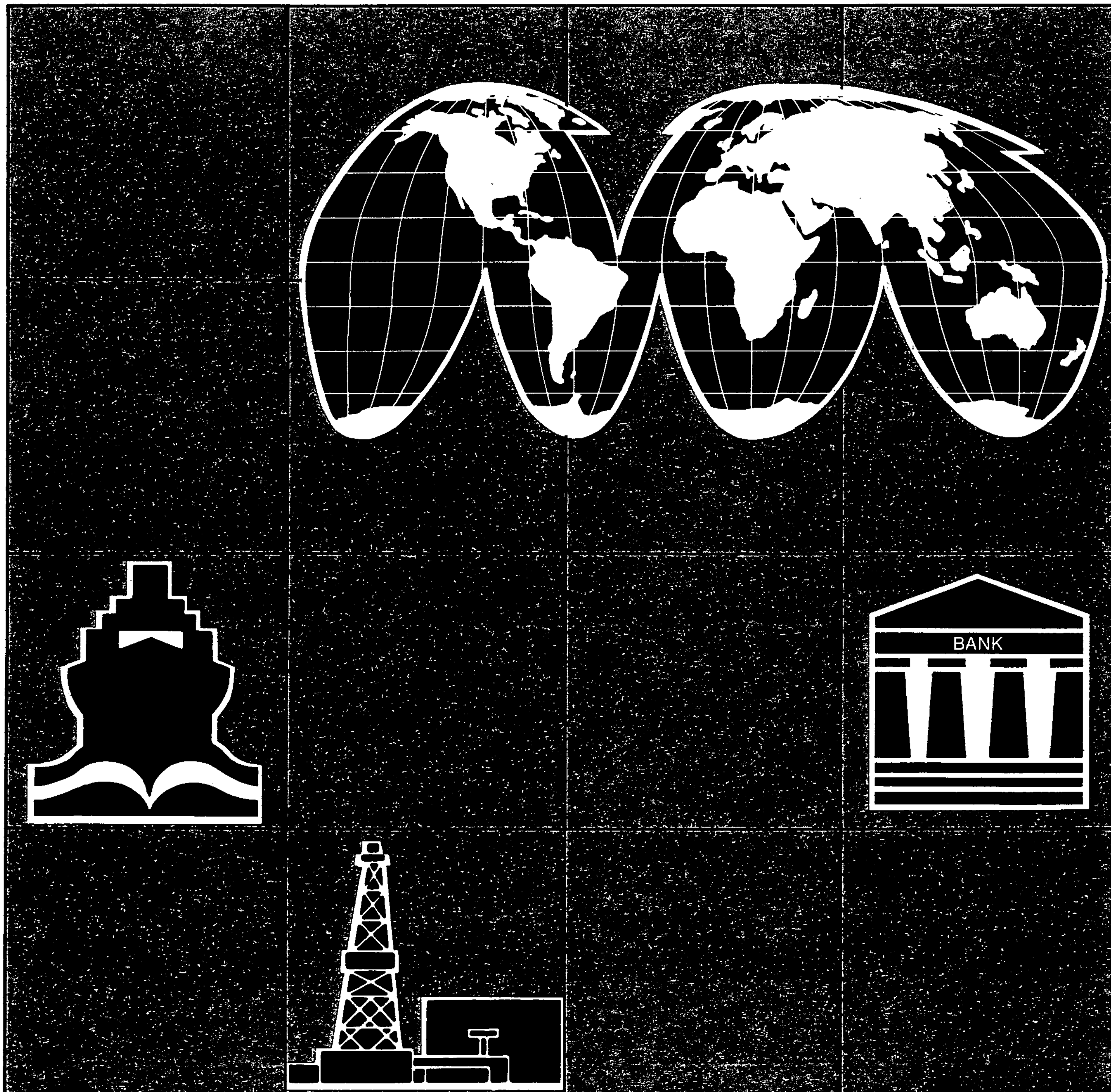
Statistics of Income

Compendium of Studies of International Income and Taxes

1979-1983



Department of the Treasury   Internal Revenue Service   Publication 1267 (9-85)

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Contents, Vol. 4, No. 4, Spring 1985

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Contents, Vol. 4, No. 3, Winter 1984-85

Estimates of Personal Wealth, 1982
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Sole Proprietorship Returns, 1981

Foreign Income and Taxes Reported on U.S. Income Tax Returns, 1976-1979

Partnership Returns, 1980

U.S. Corporations and their Controlled Foreign Corporations, 1974-1978

Partnership Returns, 1978-1982

Private Foundations Exempt From Income Tax, 1974-1978

Estate Tax Returns, 1976

Other Information Available

All the items listed below, as well as other unpublished or special tabulations from the STATISTICS OF INCOME PROGRAM, are available on a cost-reimbursable basis. Further details, including ordering information can be obtained by writing to: Director, Statistics of Income Division D:R:S, Internal Revenue Service, 1111 Constitution Avenue, N.W., Washington, D.C. 20224. Tape files indicated with an (A) are available (on a reimbursable basis) through the Machine Readable Archives Division (NRR) of the National Archives and Records Service, Washington, D.C. 20408.

Corporation Source Book

Presents detailed income and balance sheet data classified by industry and size of total assets. A general description is available upon request. (Available on computer tapes and microfilm files.)

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Data on individual income tax returns, exemptions, and adjusted gross income are presented by State, county, and SMSA. Also, the number of persons who moved from one location to another based on addresses shown on the returns. A general description is available upon request.

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Estate Tax Returns, 1972, 1976
Private Foundations, 1974 (A), 1979
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Statistics of Income

Compendium of Studies of International Income and Taxes

Department of the Treasury
Internal Revenue Service

Publication 1267 (9-85)

Roscoe L. Egger, Jr.
Commissioner

M. Eddie Heironimus
Associate Commissioner
(Data Processing)

Stanley Goldberg
Assistant Commissioner
(Returns and Information Processing)

Fritz Scheuren
Director, Statistics of Income Division

Dan Skelly
Chief, Foreign Statistics Branch

This report presents information from 13 studies in the international area. This information includes the foreign activity of U.S. corporations and the activity of foreign corporations in the United States and foreign interests in U.S. corporations. There are also statistics related to individuals, trusts, and estates. Data are presented by geographical location and industrial activity, as well as other classifiers.

Additional unpublished information for the studies is available on a reimbursable basis. Requests for this service should be addressed to the Director, Statistics of Income Division D:R:S, Internal Revenue Service, Washington, DC 20224.

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COMMISSIONER OF INTERNAL REVENUE

Washington, DC 20224

August 2, 1985

The Honorable James A. Baker, III
The Secretary of the Treasury
Washington, DC 20220

Dear Mr. Secretary:

I am transmitting the report, Statistics of Income -- Compendium of Studies of International Income and Taxes. This report is published 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 from 13 studies in the international area. This information includes the foreign activity of U.S. corporations and the activity of foreign corporations in the United States and foreign interests in U.S. corporations. There are also statistics related to individuals, trusts, and estates.

With kind regards,

Sincerely,

Roscoe Egger

Statistics of Income

SOI BULLETIN

The SOI Bulletin provides the earliest published annual financial statistics from the various types of tax and information returns filed with the Internal Revenue Service. The Bulletin also includes information from periodic or special analytical studies of particular interest to tax administrators. In addition, historical data from 1970 to the present are provided for selected types of taxpayers, as well as on tax rates for individuals and gross internal revenue collections.

The SOI Bulletin is published quarterly and available from the Superintendent of Documents, U.S. Government Printing Office during the following months:

Summer Issue . . . . **July**
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The following topics are among those described and analyzed in the SOI Bulletin:

- Controlled foreign corporations
- Corporation income tax returns
- Domestic international sales corporations
- Employee benefit plans
- Estate tax returns
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- Individual income by ZIP code area
- Individual income tax returns
- Investment tax credit
- Marginal and average tax rates
- Occupation data
- Partnership returns
- Private foundations
- Projections of return filings
- Residential energy credit
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Preface

The purpose of this compendium is to assemble in one volume results from all of the recent studies conducted in the international income and taxes area by the Statistics of Income Division, Internal Revenue Service. The majority of data presented here are for Tax Years 1979 through 1983. The material selected for this compendium is comprised chiefly of articles, tabulations of data, and facsimiles of tax forms and instructions. This material is intended as a reference source for statisticians, economists and other researchers with interests and responsibilities in the international area. However, the reader unfamiliar with these studies can also gain an understanding of them from the articles.

As briefly mentioned above, this compendium contains a variety of material. It begins with reprints of two papers presented at the 1984 annual meeting of the American Statistical Association (ASA). These papers provide an overview of the 13 studies in the international area. There are also 12 articles which were previously published in the Statistics of Income Bulletin and four articles presented for the first time. (For citation purposes, these Statistics of Income Bulletin articles are listed separately as part of this preface.) Several tabulations of data from various studies are also being made available for the first time in this compendium. Finally, there is a section showing facsimiles of the forms and schedules filed with the Internal Revenue Service and used as the bases for the studies. This section also contains facsimiles of selected instructions for the forms and schedules.

With the exception of the overview (Section 1) and the forms and instructions (Section 15), the Compendium of Statistics of Income Studies of International Income and Taxes is organized such that each section contains information on a specific topic. The topics covered are:

1. Corporate foreign tax credit
2. Controlled Foreign Corporations
3. Domestic International Sales Corporations
4. Foreign corporations with income derived from U.S. sources
5. Domestic corporations with 50 percent or more ownership by a foreign entity
6. U.S. possessions corporations
7. Individual foreign tax credit
8. Individual income earned abroad
9. U.S. possessions excluded income
10. Nonresident alien income and tax withheld
11. International boycott reports
12. Foreign trusts
13. Nonresident alien estates

It is suggested that readers using this compendium begin by looking at the overview and then the introductions at the beginning of each section. Each introduction includes a table of contents for that section.

Specific information for a given topic on sample selection and variability and nonsampling data limitations are shown in the "Data Sources and Limitations" section of the articles contained in this compendium. In addition to this information, a general description of Statistics of Income (SOI) sampling procedures and data limitations is available in the Appendix of the SOI Bulletins.

Contained in the "Notes and References" section of a specific ASA paper or SOI Bulletin article, which has been reprinted, are references to other papers or articles. The reader should note that many of these other papers or articles being referenced are also included in this compendium.

The current volume represents only a sampling of the statistical information that might be of value to practitioners and researchers. Unfortunately, because of disclosure considerations, no microdata public use tape files can generally be released. However, special tabulations not included in this compendium can be produced, using SOI data, upon request on a reimbursable basis. Requests for this service should be addressed to the Director, Statistics of Income Division, D:R:S, Internal Revenue Service, Washington, DC 20224.

This compendium is comprised chiefly of articles, tabulations of data, and facsimiles of tax forms and instructions. The facsimiles and several tabulations of data from various studies are being made available for the first time in this compendium. There are also four new articles contained in Sections 10, 11, 13, and 14. The other 12 articles included in this compendium are reprinted from the Statistics of Income Bulletin. For reference purposes, these articles are listed below.

Articles	References
"Nonresident Alien Income and Tax Withheld, 1971-1979"	Pages 34-38, Volume 1, Number 4, Spring 1982
"Nonresident Alien Income and Tax Withheld, 1980"	Pages 15-19, Volume 2, Number 1, Summer 1982
"Foreign Income, Taxes and Credit on U.S. Corporation Returns, 1978"	Pages 25-38, Volume 2, Number 3, Winter 1982-83
"U.S. Possessions Corporation Tax Credit, 1980"	Pages 41-45, Volume 2, Number 4, Spring 1983
"Nonresident Alien Income and Tax Withheld, 1981"	Pages 35-41, Volume 3, Number 1, Summer 1983
"Domestic International Sales Corporation Returns, 1980"	Pages 9-24, Volume 3, Number 2, Fall 1983
"Controlled Foreign Corporations, 1980"	Pages 37-57, Volume 3, Number 4, Spring 1984
"Corporate Foreign Tax Credit, 1980: An Industry Focus"	Pages 63-84, Volume 4, Number 1, Summer 1984
"Nonresident Alien Income and Tax Withheld, 1982"	Pages 21-32, Volume 4, Number 2, Fall 1984
"Controlled Foreign Corporations, 1980: A Geographical Perspective"	Pages 33-57, Volume 4, Number 2, Fall 1984
"Corporate Foreign Tax Credit, 1980: A Geographic Focus"	Pages 37-63, Volume 4, Number 3, Winter 1984-85
"Report on International Boycotts, 1976-82: A Focus on the Middle East"	Pages 65-81, Volume 5, Number 1, Summer 1985

Contents

Note: See the User Survey form following page 516.

Overview of Studies of International Income and Taxes

Contents

This section is designed to provide the reader with an introduction to the various foreign and international area studies conducted by the Statistics of Income (SOI) Division of the Internal Revenue Service. The two papers listed above were presented at the 1984 annual meeting of the American Statistical Association (ASA).

The first paper is separated into two segments; the first deals with the foreign activity of U.S. corporations, and the second describes the activity of foreign corporations in the United States and foreign interests in U.S. corporations. These domestic and foreign corporations account for a major portion of the international business activity. The second paper briefly summarizes each of the 13 studies conducted by the SOI Division. Selected historical aspects of U.S. tax legislation are discussed in relation to the studies. There is also information on the plans by the SOI Division for future studies through Tax Year 1990. Both of these papers include statistical data which were tabulated from income tax returns and information reports filed with the Internal Revenue Service.

The reader is referred to Sections 2 through 14 for more complete discussions and data presentations of each SOI study. Copies of tax forms and instructions related to the studies are contained in Section 15 of this compendium.

Arthur Gianelos and James Hobbs, Internal Revenue Service

This paper will briefly describe selected foreign and international area studies presently conducted by the Statistics of Income Division of the Internal Revenue Service. Most of the foreign area statistics prepared in these studies are for the Office of Tax Analysis in the Office of the Secretary of the Treasury, as well as for the staff of the Congressional Joint Committee on Taxation [1].

At the present time there are 13 studies with data tabulated from income tax returns and schedules filed by corporations, individuals, partnerships, estates and trusts. The majority of these studies deal with corporations, which is our focus here [2].

This paper will be separated into two segments; the first deals with the foreign activity of U.S. corporations, and the second describes the activity of foreign corporations in the United States and foreign interests in U.S. corporations, based on tax returns filed by these corporations.

International operations of U.S. corporations during the past twenty years have grown rapidly with overseas income making a substantial contribution to U.S. corporate total income and foreign investment accounting for a sizable portion of total investment by U.S. corporations. On the other hand, the investments of foreign firms in the U.S. during 1977 through 1981, although still not as large in dollar size as U.S. overseas investments, have increased at a more rapid rate. According to Department of Commerce data [3], foreign direct investment in the U.S. was $34.6 billion in 1977, and four years later amounted to $90.4 billion, a 161 percent increase. Foreign direct investment by U.S. firms during the same period increased 56 percent ($146.0 billion to $228.3 billion).

The growth of these investments (both domestic and foreign) and the movement of capital across international borders gives rise to competing tax claims. The United States generally taxes the income of its citizens on the basis of residence and source as do most countries [4].

FOREIGN ACTIVITY OF UNITED STATES CORPORATIONS

The first section of this paper presents an overview of three studies that deal with the foreign activity of U.S. corporations based on their tax returns. The first describes the special type of corporation called a Domestic International Sales Corporation (or DISC), and its trade activities compared to total U.S. domestic exports. Next is the Controlled Foreign Corporation study which presents data for foreign corporations controlled by U.S. corporations. These corporations represent a permanent establishment in the foreign country, as opposed to the DISC's. Finally, the corporate foreign tax credit study also gives an indication of the U.S. corporation involvement in foreign markets by measuring their foreign source taxable income and the amount of foreign tax credit claimed on their U.S. income tax returns.

Domestic International Sales Corporations -- American corporations wishing to engage in business activity abroad have many options -- one of these options is to form what is called a "Domestic International Sales Corporation" (or a DISC). This type of corporation was established by law in 1972. A system of tax deferral was set up so that only part of DISC profits were taxed to their shareholders (mostly U.S. parent corporations). The remaining profits could be deferred from tax indefinitely. The purpose of the law was to increase United States exports and make domestic products more competitive in the foreign markets.

From 1970 to 1972, United States domestic exports increased 15 percent, to $49 billion in 1972. After DISC's entered the picture, however, in 1972, domestic exports increased substantially reaching nearly $100 billion in 1974. They continued to rise through 1981 to $229 billion [5]. However, in 1982 and 1983, exports dropped because of recessions in other industrial countries, the financial problems encountered by lesser developed countries, the drop in world-wide oil sales affecting our exports to oil producing nations, and the rise in the value of the dollar making our exports more expensive, to cite some of the causes.

While data for DISC export activity is currently available through 1980, it seems probable that exports by DISC'S would be similarly affected after 1980, since Figure 1 indicates both

Figure 1.-- United States Domestic Exports and Exports by Domestic International Sales Corporations

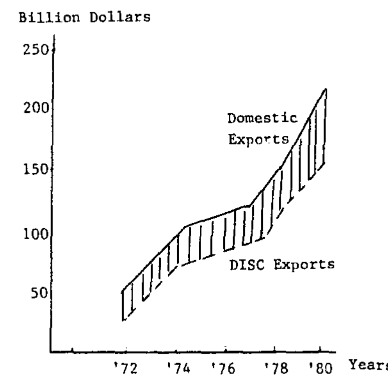


Figure 2. -- Number of Controlled Foreign Corporations and Selected Data for U.S. Corporation Returns and U.S. Corporation Returns with Total Assets of $250 Million or More, with Controlled Foreign Corporations, 1980
(money amounts are in thousands of dollars)

Selected Items	All U.S. Corporations	U.S. Corporations with Total Assets of $250 Million or More	Percent of Total
Number of U.S. corporation returns with CFC's	4,799	951	19.8
Number of CFC's	35,471	24,138	68.0
Total assets	508,032	477,828	94.1
Business receipts	699,003	652,490	93.3
Current earnings and profits (less loss) before taxes	47,622	44,502	93.4
Includable income of CFC's (Subpart F)	2,579	2,431	94.3
Foreign income taxes (net)	16,440	15,316	93.2
Distributions, total 1/	14,116	13,421	95.0
Dividends paid to U.S. parent corporations 2/	10,652	10,083	94.7

1/ Includes distributions out of other than earnings and profits.
2/ Only out of earnings and profits.

domestic exports and exports by DISC'S tend to move in the same direction and generally at the same rate.

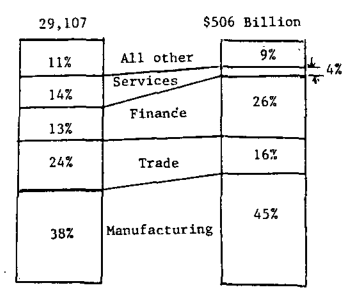
The "spread" shown in Figure 1 represented by the shaded area is the difference between domestic exports and DISC exports. These differences averaged $30 billion a year until 1978 when the amount of domestic exports each year began to exceed the annual increase of DISC exports until in 1980, the difference was $63 billion. The DISC legislation provided a one-time increase in exports through 1978, after which there was a small measurable DISC effect [6].

Controlled Foreign Corporations -- The most common method used by domestic corporations who engage in foreign activities is to establish subsidiary corporations in foreign countries. Such foreign subsidiaries, whose voting stock is more than 50 percent controlled by U.S. corporations, are referred to as "Controlled Foreign Corporations".

In 1980, Controlled Foreign Corporations numbered 35,471 and were controlled by 4,799 U.S. corporations filing their tax returns. The average total assets (a measure of investment) for these corporations more than tripled since 1962 when the data began to be tabulated indicating that the size of these corporations have increased relative to their number. (In 1962, there were 12,073 CFC's with an estimated $46 billion of assets. For 1980, the 35,471 CFC's had assets of $508 billion.) It indicates, in part, that the size of the initial foreign investment has increased so that, for the most part, only the larger U.S. corporations can afford to invest abroad, whether by internal (the U.S. corporation supplies its own funds) or external sources (the funds needed are borrowed abroad). Thus, Figure 2 shows that for 1980 over 90 percent of the assets and profits earned abroad of these foreign corporations were controlled by "large" U.S. corporations.

Of the total, 29,107 foreign corporations were actively engaged in a trade or business, the remainder merely represented a presence in the foreign country. Figure 3 shows that nearly 90 percent of the number of active foreign corporations were actively engaged in either manufacturing, trade, financial, or service activities, and they also accounted for slightly over 90 percent of the total assets. Manufacturing firms led all other industries in

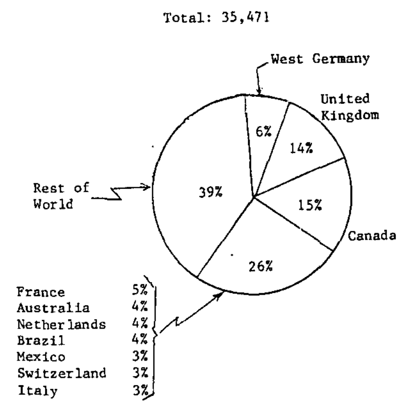
Figure 3. --Distribution of Active Controlled Foreign Corporations by Selected Industry and Assets, 1980



both number and assets; however, their relative importance has declined because of the more rapid growth of financial and service corporations in recent years.

Figure 4 portrays the most popular locations where these corporations were established. It should be pointed out that some corporations are established in one country and do business principally in another country, but our studies indicate that over 90 percent of them conduct their business in the same country in which they were organized. The countries shown in Figure 4 represent the top ten countries of the world that domestic corporations were inclined to establish a base for foreign operations [7]. Canada is the favorite location of American companies engaged in foreign activity. These Canadian companies accounted for 15 percent of the total number and nearly one-fifth of total assets of all these foreign corporations in 1980.

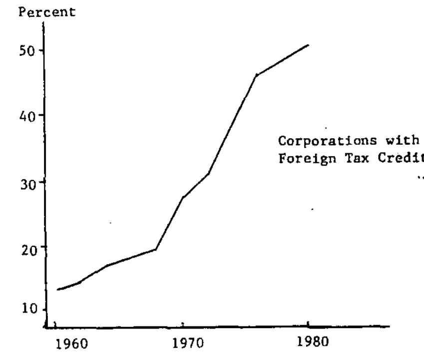
Figure 4. --Distribution of Controlled Foreign Corporations in the World, 1980



Corporate Foreign Tax Credit -- One indicator showing the involvement of American corporations in foreign markets is the amount of "Foreign source taxable income" reported by corporations eligible to claim a foreign tax credit on their tax returns [8]. This foreign taxable income primarily consists of profits earned by their "branches" in foreign countries, and dividends distributed to them by their subsidiary foreign corporations. It also includes income received from foreign sources such as rentals, royalties, interest, and compensation for services performed.

Foreign source taxable income for corporations with foreign tax credits, rose from nearly $3 billion in 1960, to over $70 billion in 1980. During the same period, the total United States taxable income (which is the basis for computing tax liability) reported by these corporations also increased by $118 billion to $138.6 billion. Although the amount of foreign source taxable income is substantial, some understatement does exist. U.S. corporations with deficits, (domestic losses off-setting foreign source income), are not eligible to claim the foreign taxes paid that year (although available for other years). In spite of the understatement, taxable income reported by corporations with foreign tax credits was nearly 60 percent of the taxable income for all U.S. corporations.

Figure 5. --Foreign Source Taxable Income as a Percent of Total Taxable Income



Using the amount of taxable income reported by domestic corporations that claimed a foreign tax credit, a percentage of the portion that foreign source taxable income contributed to the total taxable income can be derived. That percentage is plotted for certain years in Figure 5. It reveals that the percentage increased from 13 percent in 1960 to over 50 percent in 1980, indicating the overall growing importance of foreign activity engaged in by domestic corporations.

Generally, domestic corporations are subject to tax on their worldwide income. When part of that income is earned in foreign countries, the income may also be subject to tax in that country. In order to prevent double taxation of the same income, United States law permits corporations to claim a credit (or a deduction) thereby reducing their income tax for the taxes paid to the foreign country. In effect, the corporation pays the higher of the United States tax rate or the overall foreign country tax rate on its foreign source income.

Figure 6 shows the growth of the foreign tax credit claimed by corporations during the past 55 years. From 1925 until 1960, foreign tax

Figure 6. -- Growth of the Corporation Foreign Tax Credit, 1925 - 1981
(millions of dollars)

Tax Year	Foreign Tax Credit Claimed	Tax Year	Foreign Tax Credit Claimed
1925.....	20	1965......	2,616
1930.....	29	1970......	4,549
1935.....	32	1972......	6,315
1940.....	58	1974......	20,753
1945.....	96	1976......	23,579
1950.....	464	1978......	26,357
1955.....	959	1980......	24,880
1960.....	1,224	1981......	21,829

credit rose steadily from a level of $20 million to one and a quarter billion dollars. The decade of the sixties shows an increase in the credit nearly three times greater during this decade alone as compared to the preceding 35 years.

The foreign tax credit rose to record levels ($37 billion in 1979) during the decade of the seventies. The $32 billion increase in this ten year period was affected by such events as the OPEC induced rise in petroleum prices, and increased foreign activity of U.S. corporations.

The decade of the eighties, on the other hand, unlike the sixties and seventies, began with a decline in the amount of foreign tax credit claimed. The decline for 1980 and 1981 in the credit resulted from the foreign nationalization of certain oil interests in the Middle East. Corporations involved in oil related activities play a major role in the foreign tax credit. The use of the tax credit for certain foreign income taxes was not allowed; requiring the use of a tax deduction instead, which reduced foreign earnings--and when coupled with lower corporate profits, the amount of foreign tax credit eligible to be claimed was adversely affected--declining to $22 billion in 1981 [9].

ACTIVITY OF FOREIGN CORPORATIONS AND INTERESTS IN THE UNITED STATES

This section of the paper deals with the activity of foreign corporations in the United States. Two sources of IRS information will be used: (1) data on U.S. branch operations of foreign corporations; and (2) data on U.S. domestic corporations that are 50 percent or more owned by foreign interests. Taken together both sources have recently shown sharp increases in foreign operations in the United States.

Foreign Corporations with Income Derived from U.S. Sources -- For those foreign corporations engaged in a trade or business in the United States only that income which is "effectively connected" with the U.S. trade or business is tabulated and included in these statistics [10].

In terms of the amount of business conducted in the United States by these foreign companies --using total receipts as a guide--most of the income was received by banks--primarily interest income. Figure 7 compares the total receipts and number of these type of foreign corporations engaged in U.S. business operations for 1977 and 1981, as well as the principal business activity accounting for the largest percentage of total receipts and number of corporations in 1981.

In 1977, the total receipts of foreign banks operating in the United States accounted for 22 percent of all receipts of these foreign corporations and jumped to 68 percent in 1981, indicating the significant growth of foreign banking interests. (For example, in 1978, some 50 foreign bank branches operated in Chicago handling overseas investments coming into the United States.) While the receipts of banks went up during the period, the number of banks as shown in Figure 7, accounted for only 2 percent of the total number of foreign corporations. Thus, the relatively few foreign banks tended to have large operations in the United States.

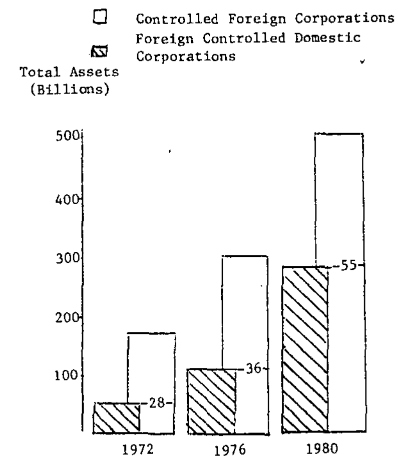
Figure 7. -- Number and Total Receipts of Foreign Corporations Engaged in Banking and Real Estate Activities in the United States, 1977 and 1981

Foreign Corporations	1977	1981
Total number...............	3,093	9,350
Banking corporations.....	131	207
Real estate corporations.	1,462	5,658
(millions of dollars)		
Total receipts.............	10,398	37,281
Banking corporations.....	2,654	25,374
Real estate corporations.	257	1,242

The same figure also shows that numerically, real estate companies operating in the United States for their foreign owners dominated the numbers. While we cannot discuss information filed with the I.R.S., public sources of information show, for example, that during the seventies, the oil sheiks of Kuwait bought and developed real estate interests in Atlanta, the Kiawa Island off the coast of South Carolina, and in downtown Boston. In addition, statistics from the Department of Commerce show that for 1977, foreign investors spent $3.8 billion on land and commercial properties located in the United States [11]. Therefore, it is not surprising to see that the number of foreign corporations with real estate interests in the United States increased in number so that 60 percent of the foreign corporations with income effectively connected with a trade or business in the United States in 1981 were principally engaged in real estate.

Domestic Corporations Controlled by Foreign Corporations -- The most common method used to establish a business in the United States is to acquire an equity in an existing American corporation. In addition, a joint venture can be another means to establish a business interest in the United States. Therefore, these domestic corporations can be considered as the "flip" side of the Controlled Foreign Corporations previously mentioned. Using the growth of total assets for both types of corporations, as shown in Figure 8, the total assets of Controlled Foreign Corporations is greater than the total assets of the "Foreign Controlled Domestic Corporations". The size of the foreign interest in domestic corporations is however, catching up--increasing to 55 percent of Controlled Foreign Corporations assets in 1980 from 28 percent in 1972. This increase in U.S. investment by foreign investors is also supported by the Department of Commerce's foreign investment statistics showing that the rate of growth of foreign claims on United States affiliates is higher than that of United States claims on foreign affiliates [11].

Figure 8. --Growth of Controlled Foreign Corporations and Foreign Controlled Domestic Corporations



CONCLUSION

A brief description has been provided on some of the foreign studies conducted by the IRS with a focus on investment abroad and foreign investment in the U.S. as reported on corporate tax returns. International operations of U.S. corporations and its effect on profits and taxes has grown significantly. Investment by foreign firms in the U.S. has become even more significant during the past decade than investment abroad. Thus, we can agree with Mr. Friedrichs (head of the German Chamber of Commerce in Chicago) when he stated in an issue of U.S. News and World Report that "The money goes where it brings the most return. There was a time when Americans bought almost all of Germany. Now the money is flowing back" [12].

ACKNOWLEDGMENTS

The authors would like to thank Antoinette Dade for her typing assistance, and other members of the Foreign Returns Analysis Section of the Statistics of Income Division for their review and comments to this paper.

NOTES AND REFERENCES

[1] The SOI Division is responsible for the completion and publication of statistical data with respect to the operation of the tax laws for users inside and outside the government.

[2] For a brief description of all of the studies, see Gianelos, Arthur, and Hobbs, James, "Statistics of Income Studies of International Income and Taxes: A Brief Description of the Studies," Statistics of Income and Related Administration Record Research: 1984, Department of Treasury, Internal Revenue Service, October 1984. This is available upon request.

[3] U.S. Bureau of Economic Analysis, Department of Commerce, Survey of Current Business, August 1984, and earlier issues.

[4] See Carlson, George, International Aspects of Corporate-Shareholder Tax Integration, Office of Tax Analysis Paper 40, July 1980. A description of the "separate entity system" and "integration system" of tax is presented. An additional issue raised by the growth and influx of foreign investments both here and abroad is the "unitary tax". This tax is imposed on worldwide profits of foreign corporations by certain States. Although the issue of whether unitary combination should be applied on a worldwide basis is avoided, the discussion and tests applicable to domestic groups of corporations may apply in principle to affiliated members of multinational companies. See McClure, Charles, Jr., "Defining a Unitary Business: An Economist's View," N.B.E.R. Digest, October 1983.

[5] U.S. Bureau of the Census, Highlights of U.S. Export and Import Trade, FT 990 monthly.

[6] See also, Department of Treasury, The Operation and Effect of the Domestic International Sales Corporation Legislation, 1978-1981 Annual Reports.

[7] These countries were also the top ten countries in 1972 as well as in 1980 accounting for 65 percent of the total number of foreign corporations.

[8] A credit for income taxes paid to foreign governments is available to the U.S. corporation. The foreign tax credit is limited to the smaller of the actual foreign taxes paid or the portion of the U.S. income tax related to the foreign source taxable income. The purpose of the

limitation is to prevent foreign taxes from reducing U.S. taxation of domestic source income. Presently the limitation on foreign tax credit is determined by the ratio of taxable income from foreign sources to total taxable income, times the U.S. tax. The actual foreign tax credit cannot exceed the computed limitation. This method combines all foreign income allowing an "averaging" of high and low foreign tax rates. Any reduction in foreign source taxable income will reduce the limitation.

[9] Foreign tax credit continued to decline in 1982 to $18.3 billion according to preliminary estimates from corporation income tax returns.

[10] Income considered "effectively connected" with trade or business in the United States is subject to tax in the same manner as a domestic corporation is taxed. Income received from U.S. sources by foreign corporations that is not "effectively connected" with a trade or business in the United States is subject to U.S. tax generally at the rate of 30 percent on that income, and is not included in the statistics.

[11] As of the end of 1981, foreign direct investment in U.S. business had a book value of $90.4 billion and nearly all of it was represented by stock in, retained earnings of, and loans to U.S. subsidiaries. See Howenstein and Fouch, "Foreign Direct Investment in the United States in 1981", Survey of Current Business, Volume 62, Number 8, August 1982.

[12] "Foreign Investors Go on a Spree in the U.S.", U.S. News & World Report, September 24, 1978, page 53.

Arthur Gianelos and James Hobbs, Internal Revenue Service

The purpose of this paper is to briefly describe the foreign and international area studies conducted by the Statistics of Income Division of the Internal Revenue Service [1].

This paper includes statistics on foreign tax credit reported by corporations and individuals on their tax returns, Controlled Foreign Corporations, Domestic International Sales Corporations (DISC's), foreign corporations with income derived from U.S. sources, domestic corporations, which are more than 50 percent foreign owned, U.S. possessions corporations, foreign earned income of U.S. citizens, U.S. possessions excluded income, nonresident alien income and tax withheld, taxpayers who cooperate or participate in international boycotts, foreign trusts, and nonresident alien estates [2].

Most of the foreign area statistics prepared in these studies are for the Office of Tax Analysis in the Office of the Secretary of the Treasury, as well as for the staff of the Congressional Joint Committee on Taxation. Additionally, results from many of these studies are published in the Statistics of Income Bulletin, issued on a quarterly basis.

FOREIGN TAX CREDIT: CORPORATIONS

Until 1918, all foreign taxes paid by U.S. persons were treated as deductible expenses under U.S. income tax law. Foreign tax credit provisions were adopted that year in response to the sharp increases in tax rates at home and abroad during World War I. The United States was the first country to apply the foreign tax credit on a worldwide basis to relieve international double taxation of income [3]. The structure of the tax credit mechanism was established in the Revenue Act of 1921 followed by changes made through the years in various law changes [4].

The general philosophy of the foreign tax credit, despite its numerous changes has remained basically the same. It permits the corporation to carry approximately the same income tax burden operating throughout the world as that tax burden carried if it were operating only in the United States. In effect, the corporation pays the higher of the U.S. tax rate or the overall foreign country tax rate on its income.

The foreign tax credit takes into account only certain types of foreign taxes which the corporation paid or accrued. They include income, war profits, and excess profits taxes[5]. Other types of taxes, such as excise, sales, franchise, property taxes, etc., do not qualify for the tax credit. (However, these taxes may be taken as a deduction from income.) The qualifying taxes must be paid to a foreign country or a possession of the United States.

A U.S. corporation, upon the receipt of dividends from a foreign corporation in which the domestic corporation owns a certain amount of stock, is also allowed to credit the foreign income taxes paid by the foreign corporation (a "first-tier" corporation) that relates proportionately to the dividends. This credit allowed only to U.S. corporations is generally referred to as a "deemed-paid" tax credit (or indirect tax credit). The indirect credit also extends to taxes paid by second and third tier corporations. Provided that stock ownership criteria are met, the first-tier corporation is deemed to have paid a portion of the foreign taxes actually paid by the second-tier foreign corporation which it controls and from whom it receives dividends, and the second-tier foreign corporation in turn, is deemed to have paid a portion of the foreign taxes paid by the third-tier foreign corporation which it controls and from whom it receives dividends.

Under certain conditions, a U.S. corporation is required to include in income dividends that have been constructively distributed to them (i.e., undistributed earnings of Controlled Foreign Corporations). The U.S. corporation is also deemed to have paid its proportionate share of income taxes paid by the foreign corporation with respect to the earnings and profits that are required to be included in the domestic corporation's income. When the income is actually distributed, it is not included again as income of the U.S. corporation. Neither are the foreign taxes deemed paid allowed as a credit that year [6].

The foreign tax credit is not an unlimited credit. With the Tax Reform Act of 1976, the tax credit limitation could only be computed on an overall basis. The overall limitation required the domestic corporation to consolidate all foreign income received from all countries and the taxes applied to the income by the various countries. (At certain times prior to this Act, a per-country limitation could be used. Under this method, the tax credit limitation was computed on a country by country basis.)

U.S. corporations were also required to allocate their foreign income into separate categories or types of foreign income. For each type of foreign income reported, the foreign tax credit was limited to the smaller of the amount of foreign taxes available for credit or the portion of the U.S. tax imposed on that type of foreign source taxable income. For 1980, the types of foreign income were certain interest income, DISC dividends, foreign oil related income, and all other foreign source income. The total foreign tax credit claimed is the sum of these credits based on each type of income.

If a U.S. corporation earned certain interest income, the foreign tax credit limitation is calculated on that interest separately as if it were the only foreign income of the corporation. Similarly the U.S. corporation would also compute a separate limitation for certain qualifying DISC dividends. Those dividends are any dividends from a DISC which are treated as being from foreign sources. In addition, foreign taxes paid, accrued, and deemed paid on foreign oil related income were used to compute a separate foreign tax credit.

Under certain circumstances eligible foreign taxes which exceeded the credit limitation could be carried back 2 years and forward 5 years. The carryback or carryover, plus the actual taxes paid or accrued for a given year and the taxes deemed paid by foreign corporations, cannot exceed the tax credit limitation for the year to which it is carried back or forward.

Figure 1 shows the foreign tax credit claimed during the period 1955 through 1980 for corporate returns in addition to the foreign source taxable income and foreign taxes paid. Foreign tax credit claimed increased from nearly a billion dollars to over $25 billion in 1978 declining slightly in 1980. The increase during this period in foreign source taxable income and foreign tax credit provides the extent to which these U.S. corporations are involved in foreign operations.

The corporation foreign tax credit studies are processed in conjunction with the Controlled Foreign Corporation studies (described below). It is planned to conduct these studies in the future for Tax Years 1982, 1984, 1986, 1987, and 1990. The 1986 and 1987 studies should provide useful information on carryovers of foreign tax credit, which were briefly described above.

For each study, the SOI Division publishes two articles on corporate foreign tax credit in the SOI Bulletin. One article deals with industry data and the second article deals with country data. Additionally, tabulated data classified by industry and country are available.

CONTROLLED FOREIGN CORPORATIONS

Prior to 1960, U.S. corporations were not required to file information on their foreign subsidiary corporations. They were able to defer payment of U.S. income taxes on all foreign profits because the income earned by the foreign subsidiaries was not taxed by the U.S. Government until it was repatriated to the U.S. parents, usually in the form of dividends or liquidating distributions. If the earnings were reinvested abroad, repatriation could be postponed indefinitely.

Public Law 86-780 was passed in 1960 to obtain information on these foreign holdings. It required domestic corporations to provide certain financial and other information with respect to each foreign corporation controlled by them annually with their income tax return [7]. Control was defined as direct or indirect ownership of stock having more than 50 percent of the combined voting power of all classes of stock during its taxable year. These foreign corporations became known as Controlled Foreign Corporations (CFC's).

The 1960 law, although providing information on foreign subsidiaries, did not alter the accumulation of foreign earnings and profits abroad by CFC's. The first attempt to tax foreign corporations' income indirectly through their U.S. parent corporations led to enactment of the "Subpart F" provisions of the Tax Reform Act of 1962.

These provisions were intended to eliminate tax avoidance by U.S. corporations who used foreign corporations to accumulate certain types of income in jurisdictions with little or no tax on that income [8]. The rules in Subpart F attempt to distinguish between legitimate deferral and tax avoidance plans through the use of foreign subsidiaries in those countries that have a low or zero rate of tax on income [9].

The 1962 Law considered as taxable income (generally as dividends), specific types of undistributed earnings and profits of CFC's. These provisions were also affected by additional legislative changes after 1962 [10]. At the present time, U.S. corporations are taxed if the CFC engages in certain transactions, or makes certain investments, on income earned by these activities. Corporations are taxed on Subpart F income in the tax year the activities occurred, and therefore, are not taxed in a later year(s) on this income when it is actually distributed. The following outline shows the income components of Subpart F currently effective.

Subpart F income is the sum of:

1. Income from insuring U.S. risks,
2. Foreign base company income, which is composed of:
   a. foreign personal holding company income,
   b. foreign base company sales income,
   c. foreign base company services income,
   d. foreign base company shipping income, and
   e. foreign base company oil related income,
3. Income from boycott related activities,
4. Amounts of bribes, kickbacks and other illegal payments (the earnings and profits of CFC's cannot be reduced by the amount of these payments),
5. Previously excluded Subpart F income withdrawn from investments in less developed countries,
6. Previously excluded Subpart F income withdrawn from foreign base company shipping operations, and finally
7. The CFC's increase in earnings invested in U.S. property.

The "base company" referred to above, is usually holding, sales, or service corporations organized in a country (tax haven for example), other than the country where the goods are produced, sold, or services are performed. Foreign corporations that are organized in the same country in which their business activities are located are usually not affected.

The 1962 Act also redefined the term Controlled Foreign Corporation. Foreign corporations were now considered Controlled Foreign Corporations if more than 50 percent of the voting stock was owned by U.S. shareholders, each having at least a 10 percent or more interest. Also, control was extended to lower-tier foreign corporations through a chain of control, viz., the U.S. corporation owned more than 50 percent of a foreign corporation (first-tier) which, in turn, owned more than 50 percent of a second-tier foreign corporation which, in turn, owned more than 50 percent of a third-tier foreign corporation, and so forth. In this case, all three foreign corporations were classified as CFC's.

Figure 2 presents selected historical information on Controlled Foreign Corporations. As can be seen, while the number of CFC's nearly tripled between 1962 and 1980, their activity as measured by assets, receipts and earnings increased much faster indicating the increase of these corporations and the contribution of foreign income to total or worldwide income.

For each study, the SOI Division will publish two articles on Controlled Foreign Corporations in the SOI Bulletin. One article will deal with industry data and the second article will deal with country data. In addition, cross tabulations of CFC statistics classified by both industry and country will be available.

DOMESTIC INTERNATIONAL SALES CORPORATIONS (DISC'S)

A Domestic International Sales Corporation (DISC) is a special type of corporation established by passage of the Revenue Act of 1971. The purpose of this legislation is to provide a system of tax deferral and an inducement to increase U.S. exports [11].

To prevent unlimited tax deferral, at least one-half of the DISC's earnings and profits is taxed to its stockholders annually. This portion of the DISC's earnings and profits is fully taxable to the stockholders even if the earnings are not actually distributed. U.S. income taxation is deferred indefinitely, for the most part, on the remainder of the DISC's earnings.

To qualify as a DISC, a corporation has to elect to be treated as a DISC, have at least $2,500 of capital stock, and meet strict formal requirements each year, such as satisfying the tests that 95 percent of both its gross receipts and assets are "qualified." These requirements are designed to limit the DISC to export related activities. A DISC is allowed to export products that qualify as export property, which are manufactured, produced, grown, or extracted in the United States by someone other than the DISC [12].

A DISC usually acquires export property from its parent corporation or an affiliated corporation and then sells the property abroad. However, it can act simply as a commission

Figure 1. --Returns with Foreign Tax Credit and Forms 1118 Filed for Selected Years, 1955-1980
(money amounts are in millions of dollars)

Tax Year	Returns with Foreign Tax Credit Claimed: All Returns		Returns with Forms 1118 Filed			
	Number of Returns	Foreign Tax Credit Claimed	Number of Returns	Taxable Income	Total Foreign Taxes*	Foreign Tax Credit Claimed
1955.......	3,688	959	3,084	2,130	951	862
1960.......	4,740	1,224	4,250	2,774	1,768	1,140
1965.......	6,186	2,616	5,684	6,455	4,242	2,596
1970.......	5,745	4,549	5,571	10,932	8,460	4,542
1972.......	6,412	6,315	5,497	16,486	10,681	6,306
1976.......	6,513	23,579	6,136	55,414	43,863	23,547
1978.......	6,039	26,357	5,219	65,150	59,912	26,345
1980.......	6,199	24,880	6,046	70,541	34,207	24,879

* Total foreign taxes available for credit before reduction for certain taxes. Includes foreign taxes paid or accrued, deemed paid, and carryover of prior year taxes.

Figure 2. -- Growth of Controlled Foreign Corporations, 1962 - 1980
(money amounts are in millions of dollars)

Tax Year	Number of Controlled Foreign Corporations	Total Assets	Business Receipts	Current Earnings and Profits (Less Losses) Before Taxes
1962......	12,073	46,102*	49,859	4,181
1972......	29,221	167,830	172,407	16,943
1980......	35,471	508,032	699,003	47,622

* Estimated.

merchant on export sales of an affiliated corporation. The allocation of income between a DISC and its affiliated corporation is achieved through the use of special intercompany pricing rules which allow the DISC to maximize its allocation of the profits from export sales [13].

There have been three major modifications to the law in regards to DISC's since 1972. Each law change reduced the tax benefits allowed to stockholders of DISC's. The Tax Reduction Act of 1975 eliminated DISC benefits for profits arising from exports of products in short domestic supply, and from exports of natural resource products, such as oil, gas, and minerals, subject to percentage depletion allowance. The Tax Reform Act of 1976 limited DISC benefits to income attributable to export gross receipts in excess of 67 percent of average export gross receipts in a 4-year base period [14]. (In addition, DISC's were required to include in their computation of their deemed distributions taxable to their stockholders any amounts of international boycott income [15].) The third modification, enacted by the Tax Equity and Fiscal Responsibility Act of 1982, (whose provisions are not reflected in the data in this paper), increased the portion of DISC income considered deemed distributed to the DISC's corporate stockholders from 50 percent to 57.5 percent for taxable years beginning in 1983.

The DISC tax provisions have been a point of contention between the United States and other signatory countries of the General Agreement on Tariffs and Trade. As a result, the DISC provisions have been substantially modified by the Deficit Reduction Act of 1984. This Act will end the existence of large DISC exporters. U.S. corporations will replace these DISC's with foreign sales corporations (FSC's) abroad through which export sales will be made. A portion of the export income of eligible FSC's will be exempt from U.S. income tax, while the remainder of the earnings will be subject to taxation. Also exempted from taxation will be the accumulated tax-deferred profits of existing DISC's. Two alternatives have been provided by the Act, as relief for small exporters who may find the foreign economic activity requirements burdensome. These alternatives are the interest-charge DISC and the small FSC exception. Thus, there will be in existence both FSC's and DISC's.

The number of DISC returns, DISC taxable income, and amounts deemed distributed from 1972 to 1981 are presented in Figure 3. The difference between the amount of DISC taxable income and the amount deemed distributed for each year represents the amount of DISC income that can be deferred indefinitely from U.S. income taxation.

FOREIGN CORPORATIONS WITH INCOME DERIVED FROM U.S. SOURCES

A foreign corporation is any corporation which is not "created or organized" in the United States or under the laws of the United States or any State [16]. Foreign corporations referred to in this section of the paper have income derived from U.S. investments, such as dividends, interest, rents, and royalties, and/or income derived from business operations conducted in the United States.

Income that a foreign corporation receives that is derived from its U.S. investments is subject to U.S. tax generally at the rate of 30 percent on that income, unless a lower tax rate has been set by a tax treaty. Generally, most investments in the United States are made by foreign corporations located in treaty countries [17]. Income derived by a foreign corporation from U.S. business operations is considered to be "effectively connected" income and is subject to tax in the same manner as a domestic corporation is taxed [18]. Income derived by the foreign corporation outside the U.S. is not included as income subject to U.S. taxation [19].

Figure 4 presents selected data from Form 1120F returns filed for Tax Year 1981 compared to the data for 1972 and 1977. As described in the previous paper, foreign corporations with "effectively connected" income from U.S. sources increased during the nine year period dramatically, and these were primarily engaged in banking and real estate [20].

Figure 3. -- Number of DISC Returns, DISC Taxable Income, and Amounts Deemed Distributed, 1972 - 1981*
(money amounts are in millions of dollars)

Tax Year	Number of Returns	DISC Taxable Income	Amount Deemed Distributed
1972*.........	2,826	1,566	776
1973..........	4,162	3,149	1,579
1974..........	5,498	4,783	2,416
1975..........	6,431	4,772	2,420
1976..........	6,911	5,071	3,499
1977..........	6,665	5,234	3,715
1978..........	7,208	6,427	4,360
1979..........	7,933	8,461	5,397
1980..........	8,665	9,875	6,270
1981..........	9,408	10,952	7,187

*Tax year refers to taxable periods ended between July 1 of the year and June 30th of the following year. However, for 1972, the effective date began January 1, 1972.

Figure 4. -- Number of Active Foreign Corporations (Forms 1120F) with U.S. Business Operations and Selected Financial Data, 1972 - 1981

Item	1972	1977	1981
Number of active foreign corporations with U.S. business operations, total....	796	3,093	9,350
	(millions of dollars)		
Total receipts..........................	3,567	10,398	37,281
Business receipts....................	2,490	7,157	10,143
Interest..............................	886	2,454	25,480
Dividends received from domestic corporations.........................	85	53	74
Total deductions........................	3,379	10,572	38,857
Cost of sales and operations.........	1,687	4,476	7,268
Taxes paid...........................	57	219	469
Interest paid........................	584	2,501	25,125
Depreciation.........................	37	257	416
Net income (less deficit)................	161	(188)	(1,596)
Total income tax.........................	77	124	260
Foreign tax credit.......................	4	9	12

NOTE: Data excludes Forms 1120F filed with only income derived from U.S. investments subject to withholding tax.

DOMESTIC CORPORATIONS WITH 50 PERCENT OR MORE OWNERSHIP BY A FOREIGN ENTITY

In addition to foreign corporations with income from sources in the United States described above, there are domestic corporations whose voting stock is 50 percent or more directly or indirectly owned by at least one foreign entity, such as a corporation. These foreign-owned domestic corporations could result from stock acquisitions by foreign entities, be newly formed subsidiary corporations, or result from joint ventures between two or more corporations, at least one of which is a foreign corporation, to mention a few of the possibilities [21].

Each domestic corporation regardless of ownership is required to indicate on its income tax return whether any person, domestic or foreign, owned 50 percent or more of its voting stock. If there was a 50-percent-or-more foreign owner, the country of the owner and percentage of stock directly or indirectly owned was used for the SOI statistics.

These data are tabulated generally by the industry of the domestic corporation and by the country of the foreign owner and are furnished annually to the Office of Tax Analysis, Department of the Treasury. The data include income statements, balance sheets, tax items, and distributions to stockholders.

Figure 5 shows the number of domestic corporations that indicated they were 50 percent or more owned by a foreign entity and selected financial data. From 1972 to 1981, the number of these corporations rose from 6,198 to 27,626. Their assets similarly rose from $46.9 billion to $383.7 billion, and the receipts they generated increased from $50.8 billion to $371.3 billion.

More than half of these domestic corporations were engaged in either trade activities or involved in finance, insurance, or real estate. This was true in 1972 as well as in 1981. Trade corporations accounted for 40 percent of the total in 1972, and 33 percent in 1981. Domestic financial corporations accounted for 24 percent of the total in 1972 and 28 percent in 1981. Data for these corporations will continue to be tabulated for the Office of Tax Analysis, and may be produced upon request on a reimbursable basis.

U.S. POSSESSIONS CORPORATIONS

A U.S. possessions corporation is a domestic corporation that has elected to be treated as a possessions corporation by filing a Form 5712, Election to be Treated as a Possessions Corporation. To qualify the corporation must derive 80 percent or more of its gross income from sources within a U.S. possession and 50 percent or more of its gross income from the active conduct of a trade or business within a U.S. possession. Corporations which meet these requirements for a period of three years (the current taxable year and two preceding years) are allowed a credit against their U.S. income tax liability.

Prior to 1976, provisions for possessions corporations entitled their U.S. parent corporations a unique form of domestic tax treatment. In profitable years, the possessions income was excluded from taxation, while in loss years, the parent corporations were allowed to offset their profits with the subsidiaries' losses by joining the subsidiary in the filing of a consolidated return [22].

In addition, dividends distributed to the U.S. parent corporation were fully taxable to

Figure 5. -- Domestic Corporations Indicating 50 Percent or More Ownership by a Foreign Entity, Selected Items, 1972 and 1981
(money amounts are in millions of dollars)

Item	1972	1981
Returns indicating 50% or more ownership by a foreign entity		
Number of returns	6,198	27,626
Total assets	46,868	383,702
Total receipts	50,814	371,344
Business receipts	48,932	342,958
Interest received	752	19,018
Total deductions	49,496	365,938
Cost of sales and operations	37,613	265,998
Interest paid	1,071	23,615
Net income (less deficit)	1,295	5,270
Total income tax before credits	741	5,731
Foreign tax credit	28	794
Total income tax after credits	658	4,125
Distributions to stockholders	593	2,778

the U.S. parent corporation when received. However, the dividends received deduction allowed on other domestic dividends received were not applicable to dividends received from possessions corporations. Amounts received by U.S. parent corporations upon liquidation of a possessions corporation were exempt from U.S. income tax. As a result, income accumulated over the years by possessions corporations tended to be invested abroad in anticipation of a tax-free liquidation.

The tax benefits for possessions corporations were substantially revised by the Tax Reform Act of 1976. Although the 80 and 50 percent tests were not changed, possessions corporations were no longer permitted to be included in consolidated returns, thus, eliminating the benefit to parent corporations in both profit and loss years. In addition, the possessions corporations' dividends now qualified for the dividends received deduction, thus removing the incentive to liquidate. The allowance of the deduction caused the acceleration of the remittance of dividends to U.S. parent corporations. According to the U.S. Treasury Department, dividends distributed by manufacturing possessions corporations increased from virtually none prior to 1977 to $1.2 billion in 1980 [23]. The exemption of income was replaced with a credit against U.S. income tax equal to that portion of the tax attributable to possessions business income and qualified possessions source investment income. It was also necessary for the corporation to make an election to be treated as a possessions corporation. The election was irrevocable for 10 years unless the Secretary of the Treasury consented to the revocation of the election.

The Tax Equity and Fiscal Responsibility Act of 1982, made two additional changes related to possessions corporations. First, it cut back the amount of passive investment income that a corporation could earn and still qualify for the possessions tax credit. The 50 percent active trade or business test is increased by 5 percentage points to 55, 60, and 65 percent for taxable years beginning in 1983, 1984, and 1985, respectively. Secondly, the Act provided new rules for the allocation of income attributable to intangible property between a possessions corporation and its U.S. affiliate.

The most recent data obtained by the SOI Division are for Tax Year 1981 and are summarized in Figure 6. There were 565 returns in 1981 with nearly $2.0 billion of possessions tax credit (compared to 384 returns in 1976 with $700 million of credit) [24]. The 23 return difference in Figure 6 represents those corporations that claimed the credit but did not file the supporting information on Forms 5735.

U.S. possessions corporation studies have been conducted on an annual basis, and data are presented in the SOI Bulletin covering two years on a biennial basis. The most recent SOI Bulletin article for Tax Year 1980 points out that most possessions corporations are located in Puerto Rico. It was estimated that 9 percent of the total employment in Puerto Rico was accounted for by all possessions corporations in manufacturing and one-half of all employees in the manufacturing sector of Puerto Rico. The employment data are based on the Federal unemployment insurance tax returns (Forms 940) available for 282 possessions corporations engaged in manufacturing activities in 1980 and are provided to the Office of Tax Analysis each year [25].

FOREIGN TAX CREDIT: INDIVIDUALS

U.S. taxpayers (defined to include both U.S. citizens and alien residents in the United States) who paid or accrued foreign taxes on their foreign source income were eligible to use those taxes either as an itemized deduction or as a tax credit, provided that the foreign source income was subject to U.S. taxation. The United States imposes its income tax on the

Figure 6. -- Selected Financial Data for U.S. Possessions Corporations, 1981
(money amounts are in millions of dollars)

Item	All Possessions Corporations	Possessions Corporations with Forms 5735 Attached
Number of returns	565	542
Total assets	17,442	16,988
Total retained earnings	12,542	12,344
Total receipts	14,379	13,387
Business receipts	13,235	12,258
Net income (less deficit)	4,327	4,254
Total income tax	1,971	1,938
Possessions tax credit	1,942	1,914
Income tax after credits	28	23
Gross income from trade or business:		
Total	*	7,395
Within U.S. possessions	*	6,597

* Data obtained from Form 5735 not filed by 23 U.S. possessions corporations with $28 million tax credit.

worldwide income of individual citizens and residents without regard to the geographic source of that income.

The choice of taking the deduction or claiming the credit is up to the taxpayer. In the majority of cases it was advantageous to claim the foreign taxes as a credit since, after computing the credit limitation, the allowable foreign tax credit resulted in a dollar-for-dollar reduction of U.S. tax liability. The foreign tax credit is allowed either against the basic income tax or by using a special computation, the alternative minimum tax. However, the credit cannot be applied against any of the other taxes reported on Form 1040 such as minumum tax preferences, tax from recomputing prior-year investment credit, and other taxes making up part of the total tax liability.

The foreign tax credit was not allowed to: (1) U.S. citizens entitled to an exemption from U.S. tax on income from sources within U.S. possessions (see the U.S. Possessions Excluded Income section of this paper), (2) U.S. citizens who were inhabitants of the U.S. Virgin Islands, and (3) citizens of U.S. possessions (except Puerto Rico) who were not otherwise U.S. citizens or residents. Additionally, nonresident aliens were not allowed a foreign tax credit except for income taxes paid to a foreign country on foreign source income that was "effectively connected" with a trade or business in the United States. In computing total foreign taxable income and total U.S. taxable income, taxpayers could not take into account any foreign income excluded from U.S. tax. Also, the amount of taxes paid or accrued on this excluded income was not allowed in the foreign tax credit computation.

The Tax Reform Act of 1976 changed the method of computing the foreign tax credit for individual taxpayers. Generally, for taxable years beginning in 1976 only the overall limitation method of computing the foreign tax credit was allowed. Another part of the Act changed the method of reporting foreign source capital gains. They were now required to be offset by U.S. source capital losses for purposes of computing the foreign tax credit. The Act also introduced the requirement that the foreign tax credit be reduced if the individual agreed to participate in or cooperate with an international boycott. Finally, the Act allowed individuals claiming a foreign tax credit to take the standard deduction rather than requiring taxpayers to itemize their deductions in computing their total taxable income from all sources.

In general, the foreign tax credit may be taken only by the individuals upon whom the foreign tax is imposed [26]. These individuals, unlike domestic corporations, are not usually eligible to take the deemed paid credit on distributions received from foreign corporations that domestic corporations are allowed to claim [27].

However, an individual that meets the minimum stock ownership requirement for a Controlled Foreign Corporation can elect to be taxed at the corporate tax rates on the individual's share of certain undistributed income of the CFC (Subpart F income). Under these circumstances the individual is also eligible for a deemed paid credit. As with corporations, the amount of foreign income taxes which exceeds the allowable credit can be carried back two years and forward five years.

Figure 7 compares the number of returns and foreign tax credit claimed for each year of the 10 year period, 1972-1981. Also, it indicates that the majority of the credit is claimed by individuals in the upper income bracket (adjusted gross income of $100,000 or more), especially in more recent years. The last detailed study of foreign tax credit claimed by individuals for Tax Year 1979 indicates that ten countries accounted for $823 million of the

Figure 7. -- Amount of Foreign Tax Credit Claimed on Individual Income Tax Returns and for Returns with Adjusted Gross Income (AGI) of $100,000 or More, 1972-1981
(money amounts are in thousands of dollars)

Year	All Returns		Returns with AGI of $100,000 or More		
	Number	Foreign Tax Credit	Number	Foreign Tax Credit	Percent of Total Credit
1972...	202,440	221,387	48,875	137,312	62.0
1973...	223,127	255,286	48,861	135,265	53.0
1974...	233,191	291,730	57,698	153,816	52.7
1975...	231,078	345,928	60,043	168,926	48.8
1976...	255,749	427,627	70,728	255,368	59.7
1977...	240,874	451,033	70,529	248,766	55.2
1978...	278,267	901,030	95,257	585,801	65.0
1979...	287,508	842,176	107,778	627,128	74.5
1980...	393,074	1,341,675	153,227	996,957	74.3
1981...	387,680	1,233,564	169,887	1,019,780	82.7

NOTE: Data includes nontaxable returns with foreign tax credit and foreign tax credit claimed by U.S. citizens living abroad.

total $842 million of foreign tax credit claimed by individuals [28]. Compared to the corporate foreign tax credit described earlier the credit claimed by individuals generally makes up only about 5 percent of the combined total for both individual and corporation foreign tax credits.

The next study of individual tax returns with foreign tax credit is scheduled for Tax Year 1983. It will contain data for each type of foreign source income by country to which foreign taxes were paid or accrued.

FOREIGN EARNED INCOME OF INDIVIDUALS

U.S. citizens are generally taxed on their worldwide income and receive a foreign tax credit for foreign taxes paid or accrued on their foreign source income. However, U.S. citizens working abroad are allowed to exclude from their gross income a specified amount of income earned for services performed abroad [29]. In order to qualify for the foreign earned income exclusion, the taxpayer must be a bona fide resident of a foreign country for a period which includes a full taxable year, or be physically present in a foreign country for 11 out of 12 consecutive months [30].

Prior to 1976, a U.S. citizen working abroad could exclude up to $20,000 of foreign earned income which increased to $25,000 after three years of bona fide foreign residence. A U.S. citizen who was not a bona fide resident of a foreign country but remained abroad for a period of 510 days out of an 18-month period could also exclude up to $20,000 of foreign earned income. U.S. citizens who paid taxes to a foreign country were not only allowed to exempt foreign earned income but also could claim a foreign tax credit for foreign taxes paid on the excluded amounts against any U.S. tax liability on income over and above the excluded amounts, thereby, increasing the tax-exempt amount.

The Tax Reform Act of 1976 made several changes in the taxation of U.S. citizens working abroad. The principal changes were: (1) reducing the exclusion to $15,000 annually, (2) applying higher tax rates on any remaining portion of income subject to U.S. income taxation, and (3) eliminating a foreign tax credit for foreign taxes attributable to the excluded income. The provisions of the 1976 Act were effective for taxable years beginning in 1976. However, the Tax Reduction and Simplification Act of 1977 postponed the effective date of the 1976 provisions until taxable years beginning in 1977.

The Foreign Earned Income Act of 1978 further postponed the effective date of the Tax Reform Act of 1976 provisions affecting Americans working abroad to taxable years beginning in 1978. Therefore, qualifying individuals had to follow the pre-1977 rules for Tax Year 1977 returns. These returns were allowed to be filed without penalty on or before February 15, 1979. The effects of these postponements are presented in Figure 8. The number of returns declined from 1976 to 1977 because many 1977 tax returns were filed in early 1979 and thus were included in figures for 1978.

The Foreign Earned Income Act of 1978 contained other provisions affecting U.S. citizens working abroad. For Tax Year 1978 returns, the Act permitted taxpayers to choose between the $15,000 earned income exclusion (as specified in the Tax Reform Act of 1976) or the provisions of two new rules. One of these new rules allowed a taxpayer, who resided in an employer camp in a foreign hardship area, an annual exclusion from gross income of up to $20,000 of foreign income [31]. The second rule provided qualified individuals a deduction for excess qualified foreign living expenses for such items as cost-of-living differentials, housing costs, school expenses, home leave

Figure 8. -- Number of Returns, Income Earned Abroad and Tax-exempt Amount, 1976-1979
(money amounts are in millions of dollars)

Items	1976	1977	1978	1979 *
Number of returns............	140,438	123,045	169,951	91,966
Income earned abroad..........	3,472	3,068	5,773	3,710
Tax-exempt or excluded amount.	2,131	1,486	2,053	288
Percent of tax-exempt amount to income earned abroad......	61.4	48.4	35.6	7.8

* Data for 1979 does not include 6,904 returns filed for 1977 and prior tax years, and 20,560 returns filed for Tax Year 1978.

travel expenses, and hardship area expenses. The 1978 Act also repealed for taxable years beginning in 1979 the $15,000 earned income exclusion.

The Economic Recovery Tax Act of 1981 simplified the foreign earned income provisions by eliminating most of the special deductions available to taxpayers under the 1978 Act and reintroduced an election to exclude earned income attributable to services performed overseas [32]. For Tax Year 1982, qualifying taxpayers were allowed to exclude up to $75,000 in foreign earned income. The maximum annual exclusion increases $5,000 per year until 1986, when the maximum exclusion will be $95,000. Qualified taxpayers also can elect separately an exclusion for reasonable housing costs in excess of 16 percent of the salary of a U.S. Government employee at grade level GS-14, step 1 (currently approximately $43,000). The 1981 Act also reduced the foreign presence residence requirement to a period of 11 out of 12 months.

The last study was for Tax Year 1979 and the next study (which will reflect the legislative changes in the Economic Recovery Tax Act of 1981), is scheduled for Tax Year 1983.

U.S. POSSESSIONS EXCLUDED INCOME

A citizen of the United States who works as an employee or operates a business in certain possessions of the United States may qualify for an exclusion from gross income, the amount of which is that received from sources outside the United States. The exclusion is allowed if in a 3 year or other applicable period [33] immediately before the end of the tax year, 80 percent of gross income was derived from sources within a U.S. possession and 50 percent or more of the gross income was from salaries and wages or the active conduct of a trade or business within the U.S. possession. The 80 percent requirement includes all income (salaries, wages, interest, dividends, rent, etc.) received. If the individual qualifies for the possession exclusion, then only U.S. source income (including foreign and possession source income received in the United States) is taxable, plus any income received during the part of the tax year that is not part of the applicable period [34]. In addition, wages, salaries, and other kinds of pay from the U.S. Government to civilian and military employees in U.S. possessions are also subject to U.S. taxation. These individuals generally do not qualify for the possessions exclusion.

Regarding possessions exclusion income, it is important to note that the term, "possession of the United States" only includes the following: (1) Midway Islands, (2) Palmyra, (3) Johnston Island, (4) Kingman Reef, (5) Wake Island, (6) Howland Island, (7) Baker Island, (8) Jarvis Island, (9) American Samoa, and (10) other U.S. islands, cays, and reefs that are not part of the 50 states. It does not include Guam, the Northern Mariana Islands, the U.S. Virgin Islands, and Puerto Rico. Each of these areas has its own separate and independent tax system, generally modelled after that of the United States. U.S. citizens residing in them are liable for payment of taxes imposed on them by the possession.

The last study was for Tax Year 1974. Shown in Figure 9 are selected statistics resulting from that study. Plans are to conduct the next study in 1983 and then studies every four years thereafter. These studies will tabulate data described previously with selected data from related Forms 1040, U.S. Individual Income Tax Returns, and Forms W-2, Wage and Tax Statements. The information obtained will be presented in future publications.

NONRESIDENT ALIEN INCOME AND TAX WITHHELD

The Internal Revenue Code requires that certain income paid by U.S. persons to nonresident aliens be taxed by withholding. A nonresident alien is defined as an individual whose residence is not within the United States and who is not a U.S. citizen. Corporations, estates, trusts, and other organizations created outside the United States are also considered nonresident aliens.

A U.S. individual or organization that pays income to a nonresident alien reports information on the gross income paid and the tax withheld at the source on such income [35]. Also, information on the type of income paid, the applicable withholding rate, type of recipient and the legal residence of the recipient is provided.

The basic tax rate on the income, which is primarily "fixed or determinable" income (i.e., interest, dividends, rents, and the like), is 30 percent. However, tax treaties with particular countries may provide for lower tax rates or exemptions for specific types of otherwise taxable income [36]. Past studies indicate that the amount of income paid to nonresident aliens residing in "treaty" countries was substantially

Figure 9. -- Total Gross Income and Its Components, by U.S. Possessions, 1974
(money amounts are in thousands of dollars)

U.S Possessions	Number of Forms 4563 Filed	Total Gross Income	Gross Income Exempt from U.S. Taxation		Gross Income Earned Within U.S.
			Income from Possessions	Income Outside U.S. and Possessions	
U.S. possessions, total....	604	9,554	9,136	15	403
American Samoa...........	150	2,244	2,185	3	56
Johnston Island..........	302	3,729	3,514	6	109
Midway Island............	12	112	107	-	5
Panama Canal Zone *......	88	2,831	2,722	6	103
Wake Island..............	52	639	608	**	31

* Panama Canal Zone is no longer a U.S. possession.
** Amount less than $500.
NOTE: Detail may not add to total due to rounding.

greater than that paid to nonresident aliens residing in "nontreaty" countries [37].

Most payments went to individuals, although the size of the payments were less than those made to corporations. As one would probably expect, dividends and interest represented the majority of income paid. Figure 10 shows gross income paid and tax withheld classified by country of recipient.

INTERNATIONAL BOYCOTT REPORTS

The Tax Reform Act of 1976 added provisions to the Internal Revenue Code (IRC) denying certain benefits to taxpayers who participated in or cooperated with an international boycott. In addition, these provisions contained reporting requirements for any U.S. person that had operations in, or related to, a boycotting country either directly, or indirectly such as through ownership of a foreign corporation that had operations in a boycotting country [38].

Boycott participation and cooperation can apply to a particular country, nationality, race, or religion, and includes most business activity and transactions. (Most boycotts are related to the boycott of Israel.) The boycott provisions of the IRC require the Secretary of the Treasury to publish a list of those countries, (first published on November 3, 1976), which may require participation in, or cooperation with, an international boycott [39]. The taxpayer may also request the Secretary to issue a determination whether a particular operation constitutes participation in, or cooperation with, an international boycott.

A U.S. taxpayer who actually participates in a boycott will lose certain foreign tax credit benefits, the deferral of tax on the earnings of foreign subsidiaries, and certain DISC tax benefits. Of course, if a taxpayer does not have any foreign tax credits, an interest in a Controlled Foreign Corporation, or an interest in a DISC, there is no tax impact by the participation in an international boycott [40].

In general, the boycott provisions allow the taxpayer to choose between two methods for computing the amount of tax benefits lost. These methods are the "specifically attributable income and taxes" method and the "international boycott factor" method. Under the former, the foreign tax credit benefits are denied by reducing the amount of taxes eligible for foreign tax credit. Under the latter, the allowable foreign tax credit itself is reduced. The DISC benefits and the deferral of the earnings and profits of a Controlled Foreign Corporation are denied under both methods by requiring a deemed distribution of earnings to the shareholders of the DISC or Controlled Foreign Corporation.

The number of persons filing Boycott Reports and the tax effect of international boycott participation for 1979 and 1980 are presented in Figure 11. These data are provided to the Office of Tax Analysis, Treasury Department, for their report, "The Operation and Effect of the International Boycott Provisions of the Internal Revenue Code."

Most of the boycott information will be tabulated for Tax Years 1982, 1986, and 1990 (a 4-year cycle). For the years in between, information will be obtained from returns that showed a denial of tax benefits (approximately 100 returns). For all other returns, only a count will be made. Articles for the SOI Bulletin on boycott participation are planned beginning with Tax Year 1982.

Figure 10. -- Number of Forms 1042S Filed, Gross Income Paid and Tax Withheld, by Selected Country of Recipient, 1981
(money amounts are in millions of dollars)

Country	Number of Forms 1042S Filed	Income Tax Withheld	Gross Income Paid		
			Total	Interest	Dividends
All countries...	575,207	727	9,561	3,365	4,269
Bahamas...........	1,886	7	39	3	18
Belgium...........	11,870	15	118	24	62
Bermuda...........	1,522	13	52	19	19
Canada............	258,241	115	1,238	487	365
France............	13,091	51	650	180	307
Germany, Federal Republic.	47,355	26	622	192	109
Hong Kong.........	9,605	9	34	5	27
Italy.............	6,936	7	48	14	13
Japan.............	5,630	39	520	158	103
Luxembourg........	2,588	5	58	20	27
Mexico............	8,576	8	31	6	12
Netherlands.......	9,706	88	1,340	200	1,059
Netherlands Antilles.........	1,857	27	1,400	1,037	329
Panama............	2,531	11	46	11	27
Saudi Arabia......	1,593	1	211	207	3
Sweden............	4,867	3	46	8	13
Switzerland.......	19,845	126	1,204	349	710
United Arab Emirates.........	530	*	48	2	25
United Kingdom....	65,524	99	1,357	326	798
Other countries...	101,450	77	499	117	243

*Less than $500,000.
NOTE: All Forms 1042S are included in these statistics.

Figure 11. -- Number of Boycott Reports, and Tax Effect of International Boycott Participation, 1979-1980
(money amounts are in thousands of dollars)

Item	1979	1980
All persons, total:		
Number of boycott reports................	3,197	3,413
Number of returns indicating a tax effect.	101	88
Reduction in foreign taxes eligible for a foreign tax credit *..............	6,563	3,850
Reduction of foreign tax credit **........	656	2,128
Subpart F boycott income.................	11,688	7,943
DISC boycott income......................	1,496	830
Corporations (including DISC's):		
Number of boycott reports................	2,892	3,090
Number of returns indicating a tax effect.	101	88
Reduction in foreign taxes eligible for a foreign tax credit *.............	6,563	3,850
Reduction of foreign tax credit **.......	656	2,128
Subpart F boycott income.................	11,688	7,943
DISC boycott income......................	1,496	830
Number of boycott reports for other types of persons:		
Individuals..............................	153	142
Partnerships.............................	120	142
Trusts and others........................	32	39

* Represents the reduction in foreign taxes eligible for a foreign tax credit computed under the "specifically attributable taxes and income" method.
** Represents the reduction in foreign tax credit computed using the "international boycott factor" method.

FOREIGN TRUSTS

U.S. persons are required to furnish information on the creation of a foreign trust or transfers of property to existing foreign trusts [41]. A trust generally is real or personal property administered by a person for the benefit of someone else. Whether a trust is classified as a foreign trust for U.S. tax purposes depends on various factors, such as the residence of the trustee, the location of the trust assets, the country under whose laws the trust is created, and the nationality of the grantor (creator or owner of the trust), and the nationality of the beneficiaries (persons receiving the income and corpus, i.e., assets, from the trusts).

For tax purposes, a foreign trust is taxable only on its U.S. source income (unless such income is effectively connected with a U.S. trade or business) and its beneficiaries only on distributed or distributable income. Distributions of income (i.e., dividends and interest), received by U.S. taxpayers from the foreign trust, are taxed basically in the same manner as distributions from domestic sources.

Prior to 1976, foreign trusts, which had only foreign source income, could allow income (if not distributed) to accumulate free of U.S. tax; and, if funds were accumulated in countries that did not tax interest or dividends paid to foreign investors, these trusts were generally able to avoid payment of any income tax. U.S. source passive income such as dividends and interest was subject to U.S. tax at a flat withholding rate of 30 percent, unless a tax treaty set a lower rate.

The Tax Reform Act of 1976 provided new rules to tax the income of foreign trusts. This income is now taxed to the U.S. grantor (owner) in the year it is earned if the funds are accumulated for U.S. beneficiaries. These new rules were effective for taxable years beginning in 1976 and applied to foreign trusts created, and to property transfered to such trusts, after May 21, 1974.

In those instances where the income of a foreign trust was not taxed to the grantor (if the grantor is a foreign person), the 1976 Act provided for an interest charge of 6 percent on the U.S. beneficiaries receiving taxable accumulated distributions from a foreign trust. The tax is based upon the length of time during which that tax was deferred because of the trust's accumulation of income. This interest charge applied to distributions made in taxable years of beneficiaries beginning in 1977. In addition, the excise tax imposed on transfers of appreciated property to foreign trusts was increased from 27.5 percent to 35 percent on property transfers made after October 2, 1975.

Figure 12 shows that for the years 1979 - 1982, most of the trusts created were by individuals and the dollar value of the transfer of assets to the trusts fluctuated substantially.

NONRESIDENT ALIEN ESTATES

A nonresident alien decedent was an individual who was neither a resident in nor a citizen of the United States at the time of death, but who owned property in the United States and whose estate is liable for tax [42].

The gross estate of a nonresident alien may include property located both inside and outside the United States. However, for U.S. estate tax purposes, the tax liability is based only on property situated in the United States [43]. Further, the tax liability is placed upon the estate itself, and not the beneficiaries of the estate.

In general, the personal representative, such as an executor, must file an estate tax return if the decedent's gross U.S. estate value exceeds $60,000 at the date of death. (This filing limit of $60,000 is lowered in certain instances.) This form is filed usually within 9 months after the date of death, with the IRS Philadelphia Service Center. The 9-month filing period may be extended for certain reasons (in particular, due to the deliberate nature of estate settlement procedures).

A study of all estate tax returns filed for nonresident aliens who became deceased during calendar year 1982 is in progress. The data (which will include value and types of estate property, expenses, and estate tax) will be classified by country of residence at the time of death and by size of gross estate both within and outside the United States [44].

Figure 12. -- Number of Forms 3520 Filed by Individuals and Value of Assets Transferred, 1979-1982

Item	1979	1980	1981	1982
Total number of Forms 3520........................	298	328	351	338
Individuals filing, total......................	297	322	342	324
Grantor....................	194	242	253	216
Transferor.................	72	69	70	63
Grantor/transferor *.......	29	12	17	35
	(thousands of dollars)			
Value of assets transferred.....	3,489	15,631	5,118	9,756

* Number of Forms 3520 with both grantor and transferor indicated as type of person filing returns.

Figure 13. -- Future Studies Planned for the Foreign Area in the Statistics of Income Division, Internal Revenue Service, 1982-1990

Foreign Area Studies	Tax Year								
	1982	1983	1984	1985	1986	1987	1988	1989	1990
Corporation Foreign Tax Credit	x	-	x	-	x	-	x	-	x
Controlled Foreign Corporations	x	-	x	-	x	-	x	-	x
U.S. Possessions Tax Credit	x	x	-	x	-	x	-	x	-
Excluded Income from U.S. Possessions	-	x	-	-	-	x	-	-	-
Foreign Trusts	x	-	-	-	x	-	-	-	x
Nonresident Alien Estates	x	-	-	-	x	-	-	-	x
International Boycott Participation	x	1/	1/	1/	x	1/	1/	1/	x
Nonresident Alien Income and Tax Withheld	x	x	x	x	x	x	x	x	x
Domestic International Sales Corporations	x	x	x	x	x	x	x	x	x
Individual Foreign Tax Credit	-	x	-	-	-	x	-	-	-
Foreign Corporations (Form 1120F) 2/	x	x	x	x	x	x	x	x	x
Domestic Corporations 50% or More Foreign Owned 2/	x	x	x	x	x	x	x	x	x
Foreign Earned Income (Form 2555)	-	x	-	-	-	x	-	-	-

1/ Limited to approximately 100 returns which show a denial of tax benefits.
2/ Tabular data are prepared for transmittal to the Office of Tax Analysis, Department of the Treasury.

SOURCE: Office of Assistant Commissioner, Returns and Information Processing, "Proposed Multi-year Operating Plan, Statistics of Income Division, FY 1984-1990," March 1984.

PLANS FOR FUTURE STUDIES

This paper has provided a description of the current SOI foreign statistics at some length and presented statistics based on prior and current year studies.

Additionally, Figure 13 above shows the present plans of the SOI Division to continue on a cyclical basis various studies in the area of international income and taxes. Additional research may also be made in the future into certain new foreign activities reported on tax returns. For example, IR Code Section 6038A added by the Tax Equity and Fiscal Responsibility Act of 1982 requires that information be filed by certain foreign-based corporations beginning in 1983. Both domestic corporations and foreign corporations, except banks and certain financial companies, doing business in the United States which are controlled by foreign persons and have certain "reportable" transactions will generally have to provide financial data on annual returns on such foreign persons that is similar to the data required for domestic corporations controlling foreign corporations.

Areas for other studies are also planned. The SOI Division will compare its different data bases to develop greater insight into the international area. Further, the Division plans to commit certain resources to research other government (and perhaps private) sources of foreign area data. The purpose of this research would be to compare the various data sets with SOI data for similarities, differences and other relationships. It may allow both data sets to be joined together providing additional data and information not presently available. The results may be published in future ASA papers.

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NOTES AND REFERENCES

[1] See Gianelos, Arthur, and Hobbs, James, "Statistics of Income Studies of International Income and Taxes: An Overview," 1984 American Statistical Association Proceedings, Section on Survey Research Methods for an overview of the international operations of U.S. corporations abroad and operation of foreign corporations and interests in the United States.

[2] Details on the various programs including information regarding such processing steps as the sample selection of returns, editing of returns (or data entry), transcription, programming and systems analysis and testing of the data and correction procedures used, are briefly described in the SOI Division's, Proposed Multi-Year Operating Plan, FY 1984 - 1990, volume I.

[3] Owens, Elisabeth A., The Foreign Tax Credit, The Law School of Harvard University, Cambridge, Massachusetts, 1961, page 20.

[4] For example, The Revenue Act of 1932 required the taxpayer to elect to take the credit rather than a deduction for foreign tax.

[5] Form 1118, Computation of Foreign Tax Credit, is filed in support of the credit claimed and provides the source of the data on foreign income and taxes. For additional detail on the foreign tax credit study, see States, William, "Corporate Foreign Tax Credit, 1980: An Industry Focus," SOI Bulletin, volume 4, number 1, Summer 1984, pp. 63-84.

[6] A third-tier foreign tax credit was added to dividends constructively received for deemed paid foreign tax credit in 1977. Prior to this, only first and second-tier foreign corporations were used for constructive dividend distributions.

[7] Form 2952, Information Return with Respect to a Controlled Foreign Corporation, is required to be filed for each foreign corporation a U.S. person controls. Also, beginning in 1982 a new Form 5471 will substitute for Form 2952 providing additional data.

[8] Gifford, W.E. and Owens, E.A., International Aspects of U.S. Income Taxation - Part III; Taxation of U.S. Citizens and Residents and Domestic Corporations on Foreign Source Income, International Tax Program, Harvard Law School, Cambridge, Massachusetts, 1982, page 118.

[9] Ibid., page 362.

[10] Gianelos, Arthur, and Sutton, William, "Controlled Foreign Corporations, 1980," SOI Bulletin, volume 3, number 4, Spring 1984, pp 37-57.

[11] See Gianelos, Arthur, and Hobbs, James, "Statistics of Income Studies of International Income and Taxes: An Overview," in this volume for a discussion of DISC and U.S. exports.

[12] The property is usually acquired from its parent corporation or an affiliated corporation unless the DISC acts as a commission agent.

[13] For a discussion of intercompany pricing methods, see Hartzok, Jeffrey, "Domestic International Sales Corporation - 1980," SOI Bulletin, volume 3, number 2, Fall 1983, pages 12-14. For definitions of terms applicable to DISC, also see Internal Revenue Service, Statistics of Income - 1972-74, International Income and Taxes, Domestic International Sales Corporation Returns, Washington, D.C., 1980, pages 145-161.

[14] U.S. Department of the Treasury, The Operation and Effect of The Domestic International Sales Corporation Legislation, 1981 Annual Report, page 5.

[15] See International Boycott Participation in this paper.

[16] Certain foreign corporations incorporated in Mexico or Canada that are wholly owned by U.S. corporations may under certain circumstances and options of the U.S. corporation, be treated as domestic corporations. Also, under the Foreign Investment in Real Property Act of 1980, relating to taxation of gains from the disposition of real estate, a foreign corporation can elect to be taxed as a domestic corporation. See Zimmerman, Neal W., and Hickey, G.P., "Foreign Investment in U.S. Real Estate Reporting Requirements," The Tax Advisor, April 1983.

[17] Howenstein, Ned, and Fouch, Gregory, "Foreign Direct Investment in the United States in 1981," Survey of Current Business, volume 62, number 8, August 1982, pp. 30-42.

[18] These foreign corporations with income derived from foreign sources must file Form 1120F, U.S. Income Tax Return of a Foreign Corporation. This form contains information for income types derived from U.S. sources that are not "effectively connected" with the conduct of trade or business within the U.S., and income and deductions from U.S. sources that are "effectively connected" from conduct of a trade or business within the U.S.

[19] However, if a foreign corporation generates foreign source income that is effectively connected with its U.S. business then that foreign source income will also be subject to U.S. tax.

[20] See Gianelos, Arthur, and Hobbs, James, "Statistics of Income Studies of International Income and Taxes: An Overview," 1984 American Statistical Association Proceedings, Section on Survey Research Methods.

[21] Ibid.

[22] Szeflinski, Kenneth, "U.S. Possessions Corporation Tax Credit, 1980," SOI Bulletin, volume 2, number 4, Spring 1983, pp. 41-45.

[23] Department of Treasury, The Operation and Effect of the Possessions Corporation System of Taxation, Fourth Report, February 1983, page 130. Most possessions corporations are engaged in manufacturing operations.

[24] These corporations represent those having a U.S. possessions tax credit. It does not include U.S. possessions corporations that were either inactive or reported a loss from their operations. The basis of the data are Forms 5735, Computation of Possessions Corporations Tax Credit.

[25] Szeflinski op. cit., page 43, and Department of the Treasury, The Operation and Effect of the Possessions Corporation System of Taxation, First Annual Report, June 1978, for a discussion of the impact upon Puerto Rico and other U.S. possessions.

[26] A U.S. citizen who is a partner in a partnership can take as a foreign tax credit the proportionate share of the foreign taxes of the partnership. Foreign tax credits are also allowed to shareholders of regulated investment companies as if the shareholders were the direct owners of foreign corporations in the investment company portfolio. Finally, shareholders of registered foreign investment companies that elect to distribute income currently may claim foreign tax credits under certain cases.

[27] Form 1116, Computation of Foreign Tax Credit, is filed by individuals claiming a foreign tax credit as part of their individual income tax returns.

[28] The ten countries are Canada, South Africa (including South West Africa), United Kingdom, Puerto Rico, Netherlands, Israel, Switzerland, Japan, Saudi Arabia, and West Germany.

[29] Data for this study are based on Forms 2555, Foreign Earned Income, attached to individual income tax returns. The data are generally classified by size of adjusted gross income (AGI) and by country where the income is earned. See also, Statistics of Income - 1976-1979, Foreign Income and Taxes Reported on U.S. Income Tax Returns, U.S. Government Printing Office, Washington, D.C., 1982, pp. 13-15 for a description of the sample and limitations of the data.

[30] For taxable years beginning before 1982, a U.S. citizen working abroad, who was not a bona fide resident, had to be physically present in a foreign country for 17 out of 18 months in order to qualify for the foreign earned income provisions.

[31] See Internal Revenue Service, Statistics of Income - 1977, 1978, Individual Income Tax Returns, for a summary of the law changes for those years.

[32] Hoff, Citizens and Resident Aliens Employed Abroad, 13-3rd Tax Management.

[33] The applicable period only includes those periods during the 3-year period immediately preceding the end of the tax year that the individual was employed or engaged in a trade or business in the U.S. possession.

[34] U.S. citizens, who qualify for the possessions exclusion income must file Forms 4563, Exclusion of Income from Sources in United States Possession, attached to their U.S. individual income tax returns (Forms 1040).

[35] This information is reported on Form 1042S, Income Subject to Withholding under Chapter 3, Internal Revenue Code. These forms are filed with Forms 1042, U.S. Annual Return of Income Tax to be Paid at Source, which identifies the tax liability of the withholding agent.

[36] It should be noted that if income is paid to a foreign nominee or fiduciary, additional withholding is often required and is held by the government in the country of the nominee or fiduciary.

[37] For statistics on the number of Forms 1042S filed, income paid and tax withheld by tax treaty and nontreaty countries, see Carson, Chris, "Nonresident Alien Income and Tax Withheld, 1980 and 1981," SOI Bulletins, vol. 2, number 1, and vol. 3, number 1.

[38] All U.S. persons who know, or believe, that they have conducted business in, or related to, a boycotting country, or with a national of a boycotting country, must report those operations. The information required is reported on Forms 5713, International Boycott Reports, which is the source of the data.

[39] Since April 1, 1980, the listed countries have been Bahrain, Iraq, Jordan, Kuwait, Lebanon, Libya, Oman, Qatar, Saudi Arabia, Syria, the United Emirates, Yemen Arab Republic, and the Peoples Democratic Republic of Yemen. Prior to this, the list contained Egypt in addition to the countries above.

[40] However, he may be subject to a fine under provisions of the Export Administration Act.

[41] Forms 3520, Creation of, or Transfers to, Certain Foreign Trusts, provides the basis for the statistics presented. These forms must be filed by any U.S. person creating a foreign trust or transfering property to a foreign trust. Forms 3520A, Annual Return of a Foreign Trust with U.S. Beneficiaries, provides balance sheet and profit and loss statement information of foreign trusts with one or more U.S. beneficiaries and the countries under whose law the trusts were formed.

[42] Forms 706NA, United States Estate Tax Returns, are used to compute estate tax liability for nonresident alien decedents.

[43] Also included in the estate is certain property transferred by the decedent before death. However, excluded from the estate are life insurance contracts,

certain bank accounts in the United States, and deposits with foreign branches of U.S. banks.

[44] Preliminary estimates based on approximately 180 Forms 706NA indicate that the average taxable estate for a nonresident alien who died in 1982 is $222,395, and the average estate tax is $20,782. The SOI Division is continuing to receive additional Forms 706NA for this 1982 study.

SUPPLEMENTAL REFERENCES

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Contents

The corporate foreign tax credit, which was established as part of the Revenue Act of 1918, has been used to alleviate the consequences of double taxation. In general, the United States has imposed an income tax on the worldwide income of U.S. corporations. When part of this income was derived from foreign sources, the foreign income was also typically subject to tax by the country in which it was earned. The result of this would be double taxation. In order to ease this tax burden, the Internal Revenue Code has allowed corporations a credit (i.e., the "foreign tax credit") against U.S. income tax for the income taxes paid or accrued to foreign countries, up to a limit. (Instead of a credit, corporations could choose to deduct the foreign taxes for purposes of determining their U.S. taxable income.) Summary discussions of this credit, with historical data, are presented in two papers contained in Section 1 of this compendium. These papers are entitled "Statistics of Income Studies of International Income and Taxes: An Overview (page 3) and A Brief Description of the Studies (page 9)."

This section provides detailed analyses of the credit in reprints of three previously published Statistics of Income Bulletin articles. In addition, the section includes a supplemental table showing foreign tax credit data for Tax Year 1980, cross-classified by industry and country. This table has not been previously published.

Data showing the aggregated amount of foreign tax credit claimed on corporation income tax returns, for Tax Years 1980-1982, are shown in Figure 1.

Figure 1. -- Foreign Tax Credit Claimed on Corporation Income Tax Returns, 1980-1982
(money amounts are in thousands of dollars)

Tax year*	Number of returns	Foreign tax credit
1980	6,199	$24,879,737
1981	6,132	21,828,686
1982	4,927	19,137,201

*Data for Tax Year 1980 are from the Corporation Foreign Tax Credit study. Data for Tax Years 1981 and 1982 are from the Corporation Income Tax Returns studies.

Section 15 of this compendium contains copies of selected tax forms and instructions. In regard to the corporate foreign tax credit, the reader is referred to the forms and instructions listed below, which provided the basis of the data shown in this compendium:

* Form 1118, Computation of Foreign Tax Credit, Corporations, and Instructions (page 454)
* Schedule F (Form 1118), Computation of Reduction of Oil and Gas Extraction Taxes, and Instructions (page 458)
* Form 1120, U.S. Corporation Income Tax Return, and Instructions (page 459)

Foreign Income, Taxes and Credit on U.S. Corporation Returns, 1978

By Vergie Mose*

For Income Year 1978, corporations reduced their tentative U.S. income tax of $107.9 billion by more than $26 billion by using the foreign tax credit provisions of U.S. tax law. These provisions allowed a credit against the portion of U.S. income tax attributed to foreign source income for income taxes paid [1] to foreign countries. U.S. corporations primarily engaged in petroleum-related activities were the principal users of the foreign tax credit provisions. These corporations claimed $17.1 billion in foreign tax credits which reduced their total U.S. corporate income tax from $21.8 billion to $4.7 billion, or 22 percent of what would otherwise have been their liability.

BACKGROUND

The foreign tax credit was designed to alleviate the double taxation that can occur for U.S. taxpayers with international sources of income because their foreign source income is typically subject to foreign as well as U.S. tax. For the purpose of computing a foreign tax credit for corporations, foreign source taxable income includes such items as foreign branch profits and dividends [2], interest and royalties remitted from foreign corporations. The foreign tax credit is subtracted from the U.S. tax on worldwide income to compensate for taxes paid to foreign countries on the foreign source income.

The amount of foreign tax credit that corporations could claim was subject to certain limitations. Beginning in 1976, corporations were required to compute the credit limitation on an overall basis, rather than country by country. They also were required to allocate their foreign income into five categories or "types of foreign income" [3]. For each type of foreign income reported, the foreign tax credit was limited to the smaller of the amount of foreign taxes available for credit or the portion of the U.S. tax imposed on that type of foreign source taxable income. The total foreign tax credit claimed was the sum of these separate types of income credits. In certain instances, the total foreign tax credit was reduced because U.S. corporations participated in international boycotts [4].

FOREIGN ACTIVITY FOR ALL CORPORATIONS

For 1978, foreign source taxable income amounted to $65.2 billion for all corporations which claimed a foreign tax credit and filed supporting schedules for the credit. This amount was 46 percent of their $141.7 billion of total taxable income (both domestic and foreign source income).

The importance of foreign source taxable income for those corporation returns with total assets of $250 million or more is shown in Figure A. The foreign source taxable income for this group of large corporations accounted for 96 percent of total foreign source taxable income for all corporations, and 26 percent of total corporate taxable income, for 1978.

These same large companies reported $39.6 billion of foreign taxes paid. This was 97 percent of the foreign taxes paid by all corporations for 1978.

The importance of these large companies on the total amount of foreign tax credit claimed for all corporations from 1972 through 1978 is shown in Figure B. These large corporations comprised over 91 percent of the total foreign tax credit for each of the years shown, with a high of 97 percent for 1978.

Finally, the foreign tax credit of $25.5 billion offset 42 percent of the $61.0 billion of U.S. corporate tax reported on returns with total assets of $250 million or more. This compares to only $900 million of foreign tax credit, or less than 2 percent of the $46.9 billion of U.S. corporate tax, reported by smaller companies. Figure C shows foreign tax credit data as related to the U.S. corporate tax.

FOREIGN ACTIVITY OF PETROLEUM CORPORATIONS

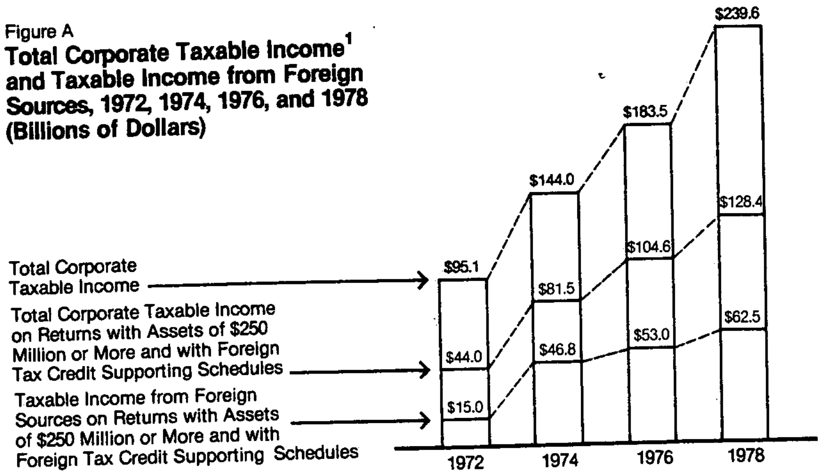
The foreign operations of U.S. corporations with total assets of $250 million or more that were primarily engaged in petroleum-related activities (oil and gas extraction and refining) have historically had the greatest impact on foreign income and tax data. As shown in Figure D, these corporations reported over one half of the total foreign source taxable income, more than three quarters of the total foreign taxes paid and more than two thirds of the foreign tax credit claimed by all large corporations. The impact of corporations primarily engaged in these industrial activities has become more pronounced since 1973 when Statistics of Income data first reflected the sharp rise in the world price of oil. Since that year corporations with operations in the Middle East have accounted for the major portion of all foreign income and taxes paid, and foreign tax credit claimed.

The foreign operations of U.S. corporations primarily engaged in petroleum-related activities have historically generated significantly more taxable income than their domestic operations. Foreign source taxable income accounted for 93 percent of the $7.2 billion in worldwide taxable income for 1972. Even with an increase in domestic taxable income, foreign source taxable income accounted for 84 percent of the $42.7 billion in worldwide taxable income for 1978.

Taxes paid to foreign governments far exceeded the allowable foreign tax credit. The largest portion of total foreign taxes paid were taxes paid on foreign income from oil and gas extraction. Those U.S. corporations primarily engaged in petroleum-related activities paid $18 billion in foreign taxes on $22.3 billion of foreign income from oil and gas extraction for 1978, or nearly half of the total $40.7 billion in foreign taxes paid by all U.S. corporations which claimed a foreign tax credit and filed supporting schedules for the credit. However, beginning in 1976, U.S. corporations were not allowed to include all of the taxes paid on foreign oil and gas extraction taxable income in the computation of their foreign tax

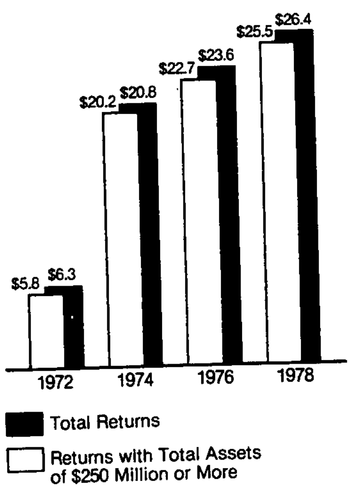
*Foreign Returns Analysis Section. Prepared under the direction of James R. Hobbs, Chief.

Figure A
Total Corporate Taxable Income[1] and Taxable Income from Foreign Sources, 1972, 1974, 1976, and 1978 (Billions of Dollars)



[1]Equals Income Subject to U.S. Tax in the Tables.

Figure B
Amount of Foreign Tax Credit Claimed, 1972, 1974, 1976, and 1978 (Billions of Dollars)



credit. Those taxes excluded from the computation of the foreign tax credit were taxes in excess of the U.S. tax rate applicable to the foreign oil and gas extraction taxable income. For 1978, corporations primarily engaged in petroleum-related activities were required to exclude $7.5 billion of foreign taxes paid on foreign oil and gas extraction taxable income. Thus, the foreign oil and gas extraction taxes in excess of 48 percent of the foreign oil and gas extraction taxable income, were reduced to the 48 percent rate, which was equivalent to the basic U.S. corporate tax rate for 1978.

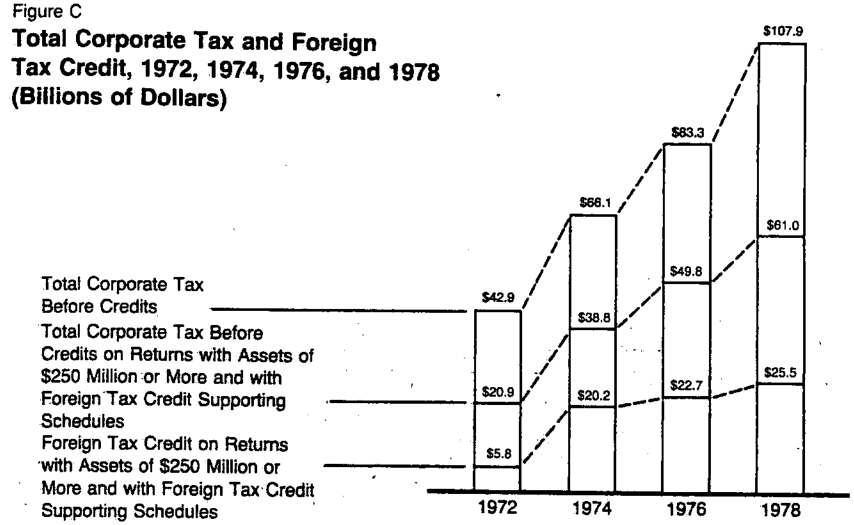
In 1978, large corporations primarily engaged in petroleum-related activities generated 84 percent of their $42.7 billion of worldwide taxable income, or $35.7 billion, from foreign operations and only 16 percent, or $7.0 billion, from their domestic operations. The U.S. income tax on the foreign income was almost completely offset by $16.9 billion in foreign tax credits, leaving a net U.S. tax of $3.4 billion, almost entirely on domestic income.

DATA SOURCES AND LIMITATIONS

The foreign tax credit is claimed under section 901 of the Internal Revenue Code. Corporations which claim a foreign tax credit provide supporting foreign income and tax data on the Form 1118, "Computation of Foreign Tax Credit - Corporations," attached to the U.S. income tax return. Forms 1120, 1120F, 1120L, and 1120M were the sources for the foreign tax credit data. The Form 1118 was the source of the foreign income and tax data for this article. Taxable income reported from foreign sources (including U.S. possessions) is defined under U.S. tax law. However, foreign taxes paid are defined by the tax statutes of the foreign countries (including U.S. possessions).

A certain amount of undercoverage of foreign income and tax data is attributable to various reasons. Less than one percent of the total foreign tax credit was claimed by U.S. corporations which did not provide foreign income and tax data to support the foreign tax credit claimed. Some corporations with foreign income and taxes operated at a deficit and had no U.S. tax liability and consequently could not claim a foreign tax credit. Data from such returns were excluded from this study. Corporations can choose to treat foreign taxes paid as a deduction from gross income as an alternative to the foreign tax credit on their U.S. income tax returns. However, because it is generally more advantageous to claim a credit against tax rather than reduce income by a deduction, it is probable that the number of corporations taking the deduction, as well as the foreign income and taxes involved, were negligible.

Figure C
Total Corporate Tax and Foreign Tax Credit, 1972, 1974, 1976, and 1978 (Billions of Dollars)



Data were derived from the unaudited returns of corporations which claimed a foreign tax credit that were included in the sample used for the 1978 returns contained in Statistics of Income--1978-1979, Corporation Income Tax Returns. The foreign tax credit claimed can be subject to change during audit when the acceptability of the foreign income and taxes reported for purposes of this credit is determined. Additionally, some corporations provided preliminary foreign income and tax data with their U.S. tax returns because not all the information on their foreign operations was available at the time the U.S. income tax return was filed.

Returns with total assets of $250 million or more accounted for virtually all of the foreign tax credit reported on corporation income tax returns. Because these returns were sampled at the 100 percent rate, data from them are not affected by sampling variability.

Statistical studies on the foreign income and tax data of U.S. corporations which claim a foreign tax credit are conducted biennially in even years. A more complete explanation of the limitations of these data, and explanations of the terms used and applicable law changes, can be found in Statistics of Income--1976 - 1979, Supplemental Report, International Income and Taxes, Foreign Income and Taxes Reported on U.S. Income Tax Returns and in Statistics of Income--1974, Supplemental Report, International Income and Taxes, Foreign Tax Credit Claimed on Corporation Income Tax Returns.

NOTES AND REFERENCES

[1] "Taxes paid" include taxes paid, accrued, and deemed paid.

[2] Includes dividends constructively received, i.e., certain undistributed profits of foreign subsidiaries under specially defined circumstances and dividend gross-up resulting from taxes deemed paid by U.S. parent corporations. Taxes were considered deemed paid upon actual or constructive receipt of a dividend from a related foreign corporation of which the U.S. corporation owned at least 10 percent of the voting stock.

[3] The five types of foreign income were: Section 904(d) Interest Income, Dividends from a DISC or Former DISC, Foreign Oil Related Income and All Other Income from Sources Without the U.S.

[4] Department of Treasury, The Operation and Effect of the International Boycott Provisions of the Internal Revenue Code - Third Report, May 1982.

Figure D.--Returns With Total Assets of $250 Million or More and With Foreign Tax Credit Supporting Schedules: Number of Returns, Foreign Income, Taxes, and Credit by Selected Industry, 1976 and 1978

[Money amounts are in millions of dollars]

Selected industry	Number of returns		Taxable income from all sources		Taxable income from foreign sources	
	1976	1978	1976	1978	1976	1978
	(1)	(2)	(3)	(4)	(5)	(6)
All industrial divisions	760	878	104,585	128,391	52,980	62,486
Mining	21	23	28,100	26,512	27,528	25,878
Oil and gas extraction	12	18	27,507	26,141	27,204	25,734
Manufacturing	372	418	58,295	75,540	19,306	26,268
Petroleum (including integrated) and coal products	20	22	16,072	16,555	8,658	10,000
Transportation and public utilities	45	50	6,414	9,339	275	751
Wholesale and retail trade	42	53	3,412	4,082	1,444	1,230
Finance, insurance, and real estate	256	307	7,556	11,587	4,080	7,914

Selected industry	U.S. tax before credits		Foreign taxes paid		Foreign tax credit claimed	
	1976	1978	1976	1978	1976	1978
	(7)	(8)	(9)	(10)	(11)	(12)
All industrial divisions	49,788	60,965	38,310	39,587	22,717	25,452
Mining	13,493	12,671	25,892	24,025	13,162	12,321
Oil and gas extraction	13,205	12,516	25,747	23,974	13,022	12,270
Manufacturing	27,597	35,693	10,490	13,442	7,957	11,210
Petroleum (including integrated) and coal products	7,637	7,808	6,528	6,870	4,070	4,664
Transportation and public utilities	3,089	4,527	90	199	83	209
Wholesale and retail trade	1,631	1,930	968	788	631	517
Finance, insurance, and real estate	3,593	5,516	767	993	771	1,066

All Corporation Returns With Foreign Tax Credit, 1978

Table 1. — Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry

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

Table 1. — Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry — Continued

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

Major industry	U.S. income tax before credits: Total	U.S. income tax before credits: U.S. normal tax surtax and alternative tax	Foreign tax credit claimed	U.S. possessions tax credit	Investment credit	Work incentive (WIN) credit	Jobs credit	U.S. income tax after credits	Foreign income and taxes reported on Form 1118 — Gross income excluding branch operations and specially allocable income (less loss): Total	Foreign income and taxes reported on Form 1118 — Gross income excluding branch operations and specially allocable income (less loss): Dividends
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
All industries	67,612,312	67,217,374	26,357,629	114,889	6,978,326	8,837	158,067	33,994,560	88,471,154	11,234,228
Agriculture, forestry, and fishing	*48,105	*47,801	*13,210	—	*2,825	—	*434	*31,636	*36,783	*8,232
Mining	12,961,042	12,933,613	12,512,804	—	84,855	21	2,237	361,125	40,095,945	148,461
Metal mining	*131,277	*112,608	*63,516	—	*24,709	*21	*200	*42,831	*312,059	*93,799
Coal mining	28,066	23,566	1,662	—	7,445	—	276	16,683	4,004	7
Oil and gas extraction	12,762,553	12,759,312	12,445,728	—	45,440	—	1,512	269,874	39,775,437	54,355
Nonmetallic minerals, except fuels	39,145	38,126	1,899	—	7,261	—	248	29,736	4,444	299
Construction	319,841	317,596	116,160	32	34,735	5	4,110	164,798	1,399,659	85,374
General building contractors and operative builders	115,906	114,713	47,271	—	8,543	4	2,827	57,261	1,000,783	30,577
Heavy construction contractors	178,307	177,313	64,748	—	24,298	—	688	88,574	352,131	51,886
Special trade contractors	25,628	25,569	4,141	32	1,895	2	595	18,963	46,745	2,911
Manufacturing	40,140,573	39,913,110	11,654,365	114,856	3,724,346	8,111	97,972	24,540,923	31,597,396	10,064,933
Food and kindred products	2,490,138	2,468,962	539,536	—	221,068	212	4,043	1,725,278	1,577,391	493,381
Tobacco manufactures	877,449	875,304	49,588	—	61,405	7	421	766,027	300,003	109,181
Textile mill products	314,039	311,401	10,102	—	47,041	79	1,498	255,320	43,798	10,037
Apparel and other textile products	312,112	311,650	58,148	716	10,272	20	1,821	241,137	169,661	59,850
Lumber and wood products	544,585	532,498	20,702	—	111,981	32	1,803	410,067	65,804	30,729
Furniture and fixtures	114,475	114,203	3,134	—	6,027	11	1,196	104,107	8,490	3,116
Paper and allied products	997,446	985,411	188,575	—	136,008	61	2,341	670,462	587,300	228,077
Printing and publishing	1,187,732	1,184,683	89,113	—	56,332	23	3,809	1,039,454	267,772	72,055
Chemicals and allied products	4,652,865	4,618,173	1,156,059	68,723	459,520	119	8,355	2,960,087	3,467,538	1,324,734
Petroleum (including integrated) and coal products	7,827,924	7,808,000	4,665,179	—	669,057	38	1,395	2,492,255	9,695,325	2,452,118
Rubber and miscellaneous plastics products	479,904	477,205	112,400	—	47,915	83	3,985	315,522	462,276	150,133
Leather and leather products	127,418	127,246	2,493	—	4,257	6	700	119,962	7,234	1,019
Stone, clay, and glass products	863,607	860,614	114,947	—	121,010	88	2,533	625,028	370,150	127,093
Primary metal industries	1,453,274	1,428,102	323,530	—	272,763	353	5,114	851,513	1,192,176	240,782
Fabricated metal products	1,212,044	1,205,636	197,825	4,066	90,503	109	12,992	906,550	546,401	216,553
Machinery, except electrical	5,857,218	5,817,270	1,914,522	40,582	374,340	506	18,006	3,509,262	5,657,429	1,711,163
Electrical and electronic equipment	3,205,824	3,186,836	724,615	618	361,428	453	12,882	2,105,827	2,341,699	638,514
Motor vehicles and equipment	5,252,376	5,237,253	1,037,232	—	523,050	5,532	3,823	3,682,738	3,046,938	1,527,770
Transportation equipment, except motor vehicles	663,557	660,882	150,742	—	58,454	184	2,339	451,839	842,095	216,339
Instruments and related products	1,323,550	1,319,681	255,019	151	73,316	116	4,695	990,252	603,571	396,095
Miscellaneous manufacturing and manufacturing not allocable	383,037	382,098	41,903	—	18,601	77	4,220	318,236	144,346	54,195
Transportation and public utilities	4,688,583	4,605,377	222,436	—	2,307,067	135	6,418	2,152,528	3,126,213	195,246
Transportation	1,135,308	1,128,478	113,735	—	640,185	21	4,182	377,185	2,232,184	88,301
Communication	3,058,095	2,987,333	61,965	—	1,515,178	67	1,212	1,479,673	601,279	75,402
Electric, gas, and sanitary services	495,180	489,565	46,736	—	151,704	47	1,023	295,670	292,750	33,542
Wholesale and retail trade	2,670,084	2,655,477	594,197	—	255,550	260	14,317	1,805,761	2,213,899	360,240
Wholesale trade	1,166,806	1,159,829	478,029	—	60,735	74	8,587	619,383	1,894,210	238,292
Groceries and related products	29,464	29,225	1,271	—	1,696	—	324	26,174	9,483	851
Machinery, equipment, and supplies	171,737	170,588	16,403	—	10,405	7	2,087	142,834	116,031	8,175
Miscellaneous wholesale trade	965,606	960,016	460,354	—	48,635	67	6,176	450,375	1,768,696	229,265
Drugs, drug proprietaries and druggists' sundries	*2,880	*2,880	*161	—	*82	—	*300	*2,358	*1,357	*240
Chemicals and allied products	*17,720	*17,487	*5,904	—	*1,380	—	*350	*10,096	*10,194	*9,889
Petroleum and petroleum products	451,681	450,742	391,333	—	7,522	6	443	52,376	978,523	145,711
Other miscellaneous wholesale trade	493,325	488,906	62,957	—	39,670	60	5,063	385,555	778,621	73,425
Retail trade	1,503,277	1,495,648	116,169	—	194,814	186	5,730	1,186,378	319,689	121,949
Building materials, garden supplies, and mobile home dealers	19,579	19,542	54	—	2,509	—	186	16,739	229	—
General merchandise stores	776,417	773,269	72,361	—	84,485	47	1,273	618,252	177,641	86,380
Food stores	260,578	258,507	23,771	—	40,512	19	709	195,567	51,887	23,981
Automotive dealers and service stations	1,219	1,202	26	—	186	—	—	1,027	74	32
Apparel and accessory stores	*54,098	*54,030	*100	—	*1,893	—	*200	*51,905	*537	—
Furniture and home furnishings stores	5,670	5,663	21	—	412	—	101	5,137	283	191
Eating and drinking places	177,695	176,709	6,828	—	35,233	5	1,359	134,268	48,414	4,639
Miscellaneous retail stores	208,020	206,726	13,006	—	29,514	115	1,903	163,483	40,624	6,726
Finance, insurance, and real estate	5,934,398	5,901,127	1,103,998	—	428,752	265	20,116	4,381,263	8,721,923	269,387
Banking	1,665,897	1,650,174	767,374	—	231,829	112	9,504	657,077	6,709,895	102,584
Credit agencies other than banks	313,386	303,677	42,742	—	38,192	6	891	231,554	346,937	36,930
Security, commodity brokers and services	58,676	58,648	4,790	—	11,582	—	414	41,889	33,289	1,618
Insurance	3,464,156	3,459,856	221,016	—	128,002	147	7,116	3,107,873	1,402,939	40,966
Insurance agents brokers and services	176,200	176,037	11,867	—	3,533	—	1,158	159,642	48,703	13,420
Real estate	154,073	152,216	4,742	—	14,262	—	763	134,288	29,458	1,928
Holding and other investment companies except bank holding companies	102,009	100,519	51,466	—	1,331	—	270	48,943	150,702	71,942
Services	847,302	840,892	140,459	—	140,102	40	12,433	554,268	1,279,332	102,357
Hotels and other lodging places	*65,090	*64,317	*8,100	—	*5,958	*7	*182	*52,843	*25,213	*3,416
Personal services	*34,691	*34,120	*6,658	—	*4,752	*1	*321	*22,959	*19,307	*6,200
Business services	341,154	337,123	60,653	—	41,241	22	8,114	231,124	302,537	50,220
Auto repair; miscellaneous repair services	*28,138	*27,962	*54	—	*5,573	*3	*400	*22,108	*849	—
Amusement and recreational services	285,105	284,604	48,138	—	71,714	4	1,362	163,887	619,810	36,064
Other services	93,125	92,545	18,856	—	10,664	4	2,054	61,347	311,616	6,457
Nature of business not allocable	2,383	2,381	(1)	—	95	—	30	2,258	3	—

Footnotes at end of table.

Table 1. — Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry — Continued

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

Major industry	Foreign income and taxes reported on Form 1118 — Continued: Gross income excluding branch operations and specially allocable income (less loss) — Continued: Dividend gross-up	Interest income	Rents, royalties and license fees	Service income	Net capital gain	Partnership income (net)	Other income	Oil and gas extraction gross income (less loss): Total	From extraction of oil or gas	From sale of business assets
	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
All industries	7,273,586	7,028,592	5,362,957	5,994,460	1,256,205	321,684	49,999,442	44,855,608	42,327,668	573,735
Agriculture, forestry, and fishing	*5,936	*439	*429	—	—	—	*21,748	—	—	—
Mining	74,746	30,132	60,764	215,950	142,514	219,886	39,203,493	24,109,549	24,067,497	7,752
Metal mining	*53,129	*8,425	*4,073	*306	*3,382	—	*148,945	—	—	—
Coal mining	—	660	33	—	—	(1)	3,303	3,285	3,285	—
Oil and gas extraction	21,338	20,915	56,646	215,616	139,132	217,502	39,049,931	24,106,264	24,064,213	7,752
Nonmetallic minerals, except fuels	279	131	12	25	—	2,383	1,314	—	—	—
Construction	59,135	11,294	22,314	1,105,267	3,201	10,423	102,853	24,443	24,443	—
General building contractors and operative builders	21,633	3,861	7,572	902,299	146	3,913	30,782	24,443	24,443	—
Heavy construction contractors	35,356	7,198	11,100	167,464	3,054	6,510	69,563	—	—	—
Special trade contractors	2,146	236	3,641	35,503	—	—	2,306	—	—	—
Manufacturing	6,267,623	1,574,727	4,248,150	1,585,162	1,016,190	31,386	6,809,224	11,747,282	9,750,571	549,320
Food and kindred products	368,375	95,965	190,118	59,180	16,287	-9,445	385,510	—	—	—
Tobacco manufactures	23,269	10,895	44,692	288	88	—	111,389	36,863	36,863	—
Textile mill products	6,319	3,063	15,056	5,506	1,347	384	2,085	—	—	—
Apparel and other textile products	44,868	13,882	47,875	926	197	—	2,064	—	—	—
Lumber and wood products	16,592	11,071	5,254	208	-2,029	-44	4,025	17	—	—
Furniture and fixtures	2,335	233	2,344	29	400	—	35	—	—	—
Paper and allied products	150,765	38,762	122,091	10,079	4,202	-212	33,536	—	—	—
Printing and publishing	53,036	10,276	61,203	8,066	1,696	2,273	59,186	—	—	—
Chemicals and allied products	750,493	135,680	574,299	69,722	106,617	3,691	482,103	224,006	223,720	-24
Petroleum (including integrated) and coal products	1,434,337	658,359	114,121	135,677	606,634	6,677	4,287,401	11,468,393	9,471,966	549,344
Rubber and miscellaneous plastics products	100,350	22,931	143,070	14,420	12,996	-147	18,522	—	—	—
Leather and leather products	604	188	1,688	10	51	—	3,474	—	—	—
Stone, clay, and glass products	80,145	24,532	72,094	24,435	18,042	610	23,196	—	—	—
Primary metal industries	125,998	46,044	167,729	7,222	99,491	22,263	482,646	11,530	11,530	—
Fabricated metal products	130,439	24,589	107,332	6,219	22,820	—	38,448	2,101	2,101	—
Machinery, except electrical	1,485,284	237,196	1,658,126	63,698	18,072	376	483,510	—	—	—
Electrical and electronic equipment	327,737	107,730	527,583	490,548	71,970	4,007	173,631	4,371	4,371	—
Motor vehicles and equipment	831,972	82,783	144,978	281,524	7,932	745	169,234	—	—	—
Transportation equipment, except motor vehicles	115,542	22,795	69,551	377,406	20,485	—	17,977	—	—	—
Instruments and related products	190,445	20,005	146,520	6,527	4,451	—	39,528	—	—	—
Miscellaneous manufacturing and manufacturing not allocable	30,719	7,727	32,044	3,473	4,439	7	11,742	—	—	—
Transportation and public utilities	95,156	49,993	129,230	2,314,630	2,025	4,728	335,207	144,545	141,364	2,892
Transportation	45,872	15,145	46,455	1,860,109	-507	-1,181	179,990	6,998	6,709	—
Communication	40,438	15,906	69,113	359,976	-895	4,113	37,227	—	—	—
Electric, gas, and sanitary services	8,846	18,942	13,663	94,545	3,427	1,796	117,990	137,547	134,655	2,892
Wholesale and retail trade	568,553	259,132	66,699	67,772	9,605	8,820	873,077	8,812,357	8,337,984	2,153
Wholesale trade	483,840	250,163	52,094	59,968	4,307	8,804	796,743	8,797,203	8,324,974	10
Groceries and related products	533	1,723	3,318	377	—	—	2,681	—	—	—
Machinery, equipment, and supplies	5,139	3,539	31,196	28,425	3,438	795	35,325	—	—	—
Miscellaneous wholesale trade	478,168	244,902	17,580	31,166	869	8,009	758,737	8,797,203	8,324,974	10
Drugs, drug proprietaries and druggists' sundries	(1)	*1,118	—	—	—	—	—	—	—	—
Chemicals and allied products	*3,008	*212	*3,425	*3	—	—	*-6,341	—	—	—
Petroleum and petroleum products	439,700	20,771	376	3,546	76	—	368,344	8,778,845	8,306,616	10
Other miscellaneous wholesale trade	35,460	222,802	13,779	27,618	793	8,009	396,734	18,358	18,358	—
Retail trade	84,714	8,969	14,605	7,804	5,299	16	76,334	15,153	13,010	2,143
Building materials, garden supplies, and mobile home dealers	—	229	—	—	—	—	—	—	—	—
General merchandise stores	56,538	5,040	202	1,735	—	-11	27,757	—	—	—
Food stores	20,838	1,091	3,426	235	2,556	—	-41	—	—	—
Automotive dealers and service stations	27	—	—	—	—	—	16	—	—	—
Apparel and accessory stores	—	—	*435	—	—	—	*102	—	—	—
Furniture and home furnishings stores	8	59	—	24	—	—	—	(1)	—	—
Eating and drinking places	1,831	1,702	7,829	1,729	1,002	27	29,655	—	—	—
Miscellaneous retail stores	5,672	849	2,712	4,081	1,741	—	18,845	15,153	13,010	2,143
Finance, insurance, and real estate	132,731	5,095,102	274,208	298,045	49,595	42,921	2,559,933	17,432	5,808	11,618
Banking	42,782	4,214,273	192,711	49,728	25,424	-10,215	2,092,608	—	—	—
Credit agencies other than banks	19,633	202,465	30,955	1,264	172	27,798	27,720	—	—	—
Security, commodity brokers and services	123	22,907	—	8,346	20	—	277	—	—	—
Insurance	14,710	636,575	29,396	217,108	10,322	24,922	428,939	5,814	5,808	—
Insurance agents brokers and services	9,150	2,338	2,917	18,099	216	263	2,300	—	—	—
Real estate	528	9,972	15,868	441	89	53	580	—	—	—
Holding and other investment companies except bank holding companies	45,805	6,573	2,362	3,059	13,352	101	7,509	11,618	—	11,616
Services	69,707	7,770	561,162	407,634	33,074	3,521	94,108	—	—	—
Hotels and other lodging places	*1,640	*264	*25	*1,881	—	—	*17,966	—	—	—
Personal services	*5,314	*488	*142	*1,761	*9	—	*5,394	—	—	—
Business services	40,340	5,420	42,575	119,335	27,825	1,374	15,447	—	—	—
Auto repair; miscellaneous repair services	—	*234	*114	*1	—	—	*499	—	—	—
Amusement and recreational services	18,489	937	513,870	1,948	166	616	47,721	—	—	—
Other services	3,925	427	4,436	282,708	5,073	1,531	7,060	—	—	—
Nature of business not allocable	—	2	(1)	—	—	—	—	—	—	—

Footnotes at end of table.

Table 1. — Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry — Continued

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

Foreign income and taxes reported on Form 1118 — Continued

Major industry	Oil and gas extraction gross income (less loss) — Continued: Dividends from foreign corporations	Includable income of Controlled Foreign Corporations	Partnership income	Deductions other than from branch operations and specially allocable income: Total	Deductions allocable to specific types of income: Total	Rental, royalty and licensing expenses: Depreciation, depletion and amortization	Rental, royalty and licensing expenses: Other	Service expenses	Other deductions	Deductions not allocable to specific types of income: Total
	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
All industries	1,898,817	25,909	29,479	35,524,891	25,971,466	158,815	554,378	3,378,020	21,880,453	9,553,425
Agriculture, forestry, and fishing	—	—	—	*1,474	*1,428	—	—	—	*1,428	*48
Mining	6,558	—	27,741	14,371,229	14,223,596	32,913	17,828	125,451	14,047,404	147,633
Metal mining	—	—	—	*137,549	*131,012	*15,167	*3,402	*20	*112,423	*6,537
Coal mining	—	—	—	(1)	(1)	—	—	—	(1)	—
Oil and gas extraction	6,558	—	27,741	14,232,280	14,091,381	17,746	14,426	125,430	13,933,779	140,900
Nonmetallic minerals, except fuels	—	—	—	1,399	1,202	—	—	1	1,201	197
Construction	—	—	—	1,089,944	1,059,442	2,782	29,168	972,220	55,272	30,501
General building contractors and operative builders	—	—	—	887,268	866,312	105	27,667	828,717	9,823	20,956
Heavy construction contractors	—	—	—	170,526	167,833	2,659	1,354	118,541	45,278	2,694
Special trade contractors	—	—	—	32,150	25,298	17	147	24,961	171	6,852
Manufacturing	1,420,033	25,909	1,448	10,496,056	6,087,897	35,020	218,484	901,477	4,932,916	4,408,159
Food and kindred products	—	—	—	369,241	236,003	13	4,056	9,855	222,079	133,238
Tobacco manufactures	—	—	—	182,161	112,266	—	1,185	—	111,081	69,895
Textile mill products	—	—	—	11,127	9,409	9	1,341	427	7,631	1,718
Apparel and other textile products	—	—	—	30,534	16,965	74	4,164	514	12,213	13,569
Lumber and wood products	—	—	17	13,339	5,252	1,239	2,222	152	1,639	8,087
Furniture and fixtures	—	—	—	1,004	361	—	49	41	272	642
Paper and allied products	—	—	—	134,078	34,701	38	598	2,109	31,958	99,376
Printing and publishing	—	—	—	64,379	43,373	467	5,760	3,986	33,180	21,006
Chemicals and allied products	310	—	—	1,007,609	429,732	1,073	4,025	30,847	393,786	577,877
Petroleum (including integrated) and coal products	1,419,723	25,909	1,431	3,844,976	2,932,534	127	3,029	73,005	2,856,374	912,442
Rubber and miscellaneous plastics products	—	—	—	116,056	27,822	1,986	4,705	3,839	17,092	88,434
Leather and leather products	—	—	—	124	100	—	—	17	83	24
Stone, clay, and glass products	—	—	—	78,195	21,942	428	2,775	13,402	5,338	56,252
Primary metal industries	—	—	—	565,889	498,371	9,587	66,966	43,661	378,157	67,518
Fabricated metal products	—	—	—	111,453	40,457	1,216	2,044	2,606	34,390	70,997
Machinery, except electrical	—	—	—	1,557,446	339,382	7,388	14,333	38,045	279,617	1,218,063
Electrical and electronic equipment	—	—	—	1,027,753	532,180	9,162	79,093	96,500	347,425	495,573
Motor vehicles and equipment	—	—	—	781,810	369,641	311	5,698	223,973	139,659	392,169
Transportation equipment, except motor vehicles	—	—	—	419,195	388,835	147	14,236	349,554	24,898	30,360
Instruments and related products	—	—	—	171,580	36,202	1,725	596	7,852	26,029	135,378
Miscellaneous manufacturing and manufacturing not allocable	—	—	—	28,109	12,570	32	1,606	912	10,018	15,539
Transportation and public utilities	—	—	289	2,455,465	1,222,136	34,453	31,961	795,426	360,295	1,233,329
Transportation	—	—	289	1,874,156	667,368	4,515	3,613	582,602	76,636	1,206,788
Communication	—	—	—	350,362	327,538	5,127	15,062	129,738	177,612	22,824
Electric, gas, and sanitary services	—	—	—	230,947	227,229	24,811	13,286	83,087	106,046	3,717
Wholesale and retail trade	472,220	—	—	1,053,950	529,974	4,918	4,425	43,285	477,345	523,976
Wholesale trade	472,220	—	—	971,816	469,211	3,874	2,994	42,394	419,949	502,605
Groceries and related products	—	—	—	2,586	2,095	(1)	1,981	113	—	491
Machinery, equipment, and supplies	—	—	—	58,449	46,948	—	35	36,859	10,054	11,501
Miscellaneous wholesale trade	472,220	—	—	910,782	420,169	3,874	979	5,422	409,895	490,613
Drugs, drug proprietaries and druggists' sundries	—	—	—	*361	*4	—	—	—	*4	*357
Chemicals and allied products	—	—	—	*1,491	*1,189	—	—	—	*1,169	*323
Petroleum and petroleum products	472,220	—	—	346,798	336,500	—	—	1,149	335,350	12,298
Other miscellaneous wholesale trade	—	—	—	560,132	82,497	3,874	979	4,272	73,372	477,635
Retail trade	(1)	—	—	82,134	60,763	1,044	1,431	891	57,396	21,371
Building materials, garden supplies, and mobile home dealers	—	—	—	23	—	—	—	—	—	23
General merchandise stores	—	—	—	34,247	21,889	—	—	206	21,683	12,358
Food stores	—	—	—	1,407	1,294	—	—	290	1,004	113
Automotive dealers and service stations	—	—	—	—	—	—	—	—	—	—
Apparel and accessory stores	—	—	—	*10	—	—	—	—	—	*10
Furniture and home furnishings stores	(1)	—	—	—	—	—	—	—	—	—
Eating and drinking places	—	—	—	32,221	26,082	—	198	58	25,827	6,139
Miscellaneous retail stores	—	—	—	14,226	11,498	1,044	1,233	338	8,883	2,728
Finance, insurance, and real estate	6	—	—	5,287,026	2,185,961	38,235	184,140	253,884	1,709,702	3,101,065
Banking	—	—	—	4,446,753	1,750,844	14,646	148,813	34,836	1,552,549	2,695,909
Credit agencies other than banks	—	—	—	246,724	95,345	18,994	18,907	4,740	52,704	151,379
Security, commodity brokers and services	—	—	—	13,834	13,827	—	—	7,950	5,877	7
Insurance	6	—	—	526,747	303,715	3,341	15,813	196,272	86,290	223,032
Insurance agents brokers and services	—	—	—	16,163	8,910	—	—	7,487	1,422	7,253
Real estate	—	—	—	13,060	2,377	1,239	601	251	286	10,683
Holding and other investment companies except bank holding companies	—	—	—	23,745	10,943	15	5	349	10,574	12,803
Services	—	—	—	769,746	681,032	10,294	68,371	286,276	296,091	108,714
Hotels and other lodging places	—	—	—	*10,876	—	—	—	—	—	*10,876
Personal services	—	—	—	*4,301	*2,140	—	—	*524	*1,616	*2,161
Business services	—	—	—	137,042	88,805	614	15,446	60,519	12,026	48,237
Auto repair; miscellaneous repair services	—	—	—	*490	*423	*423	—	—	—	*67
Amusement and recreational services	—	—	—	362,516	338,394	8,813	51,750	13,386	264,445	24,124
Other services	—	—	—	254,520	231,270	244	1,175	211,848	18,003	23,250
Nature of business not allocable	—	—	—	2	—	—	—	—	—	2

Footnotes at end of table.

Table 1. — Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry — Continued

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

Foreign income and taxes reported on Form 1118 — Continued

Major industry	Deductions other than from branch operations and specially allocable income — Continued; Deductions not allocable to specific types of income — Continued: Research and development expenses	Interest expenses	General and administrative expenses	Deductions from oil and gas extraction income: Total	Allocable to specific types of income	Not allocable to specific types of income	Taxable income (less loss), Before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)
All industries	94,859	283,614	245,599	21,491,295	18,853,852	2,637,443	65,150,411	11,274,653	929,496	52,946,263
Agriculture, forestry, and fishing	—	—	—	—	—	—	*35,310	—	—	*35,310
Mining	377	28,578	10,581	10,980,579	8,977,466	2,003,112	26,329,075	602,653	1,706	25,724,716
Metal mining	—	—	—	—	—	—	*177,239	*2,729	—	*174,510
Coal mining	—	—	—	—	—	—	4,004	—	—	4,004
Oil and gas extraction	377	28,578	10,581	10,980,579	8,977,466	2,003,112	26,143,653	598,790	1,706	25,643,157
Nonmetallic minerals, except fuels	—	—	—	—	—	—	4,179	1,134	—	3,045
Construction	—	42	—	6,153	5,904	249	322,734	13,142	-123	309,716
General building contractors and operative builders	—	—	—	6,153	5,904	249	113,493	101	-123	113,516
Heavy construction contractors	—	42	—	—	—	—	193,064	11,459	—	181,605
Special trade contractors	—	—	—	—	—	—	16,177	1,582	—	14,595
Manufacturing	90,947	87,000	230,106	2,370,598	1,747,758	622,840	27,582,786	5,605,850	875,595	21,101,340
Food and kindred products	2,363	7,646	20,773	—	—	—	1,259,126	40,789	10,188	1,208,149
Tobacco manufactures	—	—	—	5,340	5,340	—	137,925	-12,731	32,814	117,842
Textile mill products	—	—	—	—	—	—	33,217	340	206	32,672
Apparel and other textile products	—	—	—	—	—	—	146,427	7,233	66	139,127
Lumber and wood products	46	190	56	—	—	—	67,669	38	15,165	52,465
Furniture and fixtures	2	(1)	3	—	—	—	7,487	—	—	7,487
Paper and allied products	96	674	2,522	—	—	—	469,228	1,583	14,423	453,222
Printing and publishing	—	37	171	—	—	—	245,366	37,098	4,874	203,393
Chemicals and allied products	28,987	13,963	32,096	49,430	49,430	—	3,021,265	436,045	125,290	2,459,930
Petroleum (including integrated) and coal products	—	2,084	—	2,311,991	1,689,151	622,640	10,004,839	4,121,778	32,713	5,850,348
Rubber and miscellaneous plastics products	21,072	12,267	20,673	—	—	—	352,431	4,766	1,445	346,220
Leather and leather products	—	—	—	—	—	—	7,776	866	—	7,110
Stone, clay, and glass products	1,100	1,307	1,366	—	—	—	306,050	13,512	583	291,955
Primary metal industries	3,583	6,115	6,592	—	—	—	835,440	204,937	4,217	626,286
Fabricated metal products	3,372	6,463	12,676	1,149	1,149	—	501,946	63,736	3,262	434,948
Machinery, except electrical	7,030	8,529	14,143	—	—	—	4,437,551	182,806	154,761	4,099,983
Electrical and electronic equipment	2,787	8,536	2,167	2,688	2,688	—	1,772,694	380,796	77,949	1,313,946
Motor vehicles and equipment	12,857	16,455	113,054	—	—	—	2,659,456	56,279	318,048	2,285,129
Transportation equipment, except motor vehicles	5,824	982	1,032	—	—	—	429,079	4,035	2,144	422,900
Instruments and related products	696	712	1,481	—	—	—	774,751	61,838	80,922	631,991
Miscellaneous manufacturing and manufacturing not allocable	1,133	839	1,300	—	—	—	113,062	302	-3,477	116,237
Transportation and public utilities	—	835	443	60,229	58,793	1,437	808,392	87,188	50,456	670,749
Transportation	—	—	—	58	58	—	448,595	36,508	54,060	358,028
Communication	—	—	—	—	—	—	244,205	13,526	-20,239	250,917
Electric, gas, and sanitary services	—	835	443	60,171	58,735	1,437	115,591	37,154	16,635	61,803
Wholesale and retail trade	—	2,284	(1)	8,068,754	8,062,863	5,890	1,464,847	306,125	-1,227	1,159,949
Wholesale trade	—	327	(1)	8,063,216	8,057,326	5,890	1,194,291	272,723	-826	922,394
Groceries and related products	—	—	—	—	—	—	6,755	-142	—	6,897
Machinery, equipment, and supplies	—	114	—	—	—	—	80,174	22,591	—	57,582
Miscellaneous wholesale trade	—	213	(1)	8,063,216	8,057,326	5,890	1,107,363	250,274	-826	857,914
Drugs, drug proprietaries and druggists' sundries	—	—	—	—	—	—	*1,258	*261	—	*996
Chemicals and allied products	—	—	—	—	—	—	*14,431	*5,726	—	*8,703
Petroleum and petroleum products	—	183	—	8,056,727	8,050,837	5,890	857,527	228,500	-699	629,725
Other miscellaneous wholesale trade	—	30	(1)	6,489	6,489	—	234,147	15,784	-127	218,489
Retail trade	—	1,956	—	5,538	5,538	—	270,556	33,402	-401	237,555
Building materials, garden supplies, and mobile home dealers	—	—	—	—	—	—	206	—	—	206
General merchandise stores	—	—	—	—	—	—	168,310	22,916	—	143,394
Food stores	—	—	—	—	—	—	51,939	1,459	—	50,479
Automotive dealers and service stations	—	—	—	—	—	—	74	—	—	74
Apparel and accessory stores	—	—	—	—	—	—	*527	—	—	*527
Furniture and home furnishings stores	—	—	—	—	—	—	283	—	—	283
Eating and drinking places	—	1,929	—	—	—	—	18,700	2,506	—	16,194
Miscellaneous retail stores	—	27	—	5,538	5,538	—	32,517	6,520	-401	26,398
Finance, insurance, and real estate	2,374	164,795	3,962	4,982	1,066	3,916	8,083,929	4,646,339	2,682	3,434,897
Banking	2,374	164,757	2,503	—	—	—	6,733,045	4,471,631	-1,728	2,263,142
Credit agencies other than banks	—	—	—	—	—	—	143,236	40,824	2,199	100,213
Security, commodity brokers and services	—	—	—	—	—	—	25,037	5,581	1	19,455
Insurance	—	38	1,459	4,893	977	3,916	1,005,287	126,875	2,220	876,192
Insurance agents brokers and services	—	—	—	—	—	—	32,846	305	—	32,540
Real estate	—	—	—	—	—	—	17,522	1,124	—	16,398
Holding and other investment companies except bank holding companies	—	—	—	89	89	—	126,956	—	—	126,956
Services	1,160	79	506	—	—	—	523,339	13,355	398	509,586
Hotels and other lodging places	—	—	—	—	—	—	*15,681	*1,344	—	*14,337
Personal services	—	—	—	—	—	—	*15,093	*87	—	*15,006
Business services	1,160	79	506	—	—	—	178,428	12,586	347	165,495
Auto repair; miscellaneous repair services	—	—	—	—	—	—	*359	—	—	*359
Amusement and recreational services	—	—	—	—	—	—	251,244	-6,048	—	257,292
Other services	—	—	—	—	—	—	62,533	5,387	50	57,096
Nature of business not allocable	—	—	—	—	—	—	1	—	—	1

Footnotes at end of table.

Table 1. — Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry — Continued

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

Major industry	Foreign income and taxes reported on Form 1118 — Continued: Taxable income (less loss) — Continued: Recapture of prior year foreign losses	Taxable income (less loss) — Continued: After loss recapture	Foreign taxes available for credit: Total after reduction	Reduction for certain foreign taxes	Total before reduction	Paid or accrued: Total	Tax withheld at source on: Dividends	Tax withheld at source on: Interest	Tax withheld at source on: Rents, royalties and license fees	Other taxes paid or accrued on: Branch income
	(51)	(52)	(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)
All industries	96,775	65,053,636	52,064,242	7,848,217	59,912,459	33,373,811	903,173	368,238	427,628	5,036,283
Agriculture, forestry, and fishing	—	*35,310	*13,238	*510	*13,748	*7,218	—	*54	*59	—
Mining	2,869	26,326,205	36,253,031	5,844,432	42,097,463	24,277,648	5,701	3,648	6,321	478,045
Metal mining	—	*177,239	*84,997	*1,617	*86,614	*17,793	*1,547	*1,706	*418	*1,234
Coal mining	—	4,004	1,654	—	1,654	1,654	1	99	3	—
Oil and gas extraction	2,869	26,140,783	36,164,219	5,842,815	42,007,035	24,256,544	4,096	1,835	5,898	476,233
Nonmetallic minerals, except fuels	—	4,179	2,161	—	2,161	1,658	57	9	1	579
Construction	6,336	316,398	139,660	5,726	145,386	68,781	5,673	318	1,006	6,336
General building contractors and operative builders	5,625	107,868	58,064	5,598	63,682	31,200	1,016	38	112	—
Heavy construction contractors	18	193,047	77,585	128	77,713	35,810	4,229	232	612	5,702
Special trade contractors	693	15,483	3,991	—	3,991	1,771	427	48	282	634
Manufacturing	79,401	27,503,385	13,295,106	1,715,718	15,010,824	7,618,266	814,474	76,144	345,061	4,066,313
Food and kindred products	8,326	1,250,800	577,766	352	578,118	192,460	54,495	5,857	21,228	31,001
Tobacco manufactures	—	137,925	124,794	6,506	131,302	36,776	2,774	473	4,668	21
Textile mill products	—	33,217	10,762	—	10,762	3,886	1,115	399	1,405	255
Apparel and other textile products	—	146,427	58,381	—	58,381	13,061	3,922	352	5,767	2,305
Lumber and wood products	—	67,669	22,024	—	22,024	3,583	1,751	1,359	230	172
Furniture and fixtures	—	7,487	3,334	—	3,334	654	412	33	301	—
Paper and allied products	45	469,162	189,291	—	189,291	38,386	22,192	4,148	9,670	1,304
Printing and publishing	98	245,268	89,997	55	90,052	33,622	8,270	1,164	4,406	16,883
Chemicals and allied products	657	3,020,607	1,243,481	16,867	1,260,347	442,680	107,787	12,793	61,605	209,832
Petroleum (including integrated) and coal products	27,922	9,976,917	5,725,698	1,685,974	7,411,672	5,436,284	74,504	7,218	6,248	3,385,745
Rubber and miscellaneous plastics products	1,411	351,020	147,063	2	147,065	46,156	20,434	1,482	18,511	1,730
Leather and leather products	—	7,778	4,264	9	4,273	2,191	145	19	429	229
Stone, clay, and glass products	—	306,050	119,516	258	119,773	34,995	14,857	1,959	8,963	5,879
Primary metal industries	27,427	808,013	423,501	4,712	428,213	144,811	20,541	3,508	15,463	73,381
Fabricated metal products	5,033	496,913	207,708	6	207,715	65,838	23,705	1,291	9,117	27,324
Machinery, except electrical	186	4,437,385	1,960,811	122	1,960,933	454,218	178,071	19,638	101,985	109,271
Electrical and electronic equipment	6,834	1,765,860	815,380	811	816,191	324,406	62,032	5,625	35,673	153,790
Motor vehicles and equipment	—	2,659,456	1,078,726	13	1,078,739	237,969	174,192	6,171	18,398	22,891
Transportation equipment, except motor vehicles	—	429,079	183,900	—	183,900	29,104	8,143	812	7,556	1,626
Instruments and related products	1,480	773,271	260,298	30	260,328	66,980	30,059	1,339	10,788	22,051
Miscellaneous manufacturing and manufacturing not allocable	—	113,062	48,413	—	48,413	10,006	5,073	502	2,650	622
Transportation and public utilities	1,438	806,953	255,470	5,347	260,817	117,480	11,149	2,802	13,193	17,072
Transportation	7	448,588	123,629	1,869	125,498	41,993	3,540	1,151	5,727	5,202
Communication	—	244,205	63,397	—	63,397	22,943	4,008	1,348	6,245	6,120
Electric, gas, and sanitary services	1,431	114,161	68,445	3,478	71,923	52,544	3,601	304	1,221	5,749
Wholesale and retail trade	3,940	1,460,907	750,044	273,024	1,023,068	301,940	30,785	7,522	5,659	200,930
Wholesale trade	2,559	1,191,733	606,415	273,024	879,439	270,200	17,543	6,150	4,117	195,755
Groceries and related products	—	6,755	1,412	—	1,412	697	22	174	80	233
Machinery, equipment, and supplies	—	80,174	17,885	—	17,886	11,326	503	347	1,546	6,979
Miscellaneous wholesale trade	2,559	1,104,804	587,117	273,024	860,141	258,177	17,018	5,630	2,491	188,543
Drugs, drug proprietaries and druggists' sundries	—	*1,258	*261	—	*261	*192	*36	*4	—	*153
Chemicals and allied products	*1,887	*12,544	*7,740	—	*7,740	*4,653	*1,357	*51	*428	*2,808
Petroleum and petroleum products	401	857,126	505,419	273,006	778,425	226,604	10,146	1,134	6	177,140
Other miscellaneous wholesale trade	270	233,877	73,697	19	73,716	26,728	5,479	4,441	2,057	8,443
Retail trade	1,382	269,174	143,629	—	143,629	31,740	13,223	1,372	1,543	5,175
Building materials, garden supplies, and mobile home dealers	—	206	53	—	53	53	—	53	—	—
General merchandise stores	—	166,310	97,060	—	97,060	15,652	10,689	654	26	1,914
Food stores	1,321	50,618	25,424	—	25,424	3,937	853	114	564	806
Automotive dealers and service stations	—	74	29	—	29	3	—	—	—	—
Apparel and accessory stores	—	*527	*107	—	*107	*73	—	—	*46	—
Furniture and home furnishings stores	—	283	21	—	21	13	(1)	9	—	—
Eating and drinking places	—	18,700	7,288	—	7,288	4,967	699	154	673	1,068
Miscellaneous retail stores	61	32,456	13,647	—	13,647	7,043	981	166	233	1,365
Finance, insurance, and real estate	209	8,083,720	1,182,216	3,455	1,185,671	897,213	27,025	276,939	32,698	255,506
Banking	—	6,733,045	798,484	10	798,494	674,690	9,927	236,126	28,867	200,561
Credit agencies other than banks	—	143,236	49,399	2,653	52,051	24,046	9,429	8,407	381	2,193
Security, commodity brokers and services	—	25,037	4,205	235	4,441	3,649	125	182	—	3,114
Insurance	209	1,005,078	251,477	557	252,034	179,713	3,201	30,444	1,462	48,242
Insurance agents brokers and services	—	32,846	11,590	—	11,590	2,247	1,441	58	70	228
Real estate	—	17,522	5,008	—	5,008	4,359	202	1,026	1,849	1,168
Holding and other investment companies except bank holding companies	—	126,956	62,053	—	62,053	8,508	2,700	695	68	—
Services	2,581	520,757	175,477	4	175,482	85,264	8,386	811	23,831	12,091
Hotels and other lodging places	*1,127	*14,554	*8,047	—	*8,047	*4,320	—	*15	*3	*1,493
Personal services	—	*15,093	*8,550	—	*8,550	*2,123	*848	*72	*9	*84
Business services	266	178,162	82,087	3	82,090	25,633	4,822	586	2,500	6,066
Auto repair; miscellaneous repair services	—	*359	*54	—	*54	*54	—	*35	*17	—
Amusement and recreational services	14	251,230	48,432	1	48,433	29,568	2,289	91	20,709	1,453
Other services	1,174	61,359	28,307	—	28,307	23,566	427	11	392	965
Nature of business not allocable	—	1	(1)	—	(1)	(1)	—	(1)	(1)	—

Footnotes at end of table.

Table 1. — Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry — Continued

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

Major industry	Foreign income and taxes reported on Form 1118 — Continued: Foreign taxes available for credit — Continued: Paid or accrued: Service income	Paid or accrued: Partnership income	Paid or accrued: Other income	Deemed paid	Carryover	Foreign tax credit computed: Before reduction for international boycott operations	Reduction for international boycott operations	After reduction for international boycott operations
	(61)	(62)	(63)	(64)	(65)	(66)	(67)	(68)
All industries	233,717	93,581	26,311,192	7,278,632	19,260,016	26,345,731	1,060	26,344,670
Agriculture, forestry, and fishing	—	—	*7,106	*5,936	*594	*13,210	—	*13,210
Mining	11,177	85,115	23,707,841	74,746	17,745,069	12,512,775	2	12,512,774
Metal mining	*12	—	*12,676	*53,129	*15,692	*63,516	—	*63,516
Coal mining	—	(1)	1,551	—	—	1,654	—	1,654
Oil and gas extraction	11,165	84,206	23,693,109	21,338	17,729,153	12,445,706	2	12,445,705
Nonmetallic minerals, except fuels	—	906	106	279	224	1,899	—	1,899
Construction	20,315	2,969	32,164	59,423	17,182	115,479	—	115,479
General building contractors and operative builders	13,669	1,135	15,231	21,921	10,561	46,950	—	46,950
Heavy construction contractors	6,361	1,835	16,838	35,356	6,547	64,566	—	64,566
Special trade contractors	285	—	95	2,146	74	3,963	—	3,963
Manufacturing	137,127	8,820	2,170,327	8,271,450	1,121,108	11,850,229	1,051	11,849,179
Food and kindred products	4,611	41	75,026	366,553	19,105	539,759	148	539,611
Tobacco manufactures	94	—	26,746	23,269	71,256	49,588	—	49,588
Textile mill products	424	—	288	6,327	549	10,102	—	10,102
Apparel and other textile products	140	—	575	44,866	452	58,027	—	58,027
Lumber and wood products	4	—	66	16,592	1,849	20,377	—	20,377
Furniture and fixtures	4	—	103	2,335	146	3,134	—	3,134
Paper and allied products	395	—	678	150,765	140	188,573	—	188,573
Printing and publishing	73	1,181	1,643	53,036	3,394	88,120	—	88,120
Chemicals and allied products	4,257	910	45,495	751,363	66,305	1,155,909	41	1,155,869
Petroleum (including integrated) and coal products	79,015	20	1,883,534	1,434,343	541,045	4,665,180	—	4,665,180
Rubber and miscellaneous plastics products	2,200	38	1,761	100,350	558	112,416	17	112,400
Leather and leather products	5	—	1,365	604	1,479	2,493	—	2,493
Stone, clay, and glass products	1,232	—	2,106	80,149	4,628	114,951	4	114,947
Primary metal industries	591	3,735	27,592	126,762	156,639	322,824	—	322,824
Fabricated metal products	306	—	4,094	130,439	11,438	197,797	8	197,789
Machinery, except electrical	2,442	143	42,668	1,485,869	20,846	1,912,494	486	1,912,008
Electrical and electronic equipment	18,753	2,626	45,906	327,819	163,966	723,325	16	723,309
Motor vehicles and equipment	14,135	126	2,058	831,972	8,798	1,037,232	1	1,037,231
Transportation equipment, except motor vehicles	7,483	—	3,484	116,811	37,965	150,851	109	150,742
Instruments and related products	179	—	2,564	190,506	2,841	255,175	220	254,955
Miscellaneous manufacturing and manufacturing not allocable	584	(1)	575	30,719	7,688	41,903	—	41,903
Transportation and public utilities	27,043	2,038	44,185	95,415	47,923	222,337	—	222,337
Transportation	16,637	148	9,589	45,872	37,632	113,637	—	113,637
Communication	1,017	—	4,206	40,438	16	61,965	—	61,965
Electric, gas, and sanitary services	9,389	1,889	30,390	9,105	10,274	46,736	—	46,736
Wholesale and retail trade	7,532	—	49,531	568,720	152,409	591,519	8	591,511
Wholesale trade	6,726	—	39,909	484,006	125,233	475,945	8	475,937
Groceries and related products	94	—	95	533	183	1,271	—	1,271
Machinery, equipment, and supplies	1,229	—	722	5,139	1,421	16,385	3	16,382
Miscellaneous wholesale trade	5,403	—	39,092	478,335	123,629	458,289	6	458,284
Drugs, drug proprietaries and druggists' sundries	—	—	—	(1)	*68	*161	—	*161
Chemicals and allied products	(1)	—	*10	*3,008	*80	*5,904	—	*5,904
Petroleum and petroleum products	938	—	37,240	439,867	111,954	391,338	6	391,333
Other miscellaneous wholesale trade	4,465	—	1,843	35,460	11,527	60,887	—	60,887
Retail trade	806	—	9,622	84,714	27,175	115,574	—	115,574
Building materials, garden supplies, and mobile home dealers	—	—	—	—	—	53	—	53
General merchandise stores	391	—	1,777	56,538	24,870	72,335	—	72,335
Food stores	20	—	1,578	20,638	849	23,643	—	23,643
Automotive dealers and service stations	—	—	3	27	—	26	—	26
Apparel and accessory stores	—	—	*26	—	*34	*82	—	*82
Furniture and home furnishings stores	4	—	—	8	—	21	—	21
Eating and drinking places	286	—	2,066	1,631	490	6,407	—	6,407
Miscellaneous retail stores	105	—	4,172	5,672	932	13,006	—	13,006
Finance, insurance, and real estate	5,076	13,334	286,636	133,220	155,238	1,100,988	(1)	1,100,988
Banking	1,083	43	198,084	42,850	80,954	767,858	—	767,858
Credit agencies other than banks	—	2,619	818	19,633	8,372	42,705	—	42,705
Security, commodity brokers and services	228	—	(1)	123	689	3,975	—	3,975
Insurance	3,637	10,319	82,409	15,131	57,190	218,951	—	218,951
Insurance agents brokers and services	46	608	295	9,150	193	11,573	—	11,573
Real estate	13	12	89	528	121	4,491	—	4,491
Holding and other investment companies except bank holding companies	70	33	4,941	45,805	7,740	51,435	(1)	51,435
Services	25,448	1,305	13,603	69,724	20,493	139,193	(1)	139,193
Hotels and other lodging places	—	—	*2,808	*1,640	*2,087	*6,091	—	*6,091
Personal services	*20	—	*1,090	*5,314	*1,113	*6,658	—	*6,658
Business services	8,640	702	317	40,357	16,099	60,129	(1)	60,129
Auto repair; miscellaneous repair services	*1	—	*1	—	—	*54	—	*54
Amusement and recreational services	646	69	4,310	18,489	377	48,132	—	48,132
Other services	16,142	534	5,075	3,925	817	18,128	—	18,128
Nature of business not allocable	—	—	—	—	—	(1)	—	(1)

*This estimate should be used with caution because of the small number of sample returns on which it was based.
[1]Less than $500 per return.
NOTE: Detail may not add to total because of rounding.

Table 2. — Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Size of Total Assets

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

Size of total assets	Number of returns	Total assets	Total receipts	Dividends received from foreign corporations	Dividends received from DISC's	Includable income of Controlled Foreign Corporations	Foreign dividend income resulting from foreign taxes deemed paid	Net income (less deficit)	Western Hemisphere Trade Corporation deduction	Income subject to U.S. tax
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Total	**5,219**	**2,708,678,170**	**1,781,831,854**	**8,498,048**	**2,926,552**	**1,448,428**	**7,273,586**	**146,555,196**	**268,852**	**141,684,455**
Zero assets	68	—	4,787,670	12,288	5,092	105	7,326	206,808	71	203,918
$1 under $1,000,000	1,062	449,617	802,144	1,971	54	—	375	65,785	—	73,404
$1,000,000 under $10,000,000	1,479	6,093,357	10,065,096	37,009	28,813	1,224	23,763	916,901	3,502	860,971
$10,000,000 under $50,000,000	976	23,861,865	37,200,618	116,121	74,698	17,557	89,781	3,176,946	2,231	3,062,221
$50,000,000 under $100,000,000	364	25,927,803	36,658,721	129,897	81,403	25,172	96,308	2,710,145	4,459	2,570,122
$100,000,000 under $250,000,000	392	63,313,382	80,925,993	297,605	142,594	52,527	226,622	6,718,058	4,268	6,522,404
$250,000,000 under $500,000,000	252	88,482,348	101,853,868	443,642	221,703	67,379	374,569	8,109,883	22,359	7,860,000
$500,000,000 under $1,000,000,000	195	137,500,143	140,354,679	543,187	239,437	100,009	422,064	10,159,496	15,981	9,871,223
$1,000,000,000 or more	431	2,363,049,655	1,369,163,066	6,915,928	2,152,758	1,182,454	6,032,780	114,471,174	215,981	110,860,193

Size of total assets	U.S. income tax before credits: Total	U.S. income tax before credits: U.S. normal tax, surtax, and alternative tax	Foreign tax credit claimed	U.S. possessions tax credit	Investment credit	Work incentive (WIN) credit	Jobs credit	U.S. income tax after credits	Foreign income and taxes reported on Form 1118: Gross income excluding branch operations and specially allocable income (less loss): Total	Gross income excluding branch operations and specially allocable income (less loss): Dividends
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Total	**67,199,697**	**66,807,729**	**28,343,630**	**75,064**	**8,927,231**	**8,619**	**152,156**	**33,692,797**	**88,471,184**	**11,234,228**
Zero assets	97,638	94,435	14,469	—	13,529	2	682	68,956	591,227	12,682
$1 under $1,000,000	25,314	25,219	3,609	71	572	—	3,744	17,318	119,513	1,971
$1,000,000 under $10,000,000	387,826	386,126	70,871	1,421	17,186	39	21,472	276,839	437,132	49,943
$10,000,000 under $50,000,000	1,441,847	1,435,601	194,140	18,078	77,506	252	37,697	1,113,975	676,034	136,305
$50,000,000 under $100,000,000	1,208,326	1,201,735	151,250	2,236	98,714	111	17,828	938,187	578,192	160,365
$100,000,000 under $250,000,000	3,073,506	3,058,520	457,406	19,256	204,827	201	20,689	2,371,127	1,791,976	347,855
$250,000,000 under $500,000,000	3,720,583	3,697,178	678,706	34,003	309,733	453	11,996	2,685,692	2,225,836	532,162
$500,000,000 under $1,000,000,000	4,632,004	4,599,692	728,643	—	472,420	293	10,528	3,420,121	2,948,303	665,868
$1,000,000,000 or more	52,612,649	52,309,223	24,044,536	—	5,732,744	7,467	27,320	22,800,582	76,904,939	9,327,078

Foreign income and taxes reported on Form 1118 — continued

Size of total assets	Gross income excluding branch operations and specially allocable income (less loss) — continued: Dividend gross-up	Interest	Other income	Total gross income (less loss) from extraction of oil or gas	Total deductions excluding branch operations and specially allocable income	Total deductions from oil and gas extraction income	Taxable income (less loss): Before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
Total	**7,273,586**	**7,028,592**	**62,934,748**	**44,855,608**	**35,524,891**	**21,491,295**	**65,150,411**	**11,274,653**	**929,496**	**52,946,263**
Zero assets	7,326	316,497	254,722	2,174	487,296	—	101,239	-965	-1,728	103,931
$1 under $1,000,000	375	513	116,655	—	87,091	—	35,017	—	2,595	32,421
$1,000,000 under $10,000,000	23,763	7,257	356,169	11,805	230,110	3,187	243,545	35,804	719	207,022
$10,000,000 under $50,000,000	89,781	29,936	620,009	155,689	393,535	38,758	560,169	75,269	2,401	482,499
$50,000,000 under $100,000,000	96,308	30,743	288,775	46,767	163,363	18,145	446,416	24,194	9,393	412,829
$100,000,000 under $250,000,000	226,622	63,490	1,134,010	268,264	623,747	16,258	1,277,877	289,558	20,089	968,230
$250,000,000 under $500,000,000	374,569	99,950	1,219,155	498,985	607,861	116,815	1,753,826	300,441	35,410	1,417,975
$500,000,000 under $1,000,000,000	422,064	261,493	1,598,878	164,279	1,130,144	95,273	1,998,714	177,134	3,421	1,818,159
$1,000,000,000 or more	6,032,780	6,198,710	57,346,372	43,705,645	31,401,743	21,202,860	58,733,609	10,373,217	857,195	47,503,196

Footnotes at end of table.

Table 2. — Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Size of Total Assets — Continued

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

Foreign income and taxes reported on Form 1118 — continued

Size of total assets	Taxable income (less loss) — continued: Recapture of prior year foreign losses	Taxable income (less loss) — continued: After loss recapture	Foreign taxes available for credit: Total after reduction	Reduction for certain foreign taxes	Total before reduction	Paid or accrued on: Total	Dividends	Interest	Rents, royalties and license fees	Branch income
	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
Total	**96,775**	**65,053,636**	**52,064,242**	**7,648,217**	**59,912,459**	**33,373,811**	**903,173**	**368,238**	**427,628**	**5,036,283**
Zero assets	—	101,239	15,916	9	15,925	8,235	2,005	4,426	373	105
$1 under $1,000,000	819	34,198	7,193	—	7,193	6,468	195	25	1,156	—
$1,000,000 under $10,000,000	3,711	239,834	92,618	—	92,618	52,242	2,804	772	9,626	12,649
$10,000,000 under $50,000,000	815	559,353	242,099	10,371	252,471	129,201	13,147	2,641	12,547	32,475
$50,000,000 under $100,000,000	2,187	444,229	180,115	7,358	187,474	66,318	17,639	2,029	9,867	10,727
$100,000,000 under $250,000,000	6,863	1,271,013	539,166	115,184	654,350	357,544	26,780	3,601	18,488	252,693
$250,000,000 under $500,000,000	4,024	1,749,803	732,808	88,758	821,566	414,216	46,372	6,129	26,652	208,415
$500,000,000 under $1,000,000,000	5,666	1,993,048	796,870	10,144	807,014	317,052	62,457	12,013	42,023	77,515
$1,000,000,000 or more	72,689	58,660,920	49,457,456	7,616,392	57,073,849	32,022,535	731,774	336,602	306,891	4,441,503

Foreign income and taxes reported on Form 1118 — continued

Size of total assets	Foreign taxes available for credit — continued: Paid or accrued on: Other income	Total deemed paid	Carryover available for credit	Foreign tax credit computed: Before reduction for international boycott operations	Reduction for international boycott operations	After reduction for international boycott operations
	(41)	(42)	(43)	(44)	(45)	(46)
Total	**26,638,490**	**7,278,632**	**19,260,016**	**26,345,731**	**1,060**	**26,344,670**
Zero assets	1,326	7,327	363	14,469	—	14,469
$1 under $1,000,000	5,090	375	351	3,609	—	3,609
$1,000,000 under $10,000,000	26,190	23,763	16,813	70,879	3	70,877
$10,000,000 under $50,000,000	68,391	89,831	33,438	194,233	12	194,221
$50,000,000 under $100,000,000	26,057	96,613	24,542	151,259	—	151,259
$100,000,000 under $250,000,000	55,983	227,084	69,722	457,410	4	457,406
$250,000,000 under $500,000,000	126,648	374,643	32,706	678,706	1	678,707
$500,000,000 under $1,000,000,000	123,044	423,059	66,903	728,950	308	728,643
$1,000,000,000 or more	26,205,764	6,035,936	19,015,377	24,046,213	732	24,045,480

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

Table 3.—Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Type of Foreign Income for which Separate Credit was Computed

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

Type of foreign income for which separate credit was computed	Number of returns	Total assets	Total receipts	Dividends received from foreign corporations	Dividends received from DISC's	Includable income of Controlled Foreign Corporations	Foreign dividend income resulting from foreign taxes deemed paid	Net income (less deficit)	Western Hemisphere Trade Corporation deduction	Income subject to U.S. tax
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Total	**5,219**	**2,708,678,170**	**1,781,831,854**	**8,498,048**	**2,926,552**	**1,446,428**	**7,273,586**	**146,555,196**	**268,852**	**141,684,455**
Certain interest income	313	382,368,177	427,537,467	2,027,049	971,795	357,947	2,045,567	32,860,719	128,595	32,218,420
Dividends received from DISC's	61	113,420,624	142,101,978	1,184,482	790,340	156,024	909,685	13,614,938	18,779	13,530,682
Foreign oil related income	101	324,157,674	412,837,361	1,911,265	304,746	360,629	1,961,311	48,569,783	178,526	47,581,777
Income from U.S. possessions not elsewhere included	352	448,589,922	344,545,413	2,859,168	285,030	330,096	2,427,327	26,636,733	49,103	25,432,360
All other foreign source income	4,611	2,637,951,289	1,699,285,650	6,459,410	2,907,397	1,440,263	7,235,464	119,767,807	264,116	115,043,912

Type of foreign income for which separate credit was computed	U.S. income tax before credits		Foreign tax credit claimed	U.S. possessions tax credit	Investment credit	Work incentive (WIN) credit	Jobs credit	U.S. income tax after credits	Foreign income and taxes reported on Form 1118: Gross income excluding branch operations and specially allocable income (less loss)	
	Total	U.S. normal tax, surtax, and alternative tax							Total	Dividends
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Total	**67,199,697**	**66,807,729**	**26,343,630**	**75,064**	**6,927,231**	**8,819**	**152,156**	**33,692,797**	**88,471,154**	**11,234,228**
Certain interest income	15,170,366	15,074,973	4,624,651	38,384	1,575,959	2,290	9,526	8,919,557	404,653	—
Dividends received from DISC's	6,498,155	6,475,880	1,170,297	—	697,956	5,170	3,738	4,620,994	783,150	779,335
Foreign oil related income	22,663,576	22,623,159	17,918,202	—	1,002,875	230	3,009	3,739,263	49,110,493	2,311,480
Income from U.S. possessions not elsewhere included	12,204,811	12,087,789	3,832,263	4,441	2,184,109	345	7,994	6,175,660	269,507	16,235
All other foreign source income	54,422,773	54,035,941	14,448,658	36,299	6,858,391	8,798	146,690	32,923,937	37,903,351	8,127,179

Type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118—continued: Gross income excluding branch operations and specially allocable income (less loss)—continued			Total gross income (less loss) from extraction of oil or gas	Total deductions excluding branch operations and specially allocable income	Total deductions from oil and gas extraction income	Taxable income (less loss): Before loss recapture			
	Dividend gross-up	Interest income	Other income				Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
Total	**7,273,586**	**7,028,592**	**62,934,748**	**44,855,608**	**35,524,891**	**21,491,295**	**65,150,411**	**11,274,653**	**929,496**	**52,946,263**
Certain interest income	—	404,653	—	—	125,192	—	279,461	—	—	279,461
Dividends received from DISC's	3,815	—	—	—	299,986	—	483,164	—	—	483,164
Foreign oil related income	1,802,997	404,178	44,591,837	44,855,608	17,865,987	21,491,295	36,461,654	5,192,802	24,346	31,244,506
Income from U.S. possessions not elsewhere included	14,528	6,662	232,084	—	154,185	—	143,681	31,736	-3,378	115,323
All other foreign source income	5,452,246	6,213,099	18,110,827	—	17,079,541	—	27,782,452	6,050,115	908,528	20,823,809

Type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118—continued: Taxable income (less loss)—continued		Foreign taxes available for credit							
						Paid or accrued on:				
	Recapture of prior year foreign losses	After loss recapture	Total after reduction	Reduction for certain foreign taxes	Total before reduction	Total	Dividends	Interest	Rents, royalties and license fees	Branch income
	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
Total	**96,775**	**65,053,836**	**52,064,242**	**7,848,217**	**59,912,459**	**33,373,811**	**903,173**	**368,238**	**427,628**	**5,038,283**
Certain interest income	1,954	277,507	13,233	—	13,233	12,994	—	12,994	—	—
Dividends received from DISC's	—	483,164	4,309	—	4,309	481	481	—	—	—
Foreign oil related income	32,793	36,428,861	42,375,084	7,833,404	50,208,488	29,975,045	59,197	1,391	6,604	4,148,152
Income from U.S. possessions not elsewhere included	—	143,681	38,857	—	38,857	23,724	550	946	1,865	8,912
All other foreign source income	62,028	27,720,424	9,632,759	14,813	9,647,572	3,361,567	842,945	352,907	419,158	879,219

Type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118—continued: Foreign taxes available for credit—continued: Paid or accrued on—continued			Foreign tax credit computed		
	Other income	Total deemed paid	Carryover	Before reduction for international boycott operations	Reduction for international boycott operations	After reduction for international boycott operations
	(41)	(42)	(43)	(44)	(45)	(46)
Total	**26,638,490**	**7,278,632**	**19,260,016**	**26,345,731**	**1,060**	**26,344,670**
Certain interest income	—	—	239	13,190	—	—
Dividends received from DISC's	—	3,828	—	4,281	—	—
Foreign oil related income	25,759,701	1,802,997	18,430,446	17,424,843	—	—
Income from U.S. possessions not elsewhere included	11,450	14,528	606	35,280	—	—
All other foreign source income	867,338	5,457,279	828,725	8,868,136	—	—

NOTE: The data in columns 1-18 pertain to the total activity of the domestic parent corporation. Since many firms compute a foreign tax credit for more than one type of foreign income, the data in these columns are not additive. The data in columns 45 and 46 are reported as corporate totals only, not by type of income. Form 1118 detail may not add to totals because of rounding.

Corporate Foreign Tax Credit, 1980: An Industry Focus

By William States*

For 1980, the foreign tax credit provisions of U.S. tax law enabled corporations to reduce their U.S. tax liability by almost $25 billion. Although this amount was the smallest since the $23.6 billion claimed for 1976, it still reduced the total corporate U.S. tax liability from $105.1 billion to $80.3 billion, a reduction of almost 24 percent. This sizeable reduction in the total corporate U.S. tax liability was accounted for by a relatively small number of corporations. Of the nearly 1.2 million corporations with U.S. tax liability before credits, fewer than 0.6 percent (6,199) claimed a foreign tax credit for income taxes paid to foreign countries [1].

As in past years, corporations primarily engaged in integrated petroleum activities (i.e., extracting, refining and marketing petroleum products) accounted for a significant portion of the total foreign tax credit claimed. Although only 43 of the 6,199 corporations claiming a foreign tax credit were engaged in integrated petroleum activities, their $11.0 billion in foreign tax credit claimed accounted for more than 44 percent of the total credit. In addition, the U.S. tax liability of all corporations in the integrated petroleum industry was reduced from $21.0 billion to $10.0 billion, or by more than 52 percent.

EVOLUTION OF THE FOREIGN TAX CREDIT

Generally, U.S. corporations are subject to U.S. tax on their worldwide income. When a portion of this income is derived from foreign sources, the foreign income is also typically subject to tax by the country in which it was earned. This results in double taxation of the foreign income. To alleviate the consequences of this double taxation, U.S. tax law allows corporations a credit against U.S. income tax for income taxes paid to foreign countries [2].

The United States was the first country to provide a tax credit for income taxes paid to foreign countries [3]. The foreign tax credit was established as part of the Revenue Act of 1918. The original foreign tax credit provisions allowed corporations to reduce their U.S. tax liability by the amount of their foreign income tax burden, without limitation. In cases in which the foreign tax rate exceeded the U.S. tax rate, the foreign taxes paid in excess of the U.S. tax rate effectively reduced the U.S. tax on domestic income.

The ability of some corporations to offset U.S. tax on domestic income with the credit for foreign income taxes led to the development of the foreign tax credit limitation. The limitation was first adopted as part of the Revenue Act of 1921 and still remains as a fundamental principle of the current foreign tax credit provisions of U.S. tax law. The basis of the limitation is to restrict the crediting of foreign income taxes to the lesser of (1) the U.S. tax on foreign-source taxable income, or (2) the actual foreign income taxes paid.

Before the enactment of the Revenue Act of 1962, corporations combined all types of foreign income for purposes of computing their foreign tax credit limitation. With passage of the 1962 Act, corporations were required to compute a separate foreign tax credit limitation for certain investment interest income. This separate limitation removed the incentive for corporations with foreign-source income, taxed at rates in excess of the U.S. tax rate, from making interest-bearing investments abroad to generate additional foreign income. Since this foreign-source interest income was usually subject to little or no foreign tax, the addition of this lower-taxed foreign income to the higher-taxed foreign income enabled corporations to increase the total foreign tax credit claimed. Subsequent legislation required additional separate foreign tax credit limitations with respect to certain other types of foreign income.

For Tax Year 1980, separate foreign tax credit limitations were required with respect to (1) certain investment interest income, (2) dividends received from a Domestic International Sales Corporation (DISC) or former DISC, (3) foreign oil-related income, and (4) all other income from foreign sources [4]. The total foreign tax credit claimed was the sum of the four separate types of income credits. In

*Foreign Returns Analysis Section. Prepared under the direction of James Hobbs, Chief.

certain instances, the total foreign tax credit claimed was reduced for participation in or for cooperation with international boycotts [5].

FOREIGN TAX CREDIT BY INDUSTRY

Foreign Income, Tax and Credit Trends

Although there was little change in the total foreign tax credit claimed from 1977 to 1980 (see Figure A), there were distinctly different industry trends. During this period, the foreign tax credit claimed for all industries except the oil and gas extraction industry increased by approximately 24 percent per year. Particularly noteworthy was the integrated petroleum industry, which increased by almost 40 percent per year over the 3-year period. On the other hand, the foreign tax credit claimed by corporations primarily engaged in oil and gas extraction decreased by almost 87 percent from 1977 to 1980, while alternatingly decreasing and increasing during the intervening years [6].

For Tax Year 1979, corporate profits, as measured by total income subject to U.S. tax, increased by $40.6 billion over the 1978 level to almost $280.2 billion (see Figure B). A significant portion of this increase was accounted for by the $27.4 billion increase in foreign-source taxable income, as both foreign-source taxable income ($92.5 billion) and foreign tax credit claimed ($36.8 billion) reached all-time highs for 1979.

Although every industry contributed to the $10.5 billion increase in foreign tax credit claimed for 1979, the oil and gas extraction industry alone accounted for $6.1 billion, or almost 60 percent of the total increase. An additional $1.8 billion (or 17 percent) of the increase was attributed to the integrated petroleum industry. As many of the corporations in the oil and gas extraction and integrated petroleum industries had substantial operations in countries that were members of the Organization of Petroleum Exporting Countries (OPEC) [7], much of the increase in foreign income and foreign tax credit claimed can be attributed to the OPEC-induced rise in petroleum prices and the increased foreign taxes paid on their larger foreign earnings.

For 1980, corporate profits declined from 1979, as illustrated by the $33.6 billion reduction in total income subject to U.S. tax. While corporate profits declined in many industries [8], the decreases in total foreign-source taxable income and total foreign tax credit claimed were largely restricted to the oil and gas extraction industry. Excluding this industry, the foreign tax credit claimed increased by 26 percent over 1979. In particular, the foreign tax credit claimed by the integrated petroleum industry increased by $4.6 billion, or by 71 percent over 1979. The foreign tax credit claimed by corporations engaged in wholesale and retail trade also increased by 71 percent, from almost $900 million to more than $1.5 billion. This increase was largely attributable to those corporations involved in wholesaling petroleum and petroleum products.

Although the foreign tax credit claimed by most industries increased for 1980, these increases were more than offset by a $16.8 billion reduction in foreign tax credit claimed by the oil and gas extraction industry. This decline was largely the result of the foreign nationalization of certain U.S. oil interests in the Middle East. This nationalization adversely affected the industry's foreign earnings, which reduced the amount of foreign taxes available for credit [9].

Since foreign taxes can only offset the U.S. income tax on foreign income, the total foreign taxes available for credit often exceed the allowable credit. The combined effect of the foreign tax credit limitation and the statutory reduction for excess foreign oil and gas extraction taxes [10] are illustrated by Figure C [11]. For 1980, the $24.9 billion in foreign tax credit claimed represented only 73 percent of the $34.2 billion in total foreign taxes available for credit. Of the $9.3 billion in foreign taxes that were not creditable for 1980, $4.1 billion were foreign oil and gas extraction taxes in excess of 46 percent (the *maximum* U.S. tax rate) of foreign oil and gas extraction taxable income [12].

Impact of Prior-Year Foreign Taxes

Foreign taxes that cannot be claimed as a credit currently because of the operation of the foreign tax credit limitation may be credited in prior or subsequent years. With the exception of excess foreign oil and gas extraction taxes, U.S. tax law permitted all foreign taxes that could not be claimed currently as a tax credit to be carried back 2 years and forward 5 years. The foreign taxes carried to other years may be credited in such years to the extent that the current-year foreign taxes do not equal or exceed the foreign tax credit limitation for that year. The amount

Figure A.--Foreign Tax Credit Claimed and Percent Change in Foreign Tax Credit Claimed, by Selected Industry, 1977-1980

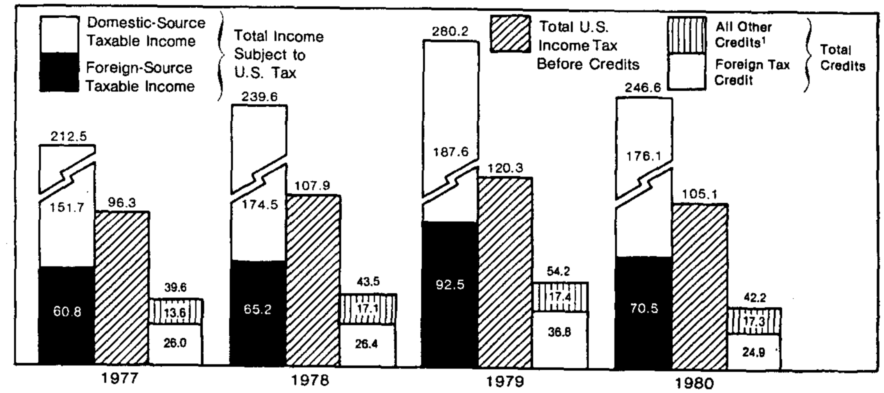
[All figures are estimates based on samples--money amounts are in millions of dollars]

Selected industry	1977 Amount	1978 Amount	1978 Percent change from 1977	1979 Amount	1979 Percent change from 1978	1980 Amount	1980 Percent change from 1979	Percent change 1977 to 1980
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All industries	$26,006	$26,358	1.4%	$36,828	39.7%	$24,880	-32.4%	-4.3%
Mining	13,959	12,513	-10.4	18,719	49.6	1,964	-89.5	-85.9
Oil and gas extraction	13,898	12,446	-10.5	18,591	49.4	1,822	-90.2	-86.9
Manufacturing	10,154	11,654	14.8	15,286	31.2	19,192	25.5	89.0
Chemicals and allied products	904	1,156	27.8	1,531	32.5	1,721	12.4	90.3
Petroleum (including integrated) and coal products	4,041	4,665	15.5	6,447	38.2	11,028	71.0	172.9
Machinery, except electrical	1,624	1,915	17.9	2,216	15.7	2,331	5.2	43.6
Wholesale and retail trade	604	594	-1.6	891	50.0	1,525	71.1	152.4
Finance, insurance, and real estate	867	1,104	27.3	1,290	16.8	1,397	8.3	61.1

Figure B

Domestic-Source Taxable Income, Foreign-Source Taxable Income, Total Income Subject to U.S. Tax, Total U.S. Income Tax Before Credits, Foreign Tax Credit and All Other Credits, 1977-1980

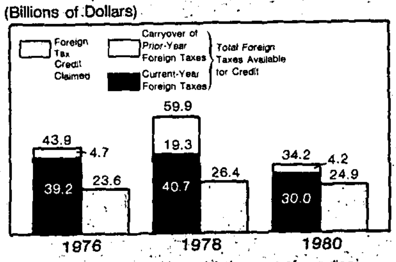
(Billions of Dollars)



1/ All other credits include U.S. possessions tax, investment, work incentive (WIN) and jobs credits. Also included for 1980 are nonconventional source fuel and alcohol fuel credits.

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

Figure C
Total Foreign Taxes Available for Credit and Foreign Tax Credit Claimed, 1976, 1978 and 1980
(Billions of Dollars)



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

of excess foreign oil and gas extraction taxes that could be carried to prior or subsequent years was limited to 2 percent of foreign oil and gas extraction taxable income.

Nearly 1,200 corporations carried more than $4.2 billion in unused prior-year foreign taxes to 1980 [13] for potential crediting against their U.S. income tax on foreign-source taxable income. As shown in Figure D, 514 corporations credited $736 million, or more than 17 percent of the total carryover. No foreign tax credit was claimed with respect to the foreign tax carryover for the remaining 680 corporations with carryover. In the case of these corporations, the current-year foreign income taxes offset completely the U.S. tax on foreign-source taxable income, precluding the crediting of any foreign tax carryover.

The oil and gas extraction and integrated petroleum industries together accounted for more than $3.2 billion of the $4.2 billion in unused foreign taxes carried to 1980. The substantial carryover for these industries was largely a function of the relatively high effective foreign tax rates in prior years. More than $485 million of the $3.2 billion available carryover for these industries was used to offset U.S. income tax on foreign-source taxable income. Of this amount, $452 million was accounted for by three large integrated petroleum companies.

On a percentage basis, the banking industry credited the largest proportion of its available foreign tax carryover. The $52 million in credited carryover represented 98 percent of the total carryover available. The $53 million in uncredited prior-year foreign taxes carried to 1980 were primarily the result of substantial prior-year domestic losses. These losses effectively reduced the U.S. tax before credits on foreign-source taxable income, thereby reducing the amount of foreign taxes that could be credited in the domestic loss years.

For some corporations, the choice between domestic and foreign investments is influenced by the amount of unused prior-year foreign taxes available for credit. Those corporations with carryover that may not be used because the 5-year carryforward period is about to expire often choose to make the foreign investment if the resulting income is subject to a relatively low foreign tax rate. In many instances, the addition of this relatively low-taxed foreign income enables corporations to credit some portion of their carryover against the U.S. tax on the additional foreign income. This results in a lower U.S. tax liability after credit than if the alternative domestic investment was made, as the U.S. tax on the income from the domestic investment cannot be reduced by the foreign tax carryover.

Estimated Effective U.S. Tax Rates on Foreign-Source Taxable Income

The actual U.S. income tax paid on a corporation's foreign-source taxable income is a function of the overall foreign tax rate as well as the U.S. income tax rate. Since the U.S. tax on foreign-source taxable income is reduced on a dollar-for-dollar basis by the amount of foreign income taxes paid, the effective U.S. tax rate on foreign-source taxable income is often much less than the U.S. statutory rate. In general, a measure of a corporation's effective U.S. tax rate on foreign-source taxable income is the actual amount of U.S. income tax (U.S. income tax on foreign-source taxable income less the foreign tax credit claimed) on foreign-source taxable income, expressed as a percentage of foreign-source taxable income. For those corporations for which the U.S. income tax on foreign-source taxable income is entirely eliminated by the foreign tax credit, the effective U.S. tax rate on foreign-source taxable income is zero.

For purposes of obtaining a relative measure of the effective U.S. tax rate on foreign-source taxable income for selected major industries, the five corporations with the largest foreign tax credit claimed and the five corporations with the largest foreign-source taxable income in each industry were selected. Those corporations among the five largest in both categories were included only once for purposes of this analysis [14]. The results of the analysis of the 99 selected corporations is presented in Figure E. Brief summaries of the methodology and the limitations of the statistics are presented in the Data Sources and Limitations section of this article.

The average effective U.S. tax rate on foreign-source taxable income for the selected corporations was 2.7 percent [15]. Many of the

Figure D.--Foreign Tax Credit Claimed, Carryover Credited and Carryover Credited as a Percent of Both Total Carryover and Foreign Tax Credit Claimed, by Selected Major Industry, 1980

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

Selected major industry	Foreign tax credit claimed		Total carrryover of prior year foreign taxes		Carryover credited for 1980		Carryover credited as a percent of	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Total carryover	Total foreign tax credit claimed
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All industries	6,199	$24,879,737	1,194	$4,210,788	514	$735,656	17.5%	3.0%
Agriculture, forestry, and fishing	89	7,490	3	697	3	72	10.3	1.0
Mining	162	1,963,897	71	992,350	32	37,616	3.8	1.9
Oil and gas extraction	127	1,822,371	59	940,635	27	26,055	2.8	1.4
Construction	161	150,842	20	23,529	15	8,237	35.0	5.5
Manufacturing	2,271	19,191,909	351	2,842,132	202	576,779	20.3	3.0
Food and kindred products	169	653,025	34	24,778	31	10,335	41.7	1.6
Chemicals and allied products	246	1,720,564	41	94,869	26	7,126	7.5	0.4
Petroleum (including integrated) and coal products	43	11,027,563	17	2,284,333	12	459,430	20.1	4.2
Primary metal industries	79	611,160	11	91,132	8	36,517	40.1	6.0
Electrical and electronic equipment	225	643,169	40	148,917	17	14,498	9.7	2.3
Transportation equipment, except motor vehicles	39	141,473	8	52,231	**	21,613	41.4	15.3
Transportation and public utilities	147	462,236	32	134,461	18	21,922	16.3	4.7
Transportation	109	211,438	24	109,465	11	20,610	18.8	9.7
Wholesale and retail trade	769	1,524,766	117	91,490	63	18,023	19.7	1.2
Wholesale trade	649	1,387,957	77	71,020	49	8,557	12.0	0.6
Retail trade	120	136,809	39	20,470	14	9,467	46.2	6.9
Finance, insurance, and real estate	1,738	1,397,281	522	89,317	134	66,958	75.0	4.8
Banking	168	1,061,486	19	53,361	**	52,283	98.0	4.9
Services	862	181,307	78	36,812	47	6,048	16.4	3.3

**Data deleted to avoid disclosure of information for specific corporations.
NOTE: Detail may not add to totals because of rounding.

selected corporations effectively had no U.S. income tax liability on their foreign-source taxable income, while some had effective U.S. tax rates on foreign-source taxable income approaching 46 percent (the maximum U.S. tax rate). Although these 99 corporations represented only 1.6 percent of the total number of corporations claiming a foreign tax credit, their foreign-source taxable income and foreign tax credit claimed accounted for approximately two-thirds of the respective totals for all corporations claiming a foreign tax credit.

Most industries had corporations with effective U.S. tax rates on foreign-source taxable income ranging from zero to well above the 2.7 percent overall average rate. However, the corporations representing the oil and gas extraction, integrated petroleum and banking industries had effective U.S. tax rates on foreign-source taxable income ranging from zero to only 1.7 percent. The average effective U.S. tax rate on foreign-source taxable income for the 17 corporations in these industries was less than 0.5 percent. For the remaining 82 corporations in other industries, the average effective U.S. tax rate on foreign-source taxable income was 5.8 percent.

As discussed earlier, the corporations representing the oil and gas extraction and integrated petroleum industries had two of the lowest average effective U.S. tax rates on foreign-source taxable income. These low effective U.S. tax rates were the result of the relatively high current-year foreign tax rates in combination with the prior-year foreign taxes available for credit (carryover). In particular, these corporations effectively had no U.S. income tax liability on their foreign oil-related income as the foreign taxes available for credit (current-year foreign taxes after reduction for excess oil and gas extraction taxes plus carryover of prior-year foreign taxes) exceeded the amount needed to offset completely the U.S. income tax on this income. A small amount of U.S. income tax was payable by some of the corporations in both industries with respect to their non oil-related income from foreign sources. In these instances, the

Figure E.--Estimated Effective U.S. Tax Rates on Foreign-Source Taxable Income for Selected Corporations, by Selected Major Industry, 1980[1]

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

Selected major industry	Number of returns	Total income subject to U.S. tax (adjusted)	Foreign-source taxable income (adjusted)	U.S. income tax before credits	Foreign tax credit claimed (adjusted)	Effective U.S. tax rate on foreign-source taxable income (percent) Range	Average
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All industries	99	$58,797	$44,361	$26,937	$17,032	0.0% to 45.6%	2.7%
Agriculture, forestry, and fishing	5	167	30	76	7	0.0 to 24.3	4.7
Mining	10	4,056	3,614	1,867	1,579	0.0 to 24.4	0.7
Oil and gas extraction	5	3,556	3,277	1,637	1,451	0.0 to 1.3	(2)
All other mining	5	500	337	230	128	0.0 to 24.4	7.1
Construction	5	385	406	177	130	0.0 to 15.1	10.0
Manufacturing	47	45,658	30,070	20,981	12,710	0.0 to 45.6	2.7
Food and kindred products	5	1,942	836	893	371	0.0 to 8.9	1.6
Chemicals and allied products	6	3,012	1,850	1,373	799	0.0 to 12.1	2.3
Petroleum (including integrated) and coal products	6	25,061	17,579	11,528	7,987	0.0 to 1.5	0.6
Primary metal industries	6	1,334	959	608	390	0.0 to 12.1	2.7
Machinery, except electrical	6	7,173	4,609	3,298	1,930	1.4 to 12.9	3.6
Electrical and electronic equipment	6	2,324	1,400	1,070	413	0.0 to 12.8	4.1
Motor vehicles and equipment	5	1,040	1,038	477	284	0.0 to 21.8	16.6
All other manufacturing	7	3,773	1,799	1,734	537	0.0 to 45.6	12.8
Transportation and public utilities	6	1,731	1,016	796	365	1.2 to 24.6	7.3
Wholesale and retail trade	6	3,414	3,181	1,564	1,335	0.0 to 25.5	3.3
Finance, insurance, and real estate	13	2,746	5,780	1,212	840	0.0 to 34.2	1.8
Banking	6	1,618	5,252	721	694	0.0 to 1.7	0.5
All other finance, insurance, and real estate	7	1,128	528	491	146	0.0 to 34.2	13.9
Services	7	641	263	264	66	0.0 to 36.3	13.4

[1]For each industry the 5 corporations with the largest foreign tax credit claimed and the 5 corporations with the largest foreign-source taxable income were selected. Those corporations among the 5 largest in both categories were included only once.
[2]Less than 0.05%.
NOTE: See text for additional information. Detail may not add to totals because of rounding.

foreign taxes available for credit were somewhat less than the U.S. income tax on this income.

The corporations selected to represent the banking industry had a 0.5 percent average effective U.S. tax rate on foreign-source taxable income. Although this effective U.S. tax rate on foreign-source taxable income is comparable to the integrated petroleum industry's rate, the cause of the banking industry's relatively low effective U.S. tax rate was distinctly different. Since all the corporations representing the banking industry had domestic losses, their total worldwide income (total income subject to U.S. tax) was less than their foreign-source taxable income. In the aggregate, the $1.6 billion in total worldwide income for these banks resulted from $5.3 billion in foreign-source taxable income reduced by domestic losses of $3.6 billion. Since the U.S. income tax before credits is based on worldwide income, the effect of the domestic losses was to reduce the pre-credit U.S. income tax on foreign-source taxable income from approximately $2.4 billion (or 46 percent of $5.3 billion) to slightly more than $700 million (or 46 percent of $1.6 billion). As a result, the $721 million in pre-credit U.S. tax liability on foreign-source taxable income was largely eliminated by the $694 million in foreign tax credit claimed. Without the domestic losses, the average effective U.S. tax rate on foreign-source taxable income would have been approximately 33 percent, as the average foreign tax rate on this foreign-source taxable income was only 13 percent.

The highest average effective U.S. tax rate on foreign-source taxable income for any of the selected industries was the 16.6 percent rate for the corporations primarily engaged in the manufacturing of motor vehicles and equipment. The relatively high average U.S. tax rate was primarily the result of the low overall foreign tax rate of 28 percent on foreign-source taxable income. The average effective U.S. tax rate on foreign-source taxable income would have been slightly higher were it not for the domestic losses of some of the selected corporations.

SUMMARY

Although the foreign tax credit claimed for Tax Year 1980 declined by more than 32 percent from its 1979 all-time high, the $24.9 billion claimed was still the largest single credit against the U.S. corporate income tax. This nearly 24 percent reduction in the total U.S. corporate tax liability was accounted for by the relatively few corporations (6,199) that claimed a credit for income taxes paid to foreign governments.

For 1980, those corporations in the oil and gas extraction and integrated petroleum industries collectively accounted for more than one-half of the foreign tax credit claimed by all corporations. Particularly noteworthy was the continued growth of the foreign activities of the integrated petroleum industry. The $11.0 billion in foreign tax credit claimed by corporations in this industry represented a 71 percent increase over 1979. On the other hand, the foreign tax credit claimed by corporations in the oil and gas extraction industry was at its lowest level since 1972. The $1.8 billion in foreign tax credit claimed by corporations in this industry was nearly $17 billion less than the credit claimed for 1979. This substantial decrease was largely the result of the nationalization of certain U.S. oil interests in the Middle East.

An analysis of the corporations with the largest foreign-source taxable income and foreign tax credit claimed revealed that the average effective U.S. tax rate on foreign-source taxable income for the selected corporations was less than 3 percent. Many of these corporations effectively had no U.S. income tax liability on their foreign-source taxable income, while some had effective U.S. tax rates on foreign-source taxable income approaching the maximum U.S. tax rate. The average effective U.S. tax rate on foreign-source taxable income for each of the oil and gas extraction, integrated petroleum and banking industries was less than 1 percent. There was very little range in the effective U.S. tax rates on foreign-source taxable income for the corporations selected to represent these three industries, as every effective U.S. tax rate was less than the 2.7 percent average for all industries.

DATA SOURCES AND LIMITATIONS

Sample Selection and Variability

The statistics for the 1980 Tax Year were estimated from a stratified probability sample of about 85,000 corporation income tax returns selected after revenue processing, but before audit. A description of the sample selection procedures for corporate returns is presented in the Appendix of this publication.

From the general corporate sample described earlier, all returns claiming a foreign tax credit were used for the 1980 statistics presented in this article. However, slight differences exist between the 1980 foreign tax credit data presented in this article and the previously published data in Statistics of Income--1980, Corporation Income Tax Returns. These differences are the result of the different weighting methods used for returns sampled at less than the 100 percent rate [16]. In addition, the statistics presented in this article include certain returns with foreign tax credit that were prescribed for inclusion in the 100 percent sample class but were received too late to be included in Statistics of Income--1980, Corporation Income Tax Returns.

Sampling variability (i.e., the degree to which estimates based on a sample differ from similar data based on a complete count or census) arises only in strata in which returns are selected at a rate of less than 100 percent. For this article, returns selected at the 100 percent rate accounted for the largest part of the estimated amounts. For instance, for 1980, those corporations with $250 million or more in total assets (which were selected at a 100 percent rate) accounted for a major portion of total assets (96.5 percent), foreign tax credit claimed (96.1 percent), and foreign-source taxable income (95.8 percent) of all corporations claiming a foreign tax credit. Because of the predominance of these large corporations, sampling variability is not considered a major limitation of the statistics.

General Limitations

The foreign tax credit is claimed under section 901 of the Internal Revenue Code. Corporations claiming a foreign tax credit generally provide supporting foreign income and tax data on Form 1118, Computation of Foreign Tax Credit--Corporations, attached to the U.S. income tax return. Form 1118 is the source of the foreign income and tax data for this article. The statistics presented in this article do not reflect any adjustments that may be made during audit, when the acceptability of the foreign income and taxes reported for purposes of this credit is finally determined. Additionally, some corporations provided only preliminary foreign income and tax data with their U.S. tax returns because not all the information on their foreign operations was available at the time the U.S. income tax return was filed.

There is a certain amount of undercoverage of foreign income and tax data. In some instances, corporations did not provide a Form 1118 in support of their foreign tax credit claimed with their tax return as originally filed. However, the foreign tax credit claimed by these corporations represented only a fraction of 1 percent of the total foreign tax credit claimed by all corporations. Some corporations with foreign income and taxes operated at a deficit and had no U.S. tax liability against which a foreign tax credit could be claimed. In addition, some corporations chose to deduct their foreign income taxes from gross income rather than credit them against their U.S. tax liability. Data from such returns are excluded from this study. For 1980, the amount of foreign income and tax data so excluded was estimated to be in the range of $15 billion to $20 billion.

The U.S. tax law allows parent corporations to file consolidated income tax returns presenting the combined financial data of an entire group of affiliated corporations. Therefore, the actual number of corporations claiming a foreign tax credit is understated, as the statistics in this article represent the number of corporation income tax returns with foreign tax credit. For purposes of this article, however, the term "corporations" is used to denote "returns."

Effective Tax Rate Methodology and Limitations

An effective U.S. tax rate on foreign-source taxable income was computed for each of the 99 corporations selected for inclusion in Figure E. The computation was made by first determining each corporation's U.S. income tax before credits on its total foreign-source taxable income. This result represented the portion of a corporation's pre-credit U.S. tax liability that was attributable to its foreign-source taxable income. Each corporation's effective U.S. income tax on foreign-source taxable income was computed by reducing the pre-credit U.S. tax liability on foreign-source taxable income by the amount of foreign tax credit claimed. This represented the actual U.S. income tax liability of the corporation on its foreign-source taxable income. The final step was to calculate the effective U.S. tax rate on foreign-source taxable income by relating the corporation's actual U.S. income tax liability on its foreign-source taxable income to the total amount of foreign-source taxable income. After computing the effective U.S. tax rate on foreign-source taxable income for each corporation, the data were aggregated to determine the industry averages.

In some instances it was necessary to make relatively small adjustments in foreign-source taxable income, total income subject to U.S. tax, and foreign tax credit claimed for purposes of computing the effective U.S. tax rate on foreign-source taxable income. These adjustments were necessary to ensure the comparability of the resulting effective tax rates. Additional information on the adjustments is available on request.

Since all the corporations selected for this effective tax rate analysis claimed a foreign tax credit against the U.S. income tax on their foreign-source taxable income, the results should not be "generalized" to include those corporations that did not claim a foreign tax credit. For example, the foreign-source taxable income of corporations deducting their foreign income taxes (in lieu of crediting them) and the distributions and tax-deferred profits of Domestic International Sales Corporations (DISC's) were not included in this analysis.

EXPLANATION OF SELECTED TERMS

Current-year foreign taxes.--Generally, current-year foreign taxes available for credit included both (1) foreign taxes directly paid or accrued by the U.S. corporation on profits of foreign-branch operations; withholding taxes on dividends, interest, rents, royalties and license fees; and other foreign taxes paid or accrued on partnership and services income; and (2) foreign taxes indirectly, or deemed, paid by the U.S. corporation. These "deemed paid" taxes were the taxes paid or accrued by a related foreign corporation on the profits from which dividends were paid (or constructive distributions made) to the U.S. corporation.

Foreign oil and gas extraction income.--This was income derived from foreign sources from the extraction of minerals from oil and gas wells or the sale or exchange of assets used in such extraction. Foreign oil and gas extraction income was a part of foreign oil-related income (see following definition). The amount of foreign oil and gas extraction taxes that could be used in the foreign oil-related tax credit computation was limited to 46 percent (the maximum U.S. tax rate for 1980) of foreign oil and gas extraction income.

Foreign oil-related income.--This was income derived from foreign sources from (1) extracting of minerals from oil and gas wells, (2) processing such minerals into their primary products, (3) transporting such minerals or primary products, and (4) selling or exchanging assets used in these activities.

Foreign-source taxable income.--Foreign-source taxable income was gross foreign-source income (including certain income "constructively," although not "actually," received, i.e., "foreign dividend gross-up" and "includable income of Controlled Foreign Corporations") less the allocable deductions determined under the Internal Revenue Code and by provisions of any tax treaty between the United States and a particular foreign country. This taxable income was the amount on which the U.S. income tax on foreign earnings was determined. It could differ from the net profit from overseas business operations and investments computed under foreign tax law, which was used as the basis for foreign taxation. In general, foreign-source taxable income included foreign branch profits, dividends received from foreign corporations, rental income, royalties, license fees, interest, gains from the sale of real property, and compensation for labor or services performed.

Foreign taxes available for credit.--Generally, foreign taxes available for credit was the sum of (1) current-year foreign taxes (foreign taxes paid or accrued or "deemed paid"), and (2) uncredited prior-year foreign taxes (carryover). In some instances, this sum was reduced for participation in or cooperation with international boycotts or by any excess oil and gas extraction taxes.

NOTES AND REFERENCES

[1] There will be an article in the Winter 1984-85 issue of the Statistics of Income Bulletin presenting geographically classified foreign income and tax data for Tax Year 1980.

[2] Under U.S. tax law, corporations could deduct foreign income, war profits and excess profits taxes in lieu of claiming a foreign tax credit. However, most corporations obtained a greater tax benefit by electing to credit these taxes against U.S. income tax rather than deducting them from gross income. Foreign taxes other than income, war profits and excess profits taxes are always deducted from gross income as such taxes cannot be claimed as a foreign tax credit.

[3] See Owens, Elisabeth A., The Foreign Tax Credit: A Study of the Credit for Foreign Taxes under United States Income Tax Law, Cambridge: Harvard Law School, 1961.

[4] The Tax Equity and Fiscal Responsibility Act of 1982 repealed the separate foreign tax credit limitation for foreign oil-related income. For taxable years beginning after December 31, 1982, separate foreign tax credit limitations were required with respect to (1) certain investment interest income, (2) dividends received from a DISC or former DISC, and (3) all other income from foreign sources.

[5] U.S. Department of Treasury, The Operation and Effect of the International Boycott Provisions of the Internal Revenue Code - Third Report, May 1982.

[6] Corporations in the oil and gas extraction industry are primarily engaged in exploring for and extracting natural gas and crude petroleum. Corporations primarily engaged in refining or extracting and refining crude petroleum are classified in the integrated petroleum industry. Corporations in the integrated petroleum industry may also transport and market petroleum products. However, since corporations were classified in the industry which accounted for the greatest portion of worldwide receipts, the industrial classification of some of these corporations does not reflect their actual foreign activity. For example, some of the corporations classified in the integrated petroleum industry were primarily engaged in the extraction of oil and gas abroad, but were not classified as such because their industry classification was based on worldwide rather than foreign receipts.

[7] The Organization of Petroleum Exporting Countries (OPEC) includes Algeria, Ecuador, Gabon, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, United Arab Emirates and Venezuela.

[8] See Hobbs, James R., "Corporation Income Tax Returns: 1980," Statistics of Income Bulletin, Winter 1982-83, pp. 11-16.

[9] The nationalization resulted in the deduction of certain foreign income taxes from gross income rather than the inclusion of these taxes for foreign tax credit purposes. The foreign income taxes deducted were estimated to be in excess of $15 billion.

[10] Under U.S. tax law, oil and gas extraction taxes in excess of 46 percent of foreign oil and gas extraction income were excluded from the foreign tax credit computation with respect to foreign oil-related income.

[11] Data on the total foreign taxes available for credit for Tax Years 1975, 1977, and 1979 are not available.

[12] The excess oil and gas extraction taxes for Tax Years 1976 and 1978 were $11.3 billion and $7.8 billion, respectively.

[13] These statistics do not include the carryback of subsequent-year unused foreign taxes. These taxes would be reported at some future date on amended returns and were therefore not available.

[14] For example, the seven corporations representing the services industry were selected by first compiling a list of the five corporations with the largest foreign tax credit claimed and the five corporations with the largest foreign-source taxable income. Since three corporations were among the five largest in both categories, they were included only once for purposes of this analysis. This selection technique resulted in better effective tax rate estimates than those that would result from the use of industry totals. Effective tax rate estimates based solely on industry totals would be subject to certain "aggregation errors," such as those that would result from the inability to make industry level adjustments for the presence of corporations with domestic losses.

[15] The 2.7 percent average effective U.S. tax rate on foreign-source taxable income may be somewhat lower than the actual average for all 6,199 corporations claiming a foreign tax credit. Since the selected corporations were those with the largest foreign operations in each industry, it is likely that these corporations placed a greater emphasis on tax planning with respect to their foreign activities than did the corporations with less substantial foreign operations.

[16] The statistics in this article are based upon "initial" weights which were derived by dividing the number of returns filed per sample class by the number of sample returns for the stratum. The data published in Statistics of Income--1980, Corporation Income Tax Returns are based upon adjusted "initial," or post-stratified weights. The "post-stratified" weights were based upon a comparison of the weighted sample and population for subclasses within each major business activity grouping.

