,173	1,398	2,226	9,157	2,985	5,090	4,023	3,967	5,716	12,874
Work incentive (WIN) credit	—	—	—	—	—	—	—	—	—	—	—	—	—
New jobs credit	5,185	—	—	1,721	—	38	1,245	729	429	243	111	569	100
Distributions to stockholders except in own stock	228,678	500	9,440	11,385	2,511	11,799	29,881	4,613	14,902	14,699	15,889	20,194	92,865
Mining: Oil and Gas Extraction													
Number of returns	10,672	131	4,994	1,577	1,282	1,129	1,109	169	139	67	21	25	29
Total assets	57,477,734	14,386,214	199,222	255,265	471,847	820,086	2,454,236	1,156,866	2,153,469	2,346,280	1,489,606	3,741,325	42,369,532
Notes and accounts receivable, net	2,042,107	4,118	6,452	4,118	9,314	18,329	467,997	238,265	308,715	409,914	237,869	433,150	1,192,402
Inventories	4,502,251	13,643	27,478	13,643	42,916	96,766	393,776	187,593	330,192	630,948	47,167	152,832	3,583,519
Cash, Government obligations, and other current assets	25,845,181	93,060	39,060	93,060	291,585	406,579	1,322,389	892,764	944,716	1,059,492	913,068	373,932	2,462,593
Other investments and loans	8,427,003	42,073	112,056	72,743	112,056	177,412	563,809	494,047	369,592	395,387	289,845	534,944	1,752,186
Depreciable assets	5,698,413	10,833	42,495	10,208	42,495	113,657	344,655	188,471	492,491	498,159	244,293	953,818	2,799,359
Less: Accumulated depreciation	7,510,824	91,930	178,494	91,930	178,494	245,317	629,733	330,708	476,916	448,084	295,280	354,403	4,410,672
Other capital assets less reserves	10,617,491	9,988	13,152	9,988	13,152	82,152	201,342	75,992	150,959	230,032	127,457	324,474	938,422
Accounts and notes payable	8,586,050	16,762	15,971	16,762	72,537	115,935	416,894	223,394	541,934	560,142	332,821	1,131,542	5,152,118
Mortgages, notes, and bonds payable in one year or more	2,774,778	64,666	19,222	64,666	173,772	235,552	992,572	455,198	835,070	997,972	693,986	1,734,114	21,630,388
Net worth	2,456,469	61,853	10,241	62,494	69,805	98,638	320,619	153,863	208,375	135,314	103,422	296,433	975,412
Cost of property used for investment credit	72,998,225	391,756	358,429	725,395	736,220	751,701	2,520,000	981,048	1,573,009	1,679,213	684,440	1,964,976	60,525,255
Total receipts	70,538,525	290,543	328,438	711,325	669,028	688,132	2,328,450	981,048	1,386,891	1,547,088	536,899	1,843,950	59,250,733
Business receipts	29,847,839	120,087	163,195	504,012	391,681	403,733	1,433,045	625,182	800,129	989,077	276,080	968,979	23,172,659
Cost of sales and operations	603,402	7,667	7,732	10,208	18,521	22,704	67,614	22,532	40,110	29,407	24,888	59,927	294,863
Taxes paid	865,859	11,363	4,679	5,165	10,128	14,900	55,108	23,257	55,176	50,370	24,252	81,944	531,517
Interest paid	1,521,476	32,684	13,776	22,184	33,880	44,815	158,859	82,670	91,475	92,541	45,488	157,778	741,346
Depreciation	195,601	2,676	1,240	2,676	8,736	16,582	61,894	34,633	57,866	52,275	3,402	17,195	123,564
Pension, profit-sharing, stock bonus, and annuity plans	74,592	290	6,810	3,325	3,586	8,889	16,582	16,582	16,582	16,582	16,582	16,582	16,582
Employee benefit programs	30,791,287	141,801	111,116	141,801	38,686	43,008	82,677	176,761	163,806	110,560	110,560	128,677	29,628,359
Net income (less deficit)	31,312,795	165,102	35,611	39,718	38,686	72,483	276,262	110,177	225,643	141,872	266,648	29,683,971	29,683,971
Net income (less deficit)	30,930,234	155,910	31,752	35,123	31,752	45,840	228,716	93,982	196,545	244,139	29,557,673	29,557,673	
Income subject to tax	14,791,508	7,156	6,464	8,615	10,323	17,197	105,538	38,246	94,116	92,882	115,120	141,717	563,356
Income tax, total	19,605	16	—	168	1,225	1,206	4,010	1,712	3,325	2,409	920	558	3,356
Additional tax for tax preferences	13,898,203	29,440	—	—	—	—	2,855	1,713	25,542	41,438	10,687	19,983	13,768,185
Foreign tax credit	—	—	—	—	—	—	—	—	—	—	—	—	—
U.S. possessions tax credit	—	—	—	—	—	—	—	—	—	—	—	—	—
Investment credit	135,981	1,346	2,900	2,478	2,715	4,423	17,022	6,459	8,725	10,422	5,341	15,147	60,613
Work incentive (WIN) credit	—	—	—	—	—	—	—	—	—	—	—	—	—
New jobs credit	16,109	159	457	1,485	639	779	6,078	1,963	1,501	1,335	442	480	789
Distributions to stockholders except in own stock	1,387,684	2,168	16,753	2,089	11,797	8,904	22,688	12,950	30,687	33,380	11,761	42,804	1,191,703

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

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

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

Major industry, item	Size of total assets												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	Total returns of active corporations	Zero assets	\$1 million or more	\$100,000-\$500,000	\$250,000-\$500,000	\$500,000-\$1,000,000	\$1,000,000-\$5,000,000	\$5,000,000-\$10,000,000	\$10,000,000-\$25,000,000	\$25,000,000-\$50,000,000	\$50,000,000-\$100,000,000	\$100,000,000-\$500,000,000	\$500,000,000 or more
Mining: Nonmetallic Minerals, Except Fuels													
Number of returns	3,949	14	746	1,148	807	564	542	62	45	9	8	4	4
Total assets	7,311,399	—	24,548	208,253	247,687	433,877	1,135,269	437,490	655,366	316,691	612,092	3,240,126	3,240,126
Notes and accounts receivable, net	997,204	—	3,015	48,613	30,084	64,249	206,470	103,564	103,564	26,983	612,092	284,552	284,552
Inventories	814,133	—	1,860	51,179	23,001	53,001	101,886	27,670	103,564	21,893	103,564	105,845	105,845
Cash, Government obligations, and other current assets	1,123,833	—	2,828	23,663	37,173	51,179	98,531	5,211	83,710	35,253	70,629	189,750	189,750
Other investments and loans	583,197	—	590	23,875	26,563	48,837	110,636	381,220	41,752	44,242	63,897	807,603	807,603
Depreciable assets	2,895,129	—	40,923	135,560	182,822	269,262	645,726	211,143	292,259	103,382	283,565	2,077,234	2,077,234
Less: Accumulated depreciation	563,275	—	13,747	48,665	28,599	49,081	125,435	58,686	110,692	33,676	36,296	107,063	107,063
Other capital assets less reserves	1,044,185	—	9,712	48,665	79,341	98,813	225,384	91,706	73,598	37,807	62,571	314,428	314,428
Accounts and notes payable	374,561	—	941	15,200	5,046	25,202	54,845	26,439	46,584	13,571	53,704	131,104	131,104
Other current liabilities	1,634,533	—	—	53,353	85,255	79,507	202,588	87,620	198,791	55,171	96,905	835,363	835,363
Mortgages, notes, and bonds payable in one year or more	3,594,869	—	3,259	68,726	65,511	61,039	578,849	222,226	378,116	200,491	344,368	1,523,092	1,523,092
Net worth	508,130	840	5,332	1,633	52,401	16,032	132,327	33,721	46,586	22,311	49,300	102,675	102,675
Cost of property used for investment credit	6,541,622	40,291	84,490	205,999	292,822	583,376	1,324,706	563,282	670,641	335,158	705,950	1,734,904	1,734,904
Total receipts	6,300,754	39,369	82,823	189,791	278,968	570,465	1,278,009	540,499	634,357	321,578	686,711	1,677,684	1,677,684
Business receipts	3,995,365	31,251	56,603	114,825	148,208	331,345	806,656	389,939	443,937	224,434	467,730	990,510	990,510
Cost of sales and operations	220,367	846	2,311	11,598	15,305	22,761	53,944	14,529	20,286	9,716	21,361	74,706	74,706
Taxes paid	167,890	1,351	3,910	12,520	10,660	9,384	24,153	11,279	12,886	6,502	11,224	74,706	74,706
Interest paid	428,693	2,385	3,910	12,520	10,660	9,384	24,153	11,279	12,886	6,502	11,224	74,706	74,706
Depreciation	58,299	641	1,556	5,156	204	5,387	13,298	2,892	3,851	2,760	3,851	17,761	17,761
Pension, profit-sharing, stock bonus, and annuity plans	39,534	165	553	1,772	20,269	21,101	58,657	31,252	33,932	18,894	23,017	13,427	13,427
Employee benefit programs	222,024	1,415	4,801	13,722	20,269	21,101	58,657	31,252	33,932	18,894	23,017	28,490	28,490
Net income (less deficit)	336,738	374	1,364	4,801	6,275	16,889	72,031	29,779	32,421	19,938	22,036	56,483	56,483
Net income	271,433	365	1,149	3,662	4,914	12,886	53,944	22,761	24,153	14,529	17,761	56,483	56,483
Income subject to tax	127,885	230	2,248	1,438	2,734	7,552	32,170	14,562	15,722	9,852	11,224	38,853	38,853
Income tax, total	11,946	92	112	362	95	248	1,821	546	546	177	177	1,171	1,171
Additional tax for tax preferences	2,007	—	—	—	—	—	—	—	—	—	—	—	—
Foreign tax credit	—	—	—	—	—	—	—	—	—	—	—	—	—
U.S. possessions tax credit	—	—	—	—	—	—	—	—	—	—	—	—	—
Investment credit	32,161	—	248	1,475	1,475	3,230	7,863	2,541	2,930	2,333	4,045	7,496	7,496
Work incentive (WIN) credit	—	—	—	—	—	—	—	—	—	—	—	—	—
New jobs credit	5,275	—	—	—	598	361	2,141	634	830	293	318	200	200
Distributions to stockholders except in own stock	177,872	—	—	—	7,514	9,185	16,090	6,933	10,347	5,270	7,038	115,495	115,495
Total Construction													
Number of returns	214,745	4,005	114,621	45,050	22,694	14,703	11,803	1,132	517	126	46	33	15
Total assets	91,222,022	—	3,804,049	7,342,955	7,936,910	10,342,966	23,150,727	7,656,837	7,661,870	4,398,370	3,192,556	5,146,082	10,588,677
Notes and accounts receivable, net	14,351,482	—	898,127	1,896,968	2,243,464	3,152,426	6,925,910	2,272,285	2,034,899	979,370	669,197	1,395,762	2,325,760
Inventories	15,048,015	—	484,409	1,163,891	1,714,144	1,666,864	4,442,206	1,350,150	1,640,200	839,202	489,078	659,541	1,033,661
Cash, Government obligations, and other current assets	7,503,700	—	828,088	1,609,426	1,609,426	2,144,534	4,983,169	1,528,937	1,546,200	908,447	716,924	1,250,068	1,764,734
Other investments and loans	34,232,185	—	272,385	526,787	405,768	653,834	1,531,865	595,992	644,562	448,520	524,629	716,799	1,282,394
Depreciable assets	16,920,611	—	1,302,584	3,360,240	2,963,033	4,095,033	8,122,910	2,685,751	2,685,751	1,436,643	723,006	1,282,394	4,288,454
Less: Accumulated depreciation	3,969,328	—	158,084	289,600	343,965	419,239	1,371,647	371,647	371,647	219,440	289,236	544,485	1,464,747
Other capital assets less reserves	31,373,515	—	1,496,995	2,780,511	3,203,198	4,284,021	9,108,497	2,747,737	2,747,737	1,771,196	1,023,910	2,331,317	4,664,421
Accounts and notes payable	12,923,578	—	371,772	771,318	843,370	1,043,523	3,091,940	1,164,404	1,462,043	1,632,921	508,610	1,023,910	2,331,317
Other current liabilities	14,103,707	—	516,903	1,098,947	1,032,110	1,353,576	3,192,576	1,173,214	1,223,180	873,189	658,357	1,021,211	2,031,617
Mortgages, notes, and bonds payable in one year or more	23,091,866	—	652,898	1,972,469	2,193,155	2,861,788	5,802,291	1,731,940	1,598,337	865,752	713,745	1,511,361	3,188,070
Net worth	4,669,236	14,786	368,059	557,697	535,269	630,191	1,054,379	322,537	327,805	140,910	75,065	117,114	495,434
Cost of property used for investment credit	181,550,922	572,031	18,164,444	20,141,329	18,653,691	23,747,003	45,135,113	12,901,618	11,220,165	6,491,842	4,005,355	6,737,840	13,780,391
Business receipts	176,745,105	4,109,539	17,940,602	19,700,690	18,309,977	23,745,426	44,379,593	12,901,618	10,826,787	6,233,359	3,775,347	6,317,912	12,947,441
Cost of sales and operations	3,278,165	17,198	13,000,916	14,787,772	14,125,988	16,300,713	36,331,684	10,822,557	9,955,588	5,483,703	3,943,383	6,317,912	12,947,441
Taxes paid	3,054,494	10,446	492,357	588,186	459,984	530,133	907,854	211,737	195,834	92,147	46,566	74,827	196,294
Interest paid	2,050,494	10,446	129,354	388,186	300,919	338,143	746,748	142,685	142,685	87,738	69,324	105,817	279,349
Depreciation	3,176,353	18,870	300,250	361,123	317,573	398,701	746,748	231,129	203,189	106,648	51,601	93,968	345,749
Pension, profit-sharing, stock bonus, and annuity plans	860,981	1,718	37,261	63,966	71,696	134,619	251,749	59,631	63,089	19,409	14,810	48,917	93,946
Employee benefit programs	719,252	4,811	64,320	80,336	83,677	104,224	196,672	45,672	45,672	16,698	14,117	21,595	56,757
Net income (less deficit)	4,517,522	4,249	233,146	442,597	535,317	515,846	1,135,772	293,955	270,712	99,557	122,112	317,085	556,757
Net income	6,536,536	35,768	618,529	769,636	707,341	794,859	1,571,653	365,236	314,934	178,748	159,564	375,871	604,339
Income subject to tax	5,047,435	25,363	291,812	484,141	514,421	567,471	1,142,022	191,735	148,664	73,002	60,126	155,538	279,294
Income tax, total	1,919,876	10,405	61,861	111,452	144,202	180,876	424,712	101,291	98,985	24,545	27,676	60,126	155,538
Additional tax for tax preferences	3,737	—	—	—	—	—	—	—	—	—	—	—	—
Foreign tax credit	—	—	—	—	—	—	—	—	—	—	—	—	—
U.S. possessions tax credit	—	—	—	—	—	—	—	—	—	—	—	—	—
Investment credit	2,051	767	7,142	20,108	22,205	30,502	61,732	15,395	16,131	7,861	4,951	8,672	25,323
Work incentive (WIN) credit	—	—	—	—	—	—	—	—	—	—	—	—	—
New jobs credit	238,736	1,119	15,068	30,468	32,417	46,472	81,924	16,898	7,929	2,085	1,183	648	528
Distributions to stockholders except in own stock	556,175	3,599	86,875	49,822	53,397	37,640	79,550	18,388	19,355	15,552	14,265	32,958	144,790

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

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

Major industry, item	Size of total assets												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Total returns of active corporations	Zero assets	\$1,000,000 or under	\$100,000,000 or more	\$100,000,000 or more	\$500,000,000 or more	\$1,000,000,000 or more	\$1,000,000,000 or more	\$5,000,000,000 or more	\$10,000,000,000 or more	\$25,000,000,000 or more	\$50,000,000,000 or more	\$100,000,000,000 or more	\$250,000,000,000 or more
Contractors: General Building Contractors and Operative Builders													
Number of returns	1,528	41,753	17,903	10,247	6,281	6,219	588	275	70	34	19	7	
Total assets	45,012,301	1,344,205	2,985,725	3,643,573	10,247	6,219	4,030,667	4,051,437	2,406,608	2,401,404	2,981,108	4,255,911	
Notes and accounts receivable, net	10,240,146	252,558	588,656	720,258	1,213,324	3,133,691	1,046,619	976,297	456,201	514,966	619,103	919,956	
Inventories	10,136,829	260,231	722,361	1,213,324	1,019,453	2,826,437	836,316	862,520	338,107	407,462	711,733	936,226	
Cash, Government obligations, and other current assets	3,876,649	117,612	243,809	158,329	290,313	874,137	316,944	343,059	163,434	45,977	366,881	576,226	
Other investments and loans	10,452,228	559,190	860,311	940,727	2,461,534	801,756	801,756	326,450	229,239	162,855	254,787	1,526,708	
Depreciable assets	4,257,485	301,814	413,627	297,347	1,128,687	1,128,687	1,128,687	326,450	229,239	162,855	254,787	1,526,708	
Less: Accumulated depreciation	2,687,606	92,381	202,852	231,517	800,211	150,873	150,873	105,782	67,048	142,782	264,404	398,685	
Other capital assets less reserves	17,785,254	579,910	1,437,863	1,802,650	2,125,833	5,537,847	1,708,942	1,530,062	670,498	639,248	563,594	1,688,307	
Accounts and notes payable	6,296,781	140,528	360,075	422,329	1,776,863	674,484	685,362	674,484	70,899	300,032	446,310	1,688,307	
Other current liabilities	7,933,611	171,834	459,383	489,658	579,489	1,923,580	677,628	794,342	524,472	577,925	721,699	1,013,627	
Mortgages, notes, and bonds payable in one year or more	1,278,756	232,997	871,179	592,302	871,179	2,062,048	380,376	510,146	380,042	500,909	702,570	1,047,362	
Cost of property used for investment credit	90,844	90,844	124,916	102,232	115,272	2,075,020	75,755	70,800	33,495	33,495	53,367	235,326	
Total receipts	78,660,877	6,597,399	7,156,330	7,537,764	9,400,154	22,172,664	6,444,271	5,380,975	2,767,331	2,876,541	3,401,625	4,750,467	
Business receipts	76,403,771	6,530,087	7,068,910	7,405,467	9,220,239	21,603,549	6,238,577	5,145,448	2,697,691	2,697,691	3,198,817	4,505,133	
Cost of sales and operations	65,783,246	5,291,496	5,826,441	6,242,365	7,893,205	18,885,553	5,591,998	4,582,396	2,262,246	2,373,758	2,791,219	3,896,179	
Taxes paid	1,136,641	5,592	127,357	109,721	330,952	297,896	70,703	79,250	39,039	35,304	41,167	74,889	
Interest paid	1,134,393	59,174	98,589	98,589	104,955	275,298	82,124	88,871	53,021	57,460	68,933	150,223	
Depreciation	865,981	73,537	78,807	75,058	84,344	209,715	99,558	88,871	41,422	28,838	39,472	112,550	
Pension, profit-sharing, stock bonus, and annuity plans	260,044	5,140	19,839	15,763	38,441	88,341	22,368	23,478	6,888	9,619	14,823	13,028	
Employee benefit programs	177,272	7,644	15,135	17,850	26,359	48,990	15,291	12,128	7,293	12,020	17,938	4,306	
Net income (less deficit)	1,464,691	19,821	45,260	152,843	177,226	445,446	178,304	153,684	92,265	58,483	108,154	183,336	
Net income	2,448,215	6,170	182,583	208,847	231,631	644,866	178,304	153,684	92,265	58,483	108,154	183,336	
Income subject to tax	1,865,007	3,285	95,054	144,727	149,515	504,726	148,362	119,585	78,478	106,325	112,396	217,680	
Income tax, total	712,000	1,437	30,632	30,632	38,155	57,721	201,289	54,255	36,472	48,665	52,618	104,272	
Additional tax for tax preferences	1,811	—	—	—	—	346	—	187	221	214	278	320	
Foreign tax credit	45,047	—	—	—	—	264	—	257	184	218	278	320	
U.S. possessions tax credit	264	—	—	—	—	264	—	257	184	218	278	320	
Investment credit	56,445	1,992	3,811	3,582	3,582	14,744	4,083	3,831	2,785	3,029	1,304	11,574	
New incentive (WIN) credit	348	—	—	—	—	—	—	—	—	—	—	—	
Work jobs credit	70,204	2,846	4,720	7,301	7,301	29,116	7,124	3,542	1,146	967	353	200	
Distributions to stockholders except in own stock	159,259	22,795	6,217	14,456	21,291	18,331	4,484	7,124	10,082	9,308	11,386	33,005	
Heavy Construction Contractors													
Number of returns	16,875	6,198	3,258	2,258	2,262	1,959	290	137	27	20	8		
Total assets	20,933,024	234,060	524,454	801,203	1,627,309	4,040,263	1,928,716	2,008,128	935,787	201,843	249,633	1,017,990	
Notes and accounts receivable, net	5,980,849	42,058	122,994	219,246	480,773	1,257,359	531,542	543,007	234,730	710,784	951,221	2,140,708	
Inventories	1,482,814	5,041	8,944	18,604	61,864	165,931	110,724	164,246	73,730	178,735	178,735	698,326	
Cash, Government obligations, and other current assets	4,112,348	37,479	102,955	182,000	336,709	876,033	469,084	424,992	151,807	1,280,276	1,280,276	594,623	
Other investments and loans	1,911,147	16,999	28,987	45,395	118,476	383,419	139,581	176,452	94,550	347,920	347,920	651,333	
Depreciable assets	13,383,873	212,908	527,323	779,647	1,469,489	3,180,690	1,354,908	1,412,058	540,260	844,644	844,644	3,061,746	
Less: Accumulated depreciation	7,177,311	105,402	289,245	468,723	922,113	1,968,302	821,799	853,019	308,793	385,290	385,290	1,054,625	
Other capital assets less reserves	676,604	12,165	19,934	13,721	56,864	152,234	76,592	67,743	82,938	83,377	83,377	111,036	
Accounts and notes payable	5,294,366	152,294	160,550	275,512	542,849	1,223,617	532,517	508,087	227,861	529,299	529,299	1,142,410	
Other current liabilities	3,257,555	21,899	49,968	125,911	125,911	386,573	189,135	208,371	149,913	149,913	149,913	1,499,317	
Mortgages, notes, and bonds payable in one year or more	3,172,598	56,856	83,627	118,301	259,866	613,418	285,413	285,651	201,843	249,633	249,633	1,017,990	
Cost of property used for investment credit	7,411,868	44,318	203,875	305,353	607,434	1,593,083	669,507	710,784	274,221	951,221	951,221	2,140,708	
Total receipts	37,344,404	1,120,000	1,828,871	3,228,779	6,127,829	14,840,263	6,850,726	6,850,726	2,850,276	2,850,276	3,479,324	9,029,324	
Business receipts	35,740,112	1,065,884	1,715,513	3,045,419	5,840,117	13,648,862	6,292,424	6,292,424	2,424,392	2,424,392	2,957,585	8,442,308	
Cost of sales and operations	28,759,578	1,400,307	3,633,633	6,261,641	12,911,869	29,846,592	12,911,869	12,911,869	4,953,602	4,953,602	5,957,585	17,015,204	
Taxes paid	751,442	4,409	14,091	24,781	96,396	218,384	63,381	65,610	17,411	17,411	17,411	123,405	
Interest paid	1,161,294	8,088	14,032	20,784	20,784	85,393	36,857	36,857	20,825	20,825	20,825	129,126	
Depreciation	1,161,294	29,570	43,067	43,067	43,067	131,474	117,709	104,710	38,421	38,421	38,421	233,199	
Pension, profit-sharing, stock bonus, and annuity plans	236,622	1,614	6,602	6,520	16,876	42,705	17,580	16,666	5,881	36,774	36,774	80,918	
Employee benefit programs	165,772	3,511	5,553	6,752	13,881	45,001	13,069	13,000	1,903	14,264	14,264	48,588	
Net income (less deficit)	1,303,359	21,947	40,994	71,994	101,541	250,425	85,296	90,875	17,755	240,263	240,263	373,421	
Net income	1,614,677	12,739	57,377	96,754	146,990	328,524	119,473	123,715	328,524	119,473	123,715	373,421	
Income subject to tax	1,372,439	9,270	14,983	32,407	68,341	101,657	47,856	53,283	18,884	24,357	24,357	365,203	
Income tax, total	596,487	4,306	7,397	19,525	22,828	112,612	47,856	53,283	18,884	24,357	24,357	365,203	
Additional tax for tax preferences	1,101	—	—	—	—	—	—	—	—	—	—	108	
Foreign tax credit	75,277	—	—	—	—	—	—	—	—	—	—	23,177	
U.S. possessions tax credit	90,196	—	—	—	—	—	—	—	—	—	—	13,749	
Investment credit	36,739	—	—	—	—	—	—	—	—	—	—	328	
New incentive (WIN) credit	111	—	—	—	—	—	—	—	—	—	—	—	
Work jobs credit	211,403	2,627	5,900	23,225	23,225	91,712	8,427	6,712	3,258	3,258	3,258	111,785	

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

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

Major industry, item	Zero assets		Total returns of active corporations		(\$1,000,000 under, \$500,000 over)		(\$250,000 under, \$100,000 over)		(\$100,000 under, \$50,000 over)		(\$50,000 under, \$25,000 over)		(\$25,000 under, \$10,000 over)		(\$10,000 under, \$5,000 over)		(\$5,000 under, \$2,500 over)		(\$2,500 under, \$1,000 over)		(\$1,000 under, \$500 over)		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)
Construction: Special Trade Contractors																							
Number of returns	112,946	2,019	66,670	23,889	10,189	6,160	3,625	254	105	23	6	6	6	6	6	6	6	6	6	6	6	6	6
Total assets	25,276,697	—	2,225,784	3,622,276	3,492,134	4,273,480	6,650,278	1,697,450	1,601,332	1,055,929	457,488	457,488	457,488	457,488	457,488	457,488	457,488	457,488	457,488	457,488	457,488	457,488	457,488
Notes and accounts receivable, net	8,688,993	—	603,511	1,465,318	1,303,960	1,693,318	2,534,860	636,124	515,595	288,673	127,634	127,634	127,634	127,634	127,634	127,634	127,634	127,634	127,634	127,634	127,634	127,634	127,634
Inventory	3,790,180	—	229,137	463,010	478,216	568,636	1,034,274	278,919	278,919	116,080	46,669	46,669	46,669	46,669	46,669	46,669	46,669	46,669	46,669	46,669	46,669	46,669	46,669
Prepaid expenses, and other current assets	4,798,838	—	458,359	784,270	644,539	788,371	1,286,699	323,593	323,593	155,051	137,998	137,998	137,998	137,998	137,998	137,998	137,998	137,998	137,998	137,998	137,998	137,998	137,998
Other current assets	1,715,904	—	137,774	253,961	202,044	245,005	374,309	94,467	94,467	45,255	51,921	51,921	51,921	51,921	51,921	51,921	51,921	51,921	51,921	51,921	51,921	51,921	
Depreciable assets	10,396,084	—	895,368	1,009,243	1,492,653	1,685,114	2,460,636	529,087	529,087	262,889	165,049	165,049	165,049	165,049	165,049	165,049	165,049	165,049	165,049	165,049	165,049	165,049	
Less: Accumulated depreciation	5,485,915	—	485,368	549,243	771,597	876,357	1,345,719	248,927	248,927	124,866	63,689	63,689	63,689	63,689	63,689	63,689	63,689	63,689	63,689	63,689	63,689	63,689	
Other capital assets less reserves	605,118	—	53,598	76,814	96,727	101,644	181,210	36,936	36,936	21,224	3,937	3,937	3,937	3,937	3,937	3,937	3,937	3,937	3,937	3,937	3,937	3,937	
Accounts and notes payable	8,293,895	—	764,591	1,181,727	1,124,976	1,616,239	3,047,583	506,278	423,894	265,642	62,965	62,965	62,965	62,965	62,965	62,965	62,965	62,965	62,965	62,965	62,965	62,965	
Other current liabilities	3,369,242	—	209,345	327,266	371,073	496,128	928,504	309,887	239,887	103,520	103,520	103,520	103,520	103,520	103,520	103,520	103,520	103,520	103,520	103,520	103,520	103,520	
Mortgages, notes, and bonds payable in one year or more	2,997,498	—	288,303	495,487	424,151	514,401	655,578	210,173	143,190	119,341	119,341	119,341	119,341	119,341	119,341	119,341	119,341	119,341	119,341	119,341	119,341	119,341	
Net worth	7,915,242	—	464,219	1,487,415	1,295,500	1,382,503	2,124,188	502,057	377,465	270,406	70,406	70,406	70,406	70,406	70,406	70,406	70,406	70,406	70,406	70,406	70,406	70,406	
Cost of property used for investment credit	1,732,280	3,157	273,533	351,190	310,158	295,330	345,852	57,056	60,862	28,365	6,757	6,757	6,757	6,757	6,757	6,757	6,757	6,757	6,757	6,757	6,757	6,757	
Total receipts	65,545,641	217,261	10,580,424	11,893,161	9,273,984	10,411,444	14,284,155	3,427,808	2,273,454	2,441,235	733,705	733,705	733,705	733,705	733,705	733,705	733,705	733,705	733,705	733,705	733,705	733,705	
Business receipts	64,691,222	207,363	10,327,562	11,738,898	9,134,959	10,265,000	14,079,182	3,365,884	2,222,448	2,391,937	716,931	716,931	716,931	716,931	716,931	716,931	716,931	716,931	716,931	716,931	716,931	716,931	
Cost of sales and operations	48,505,281	137,352	7,032,452	8,319,698	6,675,003	7,863,389	10,769,549	2,780,967	1,793,343	2,167,855	658,799	658,799	658,799	658,799	658,799	658,799	658,799	658,799	658,799	658,799	658,799	658,799	
Taxes paid	1,894,026	3,945	300,419	390,898	266,819	309,897	331,574	109,377	71,653	31,367	9,747	9,747	9,747	9,747	9,747	9,747	9,747	9,747	9,747	9,747	9,747	9,747	
Interest paid	442,268	3,945	58,092	89,617	71,546	88,375	109,377	26,880	16,993	13,892	10,327	10,327	10,327	10,327	10,327	10,327	10,327	10,327	10,327	10,327	10,327	10,327	
Depreciation	1,149,268	6,596	197,143	227,795	162,541	182,610	252,415	54,362	39,192	21,433	5,181	5,181	5,181	5,181	5,181	5,181	5,181	5,181	5,181	5,181	5,181	5,181	
Pension, profit-sharing, stock bonus, and annuity plans	364,315	11,116	30,507	37,525	49,413	79,302	120,694	19,883	18,524	8,840	2,511	2,511	2,511	2,511	2,511	2,511	2,511	2,511	2,511	2,511	2,511	2,511	
Employee benefit programs	376,215	2,142	53,166	59,648	59,075	63,384	120,694	17,901	16,529	7,329	1,990	1,990	1,990	1,990	1,990	1,990	1,990	1,990	1,990	1,990	1,990	1,990	
Net income (less deficit)	1,749,472	1,586	191,378	356,353	309,960	330,981	439,901	97,080	88,572	23,315	851	851	851	851	851	851	851	851	851	851	851	851	
Net income	2,473,644	16,859	385,434	503,412	503,412	503,412	503,412	503,412	503,412	503,412	503,412	503,412	503,412	503,412	503,412	503,412	503,412	503,412	503,412	503,412	503,412	503,412	
Income subject to tax	1,809,989	12,810	181,775	317,090	286,950	286,950	286,950	286,950	286,950	286,950	286,950	286,950	286,950	286,950	286,950	286,950	286,950	286,950	286,950	286,950	286,950	286,950	
Income tax, total	611,389	4,662	38,027	73,423	86,522	94,990	205,556	47,762	39,136	17,646	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	
Additional tax for tax preferences	825	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Foreign tax credit	2,409	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
U.S. possessions tax credit	1,017	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Investment credit	73,988	1,157	4,327	13,575	13,090	15,203	19,988	3,081	3,488	991	86	86	86	86	86	86	86	86	86	86	86	86	
Work incentive (WIN) credit	85	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
New jobs credit	131,793	956	10,819	24,731	23,136	29,667	35,130	5,188	1,904	262	—	—	—	—	—	—	—	—	—	—	—	—	
Distributions to stockholders except in own stock	185,499	938	61,453	377,705	15,916	7,922	44,614	5,163	5,499	2,212	4,075	4,075	4,075	4,075	4,075	4,075	4,075	4,075	4,075	4,075	4,075	4,075	
Total Manufacturing																							
Number of returns	231,149	4,823	92,742	44,018	29,933	23,086	27,288	4,209	2,566	958	578	449	499	499	499	499	499	499	499	499	499	499	
Total assets	1,182,263,458	—	85,877,875	7,181,823	10,748,309	16,535,686	58,973,536	29,060,044	39,313,131	33,399,752	40,600,693	40,600,693	40,600,693	40,600,693	40,600,693	40,600,693	40,600,693	40,600,693	40,600,693	40,600,693	40,600,693	40,600,693	
Notes and accounts receivable, net	263,833,820	—	857,624	1,862,522	2,978,048	4,508,345	15,440,272	6,060,937	9,279,107	12,421,225	8,929,250	8,929,250	8,929,250	8,929,250	8,929,250	8,929,250	8,929,250	8,929,250	8,929,250	8,929,250	8,929,250	8,929,250	
Inventories	110,682,415	—	647,994	1,404,784	2,348,459	3,859,828	16,221,261	8,314,202	10,777,479	13,532,874	9,891,741	9,891,741	9,891,741	9,891,741	9,891,741	9,891,741	9,891,741	9,891,741	9,891,741	9,891,741	9,891,741	9,891,741	
Cash	200,877,536	—	185,555	329,760	408,369	740,545	3,003,178	1,746,596	3,003,164	3,006,032	4,681,545	4,681,545	4,681,545	4,681,545	4,681,545	4,681,545	4,681,545	4,681,545	4,681,545	4,681,545	4,681,545	4,681,545	
Other investments and loans	602,208,407	—	2,424,976	4,297,574	6,147,684	9,323,499	29,613,658	14,381,431	18,721,188	15,248,825	19,548,198	19,548,198	19,548,198	19,548,198	19,548,198	19,548,198	19,548,198	19,548,198	19,548,198	19,548,198	19,548,198	19,548,198	
Depreciable assets	282,842,472	—	1,320,282	2,262,404	3,323,070	4,928,817	15,192,470	7,094,308	8,937,677	6,837,677	8,813,848	8,813,848	8,813,848	8,813,848	8,813,848	8,813,848	8,813,848	8,813,848	8,813,848	8,813,848	8,813,848	8,813,848	
Less: Accumulated depreciation	41,881,216	—	72,743	147,905	253,909	458,609	1,576,167	780,128	1,135,9														

RETURNS OF ACTIVE CORPORATIONS

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

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

Major industry, item	Size of total assets													
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
	Total returns of active corporations	Zero assets	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 or more	
Manufacturing: Food and Kindred Products														
Number of returns	16,048	120	4,483	3,240	2,113	1,986	2,991	484	306	131	63	60	61	
Total assets	94,030,465	—	199,740	521,050	742,427	1,442,340	6,537,935	3,548,822	4,450,314	4,280,711	9,199,292	58,532,852	10,632,843	
Notes and accounts receivable, net	25,167	—	25,167	108,504	142,626	350,673	1,560,076	829,172	963,794	912,442	1,572,048	10,632,843	11,242,108	
Inventories	19,536,750	—	28,208	92,957	142,206	218,502	1,375,916	816,048	1,099,338	1,089,742	2,330,451	8,950,339	4,551,843	
Cash, Government obligations, and other current assets	8,491,414	—	23,307	66,315	95,474	218,502	373,258	205,597	295,400	420,775	401,338	1,226,603	13,083,045	
Other investments and loans	16,146,941	—	*16,133	31,791	45,276	1,063,721	4,295,435	2,221,818	2,736,711	2,349,999	4,641,738	27,316,220	17,176,159	
Depreciable assets	48,266,762	—	208,091	420,497	294,563	594,662	2,225,352	1,103,218	1,302,360	1,062,602	2,066,075	11,176,159	2,066,075	
Less Accumulated depreciation	21,274,159	—	109,367	224,178	159,367	313,333	1,113,625	565,053	666,053	565,053	1,113,625	2,066,075	2,066,075	
Other capital assets less reserves	2,450,533	—	4,213	19,362	34,594	45,789	224,116	138,374	138,374	166,053	148,003	257,141	1,296,547	
Accounts and notes payable	18,112,863	—	56,859	134,212	196,379	404,937	1,881,481	1,105,142	1,332,256	1,015,709	1,929,468	8,853,310	8,853,310	
Other current liabilities	9,691,135	—	27,749	28,345	56,399	106,808	481,866	279,989	365,901	390,697	368,162	833,802	6,751,427	
Mortgages, notes, and bonds payable in one year or more	16,246,986	—	37,381	129,163	129,020	208,295	967,398	478,065	708,785	836,325	1,755,466	10,280,467	10,280,467	
Net worth	45,754,198	—	50,548	178,996	305,947	667,632	2,990,692	1,595,428	2,004,008	1,872,436	4,523,073	29,552,290	29,552,290	
Cost of property used for investment credit	5,623,934	—	15,042	49,826	54,958	96,444	459,979	219,224	903,676	203,190	205,901	452,768	2,970,583	
Total receipts	200,282,466	42,333	766,646	1,963,688	2,414,007	5,685,286	22,573,091	11,083,508	13,719,425	11,472,385	19,119,794	98,777,587	98,777,587	
Business receipts	196,642,579	2,208,228	760,946	1,948,103	2,386,817	5,639,951	22,573,091	10,883,508	13,543,794	11,314,008	18,635,473	96,431,971	96,431,971	
Cost of sales and operations	151,186,646	1,841,633	559,525	1,524,055	1,884,474	4,651,362	18,538,916	8,879,131	11,160,166	9,151,231	14,308,553	70,343,833	70,343,833	
Taxes paid	5,061,766	29,962	19,012	39,614	59,614	80,050	397,314	157,860	318,253	363,594	302,200	781,335	2,531,422	
Interest paid	2,015,572	25,642	4,534	14,334	18,112	36,231	158,091	76,402	188,992	171,496	103,857	207,975	1,149,855	
Depreciation	3,799,536	34,402	17,051	33,714	46,497	84,652	347,432	179,663	201,967	171,496	166,195	327,961	2,188,506	
Pension, profit-sharing, stock bonus, and annuity plans	1,193,989	6,086	*2,077	5,233	7,441	13,936	83,863	43,978	54,489	47,410	41,931	121,304	766,241	
Employee benefit programs	942,582	5,390	5,390	3,574	5,390	15,059	89,653	31,469	51,648	36,084	36,308	120,272	567,616	
Net income (less deficit)	7,868,406	67,142	—	40,907	64,183	117,542	585,213	347,016	341,406	328,319	403,877	640,176	4,957,900	
Net income (less deficit)	8,452,384	83,207	—	48,875	63,949	151,785	692,396	394,076	425,195	373,585	415,574	733,996	5,038,688	
Income subject to tax	8,030,154	70,338	8,490	56,342	50,133	109,146	592,145	362,484	409,140	357,898	392,720	698,453	4,922,549	
Income tax total	3,768,403	34,205	1,628	13,868	14,882	39,799	259,169	167,968	193,460	172,726	185,891	333,948	2,350,859	
Additional tax for tax preferences	1,730	—	—	—	—	—	7	1,153	98	54	411	56	939	
Foreign tax credit	409,159	2,080	—	—	—	*100	*144	*1,011	686	1,111	2,302	9,433	392,192	
U.S. possessions tax credit	69,872	36	—	—	—	69	2,493	1,343	849	1,516	12,475	28,471	231,000	
Investment tax credit	367,852	2,873	*348	3,338	2,179	5,060	27,768	17,440	16,594	13,561	17,623	30,171	119	
Workmen's (W/N) credit	377	—	—	—	—	—	*118	*28	20	15	13	6	13	
New jobs credit	36,532	*639	*166	*2,176	*660	1,382	11,472	6,055	5,673	3,288	1,489	1,785	1,847	
Distributions to stockholders except in own stock	2,169,116	17,396	*40,055	*378	*8,006	26,550	92,302	32,246	42,122	42,546	60,398	199,364	1,607,753	
Manufacturing: Tobacco Manufactures														
Number of returns	39	—	—	—	—	—	—	—	—	—	—	—	—	
Total assets	18,693,166	—	—	—	—	—	*13	*10	*10	5	5	5	6	
Notes and accounts receivable, net	2,346,040	—	—	—	—	—	*40,482	*71,130	101,257	101,257	573,840	17,906,457	2,220,800	
Inventories	4,808,995	—	—	—	—	—	*13,065	*6,503	31,221	76,451	76,451	4,472,149	4,472,149	
Cash, Government obligations, and other current assets	1,004,429	—	—	—	—	—	*21,875	*35,234	37,592	242,145	242,145	961,785	961,785	
Other investments and loans	5,804,980	—	—	—	—	—	*3,130	*6,421	8,775	24,318	24,318	5,730,169	5,730,169	
Depreciable assets	4,770,477	—	—	—	—	—	*13	*5,550	8,200	61,048	209,975	4,487,139	4,487,139	
Less Accumulated depreciation	1,025,862	—	—	—	—	—	*7,715	*36,441	29,207	79,534	79,534	904,992	904,992	
Other capital assets less reserves	475,381	—	—	—	—	—	*999	*999	1,274	15,844	15,844	457,264	457,264	
Accounts and notes payable	2,297,342	—	—	—	—	—	*27,526	*35,173	28,773	89,374	89,374	2,116,496	2,116,496	
Other current liabilities	1,830,738	—	—	—	—	—	*1,068	*2,382	950	3,877	3,877	1,788,461	1,788,461	
Mortgages, notes, and bonds payable in one year or more	4,360,988	—	—	—	—	—	*8,925	*4,296	334	118,345	118,345	4,229,088	4,229,088	
Net worth	9,229,957	—	—	—	—	—	*2,824	*25,247	66,923	326,688	326,688	8,808,275	8,808,275	
Cost of property used for investment credit	436,966	—	—	—	—	—	*2,622	*2,184	12,042	12,042	12,042	420,020	420,020	
Total receipts	18,037,747	—	—	—	—	—	*89,606	*165,066	111,370	900,738	900,738	16,770,944	16,770,944	
Business receipts	17,389,892	—	—	—	—	—	*89,606	*165,066	106,905	890,530	890,530	16,141,872	16,141,872	
Cost of sales and operations	9,636,267	—	—	—	—	—	*89,118	*161,467	77,851	562,154	562,154	8,771,282	8,771,282	
Taxes paid	2,270,828	—	—	—	—	—	*1,438	*1,438	8,284	8,284	8,284	2,169,443	2,169,443	
Interest paid	449,743	—	—	—	—	—	*2,401	*3,087	1,294	13,617	13,617	429,344	429,344	
Depreciation	365,079	—	—	—	—	—	*322	*2,234	1,561	13,898	13,898	347,074	347,074	
Pension, profit-sharing, stock bonus, and annuity plans	168,282	—	—	—	—	—	*216	*216	129	6,494	6,494	161,443	161,443	
Employee benefit programs	172,869	—	—	—	—	—	*182	*182	289	6,586	6,586	165,672	165,672	
Net income (less deficit)	1,881,635	—	—	—	—	—	*4,707	*1,985	7,505	67,620	67,620	1,809,232	1,809,232	
Net income (less deficit)	1,890,747	—	—	—	—	—	*651	*1,985	7,547	71,332	71,332	1,809,232	1,809,232	
Income subject to tax	1,818,149	—	—	—	—	—	*651	*1,829	6,872	71,321	71,321	1,737,476	1,737,476	
Income tax total	853,300	—	—	—	—	—	*266	*786	3,267	34,189	34,189	814,792	814,792	
Additional tax for tax preferences	—	—	—	—	—	—	—	—	—	—	—	—	—	
Foreign tax credit	119,727	—	—	—	—	—	—	—	—	—	—	—	—	
U.S. possessions tax credit	10,181	—	—	—	—	—	—	—	—	—	—	—	—	
Investment credit	41,169	—	—	—	—	—	—	—	—	—	—	—	—	
Work incentive (W/N) credit	—	—	—	—	—	—	—	—	—	—	—	—	—	
New jobs credit	—	—	—	—	—	—	—	—	—	—	—	—	—	
Distributions to stockholders except in own stock	441,330	—	—	—	—	—	*120	*66	25	107	22,769	417,686	417,686	

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Major industry, item	Size of total assets										(13)		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)		(11)	(12)
	Total returns of active corporations	Zero assets	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 or more
Manufacturing: Textile Mill Products													
Number of returns	5,805	28	2,403	620	808	609	889	198	138	54	27	17	14
Total assets	19,824,326	—	90,217	113,381	295,017	443,267	2,120,972	1,402,421	2,068,157	1,914,450	1,883,054	2,371,726	7,121,664
Notes and accounts receivable, net	5,183,663	—	28,174	40,229	89,803	115,280	552,534	349,480	445,110	445,110	466,370	598,586	1,975,718
Inventories	5,525,886	—	26,304	24,407	53,238	133,785	656,242	387,253	620,710	592,083	522,574	618,616	1,890,674
Cash, Government obligations, and other current assets	1,466,880	—	10,553	10,749	48,008	48,008	230,026	124,593	183,482	147,969	144,737	148,787	377,653
Other investments and loans	1,296,950	—	2,452	16,304	5,521	12,819	92,210	74,771	126,523	130,856	144,262	213,613	478,619
Depreciable assets	13,595,357	—	96,210	87,101	207,922	301,275	1,192,728	901,128	1,246,498	1,111,003	1,170,124	1,578,440	5,702,928
Less: Accumulated depreciation	7,899,509	—	75,678	69,406	110,038	181,932	659,626	489,781	704,536	548,938	632,963	829,483	3,417,128
Other capital assets less reserves	—	—	1,405	—	600	6,789	27,687	17,879	30,716	18,276	26,714	16,070	36,992
Accounts and notes payable	4,305,244	—	71,570	40,036	108,060	159,812	667,806	388,985	527,279	360,547	297,512	1,292,862	1,936,551
Other current liabilities	1,600,689	—	11,916	11,916	27,514	33,123	177,362	78,456	139,282	163,075	153,149	195,856	601,029
Mortgages, notes, and bonds payable in one year or more	3,350,946	—	6,067	10,680	36,596	61,235	306,556	197,116	318,966	359,342	492,386	457,546	1,104,456
Net worth	10,019,788	—	26,738	41,299	98,411	182,973	907,048	673,209	1,043,168	968,854	814,724	1,380,489	3,936,551
Cost of property used for investment credit	1,029,070	—	3,678	3,679	44,925	29,874	88,504	84,455	71,879	86,638	117,626	117,626	426,240
Total receipts	36,407,585	150,415	389,428	395,666	755,043	1,254,322	4,806,945	2,853,494	3,972,432	3,559,230	3,168,961	3,851,363	11,250,076
Business receipts	35,859,792	147,703	384,543	395,079	749,328	1,236,721	4,759,126	2,825,778	3,926,737	3,507,312	3,122,257	3,797,382	11,007,836
Cost of sales and operations	28,087,993	124,401	280,200	306,710	554,520	983,824	3,755,748	2,249,586	3,193,591	2,720,893	2,419,760	2,898,190	6,600,770
Cost of sales	870,266	3,227	17,295	17,666	22,808	33,489	99,545	57,045	78,444	80,388	73,179	97,925	284,350
Interest paid	461,989	—	3,192	1,211	1,675	10,558	57,045	39,371	50,666	53,100	45,656	45,821	147,502
Depreciation	959,040	4,617	5,705	4,611	16,675	20,232	86,545	63,191	82,992	90,222	79,487	114,338	388,381
Pension, profit-sharing, stock bonus, and annuity plans	200,648	—	738	338	3,715	5,784	20,540	11,514	18,054	17,070	21,728	29,144	101,763
Employee benefit programs	169,419	—	2,281	1,934	6,058	5,956	20,540	16,180	14,502	20,205	18,214	21,497	36,315
Net income (less deficit)	1,286,103	—2,770	—9,934	—1,439	38,443	120,605	117,041	127,865	169,227	169,227	107,360	203,225	395,119
Net income	1,654,168	7,441	11,845	15,360	25,643	47,346	192,188	145,582	173,665	194,186	135,092	214,987	480,833
Income subject to tax	1,543,862	5,635	9,292	15,360	22,293	30,596	169,681	129,924	161,636	185,731	120,424	211,188	482,202
Income tax, total	721,348	2,832	2,670	4,149	6,518	10,919	75,067	52,633	76,122	90,753	57,698	101,305	232,381
Additional tax for tax preferences	119	—	—	—	—	—	—	63	—	4	—	—	—
Foreign tax credit	7,638	—	—	—	—	—	39	417	751	114	1,672	1,176	3,469
U.S. possessions tax credit	6,644	186	—	—	—	—	1,231	1,593	3,634	7,967	5,355	11,392	41,035
Investment credit	88,564	443	333	468	2,797	1,081	6,269	5,940	5,484	7,967	5,355	11,392	41,035
Work incentive (WIN) credit	261	—	—	—	—	—	35	41	28	41	5	19	30
New jobs credit	21,595	93	1,476	1,395	1,997	2,142	6,427	2,998	1,974	1,666	536	486	405
Distributions to stockholders except in own stock	264,089	198	2,038	1,395	1,997	1,591	16,543	10,303	23,455	21,705	20,228	40,352	127,676
Apparel and Other Textile Products													
Number of returns	17,930	446	8,248	3,038	1,829	1,270	2,088	261	139	37	19	9	6
Total assets	17,480,919	—	325,080	523,735	661,428	909,612	4,511,642	1,824,796	2,029,332	1,310,141	1,257,222	1,515,111	2,612,146
Notes and accounts receivable, net	4,981,679	—	191,188	227,504	340,452	460,521	1,480,521	530,084	376,923	376,923	320,208	358,856	539,699
Inventories	6,211,060	—	57,868	124,970	180,173	282,452	1,689,233	767,812	801,788	511,484	428,711	507,903	858,696
Cash, Government obligations, and other current assets	1,872,521	—	65,847	91,974	119,607	116,974	549,116	193,706	185,542	92,536	127,234	103,610	226,375
Other investments and loans	1,456,813	—	13,648	45,956	38,661	165,502	106,047	106,047	122,270	80,444	123,728	220,136	523,066
Depreciable assets	4,670,455	—	183,388	197,775	186,912	244,894	1,144,883	362,434	456,337	408,749	378,994	434,599	671,480
Less: Accumulated depreciation	2,301,636	—	100,442	103,426	134,145	194,123	580,049	177,301	205,742	195,598	175,646	203,217	331,947
Other capital assets less reserves	174,805	—	2,131	2,264	7,735	4,328	38,542	17,155	45,851	9,739	23,710	11,260	12,090
Accounts and notes payable	5,089,572	—	57,382	191,151	230,772	369,335	1,742,088	623,466	596,842	303,786	230,759	252,966	441,031
Other current liabilities	1,822,088	—	104,761	102,290	104,757	118,485	443,475	145,928	182,444	116,760	106,965	190,559	276,384
Mortgages, notes, and bonds payable in one year or more	2,073,990	—	41,008	40,050	52,388	65,000	392,693	125,320	202,991	202,991	258,999	316,291	298,925
Net worth	7,800,205	—	54,203	135,399	224,959	319,581	1,797,382	896,627	924,271	643,590	638,321	851,732	1,514,140
Cost of property used for investment credit	416,006	4,027	29,766	30,981	32,846	37,613	121,613	31,182	35,628	33,858	30,806	31,712	53,862
Total receipts	40,146,024	454,743	1,880,788	1,893,686	2,125,743	2,860,138	11,548,552	4,219,477	4,089,896	2,479,868	2,074,025	2,505,234	4,013,874
Business receipts	39,608,716	442,882	1,873,381	1,870,998	2,116,667	2,834,714	11,436,845	4,184,440	4,018,217	2,456,761	2,027,890	2,435,124	3,909,979
Cost of sales and operations	29,808,552	309,530	1,373,233	1,371,887	1,632,299	2,153,622	8,923,131	3,207,464	3,024,337	1,819,755	1,510,804	1,781,670	2,700,923
Cost of sales	985,552	13,856	79,368	79,368	58,029	72,373	232,286	129,101	90,800	55,559	49,661	65,723	97,936
Interest paid	441,198	6,502	6,441	6,441	12,357	23,621	129,710	36,855	32,272	32,141	29,677	49,992	42,290
Depreciation	372,670	4,621	21,908	23,143	15,935	19,308	82,016	29,960	36,704	29,858	29,693	32,737	46,733
Pension, profit-sharing, stock bonus, and annuity plans	171,659	1,690	6,836	6,679	17,824	61,194	19,546	18,145	18,145	15,761	8,709	13,885	31,745
Employee benefit programs	177,659	2,515	1,876	2,963	8,039	5,113	19,675	12,897	12,865	12,865	8,677	13,635	22,121
Net income (less deficit)	1,622,032	21,020	—4,939	21,554	55,149	334,707	223,060	229,296	292,936	115,053	93,220	89,742	421,942
Net income	1,941,517	37,996	40,441	73,658	56,136	141,418	419,300	244,118	244,591	130,930	112,181	92,455	421,942
Income subject to tax	1,761,388	36,823	24,900	49,401	44,225	54,461	367,870	217,100	223,060	127,844	102,793	92,455	420,556
Income tax, total	794,120	17,546	6,325	13,893	12,147	19,476	160,978	101,669	105,733	60,882	49,090	44,797	201,584
Additional tax for tax preferences	42	—	—	—	—	—	42	—	—	—	—	—	—
Foreign tax credit	22,932	17	—	—	—	—	425	45	368	1,601	862	3,557	16,057
U.S. possessions tax credit	27,415	274	—	—	—	—	581	9,242	4,242	4,416	4,416	4,416	—
Investment credit	30,557	291	2,062	1,244	1,036	1,036	5,869	2,555	2,472	2,860	2,472	3,097	5,118
Work incentive (WIN) credit	132	—	—	—	—	—	33	—	—	—	—	—	—
New jobs credit	32,316	308	2,947	5,041	1,491	1,491	12,234	4,079	793	793	600	270	200
Distributions to stockholders except in own stock	222,785	3,026	5,485	10,406	10,546	7,647	38,624	15,184	22,707	13,050	18,399	15,735	61,976

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

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

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

Major industry, item	Size of total assets												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	Total returns of active corporations	Zero assets	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 or more
Manufacturing: Lumber and Wood Products													
Number of returns	13,923	189	4,049	4,072	2,331	1,428	1,508	167	117	31	14	5	12
Total assets	29,861,754	—	175,892	641,795	861,589	999,740	2,996,452	1,161,078	1,788,408	1,030,485	990,902	810,981	18,404,432
Notes and accounts receivable, net	4,161,584	—	49,518	174,799	259,740	325,929	1,030,452	415,739	603,972	336,397	325,929	225,929	9,403,505
Inventories	4,986,680	—	23,100	117,880	164,321	220,512	843,604	355,207	434,845	193,579	146,721	135,871	2,020,271
Cash, Government obligations, and other current assets	2,519,262	—	105,696	105,696	142,256	200,781	369,532	166,949	219,521	150,464	83,151	121,234	2,281,232
Other investments and loans	4,000,164	—	5,369	31,865	25,991	38,832	153,359	84,588	117,294	51,908	134,400	108,381	1,038,982
Depreciable assets	18,418,892	—	146,774	431,300	598,569	671,698	1,737,349	1,014,257	1,568,676	1,030,485	990,902	810,981	12,318,226
Less: Accumulated depreciation	7,864,306	—	83,668	194,475	306,709	346,334	1,030,452	415,739	603,972	336,397	325,929	225,929	9,403,505
Other capital assets less reserves	2,684,715	—	15,253	15,253	30,665	50,357	176,406	77,244	103,048	50,357	41,517	35,905	4,782,191
Accounts and notes payable	4,868,452	—	18,041	167,212	232,139	266,694	841,454	312,618	374,265	201,419	147,702	151,152	2,093,756
Other current liabilities	3,002,709	—	22,486	47,601	64,825	84,166	274,112	114,430	162,007	108,343	109,272	72,852	1,942,619
Mortgages, notes, and bonds payable in one year or more	6,584,724	—	40,563	165,094	158,402	223,654	466,160	238,088	346,562	257,386	202,725	239,621	4,246,469
Net worth	13,923,031	—	9,328	194,074	332,115	332,115	1,334,187	423,154	562,433	386,397	420,289	329,425	9,403,505
Cost of property used for investment credit	2,159,031	—	13,442	102,497	108,652	109,549	197,178	70,503	74,513	39,925	29,268	17,710	1,393,283
Total receipts	43,738,110	97,336	881,553	1,615,047	2,019,284	2,604,723	6,741,357	2,453,485	3,285,354	1,981,892	1,843,039	1,136,927	19,078,113
Business receipts	41,492,402	96,544	869,110	1,594,146	1,988,946	2,563,245	6,581,381	2,388,497	3,154,108	1,908,146	1,739,571	1,065,018	17,543,586
Cost of sales and operations	31,105,958	67,926	1,048,471	1,990,974	1,416,289	1,905,240	5,236,418	1,914,257	2,568,676	1,592,644	1,407,754	809,854	12,402,407
Taxes paid	1,048,471	*1,684	26,977	42,406	56,807	1,905,240	169,306	52,167	72,038	35,016	40,364	17,702	12,402,407
Interest paid	1,721,772	*679	8,703	18,018	23,248	29,801	79,936	33,753	44,657	23,444	27,091	24,296	408,146
Depreciation	1,398,732	2,424	17,361	57,086	57,516	63,482	140,133	40,796	56,225	27,009	35,767	27,484	873,449
Pension, profit-sharing, stock bonus, and annuity plans	302,560	*3,192	*1,447	*1,131	5,457	9,568	37,255	10,336	13,766	7,460	21,712	6,553	184,534
Employee benefit programs	172,453	*381	4,226	3,245	7,051	9,833	33,346	13,314	13,314	6,215	8,710	2,238	77,586
Net income (less deficit)	2,814,782	11,071	24,346	4,299	83,810	98,742	326,107	97,693	161,023	99,030	118,312	40,562	1,510,277
Net income	2,814,782	11,071	24,346	4,299	83,810	98,742	326,107	97,693	161,023	99,030	118,312	40,562	1,510,277
Income subject to tax	2,650,000	*10,333	24,749	47,860	102,749	110,802	313,930	113,669	170,417	120,926	125,826	37,805	1,566,012
Income tax, total	1,009,081	*4,768	5,466	6,334	19,516	26,099	136,110	50,434	75,000	52,368	51,805	13,228	567,945
Additional tax for tax preferences	5,262	—	—	—	—	—	—	*102	—	—	81	—	4,696
Foreign tax credit	31,312	—	—	—	—	—	*13	—	—	—	38	—	26,039
U.S. possessions tax credit	182,474	*189	762	1,338	5,033	4,109	12,993	4,178	5,188	2,802	2,200	—	141,536
Investment credit	27,666	—	—	—	—	—	*27	—	—	—	1	—	60
Work incentive (WIN) credit	2,606	*756	*2,298	*2,437	*2,196	3,553	8,026	2,942	2,935	805	808	149	701
New jobs credit	497,884	*1,561	*1,871	*524	15,159	15,197	38,790	6,406	12,591	8,231	12,545	8,190	376,819
Distributions to stockholders except in own stock													
Manufacturing: Furniture and Fixtures													
Number of returns	7,653	*15	3,627	1,635	883	607	668	112	65	24	11	6	—
Total assets	7,106,788	—	159,273	260,470	303,086	413,790	1,457,691	800,748	1,007,382	862,533	834,943	986,872	—
Notes and accounts receivable, net	1,860,319	—	33,084	79,104	88,940	117,502	400,772	206,683	263,379	222,501	205,838	242,516	—
Inventories	2,195,342	—	13,994	76,635	112,191	138,812	471,765	278,965	318,769	289,913	218,063	236,550	—
Cash, Government obligations, and other current assets	689,633	—	3,994	36,170	22,897	50,283	152,689	76,169	75,160	72,453	90,015	99,803	—
Other investments and loans	452,741	—	6,429	6,429	9,645	9,636	72,208	58,739	85,226	47,247	33,194	128,098	—
Depreciable assets	3,090,077	—	89,965	104,486	123,596	166,582	578,634	332,787	422,455	414,542	394,196	462,834	—
Less: Accumulated depreciation	1,449,230	—	43,759	50,080	65,911	81,707	285,049	170,038	189,742	188,301	171,984	202,679	—
Other capital assets less reserves	145,804	—	1,767	8,049	9,590	12,129	42,403	13,115	18,969	14,778	12,013	17,991	—
Accounts and notes payable	1,549,264	—	68,739	82,188	100,235	158,381	443,824	162,465	222,090	120,087	79,826	111,429	—
Other current liabilities	692,471	—	18,005	19,956	21,021	38,343	151,768	65,190	90,856	100,972	76,381	109,979	—
Mortgages, notes, and bonds payable in one year or more	1,069,754	—	24,587	34,709	49,468	50,737	211,432	114,213	162,035	145,595	156,990	119,928	—
Net worth	3,516,991	—	16,471	58,234	111,869	149,900	595,619	481,741	509,144	481,685	516,218	636,218	—
Cost of property used for investment credit	274,423	*53	14,752	15,732	13,228	17,868	48,023	24,385	31,567	32,508	41,420	34,855	—
Total receipts	14,524,890	*18,080	473,639	665,157	872,626	1,029,238	3,486,612	1,661,172	1,830,952	1,508,023	1,343,225	1,635,961	—
Business receipts	14,292,791	*18,060	469,304	661,157	867,897	1,011,533	3,444,331	1,632,866	1,801,863	1,474,308	1,326,194	1,589,288	—
Cost of sales and operations	10,259,611	*11,491	338,806	457,607	616,902	738,145	2,516,863	1,218,638	1,319,517	1,052,714	887,510	1,101,418	—
Taxes paid	393,077	*568	16,832	19,768	25,122	27,741	89,390	42,087	45,363	38,921	50,234	37,051	—
Interest paid	157,606	*222	5,030	8,111	9,560	12,634	39,846	16,130	20,657	19,418	13,932	20,066	—
Depreciation	233,600	*254	10,881	12,655	11,775	12,860	41,079	22,412	30,927	30,862	29,450	30,425	—
Pension, profit-sharing, stock bonus, and annuity plans	105,017	*133	—	—	—	—	21,272	7,460	11,517	15,823	17,552	22,837	—
Employee benefit programs	93,215	*895	—	—	—	—	19,947	11,865	11,033	10,764	18,968	8,340	—
Net income (less deficit)	696,260	*323	—5,939	11,314	25,156	35,285	115,956	86,759	99,523	60,081	106,552	161,250	—
Net income	790,850	*448	27,774	26,146	18,778	49,925	143,097	86,759	108,275	62,862	110,365	161,250	—
Income subject to tax	731,230	*448	*5,113	21,415	16,878	39,274	124,988	82,661	105,909	61,301	110,339	160,904	—
Income tax, total	324,816	*119	*969	*5,026	4,312	13,976	54,150	38,865	50,105	29,101	52,854	75,339	—
Additional tax for tax preferences	79	—	—	—	—	—	*28	—	—	—	—	—	—
Foreign tax credit	4,330	—	—	—	—	—	*21	*174	28	200	244	3,563	—
U.S. possessions tax credit	174	—	—	—	—	—	174	—	—	—	—	—	—
Investment credit	19,637	*7	*371	*626	1,169	1,199	3,524	2,152	2,688	1,595	3,102	3,194	—
Work incentive (WIN) credit	167	—	—	—	—	—	*63	—	—	—	—	—	—
New jobs credit	20,477	*248	*2,481	*1,796	*777	5,681	15,225	3,396	2,023	660	591	200	—
Distributions to stockholders except in own stock	72,796	*21	*2,065	*102	1,292	1,314	13,141	3,087	6,960	8,660	16,546	20,922	—

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Major industry, item	Size of total assets												
	Total returns of active corporations	Zero assets	\$1 million	\$100,000	\$250,000	\$500,000	\$1,000,000	\$5,000,000	\$10,000,000	\$25,000,000	\$50,000,000	\$100,000,000	\$250,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Manufacturing: Paper and Allied Products													
Number of returns	3,496	40	842	237	590	698	820	105	66	28	19	26	23
Total assets	34,306,613	—	45,715	29,851	210,571	480,353	1,748,528	737,489	1,071,909	993,488	1,287,477	4,321,619	23,378,532
Notes and accounts receivable, net	4,696,003	—	12,009	5,080	56,289	126,322	461,339	172,525	213,067	192,880	186,880	690,242	2,958,535
Inventories	5,161,870	—	9,829	5,829	50,987	106,553	368,588	152,253	213,475	192,880	186,880	690,242	2,958,535
Cash, Government obligations, and other current assets	2,683,654	—	16,835	9,251	28,381	59,553	205,598	75,073	104,513	104,485	104,485	322,552	1,373,578
Other investments and loans	2,627,199	—	925	925	2,381	10,723	49,489	62,071	104,513	63,870	110,487	402,465	3,373,008
Depreciable assets	25,051,958	—	23,024	15,078	165,736	303,383	1,152,372	490,381	730,088	758,373	1,004,362	3,794,024	17,815,227
Less: Accumulated depreciation	12,046,248	—	10,368	6,078	99,457	145,487	620,080	234,428	350,148	376,002	428,168	1,879,306	7,895,726
Other capital assets less reserves	2,950,171	—	—	13,403	1,650	15,788	32,021	11,181	27,363	37,078	119,970	301,110	2,404,930
Accounts and notes payable	4,712,430	—	12,464	4,712	70,601	135,767	451,188	155,721	209,557	137,798	162,283	489,571	2,897,995
Other current liabilities	2,987,389	—	4,772	5,354	21,202	34,916	131,808	55,611	93,380	99,102	106,498	397,374	2,037,370
Mortgages, notes, and bonds payable in one year or more	—	—	—	—	—	—	—	—	—	—	—	—	—
Net worth	7,737,157	—	1,670	16,164	24,739	117,545	278,937	128,545	191,606	204,516	317,698	884,413	5,571,326
Cost of property used for investment credit	17,879,168	—	15,434	7,712	63,640	183,023	623,228	376,529	555,918	523,529	667,685	2,454,996	12,181,484
Cost of property used for investment credit	2,986,300	6,028	4,921	5,214	29,620	39,235	114,789	41,390	37,952	71,506	81,080	301,319	1,839,234
Total receipts	45,278,513	489,285	152,806	67,785	514,078	1,207,101	3,994,832	1,416,795	2,097,129	1,603,472	1,536,478	5,653,472	26,564,727
Business receipts	43,596,430	447,624	135,109	66,378	508,834	1,198,106	3,940,864	1,403,837	2,066,098	1,568,746	1,506,305	5,450,165	25,304,364
Cost of sales and operations	30,635,304	327,453	84,418	42,204	364,306	883,035	2,896,968	1,071,217	1,615,199	1,230,908	1,042,610	3,770,919	17,206,076
Taxes paid	1,144,117	9,810	3,675	2,203	14,548	36,753	134,548	34,542	41,471	33,018	36,667	154,782	690,445
Interest paid	706,429	8,249	2,759	1,866	4,527	15,222	37,201	17,263	20,638	21,620	31,648	80,760	458,610
Depreciation	1,822,121	23,814	3,583	1,949	11,724	29,997	84,111	30,113	39,633	46,829	71,019	261,007	1,210,884
Pension, profit-sharing, stock bonus, and annuity plans	521,025	2,216	1,223	1,223	2,312	5,175	23,508	9,289	13,167	9,319	12,917	63,675	375,231
Employee benefit programs	355,982	3,666	397	2,238	2,366	5,980	24,778	8,292	10,991	16,955	20,205	67,211	214,674
Net income (less deficit)	2,937,234	47,720	6,610	2,238	14,997	30,796	117,698	69,360	91,220	64,462	117,440	429,848	1,891,405
Net income	2,884,655	40,290	3,457	1,658	10,207	28,271	163,040	64,908	84,776	57,603	113,363	424,163	1,892,899
Income subject to tax	2,884,655	40,290	3,457	1,658	10,207	28,271	163,040	64,908	84,776	57,603	113,363	424,163	1,892,899
Income tax, total	1,282,457	16,861	7,411	2,558	2,558	8,111	71,334	30,113	39,633	27,286	54,012	194,479	862,613
Additional tax for tax preferences	9,574	—	—	—	—	—	—	—	—	—	—	367	9,171
Foreign tax credit	135,914	()	—	—	—	—	—	—	—	—	—	—	113,598
U.S. possessions tax credit	706	—	—	—	—	—	—	—	—	—	—	—	—
Investment credit	185,212	933	123	()	644	2,888	8,370	2,903	3,994	4,495	6,126	21,180	141,556
Work incentive (WIN) credit	637	—	—	—	—	—	—	—	—	—	—	—	81
New jobs credit	10,564	2	—	158	99	665	5,267	200	1,224	653	377	996	923
Distributions to stockholders except in own stock	859,789	9,289	5,051	2,791	5,051	2,791	22,022	4,782	9,336	7,731	16,535	90,819	691,433
Manufacturing: Printing and Publishing													
Number of returns	33,324	843	18,038	6,040	2,894	2,043	1,901	247	155	62	47	31	23
Total assets	33,765,363	970,778	649,269	970,778	1,010,834	1,472,438	3,896,594	1,700,847	2,437,527	2,252,258	3,334,082	4,768,774	11,271,963
Notes and accounts receivable, net	1,108,995	174,892	278,582	298,066	281,039	398,692	981,798	378,478	512,318	447,531	618,440	950,988	2,074,205
Inventories	3,658,333	61,252	124,598	59,637	204,598	273,056	527,735	282,732	420,452	278,635	298,624	549,183	1,030,728
Cash, Government obligations, and other current assets	4,904,810	191,245	131,252	191,245	191,245	274,139	644,629	282,732	420,452	278,635	298,624	549,183	1,030,728
Other investments and loans	16,459,752	4,904,810	26,837	47,726	60,394	100,240	367,778	165,255	309,118	356,887	709,761	1,248,270	2,148,572
Depreciable assets	7,990,266	7,990,266	468,915	732,571	876,270	2,247,657	949,635	484,877	1,190,843	1,047,319	1,548,930	2,050,193	4,718,502
Less: Accumulated depreciation	7,990,266	7,990,266	259,382	424,807	341,587	443,876	1,168,006	484,877	556,829	524,859	735,821	912,870	2,137,352
Other capital assets less reserves	1,737,632	31,497	8,986	31,497	18,343	40,011	128,013	75,845	99,066	79,412	169,160	272,623	814,677
Accounts and notes payable	5,282,448	344,051	172,793	344,051	248,604	374,985	811,285	275,614	419,082	287,849	360,390	418,091	1,575,725
Other current liabilities	4,433,609	77,345	77,345	81,334	109,166	165,681	442,969	172,129	277,673	242,226	414,578	732,034	1,723,034
Mortgages, notes, and bonds payable in one year or more	—	—	—	—	—	—	—	—	—	—	—	—	—
Net worth	4,537,666	115,681	115,681	176,105	181,274	242,497	641,888	270,277	336,972	336,441	478,406	770,988	886,137
Cost of property used for investment credit	17,211,258	168,886	168,886	281,039	353,513	602,397	1,807,265	845,486	1,209,741	1,200,463	1,916,056	2,553,651	6,274,741
Cost of property used for investment credit	1,552,269	469	62,310	113,444	75,314	127,715	234,749	91,093	116,732	81,117	117,783	178,969	352,574
Total receipts	50,203,190	71,120	2,329,687	2,316,138	2,309,326	2,999,977	7,964,540	2,678,602	3,652,197	3,200,844	3,939,955	5,513,775	13,800,632
Business receipts	49,146,095	65,349	2,309,326	2,289,598	2,309,326	2,989,029	7,964,540	2,678,602	3,652,197	3,200,844	3,939,955	5,513,775	13,800,632
Cost of sales and operations	30,446,095	36,707	1,177,074	1,237,973	1,237,026	1,863,924	4,383,398	1,699,038	2,314,754	2,114,042	2,388,731	2,897,888	8,057,743
Taxes paid	1,514,188	2,979	70,874	42,516	69,570	122,922	203,901	88,073	99,982	68,073	137,597	174,456	417,512
Interest paid	1,570,748	34,717	18,198	27,000	27,427	31,232	71,617	29,200	38,336	36,511	56,961	78,512	159,206
Depreciation	1,281,118	791	51,743	65,891	61,250	75,457	172,683	70,706	94,380	80,843	121,087	146,025	339,262
Pension, profit-sharing, stock bonus, and annuity plans	613,858	180	12,251	14,390	19,579	28,781	71,467	29,856	41,735	38,007	55,455	72,480	233,677
Employee benefit programs	413,539	223	17,755	19,169	35,365	51,622	137,522	57,071	80,020	72,411	101,212	141,212	413,136
Net income (less deficit)	4,252,071	11,639	22,989	10,089	51,373	139,691	362,922	197,514	239,702	252,131	447,931	624,857	1,662,913
Net income	4,189,126	11,639	8,068	13,026	123,608	139,189	407,081	167,682	239,732	246,046	439,645	606,570	1,642,137
Income subject to tax	4,189,126	11,639	8,068	13,026	123,608	139,189	407,081	167,682	239,732	246,046	439,645	606,570	1,642,137
Income tax, total	1,995,374	5,535	13,009	21,453	21,203	50,850	174,401	92,755	138,265	117,539	209,868	290,434	770,082
Additional tax for tax preferences	—	—	—	()	—	45	—	—	—	—	—	—	—
Foreign tax credit	57,051	—	—	—	—	—	—	—	—	—	—	—	41,244
U.S. possessions tax credit	159	—	—	—	—	—	—	—	—	—	—	—	—
Investment credit	116,957	()	2,986	4,861	4,746	8,642	16,915	7,543	9,038	6,557	10,126	13,235	32,103
Work incentive (WIN) credit	6	—	—	—	—	—	—	—	—	—	—	—	4
New jobs credit	91,372	1,485	—	1,485	2,111	3,615	9,022	3,838	2,998	1,434	1,272	1,243	1,145
Distributions to stockholders except in own stock	846,939	9,891	82,905	14,982	21,370	30,093	44,998	21,080	36,923	52,324	93,603	102,631	334,237

Footnotes at end of table. See text for "Explanation of Terms" and "

RETURNS OF ACTIVE CORPORATIONS

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

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

Major industry, item	Size of total assets												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	Total returns of active corporations	Zero assets	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 or more
Manufacturing: Chemicals and Allied Products													
Number of returns	10,963	316	4,984	1,239	1,429	1,167	1,194	221	155	81	48	45	74
Total assets	105,400,617	—	145,231	205,397	510,852	791,149	1,531,686	2,376,996	2,843,753	3,293,892	7,213,293	83,939,566	
Notes and accounts receivable, net	18,892,618	—	5,883	170,358	499,961	696,961	1,148,882	1,531,686	2,376,996	2,843,753	7,213,293	83,939,566	
Inventories	17,812,421	—	27,065	43,114	110,887	213,843	618,915	989,961	1,302,300	1,564,086	3,293,892	13,177,379	
Cash, Government obligations, and other current assets	19,018,271	—	16,801	46,473	58,441	84,366	330,506	189,713	283,268	346,308	1,213,718	13,489,005	
Other investments and loans	67,940,677	—	13,630	4,392	29,997	14,576	122,870	137,488	219,175	356,036	1,456,316	4,605,124	
Depreciable assets	31,190,979	—	75,763	78,253	256,643	380,031	1,261,352	767,011	1,155,453	1,831,122	3,171,071	16,258,508	
Less: Accumulated depreciation	2,877,665	—	35,696	36,344	136,362	183,917	576,957	338,009	508,907	487,829	1,280,284	26,841,652	
Other capital assets less reserves	15,238,643	—	47,170	66,505	150,551	287,292	767,773	406,229	521,162	733,862	1,865,855	2,272,194	
Accounts and notes payable	10,937,107	—	5,818	12,831	37,083	57,593	197,611	108,241	207,949	243,770	532,647	10,891,895	
Other current liabilities	22,515,914	—	24,927	53,922	69,646	82,392	375,326	242,616	318,389	376,159	1,072,998	19,422,156	
Mortgages, notes, and bonds payable in one year or more	54,002,853	—	—	—	214,042	312,076	1,152,618	741,644	1,233,788	1,745,049	4,877,757	42,304,112	
Cost of property used for investment credit	7,813,268	75,342	22,408	28,602	30,651	55,966	136,161	99,672	113,074	145,189	200,663	6,563,071	
Total receipts	127,768,724	2,474,459	378,610	441,481	1,126,811	1,852,313	5,213,367	2,633,814	3,954,628	4,395,748	7,536,501	94,068,642	
Business receipts	122,396,265	2,381,936	371,847	434,652	1,110,825	1,835,064	5,117,927	2,588,246	3,859,203	4,258,624	7,162,362	89,657,183	
Cost of sales and operations	78,761,980	1,522,200	238,513	304,240	790,336	1,322,630	3,715,398	1,795,880	2,703,042	2,258,850	4,371,561	56,831,176	
Taxes paid	2,650,519	50,338	11,563	11,569	21,251	36,759	108,782	55,415	69,329	73,754	166,336	1,969,520	
Interest paid	2,192,484	36,382	2,724	8,236	10,510	16,877	51,123	28,404	45,255	40,475	101,014	1,793,823	
Depreciation	5,071,288	74,504	8,176	8,236	10,510	16,877	51,123	28,404	45,255	40,475	101,014	1,793,823	
Person, profit-sharing, stock bonus, and annuity plans	1,880,494	41,900	1,376	3,855	5,287	13,752	29,896	15,522	24,912	26,116	30,648	1,613,870	
Employee benefit programs	1,020,699	26,185	1,062	3,860	6,577	13,752	29,896	15,522	24,912	26,116	30,648	1,613,870	
Net income (less deficit)	11,012,716	63,545	2,758	11,505	42,920	76,960	266,956	171,064	268,091	398,195	374,816	42,537	
Net income	11,459,578	88,411	18,878	11,505	55,390	96,840	300,997	174,414	301,014	420,209	411,958	8,512,986	
Income subject to tax	11,195,900	84,693	13,704	10,917	45,754	90,290	268,185	159,060	291,548	413,715	401,626	10,419,911	
Income tax, total	5,303,616	41,498	3,479	2,472	14,280	33,815	118,378	74,560	137,806	197,076	193,205	3,987,251	
Additional tax for tax preferences	16,340	60	—	—	—	—	96	63	118	4	76	906	15,017
Foreign tax credit	904,190	7,291	—	—	—	—	857	3,213	5,051	11,270	12,481	64,261	799,766
U.S. possessions tax credit	442,709	—	—	—	—	—	—	—	—	—	—	—	—
Investment credit	569,923	3,144	623	304	1,384	3,898	8,984	4,517	7,015	7,199	13,455	16,774	502,626
Work incentive (WIN) credit	198	—	—	—	—	—	—	—	—	—	—	—	—
New jobs credit	24,048	317	992	312	370	3,136	7,113	2,197	2,909	1,270	908	1,238	114
Distributions to stockholders except in own stock	3,866,684	23,052	2,988	335	5,443	1,872	29,517	16,014	37,384	53,162	72,384	272,898	3,351,635
Manufacturing: Petroleum (Including Integrated) and Coal Products													
Number of returns	1,201	143	290	79	167	132	233	45	49	49	15	15	33
Total assets	237,840,080	—	14,246	8,410	59,671	93,068	561,896	298,451	1,320,320	1,137,981	2,541,400	231,324,631	
Notes and accounts receivable, net	43,763,715	—	5,144	2,163	14,333	17,185	202,904	76,293	322,577	285,831	462,468	4,264,817	
Inventories	16,661,270	—	—	5,044	6,575	7,169	84,332	44,428	190,775	121,691	425,633	15,775,617	
Cash, Government obligations, and other current assets	13,510,824	—	3,476	2,666	11,575	8,823	63,061	37,226	136,606	205,661	219,850	12,818,353	
Other investments and loans	68,406,866	—	1,944	1,944	8,823	9,834	36,685	21,308	114,917	156,274	345,492	67,720,412	
Depreciable assets	117,180,439	—	6,582	4,188	68,769	66,794	316,588	178,907	592,157	405,563	1,263,580	114,277,291	
Less: Accumulated depreciation	48,903,621	—	3,644	3,249	51,059	24,075	167,087	91,327	241,585	105,224	482,184	47,734,187	
Other capital assets less reserves	19,184,307	—	744	8	3,077	4,672	14,810	8,524	45,163	28,918	287,311	18,793,102	
Accounts and notes payable	39,788,045	—	4,896	5,936	11,988	29,013	209,448	84,135	417,408	285,068	727,113	38,013,040	
Other current liabilities	19,059,910	—	—	—	2,938	4,735	30,699	27,050	84,738	101,525	136,304	18,671,921	
Mortgages, notes, and bonds payable in one year or more	33,039,115	—	—	—	2,013	23,850	64,729	50,948	215,434	88,186	514,258	32,079,697	
Cost of property used for investment credit	115,939,604	—	8,022	2,474	36,985	30,614	241,127	114,129	409,517	552,352	1,081,870	113,462,514	
Total receipts	15,549,669	934	1,824	1,824	4,587	18,019	50,077	18,907	100,018	56,875	123,610	15,174,818	
Business receipts	335,638,541	775,179	24,788	56,676	141,299	144,723	1,862,239	2,821,870	2,234,029	5,400,362	32,019,398	322,019,398	
Total receipts	326,031,048	724,851	23,920	56,676	139,721	141,146	1,847,772	806,252	2,746,952	2,147,045	5,360,856	32,019,398	
Cost of sales and operations	269,071,979	56,952	9,950	49,239	113,209	111,629	1,490,267	658,560	2,414,347	1,878,520	4,704,467	25,784,840	
Taxes paid	8,832,170	750	456	29	2,637	2,144	19,927	24,308	24,308	17,983	46,589	8,706,993	
Interest paid	3,655,414	195	1,337	696	1,337	3,639	11,060	8,524	22,009	14,724	50,107	3,544,323	
Depreciation	6,442,146	463	912	1,333	2,496	5,178	29,993	14,373	38,978	24,320	63,824	6,260,276	
Person, profit-sharing, stock bonus, and annuity plans	1,459,048	218	—	—	1,005	1,133	4,240	6,227	7,653	6,918	11,003	14,222,416	
Employee benefit programs	589,985	102	—	—	1,005	1,133	4,240	6,227	7,653	6,918	11,003	14,222,416	
Net income (less deficit)	17,648,117	5,172	3,142	3,322	6,711	5,045	54,742	26,662	135,752	131,025	191,458	17,096,112	
Net income	18,270,504	9,821	1,888	1,888	6,885	5,045	54,742	27,391	139,817	136,958	194,700	17,683,494	
Income subject to tax	16,559,109	4,864	2,522	1,888	6,885	4,313	50,175	25,427	133,223	119,883	183,470	16,033,344	
Income tax, total	7,898,059	1,991	496	364	1,888	1,330	61,746	36,464	61,746	51,464	86,688	7,659,349	
Additional tax for tax preferences	6,671	—	—	—	—	—	—	—	—	—	—	—	
Foreign tax credit	4,040,826	—	—	—	—	—	—	—	—	—	—	—	
U.S. possessions tax credit	25,252	—	—	—	—	—	—	—	—	—	—	—	
Investment credit	1,012,212	31	—	—	264	741	1,731	1,433	4,638	3,816	11,088	988,470	
Work incentive (WIN) credit	966	—	—	—	—	—	—	—	—	—	—	—	
New jobs credit	22	—	—	—	—	—	—	—	—	—	—	—	
Distributions to stockholders except in own stock	5,052,388	12,417	372	340	5,443	1,761	9,955	3,217	12,356	16,811	25,004	4,975,755	

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Major industry item	Size of total assets												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Total returns of active corporations	Zero assets	\$1,000,000 under	\$1,000,000 under	\$250,000 under	\$500,000 under	\$1,000,000 under	\$5,000,000 under	\$10,000,000 under	\$25,000,000 under	\$50,000,000 under	\$100,000,000 under	\$250,000,000 or more	
Manufacturing: Rubber and Miscellaneous Plastics Products													
Number of returns	8,804	1,549	1,035	1,098	1,171	120	70	19	9	11	9	9	9
Total assets	21,859,213	256,031	369,826	787,617	2,521,242	794,137	1,056,123	692,766	1,666,700	565,769	1,100,000,000 under	1,000,000,000 or more	12,981,008
Notes and accounts receivable, net	49,066	68,333	122,294	167,994	547,420	190,566	270,370	162,880	398,626	110,950	1,000,000,000 under	1,000,000,000 or more	3,205,633
Inventories	4,770,459	53,702	55,407	29,736	118,343	162,487	541,737	182,092	384,607	101,047	1,000,000,000 under	1,000,000,000 or more	2,852,410
Cash	1,700,459	45,935	52,404	118,343	21,368	118,343	103,250	53,921	183,347	77,062	1,000,000,000 under	1,000,000,000 or more	7,706,062
Other investments and loans	2,291,785	*1,759	11,498	*10,177	24,996	37,579	126,477	54,615	193,471	121,649	1,000,000,000 under	1,000,000,000 or more	1,656,866
Depreciable assets	12,662,727	99,669	246,968	489,668	1,502,369	509,668	341,033	843,975	7,583,992	341,033	1,000,000,000 under	1,000,000,000 or more	7,583,992
Less: Accumulated depreciation	5,837,016	54,891	132,873	249,150	745,510	226,168	158,407	382,675	3,401,161	158,407	1,000,000,000 under	1,000,000,000 or more	3,401,161
Other capital assets less reserves	268,210	*1,133	*10,627	20,139	44,788	35,458	18,022	9,940	22,699	13,860	1,000,000,000 under	1,000,000,000 or more	89,082
Accounts and notes payable	4,255,636	64,020	105,505	217,698	734,282	205,612	245,312	124,135	209,566	64,377	1,000,000,000 under	1,000,000,000 or more	2,212,823
Other current liabilities	2,705,891	19,835	36,436	58,300	210,897	68,162	101,519	99,660	176,141	53,032	1,000,000,000 under	1,000,000,000 or more	1,865,805
Mortgages, notes, and bonds payable in one year or more	4,140,609	—	—	—	—	—	—	—	—	—	—	—	2,438,656
Net worth	10,097,191	33,099	88,669	147,038	355,618	108,992	146,742	128,985	449,531	136,096	1,000,000,000 under	1,000,000,000 or more	6,150,135
Cost of property used for investment credit	1,158,265	4,484	18,177	33,398	56,907	56,999	56,999	56,999	56,999	56,999	1,000,000,000 under	1,000,000,000 or more	581,487
Total receipts	34,713,720	636,206	1,021,419	1,707,446	5,274,715	1,422,065	1,968,737	1,078,297	737,113	2,366,668	1,000,000,000 under	1,000,000,000 or more	17,887,967
Business receipts	33,944,329	632,120	1,014,958	1,697,241	5,226,558	1,401,916	1,935,666	1,054,470	725,460	2,319,471	1,000,000,000 under	1,000,000,000 or more	17,332,123
Cost of sales and operations	23,614,801	120,044	267,804	443,159	1,315,506	384,164	1,013,615	720,950	515,887	1,612,804	1,000,000,000 under	1,000,000,000 or more	11,827,564
Taxes paid	989,642	6,574	13,624	21,137	19,150	33,397	44,108	27,751	21,293	95,228	1,000,000,000 under	1,000,000,000 or more	524,584
Interest paid	498,264	1,412	5,721	17,189	65,214	19,857	23,388	18,350	44,976	42,258	1,000,000,000 under	1,000,000,000 or more	275,886
Depreciation	1,023,829	4,070	9,708	14,184	28,091	39,528	46,886	27,603	62,242	26,520	1,000,000,000 under	1,000,000,000 or more	582,778
Pension, profit-sharing, stock bonus, and annuity plans	478,192	*780	*4,579	8,965	14,460	27,012	9,030	9,433	23,840	9,433	1,000,000,000 under	1,000,000,000 or more	363,329
Employee benefit programs	36,991	*3,981	4,201	8,965	14,460	27,012	9,030	9,433	23,840	9,433	1,000,000,000 under	1,000,000,000 or more	267,691
Net income (less deficit)	1,866,211	9,935	30,834	62,524	185,084	104,985	120,072	64,723	157,299	157,299	1,000,000,000 under	1,000,000,000 or more	863,505
Net income	1,819,711	*9,935	37,152	62,524	185,084	104,985	120,072	64,723	157,299	157,299	1,000,000,000 under	1,000,000,000 or more	863,505
Income subject to tax	1,729,988	10,700	27,040	46,078	89,951	244,977	95,970	61,705	160,848	160,848	1,000,000,000 under	1,000,000,000 or more	846,375
Income tax	792,373	*4,902	14,935	34,721	108,653	44,010	51,363	29,270	77,292	77,292	1,000,000,000 under	1,000,000,000 or more	404,340
Additional tax for tax preferences	120	—	—	—	—	—	—	—	—	—	—	—	85,062
Foreign tax credit	95,620	28	—	—	—	—	—	—	—	—	—	—	59,620
U.S. possessions tax credit	8397	—	—	—	—	—	—	—	—	—	—	—	307
Investment credit	101,804	296	618	1,335	4,048	14,378	3,562	2,270	2,361	2,361	1,000,000,000 under	1,000,000,000 or more	400
Work incentive (WIN) credit	478	—	—	—	—	—	—	—	—	—	—	—	566
New jobs credit	29,463	—	—	—	—	—	—	—	—	—	—	—	24,888
Distributions to stockholders except in own stock	357,976	*4,731	835	2,348	5,402	10,758	20,047	872	5,745	6,364	1,000,000,000 under	1,000,000,000 or more	261,527
Manufacturing: Leather and Leather Products													
Number of returns	1,751	3	3	3	3	3	3	3	3	3	3	3	3
Total assets	5,404,123	13,416	158,729	433	1,147	332	332	332	332	332	332	332	332
Notes and accounts receivable, net	1,361,123	51,348	209,572	125,890	166,113	104,110	185,906	104,110	185,906	104,110	185,906	104,110	185,906
Inventories	693,189	2,430	48,663	31,321	282,062	42,611	59,581	44,874	73,427	44,874	73,427	44,874	73,427
Cash	1,222,846	5,400	10,974	10,974	11,328	4,031	42,259	36,854	45,220	41,744	135,563	348,485	357,062
Other investments and loans	657,085	24	1,328	1,328	1,328	1,328	1,328	1,328	1,328	1,328	1,328	1,328	1,328
Depreciable assets	1,673,039	4,839	4,839	4,839	4,839	4,839	4,839	4,839	4,839	4,839	4,839	4,839	4,839
Less: Accumulated depreciation	875,175	*11,846	36,249	37,795	54,374	25,660	163,130	195,875	78,210	220,651	99,892	323,576	323,576
Other capital assets less reserves	46,230	*584	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098	1,098
Accounts and notes payable	1,437,278	25,307	55,289	32,397	32,397	257,764	132,950	139,206	99,892	107,564	107,564	107,564	107,564
Other current liabilities	369,224	10,683	20,558	2,058	2,058	25,848	52,127	52,127	47,093	47,093	47,093	47,093	47,093
Mortgages, notes, and bonds payable in one year or more	890,996	—	—	—	—	—	—	—	—	—	—	—	—
Net worth	2,540,655	21,412	70,753	21,412	70,753	21,412	70,753	21,412	70,753	21,412	70,753	21,412	70,753
Cost of property used for investment credit	128,031	4,987	18,134	4,262	18,134	18,134	18,134	18,134	18,134	18,134	18,134	18,134	18,134
Total receipts	10,384,927	21,107,306	444,074	281,889	1,728,962	871,608	1,190,176	647,028	984,628	984,628	984,628	984,628	984,628
Business receipts	10,192,252	20,450	442,091	280,220	1,714,814	863,450	1,178,540	633,370	969,724	969,724	969,724	969,724	969,724
Cost of sales and operations	7,511,845	139,469	331,773	220,309	1,360,795	377,128	894,605	443,291	685,374	685,374	685,374	685,374	685,374
Taxes paid	245,939	5,939	12,270	7,323	7,323	25,535	15,307	15,307	28,017	28,017	28,017	28,017	28,017
Interest paid	139,937	*214	2,649	1,672	17,396	14,301	14,301	14,301	14,301	14,301	14,301	14,301	14,301
Depreciation	125,068	*447	2,951	2,951	19,745	12,006	14,443	7,165	16,247	16,247	16,247	16,247	16,247
Pension, profit-sharing, stock bonus, and annuity plans	52,378	—	—	—	—	—	—	—	—	—	—	—	—
Employee benefit programs	46,433	—	—	—	—	—	—	—	—	—	—	—	—
Net income (less deficit)	385,416	803	3,581	3,581	7,672	3,913	7,065	3,913	5,403	5,403	5,403	5,403	5,403
Net income	385,416	803	3,581	3,581	7,672	3,913	7,065	3,913	5,403	5,403	5,403	5,403	5,403
Income subject to tax	421,746	4,466	9,977	9,977	31,523	19,788	59,156	31,523	46,340	46,340	46,340	46,340	46,340
Income tax	194,508	3,170	4,823	4,823	15,568	29,566	34,008	34,008	43,077	43,077	43,077	43,077	43,077
Additional tax for tax preferences	—	—	—	—	—	—	—	—	—	—	—	—	—
Foreign tax credit	1,981	—	—	—	—	—	—	—	—	—	—	—	—
U.S. possessions tax credit	1,336	83	—	—	—	—	—	—	—	—	—	—	—
Investment credit	9,348	522	1,021	1,021	1,153	1,153	1,153	1,153	1,153	1,153	1,153	1,153	1,153
Work incentive (WIN) credit	7,109	—	—	—	—	—	—	—	—	—	—	—	—
New jobs credit	1,099	1,485	—	—	—	—	—	—	—	—	—	—	—
Distributions to stockholders except in own stock	96,923	*280	396	835	2,295	3,874	7,457	20,649	17,944	17,944	17,944	17,944	17,944

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Major industry, item	Size of total assets												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	Total returns of active corporations	Zero assets	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$500,000,000	\$500,000,000 or more
Stone, Clay, and Glass Products													
Number of returns	10,403	1,008	2,839	2,173	1,511	1,339	1,210	152	79	31	18	24	19
Total assets	27,281,845	—	112,975	383,209	559,300	916,224	2,473,802	1,080,457	1,224,334	1,104,794	1,395,070	4,104,719	13,825,961
Notes and accounts receivable, net	5,199,109	—	197,366	568,222	854,000	1,227,743	3,630,805	1,682,715	2,444,368	2,159,944	2,066,275	6,055,780	20,005,668
Inventories	4,199,162	—	197,564	546,366	806,678	1,349,084	4,088,336	2,000,900	2,262,759	1,651,165	2,000,955	6,584,829	20,005,983
Cash, Government obligations, and other current assets	2,477,028	—	24,185	74,111	106,078	179,799	299,104	125,545	134,645	124,162	85,130	383,011	1,029,497
Other investments and loans	3,263,470	—	8,530	26,530	37,822	53,925	117,039	47,717	76,627	146,376	39,803	466,104	1,029,497
Depreciable assets	20,979,780	—	72,860	286,919	416,253	693,310	1,913,530	861,198	991,149	784,683	1,314,682	3,239,373	10,325,203
Less: Accumulated depreciation	10,133,235	—	36,207	161,185	242,054	433,441	1,062,948	489,611	520,048	403,453	560,512	1,432,362	4,711,448
Other capital assets less reserves	931,757	—	3,562	12,438	16,410	41,638	139,619	79,849	57,175	47,386	59,976	173,729	299,976
Accounts and notes payable	3,974,314	—	19,130	92,253	151,864	231,792	652,103	341,936	220,812	143,597	128,576	514,276	1,578,014
Other current liabilities	2,813,045	—	15,797	25,524	30,025	54,128	183,105	86,620	100,199	73,952	106,660	531,112	1,596,923
Mortgages, notes, and bonds payable in one year or more	5,789,289	—	10,210	56,103	71,602	174,930	468,331	172,411	242,417	208,677	434,914	942,672	3,006,022
Net worth	13,746,186	—	33,993	160,761	266,129	403,419	1,088,630	522,685	623,600	632,643	684,020	1,996,393	7,346,939
Cost of property used for investment credit	2,014,320	2,173	7,808	40,156	46,848	107,330	259,377	85,394	89,296	59,409	150,724	242,648	926,157
Total receipts	36,309,691	23,991	309,662	919,873	1,156,664	1,866,672	4,624,613	1,705,736	1,652,770	1,263,111	1,444,550	4,706,326	16,635,723
Business receipts	35,175,446	22,272	299,549	907,301	1,142,002	1,840,496	4,535,302	1,655,465	1,607,542	1,233,905	1,425,403	4,586,148	15,950,061
Cost of sales and operations	24,051,483	13,981	208,175	677,884	775,959	1,256,481	3,233,282	1,187,072	1,126,978	869,273	1,042,852	3,151,364	10,577,440
Taxes paid	1,051,814	1,420	13,058	27,884	37,889	62,072	120,667	47,297	47,297	38,885	36,049	145,265	476,366
Interest paid	1,439,798	1,572	8,828	26,364	35,819	66,790	148,403	61,005	25,809	23,290	34,792	99,348	260,856
Depreciation	351,568	65	2,964	4,270	4,200	9,668	37,427	13,812	17,240	12,919	13,564	45,552	320,545
Pension, profit-sharing, stock bonus, and annuity plans	351,568	262	1,673	2,418	4,200	7,849	26,308	10,417	12,883	9,397	11,447	37,049	227,935
Employee benefit programs	2,252,795	4,446	22,187	50,554	50,691	74,057	224,999	84,080	107,337	92,907	58,726	272,857	1,304,220
Net income (less deficit)	2,437,170	1,483	5,166	40,375	59,118	87,626	251,929	107,337	126,506	96,495	77,823	289,078	1,304,220
Net income	2,238,045	1,327	3,483	30,506	43,940	67,900	223,030	87,635	118,875	86,517	68,330	280,352	1,213,760
Income subject to tax	1,029,633	593	1,363	6,300	12,566	23,804	93,127	33,119	58,512	41,182	33,319	135,096	576,316
Income tax, total	2,608	—	78	—	—	—	125	109	214	214	553	—	—
Additional tax for tax preferences	100,154	—	—	—	—	—	84	34	909	3,436	18	6,443	89,230
Foreign tax credit	2,997	—	—	—	—	—	842	206	1,949	1,949	—	—	—
U.S. possessions tax credit	165,750	—	—	—	—	—	17,240	5,415	5,330	4,686	5,610	24,182	92,719
Investment credit	199	—	—	—	—	—	—	—	—	—	—	—	—
Work incentive (WIN) credit	19,715	—	—	—	—	—	35	6	8	69	—	18	63
New jobs credit	532,132	—	—	—	—	—	8,382	2,509	1,484	783	400	1,075	996
Distributions to stockholders except in own stock	—	2,675	5,845	4,477	4,963	9,252	19,899	11,740	20,477	18,320	21,793	63,950	348,741
Manufacturing: Primary Metal Industries													
Number of returns	4,454	8	1,011	1,018	638	565	763	193	126	36	29	25	42
Total assets	92,502,236	—	57,547	168,891	239,715	399,598	1,656,317	1,368,003	1,997,191	1,209,780	2,121,883	3,380,056	79,901,315
Notes and accounts receivable, net	14,776,150	—	171,163	568,222	854,000	1,227,743	3,630,805	1,682,715	2,444,368	2,159,944	2,066,275	6,055,780	20,005,668
Inventories	4,199,162	—	197,564	546,366	806,678	1,349,084	4,088,336	2,000,900	2,262,759	1,651,165	2,000,955	6,584,829	20,005,983
Cash, Government obligations, and other current assets	6,387,967	—	15,896	46,113	66,396	93,719	179,184	364,930	373,771	334,311	571,284	991,948	1,948,146
Other investments and loans	14,371,349	—	4,462	13,318	17,318	25,819	53,925	148,980	165,662	105,095	173,785	519,954	1,519,954
Depreciable assets	67,536,886	—	248	891,912	1,282,252	2,633,500	930,602	846,450	1,214,244	669,950	1,236,069	2,428,682	59,851,255
Less: Accumulated depreciation	33,436,152	—	29,212	95,912	159,252	263,350	930,602	442,127	421,657	268,931	502,780	1,298,624	29,626,077
Other capital assets less reserves	1,764,160	—	5,132	15,124	20,993	10,657	39,153	30,553	41,279	22,462	64,363	51,199	1,491,525
Accounts and notes payable	15,465,098	—	18,634	29,384	40,044	10,637	485,633	351,837	489,978	264,338	365,268	575,816	1,763,329
Other current liabilities	7,437,479	—	5,648	17,545	17,130	35,470	153,984	157,167	160,950	108,720	222,300	331,568	6,226,989
Mortgages, notes, and bonds payable in one year or more	20,251,651	—	22,553	57,044	67,556	167,305	403,852	198,523	333,484	234,100	451,486	770,820	1,937,789
Net worth	41,879,222	—	28,825	101,703	116,196	167,305	403,852	198,523	333,484	234,100	451,486	770,820	1,937,789
Cost of property used for investment credit	5,724,009	1,550	13,728	50,174	60,312	107,330	259,377	85,394	89,296	59,409	150,724	242,648	926,157
Total receipts	98,504,375	100,628	306,487	955,063	1,270,017	1,997,191	4,624,613	1,705,736	1,652,770	1,263,111	1,444,550	4,706,326	16,635,723
Business receipts	95,600,424	79,863	304,992	952,743	1,264,342	1,960,591	4,535,302	1,655,465	1,607,542	1,233,905	1,425,403	4,586,148	15,950,061
Cost of sales and operations	73,576,101	74,995	205,074	735,574	1,019,255	1,556,174	3,933,282	1,487,072	1,426,978	1,042,852	1,233,905	3,151,364	10,577,440
Taxes paid	2,367,596	2,307	8,464	16,620	23,232	27,500	68,687	24,997	24,997	42,907	61,406	107,731	326,104
Interest paid	2,345,075	2,579	7,332	23,450	30,921	41,112	106,500	30,996	41,112	26,594	36,655	87,907	204,238
Depreciation	3,003,164	3,659	14,845	9,227	10,703	19,364	77,101	33,142	85,208	49,525	94,845	130,784	3,044,761
Pension, profit-sharing, stock bonus, and annuity plans	2,626,821	706	11,662	18,184	19,975	24,776	106,500	49,525	64,363	51,199	64,363	173,729	299,976
Employee benefit programs	1,272,017	854	2,365	3,702	5,397	7,849	26,308	10,417	12,883	9,397	11,447	37,049	227,935
Net income (less deficit)	1,231,259	264	1,222	27,795	24,853	29,841	186,449	123,321	159,322	75,420	124,239	353,478	1,046,986
Net income	2,584,391	3,919	7,860	29,612	27,210	40,291	210,294	142,219	176,324	96,014	159,074	217,038	1,474,536
Income subject to tax	2,299,123	2,781	6,312	18,580	16,334	34,000	196,156	135,314	168,589	92,916	144,410	212,453	1,271,278
Income tax, total	1,103,027	1,320	4,293	12,414	4,039	12,414	87,293	36,171	79,558	44,467	68,447	101,647	635,052
Additional tax for tax preferences	40,752	—	—	—	—	—	38	9	4	36	75	60	40,530
Foreign tax credit	160,215	716	—	—	—	—	19	36	537	1,849	2,143	8,137	146,778
U.S. possessions tax credit	391	—	—	—	—	—	221	57	726	3,982	—	—	113,029
Investment credit	155,095	—	—	—	—	—	6,015	5,626	7,267	3,982	5,765	8,697	125
Work incentive (WIN) credit	252	—	—	—	—	—	12	3	31	8	—	—	132
New jobs credit	17,143	—	—	—	—	—	6,309	2,440	1,236	866	331	686	1,588
Distributions to stockholders except in own stock	—	9,77	—	—	—	—	17,437	11,800	29,934	16,785	31,555	46,438	1,158,989

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

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

Major industry, item	Total returns of active corporations		Size of total assets												\$250,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)		
Manufacturing: Fabricated Metal Products															
Number of returns	32,560	43	11,734	6,738	4,777	3,882	4,162	704	333	108	46	33	20		
Total assets	51,506,962	1,050,975	519,593	1,050,975	1,709,359	2,886,980	8,891,314	4,676,621	5,059,870	3,695,146	3,241,454	5,185,897	14,589,753		
Notes and accounts receivable, net	11,747,637	296,654	111,184	296,654	487,110	780,678	2,345,556	1,085,014	1,228,544	734,210	634,510	1,011,109	2,958,068		
Inventories	12,707,236	85,933	87,371	85,933	377,371	707,309	2,497,595	1,394,341	1,550,706	1,029,036	925,439	1,317,637	2,633,860		
Cash, Government obligations, and other current assets	5,569,113	168,788	26,588	168,788	242,108	414,966	1,052,690	741,696	822,641	408,727	275,969	583,029	1,094,679		
Other investments and loans	5,877,958	361,848	26,588	361,848	662,900	1,433,008	4,183,397	2,226,641	2,560,021	1,692,938	1,511,556	2,405,991	3,057,615		
Debt securities	12,245,670	25,472	180,395	25,472	520,683	822,780	2,289,153	1,184,776	1,337,047	731,616	685,186	1,140,133	3,099,378		
Less: Accumulated depreciation	1,208,501	9,210	9,210	9,210	34,288	62,236	236,403	76,828	111,019	103,175	93,846	79,530	379,859		
Other capital assets less reserves	10,162,009	314,780	165,366	314,780	484,356	802,588	2,353,113	1,095,460	1,072,514	549,958	510,875	677,035	2,147,364		
Accounts and notes payable	5,822,023	60,000	60,000	60,000	170,418	269,160	848,915	329,995	519,138	385,738	320,285	588,469	1,685,319		
Mortgages, notes, and bonds payable in one year or more	8,671,807	95,161	132,439	95,161	312,543	399,500	1,263,796	401,789	765,541	654,359	682,963	827,114	3,130,602		
Net worth	25,032,670	107,958	454,975	107,958	612,925	1,300,917	4,123,002	2,701,950	2,544,856	1,995,174	1,640,041	2,833,106	6,717,766		
Cost of property used for investment credit	2,501,239	5,263	49,135	88,608	135,827	191,834	443,673	210,968	218,188	163,699	142,025	213,371	636,648		
Total receipts	84,128,260	395,208	1,519,957	2,742,987	3,809,000	6,311,636	17,135,977	8,149,881	8,941,764	5,437,590	4,656,410	7,159,396	18,468,364		
Business receipts	82,375,570	394,972	1,506,076	2,728,613	3,792,203	6,236,517	16,915,501	8,046,089	8,914,517	5,316,093	4,562,743	6,987,640	17,727,904		
Cost of sales and operations	2,221,272	10,274	46,881	13,374	17,797	77,119	220,476	93,892	60,247	381,507	3,252,042	4,817,772	12,463,719		
Taxes paid	1,040,411	3,445	19,324	22,663	34,655	65,845	186,949	69,094	100,203	144,668	127,293	196,254	440,285		
Interest paid	1,970,478	9,447	36,249	67,865	85,746	130,890	342,868	167,771	173,304	132,969	117,211	176,596	298,578		
Depreciation	1,021,389	6,540	4,013	14,397	23,638	49,417	148,237	109,451	83,165	47,260	54,545	110,705	370,011		
Pension, profit-sharing, stock bonus, and annuity plans	717,862	18,329	8,231	11,914	27,427	50,152	122,487	58,129	66,130	36,148	36,148	83,189	204,580		
Employee benefit programs	5,248,821	18,509	7,229	84,733	96,264	307,628	908,782	489,104	574,396	487,148	307,181	663,342	1,379,323		
Net income (less deficit)	5,712,551	21,536	112,356	173,879	342,917	642,917	1,048,599	540,714	571,053	464,825	322,867	663,835	1,379,323		
Net income	5,333,785	20,189	34,347	123,956	228,465	394,769	639,517	321,260	347,959	247,959	160,060	640,170	1,360,251		
Income subject to tax	2,416,473	10,191	6,496	16,930	35,119	105,991	410,262	241,658	261,703	222,163	159,802	306,014	648,833		
Income tax, total	328	—	—	—	—	—	77	—	36	—	—	190	—		
Additional tax for tax preferences	173,249	5	—	—	(1)	1,254	2,070	521	3,749	5,499	6,530	16,634	136,987		
Foreign tax credit	8,466	—	—	—	20	133	1,323	1,371	1,649	3,970	11,946	18,226	51,779		
U.S. possessions tax credit	191,408	581	1,765	5,714	8,445	14,705	32,127	17,110	17,321	11,689	11,946	102,437	359,961		
Investment credit	86,062	(1)	1,240	1,494	34	170	546	11,486	8,391	3,336	1,770	1,515	—		
New jobs credit	861,257	(3,039)	(2,513)	(1,749)	11,407	25,348	31,511	105,562	59,436	68,720	43,699	102,437	—		
Distributions to stockholders except in own stock	—	—	—	—	—	—	—	—	—	—	—	—	—		
Manufacturing: Machinery, Except Electrical															
Number of returns	24,671	270	10,168	4,326	3,415	2,553	2,998	394	273	99	71	50	56		
Total assets	114,577,820	372,887	3,728,820	1,229,312	1,850,214	6,467,642	26,487,622	26,487,622	4,238,532	3,485,755	5,083,830	7,773,327	80,746,376		
Notes and accounts receivable, net	28,003,310	78,657	78,657	150,242	332,911	452,700	1,570,265	660,133	1,016,295	872,541	1,261,812	1,756,214	19,941,540		
Inventories	28,496,094	65,152	65,152	94,598	221,972	404,106	2,101,352	918,826	1,391,367	1,391,367	1,571,402	2,230,108	18,416,381		
Cash, Government obligations, and other current assets	15,557,760	26,689	15,629	148,600	231,775	273,656	842,400	254,415	451,833	359,622	470,952	895,291	11,486,088		
Other investments and loans	47,249,239	316,629	316,629	448,979	772,887	1,079,628	3,163,203	1,113,662	1,658,917	1,256,035	2,003,867	2,913,170	32,816,090		
Depreciable assets	23,344,492	174,364	174,364	222,219	421,370	581,886	1,474,573	545,331	808,303	575,310	971,716	1,357,876	16,211,544		
Less: Accumulated depreciation	1,356,731	4,979	4,979	12,285	24,263	65,692	153,935	59,741	96,376	90,094	70,493	125,953	652,920		
Other capital assets less reserves	22,880,436	94,207	94,207	210,934	307,107	429,538	1,695,488	665,633	831,793	613,018	927,145	1,100,174	16,066,372		
Accounts and notes payable	13,579,002	34,104	34,104	62,943	135,939	218,086	741,102	379,842	533,023	461,079	676,035	1,264,714	9,112,135		
Mortgages, notes, and bonds payable in one year or more	19,360,464	98,891	126,264	194,956	305,615	483,307	1,834,307	370,942	561,877	469,474	965,924	1,529,921	13,902,684		
Net worth	51,819,898	48,360	266,970	529,435	837,495	1,249,645	4,121,565	2,149,654	2,149,654	1,840,654	2,408,520	3,671,484	35,901,610		
Cost of property used for investment credit	4,726,309	10,579	33,980	80,229	87,867	133,976	314,890	124,340	168,043	132,440	251,599	334,138	3,053,861		
Total receipts	124,186,310	829,712	1,038,425	1,371,974	2,507,097	3,422,758	11,924,701	3,860,622	5,910,125	4,520,068	6,258,411	9,405,205	73,937,024		
Business receipts	109,689,375	807,846	1,029,151	1,344,624	2,475,930	3,382,771	10,924,701	3,780,390	5,753,990	4,390,517	5,910,857	8,470,516	61,058,006		
Cost of sales and operations	71,457,036	482,673	634,498	800,535	1,052,076	1,255,967	7,550,029	2,639,314	3,904,110	3,064,110	3,965,520	5,996,565	38,739,251		
Taxes paid	3,597,317	26,188	31,614	66,146	81,730	105,222	304,248	94,163	153,150	119,879	168,648	249,876	2,209,653		
Interest paid	2,570,461	13,230	12,980	22,025	29,486	40,866	133,555	49,599	73,888	57,760	108,012	183,171	1,845,859		
Depreciation	4,466,723	16,791	33,098	42,392	66,243	85,923	228,294	85,591	126,167	102,650	180,540	255,156	3,243,890		
Pension, profit-sharing, stock bonus, and annuity plans	1,984,781	12,184	7,795	16,450	19,980	37,055	109,807	32,027	66,214	66,214	73,426	119,310	1,481,360		
Employee benefit programs	12,861,772	21,693	6,412	14,768	37,886	81,861	312,998	171,878	219,768	199,065	39,065	90,556	697,508		
Net income (less deficit)	13,086,594	123,529	38,674	121,222	140,863	195,796	698,461	269,879	471,553	474,243	467,564	825,070	8,941,093		
Net income	12,536,816	121,350	38,674	121,222	140,863	195,796	698,461	269,879	471,553	474,243	467,564	825,070	8,941,093		
Income subject to tax	5,866,076	7,545	3,371	23,921	36,943	74,300	307,010	128,542	227,261	227,085	214,794	373,205	4,895,121		
Income tax, total	3,792	640	—	—	—	—	154	(1)	20	94	92	1,036	1,726		
Additional tax for tax preferences	1,624,031	12	—	—	—	57	1,352	2,531	4,216	15,788	30,919	31,629	1,537,530		
Foreign tax credit	11,061	—	—	—	217	114	353	2,242	1,080	6,575	17,466	23,107	258,457		
U.S. possessions tax credit	374,862	620	1,574	3,868	5,040	9,351	23,449	8,669	13,192	9,836	17,466	102,437	300,969		
Investment credit	523	(1)	33	5,990	33	10,135	23,877	6,069	5,739	3,343	2,369	2,700	1,834		
Work incentive (WIN) credit	64,429	—	—	—	—	—	—	—	—	—	—	—	—		
New jobs credit	—	—	—	—	—	—	—	—	—	—	—	—	—		
Distributions to stockholders except in own stock	3,465,551	6,833	9,972	4,094	11,202	10,995	48,534	21,583	43,965	61,278	69,126	172,000	3,006,969		

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Major industry, item	Size of total assets												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	Total returns of active corporations	Zero assets	\$1,000,000 to \$100,000	\$100,000 to \$250,000	\$250,000 to \$500,000	\$500,000 to \$1,000,000	\$1,000,000 to \$5,000,000	\$5,000,000 to \$10,000,000	\$10,000,000 to \$25,000,000	\$25,000,000 to \$50,000,000	\$50,000,000 to \$100,000,000	\$100,000,000 to \$500,000,000	\$500,000,000 or more
Electrical and Electronic Equipment													
Number of returns	13,313	356	5,060	2,240	1,790	1,385	1,744	314	200	88	58	41	37
Total assets	96,099,283	183,833	183,833	380,474	647,537	1,021,757	3,930,097	2,225,594	3,191,439	3,078,096	3,923,680	6,490,248	71,026,528
Notes and accounts receivable, net	34,554	1,113,539	34,554	123,378	181,110	335,408	1,113,590	568,992	798,361	740,391	945,608	1,448,132	17,932,520
Inventories	18,805,538	63,133	17,145	96,488	191,215	294,945	1,316,271	697,610	371,650	837,593	1,120,626	1,533,970	11,744,840
Cash, Government obligations, and other current assets	14,007,298	12,652	10,651	64,268	107,687	135,171	474,626	275,814	337,430	411,575	461,941	1,007,977	12,069,446
Other investments and loans	35,755,076	60,143	58,708	152,540	234,795	368,836	1,653,430	1,444,778	338,482	509,609	1,007,977	1,416,779	26,282,976
Depreciable assets	16,821,530	25,190	11,918	152,540	234,795	368,836	1,653,430	1,444,778	338,482	509,609	1,007,977	1,416,779	26,282,976
Less: Accumulated depreciation	1,219,547	81,427	10,648	1,764	13,015	20,246	66,014	352,061	526,040	484,974	1,382,932	2,808,578	12,342,164
Other capital assets less reserves	21,759,482	71,283	13,110	13,110	222,932	347,082	1,201,626	477,307	704,248	569,599	737,716	882,715	16,413,484
Accounts and notes payable	13,142,169	13,147	40,325	40,325	67,330	131,584	480,061	269,212	369,258	321,230	459,541	777,552	10,209,000
Other current liabilities	15,570,131	23,102	56,776	56,776	72,492	158,118	649,932	244,001	459,503	444,865	696,129	995,075	11,770,138
Mortgages, notes, and bonds payable in one year or more	38,390,424	41,752	107,845	107,845	219,688	317,447	1,448,111	1,136,273	1,569,790	1,658,812	1,963,312	3,614,563	26,306,821
Net worth	5,843,808	10,402	7,664	16,607	30,631	47,688	203,292	138,148	126,613	126,613	169,732	238,203	4,750,408
Cost of property used for investment credit	114,307,940	1,000,750	495,324	892,474	1,427,212	2,227,944	7,470,924	3,508,669	4,643,931	4,334,761	5,241,126	9,382,843	73,471,980
Total receipts	108,913,623	1,074,370	490,931	871,656	1,424,979	2,189,560	7,335,443	3,412,202	4,507,323	4,180,355	5,185,307	8,977,973	69,233,524
Business receipts	73,764,031	821,793	346,566	571,097	963,353	1,520,179	4,981,798	2,329,263	3,104,543	2,949,044	3,536,229	6,074,561	46,565,605
Cost of sales and operations	3,076,989	14,754	12,719	25,621	38,868	56,262	200,813	88,192	105,045	105,045	138,849	256,614	2,021,064
Taxes paid	2,172,097	23,699	3,478	9,436	14,700	20,082	91,476	44,161	61,456	58,240	79,183	115,479	1,645,192
Interest paid	3,489,948	11,442	7,071	16,058	25,928	30,990	135,677	75,064	102,512	97,405	136,769	230,730	2,620,697
Depreciation	1,622,762	4,299	4,933	12,426	7,309	12,426	47,807	24,741	30,410	36,171	50,443	94,782	1,309,278
Pension, profit-sharing, stock bonus, and annuity plans	1,199,884	3,666	1,038	6,540	7,665	10,554	39,775	24,055	29,664	31,321	44,936	100,785	899,883
Employee benefit programs	7,921,789	37,307	18,474	657	1,962	55,028	389,530	292,159	318,147	319,564	358,588	819,108	5,327,948
Net income (less deficit)	8,477,796	59,102	19,946	34,554	62,327	97,455	330,870	312,033	392,487	370,532	390,232	856,571	5,351,685
Net income	7,966,303	59,082	14,701	32,471	48,455	89,402	462,329	282,693	357,456	356,646	361,370	833,189	5,068,509
Income subject to tax	3,730,561	28,392	7,534	7,534	14,769	32,219	132,795	132,795	170,590	170,590	171,808	388,768	2,405,855
Income tax, total	6,163	—	—	—	—	—	—	—	46	34	7	274	5,802
Additional tax for tax preferences	704,168	403	—	—	68	—	1,157	2,481	3,121	8,870	8,091	36,772	643,205
Foreign tax credit	126,742	1,448	—	6	63	1,208	7,302	22,166	25,801	34,303	16,546	17,899	283,553
U.S. possessions tax credit	367,848	855	—	1,095	2,181	3,548	12,671	9,498	9,404	9,725	13,398	21,796	283,553
Investment credit	1,091	—	—	—	—	—	—	—	—	—	—	—	—
Work incentive (WIN) credit	57,439	140	—	390	4,017	6,651	21,115	8,361	6,775	3,014	2,388	1,444	2,152
New jobs credit	1,845,037	28,044	—	1,255	6,336	3,512	30,567	15,679	30,055	28,022	46,984	147,266	1,503,650
Distributions to stockholders except in own stock													
Motor Vehicles and Equipment													
Number of returns	2,318	94	496	510	320	239	437	90	50	34	13	13	22
Total assets	102,590,127	17,642	17,642	89,217	117,642	186,642	976,190	137,362	179,944	1,179,455	992,369	2,395,291	95,262,472
Notes and accounts receivable, net	47,293,672	20,543	29,543	24,382	20,506	57,476	261,509	137,131	188,162	316,443	236,632	467,341	45,560,261
Inventories	16,216,058	14,623	14,623	32,657	28,601	79,294	355,451	221,969	262,350	374,869	276,438	581,106	13,988,710
Cash, Government obligations, and other current assets	7,601,740	2,859	2,859	12,050	27,193	15,218	77,780	59,163	61,137	103,273	64,976	390,920	6,787,171
Other investments and loans	10,816,650	228	8,991	11,116	30,112	18,613	42,469	18,613	42,469	89,464	160,003	289,268	10,196,686
Depreciable assets	39,118,463	10,577	10,577	37,337	50,920	57,887	420,985	268,929	277,591	466,068	413,193	1,087,110	36,027,866
Less: Accumulated depreciation	22,352,771	2,263	5,615	17,755	22,663	28,701	204,453	118,483	121,403	212,740	191,880	557,227	20,871,851
Other capital assets less reserves	796,378	2,019	2,019	—	3,374	1,818	19,970	8,786	16,038	20,740	12,907	27,675	663,051
Accounts and notes payable	31,398,129	8,509	8,509	66,504	34,280	68,860	342,431	150,383	190,956	219,314	129,669	481,092	29,706,131
Other current liabilities	9,188,639	7,819	1,394	7,819	10,485	15,690	83,608	65,393	86,309	117,394	110,964	283,348	8,404,235
Mortgages, notes, and bonds payable in one year or more	23,409,525	4,937	26,455	26,455	13,038	25,221	141,370	85,499	86,031	209,416	177,228	368,575	22,271,755
Net worth	36,181,617	3,922	8,711	13,022	57,961	68,836	381,632	286,871	364,463	612,018	531,263	1,190,433	32,709,875
Cost of property used for investment credit	5,472,618	—	—	—	2,370	7,145	45,930	25,107	26,206	54,296	157,575	177,225	1,021,922
Total receipts	138,077,131	227,057	76,835	264,495	218,322	411,532	2,124,940	1,210,083	1,429,810	1,995,268	1,446,381	3,489,917	125,182,486
Business receipts	133,156,738	220,140	76,454	263,392	214,496	398,632	2,091,721	1,196,634	1,408,623	1,959,747	1,416,592	3,409,855	120,500,452
Cost of sales and operations	97,478,839	162,273	53,824	186,589	142,513	301,692	1,567,750	912,787	1,078,123	1,451,212	960,673	2,298,881	86,362,882
Taxes paid	3,411,547	5,060	1,534	7,368	6,451	8,047	30,112	32,125	31,724	51,086	42,944	100,731	3,074,912
Interest paid	3,021,331	652	2,991	9,791	20,999	3,482	25,677	11,149	15,919	20,519	14,093	49,074	2,874,710
Depreciation	4,047,580	4,440	1,959	3,781	4,770	4,629	35,457	19,754	20,604	29,826	29,826	86,115	3,788,787
Pension, profit-sharing, stock bonus, and annuity plans	2,907,060	2,805	286	286	1,023	2,465	11,881	6,454	11,043	14,611	24,723	32,795,936	
Employee benefit programs	3,545,089	3,497	223	3,781	540	1,610	11,628	6,851	8,421	18,881	22,968	56,060	3,410,629
Net income (less deficit)	11,726,720	23,661	12,149	21,499	10,111	19,293	90,999	65,949	101,154	151,624	110,905	244,679	10,907,911
Net income	11,856,377	28,841	12,125	12,498	15,385	19,293	110,445	76,037	110,576	154,350	112,395	250,552	10,963,330
Income subject to tax	11,751,594	24,182	12,498	12,498	16,491	16,912	70,878	70,878	109,103	150,531	108,700	248,673	10,912,145
Income tax, total	5,632,218	11,424	5,814	5,814	3,718	5,814	39,912	33,021	51,904	71,869	51,595	119,637	5,242,085
Additional tax for tax preferences	35	—	—	—	—	—	—	—	—	—	—	—	—
Foreign tax credit	1,228,566	42	—	—	—	—	—	—	—	—	—	—	1,216,796
U.S. possessions tax credit	7,302	1,535	—	—	—	—	—	—	—	—	—	—	—
Investment credit	411,810	299	—	312	368	565	3,446	2,028	2,167	4,613	4,028	11,216	382,768
Work incentive (WIN) credit	3,203	—	—	—	—	—	—	—	—	—	—	—	—
New jobs credit	14,043	51	—	468	898	1,433	3,704	2,096	1,793	1,205	724	594	1,077
Distributions to stockholders except in own stock	2,808,355	2,792	—	—	1,683	508	13,494	4,650	7,292	15,947	23,862	42,491	2,895,636

RETURNS OF ACTIVE CORPORATIONS

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

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

Major industry, item	Size of total assets												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Total returns of active corporations	Zero assets	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$500,000,000	\$500,000,000 under \$1,000,000,000	\$1,000,000,000 or more
Manufacturing: Transportation Equipment, Except Motor Vehicles													
Number of returns	4	1,651	795	368	405	82	39	15	19	12	22		
Total assets	37,718	44,467	155,216	134,506	862,466	532,930	555,480	503,480	1,247,710	1,798,144	1,798,144	31,710,535	
Notes and accounts receivable, net	6,380,243	10,021	25,442	47,639	141,773	107,241	133,157	141,375	299,940	306,316	306,316	299,940	
Inventories	10,065,321	6,633	54,403	59,707	289,587	189,714	176,688	148,644	363,101	684,924	684,924	8,093,668	
Cash, Government obligations, and other current assets	7,034,451	12,441	20,567	16,118	144,134	23,040	63,445	59,812	138,923	297,493	297,493	6,193,668	
Other investments and loans	4,957,188	3,578	4,914	9,020	53,906	21,505	30,159	28,986	82,474	141,001	141,001	4,596,691	
Depreciable assets	16,045,161	38,407	66,441	52,185	405,398	240,828	234,828	211,382	485,364	571,027	571,027	13,666,161	
Less: Accumulated depreciation	8,943,249	31,602	19,394	13,622	53,888	206,851	107,440	90,128	193,963	264,331	264,331	7,846,774	
Other capital assets less reserves	700,484	237	1,513	4,786	26,013	13,344	13,134	5,927	83,959	30,054	30,054	516,778	
Accounts and notes payable	8,459,827	31,163	35,611	62,646	246,984	133,221	168,396	112,294	314,312	367,470	367,470	6,921,816	
Other current liabilities	6,987,509	3,491	17,327	12,938	70,822	55,564	71,127	49,277	163,061	324,182	324,182	6,198,487	
Mortgages, notes, and bonds payable in one year or more	5,947,759	1,674	30,644	31,197	111,565	77,632	89,930	82,882	257,607	224,527	224,527	4,985,029	
Net worth	14,327,206	15,180	32,667	20,704	396,134	247,964	207,796	249,476	421,139	777,933	777,933	11,937,436	
Cost of property used for investment credit	1,318,596	1,136	5,967	9,176	7,426	21,304	27,679	31,969	73,862	47,140	47,140	1,054,316	
Total receipts	49,147,971	153,955	372,756	358,026	543,679	1,026,256	995,140	889,722	1,616,488	3,531,572	3,531,572	37,797,227	
Business receipts	46,660,800	53,140	153,916	153,916	354,703	532,048	520,047	456,634	871,921	1,564,527	1,564,527	3,478,319	
Cost of sales and operations	35,219,568	45,167	277,224	283,043	425,285	1,354,578	744,549	751,216	1,159,197	2,788,559	2,788,559	26,624,418	
Taxes paid	1,419,742	843	10,710	9,235	13,427	48,369	24,971	25,256	41,987	89,034	89,034	1,130,332	
Interest paid	684,760	3,217	5,036	5,422	7,111	21,165	12,383	10,135	32,210	23,318	23,318	549,192	
Depreciation	1,200,136	1,073	6,111	5,694	7,801	34,066	18,663	14,633	36,945	40,664	40,664	1,016,639	
Pension, profit-sharing, stock bonus, and annuity plans	1,187,889	1,560	1,428	1,053	10,758	5,080	6,303	6,006	17,022	42,432	42,432	1,095,075	
Employee benefit programs	673,895	66	1,428	620	9,567	4,170	7,488	6,932	11,239	40,358	40,358	590,461	
Net income (less deficit)	1,369,795	2,282	8,860	6,712	11,193	68,658	66,981	52,473	110,379	183,607	183,607	871,099	
Net income	2,021,643	4,349	7,534	8,128	12,941	95,347	90,724	60,751	117,764	193,229	193,229	1,385,542	
Income subject to tax	1,870,011	2,795	8,060	8,060	11,732	76,813	60,292	57,821	113,485	179,511	179,511	1,264,938	
Income tax, total	879,107	501	1,462	1,772	3,352	36,206	28,387	27,516	54,333	85,847	85,847	600,074	
Additional tax for tax preferences	386	—	—	—	—	—	—	—	—	—	—	—	382
Foreign tax credit	88,958	78	—	—	—	—	—	—	—	—	—	—	83,310
U.S. possessions tax credit	—	—	—	—	—	—	—	—	—	—	—	—	—
Investment credit	88,221	—	146	401	516	2,956	2,388	2,391	5,701	3,141	3,141	68,571	
Work incentive (WIN) credit	434	—	—	—	—	—	—	—	—	—	—	—	224
New jobs credit	10,964	—	136	136	167	1,655	865	688	577	450	450	695	
Distributions to stockholders except in own stock	549,686	—	2,106	2,106	2,54	6,927	6,584	6,439	12,860	27,722	27,722	484,223	
Manufacturing: Instruments and Related Products													
Number of returns	31	2,025	1,321	880	631	71	73	24	24	14	10		
Total assets	19,271,009	71,137	229,505	311,398	1,451,966	513,965	1,106,249	823,038	1,709,426	2,467,819	2,467,819	10,188,867	
Notes and accounts receivable, net	4,602,683	11,082	51,891	110,522	408,570	114,441	129,407	232,600	432,618	671,667	671,667	2,212,304	
Inventories	4,933,002	8,869	66,315	97,118	483,960	186,104	307,495	241,792	499,195	761,160	761,160	2,174,115	
Cash, Government obligations, and other current assets	2,146,723	19,628	35,155	40,215	172,784	40,551	112,526	88,444	103,434	303,309	303,309	1,192,897	
Other investments and loans	1,684,395	3,521	25,614	14,248	59,796	31,408	144,653	45,168	260,492	176,002	176,002	908,756	
Depreciable assets	9,780,825	35,615	60,235	170,116	503,642	187,960	348,377	270,276	586,866	853,688	853,688	6,621,080	
Less: Accumulated depreciation	4,590,840	13,789	34,283	17,749	75,025	230,569	134,171	107,310	283,380	436,901	436,901	3,144,343	
Other capital assets less reserves	370,100	5,326	1,248	13,798	34,998	9,955	20,789	29,239	48,942	22,843	22,843	171,609	
Accounts and notes payable	2,760,128	7,976	51,622	82,178	390,429	121,662	143,385	147,026	242,115	499,052	499,052	952,981	
Other current liabilities	2,462,635	2,417	20,364	23,581	36,322	162,511	139,321	102,385	188,066	328,141	328,141	1,389,407	
Mortgages, notes, and bonds payable in one year or more	2,258,978	6,183	36,398	38,178	220,503	68,333	122,408	122,408	343,805	430,391	430,391	796,151	
Net worth	11,285,950	42,231	102,129	140,340	592,327	221,599	161,469	428,066	898,894	1,178,594	1,178,594	6,894,708	
Cost of property used for investment credit	917,836	396	15,012	15,490	58,574	21,817	48,917	32,276	86,396	82,356	82,356	558,947	
Total receipts	27,037,134	139,109	530,478	599,507	2,481,767	708,057	1,396,207	1,192,008	2,124,477	3,458,380	3,458,380	13,590,845	
Business receipts	25,707,217	45,596	128,601	128,601	426,197	688,307	1,347,364	1,163,325	2,027,308	3,359,669	3,359,669	12,652,565	
Cost of sales and operations	15,204,537	26,741	350,262	372,541	1,486,281	417,818	755,221	678,645	1,368,650	2,269,966	2,269,966	6,969,649	
Taxes paid	735,765	5,404	17,798	27,156	43,922	19,424	40,841	30,357	58,651	80,224	80,224	3,600,530	
Interest paid	273,603	1,084	4,539	5,949	11,950	14,875	17,637	14,866	45,112	46,799	46,799	79,365	
Depreciation	791,620	1,748	8,000	17,358	36,559	14,975	30,781	21,824	45,746	73,294	73,294	519,200	
Pension, profit-sharing, stock bonus, and annuity plans	443,814	223	1,960	6,963	19,272	5,511	12,772	8,166	20,877	45,841	45,841	314,981	
Employee benefit programs	252,051	512	3,313	3,313	20,026	6,067	13,408	10,121	14,130	43,424	43,424	130,712	
Net income (less deficit)	2,747,531	4,827	22,086	8,308	26,937	168,284	188,982	119,907	142,474	235,971	235,971	1,772,879	
Net income	2,881,757	10,314	23,426	46,426	209,158	58,158	194,586	128,030	154,222	243,592	243,592	1,774,582	
Income subject to tax	2,791,670	3,199	20,530	23,010	38,071	184,706	189,138	123,337	147,230	239,239	239,239	1,774,582	
Income tax, total	1,315,307	681	4,253	6,501	13,889	83,493	89,977	58,959	70,349	113,474	113,474	841,521	
Additional tax for tax preferences	228	—	—	—	—	—	—	—	—	—	—	—	225
Foreign tax credit	202,475	—	—	—	—	—	—	—	—	—	—	—	175,909
U.S. possessions tax credit	35,951	—	54	212	3,754	404	20,928	9,696	4,458	5,610	5,610	54,366	
Investment credit	80,284	132	694	829	1,727	1,825	3,495	3,036	4,458	16	16	77	
Work incentive (WIN) credit	213	—	—	—	—	—	—	—	—	—	—	—	794
New jobs credit	18,623	—	390	2,515	3,553	4,988	1,936	1,200	728	794	794	517	
Distributions to stockholders except in own stock	600,374	—	2,877	2,106	5,114	11,082	6,764	6,439	12,860	27,722	27,722	483,944	

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Major industry, item	Total returns to corporations		Zero assets		(\$1,000,000 under, \$100,000 over)		(\$100,000 under, \$250,000 over)		(\$250,000 under, \$500,000 over)		(\$500,000 under, \$1,000,000 over)		(\$1,000,000 under, \$5,000,000 over)		(\$5,000,000 under, \$250,000,000 or more)	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)			
Manufacturing: Miscellaneous Manufacturing and Manufacturing not Allocable																
Number of returns	13,621	851	5,798	2,730	1,722	1,062	1,130	161	107	26	20	6				
Total assets	15,119,604	—	209,878	437,298	622,510	748,676	2,564,976	1,088,030	1,631,584	877,216	1,467,667	1,170,604	4,300,967			
Notes and accounts receivable, net	3,860,680	—	58,890	103,000	191,972	209,533	732,667	287,247	402,839	206,756	393,054	295,280	986,642			
Inventories	4,969,939	—	52,848	143,628	160,610	227,021	875,760	373,432	503,173	255,145	419,041	195,496	1,053,685			
Cash, Government obligations, and other current assets	1,510,436	—	33,598	69,568	76,890	86,381	298,314	117,904	181,574	86,759	172,746	163,377	263,297			
Other investments and loans	5,665,608	—	5,175	12,698	27,787	35,925	86,847	64,456	96,803	118,371	149,601	195,217	883,543			
Depreciable assets	2,516,206	—	86,575	162,581	177,688	314,271	976,852	412,613	610,318	289,264	473,067	379,141	1,483,056			
Less: Accumulated depreciation	354,997	—	11,346	20,650	18,196	147,344	487,724	197,884	263,396	144,936	206,076	172,293	633,293			
Other capital assets less reserves	3,352,917	—	106,918	199,303	187,132	217,300	873,355	283,719	328,448	165,977	216,035	165,977	459,518			
Accounts and notes payable	1,386,786	—	22,300	34,466	45,197	57,405	234,909	118,851	157,687	107,862	115,104	644,895	333,183			
Mortgages, notes, and bonds payable in one year or more	2,760,944	—	56,159	71,324	118,284	89,224	325,695	148,718	300,168	165,454	248,480	257,095	1,000,402			
Net worth	6,731,368	—	14,719	20,980	24,218	331,206	1,040,661	507,359	778,667	356,664	618,841	562,810	2,162,439			
Cost of property used for investment credit	537,162	*532	13,570	20,980	54,124	34,105	89,936	44,106	47,460	30,978	47,561	38,951	114,959			
Total receipts	24,708,651	270,662	601,745	965,770	1,424,424	1,571,229	5,057,645	1,868,305	2,392,060	1,228,894	1,862,719	1,444,744	6,020,434			
Business receipts	24,083,615	259,991	577,573	960,175	1,369,125	1,549,870	4,989,766	1,836,646	2,345,264	1,173,160	1,800,605	1,383,880	5,801,560			
Cost of sales and operations	16,460,909	216,319	370,915	640,239	986,745	1,098,366	3,446,085	1,312,895	1,575,481	793,819	1,218,024	863,324	4,026,706			
Taxes paid	659,953	*399	24,825	43,568	39,045	50,952	127,147	42,056	60,282	25,784	45,562	46,243	161,276			
Interest paid	424,415	*472	13,568	20,650	18,196	16,737	73,044	23,074	31,450	20,353	39,044	33,239	130,634			
Depreciation	468,799	2,231	11,962	18,427	26,806	27,677	77,328	30,360	46,453	30,018	36,209	35,726	127,602			
Pension, profit-sharing, stock bonus, and annuity plans	176,574	*148	—	2,720	10,018	10,601	32,884	12,021	15,266	10,959	12,806	12,070	56,746			
Employee benefit programs	184,049	*901	*1,311	2,443	8,432	13,169	33,901	6,915	15,236	9,358	12,806	8,133	70,424			
Net income (less deficit)	1,281,223	5,997	7,166	17,238	53,862	71,232	246,768	109,131	158,777	53,387	104,323	118,855	393,165			
Net income	1,544,633	*13,147	25,744	28,044	63,602	104,114	295,934	133,890	188,704	81,042	129,315	118,855	393,165			
Income subject to tax	1,345,463	*3,745	18,734	18,734	45,171	79,173	263,348	133,415	184,917	75,600	124,453	111,248	332,796			
Income tax, total	605,004	*1,496	2,589	5,274	13,352	30,293	97,345	62,817	87,592	36,100	56,103	53,527	158,516			
Additional tax for tax preferences	—	—	—	—	—	—	—	*78	9	2	4	—	—			
Foreign tax credit	41,822	—	—	7	—	—	74	*570	2,000	2,000	1,633	15,493	16,187			
U.S. possessions tax credit	17,185	—	5	—	—	—	—	—	761	761	3,106	2,135	9,846			
Investment credit	36,098	*46	*494	1,148	2,652	2,284	6,502	2,833	3,403	1,619	3,106	2,135	9,846			
Work incentive (WIN) credit	24,102	—	—	*2,028	—	—	—	—	—	—	—	—	—			
New jobs credit	186,097	*163	*3,448	—	—	—	—	—	—	—	—	—	—			
Distributions to stockholders except in own stock	—	—	—	—	—	—	—	—	—	—	—	—	—			
Total Transportation and Public Utilities																
Number of returns	85,215	2,265	43,902	18,380	8,908	5,024	5,048	710	403	157	91	98	229			
Total assets	538,778,308	—	1,649,541	2,917,006	3,103,540	3,494,016	10,543,525	4,830,632	6,302,525	5,674,514	6,400,874	15,612,109	47,250,022			
Notes and accounts receivable, net	37,644,971	—	297,229	604,205	591,585	713,119	2,852,721	853,043	1,041,633	920,154	1,389,521	1,389,521	28,586,830			
Inventories	18,692,638	—	24,484	45,453	110,524	81,547	186,882	173,695	181,142	164,664	252,887	553,229	16,892,130			
Cash, Government obligations, and other current assets	32,297,950	—	338,256	470,679	480,462	544,440	1,530,061	660,862	763,969	562,547	640,031	1,155,890	25,410,728			
Other investments and loans	45,930,150	—	82,323	125,912	183,820	145,141	755,408	350,290	437,056	438,563	642,737	1,534,566	41,174,334			
Depreciable assets	518,697,285	—	1,570,436	2,841,461	2,901,141	3,202,538	9,218,318	4,028,734	5,385,665	4,971,655	5,441,474	14,143,101	464,981,762			
Less: Accumulated depreciation	133,874,389	—	825,000	1,399,934	1,436,234	1,519,713	3,993,472	1,652,001	2,114,169	1,901,877	1,982,366	4,240,159	112,809,443			
Other capital assets less reserves	7,731,384	—	47,410	56,670	120,458	156,634	425,206	232,521	255,700	220,657	289,718	377,439	5,548,982			
Accounts and notes payable	45,652,262	—	478,076	766,673	784,685	971,193	2,448,096	1,077,037	1,170,110	901,168	1,024,968	1,763,575	34,076,681			
Other current liabilities	57,087,381	—	140,226	220,381	174,301	234,368	802,505	506,706	670,370	628,793	716,709	1,576,296	51,416,726			
Mortgages, notes, and bonds payable in one year or more	191,793,930	—	372,154	634,892	871,381	1,101,843	3,309,729	1,530,709	1,897,744	2,009,619	2,113,162	5,651,832	172,390,868			
Net worth	218,166,812	—	328,537	494,136	1,036,872	979,135	3,284,949	1,439,068	2,162,431	2,208,289	2,574,716	5,741,716	198,330,328			
Cost of property used for investment credit	55,261,605	71,983	245,560	311,570	431,473	462,095	1,174,924	495,816	578,368	443,620	553,393	1,151,151	49,271,632			
Total receipts	330,112,349	2,980,432	5,350,848	7,119,202	6,438,127	6,946,931	15,191,132	5,948,235	7,579,074	6,542,441	7,212,614	11,934,039	24,697,153			
Business receipts	318,432,740	2,824,952	5,352,072	7,004,499	6,266,473	6,724,183	14,765,106	5,732,027	7,286,151	6,340,406	7,030,171	11,392,871	23,791,300			
Cost of sales and operations	199,942,176	1,391,674	3,111,642	4,608,678	4,044,530	4,474,495	9,387,481	3,911,162	4,946,462	4,347,753	4,868,274	7,918,355	14,683,269			
Taxes paid	19,236,130	180,008	51,703	228,069	298,338	254,803	579,413	259,662	308,902	281,364	309,902	507,643	1,963,614			
Interest paid	13,708,107	160,008	43,600	60,071	66,106	80,071	181,594	148,996	179,008	186,704	190,456	519,945	15,865,627			
Depreciation	26,760,500	177,996	186,020	301,841	279,220	310,429	763,329	302,077	400,518	329,799	344,080	803,896	22,581,295			
Pension, profit-sharing, stock bonus, and annuity plans	5,487,064	8,860	7,483	40,612	22,638	43,374	123,756	62,959	75,800	58,306	100,619	131,665	4,811,492			
Employee benefit programs	2,899,235	15,253	17,238	33,463	35,356	38,677	116,706	54,893	63,073	74,453	75,587	111,468	2,212,846			
Net income (less deficit)	18,304,402	10,723	174,902	162,513	371,486	625,213	1,519,132	279,539	438,037	372,944	372,944	471,168	352,060			
Net income	20,304,971	52,375	174,902	281,613	265,000	284,264	704,364	349,224	486,360	401,368	389,739	590,224	16,500,888			
Income subject to tax	18,692,706	33,942	80,919	160,239	160,239	207,031	686,956	267,903	430,000	365,910	346,639	699,342	15,492,014			
Income tax, total	8,670,700	13,426	17,325	36,464	54,607	71,442	300,393	122,087	203,120	174,197	163,137	283,962	7,428,618			
Additional tax for tax preferences	—	—	—	—	—	—	*274	*154	359	75	720	519	16,761			
Foreign tax credit	147,967	40	—	—	—	—	*36	*2,308	430	408	3,757	4,867	196,131			
U.S. possessions tax credit	21,618	—	—	—	—											

RETURNS OF ACTIVE CORPORATIONS

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

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

Major industry, item	Size of total assets												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Total returns of active corporations	Zero assets	\$1,000,000 to \$100,000,000	\$100,000 to \$250,000	\$250,000 to \$1,000,000	\$1,000,000 to \$5,000,000	\$5,000,000 to \$10,000,000	\$10,000,000 to \$25,000,000	\$25,000,000 to \$50,000,000	\$50,000,000 to \$100,000,000	\$100,000,000 to \$250,000,000	\$250,000,000 to \$500,000,000	\$500,000,000 to \$1,000,000,000	\$1,000,000,000 or more
Transportation and Public Utilities:													
Transportation													
Number of returns	1,998	35,289	13,383	6,424	3,962	3,325	457	252	93	57	42	62	
Total assets	126,989,606	1,308,465	2,105,043	2,243,143	2,459,990	6,923,506	3,143,505	3,896,305	3,359,728	4,071,613	6,833,935	90,356,373	
Notes and accounts receivable, net	14,832,287	246,538	476,272	463,663	608,332	1,464,372	698,421	805,297	723,386	621,278	789,901	7,934,821	
Inventories	3,905,678	15,757	28,742	83,362	71,197	186,221	104,329	117,495	144,878	144,878	214,772	2,844,428	
Cash, Government obligations, and other current assets	13,372,103	274,279	677,677	400,998	451,373	1,077,842	486,466	508,044	358,184	471,965	571,288	8,403,987	
Other investments and loans	18,744,175	72,846	91,505	146,420	118,651	458,158	192,152	314,638	228,383	411,056	798,437	15,911,927	
Depreciable assets	105,685,679	1,224,258	1,945,275	2,091,806	2,470,891	5,942,706	2,506,182	3,362,051	2,902,111	3,240,382	5,569,535	74,630,518	
Less: Accumulated depreciation	38,298,054	643,286	959,097	1,098,432	1,204,352	2,732,110	1,137,301	1,477,759	1,229,334	1,700,887	2,869,145	24,893,145	
Other capital assets less reserves	2,190,114	23,051	32,553	62,670	126,591	272,414	115,599	136,725	141,896	223,451	128,723	891,691	
Accounts and notes payable	16,397,796	423,805	614,248	632,112	828,072	1,985,799	824,359	868,244	665,874	760,248	800,070	7,994,965	
Other current liabilities	16,084,049	98,014	158,250	135,196	191,223	594,856	397,868	500,829	431,570	510,524	819,572	12,246,147	
Mortgages, notes, and bonds payable in one year or more	38,188,043	272,213	435,182	513,019	847,835	1,932,578	848,273	948,560	1,125,972	1,211,420	2,241,025	27,811,966	
Net worth	46,288,243	239,742	617,402	743,541	742,649	2,020,531	917,448	1,413,617	1,038,205	1,434,419	2,380,950	34,739,739	
Cost of property used for investment credit	11,286,680	193,675	272,079	368,003	388,923	842,589	398,994	418,495	252,755	426,720	529,477	7,207,564	
Total receipts	131,252,779	2,762,319	4,697,263	5,962,744	5,962,744	12,392,652	4,924,868	5,948,102	5,173,652	5,637,058	6,015,200	66,888,956	
Business receipts	124,965,301	2,622,986	4,504,648	5,321,644	5,962,666	12,074,285	4,746,079	5,717,261	5,031,282	5,485,073	5,716,236	61,979,512	
Cost of sales and operations	86,168,069	1,288,866	2,890,706	3,511,025	4,013,981	7,992,918	3,419,977	3,960,546	3,640,023	3,852,887	4,128,283	43,494,131	
Taxes paid	5,630,817	50,665	192,529	197,539	223,842	467,327	209,309	239,216	213,003	250,234	226,352	3,176,155	
Interest paid	6,389,748	109,934	41,949	3,288,147	89,888	271,183	90,946	101,784	102,410	116,664	208,801	2,054,494	
Depreciation	6,989,199	163,362	150,828	223,772	224,704	563,390	281,292	209,126	201,803	250,778	342,325	3,517,990	
Pension, profit-sharing, stock bonus, and annuity plans	1,540,788	7,037	10,309	19,039	40,559	106,018	55,733	62,704	45,653	88,318	94,176	983,365	
Employee benefit programs	1,178,812	16,326	29,072	40,776	47,659	119,377	49,678	74,598	68,600	67,918	81,772	588,587	
Net income (less deficit)	4,220,639	35,442	127,904	114,485	134,237	355,589	174,514	308,634	209,539	230,103	131,538	2,466,684	
Net income	5,739,504	2,854	208,847	192,507	198,746	470,609	233,240	338,808	233,634	265,324	317,834	3,120,102	
Income subject to tax	4,862,951	14,218	66,035	140,542	151,717	406,927	177,044	301,422	208,626	232,168	281,421	2,757,583	
Income tax, total	2,179,966	5,183	30,229	41,939	51,249	174,943	80,341	142,750	99,477	108,876	131,888	1,299,530	
Additional tax for tax preferences	8,980	—	(1)	—	—	86	106	148	72	713	500	7,355	
Foreign tax credit	83,051	40	—	—	—	36	230	373	405	3,602	1,896	74,391	
U.S. possessions tax credit	146	—	—	—	—	—	—	—	—	—	—	—	
Investment credit	971,905	5,949	11,166	14,466	15,792	39,539	17,750	23,138	17,964	24,972	45,882	753,956	
New jobs credit	282	—	—	—	—	—	—	—	—	—	—	—	
Work incentive (WIN) credit	55,620	—	3,126	7,694	8,036	13,519	6,231	7,000	2,448	2,182	1,221	1,922	
Distributions to stockholders except in own stock	1,268,843	18,065	18,054	13,975	11,987	40,206	23,553	51,184	49,348	59,175	108,466	870,599	
Transportation and Public Utilities:													
Communication													
Number of returns	181	4,864	2,075	1,211	630	1,174	165	87	39	13	13	22	
Total assets	147,276,756	213,617	339,861	412,590	432,058	2,528,770	1,125,290	1,378,621	1,373,223	862,908	2,279,863	136,330,055	
Notes and accounts receivable, net	9,088,798	38,596	59,893	69,671	61,807	269,634	86,269	125,870	112,226	60,962	169,628	8,034,242	
Inventories	4,341,864	6,651	2,059	6,974	2,769	30,158	2,560	25,340	22,583	24,655	36,693	4,162,996	
Cash, Government obligations, and other current assets	6,143,918	46,766	43,335	39,368	54,941	101,100	101,100	162,292	151,595	170,494	170,494	4,950,447	
Other investments and loans	12,812,823	3,999	25,077	18,928	19,308	339,222	129,794	132,038	169,056	152,255	465,794	11,453,272	
Depreciable assets	143,131,721	197,283	361,465	377,308	362,159	2,284,732	1,014,196	1,067,512	1,126,438	561,193	1,703,462	134,076,952	
Less: Accumulated depreciation	31,315,728	104,635	186,587	162,751	141,915	930,680	350,963	350,158	423,523	174,891	483,760	28,025,865	
Other capital assets less reserves	1,349,312	17,412	13,787	20,759	18,755	103,324	60,467	74,311	71,073	43,216	76,845	848,363	
Accounts and notes payable	9,810,904	31,147	51,435	85,093	78,621	272,455	135,336	135,336	98,655	55,929	167,295	6,687,419	
Other current liabilities	20,317,450	31,951	29,800	18,113	31,084	124,678	73,999	86,623	126,722	197,923	197,923	19,504,779	
Mortgages, notes, and bonds payable in one year or more	48,489,562	69,559	73,353	141,533	169,271	1,041,040	525,928	671,768	544,227	343,745	945,781	43,957,357	
Net worth	85,583,378	38,183	143,063	115,805	118,992	882,272	309,218	375,887	306,424	875,887	1,399,580	61,939,580	
Cost of property used for investment credit	13,336,983	23,472	61,282	60,770	43,332	203,729	105,517	113,653	106,480	53,057	166,839	12,375,392	
Total receipts	71,385,558	138,045	441,342	463,940	337,567	1,697,855	618,920	746,555	805,904	400,205	1,043,331	64,270,113	
Business receipts	69,571,442	122,316	432,674	405,248	314,384	1,638,790	591,746	708,022	765,242	387,355	947,059	62,803,842	
Cost of sales and operations	32,587,642	39,133	193,397	177,285	116,810	625,035	229,369	320,916	329,230	160,167	396,943	29,767,926	
Taxes paid	4,991,805	19,971	18,929	20,808	15,556	70,457	31,862	34,640	42,569	20,844	44,219	4,665,339	
Interest paid	3,830,023	7,809	7,059	16,863	13,034	72,179	43,222	51,682	42,569	26,001	76,908	3,447,754	
Depreciation	10,210,073	13,117	18,498	33,457	30,483	150,113	69,574	80,664	93,809	37,975	127,784	9,532,668	
Pension, profit-sharing, stock bonus, and annuity plans	2,743,799	861	1,422	1,596	1,596	10,644	6,107	7,080	7,975	3,484	11,540	1,687,451	
Employee benefit programs	1,187,406	691	902	2,225	1,352	21,240	3,266	4,754	3,266	3,152	6,945	1,137,998	
Net income (less deficit)	6,146,200	17,179	14,650	14,386	30,136	228,343	83,526	85,883	116,601	64,703	112,172	5,354,357	
Net income	6,266,909	22,022	33,649	35,304	37,152	263,160	99,212	120,919	89,282	66,182	112,279	5,354,357	
Income subject to tax	5,987,743	12,026	13,686	20,723	34,589	239,108	66,627	79,748	111,083	61,767	78,064	5,250,633	
Income tax, total	2,890,174	5,833	4,171	5,174	12,512	104,783	30,551	37,411	52,801	29,470	37,110	2,890,174	
Additional tax for tax preferences	217	—	—	—	—	188	—	20	3	6	—	—	
Foreign tax credit	40,140	—	—	—	—	—	—	—	—	—	—	—	
U.S. possessions tax credit	21,443	—	—	—	—	—	—	—	—	—	—	—	
Investment credit	1,376,977	1,414	1,298	1,856	2,413	15,194	7,236	6,948	7,621	4,362	11,428	19,051	
New jobs credit	108	—	—	—	—	—	—	—	—	—	—	—	
Work incentive (WIN) credit	6,482	—	—	—	—	—	—	—	—	—	—	—	
Distributions to stockholders except in own stock	3,771,600	11,170	6,347	1,044	2,508	37,019	11,996	12,935	22,918	22,552	44,833	3,609,078	

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

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

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

Major industry, item	Total returns of active corporations	Zero assets	Size of total assets										\$250,000,000 or more
			\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	
Wholesale and Retail Trade:													
Total Wholesale Trade													
Number of returns	237,597	4,334	92,486	48,697	36,518	26,446	27,051	1,694	212	99	60		
Total assets	212,756,667	—	3,410,706	8,059,062	13,006,813	18,589,681	66,163,411	32,684,329	14,552,304	14,217,691	42,073,665		
Notes and accounts receivable, net	71,707,763	—	802,927	2,415,227	4,221,990	5,884,892	22,419,953	11,225,882	4,933,948	4,884,910	14,917,984		
Inventories	61,974,706	—	866,431	2,429,711	4,009,321	6,501,438	22,496,935	10,264,257	3,631,819	3,631,819	7,379,010		
Cash, Government obligations, and other current assets	21,087,710	—	745,713	1,315,245	1,869,627	2,171,085	6,365,313	2,807,694	1,323,047	1,191,604	3,118,382		
Other investments and loans	23,790,290	—	252,365	402,678	556,438	872,661	3,894,902	1,686,980	2,007,968	2,007,968	11,309,060		
Depreciable assets	45,601,266	—	1,177,143	2,185,304	3,485,429	4,865,211	15,476,375	6,558,915	2,794,934	2,953,235	6,104,720		
Less Accumulated depreciation	19,695,202	—	588,427	1,067,264	1,717,576	2,383,274	6,904,447	2,692,246	1,182,234	1,067,648	2,092,086		
Other capital assets less reserves	4,146,342	—	63,076	175,715	326,992	370,920	1,332,341	684,545	268,868	261,890	661,995		
Accounts and notes payable	84,976,555	—	1,194,924	2,746,283	4,811,545	7,328,639	27,723,726	13,375,913	6,224,306	4,700,626	16,870,593		
Other current liabilities	14,865,108	—	315,460	573,558	1,000,942	1,308,314	4,732,338	2,287,274	1,149,962	1,462,205	2,035,055		
Mortgages, notes, and bonds payable in one year or more	20,120,119	—	355,782	810,504	1,278,334	1,904,123	6,350,860	3,455,979	1,689,616	2,067,342	5,207,579		
Net worth	83,820,676	—	963,906	3,234,446	5,071,211	7,134,647	24,610,383	12,626,055	5,102,181	2,574,217	16,503,830		
Cost of property used for investment credit	6,049,297	17,314	201,627	326,961	501,076	691,431	2,132,311	876,450	302,784	339,197	660,146		
Total receipts	635,527,555	5,388,104	15,610,883	28,352,814	46,293,374	61,296,765	201,411,520	86,348,957	38,732,888	39,159,007	112,933,243		
Cost of sales and operations	625,265,644	5,331,302	15,330,937	27,928,941	45,577,832	60,454,655	198,504,066	84,773,139	38,097,559	38,397,504	110,875,509		
Cost of sales and operations	525,860,602	4,661,169	10,660,260	21,010,587	35,896,454	48,389,457	163,771,762	71,669,397	33,037,857	34,400,578	102,957,081		
Interest paid	6,601,896	41,824	240,026	415,316	661,350	882,502	2,261,388	1,010,015	387,186	220,622	465,667		
Depreciation	4,730,256	16,966	73,163	143,569	238,408	382,671	1,418,058	731,524	338,360	359,170	1,000,413		
Pension, profit-sharing, stock bonus, and annuity plans	4,297,519	16,966	163,665	242,919	353,939	487,175	1,468,291	608,075	228,521	235,548	482,424		
Employee benefit programs	1,781,381	1,988	90,208	91,700	174,282	246,558	692,162	209,448	81,719	69,359	121,757		
Net income (less deficit)	1,024,373	4,823	36,719	46,594	77,626	115,683	363,006	157,233	72,523	53,057	98,007		
Net income (less deficit)	16,954,328	78,656	52,414	59,378	93,666	133,744	525,067	303,300	1,141,579	1,157,953	3,086,562		
Income subject to tax	19,900,258	96,689	827,211	1,186,246	1,866,246	2,664,542	6,176,623	3,635,656	1,213,566	1,267,080	3,172,910		
Income tax, total	12,389,110	96,689	209,403	534,660	806,494	1,172,448	4,499,796	1,845,122	761,314	570,245	1,892,956		
Additional tax for tax preferences	5,136,157	43,610	43,822	116,193	212,932	386,637	1,928,531	871,039	359,627	267,528	906,239		
Foreign tax credit	511,949	36	5	237	54	167	1,089	16,660	20,421	5,555	457,455		
U.S. possessions tax credit	1,682	1,204	3,891	13,684	23,645	37,235	117,634	47,544	20,169	14,910	38,988		
Investment credit	319,104	—	1,661	1,136	1,753	2,009	11,755	4,778	9	20	1,377		
Work incentive (WIN) credit	183,670	—	2,196	10,572	18,326	26,048	95,065	22,842	4,778	2,020	1,377		
New jobs credit	4,410,192	76,792	81,402	98,417	181,187	205,493	999,502	1,057,387	270,834	626,306	832,872		
Distributions to stockholders except in own stock													
Wholesale and Retail Trade: Wholesale Trade: Groceries and Related Products													
Number of returns	214	214	8,662	4,701	3,066	2,029	2,347	189	30	11	4		
Total assets	18,178,591	—	343,242	778,751	1,069,241	1,417,008	5,799,522	3,609,169	2,022,230	1,707,269	1,432,159		
Notes and accounts receivable, net	5,668,657	—	76,573	221,929	385,356	577,258	2,092,867	956,242	557,164	381,887	419,381		
Inventories	5,064,079	—	57,140	164,290	190,788	325,462	1,578,396	1,162,219	701,102	518,673	365,809		
Cash, Government obligations, and other current assets	1,988,465	—	83,871	128,972	205,366	187,606	602,697	338,461	162,053	185,106	94,333		
Other investments and loans	1,209,119	—	22,477	61,285	33,648	53,307	286,002	313,020	142,526	152,125	144,729		
Depreciable assets	6,079,585	—	177,698	338,091	419,192	448,147	1,840,584	1,217,546	612,581	661,293	364,453		
Less Accumulated depreciation	2,710,703	—	103,709	171,584	224,348	226,366	808,725	512,298	250,311	280,377	132,985		
Other capital assets less reserves	416,579	—	7,875	14,832	29,501	26,929	115,048	76,095	27,986	25,226	93,087		
Accounts and notes payable	7,071,492	—	125,483	271,312	379,282	563,400	2,502,688	1,461,306	829,377	439,820	498,824		
Other current liabilities	1,415,900	—	45,382	51,025	100,237	84,902	358,028	317,373	177,545	152,667	128,641		
Mortgages, notes, and bonds payable in one year or more	2,562,909	—	27,704	93,053	126,648	129,958	680,879	504,546	356,862	284,348	358,911		
Net worth	6,105,550	—	92,109	269,979	401,289	534,412	1,991,464	1,161,590	533,708	396,090	396,090		
Cost of property used for investment credit	743,203	4,663	12,478	42,096	50,259	56,251	260,084	122,354	51,063	96,068	47,887		
Total receipts	99,392,159	2,061,500	2,637,165	4,167,312	6,775,653	9,095,168	30,332,401	19,416,263	10,118,658	8,137,144	6,650,890		
Business receipts	98,225,337	1,986,649	2,623,542	4,110,647	6,719,230	9,035,261	30,051,184	19,127,080	9,976,723	8,021,344	6,508,482		
Cost of sales and operations	86,433,784	1,896,649	1,834,132	3,486,689	5,590,378	7,846,504	26,400,971	17,264,974	8,969,478	7,216,523	5,927,486		
Taxes paid	6,672,986	3,917	31,666	35,374	63,868	60,942	207,510	111,820	64,765	51,198	37,837		
Interest paid	4,122,966	9,467	5,018	11,570	18,670	27,429	118,670	79,695	59,727	45,291	40,152		
Depreciation	550,174	4,108	22,218	31,648	39,919	48,114	164,745	97,310	47,620	59,814	34,678		
Pension, profit-sharing, stock bonus, and annuity plans	214,507	1,453	5,169	6,611	12,041	15,584	56,584	36,584	15,649	16,746	8,899		
Employee benefit programs	153,014	2,236	7,829	20,804	28,903	36,903	129,852	79,481	20,048	13,683	5,819		
Net income (less deficit)	1,070,639	8,700	37,260	49,606	61,843	79,626	437,505	192,852	71,244	86,884	100,416		
Net income	1,070,639	8,700	37,260	49,606	61,843	79,626	437,505	192,852	71,244	86,884	100,416		
Income subject to tax	1,024,413	9,080	10,674	33,811	66,231	79,289	353,770	202,084	76,111	110,170	100,416		
Income tax, total	431,931	3,710	2,428	7,418	18,471	25,983	150,117	94,896	33,862	106,654	92,388		
Additional tax for tax preferences	—	—	—	—	—	—	118	—	—	50,715	44,421		
Foreign tax credit	1,917	—	—	—	—	—	15	684	—	—	1,210		
U.S. possessions tax credit	368	—	—	—	—	—	23	—	—	—	8		
Investment credit	41,602	342	246	1,567	2,559	3,620	14,725	7,942	3,571	3,559	3,495		
Work incentive (WIN) credit	20,689	63	124	78	109	133	152	16	—	—	—		
New jobs credit	197,094	1,518	10,048	4,109	3,663	4,428	18,374	3,301	601	220	287		
Distributions to stockholders except in own stock													

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

RETURNS OF ACTIVE CORPORATIONS

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

Major industry, item	Size of total assets											(\$1,000,000 or more)	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)		(12)
	Total returns corporations	Zero assets	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 or more
Wholesale and Retail Trade: Wholesale Trade: Machinery, Equipment, and Supplies													
Number of returns	49,753	816	19,830	9,829	7,231	6,136	5,524	327	327	327	327	327	327
Total assets	36,510,347	—	743,516	1,626,113	2,562,460	4,357,918	12,817,601	2,834,041	2,834,041	2,834,041	2,834,041	2,834,041	1,938,917
Notes and accounts receivable, net	11,978,829	—	190,166	481,155	877,893	1,192,036	3,044,117	6,342,187	6,342,187	6,342,187	6,342,187	6,342,187	1,462,671
Inventory	12,975,624	—	212,729	526,422	915,474	1,973,013	5,043,292	2,069,434	2,069,434	2,069,434	2,069,434	2,069,434	740,281
Cash, Government obligations, and other current assets	3,017,479	—	158,563	275,979	322,083	420,083	1,213,628	136,710	136,710	136,710	136,710	136,710	80,832
Other investments and loans	7,041,683	—	90,196	165,239	566,109	162,614	630,521	498,230	498,230	498,230	498,230	498,230	872,853
Depreciable assets	2,936,576	—	20,171	60,045	265,339	426,625	1,109,336	126,742	126,742	126,742	126,742	126,742	471,549
Less: Accumulated depreciation	—	—	9,123	25,169	35,455	55,845	218,020	41,993	41,993	41,993	41,993	41,993	33,342
Other capital assets less reserves	13,695,422	—	279,068	538,104	1,018,485	1,928,860	5,477,093	949,716	949,716	949,716	949,716	949,716	1,061,230
Accounts and notes payable	2,533,672	—	39,391	136,797	198,566	300,803	916,091	175,376	175,376	175,376	175,376	175,376	142,356
Mortgages, notes, and bonds payable in one year or more	1,435,202	—	80,671	140,509	184,671	422,579	1,452,234	271,049	271,049	271,049	271,049	271,049	388,532
Net worth	14,720,214	—	170,315	667,937	971,896	1,503,646	4,766,827	2,818,134	2,818,134	2,818,134	2,818,134	2,818,134	1,570,048
Cost of property used for investment credit	1,332,214	1,559	53,298	70,744	94,570	167,158	529,502	266,444	266,444	266,444	266,444	266,444	41,376
Total receipts	74,531,305	156,369	2,542,204	4,865,789	7,234,399	10,670,777	27,070,632	9,853,783	9,853,783	9,853,783	9,853,783	9,853,783	2,141,906
Business receipts	72,575,654	144,342	2,496,964	4,793,654	7,073,533	10,391,215	26,386,257	9,487,366	9,487,366	9,487,366	9,487,366	9,487,366	2,048,486
Cost of sales and operations	54,139,012	104,786	1,579,446	3,213,995	5,225,225	7,860,466	19,699,412	6,966,663	6,966,663	6,966,663	6,966,663	6,966,663	1,463,801
Taxes paid	905,264	3,289	41,817	85,337	141,860	233,360	116,575	49,038	49,038	49,038	49,038	49,038	24,868
Interest paid	818,949	2,062	17,111	26,238	47,513	86,849	236,700	64,128	64,128	64,128	64,128	64,128	46,231
Depreciation	889,296	1,413	31,672	52,906	66,008	112,367	344,212	153,557	153,557	153,557	153,557	153,557	76,561
Pension, profit-sharing, stock bonus, and annuity plans	317,449	*731	16,117	25,435	27,544	55,549	120,287	45,001	45,001	45,001	45,001	45,001	4,579
Employee benefit programs	191,461	338	6,392	8,150	19,306	26,545	72,896	15,693	15,693	15,693	15,693	15,693	5,902
Net income (less deficit)	3,969,017	8,311	20,113	167,601	220,643	350,244	1,272,357	319,522	319,522	319,522	319,522	319,522	273,763
Net income (less deficit)	4,285,097	14,193	101,327	195,179	256,125	392,092	1,346,924	910,231	910,231	910,231	910,231	910,231	460,052
Income subject to tax	2,321,294	8,919	58,066	130,426	194,851	304,865	883,078	394,851	394,851	394,851	394,851	394,851	194,641
Income tax, total	937,699	3,862	11,821	27,488	43,110	104,558	381,021	189,625	189,625	189,625	189,625	189,625	102,032
Additional tax for tax preferences	298	—	—	—	—	—	26	15	15	15	15	15	7
Foreign tax credit	15,107	*18	—	—	—	*6,137	1,476	1,594	1,594	1,594	1,594	1,594	242
U.S. possessions tax credit	105	—	—	—	—	45	60	—	—	—	—	—	—
Investment credit	66,585	*99	787	3,238	4,802	9,097	27,464	11,943	11,943	11,943	11,943	11,943	3,351
Work incentive (WIN) credit	660	—	*404	2,738	4,266	5,581	14,370	614	614	614	614	614	1
New jobs credit	1,409,615	*546	10,249	35,242	34,002	64,373	244,561	357,902	357,902	357,902	357,902	357,902	237
Distributions to stockholders except in own stock	—	—	—	—	—	—	—	—	—	—	—	—	—
Wholesale and Retail Trade: Wholesale Trade: Miscellaneous Wholesale Trade													
Number of returns	166,591	3,304	63,994	34,168	26,221	18,180	11,178	1,178	1,178	1,178	1,178	1,178	73
Total assets	158,067,724	—	2,323,946	5,653,198	9,365,112	12,814,755	47,546,288	22,732,973	22,732,973	22,732,973	22,732,973	22,732,973	10,571,505
Notes and accounts receivable, net	54,160,272	—	1,712,143	3,366,238	5,308,741	7,170,243	16,422,969	9,019,461	9,019,461	9,019,461	9,019,461	9,019,461	3,640,463
Inventories	43,935,903	—	596,562	1,736,999	2,903,059	4,202,936	15,875,247	7,032,604	7,032,604	7,032,604	7,032,604	7,032,604	2,994,652
Cash, Government obligations, and other current assets	15,529,771	—	1,342,178	3,010,279	4,342,178	5,963,966	25,446,396	12,589,624	12,589,624	12,589,624	12,589,624	12,589,624	6,472,015
Other investments and loans	32,493,998	—	788,261	1,868,261	2,582,261	3,582,261	10,898,785	4,079,652	4,079,652	4,079,652	4,079,652	4,079,652	1,063,880
Depreciable assets	14,043,923	—	394,547	735,635	1,227,869	1,730,283	4,366,386	1,709,206	1,709,206	1,709,206	1,709,206	1,709,206	526,878
Less: Accumulated depreciation	3,197,256	—	46,078	135,714	262,036	288,146	999,273	509,552	509,552	509,552	509,552	509,552	222,002
Other capital assets less reserves	64,209,641	—	790,353	1,935,867	3,413,778	4,836,359	19,973,845	9,742,553	9,742,553	9,742,553	9,742,553	9,742,553	15,310,539
Accounts and notes payable	10,915,436	—	10,177	365,736	702,119	922,609	3,458,219	1,531,647	1,531,647	1,531,647	1,531,647	1,531,647	1,143,634
Mortgages, notes, and bonds payable in one year or more	16,422,008	—	247,407	576,943	967,015	1,351,586	4,217,747	2,180,384	2,180,384	2,180,384	2,180,384	2,180,384	1,557,859
Net worth	59,995,116	—	701,462	2,296,530	3,698,026	5,096,599	17,852,092	8,646,331	8,646,331	8,646,331	8,646,331	8,646,331	14,537,682
Cost of property used for investment credit	3,973,880	11,092	135,851	214,121	386,242	468,022	1,342,752	467,652	467,652	467,652	467,652	467,652	203,900
Total receipts	461,604,091	3,170,230	10,431,514	19,319,713	32,283,322	41,530,820	144,008,487	57,079,619	57,079,619	57,079,619	57,079,619	57,079,619	100,751,888
Business receipts	454,464,651	3,135,116	10,210,431	19,024,759	31,785,067	41,028,719	142,066,625	56,158,693	56,158,693	56,158,693	56,158,693	56,158,693	98,985,295
Cost of sales and operations	385,227,806	2,659,734	6,652,682	14,309,903	25,080,851	32,682,467	117,471,379	47,471,760	47,471,760	47,471,760	47,471,760	47,471,760	92,472,135
Taxes paid	5,023,764	30,622	166,544	294,405	499,385	695,700	1,730,298	781,620	781,620	781,620	781,620	781,620	402,942
Interest paid	2,899,041	39,391	51,034	101,181	172,228	268,394	1,002,688	498,272	498,272	498,272	498,272	498,272	148,837
Depreciation	3,455,049	11,445	109,775	156,361	248,012	328,694	959,334	346,679	346,679	346,679	346,679	346,679	214,505
Pension, profit-sharing, stock bonus, and annuity plans	1,249,425	2,004	67,922	62,654	122,697	163,508	498,021	127,863	127,863	127,863	127,863	127,863	46,298
Employee benefit programs	660,998	2,249	22,998	34,307	49,940	75,042	243,207	36,782	36,782	36,782	36,782	36,782	33,272
Net income (less deficit)	11,924,662	62,244	30,517	409,973	655,180	904,893	3,815,205	1,962,000	1,962,000	1,962,000	1,962,000	1,962,000	797,706
Net income (less deficit)	13,741,277	101,682	293,210	574,426	839,915	1,074,045	4,353,208	2,200,938	2,200,938	2,200,938	2,200,938	2,200,938	860,864
Income subject to tax	9,043,703	79,670	140,663	370,423	569,715	788,945	3,262,948	1,248,187	1,248,187	1,248,187	1,248,187	1,248,187	388,950
Income tax, total	3,766,637	36,018	29,573	81,287	151,351	256,496	1,397,393	586,517	586,517	586,517	586,517	586,517	183,014
Additional tax for tax preferences	3,690	—	—	—	—	—	78	354	354	354	354	354	9
Foreign tax credit	494,925	18	—	—	—	*33	3,924	14,382	14,382	14,382	14,382	14,382	5,305
U.S. possessions tax credit	1,419	—	—	—	—	—	—	—	—	—	—	—	—
Investment credit	210,917	763	2,858	8,879	16,484	24,518	75,435	27,659	27,659	27,659	27,659	27,659	9,777
Work incentive (WIN) credit	2,589	—	*166	1,366	2,136	2,836	7,566	409	409	409	409	409	19
New jobs credit	1,29,219	492	1,668	7,756	10,397	18,634	70,596	14,741	14,741	14,741	14,741	14,741	1,500
Distributions to stockholders except in own stock	2,803,483	74,728											

RETURNS OF ACTIVE CORPORATIONS

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

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

Major industry, item	Total returns of active corporations		Size of total assets										\$250,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
	Zero assets	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 or more	
Wholesale and Retail Trade: Total Retail Trade													
Number of returns.....	432,815	228,953	95,814	47,273	27,714	20,398	1,507	581	189	106	78	46	
Total assets.....	201,439,586	9,556,517	15,902,725	16,595,764	19,223,240	39,373,834	10,995,843	8,719,083	6,557,219	7,456,241	11,978,503	56,581,987	
Notes and accounts receivable, net.....	37,067,069	3,893,170	5,923,257	6,399,185	7,121,240	14,924,925	4,189,081	3,491,846	2,619,876	3,121,846	4,824,609	15,172,322	
Inventories.....	73,448,719	3,487,215	5,788,232	6,775,290	8,121,726	18,195,577	4,120,126	2,939,706	2,193,545	2,204,033	3,712,702	15,340,817	
Cash, Government obligations, and other current assets.....	20,139,779	1,447,671	2,089,831	2,203,899	2,171,722	3,847,196	1,029,859	1,045,659	795,024	827,659	1,257,006	6,035,956	
Other investments and loans.....	17,023,193	391,387	793,860	890,529	856,309	1,803,523	460,231	572,853	354,485	407,398	997,047	23,109,623	
Depreciable assets.....	7,662,425	4,754,879	6,380,432	6,182,398	6,184,382	12,002,947	3,710,056	4,627,776	3,963,239	3,307,562	5,458,729	8,727,523	
Less: Accumulated depreciation.....	32,105,539	2,380,368	2,932,831	2,781,038	2,771,177	5,058,267	1,499,789	1,364,086	1,225,868	1,202,496	2,156,102	1,526,210	
Other capital assets less reserves.....	6,893,069	2,860,720	524,012	621,202	578,152	1,383,840	420,134	371,290	293,093	314,892	584,524	1,526,210	
Accounts and notes payable.....	65,296,338	2,701,761	4,293,584	3,953,997	4,060,094	17,968,436	4,147,826	4,179,467	1,579,467	1,586,092	2,513,281	14,667,552	
Other current liabilities.....	19,524,879	755,134	993,728	1,176,728	1,337,624	3,225,008	692,763	901,616	692,454	735,732	1,351,999	7,986,502	
Mortgages, notes, and bonds payable in one year or more.....	31,657,951	1,695,363	2,784,165	2,764,165	2,570,654	5,136,362	1,498,244	1,362,142	1,168,266	1,555,233	2,541,960	8,626,584	
Cost of property used for investment credit.....	7,891,386	2,282,076	5,191,136	6,077,894	6,662,483	11,413,992	3,424,894	3,345,412	2,901,641	3,291,807	5,136,419	21,743,504	
Cost of property used for investment credit.....	6,324,346	503,518	709,156	707,966	694,885	1,463,972	478,590	535,796	340,105	307,316	499,638	2,041,671	
Total receipts.....	602,938,240	5,044,787	47,702,723	51,319,763	62,605,559	138,896,709	33,943,979	25,254,457	19,487,929	19,178,406	32,124,307	129,709,297	
Business receipts.....	588,963,701	4,888,487	47,161,385	50,570,785	61,678,080	136,277,270	33,132,867	24,664,920	18,371,038	18,538,451	31,137,267	124,569,329	
Cost of sales and operations.....	428,340,823	3,310,448	31,248,406	36,503,051	47,046,383	109,169,041	25,738,121	18,282,473	13,418,439	13,078,488	21,735,401	85,252,734	
Taxes paid.....	10,387,796	1,007,882	1,227,078	945,852	947,835	1,696,324	466,285	366,412	351,150	356,232	530,217	2,733,665	
Interest paid.....	5,270,677	604,771	993,845	444,823	533,037	1,177,207	286,157	204,947	138,918	150,916	259,514	1,265,665	
Depreciation.....	6,857,555	50,559	499,782	548,952	550,317	1,106,529	381,220	344,122	289,336	286,721	452,219	1,788,235	
Pension, profit-sharing, stock bonus, and annuity plans.....	1,853,456	25,327	78,246	118,228	165,988	327,264	79,259	70,692	67,772	115,637	176,901	726,901	
Employee benefit programs.....	1,690,021	11,914	80,705	135,515	135,515	248,644	75,268	65,713	68,203	68,053	122,975	630,781	
Net income (less deficit).....	13,198,338	165,172	1,025,684	966,294	1,216,314	2,488,649	752,858	625,500	622,560	565,894	970,069	3,771,401	
Net income.....	15,767,101	233,158	1,472,594	1,265,280	1,428,106	2,803,429	839,994	703,054	633,703	608,562	1,068,612	3,894,469	
Income subject to tax.....	13,008,064	162,991	1,019,697	927,946	1,122,722	2,392,529	768,112	667,875	634,773	574,518	974,434	3,586,237	
Income tax, total.....	5,404,406	66,939	247,398	242,213	364,383	988,639	353,795	314,538	302,770	275,489	464,126	1,701,327	
Additional tax for tax preferences.....	1,461	(*)	(*)	(*)	(*)	342	167	257	124	84	152	284	
Foreign tax credit.....	92,198	630	134	155	369	1,336	1,455	140	2,252	2,292	984	84,309	
U.S. possessions tax credit.....	4,992	2,649	12,279	31,645	33,942	76,375	979	25,247	24,511	25,968	39,542	182,097	
Investment credit.....	506,420	12,074	4,668	3,366	512	603	999	14,802	7,081	5,032	33	165	
Work incentive (WIN) credit.....	2,901,172	718	36,340	34,832	43,924	104,605	23,444	14,802	8,021	8,021	3,654	1,113,816	
New jobs credit.....	2,432,295	29,182	196,797	112,661	127,621	199,892	83,311	67,894	53,037	53,037	238,865	1,113,816	
Distributions to stockholders except in own stock.....													
Wholesale and Retail Trade: Retail Trade: Building Materials, Garden Supplies, and Mobile Home Dealers													
Number of returns.....	37,015	847	13,627	5,685	4,326	2,492	135	49	16	10	10	..	
Total assets.....	15,408,040	665,581	1,606,560	2,052,823	3,064,068	4,537,803	917,814	723,162	543,417	2,223	1,296,812	3,585,548	
Notes and accounts receivable, net.....	3,729,440	310,117	771,460	839,486	1,254,997	1,763,726	337,097	184,176	105,839	13,462	358,548	1,296,812	
Inventories.....	6,177,127	1,397,732	1,790,805	2,067,672	2,996,200	3,527,733	66,086	61,492	49,634	218,712	432,302	1,296,812	
Cash, Government obligations, and other current assets.....	819,540	28,298	67,462	86,546	131,297	43,279	43,279	64,396	35,903	35,903	94,186	358,548	
Other investments and loans.....	4,562,942	219,187	479,977	660,368	890,117	1,257,466	334,245	220,496	141,983	141,983	339,501	1,296,812	
Depreciable assets.....	2,140,524	125,920	224,019	310,082	414,854	578,708	153,784	97,616	58,796	58,796	149,745	358,548	
Less: Accumulated depreciation.....	593,411	12,253	41,988	90,473	97,837	176,172	47,666	28,200	45,327	53,475	53,475	149,745	
Other capital assets less reserves.....	4,605,583	206,554	416,227	525,455	982,976	1,514,977	281,105	220,562	110,929	346,798	346,798	1,296,812	
Accounts and notes payable.....	1,255,139	55,685	94,090	148,304	227,085	400,388	78,893	58,552	57,218	136,994	136,994	358,548	
Mortgages, notes, and bonds payable in one year or more.....	2,207,288	94,660	280,222	283,084	407,489	558,665	150,074	93,642	63,499	255,953	255,953	1,296,812	
Cost of property used for investment credit.....	6,384,830	189,598	632,630	971,904	1,224,235	1,886,781	319,602	319,303	278,487	506,293	506,293	1,296,812	
Cost of property used for investment credit.....	4,789,959	170,356	63,472	66,574	93,517	136,769	34,754	22,263	13,462	29,396	29,396	1,296,812	
Total receipts.....	38,048,237	3,726,669	3,843,781	5,160,718	11,694,879	11,694,879	2,266,524	1,475,253	1,369,469	2,352,837	2,352,837	1,296,812	
Business receipts.....	37,042,139	3,502,932	3,791,340	5,142,210	11,694,879	11,694,879	2,266,524	1,475,253	1,369,469	2,352,837	2,352,837	1,296,812	
Cost of sales and operations.....	27,531,008	2,812,339	1,588,963	3,725,601	5,536,949	8,845,949	1,685,471	1,042,323	967,604	1,725,835	1,725,835	1,296,812	
Taxes paid.....	375,929	2,484	82,230	115,237	131,998	166,834	39,978	25,690	22,868	39,978	39,978	1,296,812	
Interest paid.....	399,056	2,484	14,704	45,572	103,159	153,784	28,491	16,836	11,178	11,178	34,994	1,296,812	
Depreciation.....	130,485	1,231	7,605	12,902	16,677	28,200	7,611	6,159	5,779	10,823	10,823	1,296,812	
Pension, profit-sharing, stock bonus, and annuity plans.....	84,439	886	7,306	9,397	12,237	48,006	4,310	4,020	3,284	10,823	10,823	1,296,812	
Employee benefit programs.....	1,372,575	16,547	104,357	175,048	272,292	472,965	87,196	76,741	81,439	95,209	95,209	1,296,812	
Net income (less deficit).....	1,551,396	21,962	43,666	43,666	43,666	506,874	96,337	77,675	81,439	99,380	99,380	1,296,812	
Net income.....	1,272,919	15,460	18,918	15,715	232,922	408,517	85,908	75,367	78,477	96,137	96,137	1,296,812	
Income subject to tax.....	484,815	5,216	24,304	40,147	78,667	175,961	39,718	35,311	37,264	44,622	44,622	1,296,812	
Income tax, total.....	112	(*)	(*)	(*)	(*)	7	3	2	(*)	(*)	(*)	84	
Additional tax for tax preferences.....	84	(*)	(*)	(*)	(*)	2	(*)	(*)	(*)	(*)	(*)	84	
Foreign tax credit.....	29,325	123	2,159	4,273	4,700	9,523	2,379	1,776	1,087	2,379	3,221	1,296,812	
U.S. possessions tax credit.....	58	18	3,911	4,058	5,080	11,982	2,417	1,462	867	5,032	339	1,296,812	
Investment credit.....	30,837	703	3,911	4,058	5,080	11,982	2,417	1,462	867	5,032	339	1,296,812	
Work incentive (WIN) credit.....	122,719	2,575	8,248	19,896	35,578	25,924	4,669	3,460	4,429	4,429	13,880	1,296,812	
New jobs credit.....													
Distributions to stockholders except in own stock.....													