Table 1.—Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry

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

Major industry	Number of returns	Total assets	Total receipts	Dividends received from foreign corporations	Dividends received from DISC's	Includable income of Controlled Foreign Corporations	Foreign dividend income resulting from foreign taxes deemed paid (gross-up)	Net income (less deficit)	Western Hemisphere Trade Corporation deduction	Income subject to U.S. tax
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All industries	**6,199**	**3,245,852,517**	**2,303,163,923**	**13,877,760**	**4,279,440**	**2,873,881**	**12,647,855**	**144,244,881**	**2,883**	**138,601,997**
Agriculture, forestry, and fishing	**89**	**2,571,871**	**5,394,727**	**16,246**	**1,628**	**1,414**	**3,391**	**235,047**	**—**	**231,319**
Mining	**162**	**58,340,430**	**39,354,919**	**271,572**	**39,457**	**58,790**	**81,802**	**6,674,554**	**774**	**6,418,964**
Metal mining	16	10,709,678	5,030,501	57,575	3,496	5,675	23,312	504,792	—	432,138
Coal mining	7	1,942,885	1,930,241	2,304	1,669	—	265	65,370	—	61,371
Oil and gas extraction	127	40,886,507	28,627,917	210,091	28,692	53,115	57,553	5,636,541	774	5,458,692
Nonmetallic minerals, except fuels	12	4,801,360	3,766,260	1,603	5,599	—	672	467,851	—	466,762
Construction	**161**	**11,941,943**	**20,678,945**	**82,822**	**4,524**	**107,773**	**109,713**	**905,314**	**39**	**882,761**
General building contractors and operative builders	75	5,293,441	8,441,145	29,495	494	2,331	15,051	192,249	19	183,962
Heavy construction contractors	40	5,463,304	10,184,336	48,361	3,816	105,351	93,973	655,626	—	645,676
Special trade contractors	46	1,185,199	2,073,464	4,965	214	91	689	57,439	19	53,123
Manufacturing	**2,271**	**1,138,860,451**	**1,483,360,175**	**11,812,812**	**3,913,068**	**2,277,012**	**10,023,329**	**106,566,278**	**1,842**	**103,689,005**
Food and kindred products	169	70,724,714	117,353,032	616,786	125,151	82,815	435,803	6,667,681	70	6,609,916
Tobacco manufactures	9	27,975,318	24,233,385	47,743	71,213	19,551	35,230	2,281,704	—	2,068,511
Textile mill products	42	7,233,801	11,869,140	31,283	15,586	17,491	35,894	605,694	—	588,144
Apparel and other textile products	100	5,913,141	9,365,628	57,310	3,698	2,542	46,787	808,413	—	600,966
Lumber and wood products	24	13,832,207	13,937,902	102,407	36,777	7,078	48,760	604,290	(1)	654,666
Furniture and fixtures	33	1,825,686	2,980,465	1,305	858	851	1,454	263,563	—	262,956
Paper and allied products	42	30,907,657	36,978,921	558,256	105,937	29,996	335,206	2,731,236	—	2,708,125
Printing and publishing	148	20,697,582	25,660,381	127,228	21,183	376	75,938	2,491,199	7	2,433,951
Chemicals and allied products	246	112,852,108	138,520,636	1,217,730	735,783	565,739	1,046,548	10,676,750	63	10,598,306
Petroleum (including integrated) and coal products	43	325,103,221	540,172,212	4,310,738	73,465	739,843	4,420,205	44,826,469	—	43,014,198
Rubber and miscellaneous plastics products	117	9,708,904	13,678,515	81,250	16,763	7,209	60,967	562,917	—	556,384
Leather and leather products	14	2,583,195	4,069,961	2,248	89	357	2,105	381,408	—	330,345
Stone, clay, and glass products	36	19,951,952	21,541,442	178,075	41,050	16,390	113,737	1,177,159	37	1,125,164
Primary metal industries	79	89,393,439	85,087,390	414,798	110,324	166,481	256,429	4,088,139	—	3,895,505
Fabricated metal products	214	32,814,768	38,998,056	429,623	96,816	35,319	282,800	2,795,607	—	2,761,069
Machinery, except electrical	411	109,074,029	112,240,913	2,093,455	639,305	195,843	1,783,261	11,341,103	527	11,299,754
Electrical and electronic equipment	225	112,467,170	115,974,420	621,091	609,333	184,647	392,733	6,574,213	32	6,405,388
Motor vehicles and equipment	79	78,081,450	80,556,060	422,621	243,736	50,764	231,377	1,837,617	642	1,794,178
Transportation equipment, except motor vehicles	39	35,160,789	46,132,643	117,657	615,033	40,250	79,841	1,622,363	288	1,582,062
Instruments and related products	87	22,204,323	30,486,450	336,476	315,856	95,194	293,122	3,419,543	68	3,385,323
Miscellaneous manufacturing products and manufacturing not allocable	113	10,154,976	13,522,621	44,732	33,112	18,257	43,130	807,209	88	794,093
Transportation and public utilities	**147**	**146,392,772**	**122,635,801**	**159,615**	**23,983**	**104,803**	**106,024**	**5,682,547**	**—**	**5,554,994**
Transportation	109	52,672,447	53,108,416	65,073	3,618	35,570	33,706	2,258,890	—	2,222,418
Water transportation	18	6,189,219	3,218,105	7,272	4	10,211	935	504,531	—	493,091
Other transportation	92	46,483,227	49,890,311	57,802	3,614	25,359	32,772	1,754,359	—	1,729,327
Communication	18	44,591,536	19,566,865	61,601	1,559	49,442	50,887	1,371,948	—	1,290,292
Electric, gas, and sanitary services	20	49,128,789	49,960,519	32,941	18,806	19,791	21,431	2,051,709	—	2,042,284
Wholesale and retail trade	**769**	**135,829,845**	**287,472,208**	**1,014,590**	**248,781**	**187,420**	**2,044,595**	**8,426,600**	**310**	**8,139,341**
Wholesale trade	649	60,794,568	181,538,515	839,518	247,758	158,559	1,955,224	5,642,658	310	5,562,673
Groceries and related products	28	5,028,237	10,199,336	15,234	1,349	49,231	37,246	298,795	—	295,600
Machinery, equipment, and supplies	114	5,945,711	10,804,893	4,209	9,303	1,637	1,060	377,444	—	373,596
Miscellaneous wholesale trade	507	49,820,620	160,534,286	820,075	237,106	107,691	1,916,897	4,966,419	310	4,893,477
Drugs, chemicals, and allied products	31	2,642,293	6,056,062	21,691	4,051	373	14,263	208,125	—	201,997
Petroleum and petroleum products	30	15,497,480	43,019,847	667,860	677	91,145	1,846,603	3,029,597	—	3,008,740
Other miscellaneous wholesale trade	446	31,680,847	111,458,376	130,523	232,378	16,172	56,031	1,728,697	310	1,682,739
Retail trade	120	75,035,277	105,933,693	175,072	1,023	28,861	89,371	2,783,942	—	2,576,869
Building materials, garden supplies, and mobile home dealers	*19	*124,951	*271,022	*165	—	—	—	*9,610	—	*9,627
General merchandise stores	14	53,945,512	61,783,527	125,296	995	26,507	62,640	1,180,487	—	988,516
Food stores	5	6,149,989	21,776,692	32,526	—	1,160	20,172	274,522	—	273,174
Automotive dealers and service stations	*21	*313,996	*808,149	*103	—	—	*18	*9,129	—	*7,511
Apparel and accessory stores	5	2,538,493	4,016,953	361	—	33	151	103,689	—	103,546
Furniture and home furnishings stores	*26	*1,006,908	*1,751,026	*1	—	—	—	*251,167	—	*250,675
Eating and drinking places	20	7,454,081	8,306,125	11,242	—	382	2,162	646,105	—	635,259
Miscellaneous retail stores	10	3,501,347	7,220,199	5,380	28	780	4,228	309,032	—	308,161
Finance, insurance, and real estate	**1,738**	**1,716,565,976**	**308,944,772**	**406,198**	**4,636**	**101,214**	**188,661**	**13,406,894**	**—**	**11,428,706**
Banking	168	1,124,652,081	113,544,941	93,425	—	40,094	62,307	3,850,487	—	3,811,203
Credit agencies other than banks	77	28,199,656	6,083,354	43,694	—	22,264	10,089	119,366	—	110,659
Security, commodity brokers and services	34	49,777,923	7,777,272	9,958	1,257	2,830	2,451	856,366	—	755,302
Insurance carriers	217	501,652,676	176,155,950	85,064	761	30,236	28,707	7,227,119	—	5,615,992
Insurance agents, brokers, and services	115	3,558,515	2,175,486	14,667	—	2,258	12,564	416,719	—	413,164
Real estate	459	2,305,302	1,046,983	2,696	319	—	179	163,135	—	128,591
Holding and other investment companies except bank holding companies	668	6,409,823	2,160,786	156,693	2,298	3,532	72,384	773,703	—	593,794
Services	**862**	**35,348,612**	**35,309,283**	**113,905**	**43,352**	**35,455**	**90,141**	**2,345,154**	**18**	**2,254,615**
Hotels and other lodging places	10	4,530,076	3,758,973	6	—	1,343	1	201,147	—	191,346
Personal services	*12	*1,453,003	*1,760,274	*7,300	*274	*320	*5,988	*141,825	—	*140,175
Business services	362	9,781,884	11,848,329	65,209	1,673	17,209	55,280	754,757	—	731,462
Auto repair; miscellaneous repair services	4	1,731,597	1,789,487	—	—	—	—	15,064	—	15,084
Amusement and recreational services	96	12,146,921	10,945,888	24,053	34,843	7,866	19,818	843,301	18	801,671
Other services	379	5,705,129	5,206,332	17,336	6,562	8,717	9,053	389,042	—	374,878

Footnotes at end of table.

Table 1.—Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry—Continued

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

Major industry	U.S. income tax before credits: Total	U.S. income tax before credits: Regular and alternative tax	Foreign tax credit claimed	U.S. possessions tax credit	Investment credit	Jobs credit	Other credits	U.S. income tax after credits	Foreign income and taxes reported on Form 1118 — Gross income (less loss) excluding branch operations and specially allocable income: Total	Dividends
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
All industries	62,829,272	61,997,541	24,879,737	173,962	7,031,324	102,751	10,256	30,431,243	86,077,698	19,823,516
Agriculture, forestry, and fishing	99,661	98,667	7,490	—	5,713	36	—	66,421	35,256	17,645
Mining	2,910,852	2,853,816	1,963,897	—	201,186	895	37	744,837	5,922,735	337,630
Metal mining	182,108	161,830	58,114	—	29,307	103	—	94,584	801,647	66,495
Coal mining	32,137	24,009	770	—	12,173	—	5	19,189	4,367	2,303
Oil and gas extraction	2,473,323	2,461,319	1,822,371	—	118,880	681	29	531,362	4,566,340	263,191
Nonmetallic minerals, except fuels	223,285	206,858	82,643	—	40,826	110	4	99,702	550,181	5,640
Construction	399,154	394,895	150,842	—	39,733	1,081	13	207,485	1,115,560	190,831
General building contractors and operative builders	81,285	79,258	38,257	—	9,411	513	10	33,094	188,516	31,826
Heavy construction contractors	294,349	292,363	109,768	—	28,072	566	3	155,939	913,144	153,963
Special trade contractors	23,520	23,274	2,817	—	2,250	2	—	18,451	13,899	5,043
Manufacturing	46,977,540	46,541,783	19,191,909	172,206	5,067,720	49,853	6,200	22,489,651	58,419,900	17,048,854
Food and kindred products	2,956,606	2,920,229	653,025	4,267	312,783	6,957	395	1,979,181	2,459,338	812,339
Tobacco manufactures	949,282	946,602	59,486	—	158,421	214	52	731,110	458,967	113,586
Textile mill products	270,527	268,803	39,408	—	34,857	4,198	167	191,898	116,415	52,237
Apparel and other textile products	367,264	366,775	64,392	71	15,371	3,337	116	263,978	242,670	87,471
Lumber and wood products	215,108	201,146	67,620	—	70,840	1,930	29	74,689	179,345	109,485
Furniture and fixtures	120,706	120,411	2,453	—	8,613	1,434	92	108,115	9,037	2,156
Paper and allied products	1,151,594	1,128,590	373,645	—	193,465	789	72	583,624	1,201,871	589,267
Printing and publishing	1,086,273	1,078,592	101,596	—	113,185	779	78	870,635	335,551	130,996
Chemicals and allied products	4,632,357	4,767,929	1,720,564	112,724	591,139	3,000	485	2,404,446	4,949,400	2,058,274
Petroleum (including integrated) and coal products	19,544,044	19,474,445	11,027,563	—	1,537,544	903	125	6,977,909	25,945,850	6,484,686
Rubber and miscellaneous plastics products	250,480	246,984	86,094	—	25,310	671	60	138,346	285,573	89,184
Leather and leather products	151,449	151,250	4,889	—	6,095	770	88	139,608	14,439	2,602
Stone, clay, and glass products	496,939	481,824	134,747	—	105,250	1,199	183	255,560	505,653	214,386
Primary metal industries	1,737,979	1,663,290	611,160	—	275,744	2,750	282	848,043	1,839,130	604,283
Fabricated metal products	1,253,992	1,246,497	340,394	1,394	132,207	1,749	141	778,107	1,044,783	486,097
Machinery, except electrical	5,214,364	5,163,435	2,331,302	2,586	501,683	5,620	631	2,372,543	7,515,532	2,380,682
Electrical and electronic equipment	2,925,703	2,905,567	643,169	51,126	431,541	7,251	1,231	1,791,385	3,236,670	1,060,684
Motor vehicles and equipment	820,276	801,035	353,684	—	168,393	1,594	354	276,251	1,235,886	502,478
Transportation equipment, except motor vehicles	725,130	712,073	141,473	—	217,392	1,485	757	364,022	3,438,375	566,579
Instruments and related products	1,550,757	1,544,074	386,916	39	120,534	1,627	395	1,041,246	1,214,157	627,688
Miscellaneous manufacturing products and manufacturing not allocable	356,709	354,233	48,332	—	27,357	1,597	468	278,957	191,256	75,495
Transportation and public utilities	2,508,210	2,471,005	462,236	9	841,549	2,965	1,347	1,200,104	2,421,514	264,263
Transportation	996,369	980,243	211,438	9	331,184	432	74	453,232	1,188,992	100,015
Water transportation	226,061	223,899	154,699	—	41,607	29	—	29,726	716,361	17,481
Other transportation	770,308	756,345	56,739	9	289,578	403	74	423,505	472,631	82,534
Communication	597,226	584,476	75,833	—	226,393	718	42	294,240	486,745	111,042
Electric, gas, and sanitary services	914,615	906,286	174,965	—	283,972	1,815	1,231	452,632	745,776	53,206
Wholesale and retail trade	3,671,095	3,637,386	1,524,766	1,747	302,702	34,765	1,348	1,805,768	5,609,255	1,284,716
Wholesale trade	2,495,177	2,481,670	1,367,957	156	124,372	2,180	557	979,956	5,091,724	1,079,951
Groceries and related products	130,687	129,277	49,521	—	11,290	841	96	68,939	110,619	64,465
Machinery, equipment, and supplies	170,131	168,651	18,958	—	16,662	85	392	134,034	148,375	5,793
Miscellaneous wholesale trade	2,194,359	2,183,741	1,319,477	156	96,420	1,254	69	776,983	4,832,730	1,009,692
Drugs, chemicals, and allied products	88,305	87,240	21,751	91	6,007	86	2	60,369	51,885	22,064
Petroleum and petroleum products	1,353,203	1,352,573	1,219,153	—	7,376	81	3	126,587	2,952,320	759,008
Other miscellaneous wholesale trade	752,851	743,929	78,572	65	83,034	1,087	64	590,027	1,828,525	228,622
Retail trade	1,175,918	1,155,716	138,809	1,591	178,330	32,585	791	825,811	517,531	204,765
Building materials, garden supplies, and mobile home dealers	*4,006	*4,003	*67	—	*288	—	—	*3,652	*201	—
General merchandise stores	447,009	434,033	90,201	—	71,481	6,874	153	278,289	282,382	152,799
Food stores	128,766	125,023	25,796	1,591	34,693	5,311	143	61,233	75,232	33,686
Automotive dealers and service stations	*3,286	*2,904	*117	—	*642	*94	—	*2,433	*521	*103
Apparel and accessory stores	47,101	46,843	1,805	—	7,140	455	—	37,702	32,967	393
Furniture and home furnishings stores	*114,949	*114,910	*1,712	—	*1,520	*174	—	*111,543	*474	*1
Eating and drinking places	290,186	288,510	10,140	—	41,390	18,669	261	219,727	77,109	11,624
Miscellaneous retail stores	140,615	139,490	6,972	—	21,177	1,009	234	111,223	48,644	6,160
Finance, insurance, and real estate	5,061,456	5,007,762	1,397,281	—	401,161	7,006	406	3,255,803	13,003,448	507,253
Banking	1,707,102	1,678,344	1,061,486	—	215,030	4,723	130	425,733	8,392,952	133,514
Credit agencies other than banks	49,476	48,398	17,700	—	5,025	6	11	26,732	487,921	65,933
Security, commodity brokers and services	330,425	330,034	25,007	—	14,862	110	6	290,441	2,042,618	12,789
Insurance carriers	2,492,238	2,473,221	190,064	—	140,882	1,862	173	2,159,258	1,681,741	115,443
Insurance agents, brokers, and services	185,768	185,571	15,227	—	5,261	158	4	165,118	97,261	16,942
Real estate	48,196	48,021	2,220	—	6,100	36	—	39,840	17,735	2,597
Holding and other investment companies except bank holding companies	248,252	246,172	85,576	—	14,001	109	82	148,482	283,220	160,035
Services	1,000,268	991,192	181,307	—	171,218	6,150	905	840,688	1,549,866	172,525
Hotels and other lodging places	84,643	82,953	7,127	—	23,425	975	127	52,990	17,495	1,349
Personal services	*64,061	*63,133	*6,471	—	*8,021	*1,825	*6	*47,738	*16,794	*6,904
Business services	330,806	327,104	90,398	—	36,013	903	678	202,815	365,855	82,405
Auto repair; miscellaneous repair services	6,878	6,875	76	—	2,772	111	3	3,917	680	—
Amusement and recreational services	347,968	346,404	57,181	—	80,313	516	5	209,852	974,712	55,810
Other services	165,912	164,723	20,055	—	20,674	1,820	86	123,276	174,330	26,056

Footnotes at end of table.

Table 1.—Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry—Continued

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

Major industry	Foreign income and taxes reported on Form 1118—Continued: Gross income (less loss) excluding branch operations and specially allocable income—Continued: Dividend gross-up	Interest income	Rents, royalties and license fees	Service income	Net capital gain	Partnership income (net)	Other income	Oil and gas extraction gross income (less loss): Total	From extraction of oil or gas	From sale of business assets
	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
All industries	12,644,525	12,509,769	7,180,244	12,380,812	1,068,403	228,191	20,242,237	31,098,661	23,487,743	261,928
Agriculture, forestry, and fishing	3,391	2,182	2,516	780	380	320	8,054	—	—	—
Mining	81,802	102,819	123,539	582,713	89,615	132,436	4,472,180	3,731,883	3,395,321	110,326
Metal mining	23,312	15,754	6,498	278,083	10,489	13,677	387,539	—	—	—
Coal mining	265	1,777	22	—	—	—	—	—	—	—
Oil and gas extraction	57,553	54,442	107,309	303,560	44,846	97,563	3,637,877	3,731,863	3,395,321	110,326
Nonmetallic minerals, except fuels	672	30,847	9,711	1,070	34,280	21,196	446,764	—	—	—
Construction	109,650	15,900	10,478	709,892	3,890	28,536	46,383	29,339	29,339	—
General building contractors and operative builders	15,051	2,329	2,125	103,871	1,846	2,167	29,302	29,339	29,339	—
Heavy construction contractors	93,911	12,874	7,228	605,818	2,044	18,729	18,578	—	—	—
Special trade contractors	689	697	1,125	204	—	7,640	-1,497	—	—	—
Manufacturing	10,021,138	3,200,639	5,681,280	9,328,455	686,029	50,467	10,403,237	24,609,845	19,010,306	148,209
Food and kindred products	435,807	141,098	285,562	84,375	60,830	974	638,354	—	—	—
Tobacco manufactures	35,230	16,917	109,828	8,722	1,924	—	172,761	27,245	27,245	—
Textile mill products	35,603	3,203	16,171	2,385	83	500	6,234	—	—	—
Apparel and other textile products	46,787	21,470	72,241	592	250	52	13,807	—	—	—
Lumber and wood products	48,760	7,472	8,609	389	758	343	3,530	—	—	—
Furniture and fixtures	1,454	354	3,339	76	321	—	1,338	—	—	—
Paper and allied products	335,207	36,141	181,954	16,836	22,495	—	19,971	—	—	—
Printing and publishing	75,923	10,158	78,194	12,169	2,029	4,792	23,288	—	—	—
Chemicals and allied products	1,048,124	271,837	947,516	165,892	66,568	7,995	385,193	749,594	747,945	—
Petroleum (including integrated) and coal products	4,420,201	1,437,814	135,402	5,309,432	163,852	17,063	7,977,401	23,603,179	18,229,731	148,209
Rubber and miscellaneous plastics products	60,987	9,416	84,992	23,327	11,201	-209	6,694	—	—	—
Leather and leather products	2,105	66	834	—	68	—	8,765	—	—	—
Stone, clay, and glass products	113,737	25,468	93,072	33,393	10,536	207	14,654	—	—	—
Primary metal industries	256,429	148,362	186,153	40,521	248,376	13,272	341,734	24,434	—	—
Fabricated metal products	282,800	40,053	161,375	9,555	31,344	-122	33,680	88	88	—
Machinery, except electrical	1,783,266	363,571	2,205,663	385,134	44,806	8,774	345,637	—	—	—
Electrical and electronic equipment	392,727	243,895	633,848	724,079	11,954	2,262	167,220	14	7	—
Motor vehicles and equipment	230,735	117,839	138,659	109,844	2,466	-4,514	138,381	5,291	5,291	—
Transportation equipment, except motor vehicles	79,842	277,331	90,852	2,371,890	943	1,047	49,891	—	—	—
Instruments and related products	292,304	17,550	217,943	12,360	5,188	25	41,099	—	—	—
Miscellaneous manufacturing products and manufacturing not allocable	43,130	10,625	31,074	17,484	36	6	13,405	—	—	—
Transportation and public utilities	106,023	74,919	127,058	779,101	54,976	-13,070	1,028,243	835,559	808,018	3,393
Transportation	33,705	22,684	55,574	456,541	1,828	-61,188	579,833	366,115	365,355	109
Water transportation	936	3,956	3,656	324,895	2,256	-60,960	424,142	365,472	364,712	109
Other transportation	32,769	18,726	51,918	131,647	-428	-227	155,691	643	643	—
Communication	50,887	4,039	51,092	204,976	16,795	3,770	44,145	—	—	—
Electric, gas, and sanitary services	21,431	48,197	20,392	117,584	38,353	44,348	404,265	469,444	442,663	3,284
Wholesale and retail trade	2,044,313	459,320	148,745	123,775	140,740	-106	1,407,752	1,886,022	238,736	—
Wholesale trade	1,954,944	382,772	76,047	114,734	138,489	-106	1,344,894	1,886,022	238,736	—
Groceries and related products	37,246	3,839	6,958	2,034	66	—	-3,989	—	—	—
Machinery, equipment, and supplies	1,079	19,111	38,731	43,502	2,463	—	37,695	—	—	—
Miscellaneous wholesale trade	1,916,618	359,822	30,358	69,196	135,959	-106	1,311,188	1,886,022	238,736	—
Drugs, chemicals, and allied products	14,263	997	10,453	857	1,100	-106	2,256	—	—	—
Petroleum and petroleum products	1,846,603	17,540	290	2,190	134,683	—	191,808	1,882,664	235,379	—
Other miscellaneous wholesale trade	55,752	341,286	19,615	66,151	-24	—	1,117,124	3,356	3,358	—
Retail trade	89,369	76,548	72,698	9,041	2,251	—	62,858	—	—	—
Building materials, garden supplies, and mobile home dealers	—	*35	*166	—	—	—	—	—	—	—
General merchandise stores	62,639	53,918	5,345	5,648	578	—	1,455	—	—	—
Food stores	20,172	2,486	8,371	21	—	—	12,496	—	—	—
Automotive dealers and service stations	*18	*86	*313	—	—	—	—	—	—	—
Apparel and accessory stores	151	35	2,655	15	67	—	29,651	—	—	—
Furniture and home furnishings stores	—	*449	—	*24	—	—	—	—	—	—
Eating and drinking places	2,162	18,536	34,316	1,845	—	—	8,625	—	—	—
Miscellaneous retail stores	4,228	1,002	23,531	1,487	1,605	—	10,630	—	—	—
Finance, insurance, and real estate	188,653	8,645,200	98,421	616,156	90,536	24,376	2,832,853	6,033	6,023	—
Banking	62,303	7,373,309	57,274	132,286	59,470	-23,016	597,811	—	—	—
Credit agencies other than banks	10,089	341,069	10,205	14,124	-81	14,051	32,530	—	—	—
Security, commodity brokers and services	2,450	139,942	2,645	128,232	451	425	1,755,685	—	—	—
Insurance carriers	28,706	738,185	10,105	327,551	8,680	29,964	425,106	—	—	—
Insurance agents, brokers, and services	12,564	19,776	4,433	10,125	10,421	865	22,135	5,820	5,810	—
Real estate	177	113	8,131	929	5,587	—	201	—	—	—
Holding and other investment companies except bank holding companies	72,364	32,806	5,629	2,908	8,006	2,086	-615	213	213	—
Services	89,555	8,789	988,061	239,929	2,258	5,232	43,518	—	—	—
Hotels and other lodging places	1	916	10,057	782	—	589	3,800	—	—	—
Personal services	*5,398	*256	*632	*2,135	*7	—	*1,461	—	—	—
Business services	55,260	5,225	77,489	123,632	2,601	77	19,145	—	—	—
Auto repair; miscellaneous repair services	—	295	208	—	—	—	177	—	—	—
Amusement and recreational services	19,818	67	887,505	1,297	252	1,056	8,908	—	—	—
Other services	9,058	2,029	12,169	112,083	-601	3,509	10,026	—	—	—

Footnotes at end of table.

Table 1.—Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry—Continued

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

Foreign income and taxes reported on Form 1118—Continued

Major industry	Oil and gas extraction gross income (less loss)—Continued: Dividends from foreign corporations	Oil and gas extraction gross income (less loss)—Continued: Includable income of Controlled Foreign Corporations	Oil and gas extraction gross income (less loss)—Continued: Partnership income	Deductions other than from branch operations and specially allocable income: Total	Deductions allocable to specific types of income: Total	Rental, royalty and licensing expenses: Depreciation, depletion and amortization	Rental, royalty and licensing expenses: Other	Service expenses	Other deductions	Deductions not allocable to specific types of income: Total
	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
All industries	7,012,294	200,279	136,417	38,940,201	28,936,251	310,963	614,231	4,532,287	21,478,772	12,003,948
Agriculture, forestry, and fishing	—	—	—	2,714	1,942	—	—	—	1,942	772
Mining	129,487	—	96,729	2,176,504	2,051,406	41,800	15,114	323,937	1,670,556	125,097
Metal mining	—	—	—	671,034	663,897	15,513	—	173,277	475,107	7,137
Coal mining	—	—	—	219	—	—	—	—	—	219
Oil and gas extraction	129,487	—	96,729	1,153,410	1,054,408	26,287	15,114	150,660	862,347	99,001
Nonmetallic minerals, except fuels	—	—	—	351,842	333,102	—	—	—	333,102	18,740
Construction	—	—	—	657,430	603,109	1,147	1,870	531,043	69,049	54,321
General building contractors and operative builders	—	—	—	89,346	55,680	877	20	25,541	29,243	33,666
Heavy construction contractors	—	—	—	564,947	547,111	—	1,849	505,503	39,759	17,836
Special trade contractors	—	—	—	3,137	318	271	—	—	48	2,819
Manufacturing	5,230,640	200,279	20,412	23,011,030	19,133,156	149,101	307,034	2,811,393	15,865,629	3,877,874
Food and kindred products	—	—	—	954,547	717,149	214	4,480	11,555	700,900	237,397
Tobacco manufactures	—	—	—	206,867	164,347	—	1,051	2,048	161,249	42,520
Textile mill products	—	—	—	19,643	13,541	761	891	2,042	9,847	6,103
Apparel and other textile products	—	—	—	69,780	26,762	60	4,242	3,357	19,103	43,018
Lumber and wood products	—	—	—	9,813	3,099	185	214	—	2,700	6,714
Furniture and fixtures	—	—	—	1,807	1,569	—	36	33	1,500	239
Paper and allied products	—	—	—	210,635	73,192	109	3,279	4,355	65,450	137,443
Printing and publishing	—	—	—	59,547	41,209	136	17,077	6,467	17,528	18,339
Chemicals and allied products	1,649	—	—	1,536,563	887,979	545	49,211	46,762	791,441	648,584
Petroleum (including integrated) and coal products	5,204,556	200,279	20,404	12,316,770	11,958,331	52,749	1,968	160,612	11,743,002	358,439
Rubber and miscellaneous plastics products	—	—	—	90,152	22,059	209	300	14,069	7,482	68,093
Leather and leather products	—	—	—	1,487	1,487	1	93	—	1,393	—
Stone, clay, and glass products	24,434	—	—	113,559	34,213	542	672	13,117	19,881	79,347
Primary metal industries	—	—	—	587,989	338,024	23,976	54,789	11,716	247,544	249,965
Fabricated metal products	—	—	—	201,693	98,087	18,166	2,845	3,170	73,906	103,606
Machinery, except electrical	—	—	7	2,274,317	1,577,875	10,310	23,336	197,235	1,346,994	696,442
Electrical and electronic equipment	—	—	—	1,478,443	809,397	27,484	117,915	245,539	418,459	669,045
Motor vehicles and equipment	—	—	—	381,958	185,457	809	12,353	60,492	111,802	196,502
Transportation equipment, except motor vehicles	—	—	—	2,212,531	2,112,318	12,836	5,624	2,012,832	81,226	100,213
Instruments and related products	—	—	—	222,325	45,715	—	3,546	8,630	33,339	176,610
Miscellaneous manufacturing products and manufacturing not allocable	—	—	—	60,604	21,348	209	3,111	7,145	10,884	39,255
Transportation and public utilities	4,872	—	19,276	1,190,745	714,548	30,929	12,439	172,470	498,710	478,196
Transportation	—	—	652	662,045	342,987	26,710	4,141	96,905	215,231	319,058
Water transportation	—	—	652	356,267	76,416	18,102	—	13,304	45,010	279,851
Other transportation	—	—	—	305,778	266,571	8,608	4,141	83,601	170,221	39,206
Communication	—	—	—	176,039	141,653	3,269	1,802	6,870	129,711	34,386
Electric, gas, and sanitary services	4,872	—	18,624	352,661	229,909	949	6,497	68,695	153,768	122,752
Wholesale and retail trade	1,647,286	—	—	1,752,185	1,020,912	8,833	15,746	73,402	922,931	731,273
Wholesale trade	1,647,286	—	—	1,585,786	908,313	6,933	2,214	72,768	826,398	677,472
Groceries and related products	—	—	—	9,504	9,084	(¹)	816	879	7,388	420
Machinery, equipment, and supplies	—	—	—	116,745	87,353	192	—	57,041	30,119	29,392
Miscellaneous wholesale trade	1,647,286	—	—	1,459,537	811,877	6,740	1,398	14,848	788,891	647,660
Drugs, chemicals, and allied products	1,647,286	—	—	11,169	8,606	—	—	—	8,606	2,563
Petroleum and petroleum products	—	—	—	138,944	128,300	—	—	—	128,300	10,644
Other miscellaneous wholesale trade	—	—	—	1,309,423	674,971	6,740	1,398	14,848	651,984	634,453
Retail trade	—	—	—	166,400	112,599	1,900	13,532	634	96,533	53,801
Building materials, garden supplies, and mobile home dealers	—	—	—	*86	*88	—	*88	—	—	—
General merchandise stores	—	—	—	78,264	60,131	—	625	35	59,471	18,193
Food stores	—	—	—	14,011	13,274	—	1,340	198	11,737	738
Automotive dealers and service stations	—	—	—	*115	*83	*9	*75	—	—	*32
Apparel and accessory stores	—	—	—	—	—	—	—	—	—	—
Furniture and home furnishings stores	—	—	—	—	—	—	—	—	—	—
Eating and drinking places	—	—	—	47,578	19,730	—	5	402	19,323	27,848
Miscellaneous retail stores	—	—	—	26,344	19,293	1,891	11,400	—	6,002	7,051
Finance, insurance, and real estate	10	—	—	9,188,478	2,716,787	67,714	188,262	493,593	1,967,218	6,471,692
Banking	—	—	—	5,983,284	1,648,601	59,380	35,107	77,375	1,476,738	4,334,683
Credit agencies other than banks	—	—	—	351,247	148,778	3,878	5,867	1,747	137,285	202,470
Security, commodity brokers and services	—	—	—	1,951,851	206,453	704	131,305	72,454	1,989	1,745,398
Insurance carriers	10	—	—	839,265	670,023	1,685	12,963	338,199	317,176	169,243
Insurance agents, brokers, and services	—	—	—	36,020	27,918	—	—	3,728	24,190	8,102
Real estate	—	—	—	6,172	5,289	1,900	2,396	89	905	863
Holding and other investment companies except bank holding companies	—	—	—	20,640	9,726	167	623	—	8,935	10,814
Services	—	—	—	961,114	694,390	11,440	73,767	126,448	482,736	266,724
Hotels and other lodging places	—	—	—	6,426	4,740	—	11	35	4,694	1,686
Personal services	—	—	—	*2,979	*2,154	—	*40	*675	*1,439	*824
Business services	—	—	—	153,727	83,294	861	22,703	35,247	24,483	70,432
Auto repair; miscellaneous repair services	—	—	—	182	33	—	33	—	—	149
Amusement and recreational services	—	—	—	687,074	521,181	10,406	50,668	22,418	437,688	165,894
Other services	—	—	—	110,726	82,987	173	311	68,073	14,430	27,738

Footnotes at end of table.

Table 1.—Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry—Continued

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

Foreign income and taxes reported on Form 1118—Continued

Major industry	Deductions other than from branch operations and specially allocable income—Continued; Deductions not allocable to specific types of income—Continued: Research and development expenses	Interest expenses	General and administrative expenses	Deductions from oil and gas extraction income: Total	Allocable to specific types of income	Not allocable to specific types of income	Taxable income (less loss); Before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)
All industries	319,759	1,382,830	901,098	7,124,054	7,015,975	108,079	70,541,309	21,871,325	1,532,488	47,137,497
Agriculture, forestry, and fishing	—	—	—	—	—	—	32,842	298	—	32,544
Mining	4,086	13,956	15,324	653,837	641,044	12,793	4,655,500	908,326	944	3,746,230
Metal mining	—	—	—	—	—	—	167,766	36,953	—	130,813
Coal mining	—	—	—	—	—	—	4,148	—	—	4,148
Oil and gas extraction	4,030	13,776	15,286	653,837	641,044	12,793	4,283,729	869,855	944	3,412,930
Nonmetallic minerals, except fuels	55	180	39	—	—	—	199,857	1,518	—	198,339
Construction	—	1,861	2,467	14,868	14,765	103	491,539	33,409	—	458,130
General building contractors and operative builders	—	1,529	5	14,868	14,765	103	118,772	19,602	—	99,170
Heavy construction contractors	—	299	—	—	—	—	361,111	12,914	—	348,197
Special trade contractors	—	33	2,462	—	—	—	11,656	693	—	10,763
Manufacturing	312,223	229,630	454,882	6,208,003	6,123,810	84,193	47,993,090	13,114,023	1,470,197	33,408,870
Food and kindred products	6,347	18,998	19,255	—	—	—	1,702,583	181,640	16,152	1,504,791
Tobacco manufactures	1,413	1,703	8,370	7,381	7,381	—	199,516	-61,632	9,248	252,100
Textile mill products	—	—	213	—	—	—	97,576	567	236	96,772
Apparel and other textile products	—	414	460	—	—	—	175,498	2,608	—	172,890
Lumber and wood products	351	—	—	—	—	—	192,401	2,864	20,003	169,533
Furniture and fixtures	5	5	—	—	—	—	7,554	324	—	7,230
Paper and allied products	1,258	4,938	5,549	—	—	—	1,020,801	15,489	13,876	991,236
Printing and publishing	—	1,250	1,100	—	—	—	326,240	46,902	3,333	276,004
Chemicals and allied products	34,719	38,622	34,027	181,454	181,293	161	4,575,381	961,505	201,039	3,412,836
Petroleum (including integrated) and coal products	556	2,182	1,513	6,011,298	5,927,268	84,030	24,362,648	10,671,160	62,407	13,629,080
Rubber and miscellaneous plastics products	20,040	11,075	20,075	—	—	—	200,570	3,892	1,258	195,421
Leather and leather products	—	—	—	—	—	—	13,721	769	—	12,953
Stone, clay, and glass products	4,347	2,300	6,695	—	—	—	408,680	7,609	8,777	392,093
Primary metal industries	5,504	14,302	17,811	27	25	2	1,721,178	422,830	47,207	1,251,141
Fabricated metal products	1,513	3,646	6,440	—	—	—	943,718	83,811	16,817	843,090
Machinery, except electrical	108,823	43,774	193,708	—	—	—	5,818,718	192,348	385,155	5,241,215
Electrical and electronic equipment	51,465	28,240	70,258	7,844	7,844	—	2,376,966	412,968	205,771	1,758,227
Motor vehicles and equipment	26,727	41,665	47,157	—	—	—	1,243,491	61,427	328,134	853,929
Transportation equipment, except motor vehicles	7,197	1,878	2,644	—	—	—	1,248,069	18,687	3,538	1,225,845
Instruments and related products	38,097	2,134	16,551	—	—	—	1,224,294	86,317	146,145	991,632
Miscellaneous manufacturing products and manufacturing not allocable	3,861	12,485	3,057	—	—	—	133,689	1,936	1,100	130,653
Transportation and public utilities	—	12,678	1,204	184,749	177,922	6,827	1,346,378	61,473	54,137	1,230,769
Transportation	—	—	—	57,417	57,417	—	566,181	29,252	9,981	526,947
Water transportation	—	—	—	56,991	56,991	—	370,881	669	10,098	360,095
Other transportation	—	—	—	427	427	—	195,319	28,583	-117	166,853
Communication	—	—	—	—	—	—	332,040	12,428	8,905	310,706
Electric, gas, and sanitary services	—	12,678	1,204	127,332	120,505	6,827	448,158	19,792	35,250	393,115
Wholesale and retail trade	722	26,291	19,245	62,419	58,304	4,115	3,986,687	127,416	2,201	3,857,070
Wholesale trade	722	25,793	19,148	62,419	58,304	4,115	3,604,367	96,825	1,603	3,505,939
Groceries and related products	—	—	—	—	—	—	101,802	-751	1,437	101,116
Machinery, equipment, and supplies	—	3	7	—	—	—	58,429	26,716	82	31,630
Miscellaneous wholesale trade	722	25,790	19,141	62,419	58,304	4,115	3,444,137	70,860	84	3,373,193
Drugs, chemicals, and allied products	19	428	451	—	—	—	53,669	12,953	—	40,716
Petroleum and petroleum products	—	—	—	61,271	57,156	4,115	2,867,625	54,249	—	2,813,376
Other miscellaneous wholesale trade	702	25,362	18,690	1,148	1,148	—	522,843	3,657	84	519,102
Retail trade	—	498	97	—	—	—	382,320	30,591	598	351,131
Building materials, garden supplies, and mobile home dealers	—	—	—	—	—	—	*173	*60	—	*114
General merchandise stores	—	—	—	—	—	—	216,587	12,469	—	204,118
Food stores	—	—	—	—	—	—	61,221	—	—	61,221
Automotive dealers and service stations	—	—	*23	—	—	—	*406	—	—	*406
Apparel and accessory stores	—	—	—	—	—	—	33,067	99	—	32,967
Furniture and home furnishings stores	—	—	—	—	—	—	*8,364	*7,890	—	*474
Eating and drinking places	—	136	9	—	—	—	35,044	4,915	598	29,531
Miscellaneous retail stores	—	363	65	—	—	—	27,458	5,158	—	22,300
Finance, insurance, and real estate	1,006	1,097,001	406,773	178	130	48	11,399,814	7,580,334	4,310	3,814,970
Banking	757	1,068,173	405,506	—	—	—	9,887,480	7,475,914	1,697	2,409,669
Credit agencies other than banks	—	17,697	724	—	—	—	140,093	1,606	1,814	136,674
Security, commodity brokers and services	—	—	—	—	—	—	103,079	12,241	70	90,767
Insurance carriers	249	11,131	544	(¹)	—	(¹)	934,261	91,256	529	842,476
Insurance agents, brokers, and services	—	—	—	—	—	—	61,445	204	—	61,241
Real estate	—	—	—	—	—	—	11,806	243	—	11,563
Holding and other investment companies except bank holding companies	—	—	—	178	130	48	261,450	-1,130	—	262,580
Services	1,722	1,412	1,202	—	—	—	635,498	46,047	700	588,752
Hotels and other lodging places	—	1,130	18	—	—	—	30,613	19,544	—	11,069
Personal services	—	—	—	—	—	—	*13,847	*32	—	*13,815
Business services	477	273	1,187	—	—	—	242,460	29,651	680	212,128
Auto repair; miscellaneous repair services	—	—	—	—	—	—	498	—	—	498
Amusement and recreational services	—	—	—	—	—	—	280,004	-7,634	—	287,638
Other services	1,246	9	-3	—	—	—	68,078	4,454	19	63,604

Footnotes at end of table.

Table 1.—Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry—Continued

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

Major industry	Foreign income and taxes reported on Form 1118—Continued									
	Taxable income (less loss)—Continued		Foreign taxes available for credit							
						Paid or accrued				
							Tax withheld at source on			Other taxes paid or accrued on
	Recapture of prior year foreign losses	After loss recapture	Total after reduction	Reduction for certain foreign taxes	Total before reduction	Total	Dividends	Interest	Rents, royalties and license fees	Branch income
	(51)	(52)	(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)
All industries	**77,596**	**70,463,713**	**30,108,786**	**4,098,186**	**34,206,972**	**17,351,661**	**1,373,863**	**676,488**	**547,938**	**10,088,109**
Agriculture, forestry, and fishing	**—**	**32,842**	**9,111**	**—**	**9,111**	**5,023**	**871**	**155**	**496**	**45**
Mining	**5,180**	**4,650,319**	**3,232,724**	**461,555**	**3,694,279**	**2,620,127**	**24,171**	**11,154**	**13,841**	**599,850**
Metal mining	—	167,766	115,480	956	116,436	44,013	7,973	643	631	1,926
Coal mining	—	4,148	846	—	846	581	312	267	2	—
Oil and gas extraction	5,180	4,278,548	3,033,023	460,599	3,493,622	2,495,435	15,607	9,894	13,182	596,935
Nonmetallic minerals, except fuels	—	199,657	83,375	—	83,375	80,098	279	350	25	989
Construction	**12,455**	**479,084**	**177,967**	**—**	**177,967**	**44,788**	**3,145**	**194**	**647**	**13,593**
General building contractors and operative builders	12,455	106,317	49,439	—	49,439	27,257	954	34	62	8,601
Heavy construction contractors	—	361,111	122,779	—	122,779	14,957	1,364	99	404	4,992
Special trade contractors	—	11,656	5,749	—	5,749	2,573	826	60	181	—
Manufacturing	**32,010**	**47,961,079**	**22,674,046**	**2,927,320**	**25,601,367**	**12,738,098**	**1,196,105**	**132,542**	**442,425**	**8,885,460**
Food and kindred products	5,655	1,696,928	681,849	—	681,849	221,264	78,063	11,944	29,317	82,744
Tobacco manufactures	—	199,516	140,788	17	140,805	24,085	3,810	1,844	5,641	4,311
Textile mill products	—	97,576	45,752	—	45,752	5,528	3,702	138	1,332	95
Apparel and other textile products	—	175,498	65,007	—	65,007	17,581	7,385	702	8,013	1,065
Lumber and wood products	568	191,832	73,318	—	73,318	16,731	13,612	1,098	1,207	183
Furniture and fixtures	30	7,524	2,873	—	2,873	1,112	241	73	755	28
Paper and allied products	1,883	1,018,717	427,610	—	427,610	65,137	64,419	2,302	11,694	5,229
Printing and publishing	—	326,240	110,739	—	110,739	30,728	13,587	1,241	5,370	8,406
Chemicals and allied products	1,264	4,574,097	1,888,280	4,492	1,892,772	749,778	144,320	21,030	85,567	471,732
Petroleum (including integrated) and coal products	3,382	24,359,266	13,696,594	2,891,389	16,587,984	9,683,449	318,765	19,452	9,692	7,726,447
Rubber and miscellaneous plastics products	71	200,500	89,123	—	89,123	27,452	12,175	1,043	8,772	1,026
Leather and leather products	77	13,644	6,024	—	6,024	2,870	564	22	177	325
Stone, clay, and glass products	789	407,891	147,946	2,126	150,072	35,361	13,122	1,642	10,962	7,598
Primary metal industries	611	1,720,586	686,737	28,393	715,129	367,568	47,371	3,503	16,464	209,053
Fabricated metal products	8,156	935,562	367,048	65	367,113	77,990	39,953	2,357	12,293	18,867
Machinery, except electrical	54	5,818,665	2,372,678	95	2,372,773	571,862	241,890	31,866	134,186	120,145
Electrical and electronic equipment	3,018	2,373,947	879,584	538	880,122	338,478	67,743	10,943	55,237	158,346
Motor vehicles and equipment	985	1,242,506	359,404	204	359,609	127,054	54,792	12,793	16,546	32,191
Transportation equipment, except motor vehicles	3,170	1,244,900	172,343	(1)	172,344	40,271	15,778	6,708	6,745	6,985
Instruments and related products	2,239	1,222,055	398,177	—	398,177	98,989	48,434	1,272	18,005	29,422
Miscellaneous manufacturing products and manufacturing not allocable	39	133,849	62,174	—	62,174	14,611	6,580	566	4,450	1,263
Transportation and public utilities	**21,255**	**1,325,124**	**598,729**	**10,216**	**608,946**	**368,462**	**17,283**	**3,316**	**15,395**	**28,484**
Transportation	6,524	559,657	308,212	1,676	309,888	166,718	6,734	1,992	5,942	8,665
Water transportation	349	370,512	217,756	1,676	219,432	135,525	277	243	1,920	325
Other transportation	6,174	189,145	90,456	—	90,456	31,193	6,457	1,749	4,021	8,340
Communication	—	332,040	75,881	—	75,881	24,217	7,078	660	7,775	5,142
Electric, gas, and sanitary services	14,731	433,427	214,636	8,540	223,177	177,527	3,470	666	1,678	14,657
Wholesale and retail trade	**1,673**	**3,985,013**	**1,703,603**	**697,238**	**2,400,841**	**265,036**	**89,036**	**13,848**	**17,720**	**34,497**
Wholesale trade	2	3,604,365	1,552,690	697,238	2,249,928	223,964	74,195	7,594	11,688	24,766
Groceries and related products	—	101,802	49,587	—	49,587	6,152	3,842	421	1,600	19
Machinery, equipment, and supplies	—	58,429	22,166	—	22,166	20,662	251	488	7,183	10,293
Miscellaneous wholesale trade	2	3,444,135	1,480,936	697,238	2,178,174	197,150	70,103	6,685	2,905	14,454
Drugs, chemicals, and allied products	—	53,669	28,819	—	28,819	10,360	2,747	39	1,009	6,411
Petroleum and petroleum products	—	2,867,625	1,355,670	697,163	2,052,833	155,678	55,907	700	106	4,468
Other miscellaneous wholesale trade	2	522,841	96,447	74	96,522	31,112	11,449	5,946	1,789	3,574
Retail trade	1,672	380,648	150,913	—	150,913	41,074	14,840	6,254	6,032	9,731
Building materials, garden supplies, and mobile home dealers	—	*173	*46	—	*46	*46	—	*5	*25	*16
General merchandise stores	1,238	215,349	95,619	—	95,619	20,216	11,272	4,644	915	1,566
Food stores	—	61,221	28,521	—	28,521	3,673	2,339	81	722	351
Automotive dealers and service stations	—	*406	*279	—	*279	*102	*13	*13	*76	—
Apparel and accessory stores	—	33,067	1,845	—	1,845	1,595	39	1	227	27
Furniture and home furnishings stores	*306	*8,057	*5,943	—	*5,943	*3,751	*(1)	*67	—	*3,680
Eating and drinking places	127	34,917	11,136	—	11,136	8,531	378	1,138	3,357	2,569
Miscellaneous retail stores	—	27,458	7,525	—	7,525	3,159	798	105	709	1,522
Finance, insurance, and real estate	**3,166**	**11,396,448**	**1,483,816**	**1,857**	**1,485,675**	**1,207,706**	**29,854**	**514,515**	**18,204**	**506,843**
Banking	507	9,886,972	1,092,302	101	1,092,403	976,740	7,403	462,357	12,770	451,635
Credit agencies other than banks	—	140,093	27,084	931	28,015	11,413	1,746	4,372	241	1,898
Security, commodity brokers and services	2,177	100,901	25,069	—	25,069	22,274	785	287	13	16,068
Insurance carriers	88	934,173	222,366	826	223,192	176,465	7,671	45,347	2,684	37,092
Insurance agents, brokers, and services	—	61,445	15,612	—	15,612	3,024	1,591	194	79	119
Real estate	4	11,602	4,663	—	4,663	2,625	229	16	1,863	32
Holding and other investment companies except bank holding companies	389	261,061	96,721	—	96,721	15,166	10,428	1,940	575	—
Services	**1,857**	**633,641**	**228,778**	**—**	**228,778**	**102,411**	**13,399**	**762**	**39,202**	**19,356**
Hotels and other lodging places	923	29,690	7,580	—	7,580	6,510	—	142	2,035	3,271
Personal services	—	*13,847	*9,645	—	*9,645	*1,448	*989	*44	*45	*74
Business services	934	241,526	116,885	—	116,885	41,135	7,457	330	4,098	11,574
Auto repair; miscellaneous repair services	—	498	76	—	76	76	—	44	15	—
Amusement and recreational services	—	*280,004	58,345	—	58,345	37,418	2,938	7	31,707	1,829
Other services	—	68,076	36,247	—	36,247	15,824	2,015	195	1,302	2,610

Footnotes at end of table.

Table 1.—Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry—Continued

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

Major industry	Foreign income and taxes reported on Form 1118—Continued							
	Foreign taxes available for credit—Continued					Foreign tax credit computed		
	Paid or accrued—Continued							
	Service income	Partnership income	Other income	Deemed paid	Carryover	Before reduction for international boycott operations	Reduction for international boycott operations	After reduction for international boycott operations
	(61)	(62)	(63)	(64)	(65)	(66)	(67)	(68)
All industries	**364,388**	**50,528**	**4,250,346**	**12,844,523**	**4,210,788**	**24,881,344**	**2,795**	**24,878,551**
Agriculture, forestry, and fishing	**112**	**407**	**2,937**	**3,391**	**697**	**7,489**	**—**	**7,489**
Mining	**38,484**	**2,986**	**1,929,642**	**81,802**	**992,350**	**1,974,156**	**—**	**1,974,156**
Metal mining	25,396	2,564	4,881	23,312	49,111	58,114	—	58,114
Coal mining	—	—	—	265	—	770	—	770
Oil and gas extraction	13,053	422	1,846,341	57,553	940,635	1,832,630	—	1,832,630
Nonmetallic minerals, except fuels	35	—	78,421	672	2,604	82,643	—	82,643
Construction	**19,660**	**2,529**	**5,020**	**109,650**	**23,529**	**150,767**	**—**	**150,767**
General building contractors and operative builders	11,984	697	4,925	15,051	7,131	38,257	—	38,257
Heavy construction contractors	7,672	331	94	93,911	13,911	109,695	—	109,695
Special trade contractors	5	1,501	—	689	2,487	2,814	—	2,815
Manufacturing	**249,039**	**16,346**	**1,818,181**	**10,021,138**	**2,842,132**	**19,191,703**	**2,789**	**19,188,914**
Food and kindred products	6,648	69	12,479	435,807	24,778	653,268	243	653,025
Tobacco manufactures	911	—	7,568	35,230	81,491	59,486	—	59,486
Textile mill products	71	—	190	35,603	4,621	38,865	—	38,865
Apparel and other textile products	186	8	222	46,787	639	64,388	—	64,388
Lumber and wood products	—	138	493	48,760	7,827	67,624	4	67,620
Furniture and fixtures	11	—	5	1,454	306	2,453	—	2,453
Paper and allied products	940	—	552	335,206	7,266	373,780	55	373,725
Printing and publishing	214	98	1,811	75,923	4,088	101,526	13	101,513
Chemicals and allied products	11,823	3,054	12,252	1,048,124	94,869	1,720,834	710	1,720,125
Petroleum (including integrated) and coal products	164,575	6,310	1,638,209	4,420,201	2,284,333	11,027,563	—	11,027,563
Rubber and miscellaneous plastics products	1,896	—	2,541	60,967	704	86,398	304	86,094
Leather and leather products	—	—	1,782	2,105	1,049	4,889	—	4,889
Stone, clay, and glass products	1,373	—	664	113,737	974	134,761	14	134,747
Primary metal industries	4,711	1,019	85,447	256,429	91,132	611,214	5	611,209
Fabricated metal products	389	—	4,130	282,800	6,322	340,507	123	340,384
Machinery, except electrical	16,119	2,313	25,541	1,783,266	17,645	2,331,601	304	2,331,297
Electrical and electronic equipment	29,868	1,858	14,483	392,727	148,917	643,472	33	643,440
Motor vehicles and equipment	4,018	1,481	5,234	230,735	1,820	352,352	—	352,352
Transportation equipment, except motor vehicles	3,750	—	306	79,842	52,231	141,589	—	141,589
Instruments and related products	453	—	1,402	292,304	6,884	386,578	736	385,842
Miscellaneous manufacturing products and manufacturing not allocable	1,082	—	870	43,130	4,233	48,555	245	48,310
Transportation and public utilities	**15,250**	**17,464**	**271,288**	**106,023**	**134,461**	**461,673**	**—**	**461,673**
Transportation	12,653	191	130,540	33,705	109,465	211,347	—	211,347
Water transportation	5,935	191	126,633	936	82,971	154,699	—	154,699
Other transportation	6,718	—	3,908	32,769	26,494	56,649	—	56,649
Communication	1,214	73	2,274	50,887	777	75,361	—	75,361
Electric, gas, and sanitary services	1,383	17,199	138,474	21,430	24,219	174,965	—	174,965
Wholesale and retail trade	**8,765**	**—**	**101,173**	**2,044,313**	**91,490**	**1,524,461**	**1**	**1,524,460**
Wholesale trade	8,152	—	97,569	1,954,944	71,020	1,387,672	1	1,387,671
Groceries and related products	268	—	2	37,246	6,189	49,521	—	49,521
Machinery, equipment, and supplies	1,849	—	599	1,079	425	18,942	1	18,941
Miscellaneous wholesale trade	6,035	—	96,969	1,916,618	64,406	1,319,209	—	1,319,209
Drugs, chemicals, and allied products	115	—	38	14,263	4,196	21,751	—	21,751
Petroleum and petroleum products	1,519	—	92,978	1,846,603	50,552	1,219,153	—	1,219,153
Other miscellaneous wholesale trade	4,402	—	3,952	55,752	9,657	78,304	—	78,304
Retail trade	613	—	3,604	89,369	20,470	136,789	—	136,789
Building materials, garden supplies, and mobile home dealers	—	—	—	—	—	*46	—	*46
General merchandise stores	455	—	1,164	62,639	12,764	90,201	—	90,201
Food stores	36	—	144	20,172	4,675	25,796	—	25,796
Automotive dealers and service stations	—	—	—	*18	*159	*117	—	*117
Apparel and accessory stores	—	—	1,299	151	100	1,805	—	1,805
Furniture and home furnishings stores	*4	—	—	—	*2,192	*1,712	—	*1,712
Eating and drinking places	97	—	991	2,162	442	10,140	—	10,140
Miscellaneous retail stores	20	—	6	4,228	138	6,972	—	6,972
Finance, insurance, and real estate	**11,634**	**9,276**	**117,380**	**188,652**	**89,317**	**1,390,334**	**5**	**1,390,330**
Banking	588	149	41,637	62,303	53,361	1,054,654	5	1,054,649
Credit agencies other than banks	158	977	2,021	10,089	6,513	17,700	—	17,700
Security, commodity brokers and services	4,694	255	172	2,450	345	24,996	—	24,996
Insurance carriers	5,609	7,413	70,668	28,706	18,021	190,025	—	190,025
Insurance agents, brokers, and services	451	232	357	12,584	24	15,227	—	15,227
Real estate	42	—	441	176	1,861	2,219	—	2,219
Holding and other investment companies except bank holding companies	90	250	1,882	72,363	9,192	85,514	—	85,514
Services	**21,444**	**1,521**	**6,726**	**89,555**	**36,812**	**180,753**	**—**	**180,753**
Hotels and other lodging places	—	88	974	1	1,069	7,102	—	7,102
Personal services	*20	—	*276	*5,398	*2,799	*5,951	—	*5,951
Business services	13,140	423	4,113	55,280	20,470	90,388	—	90,388
Auto repair; miscellaneous repair services	—	—	16	—	—	76	—	76
Amusement and recreational services	159	159	621	19,818	1,109	57,181	—	57,181
Other services	8,125	851	727	9,058	11,365	20,055	—	20,055

Footnotes at end of table.

Table 1.—Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry—Continued

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

Major industry	Foreign income and taxes reported on Form 1116—Continued: Income and taxes of related foreign corporations and DISC's: Gains, profits and income	Taxes paid on gains, profits and income	Dividends paid or constructively distributed to domestic corporations	Taxes deemed paid by related foreign corporations	Dividends paid to related foreign corporations and DISC's by second-tier foreign corporations	Dividends paid to second-tier foreign corporations by third-tier foreign corporations
	(69)	(70)	(71)	(72)	(73)	(74)
All industries	82,531,082	32,674,021	15,886,406	2,877,108	3,749,830	508,494
Agriculture, forestry, and fishing	41,968	7,000	12,843	—	—	—
Mining	1,062,818	250,205	290,917	22,089	43,588	—
Metal mining	260,246	63,805	52,259	17,940	34,905	—
Coal mining	10,962	3,793	500	—	—	—
Oil and gas extraction	786,530	180,528	237,046	4,149	8,683	—
Nonmetallic minerals, except fuels	5,080	2,080	1,113	—	—	—
Construction	417,925	116,493	178,583	65,007	131,701	—
General building contractors and operative builders	61,441	18,511	25,068	—	—	—
Heavy construction contractors	335,006	96,748	149,426	65,007	131,701	—
Special trade contractors	21,478	1,234	4,088	—	—	—
Manufacturing	69,821,250	27,523,316	13,820,405	2,492,371	3,108,716	413,788
Food and kindred products	2,561,818	857,626	664,318	120,462	182,789	11,497
Tobacco manufactures	239,088	58,546	76,739	12,742	34,864	4,097
Textile mill products	179,710	74,900	51,208	653	673	—
Apparel and other textile products	217,481	91,094	59,622	137	260	35
Lumber and wood products	179,683	56,924	95,215	1,406	2,280	—
Furniture and fixtures	15,566	6,726	2,138	—	—	—
Paper and allied products	2,294,392	796,205	558,616	58,991	161,197	6,725
Printing and publishing	603,125	215,152	107,546	20,055	33,767	1,994
Chemicals and allied products	7,452,741	2,344,156	1,905,872	283,273	383,111	12,052
Petroleum (including integrated) and coal products	27,810,354	12,426,021	4,497,445	457,797	537,803	192,641
Rubber and miscellaneous plastics products	495,981	200,785	86,330	1,133	1,946	—
Leather and leather products	5,847	2,748	2,215	—	—	—
Stone, clay, and glass products	1,013,847	335,658	183,909	42,689	45,267	4,167
Primary metal industries	2,731,057	805,798	508,350	112,855	156,652	51,338
Fabricated metal products	2,122,366	908,916	399,589	33,761	59,990	6,747
Machinery, except electrical	13,016,156	5,538,772	2,252,662	935,839	873,731	64,007
Electrical and electronic equipment	3,426,024	1,109,482	722,033	167,455	327,941	35,666
Motor vehicles and equipment	2,371,913	790,283	458,362	141,426	185,994	—
Transportation equipment, except motor vehicles	1,164,920	166,206	503,124	65,497	79,005	—
Instruments and related products	1,629,263	627,045	422,017	30,282	34,980	2,800
Miscellaneous manufacturing products and manufacturing not allocable	289,920	110,272	63,095	5,916	6,465	22
Transportation and public utilities	832,493	254,176	196,147	66,196	99,604	17,746
Transportation	258,303	80,040	70,458	22,117	29,053	326
Water transportation	14,353	1,347	7,852	84	82	—
Other transportation	243,950	78,693	62,606	22,033	28,971	326
Communication	440,007	135,918	84,922	36,951	58,960	15,537
Electric, gas, and sanitary services	134,184	38,219	40,766	7,129	11,591	1,883
Wholesale and retail trade	7,525,203	3,566,090	1,107,497	99,205	218,816	53,753
Wholesale trade	6,484,593	3,225,874	937,828	47,406	143,679	558
Groceries and related products	173,074	70,086	56,353	—	—	—
Machinery, equipment, and supplies	13,615	4,692	2,443	—	—	—
Miscellaneous wholesale trade	6,297,904	3,151,096	879,032	47,406	143,679	558
Drugs, chemicals, and allied products	69,243	25,599	21,001	79	280	—
Petroleum and petroleum products	4,911,994	2,906,634	715,985	36,886	122,546	—
Other miscellaneous wholesale trade	1,316,668	218,863	142,045	10,441	20,852	558
Retail trade	1,040,609	340,215	169,669	51,799	75,137	53,195
Building materials, garden supplies, and mobile home dealers	—	—	—	—	—	—
General merchandise stores	866,140	286,572	129,086	38,586	42,445	31,992
Food stores	126,048	32,842	32,526	13,199	32,673	21,203
Automotive dealers and service stations	*1,333	*378	*46	—	—	—
Apparel and accessory stores	2,338	547	164	—	—	—
Furniture and home furnishings stores	—	—	—	—	—	—
Eating and drinking places	4,859	2,247	2,527	—	—	—
Miscellaneous retail stores	39,893	17,629	5,321	14	19	—
Finance, insurance, and real estate	2,393,208	787,602	330,010	113,946	125,727	21,918
Banking	1,056,163	423,900	77,784	5,826	26,793	6,096
Credit agencies other than banks	153,707	54,406	13,655	3,512	18,642	—
Security, commodity brokers and services	28,225	3,317	6,881	2,281	4,579	211
Insurance carriers	276,791	79,332	72,307	9,157	11,420	1,305
Insurance agents, brokers, and services	121,090	35,789	15,277	32,343	38,760	8,033
Real estate	99,417	9,947	1,292	(1)	20	—
Holding and other investment companies except bank holding companies	657,815	180,911	142,814	60,826	25,493	6,273
Services	436,217	169,140	130,006	18,294	21,679	1,289
Hotels and other lodging places	4	1	3	—	—	—
Personal services	*60,562	*26,967	*6,566	*772	*817	—
Business services	255,242	101,006	70,630	17,165	20,457	1,289
Auto repair; miscellaneous repair services	—	—	—	—	—	—
Amusement and recreational services	77,883	29,719	31,398	88	88	—
Other services	42,526	11,446	21,408	249	317	—

Footnotes at end of table.

Table 1.—Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry—Continued

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

Major industry	Foreign income and taxes reported on Form 1116—Continued: Income and taxes of related foreign corporations and DISC's—Continued: Income and taxes of first, second, and third-tier foreign corporations from which constructive distributions were received: Gains, profits and income	Taxes paid on gains, profits and income	Dividends constructively distributed to domestic corporations	Taxes deemed paid by related foreign corporations	Taxes deemed paid by domestic corporations
	(75)	(76)	(77)	(78)	(79)
All industries	5,812,673	1,958,764	2,046,802	242,503	1,267,467
Agriculture, forestry, and fishing	1,647	232	1,414	—	232
Mining	55,774	11,506	31,170	3,788	12,205
Metal mining	6,304	1,470	4,834	—	1,470
Coal mining	—	—	—	—	—
Oil and gas extraction	49,470	10,036	26,336	3,788	10,735
Nonmetallic minerals, except fuels	—	—	—	—	—
Construction	26,135	4,947	9,077	—	3,999
General building contractors and operative builders	4,332	601	2,066	—	599
Heavy construction contractors	12,094	4,241	6,920	—	3,399
Special trade contractors	9,709	105	91	—	1
Manufacturing	5,117,620	1,783,595	1,745,058	229,100	1,158,480
Food and kindred products	89,030	22,928	46,454	6,156	20,513
Tobacco manufactures	71,376	9,179	19,177	250	4,165
Textile mill products	29,208	11,795	17,376	18	11,766
Apparel and other textile products	4,114	674	2,501	40	534
Lumber and wood products	—	—	—	—	—
Furniture and fixtures	485	137	348	—	137
Paper and allied products	17,456	2,362	13,161	1,214	2,288
Printing and publishing	1,334	233	376	—	86
Chemicals and allied products	1,000,375	200,321	483,618	108,353	233,686
Petroleum (including integrated) and coal products	2,293,768	1,176,530	578,860	30,643	658,184
Rubber and miscellaneous plastics products	9,057	2,994	5,867	181	3,022
Leather and leather products	240	17	114	—	9
Stone, clay, and glass products	14,077	2,518	8,022	1,033	2,348
Primary metal industries	222,336	37,993	87,229	3,606	11,369
Fabricated metal products	69,190	25,402	18,062	492	7,883
Machinery, except electrical	441,963	84,393	168,182	36,306	78,163
Electrical and electronic equipment	411,279	76,337	140,380	21,901	42,787
Motor vehicles and equipment	145,432	40,166	41,981	722	10,016
Transportation equipment, except motor vehicles	78,189	15,259	27,303	478	14,999
Instruments and related products	184,666	58,068	77,745	17,563	46,263
Miscellaneous manufacturing products and manufacturing not allocable	34,043	16,290	10,302	141	19,241
Transportation and public utilities	86,927	24,452	55,248	428	20,414
Transportation	33,593	8,259	19,315	428	4,508
Water transportation	9,656	664	6,951	84	647
Other transportation	23,937	7,595	12,364	344	3,862
Communication	40,267	14,092	24,966	—	13,805
Electric, gas, and sanitary services	13,067	2,101	10,966	—	2,101
Wholesale and retail trade	367,899	104,685	131,944	7,635	54,153
Wholesale trade	325,254	101,491	106,066	5,300	49,906
Groceries and related products	129,281	58,379	35,811	—	29,125
Machinery, equipment, and supplies	3,823	429	1,567	—	207
Miscellaneous wholesale trade	192,150	42,683	68,688	5,300	20,574
Drugs, chemicals, and allied products	—	—	—	—	—
Petroleum and petroleum products	146,276	38,932	54,814	3,163	16,387
Other miscellaneous wholesale trade	45,875	3,752	13,874	2,138	4,187
Retail trade	42,645	3,194	25,877	2,334	4,248
Building materials, garden supplies, and mobile home dealers	—	—	—	—	—
General merchandise stores	42,074	3,005	25,495	2,334	4,059
Food stores	—	—	—	—	—
Automotive dealers and service stations	—	—	—	—	—
Apparel and accessory stores	—	—	—	—	—
Furniture and home furnishings stores	—	—	—	—	—
Eating and drinking places	571	188	382	—	188
Miscellaneous retail stores	—	—	—	—	—
Finance, insurance, and real estate	118,528	21,638	51,385	1,552	10,988
Banking	35,736	7,321	15,289	—	3,628
Credit agencies other than banks	3,269	714	2,555	—	714
Security, commodity brokers and services	1,940	157	1,497	—	93
Insurance carriers	55,656	7,074	28,640	1,552	4,937
Insurance agents, brokers, and services	2,520	750	932	—	328
Real estate	28	6	4	—	1
Holding and other investment companies except bank holding companies	19,380	5,617	2,449	—	1,267
Services	38,143	7,708	21,525	—	6,994
Hotels and other lodging places	4	1	3	—	1
Personal services	—	—	—	—	—
Business services	14,983	3,515	9,491	—	3,282
Auto repair; miscellaneous repair services	—	—	—	—	—
Amusement and recreational services	10,544	3,163	7,381	—	3,163
Other services	12,612	1,029	4,651	—	548

*This estimate should be used with caution because of the small number of sample returns on which it was based.
[1] Less than $500 per return.
NOTE: Detail may not add to totals because of rounding and because nature of business not allocable is not shown.

Table 2.—Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Size of Total Assets

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

Size of total assets	Number of returns (1)	Total assets (2)	Total receipts (3)	Dividends received from foreign corporations (4)	Dividends received from DISC's (5)	Includable income of Controlled Foreign Corporations (6)	Foreign dividend income resulting from foreign taxes deemed paid (gross-up) (7)	Net income (less deficit) (8)	Western Hemisphere Trade Corporation deduction (9)	Income subject to U.S. tax (10)
Total	**6,046**	**3,229,777,033**	**2,293,231,821**	**13,871,443**	**4,274,019**	**2,873,874**	**12,644,524**	**143,468,463**	**2,983**	**137,930,564**
Zero assets	68	—	11,309,080	37,456	22,112	3,777	29,257	588,717	—	558,119
$1 under $1,000,000	2,072	753,207	1,437,675	9,570	378	8,565	3,996	176,857	—	117,712
$1,000,000 under $10,000,000	1,371	5,659,464	8,805,142	28,332	17,930	4,389	14,753	781,743	—	728,142
$10,000,000 under $50,000,000	908	21,273,564	33,810,171	110,749	72,885	26,263	78,459	2,727,302	58	2,614,351
$50,000,000 under $100,000,000	334	24,323,897	35,570,165	152,641	63,985	24,768	110,765	2,817,409	291	2,694,207
$100,000,000 under $250,000,000	375	61,467,595	75,328,391	389,621	149,453	63,819	275,654	6,218,928	124	5,995,213
$250,000,000 under $500,000,000	262	93,397,655	117,274,577	458,674	218,656	121,509	331,466	7,248,837	777	7,137,126
$500,000,000 under $1,000,000,000	200	146,917,374	172,271,567	754,752	347,569	176,466	534,566	11,683,258	340	11,303,247
$1,000,000,000 or more	456	2,875,984,277	1,837,425,053	11,929,648	3,361,050	2,444,118	11,265,607	111,221,411	1,393	106,782,447

Size of total assets	U.S. income tax before credits: Total (11)	U.S. income tax before credits: Regular and alternative tax (12)	Foreign tax credit claimed (13)	U.S. possessions tax credit (14)	Investment credit (15)	Jobs credit (16)	Other credits (17)	U.S. income tax after credits (18)	Foreign income and taxes reported on Form 1118: Gross income (less loss) excluding branch operations and specially allocable income: Total (19)	Dividends (20)
Total	**62,324,700**	**61,897,948**	**24,866,908**	**173,345**	**6,929,275**	**102,398**	**10,226**	**30,242,547**	**86,077,698**	**19,823,516**
Zero assets	238,384	234,686	52,119	11,687	45,676	491	26	128,385	1,508,415	46,353
$1 under $1,000,000	37,257	37,010	11,048	161	4,326	146	—	21,575	121,555	18,135
$1,000,000 under $10,000,000	304,270	301,215	56,536	751	20,279	1,382	317	225,006	335,662	36,929
$10,000,000 under $50,000,000	1,164,025	1,155,739	153,956	11,195	84,632	3,643	895	909,703	955,725	141,710
$50,000,000 under $100,000,000	1,216,927	1,208,190	190,524	3,893	94,614	3,349	585	923,962	2,553,291	167,103
$100,000,000 under $250,000,000	2,681,203	2,658,784	516,170	21,014	230,904	17,939	706	1,694,471	1,683,973	471,113
$250,000,000 under $500,000,000	3,234,169	3,201,204	483,737	124,645	357,661	9,385	912	2,257,829	2,963,925	622,338
$500,000,000 under $1,000,000,000	5,124,280	5,075,013	1,158,545	—	607,352	9,289	1,355	3,347,739	4,673,708	999,197
$1,000,000,000 or more	48,324,185	47,826,106	22,244,273	—	5,483,831	56,772	5,430	20,533,879	71,281,443	17,300,640

Foreign income and taxes reported on Form 1118—Continued

Size of total assets	Gross income (less loss) excluding branch operations and specially allocable income—Continued: Dividend gross-up (21)	Interest income (22)	Other income (23)	Total gross income (less loss) from extraction of oil or gas (24)	Total deductions excluding branch operations and specially allocable income (25)	Total deductions from oil and gas extraction income (26)	Taxable income (less loss): Before loss recapture: Total (27)	Foreign branch income (28)	Specially allocable income (Section 863(B)) (29)	Other than from branch operations and specially allocable income (30)
Total	**12,644,525**	**12,509,769**	**41,099,887**	**31,098,661**	**38,940,201**	**7,124,054**	**70,541,309**	**21,871,325**	**1,532,488**	**47,137,497**
Zero assets	29,257	891,607	541,199	—	1,263,143	—	258,267	693	12,303	245,272
$1 under $1,000,000	3,996	2,019	97,405	—	71,809	—	52,458	2,513	—	49,946
$1,000,000 under $10,000,000	14,756	9,129	274,847	4,231	154,712	1,346	197,830	15,679	1,201	180,950
$10,000,000 under $50,000,000	78,458	33,606	701,949	64,553	496,239	19,082	523,477	52,029	11,962	459,486
$50,000,000 under $100,000,000	110,766	35,758	2,219,864	80,997	2,037,841	23,877	576,055	47,441	13,163	515,450
$100,000,000 under $250,000,000	275,654	108,361	828,846	414,276	469,954	76,342	1,384,710	123,260	47,431	1,214,019
$250,000,000 under $500,000,000	331,459	168,058	1,842,070	86,870	1,637,542	32,564	1,466,981	90,257	50,341	1,326,384
$500,000,000 under $1,000,000,000	534,563	310,162	2,829,767	914,864	2,123,501	106,782	3,346,580	727,670	68,703	2,550,208
$1,000,000,000 or more	11,265,613	10,951,068	31,764,122	29,530,869	30,685,661	6,862,062	62,734,952	20,811,784	1,327,384	40,595,783

Footnotes at end of table.

Table 2.—Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Size of Total Assets—Continued

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

Foreign income and taxes reported on Form 1118—Continued

Size of total assets	Taxable income (less loss)—Continued: Recapture of prior year foreign losses (31)	After loss recapture (32)	Foreign taxes available for credit: Total after reduction (33)	Reduction for certain foreign taxes (34)	Total before reduction (35)	Paid or accrued on: Total (36)	Dividends (37)	Interest (38)	Rents, royalties and license fees (39)	Branch income (40)
Total	**77,596**	**70,463,713**	**30,108,786**	**4,098,186**	**34,206,972**	**17,351,661**	**1,373,863**	**876,488**	**547,938**	**10,088,109**
Zero assets	519	257,748	64,101	—	64,101	33,285	3,047	17,163	4,385	2,055
$1 under $1,000,000	306	52,152	14,111	—	14,111	8,784	3,105	179	2,480	939
$1,000,000 under $10,000,000	13	197,616	85,412	32	85,444	41,682	4,259	900	8,000	4,650
$10,000,000 under $50,000,000	1,049	522,428	204,625	8,630	213,256	92,004	11,210	2,717	19,392	16,855
$50,000,000 under $100,000,000	3,363	572,691	222,905	59	222,964	90,821	16,191	4,206	9,370	22,374
$100,000,000 under $250,000,000	1,760	1,382,950	599,038	25,419	624,457	285,375	37,312	5,469	23,011	57,047
$250,000,000 under $500,000,000	7,646	1,459,335	618,441	6,124	624,565	201,913	40,320	8,222	29,337	39,589
$500,000,000 under $1,000,000,000	3,864	3,342,717	1,239,275	276,030	1,515,305	912,916	83,860	16,492	51,436	569,419
$1,000,000,000 or more	59,075	62,675,876	27,060,877	3,781,892	30,842,770	15,684,881	1,174,559	623,140	400,528	9,375,380

Foreign income and taxes reported on Form 1118—Continued

Size of total assets	Foreign taxes available for credit—Continued: Paid or accrued on—Continued: Other income (41)	Total deemed paid (42)	Carryover available for credit (43)	Foreign tax credit computed: Before reduction for international boycott operations (44)	Reduction for international boycott operations (45)	After reduction for international boycott operations (46)
Total	**4,685,263**	**12,644,523**	**4,210,788**	**24,881,344**	**2,795**	**24,878,551**
Zero assets	6,634	29,257	1,559	52,235	—	52,235
$1 under $1,000,000	2,082	3,996	1,331	11,056	—	11,058
$1,000,000 under $10,000,000	23,874	14,757	29,005	56,558	1	56,557
$10,000,000 under $50,000,000	42,029	78,458	42,794	154,237	—	154,238
$50,000,000 under $100,000,000	38,680	110,766	21,377	190,544	—	190,544
$100,000,000 under $250,000,000	182,536	275,653	63,428	516,429	259	516,170
$250,000,000 under $500,000,000	86,445	331,459	91,193	483,808	21	483,787
$500,000,000 under $1,000,000,000	191,709	534,563	67,826	1,158,877	332	1,158,545
$1,000,000,000 or more	4,111,275	11,265,613	3,892,275	22,257,599	2,182	22,255,417

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

Table 3.—Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Type of Foreign Income for which Separate Credit was Computed

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

Type of foreign income for which separate credit was computed	Number of returns (1)	Total assets* (2)	Total receipts (3)	Dividends received from foreign corporations (4)	Dividends received from DISC's (5)	Includable income of Controlled Foreign Corporations (6)	Foreign dividend income resulting from foreign taxes deemed paid (gross-up) (7)	Net income (less deficit) (8)	Western Hemisphere Trade Corporation deduction (9)	Income subject to U.S. tax (10)
Total	6,046	3,229,777,033	2,293,231,821	13,871,443	4,274,019	2,873,674	12,644,524	143,466,463	2,983	137,930,564
Certain interest income	336	544,122,098	575,642,400	5,293,790	1,580,718	769,038	5,806,525	41,635,411	394	40,400,397
Dividends received from DISC's	138	368,370,279	388,393,928	1,569,109	1,696,473	644,022	1,307,465	25,818,468	1,212	24,962,730
Foreign oil related income	119	503,793,434	705,623,707	5,419,230	409,519	960,699	6,434,635	57,669,045	323	55,674,016
Foreign oil and gas extraction income	93	458,442,624	653,822,721	5,090,815	316,138	929,980	6,112,435	56,065,016	19	54,063,317
All other foreign source income	5,892	3,190,875,770	2,263,553,005	13,868,102	4,265,212	2,859,841	12,642,452	137,955,756	2,983	132,563,226

Type of foreign income for which separate credit was computed	U.S. income tax before credits: Total (11)	U.S. income tax before credits: Regular and alternative tax (12)	Foreign tax credit claimed (13)	U.S. possessions tax credit (14)	Investment credit (15)	Jobs credit (16)	Other credits (17)	U.S. income tax after credits (18)	Foreign income and taxes reported on Form 1118 — Gross income (less loss) excluding branch operations and specially allocable income: Total (19)	Dividends (20)
Total	62,324,700	61,697,948	24,866,906	173,345	6,929,275	102,398	10,226	30,242,547	86,077,898	19,823,516
Certain interest income	18,278,468	18,111,055	8,669,939	91	2,212,604	19,913	1,711	7,374,211	654,108	—
Dividends received from DISC's	11,236,158	11,123,314	4,334,845	—	1,798,998	12,327	1,578	5,088,410	1,564,791	1,561,687
Foreign oil related income	25,336,706	25,199,067	15,090,362	—	2,106,738	4,726	1,584	8,133,296	31,371,441	6,689,056
Foreign oil and gas extraction income	24,580,129	24,485,201	14,693,784	—	2,000,763	4,311	1,565	7,879,706	30,751,332	6,429,002
All other foreign source income	59,864,089	59,248,550	24,426,041	173,255	6,674,854	101,036	10,195	26,478,709	52,487,357	11,572,774

Type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118—Continued: Gross income (less loss) excluding branch operations and specially allocable income—Continued: Dividend gross-up (21)	Interest income (22)	Other income (23)	Total gross income (less loss) from extraction of oil or gas (24)	Total deductions excluding branch operations and specially allocable income (25)	Total deductions from oil and gas extraction income (26)	Taxable income (less loss): Before loss recapture: Total (27)	Foreign branch income (28)	Specially allocable income (Section 863(B)) (29)	Other than from branch operations and specially allocable income (30)
Total	12,644,525	12,509,769	41,099,887	31,098,661	38,940,201	7,124,054	70,541,309	21,871,325	1,532,488	47,137,497
Certain interest income	—	654,108	—	—	93,305	—	560,803	—	—	560,803
Dividends received from DISC's	3,105	—	—	—	397,673	—	1,167,118	—	—	1,167,118
Foreign oil related income	5,947,972	970,888	17,763,525	31,098,681	12,688,626	7,124,054	31,027,245	12,295,718	48,712	18,682,815
Foreign oil and gas extraction income	5,659,740	962,927	17,699,663	31,098,661	12,602,771	7,124,054	23,974,607	12,257,534	48,712	18,148,561
All other foreign source income	6,693,449	10,884,773	23,336,362	—	25,760,596	—	37,766,144	9,575,607	1,483,776	26,726,761

Type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118—Continued: Taxable income (less loss)—Continued: Recapture of prior year foreign losses (31)	After loss recapture (32)	Foreign taxes available for credit: Total after reduction (33)	Reduction for certain foreign taxes (34)	Total before reduction (35)	Paid or accrued on: Total (36)	Dividends (37)	Interest (38)	Rents, royalties and license fees (39)	Branch income (40)
Total	77,596	70,463,713	30,108,786	4,098,186	34,206,972	17,351,661	1,373,863	676,486	547,938	10,088,109
Certain interest income	2,823	557,980	22,277	—	22,277	21,119	—	21,119	—	—
Dividends received from DISC's	26	1,167,092	4,170	—	4,170	1,066	1,066	—	—	—
Foreign oil related income	22,055	31,005,190	18,267,030	4,067,137	22,334,167	12,978,822	340,475	7,611	10,142	8,638,534
Foreign oil and gas extraction income	22,055	30,432,752	17,885,769	4,067,137	21,952,906	10,623,884	330,594	7,293	10,142	8,620,969
All other foreign source income	52,692	37,733,451	11,815,309	31,049	11,846,357	4,350,655	1,032,323	647,758	537,797	1,449,575

Type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118—Continued: Foreign taxes available for credit—Continued: Paid or accrued on—Continued: Other income (41)	Total deemed paid (42)	Carryover available for credit (43)	Foreign tax credit computed: Before reduction for international boycott operations (44)	Reduction for international boycott operations (45)	After reduction for international boycott operations (46)
Total	4,665,263	12,644,523	4,210,788	24,881,344	2,795	24,878,551
Certain interest income	—	—	1,158	21,139	—	—
Dividends received from DISC's	—	3,105	—	4,106	—	—
Foreign oil related income	3,982,060	5,947,972	3,407,374	14,130,086	—	—
Foreign oil and gas extraction income	3,969,401	4,143,327	44,494	13,867,152	—	—
All other foreign source income	683,203	6,693,447	802,256	10,726,014	—	—

NOTE: The data in columns 1-18 pertain to the total activity of the domestic parent corporation. Since many corporations compute a foreign tax credit for more than one type of foreign income, the data in these columns are not additive. The data in columns 45 and 46 are reported as corporate totals only, not by type of income. The data in columns 19-23, 25, 28-33, 35, 37-41 and 44 of the foreign oil and gas extraction income line represent the amounts of total foreign oil related income and tax for those corporations reporting foreign oil and gas extraction income and taxes. The data in columns 24, 26, 27, 34, 36, 42 and 43 of the foreign oil and gas extraction income line are the actual foreign oil and gas extraction income and tax amounts. Form 1118 detail may not add to totals because of rounding.

Corporate Foreign Tax Credit, 1980 A Geographic Focus

By William States*

For 1980, the foreign earnings of U.S. multinational corporations accounted for a significant portion of the total corporate income subject to U.S. tax. Of the $246.6 billion of corporate taxable income, more than $70.5 billion was earned in foreign countries or possessions of the United States. Since much of this foreign income was subject to foreign taxation, nearly $30 billion of income taxes were paid to foreign governments. By utilizing the foreign tax credit provisions of U.S. tax law, corporations, in turn, credited nearly $25 billion of foreign income taxes against their U.S. tax liability [1].

Although less significant than in prior years, the operations of corporations in countries that are members of the Organization of Petroleum Exporting Countries (OPEC) [2] accounted for almost 19 percent of the $70.5 billion of foreign-source taxable income and more than 29 percent of the $30 billion of foreign income taxes paid for 1980. Although a non-OPEC member, the United Kingdom accounted for more foreign-source income ($11.3 billion) and foreign income taxes ($3.7 billion) than did any other country.

BACKGROUND

Generally, U.S. corporations are subject to U.S. tax on their worldwide income. When a portion of this income is derived from foreign sources, the foreign income is also typically subject to tax by the country in which it was earned. This practice could result in double taxation of the foreign income. To prevent or reduce this double taxation, U.S. tax law allows corporations a credit against U.S. income tax for income taxes paid to foreign governments [3].

The original foreign tax credit provisions, as established by the Revenue Act of 1918, allowed corporations to reduce their U.S. tax liability by their total foreign income tax burden, without limitation. However, the ability of some corporations to offset the U.S. tax on domestic income with the credit for foreign income taxes led to the development of the foreign tax credit limitation. The limitation was first adopted as part of the Revenue Act of 1921 and still remains as a fundamental principle of the current foreign tax credit provisions of U.S. tax law. The basis of the limitation is to restrict the crediting of foreign income taxes to the lesser of (1) the U.S. tax on foreign-source taxable income, or (2) the actual foreign income taxes paid.

Prior to 1976, U.S. tax law required corporations to calculate their foreign tax credit limitation either on a "per-country" or an "overall" basis. At different times, corporations were required to use (1) the overall limitation (1921-1932); (2) the lesser of the per-country or overall limitations (1932-1954); (3) the per-country limitation (1954-1961); or (4) an election of the overall or per-country limitation (1961-1976). All corporations must now utilize the overall limitation method for taxable years beginning after December 31, 1975 [4, 5].

Regardless of the limitation method required (per-country or overall), prior to the enactment of the Revenue Act of 1962, corporations combined all types of foreign income for purposes of computing their allowable foreign tax credit. The 1962 Act required corporations to compute a separate foreign tax credit limitation for certain nonbusiness-related interest income. Subsequent legislation required additional separate foreign tax credit limitations with respect to certain other types of foreign income. For Tax Year 1980, separate limitations were required with respect to (1) certain nonbusiness-related interest income, (2) dividends received from a Domestic International Sales Corporation (DISC) or former DISC, (3) foreign oil-related income, and (4) all other income from foreign sources [6]. The total foreign tax credit claimed was the sum of the four separate types of income credits, reduced for any participation in or cooperation with international boycotts [7].

*Foreign Returns Analysis Section. Prepared under the direction of James Hobbs, Chief.

FOREIGN INCOME AND TAXES BY COUNTRY

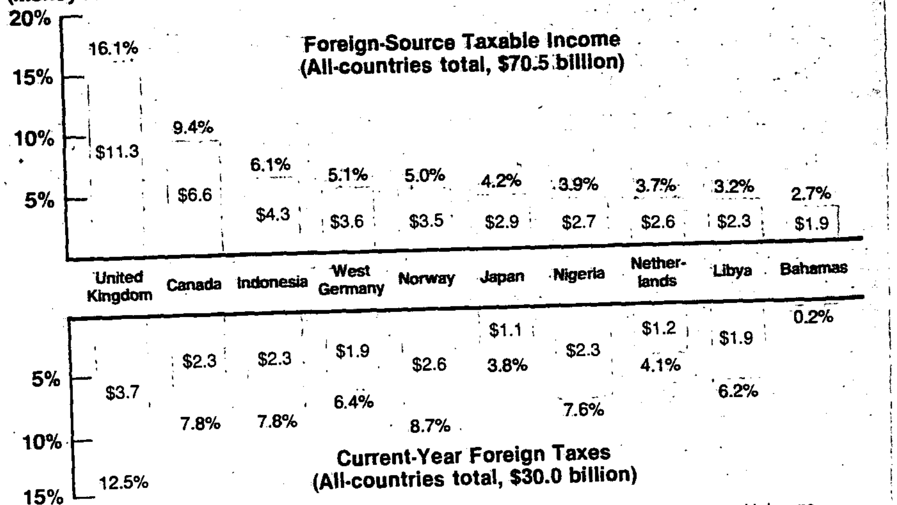
Geographic Source of Foreign Income and Taxes

For 1980, those countries accounting for the largest percentage shares of foreign-source taxable income are presented in Figure A. Also shown are the current-year foreign taxes paid to each of these countries. It is apparent from this illustration that the international operations of U.S. corporations were geographically diverse, as only the United Kingdom accounted for more than 10 percent of both total foreign-source taxable income and current-year foreign taxes.

Despite this geographic diversity, much of the foreign income and taxes accounted for by these countries was associated with the petroleum-related operations of U.S. corporations. Particularly noteworthy in this regard were the United Kingdom, Norway, the Netherlands and the OPEC-member countries of Indonesia, Nigeria and Libya. More than 43 percent of the foreign-source taxable income from each of these countries resulted from the operations of the U.S. petroleum industry [8]. Corporations in the U.S. petroleum industry were particularly dominant in Indonesia, Norway- and Libya. Petroleum-related corporations accounted for more than 92 percent of the nearly $10.1 billion of foreign-source taxable income from these countries. Further, these corporations accounted for more than 95 percent of the $6.8 billion of current-year foreign taxes paid to these three countries. Although somewhat less important in relative terms, the United Kingdom operations of petroleum-related corporations accounted for almost $5.0 billion of the $11.3 billion of taxable income and nearly $2.3 billion of the $3.7 billion of foreign taxes. Of the remaining $6.3 billion of taxable income, more than $2.0 billion were earnings of the United Kingdom branch operations of U.S. banks.

Although sizable, the U.S. petroleum industry's operations in Canada, West Germany and Japan generated significantly less foreign income and considerably fewer foreign taxes than did the industry's operations in the United Kingdom, Norway, the Netherlands and OPEC-member countries. Approximately one-half of the $6.6 billion of income from Canada was from corporations engaged in various manufacturing activities unrelated to petroleum. Of these manufacturing industries, the foreign-source income of corporations manufacturing motor vehicles and equipment ($564 million) and paper and allied products ($447 million) were the most noteworthy. The most substantial of all non-manufacturing industries was the $535 million of taxable income from the Canadian operations of U.S. insurance companies. U.S. corporations manufacturing non-electrical machinery accounted for a larger share of the taxable income from both West Germany ($1.1 billion) and Japan ($552 million) than did any other manufacturing industry, including the integrated petroleum industry. In the case of Japan, the $576 million of taxable income of U.S. banks was the largest of any single industry.

Figure A
Foreign-Source Taxable Income, Current-Year Foreign Taxes and Percent Distribution, by Selected Country[1], 1980
(Money Amounts are in Billions of Dollars)



[1] The ten countries selected were those that accounted for the largest percentage shares of foreign-source taxable income. These countries accounted for 59 percent of total foreign-source taxable income and 65 percent of total current-year foreign taxes.

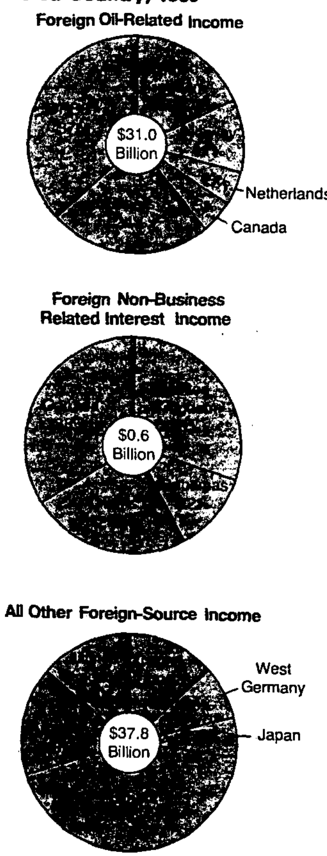
U.S. banks with operations in the Bahamas accounted for more than 78 percent of the more than $1.9 billion of taxable income from that country. Although income from the Bahamas accounted for approximately 2.7 percent of total foreign-source taxable income, the associated foreign taxes accounted for only 0.2 percent of the all-countries total because of the favorable tax treatment afforded the branch operations of U.S. banks under Bahamian tax law [9].

Type of Foreign Tax Credit Limitation

As discussed previously, U.S. tax law requires separate foreign tax credit limitations with respect to certain types of foreign income. Figure B presents an accounting, by country, of the foreign-source taxable income for each of the limitation types required for Tax Year 1980. Excluding the residual, or "all other" income type, income from foreign oil-related activities accounted for the largest share (44 percent) of the $70.5 billion of foreign-source taxable income. Accounting for much smaller shares of the total were the $1.2 billion of DISC dividend income (2 percent) [10] and the $561 million of nonbusiness-related interest income (1 percent). The remaining foreign income, which was not categorized as one of the three previously defined income types, accounted for $37.8 billion, or 54 percent of the $70.5 billion of total foreign-source taxable income.

For 1980, U.S. corporations had substantial oil-related operations in OPEC-member countries. The resulting income ($11.4 billion) and associated foreign taxes ($8.3 billion) were considered foreign-oil related for foreign tax credit purposes. In addition to the OPEC operations, many of these same corporations had sizable oil and gas extraction operations in the North Sea, which accounted for much of the $9.1 billion of foreign-oil related income from the United Kingdom and Norway.

Figure B
Type of Foreign Tax Credit Limitation[1]: Foreign-Source Taxable Income, by Selected Country, 1980



[1] Country detail for the $1.2 billion of DISC dividend income is not available.
[2] See footnote [2] at the end of this article for a list of the Organization of Petroleum Exporting Countries.
NOTE: See text for additional information. Percentages may not add to 100 because of rounding.

Certain interest-bearing investments abroad yielded more than $560 million of nonbusiness-related interest income. More than three-fourths of this interest income was related to investments made in Canada, the United Kingdom and the Bahamas. Both Canada and the United Kingdom were particularly attractive investment locations due to the reduced or zero foreign-tax withholding rates applicable to remitted interest income under the provisions of each country's tax treaty with the United States. The Bahamas also provided an attractive investment climate as no tax was withheld on interest income under Bahamian tax law.

Unlike the previously discussed income types, neither OPEC nor any single country accounted for more than 14 percent of the $37.8 billion of "all other" foreign-source taxable income. The geographic diversity of this income was in large part a reflection of the global operations of U.S. manufacturing firms and the degree to which U.S. banks held obligations of many Latin American and other developing countries.

OPEC and North Sea Operations of the U.S. Petroleum Industry

In past years, the OPEC operations of the U.S. petroleum industry accounted for most of the industry's foreign income and taxes as well as a significant portion of its worldwide income. For 1976, the foreign-source taxable income from the OPEC operations of large petroleum-related corporations (i.e., those corporations in the U.S. petroleum industry with $250 million or more in total assets) accounted for almost 91 percent of the total foreign income and 93 percent of the current-year foreign taxes available for credit of these corporations. However, for 1980, the importance of the OPEC operations diminished considerably as only 33 percent of the total foreign-source taxable income of these large petroleum-related corporations and 39 percent of their total current-year foreign taxes available for credit were attributable to OPEC operations (see Figure C). Foremost among the reasons for this decline were the nationalization of certain U.S. oil interests in Saudi Arabia and the dramatic increase in North Sea oil production during the period 1976 to 1980.

For 1976, the Saudi Arabian operations of large petroleum-related corporations accounted for almost $26 billion of the $35.9 billion of the total foreign-source taxable income of these corporations. Similarly, more than three-fourths of the $32.3 billion of foreign income tax liability of these corporations was paid to the Saudi Arabian government. However, during 1980, the Saudi Arabian government completed its nationalization of the country's oil industry by acquiring control of almost all the remaining U.S. oil-producing assets. This nationalization adversely affected the U.S. petroleum industry's Saudi Arabian earnings and effectively limited the role of the U.S. petroleum industry in Saudi Arabia to that of transporting and marketing Saudi Arabian petroleum products [11]. Also contributing to the decline in importance of the OPEC operations of the U.S. petroleum industry was the political turmoil surrounding the Iranian revolution and subsequent deterioration of U.S.-Iranian relations.

While the income from the OPEC operations of large U.S. petroleum-related corporations decreased from 1976 to 1980, income from operations in the United Kingdom and Norway increased dramatically during the same period. Much of this increase was attributable to the continued development and increased oil production of North Sea oil resources. Shown below is the average daily oil production of the United Kingdom and Norway sectors of the North Sea, for 1976 and 1980 [12].

North Sea Oil Production (thousands of barrels per day)

	1976	1980	Percent increase
United Kingdom ...	236	1,650	599%
Norway	279	629	125

As the U.S. petroleum industry invested substantially in developing the North Sea oil fields, much of the large petroleum-related corporations' $8.4 billion of income from the United Kingdom and Norway resulted from the substantial North Sea oil production during 1980.

Effective Foreign Tax Rates and Organizational Structure of Foreign Operations

There are several alternative organizational structures available to U.S. corporations seeking to expand their markets or business activities abroad. Most corporations wanting to establish a permanent presence abroad elect to do so by using a foreign branch operation, investing in an existing foreign corporation, or forming a subsidiary under the laws of the foreign country [13]. The location of the foreign operation and the structure selected (branch versus foreign corporation) are influenced by many factors. Foremost among these are the availability of labor and resources, access to markets, safety of investment, foreign tax "environment" (i.e., foreign tax base and applicable rates, availability and duration of "tax holidays" [14], etc.), mandatory "host" country ownership requirements, and the U.S. tax position of the U.S. parent corporation.

For 1980, Figure D shows foreign-source taxable income, current-year foreign taxes, and effective foreign tax rates (foreign taxes as a percent of foreign income) by country, for both branch and non-branch operations [15] of U.S. corporations. In the aggregate, the $21.9 billion of branch income and the $48.7 billion of income from other than branch operations were subject to rates of foreign taxation of 46 percent and 41 percent, respectively. While these rates are similar, substantial differences in the level of foreign taxation existed among countries as well as by type of organizational structure within a country.

Examples of countries where U.S. corporations favored one organizational structure over the other were Trinidad and Tobago, and Norway. In the case of Trinidad and Tobago, more than 98 percent of the total taxable income from that country for 1980 was attributable to non-branch operations. This was primarily the result of local law that effectively prohibited total foreign control (e.g., a branch of a U.S. corporation) in many sectors of the economy. As a result, U.S. corporations tended to form corporations under the laws of Trinidad and Tobago, with a substantial portion of the equity held by local residents.

Conversely, almost 97 percent of the total taxable income from Norway consisted of branch profits. As most of the branch profits resulted from the North Sea operations of the U.S. petroleum industry, the branch structure offered certain U.S. tax advantages to those U.S. corporations incurring substantial losses in developing the North Sea oil fields. These foreign branch losses were realized immediately by the U.S. corporation (unlike the losses of foreign subsidiaries), reducing the income subject to U.S. tax. For 1980, although the Norwegian branch operations of the U.S. petroleum industry accounted for more than $3.4 billion of taxable income, this figure would have been even larger were it not for the nearly $100 million of branch losses incurred by some corporations in the industry. These branch losses were realized immediately,

Figure C.--Foreign-Source Taxable Income, Current-Year Foreign Taxes and Percent Distribution, by Selected Country for U.S. Petroleum-Related Corporations with Total Assets of $250 Million or More, 1976 and 1980

[Money amounts are in millions of dollars]

Selected country for petroleum-related corporations[1]	1976: Foreign-source taxable income		1976: Current-year foreign taxes		1980: Foreign-source taxable income		1980: Current-year foreign taxes	
	Amount	As a percent of total	Amount	As a percent of total	Amount	As a percent of total	Amount	As a percent of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All countries	$35,862	100.0%	$32,274	100.0%	$28,090	100.0%	$16,600	100.0%
OPEC, total	32,566	90.8	30,061	93.1	9,122	32.5	6,543	39.4
Ecuador	107	0.3	128	0.4	174	0.6	153	0.9
Indonesia	2,454	6.8	1,470	4.6	3,357	12.0	1,894	11.4
Iran	1,489	4.2	1,349	4.2	5	(2)	-	0.0
Libya	1,511	4.2	1,370	4.2	2,239	8.0	1,850	11.1
Nigeria	616	1.7	470	1.5	1,190	4.2	865	5.2
Saudi Arabia	25,904	72.2	24,858	77.0	433	1.5	489	2.9
United Arab Emirates	389	1.1	297	0.9	1,520	5.4	1,212	7.3
All other[3]	95	0.3	119	0.4	203	0.7	81	0.5
Non-OPEC, total	3,296	9.2	2,213	6.9	18,968	67.5	10,057	60.6
Canada	1,196	3.3	414	1.3	1,413	5.0	591	3.6
Netherlands	622	1.7	342	1.1	1,598	5.7	851	5.1
Norway	417	1.2	329	1.0	3,433	12.2	2,587	15.6
United Kingdom	-206	-0.6	5	(2)	4,947	17.6	2,266	13.7
All other	1,267	3.5	1,123	3.5	7,577	27.0	3,761	22.7

[1]Includes corporations in the oil and gas extraction and integrated petroleum industries.
[2]Less than 0.05 percent.
[3]Includes Algeria, Gabon, Iraq, Kuwait, Qatar and Venezuela.
NOTE: Detail may not add to totals because of rounding.

Figure D.--Foreign-Source Taxable Income, Current-Year Foreign Taxes and Effective Foreign Tax Rate, by Selected Country and Organizational Structure of Foreign Operation, 1980

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

Selected country	Foreign-source taxable income			Current-year foreign taxes			Effective foreign tax rate		
	Total	Branch	Non-branch	Total	Branch	Non-branch	Total	Branch	Non-branch
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All countries	$70,541	$21,871	$48,670	$29,996	$10,088	$19,908	42.5%	46.1%	40.9%
Canada	6,610	594	6,016	2,326	208	2,118	35.2	35.1	35.2
Latin America, total	7,761	2,001	5,760	3,199	394	2,805	41.2	19.7	48.7
Cayman Islands	641	387	254	3	-	3	0.4	0.0	1.1
Mexico	1,522	201	1,321	687	56	631	45.1	27.8	47.8
Panama	939	201	738	228	8	220	24.3	4.1	29.8
Trinidad and Tobago	824	9	815	459	4	456	55.7	38.2	55.9
Other Western Hemisphere	3,190	1,617	1,573	274	63	211	8.6	3.9	13.4
Europe, total	27,391	8,281	19,110	11,573	3,730	7,843	42.3	45.0	41.0
Norway	3,532	3,418	115	2,621	2,574	48	74.2	75.3	41.5
United Kingdom	11,347	3,773	7,574	3,749	901	2,848	33.0	23.9	37.6
West Germany	3,579	120	3,459	1,918	11	1,907	53.6	9.1	55.1
Africa, total	7,939	2,900	5,040	5,537	2,607	2,931	69.7	89.9	58.2
OPEC[1]	5,129	2,341	2,788	4,177	2,087	2,090	81.4	89.1	75.0
Asia, total	12,722	5,356	7,366	5,873	2,659	3,214	46.2	49.6	43.6
Indonesia	4,293	1,431	2,862	2,344	761	1,583	54.6	53.2	55.3
Japan	2,942	635	2,307	1,125	139	986	38.3	21.9	42.8
United Arab Emirates	1,677	1,246	431	1,304	1,072	233	77.8	86.0	54.0
Oceania	1,972	786	1,186	1,047	367	680	53.1	46.7	57.3

[1]Includes Algeria, Gabon, Libya and Nigeria.
NOTE: See text for additional information. Detail may not add to totals because of rounding.

reducing the income subject to U.S. tax of these corporations. Such losses were larger in prior years, when the "start-up" costs of North Sea operations were substantially greater than the revenue from initial North Sea oil production.

For 1980, the lowest effective foreign tax rates were found in the Cayman Islands and other western hemisphere countries such as the Bahamas, Bermuda and the Netherlands Antilles (see Figure D). In the case of the Cayman Islands, Bermuda and the Bahamas, negligible foreign income tax was paid by U.S. corporations as these countries generally imposed no income tax. Income from operations in the Netherlands Antilles was subject to local tax, but at rates much lower than in most countries. Particularly attractive was the tax treatment afforded U.S.-owned Antilles' investment and financial holding companies.

Without exception, the highest effective foreign tax rates for 1980 were found in countries where the U.S. petroleum industry had substantial operations. Among the reasons for the relatively high effective foreign tax rates were (1) extraordinary or "supplemental" oil taxes that were payable in addition to the normal corporate income tax (e.g., Norway, and Trinidad and Tobago), (2) relatively high income tax rates that applied to oil companies only (e.g., United Arab Emirates and Nigeria) and (3) taxable income bases that were larger under foreign tax law than under U.S. tax law (e.g., less favorable depreciation methods under some foreign tax laws than under U.S. tax law) [16].

Importance of U.S. Corporate Tax Payments to Developing Country Economies

For 1980, as in prior years, the international operations of U.S. corporations contributed to the economic growth of many of the developing countries of the world. One quantitative measure of the importance of the foreign operations of U.S. corporations to the "host" country's economy was the portion of foreign government revenue accounted for by U.S. corporate tax payments (see Figure E). Of the 15 countries having the greatest percentage of central government revenues accounted for by U.S. corporate taxes [17], only Norway (ranked fifth) and Canada (ranked eleventh) were developed countries. In the case of Norway, the substantial involvement of the U.S. petroleum industry in the Norwegian sector of the North Sea oil fields accounted for almost all the U.S. corporate tax payments' 11.1 percent share of total Norwegian government revenue. The $2.3 billion of income taxes paid by U.S. corporations to Canada represented a significant portion (4.7 percent) of total Canadian government revenues. However, these taxes were less significant with respect to the Canadian economy (less than 1 percent of Canadian GNP) than were the U.S. corporate tax payments to the Norwegian economy (almost 5 percent of Norwegian GNP).

Figure E.--Current-Year Foreign Taxes, Foreign Government Revenue, Gross National Product (GNP) and Current-Year Foreign Taxes as a Percent of Both Foreign Government Revenue and GNP, by Selected Country, 1980

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

Selected country	Ratio of current-year foreign taxes to foreign government revenue			Current-year foreign taxes	Ratio of current-year foreign taxes to GNP	
	Rank	Percent	Foreign government revenue[1]		GNP[1]	Percent
	(1)	(2)	(3)	(4)	(5)	(6)
Trinidad and Tobago	1	20.1%	$2,289[2]	$459	$6,113	7.5%
Indonesia	2	14.1	16,596	2,344	69,247	3.4
Peru	3	14.0	3,490	490	17,970	2.7
Nigeria	4	13.7	16,553[2]	2,269	79,726	2.8
Norway	5	11.1	23,645	2,621	55,458	4.7
Ecuador	6	11.0	1,502	165	10,833	1.5
Suriname	7	8.0	290[2]	23	975	2.4
Dominican Republic	8	7.0	947	67	6,439	1.0
Egypt	9	6.9	7,628[2]	526	23,726	2.2
Jamaica	10	6.7	632[2]	42	2,492	1.7
Canada	11	4.7	49,180	2,326	246,478	0.9
Gabon	12	4.4	986[2]	43	3,456	1.3
Bolivia	13	4.3	495[2]	21	5,839	0.4
Liberia	14	4.2	202	9	977	0.9
Guatemala	15	3.9	743	29	7,809	0.4
Saudi Arabia	([3])	([3])	([3])	15,568[4]	116,655	13.3
Angola	([3])	([3])	([3])	443	3,320	13.3
Libya	([3])	([3])	([3])	1,862	32,426	5.7
United Arab Emirates	([3])	([3])	([3])	1,304	27,551	4.7

[1]World Bank, World Tables, Third Edition, Volume 1, 1984.
[2]Estimated based on latest available data.
[3]Foreign government revenue data not available for these countries.
[4]Includes an estimated $15 billion in foreign taxes that were deducted from gross income and were therefore not available for foreign tax credit purposes. These deducted foreign taxes are not included elsewhere in the statistics for this article.
NOTE: The Bahamas, Bermuda, the Netherlands Antilles and Panama were not considered for purposes of this ranking. See text for additional information.

The income tax payments of U.S. corporations accounted for more than 20 percent of the total government revenue of Trinidad and Tobago. The taxes paid to Trinidad and Tobago by the U.S. petroleum industry accounted for almost 97 percent of the $459 million of total U.S. corporate tax payments to that country. The foreign taxes paid by the U.S. petroleum industry also accounted for virtually all of the total U.S. corporate tax payments to Indonesia, Ecuador, Egypt and Gabon, and a substantial portion of the U.S. tax payments to Peru, Nigeria and Bolivia. The tax payments of the U.S. aluminum industry contributed significantly to the economies of Suriname, the Dominican Republic and Jamaica. The foreign taxes levied on the bauxite-related operations of the U.S. aluminum industry accounted for more than 72 percent of the total U.S. corporate tax payments to these three countries and comprised more than 5 percent of the countries' $1.9 billion of total government revenue.

Figure E also includes foreign tax and GNP data for Saudi Arabia, Angola, Libya and the United Arab Emirates, as U.S. corporations paid substantial income taxes to these countries. Particularly noteworthy was the estimated $15.6 billion of income taxes paid to the Saudi Arabian government, which accounted for more than 13 percent of that country's GNP. Virtually all of these taxes were paid by the

U.S. petroleum industry on its Saudi Arabian operations. As noted in Figure E, the $15.6 billion of Saudi Arabian income taxes includes an estimated $15 billion of taxes that were deducted from gross income and were therefore not available for foreign tax credit purposes. These deducted taxes are included only in Figure E and are not shown elsewhere in the statistics for this article.

SUMMARY

The international operations of U.S. corporations accounted for almost $71 billion of the $247 billion of income subject to U.S. tax reported by corporations for Tax Year 1980. More than $30 billion of foreign income taxes were paid on these foreign earnings. The OPEC operations of U.S. corporations accounted for nearly 19 percent ($13.1 billion) of all foreign income and more than 29 percent ($8.8 billion) of the total foreign income tax liability. Although a non-OPEC member, the United Kingdom accounted for more foreign income ($11.3 billion) and foreign taxes ($3.7 billion) than any other country.

While less significant than in prior years, the foreign operations of the U.S. petroleum industry still accounted for more of the total foreign income (41 percent) and taxes (56 percent) than any other industry. Most of the foreign income and associated foreign taxes of the U.S. petroleum industry resulted from the industry's substantial OPEC and North Sea operations. Collectively, these operations accounted for more than $17.8 billion of foreign income and nearly $11.6 billion of associated foreign tax liability.

Generally, U.S. corporations chose to conduct their foreign operations through foreign branches or through corporations formed under the laws of foreign countries. Although the foreign income from these alternative organizational structures (branch versus non-branch) was subject to comparable rates of foreign taxation in the aggregate (46 percent and 41 percent, respectively), substantial differences in the level of foreign taxation existed among countries as well as by type of organizational structure within a country.

For 1980, as in prior years, the foreign operations of U.S. corporations continued to contribute to the economic growth of many of the developing countries of the world. The income taxes paid by U.S. corporations to foreign governments accounted for 10 percent or more of the total government revenue of at least five developing countries.

DATA SOURCES AND LIMITATIONS

Sample Selection and Variability

The statistics for the 1980 Tax Year were estimated from a stratified probability sample of about 85,000 corporate income tax returns selected after revenue processing, but before audit. A description of the sample selection procedures for corporate returns is presented in the Appendix of this publication.

From the general corporate sample described earlier, all returns claiming a foreign tax credit were used for the 1980 statistics presented in this article. However, slight differences exist between the 1980 foreign tax credit data presented in this article and the previously published data in Statistics of Income--1980, Corporation Income Tax Returns. These differences are the result of the different weighting methods used for returns sampled at less than the 100-percent rate [18]. In addition, the statistics presented in this article include certain returns with foreign tax credit that were prescribed for inclusion in the 100-percent sample class, but were received too late to be included in Statistics of Income--1980, Corporation Income Tax Returns.

Sampling variability (i.e., the degree to which estimates based on a sample differ from similar data based on a complete count or census) arises only in strata in which returns are selected at a rate of less than 100 percent. For this article, returns selected at the 100-percent rate accounted for the largest part of the estimated amounts. For instance, for 1980, those corporations with $250 million or more in total assets (which were selected at a 100-percent rate) accounted for a major portion of total assets (96.5 percent), foreign tax credit claimed (96.1 percent), and foreign-source taxable income (95.8 percent) of all corporations claiming a foreign tax credit. Because of the predominance of these large corporations, sampling variability is not considered a major limitation of the statistics.

Nonsampling Limitations

The foreign tax credit is claimed under section 901 of the Internal Revenue Code. Corporations claiming a foreign tax credit generally provide supporting foreign income and tax data on Form 1118, Computation of Foreign Tax Credit--Corporations, attached to the U.S. income tax return. Form 1118 is the source of the foreign income and tax data for this article. The statistics presented in this article do not reflect any adjustments that may be made during audit, when the acceptability of the foreign income and taxes reported for purposes of this credit is finally determined. In addition, some corporations provided only preliminary foreign income and tax data with their U.S. tax returns because not all the information on their foreign operations was available at the time the U.S. income tax return was filed.

There is a certain amount of undercoverage of foreign income and tax data. In some instances, corporations did not provide a Form 1118 in support of their foreign tax credit claimed. However, the foreign tax credit claimed by these corporations represented only a fraction of 1 percent of the total foreign tax credit claimed by all corporations. Some corporations with foreign income and taxes operated at a deficit and had no U.S. tax liability against which a foreign tax credit could be claimed. In addition, some corporations chose to deduct their foreign income taxes from gross income rather than include them for foreign tax credit purposes. With the exception of Figure E, data from such returns are excluded from this article. For 1980, the amount of foreign income and tax data so excluded was estimated to be in the range of $15 billion to $20 billion.

Since U.S. corporations were classified in the industry that accounted for the greatest portion of worldwide receipts, the industrial classification of some of these corporations may not accurately reflect the actual business activity in a particular country. In addition, the term "country" as used in this article includes not only countries but also other separate taxation authorities, such as possessions.

EXPLANATION OF SELECTED TERMS

Current-Year Foreign Taxes.--Generally, current-year foreign taxes available for credit included both (1) foreign taxes directly paid or accrued by the U.S. corporation on profits of foreign branch operations; withholding taxes on dividends, interest, rents, royalties and license fees; and other foreign taxes paid or accrued on partnership and services income; and (2) foreign taxes indirectly, or deemed, paid by the U.S. corporation. These "deemed paid" taxes were the taxes paid or accrued by a related foreign corporation on the profits from which dividends were paid (or "constructive" distributions made) to the U.S. corporation. In some instances, the prior-year taxes of related foreign corporations were considered "deemed paid" by the U.S. corporation in the current year. This occurred when a U.S. corporation received a dividend (during the 1980 Tax Year) that was distributed from the prior-year profits of a related foreign corporation. These "deemed paid" taxes were not substantial in comparison to the "deemed paid" taxes resulting from the dividends paid-out of the current-year profits of related foreign corporations. In any case, their inclusion was substantially offset by the exclusion of the taxes paid by related foreign corporations that made no dividend payments to the U.S. corporation during the 1980 Tax Year.

Effective Foreign Tax Rate.--For a particular country (or country grouping), this was the amount of current-year foreign taxes paid to a country as a percent of the foreign-source taxable income from that country. The effective foreign tax rates shown in this article may vary considerably from the statutory tax rate(s) of the countries. This is because (1) foreign-source taxable income was determined under U.S. tax law, while the actual income subject to foreign tax was determined under the laws of the taxing country; (2) foreign-source taxable income was net of losses, which overstated the effective foreign tax rate; (3) many countries had progressive tax rates or taxed various types of income at different rates; (4) certain foreign subsidiary income and the associated foreign taxes were applicable to operations in countries other than the "host" country; and (5) some countries taxed selected industries at rates in excess of other industries.

Foreign Oil-Related Income.--This was income derived from foreign sources from (1) extracting minerals from oil and gas wells, (2) processing such minerals into their primary products, (3) transporting such minerals or primary products, and (4) selling or exchanging assets used in these activities.

Foreign-Source Taxable Income.--Foreign-source taxable income was gross foreign-source income (including certain income "constructively," although not "actually," received; i.e., "foreign dividend gross-up" and "includable income of Controlled Foreign Corporations") less the allocable deductions determined under the Internal Revenue Code and by provisions of any tax treaty between the United States and a particular foreign country. This taxable income was the amount on which the U.S. income tax on foreign earnings was determined. It could differ from the net profit from overseas business operations and investments computed under foreign tax law, which was used as the basis for foreign taxation. In general, foreign-source taxable income included foreign branch profits, dividends received from foreign corporations, rental income, royalties, license fees, interest, gains from sale of real property, and compensation for labor or services performed.

NOTES AND REFERENCES

[1] Unless otherwise noted, the statistics presented in this article were tabulated from the U.S. tax returns of corporations claiming a foreign tax credit. Under U.S. tax law, some corporations deducted foreign income, war profits and excess profits taxes in lieu of claiming a foreign tax credit. However, most corporations obtained a greater tax benefit by electing to credit these taxes against U.S. income tax rather than deducting them from gross income. Data from the returns of corporations electing to deduct foreign income taxes were excluded (with the exception of Figure E) from this study. See the "Data Sources and Limitations" section in this article for an estimate of the foreign income and taxes so excluded. It should also be noted that foreign taxes other than income, war profits and excess profits taxes are always deducted from gross income as such taxes cannot be claimed as a foreign tax credit.

[2] The Organization of Petroleum Exporting Countries (OPEC) includes Algeria, Ecuador, Gabon, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates and Venezuela.

[3] For historical data on the growth of the corporate foreign tax credit, see Gianelos, Arthur and Hobbs, James, "Statistics of Income Studies of International Income and Taxes: An Overview," Statistics of Income and Related Administrative Record Research: 1984, pp. 49-54.

[4] Since 1976, all corporations must compute their foreign tax credit limitations using aggregate foreign income and tax (overall limitation method). For this reason, there are no statistics by country in this article for actual foreign tax credit claimed. The statistics shown are necessarily limited to the geographical distribution of foreign income taxes paid, as the actual credit for these taxes is no longer computed on a country-by-country basis. For a discussion of the actual foreign tax credit claimed against U.S. income tax, by industry of the U.S. corporation, see States, William, "Corporate Foreign Tax Credit, 1980: An Industry Focus," Statistics of Income Bulletin, Summer 1984, pp. 63-84.

[5] A proposal requiring use of the "per-country" limitation method was included in the Treasury Department's recent tax reform initiative. For more information regarding this proposal, see U.S. Department of the Treasury, Tax Reform for Fairness, Simplicity, and Economic Growth, Vol. 2, November 1984, pp. 359-363.

[6] The Tax Equity and Fiscal Responsibility Act of 1982 and the Tax Reform Act of 1984 redefined the foreign tax credit limitation requirements. For taxable years beginning after December 31, 1984, separate foreign tax credit limitations will be required for (1) certain nonbusiness-related interest income, (2) dividends from a DISC or former DISC, (3) income attributable to a Foreign Sales Corporation (FSC), (4) distributions from a FSC or former FSC, and (5) all other income from foreign sources.

[7] U.S. Department of the Treasury, The Operation and Effect of the International Boycott Provisions of the Internal Revenue Code - Third Report, May 1982.

[8] The "U.S. petroleum industry" includes corporations primarily engaged in the extraction of oil and gas and those engaged in integrated petroleum activities (i.e., extracting, refining and marketing petroleum products). For purposes of this article, corporations primarily involved in wholesaling petroleum and petroleum products were excluded from the "U.S. petroleum industry."

[9] Additional foreign income and tax data for 1980, cross-classified by industry and country, will be available in March 1985. These data will also be included in a foreign-area studies' compendium to be released later in 1985 and will be available by request from the Statistics of Income Division, D:R:S, Internal Revenue Service, Washington, DC 20224.

[10] Some corporations claiming a foreign tax credit for non-DISC dividend income chose not to file foreign tax credit computation schedules for their DISC dividend income because no foreign taxes were paid on this income. As a result, the data shown in this article understate the DISC dividend income of corporations claiming a foreign tax credit.

[11] From a U.S. tax standpoint, the nationalization resulted in the deduction of Saudi Arabian income taxes from gross income rather than the inclusion of these taxes for foreign tax credit purposes. The 1980 foreign income taxes deducted for 1980 were estimated to be in excess of $15 billion.

[12] North Sea oil production data from Offshore, PennWell Publishing Company, July 1984 and Development of the Oil and Gas Resources of the United Kingdom, United Kingdom Department of Energy, 1982.

[13] For a more detailed discussion of the operations of foreign corporations that were more than 50 percent owned by a U.S. corporation, see Sutton, William and Hobbs, James, "Controlled Foreign Corporations, 1980: A Geographic Perspective," Statistics of Income Bulletin, Fall 1984, pp. 33-57.

[14] Many developing countries offer tax incentives, or "tax holidays," to foreign investors to promote investment in certain sectors of their economies. During these "tax holidays," the income attributable to the foreign investment is usually subject to a reduced or zero tax rate. Details regarding the applicable tax (if any) and the duration of the "tax holiday" are specified in local law or may be determined through negotiations with the foreign government.

[15] Much of the non-branch foreign income was dividends, interest, rents, royalties, license fees and services income resulting from the operations of foreign subsidiaries and other related foreign corporations. However, also included in the non-branch statistics were similar income payments from unrelated foreign parties and certain income related to export sales.

[16] For additional information on the tax laws of foreign countries, see Corporate Taxes, A Worldwide Summary, Price Waterhouse, October 1980.

[17] The Bahamas, Bermuda, Panama and the Netherlands Antilles were not considered for purposes of this ranking. Many U.S. corporations operated in these "low-tax" jurisdictions through locally incorporated subsidiaries. As these foreign subsidiaries often operated in other foreign countries, much of the taxes of these subsidiaries were paid to countries other than the country of incorporation. This resulted in an overstatement of the foreign taxes paid to these "low-tax" jurisdictions as the taxes paid by these foreign subsidiaries were attributed to the country of incorporation. As a result of this overstatement, these "low-tax" jurisdictions were not considered for purposes of this analysis.

[18] The statistics in this article are based on "initial" weights that were derived by dividing the number of returns filed per sample class by the number of sample returns for the stratum. The data published in Statistics of Income--1980, Corporation Income Tax Returns are based on adjusted "initial," or "post-stratified," weights. These post-stratified weights were based on a comparison of the weighted sample and population for subclasses within each business activity grouping. For additional information on post-stratified weights, see Leszcz, Michael R., Oh, H. Lock and Scheuren, Fritz J., "Modified Raking Estimation in the Corporate SOI Program," Statistics of Income and Related Administrative Record Research: 1983, pp. 107-111.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends

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

Country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources: Net income (less deficit)	Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All geographic areas, total	**6,046**	**3,229,777,033**	**143,466,463**	**137,930,564**	**61,697,948**	**24,866,906**	**70,541,309**	**17,351,661**	**12,844,523**	**4,098,186**
Canada	**2,882**	**2,928,205,056**	**130,300,397**	**125,285,013**	**56,031,921**	**23,412,652**	**66,247,085**	**16,092,835**	**12,001,934**	**3,783,632**
Latin America, total	**1,586**	**2,759,455,782**	**121,215,043**	**117,416,882**	**52,582,840**	**23,533,736**	**66,654,796**	**16,360,910**	**11,931,284**	**3,840,625**
Mexico	892	2,469,746,756	101,585,741	98,593,465	44,315,653	19,692,263	57,305,434	14,265,291	8,870,582	2,727,978
Central America, total	384	1,892,133,692	88,619,468	86,169,635	38,766,682	20,302,432	56,453,618	13,822,325	10,599,719	3,333,615
Belize	18	221,853,606	21,770,461	20,685,264	9,415,741	5,798,055	14,134,138	3,120,596	3,191,639	669,901
Costa Rica	148	1,159,298,153	51,422,975	49,760,794	22,411,978	12,933,614	35,937,183	8,626,507	6,532,360	2,147,796
El Salvador	94	965,698,843	41,321,794	39,677,385	17,934,992	10,178,918	29,320,898	4,966,186	6,005,803	1,041,135
Guatemala	182	1,347,739,620	63,034,431	61,026,602	27,606,686	14,835,795	39,891,142	9,171,655	7,517,157	1,622,610
Honduras	106	1,074,739,541	44,532,155	42,793,620	19,320,356	11,154,416	31,839,734	6,795,175	5,730,352	1,319,550
Nicaragua	86	945,601,678	40,027,602	38,539,853	17,535,748	10,365,911	29,652,779	6,205,247	5,204,607	867,113
Panama (including Canal Zone)	259	1,639,710,962	70,516,070	68,329,861	30,716,098	15,966,665	45,694,161	8,637,367	9,935,143	2,232,202
Not allocable	10	22,899,087	1,672,818	1,609,721	716,948	186,431	507,319	140,151	127,528	9,110
Caribbean countries, total	603	1,929,848,015	76,681,485	74,084,145	33,397,979	17,863,520	50,622,949	12,073,511	8,954,106	2,622,417
Cayman Islands	114	1,115,845,811	41,739,612	40,152,142	16,131,112	11,468,657	32,503,778	7,567,252	6,427,617	2,384,626
Dominican Republic	155	1,060,453,479	35,782,868	34,594,887	15,841,935	7,800,607	25,370,834	4,372,406	4,276,635	684,209
Haiti	43	523,774,300	18,202,635	17,762,900	8,085,581	5,005,582	15,015,652	3,038,188	2,856,934	670,002
Jamaica	382	1,059,234,025	48,217,828	46,535,443	20,984,280	11,779,393	32,169,205	6,993,969	6,054,972	1,294,348
Trinidad and Tobago	131	1,103,764,696	52,999,045	51,253,756	23,209,186	13,461,762	35,592,801	9,326,454	6,089,789	1,534,990
Other	64	613,673,013	37,240,907	35,867,935	16,166,457	9,895,452	25,591,615	5,858,076	5,281,728	1,283,862
South America, total	914	2,452,093,849	111,344,459	106,016,203	48,459,888	22,625,830	63,686,818	15,794,004	11,527,101	3,796,103
Argentina	393	1,992,069,438	87,892,357	85,636,660	38,636,468	19,051,324	53,795,102	13,569,210	8,857,349	2,673,201
Bolivia	109	1,134,666,476	52,681,575	50,931,233	23,079,492	13,966,621	38,342,992	9,710,143	8,744,349	1,780,185
Brazil	590	2,174,741,652	86,299,259	83,488,565	37,511,561	18,344,514	53,147,047	13,001,169	8,315,914	2,399,046
Chile	242	1,532,053,566	69,597,592	67,534,373	30,394,752	16,188,552	45,768,495	10,953,874	8,050,318	2,433,290
Colombia	276	1,650,639,309	78,072,619	75,960,505	34,300,934	17,876,744	50,236,044	12,601,676	6,494,222	2,640,560
Ecuador	186	1,339,909,291	57,533,855	55,790,486	25,183,434	14,363,507	40,438,294	6,363,679	8,134,596	2,038,729
Paraguay	58	891,489,401	39,002,102	37,546,804	17,009,346	9,229,134	26,201,523	4,790,757	5,186,733	1,037,021
Peru	262	1,605,794,912	71,058,610	68,954,789	31,158,688	17,200,959	47,889,794	12,620,333	7,988,916	2,681,726
Uruguay	106	998,324,273	44,434,732	42,842,687	19,323,612	10,751,541	30,285,217	5,254,983	6,228,705	1,041,280
Venezuela	472	2,064,937,115	66,232,316	65,465,661	38,509,719	19,781,713	58,115,765	14,103,346	9,711,233	3,455,593
Other	63	565,298,661	30,260,064	29,214,315	13,110,437	8,080,826	21,283,782	4,176,852	4,750,505	1,040,935
Latin America not allocable	24	298,140,583	13,609,379	13,159,682	5,973,837	3,721,782	10,429,235	2,364,910	1,695,620	246,739
Other Western Hemisphere, total	**406**	**2,119,888,278**	**94,028,584**	**90,860,874**	**40,855,737**	**20,943,459**	**57,194,059**	**14,960,063**	**10,659,700**	**3,773,963**
Bahamas	167	1,409,910,431	60,557,096	58,431,703	26,281,407	15,638,880	42,869,192	10,972,210	8,004,165	3,187,541
Bermuda	197	1,162,470,144	69,532,060	67,661,896	30,496,469	16,447,105	43,019,249	10,967,604	6,591,543	2,566,906
Netherlands Antilles	191	1,388,345,021	56,815,355	54,286,193	24,420,040	14,537,318	39,221,486	9,210,800	6,757,686	3,039,079
Other British West Indies	53	671,231,717	29,456,865	28,467,228	12,875,258	7,941,866	21,568,982	4,409,894	4,384,655	1,062,265
Other	38	503,633,061	30,389,681	29,403,428	13,240,438	8,145,542	20,729,442	6,107,721	3,602,942	1,293,539
Europe, total	**1,815**	**2,712,870,105**	**125,230,966**	**120,961,975**	**54,163,241**	**23,980,406**	**67,488,688**	**16,240,220**	**12,488,174**	**3,779,733**
Common Market countries, total	1,590	2,666,676,749	123,499,660	119,273,216	53,478,706	23,913,982	67,187,417	16,196,891	12,457,232	3,779,733
Belgium	380	1,741,946,546	86,031,686	83,319,390	37,511,161	19,327,695	53,179,424	14,078,289	9,099,779	2,976,389
Denmark	207	1,317,413,258	57,407,501	55,473,774	24,953,426	12,664,859	36,160,956	7,152,458	6,831,138	1,293,576
France (including Andorra)	882	2,157,901,032	93,699,108	90,526,426	40,585,313	18,814,931	53,861,247	12,780,578	8,963,693	2,417,484
Ireland	177	1,075,013,891	56,463,766	54,891,661	24,880,294	13,561,601	37,318,461	8,498,944	7,203,025	1,866,140
Italy (including San Marino)	483	1,938,077,836	88,721,941	85,886,594	38,550,392	17,420,042	50,293,650	11,588,613	8,387,557	2,259,276
Luxembourg	66	901,314,879	27,662,507	26,433,302	11,873,261	7,211,299	22,130,596	4,881,034	3,161,057	994,013
Netherlands	630	1,841,043,842	86,377,817	83,218,319	37,420,357	18,847,023	52,487,978	12,659,629	9,798,395	3,285,791
United Kingdom	1,031	2,527,320,454	117,272,317	113,515,625	50,960,374	23,412,178	65,603,947	15,959,715	12,146,142	3,756,903
West Germany	714	2,148,525,381	99,577,400	96,275,578	43,204,352	20,219,573	57,212,004	13,367,105	10,471,157	3,072,201
Common Market not allocable	5	36,920,443	882,857	865,045	396,695	62,146	394,382	36,387	29,102	17
Other West European countries, total	932	2,342,861,509	111,126,753	107,799,927	48,341,414	22,771,814	63,484,426	15,560,176	11,941,255	3,757,067
Austria	174	1,185,942,710	57,223,647	55,706,140	25,101,684	13,800,204	38,233,763	10,220,522	6,398,472	2,327,622
Finland	143	1,276,620,307	51,244,737	49,548,819	22,243,094	11,127,015	32,404,717	5,511,395	6,427,971	1,049,423
Greece	172	1,321,498,417	53,708,044	51,882,945	23,372,636	12,301,573	36,260,251	7,081,750	6,505,816	1,296,528
Liechtenstein	23	238,900,023	5,864,645	5,776,689	2,592,261	2,008,588	6,776,850	1,410,617	1,659,467	1,046,233
Monaco	15	319,152,057	5,195,353	4,881,604	2,199,346	1,816,510	6,073,727	926,452	1,035,831	423,246
Norway	212	1,283,709,129	72,803,686	70,457,113	31,769,125	17,782,398	47,416,654	13,767,963	7,769,062	3,058,311
Portugal	118	1,016,314,196	54,878,405	53,240,639	24,122,918	14,015,010	37,492,147	9,144,503	7,214,714	1,764,684
Spain	465	1,871,133,550	88,569,609	85,904,533	38,695,706	18,512,835	52,411,113	12,831,218	9,136,427	2,882,611
Sweden	260	1,362,657,191	64,439,159	62,351,513	27,995,507	13,752,101	39,705,057	7,849,149	7,367,701	1,378,110
Switzerland	512	1,816,572,687	88,017,922	85,551,805	38,425,900	18,936,141	53,428,036	12,691,306	9,737,957	2,997,853
Turkey	109	957,722,161	49,673,116	48,086,838	21,754,174	12,385,347	33,968,336	6,783,544	5,783,768	2,136,615
Other	49	691,205,306	38,831,511	37,473,253	16,990,066	10,544,022	27,125,196	6,836,201	4,959,981	1,293,446
Not allocable	21	178,377,543	2,017,097	1,838,394	809,740	382,478	1,945,677	248,121	177,092	—
East European countries, total	159	1,214,772,370	51,111,257	49,368,348	22,218,732	12,776,593	36,438,651	8,868,913	6,113,538	2,142,488
East Germany	16	177,193,570	6,814,662	6,779,371	3,086,878	1,746,767	5,649,916	487,466	1,267,467	2,240
Rumania	32	551,310,509	14,906,760	14,536,878	6,501,238	4,132,793	13,380,616	2,973,673	1,905,770	613,978
Union of Soviet Socialist Republics	55	617,147,222	26,729,509	25,960,036	11,647,887	8,631,626	19,395,722	3,832,278	3,475,941	614,516
Other	133	1,111,241,362	49,680,540	47,984,697	21,623,573	12,460,579	35,130,939	8,701,893	5,915,540	2,142,487
Europe not allocable	37	216,167,697	14,197,332	13,489,569	6,115,006	3,470,099	8,093,667	2,169,485	1,647,254	246,756
Africa, total	**1,623**	**1,990,666,905**	**103,093,765**	**100,263,943**	**45,134,616**	**22,428,937**	**61,789,862**	**16,025,408**	**11,326,550**	**3,983,962**
North Africa, total	193	1,526,253,544	73,049,942	71,102,967	32,154,151	18,238,807	49,685,049	14,268,863	7,906,317	3,078,764
Algeria	72	633,101,404	35,712,961	34,674,665	15,610,030	6,339,682	23,505,335	6,465,012	3,325,503	1,354,932
Egypt	109	1,111,891,880	56,436,010	54,697,204	24,726,548	15,036,740	39,873,858	10,925,894	7,101,999	2,500,796
Libya	58	862,597,599	45,239,487	43,796,970	19,852,499	12,761,491	32,209,674	10,390,043	5,127,505	2,403,145
Morocco	81	921,645,435	47,133,581	45,685,093	20,677,601	13,132,578	35,115,053	8,893,634	6,583,990	1,977,610
Other	76	892,934,976	44,051,025	42,599,731	19,249,866	12,454,219	33,455,108	9,422,992	5,208,233	2,168,814
East Africa, total	91	1,064,933,513	52,235,389	50,581,333	22,872,918	13,261,836	36,051,179	9,425,362	6,126,671	2,205,242
Ethiopia	17	293,981,189	17,883,585	17,253,813	7,768,039	4,719,324	12,010,619	2,956,050	2,344,587	613,877
Kenya	65	867,401,154	42,335,012	40,911,062	16,511,689	11,048,058	30,170,443	6,495,969	5,931,266	1,346,917
Tanzania	20	464,615,613	31,464,602	30,607,234	13,661,350	9,039,695	22,666,071	7,897,343	3,604,527	2,195,670
Uganda	12	195,490,979	20,569,530	19,861,994	8,965,992	5,916,968	13,800,403	3,041,892	3,401,926	613,859
Other	38	621,640,093	39,227,937	37,830,500	17,122,840	10,603,956	26,565,328	6,719,906	5,214,654	1,290,989

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends—Continued

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

Country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources: Net income (less deficit)	Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Africa—Continued										
West and Central African countries, total	199	1,473,528,670	77,308,476	75,063,878	33,952,492	18,489,897	50,526,767	13,555,775	9,241,933	3,584,071
Gabon	28	503,225,101	23,426,653	22,530,383	10,155,202	8,570,515	18,414,292	4,454,633	3,725,185	1,723,335
Ghana	28	556,877,991	38,304,774	34,980,035	15,672,797	10,429,272	26,356,500	6,433,828	5,739,506	1,541,422
Liberia	77	907,500,043	50,516,602	48,920,413	22,108,812	12,429,010	33,473,118	8,165,289	6,714,696	2,208,238
Nigeria	96	1,030,564,413	54,610,228	53,162,914	24,010,436	14,792,396	39,167,836	10,956,349	7,302,678	3,061,574
Zaire	45	678,695,701	41,110,787	39,612,606	18,055,659	11,590,873	30,326,327	8,860,457	6,691,583	1,959,925
Other	105	1,035,024,787	56,939,198	54,955,494	24,901,539	15,252,169	40,790,996	10,758,358	8,129,068	3,348,124
Southern Africa, total	1,497	1,597,657,327	81,862,245	79,635,141	35,852,435	17,452,019	49,009,796	11,286,609	9,143,650	2,177,641
Malawi	9	213,498,771	12,514,083	12,306,837	5,533,011	3,788,919	9,268,041	2,619,504	1,940,876	613,859
South Africa (including South-West Africa)	1,474	1,457,519,704	79,878,822	77,702,580	34,971,238	17,184,061	47,118,686	11,028,785	9,051,627	2,168,489
Zambia	37	546,963,152	20,239,849	19,719,009	8,871,719	6,039,749	17,364,348	3,758,129	3,461,680	1,037,105
Zimbabwe	19	199,797,593	7,923,934	7,630,226	3,356,909	2,224,874	6,254,000	2,312,238	623,711	613,859
Other	22	193,529,104	10,869,392	10,602,090	4,731,195	3,192,205	8,267,930	3,836,444	744,652	889,751
Africa not allocable	26	248,836,809	6,062,517	5,919,057	2,664,654	1,490,648	4,651,316	1,611,966	197,540	247,151
Asia, total	**2,006**	**2,692,575,899**	**122,938,613**	**118,705,602**	**53,265,591**	**23,739,153**	**66,848,436**	**18,355,736**	**12,202,133**	**3,851,259**
Middle East, total	707	1,924,413,510	87,636,507	85,043,780	38,296,340	19,282,819	54,096,202	12,555,601	10,549,837	3,250,660
Bahrain	49	676,472,411	35,831,059	34,335,567	15,490,110	9,679,014	26,755,584	5,167,221	5,284,724	1,040,800
Iran	96	1,048,868,015	58,411,401	56,892,489	25,773,479	14,019,937	37,757,944	10,260,440	6,616,849	2,499,218
Iraq	33	387,978,087	31,999,082	31,061,120	14,068,866	9,189,252	23,188,004	6,486,592	4,404,387	1,690,323
Israel	495	1,153,782,228	35,782,013	35,148,902	15,687,872	6,459,624	26,671,602	7,651,667	3,069,539	1,739,961
Kuwait	68	874,348,047	44,148,357	42,693,011	19,264,722	11,990,557	32,140,604	6,160,069	6,687,734	2,616,300
Lebanon	58	841,197,920	38,665,153	35,217,808	15,923,644	9,559,715	26,708,078	4,672,481	5,670,102	1,039,244
Qatar	27	507,463,014	23,519,080	22,764,567	10,229,084	6,439,735	18,023,464	3,523,813	3,461,220	620,947
Saudi Arabia	196	1,130,770,988	54,287,845	52,398,830	23,603,255	12,668,076	36,416,921	6,278,245	6,825,389	2,223,803
United Arab Emirates	78	660,760,919	51,245,946	49,821,365	22,452,619	13,190,151	34,897,431	9,937,291	6,109,346	2,539,067
Other areas of Arabian peninsula	45	771,155,956	38,712,933	37,237,418	16,659,064	10,587,001	26,161,875	7,285,529	5,016,981	1,956,076
Other	78	794,384,945	38,162,613	35,731,100	16,598,797	9,287,722	26,372,817	5,088,034	4,759,339	625,209
Southern and Southeastern Asia, total	597	2,230,166,200	102,136,103	98,920,715	44,419,246	21,686,997	60,620,303	14,552,792	11,416,781	3,405,569
Bangladesh	25	245,942,962	11,977,919	11,604,740	5,304,652	2,408,034	7,975,632	1,068,922	1,438,822	75,334
India	186	1,211,370,026	60,687,615	58,968,539	26,617,650	14,857,377	40,656,567	9,004,442	7,600,051	1,555,254
Indonesia	192	1,570,375,663	71,321,242	68,951,536	31,117,159	18,594,423	50,521,295	13,394,575	9,325,788	3,382,647
Malaysia	152	1,340,167,754	61,365,551	59,667,248	27,004,057	14,134,457	39,265,674	9,954,939	6,341,550	2,166,839
Pakistan	99	993,352,853	53,177,392	51,472,899	23,276,859	14,665,814	38,041,434	10,473,283	7,006,912	2,388,122
Philippines	336	1,775,824,571	79,721,683	77,245,448	34,759,714	17,399,596	49,235,939	11,446,845	8,555,821	1,810,821
Singapore	233	1,597,544,599	68,044,237	65,661,061	29,785,603	14,643,051	42,985,481	9,241,689	7,239,315	1,395,114
Sri Lanka	34	633,152,916	31,291,551	29,990,452	13,561,367	6,707,708	23,004,920	4,550,760	4,815,290	1,044,048
Thailand	177	1,444,730,189	63,306,763	61,140,462	27,677,889	14,919,315	42,091,113	10,271,035	7,058,497	2,221,379
Vietnam	4	142,349,371	19,843,643	19,223,120	8,668,573	5,539,494	12,398,200	3,053,430	3,038,742	674,589
Other	45	638,269,312	32,694,748	31,603,154	14,294,706	6,864,241	24,018,606	5,906,103	4,446,440	1,351,616
Eastern Asia, total	1,498	2,519,175,999	115,618,251	112,031,011	50,303,654	22,728,232	63,786,813	15,380,986	12,004,833	3,724,153
China	60	684,716,753	47,516,369	46,096,716	20,870,782	12,927,376	32,684,045	9,461,625	6,175,010	2,408,052
Hong Kong	255	1,571,640,214	67,555,973	65,312,289	29,578,137	14,602,921	42,462,331	8,468,510	7,524,815	1,294,663
Japan	1,389	2,393,814,017	111,029,746	107,576,684	48,282,438	21,639,451	60,907,195	13,994,852	11,892,651	3,327,736
South Korea, Republic of	184	1,495,981,007	70,550,141	68,382,945	30,966,175	16,700,340	46,767,569	11,094,997	9,229,353	3,134,547
Taiwan	219	1,526,840,479	66,920,349	64,605,118	29,174,284	16,335,518	45,665,426	11,412,941	6,450,465	3,276,022
Other	30	116,757,228	2,944,963	2,866,153	1,225,137	364,271	1,631,205	156,971	222,039	305
Asia not allocable	17	278,971,126	2,167,890	2,039,544	915,996	819,354	3,311,336	712,737	85,689	5,320
Oceania, total	**1,094**	**2,367,336,941**	**108,300,890**	**104,738,883**	**47,126,439**	**20,764,505**	**58,716,513**	**14,327,706**	**10,019,906**	**2,697,266**
Australia	968	2,326,609,937	103,248,495	99,740,167	44,862,768	20,636,636	58,175,778	14,226,230	9,990,533	2,692,963
New Zealand	371	1,408,989,910	72,695,684	70,511,681	31,811,185	14,921,452	41,632,569	9,252,462	7,625,880	1,554,613
Other	83	875,992,989	42,576,416	41,032,752	16,608,181	10,548,579	26,142,811	8,734,079	5,115,191	1,283,644
Puerto Rico and U.S. Possessions, total	**517**	**1,887,147,336**	**76,664,142**	**73,550,836**	**33,001,612**	**15,102,149**	**43,893,313**	**8,482,550**	**7,966,592**	**1,276,819**
Puerto Rico	472	1,643,982,879	75,006,376	71,851,894	32,239,045	14,820,948	42,245,387	8,305,784	7,904,997	1,276,819
U.S. possessions, total	127	1,091,058,001	40,469,629	38,327,597	17,270,417	9,911,854	28,177,149	5,029,167	5,631,161	1,041,422
American Samoa	14	165,886,163	12,366,989	11,948,744	5,466,925	2,865,461	6,440,375	736,144	1,988,846	17
Guam	70	745,892,394	31,516,396	30,044,500	13,545,367	7,858,497	21,643,635	4,075,164	4,122,299	614,702
Virgin Islands, U.S.	72	894,379,719	27,470,369	25,946,582	11,653,135	7,098,245	20,050,381	4,134,958	3,933,586	1,041,422
Other	9	163,664,495	6,280,386	6,250,658	2,869,735	1,742,619	4,608,271	491,441	1,254,063	—
Country not stated	**943**	**2,400,165,767**	**104,618,699**	**101,265,148**	**45,490,015**	**22,076,328**	**61,952,345**	**15,340,376**	**11,424,659**	**3,780,740**
DISC dividends	**138**	**368,370,279**	**25,618,468**	**24,962,730**	**11,123,314**	**4,334,845**	**11,720,756**	**3,752,530**	**1,307,466**	**621,957**
OPEC countries (included above)	**630**	**2,327,020,029**	**103,071,791**	**100,010,748**	**45,022,624**	**22,108,927**	**62,377,876**	**15,711,421**	**11,099,848**	**3,824,360**

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends—Continued

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

Country and DISC dividends	Income and taxes from all sources—Continued			Income and taxes from specific geographic area or country					
		Foreign tax credit computed		Gross income excluding branch operations and specially allocable income (less loss)					
	Carryover	Before reduction for international boycott operations	Reduction for international boycott operations	Total	Dividends	Dividend gross-up	Interest	Rents, royalties, and license fees	Service income
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
All geographic areas, total	**4,210,788**	**24,881,344**	**2,795**	**86,077,698**	**19,823,516**	**12,644,525**	**12,509,769**	**7,180,244**	**12,380,812**
Canada	**3,841,269**	**23,426,853**	**2,890**	**10,482,769**	**2,095,667**	**1,369,035**	**1,627,214**	**737,416**	**437,628**
Latin America, total	**3,952,523**	**23,547,832**	**2,794**	**11,617,079**	**1,625,680**	**828,659**	**3,503,011**	**717,526**	**827,728**
Mexico	3,562,252	19,906,203	2,740	2,456,646	326,830	247,122	1,165,459	321,848	202,161
Central America, total	3,620,914	20,316,189	2,578	1,121,638	549,582	222,176	142,936	70,243	49,845
Belize	1,740,652	5,796,055	—	1,198	276	188	50	42	553
Costa Rica	1,991,914	12,934,856	980	28,232	1,281	556	15,782	4,683	445
El Salvador	1,806,781	10,180,789	1,587	14,794	895	264	2,535	1,952	388
Guatemala	2,513,544	14,638,337	1,776	84,873	7,704	5,609	19,401	4,737	11,042
Honduras	2,008,895	11,158,706	1,409	20,266	1,427	594	8,337	2,869	531
Nicaragua	2,702,984	10,377,205	711	20,895	564	422	11,564	695	368
Panama (including Canal Zone)	2,408,282	15,969,516	2,570	949,417	536,740	214,199	84,810	55,109	36,474
Not allocable	100	186,431	—	2,143	696	344	478	157	45
Caribbean countries, total	3,513,186	17,876,575	2,455	2,705,087	102,139	59,863	322,230	19,703	22,134
Cayman Islands	1,180,692	11,489,185	361	324,075	40,085	2,693	277,988	320	1,239
Dominican Republic	1,438,585	7,801,838	929	85,517	18,648	17,877	8,081	3,965	2,283
Haiti	444,382	5,005,658	76	12,587	12	5	338	384	6,055
Jamaica	2,051,404	11,780,895	1,502	118,235	707	251	6,993	5,937	440
Trinidad and Tobago	3,231,979	13,473,767	1,706	2,141,189	41,379	38,406	13,046	7,820	8,829
Other	1,844,791	9,895,769	317	23,484	1,307	630	15,784	1,276	3,289
South America, total	3,866,572	22,639,797	2,665	5,163,356	642,913	299,497	1,734,852	305,576	551,036
Argentina	3,474,762	19,064,568	2,159	779,894	120,757	36,731	311,189	104,951	17,728
Bolivia	3,216,457	13,997,287	199	70,012	1,098	58	20,620	1,395	566
Brazil	3,554,457	18,357,942	2,398	1,278,877	301,115	157,579	615,845	77,041	59,159
Chile	2,545,571	16,190,361	1,411	191,385	33,541	11,752	95,733	16,461	16,758
Colombia	3,331,999	17,889,746	2,225	286,746	48,376	23,030	84,962	25,945	18,945
Ecuador	2,450,929	14,365,386	1,711	320,320	6,715	1,097	59,119	6,770	13,049
Paraguay	1,905,848	9,229,210	76	20,031	1,807	1,332	14,004	581	-17
Peru	3,571,323	17,213,769	2,229	917,682	19,963	14,379	50,133	8,977	13,819
Uruguay	1,922,758	10,752,925	1,082	20,549	7,695	2,502	6,107	3,901	562
Venezuela	3,506,226	19,794,904	1,930	1,247,280	103,394	50,856	469,438	55,679	409,718
Other	1,123,045	8,080,906	—	30,580	453	182	7,703	3,872	748
Latin America not allocable	610,300	3,721,858	76	170,152	4,215	—	137,534	157	2,552
Other Western Hemisphere, total	**3,713,418**	**20,956,844**	**2,607**	**2,397,023**	**941,064**	**202,454**	**1,139,575**	**11,529**	**10,615**
Bahamas	2,531,685	15,640,655	1,413	1,029,298	126,474	48,168	838,742	3,870	515
Bermuda	3,304,734	16,459,803	2,283	704,333	509,218	90,587	64,814	3,628	1,962
Netherlands Antilles	3,033,517	14,549,583	1,735	418,403	303,619	63,299	26,132	3,059	7,913
Other British West Indies	1,121,736	7,941,940	74	146,515	667	—	144,222	473	170
Other	1,569,659	8,145,939	317	98,474	1,065	400	65,665	498	36
Europe, total	**4,044,842**	**23,994,832**	**2,794**	**27,116,890**	**8,365,986**	**6,004,500**	**3,457,517**	**3,702,399**	**1,042,834**
Common Market countries, total	4,038,990	23,928,387	2,794	23,250,791	7,046,994	5,451,066	2,717,048	3,206,670	683,209
Belgium	3,565,941	19,341,025	2,157	1,094,551	343,599	277,522	107,119	195,904	93,828
Denmark	1,997,574	12,666,869	1,843	216,811	54,472	38,021	27,965	45,806	5,259
France (including Andorra)	3,612,158	18,828,837	2,762	2,040,526	483,612	468,857	212,645	679,422	93,357
Ireland	2,378,697	13,563,665	1,782	119,920	24,757	4,761	18,031	42,995	10,286
Italy (including San Marino)	2,680,195	17,423,027	2,617	1,342,444	518,960	259,495	151,395	324,478	35,289
Luxembourg	1,474,395	7,211,795	381	113,096	33,748	19,613	41,300	7,559	887
Netherlands	2,667,615	18,849,782	2,346	2,911,919	1,206,110	945,060	108,498	258,490	6,811
United Kingdom	3,902,675	23,425,702	2,794	11,049,198	2,806,845	1,817,476	1,881,904	984,885	368,212
West Germany	3,752,960	20,232,879	2,757	4,337,779	1,574,657	1,622,260	148,885	666,689	69,278
Common Market not allocable	—	62,146	—	22,548	15	—	19,306	440	—
Other West European countries, total	3,796,245	22,785,307	2,761	3,461,691	1,317,029	550,471	557,219	463,228	216,119
Austria	2,242,604	13,812,020	1,350	175,219	61,608	48,874	12,575	37,345	6,116
Finland	2,185,969	11,128,053	903	69,443	13,385	14,641	8,396	30,275	192
Greece	2,138,773	12,303,176	1,322	94,232	32,471	6,337	20,095	11,956	12,585
Liechtenstein	75,076	2,009,225	637	53,211	32,667	18,110	2,213	195	—
Monaco	375,995	1,616,510	—	6,860	372	250	713	309	4,438
Norway	3,367,854	17,794,266	1,520	475,658	44,916	22,335	143,935	32,618	37,875
Portugal	2,938,735	14,027,652	2,175	54,252	13,686	6,935	7,905	14,438	3,192
Spain	2,801,126	18,514,609	1,671	539,817	150,726	55,266	111,525	106,609	76,323
Sweden	2,157,935	13,754,188	1,805	260,376	81,890	39,019	32,041	65,917	15,377
Switzerland	3,528,890	18,946,959	2,156	1,505,374	882,741	338,628	65,427	129,611	10,276
Turkey	1,694,528	12,386,105	591	75,274	2,081	1,914	12,349	3,659	49,176
Other	2,204,841	10,544,022	—	4,219	435	151	1,384	1,464	538
Not allocable	89,614	382,463	5	147,535	52	11	138,662	6,632	29
East European countries, total	2,071,545	12,777,542	782	235,629	1,963	2,962	166,027	18,284	16,703
East Germany	38,964	1,746,936	4	18,504	1,390	971	11,614	200	75
Rumania	77,026	4,132,793	1	6,172	—	—	5,543	1,148	864
Union of Soviet Socialist Republics	706,223	6,631,794	1	63,497	—	—	23,534	3,871	12,193
Other	2,057,805	12,461,525	776	147,457	573	1,991	125,335	13,066	5,571
Europe not allocable	611,975	3,470,099	—	168,779	1	—	17,223	14,217	124,803
Africa, total	**3,783,182**	**22,442,257**	**2,738**	**6,568,165**	**878,243**	**1,630,941**	**240,932**	**127,851**	**575,827**
North Africa, total	3,595,913	18,250,695	1,421	2,886,926	13,991	12,072	57,644	10,125	198,992
Algeria	1,475,066	8,340,202	352	95,673	—	—	14,391	1,956	32,302
Egypt	2,646,541	15,036,913	6	1,421,446	6,591	4,343	13,613	3,518	33,304
Libya	3,134,054	12,792,427	636	1,241,087	—	—	22,305	1,825	13,632
Morocco	2,476,706	13,133,177	432	117,410	1,411	1,209	2,520	1,544	107,310
Other	2,297,166	12,454,463	76	-8,690	5,989	6,520	4,815	1,282	12,445
East Africa, total	2,412,151	13,262,508	705	104,820	33,709	28,751	3,012	3,328	5,888
Ethiopia	808,122	4,719,324	—	962	—	—	172	69	—
Kenya	1,967,030	11,048,929	704	34,633	10,771	9,003	2,330	1,643	918
Tanzania	1,548,482	9,039,695	—	24,719	6,876	6,544	37	23	2,391
Uganda	727,926	5,916,969	1	26,711	13,995	12,117	17	—	—
Other	2,289,372	10,603,956	—	17,795	2,064	1,086	456	1,392	2,578

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends—Continued

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

Country and DISC dividends	Income and taxes from all sources—Continued			Income and taxes from specific geographic area or country					
		Foreign tax credit computed		Gross income excluding branch operations and specially allocable income (less loss)					
	Carryover	Before reduction for international boycott operations	Reduction for international boycott operations	Total	Dividends	Dividend gross-up	Interest	Rents, royalties, and license fees	Service income
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
Africa—Continued									
West and Central African countries, total	3,475,482	18,502,449	2,085	3,015,071	562,815	1,429,529	157,869	21,616	355,591
Gabon	1,558,120	6,571,223	708	87,357	1,134	1,723	393	5	6,849
Ghana	2,026,150	10,429,272	—	1,464	—	—	746	26	355
Liberia	2,886,599	12,439,862	385	527,429	384,378	3,188	134,109	3,744	373
Nigeria	3,205,340	14,803,551	688	1,917,309	142,391	1,397,472	4,831	11,004	27,328
Zaire	2,204,964	11,591,177	304	36,400	7,305	5,687	3,451	687	15,374
Other	2,478,805	15,252,393	56	445,111	27,607	21,260	14,339	6,150	303,311
Southern Africa, total	3,090,763	17,464,830	2,231	577,404	267,712	160,577	21,631	91,665	15,136
Malawi	82,913	3,768,924	5	2,212	1,044	782	295	73	—
South Africa (including South-West Africa)	3,090,141	17,196,868	2,226	565,069	265,353	159,191	14,607	90,543	15,048
Zambia	504,963	6,040,381	632	1,292	511	301	321	626	59
Zimbabwe	92,723	2,224,930	55	525	8	—	178	220	28
Other	62,913	3,192,205	—	8,307	797	304	6,230	203	—
Africa not allocable	37,981	1,490,653	5	3,945	16	11	776	1,117	220
Asia, total	**4,036,424**	**23,753,239**	**2,794**	**14,023,815**	**3,532,482**	**2,124,437**	**1,143,848**	**1,154,855**	**3,796,815**
Middle East, total	2,909,221	19,285,541	2,474	5,011,349	1,505,330	19,063	122,631	55,189	3,021,200
Bahrain	1,902,221	9,679,099	5	48,481	—	—	21,646	1,644	543
Iran	2,577,544	14,020,316	378	90,027	56,082	269	9,883	622	10,047
Iraq	1,431,847	9,189,324	72	11,493	—	—	962	8,208	6,358
Israel	360,014	6,461,151	1,060	85,204	13,660	6,204	47,530	10,210	10,448
Kuwait	2,123,959	11,991,010	285	42,303	1,230	201	9,535	1,355	2,306
Lebanon	1,860,569	9,559,845	130	23,698	216	120	3,722	2,652	405
Qatar	687,318	6,439,735	—	18,128	4,232	4,382	634	1,032	1,040
Saudi Arabia	2,363,851	12,868,702	459	3,881,034	1,427,190	6,593	17,644	19,606	2,591,259
United Arab Emirates	2,376,228	13,190,387	69	755,387	1,109	57	8,144	5,587	389,464
Other areas of Arabian peninsula	2,166,979	10,587,006	5	42,961	347	—	1,804	600	5,033
Other	1,914,198	9,268,590	701	12,634	1,263	1,237	1,126	3,471	4,297
Southern and Southeastern Asia, total	3,763,057	21,701,013	2,756	4,523,222	1,043,844	1,195,722	174,530	166,225	360,259
Bangladesh	222,068	2,408,149	—	6,604	20	51	95	218	3,011
India	2,667,068	14,860,083	2,109	128,590	17,963	22,612	9,550	15,112	31,816
Indonesia	3,571,271	18,607,354	2,350	3,434,576	876,868	1,090,720	30,099	41,903	109,263
Malaysia	2,460,736	14,136,540	1,916	120,781	26,145	21,216	3,325	10,271	14,825
Pakistan	3,249,073	14,676,756	643	50,664	7,281	8,947	2,658	764	14,633
Philippines	3,585,773	17,412,953	2,094	316,735	42,514	21,664	76,253	34,119	99,547
Singapore	2,523,644	14,845,561	2,510	309,156	46,626	15,171	34,438	51,741	35,042
Sri Lanka	1,946,399	8,707,713	5	11,906	298	205	2,913	93	5,539
Thailand	2,455,287	14,921,767	2,285	103,725	24,107	14,907	13,406	11,604	16,409
Vietnam	658,600	5,538,494	—	—	—	—	—	—	—
Other	1,184,442	8,864,246	5	40,064	21	29	1,793	201	28,154
Eastern Asia, total	3,925,411	22,742,317	2,794	4,468,890	982,606	909,652	844,123	917,503	413,568
China	2,363,546	12,927,381	6	20,626	—	—	887	6,271	6,108
Hong Kong	2,518,226	14,604,940	1,737	469,537	165,309	32,244	95,338	28,424	74,592
Japan	3,832,840	21,653,053	2,794	3,384,377	702,462	826,571	616,111	846,841	153,830
South Korea, Republic of	2,642,333	16,701,592	1,085	285,512	73,593	39,304	76,277	13,116	46,835
Taiwan	2,586,971	16,337,640	1,473	291,127	39,726	10,365	53,748	21,291	127,852
Other	4,643	364,272	1	15,711	1,515	1,169	2,763	1,560	350
Asia not allocable	66,976	619,358	5	22,353	702	—	2,565	15,736	1,766
Oceania, total	**3,775,862**	**20,778,200**	**2,682**	**1,804,632**	**485,869**	**465,807**	**126,268**	**290,726**	**56,346**
Australia	3,769,409	20,650,331	2,682	1,681,066	445,681	432,802	117,237	265,218	50,848
New Zealand	3,068,113	14,933,773	1,906	94,261	39,411	32,712	7,507	24,584	1,752
Other	2,119,579	10,548,584	5	29,305	776	293	1,524	924	3,745
Puerto Rico and U.S. Possessions, total	**3,169,255**	**15,115,688**	**2,733**	**629,959**	**177,972**	**8,555**	**87,299**	**105,019**	**96,974**
Puerto Rico	3,031,195	14,834,207	2,453	552,729	175,112	8,174	79,762	96,366	86,629
U.S. possessions, total	2,070,363	9,912,963	995	77,230	2,860	380	7,537	8,653	10,344
American Samoa	748,811	2,865,481	—	5,559	—	—	1	872	69
Guam	1,543,019	7,858,502	5	34,585	46	18	1,987	2,661	5,172
Virgin Islands, U.S.	1,319,414	7,099,354	995	31,721	2,814	362	1,808	5,120	4,829
Other	648	1,742,624	5	5,365	—	—	3,740	—	275
Country not stated	**3,901,217**	**22,089,910**	**2,419**	**9,872,574**	**158,869**	**7,033**	**1,184,105**	**333,122**	**5,536,045**
DISC dividends	**596,570**	**4,335,397**	**436**	**1,564,791**	**1,561,687**	**3,105**	**—**	**—**	**—**
OPEC countries (included above)	**3,788,219**	**22,122,668**	**2,480**	**13,141,977**	**2,620,346**	**2,553,370**	**647,379**	**155,554**	**3,614,634**

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends—Continued

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

Country and DISC dividends	Income and taxes from specific geographic area or country—Continued: Gross income excluding branch operations and specially allocable income (less loss)—Continued: Net capital gain	Partnership income	Other income	Oil and gas extraction gross income (less loss): Total	From extraction of oil or gas	From sale of business assets	Dividends from foreign corporations	Includable income of Controlled Foreign Corporations	Partnership income
	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)
All geographic areas, total	1,068,403	228,191	20,242,237	31,098,661	23,487,743	261,928	7,012,294	200,279	136,417
Canada	416,752	10,498	3,788,558	1,684,753	1,198,787	113,896	329,102	42,420	1,548
Latin America, total	75,916	21,533	4,017,026	2,921,635	2,861,408	3,937	56,289	—	—
Mexico	11,339	19,660	162,227	—	—	—	—	—	—
Central America, total	8,437	3,826	74,790	674	674	—	—	—	—
Belize	—	—	89	—	—	—	—	—	—
Costa Rica	-177	—	5,682	—	—	—	—	—	—
El Salvador	—	35	8,726	—	—	—	—	—	—
Guatemala	-349	511	36,217	675	675	—	—	—	—
Honduras	-8	811	5,725	—	—	—	—	—	—
Nicaragua	-75	38	7,319	—	—	—	—	—	—
Panama (including Canal Zone)	9,045	2,433	10,608	-1	-1	—	—	—	—
Not allocable	—	—	424	—	—	—	—	—	—
Caribbean countries, total	20,504	-2,930	2,161,444	1,858,506	1,799,460	2,756	56,289	—	—
Cayman Islands	—	171	1,579	60	60	—	—	—	—
Dominican Republic	16,960	15	17,687	—	—	—	—	—	—
Haiti	—	—	5,793	—	—	—	—	—	—
Jamaica	-18	208	103,715	—	—	—	—	—	—
Trinidad and Tobago	3,562	-3,324	2,031,473	1,858,446	1,799,400	2,756	56,289	—	—
Other	—	—	1,197	—	—	—	—	—	—
South America, total	35,636	975	1,592,870	1,062,456	1,061,275	1,181	—	—	—
Argentina	4,874	315	183,350	157,594	157,532	63	—	—	—
Bolivia	—	-36	48,310	33,685	33,685	—	—	—	—
Brazil	4,200	-1,642	65,580	1,061	—	1,061	—	—	—
Chile	883	—	16,256	—	—	—	—	—	—
Colombia	611	-49	86,926	5,104	5,104	—	—	—	—
Ecuador	-159	-1,127	234,851	217,790	217,776	15	—	—	—
Paraguay	—	-40	2,364	146	103	43	—	—	—
Peru	252	3,220	806,939	844,448	844,448	—	—	—	—
Uruguay	—	—	-218	—	—	—	—	—	—
Venezuela	24,976	330	132,890	2,628	2,628	—	—	—	—
Other	—	—	17,621	—	—	—	—	—	—
Latin America not allocable	—	—	25,694	—	—	—	—	—	—
Other Western Hemisphere, total	43,852	1,533	46,400	121,884	503	—	—	121,380	—
Bahamas	17,266	517	-8,254	5	5	—	—	—	—
Bermuda	22,343	992	10,767	121,879	498	—	—	121,380	—
Netherlands Antilles	4,038	24	10,319	—	—	—	—	—	—
Other British West Indies	119	—	843	—	—	—	—	—	—
Other	86	—	30,724	—	—	—	—	—	—
Europe, total	376,715	35,332	4,131,609	10,298,907	6,882,841	141,867	3,224,502	36,478	13,220
Common Market countries, total	350,524	39,953	3,755,326	7,279,068	3,873,535	141,867	3,210,788	36,478	16,401
Belgium	11,726	-227	65,080	—	—	—	—	—	—
Denmark	345	87	48,873	—	—	—	—	—	—
France (including Andorra)	25,108	4,025	73,300	10,952	473	—	10,479	—	—
Ireland	508	484	18,096	213	213	—	—	—	—
Italy (including San Marino)	-2,611	1,100	54,319	1,436	1,436	—	—	—	—
Luxembourg	9,421	—	568	—	—	—	—	—	—
Netherlands	86,692	12,171	286,087	1,718,028	431,046	58,868	1,211,113	—	17,001
United Kingdom	136,007	5,481	3,048,386	5,021,000	3,435,868	83,891	1,502,042	—	-600
West Germany	81,327	16,851	157,832	527,439	4,899	-892	487,153	36,478	—
Common Market not allocable	—	—	2,787	—	—	—	—	—	—
Other West European countries, total	22,096	2,586	332,940	3,019,839	3,009,306	—	13,714	—	-3,181
Austria	349	228	8,122	13,714	—	—	13,714	—	—
Finland	361	—	2,194	—	—	—	—	—	—
Greece	15	39	10,734	—	—	—	—	—	—
Liechtenstein	13	3	10	—	—	—	—	—	—
Monaco	—	—	797	—	—	—	—	—	—
Norway	2,531	-3,176	194,825	2,972,096	2,975,278	—	—	—	-3,181
Portugal	595	—	7,502	—	—	—	—	—	—
Spain	2,061	-115	35,424	34,028	34,028	—	—	—	—
Sweden	250	228	5,656	—	—	—	—	—	—
Switzerland	13,952	5,300	61,439	—	—	—	—	—	—
Turkey	1,566	78	4,450	—	—	—	—	—	—
Other	-373	3	617	—	—	—	—	—	—
Not allocable	778	—	1,171	—	—	—	—	—	—
East European countries, total	4,026	-7,085	30,750	—	—	—	—	—	—
East Germany	—	—	4,254	—	—	—	—	—	—
Rumania	—	—	-1,363	—	—	—	—	—	—
Union of Soviet Socialist Republics	2,607	—	21,291	—	—	—	—	—	—
Other	1,416	-7,085	6,586	—	—	—	—	—	—
Europe not allocable	66	-122	12,592	—	—	—	—	—	—
Africa, total	4,513	26,322	3,083,537	7,202,986	5,680,288	1,796	1,495,374	—	25,529
North Africa, total	349	788	2,572,963	3,942,052	3,939,883	2,170	—	—	—
Algeria	175	—	46,849	174	—	174	—	—	—
Egypt	48	10	1,360,019	1,346,450	1,344,495	1,955	—	—	—
Libya	-14	775	1,202,564	2,591,945	2,591,904	41	—	—	—
Morocco	50	3	3,363	3,486	3,486	—	—	—	—
Other	90	—	-39,831	-2	-2	—	—	—	—
East Africa, total	147	309	29,677	—	—	—	—	—	—
Ethiopia	—	—	720	—	—	—	—	—	—
Kenya	—	238	9,529	—	—	—	—	—	—
Tanzania	—	—	8,846	—	—	—	—	—	—
Uganda	—	71	511	—	—	—	—	—	—
Other	147	—	10,071	—	—	—	—	—	—

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends—Continued

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

Country and DISC dividends	Income and taxes from specific geographic area or country—Continued: Gross income excluding branch operations and specially allocable income (less loss)—Continued: Net capital gain	Partnership income	Other income	Oil and gas extraction gross income (less loss): Total	From extraction of oil or gas	From sale of business assets	Dividends from foreign corporations	Includable income of Controlled Foreign Corporations	Partnership income
	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)
Africa—Continued									
West and Central African countries, total	1,209	24,402	462,039	3,260,934	1,740,405	-374	1,495,374	—	25,529
Gabon	—	395	74,858	98,598	95,475	—	—	—	3,123
Ghana	—	—	337	—	—	—	—	—	—
Liberia	—	103	1,534	194	—	—	194	—	—
Nigeria	4	23,451	310,829	2,563,567	1,045,977	4	1,495,180	—	22,406
Zaire	(1)	436	3,261	90,294	90,294	—	—	—	—
Other	1,205	18	71,220	508,282	508,659	-378	—	—	—
Southern Africa, total	2,792	822	17,068	—	—	—	—	—	—
Malawi	—	—	19	—	—	—	—	—	—
South Africa (including South-West Africa)	2,985	231	17,111	—	—	—	—	—	—
Zambia	-193	—	-334	—	—	—	—	—	—
Zimbabwe	—	91	—	—	—	—	—	—	—
Other	—	500	272	—	—	—	—	—	—
Africa not allocable	15	—	1,790	—	—	—	—	—	—
Asia, total	121,719	106,060	2,043,798	6,718,874	4,714,714	14	1,908,026	—	96,120
Middle East, total	12,291	59,089	216,556	2,507,743	2,499,128	—	8,615	—	—
Bahrain	—	—	24,647	—	—	—	—	—	—
Iran	-341	6,661	8,804	1,971	1,971	—	—	—	—
Iraq	—	—	-4,035	—	—	—	—	—	—
Israel	1,448	—	-4,297	—	—	—	—	—	—
Kuwait	—	272	27,404	—	—	—	—	—	—
Lebanon	107	1,193	15,083	—	—	—	—	—	—
Qatar	—	—	6,609	13,491	4,876	—	8,615	—	—
Saudi Arabia	8,531	50,945	-240,736	795,002	795,002	—	—	—	—
United Arab Emirates	-9	-44	351,079	1,697,279	1,697,279	—	—	—	—
Other areas of Arabian peninsula	2,532	—	32,645	—	—	—	—	—	—
Other	24	63	1,153	—	—	—	—	—	—
Southern and Southeastern Asia, total	13,412	34,411	1,534,819	4,165,410	2,169,864	14	1,899,412	—	96,120
Bangladesh	—	—	3,409	—	—	—	—	—	—
India	4,120	-37	27,456	—	—	—	—	—	—
Indonesia	8,811	5,280	1,271,612	3,667,432	1,702,742	—	1,899,412	—	65,278
Malaysia	327	153	42,516	465,614	465,614	—	—	—	—
Pakistan	153	182	16,267	1,520	1,506	14	—	—	—
Philippines	1,077	28,603	12,759	30,844	2	—	—	—	30,842
Singapore	195	102	125,841	—	—	—	—	—	—
Sri Lanka	—	—	2,858	—	—	—	—	—	—
Thailand	-1,303	147	22,246	—	—	—	—	—	—
Vietnam	—	—	—	—	—	—	—	—	—
Other	34	1	9,851	—	—	—	—	—	—
Eastern Asia, total	96,015	12,560	290,862	45,722	45,722	—	—	—	—
China	166	—	5,193	—	—	—	—	—	—
Hong Kong	18,171	346	55,113	—	—	—	—	—	—
Japan	64,294	12,712	161,558	45,722	45,722	—	—	—	—
South Korea, Republic of	10,646	-523	25,263	—	—	—	—	—	—
Taiwan	2,739	25	35,381	—	—	—	—	—	—
Other	—	—	8,354	—	—	—	—	—	—
Asia not allocable	—	—	1,561	—	—	—	—	—	—
Oceania, total	80,035	32,926	266,854	2,065,743	2,065,324	419	—	—	—
Australia	66,635	32,992	269,852	2,065,743	2,065,324	419	—	—	—
New Zealand	255	54	-12,018	—	—	—	—	—	—
Other	13,145	-120	9,018	—	—	—	—	—	—
Puerto Rico and U.S. Possessions, total	6,678	3,138	144,325	—	—	—	—	—	—
Puerto Rico	6,646	1,419	98,617	—	—	—	—	—	—
U.S. possessions, total	30	1,719	45,707	—	—	—	—	—	—
American Samoa	—	20	4,597	—	—	—	—	—	—
Guam	30	1,894	22,777	—	—	—	—	—	—
Virgin Islands, U.S.	—	-195	16,983	—	—	—	—	—	—
Other	—	—	1,350	—	—	—	—	—	—
Country not stated	-57,777	-9,151	2,720,330	63,678	63,678	—	—	—	—
DISC dividends	—	—	—	—	—	—	—	—	—
OPEC countries (included above)	41,974	86,943	3,421,777	11,849,877	8,155,630	233	3,403,207	—	90,807

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends—Continued

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

Country and DISC dividends	Income and taxes from specific geographic area or country—Continued: Deductions other than from branch operations and specially allocable income: Total	Deductions allocable to specific types of income: Total	Rental, royalty, and licensing expenses: Depreciation, depletion and amortization	Rental, royalty, and licensing expenses: Other	Service expenses	Other deductions	Deductions not allocable to specific types of income: Total	Research and development	Interest	General and administrative
	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)
All geographic areas, total	38,940,201	26,938,251	310,963	614,231	4,532,267	21,476,772	12,003,948	319,759	1,382,830	901,098
Canada	4,935,089	2,277,340	41,546	162,841	146,162	1,926,792	2,657,748	42,552	100,942	90,807
Latin America, total	5,924,969	3,915,088	110,132	65,354	553,206	3,158,395	2,009,881	55,711	428,172	393,096
Mexico	1,152,717	506,212	29,077	20,265	69,638	367,232	646,505	18,883	212,301	110,126
Central America, total	348,427	206,799	22,939	9,246	38,234	138,360	141,628	12,613	18,330	16,370
Belize	523	429	—	9	43	377	94	16	7	37
Costa Rica	21,363	13,037	26	200	105	12,706	8,326	286	1,357	1,490
El Salvador	10,030	7,325	205	228	95	6,796	2,704	973	163	459
Guatemala	88,656	52,693	1,204	543	5,256	45,691	15,962	941	1,680	9,097
Honduras	17,305	9,393	671	759	245	7,716	7,913	278	1,140	1,121
Nicaragua	15,054	13,306	277	14	61	12,956	1,746	116	115	303
Panama (including Canal Zone)	215,155	110,505	20,557	7,493	32,429	50,025	104,850	10,004	11,671	3,845
Not allocable	341	110	(1)	(1)	(1)	109	232	—	197	18
Caribbean countries, total	1,498,119	1,413,847	21,262	3,720	19,307	1,369,558	84,272	3,064	26,944	7,362
Cayman Islands	70,077	19,275	77	29	2,430	16,740	50,602	151	19,401	1,446
Dominican Republic	23,895	16,197	525	295	585	16,793	5,696	192	378	686
Haiti	3,828	3,354	142	12	1,218	1,962	474	77	32	263
Jamaica	62,320	57,203	394	1,837	134	54,837	5,117	1,242	1,271	995
Trinidad and Tobago	1,328,768	1,309,963	20,005	820	12,685	1,276,473	16,805	1,271	5,169	3,548
Other	11,211	5,835	119	726	2,256	2,734	5,376	130	693	425
South America, total	2,752,650	1,764,475	36,653	32,113	403,156	1,292,352	968,175	21,151	163,518	134,410
Argentina	421,932	258,400	7,811	9,986	9,250	231,352	163,532	4,065	27,224	26,059
Bolivia	43,266	26,179	756	64	365	24,975	17,067	245	2,914	8,855
Brazil	633,131	338,094	7,364	11,652	45,803	273,276	295,037	6,371	66,751	32,566
Chile	118,784	62,113	3,644	1,944	6,957	49,567	56,672	1,493	16,526	6,898
Colombia	271,661	224,953	11,446	4,131	8,821	200,556	46,708	1,753	4,248	4,921
Ecuador	115,169	84,554	2,092	542	3,853	78,067	30,614	775	2,223	2,842
Paraguay	9,420	4,966	2	10	11	4,943	4,454	159	270	2,094
Peru	269,041	231,131	79	157	7,191	223,704	37,910	2,046	10,611	9,454
Uruguay	6,367	2,699	15	201	170	2,313	3,668	-17	184	1,097
Venezuela	845,807	521,478	3,561	3,161	320,114	194,642	324,129	3,658	30,300	37,342
Other	18,272	9,907	65	246	620	8,957	8,365	581	2,266	2,261
Latin America not allocable	173,055	23,754	—	11	2,872	20,672	149,301	—	9,078	124,825
Other Western Hemisphere, total	828,153	283,220	600	26,268	2,031	252,402	544,933	7,419	161,867	44,169
Bahamas	411,924	118,875	33	24,529	552	91,761	295,049	370	119,367	34,505
Bermuda	151,944	72,532	314	1,589	1,255	69,374	79,413	2,706	19,556	3,498
Netherlands Antilles	104,239	44,698	69	2,104	120	42,386	59,541	3,734	21,168	5,937
Other British West Indies	104,948	40,780	8	3	32	40,737	64,169	17	1,382	76
Other	55,097	6,336	56	64	72	6,144	46,762	593	394	150
Europe, total	8,250,124	5,351,996	50,400	177,487	548,378	4,575,731	2,898,129	138,658	280,152	214,419
Common Market countries, total	6,534,172	4,212,582	44,504	136,779	262,288	3,769,011	2,321,590	111,021	197,193	174,553
Belgium	367,325	255,762	402	5,271	21,523	228,566	111,563	6,815	6,916	15,798
Denmark	70,592	51,940	1,170	1,913	2,754	46,103	18,651	476	492	600
France (including Andorra)	677,079	459,977	5,825	29,198	40,073	384,882	217,102	15,823	19,560	25,196
Ireland	47,142	35,419	57	1,005	5,420	28,936	11,722	257	940	625
Italy (including San Marino)	422,936	239,252	720	11,635	15,071	211,826	183,684	6,816	22,962	19,168
Luxembourg	40,189	12,423	209	833	246	11,134	27,765	1,691	5,486	5,183
Netherlands	440,084	306,998	2,479	16,411	5,108	283,001	133,066	8,554	4,246	10,074
United Kingdom	3,525,309	2,224,154	31,694	42,879	133,859	2,015,722	1,301,155	45,170	116,068	74,968
West Germany	928,550	611,710	1,948	27,634	36,232	543,896	316,840	23,417	20,522	22,918
Common Market not allocable	14,966	14,945	—	—	—	14,945	21	—	—	—
Other West European countries, total	1,388,344	669,962	5,547	38,915	147,815	697,686	498,382	27,394	68,019	36,096
Austria	44,103	27,164	299	2,067	2,914	21,884	18,939	443	1,910	1,205
Finland	22,271	14,974	622	1,395	320	12,636	7,297	142	359	594
Greece	42,614	28,329	33	1,542	10,490	18,264	14,285	260	5,954	324
Liechtenstein	9,192	653	—	32	92	729	6,339	1,435	1,844	4,268
Monaco	4,606	4,439	—	—	4,123	316	166	—	—	—
Norway	364,096	339,938	304	1,521	16,021	320,093	24,157	448	430	1,388
Portugal	18,286	12,420	22	859	1,825	9,715	5,866	1,147	728	645
Spain	263,714	170,720	2,185	7,262	57,558	103,714	92,994	3,246	24,762	8,721
Sweden	94,670	59,839	449	3,483	10,805	45,102	35,031	761	991	3,782
Switzerland	388,385	176,020	677	20,458	5,553	149,331	212,365	19,160	5,666	11,066
Turkey	56,148	48,404	41	289	36,058	12,016	7,744	349	396	1,887
Other	3,726	2,741	9	6	7	2,718	987	3	6	29
Not allocable	76,332	4,121	905	(1)	48	3,168	72,211	—	24,973	4,188
East European countries, total	152,250	98,450	131	1,793	15,302	81,224	53,800	232	6,239	3,607
East Germany	12,004	8,990	—	—	60	8,930	3,014	—	629	154
Rumania	5,600	2,416	60	409	645	1,263	3,163	(1)	304	92
Union of Soviet Socialist Republics	36,629	24,165	—	460	8,551	15,174	12,443	135	1,811	304
Other	98,018	62,858	50	924	6,046	55,838	35,159	97	3,495	3,057
Europe not allocable	175,359	151,002	218	—	122,973	27,810	24,357	12	8,700	164
Africa, total	1,543,714	1,396,139	9,419	14,722	373,943	1,000,055	145,574	7,159	12,975	18,440
North Africa, total	843,538	810,877	406	163	151,697	658,609	32,661	934	517	7,470
Algeria	46,703	39,830	(1)	12	25,660	14,156	6,873	20	132	71
Egypt	277,623	265,562	407	54	21,547	243,553	12,062	65	156	3,035
Libya	379,169	372,165	—	—	9,977	362,188	-7,004	730	133	4,061
Morocco	103,922	101,647	(1)	63	87,158	14,407	2,274	84	82	296
Other	36,122	31,674	1	15	7,354	24,304	4,448	15	13	7
East Africa, total	43,113	39,508	6	141	2,469	36,893	3,605	75	693	190
Ethiopia	382	250	—	1	—	249	132	2	1	2
Kenya	5,125	2,472	(1)	44	745	1,683	2,653	47	671	179
Tanzania	6,192	6,139	—	—	95	8,044	54	—	—	(1)
Uganda	459	430	—	—	—	430	29	—	(1)	(1)
Other	28,954	28,217	6	96	1,628	26,487	737	26	20	6

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends—Continued

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

Country and DISC dividends	Income and taxes from specific geographic area or country—Continued: Deductions other than from branch operations and specially allocable income: Total	Deductions allocable to specific types of income: Total	Rental, royalty, and licensing expenses: Depreciation, depletion and amortization	Rental, royalty, and licensing expenses: Other	Service expenses	Other deductions	Deductions not allocable to specific types of income: Total	Research and development	Interest	General and administrative
	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)
Africa—Continued										
West and Central African countries, total	539,853	481,124	8,608	11,691	213,775	247,050	58,729	2,710	5,910	5,580
Gabon	25,085	22,996	831	—	5,292	16,874	2,087	38	25	18
Ghana	381	229	1	—	32	196	152	—	(1)	—
Liberia	34,280	19,116	2,907	23	93	16,093	15,164	1,993	3,134	1,109
Nigeria	103,548	81,534	2,074	9,083	10,492	59,884	22,015	358	426	2,427
Zaire	23,795	16,780	730	1	9,243	6,806	7,015	78	1,656	1,957
Other	352,764	340,468	2,064	2,585	188,623	147,196	12,296	244	670	69
Southern Africa, total	115,887	65,606	398	2,725	6,003	56,482	50,280	3,434	5,852	5,032
Malawi	632	56	—	3	—	53	576	—	6	526
South Africa (including South-West Africa)	113,299	65,121	398	2,718	5,941	56,066	48,177	3,299	5,037	4,259
Zambia	859	359	—	(1)	80	298	500	3	110	161
Zimbabwe	96	43	—	3	2	38	55	—	—	—
Other	1,000	27	—	—	—	27	972	132	698	88
Africa not allocable	1,322	1,023	(1)	2	—	1,022	299	5	4	168
Asia, total	6,627,558	5,296,896	46,202	85,121	2,424,670	2,740,903	1,530,662	42,528	203,296	65,887
Middle East, total	3,958,477	3,790,512	3,750	4,758	2,182,137	1,599,867	167,965	1,700	8,830	8,260
Bahrain	12,614	10,643	54	243	86	10,259	1,971	53	643	160
Iran	89,276	61,255	1	150	4,983	56,121	8,020	24	1,706	535
Iraq	11,697	6,110	—	—	7,084	1,026	3,586	253	35	1,344
Israel	58,555	15,421	106	1,064	868	13,383	43,134	35	2,255	365
Kuwait	17,680	13,591	32	702	1,738	11,120	4,090	13	163	56
Lebanon	11,520	10,471	6	1,470	231	8,764	1,049	6	5	13
Qatar	1,991	1,330	—	2	465	863	661	3	4	19
Saudi Arabia	3,436,576	3,349,849	3,118	556	2,150,764	1,195,411	86,728	1,148	1,844	5,147
United Arab Emirates	324,221	308,650	14	546	11,968	296,121	15,572	132	131	87
Other areas of Arabian peninsula	6,368	4,188	—	—	1,733	2,456	2,180	11	13	391
Other	7,976	7,003	418	25	2,217	4,343	975	23	31	143
Southern and Southeastern Asia, total	1,120,480	859,629	36,520	19,966	180,344	642,800	260,850	15,124	29,428	19,302
Bangladesh	2,791	2,081	—	—	1,462	619	710	1	(1)	1
India	52,615	17,051	6	505	6,524	8,916	35,564	581	4,650	1,567
Indonesia	582,609	531,237	28,505	14,848	72,063	415,821	51,372	4,284	5,414	7,460
Malaysia	40,691	23,559	450	148	4,822	18,039	17,132	2,492	1,657	678
Pakistan	27,550	13,823	72	1	2,136	11,613	13,727	639	323	934
Philippines	185,482	128,117	7,122	1,887	39,265	79,843	57,365	1,131	3,312	2,591
Singapore	133,925	75,633	296	2,059	9,634	63,445	58,293	5,245	11,943	3,770
Sri Lanka	6,648	1,429	—	—	23	1,406	5,219	31	46	99
Thailand	55,301	36,371	31	519	7,785	28,036	18,930	738	1,408	1,956
Vietnam	248	247	—	—	—	247	2	—	—	—
Other	32,818	30,083	38	—	16,230	13,815	2,535	3	675	46
Eastern Asia, total	1,729,855	643,327	5,429	80,053	61,516	496,327	1,086,528	25,704	166,784	38,275
China	19,124	17,020	—	11	4,464	12,544	2,105	34	22	12
Hong Kong	210,780	80,713	39	4,869	3,597	72,208	130,066	226	2,260	704
Japan	1,181,385	418,651	5,124	50,217	33,564	329,745	762,734	19,981	139,511	23,288
South Korea, Republic of	113,570	56,435	31	1,365	10,942	46,096	55,136	409	4,364	3,407
Taiwan	195,021	67,840	235	3,587	28,732	35,286	127,181	5,044	16,957	8,856
Other	9,975	669	—	3	218	447	9,306	10	1,669	8
Asia not allocable	18,745	3,427	503	344	671	1,909	15,318	—	254	2,050
Oceania, total	638,042	420,866	7,226	19,687	26,879	387,076	217,174	6,935	19,593	15,861
Australia	589,168	391,858	7,029	18,994	19,218	346,619	197,311	6,474	18,837	14,262
New Zealand	20,530	9,603	192	661	289	8,662	10,728	440	713	612
Other	28,343	19,206	6	32	7,375	11,795	9,135	22	44	987
Puerto Rico and U.S. Possessions, total	443,178	325,849	3,266	9,248	63,449	249,685	117,330	4,028	5,424	5,155
Puerto Rico	376,204	267,282	2,635	8,402	62,121	194,124	110,922	4,025	5,384	4,284
U.S. possessions, total	64,974	58,566	631	647	1,326	55,761	6,406	3	40	871
American Samoa	1,672	1,561	—	450	—	1,111	111	—	—	—
Guam	40,137	35,652	480	95	530	34,547	4,485	(1)	3	658
Virgin Islands, U.S.	21,856	20,063	151	301	562	19,029	1,793	3	37	13
Other	1,310	1,290	—	—	217	1,074	19	—	—	—
Country not stated	8,151,701	7,573,335	42,271	51,463	393,568	7,086,013	1,578,368	11,978	168,031	44,030
DISC dividends	397,873	93,520	—	—	—	93,520	304,153	2,790	2,378	9,234
OPEC countries (included above)	5,959,333	5,396,581	40,229	29,602	2,624,454	2,702,297	562,752	11,437	42,535	81,408

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends—Continued

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

Country and DISC dividends	Income and taxes from specific geographic area or country—Continued: Deductions from oil and gas extraction income: Total	Allocable to specific types of income	Not allocable to specific types of income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(39)	(40)	(41)	(42)	(43)	(44)	(45)
All geographic areas, total	7,124,054	7,015,975	108,079	70,541,309	21,871,325	1,532,488	47,137,497
Canada	520,264	518,814	1,449	6,610,265	594,395	468,191	5,547,680
Latin America, total	1,512,761	1,507,503	5,259	7,761,049	2,000,914	68,025	5,692,111
Mexico	—	—	—	1,522,352	200,992	17,430	1,303,929
Central America, total	-39	-39	—	1,014,303	235,723	5,169	773,411
Belize	—	—	—	222	-456	3	675
Costa Rica	—	—	—	11,186	3,735	582	6,669
El Salvador	—	—	—	17,682	12,630	288	4,764
Guatemala	—	—	—	33,837	17,090	530	16,217
Honduras	—	—	—	3,859	696	182	2,981
Nicaragua	—	—	—	6,758	881	36	5,841
Panama (including Canal Zone)	-39	-39	—	939,013	201,233	3,518	734,262
Not allocable	—	—	—	1,747	-86	31	1,802
Caribbean countries, total	1,189,113	1,186,865	2,248	1,756,960	548,876	1,117	1,206,967
Cayman Islands	—	—	—	641,122	387,112	12	253,998
Dominican Republic	—	—	—	168,795	106,765	408	61,622
Haiti	—	—	—	18,422	9,636	27	8,759
Jamaica	—	—	—	91,734	35,633	187	55,915
Trinidad and Tobago	1,189,113	1,186,865	2,248	824,225	9,406	416	814,401
Other	—	—	—	12,663	324	66	12,272
South America, total	323,687	320,676	3,011	3,470,774	1,015,759	44,309	2,410,706
Argentina	80,991	80,940	51	724,437	354,901	11,573	357,962
Bolivia	8,961	6,230	2,731	31,574	4,631	198	26,746
Brazil	997	935	62	861,982	206,433	9,803	645,746
Chile	—	—	—	93,741	19,066	2,054	72,601
Colombia	3,110	3,067	43	40,930	21,390	4,456	15,084
Ecuador	49,708	49,708	—	234,768	28,643	973	205,152
Paraguay	15	15	—	36,154	25,344	199	10,611
Peru	179,349	179,225	124	794,482	143,097	2,744	648,641
Uruguay	—	—	—	42,786	28,150	433	14,182
Venezuela	556	556	(¹)	540,546	132,058	6,615	401,673
Other	—	—	—	89,395	52,025	5,061	12,306
Latin America not allocable	—	—	—	-3,340	-436	—	-2,903
Other Western Hemisphere, total	—	—	—	3,189,652	1,616,915	3,867	1,568,870
Bahamas	—	—	—	1,934,207	1,316,186	648	617,374
Bermuda	—	—	—	560,636	5,758	2,489	552,388
Netherlands Antilles	—	—	—	587,024	272,507	353	314,164
Other British West Indies	—	—	—	41,616	-24	74	41,566
Other	—	—	—	66,169	22,489	303	43,377
Europe, total	1,291,905	1,218,304	73,601	27,390,967	8,280,740	243,461	18,866,766
Common Market countries, total	788,369	714,853	73,516	21,541,027	4,627,108	197,299	16,716,619
Belgium	—	—	—	884,852	136,591	21,036	727,225
Denmark	—	—	—	161,811	10,299	3,292	148,219
France (including Andorra)	431	431	—	1,825,905	228,191	34,267	1,363,446
Ireland	178	130	48	98,450	24,690	961	72,779
Italy (including San Marino)	—	—	—	1,122,962	181,911	21,542	919,506
Luxembourg	—	—	—	78,001	4,919	175	72,907
Netherlands	166,158	146,125	20,032	2,634,785	147,201	15,749	2,471,835
United Kingdom	596,505	545,452	51,053	11,347,226	3,772,837	50,500	7,523,889
West Germany	25,098	22,715	2,383	3,579,205	120,219	49,757	3,409,229
Common Market not allocable	—	—	—	7,830	248	—	7,582
Other West European countries, total	503,535	503,450	85	5,748,299	3,632,542	42,411	2,073,347
Austria	751	667	85	143,601	9,224	3,260	131,116
Finland	—	—	—	48,356	1,555	-371	47,172
Greece	—	—	—	137,182	84,160	1,404	51,618
Liechtenstein	—	—	—	45,943	1,904	20	44,019
Monaco	—	—	—	24,745	22,471	—	2,274
Norway	481,423	481,423	—	3,532,412	3,417,596	3,054	111,763
Portugal	—	—	—	40,507	3,715	826	35,966
Spain	21,361	21,361	—	327,580	39,335	12,141	276,104
Sweden	—	—	—	186,771	9,525	11,740	165,506
Switzerland	—	—	—	1,171,965	44,789	10,187	1,116,969
Turkey	—	—	—	18,098	-1,150	121	19,127
Other	—	—	—	1,045	525	29	492
Not allocable	—	—	—	70,097	-1,106	—	71,203
East European countries, total	—	—	—	98,377	11,501	3,496	83,380
East Germany	—	—	—	7,701	1,200	1	6,500
Rumania	—	—	—	4,032	3,327	132	573
Union of Soviet Socialist Republics	—	—	—	18,754	-8,827	713	26,868
Other	—	—	—	67,890	15,801	2,650	49,439
Europe not allocable	—	—	—	3,264	9,589	255	-6,580
Africa, total	1,135,169	1,134,783	386	7,939,296	2,899,652	15,192	5,024,451
North Africa, total	1,012,872	1,012,486	386	3,474,284	1,449,025	1,872	2,023,387
Algeria	69	69	—	49,987	949	67	48,970
Egypt	223,882	223,882	—	1,181,586	37,034	729	1,143,823
Libya	787,626	787,240	386	2,265,673	1,402,922	833	861,918
Morocco	1,297	1,297	—	18,458	4,907	63	13,488
Other	-2	-2	—	-41,419	3,214	180	-44,812
East Africa, total	—	—	—	66,499	4,713	79	61,707
Ethiopia	—	—	—	2,503	1,885	38	580
Kenya	—	—	—	43,062	13,497	58	29,507
Tanzania	—	—	—	16,517	-10	1	16,526
Uganda	—	—	—	26,470	203	14	26,252
Other	—	—	—	-22,053	-10,863	-32	-11,158

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends—Continued

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

Country and DISC dividends	Income and taxes from specific geographic area or country—Continued: Deductions from oil and gas extraction income: Total	Allocable to specific types of income	Not allocable to specific types of income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(39)	(40)	(41)	(42)	(43)	(44)	(45)
Africa—Continued							
West and Central African countries, total	122,298	122,298	—	3,880,582	1,404,979	385	2,475,218
Gabon	11,005	11,005	—	83,572	21,295	4	62,272
Ghana	—	—	—	-3,667	-4,807	56	1,084
Liberia	—	—	—	512,559	19,273	137	493,149
Nigeria	42,597	42,597	—	2,730,085	916,227	97	1,613,761
Zaire	19,970	19,970	—	89,053	76,422	27	12,605
Other	48,725	48,725	—	468,980	376,571	62	92,347
Southern Africa, total	—	—	—	514,480	40,107	12,857	461,516
Malawi	—	—	—	1,844	256	8	1,580
South Africa (including South-West Africa)	—	—	—	493,551	33,946	7,835	451,770
Zambia	—	—	—	4,468	4,017	19	433
Zimbabwe	—	—	—	2,365	1,938	—	427
Other	—	—	—	12,253	-49	4,994	7,307
Africa not allocable	—	—	—	3,450	827	—	2,623
Asia, total	1,060,875	1,043,636	17,239	12,721,825	5,355,650	169,918	7,196,257
Middle East, total	429,759	420,181	9,579	3,207,774	2,145,362	9,540	1,052,872
Bahrain	—	—	—	153,281	117,364	51	35,887
Iran	-11,884	-11,884	—	54,550	33,738	60	20,751
Iraq	—	—	—	-259	-115	60	-204
Israel	—	—	—	66,513	37,563	2,301	26,649
Kuwait	—	—	—	48,669	23,959	87	24,623
Lebanon	—	—	—	19,076	6,511	389	12,176
Qatar	231	(¹)	231	17,720	1,584	(¹)	16,137
Saudi Arabia	283,778	276,866	6,912	1,113,566	663,059	6,050	444,456
United Arab Emirates	157,633	155,198	2,435	1,677,398	1,246,112	119	431,166
Other areas of Arabian peninsula	—	—	—	39,051	2,261	197	36,593
Other	—	—	—	18,207	13,326	225	4,656
Southern and Southeastern Asia, total	623,546	615,915	7,631	5,597,382	2,174,337	20,303	3,402,742
Bangladesh	—	—	—	4,631	600	18	4,012
India	—	—	—	112,015	34,754	1,287	75,975
Indonesia	380,727	373,532	7,195	4,293,303	1,430,975	10,359	2,651,969
Malaysia	232,111	232,111	—	367,242	266,263	889	80,090
Pakistan	992	992	—	45,151	21,664	173	23,313
Philippines	9,700	9,263	436	275,124	143,070	801	131,253
Singapore	—	—	—	464,929	284,165	5,514	175,230
Sri Lanka	—	—	—	6,014	713	44	5,257
Thailand	16	16	—	18,474	-31,063	1,112	48,424
Vietnam	—	—	—	-261	-13	—	-248
Other	—	—	—	10,761	3,189	106	7,466
Eastern Asia, total	7,570	7,541	29	3,914,399	1,037,323	140,042	2,737,035
China	—	—	—	3,455	-1,926	3,879	1,502
Hong Kong	—	—	—	526,233	257,153	10,323	258,757
Japan	7,347	7,319	29	2,941,632	634,525	104,115	2,202,993
South Korea, Republic of	—	—	—	249,081	74,265	2,874	171,942
Taiwan	222	222	—	176,355	61,550	18,699	96,106
Other	—	—	—	17,643	11,756	152	5,735
Asia not allocable	—	—	—	2,270	-1,371	33	3,608
Oceania, total	1,568,503	1,568,118	385	1,972,187	785,717	19,880	1,166,589
Australia	1,568,503	1,568,118	385	1,876,768	767,043	17,827	1,091,898
New Zealand	—	—	—	83,067	7,326	2,011	73,730
Other	—	—	—	12,352	11,348	42	961
Puerto Rico and U.S. Possessions, total	—	—	—	386,343	95,824	103,739	186,780
Puerto Rico	—	—	—	330,102	52,758	102,820	174,525
U.S. possessions, total	—	—	—	56,241	43,066	919	12,255
American Samoa	—	—	—	23,038	19,124	28	3,867
Guam	—	—	—	6,423	11,848	327	-5,552
Virgin Islands, U.S.	—	—	—	20,318	9,888	564	9,865
Other	—	—	—	6,462	2,406	(¹)	4,056
Country not stated	34,577	24,817	9,760	1,402,806	241,520	440,215	720,874
DISC dividends	—	—	—	1,187,118	—	—	1,187,118
OPEC countries (included above)	1,702,048	1,684,888	17,160	13,109,576	5,901,407	25,526	7,182,644

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 1. — Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends — Continued

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

Country and DISC dividends	Income and taxes from specific geographic area or country — Continued									
	Foreign taxes paid or accrued and deemed paid before reduction									
	Total	Paid or accrued								Deemed paid
		Total	Tax withheld at source on			Other taxes paid or accrued on				
			Dividends	Interest	Rents, royalties and license fees	Branch income	Service income	Partnership income	Other income	
	(46)	(47)	(48)	(49)	(50)	(51)	(52)	(53)	(54)	(55)
All geographic areas, total	29,996,184	17,351,661	1,373,863	676,488	647,938	10,088,109	364,388	50,528	4,250,346	12,644,523
Canada	2,326,392	957,358	236,365	111,923	83,033	208,470	31,621	2,570	283,377	1,369,034
Latin America, total	3,199,230	2,370,571	212,475	451,699	136,592	394,055	71,124	6,277	1,098,448	828,659
Mexico	687,003	439,881	53,037	201,816	77,539	55,841	16,180	224	35,244	247,122
Central America, total	274,295	52,119	2,652	3,669	3,488	23,247	694	164	18,003	222,176
Belize	315	128	—	—	—	—	—	—	128	188
Costa Rica	6,319	6,763	213	736	859	2,237	133	—	1,586	556
El Salvador	3,329	3,066	278	76	383	1,576	1	—	771	264
Guatemala	29,167	23,558	857	1,310	587	10,638	407	—	9,758	5,609
Honduras	4,349	3,755	167	414	201	548	13	10	2,402	594
Nicaragua	2,699	2,277	202	266	218	66	9	—	1,515	422
Panama (including Canal Zone)	227,737	13,538	935	865	1,228	6,181	332	155	1,843	214,199
Not allocable	379	35	—	—	32	3	—	—	—	344
Caribbean countries, total	578,546	518,683	5,785	2,060	3,075	65,567	1,804	106	440,286	59,663
Cayman Islands	2,705	12	—	12	(1)	—	—	—	—	2,693
Dominican Republic	66,626	48,751	525	38	620	43,506	574	13	3,475	17,877
Haiti	4,955	4,951	9	1	7	2,197	1,035	76	1,624	5
Jamaica	42,329	42,078	122	94	1,643	14,459	42	1	25,718	251
Trinidad and Tobago	459,135	420,729	4,895	1,865	783	3,597	105	16	409,469	38,406
Other	2,793	2,163	234	51	22	1,808	49	—	—	630
South America, total	1,629,932	1,330,435	151,002	224,146	52,489	239,860	52,240	5,782	604,915	299,497
Argentina	173,813	137,082	28,826	38,711	12,071	36,231	3,981	41	17,220	36,731
Bolivia	21,408	21,350	363	2,897	304	2,154	49	3	15,579	58
Brazil	455,734	298,155	84,386	148,116	19,556	22,376	3,554	2,832	17,335	157,579
Chile	29,914	18,162	826	2,098	5,365	6,848	2,441	—	582	11,752
Colombia	66,855	43,625	9,901	351	3,248	19,552	2,935	71	7,766	23,030
Ecuador	165,302	164,204	1,573	209	2,086	6,238	1,444	48	152,606	1,097
Paraguay	8,080	6,748	187	1,639	198	4,631	—	5	89	1,332
Peru	489,678	475,299	4,785	2,755	2,976	94,396	1,530	2,782	366,095	14,379
Uruguay	7,620	5,118	9	384	919	3,325	101	—	381	2,502
Venezuela	186,817	135,962	20,056	26,893	5,556	20,360	36,202	(1)	26,895	50,656
Other	24,711	24,529	106	95	209	23,749	3	—	367	182
Latin America not allocable	29,453	29,453	—	19,906	—	9,539	6	—	—	—
Other Western Hemisphere, total	274,132	71,678	5,300	313	95	63,034	176	11	2,748	202,454
Bahamas	48,334	165	—	76	—	13	—	—	77	48,168
Bermuda	91,896	1,308	1,191	83	—	8	—	—	26	90,587
Netherlands Antilles	132,243	68,945	4,048	154	7	61,947	154	11	2,623	63,299
Other British West Indies	366	366	—	(1)	44	278	22	—	21	—
Other	1,294	895	60	—	43	789	3	—	—	400
Europe, total	11,573,152	5,568,653	693,120	47,790	81,248	3,730,358	29,119	10,714	976,305	6,004,499
Common Market countries, total	8,210,068	2,759,002	592,990	26,585	58,814	1,096,010	21,963	9,952	952,667	5,451,066
Belgium	357,609	80,087	42,770	4,573	268	25,940	4,873	127	1,536	277,522
Denmark	40,540	4,519	2,604	22	24	1,779	46	19	25	38,021
France (including Andorra)	551,706	82,649	24,859	3,237	25,836	23,019	3,168	312	2,418	468,857
Ireland	8,909	4,148	6	211	241	3,581	—	—	106	4,761
Italy (including San Marino)	342,553	83,058	29,473	3,963	19,492	27,658	731	10	1,731	259,494
Luxembourg	23,715	4,102	1,369	—	73	2,660	—	—	—	19,613
Netherlands	1,216,850	271,789	52,908	3,310	231	97,694	530	6,111	111,005	945,060
United Kingdom	3,748,927	1,931,449	183,235	10,522	10,964	901,112	11,849	—	813,767	1,817,478
West Germany	1,917,612	295,352	255,766	748	1,685	10,919	765	3,372	22,097	1,622,260
Common Market not allocable	1,649	1,649	—	—	—	1,649	—	—	—	—
Other West European countries, total	3,350,107	2,799,635	99,764	21,141	20,760	2,627,406	6,932	762	22,868	550,471
Austria	58,733	9,858	4,119	468	305	4,199	3	62	702	48,674
Finland	15,390	749	865	2	13	69	—	—	—	14,641
Greece	39,326	32,990	12,347	116	57	20,029	284	—	156	6,337
Liechtenstein	18,126	16	—	16	—	—	—	—	—	18,110
Monaco	845	596	—	—	10	171	54	—	360	250
Norway	2,621,303	2,598,968	3,575	9,021	36	2,573,689	859	—	11,768	22,335
Portugal	13,278	6,343	2,610	48	2,223	983	392	—	67	6,935
Spain	122,974	67,708	23,864	9,420	15,508	7,271	2,535	—	9,110	55,266
Sweden	46,308	7,289	3,587	(1)	12	2,278	1,340	11	61	39,019
Switzerland	397,624	60,996	48,236	534	1,336	9,647	174	686	382	336,628
Turkey	14,154	12,240	759	896	691	8,253	1,232	3	207	1,914
Other	1,021	870	—	30	368	400	57	—	14	151
Not allocable	1,022	1,011	1	591	—	420	—	—	—	11
East European countries, total	6,937	3,975	365	12	1,672	1,122	97	—	707	2,962
East Germany	1,155	184	184	—	—	—	—	—	—	971
Rumania	905	905	—	1	146	659	97	—	—	—
Union of Soviet Socialist Republics	—	—	—	—	—	—	—	—	—	—
Other	4,878	2,887	181	11	1,524	463	—	—	707	1,991
Europe not allocable	6,040	6,040	—	52	1	5,817	128	—	42	—
Africa, total	5,537,487	3,906,546	48,248	7,890	12,602	2,606,554	39,548	14,471	1,177,233	1,630,941
North Africa, total	2,406,849	2,394,777	997	6,446	848	1,374,031	6,969	112	1,005,375	12,072
Algeria	3,435	3,435	—	(1)	120	394	2,921	—	—	—
Egypt	526,289	521,946	134	51	480	21,482	590	—	499,209	4,343
Libya	1,861,775	1,861,775	—	6,302	40	1,348,365	1,261	112	505,695	—
Morocco	5,926	4,719	379	93	190	1,749	1,873	—	435	1,209
Other	9,422	2,902	484	—	17	2,042	323	—	35	6,520
East Africa, total	38,195	9,444	3,379	252	389	4,499	227	—	698	28,751
Ethiopia	686	686	—	—	10	677	—	—	—	—
Kenya	14,156	5,153	1,568	249	333	2,930	44	—	29	9,003
Tanzania	6,968	424	—	2	1	24	—	—	397	6,544
Uganda	13,476	1,359	1,326	(1)	—	33	—	—	—	12,117
Other	2,908	1,822	485	—	46	836	183	—	272	1,066

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 1. — Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends — Continued

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

Country and DISC dividends	Income and taxes from specific geographic area or country — Continued									
	Foreign taxes paid or accrued and deemed paid before reduction									
	Total	Paid or accrued								Deemed paid
		Total	Tax withheld at source on			Other taxes paid or accrued on				
			Dividends	Interest	Rents, royalties and license fees	Branch income	Service income	Partnership income	Other income	
	(46)	(47)	(48)	(49)	(50)	(51)	(52)	(53)	(54)	(55)
Africa — Continued										
West and Central African countries, total	2,858,168	1,428,659	6,650	790	1,229	1,203,854	31,961	14,359	169,814	1,429,529
Gabon	43,357	41,634	203	—	6	2,420	100	—	38,905	1,723
Ghana	1,656	1,656	212	—	—	1,274	170	—	(1)	—
Liberia	8,510	5,322	288	97	14	4,916	2	2	4	3,188
Nigeria	2,268,922	871,450	2,397	651	929	736,132	3,630	14,357	113,354	1,397,472
Zaire	47,257	41,371	652	9	—	39,765	945	—	—	5,887
Other	488,486	467,226	2,899	33	280	419,348	27,114	—	17,551	21,260
Southern Africa, total	234,076	73,499	37,219	357	10,098	24,106	384	—	1,334	160,577
Malawi	1,316	534	—	—	—	534	—	—	—	782
South Africa (including South-West Africa)	228,927	69,736	36,890	290	10,085	20,905	384	—	1,181	159,191
Zambia	2,052	1,750	257	64	10	1,393	—	—	27	301
Zimbabwe	1,272	1,272	1	—	1	1,269	—	—	—	—
Other	510	206	71	2	2	5	—	—	126	304
Africa not allocable	179	167	2	45	39	63	7	—	12	11
Asia, total	5,873,155	3,748,718	112,702	33,502	134,782	2,658,996	179,135	10,639	618,961	2,124,437
Middle East, total	1,918,236	1,899,173	3,442	1,997	4,977	1,615,601	158,313	7,631	107,211	19,063
Bahrain	—	—	—	—	—	—	—	—	—	—
Iran	8,679	8,610	266	—	60	7,665	304	296	(1)	269
Iraq	396	396	—	—	330	66	—	—	(1)	—
Israel	20,917	14,713	2,997	1,901	1,450	6,889	349	—	1,126	6,204
Kuwait	4,173	3,972	—	8	—	3,715	164	—	84	201
Lebanon	2,757	2,637	29	8	63	772	11	1,647	107	120
Qatar	4,520	138	—	1	2	65	70	—	—	4,382
Saudi Arabia	567,744	561,152	89	78	3,004	522,442	26,294	5,688	3,557	6,593
United Arab Emirates	1,304,490	1,304,433	—	—	—	1,071,517	130,585	—	102,331	57
Other areas of Arabian peninsula	776	776	—	—	1	251	524	—	—	—
Other	3,583	2,346	41	2	66	2,219	12	—	6	1,237
Southern and Southeastern Asia, total	2,648,879	1,453,157	22,842	17,778	48,660	857,025	14,382	1,193	493,277	1,195,722
Bangladesh	1,680	1,629	9	1	5	419	5	—	1,189	51
India	57,923	35,312	3,991	276	4,658	16,376	1,197	—	8,611	22,612
Indonesia	2,343,522	1,252,802	4,932	5,233	13,904	760,666	4,824	820	462,223	1,090,720
Malaysia	45,811	24,594	893	301	1,265	20,813	419	107	996	21,216
Pakistan	22,623	13,677	434	105	34	8,404	1,650	15	3,034	8,947
Philippines	89,676	67,812	6,533	10,488	15,469	19,435	3,351	89	12,448	21,864
Singapore	48,826	33,655	218	749	8,435	19,753	911	47	3,542	15,171
Sri Lanka	1,137	932	68	—	4	309	329	—	221	205
Thailand	36,107	21,200	5,761	624	2,680	9,827	1,182	115	1,011	14,907
Vietnam	—	—	—	—	—	—	—	—	—	—
Other	1,574	1,545	2	—	6	1,022	515	—	—	29
Eastern Asia, total	1,305,713	396,060	86,419	13,506	83,118	188,324	6,403	1,816	18,473	909,652
China	176	176	—	79	87	—	10	—	—	—
Hong Kong	46,235	13,991	267	725	695	10,798	639	50	817	32,244
Japan	1,125,498	298,927	51,526	11,215	77,917	139,182	4,174	1,766	13,147	826,571
South Korea, Republic of	89,964	50,660	27,163	56	1,713	19,430	688	—	1,609	39,304
Taiwan	35,986	25,622	7,308	1,421	2,462	10,638	893	—	2,900	10,365
Other	7,854	6,685	154	10	245	6,276	—	—	—	1,169
Asia not allocable	328	328	—	219	27	46	36	—	—	—
Oceania, total	1,046,754	580,947	56,699	9,174	78,050	366,778	6,037	267	63,941	465,807
Australia	994,195	561,393	55,062	8,474	72,761	362,793	5,809	267	56,226	432,802
New Zealand	44,887	12,176	1,544	599	5,198	3,703	79	—	1,052	32,712
Other	7,672	7,379	93	101	90	281	149	—	6,663	293
Puerto Rico and U.S. Possessions, total	101,940	93,386	5,001	4,233	13,375	47,156	4,624	878	18,120	8,555
Puerto Rico	86,729	78,555	4,831	4,091	12,682	37,757	4,214	24	14,955	8,174
U.S. possessions, total	15,211	14,831	169	142	693	9,399	409	853	3,165	380
American Samoa	8,260	8,260	—	—	—	6,333	—	6	1,922	—
Guam	3,412	3,394	—	—	43	1,782	12	847	710	18
Virgin Islands, U.S.	3,427	3,065	169	142	650	1,226	397	—	480	362
Other	111	111	—	—	—	58	—	—	53	—
Country not stated	59,772	52,739	2,888	10,063	8,163	12,708	3,002	4,702	11,213	7,033
DISC dividends	4,170	1,066	1,066	—	—	—	—	—	—	3,105
OPEC countries (included above)	8,763,334	6,209,964	29,537	39,376	26,037	4,480,244	207,799	21,320	1,405,651	2,553,370

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends—Continued

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

Country and DISC dividends	Income and taxes from specific geographic area or country—Continued: Income and taxes of related foreign corporations and DISC's: Gains, profits and income	Taxes paid on gains, profits and income	Dividends paid or constructively distributed to domestic corporations	Taxes deemed paid by related foreign corporations	Dividends paid to related foreign corporations and DISC's by second-tier foreign corporations	Dividends paid to second-tier foreign corporations by third-tier foreign corporations
	(56)	(57)	(58)	(59)	(60)	(61)
All geographic areas, total	**82,531,082**	**32,874,021**	**15,868,406**	**2,877,108**	**3,749,830**	**508,494**
Canada	**8,410,207**	**2,842,869**	**2,033,795**	**442,380**	**755,458**	**221,645**
Latin America, total	**7,744,330**	**2,497,274**	**1,503,654**	**299,724**	**424,234**	**36,823**
Mexico	2,492,026	984,654	320,307	44,929	76,883	21,753
Central America, total	1,156,856	148,789	512,732	121,975	226,967	1,914
Belize	556	220	278	—	—	—
Costa Rica	5,150	1,763	1,122	5	21	—
El Salvador	2,333	436	695	178	572	—
Guatemala	25,240	9,595	7,656	144	252	—
Honduras	3,096	910	1,403	82	82	6
Nicaragua	2,385	1,028	564	—	—	—
Panama (including Canal Zone)	1,117,053	134,493	500,120	121,565	226,041	1,908
Not allocable	1,040	344	896	—	—	—
Caribbean countries, total	267,526	115,306	50,772	969	1,548	—
Cayman Islands	10,224	2,655	6,185	969	1,548	—
Dominican Republic	148,356	51,937	12,220	—	—	—
Haiti	274	103	8	—	—	—
Jamaica	4,417	1,718	379	—	—	—
Trinidad and Tobago	98,205	58,205	31,223	—	—	—
Other	6,050	2,687	757	—	—	—
South America, total	3,827,923	1,248,525	619,843	131,851	118,836	13,156
Argentina	435,001	100,364	108,140	82	814	—
Bolivia	840	256	108	—	—	—
Brazil	1,817,220	633,923	296,373	114,052	73,824	4,916
Chile	158,494	38,043	33,145	1,684	9,722	—
Colombia	674,867	249,112	45,803	1,143	7,899	769
Ecuador	18,035	3,451	4,535	239	868	—
Paraguay	5,476	2,150	1,807	—	—	—
Peru	119,327	46,050	19,899	32	66	—
Uruguay	125,212	16,931	7,083	—	—	—
Venezuela	470,571	157,311	102,516	14,416	25,642	7,471
Other	2,678	932	453	—	—	—
Latin America not allocable	—	—	—	—	—	—
Other Western Hemisphere, total	**834,983**	**198,768**	**530,131**	**27,353**	**38,069**	**6,157**
Bahamas	182,361	61,996	74,014	4,389	5,778	—
Bermuda	279,526	68,949	187,751	22,964	32,291	6,157
Netherlands Antilles	370,177	66,958	267,301	—	—	—
Other British West Indies	—	—	—	—	—	—
Other	2,920	862	1,065	—	—	—
Europe, total	**42,279,430**	**16,281,392**	**8,125,669**	**1,880,867**	**2,210,833**	**192,913**
Common Market countries, total	37,979,370	15,271,190	6,862,576	1,709,947	1,920,814	177,595
Belgium	1,445,915	595,987	341,960	10,345	38,408	77
Denmark	187,403	76,306	54,294	—	—	—
France (including Andorra)	2,303,954	968,041	475,162	143,347	138,306	871
Ireland	45,131	7,861	20,736	1,269	1,375	—
Italy (including San Marino)	2,094,286	626,060	512,409	55,153	61,793	414
Luxembourg	68,891	28,154	19,784	6,868	11,879	—
Netherlands	7,936,023	3,511,694	1,172,819	148,799	292,436	15,012
United Kingdom	11,341,196	3,190,193	2,723,858	1,135,738	1,070,432	154,336
West Germany	12,556,571	6,266,892	1,541,752	208,409	306,185	6,886
Common Market not allocable	—	—	—	—	—	—
Other West European countries, total	4,289,900	1,004,864	1,261,145	170,893	289,966	15,318
Austria	319,775	130,606	61,305	21,073	44,522	—
Finland	49,117	23,784	13,355	142	435	—
Greece	71,517	18,862	18,625	2	11	—
Liechtenstein	51,038	11,148	31,121	10,051	14,503	—
Monaco	859	345	372	—	—	—
Norway	280,932	89,327	44,906	466	533	—
Portugal	66,610	24,358	13,327	—	—	—
Spain	647,418	166,599	146,167	2,951	7,718	—
Sweden	244,417	75,624	71,011	4,682	19,077	4,037
Switzerland	2,537,612	454,651	858,472	131,526	203,166	11,281
Turkey	18,017	9,024	2,037	—	—	—
Other	2,561	525	435	—	—	—
Not allocable	27	13	12	—	—	—
East European countries, total	10,160	5,339	1,946	27	53	—
East Germany	4,957	2,087	1,390	—	—	—
Rumania	—	—	—	—	—	—
Union of Soviet Socialist Republics	—	—	—	—	—	—
Other	5,203	3,252	558	27	53	—
Europe not allocable	—	—	—	—	—	—
Africa, total	**3,554,249**	**2,261,521**	**468,912**	**28,095**	**48,653**	**5,405**
North Africa, total	40,106	19,675	11,561	279	274	—
Algeria	—	—	—	—	—	—
Egypt	10,694	4,946	4,321	—	—	—
Libya	—	—	—	—	—	—
Morocco	8,806	4,431	1,343	5	6	—
Other	20,604	10,298	5,897	273	268	—
East Africa, total	157,018	70,251	33,359	87	113	—
Ethiopia	—	—	—	—	—	—
Kenya	83,371	37,926	10,422	82	102	—
Tanzania	19,777	9,635	6,878	—	—	—
Uganda	48,807	21,019	13,995	—	—	—
Other	5,062	1,671	2,064	5	11	—

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends—Continued

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

Country and DISC dividends	Income and taxes from specific geographic area or country—Continued: Income and taxes of related foreign corporations and DISC's: Gains, profits and income	Taxes paid on gains, profits and income	Dividends paid or constructively distributed to domestic corporations	Taxes deemed paid by related foreign corporations	Dividends paid to related foreign corporations and DISC's by second-tier foreign corporations	Dividends paid to second-tier foreign corporations by third-tier foreign corporations
	(56)	(57)	(58)	(59)	(60)	(61)
Africa—Continued						
West and Central African countries, total	2,353,616	1,823,730	192,797	616	906	104
Gabon	3,694	2,228	1,134	—	—	—
Ghana	—	—	—	—	—	—
Liberia	196,038	7,266	54,730	62	88	104
Nigeria	1,980,068	1,746,693	103,627	—	—	—
Zaire	82,036	29,366	6,969	—	—	—
Other	91,781	38,176	26,337	554	818	—
Southern Africa, total	1,003,076	347,682	231,180	27,114	45,360	5,301
Malawi	4,797	2,096	1,044	—	—	—
South Africa (including South-West Africa)	992,222	343,044	229,088	27,114	45,360	5,301
Zambia	4,153	1,694	511	—	—	—
Zimbabwe	—	—	—	—	—	—
Other	1,904	649	536	—	—	—
Africa not allocable	434	183	16	—	—	—
Asia, total	**15,804,356**	**7,492,071**	**2,016,274**	**25,878**	**38,001**	**230**
Middle East, total	548,828	162,107	36,616	3,220	3,800	—
Bahrain	—	—	—	—	—	—
Iran	10,856	2,011	1,079	—	—	—
Iraq	—	—	—	—	—	—
Israel	355,583	92,347	11,183	—	—	—
Kuwait	1,431	201	1,230	—	—	—
Lebanon	266	120	146	—	—	—
Qatar	119,087	60,674	4,232	—	—	—
Saudi Arabia	48,808	4,130	16,444	3,220	3,800	—
United Arab Emirates	6,128	313	1,109	—	—	—
Other areas of Arabian peninsula	—	—	—	—	—	—
Other	4,670	2,312	1,194	—	—	—
Southern and Southeastern Asia, total	7,304,278	3,931,499	1,013,991	3,422	2,683	200
Bangladesh	319	272	9	—	—	—
India	218,707	126,547	14,903	1,927	909	131
Indonesia	6,475,750	3,595,406	874,767	—	—	—
Malaysia	93,578	46,494	20,442	26	24	—
Pakistan	37,437	20,488	7,253	126	88	—
Philippines	243,632	74,341	39,686	422	658	—
Singapore	141,868	31,322	33,013	919	1,001	69
Sri Lanka	458	227	202	—	—	—
Thailand	91,556	34,712	23,694	2	4	—
Vietnam	—	—	—	—	—	—
Other	2,974	1,690	21	—	—	—
Eastern Asia, total	7,953,076	3,398,465	965,560	19,236	31,518	30
China	—	—	—	—	—	—
Hong Kong	551,023	84,410	152,845	4,093	19,007	—
Japan	6,860,157	3,156,823	699,529	15,143	12,511	30
South Korea, Republic of	364,057	124,439	72,890	—	—	—
Taiwan	174,740	31,492	38,784	—	—	—
Other	3,100	1,301	1,513	—	—	—
Asia not allocable	175	—	105	—	—	—
Oceania, total	**2,624,460**	**1,046,988**	**475,890**	**170,713**	**212,430**	**45,321**
Australia	2,461,069	978,689	436,276	169,828	211,260	45,306
New Zealand	162,444	67,956	39,095	885	1,170	15
Other	947	344	519	—	—	—
Puerto Rico and U.S. Possessions, total	**74,940**	**19,531**	**20,416**	—	—	—
Puerto Rico	69,362	18,669	17,556	—	—	—
U.S. possessions, total	5,578	862	2,860	—	—	—
American Samoa	—	—	—	—	—	—
Guam	1,333	378	46	—	—	—
Virgin Islands, U.S.	4,246	484	2,814	—	—	—
Other	—	—	—	—	—	—
Country not stated	**88,844**	**31,331**	**12,792**	—	—	—
DISC dividends	**1,115,463**	**2,476**	**678,874**	**2,097**	**24,153**	—
OPEC countries (included above)	**9,134,426**	**5,572,418**	**1,110,673**	**17,878**	**30,310**	**7,471**

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends—Continued

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

Country and DISC dividends	Income and taxes from specific geographic area or country—Continued				
	Income and taxes of related foreign corporations and DISC's—Continued				
	Income and taxes of first, second, and third-tier foreign corporations from which constructive distributions were received				
	Gains, profits and income	Taxes paid on gains, profits and income	Dividends constructively distributed to domestic corporations	Taxes deemed paid by related foreign corporations	Taxes deemed paid by domestic corporations
	(62)	(63)	(64)	(65)	(66)
All geographic areas, total	5,812,873	1,958,764	2,046,802	242,503	1,267,467
Canada	952,010	453,162	214,386	6,355	237,138
Latin America, total	1,058,216	161,231	370,537	57,668	121,054
Mexico	129,154	56,905	15,668	282	7,962
Central America, total	726,709	49,484	307,374	55,470	94,738
Belize	—	—	—	—	—
Costa Rica	100	30	37	—	16
El Salvador	—	—	—	—	—
Guatemala	488	88	75	—	21
Honduras	—	—	—	—	—
Nicaragua	—	—	—	—	—
Panama (including Canal Zone)	725,062	49,022	306,567	55,470	94,357
Not allocable	1,040	344	696	—	344
Caribbean countries, total	9,269	2,577	5,773	—	2,230
Cayman Islands	8,665	2,268	5,614	—	2,034
Dominican Republic	92	79	14	—	78
Haiti	—	—	—	—	—
Jamaica	—	—	—	—	—
Trinidad and Tobago	—	—	—	—	—
Other	513	231	145	—	118
South America, total	193,083	52,265	41,722	1,916	16,104
Argentina	—	—	—	—	—
Bolivia	—	—	—	—	—
Brazil	85,669	27,739	6,293	54	11,005
Chile	15,090	5,815	1,512	—	948
Colombia	37,945	6,888	5,899	—	1,822
Ecuador	439	122	317	114	238
Paraguay	—	—	—	—	—
Peru	—	—	—	—	—
Uruguay	6,562	1,681	6	—	2
Venezuela	47,378	8,020	27,695	1,748	2,092
Other	—	—	—	—	—
Latin America not allocable	—	—	—	—	—
Other Western Hemisphere, total	617,314	141,891	419,253	26,378	158,059
Bahamas	113,107	31,929	54,127	4,389	28,095
Bermuda	252,815	67,730	170,536	21,969	88,503
Netherlands Antilles	251,391	42,231	194,588	—	41,462
Other British West Indies	—	—	—	—	—
Other	—	—	—	—	—
Europe, total	2,481,064	1,044,463	824,315	120,975	639,153
Common Market countries, total	1,594,676	869,316	276,965	32,386	418,996
Belgium	142,374	33,092	8,527	1,100	7,192
Denmark	5,786	2,523	1,549	—	1,182
France (including Andorra)	92,251	38,981	14,612	298	12,962
Ireland	19,118	954	12,365	1,289	1,568
Italy (including San Marino)	52,704	13,693	10,951	—	5,536
Luxembourg	19,239	7,467	7,846	6,550	8,970
Netherlands	290,990	67,574	103,193	13,739	45,521
United Kingdom	111,783	25,665	38,706	9,410	23,790
West Germany	860,430	679,366	79,213	—	312,273
Common Market not allocable	—	—	—	—	—
Other West European countries, total	886,309	175,120	547,323	88,563	220,131
Austria	5,812	1,896	1,310	—	1,330
Finland	—	—	—	—	—
Greece	—	—	—	—	—
Liechtenstein	39,599	5,312	26,743	9,826	13,672
Monaco	—	—	—	—	—
Norway	158	118	17	—	44
Portugal	700	359	(1)	—	(1)
Spain	31,012	5,415	4,932	—	1,178
Sweden	4,648	1,462	1,487	—	785
Switzerland	802,442	159,482	512,753	78,737	203,020
Turkey	1,936	1,075	82	—	102
Other	—	—	—	—	—
Not allocable	—	—	—	—	—
East European countries, total	80	27	27	27	27
East Germany	—	—	—	—	—
Rumania	—	—	—	—	—
Union of Soviet Socialist Republics	—	—	—	—	—
Other	80	27	27	27	27
Europe not allocable	—	—	—	—	—
Africa, total	178,806	20,965	39,382	52	3,926
North Africa, total	—	—	—	—	—
Algeria	—	—	—	—	—
Egypt	—	—	—	—	—
Libya	—	—	—	—	—
Morocco	—	—	—	—	—
Other	—	—	—	—	—
East Africa, total	126	58	25	—	22
Ethiopia	—	—	—	—	—
Kenya	126	58	25	—	22
Tanzania	—	—	—	—	—
Uganda	—	—	—	—	—
Other	—	—	—	—	—

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Country to Which Foreign Taxes Were Paid and DISC Dividends—Continued

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

Country and DISC dividends	Income and taxes from specific geographic area or country—Continued				
	Income and taxes of related foreign corporations and DISC's—Continued				
	Income and taxes of first, second, and third-tier foreign corporations from which constructive distributions were received				
	Gains, profits and income	Taxes paid on gains, profits and income	Dividends constructively distributed to domestic corporations	Taxes deemed paid by related foreign corporations	Taxes deemed paid by domestic corporations
	(62)	(63)	(64)	(65)	(66)
Africa—Continued					
West and Central African countries, total	135,478	4,740	38,564	52	2,250
Gabon	—	—	—	—	—
Ghana	—	—	—	—	—
Liberia	133,836	4,464	38,441	52	2,175
Nigeria	—	—	—	—	—
Zaire	914	—	1	—	—
Other	726	276	122	—	75
Southern Africa, total	43,202	16,167	792	—	1,654
Malawi	—	—	—	—	—
South Africa (including South-West Africa)	43,170	16,147	780	—	1,634
Zambia	32	20	12	—	20
Zimbabwe	—	—	—	—	—
Other	—	—	—	—	—
Africa not allocable	—	—	—	—	—
Asia, total	299,366	54,126	96,494	5,876	28,300
Middle East, total	16,025	629	5,884	3,220	3,744
Bahrain	—	—	—	—	—
Iran	—	—	—	—	—
Iraq	—	—	—	—	—
Israel	—	—	—	—	—
Kuwait	1,431	201	1,230	—	201
Lebanon	—	—	—	—	—
Qatar	—	—	—	—	—
Saudi Arabia	14,594	427	4,654	3,220	3,543
United Arab Emirates	—	—	—	—	—
Other areas of Arabian peninsula	—	—	—	—	—
Other	—	—	—	—	—
Southern and Southeastern Asia, total	68,230	10,470	8,355	264	2,060
Bangladesh	—	—	—	—	—
India	4,299	2,535	204	—	293
Indonesia	341	35	306	—	35
Malaysia	2,497	877	334	26	177
Pakistan	—	—	—	—	—
Philippines	14,688	4,142	617	—	444
Singapore	44,677	2,235	6,594	238	945
Sri Lanka	—	—	—	—	—
Thailand	1,728	647	300	—	167
Vietnam	—	—	—	—	—
Other	—	—	—	—	—
Eastern Asia, total	215,111	43,027	82,255	2,391	22,495
China	—	—	—	—	—
Hong Kong	168,552	23,477	67,177	2,391	13,378
Japan	44,346	18,714	14,759	—	8,959
South Korea, Republic of	2,213	836	319	—	158
Taiwan	—	—	—	—	—
Other	—	—	—	—	—
Asia not allocable	—	—	—	—	—
Oceania, total	193,483	74,393	75,281	25,200	77,516
Australia	193,483	74,393	75,281	25,200	77,516
New Zealand	—	—	—	—	—
Other	—	—	—	—	—
Puerto Rico and U.S. Possessions, total	7,801	2,209	2,004	—	391
Puerto Rico	7,801	2,209	2,004	—	391
U.S. possessions, total	—	—	—	—	—
American Samoa	—	—	—	—	—
Guam	—	—	—	—	—
Virgin Islands, U.S.	—	—	—	—	—
Other	—	—	—	—	—
Country not stated	24,613	8,325	5,149	—	1,931
DISC dividends	—	—	—	—	—
OPEC countries (included above)	64,183	8,805	34,202	5,082	6,106

[1] Less than $500.