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Major industry, item	Size of total assets												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	Total returns of active corporations	Zero assets	\$1,000,000 under	\$100,000 under	\$250,000 under	\$500,000 under	\$1,000,000 under	\$5,000,000 under	\$10,000,000 under	\$25,000,000 under	\$50,000,000 under	\$100,000,000 under	\$250,000,000 or more
Wholesale and Retail Trade: Retail Trade: General Merchandise Stores													
Number of returns	11,464	*292	4,819	2,715	1,589	850	874	142	78	35	25	26	19
Total assets	52,358,599	—	216,251	4,018,776	561,914	599,550	1,921,357	1,023,566	1,202,604	1,210,596	1,780,898	4,185,066	39,246,921
Notes and accounts receivable, net	16,050,264	—	9,157	563,101	88,181	96,756	305,707	234,090	214,558	159,846	346,734	823,069	13,716,068
Inventories	15,145,969	—	130,734	815,772	237,142	293,740	870,616	1,111,112	538,647	560,860	614,994	1,506,062	8,819,050
Cash, Government obligations, and other current assets	3,257,442	—	23,764	1,157,931	102,263	66,959	262,080	113,033	124,088	113,178	138,569	374,872	1,846,972
Other investments and loans	4,751,021	—	54,738	106,604	48,592	23,962	113,033	24,486	35,704	60,111	130,203	251,598	4,064,723
Depreciable assets	17,843,769	—	54,738	106,604	163,321	171,312	377,916	38,229	387,417	434,847	486,402	1,651,588	13,158,529
Less: Accumulated depreciation	6,970,571	—	22,161	37,044	91,323	85,029	277,820	176,535	171,855	201,749	275,424	790,988	4,910,223
Other capital assets less reserves	1,472,001	—	*7,651	6,771	7,872	14,098	52,271	41,414	31,603	47,747	54,124	192,359	1,014,091
Accounts and notes payable	14,549,898	—	52,959	207,960	133,630	168,142	1,028,478	228,438	288,524	283,826	321,306	869,814	5,067,458
Other current liabilities	6,934,755	—	9,558	26,980	49,270	39,066	327,730	107,963	145,973	115,602	183,994	466,975	1,461,664
Mortgages, notes, and bonds payable in one year or more	6,971,351	—	37,063	47,367	32,217	79,925	297,392	173,581	205,803	240,797	482,572	1,044,150	4,330,484
Net worth	19,997,591	—	59,897	190,836	319,124	287,552	221,737	496,549	523,979	544,237	754,827	1,681,823	14,915,239
Cost of property used for investment credit	1,326,891	—	6,935	7,075	10,016	13,068	44,544	21,879	29,098	39,023	53,078	121,850	980,309
Total receipts	95,499,328	*20,882	560,534	1,271,070	1,305,238	1,630,978	4,988,318	2,151,341	2,927,005	3,129,466	3,365,745	9,545,904	65,202,750
Business receipts	90,289,451	*19,880	558,616	1,259,754	1,270,496	1,602,878	4,275,581	2,086,757	2,858,436	3,041,167	3,220,619	9,196,515	60,898,732
Cost of sales and operations	56,243,238	*13,906	372,230	927,806	880,869	1,161,490	2,934,009	1,380,631	1,969,875	2,104,206	2,321,533	6,243,174	38,123,509
Taxes paid	2,208,744	—	13,600	20,465	29,342	30,988	83,823	43,864	53,391	62,932	73,923	247,844	1,548,447
Interest paid	1,355,788	*372	4,389	11,070	7,072	11,507	40,933	20,115	24,366	24,539	49,243	137,642	1,024,540
Depreciation	1,298,640	*127	7,156	12,479	10,759	12,413	41,959	26,253	28,270	31,981	48,998	120,084	961,150
Pension, profit-sharing, stock bonus, and annuity plans	516,863	—	—	*3,051	10,064	5,974	15,197	9,545	8,998	8,998	12,917	31,091	409,444
Employee benefit programs	321,003	—	*427	*782	2,235	2,235	9,074	4,253	3,907	4,539	20,235	20,235	269,511
Net income (less deficit)	3,012,192	*3	-1,026	24,820	30,546	56,892	125,390	104,487	92,809	93,936	92,020	300,863	2,428,738
Net income	3,519,374	*3	15,138	41,059	39,758	62,821	154,515	92,995	104,487	95,022	107,291	341,923	2,470,551
Income subject to tax	3,156,965	1	*2,803	37,977	26,687	41,555	135,579	89,438	100,152	89,518	104,557	322,054	2,206,824
Income tax, total	1,484,295	1	*459	12,479	6,869	15,331	58,634	41,873	47,225	42,696	49,865	152,859	1,056,004
Additional tax for tax preferences	183	—	—	—	—	—	*7	*24	(¹)	25	10	117	—
Foreign tax credit	62,978	—	—	—	—	—	19	1,916	19	1,916	181	80	60,782
U.S. possessions tax credit	616	—	—	60	504	966	3,018	1,649	2,165	3,164	510	—	91,193
Investment credit	118,473	—	*332	—	—	—	—	—	—	(¹)	—	—	20
Work incentive (WIN) credit	45	—	—	*4,028	*596	*380	3,407	1,575	2,430	1,123	1,400	1,289	1,136
New jobs credit	17,374	—	—	*3,775	*3,697	8,605	9,582	5,973	11,937	7,119	11,845	49,351	827,966
Distributions to stockholders except in own stock	943,440	2	*3,588	—	—	—	—	—	—	—	—	—	—
Wholesale and Retail Trade: Food Stores													
Number of returns	32,614	825	18,744	6,799	3,926	1,521	1,086	146	85	31	21	15	15
Total assets	24,722,281	—	758,698	11,118,131	1,143,691	994,428	2,199,074	995,291	1,357,526	1,182,798	1,470,557	2,151,395	11,390,692
Notes and accounts receivable, net	1,607,258	—	59,555	75,166	68,151	94,480	153,044	45,350	99,251	178,762	129,819	136,762	671,160
Inventories	8,287,416	—	208,546	347,606	391,444	287,272	631,814	300,202	393,087	411,173	494,956	692,693	4,128,138
Cash, Government obligations, and other current assets	2,908,745	—	116,218	174,861	187,664	182,958	333,277	134,966	200,991	163,967	148,540	227,282	1,038,031
Other investments and loans	2,097,908	—	21,706	58,183	76,611	60,281	180,530	71,314	77,305	53,022	99,889	219,402	1,179,665
Depreciable assets	14,955,421	—	543,101	652,073	675,565	565,533	1,341,182	639,040	839,031	743,299	878,804	1,413,212	6,664,581
Less: Accumulated depreciation	6,360,956	—	250,337	279,363	323,610	266,931	596,161	289,696	367,255	325,030	349,229	659,624	2,694,060
Other capital assets less reserves	798,094	—	17,560	48,273	33,235	36,062	104,717	63,368	76,654	44,858	44,858	67,138	267,530
Accounts and notes payable	6,670,550	—	222,465	300,378	356,670	299,584	706,961	414,922	499,109	311,084	423,595	549,302	2,796,470
Other current liabilities	2,634,788	—	57,061	77,267	94,403	81,901	184,754	97,128	137,296	114,645	151,783	251,046	1,387,384
Mortgages, notes, and bonds payable in one year or more	5,158,774	—	169,450	259,907	273,738	186,554	472,002	205,884	238,046	196,834	291,427	394,482	2,470,450
Net worth	9,237,727	—	164,684	355,812	322,463	376,014	698,167	355,812	544,955	545,557	753,300	903,605	4,385,292
Cost of property used for investment credit	1,618,090	*1,159	82,887	88,190	73,775	79,950	151,340	51,766	87,831	67,145	85,315	149,836	698,906
Total receipts	131,337,216	*350,896	4,380,064	6,532,434	8,071,905	6,595,256	13,622,858	5,979,892	7,677,347	6,796,362	7,481,138	10,836,362	53,029,368
Business receipts	130,029,604	*342,922	4,346,494	6,488,085	8,009,156	6,555,770	13,452,509	5,919,020	7,609,918	6,709,038	7,367,522	10,675,812	52,553,358
Cost of sales and operations	100,795,227	*253,250	3,107,082	5,055,196	6,398,847	5,196,545	10,642,726	4,673,682	5,998,370	5,315,439	5,799,864	8,197,611	40,156,615
Taxes paid	1,694,945	—	81,457	88,023	110,219	71,388	170,942	69,712	94,465	74,652	99,864	150,512	673,909
Interest paid	450,536	*695	19,000	29,528	31,790	21,384	109,853	24,536	24,536	17,327	24,536	41,932	169,386
Depreciation	1,281,204	*2,596	50,308	56,481	58,390	48,551	119,231	53,383	78,027	61,563	72,349	119,303	661,022
Pension, profit-sharing, stock bonus, and annuity plans	489,105	*907	*4,395	13,644	11,386	15,623	34,215	16,626	24,324	23,068	28,032	38,245	278,640
Employee benefit programs	595,773	*529	7,507	9,633	22,746	19,894	34,352	22,741	28,174	35,260	35,309	46,629	332,989
Net income (less deficit)	1,679,294	40,752	9,102	83,471	97,510	78,706	154,773	95,134	93,164	92,372	87,661	134,045	772,309
Net income	1,942,477	*41,250	70,300	104,228	97,510	98,862	188,876	98,752	110,293	101,258	98,366	156,572	762,909
Income subject to tax	1,727,682	*11,394	33,400	65,149	66,423	75,832	167,906	91,435	109,497	100,514	96,606	141,152	768,374
Income tax, total	764,868	*1,185	6,358	13,447	19,087	25,672	71,982	42,500	51,862	47,729	46,987	66,209	369,050
Additional tax for tax preferences	200	—	—	—	—	—	*7	(¹)	—	—	46	35	60
Foreign tax credit	8,427	—	—	—	—	—	(¹)	—	—	(¹)	—	—	8,422
U.S. possessions tax credit	2,713	—	1,430	2,499	3,480	2,993	11,004	4,440	6,975	5,891	5,124	11,269	57,569
Investment credit	112,755	—	—	—	—	—	—	—	—	—	—	—	—
Work incentive (WIN) credit	183	—	*1,239	*1,170	*937	3,629	10,999	3,800	3,155	1,7	900	673	1,100
New jobs credit	29,561	—	—	—	—	—	—	—	—	—	—	—	—
Distributions to stockholders except in own stock	312,616	*1,738	*4,212	*3,816	12,804	11,681	8,450	10,519	9,300	9,299	11,932	49,351	200,832

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Major industry, item	Total returns of active corporations		Size of total assets										250,000,000 or more	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)		(13)
Wholesale and Retail Trade: Retail Trade: Automotive Dealers and Service Stations														
Number of returns.....	71,099	2,276	24,278	12,713	11,559	9,791	6,692	612	144	25	144	144	144	9
Total assets.....	41,340,354	1,047,529	1,047,529	2,037,319	4,130,427	6,873,675	19,184,483	4,097,537	2,044,565	646,980	646,980	646,980	646,980	1,078,118
Notes and accounts receivable, net.....	5,553,474	282,781	282,781	579,814	479,814	479,814	979,814	2,458,825	676,952	172,496	172,496	172,496	172,496	172,496
Inventory.....	22,243,471	427,411	427,411	1,034,441	2,394,194	2,394,194	11,007,525	2,036,066	713,397	243,608	243,608	243,608	243,608	156,242
Cash, Government obligations, and other current assets.....	3,768,648	166,396	166,396	290,644	436,216	436,216	1,529,894	307,613	180,443	102,594	102,594	102,594	102,594	266,242
Other investments and loans.....	1,580,591	10,988	10,988	61,129	144,040	144,040	199,866	116,972	151,196	62,114	62,114	62,114	62,114	415,951
Depreciable assets.....	10,492,034	352,972	352,972	472,566	1,010,639	1,394,874	4,612,605	1,139,976	727,909	364,523	364,523	364,523	364,523	148,108
Less: Accumulated depreciation.....	4,309,866	167,559	167,559	293,370	500,519	626,910	1,830,914	397,657	254,349	150,500	150,500	150,500	150,500	101,889
Other capital assets less reserves.....	1,313,479	18,167	18,167	70,000	109,403	143,120	549,238	150,530	118,059	53,073	53,073	53,073	53,073	101,889
Accounts and notes payable.....	21,476,603	317,040	317,040	750,919	1,850,906	3,674,664	10,653,854	2,273,679	978,290	332,660	332,660	332,660	332,660	444,661
Other current liabilities.....	2,885,177	93,618	93,618	130,407	254,362	401,727	1,326,004	334,209	176,587	82,020	82,020	82,020	82,020	86,243
Mortgages, notes, and bonds payable in one year or more.....	4,738,505	178,983	178,983	262,460	485,234	634,412	1,949,671	488,853	303,178	170,269	170,269	170,269	170,269	263,445
Net worth.....	10,409,522	1,754,118	1,754,118	672,146	1,250,741	1,861,243	5,412,385	909,124	520,166	229,517	229,517	229,517	229,517	70,440
Cost of property used for investment credit.....	1,501,629	48,133	48,133	59,723	116,416	158,126	676,822	246,042	172,120	70,440	70,440	70,440	70,440	50,793
Total receipts.....	169,969,126	3,015	3,015	8,492,338	15,816,349	28,676,077	82,368,750	15,989,963	5,955,937	2,906,126	2,906,126	2,906,126	2,906,126	1,911,974
Business receipts.....	162,298,124	1,605,148	1,605,148	6,405,439	15,629,857	28,349,325	81,025,840	15,647,627	5,802,846	2,345,054	2,345,054	2,345,054	2,345,054	1,807,852
Cost of sales and operations.....	142,391,924	1,363,766	1,363,766	6,704,700	13,019,382	24,259,862	69,941,873	13,238,652	4,983,186	1,947,900	1,947,900	1,947,900	1,947,900	1,531,485
Taxes paid.....	1,739,895	14,721	14,721	19,827	17,253	29,423	74,819	168,230	54,884	25,884	25,884	25,884	25,884	39,611
Interest paid.....	1,495,661	14,721	14,721	70,977	147,471	205,024	444,798	68,100	68,100	27,583	27,583	27,583	27,583	22,579
Depreciation.....	1,178,119	6,210	6,210	39,643	94,182	129,824	465,352	161,149	113,045	50,170	50,170	50,170	50,170	68,327
Pension, profit-sharing, stock bonus, and annuity plans.....	211,773	731	731	6,313	16,273	34,802	113,140	21,746	8,478	3,216	3,216	3,216	3,216	2,329
Employee benefit programs.....	1,607,360	3,681	3,681	8,794	24,843	43,216	129,878	22,398	9,065	3,296	3,296	3,296	3,296	4,029
Net income (less deficit).....	2,308,374	21,934	21,934	109,104	231,416	294,065	824,863	152,386	73,927	34,903	34,903	34,903	34,903	12,687
Income subject to tax.....	1,839,073	35,498	35,498	137,068	293,924	378,800	1,022,000	182,000	96,663	49,723	49,723	49,723	49,723	23,490
Income tax, total.....	678,474	12,418	12,418	18,958	40,596	60,628	166,863	33,963	17,161	7,918	7,918	7,918	7,918	2,929
Additional tax for tax preferences.....	497	—	—	—	—	—	—	—	—	—	—	—	—	12,052
Foreign tax credit.....	195	—	—	—	—	—	—	—	—	—	—	—	—	85
U.S. possessions tax credit.....	58,903	—	—	2,724	4,479	7,425	25,355	8,723	4,419	2,610	2,610	2,610	2,610	1,053
Work incentive (WIN) credit.....	690	—	—	—	—	—	—	—	—	—	—	—	—	4
New jobs credit.....	87,851	—	—	4,957	4,834	15,459	47,977	10,081	2,358	657	657	657	657	381
Distributions to stockholders except in own stock.....	151,239	4,321	18,005	6,446	9,426	21,700	35,676	20,798	8,675	4,207	4,207	4,207	4,207	1,784
Wholesale and Retail Trade: Retail Trade: Apparel and Accessory Stores														
Number of returns.....	38,570	653	20,023	11,641	3,460	1,630	966	117	46	16	46	46	46	6
Total assets.....	10,464,032	899,983	899,983	1,789,471	1,162,575	1,134,321	1,786,210	827,965	729,749	517,640	517,640	517,640	517,640	763,926
Notes and accounts receivable, net.....	1,645,989	75,457	75,457	235,212	168,093	193,804	313,618	151,063	119,804	99,016	99,016	99,016	99,016	191,377
Inventory.....	4,304,904	480,087	480,087	822,275	542,250	489,602	741,065	333,382	247,359	181,446	181,446	181,446	181,446	236,889
Cash, Government obligations, and other current assets.....	804,770	59,595	59,595	163,195	228,605	197,024	322,771	142,511	130,496	67,597	67,597	67,597	67,597	136,556
Other investments and loans.....	2,847,564	242,822	242,822	383,896	296,927	307,813	509,655	246,202	45,526	30,423	30,423	30,423	30,423	15,033
Depreciable assets.....	1,319,377	144,518	144,518	172,600	155,591	150,916	246,402	119,832	239,652	172,274	172,274	172,274	172,274	225,882
Less: Accumulated depreciation.....	184,562	10,105	10,105	13,670	17,024	12,885	42,145	17,832	12,262	4,126	4,126	4,126	4,126	40,249
Other capital assets less reserves.....	2,680,853	264,701	264,701	474,669	340,969	317,168	492,083	231,290	143,500	84,607	84,607	84,607	84,607	172,325
Accounts and notes payable.....	957,241	56,764	56,764	145,755	75,915	91,420	177,290	96,990	69,896	69,244	69,244	69,244	69,244	67,483
Mortgages, notes, and bonds payable in one year or more.....	1,136,185	117,459	117,459	158,293	137,498	118,507	157,183	55,187	64,749	76,536	76,536	76,536	76,536	115,088
Net worth.....	5,019,030	329,904	329,904	834,641	552,541	544,070	862,994	430,594	372,244	258,865	258,865	258,865	258,865	399,880
Cost of property used for investment credit.....	263,919	27,105	27,105	41,089	13,592	26,882	40,913	20,842	22,439	26,621	26,621	26,621	26,621	13,557
Total receipts.....	25,579,364	2,733,729	2,733,729	4,230,450	2,758,927	2,365,359	4,352,565	2,059,309	1,931,273	1,293,948	1,293,948	1,293,948	1,293,948	1,427,567
Business receipts.....	24,348,361	2,695,128	2,695,128	4,139,862	2,705,205	2,365,359	4,352,565	2,059,309	1,931,273	1,293,948	1,293,948	1,293,948	1,293,948	1,427,567
Cost of sales and operations.....	14,743,236	727,743	727,743	2,488,703	1,593,340	1,350,326	2,315,296	1,174,586	1,132,525	695,055	695,055	695,055	695,055	1,325,925
Taxes paid.....	566,324	51,509	51,509	88,703	65,240	68,703	117,324	46,502	40,147	30,177	30,177	30,177	30,177	746,131
Interest paid.....	192,535	29,305	29,305	29,379	29,379	16,847	25,184	13,346	9,084	8,471	8,471	8,471	8,471	31,917
Depreciation.....	274,867	15,832	15,832	39,595	28,016	27,625	43,867	23,127	22,312	15,065	15,065	15,065	15,065	17,453
Pension, profit-sharing, stock bonus, and annuity plans.....	97,325	7,476	7,476	8,917	11,605	17,172	21,423	5,005	5,220	4,366	4,366	4,366	4,366	9,020
Employee benefit programs.....	1,094,623	35,361	35,361	8,794	79,653	86,423	182,060	7,614	3,025	2,119	2,119	2,119	2,119	10,171
Net income (less deficit).....	1,259,966	37,200	37,200	258,933	92,029	100,403	202,223	90,460	83,772	66,055	66,055	66,055	66,055	88,934
Income subject to tax.....	1,035,377	16,463	16,463	207,146	70,822	80,992	168,323	68,848	104,134	75,267	75,267	75,267	75,267	96,500
Income tax, total.....	421,511	7,869	10,596	61,625	18,937	32,392	83,740	41,416	49,035	34,764	34,764	34,764	34,764	84,629
Additional tax for tax preferences.....	22	—	—	—	—	—	—	—	—	—	—	—	—	45,277
Foreign tax credit.....	616	—	—	—	—	—	—	—	—	—	—	—	—	—
U.S. possessions tax credit.....	1,087	—	—	74	117	203	524	112	2,115	51	51	51	51	6
Work incentive (WIN) credit.....	16,777	156	167	1,391	599	2,169	3,151	1,921	2,598	1,379	1,379	1,379	1,379	1,129
New jobs credit.....	169	—	—	—	—	—	—	—	—	—	—	—	—	200
Distributions to stockholders except in own stock.....	336,449	668	1,159	4,309	2,510	3,130	42,958	1,405	1,133	843	843	843	843	97,772

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Major industry, item	Total returns of active corporations		Size of total assets												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)		
Wholesale and Retail Trade: Retail Trade: Furniture and Home Furnishings Stores															
Number of returns	34,939	178	17,144	8,597	5,194	2,362	1,346	65	33	13	3		
Total assets	10,485,552	747,562	1,403,552	1,825,175	1,610,288	1,610,288	445,148	446,767	449,308	449,308	193,586	991,333	4		
Notes and accounts receivable, net	2,724,997	359,427	787,196	1,039,210	890,716	890,716	240,847	240,847	240,847	240,847	156,469	91,892	3		
Investments	4,308,488	105,752	183,894	39,031	39,031	39,031	175,661	175,661	175,661	175,661	161,255	435,647	3		
Cash, Government obligations, and other current assets	1,550,950	23,132	371,070	371,070	371,070	371,070	146,645	146,645	146,645	146,645	32,045	69,198	3		
Other investments and loans	453,063	2,429,571	104,748	170,283	170,283	170,283	146,140	146,140	146,140	146,140	74,481	338,805	3		
Depreciable assets	2,429,571	8,548	22,352	483,042	483,042	483,042	821,169	821,169	821,169	821,169	171,252	47,186	3		
Less: Accumulated depreciation	1,029,063	31,258,281	69,282	83,747	134,516	145,755	227,155	227,155	227,155	227,155	18,641	117,689	3		
Other capital assets less reserves	256,205	—	—	—	—	—	—	—	—	—	—	—	3		
Accounts and notes payable	3,125,821	—	—	—	—	—	—	—	—	—	—	—	3		
Other current liabilities	944,405	—	—	—	—	—	—	—	—	—	—	—	3		
Mortgages, notes, and bonds payable in one year or more	1,475,537	—	—	—	—	—	—	—	—	—	—	—	3		
Net worth	4,010,563	121,916	182,381	559,387	800,399	660,464	1,475,537	1,475,537	1,475,537	1,475,537	99,705	379,742	3		
Cost of property used for investment credit	260,266	63	29,556	39,914	38,900	39,914	39,914	39,914	39,914	39,914	2,141	44,088	3		
Total receipts	23,008,223	26,753	2,623,198	3,276,538	4,022,157	3,627,579	4,848,542	831,198	801,118	783,361	306,414	1,808,086	3		
Business receipts	22,241,926	25,927	2,607,423	3,276,538	3,957,219	3,519,211	4,624,655	794,908	748,554	730,955	264,757	1,751,379	3		
Cost of sales and operations	14,046,654	17,010	1,647,271	2,099,898	2,508,397	2,315,854	3,010,835	504,404	453,528	438,413	172,035	918,913	3		
Taxes paid	462,535	707	58,869	66,185	82,657	86,449	13,823	15,443	15,443	15,443	4,641	39,560	3		
Interest paid	242,205	115	16,701	27,139	33,446	28,714	51,975	12,089	8,966	8,966	3,198	47,274	3		
Depreciation	227,032	1153	25,584	35,752	34,898	30,882	42,441	12,089	7,989	7,989	1,814	27,705	3		
Pension, profit-sharing, stock bonus, and annuity plans	70,294	170	2,004	4,625	12,015	15,391	15,988	2,781	1,588	1,588	1,085	3,668	3		
Employee benefit programs	60,044	113	3,364	8,208	18,215	19,320	23,885	4,300	2,667	2,667	2,283	7,524	3		
Net income (less deficit)	660,058	913	3,382	66,208	108,815	108,815	140,420	22,482	24,848	24,848	16,347	110,424	3		
Net income	677,561	433	5,524	103,915	142,875	160,326	160,326	27,555	27,555	27,555	16,347	126,168	3		
Income subject to tax	249,768	135	24,985	70,784	105,528	91,811	139,906	21,471	23,950	23,950	15,918	125,964	3		
Income tax, total	244,109	135	4,378	14,484	25,366	28,308	56,588	9,701	11,139	11,139	7,376	60,359	3		
Additional tax for tax preferences	12	—	—	—	—	—	—	—	—	—	—	—	3		
Foreign tax credit	366	—	—	—	—	—	—	—	—	—	—	—	3		
U.S. possessions tax credit	12,380	3	457	1,365	1,668	1,183	2,446	420	600	600	878	3,264	3		
Investment credit	37	—	—	—	—	—	—	—	—	—	—	—	3		
Work incentive (WIN) credit	13,173	16	910	950	1,643	3,543	4,449	412	513	513	424	1,211	3		
New jobs credit	53,862	—	4,177	14,116	5,266	8,766	12,623	705	911	911	4,722	1,682	3		
Distributions to stockholders except in own stock	—	—	—	—	—	—	—	—	—	—	—	—	3		
Retail Trade: Eating and Drinking Places															
Number of returns	90,948	3,247	59,734	17,876	6,236	2,550	1,136	70	48	25	13	10	3		
Total assets	16,838,325	2,165,398	2,890,072	2,890,072	2,165,398	1,696,709	2,134,739	506,420	698,960	860,278	1,006,857	1,365,441	1,325,685		
Notes and accounts receivable, net	961,932	63,619	1,737,003	1,600,099	63,619	63,619	131,507	29,530	62,649	42,356	86,462	147,200	77,977		
Investments	1,059,872	173,703	1,737,003	1,520,233	95,139	110,823	125,895	24,778	48,531	56,702	52,873	112,840	106,585		
Cash, Government obligations, and other current assets	2,359,330	378,002	3,780,002	3,780,002	378,002	252,849	255,170	56,334	105,288	117,774	117,760	121,532	84,611		
Other investments and loans	1,320,752	125,043	1,854,949	1,400,997	140,997	135,973	174,070	52,528	61,811	34,882	163,192	95,534	150,406		
Depreciable assets	13,944,317	2,055,043	2,535,967	1,754,829	1,754,829	1,370,820	1,632,238	420,539	508,142	761,829	598,284	1,005,573	1,300,057		
Less: Accumulated depreciation	5,186,451	1,085,397	602,065	1,085,397	602,065	494,270	555,006	136,239	174,713	269,141	170,274	292,768	445,464		
Other capital assets less reserves	1,484,930	125,249	1,254,249	1,254,249	125,249	157,502	281,147	46,041	55,876	72,741	110,693	151,789	48,740		
Accounts and notes payable	3,160,740	520,870	605,155	605,155	466,515	360,346	494,190	99,792	125,755	97,320	102,790	206,790	81,214		
Other current liabilities	1,492,706	223,944	211,457	146,187	163,190	146,187	179,491	45,656	72,170	102,411	87,032	139,134	139,134		
Mortgages, notes, and bonds payable in one year or more	5,325,325	—	526,847	959,800	774,453	588,847	723,081	164,984	188,870	218,643	249,901	422,845	507,054		
Net worth	5,048,199	380,415	636,085	519,482	462,516	519,482	555,647	180,744	284,540	384,276	507,799	577,516	577,516		
Cost of property used for investment credit	252,220	184,613	231,848	261,713	261,713	142,271	167,033	49,557	42,880	69,558	72,221	96,843	96,843		
Total receipts	41,079,169	688,095	8,248,916	4,789,931	4,789,931	3,831,493	4,497,751	999,552	1,257,367	1,707,878	1,792,818	2,448,621	2,178,749		
Business receipts	39,952,639	927,714	9,527,595	4,690,651	4,690,651	3,748,789	4,370,724	957,859	1,181,428	1,632,529	1,666,274	2,357,798	2,055,570		
Cost of sales and operations	17,576,806	2,240	3,495,155	1,988,023	1,988,023	1,634,420	1,740,103	388,812	564,221	638,393	899,704	1,131,636	684,512		
Taxes paid	1,576,806	22,240	382,554	424,926	382,554	158,070	153,800	29,576	46,028	66,314	66,687	81,157	70,511		
Interest paid	1,201,019	16,880	208,275	213,650	147,711	109,662	137,340	32,691	36,817	58,255	54,711	76,135	106,322		
Depreciation	83,957	1,774	3,065	18,679	9,220	10,495	16,500	2,298	4,666	8,219	5,544	7,853	7,853		
Pension, profit-sharing, stock bonus, and annuity plans	116,527	2,121	11,329	14,342	14,342	13,296	15,000	1,700	2,680	3,200	3,930	4,845	4,845		
Employee benefit programs	1,054,986	26,572	6,275	157,286	133,194	94,328	157,002	35,354	52,674	100,195	99,631	107,444	107,444		
Net income (less deficit)	48,262	1,910	234,912	300,636	284,870	284,870	338,959	33,854	56,520	102,552	102,552	122,357	107,186		
Net income	1,220,094	40,095	95,959	167,394	195,476	167,394	158,359	33,854	52,010	95,488	100,570	121,386	103,433		
Income subject to tax	470,958	19,369	16,753	39,370	42,164	41,164	67,514	15,689	24,326	45,627	48,485	58,284	48,813		
Income tax, total	329	—	—	—	—	—	—	—	—	—	—	—	224		
Additional tax for tax preferences	5,030	97	—	—	—	—	—	—	—	—	—	—	2,389		
Foreign tax credit	37	—	—	—	—	—	—	—	—	—	—	—	7,969		
U.S. possessions tax credit	77,473	1,972	5,044	8,817	9,610	7,215	11,112	3,239	3,391	5,632	6,275	7,177	7,177		
Investment credit	637	—	—	—	—	—	—	—	—	—	—	—	200		
Work incentive (WIN) credit	51,210	—	3,273	9,608	13,404	7,007	12,539	1,156	1,161	1,182	701	541	541		
New jobs credit	196,733	2,593	33,358	64,674	20,783	9,288	15,743	3,700	4,615	7,735	9,166	14,008	13,070		

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Major industry, item	Size of total assets													\$250,000,000 or more											
	(1)		(2)		(3)		(4)		(5)		(6)		(7)		(8)		(9)		(10)		(11)		(12)		
	Total returns or active corporations	Zero assets	\$1 under	\$100,000 under	\$250,000 under	\$500,000 under	\$1,000,000 under	\$500,000 under	\$1,000,000 under	\$500,000 under	\$1,000,000 under	\$500,000 under	\$1,000,000 under		\$500,000 under	\$1,000,000 under	\$500,000 under	\$1,000,000 under	\$250,000,000 under	\$500,000,000 under	\$1,000,000,000 under	\$250,000,000 under	\$500,000,000 under	\$1,000,000,000 under	
Wholesale and Retail Trade: Retail Trade: Miscellaneous Retail Stores																									
Number of returns.....	116,166	1,838	70,584	25,645	10,224	4,684	2,806	220	98	28	18	15	6												
Total assets.....	29,921,733	—	2,855,734	4,046,804	9,551,571	3,249,201	5,237,455	1,481,702	1,515,750	946,202	1,260,026	2,581,034	3,096,194												
Notes and accounts receivable, net.....	4,894,295	—	361,281	555,085	561,326	1,074,729	1,784,758	325,314	282,871	116,697	116,697	291,083	476,152												
Inventories.....	1,886,826	—	1,374,190	1,786,354	1,986,736	3,449,517	2,164,220	531,306	584,997	403,512	507,259	733,131													
Cash, Government obligations, and other current assets.....	3,095,836	—	405,110	1,796,957	464,835	1,796,957	550,414	185,510	207,010	105,495	118,984	335,563	203,461												
Other investments and loans.....	2,095,546	—	88,655	194,835	183,172	179,634	338,802	98,336	96,148	51,068	97,569	361,323	406,274												
Depreciable assets.....	10,586,807	—	1,060,150	1,378,259	1,245,422	1,166,025	1,635,037	461,638	447,677	325,822	447,677	781,875	1,534,130												
Less: Accumulated depreciation.....	4,788,711	—	603,040	688,474	627,916	565,467	757,543	197,806	166,856	119,984	201,361	300,897	558,767												
Other capital assets less reserves.....	790,387	—	67,187	98,444	100,435	79,444	126,390	43,627	39,478	22,548	18,935	95,325	98,774												
Accounts and notes payable.....	9,028,280	—	868,386	1,209,190	1,126,918	1,164,135	2,053,724	562,280	505,201	256,892	289,686	505,595	483,291												
Other current liabilities.....	2,420,668	—	189,222	226,045	256,768	204,493	402,166	131,269	196,998	89,974	141,030	358,794	219,689												
Mortgages, notes, and bonds payable in one year or more.....	4,644,886	—	448,985	607,929	579,982	390,209	723,320	209,861	209,861	121,283	213,276	392,072	747,504												
Net worth.....	11,580,859	2,116	709,957	1,529,389	1,241,280	1,246,380	1,784,758	502,863	556,770	453,582	588,013	1,272,743	1,515,106												
Cost of property used for investment credit.....	1,352,007	—	106,634	183,856	124,980	150,318	201,437	52,498	150,912	31,715	54,965	75,116	217,459												
Total receipts.....	78,404,577	664,277	10,289,616	11,753,907	9,935,681	8,206,941	13,083,258	3,579,955	3,229,157	2,074,984	3,488,463	6,326,955	6,911,983												
Business receipts.....	76,932,187	653,683	10,159,653	11,636,052	9,295,388	8,066,780	12,781,144	3,486,454	3,130,923	2,051,327	3,410,163	6,140,947	6,177,273												
Cost of sales and operations.....	53,000,946	336,144	6,361,062	7,950,583	6,346,412	5,930,907	7,333,604	2,402,604	2,138,323	1,351,430	2,274,520	4,431,887	4,283,703												
Taxes paid.....	1,466,534	18,158	256,177	236,719	192,049	141,022	194,868	57,474	55,754	39,468	62,552	99,719	113,941												
Interest paid.....	629,660	5,885	62,685	83,384	83,379	61,104	116,375	35,379	35,672	25,369	49,630	40,368	59,789												
Depreciation.....	997,618	7,025	123,011	147,102	116,745	114,131	149,010	46,667	40,397	25,369	49,630	58,162	120,969												
Pension, profit-sharing, stock bonus, and annuity plans.....	253,654	1,978	8,049	25,212	34,763	36,906	12,010	10,702	10,702	8,334	12,027	26,745	22,830												
Employee benefit programs.....	182,945	3,780	17,156	17,501	20,488	17,712	7,494	6,370	6,370	6,346	12,027	29,623	1,099												
Net income (less deficit).....	2,441,196	30,287	276,640	210,210	210,210	225,677	334,908	132,124	112,672	101,081	114,156	233,040	348,014												
Net income.....	2,662,201	45,035	244,763	358,151	267,138	259,214	393,914	143,380	127,481	101,153	115,630	253,040	348,014												
Income subject to tax.....	2,200,401	43,684	115,558	255,012	194,295	189,326	333,960	131,864	127,481	99,473	135,857	251,472	344,789												
Income tax, total.....	856,352	19,810	23,028	56,527	49,025	61,212	137,356	61,289	61,289	47,577	54,557	120,417	165,170												
Additional tax for tax preferences.....	209	—	—	—	—	—	—	—	—	—	—	—	—												
Foreign tax credit.....	14,896	—	—	—	—	—	—	—	—	—	—	—	—												
U.S. possessions tax credit.....	173	—	—	—	—	—	—	—	—	—	—	—	—												
Investment credit.....	80,334	73	2,899	7,268	7,032	7,291	10,764	3,013	3,806	2,651	6,617	7,330	21,600												
Work incentive (WIN) credit.....	492	—	—	—	—	—	—	—	—	—	—	—	—												
New jobs credit.....	41,661	100	4,101	7,407	5,950	5,662	10,023	3,017	2,888	1,058	914	741	200												
Distributions to stockholders except in own stock.....	307,246	16,000	32,592	24,221	32,716	18,287	28,936	11,377	6,256	7,964	22,349	42,736	63,810												
Wholesale and Retail Trade: Wholesale and Retail Trade not Allocable																									
Number of returns.....	1,982	339	11,004	384	135	94	116	10	10	10	10	15	6												
Total assets.....	453,896	—	46,097	56,670	49,661	75,942	93,171	98,171	186,295	196,295	1,260,026	2,581,034	3,096,194												
Notes and accounts receivable, net.....	112,474	—	14,775	14,233	16,980	10,538	18,074	10,538	49,284	49,284	116,697	291,083	476,152												
Inventories.....	182,656	—	10,436	16,090	23,286	46,305	46,305	18,719	81,960	81,960	507,259	956,159	733,131												
Cash, Government obligations, and other current assets.....	53,882	—	6,047	9,698	7,987	6,905	3,236	3,236	18,719	18,719	118,984	335,563	203,461												
Other investments and loans.....	34,391	—	3,100	5,859	7,987	5,859	4,364	4,364	16,653	16,653	97,569	361,323	406,274												
Depreciable assets.....	87,401	—	12,626	18,356	27,306	15,946	5,806	5,806	27,258	27,258	159,817	406,274	558,767												
Less: Accumulated depreciation.....	32,780	—	4,030	6,742	2,543	5,640	3,143	3,143	10,682	10,682	54,557	120,417	165,170												
Other capital assets less reserves.....	5,267	—	230	19,925	7,926	2,862	1,240	1,240	935	935	49,630	120,969	22,830												
Accounts and notes payable.....	173,904	—	13,060	19,925	37,952	37,952	24,674	24,674	70,367	70,367	289,686	505,595	483,291												
Other current liabilities.....	33,596	—	492	3,741	4,003	6,024	2,347	2,347	16,989	16,989	141,030	358,794	219,689												
Mortgages, notes, and bonds payable in one year or more.....	73,713	—	5,531	8,080	11,790	12,387	9,512	9,512	26,413	26,413	18,935	95,325	98,774												
Net worth.....	153,173	23,488	22,499	23,448	21,038	17,936	1,389	1,389	65,851	65,851	141,030	358,794	219,689												
Cost of property used for investment credit.....	22,697	5,177	5,108	4,354	2,935	1,527	803	803	2,993	2,993	89,974	219,689	141,030												
Total receipts.....	1,416,378	154,369	56,864	160,889	137,991	353,769	117,611	434,885	434,885	434,885	1,417,414	2,581,034	3,096,194												
Business receipts.....	1,386,103	152,353	55																						

RETURNS OF ACTIVE CORPORATIONS

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

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

Major industry, item	Size of total assets												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	Total returns of active corporations	Zero assets	\$1 million or more	\$100,000-\$250,000	\$250,000-\$500,000	\$500,000-\$1,000,000	\$1,000,000-\$5,000,000	\$5,000,000-\$10,000,000	\$10,000,000-\$25,000,000	\$25,000,000-\$50,000,000	\$50,000,000-\$100,000,000	\$100,000,000-\$250,000,000	\$250,000,000 or more
Total Finance, Insurance, and Real Estate													
Number of returns	432,919	15,795	212,527	87,605	46,698	24,225	22,715	7,310	7,310	4,436	2,615	1,685	1,267
Total assets	2,861,478,449	—	7,656,203	13,873,023	16,307,302	16,751,590	43,318,796	119,393,350	182,105,946	155,474,519	258,521,720	988,587,072	1,998,587,072
Notes and accounts receivable, net	827,447,193	—	861,465	1,861,012	2,186,260	2,555,520	6,790,522	13,256,548	45,391,496	54,362,452	48,166,252	601,521,206	1,032,675
Inventories	5,496,153	—	35,303	36,189	241,860	165,220	646,660	1,733,538	5,173,568	172,508	43,886,628	40,092,675	40,092,675
Cash, Government obligations, and other current assets	689,361,917	—	1,865,075	2,633,411	2,910,672	3,190,619	10,630,645	16,687,872	29,889,698	51,510,904	54,752,697	828,095,998	828,095,998
Other investments and loans	1,166,254,716	—	1,309,697	2,153,341	7,962,310	7,363,510	17,314,894	6,721,933	7,069,597	6,755,498	5,910,145	39,410,384	39,410,384
Depreciable assets	118,336,922	—	4,924,028	7,461,628	7,952,490	2,812,882	17,314,894	6,721,933	7,069,597	6,755,498	5,910,145	39,410,384	39,410,384
Less: Accumulated depreciation	35,086,513	—	1,964,395	3,434,111	3,452,490	2,912,000	5,968,506	1,898,331	1,898,331	1,668,899	1,366,802	1,608,483	8,949,982
Other capital assets less reserves	28,541,381	—	1,271,312	3,040,964	3,074,000	2,736,700	5,501,515	1,814,998	1,814,998	1,544,241	1,845,011	4,757,195	4,757,195
Accounts and notes payable	166,432,136	—	2,397,287	2,397,287	2,691,191	3,263,659	9,094,828	4,239,668	6,964,844	9,122,491	11,535,307	106,630,331	106,630,331
Other current liabilities	1,809,920,459	—	527,470	692,389	747,568	847,224	8,008,543	22,102,623	82,441,483	112,679,981	183,895,107	1,264,755,531	1,264,755,531
Mortgages, notes, and bonds payable in one year or more	164,180,619	—	1,798,422	3,499,930	4,776,406	5,293,847	15,519,416	6,892,187	7,046,622	8,426,623	8,381,955	10,828,620	91,680,591
Cost of property used for investment credit	322,979,877	—	1,734,858	5,717,622	6,430,653	5,441,196	12,490,000	7,337,922	7,190,211	17,916,051	21,294,273	31,956,517	195,469,324
Net worth	7,676,486	40,518	177,611	190,731	159,276	153,472	471,718	165,200	235,717	259,164	289,907	462,228	5,050,676
Total receipts	5,491,547	5,491,547	9,034,775	6,634,260	5,988,353	5,887,761	13,401,972	7,724,126	15,423,520	17,942,000	20,881,278	31,805,366	264,986,215
Business receipts	206,863,227	972,091	7,253,965	4,521,074	3,598,017	3,523,871	7,594,993	4,176,415	6,602,756	6,948,005	8,054,885	13,357,085	140,210,070
Cost of sales and operations	100,391,853	207,328	1,967,716	1,157,119	828,145	1,047,344	2,323,527	1,589,301	3,165,637	2,991,405	3,791,731	6,132,251	75,200,349
Taxes paid	11,147,760	189,984	371,565	441,021	429,445	363,210	842,241	309,812	456,418	474,333	493,230	767,909	5,982,692
Interest paid	93,359,456	3,066,463	238,295	358,265	469,275	542,156	1,748,699	1,378,628	3,949,709	5,618,924	6,855,251	9,688,144	59,445,457
Depreciation	8,053,785	86,341	264,100	349,083	353,956	324,606	730,349	296,556	328,544	328,544	321,310	444,769	4,216,345
Pension, profit-sharing, stock bonus, and annuity plans	3,253,260	13,864	71,116	46,418	47,921	67,442	109,683	52,249	109,716	119,416	143,089	222,659	2,532,817
Employee benefit programs	1,444,222	11,876	31,339	23,220	23,220	27,864	57,909	29,271	57,428	67,882	73,286	112,261	909,943
Net income (less deficit)	27,668,033	262,835	679,548	755,836	706,897	599,440	1,168,281	1,234,375	1,536,385	1,479,337	1,687,584	2,411,000	17,106,790
Net income	32,057,106	679,548	755,836	965,941	934,368	841,069	1,793,167	1,536,385	1,739,337	1,739,337	1,687,584	2,411,000	17,106,790
Income subject to tax	21,316,275	226,910	407,675	464,676	666,447	596,819	1,048,822	1,048,822	1,048,822	1,048,822	1,048,822	1,048,822	12,307,499
Income tax, total	9,302,917	173,066	83,592	177,877	177,877	183,705	429,554	254,829	423,529	440,333	483,281	703,657	5,852,466
Additional tax for tax preferences	65,236	2,497	*123	*348	*170	2,710	5,909	3,078	1,928	4,635	7,220	12,694	31,504
Foreign tax credit	867,372	9,929	*170	*2,573	*170	2,710	5,909	3,078	1,928	4,635	7,220	12,694	31,504
U.S. possessions tax credit	5,127	42	—	7,057	6,928	7,651	16,163	8,184	15,493	18,174	18,772	28,277	378,423
Investment credit	512,894	2,894	4,238	7,057	6,928	7,651	16,163	8,184	15,493	18,174	18,772	28,277	378,423
Work incentive (WIN) credit	655	2	3,816	7,334	7,534	5,214	9,840	6,440	12,707	14,079	13,505	15,462	20,283
New jobs credit	126,785	423	224,473	225,864	198,328	148,333	434,734	240,859	552,792	528,044	624,639	1,224,996	6,440,874
Distributions to stockholders except in own stock	11,604,618	760,782	—	—	—	—	—	—	—	—	—	—	—
Finance, Insurance, and Real Estate: Banking													
Number of returns	14,654	227	*538	*470	—	*95	1,474	4,378	2,523	2,493	1,240	646	570
Total assets	1,518,766,059	—	*22,950	*64,887	—	*60,021	5,053,523	18,590,175	10,216,684	86,424,475	85,744,990	98,226,994	1,152,712,957
Notes and accounts receivable, net	717,263,481	—	*121	*6,083	—	*14,839	2,540,516	10,216,684	39,839,738	46,871,996	42,006,382	42,259,224	533,503,897
Inventories	231,496	—	—	—	—	—	4,548	3,747	19,489	124	82	3,079	200,427
Cash, Government obligations, and other current assets	497,230,321	—	*14,909	*35,681	—	*14,858	2,087,747	7,184,571	27,528,302	32,333,099	30,702,302	33,203,674	364,125,180
Other investments and loans	247,906,184	—	(*)	16	—	*27,341	759,654	3,006,140	10,976,027	5,249,675	10,976,027	20,280,687	207,136,911
Depreciable assets	27,680,923	—	*22,703	*20,527	—	*2,375	114,878	363,928	1,392,085	1,774,639	1,823,241	2,060,452	20,106,025
Less: Accumulated depreciation	6,407,233	—	*21,518	*10,322	—	*1,333	16,823	65,086	309,269	445,053	456,073	496,814	4,584,142
Other capital assets less reserves	2,779,214	—	*79	*79	—	*494	14,257	173,116	243,227	243,227	257,078	253,303	1,795,500
Accounts and notes payable	35,722,160	—	*369	*5,659	—	*969	29,394	98,957	283,298	308,175	494,374	459,620	34,041,345
Other current liabilities	1,313,526,727	—	*16,494	*34,736	—	*40,736	4,404,172	16,635,240	64,684,651	78,028,446	88,664,050	88,664,050	963,624,018
Mortgages, notes, and bonds payable in one year or more	27,413,958	—	—	*6,708	—	—	31,919	64,364	249,647	373,848	533,218	744,269	25,409,985
Net worth	105,998,183	—	*6,086	*10,583	—	*18,297	535,454	1,587,430	5,784,426	6,452,935	6,140,864	6,900,232	78,581,896
Cost of property used for investment credit	3,792,929	18,836	*16	*100	—	*57	76,479	42,498	114,373	136,724	147,955	201,065	3,053,662
Total receipts	105,023,681	2,984,483	*44,167	*46,905	—	*2,641	352,192	1,329,912	5,084,228	6,060,628	6,074,033	7,027,500	76,006,732
Business receipts	12,126,160	155,248	*34,177	*41,568	—	*855	69,298	339,551	397,552	428,551	428,551	572,988	10,025,288
Cost of sales and operations	1,394,233	543	—	—	—	—	387	5,299	5,299	2,345	10,397	22,521	1,352,511
Taxes paid	2,663,657	94,411	*1,314	*2,077	—	*76	10,115	34,101	127,876	153,440	154,133	195,389	1,910,725
Interest paid	52,719,655	2,350,442	*1,129	*2,937	—	*551	125,006	569,263	2,810,347	2,810,347	2,915,168	3,472,625	38,186,325
Depreciation	3,029,971	13,881	*378	*3,108	—	*57	7,914	29,844	104,625	125,363	136,283	166,677	2,441,841
Pension, profit-sharing, stock bonus, and annuity plans	1,159,464	7,848	42	29	—	—	10,017	44,214	58,398	65,007	77,460	89,494	684,494
Employee benefit programs	652,672	5,383	—	*628	—	*19	2,469	8,292	30,827	35,254	35,402	42,075	432,073
Net income (less deficit)	4,919,457	—	*7,222	*5,180	—	*513	28,767	98,106	378,406	402,503	334,905	314,844	3,685,150
Net income	5,590,306	92,521	*7,284	*5,180	—	*931	44,748	170,761	471,538	441,172	377,061	377,061	3,685,119
Income subject to tax	4,828,737	80,062	*2,368	*1,477	—	*494	38,113	120,861	407,601	403,591	334,060	313,412	3,128,025
Income tax, total	2,153,992	37,083	*454	*19	—	*95	9,847	35,626	150,104	166,046	146,282	143,547	1,464,889
Additional tax for tax preferences	8,452	*162	—	—	—	—	*18	286	143	266	35	1,500	5,660
Foreign tax credit	586,838	6,042	—	—	—	—	*18	24	—	—	—	385	580,309
U.S. possessions tax credit	—	—	—	—	—	—	—	—	—	—	—	—	—
Investment credit	259,820	1,720	*1	10	—	(*)	472	2,112	11,693	11,066	14,150	209,428	209,428
Work incentive (WIN) credit	179	316	—	—	—								

RETURNS OF ACTIVE CORPORATIONS

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

Major industry, item	Size of total assets												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Total returns of active corporations	Zero assets	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 under \$500,000,000	\$500,000,000 or more
Finance, Insurance, and Real Estate:													
Credit Agencies Other Than Banks:													
Total returns	50,970	2,796	25,450	7,774	4,698	2,488	866	1,300	1,190	917	667	342	
Number of returns	553,446,328	—	910,680	1,198,113	1,615,093	1,758,562	6,413,415	21,938,446	42,563,068	64,068,818	103,435,322	303,927,876	
Total assets	1,527,853	—	186,921	362,239	602,251	2,079,537	1,398,744	3,305,366	5,398,744	4,298,217	2,862,517	30,299,855	
Inventories	1,527,853	—	186,921	362,239	602,251	2,079,537	1,398,744	3,305,366	5,398,744	4,298,217	2,862,517	30,299,855	
Other current assets	46,850,323	—	1,225	336	12,761	5,931	1,309,820	64,227	11,291	76,292	37,892	1,272,654	
Other investments and loans	440,016,946	—	282,279	244,752	246,378	773,002	738,858	2,037,156	3,583,308	5,162,027	8,575,650	24,849,774	
Depreciable assets	11,029,155	—	317,631	395,518	524,523	386,140	4,237,600	15,909,456	32,662,463	53,312,933	89,566,012	240,563,448	
Less: Accumulated depreciation	3,463,213	—	60,884	103,995	116,743	132,828	289,687	159,779	692,156	1,022,278	1,897,410	6,037,869	
Other capital assets less reserves	2,606,670	—	30,148	34,018	47,873	44,283	132,418	45,956	182,234	227,997	435,992	2,183,718	
Accounts and notes payable	55,563,374	—	69,698	77,145	110,338	146,211	221,507	96,720	153,311	221,256	510,120	949,372	
Other current liabilities	390,539,445	—	209,146	429,201	310,087	456,780	1,420,960	3,509,268	5,230,268	5,235,624	6,069,024	30,963,813	
Mortgages, notes, and bonds payable in one year or more	28,815,448	—	66,140	51,207	156,781	110,015	3,772,911	15,283,079	31,478,448	51,517,219	87,667,736	199,093,267	
Net worth	80,862	—	80,862	179,942	381,544	1,090,886	4,845,485	11,344,200	22,883,076	35,544,775	43,133,193	50,993,872	
Cost of property used for investment credit	28,815,448	—	122,594	330,895	592,206	1,733,387	496,979	1,450,377	2,225,501	3,250,524	3,324,044	16,116,616	
Total receipts	983,997	6,445	13,875	7,511	17,157	12,590	42,011	14,850	36,247	34,912	50,286	666,890	
Business receipts	54,033,930	810,817	171,363	173,928	185,576	262,369	876,068	663,514	2,025,844	3,988,749	8,283,786	32,095,396	
Cost of sales and operations	12,655,460	3,779	78,051	78,574	64,305	373,257	209,872	383,422	264,224	420,123	622,246	9,991,203	
Taxes paid	5,589,667	3,779	78,051	78,574	64,305	373,257	209,872	383,422	264,224	420,123	622,246	9,991,203	
Interest paid	948,640	18,421	11,578	10,976	11,377	12,237	29,248	14,716	33,803	50,925	137,858	5,184,510	
Depreciation	30,742,676	527,473	15,354	23,108	42,220	52,199	291,054	304,767	1,148,730	3,450,623	5,563,385	17,018,885	
Pension, profit-sharing, stock bonus, and annuity plans	791,471	7,385	10,869	8,351	8,871	6,871	23,638	13,821	29,811	36,068	51,484	99,067	
Employee benefit programs	289,281	1,947	332	546	1,204	833	724	2,874	10,169	18,975	28,934	170,760	
Net income (less deficit)	151,717	607	1,814	1,566	1,556	1,005	3,749	2,273	8,887	13,246	21,676	90,548	
Net income	3,291,935	56,048	16,799	6,166	10,768	11,991	24,622	30,380	115,934	197,768	299,569	2,089,226	
Income subject to tax	3,812,673	72,546	55,234	49,205	49,572	61,192	107,211	61,460	213,258	214,846	339,212	542,485	
Income tax total	3,525,744	61,787	25,270	28,199	36,352	47,912	84,241	50,163	123,196	206,524	327,465	515,797	
Additional tax for tax preferences	1,629,890	29,129	4,539	6,841	8,433	14,063	28,829	17,369	45,154	87,204	150,467	988,806	
Foreign tax credit	46,495	2,170	—	—	—	—	—	—	—	—	—	—	
U.S. possessions tax credit	36,221	51	—	—	—	—	—	—	—	—	—	—	
Research and development credit	3,557	42	—	—	—	—	—	—	—	—	—	—	
Work incentive (WIN) credit	58,846	246	334	78	169	114	957	1,470	1,845	2,642	4,054	46,382	
New jobs credit	20,482	23	124	468	67	266	643	641	1,600	2,255	2,848	4,498	
Distributions to stockholders except in own stock	645,391	23,434	24,739	35,864	20,078	22,025	19,895	2,446	14,841	14,820	36,962	7,149	
													416,015
Finance, Insurance, and Real Estate:													
Security, Commodity Brokers and Services:													
Number of returns	6,158	18	3,869	4,460	510	422	485	101	152	49	20	35	
Total assets	51,817,223	89,070	78,200	171,179	171,179	306,662	1,227,618	1,071,514	1,551,306	1,724,342	1,872,470	2,826,383	40,898,493
Inventories	27,996,908	—	13,036	21,634	33,353	119,518	446,335	366,375	637,764	846,787	926,610	772,066	23,813,430
Other current assets	23,697	—	—	—	—	—	—	—	8,052	2,931	11	488	12,080
Cash, Government obligations, and other current assets	18,425,522	—	29,255	21,825	85,096	117,290	548,055	587,372	635,966	657,744	655,633	1,540,153	13,547,133
Depreciable assets	1,011,067	—	16,474	29,051	26,402	50,121	108,655	57,521	172,573	131,966	161,376	364,503	2,850,616
Less: Accumulated depreciation	375,184	—	19,849	2,662	21,172	17,553	92,329	44,804	56,789	89,106	63,820	148,468	435,777
Other capital assets less reserves	159,366	—	3,873	2,390	5,050	1,462	13,066	6,890	7,431	8,154	3,754	37,920	69,376
Accounts and notes payable	31,009,792	—	39,444	25,517	63,302	112,293	567,006	537,363	905,300	858,931	1,465,599	25,666,372	
Other current liabilities	11,266,732	—	9,496	8,335	4,446	44,070	126,387	253,503	413,364	511,115	615,952	9,009,901	
Mortgages, notes, and bonds payable in one year or more	2,887,199	—	16,172	468	15,596	79,738	279,397	147,770	92,542	89,911	153,604	2,089,474	
Net worth	4,821,136	—	11,852	40,207	66,105	125,235	350,080	225,481	251,010	273,075	319,415	2,861,710	
Cost of property used for investment credit	253,060	893	2,560	3,833	5,224	5,905	39,701	16,385	16,895	5,786	38,493	116,224	
Total receipts	9,588,383	130,576	397,516	123,835	95,191	360,813	734,039	473,519	665,074	792,967	681,362	589,073	4,543,713
Business receipts	4,561,049	35,660	395,482	121,404	44,407	245,971	470,410	364,271	505,812	616,135	505,643	410,324	885,500
Cost of sales and operations	322,843	—	2,392	6,155	6,155	7,239	13,066	6,890	7,431	8,154	3,754	24,979	54,085
Taxes paid	1,227,299	3,606	9,426	4,357	4,357	7,336	21,050	11,853	17,138	15,269	10,950	18,697	137,362
Interest paid	261,889	23,189	2,595	6,227	2,318	5,190	25,312	25,420	31,349	45,913	40,535	85,596	939,255
Depreciation	118,825	1,110	4,070	943	1,110	2,571	13,431	5,885	5,708	7,981	17,174	49,209	
Pension, profit-sharing, stock bonus, and annuity plans	130,841	1,658	8,843	1,099	1,099	7,323	9,953	14,325	14,325	14,325	8,881	49,998	
Employee benefit programs	64,359	2,963	5,774	1,105	1,105	1,179	4,083	2,424	2,516	4,632	5,076	3,686	30,275
Net income (less deficit)	340,298	—	11,780	6,419	2,998	33,434	46,704	31,149	39,422	22,032	30,418	21,409	152,380
Net income	539,313	849	4,203	13,268	13,115	39,933	64,680	45,075	40,598	48,716	40,598	30,079	205,166
Income subject to tax	429,988	669	1,162	1,162	1,162	3,383	46,010	37,061	42,349	31,965	28,986	25,616	163,805
Income tax total	188,502	293	332	3,232	1,301	11,561	19,359	15,762	19,202	14,470	13,501	12,435	77,054
Additional tax for tax preferences	4,021	—	—	—	—	—	—	—	—	—	—	—	—
Foreign tax credit	1,122	—	—	—	—	—	—	—	—	—	—	—	—
U.S. possessions tax credit	11,221	2	—	—	—	—	—	—	—	—	—	—	—
Investment credit	—	—	—	—	—	—	—	—	—	—	—	—	—
Work incentive (WIN) credit	—	—	—	—	—	—	—	—	—	—	—	—	—
New jobs credit	—	—	—	—	—	—	—	—	—	—	—	—	—
Distributions to stockholders except in own stock	125,580	99	731	10,310	990	739	9,365	3,317	3,193	6,391	6,391	3,298	79,907

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

RETURNS OF ACTIVE CORPORATIONS

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

Major industry, item	Size of total assets												
	Zero assets	\$1 under \$100,000	\$100,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 under \$500,000,000	\$500,000,000 or more	(13)
Finance, Insurance, and Real Estate: Insurance													
Number of returns.....	41	691	609	973	382	430	256	183	175	218			
Total assets.....	509,301,779	1,051	420,870	2,317,439	2,726,995	6,892,690	9,157,228	12,860,568	27,181,883	447,243,379			
Notes and accounts receivable, net.....	12,737,616	81,062	45,488	61,089	84,183	157,201	234,053	283,346	545,369	11,200,359			
Inventories.....	1,592,954	14,129	45,337	47,044	567	310	1,980	14,745	9,476	1,565,843			
Cash, Government obligations, and other current assets.....	94,627,611	71,753	252,604	122,425	1,224,007	2,818,952	3,165,917	4,563,462	8,263,152	72,876,335			
Other investments and loans.....	373,508,011	9,470	39,460	16,513	563,520	3,541,973	5,109,566	7,327,646	18,717,783	338,576,786			
Depreciable assets.....	1,596,022	12,636	37,442	7,485	10,229	119,888	179,342	187,985	462,968	7,512,936			
Less: Accumulated depreciation.....	790,436	1,240	4,692	5,550	1,043	5,303	18,480	21,182	46,286	1,437,147			
Other capital assets less reserves.....	13,511,198	44,300	11,334	62,422	112,801	164,941	272,189	312,648	612,118	3,319,960			
Accounts and notes payable.....	85,235,413	31,334	7,575	31,114	55,454	147,252	2,060,627	3,171,973	5,938,717	71,470,952			
Other current liabilities.....													
Mortgages, notes, and bonds payable in one year or more.....	7,956,201	3,807	11,170	14,169	11,182	43,426	96,312	378,029	378,029	7,269,096			
Cost of property used for investment credit.....	73,124,694	27,098	76,933	99,546	95,577	1,961,160	2,086,570	2,864,615	5,371,465	58,636,870			
Net worth.....	1,277,477	3,390	5,362	5,362	3,962	14,601	20,500	40,456	86,427	1,086,675			
Total receipts.....	177,311,748	460,542	339,281	163,985	220,815	1,343,134	5,041,379	6,689,959	12,314,743	145,105,298			
Business receipts.....	143,694,053	397,701	283,291	1,160,434	1,451,173	3,101,777	4,425,039	5,909,822	10,514,038	116,006,800			
Cost of sales and operations.....	81,537,659	94,839	26,856	21,554	5,335	491,748	2,247,289	3,167,877	5,592,074	67,421,769			
Taxes paid.....	3,695,620	7,808	4,153	5,050	25,899	79,295	115,175	141,617	286,139	3,128,163			
Interest paid.....	1,150,631	4,968	2,113	4,968	1,403	2,036	16,472	35,916	74,741	2,639,099			
Depreciation.....	1,255,575	1,704	1,051	2,615	2,672	6,677	15,167	24,609	50,421	1,022,788			
Pension, profit-sharing, stock bonus, and annuity plans.....	354,552	1,879	3,747	4,660	9,531	15,620	22,386	33,406	71,289	1,083,620			
Employee benefit programs.....	10,418,424	14,617	14,617	14,617	14,617	14,617	14,617	14,617	14,617	14,617			
Net income (less deficit).....	7,843,303	9,685	23,523	5,663	20,425	68,058	195,829	394,845	639,214	3,392,143			
Net income.....	7,843,303	9,685	23,523	5,663	20,425	68,058	195,829	394,845	639,214	3,392,143			
Income subject to tax.....	3,555,300	1,005	2,120	2,342	7,154	31,366	29,942	90,626	186,470	3,035,474			
Income tax, total.....	724	—	—	—	—	—	—	—	—	47			
Additional tax for tax preferences.....	183,897	—	—	—	—	—	—	—	—	1,299			
Foreign tax credit.....	118,162	—	—	—	—	—	—	—	—	6,058			
U.S. possessions tax credit.....	157	—	—	—	—	—	—	—	—	8			
Investment credit.....	14,682	—	—	—	—	—	—	—	—	2,789			
Work incentive (WIN) credit.....	1,820,692	—	—	—	—	—	—	—	—	83,360			
New jobs credit.....	—	—	—	—	—	—	—	—	—	—			
Distributions to stockholders except in own stock.....	—	—	—	—	—	—	—	—	—	—			
Finance, Insurance, and Real Estate: Insurance Agents, Brokers, and Service													
Number of returns.....	41,351	26,015	7,946	3,528	1,168	79	43	9	6	5			
Total assets.....	11,329,125	855,880	1,264,407	1,215,798	2,202,481	552,036	295,670	329,501	1,010,561	17,846,633			
Notes and accounts receivable, net.....	4,196,920	249,986	434,596	470,442	1,005,900	198,512	111,929	170,285	246,907	453,173			
Inventories.....	9,570	79	79	2,013	2,490	96	4,774	118	118	—			
Cash, Government obligations, and other current assets.....	3,224,748	318,202	368,322	345,567	613,054	186,748	106,582	86,469	278,473	422,997			
Other investments and loans.....	1,082,764	90,590	115,891	97,952	181,248	110,773	47,909	54,340	407,697	726,860			
Depreciable assets.....	1,264,683	198,613	192,849	155,582	147,797	280,957	9,155	10,184	39,473	122,489			
Less: Accumulated depreciation.....	504,443	96,478	79,197	65,287	96,185	14,973	3,448	4,430	16,870	45,988			
Other capital assets less reserves.....	292,244	15,636	56,377	50,136	39,708	89,796	1,269	1,399	3,431	8,218			
Accounts and notes payable.....	5,270,289	363,724	582,630	650,428	1,175,223	212,126	104,150	153,555	409,571	585,252			
Other current liabilities.....	1,397,455	99,639	111,898	81,488	344,149	82,052	94,245	100,665	160,758	117,816			
Mortgages, notes, and bonds payable in one year or more.....	856,900	70,649	132,262	111,217	191,029	40,966	27,670	9,348	4,746	67,074			
Net worth.....	3,273,965	204,908	341,966	298,416	398,322	164,017	52,596	34,973	399,248	953,433			
Cost of property used for investment credit.....	257,772	41,306	35,146	37,422	48,174	9,119	1,882	2,303	7,643	24,861			
Total receipts.....	11,518,211	63,542	2,834,705	1,257,392	1,973,676	488,724	405,733	95,364	396,692	948,871			
Business receipts.....	11,049,252	55,717	2,790,465	1,259,139	1,895,470	455,843	120,359	78,465	371,487	862,659			
Cost of sales and operations.....	2,796,452	1,128	3,317	2,310	2,581	145,149	27,213	36,004	13,042	4,066			
Taxes paid.....	302,635	1,128	3,317	3,317	3,317	3,317	3,317	3,317	3,317	3,317			
Interest paid.....	119,649	464	12,357	15,196	54,079	10,754	4,779	3,604	13,042	42,969			
Depreciation.....	169,236	1,051	32,392	23,729	20,220	6,442	5,246	4,910	1,343	9,767			
Pension, profit-sharing, stock bonus, and annuity plans.....	232,655	228	34,182	23,857	32,594	8,778	6,442	1,132	4,660	15,208			
Employee benefit programs.....	103,323	663	13,629	7,154	20,317	3,500	4,293	4,990	11,381	30,154			
Net income (less deficit).....	1,054,954	116,305	129,393	106,634	169,446	58,982	16,439	25,313	76,958	242,555			
Net income.....	1,153,937	6,765	14,358	14,358	14,358	14,358	14,358	14,358	14,358	14,358			
Income subject to tax.....	882,073	6,133	46,379	63,073	121,941	55,861	18,369	21,383	77,143	240,131			
Income tax, total.....	339,983	17,349	17,349	16,431	15,216	26,183	8,760	10,215	36,572	115,252			
Additional tax for tax preferences.....	14	—	—	—	—	—	—	—	—	—			
Foreign tax credit.....	10,026	—	—	—	—	—	—	—	—	539			
U.S. possessions tax credit.....	—	—	—	—	—	—	—	—	—	—			
Investment credit.....	14,347	—	—	—	—	—	—	—	—	493			
Work incentive (WIN) credit.....	—	—	—	—	—	—	—	—	—	—			
New jobs credit.....	12,139	—	—	—	—	—	—	—	—	367			
Distributions to stockholders except in own stock.....	219,546	25,093	11,043	20,304	20,680	6,152	2,908	7,662	29,825	77,126			

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

RETURNS OF ACTIVE CORPORATIONS

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

Major industry, item	Size of total assets												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Total returns of active corporations	Zero assets	\$1,000,000 under	\$100,000 under	\$250,000 under	\$500,000 under	\$1,000,000 under	\$1,000,000 under	\$1,000,000 under	\$10,000,000 under	\$25,000,000 under	\$50,000,000 under	\$100,000,000 under	\$250,000,000 or more
Finance, Insurance, and Real Estate: Real Estate													
Number of returns.....	9,225	132,445	61,774	32,428	15,748	13,066	1,535	574	202	78	36		
Total assets.....	108,863,846	1,485,973	9,770,042	11,371,562	10,846,046	26,580,172	10,434,444	8,619,326	6,811,639	5,500,222	5,119,025	5,119,025	8,725,376
Notes and accounts receivable, net.....	—	339,005	664,185	890,891	913,512	2,311,111	922,158	742,776	648,901	513,366	648,901	648,901	1,181,776
Inventories.....	—	31,863	1,551,174	1,261,404	1,576,054	4,360,616	1,880,605	1,362,309	1,028,682	941,004	746,177	746,177	794,347
Cash, Government obligations, and other current assets.....	16,266,010	560,796	1,021,709	1,698,258	1,230,084	3,084,056	1,980,693	1,362,972	1,193,600	1,299,190	1,259,540	1,259,540	2,406,664
Other investments and loans.....	63,111,651	3,562,668	6,938,937	7,535,258	7,100,634	18,563,445	5,856,473	4,554,171	3,357,707	2,036,912	2,031,717	2,031,717	3,685,663
Depreciable assets.....	—	1,711,415	3,239,200	2,720,268	2,744,677	5,935,133	1,722,676	1,250,219	860,893	484,752	456,780	456,780	377,672
Less: Accumulated depreciation.....	—	—	—	—	—	—	—	—	—	—	—	—	—
Other capital assets less reserves.....	19,345,409	838,095	1,117,152	2,540,015	2,407,869	4,737,156	1,350,546	1,303,397	890,524	818,006	541,447	541,447	997,548
Accounts and notes payable.....	17,367,271	898,095	1,179,969	1,490,333	1,582,032	4,837,754	1,540,521	1,446,232	1,361,868	1,100,074	967,511	967,511	900,842
Other current liabilities.....	5,290,512	235,258	402,216	406,940	398,693	1,179,704	540,502	472,743	447,405	363,147	308,306	308,306	596,079
Mortgages, notes, and bonds payable in one year or more.....	—	—	—	—	—	—	—	—	—	—	—	—	—
Net worth.....	49,124,854	1,521,636	2,979,847	4,036,199	4,485,094	13,133,612	5,959,121	4,644,249	3,799,553	2,623,965	2,311,940	2,311,940	3,629,547
Cost of property used for investment credit.....	25,561,336	1,249,819	4,071,594	3,430,735	3,136,976	5,014,194	1,842,730	1,467,853	1,089,926	726,389	675,566	675,566	2,500,735
Total receipts.....	927,470	106,842	126,001	79,247	66,168	214,970	66,863	50,461	34,164	21,642	40,407	40,407	94,693
Business receipts.....	36,689,322	501,880	4,948,379	4,151,032	3,938,026	7,056,472	2,638,624	2,657,965	1,693,813	1,248,917	1,482,273	1,482,273	3,088,224
Cost of sales and operations.....	21,047,039	786,628	3,677,365	2,433,663	2,433,663	3,408,223	1,494,419	1,645,172	939,126	576,477	798,122	798,122	2,087,535
Taxes paid.....	7,866,728	72,031	689,362	621,195	662,819	1,300,807	666,180	1,115,699	514,632	274,340	390,773	390,773	986,563
Interest paid.....	2,847,837	63,021	271,875	363,444	298,302	663,979	191,134	161,605	108,521	87,421	94,761	94,761	68,950
Depreciation.....	4,603,684	142,170	193,228	295,605	387,641	1,170,510	425,744	376,968	319,322	256,701	224,266	224,266	392,562
Pension, profit-sharing, stock bonus, and annuity plans.....	2,593,140	61,636	203,306	310,288	327,246	624,595	224,808	153,767	129,262	71,001	83,101	83,101	149,346
Employee benefit programs.....	149,456	682	22,192	13,261	19,554	30,032	9,354	7,048	2,046	2,046	5,779	5,779	15,170
Net income (less deficit).....	2,622,950	37,373	15,054	8,010	6,596	19,093	7,010	5,958	4,135	3,599	3,508	3,508	10,174
Net income.....	4,437,888	67,527	197,842	500,819	363,404	448,605	113,361	141,845	122,829	46,992	108,706	108,706	211,643
Income subject to tax.....	3,171,754	40,819	248,034	475,248	363,890	569,788	213,192	188,659	106,331	109,578	109,578	109,578	319,436
Income tax, total.....	1,090,042	12,663	50,761	126,845	126,845	216,512	89,404	81,017	48,675	48,675	50,125	50,125	266,126
Additional tax for tax preferences.....	4,817	123	39	132	127	846	846	846	496	672	176	176	1,068
Foreign tax credit.....	3,057	1	—	—	—	—	—	—	—	—	—	—	—
U.S. possessions tax credit.....	374	—	—	—	—	—	—	—	—	—	—	—	—
Investment credit.....	43,086	2,348	4,602	4,791	4,102	8,707	3,304	1,914	1,914	985	1,755	1,755	6,577
Work incentive (WIN) credit.....	198	—	—	—	—	—	—	—	—	—	—	—	—
New jobs credit.....	24,147	2,356	5,294	4,122	1,891	4,053	2,328	1,681	1,325	575	277	277	213
Distributions to stockholders except in own stock.....	940,813	145,595	108,411	100,484	61,875	123,655	33,967	46,777	43,066	7,404	12,058	12,058	35,660
Finance, Insurance, and Real Estate: Other Investment Companies, Except Bank Holding Companies													
Number of returns.....	2,668	21,088	8,130	4,843	3,159	3,033	504	484	237	166	135		
Total assets.....	107,934,089	710,588	1,319,400	1,691,973	2,181,184	6,491,760	3,540,213	7,836,567	8,398,097	11,728,397	20,721,552	20,721,552	43,314,356
Notes and accounts receivable, net.....	4,549,106	58,257	139,938	142,273	201,224	605,374	328,806	457,118	481,729	253,913	811,398	811,398	1,066,716
Inventories.....	100,895	2,195	214,365	349,802	528,287	1,224,218	788,302	1,005,339	846,472	4,853	9,319	9,319	3,825
Cash, Government obligations, and other current assets.....	12,737,382	314,936	585,633	885,920	1,161,738	3,750,131	2,103,017	5,712,001	6,215,222	8,700,125	19,181,618	19,181,618	37,511,192
Other investments and loans.....	92,112,053	314,936	145,428	112,252	128,721	517,218	203,990	363,773	653,333	755,223	1,030,347	1,030,347	36,531,006
Depreciable assets.....	5,548,432	106,007	55,983	35,660	50,032	203,990	61,377	94,255	123,496	131,398	97,062	97,062	166,105
Less: Accumulated depreciation.....	1,066,785	68,007	68,007	68,007	68,007	68,007	68,007	68,007	68,007	68,007	68,007	68,007	68,007
Other capital assets less reserves.....	2,568,040	63,714	153,366	176,977	139,913	417,151	119,567	216,747	230,362	239,950	465,092	465,092	345,201
Accounts and notes payable.....	8,288,072	141,201	129,611	114,619	352,524	643,746	334,664	479,893	652,436	1,005,617	1,552,464	1,552,464	2,881,297
Other current liabilities.....	2,664,175	92,868	52,883	64,798	93,731	205,500	243,259	166,375	157,346	222,463	521,454	521,454	845,543
Mortgages, notes, and bonds payable in one year or more.....	10,555,468	105,296	199,433	217,681	344,031	967,791	340,027	618,967	1,156,253	1,419,918	2,736,528	2,736,528	2,251,543
Net worth.....	81,379,715	136,165	1,070,645	1,270,645	1,691,645	4,265,373	2,499,570	6,126,401	6,179,513	8,626,813	14,671,944	14,671,944	35,639,104
Cost of property used for investment credit.....	183,337	7,650	17,521	16,664	9,695	45,400	15,162	9,993	21,713	21,713	6,360	6,360	7,461
Total receipts.....	10,786,317	539,697	299,319	271,363	316,811	1,066,391	444,609	861,239	824,493	965,112	1,710,369	1,710,369	3,193,991
Business receipts.....	1,620,244	11,728	62,078	24,405	53,616	224,218	111,539	229,670	229,670	114,514	62,879	62,879	350,537
Cost of sales and operations.....	874,122	2,655	10,954	5,201	21,973	159,285	52,452	173,851	173,851	65,633	27,497	27,497	184,855
Taxes paid.....	268,680	3,854	15,572	14,033	13,069	37,871	12,826	21,826	22,224	20,829	31,923	31,923	54,868
Interest paid.....	1,140,873	18,291	12,052	20,507	35,569	104,707	40,368	65,063	116,722	143,998	266,179	266,179	271,598
Depreciation.....	200,709	8,097	7,411	5,918	6,019	25,481	10,508	16,569	20,534	36,549	33,649	33,649	36,538
Pension, profit-sharing, stock bonus, and annuity plans.....	36,338	117	4,061	510	3,094	5,717	1,742	3,980	5,525	1,264	1,886	1,886	8,621
Employee benefit programs.....	24,315	1,616	2,469	2,107	548	2,044	966	1,274	2,660	1,475	1,475	1,475	5,196
Net income (less deficit).....	5,020,015	384,412	4,467	71,176	89,109	394,073	176,594	352,127	285,961	398,450	888,557	888,557	1,907,006
Net income.....	5,679,686	415,817	110,708	110,708	172,272	455,085	209,188	398,618	311,297	446,488	989,211	989,211	2,021,542
Income subject to tax.....	931,371	38,259	61,949	63,549	72,204	199,272	101,224	98,422	61,768	31,242	72,835	72,835	98,422
Income tax, total.....	345,208	12,976	18,617	17,713	23,795	73,000	40,543	41,727	25,152	12,283	25,452	25,452	44,798
Additional tax for tax preferences.....	4,406	159	313	83	186	1,052	433	474	959	474	116	116	250
Foreign tax credit.....	43,312	—	—	—	—	—	—	—	—	—	—	—	—
U.S. possessions tax credit.....	—	—	—	—	—	—	—	—	—	—	—	—	—
Investment credit.....	—	—	—	—	—	—	—	—	—	—	—	—	—
Work incentive (WIN) credit.....	—	—	—	—	—	—	—	—	—	—	—	—	—
New jobs credit.....	—	—	—	—	—	—	—	—	—	—	—	—	—
Distributions to stockholders except in own stock.....	4,857,661	23,348	57,891	53,609	50,147	124,336	45,705	293,114	258,345	7,404	12,058	12,058	873,836

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Major industry, item	Size of total assets												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Total returns of active corporations	Zero assets	\$1 to \$100,000	\$100,000 to \$250,000	\$250,000 to \$500,000	\$500,000 to \$1,000,000	\$1,000,000 to \$5,000,000	\$5,000,000 to \$10,000,000	\$10,000,000 to \$25,000,000	\$25,000,000 to \$50,000,000	\$50,000,000 to \$100,000,000	\$100,000,000 to \$250,000,000	\$250,000,000 or more	
Total Services													
Number of returns	13,842	383,280	65,197	27,573	13,716	10,598	1,304	557	163	81	37	39	
Total assets	119,286,766	10,386,238	10,150,000	9,672,677	9,432,701	21,513,769	9,404,653	8,414,215	5,900,939	5,421,694	5,652,993	23,486,897	
Notes and accounts receivable, net	—	1,360,887	1,643,353	1,535,660	1,628,698	3,956,632	1,601,090	1,707,469	1,094,668	1,153,750	1,400,209	4,058,583	
Inventories	5,613,150	530,871	590,408	4,284,254	3,765,659	9,271,228	4,253,993	3,384,979	2,296,383	1,953,862	2,451,444	1,288,065	
Cash, Government obligations, and other current assets	19,482,093	2,817,974	2,127,874	17,200,060	14,538,570	2,951,747	1,377,363	1,138,401	747,862	726,691	720,866		
Other investments and loans	15,661,212	923,873	1,037,189	7,514,777	6,226,332	2,614,212	753,133	1,084,641	1,055,932	894,530	945,430	4,848,085	
Depreciable assets	76,773,310	8,114,217	7,171,860	6,989,675	6,989,675	6,013,226	6,484,024	5,207,559	3,150,962	3,060,738	3,060,738	11,380,497	
Less: Accumulated depreciation	31,363,260	4,248,407	3,540,505	3,113,795	3,113,795	2,821,496	2,281,219	2,041,203	1,128,626	1,118,057	1,241,839	3,886,597	
Other capital assets less reserves	7,091,013	963,990	789,698	846,533	829,291	1,411,562	673,544	522,136	358,981	231,370	231,370	813,459	
Accounts and notes payable	26,253,850	2,554,112	2,157,239	2,067,183	2,067,183	5,950,274	2,208,432	1,948,008	1,085,274	1,159,317	1,094,434	4,328,108	
Other current liabilities	13,561,867	1,299,280	966,326	839,502	893,412	1,786,382	932,601	811,590	642,355	560,980	684,898	4,144,540	
Mortgages, notes, and bonds payable in one year or more	—	1,895,455	2,118,786	2,593,508	2,593,508	7,103,284	3,288,193	2,776,757	1,854,824	1,495,914	1,907,107	5,881,155	
Net worth	34,613,641	2,265,870	3,631,106	3,163,044	2,595,293	5,155,613	2,279,463	1,810,750	1,810,750	1,933,864	1,711,395	7,899,744	
Cost of property used for investment credit	11,663,528	1,160,756	820,059	795,909	747,208	3,862,205	707,353	611,631	353,199	262,301	386,287	1,912,169	
Total receipts	183,007,786	47,557,754	23,243,190	17,651,679	13,716,383	27,097,853	8,354,371	8,303,010	6,721,047	6,576,387	5,803,018	16,472,814	
Business receipts	175,588,702	46,900,478	22,794,036	17,037,298	13,270,374	25,749,488	7,853,476	7,754,069	6,251,047	6,139,656	5,555,802	14,933,296	
Cost of sales and operations	88,873,389	852,750	17,544,591	8,895,270	7,607,711	15,204,296	4,534,519	4,274,234	3,325,102	3,962,201	3,391,361	7,286,124	
Taxes paid	6,183,058	50,038	63,953	633,747	502,835	922,001	287,570	314,943	232,460	240,357	171,337	500,413	
Interest paid	3,880,753	288,441	246,963	287,154	326,483	299,960	287,570	295,540	191,270	172,964	161,431	779,188	
Depreciation	8,851,415	79,044	680,788	680,844	613,210	1,635,494	568,047	551,771	324,260	300,675	296,742	2,189,910	
Pension, profit-sharing, stock bonus, and annuity plans	3,591,202	1,946,351	1,551,167	299,536	154,213	248,469	63,743	76,703	63,743	51,084	39,597	95,799	
Employee benefit programs	1,156,151	302,529	121,173	116,381	89,167	161,537	39,570	67,364	36,884	36,772	50,896	124,509	
Net income (less deficit)	6,596,830	11,624	821,529	809,505	607,585	454,757	285,307	400,850	407,549	352,749	308,907	1,198,098	
Income subject to tax	6,880,410	40,899	1,765,736	1,222,994	840,893	694,489	475,691	522,093	446,088	402,478	333,524	1,214,290	
Income tax, total	2,564,017	195,051	184,359	166,843	185,995	438,174	169,486	200,039	358,236	327,225	305,574	1,169,745	
Additional tax for tax preferences	1,696	—	—	—	—	—	—	—	—	—	—	—	
Foreign tax credit	124,879	—	—	—	—	—	—	—	—	—	—	—	
U.S. possessions tax credit	2,537	—	—	—	—	—	—	—	—	—	—	—	
Investment credit	426,663	3,034	36,990	33,575	34,554	60,772	17,368	19,928	15,540	15,666	17,895	137,605	
Work incentive (WIN) credit	2,059	—	—	—	—	—	—	—	—	—	—	—	
New jobs credit	193,152	25,181	43,714	26,158	28,895	42,642	8,783	8,305	3,895	2,356	1,307	11,803	
Distributions to stockholders except in own stock	1,441,254	265,752	179,047	115,764	64,401	185,960	68,640	64,409	68,601	95,216	59,714	164,216	
Services: Hotels and Other Lodging Places													
Number of returns	15,546	4,051	4,265	2,990	1,971	1,508	205	76	24	—	—	—	
Total assets	14,084,260	173,865	766,166	4,091,044	1,336,267	3,133,244	1,358,537	1,125,798	904,283	50,232	4,195,054	34,998	
Notes and accounts receivable, net	—	—	1,852	4,317	4,010	122,437	87,785	76,879	50,322	342,998	342,998	50,322	
Inventories	214,069	4,268	8,571	23,184	10,834	40,225	33,205	19,088	64,390	10,286	64,390	385,414	
Cash, Government obligations, and other current assets	1,267,781	30,181	77,213	80,425	66,368	288,361	127,526	117,027	75,266	75,266	385,414	1,012,280	
Other investments and loans	1,928,263	9,435	55,506	64,466	73,322	322,323	79,817	159,069	152,045	152,045	1,012,280	2,780,125	
Depreciable assets	12,195,842	218,638	1,836,333	1,090,677	1,441,376	3,011,143	1,206,417	849,189	741,842	242,978	885,793	2,780,125	
Less: Accumulated depreciation	4,397,161	121,948	455,178	425,108	547,319	1,064,193	345,852	308,792	242,978	242,978	242,978	885,793	
Other capital assets less reserves	1,537,494	23,812	142,333	170,768	208,525	332,185	151,334	136,160	95,671	276,706	276,706	1,672,929	
Accounts and notes payable	1,669,233	35,371	188,794	188,794	164,383	376,733	248,591	232,828	71,703	263,579	263,579	321,154	
Other current liabilities	912,194	26,722	26,322	62,722	71,972	170,592	103,620	76,731	52,359	321,154	321,154	1,672,929	
Mortgages, notes, and bonds payable in one year or more	6,911,892	56,733	344,711	519,867	823,329	1,776,855	747,347	494,306	475,815	1,704,742	1,704,742	1,672,929	
Net worth	3,306,066	—	214,783	196,873	135,544	472,271	134,518	251,488	272,860	17,895	17,895	137,605	
Cost of property used for investment credit	430,190	8,149	19,313	35,395	34,418	86,908	34,881	36,925	32,551	—	—	137,609	
Total receipts	11,855,006	373,821	850,897	1,254,039	940,459	2,438,834	1,004,016	872,045	550,361	3,456,266	3,456,266	312,254	
Business receipts	10,989,330	365,483	821,156	1,231,687	896,835	2,254,576	926,043	780,242	510,264	3,122,583	3,122,583	312,254	
Cost of sales and operations	51,544	145,610	380,900	579,276	418,166	73,322	474,116	369,470	263,408	474,116	1,701,661	1,012,280	
Taxes paid	681,075	18,501	64,648	74,453	65,971	142,676	57,490	53,582	29,503	167,964	167,964	1,012,280	
Interest paid	645,640	4,555	28,042	52,215	77,182	142,676	57,490	53,582	29,503	167,964	167,964	1,012,280	
Depreciation	698,333	13,005	28,042	62,216	77,869	165,509	61,015	45,996	35,111	134,245	134,245	1,012,280	
Pension, profit-sharing, stock bonus, and annuity plans	29,412	—	—	—	—	4,225	2,808	3,148	2,495	15,714	15,714	30,786	
Employee benefit programs	76,380	—	—	—	—	10,199	4,525	10,083	3,721	30,786	30,786	30,786	
Net income (less deficit)	405,224	—	5,221	—	—	94,410	510	54,244	26,851	220,033	220,033	221,365	
Income subject to tax	688,001	—	37,089	33,707	43,935	156,513	47,090	75,770	36,977	47,090	201,184	25,456	
Income tax, total	479,269	2,636	21,849	24,010	24,917	83,413	29,926	62,268	25,456	29,926	95,004	95,004	
Income tax, total	201,452	—	4,842	5,710	7,011	32,264	12,891	29,585	12,066	12,891	272	272	
Additional tax for tax preferences	478	—	—	—	—	—	—	—	—	—	—	—	
Foreign tax credit	—	—	—	—	—	—	—	—	—	—	—	—	
U.S. possessions tax credit	—	—	—	—	—	—	—	—	—	—	—	—	
Investment credit	22,328	—	626	1,076	1,275	4,218	1,423	1,618	931	—	—	10,930	
Work incentive (WIN) credit	1,02	—	—	—	—	—	—	—	—	—	—	—	
New jobs credit	5,886	—	—	—	—	—	—	—	—	—	—	—	
Distributions to stockholders except in own stock	118,901	—	—	—	—	—	—	—	—	—	—	—	

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Major industry, item	Size of total assets												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	Total returns of active corporations	Zero assets	\$1,000,000 under \$100,000	\$100,000 to \$250,000	\$250,000 to \$500,000	\$500,000 to \$1,000,000	\$1,000,000 to \$5,000,000	\$5,000,000 to \$10,000,000	\$10,000,000 to \$25,000,000	\$25,000,000 to \$50,000,000	\$50,000,000 to \$100,000,000	\$100,000,000 to \$500,000,000	\$500,000,000 or more
Services: Personal Services													
Number of returns.....	40,058	1,435	29,873	5,228	2,424	611	423	27	24	5	8	8	**
Total assets.....	5,542,922	—	875,214	801,596	839,396	412,460	811,036	203,907	378,657	200,834	1,021,822	1,021,822	**
Notes and accounts receivable, net.....	381,130	—	145,388	144,930	149,981	71,319	125,270	100,068	70,321	42,723	269,814	269,814	**
Inventories.....	396,530	—	200,954	146,874	149,006	22,775	42,654	16,630	38,157	22,007	118,002	118,002	**
Cash, Government obligations, and other current assets.....	467,581	—	2,007,672	58,911	54,071	63,258	158,069	18,425	39,383	18,417	146,803	146,803	**
Other investments and loans.....	4,377,959	—	1,009,697	704,941	652,220	302,801	622,814	206,965	198,930	139,524	541,410	541,410	**
Depreciable assets.....	2,318,568	—	645,866	381,987	313,457	144,965	317,052	106,367	95,558	54,737	258,598	258,598	**
Less: Accumulated depreciation.....	353,861	—	27,347	40,548	82,951	47,740	59,226	14,441	13,661	10,896	57,441	57,441	**
Other capital assets less reserves.....	949,652	—	159,286	142,776	137,578	64,723	144,516	33,566	51,321	55,191	150,887	150,887	**
Accounts and notes payable.....	615,371	—	83,714	48,657	60,863	25,142	81,241	17,960	31,856	34,623	109,275	109,275	**
Mortgages, notes, and bonds payable in one year or more.....	1,086,794	—	143,551	161,036	232,661	116,410	198,516	71,563	71,563	28,368	107,921	107,921	**
Net worth.....	2,464,696	—	358,244	373,728	317,355	178,378	329,726	101,016	178,482	77,483	521,085	521,085	**
Cost of property used for investment credit.....	4,291,148	4,764	89,681	71,018	39,300	20,212	45,726	22,238	18,905	20,050	93,254	93,254	**
Total receipts.....	10,009,794	38,272	2,876,021	1,664,363	1,194,615	431,910	1,157,165	403,319	651,904	356,285	1,236,020	1,236,020	**
Business receipts.....	9,718,970	36,663	2,843,950	1,625,056	1,165,750	420,091	1,099,926	388,371	621,773	336,886	1,172,504	1,172,504	**
Cost of sales and operations.....	4,925,888	17,033	1,333,214	835,907	619,790	204,268	592,330	209,524	328,570	138,724	645,526	645,526	**
Taxes paid.....	391,985	1,931	120,956	62,569	44,895	17,714	42,841	16,923	25,616	11,962	46,358	46,358	**
Interest paid.....	146,102	681	23,023	18,866	23,819	10,528	20,866	5,631	8,462	6,147	24,833	24,833	**
Depreciation.....	431,033	1,582	87,669	50,528	47,468	21,071	50,801	20,334	16,739	22,935	91,843	91,843	**
Pension, profit-sharing, stock bonus, and annuity plans.....	55,481	104	5,869	10,528	6,922	4,448	10,658	2,915	4,862	1,626	6,549	6,549	**
Employee benefit programs.....	49,314	115	10,592	9,264	4,434	3,816	7,997	1,288	4,091	3,121	4,806	4,806	**
Net income (less deficit).....	431,095	-4,004	70,517	72,677	56,697	16,924	49,885	14,770	40,379	14,300	99,350	99,350	**
Net income.....	538,224	1,130	113,668	89,110	72,289	18,902	42,797	17,475	42,797	18,085	99,350	99,350	**
Income subject to tax.....	388,654	357	45,397	51,234	49,512	15,001	56,618	16,414	38,412	18,001	97,708	97,708	**
Income tax, total.....	143,898	80	8,575	11,097	13,520	4,151	24,212	7,754	16,249	8,953	47,307	47,307	**
Additional tax for tax preferences.....	33	—	—	—	—	—	—	—	852	109	3,806	3,806	**
Foreign tax credit.....	4,767	—	—	—	—	—	—	—	1,326	1,599	4,690	4,690	**
U.S. possessions tax credit.....	19,474	38	2,196	2,683	1,479	1,149	2,952	1,360	4	25	100	100	**
Investment credit.....	31	—	—	—	—	—	—	—	608	32	2	2	**
Work incentive (WIN) credit.....	7,345	—	1,941	1,329	813	209	1,713	600	4,575	1,529	35,065	35,065	**
New jobs credit.....	85,579	—	13,110	6,407	13,574	4,140	5,787	1,392	—	—	—	—	**
Distributions to stockholders except in own stock.....	—	—	—	—	—	—	—	—	—	—	—	—	**
Services: Business Services													
Number of returns.....	125,782	2,947	93,513	14,683	7,167	3,755	3,067	334	192	60	30	21	13
Total assets.....	96,129,846	—	2,508,405	2,313,550	2,520,946	2,587,037	6,278,934	2,287,924	2,958,757	2,113,118	2,015,974	3,317,074	7,231,076
Notes and accounts receivable, net.....	9,843,780	—	487,857	559,623	617,310	724,746	1,900,880	602,869	898,032	621,008	651,106	1,196,020	1,861,020
Inventories.....	1,342,280	—	86,238	89,945	88,109	79,287	289,679	75,162	141,469	107,887	59,702	126,329	198,153
Cash, Government obligations, and other current assets.....	5,645,355	—	735,705	552,723	566,571	571,337	815,865	408,427	415,632	342,030	267,473	473,439	1,247,278
Other investments and loans.....	18,280,921	—	2,668,687	289,651	232,598	231,353	819,238	268,286	385,942	455,114	369,473	575,227	1,751,886
Depreciable assets.....	8,108,068	—	772,004	1,359,961	1,587,235	1,465,660	3,458,747	1,292,967	1,665,797	656,876	831,255	1,567,865	2,868,547
Less: Accumulated depreciation.....	1,047,882	—	66,872	709,126	774,303	665,465	1,524,793	520,653	753,402	279,823	350,569	598,277	1,181,648
Other capital assets less reserves.....	10,459,253	—	713,356	589,753	576,969	728,356	1,800,906	692,603	881,256	590,506	645,416	875,415	1,900,679
Accounts and notes payable.....	4,682,566	—	311,625	233,729	239,729	316,651	594,118	276,128	333,189	234,477	256,179	398,413	1,427,307
Mortgages, notes, and bonds payable in one year or more.....	8,104,986	—	447,974	380,224	529,757	587,110	1,372,162	589,445	833,518	480,292	368,752	902,589	1,613,163
Net worth.....	10,018,349	—	382,339	773,567	778,146	816,706	1,784,891	603,263	711,133	625,812	1,050,890	1,831,296	3,557,992
Cost of property used for investment credit.....	3,088,507	22,570	254,263	245,412	277,547	310,348	634,391	320,662	246,922	111,543	121,024	270,133	355,792
Total receipts.....	56,056,923	528,467	9,347,347	6,442,869	5,198,196	4,845,961	10,399,384	3,121,931	3,039,673	3,267,194	3,203,073	3,449,496	3,226,988
Business receipts.....	53,768,978	509,768	9,170,639	6,334,092	4,988,220	4,715,720	9,953,626	2,866,516	2,846,970	3,075,933	3,043,478	3,298,987	2,862,109
Cost of sales and operations.....	31,429,378	1,567	4,278,928	3,801,433	2,890,467	2,638,453	6,953,626	1,936,506	2,184,370	1,308,424	2,140,948	1,884,913	1,248,361
Taxes paid.....	1,629,634	5,871	345,700	201,648	175,708	194,630	467,505	168,457	207,720	95,693	82,652	95,455	80,800
Interest paid.....	1,063,253	12,898	211,300	46,669	75,486	80,716	167,307	79,196	103,737	67,467	55,111	69,662	251,637
Depreciation.....	2,412,163	29,971	211,113	152,211	173,989	181,646	448,194	172,742	214,035	89,211	107,818	152,330	477,921
Pension, profit-sharing, stock bonus, and annuity plans.....	565,547	2,415	82,037	41,303	80,435	52,907	130,837	27,634	31,921	26,356	48,812	26,861	17,929
Employee benefit programs.....	331,457	1,512	49,792	25,641	40,635	25,168	61,225	16,692	21,288	16,162	21,138	23,681	20,778
Net income (less deficit).....	2,288,065	-2,575	213,450	283,130	204,814	114,903	377,318	111,628	141,734	163,630	156,593	189,232	199,422
Net income.....	3,068,451	18,720	495,307	332,350	274,524	279,379	503,065	164,516	176,890	191,580	236,457	266,457	186,398
Income subject to tax.....	2,247,596	10,577	239,116	228,568	208,568	144,703	389,867	144,703	152,223	159,223	164,322	236,886	186,398
Income tax, total.....	922,875	4,825	50,806	56,305	62,769	63,036	165,608	67,234	70,731	75,642	80,170	114,500	89,030
Additional tax for tax preferences.....	152	—	—	—	—	—	—	—	39	21	—	—	—
Foreign tax credit.....	50,568	1,894	—	156	—	863	2,810	2,109	3,816	4,177	11,906	21,521	1,316
U.S. possessions tax credit.....	1,956	129	—	21	21	45	103	608	1,040	1,040	7,675	14,578	18,500
Investment credit.....	136,676	414	8,420	10,306	15,530	15,883	24,293	6,529	9,930	4,617	7,675	14,578	18,500
Work incentive (WIN) credit.....	1,529	—	1,167	235	574	228	1,112	3	8	27	90	90	498
New jobs credit.....	80,184	112	7,476	22,254	11,970	13,787	14,886	2,740	3,260	1,424	8,350	8,350	498
Distributions to stockholders except in own stock.....	492,629	56,245	128,278	23,928	20,797	12,008	52,055	24,900	17,877	22,154	46,493	50,077	36,816

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Major industry, item	Size of total assets												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Services: Auto Repair; Miscellaneous Repair Services													
Number of returns	61,619	1,316	43,672	10,134	3,192	1,595	1,474	1,053,000	165	48	11	7	5
Total assets	13,962,914	—	1,401,001	1,506,309	1,095,979	1,117,670	2,975,652	1,105,309	107,106	735,244	399,624	670,770	2,955,356
Notes and accounts receivable, net	2,146,275	—	216,240	234,586	166,337	164,328	337,098	107,106	66,816	44,298	44,298	129,762	635,682
Inventories	1,058,497	—	233,208	219,772	131,993	132,323	166,180	46,003	33,857	30,857	26,916	82,995	253,777
Cash, Government obligations, and other current assets	1,456,915	—	217,302	251,443	164,404	99,647	31,396	95,401	46,359	34,401	34,401	82,995	263,895
Other investments and loans	588,675	—	30,324	171,463	46,306	38,578	39,523	30,324	6,306	6,306	6,306	886,902	269,684
Depreciable assets	12,420,015	—	1,062,544	1,019,152	773,612	900,382	2,935,633	1,125,023	683,639	309,336	896,902	2,935,633	2,970,554
Less Accumulated depreciation	4,666,213	—	517,259	434,551	316,403	338,531	993,274	343,723	190,852	98,916	481,859	881,859	970,825
Other capital assets less reserves	655,618	—	114,171	114,171	85,504	66,676	10,660	52,736	14,802	14,802	26,829	12,533	102,213
Accounts and notes payable	3,866,415	—	367,197	359,865	300,166	344,642	1,177,786	392,988	238,391	75,627	165,004	464,749	464,749
Other current liabilities	1,284,717	—	107,422	102,132	61,608	71,325	169,671	40,801	35,220	45,739	607,941	607,941	607,941
Mortgages, notes, and bonds payable in one year or more	4,730,642	—	307,635	353,793	248,639	326,986	1,014,922	476,363	334,425	159,239	371,377	371,377	1,137,263
Cost of property used for investment credit	3,219,875	—	391,646	533,956	379,715	325,178	512,544	156,304	76,468	101,369	83,927	63,927	639,146
Total receipts	2,557,486	2,432	171,648	137,996	163,691	171,712	666,264	313,364	175,672	175,672	105,714	105,714	561,618
Business receipts	18,990,569	96,253	5,034,957	2,930,147	1,981,033	1,950,056	2,832,577	778,395	589,997	314,703	485,997	507,070	1,975,380
Cost of sales and operations	10,180,979	-27,890	4,990,097	2,862,568	1,900,343	1,884,620	2,682,368	740,584	540,628	285,461	478,740	478,740	1,819,751
Taxes paid	641,078	3,288	3,005,652	1,093,052	1,125,162	1,284,012	1,357,166	311,184	249,675	130,804	240,101	13,548	735,350
Interest paid	609,070	16,852	46,399	109,052	57,607	57,138	88,314	20,180	18,354	9,420	13,548	13,548	84,848
Depreciation	2,022,368	16,852	135,994	124,864	130,182	130,509	523,234	204,878	140,878	67,725	36,655	166,660	146,615
Pension, profit-sharing, stock bonus, and annuity plans	76,324	6	5,176	17,841	11,354	10,459	10,962	3,371	3,508	545	856	3,856	9,252
Employee benefit programs	84,380	6	21,519	12,710	5,394	5,294	10,492	1,557	3,545	788	713	22,362	22,362
Net income (less deficit)	655,357	2,572	72,697	114,790	76,092	87,358	127,432	22,422	2,613	11,298	4,447	8,612	133,636
Net income	840,582	-5,922	157,209	144,928	84,648	94,931	156,333	30,012	12,145	12,206	8,612	8,612	133,636
Income subject to tax	674,742	1,248	90,793	108,916	69,305	78,581	143,152	25,365	8,759	10,201	6,338	6,338	132,104
Income tax, total	243,199	3,288	17,876	26,024	20,802	28,515	61,552	11,954	3,907	5,200	3,030	3,030	63,999
Additional tax for tax preferences	15	—	—	—	—	—	—	—	—	—	—	—	—
Foreign tax credit	4,272	—	—	—	—	—	175	—	117	25	—	—	3,955
U.S. possessions tax credit	257	—	—	8	—	16	233	—	—	—	—	—	—
Investment credit	59,524	320	3,929	5,592	3,809	5,585	10,647	2,735	1,061	730	1,520	1,520	23,596
Work incentive (WIN) credit	164	—	124	—	33	—	—	—	—	—	—	—	—
New jobs credit	22,932	—	2,486	3,613	3,017	6,563	5,780	464	459	200	250	250	—
Distributions to stockholders except in own stock	66,434	190	20,154	4,871	6,381	8,773	8,117	2,275	4,371	1,281	1,135	1,135	8,886
Amusement and Recreation Services													
Number of returns	40,660	1,544	23,032	8,603	3,521	2,099	1,543	1,699	169	97	29	12	7
Total assets	19,596,677	—	587,928	1,376,390	1,269,933	1,464,206	2,995,723	1,154,043	1,421,213	1,421,213	1,000,522	685,041	6,964,921
Notes and accounts receivable, net	1,792,812	—	51,351	92,249	81,217	108,911	209,449	137,997	141,067	93,024	93,024	76,674	739,830
Inventories	1,249,254	—	22,957	68,229	33,233	33,920	42,394	16,947	52,607	44,926	19,797	33,768	844,476
Cash, Government obligations, and other current assets	3,538,119	—	134,858	190,694	182,039	200,637	468,920	210,688	209,840	154,073	144,832	116,387	1,525,151
Other investments and loans	3,192,816	—	741,396	1,512,968	1,322,088	1,394,489	2,559,186	813,505	984,368	720,447	598,841	343,450	1,884,719
Depreciable assets	12,814,519	—	462,681	845,010	649,099	583,520	1,265,439	363,522	461,754	320,705	278,713	108,565	1,823,781
Less Accumulated depreciation	5,901,963	—	462,681	845,010	649,099	583,520	1,265,439	363,522	461,754	320,705	278,713	108,565	562,955
Other capital assets less reserves	1,864,960	—	30,246	221,682	195,081	195,557	403,821	195,463	181,838	117,183	79,213	70,553	174,521
Accounts and notes payable	3,647,195	—	235,588	332,803	155,528	195,399	570,803	183,762	209,421	149,154	123,200	74,577	1,417,150
Other current liabilities	2,729,006	—	102,652	98,562	116,868	127,588	241,653	132,770	124,527	128,758	73,766	85,532	1,496,310
Mortgages, notes, and bonds payable in one year or more	4,782,850	—	154,062	341,835	599,908	984,998	984,998	337,933	423,238	267,743	192,708	239,707	837,955
Cost of property used for investment credit	6,420,779	—	162,104	335,557	442,627	391,820	765,940	373,563	538,049	358,000	317,204	245,161	2,814,972
Total receipts	1,517,708	1,621	53,249	114,269	72,060	80,429	204,233	41,813	80,429	79,522	32,896	35,127	692,669
Business receipts	21,227,669	293,521	1,566,195	2,108,111	1,374,473	1,752,710	3,103,466	1,140,255	1,168,831	967,290	846,957	1,173,734	5,774,126
Cost of sales and operations	19,586,029	213,241	1,519,504	2,096,469	1,246,470	1,654,606	2,886,932	1,063,758	1,063,758	849,520	799,941	1,142,647	5,146,710
Taxes paid	10,955,220	104,575	7,224,344	1,025,148	610,944	860,378	1,539,601	539,679	540,778	419,631	443,863	779,778	2,668,415
Interest paid	777,119	7,446	44,262	97,245	44,262	69,370	136,833	55,171	64,669	44,005	53,656	35,155	96,645
Depreciation	563,708	7,446	14,862	45,955	43,957	47,444	136,833	55,171	64,669	44,005	53,656	35,155	96,645
Pension, profit-sharing, stock bonus, and annuity plans	1,841,722	12,042	56,409	107,042	88,406	98,220	200,089	53,687	83,927	26,311	29,172	22,816	1,003,446
Employee benefit programs	170,552	11,616	5,495	57,658	8,842	11,553	16,670	13,311	11,257	6,938	4,931	2,574	27,847
Net income (less deficit)	63,096	9,233	3,459	3,391	4,353	4,353	5,322	9,571	9,571	10,838	4,002	20,114	20,114
Net income	1,045,255	19,234	42,557	96,364	64,309	35,659	151,214	94,143	73,377	106,357	31,834	36,048	520,256
Income subject to tax	1,142,966	8,602	31,346	48,961	34,002	67,967	141,447	76,909	73,274	84,715	37,229	33,261	505,348
Income tax, total	490,945	3,588	11,653	11,653	7,314	2,298	59,593	33,665	34,146	39,661	17,873	15,607	237,679
Additional tax for tax preferences	496	7	—	—	—	—	—	—	—	—	—	—	—
Foreign tax credit	48,678	—	—	—	68	—	1,471	71	354	90	385	90	46,149
U.S. possessions tax credit	102	—	—	—	102	—	—	—	—	—	—	—	—
Investment credit	95,923	69	1,135	3,343	1,800	4,675	7,566	2,054	2,400	3,952	1,561	1,266	66,702
Work incentive (WIN) credit	78	—	—	—	—	—	—	—	—	—	—	—	—
New jobs credit	8,736	—	394	—	135	2,223	3,047	670	711	765	206	188	400
Distributions to stockholders except in own stock	248,931	19	12,801	29,920	36,951	10,144	28,849	16,132	18,016	29,074	3,533	4,504	58,888

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

RETURNS OF ACTIVE CORPORATIONS
Table 7.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Industrial Division, by Size of Business Receipts
 [All figures are estimates based on samples—money amounts are in thousands of dollars]

Industrial division, item	Size of business receipts												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	Total returns of active corporations	Under \$25,000	\$25,000 to \$50,000	\$50,000 to \$100,000	\$100,000 to \$500,000	\$500,000 to \$1,000,000	\$1,000,000 to \$5,000,000	\$5,000,000 to \$10,000,000	\$10,000,000 to \$50,000,000	\$50,000,000 to \$100,000,000	\$100,000,000 to \$250,000,000	\$250,000,000 to \$500,000,000	\$500,000,000 or more
All Industrial Divisions*													
Number of returns	2,241,887	483,805	192,030	269,393	768,949	213,479	245,598	37,020	25,958	2,610	1,640	615	790
Total assets	5,236,389,281	37,449,627	17,037,878	27,488,414	145,412,202	123,034,895	516,159,093	273,345,539	634,426,684	315,030,840	487,619,025	356,565,521	2,396,219,346
Notes and accounts receivable, net	1,303,551,066	3,473,421	1,932,614	3,473,421	26,833,573	14,025,421	161,437,810	67,734,339	137,860,117	75,403,286	132,912,101	93,526,491	564,654,840
Inventories	396,032,639	1,289,227	651,376	1,586,620	14,994,701	10,425,415	52,361,455	26,333,375	51,026,974	18,388,169	25,438,744	22,268,799	167,685,786
Cash, Government obligations, and other current assets	923,464,034	5,772,269	2,888,241	4,766,936	27,511,387	27,331,403	112,603,887	50,838,070	101,633,489	59,509,000	101,633,489	66,931,128	349,079,452
Other investments and loans	1,496,358,518	7,627,440	3,959,272	3,959,272	19,118,395	16,646,796	62,610,530	92,615,433	250,078,566	121,569,099	149,608,008	95,115,061	626,319,949
Depreciable assets	1,536,011,959	11,458,955	8,362,508	15,054,428	70,589,882	41,645,938	109,208,248	47,902,437	100,325,937	48,413,260	95,121,650	95,068,955	892,750,903
Less: Accumulated depreciation	376,125,252	4,088,988	3,321,379	5,344,246	20,680,221	18,562,048	49,079,243	20,901,891	40,579,243	18,991,556	32,839,045	30,875,804	191,934,805
Other capital assets less reserves	1,159,886,707	7,369,967	5,041,129	9,710,182	50,909,661	23,083,890	59,129,005	27,018,546	59,749,694	29,421,704	62,282,605	64,193,145	700,826,098
Accounts and notes payable	682,328,899	7,869,277	2,600,292	5,479,398	30,611,279	24,081,518	85,579,140	42,154,160	81,534,707	31,892,805	47,754,158	32,401,187	274,369,177
Other current liabilities	2,052,786,427	9,846,533	8,751,011	11,565,723	22,224,855	20,455,298	246,478,009	140,743,635	333,934,635	169,966,449	251,974,026	142,601,384	710,207,576
Mortgages, notes, and bonds payable in one year or more	694,119,251	9,846,533	4,860,979	7,686,444	34,995,956	30,985,511	51,488,100	23,198,102	52,410,536	26,102,540	45,816,423	52,420,439	365,207,628
Net worth	1,350,970,865	6,834,627	6,014,964	8,879,789	43,825,183	20,922,183	111,009,199	56,479,418	133,980,192	64,273,173	100,637,759	83,784,304	704,329,868
Cost of property used for investment credit	168,472,101	955,301	643,900	1,200,704	6,761,637	4,411,217	12,641,015	7,255,770	10,534,685	5,202,761	11,259,852	11,060,072	96,545,187
Total receipts	4,126,304,478	5,306,457	7,666,926	10,200,691	189,473,586	153,303,429	526,993,099	261,197,330	502,819,142	185,084,221	260,795,362	217,489,586	1,708,642,649
Business receipts	3,813,925,121	2,315,254	5,636,946	17,632,109	177,506,109	145,265,189	494,865,863	243,514,935	461,399,231	163,886,656	232,767,468	196,767,468	1,576,860,928
Cost of sales and operations	2,725,009,554	1,014,108	2,483,098	8,077,294	95,820,030	93,023,885	360,187,356	186,686,592	358,178,707	120,886,656	186,207,468	139,660,324	1,190,869,254
Taxes paid	104,282,166	449,207	456,839	779,157	4,444,535	3,145,971	17,081,685	9,694,390	14,962,968	5,798,952	5,798,952	50,224,247	250,224,247
Depreciation	152,865,323	779,157	444,635	627,654	3,145,971	2,262,690	11,891,685	6,285,928	9,694,390	3,645,576	4,665,721	10,316,601	56,738,760
Investment credit	106,972,682	676,234	522,632	1,032,743	5,663,690	3,596,371	19,520,983	4,062,728	23,248,906	11,000,933	16,865,721	18,838,704	21,368,711
U.S. possessions tax credit	16,689,899	50,224	29,551	70,755	214,790	1,054,539	3,065,069	1,380,329	2,455,592	1,100,929	1,838,329	1,838,329	51,368,711
Work-incentive (WIN) credit	1,703,838	206,136	218,028	840,256	12,637,307	11,421,010	37,183,162	18,913,170	21,206,847	9,203,032	11,302,276	12,637,307	127,641,125
New jobs credit	310,101,059	818,250	290,114	377,568	1,697,584	968,484	3,622,796	1,963,168	24,223,634	10,365,549	14,870,639	12,047,229	130,820,717
Distributions to stockholders except in own stock	61,536,716	—	—	—	—	—	—	—	—	—	—	—	—
Income subject to tax	212,501,782	558,056	522,515	956,202	6,218,627	4,735,961	15,964,549	8,455,916	18,978,627	8,468,953	12,765,926	11,091,280	123,785,100
Income tax, total	96,340,453	151,398	172,770	224,164	1,562,279	1,358,962	6,031,930	3,734,182	8,853,039	4,024,502	6,051,114	5,257,852	58,973,756
Additional tax for tax preferences	263,310	736	-346	284	5,754	3,732	12,230	16,533	36,940	16,898	22,557	20,086	115,965
Foreign tax credit	26,006,028	17,131	6	14,578	4,992	39,663	35,342	174,223	337,202	450,289	408,361	408,361	24,522,136
U.S. possessions tax credit	837,687	2,949	6	112	1,173	197,399	660,417	302,519	6,321	295,631	672,868	665,950	7,392,775
Investment credit	11,038,404	8,574	166	26,919	232,053	164,800	593,121	270,106	363,431	66,109	52,910	22,176	93,202
Work-incentive (WIN) credit	1,703,838	206,136	218,028	840,256	12,637,307	11,421,010	37,183,162	18,913,170	21,206,847	9,203,032	11,302,276	12,637,307	127,641,125
New jobs credit	310,101,059	818,250	290,114	377,568	1,697,584	968,484	3,622,796	1,963,168	24,223,634	10,365,549	14,870,639	12,047,229	130,820,717
Distributions to stockholders except in own stock	61,536,716	—	—	—	—	—	—	—	—	—	—	—	—
Agriculture, Forestry, and Fishing													
Number of returns	65,594	13,603	8,400	8,533	25,524	5,126	3,606	473	314	314	8	7	7
Total assets	29,902,259	1,684,956	1,204,215	1,760,835	8,432,918	3,256,100	5,371,500	1,708,816	3,012,871	3,012,871	483,021	1,995,017	1,995,017
Notes and accounts receivable, net	2,946,012	67,419	45,459	84,328	384,591	284,972	586,693	253,300	546,958	546,958	73,631	267,469	267,469
Inventories	2,938,065	36,711	19,095	19,855	58,939	58,939	684,125	176,506	580,896	580,896	90,719	257,482	257,482
Cash, Government obligations, and other current assets	3,001,746	128,395	109,043	151,657	755,487	318,566	424,547	221,587	436,017	436,017	83,678	362,791	362,791
Depreciable assets	16,853,654	720,709	495,164	1,016,156	5,389,910	2,220,042	3,307,004	1,042,081	1,367,706	1,367,706	274,057	1,011,825	1,011,825
Less: Accumulated depreciation	7,479,742	269,348	205,442	432,893	2,437,206	987,964	1,444,461	458,091	587,155	587,155	143,478	513,704	513,704
Other capital assets less reserves	7,035,254	837,391	536,212	672,249	2,652,651	765,877	989,217	203,774	277,588	277,588	41,354	58,941	58,941
Accounts and notes payable	6,778,389	177,171	219,283	350,260	1,648,344	844,134	1,527,329	604,072	967,787	967,787	105,532	334,477	334,477
Other current liabilities	1,331,156	14,390	17,445	26,181	235,801	108,190	341,826	94,851	252,374	252,374	42,901	49,390	49,390
Mortgages, notes, and bonds payable in one year or more	9,175,057	637,982	326,967	612,611	2,936,279	1,164,969	1,616,061	554,942	811,841	811,841	81,841	523,190	523,190
Net worth	8,927,574	483,201	437,803	495,516	2,808,061	791,515	1,520,889	377,194	893,710	893,710	246,531	81,152	81,152
Cost of property used for investment credit	1,917,523	71,836	68,359	149,741	683,184	286,201	340,035	117,937	156,965	156,965	38,752	71,533	71,533
Total receipts	35,907,867	218,523	404,197	762,960	6,442,827	3,717,827	7,649,203	3,490,821	4,042,042	4,042,042	1,268,172	5,486,141	5,486,141
Business receipts	33,931,272	123,293	300,672	633,089	5,915,672	3,524,727	7,275,787	3,348,264	6,219,459	6,219,459	1,236,882	5,353,428	5,353,428
Cost of sales and operations	24,703,484	88,893	164,191	358,984	3,357,144	2,218,875	5,386,198	2,764,921	5,066,693	5,066,693	998,705	4,008,980	4,008,980
Taxes paid	825,364	17,912	19,320	32,627	224,066	100,918	168,000	52,047	76,585	76,585	18,026	115,883	115,883
Interest paid	1,100,868	33,916	34,927	78,492	337,662	143,929	208,523	75,773	116,962	116,962	13,528	57,426	57,426
Depreciation	1,474,026	44,764	43,845	93,873	514,431	211,416	286,802	79,770	121,676	121,676	28,601	68,848	68,848
Pension, profit-sharing, stock bonus, and annuity plans	128,788	507	498	1,112	27,285	19,040	24,653	6,796	16,108	16,108	8,027	25,388	25,388
Employee benefit programs	92,024	397	953	1,239	14,526	6,441	8,991	14,714	8,991	8,991	1,736	36,031	36,031
Net income (less deficit)	708,956	-73,046	-20,191	128,775	1,287,759	80,295	201,136	90,315	149,046	149,046	39,131	126,722	126,722
Net income	1,740,130	51,334	52,310	100,714	523,719	188,311	341,060	130,216	177,250	177,250	47,024	172,192	172,192
Income tax, total	401,946	23,732	30,543	53,531	286,103	118,326	234,518	88,542	142,031	142,031	45,179	124,064	124,064
Additional tax for tax preferences	890	—	—	—	—	—	—	—	—	—	—	—	—
Foreign tax credit	121	594	572	3,481	11,220	17,231	17,231	5,901	9,025	9,025	2,359	3,352	3,352

RETURNS OF ACTIVE CORPORATIONS

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

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

Industrial division, item	Size of business receipts												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	Total returns of active corporations	Under \$25,000*	\$25,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 under \$500,000,000	\$500,000,000 or more
Mining													
Number of returns	19,216	4,792	1,676	1,008	5,642	2,312	2,716	428	332	50	33	13	14
Total assets	88,377,059	1,268,677	319,977	293,490	1,824,289	1,662,660	5,679,546	3,010,433	8,439,619	6,187,462	8,531,646	11,406,646	39,693,669
Notes and accounts receivable, net	17,326,639	126,457	55,771	29,417	344,357	244,174	958,789	499,500	1,040,731	1,204,671	1,916,280	1,385,223	10,571,378
Inventories	4,360,146	81,224	21,980	51,536	61,886	37,591	112,190	59,866	120,960	104,972	163,655	263,368	2,006,480
Cash, Government obligations, and other current assets	6,942,680	153,176	86,889	51,506	313,561	353,522	894,751	474,700	864,084	1,305,335	758,101	1,066,920	10,775,561
Other investments and loans	19,163,730	372,576	36,393	51,090	239,951	193,684	611,141	235,804	844,118	1,305,335	1,666,920	2,847,282	10,775,561
Depreciable assets	44,961,816	497,794	85,870	119,083	1,071,032	1,096,504	3,945,924	2,179,270	5,614,924	3,282,941	5,431,032	5,528,683	16,118,788
Less: Accumulated depreciation	16,419,702	266,922	39,150	39,150	456,291	537,789	1,873,331	1,062,911	2,226,363	1,484,103	1,747,827	1,679,066	4,992,214
Other capital assets less reserves	8,573,530	19,820	35,648	72,516	274,443	253,701	767,862	546,524	1,402,448	944,446	902,448	1,476,773	6,675,855
Accounts and notes payable	11,817,978	163,869	103,006	79,992	539,948	479,415	1,394,023	745,107	1,291,103	1,295,671	1,563,781	1,563,781	3,403,047
Other current liabilities	12,785,586	58,196	8,535	16,771	106,448	128,956	486,922	200,608	1,166,922	767,531	675,593	9,314,541	
Mortgages, notes, and bonds payable in one year or more	15,098,612	286,900	64,500	56,502	371,117	372,222	1,253,459	676,227	2,245,956	1,144,500	2,553,295	2,976,179	3,092,725
Net worth	42,681,609	419,691	51,163	120,642	659,580	578,294	2,233,344	1,214,355	3,885,325	2,996,793	3,794,335	5,375,419	21,354,668
Cost of property used for investment credit	4,974,226	53,087	31,528	38,117	211,890	247,003	815,725	311,119	722,274	433,179	579,508	641,833	868,913
Total receipts	96,164,753	147,648	123,078	136,608	1,692,252	1,747,802	6,350,652	3,112,800	7,002,440	3,998,483	5,492,593	5,022,971	61,376,104
Business receipts	92,553,482	16,745	57,413	74,250	1,551,133	1,606,625	5,944,274	2,942,565	6,603,712	3,466,630	5,107,569	4,606,892	60,575,674
Cost of sales and operations	44,842,332	21,846	23,733	50,310	816,336	929,429	3,752,298	1,788,256	4,106,961	2,208,937	2,975,451	2,631,640	25,537,315
Taxes paid	1,509,443	9,575	4,225	4,179	58,295	61,497	190,689	109,426	220,070	112,680	191,875	180,928	366,004
Interest paid	1,057,766	14,087	5,850	5,780	45,971	42,790	148,269	77,952	213,652	116,271	272,683	248,159	316,302
Depreciation	3,043,533	13,004	8,796	7,863	116,474	132,021	444,534	214,902	474,661	262,006	349,360	300,988	716,924
Pension, profit-sharing, stock bonus, and annuity plans	418,761	4,335	2,027	776	2,027	14,235	38,139	29,169	32,463	30,907	37,462	44,970	184,578
Employee benefit programs	273,465	5,787	3,120	99	6,795	5,582	21,697	15,443	39,798	30,907	36,841	19,521	80,518
Income tax	31,353,937	234,919	5,269	20,951	56,179	56,143	323,443	190,439	505,465	567,219	620,363	474,659	28,813,332
Net income	32,581,722	38,165	38,165	13,608	163,276	146,384	563,086	251,526	706,044	634,113	647,365	529,501	28,813,332
Income subject to tax	31,919,909	68,881	14,771	8,894	102,569	95,721	396,000	195,920	642,625	590,531	584,132	508,210	28,710,655
Income tax, total	15,263,122	28,069	3,699	2,511	32,416	34,613	173,559	96,004	311,556	288,337	284,866	236,541	13,770,861
Additional tax for tax preferences	72,894	114	2,868	1,684	2,941	2,359	8,525	5,624	12,156	5,509	8,129	12,687	14,672
Foreign tax credit	13,958,967	16,185	—	—	6,409	49	2,938	2,853	27,261	196,892	113,395	67,833	13,525,152
U.S. possessions tax credit	—	—	—	—	—	—	—	—	—	—	—	—	—
Investment credit	223,125	121	181	340	7,299	8,661	33,813	15,722	40,316	16,350	27,573	40,692	32,057
Work incentive (WIN) credit	—	—	—	—	—	—	—	—	—	—	—	—	—
New jobs paid in 1977	27,131	22	334	906	2,370	2,370	9,236	4,662	6,870	883	986	360	38
Total wages paid in 1977	4,604,068	37,264	5,177	4,234	48,939	146,670	564,532	296,161	833,180	277,944	408,693	478,763	1,500,506
Distributions to stockholders except in own stock	1,945,098	16,889	—	—	17,244	29,879	92,761	37,523	113,857	113,857	140,218	261,314	1,152,914
Construction													
Number of returns	214,745	27,015	14,825	25,334	84,469	30,738	27,832	2,889	1,500	74	48	21	21
Total assets	91,222,022	1,756,072	648,267	1,197,096	10,064,237	9,215,469	25,766,029	9,306,614	14,644,605	3,165,956	4,976,794	10,478,994	24,486,894
Notes and accounts receivable, net	24,734,482	269,560	109,074	219,848	2,175,711	2,294,856	7,523,251	2,970,280	4,572,520	750,170	1,399,132	2,446,953	10,478,994
Inventories	15,693,140	330,077	98,229	204,660	1,714,920	1,998,591	5,236,369	1,663,989	2,295,023	636,013	333,712	1,181,557	1,815,557
Cash, Government obligations, and other current assets	19,048,015	434,820	151,553	281,475	2,302,711	2,057,384	5,422,000	1,933,513	2,899,719	698,558	1,035,184	1,831,098	1,831,098
Other investments and loans	7,503,700	253,450	63,775	140,607	757,632	555,834	1,524,368	701,069	1,186,470	362,469	967,288	990,798	990,798
Depreciable assets	34,232,195	328,482	309,056	568,036	4,537,671	3,552,944	9,458,661	3,206,288	5,362,350	925,773	1,581,827	4,401,097	10,401,097
Less: Accumulated depreciation	16,920,611	142,689	146,670	290,394	2,287,057	1,840,869	5,112,759	1,707,860	2,801,007	434,663	765,996	1,370,647	3,370,647
Other capital assets less reserves	3,969,328	209,982	37,058	50,380	554,897	368,329	1,003,341	274,124	613,711	156,711	301,768	399,027	399,027
Accounts and notes payable	31,373,515	846,587	190,446	488,110	3,445,849	3,565,212	10,307,211	3,448,841	4,775,531	807,968	1,156,500	2,241,710	8,052,070
Other current liabilities	12,923,578	195,566	65,710	126,495	1,082,984	1,041,045	3,286,655	1,337,151	2,116,712	516,242	802,070	2,352,948	
Mortgages, notes, and bonds payable in one year or more	14,103,707	291,676	118,105	168,577	1,782,988	1,391,189	3,458,304	1,158,746	2,400,461	691,658	775,018	1,866,385	
Net worth	23,091,866	33,431	120,973	148,499	2,484,351	2,402,462	6,262,278	2,459,216	3,617,399	2,459,216	1,721,219	3,148,896	
Cost of property used for investment credit	4,689,236	39,888	48,958	92,326	710,798	571,650	1,392,464	414,306	638,354	110,005	158,624	481,863	
Total receipts	181,550,922	408,689	606,348	1,942,792	21,920,241	21,920,241	56,498,628	19,896,784	28,430,311	5,187,884	8,068,156	17,503,550	
Business receipts	176,745,105	198,715	563,175	1,845,371	20,525,186	21,594,153	55,463,988	19,481,292	27,619,120	5,019,863	7,564,110	16,776,240	
Cost of sales and operations	142,818,265	19,750	341,747	1,204,783	14,462,414	16,510,317	44,941,918	16,198,794	23,893,232	4,486,315	6,546,979	14,556,598	
Taxes paid	3,782,109	22,791	24,468	64,000	630,050	560,212	1,230,440	474,190	668,672	68,672	122,488	184,435	
Interest paid	2,050,494	27,756	13,072	34,778	276,445	222,432	571,317	179,299	298,932	69,556	100,647	256,800	
Depreciation	3,176,543	29,255	31,684	66,895	470,852	373,419	1,016,333	306,179	448,427	64,013	130,345	337,901	
Pension, profit-sharing, stock bonus, and annuity plans	860,981	941	2,807	5,618	52,654	79,086	307,981	110,942	132,539	17,540	43,654	107,219	
Employee benefit programs	719,245	538	4,317	7,957	73,981	107,864	253,560	90,841	90,478	9,324	20,261	60,124	
Income tax	4,517,522	60,183	25,618	2,260	534,572	495,217	1,287,917	521,128	718,495	51,300	362,546	634,408	
Net income (less deficit)	6,536,536	82,321	24,817	110,694	933,552	794,709	1,793,890	921,172	1,183,667	118,367	399,220	686,138	
Income subject to tax	5,047,426	60,114	9,787	41,619	550,963	554,304	1,384,482	562,551	746,610	97,790	365,233	673,782	
Income tax, total	1,919,876	19,215	2,072	10,783	128,451	146,168	489,135	246,301	342,931	45,607	166,047	323,168	
Additional tax for tax preferences	3,737	182	—	—	259	228	623	361	1,399	24	553	108	
Foreign tax credit	122,733	6	—	—	—	—	1,571	1,211	4,106	4,792	28,970	82,081	
U.S. possessions tax credit	2,051	—	—	—	—	—	—	—	—	—	—	—	
Investment credit	220,629	1,337	621	1,420	20,452	22,638	71,353	25,055	36,657	4,272	12,104	24,520	
Work incentive (WIN) credit	444	—	—	—	—</								

RETURNS OF ACTIVE CORPORATIONS

Table 7.—Selected Balance Sheet, Income Statement, and Tax Items, and Distributions to Stockholders, by Industrial Division, by Size of Business Receipts—Continued
 [All figures are estimates based on samples—money amounts are in thousands of dollars]

Industrial division, firm	Total returns of active corporations		Size of business receipts										Total returns of active corporations	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
Wholesale and Retail Trade														
Number of returns	672,394	60,845	37,373	73,725	258,818	90,678	118,434	18,373	12,481	886	476	150	155	
Total assets	414,650,094	1,710,883	1,281,317	4,547,989	27,469,598	63,066,250	83,066,250	37,516,730	69,645,383	21,617,065	26,354,276	15,983,141	101,984,743	
Notes and accounts receivable, net	108,887,906	324,550	150,586	419,111	4,734,335	5,363,935	20,898,716	10,060,656	6,412,611	7,626,066	7,891,003	3,585,175	30,002,959	
Inventories	135,571,381	251,949	298,856	940,569	8,495,372	9,315,372	31,972,658	14,469,244	25,542,449	6,649,364	7,891,003	4,937,113	24,837,341	
Cash, Government obligations, and other current assets	41,281,371	347,178	210,613	562,920	4,130,918	3,454,320	9,383,077	3,586,472	4,999,972	2,072,148	2,675,158	1,675,158	6,747,888	
Other investments and loans	37,747,872	304,989	410,933	322,760	1,590,933	2,420,279	4,241,319	2,207,760	4,737,249	2,008,369	2,046,065	1,706,577	17,029,577	
Depreciable assets	123,351,092	486,339	539,321	1,524,339	10,586,640	7,971,221	23,921,862	10,022,065	5,654,633	8,061,223	5,323,977	3,337,207	17,029,577	
Less: Accumulated depreciation	51,833,571	188,039	197,316	584,336	4,759,822	3,767,837	10,747,882	4,965,822	2,522,863	3,724,677	3,172,511	2,080,467	11,814,362	
Other capital assets less reserves	150,448,793	896,181	97,398	359,922	4,965,922	3,909,393	10,747,882	4,965,822	2,522,863	3,724,677	3,172,511	2,080,467	11,814,362	
Accounts and notes payable	150,448,793	896,181	97,398	359,922	4,965,922	3,909,393	10,747,882	4,965,822	2,522,863	3,724,677	3,172,511	2,080,467	11,814,362	
Other current liabilities	34,423,683	243,937	58,683	925,576	7,873,113	7,351,113	22,403,886	16,123,361	20,844,444	9,219,982	9,315,372	5,363,935	33,176,590	
Mortgages, notes, and bonds payable in one year or more	54,851,783	243,937	58,683	201,662	1,821,920	1,754,444	5,949,401	2,754,826	5,830,006	1,836,732	2,319,153	1,515,051	6,747,888	
Net income (less deficit)	152,665,435	-202,855	352,306	952,170	4,763,020	3,441,590	9,706,207	4,057,009	7,806,006	2,871,143	3,872,082	2,603,473	14,454,027	
Cost of property used for investment credit	14,396,340	94,078	102,826	187,647	1,243,057	1,631,833	3,047,676	1,340,880	2,421,978	697,259	934,268	518,366	2,866,872	
Total receipts	1,289,882,173	1,289,882,173	1,289,882,173	1,289,882,173	1,289,882,173	1,289,882,173	1,289,882,173	1,289,882,173	1,289,882,173	1,289,882,173	1,289,882,173	1,289,882,173	1,289,882,173	
Business receipts	1,215,615,448	466,500	725,504	2,975,650	18,127,227	42,907,664	195,675,099	102,889,749	18,237,476	49,388,246	58,869,564	32,400,471	284,287,446	
Cost of sales and operations	955,267,447	268,600	30,429	58,338	181,227	1,667,281	3,781,664	1,580,273	2,980,214	1,068,567	1,068,567	645,821	2,820,081	
Taxes paid	17,004,378	22,519	27,242	78,329	633,635	550,822	1,967,193	885,302	1,640,605	487,363	768,356	403,262	2,463,290	
Interest paid	11,166,222	36,572	77,658	153,751	1,007,951	732,509	2,676,961	1,247,961	2,676,961	1,543,315	1,907,743	1,040,523	938,123	
Depreciation	9,865	9,865	9,865	12,955	12,955	12,955	12,955	12,955	12,955	12,955	12,955	12,955	12,955	
Employer profit-sharing, stock bonus, and annuity plans	3,180,147	-178,176	89,884	-25,243	1,316,123	1,870,759	6,231,256	2,899,588	6,021,141	1,940,245	1,834,943	1,112,378	6,837,019	
Employee benefit programs	35,097,805	92,811	68,092	219,146	2,397,676	2,366,565	7,289,157	3,231,736	6,538,231	2,114,480	2,494,765	1,263,711	7,003,425	
Net income	25,618,892	32,787	35,678	96,457	1,378,812	1,523,082	5,159,049	4,798,232	1,396,627	1,923,628	1,923,628	1,060,052	5,846,985	
Income tax, total	10,547,774	9,976	7,349	18,752	316,758	388,370	1,756,623	986,907	2,188,217	659,227	912,773	505,700	2,795,722	
Additional tax for tax preferences	5,519	(*)	—	19	393	105	731	408	714	322	1,206	86	1,535	
Foreign tax credit	604,147	(*)	—	237	775	775	8,639	2,178	26,492	8,651	21,812	8,496	527,967	
U.S. possessions tax credit	826,450	818	1,300	2,496	36,221	42,428	157,932	70,129	131,786	45,765	63,069	36,581	237,944	
Investment credit	5,788	85	503	1,628	26,941	41,377	156,145	77,668	126,204	19,163	32	28	106	
Work incentive (WIN) credit	474,527	9,293	31,096	100,861	263,929	263,929	1,094,242	5,615,522	9,495,543	3,949,291	3,949,291	2,069,291	17,910,005	
New jobs credit	6,845,280	72,959	16,362	33,890	373,011	348,139	972,137	585,557	1,231,713	547,330	532,008	214,601	1,937,563	
Total wages paid in 1977														
Distributions to stockholders except in own stock														
Finance, Insurance, and Real Estate*														
Number of returns	432,919	206,463	58,844	52,963	77,351	14,712	16,629	2,665	2,381	418	278	100	95	
Total assets	2,861,478,449	19,826,901	10,172,969	14,726,555	57,725,575	58,859,361	314,056,725	176,159,997	432,806,199	225,636,011	335,443,241	212,284,768	1,003,763,613	
Notes and accounts receivable, net	827,447,193	2,097,976	1,552,016	1,991,199	12,731,459	20,694,762	112,828,421	42,885,145	89,610,999	55,174,568	105,245,507	72,039,377	310,992,561	
Inventories	5,496,155	212,136	33,608	72,124	345,416	332,876	1,291,824	275,626	514,206	114,568	138,815	183,942	2,737,968	
Cash, Government obligations, and other current assets	689,361,917	3,569,156	1,786,052	2,648,217	12,911,824	17,071,956	84,674,279	38,923,324	61,645,191	47,366,562	87,366,562	54,541,787	244,894,413	
Other investments and loans	1,166,254,718	5,083,774	2,444,640	2,444,640	12,459,492	12,389,927	97,783,591	65,907,385	232,378,553	111,376,202	131,998,377	77,237,196	394,400,448	
Depreciable assets	118,332,922	5,253,525	4,679,049	7,168,460	19,484,202	6,300,519	17,068,267	7,033,837	13,618,542	6,601,217	4,600,763	4,600,763	17,750,790	
Less: Accumulated depreciation	35,088,513	1,833,585	1,994,639	2,974,673	7,191,937	2,922,077	5,136,156	1,822,643	3,105,866	1,385,447	1,383,729	1,181,185	4,588,869	
Other capital assets less reserves	28,541,381	4,552,054	1,786,997	2,573,148	5,326,671	1,904,256	3,516,175	1,617,928	3,184,985	1,269,482	744,074	606,742	1,458,869	
Accounts and notes payable	166,432,136	4,083,012	1,149,192	2,291,899	7,991,101	4,996,129	18,011,824	9,076,753	22,486,313	11,802,895	21,067,818	11,210,917	52,264,284	
Other current liabilities	1,809,920,459	813,165	459,929	836,671	31,993,643	35,002,633	228,658,563	131,991,998	314,423,036	161,348,500	235,756,000	128,777,234	556,201,847	
Mortgages, notes, and bonds payable in one year or more	164,180,619	5,755,524	2,858,562	4,407,643	14,691,548	7,135,146	14,691,548	6,899,569	17,732,466	9,667,073	13,446,239	13,446,239	52,954,988	
Net worth	322,979,877	5,309,451	4,509,970	5,664,857	15,607,656	9,393,354	60,977,779	20,240,150	54,038,006	24,605,767	34,665,162	20,241,526	88,626,234	
Cost of property used for investment credit	7,676,488	108,003	55,104	129,118	561,481	206,262	659,978	320,165	701,907	480,682	602,227	526,458	3,257,677	
Total receipts	405,131,593	1,651,744	2,113,144	3,735,349	16,520,321	10,299,621	35,137,862	18,520,617	49,829,055	29,146,565	41,816,716	32,931,388	163,412,146	
Business receipts	206,863,227	346,276	617,155	703,185	9,991,329	5,257,437	11,458,813	5,337,828	18,092,447	11,744,065	16,126,195	16,950,999	103,771,998	
Cost of sales and operations	100,391,853	62,496	118,723	152,276	1,563,338	1,563,338	3,857,902	1,915,343	7,463,739	4,822,792	9,165,148	8,889,536	59,739,063	
Taxes paid	11,147,760	262,410	232,520	354,001	1,992,770	1,846,226	6,001,329	490,929	1,490,929	722,870	1,016,346	699,367	3,614,890	
Interest paid	93,359,456	415,496	269,669	452,032	1,846,226	2,001,329	8,175,779	7,251,381	17,327,962	9,511,556	11,139,694	6,573,602	24,754,739	
Depreciation	8,053,785	113,919	198,880	309,389	881,539	384,097	871,569	384,097	811,903	450,660	626,293	473,126	2,458,776	
Pension, profit-sharing, stock bonus, and annuity plans	3,253,260	*4,159	6,715	9,902	155,322	79,152	290,125	138,184	364,578	205,182	385,800	287,241	1,349,289	
Employee benefit programs	1,444,222	6,748	15,780	74,277	472,424	472,424	1,440,802	779,262	1,861,862	114,251	181,734	94,509	494,874	
Mortgages, notes, and bonds payable in one year or more	27,668,033	514,111	307,394	505,596	1,663,671	768,658	3,239,886	1,530,832	3,977,465	1,746,726	2,473,447	1,681,314	10,281,155	
Net income (less deficit)	32,057,106	364,612	476,274	699,918	2,241,126	1,090,770	3,444,559	1,837,436	4,774,547	2,039,393	2,619,239	1,758,047	10,311,248	
Income tax, total	21,318,275	336,695	501,083	1,510,721	723,485	2,242,885	5,242,885	1,111,115	2,438,635	1,268,349	1,640,241	1,388,092	7,917,275	
Additional tax for tax preferences	9,302,917	50,597	76,276	119,343	444,394	249,315	918,895	501,375	1,148,611	599,305	773,764	663,635	3,757,677	
Foreign tax credit	65,236	*200	*496	1,143	1,361	1,361	7,781	15,744	20,571	9,257	6,024	2,446	5,148	
U.S. possessions tax credit	867,372	1,131	78	363										

RETURNS OF ACTIVE CORPORATIONS

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

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

Industrial division, item	Size of business receipts												
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	Total returns of \$25,000 ¹ or more	\$25,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 under \$500,000,000	\$500,000,000 or more
Services													
Number of returns	516,387	52,312	77,243	208,281	29,047	20,481	1,736	1,035	79	58	24	12	10,955,243
Total assets	119,286,766	5,153,456	4,014,471	23,699,358	10,506,848	21,589,027	7,333,461	12,964,160	4,947,684	8,018,131	7,894,381	8,018,131	1,188,975
Notes and accounts receivable, net	20,841,219	592,648	467,146	3,295,865	1,674,646	4,006,863	1,707,536	2,748,842	1,494,790	1,827,764	1,827,764	1,827,764	1,617,614
Inventories	5,613,150	175,695	146,550	1,004,218	456,523	1,046,785	417,231	574,422	158,131	352,453	323,253	323,253	901,038
Cash, Government obligations, and other current assets	19,462,093	756,203	783,600	4,593,896	1,767,172	3,239,593	1,008,983	2,166,669	944,037	1,919,950	889,370	889,370	2,036,771
Other investments and loans	15,691,212	1,120,467	376,349	2,291,905	858,881	2,282,846	747,458	1,879,782	540,683	1,247,440	1,293,472	1,293,472	2,661,349
Depreciable assets	76,773,311	2,560,974	1,467,545	11,993,592	3,164,520	10,099,066	4,491,955	7,368,244	2,615,972	4,483,210	4,869,001	4,869,001	4,422,584
Less: Accumulated depreciation	31,383,290	936,909	1,438,235	8,121,808	3,443,294	10,099,066	4,491,955	7,368,244	2,615,972	4,483,210	4,869,001	4,869,001	4,422,584
Other capital assets less reserves	7,091,013	608,953	379,968	1,743,333	701,604	1,162,222	392,805	693,910	222,760	392,770	312,455	312,455	1,760,517
Accounts and notes payable	26,253,850	1,101,580	862,008	4,915,901	2,467,159	5,727,730	1,894,185	2,929,533	1,348,949	1,451,683	1,451,683	1,451,683	1,760,517
Other current liabilities	13,561,967	288,174	227,388	2,082,210	1,049,864	2,116,739	873,582	1,740,406	505,140	1,188,506	740,000	740,000	2,560,528
Mortgages, notes, and bonds payable in one year or more	34,089,293	1,817,742	1,179,596	6,640,644	3,448,229	6,490,202	2,101,981	3,937,584	1,552,814	2,036,815	2,413,699	2,413,699	1,710,454
Net worth	34,615,641	328,145	1,111,360	7,532,978	2,864,499	5,332,456	1,956,774	3,701,925	1,255,647	2,908,605	2,642,254	2,642,254	4,564,959
Cost of property used for investment credit	11,663,528	358,568	316,621	1,846,819	889,025	2,119,151	252,109	953,600	198,601	638,095	637,944	637,944	961,578
Total receipts	183,007,786	1,446,402	2,091,720	14,496,135	4,597,330	20,606,967	39,252,558	12,804,544	19,457,715	9,261,620	8,441,738	8,441,738	10,115,540
Business receipts	175,588,702	1,446,402	2,091,720	14,496,135	4,597,330	20,606,967	39,252,558	12,804,544	19,457,715	9,261,620	8,441,738	8,441,738	10,115,540
Cost of sales and operations	88,673,369	284,971	1,978,324	18,247,755	9,595,639	20,564,022	7,478,047	11,112,204	3,382,631	5,420,819	4,317,087	4,317,087	5,780,543
Taxes paid	6,183,058	63,843	244,418	1,698,762	672,375	393,563	823,761	247,664	465,553	154,356	242,020	242,020	242,020
Interest paid	3,880,753	122,642	126,593	1,652,844	804,460	1,721,311	523,979	813,766	61,629	289,649	497,483	497,483	796,327
Depreciation	8,851,415	242,168	12,126	110,113	1,672,923	500,274	711,310	159,733	187,252	119,921	36,248	36,248	42,990
Pension, profit-sharing, stock bonus, and annuity plans	3,951,202	1,147	8,202	31,247	272,987	273,343	817,336	817,336	119,921	36,248	71,416	71,416	47,500
Employee benefit programs	1,556,151	11,147	8,202	31,247	272,987	273,343	817,336	817,336	119,921	36,248	71,416	71,416	47,500
Net income (less deficit)	6,596,830	-289,898	-32,573	15,500,494	1,500,494	654,592	1,210,594	493,344	921,208	253,268	536,979	536,979	663,004
Net income	9,280,612	205,228	158,444	373,435	2,191,920	920,685	1,678,666	635,505	1,077,097	551,229	543,529	543,529	663,004
Income subject to tax	6,880,410	96,722	194,821	1,429,429	1,826,838	686,838	1,215,683	474,844	848,214	246,825	492,533	492,533	644,904
Income tax, total	2,584,017	25,601	44,565	330,123	183,033	162,033	462,004	210,749	397,376	117,264	235,165	235,165	305,986
Additional tax for tax preferences	1,696	-	-	362	283	237	65	260	85	404	404	404	42,858
Foreign tax credit	124,879	294	66	772	285	237	65	260	85	404	404	404	42,858
U.S. possessions tax credit	2,537	10	11,245	66,066	35,341	73,965	21,169	11,124	40,538	11,818	31,057	31,057	69,411
Investment credit	426,663	4,001	2,792	11,245	66,066	761	271	1,245	77	35	145	145	55
Work incentive (WIN) credit	2,059	103	466	37,628	29,051	73,764	26,430	16,275	2,413	2,413	1,320	1,320	893
New jobs credit	193,152	103	466	37,628	29,051	73,764	26,430	16,275	2,413	2,413	1,320	1,320	893
Total wages paid in 1977	22,639,575	76,836	430,666	4,526,956	2,615,956	5,487,445	2,014,419	2,521,451	744,302	1,593,667	1,357,385	1,357,385	1,987,454
Distributions to stockholders except in own stock	1,441,254	128,297	22,904	59,096	337,425	91,364	240,315	110,150	131,279	36,172	95,424	95,424	100,083
Nature of Business not Allocable													
Number of returns	4,268	1,403	398	614	614	589	44	28	28	28	28	28	28
Total assets	1,430,866	106,173	44,279	105,330	124,356	704,408	64,886	211,148	211,148	211,148	211,148	211,148	211,148
Notes and accounts receivable, net	292,764	16,619	4,812	4,590	4,590	15,561	15,561	53,240	53,240	53,240	53,240	53,240	53,240
Inventories	309,622	14,019	4,620	30,341	35,256	141,384	11,648	51,048	51,048	51,048	51,048	51,048	51,048
Cash, Government obligations, and other current assets	217,743	24,329	10,902	8,938	17,404	85,223	11,049	44,437	44,437	44,437	44,437	44,437	44,437
Other investments and loans	195,852	19,913	936	24,676	18,888	99,892	763	11,736	11,736	11,736	11,736	11,736	11,736
Depreciable assets	601,287	30,441	52,976	61,326	41,075	317,679	24,071	67,539	67,539	67,539	67,539	67,539	67,539
Less: Accumulated depreciation	296,918	12,562	31,715	30,536	15,932	149,839	10,658	35,428	35,428	35,428	35,428	35,428	35,428
Other capital assets less reserves	58,458	4,921	607	4,20	4,639	32,453	5,753	3,818	3,818	3,818	3,818	3,818	3,818
Accounts and notes payable	360,080	17,921	10,417	26,878	32,847	180,724	20,987	59,239	59,239	59,239	59,239	59,239	59,239
Other current liabilities	228,828	23,487	24,746	4,098	22,022	119,413	16,008	18,070	18,070	18,070	18,070	18,070	18,070
Mortgages, notes, and bonds payable in one year or more	436,828	38,628	22,578	26,383	10,268	75,712	2,891	50,965	50,965	50,965	50,965	50,965	50,965
Net worth	296,384	15,469	13,056	33,407	52,099	282,125	17,840	79,475	79,475	79,475	79,475	79,475	79,475
Cost of property used for investment credit	58,028	19,367	11,666	9,229	6,438	13,270	2,364	5,503	5,503	5,503	5,503	5,503	5,503
Total receipts	3,015,136	114,080	69,285	155,407	244,937	1,562,003	278,857	572,458	572,458	572,458	572,458	572,458	572,458
Business receipts	2,854,276	114,080	69,285	155,407	244,937	1,562,003	278,857	572,458	572,458	572,458	572,458	572,458	572,458
Cost of sales and operations	2,268,575	501	31,856	87,686	160,839	1,308,724	204,275	462,567	462,567	462,567	462,567	462,567	462,567
Taxes paid	45,402	7,643	2,293	9,728	4,134	17,707	4,082	5,281	5,281	5,281	5,281	5,281	5,281
Interest paid	124,601	1,053	834	2,588	2,020	9,222	808	5,198	5,198	5,198	5,198	5,198	5,198
Depreciation	74,197	1,053	77,665	5,574	17,215	6,222	2,644	5,423	5,423	5,423	5,423	5,423	5,423
Pension, profit-sharing, stock bonus, and annuity plans	9,611	12	668	66	711	4,560	1,533	1,964	1,964	1,964	1,964	1,964	1,964
Employee benefit programs	17,795	14	334	66	725	4,560	1,533	1,964	1,964	1,964	1,964	1,964	1,964
Net income (less deficit)	-184,654	-1,223	-10,007	2,955	7,477	-30,104	3,528	10,351	10,351	10,351	10,351	10,351	10,351
Net income	66,776	969	1,223	9,329	8,590	29,668	3,528	14,563	14,563	14,563	14,563	14,563	14,563

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Industrial division, item	Total returns of active corporations	Size of business receipts															
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)			
Income subject to tax	39,429	401	*130	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Income tax, total	15,218	165	*41	—	*1,429	*5,936	15,365	*3,440	—	—	—	—	—	—	—	—	—
Additional tax for tax preferences	—	—	—	—	*223	*2,048	5,436	*1,314	—	—	—	—	—	—	—	—	—
Foreign tax credit	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
U.S. possessions tax credit	253	(^f)	—	—	*33	128	*517	*165	—	—	—	—	—	—	—	—	—
Investment credit	1,686	—	*3	—	—	*231	*517	*165	—	—	—	—	—	—	—	—	—
Work incentive (WIN) credit	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
New jobs credit	*1,221	—	(^g)	—	—	—	*821	—	—	—	—	—	—	—	—	—	—
Total wages paid in 1977	61,522	51	138	*3,006	*9,665	*8,917	*23,950	*15,795	—	—	—	—	—	—	—	—	—
Distributions to stockholders except in own stock	*6,596	—	50	—	*5,893	—	*96	*190	—	—	—	—	—	—	—	—	—

* Estimate should be used with caution because of the small number of sample returns on which it is based.
 ** Identifies (a) size classes for which data were deleted to avoid disclosure of information for specific corporations and (b) combined frequencies or amounts which include the data thus deleted from another size class.
 (^f) Includes returns with zero receipts and receipts not reported.
 (^g) Size of total receipts was used in lieu of business receipts to classify statistics for the "Finance, insurance, and real estate" industrial division.
^h Less than \$500 per return.
 NOTE: Classification by size was based on amounts rounded to thousands of dollars prior to tabulation. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

RETURNS OF ACTIVE CORPORATIONS

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

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

Item	Accounting period ended ¹													
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Number of returns	Amount	July 1977	August 1977	September 1977	October 1977	November 1977	December 1977	January 1978	February 1978	March 1978	April 1978	May 1978	June 1978
Returns With and Without Net Income														
Number of returns	2,241,887		63,801	90,364	202,230	110,723	64,990	889,880	84,273	78,790	174,076	99,051	98,616	265,093
Net receipts	2,157,793	4,128,304,478	98,240,027	98,240,027	224,810,683	140,189,167	72,193,662	2,496,943,381	183,885,365	82,778,866	221,284,161	101,458,707	104,628,014	306,163,721
Net income (less deficit)	2,218,681	2,119,240,043	2,891,160	2,904,721	7,832,527	5,281,861	3,384,419	161,773,291	6,155,951	2,779,965	3,269,716	3,269,716	3,269,716	11,590,454
Total income tax	1,014,623	96,340,453	1,212,668	1,286,796	3,424,723	2,152,029	1,370,740	73,102,640	2,826,526	1,086,134	2,562,432	1,313,378	1,313,378	4,635,635
Inventories	1,035,358	396,032,639	14,780,859	9,697,633	22,401,687	15,752,860	6,168,227	222,363,446	24,356,146	6,514,285	21,266,330	9,686,469	10,016,079	29,004,618
Returns With and Without Net Income—DISC														
Number of returns	1,807,018		69,972	74,397	166,863	90,730	51,231	700,317	63,406	62,548	142,030	81,910	82,451	221,163
Total receipts	1,740,444	3,937,605,151	89,345,363	91,078,822	210,806,596	132,462,663	67,298,741	2,423,604,759	168,435,160	75,877,521	205,255,538	93,210,716	97,866,719	283,142,533
Net income (less deficit)	1,787,449	2,092,811,314	2,615,385	2,688,486	7,363,885	4,834,885	3,165,894	158,563,356	5,891,530	2,290,221	5,330,812	2,991,748	2,866,006	10,677,126
Net income	1,166,991	232,455,557	3,717,063	3,423,204	9,025,937	3,738,633	3,738,633	170,529,756	6,582,573	2,858,692	6,945,249	3,776,730	3,776,730	12,727,842
Deficit	620,758	23,174,243	3,717,678	734,718	1,662,072	1,018,954	572,463	11,966,400	691,043	568,471	1,612,437	784,982	750,309	2,050,716
Statutory special deductions, total	356,845	16,577,554	322,050	235,555	684,574	349,110	334,094	11,121,275	667,605	228,921	176,879	379,445	360,319	1,177,727
Net operating loss deduction	269,507	8,811,016	279,531	193,427	573,658	254,614	208,024	4,840,627	241,749	202,906	604,281	243,647	327,594	770,958
Total special deductions	95,455	7,766,538	42,519	42,128	110,916	94,996	56,070	6,280,648	425,856	26,015	112,598	135,798	32,725	406,769
Western Hemisphere Trade Corporation deduction	410	380,262	8,567	8,567	4,621	3,866	931	347,435	1,345	149	1,430	387	1,183	6,365
Income subject to tax, total	994,235	212,498,640	2,900,141	3,089,447	8,026,519	5,040,172	3,177,297	157,590,991	5,874,329	2,618,168	6,210,295	3,295,443	3,228,009	11,447,829
Net long-term capital gain taxed at alternative rates	36,052	7,497,642	92,176	106,982	195,137	188,796	102,288	5,713,218	1,618	48,123	228,444	121,439	164,880	394,761
Income taxed at normal tax and surtax rates	993,447	205,000,998	2,807,965	2,982,465	7,831,382	4,851,376	3,075,009	151,877,773	5,872,711	2,570,045	5,981,851	3,174,004	3,063,329	11,053,068
Normal tax, total	1,014,473	96,340,229	1,212,619	1,288,796	3,424,717	2,152,029	1,370,420	72,609,221	2,626,414	1,086,134	2,562,432	1,362,552	1,313,378	4,835,798
Income tax, total	994,235	95,627,339	1,204,447	1,278,979	3,394,295	2,130,947	1,361,060	72,609,221	2,610,724	1,081,973	2,562,432	1,347,342	1,300,535	4,776,672
Tax from recomputing prior-year investment credit	140,979	445,735	5,570	8,050	21,853	18,073	6,485	286,969	14,047	4,910	20,055	11,868	10,778	37,077
Tax from recomputing prior-year work incentive (WIN) credit	753	3,839	*19	*178	178	*11	*10	2,035	*38	*125	*1,250	*238	*70	21,979
Additional tax for tax preferences	10,605	263,316	2,583	1,767	6,391	3,008	3,185	204,395	1,605	1,251	9,983	3,104	2,065	21,979
Foreign tax credit	6,889	26,006,028	54,031	39,937	222,821	208,137	53,719	24,871,083	80,146	30,910	99,027	29,078	36,662	280,477
U.S. possessions tax credit	536	837,687	11,778	6,264	12,416	11,105	41,420	652,042	6,699	2,760	13,083	27,510	10,303	42,307
Investment credit	670,955	11,038,404	112,305	146,773	357,659	218,415	94,220	8,768,370	219,612	102,058	277,718	128,616	137,505	475,153
Work incentive (WIN) credit	5,905	19,327	155	410	350	472	115	13,202	334	562	1,098	288	253	2,088
New jobs credit	176,477	1,703,838	*633	11	*1,226	*1,117	*964	871,970	84,893	683,501	198,586	108,827	90,951	279,317
Total income tax after credits ²	776,294	56,734,945	1,033,717	1,095,401	2,830,245	1,712,783	1,180,302	37,925,953	2,234,730	883,501	1,972,920	1,071,233	1,037,704	3,756,456
Returns With Net Income, Other Than Form 1120S and 1120—DISC														
Number of returns	1,166,991		45,174	47,969	107,041	58,333	34,767	445,764	43,469	40,208	92,480	51,021	53,338	147,427
Total receipts	1,166,991	3,497,389,696	73,645,686	76,711,224	172,307,397	113,742,067	59,815,865	2,209,062,128	153,908,485	59,487,772	174,103,734	79,804,930	80,400,980	244,419,528
Net income	1,166,991	232,455,557	3,377,063	3,423,204	9,025,937	5,853,839	3,738,357	170,529,756	6,582,573	2,858,692	6,945,249	3,776,730	3,616,315	12,727,842
Statutory special deductions, total	345,257	16,367,981	316,724	230,420	679,638	343,732	330,730	10,975,595	660,774	226,725	706,951	376,939	358,275	1,161,478
Net operating loss deduction	269,507	8,811,016	279,531	193,427	573,658	254,614	278,024	4,840,627	241,749	202,906	604,281	243,647	327,594	770,958
Total special deductions	83,870	7,556,965	37,193	36,993	105,980	89,118	52,706	6,134,968	419,025	23,819	102,670	133,292	30,681	390,520
Western Hemisphere Trade Corporation deduction	410	380,262	8,567	8,567	4,621	3,866	*931	347,435	*1,345	149	1,430	*387	1,183	6,365
Net income of regulated investment companies and real estate investment trusts	1,267	3,791,899	160,768	104,267	326,564	473,998	231,309	2,111,442	52,855	15,362	36,451	109,694	34,212	134,977
Income subject to tax, total	994,218	212,498,089	2,900,141	3,089,447	8,026,519	5,040,174	3,177,284	157,590,545	5,874,329	2,618,168	6,210,295	3,295,443	3,228,009	11,447,825
Net long-term capital gain taxed at alternative rates	36,052	7,497,642	92,176	106,982	195,137	188,796	102,288	5,713,218	1,618	48,123	228,444	121,439	164,880	394,761
Income taxed at normal tax and surtax rates	993,430	205,000,447	2,807,965	2,982,465	7,831,382	4,851,376	3,074,992	151,877,327	5,732,711	2,570,045	5,981,851	3,174,004	3,063,329	11,053,064
Normal tax, total	995,823	96,266,865	1,212,101	1,287,461	3,420,796	2,149,285	1,370,092	73,054,796	2,624,134	1,087,519	2,559,229	1,360,141	1,312,151	4,830,160
Income tax, total	994,218	95,627,197	1,204,447	1,278,979	3,394,295	2,130,933	1,361,051	72,609,103	2,610,724	1,081,973	2,562,432	1,347,342	1,300,535	4,776,671
Tax from recomputing prior-year investment credit	122,752	406,350	5,147	8,085	18,060	15,455	5,894	270,625	11,868	4,360	18,433	9,579	9,624	32,900
Tax from recomputing prior-year work incentive (WIN) credit	659	3,836	*19	*175	*175	*11	*10	2,035	*38	*125	*1,250	*238	*70	21,979
Additional tax for tax preferences	10,086	227,482	2,488	1,677	6,266	2,896	3,137	173,033	1,504	1,186	7,402	2,982	1,992	20,919
Foreign tax credit	6,889	26,006,028	54,031	39,937	222,821	208,137	53,719	24,871,083	80,146	30,910	99,027	29,078	36,662	280,477
U.S. possessions tax credit	536	837,687	11,778	6,264	12,416	11,105	41,420	652,042	6,699	2,760	13,083	27,510	10,303	42,307
Investment credit	670,943	11,038,314	112,305	146,773	357,659	218,410	94,211	8,768,303	219,612	102,058	277,718	128,616	137,505	475,153
Work incentive (WIN) credit	5,905	19,327	155	410	350	472	115	13,202	334	562	1,098	288	253	2,088
New jobs credit	**	1,703,813	*633	11	*1,226	*1,117	*964	871,945	84,893	683,501	198,586	108,827	90,951	279,317
Total income tax after credits ²	757,647	56,661,696	1,033,199	1,094,066	2,826,324	1,710,053	1,179,663	37,878,221	2,232,450	882,886	1,968,717	1,068,822	1,036,477	3,750,818

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

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

³Credits include total tax, U.S. possessions tax, investment, work incentive (WIN), and new jobs credits.

⁴Less than \$500 per return.