NOTE: The data in columns 1-13 pertain to the total activity of the domestic parent corporation. Since many corporations received income from or paid taxes to more than one country, the data in these columns are not additive. The data in the remaining columns are additive except for small differences due to rounding.

Supplemental Table 1. -- Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed: Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid, 91

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources								Foreign tax credit computed	
			Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Before reduction for international boycott operations	Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
All industries, total												
All geographic areas and DISC dividends, total	**6,046**	**3,229,777,033**	**137,930,564**	**61,697,948**	**24,866,908**	**70,541,309**	**17,351,661**	**12,644,523**	**4,098,186**	**4,210,788**	**24,881,344**	**2,795**
Canada	**2,982**	**2,928,205,056**	**125,285,013**	**56,031,921**	**23,412,852**	**68,247,085**	**16,092,835**	**12,001,934**	**3,783,632**	**3,841,269**	**23,426,853**	**2,690**
Latin America, total	**1,588**	**2,759,455,782**	**117,416,882**	**52,582,840**	**23,533,738**	**68,554,796**	**18,360,910**	**11,931,264**	**3,840,825**	**3,952,523**	**23,547,832**	**2,794**
Brazil	590	2,174,741,652	83,488,565	37,511,561	18,344,514	53,147,047	13,001,169	8,315,914	2,399,048	3,554,457	18,357,942	2,398
Ecuador	186	1,339,909,291	55,790,486	25,183,434	14,363,507	40,438,294	8,363,679	8,134,596	2,036,729	2,450,929	14,365,386	1,711
Mexico	892	2,469,748,756	98,593,485	44,315,853	19,892,283	57,305,434	14,265,291	8,870,582	2,727,978	3,562,252	19,906,203	2,740
Panama (including Canal Zone)	259	1,639,710,962	68,329,861	30,718,098	15,966,665	45,694,161	8,637,367	9,935,143	2,232,202	2,408,282	15,969,516	2,570
Venezuela	472	2,084,937,115	85,485,661	38,509,719	19,781,713	56,115,765	14,103,346	9,711,233	3,455,593	3,506,226	19,794,904	1,930
All other Latin America	986	2,493,739,563	106,505,657	47,740,342	22,733,395	63,986,606	16,117,398	11,351,571	3,837,978	3,878,539	22,747,355	2,660
Other Western Hemisphere, total	**406**	**2,119,888,276**	**90,860,874**	**40,855,737**	**20,943,459**	**57,194,059**	**14,960,063**	**10,659,700**	**3,773,963**	**3,713,418**	**20,956,844**	**2,607**
The Bahamas	167	1,409,910,431	58,431,703	26,281,407	15,638,680	42,869,192	10,972,210	8,004,165	3,187,541	2,531,685	15,640,655	1,413
Bermuda	197	1,162,470,144	67,681,896	30,498,469	16,447,105	43,019,249	10,967,804	8,591,543	2,588,908	3,304,734	16,459,803	2,283
Netherlands Antilles	191	1,388,345,021	54,286,193	24,420,040	14,537,318	39,221,486	9,210,800	8,757,686	3,039,079	3,033,517	14,549,583	1,735
All other Western Hemisphere	81	832,377,005	42,680,552	19,259,810	11,222,967	29,509,400	7,247,087	5,362,000	1,318,800	2,274,464	11,223,439	391
Europe, total	**1,815**	**2,712,870,105**	**120,961,975**	**54,163,241**	**23,980,406**	**67,488,686**	**18,240,220**	**12,488,174**	**3,779,733**	**4,044,842**	**23,994,832**	**2,794**
Austria	174	1,185,942,710	55,706,140	25,101,684	13,800,204	38,233,763	10,220,522	6,398,472	2,327,622	2,242,604	13,812,020	1,350
Belgium	380	1,741,946,545	83,319,390	37,511,161	19,327,695	53,179,424	14,078,289	9,099,779	2,976,389	3,565,941	19,341,025	2,157
Denmark	207	1,317,413,258	55,473,774	24,953,426	12,664,859	36,160,956	7,152,458	6,831,138	1,293,576	1,997,574	12,666,869	1,843
France (including Andorra)	682	2,157,901,032	90,528,426	40,585,313	18,814,931	53,861,247	12,780,576	8,963,693	2,417,484	3,612,156	18,828,837	2,762
Italy (including San Marino)	483	1,936,077,836	85,886,594	38,550,392	17,420,042	50,293,650	11,588,613	8,387,557	2,259,276	2,680,195	17,423,027	2,617
Luxembourg	66	901,314,878	26,433,302	11,873,261	7,211,299	-22,130,596	4,881,034	3,161,057	994,013	1,474,395	7,211,795	381
Netherlands	630	1,841,043,842	83,218,319	37,420,357	18,847,023	52,487,978	12,659,629	9,798,395	3,285,791	2,667,615	18,849,782	2,346
Spain	465	1,871,133,550	85,904,533	38,695,706	18,512,635	52,411,113	12,831,218	9,136,427	2,882,811	2,801,126	18,514,609	1,671
Sweden	260	1,362,657,191	62,351,513	27,995,507	13,752,101	39,705,057	7,849,149	7,367,701	1,378,110	2,157,935	13,754,188	1,805
Switzerland	512	1,816,572,687	85,551,805	38,425,900	18,936,141	53,428,036	12,691,308	9,737,957	2,997,853	3,528,890	18,948,959	2,156
United Kingdom	1,031	2,527,320,454	113,515,625	50,960,374	23,412,178	65,603,947	15,959,715	12,148,142	3,758,903	3,902,675	23,425,702	2,794
West Germany	714	2,146,525,381	96,275,578	43,204,352	20,219,573	57,212,004	13,367,105	10,471,157	3,072,201	3,752,960	20,232,879	2,757
All other Europe	521	2,108,572,463	95,894,780	43,149,280	21,480,906	59,489,176	15,109,780	10,856,594	3,747,174	3,637,180	21,494,067	2,509
Africa, total	**1,623**	**1,990,668,905**	**100,263,943**	**45,134,616**	**22,428,937**	**61,789,662**	**16,025,408**	**11,326,550**	**3,963,962**	**3,783,182**	**22,442,257**	**2,738**
Liberia	77	907,500,043	48,920,413	22,106,812	12,429,010	33,473,118	8,165,269	6,714,696	2,208,238	2,888,599	12,439,862	385
South Africa (including South-West Africa)	1,474	1,457,519,704	77,702,580	34,971,238	17,184,061	47,118,686	11,028,785	9,051,827	2,168,489	3,090,141	17,196,868	2,226
OPEC countries	158	1,235,993,973	63,217,084	28,578,571	15,831,827	43,310,543	11,660,679	7,702,774	3,112,891	3,281,595	15,843,971	1,677
All other Africa	270	1,599,665,891	77,258,430	34,906,897	19,488,044	53,326,700	13,876,887	10,009,797	3,790,553	2,886,712	19,489,399	1,187
Asia, total	**2,006**	**2,692,575,899**	**118,705,602**	**53,265,591**	**23,739,153**	**66,848,436**	**18,355,736**	**12,202,133**	**3,851,289**	**4,038,424**	**23,753,239**	**2,794**
Hong Kong	255	1,571,640,214	65,312,289	29,578,137	14,602,921	42,462,331	8,468,510	7,524,815	1,294,663	2,518,226	14,604,940	1,737
Indonesia	192	1,570,375,863	68,951,538	31,117,159	18,594,423	50,521,295	13,394,575	9,325,788	3,382,647	3,571,271	18,607,354	2,350
Japan (including Okinawa and Ryukyus)	1,389	2,393,814,017	107,576,884	48,282,438	21,639,451	60,907,195	13,994,852	11,882,651	3,327,736	3,832,840	21,653,053	2,794
Middle East countries (excluding OPEC)	567	1,630,345,374	63,519,162	28,595,465	15,496,063	44,290,187	10,761,913	7,250,243	2,239,972	2,508,086	15,498,092	1,781
OPEC countries (excluding Indonesia)	262	1,505,525,894	72,935,669	32,941,718	17,248,409	47,967,104	11,823,927	9,113,293	3,226,348	2,782,632	17,249,345	768
Philippines	336	1,775,824,571	77,245,448	34,759,714	17,399,598	49,235,939	11,446,845	8,555,821	1,810,821	3,585,773	17,412,953	2,094
All other Asia	541	2,125,037,407	96,612,787	43,516,226	21,737,715	60,844,723	15,165,380	11,182,903	3,725,916	3,760,559	21,751,534	2,756
Oceania, total	**1,094**	**2,367,336,941**	**104,738,683**	**47,126,439**	**20,764,505**	**58,718,513**	**14,327,708**	**10,019,906**	**2,697,266**	**3,775,862**	**20,778,200**	**2,682**
Australia	968	2,326,609,937	99,740,167	44,862,768	20,636,636	58,175,778	14,226,230	9,990,533	2,692,963	3,769,409	20,650,331	2,682
All other Oceania	417	1,602,679,057	75,037,108	33,875,478	16,015,540	45,086,669	10,293,050	7,720,506	1,554,613	3,405,251	16,027,866	1,911
Puerto Rico and U.S. Possessions, total	**517**	**1,887,147,336**	**73,550,836**	**33,001,612**	**15,102,149**	**43,893,313**	**8,482,550**	**7,986,592**	**1,276,819**	**3,169,255**	**15,115,688**	**2,733**
Country not stated	**943**	**2,400,165,767**	**101,265,146**	**45,490,015**	**22,076,328**	**61,952,345**	**15,340,376**	**11,424,659**	**3,760,740**	**3,901,217**	**22,089,910**	**2,419**
DISC dividends	**138**	**368,370,279**	**24,962,730**	**11,123,314**	**4,334,845**	**11,720,756**	**3,752,530**	**1,307,486**	**621,957**	**596,570**	**4,335,397**	**438**
OPEC countries, total (included above)	**630**	**2,327,020,029**	**100,010,748**	**45,022,624**	**22,108,927**	**62,377,875**	**15,711,421**	**11,099,848**	**3,824,360**	**3,788,219**	**22,122,668**	**2,480**

Footnotes at end of table

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country											
	Gross income (less loss) excluding branch operations and specially allocable income					Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture			
	Total	Dividends	Dividend gross-up	Interest	Other				Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
All industries, total												
All geographic areas and DISC dividends, total	86,077,698	19,823,516	12,644,525	12,509,769	41,099,687	31,098,661	38,940,201	7,124,054	70,541,309	21,871,325	1,532,488	47,137,497
Canada	10,482,769	2,095,667	1,369,035	1,627,214	5,390,853	1,684,753	4,935,089	520,264	6,610,265	594,395	468,191	5,547,680
Latin America, total	11,617,079	1,625,680	828,659	3,503,011	5,659,729	2,921,635	5,924,969	1,512,761	7,761,049	2,000,914	68,025	5,692,111
Brazil	1,278,677	301,115	157,579	615,845	204,338	1,061	633,131	997	861,982	206,433	9,803	645,746
Ecuador	320,320	6,715	1,097	59,119	253,389	217,790	115,169	49,706	234,768	28,643	973	205,152
Mexico	2,456,646	326,830	247,122	1,165,459	717,235	—	1,152,717	—	1,522,352	200,992	17,430	1,303,929
Panama (including Canal Zone)	949,417	536,740	214,199	84,610	113,668	-1	215,155	-39	939,013	201,233	3,516	734,262
Venezuela	1,247,280	103,394	50,856	469,438	623,592	2,626	845,607	556	540,546	132,058	6,815	401,673
All other Latin America	5,364,539	350,886	157,806	1,108,341	3,747,506	2,700,157	2,963,190	1,461,539	3,662,388	1,231,553	29,486	2,401,349
Other Western Hemisphere, total	2,397,023	941,064	202,454	1,139,575	113,930	121,884	828,153	—	3,189,652	1,618,915	3,867	1,568,870
The Bahamas	1,029,298	126,474	48,168	838,742	15,914	5	411,924	—	1,934,207	1,316,166	648	617,374
Bermuda	704,333	509,218	90,587	84,814	39,713	121,879	151,944	—	560,636	5,758	2,489	552,388
Netherlands Antilles	418,403	303,619	63,299	26,132	25,354	—	104,239	—	587,024	272,507	353	314,164
All other Western Hemisphere	244,989	1,752	400	209,887	32,950	—	160,046	—	107,785	22,464	377	84,943
Europe, total	27,116,890	8,365,985	6,004,500	3,457,517	9,288,888	10,298,907	8,250,124	1,291,905	27,390,967	8,280,740	243,461	18,868,766
Austria	175,219	61,606	48,874	12,575	52,162	13,714	44,103	751	143,601	9,224	3,260	131,116
Belgium	1,094,551	343,599	277,522	107,119	366,311	—	367,325	—	884,852	136,591	21,036	727,225
Denmark	218,611	54,472	36,021	27,965	100,354	—	70,592	—	161,811	10,299	3,292	148,219
France (including Andorra)	2,040,526	483,812	468,857	212,645	875,213	10,952	677,079	431	1,625,905	228,191	34,267	1,363,446
Italy (including San Marino)	1,342,444	518,980	259,495	151,395	412,574	1,436	422,936	—	1,122,962	181,911	21,542	919,508
Luxembourg	113,096	33,748	19,613	41,300	18,435	—	40,169	—	78,001	4,919	175	72,907
Netherlands	2,911,919	1,206,110	945,060	108,498	652,251	1,718,028	440,094	166,156	2,634,785	147,201	15,749	2,471,835
Spain	539,817	150,726	55,266	111,525	222,301	34,028	263,714	21,361	327,580	39,335	12,141	276,104
Sweden	260,376	81,890	39,019	32,041	107,426	—	94,870	—	186,771	9,525	11,740	165,506
Switzerland	1,505,374	882,741	336,628	65,427	220,577	—	388,385	—	1,171,965	44,789	10,187	1,116,989
United Kingdom	11,049,198	2,806,845	1,817,478	1,881,904	4,542,971	5,021,000	3,525,309	596,505	11,347,226	3,772,837	50,500	7,523,889
West Germany	4,337,779	1,574,657	1,622,260	148,885	991,977	527,439	928,550	25,098	3,579,205	120,219	49,757	3,409,229
All other Europe	1,527,781	166,799	78,407	556,239	726,336	2,972,309	986,988	481,601	4,126,304	3,575,698	9,813	540,793
Africa, total	6,568,165	878,243	1,630,941	240,932	3,818,049	7,202,988	1,543,714	1,135,169	7,939,296	2,899,652	15,192	5,024,451
Liberia	527,429	384,378	3,186	134,109	5,755	194	34,280	—	512,559	19,273	137	493,149
South Africa (including South-West Africa)	565,069	265,353	159,191	14,607	125,916	—	113,299	—	493,551	33,946	7,835	451,770
OPEC countries	3,341,426	143,525	1,399,195	41,920	1,756,786	5,254,284	554,505	841,298	5,129,316	2,341,393	1,002	2,786,921
All other Africa	2,134,242	84,987	69,368	50,296	1,929,591	1,948,509	841,630	293,872	1,803,870	505,040	6,218	1,292,611
Asia, total	14,023,815	3,532,482	2,124,437	1,143,848	7,223,046	6,718,874	6,827,556	1,060,875	12,721,825	5,355,650	169,918	7,196,257
Hong Kong	469,537	165,309	32,244	95,338	176,646	—	210,760	—	526,233	257,153	10,323	258,757
Indonesia	3,434,578	876,868	1,090,720	30,099	1,436,890	3,667,432	582,609	380,727	4,293,303	1,430,975	10,359	2,851,969
Japan (including Okinawa and Ryukyus)	3,384,377	702,462	826,571	816,111	1,239,234	45,722	1,181,385	7,347	2,941,632	634,525	104,115	2,202,993
Middle East countries (excluding OPEC)	212,977	15,487	7,561	75,829	114,101	—	97,034	—	296,131	177,024	3,163	115,943
OPEC countries (excluding Indonesia)	4,799,372	1,489,844	11,502	46,602	3,250,224	2,507,743	3,861,443	429,759	2,911,643	1,968,337	6,377	936,929
Philippines	316,735	42,514	21,864	76,253	176,104	30,644	185,482	9,700	275,124	143,070	801	131,253
All other Asia	1,407,238	239,998	133,975	203,416	829,849	467,134	708,825	233,342	1,477,758	744,566	34,779	698,413
Oceania, total	1,804,632	485,869	485,807	126,268	726,688	2,065,743	638,042	1,568,503	1,972,187	785,717	19,880	1,166,589
Australia	1,681,066	445,681	432,802	117,237	685,346	2,065,743	589,168	1,568,503	1,876,768	767,043	17,827	1,091,898
All other Oceania	123,565	40,187	33,005	9,031	41,342	—	48,874	—	95,419	18,674	2,054	74,691
Puerto Rico and U.S. Possessions, total	629,959	177,972	6,555	87,299	358,133	—	443,178	—	388,343	95,824	103,739	186,780
Country not stated	9,872,574	158,669	7,033	1,184,105	8,522,568	83,878	9,151,701	34,577	1,402,608	241,520	440,215	720,874
DISC dividends	1,564,791	1,561,687	3,105	—	—	—	397,673	—	1,167,118	—	—	1,167,118
OPEC countries, total (included above)	13,141,977	2,620,346	2,553,370	847,379	7,320,682	11,649,877	5,859,333	1,702,048	13,109,576	5,901,407	25,526	7,182,644

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued							
	Foreign taxes paid or accrued and deemed paid before reduction							
	Total	Paid or accrued						Deemed paid
		Total	Tax withheld at source on			Other taxes paid or accrued on		
			Dividends	Interest	Rents, royalties and license fees	Branch income	Other income	
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
All industries, total								
All geographic areas and DISC dividends, total	29,996,184	17,351,661	1,373,653	676,488	547,938	10,086,109	4,665,263	12,644,523
Canada	2,326,392	957,358	236,365	111,923	83,033	208,470	317,568	1,369,034
Latin America, total	3,199,230	2,370,571	212,475	451,599	136,592	394,055	1,175,849	828,659
Brazil	455,734	299,155	84,386	148,116	19,556	22,376	23,721	157,579
Ecuador	165,302	164,204	1,573	209	2,086	6,238	154,097	1,097
Mexico	687,003	439,881	53,037	201,816	77,539	55,841	51,848	247,122
Panama (including Canal Zone)	227,737	13,538	935	865	1,226	8,181	2,329	214,199
Venezuela	188,817	135,962	20,056	26,893	5,556	20,360	63,097	50,856
All other Latin America	1,476,636	1,318,831	52,489	73,699	30,627	281,059	880,956	157,806
Other Western Hemisphere, total	274,132	71,678	5,300	313	95	63,034	2,937	202,454
The Bahamas	48,334	165	—	76	—	13	77	48,169
Bermuda	91,896	1,308	1,191	83	—	6	26	90,587
Netherlands Antilles	132,243	68,945	4,048	154	7	61,947	2,788	63,299
All other Western Hemisphere	1,660	1,260	60	(1)	88	1,067	46	400
Europe, total	11,573,152	5,568,653	693,120	47,790	81,248	3,730,358	1,016,137	6,004,499
Austria	58,733	9,858	4,119	468	305	4,199	767	48,874
Belgium	357,609	60,087	42,770	4,573	268	25,940	6,537	277,522
Denmark	40,540	4,519	2,604	22	24	1,779	90	36,021
France (including Andorra)	551,706	82,849	24,859	3,237	25,636	23,019	5,898	468,857
Italy (including San Marino)	342,553	83,058	29,473	3,963	19,492	27,658	2,472	259,494
Luxembourg	23,715	4,102	1,369	—	73	2,660	—	19,613
Netherlands	1,216,850	271,789	52,908	3,310	231	97,694	117,848	945,060
Spain	122,974	67,708	23,864	9,420	15,506	7,271	11,646	55,266
Sweden	48,308	7,289	3,587	(1)	12	2,276	1,412	39,019
Switzerland	397,624	60,996	48,238	534	1,336	9,647	1,241	338,628
United Kingdom	3,748,927	1,931,449	183,235	10,522	10,964	901,112	825,616	1,817,478
West Germany	1,917,612	295,352	255,766	748	1,685	10,919	28,234	1,622,260
All other Europe	2,748,002	2,669,595	20,327	10,994	5,513	2,616,183	16,578	78,407
Africa, total	5,537,487	3,906,546	48,248	7,890	12,602	2,606,554	1,231,252	1,630,941
Liberia	8,510	5,322	288	97	14	4,916	7	3,186
South Africa (including South-West Africa)	229,927	69,736	38,890	290	10,085	20,905	1,566	159,191
OPEC countries	4,177,489	2,778,294	2,600	8,954	1,095	2,087,310	680,335	1,399,195
All other Africa	1,122,561	1,053,193	8,470	549	1,408	493,422	549,344	69,368
Asia, total	5,873,155	3,748,718	112,702	33,502	134,782	2,658,996	808,736	2,124,437
Hong Kong	46,235	13,991	267	725	695	10,796	1,507	32,244
Indonesia	2,343,522	1,252,802	4,932	5,233	13,904	760,866	467,667	1,090,720
Japan (including Okinawa and Ryukyus)	1,125,498	298,927	51,526	11,215	77,917	139,182	19,087	826,571
Middle East countries (excluding OPEC)	28,033	20,472	3,066	1,910	1,581	10,131	3,783	7,561
OPEC countries (excluding Indonesia)	1,890,203	1,878,701	376	87	3,396	1,605,470	269,372	11,502
Philippines	69,676	67,812	6,533	10,488	15,459	19,435	15,888	21,864
All other Asia	349,988	216,013	48,002	3,843	21,821	113,115	31,232	133,975
Oceania, total	1,046,754	580,947	56,699	9,174	78,050	368,778	70,246	465,807
Australia	994,195	561,393	55,062	8,474	72,761	362,793	62,302	432,802
All other Oceania	52,559	19,554	1,637	700	5,289	3,985	7,943	33,005
Puerto Rico and U.S. Possessions, total	101,940	83,386	5,001	4,233	13,375	47,156	23,622	8,555
Country not stated	59,772	52,739	2,688	10,063	8,163	12,708	18,916	7,033
DISC dividends	4,170	1,066	1,066	—	—	—	—	3,105
OPEC countries, total (included above)	6,763,334	8,209,984	29,537	39,376	26,037	4,480,244	1,834,759	2,553,370

Footnotes at end of table.

Foreign Income and Taxes on Corporation Returns, 1980

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources: Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Foreign tax credit computed: Before reduction for international boycott operations	Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Agriculture, forestry and fishing												
All geographic areas and DISC dividends, total	88	2,532,533	201,782	89,804	7,489	32,842	5,023	3,391	—	697	7,489	—
Canada	9	2,219,476	174,133	77,883	7,019	30,276	4,666	3,281	—	695	7,019	—
Latin America, total	5	1,953,282	163,563	74,292	6,926	29,935	4,572	3,281	—	421	6,926	—
All other Latin America	5	1,953,282	163,563	74,292	6,926	29,935	4,572	3,281	—	421	6,926	—
Europe, total	3	1,403,669	18,244	6,289	5,538	20,051	3,350	3,177	—	2	5,538	—
Africa, total	*67	*43,008	*2,671	*517	*71	*475	*71	*—	*—	*—	*71	*—
South Africa (including South-West Africa)	*67	*43,008	*2,671	*517	*71	*475	*71	*—	*—	*—	*71	*—
Asia, total	3	1,542,330	33,476	15,317	5,546	20,241	3,358	3,177	—	2	5,546	—
Oceania, total	3	591,918	149,038	67,835	919	4,088	847	9	—	421	919	—
Australia	3	591,916	149,038	67,835	919	4,088	847	9	—	421	919	—
Country not stated	*11	*1,522,167	*30,753	*14,025	*5,871	*21,689	*3,574	*3,287	*—	*—	*5,871	*—
Mining, total												
All geographic areas and DISC dividends, total	161	58,324,780	6,417,718	2,853,335	1,963,857	4,655,500	2,620,127	81,802	481,555	992,350	1,974,158	—
Canada	74	51,152,508	5,088,759	2,252,517	1,516,050	3,619,237	1,915,074	73,833	205,405	930,448	1,526,349	—
Latin America, total	39	45,700,917	4,988,769	2,227,757	1,510,236	3,531,139	1,908,654	68,187	205,123	867,938	1,520,535	—
Brazil	9	32,229,907	3,596,832	1,607,752	1,179,776	2,736,612	1,572,807	53,674	174,882	831,005	1,190,075	—
Mexico	17	36,880,141	3,951,676	1,764,114	1,271,075	2,932,446	1,665,059	61,427	176,766	836,043	1,281,374	—
Panama (including Canal Zone)	7	5,706,789	545,590	244,443	179,281	429,065	166,846	12,845	340	527	179,281	—
Venezuela	13	32,729,517	3,363,576	1,514,176	1,222,814	2,816,292	1,613,084	55,996	168,195	837,143	1,233,113	—
All other Latin America	24	39,650,119	4,253,145	1,917,324	1,467,220	3,400,632	1,885,820	48,158	203,239	851,524	1,477,519	—
Other Western Hemisphere, total	11	33,761,945	2,973,263	1,331,083	1,236,031	2,863,430	1,629,989	37,039	175,222	858,444	1,248,330	—
Bermuda	7	25,451,695	2,607,621	1,189,571	1,160,773	2,656,983	1,564,861	27,223	168,195	843,750	1,171,072	—
Netherlands Antilles	7	30,340,828	2,685,198	1,199,790	1,141,021	2,639,986	1,538,688	34,581	174,882	856,257	1,151,320	—
Europe, total	47	47,433,701	4,841,702	2,158,525	1,534,490	3,820,499	1,919,324	75,033	202,418	914,270	1,544,789	—
France (including Andorra)	11	32,870,393	3,332,740	1,502,694	1,203,837	2,793,470	1,607,191	50,884	187,045	841,975	1,214,136	—
Italy (including San Marino)	8	12,378,582	1,245,491	520,143	134,613	307,857	104,018	33,433	7,026	25,056	134,613	—
Netherlands	25	8,350,151	977,792	445,093	207,641	502,113	162,211	34,126	340	15,961	207,641	—
Spain	5	9,441,344	830,621	356,835	101,358	234,644	81,573	27,078	8,007	1,154	101,358	—
Switzerland	6	31,155,275	3,107,275	1,382,118	1,146,873	2,636,978	1,559,671	27,384	168,195	823,783	1,157,172	—
United Kingdom	21	43,695,031	4,494,770	2,006,175	1,438,614	3,379,626	1,817,291	71,293	183,228	900,621	1,448,913	—
West Germany	11	31,900,980	3,062,805	1,382,111	1,131,086	2,665,423	1,532,872	47,955	167,656	886,241	1,141,385	—
All other Europe	13	35,798,799	3,659,075	1,643,649	1,302,067	3,014,374	1,698,376	57,947	182,889	853,537	1,312,366	—
Africa, total	*39	*40,490,449	*4,499,517	*2,030,586	*1,653,654	*3,800,997	*2,293,130	*55,949	*408,509	*888,139	*1,663,953	*—
South Africa (including South-West Africa)	*24	*30,840,497	*2,821,789	*1,262,530	*1,154,075	*2,662,943	*1,552,767	*34,546	*158,677	*830,783	*1,164,374	*—
OPEC countries	10	29,609,476	3,354,638	1,542,089	1,277,325	2,933,191	1,702,014	35,825	183,228	834,703	1,287,624	—
All other Africa	15	11,692,047	1,883,790	856,914	574,169	1,291,343	814,862	21,404	239,832	55,468	574,169	—
Asia, total	41	46,443,182	5,144,433	2,294,504	1,642,304	3,800,539	2,079,314	65,972	239,737	904,624	1,652,603	—
Indonesia	19	32,468,452	3,764,905	1,728,762	1,424,246	3,290,827	1,870,473	33,277	216,878	874,796	1,434,545	—
Japan (including Okinawa and Ryukyus)	8	32,178,148	3,427,541	1,527,370	1,113,626	2,554,982	1,515,635	45,591	167,656	823,854	1,123,925	—
Middle East countries (excluding OPEC)	7	3,840,583	800,435	368,758	176,594	390,212	172,784	19,598	26,216	24,105	178,534	—
OPEC countries (excluding Indonesia)	12	9,074,314	1,109,000	500,580	242,168	556,074	220,592	33,099	12,820	35,166	242,168	—
Philippines	6	24,320,377	2,957,455	1,359,904	1,154,597	2,641,183	1,568,458	32,694	174,882	831,005	1,164,896	—
All other Asia	13	35,412,247	3,546,775	1,592,823	1,346,663	3,094,527	1,749,193	46,124	175,222	850,057	1,356,963	—
Oceania, total	42	39,551,088	3,842,946	1,716,872	1,272,297	3,019,336	1,668,278	55,061	176,850	875,486	1,282,596	—
Australia	28	39,531,986	3,825,217	1,710,877	1,268,302	3,001,914	1,659,614	55,061	176,850	875,422	1,276,601	—
All other Oceania	*17	*29,942,422	*3,103,203	*1,399,666	*1,145,299	*2,626,769	*1,553,431	*41,413	*175,862	*822,813	*1,155,598	*—
Country not stated	16	34,751,237	3,076,683	1,373,114	1,244,468	2,885,548	1,658,730	43,181	184,316	867,353	1,254,785	—
OPEC countries, total (included above)	34	41,548,484	4,359,524	1,963,392	1,485,598	3,474,977	1,915,596	61,389	220,548	889,807	1,495,697	—

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total	Dividends	Dividend gross-up	Interest	Other	Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Agriculture, forestry and fishing												
All geographic areas and DISC dividends, total	35,258	17,645	3,391	2,182	12,039	—	2,714	—	32,842	298	—	32,544
Canada	2,121	12	—	551	1,558	—	94	—	2,027	—	—	2,027
Latin America, total	8,626	7,692	521	1,375	- 959	—	2,202	—	6,426	—	—	8,426
All other Latin America	646	7,691	521	116	- 7,680	—	823	—	- 175	—	—	- 175
Europe, total	14,777	9,093	2,745	42	2,898	—	102	—	14,675	—	—	14,675
Africa, total	*177	*177	*—	*—	*—	*—	*—	*—	*475	*298	*—	*177
South Africa (including South-West Africa)	*177	*177	*—	*—	*—	*—	*—	*—	*475	*298	*—	*177
Asia, total	5,276	111	—	—	5,165	—	112	—	5,163	—	—	5,183
Oceania, total	908	79	9	215	606	—	204	—	705	—	—	705
Australia	792	24	—	215	553	—	204	—	588	—	—	586
Country not stated	*3,177	*253	*111	*—	*2,814	*—	*—	*—	*3,177	*—	*—	*3,177
Mining, total												
All geographic areas and DISC dividends, total	5,922,735	337,630	81,802	102,819	5,400,484	3,731,863	2,176,504	653,837	4,655,500	908,326	944	3,748,230
Canada	829,715	28,512	11,124	41,144	748,935	131,279	585,818	35,817	351,814	107,717	—	244,097
Latin America, total	1,024,431	39,442	11,480	4,779	968,731	725,451	297,935	197,931	750,874	24,379	—	726,495
Brazil	19,181	2,774	45	- 68	16,430	—	15,192	—	7,491	3,502	—	3,989
Mexico	29,004	5,993	5,364	910	16,717	—	5,244	—	23,760	—	—	23,760
Panama (including Canal Zone)	44,685	17,614	2,815	791	23,665	—	17,569	—	27,317	—	—	27,317
Venezuela	14,348	4,657	1,653	1,239	6,599	—	4,067	—	18,596	8,315	—	10,281
All other Latin America	913,136	8,404	1,383	1,906	901,443	725,451	252,610	197,931	672,087	11,761	—	660,325
Other Western Hemisphere, total	18,438	18,616	3,135	247	- 3,559	—	2,466	—	15,972	—	—	15,972
Bermuda	6,960	10,244	400	135	- 3,819	—	2,349	—	4,611	—	—	4,611
Netherlands Antilles	11,106	8,112	2,735	—	260	—	106	—	11,000	—	—	11,000
Europe, total	1,276,654	179,059	37,346	19,589	1,040,860	1,056,914	111,471	73,726	1,345,874	180,491	—	1,165,383
France (including Andorra)	17,514	105	—	478	16,931	—	10,352	—	7,811	749	—	7,162
Italy (including San Marino)	23,781	4,666	3,128	1,757	14,230	—	10,512	—	13,269	—	—	13,269
Netherlands	53,887	3,310	164	1,380	49,012	48,367	14,263	12,841	39,814	210	—	39,604
Spain	- 161	12	3	41	- 217	—	68	—	- 469	- 241	—	- 228
Switzerland	2,053	948	835	144	126	—	54	—	1,899	—	—	1,899
United Kingdom	1,142,199	163,944	27,986	15,304	934,966	1,008,547	57,194	60,885	1,264,379	179,374	—	1,085,005
West Germany	12,995	5,453	4,812	199	2,531	—	2,575	—	9,588	- 832	—	10,420
All other Europe	23,019	—	—	287	22,733	—	15,127	—	9,123	1,231	—	7,892
Africa, total	*1,881,684	*30,432	*6,494	*22,880	*1,619,857	*1,326,096	*679,435	*257,198	*1,570,252	*568,024	*—	*1,002,228
South Africa (including South-West Africa)	*33,634	*25,012	*6,217	*1	*404	*—	*10,267	*—	*23,270	*- 97	*—	*23,367
OPEC countries	1,303,081	31	67	20,962	1,282,020	768,407	364,271	205,228	991,420	52,609	—	938,810
All other Africa	338,722	—	—	1,808	336,914	557,689	304,320	51,970	549,913	515,512	—	34,401
Asia, total	899,113	27,700	10,180	5,882	855,351	491,698	356,925	89,146	557,310	15,122	—	542,188
Indonesia	701,139	2,351	278	1,198	697,312	432,560	258,202	70,235	442,937	—	—	442,937
Japan (including Okinawa and Ryukyus)	7,703	472	527	6	6,697	—	3,310	—	4,281	- 112	—	4,393
Middle East countries (excluding OPEC)	14,324	7,394	2,387	384	4,160	—	966	—	13,358	—	—	13,358
OPEC countries (excluding Indonesia)	77,220	6,702	4,101	48	66,369	28,294	34,498	9,212	54,848	11,926	—	42,722
Philippines	40,550	—	—	4,161	36,389	30,844	13,645	9,700	27,891	986	—	26,904
All other Asia	47,066	1,658	1,515	86	43,807	—	38,497	—	10,890	2,322	—	8,569
Oceania, total	148,868	4,472	44	5,284	138,867	425	94,620	15	68,641	12,593	—	54,048
Australia	111,848	4,472	44	5,276	102,056	425	75,342	15	49,099	12,593	—	36,506
All other Oceania	*36,820	*—	*—	*8	*36,812	*—	*19,277	*—	*17,542	*—	*—	*17,542
Country not stated	36,545	2,108	—	3,014	31,424	—	36,170	5	1,320	—	944	377
OPEC countries, total (included above)	2,099,665	13,741	6,299	23,447	2,056,178	1,229,261	664,091	284,674	1,509,224	73,650	—	1,435,574

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued: Foreign taxes paid or accrued and deemed paid before reduction: Total (25)	Paid or accrued: Total (26)	Tax withheld at source on: Dividends (27)	Tax withheld at source on: Interest (28)	Tax withheld at source on: Rents, royalties and license fees (29)	Other taxes paid or accrued on: Branch income (30)	Other taxes paid or accrued on: Other income (31)	Deemed paid (32)
Agriculture, forestry and fishing								
All geographic areas and DISC dividends, total	8,414	5,023	871	155	496	45	3,456	3,391
Canada	679	679	1	116	151	—	408	—
Latin America, total	3,850	3,330	540	32	124	—	2,633	521
All other Latin America	2,934	2,413	540	—	31	—	1,843	521
Europe, total	3,015	270	254	4	—	—	11	2,745
Africa, total	*71	*71	*26	*—	*—	*45	*—	*—
South Africa (including South-West Africa)	*71	*71	*26	*—	*—	*45	*—	*—
Asia, total	306	306	—	—	16	—	291	—
Oceania, total	121	112	12	—	100	—	—	9
Australia	96	96	4	—	92	—	—	—
Country not stated	*354	*243	*38	*—	*105	*—	*100	*110
Mining, total								
All geographic areas and DISC dividends, total	2,701,929	2,620,127	24,171	11,154	13,841	599,850	1,971,112	81,802
Canada	113,355	102,231	3,494	1,056	797	6,109	90,774	11,124
Latin America, total	429,742	418,262	3,735	1,611	2,405	12,242	398,269	11,480
Brazil	1,740	1,695	-32	157	16	—	1,554	45
Mexico	8,264	2,880	159	720	1,294	—	707	5,384
Panama (including Canal Zone)	2,842	27	—	21	—	—	5	2,815
Venezuela	9,150	7,297	931	252	577	5,333	204	1,853
All other Latin America	406,888	405,505	2,876	460	517	6,545	395,305	1,383
Other Western Hemisphere, total	3,429	294	294	—	—	—	—	3,135
Bermuda	400	—	—	—	—	—	—	400
Netherlands Antilles	3,029	294	294	—	—	—	—	2,735
Europe, total	800,278	762,932	10,139	522	272	87,926	684,073	37,346
France (including Andorra)	951	951	(1)	35	47	477	392	—
Italy (including San Marino)	3,619	491	234	257	—	—	—	3,128
Netherlands	15,974	15,810	19	126	—	160	15,505	164
Spain	94	91	2	70	20	—	—	3
Switzerland	926	92	82	9	—	—	—	835
United Kingdom	771,524	743,538	8,762	25	167	86,774	847,810	27,986
West Germany	5,664	852	814	—	38	—	—	4,812
All other Europe	977	977	96	—	—	515	366	—
Africa, total	*1,077,713	*1,069,219	*3,573	*6,289	*383	*485,174	*573,801	*8,494
South Africa (including South-West Africa)	*11,854	*3,637	*3,569	*—	*58	*—	*—	*8,217
OPEC countries	580,606	580,539	4	6,289	—	27,818	548,428	67
All other Africa	485,043	485,043	—	—	315	457,355	27,373	—
Asia, total	268,708	258,528	2,177	1,627	8,639	7,224	235,862	10,180
Indonesia	223,672	223,393	140	5	8,871	—	214,378	278
Japan (including Okinawa and Ryukyus)	1,225	696	57	1	604	1	35	527
Middle East countries (excluding OPEC)	4,248	1,860	1,848	4	—	—	7	2,387
OPEC countries (excluding Indonesia)	22,560	18,460	87	—	94	6,055	12,224	4,101
Philippines	10,388	10,388	—	1,618	—	347	6,423	—
All other Asia	3,245	1,730	45	—	70	821	793	1,515
Oceania, total	9,826	9,581	757	49	337	1,165	7,273	44
Australia	2,940	2,896	757	48	319	1,165	606	44
All other Oceania	*6,886	*6,686	*—	*1	*19	*—	*6,667	*—
Country not stated	1,074	1,074	1	—	9	9	1,056	—
OPEC countries, total (included above)	838,846	830,547	1,182	6,545	9,541	39,571	773,728	6,299

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns (1)	Total assets (2)	Income and taxes from all sources: Income subject to U.S. tax (3)	Regular and alternative tax (4)	Foreign tax credit claimed (5)	Taxable income (less loss) from foreign sources before loss recapture (6)	Foreign taxes paid or accrued (7)	Foreign taxes deemed paid (8)	Reduction for certain foreign taxes (9)	Carryover (10)	Foreign tax credit computed: Before reduction for international boycott operations (11)	Foreign tax credit computed: Reduction for international boycott operations (12)
Metal mining												
All geographic areas and DISC dividends, total	16	10,709,676	432,138	161,630	58,114	187,766	44,013	23,312	956	49,111	58,114	—
Canada	9	10,363,691	406,543	150,110	46,972	135,504	17,020	22,302	956	15,359	46,972	—
Latin America, total	*8	*5,984,321	*247,838	*87,359	*18,035	*58,041	*8,533	*10,791	*821	*528	*18,035	*—
Mexico	3	5,598,214	154,999	46,157	15,093	41,268	4,982	10,791	—	316	15,093	—
All other Latin America	*8	*5,902,873	*235,356	*81,785	*16,927	*54,544	*7,756	*9,780	*821	*212	*16,927	*—
Other Western Hemisphere, total	—	—	—	—	—	—	—	—	—	—	—	—
Europe, total	4	7,771,534	258,819	91,901	39,322	107,010	10,004	21,134	—	9,180	39,322	—
United Kingdom	3	7,745,767	256,171	90,832	38,253	103,641	9,265	20,124	—	8,864	38,253	—
Africa, total	4	8,331,593	355,713	135,183	49,189	143,751	37,408	20,124	821	41,275	49,189	—
Oceania, total	6	9,278,445	389,982	143,306	42,926	126,552	13,797	20,594	956	10,313	42,926	—
Australia	6	9,278,445	389,982	143,306	42,926	126,552	13,797	20,594	956	10,313	42,926	—
Oil and gas extraction												
All geographic areas and DISC dividends, total	126	40,870,837	5,457,446	2,460,838	1,822,331	4,283,729	2,495,435	57,553	460,599	940,635	1,832,630	—
Canada	52	36,242,203	4,260,894	1,918,368	1,386,934	3,284,553	1,817,877	51,444	204,450	912,561	1,397,233	—
Latin America, total	27	35,811,852	4,346,510	1,968,210	1,410,258	3,275,502	1,821,353	56,603	204,302	865,132	1,420,557	—
Brazil	5	26,715,141	3,454,315	1,567,169	1,165,791	2,698,841	1,568,602	43,893	174,882	831,005	1,178,090	—
Ecuador	12	28,610,821	3,492,024	1,584,092	1,180,377	2,722,251	1,585,072	50,128	176,766	835,637	1,190,676	—
Panama (including Canal Zone)	8	3,645,073	326,075	149,496	104,240	262,323	91,895	12,845	340	436	104,240	—
Venezuela	11	27,203,975	3,220,149	1,473,224	1,208,540	2,777,861	1,608,780	45,951	168,195	837,143	1,218,839	—
All other Latin America	16	30,464,688	3,709,416	1,700,638	1,369,202	3,151,538	1,799,050	38,377	202,418	849,034	1,379,501	—
Other Western Hemisphere, total	7	24,683,757	2,623,588	1,199,887	1,191,760	2,731,473	1,616,893	18,915	175,222	847,393	1,202,059	—
Bermuda	5	23,119,136	2,489,319	1,138,914	1,136,537	2,590,605	1,559,832	16,880	168,195	834,686	1,146,636	—
All other Western Hemisphere	4	22,463,503	2,424,380	1,108,550	1,102,799	2,536,037	1,529,455	14,457	174,682	847,393	1,113,099	—
Europe, total	36	34,575,343	4,238,300	1,918,867	1,413,807	3,316,044	1,830,188	53,735	202,418	902,775	1,423,906	—
France (including Andorra)	8	25,967,525	3,086,884	1,417,243	1,183,795	2,727,255	1,599,116	41,104	187,045	839,788	1,194,094	—
Italy (including San Marino)	5	5,405,644	1,087,369	473,744	120,371	268,487	99,556	23,653	7,026	25,056	120,371	—
Netherlands	23	6,149,064	871,325	398,280	182,342	433,002	156,451	22,772	340	6,781	182,342	—
Spain	3	3,844,358	686,475	315,566	87,236	196,380	77,318	17,211	8,007	1,154	87,235	—
Switzerland	4	24,419,647	2,875,901	1,301,580	1,126,838	2,571,200	1,551,603	17,604	168,195	821,596	1,137,137	—
United Kingdom	16	32,666,686	3,930,227	1,780,442	1,319,269	3,081,235	1,729,212	51,169	183,228	889,479	1,329,568	—
West Germany	6	24,928,836	2,816,473	1,294,941	1,110,807	2,598,857	1,524,712	38,011	167,856	864,017	1,121,105	—
All other Europe	11	28,222,317	3,297,043	1,508,120	1,213,040	2,809,862	1,619,221	48,166	182,889	853,446	1,223,339	—
Africa, total	34	30,097,140	3,924,289	1,800,558	1,529,424	3,490,505	2,180,772	35,825	407,688	844,774	1,539,723	—
South Africa (including South-West Africa)	*20	*20,721,584	*2,265,696	*1,041,184	*1,038,628	*2,378,024	*1,465,789	*14,422	*187,856	*821,596	*1,048,927	*—
OPEC countries	10	28,609,476	3,354,638	1,542,089	1,277,325	2,933,191	1,702,014	35,825	183,228	834,703	1,287,624	—
All other Africa	13	9,355,935	1,645,138	753,184	490,344	1,099,028	714,531	21,404	239,832	23,178	490,344	—
Asia, total	32	35,395,046	4,526,597	2,046,163	1,544,841	3,559,336	1,994,754	54,872	239,737	901,990	1,555,141	—
Indonesia	18	31,247,590	3,696,048	1,688,807	1,418,196	3,252,819	1,866,611	33,277	216,878	872,609	1,428,495	—
Japan (including Okinawa and Ryukyus)	4	25,060,426	3,206,527	1,454,202	1,098,976	2,514,296	1,510,768	35,610	167,856	823,854	1,109,277	—
Middle East countries (excluding OPEC)	*7	*3,640,583	*800,435	*366,758	*176,594	*390,212	*172,764	*19,598	*26,216	*24,105	*176,594	*—
OPEC countries (excluding Indonesia)	10	8,452,245	1,023,198	461,378	241,514	553,676	220,452	32,590	12,920	35,127	241,514	—
Philippines	6	24,320,377	2,957,455	1,359,904	1,154,597	2,641,183	1,568,458	32,694	174,882	831,005	1,164,896	—
All other Asia	10	27,809,998	3,182,095	1,456,224	1,256,567	2,886,646	1,669,299	35,333	175,222	849,650	1,266,866	—
Oceania, total	32	26,740,606	3,129,480	1,433,065	1,148,136	2,697,104	1,573,810	34,380	175,894	862,895	1,158,435	—
Australia	18	26,721,504	3,110,751	1,427,071	1,142,141	2,679,682	1,566,947	34,380	175,894	862,831	1,152,440	—
All other Oceania	*16	*24,427,656	*2,960,686	*1,359,082	*1,131,314	*2,588,999	*1,549,226	*31,633	*175,862	*822,813	*1,141,613	*—
Country not stated	12	26,811,692	2,814,235	1,281,189	1,206,108	2,781,105	1,649,446	22,971	184,316	858,489	1,216,407	—
OPEC countries, total (included above)	29	34,179,991	4,041,438	1,843,263	1,464,620	3,406,140	1,907,288	50,838	220,548	887,580	1,474,919	—

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total (13)	Dividends (14)	Dividend gross-up (15)	Interest (16)	Other (17)	Oil and gas extraction gross income (less loss) (18)	Deductions other than from branch operations and specially allocable income (19)	Deductions from oil and gas extraction income (20)	Taxable income (less loss) before loss recapture: Total (21)	Foreign branch income (22)	Specially allocable income (Section 863(B)) (23)	Other than from branch operations and specially allocable income (24)
Metal mining												
All geographic areas and DISC dividends, total	801,847	66,495	23,312	15,754	696,286	—	671,034	—	167,766	38,953	—	130,813
Canada	398,733	21,944	9,805	9,028	357,956	—	360,260	—	54,842	16,370	—	38,472
Latin America, total	*13,199	*1,869	*488	*1,932	*8,910	*—	*3,918	*—	*9,283	*3	*—	*9,281
Mexico	—	—	—	—	—	—	—	—	—	—	—	—
All other Latin America	*6,899	*—	*—	*671	*8,328	*—	*3,918	*—	*5,084	*3	*—	*5,061
Other Western Hemisphere, total	—	—	—	—	—	—	—	—	—	—	—	—
Europe, total	14,685	3,632	2,582	585	7,886	—	3,353	—	11,401	89	—	11,332
United Kingdom	1,710	766	828	6	110	—	—	—	1,710	—	—	1,710
Africa, total	312,734	23,947	8,217	1,722	278,847	—	264,564	—	48,073	-97	—	48,170
Oceania, total	48,342	4,370	—	1,135	42,837	—	31,540	—	35,141	18,339	—	16,801
Australia	48,322	4,370	—	1,135	42,817	—	31,540	—	35,120	18,339	—	16,781
Oil and gas extraction												
All geographic areas and DISC dividends, total	4,566,340	263,191	57,553	54,442	4,191,154	3,731,863	1,153,410	853,837	4,283,729	869,855	944	3,412,930
Canada	99,502	5,173	1,319	6,037	86,972	131,279	54,892	35,817	134,439	89,829	—	44,610
Latin America, total	1,010,020	38,799	10,727	2,797	959,697	725,451	293,638	197,931	740,558	24,376	—	718,182
Brazil	18,554	2,774	45	-695	16,430	—	15,192	—	6,864	3,502	—	3,362
Ecuador	3,877	—	—	—	3,877	—	3,054	—	1,623	800	—	823
Panama (including Canal Zone)	44,861	17,614	2,815	791	23,641	—	17,512	—	27,349	—	—	27,349
Venezuela	11,207	2,412	1,204	993	6,599	—	3,963	—	15,559	8,315	—	7,244
All other Latin America	904,086	8,404	1,383	1,185	893,115	725,451	248,887	197,931	666,958	11,759	—	655,200
Other Western Hemisphere, total	12,508	13,445	2,487	135	-3,559	—	2,196	—	10,312	—	—	10,312
Bermuda	6,405	9,889	400	135	-3,819	—	2,181	—	4,224	—	—	4,224
All other Western Hemisphere	—	—	—	—	—	—	—	—	—	—	—	—
Europe, total	1,259,457	175,026	34,644	16,654	1,033,134	1,058,914	106,914	73,726	1,332,966	180,422	—	1,152,544
France (including Andorra)	16,443	—	—	193	16,250	—	10,336	—	6,856	749	—	6,107
Italy (including San Marino)	21,454	4,477	3,021	43	13,913	—	10,397	—	11,057	—	—	11,057
Netherlands	53,863	3,308	162	1,380	49,013	48,367	14,262	12,841	39,811	210	—	39,601
Spain	-298	—	—	37	-335	—	4	—	-543	-241	—	-302
Switzerland	226	182	6	21	16	—	43	—	183	—	—	183
United Kingdom	1,132,246	161,328	26,375	-14,692	929,850	1,008,547	53,828	60,885	1,257,723	179,304	—	1,078,418
West Germany	11,371	5,169	4,696	—	1,507	—	1,592	—	8,948	-832	—	9,780
All other Europe	22,864	—	—	287	22,577	—	15,127	—	8,968	1,231	—	7,736
Africa, total	1,368,928	6,485	277	21,158	1,341,009	1,326,096	414,522	257,198	1,522,528	568,121	—	954,406
South Africa (including South-West Africa)	*1,119	*1,065	*—	*—	*54	*—	*1	*—	*1,118	*—	*—	*1,118
OPEC countries	1,303,081	31	67	20,962	1,282,020	768,407	384,271	205,228	991,420	52,609	—	938,810
All other Africa	58,501	—	—	85	58,416	557,689	49,673	51,970	524,340	515,512	—	8,828
Asia, total	743,611	25,133	8,099	5,796	704,583	491,698	229,970	89,146	526,493	12,852	—	513,641
Indonesia	551,017	2,351	278	1,197	547,190	432,560	131,478	70,235	419,539	—	—	419,539
Japan (including Okinawa and Ryukyus)	6,436	209	201	6	6,019	—	3,308	—	3,016	-112	—	3,128
Middle East countries (excluding OPEC)	*14,324	*7,394	*2,387	*384	*4,160	*—	*966	*—	*13,358	*—	*—	*13,358
OPEC countries (excluding Indonesia)	74,729	5,749	3,592	48	65,340	28,294	34,306	9,212	52,350	11,926	—	40,424
Philippines	40,550	—	—	4,161	36,369	30,844	13,645	9,700	27,891	986	—	26,904
All other Asia	45,444	307	269	—	44,868	—	38,460	—	7,035	52	—	6,983
Oceania, total	40,045	2	—	118	39,924	425	22,121	15	12,178	-5,746	—	17,924
Australia	3,245	2	*—	110	3,133	425	2,844	15	-5,344	-5,746	—	402
All other Oceania	*36,800	*—		*6	*36,791	*—	*19,277	*—	*17,522	*—	*—	*17,522
Country not stated	32,269	1,127	—	1,747	29,394	—	28,904	5	4,308	—	944	3,364
OPEC countries, total (included above)	1,943,911	10,543	5,141	23,200	1,905,027	1,229,261	537,071	284,674	1,480,490	73,650	—	1,408,840

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued: Foreign taxes paid or accrued and deemed paid before reduction: Total (25)	Paid or accrued: Total (26)	Tax withheld at source on: Dividends (27)	Interest (28)	Rents, royalties and license fees (29)	Other taxes paid or accrued on: Branch income (30)	Other income (31)	Deemed paid (32)
Metal mining								
All geographic areas and DISC dividends, total	87,325	44,013	7,973	643	631	1,926	32,840	23,312
Canada	16,096	6,293	2,955	151	74	—	3,113	9,805
Latin America, total	*4,756	*4,266	*375	*443	*261	*—	*3,189	*488
Mexico								
All other Latin America	*3,326	*3,326	*—	*129	*8	*—	*3,189	*—
Other Western Hemisphere, total	—	—	—	—	—	—	—	—
Europe, total	3,784	1,202	213	12	54	22	900	2,582
United Kingdom	2,658	1,047	131	—	-7	22	900	1,611
Africa, total	37,068	28,850	3,409	—	61	—	25,381	8,217
Oceania, total	2,178	2,178	656	37	68	1,165	252	—
Australia	2,175	2,175	656	37	68	1,165	249	—
Oil and gas extraction								
All geographic areas and DISC dividends, total	2,552,987	2,495,435	15,607	9,894	13,182	596,935	1,859,816	57,553
Canada	21,141	19,822	331	549	721	5,120	13,101	1,319
Latin America, total	424,543	413,815	3,203	1,188	2,123	12,242	395,080	10,727
Brazil	1,583	1,538	-32	—	16	—	1,554	45
Ecuador	858	658	—	—	—	365	493	—
Panama (including Canal Zone)	2,842	27	—	21	—	—	5	2,815
Venezuela	8,052	6,848	482	252	577	5,333	204	1,204
All other Latin America	403,581	402,179	2,676	331	509	6,545	392,116	1,383
Other Western Hemisphere, total	2,487	—	—	—	—	—	—	2,487
Bermuda	400	—	—	—	—	—	—	400
All other Western Hemisphere	2,087	—	—	—	—	—	—	2,087
Europe, total	796,078	761,434	9,889	251	218	87,904	663,173	34,644
France (including Andorra)	904	904	—	23	13	477	392	—
Italy (including San Marino)	3,245	224	224	—	—	—	—	3,021
Netherlands	15,973	15,810	19	126	—	160	15,505	182
Spain	87	67	—	67	—	—	—	—
Switzerland	43	37	27	9	—	—	—	6
United Kingdom	768,866	742,492	8,631	25	174	86,752	646,910	26,375
West Germany	5,506	811	780	—	31	—	—	4,696
All other Europe	977	977	96	6,289	—	515	366	—
Africa, total	1,040,646	1,040,389	164	*—	323	485,174	548,420	277
South Africa (including South-West Africa)	*167	*167	*160	8,289	*8	*—	*—	*—
OPEC countries	580,606	580,539	4	—	—	27,816	546,426	67
All other Africa	459,663	459,663	—	1,627	315	457,355	1,992	—
Asia, total	259,717	251,619	2,020	5	9,520	6,486	231,965	8,099
Indonesia	219,809	219,530	140	1	8,871	—	210,515	278
Japan (including Okinawa and Ryukyus)	804	604	31	*4	535	1	35	201
Middle East countries (excluding OPEC)	*4,246	*1,860	*1,848	—	*—	*—	*7	*2,387
OPEC countries (excluding Indonesia)	21,932	18,340	—	1,618	94	6,055	12,191	3,592
Philippines	10,388	10,388	—	—	—	347	8,423	—
All other Asia	1,166	697	—	12	20	83	793	269
Oceania, total	7,303	7,303	(1)	11	270	—	7,021	—
Australia	620	620	(1)	*1	251	—	357	—
All other Oceania	*6,683	*6,683	*—	—	*19	*—	*6,663	*—
Country not stated	1,073	1,073	—		9	9	1,056	—
OPEC countries, total (included above)	831,256	826,115	626	6,545	9,541	39,571	769,832	5,141

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources								Foreign tax credit computed	
			Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Before reduction for international boycott operations	Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
All other mining												
All geographic areas and DISC dividends, total	19	8,744,245	528,133	230,867	83,413	204,005	80,679	937	—	2,604	83,413	—
Canada	13	4,556,614	421,322	184,039	82,144	199,180	80,177	87	—	2,528	82,144	—
Latin America, total	4	3,904,744	394,420	174,188	81,943	197,596	78,968	773	—	2,278	81,943	—
Europe, total	7	5,088,824	344,583	147,758	81,561	197,445	79,132	164	—	2,315	81,561	—
Asia, total	7	5,507,803	472,672	206,686	82,408	200,064	79,617	509	—	2,318	82,408	—
Japan (including Okinawa and Ryukyus)	3	1,802,956	78,497	32,585	662	2,916	662	—	—	—	662	—
Oceania, total	4	3,532,038	324,484	140,500	81,235	195,679	78,870	87	—	2,278	81,235	—
Australia	4	3,532,038	324,484	140,500	81,235	195,679	78,870	87	—	2,278	81,235	—
OPEC countries, total (including above)	4	1,853,707	175,569	79,526	6,992	31,067	4,103	773	—	2,227	6,992	—
Construction												
All geographic areas and DISC dividends, total	148	11,802,947	888,240	387,815	150,767	491,539	44,788	109,650	—	23,529	150,767	—
Canada	40	9,998,417	752,728	339,020	135,080	435,738	30,073	109,479	—	15,890	135,080	—
Latin America, total	18	8,890,451	685,711	313,732	131,836	421,178	30,238	103,750	—	15,977	131,836	—
Brazil	7	5,379,271	348,668	159,576	52,445	154,364	26,401	28,822	—	13,227	52,445	—
Mexico	9	7,184,305	570,517	261,269	104,432	338,453	16,642	87,941	—	4,253	104,432	—
Panama (including Canal Zone)	6	5,947,290	434,644	199,263	122,684	374,887	23,090	102,697	—	12,901	122,684	—
Venezuela	5	4,432,276	158,130	71,084	51,036	147,845	25,508	28,582	—	12,951	51,036	—
All other Latin America	11	5,846,981	230,845	105,123	53,182	165,611	26,962	28,954	—	15,595	53,182	—
Other Western Hemisphere, total	6	5,387,952	156,811	71,417	37,959	126,980	27,966	13,542	—	3,928	37,959	—
Bermuda	3	3,927,504	91,761	41,659	24,901	77,665	14,072	11,312	—	3,921	24,901	—
Europe, total	73	9,487,880	706,966	318,917	135,271	432,930	30,116	109,518	—	15,867	135,271	—
Belgium	4	3,598,584	141,887	64,547	44,255	123,064	21,093	26,932	—	12,901	44,255	—
France (including Andorra)	8	5,317,921	171,424	77,438	48,714	143,258	21,118	31,639	—	14,464	48,714	—
Italy (including San Marino)	5	4,992,295	176,470	80,384	34,274	107,787	21,184	13,574	—	3,921	34,274	—
Netherlands	*50	*4,157,930	*141,478	*63,438	*45,475	*124,658	*21,942	*27,242	*—	*13,013	*45,475	*—
Spain	*12	*1,211,467	*94,981	*43,404	*21,695	*57,973	*7,349	*16,905	*—	*9,091	*21,695	*—
United Kingdom	14	8,120,405	654,133	296,934	130,210	414,277	27,508	106,063	—	14,415	130,210	—
West Germany	*11	*4,580,119	*158,433	*71,269	*30,669	*92,256	*15,505	*17,255	*—	*5,485	*30,669	*—
All other Europe	9	6,335,562	463,831	212,001	127,702	398,675	27,496	103,926	—	12,951	127,702	—
Africa, total	22	8,727,607	494,364	226,373	129,252	406,076	26,716	103,580	—	13,013	129,252	—
South Africa (including South-West Africa)	*12	*3,943,656	*127,150	*57,773	*27,172	*79,827	*16,313	*11,344	*—	*3,921	*27,172	*—
OPEC countries	8	5,947,891	463,861	212,570	127,356	396,685	26,849	103,548	—	13,013	127,356	—
All other Africa	*8	*4,681,608	*163,134	*74,275	*29,245	*89,347	*16,759	*12,969	*—	*3,921	*29,245	*—
Asia, total	43	9,692,278	702,851	319,823	143,364	463,395	41,982	103,996	—	22,018	143,364	—
Hong Kong	4	4,264,987	80,617	35,987	25,243	78,212	14,482	11,931	—	3,921	25,243	—
Indonesia	6	4,624,990	193,926	88,468	51,602	151,664	26,161	28,543	—	12,901	51,602	—
Japan (including Okinawa and Ryukyus)	*24	*5,159,037	*332,103	*150,653	*47,549	*137,615	*22,201	*27,938	*—	*13,469	*47,549	*—
Middle East countries (excluding OPEC)	4	937,706	20,134	9,165	244	7,709	244	—	—	—	244	—
OPEC countries (excluding Indonesia)	18	7,379,022	283,669	128,549	66,478	210,637	40,205	28,651	—	21,562	66,478	—
Philippines	5	4,692,745	151,137	68,881	27,702	68,006	15,248	12,937	—	3,921	27,702	—
All other Asia	13	7,362,994	489,056	223,681	133,367	428,784	36,266	103,270	—	12,908	133,367	—
Oceania, total	22	2,598,032	165,281	75,264	22,499	69,934	8,200	17,524	—	9,097	22,499	—
Australia	22	2,598,032	165,281	75,264	22,499	69,934	8,200	17,524	—	9,097	22,499	—
All other Oceania	3	1,142,938	57,499	26,350	898	12,478	836	—	—	112	898	—
Puerto Rico and U.S. Possessions, total	16	5,182,310	201,151	91,097	51,011	158,779	27,042	27,197	—	13,927	51,011	—
Country not stated	*20	*5,481,191	*330,040	*147,999	*46,911	*142,616	*21,545	*28,172	*—	*14,253	*46,910	*—
OPEC countries, total (included above)	21	8,749,600	554,057	252,880	142,337	455,915	41,059	103,656	—	21,582	142,337	—

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country											
	Gross income (less loss) excluding branch operations and specially allocable income					Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture			
	Total	Dividends	Dividend gross-up	Interest	Other				Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
All other mining												
All geographic areas and DISC dividends, total	554,548	7,944	937	32,624	513,044	—	352,061	—	204,005	1,518	—	202,487
Canada	331,481	1,394	—	26,079	304,007	—	170,466	—	162,533	1,518	—	161,015
Latin America, total	1,213	774	265	50	124	—	180	—	1,033	—	—	1,033
Europe, total	2,711	401	119	2,351	- 180	—	1,204	—	1,507	—	—	1,507
Asia, total	152,645	955	509	(1)	151,181	—	128,955	—	25,690	—	—	25,690
Japan (including Okinawa and Ryukyus)	51	2	—	—	49	—	2	—	49	—	—	49
Oceania, total	60,281	99	44	4,031	58,106	—	40,958	—	19,323	—	—	19,323
Australia	60,281	99	44	4,031	56,106	—	40,958	—	19,323	—	—	19,323
OPEC countries, total (including above)	153,378	1,453	773	(1)	151,151	—	127,020	—	26,358	—	—	26,358
Construction												
All geographic areas and DISC dividends, total	1,115,560	190,831	109,650	15,900	799,179	29,339	657,430	14,868	491,539	33,409	—	458,130
Canada	28,846	8,345	8,681	6,606	3,233	—	6,413	—	22,174	1,741	—	20,432
Latin America, total	625,345	110,478	73,118	4,026	437,720	9,972	371,576	9,665	254,792	1,023	—	253,769
Brazil	1,528	619	345	—	563	—	2,919	—	- 620	771	—	- 1,391
Mexico	120,765	—	—	3,894	118,870	—	59,034	—	61,908	177	—	61,731
Panama (including Canal Zone)	188,475	109,209	72,614	—	4,651	—	9,174	—	177,301	—	—	177,301
Venezuela	303,092	355	64	—	302,673	9,972	287,380	9,665	12,994	- 2,738	—	15,731
All other Latin America	14,474	295	94	134	13,951	—	12,897	—	4,390	2,813	—	1,577
Other Western Hemisphere, total	6,596	816	561	802	4,418	—	819	—	10,682	4,885	—	5,777
Bermuda	710	—	—	331	379	—	440	—	270	—	—	1,174
Europe, total	102,292	38,372	24,200	1,420	40,300	—	39,242	—	69,092	6,043	—	63,049
Belgium	26	—	—	25	1	—	3	—	- 90	- 113	—	—
France (including Andorra)	7,542	3,615	452	7	3,468	—	3,106	—	4,474	39	—	23
Italy (including San Marino)	1,367	204	116	(1)	1,046	—	730	—	811	174	—	4,435
Netherlands	*15,931	*8,292	*7,417	*12	*210	*—	*1,617	*—	*16,052	*1,739	*—	*14,313
Spain	*32,202	*685	*234	*—	*31,303	*—	*29,112	*—	*3,090	*—	*—	*3,090
United Kingdom	37,893	19,762	13,964	796	3,372	—	3,527	—	35,342	975	—	34,367
West Germany	*4,355	*1,472	*1,493	*580	*810	*—	*802	*—	*4,797	*1,044	*—	*3,753
All other Europe	2,956	2,381	524	—	71	—	522	—	4,615	2,181	—	2,434
Africa, total	50,845	12,428	639	7	37,570	—	34,214	—	29,787	13,336	—	16,431
South Africa (including South-West Africa)	*692	*169	*34	*—	*489	*—	*669	*—	*11,652	*11,628	*—	*24
OPEC countries	31,636			7	31,629	—	28,346	—	4,320	1,030	—	3,290
All other Africa	*5,452	*—	*—	*—	*5,452	*—	*5,199	*—	*931	*678	*—	*254
Asia, total	226,290	19,771	2,379	1,019	203,121	19,368	136,727	5,203	96,778	7,216	—	89,562
Hong Kong	3,173	1,270	—	4	1,900	—	828	—	2,345	—	—	2,345
Indonesia	20,118			26	20,091	19,368	19,856	5,203	109	- 153	—	262
Japan (including Okinawa and Ryukyus)	*4,603	*—	*—	*434	*4,168	*—	*424	*—	*6,000	*1,820	*—	*4,179
Middle East countries (excluding OPEC)	1	(1)		1	—	—	3	—	- 5	- 3	—	- 2
OPEC countries (excluding Indonesia)	184,417	18,496	2,379	234	163,307	—	108,613	—	85,531	9,726	—	75,604
Philippines	2,325	—	—	287	2,038	—	1,974	—	- 425	- 776	—	351
All other Asia	11,653	5		33	11,616	—	5,030	—	3,224	- 3,400	—	6,623
Oceania, total	2,896	115	92	1,019	1,669	—	3,955	—	- 2,077	- 1,018	—	- 1,059
Australia	2,304	115	92	453	1,644	—	3,688	—	- 2,402	- 1,018	—	- 1,328
All other Oceania	592	—	—	566	26	—	267	—	324	—	—	324
Puerto Rico and U.S. Possessions, total	24,831			351	24,479	—	21,577	—	3,237	- 17	—	3,254
Country not stated	*46,902	*1,588	*—	*646	*46,668	*- 1	*40,526	*—	*8,576	*200	*—	*8,376
OPEC countries, total (included above)	538,274	18,850	2,443	268	516,712	19,368	444,387	5,203	101,773	7,886	—	93,907

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued: Foreign taxes paid or accrued and deemed paid before reduction: Total	Paid or accrued: Total	Tax withheld at source on: Dividends	Tax withheld at source on: Interest	Tax withheld at source on: Rents, royalties and license fees	Other taxes paid or accrued on: Branch income	Other taxes paid or accrued on: Other income	Deemed paid
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
All other mining								
All geographic areas and DISC dividends, total	61,616	60,679	591	616	27	989	78,458	937
Canada	78,115	78,115	208	357	1	989	74,560	—
Latin America, total	443	179	158	—	21	—	—	265
Europe, total	416	296	37	260	—	—	—	119
Asia, total	4,496	3,988	87	—	5	—	3,896	509
Japan (including Okinawa and Ryukyus)	5	5	(1)	—	5	—	—	—
Oceania, total	145	101	101	—	—	—	—	44
Australia	145	101	101	—	—	—	—	44
OPEC countries, total (included above)	4,856	4,082	187	—	—	—	38,962	773
Construction								
All geographic areas and DISC dividends, total	154,438	44,788	3,145	194	647	13,593	27,209	109,650
Canada	10,895	2,234	477	116	175	1,056	411	8,661
Latin America, total	79,790	6,672	912	4	—	1,790	3,967	73,118
Brazil	880	535	155	—	—	347	33	345
Mexico	421	421	—	4	—	—	417	—
Panama (including Canal Zone)	72,819	205	—	—	—	9	196	72,614
Venezuela	4,423	4,358	—	—	—	1,189	3,169	84
All other Latin America	1,247	1,153	757	—	—	244	152	94
Other Western Hemisphere, total	581	—	—	—	—	—	—	561
Bermuda	561	—	—	—	—	—	—	561
Europe, total	28,598	4,399	1,804	(1)	72	1,925	798	24,200
Belgium	—	—	—	—	—	—	—	—
France (including Andorra)	728	276	195	—	43	3	36	452
Italy (including San Marino)	207	91	11	(1)	2	78	—	118
Netherlands	*7,912	*495	*417	*—	*—	*—	*77	*7,417
Spain	*991	*757	*56	*—	*17	*—	*684	*234
United Kingdom	14,620	857	612	—	—	45	—	13,964
West Germany	*1,833	*340	*221	*—	*—	*119	*—	*1,493
All other Europe	2,307	1,783	93	—	10	1,680	—	524
Africa, total	9,650	9,011	29	3	—	6,058	2,921	639
South Africa (including South-West Africa)	*4,236	*4,201	*25	*3	*—	*4,173	*(1)	*34
OPEC countries	4,762	4,762	—	—	*—	1,842	2,920	—
All other Africa	*44	*44	*—	*—	*—	*44	*—	*—
Asia, total	23,154	20,775	101	10	374	2,719	17,572	2,379
Hong Kong	98	98	98	—	—	—	—	—
Indonesia	5,340	5,340		—		419	4,922	
Japan (including Okinawa and Ryukyus)	*497	*497	*—	*5	*374	*115	*4	*—
Middle East countries (excluding OPEC)	(1)	(1)	(1)	(1)	—	—	—	—
OPEC countries (excluding Indonesia)	15,410	13,031	3	—	—	439	12,589	2,379
Philippines	249	249	—	—	—	249	—	—
All other Asia	1,560	1,560	—	5		1,497	58	
Oceania, total	467	375	17	61	9	—	288	92
Australia	455	363	17	49	8	—	288	92
All other Oceania	12	12	—	12	1	—	—	—
Puerto Rico and U.S. Possessions, total	1,255	1,255	—	—	18	45	1,191	—
Country not stated	*67	*67	*5	*—	*—	*—	*62	*—
OPEC countries, total (included above)	29,935	27,492	3	—	—	3,889	23,600	2,443

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources: Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Foreign tax credit computed: Before reduction for international boycott operations	Foreign tax credit computed: Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Manufacturing, total												
All geographic areas and DISC dividends, total	2,225	1,137,437,261	103,493,283	46,453,212	19,188,231	47,993,090	12,738,098	10,021,138	2,927,320	2,842,132	19,191,703	2,789
Canada	1,374	1,082,174,081	97,845,779	43,921,150	18,854,082	48,976,771	12,569,122	9,779,665	2,903,212	2,729,421	18,857,129	2,685
Latin America, total	737	1,042,376,127	94,152,603	42,276,637	18,855,112	46,872,684	12,633,301	9,768,198	2,927,274	2,817,451	18,859,252	2,789
Brazil	346	820,434,265	71,370,778	32,179,131	15,687,692	38,995,285	10,200,068	7,989,919	2,222,389	2,593,880	15,690,166	2,393
Ecuador	110	464,939,602	48,863,702	22,121,056	12,306,498	28,979,933	7,359,157	6,419,809	1,373,746	2,395,175	12,310,204	1,707
Mexico	527	908,442,155	82,045,508	37,019,623	16,835,255	41,882,428	11,286,058	8,330,144	2,548,651	2,563,733	16,838,221	2,736
Panama (including Canal Zone)	159	641,157,879	58,616,543	28,431,121	13,574,419	33,503,831	7,445,796	8,062,132	1,567,246	2,308,388	13,577,098	2,565
Venezuela	292	827,641,514	71,859,411	32,462,423	16,113,816	39,928,347	11,229,406	7,778,212	2,821,851	2,550,497	16,116,052	1,925
All other Latin America	441	955,611,367	87,545,111	39,336,393	18,328,720	45,381,885	12,504,641	9,349,231	2,927,137	2,787,361	18,331,726	2,655
Other Western Hemisphere, total	233	822,391,057	75,644,281	34,135,300	16,987,148	40,933,987	11,943,186	8,502,504	2,900,546	2,611,109	16,990,061	2,603
The Bahamas	90	470,450,720	50,291,231	22,679,303	13,297,238	31,119,010	9,875,958	6,064,819	2,524,558	2,381,902	13,298,841	1,408
Bermuda	120	563,003,266	57,471,344	25,975,713	13,293,380	31,410,044	8,737,225	8,515,503	1,758,799	2,337,008	13,295,779	2,263
Netherlands Antilles	110	481,151,895	43,411,896	19,640,580	11,444,723	27,193,053	8,729,789	6,943,887	2,168,002	2,105,172	11,446,684	1,730
All other Western Hemisphere	56	366,991,252	40,404,096	18,266,969	10,570,214	24,402,471	8,694,648	5,291,772	1,318,800	2,229,557	10,570,681	386
Europe, total	1,066	1,076,658,119	97,652,667	43,851,363	18,977,933	47,379,537	12,800,858	9,915,704	2,903,212	2,811,005	18,981,405	2,789
Austria	128	527,969,061	48,748,934	22,017,260	11,769,946	28,653,438	7,955,216	6,194,804	2,159,665	1,364,315	11,771,292	1,345
Belgium	281	803,297,255	73,720,103	33,268,352	17,009,702	41,492,745	11,603,468	8,799,471	2,808,432	2,634,025	17,012,245	2,153
Denmark	140	568,209,876	50,483,620	22,776,462	11,646,191	28,610,959	8,305,661	6,650,134	1,293,475	1,924,077	11,648,029	1,838
France (including Andorra)	484	928,774,016	78,316,123	35,203,643	16,108,995	40,426,485	10,002,939	8,559,120	2,230,338	2,649,744	16,111,946	2,757
Italy (including San Marino)	329	881,423,302	77,249,113	34,804,585	15,851,812	39,568,903	10,337,968	8,047,379	2,249,585	2,550,749	15,854,625	2,813
Luxembourg	39	310,939,902	23,740,806	10,698,026	6,461,197	15,856,686	4,240,478	3,064,344	993,912	1,435,507	6,461,688	378
Netherlands	339	818,835,112	71,870,190	32,415,752	16,327,483	39,961,578	11,374,102	7,894,092	2,622,486	2,540,457	16,330,069	2,342
Spain	308	826,977,472	77,187,029	34,882,234	16,802,385	41,256,751	11,680,092	8,511,106	2,874,703	2,657,453	16,804,187	1,668
Sweden	197	877,278,716	57,513,679	25,899,633	12,877,121	32,389,101	7,169,789	7,180,050	1,378,009	2,108,404	12,879,040	1,805
Switzerland	291	782,803,742	72,778,919	32,772,982	15,497,694	38,628,075	10,033,284	7,844,772	2,186,674	2,620,863	15,500,041	2,152
United Kingdom	713	1,020,638,507	92,752,042	41,769,519	18,642,052	46,317,895	12,498,918	9,832,605	2,903,204	2,721,218	18,645,105	2,789
West Germany	502	943,205,645	81,980,796	36,688,971	16,520,854	41,259,398	10,493,264	8,533,100	2,240,432	2,682,506	16,523,856	2,753
All other Europe	338	883,962,061	80,706,914	36,428,642	17,576,296	43,158,540	12,080,008	8,650,517	2,693,570	2,685,415	17,576,986	2,504
Africa, total	515	887,331,171	83,583,875	37,741,829	17,832,867	43,935,969	12,268,157	9,034,795	2,903,063	2,647,613	17,835,715	2,733
Liberia	41	368,771,365	41,690,893	18,878,164	9,766,953	22,884,816	6,080,950	5,054,524	1,375,765	2,020,588	9,767,338	385
South Africa (including South-West Africa)	464	744,716,058	68,769,235	31,058,618	14,771,731	36,377,170	8,650,526	8,498,547	1,999,711	2,127,697	14,774,072	2,226
OPEC countries	77	480,520,693	52,837,386	23,935,757	12,558,336	29,995,249	9,092,704	5,872,465	2,265,046	2,364,443	12,560,008	1,672
All other Africa	137	694,577,777	65,823,290	29,650,337	16,245,483	39,222,590	11,711,239	7,931,478	2,878,331	2,614,990	16,246,665	1,182
Asia, total	1,018	1,044,537,980	94,467,517	42,523,034	18,673,154	46,409,712	12,461,342	9,732,138	2,903,167	2,800,303	18,676,276	2,789
Hong Kong	147	589,844,066	57,453,417	26,106,502	12,861,996	31,627,876	7,282,310	6,935,554	1,291,747	2,298,508	12,863,843	1,732
Indonesia	104	569,751,543	57,409,047	25,961,665	14,902,544	35,239,671	10,340,845	7,563,108	2,500,327	2,558,565	14,905,003	2,345
Japan (including Okinawa and Ryukyus)	873	1,006,152,242	89,373,916	40,206,253	17,621,254	43,944,862	11,051,401	9,622,877	2,495,966	2,757,973	17,624,376	2,789
Middle East countries (excluding OPEC)	197	604,341,414	55,902,702	25,220,611	13,844,073	33,596,457	9,536,985	6,739,612	2,213,655	2,366,829	13,845,929	1,776
OPEC countries (excluding Indonesia)	140	681,127,151	63,537,248	28,770,356	14,756,844	35,899,309	10,420,154	7,300,709	2,513,599	2,553,643	14,757,607	763
Philippines	201	668,081,609	68,754,922	30,077,703	14,543,297	35,532,761	8,656,081	7,996,355	1,635,838	2,566,900	14,545,698	2,090
All other Asia	345	892,793,557	80,807,199	36,486,742	17,426,207	43,020,613	11,683,936	8,948,927	2,879,980	2,673,884	17,429,072	2,751
Oceania, total	709	981,219,595	88,413,747	39,875,100	17,535,719	43,627,092	11,302,275	9,287,167	2,518,516	2,652,530	17,538,627	2,878
Australia	623	956,279,843	84,119,349	37,924,843	17,440,557	43,331,001	11,223,664	9,269,970	2,514,214	2,648,581	17,443,464	2,678
All other Oceania	276	686,222,484	65,216,393	29,509,077	13,527,852	33,400,423	7,806,108	7,194,714	1,378,650	2,465,313	13,529,874	1,906
Puerto Rico and U.S. Possessions, total	289	728,305,284	60,853,458	27,391,421	12,561,274	31,902,872	5,817,715	7,621,122	1,072,825	2,147,120	12,564,509	2,728
Country not stated	387	891,733,277	83,361,594	37,553,565	17,668,953	43,574,528	11,992,971	9,110,573	2,870,439	2,747,023	17,671,581	2,414
DISC dividends	122	332,887,388	24,093,106	10,778,099	4,195,230	11,209,496	3,636,753	1,273,730	621,957	589,784	4,195,782	438
OPEC countries, total (included above)	345	907,320,177	82,935,431	37,432,156	17,793,893	43,897,751	12,221,794	9,047,005	2,903,159	2,560,546	17,796,879	2,475

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country											
	Gross income (less loss) excluding branch operations and specially allocable income					Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture			
	Total	Dividends	Dividend gross-up	Interest	Other				Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Manufacturing, total												
All geographic areas and DISC dividends, total	56,419,900	17,048,654	10,021,138	3,200,639	26,149,469	24,609,845	23,011,030	6,208,003	47,993,090	13,114,023	1,470,197	33,408,870
Canada	5,215,091	1,598,152	1,118,600	511,637	1,986,702	1,338,000	1,417,773	462,830	4,583,269	353,990	431,962	3,797,318
Latin America, total	8,046,815	1,314,123	686,737	458,331	3,587,624	2,186,212	2,789,451	1,305,166	3,823,426	505,574	60,488	3,257,364
Brazil	570,958	272,506	146,196	60,236	92,020	1,061	222,910	997	324,301	-33,550	9,804	348,047
Ecuador	248,063	4,686	819	2,817	239,740	217,790	64,621	49,708	189,079	4,664	973	183,442
Mexico	894,115	268,971	214,184	83,911	327,050	—	291,681	—	691,849	72,600	16,814	602,434
Panama (including Canal Zone)	567,228	381,412	132,082	21,428	32,306	-1	93,600	-39	487,608	10,482	3,499	473,628
Venezuela	387,037	93,154	44,991	31,077	217,814	2,628	174,559	556	229,232	11,598	5,156	212,477
All other Latin America	3,379,414	293,394	148,464	258,862	2,678,694	1,964,734	1,942,079	1,253,944	1,901,357	439,779	24,242	1,437,335
Other Western Hemisphere, total	1,243,400	688,686	149,139	333,859	71,515	121,884	222,684	—	1,290,587	266,004	3,867	1,020,716
The Bahamas	369,445	87,831	26,238	270,805	-15,428	5	26,087	—	337,642	-6,365	646	343,360
Bermuda	578,316	417,051	89,510	35,934	35,821	121,879	110,282	—	471,123	600	2,489	468,034
Netherlands Antilles	248,794	182,253	32,992	14,192	19,357	—	66,608	—	436,932	254,394	353	182,186
All other Western Hemisphere	46,844	1,752	400	12,927	31,764	—	19,707	—	44,889	17,375	377	27,137
Europe, total	20,444,264	7,526,856	5,612,088	1,474,665	5,830,854	8,794,166	4,944,923	1,103,991	20,940,259	5,198,342	242,575	15,499,341
Austria	147,048	57,945	45,423	431	43,250	13,714	29,374	751	126,743	5,815	3,253	117,674
Belgium	1,015,151	332,958	267,459	72,835	341,899	—	327,642	—	678,496	-30,027	21,014	687,508
Denmark	186,862	51,491	34,436	8,273	91,661	—	49,955	—	148,633	8,434	3,292	136,906
France (including Andorra)	1,693,173	449,785	442,550	58,005	742,833	10,952	468,850	431	1,262,451	3,893	34,234	1,224,323
Italy (including San Marino)	1,074,788	482,281	241,633	14,806	336,068	1,436	256,528	—	908,093	68,402	21,431	818,260
Luxembourg	74,106	32,125	18,704	14,506	8,774	—	14,316	—	56,111	-3,856	175	59,792
Netherlands	2,681,802	1,152,636	902,768	63,002	563,395	1,669,651	357,263	153,317	2,478,392	136,126	15,727	2,324,539
Spain	360,896	135,974	50,407	9,062	165,453	34,028	139,597	21,361	223,777	-9,648	12,127	221,298
Sweden	217,283	80,431	37,992	10,026	88,633	—	70,271	—	163,600	4,849	11,740	147,012
Switzerland	1,277,796	770,879	306,083	16,530	184,304	—	298,067	—	996,716	6,860	10,127	979,729
United Kingdom	6,882,533	2,311,690	1,609,394	977,364	1,984,085	3,613,537	1,648,436	464,577	6,842,059	1,557,647	50,315	5,234,097
West Germany	4,021,535	1,523,310	1,579,779	78,374	840,073	527,439	780,383	25,098	3,302,077	11,559	49,346	3,241,172
All other Europe	811,290	145,152	75,481	150,450	440,227	2,923,408	504,261	438,456	3,755,112	3,438,288	9,795	307,029
Africa, total	3,011,022	652,593	180,551	130,042	2,047,836	4,353,070	694,793	871,906	4,558,298	2,229,805	10,265	2,318,229
Liberia	457,499	348,752	2,236	102,384	4,128	—	13,699	—	452,409	8,472	137	443,800
South Africa (including South-West Africa)	413,967	188,721	113,088	8,955	103,203	—	79,180	—	384,100	21,483	7,831	334,787
OPEC countries	473,266	58,321	18,664	3,184	393,097	2,962,250	125,645	630,005	2,594,629	2,246,006	1,002	347,621
All other Africa	1,666,291	56,799	46,563	15,520	1,547,408	1,390,820	476,269	241,901	1,145,160	-46,156	1,295	1,190,021
Asia, total	9,808,758	3,152,137	1,847,420	68,463	4,740,739	5,583,826	4,758,389	868,485	8,843,257	3,623,272	169,616	5,050,369
Hong Kong	192,017	96,732	19,050	1,957	74,276	—	62,516	—	152,060	12,357	10,201	129,501
Indonesia	2,318,140	873,882	1,090,230	3,557	350,471	2,867,464	213,892	255,090	3,482,966	1,368,361	10,359	2,104,248
Japan (including Okinawa and Ryukyus)	2,146,782	550,380	617,263	24,981	954,159	45,722	539,569	7,347	1,799,607	88,315	104,099	1,607,193
Middle East countries (excluding OPEC)	97,392	2,888	1,257	7,169	66,078	—	30,276	—	95,720	25,826	2,778	67,116
OPEC countries (excluding Indonesia)	4,157,407	1,431,052	4,594	1,870	2,719,891	2,303,507	3,539,004	372,706	2,479,263	1,654,262	8,599	816,402
Philippines	162,431	34,596	21,036	4,687	102,131	—	84,412	—	109,582	30,763	801	78,018
All other Asia	734,590	162,606	93,991	24,262	453,731	467,134	288,699	233,342	724,057	243,387	34,779	445,890
Oceania, total	1,357,216	413,418	411,413	59,884	472,500	2,065,318	400,202	1,568,488	1,715,843	738,696	20,133	957,014
Australia	1,297,079	379,841	383,302	55,374	478,564	2,065,318	380,750	1,568,488	1,667,410	733,258	17,823	916,329
All other Oceania	80,136	33,576	28,112	4,511	-6,064	—	19,452	—	48,432	5,438	2,309	40,685
Puerto Rico and U.S. Possessions, total	381,241	170,732	7,232	10,428	192,849	—	277,826	—	251,351	44,796	103,140	103,415
Country not stated	7,463,387	88,226	4,980	153,330	7,218,850	67,369	7,129,437	27,136	915,647	153,547	428,150	333,950
DISC dividends	1,448,707	1,445,730	2,977	—	—		375,554	—	1,073,153	—	—	1,073,153
OPEC countries, total (included above)	7,583,912	2,461,095	1,159,298	42,505	3,921,014	8,353,639	4,117,721	1,308,065	8,975,171	5,484,891	24,089	3,468,191

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued							
	Foreign taxes paid or accrued and deemed paid before reduction							
	Total	Paid or accrued						Deemed paid
		Total	Tax withheld at source on			Other taxes paid or accrued on		
			Dividends	Interest	Rents, royalties and license fees	Branch income	Other income	
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Manufacturing, total								
All geographic areas and DISC dividends, total	22,759,235	12,738,098	1,196,105	132,542	442,425	8,885,460	2,091,586	10,021,138
Canada	1,750,799	632,199	193,730	48,919	68,344	149,590	171,618	1,118,600
Latin America, total	2,004,448	1,317,711	186,088	41,859	100,025	283,418	706,321	686,737
Brazil	257,267	111,071	78,679	9,169	10,197	1,799	11,227	146,196
Ecuador	159,052	158,233	1,487	110	1,932	1,692	153,012	819
Mexico	404,132	189,948	42,100	25,104	60,472	35,296	26,975	214,184
Panama (including Canal Zone)	136,817	4,734	800	311	799	2,083	741	132,082
Venezuela	110,381	65,390	18,053	2,348	4,206	4,480	36,303	44,991
All other Latin America	936,800	788,335	44,969	4,817	22,417	238,069	478,063	148,464
Other Western Hemisphere, total	217,050	67,910	4,846	159	94	62,494	318	149,139
The Bahamas	26,243	5	—	5	—	—	—	26,238
Bermuda	90,693	1,182	1,150	—	—	7	26	89,510
Netherlands Antilles	96,560	65,569	3,636	154	7	61,503	269	32,992
All other Western Hemisphere	1,554	1,154	60	—	87	983	24	400
Europe, total	9,992,765	4,380,677	643,527	28,959	68,227	3,443,909	196,055	5,612,088
Austria	53,819	8,396	3,635	468	117	4,152	24	45,423
Belgium	329,346	61,887	41,187	4,606	257	9,834	6,002	267,459
Denmark	37,482	3,046	2,437	(1)	17	578	13	34,436
France (including Andorra)	506,756	64,206	22,844	2,330	24,763	10,388	3,881	442,550
Italy (including San Marino)	305,734	64,101	27,699	1,158	19,303	13,869	2,072	241,633
Luxembourg	20,133	1,429	1,356	—	73	—	—	18,704
Netherlands	1,150,105	247,337	50,080	3,183	203	94,437	99,433	902,768
Spain	103,805	53,396	21,575	3,778	13,995	3,290	10,780	50,407
Sweden	45,142	7,150	3,459	(1)	12	2,278	1,401	37,992
Switzerland	351,531	45,448	42,414	140	393	1,589	913	306,083
United Kingdom	2,527,810	918,416	158,928	3,589	2,259	708,818	44,822	1,609,394
West Germany	1,859,308	279,529	248,242	314	1,652	6,503	22,819	1,579,779
All other Europe	2,701,794	2,626,334	19,672	9,392	5,161	2,588,173	3,915	75,461
Africa, total	2,972,224	2,791,873	35,238	937	10,630	2,107,765	637,102	180,551
Liberia	4,656	2,420	15	—	14	2,391	—	2,236
South Africa (including South-West Africa)	166,051	52,963	25,923	161	9,217	16,551	1,111	113,088
OPEC countries	2,194,836	2,176,172	2,497	665	430	2,056,155	116,425	18,664
All other Africa	606,681	580,118	6,802	112	970	32,669	519,566	46,563
Asia, total	4,759,807	2,912,387	78,227	4,558	106,438	2,434,448	288,716	1,847,420
Hong Kong	22,397	3,348	138	97	561	2,428	123	19,050
Indonesia	1,961,541	871,312	4,731	123	3,314	747,869	115,276	1,090,230
Japan (including Okinawa and Ryukyus)	791,706	174,443	49,186	1,515	68,289	42,362	13,112	617,262
Middle East countries (excluding OPEC)	14,478	13,221	257	1,117	1,077	9,937	833	1,256
OPEC countries (excluding Indonesia)	1,727,489	1,722,895	93	6	3,238	1,573,864	145,694	4,594
Philippines	56,436	35,400	5,290	318	10,595	15,396	3,800	21,036
All other Asia	185,760	91,769	18,532	1,383	19,384	42,591	9,879	93,991
Oceania, total	947,802	536,388	47,380	4,557	70,183	357,101	57,187	411,413
Australia	909,496	526,195	46,004	4,049	65,378	353,898	56,866	383,302
All other Oceania	38,305	10,193	1,356	508	4,805	3,203	321	28,112
Puerto Rico and U.S. Possessions, total	78,987	71,755	4,457	1,433	12,240	38,832	14,792	7,232
Country not stated	31,317	26,337	1,570	1,160	6,243	7,905	9,459	4,980
DISC dividends	4,039	1,061	1,061	—	—	—	—	2,977
OPEC countries, total (included above)	6,153,299	4,994,001	26,881	3,251	13,120	4,384,060	566,709	1,159,298

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources: Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Foreign tax credit computed: Before reduction for international boycott operations	Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Food and kindred products												
All geographic areas and DISC dividends, total	169	70,724,714	6,609,916	2,920,229	653,025	1,702,583	221,264	435,807	—	24,778	653,268	243
Canada	67	66,476,214	6,210,354	2,742,691	620,013	1,624,275	215,721	408,312	—	20,350	620,257	243
Latin America, total	61	63,941,573	6,066,886	2,695,132	630,128	1,622,392	215,526	417,220	—	24,661	630,371	243
Brazil	21	41,535,826	3,909,406	1,755,734	544,987	1,311,701	183,956	364,849	—	14,038	545,083	97
Ecuador	11	25,138,429	2,061,418	916,233	308,926	741,802	128,619	184,227	—	8,506	308,995	69
Mexico	35	52,593,079	5,173,288	2,299,860	540,024	1,331,554	198,138	347,421	—	13,982	540,246	222
Panama (including Canal Zone)	19	42,823,388	3,843,117	1,690,063	438,501	1,083,471	171,006	275,957	—	8,506	438,716	216
Venezuela	21	38,990,029	3,811,902	1,742,672	513,768	1,238,034	185,390	334,455	—	13,540	513,843	75
All other Latin America	49	57,206,139	5,527,647	2,449,809	568,526	1,473,083	202,504	370,896	—	18,001	568,749	222
Other Western Hemisphere, total	19	39,003,055	3,592,444	1,616,852	472,441	1,130,863	173,698	306,852	—	7,696	472,657	216
The Bahamas	11	22,616,646	2,066,011	919,739	288,922	696,760	124,248	166,576	—	3,592	289,137	216
Bermuda	9	18,277,369	1,603,156	710,182	140,650	368,301	48,283	90,168	—	7,183	140,797	147
Netherlands Antilles	8	20,793,912	1,513,219	666,809	70,445	219,237	26,378	44,634	—	—	70,514	69
All other Western Hemisphere	8	22,753,657	1,439,850	660,146	152,355	389,834	48,446	113,294	—	3,079	152,424	69
Europe, total	58	63,718,403	6,097,763	2,696,823	623,920	1,630,652	216,349	411,917	—	20,352	624,164	243
Austria	10	20,058,882	1,895,656	868,308	375,154	861,269	144,797	232,012	—	7,718	375,154	—
Belgium	21	45,459,632	4,436,619	1,967,459	506,945	1,245,573	181,189	326,635	—	19,155	507,183	237
Denmark	15	33,719,182	2,913,139	1,264,566	253,345	658,336	67,765	191,149	—	9,037	253,566	222
France (including Andorra)	27	55,865,856	5,285,637	2,339,736	584,676	1,445,319	205,469	384,619	—	15,930	584,919	243
Italy (including San Marino)	23	47,043,494	4,624,591	2,042,142	509,818	1,261,335	191,909	324,012	—	9,534	510,033	216
Netherlands	23	43,211,502	3,948,515	1,750,523	525,317	1,287,872	182,204	346,736	—	18,077	525,554	237
Spain	18	36,591,015	3,819,174	1,706,670	457,221	1,102,701	163,457	295,964	—	9,615	457,443	222
Sweden	12	25,572,129	2,172,065	924,929	198,211	517,054	52,136	140,610	—	10,588	198,302	91
Switzerland	18	35,097,658	3,356,506	1,522,307	456,072	1,110,448	168,374	288,097	—	18,971	456,309	237
United Kingdom	34	59,061,895	5,740,372	2,550,273	610,829	1,575,258	208,649	405,524	—	20,024	611,073	243
West Germany	31	53,767,170	5,174,577	2,284,972	582,623	1,448,893	207,156	378,558	—	19,239	582,866	243
All other Europe	36	45,318,164	4,079,988	1,799,218	518,355	1,258,738	190,912	327,118	—	20,040	518,445	91
Africa, total	105	43,046,240	4,655,383	2,052,232	530,085	1,373,519	193,434	340,716	—	13,162	530,307	222
South Africa (including South-West Africa)	103	39,879,397	4,302,727	1,891,634	502,680	1,307,702	186,296	320,141	—	13,123	502,901	222
All other Africa	11	22,805,118	2,380,778	1,092,375	363,261	862,943	150,045	210,060	—	12,694	363,261	—
Asia, total	42	60,206,058	5,712,246	2,520,797	580,786	1,453,603	202,833	379,477	—	19,613	581,029	243
Hong Kong	10	20,421,543	1,947,972	875,764	374,828	873,632	134,035	243,455	—	4,640	374,897	69
Indonesia	3	3,549,121	807,173	278,765	198,629	436,469	90,784	107,347	—	497	198,629	—
Japan (including Okinawa and Ryukyus)	37	59,315,061	5,623,359	2,481,161	565,947	1,421,305	199,534	367,656	—	19,383	566,190	243
Middle East countries (excluding OPEC)	11	28,386,736	2,071,551	908,884	165,992	456,331	51,764	117,825	—	5,117	166,061	69
OPEC countries (excluding Indonesia)	9	19,877,450	1,639,409	748,907	321,383	742,703	126,082	195,667	—	7,680	321,452	69
Philippines	23	39,237,906	3,560,022	1,559,699	462,065	1,108,730	169,183	297,749	—	8,183	462,281	216
All other Asia	23	44,524,761	4,039,062	1,780,973	461,986	1,139,375	172,220	285,787	—	14,223	462,223	237
Oceania, total	51	52,372,817	5,474,544	2,438,635	578,548	1,489,301	202,394	373,680	—	20,309	578,791	243
Australia	50	52,033,707	5,464,667	2,432,111	578,543	1,489,292	202,390	373,680	—	20,309	578,787	243
All other Oceania	19	29,225,702	2,938,525	1,346,116	442,485	1,040,794	160,105	283,819	—	12,835	442,701	216
Puerto Rico and U.S. Possessions, total	32	55,089,145	5,078,917	2,245,208	565,906	1,391,255	204,065	365,102	—	19,869	566,143	237
Country not stated	22	39,604,323	3,814,012	1,712,052	521,012	1,319,095	178,754	345,425	—	19,158	521,186	174
DISC dividends	10	21,336,600	1,608,034	710,931	100,262	300,048	35,245	80,377	—	11,440	100,352	91
OPEC countries, total (included above)	24	42,275,018	4,120,936	1,858,538	521,254	1,263,229	187,674	339,657	—	13,540	521,329	75

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total	Dividends	Dividend gross-up	Interest	Other	Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Food and kindred products												
All geographic areas and DISC dividends, total	2,459,338	812,339	435,807	141,098	1,070,095	—	954,547	—	1,702,583	181,640	16,152	1,504,791
Canada	230,979	84,199	69,045	18,645	59,090	—	45,856	—	190,029	446	4,461	185,123
Latin America, total	288,587	107,322	64,780	31,913	84,571	—	71,397	—	273,858	56,497	171	217,190
Brazil	54,454	31,476	14,270	7,222	1,487	—	6,259	—	42,326	-3,870	1	48,196
Ecuador	1,526	299	79	101	1,048	—	429	—	1,097	—	—	1,097
Mexico	94,003	24,538	17,655	16,095	35,716	—	26,386	—	92,259	24,564	58	67,637
Panama (including Canal Zone)	17,474	9,061	4,495	3,058	860	—	5,844	—	13,595	1,857	108	11,630
Venezuela	30,853	11,443	5,764	1,741	11,904	—	5,151	—	25,751	49	1	25,702
All other Latin America	90,277	30,506	22,517	3,697	33,556	—	25,348	—	98,830	33,898	3	64,929
Other Western Hemisphere, total	59,348	41,302	4,173	11,071	2,802	—	21,999	—	40,934	3,430	157	37,348
The Bahamas	1,745	595	—	542	609	—	435	—	1,396	86	—	1,311
Bermuda	35,562	25,038	711	8,002	1,812	—	17,138	—	18,581	—	156	18,425
Netherlands Antilles	21,785	15,668	3,462	2,528	126	—	4,369	—	17,416	—	—	17,416
All other Western Hemisphere	255	—	—	—	255	—	58	—	3,541	3,344	(¹)	197
Europe, total	924,053	363,397	219,336	48,855	292,464	—	220,011	—	749,331	45,409	-119	704,041
Austria	11,420	5,196	4,570	—	1,654	—	1,149	—	10,273	—	3	10,271
Belgium	40,327	5,449	4,391	5,762	24,725	—	15,384	—	23,853	-1110	21	24,943
Denmark	10,293	3,966	2,239	578	3,511	—	2,602	—	7,834	142	—	7,692
France (including Andorra)	66,905	21,279	16,864	7,403	21,359	—	15,175	—	51,279	-502	51	51,730
Italy (including San Marino)	52,472	7,750	4,604	54	40,063	—	35,485	—	25,290	8,303	(¹)	16,987
Netherlands	82,003	35,200	30,836	445	15,523	—	15,919	—	70,633	4,486	63	66,084
Spain	28,511	16,074	6,222	808	5,406	—	4,336	—	24,177	3	—	24,174
Sweden	3,964	1,479	1,063	223	1,199	—	1,445	—	2,519	—	—	2,519
Switzerland	90,040	48,991	19,656	974	20,420	—	10,197	—	79,903	—	60	79,844
United Kingdom	271,057	91,097	42,011	15,969	121,980	—	82,721	—	199,385	10,698	350	188,337
West Germany	252,346	124,307	86,268	15,495	26,277	—	29,445	—	222,170	-74	-657	222,901
All other Europe	14,367	2,609	614	1,104	10,041	—	6,101	—	31,722	23,464	-8	8,267
Africa, total	26,042	11,698	7,094	805	6,445	—	5,431	—	48,112	25,458	44	20,611
South Africa (including South-West Africa)	22,526	10,356	5,938	704	5,527	—	4,491	—	40,015	21,938	42	18,034
All other Africa	3,492	1,342	1,156	100	894	—	936	—	6,077	3,520	1	2,556
Asia, total	177,888	63,721	49,677	5,174	59,316	—	33,212	—	158,206	13,227	303	144,676
Hong Kong	990	523	116	194	157	—	135	—	863	—	8	855
Indonesia	252	248	—	—	4	—	4	—	248	—	—	248
Japan (including Okinawa and Ryukyus)	133,883	42,928	41,045	3,312	46,598	—	19,709	—	115,894	1,598	121	114,174
Middle East countries (excluding OPEC)	1,701	485	99	333	784	—	726	—	1,128	—	153	975
OPEC countries (excluding Indonesia)	1,574	—	—	62	1,512	—	1,641	—	-43	24	—	-87
Philippines	16,475	6,337	3,998	436	5,704	—	4,443	—	18,622	6,587	4	12,032
All other Asia	23,014	13,201	4,418	637	4,558	—	6,554	—	21,495	5,019	17	16,460
Oceania, total	66,483	19,573	18,090	7,048	21,772	—	13,169	—	60,058	8,725	19	53,314
Australia	59,782	17,926	16,736	6,972	18,148	—	10,650	—	53,900	4,750	18	49,131
All other Oceania	6,701	1,648	1,354	76	3,624	—	2,519	—	6,156	1,975	(¹)	4,182
Puerto Rico and U.S. Possessions, total	108,456	84,210	1,345	686	22,235	—	97,182	—	48,234	28,881	8,079	11,275
Country not stated	546,604	6,017	2,267	16,920	521,399	—	445,731	—	105,481	1,589	3,039	100,873
DISC dividends	30,898	30,898	—	—	—	—	558	—	30,340	—	—	30,340
OPEC countries, total (included above)	34,223	11,990	5,843	1,904	14,486	—	7,229	—	27,068	72	1	26,994

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued: Foreign taxes paid or accrued and deemed paid before reduction: Total (25)	Paid or accrued: Total (26)	Tax withheld at source on: Dividends (27)	Tax withheld at source on: Interest (28)	Tax withheld at source on: Rents, royalties and license fees (29)	Other taxes paid or accrued on: Branch income (30)	Other taxes paid or accrued on: Other income (31)	Deemed paid (32)
Food and kindred products								
All geographic areas and DISC dividends, total	657,070	221,264	78,063	11,944	29,317	82,744	19,195	435,807
Canada	88,906	19,861	10,613	2,911	4,881	358	1,098	69,045
Latin America, total	141,250	76,470	19,069	5,971	8,479	32,192	10,758	64,780
Brazil	25,284	11,014	8,671	1,677	243	42	381	14,270
Ecuador	595	516	73	—	440	—	4	79
Mexico	54,345	36,690	4,400	3,890	5,766	17,617	5,017	17,655
Panama (including Canal Zone)	5,195	700	77	—	75	545	2	4,495
Venezuela	12,565	6,800	2,432	100	535	—	3,734	5,764
All other Latin America	43,266	20,749	3,416	304	1,421	13,988	1,619	22,517
Other Western Hemisphere, total	5,079	906	—	—	9	878	20	4,173
The Bahamas	—	—	—	—	—	—	—	—
Bermuda	711	—	—	—	—	—	—	711
Netherlands Antilles	3,462	—	—	—	—	—	—	3,462
All other Western Hemisphere	906	906	—	—	9	878	20	—
Europe, total	275,317	55,981	35,444	1,461	2,117	15,128	1,830	219,336
Austria	5,048	478	472	—	5	—	—	4,570
Belgium	9,910	5,519	779	663	1	3,190	887	4,391
Denmark	2,437	199	199	—	—	—	—	2,239
France (including Andorra)	19,038	2,174	803	478	604	61	227	16,864
Italy (including San Marino)	9,788	5,184	677	2	646	3,847	13	4,604
Netherlands	35,011	4,175	1,390	—	—	2,716	69	30,836
Spain	10,053	3,831	2,787	106	457	—	481	6,222
Sweden	1,136	74	74	—	—	—	—	1,063
Switzerland	22,654	2,998	2,687	4	3	—	104	19,656
United Kingdom	50,695	8,684	5,094	1	210	3,372	7	42,011
West Germany	106,454	20,187	20,160	—	19	8	—	86,268
All other Europe	3,093	2,479	123	207	171	1,935	43	814
Africa, total	22,105	15,011	1,749	25	621	12,094	521	7,094
South Africa (including South-West Africa)	18,509	12,570	1,548	14	542	10,390	76	5,938
All other Africa	3,596	2,441	201	11	79	1,705	445	1,156
Asia, total	72,850	23,173	7,990	654	6,224	6,507	1,799	49,677
Hong Kong	146	29	—	29	—	—	—	118
Indonesia	50	50	50	—	(1)	—	—	—
Japan (including Okinawa and Ryukyus)	50,839	9,794	4,554	118	4,394	625	104	41,045
Middle East countries (excluding OPEC)	437	338	134	61	37	—	107	99
OPEC countries (excluding Indonesia)	419	419	—	—	2	5	413	—
Philippines	9,803	5,805	970	204	1,345	2,746	540	3,998
All other Asia	11,155	6,737	2,281	243	447	3,131	636	4,418
Oceania, total	32,091	14,001	2,828	776	6,022	3,461	914	18,090
Australia	28,992	12,255	2,599	746	5,433	2,633	845	16,736
All other Oceania	3,099	1,746	229	30	589	828	69	1,354
Puerto Rico and U.S. Possessions, total	15,666	14,321	370	110	687	12,126	1,028	1,345
Country not stated	3,807	1,540	—	35	277	—	1,227	2,267
DISC dividends	—	—	—	—	—	—	—	—
OPEC countries, total (included above)	13,629	7,786	2,555	100	976	5	4,150	5,843

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns (1)	Total assets (2)	Income and taxes from all sources: Income subject to U.S. tax (3)	Regular and alternative tax (4)	Foreign tax credit claimed (5)	Taxable income (less loss) from foreign sources before loss recapture (6)	Foreign taxes paid or accrued (7)	Foreign taxes deemed paid (8)	Reduction for certain foreign taxes (9)	Carryover (10)	Foreign tax credit computed: Before reduction for international boycott operations (11)	Foreign tax credit computed: Reduction for international boycott operations (12)
Chemicals and allied products												
All geographic areas and DISC dividends, total	223	112,819,641	10,568,487	4,754,721	1,719,989	4,575,381	749,778	1,048,124	4,492	94,869	1,720,834	710
Canada	150	106,978,976	9,843,385	4,431,957	1,654,527	4,382,847	742,174	955,750	4,492	20,773	1,655,351	710
Latin America, total	118	107,251,538	9,956,576	4,476,163	1,693,189	4,496,257	743,675	1,026,894	4,492	93,548	1,694,035	710
Brazil	54	77,769,528	7,351,753	3,315,440	1,329,703	3,527,104	646,035	754,987	4,492	66,734	1,330,412	709
Ecuador	34	42,785,865	4,189,999	1,893,817	758,897	2,067,244	214,440	560,342	3,474	5,238	759,607	709
Mexico	94	101,998,568	9,379,885	4,215,866	1,601,965	4,229,838	733,340	913,734	4,492	18,542	1,602,789	710
Panama (including Canal Zone)	43	70,088,804	5,466,395	2,465,119	953,057	2,605,842	259,119	752,261	3,474	60,145	953,880	708
Venezuela	65	83,461,449	7,820,024	3,534,456	1,469,314	3,858,265	696,427	811,403	4,492	16,287	1,470,138	709
All other Latin America	92	101,120,646	9,324,064	4,188,482	1,616,916	4,296,864	729,722	965,194	4,492	90,136	1,617,761	710
Other Western Hemisphere, total	48	61,938,152	5,836,772	2,623,790	1,133,056	3,001,020	572,806	594,427	4,492	16,471	1,133,880	709
The Bahamas	17	16,967,683	1,778,554	795,582	308,783	760,820	79,151	237,794	—	3,768	308,898	1
Bermuda	23	46,358,898	4,957,301	2,240,457	987,177	2,628,020	524,632	489,457	4,492	15,090	987,886	709
Netherlands Antilles	23	26,703,213	2,179,232	984,192	406,288	1,187,782	105,142	313,704	3,474	4,558	407,110	708
All other Western Hemisphere	7	14,570,948	1,402,651	633,214	175,404	588,036	33,353	145,514	—	1,378	175,475	72
Europe, total	134	108,710,263	10,152,495	4,573,121	1,711,038	4,542,866	743,781	1,044,326	4,492	93,664	1,711,893	710
Austria	27	48,148,306	4,925,909	2,222,903	760,997	2,102,486	212,858	561,837	—	981	761,070	73
Belgium	56	94,288,620	8,545,720	3,838,491	1,517,405	4,030,050	705,907	887,711	4,492	87,058	1,518,229	709
Denmark	25	45,100,434	4,328,087	1,956,121	700,138	1,841,790	213,630	501,683	3,474	7,358	700,775	637
France (including Andorra)	77	92,788,139	8,562,705	3,853,842	1,279,830	3,541,368	346,161	987,924	3,474	62,545	1,280,654	710
Italy (including San Marino)	58	92,670,361	8,397,999	3,775,033	1,441,526	3,806,916	705,542	778,690	4,492	15,427	1,442,350	710
Luxembourg	5	24,708,304	1,302,530	582,752	157,626	506,419	47,307	114,830	—	1,861	157,812	72
Netherlands	55	82,418,039	7,877,953	3,466,255	1,436,000	3,753,276	685,588	795,145	4,492	15,683	1,436,823	709
Spain	48	88,255,413	8,275,613	3,735,722	1,448,336	3,783,515	700,503	783,484	4,492	14,670	1,447,181	709
Sweden	45	62,238,356	7,703,914	3,484,217	1,350,422	3,530,371	673,081	720,084	4,492	13,016	1,351,246	709
Switzerland	54	87,908,044	8,371,343	3,775,062	1,522,995	3,981,944	692,174	904,386	4,492	88,447	1,523,819	710
United Kingdom	94	103,388,088	9,512,187	4,283,934	1,605,658	4,251,445	730,891	918,730	4,492	18,975	1,606,482	710
West Germany	73	102,542,811	9,220,143	4,150,154	1,632,912	4,310,594	728,472	979,894	4,492	91,517	1,633,736	710
All other Europe	63	92,998,783	8,434,162	3,811,752	1,490,820	3,919,116	712,263	816,140	4,492	16,189	1,491,465	710
Africa, total	71	90,467,819	7,953,775	3,593,557	1,515,852	4,019,096	706,534	851,993	4,492	18,221	1,518,475	708
Liberia	6	5,510,246	888,596	402,198	122,475	358,496	31,354	94,983	—	—	122,475	—
South Africa (including South-West Africa)	66	81,161,071	6,574,583	2,970,859	1,074,732	2,989,516	301,339	798,929	3,474	10,075	1,075,554	708
OPEC countries	10	21,958,245	1,864,180	840,202	316,237	862,204	87,530	239,185	3,474	4,554	316,945	708
All other Africa	24	57,668,953	5,446,155	2,457,951	1,111,554	2,627,713	601,450	541,822	1,018	11,821	1,111,626	72
Asia, total	122	107,737,311	9,983,795	4,495,629	1,695,709	4,507,157	742,552	1,029,730	4,492	92,264	1,896,554	710
Hong Kong	37	83,819,685	5,573,759	2,521,915	928,801	2,547,595	270,233	684,053	3,474	8,955	929,623	708
Indonesia	28	51,980,866	4,615,746	2,084,507	1,078,748	2,762,441	577,169	535,763	4,492	13,913	1,079,570	708
Japan (including Okinawa and Ryukyus)	104	104,780,631	9,548,181	4,299,844	1,651,972	4,385,478	734,875	994,696	4,492	90,330	1,652,817	710
Middle East countries (excluding OPEC)	32	48,689,125	4,473,678	2,028,832	981,654	2,332,045	578,280	438,545	4,492	14,125	982,292	636
OPEC countries (excluding Indonesia)	22	45,484,783	4,377,443	1,968,252	954,010	2,457,596	550,257	432,520	1,018	9,523	954,082	72
Philippines	40	66,327,419	6,695,317	3,019,966	1,234,225	3,146,619	647,779	620,332	4,492	14,373	1,234,976	636
All other Asia	57	91,347,207	8,000,867	3,602,254	1,519,978	4,015,269	706,993	855,886	4,492	16,313	1,520,802	710
Oceania, total	98	100,893,388	9,278,425	4,176,453	1,573,157	4,149,427	727,962	890,993	4,492	16,715	1,573,981	710
Australia	90	100,219,151	9,241,787	4,159,833	1,571,850	4,142,986	727,329	890,068	4,492	16,715	1,572,674	710
All other Oceania	47	66,845,516	6,610,657	2,979,613	970,302	2,701,620	284,810	702,657	3,474	5,481	971,012	709
Puerto Rico and U.S. Possessions, total	60	85,580,286	8,379,176	3,777,713	1,450,432	3,790,472	702,990	788,916	4,492	15,067	1,451,256	709
Country not stated	63	89,981,054	8,591,956	3,875,269	1,555,865	4,092,534	693,058	935,399	4,492	90,983	1,538,888	708
DISC dividends	19	27,819,098	2,261,883	1,026,745	379,630	1,128,320	84,755	304,396	—	1,983	379,702	72
OPEC countries, total (included above)	72	85,761,774	6,119,794	3,671,980	1,532,051	4,051,383	710,248	859,789	4,492	16,816	1,532,875	709

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total	Dividends	Dividend gross-up	Interest	Other	Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Chemicals and allied products												
All geographic areas and DISC dividends, total	4,949,400	2,056,274	1,048,124	271,837	1,573,184	749,594	1,536,563	181,454	4,575,381	961,505	201,039	3,412,836
Canada	442,801	130,038	95,874	51,162	165,927	24,037	137,496	13,716	347,049	34,975	6,769	305,305
Latin America, total	733,580	315,680	184,624	53,432	179,844	11,056	229,323	2,199	812,226	97,232	10,737	504,257
Brazil	77,846	33,469	19,411	16,973	7,993	—	23,208	—	61,640	5,156	1,847	54,638
Ecuador	3,769	2,293	139	8	1,328	—	1,423	—	3,872	1,506	19	2,348
Mexico	230,052	75,176	59,293	12,213	83,370	—	87,583	—	151,710	6,011	3,230	142,468
Panama (including Canal Zone)	207,112	102,756	73,558	839	29,959	—	36,969	—	173,658	3,415	100	170,143
Venezuela	65,499	41,036	9,848	1,653	13,162	—	22,017	—	47,108	2,346	1,280	43,483
All other Latin America	149,302	60,950	22,574	21,745	44,032	11,056	58,123	2,199	174,238	78,799	4,261	91,178
Other Western Hemisphere, total	165,583	119,126	23,965	19,217	3,275	—	38,543	—	127,974	810	123	127,041
The Bahamas	14,061	5,841	2,047	6,069	124	—	3,047	—	12,010	976	—	11,034
Bermuda	104,428	74,627	16,004	10,834	2,964	—	21,434	—	83,004	—	10	82,994
Netherlands Antilles	44,752	38,659	5,913	34	146	—	13,453	—	31,417	5	113	31,299
All other Western Hemisphere	2,323	—	—	2,281	42	—	608	—	1,543	-172	—	1,715
Europe, total	2,425,778	984,101	560,141	115,986	765,550	624,348	676,216	112,072	2,398,158	620,973	27,625	1,749,560
Austria	5,397	1,620	1,483	131	2,163	—	2,270	—	3,275	-2	149	3,128
Belgium	177,321	46,892	42,902	9,749	77,777	—	59,384	—	129,003	-556	11,822	117,937
Denmark	11,591	5,210	2,737	122	3,521	—	3,264	—	8,248	-137	58	8,327
France (including Andorra)	296,484	94,724	65,430	5,511	110,819	—	67,346	—	232,348	1,917	1,293	229,138
Italy (including San Marino)	169,883	94,689	34,567	4,435	56,192	—	47,955	—	143,020	39	1,053	141,926
Luxembourg	12,626	5,313	6,556	43	716	—	5,167	—	3,756	-3,856	151	7,461
Netherlands	206,139	96,030	37,526	22,115	50,468	—	43,378	—	166,545	707	3,076	162,762
Spain	38,821	29,482	10,125	2,556	-3,322	12,250	21,804	11,713	17,736	506	213	17,017
Sweden	23,720	5,494	2,061	179	15,985	—	5,896	—	18,410	141	445	17,824
Switzerland	406,006	248,451	95,152	6,174	58,232	—	128,476	—	282,070	1,811	727	279,532
United Kingdom	582,314	189,006	116,753	54,821	221,734	612,098	165,791	100,360	1,043,904	623,184	4,197	416,523
West Germany	408,003	149,881	121,431	7,702	128,988	—	104,981	—	307,417	279	4,116	303,022
All other Europe	65,470	17,327	3,417	2,449	42,277	—	20,507	—	42,427	-3,059	524	44,963
Africa, total	104,531	47,471	32,093	2,108	22,659	84,375	20,584	49,898	99,054	12,565	2,521	83,967
Liberia	611	24	—	350	237	—	123	—	489	—	—	489
South Africa (including South-West Africa)	88,840	41,031	29,014	1,045	17,750	—	16,903	—	74,805	350	2,518	71,937
OPEC countries	2,780	1,179	983	—	617	84,376	786	49,898	16,484	14,491	(1)	1,994
All other Africa	12,299	5,237	2,095	713	4,254	—	2,752	—	7,276	-2,275	3	9,548
Asia, total	465,402	146,117	134,686	5,765	178,835	25,778	142,962	3,567	511,703	179,077	10,185	322,440
Hong Kong	49,552	31,052	6,960	619	10,922	—	17,733	—	31,962	-374	516	31,820
Indonesia	13,484	4,919	2,968	243	5,355	25,778	2,951	3,567	181,628	171,094	(1)	10,533
Japan (including Okinawa and Ryukyus)	273,604	69,418	88,548	3,234	112,403	—	86,965	—	199,066	8,237	4,191	186,637
Middle East countries (excluding OPEC)	-3,445	269	91	65	-3,870	—	1,808	—	-7,982	-2,751	23	-5,253
OPEC countries (excluding Indonesia)	15,529	22	3	11	15,493	—	4,065	—	7,752	-3,843	132	11,484
Philippines	35,490	14,964	9,676	127	10,723	—	7,748	—	28,830	858	229	27,742
All other Asia	81,188	25,472	26,440	1,466	27,810	—	21,890	—	70,447	5,856	5,094	59,497
Oceania, total	102,041	20,604	14,632	6,352	60,453	—	31,351	—	80,048	7,217	2,142	70,690
Australia	92,358	18,896	13,704	6,163	53,593	—	27,516	—	73,578	6,893	1,843	64,842
All other Oceania	9,682	1,706	927	189	6,850	—	3,835	—	6,470	324	299	5,848
Puerto Rico and U.S. Possessions, total	122,494	19,397	1,757	2,022	99,318	—	89,259	—	94,799	2,937	58,627	33,235
Country not stated	113,406	510	—	15,792	97,104	—	90,528	—	110,907	5,720	82,309	22,878
DISC dividends	273,783	273,231	552	—	—	—	80,321	—	193,462	—	—	193,462
OPEC countries, total (included above)	101,062	49,450	13,742	1,915	35,955	90,153	31,242	53,465	256,844	185,593	1,431	69,820

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued: Foreign taxes paid or accrued and deemed paid before reduction: Total	Paid or accrued: Total	Tax withheld at source on: Dividends	Interest	Rents, royalties and license fees	Other taxes paid or accrued on: Branch income	Other income	Deemed paid
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Chemicals and allied products								
All geographic areas and DISC dividends, total	1,797,902	749,778	144,320	21,030	85,567	471,732	27,129	1,048,124
Canada	147,296	51,622	14,420	6,387	13,207	15,163	2,424	95,674
Latin America, total	290,520	105,897	32,480	7,454	23,954	31,112	10,897	184,624
Brazil	34,911	15,501	8,842	2,325	413	158	3,762	19,411
Ecuador	2,036	1,897	869	1	498	523	6	139
Mexico	96,776	37,483	12,254	3,495	15,774	807	5,153	59,293
Panama (including Canal Zone)	74,396	838	68	2	184	395	188	73,558
Venezuela	15,024	5,376	2,746	398	571	360	1,298	9,648
All other Latin America	67,377	44,803	7,700	1,232	6,514	28,868	489	22,574
Other Western Hemisphere, total	28,767	2,802	2,800	—	2	—	—	23,965
The Bahamas	2,047	—	—	—	—	—	—	2,047
Bermuda	18,004	—	—	—	—	—	—	16,004
Netherlands Antilles	8,713	2,800	2,800	—	—	—	—	5,913
All other Western Hemisphere	2	2	—	—	2	—	—	—
Europe, total	948,510	388,369	88,750	6,231	11,178	295,097	7,103	560,141
Austria	1,528	45	37	5	2	—	—	1,483
Belgium	49,873	6,970	4,884	1,211	76	703	97	42,902
Denmark	3,306	568	216	(1)	2	350	—	2,737
France (including Andorra)	96,267	10,837	5,868	291	3,544	172	962	65,430
Italy (including San Marino)	45,827	11,280	5,917	880	3,324	526	632	34,567
Luxembourg	6,556	—	—	—	—	—	—	6,556
Netherlands	40,643	3,116	2,115	5	121	870	4	37,526
Spain	16,171	6,046	4,201	550	1,295	—	10	10,125
Sweden	2,330	269	263	(1)	6	—	(1)	2,061
Switzerland	106,585	11,434	10,825	7	234	364	5	95,152
United Kingdom	423,355	306,602	9,853	3,405	723	289,151	3,471	116,753
West Germany	147,995	26,564	22,449	39	379	2,374	1,322	121,431
All other Europe	8,073	4,656	2,131	57	1,482	587	400	3,417
Africa, total	49,775	17,682	5,819	52	2,101	9,858	52	32,093
Liberia	14	14	—	—	14	—	—	—
South Africa (including South-West Africa)	35,856	8,841	5,112	40	1,491	147	51	29,014
OPEC countries	9,031	8,048	3	(1)	12	8,033	(1)	983
All other Africa	4,874	2,779	704	12	584	1,478	1	2,095
Asia, total	287,835	133,149	14,165	310	13,722	102,306	2,647	134,686
Hong Kong	7,463	503	93	17	129	211	54	6,960
Indonesia	98,193	93,225	874	1	828	91,248	273	2,968
Japan (including Okinawa and Ryukyus)	104,059	15,511	6,462	104	6,306	2,105	534	88,548
Middle East countries (excluding OPEC)	746	655	95	6	139	116	300	91
OPEC countries (excluding Indonesia)	945	942	4	—	383	500	54	3
Philippines	15,887	6,211	2,241	10	2,872	908	179	9,676
All other Asia	42,542	16,102	4,395	172	3,064	7,218	1,253	26,440
Oceania, total	40,255	25,624	3,874	529	16,289	4,024	908	14,632
Australia	37,469	23,764	3,514	511	15,320	3,513	905	13,704
All other Oceania	2,787	1,859	359	17	969	511	2	927
Puerto Rico and U.S. Possessions, total	21,544	19,787	1,662	58	4,640	12,312	1,116	1,757
Country not stated	4,842	4,842	335	10	473	2,040	1,983	—
DISC dividends	557	5	5	—	—	—	—	552
OPEC countries, total (included above)	123,229	109,488	4,498	400	2,293	100,665	1,631	13,742

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources: Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Foreign tax credit computed: Before reduction for international boycott operations	Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Petroleum (including integrated) and coal products												
All geographic areas and DISC dividends, total	43	325,103,221	43,014,198	19,474,445	11,027,583	24,362,648	9,883,449	4,420,201	2,891,389	2,284,333	11,027,583	—
Canada	38	321,895,538	42,889,813	19,325,849	11,026,978	24,355,774	9,882,591	4,420,161	2,891,389	2,284,274	11,026,978	—
Latin America, total	33	321,806,155	42,897,859	19,332,441	11,027,108	24,358,031	9,882,875	4,420,181	2,891,389	2,284,333	11,027,108	—
Brazil	16	259,923,822	32,253,893	14,574,103	9,077,733	20,015,263	7,878,861	3,479,380	2,210,888	2,172,266	9,077,733	—
Ecuador	8	219,273,168	27,597,766	12,495,974	8,153,495	17,945,505	6,137,596	3,370,337	1,367,595	2,116,830	8,153,495	—
Mexico	21	250,833,985	35,798,146	16,213,058	9,610,661	21,232,041	6,782,785	3,421,977	2,538,954	2,195,170	9,610,661	—
Panama (including Canal Zone)	9	209,942,861	28,531,004	12,867,017	8,299,897	18,237,193	5,821,229	4,263,872	1,563,012	1,907,058	8,299,897	—
Venezuela	17	283,624,490	34,774,764	15,718,994	9,778,637	21,581,856	9,004,969	3,486,699	2,612,787	2,207,468	9,778,637	—
All other Latin America	28	318,325,023	42,524,876	19,257,442	11,023,793	24,336,321	9,881,856	4,417,876	2,891,389	2,284,265	11,023,793	—
Other Western Hemisphere, total	22	312,074,369	42,211,858	19,130,819	10,930,436	24,117,813	9,794,721	4,409,886	2,891,389	2,283,675	10,930,436	—
The Bahamas	11	246,823,219	32,432,926	14,664,485	9,569,074	21,059,908	8,713,173	3,415,367	2,521,881	2,194,474	9,569,074	—
Bermuda	13	248,073,929	33,385,860	15,148,815	8,734,237	19,271,293	7,117,850	3,443,616	1,750,102	2,148,714	8,734,237	—
Netherlands Antilles	10	183,892,131	25,652,746	11,700,433	7,979,003	17,594,194	5,754,954	4,313,694	2,160,051	1,852,250	7,979,003	—
All other Western Hemisphere	9	222,291,403	28,556,992	12,897,111	8,158,711	17,972,777	6,091,527	3,373,329	1,316,661	2,170,632	8,158,711	—
Europe, total	30	321,253,167	42,655,083	19,312,983	11,026,929	24,355,630	9,882,528	4,420,161	2,891,389	2,284,274	11,026,929	—
Austria	9	177,602,237	23,768,946	10,696,590	7,137,175	15,770,463	6,568,219	2,630,103	2,156,784	1,062,040	7,137,175	—
Belgium	15	270,346,451	36,539,527	16,548,324	10,576,979	23,279,716	9,365,837	4,379,154	2,796,368	2,270,778	10,576,979	—
Denmark	7	191,436,523	24,632,859	11,096,064	7,117,632	15,638,708	4,986,203	3,363,623	1,269,237	1,830,851	7,117,632	—
France (including Andorra)	18	270,014,236	32,002,991	14,448,129	9,016,006	19,881,332	7,814,218	3,420,645	2,219,579	2,172,266	9,016,006	—
Italy (including San Marino)	18	288,303,990	36,666,606	16,588,774	9,147,643	20,201,450	7,938,306	3,513,442	2,237,838	2,177,681	9,147,643	—
Luxembourg	5	138,326,305	18,496,356	8,333,916	5,578,357	12,283,875	3,943,623	2,405,069	993,635	1,430,315	5,578,357	—
Netherlands	19	288,915,569	35,234,275	15,910,134	9,914,888	21,870,440	9,115,698	3,523,634	2,813,312	2,201,522	9,914,888	—
Spain	17	302,366,541	40,772,600	18,479,775	10,647,085	23,494,278	9,498,987	4,374,289	2,863,026	2,283,576	10,647,085	—
Sweden	9	216,801,700	25,776,233	11,602,302	7,225,741	15,919,097	5,169,933	3,384,433	1,368,316	1,637,802	7,225,741	—
Switzerland	14	249,074,935	34,293,816	15,504,181	9,011,918	19,935,875	7,742,132	3,426,723	2,157,178	2,184,784	9,011,918	—
United Kingdom	23	314,060,182	42,326,170	19,166,914	11,010,270	24,303,668	9,866,387	4,418,053	2,891,389	2,283,675	11,010,270	—
West Germany	16	293,361,022	38,791,673	16,628,502	9,178,986	20,288,867	7,984,109	3,492,056	2,228,889	2,171,735	9,178,986	—
All other Europe	16	299,433,922	40,852,705	18,512,504	10,635,409	23,905,004	9,689,030	4,342,012	2,881,885	2,283,576	10,835,409	—
Africa, total	26	314,155,023	42,316,532	19,159,969	11,010,031	24,303,079	9,868,244	4,417,876	2,891,389	2,284,205	11,010,031	—
Liberia	9	227,359,266	29,892,071	13,497,598	7,418,046	16,329,539	5,387,834	3,381,838	1,373,069	1,837,802	7,418,046	—
South Africa (including South-West Africa)	16	228,997,053	32,274,613	14,621,259	8,795,144	19,364,023	6,750,753	4,270,756	·1,991,645	1,889,616	8,795,144	—
OPEC countries	15	275,048,211	36,954,641	16,724,612	9,354,343	20,714,014	8,188,789	3,506,793	2,258,895	2,177,584	9,354,343	—
All other Africa	16	291,666,499	38,032,560	17,222,013	10,850,695	23,873,278	9,723,898	4,376,288	2,870,193	2,283,675	10,850,695	—
Asia, total	23	316,667,136	42,395,828	19,212,891	10,947,137	24,181,369	9,810,890	4,412,096	2,891,389	2,283,675	10,947,137	—
Hong Kong	7	205,905,701	29,303,715	13,297,371	7,850,515	17,282,428	5,735,438	3,370,085	1,283,743	2,109,879	7,850,515	—
Indonesia	14	263,066,030	36,381,370	16,451,988	10,207,349	22,453,530	8,649,087	4,399,935	2,490,568	2,247,846	10,207,349	—
Japan (including Okinawa and Ryukyus)	16	300,867,548	39,447,648	17,864,364	10,030,878	22,116,241	8,440,485	4,409,161	2,484,189	2,247,943	10,030,678	—
Middle East countries (excluding OPEC)	11	236,253,173	30,446,789	13,796,211	6,985,699	19,830,466	7,779,062	3,473,741	2,204,780	2,116,830	8,985,699	—
OPEC countries (excluding Indonesia)	17	288,768,612	39,771,219	18,016,167	10,239,994	22,651,123	8,691,965	4,402,727	2,509,548	2,253,791	10,239,994	—
Philippines	13	270,696,450	35,812,049	16,218,616	9,009,419	19,662,026	6,613,476	4,332,268	1,626,079	2,247,646	9,009,419	—
All other Asia	20	304,573,796	41,039,054	18,598,704	10,707,967	23,607,958	9,532,599	4,410,188	2,868,267	2,283,675	10,707,967	—
Oceania, total	22	314,881,831	40,737,830	18,437,560	10,301,167	22,765,305	8,764,958	4,386,475	2,506,766	2,253,888	10,301,167	—
Australia	19	297,664,791	36,984,146	16,731,199	10,219,522	22,529,103	8,692,364	4,378,807	2,502,464	2,247,943	10,219,522	—
All other Oceania	13	259,069,145	32,349,632	14,608,206	8,126,928	17,980,015	6,086,180	3,383,971	1,370,618	2,177,584	8,126,928	—
Puerto Rico and U.S. Possessions, total	7	185,119,057	22,217,167	9,985,469	6,223,358	13,710,137	3,556,155	3,384,481	1,063,694	1,830,851	6,223,356	—
Country not stated	22	315,163,329	41,565,418	18,822,534	10,752,092	23,733,398	9,593,487	4,386,909	2,663,420	2,283,743	10,752,092	—
DISC dividends	6	135,399,015	10,716,415	4,746,343	2,635,675	5,766,060	3,024,580	383,550	621,419	430,090	2,635,675	—
OPEC countries, total (included above)	21	312,192,189	42,193,049	19,120,851	10,933,194	24,127,719	9,795,482	4,411,883	2,891,389	2,283,675	10,933,194	—

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total	Dividends	Dividend gross-up	Interest	Other	Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Petroleum (including integrated) and coal products												
All geographic areas and DISC dividends, total	25,945,850	6,484,686	4,420,201	1,437,614	13,603,149	23,603,179	12,316,770	6,011,298	24,362,648	10,671,160	62,407	13,629,080
Canada	1,650,184	*272,324	322,343	97,653	957,863	1,308,569	559,791	441,242	1,303,938	212,583	- 18	1,091,393
Latin America, total	3,225,083	303,290	113,231	181,063	2,627,498	2,162,805	1,650,858	1,300,090	1,343,041	- 32,609	1,426	1,374,225
Brazil	119,010	61,716	40,919	112	16,263	1,061	98,573	997	18,801	- 1,636	—	20,437
Ecuador	226,398	—	—	137	226,261	217,790	53,756	49,708	172,640	- 3	—	172,643
Mexico	34,859	10,824	8,104	640	17,291	—	12,657	—	25,765	3,563	—	22,202
Panama (including Canal Zone)	145,628	138,708	5,651	8,412	- 7,143	- 1	7,941	- 39	137,600	- 67	—	137,668
Venezuela	109,847	3,920	1,835	7,439	96,654	2,628	61,836	556	58,989	8,722	256	48,011
All other Latin America	2,589,340	88,122	58,722	164,323	2,278,173	1,941,327	1,616,096	1,248,868	931,246	- 43,187	1,169	973,244
Other Western Hemisphere, total	560,661	269,788	85,447	222,039	- 16,613	121,884	45,096	—	768,531	252,968	—	515,563
The Bahamas	280,884	69,057	23,976	208,933	- 21,063	5	12,265	—	268,599	—	—	268,599
Bermuda	263,473	189,444	61,041	12,027	961	121,879	27,726	—	235,748	—	—	235,748
Netherlands Antilles	15,655	10,599	430	1,078	3,547	—	4,270	—	264,519	253,134	—	11,385
All other Western Hemisphere	649	687	—	1	- 39	—	817	—	- 335	- 166	—	- 169
Europe, total	7,354,473	2,563,619	2,357,914	799,987	1,832,953	8,130,491	1,614,812	987,414	10,106,192	4,358,817	9,715	5,739,660
Austria	45,585	28,904	15,759	(1)	921	13,714	2,966	751	42,644	—	25	42,618
Belgium	253,471	74,657	47,502	32,156	99,156	—	131,333	—	87,821	- 34,532	15	122,138
Denmark	68,225	5,419	11,128	8,420	45,257	—	20,396	—	47,829	(1)	1	47,828
France (including Andorra)	160,344	55,015	57,760	11,532	36,038	10,952	33,059	431	127,353	35	32	127,288
Italy (including San Marino)	144,536	96,106	36,877	8,306	5,247	1,436	10,982	—	172,425	37,596	1,275	133,554
Luxembourg	12,698	837	322	11,540	—	—	699	—	11,999	—	—	11,999
Netherlands	1,658,798	731,287	650,223	26,023	251,266	1,654,757	150,848	148,812	1,594,545	86,516	78	1,507,951
Spain	59,636	4,542	1,881	1,941	51,272	21,779	19,428	9,648	26,616	- 13,592	—	40,208
Sweden	9,010	3,911	935	3,981	183	—	2,355	—	6,639	—	44	6,655
Switzerland	78,308	55,139	20,441	2,715	13	—	3,697	—	74,033	- 577	—	74,611
United Kingdom	3,640,924	1,154,836	966,016	558,715	961,558	3,001,439	853,131	364,217	3,690,683	894,732	8,157	2,787,793
West Germany	861,713	309,955	527,097	17,426	7,235	503,005	78,955	25,098	784,442	- 325	8	784,759
All other Europe	361,224	43,212	21,973	121,233	174,806	2,923,408	308,965	438,456	3,439,303	3,388,964	80	52,259
Africa, total	2,388,489	435,695	73,482	107,840	1,771,693	4,288,694	450,750	822,009	4,083,377	2,145,485	173	1,937,739
Liberia	395,390	293,383	—	102,032	- 25	—	2,704	—	397,274	4,588	—	392,686
South Africa (including South-West Africa)	76,567	48,213	18,915	10	9,429	—	3,877	—	72,864	1	173	72,890
OPEC countries	429,530	53,252	14,868	1,953	359,457	2,897,875	95,570	580,107	2,554,226	2,220,266	—	333,960
All other Africa	1,487,002	40,846	39,679	3,846	1,402,832	1,390,820	348,599	241,901	1,059,013	- 79,391	—	1,138,404
Asia, total	4,734,438	2,469,886	1,283,174	9,489	972,909	5,658,049	1,853,896	864,918	8,072,838	3,142,573	49,523	2,880,542
Hong Kong	57,301	19,583	5,609	111	31,898	—	12,991	—	42,935	- 1,375	—	44,310
Indonesia	2,215,485	835,728	1,063,684	2,083	313,970	2,841,686	181,867	251,523	3,223,513	1,189,914	—	2,033,599
Japan (including Okinawa and Ryukyus)	409,869	183,939	175,798	3,184	48,948	45,722	38,414	7,347	432,976	10,412	49,109	373,455
Middle East countries (excluding OPEC)	58,963	900	918	107	57,038	—	8,231	—	54,155	3,424	—	50,732
OPEC countries (excluding Indonesia)	1,695,659	1,395,789	4,382	612	294,875	2,303,507	1,500,833	372,706	1,937,878	1,742,523	530	194,826
Philippines	10,405	1,415	1,479	839	- 6,672	—	8,864	—	17,191	15,651	—	1,540
All other Asia	286,776	32,512	31,304	1,552	221,407	467,134	104,695	233,342	363,990	182,024	- 115	182,081
Oceania, total	380,723	134,356	184,591	7,742	54,034	2,065,318	141,043	1,568,488	726,482	486,802	—	239,880
Australia	364,956	108,009	160,951	7,742	88,255	2,065,318	139,809	1,568,488	712,010	486,863	—	225,147
All other Oceania	15,767	26,347	23,640	—	- 34,220	—	1,234	—	14,472	- 60	—	14,533
Puerto Rico and U.S. Possessions, total	- 83,187	300	40	451	- 83,959	—	- 53,136	—	- 9,015	866	151	- 10,031
Country not stated	5,689,903	10,383	—	12,749	5,668,771	87,369	5,838,851	27,136	- 41,795	105,715	1,438	- 148,948
DISC dividends	25,065	25,065	—	—	—	—	15,807	—	9,258	—	—	9,258
OPEC countries, total (included above)	4,676,899	2,288,690	1,084,768	12,223	1,291,216	6,263,486	1,893,861	1,254,600	7,945,245	5,161,422	786	2,783,037

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued: Foreign taxes paid or accrued and deemed paid before reduction: Total	Paid or accrued: Total	Tax withheld at source on: Dividends	Tax withheld at source on: Interest	Tax withheld at source on: Rents, royalties and license fees	Other taxes paid or accrued on: Branch income	Other taxes paid or accrued on: Other income	Deemed paid
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Petroleum (including integrated) and coal products								
All geographic areas and DISC dividends, total	14,303,650	9,883,449	318,765	19,452	9,692	7,726,447	1,809,094	4,420,201
Canada	578,341	255,998	30,806	5,301	713	97,682	131,516	322,343
Latin America, total	762,255	649,024	19,295	254	2,393	9,109	617,972	113,231
Brazil	52,309	11,390	7,320	3	673	2	3,392	40,919
Ecuador	151,931	151,931	—	—	—	—	151,931	—
Mexico	10,378	4,274	1,494	57	1,494	311	918	6,104
Panama (including Canal Zone)	6,250	599	254	—	11	—	334	5,651
Venezuela	26,950	25,115	691	17	173	3,656	20,378	1,835
All other Latin America	514,437	455,715	9,337	177	43	5,140	441,019	58,722
Other Western Hemisphere, total	146,723	61,276	354	—	—	60,920	2	85,447
The Bahamas	23,976	—	—	—	—	—	—	23,976
Bermuda	61,044	2	—	—	—	2	—	61,041
Netherlands Antilles	61,701	61,272	354	—	—	60,917	—	430
All other Western Hemisphere	2	2	—	—	—	—	2	—
Europe, total	5,792,635	3,434,722	232,854	12,528	1,621	3,043,515	144,204	2,357,914
Austria	17,362	1,603	1,601	—	2	—	—	15,759
Belgium	52,611	5,109	4,774	25	—	201	109	47,502
Denmark	11,399	271	271	—	—	—	—	11,128
France (including Andorra)	61,894	4,134	2,573	—	369	1	1,191	57,760
Italy (including San Marino)	46,597	9,720	4,577	68	326	3,697	1,053	36,877
Luxembourg	644	322	322	—	—	—	—	322
Netherlands	850,604	200,381	33,766	3,172	(1)	70,176	93,267	650,223
Spain	10,685	8,804	675	113	611	(1)	7,406	1,881
Sweden	950	15	15	—	—	—	—	935
Switzerland	23,110	2,669	2,506	84	1	—	78	20,441
United Kingdom	1,503,090	537,074	102,376	54	216	394,881	39,544	966,016
West Germany	596,683	69,586	68,576	—	20	—	991	527,097
All other Europe	2,617,007	2,595,033	10,823	9,012	74	2,574,560	565	21,973
Africa, total	2,778,515	2,705,053	13,298	604	129	2,059,833	631,189	73,462
Liberia	15	15	15	—	—	—	—	—
South Africa (including South-West Africa)	25,757	6,842	8,773	—	69	—	—	18,915
OPEC countries	2,176,691	2,161,823	2,013	604	55	2,044,265	114,886	14,868
All other Africa	576,052	536,373	4,497	—	5	15,568	516,303	39,679
Asia, total	3,780,960	2,497,806	16,965	545	3,158	2,223,089	254,049	1,283,174
Hong Kong	5,963	354	—	—	345	—	9	5,609
Indonesia	1,830,403	766,720	—	—	—	653,007	113,712	1,063,684
Japan (including Okinawa and Ryukyus)	197,390	21,592	12,650	545	1,925	169	6,304	175,798
Middle East countries (excluding OPEC)	2,656	1,740	—	—	10	1,730	—	916
OPEC countries (excluding Indonesia)	1,683,437	1,679,055	—	—	—	1,547,854	131,201	4,382
Philippines	8,997	7,518	212	—	27	7,249	30	1,479
All other Asia	52,131	20,827	4,103	(1)	652	13,080	2,792	31,304
Oceania, total	460,485	275,895	5,067	181	1,213	241,914	27,519	184,591
Australia	436,617	275,666	4,877	181	1,181	241,910	27,516	160,951
All other Oceania	23,869	229	190	—	32	4	3	23,640
Puerto Rico and U.S. Possessions, total	3,314	3,274	125	—	361	383	2,405	40
Country not stated	403	403	—	38	104	22	238	—
DISC dividends	—	—	—	—	—	—	—	—
OPEC countries, total (included above)	5,869,412	4,784,644	2,903	621	228	4,248,782	532,109	1,084,768

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources: Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Foreign tax credit computed: Before reduction for international boycott operations	Foreign tax credit computed: Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Primary metal industries												
All geographic areas and DISC dividends, total	78	89,382,914	3,894,721	1,662,948	611,159	1,721,178	367,588	256,429	28,393	91,132	611,214	5
Canada	58	86,353,287	3,605,779	1,531,005	550,333	1,578,355	277,324	255,810	4,285	75,336	550,368	5
Latin America, total	37	81,987,902	3,195,444	1,344,833	600,687	1,672,610	362,874	249,211	28,347	90,839	600,692	5
Brazil	17	61,585,993	1,811,362	796,259	388,609	1,080,307	213,942	174,792	4,239	50,818	388,610	1
Mexico	27	72,555,406	2,288,808	1,006,265	437,553	1,223,163	241,681	200,904	4,239	50,789	437,554	1
Panama (including Canal Zone)	7	40,096,797	886,456	395,164	237,888	595,196	143,947	70,406	—	38,902	237,892	4
Venezuela	13	55,719,878	1,330,185	579,714	230,130	718,241	123,114	100,641	1,649	20,817	230,130	1
All other Latin America	26	78,932,443	3,009,991	1,261,563	589,119	1,638,350	357,945	242,551	28,347	90,765	589,124	5
Other Western Hemisphere, total	12	55,334,098	2,018,441	890,365	377,935	979,854	214,350	144,390	1,649	38,902	377,940	4
The Bahamas	3	29,753,972	509,181	225,927	196,456	497,607	118,100	48,164	—	38,902	196,460	4
Bermuda	8	47,058,549	1,396,225	610,142	294,061	770,429	198,238	97,795	1,649	17,402	294,061	—
Netherlands Antilles	5	30,260,981	572,127	256,109	165,324	445,041	115,122	42,902	—	17,402	165,324	—
All other Western Hemisphere	3	4,771,068	446,394	201,987	25,454	73,308	6,780	18,674	—	—	25,454	—
Europe, total	50	84,063,869	3,502,007	1,483,124	548,231	1,574,015	276,440	254,022	4,285	75,287	548,286	5
Austria	3	1,195,465	71,247	27,005	14,841	48,341	3,450	6,666	—	2,726	14,841	—
Belgium	13	47,950,858	893,990	385,793	284,778	768,804	155,177	129,960	2,635	50,078	284,779	1
Denmark	5	35,798,238	351,226	158,291	74,940	293,462	51,219	16,421	—	17,402	74,941	1
France (including Andorra)	28	78,986,002	2,774,357	1,221,887	457,394	1,306,485	247,374	212,229	4,239	53,708	457,395	1
Italy (including San Marino)	20	62,236,784	1,868,528	821,530	384,536	1,088,843	213,170	171,467	4,239	50,767	384,537	1
Netherlands	17	62,361,496	1,895,004	831,501	334,170	957,298	211,303	123,088	1,649	17,479	334,220	1
Spain	20	60,712,387	1,862,237	818,902	334,581	968,864	152,733	179,222	4,239	53,493	334,581	1
Sweden	10	36,268,790	1,249,733	537,355	299,788	834,900	164,469	141,719	4,239	38,090	299,789	1
Switzerland	15	46,548,477	2,085,680	855,651	358,452	1,005,879	212,819	146,422	4,239	50,078	358,452	—
United Kingdom	35	81,955,385	3,066,530	1,353,042	527,377	1,470,255	259,584	250,125	4,285	75,069	527,432	5
West Germany	25	69,405,143	2,430,118	1,074,611	473,186	1,304,104	231,116	222,221	4,285	72,269	473,191	5
All other Europe	19	68,294,099	1,792,468	778,750	411,106	1,141,521	234,664	178,523	4,239	53,569	411,157	1
Africa, total	28	50,878,813	2,202,188	968,281	393,880	1,078,256	205,510	199,607	4,239	36,305	393,880	1
Liberia	3	23,421,254	296,465	127,198	59,615	220,316	38,339	24,794	—	3,415	59,616	1
South Africa (including South-West Africa)	24	46,820,071	1,811,671	789,683	301,434	858,479	179,837	126,359	1,649	6,356	301,435	1
OPEC countries	5	24,168,763	487,932	204,599	95,368	315,500	29,538	65,106	—	3,415	95,368	1
All other Africa	11	42,967,178	1,677,117	733,229	353,933	942,078	193,049	173,217	4,239	33,364	353,934	1
Asia, total	39	79,528,961	2,855,354	1,259,980	514,197	1,404,269	258,245	237,337	4,239	75,208	514,202	5
Hong Kong	4	22,398,409	895,617	398,922	166,626	502,110	126,995	41,281	1,649	—	166,627	1
Indonesia	6	30,733,446	884,101	384,688	254,899	640,862	135,266	133,732	2,590	29,950	254,900	1
Japan (including Okinawa and Ryukyus)	36	77,505,162	2,682,857	1,182,042	493,584	1,345,171	253,516	221,452	4,239	75,208	493,589	5
Middle East countries (excluding OPEC)	8	53,971,023	1,445,862	632,895	329,842	904,584	189,129	114,861	1,649	38,902	329,847	5
OPEC countries (excluding Indonesia)	9	30,029,259	737,840	315,520	184,259	530,750	100,919	84,340	—	3,415	184,259	1
Philippines	11	54,889,875	1,064,965	462,160	307,371	818,060	176,334	135,109	2,590	50,078	307,372	1
All other Asia	21	64,605,571	2,013,650	883,949	407,876	1,148,936	219,997	185,253	4,239	53,493	407,876	1
Oceania, total	32	78,146,984	2,708,949	1,192,643	445,485	1,271,406	244,987	203,926	4,285	53,708	445,485	1
Australia	31	76,087,082	2,706,234	1,191,414	445,481	1,271,372	244,983	203,926	4,285	53,708	445,482	1
All other Oceania	6	20,794,368	1,250,910	552,029	197,001	514,939	146,127	54,730	1,649	2,726	197,001	—
Puerto Rico and U.S. Possessions, total	12	60,400,957	1,761,994	774,545	307,536	887,813	191,863	109,298	1,649	20,817	307,537	1
Country not stated	18	63,195,666	2,521,024	1,041,891	418,904	1,176,718	234,914	158,147	1,895	45,043	418,908	4
DISC dividends	7	33,018,097	719,726	313,868	215,200	589,867	121,145	61,136	—	41,829	215,204	4
OPEC countries, total (included above)	21	71,256,316	2,192,400	964,824	434,456	1,225,730	240,389	199,100	4,239	50,787	434,457	1

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total	Dividends	Dividend gross-up	Interest	Other	Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Primary metal industries												
All geographic areas and DISC dividends, total	1,839,130	604,283	256,429	148,362	830,055	88	587,989	27	1,721,178	422,830	47,207	1,251,141
Canada	477,407	93,664	63,231	63,038	257,474	88	178,384	27	323,391	22,801	1,767	299,023
Latin America, total	297,076	79,032	49,418	18,676	149,950	—	103,573	—	498,084	304,104	478	193,502
Brazil	20,343	5,171	3,572	1,503	10,097	—	7,899	—	12,451	—	7	12,444
Mexico	80,948	37,949	31,486	565	10,949	—	14,235	—	71,584	4,592	258	66,714
Panama (including Canal Zone)	17,448	13,122	3,017	—	1,309	—	1,855	—	15,772	—	178	15,593
Venezuela	29,762	6,775	4,358	7,712	10,917	—	12,001	—	17,702	-59	1	17,761
All other Latin America	148,151	15,701	6,889	8,894	116,668	—	67,507	—	380,249	299,571	34	80,645
Other Western Hemisphere, total	70,034	55,531	1,435	11,285	1,783	—	6,399	—	63,637	—	1	63,636
The Bahamas	9,647	3,587	—	6,080	—	—	512	—	9,134	—	—	9,134
Bermuda	9,584	9,442	—	139	2	—	1,143	—	8,442	—	1	8,441
Netherlands Antilles	49,023	42,522	1,435	5,066	—	—	4,363	—	44,660	—	—	44,660
All other Western Hemisphere	1,781	—	—	—	1,781	—	380	—	1,400	—	—	1,400
Europe, total	392,713	150,474	53,801	16,715	171,722	—	134,861	—	313,518	52,015	3,651	257,852
Austria	186	—	—	—	186	—	6	—	181	—	—	181
Belgium	6,780	2,489	2,036	52	2,203	—	1,105	—	5,765	-10	100	5,676
Denmark	454	—	—	(1)	454	—	25	—	429	—	—	429
France (including Andorra)	21,164	6,239	7,115	492	7,317	—	3,409	—	17,341	-1,213	800	17,754
Italy (including San Marino)	17,443	7,561	4,491	(1)	5,391	—	3,248	—	14,546	—	350	14,196
Netherlands	12,888	5,357	4,328	1,612	1,591	—	691	—	50,363	38,185	-18	12,197
Spain	8,232	1,296	444	7	6,485	—	11,795	—	-1,905	1,534	124	-3,563
Sweden	2,124	575	157	238	1,154	—	479	—	1,646	—	—	1,646
Switzerland	62,002	31,282	2,193	1,350	27,176	—	30,636	—	31,388	—	22	31,366
United Kingdom	99,325	51,570	21,926	9,120	16,710	—	12,482	—	98,074	10,106	1,126	86,843
West Germany	132,269	25,542	7,445	2,458	96,825	—	62,026	—	74,751	3,414	1,094	70,243
All other Europe	23,174	11,893	3,666	1,387	6,229	—	7,979	—	15,249	—	54	15,195
Africa, total	74,414	53,114	7,271	6,456	7,572	—	5,881	—	78,537	10,004	—	68,533
Liberia	44,024	41,797	2,227	—	—	—	962	—	45,083	2,021	—	43,062
South Africa (including South-West Africa)	13,357	5,054	3,163	105	5,035	—	1,851	—	11,200	-306	—	11,506
OPEC countries	1,451	527	448	23	453	—	414	—	1,941	905	—	1,037
All other Africa	15,583	5,736	1,433	6,329	2,084	—	2,654	—	20,313	7,384	—	12,929
Asia, total	82,469	14,127	8,320	2,547	57,475	—	24,595	—	61,188	1,904	1,409	57,875
Hong Kong	3,241	2,669	327	33	212	—	844	—	2,397	—	—	2,397
Indonesia	-458	306	218	2	-984	—	112	—	-570	—	—	-570
Japan (including Okinawa and Ryukyus)	33,599	1,835	2,064	2,038	27,662	—	12,347	—	23,538	1,513	772	21,252
Middle East countries (excluding OPEC)	556	1	—	(1)	555	—	268	—	572	-325	608	289
OPEC countries (excluding Indonesia)	6,891	—	—	8	6,883	—	2,446	—	6,615	169	—	6,445
Philippines	3,287	—	—	1	3,287	—	2,018	—	1,222	-43	-4	1,269
All other Asia	33,353	9,315	5,711	466	17,860	—	6,560	—	27,415	590	33	26,793
Oceania, total	352,342	113,015	72,872	12,471	153,984	—	95,754	—	273,314	16,698	28	256,588
Australia	354,509	113,015	72,872	12,471	156,150	—	95,743	—	274,991	16,197	28	258,766
All other Oceania	-2,167	—	—	—	-2,167	—	11	—	-1,677	501	—	-2,178
Puerto Rico and U.S. Possessions, total	-9,245	21	9	289	-9,564	—	375	—	-8,914	1,144	-439	-9,620
Country not stated	78,845	22,302	—	16,884	39,659	—	38,558	—	96,958	14,360	40,311	42,287
DISC dividends	23,074	23,003	71	—	—	—	1,610	—	21,464	—	—	21,464
OPEC countries, total (included above)	40,089	7,922	5,121	7,746	19,280	—	15,050	—	26,035	1,015	1	25,019

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued: Foreign taxes paid or accrued and deemed paid before reduction: Total	Paid or accrued: Total	Tax withheld at source on: Dividends	Interest	Rents, royalties and license fees	Other taxes paid or accrued on: Branch income	Other income	Deemed paid
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Primary metal industries								
All geographic areas and DISC dividends, total	623,997	367,568	47,371	3,503	16,484	209,053	91,177	256,429
Canada	106,398	43,166	7,193	1,344	4,105	12,822	17,902	63,231
Latin America, total	257,294	207,876	12,016	720	3,325	164,858	26,957	49,418
Brazil	6,271	2,699	1,403	208	966	—	122	3,572
Mexico	42,492	11,006	6,950	63	1,150	2,268	576	31,486
Panama (including Canal Zone)	3,062	45	10	—	36	—	—	3,017
Venezuela	8,432	4,074	1,028	238	549	—	2,259	4,358
All other Latin America	196,846	189,957	2,536	211	620	162,590	24,000	6,889
Other Western Hemisphere, total	2,106	671	641	4	27	—	—	1,435
The Bahamas	—	—	—	—	—	—	—	—
Bermuda	641	641	641	—	—	—	—	—
Netherlands Antilles	1,439	4	—	4	—	—	—	1,435
All other Western Hemisphere	27	27	—	—	27	—	—	—
Europe, total	100,206	46,405	8,353	14	795	17,992	19,251	53,801
Austria	13	13	—	—	—	—	13	—
Belgium	2,460	424	372	8	—	16	28	2,036
Denmark	—	—	—	—	—	—	—	—
France (including Andorra)	7,692	577	247	3	261	—	66	7,115
Italy (including San Marino)	5,154	663	578	—	44	—	41	4,491
Netherlands	22,126	17,799	234	—	—	17,565	—	4,328
Spain	1,199	755	213	—	402	27	113	444
Sweden	186	29	29	—	—	—	—	157
Switzerland	2,940	747	118	—	—	—	629	2,193
United Kingdom	25,031	3,105	2,655	—	44	384	22	21,926
West Germany	28,029	20,584	2,284	3	—	—	18,297	7,445
All other Europe	4,929	1,264	1,177	—	45	—	42	3,666
Africa, total	10,781	3,490	1,275	(1)	309	1,688	218	7,271
Liberia	3,769	1,543	—	—	—	1,543	—	2,227
South Africa (including South-West Africa)	4,188	1,025	504	(1)	303	—	218	3,163
OPEC countries	529	82	66	—	—	16	—	448
All other Africa	2,274	841	705	—	6	130	—	1,433
Asia, total	13,621	5,301	456	27	2,521	768	1,530	8,320
Hong Kong	327	(1)	—	—	(1)	—	—	327
Indonesia	280	61	61	—	—	—	—	218
Japan (including Okinawa and Ryukyus)	5,172	3,107	199	1	1,654	754	498	2,064
Middle East countries (excluding OPEC)	13	13	(1)	—	13	—	—	—
OPEC countries (excluding Indonesia)	394	394	—	—	—	3	392	—
Philippines	744	744	—	—	162	—	582	—
All other Asia	6,692	981	195	25	692	11	58	5,711
Oceania, total	128,353	55,481	16,982	986	4,273	10,018	23,222	72,872
Australia	128,030	55,158	16,982	986	4,170	9,798	23,222	72,872
All other Oceania	323	323	—	—	103	220	—	—
Puerto Rico and U.S. Possessions, total	511	501	—	—	32	468	2	9
Country not stated	4,675	4,675	456	409	1,077	640	2,095	—
DISC dividends	71	—	—	—	—	—	—	71
OPEC countries, total (included above)	9,826	4,705	1,244	238	554	19	2,651	5,121

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources: Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Foreign tax credit computed: Before reduction for international boycott operations	Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Machinery, except electrical												
All geographic areas and DISC dividends, total	408	108,996,990	11,291,040	5,159,678	2,331,297	5,818,718	571,862	1,783,286	95	17,845	2,331,601	304
Canada	213	101,419,915	10,725,296	4,905,337	2,302,731	5,721,166	555,776	1,785,792	95	16,556	2,303,035	304
Latin America, total	125	99,278,958	10,391,164	4,755,277	2,296,912	5,688,747	556,237	1,782,946	95	14,057	2,297,216	304
Brazil	73	87,335,116	9,580,127	4,385,934	2,229,425	5,474,121	534,921	1,710,894	95	5,865	2,229,729	304
Ecuador	16	59,906,262	7,923,845	3,634,424	1,980,802	4,838,991	438,635	1,546,600	—	2,095	1,980,802	—
Mexico	81	95,252,251	9,970,946	4,564,382	2,269,655	5,592,344	550,863	1,740,008	73	13,133	2,269,936	281
Panama (including Canal Zone)	22	56,518,848	8,229,897	3,772,775	2,027,557	4,940,406	469,070	1,565,998	—	—	2,027,838	281
Venezuela	50	81,277,169	9,131,151	4,181,058	2,168,924	5,345,363	511,222	1,686,038	—	3,784	2,169,205	281
All other Latin America	59	84,559,106	9,490,539	4,345,815	2,211,963	5,471,521	531,983	1,691,912	23	3,810	2,212,267	304
Other Western Hemisphere, total	34	83,121,530	8,978,341	4,107,407	2,160,438	5,306,728	514,383	1,657,170	73	6,409	2,160,718	281
The Bahamas	14	40,747,279	7,543,402	3,464,329	1,950,411	4,656,162	449,222	1,503,149	—	671	1,950,692	281
Bermuda	17	43,463,128	7,478,350	3,434,402	1,863,064	4,484,583	408,093	1,460,454	—	—	1,863,345	281
Netherlands Antilles	18	51,305,717	7,870,829	3,603,509	1,960,639	4,748,061	431,511	1,535,456	73	3,643	1,960,919	281
All other Western Hemisphere	9	43,211,172	6,512,330	2,993,731	1,677,939	4,079,744	374,947	1,307,779	—	2,095	1,677,939	—
Europe, total	177	103,594,284	10,735,884	4,911,522	2,321,852	5,764,100	565,618	1,779,052	95	17,183	2,322,156	304
Austria	22	65,532,960	7,748,332	3,548,346	2,041,121	4,981,222	470,778	1,572,312	—	3,463	2,041,402	281
Belgium	51	75,492,798	8,507,167	3,899,618	2,102,367	5,130,574	498,818	1,613,393	23	10,815	2,102,367	—
Denmark	15	55,024,326	7,235,197	3,316,366	1,961,531	4,756,947	441,375	1,524,103	—	8,952	1,961,531	—
France (including Andorra)	73	92,315,774	9,631,701	4,409,269	2,254,307	5,554,927	545,152	1,729,451	95	15,682	2,254,586	281
Italy (including San Marino)	46	80,067,841	8,608,475	3,938,417	2,132,372	5,221,775	506,636	1,641,363	73	7,831	2,132,653	281
Luxembourg	9	22,000,277	723,716	323,147	146,890	510,066	40,993	113,393	73	3,331	146,690	—
Netherlands	45	76,120,127	8,397,970	3,843,994	2,136,625	5,212,265	484,484	1,663,383	73	15,359	2,136,905	281
Spain	34	7,091,109	8,131,194	3,723,497	2,058,870	5,030,487	476,575	1,588,559	—	2,368	2,059,150	281
Sweden	31	74,091,260	8,605,763	3,944,255	2,125,102	5,197,894	495,990	1,637,225	73	13,100	2,125,102	—
Switzerland	56	79,415,697	8,715,383	3,992,663	2,146,960	5,285,769	503,028	1,650,288	—	9,909	2,146,960	—
United Kingdom	110	98,332,186	10,219,922	4,677,116	2,287,385	5,663,252	554,081	1,753,151	95	15,994	2,287,689	304
West Germany	78	89,449,881	9,158,491	4,190,002	2,215,533	5,454,476	530,376	1,706,620	73	15,606	2,215,814	281
All other Europe	48	83,512,148	9,040,337	4,138,619	2,191,893	5,380,591	516,956	1,686,989	73	13,802	2,192,173	281
Africa, total	78	84,262,819	9,268,366	4,243,293	2,165,553	5,315,264	526,141	1,651,449	—	8,486	2,165,833	281
Liberia	9	35,522,148	6,467,504	2,984,982	1,703,380	4,115,942	376,738	1,331,057	—	—	1,703,661	281
South Africa (including South-West Africa)	69	79,961,094	8,942,133	4,098,664	2,125,948	5,198,367	512,876	1,623,023	—	8,486	2,125,948	—
OPEC countries	16	40,998,833	6,952,955	3,185,485	1,770,819	4,297,961	400,494	1,377,144	—	—	1,771,100	281
All other Africa	23	64,903,481	8,165,511	3,745,057	2,058,255	5,003,361	477,527	1,584,572	—	2,095	2,058,255	—
Asia, total	234	100,432,030	10,548,383	4,823,674	2,297,285	5,706,860	558,514	1,759,838	95	18,548	2,297,589	304
Hong Kong	19	62,747,636	8,148,576	3,736,363	2,023,418	4,932,925	464,718	1,561,346	—	2,095	2,023,418	—
Indonesia	14	44,738,480	7,485,489	3,432,057	1,904,361	4,634,862	423,421	1,485,354	—	—	1,904,641	281
Japan (including Okinawa and Ryukyus)	203	97,085,487	10,197,706	4,663,524	2,276,527	5,648,284	550,124	1,747,683	95	15,062	2,276,831	304
Middle East countries (excluding OPEC)	36	61,192,437	7,925,981	3,634,590	1,966,098	4,805,718	432,922	1,536,960	—	2,190	1,966,098	—
OPEC countries (excluding Indonesia)	24	69,384,074	7,986,350	3,656,444	1,892,393	4,644,675	439,987	1,459,905	95	5,437	1,892,673	281
Philippines	24	48,945,479	7,618,279	3,494,132	1,899,733	4,667,139	448,558	1,460,383	—	1,171	1,899,733	—
All other Asia	48	82,792,595	8,960,253	4,101,890	2,109,851	5,201,151	484,814	1,638,023	95	12,233	2,110,131	281
Oceania, total	145	93,844,149	10,063,266	4,607,423	2,249,214	5,560,224	552,068	1,716,029	23	3,949	2,249,518	304
Australia	137	91,290,012	9,820,895	4,497,300	2,243,816	5,536,578	548,432	1,713,869	23	3,946	2,244,120	304
All other Oceania	35	67,901,090	8,625,185	3,953,608	2,066,941	5,038,398	483,620	1,588,986	23	2,280	2,067,221	281
Puerto Rico and U.S. Possessions, total	32	76,838,844	8,685,254	3,978,067	2,118,711	5,168,959	493,413	1,634,553	95	8,670	2,118,992	281
Country not stated	70	86,469,771	9,334,327	4,273,428	2,203,269	5,424,627	518,898	1,701,173	73	15,622	2,203,269	—
DISC dividends	21	10,498,113	794,475	383,639	61,055	162,313	24,733	37,385	—	1,174	61,078	23
OPEC countries, total (included above)	53	85,912,352	9,406,312	4,305,535	2,208,325	5,435,935	518,470	1,701,566	95	7,125	2,208,606	281

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total	Dividends	Dividend gross-up	Interest	Other	Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Machinery, except electrical												
All geographic areas and DISC dividends, total	7,515,532	2,380,682	1,783,286	383,571	2,988,014	14	2,274,317	—	5,818,718	192,348	385,155	5,241,215
Canada	565,870	122,939	88,920	88,736	265,276	14	209,806	—	429,958	5,326	68,566	356,065
Latin America, total	673,183	192,408	106,618	98,917	275,239	—	296,149	—	426,520	10,054	39,432	377,033
Brazil	169,331	77,577	37,234	23,578	30,942	—	44,215	—	135,395	40	10,240	125,115
Ecuador	9,822	1,192	335	1,411	6,683	—	6,556	—	3,603	(¹)	736	3,066
Mexico	169,003	35,206	30,360	32,589	70,848	—	65,608	—	94,441	753	10,292	83,395
Panama (including Canal Zone)	22,286	14,685	3,538	805	3,259	—	10,529	—	12,168	—	411	11,757
Venezuela	89,363	10,476	11,817	8,350	58,721	—	51,282	—	40,165	-1,163	3,247	38,081
All other Latin America	213,578	53,272	23,335	32,185	104,786	—	97,959	—	140,548	10,423	14,506	115,619
Other Western Hemisphere, total	87,720	35,304	12,185	32,220	8,010	—	27,647	—	78,437	15,830	2,534	60,074
The Bahamas	22,398	687	28	19,162	2,521	—	3,588	—	18,959	—	150	18,810
Bermuda	21,634	16,553	146	18	4,917	—	9,272	—	14,504	225	1,917	12,362
Netherlands Antilles	33,079	18,064	12,012	2,637	166	—	6,937	—	27,618	1,235	240	26,143
All other Western Hemisphere	10,609	—	—	10,202	406	—	7,850	—	17,356	14,369	227	2,759
Europe, total	4,667,441	1,678,739	1,278,497	93,272	1,618,933	—	1,058,541	—	3,778,726	43,828	125,999	3,608,899
Austria	54,488	9,459	13,688	219	31,122	—	15,436	—	46,837	5,703	2,083	39,051
Belgium	146,646	32,916	30,481	9,072	74,197	—	31,905	—	120,747	2,168	3,838	114,741
Denmark	70,705	27,408	13,180	1,153	28,963	—	17,639	—	55,126	(¹)	2,060	53,066
France (including Andorra)	707,379	176,629	184,824	11,884	334,042	—	214,850	—	516,712	1,102	23,081	492,529
Italy (including San Marino)	373,898	147,499	93,269	833	132,296	—	79,870	—	313,841	6,392	13,221	294,228
Luxembourg	17,615	7,547	5,882	2,683	1,503	—	250	—	17,380	—	15	17,365
Netherlands	280,891	93,355	75,335	1,592	110,609	—	54,437	—	232,518	90	5,973	226,455
Spain	121,825	52,804	20,642	1,376	47,003	—	31,228	—	97,326	85	6,643	90,597
Sweden	102,891	36,373	22,044	976	43,498	—	24,524	—	85,364	-605	7,602	78,367
Switzerland	280,649	162,829	68,730	2,748	46,342	—	55,376	—	232,260	2,741	4,247	225,273
United Kingdom	1,087,552	426,481	277,997	48,740	334,333	—	243,479	—	879,037	11,870	23,094	844,073
West Germany	1,291,243	466,639	443,225	9,080	372,300	—	247,507	—	1,075,574	1,851	29,987	1,043,736
All other Europe	131,658	38,799	27,218	2,915	62,725	—	42,238	—	106,005	12,430	4,155	89,419
Africa, total	119,898	27,305	17,854	6,796	68,143	—	54,762	—	94,638	25,959	3,543	85,138
Liberia	2,133	2,055	—	2	76	—	148	—	3,985	1,863	137	1,985
South Africa (including South-West Africa)	76,571	23,443	16,200	4,891	32,037	—	20,647	—	58,201	2	2,275	55,824
OPEC countries	27,210	1,456	1,248	460	24,046	—	24,785	—	8,036	5,291	321	2,424
All other Africa	13,985	351	207	1,444	11,984	—	9,181	—	24,416	18,803	810	4,803
Asia, total	879,727	185,369	235,074	12,795	448,489	—	310,314	—	720,292	94,001	56,879	569,413
Hong Kong	3,003	1,470	193	517	822	—	706	—	14,212	8,686	3,230	2,296
Indonesia	5,298	—	—	204	5,094	—	4,766	—	7,995	7,043	419	533
Japan (including Okinawa and Ryukyus)	704,500	187,753	226,777	5,747	304,223	—	196,604	—	552,101	5,492	38,713	507,896
Middle East countries (excluding OPEC)	8,739	—	—	4,701	4,038	—	5,705	—	26,686	22,109	1,543	3,034
OPEC countries (excluding Indonesia)	42,748	—	—	369	42,379	—	25,293	—	54,235	31,047	5,733	17,454
Philippines	12,489	1,197	672	276	10,344	—	6,541	—	6,704	63	694	5,948
All other Asia	102,951	14,950	7,433	981	79,589	—	70,699	—	58,359	19,561	6,546	32,252
Oceania, total	169,286	37,458	45,357	5,556	80,915	—	42,396	—	144,585	6,328	11,367	128,890
Australia	155,842	35,061	44,010	3,498	73,272	—	37,847	—	133,779	5,810	9,975	117,994
All other Oceania	13,444	2,397	1,346	2,058	7,643	—	4,549	—	10,806	519	1,392	8,895
Puerto Rico and U.S. Possessions, total	49,517	2,592	786	3,460	42,679	—	34,460	—	26,009	7,235	3,717	15,057
Country not stated	211,412	7,199	85	21,618	182,329	—	152,578	—	115,738	-16,215	73,119	58,834
DISC dividends	91,476	91,367	109	—	—	—	87,862	—	3,814	—	—	3,814
OPEC countries, total (included above)	174,241	13,124	13,400	10,794	136,923	—	112,682	—	114,234	42,218	10,457	61,559

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued: Foreign taxes paid or accrued and deemed paid before reduction: Total (25)	Paid or accrued: Total (26)	Tax withheld at source on: Dividends (27)	Tax withheld at source on: Interest (28)	Tax withheld at source on: Rents, royalties and license fees (29)	Other taxes paid or accrued on: Branch income (30)	Other taxes paid or accrued on: Other income (31)	Deemed paid (32)
Machinery, except electrical								
All geographic areas and DISC dividends, total	2,355,126	571,862	241,690	31,888	134,186	120,145	43,973	1,783,266
Canada	149,487	60,567	19,124	8,721	22,017	2,908	7,796	88,920
Latin America, total	229,017	122,399	55,726	18,393	24,497	6,181	19,101	106,618
Brazil	83,078	45,845	35,579	3,402	5,247	346	1,271	37,234
Ecuador	1,268	933	399	48	83	—	402	335
Mexico	65,874	35,514	3,243	10,056	13,006	466	8,741	30,380
Panama (including Canal Zone)	4,364	827	193	219	415	—	(¹)	3,538
Venezuela	20,871	9,054	2,460	1,160	717	86	4,631	11,817
All other Latin America	53,562	30,227	13,852	2,008	5,028	5,284	4,056	23,335
Other Western Hemisphere, total	13,373	1,188	287	103	29	616	154	12,185
The Bahamas	32	5	—	5	—	—	—	28
Bermuda	146	—	—	—	—	—	—	146
Netherlands Antilles	13,122	1,110	287	98	—	572	154	12,012
All other Western Hemisphere	73	73	—	—	29	44	—	—
Europe, total	1,486,463	209,966	137,728	2,786	32,035	31,774	5,843	1,276,497
Austria	18,610	5,122	497	463	(¹)	4,151	11	13,688
Belgium	37,595	7,134	4,922	1,006	23	1,096	85	30,461
Denmark	14,551	1,370	1,370	—	—	—	—	13,180
France (including Andorra)	212,674	27,850	8,937	960	11,553	8,030	369	184,824
Italy (including San Marino)	116,289	23,019	7,608	86	11,991	3,271	63	93,269
Luxembourg	6,214	332	332	—	—	—	—	5,882
Netherlands	80,183	4,848	4,379	—	46	55	368	75,335
Spain	36,640	15,998	8,501	131	7,144	46	176	20,842
Sweden	23,395	1,351	1,415	—	—	-77	13	22,044
Switzerland	75,040	6,310	5,657	42	—	542	69	68,730
United Kingdom	307,630	29,633	21,419	31	125	6,690	1,369	277,997
West Germany	518,042	74,617	70,775	11	11	2,421	1,598	443,225
All other Europe	39,399	12,181	1,916	54	1,143	7,547	1,522	27,218
Africa, total	48,894	31,240	3,524	131	3,507	22,393	1,885	17,854
Liberia	848	848	—	—	—	848	—	—
South Africa (including South-West Africa)	26,729	12,529	3,318	46	3,478	5,577	111	16,200
OPEC countries	8,250	5,003	206	22	25	3,727	1,023	1,248
All other Africa	13,066	12,860	—	64	4	12,240	551	207
Asia, total	339,394	104,320	18,488	1,700	31,343	45,779	7,030	235,074
Hong Kong	1,549	1,356	—	4	3	1,323	27	193
Indonesia	3,798	3,798	—	10	59	3,562	188	—
Japan (including Okinawa and Ryukyus)	271,558	44,781	16,754	506	24,003	2,412	1,107	226,777
Middle East countries (excluding OPEC)	9,159	9,159	—	1,044	185	7,926	4	—
OPEC countries (excluding Indonesia)	23,509	23,509	—	1	1,841	18,908	2,759	—
Philippines	2,609	1,937	180	20	791	26	920	872
All other Asia	27,212	19,779	1,534	116	4,462	11,622	2,045	7,433
Oceania, total	76,973	31,616	5,620	701	19,744	4,197	1,354	45,357
Australia	73,107	29,097	5,262	384	18,269	3,950	1,233	44,010
All other Oceania	3,866	2,519	358	317	1,475	248	122	1,346
Puerto Rico and U.S. Possessions, total	7,459	6,673	237	834	284	4,524	795	786
Country not stated	3,189	3,124	205	-1	730	1,774	416	65
DISC dividends	879	771	771	—	—	—	—	109
OPEC countries, total (included above)	35,896	42,296	3,066	1,240	2,725	26,282	8,983	13,400