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

RETURNS OF ACTIVE SMALL BUSINESS CORPORATIONS, FORM 1120S

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

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

Item	Industrial division									
	All industrial divisions	Agriculture, forestry, and fishing	Mining	Construction	Manufacturing	Transportation and public utilities	Wholesale and retail trade	Finance, insurance, and real estate	Services	Nature of business not allocable
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Number of returns, total.....	428,204	20,282	3,277	49,559	37,846	18,113	147,140	51,271	99,330	*386
With net income.....	251,722	9,957	1,755	32,632	22,514	8,305	87,718	29,714	56,107	*19
Total assets.....	71,570,536	6,310,966	1,477,419	8,285,093	8,878,950	3,178,948	24,884,868	8,322,483	10,212,104	*20,685
Cash.....	7,149,043	353,740	198,011	871,180	961,102	302,943	2,434,334	916,382	1,108,753	*2,598
Notes and accounts receivable.....	13,108,683	362,679	253,932	1,924,797	2,380,397	481,567	5,037,855	1,355,676	1,301,586	*194
Less: Allowance for bad debts.....	180,556	1,880	*739	13,180	25,149	5,084	114,098	4,849	15,577	—
Inventories.....	14,720,223	535,601	38,825	1,888,392	1,843,873	53,523	9,650,946	273,634	434,336	*1,093
Investments in Government obligations.....										
United States.....	247,049	*5,279	*2,722	*12,871	44,015	*7,811	67,424	78,757	28,170	—
State and local.....	134,982	*7,390	*350	13,237	61,871	*2,260	40,096	*1,424	*8,354	—
Other current assets.....	4,359,562	128,746	81,141	895,974	254,441	141,643	579,915	1,763,791	513,815	*86
Loans to stockholders.....	1,319,047	106,843	38,189	213,391	79,374	47,516	372,151	208,080	253,503	—
Mortgage and real estate loans.....	829,555	40,434	*9,056	90,950	49,818	*3,016	83,394	370,434	182,453	—
Other investments.....	2,460,625	270,026	54,391	258,222	343,098	76,937	610,247	512,286	334,818	—
Depreciable assets.....	33,911,811	3,709,085	1,206,859	3,051,159	4,848,634	3,018,938	8,503,062	1,587,741	7,964,741	*21,588
Less: Accumulated depreciation.....	14,908,451	1,541,968	532,656	1,557,285	2,571,140	1,207,228	3,792,670	497,700	3,201,882	*5,422
Depletable assets.....	263,514	17,088	79,834	23,469	20,651	*2,111	16,174	67,338	*36,849	(¹)
Less: Accumulated depletion.....	61,971	*1,100	15,376	*5,266	*9,885	*262	7,947	*12,671	*9,964	(¹)
Land.....	5,599,193	2,064,738	22,097	360,173	294,444	61,496	650,945	1,374,293	771,077	—
Intangible assets (amortizable).....	799,475	14,490	1,369	8,725	82,850	51,416	214,623	42,026	383,925	*51
Less: Accumulated amortization.....	362,614	5,909	724	4,252	29,363	19,617	56,122	13,468	233,148	*11
Other assets.....	2,181,366	245,704	40,138	251,936	250,319	148,462	594,639	299,309	350,361	*498
Total liabilities.....	71,570,538	8,310,986	1,477,419	8,285,093	8,878,950	3,176,948	24,884,868	8,322,483	10,212,104	*20,685
Accounts payable.....	11,304,257	251,521	267,298	1,776,699	1,520,526	389,652	4,908,101	1,107,581	1,081,151	*1,728
Mortgages, notes, and bonds payable in less than one year.....	11,752,423	1,137,189	226,696	1,792,010	1,007,238	405,714	4,358,527	1,765,685	1,059,364	—
Other current liabilities.....	5,091,022	133,439	88,529	875,623	760,164	190,668	1,663,018	569,495	810,088	*598
Loans from stockholders.....	8,362,700	783,055	115,637	804,389	802,417	530,436	2,487,189	1,177,865	1,659,427	*2,285
Mortgages, notes, and bonds payable in one year or more.....	15,069,322	2,193,508	292,499	1,083,449	1,245,444	1,048,765	3,528,515	2,065,651	3,599,220	*12,271
Other liabilities.....	2,620,253	155,973	55,880	424,585	398,953	137,608	469,314	517,196	461,101	*1
Capital stock.....	8,666,085	1,457,673	80,133	715,152	948,042	374,094	3,218,166	694,039	1,172,095	*6,691
Paid-in or capital surplus.....	3,614,761	478,890	97,556	201,279	526,788	175,975	794,774	548,976	788,113	*1,430
Retained earnings, appropriated.....	316,496	30,648	*13,303	18,340	71,346	9,477	99,218	32,812	41,352	—
Retained earnings, unappropriated.....	5,647,487	—209,328	273,007	682,501	1,718,826	—28,129	3,638,126	—78,629	—341,568	*4,319
Stockholders' undistributed taxable income previously taxed.....	2,022,427	—235,315	78,035	373,658	714,472	—98,843	1,800,936	—154,970	—449,629	*5,654
Less: Cost of treasury stock.....	874,270	101,582	33,119	88,934	119,514	56,712	277,980	78,190	118,239	—
Total receipts.....	184,317,458	5,425,277	2,446,184	18,930,093	21,419,043	6,166,054	85,989,328	5,385,878	18,503,025	*52,577
Business receipts.....	160,329,161	5,027,356	2,344,567	18,678,023	21,111,459	5,942,959	84,821,391	4,293,218	18,063,398	*46,790
Interest on Government obligations.....										
United States.....	64,234	2,526	*151	960	3,797	*796	5,504	47,645	2,855	—
State and local.....	13,441	*116	*50	1,026	2,270	*98	4,051	*796	*5,034	—
Other interest.....	471,571	23,399	10,758	37,787	48,340	9,104	184,712	108,309	49,157	*5
Rents.....	483,866	40,719	5,398	33,330	43,689	19,088	127,636	128,348	85,658	—
Royalties.....	76,442	882	11,974	*11	16,005	(¹)	6,166	*39,180	*2,224	—
Net short-term capital gain reduced by net long-term capital loss.....	23,120	4,509	*1,113	*433	*974	*2,948	8,003	4,334	806	—
Net long-term capital gain reduced by net short-term capital loss.....	504,854	123,742	24,412	30,135	74,227	28,464	66,971	72,773	62,855	*1,275
Net gain, noncapital assets.....	713,226	43,494	16,356	20,709	19,189	31,031	59,317	488,957	29,666	*4,507
Dividends received from domestic corporations.....	21,729	1,494	*373	1,805	5,527	2,061	7,929	2,354	1,986	—
Dividends received from foreign corporations.....	416	*80	—	—	*271	—	*63	—	*2	—
Other receipts.....	1,615,399	156,960	31,032	125,874	93,295	131,305	677,585	199,964	199,384	—
Total deductions.....	159,553,539	5,408,939	2,296,068	18,349,899	20,642,544	6,020,216	84,115,659	4,904,591	17,768,900	*46,823
Cost of sales and operations.....	112,993,516	3,553,547	1,577,851	14,282,799	15,241,831	3,874,139	63,764,041	1,278,343	9,395,623	*25,342
Compensation of officers.....	7,755,714	154,410	85,830	900,597	1,090,947	283,558	2,889,428	674,183	1,675,737	*1,024
Repairs.....	1,091,368	160,512	49,145	159,812	139,089	41,976	311,701	26,084	203,025	*24
Bad debts.....	298,834	9,174	3,695	30,318	39,363	13,693	141,403	23,449	37,739	—
Rent paid on business property.....	3,034,312	154,722	22,953	167,529	287,161	136,450	1,329,610	116,964	816,345	*2,578
Taxes paid.....	3,675,486	126,037	57,426	437,494	566,611	229,332	1,407,514	156,650	692,974	*1,448
Interest paid.....	2,055,696	266,252	34,119	216,076	191,736	119,379	611,767	254,643	361,043	*681
Contributions or gifts.....	43,071	1,094	611	3,638	8,256	1,136	16,456	3,620	8,260	—
Amortization.....	45,578	1,530	19	2,482	5,178	2,294	16,522	2,934	14,611	*8
Depreciation.....	3,270,182	353,500	149,707	332,799	422,785	325,203	825,418	126,045	729,401	*5,324
Depletion.....	45,135	242	29,735	*718	*1,227	*416	5,134	*6,802	861	—
Advertising.....	1,305,322	10,591	1,141	58,197	119,495	27,093	728,897	123,997	235,198	*713
Pension, profit-sharing, stock bonus, and annuity plans.....	369,085	6,273	8,884	52,921	87,659	16,586	110,289	26,012	60,461	—
Employee benefit programs.....	502,732	7,356	5,958	74,873	114,840	32,224	149,072	17,345	101,064	—
Net loss, noncapital assets.....	79,532	6,364	*143	4,490	20,983	3,557	19,224	10,184	14,587	—
Other deductions.....	22,987,976	597,335	268,851	1,625,156	2,305,383	913,180	11,789,183	2,057,336	3,421,871	*9,681
Total receipts less total deductions.....	4,763,920	16,338	150,116	580,194	776,499	145,838	1,873,669	481,287	734,225	*5,754
Net income (less deficit).....	4,750,479	16,222	150,066	579,168	774,229	145,740	1,869,618	480,491	729,191	*5,754
Net income.....	7,584,844	377,028	242,752	805,574	1,214,652	314,752	2,644,013	736,459	1,242,077	*7,537
Distributions to stockholders.....										
Cash and property except in own stock.....	2,767,894	145,734	128,276	229,964	490,379	115,586	815,425	298,820	538,010	*5,700
Corporation's own stock.....	*7,947	—	—	*5,893	*579	*31	*408	—	*1,036	—

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

¹This item is reflected in the statistics for "Retained earnings, unappropriated" and "Net worth" in tables which show these items²Less than \$500 per return

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

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

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

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

Item	All industrial divisions ¹	Selected industrial divisions				
		Wholesale and retail trade			Finance, insurance, and real estate	Services
		Total ²	Wholesale trade	Retail trade		
(1)	(2)	(3)	(4)	(5)	(6)	
Number of returns, total.....	8,685	8,360	8,293	*57	105	129
With net income.....	5,815	5,822	5,565	*47	95	98
Total assets.....	15,955,073	15,513,301	16,484,235	*28,980	206,147	221,477
Notes and accounts receivable, net	10,162,176	9,892,035	9,868,489	*23,548	136,023	134,060
Inventories	713,449	713,186	713,186	—	—	*283
Cash, Government obligations, and other current assets	519,158	497,971	497,103	*702	1,193	6,217
Other investments and loans	3,515,071	3,370,996	3,366,485	*4,511	67,691	76,384
Depreciable assets	25,523	23,332	23,211	121	—	2,181
Less Accumulated depreciation	10,875	10,088	10,029	59	—	*787
Accounts and notes payable	1,354,316	1,347,103	1,340,552	*6,540	*2,017	5,196
Other current liabilities	641,486	621,386	619,156	*2,230	*172	6,489
Mortgages, notes, and bonds payable in one year or more	77,361	76,458	73,732	*2,726	*437	*266
Net worth	13,678,545	13,268,124	13,250,566	*17,484	202,538	207,374
Total receipts.....	26,381,888	26,114,459	26,058,329	*55,052	20,541	246,883
Business receipts	25,751,511	25,516,769	25,461,782	*54,909	*734	234,008
Total deductions.....	21,184,683	21,042,423	20,995,887	*46,501	1,328	140,887
Cost of sales and operations	19,764,041	19,643,759	19,602,074	*41,639	—	120,282
Taxes paid	46,148	45,274	45,088	*179	114	755
Interest paid	26,457	26,434	26,389	*45	8	*12
Depreciation	6,785	6,337	6,324	13	—	*448
Pension, profit-sharing, stock bonus, and annuity plans	8,030	7,923	7,803	*120	—	107
Employee benefit programs	4,391	4,302	4,282	20	—	*89
Net income (less deficit)	5,211,250	5,086,081	5,077,174	*8,884	19,213	105,876
Net income	5,234,089	5,108,857	5,099,625	*9,209	19,213	106,019
Total statutory special deductions	498	498	498	—	—	—
Tax deferred income and income taxable to stockholders	5,233,691	5,108,459	5,099,227	*9,209	19,213	106,019
Distributions to stockholders in cash	3,154,836	3,091,835	3,087,505	*4,330	14,529	48,472

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

¹Includes "Nature of business not allocable" which is not shown separately²Includes "Wholesale and retail trade not allocable" which is not shown separately

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

RETURNS OF MEMBERS OF CONTROLLED GROUPS, OTHER THAN FORM 1120-DISC
Table 11.—Number of Returns, Total Assets, Total Receipts, Net Income (Less Deficit), and Total Income Tax, by Selected Industrial Divisions
 [All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Selected industrial divisions										
	(1)	(2)	(3)	(4)	(5)	(6)	Wholesale and retail trade		(10)	(11)	
							Total ²	Wholesale trade			Retail trade
Total returns of members of controlled groups, other than Form 1120-DISC:											
Number of returns	308,314	4,936	3,849	25,641	43,194	15,033	83,791	35,764	47,609	78,710	52,083
Total assets	4,065,729,482	9,190,690	78,281,080	46,457,829	1,081,155,821	490,863,563	235,930,496	116,592,875	119,131,110	2,056,079,548	66,841,216
Total receipts	2,914,336,520	14,502,605	85,067,105	78,227,474	1,434,113,834	282,580,394	665,837,227	340,534,404	324,589,604	278,332,955	74,152,372
Intragroup domestic dividends received qualifying for 100 percent deduction:											
Number of returns	2,352	5	30	125	519	69	418	232	166	908	278
Amount	2,916,150	899	65,442	3,730	1,222,706	183,987	435,653	87,481	347,327	959,726	44,607
Intragroup domestic dividends received qualifying for transitional deduction under Code section 1564(b):											
Number of returns	251	—	—	—	30	—	78	51	—	117	—
Amount	88,782	—	—	—	10,976	—	13,012	12,399	—	11,423	—
Net income (less deficit)	175,251,092	382,706	30,909,105	2,148,992	90,413,379	16,547,290	15,023,382	6,735,811	8,276,120	16,384,426	3,618,745
Total income	187,945,512	570,621	31,519,478	2,883,174	95,488,480	17,771,763	16,796,185	7,736,787	9,009,226	18,470,231	4,442,217
Total income tax	82,473,389	196,443	14,949,059	1,104,445	43,064,716	8,026,347	7,087,651	3,279,035	3,804,916	6,328,845	1,715,649
Distributions to stockholders except in own stock	47,165,063	72,685	1,684,453	290,649	25,327,592	10,807,464	2,408,223	697,823	1,709,891	5,975,853	597,531
Consolidated returns:											
Number of returns	46,663	604	909	3,736	10,735	2,670	11,387	5,708	5,482	10,065	6,441
Number of subsidiary corporations	142,077	1,111	2,553	11,288	37,610	8,974	33,565	12,511	20,786	27,145	19,581
Total assets	3,434,717,657	5,976,539	69,348,775	30,084,576	980,191,108	471,214,614	144,268,720	70,059,826	74,123,709	1,682,869,803	50,534,898
Total receipts	2,309,872,210	9,974,321	75,113,096	43,868,228	1,268,899,723	262,487,866	400,372,197	201,077,825	198,972,584	196,239,015	52,403,893
Net income (less deficit)	147,452,404	240,502	29,552,524	1,264,244	79,756,547	15,522,686	7,959,629	3,059,010	4,894,972	10,462,666	2,690,641
Total income	156,626,973	324,820	29,960,159	1,670,320	84,129,778	16,544,123	8,988,684	3,659,660	5,322,656	11,856,318	3,144,589
Total income tax	70,011,749	124,207	11,270,598	670,968	38,180,930	7,506,251	3,955,741	1,541,729	2,412,188	3,984,232	1,204,823
Distributions to stockholders except in own stock	41,601,685	52,906	1,552,688	205,942	23,290,322	10,413,020	1,255,430	297,683	957,238	4,384,885	445,865

*Estimates should be used with caution because of the small number of sample returns on which it is based.
 **Data deleted to avoid disclosure of information for specific corporations.
 †Includes "Nature of business not allocable", which is not shown separately.
 ‡Includes "Wholesale and retail trade not allocable", which is not shown separately.
 NOTE: See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

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

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

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

Size of normal tax, surtax, and alternative tax after credits ¹	Number of returns of active corporations, other than Forms 1120S and 1120-DISC	Total income subject to tax	Income tax before credits ¹		Foreign tax credit	Investment credit	Income tax after credits	
			Total	Normal tax, surtax, and alternative tax			Total	Normal tax, surtax, and alternative tax
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total²	1,807,018	212,498,640	96,340,229	95,827,339	26,006,028	11,038,404	58,734,945	56,022,055
Returns with net income	1,166,991	212,468,089	96,266,865	95,627,197	26,006,028	11,038,314	56,661,696	56,022,028
Returns without net income	640,027	³ 551	73,364	142	—	90	73,249	27
Returns with normal tax, surtax, and alternative tax before credits ¹	994,235	212,498,640	96,251,812	95,627,339	26,006,028	11,038,404	56,646,528	56,022,055
Returns with normal tax, surtax, and alternative tax after credits, total ¹	727,114	204,300,915	93,120,346	92,558,035	24,529,444	10,108,906	56,564,366	56,022,055
Under \$6,000	479,469	5,827,182	1,361,149	1,340,644	4,499	262,004	818,483	797,978
\$6,000 under \$10,000	84,113	3,473,456	815,513	806,927	2,754	99,132	626,932	618,346
\$10,000 under \$15,000	34,766	1,950,156	532,175	523,998	4,180	63,317	400,454	392,277
\$15,000 under \$20,000	18,225	1,332,168	437,451	431,551	8,452	55,353	311,648	305,748
\$20,000 under \$25,000	12,818	1,086,895	376,130	372,244	8,493	40,041	283,956	280,070
\$25,000 under \$50,000	34,190	4,066,646	1,548,639	1,534,430	11,178	164,324	1,213,704	1,199,495
\$50,000 under \$75,000	15,337	2,798,903	1,154,430	1,143,162	10,218	103,452	950,464	939,196
\$75,000 under \$100,000	9,323	2,309,143	986,953	978,885	12,764	81,406	806,261	798,193
\$100,000 under \$250,000	21,189	8,844,942	3,975,649	3,840,843	80,272	295,573	3,313,156	3,278,350
\$250,000 under \$500,000	8,737	7,710,088	3,567,368	3,534,792	44,115	275,938	3,051,857	3,019,281
\$500,000 under \$1,000,000	4,070	7,634,019	3,577,243	3,541,043	115,539	352,015	2,867,645	2,831,445
\$1,000,000 under \$10,000,000	4,179	58,864,580	28,002,092	27,855,420	14,079,426	2,286,962	11,374,175	11,227,503
\$10,000,000 under \$50,000,000	575	37,474,861	17,689,442	17,572,591	2,931,548	2,541,899	12,183,872	12,067,021
\$50,000,000 under \$100,000,000	76	17,182,027	8,196,979	8,175,174	2,111,267	660,434	5,420,654	5,398,849
\$100,000,000 or more	47	43,751,849	20,899,133	20,806,331	5,104,739	2,827,056	12,961,105	12,868,303

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

RETURNS OF ACTIVE CORPORATIONS, OTHER THAN FORM 1120-DISC

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

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

Item	Selected industrial divisions										
	All industrial divisions ¹	Agriculture, forestry and fishing	Mining	Construction	Manufacturing	Transportation and public utilities	Wholesale and retail trade		Finance, insurance, and real estate	Services	
							Total ²	Wholesale trade			Retail trade
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Number of returns of active corporations, other than Form 1120-DISC	2,235,222	65,594	19,216	214,745	231,149	85,215	231,304	432,758	432,814	516,258	
Returns with investment credit items, other than Form 1120-DISC:											
Number of returns	1,153,233	45,095	11,838	124,582	159,019	52,728	137,495	240,968	112,065	287,035	
Cost of property used for investment credit:											
Number of returns	1,088,289	43,396	11,627	119,316	152,701	49,261	358,041	225,509	103,548	249,090	
Amount	168,472,101	1,987,523	4,974,226	4,669,236	67,785,127	55,281,605	6,049,297	8,324,346	7,676,488	11,663,528	
Investment qualified for credit:											
Number of returns	877,704	30,014	9,712	93,773	130,383	38,563	283,378	171,851	88,207	202,443	
Amount	134,326,934	1,300,136	4,129,299	3,184,943	57,769,502	43,195,525	4,980,710	6,129,701	6,148,157	8,037,967	
Tentative investment credit, total:											
Number of returns	874,050	29,718	9,693	92,693	129,832	38,525	282,325	171,162	88,011	202,188	
Amount	14,033,620	127,865	424,670	313,390	6,096,040	4,645,660	1,029,632	602,324	604,317	789,660	
10 percent tentative investment credit:											
Number of returns	873,262	29,718	9,693	92,659	129,619	38,460	282,285	171,155	87,989	201,774	
Amount	13,285,657	127,696	412,529	311,076	5,745,287	4,288,005	1,021,897	596,371	594,776	782,005	
7 percent tentative investment credit:											
Number of returns	2,202	*23	*15	*54	671	318	391	*64	63	667	
Amount	98,265	*12	*123	*1	58,438	38,817	216	*89	86	566	
1 percent additional tentative investment credit for qualifying stock ownership plans:											
Number of returns	1,377	*6	33	23	307	191	512	136	55	250	
Amount	570,939	*157	11,263	2,214	250,706	285,573	6,802	1,476	7,159	7,065	
.5 percent additional tentative investment credit for qualifying stock ownership plans:											
Number of returns	309	—	5	3	38	81	4	**	**	*168	
Amount	78,759	—	749	99	41,609	33,265	717	**	**	*24	
Investment credit carryover:											
Number of returns	269,551	11,691	4,060	28,805	38,436	17,916	74,258	51,345	24,761	69,245	
Amount	6,977,611	350,032	469,755	188,532	2,002,113	2,621,435	387,623	232,096	400,559	546,083	
Investment credit:											
Number of returns	670,955	19,580	6,211	65,497	100,356	28,806	225,814	132,914	69,584	154,565	
Amount	11,038,404	76,414	223,125	220,629	4,607,188	4,143,315	826,490	319,104	512,894	426,663	
Unused investment credit:											
Number of returns	360,233	16,502	5,681	41,265	51,908	21,885	102,060	32,481	32,791	87,322	
Amount	9,973,610	401,483	671,300	281,312	3,490,965	3,123,760	591,220	262,161	492,125	909,246	

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

RETURNS OF ACTIVE CORPORATIONS, OTHER THAN FORM 1120-DISC
Table 14.—New Jobs Credit and Selected Items, by Selected Industrial Divisions

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

Item	Selected industrial divisions										Services (11)
	All industrial divisions (1)	Agriculture, forestry and fishing (2)	Mining (3)	Construction (4)	Manufacturing (5)	Transportation and public utilities (6)	Total ¹ (7)	Wholesale trade (8)	Retail trade (9)	Finance, insurance, and real estate (10)	
Number of returns of active corporations, other than Form 1120-DISC	2,235,222	65,594	19,216	214,745	231,149	85,215	666,034	231,304	432,758	432,814	516,258
Returns with new jobs credit items, other than Form 1120-DISC:											
Number of returns	334,431	7,017	3,451	43,406	52,268	13,623	113,783	39,844	73,766	31,115	69,305
Unemployment insurance wages paid in 1977	328,189	6,987	3,381	43,005	51,419	13,259	110,823	39,145	71,506	30,560	68,292
Number of returns	114,916,339	596,792	1,534,541	6,513,754	51,044,132	9,303,005	26,024,229	6,376,889	19,626,536	9,749,113	10,123,422
Amount											
102% of unemployment insurance wages paid in 1976	293,492	6,308	2,854	36,992	48,201	12,157	99,292	35,070	64,050	26,464	60,761
Number of returns	102,211,527	485,941	1,323,898	4,802,786	47,057,068	8,401,124	22,854,466	5,943,192	17,294,287	8,871,905	8,392,929
Amount											
Total wages paid in 1977	328,246	6,987	3,381	43,005	51,468	13,259	110,823	39,145	71,506	30,561	68,299
Number of returns	310,101,059	1,119,087	4,604,068	16,078,996	152,698,983	30,653,948	57,450,983	17,127,595	40,274,879	24,793,897	22,639,575
Amount											
105% of total wages paid in 1976	294,058	6,308	2,854	36,992	48,374	12,157	99,384	35,070	64,142	26,635	60,891
Number of returns	272,459,321	920,606	3,919,239	12,105,739	136,872,961	27,357,471	50,394,139	14,853,025	35,499,816	22,214,342	18,622,746
Amount											
Total qualified wages after limitation	316,528	6,620	3,350	41,976	50,205	13,122	106,535	37,329	69,034	29,153	65,271
Number of returns	3,473,589	37,120	57,328	579,624	918,247	161,360	945,265	308,032	636,228	235,085	538,736
Amount											
1977 qualified unemployment insurance wages paid to vocational rehabilitation employees	1,337	—	**	*46	298	**	671	89	582	50	*254
Number of returns	8,931	—	**	*939	2,423	**	3,757	195	3,562	521	*920
Amount											
Tentative new jobs credit	3,068,833	30,867	53,011	505,730	855,168	145,083	825,362	281,340	543,201	212,751	438,037
Corporate partner's new jobs credit before limitation	1,039	*16	*5	318	51	*9	233	165	68	193	214
Number of returns	18,534	*37	*71	11,796	1,736	*268	1,983	1,262	721	2,158	485
Amount											
New jobs credit	176,477	2,673	1,657	20,854	32,643	5,899	61,591	24,234	37,262	19,135	31,960
Number of returns	1,703,838	12,778	27,131	238,736	558,785	70,723	474,527	183,840	290,172	126,785	193,152
Amount											

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

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

¹ Includes "Nature of business not allocable," which is not shown separately

² Includes "Wholesale and retail trade not allocable," which is not shown separately

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

RETURNS OF ACTIVE CORPORATIONS

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

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

Item	Selected industrial divisions										
	All industrial divisions ¹	Agriculture, forestry, and fishing	Mining	Construction	Manufacturing	Transportation and public utilities	Wholesale and retail trade			Finance, insurance, and real estate	Services
							Total ²	Wholesale trade	Retail trade		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Number of returns of active corporations	2,241,887	65,594	19,216	214,745	231,149	85,215	672,394	237,597	432,815	432,919	516,387
Returns showing inventories for both beginning and end of year	339,552,552	2,277,802	3,685,569	11,973,856	185,855,450	15,022,173	112,052,999	51,823,302	60,107,092	3,831,885	5,019,662
Inventories, beginning of year	381,860,195	2,556,944	4,221,793	14,200,091	203,887,843	18,192,959	129,190,952	58,993,600	70,004,103	4,464,709	5,018,105
Inventories, end of year	813,274	13,173	3,891	79,547	151,272	7,514	457,922	146,387	310,737	5,340	92,282
Number of returns with inventory valuation methods for end-of-year inventories, total	376,740	5,858	1,410	43,996	60,383	3,394	209,489	59,184	149,920	3,865	47,546
Number of returns with cost method only	375,196	3,333	1,415	29,087	82,853	2,595	223,470	79,493	143,687	1,253	30,433
Number of returns with lower of cost or market method only	61,338	3,982	1,066	6,464	8,036	1,525	24,963	7,710	17,130	222	14,303
Number of returns with LIFO ³ inventory valuation method for end-of-year inventories, total ⁴	12,645	*33	60	309	5,232	63	6,607	3,527	3,080	18	323
Number of returns with percent of inventories using LIFO ³ method	740	**	4	16	374	4	341	207	134	--	*11
Under 50 percent	3,054	**	*15	21	1,373	15	1,596	574	922	**	*23
50 under 100 percent	5,386	*7	*29	208	2,143	*22	2,878	1,916	962	3	*96
100 percent	43,772	248	155	2,470	30,591	152	7,801	3,470	4,324	663	1,606
Number of returns with full absorption method of inventory costing											

¹Estimate should be used with caution because of the small number of sample returns on which it is based.
²Does not include returns for special corporations. Deleted data included in the appropriate totals.
³Includes "Nature of business not allocable," which is not shown separately.
⁴Includes "Wholesale and retail trade not allocable," which is not shown separately.
⁵Last-in, first-out³ inventory valuation method.
⁶Includes returns with percent of inventories using LIFO method not specified.
 NOTE: See text for "Explanation of Terms," and "Description of the Sample and Limitations of the Data."

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

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

Item	Selected industrial divisions										
	All industrial divisions ¹	Agriculture, forestry, and fishing	Mining	Construction	Manufacturing	Transportation and public utilities	Wholesale and retail trade			Finance, insurance, and real estate	Services
							Total ²	Wholesale trade	Retail trade		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Total returns of active corporations:	2,241,887	65,594	19,216	214,745	231,149	85,215	672,394	237,597	432,815	432,919	516,387
Number of returns	219,243,043	708,956	31,353,923	4,517,522	100,008,887	18,393,402	30,180,147	16,954,338	13,198,138	27,668,033	6,596,830
Returns with book net income or deficit:	1,994,704	57,078	16,435	197,099	210,659	76,876	603,833	217,711	384,150	379,969	449,331
Number of returns, total	1,278,016	32,736	10,769	123,119	145,992	46,036	398,156	156,324	240,480	240,857	279,270
With book net income	716,688	24,342	5,666	73,980	64,667	30,840	205,677	61,387	143,670	139,112	170,061
With book deficit	561,328	8,334	5,069	49,139	81,325	15,196	192,479	54,943	96,810	101,745	109,269
Book net income (less deficit)	129,565,320	433,503	2,806,358	2,891,322	54,164,837	16,109,595	19,958,382	11,938,109	7,969,650	29,191,514	4,180,357
Book net income	149,712,065	1,353,963	3,418,834	4,497,735	59,164,463	17,894,383	24,232,722	13,919,349	10,260,282	32,566,239	6,731,957
Less: Book deficit	100,365,158	364,382	1,770,443	2,895,970	44,932,197	10,451,984	19,574,339	11,862,279	7,691,536	16,409,894	4,158,538
Provision for Federal income tax, net	696,802	15,831	5,941	60,774	88,573	21,331	222,666	96,554	125,516	154,258	126,594
Amount	52,298,597	258,214	1,129,319	1,180,696	27,828,003	5,666,163	8,114,872	4,005,192	4,103,194	6,497,774	1,611,796
Provision for Federal income tax (+)	664,278	15,314	5,546	56,413	82,344	19,896	213,575	92,482	120,548	148,596	120,790
Number of returns	54,296,328	274,651	1,161,899	1,297,550	29,076,971	5,758,343	8,330,573	4,144,692	4,179,145	6,730,216	1,654,237
Amount	32,524	517	395	4,361	6,229	1,435	9,091	4,072	4,968	4,662	5,804
Provision for Federal income tax (-)	1,997,741	16,437	32,980	116,854	1,248,968	92,180	215,701	139,500	75,991	232,442	42,439
Number of returns	56,702,305	268,756	1,460,414	1,252,095	33,202,026	3,414,628	8,209,200	4,223,782	3,981,409	7,273,120	1,609,986
Amount	9,468,555	*11,504	576,115	99,516	7,347,260	89,904	546,222	469,986	86,236	695,220	102,785
Foreign tax credits	836,519	121	51	2,051	798,195	21,618	6,873	1,892	4,978	4,838	2,521
U.S. possessions tax credit											

¹Estimate should be used with caution because of the small number of sample returns on which it is based.
²Includes "Nature of business not allocable," which is not shown separately.
³Includes "Wholesale and retail trade not allocable," which is not shown separately.
 NOTE: See text for "Explanation of Terms," and "Description of the Sample and Limitations of the Data."

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

Accounting Periods

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

Accounts and Notes Payable

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

Accounts Payable

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

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

Additional Tax for Tax Preferences (#)

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

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

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

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

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

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

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

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

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

Advertising

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

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

Allowance for Bad Debts

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

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

Amortization (#)

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

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

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

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

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

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

See also, "Additional Tax for Tax Preferences."

Annual Returns

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

Bad Debts (#)

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

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

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

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

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

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

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

See also "Additional Tax for Tax Preferences."

Book Net Income (or Deficit)

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

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

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

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

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

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

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

Business Receipts

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

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

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

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

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

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

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

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

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

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

Capital Stock

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

Cash

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

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

Compensation of Officers

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

Consolidated Returns

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

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

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

Constructive Taxable Income from Related Foreign Corporations (#)

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

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

The includable income consisted of:

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

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

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

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

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

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

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

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

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

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

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

Contributions or Gifts

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

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

Cost of Property Used for Investment Credit

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

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

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

Cost of Sales and Operations

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

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

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

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

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

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

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

Cost of Treasury Stock

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

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

Depletable Assets

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

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

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

Depletion (#)

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

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

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

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

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

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

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

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

See also, "Additional Tax for Tax Preferences."

Depreciable Assets

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

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

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

Depreciation (#)

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

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

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

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

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

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

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

See also, "Additional Tax for Tax Preferences."

Distributions to Stockholders

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

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

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

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

Dividends Received from Domestic Corporations

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

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

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

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

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

Dividends Received from Foreign Corporations

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

Dividends received from foreign corporations included:

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

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

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

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

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

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

Domestic International Sales Corporation Returns (#)

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

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

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

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

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

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

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

The gross assets test required that at least 95 percent of the corporation's assets be "qualified export assets." In general, qualified export assets were inventories of "export property" (i.e., property which: (1) had been manufactured, produced, grown or extracted in the United States by other than a DISC; (2) was held primarily for sale or lease in the ordinary course of business for direct use, consumption, or disposition outside the United States; and (3) had at the time of sale or lease by the DISC not more than one-half of its fair market value attributable to imported articles) necessary operational equipment and supplies; trade receivables from export sales (including commissions receivable); producer's loans (i.e., loans of the DISC's profits to a U.S. export producer whether or not related to the DISC); working capital (i.e., cash and necessary temporary investments); investments in related foreign export corporations (including real property holding companies and associated foreign corporations); obligations issued, guaranteed, or insured by the Export-Import Bank or the Foreign Credit Insurance Association; and, obligations of the Private Export Funding Corporation.

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

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

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

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

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

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

Employee Benefit Programs

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

Foreign Tax Credit

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Income Subject to Tax (#)

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

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

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

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

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

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

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

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

See also, "Income Tax."

Income Tax (#)

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

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

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

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

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

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

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

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

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

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

(3) audit examinations and other enforcement activities; and

(4) uncollectible taxes.

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

Intangible Assets

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

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

Interest on State and Local Government Obligations

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

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

Interest on U.S. Government Obligations

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

Interest Paid

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

Inventories

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

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

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

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

Investment Credit (#)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Investment Credit Carryover (#)

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

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

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

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

Investment Qualified for Credit (#)

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

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

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

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

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

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

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

Investments in Government Obligations

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

Land

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

LIFO Inventory Method under Code Section 472

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

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

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

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

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

Under LIFO, goods and materials remaining on hand at the close of the year were treated, first, as those included in opening inventory to the extent thereof, and, second, as those added during the year. Items treated as having been in opening inventory were valued in order of acquisition except for the first LIFO year, when they were valued at average cost. Additions to inventory during the year were valued, at the corporation's option, on the basis of the most recent purchases, at an average cost for the year, in order in which they were acquired, or by any other method that reflected income most clearly.

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

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

Loans from Stockholders

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

Loans to Stockholders

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

Members of Controlled Groups

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

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

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

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

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

Mortgage and Real Estate Loans

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

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

Mortgages, Notes, and Bonds Payable

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

See also, "Additional Tax for Tax Preferences."

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

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

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

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

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

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

Code sections 1245 and 1250:

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

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

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

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

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

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

Code sections 1251 and 1252:

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

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

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

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

Code section 1254:

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

Code section 617:

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

Net Income (or Deficit)

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

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

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

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

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

Net Long-Term Capital Gain Taxed at Alternative Rate

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

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

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

Net Worth

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

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

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

New Jobs Credit (#)

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

Noncalendar Year Returns

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

Notes and Accounts Receivable (#)

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

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

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

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

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

Number of Returns

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

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

Number of Stockholders

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

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

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

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

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

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

Other Assets

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

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

Other Capital Assets Less Reserves (#)

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

Other Current Assets

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

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

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

Other Current Liabilities

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

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

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

Other Deductions (#)

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

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

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

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

Other Interest

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

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

Other Investments

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

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

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

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

Other Investments and Loans (#)

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

Other Liabilities

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

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

Other Receipts

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

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

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

Paid-In or Capital Surplus

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

Part-Year Returns

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

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

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

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

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

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

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

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

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

Provision for Federal Income Tax

In general, this was the net amount of Federal income tax accrued, or the provision for such tax, for the taxable year as reported in corporations' books of account and in tax return schedules reconciling book and tax profits (see Schedule M-1, "Reconciliation of income per books with income per return," on the Form 1120 return facsimile in section 7 of this report), or in the case of most insurance companies, from the annual statements filed with the returns.

When corporations identified the amount of Federal income tax which was current and the amount which was deferred, only the amount reported as current was used for the statistics. Deferred Federal income tax as shown on the books of account represented the tax consequence resulting from differences between book and tax accounting in the recognition of various items of income and expenses. (See "Book Net Income (or Deficit).")

Corporations occasionally reported foreign and State taxes together with Federal taxes and the components were not separately identified. The resulting effect on the statistics was to overstate the provision for Federal income tax. This had no effect, of course, on the after-tax profit amount shown in the statistics as "Book Net Income (or Deficit)."

Rent Paid on Business Property

These deductions for ordinary and necessary expenses consisted of rents paid for the use of land

or structures, and rents paid for leased roads, rolling stock, and work equipment for railroad companies. Identifiable amounts of taxes paid and other expenses of lessees in connection with rent paid were included in their respective deduction headings.

Rents

These were the gross amounts received for the use or occupancy of property. Expenses related to rental property, such as depreciation, repairs, interest paid, and taxes paid, were not deducted directly from the rental income, but were reported as business deductions from total receipts. The rental income of manufacturing, public utility, and service corporations which frequently leased rather than sold their products, was included in the "Business Receipts" rather than in rents.

Repairs (#)

Repairs reported as an ordinary and necessary business expense were the costs of maintenance and incidental repairs and could include the cost of labor, supplies and other items which did not add to the value or appreciably prolong the life of the property. Expenditures for new buildings, machinery or equipment, or for permanent improvements which increased the cost or basis of the property were not deductible currently and were charged to capital expenditures, which were generally depreciable.

For taxpayers using the Class Life Asset Depreciation Range (CLADR) system (see Statistics of Income--1976, Corporation Income Tax Returns), a relatively few elected an alternative method of computing the deduction for repairs. This method was available when ambiguity existed as to whether expenditures for repairs, maintenance, rehabilitation, or improvement of depreciable property could be deducted in the year paid or incurred, or had to be capitalized and depreciated over the useful life of the property.

Under the rules prescribed, all qualifying expenditures within a given asset guideline class were treated as currently deductible repairs provided they did not exceed the "repair allowance." The repair allowance for an asset guideline class was based on the percentage prescribed for that class applied to the "average" cost or unadjusted basis of "repair allowance property" in that class. Amounts in excess of the percentage had to be capitalized and recovered as depreciation.

Retained Earnings, Appropriated

Earnings set aside for specific purposes and not available for distribution to stockholders were included under this heading. Included were guaranty funds and reserves for plant expansion, bond retirements, and contingencies for extraordinary losses. Specifically excluded were the reserves for bad debts, for depreciation, for depletion, and for amortization, which were shown separately; and, the reserves for taxes, and unrealized profits or unearned income, which were includable in "Other Liabilities."

Retained Earnings, Unappropriated

Retained earnings, unappropriated, consisted of the retained earnings and profits of the corporation less any reserves (shown in the statistics as "Retained Earnings, Appropriated"). The statistics shown are net figures after deduction of any negative amounts.

For Domestic International Sales Corporations (DISC's), this item included previously taxed income, accumulated DISC income, and other earnings and profits.

Similarly, for Small Business Corporations electing to be taxed through their stockholders, this item included earnings from before the corporation's election as well as earnings since the election, to the extent that they had not yet been distributed to the stockholders. (See "Stockholders' Undistributed Taxable Income Previously Taxed.")

Returns of Active Corporations

These returns were the basis for all financial statistics presented in the report. They comprised the vast majority of the returns filed, and were defined for the statistics as returns of corporations reporting any income or deduction items.

Returns of Inactive Corporations

Corporations in existence during any portion of the taxable year were required to file a return even though they may have been inactive. Inactive corporations are defined for this report as returns showing no item of income or deduction. Financial data from these returns were excluded from the statistics.

Returns With Net Income

Returns with net income were those showing gross taxable receipts exceeding the ordinary and necessary business deductions allowed by the Code. (See "Net Income (or Deficit).")

Returns Without Net Income

Returns without net income were those for which ordinary and necessary business deductions allowed by the Code exceeded gross taxable receipts. In addition to deficit returns, this classification also included returns where gross taxable receipts and business deductions were equal. (See "Net Income (or Deficit).")

Royalties

Royalties were payments received, generally on an agreed percentage basis, for the use of property rights. Included were amounts received from such properties as copyrights, patents, and trademarks; and from natural resources such as timber, mineral mines, and oil wells. The amount reported was the gross amount received. Expenses relating to royalties, depletion or taxes, for example, were not deducted directly from this income, but were reported among the various business deductions from total gross income.

Excluded from the statistics were certain royalties received under a lease agreement on timber, coal deposits, and domestic iron ore deposits, which were allowed special tax treatment. Under elective provisions of Code section 631, the net gain or loss on such royalties was included in the computation of net gain or loss on sales or exchanges of certain business property under section 1231. If the overall result of this computation was a net gain, it was eligible for treatment as a long-term capital gain, taxable at the capital gains rates. If the overall result was a net loss, it was fully deductible in the current year as an ordinary noncapital loss. See the discussions of "Net Capital Gains" and "Net Gain (or Loss), Non-capital Assets."

Size of Business Receipts

Size of business receipts was based on the gross amounts from sales and operations for industries except those in the finance, insurance, and real estate divisions. For these industries, total

receipts, which is the sum of business receipts and investment income, were used as the basis for classification. See the discussions of "Business Receipts" and "Total Receipts."

Size of Income Tax After Credits (#)

Table 12 presents statistics for corporations classified by size of income tax after credits. Income tax after credits was the net amount of income tax liability after deducting the foreign tax, investment, possessions, new jobs and work incentive (WIN) credits. It included the normal tax, surtax, and alternative tax. As such, it excluded the tax from recomputing prior-year investment credit, tax from recomputing prior-year WIN credit, and additional tax for tax preferences.

Size of Total Assets

Size of total assets was based on the amount reported in the end-of-year balance sheet. Returns with zero assets were used as a classification for returns of: (1) liquidating or dissolving corporations which had disposed of all their assets and whose income tax returns were final returns; (2) merging corporations whose assets and liabilities were included in the returns of the acquiring corporations; (3) corporations filing a part-year tax return because of a change in accounting period; and (4) foreign corporations with income effectively connected with the conduct of a trade or business within the United States (except foreign insurance companies providing balance sheet information for U.S. branches). (See also, "Total Assets and Total Liabilities.")

Small Business Corporation Returns (#)

Form 1120S, U.S. Small Business Corporation Income Tax Return, was filed by corporations electing to be taxed through stockholders under section 1372 of the Code.

To qualify as a Small Business Corporation, a firm had to be a domestic corporation, with no more than ten stockholders, each of which was an individual (or an estate) and no one of which was a nonresident alien. For taxable years beginning after December 31, 1976, a Small Business Corporation which had been an electing Small Business Corporation for 5 consecutive taxable years could have as many as fifteen stockholders (see "Number of Stockholders"). The corporation could have only one class of stock and could not be a member of an affiliated group eligible to file a consolidated return. Moreover, the corporation could not receive more than 80 percent of its gross receipts from sources outside the United States nor more than 20 percent from passive investments (interest, rents, royalties, annuities, and gains from the sale or exchange of stock and securities). The 20 percent passive-income limitation did not apply during the first 2 years of business unless such income, for the year in question, was \$3,000 or more.

Net income of Small Business Corporations was computed in the same manner as for most corporations. The net operating loss deduction and other statutory special deductions allowed most corporations, such as for dividends received, could not be taken.

An electing Small Business Corporation was generally not taxed. However, an existing corporation that elected (under Code section 1372) to become a Small Business Corporation was subject to a special tax for the first 3 taxable years of the election. On the other hand, a new corporation which was an electing Small Business Corporation for each year of its existence was not subject to the special tax at

all. Section 1378 of the Code provided that the amount of the tax was the lower of the following: (1) 30 percent of the excess of net long-term capital gain (reduced by net short-term capital loss) over \$25,000 when net long-term capital gain was more than 50 percent of a net income that was over \$25,000; (2) 30 percent of the gain from the disposition of property using a "substituted basis" (i.e., the basis that was transferred from another corporation which was not also an electing Small Business Corporation); or (3) the normal tax and surtax rates applied to net income. Foreign tax credit, investment credit, U.S. possessions tax credit, work incentive (WIN) credit and new jobs credit were not available to the corporation to reduce this tax (although the cost of investment credit property and WIN Program salaries and wages were allocated to stockholders for their use in computing the credits).

Generally, the income of the Small Business Corporation was taxable to its stockholders as ordinary income. Net long-term capital gains (reduced by any tax paid on them by the corporation) were not taxable as ordinary income, but instead retained their character in the hands of the stockholders. Also, stockholders were allowed to deduct their share of the corporation's deficit from other forms of individual (or fiduciary) income as part of their net operating loss deduction. Undistributed income earned in previous years was taxable to stockholders in the year it was earned, and could be distributed during the current year without any further tax.

Statutory Special Deductions (#)

Statutory special deductions is the term used for the statistics to describe the deductions for: (1) net operating losses of prior years, and (2) total "special deductions" as defined by the Code, i.e., the sum of deductions for intercorporate dividends received, for dividends paid on certain preferred stock of public utilities, and for Western Hemisphere Trade Corporations. Since these deductions were allowed by law, in addition to ordinary and necessary business deductions, they are shown as deductions from net income.

In general, net income less statutory special deductions equalled income subject to tax. However, the two dividend deductions were not restricted to returns with net income, nor, in general, to the amount of net income and thus became part of the statutory "net operating loss" for some corporations. Statutory special deductions were not allowed to Small Business Corporations for which an election was made to be taxed through stockholders, nor to regulated investment companies and real estate investment trusts.

Although Domestic International Sales Corporations (DISC's) were not taxable, in order to compute "tax deferred income and income taxable to stockholders," two of the statutory special deductions, i.e., net operating loss deduction and intercorporate dividends received deduction, discussed below, were allowed.

Definitions for the statutory special deductions contained in the statistics are as follows:

(1) Net operating loss deduction.—The total net operating loss deduction was based on statutory net operating losses of prior or subsequent years which could be used to reduce taxable income for a specified number of years. The amount shown in this report, however, consists only of losses from prior years actually used to reduce taxable income for 1977. Losses incurred after 1977 and carried back to that year at a later date could not be reported on the returns used for this report. In general, losses were carried back over a 3-year period, chronologically, and any amount not offset against income during that time could then be carried forward against

income for a period not exceeding 5 years. Longer carryover periods were allowed for certain foreign expropriation losses, and for corporations applying for tax assistance under the Trade Expansion Act of 1962, for regulated transportation corporations, and for new life insurance companies.

Net operating losses on which the current-year deduction was based included: (a) the excess of ordinary and necessary business expenses over income in the previous loss years, and (b) statutory special deductions claimed in the loss year for dividends received and for dividends paid on certain preferred stock of public utilities (or any excess of such deductions over net income).

The net operating loss deducted for the current year was limited to net income reduced, first, by the deductions for dividends received and for dividends paid on certain preferred stock of public utilities.

Net operating losses incurred by Domestic International Sales Corporations (DISC's) were deductible from net income only if the DISC had been a corporation prior to its election to become a DISC and only for losses incurred prior to the election. The statistics are overstated to the extent small amounts of net operating loss deductions were reported by DISC's without net income; no attempt was made to suppress these amounts for the statistics.

For a "parent-subsidiary" controlled group that had elected separate surtax exemptions for each group member under prior law, but which had shifted to a single group exemption and filed a consolidated return under subsequent law, special provisions for the treatment of net operating losses of the individual group members applied. The net operating losses of such individual group members sustained in years during which the election of multiple surtax exemptions was in effect could be carried over and deducted from consolidated net income.

(2) Total special deductions.—The total special deductions contained in this report was the sum of the following deductions:

(a) Intercorporate dividends received deduction.—The intercorporate dividends received deduction, under Code sections 243–246, was the sum of the following components:

(1) A deduction equal to 85 percent of dividends received from domestic corporations which were themselves subject to the income tax. This particular deduction accounted for the major portion of the intercorporate dividends received deduction. Since DISC's were not subject to tax, the intercorporate dividends received deduction was not allowed for dividends received by their stockholders. However, if the dividends were paid out of earnings and profits from a year before the election was made to become a DISC, the stockholders were entitled to the deduction for such dividends.

(2) A deduction equal to 85 percent of certain dividends received from foreign corporations (a) which had been engaged in a trade or business within the United States for at least 3 years, and (b) which also had at least 50 percent of their gross income "effectively connected" with the U.S. trade or business.

(3) A transitional deduction equal to 100 percent of certain intragroup dividends received (qualifying under Code section 1564) allowed members of controlled groups claiming multiple surtax exemptions under section 1562. Beginning with the tax year which included December 31, 1970, the former rate of 85 percent was gradually increased by 2.5 percent increments per year for such controlled groups so that for tax

years beginning after December 31, 1974, the deduction would be the same 100 percent deduction described below under (4).

(4) A deduction equal to 100 percent of certain intragroup dividends allowed members of controlled groups not electing to file consolidated returns, but sharing instead, a single surtax exemption under Code section 1561.

(5) A deduction equal to 100 percent of dividends received from wholly-owned foreign subsidiaries whose entire gross income was "effectively connected" with the conduct of a trade or business within the United States.

(6) A deduction equal to about 60.2 percent of dividends received on certain preferred stock of public utilities for which a dividends paid deduction, described below, was also allowed the distributing corporation. The applicable percentage was based on the income tax rate.

(7) A deduction equal to 100 percent of dividends received by small business investment companies. For tax returns with net income for the taxable year, there was a limitation on the deduction, based on net income, for dividends received not subject to the 100 percent deduction (Code section 246). For these returns the deduction could not exceed 85 percent of net income less any Western Hemisphere Trade Corporation deduction (described below) and less any 100 percent deduction for domestic intragroup dividends. This limitation was not applicable if the corporation had no net income for the year. In this case, the deduction became part of the statutory net operating loss previously described. In the case of life insurance companies, the above percentage deductions were further reduced by the ratio of investment yield less total exclusions (operations) to investment yield.

(b) Deduction for dividends paid on certain preferred stock of public utilities.—For public utility companies, as defined by law, a special deduction was allowable under Code section 247 for dividends if paid on certain preferred cumulative stock deemed issued prior to October 1, 1942. This deduction, based on the income tax rate, amounted to about 29.2 percent of the dividends paid on such stock.

If the dividends paid were greater than net income reduced (in general) by all other statutory special deductions for the year, the deduction could not exceed the above-described percentage of net income after this adjustment.

(c) Western Hemisphere Trade Corporation deduction.—This deduction was allowed certain domestic companies which qualified under section 921 of the Code. These companies conducted almost all of their business outside the United States, but within the Western Hemisphere. The deduction was equal to taxable income (computed without regard to the deduction, i.e., net income minus the statutory special deductions for net operating losses and for intercorporate dividends received and for dividends paid on certain public utility stock) multiplied by a fraction having a numerator of 14 percent and a denominator equal to the combined U.S. normal tax rate and surtax rate. The Tax Reform Act of 1976 provided for a phaseout of the 14 percent figure. For 1977,

the numerator was 8 percent. The Act also repealed the Western Hemisphere Trade Corporation deduction for taxable years beginning after December 31, 1979.

Stockholders' Undistributed Taxable Income Previously Taxed

This end-of-year balance sheet item was the accumulated taxable income, i.e., net income (or deficit), earned by Small Business Corporations since they had first elected to be taxed through their stockholders, to the extent that it had not yet been distributed to the stockholders. Taxable income, whether distributed or not to the stockholders, was taxable to the stockholders in the year earned so that later distributions from this account were nontaxable. (See "Small Business Corporation Returns.") This item is reflected in the statistics for "Retained Earnings, Unappropriated" and "net worth" in those tables which show these items.

Tax Deferred Income and Income Taxable to Stockholders

This amount represented the net income (less deficit) of a Domestic International Sales Corporation (DISC) minus statutory special deductions (described under a separate heading). This "taxable income" was used in determining the amount of the DISC's earnings and profits that were considered to be "amounts deemed distributed" to stockholders of the DISC. Generally, taxation on a portion of this amount could be deferred indefinitely and the remainder was taxable to stockholders in the year earned.

See also "Domestic International Sales Corporation Returns."

Taxes Paid

Taxes paid included the amounts reported as an ordinary and necessary business deduction as well as identifiable amounts reported in the cost of goods sold and operations schedules. Included among the deductible taxes were ordinary State and local taxes paid or accrued during the year; social security and payroll taxes; unemployment insurance taxes; import and tariff duties; and business, license and privilege taxes. Income and profits taxes paid to foreign countries or U.S. possessions were also deductible unless claimed as a credit against income tax. However, Small Business Corporations electing to be taxed through their stockholders had to deduct from gross income any foreign taxes they paid. They could not claim a foreign tax credit, nor could they pass these taxes on to their stockholders for their use as a foreign tax credit. (See "Foreign Tax Credit.")

Taxes not deductible included Federal income and excess profits taxes, gift taxes, taxes assessed against local benefits, and Federal taxes paid on interest from tax-free covenant bonds.

Some corporations included sales taxes and excise and related taxes, which were part of the sales price of their products, as receipts. When this occurred, an equal and offsetting amount was usually included in the cost of sales and operations or as part of the separate deduction for taxes paid. When included in the cost of sales and operations, these taxes often were not identifiable and, therefore, could not be included in the statistics for taxes paid.

Tax from Recapturing Prior Year Investment Credit (#)

This tax, a recapture of investment credit, was required when depreciable (or amortizable) property used in computing the investment credit of a prior

year was either disposed of or ceased to be qualifying property before the end of its useful life assumed at the time the credit was originally computed.

The tax was payable for the year in which the property was disposed of or became disqualified. It amounted to the difference between the credit originally claimed based on the intended life in the year of acquisition and the credit that would have been allowed based on the actual life in the year of disposition or disqualification. Useful life classes for investment credit purposes were shortened for property acquired after August 15, 1971. The revised useful life classes applied to investment credit property disposed of or disqualified after this date, even if the property was acquired (and the credit claimed) using the longer useful life classes specified under prior law.

Recapture of investment credit was required after August 15, 1971, when investment credit property was effectively disposed of prematurely by reason of casualty or theft. Recapture was also required when the following subsequent elections caused property for which credit had been claimed earlier to cease to be qualifying property: (1) 5-year accelerated depreciation elected for expenditures to rehabilitate low-income rental housing, and (2) 5-year rapid amortization elected for certain expenditures for child care facilities and certain railroad rolling stock.

Effective for taxable years ending after March 31, 1976, the Revenue Act of 1978 exempted transferor railroad companies from additional tax on the transfer of their rail properties to the Consolidated Rail Corporation (ConRail), i.e., such railroad companies were not liable for tax from recomputing prior-year investment credit. See the discussion under Changes in Law in section 2.

Unless otherwise indicated, tax from recomputing prior-year investment credit is included in the statistics for "Income Tax" in this report.

See also, "Investment Credit".

Tax from Recapturing Prior Year Work Incentive (WIN) Credit

A "recapture" of the work incentive (WIN) program credit was required whenever an employer that had claimed the credit in a prior year (1) terminated without cause the employment of an employee hired under the WIN program, or (2) failed to pay a WIN employee wages comparable with non-WIN employees for the same services. Generally, if the WIN employee's employment did not last at least 24 months, the WIN credit had to be paid back, even though a WIN credit could be taken for only the first 12 months of employment.

The Tax Reduction Act of 1975 included a temporary credit for Aid to Families with Dependent Children (AFDC) program recipients hired under the Social Security Act provisions. (The original WIN credit provisions applied only to AFDC program recipients hired under the WIN program.) The temporary credit, which was first slated to expire July 1, 1976, was extended by the Tax Reform Act of 1976 until January 1, 1980. The Tax Reform Act of 1976 liberalized the recapture provisions for termination of employees hired under the WIN program. See "Work Incentive (WIN) Credit."

Unless otherwise indicated, tax from recomputing prior year work incentive (WIN) credit is included in the statistics for "Income tax" in this report.

Tax Net Income (or Deficit) (#)

In order to facilitate comparison between after-tax book and tax profits in table 16, an effort was made to adjust the net income computed under the

Internal Revenue Code (and described under a separate heading) in order to recognize taxes in a consistent manner under the two profit concepts, insofar as possible.

Corporations were asked to report book net income as after income tax. Because the net income under the Code was reported before taxes, tax net income was the term used for the statistics to describe the net income after it was reduced by the income tax. For this purpose, the taxes subtracted from net income were defined to include the sum of the regular income tax, the additional tax for tax preferences, and the taxes from recomputing prior-year investment and work incentive (WIN) credits, reduced by the current year's investment, WIN and new jobs credits, but not by the foreign tax credit nor U.S. possessions tax credit.

Thus, an "economic" or "accounting" approach was used to compute tax net income in regard to the treatment of foreign income and taxes to the extent that foreign income was included in the income statistics. The U.S. possessions tax credit was also excluded for this purpose.

It was felt that the corresponding income tax, whether domestic or foreign, should be uniformly reflected to the extent possible in the taxes used in this computation. By disregarding the foreign tax credit, foreign income taxes in effect were recognized as a deduction in arriving at tax net income, just as they were in arriving at book net income. To have done otherwise, by treating these taxes as a credit against U.S. tax, would have meant disregarding the effect of foreign income taxes on tax net income altogether. This was because corporations with a foreign tax credit could be thought of as having satisfied their U.S. income tax liabilities by paying taxes (to the extent of the credit) to foreign governments instead of the U.S. Government. The foreign tax credit was, after all, merely a device to prevent double taxation of foreign income.

This approach to foreign taxes for the statistics has drawbacks. The foreign tax credit, because of the limitations required in its computation, was not synonymous with total foreign income taxes. Because of the carryover provisions, some of the taxes credited for 1977 were actually paid in other years while other amounts, paid on 1977 income, had to be carried to other years for crediting. In addition, most foreign dividends had to be "grossed up" by the foreign taxes deemed paid on this income (see "Constructive Taxable Income from Related Foreign Corporations"). To the extent that such taxes were included as income, tax net income, conceptually, is overstated in comparison to book net income.

The user of the statistics can derive another estimate of tax net income (or deficit) by taking into account only the income tax payable to the United States. Under this approach, the before-tax net income (or deficit) shown in the statistics should be reduced by income tax after the investment, WIN and new jobs credits, and after the foreign tax credit as well.

Aside from conceptual problems associated with the treatment of foreign income and taxes, it should be noted that Domestic International Sales Corporations (DISC's) and, for the most part, Small Business Corporations electing to be taxed through stockholders, were not subject to the corporation income tax. Therefore, "Tax Net Income (or Deficit)" (the after-tax concept) for these companies is the same as "Net Income (or Deficit)" (the before-tax concept).

See also "Book Net Income (or Deficit)" for some of the other reasons for differences between book and tax profits.

Tax Preference Items

These items constituted the basis (after adjustments described under "Additional Tax for Tax Preferences") upon which the 15 percent additional tax for tax preferences (or "minimum tax") was levied. They comprised various kinds of tax-favored income and deductions, which, in effect, provided corporations with nontaxable "economic" income.

In general, the tax preference items were attributable to U.S. sources. However, the capital gain preference (described below) included amounts from foreign sources if they were not subject to foreign taxation, or if the foreign tax was a preferential one. Other items attributable to foreign sources were treated as preferences only to the extent they reduced U.S. taxable income.

For Small Business Corporations electing to be taxed through their stockholders, all of the tax preference items described below were reported, but only the capital gain preference and the intangible drilling cost preference were taxable to the corporations themselves. The other items were taxable only to the stockholders of such corporations.

Items included as tax preferences were:

(1) Accelerated depreciation (depreciation in excess of the amount computed under the straight-line method) allowed on: (a) low-income rental housing; (b) other real property (defined in Code section 1250); and (c) personal property (defined by section 1245) subject to a lease. The tax preference in connection with personal property subject to a lease did not apply to corporations other than Personal Holding Companies and Small Business Corporations electing to be taxed through their stockholders.

(2) Amortization of (a) certified pollution control facilities, (b) railroad rolling stock, (c) on-the-job training facilities, and (d) child care facilities. The tax preference was the excess of these special rapid write-offs over what otherwise would have been a depreciation deduction under section 167.

(3) Reserves for losses on bad debts of financial institutions. Financial institutions (mostly banks and savings and loan associations) were allowed deductions for additions to a reserve for bad debts under prescribed rules. When these deductions exceeded amounts based on the actual bad debt loss experience of the institution (or in the case of a new company, industry experience), the excess was considered a tax preference. (The appearance of this preference for other than finance division corporations was caused chiefly by the filing of consolidated returns that included finance subsidiaries.)

(4) Depletion. The excess of the depletion deduction over the cost or other basis of the property (reduced by depletion taken in prior years) was a tax preference.

(5) Capital gains. This tax preference was based on the excess of net long-term capital gain over the net short-term capital loss, when these net gains were taxed at the special lower capital gain rate. The amount treated as a preference was this amount multiplied by a ratio of the regular tax rate of 48 percent less the rate applicable to capital gains (generally 30 percent) to the regular corporate tax rate of 48 percent.

(6) Intangible drilling costs. This was the excess of deductible intangible drilling and development costs incurred in connection with oil and gas wells (other than costs incurred in drilling a nonproductive well) over the amount that would have been deductible if such costs had been capitalized and depreciated under the straight line method.

Items (5) and (6) above were the only tax preferences for which Small Business Corporations electing to be taxed through their stockholders (Form 1120S) would be liable (see the discussion under "Small Business Corporation Returns" in this section). Tax preferences for these corporations were ordinarily passed on to the stockholders for taxation. Regulated investment companies and real estate investment trusts also included capital gains as a tax preference but only to the extent that such gains were not passed on to their stockholders.

Tentative Investment Credit

Tentative investment credit represented the earned credit before taking into account the statutory limitations based on the presence and size of income tax.

Prior to January 22, 1975, for most corporations, the tentative credit was equal to 7 percent of investment qualified for credit, an amount based on the cost of certain depreciable purchases and designed to give weight to longer-lived assets. (See "Investment Qualified for Credit.") An exception was made for investment in certain public utility property. Prior law also specified that for such property the otherwise qualified investment should be reduced to four-sevenths of the total amount. As a matter of practical computation, however, the full qualified investment was usually reported, and a 4-percent rate substituted for the 7-percent rate in order to obtain the legal tentative credit.

The Tax Reduction Act of 1975 temporarily (from January 22, 1975, through December 31, 1976) increased the tentative investment credit from 7 percent of qualified investment (4 percent in the case of public utility property) to 10 percent (11 percent under certain conditions) for all corporate taxpayers. (The period of the temporary increase was extended for 4 years through December 31, 1980, by the Tax Reform Act of 1976.) Thus, no special computations for reporting qualified investment of public utility property or the tentative credit on such property were required.

The Tax Reform Act of 1976 also permitted an extra investment credit equal to up to 0.5 percent of the qualified investment of corporations that qualified for the additional 1 percent for participation in an "employee stock ownership plan" (ESOP). The 0.5 percent additional credit was available only to corporations that transferred to the participants' accounts corporate securities held under the ESOP. (See "Investment Credit.")

See the facsimile for Form 3468, Computation of Investment Credit, in section 7 of this report.

Total Assets and Total Liabilities (#)

Total assets and total liabilities were those reported in the end-of-year balance sheet in the corporations' books of account. Total assets were net amounts after reduction by accumulated depreciation, accumulated amortization, accumulated depletion, and the reserve for bad debts. When reserves for bad debts were reported as liabilities, they were treated as reductions from the asset accounts to which they related and the totals of assets and liabilities were adjusted accordingly. When used in this report, the term total liabilities includes both the claims of creditors and stockholders' equity (see "Net Worth"). In addition, total liabilities were net amounts after reduction by the cost of Treasury stock. Moreover, when Treasury stock intended for resale was identified in "Other investments" on the asset side of the balance sheet, it was moved to the liability side for the statistics, and the totals of assets and liabilities were also adjusted.

Asset and liability estimates for returns of corporations that failed to provide complete balance sheet information were imputed from data in other schedules on the return form or by using either reference books or relationships between income statement and balance sheet items on similar returns in the same industrial group.

Because Forms 1120L and 1120M used by life insurance companies and certain mutual insurance companies did not provide for the complete reporting of balance sheet information, asset and liability data for these companies were obtained from reference books or from balance sheets filed with the returns in the form required by State law. These sources were also used for any other insurance companies, not filing returns on Forms 1120L or 1120M, which filed balance sheets in the form required by State law in lieu of the income tax return schedule. (See also, "Size of Total Assets.")

Total Deductions

As presented in the tables of this publication, total deductions comprised (1) the cost of sales and operations, (2) the ordinary and necessary business deductions from gross income, and (3) net loss from sales of noncapital assets. Components of total deductions are shown in the income statement segment of various tables throughout this report.

For certain mutual insurance companies, with total receipts under \$500,000, total deductions represents only investment expenses; business expenses were excluded by law.

Total Receipts

The components of total receipts are shown in the income statement segment of various tables throughout this report. This amount was derived as follows:

Included items--(1) Gross taxable receipts (before deduction of cost of sales and operations, ordinary and necessary business expenses, and net loss from sales of noncapital assets), and (2) Nontaxable interest received from State and local Government obligations.

Excluded items--(1) Other nontaxable income recognized by the corporation, and (2) Certain taxable income from related foreign corporations only constructively received.

For certain mutual insurance companies, with total receipts under \$500,000, the gross taxable receipts included in the statistics represent only the receipts from investments; operating income was excluded by law.

Total Receipts Less Total Deductions

This item differed from net income (less deficit) for tax purposes in that it included nontaxable "Interest on State and Local Government Obligations" and excluded "Constructive Taxable Income from Related Foreign Corporations." As such, it included all of the income "actually" (as opposed to "constructively") received by the corporation and reported on the income tax return.

U.S. Possessions Tax Credit (#)

In order to provide a tax incentive for domestic corporations to invest in Puerto Rico and U.S. possessions (including American Samoa, Guam, Johnston Island, Midway Islands, the Panama Canal Zone, and Wake Island, but not the Virgin Islands), the Tax Reform Act of 1976 added, under Code section 936, a new tax credit -- the U.S. possessions tax credit. Under the new provisions in Code section 936, the U.S. possessions tax credit was equal to the U.S. tax on domestic

corporations' income from sources within a possession in which the corporations actively conducted a trade or business. Formerly, under Code section 931, qualified possessions income was exempted from U.S. income tax.

The amount of the credit was equal to that portion of the U.S. tax of the domestic corporation attributable to taxable income from sources outside the United States from the active conduct of a trade or business within a U.S. possession and from qualified possession source investment income. In determining the amount of tax attributable to the income from the active conduct of a possession trade or business or from qualified possessions investment income, losses from other sources were taken into account.

Qualified possessions source investment income included only income from sources within a possession in which the possessions corporation actively conducted a trade or business (whether or not such business produced taxable income). The corporation had to establish that the funds invested were obtained from the active conduct of a trade or business within that same possession and were actually invested in assets in that possession. Funds placed with an intermediary (such as a bank located in the possession) were to be treated as invested in that possession only if it could be shown that the intermediary did not reinvest the funds outside the possession.

The U.S. possessions tax credit provisions called for possessions corporations to be taxed on worldwide income just like any other U.S. corporation; however, the possessions corporations could receive a full tax credit attributable to qualified possessions source income even if no tax was paid to the Governments of the possessions. Thus, the effect of the U.S. possessions tax credit provisions was: (a) to exempt qualified possessions source income from U.S. income tax, (b) to allow a dividends-received deduction for dividends repatriated by the possessions corporations to their U.S. parent corporations; and (c) to tax currently foreign source income (which was not taxable under prior law), subject to the foreign tax credit with allowances for foreign taxes paid with respect to such income. Foreign source income continued to be exempt from U.S. taxes for investment income that was earned before October 31, 1976, whether or not the investment income was initially derived from the possessions' business.

Before the U.S. possessions tax credit could be claimed, a domestic corporation had to make an election and satisfy two tests: (1) receive for the "applicable" period immediately preceding the close of the taxable year at least 80 percent of its gross income from sources within a U.S. possession, and (2) receive for the "applicable" period at least 50 percent of its gross income from the active trade or business within a U.S. possession. "Applicable" period was the lesser of 3 years or the period during which the corporation was engaged in the active conduct of a trade or business within a U.S. possession. Once in effect, the election was to remain in force for 9 years after the first year for which the election was effective and for which the domestic corporation met the 80 percent source of income and 50 percent active trade or business income requirements. The election could be revoked during this 10-year period only with the consent of the Secretary of the Treasury, based on cases of substantial hardship where no tax avoidance could result from the revocation. After revocation during the 10-year period, a domestic corporation could make the election for the 10-year period again, provided the two preconditions were met. After the 10-year period, no consent was needed to revoke the election.

Additionally, possessions corporations were prohibited by the election from filing or joining in the filing of consolidated returns, as they had been able to do under the prior law, in years in which they incurred losses. The new law permitted possessions corporations to be included in consolidated returns only in the case where their losses resulted from initial start-up expenses incurred at the time their possessions operations were just beginning. Even these losses would be subject to recapture if the possessions corporations derived foreign source income in later years.

The U.S. possessions tax credit could not be taken by corporations that were Domestic International Sales Corporations (DISC's), former DISC's, or owned stock in a DISC or former DISC. The credit could be taken however, by those stockholders who no longer held stock in the DISC's or former DISC's.

While the U.S. possessions tax credit could be taken against corporate income taxes, it could not be taken against:

- (1) additional tax for tax preferences (minimum tax);
- (2) tax on accumulated earnings;
- (3) taxes relating to recoveries of foreign expropriation losses, previously deducted as part of a net operating loss deduction; or
- (4) Personal Holding Company tax.

None of these taxes could be taken into account in the determination of the amount of U.S. tax paid by the corporation which was attributable to the possessions' active trade or business and investment income.

Since the U.S. possessions tax credit was separate from the foreign tax credit, the income (and associated taxes) used in the computation of the possessions tax credit could not be used for foreign tax credit purposes. Similarly, possessions income included in the foreign tax credit computation could not be used for possessions tax credit purposes.

The 1976 Act also provided a dividends-received deduction for dividends from corporations eligible for the U.S. possessions tax credit. Corporations which would otherwise qualify for the 100-percent dividends-received deduction, if an election were not in effect, could still receive that deduction for dividends from another possessions corporation. Likewise, corporations eligible for the 85-percent dividends-received deduction were to receive the deduction with respect to dividends from possessions corporations. The amount of the dividend income received from a possessions corporation was treated as domestic or foreign source income according to the existing Code section 861 rules. This same amount was also used to compute the Code section 904 limitation on the Code section 901 foreign tax credit. The new rules on the dividends-received deduction applied to dividends paid in taxable years of possessions corporations beginning after December 31, 1975, regardless of when the income, out of which the dividends were distributed, was earned.

Work Incentive (WIN) Credit

This credit was intended to expand job opportunities for Aid to Families with Dependent Children (AFDC) program recipients. Taxpayers were allowed a credit against their income tax liability if they were engaged in a trade or business and hired AFDC recipients under the Work Incentive (WIN) program of the Social Security Act (as authorized by the Revenue Act of 1971) or if they hired AFDC recipients under the Social Security Act, regardless of whether or not they were covered by the WIN program (as authorized by the Tax Reduction Act of 1975).

The credit equalled: (1) 20 percent of WIN Program expenses, i.e., salaries and wages (described below) that were paid WIN program participants; and (2) 20 percent of Federal welfare recipient employment incentive expenses, i.e., wages that were paid to AFDC recipients hired after March 29, 1975, for services rendered to the corporation before July 1, 1976. (This date was extended to January 1, 1980, by the Tax Reform Act of 1976.) A tax credit for wages paid to an individual was allowable under either the original WIN rules or the 1975 Federal welfare recipients employment incentive rules, but not both.

Under the original WIN program, to qualify as WIN program expenses, salaries and wages must have:

(1) been paid to employees certified by the Secretary of Labor as being from the WIN program and the employees could not have displaced any individual from employment;

(2) consisted entirely of cash remuneration;

(3) been paid or incurred:

(a) for services rendered during the first 12 months of employment (although the employee must have been employed for at least 24 months, the first 12 months could span a 24-month period, after which, the employee must have been employed for 12 months consecutively), and

(b) in the employer's trade or business;

(4) not been less than wages paid to the non-WIN employees performing comparable services;

(5) not been reimbursed to the employer (if so, the expenses, for credit purposes, were disregarded to the extent of the reimbursement); and

(6) not been paid or incurred:

(a) for employment outside the United States;

(b) after the end of the 24-month period beginning with the first day of the employee's employment (the employee's total months of employment must have equalled 12 on or before the end of this period); and

(c) to an ineligible individual (in the case of corporations, an employee who owned directly or indirectly more than 50 percent of the value of the corporation's stock; or was a relative of such an employee).

The Federal welfare recipient employment incentive rules applied solely to the employment of an AFDC recipient who:

(1) had continuously received AFDC financial assistance during the 90-day period immediately before being hired;

(2) had been employed by the corporation for a period in excess of 30 consecutive days on a substantially full-time basis;

(3) had not displaced any other employee; and

(4) was not a migrant worker (i.e., an individual who was employed for services for which the customary period of employment by one employer was less than 30 days and if the nature of such services required the employee to travel from place to place for a short period of time).

Unlike the original WIN program, WIN credit for wages paid AFDC recipients could also be claimed when the employee's services were not performed in connection with the trade or business of the corporation. Additionally, under the 1976 Act, qualifying wages paid to AFDC recipients were limited to 12 months, whether consecutive or not, of employment.

The amounts of WIN credit allowed under the Federal welfare recipients employment incentive expense provisions and under the 1971 Act were tentative. These credits were combined on Form 4874, Credit for Work Incentive (WIN) Program Expenses, and represented earned credit before the limitations based on the presence or size of income tax. The WIN credit was applied against tax liability that had first been reduced by foreign tax, investment and U.S. possessions credits, respectively. Tax which could be reduced by the credit did not include tax from re-

computing a prior-year investment credit, tax from recomputing a prior-year WIN credit, additional tax for tax preferences, Personal Holding Company tax, or the special capital gains tax on Small Business Corporations.

Under the limitation based on size of income tax, the credit could not exceed \$25,000 plus 50 percent of tax in excess of \$25,000. The limitation was uniquely applied to members of controlled groups (as defined by Code section 1563) in that the \$25,000 cutoff applied to the group as a whole and, thus, had to be apportioned among the component members of the group when separate tax returns were filed for each member.

The Tax Reform Act of 1976 raised the limit on both the WIN credit and the welfare recipient tax credit from \$25,000 to \$50,000 of tax plus one-half of the excess tax liability over \$50,000 for each credit.

For Small Business Corporations electing to be taxed through their stockholders, WIN program expenses and Federal welfare recipient employment incentive expenses were allocated among the end-of-the-taxable-year stockholders for use in computing their own WIN credit.

Unused WIN credit, the amount in excess of the limitation based on the size or presence of tax, could (a) be carried back or forward for use in other years under the original WIN rules, or (b) be carried forward only for use in other years under the 1975 Federal welfare recipients employment incentive rules. Unused WIN credit based on the original WIN rules had to be first carried back, chronologically, for use in the 3 preceding taxable years. Any amount remaining could then be carried over to the 7 succeeding years, in chronological order. Unused WIN credit based on the 1975 rules, however, could only be carried over, chronologically, to the 7 succeeding years. The unused credit carryback and carryover could be used to reduce the income tax liability for years to which it was carried provided it was within the limitation based on size of tax for that year.

Under provision of the original WIN program, if the participant was involuntarily terminated at any time during the first 12 months of employment or before the close of the 12th calendar month of employment thereafter, any WIN credit taken for that particular participant had to be recaptured. The recapture resulted in an increase in the employer's income tax liability, for the year of the termination, by the amount of the disallowed WIN credit. Under the 1975 Federal welfare recipients employment incentive rules, the employer was not subject to these recapture provisions for the newly-added WIN credit.

Under the 1976 Act, the WIN credit was made available from the date of hiring if employment was not terminated without cause before the end of 90 days after the first 90 days of employment.

The Tax Reform Act of 1976 also made the following provisions applicable: (1) there was no recapture of WIN credit if the employee was laid off due to substantial reduction in business; (2) there was a limit of 12 months (whether or not consecutive) for which the wages of any one employee were eligible for the welfare recipient tax credit; (3) the expiration date of the welfare recipient tax credit was extended through December 31, 1979; and (4) WIN agencies could certify eligibility for the welfare recipient tax credit.

Zero Assets

In general, included in this total assets-size class were:

(1) final returns of liquidating or dissolving corporations which had disposed of all assets;

(2) final returns of merging corporations whose assets and liabilities were reported in the returns of the acquiring corporations;

(3) part-year returns of corporations (except initial returns of newly incorporated businesses); and

(4) returns of foreign corporations with income "effectively connected" with the conduct of a trade or business in the United States (however, balance sheet data for U.S. branches of foreign insurance companies are included in the statistics and are classified by the size of total assets of these branches).



FIGURE G—COMPARISON OF STANDARD INDUSTRIAL AND ENTERPRISE STANDARD INDUSTRIAL CLASSIFICATIONS WITH GROUPINGS USED FOR STATISTICS OF INCOME, 1977

Standard Industrial Classification, 1972 (1)	Enterprise Standard Industrial Classification, 1974 (2)	Statistics of Income Classification, 1977 (3)
AGRICULTURE, FORESTRY, AND FISHING 01 Agricultural production—crops 02 Agricultural production—livestock 07 Agricultural services 08 Forestry 09 Fishing, hunting, and trapping MINING 10 Metal mining 101 Iron ores 102 Copper ores 103 Lead and zinc ores 104 Gold and silver ores 105 Bauxite and other aluminum ores 106 Ferroalloy ores, except vanadium 108 Metal mining services 109 Miscellaneous metal ores [No corresponding identification] 11 Anthracite mining 12 Bituminous coal and lignite mining 13 Oil and gas extraction 131 Crude petroleum and natural gas 132 Natural gas liquids 138 Oil and gas field services 14 Mining and quarrying of nonmetallic minerals, except fuels 141 Dimension stone 142 Crushed and broken stone, including riprap 144 Sand and gravel 145 Clay, ceramic, and refractory minerals 147 Chemical and fertilizer mineral mining 148 Nonmetallic minerals (except fuels) services 149 Miscellaneous nonmetallic minerals, except fuels CONSTRUCTION 15 Building construction—general contractors and operative builders 152 General building contractors—residential buildings 154 General building contractors—nonresidential buildings 153 Operative builders 16 Construction other than building construction—general contractors 17 Construction—special trade contractors 171 Plumbing, heating (except electric) and air conditioning 173 Electrical work 172 Painting, paper hanging, and decorating 174 Masonry, stonework, tile setting, and plastering 175 Carpentering and flooring 176 Roofing and sheet metal work 177 Concrete work 178 Water well drilling 179 Miscellaneous special trade contractors	AGRICULTURE, FORESTRY, AND FISHING 01 Agricultural production—crops 02 Agricultural production—livestock 07 Agricultural services 08 Forestry 09 Fishing, hunting, and trapping MINING 10 Metal mining [No corresponding identification] [No corresponding identification] [No corresponding identification] 11 Coal mining [No corresponding identification] [No corresponding identification] 13 Oil and gas extraction 133 Crude petroleum (no refining) 138 Oil and gas field services 14 Nonmetallic minerals, except fuels [No corresponding identification] [No corresponding identification] CONSTRUCTION 15 General building contractors 152 Residential building construction 154 Nonresidential building construction 153 Operative builders 16 Heavy construction contractors 17 Special trade contractors 171 Plumbing, heating, air conditioning 173 Electrical work 172 Painting, paper hanging, decorating 174 Masonry, stonework, and plastering 175 Carpentering and flooring 176 Roofing and sheet metal work 177 Concrete work 179 Special trade contractors, not elsewhere classified	AGRICULTURE, FORESTRY, AND FISHING 0400 Agricultural production 0600 Agricultural services (except veterinarians), forestry, fishing, hunting and trapping MINING Metal mining 1010 Iron ores 1070 Copper, lead and zinc, gold and silver ores 1098 Other metal mining 1150 Coal mining Oil and gas extraction 1380 Crude petroleum, natural gas, and natural gas liquids (excludes extraction in integrated petroleum refining and extraction in 2910, below) 1380 Oil and gas field services Nonmetallic minerals (except fuels) 1430 Dimension, crushed, and broken stone; sand and gravel 1498 Other nonmetallic minerals, except fuels CONSTRUCTION General building contractors and operative builders 1510 General building contractors 1531 Operative builders 1600 Heavy construction contractors Special trade contractors 1711 Plumbing, heating, and air conditioning 1731 Electrical work 1798 Other special trade contractors and contractors not allocable

FIGURE G—COMPARISON OF STANDARD INDUSTRIAL AND ENTERPRISE STANDARD INDUSTRIAL CLASSIFICATIONS WITH GROUPINGS USED FOR STATISTICS OF INCOME, 1977—Continued

Standard Industrial Classification, 1972 (1)	Enterprise Standard Industrial Classification, 1974 (2)	Statistics of Income Classification, 1977 (3)
<p>MANUFACTURING</p> <p>20 Food and kindred products</p> <p>201 Meat products</p> <p>202 Dairy products</p> <p>203 Canned and preserved fruits and vegetables</p> <p>204 Grain mill products</p> <p>205 Bakery products</p> <p>206 Sugar and confectionery products</p> <p>208 Beverages</p> <p>2082 Malt beverages</p> <p>2083 Malt</p> <p>2084 Wines, brandy, and brandy spirits</p> <p>2085 Distilled, rectified, and blended liquors</p> <p>2086 Bottled and canned soft drinks and carbonated waters</p> <p>2087 Flavoring extracts and flavoring sirups, not elsewhere classified.</p> <p>207 Fats and oils</p> <p>209 Miscellaneous food preparations and kindred products.</p> <p>21 Tobacco manufactures</p> <p>22 Textile mill products</p> <p>221 Broad woven fabric mills, cotton</p> <p>222 Broad woven fabric mills, man-made fiber and silk</p> <p>223 Broad woven fabric mills, wool (including dyeing and finishing).</p> <p>226 Dyeing and finishing textiles, except wool fabric and knit goods.</p> <p>225 Knitting mills</p> <p>227 Floor covering mills</p> <p>228 Yarn and thread mills</p> <p>224 Narrow fabrics and other smallwares mills: cotton, wool, silk, and man-made fiber.</p> <p>229 Miscellaneous textile goods</p> <p>23 Apparel and other finished products made from fabrics and similar materials.</p> <p>231 Men's, youths', and boys' suits, coats, and overcoats</p> <p>232 Men's, youths', and boys' furnishings, work clothing, and allied garments.</p> <p>233 Women's, misses', and juniors' outerwear</p> <p>234 Women's, misses', children's, and infants' undergarments.</p> <p>236 Girls', children's, and infants' outerwear</p> <p>235 Hats, caps, and millinery</p> <p>237 Fur goods</p> <p>238 Miscellaneous apparel and accessories</p> <p>239 Miscellaneous fabricated textile products</p> <p>24 Lumber and wood products, except furniture</p> <p>241 Logging camps and logging contractors</p> <p>242 Sawmills and planing mills</p> <p>243 Millwork, veneer, plywood, and structural wood members</p> <p>245 Wood buildings and mobile homes</p> <p>244 Wood containers</p> <p>249 Miscellaneous wood products</p>	<p>MANUFACTURING</p> <p>20 Food and kindred products</p> <p>201 Meat products</p> <p>202 Dairy products</p> <p>203 Preserved fruits and vegetables</p> <p>204 Grain mill products</p> <p>205 Bakery products</p> <p>206 Sugar and confectionery products</p> <p>208 Beverages</p> <p>2081 Alcoholic beverages</p> <p>2088 Bottled soft drinks and flavorings</p> <p>207 Fats and oils</p> <p>209 Miscellaneous food and kindred products</p> <p>21 Tobacco manufactures</p> <p>22 Textile mill products</p> <p>221 Weaving and finishing mills</p> <p>225 Knitting mills</p> <p>227 Floor covering mills</p> <p>228 Yarn and thread mills</p> <p>229 Textile mill products, not elsewhere classified</p> <p>23 Apparel and other textile products</p> <p>231 Men's and boys' suits and coats</p> <p>232 Men's and boys' furnishings</p> <p>233 Women's and misses' outerwear</p> <p>234 Women's and children's undergarments</p> <p>236 Children's outerwear</p> <p>238 Apparel and accessories, not elsewhere classified</p> <p>239 Miscellaneous fabricated textile products</p> <p>24 Lumber and wood products</p> <p>241 Logging camps and logging contractors</p> <p>242 Sawmills and planing mills</p> <p>243 Millwork and plywood</p> <p>245 Wood buildings and mobile homes</p> <p>249 Wood products, not elsewhere classified</p>	<p>MANUFACTURING</p> <p>Food and kindred products.</p> <p>2010 Meat products.</p> <p>2020 Dairy products.</p> <p>2030 Preserved fruits and vegetables.</p> <p>2040 Grain mill products.</p> <p>2050 Bakery products.</p> <p>2060 Sugar and confectionery products. [No corresponding identification.]</p> <p>2081 Malt liquors and malt.</p> <p>2088 Alcoholic beverages, except malt liquors and malt.</p> <p>2089 Bottled soft drinks, and flavorings.</p> <p>2096 Other food and kindred products.</p> <p>2100 Tobacco manufactures.</p> <p>Textile mill products.</p> <p>2228 Weaving mills and textile finishing.</p> <p>2250 Knitting mills.</p> <p>2298 Other textile mill products.</p> <p>Apparel and other textile products.</p> <p>2315 Men's and boys' clothing.</p> <p>2345 Women's and children's clothing.</p> <p>2388 Other apparel and accessories.</p> <p>2390 Miscellaneous fabricated textile products; textile products, not elsewhere classified.</p> <p>Lumber and wood products.</p> <p>2415 Logging, sawmills, and planing mills.</p> <p>2430 Millwork, plywood, and related products.</p> <p>2498 Other wood products, including wood buildings and mobile homes.</p>

FIGURE G—COMPARISON OF STANDARD INDUSTRIAL AND ENTERPRISE STANDARD INDUSTRIAL CLASSIFICATIONS WITH GROUPINGS USED FOR STATISTICS OF INCOME, 1977—Continued

Standard Industrial Classification, 1972 (1)	Enterprise Standard Industrial Classification, 1974 (2)	Statistics of Income Classification, 1977 (3)
<p>MANUFACTURING—Continued</p> <p>25 Furniture and fixtures</p> <p>251 Household furniture</p> <p>252 Office furniture</p> <p>253 Public building and related furniture</p> <p>254 Partitions, shelving, lockers, and office and store fixtures</p> <p>259 Miscellaneous furniture and fixtures</p> <p>26 Paper and allied products</p> <p>261 Pulp mills</p> <p>262 Paper mills, except building paperboard mills</p> <p>263 Paperboard mills</p> <p>266 Building paper and building board mills</p> <p>264 Converted paper and paperboard products, except containers and boxes</p> <p>265 Paperboard containers and boxes</p> <p>27 Printing, publishing, and allied industries</p> <p>271 Newspapers: publishing, publishing and printing</p> <p>272 Periodicals: publishing, publishing and printing</p> <p>273 Books</p> <p>277 Greeting card publishing</p> <p>274 Miscellaneous publishing</p> <p>275 Commercial printing</p> <p>276 Manifold business forms</p> <p>278 Blankbooks, looseleaf binders, and bookbinding and related work</p> <p>279 Service industries for the printing trade</p> <p>28 Chemicals and allied products</p> <p>281 Industrial inorganic chemicals</p> <p>282 Plastics materials and synthetic resins, synthetic rubber, synthetic and other man-made fibers, except glass</p> <p>286 Industrial organic chemicals</p> <p>283 Drugs</p> <p>284 Soaps, detergents, and cleaning preparations, perfumes, cosmetics, and other toilet preparations</p> <p>285 Paints, varnishes, lacquers, enamels, and allied products</p> <p>287 Agricultural chemicals</p> <p>289 Miscellaneous chemical products</p> <p>29 Petroleum refining and related industries (includes integrated refining and extraction)</p> <p>291 Petroleum refining</p> <p>295 Paving and roofing materials</p> <p>299 Miscellaneous products of petroleum and coal</p> <p>30 Rubber and miscellaneous plastics products</p> <p>301 Tires and inner tubes</p> <p>302 Rubber and plastics footwear</p> <p>303 Reclaimed rubber</p> <p>304 Rubber and plastics hose and belting</p> <p>306 Fabricated rubber products, not elsewhere classified</p> <p>307 Miscellaneous plastics products</p>	<p>MANUFACTURING—Continued</p> <p>25 Furniture and fixtures</p> <p>251 Household furniture</p> <p>259 Furniture and fixtures, not elsewhere classified</p> <p>26 Paper and allied products</p> <p>262 Pulp, paper, and board mills</p> <p>264 Miscellaneous converted paper products</p> <p>265 Paperboard containers and boxes</p> <p>27 Printing and publishing</p> <p>271 Newspapers</p> <p>272 Periodicals</p> <p>273 Books</p> <p>274 Greeting cards and publishing, not elsewhere classified</p> <p>275 Commercial printing and business forms</p> <p>278 Bookbinding and printing services</p> <p>28 Chemicals and allied products</p> <p>281 Industrial chemicals and synthetics</p> <p>283 Drugs</p> <p>284 Soap, cleaners, and toilet goods</p> <p>285 Paints and allied products</p> <p>287 Agricultural chemicals</p> <p>289 Miscellaneous chemical products</p> <p>29 Petroleum and coal products</p> <p>291 Petroleum refining (including integrated)</p> <p>299 Petroleum and coal products, not elsewhere classified</p> <p>30 Rubber and miscellaneous plastics products</p> <p>305 Rubber products</p> <p>307 Miscellaneous plastics products</p>	<p>MANUFACTURING—Continued</p> <p>2500 Furniture and fixtures. [No corresponding identification.]</p> <p>[No corresponding identification.]</p> <p>Paper and allied products.</p> <p>2625 Pulp, paper, and board mills.</p> <p>2699 Other paper products.</p> <p>Printing and publishing.</p> <p>2710 Newspapers.</p> <p>2720 Periodicals.</p> <p>2735 Books, greeting cards, and miscellaneous publishing.</p> <p>2799 Commercial and other printing and printing trade services.</p> <p>Chemicals and allied products.</p> <p>2815 Industrial chemicals, plastics materials and synthetics.</p> <p>2830 Drugs.</p> <p>2840 Soap, cleaners, and toilet goods.</p> <p>2850 Paints and allied products.</p> <p>2898 Agricultural and other chemical products.</p> <p>Petroleum (including integrated) and coal products.</p> <p>2910 Petroleum refining (including those integrated with extraction).</p> <p>2998 Petroleum and coal products, not elsewhere classified.</p> <p>Rubber and miscellaneous plastics products.</p> <p>3050 Rubber products; plastics footwear, hose and belting.</p> <p>3070 Miscellaneous plastics products.</p>

FIGURE G—COMPARISON OF STANDARD INDUSTRIAL AND ENTERPRISE STANDARD INDUSTRIAL CLASSIFICATIONS WITH GROUPINGS USED FOR STATISTICS OF INCOME, 1977—Continued

Standard Industrial Classification, 1972 (1)	Enterprise Standard Industrial Classification, 1974 (2)	Statistics of Income Classification, 1977 (3)
<p>MANUFACTURING—Continued</p> <p>31 Leather and leather products</p> <p>314 Footwear, except rubber</p> <p>311 Leather tanning and finishing</p> <p>313 Boot and shoe cut stock and findings</p> <p>315 Leather gloves and mittens</p> <p>316 Luggage</p> <p>317 Handbags and other personal leather goods</p> <p>319 Leather goods, not elsewhere classified</p> <p>32 Stone, clay, glass, and concrete products</p> <p>321 Flat glass</p> <p>322 Glass and glassware, pressed or blown</p> <p>323 Glass products, made of purchased glass</p> <p>324 Cement, hydraulic</p> <p>327 Concrete, gypsum, and plaster products</p> <p>325 Structural clay products</p> <p>326 Pottery and related products</p> <p>328 Cut stone and stone products</p> <p>329 Abrasive, asbestos, and miscellaneous nonmetallic mineral products</p> <p>33 Primary metal industries</p> <p>331 Blast furnaces, steel works, and rolling and finishing mills</p> <p>332 Iron and steel foundries</p> <p>339 Miscellaneous primary metal products</p> <p>333 Primary smelting and refining of nonferrous metals</p> <p>334 Secondary smelting and refining of nonferrous metals</p> <p>335 Rolling, drawing, and extruding of nonferrous metals</p> <p>336 Nonferrous foundries (castings)</p> <p>34 Fabricated metal products, except machinery and transportation equipment</p> <p>341 Metal cans and shipping containers</p> <p>342 Cutlery, hand tools, and general hardware</p> <p>345 Screw machine products, and bolts, nuts, screws, rivets, and washers</p> <p>343 Heating equipment, except electric and warm air, and plumbing fixtures</p> <p>344 Fabricated structural metal products</p> <p>346 Metal forgings and stampings</p> <p>347 Coating, engraving, and allied services</p> <p>348 Ordnance and accessories, except vehicles and guided missiles</p> <p>349 Miscellaneous fabricated metal products</p> <p>35 Machinery, except electrical</p> <p>352 Farm and garden machinery and equipment</p> <p>353 Construction, mining, and materials handling machinery and equipment</p> <p>354 Metalworking, machinery and equipment</p> <p>355 Special industry machinery, except metalworking machinery</p> <p>356 General industrial machinery and equipment</p> <p>357 Office, computing, and accounting machines</p> <p>358 Refrigeration and service industry machinery</p> <p>351 Engines and turbines</p> <p>359 Miscellaneous machinery, except electrical</p>	<p>MANUFACTURING—Continued</p> <p>31 Leather and leather products</p> <p>314 Footwear, except rubber</p> <p>319 Leather and leather products, not elsewhere classified</p> <p>32 Stone, clay, and glass products</p> <p>321 Glass products</p> <p>324 [Included in 329 below]</p> <p>327 Concrete, gypsum and plaster products</p> <p>325 Structural clay products</p> <p>329 Nonmetallic mineral products, not elsewhere classified</p> <p>33 Primary metal industries</p> <p>331 Blast furnaces and steel mills</p> <p>332 Iron and steel foundries</p> <p>335 Nonferrous metals, except foundries</p> <p>336 Nonferrous foundries</p> <p>34 Fabricated metal products</p> <p>341 Metal cans and shipping containers</p> <p>342 Cutlery, hand tools, and hardware</p> <p>345 Screw machine products, bolts, etc.</p> <p>343 Plumbing and heating, except electric</p> <p>344 Fabricated structural metal products</p> <p>346 Metal forgings and stampings</p> <p>347 Metal services, not elsewhere classified</p> <p>348 Ordnance and accessories, not elsewhere classified</p> <p>349 Miscellaneous fabricated metal products</p> <p>35 Machinery, except electrical</p> <p>352 Farm and garden machinery</p> <p>353 Construction and related machinery</p> <p>354 Metalworking machinery</p> <p>355 Special industry machinery</p> <p>356 General industrial machinery</p> <p>357 Office and computing machines</p> <p>358 Refrigeration and service machinery</p> <p>351 Engines and turbines</p> <p>359 Miscellaneous machinery, except electrical</p>	<p>MANUFACTURING—Continued</p> <p>Leather and leather products.</p> <p>3140 Footwear, except rubber.</p> <p>3198 Leather and leather products, not elsewhere classified.</p> <p>Stone, clay, and glass products.</p> <p>3225 Glass products.</p> <p>3240 Cement, hydraulic.</p> <p>3270 Concrete, gypsum, and plaster products.</p> <p>3298 Other nonmetallic mineral products.</p> <p>Primary metal industries.</p> <p>3370 Ferrous metal industries; miscellaneous primary metal products.</p> <p>3380 Nonferrous metal industries.</p> <p>Fabricated metal products.</p> <p>3410 Metal cans and shipping containers.</p> <p>3428 Cutlery, hand tools, and hardware; screw machine products, bolts, and similar products.</p> <p>3430 Plumbing and heating, except electric and warm air.</p> <p>3440 Fabricated structural metal products.</p> <p>3460 Metal forgings and stampings.</p> <p>3470 Coating, engraving, and allied services.</p> <p>3480 Ordnance and accessories, except vehicles and guided missiles.</p> <p>3490 Miscellaneous fabricated metal products.</p> <p>Machinery, except electrical.</p> <p>3520 Farm machinery.</p> <p>3530 Construction and related machinery.</p> <p>3540 Metalworking machinery.</p> <p>3550 Special industry machinery.</p> <p>3560 General industrial machinery.</p> <p>3570 Office, computing, and accounting machines.</p> <p>3598 Engines and turbines, service industry machinery, and other machinery, except electrical.</p>

FIGURE G—COMPARISON OF STANDARD INDUSTRIAL AND ENTERPRISE STANDARD INDUSTRIAL CLASSIFICATIONS WITH GROUPINGS USED FOR STATISTICS OF INCOME, 1977—Continued

Standard Industrial Classification, 1972 (1)	Enterprise Standard Industrial Classification, 1974 (2)	Statistics of Income Classification, 1977 (3)
<p>MANUFACTURING—Continued</p> <p>36 Electrical and electronic machinery, equipment and supplies.</p> <p>363 Household appliances</p> <p>365 Radio and television receiving equipment, except communication types.</p> <p>366 Communication equipment</p> <p>367 Electronic components and accessories</p> <p>364 Electric lighting and wiring equipment</p> <p>361 Electric transmission and distribution equipment</p> <p>362 Electrical industrial apparatus</p> <p>369 Miscellaneous electrical machinery, equipment, and supplies.</p> <p>37 Transportation equipment</p> <p>371 Motor vehicles and motor vehicle equipment [No corresponding identification]</p> <p>372 Aircraft and parts</p> <p>376 Guided missiles and space vehicles and parts</p> <p>373 Ship and boat building and repairing</p> <p>374 Railroad equipment</p> <p>375 Motorcycles, bicycles, and parts</p> <p>379 Miscellaneous transportation equipment</p> <p>38 Measuring, analyzing, and controlling instruments; photographic, medical, and optical goods; watches and clocks.</p> <p>381 Engineering, laboratory, scientific, and research instruments and associated equipment.</p> <p>382 Measuring and controlling instruments</p> <p>387 Watches, clocks, clockwork operated devices, and parts.</p> <p>383 Optical instruments and lenses</p> <p>385 Ophthalmic goods</p> <p>384 Surgical, medical, and dental instruments and supplies</p> <p>386 Photographic equipment and supplies</p> <p>39 Miscellaneous manufacturing industries</p> <p>[No corresponding identification]</p>	<p>MANUFACTURING—Continued</p> <p>36 Electrical and electronic equipment</p> <p>363 Household appliances</p> <p>366 Radio, TV, and communication equipment</p> <p>367 Electronic components and accessories</p> <p>364 Electric lighting and wiring equipment</p> <p>369 Electrical machinery, not elsewhere classified</p> <p>37 Transportation equipment</p> <p>371 Motor vehicles and equipment [No corresponding identification]</p> <p>377 Aircraft, guided missiles and parts</p> <p>373 Ship and boat building and repairing</p> <p>379 Transportation equipment, not elsewhere classified.</p> <p>38 Instruments and related products</p> <p>381 Scientific and measuring instruments</p> <p>387 Watches, clocks, and watchcases</p> <p>383 Optical and ophthalmic goods</p> <p>384 Medical instruments and supplies</p> <p>386 Photographic equipment and supplies</p> <p>39 Miscellaneous manufacturing industries</p> <p>399 Manufacturing industries, not elsewhere classified</p>	<p>MANUFACTURING—Continued</p> <p>Electrical and electronic equipment.</p> <p>3630 Household appliances.</p> <p>3665 Radio, television, and communication equipment.</p> <p>3670 Electronic components and accessories.</p> <p>3698 Other electrical equipment.</p> <p>[No corresponding identification.]</p> <p>3710 Motor vehicles and equipment. Transportation equipment, except motor vehicles.</p> <p>3725 Aircraft, guided missiles and parts.</p> <p>3730 Ship and boat building and repairing.</p> <p>3798 Other transportation equipment, except motor vehicles.</p> <p>Instruments and related products.</p> <p>3815 Scientific instruments and measuring devices; watches and clocks.</p> <p>3845 Optical, medical, and ophthalmic goods.</p> <p>3860 Photographic equipment and supplies.</p> <p>3998 Miscellaneous manufacturing and manufacturing not allocable.</p> <p>[No corresponding identification.]</p>
<p>TRANSPORTATION, COMMUNICATION, ELECTRIC, GAS, AND SANITARY SERVICES</p> <p>[No corresponding identification]</p> <p>40 Railroad transportation</p> <p>41 Local and suburban transit and interurban highway passenger transportation.</p> <p>42 Motor freight transportation and warehousing</p> <p>44 Water transportation</p> <p>45 Transportation by air</p> <p>46 Pipe lines, except natural gas</p> <p>47 Transportation services</p> <p>48 Communication</p> <p>481 Telephone communication (wire or radio)</p> <p>482 Telegraph communication (wire or radio)</p> <p>489 Communication services, not elsewhere classified</p> <p>483 Radio and television broadcasting</p>	<p>TRANSPORTATION AND PUBLIC UTILITIES</p> <p>[No corresponding identification]</p> <p>40 Railroad transportation</p> <p>41 Local and interurban passenger transit</p> <p>42 Trucking and warehousing</p> <p>44 Water transportation</p> <p>45 Transportation by air</p> <p>46 Pipe lines, except natural gas</p> <p>47 Transportation services</p> <p>48 Communication</p> <p>481 Telephone communication</p> <p>482 Telegraph communication</p> <p>489 Communication services, not elsewhere classified</p> <p>483 Radio and television broadcasting</p>	<p>TRANSPORTATION AND PUBLIC UTILITIES</p> <p>Transportation.</p> <p>4000 Railroad transportation.</p> <p>4100 Local and interurban passenger transit.</p> <p>4200 Trucking and warehousing.</p> <p>4400 Water transportation.</p> <p>4500 Transportation by air.</p> <p>4600 Pipe lines, except natural gas.</p> <p>4700 Transportation services, not elsewhere classified.</p> <p>Communication.</p> <p>4825 Telephone, telegraph, and other communication services.</p> <p>4830 Radio and television broadcasting.</p>

FIGURE G—COMPARISON OF STANDARD INDUSTRIAL AND ENTERPRISE STANDARD INDUSTRIAL CLASSIFICATIONS WITH GROUPINGS USED FOR STATISTICS OF INCOME, 1977—Continued

Standard Industrial Classification, 1972 (1)	Enterprise Standard Industrial Classification, 1974 (2)	Statistics of Income Classification, 1977 (3)
<p>TRANSPORTATION, COMMUNICATION, ELECTRIC, GAS, AND SANITARY SERVICES—Continued</p> <p>49 Electric, gas, and sanitary services</p> <p>491 Electric services</p> <p>492 Gas production and distribution</p> <p>493 Combination electric and gas, and other utility services</p> <p>494 Water supply</p> <p>495 Sanitary services</p> <p>496 Steam supply</p> <p>497 Irrigation systems</p>	<p>TRANSPORTATION AND PUBLIC UTILITIES—Continued</p> <p>49 Electric, gas, and sanitary services</p> <p>491 Electric services</p> <p>492 Gas production and distribution</p> <p>493 Combination utility services</p> <p>499 Water, steam and sanitary service</p>	<p>TRANSPORTATION AND PUBLIC UTILITIES—Continued</p> <p>Electric, gas, and sanitary services.</p> <p>4910 Electric services.</p> <p>4920 Gas production and distribution.</p> <p>4930 Combination utility services.</p> <p>4990 Water supply and other sanitary services.</p>
<p>[No corresponding identification]</p> <p>Wholesale trade</p> <p>50 Wholesale trade—durable goods</p> <p>514 Groceries and related products</p> <p>508 Machinery, equipment, and supplies</p> <p>[No corresponding identification]</p> <p>501 Motor vehicles and automotive parts and supplies</p> <p>503 Lumber and other construction materials</p> <p>505 Metals and minerals, except petroleum</p> <p>506 Electrical goods</p> <p>507 Hardware, and plumbing and heating equipment and supplies</p> <p>502 Furniture and home furnishings</p> <p>504 Sporting, recreational, photographic, and hobby goods, toys and supplies</p> <p>509 Miscellaneous durable goods</p> <p>51 Wholesale trade—nondurable goods</p> <p>511 Paper: and paper products</p> <p>512 Drugs, drug proprietaries and druggists' sundries</p> <p>516 Chemicals and allied products</p> <p>513 Apparel, piece goods, and notions</p> <p>515 Farm-product raw materials</p> <p>517 Petroleum and petroleum products</p> <p>518 Beer, wine and distilled alcoholic beverages</p> <p>519 Miscellaneous nondurable goods</p>	<p>[No corresponding identification]</p> <p>Wholesale trade</p> <p>50 Wholesale trade—durable goods</p> <p>514 Groceries and related products</p> <p>508 Machinery, equipment, and supplies</p> <p>[No corresponding identification]</p> <p>501 Motor vehicles and equipment</p> <p>503 Lumber and construction materials</p> <p>505 Metals and minerals, except petroleum</p> <p>506 Electrical goods</p> <p>507 Hardware, plumbing and heating</p> <p>509 Durable goods, not elsewhere classified</p> <p>51 Wholesale trade—nondurable goods</p> <p>511 Paper and paper products</p> <p>512 Drugs, proprietaries, and sundries</p> <p>[No corresponding identification.]</p> <p>513 Apparel, piece goods, and notions</p> <p>515 Farm-product raw materials</p> <p>517 Petroleum and petroleum products</p> <p>518 Beer, wine, and distilled beverages</p> <p>519 Nondurable goods, not elsewhere classified (includes 516 Chemicals and allied products).</p>	<p>WHOLESALE AND RETAIL TRADE</p> <p>Wholesale trade.</p> <p>[No corresponding identification.]</p> <p>5140 Groceries and related products.</p> <p>5008 Machinery, equipment, and supplies.</p> <p>Miscellaneous wholesale trade.</p> <p>5010 Motor vehicles and automotive equipment.</p> <p>5030 Lumber and construction materials.</p> <p>5050 Metals and minerals, except petroleum and scrap.</p> <p>5060 Electrical goods.</p> <p>5070 Hardware, plumbing, and heating equipment and supplies.</p> <p>5020 Furniture and home furnishings.</p> <p>5040 Sporting, recreational, photographic, and hobby goods, toys and supplies.</p> <p>5098 Other durable goods.</p> <p>[No corresponding identification.]</p> <p>5110 Paper and paper products.</p> <p>5129 Drugs, drug proprietaries and druggists' sundries.</p> <p>5160 Chemicals and allied products.</p> <p>5130 Apparel, piece goods, and notions.</p> <p>5150 Farm-product raw materials.</p> <p>5170 Petroleum and petroleum products.</p> <p>5180 Alcoholic beverages.</p> <p>5190 Miscellaneous nondurable goods; wholesale trade not allocable.</p>
<p>Retail trade</p> <p>52 Building materials, hardware, garden supply, and mobile home dealers</p> <p>521 Lumber and other building materials dealers</p> <p>523 Paint, glass, and wallpaper stores</p> <p>525 Hardware stores</p> <p>526 Retail nurseries, lawn and garden supply stores</p> <p>527 Mobile home dealers</p> <p>53 General merchandise stores</p> <p>54 Food stores</p> <p>55 Automotive dealers and gasoline service stations</p> <p>551 Motor vehicle dealers (new and used)</p> <p>552 Motor vehicle dealers (used only)</p> <p>554 Gasoline service stations</p> <p>553 Auto and home supply stores</p> <p>555 Boat dealers</p> <p>556 Recreational and utility trailer dealers</p> <p>557 Motorcycle dealers</p> <p>559 Automotive dealers, not elsewhere classified</p>	<p>Retail trade</p> <p>52 Building materials and garden supplies</p> <p>522 Building materials dealers</p> <p>525 Hardware stores</p> <p>526 Retail nurseries and garden stores</p> <p>527 Mobile home dealers</p> <p>53 General merchandise stores</p> <p>54 Food stores</p> <p>55 Automotive dealers and service stations</p> <p>551 New and used car dealers</p> <p>554 Gasoline service stations</p> <p>553 Auto and home supply stores</p> <p>559 Automotive dealers, not elsewhere classified</p>	<p>Retail trade.</p> <p>Building materials, garden supplies, and mobile home dealers.</p> <p>5220 Building materials dealers.</p> <p>5251 Hardware stores.</p> <p>5265 Garden supplies and mobile home dealers.</p> <p>5300 General merchandise stores (excludes nonstore retailers; see 5995).</p> <p>5410 Grocery stores.</p> <p>5490 Other food stores.</p> <p>Automotive dealers and service stations.</p> <p>5515 Motor vehicle dealers.</p> <p>5541 Gasoline service stations.</p> <p>5598 Other automotive dealers (excludes mobile home dealers; see 5265).</p>

FIGURE G—COMPARISON OF STANDARD INDUSTRIAL AND ENTERPRISE STANDARD INDUSTRIAL CLASSIFICATIONS WITH GROUPINGS USED FOR STATISTICS OF INCOME, 1977—Continued

Standard Industrial Classification, 1972 (1)	Enterprise Standard Industrial Classification, 1974 (2)	Statistics of Income Classification, 1977 (3)
<p>[No corresponding identification]—Continued Retail trade—Continued 56 Apparel and accessory stores 57 Furniture, home furnishings, and equipment stores 58 Eating and drinking places 59 Miscellaneous retail 591 Drug stores and proprietary stores 592 Liquor stores 596 Nonstore retailers 594 Jewelry stores 598 Fuel and ice dealers 593 Used merchandise stores 594 Miscellaneous shopping goods stores (excludes 594 jewelry stores, above). 599 Retail stores, not elsewhere classified [No corresponding identification]</p>	<p>[No corresponding identification]—Continued Retail trade—Continued 56 Apparel and accessory stores 57 Furniture and home furnishings stores 58 Eating and drinking places 59 Miscellaneous retail 591 Drug stores and proprietary stores 592 Liquor stores 596 Nonstore retailers 597 Jewelry stores 598 Fuel and ice dealers 599 Retail stores, not elsewhere classified [No corresponding identification]</p>	<p>WHOLESALE AND RETAIL TRADE—Continued Retail trade—Continued 5600 Apparel and accessory stores. 5700 Furniture and home furnishings stores. 5800 Eating and drinking places. Miscellaneous retail stores. 5912 Drug stores and proprietary stores. 5921 Liquor stores. 5995 Other retail stores. 5997 Wholesale and retail trade not allocable.</p>
<p>FINANCE, INSURANCE, AND REAL ESTATE 60 Banking 603 Mutual savings banks 601 Federal Reserve Banks [No corresponding identification] 602 Commercial and stock savings banks 604 Trust companies not engaged in deposit banking 605 Establishments perf. functions closely related to banking 61 Credit agencies other than banks 612 Savings and loan associations 614 Personal credit institutions 615 Business credit institutions 616 Mortgage bankers and brokers 611 Rediscout and financing institutions for credit agencies other than banks. 613 Agricultural credit institutions 62 Security and commodity brokers, dealers, exchanges, and services. 621 Security brokers, dealers, and flotation companies 622 Commodity contracts brokers and dealers 623 Security and commodity exchanges 628 Services allied with the exchange of securities or commodities. 63 Insurance 631 Life insurance 632 Accident and health insurance and medical service plans. 633 Fire, marine, and casualty insurance 635 Surety insurance 636 Title insurance 637 Pension, health, and welfare funds 639 Insurance carriers, not elsewhere classified 641 Insurance agents, brokers, and service</p>	<p>FINANCE, INSURANCE, AND REAL ESTATE 60 Banking 603 Mutual savings banks 601 Federal Reserve Banks [No corresponding identification] 602 Commercial and stock savings banks 609 Banking, not elsewhere classified 61 Credit agencies other than banks 612 Savings and loan associations 617 Personal and business credit agencies 616 Mortgage bankers and brokers 619 Credit agencies, not elsewhere classified 62 Security, commodity brokers and services 624 Brokers, dealers, and exchanges 628 Security and commodity services 63 Insurance carriers 631 Life insurance 632 Medical service and health insurance 633 Fire, marine and casualty insurance [Included in 639, below] 639 Insurance carriers, not elsewhere classified 64 Insurance agents, brokers and service</p>	<p>FINANCE, INSURANCE, AND REAL ESTATE Banking. 6030 Mutual savings banks. [No corresponding identification] 6060 Bank holding companies. 6090 Banks, except mutual savings banks and bank holding companies. Credit agencies other than banks. 6120 Savings and loan associations. 6140 Personal credit institutions. 6150 Business credit institutions. 6199 Other credit agencies; finance not allocable. Security, commodity brokers and services. 6210 Security brokers, dealers and flotation companies. 6299 Commodity contracts brokers and dealers; security and commodity exchanges; and allied services. Insurance. 6355 Life insurance (as defined in Internal Revenue Code section 801. Excludes predominantly cancellable accident and health companies). 6356 Mutual insurance, except life or marine and certain fire or flood insurance companies (as defined in Internal Revenue Code section 821. Includes predominantly cancellable mutual accident and health companies). 6359 Other insurance companies (as defined in Internal Revenue Code section 831. Consists of mutual fire or flood insurance companies operating on basis of perpetual policies or premium deposits, mutual marine insurance companies, and other insurance companies except life or mutual). 6411 Insurance agents, brokers, and service.</p>

FIGURE G—COMPARISON OF STANDARD INDUSTRIAL AND ENTERPRISE STANDARD INDUSTRIAL CLASSIFICATIONS WITH GROUPINGS USED FOR STATISTICS OF INCOME, 1977—Continued

Standard Industrial Classification, 1972 (1)	Enterprise Standard Industrial Classification, 1974 (2)	Statistics of Income Classification, 1977 (3)
<p>FINANCE, INSURANCE, AND REAL ESTATE—Continued</p> <p>65 Real estate</p> <p>6512 Operators of nonresidential buildings</p> <p>6513 Operators of apartment buildings</p> <p>6514 Operators of dwellings other than apartment buildings</p> <p>6515 Operators of residential mobile home sites</p> <p>6519 Lessors of real property, not elsewhere classified</p> <p>6517 Lessors of railroad property</p> <p>655 Subdividers and developers</p> <p>[No corresponding identification]</p> <p>653 Real estate agents and managers</p> <p>654 Title abstract offices</p> <p>661 Combinations of real estate, insurance, loans, law offices.</p> <p>67 Holding and other investment offices</p> <p>672 Investment offices</p> <p>671 Holding offices</p> <p>673 Trusts</p> <p>679 Miscellaneous investing</p> <p>SERVICES</p> <p>70 Hotels, rooming houses, camps, and other lodging places</p> <p>72 Personal services</p> <p>73 Business services</p> <p>731 Advertising</p> <p>732 Consumer credit reporting agencies, mercantile reporting agencies, and adjustment and collection agencies.</p> <p>733 Mailing, reproduction, commercial art and photography, and stenographic services.</p> <p>734 Services to dwellings and other buildings</p> <p>737 Computer and data processing services</p> <p>735 News syndicates</p> <p>736 Personnel supply services</p> <p>739 Miscellaneous business services</p> <p>[No corresponding identification]</p> <p>75 Automotive repair, services, and garages</p> <p>76 Miscellaneous repair services</p> <p>[No corresponding identification]</p> <p>781 Motion picture production and allied services</p> <p>782 Motion picture distribution and allied services</p> <p>783 Motion picture theaters</p> <p>79 Amusement and recreation services, except motion pictures.</p>	<p>FINANCE, INSURANCE, AND REAL ESTATE—Continued</p> <p>65 Real estate</p> <p>651 Real estate operators and lessors</p> <p>6519 Real property lessors, not elsewhere classified</p> <p>655 Subdividers and developers</p> <p>[No corresponding identification]</p> <p>653 Real estate agents and managers</p> <p>654 Title abstract companies</p> <p>66 Combined real estate, insurance, etc.</p> <p>67 Holding and other investment companies</p> <p>672 Investment companies</p> <p>679 Holding companies and miscellaneous investing</p> <p>SERVICES</p> <p>70 Hotels and other lodging places</p> <p>72 Personal services</p> <p>73 Business services</p> <p>731 Advertising</p> <p>732 Credit reporting and collection</p> <p>733 Mailing, reproduction, stenographic</p> <p>734 Services to buildings</p> <p>737 Computer and data processing services</p> <p>739 Miscellaneous business services</p> <p>[No corresponding identification]</p> <p>75 Automotive repair, services, and garages</p> <p>76 Miscellaneous repair services</p> <p>[No corresponding identification]</p> <p>784 Motion pictures, except theaters</p> <p>783 Motion picture theaters</p> <p>79 Amusement and recreation services</p>	<p>FINANCE, INSURANCE, AND REAL ESTATE—Continued</p> <p>Real estate.</p> <p>6511 Real estate operators (except developers) and lessors of buildings.</p> <p>6516 Lessors of mining, oil, and similar property.</p> <p>6518 Lessors of railroad property and of real property not elsewhere classified.</p> <p>6550 Subdividers and developers (excludes operative builders in 1531, above).</p> <p>6530 Condominium mgmt and coop housing associations.</p> <p>6599 Other real estate.</p> <p>Holding and other investment companies.</p> <p>6742 Regulated investment companies (Internal Revenue Code section 851).</p> <p>6743 Real estate investment trusts (Internal Revenue Code section 856).</p> <p>6744 Small business investment companies (Small Business Investment Act of 1958).</p> <p>6749 Holding and other investment companies not elsewhere classified.</p> <p>6749 Holding and other investment companies not elsewhere classified.</p> <p>SERVICES</p> <p>7000 Hotels and other lodging places.</p> <p>7200 Personal services.</p> <p>Business services.</p> <p>7310 Advertising.</p> <p>7389 Business services, except advertising.</p> <p>Auto repair; miscellaneous repair services.</p> <p>7500 Auto repair and services.</p> <p>7600 Miscellaneous repair services.</p> <p>Amusement and recreational services.</p> <p>7812 Motion picture production, distribution, and services.</p> <p>7830 Motion picture theaters</p> <p>7900 Amusement and recreation services, except motion pictures.</p>

FIGURE G—COMPARISON OF STANDARD INDUSTRIAL AND ENTERPRISE STANDARD INDUSTRIAL CLASSIFICATIONS WITH GROUPINGS USED FOR STATISTICS OF INCOME, 1977—Continued

Standard Industrial Classification, 1972 (1)	Enterprise Standard Industrial Classification, 1974 (2)	Statistics of Income Classification, 1977 (3)
SERVICES—Continued 80 Health services	SERVICES—Continued 80 Health services	SERVICES—Continued Other services.
801 Offices of physicians	801 Offices of physicians and osteopaths	8015 Offices of physicians, including osteopathic physicians.
803 Offices of osteopathic physicians	802 Offices of dentists	8021 Offices of dentists.
802 Offices of dentists	804 Offices of health practitioners, not elsewhere classified.	8040 Offices of other health practitioners.
804 Offices of other health practitioners	805 Nursing and personal care facilities	8050 Nursing and personal care facilities.
805 Nursing and personal care facilities	806 Hospitals	8060 Hospitals.
806 Hospitals	807 Medical and dental laboratories	8071 Medical laboratories.
807 Medical and dental laboratories	809 Health and allied services, not elsewhere classified.	8099 Other medical services.
808 Outpatient care facilities	81 Legal services	8111 Legal services.
809 Health and allied services, not elsewhere classified.	82 Educational services	8200 Educational services.
81 Legal services	83 Social services	8300 Social services.
82 Educational services	89 Miscellaneous services	8600 Membership organizations. 8911 Architectural and engineering services. 8930 Accounting, auditing and bookkeeping. 8980 Miscellaneous services (including veterinarians).
83 Social services	[No corresponding identification]	9000 NATURE OF BUSINESS NOT ALLOCABLE.
84 Museums, art galleries, botanical and zoological gardens.		
89 Miscellaneous services		

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1977 Department of the Treasury Internal Revenue Service

Instructions for Form 1120 U.S. Corporation Income Tax Return

General Instructions

- 1. Who must file Form 1120... 2. Real estate investment trusts defined in section 856...

- 3. Regulated investment companies defined in section 851... 4. Insurance companies described in section 831...

- 5. Returns required of certain organizations... 6. Small business corporations (section 1372(a))...

- 7. Political organizations (section 527)... 8. Homeowners Association (section 528)...

- 9. Where to file... 10. Attachments... 11. Transfers to corporation controlled by transferor...

Use the following Internal Revenue Service Center address if located in:

Table with 2 columns: State/City and Internal Revenue Service Center address.

original issue discount, patronage dividends, and lump-sum distributions from profit-sharing and retirement plans.

8. Form 3921.—Information return concerning exercise of a qualified or restricted stock option.

9. Form 5713.—International boycott report for persons having operations in or related to "boycotting" countries...

Federal Tax Deposit Forms prescribed with a Tax Class Number 503 will be mailed to corporations on a cyclical basis depending on the taxable year...

H. Change in accounting period.—To change an accounting period, see section 1128.

I. Accounting methods.—Taxable income may be computed using the method of accounting regularly used in keeping the corporation's books and records...

J. Estimated tax.—A corporation must make estimated tax payments if it can expect its estimated tax (income tax less credits) to be \$40 or more.

K. Consolidated returns.—The parent corporation must attach Form 851, Affiliations Schedule, to the consolidated return...

L. Stock ownership in foreign corporations.—See section 351(c), and attach the required statement if there was an ownership of 1% or more in value of the outstanding stock of a foreign personal holding company.

M. Financial statements.—The balance sheets must agree with your books and records. Any differences must be reconciled.

at FRBs which are not in compliance with deposit requirements will nevertheless be processed by the receiving FRB rather than returned to the taxpayer.

Federal Tax Deposit Forms prescribed with a Tax Class Number 503 will be mailed to corporations on a cyclical basis depending on the taxable year...

H. Change in accounting period.—To change an accounting period, see section 1128.

I. Accounting methods.—Taxable income may be computed using the method of accounting regularly used in keeping the corporation's books and records...

J. Estimated tax.—A corporation must make estimated tax payments if it can expect its estimated tax (income tax less credits) to be \$40 or more.

K. Consolidated returns.—The parent corporation must attach Form 851, Affiliations Schedule, to the consolidated return...

L. Stock ownership in foreign corporations.—See section 351(c), and attach the required statement if there was an ownership of 1% or more in value of the outstanding stock of a foreign personal holding company.

M. Financial statements.—The balance sheets must agree with your books and records. Any differences must be reconciled.

N. Attachments.—If more space is needed on forms or schedules, attach separate sheets.

File supporting schedules for each corporation included in the consolidated return. The schedules must be in columnar form and show, both before and after adjustments, the items of gross taxable income, balance sheets as of the beginning and end of the taxable year, and a reconciliation of retained earnings.

L. Stock ownership in foreign corporations.—See section 351(c), and attach the required statement if there was an ownership of 1% or more in value of the outstanding stock of a foreign personal holding company.

M. Financial statements.—The balance sheets must agree with your books and records. Any differences must be reconciled.

N. Attachments.—If more space is needed on forms or schedules, attach separate sheets.

O. Amended return.—Use Form 1120X to correct any error in a previously filed income tax return.

P. Transfers to corporation controlled by transferor.—If a person acquires stock or securities of a corporation in

prepare (or is a partner in a partnership) for pay must manually sign the return as preparer.

Q. Signature.—The return must be signed and dated by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or any other corporate officer (such as tax officer) authorized to sign.

R. Return preparer.—The return must be prepared by a person who is qualified to prepare tax returns and who is not an officer, partner, or shareholder of the corporation.

If estimated tax was underpaid and a penalty charge should not be assessed, attach Form 2220.

U. Real Estate Investment Trusts.—Enter on line 1 the gross profit on contributions from installment sales and carry the same amount to line 3. Attach a schedule showing for the current and 3 preceding years: (a) gross sales, (b) cost of goods sold, (c) gross profits, (d) percentage of gross profits to gross sales, (e) amount collected, and (f) gross profit on amount collected.

V. Foreign Bank, Securities and Other Financial Accounts.—If at any time during the taxable year, you had an interest in or signature or other authority over a bank account, securities account, or other financial account in a foreign country or were a grantor of, or transferor to, a foreign trust, which trust was in being during the taxable year, you must check the appropriate Yes boxes in questions S and T. (If you own more than 50 percent of the stock in any corporation that owns one or more foreign bank accounts, you must check the Yes box for question S.)

If you had any interest in or signature or other authority over a bank, securities, or other financial account in a foreign country (except in a U.S. military banking facility operated by a U.S. financial institution), you must file Treasury Department Form 90-22.1, Report of Foreign Bank, Securities, and Other Financial Accounts.

This form, which is due before July 1, 1978, should be filed with the U.S. Treasury Department at P.O. Box 283109, Central Station, Washington, D.C. 20005.

Form 90-22.1, which replaces Internal Revenue Service Form 4683, U.S. Information Return on Foreign Bank, Securities and Other Financial Accounts, and Foreign Trusts, may be obtained from Internal Revenue Service offices or by writing to the above address.

Specific Instructions

(Numbered to correspond with the line numbers on page 1 of the return.)

Item D. Employer Identification Number. If the employer identification number (EIN) is wrong on the label or if a label was not received, show the correct number on the return.

Corporations that do not have an EIN should apply for one on Form SS-4, available from any IRS or Social Security Administration office. Send Form SS-4 to the same Internal Revenue Service Center to which Form 1041 is sent.

Item F. Total Assets.—If there are no assets at the end of the taxable year, show the total assets as of the beginning of the taxable year.

Gross Income
1. **Gross receipts.**—Enter gross receipts or sales from all business operations except those required to be re-

ported in lines 4 through 10. For reporting advance payments and long-term contracts, see section 1.451-5 of the regulations.

If the installment method is used, enter on line 11 the gross profit on contributions from installment sales and carry the same amount to line 3. Attach a schedule showing for the current and 3 preceding years: (a) gross sales, (b) cost of goods sold, (c) gross profits, (d) percentage of gross profits to gross sales, (e) amount collected, and (f) gross profit on amount collected.

2. Cost of goods sold.—See instructions for Schedule A.

4. Dividends.—(Numbered to correspond with line numbers in Schedule C.)

(1.) Enter dividends received from domestic corporations subject to income tax and which are subject to the 85% deduction under section 243(a)(1). Include on this line taxable distributions from a DISC or former DISC that are designated as being eligible for the 85% deduction.

Small business investment companies must enter dividends received from domestic corporations subject to income tax even though a deduction is allowed for the entire amount of such dividends in line 1 of Schedule 1. For dividends received from a regulated investment company, see section 854 for the amount subject to the 85% deduction.

So-called dividends or earnings received from mutual savings banks, etc., are really interest and should not be treated as dividends.

(2.) Enter dividends received on the preferred stock of a public utility that is subject to income tax and is allowed the deduction provided in section 247 for dividends paid.

(3.) Enter dividends received from foreign corporations and which qualify for the 85% deduction provided in section 245(a).

(4.) Enter dividends received from wholly-owned foreign subsidiaries and which are eligible for the 100% deduction provided in section 245(b).

In general, this deduction applies to dividends paid out of the earnings and profits of a foreign corporation for a taxable year during which (1) all of its taxable stock is owned (directly or indirectly) by the domestic corporation receiving the dividends and (2) all of its gross income from all sources is effectively connected with the conduct of a trade or business within the U.S.

This 100% deduction does not apply if an election under section 1362 (election of multiple surtax exemptions by a

controlled group of corporations) was effective for the taxable year of the foreign corporation out of the earnings and profits of which the dividends are paid.

(5.) Enter foreign dividends (including minimum distributions under subpart F) not reportable on lines 3 and 4. Exclude distributions of amounts constructively taxed in the current year or in prior years under subpart F.

(6.) Include income constructively received from controlled foreign corporations under subpart F. This amount should equal the total of amounts reported in Schedule A, Form(s) 3646.

(7.) Include gross-up for taxes deemed paid under sections 902 and 960.

(8.) Enter only those dividends subject to the elective provisions of section 243(c) and are entitled to the 100% dividends-received deduction under section 243(d)(3). Corporations making this election are subject to the provisions of section 1561.

(9.) Enter only those dividends that are subject to the elective provisions of section 243(b) and are entitled to the dividends-received deduction as computed under the provisions of section 1564(b).

(10.) Enter taxable distributions from a DISC or former DISC that are designated as not being eligible for the 85% deduction.

(11.) Include dividends (other than capital gain dividends and exempt interest dividends) received from regulated investment companies and which are not subject to the 85% deduction; dividends from tax-exempt organizations; dividends (other than capital gain dividends) received from a real estate investment trust in which, for the taxable year of the trust in which the dividends are paid, qualifies under sections 856-860; dividends not eligible for a dividends-received deduction because of the holding period of the stock or an obligation to make corresponding payments with respect to similar stock; and any other taxable dividend income not reported above.

If ratonage dividends are treated, allocations are included in line 11. Schedule C identify the total of these amounts in a schedule attached to Form 1120.

6. Other interest.—Enter interest on loans, notes, mortgages, bonds, bank deposits, corporate bonds, tax refunds, etc.
Do not offset interest income against interest expense.

7. Gross rents.—Enter the gross amount received for the rent of property. Deduct expenses such as repairs, interest, taxes, and depreciation in the proper lines for deductions.

15. Bad debts.—Bad debts may be treated in either of two ways—(1) as a deduction for debts that become worthless in whole or in part, or (2) as a deduction for a reasonable addition to the reserve for bad debts. (Section 166.)

Application to change the method of computing bad debts must be made on Form 3115.

17. Taxes.—Enter taxes paid or accrued during the taxable year and attach a schedule showing the type and amount of tax.

Do not include Federal income taxes, foreign or U.S. possession income taxes if a foreign/possession tax credit is claimed, or taxes not imposed on the corporation. See section 164(g) for apportionment of taxes on real property between seller and purchaser.

18. Interest.—Do not include interest on indebtedness incurred or continued to purchase or carry obligations on which the interest is wholly exempt from income tax. (Section 205.)

Mutual savings banks, building and loan associations, and cooperative banks should enter amounts paid or credited to the accounts of depositors as dividends, interest, or earnings.

See section 267 for limitation on deductions for unpaid expenses and interest in transactions between related taxpayers.

Generally, a cash basis taxpayer cannot deduct prepaid interest allowable to year subsequent to the current taxable year. A cash basis taxpayer, who in 1977 prepaid interest allowable to any period after 1977, can only deduct the amount allocable to 1977. Please see Publication 545, Income Tax Deduction for Interest Expense.

19. Contributions.—Enter contributions or gifts actually paid within the taxable year to for the use or charitable and governmental organizations described in section 170(c) and any unused contributions carried over from prior years.

The total amount claimed may not exceed 5% of taxable income (line 30) computed without regard to (1) any deduction for contributions, (2) the special deductions in line 29(b), (3) deductions allowed under sections 249 and 250, (4) any net operating loss carryback to the taxable year under section 172, and (5) any capital loss carryback to the taxable year under section 1212(d)(1).

Charitable contributions in excess of the 5% limitation may not be deducted for the taxable year but may be carried over to the next 5 taxable years.

A contribution carryover is not allowed, however, to the extent that it increases a net operating loss carryover. See section 170(d)(2)(G).

Corporations on the accrual basis may elect to deduct contributions paid on or before the 15th day of the 3d month after the end of the taxable year if the con-

9(a). Capital gain net income.—Every sale or exchange of a capital asset must be reported in detail in Schedule D even though no gain or loss is indicated.

If the net long-term capital gain exceeds the net short-term capital loss, or in case of only a net long-term capital gain, compute the alternative tax if it produces a lesser tax.

9(b). Gain or (loss).—Enter the net gain or loss from line 9, Part II, Form 4797.

10. Other income.—The attached schedule should include recoveries of bad debts deducted in prior years under the specific charge-off method. Refunds of taxes deducted in prior years should be reported here and not offset against current year's taxes.

If "other income" consists of only one item, identify it by showing the account caption in parentheses on line 10.

12. Compensation of officers.—Complete columns 1 through 6, Schedule E for all officers. Complete column 7, Schedule E for your six highest paid officers. To determine the highest paid officers, add all allowances, including expense account allowances, to each officer's compensation. Expense account allowance means (1) amounts, other than compensation, received as advances or reimbursements, and (2) amounts paid by or for the corporation for expenses incurred by or on behalf of an officer. Column 7 does not have to be completed for any officer for whom the combined amount is less than \$30,000. This information is to be submitted by each member of an affiliated group included in a consolidated return.

14. Repairs.—Enter the cost of incidental repairs, such as labor and supplies, that do not add to the value or appreciably prolong the life of the property, include in this line the total amount of repairs from Form 4832 if the Class Life Asset Depreciation Range (CLADR) system is used.

Expenditures to remove architectural and transportation barriers to handicapped and elderly.—For new rules for expenses in taxable years beginning after December 31, 1976 and before January 1, 1980 to remove architectural and transportation barriers to handicapped and elderly persons, see section 190 and Temporary Internal Revenue Regulations section 7.190.

15. Bad debts.—Bad debts may be treated in either of two ways—(1) as a deduction for debts that become worthless in whole or in part, or (2) as a deduction for a reasonable addition to the reserve for bad debts. (Section 166.)

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preparing) Form 1120, the payer or partner may be charged a penalty if the return does not show the individual's social security number and the payer's (or partnership's) employer identification number.

If Form 1120 is prepared by the taxpayer's regular, full-time employee, such as a clerk, secretary, or bookkeeper, or by the taxpayer's partner (if an individual), that person is not subject to the above rules.

R. Corporations that liquidate within one calendar month under section 333.—Such corporations should attach a computation (following the format in Rev. Proc. 65-10, 1965-1 CB 738, as modified by Rev. Proc. 75-17, 1975-1 CB 677) of accumulated earnings and profits including all items of income and expense accrued up to the date the transfer of all property is completed.

S. U.S. person.—(See question H (2)(c), page 3, Form 1120.—The term "U.S. person" means: (1) a citizen or resident of the United States, (2) a domestic partnership, (3) a domestic corporation, or (4) any estate or trust (other than a foreign estate or trust) within the meaning of section 7701(a) (31).

Owner's country, for individuals, is their country of residence. For all others, it is the country where incorporated, organized, created, or administered.

T. Penalties.—Avoid penalties and interest by correctly filing and paying the tax when due.

1. A corporation that fails to file its tax return by the prescribed due date including any extensions of time for filing may be subject to a penalty of 5% for each month, up to a maximum of 25%, for each month the return is not filed (the penalty is imposed on the net amount due—section 6651(a)(1)).

2. A corporation that fails to pay the tax when due may be subject to a penalty of ½% a month or fraction of a month, up to a maximum of 25%, for each month the tax is not paid (the penalty is imposed on the net amount due—section 6651(b)(2)).

The above penalties will not be imposed if the corporation can show that the failure to file or to pay was due to reasonable cause and not to willful neglect.

These penalties are in addition to the interest charge imposed on unpaid tax at a rate pursuant to section 6621.

3. A corporation that fails to pay the proper estimated tax when due may be subject to an underpayment penalty for the period of underpayment (section 6655) at a rate pursuant to section 6621.

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equally (i.e., \$10,000 each), each member will enter on line 2, one-half of \$10,000, i.e., \$5,000, and on line 4, the remaining one-half of the surtax exemption, i.e., \$5,000. If an apportionment plan is adopted, see section 1561 and the regulations thereunder for the time and manner of making the consent.

2. Tax Incentive Payments Under the Bank Holding Company Tax Act of 1976.—Section 6158 provides that a bank holding company is not eligible to pay in installments the tax attributable to the sale of certain assets; the divestiture of which is certified by the Board of Governors of the Federal Reserve System. If this election is exercised, the Bank Holding Company must attach a statement showing the tax computation and the amount of the installment paid with this return. Also, in the right-hand margin enter the amount of the installment payment on line 9, Schedule J (Form 1120). Under section 6158, "computed under section 6158."

3. Mutual savings banks conducting life insurance business.—The tax under section 594 consists of the sum of (1) a federal tax computed on Form 1120 on the taxable income of the bank determined without regard to income or deductions allocated to the life insurance department and (2) a parallel tax on the taxable income computed on Form 1120 of the life insurance department. Enter the combined tax on line 9 of Schedule J, Form 1120. Attach Form 1120L as a schedule and identify as such.

4. Possession tax credit.—See Form 5712 for rules on how to elect to claim the possession tax credit (section 936). Compute the credit on Form 5735 and include the amount of the credit in the total for line 11, Schedule J (Form 1120). Write in the margin next to the entry on line 11, the amount of the credit and identify it as being a section 936 credit.

5. Credit for wages paid or incurred in Work Incentive (WIN) Program.—Employers may claim a credit of 20% of the salaries and wages paid or incurred to employees hired under a WIN program. The credit is allowed for the salaries and wages paid or incurred for the first 12 months of employment. For social rules and limitations, see Form 4874 and sections 50A and 50B.

6. Tax from recouping a prior year WIN credit.—If a WIN program employee is dismissed before completing a 12-month period of employment, the WIN credit must be recouped. An employee must be subject to section 504(c) (with certain exceptions) any tax credit previously taken on the salaries and wages paid or incurred to that employee. (See Form 4874.) The tax from recouping a prior year work incentive credit may not be offset

(line 28, page 1, less the sum of lines 3, 4, and 6 of Schedule I). For this purpose, line 28, page 1, is to be completed without regard to any capital loss carry-back to the taxable year under section 1212(a)(1).

In a year in which a net operating loss occurs, sections 172(d) and 246(e) provide that this 85% limitation does not apply even if the loss is created by the dividends-received deduction. In the case of a small business investment company, the dividends-received deduction of 100% included in line 2 is not subject to the overall 85% limitation. Financial institutions should see section 596 for special limitation on dividends-received deduction.

5. Deduction for dividends paid on certain preferred stock of public utilities.—Section 247 allows public utilities a deduction of 29.167% of the lesser of (1) dividends paid on their preferred stock during the taxable year, or (2) taxable income computed without regard to this deduction. In a year in which a net operating loss occurs, section 172(d) provides that the deduction is to be computed without regard to section 247(a)(1)(B).

6. Deduction for Western Hemisphere Trade Corporation.—Section 922 allows Western Hemisphere Trade Corporation a deduction of 16.667% of taxable income computed without regard to this deduction. However, no deduction is allowed to a corporation for a taxable year for which it is a DISC or during which it owns direct or indirect stock in any DISC as defined in section 992(b).

Schedule J—Tax Computation

The Tax Reduction and Simplification Act of 1977 extends through 1978 the lower tax rates and higher surtax exemption. (Personal holding companies—see Schedule PH (Form 1120) before completion.)

1. Surtax Exemption.—In general, corporations are entitled to a surtax exemption of \$50,000. However, members of a controlled group are entitled to be divided equally unless the group consents to split up the exemption in accordance with an apportionment plan. If no apportionment plan is adopted, for purposes of lines 2 and 4, members of a controlled group will enter one-half of their surtax exemption on line 2 and one-half on line 4. For example, if there are 6 members of the group, each member's exemption will be \$8,333.33.

2. Limitation on dividends-received deduction.—Line 2 may not exceed 85% of

If this is the first year the "Last-in-First-out" (LIFO) inventory method provided in section 472 was adopted and used, attach Form 970 or a statement with the information required by Form 970 to Form 1120 and check the LIFO box in line 8(b). Enter the amount or percent (estimates may be used) of total closing inventories covered under section 472 in line 8(c).

Full absorption method of inventory costing. The taxpayer engaged in manufacturing or production operations must use the full absorption method of inventory costing if they are not using the full absorption method of inventory costing. They must change to this method under which both direct and certain indirect production costs are included for inventory purposes. The change to full absorption may be made by filing Form 3115-10, 1975-2, C.B. 571, and section 1.471-11 of the regulations.

Cost of operations (where inventories are not an income-determining factor).—If the amount entered on line 2 includes an amount applicable to cost of operations, attach a schedule showing (1) salaries and wages and (2) other costs in detail.

If per unit retain allocations are included on line 4, Schedule A, identify this cost and the total amount in the Schedule "Other costs" to be attached to Form 1120.

Schedule I—Special Deductions

(Numbered to correspond with line numbers in Schedule I.)

1. A small business investment company operating under the Small Business Investment Act of 1958 may deduct 100% of dividends received from domestic corporations subject to income tax. (Section 243(a)(2).)

No deduction is allowed under section 243 for a dividend from a DISC or former DISC (as defined in section 992(b)). To the extent such dividend is paid out of the corporation's accumulated DISC income or previously taxed income, or is deemed distribution under section 995(b)(1).

In general, no dividends-received deduction will be allowed on any share of stock (a) that is disposed of if the corporation held it 15 days or less, or (b) to the extent the corporation is under an obligation to make corresponding payments with respect to substantially identical stock or securities.

2. Limitation on dividends-received deduction.—Line 2 may not exceed 85% of

Attach a statement showing (1) the amount of each class of expense items allowed and (2) the amount of expense items allocated to each such class. Show the amount allocated by apportionment separately.

If percentage dividends are included in line 26, page 1, Form 1120, identify this deduction and the total amount in the schedule "Other deductions" to be attached to Form 1120.

29(a). Net operating loss deduction.—The "net operating loss deduction" is the sum of the net operating loss carryovers and carrybacks to the taxable year. (Section 172(e).)

Generally, a net operating loss may be carried back to each of the 3 years preceding the year of such loss and carried over to each of the 7 years following the year of such loss; or, an election may be made whereby a net operating loss may just be carried over to each of the 7 years following the year of such loss. The election is made by attaching a statement to a timely filed return, including extensions, and is irrevocable. After applying the net operating loss to the first taxable year to which it may be carried, the portion of the loss that may be carried to each of the remaining taxable years is the excess, if any, of the loss over the sum of the taxable income for each of the prior taxable years to which the loss may be carried. (Section 172(b).)

If there is a net operating loss carry-back, file Form 1139 within 12 months after the close of the taxable year in which the net operating loss occurred for a "quick refund" of taxes. (Section 6411.)

If a net operating loss carryback creates an unused investment credit or an unused work incentive (WIN) credit, in a preceding year, the unused credit may be carried back to the 3 preceding years (however, the WIN credit cannot be carried back to years beginning before 1972), and under the provisions of section 6411, a quick refund of the taxes affected may be obtained by filing Form 1139.

See section 172 for special rules, limitations, and definitions pertaining to net operating loss carrybacks and carryovers. **29(b). Special deductions.**—See instructions for Schedule I.

Schedule A—Cost of Goods Sold

The method of valuing inventories may not be changed without permission. Application for permission to change must be made on Form 3115. Check method(s) used for valuing closing inventories in line 8(c).

training and child care facilities may be amortized over 60 months. An election under section 188 will not apply to on-the-job training capital expenditures made after December 31, 1976.

See section 191 (and Temporary Internal Revenue Regulations section 7.191) under which the cost incurred in a certified rehabilitation of a historic structure may be amortized over a 60-month period.

21. Depreciation.—See instructions for Form 4562, Depreciation.

22. Depletion.—See section 613 and 613A for percentage depletion rates applicable to natural deposits.

Attach Form T if a deduction is claimed for depletion of timber.

24. Pension, profit-sharing, etc. plans.—The number of plans to be entered refers to all plans for which all assets have not been distributed. Also include plans in which assets were distributed in the current year. The number of plans must be indicated whether or not a deduction is claimed.

Complete Form 5800 for each plan and file as a separate return. Complete Form 5300-C in lieu of Form 5300 if there were fewer than 100 participants at the beginning of the plan year. See instructions for the terms for computers, and allowable deduction on line 24. File these forms on or before the last day of the 7th month following the close of the plan year. ERISA imposes penalties for failure to furnish complete information and failure to file statements and return reports.

25. Employee benefit programs.—Enter the amount of contributions to employee benefit programs (e.g., insurance, health and welfare programs) that are not an incidental part of a pension, profit-sharing, etc., plan included on line 24. Also include contributions to a qualified group term life insurance plan. Section 120 imposes certain rules on an employer which will permit employees (including spouses and dependents) to exclude from income employer contributions to a qualified group term life insurance plan.

26. Other deductions.—No deduction is allowed for any amount allocable to exempt interest income, items directly attributable to wholly exempt income, items directly attributable to any class of taxable income must be allocated to such taxable income. If an item is indirectly attributable both to taxable income and exempt income, a reasonable proportion of the item, determined in the light of all the facts and circumstances, in each case, must be allocated to each.

tributions are authorized by the board of directors during the taxable year. A deduction, signed by an officer, stating that the resolution authorizing the contributions was adopted by the board of directors during the taxable year, and a copy of the resolution, must both be attached to the return. Attach a schedule showing the name of each contribution and the amount paid, if a contribution is made in property other than money, describe the kind of property transferred, and the method used in determining its fair market value. If a contribution carryover is included, show the amount and how it was determined.

Special rule for contributions of certain property.—If a charitable contribution of property is made, the contribution must be reduced by the sum of (1) the ordinary income, short-term capital gain and (2) of the long-term capital gain that would have resulted if the property were sold at its fair market value. The reduction for 62½% of the long-term capital gain applies to (1) contributions of tangible personal property for use by an exempt organization for a purpose other than the basis for its exemption, and (2) contributions of property to or for the use of certain private foundations. (Section 170(e).) For special rules regarding the contribution of inventory, and other ordinary income property, described in section 1221(1) or (2), to an exempt organization described in section 501(c)(3), for use in the care of the ill, needy, or infants, see section 170(e)(3).

Bargain sale to a charitable organization.—If a charitable contribution deduction is taken for property sold to a charitable organization, the adjusted basis for determining gain from the sale is an amount which is in the same ratio to the adjusted basis as the amount realized is to the fair market value of the property. **20. Amortization.**—If a deduction is claimed for amortization, attach a schedule showing: (1) a description of the expenditures being amortized; (2) date acquired, amortized, or expended; (3) amount being amortized; (4) amortization period (number of months); (5) amortization for this year; and (7) the total amount of amortization less the amount claimed in Schedule A and elsewhere on the return. See section 169 and related regulations for conditions under which the cost of certified pollution control facilities may be amortized over 60 months. See section 188 for conditions under which certain expenditures for on-the-job

Publication 902, Tax Information on Jobs Tax Credit.

Do not take an expense deduction for that portion of the wages or salaries paid or incurred which is equal to the amount of the new jobs credit (determined without regard to the limitation based on tax (section 53)). Members of a controlled group or a trade or business under common control with other trades or businesses, see section 280C.

10. Minimum Tax.—In general, the corporate minimum tax rate is 15 percent and the minimum tax exemption is the greater of \$10,000 or the regular income taxes for the year.

The tax preference items for corporations are accelerated depreciation on real property, accelerated depreciation on leased personal property applicable only to personal (holding companies), amortization of certified pollution control facilities, railroad rolling stock, on-the-job training facilities and child care facilities; reserve for losses on bad debts of financial institutions; depletion; intangible drilling costs (applicable only to personal holding companies); and, capital gains.

Attach Form 4626 if tax preference items exceed \$10,000 even if there is no minimum tax liability. There is any minimum tax liability deferred from a prior taxable year to this year.

Attach Form 4626 if tax preference items exceed \$10,000 even if there is no minimum tax liability. There is any minimum tax liability deferred from a prior taxable year to this year.

See Form 3468 for special rules and limitations.

8. Tax from recomputing a prior year investment credit.—If property is disposed of prior to the life-years category used in computing the investment credit, the credit must be recomputed as if the credit were based on the property as actually held. (For recomputation of the investment credit for qualified progress expenditures, see section 47(a)(3)). If the credit taken, including carrybacks and carryovers, exceeds the recomputed credit, the tax in the year of disposition must be increased by the excess. Form 4255 may be used to compute the tax.

The tax from recomputing a prior year investment credit may not be offset against the current year's investment credit.

9. New jobs credit.—In general, for a taxable year beginning in 1977, the credit shall be an amount equal to 50 percent of the excess of the aggregate unemployment insurance wages paid during 1977 over 102 percent of the aggregate unemployment insurance wages paid during 1976. An additional 10% credit may be claimed for certain vocational rehabilitation referrals during the calendar year 1977. See Form 5884 for definitions, special rules, and limitations. Also see

Codes for Principal Business Activity

These industry titles and definitions are based, in general, on the specific industry group from which the largest percentage of total receipts are derived. For a complete list of industry titles and definitions, plus all other income lines 4 through 10, page 1, under L, state the principal business activity. For a complete list of industry titles and definitions, plus all other income lines 4 through 10, page 1, under L, state the principal business activity. For a complete list of industry titles and definitions, plus all other income lines 4 through 10, page 1, under L, state the principal business activity. For a complete list of industry titles and definitions, plus all other income lines 4 through 10, page 1, under L, state the principal business activity.

Using the list below, enter on page 1, under C, the code number for the principal business activity.

- Code 0000 Agricultural products, except veterinary, animal, forestry, fishing, hunting, and trapping
- Code 0100 Agriculture, forestry, and fishing
- Code 0200 Aquaculture products, except veterinary, animal, forestry, fishing, hunting, and trapping
- Code 0300 Mining
- Code 0400 Metal mining
- Code 0500 Coal mining
- Code 0600 Oil and gas extraction
- Code 0700 Lumber and wood products
- Code 0800 Chemical and allied products
- Code 0900 Textile mill products
- Code 1000 Grain and allied products
- Code 1100 Food and kindred products
- Code 1200 Textile mill products
- Code 1300 Apparel and other textile products
- Code 1400 Apparel and other textile products
- Code 1500 Apparel and other textile products
- Code 1600 Apparel and other textile products
- Code 1700 Apparel and other textile products
- Code 1800 Apparel and other textile products
- Code 1900 Apparel and other textile products
- Code 2000 Apparel and other textile products
- Code 2100 Apparel and other textile products
- Code 2200 Apparel and other textile products
- Code 2300 Apparel and other textile products
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- Code 2500 Apparel and other textile products
- Code 2600 Apparel and other textile products
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- Code 9900 Apparel and other textile products

against the current year's work incentive credit.

7. Investment credit.—In most cases, the investment credit rate is 10% for property acquired and placed in service during the taxable year. Corporations may elect an 11% credit for such property if the corporation contributes 1% of the qualified investment to an employee stock ownership plan (ESOP). Beginning in 1977, in lieu of the 11% credit, a corporation may elect up to an 11.5% credit for qualifying 10% property. (1) The corporation increases its ESOP contribution from 1% up to 1.5% of the qualified investment in 10% property and (2) corporate employees make an ESOP contribution of up to one-half an ESOP contribution for each employee stock ownership plan and file it on or before the last day of the 7th month following the close of the plan year.

The limit on the amount of used property eligible for the investment credit is \$100,000.

The investment credit also applies to progress payments made during the construction of property that requires at least two years to construct and that has an expected useful life of at least seven years.

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- Code 2800 Apparel and other textile products
- Code 2900 Apparel and other textile products
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- Code 3300 Apparel and other textile products
- Code 3400 Apparel and other textile products
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- Code 3900 Apparel and other textile products
- Code 4000 Apparel and other textile products
- Code 4100 Apparel and other textile products
- Code 4200 Apparel and other textile products
- Code 4300 Apparel and other textile products
- Code 4400 Apparel and other textile products
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- Code 4600 Apparel and other textile products
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- Code 4900 Apparel and other textile products
- Code 5000 Apparel and other textile products
- Code 5100 Apparel and other textile products
- Code 5200 Apparel and other textile products
- Code 5300 Apparel and other textile products
- Code 5400 Apparel and other textile products
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- Code 6300 Apparel and other textile products
- Code 6400 Apparel and other textile products
- Code 6500 Apparel and other textile products
- Code 6600 Apparel and other textile products
- Code 6700 Apparel and other textile products
- Code 6800 Apparel and other textile products
- Code 6900 Apparel and other textile products
- Code 7000 Apparel and other textile products
- Code 7100 Apparel and other textile products
- Code 7200 Apparel and other textile products
- Code 7300 Apparel and other textile products
- Code 7400 Apparel and other textile products
- Code 7500 Apparel and other textile products
- Code 7600 Apparel and other textile products
- Code 7700 Apparel and other textile products
- Code 7800 Apparel and other textile products
- Code 7900 Apparel and other textile products
- Code 8000 Apparel and other textile products
- Code 8100 Apparel and other textile products
- Code 8200 Apparel and other textile products
- Code 8300 Apparel and other textile products
- Code 8400 Apparel and other textile products
- Code 8500 Apparel and other textile products
- Code 8600 Apparel and other textile products
- Code 8700 Apparel and other textile products
- Code 8800 Apparel and other textile products
- Code 8900 Apparel and other textile products
- Code 9000 Apparel and other textile products
- Code 9100 Apparel and other textile products
- Code 9200 Apparel and other textile products
- Code 9300 Apparel and other textile products
- Code 9400 Apparel and other textile products
- Code 9500 Apparel and other textile products
- Code 9600 Apparel and other textile products
- Code 9700 Apparel and other textile products
- Code 9800 Apparel and other textile products
- Code 9900 Apparel and other textile products

SCHEDULE D (Form 1120) Department of the Treasury Internal Revenue Service

Capital Gains and Losses

Attach to your income tax return.

1977

Name: _____ Employer Identification Number: _____

Part I Short-term Capital Gains and Losses—Assets Held 9 Months or Less

Table with 6 columns: Kind of property and description, Date acquired, Gross selling price, Date sold, Cost or other basis, and Gain or (loss).

Part II Long-term Capital Gains and Losses—Assets Held More than 9 Months

Table with 6 columns: Kind of property and description, Date acquired, Gross selling price, Date sold, Cost or other basis, and Gain or (loss).

Part III Summary of Schedule D Gains and Losses

Summary table with 3 rows: Net long-term capital gain or (loss), Net long-term capital gain over net long-term capital loss, and Net short-term capital gain or (loss).

Part IV Alternative Tax Computation

Table for alternative tax computation with 11 rows: Taxable income, Excess of net long-term capital gain over net short-term capital loss, and various percentages of net long-term capital gain.

Instructions

(References are to the Internal Revenue Code.) This schedule provides for the reporting of sales or exchanges of capital assets. Every sale or exchange of property must be reported even though no gain or loss is indicated.

See Form 1797 and related instructions for reporting sales or exchanges of property other than capital assets including the sale or exchange of property used in the trade or business and involuntary conversions (section 1231); also, gain from the disposition of interest in oil or gas property (section 1254).

Parts I and II

Note: The Tax Reform Act of 1976 increased the holding period for long-term capital gains and losses from more than 6 months to more than 1 year beginning in 1978 and after.

For amounts received from an installment sale, the date of sale will determine the treatment of the amounts received as long-term or short-term gain.

Gains and losses on futures transactions (but not on foreign currency futures) and on agricultural commodity subject to the rules of a board of trade or commodity exchange will remain the more than 6-month holding period rule for long-term treatment. See section 1222.

Capital Assets.—Each item of property held by an individual, partnership, trust, estate, or its trade or business is a capital asset except: (1) inventory, depreciable assets, or real property used in the trade or business; (2) accounts or notes receivable, notes, or other property described in (1) above; (3) certain property acquired in the ordinary course of trade or business; (4) accounts or notes receivable acquired in the ordinary course of trade or business; and (5) certain property described in (1) above.

Short Sales of Capital Assets.—For rules relating to certain short sales of stock or other securities, and transactions in commodity futures contracts, see section 1235.

Worthless Securities.—Except for banks, if securities which are capital assets become wholly worthless during the taxable year, the loss is to be treated as a capital loss as of the last day of the taxable year. No loss is allowed for wash sales of stock or securities. (See section 1091.) No loss is allowed (distributions between liquidation excepted) on transactions between related persons. (See section 267.)

Options to Buy or Sell.—An option to buy or sell a capital asset is treated as a capital loss or gain in the case of a purchaser or that of a grantor of an option in the case of stock, securities, or commodities granted after September 1, 1976.

Cost or Other Basis, As Adjusted.—In determining the adjusted basis of a capital asset, generally be its cost. If property was acquired by bequest, gift, tax-free exchange, involuntary conversion, or wash sale of stock, see sections 1011, 1012, 1015, 1016, 1017, 1018, 1019, 1020, 1021, 1022, 1023, 1024, 1025, 1026, 1027, 1028, 1029, 1030, 1031, 1032, 1033, 1034, 1035, 1036, 1037, 1038, 1039, 1040, 1041, 1042, 1043, 1044, 1045, 1046, 1047, 1048, 1049, 1050, 1051, 1052, 1053, 1054, 1055, 1056, 1057, 1058, 1059, 1060, 1061, 1062, 1063, 1064, 1065, 1066, 1067, 1068, 1069, 1070, 1071, 1072, 1073, 1074, 1075, 1076, 1077, 1078, 1079, 1080, 1081, 1082, 1083, 1084, 1085, 1086, 1087, 1088, 1089, 1090, 1091, 1092, 1093, 1094, 1095, 1096, 1097, 1098, 1099, 1100, 1101, 1102, 1103, 1104, 1105, 1106, 1107, 1108, 1109, 1110, 1111, 1112, 1113, 1114, 1115, 1116, 1117, 1118, 1119, 1120, 1121, 1122, 1123, 1124, 1125, 1126, 1127, 1128, 1129, 1130, 1131, 1132, 1133, 1134, 1135, 1136, 1137, 1138, 1139, 1140, 1141, 1142, 1143, 1144, 1145, 1146, 1147, 1148, 1149, 1150, 1151, 1152, 1153, 1154, 1155, 1156, 1157, 1158, 1159, 1160, 1161, 1162, 1163, 1164, 1165, 1166, 1167, 1168, 1169, 1170, 1171, 1172, 1173, 1174, 1175, 1176, 1177, 1178, 1179, 1180, 1181, 1182, 1183, 1184, 1185, 1186, 1187, 1188, 1189, 1190, 1191, 1192, 1193, 1194, 1195, 1196, 1197, 1198, 1199, 1200, 1201, 1202, 1203, 1204, 1205, 1206, 1207, 1208, 1209, 1210, 1211, 1212, 1213, 1214, 1215, 1216, 1217, 1218, 1219, 1220, 1221, 1222, 1223, 1224, 1225, 1226, 1227, 1228, 1229, 1230, 1231, 1232, 1233, 1234, 1235, 1236, 1237, 1238, 1239, 1240, 1241, 1242, 1243, 1244, 1245, 1246, 1247, 1248, 1249, 1250, 1251, 1252, 1253, 1254, 1255, 1256, 1257, 1258, 1259, 1260, 1261, 1262, 1263, 1264, 1265, 1266, 1267, 1268, 1269, 1270, 1271, 1272, 1273, 1274, 1275, 1276, 1277, 1278, 1279, 1280, 1281, 1282, 1283, 1284, 1285, 1286, 1287, 1288, 1289, 1290, 1291, 1292, 1293, 1294, 1295, 1296, 1297, 1298, 1299, 1300, 1301, 1302, 1303, 1304, 1305, 1306, 1307, 1308, 1309, 1310, 1311, 1312, 1313, 1314, 1315, 1316, 1317, 1318, 1319, 1320, 1321, 1322, 1323, 1324, 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2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 2675, 2676, 2677, 2678, 2679, 2680, 2681, 2682, 2683, 2684, 2685, 2686, 2687, 2688, 2689, 2690, 2691, 2692, 2693, 2694, 2695, 2696, 2697, 2698, 2699, 2700, 2701, 2702, 2703, 2704, 2705, 2706, 2707, 2708, 2709, 2710, 2711, 2712, 2713, 2714, 2715, 2716, 2717, 2718, 2719, 2720, 2721, 2722, 2723, 2724, 2725, 2726, 2727, 2728, 2729, 2730, 2731, 2732, 2733, 2734, 2735, 2736, 2737, 2738, 2739, 2740, 2741, 2742, 2743, 2744, 2745, 2746, 2747, 2748, 2749, 2750, 2751, 2752, 2753, 2754, 2755, 2756, 2757, 2758, 2759, 2760, 2761, 2762, 2763, 2764, 2765, 2766, 2767, 2768, 2769, 2770, 2771, 2772, 2773, 2774, 2775, 2776, 2777, 2778, 2779, 2780, 2781, 2782, 2

Form 1120-DISC (1977)

1120-DISC Domestic International Sales Corporation Return

1977

Department of the Treasury Internal Revenue Service. For calendar year 1977 or other taxable year beginning... A Date of DISC election... B Business code number... C Employer identification number... D Date incorporated... E Enter high assets from line 3, column (B) Schedule L (see instruction 1)...

F Did any corporation, individual, partnership, trust or estate at the end of your taxable year own, directly or indirectly, 50% or more of your voting stock? If "Yes," enter below the owner's name, address, identifying number, percentage of voting stock owned and, if a corporation, total assets. (See General Instruction Q).

G Indicate by placing an "X" in the appropriate box(es) the inter company pricing rule or rules which were applied to 25% or more of total receipts (line 10, page 1). If "Yes," enter below the owner's name, address, identifying number, percentage of voting stock owned and, if a corporation, total assets. (See General Instruction Q).

All Computations Must Reflect Inter-Company Pricing Rules Under Section 994 if Used (See Schedule P (Form 1120-DISC))

Table with columns: Name, Identifying number, Address, Percent voting stock owned, Total assets (corporations only), Foreign owner. Rows for Gross Income and Deductions.

Table for Computation of Taxable Income. Rows for Total income, 7 Export promotion expenses, 8 Other expenses not deducted above, 9 Total deductions.

Table for Taxable income before net operating loss deduction and dividends-received deduction (line 6 less line 9). Rows for 10 Taxable income before net operating loss deduction and dividends-received deduction, 11 Less: (a) Net operating loss deduction, (b) Dividends received deduction, 12 Taxable income.

13 Refund of U.S. tax on special fuel, nonhighway gas, and lubricating oil (attach Form 4136). Under penalty of perjury, preparer has examined the information and statements provided and to the best of my knowledge and belief it is true, correct, and complete. Signature of preparer, date, and preparer's signature and identifying number (see instructions).

Signature of officer, Date, Paid preparer's signature and identifying number (see instructions), Title, Paid preparer's address (or employer's name, address and identifying number).

Schedule A

Cost of Goods Sold (See instructions for Schedule A). Reflect ACTUAL purchases from a related supplier at the transfer price determined under the inter-company pricing rules of section 994, if used. See Schedule P (Form 1120-DISC).

Table for Schedule A with columns: 1 Inventory at the beginning of the year, 2 Purchases, 3 Salaries and wages, 4 Other costs (attach schedule), 5 Total, 6 Less: Inventory at the end of the year, 7 Cost of goods sold, 8 (a) Check valuation method(s) used for total closing inventory.

Schedule B

Gross Income (See instructions for Schedule B).

Table for Schedule B with columns: 1 Qualified export receipts from the sale of export property, 2 Other qualified export receipts, 3 Nonqualified gross receipts, 4 Total of lines 1, 2, and 3, 5 Less: Cost of goods sold, 6 Total income, 7 Export promotion expenses, 8 Other expenses not deducted above, 9 Total deductions, 10 Taxable income before net operating loss deduction and dividends-received deduction, 11 Less: (a) Net operating loss deduction, (b) Dividends received deduction, 12 Taxable income.

PART III—Deemed Distributions Under Section 995(b)(2)

- 1 Annual installment of distribution attributable to revocation of election in a prior year
- 2 Annual installment of distribution attributable to a failure to qualify as a DISC in a prior year
- 3 Total deemed distributions under section 995(b)(2) (add line 1 and line 2)

PART IV—Actual Distributions

- 1 Distributions to meet qualification requirements under section 992(c) (attach computation)
- 2 Other actual distributions
- 3 Total of line 1 and line 2
- 4 Amount on line 3 treated as distributed out of
 - (a) Previously taxed income
 - (b) Accumulated DISC income (including DISC income of the current year)
 - (c) Other earnings and profits
 - (d) Other

Schedule K Shareholder's Statement of DISC Distribution (Attach a separate Copy A, Schedule K (Form 1120-DISC) for each shareholder receiving a deemed or actual distribution. Give Copy B to the shareholder. See instructions on the back of Copy C.)

Additional Information Required

- H Did you claim a deduction for expenses connected with
 - (1) Entertainment facility (boat, resort, ranch, etc.)
 - (2) Living accommodations (except employees on business)?
 - (3) Employees' families at conventions or meetings?
 - (4) Employee or family vacations not reported on Form W-2?
- I Total amount of deductions claimed on Form 1120-DISC under section 274 (entertainment, gifts, etc.) \$
- J Refer to page 8 of the instructions and state the principal business activity

Product or service

K Were you a U.S. shareholder of any controlled foreign corporation? (See sections 951 and 957) If "Yes," attach Form 3646 (and Form 2952 where appropriate) for each corporation

L Did you file all required Forms 1087, 1096, and 1099?

M (1) Did 95% or more of your gross receipts for the taxable year consist of qualified export receipts (as defined in section 993(a))?

(2) Did the adjusted basis of your qualified export assets (as defined in section 993(b)) at the close of the taxable year equal or exceed 95% of the sum of the adjusted basis of all your assets at the close of the taxable year?

(3) If the answer to (1) or (2) is "No," did you make a pro rata distribution of property as defined in section 992(c)?

N (1) Did you have more than one class of stock at any time during the taxable year?

(2) Was the par or stated value of your stock at least \$2,500 on each day (for a new corporation, on the last day for making an election and for each succeeding day) of the taxable year?

O Are you a member of a controlled group that includes other DISCs? If "Yes,"

(1) Report in Part II, Section B of Schedule N the names, addresses, and employer identification numbers of the DISCs

(2) State the name and employer identification number of the group containing the DISCs in columns 3 and 4 of Part I, Sections A and B of Schedule N. See specific instruction B, Schedule N (Form 1120-DISC)

Name

Employer identification number

P Did you have your own bank account?

Q Did you maintain separate books and records?

R Did you, at any time during the taxable year, have any interest in or signature or other authority over a bank, securities, or other financial account in a foreign country (except in a U.S. military banking facility operated by a U.S. financial institution)?

S Were you the grantor of, or transferor to, a foreign trust during any taxable year, which foreign trust was in being during the current taxable year, whether or not you have any beneficial interest in such trust? If "Yes," you may be required to file Forms 3520, 3520-A, or 926

Schedule L Balance Sheets

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
1 Qualified assets																																																																																																			
(a) Working capital (cash and necessary temporary investments)																																																																																																			
(b) Funds awaiting investment (cash in U.S. banks in excess of working capital needs to acquire other qualified export assets)																																																																																																			
(c) Export-import bank obligations																																																																																																			
(d) Trade receivables (accounts and notes receivable)																																																																																																			
(e) Export property (net) (including inventory and qualified property held for lease)																																																																																																			
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(g) Investment in related foreign export corporations																																																																																																			
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14 Total liabilities and stockholders' equity																																																																																																			

Schedule M-1 Reconciliation of Income per Books With Income per Return

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Schedule M-2 Analysis of Other Earnings and Profits (Line 10 above)

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Schedule M-3 Analysis of Previously Taxed Income (Line 11 above)

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1977 Department of the Treasury Internal Revenue Service Instructions for Form 1120-DISC Domestic International Sales Corporation Return

(References are to the Internal Revenue Code)

Sec. 992. Requirements of a DISC is effective.

(a) **General rule.**—A DISC is a corporation that is incorporated under the laws of any State or the District of Columbia and satisfies the following conditions for the taxable year:

- (1) 95% or more of its gross receipts (as defined in section 993(f)) consists of qualified export receipts (as defined in section 993(a));
- (2) the adjusted basis of its qualified export assets (as defined in section 993(b)) at the end of the taxable year equals or exceeds 95% of the sum of the adjusted basis of all its assets at the end of the taxable year;
- (3) it does not have more than one class of stock (other than the gross value of its outstanding stock) is at least \$2,500 on each day for a new corporation, on the last day for making an election and for each succeeding day of the taxable year;
- (4) it has made an election to be treated as a DISC and the election is in effect for the taxable year;
- (5) it has its own bank account on each day of the taxable year (for exceptions see section 1.992-1(i) of the regulations) and maintains separate books and records; and
- (6) it is not an ineligible corporation.

(b) **Election.**—An election by an existing corporation to be treated as a DISC for a taxable year must be made at any time during the 90-day period immediately preceding the beginning of the taxable year (or for a corporation that was organized after the beginning of the first taxable year, only if all persons who are shareholders in the corporation on the first day of the first taxable year for which the election is effective consent to the election. (See section 4876. Election to be treated as a DISC.)

(c) **Termination.**—An election to be treated as a DISC for a taxable year will be terminated by a revocation after the first taxable year for which the election is effective if made at any time during the first 90 days of the taxable year (or for the taxable year following the taxable year in which made, if made after the close of such 90 days).

(d) **Continuation.**—An election to be a DISC for each of any 3 consecutive years will be terminated by the continued failure of the corporation to be a DISC for each of any 3 consecutive corporate stockholders.—For any tax-

able year in which a corporation is a DISC or in which at any time it owns directly or indirectly stock in a DISC or former DISC, such corporation is not allowed to take the Western Hemisphere Trade Corporation deduction (section 922), and is not entitled to the benefits of section 936.

Sec. 993. Definitions

(a) **Qualified export receipts.**—Except as provided by regulations under section 993(a)(2), qualified export receipts of a corporation are:

- (1) gross receipts from the sale, exchange, or other disposition of export property;
- (2) gross receipts from the lease or rental of export property that is used by the lessee of the property outside the U.S.;
- (3) gross receipts for services that are related and subsidiary to any qualified sale, exchange, lease, rental, or other disposition of export property by the corporation;
- (4) gain from the sale, exchange, or other disposition of qualified export assets (other than export property);
- (5) dividends or amounts includable in the gross income of a DISC with respect to stock of a related foreign export corporation;
- (6) interest on any obligation that is a qualified export asset;
- (7) gross receipts for engineering or architectural services for constructing projects located (or proposed for location) outside the U.S.; and
- (8) gross receipts for the performance of managerial services in furtherance of the production of other qualified export receipts of a DISC.

(b) **Qualified export assets.**—Qualified export assets of a corporation are:

- (1) export property;
- (2) assets used primarily in connection with the sale, lease, rental, storage, handling, transportation, packaging, assembly, or servicing of export property; or the performance of engineering or architectural services as described in section 993(a)(7)(G);
- (3) accounts receivable and evidences of indebtedness that arise by reason of transactions described in section 993(a)(1)(A), (B), (C), (D), (E), (F), (G), or (H);
- (4) money, bank deposits, and other similar temporary investments that are reasonably necessary to meet the needs of the corporation;
- (5) obligations arising in connection with a producer's loan;
- (6) stock or securities of a related foreign export corporation;
- (7) certain obligations issued, guaranteed, or insured, in the taxable year in which a corporation is a DISC or in which it owns directly or indirectly stock in a DISC or former DISC, such corporation is not allowed to take the Western Hemisphere Trade Corporation deduction (section 922), and is not entitled to the benefits of section 936.

(c) **Export property.**—Export property is property (except property excluded under section 993(c)(2) and property in short supply):

- (1) manufactured, produced, grown, or extracted in the U.S. by a person other than a DISC;
- (2) held primarily for sale, lease, or rental in the ordinary course of trade or business, by or to a DISC, for direct use, consumption, or disposition outside the U.S.;
- (3) consisting of a fair market value of which not more than 50% is attributable to articles imported into the U.S.; and
- (4) not sold or leased (1) by a DISC, or with a DISC as commission agent, to another DISC that is a member of the same controlled group as the DISC defined in section 993(a)(3), or as a DISC or (ii) by any person to a Western Hemisphere trade corporation (as defined in section 921) that is a related person (a member of the same controlled group as defined in section 993(a)(3) or a relationship that would exist if the person were treated as a member of that group) immediately before or after a transaction with respect to the seller, lessor, or commission agent.

(d) **Producer's loans.**—An obligation subject to the rules provided in section 993(d)(2) and (3) will be treated as arising out of a producer's loan if:

- (1) the loan, when added to the unpaid balance of all other producer's loans made by the DISC, does not exceed the accumulated DISC income at the beginning of the month in which the loan was made;
- (2) the obligation is evidenced by a note (or other evidence of indebtedness) with a stated maturity date not more than 5 years from the date of the loan;
- (3) the loan is made to a person engaged in the U.S. in the manufacturing, growing, or extraction of export property; and
- (4) it is designated as a producer's loan at the time of the loan.

(e) **United States.**—U.S. includes the Commonwealth of Puerto Rico and the possessions of the U.S.

(f) **Related foreign export corporation.**—A DISC may acquire, receive, or hold an interest in the stock of another corporation that is related to exports from the U.S.

(g) **Foreign international sales corporation (FISC).**—A foreign corporation is a related foreign export corporation if:

- (1) stock possessing more than 50% of the total combined voting power of all classes of stock entitled to vote is owned directly by the foreign corporation's gross receipts for its taxable year ending with or within the taxable year of the DISC consists of qualified export receipts (as defined in section 993(a)(1)(A) through (D) and section 993(b)(3) and (4)); and
- (2) 50% of the combined taxable income of the DISC and the person who receives on the property derived as the result of a sale by the DISC plus 10% of the export promotion expenses of the DISC attributable to the receipts, or
- (3) taxable income based upon the sale price actually charged (subject to the rules provided in section 482). Note: Generally, inter-company pricing rules (1) and (2) above will not permit the related person to price at a loss. See Schedule P (Form 1120-DISC.)

(h) **Export promotion expenses.**—Those expenses incurred to advance the distribution or sale of export property for use, consumption, or distribution outside the U.S. but that do not include freight or shipping export property aboard air-planes owned and operated by U.S. persons or ships documented under the laws of the U.S. in those cases where the property is shipped aboard such airplanes or ships.

(i) **Associated foreign corporation.**—A foreign corporation is a related foreign export corporation if:

- (1) less than 10% of the total combined voting power of all classes of stock entitled to vote is owned directly by the DISC; and
- (2) its exclusive function is to hold title to real property for the exclusive use (under a lease or otherwise) of applicable foreign law that the DISC cannot hold title.

(j) **Real property holding company.**—A foreign corporation is a related foreign export corporation if:

- (1) stock possessing more than 50% of the total combined voting power of all classes of stock entitled to vote is owned directly by the foreign corporation's gross receipts for its taxable year ending with or within the taxable year of the DISC consists of qualified export receipts (as defined in section 993(a)(1)(A) through (D) and section 993(b)(3) and (4)); and
- (2) the adjusted basis of the qualified export assets held by the foreign corporation at the close of the taxable year equals or exceeds 95% of the sum of the adjusted basis of all assets held by it at the close of the taxable year.

(k) **Real property holding company.**—A foreign corporation is a related foreign export corporation if:

- (1) stock possessing more than 50% of the total combined voting power of all classes of stock entitled to vote is owned directly by the foreign corporation's gross receipts for its taxable year ending with or within the taxable year of the DISC consists of qualified export receipts (as defined in section 993(a)(1)(A) through (D) and section 993(b)(3) and (4)); and
- (2) the adjusted basis of the qualified export assets held by the foreign corporation at the close of the taxable year equals or exceeds 95% of the sum of the adjusted basis of all assets held by it at the close of the taxable year.

(l) **Real property holding company.**—A foreign corporation is a related foreign export corporation if:

- (1) stock possessing more than 50% of the total combined voting power of all classes of stock entitled to vote is owned directly by the foreign corporation's gross receipts for its taxable year ending with or within the taxable year of the DISC consists of qualified export receipts (as defined in section 993(a)(1)(A) through (D) and section 993(b)(3) and (4)); and
- (2) the adjusted basis of the qualified export assets held by the foreign corporation at the close of the taxable year equals or exceeds 95% of the sum of the adjusted basis of all assets held by it at the close of the taxable year.

(m) **Real property holding company.**—A foreign corporation is a related foreign export corporation if:

- (1) stock possessing more than 50% of the total combined voting power of all classes of stock entitled to vote is owned directly by the foreign corporation's gross receipts for its taxable year ending with or within the taxable year of the DISC consists of qualified export receipts (as defined in section 993(a)(1)(A) through (D) and section 993(b)(3) and (4)); and
- (2) the adjusted basis of the qualified export assets held by the foreign corporation at the close of the taxable year equals or exceeds 95% of the sum of the adjusted basis of all assets held by it at the close of the taxable year.

(n) **Real property holding company.**—A foreign corporation is a related foreign export corporation if:

- (1) stock possessing more than 50% of the total combined voting power of all classes of stock entitled to vote is owned directly by the foreign corporation's gross receipts for its taxable year ending with or within the taxable year of the DISC consists of qualified export receipts (as defined in section 993(a)(1)(A) through (D) and section 993(b)(3) and (4)); and
- (2) the adjusted basis of the qualified export assets held by the foreign corporation at the close of the taxable year equals or exceeds 95% of the sum of the adjusted basis of all assets held by it at the close of the taxable year.

(o) **Real property holding company.**—A foreign corporation is a related foreign export corporation if:

- (1) stock possessing more than 50% of the total combined voting power of all classes of stock entitled to vote is owned directly by the foreign corporation's gross receipts for its taxable year ending with or within the taxable year of the DISC consists of qualified export receipts (as defined in section 993(a)(1)(A) through (D) and section 993(b)(3) and (4)); and
- (2) the adjusted basis of the qualified export assets held by the foreign corporation at the close of the taxable year equals or exceeds 95% of the sum of the adjusted basis of all assets held by it at the close of the taxable year.

(p) **Real property holding company.**—A foreign corporation is a related foreign export corporation if:

- (1) stock possessing more than 50% of the total combined voting power of all classes of stock entitled to vote is owned directly by the foreign corporation's gross receipts for its taxable year ending with or within the taxable year of the DISC consists of qualified export receipts (as defined in section 993(a)(1)(A) through (D) and section 993(b)(3) and (4)); and
- (2) the adjusted basis of the qualified export assets held by the foreign corporation at the close of the taxable year equals or exceeds 95% of the sum of the adjusted basis of all assets held by it at the close of the taxable year.

(q) **Real property holding company.**—A foreign corporation is a related foreign export corporation if:

- (1) stock possessing more than 50% of the total combined voting power of all classes of stock entitled to vote is owned directly by the foreign corporation's gross receipts for its taxable year ending with or within the taxable year of the DISC consists of qualified export receipts (as defined in section 993(a)(1)(A) through (D) and section 993(b)(3) and (4)); and
- (2) the adjusted basis of the qualified export assets held by the foreign corporation at the close of the taxable year equals or exceeds 95% of the sum of the adjusted basis of all assets held by it at the close of the taxable year.

(r) **Real property holding company.**—A foreign corporation is a related foreign export corporation if:

- (1) stock possessing more than 50% of the total combined voting power of all classes of stock entitled to vote is owned directly by the foreign corporation's gross receipts for its taxable year ending with or within the taxable year of the DISC consists of qualified export receipts (as defined in section 993(a)(1)(A) through (D) and section 993(b)(3) and (4)); and
- (2) the adjusted basis of the qualified export assets held by the foreign corporation at the close of the taxable year equals or exceeds 95% of the sum of the adjusted basis of all assets held by it at the close of the taxable year.

Sec. 994. Inter-Company Pricing Rules

In the case of a sale of export property to a DISC by a person described in section 482, the taxable income of the DISC and the other person may be based upon a transfer price which would allow the DISC to derive taxable income attributable to the sale (regardless of the sales price actually charged) in an amount which does not exceed the greatest of:

- (1) 10% of the qualified export receipts of the DISC plus 10% of the export promotion expenses of the DISC attributable to the receipts;
- (2) 50% of the combined taxable income of the DISC and the person who receives on the property derived as the result of a sale by the DISC plus 10% of the export promotion expenses of the DISC attributable to the receipts; or
- (3) taxable income based upon the sale price actually charged (subject to the rules provided in section 482).

Note: Generally, inter-company pricing rules (1) and (2) above will not permit the related person to price at a loss. See Schedule P (Form 1120-DISC.)

Export promotion expenses are those expenses incurred to advance the distribution or sale of export property for use, consumption, or distribution outside the U.S. but that do not include freight or shipping export property aboard air-planes owned and operated by U.S. persons or ships documented under the laws of the U.S. in those cases where the property is shipped aboard such airplanes or ships.

General Instructions

A. Corporations required to file Form 1120-DISC.—Form 1120-DISC must be filed by a domestic corporation that has elected to be treated as a DISC and is required to file Form 1120-DISC for section 992 for treatment as a DISC for the taxable year.

B. Where to file.—If the principal business of the corporation is located in:

- New Jersey, New York City, New York, Philadelphia, and Washington, DC: Federal Revenue Service Center, 1000 Market Street, Philadelphia, PA 19104
- New York (all other counties): Federal Revenue Service Center, 1000 Market Street, New York, NY 10038
- New Hampshire, Rhode Island, and Massachusetts: Federal Revenue Service Center, 1000 Market Street, Providence, RI 02902
- Alabama, Florida, Georgia, Louisiana, Mississippi, South Carolina, and Virginia: Federal Revenue Service Center, 1000 Market Street, Atlanta, GA 30303

C. United States.—U.S. includes the Commonwealth of Puerto Rico and the possessions of the U.S.

D. Related foreign export corporation.—A DISC may acquire, receive, or hold an interest in the stock of another corporation that is related to exports from the U.S.

E. Foreign international sales corporation (FISC).—A foreign corporation is a related foreign export corporation if:

- (1) stock possessing more than 50% of the total combined voting power of all classes of stock entitled to vote is owned directly by the foreign corporation's gross receipts for its taxable year ending with or within the taxable year of the DISC consists of qualified export receipts (as defined in section 993(a)(1)(A) through (D) and section 993(b)(3) and (4)); and
- (2) 50% of the combined taxable income of the DISC and the person who receives on the property derived as the result of a sale by the DISC plus 10% of the export promotion expenses of the DISC attributable to the receipts, or
- (3) taxable income based upon the sale price actually charged (subject to the rules provided in section 482). Note: Generally, inter-company pricing rules (1) and (2) above will not permit the related person to price at a loss. See Schedule P (Form 1120-DISC.)

F. Export promotion expenses.—Those expenses incurred to advance the distribution or sale of export property for use, consumption, or distribution outside the U.S. but that do not include freight or shipping export property aboard air-planes owned and operated by U.S. persons or ships documented under the laws of the U.S. in those cases where the property is shipped aboard such airplanes or ships.

G. Associated foreign corporation.—A foreign corporation is a related foreign export corporation if:

- (1) less than 10% of the total combined voting power of all classes of stock entitled to vote is owned directly by the DISC; and
- (2) its exclusive function is to hold title to real property for the exclusive use (under a lease or otherwise) of applicable foreign law that the DISC cannot hold title.

H. Real property holding company.—A foreign corporation is a related foreign export corporation if:

- (1) stock possessing more than 50% of the total combined voting power of all classes of stock entitled to vote is owned directly by the foreign corporation's gross receipts for its taxable year ending with or within the taxable year of the DISC consists of qualified export receipts (as defined in section 993(a)(1)(A) through (D) and section 993(b)(3) and (4)); and
- (2) the adjusted basis of the qualified export assets held by the foreign corporation at the close of the taxable year equals or exceeds 95% of the sum of the adjusted basis of all assets held by it at the close of the taxable year.

I. Real property holding company.—A foreign corporation is a related foreign export corporation if:

- (1) stock possessing more than 50% of the total combined voting power of all classes of stock entitled to vote is owned directly by the foreign corporation's gross receipts for its taxable year ending with or within the taxable year of the DISC consists of qualified export receipts (as defined in section 993(a)(1)(A) through (D) and section 993(b)(3) and (4)); and
- (2) the adjusted basis of the qualified export assets held by the foreign corporation at the close of the taxable year equals or exceeds 95% of the sum of the adjusted basis of all assets held by it at the close of the taxable year.

puting the taxable income of the DISC... If inter-company pricing rules are used, reflect in Schedule A actual purchases from a related supplier at the transfer price determined under the inter-company pricing rules of section 995. See Schedule P (Form 1120-DISC).

Schedule A.—Cost of goods sold

If inter-company pricing rules are used, reflect in Schedule A actual purchases from a related supplier at the transfer price determined under the inter-company pricing rules of section 995. See Schedule P (Form 1120-DISC).