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns (1)	Total assets (2)	Income and taxes from all sources: Income subject to U.S. tax (3)	Regular and alternative tax (4)	Foreign tax credit claimed (5)	Taxable income (less loss) from foreign sources before loss recapture (6)	Foreign taxes paid or accrued (7)	Foreign taxes deemed paid (8)	Reduction for certain foreign taxes (9)	Carryover (10)	Foreign tax credit computed: Before reduction for international boycott operations (11)	Reduction for international boycott operations (12)
Electrical and electronic equipment												
All geographic areas and DISC dividends, total	223	112,440,851	6,403,180	2,904,635	643,163	2,376,966	338,478	392,727	538	148,917	643,472	33
Canada	111	106,186,713	5,747,976	2,611,845	608,150	2,234,762	327,096	367,382	538	142,514	608,183	33
Latin America, total	65	99,900,639	4,947,623	2,245,603	579,571	2,102,047	318,530	347,650	538	143,222	579,603	33
Brazil	34	92,543,924	4,413,449	2,002,587	549,526	2,031,070	310,259	325,833	538	139,993	549,558	33
Ecuador	11	66,636,116	2,517,301	1,144,206	409,520	1,577,835	273,132	227,633	538	131,933	409,520	—
Mexico	50	95,343,783	4,555,238	2,068,317	569,462	2,064,222	313,773	337,980	538	141,627	569,495	33
Panama (including Canal Zone)	11	67,168,437	2,544,763	1,156,937	409,630	1,573,184	272,618	227,893	538	132,437	409,630	—
Venezuela	29	91,530,641	3,960,113	1,800,557	507,002	1,926,654	300,042	290,042	538	140,269	507,034	32
All other Latin America	30	61,686,054	3,764,338	1,707,520	524,054	1,953,556	303,131	304,950	538	142,563	524,087	33
Other Western Hemisphere, total	24	91,370,475	4,022,669	1,830,836	498,837	1,943,769	298,142	283,339	538	140,707	498,870	32
The Bahamas	9	57,093,509	2,627,691	1,191,561	385,991	1,486,811	245,494	218,457	538	94,862	386,024	32
Bermuda	9	64,790,973	2,891,856	1,318,108	352,017	1,406,742	217,684	193,401	538	47,055	352,049	32
Netherlands Antilles	12	40,188,440	854,702	378,441	176,124	784,427	88,418	171,934	—	138,552	176,124	—
All other Western Hemisphere	7	30,604,758	549,446	244,235	180,354	706,403	76,179	162,827	—	44,901	180,354	—
Europe, total	133	107,526,951	5,742,843	2,604,555	631,208	2,322,410	333,235	388,765	538	144,464	631,517	33
Austria	10	74,998,573	2,640,568	1,292,682	411,747	1,652,049	270,334	233,758	538	131,932	411,747	—
Belgium	27	90,011,242	3,938,925	1,792,263	516,509	1,982,747	301,122	300,505	538	140,601	516,617	32
Denmark	11	65,728,829	3,008,526	1,371,255	425,830	1,510,044	246,028	233,708	538	2,154	425,862	32
France (including Andorra)	51	98,123,391	4,768,562	2,163,906	586,708	2,184,662	318,615	353,545	538	141,167	586,741	33
Italy (including San Marino)	32	94,238,345	4,498,024	2,041,779	552,730	2,061,930	311,401	325,484	538	141,334	552,762	33
Luxembourg	3	28,386,472	506,676	224,844	152,736	613,446	57,810	150,091	—	—	152,736	—
Netherlands	30	85,450,041	3,895,193	1,767,112	508,629	1,883,848	289,107	304,186	538	140,645	508,662	33
Spain	21	79,424,087	3,185,639	1,443,198	487,743	1,776,869	289,089	282,973	538	140,601	487,743	(¹)
Sweden	16	83,014,557	3,375,285	1,535,263	459,535	1,842,027	288,246	262,534	538	131,932	459,535	—
Switzerland	25	87,619,299	3,852,146	1,753,136	448,866	1,840,864	289,393	252,253	538	133,363	448,898	32
United Kingdom	88	103,952,192	5,364,733	2,436,530	611,652	2,249,943	327,986	374,420	538	143,121	611,685	33
West Germany	65	97,744,690	4,843,123	2,198,313	603,963	2,227,120	322,294	370,230	538	141,594	603,996	33
All other Europe	28	84,775,952	3,869,978	1,758,499	506,616	1,960,394	300,665	290,786	538	142,391	506,648	32
Africa, total	30	88,215,359	3,891,746	1,769,574	474,561	1,818,314	294,701	271,892	538	132,536	474,593	32
Liberia	4	43,485,231	1,690,632	773,005	212,924	828,084	180,217	63,300	538	87,031	212,924	—
South Africa (including South-West Africa)	29	87,284,648	3,851,878	1,751,635	473,140	1,814,413	294,031	271,141	538	132,536	473,172	32
OPEC countries	8	48,857,835	2,139,937	976,865	302,375	1,098,849	233,142	105,314	538	131,932	302,375	—
All other Africa	8	65,007,859	2,344,287	1,065,066	405,094	1,561,517	270,994	225,346	538	131,932	405,094	—
Asia, total	123	104,876,391	5,403,497	2,449,743	605,917	2,255,525	327,067	367,005	538	144,291	605,950	33
Hong Kong	17	73,368,998	3,269,200	1,486,777	464,333	1,624,647	254,742	268,334	538	47,560	464,334	(¹)
Indonesia	8	65,812,974	2,305,170	1,044,503	416,799	1,595,555	269,363	230,650	538	139,763	416,799	—
Japan (including Okinawa and Ryukyus)	98	103,221,237	5,258,117	2,383,886	600,896	2,238,597	324,444	363,126	538	142,964	600,931	33
Middle East countries (excluding OPEC)	18	76,330,103	3,046,866	1,382,821	458,682	1,750,656	288,677	254,469	538	140,713	458,682	—
OPEC countries (excluding Indonesia)	20	85,493,789	3,585,147	1,628,076	455,389	1,772,215	285,866	253,665	538	139,763	455,421	32
Philippines	12	68,354,795	2,422,489	1,098,157	425,084	1,628,977	273,911	234,586	538	139,764	425,084	—
All other Asia	52	96,910,974	4,530,182	2,058,249	543,908	2,100,180	309,684	318,800	538	141,594	543,940	33
Oceania, total	55	97,464,647	4,871,702	2,210,420	550,922	2,089,543	314,334	325,537	538	140,571	550,955	33
Australia	55	97,464,647	4,871,702	2,210,420	550,922	2,089,543	314,334	325,537	538	140,571	550,955	33
All other Oceania	17	71,186,296	3,125,750	1,419,254	471,444	1,797,551	284,838	278,325	538	131,932	471,445	(¹)
Puerto Rico and U.S. Possessions, total	29	84,040,269	3,896,885	1,767,666	518,435	1,991,395	304,373	300,145	538	142,075	518,744	33
Country not stated	45	86,792,924	4,452,794	2,023,442	558,925	2,107,709	312,028	331,020	538	142,971	556,958	33
DISC dividends	15	40,509,867	2,569,047	1,175,515	288,440	975,780	184,384	73,529	538	10,824	266,440	—
OPEC countries, total (included above)	36	93,420,432	4,278,876	1,944,701	512,793	1,947,589	302,630	293,942	538	140,269	512,826	32

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country											
	Gross income (less loss) excluding branch operations and specially allocable income					Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture			
	Total	Dividends	Dividend gross-up	Interest	Other				Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Electrical and electronic equipment												
All geographic areas and DISC dividends, total	3,236,670	1,060,684	392,727	243,895	1,539,364	5,291	1,478,443	7,844	2,378,966	412,968	205,771	1,758,227
Canada	181,687	50,004	33,155	38,851	61,678	5,291	52,869	7,844	167,323	29,500	9,005	128,818
Latin America, total	187,380	63,075	30,081	21,677	73,047	—	82,411	—	133,651	28,404	-221	105,469
Brazil	49,746	20,395	12,935	2,235	14,181	—	21,823	—	25,037	-385	-2,501	27,924
Ecuador	2,115	41	5	742	1,327	—	849	—	4,050	2,673	112	1,286
Mexico	66,371	15,818	11,149	3,561	35,843	—	22,974	—	49,136	4,404	1,335	43,397
Panama (including Canal Zone)	26,427	16,983	2,108	6,996	340	—	525	—	25,050	-799	-53	25,902
Venezuela	8,848	3,263	1,692	589	3,303	—	9,755	—	-446	360	102	-907
All other Latin America	34,373	6,575	2,190	7,555	18,052	—	26,485	—	30,823	22,151	784	7,888
Other Western Hemisphere, total	64,852	37,894	11,088	7,452	8,417	—	16,345	—	40,989	-7,523	4	46,507
The Bahamas	7,958	1,012	187	6,414	345	—	4,264	—	-3,826	-7,523	2	3,695
Bermuda	36,550	26,949	9,542	47	12	—	6,248	—	30,304	(¹)	3	30,302
Netherlands Antilles	12,162	9,933	1,360	907	-38	—	3,573	—	8,589	—	—	8,589
All other Western Hemisphere	8,182	—	—	83	8,098	—	2,260	—	5,922	—	—	5,922
Europe, total	1,265,064	502,427	241,980	119,030	401,847	—	483,652	—	828,002	29,524	17,045	781,432
Austria	5,090	1,832	1,423	56	1,780	—	2,360	—	2,700	-81	52	2,730
Belgium	88,436	33,024	22,923	7,120	25,369	—	43,210	—	51,160	3,165	2,770	45,225
Denmark	5,735	1,669	1,091	32	2,943	—	2,551	—	3,423	209	30	3,184
France (including Andorra)	120,778	9,651	8,475	9,500	93,153	—	49,676	—	74,161	2,323	738	71,100
Italy (including San Marino)	113,743	47,454	27,425	743	38,120	—	41,311	—	76,491	3,563	496	72,432
Luxembourg	4,672	3,686	780	—	206	—	1,283	—	3,389	—	—	3,389
Netherlands	185,776	90,863	36,199	7,471	51,242	—	39,369	—	148,158	1,591	161	146,407
Spain	30,122	1,753	394	1,370	26,605	—	23,026	—	11,997	1,055	3,845	7,097
Sweden	38,544	16,553	4,371	3,905	13,716	—	27,360	—	15,832	4,175	473	11,184
Switzerland	66,991	56,698	11,469	1,001	-2,177	—	21,081	—	48,167	1,558	699	45,911
United Kingdom	299,319	122,431	44,276	66,354	66,258	—	108,738	—	203,220	11,179	1,460	190,581
West Germany	257,238	107,862	79,380	3,566	66,430	—	103,071	—	157,583	723	2,692	154,167
All other Europe	48,639	8,952	3,773	17,912	18,002	—	20,614	—	31,719	65	3,629	28,025
Africa, total	132,592	9,217	6,261	1,557	115,557	—	115,048	—	25,053	7,224	285	17,544
Liberia	3,995	726	5	—	3,265	—	6,551	—	-2,555	—	—	-2,555
South Africa (including South-West Africa)	18,843	7,728	5,458	1,247	4,409	—	6,440	—	9,719	-2,874	190	12,403
OPEC countries	2,512	573	617	176	1,146	—	860	—	5,997	4,469	-124	1,651
All other Africa	107,242	189	182	133	106,738	—	101,197	—	11,893	5,629	219	6,044
Asia, total	537,057	95,416	50,788	6,655	384,218	—	252,965	—	397,724	82,907	30,745	284,072
Hong Kong	24,416	19,330	1,499	2	3,585	—	8,220	—	25,989	5,891	3,902	16,196
Indonesia	21,177	9,093	8,599	40	3,446	—	7,778	—	13,382	-98	81	13,400
Japan (including Okinawa and Ryukyus)	310,378	32,814	34,056	2,522	240,986	—	114,614	—	227,355	25,567	6,024	195,764
Middle East countries (excluding OPEC)	8,690	44	52	430	6,164	—	3,736	—	6,562	3,354	254	2,954
OPEC countries (excluding Indonesia)	44,177	—	—	201	43,977	—	28,527	—	43,718	28,069	-2	15,651
Philippines	56,981	4,357	1,028	2,230	49,367	—	45,840	—	13,787	2,445	—	11,342
All other Asia	73,237	29,779	5,535	1,230	36,693	—	44,471	—	66,930	17,679	20,485	28,766
Oceania, total	61,503	10,838	15,644	10,917	24,103	—	23,090	—	246,233	207,687	133	38,412
Australia	58,282	10,724	15,558	9,105	22,895	—	21,732	—	242,113	205,470	93	36,550
All other Oceania	3,221	114	87	1,812	1,208	—	1,359	—	4,120	2,217	40	1,882
Puerto Rico and U.S. Possessions, total	42,460	21,484	2,315	1,597	17,065	—	22,565	—	35,494	2,690	12,908	19,895
Country not stated	508,115	15,391	931	38,181	453,631	—	320,950	—	355,384	32,552	135,867	187,165
DISC dividends	255,440	254,937	503	—	—	—	106,528	—	146,912	—	—	146,912
OPEC countries, total (included above)	78,828	12,969	10,913	1,747	53,199	—	47,768	—	66,702	35,472	169	31,060

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued							
	Foreign taxes paid or accrued and deemed paid before reduction							
	Total	Paid or accrued						Deemed paid
		Total	Tax withheld at source on			Other taxes paid or accrued on		
			Dividends	Interest	Rents, royalties and license fees	Branch income	Other income	
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Electrical and electronic equipment								
All geographic areas and DISC dividends, total	731,205	338,478	67,743	10,943	55,237	158,346	48,209	392,727
Canada	64,614	31,460	7,372	3,762	5,075	10,183	5,088	33,155
Latin America, total	71,525	41,444	13,473	2,012	10,504	6,131	9,324	30,081
Brazil	21,504	8,569	5,152	483	888	—	2,046	12,935
Ecuador	1,582	1,577	—	—	499	1,076	—	5
Mexico	26,573	15,424	3,015	1,277	6,082	1,610	3,440	11,149
Panama (including Canal Zone)	2,268	159	12	26	27	—	95	2,108
Venezuela	7,552	5,860	4,855	63	728	23	191	1,692
All other Latin America	12,045	9,855	438	164	2,280	3,420	3,553	2,190
Other Western Hemisphere, total	11,182	94	(¹)	—	21	73	—	11,088
The Bahamas	187	—	—	—	—	—	—	187
Bermuda	9,542	(¹)	(¹)	—	—	—	—	9,542
Netherlands Antilles	1,371	11	—	—	—	11	—	1,360
All other Western Hemisphere	83	83	—	—	21	52	—	—
Europe, total	318,168	76,186	35,446	3,801	6,808	18,912	9,219	241,980
Austria	1,567	144	112	—	32	—	—	1,423
Belgium	35,287	12,364	4,933	787	2	2,104	4,538	22,923
Denmark	1,156	65	52	—	—	—	13	1,091
France (including Andorra)	15,062	6,588	676	97	3,964	1,638	212	8,475
Italy (including San Marino)	30,924	3,499	1,974	133	1,069	304	19	27,425
Luxembourg	826	45	45	—	—	—	—	780
Netherlands	39,831	3,631	2,547	—	11	1,074	—	36,199
Spain	11,583	11,189	275	2,740	2,879	2,891	2,304	394
Sweden	8,789	4,418	820	—	1	2,210	1,387	4,371
Switzerland	14,311	2,842	2,417	—	32	393	—	11,469
United Kingdom	55,044	10,766	3,578	—	90	6,984	116	44,276
West Germany	96,874	17,494	16,885	12	-3	580	20	79,380
All other Europe	6,914	3,141	1,132	32	733	635	609	3,773
Africa, total	11,942	5,881	1,230	4	534	1,540	2,373	6,261
Liberia	5	—	—	—	—	—	—	5
South Africa (including South-West Africa)	7,316	1,858	1,119	—	482	—	257	5,458
OPEC countries	722	106	69	(¹)	—	—	37	617
All other Africa	3,899	3,717	42	4	52	1,540	2,079	182
Asia, total	117,082	66,314	7,304	505	21,359	24,884	12,282	50,768
Hong Kong	2,360	861	—	—	10	851	—	1,499
Indonesia	9,697	1,098	—	—	55	—	1,044	8,599
Japan (including Okinawa and Ryukyus)	72,931	38,875	3,222	125	16,075	17,947	1,505	34,056
Middle East countries (excluding OPEC)	867	815	4	1	246	165	399	52
OPEC countries (excluding Indonesia)	8,053	8,053	—	—	535	518	7,001	—
Philippines	5,210	4,183	598	41	1,055	1,526	964	1,028
All other Asia	17,964	12,429	3,480	339	3,384	3,857	1,369	5,535
Oceania, total	116,437	100,792	1,850	468	5,817	91,216	1,442	15,644
Australia	114,568	99,011	1,633	447	5,479	89,824	1,428	15,558
All other Oceania	1,868	1,781	17	20	337	1,392	14	87
Puerto Rico and U.S. Possessions, total	13,788	11,473	788	317	1,392	4,631	4,344	2,315
Country not stated	5,897	4,966	211	75	1,729	795	2,156	931
DISC dividends	572	69	69	—	—	—	—	503
OPEC countries, total (included above)	27,607	16,695	4,924	63	1,816	1,619	8,272	10,913

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources: Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Foreign tax credit computed: Before reduction for international boycott operations	Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Motor vehicles and equipment												
All geographic areas and DISC dividends, total	77	77,826,487	1,759,298	785,115	352,352	1,243,491	127,054	230,735	204	1,820	352,352	—
Canada	71	77,345,634	1,732,045	773,078	351,062	1,239,452	126,292	230,005	204	1,710	351,062	—
Latin America, total	20	77,061,432	1,716,708	768,530	347,593	1,232,620	125,325	226,853	204	1,799	347,593	—
Brazil	12	70,779,318	1,480,212	660,038	316,601	1,149,239	108,936	212,202	204	1,689	316,601	—
Ecuador	3	9,769,698	274,139	122,720	83,398	248,694	22,175	65,580	—	—	83,398	—
Mexico	16	78,237,083	1,668,363	745,481	339,738	1,214,730	122,784	221,195	204	1,791	339,738	—
Venezuela	11	74,491,120	1,453,167	647,030	313,947	1,150,508	117,329	201,750	204	261	313,947	—
All other Latin America	14	75,196,349	1,527,974	680,162	324,580	1,180,591	121,183	208,746	204	8	324,580	—
Other Western Hemisphere, total	9	71,173,157	1,499,811	669,857	304,321	1,118,468	112,180	197,035	204	110	304,321	—
Bermuda	6	14,466,109	595,446	255,170	105,103	322,079	38,327	73,576	—	—	105,103	—
Netherlands Antilles	5	64,397,929	1,074,816	490,671	268,684	1,013,779	93,567	179,548	204	110	268,684	—
Europe, total	22	77,424,093	1,723,018	769,593	346,012	1,228,674	124,604	226,483	204	1,799	346,012	—
Austria	4	62,992,263	1,017,364	465,131	263,330	1,005,780	93,469	174,402	204	—	263,330	—
Belgium	8	67,146,203	1,272,330	566,443	283,410	1,063,275	103,699	185,245	204	—	283,410	—
Denmark	6	66,097,296	1,164,761	531,987	277,812	1,050,014	97,896	164,457	204	—	277,812	—
France (including Andorra)	14	75,334,063	1,522,159	677,805	318,935	1,157,926	119,400	204,843	204	8	318,935	—
Italy (including San Marino)	9	72,977,549	1,395,429	620,808	306,945	1,124,285	114,131	197,818	204	—	306,945	—
Netherlands	7	70,723,135	1,231,305	561,265	300,220	1,110,835	108,775	195,986	204	—	300,220	—
Spain	9	73,816,147	1,436,885	639,966	307,489	1,137,122	114,091	198,402	204	—	307,489	—
Sweden	7	68,689,522	1,318,345	585,841	290,648	1,072,938	105,365	190,259	204	8	290,648	—
Switzerland	10	72,208,575	1,421,560	632,602	300,435	1,110,110	113,072	192,249	204	118	300,435	—
United Kingdom	16	76,544,685	1,641,667	732,356	324,962	1,182,381	122,789	207,497	204	380	324,962	—
West Germany	14	75,011,351	1,512,977	673,518	331,477	1,188,539	118,217	217,915	204	1,689	331,477	—
All other Europe	8	71,723,066	1,302,317	578,390	293,923	1,083,466	107,917	191,010	204	—	293,923	—
Africa, total	14	75,504,870	1,507,584	671,115	322,757	1,175,409	119,566	208,733	204	380	322,757	—
South Africa (including South-West Africa)	14	75,504,870	1,507,584	671,115	322,757	1,175,409	119,566	208,733	204	380	322,757	—
OPEC countries	4	11,651,767	405,670	167,912	90,945	278,182	29,574	66,171	—	—	90,945	—
All other Africa	3	62,267,333	966,839	442,303	253,885	979,783	88,918	169,506	204	—	253,885	—
Asia, total	20	77,172,311	1,713,624	765,187	346,872	1,230,821	124,597	227,014	204	1,799	346,872	—
Hong Kong	4	62,992,263	1,017,364	465,131	263,330	1,005,780	93,469	174,402	204	—	263,330	—
Indonesia	5	14,067,867	331,230	148,211	101,870	317,142	33,111	73,096	—	—	101,870	—
Japan (including Okinawa and Ryukyus)	18	75,812,444	1,589,809	708,264	341,313	1,218,273	121,382	224,670	204	1,799	341,313	—
Middle East countries (excluding OPEC)	4	14,827,745	390,805	160,189	95,506	289,504	32,187	68,120	—	—	95,506	—
OPEC countries (excluding Indonesia)	6	70,467,392	1,302,374	579,472	285,132	1,063,360	106,462	183,674	204	—	285,132	—
Philippines	6	14,067,867	350,872	156,866	102,915	321,639	33,947	73,304	—	—	102,915	—
All other Asia	11	74,837,749	1,496,043	668,753	317,286	1,164,203	118,786	203,505	204	—	317,286	—
Oceania, total	18	76,570,815	1,661,233	741,128	347,253	1,224,508	123,529	228,681	204	1,799	347,253	—
Australia	18	76,570,815	1,661,233	741,128	347,253	1,224,508	123,529	228,681	204	1,799	347,253	—
All other Oceania	11	70,402,279	1,509,359	674,414	301,684	1,083,437	110,110	192,124	204	118	301,684	—
Puerto Rico and U.S. Possessions, total	9	71,305,122	1,302,717	593,715	304,902	1,130,328	111,334	198,108	204	—	304,902	—
Country not stated	11	70,317,923	1,430,892	638,272	299,111	1,111,149	108,446	195,989	204	261	299,111	—
DISC dividends	4	6,421,611	368,660	152,424	67,917	190,177	17,484	50,766	—	110	67,917	—
OPEC countries, total (included above)	12	75,554,315	1,568,349	699,994	319,155	1,161,973	120,401	203,885	204	261	319,155	—

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total	Dividends	Dividend gross-up	Interest	Other	Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Motor vehicles and equipment												
All geographic areas and DISC dividends, total	1,235,886	502,476	230,735	117,839	384,836	—	381,958	—	1,243,491	61,427	328,134	853,929
Canada	299,274	159,941	49,828	55,612	33,693	—	58,519	—	564,172	7,224	316,192	240,755
Latin America, total	152,271	57,779	41,554	17,508	35,431	—	27,188	—	145,122	18,601	1,438	125,083
Brazil	7,768	4,483	1,107	246	1,933	—	2,239	—	8,725	2,982	214	5,529
Ecuador	153	—	—	—	153	—	78	—	159	—	85	75
Mexico	93,753	33,291	31,322	9,494	19,647	—	13,520	—	84,483	3,462	787	80,234
Venezuela	23,472	8,702	5,854	703	8,214	—	8,154	—	18,164	728	118	17,318
All other Latin America	27,123	11,303	3,272	7,065	5,483	—	5,195	—	33,588	11,429	231	21,928
Other Western Hemisphere, total	64,998	39,604	3,464	2,305	19,825	—	22,258	—	43,125	—	385	42,740
Bermuda	10,651	10,153	494	5	—	—	2,888	—	8,148	—	386	7,763
Netherlands Antilles	34,627	29,451	2,970	1,634	571	—	12,244	—	22,383	—	—	22,383
Europe, total	389,999	178,066	115,824	33,834	64,275	—	81,653	—	315,375	1,160	5,869	308,346
Austria	4,191	2,296	1,417	—	479	—	1,029	—	3,175	—	12	3,163
Belgium	91,056	50,280	38,759	792	3,225	—	14,555	—	76,205	-1,633	1,337	76,501
Denmark	1,269	—	—	—	1,269	—	527	—	8,723	7,917	65	742
France (including Andorra)	37,178	11,534	10,384	1,012	14,268	—	12,118	—	21,239	-4,304	483	25,060
Italy (including San Marino)	23,275	12,012	6,115	36	5,112	—	4,374	—	19,036	2	132	18,902
Netherlands	6,081	1,605	1,143	—	3,333	—	1,376	—	4,224	-579	99	4,704
Spain	10,949	6,269	2,258	(1)	2,422	—	2,269	—	8,695	—	15	8,680
Sweden	2,913	2,439	302	—	172	—	519	—	2,904	367	142	2,394
Switzerland	21,374	13,304	5,042	874	2,353	—	4,640	—	17,358	-444	1,069	16,734
United Kingdom	80,753	21,869	7,591	25,968	25,526	—	24,391	—	57,383	-209	1,230	56,382
West Germany	103,497	49,493	42,081	4,764	7,158	—	11,952	—	92,038	43	451	91,544
All other Europe	7,457	5,159	2,753	587	-1,042	—	3,903	—	4,380	—	826	3,554
Africa, total	18,035	5,053	3,520	148	7,315	—	5,886	—	11,877	449	1,278	10,150
South Africa (including South-West Africa)	12,543	3,651	3,002	124	5,766	—	4,256	—	8,537	—	250	8,287
OPEC countries	686	62	63	4	737	—	591	—	1,532	449	788	295
All other Africa	1,778	532	435	19	792	—	760	—	1,259	—	241	1,018
Asia, total	112,721	25,088	12,551	1,630	73,452	—	43,485	—	92,930	21,604	2,090	69,237
Hong Kong	221	150	33	—	38	—	17	—	210	—	6	204
Indonesia	9,678	—	—	—	9,678	—	4,247	—	8,183	408	344	5,432
Japan (including Okinawa and Ryukyus)	58,899	13,723	10,419	37	34,719	—	18,394	—	53,538	12,284	749	40,505
Middle East countries (excluding OPEC)	1,140	55	34	2	1,050	—	742	—	496	-98	195	399
OPEC countries (excluding Indonesia)	18,924	643	—	15	18,267	—	12,233	—	7,742	845	206	8,691
Philippines	220	—		—	220	—	82	—	-96	-258	24	138
All other Asia	23,638	10,518	2,065	1,577	9,478	—	7,770	—	24,857	8,423	566	15,868
Oceania, total	17,263	4,868	3,936	4,310	4,146	—	4,895	—	18,709	5,445	896	12,368
Australia	16,681	4,573	3,678	4,271	3,959	—	4,662	—	18,348	5,445	883	12,019
All other Oceania	582	295	61	39	187	—	233	—	381	—	12	349
Puerto Rico and U.S. Possessions, total	32,960	800	—	210	31,950	—	28,846	—	6,943	2,761	49	4,114
Country not stated	120,308	3,277	—	2,282	114,749	—	104,911	—	18,498	4,163	-63	15,397
DISC dividends	30,058	30,002	56	—	—	—	4,319	—	25,739	—	—	25,739
OPEC countries, total (included above)	53,114	9,407	5,936	722	37,049	—	23,303	—	33,781	2,430	1,540	29,811

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued: Foreign taxes paid or accrued and deemed paid before reduction: Total	Paid or accrued: Total	Tax withheld at source on: Dividends	Tax withheld at source on: Interest	Tax withheld at source on: Rents, royalties and license fees	Other taxes paid or accrued on: Branch income	Other taxes paid or accrued on: Other income	Deemed paid
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Motor vehicles and equipment								
All geographic areas and DISC dividends, total	357,789	127,054	54,792	12,793	16,546	32,191	10,733	230,735
Canada	89,758	39,930	23,472	8,267	1,067	5,138	1,986	49,826
Latin America, total	69,530	27,976	6,826	3,855	4,917	9,490	2,888	41,554
Brazil	4,022	2,916	1,218	34	224	1,245	195	1,107
Ecuador	32	32	—	—	32	—	—	—
Mexico	43,809	12,487	1,963	3,519	4,064	1,712	1,229	31,322
Venezuela	9,292	3,439	1,778	105	36	177	1,344	5,854
All other Latin America	12,374	9,102	1,867	198	560	6,356	121	3,272
Other Western Hemisphere, total	3,475	11	—	—	—	—	11	3,464
Bermuda	505	11	—	—	—	—	11	494
Netherlands Antilles	2,970	—	—	—	—	—	—	2,970
Europe, total	140,092	24,268	20,791	27	2,209	976	265	115,824
Austria	1,551	134	134	—	(1)	—	—	1,417
Belgium	44,941	8,183	7,985	—	116	66	18	36,759
Denmark	228	228	—	—	—	228	—	—
France (including Andorra)	11,393	1,029	535	25	406	—	63	10,364
Italy (including San Marino)	8,988	873	586	2	285	1	—	8,115
Netherlands	1,182	39	37	—	1	—	(1)	1,143
Spain	3,726	1,468	1,029	—	423	—	16	2,258
Sweden	533	230	120	—	—	110	(1)	302
Switzerland	5,969	927	658	—	53	8	7	5,042
United Kingdom	9,150	1,559	730	(1)	254	545	31	7,591
West Germany	50,298	8,217	8,038	(1)	28	19	133	42,081
All other Europe	4,133	1,381	739	—	642	—	—	2,753
Africa, total	5,314	1,794	618	(1)	1,066	110	—	3,520
South Africa (including South-West Africa)	4,604	1,602	538	—	1,064	—	—	3,002
OPEC countries	193	110	—	(1)	—	110	—	63
All other Africa	516	82	80	—	2	—	—	435
Asia, total	38,316	23,765	1,980	7	5,666	13,274	2,838	12,551
Hong Kong	79	46	45	—	1	—	(1)	33
Indonesia	1,691	1,691	—	—	1,637	51	3	—
Japan (including Okinawa and Ryukyus)	26,788	16,369	1,379	3	2,954	11,949	83	10,419
Middle East countries (excluding OPEC)	96	62	7	—	55	—	—	34
OPEC countries (excluding Indonesia)	2,926	2,928	—	—	360	—	2,568	—
Philippines	59	59	—	—	9	—	51	—
All other Asia	4,674	2,610	549	4	650	1,274	132	2,065
Oceania, total	8,121	4,183	864	373	1,096	1,492	359	3,938
Australia	7,973	4,095	818	368	1,058	1,492	359	3,878
All other Oceania	149	88	46	5	38	—	—	61
Puerto Rico and U.S. Possessions, total	4,394	4,394	236	49	529	1,209	2,369	—
Country not stated	733	733	4	215	- 3	501	16	—
DISC dividends	56	—	—	—	—	—	—	56
OPEC countries, total (included above)	14,137	8,201	1,778	105	2,065	338	3,915	5,936

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources: Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Foreign tax credit computed: Before reduction for international boycott operations	Foreign tax credit computed: Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Instruments and related products												
All geographic areas and DISC dividends, total	85	21,972,617	3,370,224	1,537,253	385,837	1,224,294	98,989	292,304	—	6,884	386,578	738
Canada	43	18,359,557	2,822,037	1,291,068	324,712	1,062,324	85,412	242,157	—	5,899	325,344	632
Latin America, total	24	18,947,253	3,016,679	1,379,076	349,686	1,125,006	92,193	259,592	—	4,134	350,421	738
Brazil	12	12,595,490	2,361,224	1,081,388	270,791	906,125	74,222	197,915	—	3,756	271,423	632
Mexico	19	18,366,114	2,947,808	1,347,559	343,846	1,111,247	91,277	254,898	—	2,363	344,582	738
Panama (including Canal Zone)	6	11,159,159	2,136,195	980,903	260,021	875,438	70,922	190,995	—	631	260,649	627
Venezuela	7	10,637,162	2,076,246	952,925	248,802	851,362	70,306	179,173	—	1,474	249,433	632
All other Latin America	8	12,357,867	2,263,206	1,038,764	274,178	916,102	74,349	201,793	—	631	274,806	627
Other Western Hemisphere, total	6	5,222,062	578,329	263,555	133,016	322,611	27,842	108,174	—	814	133,844	627
Bermuda	4	3,804,646	479,120	219,481	124,264	294,653	24,781	100,297	—	631	124,891	627
Europe, total	53	21,273,779	3,278,151	1,495,896	373,790	1,193,724	98,670	280,082	—	6,824	374,531	738
Austria	7	10,388,107	2,085,012	958,352	245,771	836,102	68,068	178,946	—	3,596	246,403	632
Belgium	11	14,659,632	2,870,034	1,224,549	318,490	1,017,592	84,091	236,653	—	4,058	319,225	738
Denmark	7	11,903,064	2,176,400	998,387	249,350	852,684	70,946	179,104	—	2,045	249,981	632
France (including Andorra)	24	17,865,902	2,926,092	1,337,890	358,181	1,127,124	94,109	267,058	—	5,587	358,917	738
Italy (including San Marino)	17	14,664,768	2,438,628	1,116,945	284,770	951,358	80,852	206,737	—	4,372	285,407	632
Netherlands	16	13,986,097	2,463,624	1,128,943	286,713	952,334	77,787	212,136	—	3,689	287,345	632
Spain	7	10,164,778	1,909,075	874,110	146,052	817,400	51,605	95,303	—	1,414	148,056	4
Sweden	10	12,120,678	2,236,369	1,027,388	270,811	899,052	71,618	200,912	—	3,520	271,242	632
Switzerland	22	18,597,064	2,754,492	1,260,530	331,386	1,066,432	86,253	248,005	—	4,103	332,101	736
United Kingdom	38	20,577,769	3,190,679	1,455,983	363,142	1,162,329	97,218	269,616	—	6,533	363,877	736
West Germany	38	19,266,928	3,022,266	1,381,007	363,653	1,160,903	94,157	273,659	—	5,057	364,389	738
All other Europe	13	14,811,026	2,440,444	1,115,074	279,137	955,991	77,800	203,204	—	—	279,769	632
Africa, total	12	15,187,293	2,636,325	1,208,153	314,128	1,027,514	84,856	230,475	—	3,320	314,884	738
South Africa (including South-West Africa)	11	13,557,052	2,312,142	1,059,048	268,797	920,479	75,777	194,120	—	3,320	269,428	632
Asia, total	46	19,962,835	3,081,422	1,408,153	357,336	1,147,283	93,191	267,044	—	4,489	358,071	736
Hong Kong	10	13,327,686	2,287,383	1,047,171	277,179	947,034	77,333	201,608	—	59	277,806	627
Japan (including Okinawa and Ryukyus)	40	19,028,534	3,009,907	1,376,203	350,652	1,114,115	90,964	262,424	—	4,429	351,388	738
Middle East countries (excluding OPEC)	6	5,533,129	591,910	268,860	128,607	318,685	28,555	101,155	—	—	129,234	627
OPEC countries (excluding Indonesia)	4	1,105,668	113,768	51,906	11,585	32,150	2,655	6,909	—	—	11,585	—
Philippines	6	11,949,305	2,199,465	1,008,993	265,500	895,821	72,815	194,169	—	1,414	266,132	632
All other Asia	14	15,488,982	2,711,152	1,242,378	328,417	1,056,679	86,971	243,376	—	1,474	329,153	736
Oceania, total	23	16,021,468	2,595,683	1,188,969	304,450	998,550	81,421	224,913	—	5,113	305,082	632
Australia	22	15,903,277	2,579,155	1,181,385	304,387	998,348	81,357	224,913	—	5,113	305,018	632
All other Oceania	9	13,366,190	2,266,356	1,038,824	271,311	915,307	74,798	197,026	—	1,414	271,942	632
Puerto Rico and U.S. Possessions, total	14	14,089,798	2,626,919	1,204,367	310,976	1,019,028	84,021	229,315	—	3,369	311,712	736
Country not stated	17	15,487,045	2,727,464	1,249,609	325,328	1,069,285	89,801	237,897	—	3,320	326,064	738
DISC dividends	7	9,099,173	1,883,396	858,982	139,589	603,910	49,727	90,373	—	411	139,589	—
OPEC countries, total (included above)	10	11,621,351	2,178,411	999,515	258,108	873,389	72,331	184,832	—	1,474	256,740	632

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total	Dividends	Dividend gross-up	Interest	Other	Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Instruments and related products												
All geographic areas and DISC dividends, total	1,214,157	627,888	292,304	17,550	276,615	—	222,325	—	1,224,294	88,317	146,145	991,832
Canada	112,242	43,964	41,910	766	25,603	—	17,977	—	98,607	3,163	1,179	94,265
Latin America, total	45,366	28,185	11,207	4,076	1,939	—	8,766	—	80,357	42,361	1,374	38,621
Brazil	8,662	10,376	2,526	883	-5,123	—	2,621	—	5,983	-58	—	6,040
Mexico	21,650	8,173	5,955	1,978	5,544	—	2,298	—	44,118	24,766	—	19,352
Panama (including Canal Zone)	6,760	6,011	584	148	17	—	2,349	—	10,130	5,719	—	4,411
Venezuela	4,009	2,221	1,503	137	147	—	669	—	3,339	—	—	3,339
All other Latin America	3,933	1,364	840	930	979	—	714	—	16,526	11,833	1,374	3,219
Other Western Hemisphere, total	6,460	7,141	120	830	369	—	909	—	7,551	—	—	7,551
Bermuda	6,789	5,961	—	828	—	—	448	—	6,341	—	—	6,341
Europe, total	656,995	303,119	211,517	9,343	133,015	—	123,583	—	614,638	27,878	53,350	533,412
Austria	11,313	6,145	5,031	6	131	—	1,859	—	10,383	—	929	9,455
Belgium	61,443	29,848	28,776	529	2,492	—	6,254	—	56,841	188	1,463	55,190
Denmark	6,907	4,502	2,327	2	77	—	461	—	7,524	—	1,078	6,446
France (including Andorra)	28,804	2,190	2,260	895	23,459	—	6,150	—	30,550	266	7,631	22,654
Italy (including San Marino)	31,373	18,281	8,880	454	3,757	—	5,227	—	31,245	305	4,793	26,147
Netherlands	56,187	17,906	13,815	264	24,201	—	16,458	—	50,038	4,299	6,010	39,729
Spain	9,222	6,439	2,127	—	655	—	1,759	—	9,270	515	1,293	7,463
Sweden	6,432	3,980	1,589	23	840	—	1,059	—	8,405	—	3,032	5,373
Switzerland	93,487	58,440	33,325	101	1,622	—	20,045	—	77,223	477	3,303	73,442
United Kingdom	166,236	66,328	39,418	5,424	55,066	—	32,426	—	148,450	4,480	10,162	133,808
West Germany	181,761	88,386	73,382	1,075	18,937	—	30,858	—	161,802	—	10,879	150,923
All other Europe	3,794	677	587	555	1,776	—	1,024	—	22,893	17,345	2,778	2,770
Africa, total	20,152	15,242	3,438	88	1,384	—	4,374	—	17,995	—	2,217	15,778
South Africa (including South-West Africa)	10,227	5,715	3,140	76	1,296	—	1,695	—	10,748	—	2,217	8,532
Asia, total	73,804	18,426	12,863	695	41,820	—	18,195	—	69,983	6,545	7,830	55,809
Hong Kong	6,811	6,517	1,440	53	801	—	1,125	—	10,225	—	2,539	7,686
Japan (including Okinawa and Ryukyus)	34,884	8,267	8,821	184	17,612	—	9,153	—	32,653	3,626	3,296	25,731
Middle East countries (excluding OPEC)	601	—	—	87	534	—	204	—	412	15	—	397
OPEC countries (excluding Indonesia)	973	—	—	164	809	—	353	—	620	—	—	620
Philippines	3,043	879	667	14	1,484	—	610	—	5,336	2,903	—	2,433
All other Asia	25,009	2,784	1,935	52	20,258	—	6,634	—	20,370	—	1,995	18,375
Oceania, total	32,296	11,942	9,877	855	9,822	—	6,097	—	33,613	1,937	5,477	26,199
Australia	31,723	11,939	9,875	823	9,286	—	5,916	—	32,660	1,937	4,916	25,808
All other Oceania	573	2	2	32	536	—	182	—	953	—	561	391
Puerto Rico and U.S. Possessions, total	22,113	609	376	36	21,093	—	5,042	—	37,752	2,091	18,590	17,071
Country not stated	44,716	1,378	906	861	41,571	—	24,433	—	78,753	2,343	56,127	20,282
DISC dividends	197,992	197,702	289	—	—	—	12,947	—	185,044	—	—	185,044
OPEC countries, total (included above)	6,255	2,429	1,711	482	1,852	—	1,294	—	4,961	—	—	4,961

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued: Foreign taxes paid or accrued and deemed paid before reduction: Total	Paid or accrued: Total	Tax withheld at source on: Dividends	Interest	Rents, royalties and license fees	Other taxes paid or accrued on: Branch income	Other income	Deemed paid
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Instruments and related products								
All geographic areas and DISC dividends, total	391,292	98,989	48,434	1,272	18,005	29,422	1,855	292,304
Canada	51,849	9,739	5,808	112	2,888	416	514	41,910
Latin America, total	39,796	28,589	7,229	844	2,787	17,561	168	11,207
Brazil	6,346	3,820	3,002	84	734	—	—	2,526
Mexico	22,500	16,545	3,321	640	1,922	10,500	162	5,955
Panama (including Canal Zone)	1,556	973	33	19	—	920	—	584
Venezuela	1,957	453	448	5	(1)	—	—	1,503
All other Latin America	7,438	5,798	425	96	131	6,141	6	840
Other Western Hemisphere, total	120	—	—	—	—	—	—	120
Bermuda	—	—	—	—	—	—	—	—
Europe, total	251,899	40,383	30,905	137	1,834	7,438	69	211,517
Austria	5,437	406	375	—	31	—	—	5,031
Belgium	33,269	4,492	4,413	79	—	—	—	28,776
Denmark	2,507	180	180	—	—	—	1	2,327
France (including Andorra)	3,798	1,538	113	55	1,306	—	64	2,260
Italy (including San Marino)	10,213	1,333	957	—	303	73	—	8,880
Netherlands	18,549	2,734	800	—	—	1,934	—	13,815
Spain	3,538	1,410	1,079	—	107	224	—	2,127
Sweden	1,793	204	204	—	—	—	—	1,589
Switzerland	40,846	7,521	7,329	2	—	190	—	33,325
United Kingdom	45,222	5,805	3,442	—	58	2,304	—	39,418
West Germany	85,324	11,941	11,937	—	(1)	—	4	73,382
All other Europe	3,404	2,817	77	—	29	2,712	—	587
Africa, total	4,429	991	963	2	24	—	2	3,438
South Africa (including South-West Africa)	4,086	946	936	2	6	—	2	3,140
Asia, total	23,189	10,326	1,254	67	4,984	2,943	1,078	12,863
Hong Kong	1,470	30	—	1	13	15	—	1,440
Japan (including Okinawa and Ryukyus)	13,044	4,223	827	18	1,647	1,728	3	8,821
Middle East countries (excluding OPEC)	23	23	—	—	23	—	—	—
OPEC countries (excluding Indonesia)	30	30	—	—	—	—	30	—
Philippines	2,519	1,853	134	2	517	1,200	—	667
All other Asia	8,022	4,087	293	30	2,719	—	1,044	1,935
Oceania, total	13,774	4,097	1,759	91	2,024	223	—	9,677
Australia	13,709	4,034	1,758	77	1,976	223	—	9,675
All other Oceania	65	63	(1)	14	49	—	—	2
Puerto Rico and U.S. Possessions, total	4,988	4,612	325	9	3,484	814	—	376
Country not stated	968	62	—	9	—	28	25	906
DISC dividends	480	191	191	—	—	—	—	289
OPEC countries, total (included above)	2,283	572	456	22	63	—	30	1,711

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources: Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Foreign tax credit computed: Before reduction for international boycott operations	Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
All other manufacturing												
All geographic areas and DISC dividends, total	918	218,369,847	18,582,239	7,254,187	1,463,846	4,967,832	379,657	1,161,545	2,208	171,752	1,464,821	758
Canada	622	197,158,244	14,469,095	6,308,319	1,415,576	4,779,797	356,737	1,133,538	2,208	162,009	1,418,532	758
Latin America, total	254	172,402,656	12,163,645	5,281,582	1,330,240	4,576,974	335,865	1,057,869	2,208	160,858	1,331,214	758
Brazil	107	116,365,247	8,209,351	3,607,649	980,318	3,500,355	248,938	769,067	2,151	116,719	981,017	619
Ecuador	22	52,306,168	3,662,745	1,637,522	446,394	1,147,153	110,034	329,051	2,139	130,570	446,695	301
Mexico	186	145,261,686	10,263,026	4,558,836	1,122,349	3,883,290	271,417	892,027	2,151	146,337	1,123,220	754
Panama (including Canal Zone)	41	86,231,242	6,058,423	2,678,926	712,070	2,691,015	158,417	558,415	17	140,707	712,799	728
Venezuela	80	107,909,576	7,501,659	3,305,017	883,291	3,260,063	220,607	706,012	2,200	148,599	883,683	195
All other Latin America	135	146,225,760	10,112,476	4,406,835	119,558	4,115,498	301,970	945,313	2,143	157,163	1,196,558	754
Other Western Hemisphere, total	59	103,154,159	6,907,618	3,000,219	976,668	3,012,884	235,265	803,230	2,200	116,324	977,597	733
The Bahamas	23	48,888,870	2,930,077	1,234,669	468,664	1,622,767	115,256	372,723	2,139	25,632	468,990	248
Bermuda	31	76,709,665	4,684,029	2,039,156	692,607	1,863,943	161,136	566,738	17	102,933	693,410	487
Netherlands Antilles	27	60,192,156	3,395,014	1,516,342	409,464	1,172,574	111,636	336,138	2,200	88,473	410,253	873
All other Western Hemisphere	11	21,898,108	1,377,294	584,164	172,960	480,239	48,285	152,112	2,139	7,472	173,286	245
Europe, total	410	189,093,312	13,765,424	6,003,745	1,394,953	4,767,465	359,631	1,110,895	2,208	167,158	1,395,928	758
Austria	36	67,054,268	4,397,899	1,937,943	519,809	1,395,727	123,243	402,768	2,139	131,859	520,169	360
Belgium	79	97,941,818	6,915,790	3,045,412	902,818	2,974,414	207,828	740,215	2,151	51,481	903,255	437
Denmark	49	63,401,984	4,673,423	2,083,404	585,615	2,008,973	130,599	455,706	22	46,278	585,928	314
France (including Andorra)	174	149,480,652	10,841,921	4,751,380	1,252,957	4,237,339	312,239	998,808	2,208	162,872	1,253,792	754
Italy (including San Marino)	106	129,220,190	8,750,832	3,859,157	1,091,472	3,851,010	276,019	888,367	2,200	143,804	1,092,294	741
Luxembourg	11	26,966,021	1,360,041	617,683	140,662	912,081	38,821	102,822	(¹)	—	140,966	304
Netherlands	128	95,649,107	7,126,352	3,156,024	884,922	2,933,411	219,176	729,817	2,200	130,003	885,452	449
Spain	134	106,736,005	7,794,611	3,462,374	917,009	3,345,514	233,051	712,910	2,203	151,713	917,459	449
Sweden	56	78,481,723	5,075,971	2,258,084	657,062	2,575,769	148,930	522,276	2,147	62,348	657,435	373
Switzerland	78	108,333,994	7,927,993	3,476,849	920,631	3,290,735	226,039	738,350	22	151,090	921,148	436
United Kingdom	275	162,788,125	11,689,784	5,113,371	1,300,777	4,459,363	331,333	1,035,489	2,200	157,447	1,301,635	758
West Germany	161	142,656,650	9,827,428	4,307,891	1,138,520	3,876,102	277,365	891,948	2,151	163,800	1,139,401	746
All other Europe	106	123,094,880	8,696,517	3,935,836	1,051,237	3,553,719	249,601	814,735	2,139	154,096	1,051,996	758
Africa, total	152	125,823,135	9,133,978	4,077,455	1,106,221	3,825,518	271,167	862,055	2,200	150,999	1,106,975	754
Liberia	6	23,823,494	1,952,156	883,371	135,131	704,721	41,090	66,109	2,139	92,340	135,131	—
South Africa (including South-West Africa)	131	91,550,803	7,191,904	3,206,721	907,101	2,748,783	230,051	685,346	2,200	63,805	907,732	631
OPEC countries	16	46,339,199	3,300,008	1,498,432	446,780	1,995,151	81,449	369,654	2,139	46,859	446,835	55
All other Africa	40	78,256,553	4,839,889	2,166,703	617,955	2,368,751	139,229	485,316	2,139	139,408	618,437	483
Asia, total	369	178,154,945	12,793,567	5,586,999	1,327,916	4,542,846	343,454	1,052,594	2,208	162,417	1,326,672	758
Hong Kong	39	64,862,145	5,009,829	2,277,089	512,966	1,911,726	125,346	390,990	2,139	125,320	513,292	327
Indonesia	24	72,636,468	4,419,816	1,953,593	628,602	2,137,319	140,456	507,104	2,139	124,597	629,330	728
Japan (including Okinawa and Ryukyus)	319	168,536,138	12,016,352	5,246,965	1,309,684	4,459,297	336,077	1,032,009	2,208	160,656	1,310,639	758
Middle East countries (excluding OPEC)	71	81,177,943	5,509,261	2,407,349	731,992	2,908,468	158,409	633,937	2,195	46,952	732,509	436
OPEC countries (excluding Indonesia)	29	70,716,126	4,023,698	1,805,813	412,699	2,004,737	115,760	279,302	2,195	134,035	413,008	306
Philippines	66	93,612,512	7,031,467	3,058,915	836,986	3,083,551	220,077	648,454	2,139	104,071	837,788	605
All other Asia	100	117,711,922	8,016,938	3,553,591	1,028,938	3,586,862	251,672	808,108	2,143	150,860	1,029,692	754
Oceania, total	265	153,043,494	11,022,113	4,683,847	1,185,524	4,078,830	290,623	936,930	2,208	156,478	1,186,395	754
Australia	202	149,048,460	10,789,529	4,780,053	1,178,782	4,049,272	288,925	930,687	2,208	156,478	1,179,853	754
All other Oceania	121	87,451,898	6,540,020	2,937,012	679,755	2,328,362	177,522	513,075	2,143	130,943	679,939	68
Puerto Rico and U.S. Possessions, total	94	95,841,806	8,904,409	3,064,671	761,020	2,813,684	169,501	613,203	2,151	108,402	761,666	732
Country not stated	120	124,741,242	8,923,707	3,917,068	1,036,448	3,539,815	265,787	818,613	16	145,921	1,037,306	758
DISC dividends	33	48,987,813	3,173,470	1,429,652	329,463	1,491,000	94,720	232,198	—	92,124	329,825	246
OPEC countries, total (included above)	97	129,326,430	8,877,305	3,866,218	1,076,556	3,810,804	274,170	852,551	2,200	146,619	1,077,498	745

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total	Dividends	Dividend gross-up	Interest	Other	Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
All other manufacturing												
All geographic areas and DISC dividends, total	8,023,936	2,519,541	1,161,545	458,674	3,884,176	51,679	3,258,118	7,381	4,967,832	123,826	78,186	4,765,818
Canada	1,254,647	641,080	354,494	99,175	159,899	—	158,076	—	1,158,802	38,190	24,042	1,096,570
Latin America, total	443,788	187,371	65,224	31,069	160,103	12,351	119,784	2,876	310,567	-19,070	5,654	323,983
Brazil	63,797	27,842	14,224	7,485	14,246	—	14,073	—	13,942	-35,780	-3	49,725
Ecuador	3,682	548	164	415	2,554	—	1,339	—	2,852	488	21	2,342
Mexico	103,475	27,998	20,859	6,777	47,842	—	26,440	—	78,374	486	853	77,036
Panama (including Canal Zone)	124,090	80,086	39,131	1,170	3,703	—	27,587	—	99,632	377	2,752	96,503
Venezuela	25,384	5,318	2,520	2,754	14,792	—	5,694	—	20,458	616	152	19,690
All other Latin America	123,339	25,580	8,326	12,467	76,966	12,351	44,651	2,876	95,309	14,742	1,880	78,687
Other Western Hemisphere, total	161,743	83,196	7,261	27,439	43,847	—	43,487	—	119,407	489	662	118,258
The Bahamas	32,065	7,072	—	22,937	2,057	—	1,949	—	30,708	95	496	30,117
Bermuda	89,645	58,883	1,573	4,035	25,153	—	23,986	—	66,051	375	17	65,659
Netherlands Antilles	36,042	16,176	5,289	107	14,470	—	16,939	—	19,122	19	—	19,103
All other Western Hemisphere	3,991	1,065	400	360	2,166	—	614	—	3,527	—	149	3,377
Europe, total	2,387,729	804,713	575,078	237,643	750,295	39,328	551,591	4,505	1,838,318	20,740	-560	1,816,138
Austria	9,377	2,494	2,050	19	4,813	—	2,298	—	7,274	196	—	7,079
Belgium	149,670	57,604	51,708	7,605	32,754	—	24,514	—	127,300	2,293	-150	125,156
Denmark	11,683	3,317	1,734	966	5,666	—	2,489	—	9,498	304	(¹)	9,194
France (including Andorra)	254,137	72,524	69,459	9,776	102,378	—	67,064	—	191,467	4,270	124	187,073
Italy (including San Marino)	128,165	50,928	25,404	1,944	49,890	—	28,278	—	112,200	12,202	111	99,887
Luxembourg	19,456	8,064	5,164	186	6,043	—	5,881	—	13,575	—	—	13,575
Netherlands	193,038	81,033	53,363	3,481	55,161	14,894	34,788	4,505	159,368	831	287	158,250
Spain	53,578	17,334	6,314	1,003	28,927	—	23,953	—	29,854	246	-7	29,625
Sweden	27,685	9,627	5,471	501	12,086	—	6,634	—	21,821	770	1	21,050
Switzerland	176,937	95,744	50,075	793	30,323	—	23,918	—	154,313	1,295	—	153,019
United Kingdom	655,053	188,473	93,408	192,253	180,919	—	125,276	—	521,924	-8,393	539	529,777
West Germany	533,445	201,245	199,468	16,810	115,922	24,434	113,568	—	426,300	5,647	776	419,877
All other Europe	155,506	16,325	11,460	2,308	125,414	—	92,930	—	61,414	1,079	-2,242	62,577
Africa, total	128,868	47,798	29,758	4,444	46,888	—	32,097	—	99,655	2,681	203	96,771
Liberia	1,236	682	4	—	550	—	346	—	889	—	—	889
South Africa (including South-West Africa)	94,492	43,530	28,257	752	21,954	—	19,018	—	78,012	2,372	166	75,474
OPEC countries	8,462	1,063	210	568	6,622	—	2,592	—	6,023	135	17	5,871
All other Africa	24,678	2,524	1,287	3,124	17,742	—	10,140	—	14,731	174	20	14,538
Asia, total	2,745,252	134,006	80,307	24,713	2,526,225	—	2,078,746	—	758,592	81,434	10,653	666,505
Hong Kong	44,481	15,438	2,872	429	25,742	—	20,744	—	23,267	-470	—	23,738
Indonesia	52,760	23,588	14,761	824	13,587	—	12,053	—	50,222	—	9,515	40,707
Japan (including Okinawa and Ryukyus)	187,167	29,703	29,733	4,724	123,007	—	45,388	—	162,486	19,585	1,122	141,779
Middle East countries (excluding OPEC)	22,446	1,135	64	1,464	19,783	—	8,855	—	13,690	98	1	13,590
OPEC countries (excluding Indonesia)	2,328,932	34,598	208	429	2,293,696	—	1,963,613	—	420,747	55,428	—	365,319
Philippines	24,040	5,449	3,517	743	14,330	—	8,468	—	17,986	2,557	-146	15,574
All other Asia	85,425	24,096	9,151	16,100	36,078	—	19,627	—	70,194	4,235	160	65,798
Oceania, total	175,279	80,784	46,613	4,633	63,270	—	42,405	—	132,800	-145	70	132,874
Australia	162,946	59,695	45,918	4,328	53,005	—	36,874	—	126,031	-108	66	128,072
All other Oceania	12,333	1,068	695	304	10,265	—	5,531	—	6,769	-37	4	6,802
Puerto Rico and U.S. Possessions, total	75,651	41,320	604	1,696	32,032	—	53,233	—	20,048	-3,829	1,459	22,418
Country not stated	150,078	19,768	810	27,862	101,637	—	114,896	—	74,523	3,338	36,003	35,182
DISC dividends	520,921	519,525	1,396	—	—	—	63,802	—	457,119	—	—	457,119
OPEC countries, total (included above)	2,419,221	65,114	17,884	4,991	2,331,251	—	1,985,291	—	500,302	58,868	9,705	433,929

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued: Foreign taxes paid or accrued and deemed paid before reduction: Total	Paid or accrued: Total	Paid or accrued: Tax withheld at source on: Dividends	Tax withheld at source on: Interest	Tax withheld at source on: Rents, royalties and license fees	Other taxes paid or accrued on: Branch income	Other taxes paid or accrued on: Other income	Deemed paid
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
All other manufacturing								
All geographic areas and DISC dividends, total	1,541,201	379,657	194,927	19,737	77,411	55,381	32,201	1,161,545
Canada	474,350	119,857	74,921	12,115	14,390	15,116	3,312	354,494
Latin America, total	143,261	58,038	19,972	3,856	19,170	6,783	8,257	85,224
Brazil	23,541	9,317	7,491	953	809	6	58	14,224
Ecuador	1,417	1,253	56	61	376	91	670	164
Mexico	41,385	20,526	5,481	2,107	11,213	5	1,740	20,859
Panama (including Canal Zone)	39,725	594	153	45	52	222	121	39,131
Venezuela	7,738	5,218	1,413	262	897	178	2,468	2,520
All other Latin America	29,455	21,130	5,399	428	5,823	6,281	3,199	8,326
Other Western Hemisphere, total	8,223	962	763	57	7	8	132	7,261
The Bahamas	—	—	—	—	—	—	—	—
Bermuda	2,101	528	509	—	—	4	15	1,573
Netherlands Antilles	5,660	372	194	52	7	4	115	5,289
All other Western Hemisphere	462	63	60	—	—	—	3	400
Europe, total	679,477	104,399	73,245	1,975	7,631	13,076	8,470	575,078
Austria	2,503	453	408	—	45	(1)	—	2,050
Belgium	63,400	11,692	8,125	826	39	2,460	242	51,706
Denmark	1,898	164	149	—	15	—	—	1,734
France (including Andorra)	78,938	9,479	3,090	419	2,757	2,486	727	69,459
Italy (including San Marino)	33,954	6,551	4,826	208	1,315	2,150	51	25,404
Luxembourg	5,448	284	210	—	73	—	—	5,164
Netherlands	63,976	10,613	4,811	6	24	47	5,725	53,363
Spain	10,211	3,897	2,815	138	687	2	255	8,314
Sweden	6,029	559	516	—	6	35	—	5,471
Switzerland	60,075	10,000	9,818	1	70	92	20	50,075
United Kingdom	108,593	15,186	9,781	98	538	4,507	262	93,408
West Germany	229,608	30,140	27,139	249	1,198	1,100	453	199,468
All other Europe	14,842	3,382	1,555	30	864	199	735	11,460
Africa, total	40,490	10,731	6,763	118	2,340	449	1,062	29,758
Liberia	4	—	—	—	—	—	—	4
South Africa (including South-West Africa)	37,006	8,749	6,076	58	1,781	437	397	28,257
OPEC countries	1,202	992	132	38	338	4	479	210
All other Africa	2,278	990	555	21	220	8	186	1,287
Asia, total	108,540	48,233	9,647	744	17,461	14,918	5,464	60,307
Hong Kong	3,040	168	—	46	60	29	33	2,872
Indonesia	19,350	4,589	3,746	96	672	—	75	14,761
Japan (including Okinawa and Ryukyus)	49,925	20,191	3,139	95	9,310	4,674	2,973	29,733
Middle East countries (excluding OPEC)	479	416	17	6	369	(1)	24	63
OPEC countries (excluding Indonesia)	7,772	7,583	89	5	117	6,077	1,277	208
Philippines	10,607	7,090	956	42	3,818	1,740	534	3,517
All other Asia	17,368	8,216	1,700	454	3,114	2,399	548	9,151
Oceania, total	71,311	24,698	8,517	453	13,704	555	1,468	46,613
Australia	69,032	23,115	8,361	349	12,491	555	1,358	45,918
All other Oceania	2,279	1,584	156	104	1,213	—	110	695
Puerto Rico and U.S. Possessions, total	7,324	6,719	713	57	851	2,366	2,732	604
Country not stated	6,802	5,992	358	368	1,857	2,106	1,303	810
DISC dividends	1,422	26	26	—	—	—	—	1,396
OPEC countries, total (included above)	37,479	19,615	5,436	482	2,400	6,349	4,968	17,884

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources: Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Foreign tax credit computed: Before reduction for international boycott operations	Foreign tax credit computed: Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Transportation and public utilities, total												
All geographic areas and DISC dividends, total	138	136,405,947	5,267,006	2,338,997	481,673	1,346,378	368,462	106,023	10,216	134,461	481,673	—
Canada	74	107,706,943	3,612,449	1,597,584	308,969	985,590	235,726	104,303	10,216	52,181	308,969	—
Latin America, total	63	103,107,560	3,899,068	1,740,458	434,584	1,263,763	347,518	96,206	9,407	122,602	434,584	—
Brazil	13	60,872,713	1,415,551	636,178	91,505	337,955	59,632	46,070	1,676	35,656	91,505	—
Ecuador	4	30,228,371	512,630	234,145	35,094	109,744	14,377	20,403	—	1,680	35,094	—
Mexico	50	88,272,414	2,538,342	1,126,602	155,986	602,102	77,885	94,967	1,633	35,795	155,986	—
Panama (including Canal Zone)	13	53,263,480	1,132,412	507,592	108,999	464,697	60,753	62,843	1,633	35,745	108,999	—
Venezuela	9	53,814,275	1,316,810	590,431	145,135	439,405	69,042	90,706	1,633	34,808	145,135	—
All other Latin America	23	76,446,669	2,877,137	1,295,560	427,893	1,231,230	340,108	95,043	9,407	121,210	427,893	—
Other Western Hemisphere, total	17	79,164,836	1,946,276	885,753	220,278	609,786	170,589	45,933	—	114,269	220,278	—
The Bahamas	4	15,003,667	610,721	270,598	144,464	342,789	126,005	181	—	80,689	144,464	—
Bermuda	8	53,183,600	1,057,648	469,840	61,323	223,892	39,432	34,695	—	18,075	61,323	—
Netherlands Antilles	6	54,646,323	875,603	393,299	71,585	254,142	42,834	43,389	—	33,374	71,585	—
Europe, total	31	88,179,982	3,033,331	1,355,964	426,530	1,105,195	340,311	95,807	9,364	121,160	426,530	—
Belgium	9	53,903,975	1,068,900	477,923	131,084	410,403	58,208	87,758	—	32,526	131,084	—
Denmark	4	16,661,906	302,639	132,690	28,841	106,382	30,375	12,765	—	17,870	28,841	—
France (including Andorra)	12	82,494,878	1,248,689	554,176	135,056	431,935	59,947	90,704	—	33,374	135,056	—
Italy (including San Marino)	7	52,812,328	1,305,640	569,343	128,201	397,614	61,858	80,043	1,633	19,703	128,201	—
Netherlands	7	25,913,515	572,153	255,125	52,793	189,447	35,393	30,193	—	18,140	52,793	—
Spain	9	42,698,322	1,051,626	473,069	85,915	255,750	26,601	60,608	—	14,980	85,915	—
Sweden	3	8,365,796	374,467	168,617	64,126	177,981	17,011	48,877	—	—	64,126	—
Switzerland	6	37,398,881	1,025,621	464,941	86,114	240,133	29,979	60,045	—	15,105	86,114	—
United Kingdom	20	79,024,120	2,652,494	1,181,983	415,216	1,071,379	331,146	94,310	7,731	118,732	415,216	—
West Germany	9	55,862,865	1,062,754	480,418	225,369	632,208	169,656	51,167	—	99,407	225,369	—
All other Europe	10	47,877,402	1,434,705	638,876	236,308	613,753	171,563	78,874	7,731	19,725	236,308	—
Africa, total	23	78,874,738	2,386,983	1,067,368	420,511	1,098,077	337,646	92,574	9,407	120,438	420,511	—
Liberia	4	2,191,079	85,702	38,663	9,600	26,582	8,230	1,073	1,633	2,682	9,600	—
South Africa (including South-West Africa)	8	26,519,964	674,035	298,775	69,080	221,736	40,000	44,180	—	17,870	69,080	—
OPEC countries	7	50,741,365	989,696	441,011	67,334	226,922	45,837	32,980	1,633	20,872	67,334	—
All other Africa	15	60,424,607	1,796,826	808,080	376,540	969,442	323,556	59,694	9,407	120,438	376,540	—
Asia, total	35	88,850,449	3,266,940	1,458,207	432,295	1,256,662	345,370	95,984	9,364	121,839	432,295	—
Hong Kong	4	32,654,341	691,264	316,732	194,907	498,596	140,912	36,660	—	80,689	194,907	—
Indonesia	7	34,199,250	720,759	329,207	205,130	524,490	149,665	37,783	1,633	83,422	205,130	—
Japan (including Okinawa and Ryukyus)	22	81,374,599	2,532,990	1,130,688	291,238	818,010	195,915	94,557	—	114,836	291,238	—
Middle East countries (excluding OPEC)	6	47,799,635	678,173	304,481	81,756	286,726	44,748	50,739	—	18,718	81,756	—
OPEC countries (excluding Indonesia)	11	53,527,360	1,207,102	547,500	236,181	756,788	178,635	52,116	1,633	102,139	236,181	—
Philippines	7	38,499,143	717,649	328,256	199,339	517,543	145,736	39,216	—	60,740	199,339	—
All other Asia	21	67,918,818	1,884,785	844,318	373,758	971,836	319,906	63,310	7,731	119,233	373,758	—
Oceania, total	25	72,826,852	2,188,380	981,465	283,307	902,730	193,893	86,597	42	99,740	283,307	—
Australia	21	67,780,963	1,822,748	817,623	278,151	776,889	192,126	83,541	42	99,328	278,151	—
All other Oceania	6	45,527,270	958,914	429,815	60,241	321,550	38,154	33,855	—	18,282	60,241	—
Puerto Rico and U.S. Possessions, total	18	47,485,937	1,123,458	511,311	221,973	709,578	157,022	51,495	—	97,540	221,973	—
Country not stated	29	74,316,130	2,449,372	1,102,091	423,052	1,225,924	337,917	94,450	7,773	120,048	423,052	—
OPEC countries, total (included above)	21	74,083,180	2,222,111	998,087	298,943	922,024	199,593	95,295	1,633	118,526	298,943	—

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total	Dividends	Dividend gross-up	Interest	Other	Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(b))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Transportation and public utilities, total												
All geographic areas and DISC dividends, total	2,421,514	264,263	106,023	74,919	1,976,308	835,559	1,190,745	184,749	1,346,378	61,473	54,137	1,230,769
Canada	235,242	42,662	22,614	17,196	152,570	55,717	126,456	20,470	188,057	43,858	35,414	108,786
Latin America, total	162,438	29,959	9,034	5,663	117,782	—	110,680	—	66,323	9,570	4,994	51,758
Brazil	21,076	1,772	1,081	324	17,699	—	15,276	—	5,800	—	—	5,600
Ecuador	8,316	1,424	—	273	6,618	—	7,477	—	3,738	2,899	—	839
Mexico	57,522	7,334	3,594	254	46,341	—	32,733	—	25,499	709	—	24,789
Panama (including Canal Zone)	42,319	12,377	1,837	865	27,240	—	29,224	—	13,095	—	—	13,095
Venezuela	12,515	1,393	1,353	474	9,295	—	9,184	—	3,345	14	—	3,331
All other Latin America	20,690	5,658	1,170	3,474	10,389	—	16,787	—	14,845	5,947	4,994	3,904
Other Western Hemisphere, total	71,048	64,841	5,034	1,331	-159	—	18,735	—	54,311	—	—	54,311
The Bahamas	1,822	568	—	1,254	—	—	762	—	1,060	—	—	1,060
Bermuda	33,706	33,629	—	77	—	—	7,203	—	26,504	—	—	26,504
Netherlands Antilles	35,518	30,644	5,034	—	-160	—	8,771	—	26,747	—	—	26,747
Europe, total	837,692	68,668	48,271	23,146	477,607	415,689	175,573	114,005	438,467	-23,853	—	482,119
Belgium	18,122	4,582	4,166	135	9,239	—	2,364	—	14,536	-1,222	—	15,758
Denmark	58	32	15	1	10	—	16	—	-10,072	-10,115	—	43
France (including Andorra)	24,883	9,578	9,737	112	5,455	—	8,795	—	16,734	646	—	18,088
Italy (including San Marino)	6,316	2,386	524	9	3,397	—	1,166	—	6,703	1,553	—	5,150
Netherlands	24,455	11,697	7,817	144	4,796	—	8,770	—	15,844	159	—	15,684
Spain	1,391	566	192	5	629	—	572	—	831	12	—	818
Sweden	300	33	71	150	46	—	196	—	104	—	—	104
Switzerland	48,954	25,765	12,619	413	10,158	—	15,653	—	34,679	1,378	—	33,301
United Kingdom	442,635	29,652	11,908	11,787	389,288	366,981	91,634	71,038	333,671	-17,130	—	351,001
West Germany	5,127	2,901	52	13	2,161	—	1,608	—	4,493	974	—	3,519
All other Europe	62,841	578	323	10,356	51,584	48,688	44,053	42,966	18,604	16	—	18,788
Africa, total	42,730	4,623	964	439	36,704	22,580	11,879	513	39,661	3,886	4,923	30,851
Liberia	3,265	3,260	—	—	5	—	177	—	3,088	—	—	3,088
South Africa (including South-West Africa)	3,279	519	372	47	2,340	—	1,320	—	2,062	103	—	1,958
OPEC countries	25,177	—	—	138	25,039	22,580	2,043	513	21,517	-1,617	—	23,134
All other Africa	11,010	844	592	255	9,320	—	8,339	—	12,994	5,400	4,923	2,671
Asia, total	717,304	12,028	7,262	3,397	694,617	340,593	370,221	49,762	359,195	11,954	159	347,082
Hong Kong	60,387	6,022	1,155	—	53,210	—	48,791	—	12,095	377	122	11,596
Indonesia	346,391	—	—	1,535	344,856	340,593	60,818	49,762	287,885	2,312	—	285,573
Japan (including Okinawa and Ryukyus)	75,718	3,938	5,140	521	66,119	—	59,247	—	16,690	219	—	16,471
Middle East countries (excluding OPEC)	3,604	1,101	303	766	1,435	—	638	—	3,235	—	269	2,968
OPEC countries (excluding Indonesia)	34,522	—	—	2	34,520	—	26,029	—	10,387	2,106	-232	8,492
Philippines	25,706	—	—	171	25,535	—	23,013	—	5,167	2,474	—	2,693
All other Asia	170,975	968	663	401	168,943	—	151,683	—	23,756	4,465	—	19,292
Oceania, total	50,818	15,443	12,292	260	22,822	—	17,139	—	34,471	1,050	-257	33,677
Australia	50,612	15,436	12,292	260	22,625	—	16,951	—	34,711	1,050	—	33,661
All other Oceania	204	7	—	—	197	—	188	—	-240	—	-257	18
Puerto Rico and U.S. Possessions, total	7,794	62	—	365	7,366	—	9,263	—	1,222	2,620	72	-1,469
Country not stated	495,966	5,304	541	23,122	466,999	—	352,698	—	164,286	12,188	8,830	143,268
OPEC countries, total (included above)	426,920	2,817	1,353	2,421	420,329	363,173	105,551	50,275	326,852	5,715	-232	321,369

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued: Foreign taxes paid or accrued and deemed paid before reduction: Total	Paid or accrued: Total	Tax withheld at source on: Dividends	Interest	Rents, royalties and license fees	Other taxes paid or accrued on: Branch income	Other income	Deemed paid
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Transportation and public utilities, total								
All geographic areas and DISC dividends, total	474,485	368,462	17,283	3,318	15,395	28,464	304,002	106,023
Canada	59,645	37,032	5,354	1,857	3,569	14,210	12,041	22,614
Latin America, total	24,870	15,636	3,323	1,036	6,485	1,999	2,988	9,034
Brazil	2,606	1,525	443	81	683	—	319	1,081
Ecuador	1,431	1,431	—	27	—	868	537	—
Mexico	11,333	7,739	1,369	114	5,061	304	891	3,594
Panama (including Canal Zone)	2,392	555	135	119	84	—	216	1,837
Venezuela	2,540	1,187	288	172	147	9	571	1,353
All other Latin America	4,567	3,396	1,088	524	513	818	454	1,170
Other Western Hemisphere, total	5,075	41	41	—	—	—	—	5,034
The Bahamas	—	—	—	—	—	—	—	—
Bermuda	41	41	41	—	—	—	—	—
Netherlands Antilles	5,034	—	—	—	—	—	—	5,034
Europe, total	199,390	151,119	4,896	—	2,075	4,015	140,094	48,271
Belgium	5,032	866	685	38	—	29	132	4,166
Denmark	22	7	7	20	—	—	—	15
France (including Andorra)	11,081	1,343	571	—	396	359	16	9,737
Italy (including San Marino)	1,252	728	167	1	42	519	1	524
Netherlands	8,594	777	557	(¹)	—	219	—	7,817
Spain	390	198	107	—	19	8	52	192
Sweden	72	2	2	13	—	—	—	71
Switzerland	15,517	2,899	1,032	—	943	865	55	12,619
United Kingdom	144,721	132,813	1,429	3	623	1,965	128,794	11,908
West Germany	846	794	186	2	—	—	609	52
All other Europe	10,804	10,481	44	—	—	3	10,434	323
Africa, total	17,640	16,676	440	—	208	1,237	14,787	964
Liberia	204	204	202	4	—	—	2	—
South Africa (including South-West Africa)	672	300	77	—	150	65	4	372
OPEC countries	14,531	14,531	—	3	16	128	14,387	—
All other Africa	2,233	1,642	161	—	42	1,044	394	592
Asia, total	145,418	138,156	522	1	1,129	3,560	132,621	7,262
Hong Kong	1,564	509	—	325	—	—	509	1,155
Indonesia	126,993	126,993	—	—	119	415	126,460	—
Japan (including Okinawa and Ryukyus)	6,315	1,175	401	—	470	227	35	5,140
Middle East countries (excluding OPEC)	963	859	85	41	318	—	—	303
OPEC countries (excluding Indonesia)	2,597	2,597	—	276	65	440	2,072	—
Philippines	1,947	1,947	—	—	6	971	961	—
All other Asia	4,939	4,277	55	7	130	1,508	2,584	663
Oceania, total	17,476	5,184	2,305	(¹)	1,187	389	1,298	12,292
Australia	17,472	5,180	2,304	4	1,185	389	1,298	12,292
All other Oceania	3	3	1	4	2	—	—	—
Puerto Rico and U.S. Possessions, total	1,149	1,149	—	52	182	849	85	—
Country not stated	3,810	3,289	401	—	576	2,206	85	541
OPEC countries, total (included above)	148,092	146,739	266	199	366	1,859	144,027	1,353

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources: Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Foreign tax credit computed: Before reduction for international boycott operations	Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Water transportation												
All geographic areas and DISC dividends, total	18	6,189,219	493,091	223,899	154,699	370,861	135,525	936	1,676	82,971	154,699	—
Canada	6	1,639,127	92,141	41,195	10,949	40,585	10,225	896	1,675	1,837	10,949	—
Latin America, total	6	5,673,645	455,494	207,570	153,937	365,982	134,923	362	1,676	82,619	153,937	—
Mexico	3	498,822	45,815	20,711	9,333	23,451	8,707	297	1,633	2,042	9,333	—
All other Latin America	4	4,785,934	383,681	175,961	153,465	364,415	134,654	382	1,676	82,574	153,465	—
Europe, total	4	4,080,770	365,793	168,005	150,573	347,387	131,875	258	1,633	82,523	150,573	—
Africa, total	5	5,035,783	393,559	179,881	153,668	367,310	134,857	362	1,676	82,574	153,668	—
All other Africa	4	4,785,934	383,681	175,961	153,465	364,415	134,654	362	1,676	82,574	153,465	—
Asia, total	3	3,951,118	349,606	160,701	151,228	348,824	132,439	297	1,633	82,574	151,226	—
Indonesia	3	3,951,118	349,606	160,701	151,228	348,824	132,439	297	1,633	82,574	151,228	—
Oceania, total	4	5,200,544	412,399	188,091	145,330	344,173	126,850	106	42	80,828	145,330	—
Australia	3	4,371,974	354,556	162,653	145,241	343,475	126,850	106	42	80,740	145,241	—
Country not stated	*9	*4,399,598	*352,656	*161,672	*144,720	*342,501	*126,540	*65	*42	*80,837	*144,720	*—
OPEC countries, total (included above)	3	3,951,118	349,606	160,701	151,228	348,824	132,439	297	1,633	82,574	151,226	—
All other transportation and public utilities												
All geographic areas and DISC dividends, total	121	130,216,728	4,773,915	2,115,098	306,975	975,517	232,937	105,087	8,540	51,490	306,975	—
Canada	68	106,067,816	3,520,307	1,556,389	298,020	945,006	225,503	103,407	8,540	50,343	298,020	—
Latin America, total	57	97,433,915	3,443,575	1,532,888	280,648	897,781	212,595	95,844	7,731	39,783	280,648	—
Brazil	11	59,623,937	1,352,391	607,609	81,043	301,425	49,814	45,749	—	33,823	81,043	—
Mexico	47	87,773,592	2,492,528	1,105,891	146,652	578,651	69,178	94,670	—	33,753	146,652	—
Panama (including Canal Zone)	11	52,020,949	1,045,464	468,845	100,686	443,059	52,949	82,397	—	33,823	100,686	—
Venezuela	8	53,400,315	1,287,705	577,122	138,911	418,465	61,238	90,450	—	32,975	136,911	—
Other Western Hemisphere, total	16	75,653,199	1,828,495	719,593	78,001	283,544	46,589	45,933	—	33,580	78,001	—
Bermuda	8	53,183,600	1,057,648	469,840	61,323	223,892	39,432	34,695	—	18,075	61,323	—
Netherlands Antilles	8	54,646,323	875,603	393,299	71,585	254,142	42,834	43,389	—	33,374	71,585	—
Europe, total	27	84,099,192	2,687,538	1,187,959	275,957	757,828	208,436	95,549	7,731	38,637	275,957	—
Belgium	9	53,903,975	1,068,900	477,923	131,084	410,403	58,208	87,758	—	32,526	131,084	—
France (including Andorra)	12	82,494,878	1,248,689	554,176	135,056	431,935	59,947	90,704	—	33,374	135,056	—
Italy (including San Marino)	6	52,398,367	1,278,535	576,034	119,977	376,674	54,054	79,787	—	17,870	119,977	—
Spain	9	42,696,322	1,051,828	473,069	85,915	255,750	26,601	60,808	—	14,980	65,915	—
United Kingdom	19	75,512,682	2,334,713	1,035,823	272,939	745,137	207,145	94,310	7,731	38,043	272,939	—
West Germany	8	52,351,428	744,973	334,258	83,091	305,966	45,655	51,167	—	18,718	83,091	—
Africa, total	18	73,838,955	1,993,425	887,487	266,843	730,767	202,789	92,212	7,731	37,384	266,843	—
South Africa (including South-West Africa)	8	26,519,964	674,035	298,775	69,080	221,736	40,000	44,180	—	17,870	69,080	—
OPEC countries	5	50,301,684	957,871	426,470	58,384	204,340	37,399	32,684	—	18,987	58,384	—
All other Africa	11	55,638,673	1,413,165	632,119	223,074	605,027	188,903	59,332	7,731	37,864	223,074	—
Asia, total	32	84,899,331	2,917,335	1,297,507	281,066	907,838	212,930	95,687	7,731	39,265	281,066	—
Japan (including Okinawa and Ryukyus)	21	77,863,162	2,215,208	984,528	148,960	491,768	71,914	94,557	—	34,147	148,960	—
Middle East countries (excluding OPEC)	6	47,799,635	678,173	304,481	81,756	286,726	44,748	50,739	—	18,718	81,756	—
OPEC countries (excluding Indonesia)	9	49,601,962	860,216	388,031	85,679	409,606	46,830	51,860	—	19,616	65,679	—
Oceania, total	21	67,626,308	1,775,982	793,374	137,978	558,557	67,043	86,491	—	18,912	137,978	—
Australia	18	63,408,989	1,468,193	654,970	132,910	433,415	65,276	83,435	—	18,588	132,910	—
All other Oceania	5	44,698,700	901,071	404,376	60,153	320,852	38,154	33,855	—	18,194	60,153	—
Puerto Rico and U.S. Possessions, total	17	43,974,500	805,677	365,151	79,695	383,336	33,021	51,495	—	18,851	79,695	—
Country not stated	20	69,916,532	2,096,716	940,419	278,331	883,422	211,376	94,385	7,731	39,211	278,331	—
OPEC countries, total (included above)	18	70,132,062	1,872,505	837,386	147,715	573,200	67,154	94,998	—	35,952	147,715	—

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total	Dividends	Dividend gross-up	Interest	Other	Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Water transportation												
All geographic areas and DISC dividends, total	716,381	17,481	936	3,956	693,988	385,472	356,267	56,991	370,861	669	10,098	360,095
Canada	5,802	1,476	573	1,506	2,247	226	900	42	4,902	—	—	4,902
Latin America, total	22,730	9,239	321	476	12,895	—	8,484	—	18,241	—	4,994	13,248
Mexico	11,066	216	156	—	10,694	—	6,885	—	4,180	—	—	4,180
All other Latin America	2,886	848	35	258	1,745	—	715	—	7,165	—	4,994	2,171
Europe, total	26,540	22	1	87	26,431	24,653	7,819	7,186	18,921	—	—	18,921
Africa, total	4,490	3,260	—	—	1,230	—	400	—	9,084	—	4,994	4,090
All other Africa	—	—	—	—	—	—	—	—	—	—	—	—
Asia, total	642,178	38	41	1,888	640,211	340,593	325,724	49,762	316,454	—	—	316,454
Indonesia	348,210	—	—	1,535	346,674	340,593	60,771	49,762	287,439	—	—	287,439
Oceania, total	8,182	—	—	—	8,182	—	6,013	—	1,913	—	-257	2,169
Australia	6,182	—	—	—	6,182	—	6,013	—	2,169	—	—	2,169
Country not stated	*2,702	*2,879	*—	*—	*-177	*—	*2,702	*—	*1,034	*669	*385	*—
OPEC countries, total (included above)	350,116	—	—	1,535	348,580	340,593	62,000	49,762	288,116	—	—	288,116
All other transportation and public utilities												
All geographic areas and DISC dividends, total	1,705,152	246,782	105,087	70,963	1,282,321	470,087	834,478	127,759	975,517	60,804	44,039	870,674
Canada	229,440	41,386	22,040	.15,690	150,323	58,492	125,556	20,427	183,155	43,858	35,414	103,883
Latin America, total	139,708	20,720	8,713	5,187	105,087	—	101,196	—	48,082	9,570	—	38,512
Brazil	20,806	1,668	1,023	324	17,794	--	15,253	—	5,555	—	—	5,555
Mexico	46,457	7,119	3,438	254	35,647	—	25,848	—	21,318	709	—	20,609
Panama (including Canal Zone)	33,958	4,306	1,765	647	27,240	—	27,393	—	6,565	—	—	6,565
Venezuela	12,364	1,393	1,353	474	9,144	—	9,152	—	3,226	14	—	3,211
Other Western Hemisphere, total	70,478	64,273	5,034	1,331	-159	—	18,167	—	54,311	—	—	54,311
Bermuda	33,706	33,629	—	77	—	—	7,203	—	26,504	—	—	26,504
Netherlands Antilles	35,518	30,844	5,034	—	-160	—	8,771	—	26,747	—	—	26,747
Europe, total	611,152	88,646	48,270	23,059	451,176	391,016	187,954	106,819	419,546	-23,853	—	443,198
Belgium	18,122	4,582	4,166	135	9,239	—	2,364	—	14,536	-1,222	—	15,756
France (including Andorra)	24,883	9,578	9,737	112	5,455	—	8,795	—	16,734	646	—	16,088
Italy (including San Marino)	6,042	2,386	524	9	3,123	—	1,108	—	6,486	1,553	—	4,933
Spain	1,391	566	192	5	629	—	572	—	831	12	—	818
United Kingdom	416,548	29,652	11,908	11,701	363,287	342,327	84,072	63,852	315,346	-17,130	—	332,475
West Germany	5,127	2,901	52	13	2,161	—	1,608	—	4,493	974	—	3,520
Africa, total	38,240	1,383	964	439	35,474	22,580	11,479	513	30,576	3,886	-71	26,761
South Africa (including South-West Africa)	3,279	519	372	47	2,340	—	1,320	—	2,062	103	—	1,958
OPEC countries	24,787	—	—	138	24,650	22,580	1,910	513	21,260	-1,617	—	22,877
All other Africa	10,169	844	592	255	8,479	—	8,148	—	7,350	5,400	-71	2,020
Asia, total	75,125	11,890	7,221	1,509	54,406	—	44,497	—	42,741	11,954	159	30,628
Japan (including Okinawa and Ryukyus)	18,183	3,938	5,140	169	8,936	—	7,347	—	11,055	219	—	10,836
Middle East countries (excluding OPEC)	3,604	1,101	303	766	1,435	—	638	—	3,235	—	269	2,966
OPEC countries (excluding Indonesia)	33,156	—	—	2	33,154	—	24,964	—	10,066	2,106	-232	8,191
Oceania, total	42,834	15,443	12,292	260	14,640	—	11,127	—	32,558	1,050	—	31,508
Australia	42,430	15,436	12,292	260	14,443	—	10,938	—	32,542	1,050	—	31,492
All other Oceania	204	7	—	—	197	—	188	—	16	—	—	16
Puerto Rico and U.S. Possessions, total	4,825	62	—	385	4,197	—	6,406	—	911	2,620	72	-1,781
Country not stated	493,265	2,426	541	23,122	487,176	—	349,997	—	163,252	11,519	8,465	143,268
OPEC countries, total (included above)	76,804	2,817	1,353	886	71,748	22,580	43,551	513	38,736	5,715	-232	33,253

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued							
	Foreign taxes paid or accrued and deemed paid before reduction							
	Total	Paid or accrued						Deemed paid
		Total	Tax withheld at source on			Other taxes paid or accrued on		
			Dividends	Interest	Rents, royalties and license fees	Branch income	Other income	
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Water transportation								
All geographic areas and DISC dividends, total	136,461	135,525	277	243	1,920	325	132,759	836
Canada	1,807	1,233	4	208	83	—	959	673
Latin America, total	2,560	2,239	71	—	1,597	—	571	321
Mexico	2,286	2,130	45	—	1,599	—	486	156
All other Latin America	118	82	—	—	-2	—	85	35
Europe, total	631	630	—	—	—	—	630	1
Africa, total	341	341	202	—	58	—	81	—
All other Africa	120	120	—	—	42	—	78	—
Asia, total	129,705	129,665	—	35	203	—	129,426	41
Indonesia	126,434	126,434	—	—	119	—	126,316	—
Oceania, total	1,092	1,092	—	—	—	—	1,092	—
Australia	1,092	1,092	—	—	—	—	1,092	—
Country not stated	*325	*325	*—	*—	*—	*325	*—	*—
OPEC countries, total (included above)	126,542	126,542	—	—	219	—	126,323	—
All other transportation and public utilities								
All geographic areas and DISC dividends, total	338,024	232,937	17,005	3,075	13,475	28,139	171,243	105,087
Canada	57,839	35,798	5,350	1,649	3,507	14,210	11,082	22,040
Latin America, total	22,310	13,597	3,252	1,038	4,892	1,999	2,417	8,713
Brazil	2,522	1,499	417	81	683	—	319	1,023
Mexico	9,047	5,609	1,324	114	3,482	304	405	3,438
Panama (including Canal Zone)	2,320	555	135	119	84	—	216	1,765
Venezuela	2,540	1,187	288	172	147	9	571	1,353
Other Western Hemisphere, total	5,075	41	41	—	—	—	—	5,034
Bermuda	41	41	41	—	—	—	—	—
Netherlands Antilles	5,034	—	—	—	—	—	—	5,034
Europe, total	198,759	150,489	4,896	38	2,075	4,015	139,485	48,270
Belgium	5,032	866	685	20	—	29	132	4,166
France (including Andorra)	11,081	1,343	571	1	396	359	16	9,737
Italy (including San Marino)	1,252	728	167	(¹)	42	519	1	524
Spain	390	198	107	13	19	8	52	192
United Kingdom	144,161	132,253	1,429	2	623	1,965	128,234	11,908
West Germany	846	794	166	—	—	—	609	52
Africa, total	17,299	18,335	238	4	150	1,237	14,706	984
South Africa (including South-West Africa)	672	300	77	3	150	65	4	372
OPEC countries	14,512	14,512	—	—	—	128	14,384	—
All other Africa	2,113	1,522	161	1	—	1,044	316	592
Asia, total	15,713	8,492	522	290	925	3,560	3,195	7,221
Japan (including Okinawa and Ryukyus)	6,280	1,140	401	6	470	227	35	5,140
Middle East countries (excluding OPEC)	963	659	65	276	318	—	—	303
OPEC countries (excluding Indonesia)	2,508	2,508	—	—	—	440	2,068	—
Oceania, total	16,383	4,092	2,305	4	1,187	389	206	12,292
Australia	16,380	4,088	2,304	4	1,165	389	206	12,292
All other Oceania	3	3	1	—	2	—	—	—
Puerto Rico and U.S. Possessions, total	1,149	1,149	—	52	182	849	86	—
Country not stated	3,485	2,944	401	—	576	1,681	86	541
OPEC countries, total (included above)	21,550	20,197	288	199	147	1,859	17,704	1,353

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources									
			Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Foreign tax credit computed	
											Before reduction for international boycott operations	Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Wholesale and retail trade, total												
All geographic areas and DISC dividends, total	751	135,703,540	8,130,785	3,833,887	1,524,480	3,988,897	265,038	2,044,313	697,238	91,490	1,524,481	1
Canada	362	116,305,435	6,356,132	2,826,771	1,227,260	3,194,362	133,356	1,754,201	662,941	31,822	1,227,260	—
Latin America, total	67	92,331,356	4,753,289	2,104,336	1,212,043	3,181,688	218,248	1,709,837	697,163	34,090	1,212,043	—
Brazil	18	49,718,867	750,464	323,697	77,246	416,108	26,304	55,291	—	4,535	77,246	—
Ecuador	7	23,295,681	2,500,884	1,124,136	971,211	2,437,727	64,303	1,578,501	662,882	2,123	971,211	—
Mexico	38	67,279,726	1,796,855	763,549	206,149	593,253	57,964	136,331	—	22,394	206,149	—
Panama (including Canal Zone)	15	58,767,645	3,113,617	1,389,226	1,003,878	2,410,572	72,199	1,592,682	662,882	2,373	1,003,878	—
Venezuela	17	58,384,900	3,354,252	1,485,410	1,041,950	2,537,428	84,364	1,819,384	662,882	2,537	1,041,950	—
All other Latin America	34	83,842,806	4,172,569	1,845,481	1,138,636	2,969,584	193,870	1,663,189	697,163	20,095	1,138,636	—
Other Western Hemisphere, total	26	79,235,715	4,241,140	1,885,851	1,330,441	3,300,510	183,604	1,929,623	697,163	60,833	1,330,441	—
The Bahamas	9	22,026,873	3,285,550	1,484,953	1,197,227	2,826,844	71,561	1,852,839	662,882	41,612	1,197,227	—
Bermuda	12	31,459,653	3,540,581	1,583,249	1,258,301	2,937,315	79,081	1,901,213	662,882	47,867	1,258,301	—
Netherlands Antilles	13	55,362,638	3,303,879	1,467,120	1,071,819	2,675,779	160,819	1,628,627	697,163	19,214	1,071,819	—
Europe, total	112	99,740,324	5,664,386	2,523,804	1,441,937	3,612,478	137,097	2,029,460	662,882	78,139	1,441,937	—
Belgium	*12	*14,592,108	*947,511	*430,649	*47,474	*194,565	*18,896	*29,004	*—	*4,856	*47,474	*—
Denmark	8	8,798,421	412,688	188,393	26,535	89,313	8,464	19,316	—	1,743	26,535	—
France (including Andorra)	19	20,412,715	1,033,267	459,934	107,062	343,506	25,353	76,277	—	10,416	107,062	—
Italy (including San Marino)	16	23,218,662	746,626	321,703	61,461	253,782	22,130	41,417	—	2,658	61,461	—
Netherlands	32	64,393,406	4,156,110	1,853,698	1,095,651	2,788,766	88,314	1,672,466	662,882	20,337	1,095,651	—
Spain	20	24,576,177	1,360,210	615,581	377,969	1,047,394	43,321	395,145	—	60,313	377,969	—
Sweden	5	10,464,028	628,473	283,677	31,373	177,815	13,461	18,293	—	614	31,373	—
Switzerland	25	62,622,141	3,593,678	1,604,105	1,077,539	2,739,837	82,742	1,656,776	662,882	11,482	1,077,539	—
United Kingdom	51	89,649,870	5,089,342	2,269,509	1,398,686	3,499,346	120,092	2,002,618	662,882	71,183	1,398,686	—
West Germany	36	60,601,077	3,898,357	1,733,073	1,081,392	2,631,874	86,916	1,652,261	662,882	16,776	1,081,392	—
All other Europe	23	29,487,821	3,555,902	1,599,270	1,068,990	2,623,463	91,034	1,636,257	662,882	7,667	1,068,990	—
Africa, total	214	30,339,939	3,845,820	1,830,477	1,228,780	3,080,302	84,874	1,878,963	662,882	43,945	1,228,780	—
Liberia	3	10,227,419	2,553,855	1,147,198	975,553	2,362,748	59,506	1,578,929	662,882	—	975,553	—
South Africa (including South-West Africa)	199	20,113,779	1,096,063	491,544	270,202	810,362	29,460	312,638	—	43,897	270,202	—
OPEC countries	6	15,349,662	2,613,855	1,256,217	982,368	2,384,051	63,487	1,582,637	662,882	48	982,368	—
All other Africa	20	26,882,329	3,438,560	1,539,700	1,221,556	3,056,266	80,286	1,875,835	662,882	43,780	1,221,556	—
Asia, total	321	107,883,809	6,249,210	2,794,793	1,465,754	3,804,849	230,145	2,015,177	697,163	76,034	1,465,754	—
Hong Kong	19	30,680,342	1,944,740	882,978	381,090	1,035,110	46,110	395,913	—	60,364	381,090	—
Indonesia	9	16,266,947	2,776,852	1,243,134	973,711	2,303,300	63,512	1,573,532	662,882	93	973,711	—
Japan (including Okinawa and Ryukyus)	109	88,978,552	5,154,889	2,306,264	1,337,619	3,439,681	114,679	1,951,540	662,882	55,291	1,337,619	—
Middle East countries (excluding OPEC)	196	15,774,893	1,278,863	569,310	309,934	772,465	31,047	337,598	—	47,667	309,934	—
OPEC countries (excluding Indonesia)	16	33,792,996	3,190,029	1,425,959	1,052,643	2,599,422	170,208	1,602,121	697,163	10,453	1,052,643	—
Philippines	12	17,032,905	1,210,152	547,616	318,213	769,638	30,157	346,677	—	47,712	318,213	—
All other Asia	26	41,749,166	4,322,336	1,955,253	1,246,108	3,163,965	96,672	1,884,026	662,882	44,880	1,248,108	—
Oceania, total	50	49,525,600	2,819,097	1,171,121	419,772	1,177,227	64,303	418,464	—	68,610	419,773	1
Australia	46	48,876,570	2,609,855	1,166,836	419,193	1,174,412	63,803	418,403	—	68,592	419,194	1
All other Oceania	20	29,605,088	1,490,932	668,612	309,481	730,679	33,473	335,319	—	48,681	309,481	—
Puerto Rico and U.S. Possessions, total	48	76,303,855	2,013,623	693,260	232,057	802,109	143,961	138,773	34,281	30,459	232,057	—
Country not stated	58	69,890,726	5,107,687	2,295,079	1,399,428	3,569,005	205,433	1,977,560	697,179	69,291	1,399,428	—
DISC dividends	*9	*9,994,744	*45,312	*20,321	*11,087	*153,974	*10,263	*7,402	*—	*2,460	*11,087	*—
OPEC countries, total (included above)	28	77,219,750	3,653,636	1,615,023	1,106,793	2,883,659	186,122	1,644,575	697,163	15,068	1,106,793	—

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total	Dividends	Dividend gross-up	Interest	Other	Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Wholesale and retail trade, total												
All geographic areas and DISC dividends, total	5,609,255	1,284,716	2,044,313	459,320	1,820,906	1,888,022	1,752,185	62,419	3,988,687	127,416	2,201	3,857,070
Canada	1,155,086	363,873	181,638	49,725	560,050	158,757	458,383	1,148	701,696	4,443	550	696,703
Latin America, total	229,322	51,319	27,402	28,377	124,223	—	121,546	—	112,806	4,433	598	107,776
Brazil	27,123	7,358	3,012	1,944	14,806	—	15,275	—	11,633	- 215	—	11,648
Ecuador	3,249	320	237	1,797	894	—	1,977	—	1,272	—	—	1,272
Mexico	102,990	32,160	19,587	5,003	46,239	—	34,626	—	70,457	1,496	598	68,363
Panama (including Canal Zone)	18,879	8,701	1,434	3,742	7,002	—	13,471	—	5,408	—	—	5,408
Venezuela	9,442	2,959	2,375	2,410	1,698	—	2,384	—	4,888	- 2,170	—	7,058
All other Latin America	67,639	1,820	757	11,480	53,582	—	53,813	—	19,146	5,322	—	13,826
Other Western Hemisphere, total	160,597	101,286	25,000	18,580	17,731	—	24,414	—	136,198	15	—	136,183
The Bahamas	85,145	31,225	21,820	14,788	17,313	—	13,118	—	72,027	—	—	72,027
Bermuda	39,185	39,000	69	106	10	—	2,369	—	36,816	—	—	36,816
Netherlands Antilles	36,241	31,061	3,111	1,686	382	—	8,905	—	27,351	15	—	27,336
Europe, total	970,274	232,439	109,704	19,249	608,681	31,935	540,682	4	455,682	26,089	—	429,592
Belgium	*2,964	*144	*—	*372	*2,448	*—	*777	*—	*6,920	*4,732	*—	*2,187
Denmark	3,397	2,145	1,075	46	131	—	351	—	3,046	—	—	3,046
France (including Andorra)	16,439	5,051	6,853	443	4,091	—	2,327	—	14,112	—	—	14,112
Italy (including San Marino)	32,942	13,172	7,451	480	11,839	—	8,857	—	24,096	14	—	24,085
Netherlands	46,488	17,951	22,871	1,361	4,305	—	3,747	—	41,378	- 1,363	—	42,741
Spain	5,913	9,350	3,277	266	- 6,980	—	5,983	—	27	97	—	- 69
Sweden	1,826	624	180	—	1,022	—	41	—	1,784	—	—	1,784
Switzerland	85,301	67,512	12,091	548	5,149	—	22,354	—	62,997	50	—	62,947
United Kingdom	697,365	99,287	49,623	10,403	538,052	31,935	469,844	4	239,222	11,702	—	227,520
West Germany	40,681	7,094	6,193	5,258	22,137	—	10,627	—	26,961	- 3,093	—	30,054
All other Europe	36,553	10,110	91	63	26,289	—	15,676	—	34,827	13,951	—	20,877
Africa, total	1,613,421	146,150	1,433,699	848	32,725	1,501,240	34,260	5,552	1,614,160	34,999	—	1,579,161
Liberia	12,243	12,241	2	—	—	194	581	—	11,662	—	—	11,662
South Africa (including South-West Africa)	63,074	27,096	32,871	349	2,756	—	3,438	—	59,637	—	—	59,637
OPEC countries	1,477,271	83,102	1,379,064	47	15,058	1,501,047	13,433	5,552	1,499,430	35,592	—	1,463,838
All other Africa	60,833	23,708	21,762	451	14,911	—	16,808	—	43,432	- 593	—	44,025
Asia, total	1,007,923	237,323	242,260	268,565	259,774	177,579	266,196	48,279	756,448	14,721	—	741,727
Hong Kong	34,784	21,870	5,356	164	7,395	—	9,336	—	25,962	514	—	25,448
Indonesia	1,039	470	150	239	180	1,637	671	437	4,045	3,677	—	367
Japan (including Okinawa and Ryukyus)	633,047	144,350	200,952	253,588	34,157	—	173,095	—	468,709	8,757	—	459,952
Middle East countries (excluding OPEC)	1,172	83	43	329	718	—	371	—	800	- 1	—	801
OPEC countries (excluding Indonesia)	180,557	1,694	258	15	178,590	175,943	51,567	47,842	128,353	- 637	—	128,990
Philippines	9,935	22	9	6,166	3,737	—	6,676	—	3,555	299	—	3,256
All other Asia	147,389	68,634	35,492	8,065	34,998	—	24,477	—	125,023	2,111	—	122,912
Oceania, total	73,235	27,423	24,237	8,888	12,707	—	21,066	—	63,262	11,094	—	52,189
Australia	63,385	23,023	20,664	7,939	11,759	—	20,367	—	54,071	11,053	—	43,018
All other Oceania	9,849	4,401	3,573	928	947	—	698	—	9,191	40	—	9,151
Puerto Rico and U.S. Possessions, total	73,331	439	170	627	72,095	—	59,708	—	31,598	17,975	—	13,623
Country not stated	242,746	41,408	135	68,481	132,721	16,510	224,319	7,436	33,127	13,847	1,053	18,427
DISC dividends	*83,321	*83,255	*87	*—	*—	*—	*1,612	*—	*81,710	*—	*—	*81,710
OPEC countries, total (included above)	1,671,558	88,545	1,382,084	4,509	196,420	1,676,626	70,033	53,831	1,637,987	36,462	—	1,601,525

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued: Foreign taxes paid or accrued and deemed paid before reduction: Total	Paid or accrued: Total	Tax withheld at source on: Dividends	Interest	Rents, royalties and license fees	Other taxes paid or accrued on: Branch income	Other income	Deemed paid
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Wholesale and retail trade, total								
All geographic areas and DISC dividends, total	2,309,351	265,038	89,036	13,848	17,720	34,497	109,938	2,044,313
Canada	227,631	45,993	28,144	8,406	3,024	2,882	5,537	181,638
Latin America, total	58,812	29,410	10,890	853	8,655	6,476	2,635	27,402
Brazil	8,588	3,576	2,894	290	9	185	99	3,012
Ecuador	246	9	—	—	9	—	—	237
Mexico	35,834	16,246	6,865	216	7,906	263	996	19,587
Panama (including Canal Zone)	1,847	413	—	12	49	—	352	1,434
Venezuela	7,202	4,827	592	13	—	4,155	66	2,375
All other Latin America	5,095	4,338	239	422	683	1,873	1,122	757
Other Western Hemisphere, total	25,230	230	—	(¹)	—	12	218	25,000
The Bahamas	21,894	75	—	(¹)	—	—	75	21,820
Bermuda	69	—	—	—	—	—	—	69
Netherlands Antilles	3,266	155	—	—	—	12	144	3,111
Europe, total	133,976	24,272	12,935	235	625	9,715	762	109,704
Belgium	*1,140	*1,140	*29	*75	*—	*1,037	*—	*—
Denmark	1,187	113	113	—	—	—	—	1,075
France (including Andorra)	7,360	507	256	48	203	—	(¹)	6,853
Italy (including San Marino)	8,355	905	687	33	113	17	55	7,451
Netherlands	23,992	1,120	1,059	—	—	55	6	22,871
Spain	5,075	1,798	1,443	25	11	222	98	3,277
Sweden	211	31	31	—	—	—	—	180
Switzerland	15,352	3,261	3,125	27	—	12	97	12,091
United Kingdom	55,683	6,041	5,103	—	76	818	44	49,623
West Germany	7,971	1,776	1,056	27	—	237	457	6,193
All other Europe	7,569	7,578	34	—	223	7,317	4	91
Africa, total	1,440,631	6,932	5,516	—	312	115	987	1,433,699
Liberia	2	—	—	—	—	—	—	2
South Africa (including South-West Africa)	37,173	4,302	4,061	—	241	—	—	32,871
OPEC countries	1,379,200	136	58	—	71	—	7	1,379,064
All other Africa	24,256	2,494	1,399	—	—	115	980	21,762
Asia, total	379,570	137,310	28,681	5,053	1,861	6,791	94,924	242,260
Hong Kong	5,547	191	—	22	16	101	53	5,356
Indonesia	1,244	1,094	37	2	—	1,042	13	150
Japan (including Okinawa and Ryukyus)	214,193	13,241	1,546	3,907	1,333	4,735	1,721	200,952
Middle East countries (excluding OPEC)	136	93	20	70	3	—	—	43
OPEC countries (excluding Indonesia)	91,550	91,292	193	—	18	278	90,803	258
Philippines	1,405	1,396	11	1,047	57	128	152	9
All other Asia	85,494	30,002	26,875	5	434	506	2,183	35,492
Oceania, total	35,656	11,419	3,037	420	2,476	5,207	278	24,237
Australia	31,687	11,003	2,931	330	2,282	5,182	278	20,664
All other Oceania	3,989	416	105	90	194	25	(¹)	3,573
Puerto Rico and U.S. Possessions, total	7,859	7,889	25	99	531	3,249	3,784	170
Country not stated	1,920	1,785	6	682	236	49	812	135
DISC dividends	*67	*—	*—	*—	*—	*—	*—	*67
OPEC countries, total (included above)	1,479,442	97,358	881	15	98	5,476	90,889	1,382,084

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources: Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Foreign tax credit computed: Before reduction for international boycott operations	Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Wholesale trade, total												
All geographic areas and DISC dividends, total	645	60,737,680	5,559,231	2,480,165	1,387,671	3,604,367	223,964	1,954,944	697,238	71,020	1,387,672	1
Canada	309	45,424,350	4,211,132	1,887,624	1,096,997	2,831,609	100,474	1,665,045	662,941	14,476	1,096,997	—
Latin America, total	47	39,634,480	3,648,830	1,618,140	1,110,719	2,894,475	167,484	1,845,116	697,163	18,534	1,110,719	—
Other Western Hemisphere, total	16	28,811,395	3,570,534	1,599,062	1,289,882	3,159,125	167,440	1,907,357	697,163	58,194	1,289,882	—
The Bahamas	6	16,316,960	2,979,723	1,345,326	1,192,088	2,776,678	66,494	1,852,815	662,882	41,564	1,192,088	—
Bermuda	9	21,394,019	3,454,220	1,545,694	1,250,366	2,882,696	73,005	1,899,402	662,882	47,619	1,250,366	—
Netherlands Antilles	7	15,650,530	2,723,861	1,219,816	1,039,186	2,589,064	150,743	1,608,172	697,163	16,622	1,039,186	—
Europe, total	90	39,718,110	4,201,683	1,873,403	1,322,370	3,261,076	105,914	1,948,553	662,882	58,980	1,322,370	—
Belgium	*9	*9,626,391	*361,624	*161,581	*36,468	*157,821	*10,527	*26,064	*—	*112	*36,468	*—
Denmark	5	909,788	10,385	4,680	3,072	9,068	995	2,060	—	93	3,072	—
France (including Andorra)	16	15,103,971	724,093	318,805	101,854	293,165	20,216	76,253	—	10,369	101,854	—
Italy (including San Marino)	13	11,893,054	552,740	233,567	54,004	200,419	16,134	40,004	—	2,610	54,004	—
Netherlands	23	25,907,313	3,255,542	1,457,778	1,059,900	2,683,848	74,006	1,651,618	662,882	16,011	1,059,900	—
Spain	17	20,515,462	1,235,772	559,550	327,791	905,671	34,238	359,140	—	49,821	327,791	—
Sweden	3	5,600,892	326,874	145,960	26,247	127,703	8,405	18,270	—	566	26,247	—
Switzerland	22	25,159,076	3,094,726	1,390,552	1,045,693	2,628,829	72,244	1,637,795	662,882	9,116	1,045,693	—
United Kingdom	38	34,176,231	3,856,636	1,724,515	1,285,392	3,181,933	91,100	1,924,654	662,882	54,762	1,285,392	—
West Germany	31	21,540,821	2,957,604	1,316,939	997,683	2,419,087	65,761	1,595,626	662,882	4,008	997,683	—
All other Europe	20	23,745,336	3,145,299	1,412,196	1,060,313	2,553,883	84,129	1,634,532	662,882	7,819	1,060,313	—
Africa, total	211	26,408,149	3,454,635	1,546,064	1,223,027	3,026,889	80,903	1,877,050	662,882	43,898	1,223,027	—
Liberia	3	10,227,419	2,553,855	1,147,196	975,553	2,362,748	59,506	1,578,929	662,882	—	975,553	—
South Africa (including South-West Africa)	197	17,061,139	1,013,882	456,508	267,999	776,417	27,238	312,426	—	43,850	267,999	—
OPEC countries	5	14,470,712	2,704,851	1,206,641	978,818	2,364,583	61,638	1,580,936	662,882	48	978,818	—
All other Africa	17	22,930,538	3,245,375	1,455,286	1,215,803	3,002,853	76,215	1,873,923	662,882	43,733	1,215,803	—
Asia, total	271	47,820,506	4,704,292	2,107,948	1,344,191	3,463,778	197,695	1,933,303	697,163	61,046	1,344,191	—
Hong Kong	13	20,147,907	1,217,043	550,485	319,148	879,920	30,054	355,010	—	49,695	319,148	—
Indonesia	8	15,387,797	2,667,848	1,193,757	970,161	2,293,832	61,682	1,571,832	662,882	93	970,161	—
Japan (including Okinawa and Ryukyus)	67	39,730,239	3,962,961	1,779,857	1,292,296	3,287,803	98,426	1,925,977	662,882	52,351	1,292,296	—
Middle East countries (excluding OPEC)	193	13,795,017	1,248,978	558,266	308,316	739,789	29,500	337,575	—	47,819	308,316	—
OPEC countries (excluding Indonesia)	11	21,695,322	2,891,742	1,292,220	1,022,361	2,513,767	160,791	1,581,610	697,163	8,626	1,022,361	—
Philippines	10	16,072,586	1,092,146	494,235	314,622	749,747	28,267	344,977	—	47,712	314,622	—
All other Asia	23	27,610,902	3,789,011	1,712,240	1,230,924	3,067,655	84,848	1,880,912	662,882	44,832	1,230,924	—
Oceania, total	40	26,983,914	1,521,491	870,257	327,828	909,665	37,875	357,227	—	54,283	327,829	1
Australia	36	26,134,885	1,512,049	865,972	327,249	906,850	37,376	357,166	—	54,266	327,250	1
All other Oceania	15	16,944,650	1,065,585	475,035	295,018	640,940	22,172	332,205	—	48,633	295,018	—
Puerto Rico and U.S. Possessions, total	27	22,090,091	671,369	388,289	131,937	526,604	113,732	76,043	34,281	16,986	131,937	—
Country not stated	49	40,229,617	4,014,712	1,808,337	1,341,833	3,418,941	168,046	1,938,923	697,179	63,358	1,341,833	—
DISC dividends	*8	*3,076,792	*30,568	*13,818	*5,301	*133,616	*5,887	*6,013	*—	*2,460	*5,301	*—
OPEC countries, total (included above)	21	30,611,684	3,140,989	1,398,268	1,048,174	2,704,434	169,716	1,605,083	697,163	10,875	1,048,174	—
Petroleum and petroleum products												
All geographic areas and DISC dividends, total	30	15,497,480	3,008,740	1,352,573	1,219,153	2,667,625	155,678	1,846,603	697,163	50,552	1,219,153	—
Canada	14	9,158,937	2,423,249	1,083,416	953,006	2,237,533	52,614	1,563,246	662,882	237	953,006	—
Other Western Hemisphere, total	4	13,140,667	2,958,069	1,334,793	1,218,819	2,859,597	153,659	1,846,469	697,163	50,056	1,216,819	—
Bermuda	3	10,132,569	2,891,231	1,299,467	1,181,493	2,734,166	62,893	1,845,794	662,882	41,564	1,181,493	—
Netherlands Antilles	3	10,301,605	2,470,210	1,105,799	988,190	2,362,493	143,267	1,563,921	697,163	8,492	988,190	—
Europe, total	6	10,171,646	2,695,437	1,300,947	1,181,955	2,735,328	63,038	1,845,880	662,882	41,824	1,181,955	—
Asia, total	16	13,112,700	2,939,778	1,327,904	1,218,484	2,865,106	155,451	1,846,425	697,163	50,056	1,218,484	—
Japan (including Okinawa and Ryukyus)	14	10,064,534	2,661,991	1,292,163	1,183,157	2,739,675	64,684	1,845,750	662,882	41,564	1,183,157	—
Middle East countries (excluding OPEC)	3	2,696,502	499,167	229,556	228,776	497,510	10,456	282,634	—	41,564	228,776	—
Country not stated	6	13,054,569	2,941,832	1,328,412	1,218,409	2,664,851	155,459	1,846,339	697,163	50,056	1,218,409	—

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total	Dividends	Dividend gross-up	Interest	Other	Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Wholesale trade, total												
All geographic areas and DISC dividends, total	5,091,724	1,079,951	1,954,944	382,772	1,674,058	1,886,022	1,585,786	62,419	3,804,367	96,825	1,803	3,505,939
Canada	1,022,341	320,523	146,338	8,526	546,954	158,757	455,962	1,148	571,372	4,443	550	566,379
Latin America, total	137,433	18,874	6,759	25,585	88,235	—	87,414	—	52,793	2,774	—	50,019
Other Western Hemisphere, total	137,008	80,781	23,593	14,894	17,740	—	22,257	—	114,766	15	—	114,752
The Bahamas	85,129	31,225	21,820	14,788	17,297	—	13,118	—	72,011	—	—	72,011
Bermuda	37,458	37,283	69	106	—	—	2,073	—	35,395	—	—	35,385
Netherlands Antilles	14,395	12,273	1,705	—	417	—	7,044	—	7,366	15	—	7,351
Europe, total	823,452	166,975	83,336	11,903	561,238	31,935	529,047	4	317,724	23,319	—	294,405
Belgium	*2,460	*144	*—	*29	*2,287	*—	*777	*—	*1,911	*228	*—	*1,683
Denmark	3,245	2,125	1,053	9	59	—	351	—	2,893	—	—	2,893
France (including Andorra)	15,954	5,042	6,653	331	3,728	—	2,327	—	13,627	—	—	13,627
Italy (including San Marino)	32,520	13,161	7,451	353	11,556	—	8,857	—	23,677	14	—	23,663
Netherlands	44,515	17,893	22,849	532	3,241	—	3,340	—	42,024	849	—	41,175
Spain	13,750	9,297	3,274	256	923	—	5,983	—	7,767	—	—	7,767
Sweden	880	624	180	—	76	—	41	—	839	—	—	839
Switzerland	83,870	67,210	11,955	480	4,226	—	22,345	—	61,575	50	—	61,525
United Kingdom	568,388	38,580	26,473	8,564	494,770	31,935	458,935	4	117,236	7,783	—	109,453
West Germany	21,447	2,788	3,157	1,288	14,214	—	10,318	—	10,890	-239	—	11,129
All other Europe	36,240	10,110	91	63	25,976	—	15,676	—	35,197	14,633	—	20,584
Africa, total	1,603,867	146,088	1,433,651	848	23,280	1,501,240	26,789	5,552	1,610,533	33,455	—	1,577,078
Liberia	12,243	12,241	2	—	—	194	581	—	11,662	—	—	11,662
South Africa (including South-West Africa)	63,042	27,098	32,871	349	2,724	—	3,411	—	59,631	—	—	59,631
OPEC countries	1,471,839	83,040	1,379,016	47	9,736	1,501,047	9,642	5,552	1,498,474	34,276	—	1,462,198
All other Africa	58,742	23,708	21,762	451	10,821	—	13,156	—	42,766	-821	—	43,587
Asia, total	982,385	234,646	241,955	267,960	237,823	177,579	261,506	48,279	732,092	11,213	—	720,879
Hong Kong	26,262	19,301	5,111	161	1,688	—	7,335	—	19,441	514	—	18,927
Indonesia	1,039	470	150	239	180	1,637	671	437	2,570	2,203	—	367
Japan (including Okinawa and Ryukyus)	820,729	144,301	200,928	252,997	22,503	—	172,209	—	455,366	6,847	—	446,519
Middle East countries (excluding OPEC)	1,159	82	43	316	718	—	371	—	787	-1	—	788
OPEC countries (excluding Indonesia)	177,060	1,694	258	15	175,093	175,943	50,322	47,842	125,799	-939	—	126,738
Philippines	9,872	22	9	6,166	3,674	—	6,676	—	3,493	299	—	3,194
All other Asia	146,265	68,777	35,457	8,065	33,967	—	23,919	—	124,637	2,290	—	122,346
Oceania, total	47,952	20,459	19,010	1,736	6,748	—	8,330	—	42,782	3,181	—	39,521
Australia	38,307	16,058	15,437	807	6,005	—	7,632	—	33,793	3,118	—	30,675
All other Oceania	9,645	4,401	3,573	928	743	—	698	—	8,990	43	—	8,947
Puerto Rico and U.S. Possessions, total	40,114	269	99	221	39,525	—	33,780	—	9,841	3,507	—	6,334
Country not stated	214,845	11,077	135	51,120	152,514	16,510	159,192	7,436	71,643	14,937	1,053	55,653
DISC dividends	*82,327	*82,260	*67	*—	*—	*—	*1,507	*—	*80,819	*—	*—	80,819
OPEC countries, total (included above)	1,657,837	85,940	1,379,888	4,430	187,578	1,678,626	84,954	53,831	1,626,220	33,338	—	1,592,883
Petroleum and petroleum products												
All geographic areas and DISC dividends, total	2,952,320	759,006	1,846,803	17,540	329,171	1,832,684	138,944	61,271	2,867,625	54,249	—	2,813,376
Canada	516,970	285,807	120,370	2,348	108,445	155,399	44,283	—	472,686	—	—	472,686
Other Western Hemisphere, total	109,605	68,894	22,692	723	17,297	—	10,315	—	99,290	—	—	99,290
Bermuda	38,441	36,373	67	—	—	—	1,952	—	34,486	—	—	34,488
Netherlands Antilles	2,715	1,909	606	—	—	—	5,780	—	-3,065	—	—	-3,065
Europe, total	59,901	30,689	22,521	2,736	3,955	31,935	3,813	4	55,949	-139	—	56,088
Asia, total	663,519	216,318	238,529	6,991	203,680	177,579	73,044	48,279	590,123	-353	—	590,475
Japan (including Okinawa and Ryukyus)	348,500	142,373	199,922	2,076	4,130	—	10,989	—	337,510	—	—	337,510
Middle East countries (excluding OPEC)	297	76	41	52	127	—	138	—	159	—	—	159
Country not stated	1,267	1,081	—	4,446	-4,261	16,510	1,377	7,436	15,501	15,611	—	-110

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued: Foreign taxes paid or accrued and deemed paid before reduction: Total	Paid or accrued: Total	Tax withheld at source on: Dividends	Tax withheld at source on: Interest	Tax withheld at source on: Rents, royalties and license fees	Other taxes paid or accrued on: Branch income	Other taxes paid or accrued on: Other income	Deemed paid
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Wholesale trade, total								
All geographic areas and DISC dividends, total	2,178,908	223,964	74,195	7,594	11,688	24,766	105,721	1,954,944
Canada	181,739	35,401	24,924	757	1,309	2,882	5,529	146,338
Latin America, total	25,210	18,451	3,528	706	7,381	5,832	1,003	6,759
Other Western Hemisphere, total	23,680	86	—	(¹)	—	12	75	23,593
The Bahamas	21,894	75	—	(¹)	—	—	75	21,820
Bermuda	69	—	—	—	—	—	—	69
Netherlands Antilles	1,717	12	—	—	—	12	—	1,705
Europe, total	102,021	18,686	9,069	133	402	8,552	529	85,336
Belgium	*144	*144	*29	*—	*—	*116	*—	*—
Denmark	1,159	107	107	—	—	—	—	1,053
France (including Andorra)	7,357	503	254	47	203	—	(¹)	6,853
Italy (including San Marino)	8,330	879	687	7	113	17	55	7,451
Netherlands	23,957	1,108	1,046	—	—	55	6	22,849
Spain	4,807	1,534	1,443	25	11	—	56	3,274
Sweden	211	31	31	—	—	—	—	180
Switzerland	15,201	3,246	3,110	27	—	12	97	11,955
United Kingdom	29,335	2,862	1,944	—	76	798	44	26,473
West Germany	4,074	916	386	27	—	237	267	3,157
All other Europe	7,446	7,355	34	—	—	7,317	4	91
Africa, total	1,440,468	6,816	5,518	—	311	—	987	1,433,651
Liberia	2	—	—	—	—	—	—	2
South Africa (including South-West Africa)	37,173	4,301	4,061	—	241	—	—	32,871
OPEC countries	1,379,152	136	58	—	71	—	7	1,379,016
All other Africa	24,141	2,379	1,399	—	—	—	980	21,762
Asia, total	376,792	134,837	28,678	4,993	795	5,551	94,820	241,955
Hong Kong	5,234	123	—	22	—	101	—	5,111
Indonesia	1,173	1,024	37	2	—	972	13	150
Japan (including Okinawa and Ryukyus)	212,304	11,376	1,543	3,848	417	3,873	1,695	200,928
Middle East countries (excluding OPEC)	135	93	20	70	3	—	—	43
OPEC countries (excluding Indonesia)	91,247	90,989	193	—	18	—	90,777	258
Philippines	1,391	1,382	*11	1,047	57	114	152	9
All other Asia	65,308	29,851	26,875	5	299	490	2,163	35,457
Oceania, total	24,233	5,223	2,488	326	960	1,227	242	19,010
Australia	20,362	4,926	2,361	236	881	1,206	241	15,437
All other Oceania	3,870	297	106	90	79	22	(¹)	3,573
Puerto Rico and U.S. Possessions, total	2,787	2,688	5	1	294	860	1,727	99
Country not stated	1,912	1,777	5	677	236	49	810	135
DISC dividends	*67	*—	*—	*—	*—	*—	*—	*67
OPEC countries, total (included above)	1,476,342	96,454	372	2	89	5,127	90,863	1,379,888
Petroleum and petroleum products								
All geographic areas and DISC dividends, total	2,002,281	155,878	55,907	700	106	4,468	94,497	1,846,603
Canada	140,869	20,299	20,177	109	13	—	(¹)	120,370
Other Western Hemisphere, total	22,766	75	—	(¹)	—	—	75	22,692
Bermuda	67	—	—	—	—	—	—	67
Netherlands Antilles	606	—	—	—	—	—	—	606
Europe, total	24,251	1,730	1,698	27	—	—	5	22,521
Asia, total	359,447	122,918	27,396	238	89	852	94,344	238,529
Japan (including Okinawa and Ryukyus)	202,854	2,933	1,228	201	1	—	1,503	199,922
Middle East countries (excluding OPEC)	65	24	19	5	—	—	—	41
Country not stated	325	325	—	325	—	—	—	—

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources: Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Foreign tax credit computed: Before reduction for international boycott operations	Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
All other wholesale trade												
All geographic areas and DISC dividends, total	615	45,240,200	2,550,490	1,127,592	168,516	736,742	68,286	108,341	74	20,468	168,519	1
Canada	295	36,265,413	1,787,883	784,208	143,991	594,277	47,860	101,799	59	14,241	143,991	—
Latin America, total	44	29,332,675	1,178,620	512,341	122,529	531,982	44,217	81,195	—	10,042	122,529	—
Other Western Hemisphere, total	12	158,070,729	802,465	264,268	73,042	299,526	13,781	60,888	—	8,138	73,042	—
The Bahamas	4	7,048,550	136,875	61,860	10,837	43,835	3,713	7,152	—	—	10,837	—
Bermuda	6	11,261,450	562,989	246,227	68,873	148,532	10,112	53,609	—	6,055	68,873	—
Netherlands Antilles	4	5,548,726	253,651	114,017	50,996	226,572	7,476	44,251	—	6,130	50,996	—
Europe, total	84	29,546,464	1,306,246	572,456	140,415	545,746	42,878	102,673	—	17,156	140,415	—
Belgium	*9	*9,626,391	*361,624	*161,581	*36,468	*157,821	*10,527	*26,064	*—	*112	*36,468	*—
Denmark	5	909,788	10,385	4,680	3,072	9,068	895	2,060	—	93	3,072	—
France (including Andorra)	16	15,103,971	724,093	318,805	101,854	293,165	20,216	76,253	—	10,369	101,854	—
Italy (including San Marino)	13	11,893,054	552,740	233,567	54,004	200,419	16,134	40,004	—	2,610	54,004	—
Netherlands	22	19,477,765	910,552	403,307	107,278	447,910	21,620	88,503	—	16,011	107,278	—
Spain	16	17,676,600	737,913	330,556	99,162	408,567	23,845	76,593	—	8,256	99,162	—
Sweden	3	5,600,692	326,874	145,980	26,247	127,703	8,405	18,270	—	565	26,247	—
Switzerland	20	18,711,957	749,377	335,934	92,925	392,685	19,792	74,593	—	9,116	92,925	—
United Kingdom	35	24,889,841	1,010,454	439,951	104,060	448,847	28,238	78,990	—	13,197	104,060	—
West Germany	29	14,247,114	564,232	246,466	44,819	182,025	13,261	32,380	—	4,008	44,819	—
All other Europe	16	17,312,262	799,797	357,489	107,456	317,631	31,740	71,417	—	7,560	107,456	—
Africa, total	209	17,139,739	611,786	262,598	41,775	294,046	18,122	31,387	—	2,333	41,775	—
South Africa (including South-West Africa)	196	14,222,277	516,023	227,513	39,370	279,313	18,846	29,878	—	2,286	39,370	—
OPEC countries	4	8,041,164	359,862	152,369	26,196	128,844	9,249	17,821	—	48	26,196	—
All other Africa	*15	*13,662,128	*402,526	*171,820	*34,551	*270,011	*13,434	*28,259	*—	*2,168	*34,551	*—
Asia, total	255	34,707,806	1,784,513	780,044	125,707	598,872	42,244	88,876	—	10,990	125,707	—
Hong Kong	12	17,309,045	719,184	321,471	90,518	382,816	19,662	72,463	—	8,130	90,518	—
Indonesia	7	8,958,249	322,859	139,286	17,539	48,093	9,273	8,716	—	93	17,539	—
Japan (including Okinawa and Ryukyus)	53	29,665,706	1,100,970	487,694	109,139	548,128	31,741	80,228	—	10,787	109,139	—
Middle East countries (excluding OPEC)	190	10,898,516	749,810	326,710	79,540	242,279	19,044	54,941	—	6,055	79,540	—
OPEC countries (excluding Indonesia)	9	12,257,676	469,914	202,422	34,412	152,598	17,636	17,819	—	134	34,412	—
Philippines	9	13,233,704	594,287	265,241	85,993	252,643	17,874	82,429	—	6,148	85,993	—
All other Asia	21	18,342,492	946,163	428,774	49,672	334,813	21,867	35,249	—	3,266	49,672	—
Oceania, total	39	24,145,053	1,023,632	441,263	99,198	412,561	27,483	74,680	—	12,719	99,199	1
Australia	35	23,296,023	1,014,190	436,977	98,620	409,746	26,983	74,618	—	12,702	98,621	1
All other Oceania	15	14,105,788	567,726	246,041	66,389	143,836	11,779	49,657	—	7,069	66,389	—
Puerto Rico and U.S. Possessions, total	25	19,069,669	793,829	352,639	96,556	400,939	22,961	75,320	—	8,496	96,558	—
Country not stated	43	27,175,048	1,073,080	479,924	123,424	554,090	32,590	92,584	—	13,300	123,424	—
DISC dividends	*6	*3,076,792	*30,568	*13,818	*5,301	*133,616	*5,887	*6,013	16	*2,460	*5,301	—
OPEC countries, total (included above)	19	21,174,018	719,161	308,470	60,226	343,265	26,561	41,292	*—	2,384	60,226	*—

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total	Dividends	Dividend gross-up	Interest	Other	Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
All other wholesale trade												
All geographic areas and DISC dividends, total	2,139,404	320,945	108,341	385,233	1,344,896	3,358	1,446,841	1,148	738,742	42,576	1,603	692,563
Canada	505,372	34,715	25,968	6,179	438,509	3,358	411,679	1,148	98,686	4,443	550	93,693
Latin America, total	133,868	14,594	5,625	25,560	88,180	—	98,934	—	43,834	-3,100	—	46,934
Other Western Hemisphere, total	27,403	11,888	902	14,170	443	—	11,942	—	15,476	15	—	15,461
The Bahamas	14,679	614	1	14,065	—	—	10,535	—	4,144	—	—	4,144
Bermuda	1,017	910	2	106	—	—	121	—	897	—	—	897
Netherlands Antilles	11,680	10,364	899	—	417	—	1,264	—	10,431	15	—	10,416
Europe, total	763,551	138,288	60,815	9,167	557,283	—	525,234	—	261,775	23,458	—	238,317
Belgium	*2,460	*144	*—	*29	*2,287	*—	*777	*—	*1,911	*228	*—	*1,683
Denmark	3,245	2,125	1,053	9	59	—	351	—	2,893	—	—	2,893
France (including Andorra)	15,954	5,042	6,853	331	3,728	—	2,327	—	13,627	—	—	13,627
Italy (including San Marino)	32,520	13,161	7,451	353	11,556	—	8,857	—	23,677	14	—	23,663
Netherlands	44,389	17,621	22,795	532	3,241	—	3,338	—	41,900	849	—	41,051
Spain	13,750	9,297	3,274	256	923	—	5,983	—	7,787	—	—	7,787
Sweden	880	624	180	—	76	—	41	—	839	—	—	839
Switzerland	83,553	66,967	11,910	451	4,226	—	22,345	—	61,258	50	—	61,208
United Kingdom	513,763	8,354	4,054	6,585	494,770	—	458,868	—	62,818	7,923	—	54,895
West Germany	20,719	2,788	3,157	560	14,214	—	10,026	—	10,454	-239	—	10,693
All other Europe	32,135	9,963	88	63	22,021	—	12,225	—	34,543	14,633	—	19,910
Africa, total	37,658	7,926	5,894	558	23,280	—	22,025	—	15,832	199	—	15,633
South Africa (including South-West Africa)	4,173	884	215	349	2,724	—	1,774	—	2,398	—	—	2,398
OPEC countries	10,620	464	420	—	9,736	—	7,870	—	2,750	—	—	2,750
All other Africa	*22,224	*5,938	*5,256	*209	*10,821	*—	*12,197	*—	*10,226	*199	*—	*10,027
Asia, total	319,866	18,328	5,426	260,969	34,143	—	188,462	—	141,970	11,566	—	130,404
Hong Kong	15,910	11,474	2,586	181	1,688	—	3,448	—	12,975	514	—	12,461
Indonesia	862	298	150	234	180	—	661	—	1,209	1,008	—	201
Japan (including Okinawa and Ryukyus)	272,229	1,928	1,006	250,921	18,373	—	161,220	—	117,855	6,847	—	111,009
Middle East countries (excluding OPEC)	862	6	2	264	590	—	233	—	628	-1	—	629
OPEC countries (excluding Indonesia)	827	484	57	15	292	—	869	—	334	377	—	-42
Philippines	8,067	22	9	4,362	3,674	—	6,612	—	1,754	299	—	1,455
All other Asia	20,109	4,136	1,617	5,012	9,345	—	15,418	—	7,213	2,522	—	4,692
Oceania, total	16,907	4,966	3,457	1,736	8,748	—	7,467	—	12,601	3,161	—	9,440
Australia	15,236	4,966	3,457	807	8,005	—	6,991	—	11,363	3,118	—	8,245
All other Oceania	1,671	—	—	928	743	—	477	—	1,238	43	—	1,194
Puerto Rico and U.S. Possessions, total	39,875	77	52	221	39,525	—	33,775	—	9,607	3,507	—	6,100
Country not stated	313,578	9,995	135	48,673	156,775	—	157,615	—	56,142	-674	1,053	55,763
DISC dividends	*82,327	*82,260	*87	*—	*—	*—	*1,507	*—	*80,819	*—	*—	*80,819
OPEC countries, total (included above)	19,851	1,842	654	4,377	12,777	—	13,686	—	-814	-6,777	—	5,963

Footnotes at end of table.

Foreign Income and Taxes on Corporation Returns, 1980

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued: Foreign taxes paid or accrued and deemed paid before reduction: Total	Paid or accrued: Total	Tax withheld at source on: Dividends	Interest	Rents, royalties and license fees	Other taxes paid or accrued on: Branch income	Other income	Deemed paid
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
All other wholesale trade								
All geographic areas and DISC dividends, total	176,627	68,288	18,289	8,894	11,582	20,297	11,225	108,341
Canada	41,070	15,102	4,747	648	1,295	2,882	5,529	25,968
Latin America, total	20,437	14,812	3,528	704	7,377	2,216	987	5,625
Other Western Hemisphere, total	913	12	—	—	—	12	—	902
The Bahamas	1	—	—	—	—	—	—	1
Bermuda	2	—	—	—	—	—	—	2
Netherlands Antilles	911	12	—	—	—	12	—	899
Europe, total	77,771	16,956	7,371	107	402	8,552	524	60,815
Belgium	*144	*144	*29	*—	*—	*116	*—	*—
Denmark	1,159	107	107	—	—	—	—	1,053
France (including Andorra)	7,357	503	254	47	203	—	([1])	6,853
Italy (including San Marino)	8,330	879	687	7	113	17	55	7,451
Netherlands	23,903	1,108	1,046	—	—	55	6	22,795
Spain	4,802	1,528	1,443	25	11	—	50	3,274
Sweden	211	31	31	—	—	—	—	180
Switzerland	15,111	3,201	3,066	27	—	12	97	11,910
United Kingdom	5,263	1,209	291	—	76	798	44	4,054
West Germany	4,048	891	386	1	—	237	267	3,157
All other Europe	7,443	7,355	34	—	—	7,317	4	88
Africa, total	7,800	1,906	663	—	311	—	931	5,894
South Africa (including South-West Africa)	586	371	130	—	241	—	—	215
OPEC countries	556	136	58	—	71	—	7	420
All other Africa	*6,656	*1,399	*475	*—	*—	*—	*924	*5,256
Asia, total	17,345	11,919	1,282	4,756	706	4,699	476	5,426
Hong Kong	2,709	123	—	22	—	101	—	2,586
Indonesia	322	172	37	2	—	120	13	150
Japan (including Okinawa and Ryukyus)	9,449	8,443	315	3,646	416	3,873	192	1,006
Middle East countries (excluding OPEC)	71	69	([1])	65	3	—	—	2
OPEC countries (excluding Indonesia)	279	222	193	—	18	—	11	57
Philippines	1,359	1,350	11	1,016	57	114	152	9
All other Asia	3,157	1,540	725	5	211	490	108	1,617
Oceania, total	6,903	3,445	691	326	960	1,227	240	3,457
Australia	6,718	3,261	697	236	881	1,206	240	3,457
All other Oceania	184	184	-7	90	79	22	([1])	—
Puerto Rico and U.S. Possessions, total	2,735	2,683	([1])	1	234	660	1,727	52
Country not stated	1,587	1,452	5	351	236	49	810	135
DISC dividends	*67	*—	*—	*—	*—	*—	*—	*87
OPEC countries, total (included above)	2,073	1,219	372	2	89	659	97	854

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources: Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Foreign tax credit computed: Before reduction for international boycott operations	Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Retail trade												
All geographic areas and DISC dividends, total	106	74,965,860	2,571,555	1,153,722	136,789	382,320	41,074	89,369	—	20,470	136,789	—
Canada	53	70,881,085	2,145,000	959,147	130,262	382,553	32,882	89,156	—	17,343	130,262	—
Latin America, total	20	52,696,877	1,104,459	486,196	101,324	287,213	28,765	64,721	—	15,556	101,324	—
Brazil	3	35,389,563	323,364	132,392	31,687	113,038	8,840	20,682	—	2,366	31,887	—
Mexico	14	47,119,008	770,487	334,078	95,924	235,619	23,460	64,673	—	15,509	95,924	—
Panama (including Canal Zone)	6	44,650,142	537,677	230,690	37,820	132,603	15,059	20,395	—	2,366	37,820	—
Venezuela	3	34,620,837	371,530	153,111	30,854	81,636	7,967	20,846	—	2,319	30,854	—
All other Latin America	11	48,353,658	774,854	335,625	42,571	155,173	17,800	22,682	—	2,366	42,571	—
Other Western Hemisphere, total	10	50,424,320	870,606	286,789	40,579	141,386	18,164	22,266	—	2,640	40,579	—
The Bahamas	3	5,709,913	305,827	139,627	5,139	50,166	5,068	24	—	48	5,139	—
Bermuda	3	10,065,635	86,360	37,556	7,934	54,617	6,076	1,811	—	48	7,934	—
Netherlands Antilles	6	39,512,108	580,018	247,304	32,632	86,715	10,076	20,455	—	2,592	32,632	—
Europe, total	22	60,022,214	1,462,683	650,401	119,567	331,402	31,183	80,907	—	19,159	119,567	—
Belgium	3	4,965,717	585,887	269,068	11,005	36,744	8,369	2,939	—	4,745	11,005	—
Denmark	3	7,888,633	402,302	183,714	23,463	90,245	5,469	17,256	—	1,651	23,463	—
France (including Andorra)	3	5,308,744	309,174	141,129	5,208	50,341	5,137	24	—	48	5,208	—
Italy (including San Marino)	3	11,323,609	193,886	88,136	7,456	53,363	5,996	1,413	—	48	7,456	—
Netherlands	*10	*38,486,093	*900,568	*395,919	*35,751	*105,120	*14,306	*20,847	*—	*4,326	*35,751	*—
Spain	3	4,060,715	124,439	56,030	50,177	141,723	9,084	36,004	—	10,492	50,177	—
Switzerland	3	37,463,065	498,951	213,553	31,845	111,006	10,498	18,981	—	2,366	31,845	—
United Kingdom	13	55,473,639	1,232,706	544,994	113,294	317,414	28,992	77,964	—	18,421	113,294	—
West Germany	5	39,060,256	940,753	416,134	83,709	212,788	21,155	56,636	—	14,770	83,709	—
All other Europe	3	5,742,485	410,603	187,074	8,677	69,581	6,905	1,724	—	48	8,677	—
Africa, total	3	3,931,790	191,165	84,413	5,753	53,413	4,071	1,913	—	48	5,753	—
All other Africa	3	3,931,790	191,165	84,413	5,753	53,413	4,071	1,913	—	48	5,753	—
Asia, total	49	60,063,104	1,544,916	686,845	121,564	340,871	32,449	81,675	—	14,988	121,564	—
Hong Kong	6	10,532,435	727,697	332,512	61,943	155,190	16,056	40,903	—	10,669	61,943	—
Japan (including Okinawa and Ryukyus)	42	47,248,312	1,191,929	526,407	45,323	151,857	18,254	25,562	—	2,940	45,323	—
Middle East countries (excluding OPEC)	3	1,979,876	29,885	13,044	1,619	32,676	1,548	24	—	48	1,619	—
OPEC countries (excluding Indonesia)	5	12,097,673	298,286	133,739	30,282	85,655	9,417	20,511	—	1,827	30,282	—
All other Asia	5	14,138,264	533,325	243,013	15,184	96,309	12,023	3,114	—	48	15,184	—
Oceania, total	10	22,541,686	1,097,606	500,664	91,944	267,582	28,428	61,237	—	14,326	91,944	—
Australia	10	22,541,686	1,097,606	500,664	91,944	267,562	28,428	61,237	—	14,326	91,944	—
All other Oceania	4	12,680,438	425,347	193,577	14,462	89,939	11,301	3,114	—	48	14,462	—
Puerto Rico and U.S. Possessions, total	21	54,213,864	1,142,454	504,992	100,121	275,505	30,226	82,730	—	13,471	100,121	—
Country not stated	9	49,661,111	1,093,175	466,743	57,595	150,065	17,385	38,637	—	5,935	57,595	—
OPEC countries, total (included above)	7	48,608,086	512,647	216,755	58,619	179,225	16,406	39,492	—	4,193	58,619	—

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total	Dividends	Dividend gross-up	Interest	Other	Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Retail trade												
All geographic areas and DISC dividends, total	517,531	204,765	89,369	76,546	146,849	—	166,400	—	382,320	30,591	598	351,131
Canada	132,745	43,150	35,300	41,199	13,096	—	2,421	—	130,324	—	—	130,324
Latin America, total	91,888	34,446	20,643	811	35,988	—	34,131	—	60,013	1,659	598	57,757
Brazil	13,879	3,029	2,010	—	8,840	—	7,958	—	5,707	-215	—	5,922
Mexico	47,413	26,976	15,925	140	4,370	—	3,761	—	45,832	1,583	598	43,652
Panama (including Canal Zone)	7,695	1,469	105	156	5,966	—	6,001	—	1,694	—	—	1,694
Venezuela	4,770	2,543	2,148	79	—	—	43	—	4,759	32	—	4,727
All other Latin America	16,108	426	456	437	18,789	—	16,369	—	1,998	259	—	1,739
Other Western Hemisphere, total	23,589	20,505	1,406	1,686	-9	—	2,158	—	21,431	—	—	21,431
The Bahamas	16	—	—	—	16	—	(1)	—	16	—	—	16
Bermuda	1,727	1,717	—	—	10	—	296	—	1,431	—	—	1,431
Netherlands Antilles	21,846	18,788	1,406	1,686	-35	—	1,861	—	19,985	—	—	19,985
Europe, total	146,822	65,464	26,369	7,346	47,643	—	11,634	—	137,958	2,770	—	135,187
Belgium	504	(1)	—	343	161	—	(1)	—	5,008	4,504	—	504
Denmark	153	20	22	38	73	—	—	—	153	—	—	153
France (including Andorra)	485	9	—	113	363	—	—	—	485	—	—	485
Italy (including San Marino)	421	11	—	127	283	—	—	—	421	—	—	421
Netherlands	*1,973	*57	*22	*829	*1,064	*—	*407	*—	*-646	*-2,212	*—	*1,565
Spain	-7,836	53	3	10	-7,903	—	—	—	-7,740	97	—	-7,836
Switzerland	1,430	302	136	68	924	—	9	—	1,422	—	—	1,422
United Kingdom	126,977	60,706	23,149	1,839	43,282	—	10,909	—	121,986	3,918	—	118,067
West Germany	19,234	4,305	3,036	3,970	7,923	—	309	—	16,071	-2,854	—	18,925
All other Europe	313	—	—	—	313	—	—	—	-370	-683	—	313
Africa, total	9,554	62	48	—	9,445	—	7,471	—	3,627	1,544	—	2,083
All other Africa	4,090	—	—	—	4,090	—	3,653	—	665	228	—	438
Asia, total	25,537	2,877	305	605	21,950	—	4,690	—	24,355	3,508	—	20,847
Hong Kong	8,523	2,570	245	2	5,706	—	2,001	—	6,521	—	—	6,521
Japan (including Okinawa and Ryukyus)	12,318	49	25	590	11,654	—	866	—	13,343	1,911	—	11,433
Middle East countries (excluding OPEC)	13	(1)	—	13	—	—	—	—	13	—	—	13
OPEC countries (excluding Indonesia)	3,497	—	—	—	3,497	—	1,245	—	2,554	302	—	2,252
All other Asia	1,124	58	35	—	1,031	—	558	—	387	-179	—	566
Oceania, total	25,283	6,965	5,228	7,132	5,959	—	12,735	—	20,480	7,932	—	12,548
Australia	25,079	6,965	5,228	7,132	5,754	—	12,735	—	20,278	7,935	—	12,343
All other Oceania	205	—	—	—	205	—	—	—	202	-3	—	205
Puerto Rico and U.S. Possessions, total	33,217	170	71	406	32,569	—	25,928	—	21,757	14,468	—	7,289
Country not stated	27,901	30,332	—	17,362	-19,792	—	65,127	—	-38,516	-1,290	—	-37,226
OPEC countries, total (included above)	13,721	2,605	2,196	79	8,841	—	5,079	—	11,766	3,125	—	8,642

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued: Foreign taxes paid or accrued and deemed paid before reduction: Total (25)	Paid or accrued: Total (26)	Tax withheld at source on: Dividends (27)	Tax withheld at source on: Interest (28)	Tax withheld at source on: Rents, royalties and license fees (29)	Other taxes paid or accrued on: Branch income (30)	Other taxes paid or accrued on: Other income (31)	Deemed paid (32)
Retail trade								
All geographic areas and DISC dividends, total	130,443	41,074	14,840	6,254	8,032	9,731	4,216	89,369
Canada	45,892	10,592	3,219	5,649	1,716	—	8	35,300
Latin America, total	31,802	10,959	7,162	247	1,275	844	1,832	20,643
Brazil	2,776	786	757	—	9	—	—	2,010
Mexico	23,127	7,202	5,789	58	624	263	468	15,925
Panama (including Canal Zone)	463	358	—	—	49	—	309	105
Venezuela	2,669	521	509	13	—	—	855	2,148
All other Latin America	2,559	2,103	107	176	585	381	144	456
Other Western Hemisphere, total	1,550	144	—	—	—	—	—	1,406
The Bahamas	—	—	—	—	—	—	—	—
Bermuda	1,550	144	—	—	—	—	144	—
Netherlands Antilles	31,955	5,586	—	—	—	—	233	1,406
Europe, total	996	996	3,866	101	223	1,163	—	26,369
Belgium	28	6	—	75	—	921	—	—
Denmark	4	4	6	—	—	—	(¹)	22
France (including Andorra)	25	25	2	1	—	—	—	—
Italy (including San Marino)	*35	*13	—	25	—	—	—	*22
Netherlands	268	284	*13	—	—	222	42	3
Spain	151	15	(¹)	—	—	—	—	138
Switzerland	26,328	3,178	15	—	—	20	—	23,149
United Kingdom	3,897	861	3,158	—	—	—	190	3,036
West Germany	223	223	671	—	223	—	—	—
All other Europe	183	115	—	—	(¹)	115	—	48
Africa, total	115	115	—	—	—	115	—	—
All other Africa	2,777	2,473	—	—	1,066	1,240	104	305
Asia, total	313	68	3	60	18	—	53	245
Hong Kong	1,889	1,865	—	—	916	862	26	25
Japan (including Okinawa and Ryukyus)	1	1	2	59	—	—	—	—
Middle East countries (excluding OPEC)	304	304	(¹)	(¹)	—	278	25	35
OPEC countries (excluding Indonesia)	186	151	—	—	135	18	—	5,228
All other Asia	11,423	6,195	—	—	1,515	3,980	36	5,228
Oceania, total	11,305	6,077	570	94	1,401	3,976	36	—
Australia	118	118	570	94	114	4	—	71
All other Oceania	5,072	5,001	—	—	236	2,589	2,058	—
Puerto Rico and U.S. Possessions, total	8	8	20	98	(¹)	—	2	2,196
Country not stated	3,100	904	1	5	9	349	25	
OPEC countries, total (included above)			509	132				

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns (1)	Total assets (2)	Income and taxes from all sources: Income subject to U.S. tax (3)	Regular and alternative tax (4)	Foreign tax credit claimed (5)	Taxable income (less loss) from foreign sources before loss recapture (6)	Foreign taxes paid or accrued (7)	Foreign taxes deemed paid (8)	Reduction for certain foreign taxes (9)	Carryover (10)	Foreign tax credit computed: Before reduction for international boycott operations (11)	Foreign tax credit computed: Reduction for international boycott operations (12)
Finance, insurance and real estate, total												
All geographic areas and DISC dividends, total	1,695	1,713,515,190	11,332,903	4,964,533	1,389,680	11,399,614	1,207,706	188,652	1,857	89,317	1,390,334	5
Canada	712	1,534,303,498	10,010,923	4,389,844	1,245,036	10,568,099	1,140,601	116,795	1,857	61,132	1,245,891	5
Latin America, total	455	1,439,402,348	7,231,547	3,164,722	1,244,848	10,757,454	1,137,151	118,605	1,857	74,032	1,243,500	5
Brazil	96	1,190,614,267	5,041,995	2,186,375	1,163,274	10,153,345	1,059,893	100,059	101	66,066	1,163,929	5
Ecuador	47	786,477,213	3,053,509	1,330,396	960,398	8,549,051	870,837	81,968	101	45,713	960,570	5
Mexico	145	1,343,194,478	6,462,482	2,820,647	1,197,376	10,510,669	1,091,612	101,555	927	65,968	1,198,031	5
Panama (including Canal Zone)	47	860,018,913	3,734,037	1,618,185	914,471	8,235,739	831,690	74,058	101	46,039	914,843	5
Venezuela	95	1,092,079,876	4,446,307	1,954,596	1,116,146	9,903,389	1,025,430	96,462	1,032	59,894	1,116,601	5
All other Latin America	392	1,310,611,854	6,078,684	2,645,819	1,197,181	10,387,709	1,096,869	110,039	1,032	66,094	1,197,616	5
Other Western Hemisphere, total	94	1,085,374,787	5,012,260	2,179,463	1,080,150	9,134,853	976,910	106,103	1,032	58,898	1,080,322	5
The Bahamas	57	894,047,328	3,778,799	1,654,433	962,632	8,408,754	869,831	76,983	101	45,288	962,804	5
Bermuda	37	477,287,911	2,227,741	943,186	607,131	5,523,616	512,191	80,435	1,032	51,565	607,131	—
Netherlands Antilles	44	754,002,752	3,496,127	1,503,085	770,235	6,292,515	713,203	93,978	1,032	18,432	770,240	5
All other Western Hemisphere	18	458,209,239	1,665,230	734,187	624,171	4,982,652	533,276	61,056	—	40,780	624,176	5
Europe, total	265	1,365,389,094	7,496,692	3,268,453	1,316,967	10,809,391	1,131,608	184,226	1,857	79,568	1,317,622	5
Austria	30	613,723,026	2,742,204	1,172,811	785,700	6,529,879	700,176	79,323	101	52,121	785,872	5
Belgium	48	831,891,013	4,302,539	1,848,861	981,183	8,236,949	860,440	91,695	101	48,603	961,671	5
Denmark	32	705,443,143	2,941,564	1,288,197	822,109	6,905,427	731,419	82,981	101	48,436	822,281	5
France (including Andorra)	84	1,090,056,630	5,318,629	2,301,741	1,100,675	9,301,375	999,382	100,846	101	48,898	1,101,330	5
Italy (including San Marino)	68	943,879,921	4,087,795	1,763,280	1,089,662	9,218,261	972,568	109,994	1,032	62,105	1,089,834	5
Luxembourg	24	583,044,199	2,247,644	992,993	704,950	6,056,924	821,874	69,844	101	38,568	704,955	5
Netherlands	144	904,461,129	4,579,770	1,986,162	1,023,006	8,574,223	925,163	92,350	101	50,146	1,023,178	5
Spain	62	950,514,920	4,449,475	1,919,694	1,033,536	9,200,723	932,894	89,876	101	48,331	1,033,709	5
Sweden	38	650,377,590	3,057,682	1,331,069	705,429	6,673,046	810,830	81,116	101	45,670	705,596	—
Switzerland	77	884,319,502	4,145,672	1,809,265	1,020,797	8,800,589	922,712	98,946	101	46,183	1,020,969	5
United Kingdom	125	1,264,772,501	6,567,157	2,866,101	1,250,939	10,431,773	1,089,684	168,280	1,857	56,987	1,251,111	5
West Germany	97	1,032,027,339	4,910,248	2,120,724	1,109,474	9,488,555	1,001,274	106,374	1,032	60,191	1,109,479	5
All other Europe	75	1,091,208,898	5,152,966	2,226,809	1,085,724	9,355,820	990,021	91,362	101	48,642	1,085,896	5
Africa, total	512	926,691,840	4,464,141	1,907,847	1,048,911	9,035,663	951,630	97,394	101	52,914	1,049,083	5
Liberia	22	498,671,532	1,947,110	847,741	607,042	5,678,094	528,838	56,490	101	41,734	607,209	—
South Africa (including South-West Africa)	485	614,313,170	3,234,487	1,376,820	792,785	6,602,918	688,657	92,918	101	52,614	792,953	—
OPEC countries	26	647,547,972	2,296,678	1,000,077	786,740	7,232,003	706,486	66,297	101	42,777	786,912	5
All other Africa	45	787,268,475	3,312,435	1,410,538	966,464	8,379,512	885,476	75,555	101	43,919	966,836	5
Asia, total	295	1,368,455,221	7,301,163	3,189,576	1,239,101	10,579,773	1,115,503	119,815	1,857	81,859	1,239,756	5
Hong Kong	56	894,948,278	3,810,634	1,665,135	1,034,954	8,823,266	923,043	93,355	1,032	64,834	1,035,127	5
Indonesia	39	907,054,547	3,558,213	1,552,039	1,006,252	8,662,696	924,961	78,658	927	40,843	1,008,424	5
Japan (including Okinawa and Ryukyus)	191	1,162,181,940	5,628,802	2,468,638	1,129,581	9,620,626	1,032,731	97,654	1,032	52,301	1,129,753	5
Middle East countries (excluding OPEC)	94	945,119,430	4,106,624	1,810,051	1,031,783	8,989,766	942,299	84,215	101	48,788	1,031,955	5
OPEC countries (excluding Indonesia)	39	708,188,698	2,870,242	1,251,552	843,435	7,716,343	757,951	82,907	1,032	45,700	843,607	5
Philippines	73	1,008,335,776	4,700,011	2,050,726	1,076,077	9,346,470	984,388	89,036	101	49,815	1,078,732	5
All other Asia	83	1,060,410,919	4,495,510	1,944,936	1,117,139	9,772,354	1,019,945	95,543	101	49,663	1,117,794	5
Oceania, total	106	1,201,323,555	6,217,031	2,739,741	1,117,519	9,491,925	1,025,169	101,622	1,857	54,103	1,118,007	5
Australia	101	1,194,212,549	6,035,703	2,659,072	1,105,305	9,428,795	1,019,203	94,915	1,857	54,092	1,105,793	5
All other Oceania	40	794,392,685	3,210,301	1,405,383	891,905	7,662,893	806,385	83,063	101	44,810	891,910	5
Puerto Rico and U.S. Possessions, total	100	990,453,299	6,113,087	2,668,276	921,793	7,638,410	828,828	97,685	1,857	53,735	921,798	5
Country not stated	141	1,285,874,694	5,897,536	2,563,366	1,187,335	10,139,134	1,063,953	118,053	1,032	73,210	1,187,990	5
OPEC countries, total (included above)	108	1,199,147,710	5,106,921	2,243,839	1,160,868	10,294,358	1,063,463	98,223	1,857	60,294	1,161,523	5

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total	Dividends	Dividend gross-up	Interest	Other	Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Finance, insurance and real estate, total												
All geographic areas and DISC dividends, total	13,003,448	507,253	188,653	8,845,200	3,662,342	6,033	9,188,478	178	11,399,814	7,580,334	4,310	3,814,970
Canada	2,823,847	36,986	10,341	998,420	1,778,099	—	2,219,248	—	687,877	83,119	159	604,598
Latin America, total	3,314,435	49,354	12,348	3,000,996	251,736	—	2,119,012	—	2,649,053	1,451,735	1,895	1,195,423
Brazil	608,790	11,685	5,527	553,126	38,452	—	343,989	—	500,544	235,744	—	284,801
Ecuador	55,794	224	17	54,232	1,321	—	35,717	—	40,357	20,280	—	20,077
Mexico	1,183,836	3,807	2,018	1,071,024	106,986	—	692,897	—	615,057	124,117	(¹)	490,939
Panama (including Canal Zone)	63,258	2,856	634	57,985	1,783	—	43,206	—	210,725	190,674	—	20,051
Venezuela	481,125	736	147	433,073	47,169	—	348,713	—	250,539	116,468	1,656	132,412
All other Latin America	921,631	30,047	4,002	831,558	56,023	—	654,489	—	1,031,831	764,452	236	267,142
Other Western Hemisphere, total	684,701	55,950	19,151	786,756	22,644	—	559,472	—	1,665,737	1,340,509	—	325,228
The Bahamas	571,534	6,421	111	551,452	13,550	—	371,435	—	1,517,764	1,317,865	—	200,099
Bermuda	39,209	3,802	47	28,472	6,887	—	29,325	—	10,360	476	—	9,884
Netherlands Antilles	76,032	45,727	18,993	9,872	1,440	—	18,546	—	74,690	17,204	—	57,486
All other Western Hemisphere	197,926	—	—	196,959	966	—	140,166	—	62,923	5,164	—	57,760
Europe, total	2,999,949	227,210	119,826	1,915,516	737,392	223	2,030,655	178	3,840,100	2,870,256	557	969,288
Austria	20,457	1,689	1,727	12,115	4,926	—	12,085	—	11,533	3,161	—	8,372
Belgium	44,461	2,875	2,566	33,544	5,475	—	29,185	—	176,026	160,751	—	15,275
Denmark	20,448	227	143	18,408	1,670	—	15,806	—	15,291	10,651	—	4,640
France (including Andorra)	199,521	13,580	7,161	153,462	25,318	—	129,820	—	293,089	223,389	—	69,701
Italy (including San Marino)	150,607	3,977	2,159	134,252	10,219	—	117,825	—	143,827	110,965	81	32,782
Luxembourg	38,913	1,589	909	26,794	9,621	—	25,841	—	21,848	8,776	—	13,072
Netherlands	64,385	7,881	1,185	42,339	12,980	10	43,304	(¹)	28,723	7,842	—	21,081
Spain	112,410	3,796	1,011	101,526	6,078	—	69,688	—	92,278	49,556	—	42,722
Sweden	26,808	107	76	21,642	4,782	—	16,388	—	15,192	4,772	—	10,420
Switzerland	75,771	13,593	2,459	47,566	12,154	—	45,032	—	63,986	33,246	—	30,739
United Kingdom	1,564,913	157,360	84,518	864,701	456,334	—	1,071,674	—	2,523,593	2,030,209	146	493,239
West Germany	136,270	15,335	15,375	64,094	41,466	—	74,013	—	169,538	106,951	330	62,257
All other Europe	544,979	5,201	537	394,873	144,368	213	379,992	178	285,175	120,188	—	164,987
Africa, total	131,974	23,932	3,125	86,639	18,277	—	71,599	—	108,920	48,545	—	60,375
Liberia	32,725	—	—	31,615	1,110	—	19,250	—	24,276	10,801	—	13,475
South Africa (including South-West Africa)	26,691	18,572	1,274	5,201	1,643	—	7,614	—	19,807	530	—	19,076
OPEC countries	27,018	2,070	1,401	17,582	5,965	—	18,840	—	15,356	7,178	—	8,178
All other Africa	45,540	3,290	450	32,241	9,559	—	25,895	—	49,681	30,035	—	19,645
Asia, total	1,118,716	75,961	12,295	795,926	232,534	5,810	763,281	—	2,028,288	1,874,853	—	353,435
Hong Kong	150,454	25,254	4,650	93,198	27,352	—	75,409	—	318,284	243,239	—	75,045
Indonesia	43,765	166	62	23,544	19,993	5,810	26,290	—	74,252	56,777	—	17,475
Japan (including Okinawa and Ryukyus)	412,945	1,948	1,175	336,210	73,613	—	340,036	—	608,976	536,067	—	72,909
Middle East countries (excluding OPEC)	91,874	3,923	3,571	67,139	17,241	—	61,365	—	161,319	150,810	—	30,509
OPEC countries (excluding Indonesia)	102,041	31,309	65	44,633	26,033	—	55,256	—	133,945	87,160	—	46,785
Philippines	70,612	7,764	733	60,800	1,315	—	52,333	—	127,574	109,295	—	18,279
All other Asia	245,026	5,597	2,039	170,402	66,968	—	152,592	—	583,938	491,505	—	92,433
Oceania, total	89,297	13,850	9,923	50,516	15,009	—	54,186	—	58,465	23,354	—	35,111
Australia	84,642	13,141	9,600	47,538	14,363	—	50,970	—	43,759	10,087	—	33,672
All other Oceania	4,655	708	323	2,977	646	—	3,216	—	14,707	13,267	—	1,439
Puerto Rico and U.S. Possessions, total	130,012	6,739	1,152	75,169	48,952	—	65,635	—	95,252	30,349	527	64,377
Country not stated	1,512,397	17,145	493	935,260	559,499	—	1,305,178	—	268,005	57,814	1,172	207,218
OPEC countries, total (included above)	709,743	34,505	1,693	573,064	100,481	5,810	484,616	—	514,449	287,864	1,658	224,827

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued: Foreign taxes paid or accrued and deemed paid before reduction: Total	Paid or accrued: Total	Tax withheld at source on: Dividends	Interest	Rents, royalties and license fees	Other taxes paid or accrued on: Branch income	Other income	Deemed paid
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Finance, insurance and real estate, total								
All geographic areas and DISC dividends, total	1,398,358	1,207,706	29,854	514,515	18,204	506,843	138,289	188,652
Canada	137,940	127,600	3,432	53,245	2,050	34,460	34,413	10,340
Latin America, total	559,255	546,909	4,251	405,922	8,143	82,819	45,774	12,346
Brazil	160,646	175,119	1,586	138,362	5,310	19,961	9,900	5,527
Ecuador	3,554	3,537	80	72	15	3,314	56	17
Mexico	215,937	213,919	718	175,544	288	18,305	19,063	2,018
Panama (including Canal Zone)	7,161	6,527	—	402	—	8,088	37	634
Venezuela	41,463	41,315	160	24,103	391	3,325	13,337	147
All other Latin America	110,494	106,491	1,707	67,439	2,139	31,825	3,381	4,002
Other Western Hemisphere, total	22,177	3,026	119	154	1	527	2,225	19,151
The Bahamas	196	86	—	71	—	13	2	111
Bermuda	132	85	—	83	—	1	1	47
Netherlands Antilles	21,745	2,751	119	(¹)	—	432	2,201	18,993
All other Western Hemisphere	105	105	—	(¹)	—	82	22	—
Europe, total	339,295	219,469	14,054	17,848	1	175,745	11,083	119,826
Austria	2,722	995	198	—	740	—	740	1,727
Belgium	18,150	15,585	424	-150	57	15,029	260	2,566
Denmark	1,209	1,066	—	22	—	1,001	43	143
France (including Andorra)	20,239	13,078	865	810	—	10,186	1,196	7,161
Italy (including San Marino)	16,918	14,756	176	2,507	21	11,869	204	2,159
Luxembourg	3,582	2,672	13	—	(¹)	2,660	—	909
Netherlands	6,274	5,088	422	(¹)	—	2,041	2,626	1,185
Spain	10,631	9,620	630	5,407	(¹)	3,569	14	1,011
Sweden	104	27	16	—	—	(¹)	11	76
Switzerland	11,450	8,991	1,293	340	—	7,180	177	2,459
United Kingdom	203,822	119,304	7,401	8,902	650	100,970	3,382	84,518
West Germany	22,843	7,468	2,367	407	13	2,778	1,903	15,375
All other Europe	21,353	20,816	247	1,602	—	18,462	505	537
Africa, total	13,550	10,425	2,713	654	35	5,945	1,076	3,125
Liberia	2,625	2,625	—	97	—	2,525	2	—
South Africa (including South-West Africa)	4,208	2,934	2,564	119	35	72	143	1,274
OPEC countries	2,637	1,237	40	(¹)	—	1,158	38	1,401
All other Africa	4,080	3,630	108	437	—	2,190	895	450
Asia, total	273,633	261,538	2,746	21,879	6,605	198,225	32,081	12,295
Hong Kong	14,288	9,638	31	605	42	8,137	822	4,650
Indonesia	23,894	23,831	23	5,104	1,447	11,122	6,135	62
Japan (including Okinawa and Ryukyus)	100,173	98,998	204	5,709	360	89,420	3,304	1,175
Middle East countries (excluding OPEC)	7,891	4,320	852	432	—	139	2,897	3,571
OPEC countries (excluding Indonesia)	24,090	24,025	—	61	—	22,704	1,240	65
Philippines	18,380	17,647	1,221	7,497	4,525	2,237	2,166	733
All other Asia	85,118	83,079	416	2,449	231	64,466	15,516	2,039
Oceania, total	21,026	11,103	1,716	4,064	89	2,830	2,405	9,923
Australia	19,710	10,110	1,632	3,979	79	2,086	2,335	9,600
All other Oceania	1,316	992	83	85	10	744	70	323
Puerto Rico and U.S. Possessions, total	11,064	9,912	488	2,541	71	4,063	2,768	1,152
Country not stated	18,218	17,725	354	8,208	470	2,231	6,482	493
OPEC countries, total (included above)	85,638	93,946	304	29,361	1,652	41,622	20,807	1,693

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources: Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Foreign tax credit computed: Before reduction for international boycott operations	Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Banking												
All geographic areas and DISC dividends, total	163	1,124,652,081	3,753,402	1,651,756	1,053,999	9,887,480	976,740	62,303	101	53,381	1,054,654	5
Canada	91	977,598,353	3,262,718	1,432,815	999,012	9,380,257	928,616	62,213	101	39,476	999,687	5
Latin America, total	105	1,067,171,602	3,601,459	1,585,599	1,045,939	9,819,893	967,962	62,280	101	53,276	1,046,594	5
Brazil	73	1,025,758,848	3,402,233	1,497,526	1,038,598	9,692,836	959,988	62,280	101	52,680	1,039,253	5
Ecuador	35	751,278,639	2,656,899	1,162,641	917,017	8,359,624	841,928	60,716	101	39,065	917,189	5
Mexico	93	1,051,635,412	3,535,423	1,556,688	1,042,768	9,770,570	963,989	62,280	101	53,223	1,043,423	5
Panama (including Canal Zone)	30	678,269,346	2,410,273	1,053,170	837,468	7,843,111	763,902	58,909	101	39,063	837,640	5
Venezuela	73	988,547,201	3,316,584	1,458,718	1,017,612	9,474,441	939,506	61,956	101	53,098	1,018,267	5
All other Latin America	73	1,009,939,392	3,359,944	1,476,884	1,029,502	9,611,282	950,589	62,280	101	52,721	1,030,157	5
Other Western Hemisphere, total	44	814,178,571	2,601,338	1,230,553	930,056	8,502,968	854,343	60,603	101	39,063	930,260	5
The Bahamas	39	780,862,568	2,713,544	1,190,678	909,354	8,127,533	831,656	60,283	101	38,650	909,526	5
Bermuda	18	420,608,474	1,626,674	708,308	548,545	5,302,806	475,565	53,121	101	37,696	548,545	—
Netherlands Antilles	17	517,733,891	1,822,537	797,208	639,209	5,790,601	602,255	55,972	101	3,396	639,214	5
All other Western Hemisphere	14	435,203,416	1,536,926	682,129	603,382	4,904,368	517,667	53,413	—	38,109	603,386	5
Europe, total	71	1,013,985,305	3,377,124	1,484,228	1,033,321	9,604,098	950,060	62,301	101	52,678	1,033,976	5
Austria	18	549,785,550	1,869,311	825,843	896,029	6,246,022	621,192	56,256	101	39,063	696,201	5
Belgium	29	707,399,114	2,497,303	1,088,400	846,716	7,746,375	767,664	59,189	101	38,109	847,204	5
Denmark	21	566,325,969	1,879,283	824,290	725,249	6,523,142	650,888	57,717	101	38,650	725,421	5
France (including Andorra)	38	840,995,366	2,796,797	1,225,237	938,769	8,553,530	864,764	61,791	101	39,063	939,424	5
Italy (including San Marino)	37	842,380,892	2,861,825	1,256,267	970,626	8,752,572	878,663	61,104	101	52,678	970,798	5
Luxembourg	18	551,026,869	1,835,058	808,515	683,733	5,961,585	609,116	56,488	101	38,109	683,739	5
Netherlands	30	714,925,934	2,529,453	1,108,353	893,209	7,985,586	814,291	60,361	101	39,063	893,381	5
Spain	37	814,303,413	2,763,527	1,212,153	943,272	8,746,084	864,757	61,197	101	39,063	943,444	5
Sweden	24	511,406,793	1,872,987	812,199	639,413	8,366,249	564,333	55,256	101	39,063	639,580	—
Switzerland	31	763,231,141	2,613,494	1,144,527	909,536	8,268,813	831,499	60,695	101	39,063	909,708	5
United Kingdom	53	943,962,778	3,153,833	1,388,496	994,840	9,332,496	920,948	62,211	101	39,063	995,012	5
West Germany	36	849,901,508	2,861,292	1,255,612	951,440	8,764,357	872,931	61,521	101	38,109	951,445	5
All other Europe	39	851,197,674	2,782,540	1,219,712	940,559	8,872,703	862,395	61,130	101	39,063	940,731	5
Africa, total	38	786,430,625	2,714,791	1,190,691	922,335	8,479,018	848,799	60,716	101	39,063	922,508	5
Liberia	18	445,814,644	1,653,355	719,286	582,437	5,559,169	509,839	53,555	101	39,063	582,604	—
South Africa (including South-West Africa)	25	541,990,722	1,933,680	852,506	680,941	6,213,490	600,755	56,551	101	39,063	681,108	—
OPEC countries	21	631,911,547	2,162,789	943,628	770,887	7,160,480	695,312	58,014	101	38,511	771,059	5
All other Africa	27	713,304,944	2,508,438	1,098,076	889,010	8,026,451	814,471	60,434	101	38,511	889,182	5
Asia, total	73	1,004,101,576	3,323,072	1,463,558	1,031,755	9,582,577	947,325	62,280	101	53,012	1,032,410	5
Hong Kong	31	735,668,852	2,637,339	1,158,424	911,082	8,323,016	819,070	61,135	101	52,678	911,254	5
Indonesia	31	808,003,683	2,689,967	1,178,935	927,843	8,505,306	851,997	61,124	101	36,630	928,015	5
Japan (including Okinawa and Ryukyus)	49	893,190,805	2,978,954	1,309,196	978,222	8,915,711	902,361	61,520	101	39,063	978,394	5
Middle East countries (excluding OPEC)	39	824,396,174	2,778,189	1,219,803	937,734	8,585,423	858,240	61,071	101	39,397	937,906	5
OPEC countries (excluding Indonesia)	28	651,697,140	2,287,809	1,000,350	793,161	7,502,237	716,628	58,421	101	39,063	793,333	5
Philippines	36	867,252,886	2,828,001	1,238,388	960,581	8,805,348	884,060	61,520	101	39,063	961,235	5
All other Asia	54	963,319,086	3,156,008	1,387,947	999,585	9,315,111	924,296	62,280	101	39,063	1,000,240	5
Oceania, total	40	832,705,729	2,780,949	1,218,092	926,432	8,849,836	857,013	60,681	101	38,109	926,920	5
Australia	37	826,832,856	2,764,212	1,210,514	922,190	8,625,796	852,302	60,681	101	38,109	922,878	5
All other Oceania	27	683,711,950	2,272,810	1,003,688	793,352	7,315,206	720,511	58,329	101	38,109	793,357	5
Puerto Rico and U.S. Possessions, total	21	567,051,751	2,027,531	892,472	731,576	8,720,427	657,116	57,992	101	35,677	731,581	5
Country not stated	67	980,270,200	3,214,513	1,412,894	1,017,508	9,392,389	931,836	62,258	101	52,391	1,018,163	5
OPEC countries, total (included above)	78	1,023,038,777	3,440,836	1,514,559	1,037,357	9,699,170	958,209	62,280	101	53,100	1,038,012	5

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total	Dividends	Dividend gross-up	Interest	Other	Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Banking												
All geographic areas and DISC dividends, total	8,392,952	133,514	62,303	7,373,309	623,826	—	5,983,284	—	9,687,460	7,475,914	1,897	2,409,669
Canada	353,100	1,568	34	340,391	11,107	—	257,670	—	119,172	23,740	2	95,430
Latin America, total	3,140,533	38,939	6,450	2,871,962	225,181	—	2,031,782	—	2,558,135	1,447,469	1,895	1,108,751
Brazil	592,344	8,262	3,452	544,476	36,154	—	334,672	—	491,070	233,398	—	257,673
Ecuador	49,822	166	—	48,271	1,385	—	31,251	—	38,718	20,148	—	18,571
Mexico	1,135,206	264	130	1,032,841	101,971	—	667,497	—	591,820	124,110	(¹)	467,710
Panama (including Canal Zone)	49,117	689	29	48,283	116	—	35,477	—	202,595	188,955	—	13,640
Venezuela	467,056	672	144	422,840	43,401	—	340,622	—	244,526	116,433	1,658	126,434
All other Latin America	846,988	26,886	2,696	775,251	42,155	—	622,264	—	989,407	764,446	236	224,724
Other Western Hemisphere, total	829,882	23,957	17,265	774,703	13,938	—	545,875	—	1,824,366	1,340,379	—	283,988
The Bahamas	560,715	6,421	111	541,238	12,946	—	367,564	—	1,510,883	1,317,733	—	193,151
Bermuda	26,893	1	—	26,781	111	—	22,051	—	5,308	465	—	4,842
Netherlands Antilles	44,438	17,535	17,154	9,722	27	—	16,131	—	45,220	16,913	—	29,308
All other Western Hemisphere	197,816	—	—	196,962	854	—	140,129	—	62,955	5,268	—	57,687
Europe, total	1,925,551	42,183	32,204	1,722,328	128,836	—	1,345,034	—	3,433,103	2,852,586	—	580,517
Austria	14,965	272	78	11,802	2,813	—	11,358	—	6,874	3,267	—	3,607
Belgium	34,311	644	515	30,446	2,705	—	21,089	—	175,804	162,582	—	13,222
Denmark	14,545	27	13	14,261	244	—	11,871	—	13,325	10,651	—	2,874
France (including Andorra)	152,575	2,215	1,443	140,695	8,223	—	103,202	—	272,277	222,904	—	49,373
Italy (including San Marino)	141,404	1,273	—	133,386	8,745	—	114,246	—	137,290	110,131	—	27,158
Luxembourg	33,895	1,314	644	22,315	9,621	—	22,647	—	20,024	8,776	—	11,248
Netherlands	48,743	4,510	566	39,944	3,723	—	34,517	—	19,859	5,633	—	14,226
Spain	107,809	1,739	301	99,978	5,791	—	66,624	—	92,016	51,031	—	40,985
Sweden	20,851	—	—	18,343	2,508	—	13,740	—	11,871	4,759	—	7,112
Switzerland	53,875	3,005	1,554	39,320	9,995	—	38,681	—	44,806	29,812	—	15,194
United Kingdom	828,068	15,212	16,466	751,516	44,873	—	608,534	—	2,236,575	2,017,041	—	219,534
West Germany	90,282	10,447	10,622	47,717	21,496	—	58,684	—	138,499	106,901	—	31,598
All other Europe	384,229	1,523	2	372,604	10,100	—	239,844	—	263,883	119,296	—	144,585
Africa, total	102,980	4,862	1,540	82,868	13,610	—	66,141	—	83,453	48,613	—	38,840
Liberia	32,597	—	—	31,608	989	—	19,229	—	24,129	10,761	—	13,368
South Africa (including South-West Africa)	6,619	20	—	5,190	1,409	—	5,873	—	1,029	283	—	746
OPEC countries	25,293	1,767	1,089	17,572	4,864	—	18,147	—	14,324	7,178	—	7,146
All other Africa	38,472	3,075	450	28,598	6,348	—	22,892	—	43,970	28,390	—	15,580
Asia, total	655,631	12,843	3,243	731,881	107,563	—	687,169	—	1,851,118	1,682,656	—	188,482
Hong Kong	107,917	5,004	1,953	82,692	18,269	—	87,911	—	284,611	244,605	—	40,006
Indonesia	32,418	142	61	23,374	8,841	—	26,219	—	62,976	56,777	—	6,199
Japan (including Okinawa and Ryukyus)	361,635	259	177	316,327	44,871	—	326,095	—	575,792	540,253	—	35,539
Middle East countries (excluding OPEC)	43,829	588	164	40,724	2,354	—	30,514	—	164,091	150,776	—	13,315
OPEC countries (excluding Indonesia)	48,000	678	7	42,691	4,623	—	39,050	—	98,087	89,137	—	8,949
Philippines	63,095	2,925	327	59,675	168	—	51,587	—	121,093	109,585	—	11,508
All other Asia	198,737	3,348	554	166,398	28,438	—	145,792	—	544,467	491,522	—	52,945
Oceania, total	52,423	4,520	1,567	34,743	11,593	—	33,973	—	35,706	17,258	—	16,450
Australia	48,468	3,811	1,244	31,625	11,588	—	31,009	—	22,940	5,481	—	17,459
All other Oceania	3,955	708	323	2,918	5	—	2,964	—	12,768	11,776	—	891
Puerto Rico and U.S. Possessions, total	34,529	949	—	22,138	11,442	—	21,439	—	45,624	32,533	—	13,090
Country not stated	1,098,343	5,594	—	792,195	300,554	—	994,201	—	138,801	32,880	—	104,141
OPEC countries, total (included above)	622,588	3,425	1,301	554,748	63,113	—	455,289	—	458,631	289,674	1,658	167,299

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued							
	Foreign taxes paid or accrued and deemed paid before reduction							
	Total	Paid or accrued						Deemed paid
		Total	Tax withheld at source on			Other taxes paid or accrued on		
			Dividends	Interest	Rents, royalties and license fees	Branch income	Other income	
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Banking								
All geographic areas and DISC dividends, total	1,039,043	976,740	7,403	482,357	12,770	431,635	42,574	62,303
Canada	13,992	13,958	162	12,128	—	574	1,094	34
Latin America, total	532,021	525,570	2,184	399,663	8,204	60,707	38,612	8,450
Brazil	175,568	172,116	765	137,118	5,310	19,265	9,661	3,452
Ecuador	3,358	3,358	62	16	—	3,272	8	—
Mexico	202,746	202,615	49	171,904	—	18,257	12,406	130
Panama (including Canal Zone)	8,324	6,296	—	402	—	5,894	(1)	29
Venezuela	40,663	40,520	155	24,059	391	3,319	12,596	144
All other Latin America	103,362	100,666	1,153	66,366	503	30,701	1,942	2,696
Other Western Hemisphere, total	17,919	654	—	154	—	497	3	17,265
The Bahamas	196	86	—	71	—	13	2	111
Bermuda	85	85	—	83	—	1	1	—
Netherlands Antilles	17,557	402	—	(1)	—	402	(1)	17,154
All other Western Hemisphere	82	82	—	(1)	—	82	(1)	—
Europe, total	217,687	185,483	3,573	16,687	847	163,286	1,290	32,204
Austria	162	104	42	—	—	—	62	78
Belgium	15,245	14,730	97	-153	—	14,785	1	515
Denmark	1,036	1,023	—	22	—	1,001	—	13
France (including Andorra)	12,561	11,118	165	758	—	10,160	35	1,443
Italy (including San Marino)	13,778	13,778	—	2,477	(1)	11,127	174	—
Luxembourg	3,304	2,660	(1)	—	—	2,660	—	644
Netherlands	1,405	838	157	(1)	—	549	133	566
Spain	9,585	9,285	295	5,407	—	3,569	14	301
Sweden	(1)	(1)	—	—	—	(1)	—	—
Switzerland	8,815	7,261	442	193	—	6,613	12	1,554
United Kingdom	118,605	102,139	631	8,251	847	94,236	374	16,466
West Germany	15,122	4,500	1,531	295	—	2,191	483	10,622
All other Europe	18,049	18,047	213	1,436	—	16,396	2	2
Africa, total	8,116	8,576	121	603	—	5,792	60	1,540
Liberia	2,602	2,602	—	97	—	2,504	—	—
South Africa (including South-West Africa)	72	72	3	88	—	1	—	—
OPEC countries	2,326	1,237	40	(1)	—	1,158	38	1,089
All other Africa	3,116	2,665	77	437	—	2,129	23	450
Asia, total	229,640	226,396	904	21,515	5,911	195,623	2,442	3,243
Hong Kong	10,646	8,694	—	605	—	8,089	—	1,953
Indonesia	16,432	18,371	15	5,104	1,447	11,122	684	61
Japan (including Okinawa and Ryukyus)	93,558	93,380	26	5,702	—	87,535	115	177
Middle East countries (excluding OPEC)	572	408	36	242	—	104	25	164
OPEC countries (excluding Indonesia)	22,833	22,825	—	81	—	22,494	250	7
Philippines	16,179	15,851	438	7,404	4,461	2,237	1,311	327
All other Asia	67,421	66,867	387	2,377	4	64,041	57	554
Oceania, total	5,189	3,622	393	2,683	—	235	111	1,587
Australia	4,697	3,453	310	2,798	—	235	111	1,244
All other Oceania	492	168	63	85	—	(1)	—	323
Puerto Rico and U.S. Possessions, total	3,419	3,419	66	436	8	2,825	84	—
Country not stated	11,060	11,060	(1)	8,088	—	2,095	877	—
OPEC countries, total (included above)	87,611	88,310	272	29,261	1,837	41,364	13,576	1,301

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources									
			Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Foreign tax credit computed	
											Before reduction for international boycott operations	Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Credit agencies other than banks												
All geographic areas and DISC dividends, total	77	28,199,656	110,659	48,398	17,700	140,093	11,413	10,089	931	6,513	17,700	—
Canada	52	24,573,666	60,963	28,418	14,822	88,324	8,872	9,727	931	5,857	14,822	—
Latin America, total	*13	*15,735,468	*61,379	*27,498	*5,568	*92,850	*5,556	*9,862	*931	*339	*5,568	*—
Brazil	*5	*5,728,288	*20,316	*9,326	*3,088	*40,307	*2,292	*1,384	*—	*—	*3,088	*—
Ecuador	*4	*—	*2,284	*1,051	*1,051	*17,221	*1,638	*—	*—	*—	*1,051	*—
Mexico	*6	*7,781,572	*47,812	*21,767	*3,481	*59,950	*2,771	*1,384	*—	*—	*3,481	*—
Venezuela	*9	*13,383,263	*32,270	*14,465	*4,611	*71,479	*4,893	*9,690	*931	*—	*4,611	*—
All other Latin America	*7	*13,328,415	*25,817	*11,366	*5,100	*72,622	*5,002	*9,862	*931	*339	*5,100	*—
Other Western Hemisphere, total	*7	*21,092,432	*46,222	*21,735	*15,393	*102,988	*9,818	*9,727	*931	*5,820	*15,393	*—
The Bahamas	*5	*5,728,288	*20,316	*9,326	*3,088	*40,307	*2,292	*1,384	*—	*—	*3,088	*—
Europe, total	16	21,563,694	62,676	27,953	16,977	110,604	10,590	10,089	931	6,471	16,977	—
Netherlands	*9	*33,924	*6,031	*3,675	*1,287	*18,268	*1,874	*—	*—	*—	*1,287	*—
Spain	*5	*5,728,288	*20,316	*9,326	*3,088	*40,307	*2,292	*1,384	*—	*—	*3,088	*—
United Kingdom	*6	*21,174,705	*49,874	*22,475	*15,631	*103,499	*9,855	*9,916	*931	*5,902	*15,631	*—
West Germany	6	21,473,625	52,876	23,464	15,617	91,951	8,643	10,089	931	8,471	15,617	—
All other Europe	*5	*62,273	*3,936	*1,792	*1,289	*17,752	*1,676	*190	*—	*82	*1,289	*—
Africa, total	*30	*5,927,874	*30,612	*13,275	*3,129	*40,559	*2,333	*1,384	*—	*—	*3,129	*—
South Africa (including South-West Africa)	*24	*5,799,646	*22,145	*9,380	*2,077	*23,334	*693	*1,384	*—	*—	*2,077	*—
All other Africa	*4	*—	*2,284	*1,051	*1,051	*17,221	*1,638	*—	*—	*—	*1,051	*—
Asia, total	*20	*21,580,586	*57,276	*25,562	*16,100	*113,156	*10,145	*9,899	*931	*6,159	*16,100	*—
Middle East countries (excluding OPEC)	*16	*360,328	*5,154	*2,035	*1,757	*27,404	*1,965	*172	*—	*339	*1,757	*—
All other Asia	*5	*5,728,288	*20,316	*9,326	*3,088	*40,307	*2,292	*1,384	*—	*—	*3,088	*—
Oceania, total	5	17,998,755	29,103	12,922	12,358	63,040	7,581	8,343	931	5,825	12,358	—
Australia	5	17,998,755	29,103	12,922	12,358	63,040	7,581	8,343	931	5,825	12,358	—
Puerto Rico and U.S. possessions, total	5	21,447,498	49,321	22,089	14,980	87,673	8,437	9,899	931	6,159	14,980	—
Country not stated	*9	*23,580,901	*74,802	*33,747	*14,962	*106,474	*8,800	*9,727	*931	*5,820	*14,962	*—
OPEC countries, total (included above)	*9	*13,383,263	*32,270	*14,465	*4,611	*71,479	*4,893	*9,690	*931	*—	*4,611	*—

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country											
	Gross income (less loss) excluding branch operations and specially allocable income					Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture			
	Total	Dividends	Dividend gross-up	Interest	Other				Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Credit agencies other than banks												
All geographic areas and DISC dividends, total	487,921	85,933	10,089	341,069	70,830	—	351,247	—	140,093	1,606	1,814	138,874
Canada	49,983	73	21	42,636	7,053	—	81,175	—	-30,711	326	155	-31,192
Latin America, total	*72,577	*—	*—	*71,959	*618	*—	*49,603	*—	*22,974	*—	*—	*22,974
Brazil	*8,573	*—	*—	*8,573	*—	*—	*6,296	*—	*2,278	*—	*—	*2,278
Ecuador	*5,727	*—	*—	*5,727	*—	*—	*4,205	*—	*1,521	*—	*—	*1,521
Mexico	*17,166	*—	*—	*16,562	*604	*—	*13,230	*—	*3,937	*—	*—	*3,937
Venezuela	*8,787	*—	*—	*8,762	*5	*—	*6,402	*—	*2,385	*—	*—	*2,385
All other Latin America	*31,902	*—	*—	*31,894	*8	*—	*19,470	*—	*12,432	*—	*—	*12,432
Other Western Hemisphere, total	*27,733	*22,200	*714	*4,820	*—	*—	*2,754	*—	*24,979	*—	*—	*24,979
The Bahamas	*3,515	*—	*—	*3,515	*—	*—	*2,540	*—	*975	*—	*—	*975
Europe, total	83,767	2,711	1,401	68,052	11,603	—	41,947	—	44,734	2,358	557	41,820
Netherlands	*486	*7	*—	*479	*—	*—	*292	*—	*193	*—	*—	*193
Spain	*165	*125	*38	*1	*—	*—	*71	*—	*94	*—	*—	*94
United Kingdom	*60,270	*1,445	*160	*58,526	*139	*—	*28,429	*—	*34,344	*2,358	*146	*31,841
West Germany	18,147	601	627	5,811	11,108	—	9,564	—	8,912	—	330	8,582
All other Europe	*539	*—	*—	*539	*—	*—	*401	*—	*138	*—	*—	*138
Africa, total	*4,401	*507	*201	*3,692	*—	*—	*2,902	*—	*1,499	*—	*—	*1,499
South Africa (including South-West Africa)	*795	*507	*201	*86	*—	*—	*254	*—	*540	*—	*—	*540
All other Africa	*3,603	*—	*—	*3,603	*—	*—	*2,646	*—	*957	*—	*—	*957
Asia, total	*82,814	*32,094	*194	*23,370	*27,157	*—	*42,161	*—	*39,485	*-1,168	*—	*40,653
Middle East countries (excluding OPEC)	*30,589	*528	*172	*21,335	*8,554	*—	*25,791	*—	*4,798	*—	*—	*4,798
All other Asia	*2,037	*7	*6	*2,024	*—	*—	*1,492	*—	*545	*—	*—	*545
Oceania, total	21,070	7,589	7,557	5,825	99	—	11,825	—	9,246	—	—	9,246
Australia	21,070	7,589	7,557	5,825	99	—	11,825	—	9,246	—	—	9,246
Puerto Rico and U.S. possessions, total	19,048	—	—	7,026	12,023	—	15,696	—	3,442	89	—	3,352
Country not stated	*126,526	*780	*—	*113,469	*12,278	*—	*103,185	*—	*24,445	*—	*1,102	*23,342
OPEC countries, total (included above)	*63,114	*29,989	*—	*14,517	*18,608	*—	*25,098	*—	*36,849	*-1,168	*—	*38,016

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued							
	Foreign taxes paid or accrued and deemed paid before reduction							
	Total	Paid or accrued						Deemed paid
		Total	Tax withheld at source on			Other taxes paid or accrued on		
			Dividends	Interest	Rents, royalties and license fees	Branch income	Other income	
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Credit agencies other than banks								
All geographic areas and DISC dividends, total	21,501	11,413	1,746	4,372	241	1,898	3,157	10,089
Canada	1,703	1,682	180	1,241	1	52	229	21
Latin America, total	*2,274	*2,274	*—	*2,273	*—	*—	*1	*—
Brazil	*1,246	*1,246	*—	*1,246	*—	*—	*—	*—
Ecuador	*55	*55	*—	*55	*—	*—	*—	*—
Mexico	*755	*755	*—	*755	*—	*—	*—	*—
Venezuela	*13	*13	*—	*12	*—	*—	*1	*—
All other Latin America	*206	*206	*—	*206	*—	*—	*—	*—
Other Western Hemisphere, total	*2,903	*2,189	*—	*—	*—	*—	*2,189	*714
The Bahamas	*—	*—	*—	*—	*—	*—	*—	*—
Europe, total	4,033	2,632	216	642	—	1,532	242	1,401
Netherlands	*1	*1	*1	*—	*—	*—	*—	*—
Spain	*56	*18	*18	*—	*—	*—	*—	*38
United Kingdom	*2,365	*2,205	*31	*642	*—	*1,532	*—	*160
West Germany	984	357	115	—	*—	*—	242	627
All other Europe	*—	*—	*—	*—	*—	*—	*—	*—
Africa, total	*317	*115	*64	*51	*—	*—	*—	*201
South Africa (including South-West Africa)	*317	*115	*64	*51	*—	*—	*—	*201
All other Africa	*—	*—	*—	*—	*—	*—	*—	*—
Asia, total	*1,498	*1,304	*124	*41	*—	*—	*1,139	*194
Middle East countries (excluding OPEC)	*499	*326	*124	*41	*—	*—	*161	*172
All other Asia	*6	*—	*—	*—	*—	*—	*—	*6
Oceania, total	8,792	1,235	1,138	65	14	—	18	7,557
Australia	8,792	1,235	1,138	65	14	—	18	7,557
Puerto Rico and U.S. possessions, total	387	387	13	61	—	314	—	—
Country not stated	*-407	*-407	*31	*-3	*227	*—	*-661	*—
OPEC countries, total (included above)	*1,046	*1,046	*—	*67	*—	*—	*979	*—

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources: Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Foreign tax credit computed: Before reduction for international boycott operations	Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Insurance carriers												
All geographic areas and DISC dividends, total	214	498,899,173	5,595,248	2,463,712	190,025	934,261	176,465	28,706	826	18,021	190,025	—
Canada	193	488,945,749	5,400,639	2,379,012	186,570	912,521	175,350	27,966	826	15,081	186,570	—
Latin America, total	32	327,271,772	2,702,556	1,167,446	141,509	853,389	135,388	20,968	826	11,360	141,509	—
Brazil	10	137,773,005	1,065,010	432,401	90,841	305,401	81,796	20,968	—	9,215	90,841	—
Ecuador	6	34,219,177	236,913	96,897	34,188	131,013	25,773	14,546	—	6,648	34,188	—
Mexico	26	270,859,811	2,347,361	1,006,155	120,018	574,242	113,749	18,672	826	11,349	120,018	—
Panama (including Canal Zone)	12	166,743,644	1,042,449	441,283	60,087	332,405	51,683	14,546	—	8,637	60,087	—
Venezuela	9	74,207,887	603,867	261,689	72,597	266,021	67,194	17,488	—	8,637	72,597	—
All other Latin America	19	265,851,423	2,028,091	660,954	121,287	540,747	114,697	20,968	—	9,215	121,287	—
Other Western Hemisphere, total	20	232,133,254	1,705,629	724,002	107,668	409,283	101,005	20,680	—	11,262	107,668	—
The Bahamas	10	105,155,248	840,670	363,086	41,244	180,962	33,642	6,610	—	8,637	41,244	—
Bermuda	6	34,651,073	425,036	155,869	36,956	131,953	26,847	12,063	—	7,296	36,956	—
Netherlands Antilles	13	205,727,554	1,344,325	560,828	100,808	360,007	94,492	20,680	—	9,215	100,808	—
All other Western Hemisphere	3	20,904,106	124,487	50,302	19,199	74,466	15,087	6,574	—	2,671	19,199	—
Europe, total	46	278,878,145	2,595,881	1,113,349	147,710	701,345	135,276	27,132	826	11,786	147,710	—
Austria	8	48,886,794	533,209	195,019	74,905	230,802	66,147	20,680	—	9,215	74,905	—
Belgium	11	100,230,502	1,061,808	428,306	86,739	375,134	77,693	20,968	—	9,215	86,739	—
Denmark	8	124,377,199	863,232	375,054	76,015	286,829	73,633	17,137	—	3,966	76,015	—
France (including Andorra)	19	210,475,537	1,723,942	721,730	118,461	551,146	109,413	20,968	—	9,218	118,461	—
Italy (including San Marino)	9	63,318,718	557,122	209,409	80,808	280,218	68,546	28,805	—	9,215	80,808	—
Luxembourg	3	30,984,063	252,241	113,779	12,511	51,808	11,421	6,224	—	—	12,511	—
Netherlands	21	161,783,308	1,267,698	545,162	92,312	434,543	86,261	17,815	—	7,070	92,312	—
Spain	9	104,156,384	973,856	390,897	55,891	288,193	44,133	17,738	—	9,215	55,891	—
Sweden	9	126,433,916	938,461	408,879	52,188	231,635	43,496	14,833	—	8,637	52,188	—
Switzerland	13	61,131,105	641,312	268,329	72,305	374,124	66,423	22,974	—	4,251	72,305	—
United Kingdom	26	253,289,411	2,128,832	901,548	138,885	650,026	126,533	27,092	826	11,632	138,885	—
West Germany	17	132,036,881	1,152,895	468,049	105,786	489,488	96,399	20,680	—	11,545	105,786	—
All other Europe	21	220,892,243	1,872,826	787,627	112,833	546,662	103,504	20,968	—	9,498	112,833	—
Africa, total	13	117,567,394	994,157	397,083	97,115	406,733	88,357	20,880	—	9,215	97,115	—
Liberia	4	52,856,889	293,756	128,455	24,605	118,925	18,999	2,935	—	2,671	24,605	—
South Africa (including South-West Africa)	9	49,863,885	555,255	208,466	83,867	258,021	75,109	20,680	—	9,215	83,867	—
OPEC countries	3	15,437,088	126,795	53,204	15,452	70,447	11,161	7,971	—	3,966	15,452	—
All other Africa	6	73,914,603	796,814	310,599	76,017	333,659	69,254	15,005	—	5,249	76,017	—
Asia, total	49	304,988,159	2,968,917	1,288,656	146,896	708,241	132,728	27,833	826	14,043	146,896	—
Hong Kong	13	120,531,376	748,058	318,719	85,315	346,294	76,376	18,642	—	5,215	85,315	—
Indonesia	6	98,089,108	706,813	302,805	72,104	314,933	71,639	10,913	826	4,053	72,104	—
Japan (including Okinawa and Ryukyus)	20	218,836,106	1,841,518	804,027	106,347	501,153	100,373	17,776	—	8,920	106,347	—
Middle East countries (excluding OPEC)	22	104,893,101	901,568	401,560	67,109	278,504	66,591	11,211	—	2,197	67,109	—
OPEC countries (excluding Indonesia)	5	33,929,793	229,318	93,422	34,166	130,408	25,762	14,546	—	8,637	34,166	—
Philippines	18	113,701,034	1,226,906	532,731	87,659	429,958	82,255	17,488	—	8,637	87,659	—
All other Asia	12	71,458,446	773,003	306,676	81,014	291,728	72,256	20,680	—	9,215	81,014	—
Oceania, total	38	324,996,170	2,746,259	1,218,197	141,533	640,915	137,889	18,061	826	9,787	141,533	—
Australia	37	324,706,787	2,738,664	1,214,723	141,511	640,309	137,878	18,061	826	9,776	141,511	—
All other Oceania	10	109,053,867	691,999	291,441	89,883	303,654	84,469	17,488	—	6,648	89,883	—
Puerto Rico and U.S. Possessions, total	52	386,169,575	3,830,242	1,677,370	163,473	787,597	154,334	27,096	826	11,634	163,473	—
Country not stated	40	268,350,742	1,975,763	837,981	127,522	533,153	115,372	27,460	—	13,077	127,522	—
OPEC countries, total (included above)	13	146,531,023	1,130,010	490,437	95,345	426,554	90,757	17,488	826	8,735	95,345	—

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total	Dividends	Dividend gross-up	Interest	Other	Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(b))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Insurance carriers												
All geographic areas and DISC dividends, total	1,881,741	115,443	28,706	738,185	799,406	5,820	839,265	(1)	934,261	91,258	529	842,476
Canada	802,169	24,798	4,278	534,232	238,861	—	326,157	—	534,788	58,774	2	476,012
Latin America, total	54,825	7,115	2,851	27,798	16,881	—	19,070	—	43,419	7,864	—	35,555
Brazil	3,943	2,427	962	-287	842	—	2,568	—	4,564	3,189	—	1,375
Ecuador	46	58	17	36	-65	—	91	—	87	132	—	-45
Mexico	27,872	2,516	1,079	21,433	2,844	—	11,310	—	16,570	8	—	16,562
Panama (including Canal Zone)	2,823	879	605	953	385	—	-708	—	5,250	1,719	—	3,531
Venezuela	4,188	40	—	395	3,753	—	1,109	—	3,114	35	—	3,079
All other Latin America	15,753	1,195	188	5,269	9,101	—	4,700	—	13,834	2,781	—	11,053
Other Western Hemisphere, total	19,746	6,993	1,084	3,724	7,945	—	9,875	—	9,992	120	—	9,872
The Bahamas	4,180	—	—	3,578	602	—	1,324	—	2,786	-68	—	2,855
Bermuda	7,828	1,521	47	—	6,260	—	6,183	—	1,656	11	—	1,645
Netherlands Antilles	7,716	5,472	1,037	149	1,058	—	2,364	—	5,634	281	—	5,352
All other Western Hemisphere	22	—	—	-3	25	—	3	—	-88	-105	—	19
Europe, total	354,603	48,075	18,214	77,839	212,475	10	255,565	(1)	103,994	4,957	—	99,037
Austria	2,191	—	—	82	2,109	—	425	—	1,660	-106	—	1,766
Belgium	9,443	2,056	1,871	2,852	2,664	—	6,266	—	3,473	297	—	3,176
Denmark	3,074	200	130	1,500	1,245	—	1,226	—	1,848	—	—	1,848
France (including Andorra)	28,217	4,465	484	9,756	13,532	—	21,537	—	6,055	-625	—	6,680
Italy (including San Marino)	5,376	1,277	1,238	-258	3,120	—	2,490	—	3,897	1,010	—	2,886
Luxembourg	4,478	—	—	4,478	—	—	3,045	—	1,433	—	—	1,433
Netherlands	10,953	1,081	179	686	9,007	10	7,587	(1)	4,874	1,508	—	3,366
Spain	1,181	185	54	677	285	—	1,442	—	-1,156	-895	—	-261
Sweden	5,742	—	—	3,499	2,243	—	2,574	—	3,181	13	—	3,168
Switzerland	12,608	9,471	783	1,542	602	—	2,403	—	10,205	—	—	10,205
United Kingdom	102,456	22,970	8,696	29,226	41,562	—	68,669	—	38,099	4,312	—	33,787
West Germany	17,209	3,304	2,712	4,070	7,122	—	3,811	—	11,978	-1,420	—	13,398
All other Europe	151,675	3,086	77	19,729	128,784	—	134,090	—	18,448	862	—	17,586
Africa, total	8,384	3,438	670	-22	4,298	—	1,600	—	8,716	1,932	—	6,784
Liberia	128	—	—	7	122	—	21	—	147	40	—	106
South Africa (including South-West Africa)	3,897	3,438	670	-75	-135	—	1,177	—	2,967	247	—	2,721
OPEC countries	1,108	—	—	7	1,101	—	45	—	1,063	—	—	1,063
All other Africa	3,251	—	—	40	3,210	—	357	—	4,538	1,645	—	2,893
Asia, total	118,264	15,194	2,800	19,973	80,297	5,810	12,929	—	99,516	-5,820	—	105,336
Hong Kong	12,805	7,652	705	-2	4,450	—	417	—	11,815	-573	—	12,388
Indonesia	11,306	—	—	170	11,139	5,810	69	—	11,240	—	—	11,240
Japan (including Okinawa and Ryukyus)	41,077	1,516	943	17,384	21,234	—	6,305	—	30,428	-4,344	—	34,772
Middle East countries (excluding OPEC)	4,549	119	24	1,133	3,273	—	2,185	—	2,363	-1	—	2,364
OPEC countries (excluding Indonesia)	2,380	—	—	1	2,379	—	302	—	1,268	-810	—	2,078
Philippines	6,795	4,788	389	766	852	—	532	—	6,005	-257	—	6,262
All other Asia	39,351	1,119	739	522	36,971	—	3,118	—	36,397	164	—	36,233
Oceania, total	12,689	604	18	9,556	2,511	—	7,728	—	11,058	6,096	—	4,961
Australia	11,996	604	18	9,497	1,877	—	7,478	—	9,123	4,605	—	4,518
All other Oceania	694	—	—	60	634	—	250	—	1,934	1,491	—	443
Puerto Rico and U.S. Possessions, total	64,093	2,487	791	38,591	22,244	—	20,431	—	42,167	-2,022	527	43,662
Country not stated	247,040	8,633	—	28,492	213,915	—	185,700	—	80,594	19,354	—	61,340
OPEC countries, total (included above)	19,030	98	17	608	18,307	5,810	1,815	—	16,772	-643	—	17,414