The method of valuing inventories may not be changed without permission. Application for permission to change must be used for valuing closing inventories on line 8(a).

If this is the first year the "Last-in, first-out" (LIFO) inventory method provided in section 472 was adopted with the information required by Form 970 to Form 1120-DISC and check the LIFO box, estimates may be used at total closing inventories covered under section 472 in line 8(c).

Schedule B.—Gross Income

(Numbered to correspond with the line numbers in Schedule B.)

Enter gross income in lines 1 through 3 categorized as either (1) qualified export receipts from the sale of export property, (2) nonqualified export receipts, or (3) nonqualified gross receipts. If an income item consists of two or more categories, report each on the applicable line. For example, if interest income consists of qualified interest from a foreign international sales corporation and nonqualified interest from a domestic obligor, report the qualified interest on line 2(g) and the nonqualified interest on an attached schedule for line 3(f).

Special rule when the DISC acts as a commission agent. For commissions on the sale, lease, or rental of property, or the furnishing of services, list in column B the gross receipts on the sale, lease, or rental of property, or the furnishing of services on which the commissions arose and in column C the commissions earned. Receipts from nonresident aliens for services and all other receipts should be reported on the appropriate lines in column D. Column E is the sum of commissions reported in Column C and receipts from

Cost of operations (where inventories are not an income-determining factor). If the cost of operations is based on a cost of operations, attach a schedule showing in detail, the computation of the DISC's taxable income attributable to each such transaction or group of transactions.

Computation of Taxable Income

11(a). Net operating loss deduction.—The "net operating loss deduction" is the sum of the net operating loss carryovers and carrybacks to the taxable year. (Section 172(b).) A net operating loss may be carried back to each of the 3 years preceding the year of origin less the amount of such loss that followed the year of such loss; or, an election may be made whereby an net operating loss may be carried over to each of the 7 years following the year of such loss. After applying the net operating loss in the initial year, the portion of the loss that may be carried over to the 7 years of the loss over the sum of any of the loss over the sum of the carryover period. (Section 172(b).) The term "net operating loss" means the excess of allowable deductions over gross income computed with the following modifications under section 172(d):

- (1) No net operating loss deduction is allowed.
(2) The dividends-received deduction in line 1 of Schedule B is reduced by the amount of the net operating loss deduction allowed in section 172(b). See section 172(b)(2) of the regulations.
A deficit in earnings and profits is chargeable in the following order:
(1) first, to other earnings and profits, to the extent thereof;
(2) second, to accumulated DISC income, to the extent thereof; and
(3) finally, to previously taxed income, except that a deficit in earnings and profits DISC income which has been determined is to be deemed distributed to the shareholders (pursuant to section 995(b)(2)(A)) as a result of a revocation of election or other disqualification.

In determining the taxable income that must be subtracted from a net operating loss to determine the portion of the loss that will be available for the net operating loss deduction is determined without regard to the net operating loss for the loss year or any taxable year thereafter, and, under certain circumstances, without regard to the portion of a net operating loss attributable to a foreign corporation loss.

12. Taxable income.—If either the gross receipts method or combined taxable income method is chosen for com-

O. Investment credit and work incentive (WIN) credit.—The investment credit and the work incentive (WIN) credit do not apply to a DISC and may not pass through to any shareholder in a DISC.

P. Nonresident alien individuals and foreign corporations, trusts, and estates.—Treat all gains on the sale of stock owned by the DISC in addition to the DISC income, including deemed distributions, as effectively connected with the conduct of a trade or business conducted through a permanent establishment within the U.S.

O. Stock ownership.—For rules of stock attribution, see section 267(c). If the owner of the voting stock of a DISC is an alien individual or a foreign entity (corporation, partnership, trust, or estate), so indicate by checking the appropriate box(es) on the form. The name of the owner's country (in parentheses) for individuals is their country of residence, for other foreign entities, it is the country in which organized or otherwise created or in which administered.

R. Foreign bank, securities and other financial accounts.—If at any time during the taxable year, you had an interest in or signature or other authority over a bank account, security, or other financial account in a foreign country or were a grantor of, or transferee to, a foreign trust, which trust was in being during the taxable year, you must check the appropriate Yes box(es) in questions R and S (if you own more than 50 percent of the stock in any corporation that owns one or more of the accounts listed above, you must check the Yes box for question R).

If you had any interest in or signature or other authority over a bank, securities, or other financial account in a foreign country (except in a U.S. military banking facility operated by a U.S. financial institution), you must file Report of Foreign Bank and Accounts forms, which are due before July 1, 1978, with the Internal Revenue Service, Department of the Treasury, Central Station, Washington, DC 20005.

Form 90-22.1, which replaces Internal Revenue Service Form 4683, U.S. Information Return on Foreign Bank, Securities and Other Financial Accounts, and Foreign Trusts, may be obtained from Internal Revenue Service by writing to the above address.

Specific Instructions

(Numbered to correspond with the line numbers on page 1 of the return.)

S. Cost of goods sold.—Enter the amount shown on line 7, Schedule A.

preparer's place of business where the preparation of the return was completed. However, if this place of business is not maintained on a year-round basis, the return should be prepared at the preparer's principal business address location which is maintained on a year-round basis, or if none, the preparer's residence.

The preparer must give the taxpayer a copy of Form 1120-DISC in addition to the copy filed with IRS. Employers, partnerships, and self-employed individuals must file Form 1120-DISC with the annual list of income tax Return Preparers.

Note: A \$25 penalty may be charged to a paid preparer if the preparer fails to file a copy of Form 1120-DISC in addition to the copy filed with IRS. A preparer may also be charged a penalty if required to sign who does not show an original signature or a photocopy of the original signature in the space provided. A penalty may be charged a self-employed preparer who does not show his identifying number in the space provided.

If the individual is paid by another to prepare (or is a partner in a partnership preparing) the return, the preparer's return does not show the individual's social security number and the preparer's (or partnership's) employer identification number.

If the return is prepared by the taxpayer's regular, full-time employee, such as a clerk, secretary, or bookkeeper, the preparer's return must be subject to the above rules.

L. Total assets.—If there are no assets, enter zero in the taxable year, enter the total assets at the beginning of the taxable year.

M. Penalty for failure to file returns and provide information.—A penalty is assessed for failure to file a return or to supply information required to supply information or file a return who fails at the time prescribed or who files a return that does not show the information required.

Unless it is shown that the failure is due to reasonable cause, the penalty is (1) \$1,000 for each failure to supply information (the total amount imposed for all failures during any calendar year will not exceed \$25,000) or (2) \$1,000 for each failure to file a return.

N. Taxation of a DISC.—A DISC is not subject to any tax imposed by sections 1 through 1564 except for the tax imposed by sections 1491 through 1494 on certain transactions to avoid tax. A DISC is not subject to the corporate income tax, the minimum tax on tax preferences, or the accumulated earnings tax. A DISC is subject to the provisions of sections 1461 relating to withholding of tax on nonresident aliens and foreign corporations.

lication for Change in Accounting Method. Rounding off to whole-dollar amounts.—Money items may be shown as whole-dollar amounts by dropping any amount less than 50 cents and increasing any amount from 50 cents through 99 cents to the next higher dollar.

G. Stock ownership in foreign corporations.—If you owned 5% or more in value of the outstanding stock of a foreign personal holding company, attach the statement required by section 591(c).

If you control a foreign corporation or own 10% or more share of a controlled foreign corporation, you may be required to file Forms 2952 and 3646.

H. Financial statements.—The balance sheets must agree with your books and records. Any differences must be reconciled.

I. Attachments.—If more space is needed on forms or schedules, attach separate sheets. Attach schedules in alphabetical order and forms in numerical order to the back of Form 1120-DISC. Be sure to put the taxpayer's name and employer identification number on these separate sheets.

J. Amended return.—Correct any error in a previously filed return by filing an amended Form 1120-DISC.

K. Signature.—The return must be signed by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or by any other corporate officer (such as tax officer) authorized to sign. If an assignee must sign, the return must be required to file on behalf of a corporation.

An individual who prepares Form 1120-DISC for pay must manually sign the return as preparer. Signature stamps or labels are not acceptable. If someone prepares Form 1120-DISC for free, that person does not have to sign that return.

If more than one person prepares the return, each individual preparer has the primary responsibility for the overall accuracy of the return must sign the preparer. The preparer required to sign the return shall also enter his or her social security number to the right of that signature. If the preparer is self-employed, he or she must write "SE" to the right of the preparer's name. If the preparer is a partner in a partnership (preparing) Form 1120-DISC the preparer's (or partnership's) name and identification number must be entered below the preparer signature line. (Special rules apply to identification numbers for foreign tax return preparers. See sections 16109-2 and 301.7701-4(a)(5) of the regulations.)

The return must also show below the preparer's signature, the address of the

McHenry, Ohio Internal Revenue Service Center, Cincinnati, OH 45208
Akron, Ohio Internal Revenue Service Center, Akron, OH 44303
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Akron, Ohio Internal Revenue Service Center, Akron, OH 44303

Albany, New York Internal Revenue Service Center, Albany, NY 12242
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non-commission sales, leases, or rentals and all other receipts reported in column D.

See instructions for lines 21(b) and 21(f) for details regarding reporting of gains from sale of qualified export assets.

If you use the installment method of reporting, attach a schedule showing the gross profit for each year. (a) gross profit, (b) cost of goods sold, (c) gross profit, (d) percentage of gross profit to gross sales, (e) amount collected, and (f) gross profit on the amount collected.

1. Qualified export receipts from the sale of export property.—These are receipts from the sale of export property by direct use, consumption, or disposition outside the U.S.

For a sale to meet the export requirement, it must meet (1) a destination test and (2) a requirement that the sale be for ultimate use in the U.S. concerning (regardless of the property is delivered (regardless of the F.O.B. point of loss shifts from the seller or lessor):

- (a) Within the U.S. to a carrier or freight forwarder for ultimate delivery outside the U.S. to a purchaser or lessee (or to a subsequent purchaser or sublessee);
- (b) Within the U.S. to a purchaser or lessee (or a subsequent purchaser or sublessee) if the property is ultimately delivered outside the U.S. (including delivery to a carrier or freight forwarder for delivery outside the U.S.) by the purchaser or lessee (or a subsequent purchaser or sublessee) within one year after the sale or lease;
- (c) Within or outside the U.S. to a purchaser or lessee (or a subsequent purchaser or sublessee) at a point outside the U.S. if the property is ultimately delivered to a member of the same controlled group (as defined in section 993(a)(3)) as the seller or lessor;
- (d) From the U.S. to a purchaser or lessee (or a subsequent purchaser or sublessee) at a point outside the U.S. by means of the seller or lessor's own shipping facilities.

2(a). Outside the U.S. to a purchaser or lessee (or a subsequent purchaser or sublessee) at a point outside the U.S. by means of the seller or lessor's own shipping facilities.

2(b). Outside the U.S. to a purchaser or lessee (or a subsequent purchaser or sublessee) at a point outside the U.S. by means of the seller or lessor's own shipping facilities.

2(c). Outside the U.S. to a purchaser or lessee (or a subsequent purchaser or sublessee) at a point outside the U.S. by means of the seller or lessor's own shipping facilities.

2(d). Outside the U.S. to a purchaser or lessee (or a subsequent purchaser or sublessee) at a point outside the U.S. by means of the seller or lessor's own shipping facilities.

2(e). Outside the U.S. to a purchaser or lessee (or a subsequent purchaser or sublessee) at a point outside the U.S. by means of the seller or lessor's own shipping facilities.

2(f). Outside the U.S. to a purchaser or lessee (or a subsequent purchaser or sublessee) at a point outside the U.S. by means of the seller or lessor's own shipping facilities.

2(g). Outside the U.S. to a purchaser or lessee (or a subsequent purchaser or sublessee) at a point outside the U.S. by means of the seller or lessor's own shipping facilities.

2(h). Outside the U.S. to a purchaser or lessee (or a subsequent purchaser or sublessee) at a point outside the U.S. by means of the seller or lessor's own shipping facilities.

2(i). Outside the U.S. to a purchaser or lessee (or a subsequent purchaser or sublessee) at a point outside the U.S. by means of the seller or lessor's own shipping facilities.

2(j). Outside the U.S. to a purchaser or lessee (or a subsequent purchaser or sublessee) at a point outside the U.S. by means of the seller or lessor's own shipping facilities.

2(k). Outside the U.S. to a purchaser or lessee (or a subsequent purchaser or sublessee) at a point outside the U.S. by means of the seller or lessor's own shipping facilities.

2(l). Outside the U.S. to a purchaser or lessee (or a subsequent purchaser or sublessee) at a point outside the U.S. by means of the seller or lessor's own shipping facilities.

2(m). Outside the U.S. to a purchaser or lessee (or a subsequent purchaser or sublessee) at a point outside the U.S. by means of the seller or lessor's own shipping facilities.

2(n). Outside the U.S. to a purchaser or lessee (or a subsequent purchaser or sublessee) at a point outside the U.S. by means of the seller or lessor's own shipping facilities.

2(o). Outside the U.S. to a purchaser or lessee (or a subsequent purchaser or sublessee) at a point outside the U.S. by means of the seller or lessor's own shipping facilities.

allowance of losses under section 267 or section 707(b) immediately before or after the lease with respect to the property. The loss is determined by the action of the lessor (acting alone or together with the lessee). The second part of the export requirement for ultimate use in the U.S. must not be for ultimate use in the U.S. This test is applied at the time of the sale. If the property is to be used predominantly outside the U.S., the sale is not for ultimate use in the U.S.

2(d). Export management services.—Include receipts for export management services provided to unrelated DISCs.

2(e). Interest on producer's loans.—Include interest on loans made by a note or other evidence of indebtedness, be designated as a producer's loan, have a stated maturity not to exceed 5 years, and be attributable to the borrower's assets used in exporting and research and development.

2(f). Net capital gains.—Every sale or exchange of a capital asset must be reported in detail on a separate Schedule D (Form 1040), even though no gain or loss is indicated.

2(g). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(h). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(i). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(j). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(k). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(l). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(m). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(n). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(o). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(p). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(q). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(r). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(s). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(t). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(u). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

nish the services is connected with the sale or lease. A service is subsidiary if it is of less importance and value as compared to the sale or lease.

2(c). Engineering and architectural services.—Receipts from engineering or architectural services on foreign construction projects which are either located in the U.S. or for construction abroad are qualified receipts. They include feasibility studies, design and engineering, and general supervision of construction but do not include services connected with exploration for minerals.

2(d). Export management services.—Include receipts for export management services provided to unrelated DISCs.

2(e). Interest on producer's loans.—Include interest on loans made by a note or other evidence of indebtedness, be designated as a producer's loan, have a stated maturity not to exceed 5 years, and be attributable to the borrower's assets used in exporting and research and development.

2(f). Net capital gains.—Every sale or exchange of a capital asset must be reported in detail on a separate Schedule D (Form 1040), even though no gain or loss is indicated.

2(g). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(h). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(i). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(j). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(k). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(l). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(m). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(n). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(o). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(p). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(q). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(r). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(s). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(t). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

2(u). Ordinary gain or (loss).—Enter the net gain or loss from the sale of qualified export assets.

See section 993(e)(3) for the definition of controlled group.

3(f). Other.—Include in an attached schedule any nonqualified gross receipts not reported on lines 3(e) through 3(i). Do not enter them on line 3(f) against a similar item of expense.

Schedule C.—Dividends
(Numbered to correspond with the line numbers in Schedule C.)

1. Enter dividends received from domestic corporations subject to income tax (85% deduction under section 243(a)(1)).

Include on this line taxable distributions received from a DISC or former DISC that are designated as being eligible for the 85% dividends-received deduction.

For dividends received from a regulated investment company, enter the 85% for amount subject to the 85% deduction.

So-called dividends or earnings received from mutual savings banks, etc., are really interest and should not be treated as dividends.

2. Enter dividends received on the preferred stock of a public utility that is subject to income tax and is allowed the deduction provided in section 247 for dividends paid.

3. Enter dividends received from foreign corporations that qualify for the 85% deduction provided in section 245(a).

4. Enter dividends received from wholly-owned foreign subsidiaries that are eligible for the 100% deduction provided in section 245(b).

5. Enter foreign dividends (including minimum distributions under subpart F) that are not reportable on lines 3 and 4. Exclude distributions of amounts constructively taxed in the current year or in prior years under subpart F.

6. Include income constructively received from controlled foreign corporations under subpart F. This amount should equal the total of amounts reported in Schedule A, line 5 of Form(S) 3546.

7. Enter taxable distributions from a DISC or former DISC that are designated as not being eligible for the 85% dividends-received deduction (See sections 246(d), 993(d), and 993(e)(3)).

8. Include dividends (other than capital gain dividends) received from regulated investment companies that are subject to the 85% deduction; dividends (other than capital gain dividends) received from a real estate investment trust which, for the taxable year of the trust in which the dividends are paid, qualifies under sections 856 through 858; dividends not eligible for

a dividends-received deduction because of the holding period of the stock or an applicable holding period (1) description of the expenditures being amortized; (2) the amortization period (number of months); (3) amount being amortized; (4) amortization period (number of months); (5) amortization period (number of months); (6) amortization for this year; (7) the total amount claimed in the prior year; and (8) the total amount claimed in the current year.

10. Enter dividends (and income constructively received from controlled foreign corporations under subpart F) from a qualified foreign export corporation which constitute qualified dividends. Generally, the investment in the corporation must be made by selling substantial part of the DISC which qualifies as a foreign international sales corporation (FISCO).

Schedule E.—Deductions
(Numbered to correspond with the line numbers in Schedule E.)

Enter export promotion expenses in line 1. Export promotion expenses are a DISC's ordinary and necessary expenses paid or incurred to obtain qualified export contracts. Any expense (or any part of an expense) not incurred to obtain qualified export receipts should be entered in line 2.

1(c). Depreciation.—Attach Form 4562 if you claim a deduction for depreciation. Enter on this line the depreciation not claimed in Schedule A and elsewhere on the return.

1(f). Freight.—Enter one-half of the freight expenses (not including insurance) for shipping export property aboard U.S. flag vessels and U.S. owned and operated aircraft (unless required by law).

1(g). Compensation of officers.—Attach a schedule showing the name, social security number, amount of compensation for your 6 highest paid officers. To determine the highest paid officers, add all allowances, including expense account allowances, to each officer's compensation. Expense account allowance means (1) amounts, other than compensation, received as advances or reimbursements and (2) amounts paid by or for the corporation to an officer. The expense account allowance does not have to be shown for any officer for whom the combined compensation and expense account allowance is less than \$30,000.

For this purpose, an officer is a person, such as a regular officer, chairman of the board, etc., who is elected or appointed to the position of officer or as an officer in the corporation's charter or bylaws.

1(h). Repairs.—Enter the cost of incidental repairs, such as labor and supplies, that do not add to the value or appreciably prolong the life of the property. Include on this line the total amount of repairs from Form 4832, if the Class Life Asset Depreciation Range (CLAUR) system is used.

1(i). Repairs.—Enter the cost of incidental repairs, such as labor and supplies, that do not add to the value or appreciably prolong the life of the property. Include on this line the total amount of repairs from Form 4832, if the Class Life Asset Depreciation Range (CLAUR) system is used.

1(j). Repairs.—Enter the cost of incidental repairs, such as labor and supplies, that do not add to the value or appreciably prolong the life of the property. Include on this line the total amount of repairs from Form 4832, if the Class Life Asset Depreciation Range (CLAUR) system is used.

1(k). Repairs.—Enter the cost of incidental repairs, such as labor and supplies, that do not add to the value or appreciably prolong the life of the property. Include on this line the total amount of repairs from Form 4832, if the Class Life Asset Depreciation Range (CLAUR) system is used.

1(l). Repairs.—Enter the cost of incidental repairs, such as labor and supplies, that do not add to the value or appreciably prolong the life of the property. Include on this line the total amount of repairs from Form 4832, if the Class Life Asset Depreciation Range (CLAUR) system is used.

1(k). Amortization.—If a deduction for amortization is claimed on a schedule showing (1) a description of the expenditures being amortized; (2) the amortization period (number of months); (3) amount being amortized; (4) amortization period (number of months); (5) amortization for this year; (6) amortization for the prior year; and (7) the total amount claimed in the current year.

1(l). Pension profit sharing, etc. plans.—The amounts of plans to be entered refer to all plans for which all assets have not been distributed. Also include any plans in which assets were distributed in the current year. The number of plans must be indicated whether or not a deduction is claimed. Complete Form 5500 for each plan. Complete Form 5500-C in lieu of Form 5500 if there were fewer than 100 participants at the beginning of the plan year. See instructions for above forms for computation of the amount of allowable deduction. File these forms on or before the last day of the 7th month following the end of the plan year.

Caution. ERISA imposes penalties for non-compliance with its requirements and failure to file statements, returns and reports.

1(m). Employee benefit programs.—Enter the amount of your contributions to employee benefit programs (e.g. insurance, health and welfare programs) that are not an incidental part of a pension, profit-sharing, etc., plan included on line 10. Also include contributions to a qualified group legal services plan. See instructions for Form 5500 for details.

2(a). Bad debts.—Bad debts may be treated in either of two ways—(1) as a deduction for debts that become worthless in whole or in part, or (2) as a deduction for a reasonable addition to a reserve for bad debts. The method of computing bad debts must be shown on Form 3115.

2(b). Taxes.—Enter taxes paid or accrued during the taxable year and attached during the taxable year and amount of tax.

2(c). Interest.—Do not include interest on indebtedness incurred or continued to purchase or carry obligations on which the interest is fully exempt from tax (e.g., U.S. Treasury obligations). See section 267 for the limitation on interest in transactions between related taxpayers.

2(d). Interest.—Do not include interest on indebtedness incurred or continued to purchase or carry obligations on which the interest is fully exempt from tax (e.g., U.S. Treasury obligations). See section 267 for the limitation on interest in transactions between related taxpayers.

2(e). Interest.—Do not include interest on indebtedness incurred or continued to purchase or carry obligations on which the interest is fully exempt from tax (e.g., U.S. Treasury obligations). See section 267 for the limitation on interest in transactions between related taxpayers.

2(f). Interest.—Do not include interest on indebtedness incurred or continued to purchase or carry obligations on which the interest is fully exempt from tax (e.g., U.S. Treasury obligations). See section 267 for the limitation on interest in transactions between related taxpayers.

2(g). Interest.—Do not include interest on indebtedness incurred or continued to purchase or carry obligations on which the interest is fully exempt from tax (e.g., U.S. Treasury obligations). See section 267 for the limitation on interest in transactions between related taxpayers.

2(h). Interest.—Do not include interest on indebtedness incurred or continued to purchase or carry obligations on which the interest is fully exempt from tax (e.g., U.S. Treasury obligations). See section 267 for the limitation on interest in transactions between related taxpayers.

SECTION To Be Completed for Income From U.S. Sources That Is Not Effectively Connected With the Conduct of a Trade or Business Within the U.S.

If you are required to complete Section II or are using the form as a claim for refund of tax withheld at the source, include in this section an amount from U.S. sources that is not effectively connected with the conduct of a trade or business within the U.S. Other income from U.S. sources that is not effectively connected with the conduct of a trade or business within the U.S. and the rate of tax on each item of income listed below is 30% unless limited by tax treaty. Fill in treaty rates where applicable.

Table with 5 columns: Name of treaty country, if any; Nature of income; Amount; Rate of tax (%); Amount of tax. Rows include Interest, Dividends, Rents, Royalties, Annuities, Gains from disposal of timber, coal, or domestic iron ore, Gains from certain evidences of indebtedness, and Gains from sale or exchange of patents, copyrights, etc.

14 Total—Enter here and on line 1, page 1 Explanation of Lines 1 Through 13 Above (Enter each individual item of income)

Table with 5 columns: 1. Name of treaty country, if any; 2. Nature of income; 3. Gross amount; 4. Rate of tax; 5. Amount of U.S. income tax paid or withheld at the source. Includes Total of column 3 and Total of column 5.

U.S. Income Tax Return of a Foreign Corporation

Form 1120F Department of the Treasury Internal Revenue Service For calendar year 1977 or other taxable year beginning 1977, ending 19

Name, Number and street, City or town, State and ZIP code, or country, Employer identification number

NOTE: Complete Section I to compute tax on income from U.S. sources that is NOT effectively connected with the conduct of a trade or business within the U.S. Complete Section II to compute tax on income effectively connected with the conduct of a trade or business within the U.S.

Main body of the form containing sections A through L, including questions about incorporation, U.S. agent, foreign personal holding company, and tax computation instructions.

SECTION II To Be Completed for Income Effectively Connected With the Conduct of a Trade or Business Within the U.S.

IMPORTANT—Fill in all applicable lines and schedules. If the lines on the schedules are not sufficient, see instruction V.

GROSS INCOME
1 Gross receipts or gross sales
Less: Returns and allowances
2 Less: Cost of goods sold (Schedule A) and/or operations (attach schedule)
3 Gross profit
4 Dividends (Schedule C)
5 Interest on obligations of the U.S. and its instrumentalities
6 Other interest
7 Gross rents
8 Gross royalties
9 (a) Capital Gain Net Income (attach Schedule D (Form 1120))
(b) Net gain or (loss) from line 9, Part II, Form 4797 (attach Form 4797)
10 Other income (see instructions—attach schedule)
11 TOTAL income—Add lines 3 through 10
12 Compensation of officers (Schedule E)
13 Salaries and wages (not deducted elsewhere)
14 Repairs (see instructions)
15 Bad debts (Schedule F if reserve method is used)
16 Rents
17 Taxes (attach schedule)
18 Interest
19 Contributions (not over 5% of line 30 adjusted per instructions—attach schedule)
20 Amortization (attach schedule)
21 (a) Depreciation (from line 4, column (g), Form 4562 (attach Form 4562))
(b) Less Depreciation claimed in Schedule A and elsewhere on return
(c) Balance (line 21(a) less 21(b))
22 Depletion
23 Advertising
24 Pension, profit sharing, etc. plans (see instructions) (enter number of plans)
25 Employee benefit programs (see instructions)
26 Other deductions (total from page 5)
27 TOTAL deductions—Add lines 12 through 26
28 Taxable income before net operating loss deduction and special deductions (line 11 less line 27)
29 Less: (a) Net operating loss deduction (see instructions—attach schedule)
(b) Special deductions (Schedule I)
30 Taxable income (line 28 less line 29)

M Business description (see page 8 of instructions)
(1) Business code no.
(2) Principal business activity
(3) Principal product or service
N Were you a member of a controlled group subject to the provisions of Section 1561?
(a) parent-subsidiary
(b) brother-sister
(c) combination of (a) and (b) (See section 1563)
O Amount of taxable income or (loss) from line 28, page 3 for your taxable year beginning in:
1974
1975
1976
P Did you file all required forms 1042, 1087, 1096, and 1099?
Q Did you claim a deduction for expenses connected with:
(1) Entertainment facility (boat, resort, ranch, etc.)
(2) Living accommodations (except for employees on business)?
(3) Employees' families at conventions or meetings?
(4) Employee or family vacations not reported on Form W-2?
R Total amount of deductions on Form 1120F that are claimed under section 274 (Entertainment, gifts, etc.) \$

Schedule A Cost of Goods Sold (See instructions for Schedule A)

1 Inventory at beginning of year
2 Merchandise bought for manufacture or sale
3 Salaries and wages
4 Other costs (attach schedule)
5 Total of lines 1 through 4
6 Less: Inventory at end of year
7 Cost of goods sold—Enter here and on line 2, page 3
8 (a) Check valuation method(s) used for total closing inventory
Lower of cost or market
Other (attach explanation)
(b) Check if this is the first year the LIFO inventory method was adopted and used. If checked, attach Form 970
(c) If the LIFO inventory method was used for this taxable year, enter percentage (or amounts) of closing inventory computed under LIFO
(d) 1, 471—11
(e) Was there any substantial change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation

Schedule C Dividends (See instruction 4)
1 Domestic corporations subject to the 85% deduction
2 Certain preferred stock of public utilities
3 Foreign corporations subject to the 85% deduction
4 Other dividends from foreign corporations
5 Foreign dividend gross-up (section 78)
6 Taxable dividends from a DISC or a former DISC not included in line 1 (section 246(d))
7 Other
8 Total—Enter here and on line 4, page 3

Schedule E Compensation of Officers (See instruction 12)
1 Name of officer
2 Social security number
3 Time devoted to business
4 Current officer's
5 Preferred
6 Amount of compensation
7 Expense account allocated
Total compensation of officers—Enter here and on line 12, page 3

Schedule F Bad Debts—Reserve Method (See instruction 15)
1 Year
2 Trade receivable accounts for no outstanding at end of year
3 Sales on account
4 Current officer's
5 Reserve
6 Amount charged against reserve
7 Reserve for bad debts at end of year
1972
1973
1974
1975
1976
1977

1977 Department of the Treasury Internal Revenue Service Instructions for Form 1120F U.S. Income Tax Return of a Foreign Corporation

(References are to the Internal Revenue Code.)

General Instructions

A. Who must file.—Except as otherwise provided, Form 1120F must be filed by every foreign corporation that is engaged in a trade or business in the U.S. at any time during the taxable year. (2) Tax income from U.S. sources that is not effectively connected with the conduct of a trade or business within the U.S. (section 881). (3) Tax income that is effectively connected with the conduct of a trade or business within the U.S. (section 882), or (4) tax items of tax preference (described in section 57), which enter into the computation of unrelated business income.

For example, a foreign corporation engaged in a trade or business in the U.S. at any time during the taxable year must file Form 1120F even though (a) it has no income effectively connected with the conduct of a trade or business in the U.S. (b) it has no income from sources within the U.S., or (c) its income is exempt from income tax by reason of an income tax convention or any section of the Code. However, if the foreign corporation has no gross income for the taxable year, it is not required to complete the return schedules but a statement must be attached to the return showing the nature of any amounts excluded from gross income and the amounts of such exclusions to the extent they are readily determinable.

Under section 819A, a domestic mutual life insurance company can elect to exclude from the computation of its taxable income all income and expense of its contiguous country (Canada and Mexico) branches. If this election is made, the contiguous country branch is treated as a foreign corporation for the purposes of the tax imposed by sections 881, 882, and 1442 on U.S. sourced income. Form 1120F must be used to report these types of income.

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

If a foreign corporation has no office or place of business in the U.S. at the

U.S. must file on or before the 15th day of the 6th month following the end of their taxable year.

File Form 7004 to request an automatic 3 month extension of time to file Form 7005. Form 7005 may be used to request an additional extension, but only by those corporations that previously obtained an automatic 3 month extension by filing Form 7004.

D. Payment of tax.

(1) Foreign corporations having an office or place of business within the U.S.—The balance of tax due (line 7, page 1) must be paid in full when the return is filed or in two installments—50% by the 15th day of the 3d month and 50% by the 15th day of the 6th month after the close of the taxable year.

All corporation income tax payments and estimated income tax payments must be deposited at an authorized commercial bank depository or Federal Reserve Bank or Branch (FRB), with a Federal Tax Deposit Form prescribed with a Tax Class Number 503, in accordance with instructions appearing on the reverse of that form. Deposits made at an FRB must be made with the FRB servicing the geographic area where the corporation's place of business is located. The deposit must be made in a form of payment that FRB consumers to be an immediate credit item. Additional information can be obtained from a court clerical bank or FRB. Exempt from a court clerical bank or FRB is a Federal Tax Deposit prescribed with a Tax Class Number 503. Do not remit directly to Internal Revenue. Records of deposits will be sent to Internal Revenue for crediting to the corporation's account. In Schedule F, list all sources from the sale or exchange of capital assets if (a) the income, gain, or loss is derived from assets used in, or held for use in, the conduct of the corporation's trade or business, or (b) the activities of the corporation's trade or business were a material factor in the realization of the income, gain, or loss.

(2) Certain fixed or determinable annual or periodical income from U.S. sources and gain or loss from U.S. capital assets if (a) the income, gain, or loss is derived from assets used in, or held for use in, the conduct of the corporation's trade or business, or (b) the activities of the corporation's trade or business were a material factor in the realization of the income, gain, or loss.

Under certain circumstances, limited categories of income from foreign sources will be treated as effectively connected income.

A foreign corporation not engaged in a trade or business within the U.S. will not have any effectively connected income (1) if elects to file section 882(O) to treat real property income as effectively connected income (see instruction B); (2) if it is a corporation created or organized in a U.S. possession and conducts a banking

business; or (3) if it is a foreign corporation that is not engaged in a trade or business within the U.S. and that is not a member of a partnership or is a beneficiary of an estate or trust will be con-

Foreign corporations needing Federal Tax Deposit Forms may obtain them from the Philadelphia Service Center. The application should include the corporation's name, identification number, address, taxable year to which the deposits relate, and a statement identifying the corporation as a foreign corporation.

(2) Foreign corporations not having an office or place of business within the U.S.—The balance of tax due (line 7, page 1) must be paid in full when the return is filed or in two installments—50% on or before the 15th day of the 6th month and 50% on or before the 15th day of the 9th month following the close of the taxable year. The tax may be paid by check or money order drawn to the order of "Internal Revenue Service," and remitted to the Internal Revenue Service Center, Philadelphia, PA 19253. Enter the employer identification number on all remittances.

E. Taxation of foreign corporations.—Foreign corporations are taxed at regular corporate tax rates on income that is effectively connected with the conduct of a trade or business within the U.S. (see instruction F), and on income from U.S. sources that is not effectively connected with the conduct of a trade or business within the U.S. (See instruction G).

F. Income effectively connected with the conduct of a trade or business.—Foreign corporations engaged in a trade or business within the U.S. are taxed at regular corporate tax rates on the following income:

- All income, gain, or loss from U.S. sources derived in the conduct of the trade or business.
- Certain fixed or determinable annual or periodical income from U.S. sources and gain or loss from U.S. capital assets if (a) the income, gain, or loss is derived from assets used in, or held for use in, the conduct of the corporation's trade or business, or (b) the activities of the corporation's trade or business were a material factor in the realization of the income, gain, or loss.

Under certain circumstances, limited categories of income from foreign sources will be treated as effectively connected income.

A foreign corporation not engaged in a trade or business within the U.S. will not have any effectively connected income (1) if elects to file section 882(O) to treat real property income as effectively connected income (see instruction B); (2) if it is a corporation created or organized in a U.S. possession and conducts a banking

business; or (3) if it is a foreign corporation that is not engaged in a trade or business within the U.S. and that is not a member of a partnership or is a beneficiary of an estate or trust will be con-

which is not a capital asset but for the fact that the obligations were issued after May 27, 1969; and (c) the payment of interest on an obligation described in (b) above, an amount equal to the original issue discount (but not in excess of the interest less the tax imposed at a 30% or lower rate) accrued on the obligation since the last payment of interest; and 4. Certain gains from the sale or exchange of patents, copyrights, and other intangible property, as described in section 881(a)(4).

Complete Section I of the form to compute the tax on such income. **H. Election to treat real property income as effectively connected.**—Income from real property located in the U.S. or from any interest in such real property, including (1) gains from the sale or exchange of real property, (2) rents or royalties from mines, wells, or other natural deposits, and (3) gains described in section 631(b) or (c) may elect to treat the income as being effectively connected with the conduct of a trade or business within the U.S. (See section 882(d).)

The election may be made by attaching to the return for the year to which the election is to apply (1) a statement to the effect that the election is being made, (2) a complete schedule of all real property, or any interest in real property, of which the taxpayer is titular or beneficial owner, which is located in the U.S.; (3) a statement indicating the extent to which the taxpayer has direct or beneficial ownership in each item of real property, or interest in real property, (4) the legal identification and location of the real property or interest in the real property, (5) a description of any substantial improvements on the property, and (6) any other information required by regulations.

If you make this election, complete Section II to compute the tax on such income.

1. Source of income.—Gross income of a foreign corporation includes only (1) gross income that is derived from sources within the U.S. and that is not effectively connected with the conduct of a trade or business within the U.S., and (2) gross income (regardless of source) that is effectively connected with the conduct of a trade or business within the U.S.

Except as otherwise provided by tax convention, determine the source of income under sections 881, through 884 and the regulations thereunder. **J. Trade or business.** Within the U.S.—A foreign corporation that is a member of a partnership or is a beneficiary of an estate or trust will be con-

Business in a U.S. possession and receives interest on U.S. obligations (in such case the interest will be treated as effectively connected income).

All gains on the disposition of stock in a DISC or former DISC and all distributions out of accumulated DISC income, including deemed distributions, are treated as effectively connected with the conduct of a trade or business conducted through a permanent establishment within the U.S. For further details relating to effectively connected income, see section 884(G). Complete Section II of the form to compute the tax on such income.

G. Income from U.S. sources not effectively connected with the conduct of a trade or business within the U.S.—In general, whether or not a foreign corporation is engaged in a trade or business, the gross amount of (1) type of income is subject to tax at a 30% or lower treaty rate. No deduction is allowed against income that is effectively connected with the conduct of a trade or business within the U.S. A corporation treated or organized in Guam under the law of Guam is not considered a foreign corporation for purposes of the tax imposed by section 881. In general, the income consists of the following types of income described in section 881: (1) the extent not effectively connected with the conduct of a trade or business within the U.S.;

1. Interest (other than original issue discount as defined in section 1232(b)), dividends, rents and royalties, salaries, premiums, annuities, pensions, and other fixed or determinable annual or periodical gains, profits, and income.

2. Gains described in section 631(b) or (c) from disposal of timber, coal, or domestic iron ore with a retained economic interest.

3. In the case of:

(a) bonds or other evidences of indebtedness issued after September 28, 1965 and before April 1, 1972, amounts which under section 1232(a)(2)(B) are considered as gain from the sale or exchange of property which is not a capital asset and, in the case of corporate obligations issued after May 27, 1969 and before April 1, 1972, amounts which would be so considered but for the fact that the obligations were issued after May 27, 1969.

(b) bonds or other evidences of indebtedness issued after March 31, 1972 and payable more than 6 months from the date of original issue (without regard to the period held by the taxpayer), amounts which under section 1232(a)(2)(B) would be considered as gain from the sale or exchange of property

considered to be engaged in a trade or business within the U.S. if the partnership, estate, or trust is so engaged under some circumstances within the U.S. does not include the trading of stocks, securities, or commodities through a resident broker, commission agent, custodian, or other independent agent. Special rules apply when the corporation is trading for its own account.

For details concerning trading in stocks, securities, or commodities, see section 864(b)(2).

K. Period to be covered by the 1977 return.—File the 1977 return for calendar year 1977 and fiscal years beginning in 1977 and ending in 1978. If the return is for a fiscal year, fill in the taxable year space on the form.

Final return.—If the corporation ceases to exist, write "FINAL RETURN" at the top of the form.

Amended return.—Correct any error in a previously filed income tax return by filing an amended Form 1120F.

Change in accounting period.—To change an accounting period, see section 1.442-1 of the regulations and Form 1128, Application for Change in Accounting Period.

L. Personal holding companies.—A personal holding company, as defined in section 542, but not as defined in section 545, is subject to the tax imposed by section 541. Section 541 imposes a tax upon undistributed personal holding company income (as defined in section 545) of foreign corporation that is a personal holding company under section 542 must file a Schedule PH (Form 1120) with its Form 1120F. See Schedule J, Form 1120.

M. Foreign personal holding companies.—Section 551(a) requires that the undistributed foreign personal holding company income of a foreign personal holding company, as defined in section 552, must be included as a dividend in the gross income of its U.S. shareholders in the amount provided by section 551(b). Schedule PH (Form 1120) is not required, but Form 957 must be filed by certain officers, directors, or U.S. shareholders (section 6035 and regulations thereunder).

N. Signature.—The return must be signed and dated by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or by any other corporate officer (such as tax officer) authorized to sign.

A receiver, trustee, or assignee must sign and date any return required to be filed on behalf of a corporation.

A person who prepares Form 1120F for pay must manually sign the return as preparer. Signature stamps or labels are not acceptable. If someone prepares Form 1120F for free, that person does not have to sign that return.

If more than one person prepares the return, the individual preparer with the primary responsibility for the overall accuracy of the return must sign as preparer. The preparer required to sign the return shall also enter his or her social security number to the right of that signature. If the preparer is an employee, he or she must write "SE" to the right of the preparer's social security number.

If the individual is paid by another to prepare (or a partner in a partnership preparing) Form 1120F, the preparer's (or partnership's) name and identification number must be entered below the preparer's signature line. (Special rules apply to identification numbers for foreign tax preparers. See sections 1.6109-2(a) and 301.7701-15(a)(5) of the regulations.)

The return must also show, below the preparer's signature, the address of the preparer's place of business where completed. However, if this place of business is not maintained on a year-round basis, the return should show the address of such preparer's principal business location which is maintained on a year-round basis or, if none, the preparer's residence.

The preparer must give the taxpayer a copy of Form 1120F in addition to the copy filed with IRS. Employers, partner, ships, and self-employed preparers must file Form 5717, Annual List of Income Tax Return Preparers.

Note: A \$25 penalty may be charged for a preparer who does not give the taxpayer a copy of Form 1120F in addition to the copy filed with IRS. A penalty may also be charged if a preparer required to sign who does not show an original signature or a photocopy of the original signature in the space provided. A penalty may be charged if a self-employed preparer who does not show his or her identifying number in the space provided.

If the individual is paid by another to prepare (or is a partner in a partnership preparing) Form 1120F, the preparer or partnership may be charged a penalty if the return does not show the individual's social security number and the preparer's (or partnership's) employer identification number.

If Form 1120F is prepared by the corporation's full time employee, such as a clerk, secretary or bookkeeper, or by the corporation's partner (if an individual), that person is not subject to the above rules.

O. Claim for refund.—If a foreign corporation has only income that is not effectively connected with the conduct of a trade or business within the U.S. and this form is being filed as a claim for refund, include all U.S. income from sources within the U.S. even though the tax on that income has been fully satisfied at the source. If the refund results from the withholding of tax at the source, the statement must be attached to the claim for refund declaring that the person making the claim is the beneficial owner of the income and showing (1) the amounts of tax withheld, with the names and post office addresses of withholding agents, (2) the name in which the tax was withheld if other than that of the taxpayer, and, if applicable, (3) facts sufficient to show that, at the time the income was withheld, the taxpayer was entitled to the benefit of a reduced rate of, or exemption from, tax with respect to that income under the provisions of an income tax convention to which the United States is a party.

P. Tax treaties.—Section 881 imposes a tax of 30% on U.S. source income, as described in that section. However, if you are a corporation created under the laws of any country that has a treaty to which the U.S. is a party, refer to the applicable income tax convention to determine if you are entitled to an exemption from, or reduced rates of, U.S. income tax.

If the gross income of a foreign corporation includes income, the tax on which is limited by a tax convention, a statement must be attached to the return showing with respect to that income: (a) the amounts of tax withheld, (b) the names and post office addresses of withholding agents, and (c) information sufficient to show the taxpayer's entitlement to the reduced rate of tax under the tax convention.

For purposes of applying an exemption from, or a reduction of, any U.S. tax provided by any treaty with respect to income not effectively connected with the conduct of a trade or business within the U.S., a foreign corporation will be deemed not to have a permanent establishment in the U.S. at any time during the taxable year. (See section 894(b).)

Q. Accounting methods.—Taxable income must be computed using the method of accounting regularly used in maintaining the corporation's books and records. In all cases, the method adopted must clearly reflect taxable income. Unless the law specifically permits, a taxpayer may not change the method of accounting used to report income in

the taxable year. (See section 894(b).)

R. Estimated tax.—If more space is needed on forms or schedules, attach separate sheets. Attach schedules in alphabetical order and forms in numerical order to the back of Form 1120F. Be sure to put the taxpayer's name and employer identification number on these separate sheets.

W. Minimum tax.—In general, the minimum tax rate is 15 percent and the minimum tax exemption is the greater of \$10,000 or the regular income taxes for the year.

The tax preference items for corporations are accelerated depreciation on real property, accelerated depreciation on leased personal property (applicable only to personal holding companies), amortization of certified pollution control facilities, railroad rolling stock, on-the-job training facilities and child care facilities, reserve for losses on bad debts of financial institutions, depletable intangible drilling costs (applicable to oil and gas), and capital gains. Attach Form 3626 if items of tax preference exceed \$10,000. Even if there is no minimum tax OR if there is any minimum tax liability derived from a prior taxable year until this year.

X. Transfers to corporation controlled by transferor.—If a person acquires stock or securities of a corporation in exchange for property, and no gain or loss is recognized under section 351, the transferor and transferee must attach a statement required by section 1.351-3 of the regulations.

Y. Penalties.—

1. A corporation that fails to file its tax return by the prescribed due date including any extensions of time for filing may be subject to a penalty of 5% for each month the return is not filed (the penalty is imposed on the net amount due—section 6651(a)(1)).
2. A corporation that fails to pay the tax when due may be subject to a penalty of 1/2% a month or fraction of a month, up to a maximum of 25%, for each month the tax is not paid (the penalty is imposed on the net amount due—section 6651(a)(2)).

The above penalties will not be imposed if the corporation can show that the failure to file or to pay was due to

reasonable cause and not to willful neglect. These penalties are in addition to the interest charge imposed on unpaid tax at a rate established pursuant to section 6621.

3. A corporation that fails to pay the proper estimated tax when due may be subject to an underpayment penalty for the period of underpayment (section 6655) at the rate established pursuant to section 6621.

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17. A corporation that fails to pay the proper estimated tax when due may be subject to an underpayment penalty for the period of underpayment (section 6655) at the rate established pursuant to section 6621.

Banks, insurance companies, and other corporations required to submit substantially similar statements in connection with their Federal, State, and local tax returns, should file such statements with a copy of the information required on lines 1 through 30, page 3, in such cases, taxable income must be reconciled in Schedule M-1 with the net profit shown on the statement and entered as line 30, page 3.

V. Attachments.—If more space is needed on forms or schedules, attach separate sheets. Attach schedules in alphabetical order and forms in numerical order to the back of Form 1120F. Be sure to put the taxpayer's name and employer identification number on these separate sheets.

W. Minimum tax.—In general, the minimum tax rate is 15 percent and the minimum tax exemption is the greater of \$10,000 or the regular income taxes for the year.

The tax preference items for corporations are accelerated depreciation on real property, accelerated depreciation on leased personal property (applicable only to personal holding companies), amortization of certified pollution control facilities, railroad rolling stock, on-the-job training facilities and child care facilities, reserve for losses on bad debts of financial institutions, depletable intangible drilling costs (applicable to oil and gas), and capital gains. Attach Form 3626 if items of tax preference exceed \$10,000. Even if there is no minimum tax OR if there is any minimum tax liability derived from a prior taxable year until this year.

X. Transfers to corporation controlled by transferor.—If a person acquires stock or securities of a corporation in exchange for property, and no gain or loss is recognized under section 351, the transferor and transferee must attach a statement required by section 1.351-3 of the regulations.

Y. Penalties.—

1. A corporation that fails to file its tax return by the prescribed due date including any extensions of time for filing may be subject to a penalty of 5% for each month the return is not filed (the penalty is imposed on the net amount due—section 6651(a)(1)).
2. A corporation that fails to pay the tax when due may be subject to a penalty of 1/2% a month or fraction of a month, up to a maximum of 25%, for each month the tax is not paid (the penalty is imposed on the net amount due—section 6651(a)(2)).

The above penalties will not be imposed if the corporation can show that the failure to file or to pay was due to

reasonable cause and not to willful neglect. These penalties are in addition to the interest charge imposed on unpaid tax at a rate established pursuant to section 6621.

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Z. Reporting international boycott operations.—Any corporation, or a member of a controlled group which includes that corporation, which has operations in, or related to, a country (or with the government, a company, or a national of a country), which requires participation in or cooperation with an international boycott, such as a condition of doing business with such country or with the government, may be required to file Form 5713 (section 999(b)).

Further, if that corporation or member participates in or cooperates with an international boycott (as defined in section 999(b)(3)) during the taxable year, a portion of the foreign tax credit and DISC benefits will be denied. Any corporation subject to the reporting requirements of section 999(a), as outlined above, is required to file Form 5713 in duplicate. The original copy is to be filed with the Internal Revenue Service Center, Philadelphia, Pennsylvania 19255. The duplicate copy of Form 5713 is to be attached to the corporation's income tax return.

Specific Instructions for Section II (Numbered to correspond with the line numbers on page 3 of the return)

Gross Income
Enter in lines 1 through 10 gross income (regardless of source) which is effectively connected with the conduct of a trade or business within the U.S.

1. Gross receipts.—Enter gross receipts or sales from all business operations except those required to be reported in lines 4 through 10. For reporting advance payments and long-term contracts, see section 1.451-5 of the regulations.

If the installment method of reporting is used, enter on line 1 the gross profit on collections from installment sales and carry the same amount to line 3. Attach a schedule showing the current and 3 preceding years: (a) gross sales, (b) cost of goods sold, (c) gross profit, (d) percentage of gross profit to gross sales, (e) amount collected, and (f) gross profit on amount collected.

2. A corporation that fails to pay the tax when due may be subject to a penalty of 1/2% a month or fraction of a month, up to a maximum of 25%, for each month the tax is not paid (the penalty is imposed on the net amount due—section 6651(a)(2)).

The above penalties will not be imposed if the corporation can show that the failure to file or to pay was due to reasonable cause and not to willful neglect. These penalties are in addition to the interest charge imposed on unpaid tax at a rate established pursuant to section 6621.

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FOR CALENDAR YEAR 1977

U.S. Life Insurance Company Income Tax Return

Form 1120L Department of the Treasury Internal Revenue Service

Name, Number and street, City or town, State, and ZIP code, A Employer identification number, B Date and place incorporated

C Check if a legal reserve company, D Do you have any variable annuity contracts outstanding, E Do you have any segregated asset accounts, F Were you a member of a controlled group

TABLE INCOME: 1 (a) Taxable investment income, (b) Gain from operations, (c) The smaller of (a) or (b), (d) Amount subtracted from policyholders' surplus account

TAX COMPUTATION: 13 Income tax, 14 Less: (a) Foreign tax credit, (b) Investment credit, (c) Work incentive credit, (d) New jobs credit

TAX: 15 Total of lines 14(a), (b), (c), and (d), 16 Balance of tax, 17 Foreign corporations, 18 Tax from recomputing a prior year investment credit, 19 Tax from recomputing a prior year WIN credit

20 Minimum tax on tax preference items, 21 Total tax, 22 Credits, 23 TAX DUE, 24 OVERPAYMENT, 25 Enter amount of line 24 you want credited to 1978 estimated tax

Page 2

Schedule A INVESTMENT YIELD (See instructions)

Table with 4 columns: 1. Interest, 2. Accrual or discount, 3. Amortization of premium, 4. Total (for line 1, add column 3). Rows include: 1. Interest, 2. Dividends, 3. Gross rents, 4. Gross royalties, 5. Leases, 6. Net short-term capital gain, 7. Gross income from trade or business, 8. GROSS INVESTMENT INCOME, 9. Investment expenses, 10. Real estate expenses, 11. Depreciation, 12. Depletion, 13. Trade or business deductions, 14. Total deductions, 15. INVESTMENT YIELD

Schedule B PART I—POLICY AND OTHER CONTRACT LIABILITY REQUIREMENTS (Section 805(a)) (See instructions)

Table with 3 columns: 1. Adjusted life insurance reserves, 2. Multiplied by the adjusted reserves rate, 3. Pension plan reserves, 4. Multiplied by the current earnings rate, 5. Interest paid, 6. Policy and other contract liability requirements

PART II—ASSETS (Section 805(b)(4))

Table with 3 columns: 1. Real estate, 2. Mortgages, 3. Collateral loans, 4. Policy loans, 5. Corporate bonds, 6. Stocks, 7. Government obligations, 8. Bank deposits, 9. Other assets, 10. Totals

PART III—EARNINGS RATES (Section 805(b))

Table with 7 columns: 1. Current earnings rate, 2. Earnings rate for first preceding year, 3. Earnings rate for second preceding year, 4. Earnings rate for third preceding year, 5. Earnings rate for fourth preceding year, 6. Total, 7. Average earnings rate

Schedule E GAIN OR (LOSS) FROM OPERATIONS (See instructions)

Form 1120L (1977)

1 Policyholder's share (section 809) (line 6, Schedule E-1, divided by line 15, Schedule A), but not to exceed 100% %

2 Company's share %

3 Total 100%

4 Interest wholly tax-exempt (line 1(c), column 4, Schedule A—see instructions)

5 (a) Dividends from line 2(c), Schedule A

(b) Dividends from line 2(b), Schedule A

(c) Dividends from line 2(c), Schedule A

(d) Dividends from line 2(d), Schedule A

(e) Dividends from line 2(e), Schedule A

(f) Dividends from line 2(f), Schedule A

6 Other items of investment yield (line 15, Schedule A less 4 and 5 above)

7 Totals (add lines 4 through 6)

8 Net capital gain (line 11, Schedule D (Form 1120L))

9 Gross premiums Less: Return premiums, etc.

10 (a) Decrease in reserves (after adjustment under section 810(e)) (attach schedule)

(b) Decrease in section 811(b)(2) reserves (see line 3, Part II, Schedule E-2)

11 Other amounts (attach schedule). (Also include amount from line 30(c), Schedule D (Form 1120L)).

12 Total (add lines 7 through 11)

DEDUCTIONS

13 Death benefits, etc.

14 Increase in reserves (after reduction for investment yield under section 810(b)) (attach schedule)

15 Assumption by another person of liabilities under insurance, etc., contracts

16 Interest wholly tax-exempt (line 4, column 3)

17 Investment expenses, etc., not deducted on Schedule A (attach schedule)

18 Small business deduction (line 11, Schedule C)

19 Other deductions not deducted on Schedule A (attach schedule)

20 Total (add lines 13 through 19)

21 Dividends-received deduction (affiliated groups, see instructions); (e) 85% of line 5(a), column 3

(b) 60.208% of line 5(b), column 3

(c) 65% of line 5(c), column 3

(d) Total, but not to exceed 85% of any excess of line 12 over line 20

22 Operations loss deduction (attach schedule)

23 Tentative deduction (add lines 20 through 22)

24 Plus: (a) Dividends to policyholders (line 7, Part I, Schedule E-2)

(b) Accident and health, and group life insurance (line 9, Part I, Schedule E-2)

(c) Certain nonparticipating contracts (line 11, Part I, Schedule E-2)

25 Total deductions (line 23 plus line 24)

26 Gain or (loss) from operations (line 12 less line 25). Enter here and on line 1(b), page 1

Schedule E-1 REQUIRED INTEREST (Section 809(e)(2))

1. Rate	2. Beginning of taxable year	3. End of taxable year	4. Mean of columns 2 and 3	5. Column 1 times column 4
1. Sec. 810(c)(1) reserves (from line 5, column B, Part IV and line 6, column B Part V, Schedule B)				
2. Sec. 810(c)(3) reserves				
3. Sec. 810(c)(4) reserves				
4. Sec. 810(c)(5) reserves				
5. Sec. 810(c)(6) reserves				

Schedule E-2 PART I—LIMITATION ON DEDUCTION (LINE 24, SCHEDULE E) (Section 809(f))

1 Statutory amount 250,000

2 (a) Line 12, Schedule E

(b) Less: Tentative deduction (line 23, Schedule E)

3 Gain from operations without regard to line 24, Schedule E (line 2(c) minus line 2(b))

4 Less: Taxable investment income (line 13, Schedule C)

5 Excess of line 3 over line 4 (but not less than zero)

6 Maximum possible deduction for line 24, Schedule E (line 1 plus line 5)

7 Deduction for dividends to policyholders (Part I, Schedule E-2) (not in excess of line 6)

8 Maximum deduction for accident and health, and group life insurance (line 6 less line 7)

9 Deduction for accident and health, and group life insurance (Part III, Schedule E-2) (not in excess of line 8)

10 Maximum deduction for certain nonparticipating contracts (line 8 less line 9)

11 Deduction for certain nonparticipating contracts (line 3, Part IV, Schedule E-2) (not in excess of line 10)

Part IV—AVERAGE INTEREST RATE ASSUMED (Section 805(c)(2))

1. Nature of reserve (life, annuity, etc.)	2. Assumed mortality	3. Assumed interest rate	4. Method of computation (Standards, etc.)	5. Amount of reserve at end of taxable year*	6. Amount of reserve at beginning of taxable year*	7. Mean of columns 5 and 6	8. Column 3 times column 7
1							
2							
3							
4							
5 Totals							

*See instructions for section 805(b) and section 813(C) adjustments. **Adjusted under section 805(a) (attach schedule)

Part V—PENSION PLAN RESERVES (Section 805(d))

1 Section 805(d)(1) reserves	
2 Section 805(d)(2) reserves	
3 Section 805(d)(3) reserves	
4 Section 805(d)(4) reserves	
5 Section 805(d)(5) reserves	
6 Totals	

Part VI—ADJUSTED LIFE INSURANCE RESERVES (Section 805(c)(1))

1 Mean of the reserves (column 7, line 5, Part IV)	
2 (a)	100%
(b) Plus 10 times the average rate of interest assumed (line 6, Part IV)	
(c) Total (add lines 2(a) and 2(b))	
(d) 10 times the adjusted reserves rate (line 2, Part I)	
(e) Line (c) less line (d)	

Part VII—INTEREST PAID (Section 805(e))

1 Interest on indebtedness

2 Amounts in the nature of interest

3 Discount on prepaid premiums

4 Interest on certain special contingency reserves

5 Total interest paid (add lines 1 through 4). Enter here and on line 5, Part I, Schedule B

Schedule C TAXABLE INVESTMENT INCOME (See instructions)

1 Policyholder's share (section 804) (line 6, Part I, Schedule B, divided by line 15, Schedule A) but not to exceed 100% %

2 Company's share %

3 Total 100%

4 Interest wholly tax-exempt (line 1(c), col. 4, Schedule A—see instructions)

5 (a) Dividends from line 2(c), Schedule A

(b) Dividends from line 2(b), Schedule A

(c) Dividends from line 2(c), Schedule A

(d) Dividends from line 2(d), Schedule A

(e) Dividends from line 2(e), Schedule A

(f) Dividends from line 2(f), Schedule A

6 Other items of investment yield (line 15, Schedule A, less lines 4 and 5 above)

7 Net capital gain (line 11, Schedule D (Form 1120L))

8 Totals (add lines 4 through 7)

Schedule E-1 REQUIRED INTEREST (Section 809(e)(2))

1. Rate	2. Beginning of taxable year	3. End of taxable year	4. Mean of columns 2 and 3	5. Column 1 times column 4
1. Sec. 810(c)(1) reserves (from line 5, column B, Part IV and line 6, column B Part V, Schedule B)				
2. Sec. 810(c)(3) reserves				
3. Sec. 810(c)(4) reserves				
4. Sec. 810(c)(5) reserves				
5. Sec. 810(c)(6) reserves				

Schedule E-2 PART I—LIMITATION ON DEDUCTION (LINE 13) COMPUTED WITHOUT REGARD TO THIS DEDUCTION

9 Interest wholly tax-exempt (line 4, column 3)

10 Dividends received deduction (affiliated groups—see instructions):

(a) 85% of line 5(a), column 3

(b) 60.208% of line 5(b), column 3

(c) 65% of line 5(c), column 3

(d) Total, but not to exceed 85% of taxable investment income (line 13) computed without regard to this deduction

11 Small business deduction (10% of line 15, Schedule A, not to exceed \$25,000; members of a controlled group, see instructions)

12 Total (add lines 9, 10(d), and 11)

13 Taxable investment income (line 8 less line 12, but not less than zero. Enter here and on line 1(e), page 1)

Schedule H **LIMITATION OF INVESTMENT EXPENSE DEDUCTION** (Your total deduction for investment expenses is limited to the amount shown in column 7.)

1 Mean of the assets for the taxable year (line 10, column 3, Part II, Schedule B)

2 One-fourth of 1% of the mean of the assets (line 1)

3 Mortgage service fees

4 (a) Investment yield computed without regard to investment expenses

(b) Three and three-fourths percent of line 1

(c) Line (b) less line (a)

(d) One-fourth of line (b)

(e) Mortgage service fees (line 3)

(f) Line (d) less line (e)

(g) The greater of (a)(iv) or (b)

(h) One-fourth of 1% of the amount on line 2(e), column 3, Part II, Schedule B

5 Limit on deduction for investment expenses (add lines 2 through 4)

Schedule J **COMPENSATION OF OFFICERS** (See instructions, page 8)

1. Name of officer	2. Social security number	3. Time devoted to business	4. Compensation	5. Preferred	6. Amount of compensation	7. Excess amount allowance

I (1) Did you at the end of the taxable year own, directly or indirectly 50% or more of the voting stock of a domestic corporation (for rules of attribution, see section 267(c))?

If "Yes," enter: (a) name, address, and identifying number; (b) percentage owned; and (c) taxable income or (loss) from line 28, page 1, Form 1120 of such corporation for the taxable year ending on or within your taxable year.

(2) Did you at the end of the taxable year own, directly or indirectly, 50% or more of your voting stock (for rules of attribution, see section 267(c))?

If "Yes," (a) Attach a schedule showing name, address, and (b) Enter percentage owned.

(c) Was the owner of such voting stock a person other than a U.S. person?

If "Yes," enter owner's country (see instruction f)

J Did you previously file a copy of the annual statement for the preceding years as required by General Instruction R? If "Yes," name the Internal Revenue Service Center in which filed

K Does a copy of the 1977 annual statement accompany this return? If "No," explain why the statement is not attached

L Do you claim a deduction for expenses connected with:

(1) Entertainment facility (boat, resort, ranch, etc.)?

(2) Living accommodations (except for employees on business)?

(3) Employees' families at convention or meetings?

(4) Employee or family vacations not reported on Form W-2?

Total amount of deductions on Form 1120L that are claimed under section 274 (Entertainment, gifts, etc.) 1991

M Did you file all required Forms 1091, 1096, and 1099? (See sections 951 and 957)

If "Yes," attach Form 3546 for each such corporation.

N Were you a U.S. shareholder of any controlled foreign corporation?

If "Yes," enter the number of defined benefit and defined contribution plans you have for your employees (see instruction l)

O Were you the grantor of, or transferor to, a foreign trust during the taxable year which was being during the current taxable year and which was not a U.S. person? If "Yes," you may be required to file Forms 3520, 3520A, or 956.

P Did you at any time during the taxable year have any interest in or signature or other authority over a bank, securities, or other financial account in a foreign country (except in a U.S. military banking facility operated by a U.S. financial institution)? If "Yes," see instruction l.

Q Were you the grantor of, or transferor to, a foreign trust during the taxable year which was being during the current taxable year and which was not a U.S. person? If "Yes," you may be required to file Forms 3520, 3520A, or 956.

PART II—DIVIDENDS TO POLICYHOLDERS (Section 809(d)(3))

1 Dividends paid to policyholders

(a) Increased by the excess of (i) over (ii)

(i) Reserve at the end of the taxable year

(ii) Reserve at the end of the preceding taxable year

OR

(b) Decreased by the excess of (i) over (ii):

(i) Reserve at the end of the preceding taxable year

(ii) Reserve at the end of the taxable year

3 If applicable, enter on line 7, Schedule E-2, if negative, enter on line 10(b), Schedule E

PART III—CERTAIN ACCIDENT AND HEALTH INSURANCE AND GROUP LIFE INSURANCE (Section 809(d)(6))

1 Amount of deductions allowed or allowable in prior years under section 809(d)(6)

2 Net premiums

3 Line 2 multiplied by 2%

4 Tentative deduction—the lesser of line 3 or 50% of line 2, less amount on line 1

PART IV—CERTAIN NONPARTICIPATING CONTRACTS (Section 809(d)(5))

1 (a) Reserve at the end of the taxable year

(b) Less: Reserve at the beginning of the taxable year

(c) Increase (if the difference is negative, enter zero)

(d) Multiplied by 10%

2 (a) Net premiums

(b) Multiplied by 3%

3 Tentative deduction—the greater of line 1 or line 2

Schedule F **SHAREHOLDER'S SURPLUS ACCOUNT (Section 815(b))**

1 (a) Balance at the end of the preceding year

(b) Transfers under section 815(d)(1) and (4) for preceding year

(c) Balance at the beginning of the taxable year (line 1(a) plus line 1(b))

2 Life insurance company taxable income computed without regard to section 802(b)(3) (line 1(c), page 1, plus line 2, page 1)

3 Net capital gain income reduced by any income on line 2

4 Dividends received deduction (affiliated groups—see instructions):

(a) 85% of line 2(a), Schedule A

(b) 60.208% of line 2(b), Schedule A

(c) 85% of line 2(c), Schedule A

(d) Total, but not to exceed 85% of line 12 less line 20, Schedule E

5 Interest wholly exempt from tax (line 1(a), column 4, Schedule A)

6 Small business deduction (line 11, Schedule C)

7 Total (add lines 1 through 6)

8 Less: Tax liability for 1977 under section 802(a) (computed without regard to section 802(b)(3)) (income tax computed on line 2 as if line 2 was total life insurance company taxable income)

9 Excess of line 7 over line 8

10 Less: Distributions in 1977 (not to exceed line 9)

11 Balance as of the end of the taxable year

Schedule G **POLICYHOLDER'S SURPLUS ACCOUNT (Section 815(c))**

1 Balance as of the beginning of the taxable year

2 Add: (a) 50% of any excess of the gain from operations over the taxable investment income (line 2, page 1)

(b) The deduction for certain nonparticipating contracts (line 24(c), Schedule E)

(c) The deduction for accident and health, and group life insurance (line 24(b), Schedule E)

3 Total (line 1 plus line 2)

4 (a) Actual distributions only in excess of line 9, Schedule F

(b) Tax increase on line 4(a) by reason of section 802(b)(3)

(c) Subtractions under section 815(g)(1) and (4) (see instructions)

(d) Tax increase on line 4(c) by reason of section 802(b)(3)

(e) Subtraction required under section 815(d)(2) due to termination

5 Total of lines 4(a) through (e) (not to exceed line 3). Enter here and on line 3, page 1

6 Balance at the end of the year (line 3 less line 5)

Department of the Treasury
Internal Revenue Service
1977 Instructions for
Form 1120L
U.S. Life Insurance
Company Income Tax
Return

(References are to the Internal Revenue Code.)

Contiguous country branch—Effective for taxable years beginning after 1975, at the election (see section 819A(g)) of a domestic stock life insurance company which has a contiguous country life insurance branch, the assets of such branch may be transferred to a foreign corporation or country without the application of section 367 or 1491.

Establishing a contiguous country life insurance branch may result in a taxable gain to the domestic life insurance company. See section 819A(d) or 819A(h).

General Instructions

A. Who must file Form 1120L—Every domestic life insurance company and every foreign corporation carrying on an insurance business within the U.S. (with respect to life insurance) would qualify to file Form 1120L. It would include a life insurance company which is engaged in the business of issuing life insurance and annuity contracts (either separately or combined with other insurance contracts), or which issues cancellable contracts of health and accident insurance and of which the life insurance reserves, plus unearned premiums, are not allocable to (or ascertainable on) noncontiguous country life insurance reserves, or which issues life insurance reserves, plus unearned premiums, in each of its total reserves, adjusted in accordance with section 819A(f), must file a return on Form 1120L.

For this purpose, the term "noncontiguous country" includes the United States, life health and accident insurance which is not cancellable by the company but which the company reserves the right to adjust premium rates by classes, type of policy involved. The terms "life insurance reserves" and "total reserves" do not include deficiency reserves.

Foreign corporations carrying on an insurance business within the U.S. must file their return with the Internal Revenue Service Center, Philadelphia, PA 19255. The separate income tax returns of a foreign corporation may be filed with the Service Center for the area in which

the principal office of the managing corporation that keeps all the books and records is located.

E. When to file—In general, Form 1120L must be filed on or before March 15, 1978. Form 7004 to request an automatic 3-month extension of time to file Form 1120L.

File Form 7005 to request an automatic extension after obtaining an additional 3-month extension by filing Form 7004.

F. Depository method of payment of tax—The tax on the return must be paid in full when the return is filed or in two installments, 50% by March 15, 1978 and 50% by June 15, 1978. Corporation income tax payments and estimated income tax payments must be deposited at an authorized commercial bank depository or Federal Reserve Bank or Federal Reserve Branch (Class Number 503), in accordance with instructions appearing on the reverse of that form. Deposits made at an FRB must be made in the geographic area where a taxpayer is located. Payment that the receiving FRB considers to be in full must be obtained from a commercial bank or FRB. Each deposit must be accompanied with a Federal Tax Deposit Form prescribed with a Tax Identification Number.

The timeliness of deposits will be determined by the Internal Revenue account to which the corporation's account will be deposited. If a tax payment is made by mail, a deposit received after the due date will be considered timely if the taxpayer establishes that it was deposited in the post office on or before the prescribed due date as provided by section 7502. Tax deposits made at FRBs which are not in compliance with section 7502 will not apply. Further, more than one return may be filed with the receiving FRB rather than returned by the taxpayer. Further, such tax payments received by an FRB will be treated as paid based upon the date the payment instrument is collected by the FRB, and if made by mail before the prescribed due date as provided by section 7502. Tax deposits made at FRBs which are not in compliance with section 7502 will not apply.

Estimated tax—A corporation must make estimated tax payments if can expect its estimated tax (income tax less credits) to be \$40 or more.

Form 1120-W may be used as a worksheet to compute estimated tax.

There was an overpayment of estimated tax of \$466.70. The overpayment is 10% of expected income tax liability AND (2) at least \$500. This application will be credited to the taxpayer's account at the end of the taxable year and before Form 1120L is filed.

G. Signature—The return must be signed and dated by the president, vice president, treasurer, assistant treasurer, corporate officer (such as tax officer) authorized to sign (a receiver, trustee, or assignee must sign and date any return to be filed on behalf of a corporation).

An individual who prepares Form 1120L as preparer must manually sign the return. The preparer must sign the return and stamp it with the preparer's name and Form 1120L for free. That person does not have to sign that return.

If more than one person prepares the return, each must sign the return and assume primary responsibility for the overall accuracy of the return must sign as preparer. The preparer required to sign the return must be a duly licensed professional security number to the right of that nature if the preparer is self-employed, or the preparer's social security number to the right of that nature if the preparer is not self-employed. If the preparer is a partner in a partnership (or is a partner in a partnership preparing) Form 1120L, the preparer's partnership 503 name and identification number must be shown on the preparer signature line. (Special rules apply to identification numbers for foreign tax return preparers. Such preparers should refer to section 16109-2(a) and 301.7701-15.)

The return must also show, below the preparer's signature, the address of the preparer's place of business where the place of business is not maintained on a year-round basis, the return should show the address of the preparer's principal place of business which is maintained on a year-round basis, or, if none, the preparer's residence.

The preparer must give the taxpayer a copy of Form 1120L in addition to the copy filed with the Internal Revenue Service, and sell employed preparers must file Form 5717, Annual List of Income Tax Return Preparers.

Note: A \$25 penalty may be charged a paid preparer who does not give the tax return to the taxpayer. In addition, on the tax return, the preparer must also sign who does not show an original signature or Photocopy of the original signature. The preparer must be a duly licensed professional security number, and if not, the preparer must be a duly licensed professional security number. The preparer must be a duly licensed professional security number.

Form 1120L is prepared by the tax preparer, and the preparer must sign the return as preparer (if an individual), as clerk, secretary or bookkeeper, or by the taxpayer's partner (if an individual). If the preparer is not the taxpayer, the preparer must also file Form 5717, Annual List of Income Tax Return Preparers.

H. Information returns and forms that may be required—

- Forms W-2 and W-3—Employees' wage and tax statement, and transmittal of income and tax statements.
- Form W-2P—Statement for recipients of annuities, pensions or retired pay.

Forms 1087-B, Div. INT, MED, MISC, and OID—Nominees' information re-

turns for reporting dividends, interest, medical and health care payments, miscellaneous income, and original issue discounts. Similar copies for the 4 preceding years must also be furnished with the return.

L. Attachments—If any separate sheets are used on forms or schedules, attach them to the return in the order in which they are to be filed. But, you must put the taxpayer's name and employer identification number on these separate sheets.

M. Consolidated returns—Subject to the regulations under sections 1504, section 1552, and section 1553, an affiliated group of corporations, each qualifying as a life insurance company, may make a consolidated return. The parent corporation must attach Form 851, Affiliations Schedule, to the consolidated return. For the first year of consolidation, the return must be filed on Form 1120.

N. Percentage computations—In computing earnings rates, assumed rates, and policyholders' and company's share of income, the total number of shares should be carried out to a sufficient number of decimal places to insure substantial accuracy and to eliminate any significant error in the resulting tax liability.

O. Segregated asset accounts—All accounts must attach a schedule showing separately for the regular accounts and for the segregated asset accounts, section 819A(2)(B)(iv), insurance liabilities (section 1.801-8(b)) of the regulations.

P. Transfers to corporation controlled by transferee—If a person acquires stock or securities of a corporation in exchange for property, and the transferee is organized under section 351, the transferee and transferee must attach the information required by section 1.351-3 of the regulations.

Q. U.S. person—The term "U.S. person" means a citizen or resident of the United States, (2) a domestic partnership, (3) a domestic corporation, or (4) any estate or trust (other than a foreign trust) within the meaning of section 7701(a)(31).

R. Annual statement—A copy of the annual statement for life insurance companies adopted by the National Association of Life Underwriters, as amended, for the year 1977, as filed with the Insurance Department of the State, or District of Columbia, which shows the reserves used on the return, together with copies of Schedule A (real estate) and Schedule D (bonds and stocks), must accompany the

turns for reporting dividends, interest, medical and health care payments, miscellaneous income, and original issue discounts. Similar copies for the 4 preceding years must also be furnished with the return.

L. Attachments—If any separate sheets are used on forms or schedules, attach them to the return in the order in which they are to be filed. But, you must put the taxpayer's name and employer identification number on these separate sheets.

M. Consolidated returns—Subject to the regulations under sections 1504, section 1552, and section 1553, an affiliated group of corporations, each qualifying as a life insurance company, may make a consolidated return. The parent corporation must attach Form 851, Affiliations Schedule, to the consolidated return. For the first year of consolidation, the return must be filed on Form 1120.

N. Percentage computations—In computing earnings rates, assumed rates, and policyholders' and company's share of income, the total number of shares should be carried out to a sufficient number of decimal places to insure substantial accuracy and to eliminate any significant error in the resulting tax liability.

O. Segregated asset accounts—All accounts must attach a schedule showing separately for the regular accounts and for the segregated asset accounts, section 819A(2)(B)(iv), insurance liabilities (section 1.801-8(b)) of the regulations.

P. Transfers to corporation controlled by transferee—If a person acquires stock or securities of a corporation in exchange for property, and the transferee is organized under section 351, the transferee and transferee must attach the information required by section 1.351-3 of the regulations.

Q. U.S. person—The term "U.S. person" means a citizen or resident of the United States, (2) a domestic partnership, (3) a domestic corporation, or (4) any estate or trust (other than a foreign trust) within the meaning of section 7701(a)(31).

R. Annual statement—A copy of the annual statement for life insurance companies adopted by the National Association of Life Underwriters, as amended, for the year 1977, as filed with the Insurance Department of the State, or District of Columbia, which shows the reserves used on the return, together with copies of Schedule A (real estate) and Schedule D (bonds and stocks), must accompany the

return. The return must be filed on Form 1120L.

S. Penalties—

L. A corporation that fails to file its return by the prescribed due date including any extensions of time for filing

the return, or

fails to file the return, or

fails to file the return, or

fails to file the return, or

fails to file the return, or

fails to file the return, or

fails to file the return, or

fails to file the return, or

fails to file the return, or

SCHEDULE D (Form 1120L) U.S. Life Insurance Company Sales or Exchanges of Property

Name: U.S. Life Insurance Company, Employer identification number: 1977

Table with 6 columns: a. Kind of property, b. Date acquired, c. Date sold, d. Gross sales price, e. Depreciation allowed, f. Cost or other basis, g. Gain or loss. Includes instructions for Part I: Capital Assets—Short-term capital gains and losses—Assets held 9 months or less.

Table with 2 columns: a. Loss, b. Gain. Includes instructions for Part II: Summary of Capital Gains and Losses.

Table with 2 columns: a. Loss, b. Gain. Includes instructions for Part III: Alternative Tax Computation.

Part V Ordinary Gains and Losses (Use columns a through g except that column k must be used for gains on investment assets reported in column i, Part V and column g, Part VI. For investment assets, see instructions for Part I.)

Table with 11 columns: a. Kind of property, b. Date acquired, c. Date sold, d. Gross sales price, e. Depreciation allowed, f. Cost or other basis, g. Gain or loss, h. F.M.V. as of 12/31/58, i. Adjusted basis as of 12/31/58, j. Excess of column h over column i, k. Gain (excess of column g over column j, but not less than zero).

Table with 11 columns: a. Kind of property, b. Date acquired, c. Date sold, d. Gross sales price, e. Depreciation allowed, f. Cost or other basis, g. Gain or loss, h. F.M.V. as of 12/31/58, i. Adjusted basis as of 12/31/58, j. Excess of column h over column i, k. Gain (excess of column g over column j, but not less than zero).

Part VI Gain from Disposition of Depreciable Real Property and Certain Real Property Held More Than 9 Months—Section 1245 (Report gain from disposition of other depreciable real property in Part VI. For investment assets, see instructions for Part I.)

Table with 11 columns: a. Kind of property, b. Date acquired, c. Date sold, d. Gross sales price, e. Depreciation allowed, f. Cost or other basis, g. Gain or loss, h. F.M.V. as of 12/31/58, i. Adjusted basis as of 12/31/58, j. Excess of column h over column i, k. Gain (excess of column g over column j, but not less than zero).

Part VII Sale or Exchange of Property Used in Trade or Business and Involuntary Conversions—Section 1231

Table with 11 columns: a. Kind of property, b. Date acquired, c. Date sold, d. Gross sales price, e. Depreciation allowed, f. Cost or other basis, g. Gain or loss, h. F.M.V. as of 12/31/58, i. Adjusted basis as of 12/31/58, j. Excess of column h over column i, k. Gain (excess of column g over column j, but not less than zero).

Part VIII Gain from Disposition of Depreciable Real Property Held More Than 9 Months—Section 1250

Table with 11 columns: a. Kind of property, b. Date acquired, c. Date sold, d. Gross sales price, e. Depreciation allowed, f. Cost or other basis, g. Gain or loss, h. F.M.V. as of 12/31/58, i. Adjusted basis as of 12/31/58, j. Excess of column h over column i, k. Gain (excess of column g over column j, but not less than zero).

Part IX Total of columns k

Table with 11 columns: a. Kind of property, b. Date acquired, c. Date sold, d. Gross sales price, e. Depreciation allowed, f. Cost or other basis, g. Gain or loss, h. F.M.V. as of 12/31/58, i. Adjusted basis as of 12/31/58, j. Excess of column h over column i, k. Gain (excess of column g over column j, but not less than zero).

Form 1120M **U.S. Mutual Insurance Company** **FOR CALENDAR YEAR 1977**
 Department of the Treasury Internal Revenue Service
 (For Mutual Companies Other Than Life and Certain Marine Insurance Companies and Other Than The Internal Revenue Service)
 Name: U.S. Mutual Insurance Company
 A Employer identification number: 1977
 B Date incorporated: 1977
 C Place incorporated: 1977
 Number and street: _____
 City or town, State, and ZIP code: _____

D Did you previously submit a copy of the National Association of Insurance Commissioners' annual statement for the preceding year as required by General Instruction I?
 If "Yes," name the Internal Revenue Service Center where filed: _____
E Does a copy of the 1977 National Association of Insurance Commissioners' annual statement accompany this return?
 If "No," explain why the statement is not attached: _____
F Did you at the end of the taxable year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).)
 If "Yes," attach a schedule showing: (a) name, address, and employer identification number; and (b) percentage owned.
G Were you a U.S. shareholder of any controlled foreign corporation? (See sections 951 and 957.)
 If "Yes," attach Form 3646 for each such corporation.

TAXABLE INCOME

1	Taxable investment income or (loss) (Schedule A)	
2	Statutory underwriting income or (loss) (Schedule B)	
3	Amounts subtracted from the Protection Against Loss Account (line 9(d), Schedule C)	
4	Total (add lines 1 through 3)	
5	Less: Unused loss deduction (attach schedule)	
6	Mutual insurance company taxable income	
7	Enter the lesser of (a) or (b): (a) 20% of the first \$25,000 of taxable income on line 6, PLUS 22% of amount by which line 6 exceeds \$25,000; or (b) 44% of amount by which line 6 exceeds \$5,000	
8	Surplus: 26% of (amount by which line 6 exceeds \$50,000—members of a controlled group, see instructions) and amount \$_____ to be included by reciprocal—see instructions	
9	Total (line 7 plus line 8)	
10	Alternative tax for certain small companies (line 6, Schedule A-2)	
11	Income tax—line 9 or 10 above, or line 21 of separate Schedule D (Form 1120), whichever applies	
12	(a) Foreign tax credit (attach Form 1118)	
	12a _____	
	12b _____	
(c)	Work incentive (WIN) credit (attach Form 3468)	
(d)	New jobs credit (attach Form 4874)	
13	Total of lines 12(a), (b), (c), and (d)	
14	Line 11 less line 13	
15	Foreign Corporations—tax on income not connected with U.S. business (see instructions)	
16	Tax from recomputing a prior year investment credit (attach Form 4255)	
17	Tax from recomputing a prior year WIN credit (see instructions—attach computation)	
18	Minimum tax on tax preference items (see instructions—attach Form 4626)	
19	Total tax (add lines 14 through 18)	
20	Credits: (a) Overpayment from 1976 allowed as a credit	
	(b) 1977 estimated tax payments	
(c)	Less refund of 1977 estimated tax applied for on Form 4466	
(d)	Tax deposited with Form 7004 (attach copy)	
(e)	Tax deposited with Form 7005 (attach copy)	
(f)	Credit from regulated investment companies (attach Form 2439)	
(g)	Credit for reciprocal for tax paid by attorney-in-fact under section 826(e)	
(h)	Other tax credits (see instructions)	
21	Tax DUE (line 19 less line 20). See instruction G for depositary method of payment	
22	OVERPAYMENT (line 20 less line 19)	
23	Enter amount of line 22 you want credited to 1978 estimated tax	
	Rebated	

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which the preparer has any knowledge.

Signature of officer: _____ Date: _____
 Title: _____
 Paid preparer's signature and identifying number (see instruction): _____
 Paid preparer's address for employer's name, address and identifying number: _____

Form 1220M (1977) **Schedule A** **Taxable Investment Income or (Loss)—Section 822** **Page 2**
 (Column 1 less column 2)

1	Interest on: (a) Wholly exempt obligations (attach schedule) (b) U.S. obligations (c) Loans, notes, mortgages, bank deposits, bonds, debentures, etc. (d) Totals	2. Amortization of premium	3. Total
2	Dividends (Schedule E, Part I)		
3	Gross rents (attach schedule)		
4	Gross royalties (attach schedule)		
5	Gross income from trade or business other than insurance business and from Form 4797. (Include sections 1245 and 1250 etc. gains with respect to investment assets only.)		
6	Leases, etc.		
7	Total (add lines 1 through 6)		
8	Gain from separate Schedule D (Form 1120)		
9	Gross investment income (add lines 7 and 8)		
10	Interest wholly exempt from tax (line 1(b), column 3)		
11	Investment expenses (attach schedule)		
12	Taxes		
13	Real estate expenses		
14	Depreciation (attach Form 4562—see instructions)		
15	Depletion (attach schedule)		
16	Trade or business deductions as provided in section 822(c)(8) (attach schedule)		
17	Interest paid or accrued		
18	Other capital losses (Schedule A-3)		
19	Total deductions (add lines 10 through 18)		
20	Line 9 less line 19		
21	Less: Dividends-received deduction (line 6, Part II, Schedule E—see instructions for 85% limitation)		
22	Taxable investment income or (loss)		

Schedule A-1 **Invested Assets Book Values**
 (Schedule need not be filled in if no deduction is claimed for any general expenses that are allocated to investment income.)

1	Real estate	2. End of taxable year
2	Mortgage loans	
3	Collateral loans	
4	Policy loans, including premium notes	
5	Bonds of domestic corporations	
6	Stock of domestic corporations	
7	Government obligations, etc. (attach schedule)	
8	Bank deposits bearing interest	
9	Other interest-bearing assets (attach schedule)	
10	Totals of lines 1 through 9	
11	Total of columns 1 and 2, line 10	
12	Mean of the invested assets for the taxable year (one-half of line 11)	
13	One-fourth of 1% of line 12	
14	Income base (line 9, Schedule A, less the sum of lines 12 through 18, Schedule A)	
15	3% of line 12	
16	Line 14 less line 15 (but not less than zero)	
17	One-fourth of line 16	
18	Limit on deduction for investment expenses (line 13 plus line 17)	

Schedule A-2 **Alternative Tax for Certain Small Companies—Section 821(c)**

1	Taxable investment income (line 22, Schedule A)	5 (a) Amount from line 7, Schedule A
2	Normal tax—the lesser of (a) or (b): (a) 20% of the first \$25,000 on line 1, PLUS 22% of amount by which line 1 exceeds \$25,000; or (b) 44% of amount by which line 1 exceeds \$5,000	(b) Premiums (see instructions) (c) Total of (a) plus (b) (if \$150,000 or less, enter zero. If \$250,000 or more, enter \$250,000)
3	Surplus: 26% of (line 1 minus the lesser of \$50,000 or amount apportioned under section 1561)	(d) _____ (e) Excess of line (c) over (d)
4	Total (add lesser of lines 2(a) or (b) to line 3)	6 Amount on line 4 multiplied by line 5 (d) divided by \$100,000

Form 1120M (1977) Schedule B-2 Special Deduction—Section 823(G)

Schedule A-3 Other Capital Losses (See instructions) (Capital assets sold or exchanged to meet abnormal insurance losses and to provide for the payment of dividends and similar distributions to policyholders)

- Dividends and similar distributions paid to policyholders
- Losses paid
- Expenses paid
- Total of lines 1 through 3
- Interest received (line 1, col. 3, Sch. A, adjusted to cash method if on accrual method)
- Dividends received (Part I, Schedule E, adjusted to cash method if on accrual method)
- Lines 3 through 6 of Schedule A, adjusted to cash method if on accrual method
- Net premiums received (adjusted to cash method if on accrual method)
- Excess (if any) of line 4 over the sum of lines 5 through 8

1. Description of capital asset	2. Date acquired	3. Gross sales price	4. Cost or other basis	5. Excess of sale	6. Depreciation (or allowable)	7. Line 4, plus col. 6 of cols. 3 and 6
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Schedule B-3 Protection Against Loss Deduction—Section 824(a)

- Losses incurred on insurance contracts (line 11, Schedule B-1)
- 1% of line 1
- 25% of underwriting gain on line 7, Schedule B
- Concentrated risks: (a) Amount of line 2, Schedule B-1 (b) Amount of line 4(a) attributable to insuring against losses arising, either in any one State or within 200 miles of any fixed point selected by the taxpayer, from windstorm, hail, flood, earthquake, or similar hazards
- Less
- Divide (b) by (a)
- Premium percentage which exceeds 40%
- Line 7, Schedule B, multiplied by (e)
- Total (add lines 2 through 4)

Schedule C Loss Account

- Balance at beginning of year
- Additions (Schedule B-3)
- Totals (add lines 1 and 2)

SUBTRACTIONS:

- Section 824(d)(1)(A)
- Section 824(d)(1)(B)
- Section 824(d)(1)(C)
- Section 824(d)(1)(D)
- Section 824(d)(1)(E)
- Totals (add lines 4 through 8)
- Balances at end of year (line 3 less line 9)

Schedule E Dividends (See instructions)

- Certain domestic corporations
- Certain public utility corporations
- Certain foreign corporations
- Certain affiliated groups
- Other corporations (attach schedule)
- Total (add lines 1 through 5)

Schedule F Compensation of Officers (See instructions)

1. Name of officer	2. Social security number	3. Time devoted to business	4. Amount of compensation	5. Expense account shareholder
Total compensation of officers				

PART I—Income

- Certain domestic corporations
- Certain public utility corporations
- Certain foreign corporations
- Certain affiliated groups
- Other corporations (attach schedule)
- Total (add lines 1 through 5)

PART II—Deductions

- 85% of line 1, Part I
- 60.208% of line 2, Part I
- 85% (see instr. for 100% of line 3, Part I)
- Total (see instructions for 85% limitation)
- 100% of line 4, Part I
- Total (line 4 plus line 5)

H Did you claim a deduction for expenses connected with:

- Entertainment facility (boat, resort, ranch, etc.)?
- Living accommodations (except for employees on business)?
- Employees' families at conventions or meetings?
- Employee or family vacations not reported on Form W-2?

I Are you required to prorate your surtax exemption under section 1561 because of an election under section 243(d)?

J Did you file all required Forms 1087, 1096, and 1099?

K Did you, at any time during the taxable year, have any interest in or signature or other authority over a bank, securities, or other financial account in a foreign country (except in a U.S. military banking facility operated by a U.S. financial institution)? If "Yes," see instruction M.

L Were you the grantor of, or transferor to, a foreign trust during any taxable year, which foreign trust was in being during the current taxable year, whether or not you have any beneficial interest in such trust? If "Yes," you may be required to file Form 3520-A, of 926.

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Form 1120M (1977)

Schedule B Statutory Underwriting Income or (Loss)—Section 823

- Gross income (line 6, Schedule B-1)
- Less: Gross investment income (line 9, Schedule A)
- Deductions (line 26, Schedule B-1)
- Less: The sum of: (a) Line 19, Schedule A (b) Line 21, Schedule A
- Line 2 less line 4
- Special deduction (Schedule B-2) (not to exceed line 5)
- Line 5 less line 6
- Protection against loss deduction (Schedule B-3)
- Statutory underwriting income or (loss) (line 7 less line 8)

Schedule B-1 Income and Deductions

- Investment income—Section 832(b)(2): (a) Interest (b) Dividends (Part I, Schedule E)
- Premiums earned—Section 832(b)(4)
- Gain from sale or other disposition of capital assets—Section 832(b)(1)(B) (separate Schedule D (Form 1120))
- Ordinary gain from Form 4797 (attach Form 4797) (include all sections 1245 and 1259 etc. gains)
- Other income—Section 832(b)(1)(C) (attach schedule)
- Decrease in subscriber accounts—Section 823(b)(2)(B)
- Gross income (add lines 1 through 5)
- Salaries and wages—Section 832(c)(1)
- Rents—Section 832(c)(1)
- Interest—Section 832(c)(2)
- Taxes—Section 832(c)(3) (attach schedule)
- Losses incurred on insurance contracts—Section 832(c)(4)
- Capital losses—Section 832(c)(5) (separate Schedule D (Form 1120))
- Other capital losses—Section 832(c)(5) (Schedule A-3)
- Worthless agency balances and bills receivable—Section 832(c)(6)
- Interest (excluded under section 103)—Section 832(c)(7)
- Depreciation—Section 832(c)(8) (attach Form 4562)
- Depletion—Section 832(c)(8) (attach schedule)
- Contributions—Section 832(c)(9) (net over 5% of line 24 adjusted per instructions—attach schedule)
- Dividends paid or declared to policyholders—Section 832(c)(11)
- Increase in subscriber accounts—Section 823(b)(2)(A)
- Penalty, profit-sharing, etc. plus—Section 832(c)(10) (see instructions) (enter number of plans)
- Employee benefit programs—Section 832(c)(10) (see instructions)
- Other deductions—Section 832(c)(10) (attach schedule)
- Total deductions on lines 7 through 22
- Line 6 less line 23
- Dividends-received deduction—Section 832(c)(12) (line 6, Part II, Schedule E—see instructions for 85% limitation)
- Total deductions (line 23 plus line 25)

GROSS INCOME

DEDUCTIONS

Line No.	Amount
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1977 Department of the Treasury Internal Revenue Service Instructions for Form 1120M

U.S. Mutual Insurance Company Income Tax Return

(References are to the Internal Revenue Code.)

General Instructions

A. Who must file Form 1120M.

Every domestic mutual insurance company (except a life insurance company) subject to tax under section 802 and other than a fire, flood, or marine insurance company subject to tax under section B(1) and every foreign corporation carrying on an insurance business within the U.S. (if with respect to its U.S. business it would qualify as a mutual insurance company subject to tax under section 821) must file Form 1120M.

Exceptions.—(a) Certain mutual insurance companies exempt under section 501(c)(15). (See Form 990.)

(b) A mutual insurance company subject to tax under section 843, which disposes of its insurance business and reserves or otherwise ceases to be entitled to be taxed under section 821, but continues its corporate existence for the purpose of winding up and liquidating its affairs. (See Form 1120.)

B. Information returns and forms that may be required.—

1. Forms W-2 and W-3.—Employer's wage and tax statement and transmittal of income and tax statements.

2. Form W-2P.—Statement for recipients of annuities, pensions or retired pay.

3. Forms 1087-OIV, INT, MED, MISC, and DID.—Nominees' information returns for reporting dividends, interest, medical and health care payments, miscellaneous income, and original issue discount that were received as a nominee on behalf of another person.

4. Form 1096.—Annual summary and transmittal of U.S. information returns.

5. Form 5452.—Corporate report of non-taxable dividends.

6. Forms 966 and 1099L.—Information returns regarding dissolution or liquidation, and distributions in liquidation.

7. Forms 1099—DIV, INT, MED, MISC, DID, PATR, and R.—Information

New York City Office Internal Revenue Service Center 605 Third Avenue New York, NY 10016	Internal Revenue Service Center Boston, MA 02101
Alaska, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Missouri, Nebraska, New Hampshire, New Jersey, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas, Virginia, Washington, West Virginia, Wisconsin, Wyoming	Internal Revenue Service Albany, GA 31701 Albuquerque, NM 87102 Anchorage, AK 99501 Atlanta, GA 30303 Baltimore, MD 21201 Birmingham, AL 35203 Butte, MT 59701 Charlotte, NC 28201 Chicago, IL 60601 Cincinnati, OH 45201 Cleveland, OH 44101 Dallas, TX 75201 Denver, CO 80201 Detroit, MI 48201 Houston, TX 77001 Indianapolis, IN 46201 Jacksonville, FL 32201 Kansas City, MO 64101 Las Vegas, NV 89101 Little Rock, AR 72201 Los Angeles, CA 90001 Louisville, KY 40201 Madison, WI 53701 Miami, FL 33101 Memphis, TN 38101 Milwaukee, WI 53201 Minneapolis, MN 55401 Mobile, AL 36601 New Orleans, LA 70101 New York, NY 10001 Omaha, NE 68101 Oklahoma City, OK 73101 Philadelphia, PA 19101 Phoenix, AZ 85001 Portland, ME 04101 Portland, OR 97201 Raleigh, NC 27601 Richmond, VA 23201 Sacramento, CA 95801 St. Louis, MO 63101 Salt Lake City, UT 84101 San Antonio, TX 78201 San Diego, CA 92101 San Francisco, CA 94101 Seattle, WA 98101 Tampa, FL 33601 Tulsa, OK 74101 Wash. D.C. 20540 Washington, DC 20540 Wichita, KS 67201

returns for reporting certain dividends, interest income, medical and health care payments, miscellaneous income, original issue discount, patronage dividends, and lump-sum distributions from profit sharing and retirement plans.

B Form 5713—International boycott report for persons having operations in or related to "boycotting" countries. In addition, persons who participate in or cooperate with an international boycott, may have to complete Schedule A or Schedule B and Schedule C of Form 5713 to compute their loss of the following items: the foreign tax credit, the deferral of earnings of a controlled foreign corporation, and DISC benefits.

C. Period covered.—This return is for calendar year 1977. (Section 843.) If the company ceases to exist, write "FINAL RETURN" at the top of the form.

D. Accounting methods.—Taxable income must be computed using the method of accounting regularly used in keeping the corporation's books and records. In all cases, the method adopted must clearly reflect taxable income. (See section 446.)

Unless the law specifically permits, the method of accounting used to report income in prior years (for income as a whole or for any material item) may not be changed without first obtaining consent on Form 3115. Application for Change in Accounting Method.

Rounding off to whole-dollar amounts.—Money items may be shown as whole-dollar amounts by eliminating any amount less than 50 cents and increasing any amount from 50 cents to 99 cents to the next higher dollar.

E. Where to file.—

If the corporation's principal office is located in:

- ▶ New York, New York City Office
- ▶ Albany, New York City Office
- ▶ Boston, Massachusetts Office
- ▶ Honolulu, HI 96801
- ▶ Washington, DC 20540

post Form prescribed with a Tax Class Number 503. Do not remit directly to Internal Revenue Records. Deposits will be sent to Internal Revenue Credits, to the corporation's account.

The timeliness of deposits will be determined by the date received by a commercial bank depository or FRB. If a tax payment is made by mail, a deposit received after the due date will be considered timely if the taxpayer establishes that it was mailed on or before the second day before the prescribed due date as provided by section 7502.

Tax deposits made at FRBs which are not in compliance with deposit requirements will be processed by the Internal Revenue Service. The taxpayer will receive a notice from the FRB. Furthermore, such tax payments received by an FRB will be dated as paid based upon the date when the proceeds of the accompanying payment instrument are collected by the FRB, and if made by mail section 7502 will not apply.

Federal Tax Deposit Forms prescribed with a Tax Class Number 503 will be mailed to corporations on a cyclical basis depending on the taxable year of the corporation. Corporations needing such deposit forms may obtain them from the Internal Revenue Service Center where they will receive Service. The application should include the corporation's identification number, address, and the taxable year to which the deposits relate.

Estimated tax.—A corporation must make estimated tax payments if it can expect its estimated tax (income tax less credits) to be \$40 or more.

Form 1120-W may be used as a worksheet to compute estimated tax.

If there was an overpayment of estimated tax, file Form 4466 for a "quick refund" if the overpayment is (1) at least 10% of your expected income tax liability AND (2) at least \$500. This application must be made within 2 1/2 months after the end of the taxable year and before Form 1120M is filed.

H. Stock ownership in foreign corporations.—See section 551(c) and attach the required statement if there was an ownership of 5% or more in value of the outstanding stock of a foreign personal holding company. A taxpayer who controls a foreign corporation or is a 10% or more shareholder of a controlled foreign corporation, may be required to file Forms 2952 and 3646.

Annual statement.—A mutual insurance company adopted by the National Association of Mutual Insurance Companies

sociation of Insurance Commissioners for the year 1977, as filed with the Insurance Department together with copies of Schedules A (real estate) and Schedule D (bonds and stocks) must accompany the return (see section 1.6012-2(c) of the regulations).

Similar copies for the preceding year must also be furnished, if not already filed for such year.

If you use miniature statements, they may be filed instead of the larger statements.

J. Signature.—The return must be signed and dated by the president, vice president, treasurer, controller, or any other corporate officer (such as tax officer) authorized to sign. A receiver, trustee, or assignee must sign and date any return required to be filed on behalf of a corporation.

An individual who prepares Form 1120M for pay must manually sign the return as preparer. Signature stamps or labels are not acceptable. If someone prepares Form 1120M for free, that person does not have to sign that return.

If more than one person prepares the return, the individual preparer with the primary responsibility for the overall accuracy of the return must sign as preparer. The preparer required to sign the return shall also enter his or her social security number to the right of that signature. If the preparer is self-employed, he or she must write "SE" to the right of the preparer's social security number.

If the individual is paid by another to prepare (or is a partner in a partnership preparing) Form 1120M, the preparer (or partnership's) name and identification number must be entered below the preparer signature line. (Special rules apply to identification numbers for foreign tax return preparers. Such preparers should see sections 1.6109-2(a) and 301.7701-15(b)(5) of the regulations.)

The return must also show, below the preparer's signature, the address of the preparer's place of business where the return was completed. However, if this place of business is not maintained on a year-round basis, the return should show the address of such preparer's principal business location which is maintained on a year-round basis or, if none, the preparer's residence.

The preparer must give the taxpayer a copy of Form 1120M in addition to the copy filed with IRS. Employed preparers, and self-employed preparers must file Form 5717, Annual List of Income Tax Return Preparers.

Note: A \$25 penalty may be charged a paid preparer of Form 1120M in addition to the \$25 penalty for each copy filed with IRS. A preparer who is not a paid preparer is not subject to this penalty. A preparer who is not a paid preparer is not required to sign who does not show an original signature or a photocopy of the original signature in the space provided. A penalty may be charged a self-employed preparer who does not show his or her identifying number in the space provided.

If the individual is paid by another to prepare (or is a partner in a partnership preparing) Form 1120M, the preparer (or partnership's) name and identification number must be entered below the preparer signature line. (Special rules apply to identification numbers for foreign tax return preparers. Such preparers should see sections 1.6109-2(a) and 301.7701-15(b)(5) of the regulations.)

K. Attachments.—If more space is needed on forms or schedules, attach separate sheets and use the same arrangement as the printed forms, but show the totals on the printed forms. Be sure to put the taxpayer's name and employer identification number on these separate sheets.

L. Penalties.—Avoid penalties and interest by correctly filing and paying the tax when due.

1. A corporation that fails to file its tax return by the prescribed due date including any extensions of time for filing may be subject to a penalty of 5% for each month, up to a maximum of 25%, for each month the return is not filed (the penalty is imposed on the net amount due)—section 6651(a)(1)(i).

2. A corporation that fails to pay the tax when due may be subject to a penalty of 1/2% a month or fraction of a month, up to a maximum of 25% for each month the tax is not paid (the penalty is imposed on the net amount due)—section 6651(a)(2).

The above penalties will not be imposed if the corporation can show that the failure to file or to pay was due to reasonable cause and not to willful neglect.

These penalties are in addition to the interest charge imposed on unpaid tax at a rate pursuant to section 6621.

3. A corporation that fails to pay the proper estimated tax when due may be subject to an underpayment penalty for the period of underpayment (section 6655) at a rate pursuant to section 6621.

SCHEDULE A.—Taxable Investment Income or Loss

1. **Interest.**—Enter interest received or accrued from all sources during the taxable year. The gross amount of interest reported as gross income must be decreased by the amortization of premiums attributable to the taxable year on bonds, notes, debentures or other evidences of indebtedness, determined (1) in accordance with the method regularly employed, if reasonable, or (2) in accordance with regulations. (Attach a statement showing method and computation.)

2. **Gross rents.**—Enter the gross amount received for the rent of property. Deduct expenses such as repairs, interest, taxes, and depreciation in the proper lines for deductions.

3. **Gross royalties.**—Enter the gross amount claimed for depletion, report it on line 15.

4. **Gross income from trade or business other than insurance business.**—Enter the gross income from any trade or business (other than the mutual insurance company, or by a partnership of which the mutual insurance company is a member. Include section 1245 and section 1250 etc. gains from Form 4797 with respect to investment assets only).

5. **Losses.**—Enter the gross amount of income received from the sale or disposition of any lease, mortgage or other instrument or agreement from which the mutual insurance company derives interest, dividends, rents, or royalties.

6. **Net gain from sale or exchange of capital assets.**—Report sales or exchanges of capital assets in separate Schedule D (Form 1041-20). (Use the instructions on Schedule A-3, page 3.) Enter the net gain or loss results, must be reported in detail.

7. **Losses from sales or exchanges of capital assets (except losses from capital assets sold or exchanged to obtain funds to meet abnormal insurance losses and to provide for the payment of dividends and similar distributions to shareholders)** are allowed to the extent of the gain with respect to companies taxable under section 821.

The net capital loss for such company is the amount by which losses for the year from sales or exchanges of capital assets exceed the sum of the gains or losses from sales or exchanges of capital assets) or (2) losses from the

credit for qualified progress expenditures, see section 47(a)(3), if the credit taken, including carrybacks and carryovers, exceeds the recomputed credit, the tax in the year of disposition must be increased by the excess. Form 4255 may be used to compute the tax.

The tax from recomputing a prior year investment credit may not be offset against the current year's investment credit.

17. **Tax from recomputing a prior year WIN credit.**—If a WIN program employee is dismissed before completing a certain period of employment, the WIN credit previously taken on such employee may be subject to recapture. If so, you must repay (with certain exceptions) any tax credit previously taken on the salaries and wages paid or credited for that employee. (See Form 4874.)

The tax from recomputing a prior year work incentive credit may not be offset against the current year's work incentive credit.

18. **Minimum tax on tax preference items.**—Generally, the corporate minimum tax rate is 15%. The minimum tax exemption is the greater of \$10,000 or the regular income taxes for the year.

The tax preference items are accelerated depreciation on real property, amortization of certified pollution control facilities, railroad rolling stock, on-the-job training facilities and child care facilities; reserve for losses on bad debts of financial institutions; depletion; and capital gains.

Attach Form 4626, if items of tax preference exceed \$10,000, even if there is no minimum tax. OR if you have a minimum tax liability deferred from any prior taxable year to this year.

20(g). **Credit by reciprocal for tax paid by attorney-in-fact.**—See section 826(e) and the regulations thereunder.

20(h). **Other tax credits.**—Section 39 provides a credit for Federal estate tax on: (1) gasoline used (a) on a farm for farming use, (b) in vehicles and machines used off the highway, such as in boats and, generally, in commercial aircraft, and (c) in vehicles furnishing certain public transportation by land; (2) lubricating oil used for any purpose other than in a highway motor vehicle; and (3) special fuels used (a) on a farm for farming use, (b) in vehicles furnishing certain public transportation by land, and (c) generally in commercial aviation or under other conditions not subject to tax.

Also included on line 20(h) any of the tax included on line 15, page 1, which was withheld at the U.S. source.

or incurred for the first 12 months of employment.

For special rules and limitations, see Form 4874 and sections 50A and 50B.

12(d). **New jobs credit.**—In general, for a taxable year beginning in 1977, the credit shall be an amount equal to 50% of the excess of the aggregate unemployment insurance wages paid during 1977 over 102% of the aggregate unemployment insurance wages paid during 1976. An additional 10% credit may be claimed for wages paid to certain vocational rehabilitation referrals during the calendar year 1977. See Form 3881 for definitions, special rules and limitations. Also see Publication 902, Tax Information on Jobs Tax Credit.

Do not take an expense deduction for that portion of the wages or salaries paid or incurred which is equal to the amount of the new jobs credit (determined without regard to the limitation based on tax (section 53)). Members of a controlled group or a trade or business under common control with other trades or businesses, see section 280C.

13. **Possession tax credit.**—See Form 5712 for rules on how to elect to claim the possession tax credit (section 936). Compute the credit on Form 5735 and include the amount of the credit in the total for line 13, page 1, Form 1120M. Write in the margin next to the entry on line 13, the amount of the credit and identify it as being a section 936 credit.

15. **Foreign corporations.**—A foreign corporation claiming an insurance business within the U.S. is taxable in the same manner as a domestic insurance company with respect to its income effectively connected with the conduct of a trade or business within the U.S. See section 842.

Any other U.S. source income received by a foreign corporation not effectively connected with the conduct of a trade or business within the U.S. is taxed at a 30% (or lower treaty) rate. See section 881. If you have any such income, attach a schedule showing the nature of the income, amount of income, rate of tax (30% or lower treaty rate), and amount of tax. Enter the amount of tax imposed by section 881 on line 15, page 1.

16. **Tax from recomputing a prior year investment credit.**—If property is disposed of prior to the life-years category used in computing the investment credit, the investment credit must be recomputed using as the useful life the period the property was actually held. (For recomputations of the investment

(2) Where taxable income after the election is over \$50,000, the excess of \$50,000 over taxable income before the election must be entered as the amount required on line 8.

Where the amount subtracted from the protection against loss account was added because of the election under section 826(a), then to the extent the amount increases, mutual insurance company taxable income for the year is \$50,000 amount is not limited to the \$50,000 amount. See section 1 826-2(b) of the regulations.

Where the surtax exemption is pro-rated under section 1561 because of an election under section 243(b), the pro-rated amount must be used in place of the \$50,000 amount in the preceding paragraphs and line 8, page 1.

10. **Alternative tax for certain small companies.**—See instructions for Schedule A-2.

12(g). **Foreign tax credit.**—In general, the per country limitation cannot be used in computing the foreign tax credit. See Form 1118 for rules on how to compute the foreign tax credit.

12(h). **Investment credit.**—In most cases, the investment credit rate is 10%, for property acquired and placed in service during the taxable year. Corporations may elect an 11% credit, but which must be 1% of the qualified investment in an employee stock ownership plan (ESOP). Beginning in 1977, in lieu of the 11% credit, a corporation may elect up to an 11.5% credit for qualifying 10% property if (1) the corporation increases its ESOP contribution investment in 10% property and (2) corporate employees make an ESOP contribution of up to 1/4% in similar type property. Complete Form 5500 for each employee stock ownership plan and file it on or before the last day of the 7th month following the close of the plan year.

The limit on the amount of used property eligible for the investment credit is \$100,000.

The investment credit also applies to qualified progress expenditures made during the construction of property that requires at least two years to construct and that has an expected useful life of at least 7 years. See Form 3468 for special rules and limitations.

12(c). **Credit for wages paid or incurred in a Work Incentive (WIN) Program.**—Employers may claim a credit of 20% of the salaries and wages paid or incurred to employees hired under a WIN program. The credit is allowed for the salaries and wages paid for the first 12 months of employment.

(1) The sum of the statutory underwriting loss and the investment loss, exceeds

(2) the sum of—
(a) the taxable investment income, and
(b) the statutory underwriting income, and

(c) the amount required by section 824(d) to be subtracted from the protection against loss account.

The unused loss for any loss year is (1) an unused loss carryback to each of the 3 taxable years preceding the loss year, and (2) an unused loss carryover to each of the 7 taxable years following the loss year, or an irrevocable election may be made whereby a net operating loss may only be carried over to each of the 7 years following the year of such loss, thus relinquishing the carryback period. After applying the net operating loss to the initial year, the portion of the loss that may be carried to each of the remaining taxable years is the excess (if any) of the amount of the loss over the sum of the offsets (as defined in section 825(f)) for each of the prior taxable years to which the loss may be carried.

Limitations.—An unused loss may not be carried—
(1) to or from any taxable year for which the insurance company is not subject to the tax imposed by section 821(a), or
(2) to any taxable year if, between the loss year, and such taxable year, there is an intervening taxable year for which the insurance company was not subject to the tax imposed by section 821(a).

See section 844 for special carryover rules regarding an insurance company that has changed its form of organization or has changed the nature of its insurance business.

8. **Surtax.**—For election and attachment required of a reciprocal to be subject to the limitation in section 826(b), see section 826(c) and the regulations thereunder.

Amount to be included by reciprocal.—If the mutual insurance company taxable income before giving effect to the election under section 826(a) is not less than \$50,000, then make no entry.

If the taxable income before giving effect to the election is not more than \$50,000, then:

If the estimated tax was underpaid and you believe a penalty charge should not be assessed, attach Form 2220.

M. **Foreign bank, securities and other financial accounts.**—
If at any time during the taxable year, you had an interest in or signature or other authority over a bank, securities, or other financial account in a foreign country, you must file Form 1041-20, Information on Foreign Bank, Securities, and Other Financial Accounts.

This form, which is due before July 1, 1978, should be filed with the U.S. Treasury Department at P.O. Box 28309, Central Station, Washington, D.C. 20005.

Form 90-22.1, which replaces Internal Revenue Service Form 4683, U.S. Information Return on Foreign Bank, Securities, and Other Financial Accounts, and Foreign Trusts, may be obtained from Internal Revenue Service offices or by writing to the above address.

N. **Employer identification number.**—Enter the employer identification number (EIN) assigned to the corporation.

Corporations who do not have an EIN should apply for one on Form SS-4, available from any IRS or Social Security Administration office. Send Form SS-4 to the same Internal Revenue Service Center to which Form 1120M is sent.

Specific Instructions
(Numbered to correspond with the line numbers on the return.)

For Page 1 of Return

5. **Unused loss deduction.**—The amount of the deduction is the total of the unused loss carryovers and carrybacks to the taxable year.

Unused loss.—The term "unused loss" for any taxable year means the amount by which—

3

4

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 similar distributions to policyholders.

However, the amount of a net capital loss sustained in a taxable year may be carried back 3 years and forward 5 years as a short-term capital loss. The amount allowable as a capital loss carry-back is subject to the limitations of section 1212(a)(1).

For further information relating to gains and losses from sales or exchanges of property, see instructions for separate Schedule D (Form 1120). **Deductions**

10. Interest wholly exempt from tax.—Enter the amount of interest which is wholly exempt from taxation under section 103.

11. Investment expenses.—Enter expenses which are properly chargeable as investment expenses. If you allocate general expenses to investment expenses, the total deduction cannot exceed the limitation on line 18, Schedule A-1. Attach a schedule showing the nature and amount of the items and group the minor items into one amount. See section 822(c)(2).

12. Taxes.—Enter taxes paid or accrued exclusively upon real estate owned by the company as provided in section 164. For limitation on deduction, see instruction 19(a).

13. Real estate expenses.—Enter all ordinary and necessary building expenses, paid or accrued, such as fire insurance, heat, labor, etc., and the cost of incidental repairs which materially add to the value of the property nor appreciably prolong its life, but keep it in an ordinary efficient operating condition. Do not include any amount paid out for new buildings or for permanent improvements or betterments made to increase the value of any property or any amount expended on foreclosed property before such property is held for rental purposes. For limitation on this deduction, see instruction 19(a).

14. Depreciation.—The amount deductible for depreciation is an amount reasonably measuring a portion of the investment in depreciable property which, by reason of exhaustion, wear and tear, or obsolescence, is properly chargeable against the operations of the year. In any event, the deduction is limited to the depreciation on the property that is used, as determined in section 822(b). For information on this deduction, see instruction 19(a). Also see instructions for Form 4562, Depreciation.

15. Depletion.—See section 613 and 613A. Percentage depletion rates applicable to natural deposits.

located to each such class. Show the amount allocated by apportionment separately.

21. Dividends received deduction.—

See instructions for Schedule E, Part II. The 85% limitation on the dividends-received deduction does not apply for any year in which there is a loss from taxable investment income.

SCHEDULE A-2.—Alternative Tax for Certain Small Companies
Section 821(c) provides an alternative tax for companies if the gross amount reported on line 7, Schedule A, plus premiums, is over \$150,000 but not over \$500,000.

The term "premiums" means the total amount of the premiums and other consideration provided in the insurance contract without any deduction for commissions, return premiums, reinsurance, dividends to policyholders, dividends left on deposit with the company, discounts on premiums paid in advance, interest applied in reduction of premiums (whether or not required to be credited in reduction of premiums under the terms of the contract), or any other item of a similar nature.

Such term includes advance premiums, premiums deferred and interest, and premiums owing and contracts outstanding in respect of assuming liabilities under contracts not issued by the taxpayer (such as a payment or transfer of property in an insurance reinsurance transaction), but does not include amounts received from other insurance companies for losses paid under reinsurance contracts. (See section 1, 821-4(a)(1)(ii) of the regulations.)

Any mutual insurance company that is subject to the tax imposed by section 821(c) may elect to be subject to the tax imposed by section 821(a). See section 821(d) and the regulations thereunder for election to include statutory underwriting income or loss.

The alternative tax is not available to a company that has a balance in its protection against loss account at the beginning of the taxable year, or to a company that has an election in effect under section 821(d) to be taxed under section 821(a).

SCHEDULE A-3.—Other Capital Losses

Total gross receipts from sales of capital assets, line 10, column 3, should not exceed the amount shown on line 9. If necessary, gross receipts from a particular sale of a capital asset should be apportioned in the above schedule and the excess reported in separate Schedule D (Form 1120). Except for the apportionment, sales reported in this schedule should not be reported in separate Schedule D.

(a) Limitation on deductions relating to real estate owned and occupied.—The deductions included on lines 12, 13, and 14 for real estate owned and occupied in whole or in part by the company are limited to an amount which bears the same ratio to those deductions (computed without regard to section 822(d)(1)) as the rental value of the space not so occupied bears to the rental value of the entire property. Attach a schedule.

(b) Items not deductible.—No deduction is allowable for any amount allocable to a class of exempt income other than exempt interest income. Items directly attributable to wholly exempt income must be allocated to such class of income. Items directly attributable to any class of taxable income must be allocated to taxable income.

If an item is indirectly attributable both to taxable income and exempt income, a reasonable proportion of the item, determined in the light of all the facts and circumstances in each case, may be allocated to each.

Attach a statement showing (1) the amount of each class of exempt income, and (2) the amount of expense items al-

located to each such class. Show the amount allocated by apportionment separately.

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located to each such class. Show the amount allocated by apportionment separately.

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SCHEDULE A-2.—Alternative Tax for Certain Small Companies
Section 821(c) provides an alternative tax for companies if the gross amount reported on line 7, Schedule A, plus premiums, is over \$150,000 but not over \$500,000.

The term "premiums" means the total amount of the premiums and other consideration provided in the insurance contract without any deduction for commissions, return premiums, reinsurance, dividends to policyholders, dividends left on deposit with the company, discounts on premiums paid in advance, interest applied in reduction of premiums (whether or not required to be credited in reduction of premiums under the terms of the contract), or any other item of a similar nature.

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SCHEDULE A-2.—Alternative Tax for Certain Small Companies
Section 821(c) provides an alternative tax for companies if the gross amount reported on line 7, Schedule A, plus premiums, is over \$150,000 but not over \$500,000.

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SCHEDULE A-2.—Alternative Tax for Certain Small Companies
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Attach a statement showing (1) the amount of each class of exempt income, and (2) the amount of expense items al-

Attach a schedule showing the name of each organization and the amount paid. If a contribution is made in property other than money, describe the kind of property contributed and the method used in determining its fair market value. If a contribution carryover is included, show the amount and how it was determined.

Special rule for contributions of certain property.—If a charitable contribution of property is made, the contribution must be reduced by the sum of:

- (1) the ordinary income, short-term capital gain and
- (2) for certain contributions, 62½% of the long-term capital gain.

that would have resulted if the property were sold at its fair market value. The reduction for 62½% of the long-term capital gain applies to (1) contributions of tangible personal property for use by an exempt organization for a purpose or exemption, and (2) contributions of any property for or for the use of certain private foundations. (Section 170(e)). For special rules regarding a contribution of inventory, and other ordinary income property (described in section 1221(1) or (2)) to an exempt organization described in section 501(c)(3), for use in the care of the ill, needy, or infants, see section 170(e)(3).

Bargain sale to a charitable organization.—If a charitable deduction is taken for property sold to a charitable organization, the adjusted basis for determining gain from the sale is an amount which is in the same ratio to the adjusted basis as the amount realized is to the fair market value of the property.

19. Dividends paid or declared to policyholders.—Enter the amount of dividends and similar distributions paid or declared to policyholders.

20. Increase in subscriber accounts.—In the case of a mutual insurance company which is an inter insurer or reciprocal underwriter, a deduction is allowed for the increase in savings credited to subscriber accounts for the taxable year.

The term "savings credited to subscriber accounts" means such portion of the surplus credited to the individual accounts of subscribers on or before March 15, 1976. This applies only if the company would be obligated to pay such amount from policy to meet the contract at the close of the company's taxable year and only if the subscriber has been notified as required by section 1823-6(c)(2)(v) of the regulations.

For purposes of determining the taxable income, the subscriber must treat any such savings credited to the subscriber accounts as income for the taxable year.

11. Losses incurred on insurance contracts.—To losses paid during the taxable year, add salvage and reinsurance recoverable outstanding at the end of the preceding taxable year and deduct salvage and reinsurance recoverable outstanding at the end of the taxable year. To this result, add all unpaid losses outstanding at the end of the taxable year and deduct unpaid losses outstanding at the end of the preceding taxable year.

12. Capital losses.—Enter only capital losses to the extent of capital gains from separate Schedule D (Form 1120). Capital gains should be entered on line 3. (Also, see instruction 8 for Schedule A.)

13. Other capital losses.—Enter the amount of losses from capital assets sold or exchanged to provide funds to meet abnormal insurance losses and to provide for the payment of dividends and similar distributions to policyholders. (Also, see instruction 17 for Schedule A.)

14. Worthy agency balances and bills receivable.—Enter the amount of debts in the nature of agency balances and bills receivable that became worthless during the taxable year.

15. Interest.—Enter the amount of interest earned during the taxable year that is excluded from gross income under section 103.

16. Depreciation.—See instructions for Form 4562, Depreciation.

17. Depletion.—See instruction 15 for Schedule A.

18. Contributions.—Enter contributions or gifts paid within the taxable year to or for the use of charitable and governmental organizations described in section 170(c) and any unused contributions carried over from prior years.

Corporations on the accrual basis may elect to deduct contributions paid on or before the 15th day of the 3d month after the end of the taxable year if the contributions are authorized by the board of directors during the taxable year.

A declaration, signed by an officer, stating that the resolution authorizing the contributions was adopted by the board of directors during the taxable year, and a copy of the resolution, must both be attached to the return.

The total amount claimed may not exceed 5% of line 24, Schedule B-1, computed without regard to any deduction for contributions.

Charitable contributions in excess of the 5% limitation may not be deducted for the taxable year but may be carried over to the next 5 taxable years.

Enter total other capital losses (line 10, column 7) on line 18, Schedule A and line 13, Schedule B-1.

SCHEDULE B-1.—Income and Deductions

1. Investment income.—To all interest, dividends, and rents received during the taxable year, add interest, dividends, and rents due and accrued at the end of the taxable year and deduct all interest, dividends, and rents due and accrued at the end of the preceding taxable year.

2. Premiums earned.—From the amount of gross premiums written on insurance contracts during the taxable year, deduct return premiums and premiums paid for reinsurance. To the result so obtained, add unearned premiums on outstanding business at the end of the preceding taxable year and deduct unearned premiums on outstanding business at the end of the taxable year.

3(a). Gain from sale or other disposition of capital assets.—Enter the amount of gain (only) from the sale or other disposition of capital assets from Schedule D (Form 1120).

3(b). Ordinary gain.—For reporting sales or exchanges of property (other than capital assets) including involuntary conversions, and all section 1245 and section 1250 etc. gains, see Form 4797, Supplemental Schedule of Gains and Losses.

5. Decrease in subscriber accounts.—Enter the amount of the decrease for the taxable year in savings credited to subscriber accounts of an inter insurer or reciprocal underwriter. See instruction 20 for Schedule B-1 for savings credited to subscriber accounts. **Deductions**

7. Salaries and wages.—Enter the amount of salaries and wages paid or accrued during the taxable year.

8. Rents.—Enter the amount of rent paid or accrued for business property if a company has no equity.

9. Interest.—Do not include interest on indebtedness incurred or continued to purchase or carry obligations on which the interest is wholly exempt from income tax. (Section 265.)

See section 267 for the limitation on deductions for unpaid expenses and interest in the case of transactions between related taxpayers.

10. Taxes.—Enter taxes paid or accrued during the taxable year and attach a schedule showing the type and amount of tax. Do not include Federal income tax, foreign or U.S. possession income taxes, if a foreign tax credit is claimed, or taxes not imposed upon the corporation.

See section 164(d) for apportionment.

11. Dividends received deduction.— See instructions for Schedule E, Part II. The 85% limitation on the dividends-received deduction does not apply for any year in which there is a loss from taxable investment income.

SCHEDULE A-2.—Alternative Tax for Certain Small Companies
Section 821(c) provides an alternative tax for companies if the gross amount reported on line 7, Schedule A, plus premiums, is over \$150,000 but not over \$500,000.

The term "premiums" means the total amount of the premiums and other consideration provided in the insurance contract without any deduction for commissions, return premiums, reinsurance, dividends to policyholders, dividends left on deposit with the company, discounts on premiums paid in advance, interest applied in reduction of premiums (whether or not required to be credited in reduction of premiums under the terms of the contract), or any other item of a similar nature.

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SCHEDULE A-3.—Other Capital Losses

Total gross receipts from sales of capital assets, line 10, column 3, should not exceed the amount shown on line 9. If necessary, gross receipts from a particular sale of a capital asset should be apportioned in the above schedule and the excess reported in separate Schedule D (Form 1120). Except for the apportionment, sales reported in this schedule should not be reported in separate Schedule D.

(a) Limitation on deductions relating to real estate owned and occupied.—The deductions included on lines 12, 13, and 14 for real estate owned and occupied in whole or in part by the company are limited to an amount which bears the same ratio to those deductions (computed without regard to section 822(d)(1)) as the rental value of the space not so occupied bears to the rental value of the entire property. Attach a schedule.

(b) Items not deductible.—No deduction is allowable for any amount allocable to a class of exempt income other than exempt interest income. Items directly attributable to wholly exempt income must be allocated to such class of income. Items directly attributable to any class of taxable income must be allocated to taxable income.

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Attach a statement showing (1) the amount of each class of exempt income, and (2) the amount of expense items al-

Schedule A Cost of Goods Sold (See instruction 2)

Table with 7 rows for Schedule A: 1 Inventory at beginning of year, 2 Merchandise bought for manufacture or sale, 3 Salaries and wages, 4 Other costs (attach schedule), 5 Total of lines 1 through 4, 6 Less: Inventory at end of year, 7 Cost of goods sold—Enter here and on line 2, page 1.

B (a) Check valuation method(s) used for total closing inventory:

- Lower of cost or market
Other (attach explanation)
Check if this is the first year LIFO inventory method was adopted and used.
If checked, attach Form 970.
If the LIFO inventory method was used for this taxable year, enter percentage (or amounts) of closing inventory computed under LIFO.
If you are a manufacturer, check if you valued your inventory in accordance with section 1.471-11 of the regulations.
Was there any substantial change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation.

Schedule E Compensation of Officers (See instruction 12)

Table with 5 columns: 1 Name of officer, 2 Social security number, 3 Date for which compensation is reported, 4 Present age of officer (or age of stock owned), 5 Amount of compensation, 6 Expense account (attach).

Total compensation of officers—Enter here and on line 12, page 1.

Schedule F Bad Debts—Reserve Method (See instruction 15)

Table with 5 columns: 1 Year, 2 Trade sales and accounts receivable outstanding at end of year, 3 Sales on account, 4 Current year's provision, 5 Recoveries, 6 Amount charged against reserve, 7 Reserve for bad debts at end of year.

Schedule J Tax Computation (See instructions)

Table with 14 rows for Schedule J: 1 Taxable income (line 28, page 1), 2 Enter \$25,000. (Members of a controlled group, see instructions), 3 Line 1 less line 2, 4 Enter line 3 or \$25,000, whichever is lesser, 5 Line 3 less line 4, 6 Enter 20% of line 2, 7 Enter 22% of line 4, 8 Enter 48% of line 5, 9 Add lines 6, 7, and 8, 10 Net capital gain from line 9(b), page 1, 11 Subtract \$25,000. (Statutory minimum), 12 Balance (line 10 less line 11), 13 Enter 30% of line 12, 14 Income tax on capital gains (line 9 or line 13, whichever is lesser).

1977

U.S. Small Business Corporation Income Tax Return for calendar year 1977 or other taxable year beginning 1977, ending 19

Form 1120S header information: 1120S Form, Department of the Treasury, Internal Revenue Service, Date of election to small business corporation, Business Code No., Use (page 7 of instructions), Other taxable year beginning, Name, Number and street, City or town, State, and ZIP code, Employer identification no., Date incorporated, Fair value assets from line 14, column (b), Schedule L (See instruction 11).

IMPORTANT—All applicable lines and schedules must be filled in. If the lines on the schedules are not sufficient, see instruction N. Note: If section 465 (deductions limited to amount at risk) applies, see instruction for line 26.

GROSS INCOME section with lines 1-11: 1 Gross receipts or gross sales, 2 Less: Cost of goods sold (Schedule A) and/or operations (attach schedule), 3 Gross profit, 4 (a) Domestic dividends, 4(b) Foreign dividends, 5 Interest on obligations of the U.S. and U.S. instrumentalities, 6 Other interest, 7 Gross rents, 8 Gross royalties, 9 Gains and losses (attach separate Schedule D (Form 1120S) and/or Form 4797), 9(a) Net short-term capital gain reduced by any net long-term capital loss, 9(b) Net capital gain (if more than \$25,000, see instructions), 9(c) Ordinary gain or (loss) from Part II, Form 4797, 10 Other income (see instructions—attach schedule), 11 TOTAL income—Add lines 3 through 10.

DEDUCTIONS section with lines 12-28: 12 Compensation of officers (Schedule E), 13 Salaries and wages (not deducted elsewhere), 14 Repairs (see instructions), 15 Bad debts (Schedule F if reserve method is used), 16 Rents, 17 Taxes (attach schedule), 18 Interest, 19 Contributions (not over 5% of line 28 adjusted per instructions—attach schedule), 20 Amortization (attach schedule), 21 Depreciation from Form 4562 (attach Form 4562) less depreciation claimed in Schedule A and elsewhere on return, 22 Depletion (attach schedule), 23 Advertising, 24 Pension, profit sharing, etc. plans (see instructions) (enter number of plans), 25 Employee benefit programs (see instructions), 26 Other deductions (attach schedule), 27 TOTAL deductions—Add lines 12 through 26, 28 Taxable income (line 11 less line 27) (see instructions).

TAX section with lines 29-32: 29 Income tax on capital gains (Schedule J), 29 Income tax on special fuels, nonhighway gas, and lubricating oil (attach Form 4136), 30 Minimum tax (see instructions—attach Form 4626), 31 Total tax (add lines 29 and 30), 32 Credits: (a) Tax deposited with Form 7004 (attach copy), (b) Tax deposited with Form 7005 (attach copy), (c) Credit for U.S. tax on special fuels, nonhighway gas, and lubricating oil (attach Form 4136).

TAX OUE section with lines 33-34: 33 TAX OUE (line 31 less line 32). See instruction G for depositary method of payment, 34 OVERPAYMENT (line 32 less line 31).

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which the preparer has any knowledge. Signature of officer, Date, Paid preparer's signature and identifying number (see instructions), Paid preparer's address (or employer's name, address, and identifying number), Title.

Schedule L Balance Sheets

Assets		Liabilities and Shareholders' Equity	
(A) Beginning of taxable year (1976)	(B) End of taxable year (1977)	(A) Beginning of taxable year (1976)	(B) End of taxable year (1977)
1 Cash		15 Accounts payable	
2 Trade notes and accounts receivable		16 Wages, notes, bonds payable in less than 1 year	
3 Inventories		17 Other current liabilities (attach schedule)	
4 Govt obligations (a) U.S. and instrumentalities		18 Loans from shareholders	
5 Other current assets (attach schedule)		19 Wages, notes, bonds payable in 1 year or more	
6 Loans to shareholders		20 Other liabilities (attach schedule)	
7 Mortgage and real estate loans		21 Capital stock	
8 Other investments (attach schedule)		22 Paid-in or capital surplus	
9 Buildings and other fixed depreciable assets		23 Retained earnings—appropriated (attach schedule)	
10 Depreciable assets		24 Retained earnings—unappropriated	
11 Land (net of any amortization)		25 Shareholders' undistributed taxable income previously taxed	
12 Intangible assets (amortizable only)		26 Less cost of treasury stock	
13 Other assets (attach schedule)		27 Total liabilities and shareholders' equity	
14 Total assets			

Schedule M-1 Reconciliation of Income Per Books With Income Per Return

1 Net income per books		7 Income recorded on books this year not included in this return (itemize)	
2 Federal income tax		(a) Tax-exempt interest	
3 Excess of capital losses over capital gains		8 Deductions in this tax return not charged against book income this year (itemize)	
4 Income subject to tax not recorded on books this year (itemize)		9 Total of lines 7 and 8	
5 Expenses recorded on books this year not deducted in this return (itemize)		10 Income (line 28, page 1)—line 6 less line 9	
6 Total of lines 1 through 5			

Schedule M-2 Analysis of Unappropriated Retained Earnings Per Books (line 24 above)

1 Balance at beginning of year		5 Distributions out of current or accumulated earnings and profits: (a) Cash	
2 Net income per books		(b) Stock	
3 Other increases (itemize)		(c) Property	
4 Total of lines 1, 2, and 3		6 Current year's undistributed taxable income or net operating loss (total of lines 8 and 9, Schedule M)	
		7 Other decreases (itemize)	
		8 Total of lines 5, 6, and 7	
		9 Balance at end of year (line 4 less line 8)	

Schedule K Computation of Undistributed Taxable Income and Summary of Distributions and Other Items

Computation of Corporation's Undistributed Taxable Income		Additional Information Required	
1 Taxable income (line 28, page 1)		F Did you at the end of the taxable year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation?	Yes No
2 Less: (a) Money distributed as dividends out of earnings and profits of the taxable year		G Taxable income or (loss) from line 28, Page 1, Form 1120S for your taxable year beginning in 1974	Yes No
(b) Tax imposed on certain capital gains (line 31, page 1)		H Refer to page 7 of instructions and state the principal: Business activity	Yes No
3 Corporation's undistributed taxable income		I Were you a member of a controlled group subject to the provisions of section 1561?	Yes No
4 Actual dividend distributions taxable as ordinary income (Do not include amounts shown on line 6)		J Did you claim a deduction for expenses connected with (1) Entertainment facility (boat, resort, ranch, etc.)?	Yes No
5 Actual dividend distributions taxable as long-term capital gains (after tax)		(2) Living accommodations (except for employees on business)?	Yes No
6 Actual dividend distributions taxable as ordinary income and qualifying for dividend exclusion		(3) Employees' families at conventions or meetings?	Yes No
7 Nondividend distributions		(4) Employees or family vacations not reported on Form W-2?	Yes No
8 Undistributed taxable income—taxable as ordinary income or (loss)			
9 Undistributed taxable income—taxable as long-term capital gain (after tax)			
10 Investment credit property			
Basis of new investment property	(a) 3 or more but less than 5 years		
Qualified progress expenditures 1974, 1975 and 1976	(b) 5 or more but less than 7 years		
1977	(c) 7 or more years		
Cost of used investment property	(d) 7 or more years		
	(e) 3 or more but less than 5 years		
	(f) 5 or more but less than 7 years		
	(g) 7 or more years		
	(h) 7 or more years		

11 Interest on investment indebtedness:
 (a) (1) Interest on investment indebtedness incurred prior to December 17, 1969.
 (2) Interest on investment indebtedness incurred prior to September 11, 1975, but after December 16, 1969.
 (3) Interest on investment indebtedness incurred after September 10, 1975

12 Item of tax preference (see instructions):
 (a) Accelerated depreciation on—
 (1) Low income rental housing
 (2) Other real property
 (3) Personal property subjected to a lease

13 New jobs credit (see instructions):
 (1) (2) (3)

Additional Information Required
 F Did you at the end of the taxable year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation?
 (For rules of attribution, see section 267(c).) If the answer is "yes," indicate the number and (b) percentage owned.

G Taxable income or (loss) from line 28, Page 1, Form 1120S for your taxable year beginning in 1974

H Refer to page 7 of instructions and state the principal:
 Business activity

I Were you a member of a controlled group subject to the provisions of section 1561?

J Did you claim a deduction for expenses connected with
 (1) Entertainment facility (boat, resort, ranch, etc.)?
 (2) Living accommodations (except for employees on business)?
 (3) Employees' families at conventions or meetings?
 (4) Employees or family vacations not reported on Form W-2?

Enter total amount of deductions on Form 1120S that are claimed under section 274 (entertainment, gifts, etc.)

K Did you file all required Forms 1087, 1096, and 1099?

L Answer only if (1) this is the first 1120S return filed since you filed a return for the taxable year prior to the taxable year prior to the election and had investment credit property Was an agreement filed under section 147-1(b) of the regulations?

M Did you, at any time during the taxable year, have any interest in or signature or other authority over a bank, securities, or other financial account in a foreign country (except for an account being held in a U.S. branch of a U.S. financial institution)? If "yes," see instruction 8.

N Were you the grantor of, or transferor to, a foreign trust during any taxable year, which foreign trust was in being during the taxable year and the trust was required to file Forms 3520, 3520-A, or 326?

O Was this firm in business at the end of 1977?

P How many months in 1977 was this firm in business?

rate share of the new debt credit computed by the corporation on Form 5884 (line 13).

PART VIII.—Other Shareholder Information

Column 3.—If the number of shares owned by a shareholder changed during the year, attach a statement showing the number of shares held for each period.

Column 4.—Enter the compensation paid to each shareholder, including any excess contributions to a pension, profit-sharing, etc. plan received. Excess contributions are those deductible by the corporation under section 404(a)(1), (2), or (3) over the lesser of:

- (1) 15% of the compensation received or accrued by the shareholder during the calendar year, or
- (2) \$7,500.

A shareholder-employee of the corporation is an employee or officer who owns (or is considered as owning under section 318 (b)(1)) on any day of the taxable year a substantial amount of the corporation's outstanding stock. The above excess contribution rule does not apply to contributions to a trust described in section 401(d)(6).

Credit for wages paid or incurred in work incentive (WIN) program.—Enter the amount of credit for wages paid or incurred for their share of the WIN wages paid or incurred by the corporation. The credit is 20% of the salaries and wages paid or incurred for their share of the WIN program. The credit is allowed for the first 12 months of employment. For additional rules and limitations, see Form 4874.

The corporation must attach a statement showing each shareholder's share of WIN wages for each WIN employee. This statement must also show each WIN employee's date of employment, and total WIN wages.

Shareholders must attach Form 4874 to their returns.

Tax from recomputing a prior year WIN credit.—If a WIN employee is dismissed within the first 90 days of employment (whether or not consecutive) or becomes unemployed during the first 90 days of employment, the WIN credit previously taken may be subject to recapture so that the shareholder must be treated as if the employee had been a WIN employee and the employee's name, social security number, and period of employment attributable to the prior credit tax his or her tax liability for the prior credit tax with respect to each such WIN employee. For exceptions and limitations, see Form 4874 and section 150A-5 of the regulations.

The tax from recomputing a prior year work incentive credit may not be offset against the current year's work incentive credit.

For more information obtain Publication 589, Tax Information on Subchapter S Corporations, from your local Internal Revenue office.

The interest on investment indebtedness must be allocated to the period in which the indebtedness was incurred. (1) prior to December 31, 1969; (2) prior to December 31, 1969; and (3) after September 10, 1975. For additional information see Form 4952.

These items are combined with similar items from other sources to compute the shareholder's limitation on the deduction of investment interest on short-term capital gains. (See Form 4952 and section 163(d)).

PART IV.—Items of Tax Preference

All items of tax preference are taken into account in computing the shareholder's limitation on the deduction of investment interest. (See Form 4625, Computation of Minimum Tax (Form 4625, Computation of Trusts).) The items of tax preference, each shareholder on a daily basis and not as of the end of each year. This manner is consistent with the way net operating loss carryovers are computed. (See section 1374 and instruction 30.)

PART V.—Property Eligible for Investment Credit

Investment Credit.—Shareholders are allowed a tax credit on their individual returns for their share of the corporation's investment credit. The credit must be shown on each Form 3468 to their returns.

In 10 percent, the investment credit rate is 10 percent for property acquired and placed in service during the taxable year. The additional 1% or 1.5% investment credit is provided for section 469(c)(2)(B) property. The credit is available in the case of an electing small business corporation.

The limit on the amount of used property eligible for the investment credit is \$100,000.

The investment credit also applies to progress payments made during the construction of property that requires at least 12 months to complete. The credit is prorated useful life of at least seven years.

PART VI.—Property Used in Recomputing a Prior Year Investment Credit

When property is disposed of prior to the "life years" assigned, each shareholder's share of the investment credit must be recaptured the amount by which the credit taken in a prior year exceeds the credit taken as recomputed due to the early disposition of the property. See section 469(c)(2)(B). For recomputation of the investment credit for qualified progress expenditures, see section 47(a)(3).

The tax from recomputing a prior year investment credit may not be offset against the current year's investment credit.

PART VII.—New Jobs Credit

Shareholders of record on the last day of the taxable year are allowed a tax credit on their individual tax returns for their pro

and construct) which are out of earnings and profits of the current year, attributable to the dividends (actual and constructive) includable by all shareholders from the same source.

In making the allocation, the excess of net long-term capital gain over net short-term capital gain is treated as if it were excess taxable income (line 28, page 1).

PART II.—Losses from Section 465 Activities

Effective for taxable years beginning after 1975, shareholders who are actively engaged in the following activities:

- (a) holding, producing, or distributing motion picture films or video tapes,
- (b) farming (as defined in section 464(e)),
- (c) equipment leasing, or
- (d) exploring for, or exploiting, oil and gas resources.

Section 465 provides that the amount of loss which may be deducted in connection with one of the above activities cannot exceed the shareholder's at-risk for each such activity at the close of the taxable year.

A shareholder is generally considered at risk for the activity to the extent of the amount of cash and adjusted basis contributed to the activity plus any amounts borrowed for use in the activity with respect to which the shareholder has personal liability for payment or has pledged property, other than property used in such activity, as security for such borrowed amount (to the extent of the net fair market value of the taxpayer's property used in the activity). (See section 465(b)(3) and (4) for exclusions and exceptions to the above general rule, and section 204(c)(2) and (3) of the Tax Reform Act of 1976.) See instructions for Form 465 concerning net operating loss carryovers and leasing activities.

If the corporation is engaged solely in one or more of the above section 465 activities, or is engaged in other activities, in addition to the section 465 activities, and has an operating loss for the year, then the section 465 activity losses are to be entered in Part II. (If more than one section 465 activity is entered, attach supporting schedule listing each loss separately.)

Any loss disallowed under section 465 for the taxable year shall be treated as a deduction allocable to such activity in the first succeeding taxable year. (See section 465.)

PART III.—Interest on Investment Indebtedness

Each shareholder must be notified of his or her pro rata share of interest on investment indebtedness and file applicable Form 4952. (2) excess expenses over rental income attributable to net lease property; and (3) excess net long-term capital gains over net short-term capital losses which were included in the computation of the taxable income for the corporation.

SCHEDULE K-1 Shareholder's Share of Undistributed Taxable Income, etc.

Complete a separate Schedule K-1 (Form 1120S) for each shareholder, and file the Copy A with Form 1120S.

Schedule K-1 (Form 1120S) must show the shareholder's share of the corporation's income for each shareholder of the corporation during any portion of the taxable year. Shareholders generally are taxed on their distributive shares of the current year's net operating loss. In addition to the undistributed taxable income, Schedule K-1 also includes each shareholder's pro rata share of the corporation's net operating losses, items used to compute the limitation for interest on investment indebtedness, property eligible for investment credit, property subject to the shareholder's at-risk for each activity, and other shareholder information.

Report actual dividend distributions aggregating \$10 or more to a shareholder during the calendar year on Form 1099-DIV.

PART I.—Income

Line 1.—Enter each shareholder's pro rata share of undistributed taxable income that is taxable as ordinary income. This amount is to be reported by the shareholder on Schedule E (Form 1040). Each shareholder also reported on line 1 and on Schedule E (Form 1040). (Note: The section 465 activity losses included on line 28 of Form 1120S are entered on Part II of the return. It is only for information purposes to assist the shareholder in determining how much section 465 activity loss the shareholder's tax return. See instructions for Part II (before loss limitations).)

A shareholder's distributive share of a net operating loss may not exceed the adjusted basis of the shareholder's stock in the corporation plus the adjusted basis of the shareholder. (See section 1374.)

Actual dividend distributions taxable as capital gain are reported on line 3, Part II, Schedule B (Form 1040).

Line 2.—Enter each shareholder's pro rata share of undistributed long-term capital gain as reported on Schedule D (Form 1040) as "net long-term gain from small business corporations (Subchapter S)."

Actual dividend distributions taxable as long-term capital gain must be reported on line 3, Part II, Schedule B (Form 1040). Each shareholder is entitled to treat as long-term capital gain a portion of the sum of the dividends received plus his or her share of the corporation's net operating loss. The shareholder's portion is determined by applying to the excess of net long-term capital gain over net short-term capital loss (line 3(b), page 1) reduced by any net operating loss carryover (line 28) the amount of each shareholder's dividends (actual

Line 9.—Enter that portion of undistributed taxable income that is to be treated as long-term capital gain after tax.

The amount cannot exceed taxable income (line 28) for the taxable year computed as provided in section 1373(d).

Line 11. Interest on investment indebtedness.—Enter the amount of interest on investment indebtedness, and the applicable items of (1) net investment income or loss; (2) excess expenses over rental income; and (3) excess net long-term capital gains over net short-term capital losses attributable to investment property which were included in the computation of the taxable income for the corporation. The interest on investment indebtedness which the indebtedness was incurred, are: (1) prior to December 31, 1969; (2) prior to December 31, 1969; and (3) after September 10, 1975. For additional information see Form 4952.

Shareholders are to be notified of their pro rata share of the above information for purposes of computing the limitation on the shareholder level. (See Form 4952 and section 163(d)).

Line 12.—Enter the amount of each item of amortization deducted by the corporation (line 20) is to be listed in the amount column of line 12(0), and the dollar amount contained in this total to be listed in the following order in the four spaces provided: (1) certified pollution control facilities; (2) railroad rolling stock; (3) on-shore oil and gas properties; (4) other facilities. These amounts are also taken into account in computing the regular income of the corporation in the regular manner but are subject (with certain exceptions) to the at-risk limitations of the shareholder level. (See instruction 30.)

These amounts are to be taken into account by the shareholder along with similar amounts from Form 4625, Computation of Minimum Tax (Form 4625) for a shareholder who is an estate or trust.

Line 13.—Enter the new jobs credit (line 13 of attached Form 5884) computed by the corporation. The new jobs credit is computed at the corporate level and is to be reported on line 13 of the return. Shareholders who are shareholders of the corporation on the last day of the corporation's taxable year.

Generally, the credit is equal to 50% of the total unemployment insurance wages paid during calendar year 1977 over the greater of (a) 102% of total unemployment insurance wages paid during calendar year 1976, or (b) wages paid during calendar year 1977. An additional credit is allowable equal to 10% of the unemployment insurance wages paid during calendar year 1977. See Form 5884 for definitions, special rules, and limitations. The corporation is not allowed a deduction for that portion of the wages and salaries paid to new jobs credit distributed to individual shareholders. (See section 280C.)

Summary of Distributions and Other Items

Actual dividend distributions described on lines 4, 5, and 6 of Schedule K should be reported on Form 1099-DIV. The amount shown on line 7 of Schedule K is (rounded) distributed to shareholders. The amounts shown on lines 8 and 9 of Schedule K are provided for non-taxable distributions on Form 1099-DIV.

If a prior actual distribution reported to shareholders as ordinary income on Form 1099-DIV is determined to be capital gain, the corporation must issue amended Forms 1099-DIV to the shareholders.

The constructive dividends, as described on lines 8 and 9 of Schedule K, must be reported on Schedule K-1.

Line 4.—Enter the actual dividend distributions of money or property that are not of current income. A dividend distribution of property does not reduce undistributed taxable income.

Line 5.—Enter actual dividend distributions that are to be treated by the shareholders as long-term capital gain after tax.

Line 6.—Only those dividends that are not considered to be out of the earnings and profits of the taxable year qualify for the dividend election. For purposes of this election, dividends are those distributions of taxable income for the year. The dividends are to be reported on line 6 of the return. The exclusion would include, for example, long-term capital gain and qualified earnings and profits.

Line 7.—Enter the total amount of distributions of money and property not out of the earnings and profits of the taxable year. For taxable years after the first taxable year to which the Subchapter S election applies, include any distribution of undistributed taxable income previously taxed to shareholders. (See section 1377(d) for purposes of determining whether a distributed taxable amount of the corporation's undistributed taxable income previously taxed to shareholders.

Distributions of money made within 2 taxable years are treated as nondistributed distributions of such year's undistributed taxable income to the extent they do not exceed the shareholder's at-risk for such year. For example, if a 1977 calendar year corporation makes a distribution which qualifies under section 1375(f) within 2 months and this distribution is to be reported as a non-dividend distribution on Schedule K of the 1978 Form 1120S, and also on the 1978 Form 1099-DIV. (See section 1375(f)).

Line 8.—Enter that portion of undistributed taxable income that is to be treated by the shareholders as ordinary income. The amount shown on line 8 of Schedule K is that the shareholders would have received as a dividend if such income had been distributed pro rata to them on the last day of the corporation's taxable year.

Non-dividend distribution property other than undistributed taxable income (line 3) to exceed the total of lines 8 and 9. If there is a net operating loss for the taxable year, report it here.

1977

SCHEDULE D (Form 1120S) Capital Gains and Losses

1977 Attach to your tax return. Internal Revenue Service Employer Identification Number

Part I Short-term Capital Gains and Losses—Assets Held 9 Months or Less

Table with 5 columns: Kind of property and description, Date acquired, Date sold, Gross sales price, Cost or other basis. Includes instructions for unused capital loss carryover.

Part II Long-term Capital Gains and Losses—Assets Held More Than 9 Months

Table with 5 columns: Kind of property and description, Date acquired, Date sold, Gross sales price, Cost or other basis. Includes instructions for unused capital loss carryover.

Part III Summary of Schedule D Gains and Losses

Summary table with 2 rows: Excess of net short-term capital gain, Excess of net long-term capital gain.

Instructions: Note: The Tax Reform Act of 1976 increased the holding period for long-term capital gains and losses from more than 6 months to more than 9 months for taxable years beginning in 1977 and more than one year for taxable years beginning in 1978 and thereafter.

1234 for rules pertaining to the treatment of gain or loss in the case of a purchaser or that of a grantor of an option in the case of stock, securities, or commodities granted after September 1, 1976.

Costs or Other Basis, As Adjusted.—In determining gain or loss, the basis of property will generally be its cost. If property was acquired by bequest, gift, tax free exchange, involuntary conversion, or wash sale of stock, see sections 1014 and 1023, 1015, 1031, 1033, and 1091, respectively. Attach an explanation if the basis used is other than actual cash cost of the property.

If a charitable contribution deduction is allowed by reason of a sale of property to a charitable organization, the adjusted basis for determining gain from the sale is an amount that is in the same ratio to the adjusted basis as the amount realized is to the fair market value of the property.

Minimum Tax on Tax Preference Items.—If the net long-term capital gain exceeds the net short-term capital loss, you may be liable for minimum tax. See Form 4626.

Installment Sales.—If you sold personal property for more than \$1,000 or real property regardless of amount, you may be eligible to report any gain under the installment method if (1) there are no payments in the year of sale or (2) the payments in the year of sale do not exceed 30% of the selling price. (See section 453.) Such sales must provide for two or more payments, with at least one payment being made in each of two taxable years.

For treatment of a portion of payments as "unstated interest" on deferred payment sales, see section 483.

Gain from Sale of Depreciable Property.—Gain from the sale or exchange of depreciable property between related persons is ordinary income if such property is, in the hands of the transferee, subject to depreciation. "Related persons" includes: (1) an individual and a corporation 80 percent or more in value of the outstanding stock of which is owned, directly or indirectly, by or for such individual; or (2) two or more corporations 80 percent or more in value of the outstanding stock of each of which is owned, directly or indirectly, by or for the same individual. In general, section 318 applies with respect to the constructive ownership of stock. Item (2) only applies to sales or exchanges made after October 4, 1976, unless the sale or exchange was made pursuant to a binding contract entered into on or before that date. (See section 1239.)

Capital Losses.—Capital losses are allowed only to the extent of capital gains. A net capital loss, however, may be carried forward as a short-term capital loss for 5 years (10 years to the extent the loss is attributable to a foreign expropriation loss) or until exhausted, whichever comes first.

Short Sales of Capital Assets.—For rules relating to certain short sales of stock or other securities and transactions in commodity futures, see section 1233.

Worthless Securities.—Except for banks, if securities that are capital assets become wholly worthless during the taxable year, the loss is to be treated as a capital loss as of the last day of the taxable year.

Losses Not Allowable.—No loss is allowed for wash sales of stock or securities (see section 1091). No loss is allowed (distributions in liquidation excepted) on transactions between related persons. (See section 267.)

Options to Buy or Sell.—See section 1259.

randoms, or similar property; (4) accounts or notes receivable acquired in the ordinary course of trade or business for services rendered or from the sale of property described in (1) above; (5) certain short-term Federal, State, and municipal obligations; and (6) a publication of the United States Government (including the Congressional Record) which is received from the United States Government or any agency thereof, other than by purchase at the price at which it is offered for sale to the public, and which is held by (a) a taxpayer who so received such publication, or (b) a taxpayer in whose hands the basis of such publication is determined, for purposes of determining gain from a sale or exchange, in whole or in part by reference to the basis of such publication in the hands of a taxpayer described in 6 (a).

For special rules applicable to capital gains of an electing small business corporation, see section 1.1375-1 of the regulations.

Exchange of "Like Kind" Property.—Although no gain or loss is recognized when property held for productive use in a trade or business or for investment is exchanged solely for property of a "like kind" to be held either for productive use in a trade or business or for investment, you must report the transaction on Schedule D (Form 1120S) or Form 4797, whichever is applicable. This does not include property that is stock in trade or other property held primarily for sale, nor stocks, bonds, notes, choses in action, certificates of trust or beneficial interest, or other securities or evidences of indebtedness or interest. If Schedule D is applicable, identify the property disposed of in column (e). Enter the date of acquisition in column (b) and write the date of exchange in column (c). Write "like kind exchange" in column (d) and enter the adjusted basis in column (e). Enter zero in column (f). (See section 1031.)

For special rules applicable to capital gains of an electing small business corporation, see section 1.1375-1 of the regulations.

Although no gain or loss is recognized when property held for productive use in a trade or business or for investment is exchanged solely for property of a "like kind" to be held either for productive use in a trade or business or for investment, you must report the transaction on Schedule D (Form 1120S) or Form 4797, whichever is applicable. This does not include property that is stock in trade or other property held primarily for sale, nor stocks, bonds, notes, choses in action, certificates of trust or beneficial interest, or other securities or evidences of indebtedness or interest. If Schedule D is applicable, identify the property disposed of in column (e). Enter the date of acquisition in column (b) and write the date of exchange in column (c). Write "like kind exchange" in column (d) and enter the adjusted basis in column (e). Enter zero in column (f). (See section 1031.)

For special rules applicable to capital gains of an electing small business corporation, see section 1.1375-1 of the regulations.

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employee stock ownership plan (ESOP). Such contributions must contribute an amount equal to the allowable portion of the 1% additional credit for each taxable year until the sum of such contributions equals 1% of the employee's salary.

Beginning in 1977, in lieu of the 11 percent credit, a corporation may elect up to a maximum 11.5 percent credit for qualified investments in ESOPs. The contribution limitation increases to 15 percent of the qualified investment in 10 percent property acquired, suspended, and 12.5 percent if employees make a matching ESOP contribution of 5 percent. The matching contribution requirement means that if the contribution is made in a taxable year, the percentage determines the allowable credit. For example, the allowable credit would be 5% if the employee contributed 3%.

A corporation may elect the additional credit by attaching a statement to Form 3468 for the taxable year 1976 or before calendar year 1983 for railroads and air lines), if the amount of qualified investment for the taxable year which is attributable to the aggregate qualified investment (or more of the aggregate qualified investment for the taxable year, the alternative limitation under section 461(a)(7) (public utility), section 461(a)(8) (railroads), or 461(a)(9) (airlines), will apply.

K. Ships.—An investment credit equal to 50 percent of the normal investment credit is allowed for certain vessels which are acquired, constructed, or reconstructed after 1966, and for the taxable portion of a capital gain account or out of an ordinary income account in a capital construction fund established under section 607 of the Merchant Marine Act of 1936.

For purposes of computing the credit, the amount of cost and qualified progress expenditures is 50 percent of the qualified withdrawal from the capital construction fund. The qualified withdrawal is the amount of the capital construction fund to pay off the indebtedness. See section 461(d) for special rules.

Note: If you claim 100 percent in lieu of the 50 percent stated above, you are required to check the block in the instruction for line 1 on the front of Form 3468.

L. Movie and Television Films.—See section 461(g) for special rules for the computation of investment credit for movies and television films.

Specific Instructions

Mutual Savings Institutions, Regulated Investment Companies, Real Estate Investment Trusts, and Cooperatives.—See section 146-4 of the regulations for special limitations.

Line 1. New Property.—Enter the basis of property (as described in instructions C and G) placed in service during the taxable year.

Qualified Progress Expenditures.—Enter on line 1(d) the amount of qualified progress expenditures made in the taxable years 1974, 1975, and 1976. Enter on line 1(e) the amount of qualified progress expenditures made in taxable year 1977. See instructions C and G for more details. No qualified progress expenditures shall be taken for the year the progress expenditure property is placed in service or the tax year for which the investment credit is allowed for the year the property is placed in service is based on the entire qualified investment in the property placed in service in previous years.

Example.—In February 1975 a calendar year taxpayer starts construction of investment property which will be completed in December 1977. The completed property will have an estimated useful life of 10 years and the taxpayer elects to use the 10-year property method. The taxpayer makes \$20,000 of qualified progress expenditures of \$20,000 in 1975 and \$40,000 in 1976. The property is completed and placed in service in December 1977 and \$50,000 of expenditures were made in 1977. Thus, total expenditures of \$110,000 were made in the three years.

Taxable Year	Qualified Progress Expenditures	Progress Expenditures Taken into Account in Computing Investment Credit
1975	\$20,000	\$4,000**
1976	\$40,000	\$8,000**
1977	\$50,000	\$10,000**
Totals	\$110,000	\$22,000

**10% of \$20,000.
 **10% of \$40,000.
 The allowable qualified investment for the property for 1977 is \$86,000 (\$110,000 less the \$24,000 progress expenditures taken into account in computing investment during the prior taxable years 1975 and 1976). The \$86,000 would be reported as "New Property with life of 10 years" on Form 3468.

Note. A 7% (8% for public utility property) investment in property which was acquired or constructed prior to January 1, 1975, and placed in service during the taxable year. The investment credit for this property is to be claimed on line 4 of Form 3468 (Attach schedule).

Used Property.—Enter the cost (subject to dollar limitation below) of used property placed in service during the taxable year. See instruction G. Property inherited, received as a gift, or acquired from certain related parties does not qualify for the investment credit.

Dollar Limitation on Used Property.—For property placed in service during the taxable year you may take into account may not exceed \$100,000 (determined without regard to the applicable percentages based on the husband and wife file separate returns, each may claim up to \$50,000 unless one of them has no qualifying used property, in which case the other may claim up to \$100,000).

The amount of used property placed in service by a partnership, small business corporation, estate, or trust that may be taken into account may not exceed \$100,000. The \$100,000 limitation also applies to each partner, shareholder, and beneficiary.

A controlled group of corporations (see section 481(c)(3)(C)) must apportion the \$100,000 limitation among all component members of the group based on the total cost of used property each member placed in service. Make the apportionment in the same proportion as the \$100,000 limitation and the applicable percentages based on useful life.

Estates and Trusts.—In case of an estate or trust the amount of qualified investment is apportioned between the decedent or settlor and the estate or trust allocable to each.

Line 5(a). The additional 1% credit on line 5(a) is allowable to the extent the corporation makes the required contribution to the ESOP. The contribution to the ESOP stock ownership plan (ESOP). This required contribution must equal 1% of the qualified investment (line 2, Form 3468) less over to a later year.

Line 5(b). The credit to be entered on line 5(b) is limited to a maximum of 5% times the qualified investment attributable to investment credit property acquired, reconstructed, or placed in service during 31, 1976. Accordingly, line 2 must be reduced by line 1(d) and any other qualified investment attributable to property acquired during 1977 which is included in the line 2 total. (See section 461(a)(2)(B) and (D).)

The maximum 5% (explained above) is allowed when the property placed in service is qualified ESOP. If either the employer or employee contribute less than 5%, then this lesser percentage is to be used in determining the credit to be entered on line 5(b).

Line 9(c). Tax on Lump-Sum Distributions.—Enter the amount of partial tax included in line 8 by the recipients of lump-sum distributions from qualified pension, profit-sharing, or annuity plans. (See section 402(e)).

Line 12. Limitation.—If the tax liability (line 11) is \$25,000 or less, the investment credit may not exceed the amount of the tax liability.

If the tax liability exceeds \$25,000, the credit may not exceed \$25,000 plus 50% of the excess.

Controlled corporate groups (see section 461(a)(6)) must apportion the \$25,000 among all component members. An estate or trust must apportion the \$25,000 among all beneficiaries. The qualified investment apportioned to the estate or trust, divided by (c) the aggregate qualified investment placed in service during the estate or trust and to beneficiaries.

1977 Department of the Treasury Internal Revenue Service Instructions for Form 5884

New Jobs Credit

(References are to the Internal Revenue Code.)

Note: The new jobs credit will also be available for taxable years beginning in 1978. Generally, employers who hire additional workers may claim a new jobs credit for taxable years beginning in 1977 equal to 50% of the excess of the employer's total unemployment insurance wages (limited to \$4,200 for each employee) paid during calendar year 1977 over the greater of (a) 102% of total unemployment insurance wages (limited to \$4,200 for each employee) paid during calendar year 1976 or (b) 50% of total unemployment insurance wages (limited to \$4,200 for each employee) paid during calendar year 1977 (line 1).

General Instructions

The credit is limited to the lesser of the following amounts: (1) 50% of the excess of (a) total wages (determined without regard to the \$4,200 limitation) paid during calendar year 1977 over (b) 105% of total wages (determined without regard to the \$4,200 limitation) paid during calendar year 1976; (2) \$100,000—married persons filing separately and estates and trusts, see instruction for line 10 (the total jobs credit of a taxpayer involved in more than one business enterprise may not exceed \$100,000) or (3) tax liability as defined in section 53.

In compute the credit and the limitation in (1) above, fiscal year taxpayers with taxable years beginning in 1977 are to use wages paid during calendar years 1976 and 1977 rather than wages paid during the fiscal year. For example, if a taxpayer's taxable year began 12/1/77, such taxpayer would compute the credit and the limitation in (1) above by taking into account wages paid during the calendar years 1976 and 1977.

An employer is also allowed an additional credit equal to 10% of the unemployment insurance wages paid to vocational rehabilitation referral employees during the calendar year. See instruction for line 10 for limitations concerning this credit.

A. Who Must File.—Any individual, estate, trust, organization, or corpora-

tion claiming a new jobs credit, or any small business corporation, partnership, estate, or trust which apportions the credit among its shareholders, partners, or beneficiaries, must attach this form to its income tax return.

Small business corporations, partnerships, estates, or trusts that apportion the credit among their shareholders, partners, and beneficiaries must, in addition to filing this form with their income tax return, attach Schedule K-1 showing the allocation of the credit to each shareholder, partner, or beneficiary. For further details on allocation of the credit, see section 52(f) and (g).

B. Credit Not Allowed.—Employers, other than agricultural and railroad employers, who are not eligible for the Federal Unemployment Tax Act (FUTA) or who are tax-exempt organizations (other than a cooperative described in section 521), do not qualify for the credit.

C. Unemployment Insurance Wages.—Generally, unemployment insurance wages are Federal Unemployment Tax Act (FUTA) wages up to \$4,200 per employee. Agricultural employers not covered by FUTA use Federal insurance wages by FUTA use % of regular wages (see section 510(f)(1), (2) and (3)).

D. Vocational Rehabilitation Referral Employees.—For 1977, employers may claim an additional credit of 10% of the first \$4,200 of FUTA wages paid in 1977 to each vocational rehabilitation referral employee (defined below). This additional credit is limited to 1/5 (20%) regular 30% new jobs credit (determined without regard to the \$100,000 limitation). For 1978, the additional credit will be computed subject to the \$4,200 of FUTA wages paid during 1978, reduced by FUTA wages paid to each vocational rehabilitation referral employee in 1977.

The wages to be taken into account with respect to any such employees are only those wages attributable to services rendered during the 1 year period begin-

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Important.—The employer's wage and salary deduction must be reduced by the tentative new jobs credit on line 13. (See instruction F.)

Small business corporations, partnerships, estates, or trusts that apportion the credit to shareholders, partners, or beneficiaries are to complete lines 14 through 17, an estate or trust that apportion the new jobs credit between itself and its beneficiaries from the above entities and having no other new jobs credit, before completing the form.

Form 5884 (1977) with numbered lines 1 through 25 for reporting new jobs credit and other tax information.

ning with the vocational rehabilitation referral employee's first payment of wages by the employer's rehabilitation plan or only if such first payment occurs after December 31, 1976. (See section 51(e)).

A vocational rehabilitation referral employee is a handicapped employee who has been referred to the employer upon completion of (or while receiving) rehabilitative services pursuant to a written rehabilitation plan under a state plan for vocational rehabilitation services approved under the Rehabilitation Act of 1973, or a program of vocational rehabilitation carried out under chapter 31 of title 38, United States Code. See section 51(f)(4).

E. Unused Credit.—If the amount of the credit determined under section 51 exceeds the liability limitation of section 53, the excess (unused credit) may be carried back to each of the 3 taxable years preceding the year of the unused credit and may then be carried forward to each of the 7 taxable years following the year of the unused credit. (See section 53(c).)

F. Employer's Deduction for Wages and Salaries.—The employer's deduction for wages and salaries must be reduced by the amount of the new jobs credit contained on line 13 regardless of any unused new jobs credit. (See section 280C and proposed regulation 1.280C-1.)

For example, assume an employer would be entitled to a \$20,000 new jobs credit but that tax liability limitation of \$18,000. The employer would reduce the wage and salary deduction by \$20,000 although the allowable new jobs tax credit was only \$18,000 (the excess credit of \$2,000 would be available for carryback and carryforward purposes).

G. Special Rules.—

(1) Trades or Businesses that are Under Common Control.—In the case of a group of trades or businesses that are under common control, the new jobs credit computed under section 51 is computed as if all the organizations that are under common control are one trade or business. The new jobs credit computed for the group must then be apportioned among the members of the group on the basis of each member's proportionate contribution to the increase in unemployment insurance wages of the entire group. See section 52 and proposed regulation 1.52-2 for definitions and other details.

(2) Adjustments for Certain Acquisitions and Dispositions.—See section 52(c) and proposed regulation 1.52-2 concerning adjustments that are to be made when a major portion of a trade or business is acquired or disposed of after December 31, 1975.

(3) **Change in Status from Self-Employed to Employee.**—If during 1976 an individual has net earnings from self-employment which are attributable to a trade or business, and for any portion of the 1977 calendar year such individual is an employee of such trade or business, then for purposes of determining the credit allowable for a taxable year beginning in such succeeding calendar year, the employer's aggregate unemployment insurance wages for 1976 shall be increased by an amount equal to so much of the self-employment net earnings as does not exceed \$4,200.

(4) **Short Taxable Year.**—If the employer has more than one taxable year beginning in 1977, the new jobs credit shall be determined for the employer's first taxable year beginning in 1977.

(5) **Wages paid in an individual's trade or business.**—If an individual is an employee during any calendar year shall be taken into account only if more than one-half of the wages so paid is for services performed in the United States in a trade or business of the employer.

Specific Instructions

Mutual Savings Institutions, Regulated Investment Companies, Real Estate Investment Trusts, and Cooperatives.—See proposed regulation 152-3 for special limitations.

Line 1.—Enter the aggregate unemployment insurance wages (limited to \$4,200 for each employee) paid during calendar year 1977. Generally, such wages would be reported on line 15 of the 1977 Form 940. Special rules apply to agricultural and railroad employees. See section 51(f)(2) and (3).

Line 2.—Enter 102% of the aggregate unemployment wages (limited to \$4,200 for each employee) paid during calendar year 1976. Generally, such wages would be computed by multiplying the wages on line 15 of the 1976 Form 940 by 102%. Special rules apply to agricultural and railroad employees. See section 51(f)(2) and (3).

Line 6.—Enter total wages (determined without reference to the \$4,200 limitation) paid in calendar year 1977. An employee's wages shall be taken into account only if more than one-half of the wages paid during the calendar year are for services performed in a trade or business in the United States. Total wages include salaries, wages, commissions, fees, bonuses, vacation allowances, salaries and wages paid to temporary or part-time employees, and the value of goods, lodging, food and clothing that are subject to the FUTA tax. With respect to agricultural and railroad employees, total wages paid include the above except that generally for such employees, the computation is subject to the FICA and RUTA taxes. The special rules contained in instruction G are also

to be taken into account in the computation of these total wages.

Generally, for purposes of line 6, total wages can be determined by adding lines 13 and 15 of the 1977 Form 940, while for purposes of line 7, total wages can be determined by adding lines 13 and 15 of the 1976 Form 940.

Line 10.—If a husband and wife file separate returns, the \$100,000 limitation must be reduced to \$50,000. This reduction does not apply if the taxpayer's spouse has no interest in a trade or business for the taxable year of such spouse which ends within or with the taxpayer's taxable year.

For an estate or trust, the \$100,000 amount shall be reduced to an amount which bears the same ratio to \$100,000 as the portion of the new jobs credit allocable to the estate or trust bears to the entire amount of such credit.

Line 13.—When a group of trades or businesses are under common control (see instruction G(1)), the member of the group which made the greater proportionate contribution to the increase in unemployment insurance wages of the group must report the computation of the group credit on lines 1 through 13 (ignoring lines 14 through 25) of Form 5884. In order for each member to determine its allowable new jobs credit, each member (including the above member) must enter its apportioned share of the new jobs credit on line 13 of a separate Form 5884 (ignoring lines 14 through 25) and complete lines 14 through 25 as applicable. Each member must attach a schedule to its Form 5884 showing the apportionment of the total group credit to the members of the group.

If the new jobs credit computed by an estate or trust is to be apportioned to the estate or trust itself as well as the beneficiaries, the credit on line 13 is apportioned between the estate or trust and the beneficiaries on the basis of the income of the estate or trust allocable to each. The Form 5884, showing this apportionment and enter and identify the estate's or trust's portion and the beneficiaries' portion in the margin to the right of line 13. The estate or trust will then complete lines 14 through 25 as applicable to determine its allowable new jobs credit to be claimed on Form 1041. The beneficiaries' share will be apportioned to the individual beneficiaries and each beneficiary is to determine his or her allowable new jobs credit as explained below.

The credit computed on lines 1 through 13 by a small business corporation, partnership, or estate and trust is apportioned to the individual shareholders, partners, and beneficiaries, respectively. This apportioned credit is entered on lines 18, 19, or 20 of a separate Form 5884 by these individuals who will then

complete the limitation section of the separate Form 5884 to determine the allowable credit to be entered on Form 1040.

Note: Where an individual shareholder, partner, or beneficiary is entitled to a new jobs credit from the Form 5884 of a partner from a sole proprietorship, a partner-ship, the new jobs credit of the proprietorship would be computed on lines 1 through 13 of Form 5884 and the new jobs credit arising from the partnership would be entered on line 19 of the same form. In this case, lines 14 through 25 would be used to determine the total allowable credit (partnership credit on line 13 plus the partnership credit on line 19) to be entered on the individual taxpayer's Form 1040.

Line 15(b). Tax on lump-sum distributions.—Enter the amount of partial tax included in line 14 by the recipient of lump-sum distributions from qualified employees' trusts or annuity plans. (See section 402(e).)

Line 21. Limitations.—The new jobs credit on lines 18, 19, or 20 is limited to the proportionate part of the tax liability on line 17 which is attributable to the shareholder's, partner's, or beneficiary's interest in each small business corporation, partnership, estate, or trust from which the credit is derived. The credit to an amount computed in accordance with the following formula:

Line 17 × $\frac{\text{New jobs credit allowable to the person's interest in each small business corporation, partnership, estate, or trust}}{\text{Person's taxable income for the year reduced by the amount paid on Form 5884}}$, if any

See sections 53(a) and (b) for further information.

Note: The carryback or carryover of an unused new jobs credit resulting from the application of any of the limitations (line 21(a), 21(b), 21(c), or 23) is subject to these respective separate limitations as applicable in prior and subsequent years. (See instruction E.)

Line 23.—Line 23 contains the tax liability limitation in excess of the separate limitation computed under section 53(b). This is the amount of the credit allowable from all sources other than partnerships, estates and trusts, and small business corporations.

\$100,000 Limitation.—The total new jobs credit to be entered on line 21(b), 21(c), 22, or 25 may not exceed \$100,000. The dollar amount of the credit earned by employing attributable to the hiring of vocational rehabilitation referral employees.

Publication 902.—For more detailed information please get Publication 902, Tax Information on Jobs Tax Credit, from your local Internal Revenue office.

Application to Use LIFO Inventory Method

Form 970
(Rev. April 1977)
Department of the Treasury
Internal Revenue Service

Attach to your tax return.

Identifying number (See instruction B)

Name

Address (Number, street, city, state and ZIP code)

The taxpayer named above hereby applies to adopt and use the LIFO inventory method provided by section 472. This method is to be applied for the first time as of the close of the taxable year ending ... to the following specified goods (see instruction C; use additional sheets if necessary)

The taxpayer agrees to make any adjustments incident to the change to or from the LIFO method, or incident to its use, in the inventories of prior taxable years or otherwise, as the District Director of Internal Revenue upon the examination of the taxpayer's return deems necessary to clearly reflect income for the years involved. See also 3(a) and 3(b) below.

1. Nature of business

2. (a) Inventory method used up to this time Yes No
(b) Will inventory be taken at actual cost regardless of market value? If "No," attach explanation Yes No

3. (a) Was the closing inventory of the specified goods at the end of the immediately preceding taxable year valued at cost, as required by section 472(a)? If "No," attach explanation Yes No
(b) Were the adjustments resulting from the change to LIFO taken into income of the prior year by filing an amended return? Yes No

4. (a) List goods subject to inventory but which are not to be inventoried under the LIFO method. See Rev. Proc. 76-6, 1976-1, C.B. 545. If "No," attach explanation Yes No
(b) Were the goods of the specified type included in opening inventory considered as having been acquired at the same time and at a unit cost equal to the actual cost of the aggregate divided by the number of units on hand? If "No," attach explanation Yes No

5. (a) Do you issue credit statements, or reports to shareholders, partners, other proprietors, or beneficiaries, covering the first taxable year to which this application refers? Yes No
(b) If "Yes," state to whom, and on what dates

(c) Show the inventory method used in determining income, profit, or loss in those statements

6. Method used to determine the cost of the goods in the closing inventory in excess of those in the opening inventory (See section 1.472-2, of the regulations) Most recent purchases Earliest acquisitions during the year Average cost of purchases during the year Other—Attach explanation

7. Method used in valuing LIFO inventories Unit method Dollar-value method

8. (a) If pools are used, list and describe contents of each pool
(b) Describe briefly the cost system used

(c) Method used in computing LIFO value of dollar-value pools Double extension method Other method (If other, describe and justify—see last paragraph of instruction F.)

9. Did you change your method of valuing inventories with the permission of the Commissioner for this taxable year? If "Yes," attach a copy of the National Office's "grant letter" to this Form 970. Yes No

10. Were you ever on LIFO before? If "Yes," please attach information and explanation indicating which taxable years and the reason LIFO was discontinued Yes No

Under penalty of perjury, I declare that I have examined this application, including any accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete

Date _____ Signature of taxpayer _____
Date _____ Signature of officer _____

Instructions

(References are to the Internal Revenue Code.)

A. LIFO inventory method.—The LIFO inventory method, as described in section 472, may be adopted and used only if the taxpayer makes an election with his income tax return. This election must be made for the taxable year as of the close of which the LIFO method is first to be used. The election must be made on Form 970 or in a statement that contains the information required by Form 970. (See section 1.472-3(a) of the regulations.)

B. Identifying number.—The identifying number for an individual is his social security number. For all others, it is their employer identification number.

C. Analysis of inventory.—Enter the taxable year you will first use the LIFO method and specify in detail the goods to which it is to be applied.

Attach a detailed analysis of all inventories, as of the beginning and end of the taxable year for which you first propose to use the LIFO method and as of the beginning of the preceding taxable year. Also include the ending inventory as reported on your return for the preceding taxable year. Prepare this analysis in accordance with sections 1.472-2 and 1.472-3 of the regulations.

D. Change to LIFO method.—You may not change to the LIFO method unless you agree to and make any adjustments incident to the change to or from that method, or incident to its use, in the inventories of prior taxable years or otherwise, as Internal Revenue deems necessary to clearly reflect income for the years involved. See Revenue Procedure 76-6, 1976-1, C.B. 545 for further information.

E. Change from LIFO method.—The LIFO inventory method, once adopted, is irrevocable and must be used

in all subsequent years unless the Commissioner requires or permits you to change to another method.

F. Dollar-value method.—You may elect to determine the cost of your LIFO inventories under the so-called "dollar-value" LIFO method, provided you use that method consistently and that it clearly reflects income in accordance with section 1.472-8 of the regulations.

Section 1.472-8(b) of the regulations tells how manufacturers and processors may establish dollar-value LIFO pools. Subject to the provisions of that section, you may use natural business unit pools, multiple pools, or raw materials content pools.

Section 1.472-8(c) of the regulations tells how wholesalers, retailers, jobbers, and distributors may establish dollar-value LIFO pools.

Section 1.472-8(e) of the regulations describes the methods for computing the LIFO value of a dollar-value pool. If you do not use the "double-extension" or "index" method, as described in section 1.472-8(e)(2) of the regulations, to compute the value of the dollar-value pool, furnish a detailed statement describing the method used. Also provide an analysis as to how your use of a method other than "double extension" is justified under section 1.472-8(e)(1) of the regulations. For example, if the "link-chain" method is used, attach a statement explaining in detail why the "double extension" method and the "index" method is impractical or unsuitable in view of the nature of a particular pool.

G. Signature.—If the application is filed by a corporation, it must be signed by the president, vice president, treasurer, assistant treasurer or chief accounting officer, or by a corporate officer (such as a tax officer) authorized to sign.

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Statistics
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