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued: Foreign taxes paid or accrued and deemed paid before reduction: Total	Paid or accrued: Total	Tax withheld at source on: Dividends	Tax withheld at source on: Interest	Tax withheld at source on: Rents, royalties and license fees	Other taxes paid or accrued on: Branch income	Other taxes paid or accrued on: Other income	Deemed paid
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Insurance carriers								
All geographic areas and DISC dividends, total	205,171	178,465	7,671	45,347	2,684	37,092	83,691	26,706
Canada	96,432	92,154	1,802	38,082	1,884	21,820	28,586	4,279
Latin America, total	18,350	15,499	1,089	3,486	361	2,064	8,498	2,851
Brazil	2,452	1,490	585	—	—	697	208	962
Ecuador	142	124	18	1	15	42	48	17
Mexico	10,795	9,716	455	2,880	223	2	6,175	1,079
Panama (including Canal Zone)	603	198	—	—	—	194	4	605
Venezuela	774	774	—	32	—	6	736	—
All other Latin America	3,385	3,196	31	592	123	1,124	1,326	188
Other Western Hemisphere, total	1,212	128	86	—	1	30	11	1,084
The Bahamas	—	—	—	—	—	—	—	—
Bermuda	47	—	—	—	—	—	—	47
Netherlands Antilles	1,164	127	86	—	—	30	11	1,037
All other Western Hemisphere	1	1	—	—	1	—	—	—
Europe, total	33,793	17,579	3,022	335	68	7,038	7,116	16,214
Austria	735	735	—	—	57	—	678	—
Belgium	2,503	633	301	3	—	49	279	1,871
Denmark	173	43	—	—	—	—	43	130
France (including Andorra)	2,127	1,663	506	42	11	—	1,105	464
Italy (including San Marino)	2,082	844	55	17	—	742	30	1,238
Luxembourg	—	—	—	—	—	—	—	—
Netherlands	4,119	3,941	110	(1)	—	1,337	2,493	179
Spain	79	25	25	—	—	—	—	54
Sweden	11	11	—	—	—	(1)	11	—
Switzerland	1,572	778	625	—	—	—	153	793
United Kingdom	14,942	6,246	821	9	—	4,391	1,025	8,696
West Germany	4,411	1,699	575	98	—	103	923	2,712
All other Europe	1,038	961	3	166	—	416	375	77
Africa, total	2,267	1,597	421	—	30	153	993	670
Liberia	23	23	—	—	—	21	2	—
South Africa (including South-West Africa)	1,311	641	421	—	30	71	119	670
OPEC countries	—	—	—	—	—	—	—	—
All other Africa	933	933	—	—	—	61	872	—
Asia, total	34,248	31,448	944	170	278	2,581	27,475	2,800
Hong Kong	1,618	913	—	1	42	48	822	705
Indonesia	5,452	5,452	—	—	—	—	5,452	—
Japan (including Okinawa and Ryukyus)	6,139	5,196	153	(1)	9	1,884	3,169	943
Middle East countries (excluding OPEC)	1,819	1,795	24	3	—	35	1,732	24
OPEC countries (excluding Indonesia)	210	210	—	—	—	210	—	—
Philippines	2,092	1,703	767	93	—	(1)	844	389
All other Asia	16,918	16,179	—	72	227	424	15,456	739
Oceania, total	6,053	6,035	14	1,115	41	2,595	2,270	18
Australia	5,229	5,211	14	1,115	31	1,851	2,200	18
All other Oceania	824	824	—	(1)	10	744	70	—
Puerto Rico and U.S. Possessions, total	6,495	5,704	255	2,044	21	605	2,578	791
Country not stated	6,322	6,322	38	115	—	5	6,164	—
OPEC countries, total (included above)	6,578	6,560	18	33	15	258	6,236	17

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources: Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Foreign tax credit computed: Before reduction for international boycott operations	Foreign tax credit computed: Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Holding and other investment companies except bank holding companies												
All geographic areas and DISC dividends, total	662	6,243,287	580,389	240,812	85,514	261,450	15,166	72,363	—	9,192	85,514	—
Canada	213	4,261,029	264,385	104,615	7,911	44,448	3,877	4,279	—	536	7,911	—
Latin America, total	25	3,283,366	153,987	66,512	15,699	55,515	4,508	12,437	—	7,888	15,699	—
Mexico	7	1,736,642	91,038	38,065	8,792	21,248	1,385	6,621	—	1,396	8,792	—
All other Latin America	*19	*1,656,417	*63,529	*28,733	*6,831	*34,474	*3,400	*5,006	*—	*2,649	*6,831	*—
Other Western Hemisphere, total	*13	*1,567,276	*58,289	*25,942	*2,749	*24,327	*1,876	*1,068	*—	*595	*2,749	*—
Bermuda	*5	*128,894	*3,903	*1,771	*1,595	*3,844	*522	*1,068	*—	*594	*1,595	*—
Netherlands Antilles	*7	*85,907	*7,114	*2,445	*159	*1,015	*159	*—	*—	*—	*159	*—
Europe, total	87	3,326,119	331,828	148,655	78,941	229,417	10,841	69,645	—	8,136	78,941	—
France (including Andorra)	13	1,766,048	69,006	31,097	6,277	33,300	1,749	4,849	—	146	6,277	—
Italy (including San Marino)	3	47,763	3,743	1,402	88	255	41	31	—	53	88	—
Netherlands	66	463,263	31,062	12,242	5,895	14,616	1,508	5,101	—	4,013	5,895	—
Spain	4	149,480	7,561	3,158	1,678	4,073	582	1,100	—	53	1,678	—
Switzerland	*19	*89,379	*6,005	*2,487	*2,235	*6,710	*1,156	*2,503	*—	*2,557	*2,235	*—
United Kingdom	11	2,468,561	267,244	121,291	62,405	187,005	7,989	54,568	—	54	62,405	—
West Germany	*27	*343,461	*23,330	*10,256	*5,948	*15,775	*1,526	*5,119	*—	*4,066	*5,948	*—
All other Europe	4	159,526	11,246	3,923	2,760	7,021	1,659	1,066	—	—	2,760	—
Africa, total	296	824,921	75,333	25,777	7,857	23,626	2,859	5,525	—	4,475	7,857	—
South Africa (including South-West Africa)	295	753,411	74,421	25,377	7,457	24,554	2,847	5,214	—	4,175	7,457	—
Asia, total	128	1,972,275	119,426	49,944	12,265	34,880	3,076	10,060	—	7,810	12,265	—
Japan (including Okinawa and Ryukyus)	106	1,666,714	84,615	34,415	1,211	7,330	779	524	—	185	1,211	—
Middle East countries (excluding OPEC)	*10	*150,418	*13,077	*5,605	*4,844	*12,290	*1,522	*5,055	*—	*8,492	*4,844	*—
Philippines	*10	*895,748	*31,626	*10,926	*1,854	*4,277	*396	*1,879	*—	*3,957	*1,854	*—
All other Asia	4	682,502	45,542	17,343	4,798	12,030	394	3,412	—	1,232	4,798	—
Oceania, total	*10	*164,362	*19,247	*8,137	*2,747	*7,516	*760	*2,172	*—	*223	*2,747	*—
Australia	*10	*164,362	*19,247	*8,137	*2,747	*7,516	*760	*2,172	*—	*223	*2,747	*—
Puerto Rico and U.S. Possessions, total	18	2,059,292	103,810	41,821	2,021	6,611	951	1,103	—	107	2,021	—
Country not stated	9	384,225	36,250	14,434	8,095	20,344	913	6,356	—	1,590	8,095	—
OPEC countries, total (included above)	3	203,876	5,144	2,347	2,181	5,600	787	1,380	—	300	2,181	—

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total	Dividends	Dividend gross-up	Interest	Other	Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Holding and other investment companies except bank holding companies												
All geographic areas and DISC dividends, total	283,220	180,035	72,384	32,806	18,015	213	20,840	178	281,450	-1,130	—	282,580
Canada	19,494	3,655	1,087	12,617	2,134	—	374	—	19,120	—	—	19,120
Latin America, total	16,979	2,714	1,668	12,068	309	—	5,121	—	11,858	—	—	11,858
Mexico	2,060	1,007	808	119	126	—	379	—	1,681	—	—	1,681
All other Latin America	*14,640	*1,657	*1,050	*11,750	*183	*—	*4,570	*—	*10,071	*—	*—	*10,071
Other Western Hemisphere, total	*4,689	*1,092	*—	*3,509	*88	*—	*544	*—	*4,145	*—	*—	*4,145
Bermuda	*1,245	*858	*—	*387	*—	*—	*473	*—	*772	*—	*—	*772
Netherlands Antilles	*235	*235	*—	*—	*—	*—	*30	*—	*204	*—	*—	*204
Europe, total	194,577	121,237	61,954	3,281	8,104	213	8,168	178	184,172	-2,236	—	188,409
France (including Andorra)	10,111	5,299	3,619	282	912	—	791	—	9,320	—	—	9,320
Italy (including San Marino)	2	2	—	—	(1)	—	1	—	1	—	—	1
Netherlands	606	516	65	21	3	—	17	—	589	—	—	589
Spain	2,192	1,622	568	—	2	—	850	—	1,342	—	—	1,342
Switzerland	*690	*—	*—	*690	*—	*—	*21	*—	*669	*—	*—	*669
United Kingdom	173,352	111,180	54,537	1,952	5,684	—	5,375	—	167,977	—	—	167,977
West Germany	*3,627	*955	*1,413	*336	*923	*—	*365	*—	*3,378	*116	*—	*3,262
All other Europe	857	174	103	1	579	213	508	178	349	—	—	349
Africa, total	12,981	11,913	714	(1)	354	—	810	—	12,171	—	—	12,171
South Africa (including South-West Africa)	12,367	11,610	403	(1)	354	—	164	—	12,203	—	—	12,203
Asia, total	25,942	13,898	5,651	830	5,363	—	4,826	—	21,118	—	—	21,118
Japan (including Okinawa and Ryukyus)	3,598	4	—	1	3,593	—	522	—	3,076	—	—	3,076
Middle East countries (excluding OPEC)	*7,817	*2,688	*3,211	*829	*1,089	*—	*1,177	*—	*6,639	*—	*—	*6,639
Philippines	*249	*43	*15	*—	*191	*—	*3	*—	*245	*—	*—	*245
All other Asia	1,800	1,062	721	—	17	—	375	—	1,425	—	—	1,425
Oceania, total	*1,683	*668	*356	*—	*859	*—	*307	*—	*1,376	*—	*—	*1,376
Australia	*1,682	*668	*356	*—	*858	*—	*307	*—	*1,375	*—	*—	*1,375
Puerto Rico and U.S. Possessions, total	1,569	1,503	21	—	44	—	3	—	1,566	—	—	1,566
Country not stated	5,306	3,352	493	500	961	—	487	—	5,925	1,106	—	4,819
OPEC countries, total (included above)	1,285	304	311	199	472	—	999	—	286	—	—	286

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued: Foreign taxes paid or accrued and deemed paid before reduction: Total	Paid or accrued: Total	Tax withheld at source on: Dividends	Interest	Rents, royalties and license fees	Other taxes paid or accrued on: Branch income	Other income	Deemed paid
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Holding and other investment companies except bank holding companies								
All geographic areas and DISC dividends, total	87,529	15,166	10,428	1,940	575	—	2,222	72,363
Canada	3,176	2,089	451	1,318	63	—	257	1,087
Latin America, total	2,971	1,083	689	299	58	—	37	1,888
Mexico	1,101	292	210	25	58	—	—	808
All other Latin America	*1,833	*783	*472	*275	*—	*—	*37	*1,050
Other Western Hemisphere, total	*55	*55	*33	*—	*—	*—	*22	*—
Bermuda	*—	*—	*—	*—	*—	*—	*—	*—
Netherlands Antilles	*33	*33	*33	*—	*—	*—	*—	*—
Europe, total	69,834	7,880	6,384	170	15	—	1,330	61,954
France (including Andorra)	3,752	133	123	10	—	—	*—	3,619
Italy (including San Marino)	1	1	1	—	—	—	—	—
Netherlands	121	55	55	—	—	—	—	65
Spain	836	268	268	—	(1)	—	—	568
Switzerland	*147	*147	*—	*147	*—	*—	*—	*—
United Kingdom	61,428	8,892	5,572	—	2	—	1,317	54,537
West Germany	*1,582	*168	*142	*13	*13	*—	*—	*1,413
All other Europe	148	45	31	—	—	—	14	103
Africa, total	2,375	1,660	1,657	—	3	—	—	714
South Africa (including South-West Africa)	2,063	1,660	1,657	—	3	—	—	403
Asia, total	7,615	1,764	724	144	411	—	485	5,851
Japan (including Okinawa and Ryukyus)	347	347	(1)	(1)	347	—	—	—
Middle East countries (excluding OPEC)	*4,495	*1,284	*668	*144	*—	*—	*473	*3,211
Philippines	*94	*79	*15	*—	*64	*—	*—	*15
All other Asia	730	9	9	—	—	—	—	721
Oceania, total	*487	*132	*100	*—	*25	*—	*7	*356
Australia	*487	*131	*100	*—	*25	*—	*7	*356
Puerto Rico and U.S. Possessions, total	234	214	135	—	—	—	79	21
Country not stated	783	290	276	9	—	—	5	493
OPEC countries, total (included above)	324	12	—	—	—	—	12	311

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources: Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Foreign tax credit computed: Before reduction for international boycott operations	Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
All other finance, insurance and real estate												
All geographic areas and DISC dividends, total	579	55,520,992	1,293,205	560,058	42,442	176,331	27,923	15,190	—	2,230	42,441	—
Canada	163	38,926,698	1,022,217	448,988	36,721	142,549	24,097	12,610	—	182	36,721	—
Latin America, total	280	25,940,140	712,166	317,667	38,130	136,016	23,737	13,058	—	1,170	38,130	—
Brazil	6	21,283,595	545,270	242,925	26,695	105,951	15,127	11,409	—	159	26,695	—
Mexico	11	11,181,041	440,848	197,972	22,316	84,660	9,719	12,599	—	—	22,316	—
Panama (including Canal Zone)	4	14,707,002	279,701	123,140	16,353	58,684	15,921	431	—	—	16,353	—
Venezuela	4	15,941,527	493,586	219,723	21,325	91,448	13,837	7,329	—	159	21,325	—
All other Latin America	274	19,836,206	601,303	267,880	34,441	128,583	23,182	11,923	—	1,170	34,441	—
Other Western Hemisphere, total	10	16,405,256	398,582	177,232	24,252	95,306	10,068	14,025	—	159	24,252	—
Bermuda	6	6,535,326	144,223	64,832	7,730	22,551	1,732	5,839	—	159	7,730	—
Netherlands Antilles	5	15,091,257	294,245	130,194	17,754	78,231	8,771	8,983	—	—	17,754	—
Europe, total	46	47,635,830	1,129,183	494,269	40,018	163,928	24,841	15,060	—	496	40,018	—
Belgium	7	24,233,923	733,381	327,552	23,125	104,042	14,841	8,125	—	159	23,125	—
France (including Andorra)	12	31,035,247	709,083	314,588	35,057	139,927	22,730	11,856	—	472	35,057	—
Italy (including San Marino)	17	25,103,054	643,186	288,479	34,654	131,354	22,132	12,364	—	159	34,654	—
Netherlands	19	27,254,701	723,526	316,731	30,302	121,211	21,229	9,073	—	—	30,302	—
Spain	7	26,177,356	684,216	304,160	29,607	122,067	21,150	8,457	—	—	29,607	—
Sweden	3	6,752,829	222,797	99,230	9,411	46,900	1,908	7,503	—	—	9,411	—
Switzerland	14	39,867,877	884,860	393,923	36,721	150,943	23,635	12,774	—	313	36,721	—
United Kingdom	27	43,877,046	967,373	432,291	39,178	158,746	24,359	14,493	—	337	39,178	—
West Germany	11	28,271,864	619,855	363,342	30,682	126,985	21,776	8,965	—	—	30,682	—
All other Europe	6	18,877,182	482,418	213,755	28,284	111,682	20,588	8,005	—	—	28,284	—
Africa, total	136	15,941,225	649,248	281,021	18,475	83,727	9,283	9,089	—	161	18,475	—
South Africa (including South-West Africa)	131	15,905,305	648,786	280,891	18,443	83,519	9,252	9,089	—	161	18,443	—
All other Africa	*6	*48,927	*2,699	*812	*386	*2,181	*112	*115	*—	*159	*386	*—
Asia, total	28	35,812,623	832,474	363,856	32,086	140,919	22,229	9,744	—	836	32,086	—
Hong Kong	8	23,333,686	386,759	170,739	21,643	79,831	19,820	1,823	—	—	21,643	—
Japan (including Okinawa and Ryukyus)	14	33,124,170	695,809	308,592	31,495	133,771	21,691	9,491	—	313	31,495	—
Middle East countries (excluding OPEC)	*8	*15,319,409	*408,636	*181,047	*20,339	*86,144	*13,982	*6,706	*—	*364	*20,339	*—
OPEC countries (excluding Indonesia)	3	15,031,015	339,228	151,732	13,069	49,099	12,512	565	—	—	13,069	—
Philippines	9	26,486,109	615,479	268,682	25,984	106,886	17,677	8,149	—	159	25,984	—
All other Asia	6	19,022,598	500,640	221,644	28,654	113,178	20,707	7,788	—	159	26,654	—
Oceania, total	13	25,458,538	641,474	282,393	34,449	130,617	21,927	12,365	—	159	34,449	—
Australia	12	24,509,789	484,477	212,777	26,499	90,133	20,682	5,658	—	159	26,499	—
Puerto Rico and U.S. Possessions, total	6	13,725,184	102,182	44,524	9,744	36,102	7,990	1,595	—	159	9,744	—
Country not stated	17	13,308,626	596,208	264,310	19,248	88,773	7,033	12,251	—	333	19,248	—
OPEC countries, total (included above)	5	15,992,772	498,661	222,031	21,374	91,557	13,837	7,387	—	159	21,374	—

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total	Dividends	Dividend gross-up	Interest	Other	Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
All other finance, insurance and real estate												
All geographic areas and DISC dividends, total	2,157,814	32,327	15,191	159,831	1,950,265	—	1,994,042	—	176,331	12,689	70	163,572
Canada	1,599,101	6,892	4,921	68,344	1,518,944	—	1,553,873	—	45,507	279	—	45,228
Latin America, total	29,720	2,586	1,157	17,211	8,767	—	13,437	—	12,665	-3,618	—	16,284
Brazil	3,849	946	1,084	363	1,456	—	451	—	2,555	-843	—	3,398
Mexico	1,531	20	1	70	1,440	—	482	—	1,049	—	—	1,049
Panama (including Canal Zone)	10,896	1,287	—	8,327	1,282	—	8,437	—	2,459	—	—	2,459
Venezuela	1,094	24	4	1,056	10	—	580	—	514	—	—	514
All other Latin America	12,348	309	68	7,394	4,577	—	3,486	—	6,087	-2,775	—	8,862
Other Western Hemisphere, total	2,870	1,708	88	(1)	873	—	425	—	2,255	10	—	2,245
Bermuda	938	422	—	—	516	—	406	—	532	—	—	532
Netherlands Antilles	1,729	1,286	88	(1)	355	—	18	—	1,721	10	—	1,711
Europe, total	441,446	13,003	8,053	44,016	376,374	—	379,941	—	74,096	12,592	—	61,504
Belgium	707	175	180	247	106	—	1,830	—	-899	224	—	-1,123
France (including Andorra)	7,959	1,311	1,313	2,683	2,651	—	4,021	—	5,047	1,109	—	3,938
Italy (including San Marino)	3,205	1,224	689	1,124	168	—	904	—	2,124	-177	—	2,301
Netherlands	3,598	1,767	375	1,209	246	—	891	—	3,208	501	—	2,707
Spain	1,064	144	50	870	—	—	502	—	-18	-580	—	562
Sweden	127	40	55	—	31	—	46	—	81	—	—	81
Switzerland	8,598	1,116	111	6,014	1,356	—	3,926	—	8,306	3,634	—	4,671
United Kingdom	400,768	6,553	4,659	23,478	366,078	—	360,667	—	46,599	6,498	—	40,101
West Germany	7,005	28	—	6,160	818	—	1,589	—	6,771	1,354	—	5,416
All other Europe	7,679	418	355	2,001	4,906	—	5,350	—	2,357	28	—	2,329
Africa, total	3,227	3,212	—	—	15	—	146	—	3,082	—	—	3,082
South Africa (including South-West Africa)	3,012	2,997	—	—	15	—	146	—	2,887	—	—	2,867
All other Africa	*215	*215	*—	*—	*—	*—	*—	*—	*215	*—	*—	*215
Asia, total	34,066	1,832	208	19,871	12,155	—	16,197	—	17,054	-815	—	17,869
Hong Kong	16,137	927	72	10,504	4,634	—	4,128	—	11,215	-794	—	12,009
Japan (including Okinawa and Ryukyus)	8,634	169	54	2,495	3,915	—	7,111	—	-319	158	—	-477
Middle East countries (excluding OPEC)	*5,090	*1	*—	*3,118	*1,971	*—	*1,697	*—	*3,427	*34	*—	*3,393
OPEC countries (excluding Indonesia)	2,592	642	58	1,936	-44	—	1,232	—	1,360	—	—	1,360
Philippines	473	8	2	359	104	—	211	—	230	-32	—	263
All other Asia	3,101	62	20	1,458	1,561	—	1,816	—	1,104	-181	—	1,285
Oceania, total	1,431	469	425	391	146	—	353	—	1,078	—	—	1,078
Australia	1,426	469	425	391	141	—	352	—	1,074	—	—	1,074
Puerto Rico and U.S. Possessions, total	10,772	1,820	340	7,414	1,199	—	8,066	—	2,454	-253	—	2,706
Country not stated	35,181	805	—	2,584	31,791	—	21,605	—	18,140	4,494	70	13,576
OPEC countries, total (included above)	3,726	689	63	2,993	-19	—	1,815	—	1,911	—	—	1,911

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued: Foreign taxes paid or accrued and deemed paid before reduction: Total	Paid or accrued: Total	Tax withheld at source on: Dividends	Tax withheld at source on: Interest	Tax withheld at source on: Rents, royalties and license fees	Other taxes paid or accrued on: Branch income	Other taxes paid or accrued on: Other income	Deemed paid
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
All other finance, insurance and real estate								
All geographic areas and DISC dividends, total	43,113	27,923	2,606	498	1,955	16,219	6,645	15,190
Canada	22,637	17,716	657	477	121	12,015	4,247	4,920
Latin America, total	3,639	2,482	288	—	1,521	47	626	1,157
Brazil	1,344	259	226	—	—	—	31	1,084
Mexico	542	541	4	—	8	47	482	1
Panama (including Canal Zone)	33	33	—	—	—	—	33	—
Venezuela	12	8	5	—	—	—	4	4
All other Latin America	1,706	1,641	51	—	1,513	—	77	68
Other Western Hemisphere, total	88	—	—	—	—	—	—	88
Bermuda	—	—	—	—	—	—	—	—
Netherlands Antilles	88	—	—	—	—	—	—	88
Europe, total	13,948	5,895	680	13	10	3,889	1,104	8,053
Belgium	402	222	26	—	—	196	(¹)	180
France (including Andorra)	1,463	149	56	(¹)	10	26	56	1,313
Italy (including San Marino)	795	106	93	12	—	—	(¹)	689
Netherlands	626	253	99	—	—	155	—	375
Spain	74	24	24	—	—	(¹)	—	50
Sweden	61	6	6	—	—	—	—	55
Switzerland	915	805	226	(¹)	—	567	12	111
United Kingdom	6,482	1,823	346	—	—	811	666	4,659
West Germany	744	744	4	(¹)	—	484	255	—
All other Europe	2,119	1,764	(¹)	—	—	1,649	115	355
Africa, total	476	476	449	—	3	—	24	—
South Africa (including South-West Africa)	445	445	418	*—	3	—	24	—
All other Africa	*31	*31	*31		*—	*—	*—	*—
Asia, total	834	626	53	8	4	20	540	208
Hong Kong	72	—	—	—	—	—	—	72
Japan (including Okinawa and Ryukyus)	129	75	23	7	4	20	20	54
Middle East countries (excluding OPEC)	*507	*507	*(¹)	*1	*—	*—	*505	*—
OPEC countries (excluding Indonesia)	58	—	—	—	—	—	—	58
Philippines	15	13	1	(¹)	—	—	11	2
All other Asia	44	23	20	—	(¹)	—	4	20
Oceania, total	504	79	70	(¹)	9	—	—	425
Australia	504	79	70	(¹)	9	—	—	425
Puerto Rico and U.S. Possessions, total	528	188	—	—	43	119	27	340
Country not stated	460	460	9	—	244	130	77	—
OPEC countries, total (included above)	80	17	13	—	—	—	4	83

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources: Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Foreign tax credit computed: Before reduction for international boycott operations	Foreign tax credit computed: Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Services, total												
All geographic areas and DISC dividends, total	839	34,044,238	2,218,554	975,528	180,742	635,498	102,411	89,555	—	36,812	180,753	—
Canada	337	24,324,080	1,441,818	626,218	119,347	436,849	64,207	61,358	—	19,679	119,347	—
Latin America, total	202	25,691,740	1,542,334	680,907	138,355	496,956	83,029	63,241	—	20,012	138,355	—
Brazil	100	15,267,314	921,923	399,896	92,070	351,177	55,428	42,079	—	9,666	92,070	—
Ecuador	14	12,301,630	746,014	321,632	70,915	300,314	40,893	31,645	—	6,238	70,915	—
Mexico	103	16,830,800	1,111,737	486,560	116,102	426,293	66,355	55,031	—	14,066	116,102	—
Panama (including Canal Zone)	11	13,521,073	741,008	320,762	57,427	255,447	33,673	24,909	—	2,309	57,427	—
Venezuela	39	15,629,506	946,820	412,646	90,310	340,855	56,076	41,890	—	7,973	90,310	—
All other Latin America	56	19,776,465	1,184,603	520,350	113,657	419,822	64,756	53,677	—	16,239	113,657	—
Other Western Hemisphere, total	17	13,019,044	832,480	362,412	45,441	202,386	24,063	21,779	—	7,515	45,441	—
The Bahamas	3	5,778,804	334,608	134,662	25,435	115,284	16,091	9,344	—	—	25,435	—
Bermuda	9	7,921,267	642,845	278,295	40,790	187,331	20,506	21,162	—	2,327	40,790	—
Netherlands Antilles	7	10,402,924	449,001	186,666	25,137	117,580	17,083	7,817	—	1,069	25,137	—
All other Western Hemisphere	5	6,163,655	385,511	157,979	25,346	116,562	17,868	7,238	—	4,119	25,346	—
Europe, total	218	24,577,557	1,548,008	677,926	141,740	508,608	77,557	75,249	—	24,832	141,740	—
Austria	*11	*9,320,583	*601,299	*256,791	*63,723	*252,405	*38,071	*30,045	*—	*4,572	*63,723	*—
Belgium	25	14,069,937	880,866	382,361	95,529	344,738	50,553	50,498	—	11,433	95,529	—
Denmark	21	10,294,359	689,871	296,637	72,900	279,542	37,247	38,950	—	5,448	72,900	—
France (including Andorra)	63	17,942,678	1,103,740	483,958	110,562	421,134	64,621	54,220	—	13,284	110,562	—
Italy (including San Marino)	48	16,004,877	1,060,031	464,394	114,509	419,480	65,565	58,540	—	16,004	114,509	—
Netherlands	33	14,932,598	920,826	401,089	94,975	347,192	52,504	47,927	—	9,562	94,975	—
Spain	49	15,713,847	930,588	404,889	89,777	357,878	59,388	35,509	—	9,804	89,777	—
Sweden	16	10,392,830	592,340	252,505	59,317	244,338	33,103	29,583	—	3,047	59,317	—
Switzerland	106	15,309,149	842,762	366,378	82,439	313,379	49,063	38,723	—	7,551	82,439	—
United Kingdom	67	20,092,127	1,293,677	584,648	130,955	469,727	71,759	69,795	—	19,519	130,955	—
West Germany	48	18,347,355	1,202,187	527,786	120,729	442,289	67,618	63,044	—	20,351	120,729	—
All other Europe	53	13,901,920	919,386	400,034	83,619	324,553	51,281	37,711	—	9,043	83,619	—
Africa, total	231	20,178,153	1,206,573	529,719	114,892	432,304	81,084	63,295	—	19,119	114,892	—
Liberia	4	6,670,763	368,349	148,906	26,202	121,866	17,548	8,654	—	—	26,202	—
South Africa (including South-West Africa)	216	17,029,573	977,151	424,859	98,945	363,256	50,992	57,655	—	13,379	98,945	—
OPEC countries	24	7,276,715	460,971	190,849	32,367	142,442	23,301	9,022	—	5,740	32,367	—
All other Africa	31	14,159,048	842,395	367,053	74,588	320,199	44,708	32,862	—	4,197	74,588	—
Asia, total	252	25,170,848	1,520,212	670,337	137,836	513,465	78,742	65,873	—	29,746	137,846	—
Hong Kong	21	14,306,469	819,839	355,934	89,982	358,565	49,345	46,104	—	9,910	89,982	—
Indonesia	8	6,010,133	509,834	213,884	28,939	158,647	19,157	10,686	—	2,651	28,939	—
Japan (including Okinawa and Ryukyus)	159	18,429,806	1,110,818	485,138	93,051	371,431	58,945	39,317	—	15,114	93,061	—
Middle East countries (excluding OPEC)	63	12,531,714	732,232	315,089	51,680	246,852	33,825	18,482	—	1,979	51,680	—
OPEC countries (excluding Indonesia)	26	12,436,353	738,379	317,222	50,680	228,530	38,183	13,690	—	13,969	50,661	—
Philippines	31	13,334,122	742,112	321,121	74,868	320,415	43,459	35,728	—	5,680	74,868	—
All other Asia	37	18,061,812	1,055,096	462,969	88,968	372,719	56,143	38,526	—	9,929	88,968	—
Oceania, total	138	19,700,302	1,142,162	499,041	112,472	424,181	66,743	53,463	—	15,874	112,472	—
Australia	124	16,937,975	1,013,175	440,418	103,710	390,744	58,774	51,110	—	15,874	103,710	—
All other Oceania	51	15,509,327	895,508	388,610	79,460	329,811	52,264	32,134	—	5,240	79,460	—
Puerto Rico and U.S. Possessions, total	41	13,125,474	828,110	359,112	61,576	268,603	38,136	26,119	—	4,876	61,576	—
Country not stated	281	16,596,343	1,011,282	440,775	100,313	393,701	56,254	49,382	—	10,040	100,313	—
DISC dividends	3	6,465,136	242,270	92,095	26,438	109,542	16,805	9,634	—	—	26,438	—
OPEC countries, total (included above)	70	17,398,005	1,124,704	492,789	114,485	427,064	74,018	46,528	—	21,995	114,485	—

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total	Dividends	Dividend gross-up	Interest	Other	Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Services, total												
All geographic areas and DISC dividends, total	1,549,866	172,525	89,555	8,789	1,278,997	—	961,114	—	835,496	48,047	700	588,752
Canada	194,658	17,126	16,057	1,933	159,543	—	121,103	—	73,188	-473	105	73,556
Latin America, total	205,686	23,312	8,020	1,462	172,872	—	112,566	—	97,350	4,200	50	93,100
Brazil	30,093	4,401	1,372	154	24,166	—	17,570	—	12,704	181	-1	12,523
Ecuador	1,963	60	24	—	1,879	—	2,130	—	-167	—	—	-167
Mexico	68,208	8,565	2,356	462	56,826	—	36,501	—	33,617	1,692	18	31,707
Panama (including Canal Zone)	21,159	6,570	2,782	—	11,808	—	8,911	—	12,345	77	19	12,248
Venezuela	37,336	140	72	35	37,089	—	17,961	—	19,946	571	—	19,375
All other Latin America	46,907	3,577	1,415	811	41,104	—	29,493	—	18,905	1,479	13	17,414
Other Western Hemisphere, total	12,112	10,441	428	(¹)	1,243	—	1,562	—	16,053	5,503	—	10,550
The Bahamas	269	170	—	—	99	—	72	—	5,083	4,886	—	197
Bermuda	5,592	4,677	—	—	915	—	125	—	5,394	-73	—	5,467
Netherlands Antilles	6,058	5,594	428	—	35	—	1,215	—	5,607	764	—	4,843
All other Western Hemisphere	193	—	—	(¹)	193	—	151	—	-32	-74	—	42
Europe, total	670,795	66,489	50,320	3,889	550,097	—	407,476	—	286,819	23,172	329	263,318
Austria	*3,611	*514	*493	*—	*2,604	*—	*1,758	*—	*2,033	*173	*7	*1,853
Belgium	13,791	3,039	3,331	207	7,214	—	6,094	—	10,189	2,470	22	7,697
Denmark	7,796	517	319	236	6,725	—	4,445	—	4,680	1,329	—	3,351
France (including Andorra)	81,313	2,097	2,103	138	76,976	—	53,727	—	27,094	-525	33	27,586
Italy (including San Marino)	39,470	3,201	1,738	49	34,482	—	27,317	—	12,987	804	30	12,153
Netherlands	24,992	4,343	2,836	260	17,553	—	11,119	—	16,582	2,687	22	13,873
Spain	27,166	362	143	625	26,035	—	18,694	—	8,046	-440	14	8,472
Sweden	13,937	695	699	22	12,520	—	7,951	—	5,890	-96	1	5,985
Switzerland	15,499	4,046	2,542	226	8,686	—	7,226	—	11,585	3,251	61	8,274
United Kingdom	280,197	25,151	20,087	1,549	233,411	—	183,000	—	107,297	10,061	40	97,197
West Germany	116,815	19,092	14,556	367	82,799	—	58,762	—	61,751	3,616	82	58,053
All other Europe	46,143	3,397	1,472	210	41,064	—	27,357	—	18,647	-157	18	18,786
Africa, total	38,532	7,907	3,469	76	25,080	—	17,533	—	19,763	759	4	18,999
Liberia	2,605	2,477	135	—	-7	—	-5	—	2,611	—	—	2,611
South Africa (including South-West Africa)	23,555	5,084	3,334	54	15,083	—	10,811	—	12,750	1	4	12,744
OPEC countries	3,978	—	—	—	3,978	—	1,927	—	2,644	594	—	2,050
All other Africa	6,394	346	—	22	6,026	—	4,800	—	1,759	164	—	1,594
Asia, total	242,435	7,450	2,642	596	231,748	—	175,705	—	75,386	8,513	142	66,730
Hong Kong	12,122	4,927	661	16	6,517	—	6,093	—	6,695	666	—	6,029
Indonesia	3,986	—	—	—	3,986	—	2,880	—	1,107	—	—	1,107
Japan (including Okinawa and Ryukyus)	103,537	1,373	1,514	370	100,279	—	65,571	—	37,440	-542	16	37,967
Middle East countries (excluding OPEC)	4,609	98	—	42	4,470	—	3,413	—	1,704	392	116	1,196
OPEC countries (excluding Indonesia)	62,210	590	105	—	61,514	—	46,477	—	19,537	3,794	10	15,733
Philippines	5,519	131	85	1	5,301	—	3,426	—	2,121	27	—	2,093
All other Asia	50,452	330	275	167	49,680	—	47,646	—	6,783	4,176	—	2,606
Oceania, total	81,596	11,068	7,797	223	62,508	—	46,871	—	34,877	-52	4	34,925
Australia	70,404	9,830	6,809	183	53,782	—	40,696	—	29,532	20	4	29,508
All other Oceania	11,192	1,438	988	40	8,726	—	5,775	—	5,345	-72	1	5,417
Puerto Rico and U.S. Possessions, total	12,674	—	—	359	12,315	—	9,117	—	3,657	101	—	3,556
Country not stated	69,453	4,837	774	251	63,591	—	63,372	—	10,470	4,324	65	6,081
DISC dividends	23,944	23,896	49	—	—	—	6,007	—	17,937	—	—	17,937
OPEC countries, total (included above)	109,472	790	201	35	108,446	—	71,374	—	43,086	4,959	10	38,087

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued: Foreign taxes paid or accrued and deemed paid before reduction: Total	Paid or accrued: Total	Tax withheld at source on: Dividends	Interest	Rents, royalties and license fees	Other taxes paid or accrued on: Branch income	Other income	Deemed paid
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Services, total								
All geographic areas and DISC dividends, total	191,966	102,411	13,399	762	39,202	19,356	29,892	89,555
Canada	25,440	9,383	1,733	204	4,914	163	2,368	16,057
Latin America, total	40,463	32,442	2,937	181	10,752	5,310	13,282	8,020
Brazil	5,974	4,602	561	26	3,341	84	589	1,372
Ecuador	161	137	6	—	130	—	—	24
Mexico	10,980	8,624	1,825	113	2,423	1,672	2,591	2,356
Panama (including Canal Zone)	3,077	295	—	—	295	—	—	2,782
Venezuela	11,659	11,587	32	5	235	1,869	9,446	72
All other Latin America	8,612	7,197	513	36	4,327	1,686	635	1,415
Other Western Hemisphere, total	605	177	—	—	—	1	175	428
The Bahamas	—	—	—	—	—	—	—	—
Bermuda	—	—	—	—	—	—	—	—
Netherlands Antilles	603	175	—	—	—	—	175	428
All other Western Hemisphere	1	1	—	—	—	1	—	—
Europe, total	75,835	25,516	5,709	184	9,237	7,123	3,262	50,320
Austria	*636	*143	*84	*—	*79	*—	*—	*493
Belgium	3,940	610	444	21	11	11	122	3,331
Denmark	589	270	30	—	6	200	33	319
France (including Andorra)	4,580	2,476	128	13	364	1,606	365	2,103
Italy (including San Marino)	3,464	1,725	243	3	32	1,306	141	1,738
Netherlands	3,999	1,162	353	—	28	781	—	2,836
Spain	1,988	1,845	51	128	1,447	182	37	143
Sweden	779	80	80	—	—	—	—	699
Switzerland	2,849	307	291	15	—	(¹)	—	2,542
United Kingdom	30,767	10,680	1,001	4	7,189	1,722	765	20,087
West Germany	19,148	4,591	2,880	—	-18	1,282	446	14,556
All other Europe	3,098	1,626	143	—	98	33	1,352	1,472
Africa, total	6,009	2,539	711	4	1,033	214	577	3,469
Liberia	206	70	67	—	—	—	4	135
South Africa (including South-West Africa)	4,663	1,329	645	4	373	—	307	3,334
OPEC countries	918	918	—	—	579	208	130	—
All other Africa	223	223	—	—	81	5	137	—
Asia, total	24,359	21,717	246	49	8,722	8,030	6,669	2,642
Hong Kong	869	208	—	2	76	130	—	661
Indonesia	838	838	—	—	154	—	684	—
Japan (including Okinawa and Ryukyus)	11,269	9,754	132	37	6,491	2,322	772	1,514
Middle East countries (excluding OPEC)	318	318	24	10	182	55	46	—
OPEC countries (excluding Indonesia)	6,507	6,401	—	—	-39	1,690	4,750	105
Philippines	750	665	11	(¹)	284	106	263	85
All other Asia	3,809	3,533	79	—	1,573	1,727	155	275
Oceania, total	14,581	6,785	1,495	19	3,669	86	1,515	7,797
Australia	12,358	5,549	1,413	14	3,418	74	630	6,809
All other Oceania	2,223	1,235	82	5	251	12	885	988
Puerto Rico and U.S. Possessions, total	1,610	1,610	50	108	351	118	983	—
Country not stated	3,013	2,239	513	13	524	310	880	774
DISC dividends	53	4	4	—	—	—	—	49
OPEC countries, total (included above)	20,082	19,881	38	5	1,060	3,768	15,010	201

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources: Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Foreign tax credit computed: Before reduction for international boycott operations	Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Business services												
All geographic areas and DISC dividends, total	341	8,818,650	723,820	324,269	90,378	242,460	41,135	55,280	—	20,470	90,388	—
Canada	224	6,592,878	498,698	223,073	60,252	162,345	24,023	42,010	—	10,787	60,252	—
Latin America, total	137	5,926,605	407,131	183,093	67,712	169,888	34,326	41,141	—	10,658	67,712	—
Brazil	77	3,387,944	259,204	116,535	43,055	108,840	19,618	28,400	—	9,059	43,055	—
Ecuador	3	505,166	65,464	30,045	15,075	33,265	2,471	14,179	—	2,609	15,075	—
Mexico	64	2,498,772	269,962	121,902	52,939	127,688	20,119	37,928	—	9,576	52,939	—
Venezuela	17	2,058,503	182,102	82,542	42,737	102,317	22,127	27,847	—	5,977	42,737	—
All other Latin America	15	3,528,727	247,823	112,563	44,256	99,232	17,335	31,761	—	8,296	44,256	—
Other Western Hemisphere, total	7	1,316,519	91,893	41,826	12,950	31,387	2,722	10,706	—	1,216	12,950	—
Bermuda	5	399,183	84,085	38,386	11,481	27,493	1,323	10,637	—	1,216	11,481	—
Europe, total	62	6,095,308	412,125	186,679	64,570	163,920	25,114	48,453	—	12,971	64,570	—
Austria	*7	*760,950	*113,356	*52,018	*24,844	*55,438	*9,569	*17,667	*—	*4,572	*24,844	*—
Belgium	18	2,327,851	246,876	111,901	49,054	114,547	17,758	36,819	—	11,433	49,054	—
Denmark	*11	*1,097,126	*124,887	*56,536	*30,043	*67,448	*9,263	*24,078	*—	*5,448	*30,043	*—
France (including Andorra)	35	3,466,520	260,559	117,870	43,101	110,345	19,267	28,468	—	10,401	43,101	—
Italy (including San Marino)	24	2,791,031	270,345	122,865	49,467	118,790	20,409	35,647	—	9,512	49,467	—
Netherlands	19	2,119,191	234,244	106,534	46,991	111,588	18,210	33,884	—	9,562	46,991	—
Spain	13	1,703,265	144,549	65,055	32,019	78,750	17,168	19,323	—	5,767	32,019	—
Sweden	*10	*1,722,006	*95,833	*43,890	*19,985	*45,514	*6,226	*17,085	*—	*3,044	*19,985	*—
Switzerland	15	3,081,573	202,752	92,683	36,538	88,405	17,000	24,131	—	6,441	36,538	—
United Kingdom	37	3,920,642	337,536	152,873	58,985	145,287	22,904	43,348	—	11,940	58,985	—
West Germany	27	3,643,468	291,069	132,017	53,600	128,336	21,039	39,772	—	11,121	53,600	—
All other Europe	26	1,395,354	170,700	77,396	32,979	77,294	13,015	23,653	—	7,374	32,979	—
Africa, total	93	4,368,689	266,294	120,500	45,978	113,216	15,359	36,371	—	9,739	45,978	—
South Africa (including South-West Africa)	90	4,202,490	254,073	115,078	43,916	108,227	13,752	35,973	—	8,957	43,916	—
All other Africa	4	714,388	76,425	34,950	17,788	39,185	4,441	15,482	—	3,610	17,788	—
Asia, total	182	6,116,570	386,524	173,295	58,987	160,742	24,724	36,951	—	18,038	58,998	—
Hong Kong	10	1,824,603	160,895	73,180	31,631	74,011	7,408	29,404	—	6,662	31,631	—
Japan (including Okinawa and Ryukyus)	120	4,890,730	283,325	126,961	39,877	114,696	20,984	23,305	—	7,867	39,887	—
Middle East countries (excluding OPEC)	*51	*735,532	*33,910	*14,195	*4,269	*13,243	*1,568	*3,503	*—	*1,237	*4,269	*—
OPEC countries (excluding Indonesia)	*10	*759,539	*32,147	*14,089	*5,365	*19,313	*2,810	*727	*—	*7,418	*5,366	*—
Philippines	*7	*1,335,196	*67,955	*31,134	*17,148	*39,193	*2,856	*15,417	*—	*2,700	*17,148	*—
All other Asia	*17	*1,342,071	*95,854	*43,755	*23,339	*59,091	*10,065	*18,001	*—	*4,044	*23,339	*—
Oceania, total	83	4,534,111	257,978	116,272	47,039	117,305	20,459	34,147	—	9,147	47,039	—
Australia	75	4,228,052	239,390	107,916	43,160	107,388	17,372	31,795	—	9,147	43,160	—
All other Oceania	15	2,429,731	143,940	65,867	22,589	51,632	10,908	15,948	—	5,240	22,589	—
Puerto Rico and U.S. Possessions, total	9	1,329,371	98,203	44,314	15,398	39,984	4,781	13,270	—	3,706	15,398	—
Country not stated	21	1,638,645	170,735	77,190	29,002	69,431	10,195	20,643	—	5,574	29,002	—
OPEC countries, total (included above)	23	2,242,901	202,524	91,458	46,860	112,418	22,540	28,441	—	13,957	46,860	—

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total	Dividends	Dividend gross-up	Interest	Other	Oil and gas extraction gross income (less loss)	Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income	Taxable income (less loss) before loss recapture: Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Business services												
All geographic areas and DISC dividends, total	365,855	82,405	55,280	5,225	222,944	—	153,727	—	242,460	29,851	680	212,128
Canada	46,341	10,271	8,713	994	26,363	—	14,446	—	32,893	893	105	31,895
Latin America, total	68,794	11,591	3,939	1,277	51,988	—	31,855	—	39,442	2,472	30	38,940
Brazil	4,234	867	482	149	2,735	—	2,347	—	2,247	361	-1	1,887
Ecuador	248	60	24	—	165	—	121	—	128	—	—	128
Mexico	25,811	8,565	2,356	456	14,435	—	11,454	—	14,423	47	18	14,357
Venezuela	30,922	140	72	35	30,675	—	14,327	—	17,688	1,093	—	16,595
All other Latin America	7,381	1,949	1,000	637	3,794	—	3,429	—	4,936	971	13	3,952
Other Western Hemisphere, total	6,543	6,059	—	(1)	483	—	1,090	—	5,452	—	—	5,452
Bermuda	5,160	4,677	—	—	483	—	37	—	5,123	—	—	5,123
Europe, total	115,456	44,245	37,026	2,296	31,889	—	30,000	—	103,810	18,025	329	85,456
Austria	*1,086	*514	*493	*—	*79	*—	*280	*—	*1,090	*276	*7	*807
Belgium	6,176	2,950	3,200	203	-178	—	957	—	7,069	1,827	22	5,219
Denmark	*2,475	*338	*195	*236	*1,706	*—	*1,681	*—	*2,123	*1,329	*—	*794
France (including Andorra)	9,763	1,407	1,403	108	6,844	—	1,572	—	8,708	484	33	8,190
Italy (including San Marino)	6,574	2,899	1,579	15	2,081	—	1,683	—	5,435	515	30	4,891
Netherlands	9,368	3,576	2,824	256	2,712	—	1,284	—	10,910	2,804	22	8,085
Spain	1,126	310	143	92	580	—	281	—	1,024	164	14	845
Sweden	*562	*232	*246	*22	*61	*—	*179	*—	*383	*—	*1	*382
Switzerland	8,045	3,899	2,518	5	1,623	—	2,136	—	9,239	3,269	61	5,909
United Kingdom	41,979	16,749	16,847	902	7,481	—	14,368	—	31,649	3,998	40	27,612
West Germany	21,518	8,478	6,575	247	6,218	—	5,001	—	19,597	2,998	82	16,517
All other Europe	6,749	2,656	1,001	210	2,681	—	576	—	6,552	361	18	6,173
Africa, total	12,205	3,190	1,978	50	6,986	—	5,588	—	7,753	1,133	4	6,616
South Africa (including South-West Africa)	9,432	3,190	1,978	29	4,235	—	3,244	—	6,281	88	4	6,189
All other Africa	2,773	—	—	22	2,751	—	2,345	—	839	411	—	428
Asia, total	62,527	1,640	1,346	225	59,315	—	32,760	—	38,010	8,101	142	29,767
Hong Kong	943	521	144	16	262	—	273	—	669	—	—	669
Japan (including Okinawa and Ryukyus)	48,714	680	911	129	44,995	—	26,645	—	22,256	2,170	16	20,070
Middle East countries (excluding OPEC)	*881	*96	*—	*41	*743	*—	*336	*—	*662	*—	*116	*545
OPEC countries (excluding Indonesia)	*10,125	*—	*—	*—	*10,125	*—	*3,611	*—	*7,142	*617	*10	*6,514
Philippines	*442	*12	*16	*1	*414	*—	*9	*—	*434	*—	*—	*434
All other Asia	*3,417	*330	*275	*38	*2,773	*—	*1,885	*—	*4,845	*3,313	*—	*1,532
Oceania, total	22,019	2,870	2,279	214	16,856	—	13,271	—	9,245	493	4	8,748
Australia	16,464	2,287	2,022	183	11,973	—	10,151	—	6,793	476	4	6,313
All other Oceania	5,555	383	257	31	4,884	—	3,120	—	2,453	17	1	2,435
Puerto Rico and U.S. Possessions, total	8,620	—	—	—	8,620	—	6,783	—	2,032	194	—	1,838
Country not stated	23,350	2,738	—	168	20,444	—	17,932	—	5,824	341	65	5,418
OPEC countries, total (included above)	41,299	200	96	35	40,969	—	18,059	—	25,593	2,343	10	23,240

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued: Foreign taxes paid or accrued and deemed paid before reduction: Total	Paid or accrued: Total	Tax withheld at source on: Dividends	Tax withheld at source on: Interest	Tax withheld at source on: Rents, royalties and license fees	Other taxes paid or accrued on: Branch income	Other taxes paid or accrued on: Other income	Deemed paid
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Business services								
All geographic areas and DISC dividends, total	96,415	41,135	7,457	330	4,098	11,574	17,676	55,280
Canada	11,350	2,637	686	94	785	—	1,092	8,713
Latin America, total	18,370	14,431	2,430	147	391	1,779	9,684	3,939
Brazil	736	254	154	26	—	—	74	482
Ecuador	35	11	6	—	5	—	—	24
Mexico	5,609	3,254	1,825	111	224	609	485	2,356
Venezuela	9,830	9,758	32	5	19	719	8,984	72
All other Latin America	2,147	1,147	413	4	137	450	142	1,000
Other Western Hemisphere, total	170	170	—	—	—	—	170	—
Bermuda	—	—	—	—	—	—	—	—
Europe, total	48,045	11,019	3,290	38	240	5,240	2,211	37,026
Austria	*557	*64	*64	*—	*—	*—	*—	*493
Belgium	3,785	585	431	21	11	—	122	3,200
Denmark	*450	*254	*21	*—	*—	*200	*33	*195
France (including Andorra)	3,434	2,031	93	11	82	1,606	239	1,403
Italy (including San Marino)	3,206	1,626	228	3	69	1,185	141	1,579
Netherlands	3,804	981	179	—	26	776	—	2,824
Spain	416	272	51	—	52	150	19	143
Sweden	*273	*26	*26	*—	*—	*—	*—	*246
Switzerland	2,805	287	287	—	—	—	—	2,518
United Kingdom	17,581	733	693	4	—	37	—	16,847
West Germany	9,354	2,778	1,177	—	—	1,282	319	6,575
All other Europe	2,381	1,380	39	—	—	3	1,338	1,001
Africa, total	2,778	800	479	2	6	196	118	1,978
South Africa (including South-West Africa)	2,464	486	479	2	6	—	—	1,978
All other Africa	118	118	—	—	—	—	118	—
Asia, total	10,200	8,854	173	25	2,497	3,981	2,178	1,346
Hong Kong	146	2	—	2	—	—	—	144
Japan (including Okinawa and Ryukyus)	6,448	5,537	68	13	2,433	2,251	772	911
Middle East countries (excluding OPEC)	*97	*97	*24	*10	*16	*—	*46	*—
OPEC countries (excluding Indonesia)	*1,517	*1,517	*—	*—	*—	*462	*1,055	*—
Philippines	*174	*158	*2	*(¹)	*(¹)	*—	*156	*16
All other Asia	*1,819	*1,543	*79	*—	*47	*1,269	*148	*275
Oceania, total	4,061	1,762	350	18	189	—	1,224	2,279
Australia	2,920	899	340	14	153	—	393	2,022
All other Oceania	1,141	883	10	5	37	—	831	257
Puerto Rico and U.S. Possessions, total	1,074	1,074	50	—	7	97	920	—
Country not stated	368	368	(¹)	6	2	282	79	—
OPEC countries, total (included above)	11,578	11,482	38	5	23	1,377	10,039	96

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Number of returns	Total assets	Income and taxes from all sources: Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes	Carryover	Foreign tax credit computed: Before reduction for international boycott operations	Foreign tax credit computed: Reduction for international boycott operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
All other services												
All geographic areas and DISC dividends, total	498	25,225,588	1,494,735	651,239	90,365	393,039	61,276	34,275	—	16,342	90,365	—
Canada	113	17,731,202	943,120	403,145	59,094	274,504	40,183	19,348	—	8,893	59,094	—
Latin America, total	65	19,765,136	1,135,202	497,814	70,644	327,068	48,703	22,100	—	9,354	70,644	—
Brazil	23	11,879,370	662,719	283,361	49,016	242,337	35,810	13,679	—	607	49,018	—
Ecuador	11	11,796,464	680,551	291,587	55,840	267,048	38,422	17,466	—	3,629	55,840	—
Mexico	39	14,332,028	841,775	364,658	83,163	298,605	46,237	17,103	—	4,491	83,163	—
Panama (including Canal Zone)	9	13,143,647	700,404	302,133	46,631	231,499	31,552	15,058	—	21	46,831	—
Venezuela	22	13,571,004	764,718	330,103	47,573	238,539	33,949	14,043	—	1,997	47,573	—
All other Latin America	41	16,247,738	936,780	407,787	69,401	320,590	47,421	21,916	—	7,943	69,401	—
Other Western Hemisphere, total	10	11,702,525	740,587	320,584	32,491	171,019	21,341	11,073	—	6,299	32,491	—
Bermuda	4	7,522,084	558,780	237,909	29,309	159,838	19,184	10,525	—	1,111	29,309	—
Netherlands Antilles	6	9,562,483	448,223	186,327	24,863	116,802	16,860	7,767	—	1,069	24,863	—
All other Western Hemisphere	4	6,086,760	378,481	154,876	24,151	113,466	16,691	7,219	—	4,119	24,151	—
Europe, total	156	18,482,248	1,135,883	491,247	77,170	344,688	52,444	28,796	—	11,860	77,170	—
Austria	4	8,559,632	487,943	204,774	38,880	196,967	26,502	12,378	—	—	38,880	—
Belgium	7	11,742,085	633,990	270,460	46,475	230,192	32,796	13,679	—		46,475	—
Denmark	*11	*9,197,233	*564,963	*240,101	*42,857	*212,094	*27,984	*14,873	*—	*—	*42,857	*—
France (including Andorra)	28	14,476,159	843,181	368,088	87,460	310,789	45,355	25,752	—	2,883	87,460	—
Italy (including San Marino)	24	13,213,846	789,685	341,529	65,042	300,690	45,156	22,893	—	6,492	65,042	—
Netherlands	14	12,813,408	686,582	294,555	47,984	235,604	34,295	14,043	—	—	47,984	—
Spain	36	14,010,582	786,039	339,834	57,758	279,127	42,220	16,186	—	4,037	57,758	—
Sweden	6	8,670,823	496,507	208,616	39,332	198,824	26,876	12,498	—	4	39,332	—
Switzerland	*91	*12,227,575	*640,010	*273,694	*45,901	*224,974	*32,063	*14,592	*—	*1,111	*45,901	*—
United Kingdom	50	16,171,285	956,141	411,774	71,970	324,440	48,855	26,448	—	7,580	71,970	—
West Germany	21	14,703,886	911,118	395,768	67,129	313,954	46,580	23,272	—	9,230	67,129	—
All other Europe	26	12,506,565	748,686	322,638	50,840	247,259	38,265	14,058	—	1,669	50,840	—
Africa, total	138	15,809,464	940,279	409,219	88,913	319,089	45,725	28,924	—	9,380	88,913	—
Liberia	4	6,670,763	368,349	148,905	26,202	121,866	17,548	8,654	—	—	26,202	—
South Africa (including South-West Africa)	126	12,827,083	723,077	309,781	55,029	255,028	37,240	21,682	—	4,422	55,029	—
OPEC countries	22	7,184,716	451,723	186,776	30,400	137,635	21,789	8,624	—	4,958	30,400	—
All other Africa	27	13,444,560	765,970	332,104	56,800	281,013	40,267	17,381	—	586	56,800	—
Asia, total	70	19,054,278	1,133,688	497,042	78,648	352,723	54,018	28,922	—	11,710	78,648	—
Hong Kong	11	12,481,866	656,944	282,754	58,351	284,554	41,937	16,700	—	3,248	58,351	—
Indonesia	7	5,966,912	504,940	21,162	28,674	157,621	16,978	10,459	—	2,432	28,674	—
Japan (including Okinawa and Ryukyus)	39	13,539,076	827,493	358,176	53,173	258,736	37,961	16,012	—	7,246	53,173	—
Middle East countries (excluding OPEC)	12	11,796,182	698,321	300,894	47,410	233,609	32,257	14,979	—	742	47,410	—
OPEC countries (excluding Indonesia)	16	11,676,814	706,231	303,133	45,295	209,217	33,373	12,963	—	8,551	45,295	—
Philippines	24	11,898,926	674,157	289,987	57,719	281,221	40,603	20,311	—	2,980	57,719	—
All other Asia	20	16,719,741	959,241	419,214	65,628	313,626	46,079	20,525	—	5,885	65,628	—
Oceania, total	56	15,186,191	884,184	382,769	65,433	306,876	46,284	19,317	—	6,727	65,433	—
Australia	49	12,709,923	773,785	332,501	60,550	283,356	41,403	19,315	—	6,727	60,550	—
All other Oceania	36	13,079,596	751,568	322,743	56,871	278,178	41,356	16,186	—	—	56,871	—
Puerto Rico and U.S. Possessions, total	32	11,796,103	729,907	314,798	48,178	228,619	33,356	12,849	—	1,171	48,178	—
Country not stated	260	14,957,697	840,548	363,585	71,311	324,271	46,059	28,739	—	4,486	71,311	—
DISC dividends	3	8,465,136	242,270	92,095	28,438	109,542	18,805	9,634	—	—	28,438	—
OPEC countries, total (included above)	47	15,155,104	922,180	401,331	67,625	314,647	51,478	18,087	—	8,038	67,625	—

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country: Gross income (less loss) excluding branch operations and specially allocable income: Total (13)	Dividends (14)	Dividend gross-up (15)	Interest (16)	Other (17)	Oil and gas extraction gross income (less loss) (18)	Deductions other than from branch operations and specially allocable income (19)	Deductions from oil and gas extraction income (20)	Taxable income (less loss) before loss recapture: Total (21)	Foreign branch income (22)	Specially allocable income (Section 863(B)) (23)	Other than from branch operations and specially allocable income (24)
All other services												
All geographic areas and DISC dividends, total	1,184,011	90,119	34,275	3,564	1,056,053	—	807,387	—	393,039	18,396	19	376,624
Canada	148,317	6,655	7,344	939	133,180	—	106,656	—	40,295	-1,366	—	41,861
Latin America, total	136,872	11,721	4,081	185	120,885	—	80,711	—	57,909	1,728	19	56,161
Brazil	25,860	3,534	890	5	21,431	—	15,223	—	10,457	-179	—	10,637
Ecuador	1,714	—	—	—	1,714	—	2,010	—	-295	—	—	-295
Mexico	42,397	—	—	6	42,391	—	25,047	—	19,195	1,844	—	17,351
Panama (including Canal Zone)	20,961	6,560	2,777	—	11,624	—	8,734	—	12,324	77	19	12,227
Venezuela	6,414	—	—	—	6,414	—	3,634	—	2,258	-522	—	2,780
All other Latin America	39,526	1,627	415	174	37,310	—	26,064	—	13,970	508	—	13,462
Other Western Hemisphere, total	5,569	4,382	428	—	759	—	472	—	10,601	5,503	—	5,098
Bermuda	431	—	—	—	431	—	88	—	271	-73	—	344
Netherlands Antilles	4,645	4,382	428	—	35	—	161	—	5,448	764	—	4,684
All other Western Hemisphere	193	—	—	—	193	—	151	—	-32	-74	—	42
Europe, total	555,339	22,244	13,294	1,593	518,208	—	377,477	—	183,009	5,147	—	177,862
Austria	2,525	—	—	—	2,525	—	1,478	—	943	-103	—	1,046
Belgium	7,616	89	130	4	7,392	—	5,137	—	3,121	642	—	2,478
Denmark	*5,321	*179	*124	*—	*5,019	*—	*2,764	*—	*2,557	*—	*—	*2,557
France (including Andorra)	71,551	689	700	30	70,131	—	52,155	—	18,386	-1,009	—	19,395
Italy (including San Marino)	32,897	303	159	34	32,401	—	25,634	—	7,552	290	—	7,262
Netherlands	15,624	767	13	4	14,841	—	9,835	—	5,672	-117	—	5,789
Spain	26,040	52	—	533	25,455	—	18,413	—	7,022	-605	—	7,627
Sweden	13,375	462	453	—	12,460	—	7,772	—	5,507	-96	—	5,603
Switzerland	*7,455	*146	*24	*221	*7,064	*—	*5,089	*—	*2,347	*-18	*—	*2,365
United Kingdom	238,216	8,402	3,239	647	225,929	—	168,633	—	75,648	6,063	—	69,585
West Germany	95,297	10,614	7,981	121	76,581	—	53,761	—	42,154	618	—	41,536
All other Europe	39,394	541	470	—	38,383	—	26,781	—	12,095	-518	—	12,613
Africa, total	24,327	4,717	1,492	25	18,094	—	11,944	—	12,010	-374	—	12,383
Liberia	2,605	2,477	135	—	-7	—	-5	—	2,611	—	—	2,611
South Africa (including South-West Africa)	14,123	1,893	1,356	25	10,648	—	7,567	—	6,469	-87	—	6,556
OPEC countries	3,978	—	—	—	3,978	—	1,927	—	2,011	-39	—	2,050
All other Africa	3,622	346	—	—	3,275	—	2,455	—	919	-247	—	1,168
Asia, total	179,909	5,809	1,296	371	172,433	—	142,945	—	39,376	2,412	—	38,964
Hong Kong	11,179	4,407	517	—	6,255	—	5,820	—	6,025	666	—	5,359
Indonesia	3,983	—	—	—	3,983	—	2,879	—	1,104	—	—	1,104
Japan (including Okinawa and Ryukyus)	56,823	693	604	241	55,285	—	38,926	—	15,184	-2713	—	17,697
Middle East countries (excluding OPEC)	3,728	—	—	1	3,727	—	3,078	—	1,042	392	—	650
OPEC countries (excluding Indonesia)	52,084	590	105	—	51,388	—	42,866	—	12,395	3,176	—	9,219
Philippines	5,076	119	70	—	4,888	—	3,417	—	1,687	27	—	1,660
All other Asia	47,036	—	—	129	46,907	—	45,961	—	1,938	863	—	1,074
Oceania, total	59,576	8,398	5,518	9	45,652	—	33,400	—	25,632	-545	—	26,177
Australia	53,940	7,343	4,787	—	41,810	—	30,744	—	22,739	-456	—	23,195
All other Oceania	5,637	1,055	731	9	3,842	—	2,856	—	2,893	-69	—	2,981
Puerto Rico and U.S. Possessions, total	4,053	—	—	359	3,695	—	2,335	—	1,625	-94	—	1,718
Country not stated	46,103	2,099	774	63	43,149	—	45,440	—	4,646	3,983	—	663
DISC dividends	23,944	23,896	49	—	—	—	6,007	—	17,937	*—	—	17,937
OPEC countries, total (included above)	68,173	590	105	—	67,477	—	53,315	—	17,473	2,615	—	14,858

Footnotes at end of table.

Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Major Industry and by Selected Country to which Foreign Taxes were Paid — Continued

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

Selected major industry and selected country and DISC dividends	Income and taxes from specific geographic area or country — Continued: Foreign taxes paid or accrued and deemed paid before reduction: Total (25)	Paid or accrued: Total (26)	Tax withheld at source on: Dividends (27)	Interest (28)	Rents, royalties and license fees (29)	Other taxes paid or accrued on: Branch income (30)	Other income (31)	Deemed paid (32)
All other services								
All geographic areas and DISC dividends, total	95,551	61,276	5,942	432	35,104	7,782	12,016	34,275
Canada	14,090	6,746	1,047	111	4,149	163	1,276	7,344
Latin America, total	22,092	18,011	507	34	10,361	3,531	3,577	4,081
Brazil	5,237	4,348	407	(1)	3,341	84	515	890
Ecuador	126	126	—	—	126	—	—	—
Mexico	5,371	5,371	—	2	2,199	1,063	2,107	—
Panama (including Canal Zone)	3,065	288	—	—	288	—	—	2,777
Venezuela	1,829	1,829	—	—	216	1,150	462	—
All other Latin America	6,465	6,050	100	32	4,190	1,235	493	415
Other Western Hemisphere, total	434	6	—	—	—	1	5	428
Bermuda	—	—	—	—	—	—	—	—
Netherlands Antilles	433	5	—	—	—	—	5	428
All other Western Hemisphere	1	1	—	—	—	1	—	—
Europe, total	27,790	14,496	2,419	146	6,997	1,884	1,051	13,294
Austria	79	79	—	—	79	—	—	—
Belgium	155	24	13	—	(1)	11	—	130
Denmark	*139	*16	*9	*—	*6	*—	*—	*124
France (including Andorra)	1,145	445	35	3	282	—	126	700
Italy (including San Marino)	258	99	15	—	-37	121	—	159
Netherlands	194	181	174	—	2	5	—	13
Spain	1,573	1,573	—	128	1,394	32	18	—
Sweden	506	53	53	—	—	—	—	453
Switzerland	*44	*19	*4	*15	*—	*(1)	*—	*24
United Kingdom	13,186	9,947	308	—	7,189	1,685	765	3,239
West Germany	9,794	1,813	1,703	—	-18	—	127	7,981
All other Europe	716	246	104	—	98	30	14	470
Africa, total	3,231	1,739	233	3	1,027	18	459	1,492
Liberia	206	70	67	—	—	—	4	135
South Africa (including South-West Africa)	2,199	842	166	3	367	—	307	1,356
OPEC countries	722	722	—	—	579	12	130	—
All other Africa	104	104	—	—	81	5	18	—
Asia, total	14,159	12,883	74	24	6,225	2,049	4,492	1,296
Hong Kong	723	206	—	—	76	130	—	517
Indonesia	838	838	—	—	154	—	684	—
Japan (including Okinawa and Ryukyus)	4,821	4,218	65	24	4,058	71	—	604
Middle East countries (excluding OPEC)	221	221	—	(1)	166	55	(1)	—
OPEC countries (excluding Indonesia)	4,990	4,884	—	—	-39	1,228	3,695	105
Philippines	576	506	9	—	284	106	107	70
All other Asia	1,990	1,990	—	—	1,525	459	6	—
Oceania, total	10,521	5,003	1,146	(1)	3,480	86	291	5,518
Australia	9,438	4,651	1,074	—	3,266	74	237	4,787
All other Oceania	1,063	352	72	(1)	214	12	54	731
Puerto Rico and U.S. Possessions, total	536	536	—	108	344	22	63	—
Country not stated	2,845	1,871	513	7	522	28	801	774
DISC dividends	53	4	4	—	—	—	—	49
OPEC countries, total (included above)	8,504	8,398	—	—	1,037	2,391	4,971	105

*Estimate should be used with caution because of the small number of sample returns on which it is based.
[1]Less than $500 per return.
NOTE: The data in columns 1-12 pertain to the total activity of the taxpayer with income or taxes attributable to a particular country. Since many taxpayers have income or taxes attributable to more than one country, the data in these columns are not additive to any meaningful totals. In a few instances foreign tax credit claimed may be slightly larger than foreign tax credit computed due to the tolerances allowed in computer testing the unweighted data for inconsistencies. Detail may not add to total because of rounding or detail is incomplete to avoid disclosure of information for specific taxpayers.

Contents

The term "controlled foreign corporation" was first used in Public Law 86-780 enacted in 1960. It applied to foreign corporations established outside the United States whose stock was more than 50 percent controlled by U.S. persons. Two years later, certain activities engaged in by these corporations became subject to U.S. taxation for the first time. Summary discussions of these corporations are presented in two papers contained in Section 1 of this compendium. These papers are entitled "Statistics of Income Studies of International Income and Taxes: An Overview (page 3) and A Brief Description of the Studies (page 9)."

The present section provides a detailed discussion of these foreign corporations by reprinting two previously published Statistics of Income Bulletin articles. The section also contains two supplemental tables showing Tax Year 1980 data for these foreign corporations controlled by U.S. corporations. These tables have not previously been published. Table 1 shows data cross-classified by the industries of the U.S. parent corporations and the countries of incorporation of the Controlled Foreign Corporations. Table 2 presents data for Controlled Foreign Corporations classified by their industrial activity and the countries where they were incorporated.

The reader is also referred to Section 15 of this compendium containing copies of selected tax forms and instructions. The information provided about Controlled Foreign Corporations in this compendium is based on the tax forms and instructions listed below:

* Form 1120, U.S. Corporation Income Tax Return, and Instructions (page 459)

* Form 2952, Information Return with Respect to Controlled Foreign Corporation, and Instructions (page 489)

* Form 3646, Income from Controlled Foreign Corporation (page 494)

* Form 5471, Information Return with Respect to a Foreign Corporation (page 497)

* Schedule M (Form 5471), Foreign Corporation Controlled by a United States Person (page 505)

* Schedule N (Form 5471), Foreign Personal Holding Company (page 505)

* Schedule O (Form 5471), Organization or Reorganization of Foreign Corporation, and Acquisitions and Dispositions of Its Stock (page 506)

Form 5471 and related schedules are effective for Tax Year 1982 and have replaced Forms 2952 and 3646. The data contained in this compendium are based on information filed on Forms 2952 and 3646 associated with Forms 1120 for Tax Year 1980.

Controlled Foreign Corporations, 1980

By Arthur Gianelos and William Sutton*

For 1980, the total assets of 35,471 Controlled Foreign Corporations passed the half trillion dollar mark, reaching $508 billion [1]. From these investments in foreign subsidiary corporations, $699 billion of business receipts and $47.6 billion of pre-tax earnings and profits were generated. Taxes paid to foreign countries by these foreign subsidiaries totaled $16.4 billion. Nearly 45 percent ($13.6 billion) of the $31.2 billion of after-tax earnings and profits were paid to stockholders as dividends. U.S. corporations, as majority stockholders, received most ($10.7 billion) of these dividend payments.

The relatively few domestic corporations (4,799) controlling these foreign subsidiaries tended to be large companies. Although representing less than two-tenths of one percent of all domestic corporations, they accounted for 45 percent of the total assets, 43 percent of the business receipts, and 58 percent of the net income of all the 2.7 million domestic corporations, as shown in Figure A.

EVOLUTION OF CONTROLLED FOREIGN CORPORATIONS

After World War II, corporations were encouraged to invest overseas for both economic and political reasons. The Marshall Plan, for instance, was a program which extended economic aid to European countries (and increased exports by U.S. companies) in order to accelerate their economic recovery. Additionally, as a means of developing their economies, Western European nations and developing countries lured foreign investments through various kinds of commercial and industrial concessions. Most of the U.S. products exported and most foreign investments came from large American corporations. The selling of products overseas was frequently a prelude to foreign investment. Once the foreign market was explored and penetrated via exports the next step was to set up a branch or a subsidiary. The former required establishing a place of business in a foreign country while the latter required establishing legal residence through incorporation in the country.

Figure A.--Domestic Corporation Returns and Controlled Foreign Corporations (CFC's), Selected Items, 1980

[Money amounts are in millions of dollars]

Selected items	Domestic corporation returns: All	Domestic corporation returns: With Controlled Foreign Corporations	Controlled Foreign Corporations
Number of returns/CFC's	2,710,538	4,799	35,471
Total assets	7,617,238	3,430,444	508,032
Business receipts	5,731,616	2,437,191	699,003
Net income (less deficit)	239,007	137,638	N/A
Current earnings and profits (less losses), before taxes of CFC's	N/A	N/A	47,622
Foreign income taxes of CFC's, net	N/A	N/A	16,440
Dividends received from all foreign corporations	14,563	14,173	N/A
Dividends paid to domestic parent corporations by CFC's on stock, directly or indirectly held	N/A	N/A	10,652

N/A = Not Applicable

*Foreign Returns Analysis Section. Prepared under the direction of Jim Hobbs, Chief.

Foreign operations began to expand overseas in various countries for many reasons [2]. Lower labor and transportation costs, market accessibility and sources of supply, the political and economic climate, stability of the currency, modern transportation and communication facilities were surely some of the reasons.

Prior to 1960, U.S. corporations were not required to file information on foreign corporations. They were also able to defer payment of U.S. tax on all foreign profits because the income earned by foreign corporations was not taxed by the U.S. Government until repatriated to the U.S. parents, usually in the form of dividends. This postponement of tax added further impetus to the economic reasons for establishing foreign subsidiaries.

Public Law 86-780 was passed in 1960 to obtain information on these foreign holdings. It required a domestic corporation to furnish, as part of its tax return, information on any foreign subsidiaries it directly controlled (i.e., tier-one subsidiaries) and any foreign subsidiaries controlled by these directly-controlled foreign corporations (i.e., tier-two subsidiaries) [3]. Control was defined as direct or indirect ownership of stock having more than 50 percent of the combined voting power of all classes of stock. These foreign corporations became known as Controlled Foreign Corporations (CFC's). In 1961, there were slightly more than 7,000 foreign corporations which were CFC's, owned by nearly 1,700 U.S. parent corporations [4].

The retention of earnings and profits by foreign subsidiaries made it possible to defer U.S. income taxation indefinitely. More and more, foreign subsidiaries were organized abroad, aided by arrangements between parent and subsidiary corporations to maximize accumulation of profits in certain countries for the purpose of reducing overall tax liability. Also, through an ordinary taxable liquidation, sale, or exchange of assets of a foreign subsidiary, it was possible to bring the accumulated earnings of the subsidiary back to the United States by paying a capital gains tax rather than the higher tax based on dividend income.

The Revenue Act of 1962 placed some restrictions on certain types of income previously eligible for tax deferral. It allowed for the U.S. taxation of specific types of undistributed earnings and profits [5]. Owners of foreign corporations were required to report, for tax purposes, the undistributed earnings of foreign corporations to the extent they represented income from insuring U.S. risks, passive types of income in general, and income derived from certain types of sales and service. These types of income were referred to as "Subpart F income" and were no longer tax deferred. Also, the conversion of tax-deferred accumulated earnings and profits into capital gains was restricted.

The 1962 Act also redefined the term Controlled Foreign Corporation. Foreign corporations were considered Controlled Foreign Corporations (whose undistributed earnings and profits could be subject to U.S. taxation through their U.S. parents or other shareholders), if more than 50 percent of the voting stock of the foreign corporation was owned by U.S. shareholders, each having at least a 10 percent or more interest. The 1962 Act also expanded the filing requirements for Controlled Foreign Corporations to include all lower tiers of foreign corporations controlled by the U.S. corporation [6].

The Tax Reduction Act of 1975 expanded the definition of Subpart F income. An exception permitting tax deferral for a portion of Subpart F income reinvested in tax-defined "less-developed countries" was repealed for accounting periods beginning in 1976. Also, prior to the Act, no income was treated as Subpart F income if it was 30 percent or less of the gross income. This percentage was reduced to 10, thus limiting the amount of income that could avoid treatment as Subpart F income. Finally, some types of shipping income received by foreign subsidiaries of U.S. corporations, which were previously excluded from Subpart F income, were now included. As a result of these and other actions, the tax deferral privileges of CFC's in certain countries were reduced, but not entirely eliminated.

RELATIVE PROFIT MARGINS OF CONTROLLED FOREIGN CORPORATIONS AND ALL U.S. CORPORATIONS

The profit margins of CFC's compared to all U.S. corporations has traditionally been relatively high. As shown in Figure B, while the percentage of current earnings and profits to business receipts for CFC's has declined from nearly 9 percent in 1972 to 6.8 percent in 1980, this measure of profitability remained relatively high compared to domestic corporations [7]. During the same period of time, net income, a similar measure of profitability, for all U.S. corporations ranged between 4.2 and 5.5 percent of business receipts. It appears that for the past several years, the profit margins of CFC's were higher than domestic corporations.

TRANSACTIONS OF CONTROLLED FOREIGN CORPORATIONS

The U.S. parent corporations through their control of the foreign corporations can direct the industrial activity and the business dealings of these foreign corporations. Information

Figure B.--Relative Profit Margins of Controlled Foreign Corporations and All U.S. Corporations, 1972-1980

[Money amounts are in millions of dollars]

Selected years	Controlled Foreign Corporations				Profit margin of U.S. corporations [2]
	Number	Business receipts	Current E&P[1] less deficit before taxes	Profit margin	
1972	29,221	$172,407	$15,356	8.91 %	4.82 %
1974	19,142	281,271	20,938	7.44	5.11
1976	21,071	342,777	23,478	6.85	5.50
1980	35,471	699,003	47,622	6.81	4.17

[1]Earnings and profits.
[2]Based on net income as a percent of business receipts.

on all transactions of the foreign corporations is not usually available. However, transactions between the foreign corporations and the U.S. parent corporations as well as other subsidiaries of the parent corporations were identified on the return.

The transactions shown in Figure C, between Controlled Foreign Corporations and their U.S. parent corporations, were substantially greater in dollar amounts than transactions between the CFC's and other related domestic and foreign corporations controlled by the same parents. CFC's received $65.5 billion from their U.S. parents and $50.3 billion from other related persons in 1980, while they in turn made $92.7 billion in payments to their U.S. parents and $65.2 billion to other related persons.

Figure D illustrates the major flow of receipts and payments between CFC's and their related corporations. The purchases of stock in trade (i.e., purchases of merchandise in the ordinary course of a trade or business) by CFC's from all related companies, foreign and domestic, accounted for the majority of payments by CFC's, comprising more than the combined total of dividends, funds loaned, interest, commissions, rents, royalties, compensation for services, and other payments. The merchandise purchased by CFC's from both parent and other related domestic corporations was $87.7 billion in 1980, while only $10.7 billion was purchased from related foreign companies.

The importance of the purchases from related domestic corporations can be especially appreciated when their dollar value is compared to the dollar value of all U.S. exports [8]. For 1980, the $87.7 billion in purchases of stock in trade by CFC's from their related domestic corporations accounted for nearly 40 percent of the $220.8 billion of total U.S. exports. Previous studies indicate that CFC purchases of stock in trade from related domestic corporations have consistently accounted for approximately 40 percent of the U.S. exports for the previous 7 years.

The sales of stock in trade by CFC's dominated the receipts that they received from related corporate members. These sales totaled $75.1 billion, of which $62.8 billion were to related U.S. corporations. This latter amount was nearly 26 percent of the total U.S. imports ($244.0 billion) for 1980 [8]. Thus, it can be seen that while the United States was in an overall deficit trade position for 1980 (with $244.0 billion of imports to only $220.8 billion of exports), transactions involving CFC's resulted in a net surplus of almost $25 billion to the U.S. balance of trade.

Approximately equal amounts of funds ($21 billion) were borrowed from, and loaned to, CFC's and their related domestic and foreign corporations. These were the second largest type of transaction, accounting for 18 percent of CFC receipts and 13 percent of the payments they made. Foreign subsidiaries provided $2.4 billion more in loans to U.S. parent corporations than loans they obtained from them.

Dividends paid by CFC's to related domestic and foreign corporations amounted to $13.2 billion. Most of these dividends, as expected, were remitted to U.S. parent corporations. The amount of dividends paid was partly dictated by the dividend policy prescribed by the U.S. parent corporations. The decision for CFC's to pay dividends was significantly affected by the U.S. corporation's foreign tax credit position [9].

Figure C

Transactions of Controlled Foreign Corporations with Selected Related Member Corporations, 1980

[Millions of Dollars]

Transactions	Receipts of CFC: Total[1]	Receipts of CFC: U.S. parent	Receipts of CFC: Domestic subsidiary of U.S. parent	Receipts of CFC: Foreign subsidiary of U.S. parent	Payments by CFC: Total[1]	Payments by CFC: U.S. parent	Payments by CFC: Domestic subsidiary of U.S. parent	Payments by CFC: Foreign subsidiary of U.S. parent
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total	115,823	65,534	17,146	31,156	157,830	92,863	29,819	28,810
Sales or purchases of stock in trade	75,076	53,033	9,749	11,103	103,909	66,630	21,035	10,682
Purchases of tangible property	n.a.	n.a.	n.a.	n.a.	1,691	1,664	216	—
Sales or purchases of property rights	506	323	146	37	185	129	34	22
Compensation for services	8,059	3,161	1,176	3,678	8,916	2,518	796	3,553
Commissions	1,915	846	284	746	1,068	233	141	682
Rents and royalties	1,298	264	181	802	4,510	3,336	245	860
Amounts borrowed or loaned	20,552	5,880	4,620	9,678	20,675	8,275	3,958	8,226
Dividends	2,974	373	83	2,513	13,235	8,358	2,294	2,559
Interest	4,368	1,243	883	2,195	5,140	1,507	1,062	2,151
Insurance premiums received	1,048	414	235	390	n.a.	n.a.	n.a.	n.a.
Not allocable	28	7	7	14	111	16	19	78

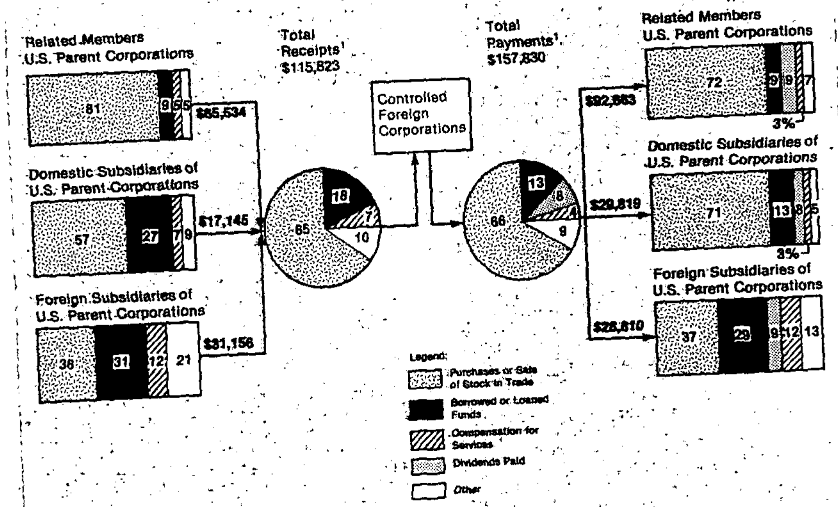
n.a. — Not applicable.

[1]Totals include receipts and payments of 10% or more U.S. shareholders of CFC (other than controlling shareholder) and 10% or more U.S. shareholders of domestic corporation filing return, which are not shown separately.

NOTE: Detail may not add to total due to rounding.

Figure D.

Flow of Receipts and Payments Between Controlled Foreign Corporations and Their Related Member Corporations (Percent of Total and Millions of Dollars)



[1]Total includes receipts and payments of 10% or more U.S. shareholder of CFC (other than controlling shareholder) and 10% or more U.S. shareholder of domestic corporation filing return.

Note: Receipts and payments of CFC's from sources other than related member corporations are not available.

INDUSTRIAL ACTIVITY OF CONTROLLED FOREIGN CORPORATIONS

There were 29,108 CFC's actively involved in business operations during Tax Year 1980. Four broad activities accounted for nearly 90 percent of these CFC's. As shown in Figure E, manufacturing (with 10,901 CFC's), trade (6,903), services (4,090), and finance (3,862) were the four principal industrial activities in which most CFC's were chiefly involved. These particular foreign subsidiaries accounted for 90 percent of all foreign taxes paid by CFC's and almost 90 percent of the total distributions made to stockholders. For instance, of the $16.4 billion of foreign taxes paid by CFC's, manufacturing subsidiaries paid $9.7 billion, while trade, services, and finance subsidiaries paid $3.5, $0.7, and $0.8 billion, respectively.

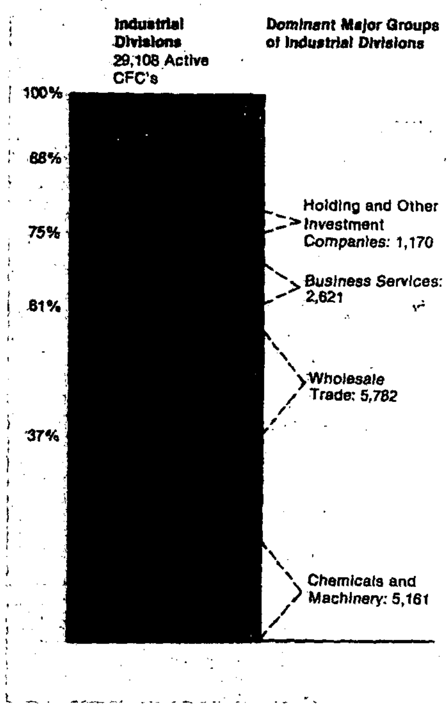
Historically, CFC's have been involved in manufacturing activities to a greater degree than in any other activity. Many nations, in fact, encourage the manufacture of goods for export (through tax exemptions) to bolster their economies and to help pay for imports.

However, the domination of manufacturing CFC's, although still important, diminished somewhat during the period of 1968 through 1980. For instance, in 1968, approximately 44 percent of all active CFC's were primarily engaged in manufacturing operations. By 1980, this percentage had decreased to 37 percent. During this same period, the percentage of total assets reported by manufacturers fell from 82 percent to 45 percent. While the number of manufacturing CFC's grew during this period, foreign subsidiaries involved in services and finance expanded at a faster rate. Manufacturing assets of CFC's rose from $79.7 billion in 1968 to $226.1 billion in 1980, while the assets of CFC's principally involved in services and finance grew more rapidly, beginning at only $7.2 billion and expanding to $149.3 billion during the same period.

An analysis of more specific principal industrial activities shows that CFC's were most frequently engaged in the manufacture of machinery and chemicals, accounting for 5,161 subsidiaries (nearly 18 percent) with assets of $88.6 billion. Looking at the trade industry we find that wholesaling was the dominant activity for nearly 5,800 CFC's, while other trade activities accounted for only 1,100 CFC's. Foreign subsidiaries performing business services (2,621 CFC's) accounted for most service companies. Finally, holding and investment CFC's, while accounting for only 30 percent of all financial subsidiaries, appear to have played an important role. Investment companies generally manage a portfolio of security investments (with little participation in the management of the companies), while

Figure E.

Dominant Industries, By Number and Percent of Active Controlled Foreign Corporations, 1980



holding companies do manage the companies they control and act as conduits for the financial transactions between these companies and other corporations. As such, these CFC's distributed $1.1 billion of the $1.7 billion in dividends paid by all financial CFC's during 1980.

INDUSTRIAL DISTRIBUTION OF U.S. CORPORATIONS AND THEIR CFC'S

Controlled Foreign Corporations were commonly engaged in the same principal industrial activity as their parent companies. Figure F

Figure F

Business Receipts and Current Earnings and Profits for Active Controlled Foreign Corporations in the Same Industry as Their U.S. Corporation Parent, 1980

[Money amounts are in millions of dollars]

Industries of U.S. corporations and CFC's	Number of U.S. corporation returns	Number of CFC's	Percent of CFC's in same industry as parent	CFC business receipts	Percent of business receipts when CFC is in the same industry as parent	CFC's current earnings and profits before taxes (net)	Percent of current earnings and profits when CFC is in same industry as parent
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All industries, U.S.							
All CFC's[1]	4,430	29,108		699,003		47,622	
CFC's in same industry[2]	3,388	15,900	54.6	448,754	64.2	30,140	63.3
Agriculture, forestry and fishing, U.S.							
All CFC's	20	105		1,312		34	
CFC's in same industry	7	28	26.7	133	10.1	10	29.4
Mining, U.S.							
All CFC's	172	554		5,551		1,143	
CFC's in same industry	86	274	49.5	2,969	53.8	856	74.9
Construction, U.S.							
All CFC's	133	495		6,990		387	
CFC's in same industry	94	297	60.0	6,371	91.1	366	94.6
Manufacturing, U.S.							
All CFC's	2,452	19,689		554,534		40,015	
CFC's in same industry	1,849	10,038	51.0	338,721	61.1	24,884	62.2
Transporation and public utilities, U.S.							
All CFC's	242	1,373		14,976		1,034	
CFC's in same industry	161	563	41.0	5,079	33.9	321	31.0
Wholesale and retail trade, U.S.							
All CFC's	768	2,303		88,805		2,661	
CFC's in same industry	472	1,391	60.4	77,977	87.8	2,103	79.0
Finance, insurance, and real estate, U.S.							
All CFC's	481	2,336		20,472		1,843	
CFC's in same industry	313	1,516	64.9	12,339	60.3	1,224	66.4
Services, U.S.							
All CFC's	531	2,251		6,362		505	
CFC's in same industry	405	1,793	79.7	5,145	80.9	376	74.5

[1]Represents all active CFC's controlled by U.S. corporations which were classified in the indicated industry.
[2]Represents only those active CFC's classified in the same industry as their U.S. corporation parents.
NOTE: Detail may not add to total because of rounding.

shows that CFC's which were engaged in the same principal industrial activity as their parent corporation accounted for 64.2 percent of the business receipts and 63.3 percent of the earnings and profits of all CFC's. Business receipts and earnings and profits were selected as the most positive measures of relative activity. For all industries there were 15,900 CFC's (54.6 percent) of 29,108 active CFC's classified in the same industry as the parent corporation filing the return.

Parent manufacturing corporations owned the majority (19,689 out of 29,108) of active CFC's. Slightly over half (10,038) of these CFC's were also primarily engaged in manufacturing activities. The CFC's which were engaged in the same activity as their parents tended to be larger in size than other CFC's. For instance, while manufacturing CFC's accounted for half of all CFC's owned by manufacturing parents, these same CFC's accounted for over 60 percent of the business receipts and earnings and profits, respectively, for all CFC's owned by these parents.

Of the remaining 8,788 non-manufacturing CFC's owned by manufacturing parents, most were involved primarily in wholesale and retail trade. These CFC's were also an extension of their parents and most likely were engaged in the distribution of products produced by their U.S. parent corporations. Like manufacturing CFC's, trade CFC's were also large as measured by business receipts. While they comprised 25 percent of all CFC's owned by manufacturing parents, they produced one third of the business receipts of these same CFC's.

The remaining CFC's whose major activities were not directly related to their parents' manufacturing activity conversely tended to be of a smaller size. Although they were almost a fourth of the CFC's of these parent corporations, they produced only 5 percent of the business profits. Thus, it can be seen that while U.S. manufacturing parent corporations diversified into other enterprises through CFC's, this was done at a relatively slow pace. They often ventured into foreign countries conducting the types of businesses they had previously performed in the United States either by manufacturing the same products or by selling their U.S. manufactured products.

SUMMARY

Controlled Foreign Corporations play a significant role in U.S. international trade through their transactions with related U.S. corporations. These transactions accounted for 40 percent of the total U.S. exports and 26 percent of the total U.S. imports in 1980.

Most CFC's were generally controlled by large U.S. corporations. They were also primarily engaged in the same business activities as their parent corporations. Additionally, manufacturing continued to be the dominant activity of CFC's, although services and financial activities have grown more rapidly than manufacturing activities in recent years.

DATA SOURCES AND LIMITATIONS

Sample Selection and Variability

The statistics for the 1980 Tax Year were estimated by using as a basis the stratified probability sample of about 85,000 corporation income tax returns selected after revenue processing but before audit. A description of the sample selection procedures for corporate returns is presented in the Appendix.

From the general corporate sample described above, all returns containing Forms 2952 were used for the 1980 statistics presented in this article. The weighting factor used for each return was the same factor used for the U.S. parent corporation.

Sampling variability (i.e., the degree to which statistics based on a sample differ from similar data based on a complete count or census) occurs only in strata in which returns were selected at a rate of less than 100 percent. For this article, returns selected at the 100 percent rate accounted for the largest part of the estimated amounts. For instance, for 1980, CFC's owned by U.S. corporations with $250 million or more in total assets (and selected at a 100 percent rate) accounted for the major portion of total assets (94.1 percent), business receipts (93.3 percent), and current earnings and profits (93.4 percent) of CFC's owned by all corporations. Because of the predominance of large companies, sampling variability is not considered a major limitation of the statistics. It is also felt that historical analysis can be performed using studies based on all corporate returns with CFC's (1972 and 1980) and studies based on only "large" corporate returns with CFC's (1974 and 1976).

Limitations

Controlled Foreign Corporations were classified by the principal business activity of the corporation as reported on Form 2952. Certain amounts of receipts, profits, and other items may have been generated by other activities in addition to the principal business activity. It is not possible to measure the extent of these secondary operations.

About 50 U.S. corporations filed consolidated Controlled Foreign Corporation schedules, with the data aggregated for several companies. Follow-up requests were made in an attempt to get the individual CFC information. About 75 percent of these requests were successful. A part of the remaining data fell into the correct classification by industry because all of the CFC's reported on that particular return were in the same industry. The few remaining unresolved consolidated CFC's were left in the same industry classification as the CFC showing the consolidated data.

Nearly 7 percent of the CFC's had inadequate or no information shown to identify by whom they were controlled (i.e., domestic or foreign corporations). These CFC's were separately identified, checked, and corrected using their transactions with related corporations, if any, or the name of their parent corporation on the Form 2952, if different from the name of the domestic corporation filing the return. If this information was not helpful the actual return was checked, if available, or a previous-year record of the CFC was used to check ownership at that time.

Because Form 2952 was designed to report transactions between Controlled Foreign Corporations and their related persons, specific data are not available for the transactions between CFC's and non-related persons. For instance, it is known that total CFC business receipts were $699 billion, of which $116 billion were receipts from related persons. The difference, $583 billion, was received from non-related persons, about which detailed data could not be tabulated.

Time Period Covered

The 1980 estimates are based on data filed by U.S. corporations with accounting periods that were for full years ending any time between July 1980 through June 1981. In addition to these returns filed for 12-month accounting periods, the statistics also include data from part-year returns (filed for accounting periods ending during the same time period by corporations which were new, merging, liquidating or simply changing their accounting periods). Because Forms 2952 were filed for the accounting periods of CFC's ending with, or within the accounting periods of the U.S. parent corporations, the CFC accounting periods covered by the statistics may have ended any time during the period August 1978 through June 1981; however, most of the activity was deemed to have occurred during 1980.

EXPLANATION OF SELECTED TERMS

Business receipts of Controlled Foreign Corporations.--Business receipts were, in general, gross receipts or gross sales less returns and allowances reported for CFC's on Forms 2952. In the finance, insurance, and real estate industries, business receipts were generally the total income or receipts of the CFC and may have included other types of income such as interest, royalties, rents, and other investment income. This definition differs from that used for business receipts statistics for domestic corporations, in that investment income is normally excluded.

Current earnings and profits of Controlled Foreign Corporations.--This item represents the difference between the accumulated beginning and ending year balances of earnings and profits available for distribution to the stockholders. In this report, pre-tax current earnings and profits are shown. The earnings and profits of a foreign corporation must be calculated under U.S. accounting standards, as required by IRS regulations.

Distributions of Controlled Foreign Corporations.--The distributions of CFC's consisted of dividends paid to shareholders of the CFC's, capital gains distributions, and distributions paid out of capital (including capital stock, paid-in capital, and capital surplus). Liquidating dividends may also have been included.

Foreign income taxes paid by Controlled Foreign Corporations.--These were foreign income, war profits, and excess profits taxes paid or accrued by CFC's to foreign countries or U.S. possessions (including Puerto Rico). Also included were taxes imposed by other countries (including the United States) in cases where CFC's had business operations in countries other than the one in which they were incorporated.

Inactive Controlled Foreign Corporations.--Inactive CFC's were those which showed no income, deductions, or foreign income taxes paid, but may have shown only transactions regarded as indicative of passive investment, such as dividends paid out of prior-year earnings. Total assets for these CFC's were accumulated for the statistics.

Includable Income of Controlled Foreign Corporations.--This income represents Subpart F income (described below), plus other types of income defined in Internal Revenue Code Section 951. Subpart F income was the largest portion of includable income received by U.S. shareholders. A more complete definition of this term can be found in the *Supplemental Report, Statistics of Income--1976-1979, International Income and Taxes, Foreign Income and Taxes Reported on U.S. Income Tax Returns*, page 381.

Related persons of Controlled Foreign Corporations.--Five categories of related persons of CFC's were shown on Form 2952 for the purpose of reporting transactions. They were (1) the U.S. corporation filing the return; (2) a domestic corporation controlled by the corporation filing the return; (3) a foreign corporation controlled by the corporation filing the return; (4) 10-percent or more U.S. shareholder of the CFC (other than the controlling shareholder); and (5) 10-percent or more U.S. shareholders of the U.S. corporation filing the return.

Sales and Purchases of Stock in Trade.--These were sales and purchases of merchandise in the ordinary course of trade or business. These items were reported as transactions for the five categories of related persons described above.

Subpart F Income.--Subpart F provisions of the Internal Revenue Code (section 952) allow the United States to tax U.S. shareholders on certain types of income which, although undistributed to them, were deemed to be constructively distributed and thereby taxable, generally at the same rate(s) as dividends. Subpart F income included income from the insurance and reinsurance of U.S. risks, "foreign base company income," boycott participation income, and illegal bribes and kickbacks.

Transactions of Controlled Foreign Corporations.--Controlled Foreign Corporation transactions were reported on Form 2952 for five categories of related persons (described above) who dealt with the CFC's. The transactions shown include receipts and payments for such items as property rights, stock in trade, services rendered, commissions, rents and royalties, dividends, interest, insurance premiums and amounts borrowed and loaned.

NOTES AND REFERENCES

[1] Although all U.S. persons (individuals, partnerships, corporations, estates or trusts) could control a foreign corporation, this article is based only on a sample of foreign corporations controlled by U.S. corporations.

[2] There will be an article in the Fall 1984 issue of the *Statistics of Income Bulletin* covering 1980 country data for Controlled Foreign Corporations.

[3] This information was filed on Forms 2952, Information Returns by a Domestic Corporation with Respect to Controlled Foreign Corporations. The data contained on these forms are the bases for the statistics shown in this article.

[4] These data were based on an unpublished Statistics of Income study of 1961 corporation income tax returns with Forms 2952 attached.

[5] Book earnings of CFC's were required to be adjusted to comply with the U.S. tax concept of earnings and profits as specified by Internal Revenue regulations. An early study concluded that although substantial differences in accounting practices existed among countries, there were even greater variations among countries in the types of taxes and methods of taxation used. Harmon, Murl D., "Calculating Earnings and Profits for Foreign Subsidiaries: Background and Some Actual Results Showing Differences Among Countries," *Taxes--The Tax Magazine*, July 1973.

[6] Control by the U.S. corporation was extended to lower-tier foreign corporations through a chain of control, viz., the U.S. corporation owned more than 50 percent of a foreign corporation (first-tier) which, in turn, owned more than 50 percent of a second-tier foreign corporation which, in turn, owned more than 50 percent of a third-tier foreign corporation, and so forth. Forms 2952 had to be filed for each of these foreign corporations.

[7] Although the 1974 and 1976 data were based only on CFC's owned by U.S. corporations with total assets of $250 million or more, the profit ratio was not materially affected because the vast majority of CFC's belong in this category.

[8] U.S. Department of Commerce, Bureau of the Census, *Highlights of U.S. Export and Import Trade*. Data from this source are based on calendar year periods, while CFC data are based on accounting periods ended July through June for each year of the domestic parent corporations.

[9] There will be an article in the Summer 1984 *Statistics of Income Bulletin* concerning foreign tax credits claimed by U.S. corporations for 1980.

Table 1.—Number of Returns, Total Assets, Income, Deductions, Tax and Credits, of U.S. Corporations and Number, Total Assets, Receipts, Earnings, Taxes, Distributions, and Selected Transactions of Controlled Foreign Corporations, by Selected Industry and Size of Total Assets of U.S. Corporation Filing the Return

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

Selected industry and size of total assets of U.S. corporations filing return	U.S. Corporations: Number of returns	Total assets	Total receipts	Business receipts	Total dividends received from foreign corporations	Includable income of Controlled Foreign Corporations filing Form 2952 (Form 3646)	Total deductions	Net income (less deficit)	U.S. income tax before credits	Total credits	U.S. income tax after credits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
All industries, total	4,799	3,430,443,963	2,899,140,589	2,437,191,310	14,172,649	2,579,186	2,573,395,807	137,637,795	64,363,385	33,402,343	30,961,023
Zero under $50,000,000	2,896	36,118,811	69,689,681	66,287,857	168,836	46,139	67,291,153	2,678,696	1,487,514	318,732	1,168,783
$50,000,000 under $250,000,000	952	111,635,156	170,214,433	163,124,977	582,415	102,075	163,387,099	7,296,040	3,706,481	978,330	2,732,152
$250,000,000 or more, total	951	3,282,689,996	2,459,236,477	2,207,778,477	13,421,398	2,430,972	2,342,717,554	127,663,057	59,167,371	32,107,284	27,060,087
$250,000,000 under $500,000,000	263	92,565,352	138,341,159	133,490,000	484,374	94,803	133,698,631	5,796,470	2,873,856	779,949	2,093,908
$500,000,000 under $1,000,000,000	220	158,290,318	194,814,201	185,228,121	795,650	167,718	185,618,124	9,871,318	4,533,519	1,521,196	3,012,323
$1,000,000,000 or more	468	3,031,834,325	2,126,081,116	1,889,060,356	12,161,372	2,168,451	2,023,400,799	111,993,268	51,759,995	29,806,140	21,953,855
Agriculture, forestry and fishing	20	2,480,396	5,655,289	5,511,396	10,817	1,414	5,451,162	208,913	87,164	11,723	75,441
Zero under $50,000,000	17	501,936	750,947	684,105	1,391	—	703,023	48,110	13,911	3,669	10,241
$50,000,000 under $250,000,000	**	**	**	**	**	**	**	**	**	**	**
$250,000,000 or more, total	3	1,978,460	4,904,343	4,627,290	9,426	1,414	4,748,139	160,803	73,254	8,053	65,201
$250,000,000 under $500,000,000	**	**	**	**	**	**	**	**	**	**	**
$500,000,000 under $1,000,000,000	—	—	—	—	—	—	—	—	—	—	—
$1,000,000,000 or more	**	**	**	**	**	**	**	**	**	**	**
Mining	172	65,309,992	42,474,541	38,997,541	282,241	58,188	36,869,870	5,748,280	2,546,714	1,848,892	697,822
Zero under $50,000,000	98	767,990	643,703	564,041	2,933	2,257	620,032	28,170	26,554	11,905	14,649
$50,000,000 under $250,000,000	39	5,295,594	3,277,312	2,941,832	17,845	1,513	2,908,076	379,481	198,792	140,752	58,040
$250,000,000 or more, total	35	59,246,408	38,553,526	35,491,667	261,463	54,418	33,341,761	5,340,630	2,321,368	1,696,236	625,133
$250,000,000 under $500,000,000	13	4,596,343	3,120,991	2,891,181	9,369	14,041	2,850,684	298,637	149,114	69,928	79,185
$500,000,000 under $1,000,000,000	6	4,525,725	2,673,582	2,435,439	17,844	7,631	2,282,611	403,740	160,599	147,580	13,018
$1,000,000,000 or more	16	50,124,339	32,758,953	30,165,046	234,250	32,746	28,208,466	4,638,252	2,011,656	1,478,728	532,930
Construction	133	15,615,317	25,626,626	24,837,305	85,712	108,444	25,163,905	672,192	367,639	180,501	187,237
Zero under $50,000,000	90	1,368,927	2,994,950	2,875,306	923	153	2,900,565	94,437	47,128	11,077	36,051
$50,000,000 under $250,000,000	28	3,302,079	4,828,874	4,615,602	7,416	5,349	4,825,211	8,679	35,203	8,401	26,802
$250,000,000 or more, total	15	11,144,312	17,802,802	17,146,398	77,372	102,942	17,438,128	569,077	285,507	161,123	124,384
$250,000,000 under $500,000,000	7	2,141,979	4,806,652	4,585,110	40,676	2,337	4,688,011	136,247	59,431	31,183	28,248
$500,000,000 under $1,000,000,000	3	3,672,423	5,360,591	5,148,309	308	1,206	5,165,710	176,333	79,227	23,863	55,364
$1,000,000,000 or more	5	5,329,910	7,635,559	7,412,980	36,387	99,399	7,564,407	256,497	146,850	106,078	40,772
Manufacturing	2,452	1,352,218,787	1,719,889,358	1,631,278,098	12,073,786	2,059,508	1,631,959,415	100,663,408	47,593,037	24,291,234	23,301,807
Zero under $50,000,000	1,361	21,252,342	38,351,449	37,163,054	95,624	18,600	36,837,800	1,761,258	964,902	170,735	814,168
$50,000,000 under $250,000,000	570	66,494,854	97,536,560	93,753,087	444,145	37,779	92,537,503	5,350,773	2,639,844	634,858	2,004,986
$250,000,000 or more, total	521	1,264,471,790	1,583,981,349	1,500,361,957	11,534,016	2,003,129	1,502,584,114	93,551,378	43,988,291	23,485,638	20,482,653
$250,000,000 under $500,000,000	157	55,447,015	80,902,804	78,678,265	248,193	71,342	77,817,976	4,130,023	2,006,889	511,024	1,497,867
$500,000,000 under $1,000,000,000	128	92,115,640	121,417,941	115,912,242	729,979	139,479	115,088,628	7,014,362	3,337,271	1,119,144	2,216,127
$1,000,000,000 or more	236	1,116,909,135	1,381,660,605	1,305,773,449	10,555,844	1,792,308	1,309,677,307	82,406,993	38,622,131	21,855,471	16,766,659
Food and kindred products	118	77,627,876	130,338,095	126,112,418	460,035	77,888	124,370,479	6,364,917	2,821,292	762,870	2,058,422
Zero under $50,000,000	32	510,291	1,112,327	1,078,977	784	33	1,062,329	50,447	19,928	3,200	16,727
$50,000,000 under $250,000,000	36	4,821,301	10,272,077	9,944,829	25,903	1,769	9,854,617	438,493	186,836	39,198	147,637
$250,000,000 or more, total	50	72,296,285	118,953,690	115,088,612	433,349	76,086	113,453,532	5,875,977	2,614,528	720,469	1,894,059
$250,000,000 under $500,000,000	13	5,040,712	10,191,574	9,936,497	16,646	811	9,883,879	326,493	137,748	47,268	90,481
$500,000,000 under $1,000,000,000	11	7,476,331	16,546,896	16,193,917	74,417	2,778	15,710,067	876,465	405,926	87,063	318,884
$1,000,000,000 or more	26	59,779,242	92,215,220	88,958,198	342,285	72,497	87,859,587	4,673,018	2,070,852	586,118	1,484,734
Chemicals and allied products	250	129,887,430	154,039,661	148,980,787	1,254,486	518,319	145,410,267	10,250,463	4,786,787	2,363,449	2,423,337
Zero under $50,000,000	125	2,001,050	3,458,246	3,318,607	27,913	1,132	3,195,130	290,899	144,353	33,856	110,496
$50,000,000 under $250,000,000	49	5,318,524	7,049,703	6,735,050	50,572	9,645	6,535,149	566,020	258,562	67,809	190,753
$250,000,000 or more, total	76	122,567,856	143,531,712	138,927,131	1,176,002	507,542	135,679,988	9,393,544	4,383,871	2,261,783	2,122,088
$250,000,000 under $500,000,000	18	6,340,106	8,316,957	7,992,893	42,324	31,859	7,686,797	699,059	331,814	92,113	239,702
$500,000,000 under $1,000,000,000	18	12,386,948	15,586,248	14,782,706	141,825	65,069	14,753,490	1,027,448	495,527	181,824	313,704
$1,000,000,000 or more	39	103,840,802	119,628,509	114,151,531	991,853	410,614	113,239,701	7,667,037	3,556,530	1,987,846	1,568,683
Petroleum (including integrated) and coal products	77	371,541,899	606,880,909	586,282,023	4,320,149	574,370	565,032,605	47,761,082	20,796,534	12,780,384	8,016,171
Zero under $50,000,000	29	230,215	734,713	726,824	357	56	723,879	11,523	12,356	1,848	10,511
$50,000,000 under $250,000,000	9	951,534	2,521,921	2,471,879	—	845	2,495,691	27,076	17,804	2,446	15,358
$250,000,000 or more, total	39	370,360,149	603,624,275	583,083,321	4,319,792	573,469	561,813,035	47,722,485	20,766,371	12,776,069	7,990,301
$250,000,000 under $500,000,000	8	3,169,665	7,760,452	8,404,787	5,918	6,097	8,241,386	269,224	121,939	18,924	103,016
$500,000,000 under $1,000,000,000	3	2,095,390	6,002,169	5,871,459	25,554	531	5,770,342	263,164	110,665	65,803	44,862
$1,000,000,000 or more	28	365,095,094	589,861,653	568,807,075	4,288,320	566,841	547,801,306	47,190,097	20,533,767	12,691,344	7,842,424
Machinery, except electrical	408	126,166,132	129,292,545	109,841,231	2,117,473	233,663	119,993,856	11,244,458	5,302,135	2,872,016	2,430,119
Zero under $50,000,000	235	3,856,543	6,187,132	5,939,634	12,184	2,302	5,948,559	251,920	154,779	28,842	125,937
$50,000,000 under $250,000,000	106	12,522,129	16,314,425	15,607,428	82,116	4,429	15,513,095	864,994	457,800	117,477	340,321
$250,000,000 or more, total	65	109,787,460	106,790,988	88,294,170	2,023,173	226,932	98,532,201	10,127,545	4,689,556	2,725,695	1,963,860
$250,000,000 under $500,000,000	23	7,857,814	10,276,313	9,763,690	21,012	10,285	9,745,106	573,785	279,800	55,382	224,418
$500,000,000 under $1,000,000,000	19	14,113,890	18,171,310	15,118,701	107,855	11,569	15,271,756	996,567	456,197	183,665	272,532
$1,000,000,000 or more	23	87,815,756	80,341,365	63,411,779	1,894,306	205,079	73,515,339	8,557,213	3,953,559	2,486,649	1,466,910
Electrical and electronic equipment	410	121,956,720	124,967,336	117,669,399	654,441	184,776	119,073,002	6,292,597	2,894,904	1,088,313	1,806,591
Zero under $50,000,000	264	4,022,321	6,088,141	5,872,556	11,764	1,316	5,789,287	307,759	159,513	25,228	130,828
$50,000,000 under $250,000,000	84	9,444,533	13,109,700	12,599,961	53,822	4,429	12,235,186	925,959	449,307	110,567	342,197
$250,000,000 or more, total	43	108,489,866	105,769,495	99,196,880	588,854	173,241	101,048,529	5,058,880	2,286,084	952,519	1,333,566
$250,000,000 under $500,000,000	14	5,281,380	7,380,318	6,988,894	24,359	1,691	7,175,601	224,512	132,448	36,898	95,549
$500,000,000 under $1,000,000,000	11	7,654,969	10,317,356	9,984,212	67,648	4,657	9,623,720	752,968	342,305	97,479	244,826
$1,000,000,000 or more	18	95,553,518	88,071,822	82,223,774	496,847	166,893	84,249,208	4,081,400	1,811,332	818,140	993,191

Footnotes at end of table.

Table 1.—Number of Returns, Total Assets, Income, Deductions, Tax and Credits of U.S. Corporations and Number, Total Assets, Receipts, Earnings, Taxes, Distributions, and Selected Transactions of Controlled Foreign Corporations, by Selected Industry and Size of Total Assets of U.S. Corporation Filing the Return — Continued

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

Selected industry and size of total assets of U.S. corporations filing return	U.S. Corporations: Number of returns	Total assets	Total receipts	Business receipts	Total dividends received from foreign corporations	Includable income of Controlled Foreign Corporations filing Form 2952 (Form 3646)	Total deductions	Net income (less deficit)	U.S. income tax before credits	Total credits	U.S. income tax after credits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Manufacturing — Continued											
Motor vehicle and equipment	52	130,987,827	131,432,514	124,686,711	669,055	56,445	134,533,832	-2,833,003	816,559	540,928	275,631
Zero under $50,000,000	14	302,826	2,267,698	2,227,456	2,502	676	2,281,766	-13,185	16,428	2,416	14,014
$50,000,000 under $250,000,000	16	1,785,180	2,800,492	2,703,028	26,637	590	2,727,035	93,947	55,653	29,385	26,268
$250,000,000 or more, total	22	128,899,820	126,364,322	119,756,227	639,916	55,179	129,525,031	-2,913,765	744,477	509,128	235,349
$250,000,000 under $500,000,000	6	1,916,444	2,740,583	2,565,680	8,341	—	2,740,279	5,439	19,114	8,121	10,993
$500,000,000 under $1,000,000,000	3	1,914,399	2,618,966	2,442,527	13,704	5,934	2,664,752	-33,057	46,986	22,197	24,788
$1,000,000,000 or more	13	125,068,977	121,004,773	114,747,820	617,871	49,245	124,119,989	-2,886,147	678,378	478,810	199,569
Transportation and public utilities	242	379,290,551	265,404,714	257,270,321	164,951	91,629	254,050,985	11,553,709	5,805,908	3,261,916	2,543,991
Zero under $50,000,000	124	1,340,910	4,948,688	4,751,557	2,463	3,301	4,780,799	169,182	78,239	39,509	38,728
$50,000,000 under $250,000,000	42	4,824,183	8,177,954	7,864,911	2,942	7,726	8,263,129	-78,024	80,055	28,092	51,962
$250,000,000 or more, total	77	373,125,558	252,278,071	244,653,853	159,545	80,600	241,006,737	11,460,551	5,647,615	3,194,314	2,453,300
$250,000,000 under $500,000,000	8	2,815,705	2,203,446	2,092,107	3,747	—	2,154,418	49,716	30,925	11,343	19,583
$500,000,000 under $1,000,000,000	16	10,919,470	8,151,923	7,723,622	2,639	5,326	7,711,483	446,078	214,677	89,326	125,351
$1,000,000,000 or more	53	359,390,383	241,922,702	234,837,923	153,159	75,273	231,140,835	10,964,757	5,402,013	3,093,646	2,308,367
Wholesale and retail trade	768	169,887,044	358,652,046	348,303,860	1,040,176	131,437	352,755,190	8,176,159	3,739,104	1,882,020	1,857,085
Zero under $50,000,000	543	5,560,121	13,203,338	12,793,891	14,721	16,593	13,007,697	214,380	143,441	19,423	124,018
$50,000,000 under $250,000,000	133	15,359,471	41,786,668	40,701,534	45,341	11,244	40,961,755	847,861	398,651	78,522	320,329
$250,000,000 or more, total	93	148,967,452	303,662,041	294,808,435	980,113	103,600	298,785,738	7,113,919	3,196,610	1,784,072	1,412,738
$250,000,000 under $500,000,000	38	13,430,959	39,274,288	38,536,832	18,600	5,793	38,823,547	467,905	268,568	33,388	235,180
$500,000,000 under $1,000,000,000	22	15,944,698	41,723,113	40,802,037	24,330	8,302	41,028,465	726,665	350,502	61,105	289,396
$1,000,000,000 or more	33	119,591,796	222,664,639	215,469,566	937,184	89,505	218,933,726	5,919,349	2,577,741	1,689,579	888,162
Wholesale trade	658	74,458,073	209,521,410	205,101,330	860,675	94,252	206,686,575	4,992,789	2,392,958	1,506,345	886,613
Zero under $50,000,000	502	4,833,802	11,569,675	11,272,337	14,144	15,292	11,391,597	195,530	127,101	17,505	109,594
$50,000,000 under $250,000,000	102	11,434,809	31,486,329	30,725,119	45,205	11,244	30,882,063	637,815	309,063	55,424	253,639
$250,000,000 or more, total	55	58,189,461	166,465,405	163,103,873	801,325	67,715	164,412,915	4,159,444	1,956,794	1,433,415	523,379
$250,000,000 under $500,000,000	26	9,121,355	30,657,540	30,305,097	13,587	5,298	30,486,123	204,621	172,237	18,162	154,075
$500,000,000 under $1,000,000,000	14	9,988,320	29,664,965	29,006,211	11,684	8,283	29,526,204	167,947	97,178	33,848	63,330
$1,000,000,000 or more	15	39,079,786	106,142,900	103,792,565	776,053	54,135	104,420,587	3,786,876	1,687,379	1,381,405	305,974
Retail trade	109	95,414,535	149,008,642	143,080,878	179,400	37,185	145,947,541	3,182,450	1,345,742	375,636	970,105
Zero under $50,000,000	40	711,882	1,511,667	1,399,901	476	1,301	1,495,025	17,931	15,938	1,881	14,057
$50,000,000 under $250,000,000	31	3,924,661	10,300,338	9,976,414	136	—	10,079,693	210,045	89,788	23,100	66,689
$250,000,000 or more, total	38	90,777,991	137,196,636	131,704,562	178,789	35,885	134,372,823	2,954,475	1,240,016	350,658	889,359
$250,000,000 under $500,000,000	12	4,309,604	8,616,748	8,231,735	5,012	495	8,357,423	263,284	96,331	15,226	81,105
$500,000,000 under $1,000,000,000	8	5,956,377	12,058,148	11,795,826	12,646	19	11,502,262	558,718	253,323	27,257	226,067
$1,000,000,000 or more	18	80,512,010	116,521,739	111,677,001	161,130	35,371	114,513,138	2,132,474	890,362	308,174	582,166
Finance insurance and real estate	481	1,395,817,797	234,276,860	87,977,627	396,249	96,805	222,001,923	8,454,011	3,126,314	1,594,086	1,532,229
Zero under $50,000,000	255	1,855,529	2,226,344	1,287,774	21,797	2,593	2,100,522	115,767	58,839	20,987	37,853
$50,000,000 under $250,000,000	59	7,174,546	2,648,223	1,877,612	25,961	35,131	2,464,465	210,578	82,147	15,410	66,737
$250,000,000 or more, total	166	1,386,787,721	229,402,293	84,812,241	348,491	59,082	217,436,934	8,127,666	2,985,328	1,557,688	1,427,640
$250,000,000 under $500,000,000	21	7,772,954	2,418,236	1,631,315	115,373	117	2,129,437	314,436	133,497	66,923	66,575
$500,000,000 under $1,000,000,000	31	21,975,106	7,918,673	6,323,731	9,789	1,631	7,129,445	714,465	214,065	29,177	184,888
$1,000,000,000 or more	114	1,357,039,662	219,065,383	76,857,195	223,329	57,134	208,178,053	7,098,766	2,637,765	1,461,588	1,176,176
Banking	65	1,003,198,993	99,222,365	11,831,959	106,529	33,257	94,380,253	2,992,924	1,398,381	1,187,236	211,145
Zero under $50,000,000	**	**	**	**	**	**	**	**	**	**	**
$50,000,000 under $250,000,000	4	7,237,780	112,830	70,053	308	—	86,897	24,037	9,993	436	9,558
$250,000,000 or more, total	61	1,002,729,784	99,109,535	11,761,905	106,222	33,257	94,293,356	2,968,888	1,388,388	1,186,800	201,587
$250,000,000 under $500,000,000	—	—	—	—	—	—	—	—	—	—	—
$500,000,000 under $1,000,000,000	**	**	**	**	**	**	**	**	**	**	**
$1,000,000,000 or more	61	1,002,729,784	99,109,535	11,761,905	106,222	33,257	94,293,356	2,968,888	1,388,388	1,186,800	201,587
Insurance Carriers	81	278,684,763	111,467,389	66,393,131	70,698	28,017	105,914,773	3,501,407	910,603	230,275	680,328
Zero under $50,000,000	9	168,512	643,193	574,921	48	53	584,902	36,409	10,842	1,178	9,664
$50,000,000 under $250,000,000	13	1,659,233	819,594	651,134	45	9,049	810,119	8,338	16,436	2,729	13,707
$250,000,000 or more, total	60	276,857,016	110,004,602	65,167,076	70,605	18,915	104,519,752	3,456,660	883,326	226,368	656,958
$250,000,000 under $500,000,000	8	3,340,377	1,274,582	1,015,849	1,593	—	1,204,060	40,542	10,413	1,964	8,429
$500,000,000 under $1,000,000,000	18	12,833,487	5,156,888	4,210,655	502	713	4,729,854	348,742	62,408	5,474	56,935
$1,000,000,000 or more	34	260,683,152	103,573,133	59,940,572	68,511	18,202	98,585,817	3,067,375	810,504	218,910	591,595
Services	531	49,605,226	47,138,264	43,172,377	118,719	31,761	45,098,959	2,162,949	1,097,287	331,877	765,410
Zero under $50,000,000	411	3,757,609	6,937,762	6,506,007	28,986	2,643	6,690,475	265,215	141,163	42,395	98,767
$50,000,000 under $250,000,000	79	8,679,322	11,548,450	10,987,734	38,766	3,331	11,032,481	558,701	266,926	69,322	197,604
$250,000,000 or more, total	41	36,968,294	28,652,052	25,676,636	50,968	25,787	27,376,003	1,339,033	689,197	220,159	469,038
$250,000,000 under $500,000,000	17	5,709,830	5,021,102	4,508,620	28,358	1,174	4,788,186	254,228	155,683	53,613	102,070
$500,000,000 under $1,000,000,000	12	9,137,256	7,568,378	6,882,541	10,760	3,941	7,191,581	389,675	177,179	51,002	126,178
$1,000,000,000 or more	12	22,121,208	16,062,572	14,285,475	11,850	20,672	15,396,236	695,130	356,335	115,545	240,790

Footnotes at end of table.

Table 1.—Number of Returns, Total Assets, Income, Deductions, Tax and Credits, of U.S. Corporations and Number, Total Assets, Receipts, Earnings, Taxes, Distributions, and Selected Transactions of Controlled Foreign Corporations, by Selected Industry and Size of Total Assets of U.S. Corporation Filing the Return — Continued

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

Selected industry and size of total assets of U.S. corporations filing return	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits	Receipts by foreign corporations from — U.S. corporation filing return: Total	U.S. corporation filing return: Sales of stock in trade	Any domestic corporations controlled by the U.S. corporation filing return: Total	Any domestic corporations controlled by the U.S. corporation filing return: Sales of stock in trade
	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
All industries, total	35,471	508,031,994	699,003,002	47,621,582	16,440,451	14,115,642	9,643,638	65,533,573	53,032,955	17,145,614	9,748,793
Zero under $50,000,000	6,230	10,414,027	13,367,497	799,937	290,785	148,006	99,897	750,189	542,432	481,247	419,348
$50,000,000 under $250,000,000	5,103	19,789,994	33,145,676	2,319,880	833,719	546,747	380,545	1,089,038	830,055	237,595	119,257
$250,000,000 or more, total	24,138	477,827,975	652,489,827	44,501,764	15,315,946	13,420,890	9,163,197	63,694,347	51,660,469	16,426,771	9,210,188
$250,000,000 under $500,000,000	2,822	18,527,251	32,330,313	2,054,186	703,897	455,277	325,063	1,784,265	1,577,688	265,999	163,133
$500,000,000 under $1,000,000,000	3,976	31,120,796	35,686,762	3,828,187	1,247,915	1,015,601	680,242	1,686,021	918,585	670,986	525,326
$1,000,000,000 or more	17,340	428,179,928	584,472,753	38,619,390	13,364,134	11,950,012	8,157,892	60,224,061	49,166,196	15,489,786	8,521,729
Agriculture, forestry and fishing	142	878,019	1,312,264	34,279	15,895	1,971	871	30,905	1,693	2,962	443
Zero under $50,000,000	42	120,205	97,542	11,357	3,882	1,643	639	813	487	2,855	—
$50,000,000 under $250,000,000	**	**	**	**	**	—	—	—	—	—	—
$250,000,000 or more, total	100	757,814	1,214,722	22,921	11,812	326	233	30,091	1,206	107	443
$250,000,000 under $500,000,000	**	**	**	**	**	**	**	**	**	**	**
$500,000,000 under $1,000,000,000	—	—	—	—	—	—	—	—	—	—	—
$1,000,000,000 or more	**	**	**	**	**	**	**	**	**	**	**
Mining	793	7,383,484	5,551,063	1,142,818	253,545	369,138	239,408	305,098	251,571	289,475	198,126
Zero under $50,000,000	153	94,416	73,898	34,323	6,381	2,521	1,626	6,589	—	—	—
$50,000,000 under $250,000,000	107	616,195	380,736	80,015	20,250	16,882	10,866	5,324	—	1,980	753
$250,000,000 or more, total	533	6,672,874	5,096,430	1,028,480	226,913	349,736	226,916	293,186	251,571	287,496	197,373
$250,000,000 under $500,000,000	50	349,754	379,812	98,334	23,980	16,851	12,651	10,455	752	313	—
$500,000,000 under $1,000,000,000	61	222,704	87,576	19,631	4,401	9,659	4,499	4,419	20	918	—
$1,000,000,000 or more	422	6,100,415	4,629,042	910,516	198,532	323,226	209,766	278,313	250,800	286,264	197,373
Construction	607	3,056,588	6,990,052	387,060	68,601	177,755	57,841	61,053	2,762	117,551	5,195
Zero under $50,000,000	196	92,266	170,590	73,761	2,705	1,396	1,365	6,219	1,010	115	241
$50,000,000 under $250,000,000	121	328,169	447,795	24,599	3,251	8,449	2,807	10,623	1,751	11,499	4,954
$250,000,000 or more, total	290	2,636,153	6,371,667	288,699	62,645	167,910	53,670	44,211	—	105,937	—
$250,000,000 under $500,000,000	91	644,205	3,905,285	96,529	35,684	18,451	17,074	1,653	—	32,020	—
$500,000,000 under $1,000,000,000	92	392,603	416,059	7,473	4,503	171	171	6,779	—	7,318	—
$1,000,000,000 or more	107	1,599,345	2,050,324	184,698	22,458	149,289	36,425	35,778	—	66,600	—
Manufacturing	23,665	360,405,427	554,533,962	400,149,988	14,385,897	11,954,735	8,331,857	60,205,646	51,037,948	12,337,217	8,502,973
Zero under $50,000,000	2,781	5,062,179	7,068,383	428,296	176,843	81,147	56,400	461,745	368,668	79,408	70,449
$50,000,000 under $250,000,000	3,313	13,615,327	21,565,676	1,632,825	651,890	393,827	273,824	859,182	690,606	124,657	82,356
$250,000,000 or more, total	17,572	341,707,922	525,899,903	37,953,664	13,557,164	11,479,761	8,001,631	58,884,719	49,978,674	12,133,150	8,350,167
$250,000,000 under $500,000,000	1,807	11,789,067	17,462,471	1,348,968	494,757	238,670	170,294	1,671,650	1,520,625	174,521	111,756
$500,000,000 under $1,000,000,000	2,951	24,740,276	33,045,209	3,518,779	1,155,094	896,430	600,265	1,398,069	718,381	579,342	473,335
$1,000,000,000 or more	12,814	305,178,578	475,392,223	33,086,117	11,907,312	10,344,661	7,231,072	55,814,980	47,739,667	11,379,287	7,765,076
Food and kindred products	2,073	23,100,603	32,098,019	725,552	717,714	445,165	344,575	1,638,563	1,138,914	226,269	70,511
Zero under $50,000,000	60	83,870	201,668	9,378	4,491	788	575	19,740	16,041	132	33
$50,000,000 under $250,000,000	132	523,067	851,314	82,290	33,616	20,686	14,061	31,876	25,528	1,225	1,225
$250,000,000 or more, total	1,881	22,493,665	31,045,037	633,884	679,607	423,711	329,939	1,586,947	1,097,345	224,912	69,253
$250,000,000 under $500,000,000	78	574,581	893,178	51,356	17,538	4,888	4,888	24,460	18,893	1,626	—
$500,000,000 under $1,000,000,000	173	1,741,012	4,341,854	305,111	92,672	60,848	56,052	52,529	5,554	1,440	—
$1,000,000,000 or more	1,630	20,178,092	25,810,005	277,416	569,397	357,975	268,999	1,509,958	1,072,898	221,846	69,253
Chemicals and allied products	4,590	51,139,085	65,250,212	5,912,217	2,090,707	1,663,696	1,187,632	2,678,783	1,265,474	518,709	332,223
Zero under $50,000,000	390	778,109	1,139,587	111,623	39,580	15,256	14,474	15,534	14,114	1,511	1,399
$50,000,000 under $250,000,000	457	1,500,358	1,929,984	232,074	84,500	48,154	40,227	25,960	9,738	13,366	3,310
$250,000,000 or more, total	3,743	48,860,618	62,180,642	5,568,521	1,966,626	1,600,285	1,132,930	2,637,289	1,241,621	503,832	327,515
$250,000,000 under $500,000,000	304	1,593,263	2,575,449	261,475	100,777	55,572	48,499	47,450	17,384	9,267	6,584
$500,000,000 under $1,000,000,000	782	6,069,067	7,468,458	818,139	294,166	230,141	145,784	296,912	53,114	151,135	117,115
$1,000,000,000 or more	2,657	41,198,248	52,136,735	4,488,907	1,571,684	1,314,572	940,647	2,292,928	1,171,123	343,430	203,816
Petroleum (including integrated) and coal products	1,749	84,258,330	202,490,759	13,234,911	4,272,051	3,485,298	2,458,523	34,844,843	32,735,910	8,228,582	5,377,391
Zero under $50,000,000	54	46,217	67,192	5,086	2,022	523	523	2,081	—	—	—
$50,000,000 under $250,000,000	17	18,226	21,093	995	—	—	—	861	—	—	—
$250,000,000 or more, total	1,678	84,193,888	202,402,473	13,228,829	4,270,030	3,484,775	2,458,000	34,841,900	32,735,910	8,228,582	5,377,391
$250,000,000 under $500,000,000	18	160,383	895,992	10,835	1,344	—	—	834,995	827,832	—	—
$500,000,000 under $1,000,000,000	4	74,514	1,482	616	23	—	—	930	—	—	—
$1,000,000,000 or more	1,656	83,958,992	201,504,999	13,217,379	4,268,663	3,484,775	2,458,000	34,005,975	31,908,078	8,228,582	5,377,391
Machinery, except electrical	3,058	45,398,879	53,549,953	6,491,996	2,288,551	2,434,722	1,545,905	3,535,881	2,164,584	310,789	141,690
Zero under $50,000,000	438	891,962	1,233,735	88,879	30,704	14,467	10,630	76,070	53,689	10,233	6,508
$50,000,000 under $250,000,000	582	2,496,712	3,127,498	252,482	106,894	77,455	54,151	174,776	133,909	10,075	7,054
$250,000,000 or more, total	2,038	42,010,186	49,188,721	6,150,636	2,150,952	2,342,799	1,481,124	3,285,035	1,976,985	290,482	128,128
$250,000,000 under $500,000,000	236	2,154,326	2,607,947	237,495	81,175	30,376	24,846	115,006	88,331	1,467	633
$500,000,000 under $1,000,000,000	500	5,285,148	6,289,784	729,734	244,473	131,308	85,025	321,183	233,820	91,850	56,557
$1,000,000,000 or more	1,302	34,570,712	40,290,990	5,183,407	1,825,304	2,181,115	1,371,253	2,848,846	1,654,834	197,164	70,937
Electrical and electronic equipment	2,827	31,596,966	40,838,137	3,017,077	1,002,957	793,992	533,204	3,739,102	2,753,040	1,979,049	1,862,407
Zero under $50,000,000	525	778,483	1,183,800	54,017	20,156	8,961	6,029	103,044	83,624	15,103	13,948
$50,000,000 under $250,000,000	470	1,700,175	3,131,416	232,169	92,019	51,243	32,404	367,601	330,553	22,509	14,171
$250,000,000 or more, total	1,833	29,118,306	36,520,923	2,730,891	890,782	733,767	494,770	3,268,457	2,338,862	1,941,437	1,834,287
$250,000,000 under $500,000,000	238	2,214,617	3,454,156	250,494	78,046	22,858	16,476	480,221	462,525	119,775	90,630
$500,000,000 under $1,000,000,000	181	1,431,261	2,090,414	251,027	97,513	87,636	59,796	216,311	180,307	134,171	132,612
$1,000,000,000 or more	1,414	25,472,430	30,976,353	2,229,370	715,223	623,273	418,498	2,571,926	1,696,030	1,687,491	1,611,044

Footnotes at end of table.

Table 1.—Number of Returns, Total Assets, Income, Deductions, Tax and Credits, of U.S. Corporations and Number, Total Assets, Receipts, Earnings, Taxes, Distributions, and Selected Transactions of Controlled Foreign Corporations, by Selected Industry and Size of Total Assets of U.S. Corporation Filing the Return — Continued

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

Selected industry and size of total assets of U.S. corporations filing return	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits	Receipts by foreign corporations from — U.S. corporation filing return: Total	U.S. corporation filing return: Sales of stock in trade	Any domestic corporations controlled by the U.S. corporation filing return: Total	Any domestic corporations controlled by the U.S. corporation filing return: Sales of stock in trade
	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
Manufacturing — Continued											
Motor vehicles and equipment	1,171	47,384,443	64,560,553	887,292	684,163	362,801	232,797	9,106,269	7,810,213	230,825	184,022
Zero under $50,000,000	32	375,618	205,086	-18,913	733	1,242	551	32,549	30,796	4,979	4,979
$50,000,000 under $250,000,000	103	404,168	482,805	45,841	19,539	30,020	14,332	17,634	14,350	14,564	7,610
$250,000,000 or more, total	1,036	46,604,657	63,872,662	860,564	663,891	331,539	217,913	9,135,886	7,765,067	211,282	171,432
$250,000,000 under $500,000,000	47	225,258	314,094	706	5,807	8,716	1,294	41,835	39,712	1,177	1,040
$500,000,000 under $1,000,000,000	87	570,043	587,635	71,454	22,734	17,123	8,642	21,680	8,344	271	(¹)
$1,000,000,000 or more	902	45,809,356	62,970,933	788,404	635,351	305,700	207,976	9,072,162	7,717,010	209,834	170,392
Transportation and public utilities	1,759	19,031,100	14,976,283	1,033,718	324,495	500,890	273,123	517,090	156,006	680,038	444,766
Zero under $50,000,000	380	387,244	510,123	34,693	7,861	2,850	2,138	49,534	11,330	21,636	—
$50,000,000 under $250,000,000	106	344,432	351,453	26,930	6,257	4,057	1,978	9,761	739	10,673	—
$250,000,000 or more, total	1,274	18,299,425	14,114,707	972,094	310,376	493,982	269,005	457,793	143,937	647,529	444,766
$250,000,000 under $500,000,000	86	1,009,889	186,658	49,473	2,432	4,371	3,918	579	—	124	—
$500,000,000 under $1,000,000,000	114	735,123	354,238	36,799	11,559	5,744	5,513	9,123	—	30,887	38
$1,000,000,000 or more	1,074	16,554,413	13,573,811	885,622	296,386	483,868	259,574	448,092	143,937	616,518	444,728
Wholesale and retail trade	2,863	31,926,928	88,804,610	2,661,007	689,283	482,022	335,260	1,730,723	1,528,562	436,438	306,222
Zero under $50,000,000	1,051	1,735,818	2,605,090	113,114	32,911	18,889	12,522	183,126	149,147	69,155	65,120
$50,000,000 under $250,000,000	464	2,188,827	7,496,924	265,825	63,283	44,591	42,016	158,255	132,916	50,798	26,487
$250,000,000 or more, total	1,349	28,002,284	78,702,796	2,282,067	593,089	418,541	280,720	1,389,340	1,246,496	316,486	214,614
$250,000,000 under $500,000,000	179	1,316,921	4,804,573	107,022	21,399	18,526	12,091	37,269	22,842	52,877	48,110
$500,000,000 under $1,000,000,000	147	950,459	650,546	72,896	22,913	43,781	23,907	206,965	195,061	52,149	51,952
$1,000,000,000 or more	1,023	25,734,903	73,247,677	2,102,348	548,777	356,234	244,723	1,145,107	1,028,595	211,459	114,552
Wholesale trade	2,327	22,928,740	74,431,299	1,912,230	472,660	367,360	238,560	1,622,375	1,494,032	371,110	293,156
Zero under $50,000,000	971	1,643,860	2,506,412	105,562	32,123	17,256	10,925	168,021	140,201	68,682	64,888
$50,000,000 under $250,000,000	375	2,108,151	7,323,517	240,765	58,351	44,456	42,013	132,548	110,680	47,318	26,487
$250,000,000 or more, total	982	19,176,729	64,601,370	1,565,903	382,187	305,646	185,622	1,321,806	1,243,151	255,109	201,781
$250,000,000 under $500,000,000	136	1,194,067	4,629,450	100,249	19,346	16,312	10,294	29,383	20,118	51,718	48,110
$500,000,000 under $1,000,000,000	107	812,825	453,557	47,788	15,437	39,794	22,450	206,820	195,061	52,042	51,952
$1,000,000,000 or more	739	17,169,838	59,518,363	1,417,866	347,404	249,539	152,877	1,085,602	1,027,972	151,350	101,718
Retail trade	535	8,998,188	14,370,162	748,512	216,622	114,662	96,700	108,063	34,530	65,328	13,066
Zero under $50,000,000	79	91,958	95,330	7,288	788	1,633	1,596	14,623	8,945	472	232
$50,000,000 under $250,000,000	89	80,676	173,407	25,061	4,934	134	5	25,707	22,238	3,479	—
$250,000,000 or more, total	367	8,825,555	14,101,426	716,164	210,901	112,895	95,099	67,534	3,347	61,377	12,634
$250,000,000 under $500,000,000	43	122,854	175,122	6,773	2,053	2,214	1,796	7,885	2,724	1,159	—
$500,000,000 under $1,000,000,000	40	137,635	196,989	24,909	7,476	3,986	1,457	144	—	108	—
$1,000,000,000 or more	284	8,565,066	13,729,315	684,482	201,373	106,695	91,846	59,504	623	60,110	12,634
Finance, insurance and real estate	2,980	79,517,280	20,472,199	1,842,647	506,460	480,666	318,006	2,514,124	6,187	3,226,525	286,547
Zero under $50,000,000	635	1,960,257	1,485,670	37,652	24,230	25,899	14,840	5,862	—	302,537	283,280
$50,000,000 under $250,000,000	202	984,920	754,326	115,123	24,508	36,911	20,773	8,043	319	9,132	—
$250,000,000 or more, total	2,143	76,572,104	18,232,203	1,689,874	457,723	417,857	282,392	2,500,218	5,868	2,914,855	3,267
$250,000,000 under $500,000,000	185	2,339,018	4,496,247	245,666	74,705	124,169	87,758	79	—	3,267	3,267
$500,000,000 under $1,000,000,000	418	3,610,296	725,705	138,195	37,210	54,241	41,113	58,558	2,885	165	—
$1,000,000,000 or more	1,540	70,622,790	13,010,250	1,306,013	345,807	239,446	153,521	2,441,581	2,983	2,911,423	—
Banking	715	53,063,718	6,647,507	745,471	212,832	120,049	78,712	2,169,669	1,681	2,717,368	—
Zero under $50,000,000	**	**	**	**	**	**	**	**	**	**	—
$50,000,000 under $250,000,000	**	**	**	**	**	**	**	**	**	**	—
$250,000,000 or more, total	706	52,934,016	6,628,952	743,011	212,413	120,049	78,712	2,169,669	1,681	2,716,168	—
$250,000,000 under $500,000,000	—	—	—	—	—	—	—	—	—	—	—
$500,000,000 under $1,000,000,000	**	**	**	**	**	**	**	**	—	—	—
$1,000,000,000 or more	706	52,934,016	6,628,952	743,011	212,413	120,049	78,712	2,169,669	1,681	2,716,168	—
Insurance Carriers	718	14,203,293	5,610,895	446,325	91,173	69,332	48,916	86,926	4,187	126,919	—
Zero under $50,000,000	*17	*373,034	*40,228	*2,270	*548	—	—	*4,586	—	—	—
$50,000,000 under $250,000,000	13	103,528	48,399	20,717	1,893	2,574	1,824	—	—	—	—
$250,000,000 or more, total	689	13,726,730	5,522,269	423,337	88,733	66,758	47,092	82,340	4,187	126,919	—
$250,000,000 under $500,000,000	24	111,161	59,332	-256	626	893	340	—	—	—	—
$500,000,000 under $1,000,000,000	77	638,577	108,170	15,612	4,140	2,768	1,579	10,631	2,885	64	—
$1,000,000,000 or more	588	12,976,993	5,354,767	407,982	83,966	63,097	45,173	71,710	1,302	126,855	—
Services	2,660	5,833,160	6,362,369	505,065	196,476	148,465	87,273	168,935	48,227	55,409	4,521
Zero under $50,000,000	997	967,160	1,362,693	66,937	36,048	13,660	10,364	36,297	11,791	5,342	—
$50,000,000 under $250,000,000	786	1,686,601	2,142,278	174,364	64,203	42,032	28,278	37,850	3,720	28,857	4,521
$250,000,000 or more, total	877	3,179,400	2,857,399	263,764	96,224	92,773	48,630	94,788	32,716	21,211	—
$250,000,000 under $500,000,000	388	966,485	1,039,172	107,816	49,097	34,063	21,120	59,948	32,263	2,877	—
$500,000,000 under $1,000,000,000	193	469,332	407,429	34,615	12,235	5,575	4,774	2,089	238	207	—
$1,000,000,000 or more	296	1,743,583	1,410,798	121,333	34,893	53,115	22,735	32,751	215	18,127	—

Footnotes at end of table.

Table 1.—Number of Returns, Total Assets, Income, Deductions, Tax and Credits, of U.S. Corporations and Number, Total Assets, Receipts, Earnings, Taxes, Distributions, and Selected Transactions of Controlled Foreign Corporations, by Selected Industry and Size of Total Assets of U.S. Corporation Filing the Return — Continued

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

Selected industry and size of total assets of U.S. corporations filing return	Controlled Foreign Corporations — Continued: Receipts by foreign corporations — Continued: Any foreign corporation controlled by U.S. corporation filing return: Total	Sales of stock in trade	Payments by foreign corporations to — U.S. corporation filing return: Total	Purchases of stock in trade	Dividends paid	Any domestic corporations controlled by the U.S. corporation filing the return: Total	Purchases of stock in trade	Dividends paid	Any foreign corporations controlled by the U.S. corporation filing return: Total	Purchase of stock in trade	Dividends paid
	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)
All industries, total	31,155,589	11,102,657	92,863,489	86,629,803	8,358,199	29,818,562	21,034,521	2,293,695	28,810,106	10,681,671	2,568,883
Zero under $50,000,000	421,175	280,486	1,324,848	904,586	101,107	287,784	191,965	19,064	515,315	356,191	11,216
$50,000,000 under $250,000,000	1,280,770	949,612	3,032,353	2,112,668	355,652	770,620	580,956	93,167	1,229,869	851,454	81,454
$250,000,000 or more, total	29,453,645	9,872,560	88,306,288	83,612,548	7,901,440	28,760,158	20,261,579	2,181,444	27,064,922	9,472,025	2,466,193
$250,000,000 under $500,000,000	1,006,532	499,089	3,438,561	2,431,614	302,702	594,976	317,563	51,637	1,041,855	580,076	58,079
$500,000,000 under $1,000,000,000	2,035,740	1,209,282	3,523,966	2,204,567	531,529	911,636	645,897	155,479	1,811,245	927,682	295,346
$1,000,000,000 or more	26,411,372	8,164,188	81,343,736	78,976,346	7,067,210	27,253,545	19,298,120	1,974,329	24,211,822	7,964,267	2,112,768
Agriculture, forestry and fishing	73,296	66,332	18,670	11,859	1,308	521	207	47	17,089	2,038	616
Zero under $50,000,000	4,828	1,721	7,945	5,407	1,308	254	—	—	2,032	1,724	288
$50,000,000 under $250,000,000	**	**	**	**	**	**	**	**	**	**	**
$250,000,000 or more, total	68,567	54,611	10,625	6,452	—	267	207	47	15,057	314	328
$250,000,000 under $500,000,000	**	—	**	—	—	—	—	—	**	**	**
$500,000,000 under $1,000,000,000	—	—	—	—	—	—	—	—	—	—	—
$1,000,000,000 or more	**	**	**	**	**	**	**	**	**	**	**
Mining	166,711	42,412	690,566	234,669	74,893	825,964	123,156	228,740	166,321	12,144	16,127
Zero under $50,000,000	2,011	—	4,975	—	2,521	—	—	—	2,011	—	—
$50,000,000 under $250,000,000	8,016	—	61,248	10,733	9,195	14,326	5,397	7,424	4,196	—	—
$250,000,000 or more, total	156,684	42,412	624,342	223,936	63,177	811,638	117,759	221,316	160,114	12,144	16,127
$250,000,000 under $500,000,000	25,980	—	81,271	15,192	6,108	12,911	190	6,500	25,915	—	3,941
$500,000,000 under $1,000,000,000	5,120	2,358	7,169	—	1,322	7,380	—	7,380	2,364	—	—
$1,000,000,000 or more	125,584	40,053	535,902	208,744	55,747	791,347	117,569	207,436	131,835	12,144	12,186
Construction	361,838	10,805	106,283	4,182	27,199	129,359	2,751	16,030	327,146	10,814	129,695
Zero under $50,000,000	2,063	1,819	5,161	1,284	416	274	—	135	2,048	—	—
$50,000,000 under $250,000,000	9,827	8,986	15,352	2,898	6,292	4,717	2,751	1,219	11,579	1,819	—
$250,000,000 or more, total	349,948	—	85,770	—	20,491	124,367	—	14,675	313,519	8,995	129,695
$250,000,000 under $500,000,000	34,532	—	60,037	—	18,401	65,913	—	—	33,975	8,995	—
$500,000,000 under $1,000,000,000	1,673	—	1,048	—	—	676	—	—	977	—	171
$1,000,000,000 or more	313,742	—	24,685	—	2,090	57,778	—	14,675	278,567	—	129,524
Manufacturing	24,922,161	10,363,357	76,113,373	56,882,152	7,635,411	24,080,855	20,291,020	1,691,110	23,226,640	9,731,468	2,034,255
Zero under $50,000,000	230,241	207,540	970,499	715,046	52,251	136,634	106,940	9,946	283,896	255,660	4,885
$50,000,000 under $250,000,000	1,126,776	921,969	2,582,275	1,891,571	276,695	467,351	348,685	60,924	1,048,441	822,580	48,956
$250,000,000 or more, total	23,565,144	9,233,848	72,560,600	54,275,536	7,306,465	23,476,871	19,835,395	1,620,239	21,894,303	8,653,228	1,980,415
$250,000,000 under $500,000,000	690,717	430,630	3,022,863	2,358,879	171,219	489,166	317,202	40,794	678,072	468,865	19,727
$500,000,000 under $1,000,000,000	1,914,097	1,204,448	3,262,838	2,069,798	484,471	855,628	619,522	143,671	1,671,936	927,564	238,997
$1,000,000,000 or more	20,960,329	7,598,770	66,274,899	49,846,859	6,650,775	22,132,077	18,898,671	1,435,775	19,544,295	7,256,799	1,723,692
Food and kindred products	1,391,505	501,671	2,119,834	392,530	259,132	1,036,242	861,936	69,942	1,127,395	476,767	101,469
Zero under $50,000,000	1,967	1,578	35,440	34,256	320	3,283	2,830	115	2,532	1,578	353
$50,000,000 under $250,000,000	16,447	15,731	53,014	16,518	13,137	1,411	—	1,347	24,675	16,128	6,157
$250,000,000 or more, total	1,373,071	484,362	2,031,379	341,754	245,675	1,031,549	859,107	68,480	1,100,189	457,061	94,960
$250,000,000 under $500,000,000	27,299	1,723	20,634	12,996	1,488	790	678	—	21,487	639	3,400
$500,000,000 under $1,000,000,000	160,560	136,311	139,487	44,360	46,673	62,507	62,507	—	137,671	111,391	11,699
$1,000,000,000 or more	1,185,212	346,328	1,871,277	284,398	197,315	968,252	795,922	68,480	941,031	345,031	79,860
Chemicals and allied products	3,296,474	1,227,296	5,897,741	3,699,638	1,004,563	2,561,213	2,124,851	184,819	3,365,973	1,201,910	373,263
Zero under $50,000,000	42,254	37,277	76,999	49,192	11,552	7,910	6,055	1,673	55,562	44,109	1,931
$50,000,000 under $250,000,000	142,071	118,254	190,198	128,833	27,990	51,757	25,622	3,642	144,636	107,956	16,300
$250,000,000 or more, total	3,112,150	1,071,765	5,630,543	3,521,613	965,021	2,501,547	2,093,174	179,503	3,165,775	1,049,846	355,033
$250,000,000 under $500,000,000	82,722	33,812	154,176	65,561	43,255	48,588	25,502	6,593	62,374	21,635	3,288
$500,000,000 under $1,000,000,000	363,346	144,099	511,107	202,196	120,103	344,636	261,585	28,462	365,348	140,185	64,891
$1,000,000,000 or more	2,666,081	893,854	4,965,261	3,253,855	801,663	2,108,323	1,806,087	144,448	2,738,053	888,026	286,854
Petroleum (including integrated) and coal products	6,157,546	695,888	27,896,033	24,684,992	2,416,832	14,657,718	13,537,988	466,621	4,540,063	559,726	432,352
Zero under $50,000,000	—	—	2,609	1,509	157	684	370	212	38	—	38
$50,000,000 under $250,000,000	—	—	3	—	—	—	—	—	—	—	—
$250,000,000 or more, total	6,157,546	695,888	27,893,422	24,683,483	2,416,675	14,657,034	13,537,618	466,409	4,540,025	559,726	432,314
$250,000,000 under $500,000,000	—	—	821,607	821,468	—	—	—	—	—	—	—
$500,000,000 under $1,000,000,000	—	—	48,000	—	—	—	—	—	—	—	—
$1,000,000,000 or more	6,157,546	695,888	27,023,815	23,862,014	2,416,675	14,657,034	13,537,618	466,409	4,540,025	559,726	432,314
Machinery, except electrical	4,138,859	2,183,047	12,681,252	8,290,737	1,825,057	629,314	369,769	142,118	4,014,558	1,969,045	371,119
Zero under $50,000,000	33,878	27,806	171,947	140,594	6,750	26,049	17,299	6,639	35,961	30,261	5
$50,000,000 under $250,000,000	210,990	174,546	705,323	544,112	59,368	110,987	88,378	13,079	201,956	158,816	3,843
$250,000,000 or more, total	3,893,990	1,980,692	11,803,981	7,606,031	1,758,939	492,278	264,093	122,401	3,776,640	1,779,969	367,271
$250,000,000 under $500,000,000	150,157	96,457	527,050	445,830	25,033	46,734	43,694	415	134,749	82,962	4,592
$500,000,000 under $1,000,000,000	499,353	373,306	1,029,802	898,449	44,562	142,515	67,535	64,996	292,703	157,555	21,595
$1,000,000,000 or more	3,244,480	1,510,930	10,247,129	6,261,752	1,689,345	303,029	152,864	56,990	3,349,189	1,539,452	341,084
Electrical and electronic equipment	3,661,497	2,460,826	5,003,744	3,804,917	253,562	1,652,282	1,055,104	301,327	3,539,015	2,492,331	218,735
Zero under $50,000,000	33,116	30,930	192,463	162,960	8,318	41,162	29,646	210	48,529	46,024	393
$50,000,000 under $250,000,000	169,858	129,982	620,647	511,186	32,134	126,516	103,862	12,539	197,124	159,187	3,145
$250,000,000 or more, total	3,458,523	2,299,914	4,190,635	3,130,772	213,110	1,484,603	921,596	288,578	3,293,362	2,287,120	215,197
$250,000,000 under $500,000,000	109,011	49,000	737,123	525,709	17,968	235,967	143,019	1,802	118,204	85,369	2,006
$500,000,000 under $1,000,000,000	102,490	65,330	276,082	178,163	51,402	25,902	11,135	13,896	101,982	64,658	22,185
$1,000,000,000 or more	3,247,022	2,185,584	3,177,430	2,426,880	143,740	1,222,734	767,443	272,678	3,073,177	2,137,094	191,006

Footnotes at end of table.

Table 1.—Number of Returns, Total Assets, Income, Deductions, Tax and Credits, of U.S. Corporations and Number, Total Assets, Receipts, Earnings, Taxes, Distributions, and Selected Transactions of Controlled Foreign Corporations, by Selected Industry and Size of Total Assets of U.S. Corporation Filing the Return — Continued

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

Selected industry and size of total assets of U.S. corporations filing return	Controlled Foreign Corporations — Continued: Receipts by foreign corporations — Continued: Any foreign corporation controlled by U.S. corporation filing return: Total	Sales of stock in trade	Payments by foreign corporations to — U.S. corporation filing return: Total	Purchases of stock in trade	Dividends paid	Any domestic corporations controlled by the U.S. corporation filing the return: Total	Purchases of stock in trade	Dividends paid	Any foreign corporations controlled by the U.S. corporation filing return: Total	Purchase of stock in trade	Dividends paid
	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)
Manufacturing — Continued											
Motor vehicles and equipment	1,636,261	476,869	12,575,593	10,329,792	196,485	697,509	352,980	65,501	1,906,542	305,004	80,544
Zero under $50,000,000	1,216	763	54,252	43,553	820	13,263	12,791	—	1,361	763	—
$50,000,000 under $250,000,000	39,347	32,200	51,983	17,589	26,145	23,705	22,332	25	19,906	12,565	3,334
$250,000,000 or more, total	1,595,698	443,905	12,469,359	10,268,651	169,499	660,520	317,857	65,477	1,885,276	291,675	77,210
$250,000,000 under $500,000,000	2,137	2,055	25,127	17,699	1,143	7,644	575	7,069	3,762	3,310	362
$500,000,000 under $1,000,000,000	60,849	29,966	56,111	43,972	7,413	12,874	5,059	7,334	45,884	17,632	1,907
$1,000,000,000 or more	1,532,912	411,884	12,388,121	10,206,980	160,943	640,003	312,223	51,074	1,835,630	270,733	74,942
Transportation and public utilities	958,270	81,021	989,570	76,464	112,267	663,412	105,338	111,504	1,029,659	54,509	133,660
Zero under $50,000,000	20,283	—	13,817	156	2,742	22,848	94	39	41,707	—	—
$50,000,000 under $250,000,000	6,608	—	20,847	498	1,672	5,470	—	895	3,833	—	—
$250,000,000 or more, total	931,379	81,021	954,905	75,809	107,653	635,095	105,244	110,569	984,120	54,509	133,660
$250,000,000 under $500,000,000	108,476	—	14,653	—	3,760	—	—	—	96,340	—	300
$500,000,000 under $1,000,000,000	8,593	2,396	7,694	118	5,014	2,460	659	593	5,485	118	—
$1,000,000,000 or more	814,310	78,624	932,358	75,692	98,879	632,635	104,585	109,977	882,295	54,391	133,360
Wholesale and retail trade	1,253,513	494,342	10,225,688	9,262,668	293,860	515,018	291,995	58,746	1,376,980	814,927	95,395
Zero under $50,000,000	53,911	37,913	202,633	165,619	8,701	86,482	67,478	7,324	84,634	66,105	2,663
$50,000,000 under $250,000,000	27,455	2,541	265,055	192,769	27,156	57,986	21,435	10,565	33,430	3,596	6,606
$250,000,000 or more, total	1,172,147	453,887	9,758,000	8,904,280	258,005	370,550	203,082	40,854	1,258,917	745,226	86,126
$250,000,000 under $500,000,000	78,799	68,387	107,436	46,960	10,923	17,555	171	2,261	134,219	110,897	5,157
$500,000,000 under $1,000,000,000	15,683	—	143,022	103,997	34,156	40,223	25,617	2,139	11,853	—	7,060
$1,000,000,000 or more	1,077,666	385,501	9,507,542	8,753,323	212,926	312,772	177,294	36,454	1,112,845	634,329	73,890
Wholesale trade	1,112,167	493,391	9,742,999	9,197,668	253,988	359,984	275,814	24,854	1,238,498	814,927	80,113
Zero under $50,000,000	51,557	37,913	197,187	163,997	8,701	83,870	66,515	5,731	82,281	66,105	2,663
$50,000,000 under $250,000,000	27,222	2,541	233,176	173,393	27,045	56,746	20,661	10,565	33,321	3,596	6,606
$250,000,000 or more, total	1,033,388	452,937	9,312,635	8,860,279	218,243	219,369	188,638	8,358	1,122,698	745,226	70,845
$250,000,000 under $500,000,000	78,741	68,387	44,375	21,660	9,532	2,733	171	1,439	134,199	110,897	5,157
$500,000,000 under $1,000,000,000	15,060	—	128,144	93,738	30,674	28,272	25,617	2,020	11,653	—	7,080
$1,000,000,000 or more	939,587	384,550	9,140,116	8,744,882	178,037	188,364	162,651	4,899	976,847	634,329	58,608
Retail trade	141,345	951	482,644	65,000	39,873	155,034	16,180	34,092	138,481	—	15,282
Zero under $50,000,000	2,354	—	5,401	1,622	—	2,612	962	1,596	2,354	—	—
$50,000,000 under $250,000,000	232	—	31,879	19,377	111	1,240	774	—	109	—	—
$250,000,000 or more, total	138,760	951	445,365	44,001	39,762	151,181	14,444	32,496	136,019	—	15,282
$250,000,000 under $500,000,000	58	—	63,061	25,300	1,392	14,822	—	822	20	—	—
$500,000,000 under $1,000,000,000	623	—	14,878	10,259	3,482	11,951	—	119	—	—	—
$1,000,000,000 or more	138,079	951	367,426	8,442	34,888	124,408	14,444	31,554	135,999	—	15,282
Finance, insurance and real estate	3,247,676	41,196	3,999,406	42,982	144,112	3,555,168	216,902	161,283	2,453,860	41,778	127,313
Zero under $50,000,000	58,567	29,754	53,563	—	22,780	30,701	16,987	1,254	47,132	29,805	1,098
$50,000,000 under $250,000,000	20,439	4,763	15,471	2,109	9,494	216,314	199,915	11,855	18,560	5,373	11,942
$250,000,000 or more, total	3,168,670	6,680	3,930,374	40,872	111,837	3,308,153	—	148,174	2,388,167	6,600	114,274
$250,000,000 under $500,000,000	54,673	(¹)	83,448	—	64,792	5,068	—	1,907	60,807	—	23,876
$500,000,000 under $1,000,000,000	79,464	80	39,214	28,816	1,638	4,626	—	1,697	104,392	—	50,451
$1,000,000,000 or more	3,034,533	6,600	3,807,712	12,056	45,408	3,298,458	—	144,570	2,222,969	6,600	39,944
Banking	2,629,373	6,600	3,548,731	6,574	12,803	2,936,722	—	104,438	1,964,789	6,600	1,818
Zero under $50,000,000	78	—	158	—	—	—	—	—	—	—	—
$50,000,000 under $250,000,000	—	—	—	—	—	90	—	—	78	—	—
$250,000,000 or more, total	2,629,295	6,600	3,548,573	6,574	12,803	2,936,632	—	104,438	1,964,711	6,600	1,818
$250,000,000 under $500,000,000	—	—	—	—	—	—	—	—	—	—	—
$500,000,000 under $1,000,000,000	—	—	4,712	—	837	—	—	—	—	—	—
$1,000,000,000 or more	2,629,295	6,600	3,543,862	6,574	11,965	2,936,632	—	104,438	1,964,711	6,600	1,818
Insurance Carriers	237,537	80	193,896	14,678	28,501	102,802	—	15,919	116,618	—	21,015
Zero under $50,000,000	*41	—	*18	—	—	—	—	—	*41	—	—
$50,000,000 under $250,000,000	264	—	40	—	40	—	—	—	—	—	—
$250,000,000 or more, total	237,232	80	193,838	14,678	28,461	102,802	—	15,919	116,577	—	21,015
$250,000,000 under $500,000,000	—	—	687	—	687	3	—	—	36	—	36
$500,000,000 under $1,000,000,000	48,472	80	10,045	9,217	237	2,506	—	—	47,045	—	2,531
$1,000,000,000 or more	188,760	—	183,106	5,461	27,537	100,292	—	15,919	69,496	—	18,449
Services	172,025	13,193	520,014	114,826	69,150	48,265	3,152	26,236	212,410	13,993	21,802
Zero under $50,000,000	49,272	1,740	67,109	17,074	10,388	10,591	279	334	51,857	3,079	2,285
$50,000,000 under $250,000,000	81,648	11,353	71,255	11,669	24,948	4,459	2,774	285	109,829	10,910	13,950
$250,000,000 or more, total	41,105	101	381,652	86,083	33,812	33,215	99	25,616	50,725	4	5,567
$250,000,000 under $500,000,000	13,197	73	60,616	4,553	27,499	4,362	—	174	12,056	—	4,919
$500,000,000 under $1,000,000,000	11,110	—	62,784	1,859	4,928	842	—	—	14,238	—	648
$1,000,000,000 or more	16,798	28	258,252	79,672	1,386	26,211	99	25,442	24,431	4	—

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

**Deleted or combined to avoid disclosure of information for specific corporations.

¹Less than $500.

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

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and by Selected Industry of Controlled Foreign Corporation

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

Selected industry of U.S. corporation filing return and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All industries (U.S. Parent)	**4,799**	**35,471**	**508,031,994**	**699,003,002**	**47,821,582**	**55,794,506**	**16,736,730**	**16,440,451**	**14,115,642**	**9,643,638**
CFC Industries										
Agriculture, forestry and fishing	73	224	4,167,349	1,618,046	-1,195,895	115,907	37,832	36,601	19,651	15,955
Mining	273	969	15,017,247	11,392,971	3,430,646	3,820,565	1,273,353	1,272,931	975,082	446,771
Construction	172	558	7,028,446	11,244,627	798,147	907,458	199,234	193,706	343,556	154,801
Manufacturing	2,052	10,901	226,062,259	354,511,342	25,832,360	29,871,292	9,895,433	9,866,940	7,238,667	5,409,843
Transportation and public utilities	336	1,145	21,412,678	18,442,325	960,649	1,428,419	242,569	259,358	571,348	239,379
Wholesale and retail trade	1,507	6,903	82,234,324	256,779,170	11,106,816	12,176,380	3,516,156	3,496,022	2,542,746	1,862,034
Finance, insurance, and real estate	1,048	3,862	129,263,466	24,921,436	4,821,672	5,240,696	851,207	806,194	1,674,186	1,041,042
Services	1,081	4,090	20,359,450	19,911,917	1,841,033	2,221,868	716,536	706,075	730,411	473,095
Nature of business not allocable	195	456	276,175	181,164	4,153	11,923	2,409	2,426	4,166	718
Inactive	1,538	6,363	2,210,599	—	—	—	—	—	15,827	—
Agriculture, forestry and fishing (U.S. Parent)	**20**	**142**	**878,019**	**1,312,284**	**34,278**	**46,747**	**16,963**	**15,695**	**1,971**	**871**
CFC Industries										
Agriculture, forestry and fishing	7	26	186,851	132,896	10,061	14,845	4,421	4,380	802	492
Mining	—	—	—	—	—	—	—	—	—	—
Construction	—	—	—	—	—	—	—	—	—	—
Manufacturing	3	26	96,976	111,220	8,507	9,695	3,829	3,575	70	70
Transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	11	27	373,530	992,797	9,389	13,165	7,480	8,536	391	304
Finance, insurance, and real estate	4	6	29,986	1,405	103	613	83	83	—	—
Services	4	8	38,801	33,020	952	1,853	304	273	694	—
Nature of business not allocable	**	**	**	**	**	**	**	**	**	**
Inactive	4	37	7,482	—	—	—	—	—	—	—
Mining (U.S. Parent)	**172**	**793**	**7,383,484**	**5,551,063**	**1,142,818**	**1,211,077**	**253,396**	**253,645**	**369,136**	**239,408**
CFC Industries										
Agriculture, forestry and fishing	—	—	—	—	—	—	—	—	—	—
Mining	86	274	4,263,996	2,969,371	855,937	903,006	173,518	174,150	195,779	184,605
Construction	3	6	74,524	32,857	11,972	13,698	3,054	3,054	776	—
Manufacturing	10	89	1,197,545	1,345,806	126,946	143,033	46,927	46,481	47,489	32,252
Transportation and public utilities	8	18	100,010	128,009	16,385	17,871	4,485	4,494	38	38
Wholesale and retail trade	11	57	287,452	791,662	49,720	50,291	9,606	9,570	9,878	3,162
Finance, insurance, and real estate	24	63	1,274,699	199,151	65,644	66,406	11,054	11,054	108,340	17,737
Services	15	33	65,406	55,163	14,495	14,965	4,138	4,139	1,669	1,609
Nature of business not allocable	5	14	11,165	9,043	1,721	1,784	603	603	5	5
Inactive	95	239	106,667	—	—	—	—	—	5,162	—
Oil and gas extraction (U.S. Parent)	143	609	5,931,264	4,443,410	988,939	1,049,350	209,886	210,159	328,502	214,977
CFC Industries										
Agriculture, forestry and fishing	—	—	—	—	—	—	—	—	—	—
Mining	71	244	3,706,062	2,604,253	779,895	825,069	153,896	154,537	187,002	177,105
Construction	**	**	**	**	**	**	**	**	**	**
Manufacturing	7	58	702,591	815,656	84,076	96,425	31,191	30,814	31,502	24,260
Transportation and public utilities	3	4	57,971	65,390	3,438	4,815	—	31	—	—
Wholesale and retail trade	6	31	226,412	724,352	42,544	42,634	8,183	8,183	4,324	510
Finance, insurance, and real estate	16	40	1,020,967	151,692	53,569	54,277	9,574	9,574	99,414	11,580
Services	8	23	60,533	49,234	12,044	12,431	3,966	3,967	1,580	1,522
Nature of business not allocable	3	5	272	-25	-60	—	—	—	—	—
Inactive	86	199	87,271	—	—	—	—	—	4,680	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and by Selected Industry of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing return and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Construction (U.S. Parent)	**133**	**607**	**3,056,588**	**6,990,052**	**387,060**	**475,685**	**74,356**	**68,601**	**177,755**	**57,841**
CFC Industries										
Agriculture, forestry and fishing	—	—	—	—	—	—	—	—	—	—
Mining	*12	*69	*31,321	*20,832	*-1,512	*2,703	*14	*12	—	—
Construction	94	297	2,593,670	6,371,216	368,298	436,590	79,034	74,929	177,057	57,174
Manufacturing	14	21	62,110	98,914	5,270	8,057	2,586	2,628	563	563
Transportation and public utilities	3	7	7,005	1,750	-348	237	-77	-103	—	—
Wholesale and retail trade	*15	*22	*42,840	*75,570	*2,583	*3,154	*1,365	*1,104	—	—
Finance, insurance, and real estate	20	26	82,763	58,724	4,014	8,767	742	216	50	19
Services	22	46	196,610	361,840	10,290	15,689	-9,309	-10,184	85	85
Nature of business not allocable	4	6	4,165	1,206	465	468	—	—	—	—
Inactive	31	112	35,903	—	—	—	—	—	—	—
Manufacturing (U.S. Parent)	**2,452**	**23,865**	**360,405,427**	**554,533,962**	**40,014,968**	**46,915,595**	**14,815,711**	**14,385,897**	**11,954,735**	**8,331,857**
CFC Industries										
Agriculture, forestry and fishing	41	152	3,817,407	694,877	-1,190,725	87,206	30,755	29,680	18,506	15,192
Mining	85	416	9,182,339	7,093,135	2,467,151	2,744,040	1,074,022	1,073,241	770,763	255,669
Construction	49	195	4,059,061	4,442,932	392,393	426,963	106,205	105,012	183,772	98,218
Manufacturing	1,849	10,038	215,023,493	338,721,423	24,884,125	28,729,562	9,635,582	9,314,630	6,940,230	5,205,550
Transportation and public utilities	106	344	11,852,387	12,116,234	547,563	852,039	115,057	131,206	445,599	147,938
Wholesale and retail trade	890	4,995	58,919,385	171,697,291	8,766,231	9,563,880	2,912,010	2,896,021	2,001,871	1,546,356
Finance, insurance, and real estate	473	1,726	45,771,683	8,259,968	3,086,192	3,240,036	404,011	401,500	1,160,540	762,177
Services	366	1,466	10,377,565	11,374,635	1,061,482	1,264,086	436,517	430,759	440,691	302,133
Nature of business not allocable	142	359	202,860	133,468	575	7,784	1,553	1,646	2,767	623
Inactive	741	3,976	1,199,046	—	—	—	—	—	9,994	—
Chemicals and allied products (U.S. Parent)	250	4,590	51,139,085	65,250,212	5,912,217	6,619,966	2,122,074	2,090,707	1,663,696	1,187,632
CFC Industries										
Agriculture, forestry and fishing	10	42	141,248	152,723	2,894	14,160	4,776	4,686	3,817	1,897
Mining	9	32	429,342	141,966	38,518	38,535	8,197	8,196	5,743	5,510
Construction	4	6	156,256	140,318	11,452	11,715	2,902	2,773	—	—
Manufacturing	207	2,345	38,529,169	51,943,251	4,667,285	5,255,716	1,743,977	1,711,216	1,253,214	909,239
Transportation and public utilities	15	35	589,072	596,950	102,227	103,460	25,029	25,010	11,043	8,259
Wholesale and retail trade	104	853	6,037,658	10,666,791	689,711	776,065	285,926	285,428	218,115	129,341
Finance, insurance, and real estate	67	259	4,705,327	870,549	367,137	383,617	40,939	42,584	162,477	128,620
Services	43	133	414,463	733,958	32,261	35,399	10,147	10,469	6,141	4,624
Nature of business not allocable	25	55	25,485	3,705	731	1,319	181	146	577	141
Inactive	113	630	111,064	—	—	—	—	—	566	—
Petroleum (including intergrated) and coal products (U.S. Parent)	77	1,749	84,258,330	202,490,759	13,234,911	13,951,428	4,256,245	4,272,051	3,485,298	2,458,523
CFC Industries										
Agriculture, forestry and fishing	**	**	**	**	**	**	**	**	**	**
Mining	25	171	5,390,086	5,106,495	2,040,094	2,286,601	936,313	936,209	625,299	163,296
Construction	3	7	243,622	488,649	42,180	46,350	6	6	—	—
Manufacturing	45	279	32,967,165	73,731,311	5,209,680	5,260,548	1,754,616	1,760,493	1,252,347	1,198,228
Transportation and public utilities	17	98	8,404,320	8,658,339	151,450	405,674	35,240	37,012	354,458	76,912
Wholesale and retail trade	25	518	28,280,233	112,973,192	4,828,483	4,975,779	1,485,956	1,474,099	995,395	829,997
Finance, insurance, and real estate	29	148	8,241,740	1,133,921	917,714	924,869	58,720	58,734	241,049	173,919
Services	14	71	441,628	394,104	47,363	49,141	5,323	5,429	16,619	16,169
Nature of business not allocable	**	**	**	**	**	**	**	**	**	**
Inactive	39	435	230,342	—	—	—	—	—	12	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and by Selected Industry of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing return and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Manufacturing — Continued										
Machinery, except electrical (U.S. Parent)	408	3,058	45,398,679	53,549,953	6,491,996	7,036,632	2,336,022	2,288,551	2,434,722	1,545,905
CFC Industries										
Agriculture, forestry and fishing	**	**	**	**	**	**	**	**	**	**
Mining	6	60	269,892	338,721	60,444	82,615	22,859	22,859	9,534	8,996
Construction	5	15	334,578	119,291	53,476	54,174	10,398	10,147	1,659,853	1,030,011
Manufacturing	306	1,305	29,194,196	35,637,546	4,476,443	4,823,683	1,745,330	1,714,756	—	—
Transportation and public utilities	3	3	8,517	3,070	256	726	249	249	—	—
Wholesale and retail trade	147	742	6,640,541	10,896,549	706,110	859,075	258,558	244,366	152,962	112,656
Finance, insurance, and real estate	59	201	4,242,436	979,098	543,101	559,705	36,451	35,040	328,972	192,575
Services	58	276	4,646,459	5,371,512	650,755	676,015	264,066	261,022	282,931	201,455
Nature of business not allocable	**	**	**	**	**	**	**	**	**	**
Inactive	106	416	53,242	—	—	—	—	—	258	—
Electrical and electronic equipment (U.S. Parent)	410	2,827	31,596,966	40,636,137	3,017,077	3,597,553	1,034,043	1,002,957	793,992	533,204
CFC Industries										
Agriculture, forestry and fishing	—	—	—	—	—	—	—	—	—	—
Mining	5	28	369,164	153,062	39,345	40,431	9,000	9,000	1,200	684
Construction	7	44	2,114,723	1,966,405	98,740	119,165	46,087	45,352	25,916	25,718
Manufacturing	299	1,332	18,517,062	28,545,597	1,946,835	2,345,306	696,494	653,616	440,614	341,177
Transportation and public utilities	8	38	1,062,386	1,214,834	64,111	91,044	17,838	32,358	30,882	29,719
Wholesale and retail trade	147	564	3,529,358	6,501,579	564,422	609,740	189,106	189,159	122,366	59,470
Finance, insurance, and real estate	52	176	4,488,663	588,456	219,355	246,745	33,513	32,618	142,539	58,846
Services	39	259	1,403,950	1,881,605	64,913	144,965	39,827	40,792	27,990	17,555
Nature of business not allocable	14	20	8,700	4,579	-643	136	76	64	358	35
Inactive	67	366	102,940	—	—	—	—	—	2,126	—
Transportation and public utilities (U.S. Parent)	**242**	**1,769**	**19,031,100**	**14,976,283**	**1,033,718**	**1,389,411**	**328,870**	**324,495**	**500,890**	**273,123**
CFC Industries										
Agriculture, forestry and fishing	**	**	**	**	**	**	**	**	**	**
Mining	13	47	1,121,974	1,104,682	118,766	124,508	19,964	19,706	5,298	4,725
Construction	7	15	54,097	135,177	5,775	6,750	3,434	3,434	1,443	903
Manufacturing	22	221	2,868,310	4,220,265	181,880	309,071	100,322	98,226	73,818	48,901
Transportation and public utilities	161	563	7,385,776	5,079,039	320,840	421,424	106,049	107,058	109,272	81,122
Wholesale and retail trade	21	171	1,592,436	2,780,641	27,113	125,021	33,572	30,231	138,710	29,481
Finance, insurance, and real estate	61	170	4,792,735	781,513	255,143	266,767	18,382	18,300	130,961	79,149
Services	45	177	945,136	865,924	125,940	135,606	47,137	47,522	43,277	28,840
Nature of business not allocable	**	**	**	**	**	**	**	**	**	**
Inactive	100	386	264,623	—	—	—	—	—	88	—
Wholesale and retail trade (U.S. Parent)	**768**	**2,863**	**31,926,928**	**88,804,810**	**2,661,007**	**2,968,414**	**700,690**	**689,283**	**482,022**	**335,260**
CFC Industries										
Agriculture, forestry and fishing	11	29	150,507	785,357	8,589	13,695	2,657	2,732	320	271
Mining	10	35	203,681	131,605	-4,612	29,628	5,116	5,108	2,405	934
Construction	12	13	11,919	4,691	-23	138	22	22	—	—
Manufacturing	92	249	4,262,767	5,531,393	318,951	346,776	118,873	117,210	48,230	32,358
Transportation and public utilities	29	112	1,031,825	723,055	73,367	99,340	8,211	8,186	16,243	10,115
Wholesale and retail trade	472	1,391	20,172,917	77,976,880	2,103,034	2,250,226	512,306	512,303	362,640	261,716
Finance, insurance, and real estate	84	225	4,980,646	3,185,662	139,974	194,311	47,806	38,126	43,783	26,245
Services	152	221	608,223	463,551	21,619	33,694	5,550	5,515	6,726	3,542
Nature of business not allocable	14	28	8,066	2,618	108	407	147	61	1,310	78
Inactive	249	560	475,355	—	—	—	—	—	365	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and by Selected Industry of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing return and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Wholesale and retail trade — Continued										
Wholesale trade (U.S. Parent)	658	2,327	22,928,740	74,431,299	1,912,230	2,197,353	483,545	472,660	367,360	238,560
CFC Industries										
Agriculture, forestry and fishing	8	26	146,150	780,041	6,822	11,929	1,948	2,024	54	4
Mining	9	26	158,279	71,706	-21,900	12,014	-194	-202	—	—
Construction	12	13	11,919	4,691	-23	138	22	22	—	—
Manufacturing	73	206	3,932,614	4,664,654	240,364	268,157	95,403	93,740	46,003	32,204
Transportation and public utilities	24	104	1,010,913	713,996	70,029	95,679	8,211	8,186	14,610	8,519
Wholesale and retail trade	409	1,184	14,849,915	65,206,658	1,556,241	1,690,773	352,596	353,154	272,458	182,158
Finance, insurance, and real estate	58	148	2,132,474	2,385,508	53,354	99,349	21,298	11,565	29,206	14,109
Services	130	166	215,053	403,169	7,386	19,129	4,212	4,170	4,664	1,565
Nature of business not allocable	8	14	2,449	656	-42	185	49	-16	—	—
Inactive	217	418	468,774	—	—	—	—	—	365	—
Finance, insurance, and real estate (U.S. Parent)	**481**	**2,980**	**79,517,280**	**20,472,199**	**1,842,847**	**2,112,712**	**543,719**	**506,460**	**480,666**	**318,006**
CFC Industries										
Agriculture, forestry and fishing	3	4	3,451	—	-23,478	—	—	—	—	—
Mining	64	122	208,506	49,770	-3,395	15,766	719	720	837	837
Construction	**	**	**	**	**	**	**	**	**	**
Manufacturing	29	120	2,067,883	3,968,903	255,777	266,726	78,291	75,898	117,622	81,077
Transportation and public utilities	18	55	596,693	124,274	8,314	10,148	1,039	1,170	—	—
Wholesale and retail trade	31	144	771,965	2,354,321	148,627	160,779	40,965	39,349	30,339	20,476
Finance, insurance, and real estate	313	1,516	71,763,175	12,338,533	1,223,869	1,406,427	365,238	333,334	219,638	147,555
Services	74	348	3,979,775	1,612,432	230,441	248,230	57,174	55,703	112,172	68,061
Nature of business not allocable	**	**	**	**	**	**	**	**	**	**
Inactive	179	644	55,461	—	—	—	—	—	58	—
Services (U.S. Parent)	**531**	**2,680**	**5,833,160**	**6,362,369**	**505,065**	**674,867**	**203,035**	**196,476**	**148,465**	**87,273**
CFC Industries										
Agriculture, forestry and fishing	9	9	8,183	3,380	-501	—	—	—	—	—
Mining	**	**	**	**	**	**	**	**	**	**
Construction	5	28	225,216	248,065	20,363	21,836	7,239	7,006	506	506
Manufacturing	33	136	443,176	513,398	50,904	58,373	9,023	8,093	10,645	9,071
Transportation and public utilities	10	38	295,782	240,269	9,450	20,973	7,003	6,544	196	166
Wholesale and retail trade	55	95	73,799	110,009	2,122	9,864	853	-1,094	916	539
Finance, insurance, and real estate	69	128	587,579	96,479	46,734	55,346	3,889	3,582	10,874	8,159
Services	405	1,793	4,147,931	5,145,352	375,816	507,722	175,025	172,348	125,096	68,625
Nature of business not allocable	**	**	**	**	**	**	**	**	**	**
Inactive	139	409	64,034	—	—	—	—	—	161	—
Business services (U.S. Parent)	306	1,616	3,330,109	3,862,670	259,527	359,554	116,290	114,902	104,181	54,020
CFC Industries										
Agriculture, forestry and fishing	—	—	—	—	—	—	—	—	—	—
Mining	—	—	—	—	—	—	—	—	—	—
Construction	3	17	193,893	226,848	17,818	17,974	6,712	6,485	506	506
Manufacturing	22	32	95,604	130,363	599	3,291	56	-310	—	—
Transportation and public utilities	4	20	164,988	158,547	13,851	17,754	6,122	5,978	214	214
Wholesale and retail trade	17	32	37,499	50,556	3,393	5,669	-11	-11	8,064	4,045
Finance, insurance, and real estate	41	64	217,187	37,906	23,210	27,448	1,609	1,606	97,219	49,247
Services	259	1,230	2,576,076	3,256,632	200,758	287,387	101,796	101,151	70	7
Nature of business not allocable	5	8	2,001	1,819	-103	31	4	(1)	107	—
Inactive	60	212	42,861	—	—	—	—	—	—	—

*Estimate should be used with caution because of the small number of sample returns on which it was based.
**Data deleted to avoid disclosure of information to specific corporations.
[1]Less than $500.
Note: Detail may not add to total because of rounding.

Table 3—Number of U.S. Corporations Returns and Number, Total Assets, Receipts, Earnings, Taxes, Distributions and Selected Transactions of Controlled Foreign Corporations, by Major Industry of Controlled Foreign Corporation

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

Major industry of Controlled Foreign Corporations	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits	Selected receipts by foreign corporations from: All related persons
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All industries, total	4,799	35,471	508,031,994	699,003,002	47,621,582	16,440,451	14,115,642	9,843,638	115,823,113
Agriculture, forestry and fishing	73	224	4,167,349	1,618,046	- 1,195,895	36,801	19,651	15,955	1,081,050
Mining	273	969	15,017,247	11,392,971	3,430,646	1,272,931	975,082	446,771	2,374,991
Oil and gas extraction	210	753	10,735,884	9,179,334	3,034,911	1,154,664	824,751	349,967	2,093,431
Construction	172	568	7,028,446	11,244,627	798,147	193,706	343,556	154,801	970,030
Manufacturing	2,052	10,901	226,062,259	354,511,342	25,832,360	9,666,940	7,238,667	5,409,843	47,664,187
Food and kindred products	136	786	13,466,353	26,357,350	1,479,715	520,772	355,129	273,630	1,327,549
Chemicals and allied products	290	2,417	40,450,536	56,287,396	4,987,665	1,923,308	1,319,657	964,886	4,605,916
Petroleum (including integrated) and coal products	53	149	32,683,871	71,175,546	5,053,419	1,679,034	1,226,036	1,161,867	11,461,832
Machinery except electrical	409	1,253	15,817,952	20,872,998	1,436,800	524,225	340,345	253,727	3,806,561
Electrical and electronic equipment	309	1,491	32,282,019	44,601,989	4,797,484	1,616,831	1,761,443	1,126,228	8,628,934
Transportation and public utilities	336	1,145	21,412,678	18,442,328	980,649	259,358	571,348	239,379	6,088,863
Transportation	304	1,004	13,790,138	12,230,980	55,886	112,571	389,311	87,545	5,779,321
Wholesale and retail trade	1,507	6,903	82,234,324	256,779,170	11,108,818	3,496,022	2,542,746	1,862,034	38,215,104
Wholesale trade	1,306	5,782	72,053,590	232,838,975	9,889,956	3,114,846	2,338,275	1,706,315	37,144,563
Retail trade	240	942	9,264,414	22,476,053	1,028,202	324,398	176,222	132,443	979,879
Finance, insurance and real estate	1,048	3,862	129,263,466	24,921,436	4,821,672	806,194	1,674,186	1,041,042	15,244,552
Credit agencies other than banks	182	673	39,661,444	5,262,895	838,743	239,712	220,835	99,187	5,940,335
Insurance carriers	359	593	16,940,222	6,202,612	1,054,382	71,496	166,599	131,655	1,271,367
Holding and other investment companies, except bank holding companies	479	1,170	27,795,528	4,257,834	2,076,270	236,334	1,096,794	683,384	3,395,561
Services	1,081	4,090	20,359,450	19,911,917	1,841,033	706,075	730,412	473,095	4,125,274
Business services	742	2,621	12,315,006	12,701,126	1,256,697	478,775	529,318	348,474	2,905,042
Nature of business not allocable	195	456	278,175	181,164	4,153	2,426	4,166	718	58,491
Inactive	1,538	6,363	2,210,599	—	-2	-2	15,627	—	570

Major industry of Controlled Foreign Corporations	Controlled Foreign Corporations—Continued: Selected receipts by foreign corporations from—Continued: U.S. corporation filing return: Total	Sales of stock in trade	Compensation received for certain services	Amounts borrowed	Any domestic corporation controlled by U.S. corporation filing return: Total	Sales of stock in trade	Compensation received for certain services	Amounts borrowed	Any foreign corporation controlled by U.S. corporation filing return: Total
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
All industries, total	65,533,573	53,032,955	3,151,286	5,880,474	17,145,614	9,748,793	1,176,345	4,620,438	31,155,589
Agriculture, forestry and fishing	971,347	959,076	2,006	9,590	39,730	36,985	348	1,592	69,973
Mining	1,063,241	670,416	9,673	384,546	591,372	585,287	9,782	5,718	558,949
Oil and gas extraction	929,613	555,645	8,422	349,323	536,712	514,697	9,766	2,362	467,218
Construction	120,094	12,474	53,336	42,229	201,448	37,609	145,782	11,499	647,540
Manufacturing	26,694,700	22,450,168	1,351,532	2,043,815	6,815,766	4,547,632	304,078	1,688,014	13,402,651
Food and kindred products	344,231	200,082	3,494	122,660	120,236	101,528	296	6,131	742,733
Chemicals and allied products	1,829,416	955,514	62,070	432,684	369,921	240,113	23,781	55,414	2,403,628
Petroleum (including integrated) and coal products	6,690,697	6,417,461	37,767	209,802	3,733,206	1,925,552	139,512	1,525,017	970,963
Machinery except electrical	1,444,734	1,253,318	68,271	65,833	80,553	68,281	910	5,234	2,194,737
Electrical and electronic equipment	4,609,797	3,786,469	679,505	74,908	1,514,830	1,458,636	17,064	15,782	2,482,870
Transportation and public utilities	1,813,016	487,488	904,657	134,977	970,918	27,194	553,150	153,095	2,843,351
Transportation	1,779,014	478,541	898,820	122,188	956,673	18,692	553,133	153,095	2,582,056
Wholesale and retail trade	29,318,887	28,007,272	204,803	507,510	4,324,239	3,972,878	70,656	138,411	4,515,031
Wholesale trade	29,042,903	27,796,001	190,925	486,950	4,056,633	3,751,877	63,809	111,551	4,004,558
Retail trade	245,437	196,066	1,753	18,975	255,808	212,954	3,895	26,860	462,282
Finance, insurance and real estate	4,036,992	291,258	8,574	2,425,060	3,237,948	18,031	13,171	2,377,227	7,437,879
Credit agencies other than banks	1,224,630	1,930	2,026	747,934	1,424,059	10	433	1,214,553	3,112,934
Insurance carriers	428,276	—	827	40,652	222,261	—	33	21,121	615,713
Holding and other investment companies, except bank holding companies	597,811	5,593	2,335	336,812	196,720	15,349	5,463	26,450	2,587,316
Services	1,496,612	151,633	816,256	339,317	935,881	543,172	79,373	219,882	1,668,581
Business services	910,652	83,530	366,280	118,477	793,809	537,355	47,176	165,801	1,180,325
Nature of business not allocable	18,684	3,170	650	13,829	28,511	4	6	25,000	11,265
Inactive	—	—	—	—	—	—	—	—	570

Footnote at end of table.

Table 3—Number of U.S. Corporations Returns and Number, Total Assets, Receipts, Earnings, Taxes, Distributions and Selected Transactions of Controlled Foreign Corporations, by Major Industry of Controlled Foreign Corporation — Continued

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

Major industry of Controlled Foreign Corporations	Controlled Foreign Corporations—Continued: Receipts by—Continued: Any foreign corporation controlled by U.S. corporation filing return—Continued: Sales of stock in trade	Compensation received for certain services	Amounts borrowed	All related persons	Selected payments by foreign corporations to: U.S. corporation filing return: Total	Purchases of stock in trade	Compensation paid for certain services	Amounts loaned	Dividends paid
	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)
All industries, total	11,102,657	3,678,383	9,677,736	157,829,919	92,863,469	66,629,803	2,516,036	8,275,021	8,358,199
Agriculture, forestry and fishing	22,629	4,250	33,856	1,564,240	1,506,608	294,984	21,549	1,000,000	13,873
Mining	47,076	31,879	242,429	1,867,748	1,010,657	72,985	61,182	29,791	615,962
Oil and gas extraction	40,680	30,493	218,892	1,635,517	925,348	60,529	59,513	29,783	554,252
Construction	89,633	145,743	210,363	1,318,429	244,869	25,072	82,730	6,959	85,162
Manufacturing	8,212,868	1,473,805	2,027,379	72,418,801	45,651,743	33,918,099	1,798,280	821,720	4,844,092
Food and kindred products	303,401	52,787	277,029	1,773,046	1,058,441	838,069	34,473	43,860	212,997
Chemicals and allied products	1,099,386	272,453	621,289	8,940,769	4,225,313	2,319,653	221,233	39,663	845,972
Petroleum (including integrated) and coal products	210,735	230,554	282,568	20,781,668	10,666,594	9,612,808	25,087	21,316	937,828
Machinery except electrical	1,909,469	52,377	166,543	4,338,473	3,043,496	530,337	54,537	16,787	233,896
Electrical and electronic equipment	1,706,631	299,106	246,095	11,125,461	7,826,514	2,422,886	139,816	64,154	125,618
Transportation and public utilities	152,083	206,134	2,029,733	4,832,161	732,692	34,590	58,548	232,103	338,320
Transportation	119,152	186,471	1,919,080	4,487,955	666,462	22,620	38,231	222,779	317,379
Wholesale and retail trade	2,016,910	373,271	1,275,847	50,841,511	32,752,760	30,126,910	222,861	232,685	1,334,157
Wholesale trade	1,713,968	347,022	1,156,757	48,459,398	31,607,119	29,271,030	191,570	203,266	1,250,264
Retail trade	280,301	15,164	111,161	1,632,197	727,237	545,295	28,441	29,419	63,232
Finance, insurance and real estate	391,434	659,896	3,511,863	20,046,810	8,229,530	1,341,522	42,124	5,474,766	742,319
Credit agencies other than banks	7,642	558,696	1,926,111	8,658,217	4,653,013	2,261	14,855	4,387,864	81,300
Insurance carriers	—	2,415	191,088	663,635	352,374	6,100	7,826	264,966	49,964
Holding and other investment companies, except bank holding companies	29,730	59,152	863,638	5,024,414	1,225,199	36,308	13,300	444,596	566,967
Services	168,863	782,826	344,115	5,098,014	2,518,240	806,049	227,735	476,558	381,924
Business services	137,613	636,158	164,390	3,653,643	1,927,385	699,162	124,668	407,700	288,143
Nature of business not allocable	1,161	779	2,551	32,178	15,788	11,592	1,046	439	1,799
Inactive	—	—	—	10,027	591	—	—	—	591

Major industry of Controlled Foreign Corporations	Controlled Foreign Corporations—Continued: Selected payments by foreign corporations to—Continued: Any domestic corporation controlled by U.S. corporation filing return: Total	Purchases of stock in trade	Compensation paid for certain services	Amounts loaned	Dividends paid	Any foreign corporation controlled by U.S. corporation filing return: Total	Purchases of stock in trade	Compensation paid for certain services	Amounts loaned	Dividends paid
	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)	(37)
All industries, total	29,818,562	21,034,521	796,922	3,957,670	2,293,695	28,810,106	10,881,671	3,552,769	8,225,756	2,558,863
Agriculture, forestry and fishing	28,400	23,407	33	1,707	2,460	29,231	2,228	871	12,102	3,094
Mining	307,594	49,170	9,861	4,790	213,194	548,879	11,032	28,355	307,591	112,248
Oil and gas extraction	198,266	10,920	9,059	4,220	147,185	509,263	11,032	24,779	293,634	98,045
Construction	383,913	226,161	87,366	12,122	52,108	875,317	186,173	87,795	161,039	190,740
Manufacturing	11,499,373	9,486,206	434,066	129,173	721,469	11,675,948	5,026,721	2,177,995	1,810,720	1,314,493
Food and kindred products	204,984	93,030	24,220	23,741	42,077	505,895	139,683	90,189	54,614	91,798
Chemicals and allied products	1,962,085	1,611,197	131,663	10,347	115,995	2,716,252	1,005,617	446,024	522,426	312,547
Petroleum (including integrated) and coal products	6,161,568	5,556,833	112,691	75,803	114,796	734,569	76,797	186,702	274,746	68,221
Machinery except electrical	226,409	145,252	9,222	1,472	58,950	965,249	546,763	64,572	154,673	43,105
Electrical and electronic equipment	304,768	206,245	62,437	7,072	96,912	2,370,552	1,268,551	380,569	137,586	399,159
Transportation and public utilities	2,694,969	2,509,352	79,860	1,574	79,846	1,349,517	225,927	91,346	358,581	104,126
Transportation	2,629,196	2,493,960	70,380	1,574	38,073	1,137,313	161,235	66,448	358,156	25,196
Wholesale and retail trade	8,856,137	7,942,906	102,513	167,544	535,759	6,932,568	4,369,043	602,922	978,124	448,134
Wholesale trade	8,646,286	7,858,423	98,220	108,707	488,375	6,140,225	3,825,373	553,949	892,031	409,346
Retail trade	169,975	65,833	4,218	58,837	46,360	680,710	466,665	32,555	84,775	32,783
Finance, insurance and real estate	4,858,523	46,068	30,252	3,578,231	501,719	6,213,650	636,764	118,439	4,331,724	301,355
Credit agencies other than banks	1,826,848	416	8,809	1,495,778	76,486	1,946,636	35,990	70,374	1,427,577	54,689
Insurance carriers	73,697	—	1,905	14	53,763	234,931	—	10,142	142,680	57,041
Holding and other investment companies, except bank holding companies	1,129,577	22,966	3,122	752,404	287,117	2,663,264	466,665	20,628	2,294,360	135,726
Services	1,178,572	748,850	51,852	62,418	183,239	1,372,251	219,108	446,823	444,617	78,779
Business services	915,995	717,572	20,237	36,006	109,858	797,323	90,153	385,839	144,518	51,643
Nature of business not allocable	6,197	2,590	—	110	19	10,192	4,685	224	1,249	1,344
Inactive	4,884	—	—	—	4,884	4,552	—	—	—	4,552

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

A Geographical Perspective

By William Sutton and James Hobbs*

Controlled Foreign Corporations (CFC's) have played an important role in the world economy. While remitting $10.7 billion in dividends during 1980 to their U.S. parent corporations, these 35,471 foreign corporations generated nearly $700 billion of business receipts throughout the world. They also produced $47.6 billion of pre-tax earnings and profits, with $16.4 billion being paid in income taxes to foreign governments.

THE CONCEPT OF A CONTROLLED FOREIGN CORPORATION

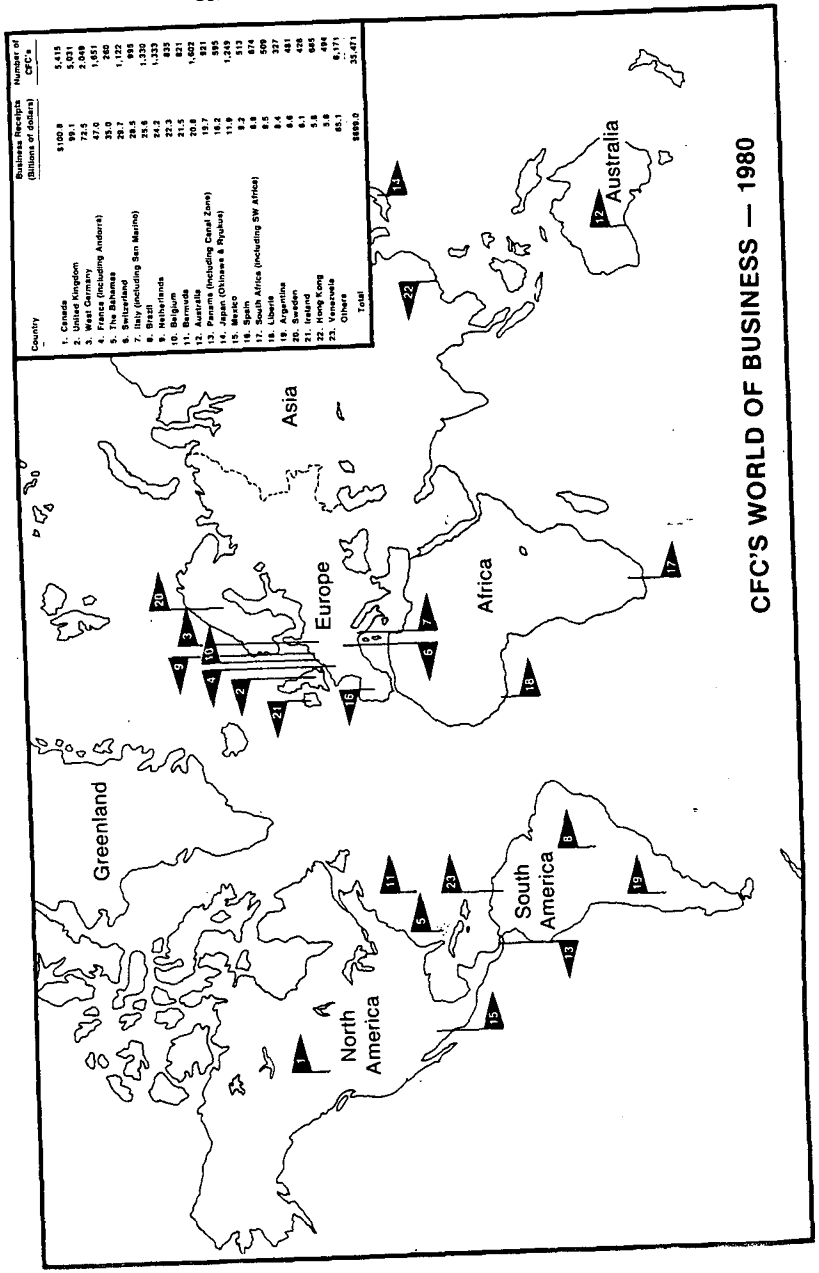
A CFC is generally described as a corporation created under the laws of a government outside of the United States and with more than 50 percent of the voting stock or more than 50 percent of all classes of stock owned by U.S. persons on any day during the taxable year of the CFC. U.S. persons include corporations, partnerships, estates, trusts, and citizens and residents of the United States. The filing requirements for the Form 2952, Information Return with Respect to a Controlled Foreign Corporation, were such that a U.S. shareholder had to file a Form 2952 for each accounting period for each CFC which was controlled by that person, i.e., with over 50 percent stock ownership, for an uninterrupted period of 30 days during the CFC's annual accounting period. In addition to the CFC's described above, other "lower-tiered" foreign corporations, through a chain of control, were considered to be controlled by a U.S. person. If the foreign corporation (first-tier) controlled by a U.S. person(s) in turn owned more than 50 percent of a second-tier foreign corporation which, in turn, owned more than 50 percent of a third-tier foreign corporation, and so forth, then each foreign corporation was considered to be "controlled." As such, a Form 2952 had to be filed for each of these corporations by the U.S. parent. The data contained in this article are based on Forms 2952 filed by U.S. parent corporations [1].

INVESTMENT DECISIONS ABOUT CFC'S

The use of Controlled Foreign Corporations was considered by U.S. corporations in many investment decisions dealing with international markets. These decisions were generally concerned with underlying economic factors (such as proximity to the supply of raw materials and markets for finished products) and involved the location of the investments, i.e., either in the United States or in a foreign country. If a foreign location was decided on, then in most cases a permanent establishment in the foreign country was used. This was either in the form of a branch operation of the U.S. company or an investment in a foreign corporation. (Certain types of foreign operations, such as sales, did not require a foreign establishment, but rather could be conducted through pure exporting operations in the United States, independent agents in the foreign country, or mailing operations.) CFC's were one alternative often used when the foreign corporation approach was selected by U.S. companies. (If control of the foreign operation was not needed, then a U.S. company could invest in a foreign corporation with 50 percent or less stock ownership.) For 1980, CFC's had total assets of $508 billion, an indicator of the use of CFC's as an investment vehicle. They, in turn, generated $699 billion of business receipts throughout the world. The world map, following, shows the location pattern of CFC's.

U.S. tax considerations were an important incentive for establishing CFC's. The earnings and profits generated by CFC's in foreign countries were generally tax deferred until repatriated in the form of dividends to U.S. corporations. However, certain transactions made by CFC's in generating earnings and profits were considered to be "Subpart F income," which in turn, was taxable by the United States regardless of whether repatriated or not. This income was considered deemed to have been distributed to the U.S. shareholders of CFC's, and thereby taxable to the shareholders. Subpart F income included income from the insurance and reinsurance of U.S. risks, "foreign base company income," boycott participation income, and payments consisting of illegal bribes and kickbacks. For 1980, Subpart F income amounted to $3.1 billion and pre-tax earnings and profits generated by CFC's were $47.6 billion. CFC's

*Foreign Statistics Branch. Prepared under the direction of Daniel Skelly, Chief.



Country	Business Receipts (Billions of dollars)	Number of CFC's
1. Canada	$100.8	5,415
2. United Kingdom	99.1	5,031
3. West Germany	72.5	2,049
4. France (including Andorra)	47.0	1,651
5. The Bahamas	35.0	260
6. Switzerland	29.7	1,122
7. Italy (including San Marino)	28.5	995
8. Brazil	25.6	1,330
9. Netherlands	24.2	1,333
10. Belgium	22.3	835
11. Bermuda	21.5	821
12. Australia	20.8	1,602
13. Panama (including Canal Zone)	19.7	921
14. Japan (Okinawa & Ryukus)	16.2	595
15. Mexico	11.9	1,249
16. Spain	9.2	513
17. South Africa (including SW Africa)	8.8	674
18. Liberia	8.5	509
19. Argentina	8.4	327
20. Sweden	6.6	481
21. Ireland	6.1	426
22. Hong Kong	5.8	685
23. Venezuela	5.8	494
Others	65.1	6,171
Total	$699.0	35,471

paid $16.4 billion of income taxes to foreign governments during this same period. There were also $10.7 billion of dividends distributed by CFC's to U.S. parent corporations, which were also taxable. (These dividends were not, however, all distributed from current earnings and profits, but came in part from accumulated earnings and profits of prior years.)

TAX LAWS OF FOREIGN COUNTRIES

As previously stated, economic factors were of major importance in investment decisions. For instance, the availability of skilled labor and markets for products help explain the predominance of manufacturing CFC's in European countries such as France, the United Kingdom, and West Germany (see Figure A). Nearly 74 percent of the assets of all European CFC's belonged to manufacturing corporations. However, in addition to the economic feasibility of investments, tax laws of certain foreign countries provided incentives to U.S. companies to invest in foreign corporations, including CFC's.

CFC's not only provided U.S. tax incentives for their parent companies, but many CFC's also enjoyed low tax rates (and other beneficial tax provisions) in certain foreign countries in which they operated. Foreign tax rates played an important role for U.S. companies in making offshore investment decisions. The host country has the first opportunity to tax the income the CFC earned in its country. When this income is repatriated to the U.S. parent company, a withholding tax may also be levied by the foreign country. When the dividends are received by the parent company from the CFC's, the dividends are subject to U.S. taxation. The United States also taxes deemed distributions, i.e., Subpart F income, as previously discussed. In order to avoid double taxation the U.S. firm can use a foreign tax credit against the U.S. income tax, generally up to the rate of the U.S. tax [2]. The worldwide tax burden has had an impact on the investment decisions of U.S. corporations (such as, in which foreign country to locate a particular business venture).

Certain countries imposed little or no tax on corporate income in 1980. For example, Bermuda had no corporate income tax [3]. However, Figure B shows that there were some foreign taxes ($53 million) paid by CFC's in Bermuda. To an extent, these taxes were paid to other foreign countries by Bermudian CFC's doing business in those countries, in addition to doing business in Bermuda. For 1980, 20 percent of the CFC's incorporated in Bermuda reported another country as their principal place of business.

To attract investment, some countries singled out certain industries to receive special benefits. Liberia, for instance, had very flexible tanker and other ship registration rules. In addition, Liberia generally did not tax foreign source income earned by CFC's. These shipping rules and tax benefits accounted for the large investment in the water transportation industry in Liberia. As shown in Figure A, this investment is indicated by the $7.4 billion of assets in this industry, out of the total of $8.8 billion of assets for all active Liberian CFC's [4].

Industries in other countries have received certain amounts of CFC investment which resulted in part from the tax incentives offered by the foreign countries. For instance, the Bahamas had CFC's with $3.4 billion of assets engaged in the wholesale trade of petroleum and petroleum products, which produced $30.7 billion of business receipts. For all active CFC's incorporated in the Bahamas, there were $7.5 billion of assets and $35.0 billion of business receipts. Further, there were large CFC investments in finance industries in Bermuda ($8.4 billion of assets out of $13.7 billion for all CFC's in this country), Hong Kong ($5.0 billion out of $8.3 billion), and the Netherlands Antilles ($12.7 billion out of $14.3 billion). For the Netherlands Antilles, the tax treaty with the United States which substantially exempted withholding taxes in the United States on interest payments that flowed to that country certainly added another reason for investment in finance CFC's [5].

Figure B shows the amount of taxes paid by CFC's as a percent of their earnings and profits, for selected countries. These percentages were the calculated "effective tax rates," which may vary considerably from the statutory tax rate(s) of the countries [6]. This is because (1) certain amounts of earnings and profits, and the associated foreign taxes paid, were applicable to operations in countries other than the "host" foreign country; (2) earnings and profits is an economic concept and does not necessarily equal the statutory tax base used; (3) many countries, such as France and West Germany, taxed various types of income at different rates; and (4) many countries, like the United States, had progressive tax rates.

Figure B also shows for 1980, that of the 19,523 CFC's which had positive earnings and profits, 4,879 or 25 percent paid no foreign income taxes. The types of taxes and methods of taxation used by foreign countries differed substantially, allowing many CFC's with positive earnings and profits to pay no income taxes due to the various provisions of the different tax structures.

GROWTH OF CFC ACTIVITY AROUND THE WORLD

In 1972 there were 29,221 CFC's [7] in the world with $167.8 billion of assets, so that

Figure A.--Rates of Return and Profit Margins for Active Controlled Foreign Corporations, by Selected Countries of Incorporation and Primary Industries[1]

[Money amounts are in millions of dollars]

Country of incorporation and primary industry	Number of CFC's	Total assets	Business receipts	Earnings and profits after taxes	Rate of return[2]	Profit margin[3]
	(1)	(2)	(3)	(4)	(5)	(6)
All countries, total	29,107	$505,821	$699,003	$31,181	6.16%	4.46%
Canada, total	4,280	89,696	100,773	5,143	5.73	5.10
Manufacturing	1,741	43,581	66,335	3,022	6.93	4.56
Brazil, total	1,125	18,488	25,617	691	3.74	2.70
Manufacturing	497	11,955	15,469	478	4.00	3.09
Mexico, total	1,010	8,486	11,883	933	10.99	7.85
Manufacturing	649	6,352	9,440	696	10.96	7.37
Panama, total	711	13,884	19,657	1,291	9.30	6.57
Finance	78	4,968	1,287	302	6.07	23.46
The Bahamas, total	192	7,515	34,952	279	3.71	0.80
Trade[4]	47	3,615	31,197	31	0.85	0.10
Bermuda, total	732	13,722	21,525	1,375	10.02	6.38
Finance	483	8,417	2,915	798	9.48	27.38
Netherlands Antilles, total	283	14,303	2,191	383	2.68	17.48
Finance	204	12,658	959	333	2.63	34.72
Belgium, total	761	14,306	22,314	704	4.92	3.15
Manufacturing	306	7,195	15,121	473	6.57	3.12
France, total	1,516	25,371	47,019	1,529	6.03	3.25
Manufacturing	648	16,788	32,666	1,069	6.36	3.27
Italy, total	835	19,620	28,492	1,367	6.97	4.79
Manufacturing	398	10,092	18,789	1,103	10.93	5.87
Netherlands, total	1,153	14,665	24,205	1,169	7.97	4.83
Manufacturing	402	7,673	15,124	570	7.43	3.77
Switzerland, total	1,049	17,170	29,704	1,640	9.55	5.52
Trade	341	7,460	23,488	1,050	14.08	4.47
United Kingdom, total	3,646	75,486	99,113	5,505	7.29	5.55
Manufacturing	1,366	36,868	55,544	2,582	7.00	4.65
West Germany, total	1,844	46,117	72,488	2,611	5.66	3.60
Manufacturing	802	25,376	40,053	1,310	5.16	3.27
Liberia, total	425	8,793	8,517	139	1.58	1.63
Water transportation	266	7,416	7,286	93	1.25	1.28
Hong Kong, total	549	8,266	5,821	571	6.91	9.81
Finance	84	5,007	733	131	2.62	17.87
Japan, total	563	10,215	16,175	803	7.86	4.96
Trade	211	4,830	10,862	402	8.32	3.70
Australia, total	1,286	20,354	20,639	893	4.39	4.33
Manufacturing	491	8,715	11,026	420	4.82	3.81

[1]Primary industries determined by amount of assets.
[2]Derived by column 4 divided by column 2.
[3]Derived by column 4 divided by column 3.
[4]Ninety-three percent of this trade was petroleum and petroleum products.

Figure B.--Controlled Foreign Corporations With and Without Foreign Income Taxes Paid on Positive Earnings and Profits, by Selected Areas and Countries of Incorporation

[Money amounts are in millions of dollars]

Selected areas and countries of incorporation	CFC's Paying Foreign Income Taxes				CFC's Paying No Foreign Income Taxes[1]	
	Number of CFC's	Earnings and profits (+)	Foreign income taxes	Taxes as a percent of earnings and profits (+)	Number of CFC's	Earnings and profits (+)
	(1)	(2)	(3)	(4)	(5)	(6)
All geographic areas, total	14,135	$50,489	$16,887	33%	4,879	$4,516
Canada	2,403	8,387	3,286	39	613	385
Latin America, total	2,134	6,635	1,890	28	830	538
Brazil	427	1,483	481	32	151	74
Mexico	661	1,660	710	43	103	30
Panama (including Canal Zone)	179	1,351	133	10	187	145
Venezuela	238	511	154	30	53	22
Other Western Hemisphere, total	298	1,258	189	15	585	1,213
The Bahamas	34	181	45	25	97	201
Bermuda	90	559	53	9	433	986
Netherlands Antilles	170	465	68	15	42	22
Europe, total	6,320	26,534	8,841	33	1,858	1,519
Belgium	420	1,147	622	54	60	53
France (including Andorra)	807	2,779	1,012	36	163	68
Italy (including San Marino)	513	2,124	655	31	63	24
Netherlands	578	1,582	499	32	169	178
Switzerland	547	2,131	393	18	142	45
United Kingdom	1,504	8,587	2,722	32	617	731
West Germany	889	5,556	2,302	41	339	167
Africa, total	628	1,673	553	33	329	394
Liberia	28	194	21	11	222	303
South Africa (including South-west Africa)	377	895	273	31	79	60
Asia, total	1,286	3,866	1,361	35	371	371
Hong Kong	286	658	160	24	107	96
Japan	326	1,599	711	44	69	18
Oceania, total	835	1,897	708	37	239	82
Australia	700	1,727	646	37	197	59

[1]There were 510 additional CFC's with positive earnings and profits ($789 million) and negative foreign income taxes ($150 million).

although the number of CFC's in 1980 increased by only 21 percent to 35,471 (including inactive CFC's), the assets grew by 203 percent to $508.0 billion. The volume of business receipts generated by CFC's grew even faster, skyrocketing by 305 percent, from $172.4 billion in 1972 to $699 billion in 1980. Even with a high rate of inflation (78 percent from 1972 to 1980 [8]) the increase in business receipts (sales and service income) was comparatively large. Many individual countries showed large dollar increases in CFC business receipts during this same period, such as Canada from $37.6 to $100.8 billion, United Kingdom from $20.4 to $99.1 billion, West Germany $15.9 to $72.5 billion, and France from $11.3 to $47.0 billion.

The few countries which showed smaller business receipts for 1980 compared to 1972 were the East European Communist countries. CFC receipts in these countries fell from $889 to $29 million and the number of CFC's dropped from 42 to 18.

CFC'S BALANCE OF TRADE

For 1980, the overall "CFC balance of trade" with U.S. parent companies (including their domestic subsidiaries) produced a surplus of $24.9 billion for the United States, with CFC purchases of stock in trade from U.S. parents of $87.7 billion and sales to these U.S. parents of $62.8 billion. In comparison, the United States was in an overall deficit trade position ($24.1 billion) for 1980, with $244.9 billion of imports and only $220.8 billion of exports [9].

Figure C shows the U.S. 1980 balance of trade with selected foreign countries, and the sales and purchases of stock in trade between CFC's in those selected countries and their U.S. parent companies. Certain comparisons between CFC activity in a particular country and the U.S. balance of trade with that country must be qualified. For instance, CFC's in the Bahamas reported greater sales (column 2) than the U.S. imports (column 5) from this country. This is partially explained by the difference in how U.S. Bureau of Census' statistics and CFC data are tabulated on a country basis. Census' statistics credit U.S. imports to the country of origin while CFC sales are based on the CFC's country of incorporation. The CFC sales to U.S. parent companies from the Bahamas included wholesale trade of such goods as petroleum and petroleum products. However, these CFC sales from the Bahamas were mainly attributable to CFC's being incorporated there to take advantage of the no-tax structure for

Figure C.--U.S. Balance of Trade, Purchases and Sales of Stock in Trade Between CFC's and Their Domestic Parents, for Selected Areas and Countries of Incorporation

[Millions of dollars]

Selected areas and countries of incorporation	CFC purchases from U.S. parents	CFC sales to U.S. parents	CFC balance of trade	U.S. Balance of Trade		
				Exports	Imports	Surplus or deficit
	(1)	(2)	(3)	(4)	(5)	(6)
All geographic areas, total	$87,664	$62,782	$24,882	$220,783	$244,871	$-24,100
Canada	15,318	10,984	4,334	35,395	41,459	-6,064
Latin America, total	7,853	2,517	5,336	36,030	29,952	6,078
Brazil	715	160	555	4,343	3,715	628
Mexico	1,030	502	528	15,145	12,580	2,565
Panama (including Canal Zone)	3,666	500	3,166	699	330	369
Other Western Hemisphere, total	6,946	30,879	-23,933	2,688	7,277	-4,589
The Bahamas	2,923	23,236	-20,313	396	1,469	-1,073
Bermuda	3,186	6,786	-3,600	136	13	123
Netherlands Antilles	828	852	-24	448	2,564	-2,116
Europe, total	40,626	6,966	33,660	72,230	48,503	23,727
United Kingdom	6,518	2,072	4,446	12,694	9,842	2,852
West Germany	12,294	1,456	10,838	10,960	11,693	-733
Africa, total	2,590	1,451	1,139	9,060	34,410	-25,350
Liberia	1,753	629	1,124	113	128	-15
Nigeria	36	506	-470	1,150	11,105	-9,955
South Africa (including South-West Africa)	429	23	406	2,463	3,321	-858
Asia, total	7,940	5,615	2,325	60,168	80,299	-20,131
Singapore	1,432	2,016	-584	3,033	1,921	1,112
Hong Kong	1,524	534	990	2,686	4,739	-2,053
Japan	1,205	572	633	20,790	30,714	-9,924
Oceania	2,882	288	2,594	4,876	3,392	1,484

corporate income, while the origin of the petroleum was not in the Bahamas. An additional qualification in comparing the statistics deals with timing. Census' data are based on the physical movement of goods for the 1980 Calendar Year, while CFC data are based on sales as reported for accounting periods beginning as early as September 1978 and ending as late as June 1981.

SUMMARY

Investment decisions by U.S. corporations concerning activity in foreign countries were generally based on both economic and taxation considerations. Overseas investments by U.S. corporations were often in the form of businesses incorporated in foreign countries but controlled by the U.S. parents, i.e., CFC's. For 1980, U.S. corporations invested in 35,471 CFC's, which had assets of $508 billion. When CFC's were used, the U.S. tax effect to the parent corporations and the tax laws of the foreign countries in which the CFC's were located were important considerations [10].

Controlled Foreign Corporations have made a noticeable impact on the economies of many countries. They generated throughout the world nearly $700 billion in business receipts in 1980, with $47.6 billion of earnings and profits. Additionally, CFC's paid $16.4 billion in income taxes to foreign governments, and remitted $10.7 billion in dividends to their U.S. parent corporations.

DATA SOURCES AND LIMITATIONS

Sample Selection and Variability

The statistics for the 1980 Tax Year were estimated from a stratified probability sample of about 85,000 U.S. corporation income tax returns selected after revenue processing but before audit. A description of the sample selection procedures for corporate returns is presented in the Appendix.

From the general corporate sample described above, all returns containing Forms 2952 were used for the 1980 statistics presented in this article. The weighting factor used for each return was the same factor used for the U.S. parent corporation. The weighting factors used for the 1980 study resulted in an estimated 4,799 corporate returns, containing information for 35,471 CFC's.

Sampling variability (i.e., the degree to which statistics based on a sample differ from data based on similar samples) occurs only in strata in which returns were selected at a rate of less than 100 percent. For this article, returns selected at the 100 percent rate accounted for the largest part of the estimated amounts. For instance, for 1980, CFC's owned by U.S. corporations with $250 million or more in total assets (and selected at a 100 percent rate) accounted for the major portion of total assets (94.1 percent), business receipts (93.3 percent), and current earnings and profits (93.4 percent) of CFC's owned by all corporations. Because of the predominance of large companies, sampling variability is not considered a major limitation of the statistics.

Nonsampling Limitations

Controlled Foreign Corporations were classified by country of incorporation and principal place of business. The Form 2952 specified that the CFC designate the country from which the largest portion of gross receipts was derived as the principal place of business. Because the largest portion will vary, from one CFC to another, an undetermined amount of business was conducted with countries other than the country of principal place of business. Additionally, the term "country" used in this article includes not only countries, but also other separate taxation authorities, such as possessions.

About 50 U.S. corporations filed consolidated Controlled Foreign Corporation schedules, with the data aggregated for several companies. Follow-up requests were made in an attempt to get the individual CFC information. About 75 percent of these requests were successful. A part of the remaining data fell into the correct classification by country because all of the CFC's reported on that particular return were in the same country. The few remaining unresolved consolidated CFC's were left in the same country classification as the CFC showing the consolidated data.

Time Period Covered

The 1980 estimates are based on data from returns filed by U.S. corporations with accounting periods that were for full years ending any time between July 1980 through June 1981. In addition to these returns filed for 12-month accounting periods, the statistics also include data from part-year returns (filed for accounting periods ending during the same time period by corporations which were new, merging, liquidating or simply changing their accounting periods). Because Forms 2952 were filed for the accounting periods of CFC's ending with, or within the accounting periods of the U.S. parent corporations, the CFC accounting periods covered by the statistics may have ended any time during the period August 1979 through June 1981; however, most of the activity was deemed to have occurred during 1980.

EXPLANATION OF SELECTED TERMS

Business Receipts of Controlled Foreign Corporations.--Business receipts were, in general, gross receipts or gross sales less returns and allowances reported for CFC's on Forms 2952. In the finance, insurance, and real estate industries, business receipts were generally the total income or receipts of the CFC and may have included other types of income such as interest, royalties, rents, and other investment income. This definition differs from that used for business receipts statistics for domestic corporations, in that investment income is normally excluded.

CFC Balance of Trade.--This term is used to describe the excess of CFC sales to U.S. parents or purchases from U.S. parents. A surplus for the U.S. occurs when CFC purchases exceed sales to U.S. parents and a deficit for the U.S. results from an excess of sales to U.S. parents.

Current Earnings and Profits of Controlled Foreign Corporations.--This item represents the difference between the accumulated beginning and ending year balances of earnings and profits available for distribution to the stockholders. The earnings and profits of a foreign corporation must be calculated under U.S. accounting standards, as required by IRS regulations. This calculation is such that earnings and profits closely conforms to the economic income, as opposed to the taxable income, of the foreign corporation.

Foreign Base Company Income.--This part of Subpart F income included foreign personal holding company income ("passive" investment income), and foreign base company sales, services, and shipping income.

Foreign Income Taxes Paid by Controlled Foreign Corporations.--These were foreign income, war profits, and excess profits taxes paid or accrued by CFC's to foreign countries or U.S. possessions (including Puerto Rico). Also included were taxes imposed by other countries (including the United States) in cases where CFC's had business operations in countries other than the one in which they were incorporated.

Principal Place of Business.--The Form 2952 instructs the taxpayer to name the "principal cities and countries where business is conducted," meaning those places of business from which the largest portion of gross receipts was derived.

Profit Margin.--This ratio is the result of dividing current earnings and profits after taxes by business receipts.

Rate of Return.--This ratio is the result of dividing the current earnings and profits after taxes of a CFC by its assets.

Sales and Purchases of Stock in Trade.--These were sales and purchases of merchandise in the ordinary course of trade or business. Only sales and purchases between CFC's and their U.S. parents (including their domestic subsidiaries) were used in this article.

U.S. Balance of Trade.--This is the excess of exports over imports resulting in a surplus, or the excess of imports over exports resulting in a deficit or negative balance of trade.

NOTES AND REFERENCES

[1] Nearly all CFC's are controlled by U.S. corporations, as opposed to other types of U.S. "persons" (estates, partnerships, etc.). Data contained in this article represent only those CFC's controlled by U.S. corporations. See Gianelos, Arthur, and Sutton, William, "Controlled Foreign Corporations, 1980," Statistics of Income Bulletin, Spring 1984, pp. 37-57.

[2] See States, William, "Corporate Foreign Tax Credits, 1980: An Industry Focus," Statistics of Income Bulletin, Summer 1984, for a more complete discussion of foreign tax credits.

[3] Other countries with certain low or no tax provisions included the Bahamas, Cayman Islands, Bahrain, New Hebrides, Netherlands Antilles, Gibraltar, Nauru, Turks and Caicos Islands, British Virgin Islands, Jersey (Channel Islands), Liechtenstein, Switzerland, Costa Rica, Hong Kong, Liberia, Panama, Philippines, Antigua, Barbados, Grenada, St. Vincent, Luxembourg, and the Netherlands. See Reiner, Wayne R., Taxation for Accountants, 23 October 1979, pp. 240-246. Additionally, countries such as the United Kingdom offered tax incentives other than low tax rates. These incentives included such items as large depreciation allowances on property. See Corporate Taxes, A Worldwide Summary, Price Waterhouse, October 1980.

[4] Additional 1980 CFC data cross-classified by country and industry are available by request from the Statistics of Income Division, D:R:S, Internal Revenue Service, Washington, DC 20224.

[5] See Carson, Chris R., "Nonresident Alien Income and Tax Withheld, 1982," Statistics of Income Bulletin, Fall 1984, for more information on tax treaties.

[6] It should be noted that while Figure B shows an effective tax rate for all CFC's in a particular country (for example, the United Kingdom had a rate of 28 percent), many CFC's in that country had much lower or higher effective tax rates. For instance, of the 2,281 CFC's with positive earnings and profits in the United Kingdom, 526 paid at an effective tax rate of 50 percent or more. Table 2 of this article shows effective tax rate groupings for selected countries.

[7] Previous SOI studies showed that in 1962 there were 12,073 CFC's, 1965 had 17,668, 1966 reported 19,617 and in 1968 there were 20,895. For further details, see Statistics of Income, Supplemental Reports, Foreign Income and Taxes (1962, 1965, and 1966), and International Income and Taxes (1968).

[8] U.S. Department of Commerce, Bureau of Economic Analysis, Survey of Current Business, July 1983, Vol. 63, No. 7, p. 80.

[9] U.S. Department of Commerce, Bureau of the Census, Highlights of U.S. Export and Import Trade, FT 990, monthly; and unpublished data.

[10] For an additional reference on this subject, see also Frisch, Daniel J. and Hartman, David G., Taxation and the Location of U.S. Investment Abroad, National Bureau of Economic Research, Working Paper No. 1241, November 1983.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Size of Total Assets of Controlled Foreign Corporation

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

Selected country of incorporation and size of total assets of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All Geographic Areas, total	4,799	35,471	510,031,994	699,003,002	47,621,582	55,794,508	16,738,730	16,440,451	14,115,642	9,643,638
Assets zero or not reported	1,517	5,087	—	878,004	269,589	313,116	19,993	18,287	131,322	46,098
$1 under $1,000,000	3,306	13,067	3,392,994	7,606,219	1,317,794	1,903,729	683,696	660,264	195,975	87,586
$1,000,000 under $10,000,000	2,427	11,134	42,300,419	67,113,551	4,603,973	5,952,080	1,888,406	1,837,308	1,371,999	849,525
$10,000,000 under $100,000,000	1,072	5,312	158,642,322	222,228,352	16,949,095	19,440,360	5,923,083	5,821,787	4,745,699	3,495,028
$100,000,000 or more	247	870	305,696,259	401,176,877	24,481,131	28,185,223	8,223,548	8,102,804	7,670,647	5,165,401
Canada	2,527	5,415	90,043,610	100,753,346	8,285,453	8,963,459	3,251,184	3,142,670	1,987,908	1,558,742
Assets zero or not reported	623	699	—	160,451	131,470	138,766	-6,558	-7,986	7,629	5,014
$1 under $1,000,000	1,312	2,065	524,606	1,168,839	49,272	88,771	28,951	27,425	23,039	9,499
$1,000,000 under $10,000,000	1,063	1,567	5,599,545	10,054,137	771,175	854,720	326,772	322,987	184,270	101,323
$10,000,000 under $100,000,000	483	723	22,110,818	29,601,527	2,915,444	3,147,177	1,060,521	1,045,822	621,505	480,986
$100,000,000 or more	116	162	61,808,642	59,768,392	4,418,092	4,734,024	1,841,499	1,754,421	1,151,466	961,920
Latin America, total	1,504	5,910	63,576,969	81,021,279	4,935,978	7,218,439	1,883,281	1,899,571	1,427,837	1,102,064
Assets zero or not reported	425	906	—	55,212	453	12,314	1,816	2,179	4,363	1,102
$1 under $1,000,000	1,029	2,340	558,932	1,025,338	9,554	107,412	23,846	23,345	26,225	13,885
$1,000,000 under $10,000,000	636	1,766	6,900,850	8,341,412	813,247	1,051,129	331,661	330,867	188,222	132,123
$10,000,000 under $100,000,000	321	789	22,345,758	30,326,753	2,683,887	3,179,012	895,161	894,970	764,969	589,435
$100,000,000 or more	62	107	33,771,429	41,272,565	1,428,837	2,868,573	630,997	648,211	444,059	365,518
Brazil	687	1,330	18,714,994	25,617,128	1,183,736	1,566,973	479,521	492,684	319,325	233,104
Assets zero or not reported	123	173	—	13,636	-6,385	1,220	130	130	—	—
$1 under $1,000,000	398	534	112,050	188,016	-13,219	31,526	6,195	6,445	3,018	2,299
$1,000,000 under $10,000,000	267	382	1,531,306	1,636,423	79,288	169,682	53,376	53,685	25,500	18,840
$10,000,000 under $100,000,000	140	200	6,240,842	6,442,064	345,064	526,443	140,711	139,623	99,085	75,327
$100,000,000 or more	34	41	10,830,795	17,336,988	778,989	838,102	279,109	292,800	191,721	136,638
Ecuador	63	87	272,444	336,736	24,430	28,237	4,606	4,616	5,290	4,988
Assets zero or not reported	6	7	—	506	-83	—	—	-4	—	—
$1 under $1,000,000	35	39	16,869	13,460	-315	582	128	128	38	—
$1,000,000 under $10,000,000	26	32	141,139	147,670	12,405	15,231	2,849	2,864	2,334	2,069
$10,000,000 under $100,000,000	9	9	114,436	175,100	12,422	12,423	1,629	1,629	2,919	2,919
$100,000,000 or more	—	—	—	—	—	—	—	—	—	—
Mexico	632	1,249	8,520,743	11,883,394	1,638,105	1,692,600	709,214	705,451	241,003	188,643
Assets zero or not reported	126	183	—	9,160	5,952	6,356	1,602	1,682	54	—
$1 under $1,000,000	344	490	122,115	275,617	18,939	26,548	9,366	9,702	4,456	2,187
$1,000,000 under $10,000,000	298	411	1,675,433	2,118,987	303,040	331,869	138,021	135,701	36,186	29,024
$10,000,000 under $100,000,000	124	152	4,137,266	5,007,143	902,247	919,901	383,937	382,079	136,987	105,346
$100,000,000 or more	12	13	2,585,929	4,472,487	407,926	407,926	176,287	176,287	63,320	52,086
Panama (Including Canal Zone)	422	921	13,952,464	19,657,203	1,427,229	1,502,321	132,790	136,160	347,957	251,745
Assets zero or not reported	105	217	—	26,617	-134	1,234	16	16	1,458	66
$1 under $1,000,000	230	377	72,977	86,911	5,139	15,067	997	947	10,385	5,671
$1,000,000 under $10,000,000	132	199	798,674	957,878	118,196	131,886	22,237	22,740	44,956	22,612
$10,000,000 under $100,000,000	83	107	3,104,706	5,957,724	389,448	437,293	70,981	71,741	176,714	114,305
$100,000,000 or more	18	21	9,976,105	12,628,073	914,580	916,841	38,559	40,715	114,444	109,091
Venezuela	248	494	4,588,308	5,850,745	411,523	538,498	153,759	155,972	127,562	103,979
Assets zero or not reported	52	63	—	31	645	651	15	15	1,773	636
$1 under $1,000,000	101	146	34,377	58,915	3,449	7,307	912	953	1,992	451
$1,000,000 under $10,000,000	117	183	720,710	882,541	91,918	103,418	28,231	28,170	23,390	19,323
$10,000,000 under $100,000,000	72	95	2,465,372	2,975,627	325,065	352,469	108,425	109,292	92,667	79,809
$100,000,000 or more	7	7	1,367,848	1,933,630	-9,553	74,652	16,176	17,543	7,739	3,760
All Other Latin America	615	1,829	17,526,016	17,676,073	250,954	1,889,810	403,392	404,689	386,700	319,604
Assets zero or not reported	181	266	—	5,260	458	2,853	52	339	1,079	400
$1 under $1,000,000	396	753	198,543	402,419	-4,440	26,382	6,048	5,170	6,335	3,277
$1,000,000 under $10,000,000	277	580	2,033,589	2,597,913	208,400	299,042	86,947	87,706	55,855	40,255
$10,000,000 under $100,000,000	141	226	6,283,133	9,769,094	709,641	930,483	189,479	190,606	256,597	211,729
$100,000,000 or more	21	25	9,010,751	4,901,387	-663,105	631,051	120,866	120,866	66,835	63,943
Other Western Hemisphere, total	740	1,462	38,275,340	59,033,035	2,257,408	2,507,347	186,255	184,951	943,353	379,426
Assets zero or not reported	132	175	—	99,481	22,514	24,292	-421	-432	77,985	21,395
$1 under $1,000,000	323	447	109,934	343,640	4,309	29,891	3,035	1,971	28,530	6,081
$1,000,000 under $10,000,000	346	430	1,776,923	1,287,991	146,983	204,951	10,742	10,710	36,431	20,496
$10,000,000 under $100,000,000	242	325	10,409,722	6,801,314	832,967	878,913	55,122	54,305	306,954	141,150
$100,000,000 or more	56	85	25,978,762	50,500,610	1,250,635	1,369,299	117,777	118,396	493,454	190,304
The Bahamas	146	260	7,524,769	34,951,662	322,780	395,921	43,968	43,511	159,694	75,924
Assets zero or not reported	35	50	—	615	86	613	21	21	54,491	593
$1 under $1,000,000	66	83	20,807	43,959	747	4,646	24	24	2,348	1,409
$1,000,000 under $10,000,000	54	67	250,618	324,413	5,223	21,996	2,293	2,536	6,304	4,468
$10,000,000 under $100,000,000	**49	**61	**7,253,345	**34,582,674	**316,723	**368,666	**41,631	**40,931	**96,551	**69,454
$100,000,000 or more	**	**	**	**	**	**	**	**	**	**
Bermuda	496	821	14,131,863	21,525,395	1,427,284	1,566,404	52,037	51,859	372,378	191,796
Assets zero or not reported	60	77	—	96,780	20,274	21,521	-503	-503	23,482	20,802
$1 under $1,000,000	199	252	69,757	255,771	3,861	19,259	1,625	1,640	10,064	2,689
$1,000,000 under $10,000,000	255	295	1,211,261	787,300	122,123	156,740	5,987	5,728	27,874	14,158
$10,000,000 under $100,000,000	135	165	4,513,976	4,427,562	514,384	530,053	18,963	19,029	135,023	61,935
$100,000,000 or more	23	32	8,336,869	15,957,982	766,642	838,832	25,965	25,965	175,936	92,212

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Size of Total Assets of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and size of total assets of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Other Western Hemisphere (continued)										
Netherlands Antilles	260	345	14,311,863	2,190,820	450,512	487,332	68,374	67,704	405,521	111,706
Assets zero or not reported	37	39	—	2,020	2,089	2,093	61	50	12	—
$1 under $1,000,000	83	101	17,994	39,299	-800	5,405	1,386	307	16,118	1,983
$1,000,000 under $10,000,000	57	58	276,524	147,893	18,086	23,887	2,440	2,423	2,253	1,869
$10,000,000 under $100,000,000	99	108	4,056,520	356,739	147,692	162,975	17,972	18,270	109,103	41,947
$100,000,000 or more	31	39	9,960,825	1,644,869	283,445	292,973	46,515	46,654	278,036	65,907
All Other Western Hemisphere	30	36	2,306,844	365,157	56,831	57,690	21,877	21,877	5,759	—
Assets zero or not reported	9	9	—	65	65	65	—	—	—	—
$1 under $1,000,000	12	12	1,375	4,611	501	582	1	1	—	—
$1,000,000 under $10,000,000	10	10	38,520	28,384	1,551	2,328	23	23	—	—
$10,000,000 under $100,000,000	**4	**5	**2,266,949	**332,097	**54,714	**54,715	**21,853	**21,853	**5,759	**
$100,000,000 or more	**	**	**	**	**	**	**	**	**	**
Europe, total	2,347	15,757	241,807,390	364,600,765	24,451,202	28,445,004	8,747,070	8,549,258	7,625,785	5,109,621
Assets zero or not reported	665	2,147	—	420,072	66,847	83,741	20,216	19,574	21,638	9,046
$1 under $1,000,000	1,597	5,575	1,509,897	3,702,216	1,285,138	1,540,823	595,183	588,705	79,351	36,441
$1,000,000 under $10,000,000	1,404	5,144	19,641,948	35,424,332	1,720,369	2,492,512	818,624	776,205	665,966	397,670
$10,000,000 under $100,000,000	660	2,500	75,612,901	123,275,380	7,190,310	8,650,360	2,770,413	2,684,872	2,287,139	1,660,775
$100,000,000 or more	160	392	145,042,644	201,778,764	14,188,537	15,677,568	4,542,633	4,479,902	4,571,692	3,005,489
Austria	210	291	2,488,082	3,847,721	157,297	210,283	76,543	75,233	68,836	56,074
Assets zero or not reported	16	21	—	—	1,096	1,114	410	410	—	—
$1 under $1,000,000	106	122	38,154	86,455	643	5,494	2,371	2,379	832	487
$1,000,000 under $10,000,000	94	110	367,532	726,740	8,231	45,366	21,142	21,329	13,466	8,437
$10,000,000 under $100,000,000	27	31	712,794	1,234,137	59,859	70,842	23,116	21,611	19,192	17,109
$100,000,000 or more	7	7	1,369,602	1,800,389	87,468	87,468	29,503	29,503	35,347	30,041
Belgium	540	835	14,316,653	22,313,903	1,323,109	1,504,889	621,287	619,190	350,551	251,489
Assets zero or not reported	60	64	—	79,104	14,959	17,140	3,402	3,402	—	—
$1 under $1,000,000	209	261	78,692	207,293	1,512	14,131	5,306	5,435	1,773	1,111
$1,000,000 under $10,000,000	272	336	1,264,512	2,310,083	120,866	158,366	63,867	62,968	51,500	21,845
$10,000,000 under $100,000,000	129	155	5,009,643	8,699,026	452,125	559,030	247,048	245,708	87,271	58,614
$100,000,000 or more	20	20	7,963,807	11,018,396	733,647	756,221	301,664	301,676	210,006	169,919
Denmark	170	261	1,985,507	4,370,427	114,678	167,398	58,680	55,745	56,601	42,625
Assets zero or not reported	13	13	—	—	-76	—	—	1	—	—
$1 under $1,000,000	83	104	35,922	116,402	-3,603	2,585	1,019	899	1,284	355
$1,000,000 under $10,000,000	61	117	391,704	886,076	16,921	37,764	12,384	11,052	10,725	3,416
$10,000,000 under $100,000,000	22	24	777,001	1,316,441	19,537	45,151	11,979	10,495	14,645	8,909
$100,000,000 or more	3	3	780,881	2,051,508	81,899	81,899	33,298	33,298	29,946	29,946
France (Including Andorra)	814	1,651	25,390,429	47,018,919	2,531,162	2,685,643	1,008,759	1,002,298	607,177	489,848
Assets zero or not reported	99	155	—	29,989	9,857	11,493	4,179	3,608	1,321	1,125
$1 under $1,000,000	382	514	177,111	405,344	3,104	29,619	10,466	9,729	3,062	1,734
$1,000,000 under $10,000,000	404	619	2,291,934	4,310,391	168,463	253,665	102,703	100,562	44,470	28,683
$10,000,000 under $100,000,000	214	315	8,944,254	15,412,650	905,446	1,025,938	430,602	429,827	223,627	166,434
$100,000,000 or more	44	48	13,977,130	26,860,546	1,444,292	1,564,928	460,808	458,573	334,697	291,872
Italy (Including San Marino)	568	995	19,695,832	28,491,905	2,019,830	2,163,618	652,811	652,417	569,046	470,115
Assets zero or not reported	80	97	—	33,007	13,212	13,236	5,169	5,169	460	453
$1 under $1,000,000	275	324	82,925	163,644	12,356	19,415	6,122	6,113	5,595	2,815
$1,000,000 under $10,000,000	245	330	1,362,571	2,149,919	109,248	138,338	55,505	54,820	32,472	23,228
$10,000,000 under $100,000,000	148	216	6,223,558	9,391,936	631,544	719,803	222,222	222,523	214,682	154,741
$100,000,000 or more	22	28	12,026,779	16,753,399	1,253,469	1,272,827	363,792	363,792	315,838	288,878
Luxembourg	67	87	3,446,872	1,130,897	136,136	139,293	38,898	37,150	34,599	30,739
Assets zero or not reported	9	12	—	—	-85	229	1	1	1	—
$1 under $1,000,000	27	33	9,800	12,134	2,381	2,719	502	542	398	398
$1,000,000 under $10,000,000	16	22	85,812	82,406	6,264	6,495	1,721	1,804	437	281
$10,000,000 under $100,000,000	18	22	721,217	573,101	87,632	89,906	26,850	26,979	15,964	12,786
$100,000,000 or more	8	8	2,630,043	463,256	39,945	39,945	7,824	7,824	17,799	17,274
Netherlands	633	1,333	14,721,585	24,205,913	1,620,837	1,787,768	483,122	451,671	440,795	328,810
Assets zero or not reported	110	161	—	61,406	7,675	8,401	2,655	2,553	1,339	1,311
$1 under $1,000,000	307	481	135,238	307,864	12,590	29,971	6,665	5,656	7,443	2,847
$1,000,000 under $10,000,000	316	457	1,737,004	3,111,599	194,341	255,411	80,922	73,481	77,207	42,035
$10,000,000 under $100,000,000	147	206	6,304,624	9,561,164	701,771	778,674	213,723	209,409	195,201	166,598
$100,000,000 or more	23	28	6,544,719	11,163,880	704,460	715,310	179,157	160,373	159,605	116,019
Spain	307	513	7,064,117	9,238,146	304,529	581,104	122,151	123,158	165,924	135,397
Assets zero or not reported	50	54	—	2,115	255	339	—	—	—	—
$1 under $1,000,000	110	144	35,491	59,205	-2,994	2,994	634	755	1,848	45
$1,000,000 under $10,000,000	157	200	822,586	1,199,452	10,309	56,460	17,261	17,730	20,666	12,437
$10,000,000 under $100,000,000	80	102	2,842,318	4,105,343	171,334	288,331	66,573	66,991	96,953	84,616
$100,000,000 or more	13	13	3,363,721	3,872,031	125,625	232,980	37,683	37,683	46,456	38,299
Sweden	272	481	3,984,935	6,628,259	329,215	397,499	121,689	114,609	83,156	67,252
Assets zero or not reported	37	66	—	3,898	377	603	355	355	375	126
$1 under $1,000,000	137	198	43,374	111,033	-419	5,007	1,984	1,946	2,144	504
$1,000,000 under $10,000,000	133	159	556,982	1,106,097	24,033	48,940	19,994	19,429	15,545	7,603
$10,000,000 under $100,000,000	37	52	1,777,761	2,746,832	88,625	126,349	36,026	29,550	39,246	33,174
$100,000,000 or more	6	6	1,586,819	2,660,400	216,599	216,599	63,330	63,330	25,845	25,845

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Size of Total Assets of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and size of total assets of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Europe (continued)										
Switzerland	605	1,122	17,175,638	29,704,272	2,030,810	2,186,519	390,631	391,094	637,569	411,972
Assets zero or not reported	72	90	—	12,511	2,298	2,601	383	383	4,733	21
$1 under $1,000,000	331	443	125,282	486,846	9,733	29,117	5,653	5,762	13,329	4,743
$1,000,000 under $10,000,000	269	360	1,417,495	1,927,152	173,679	210,043	44,169	42,773	95,528	56,859
$10,000,000 under $100,000,000	141	197	5,740,108	8,061,986	525,979	596,998	116,217	117,089	239,483	154,008
$100,000,000 or more	29	33	9,892,754	19,215,775	1,319,121	1,347,760	224,208	225,087	284,497	196,341
United Kingdom	1,557	5,031	75,916,888	99,112,663	8,033,715	9,540,775	2,658,360	2,528,236	2,121,430	1,669,179
Assets zero or not reported	401	1,052	—	146,487	14,594	23,310	2,836	2,927	11,726	5,550
$1 under $1,000,000	823	1,787	406,974	796,459	1,271,286	1,334,983	533,257	529,498	20,982	8,737
$1,000,000 under $10,000,000	796	1,382	5,351,633	8,933,690	536,624	731,595	213,442	188,931	129,459	88,377
$10,000,000 under $100,000,000	391	678	21,725,082	32,500,662	1,650,455	2,210,344	660,470	597,127	497,732	353,878
$100,000,000 or more	98	132	48,433,199	56,735,366	4,560,758	5,240,543	1,248,355	1,209,753	1,461,531	1,212,637
West Germany	987	2,049	46,131,107	72,487,510	4,890,880	5,749,509	2,300,671	2,279,488	1,669,557	887,056
Assets zero or not reported	121	194	—	25,697	3,616	4,236	828	766	1,609	459
$1 under $1,000,000	496	761	232,607	733,117	-23,700	48,343	15,329	14,442	17,438	11,548
$1,000,000 under $10,000,000	456	877	2,547,287	6,272,733	258,900	378,582	142,146	138,825	143,524	64,345
$10,000,000 under $100,000,000	254	383	10,543,206	21,601,765	1,325,206	1,518,414	600,907	593,106	485,848	344,580
$100,000,000 or more	42	54	32,808,007	43,854,198	3,326,858	3,799,934	1,541,461	1,532,346	1,021,137	446,127
All Other Europe	424	1,098	9,509,743	16,050,229	959,001	1,130,706	215,468	218,969	820,544	269,062
Assets zero or not reported	98	169	—	25,858	-929	1,040	-3	-3	73	—
$1 under $1,000,000	236	404	108,328	216,422	2,246	16,445	5,874	5,348	3,222	1,117
$1,000,000 under $10,000,000	226	374	1,444,897	2,407,993	92,490	171,468	43,367	42,503	30,966	20,325
$10,000,000 under $100,000,000	90	139	4,291,336	8,070,336	570,799	620,580	114,677	114,456	157,295	105,329
$100,000,000 or more	10	12	3,665,182	5,329,619	294,395	321,153	51,552	56,665	628,987	142,293
Africa, total	**521**	**1,668**	**17,194,842**	**22,669,414**	**1,704,355**	**2,091,626**	**547,960**	**548,240**	**732,986**	**340,029**
Assets zero or not reported	170	275	—	7,426	6,433	8,186	715	715	2,678	978
$1 under $1,000,000	267	554	143,119	239,832	-52,170	34,837	6,871	6,700	11,830	7,807
$1,000,000 under $10,000,000	251	525	2,115,677	2,622,126	277,980	342,255	99,857	100,109	76,530	45,428
$10,000,000 under $100,000,000	140	286	7,001,871	8,417,367	932,761	1,025,427	318,036	317,851	195,154	155,290
$100,000,000 or more	20	26	7,934,176	11,382,663	539,351	680,920	122,480	122,865	446,792	130,525
Liberia	158	509	8,655,733	8,517,246	156,069	498,350	16,908	17,353	343,407	45,119
Assets zero or not reported	58	73	—	4,762	3,641	4,989	—	—	776	246
$1 under $1,000,000	56	130	26,991	80,888	-73,841	6,385	67	49	1,027	281
$1,000,000 under $10,000,000	87	171	789,518	417,840	10,658	60,770	-2,849	-2,845	22,067	9,447
$10,000,000 under $100,000,000	54	120	3,139,608	2,432,091	198,465	267,490	16,993	17,067	17,265	6,380
$100,000,000 or more	13	15	4,699,615	5,581,665	17,146	158,715	2,697	3,082	302,272	28,764
South Africa (Including S.W. Africa)	324	674	5,141,003	8,947,163	969,082	975,722	272,077	272,607	238,271	179,653
Assets zero or not reported	62	91	—	2,061	2,309	2,438	715	715	1,880	721
$1 under $1,000,000	168	283	76,967	110,048	21,581	22,893	4,889	4,891	9,898	6,928
$1,000,000 under $10,000,000	146	196	727,912	1,332,579	182,500	184,316	64,275	64,352	36,036	23,989
$10,000,000 under $100,000,000	80	97	2,127,766	3,048,335	427,392	430,773	149,070	149,523	113,545	102,015
$100,000,000 or more	6	7	2,208,359	4,454,140	335,300	335,300	53,127	53,127	76,911	46,001
OPEC Countries	68	90	1,077,667	1,622,393	220,531	231,023	97,554	96,698	76,740	63,816
Assets zero or not reported	18	21	—	—	—	—	—	—	—	—
$1 under $1,000,000	25	25	5,779	9,067	-1,442	448	226	128	—	—
$1,000,000 under $10,000,000	21	23	97,308	101,554	10,887	11,437	5,163	5,163	1,096	483
$10,000,000 under $100,000,000	15	18	405,810	325,108	75,502	83,553	52,258	51,500	8,035	7,572
$100,000,000 or more	3	3	568,770	1,186,664	135,585	135,585	39,906	39,906	67,609	55,760
All Other Africa	150	394	2,120,439	3,582,612	358,673	366,531	161,420	161,582	74,568	51,442
Assets zero or not reported	56	90	—	602	483	759	—	—	22	11
$1 under $1,000,000	70	116	33,382	39,829	1,533	5,111	1,688	1,632	905	599
$1,000,000 under $10,000,000	67	135	500,939	770,152	73,936	85,730	33,268	33,438	17,331	11,510
$10,000,000 under $100,000,000	**22	**53	**1,586,118	**2,772,029	**282,721	**294,931	**126,464	**126,512	**56,309	**39,322
$100,000,000 or more	**	**	**	**	**	**	**	**	**	**
Asia, total	**946**	**2,769**	**31,485,764**	**41,008,878**	**4,017,655**	**4,318,504**	**1,356,698**	**1,332,532**	**963,064**	**786,618**
Assets zero or not reported	196	316	—	89,495	23,070	25,662	2,254	2,254	5,500	403
$1 under $1,000,000	596	1,096	288,129	618,546	10,683	59,601	15,245	771	14,517	7,463
$1,000,000 under $10,000,000	485	921	3,445,935	5,330,518	579,882	661,099	170,498	169,064	161,627	111,124
$10,000,000 under $100,000,000	201	377	10,744,601	14,199,190	1,573,126	1,684,750	522,763	514,576	396,893	324,634
$100,000,000 or more	35	58	17,007,099	20,771,126	1,830,893	1,887,392	645,938	645,867	384,326	342,994
Hong Kong	415	665	8,275,576	5,821,380	729,868	756,757	159,581	158,947	242,072	192,170
Assets zero or not reported	74	92	—	21,233	3,695	3,701	444	444	275	266
$1 under $1,000,000	221	290	67,699	152,033	8,915	21,862	1,996	1,984	9,248	4,968
$1,000,000 under $10,000,000	171	201	708,445	1,162,189	132,372	142,852	17,735	17,252	68,295	39,330
$10,000,000 under $100,000,000	52	60	2,084,680	1,868,739	340,468	343,923	105,060	104,921	108,187	93,303
$100,000,000 or more	16	22	5,414,751	2,617,186	244,417	244,417	34,346	34,346	56,068	54,303
Indonesia	51	63	569,055	530,442	171,133	182,720	40,986	34,878	48,136	39,375
Assets zero or not reported	8	7	—	—	—	—	—	—	—	—
$1 under $1,000,000	10	10	3,125	1,617	68	294	77	77	—	—
$1,000,000 under $10,000,000	32	32	152,046	163,473	95,796	103,922	9,843	9,843	7,266	6,512
$10,000,000 under $100,000,000	11	14	413,884	365,353	75,268	78,504	31,065	24,958	40,872	32,863
$100,000,000 or more	—	—	—	—	—	—	—	—	—	—

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Size of Total Assets of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and size of total assets of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Asia (continued)										
Japan	423	595	10,214,965	16,175,231	1,497,131	1,617,141	709,933	693,713	378,418	334,758
Assets zero or not reported	26	29	—	20,973	-119	787	797	797	408	—
$1 under $1,000,000	202	236	68,278	136,848	-10,899	13,721	5,410	-9,122	807	411
$1,000,000 under $10,000,000	182	218	827,062	1,461,721	102,979	130,990	59,267	59,091	15,809	11,262
$10,000,000 under $100,000,000	81	99	2,797,726	3,531,503	317,629	374,967	168,730	167,238	84,090	69,879
$100,000,000 or more	13	13	6,521,898	11,024,185	1,087,541	1,098,696	475,710	475,710	277,304	253,207
Middle East (Except OPEC)	130	202	2,391,526	1,718,138	174,812	182,170	54,786	54,240	19,807	14,256
Assets zero or not reported	26	36	—	39,203	18,607	18,684	198	198	4,680	—
$1 under $1,000,000	65	83	19,011	34,758	1,448	3,542	1,407	1,440	476	340
$1,000,000 under $10,000,000	50	59	221,848	263,545	29,007	32,578	9,266	8,658	5,042	4,887
$10,000,000 under $100,000,000	17	19	577,960	390,784	50,187	51,603	11,994	12,022	9,310	8,730
$100,000,000 or more	3	5	1,572,707	987,847	75,562	75,562	31,921	31,921	299	299
OPEC (Excluding Indonesia)	83	125	624,160	677,944	52,510	67,740	4,460	4,570	19,234	15,050
Assets zero or not reported	21	40	—	2,956	-4	—	—	—	—	—
$1 under $1,000,000	35	40	8,734	10,261	-991	364	96	99	22	22
$1,000,000 under $10,000,000	30	30	111,466	124,423	11,919	15,427	723	830	5,317	4,151
$10,000,000 under $100,000,000	13	15	503,960	540,302	41,587	51,949	3,641	3,641	13,895	10,878
$100,000,000 or more	—	—	—	—	—	—	—	—	—	—
Philippines	156	213	2,194,150	3,357,485	236,412	272,415	106,771	105,402	54,410	45,553
Assets zero or not reported	19	20	—	4,023	-344	78	94	94	—	—
$1 under $1,000,000	69	77	17,948	30,358	2,336	3,070	897	897	761	490
$1,000,000 under $10,000,000	68	76	306,165	420,007	29,679	38,545	12,648	12,310	4,301	3,476
$10,000,000 under $100,000,000	36	37	994,767	1,744,237	156,270	181,541	66,319	65,359	38,097	35,863
$100,000,000 or more	3	3	875,269	1,158,860	48,471	49,181	26,813	26,742	11,250	5,724
All Other Asia	409	905	7,216,332	12,730,258	1,155,789	1,239,562	280,181	280,781	200,985	145,455
Assets zero or not reported	72	94	—	1,104	1,235	2,232	720	720	137	137
$1 under $1,000,000	251	359	103,333	252,671	9,807	16,747	5,363	5,396	3,203	1,233
$1,000,000 under $10,000,000	197	304	1,118,902	1,735,160	178,129	196,785	60,996	61,079	55,798	41,508
$10,000,000 under $100,000,000	90	133	3,371,622	5,758,273	591,716	602,264	135,954	136,438	102,442	73,117
$100,000,000 or more	11	15	2,622,474	4,983,050	374,901	421,535	77,148	77,148	39,405	29,461
Oceania, total	**681**	**1,976**	**21,874,465**	**23,104,536**	**1,737,143**	**1,997,387**	**706,528**	**726,449**	**414,652**	**353,892**
Assets zero or not reported	159	298	—	26,209	9,977	11,201	1,679	1,691	11,530	8,160
$1 under $1,000,000	385	761	192,751	373,599	5,060	32,686	8,569	9,105	11,778	6,224
$1,000,000 under $10,000,000	363	608	2,221,994	3,398,573	253,218	292,695	111,232	110,810	53,305	37,085
$10,000,000 under $100,000,000	190	273	7,389,715	8,556,213	752,118	801,395	279,312	288,188	164,481	135,148
$100,000,000 or more	27	36	12,070,005	10,749,944	716,769	859,429	305,736	316,655	173,558	167,274
Australia	647	1,602	20,418,036	20,639,051	1,555,874	1,803,113	642,907	662,657	368,286	312,262
Assets zero or not reported	132	220	—	21,074	9,395	10,611	1,380	1,392	11,223	7,983
$1 under $1,000,000	337	611	153,209	297,005	143	25,650	6,073	6,497	10,445	5,616
$1,000,000 under $10,000,000	324	495	1,857,970	2,825,020	211,481	246,263	95,802	95,270	49,437	33,664
$10,000,000 under $100,000,000	**207	**276	**18,406,857	**17,495,953	**1,334,855	**1,520,588	**539,653	**559,498	**297,182	**264,999
$100,000,000 or more	**	**	**	**	**	**	**	**	**	**
All Other Oceania	222	374	1,456,429	2,465,486	181,269	194,274	63,620	63,792	46,366	41,630
Assets zero or not reported	50	78	—	5,136	582	590	299	299	307	177
$1 under $1,000,000	113	150	39,543	78,594	4,917	7,016	2,496	2,608	1,333	608
$1,000,000 under $10,000,000	96	113	364,024	573,553	41,737	46,432	15,431	15,540	3,869	3,422
$10,000,000 under $100,000,000	**28	**33	**1,052,862	**1,810,203	**134,033	**140,236	**45,394	**45,345	**40,857	**37,423
$100,000,000 or more	**	**	**	**	**	**	**	**	**	**
Puerto Rico and U.S. Possessions, total	**246**	**488**	**3,753,885**	**6,772,365**	**228,834**	**248,150**	**57,449**	**56,944**	**19,708**	**13,245**
Assets zero or not reported	40	52	—	4,523	4,888	5,017	293	203	—	—
$1 under $1,000,000	147	221	65,630	111,058	5,310	9,072	1,894	1,936	356	186
$1,000,000 under $10,000,000	104	174	597,547	654,462	41,118	52,719	17,021	16,556	5,448	4,076
$10,000,000 under $100,000,000	32	37	1,007,185	1,049,510	69,501	73,325	21,755	21,671	8,604	7,609
$100,000,000 or more	4	4	2,083,503	4,952,812	108,017	108,017	16,486	16,486	5,300	1,375
OPEC Countries, total (included above)	**339**	**659**	**7,131,635**	**9,018,260**	**880,128**	**1,048,218**	**301,365**	**296,734**	**276,964**	**227,209**
Assets zero or not reported	89	138	—	3,495	558	651	15	11	1,773	636
$1 under $1,000,000	178	260	68,885	93,320	769	8,996	1,439	1,385	2,052	473
$1,000,000 under $10,000,000	168	300	1,222,669	1,419,660	222,925	249,435	46,810	46,870	39,402	32,538
$10,000,000 under $100,000,000	100	151	3,903,463	4,381,490	529,845	578,899	197,017	191,019	158,388	134,041
$100,000,000 or more	10	10	1,936,618	3,120,295	126,031	210,237	56,083	57,449	75,349	59,521

**Deleted or combined to avoid disclosure of information for specific corporations.
Note: Detail may not add to total because of rounding.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation

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

Selected country of incorporation and taxes (+) as a percent of current earnings and profits (+) before taxes	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All Geographic Areas, total										
All foreign corporations	4,799	35,471	508,031,994	699,003,002	47,621,582	55,794,506	16,738,730	16,440,451	14,115,842	9,643,638
Foreign corporations with current earnings and profits (+) before taxes:										
Total	3,250	19,523	420,912,123	596,690,896	55,794,508	55,794,506	16,738,730	16,736,730	13,196,784	9,638,623
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	2,359	14,135	354,292,586	503,092,043	50,489,476	50,489,476	16,886,509	16,886,509	12,042,811	9,007,987
Under 10 percent	622	1,333	54,585,896	67,579,594	7,392,907	7,392,907	268,476	268,476	2,358,263	1,789,116
10 under 20 percent	607	1,219	41,155,804	53,824,757	4,995,452	4,995,452	740,799	740,799	1,013,168	765,425
20 under 30 percent	719	1,715	49,399,799	78,034,049	7,307,291	7,307,291	1,871,766	1,871,766	1,551,033	1,239,905
30 under 40 percent	936	2,431	69,707,716	105,334,137	10,613,238	10,613,238	3,698,994	3,698,994	2,640,893	1,816,914
40 under 45 percent	769	1,734	38,817,217	47,881,252	6,866,663	6,866,663	2,900,701	2,900,701	1,288,100	1,087,436
45 under 50 percent	874	2,100	35,785,161	51,953,853	5,384,577	5,384,577	2,540,111	2,540,111	1,263,406	1,039,485
50 under 60 percent	821	2,018	34,877,168	52,849,088	4,989,939	4,989,939	2,677,469	2,677,469	1,250,890	848,404
60 under 80 percent	496	870	17,077,798	25,882,376	2,049,640	2,049,640	1,341,126	1,341,126	455,239	334,747
80 under 100 percent	232	306	6,414,831	10,582,940	762,078	762,078	658,619	658,619	165,623	86,557
100 percent or more	270	406	6,471,193	8,169,996	127,692	127,692	188,448	188,448	56,195	—
With no foreign income taxes	1,830	4,879	56,396,490	80,865,905	4,515,883	4,515,883	—	—	991,362	536,489
With foreign income taxes (–)	325	510	10,223,047	12,732,949	789,149	789,149	–149,779	–149,779	164,591	94,147
Foreign corporations with current earnings and profits deficit before taxes	2,265	7,653	83,768,172	101,800,595	–8,172,926	—	—	–296,648	897,193	5,015
Foreign corporations with no current earnings and profits (+) and (–) before taxes	1,980	8,095	3,351,699	511,511	—	—	—	369	19,685	—
Canada										
All foreign corporations	2,527	5,415	90,043,610	100,773,346	8,285,453	8,963,459	3,251,184	3,142,670	1,967,908	1,558,742
Foreign corporations with current earnings and profits (+) before taxes:										
Total	1,709	3,071	75,643,254	79,494,473	8,963,459	8,963,459	3,251,184	3,251,184	1,959,731	1,558,742
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	1,366	2,403	66,682,705	73,990,124	8,387,840	8,387,840	3,285,749	3,285,749	1,884,723	1,525,185
Under 10 percent	99	107	3,079,281	2,730,420	345,660	345,660	14,613	14,613	131,362	87,010
10 under 20 percent	94	115	6,503,478	4,710,166	736,649	736,649	114,967	114,967	256,588	212,923
20 under 30 percent	153	193	7,936,356	9,255,485	984,424	984,424	258,125	258,125	240,501	215,090
30 under 40 percent	337	407	12,897,322	14,750,945	1,917,034	1,917,034	674,286	674,286	293,595	260,476
40 under 45 percent	342	419	12,181,890	14,685,919	1,550,679	1,550,679	661,717	661,717	336,212	281,720
45 under 50 percent	404	497	7,876,831	11,522,739	1,064,415	1,064,415	504,323	504,323	161,174	135,361
50 under 60 percent	373	499	8,606,150	7,782,211	939,502	939,502	507,516	507,516	251,229	156,391
60 under 80 percent	81	105	6,632,672	7,934,720	833,862	833,862	534,389	534,389	211,140	175,970
80 under 100 percent	24	25	578,563	455,465	12,261	12,261	11,010	11,010	2,858	242
100 percent or more	32	37	390,162	162,055	3,353	3,353	4,803	4,803	63	—
With no foreign income taxes	466	613	7,999,969	4,832,199	384,557	384,557	—	—	37,823	25,679
With foreign income taxes (–)	49	55	960,580	672,150	191,062	191,062	–34,564	–34,564	37,185	7,878
Foreign corporations with current earnings and profits deficit before taxes	659	894	13,794,102	21,038,815	–678,005	—	—	–108,504	27,985	—
Foreign corporations with no current earnings and profits (+) and (–) before taxes	802	1,450	606,255	240,058	—	—	—	–10	192	—
Latin America, total										
All foreign corporations	1,504	5,910	63,574,969	81,021,279	4,935,978	7,218,439	1,883,281	1,899,571	1,427,837	1,102,064
Foreign corporations with current earnings and profits (+) before taxes:										
Total	900	3,015	49,783,522	70,415,862	7,218,439	7,218,439	1,883,281	1,883,281	1,399,357	1,102,064
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	626	2,134	41,652,018	65,131,854	6,634,814	6,634,814	1,890,193	1,890,193	1,298,760	1,021,793
Under 10 percent	152	229	10,717,176	17,090,470	1,359,743	1,359,743	28,202	28,202	300,417	253,644
10 under 20 percent	148	246	4,297,494	4,896,977	691,855	691,855	100,652	100,652	145,554	94,123
20 under 30 percent	216	370	6,746,055	11,722,682	1,289,394	1,289,394	311,938	311,938	290,319	224,308
30 under 40 percent	224	384	6,699,303	9,631,427	1,121,741	1,121,741	392,715	392,715	205,040	158,760
40 under 45 percent	167	225	3,979,076	6,270,600	820,546	820,546	351,141	351,141	128,054	117,110
45 under 50 percent	220	301	3,696,105	7,177,226	854,031	854,031	403,686	403,686	133,799	110,957
50 under 60 percent	168	200	2,343,001	5,253,300	378,539	378,539	199,822	199,822	59,416	50,911
60 under 80 percent	70	80	562,067	736,009	62,297	62,297	42,273	42,273	12,474	9,574
80 under 100 percent	41	45	696,065	2,016,774	46,380	46,380	40,504	40,504	10,751	2,406
100 percent or more	49	54	1,915,676	536,388	10,288	10,288	19,261	19,261	12,936	—
With no foreign income taxes	508	830	7,463,983	4,507,129	538,445	538,445	—	—	93,407	73,404
With foreign income taxes (–)	41	51	667,521	776,879	45,180	45,180	–6,912	–6,912	7,190	6,868
Foreign corporations with current earnings and profits deficit before taxes	702	1,409	13,199,134	10,577,241	–2,282,462	—	—	15,980	28,031	—
Foreign corporations with no current earnings and profits (+) and (–) before taxes	698	1,486	592,313	28,176	—	—	—	310	450	—
Latin America (continued)										
Brazil										
All foreign corporations	687	1,330	18,714,994	25,617,128	1,183,736	1,566,973	479,521	492,684	319,325	233,104
Foreign corporations with current earnings and profits (+) before taxes:										
Total	348	591	14,191,794	20,332,813	1,566,973	1,566,973	479,521	479,521	313,995	233,104
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	269	427	13,012,713	19,039,452	1,483,069	1,483,069	481,191	481,191	303,194	223,436
Under 10 percent	43	58	2,321,205	2,077,123	182,515	182,515	7,140	7,140	28,174	26,372
10 under 20 percent	40	49	1,078,204	1,127,584	117,332	117,332	17,208	17,208	8,528	8,341
20 under 30 percent	65	70	1,942,858	5,052,685	351,042	351,042	92,057	92,057	114,807	76,698
30 under 40 percent	76	93	3,094,305	4,403,768	392,674	392,674	137,116	137,116	62,755	48,349
40 under 45 percent	40	43	1,147,365	1,580,107	163,226	163,226	70,662	70,662	12,861	12,235
45 under 50 percent	24	25	1,146,252	3,420,127	173,072	173,072	83,494	83,494	35,705	31,225
50 under 60 percent	37	37	425,453	527,840	49,916	49,916	27,467	27,467	18,007	13,320
60 under 80 percent	20	20	259,689	352,763	36,627	36,627	24,755	24,755	7,993	6,586
80 under 100 percent	9	9	147,006	222,303	9,153	9,153	8,098	8,098	3,278	309
100 percent or more	23	24	1,450,377	275,171	7,513	7,513	13,194	13,194	11,065	—
With no foreign income taxes	121	151	940,263	993,895	74,466	74,466	—	—	8,036	7,226
With foreign income taxes (–)	11	13	238,818	299,467	9,438	9,438	–1,670	–1,670	2,765	2,443
Foreign corporations with current earnings and profits deficit before taxes	356	491	4,283,618	5,267,467	–383,237	—	—	13,162	5,330	—
Foreign corporations with no current earnings and profits (+) and (–) before taxes	171	247	239,581	16,846	—	—	—	—	—	—
Mexico										
All foreign corporations	632	1,249	8,520,743	11,883,394	1,638,105	1,692,600	709,214	705,451	241,003	188,643
Foreign corporations with current earnings and profits (+) before taxes:										
Total	468	769	7,939,737	11,529,525	1,692,600	1,692,600	709,214	709,214	240,475	188,643
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	402	681	7,695,633	11,260,442	1,660,256	1,660,256	709,964	709,964	238,275	186,443
Under 10 percent	27	32	169,516	123,446	26,012	26,012	838	838	13,403	13,085
10 under 20 percent	19	21	92,966	81,544	13,918	13,918	1,857	1,857	344	320
20 under 30 percent	50	54	415,294	472,191	86,363	86,363	22,592	22,592	23,417	13,479
30 under 40 percent	73	84	1,659,228	2,704,776	330,109	330,109	116,437	116,437	46,143	32,000
40 under 45 percent	69	100	1,558,261	2,177,159	407,545	407,545	174,008	174,008	67,049	61,642
45 under 50 percent	163	202	1,968,565	2,887,360	572,479	572,479	268,822	268,822	73,458	55,773
50 under 60 percent	95	106	1,230,612	2,071,350	192,650	192,650	100,576	100,576	8,794	7,472
60 under 80 percent	31	34	149,638	138,783	12,052	12,052	8,600	8,600	1,680	914
80 under 100 percent	18	18	387,068	567,874	18,871	18,871	15,719	15,719	3,987	1,757
100 percent or more	9	9	24,484	35,960	257	257	515	515	—	—
With no foreign income taxes	94	103	182,368	217,379	30,091	30,091	—	—	2,027	2,027
With foreign income taxes (–)	5	5	81,736	51,703	2,253	2,253	–750	–750	173	173
Foreign corporations with current earnings and profits deficit before taxes	160	210	544,460	350,267	–54,495	—	—	–3,762	308	—
Foreign corporations with no current earnings and profits (+) and (–) before taxes	188	270	36,547	3,602	—	—	—	—	219	—
Panama (including Canal Zone)										
All foreign corporations	422	921	13,952,464	19,657,203	1,427,229	1,502,321	132,790	136,160	347,957	251,745
Foreign corporations with current earnings and profits (+) before taxes:										
Total	233	371	11,653,023	18,154,632	1,502,321	1,502,321	132,790	132,790	338,003	251,745
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	117	179	9,534,534	17,297,515	1,351,029	1,351,029	132,885	132,885	305,969	232,005
Under 10 percent	39	43	8,510,492	12,592,850	880,349	880,349	9,555	9,555	150,964	145,492
10 under 20 percent	29	33	1,088,049	858,250	169,910	169,910	21,844	21,844	62,577	14,532
20 under 30 percent	32	38	1,287,461	635,113	166,835	166,835	39,899	39,899	54,436	44,326
30 under 40 percent	19	23	176,646	438,896	60,222	60,222	19,321	19,321	21,535	15,753
40 under 45 percent	8	8	69,385	65,515	9,901	9,901	4,216	4,216	100	100
45 under 50 percent	9	10	31,368	79,251	14,404	14,404	6,716	6,716	4,000	3,971
50 under 60 percent	9	9	177,252	2,011,423	33,193	33,193	18,048	18,048	7,600	6,214
60 under 80 percent	8	8	87,756	140,009	6,224	6,224	4,167	4,167	1,560	1,354
80 under 100 percent	**7	**7	**105,923	**476,406	**9,991	**9,991	**9,119	**9,119	**3,217	**263
100 percent or more	**	**	**	**	**	**	**	**	**	**
With no foreign income taxes	142	187	2,049,188	809,717	145,093	145,093	—	—	31,677	19,403
With foreign income taxes (–)	4	5	69,302	47,400	6,199	6,199	–96	–96	337	337
Foreign corporations with current earnings and profits deficit before taxes	97	164	2,193,568	1,497,570	–75,092	—	—	3,370	9,724	—
Foreign corporations with no current earnings and profits (+) and (–) before taxes	222	386	105,873	5,001	—	—	—	—	231	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation—Continued

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

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and taxes (+) as a percent of current earnings and profits (+) before taxes	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Latin America (continued)										
Venezuela										
All foreign corporations	248	494	4,588,308	5,850,745	411,523	538,498	153,759	155,972	127,562	103,979
Foreign corporations with current earnings and profits (+) before taxes:										
Total	158	298	3,760,397	4,671,076	538,498	538,498	153,759	153,759	123,071	103,979
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	128	238	3,090,979	4,051,039	510,666	510,666	154,257	154,257	120,796	103,020
Under 10 percent	21	25	748,237	690,943	83,992	83,992	2,805	2,805	26,286	24,492
10 under 20 percent	26	43	259,434	291,641	41,847	41,847	6,356	6,356	7,719	6,922
20 under 30 percent	46	72	502,134	642,359	71,632	71,632	18,695	18,695	10,349	8,131
30 under 40 percent	51	66	630,073	944,001	150,980	150,980	53,269	53,269	43,241	32,461
40 under 45 percent	18	20	622,717	1,090,198	94,271	94,271	39,384	39,384	14,171	11,985
45 under 50 percent	6	6	56,771	78,499	18,967	18,967	9,022	9,022	6,034	6,034
50 under 60 percent	**6	**6	**271,613	**313,398	**48,977	**48,977	**24,726	**24,726	**12,996	**12,995
60 under 80 percent	**	**	**	**	**	**	**	**	**	**
80 under 100 percent	—	—	—	—	—	—	—	—	—	—
100 percent or more	**	**	**	**	**	**	**	**	**	**
With no foreign income taxes	47	53	579,204	539,687	21,952	21,952	—	—	1,877	562
With foreign income taxes (–)	5	7	90,214	80,350	5,880	5,880	-498	-498	397	397
Foreign corporations with current earnings and profits deficit before taxes	62	76	815,643	1,179,669	-126,975	—	—	2,213	4,491	—
Foreign corporations with no current earnings and profits (+) and (–) before taxes	98	120	12,267	—	—	—	—	—	—	—
Other Western Hemisphere, total										
All foreign corporations	740	1,462	38,275,340	59,033,035	2,257,408	2,507,347	186,255	184,951	943,353	379,426
Foreign corporations with current earnings and profits (+) before taxes:										
Total	540	895	35,012,580	53,138,563	2,507,347	2,507,347	186,255	186,255	809,015	379,426
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	225	298	22,115,628	17,506,732	1,258,365	1,258,365	188,941	188,941	567,713	216,212
Under 10 percent	104	117	8,304,553	5,106,607	698,235	698,235	19,521	19,521	315,508	141,772
10 under 20 percent	35	37	3,518,904	707,711	211,037	211,037	25,513	25,513	38,449	11,103
20 under 30 percent	55	61	2,557,569	431,139	95,463	95,463	25,472	25,472	37,886	13,697
30 under 40 percent	28	30	2,417,312	8,042,718	116,743	116,743	40,024	40,024	140,857	40,303
40 under 45 percent	7	7	2,372,908	558,210	67,809	67,809	29,877	29,877	5,242	2,899
45 under 50 percent	17	17	792,577	2,243,465	21,043	21,043	9,736	9,736	953	277
50 under 60 percent	14	14	82,006	213,278	10,959	10,959	6,011	6,011	1,310	762
60 under 80 percent	5	5	186,218	48,678	23,224	23,224	15,730	15,730	21,583	4,922
80 under 100 percent	5	5	1,173,616	141,368	13,326	13,326	12,050	12,050	5,300	378
100 percent or more	5	5	709,966	13,557	525	525	5,006	5,006	624	—
With no foreign income taxes	411	585	12,675,634	35,528,394	1,212,990	1,212,990	—	—	199,709	138,450
With foreign income taxes (–)	10	11	221,318	103,438	35,993	35,993	-2,686	-2,686	41,593	24,764
Foreign corporations with current earnings and profits deficit before taxes	223	308	2,644,174	5,870,506	-249,940	—	—	-1,305	130,481	—
Foreign corporations with no current earnings and profits (+) and (–) before taxes	191	260	618,586	23,966	—	—	—	—	3,877	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and taxes (+) as a percent of current earnings and profits (+) before taxes	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Other Western Hemisphere (continued)										
The Bahamas										
All foreign corporations	146	260	7,524,769	34,951,662	322,780	395,921	43,968	43,511	159,694	75,924
Foreign corporations with current earnings and profits (+) before taxes:										
Total	93	134	7,059,362	33,166,411	395,921	395,921	43,968	43,968	102,723	75,924
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	29	34	1,797,290	8,820,598	180,974	180,974	45,220	45,220	55,726	44,067
Under 10 percent	6	6	200,176	277,573	41,462	41,462	1,471	1,471	6,264	3,577
10 under 20 percent	**7	**7	**513,317	**118,856	**38,029	**38,029	**5,788	**5,788	**3,828	**2,830
20 under 30 percent	**	**	**	**	**	**	**	**	**	**
30 under 40 percent	**11	**11	**824,946	**8,168,734	**91,304	**91,304	**32,449	**32,449	**44,433	**37,135
40 under 45 percent	**	**	**	**	**	**	**	**	**	**
45 under 50 percent	4	4	216,162	52,091	3,010	3,010	1,404	1,404	701	25
50 under 60 percent	**6	**6	**42,689	**203,344	**7,169	**7,169	**4,108	**4,108	**500	**500
60 under 80 percent	—	—	—	—	—	—	—	—	—	—
80 under 100 percent	—	—	—	—	—	—	—	—	—	—
100 percent or more	**	**	**	**	**	**	**	**	**	**
With no foreign income taxes	71	97	5,192,643	24,276,810	200,598	200,598	—	—	29,579	19,690
With foreign income taxes (–)	3	3	69,429	69,003	14,350	14,350	-1,252	-1,252	17,418	12,168
Foreign corporations with current earnings and profits deficit before taxes	36	53	423,139	1,778,365	-73,141	—	—	-457	56,959	—
Foreign corporations with no current earnings and profits (+) and (–) before taxes	56	74	42,268	8,886	—	—	—	—	12	—
Bermuda										
All foreign corporations	498	821	14,131,863	21,525,395	1,427,284	1,566,404	52,037	51,859	372,378	191,796
Foreign corporations with current earnings and profits (+) before taxes:										
Total	367	528	12,168,998	17,581,384	1,566,404	1,566,404	52,037	52,037	298,888	191,796
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	75	90	5,276,278	6,476,585	559,189	559,189	53,363	53,363	108,984	64,634
Under 10 percent	42	44	3,058,924	3,479,143	368,653	368,653	6,897	6,897	75,508	50,208
10 under 20 percent	8	10	1,202,464	475,953	113,424	113,424	13,706	13,706	3,922	3,663
20 under 30 percent	8	8	279,209	174,726	24,041	24,041	6,173	6,173	10,361	7,649
30 under 40 percent	6	6	294,412	31,476	13,341	13,341	4,881	4,881	6,725	1,299
40 under 45 percent	3	3	47,820	61,723	11,136	11,136	4,936	4,936	999	999
45 under 50 percent	4	4	303,648	2,176,842	11,621	11,621	5,335	5,335	75	74
50 under 60 percent	8	8	37,614	17,601	3,775	3,775	1,973	1,973	810	262
60 under 80 percent	3	3	35,418	46,572	8,830	8,830	5,840	5,840	10,584	480
80 under 100 percent	**4	**4	**16,769	**12,549	**4,368	**4,368	**3,622	**3,622	**	**
100 percent or more	**	**	**	**	**	**	**	**	**	**
With no foreign income taxes	331	433	6,828,249	11,073,206	985,902	985,902	—	—	165,729	114,566
With foreign income taxes (–)	4	5	64,471	31,593	21,314	21,314	-1,326	-1,326	24,175	12,596
Foreign corporations with current earnings and profits deficit before taxes	149	193	1,495,009	3,928,932	-139,120	—	—	-177	73,490	—
Foreign corporations with no current earnings and profits (+) and (–) before taxes	83	100	467,857	15,080	—	—	—	—	—	—
Netherlands Antilles										
All foreign corporations	260	345	14,311,863	2,190,820	450,512	487,332	68,374	67,704	405,521	111,706
Foreign corporations with current earnings and profits (+) before taxes:										
Total	176	215	13,581,876	2,028,424	487,332	487,332	68,374	68,374	401,645	111,706
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	142	170	12,912,862	1,971,687	464,600	464,600	68,481	68,481	397,243	107,511
Under 10 percent	59	66	5,045,071	1,347,843	287,853	287,853	11,152	11,152	233,735	87,988
10 under 20 percent	22	22	1,849,952	169,099	67,338	67,338	8,188	8,188	30,727	4,638
20 under 30 percent	44	49	2,213,631	167,643	52,680	52,680	14,035	14,035	21,737	6,020
30 under 40 percent	**15	**16	**1,512,128	**135,754	**26,424	**26,424	**8,855	**8,855	**93,942	**3,868
40 under 45 percent	**	**	**	**	**	**	**	**	**	**
45 under 50 percent	**14	**14	**1,589,663	**145,863	**29,789	**29,789	**21,374	**21,374	**16,478	**4,997
50 under 60 percent	**	**	**	**	**	**	**	**	**	**
60 under 80 percent	**	**	**	**	**	**	**	**	**	**
80 under 100 percent	**	**	**	**	**	**	**	**	**	**
100 percent or more	3	3	702,417	5,485	516	516	4,877	4,877	624	—
With no foreign income taxes	37	42	581,595	53,895	22,403	22,403	—	—	4,402	4,195
With foreign income taxes (–)	3	3	87,418	2,842	329	329	-108	-108	—	—
Foreign corporations with current earnings and profits deficit before taxes	54	56	717,978	162,396	-36,819	—	—	-670	12	—
Foreign corporations with no current earnings and profits (+) and (–) before taxes	64	74	12,009	—	—	—	—	—	3,865	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and taxes (+) as a percent of current earnings and profits (+) before taxes	Number of U.S. corporation returns (1)	Controlled Foreign Corporations: Number of foreign corporations (2)	Total assets (3)	Business receipts (4)	Current earnings and profits (less deficit) before taxes (5)	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes (6)	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net) (7)	Foreign income taxes (net) (8)	Distributions: Total (9)	Distributions: Out of current earnings and profits (10)
Europe, total										
All foreign corporations	2,347	15,757	241,807,390	364,600,765	24,451,202	28,445,004	8,747,070	8,549,258	7,625,785	5,109,621
Foreign corporations with current earnings and profits (+) before taxes:										
Total	1,698	8,491	197,213,215	310,152,292	28,445,004	28,445,004	8,747,070	8,747,070	6,935,946	5,105,086
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	1,307	6,320	171,668,857	275,109,102	26,534,055	26,534,055	8,841,236	8,841,236	6,654,035	4,891,250
Under 10 percent	354	622	26,663,315	38,513,257	4,234,068	4,234,068	179,828	179,828	1,464,713	1,206,653
10 under 20 percent	309	500	18,761,311	32,916,877	2,413,281	2,413,281	364,071	364,071	432,061	353,880
20 under 30 percent	395	707	27,500,142	51,052,780	4,227,915	4,227,915	1,095,409	1,095,409	850,102	671,051
30 under 40 percent	514	995	36,107,445	53,443,162	5,336,034	5,336,034	1,870,741	1,870,741	1,559,555	981,081
40 under 45 percent	355	598	13,318,993	18,216,343	3,432,369	3,432,369	1,437,327	1,437,327	598,256	492,232
45 under 50 percent	451	846	17,378,096	22,598,166	2,387,430	2,387,430	1,123,446	1,123,446	642,697	488,271
50 under 60 percent	479	1,067	18,827,591	29,967,253	2,940,171	2,940,171	1,560,953	1,560,953	790,154	521,118
60 under 80 percent	364	541	8,368,121	15,534,009	862,073	862,073	568,769	568,769	154,802	94,604
80 under 100 percent	160	193	3,021,479	6,489,977	639,848	639,848	548,917	548,917	123,152	82,359
100 percent or more	180	249	1,722,364	6,377,278	60,846	60,846	91,774	91,774	38,543	—
With no foreign income taxes	826	1,858	18,631,351	25,267,629	1,518,524	1,518,524	—	—	222,926	165,702
With foreign income taxes (-)	226	313	6,913,007	9,775,561	392,426	392,426	-94,166	-94,166	58,988	48,134
Foreign corporations with current earnings and profits deficit before taxes	1,284	3,883	43,589,925	54,273,849	-3,993,803	—	—	-197,869	682,522	4,535
Foreign corporations with no current earnings and profits (+) and (-) before taxes	852	3,383	1,004,250	174,623	—	—	—	57	7,315	—
Austria										
All foreign corporations	210	291	2,488,082	3,847,721	157,297	210,283	76,543	75,233	68,836	56,074
Foreign corporations with current earnings and profits (+) before taxes:										
Total	138	173	2,204,048	3,551,166	210,283	210,283	76,543	76,543	68,756	56,074
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	113	135	1,858,990	3,278,764	203,625	203,625	77,224	77,224	66,876	54,323
Under 10 percent	10	11	87,437	128,263	6,517	6,517	104	104	—	—
10 under 20 percent	6	6	416,342	1,153,466	51,350	51,350	6,440	6,440	26,628	24,717
20 under 30 percent	11	11	175,098	362,069	22,042	22,042	4,751	4,751	1,445	488
30 under 40 percent	13	14	380,833	299,626	29,945	29,945	10,601	10,601	3,772	3,609
40 under 45 percent	10	12	258,408	76,270	5,667	5,667	2,385	2,385	698	792
45 under 50 percent	14	14	90,879	207,033	27,794	27,794	13,070	13,070	10,255	10,058
50 under 60 percent	21	21	60,815	119,218	14,376	14,376	7,911	7,911	5,015	4,148
60 under 80 percent	23	23	238,197	367,008	40,679	40,679	27,285	27,285	11,424	9,919
80 under 100 percent	9	10	139,602	531,728	4,693	4,693	3,999	3,999	7,401	593
100 percent or more	13	13	11,380	34,062	563	563	679	679	39	—
With no foreign income taxes	30	34	304,623	223,525	5,145	5,145	—	—	309	181
With foreign income taxes (-)	4	4	40,434	48,877	1,513	1,513	-681	-681	1,569	1,569
Foreign corporations with current earnings and profits deficit before taxes	78	85	283,073	295,481	-52,986	—	—	-1,317	79	—
Foreign corporations with no current earnings and profits (+) and (-) before taxes	26	83	981	1,074	—	—	—	6	—	—
Belgium										
All foreign corporations	540	835	14,316,653	22,313,903	1,323,109	1,504,889	621,287	619,190	350,551	251,489
Foreign corporations with current earnings and profits (+) before taxes:										
Total	343	492	12,258,515	18,884,234	1,504,889	1,504,889	621,287	621,287	347,066	251,489
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	296	420	11,755,935	17,962,787	1,446,893	1,448,893	621,750	621,750	345,865	250,393
Under 10 percent	29	31	398,318	612,902	42,773	42,773	706	706	5,257	1,302
10 under 20 percent	18	19	2,366,538	534,940	24,482	24,482	3,649	3,649	6,881	6,741
20 under 30 percent	32	35	1,097,322	2,387,245	67,695	67,695	16,256	16,256	47,195	19,660
30 under 40 percent	59	63	2,978,711	5,930,425	486,916	486,916	172,733	172,733	114,544	107,831
40 under 45 percent	25	28	191,145	357,207	32,946	32,946	13,932	13,932	6,090	5,007
45 under 50 percent	55	65	1,513,532	2,935,026	230,620	230,620	106,830	106,830	48,035	40,147
50 under 60 percent	79	97	1,545,809	3,849,293	502,022	502,022	259,995	259,995	93,586	64,694
60 under 80 percent	39	40	1,107,162	482,551	37,791	37,791	24,403	24,403	6,231	4,775
80 under 100 percent	15	16	215,826	320,789	9,516	9,516	8,573	8,573	8,581	235
100 percent or more	26	26	341,572	552,410	12,132	12,132	14,669	14,669	9,484	—
With no foreign income taxes	58	60	442,500	871,533	53,457	53,457	—	—	188	188
With foreign income taxes (-)	11	12	60,060	49,914	4,539	4,539	-462	-462	1,013	908
Foreign corporations with current earnings and profits deficit before taxes	214	250	2,028,680	3,424,817	-181,779	—	—	-2,098	3,485	—
Foreign corporations with no current earnings and profits (+) and (-) before taxes	82	93	29,459	4,852	—	—	—	—	—	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and taxes (+) as a percent of current earnings and profits (+) before taxes	Number of U.S. corporation returns (1)	Controlled Foreign Corporations: Number of foreign corporations (2)	Total assets (3)	Business receipts (4)	Current earnings and profits (less deficit) before taxes (5)	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes (6)	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net) (7)	Foreign income taxes (net) (8)	Distributions: Total (9)	Distributions: Out of current earnings and profits (10)
Europe (continued)										
Denmark										
All foreign corporations	170	261	1,985,507	4,370,427	114,678	167,398	58,680	55,745	56,601	42,625
Foreign corporations with current earnings and profits (+) before taxes:										
Total	99	135	1,616,173	3,746,139	167,398	167,398	58,680	58,680	53,796	42,625
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	65	115	1,176,610	2,591,411	150,952	150,952	58,814	58,814	53,796	42,625
Under 10 percent	**	**	**	**	**	**	**	**	**	**
10 under 20 percent	**7	**18	**51,469	**192,665	**5,536	**5,536	**742	**742	**	**
20 under 30 percent	13	13	124,850	198,692	17,155	17,155	4,317	4,317	5,673	3,381
30 under 40 percent	26	30	575,848	1,615,655	43,769	43,769	15,032	15,032	15,488	10,775
40 under 45 percent	20	20	274,757	331,793	73,755	73,755	32,674	32,674	27,537	26,274
45 under 50 percent	8	8	31,877	90,275	3,274	3,274	1,540	1,540	2,626	982
50 under 60 percent	13	13	38,189	68,116	6,040	6,040	3,255	3,255	1,238	1,167
60 under 80 percent	**10	**10	**22,920	**21,735	**1,089	**1,089	**786	**786	**338	**66
80 under 100 percent	**	**	**	**	**	**	**	**	**	**
100 percent or more	3	3	56,700	72,480	334	334	468	468	896	—
With no foreign income taxes	**17	**20	**439,563	**1,154,728	**16,446	**16,446	**-134	**-134	**	**
With foreign income taxes (-)	**	**	**	**	**	**	**	**	**	**
Foreign corporations with current earnings and profits deficit before taxes	78	101	356,818	613,166	-52,720	—	—	-2,930	2,805	—
Foreign corporations with no current earnings and profits (+) and (-) before taxes	23	25	12,516	11,122	—	—	—	-5	—	—
France (including Andorra)										
All foreign corporations	814	1,651	25,390,429	47,018,919	2,531,162	2,885,643	1,008,759	1,002,298	607,177	489,848
Foreign corporations with current earnings and profits (+) before taxes:										
Total	547	985	21,079,302	40,882,799	2,885,643	2,885,643	1,008,759	1,008,759	597,192	489,848
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	467	807	19,403,529	37,811,723	2,778,746	2,778,746	1,011,755	1,011,755	592,139	486,651
Under 10 percent	46	55	2,657,210	5,855,541	343,621	343,621	4,340	4,340	36,007	26,429
10 under 20 percent	24	24	1,720,023	2,136,333	202,546	202,546	35,793	35,793	2,742	2,713
20 under 30 percent	53	62	2,889,880	10,168,638	352,580	352,580	97,791	97,791	55,320	49,530
30 under 40 percent	73	90	1,892,290	2,932,346	396,800	396,800	134,131	134,131	74,264	72,944
40 under 45 percent	51	55	3,990,465	3,767,734	506,749	506,749	212,555	212,555	174,112	153,077
45 under 50 percent	124	147	2,127,817	3,602,967	328,145	328,145	158,674	158,674	79,696	60,192
50 under 60 percent	186	242	2,478,077	4,742,185	445,197	445,197	236,428	236,428	115,532	83,747
60 under 80 percent	74	78	1,304,977	3,123,486	194,606	194,606	124,239	124,239	47,640	37,835
80 under 100 percent	24	25	106,158	232,135	5,024	5,024	4,449	4,449	1,569	183
100 percent or more	29	30	234,631	1,050,358	3,477	3,477	5,355	5,355	5,259	—
With no foreign income taxes	129	163	883,690	1,810,286	67,792	67,792	—	—	1,736	1,594
With foreign income taxes (-)	15	15	792,083	1,460,789	39,106	39,106	-2,996	-2,996	3,316	1,603
Foreign corporations with current earnings and profits deficit before taxes	348	476	4,273,839	6,101,066	-354,481	—	—	-6,463	9,985	—
Foreign corporations with no current earnings and profits (+) and (-) before taxes	131	189	37,289	35,054	—	—	—	2	—	—
Italy (including San Marino)										
All foreign corporations	568	995	19,695,832	28,491,905	2,019,830	2,163,618	652,811	652,417	569,046	470,115
Foreign corporations with current earnings and profits (+) before taxes:										
Total	374	585	17,707,270	25,514,312	2,163,618	2,163,618	652,811	652,811	563,256	470,115
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	330	513	16,987,655	24,620,108	2,124,369	2,124,369	655,365	655,365	554,904	463,219
Under 10 percent	29	32	1,338,098	3,079,574	127,972	127,972	4,026	4,026	7,799	5,353
10 under 20 percent	32	44	2,869,071	8,651,820	395,652	395,652	71,121	71,121	63,335	62,000
20 under 30 percent	73	82	2,087,336	2,773,470	393,977	393,977	102,988	102,988	81,016	72,788
30 under 40 percent	131	152	7,772,381	7,474,733	829,610	829,610	301,899	301,899	306,037	259,922
40 under 45 percent	66	75	1,621,573	2,163,850	285,882	285,882	118,069	118,069	51,878	49,951
45 under 50 percent	38	41	411,221	871,702	39,830	39,830	18,820	18,820	3,988	3,257
50 under 60 percent	31	36	536,804	941,296	35,344	35,344	19,061	19,061	36,862	8,885
60 under 80 percent	17	17	111,007	229,382	9,408	9,408	6,081	6,081	2,432	856
80 under 100 percent	16	16	145,447	199,416	4,052	4,052	3,502	3,502	1,046	207
100 percent or more	19	19	94,717	234,864	2,641	2,641	9,777	9,777	511	—
With no foreign income taxes	58	63	412,419	457,291	24,058	24,058	—	—	6,815	6,815
With foreign income taxes (-)	9	9	307,197	436,913	15,191	15,191	-2,554	-2,554	1,538	82
Foreign corporations with current earnings and profits deficit before taxes	169	227	1,898,392	2,977,585	-143,787	—	—	-394	5,790	—
Foreign corporations with no current earnings and profits (+) and (-) before taxes	159	184	90,170	9	—	—	—	—	—	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and taxes (+) as a percent of current earnings and profits (+) before taxes	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Europe (continued)										
Netherlands										
All foreign corporations	633	1,333	14,721,585	24,205,913	1,620,837	1,787,768	483,122	451,671	440,795	328,810
Foreign corporations with current earnings and profits (+) before taxes:										
Total	453	778	11,263,577	19,932,849	1,787,768	1,787,768	483,122	483,122	422,973	324,866
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	355	578	9,447,611	17,087,738	1,581,615	1,581,615	499,441	499,441	393,176	299,273
Under 10 percent	46	59	1,843,712	1,978,937	332,167	332,167	11,999	11,999	30,737	29,695
10 under 20 percent	22	25	721,498	965,010	84,630	84,630	11,982	11,982	9,863	7,863
20 under 30 percent	42	45	1,567,225	4,953,888	264,491	264,491	66,732	66,732	40,821	39,319
30 under 40 percent	68	76	1,179,396	1,851,682	154,624	154,624	52,473	52,473	19,630	12,279
40 under 45 percent	76	95	1,322,239	2,109,215	296,503	296,503	125,762	125,762	108,151	93,521
45 under 50 percent	103	132	1,483,046	2,353,688	326,477	326,477	155,630	155,630	144,984	103,238
50 under 60 percent	50	53	542,081	1,317,675	83,502	83,502	45,606	45,606	9,819	7,324
60 under 80 percent	40	43	608,674	1,372,289	33,430	33,430	22,572	22,572	21,330	5,933
80 under 100 percent	18	19	51,545	48,477	2,262	2,262	2,017	2,017	439	102
100 percent or more	30	31	128,196	136,877	3,529	3,529	4,668	4,668	7,402	—
With no foreign income taxes	125	169	1,427,560	2,475,156	178,055	178,055	—	—	23,142	20,008
With foreign income taxes (–)	29	32	388,406	369,955	28,098	28,098	–16,319	–16,319	6,653	5,585
Foreign corporations with current earnings and profits deficit before taxes	224	322	3,369,481	4,269,836	–166,931	—	—	–31,423	17,822	3,944
Foreign corporations with no current earnings and profits (+) and (–) before taxes	140	233	88,527	3,228	—	—	—	–28	—	—
Spain										
All foreign corporations	307	513	7,064,117	9,238,146	304,529	581,104	122,151	123,158	165,924	135,397
Foreign corporations with current earnings and profits (+) before taxes:										
Total	172	232	5,252,812	6,993,277	581,104	581,104	122,151	122,151	160,053	135,397
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	135	175	4,619,035	6,269,399	559,373	559,373	122,425	122,425	152,873	130,264
Under 10 percent	15	16	461,649	672,569	49,052	49,052	2,570	2,570	5,929	5,820
10 under 20 percent	21	22	1,443,940	1,913,167	191,018	191,018	25,099	25,099	12,931	12,305
20 under 30 percent	37	40	1,450,242	2,113,124	215,253	215,253	52,312	52,312	98,727	86,875
30 under 40 percent	50	54	774,076	658,328	72,496	72,496	24,098	24,098	25,964	20,730
40 under 45 percent	8	9	55,064	79,982	6,390	6,390	2,703	2,703	1,609	1,572
45 under 50 percent	6	8	63,290	121,192	7,006	7,006	3,287	3,287	1,999	981
50 under 60 percent	9	9	492,726	586,413	11,276	11,276	5,898	5,898	1,602	1,343
60 under 80 percent	**7	**7	**35,316	**61,236	**5,179	**5,179	**4,176	**4,176	**3,299	**638
80 under 100 percent	**	**	**	**	**	**	**	**	**	**
100 percent or more	10	10	42,732	53,388	1,703	1,703	2,282	2,282	613	—
With no foreign income taxes	48	53	353,590	553,372	20,550	20,550	—	—	5,878	5,133
With foreign income taxes (–)	4	4	80,187	170,506	1,182	1,182	–275	–275	1,502	—
Foreign corporations with current earnings and profits deficit before taxes	149	196	1,807,069	2,244,558	–276,575	—	—	1,008	5,871	—
Foreign corporations with no current earnings and profits (+) and (–) before taxes	75	85	4,235	311	—	—	—	—	—	—
Sweden										
All foreign corporations	272	481	3,964,935	6,628,259	329,215	397,499	121,689	114,609	83,156	67,252
Foreign corporations with current earnings and profits (+) before taxes:										
Total	171	238	3,214,689	5,253,186	397,499	397,499	121,689	121,689	79,787	67,252
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	143	186	2,441,409	4,058,057	368,741	368,741	122,097	122,097	78,072	66,183
Under 10 percent	20	24	1,035,593	1,766,484	142,894	142,894	4,420	4,420	23,209	23,209
10 under 20 percent	12	12	38,668	107,179	4,816	4,816	761	761	1,321	141
20 under 30 percent	11	11	87,785	173,062	19,123	19,123	4,941	4,941	3,214	3,214
30 under 40 percent	24	25	196,632	390,358	20,928	20,928	7,394	7,394	6,907	4,206
40 under 45 percent	6	6	21,722	52,275	1,735	1,735	732	732	101	101
45 under 50 percent	17	17	55,891	115,949	9,648	9,648	4,579	4,579	2,116	1,893
50 under 60 percent	41	47	751,485	928,547	149,514	149,514	84,678	84,678	33,436	31,127
60 under 80 percent	32	32	174,112	374,610	16,169	16,169	10,696	10,696	3,495	1,868
80 under 100 percent	5	6	28,546	82,705	3,532	3,532	2,931	2,931	1,138	422
100 percent or more	6	6	50,975	66,888	383	383	965	965	3,136	—
With no foreign income taxes	41	47	657,244	1,039,690	27,352	27,352	—	—	1,643	997
With foreign income taxes (–)	5	5	116,036	155,439	1,406	1,406	–407	–407	72	72
Foreign corporations with current earnings and profits deficit before taxes	98	116	746,843	1,375,073	–68,284	—	—	–7,080	3,093	—
Foreign corporations with no current earnings and profits (+) and (–) before taxes	63	125	3,404	—	—	—	—	—	276	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and taxes (+) as a percent of current earnings and profits (+) before taxes	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Europe (continued)										
Switzerland										
All foreign corporations	605	1,122	17,175,638	29,704,272	2,030,810	2,186,519	390,631	391,094	637,569	411,972
Foreign corporations with current earnings and profits (+) before taxes:										
Total	430	708	14,240,659	27,834,215	2,186,519	2,186,519	390,631	390,631	622,712	411,972
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	346	547	13,470,717	26,604,486	2,130,998	2,130,998	392,830	392,830	608,071	409,612
Under 10 percent	95	105	3,027,854	3,833,928	494,211	494,211	38,343	38,343	185,583	116,979
10 under 20 percent	107	124	5,201,957	13,657,823	953,369	953,369	131,146	131,146	160,521	124,856
20 under 30 percent	109	127	2,392,269	3,576,427	357,719	357,719	88,179	88,179	105,797	86,116
30 under 40 percent	83	92	1,534,409	3,638,239	200,289	200,289	70,569	70,569	105,154	50,834
40 under 45 percent	17	18	174,489	258,645	35,217	35,217	14,976	14,976	16,106	8,775
45 under 50 percent	21	21	545,118	572,749	49,457	49,457	22,854	22,854	30,115	21,203
50 under 60 percent	18	18	53,298	75,873	8,200	8,200	4,451	4,451	3,241	834
60 under 80 percent	19	21	456,077	439,437	29,052	29,052	18,401	18,401	4	3
80 under 100 percent	9	9	23,938	29,340	1,120	1,120	990	990	1,522	12
100 percent or more	13	13	61,307	522,026	2,363	2,363	2,922	2,922	27	—
With no foreign income taxes	108	142	641,159	946,055	45,351	45,351	—	—	12,171	562
With foreign income taxes (–)	16	19	128,783	283,672	10,170	10,170	–2,199	–2,199	2,470	1,798
Foreign corporations with current earnings and profits deficit before taxes	238	310	2,917,459	1,866,095	–155,709	—	—	442	11,096	—
Foreign corporations with no current earnings and profits (+) and (–) before taxes	86	104	17,520	3,961	—	—	—	21	3,762	—
United Kingdom										
All foreign corporations	1,557	5,031	75,916,888	99,112,663	8,033,716	9,540,775	2,658,360	2,528,236	2,121,430	1,669,179
Foreign corporations with current earnings and profits (+) before taxes:										
Total	1,045	2,281	61,651,056	82,855,354	9,540,775	9,540,775	2,658,360	2,658,360	2,078,048	1,668,598
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	741	1,504	50,064,159	66,310,088	8,587,239	8,587,239	2,721,600	2,721,600	1,938,214	1,562,907
Under 10 percent	121	146	12,742,434	17,331,149	2,180,233	2,180,233	96,870	96,870	998,703	872,514
10 under 20 percent	106	118	2,129,496	2,962,550	246,398	246,398	38,572	38,572	33,006	30,356
20 under 30 percent	151	170	6,846,527	8,094,460	1,016,762	1,016,762	266,465	266,465	173,214	145,107
30 under 40 percent	181	223	10,297,491	12,533,778	1,284,525	1,284,525	447,261	447,261	140,293	115,811
40 under 45 percent	125	142	2,579,262	3,261,074	1,603,130	1,603,130	662,027	662,027	73,555	62,903
45 under 50 percent	150	180	4,165,302	6,937,869	743,788	743,788	349,851	349,851	105,139	74,310
50 under 60 percent	195	330	8,919,817	10,875,185	1,199,618	1,199,618	629,184	629,184	382,467	251,301
60 under 80 percent	90	113	1,821,537	3,687,734	267,945	267,945	183,960	183,960	22,256	10,443
80 under 100 percent	39	43	331,262	414,636	37,449	37,449	33,181	33,181	1,816	161
100 percent or more	34	40	231,031	211,652	7,391	7,391	14,231	14,231	5,966	—
With no foreign income taxes	409	617	7,989,091	10,685,651	730,664	730,664	—	—	106,075	73,030
With foreign income taxes (–)	134	160	3,597,806	5,859,615	222,872	222,872	–63,240	–63,240	35,759	32,661
Foreign corporations with current earnings and profits deficit before taxes	611	977	13,657,087	16,184,238	–1,507,058	—	—	–130,185	40,150	581
Foreign corporations with no current earnings and profits (+) and (–) before taxes	532	1,773	608,745	73,072	—	—	—	81	3,231	—
West Germany										
All foreign corporations	987	2,049	46,131,107	72,487,510	4,890,880	5,749,509	2,300,671	2,279,488	1,669,557	887,058
Foreign corporations with current earnings and profits (+) before taxes:										
Total	688	1,254	36,560,097	61,118,296	5,749,509	5,749,509	2,300,671	2,300,671	1,545,226	887,048
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	539	889	32,241,026	56,844,164	5,555,840	5,555,840	2,302,399	2,302,399	1,506,633	856,136
Under 10 percent	52	66	1,755,477	2,165,680	211,864	211,864	9,375	9,375	49,448	34,877
10 under 20 percent	45	54	1,189,153	1,633,000	130,075	130,075	21,263	21,263	64,703	50,037
20 under 30 percent	58	66	6,812,911	12,094,520	1,219,163	1,219,163	322,702	322,702	104,883	68,721
30 under 40 percent	84	123	7,996,077	14,855,767	1,722,755	1,722,755	601,944	601,944	736,116	311,367
40 under 45 percent	77	90	2,346,589	4,752,359	491,689	491,689	211,926	211,926	115,714	72,573
45 under 50 percent	143	159	5,529,886	4,168,726	562,553	562,553	262,850	262,850	203,448	163,003
50 under 60 percent	119	138	2,196,385	5,467,470	424,122	424,122	230,804	230,804	98,067	58,357
60 under 80 percent	122	129	2,270,583	4,558,842	206,927	206,927	133,260	133,260	33,153	18,792
80 under 100 percent	29	29	1,882,575	4,426,868	566,951	566,951	484,641	484,641	98,044	80,409
100 percent or more	33	36	261,389	2,720,932	19,742	19,742	23,636	23,636	3,057	—
With no foreign income taxes	219	339	3,918,612	3,789,882	166,586	166,586	—	—	36,426	29,829
With foreign income taxes (–)	20	25	400,459	484,250	27,083	27,083	–1,729	–1,729	2,166	1,084
Foreign corporations with current earnings and profits deficit before taxes	397	537	9,520,967	11,330,903	–858,630	—	—	–21,183	124,300	9
Foreign corporations with no current earnings and profits (+) and (–) before taxes	171	259	50,043	38,311	—	—	—	—	31	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and taxes (+) as a percent of current earnings and profits (+) before taxes	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Africa, total										
All foreign corporations	521	1,668	17,194,842	22,669,414	1,704,355	2,091,626	547,960	548,240	732,986	340,029
Foreign corporations with current earnings and profits (+) before taxes:										
Total	373	967	13,276,344	19,892,760	2,091,626	2,091,626	547,960	547,960	723,261	340,029
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	275	628	7,677,224	13,102,744	1,672,800	1,672,800	552,933	552,933	338,435	263,064
Under 10 percent	33	39	602,149	601,636	165,969	165,989	5,914	5,914	10,778	9,972
10 under 20 percent	24	30	711,365	1,161,416	182,778	182,778	24,171	24,171	13,092	8,096
20 under 30 percent	64	81	1,081,865	2,857,175	258,017	258,017	62,802	62,802	55,181	50,977
30 under 40 percent	109	168	2,675,426	4,175,367	495,014	495,014	172,345	172,345	146,272	104,807
40 under 45 percent	100	138	1,153,526	2,065,829	312,217	312,217	131,353	131,353	76,596	68,314
45 under 50 percent	50	67	555,863	823,269	99,239	99,239	46,388	46,388	17,059	12,020
50 under 60 percent	40	52	584,690	658,985	103,834	103,834	54,956	54,956	12,892	6,794
60 under 80 percent	25	29	152,634	238,475	20,974	20,974	14,280	14,280	4,276	4,083
80 under 100 percent	9	9	31,917	54,496	2,406	2,406	2,131	2,131	58	21
100 percent or more	14	15	127,785	266,096	32,332	32,332	38,593	38,593	2,230	—
With no foreign income taxes	159	329	5,182,614	6,415,861	393,761	393,761	—	—	371,936	72,765
With foreign income taxes (–)	10	10	216,506	374,155	25,065	25,065	-4,974	-4,974	12,890	4,179
Foreign corporations with current earnings and profits deficit before taxes	139	275	3,633,453	2,762,776	-387,271	—	—	281	8,547	—
Foreign corporations with no current earnings and profits (+) and (–) before taxes	224	426	285,045	13,878	—	—	—	(1)	1,178	—
Liberia										
All foreign corporations	158	509	8,855,733	8,517,246	156,069	498,350	16,908	17,353	343,407	45,119
Foreign corporations with current earnings and profits (+) before taxes:										
Total	98	253	5,490,727	6,005,639	498,350	498,350	16,908	16,908	339,916	45,119
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	20	28	965,032	913,575	193,593	193,593	20,807	20,807	8,114	5,087
Under 10 percent	9	9	722,920	725,641	151,614	151,614	5,414	5,414	2,300	2,300
10 under 20 percent	—	—	—	—	—	—	—	—	—	—
20 under 30 percent	5	5	70,109	61,767	23,585	23,585	6,153	6,153	121	91
30 under 40 percent	**5	**5	**19,070	**4,059	**1,845	**1,845	**736	**736	**1,065	**1,033
40 under 45 percent	**	**	**	**	**	**	**	**	**	**
45 under 50 percent	**8	**9	**172,933	**122,108	**16,549	**16,549	**8,504	**8,504	**2,628	**1,663
50 under 60 percent	**	**	**	**	**	**	**	**	**	**
60 under 80 percent	**	**	**	**	**	**	**	**	**	**
80 under 100 percent	—	—	—	—	—	—	—	—	—	—
100 percent or more	**	**	**	**	**	**	**	**	**	**
With no foreign income taxes	86	222	4,489,098	5,092,064	303,034	303,034	—	—	321,149	36,089
With foreign income taxes (–)	3	3	16,597	—	1,722	1,722	-3,899	-3,899	12,653	3,943
Foreign corporations with current earnings and profits deficit before taxes	47	134	3,165,047	2,498,932	-342,281	—	—	445	3,491	—
Foreign corporations with no current earnings and profits (+) and (–) before taxes	74	123	199,959	12,675	—	—	—	—	—	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and taxes (+) as a percent of current earnings and profits (+) before taxes	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Africa (continued)										
South Africa (including S.W. Africa)										
All foreign corporations	324	674	5,141,003	8,947,163	969,082	975,722	272,077	272,607	238,271	179,653
Foreign corporations with current earnings and profits (+) before taxes:										
Total	264	462	4,969,212	8,835,583	975,722	975,722	272,077	272,077	236,758	179,653
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	229	377	4,316,406	7,689,396	894,758	894,756	272,545	272,545	224,655	170,000
Under 10 percent	19	20	56,782	53,615	11,275	11,275	299	299	6,493	6,121
10 under 20 percent	17	19	588,363	913,960	168,524	168,524	21,773	21,773	7,747	750
20 under 30 percent	50	57	626,702	2,428,177	170,445	170,445	40,492	40,492	46,970	43,794
30 under 40 percent	93	118	1,843,792	2,557,733	301,139	301,139	106,933	106,933	99,934	64,787
40 under 45 percent	86	113	837,082	1,551,775	230,491	230,491	96,200	96,200	61,039	53,964
45 under 50 percent	12	13	60,746	81,395	7,436	7,436	3,512	3,512	220	220
50 under 60 percent	12	15	35,241	24,727	3,247	3,247	1,743	1,743	2,014	169
60 under 80 percent	**16	**17	**59,310	**71,032	**2,163	**2,163	**1,509	**1,509	**386	**195
80 under 100 percent	**	**	**	**	**	**	**	**	**	**
100 percent or more	5	5	8,388	6,982	38	38	84	84	52	—
With no foreign income taxes	58	79	469,403	780,574	59,981	59,981	—	—	11,666	9,416
With foreign income taxes (–)	6	6	183,404	365,613	20,983	20,983	-468	-468	237	237
Foreign corporations with current earnings and profits deficit before taxes	43	55	135,558	110,377	-6,640	—	—	531	335	—
Foreign corporations with no current earnings and profits (+) and (–) before taxes	91	158	36,233	1,203	—	—	—	(1)	1,178	—
Asia, total										
All foreign corporations	946	2,769	31,485,764	41,008,878	4,017,655	4,318,504	1,356,698	1,332,532	963,064	786,618
Foreign corporations with current earnings and profits (+) before taxes:										
Total	697	1,693	28,164,166	37,602,316	4,318,504	4,318,504	1,356,698	1,356,698	943,971	786,393
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	565	1,286	24,794,149	33,959,418	3,866,461	3,886,461	1,361,345	1,361,345	888,118	737,871
Under 10 percent	126	150	2,896,742	2,632,445	464,942	464,942	16,651	16,651	103,964	62,283
10 under 20 percent	178	234	4,815,867	4,180,965	562,531	562,531	82,635	62,635	118,614	85,074
20 under 30 percent	128	162	2,546,912	2,507,282	348,244	348,244	89,947	89,947	62,235	57,118
30 under 40 percent	154	218	3,142,409	8,580,036	857,529	857,529	284,386	284,386	144,581	139,663
40 under 45 percent	107	137	2,240,979	2,553,123	293,539	293,539	122,053	122,053	69,072	54,269
45 under 50 percent	102	126	2,502,956	3,151,485	527,959	527,959	251,450	251,450	202,251	195,082
50 under 60 percent	100	120	3,393,833	7,213,823	524,858	524,858	298,727	298,727	115,713	100,556
60 under 80 percent	78	89	919,568	1,137,257	225,691	225,691	151,274	151,274	46,206	42,685
80 under 100 percent	18	19	879,412	1,386,588	43,946	43,946	40,581	40,581	23,264	1,141
100 percent or more	28	31	1,455,470	616,413	17,222	17,222	23,640	23,640	1,217	—
With no foreign income taxes	279	371	2,670,388	2,797,817	370,556	370,556	—	—	49,483	46,564
With foreign income taxes (–)	32	36	699,629	845,061	81,487	81,487	-4,647	-4,647	6,370	1,958
Foreign corporations with current earnings and profits deficit before taxes	396	615	3,194,739	3,393,066	-300,850	—	—	-24,166	13,110	225
Foreign corporations with no current earnings and profits (+) and (–) before taxes	276	461	126,859	13,495	—	—	—	—	5,983	—
Hong Kong										
All foreign corporations	415	665	8,275,576	5,821,380	729,868	756,757	159,581	158,947	242,072	192,170
Foreign corporations with current earnings and profits (+) before taxes:										
Total	291	398	7,924,820	5,590,562	756,757	756,757	159,581	159,581	239,938	192,170
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	229	286	6,547,990	5,009,349	657,831	657,831	159,621	159,621	207,006	161,619
Under 10 percent	62	65	1,178,615	765,651	146,334	146,334	6,737	6,737	50,521	40,069
10 under 20 percent	138	165	3,597,853	2,563,940	316,893	316,893	47,340	47,340	112,850	79,795
20 under 30 percent	23	23	990,070	471,097	25,529	25,529	6,038	6,038	1,749	1,163
30 under 40 percent	14	14	366,279	944,883	42,813	42,813	13,672	13,672	7,674	7,098
40 under 45 percent	4	4	90,635	28,023	1,870	1,870	816	818	—	—
45 under 50 percent	3	3	38,484	28,883	537	537	250	250	—	—
50 under 60 percent	3	3	122,893	11,997	1,442	1,442	815	815	81	81
60 under 80 percent	**9	**9	**163,161	**194,875	**122,413	**122,413	**83,951	**83,951	**34,131	**33,413
80 under 100 percent	**	**	**	**	**	**	**	**	**	**
100 percent or more	**	**	**	**	**	**	**	**	**	**
With no foreign income taxes	96	107	1,332,211	482,480	96,424	96,424	—	—	32,932	30,551
With foreign income taxes (–)	4	4	44,618	98,734	2,502	2,502	-41	-41	—	—
Foreign corporations with current earnings and profits deficit before taxes	110	130	334,640	229,727	-26,889	—	—	-634	2,135	—
Foreign corporations with no current earnings and profits (+) and (–) before taxes	109	138	16,117	1,090	—	—	—	—	—	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and taxes (+) as a percent of current earnings and profits (+) before taxes	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Asia (continued)										
Japan										
All foreign corporations	423	595	10,214,965	16,175,231	1,497,131	1,617,141	709,933	693,713	378,418	334,758
Foreign corporations with current earnings and profits (+) before taxes:										
Total	306	402	9,253,143	15,278,992	1,617,141	1,617,141	709,933	709,933	374,803	334,533
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	255	326	8,925,724	14,869,606	1,598,531	1,598,531	711,202	711,202	373,402	333,660
Under 10 percent	18	19	106,855	69,026	15,396	15,396	615	615	516	490
10 under 20 percent	14	14	41,655	92,273	5,575	5,575	809	809	232	195
20 under 30 percent	28	29	519,398	556,577	122,175	122,175	34,642	34,642	12,954	12,954
30 under 40 percent	48	52	1,482,629	4,272,846	497,378	497,378	155,788	155,788	61,700	61,347
40 under 45 percent	25	26	226,612	412,445	30,834	30,834	13,079	13,079	9,862	3,592
45 under 50 percent	50	54	1,638,911	2,038,291	442,672	442,672	211,115	211,115	178,188	174,316
50 under 60 percent	65	69	2,708,660	6,095,849	412,911	412,911	236,233	236,233	90,084	78,015
60 under 80 percent	37	37	376,988	508,099	46,705	46,705	30,669	30,669	3,054	2,620
80 under 100 percent	9	9	285,824	348,618	12,707	12,707	10,983	10,983	16,728	131
100 percent or more	15	16	1,338,092	475,583	12,177	12,177	17,270	17,270	65	—
With no foreign income taxes	64	69	230,000	258,250	18,086	18,086	—	—	308	308
With foreign income taxes (–)	*8	*8	*97,419	*151,135	*524	*524	*–1,268	*–1,268	*1,093	*565
Foreign corporations with current earnings and profits deficit before taxes	132	153	936,200	889,146	–120,010	—	—	–16,221	3,207	225
Foreign corporations with no current earnings and profits (+) and (–) before taxes	38	41	25,622	7,094	—	—	—	—	408	—
Oceania, total										
All foreign corporations	681	1,976	21,874,465	23,104,538	1,737,143	1,997,387	706,528	726,449	414,652	353,892
Foreign corporations with current earnings and profits (+) before taxes:										
Total	481	1,102	18,463,762	19,365,988	1,997,387	1,997,387	706,528	706,528	407,866	353,637
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	390	835	16,287,004	17,848,459	1,897,444	1,897,444	708,283	708,283	391,421	339,355
Under 10 percent	47	56	2,048,185	869,467	115,368	115,368	3,248	3,248	31,520	27,781
10 under 20 percent	34	37	660,236	321,870	78,057	78,057	11,295	11,295	6,861	1,277
20 under 30 percent	59	68	530,763	615,795	65,961	65,961	18,043	18,043	9,145	6,093
30 under 40 percent	121	157	5,514,494	6,469,904	746,945	746,945	256,752	256,752	142,530	125,137
40 under 45 percent	132	175	3,150,330	3,135,845	348,317	348,317	149,374	149,374	70,636	66,761
45 under 50 percent	166	239	2,965,753	4,416,342	426,636	426,636	199,334	199,334	104,974	97,516
50 under 60 percent	50	60	994,247	1,752,401	87,879	87,879	47,354	47,354	20,176	11,871
60 under 80 percent	18	20	255,762	252,270	21,459	21,459	14,374	14,374	4,758	2,910
80 under 100 percent	8	9	33,565	37,585	3,855	3,855	3,376	3,376	239	10
100 percent or more	12	13	133,669	176,980	2,967	2,967	5,135	5,135	581	—
With no foreign income taxes	166	239	1,641,742	1,340,178	82,095	82,095	—	—	16,070	13,917
With foreign income taxes (–)	24	28	535,016	177,352	17,848	17,848	–1,756	–1,756	375	365
Foreign corporations with current earnings and profits deficit before taxes	241	362	3,325,734	3,722,710	–260,244	—	—	19,909	6,444	255
Foreign corporations with no current earnings and profits (+) and (–) before taxes	231	512	84,969	15,839	—	—	—	12	342	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and taxes (+) as a percent of current earnings and profits (+) before taxes	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Oceania (continued)										
Australia										
All foreign corporations	647	1,602	20,418,036	20,639,051	1,555,874	1,803,113	642,907	662,657	388,286	312,262
Foreign corporations with current earnings and profits (+) before taxes:										
Total	454	918	17,293,587	17,209,693	1,803,113	1,803,113	642,907	642,907	361,586	312,008
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	375	700	15,340,877	15,979,465	1,727,083	1,727,083	644,512	644,512	348,124	299,930
Under 10 percent	43	53	2,017,453	628,233	110,718	110,718	3,163	3,163	31,243	27,503
10 under 20 percent	31	33	649,206	308,461	76,663	76,663	11,021	11,021	6,385	801
20 under 30 percent	53	59	473,790	520,548	58,992	58,992	16,121	16,121	8,852	5,800
30 under 40 percent	110	130	5,222,024	5,827,334	665,335	665,335	230,508	230,508	115,767	99,161
40 under 45 percent	117	144	2,889,314	2,558,979	301,791	301,791	129,363	129,363	63,133	59,577
45 under 50 percent	144	201	2,839,210	4,222,370	407,359	407,359	190,279	190,279	101,268	93,845
50 under 60 percent	41	49	905,111	1,543,319	83,653	83,653	45,055	45,055	16,136	10,516
60 under 80 percent	12	14	185,628	169,256	15,961	15,961	10,712	10,712	4,556	2,708
80 under 100 percent	7	7	29,219	31,136	3,731	3,731	3,262	3,262	229	—
100 percent or more	10	11	129,921	169,829	2,881	2,881	5,027	5,027	555	—
With no foreign income taxes	141	197	1,465,405	1,064,731	59,406	59,406	—	—	13,462	12,078
With foreign income taxes (–)	19	22	487,305	165,497	16,624	16,624	–1,604	–1,604	—	—
Foreign corporations with current earnings and profits deficit before taxes	207	291	3,044,195	3,422,108	–247,239	—	—	19,737	6,359	255
Foreign corporations with no current earnings and profits (+) and (–) before taxes	209	393	60,254	7,250	—	—	—	12	342	—
Puerto Rico and U.S. Possessions, total										
All foreign corporations	246	488	3,753,865	6,772,365	228,834	248,150	57,449	56,944	19,708	19,245
Foreign corporations with current earnings and profits (+) before taxes:										
Total	159	285	3,353,704	6,610,362	248,150	248,150	57,449	57,449	19,614	13,245
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	123	228	3,213,433	6,440,564	237,045	237,045	57,523	57,523	19,606	13,238
Under 10 percent	10	11	74,497	35,293	8,881	8,881	500	500	—	—
10 under 20 percent	20	20	1,887,151	5,128,774	119,265	119,265	17,494	17,494	949	949
20 under 30 percent	47	75	500,137	591,709	37,871	37,871	10,029	10,029	5,664	1,572
30 under 40 percent	36	72	254,006	240,577	22,198	22,198	7,746	7,746	8,464	6,686
40 under 45 percent	29	35	419,512	395,383	41,187	41,187	17,860	17,860	4,030	4,031
45 under 50 percent	4	6	16,166	19,072	3,230	3,230	1,481	1,481	499	—
50 under 60 percent	**6	**5	**45,863	**8,527	**4,253	**4,253	**2,179	**2,179	**	**
60 under 80 percent	—	—	—	—	—	—	—	—	—	—
80 under 100 percent	**	**	**	**	**	**	**	**	**	**
100 percent or more	3	4	16,101	21,229	160	160	234	234	—	—
With no foreign income taxes	45	51	130,800	161,467	11,017	11,017	—	—	8	8
With foreign income taxes (–)	3	6	9,471	8,332	88	88	–74	–74	—	—
Foreign corporations with current earnings and profits deficit before taxes	78	104	367,117	160,529	–19,316	—	—	–505	94	—
Foreign corporations with no current earnings and profits (+) and (–) before taxes	64	99	33,045	1,474	—	—	—	—	—	—
OPEC Countries, total (included above)										
All foreign corporations	339	859	7,131,635	9,018,260	880,128	1,048,218	301,365	296,734	276,964	227,209
Foreign corporations with current earnings and profits (+) before taxes:										
Total	218	467	5,844,383	7,581,361	1,048,218	1,048,216	301,365	301,365	271,252	227,209
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	172	350	4,644,929	6,014,021	866,309	866,309	302,553	302,553	223,613	192,960
Under 10 percent	31	35	819,431	775,616	93,881	93,881	3,113	3,113	28,980	26,997
10 under 20 percent	36	55	391,669	435,845	62,448	62,448	8,928	8,928	10,651	10,053
20 under 30 percent	65	95	678,260	900,352	101,481	101,481	25,726	25,726	24,278	18,845
30 under 40 percent	63	86	1,115,550	1,652,387	271,195	271,195	94,461	94,461	74,709	63,929
40 under 45 percent	29	34	1,015,008	1,576,591	197,607	197,607	83,511	83,511	50,525	40,404
45 under 50 percent	19	22	202,426	206,287	55,512	55,512	25,776	25,776	18,403	18,004
50 under 60 percent	8	8	307,765	355,319	54,428	54,428	27,680	27,680	15,750	14,611
60 under 80 percent	6	6	38,159	23,523	1,283	1,283	893	893	118	118
80 under 100 percent	3	3	4,978	8,962	569	569	506	506	—	—
100 percent or more	6	6	71,684	79,140	27,906	27,906	31,958	31,958	—	—
With no foreign income taxes	84	106	1,060,222	1,465,694	172,335	172,335	—	—	47,241	33,851
With foreign income taxes (–)	9	11	119,232	101,646	9,574	9,574	–1,188	–1,188	397	397
Foreign corporations with current earnings and profits deficit before taxes	126	168	1,173,238	1,436,900	–168,090	—	—	–4,630	5,712	—
Foreign corporations with no current earnings and profits (+) and (–) before taxes	148	224	114,013	—	—	—	—	—	—	—

*Estimate should be used with caution because of small number of sample returns on which it was based.
**Data deleted to avoid disclosure of information to specific corporations.
(¹) Less than $500.
Note: Detail may not add to total because of rounding.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All Industries, total										
All geographic areas, total	4,799	35,471	508,031,994	699,003,002	47,621,582	55,794,508	16,736,730	16,440,451	14,115,642	9,843,638
Canada	2,527	5,415	90,043,610	100,773,346	8,265,453	8,963,459	3,251,184	3,142,670	1,987,908	1,558,742
Latin America, total	1,504	5,910	63,574,969	81,021,279	4,935,978	7,218,439	1,883,281	1,899,571	1,427,837	1,102,084
Brazil	687	1,330	18,714,994	25,617,128	1,183,736	1,566,973	479,521	492,684	319,325	233,104
Ecuador	63	87	272,444	336,736	24,430	28,237	4,606	4,616	5,290	4,988
Mexico	632	1,249	8,520,743	11,683,394	1,638,105	1,692,600	709,214	705,451	241,003	186,643
Panama (including Canal Zone)	422	921	13,952,464	19,657,203	1,427,229	1,502,321	132,790	136,160	347,957	251,745
Venezuela	248	494	4,588,308	5,850,745	411,523	538,498	153,759	155,972	127,562	103,979
All other Latin America	615	1,829	17,526,016	17,676,073	250,954	1,889,810	403,392	404,689	386,700	319,604
Other Western Hemisphere, total	740	1,462	38,275,340	59,033,035	2,257,408	2,507,347	186,255	184,951	943,353	379,426
The Bahamas	146	260	7,524,769	34,951,662	322,780	395,921	43,968	43,511	159,694	75,924
Bermuda	498	821	14,131,863	21,525,395	1,427,284	1,566,404	52,037	51,659	372,378	191,796
Netherlands Antilles	260	345	14,311,863	2,190,820	450,512	487,332	68,374	67,704	405,521	111,706
All other Western Hemisphere	30	36	2,306,844	365,157	56,831	57,690	21,877	21,877	5,759	—
Europe, total	2,347	15,757	241,807,390	364,600,765	24,451,202	28,445,004	8,747,070	8,549,258	7,825,785	5,109,821
Austria	210	291	2,488,062	3,647,721	157,297	210,283	76,543	75,233	68,836	56,074
Belgium	540	835	14,318,653	22,313,903	1,323,109	1,504,889	621,287	619,190	350,551	251,489
Denmark	170	261	1,985,507	4,370,427	114,678	167,398	58,680	55,745	56,601	42,625
France (including Andorra)	814	1,651	25,390,429	47,018,919	2,531,162	2,885,643	1,008,759	1,002,298	607,177	489,648
Italy (including San Marino)	568	995	19,695,832	28,491,905	2,019,830	2,163,618	652,811	652,417	569,046	470,115
Luxembourg	67	97	3,448,872	1,130,897	136,136	139,293	36,898	37,150	34,599	30,739
Netherlands	633	1,333	14,721,585	24,205,913	1,620,837	1,787,768	483,122	451,671	440,795	328,610
Spain	307	513	7,064,117	9,238,146	304,529	581,104	122,151	123,158	165,924	135,397
Sweden	272	481	3,964,935	8,628,259	329,215	397,499	121,689	114,609	83,156	67,252
Switzerland	605	1,122	17,175,638	29,704,272	2,030,810	2,188,519	390,631	391,094	637,569	411,972
United Kingdom	1,557	5,031	75,916,888	99,112,663	8,033,716	9,540,775	2,658,360	2,528,236	2,121,430	1,669,179
West Germany	987	2,049	46,131,107	72,487,510	4,890,880	5,749,509	2,300,671	2,279,488	1,669,557	887,058
All other Europe	424	1,098	9,509,743	16,050,229	959,001	1,130,706	215,468	218,969	820,544	269,062
Africa, total	521	1,668	17,194,842	22,669,414	1,704,355	2,091,626	547,960	548,240	732,986	340,029
Liberia	158	509	8,855,733	8,517,246	156,069	498,350	16,908	17,353	343,407	45,119
South Africa (including South-West Africa)	324	674	5,141,003	8,947,163	969,082	975,722	272,077	272,607	238,271	179,653
OPEC countries	68	90	1,077,667	1,622,393	220,531	231,023	97,554	96,698	76,740	63,816
All other Africa	150	394	2,120,439	3,582,612	358,673	386,531	161,420	161,582	74,568	51,442
Asia, total	946	2,769	31,485,764	41,008,878	4,017,655	4,318,504	1,356,698	1,332,532	963,064	786,618
Hong Kong	415	665	8,275,576	5,821,380	729,868	758,757	159,581	158,947	242,072	192,170
Indonesia	51	63	569,055	530,442	171,133	182,720	40,986	34,678	48,138	39,375
Japan (including Okinawa and Ryukyus)	423	595	10,214,965	16,175,231	1,497,131	1,617,141	709,933	693,713	378,418	334,758
Middle East (except OPEC)	130	202	2,391,526	1,716,138	174,812	182,170	54,786	54,240	19,807	14,256
OPEC (excluding Indonesia)	83	125	624,160	677,944	52,510	67,740	4,460	4,570	19,234	15,050
Philippines	156	213	2,194,150	3,357,485	236,412	272,415	106,771	105,402	54,410	45,553
All other Asia	409	905	7,216,332	12,730,258	1,155,789	1,239,562	280,181	280,781	200,985	145,455
Oceania, total	681	1,976	21,874,465	23,104,538	1,737,143	1,997,387	706,528	726,449	414,852	353,892
Australia	647	1,602	20,418,036	20,639,051	1,555,874	1,803,113	642,907	662,657	368,286	312,262
All other Oceania	222	374	1,456,429	2,465,486	181,269	194,274	63,620	63,792	46,386	41,630
Puerto Rico and U.S. Possessions, total	246	488	3,753,865	6,772,365	228,834	248,150	57,449	56,944	19,708	13,245
Country not stated	20	26	21,749	19,383	3,555	4,591	305	-184	350	—
OPEC countries, total (included above)	339	859	7,131,635	9,018,260	880,128	1,048,218	301,365	296,734	276,964	227,209

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Agriculture, forestry and fishing										
All geographic areas, total	20	142	878,019	1,312,264	34,278	46,747	16,963	15,695	1,971	871
Canada	*16	*17	*68,450	*37,206	*7,092	*7,394	*3,070	*3,070	*304	*304
Latin America, total	3	49	283,621	227,976	19,445	20,990	7,229	7,196	1,186	492
Brazil	**	**	**	**	**	**	**	**	**	**
Ecuador	—	—	—	—	—	—	—	—	—	—
Mexico	**	**	**	**	**	**	**	**	**	**
Panama (including Canal Zone)	**	**	**	**	**	**	**	**	**	**
Venezuela	—	—	—	—	—	—	—	—	—	—
All other Latin America	3	28	206,943	136,461	11,416	12,229	4,379	4,379	—	—
Other Western Hemisphere, total	**	**	**	**	**	**	**	**	**	**
The Bahamas	—	—	—	—	—	—	—	—	—	—
Bermuda	**	**	**	**	**	**	**	**	**	**
Netherlands Antilles	**	**	**	**	**	**	**	**	**	**
All other Western Hemisphere	—	—	—	—	—	—	—	—	—	—
Europe, total	6	36	374,602	841,424	5,973	11,918	2,587	1,352	481	76
Austria	—	—	—	—	—	—	—	—	—	—
Belgium	**	**	**	**	**	**	**	**	**	**
Denmark	—	—	—	—	—	—	—	—	—	—
France (including Andorra)	3	3	13,923	11,817	-12	1,098	541	541	—	—
Italy (including San Marino)	3	4	22,738	142,223	3,426	3,426	1,523	1,523	—	—
Luxembourg	—	—	—	—	—	—	—	—	—	—
Netherlands	**	**	**	**	**	**	**	**	**	**
Spain	**	**	**	**	**	**	**	**	**	**
Sweden	—	—	—	—	—	—	—	—	—	—
Switzerland	—	—	—	—	—	—	—	—	—	—
United Kingdom	4	24	148,955	343,299	2,911	5,587	-208	-1,389	171	76
West Germany	**	**	**	**	**	**	**	**	**	**
All other Europe	—	—	—	—	—	—	—	—	—	—
Africa, total	**	**	**	**	**	**	**	**	**	**
Liberia	—	—	—	—	—	—	—	—	—	—
South Africa (including South-West Africa)	—	—	—	—	—	—	—	—	—	—
OPEC countries	—	—	—	—	—	—	—	—	—	—
All other Africa	**	**	**	**	**	**	**	**	**	**
Asia, total	**	**	**	**	**	**	**	**	**	**
Hong Kong	**	**	**	**	**	**	**	**	**	**
Indonesia	—	—	—	—	—	—	—	—	—	—
Japan (including Okinawa and Ryukyus)	**	**	**	**	**	**	**	**	**	**
Middle East (except OPEC)	—	—	—	—	—	—	—	—	—	—
OPEC (excluding Indonesia)	—	—	—	—	—	—	—	—	—	—
Philippines	**	**	**	**	**	**	**	**	**	**
All other Asia	**	**	**	**	**	**	**	**	**	**
Oceania, total	3	27	86,060	35,035	-4,087	69	40	40	—	—
Australia	3	27	86,060	35,035	-4,087	69	40	40	—	—
All other Oceania	—	—	—	—	—	—	—	—	—	—
Puerto Rico and U.S. Possessions, total	**	**	**	**	**	**	**	**	**	**
Country not stated	—	—	—	—	—	—	—	—	—	—
OPEC countries, total (included above)	—	—	—	—	—	—	—	—	—	—

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Mining										
All geographic areas, total	172	793	7,383,484	5,551,063	1,142,818	1,211,077	253,386	253,545	369,138	239,408
Canada	122	231	2,405,235	1,184,497	315,685	325,358	78,602	78,354	25,265	16,659
Latin America, total	38	136	1,214,468	1,089,588	212,858	224,736	66,249	66,755	35,547	27,528
Brazil	16	30	292,230	303,074	19,766	25,055	8,348	8,334	2,317	1,837
Ecuador	**	**	**	**	**	**	**	**	**	**
Mexico	7	17	107,451	136,839	31,726	31,731	14,274	14,274	—	—
Panama (including Canal Zone)	17	38	451,588	350,326	97,962	98,716	18,759	18,673	19,772	18,263
Venezuela	9	16	152,052	145,744	44,234	44,513	17,299	17,299	5,840	2,807
All other Latin America	**	**	**	**	**	**	**	**	**	**
Other Western Hemisphere, total	28	63	1,379,304	331,681	85,476	89,739	15,349	15,592	101,919	7,779
The Bahamas	**	**	**	**	**	**	**	**	**	**
Bermuda	21	39	255,439	159,585	59,634	59,665	5,791	5,791	4,720	700
Netherlands Antilles	12	15	922,623	67,821	14,586	14,605	4,782	4,782	97,199	7,078
All other Western Hemisphere	**	**	**	**	**	**	**	**	**	**
Europe, total	45	208	1,590,653	1,934,334	431,248	450,666	66,710	66,453	176,467	170,748
Austria	5	5	4,179	7,947	1,788	1,788	1,017	1,017	546	365
Belgium	3	6	22,221	42,961	368	688	614	616	—	—
Denmark	3	3	1,084	954	62	69	23	20	59	46
France (including Andorra)	6	11	42,031	59,970	908	2,879	1,320	1,304	—	—
Italy (including San Marino)	9	13	59,914	82,575	10,883	12,471	4,449	4,428	3,940	2,609
Luxembourg	—	—	—	—	—	—	—	—	—	—
Netherlands	10	17	29,583	46,531	4,588	6,269	1,056	1,063	149	141
Spain	6	7	18,415	28,546	-192	843	306	507	25	—
Sweden	**	**	**	**	**	**	**	**	**	**
Switzerland	6	10	35,636	34,502	3,431	3,801	585	609	766	766
United Kingdom	37	106	1,165,308	1,215,620	366,014	376,819	37,539	37,167	164,714	161,435
West Germany	8	16	164,128	340,829	34,818	34,856	16,893	16,815	5,455	5,349
All other Europe	**	**	**	**	**	**	**	**	**	**
Africa, total	18	62	322,712	451,918	21,342	35,836	6,889	6,889	5,813	1,628
Liberia	3	23	216,975	345,361	1,757	14,932	—	—	3,500	—
South Africa (including South-West Africa)	6	24	90,397	95,959	18,791	18,879	6,058	6,058	2,060	1,576
OPEC countries	9	10	12,990	9,473	1,884	2,024	832	832	52	52
All other Africa	4	5	2,351	1,126	-1,091	—	—	—	—	—
Asia, total	21	58	230,748	431,030	37,845	42,447	9,706	9,621	18,580	9,422
Hong Kong	5	11	80,775	117,481	7,142	7,595	1,277	1,277	6,829	5,362
Indonesia	4	4	8,759	14,081	4,437	4,437	1,631	1,631	700	700
Japan (including Okinawa and Ryukyus)	4	4	16,249	31,839	1,347	1,347	695	695	—	—
Middle East (except OPEC)	3	12	19,268	35,582	9,919	10,117	3,506	3,506	7,405	2,725
OPEC (excluding Indonesia)	**	**	**	**	**	**	**	**	**	**
Philippines	**	**	**	**	**	**	**	**	**	**
All other Asia	14	23	104,182	230,123	14,328	18,177	2,598	2,512	3,148	137
Oceania, total	**	**	**	**	**	**	**	**	**	**
Australia	**	**	**	**	**	**	**	**	**	**
All other Oceania	**	**	**	**	**	**	**	**	**	**
Puerto Rico and U.S. Possessions, total	**	**	**	**	**	**	**	**	**	**
Country not stated	—	—	—	—	—	—	—	—	—	—
OPEC countries, total (included above)	16	33	175,319	171,242	51,329	51,748	19,762	19,762	7,091	4,058

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations								
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net)	Distributions	
						Current earnings and profits before taxes	Foreign income taxes (net)		Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Metal mining										
All geographic areas, total	12	140	1,343,173	980,480	125,391	130,203	34,573	34,452	38,974	23,720
Canada	9	36	457,492	324,637	32,102	32,351	8,160	8,140	14,926	6,596
Latin America, total	**	**	**	**	**	**	**	**	**	**
Brazil	**	**	**	**	**	**	**	**	**	**
Ecuador	—	—	—	—	—	—	—	—	—	—
Mexico	**	**	**	**	**	**	**	**	**	**
Panama (including Canal Zone)	**	**	**	**	**	**	**	**	**	**
Venezuela	**	**	**	**	**	**	**	**	**	**
All other Latin America	**	**	**	**	**	**	**	**	**	**
Other Western Hemisphere, total	4	6	171,151	20,996	7,577	7,604	648	648	5,882	3,592
The Bahamas	—	—	—	—	—	—	—	—	—	—
Bermuda	**	**	**	**	**	**	**	**	**	**
Netherlands Antilles	**	**	**	**	**	**	**	**	**	**
All other Western Hemisphere	—	—	—	—	—	—	—	—	—	—
Europe, total	**	**	**	**	**	**	**	**	**	**
Austria	—	—	—	—	—	—	—	—	—	—
Belgium	**	**	**	**	**	**	**	**	**	**
Denmark	**	**	**	**	**	**	**	**	**	**
France (including Andorra)	**	**	**	**	**	**	**	**	**	**
Italy (including San Marino)	**	**	**	**	**	**	**	**	**	**
Luxembourg	—	—	—	—	—	—	—	—	—	—
Netherlands	**	**	**	**	**	**	**	**	**	**
Spain	**	**	**	**	**	**	**	**	**	**
Sweden	—	—	—	—	—	—	—	—	—	—
Switzerland	**	**	**	**	**	**	**	**	**	**
United Kingdom	**	**	**	**	**	**	**	**	**	**
West Germany	**	**	**	**	**	**	**	**	**	**
All other Europe	**	**	**	**	**	**	**	**	**	**
Africa, total	4	21	92,257	92,758	18,497	18,527	5,832	5,832	1,815	1,331
Liberia	**	**	**	**	**	**	**	**	**	**
South Africa (including South-West Africa)	**	**	**	**	**	**	**	**	**	**
OPEC countries	—	—	—	—	—	—	—	—	—	—
All other Africa	**	**	**	**	**	**	**	**	**	**
Asia, total	**	**	**	**	**	**	**	**	**	**
Hong Kong	—	—	—	—	—	—	—	—	—	—
Indonesia	**	**	**	**	**	**	**	**	**	**
Japan (including Okinawa and Ryukyus)	**	**	**	**	**	**	**	**	**	**
Middle East (except OPEC)	—	—	—	—	—	—	—	—	—	—
OPEC (excluding Indonesia)	—	—	—	—	—	—	—	—	—	—
Philippines	—	—	—	—	—	—	—	—	—	—
All other Asia	**	**	**	**	**	**	**	**	**	**
Oceania, total	5	12	152,233	101,134	33,123	34,221	8,894	8,894	5,620	5,620
Australia	**	**	**	**	**	**	**	**	**	**
All other Oceania	**	**	**	**	**	**	**	**	**	**
Puerto Rico and U.S. Possessions, total	—	—	—	—	—	—	—	—	—	—
Country not stated	—	—	—	—	—	—	—	—	—	—
OPEC countries, total (included above)	**	**	**	**	**	**	**	**	**	**

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations								
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net)	Distributions	
						Current earnings and profits before taxes	Foreign income taxes (net)		Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Oil and gas extraction										
All geographic areas, total	143	609	5,931,264	4,443,410	988,939	1,049,350	209,866	210,159	328,502	214,977
Canada	105	179	1,908,573	796,104	276,596	285,831	67,690	67,464	10,339	10,063
Latin America, total	34	116	1,048,778	968,165	185,948	197,019	58,480	58,994	27,826	23,002
Brazil	13	21	188,688	226,509	9,943	14,842	6,175	6,169	38	38
Ecuador	**	**	**	**	**	**	**	**	**	**
Mexico	6	16	87,534	120,332	29,439	29,444	13,122	13,122	—	—
Panama (including Canal Zone)	16	37	450,679	350,326	97,962	98,716	18,759	18,673	19,772	16,263
Venezuela	7	11	117,614	129,288	29,214	29,492	12,927	12,927	412	94
All other Latin America	**	**	**	**	**	**	**	**	**	**
Other Western Hemisphere, total	18	51	1,178,283	295,542	73,012	77,249	14,701	14,944	96,037	4,186
The Bahamas	3	7	201,115	104,275	11,256	15,269	4,776	5,019	—	—
Bermuda	13	31	221,338	138,419	52,061	52,265	5,791	5,791	4,720	700
Netherlands Antilles	10	13	755,830	52,848	9,695	9,714	4,134	4,134	91,317	3,486
All other Western Hemisphere	—	—	—	—	—	—	—	—	—	—
Europe, total	39	154	1,258,173	1,583,584	409,687	425,182	58,563	58,411	172,842	168,032
Austria	5	5	4,179	7,947	1,788	1,788	1,017	1,017	546	365
Belgium	**	**	**	**	**	**	**	**	**	**
Denmark	**	**	**	**	**	**	**	**	**	**
France (including Andorra)	5	7	15,536	31,755	2,865	2,879	1,320	1,320	—	—
Italy (including San Marino)	6	10	52,366	73,467	9,361	11,148	4,094	4,073	3,568	2,237
Luxembourg	—	—	—	—	—	—	—	—	—	—
Netherlands	8	13	23,279	39,879	4,046	5,729	1,054	1,061	149	141
Spain	3	4	13,233	22,303	-7	843	306	520	—	—
Sweden	**	**	**	**	**	**	**	**	**	**
Switzerland	6	8	9,419	21,999	2,273	2,643	410	434	—	—
United Kingdom	33	82	1,040,308	1,106,451	356,174	366,779	33,719	33,347	163,411	160,178
West Germany	6	8	73,426	207,439	32,418	32,418	15,847	15,847	5,169	5,111
All other Europe	5	9	4,317	30,320	53	212	104	104	—	—
Africa, total	13	38	229,573	359,160	2,834	17,297	1,058	1,058	3,797	297
Liberia	**	**	**	**	**	**	**	**	**	**
South Africa (including South-West Africa)	3	5	2,840	3,200	500	558	226	226	245	245
OPEC countries	9	10	12,990	9,473	1,884	2,024	832	832	52	52
All other Africa	**	**	**	**	**	**	**	**	**	**
Asia, total	16	52	220,714	418,989	34,506	39,007	8,425	8,339	17,661	9,397
Hong Kong	5	11	80,775	117,461	7,142	7,595	1,277	1,277	6,829	5,362
Indonesia	3	3	6,734	14,081	4,437	4,437	1,631	1,631	700	700
Japan (including Okinawa and Ryukyus)	**	**	**	**	**	**	**	**	**	**
Middle East (except OPEC)	**	**	**	**	**	**	**	**	**	**
OPEC (excluding Indonesia)	**	**	**	**	**	**	**	**	**	**
Philippines	**	**	**	**	**	**	**	**	**	**
All other Asia	13	22	98,571	224,918	14,328	18,177	2,598	2,512	2,253	137
Oceania, total	12	19	87,170	23,886	6,357	7,986	949	949	—	—
Australia	12	16	85,764	21,281	6,076	7,706	831	831	—	—
All other Oceania	3	3	1,406	2,605	280	280	118	118	—	—
Puerto Rico and U.S. Possessions, total	—	—	—	—	—	—	—	—	—	—
Country not stated	—	—	—	—	—	—	—	—	—	—
OPEC countries, total (included above)	14	27	140,855	154,786	36,308	38,727	15,389	15,389	1,662	1,344

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All other mining										
All geographic areas, total	17	44	109,047	127,173	26,488	31,524	8,948	8,933	1,662	711
Canada	8	16	39,170	63,757	6,987	7,376	2,752	2,750	—	—
Latin America, total	**	**	**	**	**	**	**	**	**	**
Brazil	**	**	**	**	**	**	**	**	**	**
Ecuador	—	—	—	—	—	—	—	—	—	—
Mexico	—	—	—	—	—	—	—	—	—	—
Panama (including Canal Zone)	—	—	—	—	—	—	—	—	—	—
Venezuela	**	**	**	**	**	**	**	**	**	**
All other Latin America	**	**	**	**	**	**	**	**	**	**
Other Western Hemisphere, total	6	6	29,871	15,143	4,886	4,886	—	—	—	—
The Bahamas	**	**	**	**	**	**	**	**	**	**
Bermuda	**	**	**	**	**	**	**	**	**	**
Netherlands Antilles	—	—	—	—	—	—	—	—	—	—
All other Western Hemisphere	**	**	**	**	**	**	**	**	**	**
Europe, total	4	8	17,574	15,563	-237	1,307	59	47	997	147
Austria	—	—	—	—	—	—	—	—	—	—
Belgium	**	**	**	**	**	**	**	**	**	**
Denmark	—	—	—	—	—	—	—	—	—	—
France (including Andorra)	—	—	—	—	—	—	—	—	—	—
Italy (including San Marino)	—	—	—	—	—	—	—	—	—	—
Luxembourg	—	—	—	—	—	—	—	—	—	—
Netherlands	—	—	—	—	—	—	—	—	—	—
Spain	**	**	**	**	**	**	**	**	**	**
Sweden	—	—	—	—	—	—	—	—	—	—
Switzerland	**	**	**	**	**	**	**	**	**	**
United Kingdom	**	**	**	**	**	**	**	**	**	**
West Germany	**	**	**	**	**	**	**	**	**	**
All other Europe	**	**	**	**	**	**	**	**	**	**
Africa, total	**	**	**	**	**	**	**	**	**	**
Liberia	—	—	—	—	—	—	—	—	—	—
South Africa (including South-West Africa)	**	**	**	**	**	**	**	**	**	**
OPEC countries	—	—	—	—	—	—	—	—	—	—
All other Africa	—	—	—	—	—	—	—	—	—	—
Asia, total	**	**	**	**	**	**	**	**	**	**
Hong Kong	—	—	—	—	—	—	—	—	—	—
Indonesia	—	—	—	—	—	—	—	—	—	—
Japan (including Okinawa and Ryukyus)	**	**	**	**	**	**	**	**	**	**
Middle East (except OPEC)	**	**	**	**	**	**	**	**	**	**
OPEC (excluding Indonesia)	—	—	—	—	—	—	—	—	—	—
Philippines	**	**	**	**	**	**	**	**	**	**
All other Asia	—	—	—	—	—	—	—	—	—	—
Oceania, total	3	3	517	2,003	-1,021	82	37	37	127	26
Australia	3	3	517	2,003	-1,021	82	37	37	127	26
All other Oceania	—	—	—	—	—	—	—	—	—	—
Puerto Rico and U.S. Possessions, total	**	**	**	**	**	**	**	**	**	**
Country not stated	—	—	—	—	—	—	—	—	—	—
OPEC countries, total (included above)	**	**	**	**	**	**	**	**	**	**

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Construction										
All geographic areas, total	133	607	3,056,588	6,990,052	387,060	475,685	74,356	68,601	177,755	57,841
Canada	74	135	657,355	1,803,842	22,990	51,286	19,366	18,071	3,218	3,206
Latin America, total	49	177	636,527	2,591,964	179,013	195,854	30,798	30,937	16,564	14,298
Brazil	17	19	49,680	17,489	218	2,751	269	281	432	432
Ecuador	—	—	—	—	—	—	—	—	—	—
Mexico	9	10	32,030	28,463	13,132	13,228	6,254	6,254	—	—
Panama (including Canal Zone)	27	107	459,102	2,337,243	162,018	167,364	23,567	23,844	10,979	10,751
Venezuela	6	8	5,907	—	55	55	—	—	—	—
All other Latin America	19	33	89,808	208,769	3,591	12,456	707	757	5,154	3,115
Other Western Hemisphere, total	17	28	509,529	192,097	17,713	30,366	684	684	133,147	20,484
The Bahamas	**	**	**	**	**	**	**	**	**	**
Bermuda	12	21	112,532	116,946	3,430	7,106	561	561	—	—
Netherlands Antilles	**	**	**	**	**	**	**	**	**	**
All other Western Hemisphere	—	—	—	—	—	—	—	—	—	—
Europe, total	28	116	855,816	1,918,953	60,961	84,223	15,443	12,667	14,617	12,418
Austria	—	—	—	—	—	—	—	—	—	—
Belgium	7	7	9,184	18,629	-127	359	121	121	—	—
Denmark	—	—	—	—	—	—	—	—	—	—
France (including Andorra)	9	15	227,973	289,923	6,539	14,518	2,726	1,753	92	—
Italy (including San Marino)	7	7	92,700	104,237	-3,083	763	279	157	204	204
Luxembourg	—	—	—	—	—	—	—	—	—	—
Netherlands	9	16	99,070	205,208	21,108	22,016	-4,168	-4,473	7,675	7,675
Spain	5	10	3,166	20,077	795	803	143	143	102	102
Sweden	—	—	—	—	—	—	—	—	—	—
Switzerland	5	7	33,179	33,551	330	1,131	—	—	119	119
United Kingdom	16	35	263,397	1,075,779	29,684	35,972	12,807	11,430	4,000	2,852
West Germany	9	12	86,527	127,130	1,567	4,457	2,154	2,154	1,498	539
All other Europe	5	7	40,422	44,419	4,148	4,205	1,381	1,381	926	926
Africa, total	9	17	44,652	14,181	20	574	66	66	24	24
Liberia	3	6	39,077	10,557	277	458	—	—	—	—
South Africa (including South-West Africa)	4	7	3,377	1,685	106	106	66	66	24	24
OPEC countries	**	**	**	**	**	**	**	**	**	**
All other Africa	**	**	**	**	**	**	**	**	**	**
Asia, total	23	58	169,148	254,322	92,890	94,827	3,774	3,849	10,000	7,257
Hong Kong	3	4	2,244	2,911	-356	—	—	—	—	—
Indonesia	**	**	**	**	**	**	**	**	**	**
Japan (including Okinawa and Ryukyus)	5	6	5,181	18,217	862	866	269	269	—	—
Middle East (except OPEC)	3	3	79	1,450	39	39	2	2	—	—
OPEC (excluding Indonesia)	9	23	85,210	135,311	10,445	10,732	2,341	2,401	10,000	7,257
Philippines	**	**	**	**	**	**	**	**	**	**
All other Asia	10	17	61,139	59,949	5,821	6,657	1,163	1,177	—	—
Oceania, total	14	50	152,339	148,802	7,010	11,846	3,677	3,765	135	135
Australia	12	35	133,317	132,261	6,654	11,012	3,517	3,525	111	111
All other Oceania	3	15	19,022	16,541	355	833	59	241	24	24
Puerto Rico and U.S. Possessions, total	**	**	**	**	**	**	**	**	**	**
Country not stated	**	**	**	**	**	**	**	**	**	**
OPEC countries, total (included above)	15	35	106,174	173,298	86,558	87,319	2,341	2,401	10,000	7,257

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation—Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Manufacturing										
All geographic areas, total	2,452	23,665	360,405,427	554,533,962	40,014,988	46,915,595	14,615,711	14,385,897	11,954,735	8,331,857
Canada	1,509	3,390	60,564,436	75,960,034	6,704,062	7,266,359	2,699,998	2,605,700	1,734,431	1,384,508
Latin America, total	790	3,931	49,602,815	58,090,979	3,755,292	5,861,695	1,633,244	1,646,575	1,168,021	912,567
Brazil	427	948	15,672,358	23,103,475	1,066,747	1,394,974	434,260	445,867	292,984	212,446
Ecuador	39	60	218,331	273,203	20,277	23,256	3,814	3,824	4,244	3,843
Mexico	501	1,016	7,326,443	10,724,025	1,461,568	1,510,210	636,645	633,573	212,410	164,830
Panama (including Canal Zone)	168	341	9,099,179	3,909,481	845,605	868,736	69,150	71,308	276,757	194,288
Venezuela	186	393	4,051,105	5,304,008	344,578	462,527	129,032	131,483	112,107	97,916
All other Latin America	335	1,174	13,235,397	14,776,787	16,518	1,601,992	360,342	360,521	269,520	239,144
Other Western Hemisphere, total	341	720	20,344,515	41,985,423	1,578,356	1,722,185	105,776	105,459	580,611	299,671
The Bahamas	64	113	3,773,807	25,154,137	249,758	253,288	28,416	28,416	123,920	57,213
Bermuda	227	393	9,539,769	15,282,073	1,069,472	1,185,166	33,881	33,883	298,174	175,619
Netherlands Antilles	137	195	6,866,098	1,424,872	247,003	271,204	40,382	40,064	152,758	66,839
All other Western Hemisphere	16	19	164,841	124,341	12,123	12,527	3,097	3,097	5,759	—
Europe, total	1,512	11,253	176,779,575	300,420,874	21,461,828	24,798,501	7,847,942	7,702,369	6,657,823	4,441,848
Austria	167	238	1,702,002	3,637,877	171,255	196,298	70,730	69,416	65,557	53,716
Belgium	385	596	9,407,716	19,895,106	1,277,245	1,412,548	581,473	579,354	335,561	238,787
Denmark	124	183	1,768,571	3,960,842	107,221	153,917	54,842	51,947	52,661	41,912
France (including Andorra)	593	1,269	21,824,451	42,800,859	2,393,100	2,709,480	938,228	932,853	577,793	468,105
Italy (including San Marino)	379	745	14,033,146	25,240,473	1,879,493	2,000,805	592,550	592,214	540,739	446,059
Luxembourg	49	66	1,366,878	869,530	121,790	124,510	32,014	32,266	34,463	30,604
Netherlands	443	954	11,483,181	18,845,501	1,392,444	1,521,740	408,315	386,887	372,331	292,269
Spain	231	399	5,982,607	7,896,834	277,310	532,158	110,464	111,030	151,036	122,192
Sweden	217	379	3,502,581	5,889,232	257,852	317,629	116,249	110,897	80,598	68,007
Switzerland	388	731	11,510,162	16,973,674	1,338,083	1,459,530	298,692	302,005	474,859	300,555
United Kingdom	1,023	3,216	53,084,613	75,384,208	6,899,137	8,134,002	2,330,099	2,232,250	1,740,792	1,345,688
West Germany	745	1,616	35,392,258	66,180,881	4,583,841	5,323,783	2,139,170	2,122,408	1,528,100	846,058
All other Europe	307	842	7,701,408	12,845,856	763,060	912,102	175,113	178,842	703,332	189,896
Africa, total	294	1,010	12,894,694	19,237,269	1,522,964	1,797,089	501,399	502,164	635,994	295,079
Liberia	61	187	6,245,195	7,403,478	86,167	324,364	16,157	16,453	300,899	18,837
South Africa (including South-West Africa)	234	487	3,981,448	7,380,242	906,957	912,292	250,733	251,261	201,626	170,666
OPEC countries	44	63	1,017,100	1,599,291	219,197	228,180	96,324	96,243	76,626	63,702
All other Africa	93	274	1,650,950	2,854,258	310,643	332,253	138,186	138,207	56,642	41,875
Asia, total	569	1,809	21,535,761	34,170,426	3,435,932	3,678,963	1,197,729	1,174,251	821,668	692,239
Hong Kong	220	342	3,028,530	4,083,953	531,990	550,780	134,514	134,189	175,165	147,057
Indonesia	39	49	530,529	455,002	90,717	97,187	37,362	31,255	45,598	36,835
Japan (including Okinawa and Ryukyus)	306	456	9,662,655	15,370,487	1,453,346	1,559,053	682,193	666,039	367,314	328,066
Middle East (except OPEC)	72	101	387,191	432,687	62,135	64,578	7,670	7,201	2,739	2,100
OPEC (excluding Indonesia)	53	78	386,426	423,963	39,992	44,900	1,804	1,851	6,791	5,451
Philippines	113	148	1,408,789	2,248,641	188,455	219,177	78,765	77,577	42,338	39,061
All other Asia	269	634	6,131,641	11,155,693	1,071,296	1,143,289	255,421	256,139	181,722	133,650
Oceania, total	448	1,358	14,128,409	18,507,250	1,379,012	1,601,696	585,950	606,240	345,345	297,026
Australia	433	1,099	12,939,573	16,618,877	1,225,508	1,436,557	532,469	552,773	302,033	257,838
All other Oceania	154	260	1,188,836	1,888,373	153,504	165,139	53,481	53,467	43,311	39,188
Puerto Rico and U.S. Possessions, total	102	175	2,553,239	6,158,653	176,905	188,454	43,369	42,835	10,493	8,919
Country not stated	15	19	1,984	3,054	636	653	305	305	350	—
OPEC countries, total (included above)	222	643	6,203,492	8,055,466	714,761	856,050	268,337	264,656	245,366	207,847

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation—Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Food and kindred products										
All geographic areas, total	118	2,073	23,100,603	32,098,019	725,552	2,300,020	737,831	717,714	445,165	344,575
Canada	67	277	2,898,115	5,090,347	411,795	419,736	163,023	162,141	88,456	63,904
Latin America, total	48	455	7,674,110	6,378,371	-905,748	445,926	154,736	155,044	71,208	64,599
Brazil	25	83	1,299,944	1,814,641	41,755	72,811	25,173	25,501	11,368	10,270
Ecuador	7	14	57,787	55,644	3,631	4,200	632	669	475	437
Mexico	33	96	814,097	1,392,476	155,793	158,004	70,383	70,390	20,205	19,142
Panama (including Canal Zone)	20	44	1,113,675	212,490	19,742	20,835	2,408	2,406	1,902	357
Venezuela	18	55	480,640	930,067	96,587	96,696	27,507	27,507	26,129	25,029
All other Latin America	32	163	3,907,969	1,973,033	-1,223,256	93,380	28,633	28,569	11,129	9,365
Other Western Hemisphere, total	31	61	1,102,992	231,621	68,298	69,911	5,804	5,804	12,224	7,917
The Bahamas	**	**	**	**	**	**	**	**	**	**
Bermuda	19	32	514,723	164,550	38,240	39,701	1,730	1,730	—	—
Netherlands Antilles	13	16	506,119	43,258	19,093	19,105	3,635	3,635	10,155	6,290
All other Western Hemisphere	**	**	**	**	**	**	**	**	**	**
Europe, total	66	679	9,114,719	17,032,331	879,595	1,066,303	315,086	296,115	226,466	168,235
Austria	12	15	50,358	102,016	5,084	7,869	4,051	4,280	3,695	3,576
Belgium	21	47	403,017	588,182	25,064	42,755	17,271	17,285	3,997	2,174
Denmark	12	26	131,609	264,183	3,773	7,810	3,125	3,145	4,206	2,038
France (including Andorra)	30	96	1,379,670	3,092,892	108,633	127,600	54,373	55,384	19,583	13,936
Italy (including San Marino)	20	57	516,552	1,057,749	40,345	48,881	17,489	17,347	10,036	7,627
Luxembourg	3	3	744	513	-1	7	24	24	—	—
Netherlands	24	105	917,938	1,189,637	82,217	75,992	19,872	16,821	30,687	18,784
Spain	21	37	424,409	849,874	15,953	35,039	8,436	8,388	9,300	6,430
Sweden	10	17	122,742	274,680	12,532	12,832	8,108	8,063	2,785	2,785
Switzerland	23	45	455,210	819,049	49,260	52,585	12,194	12,342	19,251	16,127
United Kingdom	46	218	3,216,304	5,315,165	462,109	511,913	133,911	117,752	78,364	59,270
West Germany	27	135	1,163,830	3,008,578	52,957	94,006	30,943	30,260	40,520	32,406
All other Europe	23	78	332,535	469,812	41,668	49,011	5,289	5,044	4,039	3,099
Africa, total	21	67	333,552	404,277	42,355	45,475	9,194	9,202	6,435	2,280
Liberia	6	10	164,492	119,961	14,569	16,235	—	—	1,881	—
South Africa (including South-West Africa)	14	40	155,276	265,606	28,232	28,282	8,944	8,944	4,506	2,234
OPEC countries	**	**	**	**	**	**	**	**	**	**
All other Africa	**	**	**	**	**	**	**	**	**	**
Asia, total	31	111	1,023,911	1,372,906	109,975	126,342	44,092	43,210	27,673	26,464
Hong Kong	14	25	181,159	271,875	24,403	24,545	660	660	3,582	3,582
Indonesia	—	—	—	—	—	—	—	—	—	—
Japan (including Okinawa and Ryukyus)	23	32	302,683	419,913	48,191	56,175	23,819	23,825	15,881	15,881
Middle East (except OPEC)	**	**	**	**	**	**	**	**	**	**
OPEC (excluding Indonesia)	4	4	15,797	42,739	-1,077	30	—	-15	275	—
Philippines	8	13	388,566	439,505	26,635	30,987	12,500	11,628	6,201	5,664
All other Asia	**	**	**	**	**	**	**	**	**	**
Oceania, total	31	185	655,247	1,484,581	115,643	119,850	44,306	44,590	10,553	9,784
Australia	31	159	604,677	1,380,655	106,917	110,689	42,154	42,472	10,361	9,593
All other Oceania	15	26	50,569	103,926	8,726	9,161	2,152	2,117	192	192
Puerto Rico and U.S. Possessions, total	18	39	97,957	103,585	3,639	6,477	1,592	1,610	2,149	1,391
Country not stated	—	—	—	—	—	—	—	—	—	—
OPEC countries, total (included above)	23	75	554,223	1,028,470	99,141	100,926	28,139	28,181	26,879	25,468

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Chemicals and allied products										
All geographic areas, total	250	4,590	51,139,085	65,250,212	5,912,217	6,619,986	2,122,074	2,090,707	1,663,696	1,187,632
Canada	198	462	7,097,344	8,398,449	968,689	990,612	409,929	407,928	117,891	101,793
Latin America, total	106	976	8,420,420	8,929,953	1,069,753	1,220,975	365,399	364,193	311,137	233,826
Brazil	81	215	2,812,460	2,750,031	160,727	252,646	86,794	83,875	38,697	27,017
Ecuador	11	15	54,886	60,857	5,950	6,163	812	808	2,148	1,929
Mexico	76	210	1,430,065	2,174,880	355,307	360,844	154,187	154,247	61,715	36,551
Panama (including Canal Zone)	41	89	1,670,609	720,831	219,133	222,534	27,709	27,709	93,208	75,432
Venezuela	46	96	790,921	1,022,996	116,831	128,881	30,683	32,172	46,662	35,235
All other Latin America	71	351	1,661,479	2,200,358	211,804	249,907	65,214	65,561	68,707	57,662
Other Western Hemisphere, total	55	112	2,510,220	1,189,036	299,965	301,003	23,547	23,551	75,568	48,355
The Bahamas	10	19	139,070	143,304	19,476	19,476	1,494	1,494	4,014	3,650
Bermuda	42	65	1,498,644	851,641	216,108	216,808	11,711	11,711	44,288	29,737
Netherlands Antilles	19	25	849,389	159,198	53,822	53,835	7,270	7,273	21,506	14,968
All other Western Hemisphere	3	3	23,117	34,894	10,560	10,885	3,073	3,073	5,759	—
Europe, total	158	2,025	25,714,733	38,178,818	2,744,912	3,141,622	939,126	910,912	957,347	653,340
Austria	40	59	154,525	299,593	9,986	13,757	4,175	4,390	1,516	1,129
Belgium	64	122	1,605,023	3,207,435	177,032	191,522	75,990	77,389	51,076	29,205
Denmark	25	31	115,653	184,507	12,042	15,588	5,502	5,285	5,527	927
France (including Andorra)	89	219	2,945,903	5,218,009	401,717	428,941	188,774	186,624	101,830	69,742
Italy (including San Marino)	67	133	2,222,253	3,181,016	312,369	321,360	95,318	95,279	123,623	82,327
Luxembourg	8	14	276,629	274,048	32,585	33,846	8,075	8,203	625	625
Netherlands	80	183	2,398,834	3,560,275	151,621	177,450	56,667	41,327	29,810	20,540
Spain	52	111	1,223,392	1,814,629	57,978	108,331	22,440	22,431	29,791	25,247
Sweden	43	75	285,159	582,559	3,727	16,213	4,515	3,739	5,326	1,507
Switzerland	62	163	3,742,626	6,002,500	389,474	407,249	75,257	77,877	155,071	82,200
United Kingdom	111	451	5,798,049	7,281,615	460,513	629,460	175,652	158,920	165,247	131,512
West Germany	98	247	3,317,191	6,263,105	506,709	547,247	208,374	211,451	219,245	142,529
All other Europe	59	219	1,629,496	1,309,527	229,158	250,659	18,388	17,996	68,660	65,851
Africa, total	52	219	842,200	1,189,214	192,116	205,285	74,580	74,602	55,190	43,395
Liberia	6	9	38,191	13,338	1,242	1,265	—	—	250	175
South Africa (including South-West Africa)	48	119	517,891	864,557	146,432	146,642	50,402	50,404	42,695	32,428
OPEC countries	9	12	98,742	91,841	19,752	24,380	10,604	10,604	3,919	3,919
All other Africa	23	79	167,376	219,478	24,691	32,999	13,574	13,595	8,327	6,874
Asia, total	78	476	4,873,466	5,113,888	437,885	543,727	223,180	222,904	118,851	88,408
Hong Kong	36	54	451,280	688,489	58,481	62,856	10,312	10,343	20,815	11,743
Indonesia	17	19	118,427	120,864	15,245	18,017	5,104	5,104	5,424	4,670
Japan (including Okinawa and Ryukyus)	58	112	2,635,788	2,147,043	182,220	227,327	116,959	116,551	38,502	26,055
Middle East (except OPEC)	22	30	67,648	91,745	8,645	9,203	1,955	1,958	1,346	1,134
OPEC (excluding Indonesia)	18	26	148,680	126,839	4,464	7,183	348	395	2,441	1,689
Philippines	36	50	284,128	514,626	72,476	73,000	28,050	28,050	18,993	15,771
All other Asia	48	165	1,167,515	1,424,282	96,354	146,141	60,453	60,504	35,330	27,346
Oceania, total	82	287	1,529,193	2,152,760	186,624	202,972	80,508	80,811	26,212	17,016
Australia	79	204	1,350,588	1,864,491	166,509	180,365	70,205	70,538	22,899	14,113
All other Oceania	47	83	178,605	288,269	20,115	22,607	10,303	10,273	3,313	2,903
Puerto Rico and U.S. Possessions, total	**	**	**	**	**	**	**	**	**	**
Country not stated	**	**	**	**	**	**	**	**	**	**
OPEC countries, total (included above)	52	168	1,211,655	1,423,396	162,243	184,624	47,550	49,063	60,594	47,442

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Petroleum (including integrated) and coal products										
All geographic areas, total	77	1,749	84,258,330	202,490,759	13,234,911	13,951,428	4,258,245	4,272,051	3,485,298	2,458,523
Canada	37	185	12,768,942	12,859,232	1,711,511	1,762,090	741,740	740,595	423,579	408,119
Latin America, total	31	249	7,896,063	12,139,381	817,798	922,168	172,386	188,231	223,971	203,825
Brazil	21	64	1,414,407	6,594,736	150,192	170,941	59,935	71,890	54,098	48,944
Ecuador	3	5	7,798	14,956	2,836	2,836	611	611	389	389
Mexico	10	31	218,612	314,457	70,129	70,225	26,870	26,880	4,440	4,009
Panama (including Canal Zone)	12	51	4,985,431	1,948,885	437,839	443,206	18,601	18,342	92,101	86,542
Venezuela	8	20	159,908	173,683	26,302	27,556	7,742	7,724	5,094	5,094
All other Latin America	14	78	1,109,906	3,094,664	130,499	207,401	60,628	60,804	67,849	60,847
Other Western Hemisphere, total	31	150	8,920,789	39,038,959	757,162	873,099	43,395	43,411	312,289	134,407
The Bahamas	9	29	3,252,593	24,772,193	169,892	190,977	26,801	26,801	97,772	37,599
Bermuda	25	83	4,580,606	13,267,993	531,421	635,298	14,469	14,469	160,626	83,718
Netherlands Antilles	14	31	951,068	916,788	34,862	45,827	2,124	2,140	33,890	13,090
All other Western Hemisphere	4	7	136,502	81,986	988	997	(1)	(1)	—	—
Europe, total	53	797	38,257,772	102,678,063	7,831,485	8,035,831	2,597,348	2,599,311	1,796,968	1,300,162
Austria	7	16	418,614	1,465,750	45,780	45,780	8,227	8,227	28,924	22,161
Belgium	11	36	1,956,840	7,131,777	621,605	627,639	266,085	262,106	72,064	71,759
Denmark	6	14	723,040	2,398,380	27,282	27,501	5,248	5,386	5,419	5,228
France (including Andorra)	11	97	4,147,568	14,765,598	686,451	671,498	167,068	186,774	109,490	106,453
Italy (including San Marino)	22	51	2,757,619	11,231,890	447,433	488,439	98,987	99,048	95,478	95,444
Luxembourg	6	6	177,688	177,345	37,937	37,951	6,785	6,785	15,212	15,212
Netherlands	15	55	1,964,608	6,471,394	367,526	369,442	76,352	78,589	74,777	72,980
Spain	*12	*18	*56,499	*182,735	*5,720	*6,004	*1,504	*1,516	*4,311	*1,352
Sweden	6	46	1,119,088	2,316,693	43,579	49,160	4,358	4,646	2,606	2,524
Switzerland	12	36	712,603	1,684,668	112,926	115,773	21,360	21,773	49,073	35,143
United Kingdom	47	219	14,395,493	23,379,029	3,319,019	3,409,231	922,033	922,173	557,900	555,168
West Germany	13	111	7,576,583	25,265,534	2,043,981	2,064,697	975,013	975,308	300,173	287,928
All other Europe	19	92	2,251,330	6,207,272	92,245	122,615	42,328	46,980	481,538	26,810
Africa, total	21	183	7,284,271	12,603,584	540,301	760,119	199,538	200,027	439,646	136,908
Liberia	16	87	4,738,146	6,396,878	-78,710	140,155	7,112	7,497	288,633	13,383
South Africa (including South-West Africa)	3	19	1,068,907	2,787,235	269,744	269,752	47,732	47,732	44,105	39,151
OPEC countries	7	12	695,867	1,322,560	169,158	169,676	74,135	74,135	68,865	57,016
All other Africa	5	65	781,351	2,096,911	180,109	180,536	70,559	70,663	38,044	27,359
Asia, total	14	95	5,247,357	14,082,306	1,124,782	1,140,285	353,985	354,656	219,921	210,065
Hong Kong	7	24	1,305,393	1,301,833	145,100	153,428	14,305	14,311	79,853	71,027
Indonesia	—	—	—	—	—	—	—	—	—	—
Japan (including Okinawa and Ryukyus)	5	20	2,473,574	8,463,514	623,264	624,064	252,561	252,646	104,668	104,369
Middle East (except OPEC)	5	7	19,464	81,468	8,493	8,497	1,717	1,717	762	762
OPEC (excluding Indonesia)	3	6	12,168	6,285	712	712	13	13	200	200
Philippines	6	7	47,257	540,548	39,832	41,906	14,230	14,230	1,465	1,436
All other Asia	9	31	1,389,502	3,688,659	307,380	311,659	71,160	71,740	32,972	32,271
Oceania, total	17	72	2,135,687	3,785,177	340,678	346,507	128,896	128,863	68,617	64,730
Australia	13	47	1,750,796	3,102,683	258,847	261,532	106,055	106,055	42,554	39,390
All other Oceania	9	25	384,892	682,514	81,830	84,974	22,841	22,609	26,063	25,339
Puerto Rico and U.S. Possessions, total	6	18	1,747,469	5,504,056	111,195	111,250	18,957	18,957	308	307
Country not stated	—	—	—	—	—	—	—	—	—	—
OPEC countries, total (included above)	15	43	875,741	1,517,484	199,009	200,783	82,500	82,483	74,548	62,699

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Primary metal industries										
All geographic areas, total	**87**	**1,256**	**18,244,430**	**14,040,131**	**1,867,371**	**1,873,681**	**497,630**	**497,516**	**420,283**	**332,935**
Canada	**68**	**205**	**3,522,390**	**3,108,673**	**459,722**	**483,812**	**133,406**	**132,652**	**114,377**	**97,734**
Latin America, total	**43**	**253**	**1,682,708**	**1,593,337**	**304,827**	**323,619**	**78,892**	**78,258**	**57,096**	**53,006**
Brazil	21	82	355,137	328,850	39,718	46,245	11,639	11,823	3,939	3,929
Ecuador	**	**	**	**	**	**	**	**	**	**
Mexico	17	35	212,586	274,717	65,101	65,542	25,558	25,562	26,941	24,401
Panama (including Canal Zone)	13	24	349,809	360,884	51,837	52,769	4,409	4,409	8,056	6,660
Venezuela	11	48	242,064	185,026	29,811	30,021	8,971	8,971	6,876	6,876
All other Latin America	**	**	**	**	**	**	**	**	**	**
Other Western Hemisphere, total	**26**	**77**	**1,781,748**	**206,479**	**96,205**	**101,471**	**2,990**	**3,230**	**51,040**	**23,349**
The Bahamas	3	9	109,621	9,228	8,168	8,252	—	—	—	—
Bermuda	21	43	532,395	91,146	34,833	38,019	1,063	1,063	4,084	4,084
Netherlands Antilles	10	25	1,139,732	106,104	53,204	55,200	1,928	2,167	46,957	19,266
All other Western Hemisphere	—	—	—	—	—	—	—	—	—	—
Europe, total	**58**	**522**	**6,408,958**	**6,620,005**	**337,924**	**478,066**	**140,178**	**141,120**	**118,450**	**84,662**
Austria	**	**	**	**	**	**	**	**	**	**
Belgium	15	27	322,941	457,458	16,761	17,079	3,490	3,490	3,613	1,784
Denmark	7	11	33,091	59,239	1,545	1,856	743	592	955	168
France (including Andorra)	28	55	571,700	835,278	22,560	37,217	13,565	13,422	5,835	2,093
Italy (including San Marino)	12	30	298,906	424,721	28,056	28,203	8,387	8,373	5,884	5,432
Luxembourg	**	**	**	**	**	**	**	**	**	**
Netherlands	16	55	1,039,318	820,723	18,158	37,655	10,384	10,531	4,675	4,252
Spain	10	13	166,076	214,363	9,103	15,328	2,483	2,731	3,095	2,256
Sweden	4	6	116,518	186,541	2,530	2,530	489	489	438	438
Switzerland	17	28	129,115	315,790	8,966	12,371	1,088	1,088	5,007	1,374
United Kingdom	39	208	2,467,630	1,891,636	68,574	157,211	48,233	49,040	48,849	29,823
West Germany	29	56	899,827	1,386,279	99,362	105,764	34,368	34,414	25,745	22,688
All other Europe	11	25	284,503	198,476	52,192	52,498	15,135	15,136	12,199	12,199
Africa, total	**17**	**56**	**829,273**	**659,941**	**153,224**	**161,718**	**36,233**	**36,226**	**6,468**	**6,199**
Liberia	8	27	389,723	388,660	81,037	82,797	2,110	2,110	2,421	2,391
South Africa (including South-West Africa)	10	15	58,470	67,871	19,958	20,285	6,156	6,149	2,808	2,625
OPEC countries	**	**	**	**	**	**	**	**	**	**
All other Africa	**	**	**	**	**	**	**	**	**	**
Asia, total	**22**	**60**	**484,257**	**539,121**	**75,815**	**77,328**	**29,057**	**28,960**	**12,295**	**12,121**
Hong Kong	6	7	22,970	39,233	3,164	3,167	385	385	1,300	1,300
Indonesia	3	3	53,787	2,231	754	757	17	17	487	487
Japan (including Okinawa and Ryukyus)	10	19	177,626	248,071	28,123	28,916	14,723	14,634	1,682	1,508
Middle East (except OPEC)	**	**	**	**	**	**	**	**	**	**
OPEC (excluding Indonesia)	**	**	**	**	**	**	**	**	**	**
Philippines	3	4	45,948	21,491	-635	100	1	1	—	—
All other Asia	14	22	152,773	167,927	34,380	34,559	13,530	13,521	8,826	8,826
Oceania, total	**25**	**74**	**1,518,216**	**1,100,455**	**239,152**	**246,826**	**76,934**	**76,932**	**60,557**	**55,864**
Australia	22	64	1,467,096	1,056,183	239,121	246,521	76,794	76,808	60,557	55,864
All other Oceania	7	10	51,120	44,272	31	305	140	123	—	—
Puerto Rico and U.S. Possessions, total	**	**	**	**	**	**	**	**	**	**
Country not stated	**	**	**	**	**	**	**	**	**	**
OPEC countries, total (included above)	**13**	**59**	**372,276**	**249,313**	**42,464**	**42,676**	**11,436**	**11,436**	**8,556**	**8,556**

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Machinery, except electrical										
All geographic areas, total	**408**	**3,058**	**45,398,879**	**53,549,953**	**6,491,998**	**7,036,832**	**2,338,022**	**2,288,551**	**2,434,722**	**1,545,905**
Canada	**260**	**444**	**4,937,545**	**6,354,206**	**629,404**	**659,360**	**280,577**	**274,249**	**133,639**	**108,809**
Latin America, total	**125**	**447**	**4,804,417**	**7,193,333**	**550,880**	**676,726**	**175,314**	**176,227**	**206,384**	**124,015**
Brazil	77	120	1,763,168	4,663,614	136,801	182,737	45,952	46,359	68,230	33,875
Ecuador	5	6	20,474	20,934	2,797	2,838	187	187	812	812
Mexico	74	119	761,817	802,038	166,150	170,337	69,383	69,568	24,700	24,599
Panama (including Canal Zone)	21	35	218,583	162,450	35,082	36,888	6,039	6,039	52,715	7,629
Venezuela	27	41	231,636	233,096	23,155	26,994	11,093	11,111	6,629	6,087
All other Latin America	46	126	1,788,740	1,311,201	186,896	256,931	42,658	42,963	53,297	51,013
Other Western Hemisphere, total	**48**	**84**	**977,757**	**214,058**	**79,226**	**85,154**	**9,887**	**9,123**	**21,711**	**12,557**
The Bahamas	**	**	**	**	**	**	**	**	**	**
Bermuda	31	47	309,356	147,645	40,803	40,938	441	441	1,603	1,450
Netherlands Antilles	19	22	611,557	12,372	30,753	35,796	10,583	9,819	13,861	5,059
All other Western Hemisphere	**	**	**	**	**	**	**	**	**	**
Europe, total	**261**	**1,586**	**29,555,331**	**33,840,341**	**4,261,482**	**4,613,368**	**1,487,046**	**1,449,675**	**1,810,358**	**1,069,872**
Austria	30	37	354,156	438,237	32,655	38,734	22,269	21,856	10,808	9,945
Belgium	72	95	1,580,058	2,454,617	130,448	166,419	55,850	55,455	34,196	31,416
Denmark	16	23	331,187	379,171	66,002	71,268	30,212	29,510	27,534	25,757
France (including Andorra)	94	169	4,359,199	4,881,266	580,601	633,546	233,360	225,672	200,230	169,796
Italy (including San Marino)	60	95	2,224,996	2,208,424	423,450	435,968	154,716	154,685	145,087	141,710
Luxembourg	7	8	79,360	85,567	13,166	13,169	5,311	5,311	7,530	4,197
Netherlands	85	143	1,698,786	1,681,341	337,294	341,383	104,674	103,857	69,925	86,967
Spain	36	50	876,686	949,633	67,899	97,047	22,646	22,653	53,696	45,481
Sweden	38	65	905,134	868,184	110,913	126,384	65,537	65,474	29,521	25,307
Switzerland	74	130	2,443,116	3,669,489	331,075	341,913	77,272	74,897	90,249	70,165
United Kingdom	157	417	7,756,620	8,384,230	1,157,162	1,247,785	360,288	348,909	576,918	369,501
West Germany	131	232	6,144,693	6,766,019	865,482	934,224	316,195	305,096	481,970	44,244
All other Europe	43	103	601,340	874,164	145,335	165,549	38,718	38,302	82,692	45,186
Africa, total	**61**	**128**	**837,061**	**1,064,363**	**180,353**	**184,800**	**65,216**	**65,220**	**37,659**	**30,865**
Liberia	*7	*8	*14,973	—	*2,196	*2,196	*-20	*-20	*4,668	*408
South Africa (including South-West Africa)	49	70	671,601	925,382	141,772	144,458	51,168	51,377	29,902	28,192
OPEC countries	12	22	106,258	98,396	24,472	25,090	9,332	9,229	2,579	1,755
All other Africa	15	29	44,228	40,585	11,912	13,056	4,735	4,634	510	510
Asia, total	**84**	**211**	**2,885,361**	**3,105,057**	**595,880**	**610,023**	**236,591**	**235,731**	**190,725**	**157,597**
Hong Kong	29	39	212,417	487,869	38,222	39,859	9,886	9,783	163	163
Indonesia	3	3	28,227	49,650	8,833	8,833	4,154	4,154	3,382	2,167
Japan (including Okinawa and Ryukyus)	47	57	1,940,747	1,941,754	422,748	430,816	188,403	188,529	162,249	143,492
Middle East (except OPEC)	10	16	134,386	50,992	4,859	5,727	425	-48	204	204
OPEC (excluding Indonesia)	8	12	19,939	19,067	494	550	—	—	—	—
Philippines	6	7	42,199	35,625	749	2,362	910	472	1,182	1,024
All other Asia	40	77	507,446	520,100	119,956	121,876	32,812	32,840	13,546	10,547
Oceania, total	**86**	**160**	**1,369,279**	**1,938,619**	**195,409**	**204,117**	**80,239**	**77,660**	**43,929**	**42,391**
Australia	66	141	1,288,094	1,832,103	182,228	190,799	74,586	72,006	41,425	40,070
All other Oceania	13	19	81,185	106,516	13,181	13,317	5,654	5,654	2,504	2,321
Puerto Rico and U.S. Possessions, total	**7**	**11**	**31,316**	**37,887**	**-1,212**	**2,490**	**885**	**400**	**116**	**—**
Country not stated	**4**	**8**	**813**	**2,089**	**593**	**593**	**267**	**267**	**—**	**—**
OPEC countries, total (included above)	**31**	**84**	**406,534**	**421,143**	**59,751**	**64,304**	**24,766**	**24,681**	**13,402**	**10,821**

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Electrical and electronic equipment										
All geographic areas, total	410	2,627	31,596,966	40,836,137	3,017,077	3,597,553	1,034,043	1,002,957	793,992	533,204
Canada	172	319	4,691,219	4,668,531	415,442	452,733	130,346	125,994	48,065	41,486
Latin America, total	119	397	3,397,467	3,410,238	290,707	382,401	131,698	133,346	67,240	52,339
Brazil	45	92	1,382,556	1,303,194	64,813	126,160	43,502	45,345	29,265	21,353
Ecuador	4	5	12,355	4,964	-2,154	—	—	-23	44	—
Mexico	97	176	726,926	920,390	135,312	150,219	64,488	64,446	14,343	12,605
Panama (including Canal Zone)	10	17	240,715	129,154	20,182	21,662	1,843	1,859	4,079	3,412
Venezuela	16	36	589,558	473,037	57,179	58,689	14,467	14,114	11,647	11,647
All other Latin America	29	71	445,357	579,499	15,375	25,671	7,598	7,604	7,861	3,322
Other Western Hemisphere, total	27	40	986,033	267,671	69,318	70,881	5,078	5,072	34,285	20,646
The Bahamas	**	**	**	**	**	**	**	**	**	**
Bermuda	12	21	662,124	220,607	56,558	56,931	2,063	2,068	21,270	18,129
Netherlands Antilles	13	20	282,170	37,609	10,170	11,361	2,439	2,428	12,075	1,805
All other Western Hemisphere	**	**	**	**	**	**	**	**	**	**
Europe, total	263	1,535	18,568,197	26,433,856	1,664,404	2,096,507	650,942	623,649	521,849	344,926
Austria	20	31	165,322	285,793	19,771	23,861	7,091	7,038	6,463	5,879
Belgium	43	65	1,068,093	1,353,218	67,026	84,106	36,025	35,845	33,518	28,165
Denmark	17	24	189,501	281,345	7,240	13,048	4,680	4,121	1,519	1,276
France (including Andorra)	99	177	2,004,518	3,313,966	44,595	136,164	51,376	65,437	9,695	4,408
Italy (including San Marino)	54	121	2,877,602	2,522,836	228,408	251,473	76,746	76,644	69,168	36,655
Luxembourg	6	6	60,101	32,060	11,622	11,716	3,988	3,988	5,062	5,062
Netherlands	63	122	923,296	1,304,781	199,546	211,304	53,278	51,574	45,357	43,201
Spain	17	45	1,015,345	1,127,012	-65,111	8,992	3,351	3,610	2,756	528
Sweden	34	53	400,118	653,971	53,368	59,683	16,627	13,388	23,169	23,011
Switzerland	58	103	1,319,982	2,026,175	208,239	247,493	31,937	33,951	50,709	17,696
United Kingdom	194	456	3,858,622	5,775,010	344,994	449,858	173,411	138,154	112,164	66,380
West Germany	131	257	4,138,769	6,929,541	470,503	519,426	173,028	170,391	148,764	102,097
All other Europe	28	75	566,906	828,149	74,203	79,381	19,405	19,506	13,484	10,567
Africa, total	23	82	450,818	435,052	58,791	60,896	12,385	12,733	8,154	6,307
Liberia	3	6	230,372	175,484	27,175	27,175	796	796	1,410	1,410
South Africa (including South-West Africa)	22	58	171,649	212,461	26,571	28,514	9,103	9,429	6,195	4,797
OPEC countries	5	5	16,231	15,365	383	489	136	158	251	—
All other Africa	7	13	32,566	31,742	4,662	4,707	2,350	2,350	298	99
Asia, total	106	294	2,685,978	4,699,740	438,755	449,460	70,463	69,260	94,698	50,540
Hong Kong	43	58	258,441	548,180	53,060	54,936	6,002	5,749	14,472	9,058
Indonesia	4	5	89,507	62,621	20,325	20,392	8,723	8,723	8,625	8,625
Japan (including Okinawa and Ryukyus)	45	62	422,993	544,856	54,581	58,353	26,594	25,575	18,644	13,214
Middle East (except OPEC)	13	17	104,339	81,342	14,069	14,751	2,072	2,106	31	—
OPEC (excluding Indonesia)	7	14	70,129	101,304	9,000	9,886	37	37	1,953	1,953
Philippines	10	13	101,359	172,342	14,153	15,584	2,213	2,213	2,035	1,510
All other Asia	62	125	1,639,210	3,189,094	271,566	275,557	24,823	24,857	48,939	16,180
Oceania, total	46	131	616,529	793,320	68,390	70,685	26,964	27,025	14,678	12,636
Australia	44	113	600,072	756,414	66,125	67,965	25,743	25,811	14,503	12,461
All other Oceania	14	16	16,457	36,906	2,265	2,700	1,221	1,214	176	176
Puerto Rico and U.S. Possessions, total	**	**	**	**	**	**	**	**	**	**
Country not stated	**	**	**	**	**	**	**	**	**	**
OPEC countries, total (included above)	21	65	777,780	657,290	84,732	89,466	23,364	23,010	22,521	22,226

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Motor vehicles and equipment										
All geographic areas, total	52	1,171	47,384,443	64,560,553	887,292	2,599,376	753,583	684,163	382,801	232,797
Canada	48	281	10,586,691	18,371,565	-106,487	218,401	85,588	7,505	35,957	24,548
Latin America, total	29	184	7,944,701	9,618,987	630,232	764,114	221,018	220,005	59,334	38,014
Brazil	19	53	3,945,524	2,769,140	186,081	213,479	70,388	70,398	8,351	5,564
Ecuador	**	**	**	**	**	**	**	**	**	**
Mexico	21	60	1,554,534	2,669,053	140,604	149,530	65,090	62,607	27,932	11,974
Panama (including Canal Zone)	**	**	**	**	**	**	**	**	**	**
Venezuela	15	23	668,183	1,461,256	-62,474	22,400	7,867	9,128	290	30
All other Latin America	14	43	1,767,650	2,663,830	364,607	367,291	77,505	77,505	22,761	20,446
Other Western Hemisphere, total	21	30	2,138,028	251,449	59,658	61,822	8,732	8,867	19,274	13,664
The Bahamas	—	—	—	—	—	—	—	—	—	—
Bermuda	15	19	501,177	161,114	36,812	37,824	1,749	1,745	8,400	8,400
Netherlands Antilles	9	11	1,636,852	90,336	22,846	23,999	6,983	7,122	10,874	5,264
All other Western Hemisphere	—	—	—	—	—	—	—	—	—	—
Europe, total	34	475	21,403,969	30,327,477	255,739	1,329,982	384,132	370,952	205,960	125,752
Austria	6	11	143,573	396,882	4,030	8,442	2,785	2,785	2,643	560
Belgium	16	23	646,793	1,885,553	21,201	32,412	6,749	7,417	50,677	16,827
Denmark	5	6	114,992	121,296	-19,239	574	421	-396	558	—
France (including Andorra)	18	72	1,972,315	3,429,540	35,781	91,803	25,395	15,628	10,993	5,349
Italy (including San Marino)	14	33	978,941	1,589,514	79,585	88,560	35,293	35,293	14,739	11,296
Luxembourg	**	**	**	**	**	**	**	**	**	**
Netherlands	12	26	348,051	588,542	-15,291	13,740	3,620	5,040	788	788
Spain	12	28	1,361,860	1,596,099	121,621	162,594	23,984	23,984	15,344	13,585
Sweden	11	21	166,221	346,991	-3,977	2,091	1,257	-442	2,366	—
Switzerland	15	25	587,634	809,253	5,217	29,927	6,314	6,700	16,367	10,662
United Kingdom	29	126	7,870,528	11,725,588	301,275	711,059	224,603	220,928	13,838	8,489
West Germany	19	67	6,728,722	8,371,560	-273,785	159,130	48,658	49,235	71,359	54,471
All other Europe	**	**	**	**	**	**	**	**	**	**
Africa, total	15	39	618,292	1,084,858	71,836	74,538	7,078	6,989	5,484	3,810
Liberia	**	**	**	**	**	**	**	**	**	**
South Africa (including South-West Africa)	14	28	577,415	1,053,690	71,552	71,657	6,039	6,039	4,507	2,869
OPEC countries	**	**	**	**	**	**	**	**	**	**
All other Africa	5	7	13,022	12,970	-560	409	204	204	—	—
Asia, total	15	49	1,134,079	949,763	58,213	84,597	20,948	21,209	22,152	19,762
Hong Kong	3	4	13,376	10,733	2,652	2,658	396	396	150	150
Indonesia	**	**	**	**	**	**	**	**	**	**
Japan (including Okinawa and Ryukyus)	12	17	737,197	392,206	20,441	25,872	9,486	9,748	3,216	1,015
Middle East (except OPEC)	—	—	—	—	—	—	—	—	—	—
OPEC (excluding Indonesia)	**	**	**	**	**	**	**	**	**	**
Philippines	5	7	152,937	131,755	-12,917	6,573	5,845	5,845	39	39
All other Asia	9	17	222,385	408,801	45,017	46,473	5,213	5,212	17,449	17,449
Oceania, total	21	109	3,533,970	3,940,515	-84,156	73,464	25,487	48,046	14,840	7,247
Australia	21	99	3,268,867	3,528,526	-90,308	66,323	22,231	44,790	10,244	5,535
All other Oceania	6	10	265,103	411,989	6,152	7,141	3,255	3,255	4,396	1,712
Puerto Rico and U.S. Possessions, total	4	4	24,712	17,938	2,457	2,457	591	591	—	—
Country not stated	—	—	—	—	—	—	—	—	—	—
OPEC countries, total (included above)	16	30	691,187	1,482,290	-57,789	27,085	8,710	9,970	1,720	1,271

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Instruments and related products										
All geographic areas, total	147	1,172	10,934,967	15,790,226	1,758,659	1,867,716	625,697	619,741	348,324	302,130
Canada	81	123	657,260	1,259,767	149,722	152,517	71,155	70,984	31,576	28,105
Latin America, total	45	132	1,083,339	1,344,835	198,526	213,654	66,127	65,080	27,699	27,111
Brazil	29	41	405,145	524,291	58,316	66,843	17,475	17,115	15,134	14,961
Ecuador	—	—	—	—	—	—	—	—	—	—
Mexico	26	47	244,712	364,563	61,495	65,980	27,750	26,986	7,717	7,665
Panama (including Canal Zone)	7	12	63,920	75,401	12,666	13,384	1,330	1,330	803	448
Venezuela	4	6	69,659	103,225	15,046	15,046	6,043	6,043	2,240	2,240
All other Latin America	11	26	299,903	277,355	51,004	52,600	13,529	13,606	1,806	1,797
Other Western Hemisphere, total	10	14	411,121	42,586	20,606	23,255	176	175	1,932	1,932
The Bahamas	**	**	**	**	**	**	**	**	**	**
Bermuda	5	7	231,832	39,426	21,099	21,099	—	—	1,482	1,482
Netherlands Antilles	**	**	**	**	**	**	**	**	**	**
All other Western Hemisphere	—	—	—	—	—	—	—	—	—	—
Europe, total	124	705	7,166,431	11,319,261	1,166,813	1,244,573	408,253	403,816	249,238	212,280
Austria	16	21	95,958	198,538	19,672	20,690	9,594	9,617	6,160	6,052
Belgium	32	35	345,982	530,469	102,733	106,722	53,354	53,498	30,457	30,284
Denmark	11	13	60,307	107,333	6,060	7,073	2,210	2,169	3,597	3,597
France (including Andorra)	56	62	1,175,289	1,887,000	141,266	160,776	44,826	45,388	10,933	10,896
Italy (including San Marino)	32	41	434,592	719,945	92,547	93,858	30,351	30,582	23,322	21,473
Luxembourg	—	—	—	—	—	—	—	—	—	—
Netherlands	44	63	618,699	879,805	86,363	92,190	29,420	29,478	16,233	13,753
Spain	16	18	183,629	255,960	20,964	25,670	6,459	6,463	6,590	6,375
Sweden	20	27	147,148	269,711	22,608	23,317	6,768	6,768	4,920	4,142
Switzerland	27	42	609,176	1,169,571	89,254	90,464	19,037	19,100	29,278	26,984
United Kingdom	84	202	2,010,087	2,697,679	290,810	312,371	86,834	81,670	44,748	25,886
West Germany	79	120	1,210,995	2,308,669	254,254	266,525	111,710	111,302	71,675	61,513
All other Europe	19	42	274,568	294,580	40,282	44,916	7,690	7,781	1,325	1,325
Africa, total	20	45	209,406	212,844	41,944	42,802	12,550	12,552	5,646	5,576
Liberia	**	**	**	**	**	**	**	**	**	**
South Africa (including South-West Africa)	18	29	110,473	183,811	28,445	28,450	10,420	10,420	5,355	5,297
OPEC countries	—	—	—	—	—	—	—	—	—	—
All other Africa	**	**	**	**	**	**	**	**	**	**
Asia, total	35	93	678,866	993,195	116,730	122,062	39,082	38,869	16,235	14,850
Hong Kong	12	19	84,611	143,994	12,296	13,146	2,223	2,223	4,543	4,023
Indonesia	**	**	**	**	**	**	**	**	**	**
Japan (including Okinawa and Ryukyus)	26	32	456,238	483,449	38,962	42,946	22,446	22,230	7,069	6,560
Middle East (except OPEC)	3	4	6,100	6,196	1,041	1,080	34	34	—	—
OPEC (excluding Indonesia)	**	**	**	**	**	**	**	**	**	**
Philippines	3	5	27,010	40,424	4,164	4,164	1,593	1,593	891	891
All other Asia	12	30	299,071	332,187	59,499	59,959	12,860	12,864	3,732	3,376
Oceania, total	29	56	504,097	592,467	59,887	64,146	26,825	26,716	13,378	11,655
Australia	29	44	469,188	536,751	53,217	57,476	24,397	24,288	13,072	11,349
All other Oceania	8	12	34,909	55,716	6,670	6,670	2,429	2,429	306	306
Puerto Rico and U.S. Possessions, total	**	**	**	**	**	**	**	**	**	**
Country not stated	**	**	**	**	**	**	**	**	**	**
OPEC countries, total (included above)	4	9	75,494	110,169	15,814	15,814	5,969	5,969	2,240	2,240

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All other manufacturing										
All geographic areas, total	902	5,770	50,347,724	65,917,970	6,319,912	7,069,203	2,252,585	2,212,496	2,002,456	1,394,157
Canada	578	1,094	13,404,941	16,049,285	2,064,264	2,127,098	684,225	683,653	740,691	510,010
Latin America, total	246	840	6,699,589	7,484,544	798,317	921,913	267,673	268,191	143,953	115,833
Brazil	110	199	2,274,017	2,334,976	228,344	263,112	73,402	73,759	63,902	48,534
Ecuador	6	11	36,619	90,346	3,136	3,137	613	613	62	62
Mexico	146	243	1,363,096	1,811,452	311,677	319,528	132,936	132,707	24,418	23,884
Panama (including Canal Zone)	40	65	451,979	272,938	47,708	56,042	8,643	9,043	23,893	13,807
Venezuela	41	68	820,537	721,603	42,142	56,244	14,659	14,712	6,539	5,678
All other Latin America	97	255	1,753,341	2,253,228	165,310	223,650	37,421	37,356	25,140	23,666
Other Western Hemisphere, total	92	144	1,515,846	541,563	127,916	135,587	6,167	6,226	52,288	38,842
The Bahamas	16	23	87,519	141,666	10,436	11,911	242	242	12,426	7,127
Bermuda	57	76	708,912	337,951	93,599	98,549	655	655	36,422	28,619
Netherlands Antilles	35	40	714,766	54,607	23,305	24,483	5,246	5,305	3,440	1,096
All other Western Hemisphere	5	5	4,650	7,340	576	644	23	23	—	—
Europe, total	494	2,749	22,569,465	33,990,721	2,319,476	2,792,149	925,829	906,819	771,189	482,621
Austria	34	43	310,703	437,636	32,384	35,135	11,625	10,312	4,672	3,735
Belgium	111	146	1,478,969	2,286,397	115,375	143,692	66,659	66,868	55,962	27,174
Denmark	25	35	89,191	165,388	2,515	9,098	2,700	2,136	3,344	2,922
France (including Andorra)	169	323	3,268,288	5,377,309	391,497	421,935	159,491	158,343	109,205	83,432
Italy (including San Marino)	98	184	1,721,685	2,304,379	227,300	244,065	75,263	74,963	53,404	44,095
Luxembourg	16	24	686,939	280,675	19,128	19,597	6,932	7,055	4,554	4,028
Netherlands	105	202	1,573,651	2,349,002	185,010	202,583	52,049	49,671	60,079	31,024
Spain	56	80	674,710	906,528	43,183	73,154	19,162	19,255	26,153	20,938
Sweden	49	69	240,453	389,902	12,571	25,418	8,591	8,772	9,464	6,294
Switzerland	101	160	1,510,501	1,477,180	143,671	161,755	54,233	54,276	59,854	40,205
United Kingdom	317	919	5,711,281	8,934,276	494,680	705,133	205,135	196,705	142,763	99,659
West Germany	218	392	4,211,829	7,881,596	564,380	632,763	240,881	234,951	188,628	98,181
All other Europe	92	173	1,091,264	1,200,451	87,783	117,822	23,106	23,513	33,107	21,133
Africa, total	64	191	1,489,820	1,583,137	242,244	261,456	84,625	84,613	71,311	69,740
Liberia	10	36	578,580	300,465	30,345	44,419	6,159	6,159	793	263
South Africa (including South-West Africa)	56	109	649,766	1,019,630	174,251	174,252	60,768	60,768	61,551	53,073
OPEC countries	5	5	43,219	34,614	-2,767	316	175	175	—	—
All other Africa	19	41	220,255	228,428	40,436	42,469	17,523	17,511	8,967	6,404
Asia, total	184	421	2,322,485	3,314,449	480,116	525,159	180,331	159,452	129,118	112,432
Hong Kong	71	113	496,879	591,748	194,612	196,186	90,344	90,341	50,287	46,011
Indonesia	10	17	234,752	212,691	44,791	48,420	19,438	13,331	27,680	20,886
Japan (including Okinawa and Ryukyus)	80	106	515,808	749,680	36,816	64,584	27,203	12,300	17,403	15,971
Middle East (except OPEC)	15	20	18,415	55,730	15,416	15,708	398	365	—	—
OPEC (excluding Indonesia)	6	9	103,475	106,657	22,116	22,255	1,018	1,033	625	500
Philippines	36	42	319,385	352,325	41,898	44,501	13,424	13,546	13,532	12,746
All other Asia	61	114	631,771	1,245,617	124,368	133,506	28,507	28,537	19,591	16,318
Oceania, total	113	286	2,066,191	2,719,354	257,387	273,129	95,790	95,597	92,780	75,704
Australia	110	229	1,940,196	2,561,088	242,854	254,867	90,305	90,004	86,418	69,463
All other Oceania	35	57	125,996	158,266	14,533	18,262	5,485	5,593	6,362	6,240
Puerto Rico and U.S. Possessions, total	28	39	278,235	233,979	30,134	32,653	7,907	7,907	776	776
Country not stated	6	6	1,151	959	58	60	38	38	350	—
OPEC countries, total (included above)	47	110	1,238,601	1,165,911	109,397	130,371	35,903	29,863	34,906	27,126

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations								
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Transportation and public utilities										
All geographic areas, total	242	1,759	19,031,100	14,976,283	1,033,718	1,389,411	328,870	324,495	500,890	273,123
Canada	90	301	7,251,033	6,302,571	508,665	523,454	158,961	159,088	141,817	100,778
Latin America, total	132	456	1,902,383	1,389,376	171,473	197,955	47,489	48,162	24,833	21,592
Brazil	19	37	230,886	215,403	3,320	11,358	4,863	4,470	2,142	2,013
Ecuador	3	3	1,131	1,220	100	100	15	15	—	—
Mexico	24	45	123,949	163,581	27,789	29,865	11,338	11,244	4,290	2,990
Panama (including Canal Zone)	96	233	819,019	376,768	75,574	82,641	11,009	11,723	5,379	5,217
Venezuela	12	24	123,832	152,366	16,381	20,050	5,201	5,201	4,290	2,796
All other Latin America	33	114	603,567	480,038	48,309	53,940	15,062	15,509	8,731	8,575
Other Western Hemisphere, total	68	126	2,451,935	472,979	108,871	120,043	10,456	10,461	49,491	15,546
The Bahamas	**	**	**	**	**	**	**	**	**	**
Bermuda	46	70	553,704	273,263	58,592	62,492	2,104	2,104	34,111	3,372
Netherlands Antilles	33	40	1,785,490	154,905	43,320	45,651	6,355	6,360	12,202	8,995
All other Western Hemisphere	**	**	**	**	**	**	**	**	**	**
Europe, total	61	506	5,087,060	5,629,613	147,430	382,751	82,376	78,080	227,592	89,137
Austria	7	7	20,668	39,524	5,666	5,784	2,359	2,361	978	978
Belgium	19	30	305,470	408,486	-11,846	19,244	8,307	8,249	6,646	4,619
Denmark	7	11	71,943	60,695	1,514	4,894	1,821	1,821	1,058	81
France (including Andorra)	16	45	387,946	534,042	38,869	44,866	15,004	14,784	11,903	10,573
Italy (including San Marino)	14	18	351,873	367,722	18,376	20,279	4,248	4,249	3,503	1,999
Luxembourg	**	**	**	**	**	**	**	**	**	**
Netherlands	18	34	288,015	534,268	37,954	40,077	14,223	14,224	21,271	16,337
Spain	10	20	164,248	161,738	-6,746	8,060	1,869	1,872	2,942	2,807
Sweden	6	14	69,399	71,976	2,510	4,502	1,929	154	754	95
Switzerland	15	27	373,094	819,895	49,782	54,125	5,488	5,528	51,040	25,593
United Kingdom	43	222	2,507,297	1,872,131	20,664	128,887	17,077	15,818	36,581	23,246
West Germany	28	49	483,515	649,655	-8,821	28,886	8,755	7,887	90,458	2,501
All other Europe	**	**	**	**	**	**	**	**	**	**
Africa, total	57	186	1,495,339	448,343	27,287	98,543	6,624	5,639	18,750	18,530
Liberia	39	141	1,379,016	363,392	13,924	84,209	1,350	1,342	16,975	16,944
South Africa (including South-West Africa)	12	31	77,354	63,707	12,437	13,023	4,560	4,560	1,157	1,157
OPEC countries	**	**	**	**	**	**	**	**	**	**
All other Africa	**	**	**	**	**	**	**	**	**	**
Asia, total	31	99	376,433	340,013	18,421	32,823	7,666	7,520	12,332	5,005
Hong Kong	17	28	74,595	68,373	10,088	11,220	1,613	1,621	6,424	1,114
Indonesia	**	**	**	**	**	**	**	**	**	**
Japan (including Okinawa and Ryukyus)	11	13	31,065	53,711	8,041	8,349	3,986	3,986	2,270	1,907
Middle East (except OPEC)	4	8	7,093	25,666	1,193	1,193	570	570	486	474
OPEC (excluding Indonesia)	4	6	127,966	65,144	-2,133	8,213	—	—	1,000	899
Philippines	4	8	23,934	13,517	-1,150	394	45	-110	—	—
All other Asia	**	**	**	**	**	**	**	**	**	**
Oceania, total	21	52	356,500	306,658	44,544	45,012	13,867	13,887	26,067	22,527
Australia	20	44	353,211	300,653	43,377	43,828	13,463	13,463	25,638	22,527
All other Oceania	8	8	3,289	6,005	1,167	1,184	404	404	429	—
Puerto Rico and U.S. Possessions, total	16	33	110,416	86,728	7,027	8,729	1,430	1,477	8	6
Country not stated	—	—	—	—	—	—	—	—	—	—
OPEC countries, total (included above)	17	37	283,147	223,069	14,183	26,615	5,439	4,663	5,290	3,696

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations								
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Water transportation										
All geographic areas, total	106	411	1,876,483	663,958	86,344	113,787	9,358	9,426	8,567	6,562
Canada	11	19	86,095	146,314	14,167	15,183	5,098	5,098	573	—
Latin America, total	82	222	252,718	120,798	11,115	14,023	268	291	113	113
Brazil	3	4	8,764	5,339	-292	393	140	140	104	104
Ecuador	—	—	—	—	—	—	—	—	—	—
Mexico	**	**	**	**	**	**	**	**	**	**
Panama (including Canal Zone)	76	200	199,863	75,429	10,874	12,495	121	121	—	—
Venezuela	—	—	—	—	—	—	—	—	—	—
All other Latin America	**	**	**	**	**	**	**	**	**	**
Other Western Hemisphere, total	17	29	241,531	79,072	16,619	19,071	1,448	1,437	5,290	3,990
The Bahamas	**	**	**	**	**	**	**	**	**	**
Bermuda	13	16	160,843	70,740	13,292	14,564	2	2	2,461	1,161
Netherlands Antilles	**	**	**	**	**	**	**	**	**	**
All other Western Hemisphere	—	—	—	—	—	—	—	—	—	—
Europe, total	13	32	149,444	48,582	3,655	3,714	422	422	—	—
Austria	—	—	—	—	—	—	—	—	—	—
Belgium	**	**	**	**	**	**	**	**	**	**
Denmark	—	—	—	—	—	—	—	—	—	—
France (including Andorra)	**	**	**	**	**	**	**	**	**	**
Italy (including San Marino)	**	**	**	**	**	**	**	**	**	**
Luxembourg	—	—	—	—	—	—	—	—	—	—
Netherlands	3	3	18,124	17,640	577	578	210	210	—	—
Spain	**	**	**	**	**	**	**	**	**	**
Sweden	—	—	—	—	—	—	—	—	—	—
Switzerland	—	—	—	—	—	—	—	—	—	—
United Kingdom	9	17	116,373	23,927	2,408	2,445	56	56	—	—
West Germany	3	4	1,045	510	-17	—	—	(1)	—	—
All other Europe	**	**	**	**	**	**	**	**	**	**
Africa, total	31	89	1,035,482	236,529	42,887	55,663	1,350	1,360	1,591	1,560
Liberia	**	**	**	**	**	**	**	**	**	**
South Africa (including South-West Africa)	**	**	**	**	**	**	**	**	**	**
OPEC countries	—	—	—	—	—	—	—	—	—	—
All other Africa	—	—	—	—	—	—	—	—	—	—
Asia, total	6	14	70,109	12,933	-6,288	1,762	168	168	1,000	899
Hong Kong	3	3	14,048	35	-1	5	1	1	—	—
Indonesia	—	—	—	—	—	—	—	—	—	—
Japan (including Okinawa and Ryukyus)	**	**	**	**	**	**	**	**	**	**
Middle East (except OPEC)	—	—	—	—	—	—	—	—	—	—
OPEC (excluding Indonesia)	**	**	**	**	**	**	**	**	**	**
Philippines	—	—	—	—	—	—	—	—	—	—
All other Asia	4	7	16,776	4,789	850	858	167	167	—	—
Oceania, total	—	—	—	—	—	—	—	—	—	—
Australia	—	—	—	—	—	—	—	—	—	—
All other Oceania	—	—	—	—	—	—	—	—	—	—
Puerto Rico and U.S. Possessions, total	**	**	**	**	**	**	**	**	**	**
Country not stated	—	—	—	—	—	—	—	—	—	—
OPEC countries, total (included above)	**	**	**	**	**	**	**	**	**	**

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All other transportation and public utilities										
All geographic areas, total	136	1,349	17,154,617	14,312,325	947,374	1,275,623	319,512	315,069	492,323	266,561
Canada	79	282	7,164,938	6,156,257	494,498	508,271	153,863	153,989	141,244	100,778
Latin America, total	50	234	1,649,866	1,268,579	160,358	183,932	47,221	47,871	24,720	21,479
Brazil	16	33	224,121	210,064	3,612	10,965	4,723	4,330	2,038	1,908
Ecuador	3	3	1,131	1,220	100	100	15	15	—	—
Mexico	23	44	123,524	161,479	27,741	29,817	11,338	11,244	4,290	2,990
Panama (including Canal Zone)	20	33	619,156	301,339	64,700	70,146	10,888	11,602	5,379	5,217
Venezuela	12	24	123,832	152,366	16,381	20,050	5,201	5,201	4,290	2,796
All other Latin America	28	97	557,901	442,110	47,824	52,854	15,055	15,479	6,723	8,567
Other Western Hemisphere, total	51	97	2,210,403	393,908	92,252	100,973	9,007	9,024	44,201	11,556
The Bahamas	**	**	**	**	**	**	**	**	**	**
Bermuda	33	52	392,860	202,523	45,300	47,929	2,102	2,102	31,650	2,211
Netherlands Antilles	28	35	1,774,405	150,943	43,220	45,419	6,355	6,372	12,202	8,995
All other Western Hemisphere	**	**	**	**	**	**	**	**	**	**
Europe, total	48	474	4,937,817	5,581,031	143,775	359,037	81,954	77,658	227,592	89,137
Austria	7	7	20,668	39,524	5,666	5,764	2,359	2,361	978	978
Belgium	17	28	305,435	408,449	-11,843	19,244	8,307	8,249	6,648	4,619
Denmark	7	11	71,943	60,695	1,514	4,894	1,821	1,821	1,058	81
France (including Andorra)	15	44	387,939	534,042	38,871	44,666	15,004	14,784	11,903	10,573
Italy (including San Marino)	12	16	351,870	367,722	18,376	20,279	4,248	4,249	3,503	1,999
Luxembourg	**	**	**	**	**	**	**	**	**	**
Netherlands	15	31	269,891	516,628	37,376	39,498	14,013	14,014	21,271	16,337
Spain	9	18	160,926	157,266	-7,221	7,585	1,713	1,715	2,942	2,807
Sweden	6	14	69,399	71,976	2,510	4,502	1,929	154	754	95
Switzerland	15	27	373,094	819,995	49,792	54,125	5,488	5,528	51,040	25,593
United Kingdom	34	205	2,390,924	1,848,203	18,256	126,443	17,022	15,562	36,581	23,246
West Germany	25	45	482,469	649,146	-6,804	28,686	8,755	7,887	90,458	2,501
All other Europe	**	**	**	**	**	**	**	**	**	**
Africa, total	27	88	459,857	211,815	-15,600	42,980	5,274	4,479	17,159	16,970
Liberia	9	53	343,579	126,875	-28,963	28,546	—	-18	15,383	15,383
South Africa (including South-West Africa)	11	30	77,310	63,695	12,437	13,023	4,560	4,560	1,157	1,157
OPEC countries	**	**	**	**	**	**	**	**	**	**
All other Africa	**	**	**	**	**	**	**	**	**	**
Asia, total	25	85	306,324	327,080	24,710	31,061	7,498	7,352	11,332	4,106
Hong Kong	14	23	60,546	68,338	10,090	11,215	1,612	1,620	6,424	1,114
Indonesia	**	**	**	**	**	**	**	**	**	**
Japan (including Okinawa and Ryukyus)	10	12	31,032	53,711	8,044	8,349	3,986	3,986	2,270	1,907
Middle East (except OPEC)	4	8	7,093	25,666	1,193	1,193	570	570	486	474
OPEC (excluding Indonesia)	**	**	**	**	**	**	**	**	**	**
Philippines	4	8	23,934	13,517	-1,150	394	45	-110	—	—
All other Asia	13	30	95,005	108,814	1,532	4,596	1,286	1,286	2,153	610
Oceania, total	21	52	356,500	306,658	44,544	45,012	13,867	13,867	26,067	22,527
Australia	20	44	353,211	300,653	43,377	43,828	13,463	13,463	25,638	22,527
All other Oceania	8	8	3,289	6,005	1,167	1,184	404	404	429	—
Puerto Rico and U.S. Possessions, total	13	27	69,311	66,997	2,837	4,357	827	827	8	8
Country not stated	—	—	—	—	—	—	—	—	—	—
OPEC countries, total (included above)	15	34	243,895	214,979	21,318	25,716	5,439	4,663	4,290	2,796

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Wholesale and retail trade										
All geographic areas, total	768	2,883	31,926,928	88,804,910	2,661,007	2,968,414	700,690	689,263	482,022	335,260
Canada	372	669	5,856,206	10,985,239	479,152	494,826	182,825	182,280	37,956	31,503
Latin America, total	139	382	4,241,415	15,751,910	345,474	413,548	39,793	43,564	66,701	50,180
Brazil	29	56	656,932	1,295,885	22,349	32,680	5,541	9,020	13,729	10,524
Ecuador	4	4	34,685	50,239	3,546	3,866	557	557	831	831
Mexico	31	55	406,456	464,279	68,958	69,611	25,610	25,610	21,099	18,815
Panama (including Canal Zone)	49	89	2,288,505	12,421,028	204,394	241,154	2,242	2,751	13,127	7,817
Venezuela	9	14	182,541	213,144	1,438	5,293	375	375	4,049	416
All other Latin America	60	144	670,296	1,307,335	44,788	60,964	5,468	5,251	13,865	11,777
Other Western Hemisphere, total	93	187	4,348,593	14,157,044	127,895	190,368	8,687	7,761	31,224	21,949
The Bahamas	19	49	1,959,322	9,392,754	18,594	75,134	5,025	4,023	19,258	11,347
Bermuda	64	84	1,196,954	4,558,623	67,200	72,121	336	402	6,229	5,313
Netherlands Antilles	25	28	1,176,047	171,921	40,472	41,484	3,325	3,337	5,737	5,288
All other Western Hemisphere	5	6	16,271	33,746	1,628	1,628	—	—	—	—
Europe, total	242	1,007	12,498,729	39,198,953	1,281,985	1,412,065	316,977	303,476	227,030	169,243
Austria	7	7	26,849	16,143	1,782	2,416	726	735	166	166
Belgium	46	69	337,197	1,074,844	12,689	20,501	10,527	10,568	3,232	3,232
Denmark	11	11	34,530	84,999	1,501	1,691	376	376	2,116	20
France (including Andorra)	47	72	554,090	2,566,004	34,625	39,424	21,954	21,935	10,522	5,051
Italy (including San Marino)	26	47	570,631	1,618,942	39,540	46,388	14,290	14,486	13,833	13,336
Luxembourg	4	5	3,070	16,117	-142	2	(1)	(1)	—	—
Netherlands	62	143	1,649,132	3,532,140	99,770	111,237	43,533	34,832	32,725	8,429
Spain	17	30	513,800	1,034,472	21,876	26,302	4,537	4,638	9,393	9,393
Sweden	11	14	325,433	568,180	69,081	70,420	1,417	1,417	624	624
Switzerland	75	135	2,938,730	11,042,770	576,389	586,700	74,647	73,878	83,666	72,997
United Kingdom	129	306	4,254,661	14,279,638	366,047	404,489	103,959	101,821	61,975	51,580
West Germany	77	117	1,065,399	3,124,951	50,271	79,671	40,595	38,353	4,599	1,589
All other Europe	33	52	225,208	261,754	8,556	22,822	415	438	4,179	2,826
Africa, total	65	184	1,295,292	2,140,621	95,737	106,111	22,946	22,959	44,158	12,714
Liberia	24	65	412,579	251,522	42,490	51,833	840	840	3,701	3,192
South Africa (including South-West Africa)	28	45	629,380	1,222,670	6,902	6,906	2,016	2,016	26,919	826
OPEC countries	5	6	3,890	2,795	-29	312	96	96	62	62
All other Africa	25	68	249,443	663,634	46,373	47,061	19,994	20,007	13,476	8,635
Asia, total	159	290	2,226,727	3,738,446	189,638	207,721	76,173	75,927	55,473	37,012
Hong Kong	65	113	302,229	628,212	52,595	55,608	6,064	5,770	31,905	22,195
Indonesia	3	3	12,210	16,869	-738	4,257	1,712	1,712	1,840	1,840
Japan (including Okinawa and Ryukyus)	41	44	108,768	252,817	16,571	18,941	7,676	7,765	380	188
Middle East (except OPEC)	22	25	1,123,699	947,587	69,153	72,553	26,028	26,026	7,067	6,884
OPEC (excluding Indonesia)	5	5	17,648	23,220	883	2,100	—	—	—	—
Philippines	*17	*26	*433,226	*999,372	*25,431	*26,591	*25,422	*25,422	*6,537	*1,010
All other Asia	48	73	228,948	870,389	25,744	27,670	9,269	9,232	7,743	4,895
Oceania, total	54	96	1,306,518	2,546,227	119,717	121,444	47,436	47,436	19,326	12,504
Australia	47	77	1,193,614	2,249,530	103,407	105,024	41,004	41,001	17,972	11,334
All other Oceania	17	20	112,904	296,697	16,310	16,420	6,431	6,435	1,354	1,170
Puerto Rico and U.S. Possessions, total	**	**	**	**	**	**	**	**	**	**
Country not stated	**	**	**	**	**	**	**	**	**	**
OPEC countries, total (included above)	19	32	250,974	306,266	5,100	15,829	2,740	2,740	6,782	3,149

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Wholesale trade										
All geographic areas, total	658	2,327	22,928,740	74,431,299	1,912,230	2,197,353	483,545	472,660	367,360	238,560
Canada	318	530	1,862,780	3,644,916	171,048	184,130	72,205	71,746	22,629	18,379
Latin America, total	125	326	3,815,757	15,011,134	279,189	343,381	17,531	21,302	38,894	31,205
Brazil	25	49	563,310	1,098,749	14,545	24,126	4,773	8,253	8,529	5,781
Ecuador	4	4	34,685	50,239	3,546	3,866	557	557	831	831
Mexico	25	46	57,738	104,834	16,360	17,006	7,287	7,287	5,127	5,127
Panama (including Canal Zone)	46	85	2,276,331	12,417,915	202,787	239,548	2,142	2,650	11,900	7,751
Venezuela	7	11	50,983	71,967	3,406	4,115	47	47	416	416
All other Latin America	55	131	632,710	1,267,410	38,546	54,720	2,725	2,508	12,090	11,299
Other Western Hemisphere, total	69	134	3,353,215	14,031,959	92,702	153,639	6,358	5,432	28,206	18,931
The Bahamas	16	44	1,955,885	9,384,155	17,945	74,483	5,025	4,023	19,258	11,347
Bermuda	51	70	1,148,271	4,524,505	63,458	66,845	334	400	6,229	5,313
Netherlands Antilles	14	15	232,902	89,561	9,673	10,685	998	1,009	2,719	2,271
All other Western Hemisphere	4	5	16,157	33,738	1,626	1,626	—	—	—	—
Europe, total	205	835	9,538,438	33,810,436	1,006,793	1,124,983	246,336	233,306	173,721	120,790
Austria	4	4	15,466	15,589	1,641	1,719	718	727	166	166
Belgium	39	59	218,452	612,412	- 684	6,222	3,938	3,983	670	670
Denmark	9	9	28,806	61,249	1,071	1,261	346	346	2,096	—
France (including Andorra)	38	61	539,226	2,540,067	32,291	36,782	21,286	21,323	10,522	5,051
Italy (including San Marino)	21	42	556,697	1,601,162	36,654	43,426	13,028	13,224	13,833	13,336
Luxembourg	3	3	3,070	16,117	- 142	2	(1)	(1)	—	—
Netherlands	53	125	1,576,980	3,348,496	98,515	109,600	43,166	34,477	32,725	8,429
Spain	13	26	440,724	920,678	21,355	25,524	4,537	4,636	9,393	9,393
Sweden	9	12	321,782	565,055	69,213	70,420	1,417	1,417	624	624
Switzerland	68	124	2,849,619	10,976,365	576,238	585,925	74,331	73,561	83,666	72,997
United Kingdom	104	242	2,422,269	10,969,374	173,568	209,613	78,872	77,176	12,053	6,010
West Germany	63	87	340,544	1,923,130	- 11,195	11,952	4,281	1,996	3,794	1,287
All other Europe	28	42	224,804	260,741	8,270	22,537	415	438	4,179	2,826
Africa, total	58	162	1,267,283	2,129,462	92,170	102,223	22,149	22,162	43,830	12,387
Liberia	22	61	392,289	248,950	40,697	50,039	840	840	3,701	3,192
South Africa (including South-West Africa)	23	37	624,137	1,216,878	5,120	5,124	1,315	1,315	26,653	560
OPEC countries	3	3	1,452	—	- 19	—	—	—	—	—
All other Africa	23	61	249,404	663,634	46,373	47,061	19,994	20,007	13,476	8,635
Asia, total	129	232	2,137,116	3,688,410	161,779	178,241	73,465	73,218	41,454	24,915
Hong Kong	62	60	225,278	592,113	25,871	28,883	4,024	3,731	17,944	10,099
Indonesia	3	3	12,210	16,869	- 738	4,257	1,712	1,712	1,840	1,840
Japan (including Okinawa and Ryukyus)	37	39	101,958	245,912	15,831	16,900	6,995	7,082	380	188
Middle East (except OPEC)	20	23	1,123,462	947,298	69,054	72,455	26,028	26,026	7,067	6,884
OPEC (excluding Indonesia)	4	4	15,918	18,787	292	1,510	—	—	—	—
Philippines	*17	*26	*433,226	*999,372	*25,431	*26,591	*25,422	*25,422	*6,537	*1,010
All other Asia	36	56	225,065	868,056	26,037	27,646	9,284	9,246	7,686	4,895
Oceania, total	41	72	1,083,440	1,984,443	103,104	104,810	43,115	43,116	18,551	11,878
Australia	35	56	972,289	1,690,088	86,818	88,414	36,684	36,680	17,196	10,708
All other Oceania	*14	*17	*111,152	*294,355	*16,286	*16,396	*6,431	*6,435	*1,354	*1,170
Puerto Rico and U.S. Possessions, total	**	**	**	**	**	**	**	**	**	**
Country not stated	**	**	**	**	**	**	**	**	**	**
OPEC countries, total (included above)	15	25	115,247	157,882	6,486	13,748	2,316	2,316	3,087	3,087

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Petroleum and petroleum products										
All geographic areas, total	34	242	6,308,698	24,633,838	496,142	606,775	120,229	119,317	79,097	29,308
Canada	10	35	246,853	289,316	7,308	10,882	4,732	4,755	—	—
Latin America, total	11	31	1,054,554	5,725,225	147,894	163,558	913	913	2,578	2,353
Brazil	—	—		—	—	—	—	—	—	—
Ecuador	**	**	**	**	**	**	**	**	**	**
Mexico	**	**	**	**	**	**	**	**	**	**
Panama (including Canal Zone)	6	13	1,010,085	5,697,969	159,116	161,251	528	528	2,027	1,802
Venezuela	—	—	—	—	—	—	—	—	—	—
All other Latin America	**	**	**	**	**	**	**	**	**	**
Other Western Hemisphere, total	20	62	2,606,242	10,190,576	48,821	107,819	5,822	4,885	14,191	5,741
The Bahamas	6	30	1,786,755	6,898,612	2,057	58,596	4,934	3,931	11,558	4,024
Bermuda	16	29	681,877	1,283,767	43,868	46,526	82	148	2,416	1,500
Netherlands Antilles	3	3	137,610	8,196	2,696	2,697	806	806	217	217
All other Western Hemisphere	—	—	—	—	—	—	—	—	—	—
Europe, total	10	57	1,088,926	2,845,239	79,033	103,152	6,184	6,191	1,366	642
Austria	—	—	—	—	—	—	—	—	—	—
Belgium	**	**	**	**	**	**	**	**	**	**
Denmark	—	—	—	—	—	—	—	—	—	—
France (including Andorra)	3	3	1,351	768	96	101	34	34	—	—
Italy (including San Marino)	3	4	87,192	52,155	2,689	2,818	690	690	—	—
Luxembourg	—	—	—	—	—	—	—	—	—	—
Netherlands	**	**	**	**	**	**	**	**	—	—
Spain	**	**	**	**	**	**	**	**	**	**
Sweden	**	**	**	**	**	**	**	**	**	**
Switzerland	4	11	121,759	830,032	3,949	3,974	128	128	285	2
United Kingdom	9	26	326,043	1,138,170	24,457	27,269	4,051	4,051	640	640
West Germany	**	**	**	**	**	**	**	**	**	**
All other Europe	**	**	**	**	**	**	**	**	**	**
Africa, total	8	28	820,545	1,464,276	34,461	36,032	13,741	13,731	33,075	2,862
Liberia	**	**	**	**	**	**	**	**	**	**
South Africa (including South-West Africa)	**	**	**	**	**	**	**	**	**	**
OPEC countries	—	—	—	—	—	—	—	—	—	—
All other Africa	**	**	**	**	**	**	**	**	**	**
Asia, total	**	**	**	**	**	**	**	**	**	**
Hong Kong	**	**	**	**	**	**	**	**	**	**
Indonesia	**	**	**	**	**	**	**	**	**	**
Japan (including Okinawa and Ryukyus)	**	**	**	**	**	**	**	**	**	**
Middle East (except OPEC)	**	**	**	**	**	**	**	**	**	**
OPEC (excluding Indonesia)	—	—	—	—	—	—	—	—	—	—
Philippines	**	**	**	**	**	**	**	**	**	**
All other Asia	**	**	**	**	**	**	**	**	**	**
Oceania, total	**	**	**	**	**	**	**	**	**	**
Australia	**	**	**	**	**	**	**	**	**	**
All other Oceania	**	**	**	**	**	**	**	**	**	**
Puerto Rico and U.S. Possessions, total	**	**	**	**	**	**	**	**	**	**
Country not stated	—	—	—	—	—	—	—	—	—	—
OPEC countries, total (included above)	**	**	**	**	**	**	**	**	**	**

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation—Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current-earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All other wholesale trade										
All geographic areas, total	624	2,085	14,620,042	49,797,461	1,418,088	1,590,578	363,315	353,343	288,262	209,252
Canada	308	495	1,616,127	3,355,600	163,741	173,248	67,473	66,991	22,629	18,379
Latin America, total	114	295	2,561,203	9,285,909	131,295	179,822	16,619	20,390	36,315	28,852
Brazil	25	49	563,310	1,098,749	14,545	24,126	4,773	8,253	8,529	5,781
Ecuador	3	3	22,101	33,733	1,659	1,989	173	173	280	280
Mexico	24	45	57,738	104,834	16,360	17,006	7,287	7,287	5,127	5,127
Panama (including Canal Zone)	40	72	1,266,246	6,719,946	43,670	78,297	1,614	2,122	9,873	5,949
Venezuela	7	11	50,983	71,987	3,406	4,115	47	47	416	416
All other Latin America	49	115	600,825	1,256,660	51,646	54,289	2,725	2,508	12,090	11,299
Other Western Hemisphere, total	49	72	746,974	3,841,383	44,081	45,820	536	547	14,015	13,190
The Bahamas	10	14	169,131	485,543	15,887	15,887	91	91	7,700	7,323
Bermuda	33	41	466,394	3,240,738	19,590	20,319	252	252	3,813	3,813
Netherlands Antilles	11	12	95,292	81,364	6,978	7,968	192	203	2,502	2,054
All other Western Hemisphere	4	5	16,157	33,738	1,626	1,626	—	—	—	—
Europe, total	195	778	8,449,513	30,965,197	927,761	1,021,830	240,151	227,115	172,355	120,148
Austria	4	4	15,486	15,589	1,641	1,719	718	727	166	166
Belgium	37	57	212,289	569,683	-534	6,091	3,938	3,983	670	670
Denmark	9	9	28,806	61,249	1,071	1,261	346	346	2,096	—
France (including Andorra)	35	58	537,675	2,539,299	32,195	36,681	21,252	21,289	10,522	5,051
Italy (including San Marino)	18	38	469,505	1,549,006	33,964	40,608	12,338	12,534	13,833	13,336
Luxembourg	3	3	3,070	16,117	-142	2	(1)	(1)	—	—
Netherlands	51	122	1,398,402	3,348,358	98,569	109,600	43,166	34,477	32,725	8,429
Spain	12	25	437,453	919,003	21,308	25,478	4,537	4,636	9,393	9,393
Sweden	6	9	21,261	61,514	401	1,606	135	135	624	624
Switzerland	64	113	2,727,860	10,146,332	572,289	581,951	74,203	73,434	83,381	72,996
United Kingdom	95	216	2,096,225	9,831,204	149,110	182,344	74,821	73,125	11,413	5,369
West Germany	61	85	292,768	1,647,140	-3,847	11,952	4,281	1,990	3,353	1,287
All other Europe	26	40	206,533	260,700	21,736	22,537	415	438	4,179	2,826
Africa, total	50	134	446,738	665,186	57,709	66,191	8,409	8,432	10,755	9,524
Liberia	15	46	268,429	235,693	35,547	43,872	840	840	3,450	3,143
South Africa (including South-West Africa)	22	35	62,923	208,885	4,814	4,816	1,274	1,274	641	504
OPEC countries	3	3	1,452	—	-19	—	—	—	—	—
All other Africa	22	50	113,934	220,608	17,367	17,501	6,295	6,316	6,664	5,878
Asia, total	125	219	527,117	1,159,774	55,792	66,596	15,828	15,582	27,182	16,205
Hong Kong	59	77	187,409	448,210	15,607	18,496	2,339	2,046	10,209	2,398
Indonesia	**	**	**	**	**	**	**	**	**	**
Japan (including Okinawa and Ryukyus)	36	38	99,605	243,443	15,536	16,605	6,779	6,865	380	188
Middle East (except OPEC)	19	21	58,094	95,594	4,596	7,460	2	(1)	7,067	6,884
OPEC (excluding Indonesia)	**	**	**	**	**	**	**	**	**	**
Philippines	*16	*23	*17,681	*42,366	*-504	*655	*501	*501	—	—
All other Asia	34	53	140,835	294,504	16,007	17,813	4,497	4,459	7,686	4,895
Oceania, total	40	58	214,666	393,873	30,276	31,134	11,914	11,909	4,936	2,879
Australia	34	45	197,195	363,102	28,389	29,137	11,623	11,613	4,742	2,869
All other Oceania	*13	*14	*17,471	*30,771	*1,888	*1,998	*92	*96	*194	*10
Puerto Rico and U.S. Possessions, total	**	**	**	**	**	**	**	**	**	**
Country not stated	**	**	**	**	**	**	**	**	**	**
OPEC countries, total (included above)	14	23	100,029	141,375	9,606	11,871	1,932	1,932	2,536	2,536

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation—Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Retail trade										
All geographic areas, total	109	535	8,998,186	14,370,162	748,512	770,797	217,146	216,622	114,662	96,700
Canada	54	139	3,993,426	7,340,323	308,104	310,696	110,620	110,535	15,327	13,124
Latin America, total	14	36	625,656	740,776	68,284	70,168	22,261	22,261	27,807	18,975
Brazil	4	7	93,622	197,136	7,805	8,535	767	767	5,200	4,742
Ecuador	—	—	—	—	—	—	—	—	—	—
Mexico	6	9	350,718	359,445	52,599	52,605	18,322	18,323	15,972	13,688
Panama (including Canal Zone)	3	4	12,174	3,113	1,607	1,607	101	101	1,227	68
Venezuela	**	**	**	**	**	**	**	**	**	**
All other Latin America	**	**	**	**	**	**	**	**	**	**
Other Western Hemisphere, total	23	32	995,378	121,736	34,928	36,464	2,329	2,329	3,018	3,018
The Bahamas	**	**	**	**	**	**	**	**	**	**
Bermuda	12	13	48,683	30,769	3,477	5,012	2	2	—	—
Netherlands Antilles	11	13	943,144	82,360	30,799	30,799	2,327	2,327	3,018	3,018
All other Western Hemisphere	**	**	**	**	**	**	**	**	**	**
Europe, total	37	172	2,960,290	5,388,517	275,191	287,082	70,641	70,171	53,309	48,454
Austria	3	3	11,383	554	141	697	8	8	—	—
Belgium	7	10	118,744	462,432	13,373	14,279	6,590	6,585	2,562	2,562
Denmark	**	**	**	**	**	**	**	**	**	**
France (including Andorra)	9	11	14,863	25,937	2,334	2,642	668	612	—	—
Italy (including San Marino)	5	5	13,934	15,779	2,886	2,962	1,262	1,262	—	—
Luxembourg	**	**	**	**	**	**	**	**	**	**
Netherlands	9	18	72,153	183,644	1,254	1,638	367	355	—	—
Spain	4	4	73,076	113,794	522	777	—	—	—	—
Sweden	**	**	**	**	**	**	**	**	**	**
Switzerland	7	11	89,111	66,405	151	775	316	316	—	—
United Kingdom	25	64	1,832,392	3,310,264	192,480	194,876	25,086	24,645	49,922	45,570
West Germany	14	30	724,855	1,201,820	61,466	67,720	36,314	36,357	805	302
All other Europe	5	10	403	1,013	286	286	—	—	—	—
Africa, total	7	22	28,009	11,159	3,566	3,888	797	797	328	328
Liberia	**	**	**	**	**	**	**	**	**	**
South Africa (including South-West Africa)	5	8	5,243	5,791	1,782	1,782	701	701	266	266
OPEC countries	**	**	**	**	**	**	**	**	**	**
All other Africa	**	**	**	**	**	**	**	**	**	**
Asia, total	30	59	89,611	50,035	27,880	29,480	2,708	2,708	14,019	12,096
Hong Kong	23	33	76,951	36,099	26,723	26,725	2,040	2,040	13,961	12,096
Indonesia	—	—	—	—	—	—	—	—	—	—
Japan (including Okinawa and Ryukyus)	**	**	**	**	**	**	**	**	**	**
Middle East (except OPEC)	**	**	**	**	**	**	**	**	**	**
OPEC (excluding Indonesia)	**	**	**	**	**	**	**	**	**	**
Philippines	—	—	—	—	—	—	—	—	—	—
All other Asia	*13	*18	*3,883	*2,330	*-293	*25	*-14	*-14	*58	—
Oceania, total	13	24	223,078	561,784	16,613	16,634	4,320	4,320	776	625
Australia	12	21	221,325	559,442	16,590	16,611	4,320	4,320	776	625
All other Oceania	3	3	1,753	2,342	24	24	—	—	—	—
Puerto Rico and U.S. Possessions, total	14	51	82,738	155,831	15,965	18,384	3,468	3,501	80	80
Country not stated	—	—	—	—	—	—	—	—	—	—
OPEC countries, total (included above)	4	7	135,727	148,385	-1,386	2,080	423	423	3,695	62

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Finance, insurance and real estate										
All geographic areas, total	481	2,980	79,517,280	20,472,199	1,842,847	2,112,712	543,719	506,460	480,666	318,006
Canada	169	357	12,332,213	3,356,983	140,004	173,294	58,192	48,541	38,076	16,392
Latin America, total	138	393	5,184,886	1,423,547	218,298	238,394	41,152	39,679	101,256	67,093
Brazil	52	82	1,651,251	520,336	76,182	83,989	20,902	20,108	4,302	3,902
Ecuador	4	6	7,138	5,092	789	790	169	169	129	129
Mexico	19	34	440,620	246,632	23,831	25,931	10,575	9,917	1,942	1,146
Panama (including Canal Zone)	45	78	680,577	120,260	21,169	21,280	901	901	12,755	12,430
Venezuela	10	17	53,491	22,716	2,382	3,417	809	554	1,252	21
All other Latin America	73	175	2,371,606	506,511	93,945	102,987	7,797	8,029	80,874	49,466
Other Western Hemisphere, total	123	255	8,636,678	1,749,082	294,130	300,876	44,090	43,849	22,611	7,754
The Bahamas	43	64	1,435,833	233,383	34,041	35,696	3,754	3,754	9,690	4,038
Bermuda	77	144	2,202,140	1,041,251	139,203	143,488	9,029	8,765	4,794	547
Netherlands Antilles	31	42	2,874,646	268,597	77,501	78,305	12,526	12,530	8,127	3,168
All other Western Hemisphere	5	6	2,124,059	205,852	43,385	43,387	18,780	18,760	—	—
Europe, total	200	1,315	39,833,195	11,148,037	808,958	986,696	304,998	279,835	249,490	176,122
Austria	10	14	716,301	111,456	-24,057	1,980	534	529	424	350
Belgium	30	53	4,094,656	653,656	35,511	38,096	15,051	14,732	3,099	2,931
Denmark	6	32	75,386	253,516	3,862	5,402	1,034	1,034	200	181
France (including Andorra)	44	75	2,082,707	410,360	43,705	50,430	19,446	19,391	4,381	4,015
Italy (including San Marino)	80	99	4,448,004	773,323	56,974	60,781	22,520	22,529	2,007	1,321
Luxembourg	11	21	2,067,983	237,122	14,341	14,632	4,863	4,863	101	101
Netherlands	23	60	477,906	355,276	11,456	20,305	10,001	9,648	3,718	2,556
Spain	11	16	339,611	60,513	9,082	9,090	3,583	3,656	2,116	593
Sweden	6	9	13,005	15,123	537	799	310	310	43	43
Switzerland	54	113	2,004,307	616,196	55,255	61,398	6,822	6,245	18,611	7,524
United Kingdom	132	678	13,542,140	3,711,935	269,970	352,787	120,179	96,884	87,464	67,046
West Germany	38	92	8,614,047	1,363,387	180,362	218,723	69,309	68,668	26,390	23,307
All other Europe	25	53	1,357,162	2,566,170	151,960	152,271	31,347	31,348	100,934	66,152
Africa, total	31	93	811,262	189,659	28,820	32,578	9,551	9,847	10,009	5,646
Liberia	15	39	298,682	55,977	9,303	10,993	1,956	2,116	2,541	1,326
South Africa (including South-West Africa)	13	33	314,320	103,289	17,139	17,200	5,842	5,843	3,895	3,838
OPEC countries	3	3	6,556	676	214	214	81	81	—	—
All other Africa	10	18	191,702	29,717	164	4,171	1,670	1,807	3,573	482
Asia, total	67	262	6,605,252	1,624,394	206,842	219,630	47,419	47,275	41,426	32,722
Hong Kong	51	108	4,636,246	765,935	114,408	116,626	15,040	15,032	21,091	15,859
Indonesia	**	**	**	**	**	**	**	**	**	**
Japan (including Okinawa and Ryukyus)	18	27	254,765	238,061	4,754	11,398	5,156	5,126	7,030	3,603
Middle East (except OPEC)	17	43	653,076	271,776	32,492	33,683	17,011	16,936	2,109	2,073
OPEC (excluding Indonesia)	**	**	**	**	**	**	**	**	**	**
Philippines	7	14	317,884	90,759	25,294	25,402	2,160	2,133	5,452	5,445
All other Asia	**	**	**	**	**	**	**	**	**	**
Oceania, total	40	166	5,220,852	833,805	126,966	137,107	32,599	32,202	8,795	8,133
Australia	38	133	5,160,743	816,371	124,317	133,877	31,276	30,882	8,210	7,549
All other Oceania	13	35	60,109	17,435	2,649	3,230	1,321	1,321	585	585
Puerto Rico and U.S. Possessions, total	**	**	**	**	**	**	**	**	**	**
Country not stated	**	**	**	**	**	**	**	**	**	**
OPEC countries, total (included above)	13	29	68,381	31,934	3,389	4,442	1,084	834	1,381	150

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Banking										
All geographic areas, total	65	715	53,063,718	6,847,607	745,471	838,741	223,500	212,832	120,049	78,712
Canada	27	72	5,296,228	683,604	16,188	26,286	12,680	10,878	640	837
Latin America, total	33	137	3,829,236	709,266	147,450	158,987	17,395	15,650	80,302	49,156
Brazil	23	46	1,494,144	331,667	51,529	58,573	11,686	10,893	875	665
Ecuador	—	—	—	—	—	—	—	—	—	—
Mexico	**	**	**	**	**	**	**	**	**	**
Panama (including Canal Zone)	12	24	162,613	18,449	3,743	3,793	199	199	631	500
Venezuela	**	**	**	**	**	**	**	**	**	**
All other Latin America	16	57	1,972,531	336,599	92,485	93,913	5,263	5,263	76,796	47,991
Other Western Hemisphere, total	26	58	5,357,998	599,100	127,039	128,559	30,774	30,774	12,635	4,391
The Bahamas	16	32	1,324,294	144,004	28,659	30,067	3,327	3,327	7,335	4,014
Bermuda	6	10	92,262	73,189	9,072	9,179	295	295	—	—
Netherlands Antilles	10	11	1,817,383	176,056	45,923	45,926	8,372	8,372	5,300	378
All other Western Hemisphere	4	5	2,124,059	205,852	43,385	43,387	18,780	18,780	—	—
Europe, total	31	221	27,953,013	3,612,100	334,703	382,499	134,941	128,459	20,200	19,201
Austria	4	6	681,836	73,673	889	899	289	284	424	350
Belgium	6	12	3,671,255	429,998	18,182	20,010	7,518	7,218	—	—
Denmark	—	—	—	—	—	—	—	—	—	—
France (including Andorra)	8	18	1,884,884	222,670	28,630	28,925	13,093	13,027	1,916	1,909
Italy (including San Marino)	6	7	3,880,493	507,422	45,241	45,245	15,792	15,792	—	—
Luxembourg	7	10	1,909,168	216,038	13,587	13,695	4,466	4,466	12	12
Netherlands	4	8	151,468	21,807	-2,384	157	27	27	79	14
Spain	**	**	**	**	**	**	**	**	**	**
Sweden	—	—	—	—	—	—	—	—	—	—
Switzerland	15	24	964,076	111,884	12,393	13,934	2,910	2,332	2,131	2,090
United Kingdom	24	109	6,612,610	917,625	51,254	74,053	26,250	21,348	5,027	4,815
West Germany	9	16	7,569,284	933,119	158,854	177,524	62,615	61,985	10,611	10,011
All other Europe	**	**	**	**	**	**	**	**	**	**
Africa, total	10	35	559,592	52,206	13,221	16,102	4,248	4,453	428	179
Liberia	7	23	158,110	22,364	5,194	6,683	579	736	269	20
South Africa (including South-West Africa)	**	**	**	**	**	**	**	**	**	**
OPEC countries	**	**	**	**	**	**	**	**	**	**
All other Africa	4	7	157,434	14,107	2,253	3,646	1,579	1,626	159	159
Asia, total	25	77	4,809,512	576,392	62,431	68,863	11,157	11,159	5,427	4,949
Hong Kong	25	49	4,013,909	487,599	60,921	61,909	10,006	10,000	5,331	4,655
Indonesia	—	—	—	—	—	—	—	—	—	—
Japan (including Okinawa and Ryukyus)	4	5	125,892	11,803	-4,541	15	—	—	—	—
Middle East (except OPEC)	4	5	272,012	26,820	1,229	1,851	—	—	—	—
OPEC (excluding Indonesia)	**	**	**	**	**	**	**	**	**	**
Philippines	—	—	—	—	—	—	—	—	—	—
All other Asia	**	**	**	**	**	**	**	**	**	**
Oceania, total	14	41	4,013,110	490,430	46,861	55,381	11,884	11,512	—	—
Australia	13	37	4,006,119	489,713	46,781	55,293	11,884	11,512	—	—
All other Oceania	3	4	6,991	717	80	88	—	—	—	—
Puerto Rico and U.S. Possessions, total	**	**	**	**	**	**	**	**	**	**
Country not stated	**	**	**	**	**	**	**	**	**	**
OPEC countries, total (included above)	3	7	37,624	4,850	-552	423	125	-164	—	—

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Credit agencies other than banks										
All geographic areas, total	72	339	3,643,604	1,029,909	134,526	158,097	47,082	46,767	48,687	15,203
Canada	6	27	966,447	192,851	34,023	35,223	13,202	13,271	21,463	2,905
Latin America, total	*9	*14	*18,263	*9,604	*586	*666	—	—	—	—
Brazil	**	**	**	**	**	**	**	**	**	**
Ecuador	—	—	—	—	—	—	—	—	—	—
Mexico	**	**	**	**	**	**	**	**	**	**
Panama (including Canal Zone)	4	7	16,403	9,296	622	640	—	—	—	—
Venezuela	—	—	—	—	—	—	—	—	—	—
All other Latin America	4	4	1,534	210	-39	23	—	—	—	—
Other Western Hemisphere, total	*10	*17	*714,013	*105,895	*32,634	*32,972	*3,043	*3,043	*5,992	*2,707
The Bahamas	*7	*8	*6,550	*25,472	*1,418	*1,586	*21	*21	*2,355	*25
Bermuda	3	5	165,025	35,713	7,115	7,282	119	119	1,350	407
Netherlands Antilles	3	4	542,438	44,711	24,101	24,103	2,903	2,903	2,287	2,275
All other Western Hemisphere	—	—	—	—	—	—	—	—	—	—
Europe, total	54	216	726,105	368,305	10,745	30,562	5,724	5,371	11,151	795
Austria	—	—	—	—	—	—	—	—	—	—
Belgium	**	**	**	**	**	**	**	**	**	**
Denmark	—	—	—	—	—	—	—	—	—	—
France (including Andorra)	**	**	**	**	**	**	**	**	**	**
Italy (including San Marino)	*46	*46	*153	*193	*92	*96	—	—	—	—
Luxembourg	—	—	—	—	—	—	—	—	—	—
Netherlands	**	**	**	**	**	**	**	**	**	**
Spain	—	—	—	—	—	—	—	—	—	—
Sweden	**	**	**	**	**	**	**	**	**	**
Switzerland	5	5	124,231	286,192	21,523	21,614	1,862	1,862	9,985	—
United Kingdom	*46	*152	*451,509	*56,314	*-13,363	*6,358	*2,568	*2,215	*615	*268
West Germany	4	7	119,147	20,682	2,023	2,023	1,056	1,056	551	507
All other Europe	**	**	**	**	**	**	**	**	**	**
Africa, total	—	—	—	—	—	—	—	—	—	—
Liberia	—	—	—	—	—	—	—	—	—	—
South Africa (including South-West Africa)	—	—	—	—	—	—	—	—	—	—
OPEC countries	—	—	—	—	—	—	—	—	—	—
All other Africa	—	—	—	—	—	—	—	—	—	—
Asia, total	4	20	487,477	201,627	19,864	21,820	11,362	11,362	2,492	1,596
Hong Kong	**	**	**	**	**	**	**	**	**	**
Indonesia	—	—	—	—	—	—	—	—	—	—
Japan (including Okinawa and Ryukyus)	**	**	**	**	**	**	**	**	**	**
Middle East (except OPEC)	**	**	**	**	**	**	**	**	**	**
OPEC (excluding Indonesia)	—	—	—	—	—	—	—	—	—	—
Philippines	—	—	—	—	—	—	—	—	—	—
All other Asia	—	—	—	—	—	—	—	—	—	—
Oceania, total	**	**	**	**	**	**	**	**	**	**
Australia	**	**	**	**	**	**	**	**	**	**
All other Oceania	**	**	**	**	**	**	**	**	**	**
Puerto Rico and U.S. Possessions, total	**	**	**	**	**	**	**	**	**	**
Country not stated	—	—	—	—	—	—	—	—	—	—
OPEC countries, total (included above)	—	—	—	—	—	—	—	—	—	—

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Insurance carriers										
All geographic areas, total	81	718	14,203,293	5,610,895	446,325	499,289	100,701	91,173	69,332	48,916
Canada	41	99	4,670,270	1,927,699	29,430	46,638	9,244	2,551	4,765	4,717
Latin America, total	18	112	792,204	540,832	42,017	44,480	17,426	17,587	7,366	5,312
Brazil	7	12	138,316	176,459	19,518	19,518	7,750	7,750	3,172	2,981
Ecuador	**	**	**	**	**	**	**	**	**	**
Mexico	5	12	230,476	203,904	18,296	18,304	8,567	8,567	961	926
Panama (including Canal Zone)	7	18	96,360	13,657	986	1,026	34	34	72	72
Venezuela	**	**	**	**	**	**	**	**	**	**
All other Latin America	13	59	313,991	138,621	2,223	4,582	692	1,052	1,779	1,181
Other Western Hemisphere, total	34	79	2,219,576	945,968	128,631	129,306	9,606	9,606	2,260	90
The Bahamas	**	**	**	**	**	**	**	**	**	**
Bermuda	29	57	1,779,768	872,573	120,110	120,747	8,569	8,569	2,260	90
Netherlands Antilles	6	13	377,142	37,810	5,996	6,002	1,038	1,038	—	—
All other Western Hemisphere	**	**	**	**	**	**	**	**	**	**
Europe, total	37	272	4,710,210	1,609,851	105,204	132,906	41,355	38,284	30,805	19,665
Austria	**	**	**	**	**	**	**	**	**	**
Belgium	11	24	318,149	185,740	15,174	15,521	6,643	6,659	3,017	2,849
Denmark	4	5	32,770	7,951	1,140	1,185	480	480	200	181
France (including Andorra)	7	17	141,675	124,296	5,922	7,779	3,949	3,951	434	136
Italy (including San Marino)	6	17	469,035	170,146	445	4,133	2,278	2,286	1,036	719
Luxembourg	**	**	**	**	**	**	**	**	**	**
Netherlands	6	18	109,946	90,245	10,672	13,504	6,392	5,547	1,161	1,129
Spain	**	**	**	**	**	**	**	**	**	**
Sweden	3	5	9,963	9,913	114	376	177	177	—	—
Switzerland	6	17	382,103	56,363	9,780	10,497	1,183	1,183	5,431	5,431
United Kingdom	26	125	2,359,749	619,315	44,883	60,578	18,493	16,252	18,073	8,480
West Germany	6	20	690,533	149,900	8,198	10,473	1,180	1,171	3,231	793
All other Europe	7	11	38,825	75,161	6,092	6,093	237	237	153	78
Africa, total	8	32	118,117	92,638	8,947	9,628	3,524	3,614	7,409	3,353
Liberia	**	**	**	**	**	**	**	**	**	**
South Africa (including South-West Africa)	4	14	40,610	61,027	6,119	6,178	2,073	2,073	1,780	1,780
OPEC countries	**	**	**	**	**	**	**	**	**	**
All other Africa	**	**	**	**	**	**	**	**	**	**
Asia, total	10	70	1,128,849	365,077	81,435	82,478	12,007	11,981	13,353	13,161
Hong Kong	7	18	585,405	180,001	37,872	38,683	2,980	2,980	2,604	2,615
Indonesia	**	**	**	**	**	**	**	**	**	**
Japan (including Okinawa and Ryukyus)	4	8	49,536	11,923	7,232	7,234	3,368	3,368	2,518	2,505
Middle East (except OPEC)	4	6	106,141	12,631	1,804	1,909	544	544	—	—
OPEC (excluding Indonesia)	—	—	—	—	—	—	—	—	—	—
Philippines	**	**	**	**	**	**	**	**	**	**
All other Asia	**	**	**	**	**	**	**	**	**	**
Oceania, total	9	37	398,702	153,078	41,374	42,309	4,938	4,949	239	8
Australia	9	30	397,742	151,570	41,647	42,309	4,938	4,949	239	8
All other Oceania	3	7	959	1,508	-273	—	—	—	—	—
Puerto Rico and U.S. Possessions, total	6	18	155,365	75,763	11,287	11,541	2,602	2,602	3,196	2,420
Country not stated	—	—	—	—	—	—	—	—	—	—
OPEC countries, total (included above)	4	14	14,285	11,639	1,014	1,068	210	210	1,381	150

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Holding and other investment companies, except bank holding companies										
All geographic areas, total	117	523	3,284,039	5,885,977	342,227	405,330	105,033	102,300	164,952	117,597
Canada	45	75	189,857	240,258	36,469	36,628	9,902	9,893	2,499	1,091
Latin America, total	24	53	115,991	78,867	12,551	18,527	4,447	4,518	1,273	511
Brazil	5	7	14,377	9,647	4,564	5,317	1,294	1,294	—	—
Ecuador	—	—	—	—	—	—	—	—	—	—
Mexico	4	8	19,510	22,305	4,232	4,262	1,176	1,176	981	218
Panama (including Canal Zone)	*12	*16	*4,340	*3,742	*2,513	*2,513	*21	*21	—	—
Venezuela	**	**	**	**	**	**	**	**	**	**
All other Latin America	**	**	**	**	**	**	**	**	**	**
Other Western Hemisphere, total	*14	*19	*90,956	*23,415	*730	*1,132	*30	*30	—	—
The Bahamas	**	**	**	**	**	**	**	**	**	**
Bermuda	*11	*14	*90,945	*23,406	*723	*1,126	*30	*30	—	—
Netherlands Antilles	**	**	**	**	**	**	**	**	**	**
All other Western Hemisphere	—	—	—	—	—	—	—	—	—	—
Europe, total	40	300	2,655,607	5,075,758	245,879	302,105	77,734	74,928	139,370	101,310
Austria	3	5	34,400	36,786	−25,115	912	170	170	—	—
Belgium	4	5	5,276	8,756	−58	236	91	91	—	—
Denmark	**	**	**	**	**	**	**	**	**	**
France (including Andorra)	*10	*16	*48,140	*43,652	*7,052	*10,732	*915	*915	*1,646	*1,585
Italy (including San Marino)	*14	*21	*89,979	*84,750	*8,058	*8,141	*3,126	*3,128	*872	*599
Luxembourg	—	—	—	—	—	—	—	—	—	—
Netherlands	6	26	198,271	241,480	3,041	6,104	3,465	3,955	1,345	1,021
Spain	**	**	**	**	**	**	**	**	**	**
Sweden	**	**	**	**	**	**	**	**	**	**
Switzerland	*11	*45	*455,925	*114,948	*9,792	*10,858	*166	*166	*3	*3
United Kingdom	11	102	554,333	1,577,575	90,234	93,401	34,019	30,648	21,832	19,820
West Germany	*9	*36	*228,744	*259,524	*8,010	*25,367	*3,336	*3,336	*11,997	*11,997
All other Europe	**	**	**	**	**	**	**	**	**	**
Africa, total	4	11	28,099	24,490	4,240	4,240	1,628	1,628	975	975
Liberia	**	**	**	**	**	**	**	**	**	**
South Africa (including South-West Africa)	**	**	**	**	**	**	**	**	**	**
OPEC countries	—	—	—	—	—	—	—	—	—	—
All other Africa	—	—	—	—	—	—	—	—	—	—
Asia, total	12	45	149,094	422,212	38,498	38,736	10,092	10,108	20,101	13,011
Hong Kong	6	19	20,573	74,205	10,191	10,327	1,442	1,452	11,180	7,473
Indonesia	—	—	—	—	—	—	—	—	—	—
Japan (including Okinawa and Ryukyus)	*6	*7	*39,965	*206,689	*3,900	*3,916	*1,677	*1,677	*4,464	*1,088
Middle East (except OPEC)	**	**	**	**	**	**	**	**	**	**
OPEC (excluding Indonesia)	—	—	—	—	—	—	—	—	—	—
Philippines	**	**	**	**	**	**	**	**	**	**
All other Asia	**	**	**	**	**	**	**	**	**	**
Oceania, total	7	12	25,732	18,129	2,081	2,181	846	841	384	351
Australia	**	**	**	**	**	**	**	**	**	**
All other Oceania	**	**	**	**	**	**	**	**	**	**
Puerto Rico and U.S. Possessions, total	**	**	**	**	**	**	**	**	**	**
Country not stated	—	—	—	—	—	—	—	—	—	—
OPEC countries, total (included above)	**	**	**	**	**	**	**	**	**	**

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All other finance, insurance and real estate										
All geographic areas, total	145	685	5,322,825	1,297,811	174,099	211,256	67,402	53,388	77,647	57,577
Canada	50	84	219,611	312,572	23,894	28,519	13,164	11,949	8,509	6,841
Latin America, total	53	77	429,191	84,978	15,694	15,734	1,884	1,925	12,314	12,116
Brazil	*16	*16	*4,385	*2,465	*569	*578	*171	*171	*255	*255
Ecuador	**	**	**	**	**	**	**	**	**	**
Mexico	5	6	21,685	2,043	859	865	629	630	—	—
Panama (including Canal Zone)	10	13	380,861	75,115	13,304	13,306	647	647	12,052	11,858
Venezuela	**	**	**	**	**	**	**	**	**	**
All other Latin America	*33	*36	*14,590	*3,186	*801	*801	*393	*393	*7	*1
Other Western Hemisphere, total	40	83	254,133	74,704	5,096	8,905	836	396	1,725	568
The Bahamas	10	13	42,311	28,113	1,434	1,477	406	406	—	—
Bermuda	28	58	74,140	36,371	2,183	5,154	17	−228	1,185	51
Netherlands Antilles	11	12	137,682	10,220	1,479	2,274	213	217	540	515
All other Western Hemisphere	—	—	—	—	—	—	—	—	—	—
Europe, total	39	307	3,788,260	682,023	112,426	138,624	45,245	32,794	47,984	34,950
Austria	**	**	**	**	**	**	**	**	**	**
Belgium	8	11	69,884	24,436	1,744	1,859	560	526	83	83
Denmark	**	**	**	**	**	**	**	**	**	**
France (including Andorra)	18	23	8,009	19,742	2,101	2,994	1,489	1,498	385	385
Italy (including San Marino)	8	8	8,344	10,813	3,138	3,166	1,323	1,323	99	3
Luxembourg	**	**	**	**	**	**	**	**	**	**
Netherlands	6	7	18,221	1,746	−73	540	118	120	1,134	393
Spain	5	7	809	5,007	630	630	189	189	—	—
Sweden	—	—	—	—	—	—	—	—	—	—
Switzerland	15	22	77,972	48,809	1,766	4,495	701	701	1,061	—
United Kingdom	24	190	3,563,940	541,107	96,963	118,397	38,849	26,421	43,918	33,643
West Germany	10	13	8,338	19,962	3,277	3,337	1,121	1,121	—	—
All other Europe	**	**	**	**	**	**	**	**	**	**
Africa, total	9	15	105,455	20,326	2,412	2,807	151	151	1,196	1,140
Liberia	5	8	96,912	17,505	1,076	1,269	15	15	—	—
South Africa (including South-West Africa)	**	**	**	**	**	**	**	**	**	**
OPEC countries	—	—	—	—	—	—	—	—	—	—
All other Africa	**	**	**	**	**	**	**	**	**	**
Asia, total	16	50	30,320	59,087	6,414	7,734	2,800	2,665	55	15
Hong Kong	11	18	8,524	21,355	4,258	4,530	574	562	—	—
Indonesia	—	—	—	—	—	—	—	—	—	—
Japan (including Okinawa and Ryukyus)	**	**	**	**	**	**	**	**	**	**
Middle East (except OPEC)	6	7	10,477	18,021	1,434	1,809	1,668	1,587	—	—
OPEC (excluding Indonesia)	—	—	—	—	—	—	—	—	—	—
Philippines	5	5	390	1,159	187	187	40	40	—	—
All other Asia	**	**	**	**	**	**	**	**	**	**
Oceania, total	8	54	142,186	40,982	4,936	5,445	2,364	2,364	583	575
Australia	8	39	103,967	28,011	3,192	3,490	1,534	1,534	41	33
All other Oceania	3	15	38,220	12,971	1,744	1,955	830	830	542	542
Puerto Rico and U.S. Possessions, total	*12	*15	*353,468	*23,139	*3,226	*3,689	*1,157	*1,144	*5,800	*1,375
Country not stated	—	—	—	—	—	—	—	—	—	—
OPEC countries, total (included above)	4	6	7,671	2,168	161	185	44	83	—	—

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Services										
All geographic areas, total	531	2,660	5,833,160	6,362,369	505,065	674,867	203,035	196,476	148,465	87,273
Canada	175	313	908,676	1,142,974	107,803	121,489	50,170	49,626	8,842	5,393
Latin America, total	217	406	498,854	455,940	34,324	65,266	17,328	16,702	13,729	8,315
Brazil	125	149	115,628	123,814	-9,011	11,322	4,715	4,011	2,232	1,460
Ecuador	*12	*13	*11,159	*6,983	*-262	*224	*51	*51	*86	*85
Mexico	40	70	81,593	119,575	11,099	12,023	4,518	4,578	1,261	862
Panama (including Canal Zone)	18	24	133,847	88,233	18,644	18,533	4,934	4,934	9,187	4,979
Venezuela	16	22	19,378	12,768	2,456	2,643	1,043	1,060	23	23
All other Latin America	76	127	137,250	104,568	13,418	20,521	2,068	2,068	940	906
Other Western Hemisphere, total	67	100	587,305	142,239	44,365	53,169	1,208	1,138	24,351	6,245
The Bahamas	**	**	**	**	**	**	**	**	**	**
Bermuda	46	68	259,921	91,166	29,385	35,798	334	334	24,351	6,245
Netherlands Antilles	19	21	296,429	30,639	13,537	13,614	874	502	—	—
All other Western Hemisphere	**	**	**	**	**	**	**	**	**	**
Europe, total	254	1,314	2,787,960	3,508,576	252,819	338,184	110,036	105,026	72,285	50,029
Austria	14	20	18,083	34,775	864	2,038	1,178	1,175	1,165	499
Belgium	49	73	133,008	173,175	9,872	13,453	5,194	5,604	2,012	1,920
Denmark	19	21	13,993	29,420	519	1,426	584	548	507	384
France (including Andorra)	96	141	257,309	345,943	13,429	22,948	9,539	9,739	2,485	2,104
Italy (including San Marino)	50	62	116,826	164,411	14,422	18,706	12,952	12,832	4,820	4,586
Luxembourg	**	**	**	**	**	**	**	**	**	**
Netherlands	66	106	512,920	391,314	53,205	64,317	9,430	8,758	2,617	1,402
Spain	26	30	42,270	35,965	2,403	3,849	1,249	1,311	309	309
Sweden	30	63	52,211	80,265	-821	4,092	1,705	1,752	1,137	482
Switzerland	62	100	280,529	183,583	7,531	19,834	4,397	2,831	8,509	4,418
United Kingdom	172	445	950,516	1,230,054	79,288	102,431	36,907	34,454	25,733	17,258
West Germany	81	145	325,228	679,312	48,906	59,332	23,794	23,203	13,056	7,715
All other Europe	**	**	**	**	**	**	**	**	**	**
Africa, total	46	114	322,911	174,639	8,974	19,582	-209	-217	18,438	6,407
Liberia	14	49	264,209	86,960	2,149	11,561	-3,396	-3,396	15,791	4,821
South Africa (including South-West Africa)	27	47	44,727	79,411	6,749	7,314	2,801	2,803	2,588	1,565
OPEC countries	4	4	6,404	4,297	-219	41	—	—	—	—
All other Africa	7	14	7,572	3,970	294	666	386	376	58	21
Asia, total	73	188	312,600	294,901	29,641	37,535	10,892	10,752	3,583	2,962
Hong Kong	32	60	131,957	72,746	13,154	14,081	1,074	1,058	657	583
Indonesia	**	**	**	**	**	**	**	**	**	**
Japan (including Okinawa and Ryukyus)	36	43	126,492	136,635	8,638	13,613	6,673	6,549	1,425	995
Middle East (except OPEC)	9	10	1,122	1,409	-118	7	—	—	—	—
OPEC (excluding Indonesia)	**	**	**	**	**	**	**	**	**	**
Philippines	9	11	9,308	5,104	574	715	325	325	83	18
All other Asia	23	53	36,515	46,089	4,539	5,811	2,251	2,251	473	422
Oceania, total	80	190	383,866	599,738	25,522	37,924	13,179	13,018	9,237	7,922
Australia	75	161	316,271	366,554	19,401	31,619	11,749	11,588	8,575	7,260
All other Oceania	22	29	67,595	233,184	6,121	6,305	1,430	1,430	663	663
Puerto Rico and U.S. Possessions, total	**	**	**	**	**	**	**	**	**	**
Country not stated	**	**	**	**	**	**	**	**	**	**
OPEC countries, total (included above)	37	50	44,147	56,965	4,807	6,216	1,663	1,680	1,053	1,052

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Business services										
All geographic areas, total	306	1,616	3,330,109	3,862,670	259,527	359,554	116,290	114,902	104,181	54,020
Canada	92	157	491,992	727,060	51,815	54,842	23,108	22,714	3,359	2,847
Latin America, total	122	226	227,326	217,113	7,317	32,612	10,521	10,496	7,514	2,857
Brazil	97	107	41,480	47,764	-9,361	7,362	3,268	3,265	1,261	1,161
Ecuador	**	**	**	**	**	**	**	**	**	**
Mexico	22	33	35,633	81,890	5,006	5,710	2,540	2,501	1,206	662
Panama (including Canal Zone)	6	11	49,993	22,464	5,750	7,627	1,875	1,875	4,187	10
Venezuela	6	13	19,248	12,356	2,425	2,612	1,040	1,057	23	23
All other Latin America	**	**	**	**	**	**	**	**	**	**
Other Western Hemisphere, total	38	56	369,736	84,141	33,248	36,959	762	762	24,351	6,245
The Bahamas	**	**	**	**	**	**	**	**	**	**
Bermuda	31	44	196,855	68,361	25,585	29,289	272	272	24,351	6,245
Netherlands Antilles	**	**	**	**	**	**	**	**	**	**
All other Western Hemisphere	—	—	—	—	—	—	—	—	—	—
Europe, total	174	876	1,594,236	2,145,545	134,968	186,779	72,400	71,615	47,010	32,195
Austria	9	14	16,718	33,396	663	1,759	1,093	1,090	1,165	499
Belgium	32	45	84,854	113,679	7,021	8,141	3,380	3,790	1,920	1,828
Denmark	14	16	11,861	23,306	-64	825	299	263	338	238
France (including Andorra)	72	96	178,286	204,566	4,673	12,060	5,647	5,805	1,871	1,491
Italy (including San Marino)	32	40	77,456	110,462	12,542	16,069	12,393	12,393	4,550	4,315
Luxembourg	**	**	**	**	**	**	**	**	**	**
Netherlands	47	70	192,496	173,785	24,882	31,088	5,110	4,772	2,617	1,402
Spain	17	18	35,657	24,314	2,920	3,775	1,225	1,225	309	309
Sweden	16	42	36,484	47,392	-3,506	1,296	569	616	91	91
Switzerland	49	72	103,779	106,845	11,776	14,357	3,285	3,336	8,423	4,418
United Kingdom	113	288	588,220	794,603	48,621	61,440	24,200	23,540	16,407	11,290
West Germany	56	94	218,531	436,624	22,013	31,325	13,655	13,465	7,519	5,085
All other Europe	**	**	**	**	**	**	**	**	**	**
Africa, total	16	55	208,052	79,576	2,145	6,000	-2,842	-2,650	18,829	5,494
Liberia	*8	*33	*179,683	*34,046	*-207	*3,191	*-3,879	*-3,879	*15,791	*4,821
South Africa (including South-West Africa)	5	15	25,600	44,454	2,298	2,643	1,108	1,111	979	652
OPEC countries	**	**	**	**	**	**	**	**	**	**
All other Africa	**	**	**	**	**	**	**	**	**	**
Asia, total	35	113	226,089	183,372	17,659	24,234	6,291	6,304	1,791	1,665
Hong Kong	20	43	124,176	55,602	10,182	10,925	760	773	657	583
Indonesia	**	**	**	**	**	**	**	**	**	**
Japan (including Okinawa and Ryukyus)	22	24	62,781	54,990	2,307	6,946	3,139	3,140	661	661
Middle East (except OPEC)	3	3	433	1,301	-70	—	—	—	—	—
OPEC (excluding Indonesia)	5	6	1,379	4,646	587	659	—	—	—	—
Philippines	4	5	8,314	4,069	495	503	212	212	—	—
All other Asia	**	**	**	**	**	**	**	**	**	**
Oceania, total	41	109	204,324	417,868	11,996	17,771	5,778	5,588	3,327	2,718
Australia	37	89	144,781	204,293	8,377	13,968	5,123	4,934	2,877	2,268
All other Oceania	*16	*20	*59,544	*213,575	*3,619	*3,803	*655	*655	*450	*450
Puerto Rico and U.S. Possessions, total	*23	*23	*8,353	*27,995	*357	*357	*73	*73	—	—
Country not stated	—	—	—	—	—	—	—	—	—	—
OPEC countries, total (included above)	13	23	25,251	25,163	3,524	3,783	1,348	1,363	109	108

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Industry of U.S. Corporation Filing the Return and Selected Country of Incorporation of Controlled Foreign Corporation — Continued

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

Selected industry of U.S. corporation filing the return and selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All other services										
All geographic areas, total	225	1,044	2,503,052	2,499,699	245,639	315,313	86,745	81,574	44,284	33,253
Canada	84	157	416,684	415,914	55,988	68,646	27,062	26,912	3,483	2,545
Latin America, total	94	179	271,529	238,827	27,007	32,654	6,807	6,206	6,216	5,459
Brazil	28	42	74,148	76,051	350	3,961	1,447	746	972	299
Ecuador	*10	*11	*8,350	*3,380	*-506	—	—	—	—	—
Mexico	18	37	45,960	37,685	6,091	6,313	1,978	2,077	54	—
Panama (including Canal Zone)	*10	*13	*83,853	*65,769	*10,895	*10,906	*3,059	*3,059	*5,000	*4,969
Venezuela	*6	*9	*130	*412	*31	*31	*3	*3	—	—
All other Latin America	48	67	59,086	55,530	10,147	11,444	321	321	190	190
Other Western Hemisphere, total	30	44	217,569	58,098	11,116	16,210	446	376	—	—
The Bahamas	**	**	**	**	**	**	**	**	**	**
Bermuda	18	24	63,066	22,805	3,800	6,509	62	62	—	—
Netherlands Antilles	12	14	124,357	16,006	6,088	6,166	384	11	—	—
All other Western Hemisphere	**	**	**	**	**	**	**	**	**	**
Europe, total	80	439	1,193,724	1,363,031	117,831	151,406	37,636	33,412	26,275	17,835
Austria	5	6	1,366	1,377	200	279	85	85	—	—
Belgium	17	28	48,154	59,296	2,851	5,312	1,814	1,814	92	92
Denmark	5	5	2,132	6,115	583	600	285	265	169	146
France (including Andorra)	24	43	79,023	141,378	8,756	10,888	3,892	3,933	613	613
Italy (including San Marino)	18	22	39,369	53,949	1,680	2,637	559	439	270	270
Luxembourg	—	—	—	—	—	—	—	—	—	—
Netherlands	19	36	320,424	217,529	28,323	33,230	4,319	3,986	—	—
Spain	9	12	6,613	11,651	-516	74	24	86	—	—
Sweden	14	21	15,747	32,873	2,685	2,796	1,137	1,137	1,046	391
Switzerland	13	26	176,750	76,738	-4,246	5,477	1,112	-505	66	—
United Kingdom	60	157	362,298	435,451	30,667	40,992	12,706	10,914	9,326	5,968
West Germany	25	51	106,697	242,688	26,892	28,007	10,139	9,738	5,537	2,630
All other Europe	12	30	35,152	83,966	19,755	21,114	1,562	1,499	8,135	7,723
Africa, total	30	59	114,859	95,062	6,828	13,583	2,434	2,434	1,809	913
Liberia	6	16	84,526	52,914	2,357	8,370	482	482	—	—
South Africa (including South-West Africa)	22	32	19,127	34,957	4,451	4,671	1,693	1,693	1,609	913
OPEC countries	3	3	6,404	4,297	-219	41	—	—	—	—
All other Africa	3	8	4,602	2,694	239	501	259	259	—	—
Asia, total	38	75	86,511	131,530	11,981	13,301	4,601	4,449	1,792	1,297
Hong Kong	12	17	7,761	17,144	2,973	3,156	314	265	—	—
Indonesia	—	—	—	—	—	—	—	—	—	—
Japan (including Okinawa and Ryukyus)	14	19	63,711	81,645	6,332	6,667	3,533	3,409	784	334
Middle East (except OPEC)	6	7	689	108	-48	7	—	—	—	—
OPEC (excluding Indonesia)	4	4	4,012	23,713	1,978	2,361	314	314	945	945
Philippines	5	6	993	1,036	79	212	112	112	63	18
All other Asia	12	22	9,325	7,885	668	896	327	327	—	—
Oceania, total	39	81	179,541	181,869	13,526	20,153	7,402	7,430	5,910	5,204
Australia	38	72	171,490	162,260	11,024	17,651	6,626	6,654	5,698	4,992
All other Oceania	6	9	8,051	19,609	2,502	2,502	775	775	212	212
Puerto Rico and U.S. Possessions, total	**	**	**	**	**	**	**	**	**	**
Country not stated	**	**	**	**	**	**	**	**	**	**
OPEC countries, total (included above)	24	27	18,897	31,802	1,284	2,433	317	317	945	945

*Estimate should be used with caution because of the small number of sample returns on which it was based.
**Data deleted to avoid disclosure of information for specific corporations.
(¹)Less than $500.
Note: Detail may not add to total because of rounding.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Selected Industry of Controlled Foreign Corporation

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

Selected country of incorporation and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All Geographic Areas, Total										
All industries, total	4,799	35,471	508,031,994	699,003,002	47,621,582	55,794,508	16,736,730	16,440,451	14,115,642	9,643,638
Agriculture, forestry and fishing	73	224	4,187,349	1,618,046	-1,195,896	115,907	37,632	36,601	19,651	15,955
Mining	273	969	15,017,247	11,392,971	3,430,646	3,820,565	1,273,353	1,272,931	975,082	446,771
Metal mining	54	152	3,256,678	1,600,647	315,743	397,510	79,965	79,398	85,360	72,722
Oil and gas extraction	210	753	10,735,884	9,179,334	3,034,911	3,337,730	1,154,478	1,154,664	824,751	349,987
All other mining	39	64	1,024,685	612,990	79,991	85,325	38,910	38,868	64,971	24,061
Construction	172	558	7,028,446	11,244,627	798,147	907,458	199,234	193,706	343,556	154,801
Manufacturing	2,052	10,901	226,062,259	354,511,342	25,832,360	29,871,292	9,895,433	9,866,940	7,238,667	5,409,843
Food and kindred products	136	788	13,468,353	26,357,350	1,479,715	1,706,368	537,349	520,772	355,129	273,630
Chemicals and allied products	290	2,417	40,450,536	58,287,396	4,987,665	5,620,775	1,944,447	1,923,308	1,319,657	964,886
Petroleum (including integrated) and coal products	53	149	32,683,871	71,175,546	5,053,419	5,064,630	1,674,005	1,679,034	1,226,036	1,161,867
Primary metal industries	64	210	5,444,717	6,132,236	661,636	750,317	254,191	255,085	172,069	152,974
Machinery, except electrical	409	1,253	15,817,952	20,872,998	1,436,800	1,888,905	573,977	524,225	340,345	253,727
Electrical and electronic equipment	390	1,491	32,282,019	44,601,989	4,797,484	5,235,451	1,861,736	1,816,831	1,761,443	1,126,228
Motor vehicles and equipment	73	339	31,745,723	53,876,127	534,736	1,958,854	573,951	510,601	237,747	161,837
Instruments and related products	124	524	5,236,881	8,963,283	864,516	737,450	238,889	236,460	98,574	76,960
All other manufacturing	1,011	3,731	48,934,406	68,244,418	6,218,390	6,908,542	2,236,887	2,200,625	1,727,668	1,237,734
Transportation and public utilities	336	1,145	21,412,678	18,442,328	980,649	1,428,419	242,569	259,358	571,348	239,379
Water transportation	197	672	11,526,327	9,179,749	214,195	580,794	21,484	24,190	344,332	48,132
All other transportation and public utilities	175	473	9,886,352	9,262,580	766,454	847,626	221,085	235,168	227,016	191,248
Wholesale and retail trade	1,507	6,903	82,234,324	256,779,170	11,108,818	12,176,380	3,518,158	3,496,022	2,542,746	1,862,034
Wholesale trade	1,308	5,782	72,053,590	232,838,975	9,889,956	10,858,210	3,129,399	3,114,646	2,338,275	1,706,315
Petroleum and petroleum products	56	559	34,029,273	144,581,343	5,560,973	5,761,375	1,586,683	1,594,201	1,108,461	888,908
All other wholesale trade	1,271	5,223	38,024,317	88,257,633	4,328,983	5,096,835	1,542,716	1,520,445	1,229,814	817,406
Retail trade	240	942	9,264,414	22,476,053	1,028,202	1,115,541	328,029	324,398	176,222	132,443
Wholesale and retail trade not allocable	62	178	916,321	1,464,141	190,661	202,629	60,730	56,978	28,249	23,276
Finance, insurance and real estate	1,048	3,862	129,263,466	24,921,436	4,821,672	5,240,696	851,207	806,194	1,674,185	1,041,042
Banking	66	229	37,772,374	4,860,208	518,451	548,234	149,315	147,658	74,615	61,846
Credit agencies other than banks	182	673	39,661,444	5,262,895	838,743	928,573	246,049	239,712	220,835	99,167
Insurance carriers	359	593	16,940,222	6,202,612	1,054,382	1,104,949	78,934	71,496	166,599	131,855
Holding and other investment companies, except bank holding companies	479	1,170	27,795,528	4,257,834	2,076,270	2,238,034	261,599	238,334	1,096,794	683,384
All other finance, insurance and real estate	458	1,196	7,093,898	4,337,886	333,825	420,906	115,311	110,994	115,342	64,770
Services	1,061	4,090	20,359,450	19,911,917	1,841,033	2,221,868	716,536	706,075	730,412	473,095
Business services	742	2,621	12,315,008	12,701,126	1,256,697	1,451,486	482,138	478,775	529,318	348,474
All other services	465	1,469	8,044,443	7,210,792	584,336	770,382	234,398	227,299	201,094	124,621
Nature of business not allocable	195	456	276,175	191,164	4,153	11,923	2,409	2,426	4,166	718
Inactive	1,536	6,363	2,210,599	—	—	—	—	—	15,827	—
Canada										
All industries, total	2,827	5,415	90,043,610	100,773,346	8,285,453	8,963,459	3,251,184	3,142,670	1,987,908	1,558,742
Agriculture, forestry and fishing	15	16	38,855	43,033	5,825	5,909	2,336	2,359	1,668	279
Mining	139	240	7,604,887	4,308,768	1,212,286	1,270,997	416,641	416,447	252,250	201,579
Metal mining	31	50	2,235,407	1,025,742	206,640	216,124	38,112	38,214	53,761	44,698
Oil and gas extraction	94	160	4,665,084	2,797,739	950,051	996,285	348,708	348,443	137,517	136,174
All other mining	27	30	704,395	485,287	55,595	58,588	29,621	29,791	60,972	20,706
Construction	78	114	1,092,074	2,386,661	84,859	109,140	35,136	31,914	26,935	8,455
Manufacturing	1,179	1,741	43,581,445	66,334,762	5,038,815	5,481,997	2,101,442	2,016,903	1,274,273	1,026,009
Food and kindred products	66	105	2,432,963	5,058,511	355,518	364,565	143,536	141,918	71,063	47,996
Chemicals and allied products	192	259	6,328,028	7,809,253	860,614	869,100	346,685	346,027	95,279	85,669
Petroleum (including integrated) and coal products	23	26	8,977,451	10,195,529	998,536	998,541	460,271	460,271	289,236	274,869
Primary metal industries	30	38	636,034	1,047,631	113,732	128,810	53,492	53,514	48,122	42,881
Machinery, except electrical	191	222	1,786,420	2,654,675	240,697	256,250	96,507	94,478	45,849	36,869
Electrical and electronic equipment	145	186	3,339,074	4,990,938	469,638	493,538	208,883	204,610	103,100	100,761
Motor vehicles and equipment	49	68	6,501,497	18,951,383	-170,327	142,654	51,440	-23,917	24,108	18,895
Instruments and related products	43	50	500,792	869,141	83,995	87,102	44,898	45,316	18,831	16,242
All other manufacturing	571	787	13,079,187	16,557,899	2,066,213	2,141,436	695,732	694,686	578,683	401,827
Transportation and public utilities	89	172	5,907,755	4,556,148	337,823	346,919	121,897	121,713	112,503	83,455
Water transportation	14	16	495,093	122,065	10,146	11,598	2,697	2,694	455	322
All other transportation and public utilities	78	156	5,412,663	4,434,083	327,677	335,321	119,200	119,019	112,048	83,133
Wholesale and retail trade	632	960	6,890,060	16,760,002	1,038,431	1,101,359	354,461	344,527	165,610	136,174
Wholesale trade	536	677	3,850,116	8,525,313	721,822	773,023	244,667	235,110	149,872	127,615
Petroleum and petroleum products	13	23	193,607	383,503	11,600	17,118	6,908	6,521	1,393	474
All other wholesale trade	526	654	3,656,509	8,141,810	710,222	755,905	237,758	228,589	148,479	127,142
Retail trade	92	260	2,942,027	8,041,872	288,954	300,580	102,771	102,394	13,738	7,651
Wholesale and retail trade not allocable	24	24	97,917	192,816	27,654	27,756	7,023	7,023	2,000	907
Finance, insurance and real estate	268	442	22,269,411	4,323,889	379,470	434,052	129,193	118,420	129,956	87,373
Banking	6	9	817,739	80,692	8,350	8,350	4,100	4,100	1,500	1,310
Credit agencies other than banks	63	118	11,740,964	1,556,050	157,183	168,673	78,463	75,879	33,882	12,425
Insurance carriers	34	50	4,891,241	1,869,540	34,457	48,534	8,925	2,241	4,826	4,803
Holding and other investment companies, except bank holding companies	102	125	4,211,311	517,539	147,071	170,730	23,126	22,746	80,263	61,936
All other finance, insurance and real estate	104	140	608,156	300,066	32,409	37,765	14,580	13,454	9,484	6,899
Services	381	538	2,289,841	2,029,059	187,055	211,362	89,822	90,165	24,481	15,356
Business services	249	338	1,358,772	992,502	78,028	86,349	34,393	34,438	9,560	5,758
All other services	141	200	931,068	1,036,557	109,026	125,013	55,429	55,726	14,921	9,598
Nature of business not allocable	45	58	23,190	31,024	889	1,724	254	223	143	63
Inactive	657	1,135	348,092	—	—	—	—	—	90	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Selected Industry of Controlled Foreign Corporation — Continued

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

Selected country of incorporation and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Latin America, Total										
All industries, total	1,504	5,910	63,574,969	81,021,279	4,935,979	7,218,439	1,883,281	1,899,571	1,427,837	1,102,064
Agriculture, forestry and fishing	41	117	3,438,704	283,922	-1,231,662	28,007	2,896	2,926	4,536	3,119
Mining	79	231	2,802,838	3,227,084	324,989	445,429	115,788	116,083	42,432	38,159
Metal mining	15	43	588,513	302,345	52,591	112,801	28,815	28,155	10,374	10,374
Oil and gas extraction	59	179	1,977,038	2,884,307	261,678	320,662	82,047	83,013	30,237	25,964
All other mining	8	9	237,287	40,432	10,720	11,966	4,926	4,916	1,820	1,620
Construction	66	124	939,291	2,971,134	198,026	219,601	39,887	38,537	21,979	18,337
Manufacturing	611	2,049	31,269,885	40,959,193	3,507,901	4,151,736	1,300,945	1,300,358	727,073	566,723
Food and kindred products	49	214	2,610,944	4,665,165	305,926	371,568	134,428	134,795	68,926	63,858
Chemicals and allied products	129	561	7,266,355	7,997,180	817,269	968,814	315,997	319,427	215,351	150,722
Petroleum (including integrated) and coal products	*10	*19	*685,766	*1,610,408	*133,116	*133,453	*44,914	*44,897	*29,629	*29,029
Primary metal industries	12	22	488,174	435,737	81,562	82,447	26,263	26,280	14,962	12,648
Machinery, except electrical	100	178	1,281,680	1,393,383	90,461	184,816	53,844	54,444	50,947	32,016
Electrical and electronic equipment	132	280	4,642,785	7,179,251	534,627	629,553	186,697	187,278	133,387	97,646
Motor vehicles and equipment	23	65	6,186,191	8,580,216	531,517	628,219	176,852	175,942	53,113	34,048
Instruments and related products	29	55	204,742	204,234	15,576	27,153	6,997	6,619	2,120	1,488
All other manufacturing	275	656	7,703,229	8,893,619	997,847	1,125,690	354,952	350,675	158,438	145,268
Transportation and public utilities	151	308	2,510,519	1,199,190	166,330	188,199	30,498	32,890	27,210	20,853
Water transportation	115	255	2,032,241	788,007	79,617	100,636	2,901	5,286	16,268	10,646
All other transportation and public utilities	38	53	478,278	411,182	86,714	87,563	27,597	27,604	10,942	10,207
Wholesale and retail trade	358	820	9,069,663	27,765,847	1,185,392	1,294,475	284,821	300,896	282,011	238,232
Wholesale trade	302	699	8,005,945	26,493,270	1,055,408	1,148,924	235,464	251,484	236,601	205,379
Petroleum and petroleum products	15	53	2,291,757	13,122,829	387,559	397,716	71,285	82,544	70,427	57,992
All other wholesale trade	291	646	5,714,189	13,370,441	667,849	751,209	164,179	168,940	166,174	147,387
Retail trade	55	100	997,810	1,180,854	119,003	132,704	45,468	45,523	42,894	31,322
Wholesale and retail trade not allocable	11	21	65,908	91,723	10,981	12,846	3,889	3,889	2,516	1,531
Finance, insurance and real estate	288	556	11,033,029	2,772,135	535,160	593,530	37,878	36,868	167,824	144,470
Banking	27	49	3,142,866	598,609	59,399	60,849	3,662	3,653	34,566	33,667
Credit agencies other than banks	30	60	1,705,674	291,714	39,310	49,548	11,868	10,833	14,550	2,691
Insurance carriers	32	51	767,561	309,663	135,256	136,362	2,379	2,547	44,397	42,920
Holding and other investment companies, except bank holding companies	140	205	4,083,815	192,623	308,730	316,780	14,672	15,194	71,723	63,662
All other finance, insurance and real estate	131	191	1,333,113	1,379,526	-7,534	29,991	5,296	4,641	2,589	1,529
Services	298	527	2,004,686	1,819,733	248,643	296,050	71,465	70,909	153,096	72,107
Business services	223	370	1,294,143	1,132,242	180,274	208,017	48,869	48,876	137,943	60,150
All other services	91	157	710,543	687,491	68,369	88,033	22,595	22,033	15,153	11,957
Nature of business not allocable	44	66	15,755	23,041	1,198	1,414	103	103	1,227	66
Inactive	519	1,121	490,599	—	—	—	—	—	450	—
Brazil										
All industries, total	687	1,330	18,714,994	25,617,128	1,183,736	1,566,973	479,521	492,684	319,325	233,104
Agriculture, forestry and fishing	13	18	83,254	92,048	8,732	8,196	1,845	1,845	1,674	511
Mining	32	56	575,497	1,820,231	36,126	52,552	19,307	19,383	1,281	1,281
Metal mining	6	24	44,210	14,671	-2,447	3,417	886	879	281	281
Oil and gas extraction	20	25	303,744	1,777,884	33,752	43,069	16,873	16,966	400	400
All other mining	7	7	227,543	27,676	4,821	6,067	1,548	1,538	600	600
Construction	19	21	175,927	217,819	12,860	16,294	5,197	5,209	2,820	1,444
Manufacturing	308	497	11,954,593	15,468,932	813,650	1,071,385	336,439	335,707	218,465	149,433
Food and kindred products	15	30	953,010	1,668,843	47,559	56,016	20,782	21,210	12,468	10,796
Chemicals and allied products	64	137	2,575,577	2,707,874	104,590	194,383	74,036	75,367	32,617	20,697
Petroleum (including integrated) and coal products	*6	*6	*4,736	*6,803	*1,161	*1,161	*311	*311	—	—
Primary metal industries	5	7	183,982	175,586	29,082	29,100	5,341	5,341	2,450	1,817
Machinery, except electrical	58	70	688,369	761,050	58,540	83,322	19,634	20,219	34,019	17,127
Electrical and electronic equipment	36	53	1,636,722	4,646,789	169,131	235,240	80,865	81,477	57,616	29,785
Motor vehicles and equipment	15	20	2,813,814	2,175,406	139,077	143,075	43,722	43,863	7,504	4,899
Instruments and related products	15	17	59,549	57,389	1,184	8,226	3,278	3,246	1,238	1,010
All other manufacturing	114	156	2,838,835	3,069,191	263,327	320,862	88,467	84,672	70,553	63,302
Transportation and public utilities	11	12	295,295	294,745	66,270	66,886	21,867	21,871	7,250	7,250
Water transportation	**	**	**	**	**	**	**	**	**	**
All other transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	123	152	2,459,364	6,860,133	152,204	214,268	70,261	85,120	49,949	38,966
Wholesale trade	111	137	2,229,801	6,526,317	121,133	180,639	57,026	71,885	40,378	33,253
Petroleum and petroleum products	6	10	716,808	4,534,006	60,092	69,512	36,039	47,216	32,317	25,635
All other wholesale trade	107	127	1,512,993	1,992,311	61,041	1,111,126	20,987	24,669	8,061	7,618
Retail trade	8	11	226,520	327,644	32,275	33,037	12,970	12,970	9,571	5,714
Wholesale and retail trade not allocable	4	4	3,043	6,172	-1,203	593	265	265	—	—
Finance, insurance and real estate	110	150	2,541,068	629,552	86,974	104,338	12,076	11,761	33,564	31,586
Banking	9	9	884,688	176,176	10,769	10,939	1,693	1,683	—	—
Credit agencies other than banks	12	14	724,986	172,232	7,912	15,246	2,252	1,733	1,339	534
Insurance carriers	5	5	33,039	37,378	4,536	4,536	2,046	2,046	1,504	1,504
Holding and other investment companies, except bank holding companies	68	78	682,116	105,939	54,586	61,582	3,641	3,852	29,805	28,829
All other finance, insurance and real estate	36	44	216,239	137,827	9,170	12,035	2,444	2,447	916	719
Services	176	203	401,290	233,099	8,911	32,962	12,529	11,787	4,322	2,634
Business services	143	160	275,566	130,286	7,195	26,183	9,833	9,818	2,007	1,184
All other services	38	44	125,724	102,813	1,716	6,779	2,696	1,969	2,315	1,450
Nature of business not allocable	13	16	1,264	570	10	92	—	—	—	—
Inactive	140	205	227,442	—	—	—	—	—	—	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Selected Industry of Controlled Foreign Corporation — Continued

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

Selected country of incorporation and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Ecuador										
All industries, total	63	87	272,444	336,736	24,430	28,237	4,606	4,616	5,290	4,988
Agriculture, forestry and fishing	*10	*11	*17,868	*15,366	*-79	*424	*34	*34	—	—
Mining	**	**	**	**	**	**	**	**	**	**
Metal mining	**	**	**	**	**	**	**	**	**	**
Oil and gas extraction	**	**	**	**	**	**	**	**	**	**
All other mining	**	**	**	**	**	**	**	**	**	**
Construction	**	**	**	**	**	**	**	**	**	**
Manufacturing	28	34	182,506	188,914	18,144	20,807	3,487	3,483	3,723	3,504
Food and kindred products	7	7	46,911	61,171	5,072	5,858	674	674	259	259
Chemicals and allied products	9	10	46,244	52,066	4,977	5,106	627	622	2,031	1,812
Petroleum (including integrated) and coal products	—	—	—	—	—	—	—	—	—	—
Primary metal industries	—	—	—	—	—	—	—	—	—	—
Machinery, except electrical	**	**	**	**	**	**	**	**	**	**
Electrical and electronic equipment	4	4	33,749	26,807	1,140	2,669	602	602	846	846
Motor vehicles and equipment	**	**	**	**	**	**	**	**	**	**
Instruments and related products	—	—	—	—	—	—	—	—	—	—
All other manufacturing	7	11	49,216	43,606	6,952	6,952	1,584	1,584	587	587
Transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Water transportation	—	—	—	—	—	—	—	—	—	—
All other transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	14	17	41,702	110,427	3,664	4,296	954	968	752	670
Wholesale trade	14	17	41,702	110,427	3,664	4,296	954	968	752	670
Petroleum and petroleum products	**	**	**	**	**	**	**	**	**	**
All other wholesale trade	**	**	**	**	**	**	**	**	**	**
Retail trade	—	—	—	—	—	—	—	—	—	—
Wholesale and retail trade not allocable	—	—	—	—	—	—	—	—	—	—
Finance, insurance and real estate	4	5	6,399	1,757	141	144	14	14	71	71
Banking	—	—	—	—	—	—	—	—	—	—
Credit agencies other than banks	—	—	—	—	—	—	—	—	—	—
Insurance carriers	**	**	**	**	**	**	**	**	**	**
Holding and other investment companies, except bank holding companies	**	**	**	**	**	**	**	**	**	**
All other finance, insurance and real estate	**	**	**	**	**	**	**	**	**	**
Services	4	4	18,227	19,555	2,509	2,509	118	118	744	743
Business services	**	**	**	**	**	**	**	**	**	**
All other services	**	**	**	**	**	**	**	**	**	**
Nature of business not allocable	—	—	—	—	—	—	—	—	—	—
Inactive	11	12	4,724	—	—	—	—	—	—	—
Mexico										
All industries, total	632	1,249	8,520,743	11,883,394	1,636,105	1,692,600	709,214	705,451	241,003	188,643
Agriculture, forestry and fishing	5	17	25,600	52,116	3,988	4,067	418	423	1,840	1,608
Mining	**	**	**	**	**	**	**	**	**	**
Metal mining	**	**	**	**	**	**	**	**	**	**
Oil and gas extraction	**	**	**	**	**	**	**	**	**	**
All other mining	—	—	—	—	—	—	—	—	—	—
Construction	11	12	48,066	58,770	18,140	18,172	8,981	8,981	651	651
Manufacturing	401	849	6,352,983	9,439,717	1,258,534	1,300,265	565,338	562,196	183,463	135,892
Food and kindred products	27	45	628,144	975,327	127,038	129,270	59,839	59,839	19,464	18,988
Chemicals and allied products	79	121	1,337,229	2,014,825	318,368	322,484	138,380	138,380	46,674	22,261
Petroleum (including integrated) and coal products	—	—	—	—	—	—	—	—	—	—
Primary metal industries	7	9	107,164	168,319	31,389	32,211	16,139	16,139	11,339	9,611
Machinery, except electrical	48	56	274,290	292,090	53,358	54,035	20,977	20,984	2,684	2,585
Electrical and electronic equipment	100	155	910,247	1,137,433	180,862	194,576	87,616	67,574	38,209	35,269
Motor vehicles and equipment	11	22	1,318,316	2,496,415	118,570	127,230	55,793	53,510	26,991	11,065
Instruments and related products	17	22	42,966	51,802	4,167	7,486	2,737	2,379	50	—
All other manufacturing	166	219	1,734,606	2,301,507	424,782	432,974	183,858	183,392	38,053	35,893
Transportation and public utilities	16	16	12,940	35,952	454	597	175	177	—	—
Water transportation	**	**	**	**	**	**	**	**	**	**
All other transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	118	145	1,265,362	1,745,207	258,974	266,356	100,407	100,697	35,960	33,643
Wholesale trade	102	118	774,874	1,243,397	190,872	196,564	78,338	78,527	19,470	19,416
Petroleum and petroleum products	3	3	29,189	62,095	20,404	20,404	6,150	6,150	3,127	3,127
All other wholesale trade	99	115	745,685	1,181,303	170,469	176,160	72,167	72,377	16,343	16,289
Retail trade	13	22	450,352	462,180	64,524	66,216	20,804	20,804	15,951	13,668
Wholesale and retail trade not allocable	4	5	40,136	39,629	3,577	3,577	1,265	1,265	559	559
Finance, insurance and real estate	68	76	441,071	78,106	30,822	34,140	6,212	5,338	13,618	13,190
Banking	—	—	—	—	—	—	—	—	—	—
Credit agencies other than banks	**	**	**	**	**	**	**	**	**	**
Insurance carriers	**	**	**	**	**	**	**	**	**	**
Holding and other investment companies, except bank holding companies	18	19	66,409	14,328	20,121	20,148	1,270	1,270	13,252	12,698
All other finance, insurance and real estate	45	47	60,720	7,884	465	3,026	981	324	61	24
Services	64	74	272,729	365,350	39,997	41,751	16,661	18,718	5,231	3,659
Business services	37	42	76,874	135,898	12,826	13,682	6,338	6,301	2,357	1,581
All other services	29	32	195,855	229,451	27,171	28,069	10,323	10,417	2,674	2,078
Nature of business not allocable	**	**	**	**	**	**	**	**	**	**
Inactive	166	239	34,490	—	—	—	—	—	219	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Selected Industry of Controlled Foreign Corporation — Continued

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

Selected country of incorporation and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Panama (including Canal Zone)										
All industries, total	422	921	13,952,464	19,657,203	1,427,229	1,502,321	132,790	136,180	347,957	251,745
Agriculture, forestry and fishing	4	4	20,706	3,725	3,754	3,754	57	57	—	—
Mining	25	104	1,004,293	542,805	169,485	171,826	28,627	28,541	19,772	16,263
Metal mining	—	—	—	—	—	—	—	—	—	—
Oil and gas extraction	25	104	1,004,293	542,805	169,485	171,826	28,627	28,541	19,772	16,263
All other mining	—	—	—	—	—	—	—	—	—	—
Construction	26	40	473,925	2,345,127	163,029	168,553	23,342	23,419	10,979	10,751
Manufacturing	57	91	2,088,251	1,170,547	216,049	222,993	33,457	33,456	50,300	47,538
Food and kindred products	7	17	180,519	82,403	7,252	9,219	1,048	1,048	699	357
Chemicals and allied products	19	27	1,230,843	390,904	132,555	135,631	18,275	18,275	41,504	41,241
Petroleum (including integrated) and coal products	3	4	318,934	512,854	37,251	37,469	6,476	6,478	800	—
Primary metal industries	**	**	**	**	**	**	**	**	**	**
Machinery, except electrical	**	**	**	**	**	**	**	**	**	**
Electrical and electronic equipment	4	4	28,553	38,397	4,195	4,242	1,430	1,430	2,900	2,385
Motor vehicles and equipment	—	—	—	—	—	—	—	—	—	—
Instruments and related products	5	9	87,687	76,913	10,528	11,246	980	980	803	448
All other manufacturing	18	24	75,267	69,141	7,864	8,782	2,481	2,480	932	917
Transportation and public utilities	110	232	1,866,613	629,675	69,501	89,691	2,057	4,419	16,155	10,534
Water transportation	106	228	1,865,112	628,596	69,393	89,570	2,020	4,382	16,155	10,534
All other transportation and public utilities	4	4	501	1,079	108	121	37	37	—	—
Wholesale and retail trade	88	110	3,076,545	13,442,958	437,810	450,652	27,469	28,471	101,616	81,537
Wholesale trade	79	100	2,982,699	13,355,196	425,803	436,609	23,366	24,368	93,550	73,972
Petroleum and petroleum products	8	19	1,232,343	6,674,495	220,138	220,791	10,245	10,338	11,827	7,068
All other wholesale trade	72	81	1,750,356	6,680,701	205,665	215,818	13,120	14,029	81,723	66,904
Retail trade	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade not allocable	**	**	**	**	**	**	**	**	**	**
Finance, insurance and real estate	58	78	4,967,858	1,287,219	310,183	338,820	8,039	8,055	68,535	62,900
Banking	7	10	512,665	84,047	17,052	17,052	683	683	12,235	12,104
Credit agencies other than banks	**	**	**	**	**	**	**	**	**	**
Insurance carriers	**	**	**	**	**	**	**	**	**	**
Holding and other investment companies, except bank holding companies	38	48	3,058,017	31,392	197,762	197,683	6,961	6,977	15,641	10,330
All other finance, insurance and real estate	8	9	779,337	1,030,366	-25,556	981	32	32	448	254
Services	39	42	379,334	222,442	57,183	57,596	9,698	9,698	79,142	22,157
Business services	24	27	264,520	133,974	41,778	42,088	6,775	6,775	71,960	15,169
All other services	15	15	114,813	88,468	15,406	15,508	2,923	2,923	7,181	6,988
Nature of business not allocable	7	8	7,610	12,705	435	435	44	44	1,227	66
Inactive	151	210	68,330	—	—	—	—	—	231	—

Selected country of incorporation and selected industry of Controlled Foreign Corporation	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Venezuela										
All industries, total	248	494	4,588,308	6,850,745	411,523	538,498	153,759	155,972	127,562	103,979
Agriculture, forestry and fishing	—	—	—	—	—	—	—	—	—	—
Mining	9	9	145,973	166,407	43,515	44,697	17,323	17,323	553	553
Metal mining	—	—	—	—	—	—	—	—	—	—
Oil and gas extraction	9	9	145,973	166,407	43,515	44,697	17,323	17,323	553	553
All other mining	—	—	—	—	—	—	—	—	—	—
Construction	8	10	73,558	84,562	-864	1,073	338	-20	684	684
Manufacturing	109	183	3,277,247	4,402,438	231,020	339,196	93,024	95,751	66,168	54,250
Food and kindred products	16	36	464,430	668,436	93,684	93,734	26,835	26,835	23,732	22,631
Chemicals and allied products	42	83	751,013	900,123	86,044	98,645	27,743	29,232	26,630	14,951
Petroleum (including integrated) and coal products	**	**	**	**	**	**	**	**	**	**
Primary metal industries	**	**	**	**	**	**	**	**	**	**
Machinery, except electrical	10	13	53,025	60,149	12,717	13,145	5,783	5,801	5,560	5,018
Electrical and electronic equipment	12	17	424,241	275,265	25,392	29,598	2,379	2,384	569	569
Motor vehicles and equipment	4	6	635,781	1,430,526	-62,792	21,056	7,627	8,859	250	—
Instruments and related products	**	**	**	**	**	**	**	**	**	**
All other manufacturing	30	44	935,643	852,034	74,993	83,481	22,242	22,242	11,427	11,081
Transportation and public utilities	6	6	5,473	11,411	1,154	1,247	261	261	586	391
Water transportation	**	**	**	**	**	**	**	**	**	**
All other transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	61	103	733,482	1,001,408	103,268	116,014	32,469	32,551	48,872	42,524
Wholesale trade	51	85	554,213	792,037	101,442	106,822	30,022	30,050	42,747	40,031
Petroleum and petroleum products	**	**	**	**	**	**	**	**	**	**
All other wholesale trade	49	83	550,187	789,146	100,976	106,354	30,022	30,050	42,747	40,031
Retail trade	8	14	171,568	199,776	394	7,703	2,069	2,122	6,031	2,398
Wholesale and retail trade not allocable	**	**	**	**	**	**	**	**	**	**
Finance, insurance and real estate	23	39	119,321	12,817	11,419	12,460	1,689	1,396	3,459	1,890
Banking	—	—	—	—	—	—	—	—	—	—
Credit agencies other than banks	**	**	**	**	**	**	**	**	**	**
Insurance carriers	**	**	**	**	**	**	**	**	**	**
Holding and other investment companies, except bank holding companies	9	10	42,766	4,128	7,110	7,111	773	773	1,725	1,661
All other finance, insurance and real estate	12	19	39,016	4,236	4,851	4,932	804	804	815	196
Services	30	36	224,382	191,553	22,028	23,800	8,853	8,708	5,259	3,708
Business services	24	29	198,767	151,116	21,118	21,354	7,688	7,744	3,944	3,703
All other services	7	7	25,615	40,437	909	2,445	965	965	1,314	5
Nature of business not allocable	4	4	441	150	-18	11	2	2	—	—
Inactive	88	104	8,431	—	—	—	—	—	—	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Selected Industry of Controlled Foreign Corporation — Continued

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

Selected country of incorporation and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All other Latin America										
All industries, total	615	1,829	17,526,016	17,676,073	250,954	1,889,810	403,392	404,689	396,700	319,604
Agriculture, forestry and fishing	21	67	3,291,276	120,667	-1,246,057	11,565	542	567	1,022	1,000
Mining	30	54	1,012,632	597,176	49,093	149,576	39,570	39,876	20,825	20,062
Metal mining	**	**	**	**	**	**	**	**	**	**
Oil and gas extraction	19	35	458,607	296,807	-11,810	34,330	8,271	9,229	9,512	8,748
All other mining	**	**	**	**	**	**	**	**	**	**
Construction	30	39	167,607	284,856	4,864	15,509	1,029	948	6,866	4,828
Manufacturing	243	595	7,414,305	10,288,646	970,504	1,197,088	269,200	269,767	202,953	176,106
Food and kindred products	28	79	537,931	1,028,984	25,320	77,492	25,250	25,190	12,304	10,627
Chemicals and allied products	75	204	1,325,449	1,931,390	170,735	214,565	56,935	57,551	65,894	49,760
Petroleum (including integrated) and coal products	4	8	360,738	1,089,072	94,823	94,823	38,124	38,124	29,029	29,029
Primary metal industries	4	4	36,483	64,748	7,345	7,389	2,116	2,133	1,173	1,020
Machinery, except electrical	19	33	248,850	273,751	-38,370	30,101	6,937	6,927	6,022	5,097
Electrical and electronic equipment	31	47	1,409,273	854,560	153,906	163,008	13,806	13,812	33,247	28,792
Motor vehicles and equipment	9	16	1,411,927	2,470,606	336,663	338,856	69,710	69,710	18,367	18,063
Instruments and related products	5	5	13,993	17,398	153	195	2	14	30	30
All other manufacturing	109	200	2,069,662	2,558,137	219,929	272,860	56,321	56,305	36,887	33,488
Transportation and public utilities	24	40	330,440	226,689	28,896	29,723	6,138	6,161	3,218	2,678
Water transportation	10	22	158,462	151,588	9,624	10,371	703	726	8	8
All other transportation and public utilities	14	18	171,978	75,101	19,271	19,351	5,435	5,435	3,210	2,670
Wholesale and retail trade	147	293	1,493,209	4,605,714	229,673	242,887	53,261	53,189	44,841	40,892
Wholesale trade	111	242	1,422,657	4,465,896	212,494	223,995	45,760	45,686	39,705	38,037
Petroleum and petroleum products	6	16	301,780	1,834,386	83,626	83,703	18,240	18,229	22,767	21,773
All other wholesale trade	105	226	1,120,877	2,631,510	128,868	140,292	27,520	27,457	16,938	16,264
Retail trade	36	45	56,414	107,356	10,251	11,952	5,602	5,605	3,274	1,977
Wholesale and retail trade not allocable	3	6	14,138	32,461	6,928	6,940	1,899	1,699	1,863	878
Finance, insurance and real estate	128	207	2,957,311	762,683	95,622	105,627	9,848	10,304	48,577	34,833
Banking	16	30	1,745,513	338,387	31,579	32,858	1,286	1,287	22,330	21,563
Credit agencies other than banks	10	21	610,049	53,958	19,535	20,751	5,303	5,296	12,755	1,739
Insurance carriers	27	39	153,404	135,662	11,971	13,077	210	377	1,913	1,323
Holding and other investment companies, except bank holding companies	41	48	235,430	36,835	29,132	30,057	2,028	2,323	11,300	9,943
All other finance, insurance and real estate	54	69	212,915	197,841	3,405	8,885	1,022	1,021	278	265
Services	100	167	708,724	787,735	118,015	137,432	23,806	23,880	58,399	39,206
Business services	64	111	461,262	564,475	95,038	102,390	18,160	18,162	56,990	37,831
All other services	36	57	247,462	223,260	22,977	35,042	5,647	5,718	1,409	1,375
Nature of business not allocable	15	15	3,329	1,908	345	403	-3	-3	—	—
Inactive	199	351	147,163	—	—	—	—	—	—	—

Selected country of incorporation and selected industry of Controlled Foreign Corporation	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Other Western Hemisphere, Total										
All industries, total	740	1,462	38,275,340	59,033,035	2,257,408	2,507,347	186,255	184,951	943,353	379,426
Agriculture, forestry and fishing	3	4	4,028	4,380	261	305	147	147	—	—
Mining	33	67	519,278	259,605	74,397	99,665	13,979	14,192	21,995	15,158
Metal mining	**	**	**	**	**	**	**	**	**	**
Oil and gas extraction	30	63	506,967	253,734	62,047	87,264	14,996	15,208	9,995	5,838
All other mining	**	**	**	**	**	**	**	**	**	**
Construction	11	18	451,122	192,729	18,587	27,243	685	685	133,147	20,484
Manufacturing	63	73	2,980,039	6,009,285	357,164	364,580	41,226	41,232	77,706	52,733
Food and kindred products	*14	*16	*94,227	*84,665	*5,848	*5,860	*91	*91	—	—
Chemicals and allied products	11	15	870,410	545,742	159,098	159,098	15,701	15,701	36,529	18,369
Petroleum (including integrated) and coal products	6	8	1,735,728	5,160,449	159,458	159,460	24,530	24,530	41,000	34,186
Primary metal industries	—	—	—	—	—	—	—	—	—	—
Machinery, except electrical	**	**	**	**	**	**	**	**	**	**
Electrical and electronic equipment	5	6	106,820	36,362	3,822	5,316	113	118	—	—
Motor vehicles and equipment	**	**	**	**	**	**	**	**	**	**
Instruments and related products	**	**	**	**	**	**	**	**	**	**
All other manufacturing	21	21	104,793	140,153	15,031	20,198	495	495	178	178
Transportation and public utilities	44	55	973,275	1,554,603	185,458	205,243	325	344	22,784	13,575
Water transportation	34	43	406,882	404,998	27,850	39,890	325	345	21,404	12,637
All other transportation and public utilities	10	12	566,393	1,149,605	157,608	165,353	—	-1	1,380	938
Wholesale and retail trade	80	115	6,448,630	46,366,911	224,286	357,128	9,129	8,191	187,689	55,735
Wholesale trade	69	102	6,420,383	46,345,766	221,861	354,600	9,129	8,191	187,689	55,735
Petroleum and petroleum products	26	48	5,775,070	45,127,603	175,999	306,787	8,368	7,428	175,141	46,415
All other wholesale trade	45	54	645,313	1,218,163	45,862	47,814	761	763	12,548	9,321
Retail trade	12	13	28,247	21,145	2,426	2,528	—	—	—	—
Wholesale and retail trade not allocable	—	—	—	—	—	—	—	—	—	—
Finance, insurance and real estate	497	761	24,993,296	4,297,100	1,313,562	1,361,972	115,439	114,874	455,375	205,058
Banking	20	28	1,381,808	222,099	42,202	42,205	3,846	3,846	7,335	4,014
Credit agencies other than banks	94	114	10,476,115	838,135	290,670	293,193	60,799	60,986	100,052	44,210
Insurance carriers	282	334	6,619,840	2,491,861	677,439	696,556	21,153	21,134	99,607	68,086
Holding and other investment companies, except bank holding companies	109	154	5,694,343	452,801	256,652	273,775	28,320	27,811	227,466	86,494
All other finance, insurance and real estate	104	131	821,190	292,204	46,599	56,242	1,321	1,097	20,916	2,255
Services	100	124	1,455,716	348,287	83,069	90,466	5,325	5,287	40,780	16,683
Business services	57	70	865,531	165,931	50,658	51,499	617	617	35,514	14,352
All other services	46	54	590,185	182,356	32,411	38,967	4,708	4,669	5,266	2,331
Nature of business not allocable	15	19	17,799	135	625	746	—	—	—	—
Inactive	165	226	432,157	—	—	—	—	—	3,877	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Selected Industry of Controlled Foreign Corporation — Continued

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

Selected country of incorporation and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
The Bahamas										
All industries, total	146	260	7,524,769	34,951,662	322,780	395,921	43,968	43,511	159,694	75,924
Agriculture, forestry and fishing	**	**	**	**	**	**	**	**	**	**
Mining	6	13	367,896	164,815	48,145	51,230	9,241	9,453	3,050	2,913
Metal mining	—	—	—	—	—	—	—	—	—	—
Oil and gas extraction	6	13	367,896	164,815	48,145	51,230	9,241	9,453	3,050	2,913
All other mining	—	—	—	—	—	—	—	—	—	—
Construction	4	4	12,975	3,110	894	1,047	—	—	3,647	147
Manufacturing	11	13	1,422,296	3,132,939	163,055	164,860	21,076	21,075	45,014	37,836
Food and kindred products	—	—	—	—	—	—	—	—	—	—
Chemicals and allied products	4	4	94,814	141,743	16,085	16,085	1,095	1,095	4,014	3,650
Petroleum (including integrated) and coal products	**	**	**	**	**	**	**	**	**	**
Primary metal industries	—	—	—	—	—	—	—	—	—	—
Machinery, except electrical	**	**	**	**	**	**	**	**	**	**
Electrical and electronic equipment	—	—	—	—	—	—	—	—	—	—
Motor vehicles and equipment	—	—	—	—	—	—	—	—	—	—
Instruments and related products	—	—	—	—	—	—	—	—	—	—
All other manufacturing	4	4	7,069	67,733	-964	98	78	78	—	—
Transportation and public utilities	15	18	191,126	182,480	9,544	19,636	165	196	15,680	9,987
Water transportation	**	**	**	**	**	**	**	**	**	**
All other transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	36	47	3,614,979	31,197,146	38,307	84,038	8,233	7,230	62,922	6,857
Wholesale trade	29	38	3,602,785	31,176,185	37,066	82,693	8,233	7,230	62,922	6,857
Petroleum and petroleum products	10	18	3,361,053	30,695,148	14,445	59,642	7,938	6,935	54,369	611
All other wholesale trade	19	20	241,731	481,036	22,621	23,052	295	295	8,553	6,246
Retail trade	8	9	12,195	20,962	1,242	1,344	—	—	—	—
Wholesale and retail trade not allocable	—	—	—	—	—	—	—	—	—	—
Finance, insurance and real estate	55	68	1,793,277	217,010	49,735	58,134	5,871	5,871	23,121	12,137
Banking	14	16	1,317,125	141,769	28,860	28,860	3,336	3,336	7,335	4,014
Credit agencies other than banks	*10	*11	*55,648	*9,038	*2,751	*2,936	*21	*21	*991	*314
Insurance carriers	7	8	58,016	15,826	3,293	3,293	—	—	350	350
Holding and other investment companies, except bank holding companies	20	24	323,237	44,864	15,642	22,771	2,473	2,473	14,446	7,459
All other finance, insurance and real estate	8	9	39,251	5,493	-810	275	42	42	—	—
Services	22	27	104,586	74,087	13,184	16,977	-617	-315	6,248	6,048
Business services	14	17	59,995	51,688	12,015	12,187	-1,167	-1,167	6,048	6,048
All other services	9	10	44,591	22,399	1,169	4,790	550	853	200	—
Nature of business not allocable	**	**	**	**	**	**	**	**	**	**
Inactive	52	68	9,950	—	—	—	—	—	12	—
Bermuda										
All industries, total	498	821	14,131,863	21,525,395	1,427,284	1,566,404	52,037	51,859	372,378	191,796
Agriculture, forestry and fishing	—	—	—	—	—	—	—	—	—	—
Mining	17	40	92,502	85,913	25,459	44,305	3,012	3,012	18,945	12,245
Metal mining	**	**	**	**	**	**	**	**	**	**
Oil and gas extraction	15	37	89,954	83,806	15,117	33,913	4,029	4,029	6,945	2,925
All other mining	**	**	**	**	**	**	**	**	**	**
Construction	6	10	76,687	105,703	5,297	5,425	561	561	—	—
Manufacturing	34	37	1,274,371	2,624,509	161,435	165,523	14,969	14,975	13,725	1,689
Food and kindred products	*11	*11	*73,338	*45,363	*4,181	*4,181	*91	*91	—	—
Chemicals and allied products	5	7	731,804	287,709	114,294	114,294	9,947	9,947	13,725	1,689
Petroleum (including integrated) and coal products	**	**	**	**	**	**	**	**	**	**
Primary metal industries	—	—	—	—	—	—	—	—	—	—
Machinery, except electrical	3	3	28,644	16,522	5,986	5,986	8	8	—	—
Electrical and electronic equipment	**	**	**	**	**	**	**	**	**	**
Motor vehicles and equipment	**	**	**	**	**	**	**	**	**	**
Instruments and related products	**	**	**	**	**	**	**	**	**	**
All other manufacturing	10	10	91,346	61,511	14,344	18,380	210	210	—	—
Transportation and public utilities	23	29	697,848	1,365,358	182,894	184,147	152	151	7,104	3,587
Water transportation	17	23	151,511	218,378	20,130	20,346	152	153	7,104	3,587
All other transportation and public utilities	6	6	546,338	1,146,981	162,764	163,801	—	-1	—	—
Wholesale and retail trade	43	56	2,601,900	14,253,639	178,255	264,032	417	483	124,767	48,879
Wholesale trade	40	53	2,585,847	14,253,455	177,071	262,848	417	483	124,767	48,879
Petroleum and petroleum products	21	27	2,281,909	13,553,388	156,205	240,884	76	142	120,772	45,804
All other wholesale trade	21	26	303,938	700,068	20,866	21,963	341	341	3,995	3,075
Retail trade	3	3	16,053	183	1,184	1,184	—	—	—	—
Wholesale and retail trade not allocable	—	—	—	—	—	—	—	—	—	—
Finance, insurance and real estate	358	483	8,417,486	2,915,457	827,336	855,330	29,923	29,660	181,016	117,172
Banking	5	5	36,426	77,561	11,600	11,600	295	295	—	—
Credit agencies other than banks	7	12	274,865	34,059	11,840	12,068	1,315	1,315	—	—
Insurance carriers	275	323	6,415,212	2,461,348	669,548	688,666	20,514	20,495	93,375	64,143
Holding and other investment companies, except bank holding companies	32	40	1,343,880	89,694	98,497	99,403	7,163	7,163	66,725	50,773
All other finance, insurance and real estate	81	102	347,105	252,796	35,851	43,593	636	392	20,916	2,255
Services	59	65	552,002	174,786	45,901	46,897	3,002	3,017	26,821	8,224
Business services	36	40	157,870	55,757	21,539	21,675	-108	-108	24,381	6,275
All other services	23	25	394,133	119,029	24,362	25,222	3,110	3,125	2,441	1,949
Nature of business not allocable	9	12	9,582	30	707	746	—	—	—	—
Inactive	73	89	409,483	—	—	—	—	—	—	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Selected Industry of Controlled Foreign Corporation — Continued

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

Selected country of incorporation and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Netherlands Antilles										
All industries, total	260	345	14,311,863	2,190,820	450,512	487,332	68,374	67,704	405,521	111,706
Agriculture, forestry and fishing	**	**	**	**	**	**	**	**	**	**
Mining	10	12	57,167	8,726	1,265	4,130	1,726	1,726	—	—
Metal mining	—	—	—	—	—	—	—	—	—	—
Oil and gas extraction	**	**	**	**	**	**	**	**	**	**
All other mining	**	**	**	**	**	**	**	**	**	**
Construction	**	**	**	**	**	**	**	**	**	**
Manufacturing	13	13	118,086	109,909	18,965	20,419	2,086	2,086	13,208	13,208
Food and kindred products	3	3	5,967	9,571	847	859	—	—	—	—
Chemicals and allied products	3	3	26,949	84,016	17,835	17,835	1,586	1,586	13,030	13,030
Petroleum (including integrated) and coal products	—	—	—	—	—	—	—	—	—	—
Primary metal industries	—	—	—	—	—	—	—	—	—	—
Machinery, except electrical	**	**	**	**	**	**	**	**	—	—
Electrical and electronic equipment	3	3	77,657	5,764	-1,172	271	52	52	**	**
Motor vehicles and equipment	—	—	—	—	—	—	—	—	—	—
Instruments and related products	**	**	**	**	**	**	**	**	—	—
All other manufacturing	**	**	**	**	**	**	**	**	**	**
Transportation and public utilities	7	7	64,292	25,697	-7,128	1,313	6	-3	—	—
Water transportation	**	**	**	**	**	**	**	**	—	—
All other transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	10	10	231,752	916,061	7,659	8,994	479	478	—	—
Wholesale trade	10	10	231,752	916,061	7,659	8,994	479	478	—	—
Petroleum and petroleum products	3	3	132,108	879,067	5,348	6,260	354	351	—	—
All other wholesale trade	7	7	99,644	36,994	2,310	2,734	125	127	—	—
Retail trade	—	—	—	—	—	—	—	—	—	—
Wholesale and retail trade not allocable	—	—	—	—	—	—	—	—	—	—
Finance, insurance and real estate	163	204	12,658,358	958,774	393,103	405,119	60,864	60,562	251,239	75,749
Banking	**	**	**	**	**	**	**	**	**	**
Credit agencies other than banks	79	90	8,034,686	591,799	233,732	235,842	40,683	40,870	99,061	43,895
Insurance carriers	**	**	**	**	**	**	**	**	**	**
Holding and other investment companies, except bank holding companies	66	90	4,027,226	318,243	142,513	151,601	18,684	18,175	148,295	28,262
All other finance, insurance and real estate	17	18	434,796	33,914	11,560	12,375	642	683	—	—
Services	26	30	792,853	96,793	24,309	26,592	2,940	2,584	7,711	2,411
Business services	11	13	647,666	58,486	17,105	17,637	1,892	1,892	5,085	2,029
All other services	16	17	145,187	38,308	7,204	8,954	1,048	692	2,626	382
Nature of business not allocable	3	3	729	—	-41	—	—	—	—	—
Inactive	55	62	8,679	—	—	—	—	—	3,865	—
All other Western Hemisphere										
All industries, total	30	36	2,308,844	365,157	56,831	57,690	21,877	21,877	5,759	—
Agriculture, forestry and fishing	**	**	**	**	**	**	**	**	**	**
Mining	**	**	**	**	**	**	**	**	**	**
Metal mining	—	—	—	—	—	—	—	—	—	—
Oil and gas extraction	**	**	**	**	**	**	**	**	**	**
All other mining	—	—	—	—	—	—	—	—	—	—
Construction	**	**	**	**	**	**	**	**	**	**
Manufacturing	8	10	165,296	141,929	13,709	13,777	3,096	3,096	5,759	—
Food and kindred products	**	**	**	**	**	**	**	**	**	**
Chemicals and allied products	**	**	**	**	**	**	**	**	**	**
Petroleum (including integrated) and coal products	**	**	**	**	**	**	**	**	**	**
Primary metal industries	—	—	—	—	—	—	—	—	—	—
Machinery, except electrical	—	—	—	—	—	—	—	—	—	—
Electrical and electronic equipment	**	**	**	**	**	**	**	**	**	**
Motor vehicles and equipment	—	—	—	—	—	—	—	—	—	—
Instruments and related products	—	—	—	—	—	—	—	—	—	—
All other manufacturing	**	**	**	**	**	**	**	**	**	**
Transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Water transportation	**	**	**	**	**	**	**	**	**	**
All other transportation and public utilities	—	—	—	—	—	—	—	—	—	—
Wholesale and retail trade	**	**	**	**	**	**	**	**	**	**
Wholesale trade	**	**	**	**	**	**	**	**	**	**
Petroleum and petroleum products	—	—	—	—	—	—	—	—	—	—
All other wholesale trade	**	**	**	**	**	**	**	**	**	**
Retail trade	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade not allocable	—	—	—	—	—	—	—	—	—	—
Finance, insurance and real estate	7	7	2,124,173	205,859	43,387	43,389	18,780	18,780	—	—
Banking	**	**	**	**	**	**	**	**	**	**
Credit agencies other than banks	**	**	**	**	**	**	**	**	**	**
Insurance carriers	**	**	**	**	**	**	**	**	**	**
Holding and other investment companies, except bank holding companies	—	—	—	—	—	—	—	—	—	—
All other finance, insurance and real estate	**	**	**	**	**	**	**	**	**	**
Services	**	**	**	**	**	**	**	**	**	**
Business services	**	**	**	**	**	**	**	**	**	**
All other services	**	**	**	**	**	**	**	**	**	**
Nature of business not allocable	**	**	**	**	**	**	**	**	**	**
Inactive	7	7	4,045	—	—	—	—	—	—	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Selected Industry of Controlled Foreign Corporation — Continued

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

Selected country of incorporation and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Europe, Total										
All industries, total	2,347	15,757	241,807,390	364,600,765	24,451,202	28,445,004	8,747,070	8,549,258	7,625,785	5,109,621
Agriculture, forestry and fishing	15	46	253,522	848,333	-18,236	20,947	9,073	8,745	2,508	1,618
Mining	119	257	2,987,906	2,455,046	1,735,392	1,833,430	664,606	664,661	606,543	153,604
Metal mining	*11	*16	*45,323	*35,678	*5,853	*7,979	*420	*420	—	—
Oil and gas extraction	105	228	2,891,736	2,358,140	1,723,457	1,818,970	661,724	661,780	605,104	152,347
All other mining	8	13	50,847	61,228	6,082	6,482	2,463	2,461	1,439	1,257
Construction	62	201	3,792,499	4,585,732	314,846	358,372	106,733	104,509	134,265	88,489
Manufacturing	1,214	5,064	120,821,328	202,014,507	13,212,004	15,792,575	5,130,523	4,984,079	4,325,307	3,084,456
Food and kindred products	71	290	6,566,466	14,122,772	638,002	775,456	190,693	175,447	176,859	133,789
Chemicals and allied products	189	1,040	20,775,959	33,226,583	2,467,813	2,842,620	942,168	918,485	808,160	577,164
Petroleum (including integrated) and coal products	34	73	17,247,612	48,319,649	3,230,557	3,240,912	1,030,388	1,035,434	833,774	800,368
Primary metal industries	41	124	2,470,030	3,263,614	137,221	209,201	63,701	64,555	49,135	38,741
Machinery, except electrical	259	631	10,640,000	14,152,817	628,748	959,674	263,848	236,389	174,727	123,129
Electrical and electronic equipment	230	700	19,461,143	25,109,612	2,940,459	3,237,495	1,206,977	1,167,733	1,262,685	718,331
Motor vehicles and equipment	34	157	15,984,297	23,761,737	220,528	1,068,822	321,725	323,547	143,490	97,720
Instruments and related products	105	342	3,963,933	5,302,885	480,187	536,106	156,267	154,070	68,759	51,919
All other manufacturing	565	1,707	23,691,888	36,754,837	2,468,488	2,922,287	932,755	908,419	807,717	543,296
Transportation and public utilities	100	234	2,965,394	2,395,825	74,664	189,314	58,530	72,539	41,800	32,873
Water transportation	35	66	1,001,779	512,849	-14,148	49,461	7,595	7,373	7,975	1,659
All other transportation and public utilities	71	168	1,963,616	1,882,976	88,812	139,853	50,935	65,166	33,825	31,214
Wholesale and retail trade	853	3,557	44,023,236	128,541,856	6,093,209	6,723,534	1,862,104	1,838,130	1,332,857	964,834
Wholesale trade	777	3,095	38,937,118	116,624,327	5,472,269	6,038,759	1,677,677	1,660,538	1,226,301	879,301
Petroleum and petroleum products	32	297	17,300,420	60,517,016	3,351,347	3,394,278	867,311	864,133	504,974	479,771
All other wholesale trade	758	2,798	21,636,698	56,107,312	2,120,922	2,644,481	810,367	796,405	721,328	399,530
Retail trade	105	372	4,479,603	10,976,379	501,236	555,497	144,081	140,500	85,268	66,940
Wholesale and retail trade not allocable	26	90	606,515	941,149	119,704	129,278	40,345	37,093	21,288	18,393
Finance, insurance and real estate	406	1,384	54,008,305	10,510,109	1,987,948	2,208,285	452,818	421,046	773,217	486,584
Banking	33	91	27,607,687	3,387,919	329,409	354,402	119,692	117,999	22,716	16,180
Credit agencies other than banks	59	201	9,085,489	1,574,085	262,648	305,433	56,052	54,043	60,916	32,027
Insurance carriers	56	110	3,140,113	951,843	75,112	91,003	30,700	29,797	7,532	6,733
Holding and other investment companies, except bank holding companies	262	544	10,862,110	2,515,853	1,135,924	1,245,199	168,302	143,374	637,649	404,233
All other finance, insurance and real estate	156	439	3,312,907	2,080,409	184,855	212,247	78,071	75,834	44,403	27,411
Services	576	2,124	12,146,187	13,141,249	1,050,514	1,312,468	461,119	453,912	401,943	297,061
Business services	384	1,357	7,120,434	8,682,935	776,369	908,781	341,840	341,262	276,720	222,111
All other services	263	766	5,025,753	4,458,313	274,145	403,687	119,279	112,650	125,223	74,950
Nature of business not allocable	101	243	160,442	108,108	963	6,079	1,567	1,638	1,543	302
Inactive	693	2,648	648,571	—	—	—	—	—	5,802	—
Austria										
All industries, total	210	291	2,488,082	3,847,721	157,297	210,283	78,543	75,233	68,836	56,074
Agriculture, forestry and fishing	**	**	**	**	**	**	**	**	**	**
Mining	4	4	3,511	7,643	1,578	1,582	934	941	357	343
Metal mining	—	—	—	—	—	—	—	—	—	—
Oil and gas extraction	4	4	3,511	7,643	1,578	1,582	934	941	357	343
All other mining	—	—	—	—	—	—	—	—	—	—
Construction	**	**	**	**	**	**	**	**	**	**
Manufacturing	63	75	507,511	835,462	45,342	60,019	21,346	21,499	11,713	9,239
Food and kindred products	4	5	36,655	84,682	5,241	8,361	3,207	3,497	3,216	3,126
Chemicals and allied products	18	22	71,202	158,122	6,340	8,395	3,333	3,314	2,184	1,788
Petroleum (including integrated) and coal products	—	—	—	—	—	—	—	—	—	—
Primary metal industries	**	**	**	**	**	**	**	**	**	**
Machinery, except electrical	8	9	35,448	47,392	360	2,818	974	974	930	—
Electrical and electronic equipment	7	10	98,894	155,175	9,077	11,648	3,817	3,760	1,145	1,145
Motor vehicles and equipment	—	—	—	—	—	—	—	—	—	—
Instruments and related products	6	7	21,915	24,113	-100	983	300	321	—	—
All other manufacturing	17	18	203,842	336,380	26,138	27,151	6,984	8,839	3,631	2,754
Transportation and public utilities	3	3	29,699	33,504	5,996	6,012	1,487	1,487	3,380	3,380
Water transportation	—	—	—	—	—	—	—	—	—	—
All other transportation and public utilities	3	3	29,699	33,504	5,996	6,012	1,487	1,487	3,380	3,380
Wholesale and retail trade	102	121	890,675	2,485,481	87,791	99,208	27,378	27,241	41,172	32,413
Wholesale trade	93	107	854,246	2,379,935	88,447	96,674	26,630	26,494	40,864	32,148
Petroleum and petroleum products	4	7	406,490	1,413,568	44,393	44,393	7,863	7,863	28,052	22,116
All other wholesale trade	89	100	447,756	966,367	44,054	52,280	18,767	18,630	12,832	10,032
Retail trade	9	10	23,195	82,806	-2,440	750	76	76	86	83
Wholesale and retail trade not allocable	3	4	13,234	22,740	1,785	1,785	672	672	202	202
Finance, insurance and real estate	11	13	776,444	95,663	1,229	2,512	466	-799	424	350
Banking	3	4	680,803	73,484	832	832	289	289	424	350
Credit agencies other than banks	—	—	—	—	—	—	—	—	—	—
Insurance carriers	—	—	—	—	—	—	—	—	—	—
Holding and other investment companies, except bank holding companies	4	5	84,531	21,910	-370	912	170	-1,095	—	—
All other finance, insurance and real estate	**	**	**	**	**	**	**	**	**	**
Services	38	45	255,695	350,848	37,696	39,808	24,507	24,438	11,219	9,779
Business services	23	29	214,467	297,429	30,790	32,469	21,481	21,473	9,492	8,494
All other services	15	16	41,228	53,420	6,906	7,338	3,026	2,965	1,727	1,285
Nature of business not allocable	—	—	—	—	—	—	—	—	—	—
Inactive	22	27	173	—	—	—	—	—	—	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Selected Industry of Controlled Foreign Corporation — Continued

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

Selected country of incorporation and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Belgium										
All industries, total	540	835	14,316,653	22,313,903	1,323,109	1,504,889	621,287	619,190	350,551	251,489
Agriculture, forestry and fishing	**	**	**	**	**	**	**	**	**	**
Mining	**	**	**	**	**	**	**	**	**	**
Metal mining	—	—	—	—	—	—	—	—	—	—
Oil and gas extraction	—	—	—	—	—	—	—	—	—	—
All other mining	**	**	**	**	**	**	**	**	**	**
Construction	7	8	32,837	48,541	2,659	4,159	1,746	1,746	1,718	1,657
Manufacturing	235	306	7,194,531	15,121,330	856,443	932,782	382,578	383,519	276,520	188,904
Food and kindred products	14	18	259,225	349,227	-1,437	13,065	1,643	1,843	2,477	1,964
Chemicals and allied products	66	79	1,527,440	2,906,518	259,960	270,285	115,461	116,243	76,578	52,687
Petroleum (including integrated) and coal products	3	3	1,336,809	5,175,020	350,278	350,278	137,586	137,586	61,759	61,759
Primary metal industries	9	9	150,185	209,196	7,524	7,524	1,257	1,257	2,128	521
Machinery, except electrical	39	44	607,876	1,047,256	35,785	44,103	13,751	13,189	5,088	3,738
Electrical and electronic equipment	26	31	1,028,274	1,272,525	72,613	82,802	37,681	38,040	33,965	28,788
Motor vehicles and equipment	5	5	562,791	1,474,601	27,065	27,263	6,699	6,699	43,251	16,454
Instruments and related products	10	11	72,942	118,803	4,069	5,920	2,773	2,963	1,068	1,068
All other manufacturing	92	106	1,648,989	2,570,182	100,585	131,522	65,528	65,700	50,206	21,724
Transportation and public utilities	15	15	67,801	99,213	1,162	1,297	455	487	2,169	—
Water transportation	3	3	677	2,183	27	30	42	42	—	—
All other transportation and public utilities	12	12	67,124	97,031	1,134	1,267	413	445	2,169	—
Wholesale and retail trade	182	226	2,212,378	5,487,241	345,613	432,887	185,274	182,473	37,718	29,684
Wholesale trade	165	198	2,133,308	5,268,905	333,395	416,533	180,911	178,105	36,842	29,454
Petroleum and petroleum products	12	16	537,330	1,784,222	264,655	268,961	130,983	127,369	10,956	10,884
All other wholesale trade	157	182	1,595,978	3,484,683	68,740	147,572	49,928	50,736	25,886	18,570
Retail trade	19	22	56,844	183,664	12,018	15,885	3,939	3,942	357	210
Wholesale and retail trade not allocable	4	6	22,226	34,672	200	468	424	426	520	—
Finance, insurance and real estate	45	54	4,113,033	576,446	33,917	36,013	12,675	12,718	609	507
Banking	4	4	3,082,934	353,246	13,271	13,271	3,562	3,562	176	1,476
Credit agencies other than banks	7	8	730,163	100,882	6,164	7,353	4,908	4,916	—	—
Insurance carriers	11	13	187,315	76,871	8,861	9,073	3,432	3,447	397	295
Holding and other investment companies, except bank holding companies	6	8	37,310	77	2,375	2,863	709	701	—	—
All other finance, insurance and real estate	20	21	75,312	45,571	3,247	3,454	64	91	35	35
Services	104	135	655,448	779,808	65,625	96,942	38,202	37,891	31,601	30,741
Business services	72	91	561,053	643,250	83,767	88,638	35,040	34,728	30,110	29,625
All other services	38	44	94,395	136,558	1,859	8,303	3,162	3,163	1,682	1,116
Nature of business not allocable	10	14	8,613	283	-225	260	68	68	16	16
Inactive	64	74	9,681	—	—	—	—	—	—	—
Denmark										
All industries, total	170	261	1,985,507	4,370,427	114,678	187,398	58,680	55,745	56,601	42,625
Agriculture, forestry and fishing	—	—	—	—	—	—	—	—	—	—
Mining	**	**	**	**	**	**	**	**	**	**
Metal mining	—	—	—	—	—	—	—	—	—	—
Oil and gas extraction	**	**	**	**	**	**	**	**	**	**
All other mining	—	—	—	—	—	—	—	—	—	—
Construction	**	**	**	**	**	**	**	**	**	**
Manufacturing	56	75	798,635	2,070,329	32,871	48,002	16,816	15,660	17,931	9,556
Food and kindred products	7	11	81,918	158,559	1,405	3,750	1,522	1,540	1,748	1,166
Chemicals and allied products	16	18	93,475	184,521	10,228	12,567	4,186	4,212	5,098	879
Petroleum (including integrated) and coal products	**	**	**	**	**	**	**	**	**	**
Primary metal industries	**	**	**	**	**	**	**	**	**	**
Machinery, except electrical	4	6	46,110	59,027	787	1,381	—	—	—	—
Electrical and electronic equipment	8	11	85,190	122,902	-326	4,026	1,589	1,022	1,842	168
Motor vehicles and equipment	**	**	**	**	**	**	**	**	**	**
Instruments and related products	7	9	27,203	37,712	3,303	4,465	1,607	1,607	739	739
All other manufacturing	15	15	67,247	139,235	-756	3,583	1,402	772	3,196	1,293
Transportation and public utilities	4	4	78,686	112,103	5,760	6,220	2,005	2,005	—	—
Water transportation	—	—	—	—	—	—	—	—	—	—
All other transportation and public utilities	4	4	78,686	112,103	5,760	6,220	2,005	2,005	—	—
Wholesale and retail trade	80	116	678,659	1,821,390	14,030	48,237	10,286	9,038	12,171	7,611
Wholesale trade	70	81	614,093	1,540,125	6,257	38,457	8,180	6,954	11,157	6,614
Petroleum and petroleum products	5	6	345,799	1,029,500	12,513	12,532	4	4	—	—
All other wholesale trade	65	75	268,294	510,625	-6,255	23,925	8,176	6,950	11,157	6,614
Retail trade	8	32	51,154	258,119	2,588	4,418	653	631	—	—
Wholesale and retail trade not allocable	3	3	13,411	23,146	5,185	5,361	1,453	1,453	1,014	997
Finance, insurance and real estate	9	9	108,781	32,919	-1,683	915	392	-104	699	43
Banking	—	—	—	—	—	—	—	—	—	—
Credit agencies other than banks	**	**	**	**	**	**	**	**	**	**
Insurance carriers	**	**	**	**	**	**	**	**	**	**
Holding and other investment companies, except bank holding companies	**	**	**	**	**	**	**	**	**	**
All other finance, insurance and real estate	4	4	16,580	1,238	603	617	89	89	141	43
Services	27	34	317,356	330,811	63,564	65,869	29,128	29,098	25,732	25,348
Business services	17	19	266,609	290,021	62,128	63,939	28,478	28,440	25,324	25,018
All other services	10	15	50,747	40,791	1,437	1,930	651	658	408	330
Nature of business not allocable	**	**	**	**	**	**	**	**	**	**
Inactive	18	18	1,279	—	—	—	—	—	—	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Selected Industry of Controlled Foreign Corporation — Continued

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

Selected country of incorporation and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
France (including Andorra)										
All industries, total	614	1,651	25,390,429	47,018,919	2,631,162	2,885,643	1,008,759	1,002,296	607,177	489,848
Agriculture, forestry and fishing	4	6	19,447	21,900	2,236	2,625	1,302	1,302	45	—
Mining	13	17	61,292	50,195	10,698	11,385	1,523	1,525	121	121
Metal mining	*6	*9	*30,930	*25,463	*6,497	*7,067	—	—	—	—
Oil and gas extraction	7	8	30,362	24,732	4,201	4,318	1,523	1,525	121	121
All other mining	—	—	—	—	—	—	—	—	—	—
Construction	19	36	840,857	614,093	118,055	128,106	21,338	20,615	37,616	27,104
Manufacturing	397	648	16,788,289	32,668,121	1,854,837	2,087,325	805,278	785,904	503,182	414,649
Food and kindred products	17	29	748,906	1,937,447	63,725	64,778	29,460	29,646	11,983	6,473
Chemicals and allied products	67	143	2,848,565	5,685,807	452,493	467,309	227,821	227,017	118,192	89,497
Petroleum (including integrated) and coal products	3	4	2,253,153	6,775,385	344,973	345,406	105,745	105,745	102,150	84,455
Primary metal industries	10	12	125,684	219,842	8,399	8,399	2,809	2,609	861	861
Machinery, except electrical	60	81	1,757,717	2,512,136	50,784	133,784	43,592	24,477	21,007	13,727
Electrical and electronic equipment	64	65	3,290,727	4,061,788	418,659	468,003	189,215	188,659	150,428	147,416
Motor vehicles and equipment	17	23	1,569,504	3,005,357	85,983	97,692	28,109	30,914	10,313	5,081
Instruments and related products	38	47	901,228	1,330,186	106,931	120,082	25,994	25,396	2,459	2,273
All other manufacturing	166	224	3,294,825	5,138,173	322,910	381,872	152,513	151,241	85,790	64,766
Transportation and public utilities	11	15	364,865	535,639	-15,976	9,953	1,048	15,959	107	107
Water transportation	**	**	**	**	**	**	**	**	**	**
All other transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	286	433	3,991,817	11,101,202	482,893	505,275	121,688	120,259	42,801	28,424
Wholesale trade	254	378	3,715,746	10,627,957	414,489	448,955	102,442	101,748	35,314	21,063
Petroleum and petroleum products	7	42	1,461,451	4,747,146	216,235	218,727	2,448	2,454	2,039	1,823
All other wholesale trade	250	336	2,254,294	5,880,811	198,254	230,228	99,994	99,294	33,275	19,240
Retail trade	30	43	122,979	246,933	4,703	11,073	4,133	3,772	1,306	1,182
Wholesale and retail trade not allocable	10	12	152,892	226,312	43,701	45,247	15,113	14,739	6,179	6,179
Finance, insurance and real estate	71	105	2,373,096	488,373	50,315	55,388	16,997	17,043	6,008	5,855
Banking	5	5	1,369,113	154,257	14,607	14,607	6,197	6,197	1,909	1,909
Credit agencies other than banks	12	16	648,477	120,985	9,929	12,282	2,557	2,553	1,104	1,102
Insurance carriers	3	3	60,600	34,800	1,077	1,124	151	151	—	—
Holding and other investment companies, except bank holding companies	21	22	147,544	33,475	16,398	17,556	5,576	5,609	2,210	2,188
All other finance, insurance and real estate	47	59	147,384	124,856	8,303	9,819	2,514	2,533	786	655
Services	172	245	897,110	1,310,398	47,808	85,216	39,426	39,534	17,087	13,878
Business services	101	148	556,201	766,188	31,249	51,509	23,198	23,264	8,034	7,318
All other services	80	97	340,909	544,210	16,559	33,707	16,229	16,270	9,054	6,360
Nature of business not allocable	11	11	34,496	50,909	298	369	157	157	9	9
Inactive	93	135	19,359	—	—	—	—	—	—	—
Italy (including San Marino)										
All industries, total	568	995	19,696,832	28,491,905	2,019,830	2,163,618	652,811	652,417	569,046	470,115
Agriculture, forestry and fishing	4	4	13,966	12,217	2,113	2,195	1,471	1,471	540	186
Mining	9	10	40,898	43,006	8,485	9,145	3,196	3,175	4,160	2,848
Metal mining	—	—	—	—	—	—	—	—	—	—
Oil and gas extraction	**	**	**	**	**	**	**	**	**	**
All other mining	**	**	**	**	**	**	**	**	**	**
Construction	11	13	1,236,720	434,364	12,728	17,465	2,396	2,252	204	204
Manufacturing	243	398	10,091,714	18,789,449	1,566,006	1,640,933	463,589	463,250	424,699	366,007
Food and kindred products	15	21	436,749	892,471	26,653	31,919	8,497	8,516	8,833	6,524
Chemicals and allied products	59	81	1,943,561	2,983,812	262,955	276,677	84,461	84,770	111,073	72,374
Petroleum (including integrated) and coal products	*12	*14	*1,792,879	*7,846,916	*379,192	*379,192	*58,706	*58,706	*57,961	*57,678
Primary metal industries	3	6	184,105	272,643	9,639	9,639	1,901	1,901	—	—
Machinery, except electrical	26	29	510,172	548,968	59,443	59,681	19,445	19,449	1,805	1,805
Electrical and electronic equipment	44	76	2,496,000	2,769,534	523,507	540,078	186,253	185,948	171,321	166,977
Motor vehicles and equipment	12	20	376,508	501,155	16,747	22,648	6,453	6,453	5,413	5,322
Instruments and related products	20	20	116,700	155,756	8,826	12,084	4,418	4,418	1,385	1,360
All other manufacturing	96	132	2,235,040	2,818,193	279,044	309,015	93,456	93,089	66,907	53,967
Transportation and public utilities	10	11	322,879	256,521	636	12,835	1,630	1,630	1,778	1,729
Water transportation	3	3	13,116	3,034	383	765	—	—	—	—
All other transportation and public utilities	7	8	309,763	253,487	253	12,071	1,630	1,630	1,778	1,729
Wholesale and retail trade	183	235	2,814,949	7,858,376	340,910	379,047	136,661	137,081	93,687	84,740
Wholesale trade	168	212	2,752,165	7,751,719	338,528	374,429	134,999	135,266	91,905	84,175
Petroleum and petroleum products	9	21	825,106	2,999,347	91,112	104,646	38,699	38,759	37,899	37,864
All other wholesale trade	160	191	1,927,059	4,752,371	247,416	269,783	96,300	96,507	54,006	46,310
Retail trade	9	15	32,800	42,643	-866	1,285	354	479	273	—
Wholesale and retail trade not allocable	6	8	29,984	64,014	3,248	3,332	1,308	1,335	1,509	566
Finance, insurance and real estate	33	38	4,416,536	649,013	65,900	66,477	23,097	22,778	35,360	9,065
Banking	3	3	3,819,777	495,588	44,389	44,389	15,705	15,705	—	—
Credit agencies other than banks	4	6	383,364	67,200	6,804	6,807	2,307	2,307	3,099	2,488
Insurance carriers	—	—	—	—	—	—	—	—	—	—
Holding and other investment companies, except bank holding companies	12	12	185,154	65,831	11,688	12,017	3,838	3,477	32,162	6,574
All other finance, insurance and real estate	15	17	28,241	20,394	3,016	3,263	1,247	1,290	99	3
Services	95	114	679,725	446,563	25,157	35,408	20,690	20,692	8,617	5,534
Business services	50	54	127,610	171,771	15,973	20,839	14,511	14,621	8,547	5,505
All other services	46	60	552,114	274,792	9,184	14,569	6,179	6,071	71	30
Nature of business not allocable	12	12	2,170	2,378	-104	113	81	89	—	—
Inactive	139	180	76,275	—	—	—	—	—	—	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Selected Industry of Controlled Foreign Corporation — Continued

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

Selected country of incorporation and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Luxembourg										
All industries, total	67	97	3,446,872	1,130,897	136,136	139,293	36,898	37,150	34,599	30,739
Agriculture, forestry and fishing	—	—	—	—	—	—	—	—	—	—
Mining	—	—	—	—	—	—	—	—	—	—
Metal mining	—	—	—	—	—	—	—	—	—	—
Oil and gas extraction	—	—	—	—	—	—	—	—	—	—
All other mining	—	—	—	—	—	—	—	—	—	—
Construction	**	**	**	**	**	**	**	**	**	**
Manufacturing	21	28	498,514	623,184	59,835	61,568	21,331	21,554	13,147	9,289
Food and kindred products	**	**	**	**	**	**	**	**	**	**
Chemicals and allied products	3	5	170,722	141,203	22,434	22,858	3,880	4,022	—	—
Petroleum (including integrated) and coal products	**	**	**	**	**	**	**	**	**	**
Primary metal industries	**	**	**	**	**	**	**	**	**	**
Machinery, except electrical	3	3	18,766	24,962	851	854	578	578	190	128
Electrical and electronic equipment	3	3	48,010	45,558	15,372	15,387	6,824	6,824	3,729	3,729
Motor vehicles and equipment	—	—	—	—	—	—	—	—	—	—
Instruments and related products	—	—	—	—	—	—	—	—	—	—
All other manufacturing	9	12	241,986	314,703	20,536	21,827	8,846	8,927	9,228	5,431
Transportation and public utilities	—	—	—	—	—	—	—	—	—	—
Water transportation	—	—	—	—	—	—	—	—	—	—
All other transportation and public utilities	—	—	—	—	—	—	—	—	—	—
Wholesale and retail trade	7	7	53,608	205,548	12,298	13,210	6,822	6,809	212	212
Wholesale trade	7	7	53,608	205,548	12,298	13,210	6,822	6,809	212	212
Petroleum and petroleum products	4	4	34,450	146,613	13,159	13,159	6,785	6,785	212	212
All other wholesale trade	3	3	19,157	58,935	-861	50	37	24	—	—
Retail trade	—	—	—	—	—	—	—	—	—	—
Wholesale and retail trade not allocable	—	—	—	—	—	—	—	—	—	—
Finance, insurance and real estate	26	35	2,890,701	296,176	63,012	63,249	8,462	8,505	20,860	20,860
Banking	7	8	2,040,212	234,087	12,117	12,223	4,718	4,718	12	12
Credit agencies other than banks	6	6	528,967	9,219	6,094	6,111	-120	-120	3,654	3,654
Insurance carriers	—	—	—	—	—	—	—	—	—	—
Holding and other investment companies, except bank holding companies	15	18	318,797	52,425	44,495	44,606	3,734	3,776	17,125	17,125
All other finance, insurance and real estate	3	3	2,725	445	307	309	130	130	69	69
Services	8	12	3,524	5,879	1,023	1,265	283	283	379	379
Business services	**	**	**	**	**	**	**	**	**	**
All other services	**	**	**	**	**	**	**	**	**	**
Nature of business not allocable	**	**	**	**	**	**	**	**	**	**
Inactive	11	12	424	—	—	—	—	—	1	—
Netherlands										
All industries, total	633	1,333	14,721,585	24,205,913	1,620,837	1,787,768	483,122	451,671	440,795	326,810
Agriculture, forestry and fishing	4	6	37,806	449,614	3,254	3,254	1,174	1,174	1,923	1,432
Mining	9	9	20,829	10,676	1,575	3,184	57	64	—	—
Metal mining	—	—	—	—	—	—	—	—	—	—
Oil and gas extraction	9	9	20,829	10,676	1,575	3,184	57	64	—	—
All other mining	—	—	—	—	—	—	—	—	—	—
Construction	16	20	94,071	209,646	25,095	25,941	10,345	10,263	18,638	10,747
Manufacturing	283	402	7,673,300	15,123,556	826,244	911,858	276,131	256,251	239,722	173,533
Food and kindred products	22	43	935,920	1,865,331	36,144	49,740	18,240	15,072	9,237	4,460
Chemicals and allied products	70	91	2,254,823	3,526,199	147,428	169,948	68,236	53,013	33,697	19,981
Petroleum (including integrated) and coal products	4	6	1,110,718	4,591,447	191,882	191,882	24,274	24,274	13,316	13,316
Primary metal industries	6	9	175,352	442,321	9,013	9,390	4,236	4,231	3,632	3,578
Machinery, except electrical	45	53	310,640	347,996	41,482	43,457	17,746	17,422	7,243	5,705
Electrical and electronic equipment	40	49	921,119	1,257,553	226,901	230,918	83,341	81,835	95,338	84,716
Motor vehicles and equipment	5	5	132,888	488,841	-18,784	10,805	4,006	5,406	1,860	1,860
Instruments and related products	26	30	264,213	323,935	27,823	30,682	9,834	10,047	7,639	5,617
All other manufacturing	95	117	1,567,527	2,297,933	160,355	174,636	48,218	44,950	67,381	24,302
Transportation and public utilities	21	22	205,652	169,168	32,453	35,122	15,711	15,711	16,140	14,640
Water transportation	7	7	54,870	69,821	1,437	3,523	1,473	1,473	1,675	175
All other transportation and public utilities	15	15	150,782	99,346	31,017	31,599	14,238	14,238	14,465	14,465
Wholesale and retail trade	220	339	2,830,380	6,702,317	427,813	453,840	152,861	150,502	104,985	84,268
Wholesale trade	200	306	2,699,647	6,515,454	408,169	430,918	146,923	144,820	104,658	84,250
Petroleum and petroleum products	12	28	723,364	2,077,658	162,584	163,869	47,674	47,672	54,665	52,465
All other wholesale trade	191	278	1,976,283	4,437,796	245,585	267,050	99,249	97,149	49,994	31,785
Retail trade	20	27	75,150	132,400	3,299	5,714	1,056	799	326	18
Wholesale and retail trade not allocable	4	6	55,583	54,484	16,344	17,208	4,882	4,882	—	—
Finance, insurance and real estate	99	156	2,953,588	613,621	231,279	266,435	19,053	10,290	48,671	38,138
Banking	**	**	**	**	**	**	**	**	**	**
Credit agencies other than banks	23	26	804,072	71,310	79,186	88,050	2,093	2,217	5,386	5,388
Insurance carriers	**	**	**	**	**	**	**	**	**	**
Holding and other investment companies, except bank holding companies	65	103	1,866,889	415,652	148,885	174,871	16,212	7,327	42,986	32,642
All other finance, insurance and real estate	19	21	33,087	114,941	2,982	3,228	573	570	119	95
Services	113	178	842,984	923,889	72,307	87,167	7,760	7,430	10,790	6,050
Business services	85	132	458,772	485,573	40,716	51,201	11,694	11,363	8,500	4,096
All other services	34	46	384,212	438,316	31,591	35,966	-3,934	-3,934	2,290	1,954
Nature of business not allocable	14	22	5,956	3,427	618	1,168	30	-12	26	2
Inactive	112	180	57,018	—	—	—	—	—	—	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Selected Industry of Controlled Foreign Corporation — Continued

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

Selected country of incorporation and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Spain										
All industries, total	307	513	7,064,117	9,238,145	304,529	581,104	122,151	123,158	165,924	135,397
Agriculture, forestry and fishing	4	6	12,552	25,889	-427	213	47	123	—	—
Mining	5	5	12,826	12,130	1,032	1,720	536	536	295	295
Metal mining	**	**	**	**	**	**	**	**	**	**
Oil and gas extraction	**	**	**	**	**	**	**	**	**	**
All other mining	**	**	**	**	**	**	**	**	**	**
Construction	7	11	77,666	131,124	5,566	7,466	1,861	1,814	1,717	1,179
Manufacturing	170	257	5,201,862	7,200,168	186,016	429,306	84,779	85,633	100,076	85,214
Food and kindred products	17	24	563,666	1,276,065	19,418	38,204	5,826	5,734	10,359	9,869
Chemicals and allied products	52	75	1,119,333	1,710,851	43,415	90,983	21,999	22,285	26,275	21,120
Petroleum (including integrated) and coal products	—	—	—	—	—	—	—	—	—	—
Primary metal industries	6	6	116,667	145,624	15,827	15,834	3,485	3,485	2,335	1,709
Machinery, except electrical	20	22	315,842	381,359	19,110	42,966	11,451	11,479	12,904	12,264
Electrical and electronic equipment	15	23	1,083,259	1,256,766	-66,579	16,803	5,122	5,538	10,179	5,451
Motor vehicles and equipment	10	18	1,276,726	1,518,946	100,680	143,047	18,252	18,252	9,589	8,460
Instruments and related products	7	7	32,863	42,002	-1,537	767	244	166	—	—
All other manufacturing	61	82	693,507	868,553	55,682	80,701	18,402	18,696	28,434	26,340
Transportation and public utilities	6	6	23,964	28,305	3,623	3,735	479	475	71	71
Water transportation	**	**	**	**	**	**	**	**	**	**
All other transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	75	89	805,131	1,211,255	50,253	76,137	17,147	17,170	24,300	18,946
Wholesale trade	62	75	694,865	1,041,909	45,792	70,817	15,211	15,161	22,034	18,338
Petroleum and petroleum products	3	4	27,394	139,905	4,574	4,827	1,329	1,342	4,311	1,352
All other wholesale trade	59	71	667,471	902,004	41,218	65,990	13,882	13,819	17,723	16,986
Retail trade	8	9	93,082	147,233	3,140	3,630	1,479	1,553	2,116	593
Wholesale and retail trade not allocable	5	5	17,184	22,113	1,320	1,690	457	457	150	15
Finance, insurance and real estate	12	15	391,413	72,394	10,226	11,036	3,715	3,721	10	—
Banking	**	**	**	**	**	**	**	**	**	**
Credit agencies other than banks	**	**	**	**	**	**	**	**	**	**
Insurance carriers	—	—	—	—	—	—	—	—	—	—
Holding and other investment companies, except bank holding companies	**	**	**	**	**	**	**	**	**	**
All other finance, insurance and real estate	6	7	7,033	5,637	666	700	314	340	—	—
Services	42	51	535,676	556,882	48,288	51,474	13,584	13,683	39,455	29,691
Business services	28	34	466,854	475,207	39,948	41,676	9,359	9,448	35,094	29,040
All other services	15	17	68,822	81,675	8,340	9,798	4,226	4,235	4,361	651
Nature of business not allocable	7	7	1,581	(1)	-46	47	2	2	—	—
Inactive	61	67	1,446	—	—	—	—	—	—	—
Sweden										
All industries, total	272	481	3,964,935	6,628,259	329,215	397,499	121,689	114,609	83,156	67,252
Agriculture, forestry and fishing	—	—	—	—	—	—	—	—	—	—
Mining	—	—	—	—	—	—	—	—	—	—
Metal mining	—	—	—	—	—	—	—	—	—	—
Oil and gas extraction	—	—	—	—	—	—	—	—	—	—
All other mining	—	—	—	—	—	—	—	—	—	—
Construction	**	**	**	**	**	**	**	**	**	**
Manufacturing	109	142	2,065,312	3,325,179	194,267	229,411	91,928	89,461	61,823	52,503
Food and kindred products	4	5	64,954	197,926	8,680	6,682	5,746	5,747	1,524	1,524
Chemicals and allied products	29	36	215,615	772,664	510	12,534	3,501	3,167	4,298	1,204
Petroleum (including integrated) and coal products	**	**	**	**	**	**	**	**	**	**
Primary metal industries	3	3	9,210	24,376	627	627	222	222	95	95
Machinery, except electrical	10	12	239,290	190,425	79	5,796	702	1,729	2,851	—
Electrical and electronic equipment	21	27	738,922	785,945	152,164	156,561	71,195	67,956	46,073	45,414
Motor vehicles and equipment	**	**	**	**	**	**	**	**	**	**
Instruments and related products	11	14	36,053	64,412	2,500	3,586	1,451	1,451	652	589
All other manufacturing	36	40	329,685	485,930	4,309	16,228	6,262	6,339	5,130	3,517
Transportation and public utilities	3	3	1,432	7,220	156	156	55	55	—	—
Water transportation	**	**	**	**	**	**	**	**	**	**
All other transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	107	134	1,667,817	3,053,406	125,806	152,001	24,303	19,579	16,479	13,193
Wholesale trade	94	109	1,194,626	2,125,991	55,071	74,000	22,448	18,316	15,721	13,183
Petroleum and petroleum products	5	12	547,709	771,502	15,752	16,693	2,850	2,850	2,578	2,513
All other wholesale trade	89	97	646,917	1,354,490	39,319	57,306	19,598	15,467	13,144	10,670
Retail trade	11	19	462,771	906,725	72,020	77,942	1,847	1,254	—	—
Wholesale and retail trade not allocable	4	6	10,420	20,690	-1,284	60	9	9	757	9
Finance, insurance and real estate	12	16	42,562	12,896	931	1,485	460	523	2,386	—
Banking	—	—	—	—	—	—	—	—	—	—
Credit agencies other than banks	3	3	27,009	5,713	894	894	500	500	20	—
Insurance carriers	—	—	—	—	—	—	—	—	—	—
Holding and other investment companies, except bank holding companies	3	3	874	58	34	34	21	21	—	—
All other finance, insurance and real estate	8	10	14,679	6,925	3	557	-62	1	2,366	—
Services	46	64	177,334	218,585	7,125	13,501	4,754	4,801	1,501	1,401
Business services	26	37	89,524	120,019	2,057	7,175	2,636	2,683	1,140	1,140
All other services	22	27	87,810	98,567	5,068	6,326	2,118	2,118	362	261
Nature of business not allocable	**	**	**	**	**	**	**	**	**	**
Inactive	57	107	3,292	—	—	—	—	—	27	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Selected Industry of Controlled Foreign Corporation — Continued

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

Selected country of incorporation and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Switzerland										
All industries, total	605	1,122	17,175,638	29,704,272	2,030,810	2,186,519	390,631	391,094	637,569	411,972
Agriculture, forestry and fishing	**	**	**	**	**	**	**	**	**	**
Mining	6	7	8,209	19,460	684	1,158	79	66	—	—
Metal mining	—	—	—	—	—	—	—	—	—	—
Oil and gas extraction	**	**	**	**	**	**	**	**	**	**
All other mining	**	**	**	**	**	**	**	**	**	**
Construction	10	13	62,506	74,385	3,134	4,116	1,382	1,382	514	514
Manufacturing	166	221	2,619,888	2,709,808	363,374	380,130	83,877	84,078	85,987	69,054
Food and kindred products	5	6	50,865	78,088	5,999	6,943	1,432	1,434	587	587
Chemicals and allied products	37	59	930,634	886,437	181,002	187,267	31,095	31,094	37,079	28,836
Petroleum (including integrated) and coal products	**	**	**	**	**	**	**	**	**	**
Primary metal industries	5	6	4,818	9,468	-163	30	15	15	—	—
Machinery, except electrical	31	35	232,925	235,852	45,224	49,616	13,760	13,795	11,968	9,829
Electrical and electronic equipment	26	35	373,706	497,843	29,812	29,973	6,936	6,937	10,716	10,601
Motor vehicles and equipment	**	**	**	**	**	**	**	**	**	**
Instruments and related products	20	25	169,101	185,756	17,962	18,747	4,638	4,784	2,948	1,379
All other manufacturing	43	52	774,337	808,746	71,027	74,842	25,987	26,006	22,689	17,823
Transportation and public utilities	*14	*46	*689,201	*381,005	*22,378	*23,803	*11,593	*11,649	—	—
Water transportation	**	**	**	**	**	**	**	**	**	**
All other transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	242	341	7,459,867	23,487,651	1,258,961	1,329,215	211,945	209,130	338,597	225,929
Wholesale trade	223	309	7,295,969	23,253,429	1,239,168	1,304,750	208,249	207,981	328,969	217,142
Petroleum and petroleum products	11	23	2,413,285	10,992,434	561,199	568,961	74,104	74,456	96,741	88,109
All other wholesale trade	214	285	4,882,684	12,260,995	677,969	735,789	134,145	133,525	232,228	129,033
Retail trade	21	26	126,258	190,122	16,833	19,494	3,342	3,340	5,131	4,534
Wholesale and retail trade not allocable	4	6	37,641	44,099	960	4,972	353	-2,192	4,497	4,252
Finance, insurance and real estate	130	188	4,388,984	843,824	217,878	237,785	36,577	37,224	136,021	66,081
Banking	11	15	2,311,057	239,484	8,115	12,560	2,622	3,491	5,585	—
Credit agencies other than banks	19	23	529,085	95,266	8,868	16,420	1,726	1,961	26,579	6,096
Insurance carriers	3	3	175,498	97,833	5,326	5,326	534	534	—	—
Holding and other investment companies, except bank holding companies	82	103	1,145,454	334,887	171,162	173,693	25,760	26,120	102,502	58,642
All other finance, insurance and real estate	31	44	225,890	76,374	24,406	29,586	5,935	5,117	1,355	1,344
Services	151	212	1,935,177	2,173,051	163,918	209,709	45,187	47,558	73,301	50,394
Business services	106	156	1,427,610	2,037,802	136,594	177,091	37,761	39,873	65,742	44,885
All other services	46	56	507,568	135,249	27,324	32,617	7,425	7,685	7,559	5,508
Nature of business not allocable	**	**	**	**	**	**	**	**	**	**
Inactive	59	73	5,258	—	—	—	—	—	2,992	—
United Kingdom										
All industries, total	1,557	5,031	75,916,888	99,112,663	8,033,716	9,540,775	2,658,360	2,528,236	2,121,430	1,669,179
Agriculture, forestry and fishing	9	15	138,508	109,285	-1,301	10,380	4,354	3,983	—	—
Mining	85	156	1,956,929	1,338,885	1,739,005	1,782,508	646,855	646,916	149,555	148,142
Metal mining	**	**	**	**	**	**	**	**	**	**
Oil and gas extraction	82	151	1,951,631	1,334,066	1,739,885	1,782,506	646,855	646,918	149,555	148,142
All other mining	**	**	**	**	**	**	**	**	**	**
Construction	31	54	1,077,835	2,241,562	141,493	145,268	61,306	60,910	41,595	36,527
Manufacturing	781	1,366	36,868,154	55,543,726	3,760,394	4,844,645	1,271,964	1,178,442	1,214,912	984,261
Food and kindred products	39	54	2,024,414	4,192,099	392,853	426,701	89,956	76,349	91,938	69,444
Chemicals and allied products	119	199	5,567,184	7,749,907	374,516	580,809	160,362	152,546	138,885	103,022
Petroleum (including integrated) and coal products	*20	*22	*7,116,691	*11,267,904	*1,276,218	*1,285,369	*199,347	*199,347	*476,656	*476,656
Primary metal industries	28	47	1,226,298	1,508,316	18,847	69,662	33,555	34,411	25,195	17,288
Machinery, except electrical	141	193	3,936,824	5,271,634	231,958	382,244	101,323	84,191	68,237	50,511
Electrical and electronic equipment	162	211	3,192,581	4,592,703	463,345	558,755	233,836	201,692	277,173	170,687
Motor vehicles and equipment	20	41	6,337,265	9,930,958	265,871	596,110	202,281	198,162	2,281	1,283
Instruments and related products	58	83	1,233,302	1,636,302	207,208	221,861	63,792	61,952	18,353	9,604
All other manufacturing	340	516	6,233,596	9,393,901	529,579	703,134	187,513	169,791	118,194	85,767
Transportation and public utilities	51	76	833,139	499,583	6,679	61,817	21,059	20,450	14,838	9,675
Water transportation	21	37	670,186	308,385	-24,441	28,413	6,044	6,239	6,300	1,484
All other transportation and public utilities	33	39	162,954	191,199	31,119	33,405	15,015	14,211	8,538	8,191
Wholesale and retail trade	441	683	10,348,687	30,197,209	1,095,844	1,201,690	255,568	250,729	222,147	160,892
Wholesale trade	394	581	8,145,945	24,896,218	858,979	952,717	213,454	210,791	158,224	106,144
Petroleum and petroleum products	23	46	4,252,421	11,496,129	496,142	499,030	69,279	69,279	62,640	60,490
All other wholesale trade	376	535	3,893,524	13,400,089	362,836	453,687	144,175	141,512	95,584	45,655
Retail trade	50	91	2,065,856	5,131,999	227,163	239,251	39,775	37,607	63,723	54,548
Wholesale and retail trade not allocable	11	11	136,886	168,993	9,703	9,722	2,339	2,331	200	200
Finance, insurance and real estate	208	550	20,276,002	4,991,681	1,011,424	1,110,843	239,258	217,871	393,597	278,203
Banking	26	39	6,162,196	838,346	56,585	71,884	22,608	20,675	4,268	4,056
Credit agencies other than banks	29	85	3,638,135	848,680	135,188	146,192	33,370	31,018	17,040	10,014
Insurance carriers	39	70	2,187,359	557,683	58,813	72,641	25,547	24,530	7,135	6,438
Holding and other investment companies, except bank holding companies	113	177	5,964,364	1,275,025	633,696	682,217	92,814	77,583	333,199	235,775
All other finance, insurance and real estate	61	179	2,323,947	1,471,947	127,162	137,708	64,918	64,085	31,956	21,920
Services	312	652	3,923,596	4,172,586	282,858	383,132	157,857	148,721	82,006	51,473
Business services	203	381	2,075,924	2,090,584	207,202	230,238	101,088	98,357	36,688	28,011
All other services	141	270	1,847,672	2,082,002	75,655	152,894	56,769	50,364	45,317	23,462
Nature of business not allocable	35	95	65,009	18,146	-2,879	692	138	216	14	6
Inactive	435	1,385	431,029	—	—	—	—	—	2,767	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Selected Industry of Controlled Foreign Corporation — Continued

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

Selected country of incorporation and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
West Germany										
All industries, total	987	2,049	46,131,107	72,487,510	4,890,880	5,749,509	2,300,671	2,279,488	1,669,557	887,058
Agriculture, forestry and fishing	3	4	6,360	26,325	1,567	1,762	467	467	—	—
Mining	7	10	48,822	58,279	7,868	17,069	9,166	9,166	1,721	1,721
Metal mining	**	**	**	**	**	**	**	**	**	**
Oil and gas extraction	**	**	**	**	**	**	**	**	**	**
All other mining	**	**	**	**	**	**	**	**	**	**
Construction	16	19	233,892	428,893	-1,019	18,846	4,226	3,622	17,721	6,223
Manufacturing	518	602	25,375,896	40,053,139	2,802,287	3,433,045	1,509,101	1,492,077	1,160,761	550,443
Food and kindred products	22	42	1,053,718	2,714,426	44,996	62,608	21,591	23,050	33,248	27,022
Chemicals and allied products	68	125	3,068,223	5,489,696	505,848	526,044	203,513	202,828	201,193	132,684
Petroleum (including integrated) and coal products	8	11	2,283,714	4,896,069	603,842	604,223	491,880	491,880	98,832	87,782
Primary metal industries	11	13	226,359	297,893	29,359	29,904	7,596	7,596	3,038	3,038
Machinery, except electrical	88	117	2,412,730	3,228,149	115,000	158,742	58,300	46,668	42,503	25,421
Electrical and electronic equipment	88	110	5,621,123	7,612,894	1,018,864	1,043,529	368,002	364,336	451,160	35,924
Motor vehicles and equipment	16	26	5,456,200	6,239,915	-276,136	142,784	50,112	51,765	68,145	56,622
Instruments and related products	57	71	777,389	1,309,566	93,594	106,117	40,260	39,994	35,315	29,289
All other manufacturing	218	287	4,474,441	6,264,513	666,920	739,094	267,849	263,940	227,327	152,463
Transportation and public utilities	19	21	112,305	149,376	-10,849	3,858	1,317	1,342	751	705
Water transportation	4	4	65,070	37,373	-6,342	(1)	—	(1)	—	—
All other transportation and public utilities	15	17	47,235	112,003	-4,507	3,858	1,317	1,342	751	705
Wholesale and retail trade	381	562	8,370,654	28,736,684	1,706,464	1,820,856	640,313	637,125	358,735	246,852
Wholesale trade	343	490	6,993,520	25,127,305	1,513,224	1,615,886	542,563	539,757	343,785	237,396
Petroleum and petroleum products	8	63	4,882,293	19,140,025	1,385,651	1,392,510	448,725	448,731	190,837	189,289
All other wholesale trade	338	427	2,111,227	5,987,280	127,573	223,377	93,838	91,026	152,948	48,107
Retail trade	34	59	1,279,721	3,395,266	158,189	169,802	85,643	85,263	10,523	5,142
Wholesale and retail trade not allocable	12	13	97,413	214,113	35,051	35,167	12,108	12,105	4,427	4,315
Finance, insurance and real estate	81	145	10,431,547	1,727,431	233,058	283,536	84,070	83,683	47,697	25,228
Banking	4	6	7,475,209	916,487	171,238	176,379	61,876	61,246	10,263	9,663
Credit agencies other than banks	15	16	1,667,604	207,835	5,278	16,467	6,798	6,798	3,475	3,286
Insurance carriers	8	14	328,245	156,792	105	1,789	631	929	—	—
Holding and other investment companies, except bank holding companies	33	59	566,938	251,462	46,134	70,028	13,090	13,994	28,066	9,716
All other finance, insurance and real estate	35	50	393,551	194,855	10,303	18,874	1,475	716	5,893	2,563
Services	170	252	1,519,120	1,298,728	149,269	169,982	51,054	51,050	81,792	55,774
Business services	116	178	535,183	844,621	66,944	79,745	28,774	29,245	30,110	21,994
All other services	61	75	983,937	454,107	82,325	90,237	22,280	21,805	51,682	33,780
Nature of business not allocable	19	30	18,620	8,655	2,436	2,555	955	956	380	113
Inactive	139	205	13,892	—	—	—	—	—	—	—
All other Europe										
All industries, total	424	1,096	9,509,743	16,050,229	959,001	1,130,706	215,468	218,969	820,544	269,062
Agriculture, forestry and fishing	**	**	**	**	**	**	**	**	**	**
Mining	26	37	834,256	914,773	-33,391	5,614	2,220	2,234	450,335	335
Metal mining	**	**	**	**	**	**	**	**	**	**
Oil and gas extraction	23	30	790,264	866,446	-38,544	129	7	22	450,000	—
All other mining	**	**	**	**	**	**	**	**	**	**
Construction	17	21	109,552	156,259	6,250	7,090	1,614	1,387	13,704	3,695
Manufacturing	199	346	5,137,742	7,853,058	664,087	733,751	101,804	106,753	214,833	171,903
Food and kindred products	19	31	291,404	376,450	34,322	42,686	3,353	3,018	1,708	1,627
Chemicals and allied products	48	109	965,083	1,028,846	200,683	216,942	14,316	13,974	53,629	52,692
Petroleum (including integrated) and coal products	4	7	507,419	1,563,272	33,887	34,275	5,055	10,101	16,674	13,336
Primary metal industries	5	6	236,685	115,583	37,278	37,278	8,304	8,304	11,570	11,570
Machinery, except electrical	20	27	215,660	257,660	27,907	34,232	2,228	2,418	—	—
Electrical and electronic equipment	21	30	483,339	678,426	75,248	79,011	15,166	15,185	9,616	7,317
Motor vehicles and equipment	7	10	180,259	538,066	12,994	20,029	2,630	2,712	2,214	2,214
Instruments and related products	11	18	331,026	76,341	9,609	10,813	956	970	—	—
All other manufacturing	62	109	1,926,867	3,318,395	232,158	258,484	49,795	50,069	119,424	83,147
Transportation and public utilities	11	12	235,771	124,189	22,650	24,504	1,690	1,289	2,566	2,566
Water transportation	6	7	187,403	66,196	14,689	16,481	35	-382	—	—
All other transportation and public utilities	5	5	48,368	57,991	7,961	8,024	1,655	1,671	2,566	2,566
Wholesale and retail trade	132	272	1,898,815	6,194,097	164,532	213,932	71,856	70,995	39,854	31,491
Wholesale trade	115	243	1,789,381	5,889,833	158,452	203,413	68,846	68,336	36,595	29,181
Petroleum and petroleum products	5	25	843,328	3,778,966	83,378	85,970	36,568	36,568	14,043	12,653
All other wholesale trade	111	218	946,053	2,110,866	75,074	117,443	32,278	31,768	22,552	16,529
Retail trade	13	19	89,793	258,470	2,589	6,254	1,784	1,784	1,425	650
Wholesale and retail trade not allocable	7	10	19,641	45,795	3,491	4,265	1,226	875	1,834	1,659
Finance, insurance and real estate	48	61	847,615	129,871	70,483	72,812	7,593	7,594	80,975	42,255
Banking	**	**	**	**	**	**	**	**	**	**
Credit agencies other than banks	5	5	31,760	6,513	789	812	395	395	—	—
Insurance carriers	**	**	**	**	**	**	**	**	**	**
Holding and other investment companies, except bank holding companies	27	30	470,771	45,197	64,173	66,202	6,376	6,376	79,391	41,571
All other finance, insurance and real estate	14	21	33,804	17,136	3,154	3,434	864	864	1,585	684
Services	60	129	403,443	573,220	65,875	72,996	28,685	28,733	18,264	16,818
Business services	36	87	337,338	455,105	57,986	63,001	27,561	27,506	17,562	16,606
All other services	26	42	66,105	118,115	7,690	9,995	1,124	1,227	702	212
Nature of business not allocable	**	**	**	**	**	**	**	**	**	**
Inactive	135	207	29,445	—	—	—	—	—	13	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Selected Industry of Controlled Foreign Corporation — Continued

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

Selected country of incorporation and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Africa, Total										
All industries, total	521	1,668	17,194,842	22,869,414	1,704,355	2,091,826	547,960	548,240	732,986	340,029
Agriculture, forestry and fishing	9	11	135,941	134,196	16,534	19,763	8,232	8,232	266	268
Mining	34	63	583,890	783,766	42,960	101,895	46,822	46,039	42,771	30,207
Metal mining	9	17	188,149	111,294	10,432	17,107	5,116	5,108	2,709	2,709
Oil and gas extraction	24	61	358,618	637,709	28,885	81,032	40,042	39,266	39,321	27,220
All other mining	4	5	17,122	14,762	3,633	3,756	1,665	1,665	741	278
Construction	11	20	89,931	67,198	6,760	13,795	4,679	4,697	9,051	3,849
Manufacturing	186	354	3,694,341	5,376,239	782,870	806,128	245,052	245,609	126,805	103,086
Food and kindred products	15	25	252,958	451,283	46,345	46,396	17,422	17,422	12,150	8,960
Chemicals and allied products	49	93	537,713	797,232	132,190	137,991	49,776	49,790	32,068	24,879
Petroleum (including integrated) and coal products	3	5	494,923	821,720	155,887	155,887	20,819	20,819	5,744	790
Primary metal industries	4	4	275,144	191,478	60,121	60,121	28,963	28,963	2,254	2,254
Machinery, except electrical	37	57	496,855	593,840	94,952	96,332	33,787	33,787	14,079	12,620
Electrical and electronic equipment	24	45	242,750	271,927	34,861	41,669	14,848	14,923	10,147	8,226
Motor vehicles and equipment	7	10	428,810	957,797	55,635	56,604	1,616	1,616	2,308	2,176
Instruments and related products	6	12	21,009	31,812	6,418	6,418	2,276	2,276	101	101
All other manufacturing	63	103	844,180	1,259,151	196,461	204,510	75,545	76,014	47,954	43,080
Transportation and public utilities	96	284	7,480,546	7,313,106	111,650	379,673	7,016	7,569	296,439	21,718
Water transportation	88	271	7,425,396	7,287,858	102,106	370,002	6,911	7,464	296,384	21,663
All other transportation and public utilities	11	13	55,148	25,248	9,544	9,672	105	105	55	55
Wholesale and retail trade	145	287	3,509,330	8,270,755	597,619	614,612	207,095	206,917	170,563	121,840
Wholesale trade	128	261	3,407,308	8,116,073	579,847	594,896	199,697	199,596	166,295	117,405
Petroleum and petroleum products	10	77	2,560,401	6,697,315	423,653	431,725	151,259	151,353	139,729	98,006
All other wholesale trade	119	184	848,907	1,418,758	156,194	163,171	48,438	48,243	26,566	19,397
Retail trade	15	19	59,365	95,761	10,990	12,935	5,010	4,933	4,178	4,144
Wholesale and retail trade not allocable	7	7	42,657	58,922	6,781	6,781	2,388	2,388	90	90
Finance, insurance and real estate	61	138	1,097,563	224,841	82,882	87,060	11,027	11,074	43,537	35,874
Banking	4	12	445,057	46,251	12,375	14,931	4,851	4,898	2,431	1,465
Credit agencies other than banks	9	22	180,085	24,863	8,518	6,671	1,446	1,446	2,995	—
Insurance carriers	6	7	69,076	50,070	4,404	4,404	1,148	1,148	1,348	1,316
Holding and other investment companies, except bank holding companies	21	28	330,893	71,762	48,798	50,049	890	890	34,663	31,049
All other finance, insurance and real estate	34	69	72,452	32,093	8,787	9,004	2,692	2,693	2,099	2,044
Services	79	138	572,739	517,936	62,678	68,204	17,982	18,046	42,547	23,172
Business services	39	81	507,672	439,765	56,156	58,098	14,416	14,409	36,963	20,923
All other services	42	57	65,067	78,171	6,522	10,106	3,565	3,637	5,584	2,249
Nature of business not allocable	19	21	33,177	1,377	412	496	54	57	525	217
Inactive	169	334	117,384	—	—	—	—	—	482	—
Liberia										
All industries, total	158	509	8,855,733	8,517,246	158,069	498,350	16,908	17,353	343,407	45,119
Agriculture, forestry and fishing	4	4	103,715	101,745	13,802	15,095	6,098	6,098	—	—
Mining	8	32	110,109	43,675	-32,609	18,101	4,788	4,788	—	—
Metal mining	**	**	**	**	**	**	**	**	**	**
Oil and gas extraction	**	**	**	**	**	**	**	**	**	**
All other mining	—	—	—	—	—	—	—	—	—	—
Construction	**	**	**	**	**	**	**	**	**	**
Manufacturing	5	6	64,909	63,874	8,963	9,091	1,236	1,236	356	356
Food and kindred products	**	**	**	**	**	**	**	**	**	**
Chemicals and allied products	**	**	**	**	**	**	**	**	**	**
Petroleum (including integrated) and coal products	—	—	—	—	—	—	—	—	—	—
Primary metal industries	—	—	—	—	—	—	—	—	—	—
Machinery, except electrical	**	**	**	**	**	**	**	**	**	**
Electrical and electronic equipment	—	—	—	—	—	—	—	—	—	—
Motor vehicles and equipment	—	—	—	—	—	—	—	—	—	—
Instruments and related products	—	—	—	—	—	—	—	—	—	—
All other manufacturing	**	**	**	**	**	**	**	**	**	**
Transportation and public utilities	89	272	7,460,663	7,305,800	110,144	377,718	8,667	7,220	296,439	21,718
Water transportation	86	266	7,415,949	7,285,944	100,578	368,152	6,635	7,188	296,384	21,663
All other transportation and public utilities	6	6	44,714	19,856	9,566	9,566	32	32	55	55
Wholesale and retail trade	15	16	220,926	851,683	11,569	23,712	29	-60	4,525	—
Wholesale trade	**	**	**	**	**	**	**	**	**	**
Petroleum and petroleum products	**	**	**	**	**	**	**	**	**	**
All other wholesale trade	**	**	**	**	**	**	**	**	**	**
Retail trade	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade not allocable	—	—	—	—	—	—	—	—	—	—
Finance, insurance and real estate	20	38	476,420	99,434	43,499	45,960	1,926	1,926	20,995	17,583
Banking	**	**	**	**	**	**	**	**	**	**
Credit agencies other than banks	5	15	131,963	18,075	6,655	6,688	547	547	1,881	—
Insurance carriers	**	**	**	**	**	**	**	**	**	**
Holding and other investment companies, except bank holding companies	10	11	259,592	55,593	31,396	32,643	—	—	16,843	16,277
All other finance, insurance and real estate	6	7	9,069	3,750	889	877	197	197	—	—
Services	18	45	317,259	40,358	6,370	7,957	-3,835	-3,853	20,811	5,301
Business services	*12	*35	*308,457	*33,492	*5,290	*6,565	*-3,866	*-3,866	*20,690	*5,210
All other services	7	10	8,802	6,866	1,080	1,392	31	13	121	91
Nature of business not allocable	**	**	**	**	**	**	**	**	**	**
Inactive	45	84	62,589	—	—	—	—	—	—	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Selected Industry of Controlled Foreign Corporation — Continued

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

Selected country of incorporation and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	[1] Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
South Africa (including South West Africa)										
All industries, total	324	674	5,141,003	8,947,183	969,082	975,722	272,077	272,807	238,271	179,653
Agriculture, forestry and fishing	3	3	8,850	12,191	3,298	3,298	1,325	1,325	266	266
Mining	12	21	124,018	97,067	16,661	17,166	5,128	5,121	2,709	2,709
Metal mining	7	13	121,613	97,028	16,712	17,037	5,116	5,108	2,709	2,709
Oil and gas extraction	**	**	**	**	**	**	**	**	**	**
All other mining	**	**	**	**	**	**	**	**	**	**
Construction	6	7	33,119	38,336	11,952	11,976	4,234	4,234	6,770	3,566
Manufacturing	154	235	2,576,093	4,405,293	606,852	611,972	163,527	164,061	102,427	82,922
Food and kindred products	9	17	146,008	310,319	28,805	28,656	10,109	10,109	10,109	6,273
Chemicals and allied products	43	58	341,587	575,661	98,756	98,956	34,594	34,594	26,682	20,479
Petroleum (including integrated) and coal products	3	4	494,300	819,941	155,708	155,708	20,769	20,769	5,744	790
Primary metal industries	3	3	17,712	31,284	8,801	8,801	2,213	2,213	2,254	2,254
Machinery, except electrical	32	37	352,984	474,012	68,363	68,954	25,268	25,268	11,879	10,420
Electrical and electronic equipment	20	30	148,880	183,114	21,579	23,971	8,108	8,183	4,733	3,444
Motor vehicles and equipment	6	6	418,056	947,440	56,604	56,604	1,616	1,616	2,308	2,176
Instruments and related products	6	11	19,569	28,700	6,049	6,049	2,098	2,098	—	—
All other manufacturing	49	69	638,998	1,034,823	162,188	164,071	58,751	59,211	40,089	37,086
Transportation and public utilities	7	8	15,057	3,310	1,819	1,914	326	326	—	—
Water transportation	4	4	9,113	569	1,850	1,850	276	276	—	—
All other transportation and public utilities	3	4	5,944	2,741	-31	64	50	50	—	—
Wholesale and retail trade	97	121	1,710,054	3,848,467	236,886	236,894	70,253	70,253	84,077	55,567
Wholesale trade	82	104	1,626,849	3,707,391	217,819	217,827	63,143	63,143	79,809	51,332
Petroleum and petroleum products	3	7	1,107,966	2,963,467	108,546	108,546	25,570	25,570	63,816	37,860
All other wholesale trade	80	97	518,883	743,924	109,273	109,281	37,573	37,573	15,993	13,472
Retail trade	8	10	40,548	62,155	12,286	12,286	4,721	4,721	4,178	4,144
Wholesale and retail trade not allocable	7	7	42,657	58,922	6,781	6,781	2,388	2,388	90	90
Finance, insurance and real estate	38	80	419,957	97,598	35,841	36,152	7,215	7,215	21,700	17,505
Banking	**	**	**	**	**	**	**	**	**	**
Credit agencies other than banks	4	7	48,122	6,588	1,862	1,964	899	899	1,114	—
Insurance carriers	**	**	**	**	**	**	**	**	**	**
Holding and other investment companies, except bank holding companies	9	15	70,913	16,164	17,371	17,375	888	888	17,821	14,772
All other finance, insurance and real estate	28	54	49,779	27,632	7,190	7,375	2,338	2,338	1,683	1,683
Services	41	59	217,926	444,743	55,632	56,198	20,034	20,036	17,617	17,070
Business services	18	32	187,451	397,113	48,999	49,349	17,293	17,295	15,883	15,341
All other services	23	27	30,475	47,630	6,633	6,849	2,742	2,742	1,735	1,730
Nature of business not allocable	6	6	28,147	158	141	162	35	37	222	46
Inactive	78	135	7,783	—	—	—	—	—	482	—
OPEC Countries										
All industries, total	68	90	1,077,667	1,622,393	220,531	231,023	97,564	96,896	78,740	63,616
Agriculture, forestry and fishing	**	**	**	**	**	**	**	**	**	**
Mining	18	21	261,272	607,174	65,976	66,539	36,696	36,120	40,061	27,498
Metal mining	—	—	—	—	—	—	—	—	—	—
Oil and gas extraction	**	**	**	**	**	**	**	**	**	**
All other mining	**	**	**	**	**	**	**	**	**	**
Construction	**	**	**	**	**	**	**	**	**	**
Manufacturing	12	16	225,258	187,527	33,101	40,732	14,932	14,932	5,692	5,692
Food and kindred products	**	**	**	**	**	**	**	**	**	**
Chemicals and allied products	3	4	59,989	62,483	17,489	17,489	7,907	7,907	3,222	3,222
Petroleum (including integrated) and coal products	—	—	—	—	—	—	—	—	—	—
Primary metal industries	—	—	—	—	—	—	—	—	—	—
Machinery, except electrical	4	6	76,260	53,547	15,344	15,344	4,038	4,038	1,763	1,763
Electrical and electronic equipment	**	**	**	**	**	**	**	**	**	**
Motor vehicles and equipment	—	—	—	—	—	—	—	—	—	—
Instruments and related products	—	—	—	—	—	—	—	—	—	—
All other manufacturing	3	3	48,000	39,830	-2,327	777	175	175	—	—
Transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Water transportation	**	**	**	**	**	**	**	**	**	**
All other transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	9	14	518,535	809,871	122,709	123,490	45,642	45,543	30,988	30,626
Wholesale trade	**	**	**	**	**	**	**	**	**	**
Petroleum and petroleum products	**	**	**	**	**	**	**	**	**	**
All other wholesale trade	**	**	**	**	**	**	**	**	**	**
Retail trade	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade not allocable	—	—	—	—	—	—	—	—	—	—
Finance, insurance and real estate	**	**	**	**	**	**	**	**	**	**
Banking	**	**	**	**	**	**	**	**	**	**
Credit agencies other than banks	—	—	—	—	—	—	—	—	—	—
Insurance carriers	—	—	—	—	—	—	—	—	—	—
Holding and other investment companies, except bank holding companies	—	—	—	—	—	—	—	—	—	—
All other finance, insurance and real estate	—	—	—	—	—	—	—	—	—	—
Services	7	7	7,011	4,919	-182	110	4	4	—	—
Business services	3	3	493	760	-64	62	—	—	—	—
All other services	4	4	6,518	4,159	-118	48	4	4	—	—
Nature of business not allocable	—	—	—	—	—	—	—	—	—	—
Inactive	22	26	40,418	—	—	—	—	—	—	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Selected Industry of Controlled Foreign Corporation — Continued

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

Selected country of incorporation and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Distributions: Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All other Africa										
All industries, total	150	394	2,120,439	3,582,612	358,673	388,531	161,420	161,582	74,568	51,442
Agriculture, forestry and fishing	3	3	21,007	19,493	-47	1,370	810	810	—	—
Mining	6	9	68,491	15,650	-7,078	68	10	10	—	—
Metal mining	**	**	**	**	**	**	**	**	**	**
Oil and gas extraction	3	4	3,196	1,408	-773	43	10	10	—	—
All other mining	**	**	**	**	**	**	**	**	**	**
Construction	5	7	7,419	9,138	1,084	1,391	445	445	281	281
Manufacturing	55	98	728,080	719,545	133,954	144,333	65,358	65,380	18,330	14,116
Food and kindred products	6	6	65,306	110,866	10,498	10,498	4,616	4,616	2,715	1,991
Chemicals and allied products	13	29	100,087	124,437	8,584	14,159	6,601	6,815	2,164	1,176
Petroleum (including integrated) and coal products	**	**	**	**	**	**	**	**	**	**
Primary metal industries	**	**	**	**	**	**	**	**	**	**
Machinery, except electrical	5	13	39,155	38,279	9,690	10,479	3,719	3,719	81	61
Electrical and electronic equipment	6	13	76,480	86,493	17,578	17,687	6,625	6,625	5,404	4,771
Motor vehicles and equipment	3	4	10,754	10,357	-969	—	—	—	—	—
Instruments and related products	**	**	**	**	**	**	**	**	**	**
All other manufacturing	20	30	156,804	184,027	36,704	39,663	16,619	16,628	7,865	5,994
Transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Water transportation	—	—	—	—	—	—	—	—	—	—
All other transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	48	136	1,059,815	2,780,734	226,456	230,516	91,172	91,181	50,974	35,447
Wholesale trade	45	129	1,057,342	2,755,821	225,813	229,867	90,883	90,884	50,974	35,447
Petroleum and petroleum products	4	58	896,867	2,522,920	206,839	207,795	83,358	83,452	44,856	30,115
All other wholesale trade	41	71	160,475	232,901	18,974	22,071	7,525	7,432	6,118	5,332
Retail trade	5	7	2,473	4,914	643	649	289	297	—	—
Wholesale and retail trade not allocable	—	—	—	—	—	—	—	—	—	—
Finance, insurance and real estate	**	**	**	**	**	**	**	**	**	**
Banking	**	**	**	**	**	**	**	**	**	**
Credit agencies other than banks	—	—	—	—	—	—	—	—	—	—
Insurance carriers	**	**	**	**	**	**	**	**	**	**
Holding and other investment companies, except bank holding companies	**	**	**	**	**	**	**	**	**	**
All other finance, insurance and real estate	**	**	**	**	**	**	**	**	**	**
Services	19	27	30,544	27,917	857	3,940	1,778	1,859	4,119	801
Business services	8	11	11,271	8,401	1,931	2,123	990	980	409	372
All other services	*11	*16	*19,273	*19,516	*-1,073	*1,817	*769	*879	*3,709	*429
Nature of business not allocable	5	5	2,414	1,219	16	45	19	21	22	11
Inactive	56	89	6,594	—	—	—	—	—	—	—
Asia, Total										
All industries, total	946	2,789	31,485,764	41,008,878	4,017,655	4,318,504	1,356,898	1,332,532	963,064	788,618
Agriculture, forestry and fishing	5	9	162,501	177,055	28,162	31,865	13,510	12,710	10,674	10,674
Mining	28	44	194,790	184,708	4,489	20,973	4,086	4,087	2,901	1,873
Metal mining	**	**	**	**	**	**	**	**	**	**
Oil and gas extraction	23	38	178,414	174,095	4,468	20,620	4,086	4,087	2,006	1,873
All other mining	**	**	**	**	**	**	**	**	**	**
Construction	21	44	521,113	852,871	163,152	165,127	7,964	8,046	13,765	10,773
Manufacturing	426	956	12,497,455	16,589,261	1,970,515	2,126,091	674,435	666,713	492,068	391,010
Food and kindred products	25	51	581,823	741,345	43,575	54,238	20,733	20,666	7,736	7,122
Chemicals and allied products	88	296	3,281,877	3,868,664	372,815	450,145	193,845	193,485	107,230	89,070
Petroleum (including integrated) and coal products	6	10	1,619,776	1,902,667	251,091	251,549	65,004	65,004	13,022	12,360
Primary metal industries	6	9	76,356	106,435	5,363	6,101	2,180	2,180	580	580
Machinery, except electrical	53	81	951,400	1,065,944	305,521	308,008	75,814	75,376	38,632	33,805
Electrical and electronic equipment	108	207	3,689,055	6,106,614	729,487	741,193	206,910	206,776	226,816	177,032
Motor vehicles and equipment	10	16	405,737	596,972	21,455	40,883	14,692	14,685	8,792	6,403
Instruments and related products	19	34	116,996	121,889	18,837	20,601	8,294	8,055	2,954	2,445
All other manufacturing	162	252	1,574,433	2,078,531	222,370	253,575	86,962	80,486	86,306	62,194
Transportation and public utilities	30	59	1,317,757	1,207,390	92,488	103,772	18,096	18,067	61,993	59,990
Water transportation	7	12	112,514	36,184	7,171	7,235	572	572	1,306	1,205
All other transportation and public utilities	23	47	1,205,243	1,171,206	85,318	96,537	17,525	17,495	60,688	58,785
Wholesale and retail trade	354	675	8,117,286	19,687,637	1,390,119	1,471,663	562,797	547,515	293,714	249,637
Wholesale trade	325	614	7,711,519	18,603,850	1,310,405	1,390,028	545,879	531,095	262,735	225,673
Petroleum and petroleum products	11	38	3,645,251	13,166,536	833,185	836,102	335,794	336,465	148,233	142,482
All other wholesale trade	317	576	4,066,268	5,437,314	477,220	553,926	210,086	194,630	114,502	83,191
Retail trade	23	40	362,955	1,017,923	71,451	73,187	15,054	15,058	28,650	21,635
Wholesale and retail trade not allocable	17	22	42,812	65,863	6,263	8,448	1,863	1,363	2,329	2,329
Finance, insurance and real estate	93	203	7,506,083	1,307,105	227,014	240,905	37,851	37,785	42,661	34,601
Banking	18	33	3,988,656	489,178	63,084	63,865	12,062	12,062	6,041	5,183
Credit agencies other than banks	31	46	2,192,669	383,383	22,722	32,790	12,112	12,120	429	429
Insurance carriers	4	12	794,354	244,521	47,367	47,369	3,927	3,927	5,586	5,586
Holding and other investment companies, except bank holding companies	27	30	241,892	39,361	37,537	38,010	1,608	1,608	772	769
All other finance, insurance and real estate	37	82	288,311	150,662	56,304	58,871	8,143	8,069	29,834	22,633
Services	191	357	1,074,134	997,635	142,056	157,589	37,775	37,468	40,521	28,000
Business services	127	231	655,071	538,649	78,075	90,297	22,272	22,237	15,032	12,649
All other services	69	126	419,063	458,986	63,981	67,292	15,503	15,231	25,489	15,351
Nature of business not allocable	26	32	9,730	5,215	-340	519	184	140	88	62
Inactive	234	389	84,915	—	—	—	—	—	4,680	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Selected Industry of Controlled Foreign Corporation — Continued

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

Selected country of incorporation and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Hong Kong										
All industries, total	415	665	8,275,576	5,821,380	729,868	756,757	159,581	158,947	242,072	192,170
Agriculture, forestry and fishing	—	—	—	—	—	—	—	—	—	—
Mining	**	**	**	**	**	**	**	**	**	**
Metal mining	—	—	—	—	—	—	—	—	—	—
Oil and gas extraction	**	**	**	**	**	**	**	**	**	**
All other mining	—	—	—	—	—	—	—	—	—	—
Construction	3	3	12,748	32,271	803	1,296	242	242	1,303	1,054
Manufacturing	105	133	702,889	1,209,347	109,683	117,309	15,567	15,538	46,023	22,203
Food and kindred products	4	6	12,364	11,181	563	563	156	156	—	—
Chemicals and allied products	23	26	136,957	196,982	23,306	26,105	2,992	3,018	8,560	7,710
Petroleum (including integrated) and coal products	**	**	**	**	**	**	**	**	**	**
Primary metal industries	**	**	**	**	**	**	**	**	**	**
Machinery, except electrical	7	11	78,334	61,613	19,522	20,352	2,706	2,706	560	40
Electrical and electronic equipment	31	33	280,141	601,823	31,012	32,597	4,992	4,978	13,579	6,711
Motor vehicles and equipment	—	—	—	—	—	—	—	—	—	—
Instruments and related products	**	**	**	**	**	**	**	**	**	**
All other manufacturing	40	50	181,876	270,993	31,330	33,654	4,131	4,090	22,482	6,900
Transportation and public utilities	14	21	880,165	545,595	75,508	75,542	6,815	6,816	51,304	49,559
Water transportation	**	**	**	**	**	**	**	**	**	**
All other transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	156	193	1,358,603	3,096,033	353,650	359,522	117,468	117,122	88,671	81,303
Wholesale trade	141	172	1,245,489	2,934,353	307,504	313,244	112,907	112,560	70,457	65,732
Petroleum and petroleum products	3	6	328,516	933,822	63,804	63,853	10,366	10,372	18,808	18,717
All other wholesale trade	139	166	916,973	2,000,531	243,700	249,392	102,540	102,188	51,649	47,015
Retail trade	10	13	95,343	133,726	41,318	41,331	3,777	3,777	16,086	13,442
Wholesale and retail trade not allocable	7	8	17,771	27,953	4,828	4,947	785	785	2,129	2,129
Finance, insurance and real estate	69	84	5,007,122	732,792	144,328	147,246	13,333	13,340	33,088	25,170
Banking	15	20	3,252,258	383,935	51,367	51,525	8,040	8,040	5,671	5,015
Credit agencies other than banks	16	20	906,873	123,809	11,539	12,766	2,292	2,292	—	—
Insurance carriers	3	3	462,037	136,592	19,895	19,895	1,270	1,270	462	462
Holding and other investment companies, except bank holding companies	14	14	216,946	25,942	19,566	20,028	76	76	—	—
All other finance, insurance and real estate	19	27	169,009	62,515	41,962	43,031	1,655	1,662	26,755	19,692
Services	74	105	300,990	205,205	54,237	55,644	6,138	5,878	21,684	12,882
Business services	57	80	241,376	168,150	40,488	41,561	4,081	4,093	5,840	5,554
All other services	18	25	59,614	37,055	13,749	14,083	2,058	1,786	15,844	7,328
Nature of business not allocable	**	**	**	**	**	**	**	**	**	**
Inactive	94	116	9,839	—	—	—	—	—	—	—
Indonesia										
All industries, total	61	63	569,055	530,442	171,133	182,720	40,986	34,878	48,138	39,375
Agriculture, forestry and fishing	**	**	**	**	**	**	**	**	**	**
Mining	6	6	30,006	27,237	2,007	7,072	2,749	2,749	1,450	1,375
Metal mining	**	**	**	**	**	**	**	**	**	**
Oil and gas extraction	**	**	**	**	**	**	**	**	**	**
All other mining	—	—	—	—	—	—	—	—	—	—
Construction	3	3	15,452	40,932	76,819	76,819	255	255	—	—
Manufacturing	31	35	339,214	345,621	42,804	49,326	17,445	11,338	25,472	16,785
Food and kindred products	—	—	—	—	—	—	—	—	—	—
Chemicals and allied products	16	17	117,504	120,355	15,337	18,017	5,104	5,104	5,424	4,670
Petroleum (including integrated) and coal products	—	—	—	—	—	—	—	—	—	—
Primary metal industries	—	—	—	—	—	—	—	—	—	—
Machinery, except electrical	**	**	**	**	**	**	**	**	**	**
Electrical and electronic equipment	**	**	**	**	**	**	**	**	**	**
Motor vehicles and equipment	—	—	—	—	—	—	—	—	—	—
Instruments and related products	—	—	—	—	—	—	—	—	—	—
All other manufacturing	10	12	181,976	163,038	20,847	24,406	9,340	3,232	17,417	10,623
Transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Water transportation	—	—	—	—	—	—	—	—	—	—
All other transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	4	4	41,565	47,438	16,130	16,130	6,513	6,513	5,840	5,840
Wholesale trade	4	4	41,565	47,438	16,130	16,130	6,513	6,513	5,840	5,840
Petroleum and petroleum products	—	—	—	—	—	—	—	—	—	—
All other wholesale trade	4	4	41,565	47,438	16,130	16,130	6,513	6,513	5,840	5,840
Retail trade	—	—	—	—	—	—	—	—	—	—
Wholesale and retail trade not allocable	—	—	—	—	—	—	—	—	—	—
Finance, insurance and real estate	**	**	**	**	**	**	**	**	**	**
Banking	—	—	—	—	—	—	—	—	—	—
Credit agencies other than banks	—	—	—	—	—	—	—	—	—	—
Insurance carriers	**	**	**	**	**	**	**	**	**	**
Holding and other investment companies, except bank holding companies	—	—	—	—	—	—	—	—	—	—
All other finance, insurance and real estate	**	**	**	**	**	**	**	**	**	**
Services	—	—	—	—	—	—	—	—	—	—
Business services	—	—	—	—	—	—	—	—	—	—
All other services	—	—	—	—	—	—	—	—	—	—
Nature of business not allocable	**	**	**	**	**	**	**	**	**	**
Inactive	8	9	52,531	—	—	—	—	—	—	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Selected Industry of Controlled Foreign Corporation — Continued

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

Selected country of incorporation and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Japan (Okinawa and Ryukyu Islands)										
All industries, total	423	595	10,214,965	18,175,231	1,497,131	1,617,141	709,933	693,713	378,418	334,758
Agriculture, forestry and fishing	**	**	**	**	**	**	**	**	**	**
Mining	**	**	**	**	**	**	**	**	**	**
Metal mining	—	—	—	—	—	—	—	—	—	—
Oil and gas extraction	**	**	**	**	**	**	**	**	**	**
All other mining	—	—	—	—	—	—	—	—	—	—
Construction	3	3	62,535	70,422	4,951	4,951	2,917	2,917	1,489	1,489
Manufacturing	171	217	4,217,812	4,796,451	748,069	789,671	385,995	384,842	232,515	214,298
Food and kindred products	13	16	101,847	166,897	3,561	11,718	6,461	6,465	51	51
Chemicals and allied products	55	72	1,571,927	1,714,413	192,990	210,528	106,286	105,875	45,685	36,514
Petroleum (including integrated) and coal products	**	**	**	**	**	**	**	**	**	**
Primary metal industries	**	**	**	**	**	**	**	**	**	**
Machinery, except electrical	23	26	374,998	434,237	115,735	115,776	37,206	37,208	6,338	6,377
Electrical and electronic equipment	28	32	1,530,247	1,596,524	342,328	344,268	162,704	162,678	152,481	149,092
Motor vehicles and equipment	3	3	99,164	148,781	13,327	13,327	6,620	6,620	3,096	895
Instruments and related products	11	12	49,796	46,152	8,337	9,879	4,946	4,706	1,760	1,251
All other manufacturing	47	52	403,923	503,049	55,242	67,130	32,348	31,869	15,731	14,733
Transportation and public utilities	5	5	19,629	29,845	2,617	2,617	1,309	1,309	181	181
Water transportation	**	**	**	**	**	**	**	**	**	**
All other transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	189	211	4,830,013	10,861,744	704,091	764,270	317,378	302,429	139,422	113,281
Wholesale trade	158	194	4,668,306	10,488,916	695,521	754,894	313,265	298,312	132,453	111,216
Petroleum and petroleum products	4	9	2,367,904	8,285,449	602,224	602,562	241,773	241,858	98,652	98,584
All other wholesale trade	155	185	2,300,402	2,203,467	93,297	152,332	71,492	56,455	33,801	12,632
Retail trade	10	13	153,944	359,497	8,531	9,282	4,103	4,106	5,969	2,065
Wholesale and retail trade not allocable	4	4	7,763	13,331	39	93	11	11	—	—
Finance, insurance and real estate	21	26	784,688	97,395	8,017	16,834	7,085	7,085	3,073	2,933
Banking	—	—	—	—	—	—	—	—	—	—
Credit agencies other than banks	12	13	721,751	80,281	-3,131	5,342	2,069	2,069	120	120
Insurance carriers	—	—	—	—	—	—	—	—	—	—
Holding and other investment companies, except bank holding companies	**	**	**	**	**	**	**	**	**	**
All other finance, insurance and real estate	**	**	**	**	**	**	**	**	**	**
Services	82	90	293,844	313,154	30,634	36,581	15,224	15,104	2,649	2,526
Business services	50	53	126,969	122,378	8,997	16,551	8,580	8,461	706	673
All other services	33	37	166,875	190,777	21,637	22,030	6,644	6,644	1,943	1,854
Nature of business not allocable	5	6	3,688	4	55	118	27	27	88	62
Inactive	29	32	245	—	—	—	—	—	—	—
Middle East Countries (except OPEC)										
All industries, total	130	202	2,391,526	1,716,136	174,812	182,170	54,786	54,240	19,807	14,256
Agriculture, forestry and fishing	—	—	—	—	—	—	—	—	—	—
Mining	**	**	**	**	**	**	**	**	**	**
Metal mining	—	—	—	—	—	—	—	—	—	—
Oil and gas extraction	**	**	**	**	**	**	**	**	**	**
All other mining	—	—	—	—	—	—	—	—	—	—
Construction	**	**	**	**	**	**	**	**	**	**
Manufacturing	53	66	1,299,376	1,121,718	99,907	103,433	32,923	32,900	4,290	4,077
Food and kindred products	**	**	**	**	**	**	**	**	**	**
Chemicals and allied products	14	19	66,530	91,446	9,221	9,573	1,934	1,936	1,346	1,134
Petroleum (including integrated) and coal products	**	**	**	**	**	**	**	**	**	**
Primary metal industries	—	—	—	—	—	—	—	—	—	—
Machinery, except electrical	**	**	**	**	**	**	**	**	**	**
Electrical and electronic equipment	7	7	63,796	72,883	12,882	13,159	1,921	1,921	40	40
Motor vehicles and equipment	**	**	**	**	**	**	**	**	**	**
Instruments and related products	5	6	8,054	9,469	1,085	1,135	34	35	—	—
All other manufacturing	21	26	56,307	69,874	4,335	7,103	333	307	—	—
Transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Water transportation	—	—	—	—	—	—	—	—	—	—
All other transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	22	27	89,374	221,556	27,426	28,627	5,483	4,999	9,060	8,848
Wholesale trade	17	20	71,439	200,988	21,361	22,550	2,147	2,164	7,860	7,646
Petroleum and petroleum products	4	5	29,863	98,056	5,376	5,913	1,686	1,686	762	762
All other wholesale trade	13	15	41,577	102,932	15,984	16,637	461	478	7,098	6,884
Retail trade	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade not allocable	**	**	**	**	**	**	**	**	**	**
Finance, insurance and real estate	18	29	888,400	258,771	36,281	37,386	11,798	11,717	737	737
Banking	6	7	455,979	70,914	7,795	6,418	3,392	3,392	74	74
Credit agencies other than banks	3	6	402,127	161,081	12,566	12,669	7,145	7,145	309	309
Insurance carriers	**	**	**	**	**	**	**	**	**	**
Holding and other investment companies, except bank holding companies	5	7	4,398	10,294	13,670	13,671	120	120	354	354
All other finance, insurance and real estate	**	**	**	**	**	**	**	**	**	**
Services	24	34	107,043	101,176	8,044	9,211	3,287	3,328	1,015	571
Business services	14	15	63,876	43,633	1,995	3,105	940	982	—	—
All other services	10	19	43,166	57,542	6,049	6,106	2,346	2,346	1,015	571
Nature of business not allocable	6	6	658	1,067	40	44	20	20	—	—
Inactive	27	35	775	—	—	—	—	—	4,680	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Selected Industry of Controlled Foreign Corporation — Continued

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

Selected country of incorporation and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
OPEC (excluding Indonesia)										
All industries, total	83	125	824,160	677,944	52,510	67,740	4,460	4,570	19,234	15,050
Agriculture, forestry and fishing	—	—	—	—	—	—	—	—	—	—
Mining	6	6	96,334	72,905	7,962	7,962	37	37	498	498
Metal mining	—	—	—	—	—	—	—	—	—	—
Oil and gas extraction	6	6	96,334	72,905	7,962	7,962	37	37	498	498
All other mining	—	—	—	—	—	—	—	—	—	—
Construction	9	11	152,150	226,751	25,716	26,243	2,341	2,401	10,149	7,406
Manufacturing	23	26	170,673	157,663	10,172	12,974	640	687	3,738	2,798
Food and kindred products	—	—	—	—	—	—	—	—	—	—
Chemicals and allied products	13	15	128,044	109,399	4,070	6,563	251	298	2,441	1,689
Petroleum (including integrated) and coal products	—	—	—	—	—	—	—	—	—	—
Primary metal industries	**	**	**	**	**	**	**	**	**	**
Machinery, except electrical	3	3	17,454	18,941	532	536	—	—	—	—
Electrical and electronic equipment	3	4	15,936	14,697	4,417	4,417	—	—	612	612
Motor vehicles and equipment	**	**	**	**	**	**	**	**	**	**
Instruments and related products	—	—	—	—	—	—	—	—	—	—
All other manufacturing	**	**	**	**	**	**	**	**	**	**
Transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Water transportation	**	**	**	**	**	**	**	**	**	**
All other transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	13	15	55,591	75,316	-1,098	1,417	99	99	275	—
Wholesale trade	**	**	**	**	**	**	**	**	**	**
Petroleum and petroleum products	**	**	**	**	**	**	**	**	**	**
All other wholesale trade	**	**	**	**	**	**	**	**	**	**
Retail trade	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade not allocable	—	—	—	—	—	—	—	—	—	—
Finance, insurance and real estate	**	**	**	**	**	**	**	**	**	**
Banking	—	—	—	—	—	—	—	—	—	—
Credit agencies other than banks	**	**	**	**	**	**	**	**	**	**
Insurance carriers	—	—	—	—	—	—	—	—	—	—
Holding and other investment companies, except bank holding companies	—	—	—	—	—	—	—	—	—	—
All other finance, insurance and real estate	—	—	—	—	—	—	—	—	—	—
Services	13	15	99,830	126,143	16,380	17,405	1,332	1,332	2,749	2,749
Business services	5	5	2,578	6,497	638	710	6	6	—	—
All other services	8	10	97,252	119,646	15,742	16,695	1,326	1,326	2,749	2,749
Nature of business not allocable	—	—	—	—	—	—	—	—	—	—
Inactive	26	44	2,505	—	—	—	—	—	—	—
Philippines										
All industries, total	156	213	2,194,150	3,357,465	236,412	272,415	106,771	105,402	54,410	45,553
Agriculture, forestry and fishing	3	4	80,171	95,432	4,495	6,869	2,869	2,070	343	343
Mining	**	**	**	**	**	**	**	**	**	**
Metal mining	—	—	—	—	—	—	—	—	—	—
Oil and gas extraction	**	**	**	**	**	**	**	**	**	**
All other mining	—	—	—	—	—	—	—	—	—	—
Construction	4	4	6,187	8,553	1,119	1,466	605	605	460	460
Manufacturing	91	103	1,188,418	1,525,175	133,007	159,839	57,856	57,473	38,855	36,365
Food and kindred products	10	12	383,207	424,677	28,053	30,040	8,839	8,767	6,201	5,664
Chemicals and allied products	32	36	264,538	454,468	61,939	62,487	24,406	24,412	14,806	13,584
Petroleum (including integrated) and coal products	**	**	**	**	**	**	**	**	**	**
Primary metal industries	**	**	**	**	**	**	**	**	**	**
Machinery, except electrical	**	**	**	**	**	**	**	**	**	**
Electrical and electronic equipment	11	14	133,926	220,159	22,442	23,865	5,105	5,105	4,616	4,084
Motor vehicles and equipment	3	3	132,082	116,484	-15,024	4,043	4,923	4,923	—	—
Instruments and related products	**	**	**	**	**	**	**	**	**	**
All other manufacturing	31	32	221,038	276,795	36,815	38,295	14,193	14,315	13,043	12,873
Transportation and public utilities	5	5	10,376	2,926	255	359	39	12	—	—
Water transportation	**	**	**	**	**	**	**	**	**	**
All other transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	33	41	552,893	1,601,158	71,374	76,310	42,178	42,018	8,684	2,541
Wholesale trade	30	38	552,849	1,600,920	71,370	76,307	42,178	42,018	8,684	2,541
Petroleum and petroleum products	4	4	445,443	1,487,102	66,691	67,809	39,085	39,086	7,949	2,422
All other wholesale trade	26	34	107,406	113,818	4,679	8,498	3,093	2,932	735	119
Retail trade	—	—	—	—	—	—	—	—	—	—
Wholesale and retail trade not allocable	*4	*4	*44	*238	*4	*4	—	—	—	—
Finance, insurance and real estate	8	13	303,335	84,404	24,898	24,903	2,173	2,173	4,939	4,939
Banking	—	—	—	—	—	—	—	—	—	—
Credit agencies other than banks	—	—	—	—	—	—	—	—	—	—
Insurance carriers	**	**	**	**	**	**	**	**	**	**
Holding and other investment companies, except bank holding companies	**	**	**	**	**	**	**	**	**	**
All other finance, insurance and real estate	5	7	10,731	2,213	145	149	21	21	—	—
Services	16	18	52,620	37,775	1,651	2,634	974	974	1,129	906
Business services	11	13	42,909	37,242	2,565	2,574	955	955	1,129	906
All other services	5	5	8,711	533	-914	60	19	19	—	—
Nature of business not allocable	**	**	**	**	**	**	**	**	**	**
Inactive	**	**	**	**	**	**	**	**	**	**

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Selected Industry of Controlled Foreign Corporation — Continued

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

Selected country of incorporation and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes	Foreign income taxes (net)	Foreign income taxes (net)	Distributions: Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All other Asia										
All industries, total	409	905	7,216,332	12,730,258	1,155,789	1,229,862	280,181	280,781	200,985	145,455
Agriculture, forestry and fishing	3	3	46,188	39,040	8,698	8,709	4,332	4,332	3,581	3,581
Mining	20	28	67,997	84,557	2,934	5,938	1,300	1,301	853	—
Metal mining	**	**	**	**	**	**	**	**	**	**
Oil and gas extraction	17	24	59,897	73,944	2,843	5,585	1,300	1,301	58	—
All other mining	**	**	**	**	**	**	**	**	**	**
Construction	13	18	268,970	467,617	53,872	54,322	1,603	1,625	364	364
Manufacturing	203	375	4,579,070	7,433,296	826,872	893,538	184,009	183,934	141,174	94,496
Food and kindred products	8	15	83,806	136,937	11,130	11,649	5,126	5,128	1,484	1,407
Chemicals and allied products	46	111	996,377	1,181,800	65,952	116,891	52,871	52,642	28,967	23,769
Petroleum (including integrated) and coal products	**	**	**	**	**	**	**	**	**	**
Primary metal industries	**	**	**	**	**	**	**	**	**	**
Machinery, except electrical	27	35	450,784	484,138	165,783	165,763	33,427	33,427	26,762	25,556
Electrical and electronic equipment	73	112	1,815,916	3,563,872	313,201	319,379	31,111	31,016	55,288	16,294
Motor vehicles and equipment	5	8	171,627	329,087	22,641	22,723	3,142	3,135	5,211	5,211
Instruments and related products	6	11	47,705	51,035	7,094	7,158	2,920	2,920	740	740
All other manufacturing	50	77	529,227	794,731	74,104	82,987	26,617	26,673	17,634	17,065
Transportation and public utilities	14	18	300,960	574,949	371	3,171	995	991	33	(¹)
Water transportation	4	4	6,857	4,384	396	460	166	166	—	—
All other transportation and public utilities	10	14	294,102	570,565	-25	2,711	829	825	33	(¹)
Wholesale and retail trade	122	184	1,189,248	3,764,391	218,546	225,387	73,677	74,335	42,762	37,826
Wholesale trade	116	172	1,091,455	3,297,007	196,678	205,487	68,771	69,429	37,442	32,697
Petroleum and petroleum products	7	12	465,136	2,355,822	94,717	95,593	42,882	43,461	22,063	21,996
All other wholesale trade	110	160	626,319	941,185	103,961	109,894	25,889	25,967	15,379	10,701
Retail trade	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade not allocable	**	**	**	**	**	**	**	**	**	**
Finance, insurance and real estate	28	46	521,028	130,292	13,354	14,283	3,402	3,406	825	823
Banking	5	6	280,621	34,329	3,922	3,922	829	829	96	94
Credit agencies other than banks	6	6	161,917	18,209	1,764	2,013	606	610	—	—
Insurance carriers	**	**	**	**	**	**	**	**	**	**
Holding and other investment companies, except bank holding companies	**	**	**	**	**	**	**	**	**	**
All other finance, insurance and real estate	16	26	35,375	55,480	4,486	5,157	1,656	1,658	316	318
Services	61	95	219,807	214,182	31,110	34,114	10,820	10,852	11,295	8,366
Business services	42	65	177,363	160,750	23,392	25,797	7,709	7,741	7,356	5,516
All other services	20	30	42,444	53,432	7,716	8,317	3,111	3,111	3,938	2,850
Nature of business not allocable	5	6	2,204	1,943	32	98	42	4	—	—
Inactive	100	132	18,859	—	—	—	—	—	—	—
Oceania, Total (including Australia)										
All industries, total	681	1,976	21,874,465	23,104,538	1,737,143	1,997,387	706,528	726,449	414,852	353,892
Agriculture, forestry and fishing	9	10	113,357	118,737	3,617	7,981	1,351	1,361	—	—
Mining	32	45	335,121	191,906	35,675	47,583	11,162	11,154	6,191	6,191
Metal mining	12	19	177,674	120,383	32,172	35,195	8,518	8,518	5,620	5,620
Oil and gas extraction	19	23	157,212	71,521	3,732	12,304	2,608	2,600	571	571
All other mining	3	3	235	2	-229	83	36	36	—	—
Construction	18	26	119,677	158,040	11,204	13,176	4,805	4,992	4,415	4,415
Manufacturing	314	599	9,210,811	11,935,282	831,353	1,009,505	378,738	389,450	212,814	183,862
Food and kindred products	29	73	652,881	1,148,016	75,582	78,692	26,545	28,539	16,395	10,684
Chemicals and allied products	74	146	1,288,784	1,998,355	174,262	188,357	78,365	78,483	25,040	19,012
Petroleum (including integrated) and coal products	3	4	270,994	269,119	37,771	37,771	15,492	15,492	13,428	10,264
Primary metal industries	7	11	1,356,165	960,350	244,441	244,441	76,706	76,708	57,016	55,871
Machinery, except electrical	59	78	619,389	783,308	73,695	77,095	29,904	29,964	16,112	15,287
Electrical and electronic equipment	38	57	577,462	893,676	84,735	85,580	35,308	35,394	25,306	24,232
Motor vehicles and equipment	13	20	2,213,476	3,009,890	-126,494	19,450	7,095	16,197	5,935	2,595
Instruments and related products	20	26	370,881	407,989	50,594	50,989	19,977	19,926	5,809	4,765
All other manufacturing	115	184	1,860,777	2,464,579	216,768	227,129	87,344	86,748	47,770	41,271
Transportation and public utilities	14	22	175,280	153,563	9,214	10,613	4,383	4,383	5,683	4,180
Water transportation	4	8	51,116	26,163	1,499	1,973	483	483	540	—
All other transportation and public utilities	11	14	124,163	127,400	7,716	8,640	3,900	3,900	5,142	4,180
Wholesale and retail trade	218	373	3,848,247	8,292,911	522,102	553,183	217,042	229,096	105,859	91,539
Wholesale trade	185	278	3,472,924	7,236,068	479,388	507,426	200,125	211,886	104,418	90,842
Petroleum and petroleum products	6	18	2,164,080	4,956,844	352,518	352,538	139,167	139,166	68,263	63,465
All other wholesale trade	179	260	1,308,844	2,279,223	126,870	154,888	60,958	72,700	36,155	27,377
Retail trade	33	80	314,812	943,175	25,437	28,235	11,696	12,009	1,414	671
Wholesale and retail trade not allocable	9	15	60,511	113,668	17,277	17,521	5,221	5,221	26	26
Finance, insurance and real estate	99	229	7,333,946	1,298,879	267,555	280,547	59,526	59,217	52,530	42,885
Banking	5	5	385,720	35,193	3,531	3,531	1,075	1,075	—	—
Credit agencies other than banks	21	39	3,884,729	546,944	53,181	61,966	22,766	22,428	7,795	7,405
Insurance carriers	11	15	458,948	180,272	61,116	61,436	7,696	7,696	268	48
Holding and other investment companies, except bank holding companies	55	74	2,319,485	464,957	140,127	141,970	24,416	24,445	43,906	34,891
All other finance, insurance and real estate	36	96	285,065	71,314	9,619	11,644	3,573	3,573	559	541
Services	128	226	656,834	943,256	55,889	73,855	29,273	26,543	26,424	20,713
Business services	79	137	430,511	676,574	29,336	40,244	18,546	13,783	16,953	12,532
All other services	56	89	226,323	266,682	26,552	33,611	12,727	12,760	9,472	8,181
Nature of business not allocable	22	23	15,629	12,162	534	945	248	263	639	8
Inactive	190	423	65,563	—	—	—	—	—	97	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Selected Industry of Controlled Foreign Corporation — Continued

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

Selected country of incorporation and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns (1)	Controlled Foreign Corporations: Number of foreign corporations (2)	Total assets (3)	Business receipts (4)	Current earnings and profits (less deficit) before taxes (5)	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes (6)	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net) (7)	Foreign income taxes (net) (8)	Distributions: Total (9)	Distributions: Out of current earnings and profits (10)
Puerto Rico and U.S. Possessions, Total										
All industries, total	246	489	3,753,865	6,772,365	228,634	248,150	57,449	56,944	19,708	13,245
Agriculture, forestry and fishing	3	11	22,441	8,390	-396	1,129	287	331	—	—
Mining	**	**	**	**	**	**	**	**	**	**
Metal mining	**	**	**	**	**	**	**	**	**	**
Oil and gas extraction	—	—	—	—	—	—	—	—	—	—
All other mining	—	—	—	—	—	—	—	—	—	—
Construction	9	11	22,739	30,282	713	1,004	343	325	—	—
Manufacturing	52	64	2,106,937	5,292,806	131,752	138,681	23,072	22,596	2,622	1,864
Food and kindred products	11	14	74,091	85,592	8,919	9,571	1,900	1,892	2,000	1,242
Chemicals and allied products	6	7	101,409	44,186	3,403	4,651	1,910	1,910	—	—
Petroleum (including integrated) and coal products	3	4	1,651,602	4,896,004	87,003	67,058	12,588	12,586	—	—
Primary metal industries	**	**	**	**	**	**	**	**	**	**
Machinery, except electrical	**	**	**	**	**	**	**	**	**	**
Electrical and electronic equipment	4	8	22,912	13,603	-131	907	—	—	—	—
Motor vehicles and equipment	**	**	**	**	**	**	**	**	**	**
Instruments and related products	4	4	5,912	7,503	1,120	1,293	156	174	—	—
All other manufacturing	21	22	75,919	95,848	13,213	13,716	3,101	3,101	622	622
Transportation and public utilities	10	11	82,152	82,503	3,021	4,687	1,823	1,854	2,937	2,736
Water transportation	**	**	**	**	**	**	**	**	**	**
All other transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	70	113	327,108	1,092,195	57,599	60,366	20,672	20,711	4,444	4,444
Wholesale trade	41	55	247,513	893,252	48,894	50,491	16,723	16,730	4,364	4,364
Petroleum and petroleum products	5	5	98,687	609,696	25,111	25,111	6,591	6,591	303	303
All other wholesale trade	36	50	148,826	283,556	23,783	25,380	10,132	10,139	4,061	4,061
Retail trade	31	58	79,595	198,943	8,705	9,875	3,949	3,962	80	80
Wholesale and retail trade not allocable	—	—	—	—	—	—	—	—	—	—
Finance, insurance and real estate	62	147	1,002,061	171,346	25,164	30,409	7,476	7,390	9,086	4,197
Banking	**	**	**	**	**	**	**	**	**	**
Credit agencies other than banks	13	73	375,969	46,823	5,551	8,298	2,543	2,447	217	—
Insurance carriers	8	13	199,069	89,707	15,295	15,348	3,006	3,006	3,035	2,364
Holding and other investment companies, except bank holding companies	**	**	**	**	**	**	**	**	**	**
All other finance, insurance and real estate	37	48	372,704	31,611	2,786	5,141	1,634	1,634	5,458	1,458
Services	51	57	159,313	114,762	11,131	11,873	3,776	3,745	619	5
Business services	35	36	82,674	72,526	7,800	8,200	3,184	3,153	614	—
All other services	16	21	76,439	42,236	3,331	3,673	592	592	5	5
Nature of business not allocable	**	**	**	**	**	**	**	**	**	**
Inactive	45	70	22,941	—	—	—	—	—	—	—
Country not stated										
All industries, total	20	26	21,749	19,383	3,555	4,591	305	-164	350	—
Agriculture, forestry and fishing	—	—	—	—	—	—	—	—	—	—
Mining	**	**	**	**	**	**	**	**	**	**
Metal mining	—	—	—	—	—	—	—	—	—	—
Oil and gas extraction	**	**	**	**	**	**	**	**	**	**
All other mining	—	—	—	—	—	—	—	—	—	—
Construction	—	—	—	—	—	—	—	—	—	—
Manufacturing	**	**	**	**	**	**	**	**	**	**
Food and kindred products	—	—	—	—	—	—	—	—	—	—
Chemicals and allied products	—	—	—	—	—	—	—	—	—	—
Petroleum (including integrated) and coal products	—	—	—	—	—	—	—	—	—	—
Primary metal industries	—	—	—	—	—	—	—	—	—	—
Machinery, except electrical	—	—	—	—	—	—	—	—	—	—
Electrical and electronic equipment	**	**	**	**	**	**	**	**	**	**
Motor vehicles and equipment	—	—	—	—	—	—	—	—	—	—
Instruments and related products	—	—	—	—	—	—	—	—	—	—
All other manufacturing	—	—	—	—	—	—	—	—	—	—
Transportation and public utilities	—	—	—	—	—	—	—	—	—	—
Water transportation	—	—	—	—	—	—	—	—	—	—
All other transportation and public utilities	—	—	—	—	—	—	—	—	—	—
Wholesale and retail trade	**	**	**	**	**	**	**	**	**	**
Wholesale trade	**	**	**	**	**	**	**	**	**	**
Petroleum and petroleum products	—	—	—	—	—	—	—	—	—	—
All other wholesale trade	**	**	**	**	**	**	**	**	**	**
Retail trade	—	—	—	—	—	—	—	—	—	—
Wholesale and retail trade not allocable	—	—	—	—	—	—	—	—	—	—
Finance, insurance and real estate	**	**	**	**	**	**	**	**	**	**
Banking	—	—	—	—	—	—	—	—	—	—
Credit agencies other than banks	**	**	**	**	**	**	**	**	**	**
Insurance carriers	**	**	**	**	**	**	**	**	**	**
Holding and other investment companies, except bank holding companies	—	—	—	—	—	—	—	—	—	—
All other finance, insurance and real estate	—	—	—	—	—	—	—	—	—	—
Services	—	—	—	—	—	—	—	—	—	—
Business services	—	—	—	—	—	—	—	—	—	—
All other services	—	—	—	—	—	—	—	—	—	—
Nature of business not allocable	**	**	**	**	**	**	**	**	**	**
Inactive	15	19	377	—	—	—	—	—	350	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Selected Industry of Controlled Foreign Corporation — Continued

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

Selected country of incorporation and selected industry of Controlled Foreign Corporation	Number of U.S. corporation returns (1)	Controlled Foreign Corporations: Number of foreign corporations (2)	Total assets (3)	Business receipts (4)	Current earnings and profits (less deficit) before taxes (5)	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits before taxes (6)	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net) (7)	Foreign income taxes (net) (8)	Distributions: Total (9)	Distributions: Out of current earnings and profits (10)
OPEC Countries, Total (included above)										
All industries, total	339	659	7,131,635	9,018,260	680,129	1,048,218	301,365	296,734	276,964	227,209
Agriculture, forestry and fishing	*12	*13	*51,945	*52,301	*15,689	*16,710	*6,343	*6,343	*6,750	*6,750
Mining	26	43	533,639	873,723	119,460	126,270	57,004	56,229	42,583	29,924
Metal mining	**	**	**	**	**	**	**	**	**	**
Oil and gas extraction	24	40	509,496	858,960	115,774	122,515	55,340	54,564	41,622	29,647
All other mining	**	**	**	**	**	**	**	**	**	**
Construction	16	27	254,236	341,489	101,315	104,135	2,935	2,655	10,813	8,070
Manufacturing	137	294	4,194,899	5,282,163	335,242	463,037	129,527	126,190	106,794	83,028
Food and kindred products	20	44	532,960	958,955	105,647	106,483	30,206	30,206	24,688	23,586
Chemicals and allied products	53	109	1,102,795	1,244,426	127,916	143,819	41,632	43,164	39,749	26,345
Petroleum (including integrated) and coal products	**	**	**	**	**	**	**	**	**	**
Primary metal industries	**	**	**	**	**	**	**	**	**	**
Machinery, except electrical	12	24	157,414	158,206	32,011	32,443	11,745	11,763	9,955	8,273
Electrical and electronic equipment	19	32	522,409	355,744	29,858	40,625	4,173	4,178	2,237	2,237
Motor vehicles and equipment	6	8	644,295	1,437,793	-62,203	21,647	7,635	8,867	735	297
Instruments and related products	**	**	**	**	**	**	**	**	**	**
All other manufacturing	39	72	1,214,919	1,098,561	100,162	115,596	33,341	27,234	29,430	22,291
Transportation and public utilities	13	18	114,106	63,547	11,154	19,946	7,926	7,926	11,037	10,616
Water transportation	3	4	8,911	5,996	1,171	1,492	49	49	1,200	1,099
All other transportation and public utilities	10	14	105,195	57,550	9,983	18,454	7,878	7,876	9,837	9,517
Wholesale and retail trade	85	153	1,390,873	2,044,460	244,672	261,346	85,677	85,674	86,726	79,659
Wholesale trade	77	133	1,196,410	1,794,001	243,896	252,155	83,229	83,169	80,326	77,167
Petroleum and petroleum products	7	11	507,800	813,543	118,596	118,602	42,943	42,943	30,422	30,422
All other wholesale trade	70	122	688,609	980,458	125,300	133,552	40,286	40,227	49,904	46,745
Retail trade	10	16	186,763	240,864	-655	7,703	2,069	2,126	6,306	2,398
Wholesale and retail trade not allocable	3	4	7,701	9,596	1,432	1,489	378	378	94	94
Finance, insurance and real estate	26	48	133,412	18,259	11,848	12,909	1,844	1,554	3,531	1,961
Banking	**	**	**	**	**	**	**	**	**	**
Credit agencies other than banks	5	9	36,765	3,356	-594	381	98	-192	12	12
Insurance carriers	**	**	**	**	**	**	**	**	**	**
Holding and other investment companies, except bank holding companies	10	12	43,843	4,128	7,108	7,111	773	773	1,725	1,661
All other finance, insurance and real estate	13	22	44,218	5,606	5,114	5,196	852	852	886	267
Services	49	62	349,451	342,189	40,735	43,824	10,106	10,162	8,751	7,200
Business services	31	39	218,991	174,886	24,012	24,445	7,770	7,826	4,629	4,386
All other services	19	23	130,459	167,303	16,724	19,379	2,336	2,336	4,123	2,813
Nature of business not allocable	6	6	487	150	13	40	2	2	—	—
Inactive	133	195	108,608	—	—	—	—	—	—	—

*Estimate should be used with caution because of the small number of sample returns on which it was based.
**Deleted to avoid disclosure of information for specific corporations.
(¹)Less than $500.
Note: Detail may not add to total because of rounding.

Domestic International Sales Corporations

Contents

A U.S. corporation with the objective of engaging in business activity abroad could elect to form a Domestic International Sales Corporation (DISC) under provisions originally established by the Revenue Act of 1971. The purpose of this law was to increase U.S. exports and make domestic products more competitive in foreign markets. To qualify as a DISC, a corporation had to meet certain requirements which were designed to limit the DISC to export related activities. The principal incentive to form a DISC was a tax benefit in the form of a deferral of U.S. tax on a portion of the DISC's net earnings derived from exports until they were distributed to the shareholder(s) of the DISC or until disposition of the DISC stock was made by the shareholder(s) of the DISC. The reprint of the Statistics of Income Bulletin article in this section describes these corporations in greater detail.

The reader should note that significant tax legislative changes covering DISC's have occurred in recent years. The effects of this legislation (i.e., the Deficit Reduction Act of 1984), which are effective beginning in 1985, are not reflected in the statistics shown in this compendium. This legislation will cause large DISC exporters to become new "Foreign Sales Corporations" (FSC's). There are also provisions for small FSC's and "interest-charge" DISC's. Results of studies on these new corporations will be forthcoming in future SOI publications.

This section includes two supplemental tables with previously unpublished data for DISC's filing income tax returns for Tax Year 1981. One table classifies selected data based on the major products and services of the DISC's and the second table presents data similarly classified, but also categorized by type of majority stockholder and by size of total assets of the majority corporate stockholder.

A comparison of selected items related to DISC's for Tax Years 1981 and 1982 is shown in Figure 1.

Figure 1. -- Domestic International Sales Corporations, 1981 and 1982
(money amounts are in millions of dollars)

Item	1981	1982
Number of returns	9,408	9,663
Total assets	32,301	34,867
Total qualified export receipts and nonqualified receipts	49,631	43,098
Net income (less deficit)	10,910	10,142
DISC taxable income	10,952	10,156
Total amount deemed distributed	7,187	7,080
Tax deferred income	3,796	3,097
Total amount actually distributed	5,435	6,478

Summary discussions of these domestic corporations, with selected historical data, are presented in two papers contained in Section 1 of this compendium. These papers are entitled "Statistics of Income Studies of International Income and Taxes: An Overview (page 3) and A Brief Description of the Studies (page 9)." An additional source of information on DISC's is a series of reports entitled "The Operation and Effect of the Domestic International Sales Corporation Legislation," prepared by the Office of Tax Analysis, Office of the Secretary, Department of the Treasury.

The reader is also referred to Section 15 of this compendium, which contains a copy of the tax form and related instructions used as the basis of the DISC data. The appropriate form and instructions are:

* Form 1120-DISC, Domestic International Sales Corporation Return, and Instructions (page 467)

Domestic International Sales Corporation Returns, 1980

By Jeffrey Hartzok*

For Income Year 1980, export gross receipts of Domestic International Sales Corporations (DISC's) exceeded $154 billion. DISC earnings and profits derived from these export receipts amounted to nearly $9.8 billion. By utilizing the provisions of U.S. income tax law pertaining to this special type of corporation, it was possible for stockholders of DISC's to defer, indefinitely, taxes on $3.6 billion of the $9.8 billion earned in 1980. The estimated cost of these provisions has been reported to be nearly $1.7 billion in lost U.S. tax revenues for 1980 [1].

Large U.S. corporations with DISC subsidiaries were the primary beneficiaries of the DISC provisions. Nearly 70 percent of all tax deferred profits in 1980 were retained by DISC's owned by U.S. corporations with total assets of $250 million or more.

DISC LEGISLATION

A DISC is a special type of corporation established by the Revenue Act of 1971 (for taxable years beginning in 1972) to promote exports through sheltering a portion of export profits from U.S. income taxation. The profits of a DISC are not taxed to the DISC itself, but instead are taxed to the stockholders when distributed or deemed distributed. Stockholders of DISC's (typically other operating U.S. corporations) are deemed to receive annually, a portion of the DISC's earnings and profits. This deemed distribution is fully taxable to the stockholders even if the earnings are not actually distributed. U.S. income taxation is deferred indefinitely, for the most part, on the remainder of the DISC's earnings and profits.

To qualify as a DISC, a corporation has to meet very strict formal requirements, such as satisfying the tests that 95 percent of both its gross receipts and assets are "qualified." These requirements are designed to limit the DISC to export related activities. A DISC is allowed to export products that qualified as export property which are manufactured, produced, grown, or extracted in the United States by someone other than the DISC. Property manufactured, produced, grown, or extracted by a DISC and later sold or leased does not qualify as export property.

A DISC usually acquires export property from its parent corporation or an affiliated corporation (a "related supplier") and then sells the property abroad. However, it can act simply as a commission merchant on export sales of related suppliers and, thus, not have any substance (i.e., no employees or real business activity). The allocation of income between the DISC and its related supplier is achieved through the use of special intercompany pricing rules discussed later in this article.

DISC Legislative Changes

The DISC legislation has undergone three major modifications since 1972. Each law change reduced the tax benefits allowed to the stockholders of DISC's. The Tax Reduction Act of 1975 eliminated DISC benefits for profits arising from exports of depletable energy products such as oil and natural gas. The Tax Reform Act of 1976 limited DISC benefits to taxable income attributable to export gross receipts in excess of 67 percent of the average export gross receipts in a four-year base period. DISC's with adjusted taxable income of $100,000 or less were exempted from these provisions. The Tax Equity and Fiscal Responsibility Act of 1982 increased the portion of DISC income considered deemed distributed to the DISC's corporate stockholders from 50 percent to 57.5 percent for taxable years beginning in 1983.

Objectives and Effects of the DISC Legislation

The principal objective of the original DISC provisions was to increase U.S. exports and thereby improve U.S. balance of trade by making U.S. exports more profitable for exporting companies and more competitive, in price, with foreign products.

Exports through DISC's have increased rapidly since their enactment, growing from $21.7 billion in export receipts in 1972 to $154.1 billion in 1980. A recent Treasury report [2] estimates that the DISC provisions directly increased U.S. exports in 1980 in the range of $7.2 billion to $11.0 billion. This range represents approximately 5 to 7 percent of the total of $154.1 billion of exports through DISC's.

A comparison of exports through DISC's to total U.S. exports and imports of merchandise for 1973 through 1980 is shown below [3].

DISC Exports vs. Total U.S. Exports and Imports
(Billions of Dollars)

Year	DISC Exports	Total U.S. Exports	Total U.S. Imports	U.S. Merchandise Trade Balance
1973	$44.8	$70.8	$69.5	$1.3
1974	66.8	97.9	101.0	-3.1
1975	73.2	107.1	96.9	10.2
1976	82.7	114.8	120.7	-5.9
1977	85.9	121.2	147.7	-26.5
1978	99.6	143.6	172.0	-28.4
1979	132.0	181.7	206.3	-24.6
1980	154.1	220.6	244.9	-24.3

Although total U.S. exports of merchandise (including exports through DISC's) have risen steadily since 1973, U.S. imports of foreign merchandise have increased

*Foreign Returns Analysis Section. Prepared under the direction of James R. Hobbs, Chief.

rapidly as well. Contributing to this increase in U.S. imports has been the growth of imports of petroleum products, machinery, and transportation equipment [4].

As noted before, large U.S. corporations with DISC subsidiaries have been the primary beneficiaries of the DISC provisions. Shown below is a historical comparison of the tax deferred income for all DISC's and those owned by corporations with total assets of $250 million or more ("large" majority corporate stockholders). Although a majority corporate stockholder of a DISC is defined as a corporation owning 50 percent or more of the DISC's capital stock, more than 99 percent of the DISC's owned by "large" corporations are wholly owned subsidiaries.

Tax Deferred Income (Millions of Dollars)

Income Year	Total Deferred Amount	DISC's with "Large" Majority Corporate Stockholders: Total Amount	Percent of All DISC's
1975	$2,351	$1,498	63.7
1976	1,572	942	60.0
1977	1,519	959	63.1
1978	2,071	1,376	66.4
1979	3,065	2,148	70.1
1980	3,606	2,520	69.9

Assuming an income tax rate structure of 48 percent for Income Years 1975 through 1978 and 46 percent for Income Years 1979 and 1980, it was possible for these large corporations to defer indefinitely over $4.4 billion in U.S. income taxes since 1975 [5].

EXPORT ACTIVITIES, 1979 VS 1980

The number of DISC's actively engaged in exporting U.S. goods and services abroad for 1979 and 1980 was 7,933 and 8,665, respectively (see Figure A). The number of active DISC's continued to grow in nearly all major product and service groups, increasing nearly 9 percent from 1979. DISC's primarily engaged in exporting U.S. manufactured products continued to dominate DISC activity, representing 88 percent of the total number of DISC's. During this same period the cumulative number of elections to be treated as a DISC increased nearly 10 percent from 10,978 in February 1979 to 12,192 in February 1980 [6]. The data on elections were not adjusted for DISC's that were inactive, were liquidated, withdrew their election, or had their election revoked. The increase in the number of DISC elections during 1980 provides evidence of the continued use of the DISC provisions for export sales.

Balance Sheets

In 1980, DISC total assets amounted to $28.7 billion, an 18.9 percent increase over the previous year (Figure B). This increase compares to a net increase of only 13 percent in total assets for corporations in general [7], and it is more than double the 9.0 percent inflation rate for 1980, as measured by the Implicit Price Deflator for Gross National Product [8]. The fastest growing asset item for the second year in a row was export property which increased 42.1 percent in 1980 after increasing 76.2 percent the previous year.

Figure A -- Number of DISC's by Selected Major Product or Service Group, 1979 - 1980

Selected Major Product or Service Group	Number 1979	Number 1980	Percent Change
Total	7,933	8,665	9.0
Nonmanufactured products and services	953	1,052	10.4
Grains	119	110	-7.6
Other agriculture	183	222	21.3
Manufactured products	6,980	7,613	9.1
Food and kindred products	273	336	2.3
Textile mill products	247	284	15.0
Apparel and other fabric products	151	180	19.2
Lumber and wood products	197	198	0.5
Paper and allied products	141	160	13.5
Printing, publishing and allied products	96	126	32.0
Chemicals and allied products	521	621	19.9
Rubber and plastic products	136	162	19.1
Primary metal products	244	281	15.2
Fabricated metal products	701	773	10.3
Machinery, except electrical	1,465	1,448	-1.2
Electrical machinery and equipment	1,248	1,354	8.5
Transportation equipment	401	441	10.0
Professional, scientific, and photographic equipment	420	439	4.5

Figure B -- Balance Sheets, 1979-1980 (Millions of Dollars)

Selected Items	1979	1980
Total assets, total	$24,161	$28,729
Qualified assets, total	24,105	28,674
Working capital	475	628
Export-Import Bank obligations	1,211	1,587
Trade receivables	14,897	17,522
Export property	1,588	2,256
Producer's loans	3,484	4,367
Nonqualified assets	56	56
Total liabilities	3,902	4,389
Net worth, total	20,259	24,340
Capital stock and paid-in or capital surplus	277	238
Previously taxed income	5,860	6,783
Accumulated DISC income	14,146	17,308

Producer's loans increased 25.3 percent to $4.4 billion in 1980. In most cases, producer's loans were loans made by DISC's to their stockholders out of the DISC's accumulated, undistributed, untaxed profits. The practical effect to a stockholder of a DISC of borrowing these tax deferred profits was an interest-free loan. This occurred because the interest earned by the DISC from these producer's loans was not taxed to the DISC and the distributions out of this interest which were taxed to the stockholder were offset by the interest deduction taken by the stockholder.

In the aggregate, DISC net worth increased by over 20 percent in 1980. The largest single item was accumulated DISC income which amounted to $17.3 billion. This amount represents the aggregate tax deferred profits retained by DISC's since 1972.

Income Statements

Income statement statistics for all DISC's are presented in Figure C. For 1980, total receipts [9] continued to increase rising by 21.1 percent from 1979 to $52.8 billion. Qualified export receipts from the sale of export property accounted for over 96 percent of total DISC receipts. Most of these receipts were from direct foreign sales (either on a commission basis or noncommission basis) of U.S. merchandise to related and unrelated purchasers. Of the $1.7 billion of other qualified receipts, over 64 percent consisted of qualified interest other than that earned on producer's loans, an increase of 44.2 percent over 1979. This increase in qualified interest receipts reflects the favorable tax treatment of interest earned on trade receivables (the largest qualified export asset item) and other investments such as Export-Import Bank obligations and Private Export Funding Corporation notes.

While domestic profits for all corporations declined as a result of the downturn in the economy during 1980 [10], exports channeled through DISC's continued to be a profitable business. DISC net income in 1980 increased 17.1 percent compared to a 16.2 percent decline in profits for corporations in general. There were several possible reasons for this phenomenon. One is a corporation with excessive net operating losses (or excessive tax credits) which may have elected not to export goods and services through a DISC. In a similar manner another corporation which had overall profits (both domestic and foreign) may have chosen to channel only profitable exports through a DISC and directly absorb the losses on unprofitable exports. Finally, the special intercompany pricing rules applicable to DISC's allowed DISC's to maximize their own profits on export sales and minimize the profits allocated to their parent company.

PRODUCT HIGHLIGHTS

DISC's engaged primarily in the export of grain and selected manufactured products such as chemicals, machinery, and transportation equipment received most of the DISC tax benefits [11]. Those primarily exporting grain generated over 60 percent of the profits from all nonmanufactured products and services. DISC's primarily exporting chemicals, machinery and transportation equipment accounted for nearly 73 percent of the earnings and profits from all manufactured products.

Figures D and E show the percentage of total export gross receipts and net income accounted for by these significant major product groups. Although DISC's primarily exporting manufactured products accounted for 72.4 percent of all DISC export gross receipts, they derived 91.8 percent of all DISC net income.

Figure C -- Income Statements, 1979-1980 (Millions of Dollars)

Selected Items	1979	1980
Total receipts	$43,601	$52,799
Qualified export receipts from the sale of export property	42,180	50,811
Other qualified export receipts, total	1,228	1,719
Leasing of export property	49	84
Engineering and architectural services	100	129
Interest on producer's loans	245	342
Other qualified interest	730	1,053
Nonqualified receipts	193	268
Total deductions	35,175	42,929
Cost of sales and operations	32,920	40,248
Export promotion expenses	1,238	1,506
Net income (less deficit)	8,426	9,870

A comparison, for 1980, of DISC exports to total U.S. exports [12] for agricultural and nonagricultural products is shown below.

DISC Exports vs U.S. Exports, 1980 (Billions of Dollars)

Product/Services	DISC Exports	U.S. Exports
Total	$154.1	$216.6
Agricultural products and services	40.4	41.3
Nonagricultural products and services	113.7	175.3

DISC exports in 1980 accounted for approximately 65 percent of all nonagricultural exports [13] of U.S. goods and services abroad. The remaining (non-DISC) exports generally included: (1) exports by corporations with excessive net operating losses or tax credits, (2) exports of products ultimately used in the United States, (3) exports of certain products (such as oil and natural gas) which were denied DISC benefits by law, and (4) exports of unprofitable product lines.

DISTRIBUTIONS TO STOCKHOLDERS

Over 64 percent of DISC earnings and profits were considered to be taxable to their stockholders in 1980 compared to only 51 percent in 1975. This was a direct result of the Tax Reform Act of 1976 which allowed DISC tax benefits to be accrued only on profits arising from increases in exports over a base period amount.

Under the 1976 provisions, DISC benefits have been limited to earnings and profits attributable to export gross receipts in excess of 67 percent of the average export gross receipts of the DISC in a four-year base period. For taxable years beginning in 1976 through 1979 the base period years were 1972 through 1975. Starting with taxable years beginning in 1980, the

Figure D
Percent of Total Export Gross Receipts of DISC's by Selected Major Product or Service Group, 1980

1980 Total Export Gross Receipts = $154.1 billion

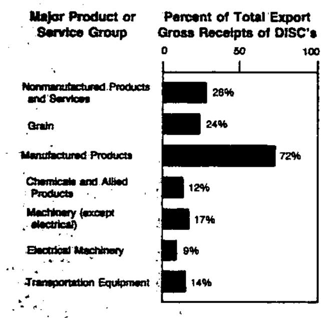
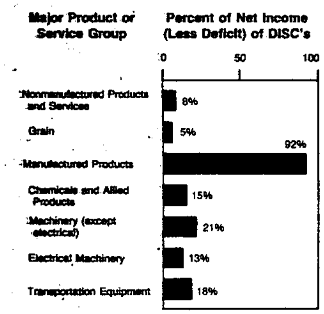


Figure E
Percent of Net Income (Less Deficit) of DISC's by Selected Major Product or Service Group, 1980

1980 Net Income (Less Deficit) = $9.9 billion



base period advanced each year. For DISC's which were members of the same controlled group (i.e., owned by one stockholder) the export gross receipts for both the current and base period years were aggregated. Small DISC's with adjusted taxable income of $100,000 or less were exempted from these provisions.

The total amounts of DISC taxable income and amounts deemed distributed for Income Years 1975 through 1980 are compared in Figure F. The difference shown between the amount of DISC taxable income and the amounts deemed distributed represents the amount of the DISC's income that can be deferred indefinitely from U.S. income taxation. As noted before, the amounts deemed to be distributed and fully taxable to DISC stockholders amounted to 50.7 percent of the total DISC taxable income in 1975. While the ratio of deemed distributions to DISC taxable income increased to approximately 70 percent for 1976 and 1977, it decreased slightly in the following two years. For 1980, however, the ratio (63.5 percent) remained constant to the previous year, reflecting the shift of the base period year for those DISC's with taxable years beginning in 1980.

INTERCOMPANY PRICING PRACTICES

A series of special intercompany pricing methods (the "4 percent gross receipts method" and the "50-50 combined taxable income method") have been provided for in cases where the DISC either purchases its inventory of export property from a related supplier or acts as a commission agent for a related supplier. A related supplier is the DISC's parent corporation or any other related person that controls the DISC.

Regardless of the actual price charged, the selling price is considered to be the smallest of the following:

(1) A price that will result in the DISC having taxable income of 4 percent of the qualified export receipts derived from the sale of export property plus 10 percent of the export promotion expenses allocable to those receipts,

(2) A price that will result in the DISC having taxable income of 50 percent of the combined taxable income derived by both the DISC and its related supplier from the sales of export property which is attributable to the qualified export receipts plus 10 percent of the export promotion expenses allocable to those receipts, or

(3) the competitive market price subject to the "arms length" pricing rules of the Internal Revenue Code.

If the 4 percent gross receipts method or the 50-50 combined taxable income method are used, the transfer price from the related supplier to the DISC is computed only after the DISC sold the goods to a customer. The DISC and its supplier can make adjustments following the close of the taxable year in which the DISC sold the goods in order to maximize the DISC's allocation of earnings and profits [14]. However, neither of these methods permits the related supplier to allocate income to the DISC to the extent that it results in a loss to the supplier.

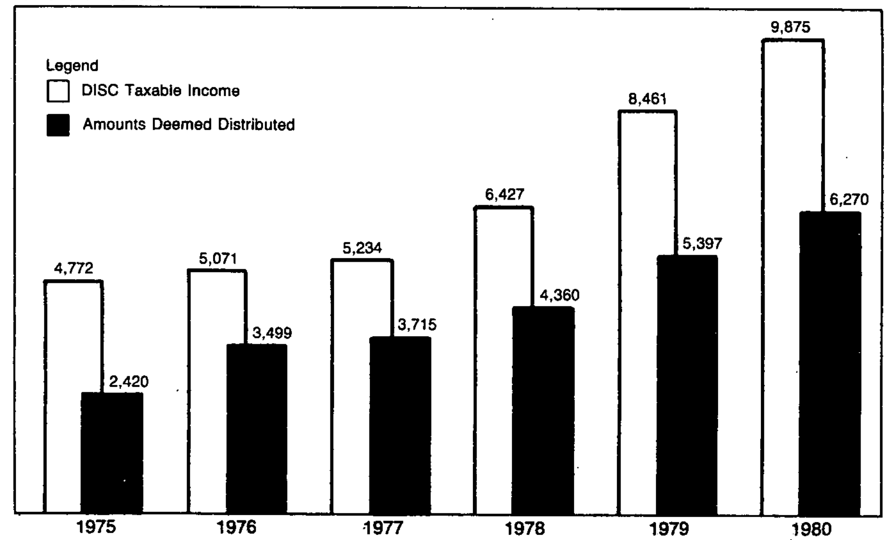
The importance of these special intercompany pricing rules is presented in Figure G. Over 35 percent of DISC export gross receipts were subject to the 50-50 combined taxable income method, nearly 34 percent to the 4 percent gross receipts method, and almost 20 percent to a combination of both the 50-50 method and the 4 percent method. Only 4 percent of DISC export gross receipts were subject to the arms length, or fair market price, method. The ratio of net income to export gross receipts indicates that DISC's and related suppliers with high profit margins tend to use the 50-50 combined taxable income method while DISC's and related suppliers with a combined profit margin of less than 8 percent tend to use the 4 percent gross receipts method [15].

SUMMARY

Exports of U.S. goods and services through DISC's have increased steadily since 1972. The use of the

Figure F
DISC Taxable Income and Amounts Deemed Distributed, 1975-1980

Millions of Dollars



DISC provisions have increased the profitability of exporting, by lowering the effective U.S. tax rate on export profits. Large U.S. corporations with DISC subsidiaries are the primary beneficiaries of the DISC provisions accounting for nearly 70 percent of all tax deferred profits in 1980. Most DISC's and their parent companies take advantage of the special intercompany pricing rules in order to maximize the DISC's profits on exports sales and minimize the profits allocated to the parent company.

The DISC provisions have been a point of contention between the United States and other signatory countries of the General Agreement on Tariffs and Trade (GATT) for the last several years. GATT rules generally accept territorial systems of taxation in which income earned within a given country is taxed while income earned outside the home country is tax exempt. As a result, legislation has been introduced to replace the DISC provisions with a tax alternative. This proposal would require U.S. companies to establish foreign sales corporations through which export sales of U.S. goods would be made. A portion of the earnings and profits of these corporations which are attributable to foreign economic processes would be exempt from U.S. income taxation [16].

DATA SOURCES AND LIMITATIONS

The statistics in this article were estimated from a stratified probability sample of Domestic International Sales Corporation returns selected after revenue processing but before audit. All returns were manually designated and selected on the basis of randomly selected digits using the eighth position of the Employer Identification Number. The sample was stratified based upon size of net income or deficit of the DISC and total assets of DISC majority stockholders that were corporations, and selected at three rates ranging from 20 percent to 100 percent. There were 3,265 returns in the sample for 1980 drawn from a population of 9,782.

The estimates are intended to represent Form 1120-DISC returns with accounting periods ended July 1980 through June 1981. However, returns for prior years processed by the Internal Revenue Service during the same period as current year returns were included, in the statistics to compensate for current year returns filed after the cutoff date for 1980 sampling. This exception was for prior year returns of large DISC's. Inclusion of returns for large DISC's was manually verified insofar as possible on a name basis because of their impact on the statistics. Therefore, prior year returns of large DISC's were excluded from the statistics, because the 1980 returns for the same DISC's were included.

Because the data presented in this article are estimates based upon a sample, they are subject to sampling error. To use the data properly, the magnitude of the sampling error should be known. Coefficients of variation (CV's) are used to measure that magnitude.

Figure G.--RETURNS OF ACTIVE DISC's: Export Gross Receipts, Export Promotion Expenses, Net Income (Less Deficit), and Tax Deferred Income by Major Product and Service Division and by Intercompany Pricing Method

[All figures are estimates--money amounts are in millions]

Major product and service division and intercompany pricing method	Number of returns	Total export gross receipts of the DISC	Export promotion expenses	Net income (less deficit)		Tax deferred income
				Amount	Percent of export gross receipts	
	(1)	(2)	(3)	(4)	(5)	(6)
All Products and Services						
All returns	8,665	154,078	1,506	9,870	6.4	3,606
Returns reporting pricing method	7,202	143,896	1,244	9,554	6.6	3,484
50-50 method only	3,579	54,372	680	5,766	10.6	2,153
4 percent method only	2,053	48,436	149	1,133	2.3	410
Arm's-length method only	1,137	6,787	310	483	7.1	181
50-50 and 4 percent methods	409	30,562	88	1,994	6.5	674
All other combinations	25	3,739	17	178	4.7	66
Pricing method not determinable	1,463	10,182	24	316	3.1	122
Nonmanufactured Products and Services						
All returns	1,052	42,517	75	805	1.9	285
Returns reporting pricing method	673	38,191	58	736	1.9	261
50-50 method only	233	1,251	25	149	11.9	56
4 percent method only	258	28,279	17	370	1.3	125
Arm's-length method only	157	1,748	12	50	2.8	20
50-50 and 4 percent methods	22	4,297	(1)	86	2.0	28
All other combinations	3	2,616	4	81	3.1	32
Pricing method not determinable	379	4,326	16	69	1.6	24
Manufactured Products						
All returns	7,613	111,561	1,431	9,065	8.1	3,321
Returns reporting pricing method	6,529	105,705	1,186	8,818	8.3	3,223
50-50 method only	3,345	53,122	655	5,617	10.6	2,097
4 percent method only	1,795	20,156	132	763	3.8	285
Arm's-length method only	980	5,040	298	433	8.6	161
50-50 and 4 percent methods	386	26,264	88	1,908	7.3	646
All other combinations	23	1,123	13	97	8.7	34
Pricing method not determinable	1,084	5,856	245	257	4.4	98

[1] Less than $500,000.

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

The table below presents approximated coefficients of variation for frequency estimates. The approximate CV's shown here are intended only as a general indication of the reliability of the data. For a number other than those shown below, the corresponding CV's can be estimated by interpolation. The reliability of estimates based on samples and the use of coefficients of variation for evaluating the precision of sample estimates are discussed in the Appendix.

Estimated Number of Returns	Approximated Coefficient of Variation	Estimated Number of Returns	Approximated Coefficient of Variation
200	.21	1,400	.08
300	.17	1,800	.07
400	.15	2,500	.06
600	.12	4,000	.05
800	.10	7,000	.04
1,000	.09	10,000	.03

DEFINITIONS

Brief definitions of the terms used throughout this article are shown below.

Accumulated DISC Income -- This balance sheet amount represented the portion of the DISC's earnings and profits, derived during taxable years for which the corporation qualified as a DISC, that was deferred from U.S. income taxation.

Amounts Deemed Distributed -- This amount represented that portion of the DISC's earnings and profits which were fully taxable as dividends to the DISC's stockholders. For taxable years beginning before January 1, 1976, amounts deemed distributed were the sum of: (1) gross interest on producer's loans; (2) certain gains from the sale or exchange of assets; (3) one-half of the excess DISC taxable income over the sum of (1) and (2); and (4) the foreign investment attributable to producer's loans for the taxable year. For taxable years beginning after December 31, 1975, amounts deemed distributed were the sum of: (1) gross interest on producer's loans; (2) certain gains from the sale or exchange of assets; (3) one-half of DISC taxable income attributable to military property; (4) DISC taxable income attributable to base period export gross receipts; (5) one-half of the excess DISC taxable income over the sum of (1), (2), (3), and (4); (6) international boycott income; (7) the amount of illegal bribes and kickbacks paid to foreign governments; and (8) the foreign investment attributable to producer's loans for the taxable year. The sum of the amounts described in (1) through (3) for taxable years beginning before January 1, 1976, and the sum of the amounts described in (1) through (7) for taxable years beginning, after December 31, 1975 were limited to the DISC's earnings and profits for the current taxable year. Amounts deemed distributed from foreign investment attributable to producer's loans were limited to the lower of either the accumulated DISC income or the DISC's accumulated earnings and profits for the current and all preceding years.

DISC Taxable Income -- This amount represented the DISC's net income minus the statutory special deductions (net operating loss deduction and dividends-received deduction). This sum of the DISC's tax deferred income and income taxable to stockholders was used in determining the amount of the DISC's earnings and profits that was considered to be deemed distributed to the stockholder of the DISC for the current taxable year.

Export Gross Receipts -- Export gross receipts of the DISC included qualified export receipts from: (1) the sale, lease, or rental of export property; (2) services related and subsidiary to any qualified sale, lease, or rental of export property; (3) engineering or architectural services for construction projects located outside the United States; and (4) export management services provided unrelated DISC's to aid them in deriving qualified export receipts. For DISC's that acted as commission agents, export gross receipts included the total receipts on which the commission was earned.

Export Promotion Expenses -- These were expenses (excluding income taxes) incurred by a DISC to advance the sale, lease, or other distribution of export property for use, consumption, or distribution outside the United States. A DISC was allowed to increase its profit by an amount equal to 10 percent of the export promotion expenses attributable to sales of export property through use of the special DISC intercompany pricing rules.

Export Property -- This amount represented the DISC's inventory and property held for sale or lease which: (1) had been manufactured, produced, grown, or extracted in the United States by a person 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 50 percent of its fair market value attributable to imported articles.

Previously Taxed Income -- This balance sheet amount represented the portion of the DISC's earnings and profits derived during taxable years for which the corporation qualified as a DISC that was fully taxable as dividends to the DISC's stockholders. Excluded from this amount were amounts actually distributed to DISC's stockholders during each taxable year.

Producer's Loans -- This qualified asset generally consisted of loans made out of the DISC's tax deferred accumulated DISC income to its parent company or any other U.S. person engaged in manufacturing, producing, growing, or extracting export property. A producer's loan must have been designated as such, have been evidenced by a note, have had a stated maturity not to exceed 5 years and have been attributed to assets used in export production. If a producer's loan was renewed, it had to requalify at the time of renewal. A producer's loan did not have to be traced to a specific investment by the domestic borrower, but was subject to certain limitations to assure that it did not exceed the investment in assets which could have been attributable to production for export.

Related U.S. Persons -- Related U.S. persons were: (1) individuals who were citizens or residents of the United States and who controlled the DISC; (2) domestic partnerships, estates or trusts that controlled the DISC; (3) domestic corporations that controlled the DISC; and (4) domestic corporations that were controlled by the same person or persons that controlled the DISC. Control meant direct or indirect ownership of more than 50 percent of the voting power of the stock entitled to vote in a DISC or other domestic corporation.

NOTES AND REFERENCES

[1] See U.S. Department of the Treasury, The Operation and Effect of the Domestic International Sales Corporation Legislation, 1981 Annual Report, page 17.

[2] Ibid., pages 8-16. A more detailed analysis of the effect of the DISC provisions on the level and structure of U.S. trade is presented there.

[3] The U.S. export and import totals are based upon foreign trade statistics for merchandise for calendar years 1973 through 1980 as shown in U.S. Department of Commerce, Bureau of the Census, Statistical Abstract of the United States, 1982-83, page 833. The amounts for U.S. exports exclude U.S. Department Defense Military Assistance Program Grant-Aid Shipments.

[4] Ibid., page 842.

[5] The $4.4 billion deferral of U.S. income taxes by corporations with total assets of $250 million or more since 1975 is based upon the assumption that DISC income would be taxed to the parent corporation in the year earned by the DISC. This estimate understates the deferral of income taxes in cases where the DISC's accounting period ends one month later than its parent corporation's accounting period. This, in effect, postponed by one year the inclusion of the DISC deemed distribution as a taxable dividend in its parent corporation's gross income because the timing of the taxability of DISC income to its parent corporation was based on DISC accounting periods that end with or within the parent's accounting period. It can be roughly estimated that approximately 60 percent of all DISC's owned by U.S. corporations have accounting periods lagging slightly behind their parents's accounting period. The $4.4 billion estimate overstates the deferral of income taxes in cases where the DISC has made actual distributions out of its accumulated tax deferred profits (accumulated DISC income).

[6] U.S. Department of the Treasury, op. cit., page 24.

[7] Hobbs James R., "Corporation Returns, 1980," Statistics of Income Bulletin, Volume 2, Number 3, page 12.

[8] U.S. Department of Commerce, Bureau of Economic Analysis, Survey of Current Business, June 1981, Volume 61, Number 6, page 15.

[9] For DISC's which operated on a commission basis, receipts figures included only the commissions earned and not the gross receipts on which the commissions arose.

[10] For a more detailed discussion on the decline in profits for U.S. corporations in 1980, see Hobbs, op. cit., pp. 11-16.

[11] Since most DISC's, by their very nature, would have been classified in the "wholesale trade" industry (selling export property aboard) and to a much lesser extent, in the "services" industry, the statistics presented in this article are classified by the major product sold, leased, or rented, or the qualified service provided abroad. The most significant difference between the classification by major product or service and the classification by industry (which is used for the presentation of statistical data for corporations in general) was that the industrial classification made distinctions based upon type of business activity while the major product or service classification was based on the kind of property being sold, leased, or rented, or the service being provided. Both classification systems were derived from the Enterprise Standard Industrial Classification authorized by the Office of Information and Regulatory Affairs in the Office of Management and Budget.

[12] U.S. Department of Commerce, Bureau of the Census, Highlights of U.S. Export and Import Trade, Report FT990, December 1981, page 31.

[13] A comparison of DISC exports to total U.S. exports for agricultural products and services is not meaningful because of inter-DISC sales. Sales of export property between unrelated DISC's are qualified export receipts as long as the property sold is ultimately for direct use, consumption, or sale outside the United States. Inter-DISC sales also occur to a much lesser extent for sales of nonagricultural products. However, these sales are not considered to be a limitation of the comparison shown.

[14] The intercompany pricing methods allowed DISC's are not mutually exclusive. Any one may be applied to a particular product or product line or group of transactions without exclusion of other methods for other products, product lines or transactions in the same taxable year.

[15] This information can be used to estimate the combined profit margins of DISC's and their related suppliers. See U.S. Department of the Treasury, The Operation and Effect of the Domestic International Sales Corporation Legislation, 1976 Annual Report, pp. 35-36.

[16] U.S. Department of the Treasury, op.cit., pp. 6-7.

Table 1—Assets, Receipts, Deductions, Income, and Distributions of DISC, and Total Export Gross Receipts of DISC and Related U.S. Persons for Current and First-Preceding Years, by Major Product and Service Division and by Type of Majority Stockholder and Size of Total Assets of Majority Corporate Stockholder

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

Major product and service division, type of stockholder and size of assets of majority corporate stockholder	Number of returns	Net income (less deficit)	Net income	Deficit	DISC taxable income	Taxable income attributable to base period export gross receipts	Adjusted DISC income subject to deferral computation	Total amount deemed distributed	Tax deferred income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All Products and Services									
All returns	**8,665**	**9,870,247**	**9,888,125**	**17,878**	**9,875,286**	**2,191,919**	**7,213,891**	**6,269,797**	**3,606,064**
Returns with majority stockholder, total	8,270	9,824,497	9,841,993	17,496	9,829,297	2,186,824	7,173,842	6,243,832	3,586,041
Corporate stockholders, total	7,194	9,747,320	9,755,596	8,276	9,743,314	2,180,111	7,095,976	6,196,773	3,547,110
Assets zero or not available	529	132,354	133,123	769	132,040	26,478	100,305	81,882	50,158
$1 under $100,000	134	14,173	14,313	140	14,313	2,050	12,167	8,226	6,087
$100,000 under $1,000,000	801	62,526	63,465	940	60,515	6,057	53,940	33,545	26,969
$1,000,000 under $5,000,000	2,018	237,256	240,170	2,914	239,999	23,940	210,033	135,396	104,777
$5,000,000 under $10,000,000	673	208,614	211,414	2,800	211,411	29,271	174,125	123,650	87,761
$10,000,000 under $50,000,000	1,491	839,601	839,917	317	839,678	145,175	670,748	504,765	335,116
$50,000,000 under $100,000,000	390	409,555	409,604	48	409,604	85,738	307,736	255,808	153,865
$100,000,000 under $250,000,000	303	705,206	705,211	4	701,021	159,947	526,023	438,178	262,843
$250,000,000 or more, total	654	7,138,035	7,138,379	344	7,134,533	1,701,454	5,040,905	4,615,323	2,519,535
$250,000,000 under $500,000,000	187	610,288	610,289	1	610,289	151,139	438,627	391,086	219,203
$500,000,000 under $1,000,000,000	188	995,044	995,044	(1)	995,044	256,557	713,313	638,617	356,552
$1,000,000,000 or more	279	5,532,703	5,533,046	343	5,529,199	1,293,758	3,888,964	3,585,419	1,943,780
Noncorporate stockholders	1,047	73,657	82,808	9,151	82,395	6,713	74,275	45,264	37,136
Type of stockholder not known	*30	*3,520	*3,589	*69	*3,589	—	*3,589	*1,794	*1,794
Returns with no majority stockholder	394	45,750	46,132	382	45,989	5,095	40,049	25,965	20,023
Nonmanufactured Products and Services									
All returns	**1,052**	**805,195**	**809,127**	**3,933**	**804,090**	**191,239**	**569,944**	**519,520**	**284,900**
Returns with majority stockholder, total	950	800,937	804,852	3,915	799,898	190,557	566,584	517,007	283,220
Corporate stockholders, total	819	791,969	795,316	3,347	790,361	189,966	557,848	511,834	278,852
Assets zero or not available	91	12,337	12,453	116	11,457	2,373	9,084	6,915	4,542
$1 under $100,000	*32	*164	*190	*25	*190	—	*190	*95	*95
$100,000 under $1,000,000	139	5,699	6,030	331	6,030	292	5,673	3,194	2,836
$1,000,000 under $5,000,000	234	23,580	23,603	23	23,491	3,122	19,293	13,844	9,647
$5,000,000 under $10,000,000	78	11,768	14,568	2,799	14,567	1,874	11,998	8,568	5,999
$10,000,000 under $50,000,000	119	57,250	57,253	4	57,253	11,605	43,362	35,572	21,681
$50,000,000 under $100,000,000	34	55,532	55,580	47	55,580	10,374	44,066	33,547	22,033
$100,000,000 under $250,000,000	15	179,539	179,539	(1)	179,539	51,172	127,085	116,009	63,530
$250,000,000 or more, total	75	446,099	446,100	1	442,254	109,155	297,096	294,089	148,490
$250,000,000 under $500,000,000	18	27,884	27,884	1	27,884	4,179	23,511	16,129	11,755
$500,000,000 under $1,000,000,000	23	141,410	141,410	—	141,410	56,162	78,954	102,317	39,418
$1,000,000,000 or more	34	276,806	276,806	(1)	272,959	48,813	194,632	175,644	97,316
Noncorporate stockholders	125	8,968	9,537	568	9,537	591	8,736	5,174	4,368
Type of stockholder not known	*5	*(1)	—	*(1)	—	—	—	—	—
Returns with no majority stockholder	102	4,258	4,275	17	4,192	682	3,360	2,512	1,680
Manufactured Products									
All returns	**7,613**	**9,065,052**	**9,078,998**	**13,946**	**9,071,196**	**2,000,680**	**6,643,947**	**5,750,277**	**3,321,164**
Returns with majority stockholder, total	7,321	9,023,560	9,037,141	13,581	9,029,400	1,996,267	6,607,257	5,726,824	3,302,821
Corporate stockholders, total	6,375	8,955,351	8,960,280	4,929	8,952,953	1,990,145	6,538,129	5,684,940	3,268,258
Assets zero or not available	437	120,017	120,669	653	120,583	24,105	91,220	74,967	45,616
$1 under $100,000	102	14,009	14,123	114	14,123	2,050	11,977	8,131	5,992
$100,000 under $1,000,000	662	56,827	57,435	608	54,484	5,765	48,267	30,351	24,133
$1,000,000 under $5,000,000	1,784	213,676	216,567	2,891	216,508	20,818	190,739	121,551	95,130
$5,000,000 under $10,000,000	795	196,846	196,846	1	196,844	27,398	162,127	115,062	81,762
$10,000,000 under $50,000,000	1,371	782,351	782,664	313	782,625	133,570	627,384	469,193	313,435
$50,000,000 under $100,000,000	356	354,023	354,024	1	354,024	75,364	263,669	222,262	131,831
$100,000,000 under $250,000,000	288	525,668	525,672	4	521,482	108,775	398,937	322,169	199,314
$250,000,000 or more, total	579	6,691,936	6,692,279	344	6,692,279	1,592,299	4,743,809	4,321,234	2,371,045
$250,000,000 under $500,000,000	169	582,405	582,405	(1)	582,405	148,959	415,116	374,957	207,446
$500,000,000 under $1,000,000,000	165	853,634	853,634	(1)	853,634	200,394	634,359	536,501	317,133
$1,000,000,000 or more	245	5,255,897	5,256,240	343	5,256,240	1,244,945	3,694,333	3,409,776	1,846,464
Noncorporate stockholders	922	64,689	73,272	8,582	72,858	6,123	65,539	40,090	32,768
Type of stockholder not known	*24	*3,520	*3,589	*69	*3,589	—	*3,589	*1,794	*1,794
Returns with no majority stockholder	292	41,492	41,857	365	41,796	4,413	36,690	23,453	18,343

Footnotes at end of table.

ALL RETURNS OF ACTIVE DOMESTIC INTERNATIONAL SALES CORPORATIONS

Table 1 — Assets, Receipts, Deductions, Income, and Distributions of DISC, and Total Export Gross Receipts of DISC and Related U.S. Persons for Current and First-Preceding Years, by Major Product and Service Division and by Type of Majority Stockholder and Size of Total Assets of Majority Corporate Stockholder — Continued

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

Major product and service division, type of stockholder and size of assets of majority corporate stockholder	Total amount actually distributed	Current year total export gross receipts of DISC and related U.S. persons: Number of returns	Total amount	DISC's	Related U.S. persons (except DISC's)	Full-year returns with full-year first-preceding year export gross receipts of DISC and related U.S. persons: Number of returns	Current year receipts	First-preceding year receipts	Percent increase (decrease) in current over first-preceding year receipts
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
All Products and Services									
All returns	**5,221,216**	**8,022**	**163,973,529**	**154,078,475**	**9,895,053**	**6,150**	**151,710,540**	**140,036,919**	**8.34**
Returns with majority stockholder, total	5,199,875	7,687	163,060,017	153,164,964	9,895,053	5,900	150,918,637	134,322,483	12.36
Corporate stockholders, total	5,163,061	6,701	161,116,916	151,223,948	9,892,968	5,151	149,513,319	133,068,616	12.34
Assets zero or not available	69,772	481	2,875,447	2,863,014	12,433	353	2,435,134	2,205,575	10.41
$1 under $100,000	3,065	124	196,606	196,606	—	63	125,614	76,009	65.26
$100,000 under $1,000,000	22,238	721	1,159,619	1,119,904	39,714	430	747,927	641,102	16.66
$1,000,000 under $5,000,000	113,453	1,901	4,085,225	4,052,786	32,440	1,364	3,242,785	2,976,871	8.93
$5,000,000 under $10,000,000	110,560	833	4,078,624	4,041,205	37,418	621	3,564,819	3,584,431	-.55
$10,000,000 under $50,000,000	328,926	1,377	14,364,501	14,314,266	50,234	1,164	11,291,919	10,169,634	11.04
$50,000,000 under $100,000,000	193,807	362	6,988,119	6,923,973	64,146	324	5,916,435	5,859,137	.98
$100,000,000 under $250,000,000	323,412	300	17,356,164	16,560,063	796,101	259	15,192,091	13,179,660	15.27
$250,000,000 or more, total	3,997,626	603	110,012,611	101,152,131	8,860,480	572	106,996,594	94,395,996	13.35
$250,000,000 under $500,000,000	305,937	171	9,229,525	9,127,452	102,073	151	8,526,250	7,048,396	20.97
$500,000,000 under $1,000,000,000	461,620	175	18,101,338	17,054,224	1,047,114	166	17,753,307	18,246,442	-2.70
$1,000,000,000 or more	3,230,068	257	82,681,748	74,970,454	7,711,293	255	80,717,037	69,101,158	16.81
Noncorporate stockholders	36,495	961	1,885,842	1,883,757	2,085	741	1,386,326	1,223,924	13.27
Type of stockholder not known	*319	*24	*57,258	*57,258	—	*8	*18,992	*9,943	*91.01
Returns with no majority stockholder	21,341	335	913,512	913,512	—	249	791,903	5,714,436	-86.14
Nonmanufactured Products and Services									
All returns	**346,565**	**589**	**45,393,860**	**42,517,079**	**2,876,781**	**492**	**38,167,766**	**36,471,932**	**4.65**
Returns with majority stockholder, total	342,988	524	45,185,548	42,308,767	2,876,781	444	37,988,869	36,224,220	4.87
Corporate stockholders, total	336,516	458	44,699,207	41,823,057	2,876,150	387	37,835,943	36,046,217	4.97
Assets zero or not available	5,646	54	1,254,137	1,248,944	5,193	41	1,068,833	899,420	21.06
$1 under $100,000	*388	*21	*2,709	*2,709	—	*11	*1,866	*1,461	*27.68
$100,000 under $1,000,000	2,025	75	281,263	254,726	26,537	*40	*95,461	*58,158	*64.14
$1,000,000 under $5,000,000	16,949	138	531,964	521,935	10,029	125	420,058	572,573	-26.64
$5,000,000 under $10,000,000	10,121	43	533,158	533,158	—	*26	*436,043	*489,805	*-10.98
$10,000,000 under $50,000,000	27,378	54	3,851,482	3,851,482	—	69	1,743,199	1,900,180	-8.26
$50,000,000 under $100,000,000	26,535	19	1,756,199	1,756,199	—	21	1,139,951	1,194,245	-4.55
$100,000,000 under $250,000,000	74,343	*12	*10,502,546	*9,872,449	*630,096	5	8,764,350	7,990,961	9.68
$250,000,000 or more, total	173,131	40	25,985,748	23,781,455	2,204,293	49	24,146,182	22,939,413	5.26
$250,000,000 under $500,000,000	10,525	9	1,490,373	1,490,373	—	9	1,258,743	810,531	55.30
$500,000,000 under $1,000,000,000	45,704	14	7,152,954	7,095,725	57,229	18	7,152,954	9,751,653	-26.65
$1,000,000,000 or more	116,902	17	17,342,421	15,195,357	2,147,063	22	15,734,485	12,377,229	27.12
Noncorporate stockholders	6,472	66	486,341	485,710	631	57	152,927	178,003	-14.09
Type of stockholder not known	—	—	—	—	—	—	—	—	—
Returns with no majority stockholder	3,576	64	208,312	208,312	—	48	178,897	247,712	-27.78
Manufactured Products									
All returns	**4,874,651**	**7,433**	**118,579,669**	**111,561,397**	**7,018,272**	**5,658**	**113,542,774**	**103,564,987**	**9.63**
Returns with majority stockholder, total	4,856,887	7,163	117,874,469	110,856,197	7,018,272	5,456	112,929,768	98,098,263	15.12
Corporate stockholders, total	4,826,545	6,243	116,417,710	109,400,891	7,016,818	4,764	111,677,377	97,042,399	15.08
Assets zero or not available	64,127	427	1,621,310	1,614,070	7,240	313	1,346,302	1,306,155	3.07
$1 under $100,000	2,678	102	193,898	193,898	—	52	123,748	74,548	66.00
$100,000 under $1,000,000	20,214	646	878,356	865,179	13,177	390	652,466	582,943	11.93
$1,000,000 under $5,000,000	96,503	1,763	3,553,261	3,530,850	22,411	1,239	2,822,727	2,404,297	17.40
$5,000,000 under $10,000,000	100,439	790	3,545,465	3,508,047	37,418	595	3,128,777	3,094,626	1.10
$10,000,000 under $50,000,000	301,549	1,323	10,513,019	10,462,784	50,234	1,095	9,548,721	8,269,453	15.47
$50,000,000 under $100,000,000	167,272	343	5,231,920	5,167,774	64,146	303	4,776,484	4,664,892	2.39
$100,000,000 under $250,000,000	249,068	288	6,853,618	6,687,614	166,004	254	6,427,741	5,188,699	23.87
$250,000,000 or more, total	3,624,694	563	84,026,863	77,370,676	6,656,188	523	82,850,412	71,456,565	15.95
$250,000,000 under $500,000,000	295,412	162	7,739,152	7,637,079	102,073	142	7,267,507	6,237,667	16.51
$500,000,000 under $1,000,000,000	416,116	161	10,948,384	9,958,499	989,885	148	10,600,353	8,494,789	24.79
$1,000,000,000 or more	3,113,166	240	65,339,327	59,775,097	5,564,230	233	64,982,552	56,723,929	14.56
Noncorporate stockholders	30,023	895	1,399,501	1,398,047	1,454	684	1,233,399	1,045,921	17.92
Type of stockholder not known	*319	*24	*57,258	*57,258	—	*8	*18,992	*9,943	*91.01
Returns with no majority stockholder	17,764	271	705,200	705,200	—	201	613,006	5,466,724	-88.79

*Estimate should be used with caution because of the small number of sample returns on which it was based.
¹Less than $500.
Note: Detail may not add to total because of rounding.

ALL RETURNS OF ACTIVE DOMESTIC INTERNATIONAL SALES CORPORATIONS

Table 2 — Assets, Receipts, Deductions, Income, and Distributions of the DISC, and Total Export Gross Receipts of the DISC, and Related U.S. Persons for Current and First-Preceding Years, by Major Product or Service

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

Major product or service	Number of returns	Total assets	Qualified assets	Export property	Total liabilities	Total qualified and nonqualified receipts	Qualified export receipts from the sale of export property	Other qualified export receipts	Cost of sales and operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All products and services	**8,665**	**28,728,913**	**28,674,344**	**2,255,910**	**4,389,232**	**52,798,631**	**50,811,478**	**1,718,553**	**40,247,932**
Nonmanufactured products and services	**1,052**	**2,922,186**	**2,918,579**	**407,748**	**574,534**	**15,038,106**	**14,619,925**	**383,510**	**13,992,173**
Grains	110	1,680,007	1,679,260	340,605	391,132	12,338,079	12,176,439	136,656	11,731,895
Cotton	*26	*81,212	*80,050	—	*8,573	*184,264	*176,050	*6,578	*156,803
Crops, except cotton and grains	119	142,865	142,645	11,104	41,151	572,035	561,235	6,629	482,739
Livestock and livestock products	63	65,327	65,310	8,230	13,077	388,663	382,019	2,514	357,690
Agriculture services	*14	*3,957	*3,912	*265	*1,291	*127,481	*127,049	*432	*123,524
Fishery products and services	*15	*29,349	*28,923	—	*2,562	*106,105	*104,637	*1,464	*87,330
Metal mining, iron ores, coal mining products and services	53	133,865	133,865	42,890	60,083	1,025,624	1,020,334	5,214	976,819
Chemical and fertilizer mineral	*5	*4,709	*4,709	*103	*111	*3,299	*2,923	*376	*2,513
Other nonmetalic minerals products and services	*8	*2,282	*2,282	—	*464	*5,085	*5,061	*23	*3,284
Transportation electric, gas, and sanitary services	*4	*5,480	*5,135	*113	*4,558	*2,846	*2,358	*428	*1,360
Financial services	146	486,013	485,976	—	15,954	66,428	229	66,193	211
Export management services	*35	*8,655	*8,653	*2,685	*2,390	*4,756	—	*4,756	—
Motion picture distribution	*15	*149,949	*149,252	*77	*1,218	*82,480	*23,654	*57,494	*1,759
Engineering and architectural services	66	101,537	101,533	—	26,873	101,229	7,339	93,885	43,674
Miscellaneous nonmanufactured products and services	371	27,402	27,296	1,476	3,097	31,732	30,597	867	22,574
Manufactured products	**7,613**	**25,806,726**	**25,755,765**	**1,848,162**	**3,814,698**	**37,760,525**	**36,191,554**	**1,335,043**	**26,255,759**
Ordnance and accessories	23	65,314	65,314	*22	9,515	46,810	42,682	4,128	20,592
Ammunition, except for small arms	*3	*1,141	*1,141	—	—	*838	*804	*34	—
Sighting and fire control equipment	*3	*1,195	*1,195	*22	*594	*4,554	*4,554	—	*3,271
Small arms	*7	*53,311	*53,311	—	*3,941	*29,853	*25,863	*3,989	*8,631
Ordnance and accessories, not elsewhere classified	*11	*9,668	*9,668	—	*4,980	*11,566	*11,461	*105	*8,690
Food and kindred products	336	576,956	576,655	73,832	118,272	2,093,565	2,068,901	18,262	1,777,941
Meat products	102	133,450	133,428	13,358	34,345	484,643	475,820	4,961	409,316
Dairy products	*9	*8,519	*8,519	*571	*86	*2,682	*2,178	*92	*263
Canned fruits, vegetables, seafoods	71	122,921	122,558	8,743	14,796	355,465	350,672	3,644	307,417
Grain mill products	40	95,290	95,290	7,638	3,287	292,891	288,233	3,863	220,255
Sugar	*8	*1,460	*1,460	—	*8	*2,194	*2,194	—	—
Confectionery and related products	*12	*3,990	*3,990	—	*(¹)	*1,678	*1,466	*213	—
Beverages	*14	*41,995	*41,995	*6,137	*6,382	*70,638	*69,265	*1,267	*40,947
Miscellaneous food preparations and kindred products	80	169,330	169,317	37,385	59,367	883,173	878,674	4,021	799,742
Tobacco manufactures	12	204,221	204,221	14,198	2,711	116,090	109,928	4,962	4,587
Cigarettes	5	179,973	179,973	—	1,366	100,283	95,141	3,941	—
Tobacco	*3	*914	*914	—	*16	*398	*356	*42	—
Tobacco stemming and redrying	4	23,334	23,334	14,198	1,329	15,410	14,431	979	*4,587
Textile mill products	264	426,440	424,624	55,922	178,483	556,488	543,069	10,992	394,372
Broad woven fabric mills, cotton	26	233,599	233,599	46,655	135,470	229,444	224,693	4,541	183,735
Broad woven fabric mills, fiber, silk and wool	*15	*36,729	*36,729	*1,194	*1,641	*22,078	*21,496	*581	*8,117
Narrow fabrics and smallwares mills	*16	*13,303	*13,303	*15	*3,238	*11,706	*10,715	*993	*7,370
Knitting mills	*12	*5,455	*5,455	—	*529	*11,180	*11,107	*72	*7,190
Floor covering mills	52	26,176	26,172	—	6,081	30,659	29,707	859	20,159
Yarn and thread mills	*23	*18,360	*18,352	1,557	*11,791	*56,020	*53,903	—	*48,503
Miscellaneous textile goods	140	92,820	91,014	6,501	19,734	195,401	191,248	3,945	119,297
Apparel and other finished products made from fabrics and similar materials	180	121,033	120,958	7,192	48,473	307,053	302,962	2,823	240,934
Male suits and coats	*4	*2,950	*2,950	—	—	*1,577	*1,577	—	—
Male furnishings and work clothing	*12	*22,683	*22,683	*15	*6,123	*26,064	*24,477	*1,587	*12,880
Female and infant undergarments	*13	*5,776	*5,776	*542	*2,465	*9,603	*9,680	*-77	*6,792
Hats, caps, and millinery	*5	*177	*177	—	*24	*1,007	*1,006	*1	*838
Girls, childrens and infants wear	*5	*3,264	*3,264	—	*187	*1,324	*1,324	—	—
Fur goods	*11	*3,445	*3,445	—	*1,352	*3,006	*2,554	*452	*1,863
Miscellaneous apparel and accessories	79	56,969	56,945	5,288	26,831	198,216	196,551	399	164,191
Miscellaneous fabricated textile products	50	25,770	25,719	1,346	9,492	66,253	65,792	460	54,371
Lumber, wood products, except furniture	198	291,029	290,723	17,388	61,266	1,105,987	1,097,780	8,360	942,740
Logging camps, logging contractors	*19	*60,417	*60,408	*893	*2,621	*111,667	*110,956	*420	*71,058
Sawmills and planing mills	46	39,949	39,919	639	4,325	94,670	93,016	1,573	73,467
Millwork, veneer, and plywood products	50	40,678	40,676	3,944	13,497	155,128	153,484	651	138,697
Miscellaneous wood products	82	149,985	149,723	11,912	40,822	744,522	740,323	3,717	659,517
Furniture and fixtures	42	13,479	13,479	982	1,457	15,245	15,020	225	7,380
Household furniture	*13	*1,954	*1,954	—	*382	*5,557	*5,557	—	*3,776
Office and public building related furniture	*10	*5,952	*5,952	—	*20	*2,824	*2,721	*103	—
Miscellaneous furniture, and fixtures	*19	*5,573	*5,573	*982	*1,055	*6,864	*6,742	*122	*3,603
Paper and allied products	160	495,530	493,747	30,428	70,963	935,875	911,764	20,349	643,524
Pulp mills	14	171,084	170,998	10,642	11,234	187,861	175,998	9,865	89,230
Paper mills, except building paper mills	*17	*32,681	*32,681	—	*3,709	*115,031	*114,675	*335	*83,213
Paperboard mills	*14	*112,470	*112,470	*3,567	*18,243	*232,705	*226,044	*6,009	*184,438
Converted paper products except containers and boxes	99	112,615	110,901	16,216	30,631	212,434	209,538	1,870	158,089
Paperboard containers, boxes and building paper	*17	*66,700	*66,697	*2	*9,146	*187,845	*185,530	*2,271	*148,555
Printing, publishing and allied products	126	206,210	206,064	781	113,776	110,536	107,274	3,024	66,816
Periodicals: publishing, and printing	*16	*17,164	*17,163	—	*2,896	*13,133	*12,897	*237	*3,448
Books	64	175,249	175,139	781	106,252	75,917	73,091	2,589	50,457
Miscellaneous publishing	*21	*1,595	*1,595	—	*707	*3,355	*3,351	*4	*1,958
Commercial printing	*13	*2,114	*2,099	—	*26	*2,348	*2,208	*139	*1,332
Miscellaneous service industries for print trade	*11	*10,089	*10,089	—	*3,895	*15,784	*15,726	*56	*9,622

Footnotes at end of table.

ALL RETURNS OF ACTIVE DOMESTIC INTERNATIONAL SALES CORPORATIONS

Table 2 — Assets, Receipts, Deductions, Income, and Distributions of the DISC, and Total Export Gross Receipts of the DISC, and Related U.S. Persons for Current and First-Preceding Years, by Major Product or Service.

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

Major product or service	Total export promotion and other expenses (10)	Export promotion expenses (11)	Net income (less deficit) (12)	Net income (13)	Deficit (14)	DISC taxable income (15)	Taxable income attributable to base period export gross receipt (16)	Adjusted DISC income subject to deferral computation (17)	Total amount deemed distributed (18)
All products and services	**2,680,453**	**1,505,666**	**9,870,247**	**9,888,125**	**17,878**	**9,875,286**	**2,191,919**	**7,213,891**	**6,269,797**
Nonmanufactured products and services	**240,739**	**74,578**	**805,195**	**809,127**	**3,933**	**804,090**	**191,239**	**569,944**	**519,520**
Grains	117,223	24,987	486,962	486,964	2	483,006	131,482	333,695	316,503
Cotton	*1,710	*1,667	*25,751	*25,751	—	*25,751	*5,289	*17,696	*16,809
Crops, except cotton and grains	45,132	6,448	44,163	44,259	96	44,259	10,946	30,487	29,016
Livestock and livestock products	7,768	8,402	23,205	23,372	167	23,372	*4,193	*18,301	*14,221
Agriculture services	*2,183	*2,062	*1,775	*1,778	*3	*1,778	—	*1,778	*889
Fishery products and services	*6,604	*247	*12,171	*12,171	—	*12,171	*2,363	*8,999	*7,672
Metal mining, iron ores, coal mining products and services	19,987	6,958	28,817	29,005	187	28,009	1,662	25,809	15,104
Chemical and fertilizer mineral	*254	*204	*532	*532	—	*532	—	*532	*266
Other nonmetalic minerals products and services	*735	*177	*1,066	*1,066	—	*1,066	—	*1,066	*533
Transportation electric, gas, and sanitary services	*224	—	*1,261	*1,261	—	*1,261	—	*1,261	*631
Financial services	2,212	187	64,005	64,062	56	63,984	11,610	39,964	44,053
Export management services	*2,369	*1,115	*2,387	*2,470	*82	*2,470	*499	*1,649	*1,646
Motion picture distribution	*18,207	*18,023	*62,514	*62,514	—	*62,514	*12,445	*45,425	*39,601
Engineering and architectural services	11,963	3,093	45,591	48,378	2,787	48,378	10,045	38,261	29,246
Miscellaneous nonmanufactured products and services	4,166	3,009	4,992	5,545	552	5,539	704	4,822	3,128
Manufactured products	**2,439,714**	**1,431,068**	**9,065,052**	**9,078,998**	**13,948**	**9,071,196**	**2,000,680**	**6,643,947**	**5,750,277**
Ordnance and accessories	2,602	1,758	23,416	23,418	*2	23,418	4,736	12,014	17,411
Ammunition, except for small arms	—	—	*838	*838	—	*838	—	*441	*618
Sighting and fire control equipment	*686	*863	*597	*597	—	*597	—	*597	*298
Small arms	*1,194	*1,048	*20,028	*20,028	—	*20,028	*4,602	*10,158	*14,948
Ordnance and accessories, not elsewhere classified	*922	*47	*1,953	*1,956	*2	*1,956	*133	*818	*1,547
Food and kindred products	117,648	60,242	197,975	198,705	729	198,658	40,401	150,416	122,790
Meat products	29,609	16,972	45,718	46,102	384	46,058	8,813	35,377	27,672
Dairy products	*49	—	*2,370	*2,370	—	*2,370	*1,440	*930	*1,908
Canned fruits, vegetables, seafoods	15,717	10,147	32,331	32,652	321	32,652	5,636	25,519	19,893
Grain mill products	29,693	4,818	42,943	42,943	(¹)	42,943	9,135	31,386	27,284
Sugar	*1	—	*2,193	*2,194	1	*2,194	—	*2,194	*1,097
Confectionery and related products	*5	*4	*1,674	*1,674	—	*1,674	*293	*1,295	*1,026
Beverages	*13,246	*12,279	*16,645	*16,645	—	*16,645	*3,388	*12,771	*10,259
Miscellaneous food preparations and kindred products	29,328	16,222	54,103	54,125	23	54,123	11,695	40,945	33,651
Tobacco manufactures	2,147	1,440	109,357	109,357	—	109,357	24,260	84,163	67,345
Cigarettes	1,440	1,440	98,843	98,843	—	98,843	21,403	76,612	60,537
Tobacco	—	—	*398	*398	—	*398	*107	*291	*252
Tobacco stemming and redrying	706	—	10,117	10,117	—	10,117	2,749	7,261	6,556
Textile mill products	71,287	25,299	90,830	92,669	1,840	92,669	19,223	71,609	56,865
Broad woven fabric mills, cotton	21,820	10,427	23,889	25,640	1,751	25,640	7,243	17,914	16,683
Broad woven fabric mills, fiber, silk and wool	*869	*531	*13,092	*13,092	—	*13,092	*4,053	*8,985	*8,598
Narrow fabrics and smallwares mills	*530	*518	*3,808	*3,808	—	*3,808	*1,025	*2,757	*2,430
Knitting mills	474	261	3,516	3.516	—	3,516	188	3,256	1,888
Floor covering mills	722	621	9,777	9,777	—	9,777	799	8,299	5,628
Yarn and thread mills	*2,939	*2,276	*4,578	*4,632	*54	*4,632	*45	*4,587	*2,339
Miscellaneous textile goods	43,932	10,665	32,170	32,204	34	32,204	5,870	25,612	19,299
Apparel and other finished products made from fabrics and similar materials	29,900	19,868	36,219	36,764	545	36,271	7,703	28,356	22,093
Male suits and coats	—	—	*1,577	*1,577	—	*1,577	*74	*1,504	*825
Male furnishings and work clothing	*4,936	*4,494	*8,248	*8,248	—	*8,248	*2,916	*5,325	*5,586
Female and infant undergarments	*1,632	*1,504	*1,180	*1,180	—	*1,180	*290	*890	*735
Hats, caps, and millinery	*30	*29	*140	*140	—	*140	—	*140	*70
Girls, childrens and infants wear	—	—	*1,324	*1,324	—	*1,324	*215	*1,109	*769
Fur goods	*192	—	*951	*951	—	*951	—	*951	*476
Miscellaneous apparel and accessories	20,128	12,235	13,899	14,366	466	14,366	2,557	11,603	8,564
Miscellaneous fabricated textile products	2,983	1,604	8,899	8,978	79	8,485	1,651	6,635	5,068
Lumber, wood products, except furniture	31,331	19,963	131,916	132,120	204	132,062	20,716	107,348	78,388
Logging camps, logging contractors	*991	*353	*39,617	*39,617	—	*39,617	*776	*38,537	*20,349
Sawmills and planing mills	2,769	1,765	18,434	18,434	—	18,434	3,519	13,947	11,461
Millwork, veneer, plywood products	3,725	2,468	12,706	12,706	—	12,706	4,123	8,028	8,692
Miscellaneous wood products	23,846	15,377	61,158	61,363	204	61,305	12,299	48,835	37,887
Furniture and fixtures	932	187	6,934	6,941	*8	6,941	522	6,321	3,781
Household furniture	*470	*165	*1,311	*1,319	*8	*1,319	—	*1,319	*659
Office and public building related furniture	(¹)	—	*2,824	*2,824	—	*2,824	*209	*2,615	*1,516
Miscellaneous furniture, and fixtures	*462	*2	2,799	*2,799	—	*2,799	*313	*2,388	*1,605
Paper and allied products	72,529	18,177	219,823	219,823	—	219,823	63,973	146,790	146,428
Pulp mills	13,868	995	84,762	84,762	—	84,762	28,251	51,758	58,883
Paper mills, except building paper mills	*18,358	*4,997	*13,460	*13,460	—	*13,460	*4,324	*8,931	*8,995
Paperboard mills	*26,297	*5,376	*41,971	*41,971	—	*41,971	*12,756	*27,489	*28,227
Converted paper products except containers and boxes	10,533	5,569	43,813	43,813	—	43,813	9,174	34,119	26,753
Paperboard containers, boxes and building paper	*3,472	*1,220	*35,818	*35,818	—	*35,818	*9,468	*24,493	*23,570
Printing, publishing and allied products	6,458	4,367	37,262	37,334	*73	37,334	9,419	27,661	23,504
Periodicals: publishing, and printing	*431	*149	*9,254	*9,326	*73	*9,326	*1,346	*7,831	*5,411
Books	4,156	2,814	21,305	21,305	—	21,305	7,513	13,751	14,429
Miscellaneous publishing	*83	—	*1,316	*1,316	—	*1,316	—	*1,311	*660
Commercial printing	*100	*72	*914	*914	—	*914	*69	*841	*493
Miscellaneous service industries for print trade	*1,690	*1,331	*4,473	*4,473	—	*4,473	*491	*3,926	*2,510

Footnotes at end of table.

ALL RETURNS OF ACTIVE DOMESTIC INTERNATIONAL SALES CORPORATIONS

Table 2 — Assets, Receipts, Deductions, Income, and Distributions of the DISC, and Total Export Gross Receipts of the DISC, and Related U.S. Persons for Current and First-Preceding Years, by Major Product or Service.

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

Major product or service	Tax deferred income (19)	Total amount actually distributed (20)	Current year total export gross receipts of DISC and related U.S. persons: Total amount (21)	DISC's (22)	All related U.S. persons except DISC's (23)	Full-year returns with first-preceding year export gross receipts of DISC and related U.S. persons: Number of returns (24)	Current year receipts (25)	First-preceding year receipts (26)	Percent increase (decrease) current over first-preceding year receipts (27)
All products and services	**3,606,064**	**6,221,216**	**163,973,529**	**154,078,475**	**9,895,053**	**6,150**	**151,710,540**	**140,038,919**	**8.34**
Nonmanufactured products and services	**284,900**	**346,565**	**45,393,660**	**42,517,079**	**2,876,781**	**492**	**38,167,766**	**36,471,832**	**4.65**
Grains	168,827	192,928	39,913,732	37,165,866	2,747,866	67	33,404,169	31,602,001	5.70
Cotton	*8,948	*16,075	*1,268,246	*1,263,243	*5,003	*20	*1,115,584	*1,073,039	*3.96
Crops, except cotton and grains	15,243	22,043	1,132,628	1,106,860	25,768	99	930,265	942,454	-1.29
Livestock and livestock products	9,150	14,062	740,391	740,391	—	35	542,539	750,904	-27.75
Agriculture services	*889	*752	*151,174	*151,174	—	*9	*151,174	*218,184	*-30.71
Fishery products and services	*4,499	*9,855	*151,601	*151,601	—	*9	*145,316	*135,500	*7.24
Metal mining, iron ores, coal mining products and services	12,905	25,639	1,069,050	1,069,050	—	*13	*995,808	*794,640	*25.31
Chemical and fertilizer mineral	*266	*266	*2,923	*2,923	—	**	*2,923	*4,344	*-32.72
Other nonmetalic minerals products and services	*533	*520	*6,961	*6,961	—	*8	*6,961	*4,701	*48.08
Transportation electric, gas, and sanitary services	*631	*631	*8,478	*8,478	—	**	*109	*83	31.25
Financial services	19,931	21,327	1,124	1,124	—	58	1,109	260,716	-99.57
Export management services	*824	*1,559	*34,599	*34,599	—	*24	*16,385	*44,453	*-63.14
Motion picture distribution	*22,713	*21,609	*357,747	*295,115	*62,633	*15	*357,747	*312,976	*14.30
Engineering and architectural services	19,130	16,510	491,874	466,392	25,482	*44	*442,143	*251,540	*75.77
Miscellaneous nonmanufactured products and services	2,411	2,790	63,333	53,304	10,029	*62	*55,535	*76,397	*-27.31
Manufactured products	**3,321,164**	**4,874,651**	**118,579,869**	**111,561,397**	**7,018,272**	**5,658**	**113,542,774**	**103,564,987**	**9.63**
Ordnance and accessories	6,007	17,676	196,543	196,543	—	23	196,543	165,363	18.85
Ammunition, except for small arms	*220	*472	*8,895	*8,895	—	*3	*8,895	*6,258	*42.12
Sighting and fire control equipment	*298	*499	*4,554	*4,554	—	*3	*4,554	*3,273	*39.13
Small arms	*5,079	*15,546	*166,603	*166,603	—	*7	*166,603	*141,712	*17.56
Ordnance and accessories, not elsewhere classified	*409	*1,159	*16,491	*16,491	—	*11	*16,491	*14,120	*16.79
Food and kindred products	75,669	106,966	4,251,809	4,204,101	47,708	245	3,810,361	3,723,961	2.32
Meat products	18,386	27,017	952,514	950,071	2,443	80	920,689	802,069	14.79
Dairy products	*461	*1,250	*35,499	*30,661	*4,838	*9	*35,499	*45,679	*-22.29
Canned fruits, vegetables, seafoods	12,759	16,663	632,690	631,771	919	62	580,075	584,753	-.80
Grain mill products	15,659	27,370	797,388	797,388	—	26	667,755	556,005	20.10
Sugar	*1,097	*758	*20,904	*20,904	—	—	—	—	—
Confectionery and related products	*648	*722	*20,209	*19,791	*417	*6	*19,576	*15,456	*26.66
Beverages	*6,385	*10,071	*147,885	*141,684	*6,201	*10	*112,368	*100,574	*11.73
Miscellaneous food preparations and kindred products	20,472	23,117	1,644,720	1,611,829	32,891	51	1,474,400	1,619,425	-8.96
Tobacco manufactures	42,082	40,495	1,355,571	1,110,066	245,506	12	1,355,571	1,216,250	11.45
Cigarettes	38,306	37,670	996,346	750,840	245,506	5	996,346	926,195	7.57
Tobacco	*145	*212	*6,478	*6,478	—	*3	*6,478	*5,688	*13.89
Tobacco stemming and redrying	3,630	2,614	352,747	352,747	—	4	352,747	284,367	24.05
Textile mill products	35,605	55,971	1,843,501	1,829,029	14,472	205	1,647,897	1,531,615	7.58
Broad woven fabric mills, cotton	*8,957	*23,813	*562,318	*561,913	*405	*26	*562,318	*627,554	*-10.40
Broad woven fabric mills, fiber, silk and wool	*4,493	*6,785	*315,217	*315,217	—	*15	*315,217	*273,348	*15.32
Narrow fabrics and smallwares mills	*1,378	*981	*44,638	*44,638	—	*5	*38,909	*28,360	*37.19
Knitting mills	*1,628	*1,106	*37,932	*37,932	—	*5	*18,309	*15,393	*18.94
Floor covering mills	4,149	5,303	181,051	175,231	—	28	116,603	103,337	12.84
Yarn and thread mills	*2,294	*2,205	*159,698	*159,698	—	*14	*81,576	*59,970	*36.03
Miscellaneous textile goods	*12,905	*15,778	*542,446	*534,199	*14,067	*111	*514,964	*423,853	*12.50
Apparel and other finished products made from fabrics and similar materials	14,178	13,000	611,175	581,968	29,207	116	487,251	379,514	28.39
Male suits and coats	*752	*565	*39,681	*39,430	*251	**	*38,544	*28,261	*36.38
Male furnishings and work clothing	*2,663	*2,627	*83,292	*83,292	—	*12	*83,292	*45,968	*81.20
Female and infant undergarments	*445	*621	*30,163	*30,163	—	*8	*29,288	*23,992	*22.07
Hats, caps, and millinery	*70	—	*1,006	*1,006	—	—	—	—	—
Girls, childrens and infants wear	*554	*653	*33,092	*33,092	—	**	*23,760	*21,708	*9.45
Fur goods	*476	*51	*2,554	*2,554	—	*5	*2,449	*2,240	*9.38
Miscellaneous apparel and accessories	5,601	5,307	283,406	268,130	15,276	48	174,151	149,009	16.87
Miscellaneous fabricated textile products	3,417	2,977	137,982	124,302	13,680	37	135,768	106,338	25.32
Lumber, wood products, except furniture	53,674	55,536	2,934,677	2,883,720	51,158	127	2,780,481	3,069,233	-9.41
Logging camps, logging contractors	*19,268	*6,207	*1,158,956	*1,158,956	—	*16	*1,151,040	*1,059,555	*8.63
Sawmills and planing mills	6,974	10,453	148,784	148,784	—	25	124,052	105,174	17.95
Millwork, veneer, and plywood products	4,014	5,297	285,522	240,405	45,117	34	281,763	217,580	29.50
Miscellaneous wood products	23,418	33,580	1,341,614	1,335,573	6,041	51	1,223,626	1,686,925	-27.46
Furniture and fixtures	3,161	2,019	81,492	81,492	—	37	48,594	36,311	33.82
Household furniture	*659	*378	*11,097	*11,097	—	*11	*4,754	*4,021	*18.23
Office and public building related furniture	*1,307	*567	*27,404	*27,404	—	*10	*27,404	*19,120	*43.33
Miscellaneous furniture, and fixtures	*1,194	*1,074	*42,990	*42,990	—	*16	*16,435	*13,171	*24.78
Paper and allied products	73,395	159,584	3,163,598	3,114,530	49,068	121	2,966,576	2,130,540	39.24
Pulp mills	25,879	82,059	1,349,892	1,349,892	—	14	1,349,892	964,300	39.99
Paper mills, except building paper mills	*4,465	*6,506	*276,939	*276,939	—	*13	*251,810	*178,150	*41.35
Paperboard mills	*13,744	*20,798	*477,525	*477,525	—	*9	*474,202	*303,007	*56.50
Converted paper products except containers and boxes	17,059	16,220	781,351	732,877	48,474	74	658,460	523,651	25.74
Paperboard containers, boxes and building paper	*12,247	*32,001	*277,892	*277,297	*594	*11	*232,213	*161,431	*43.84
Printing, publishing and allied products	13,831	25,360	393,624	391,604	*2,020	89	324,075	327,133	-.93
Periodicals: publishing, and printing	*3,915	*4,892	*65,262	*65,262	—	*10	*49,437	*53,793	*-8.10
Books	6,875	17,475	256,540	256,540	—	52	236,590	244,012	-3.04
Miscellaneous publishing	*656	*665	*11,050	*11,050	—	*18	*2,634	*1,917	*37.38
Commercial printing	*421	*433	*13,378	*13,378	—	*6	*8,209	*7,182	*14.30
Miscellaneous service industries for print trade	*1,963	*1,695	*47,392	*45,372	*2,020	3	27,206	20,229	34.49

Footnotes at end of table.

ALL RETURNS OF ACTIVE DOMESTIC INTERNATIONAL SALES CORPORATIONS

Table 2 — Assets, Receipts, Deductions, Income, and Distributions of the DISC, and Total Export Gross Receipts of the DISC, and Related U.S. Persons for Current and First-Preceding Years, by Major Product or Service.

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

Major product or service	Number of returns	Total assets	Qualified assets	Export property	Total liabilities	Total qualified and nonqualified receipts	Qualified export receipts from the sale of export property	Other qualified export receipts	Cost of sales and operations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Manufactured products — Continued									
Chemicals and allied products	621	4,955,001	4,952,619	189,352	600,728	7,422,022	7,133,933	273,888	5,427,084
Industrial inorganic and organic chemicals	101	2,282,842	2,282,790	99,722	233,536	3,364,639	3,262,626	97,644	2,372,489
Plastics materials and manmade fibers	95	1,282,315	1,282,258	26,388	141,516	1,525,952	1,410,995	114,159	1,102,771
Drugs	43	358,946	358,231	17	46,050	272,742	251,431	19,643	143,384
Soap, detergents and cleaning preparations	81	74,609	74,595	2,319	6,212	61,906	59,646	2,260	25,112
Paints and allied products	53	61,653	61,637	10,612	10,939	128,437	126,309	1,756	95,086
Gum and wood chemicals	3	98,790	98,790	—	1,775	36,751	25,737	10,980	12,261
Agricultural chemicals	54	415,633	414,631	25,206	100,818	1,458,890	1,444,415	9,048	1,265,657
Miscellaneous chemical products	191	382,215	381,686	23,066	59,879	572,706	552,774	18,398	390,323
Petroleum refining and related products	*32	*84,878	*84,851	*136	*3,941	*50,448	*49,202	*1,248	*13,713
Paving and roofing materials	*8	*4,908	*4,908	—	*1,786	*10,620	*10,444	*178	*5,043
Miscellaneous products of petroleum and coal	*24	*79,970	*79,943	*136	*2,156	*39,828	*38,758	*1,070	*8,670
Rubber and miscellaneous plastics products	162	179,891	178,771	7,306	23,872	242,715	238,252	4,378	135,960
Tires and inner tubes	*15	*66,846	*66,843	—	*793	*30,479	*27,188	*3,291	*2,997
Fabricated rubber products, not elsewhere classified	29	26,986	26,986	—	3,837	57,421	57,166	254	33,213
Miscellaneous plastics products	118	88,059	84,942	7,306	19,242	154,815	153,897	834	99,751
Leather and leather products	79	158,264	158,113	4,583	110,600	705,599	704,509	833	672,941
Leather tanning and finishing	47	60,075	60,074	2,703	42,120	111,262	110,717	336	96,157
Footwear, except rubber	*6	*13,484	*13,484	—	*6,213	*25,137	*25,118	*19	*19,862
Leather gloves and mittens	*5	*691	*691	—	*604	*908	*908	—	*832
Luggage	*7	*8,666	*8,666	—	*79	*4,501	*4,501	—	—
Leather goods, not elsewhere classified	*13	*75,369	*75,199	*1,879	*61,585	*563,791	*563,266	*478	*556,091
Stone, clay, glass and concrete products	78	241,300	241,005	1,451	14,917	198,312	179,513	17,583	78,170
Flat glass, glass and glassware, pressed or blown	*4	*95,387	*95,092	*1,373	*8,963	*82,073	*73,936	*8,136	*42,949
Glass products, made or purchased glass	3	64,947	64,947	—	1,220	43,655	38,760	3,911	—
Cement, hydraulic	*5	*3,784	*3,784	—	*240	*2,948	*2,681	*267	*1,763
Structural clay products	*9	*3,628	*3,628	—	*311	*4,899	*4,629	*70	*1,377
Pottery and related products	*3	*3,775	*3,775	—	*162	*11,523	*11,442	*81	*9,000
Cut stone and stone products	*5	*2,582	*2,582	—	*27	*574	*322	*252	—
Abrasive, asbestos, miscellaneous mineral products	48	67,238	67,238	78	3,994	52,840	47,743	4,866	23,082
Primary metal products	281	473,235	472,513	29,164	76,180	932,390	908,664	19,531	652,244
Blast furnaces, steel works and finishing mills	19	95,212	94,635	—	1,828	40,796	35,688	4,780	—
Iron and steel foundries	*25	*45,255	*45,255	*737	*781	*20,603	*15,254	*5,192	*7,891
Primary smelting and refining of nonferrous metals	*13	*58,632	*58,632	—	*3,602	*44,081	*39,836	*4,246	*6,157
Secondary smelting and refining of nonferrous metals	*32	*31,207	*31,204	*4,067	*15,406	*79,473	*79,135	*313	*66,280
Rolling, drawing and extruding of nonferrous metals	*25	*30,549	*30,487	*34	*8,412	*20,523	*19,764	*476	*3,869
Miscellaneous primary metal products	168	212,381	212,301	24,326	46,150	726,913	718,987	4,524	568,249
Fabricated metal products, except ordnance, machinery and transportation equipment	773	994,072	990,381	72,972	138,078	1,695,472	1,623,180	34,810	1,181,106
Metal cans	3	13,677	13,672	—	545	6,352	5,153	1,042	
Cutlery, hand tools and general hardware	89	57,739	56,807	2,499	8,417	98,062	95,986	2,028	59,338
Heating apparatus and plumbing fixtures	84	48,681	48,804	2,269	8,974	72,871	70,955	1,299	46,992
Fabricated structural metal products	125	112,500	112,337	3,325	11,237	209,108	204,579	4,046	143,786
Screw machine products	*29	*20,845	*20,845	*1,610	*7,023	*46,010	*45,519	*490	*81,916
Metal stampings	40	16,426	16,426	—	3,306	15,988	15,098	889	8,627
Coating, engraving and allied services	*13	*21,357	*21,357	—	*754	*8,095	*7,022	*1,072	*1,499
Miscellaneous fabricated wire products	*23	*18,802	*18,802	*595	*3,350	*54,367	*53,885	*146	*45,187
Miscellaneous fabricated metal products	367	683,845	681,331	62,455	94,473	1,184,620	1,124,981	23,797	843,762
Machinery except electrical	1,448	5,985,491	5,975,549	248,896	988,503	5,776,234	5,363,153	368,676	3,281,170
Engines and turbines	35	1,420,684	1,420,684	63,724	119,644	1,403,411	1,311,120	92,123	832,383
Farm machinery and equipment	130	241,179	240,876	1,717	63,362	257,048	244,054	12,685	169,080
Construction and mining machinery	254	1,679,727	1,675,254	85,248	421,938	1,879,751	1,730,518	109,055	1,258,203
Metalworking machinery and equipment	120	194,025	193,853	31,394	53,517	121,251	114,411	6,738	53,448
Special industry machinery, except metalwork	397	778,788	776,948	21,428	144,782	837,154	800,627	35,026	454,999
General industry machinery and equipment	115	360,077	359,714	9,841	90,495	358,835	338,070	20,460	164,134
Office, computing and accounting machines	89	824,919	822,362	—	10,588	350,806	277,947	70,121	26,261
Service industry machines	*11	*13,130	*13,128	*186	*2,169	*37,267	*36,761	*263	*27,533
Miscellaneous machinery, except electrical	308	472,963	472,729	35,358	82,007	530,712	509,643	20,205	275,149
Electrical machinery, equipment and supplies	1,354	3,329,776	3,323,272	100,184	425,148	4,216,327	3,986,339	220,614	2,569,733
Electric transmission and distribution equipment	45	529,794	528,838	329	8,295	309,251	236,304	72,624	89,489
Electrical industrial apparatus	115	139,208	138,460	3,894	21,697	221,950	219,110	1,488	151,677
Household appliances	50	260,271	260,270	4,844	30,788	295,990	282,134	11,880	188,350
Electric lighting and wiring equipment	*27	*13,695	*13,603	*1,258	*3,306	*34,146	*33,354	*783	*27,047
Radio and television sets, except communication	*18	*53,341	*53,099	*1,034	*11,606	*58,205	*57,339	*483	*30,760
Communication equipment	153	377,315	375,854	2,078	27,876	377,584	345,696	31,443	200,950
Electronic components and accessories	529	1,224,342	1,222,740	19,300	150,234	1,537,630	1,463,310	73,277	928,480
Miscellaneous electrical machinery, equipment and supplies	418	731,810	730,407	67,427	171,547	1,381,570	1,349,090	28,636	973,000
Transportation equipment	441	4,563,759	4,559,398	950,797	637,804	7,921,997	7,631,940	217,321	5,857,857
Motor vehicles and motor vehicle equipment	219	1,637,354	1,636,590	32,073	143,920	962,015	846,688	82,152	441,702
Aircraft and parts	171	2,592,364	2,591,165	917,876	473,415	6,778,688	6,609,963	133,502	5,329,076
Ship and boat building and repairing	*18	*78,523	*74,123	—	*1,795	*70,115	*65,510	*308	*1,575
Railroad equipment	*9	*10,528	*10,528	—	*559	*16,504	*16,102	*342	*8,916
Motorcycles, bicycles and parts	*3	*665	*665	—	*11	*647	*647	—	—
Miscellaneous transportation equipment	*20	*46,325	*46,325	*848	*18,105	*94,027	*93,010	*1,017	*76,589
Professional, scientific, controlling instruments; photographic and optical goods; watches and clocks	439	1,955,681	1,947,298	12,218	96,744	2,426,462	2,311,577	91,955	1,654,834
Engineering, laboratory and scientific equipment	123	367,816	367,805	1,848	27,573	226,446	220,124	6,306	52,949
Instruments for measuring physical characteristics	127	242,879	240,326	2,866	32,401	218,437	206,913	10,690	85,150
Optical instruments and lenses	*19	*17,268	*17,268	*185	*1,748	*22,537	*21,789	*748	*13,946
Surgical, medical, dental instruments and supplies	117	190,285	190,265	5,571	23,748	217,550	208,463	9,035	119,723
Ophthalmic goods	*12	*26,157	*26,150	—	*2,719	*34,447	*33,858	*588	*17,833
Photographic equipment and supplies	41	1,111,274	1,105,483	1,747	8,560	1,709,045	1,620,431	84,587	1,355,233
Miscellaneous manufactured products and manufactured products not allocable	545	485,146	476,093	30,399	93,266	882,898	863,890	15,084	632,058
Jewelry, silverware, and plated ware	*25	*9,874	*9,874	*1,386	*795	*15,705	*15,610	*95	*9,070
Musical instruments	*28	*13,424	*13,424	*626	*2,803	*17,151	*16,943	*205	*9,936
Toys, amusement, sporting and athletic goods	70	122,273	122,273	3,696	21,368	274,048	270,197	3,252	221,840
Pens, pencils, and office materials	*22	*21,009	*21,009	*643	*3,074	*57,937	*57,118	*265	*43,004
Costume jewelry, novelties and buttons	*13	*5,904	*5,904	*170	*2,106	*17,428	*17,283	*106	*14,114
Miscellaneous manufactured products	386	312,662	303,606	23,877	63,120	500,631	486,738	11,161	334,094

Footnotes at end of table.

ALL RETURNS OF ACTIVE DOMESTIC INTERNATIONAL SALES CORPORATIONS

Table 2 — Assets, Receipts, Deductions, Income, and Distributions of the DISC, and Total Export Gross Receipts of the DISC, and Related U.S. Persons for Current and First-Preceding Years, by Major Product or Service.

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

Major product or service	Total export promotion and other expenses	Export promotion expenses	Net income (less deficit)	Net income	Deficit	DISC taxable income	Taxable income attributable to base period export gross receipts	Adjusted DISC income subject to deferral computation	Total amount deemed distributed
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Manufactured products — Continued									
Chemicals and allied products	508,105	219,224	1,486,833	1,488,334	1,501	1,488,284	339,624	1,091,010	943,192
Industrial inorganic and organic chemicals	282,488	112,069	709,662	709,662	(¹)	709,662	159,564	507,452	455,992
Plastics materials and manmade fibers	89,566	35,578	333,615	333,615	—	333,615	80,295	251,647	208,153
Drugs	14,507	5,654	114,850	115,030	180	115,030	29,600	77,878	78,091
Soap, detergents and cleaning preparations	7,454	5,549	29,340	29,340	—	29,296	5,723	23,473	17,559
Paints and allied products	13,267	8,407	20,084	20,132	48	20,126	4,370	15,530	12,361
Gum and wood chemicals	559	549	23,930	23,930	—	23,930	8,522	15,204	16,328
Agricultural chemicals	42,156	22,195	131,076	131,419	343	131,419	24,900	102,765	80,037
Miscellaneous chemical products	58,108	29,203	124,275	125,206	931	125,206	26,849	97,061	76,670
Petroleum refining and related products	*5,497	*5,129	*31,238	*31,239	*(¹)	*31,239	*5,496	*25,616	*18,431
Paving and roofing materials	*3,301	*3,086	*2,276	*2,276	—	*2,276	*67	*2,209	*1,172
Miscellaneous products of petroleum and coal	*2,196	*2,044	*28,962	*28,962	*(¹)	*28,962	*5,428	*23,407	*17,259
Rubber and miscellaneous plastics products	33,015	15,926	73,739	73,739	—	69,881	11,897	57,157	41,357
Tires and inner tubes	*424	*10	*27,058	*27,058	—	*27,058	*8,625	*19,977	*17,123
Fabricated rubber products, not elsewhere classified	6,682	4,206	17,526	17,526	—	13,668	3,107	10,398	8,469
Miscellaneous plastics products	25,909	11,710	29,155	29,155	—	29,155	2,165	26,782	15,764
Leather and leather products	16,797	8,316	15,861	16,416	555	16,416	2,719	13,392	9,720
Leather tanning and finishing	7,336	3,293	7,769	7,770	1	7,770	967	6,518	4,512
Footwear, except rubber	*2,110	*745	*3,166	*3,166	—	*3,166	*494	*2,652	*1,840
Leather gloves and mittens	*17	*17	*59	*59	—	*59	—	*59	*29
Luggage	*13	—	*4,488	*4,488	—	*4,488	*1,102	*3,385	*2,795
Leather goods, not elsewhere classified	*7,321	*4,261	*380	*934	*554	*934	*155	*778	*645
Stone, clay, glass and concrete products	35,113	18,078	85,028	85,028	—	85,028	18,697	65,554	52,251
Flat glass, glass and glassware, pressed or blown	*9,988	*3,450	*29,135	*29,135	—	*29,135	*6,396	*22,740	*17,765
Glass products, made or purchased glass	17,536	9,601	26,119	26,119	—	26,119	5,118	21,001	15,619
Cement, hydraulic	*152	*79	*1,033	*1,033	—	*1,033	—	*1,033	*516
Structural clay products	*432	*147	*2,890	*2,890	—	*2,890	—	*2,843	*1,469
Pottery and related products	*1,002	*921	*1,520	*1,520	—	*1,520	*232	*1,260	*890
Cut stone and stone products	*56	—	*519	*519	—	*519	—	*267	*385
Abrasive, asbestos, miscellaneous mineral products	5,947	3,881	23,812	23,812	—	23,812	6,951	16,412	15,606
Primary metal products	91,861	25,579	188,284	188,418	134	188,417	34,571	148,836	113,999
Blast furnaces, steel works and finishing mills	2,384	2,350	38,412	38,412	—	38,412	10,793	27,285	24,769
Iron and steel foundries	*1,927	*1,879	*10,785	*10,785	—	*10,785	*2,300	*5,583	*7,994
Primary smelting and refining of nonferrous metals	*52	*52	*37,873	*37,873	—	*37,873	*3,087	*34,777	*20,484
Secondary smelting and refining of nonferrous metals	*6,484	*3,061	*6,710	*6,710	—	*6,710	*1,742	*4,861	*4,280
Rolling, drawing and extruding of nonferrous metals	*1,406	*1,115	*15,446	*15,446	—	*15,446	*1,064	*14,083	*8,405
Miscellaneous primary metal products	79,607	17,122	79,058	79,191	134	79,191	15,585	62,247	48,067
Fabricated metal products, except ordnance, machinery and transportation equipment	139,981	88,747	374,402	375,483	1,081	375,151	77,207	290,528	230,241
Metal cans	(¹)	—	6,352	6,352	—	6,352	1,604	4,748	3,978
Cutlery, hand tools and general hardware	18,946	16,817	19,778	19,784	6	19,784	3,397	15,464	12,053
Heating apparatus and plumbing fixtures	5,936	4,410	19,943	19,943	—	19,943	3,867	15,762	12,062
Fabricated structural metal products	11,352	7,692	53,970	54,090	120	54,090	8,950	43,164	32,650
Screw machine products	*2,916	*2,540	*11,177	*11,177	—	*11,177	*1,941	*9,172	*6,396
Metal stampings	1,310	1,056	6,050	6,050	—	6,050	1,449	4,235	3,933
Coating, engraving and allied services	*137	*(¹)	*6,458	*6,458	—	*6,458	*1,418	*4,910	*4,003
Miscellaneous fabricated wire products	*4,175	*2,725	*5,005	*5,005	—	*5,005	*1,668	*3,264	*3,373
Miscellaneous fabricated metal products	95,188	53,507	245,669	246,624	954	246,292	52,913	189,808	151,793
Machinery except electrical	432,226	291,664	2,062,838	2,065,952	3,114	2,065,888	533,092	1,465,636	1,333,027
Engines and turbines	20,391	7,750	550,637	550,637	—	550,600	147,311	374,165	363,518
Farm machinery and equipment	22,031	15,032	65,957	66,499	541	66,499	16,639	48,612	42,193
Construction and mining machinery	130,315	97,492	491,234	493,611	2,377	493,611	144,269	337,329	324,946
Metalworking machinery and equipment	11,047	10,259	56,756	56,756	—	56,756	16,962	38,566	37,408
Special industry machinery, except metalwork	61,391	43,545	300,764	300,838	74	300,822	66,984	229,564	186,040
General industry machinery and equipment	56,590	26,884	118,111	118,115	5	118,115	29,703	86,616	74,628
Office, computing and accounting machines	7,337	2,199	317,207	317,207	—	317,207	74,194	242,020	196,197
Service industry machines	*3,637	*2,924	*6,098	*6,098	—	*6,098	*732	*5,366	*3,415
Miscellaneous machinery, except electrical	99,488	85,578	156,074	156,191	117	156,180	36,299	103,398	104,482
Electrical machinery, equipment and supplies	364,511	235,293	1,282,082	1,282,311	229	1,281,970	248,158	961,111	802,169
Electric transmission and distribution equipment	23,672	14,702	216,090	216,090	—	216,003	51,517	140,492	145,925
Electrical industrial apparatus	16,363	15,727	51,910	52,009	99	52,009	10,332	40,713	31,652
Household appliances	31,609	14,219	76,031	76,032	1	76,032	23,266	52,552	49,756
Electric lighting and wiring equipment	*2,019	*1,987	*5,080	*5,080	—	*5,080	*908	*4,171	*2,994
Radio and television sets, except communication	*13,402	*12,898	*14,043	*14,043	—	*14,043	*5,018	*9,025	*9,531
Communication equipment	28,959	16,102	147,675	147,692	17	147,631	32,970	105,647	94,810
Electronic components and accessories	105,681	62,138	503,489	503,490	(¹)	503,295	78,590	397,090	304,729
Miscellaneous electrical machinery, equipment and supplies	140,806	97,520	267,764	267,876	112	267,876	45,556	211,421	162,772
Transportation equipment	292,643	260,931	1,771,496	1,772,117	621	1,769,561	368,437	1,255,058	1,142,150
Motor vehicles and motor vehicle equipment	69,443	52,149	450,870	451,386	516	449,141	144,821	286,188	306,204
Aircraft and parts	217,343	203,875	1,232,269	1,232,373	105	1,232,063	214,574	891,341	786,353
Ship and boat building and repairing	*74	—	*68,466	*68,466	—	*68,466	*3,785	*63,429	*38,752
Railroad equipment	*2,467	*2,443	*5,121	*5,121	—	*5,121	*1,468	*3,490	*3,376
Motorcycles, bicycles and parts	*1	—	*647	*647	—	*647	—	*647	*323
Miscellaneous transportation equipment	*3,315	*2,463	*14,123	*14,123	—	*14,123	*3,788	*9,963	*9,142
Professional, scientific, controlling instruments; photographic and optical goods; watches and clocks	83,096	61,977	690,529	690,529	(¹)	690,527	139,689	516,236	432,410
Engineering, laboratory and scientific equipment	14,685	10,450	158,812	158,812	—	158,812	21,414	135,969	90,828
Instruments for measuring physical characteristics	33,517	22,046	89,770	89,770	(¹)	89,768	16,015	68,579	55,478
Optical instruments and lenses	*3,135	*1,617	*5,456	*5,456	—	*5,456	*641	*3,906	*3,503
Surgical, medical, dental instruments and supplies	24,578	21,779	73,250	73,250	—	73,250	12,303	59,978	43,263
Ophthalmic goods	*4,738	*4,239	*11,878	*11,878	—	*11,878	*2,707	*9,169	*7,293
Photographic equipment and supplies	2,447	1,847	351,364	351,364	—	351,364	86,409	238,639	232,045
Miscellaneous manufactured products and manufactured products not allocable	101,851	48,926	148,989	152,299	3,310	152,299	30,141	119,137	92,727
Jewelry, silverware, and plated ware	*1,810	*251	*4,825	*4,825	—	*4,825	*396	*4,344	*2,653
Musical instruments	*3,648	*1,950	*3,566	*3,566	—	*3,566	*539	*3,023	*2,051
Toys, amusement, sporting and athletic goods	11,218	3,245	40,988	40,988	(¹)	40,988	9,511	31,429	25,273
Pens, pencils, and office materials	*8,044	*4,305	*6,889	*6,889	—	*6,889	*2,703	*4,187	*4,796
Costume jewelry, novelties and buttons	*1,828	*1,570	*1,486	*1,592	*107	*1,592	*105	*1,382	*902
Miscellaneous manufactured products	75,302	37,606	91,235	94,438	3,203	94,438	16,887	74,772	57,052

Footnotes at end of table.

ALL RETURNS OF ACTIVE DOMESTIC INTERNATIONAL SALES CORPORATIONS

Table 2—Assets, Receipts, Deductions, Income, and Distributions of the DISC, and Total Export Gross Receipts of the DISC, and Related U.S. Persons for Current and First-Preceding Years, by Major Product or Service.

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

Major product or service	Tax deferred income	Total amount actually distributed	Current year total export gross receipts of DISC and related U.S. persons: Total amount	DISC's	All related U.S. persons except DISC's	Full-year returns with first-preceding year export gross receipts of DISC and related U.S. persons: Number of returns	Current year receipts	First-preceding year receipts	Percent increase (decrease) current over first-preceding year receipts
	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)
Manufactured products—Continued									
Chemicals and allied products	545,266	801,789	18,029,472	16,727,710	1,301,761	468	17,608,171	15,664,763	12.41
Industrial inorganic and organic chemicals	253,670	436,699	6,862,304	6,781,892	80,412	78	6,793,126	6,360,553	6.80
Plastics materials and manmade fibers	125,635	166,695	4,521,066	4,179,402	341,664	65	4,406,733	3,771,763	16.83
Drugs	38,939	48,877	995,026	835,715	159,311	31	984,810	697,657	41.16
Soap, detergents and cleaning preparations	11,736	13,160	273,781	273,781	—	51	205,190	202,490	1.33
Paints and allied products	7,765	11,610	173,023	173,023	—	53	173,023	150,893	14.67
Gum and wood chemicals	7,602	1,209	224,524	224,524	—	3	224,524	209,331	7.26
Agricultural chemicals	51,382	73,019	2,533,783	2,475,883	57,900	43	2,495,107	2,024,587	23.24
Miscellaneous chemical products	48,536	48,520	2,445,965	1,783,490	662,475	144	2,325,659	2,247,489	3.48
Petroleum refining and related products	*12,806	*8,301	*343,958	*318,833	*25,125	*21	*338,527	*305,743	*10.72
Paving and roofing materials	*1,104	*1,310	*10,444	*10,444	—	*3	*6,625	*4,961	*37.60
Miscellaneous products of petroleum and coal	*11,703	*6,991	*333,514	*308,389	*25,125	*18	*331,701	*300,782	*10.28
Rubber and miscellaneous plastics products	28,525	25,735	1,065,173	1,064,719	453	123	910,872	733,413	24.20
Tires and inner tubes	*9,935	*8,492	*512,779	*512,779	—	*15	*512,779	*405,248	*26.54
Fabricated rubber products, not elsewhere classified	5,199	6,902	165,213	165,213	—	*21	*132,128	*97,976	*34.85
Miscellaneous plastics products	13,391	10,341	407,181	406,728	453	86	265,966	230,190	15.54
Leather and leather products	6,696	7,928	843,307	837,126	6,181	66	839,873	1,023,647	-17.95
Leather tanning and finishing	3,259	3,294	205,401	199,220	6,181	41	205,401	188,483	8.98
Footwear, except rubber	*1,326	*1,057	*35,137	*35,137	—	**	*32,611	*25,111	*29.87
Leather gloves and mittens	*29	—	*908	*908	—	—	—	—	—
Luggage	*1,693	*3,637	*38,594	*38,594	—	**	*38,594	*36,294	*6.34
Leather goods, not elsewhere classified	*389	*39	*563,266	*563,266	—	*13	*563,266	*773,759	*-27.20
Stone, clay, glass and concrete products	32,777	36,971	923,010	881,896	41,114	56	856,668	758,772	12.90
Flat glass, glass and glassware, pressed or blown	*11,370	*10,682	*268,579	*268,579	—	**	*265,067	*266,896	*-0.69
Glass products, made or purchased glass	10,500	11,273	292,692	292,692	—	**	292,692	214,515	36.44
Cement, hydraulic	*516	*342	*2,681	*2,681	—	*5	*2,681	*1,515	*76.92
Structural clay products	*1,422	*1,605	*35,001	*35,001	—	*5	*2,195	*4,357	*-49.61
Pottery and related products	*630	—	*11,442	*11,442	—	*3	*11,442	*8,662	*32.08
Cut stone and stone products	*133	—	*322	*322	—	*5	*322	*287	*12.42
Abrasive, asbestos, miscellaneous mineral products	8,206	13,070	312,294	271,180	41,114	31	282,270	262,541	7.51
Primary metal products	74,418	100,929	3,295,355	3,261,916	33,439	202	2,968,877	2,181,034	36.12
Blast furnaces, steel works and finishing mills	13,642	33,621	651,161	645,094	6,068	**	622,058	472,922	31.53
Iron and steel foundries	*2,792	*10,686	*343,376	*338,879	*4,497	**	*343,376	*297,975	*15.24
Primary smelting and refining of nonferrous metals	*17,388	*12,974	*380,935	*380,935	—	*7	*378,600	*214,686	*76.35
Secondary smelting and refining of nonferrous metals	*2,431	*2,657	*131,103	*131,103	—	*16	*89,522	*112,775	*-20.62
Rolling, drawing and extruding of nonferrous metals	*7,042	*6,405	*221,931	*220,487	*1,444	*19	*220,970	*132,240	*67.10
Miscellaneous primary metal products	31,123	34,405	1,566,829	1,545,419	21,411	118	1,314,352	950,434	38.29
Fabricated metal products, except ordnance, machinery and transportation equipment	144,913	169,541	4,299,539	4,264,412	35,127	599	4,062,091	3,498,449	16.11
Metal cans	2,374	2,640	133,771	133,771	—	3	133,771	121,403	10.19
Cutlery, hand tools and general hardware	7,732	9,510	215,258	212,061	3,196	77	194,814	219,997	-11.45
Heating apparatus and plumbing fixtures	7,881	7,642	243,548	236,977	6,571	54	220,582	197,250	11.83
Fabricated structural metal products	21,440	23,520	574,396	560,109	14,266	69	535,043	454,707	17.67
Screw machine products	*4,761	*3,269	*82,183	*82,183	—	*24	*71,878	*48,124	*49.36
Metal stampings	2,117	2,029	78,779	77,829	951	*24	*68,923	*41,774	*64.99
Coating, engraving and allied services	*2,455	*3,459	*69,966	*69,966	—	*13	*69,966	*78,365	*-10.69
Miscellaneous fabricated wire products	*1,632	*2,745	*67,633	*67,633	—	*23	*67,633	*58,173	*16.26
Miscellaneous fabricated metal products	94,502	114,728	2,833,985	2,823,864	*10,122	292	2,699,462	2,278,857	18.47
Machinery except electrical	732,861	997,969	27,485,256	25,548,595	1,936,661	1,135	26,485,524	26,217,058	1.02
Engines and turbines	187,083	185,502	7,243,653	6,156,863	1,086,789	28	7,043,678	5,230,957	34.65
Farm machinery and equipment	24,306	46,589	1,341,110	1,246,986	94,124	100	1,313,832	6,180,160	-78.74
Construction and mining machinery	168,665	242,516	7,991,281	7,573,894	417,386	192	7,706,451	6,291,207	22.50
Metalworking machinery and equipment	19,348	33,030	752,426	729,178	23,248	109	695,941	559,593	24.37
Special industry machinery, except metalwork	114,781	150,180	3,575,686	3,466,859	108,827	337	3,328,357	2,735,194	21.69
General industry machinery and equipment	43,288	66,058	1,471,113	1,466,523	4,590	70	1,431,240	1,109,606	28.96
Office, computing and accounting machines	121,010	186,795	3,099,044	2,912,029	187,015	47	3,047,476	2,617,979	16.41
Service industry machines	*2,683	*2,651	*56,542	*56,239	*303	*11	*56,542	*58,041	*-2.58
Miscellaneous machinery, except electrical	51,696	84,667	1,954,401	1,940,023	14,378	241	1,862,007	1,434,120	29.84
Electrical machinery, equipment and supplies	479,801	534,360	14,452,869	14,360,181	92,689	1,006	13,614,085	10,876,303	25.17
Electric transmission and distribution equipment	70,078	114,110	1,791,766	1,791,668	98	36	1,758,452	1,273,931	38.03
Electrical industrial apparatus	20,358	20,740	763,768	763,762	6	60	705,638	527,265	33.82
Household appliances	28,276	32,738	1,259,915	1,211,204	48,711	36	1,219,648	1,090,125	11.88
Electric lighting and wiring equipment	*2,066	*3,890	*54,976	*54,976	—	*14	*40,317	*38,498	*4.73
Radio and television sets, except communication	*4,513	*1,462	*149,795	*149,795	—	*7	*141,535	*89,239	*58.60
Communication equipment	52,821	74,039	1,648,894	1,645,168	3,725	120	1,561,265	1,416,870	10.19
Electronic components and accessories	196,567	180,039	5,600,556	5,564,272	36,284	416	5,447,408	4,180,384	30.31
Miscellaneous electrical machinery, equipment and supplies	105,104	107,342	3,183,201	3,179,336	3,865	297	2,739,822	2,259,973	21.23
Transportation equipment	627,412	1,353,206	24,769,519	21,795,893	2,973,626	319	24,516,793	23,254,276	5.43
Motor vehicles and motor vehicle equipment	142,938	549,846	12,222,642	11,140,614	1,082,029	141	12,078,685	13,071,233	-7.59
Aircraft and parts	445,710	751,565	11,843,763	9,952,166	1,891,598	133	11,787,564	9,687,269	21.68
Ship and boat building and repairing	*31,714	*41,594	*491,610	*491,610	—	**	*453,774	*337,911	*34.29
Railroad equipment	*1,745	*2,769	*56,859	*56,859	—	*9	*56,859	*64,290	*-11.56
Motorcycles, bicycles and parts	*323	—	*7,497	*7,497	—	—	—	—	—
Miscellaneous transportation equipment	*4,982	*7,432	*147,146	*147,146	—	**	*139,910	*93,571	*49.52
Professional, scientific, controlling instruments; photographic and optical goods; watches and clocks	258,117	281,931	6,051,285	6,026,606	24,679	310	5,622,210	4,621,790	25.97
Engineering, laboratory and scientific equipment	67,984	55,851	1,603,084	1,599,076	4,008	85	1,559,576	1,085,766	43.64
Instruments for measuring physical characteristics	34,289	35,298	907,440	906,710	730	93	803,376	642,769	24.99
Optical instruments and lenses	*1,953	*1,870	*41,173	*41,173	—	*14	*39,758	*40,816	*-2.59
Surgical, medical, dental instruments and supplies	29,987	31,341	784,876	770,581	14,294	89	749,746	619,201	21.08
Ophthalmic goods	*4,584	*6,228	*141,127	*141,127	—	*12	*141,127	*124,100	*13.72
Photographic equipment and supplies	119,319	151,346	2,573,586	2,567,938	5,647	*17	*2,528,628	*2,109,139	*19.89
Miscellaneous manufactured products and manufactured products not allocable	59,571	79,363	2,168,736	2,060,458	108,278	380	1,901,735	1,849,598	2.82
Jewelry, silverware, and plated ware	*2,172	*1,835	*82,637	*82,637	—	*25	*82,637	*53,437	*54.65
Musical instruments	*1,515	*1,740	*80,711	*80,711	—	*17	*69,517	*59,079	*17.67
Toys, amusement, sporting and athletic goods	15,714	12,703	558,746	479,446	79,300	42	539,023	477,257	12.94
Pens, pencils, and office materials	*2,093	*3,868	*82,592	*67,597	*14,995	**	*82,210	*84,342	*-2.53
Costume jewelry, novelties and buttons	*691	*674	*21,725	*21,725	—	**	*20,820	*20,461	*1.75
Miscellaneous manufactured products	37,386	58,323	1,342,325	1,328,342	13,983	266	1,107,526	1,155,023	-4.11

*Estimate should be used with caution because of the small number of sample returns on which it was based.
**Data deleted to avoid disclosure of information for specific corporations.
[1]Less than $500.
Note: Detail may not add to total because of rounding.

Table 1.—Total Assets, Receipts, Deductions, Income, Distributions, and Total Export Gross Receipts of Domestic International Sales Corporations, by Selected Major Products and Services, 1981

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

Selected major products and services	Number of returns	Total assets	Total qualified export receipts and nonqualified receipts	Qualified export receipts from the sale of export property	Other qualified export receipts	Cost of sales and operations	Total export promotion and other expenses	Export promotion expenses	Net income (less deficit)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All products and services	9,408	32,301,055	49,630,928	46,798,825	2,611,769	36,131,993	2,588,627	1,519,953	10,910,315
Nonmanufactured products and services, total	1,115	3,159,022	13,898,184	13,369,488	480,547	12,812,126	202,376	77,052	883,681
Grains	178	1,863,381	12,128,307	11,940,554	156,688	11,535,320	96,954	13,622	496,033
Manufactured products, total	8,293	29,142,034	35,732,745	33,429,337	2,131,222	23,319,867	2,386,251	1,442,901	10,026,634
Ordnance and accessories	45	77,491	49,762	42,412	7,350	17,661	929	601	31,172
Food and kindred products	286	629,672	1,409,533	1,372,727	33,424	1,082,292	95,615	50,038	231,626
Tobacco manufactures	14	250,943	129,618	124,760	3,232	19,941	2,382	1,087	107,295
Textile mill products	203	347,071	310,473	293,053	15,136	202,155	60,020	22,478	48,298
Apparel and other finished products made from fabrics	190	135,252	176,382	169,716	6,268	103,125	32,954	26,157	40,303
Lumber, wood products, except furniture	265	342,091	491,974	467,154	23,198	374,168	18,763	12,840	99,043
Furniture and fixtures	*30	*15,964	*19,762	*19,746	*16	*15,197	*663	*565	*3,902
Paper and allied products	230	639,511	1,000,916	962,141	32,231	686,531	106,176	49,315	208,208
Printing, publishing, and allied products	135	180,551	111,267	105,972	5,209	52,253	9,918	3,422	49,096
Chemicals and allied products	582	5,216,857	6,632,181	6,190,540	425,911	4,724,267	453,472	188,393	1,454,451
Industrial inorganic and organic chemicals	105	2,647,080	3,308,772	3,142,730	158,802	2,351,464	283,434	106,197	673,873
Plastics materials and manmade fibers	123	1,225,723	1,284,379	1,106,620	176,798	843,142	64,852	21,598	376,385
Drugs	36	410,979	303,522	268,881	34,419	162,245	14,157	5,081	127,120
Petroleum refining and related products	*18	*30,857	*37,116	*34,061	*1,740	*22,254	*3,099	*2,752	*11,763
Rubber and miscellaneous plastics products	242	186,196	184,786	174,567	10,177	76,490	26,254	15,946	82,042
Leather and leather products	78	97,632	253,569	247,055	1,293	226,081	11,375	6,745	16,113
Stone, clay, glass, and concrete products	60	261,626	322,106	300,584	20,338	188,321	43,097	24,279	90,687
Primary metal products	302	424,649	359,420	336,672	21,031	166,731	16,477	12,867	176,212
Fabricated metal products, except ordnance, machinery and transportation equipment	630	1,076,259	1,547,840	1,487,987	56,656	993,978	131,600	87,156	422,261
Machinery, except electrical	1,496	6,636,770	5,972,703	5,411,846	538,946	3,176,191	388,993	248,744	2,407,522
Engines and turbines	75	1,800,333	1,646,956	1,480,928	162,017	965,184	27,769	14,063	654,002
Construction and mining machinery	305	1,778,143	1,866,108	1,704,625	152,301	1,163,486	110,936	76,631	591,686
Office, computing, and accounting machines	73	1,118,068	423,240	337,880	85,296	34,336	15,628	4,252	373,276
Electrical machinery, equipment, and supplies	1,593	4,039,413	4,137,307	3,798,514	328,204	2,327,232	407,203	280,719	1,402,865
Electric transmission and distribution equipment	86	652,757	298,436	206,277	89,315	31,004	21,918	13,427	243,514
Communication equipment	169	485,457	373,690	334,968	38,403	179,158	17,150	9,500	177,382
Electronic components and accessories	658	1,479,268	1,463,090	1,344,313	118,355	821,115	135,211	83,592	506,765
Transportation equipment	462	5,280,443	8,376,408	7,919,919	394,760	5,943,340	293,782	258,356	2,139,289
Motor vehicles and motor vehicle equipment	243	2,384,624	1,345,178	1,167,351	141,071	507,712	93,176	71,096	744,292
Aircraft and parts	143	2,743,394	6,873,614	6,611,665	245,372	5,360,708	187,475	178,824	1,325,431
Professional, scientific, controlling instruments; photographic and optical goods; watches and clocks	644	2,334,982	2,634,265	2,434,454	171,294	1,682,058	151,318	76,536	800,890
Engineering, laboratory and scientific equipment	213	502,496	300,626	266,475	33,712	63,728	34,254	20,758	202,645
Photographic equipment and supplies	61	1,247,447	1,759,012	1,629,583	104,940	1,327,197	49,741	5,345	382,074
Miscellaneous manufactured products and manufactured products not allocable	771	737,804	1,575,358	1,535,454	34,806	1,239,603	132,161	73,905	203,595

Footnotes at end of table.

Table 1.—Total Assets, Receipts, Deductions, Income, Distributions, and Total Export Gross Receipts of Domestic International Sales Corporations, by Selected Major Products and Services, 1981—Continued

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

Selected major products and services	Net income	DISC taxable income	Taxable income attributable to base period export gross receipts	Adjusted DISC income subject to deferral computation	Total amount deemed distributed	Tax deferred income	Total amount actually distributed	Current-year total export gross receipts of DISC's
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
All products and services	10,961,425	10,952,344	2,649,612	7,594,230	7,186,662	3,795,726	5,434,901	156,665,961
Nonmanufactured products and services, total	885,173	881,242	197,795	643,073	574,687	321,502	393,734	42,266,458
Grains	496,095	492,248	115,453	361,921	311,679	180,953	207,001	36,848,888
Manufactured products, total	10,076,253	10,071,102	2,451,817	6,951,157	6,611,975	3,474,226	5,041,167	114,399,504
Ordnance and accessories	31,172	31,172	7,033	15,950	23,197	7,975	24,889	217,850
Food and kindred products	232,872	232,872	57,899	163,168	151,754	81,579	117,378	4,075,713
Tobacco manufactures	107,295	107,295	25,391	79,895	67,348	39,947	68,004	1,474,325
Textile mill products	66,963	66,963	17,549	48,571	42,678	24,265	35,536	1,575,602
Apparel and other finished products made from fabrics	40,303	40,303	9,569	27,921	26,343	13,961	16,681	503,987
Lumber, wood products, except furniture	100,710	100,710	31,686	60,665	70,321	30,389	65,704	1,760,829
Furniture and fixtures	*3,902	*3,902	*289	*3,613	*2,096	*1,807	*774	*62,686
Paper and allied products	211,515	211,347	63,102	136,233	143,271	68,103	113,467	3,437,654
Printing, publishing, and allied products	49,101	49,101	12,910	34,012	32,095	17,006	18,589	474,965
Chemicals and allied products	1,458,121	1,455,945	380,401	979,748	978,376	489,844	925,522	15,373,149
Industrial inorganic and organic chemicals	675,178	673,003	182,824	418,915	475,309	209,428	340,281	6,227,683
Plastics materials and manmade fibers	376,543	376,543	101,008	273,741	239,672	136,870	330,303	3,979,572
Drugs	127,120	127,120	26,692	88,765	82,737	44,383	61,505	985,856
Petroleum refining and related products	*11,763	*11,763	*2,114	*9,430	*7,048	*4,715	*4,778	*249,577
Rubber and miscellaneous plastics products	82,042	82,042	16,103	63,854	50,138	31,905	32,272	1,153,264
Leather and leather products	16,139	16,139	6,108	10,027	11,126	5,014	7,174	807,041
Stone, clay, glass, and concrete products	90,730	90,730	22,926	67,290	57,085	33,645	72,082	976,914
Primary metal products	176,216	176,216	42,279	129,152	113,245	64,739	95,869	2,459,458
Fabricated metal products, except ordnance, machinery and transportation equipment	424,198	424,196	103,418	310,900	268,745	155,450	235,271	4,028,691
Machinery, except electrical	2,416,811	2,416,025	644,618	1,684,372	1,573,282	842,742	1,030,541	27,058,045
Engines and turbines	654,002	653,993	192,345	425,668	441,161	212,832	225,069	6,521,309
Construction and mining machinery	597,063	597,063	173,147	406,148	393,989	203,074	321,807	8,150,427
Office, computing, and accounting machines	374,071	374,071	79,132	292,798	227,699	146,372	123,323	3,681,856
Electrical machinery, equipment, and supplies	1,404,815	1,404,788	312,716	1,008,362	903,090	502,200	609,646	15,444,239
Electric transmission and distribution equipment	243,516	243,516	60,949	154,340	166,695	76,621	136,211	1,774,901
Communication equipment	177,436	177,436	39,732	129,642	112,626	64,610	95,168	2,045,771
Electronic components and accessories	508,585	508,585	101,773	370,409	323,882	185,180	204,861	5,894,753
Transportation equipment	2,142,754	2,142,754	460,813	1,392,832	1,446,601	696,152	1,062,607	23,320,182
Motor vehicles and motor vehicle equipment	745,056	745,056	248,107	448,994	520,822	224,233	192,852	12,226,914
Aircraft and parts	1,327,722	1,327,722	226,013	900,863	877,290	450,431	829,632	10,544,954
Professional, scientific, controlling instruments; photographic and optical goods; watches and clocks	601,334	601,334	170,352	572,603	514,849	286,485	407,702	6,784,052
Engineering, laboratory and scientific equipment	202,645	202,645	29,607	169,646	117,822	84,622	61,042	1,674,056
Photographic equipment and supplies	382,074	382,074	99,510	236,489	263,830	118,244	242,889	2,625,066
Miscellaneous manufactured products and manufactured products not allocable	207,494	205,503	44,539	152,559	129,286	76,283	96,681	3,161,241

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

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

Table 2.—Total Assets, Income, Distributions, and Total Export Gross Receipts of Domestic International Sales Corporations, by Major Product and Service Group, Type of Majority Stockholder, and Size of Total Assets of Majority Corporate Stockholder, 1981

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

Major product and service group, type of majority stockholder, and size of assets of majority corporate stockholder	Number of returns	Total assets	Net income (less deficit)	Net income	DISC taxable income	Taxable income attributable to base period export gross receipts	Adjusted DISC income subject to deferral computation
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All Products and Services, Total	**9,408**	**32,301,055**	**10,910,315**	**10,961,425**	**10,952,344**	**2,649,612**	**7,594,230**
Returns with majority stockholders, total	9,178	32,190,349	10,889,132	10,935,706	10,926,624	2,647,186	7,571,464
Corporate stockholders, total	7,844	31,778,188	10,811,480	10,851,312	10,843,944	2,637,078	7,500,190
Assets zero or not available	859	520,995	144,902	151,399	151,373	24,036	119,703
$1 under $1,000,000	1,015	486,397	131,942	135,078	134,537	30,153	103,179
$1,000,000 under $10,000,000	2,891	2,002,986	542,539	568,038	567,867	98,775	455,074
$10,000,000 under $50,000,000	1,658	2,425,050	825,017	827,968	825,183	162,053	631,486
$50,000,000 under $100,000,000	467	1,548,081	587,293	588,700	588,700	129,035	438,496
$100,000,000 under $250,000,000	356	2,406,321	800,446	800,662	800,662	190,697	583,930
$250,000,000 or more	598	22,388,359	7,779,341	7,779,467	7,775,620	2,002,327	5,168,322
Noncorporate stockholders	1,067	343,912	55,987	62,413	60,699	6,832	52,748
Type of stockholder not known	266	68,248	21,665	21,981	21,981	3,276	18,526
Returns with no majority stockholders	230	110,706	21,183	25,720	25,720	2,426	22,766
Nonmanufactured Products and Services, Total	**1,115**	**3,159,022**	**883,681**	**885,173**	**881,242**	**197,795**	**643,073**
Returns with majority stockholders, total	1,076	3,152,354	880,045	880,470	876,539	197,753	638,539
Corporate stockholders, total	857	3,100,880	871,453	871,556	867,643	197,730	630,179
Assets zero or not available	*100	*25,594	*7,172	*7,172	*7,172	*2,169	*4,825
$1 under $1,000,000	*133	*21,929	*5,417	*5,425	*5,359	*4,203	*4,114
$1,000,000 under $10,000,000	344	156,457	54,457	54,541	54,541	5,642	47,116
$10,000,000 under $50,000,000	136	243,241	75,373	75,376	75,376	14,943	56,510
$50,000,000 under $100,000,000	47	200,009	91,096	91,100	91,100	15,016	74,930
$100,000,000 under $250,000,000	30	531,384	113,061	113,062	113,062	34,869	76,091
$250,000,000 or more	67	1,922,265	524,878	524,880	521,034	120,888	366,591
Noncorporate stockholders	*150	*30,635	*4,932	*4,940	*4,922	*19	*4,389
Type of stockholder not known	*69	*20,840	*3,659	*3,975	*3,975	*4	*3,971
Returns with no majority stockholders	*39	*6,667	*3,637	*4,702	*4,702	*42	*4,535
Manufactured Products, Total	**8,293**	**29,142,034**	**10,026,634**	**10,076,253**	**10,071,102**	**2,451,817**	**6,951,157**
Returns with majority stockholders, total	8,102	29,037,995	10,009,088	10,055,235	10,050,085	2,449,433	6,932,926
Corporate stockholders, total	6,987	28,677,309	9,940,026	9,979,756	9,976,301	2,439,349	6,870,012
Assets zero or not available	759	495,401	137,729	144,227	144,201	21,869	114,877
$1 under $1,000,000	881	464,468	126,526	129,652	129,179	25,951	99,065
$1,000,000 under $10,000,000	2,548	1,846,529	488,082	513,497	513,327	93,132	407,958
$10,000,000 under $50,000,000	1,521	2,181,809	749,643	752,592	749,807	147,110	574,975
$50,000,000 under $100,000,000	419	1,348,072	496,197	497,600	497,600	114,019	383,566
$100,000,000 under $250,000,000	326	1,874,937	687,385	687,601	687,600	155,829	507,839
$250,000,000 or more	531	20,466,094	7,254,483	7,254,586	7,254,586	1,881,439	4,801,732
Noncorporate stockholders	917	313,277	51,055	57,473	55,777	6,813	48,359
Type of stockholder not known	198	47,409	18,006	18,006	18,006	3,272	14,556
Returns with no majority stockholders	191	104,039	17,546	21,017	21,017	2,384	18,232

Footnotes at end of table.

Table 2.—Total Assets, Income, Distributions, and Total Export Gross Receipts of Domestic International Sales Corporations, by Major Product and Service Group, Type of Majority Stockholder, and Size of Total Assets of Majority Corporate Stockholder, 1981—Continued

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

Major product and service group, type of majority stockholder, and size of assets of majority corporate stockholder	Total amount deemed distributed	Tax deferred income	Total amount actually distributed	Current-year total export gross receipts of DISC's
	(8)	(9)	(10)	(11)
All Products and Services, Total	**7,196,662**	**3,795,728**	**5,434,901**	**156,665,961**
Returns with majority stockholders, total	7,172,329	3,784,341	5,422,365	156,223,818
Corporate stockholders, total	7,124,902	3,748,705	5,387,611	154,610,538
Assets zero or not available	91,432	59,941	64,132	1,698,428
$1 under $1,000,000	82,953	51,584	52,549	1,733,497
$1,000,000 under $10,000,000	352,260	227,574	225,095	9,373,811
$10,000,000 under $50,000,000	511,451	316,354	397,157	16,745,781
$50,000,000 under $100,000,000	369,189	219,532	265,019	8,955,821
$100,000,000 under $250,000,000	509,367	291,781	338,382	16,394,073
$250,000,000 or more	5,208,251	2,581,937	4,045,276	99,709,127
Noncorporate stockholders	34,326	26,374	23,379	1,112,114
Type of stockholder not known	13,101	9,263	11,374	501,165
Returns with no majority stockholders	14,333	11,387	12,536	442,144
Nonmanufactured Products and Services, Total	**574,687**	**321,502**	**393,734**	**42,266,458**
Returns with majority stockholders, total	572,252	319,235	391,349	42,154,103
Corporate stockholders, total	567,152	315,055	386,305	41,811,974
Assets zero or not available	*4,760	*2,412	*4,464	*44,606
$1 under $1,000,000	*3,302	*2,058	*306	*123,847
$1,000,000 under $10,000,000	30,985	23,555	16,514	1,794,896
$10,000,000 under $50,000,000	47,142	28,234	36,606	6,419,182
$50,000,000 under $100,000,000	53,657	37,465	42,148	2,471,870
$100,000,000 under $250,000,000	75,016	38,046	43,468	9,075,098
$250,000,000 or more	352,290	183,286	242,799	21,882,476
Noncorporate stockholders	*2,727	*2,194	*1,866	*50,904
Type of stockholder not known	*2,373	*1,985	*3,178	*291,224
Returns with no majority stockholders	*2,435	*2,267	*2,385	*112,355
Manufactured Products, Total	**6,611,975**	**3,474,226**	**5,041,167**	**114,399,504**
Returns with majority stockholders, total	6,600,077	3,465,107	5,031,015	114,069,715
Corporate stockholders, total	6,557,751	3,433,650	5,001,306	112,798,564
Assets zero or not available	86,672	57,529	59,668	1,653,822
$1 under $1,000,000	79,651	49,528	52,243	1,609,651
$1,000,000 under $10,000,000	321,274	204,018	208,582	7,578,915
$10,000,000 under $50,000,000	464,309	288,120	360,551	10,326,599
$50,000,000 under $100,000,000	315,533	182,067	222,871	6,483,951
$100,000,000 under $250,000,000	434,351	253,736	294,914	7,318,975
$250,000,000 or more	4,855,961	2,398,652	3,802,478	77,826,651
Noncorporate stockholders	31,598	24,179	21,513	1,061,210
Type of stockholder not known	10,728	7,278	8,197	209,941
Returns with no majority stockholders	11,898	9,119	10,151	329,789

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

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

Section 5

Foreign Corporations With Income Derived From U.S. Sources

Contents

Foreign corporations that have income considered "effectively connected" with a U.S. trade or business and/or receive income from U.S. investments must file U.S. income tax returns (Forms 1120F). This form, reproduced in Section 15, is the basis of the statistics presented in Table 1 of this section. The table, however, includes only those returns which showed income and deduction items related to "effectively connected" U.S. trade or business activities. Some of these returns also contained amounts of investment income from U.S. sources.

The income statement items shown in Table 1 pertain to the "effectively connected" income of the foreign corporations. The Section II tax is based on this income, which is subject to taxation in the same manner as domestic corporations. In contrast, the Section I tax shown in the table represents the tax paid on income derived from investments in the United States that is not effectively connected with a U.S. trade or business. The tax rate on this income was generally 30 percent unless a lower tax rate had been set by a tax treaty between the United States and the country in which the foreign corporation was incorporated. See Section 11 of this compendium for a discussion on the Nonresident Alien Income and Tax Withheld studies.

The data contained in Table 1 of this section are for Tax Year 1981. However, a comparison of selected items related to foreign corporations with income derived from U.S. sources for Tax Years 1981 and 1982 is shown in Figure 1.

Figure 1. -- Foreign Corporations with Income Derived from U.S. Sources
(money amounts are in millions of dollars)

Item	1981	1982
Number of returns	9,350	10,661
Total receipts	37,281	39,856
Total deductions	38,857	41,563
Net income (less deficit)	(1,596)	(1,746)
Net income	800	931
Section II tax (before credits) ...	260	268
Total credits	21	33
Section I tax	27	22

Summary discussions of these foreign corporations, with selected historical data, are presented in two papers contained in Section 1 of this compendium. These papers are entitled "Statistics of Income Studies of International Income and Taxes: An Overview (page 3) and A Brief Description of the Studies (page 9)." As previously mentioned, the reader is also referred to Section 15 for a copy of the following:

* Form 1120F, U.S. Income Tax Return of a Foreign Corporation, and Instructions (page 474)

Table 1.—Selected Income Statement Items, Net Income, and Tax, for Returns of Foreign Corporations with Income Derived from U.S. Sources, by Selected Industry and Country of Incorporation, 1981

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

Selected industry and selected country of incorporation	Number of returns	Total receipts	Business receipts	Domestic dividends received	Total deductions	Cost of sales and operations	Net income (less deficit)	Net income	Section I tax[1]	Section II tax[2]	Distributions to stockholders except in own stock
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
All Industries											
All geographic areas, total	9,350	37,281,310	10,143,179	74,102	38,856,983	7,268,210	-1,595,944	800,181	27,473	259,851	31,632
Canada	1,631	7,788,148	3,687,621	13,011	7,970,339	2,775,744	-189,782	249,104	16,174	93,828	6,464
Latin America, total	5,965	3,745,324	2,147,274	32,232	4,298,407	1,226,808	-560,243	286,128	1,012	79,734	18,835
Mexico	86	362,653	8,917	—	359,061	1,090	3,572	26,491	—	1,894	—
Panama	759	397,890	349,317	71	419,688	294,508	-21,802	29,143	765	6,347	4,433
South America	91	615,727	140,325	—	857,849	88,914	-246,636	3,844	—	1,393	—
Caribbean, total	5,002	2,354,497	1,634,829	32,162	2,647,103	833,269	-295,249	226,188	237	69,994	14,403
Cayman Islands	157	133,227	57,337	13,400	96,352	27,013	36,851	42,001	23	4,397	5,140
Leeward Island	172	524,634	271,545	18,659	516,344	221,732	8,290	44,182	—	19,862	—
Netherlands Antilles	4,633	1,690,515	1,303,304	102	2,029,514	583,304	-341,616	136,849	215	44,342	6,529
Other Western Hemisphere, total	122	98,508	84,930	604	96,016	48,871	2,415	11,884	539	4,419	—
Bermuda	90	88,913	79,981	368	85,849	47,856	2,987	10,462	539	3,967	—
Europe, total	1,053	11,940,285	3,258,596	18,130	12,288,387	2,610,153	-353,302	188,464	3,189	62,042	2,030
Common Market countries, total	725	9,095,854	2,034,566	8,017	9,382,441	1,588,582	-287,529	119,878	1,521	38,361	2,000
Netherlands	282	853,458	176,384	2,812	881,935	41,366	-28,871	13,689	3	5,075	2,000
United Kingdom	196	2,838,839	1,059,465	4,968	2,816,528	939,650	21,972	68,304	327	20,456	—
West Germany	195	2,225,290	639,483	224	2,291,736	554,448	-66,654	27,676	1,140	9,775	—
Switzerland	134	2,230,065	1,085,631	10,113	2,238,256	895,651	-12,449	61,634	1,669	21,425	—
Africa, total	116	48,500	41,255	—	53,054	34,160	-6,554	1,482	30	611	—
Liberia	108	40,239	37,493	—	45,374	32,151	-5,135	1,482	30	611	—
Asia, total	292	13,020,427	557,727	2,547	13,453,471	356,771	-433,263	35,009	6,432	15,289	—
Hong Kong	90	133,584	15,756	2	157,668	10,404	-24,084	1,945	—	441	—
Japan	96	11,698,765	209,441	1,206	12,134,227	46,620	-235,606	19,513	6,432	10,107	—
Oceania, total	92	278,776	180,597	916	303,125	141,204	-24,349	8,548	45	2,429	—
Australia	70	216,098	136,637	—	239,552	108,567	-23,455	5,865	2	1,594	—
Puerto Rico and U.S. Possessions	64	98,050	2,626	—	110,867	522	-12,816	3,750	51	962	4,302
Country not stated	116	265,291	182,552	6,661	283,316	74,176	-18,050	15,812	—	537	—
Agriculture, Forestry, and Fishing											
All geographic areas, total	324	66,481	57,884	—	111,595	38,546	-45,114	1,681	—	167	—
Canada	*30	*5,243	*4,893	*—	*7,345	*2,062	*-2,102	*8	*—	*—	*—
Latin America, total	235	48,845	42,026	—	88,700	30,829	-39,855	1,506	—	162	—
Panama	*15	*195	*185	*—	*354	*146	*-159	*—	*—	*—	*—
Caribbean, total	220	48,649	41,841	—	88,346	30,683	-39,696	1,508	—	162	—
Leeward Island	*16	*3,389	*2,377	*—	*6,253	*2,591	*-2,864	*15	*—	*2	*—
Netherlands Antilles	195	44,788	39,115	—	80,539	27,673	-35,751	1,493	—	159	—
Europe, total	37	9,941	8,567	—	11,180	5,507	-1,240	165	—	5	—
Common Market countries	*8	*427	*381	*—	*756	*236	*-329	*29	*—	*5	*—
Africa	*11	*97	*89	*—	*726	*87	*-629	*—	*—	*—	*—
Mining											
All geographic areas, total	509	388,401	300,026	109	541,119	139,965	-153,812	46,449	78	13,546	—
Canada	193	160,508	152,530	—	250,853	86,896	-90,572	5,062	18	1,295	—
Latin America, total	154	132,461	84,210	96	157,298	23,817	-25,707	21,204	9	9,582	—
Panama	44	203	131	—	2,543	—	-2,339	19	—	—	—
Caribbean, total	102	132,198	84,020	96	154,721	23,803	-23,394	21,159	—	9,577	—
Netherlands Antilles	89	132,174	84,020	96	154,334	23,803	-23,030	21,159	—	9,577	—
Europe, total	111	46,667	41,944	13	74,406	15,875	-27,740	6,090	51	2,654	—
Common Market countries, total	56	42,604	41,925	13	61,774	14,863	-19,170	3,743	51	1,699	—
United Kingdom	*16	*9,098	*8,780	*—	*16,964	*5,403	*-7,866	*185	*—	*53	*—
West Germany	38	1,331	1,045	—	16,191	380	-14,861	1	—	—	—
Oceania, total	32	8,498	8,226	—	30,436	6,638	-21,938	—	—	—	—
Australia	*24	*8,163	*8,114	*—	*29,691	*6,638	*-21,938	*—	*—	*—	*—
Mining: Oil and Gas Extraction											
All geographic areas, total	470	359,253	271,029	109	498,765	117,837	-140,606	46,449	78	13,546	—
Canada	177	139,288	131,398	—	228,135	71,398	-89,069	5,062	18	1,295	—
Latin America, total	148	132,460	84,210	96	154,967	23,817	-23,378	21,204	9	9,582	—
Panama	44	203	131	—	2,543	—	-2,339	19	—	—	—
Caribbean, total	96	132,197	84,020	96	152,391	23,803	-21,065	21,159	—	9,577	—
Netherlands Antilles	88	132,173	84,020	96	152,009	23,803	-20,707	21,159	—	9,577	—
Europe, total	99	46,655	41,944	13	69,039	15,875	-22,388	6,090	51	2,654	—
Common Market countries, total	45	42,591	41,925	13	61,746	14,863	-19,154	3,743	51	1,699	—
United Kingdom	*16	*9,098	*8,760	*—	*16,964	*5,403	*-7,866	*185	*—	*53	*—
West Germany	*27	*1,316	*1,045	*—	*16,163	*380	*-14,845	*1	*—	*—	*—
Oceania, total	*31	*604	*380	*—	*18,562	*68	*-17,958	*—	*—	*—	*—
Australia	*23	*268	*268	*—	*17,817	*68	*-17,548	*—	*—	*—	*—
Construction											
All geographic areas, total	109	228,025	219,066	—	232,848	190,529	-4,823	13,577	1	5,073	—
Canada	46	197,751	190,386	—	192,054	164,988	5,696	11,883	1	4,924	—
Latin America, total	48	28,697	27,575	—	36,140	23,837	-7,443	1,695	—	149	—
Caribbean, total	*38	*26,283	*25,283	*—	*31,817	*22,452	*-5,535	*1,695	*—	*149	*—
Netherlands Antilles	*38	*26,283	*25,283	*—	*31,817	*22,452	*-5,535	*1,695	*—	*149	*—

Footnotes at end of table.

Table 1.—Selected Income Statement Items, Net Income, and Tax, for Returns of Foreign Corporations with Income Derived from U.S. Sources, by Selected Industry and Country of Incorporation, 1981—Continued

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

Selected industry and selected country of incorporation	Number of returns	Total receipts	Business receipts	Domestic dividends received	Total deductions	Cost of sales and operations	Net income (less deficit)	Net income	Section I tax[1]	Section II tax[2]	Distributions to stockholders except in own stock
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Manufacturing											
All geographic areas, total	165	1,713,182	1,694,251	189	1,758,686	1,503,389	-45,877	36,509	33	14,310	4,068
Canada	59	520,911	517,969	—	526,849	448,217	-5,938	7,246	—	2,352	18
Latin America, total	40	214,586	202,427	44	229,584	180,969	-14,998	9,031	—	2,833	4,050
Caribbean, total	29	197,850	188,462	—	213,911	168,395	-16,061	7,942	—	2,363	—
Netherlands Antilles	*15	*148,304	*140,116	*—	*154,986	*119,495	*-6,682	*2,748	*—	*—	*—
Other Western Hemisphere, total	*9	*25,242	*25,134	*—	*19,490	*7,050	*5,752	*5,756	*—	*2,579	*—
Bermuda	*9	*25,242	*25,134	*—	*19,490	*7,050	*5,752	*5,756	*—	*2,579	*—
Europe, total	47	878,566	875,381	—	923,478	828,865	-45,085	68	—	2	—
Common Market countries, total	35	876,434	873,261	—	920,159	827,725	-43,898	68	—	2	—
United Kingdom	*18	*753,315	*751,138	*—	*771,745	*735,246	*-18,430	*68	*—	*2	*—
West Germany	*11	*86,078	*85,332	*—	*106,753	*66,346	*-20,848	*—	*—	*—	*—
Transportation and Public Utilities											
All geographic areas, total	116	1,022,837	1,009,021	—	1,219,271	919,384	-196,434	8,721	6,849	3,356	2,734
Canada	*24	*267,040	*262,017	*—	*329,144	*268,205	*-62,104	*3,271	*6,849	*1,125	*—
Latin America, total	33	225,486	216,705	—	251,483	177,847	-25,997	3,684	—	1,603	2,734
Panama	*15	*100,986	*98,786	*—	*107,315	*87,908	*-6,329	*404	*—	*133	*—
South America	5	99,763	98,746	—	121,979	74,637	-22,216	—	—	—	—
Caribbean	*9	*10,840	*7,342	*—	*7,826	*6,288	*3,014	*3,189	*—	*1,448	*2,734
Europe, total	*17	*237,134	*235,424	*—	*237,550	*172,436	*-416	*1,479	*—	*546	*—
Common Market countries	*17	*237,134	*235,424	*—	*237,550	*172,436	*-416	*1,479	*—	*546	*—
Africa	*10	*8,011	*8,011	*—	*11,307	*9,655	*-3,296	*100	*(3)	*46	*—
Asia	27	281,541	281,256	—	385,410	287,544	-103,869	8	—	1	—
Wholesale and Retail Trade											
All geographic areas, total	359	2,529,594	2,448,627	68	2,513,191	2,060,329	14,861	80,236	741	29,240	1,985
Canada	73	495,520	458,870	—	495,090	374,305	430	14,487	—	2,144	1,665
Latin America, total	107	800,561	778,523	—	775,336	554,301	25,130	42,611	—	19,230	321
Panama	37	147,650	142,249	—	147,509	127,122	141	578	—	143	321
South America	*13	*13,710	*7,395	*—	*15,842	*7,102	*-2,132	*—	*—	*—	*—
Caribbean, total	54	639,059	628,866	—	611,665	420,066	27,299	42,034	—	19,087	—
Netherlands Antilles	42	437,729	431,990	—	404,619	253,317	33,015	41,978	—	19,086	—
Other Western Hemisphere	*10	*23,893	*23,000	*—	*24,302	*23,732	*-409	*353	*—	*76	*—
Europe, total	73	1,052,879	1,033,357	68	1,052,342	968,118	-910	21,349	739	7,483	—
Common Market countries, total	50	360,352	346,594	68	345,724	304,471	14,629	17,754	—	6,904	—
United Kingdom	*19	*55,598	*43,345	*—	*45,528	*28,802	*10,071	*11,292	*—	*4,082	*—
West Germany	*16	*304,110	*303,031	*—	*299,130	*275,551	*4,980	*6,236	*—	*2,718	*—
Switzerland	*16	*605,679	*600,265	*—	*615,119	*584,442	*-10,887	*3,466	*739	*579	*—
Asia, total	64	25,502	24,466	—	28,767	19,072	-3,265	831	—	125	—
Japan	*23	*6,182	*5,202	*—	*8,145	*3,930	*-1,963	*402	*—	*—	*—
Oceania, total	*20	*108,091	*107,278	*—	*114,013	*100,249	*-5,922	*410	*2	*145	*—
Australia	*11	*84,250	*83,437	*—	*87,407	*80,669	*-3,157	*410	*2	*145	*—
Wholesale Trade											
All geographic areas, total	288	1,885,852	1,807,959	68	1,900,393	1,648,281	-15,988	37,919	741	10,168	1,985
Canada	49	274,570	237,972	—	266,231	206,052	8,339	14,170	—	2,087	1,665
Latin America, total	74	454,672	435,481	—	468,460	381,086	-13,788	759	—	219	321
Panama	*28	*144,722	*139,606	*—	*144,496	*124,891	*226	*403	*—	*143	*321
South America	*9	*13,333	*7,072	*—	*15,442	*6,878	*-2,108	*—	*—	*—	*—
Caribbean, total	34	296,475	288,789	—	308,204	249,304	-11,729	356	—	76	—
Netherlands Antilles	*27	*138,976	*135,389	*—	*147,467	*122,196	*-8,492	*356	*—	*76	*—
Europe, total	68	976,442	957,073	68	975,804	897,852	-808	21,220	—	7,483	—
Common Market countries, total	46	359,390	345,632	68	344,531	303,701	14,859	17,754	—	6,904	—
United Kingdom	*15	*54,636	*42,383	*—	*44,335	*28,032	*10,301	*11,292	*—	*4,082	*—
West Germany	*16	*304,110	*303,031	*—	*299,130	*275,551	*4,980	*6,236	*—	*2,718	*—
Switzerland	*16	*605,679	*600,265	*—	*615,119	*584,442	*-10,887	*3,466	*739	*579	*—
Asia, total	64	25,502	24,466	—	28,767	19,072	-3,265	831	—	125	—
Japan	*23	*6,182	*5,202	*—	*8,145	*3,930	*-1,963	*402	*—	*—	*—
Oceania, total	*20	*106,091	*107,278	*—	*114,013	*100,249	*-5,922	*410	*2	*145	*—
Australia	*11	*84,250	*83,437	*—	*87,407	*80,669	*-3,157	*410	*2	*145	*—
Retail Trade											
All geographic areas, total	67	643,365	640,345	—	612,397	411,825	30,873	42,317	—	19,073	—
Canada	*25	*220,950	*220,898	*—	*228,859	*168,254	*-7,909	*317	*—	*58	*—
Latin America, total	29	345,512	342,719	—	306,474	172,992	38,943	41,852	—	19,012	—
Caribbean, total	*20	*342,584	*340,076	*—	*303,461	*170,762	*39,027	*41,677	*—	*19,012	*—
Netherlands Antilles	*14	*298,754	*296,601	*—	*257,151	*131,121	*41,507	*41,622	*—	*19,010	*—
Europe	*5	*76,437	*76,284	*—	*76,538	*70,266	*-102	*129	*—	*—	*—

Footnotes at end of table.

Table 1.—Selected Income Statement Items, Net Income, and Tax, for Returns of Foreign Corporations with Income Derived from U.S. Sources, by Selected Industry and Country of Incorporation, 1981 — Continued

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

Selected industry and selected country of incorporation	Number of returns	Total receipts	Business receipts	Domestic dividends received	Total deductions	Cost of sales and operations	Net income (less deficit)	Net income	Section I tax[1]	Section II tax[2]	Distributions to stockholders except in own stock
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Finance, Insurance and Real Estate											
All geographic areas, total	7,156	30,586,864	3,674,871	73,729	31,651,904	1,877,210	-1,102,692	596,005	19,895	188,174	22,845
Canada	1,004	5,696,105	1,659,488	13,011	5,715,660	1,021,314	-26,926	201,744	9,432	79,945	4,781
Latin America, total	5,064	2,159,911	665,216	32,085	2,586,059	179,275	-432,331	204,354	1,003	45,862	11,731
Panama	597	125,807	88,465	19	134,825	63,410	-9,022	26,746	765	5,541	62
South America	52	501,723	33,653	—	718,755	6,557	-221,546	3,814	—	1,393	—
Caribbean, total	4,386	1,177,016	543,788	32,066	1,399,611	109,308	-224,261	147,375	237	37,026	11,669
Cayman Islands	122	101,496	26,300	13,400	68,663	3,568	32,809	36,610	23	1,956	5,140
Leeward Island	113	254,848	10,217	18,659	223,737	256	30,911	43,813	—	19,859	—
Netherlands Antilles	4,125	820,029	506,533	6	1,106,083	105,391	-287,695	66,908	215	15,205	6,529
Other Western Hemisphere, total	76	33,952	22,637	604	29,802	13,139	4,073	5,217	539	1,587	—
Bermuda	52	30,236	22,219	366	27,072	13,138	3,087	4,128	539	1,207	—
Europe, total	598	9,553,822	914,163	18,049	9,818,557	551,439	-268,314	151,285	2,399	48,236	2,030
Common Market countries, total	421	7,489,117	456,406	7,936	7,719,652	250,860	-231,302	93,015	1,469	28,010	2,000
Netherlands	204	737,289	64,402	2,744	762,197	11,764	-25,301	11,110	3	4,216	2,000
United Kingdom	77	1,975,849	212,118	4,966	1,934,643	148,671	40,866	54,200	327	15,344	—
West Germany	111	1,701,143	117,865	224	1,736,271	90,425	-35,163	21,255	1,140	7,022	—
Switzerland	60	1,585,610	448,572	10,113	1,574,455	296,965	8,345	53,564	930	18,940	—
Africa	77	4,895	778	—	5,986	37	-1,091	1,150	30	514	—
Asia, total	160	12,667,044	210,427	2,402	13,000,788	27,739	-333,962	21,971	6,398	9,706	—
Hong Kong	67	118,966	5,634	2	140,566	290	-21,600	1,684	—	316	—
Japan	54	11,860,176	172,040	1,061	12,104,031	25,267	-243,998	7,606	6,398	4,969	—
Oceania	30	119,796	23,128	916	119,300	13,057	496	5,026	43	875	—
Puerto Rico and U.S. Possessions	56	96,739	1,315	—	109,726	203	-12,968	3,500	51	910	4,302
Banking											
All geographic areas, total	207	25,374,116	440,153	1,410	25,993,511	—	-623,697	312,780	16,021	116,705	4,302
Canada	*10	*3,137,960	*82,404	*71	*2,973,299	*—	*164,681	*169,323	*9,383	*71,605	*—
Latin America, total	36	851,141	24,448	—	1,051,782	—	-204,702	27,650	—	2,386	—
South America	21	488,853	22,877	—	708,178	—	-223,386	1,869	—	628	—
Europe, total	69	8,587,121	150,627	—	8,815,604	—	-228,568	95,882	240	34,135	—
Common Market countries, total	52	7,071,849	127,021	—	7,288,078	—	-216,315	61,629	—	18,948	—
United Kingdom	*13	*1,779,231	*49,452	*—	*1,746,653	*—	*32,524	*38,677	*—	*12,064	*—
West Germany	9	1,570,260	11,474	—	1,606,725	—	-36,497	12,284	—	3,535	—
Asia, total	74	12,610,471	178,987	1,338	12,947,590	—	-337,275	16,369	6,398	8,280	—
Japan	31	11,825,985	154,148	—	12,071,421	—	-245,518	4,524	6,398	3,783	—
Real Estate											
All geographic areas, total	5,656	1,241,638	840,832	11	1,628,095	242,200	-388,438	86,779	1,106	17,605	10,220
Canada	759	231,069	133,228	4	332,102	50,976	-101,056	10,663	47	712	4,038
Latin America, total	4,248	865,499	608,116	7	1,136,375	172,144	-272,438	62,165	1,001	13,430	6,152
Panama	504	106,773	83,493	6	122,748	63,244	-15,978	16,644	765	4,346	62
Caribbean, total	3,708	757,581	524,492	1	1,013,099	108,900	-257,077	44,767	236	8,921	6,090
Cayman Islands	83	23,395	17,647	—	24,919	3,568	-1,548	1,720	23	444	—
Leeward Island	91	17,210	8,996	—	23,995	256	-6,785	27	—	—	—
Netherlands Antilles	3,522	716,239	497,112	1	963,249	104,983	-248,545	42,976	213	8,469	6,090
Europe, total	369	98,891	64,974	—	114,260	12,703	-15,762	7,445	5	1,953	30
Common Market countries, total	271	96,359	63,428	—	110,648	12,511	-14,684	6,894	5	1,864	—
Netherlands	165	85,946	60,308	—	96,038	11,764	-10,486	4,242	3	1,241	—
West Germany	73	6,022	1,736	—	8,064	297	-2,042	1,794	2	372	—
Africa	73	1,102	694	—	2,213	37	-1,111	20	1	3	—
Asia	67	20,342	14,763	—	18,206	2,644	2,136	2,770	—	316	—
Puerto Rico and U.S. Possessions	41	5,463	716	—	3,223	203	2,239	2,743	51	907	—
Holding and Other Investment Companies											
All geographic areas, total	1,034	112,378	23,062	12,816	172,295	10,278	-60,025	30,260	31	7,541	2,419
Netherlands Antilles	544	57,923	7,656	5	98,705	408	-40,887	16,917	1	3,771	419
Services											
All geographic areas, total	582	759,217	734,498	8	819,155	535,293	-59,948	16,492	75	5,876	—
Canada	101	445,072	441,468	—	453,338	409,757	-8,267	5,403	75	2,041	—
Latin America, total	262	128,146	123,657	8	185,355	52,148	-37,219	1,777	—	259	—
Mexico	73	7,747	7,592	—	26,184	1,078	-18,437	418	—	72	—
Caribbean, total	147	116,242	112,293	—	130,758	48,688	-14,527	1,287	—	181	—
Netherlands Antilles	113	73,362	70,214	—	87,154	26,398	-13,802	869	—	166	—
Europe, total	149	160,829	149,801	—	168,617	67,548	-7,788	7,781	—	3,061	—
Common Market countries, total	121	89,614	80,416	—	94,600	17,626	-4,986	3,590	—	1,215	—
Netherlands	54	52,287	50,129	—	50,206	—	2,060	2,355	—	751	—
United Kingdom	58	31,089	30,201	—	33,814	16,060	-2,724	1,230	—	462	—
Nature of Business Not Allocable											
All geographic areas, total	*30	*6,910	*4,935	*—	*9,015	*3,585	*-2,105	*512	*—	*109	*—

*Estimate should be used with caution because of the small number of sample returns on which it is based.
[1] Section I tax is the amount of tax based on income from U.S. sources that was not effectively connected with a U.S. trade or business. The income which is the basis for this tax is not included in this table.
[2] Section II tax is the amount of tax based on income effectively connected with a U.S. trade or business. It also includes additional tax for tax preferences, tax from recomputing prior-year investment credit and personal holding company tax. The tax shown is before the foreign tax, investment, jobs, and research activities credits. These credits for all returns totalled $20,614,000.
[3] Less than $500 per return.
NOTE: Detail may not add to totals because of rounding. Data excludes foreign corporation returns filed with only income from U. S. sources that was not effectively connected with a U. S. trade or business.

Section 8

Domestic Corporations With 50 Percent or More Ownership by a Foreign Entity

Contents

Just as U.S. persons, including corporations, can own or control companies incorporated outside the United States (referred to as "Controlled Foreign Corporations" and described in Section 3 of this compendium), U.S. corporations can be similarly owned or controlled by foreign entities. The voting stock of these domestic corporations is 50 percent or more directly or indirectly owned by at least one foreign entity. These corporations are taxed by the United States in a manner similar to that of other domestic corporations.

Summary discussions of these corporations are presented in two papers contained in Section 1 of this compendium. These papers are entitled "Statistics of Income Studies of International Income and Taxes: An Overview (page 3) and A Brief Description of the Studies (page 9)."

Table 1 contained in this section presents financial data classified by industry for these corporations and compares the aggregate data to all corporations operating in the United States. Table 2 also shows data on the industrial activity of these companies, but with additional detail for the foreign countries reported as the residence of the owners of the companies.

The data contained in the tables for this section are for Tax Year 1981. However, a comparison of selected items related to domestic corporations which were owned or controlled by foreign entities for Tax Years 1981 and 1982 is shown in Figure 1.

Figure 1. -- Domestic Corporations With 50 Percent or More Ownership by a Foreign Entity
(money amounts are in millions of dollars)

Item	1981	1982
Number of returns	27,626	35,833
Total assets	383,702	449,483
Total receipts	371,344	363,223
Total deductions	365,938	361,897
Net income (less deficit)	5,270	1,308
Net income	13,377	11,921
Total income tax before credits	5,731	4,905
Total credits	1,607	1,450

In general, these corporations file Forms 1120 (like most U.S. corporations) and they are identified for statistical purposes by their answers to Question H(2) on the return form. The reader is referred to Section 15 of this compendium for a copy of the form and instructions listed below.

* Form 1120, U.S. Corporation Income Tax Return, and Instructions (page 459)

Table 1.—Balance Sheets and Income Statements, Net Income, Total Income Tax, and Distributions to Stockholders, for Domestic Corporations With 50 Percent or More Ownership by a Foreign Entity, by Selected Industries, 1981

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

Item	Returns of all active corporations	Returns of corporations indicating 50 percent or more ownership by a foreign entity								
		All industries	Selected industries							
			Agriculture, forestry and fishing	Mining	Construction	Manufacturing				
						Total	Food and kindred products	Chemicals and allied products	Petroleum (including integrated) and coal products	Machinery, except electrical
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Number of returns	2,812,420	27,626	443	1,492	450	3,113	132	114	23	528
Total assets	8,547,161,872	383,701,888	1,122,441	12,741,224	2,066,888	144,307,190	19,098,960	26,561,809	42,419,975	11,140,682
Cash	533,472,188	31,277,354	29,691	384,810	138,997	6,204,873	3,799,378	253,761	690,113	391,728
Notes and accounts receivable	2,239,832,960	115,062,737	78,192	1,583,912	551,200	27,789,374	7,772,102	3,530,674	4,640,401	3,134,820
Less: Allowance for bad debts	44,840,794	1,729,237	1,101	15,769	4,748	527,600	35,399	81,414	56,166	108,379
Inventories	588,219,956	41,385,132	85,471	708,914	402,186	20,575,876	1,971,190	3,862,705	2,901,896	2,663,896
Investments in Government obligations:										
United States	304,161,714	6,890,956	2,166	444,057	—	48,845	17,971	16,612	6,533	185
State and local	210,675,983	4,034,153	—	—	—	13,852	8,291	44	492	397
Other current assets	320,511,852	15,201,430	13,998	537,065	178,585	4,212,665	920,774	755,693	157,392	459,962
Loans to stockholders	32,042,366	2,671,619	11,068	86,196	5,850	1,062,833	33,548	29,241	25,801	363,851
Mortgage and real estate loans	933,673,294	4,061,457	10,479	15,162	16,344	61,420	5,956	2,000	—	199
Other investments	1,388,244,142	63,657,929	70,419	2,065,443	252,688	27,669,657	2,459,948	8,195,495	5,854,652	2,189,054
Depreciable assets	2,352,655,342	93,002,701	537,855	4,413,899	507,037	61,967,459	2,713,019	12,402,497	27,111,507	2,580,505
Less: Accumulated depreciation	857,772,979	29,450,738	126,786	1,108,528	155,891	21,724,137	1,013,675	4,727,687	8,944,267	959,158
Depletable assets	84,098,891	16,476,514	—	2,766,872	1,509	12,340,665	14,332	258,676	11,719,418	15,877
Less: Accumulated depletion	21,816,569	3,625,195	—	354,267	581	3,140,850	5,367	91,342	2,889,634	836
Land	101,946,016	6,213,536	386,523	134,470	82,173	1,638,863	96,387	299,941	574,272	74,196
Intangible assets (amortizable)	55,131,152	4,495,850	3,161	569,028	29,771	2,632,301	92,544	752,810	139,144	158,751
Less: Accumulated amortization	20,451,969	928,156	587	34,811	1,602	557,054	11,533	99,729	14,933	34,194
Other assets	347,378,352	15,003,845	13,893	544,752	63,371	4,018,146	259,494	1,201,830	503,357	189,827
Total liabilities	8,547,161,872	383,701,888	1,122,441	12,741,224	2,066,888	144,307,190	19,098,960	26,561,809	42,419,975	11,140,682
Accounts payable	619,969,292	36,462,106	34,856	1,188,419	545,605	17,861,044	5,134,670	2,383,423	4,529,143	1,522,863
Mortgages, notes, and bonds payable in less than one year	585,947,678	42,834,655	142,498	1,460,228	211,030	11,005,515	1,409,094	1,587,861	1,801,411	1,044,280
Other current liabilities	2,859,839,215	106,190,802	37,521	1,467,054	360,836	10,519,606	659,914	1,516,325	2,960,080	1,151,343
Loans from stockholders	107,229,417	13,686,691	152,786	1,222,239	127,928	5,613,329	167,086	2,427,296	112,427	663,755
Mortgages, notes, and bonds payable in one year or more	1,058,070,877	63,046,420	429,825	2,520,886	383,088	33,282,312	5,584,540	5,872,270	7,637,821	3,193,212
Other liabilities	1,072,164,634	27,144,666	34,055	1,160,874	157,398	13,125,572	1,868,686	895,346	7,814,929	269,262
Capital stock	532,560,826	18,636,869	207,873	932,215	38,543	6,567,900	343,362	1,676,001	674,581	905,941
Paid-in or capital surplus	670,619,223	52,719,817	239,667	2,272,950	202,551	28,037,814	2,975,622	7,949,331	3,808,286	2,920,685
Retained earnings, appropriated	45,939,734	526,950	—	4,168	—	130,227	2,220	10,376	4,948	1,953
Retained earnings, unappropriated	1,124,012,345	22,512,887	-156,638	516,903	48,781	18,245,597	956,162	2,279,986	13,085,852	-521,572
Less: Cost of treasury stock	129,191,347	261,978	3	4,713	8,672	81,728	2,397	38,406	9,502	11,041
Total receipts	7,026,251,839	371,344,317	512,555	9,126,090	2,316,802	148,232,339	13,069,656	22,097,276	52,793,473	10,947,829
Business receipts	6,244,678,064	342,958,264	465,508	8,575,297	2,163,420	140,427,028	12,173,443	21,429,095	49,512,177	10,298,762
Interest on Government obligations:										
United States	36,638,092	918,928	46	3,588	646	210,711	13,265	2,604	184,207	2,060
State and local	13,861,460	292,988	—	—	—	14,690	—	232	11,866	25
Other interest	442,918,194	17,805,622	9,143	163,619	41,636	2,743,439	686,715	228,887	635,867	310,372
Rents	53,805,764	1,538,187	7,040	12,046	34,557	447,855	27,333	30,379	127,979	31,832
Royalties	13,716,872	2,240,712	465	37,776	428	2,065,058	24,927	44,492	1,805,523	21,409
Net short-term capital gain reduced by net long-term capital loss	2,176,572	115,059	—	8,912	4,123	19,160	11,468	1,759	63	197
Net long-term capital gain reduced by net short-term capital loss	29,064,630	689,489	4,797	43,438	10,120	316,890	13,696	28,054	38,744	7,379
Net gain, noncapital assets	16,639,271	608,060	6,953	32,198	25,820	147,325	12,602	11,349	8,784	7,417
Dividends received from domestic corporations	17,442,112	518,963	1,861	10,577	754	216,577	16,496	61,460	36,156	35,237
Dividends received from foreign corporations	13,790,320	252,440	630	84,265	—	120,162	1,173	18,653	10,493	26,719
Other receipts	141,598,493	3,405,405	16,112	154,174	35,299	1,503,446	88,538	240,112	421,615	206,419
Total deductions	6,813,841,356	365,937,908	610,136	9,732,961	2,384,574	142,103,283	12,755,320	22,099,453	46,619,956	11,056,168
Cost of sales and operations	4,509,198,199	265,997,908	374,942	5,768,684	1,875,636	95,598,775	8,908,910	13,924,219	30,525,256	7,615,766
Compensation of officers	120,324,784	1,681,123	5,649	42,423	40,806	538,979	58,258	85,095	24,794	79,935
Repairs	70,289,424	2,256,958	6,298	38,916	6,135	1,747,064	87,251	256,678	901,457	52,640
Bad debts	22,286,815	1,026,970	609	30,781	5,603	269,082	10,131	44,821	34,116	30,910
Rent paid on business property	82,412,276	3,170,748	9,408	69,399	33,830	1,461,408	129,981	252,713	482,813	109,873
Taxes paid	170,470,926	8,917,098	11,743	221,826	27,187	6,733,748	331,673	391,205	4,912,167	198,145
Interest paid	476,964,684	23,614,721	52,653	526,066	95,232	6,920,971	745,513	1,060,298	1,714,408	650,688
Contributions or gifts	2,514,425	78,177	2	1,456	136	64,453	15,977	10,407	20,262	1,104
Amortization	4,712,864	423,345	542	6,104	3,312	251,560	4,934	41,829	50,960	12,007
Depreciation	166,195,048	6,976,804	46,941	435,691	54,658	4,487,712	178,545	629,299	1,825,835	230,151
Depletion	7,929,396	547,149	15	149,220	7	301,921	4,239	16,794	264,176	269
Advertising	60,094,601	4,592,783	4,185	24,487	6,095	2,585,897	476,383	912,104	63,395	99,832
Pension, profit-sharing, stock bonus, and annuity plans	52,952,583	1,376,562	3,847	47,306	15,465	966,107	75,358	213,932	271,182	66,372
Employee benefit programs	45,795,892	1,872,422	2,597	65,028	11,914	1,187,719	90,428	267,095	47,057	167,158
Net loss, noncapital assets	7,943,607	288,597	3,206	24,172	351	128,124	1,001	50,130	11,669	7,141
Other deductions	993,755,841	43,116,544	87,501	2,281,404	208,206	18,859,762	1,634,740	3,722,836	5,460,390	1,734,178
Total receipts less total deductions	212,510,484	5,406,409	-97,580	-606,872	-67,772	6,129,056	314,336	-2,178	6,173,518	-108,339
Constructive taxable income from related foreign corporations	15,019,938	156,440	—	12,486	—	94,547	1,510	11,822	22,951	22,175
Net income (less deficit)	213,648,962	5,269,861	-97,580	-594,385	-67,772	6,206,914	315,846	9,412	6,184,603	-86,190
Net income	301,440,778	13,377,365	8,541	716,752	54,650	8,872,707	406,422	438,535	6,435,893	285,860
Income subject to tax	241,496,368	12,540,918	3,567	669,588	42,581	8,644,804	381,097	396,622	6,416,217	255,797
Income tax, total	102,257,851	5,731,458	1,540	306,797	17,250	3,980,697	183,324	184,466	2,950,311	115,637
Regular and alternative tax	100,644,417	5,669,060	1,502	301,622	17,102	3,946,304	173,896	179,910	2,944,742	114,151
Total credits[1]	43,813,131	1,606,805	85	83,513	2,760	1,242,719	15,402	96,533	952,103	42,328
Distributions to stockholders except in own stock	120,295,338	2,621,553	26,078	226,469	4,358	1,823,489	50,152	130,632	1,144,576	46,519

Footnotes at end of table.

Table 1.—Balance Sheets and Income Statements, Net Income, Total Income Tax, and Distributions to Stockholders, for Domestic Corporations With 50 Percent or More Ownership by a Foreign Entity, by Selected Industries, 1981—Continued

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

Item	Returns of corporations indicating 50 percent or more ownership by a foreign entity—Continued									
	Selected industries—Continued									
	Transportation and public utilities	Wholesale and retail trade		Finance, insurance and real estate					Services	Nature of business not allocable
		Total	Wholesale trade	Total	Banking	Insurance	Real estate	Holding and other investment companies, except bank holding companies		
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Number of returns	448	9,059	7,287	7,797	71	195	5,172	1,751	4,811	*12
Total assets	6,818,709	60,073,556	50,952,391	150,694,793	96,429,285	12,629,073	14,758,919	14,652,731	5,832,969	*44,118
Cash	170,267	2,812,985	2,404,623	21,140,286	18,554,331	210,833	299,458	545,289	393,565	*1,880
Notes and accounts receivable	728,317	17,725,620	16,776,692	85,488,358	58,439,564	505,518	710,596	1,952,850	1,104,945	*14,819
Less: Allowance for bad debts	6,639	416,660	396,835	729,252	561,901	32,568	12,676	20,980	23,467	*—
Inventories	190,133	16,443,898	14,194,234	2,319,740	—	—	1,566,671	671,415	639,391	*9,523
Investments in Government obligations:										
United States	303	83,287	66,814	6,299,937	4,093,423	1,063,772	322	340,455	12,359	*—
State and local	—	1,267	510	4,019,035	3,242,437	672,146	134	104,310	—	*—
Other current assets	828,015	3,641,354	3,328,815	5,359,954	2,431,141	539,217	940,720	519,091	429,308	*467
Loans to stockholders	22,196	378,972	294,925	1,049,183	—	2,649	66,136	312,871	35,321	*—
Mortgage and real estate loans	25,701	46,490	32,843	3,823,766	745,200	728,142	660,081	128,729	62,074	*—
Other investments	1,328,196	7,346,074	6,271,933	24,101,105	3,774,491	7,842,931	2,785,177	7,622,468	624,191	*159
Depreciable assets	4,148,683	10,980,640	7,489,887	8,362,996	1,746,675	103,096	4,410,745	1,686,969	2,071,335	*12,797
Less: Accumulated depreciation	1,124,335	3,205,310	2,133,883	1,539,607	613,804	4,883	398,595	420,372	462,959	*1,164
Depletable assets	—	1,219,799	1,206,114	90,583	16	—	10	65,066	57,086	*—
Less: Accumulated depletion	—	116,372	116,372	5,615	16	—	—	5,351	7,509	*—
Land	169,070	738,234	481,043	2,828,311	64,747	16,188	2,355,483	330,279	230,269	*5,624
Intangible assets (amortizable)	35,699	403,996	283,748	455,893	44,159	7,831	78,357	245,925	366,001	*—
Less: Accumulated amortization	8,993	81,233	63,607	68,298	2,711	2,512	15,406	39,208	175,579	*—
Other assets	314,096	2,072,515	628,906	7,700,399	4,471,532	976,713	1,311,707	592,919	276,640	*33
Total liabilities	6,818,709	60,073,556	50,952,391	150,694,793	96,429,285	12,629,073	14,758,919	14,652,731	5,832,969	*44,118
Accounts payable	640,089	12,651,260	11,392,325	2,610,568	49,450	734,499	447,072	796,123	909,257	*21,012
Mortgages, notes, and bonds payable in less than one year	326,268	16,010,759	15,148,847	13,052,402	6,132,132	24,120	1,988,394	1,350,941	625,834	*102
Other current liabilities	373,638	5,733,695	4,666,749	87,009,818	80,059,467	1,649,333	546,116	1,530,898	687,934	*897
Loans from stockholders	120,012	2,402,959	1,436,815	3,469,511	72,676	12,252	1,209,651	1,839,028	569,708	*8,220
Mortgages, notes, and bonds payable in one year or more	2,360,176	7,977,790	5,979,805	14,491,669	1,475,204	99,816	7,854,018	3,048,429	1,599,411	*3,263
Other liabilities	471,602	1,830,714	1,063,000	10,100,841	2,184,486	6,357,989	735,734	695,968	263,610	*—
Capital stock	378,340	5,145,559	4,349,031	4,926,510	1,536,251	302,211	1,500,134	1,233,032	633,882	*6,046
Paid-in or capital surplus	1,268,696	7,721,637	5,740,906	12,096,372	2,757,793	1,964,833	1,420,996	4,053,101	680,131	*—
Retained earnings, appropriated	180	49,423	46,031	342,850	37,782	218,717	69,300	7,352	101	*—
Retained earnings, unappropriated	882,258	595,889	1,163,855	2,613,793	2,129,743	1,265,303	-1,009,361	101,641	-238,275	*4,579
Less: Cost of treasury stock	2,570	46,129	34,972	19,341	5,699	—	3,135	4,002	98,622	*—
Total receipts	4,825,824	167,686,852	143,108,768	32,175,471	12,285,191	7,623,665	2,358,280	6,006,702	6,317,595	*150,790
Business receipts	4,537,757	164,593,132	140,645,102	16,180,200	711,647	6,399,329	1,340,123	5,221,116	5,869,734	*146,189
Interest on Government obligations:										
United States	416	24,135	12,141	678,383	414,962	208,723	4,372	38,865	1,003	*—
State and local	—	1,794	1,794	276,502	227,491	32,933	182	4,770	2	*—
Other interest	175,065	1,577,197	1,465,836	12,979,033	10,545,889	602,286	323,934	417,871	116,333	*157
Rents	25,771	221,622	129,285	682,578	168,675	44,020	369,962	65,244	105,422	*1,297
Royalties	—	50,724	23,486	55,458	291	25	340	54,802	30,604	*—
Net short-term capital gain reduced by net long-term capital loss	—	18,089	18,064	64,241	18,855	8,070	19,996	9,461	533	*—
Net long-term capital gain reduced by net short-term capital loss	6,525	62,149	37,523	222,595	9,479	16,564	127,715	55,602	22,975	*—
Net gain, noncapital assets	35,864	125,242	57,226	232,036	58,412	1,312	118,584	7,904	2,623	*—
Dividends received from domestic corporations	694	129,788	109,960	151,466	7,193	101,913	2,056	37,088	7,246	*—
Dividends received from foreign corporations	1,253	40,712	31,755	4,543	419	277	358	3,263	874	*—
Other receipts	42,480	842,267	576,597	648,434	121,878	208,213	50,657	90,714	160,046	*3,147
Total deductions	4,546,398	167,280,210	142,410,359	32,697,935	11,953,688	7,561,468	3,165,064	6,156,244	6,433,438	*148,972
Cost of sales and operations	3,005,855	145,479,445	127,401,251	9,797,398	1,064	2,823,050	898,368	4,008,514	3,957,400	*139,572
Compensation of officers	43,222	511,729	433,300	336,242	162,170	13,438	43,318	53,091	160,990	*1,083
Repairs	31,817	270,537	175,397	120,162	52,330	1,174	28,245	33,804	35,993	*37
Bad debts	7,219	290,946	271,371	393,455	308,831	7,313	10,300	20,162	29,275	*—
Rent paid on business property	117,041	953,972	426,254	393,376	226,543	20,976	44,018	64,569	131,832	*482
Taxes paid	150,080	1,197,087	853,260	417,408	145,487	52,196	104,075	82,863	157,772	*448
Interest paid	309,926	3,759,948	3,312,814	11,666,202	8,887,537	66,806	1,098,845	573,306	282,446	*1,277
Contributions or gifts	394	7,809	7,235	3,610	2,544	405	124	390	317	*—
Amortization	2,467	69,545	41,587	50,966	11,282	15,511	9,565	10,757	38,847	*2
Depreciation	267,780	935,992	602,359	572,584	210,175	31,254	166,870	126,766	174,766	*659
Depletion	—	93,000	92,998	2,941	74	24	3	2,701	45	*—
Advertising	10,437	1,722,866	1,297,769	144,109	57,423	8,866	23,354	46,633	94,706	*1
Pension, profit-sharing, stock bonus, and annuity plans	28,762	156,178	124,730	114,836	63,260	22,000	1,906	16,563	44,063	*—
Employee benefit programs	60,165	383,064	184,197	130,627	71,227	5,236	4,957	35,298	31,205	*103
Net loss, noncapital assets	2,523	55,126	17,203	70,893	22,211	11	17,281	6,899	4,192	*10
Other deductions	508,710	11,392,986	7,168,632	8,483,128	1,731,529	4,493,206	713,634	1,069,927	1,289,569	*5,299
Total receipts less total deductions	279,426	406,641	698,409	-522,464	331,503	62,197	-806,784	149,542	-115,843	*1,817
Constructive taxable income from related foreign corporations	798	44,872	44,395	2,639	288	28	—	2,115	1,097	*—
Net income (less deficit)	280,224	449,720	741,010	-796,328	104,300	29,293	-806,967	-152,197	-114,748	*1,817
Net income	400,304	2,386,230	2,169,645	752,393	230,088	138,393	92,707	135,509	181,772	*1,817
Income subject to tax	392,920	2,177,080	1,991,189	488,917	206,205	87,665	56,064	80,597	119,643	*1,817
Income tax, total	179,812	991,460	897,158	207,894	94,050	39,464	17,084	32,699	45,263	*745
Regular and alternative tax	178,425	973,767	892,906	204,770	93,071	38,569	16,663	32,144	44,826	*742
Total credits[1]	103,423	101,361	88,476	62,884	47,748	3,937	1,517	7,200	10,005	*55
Distributions to stockholders except in own stock	36,723	175,034	98,572	315,634	100,623	83,499	50,610	64,596	13,767	*—

*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), jobs, nonconventional source fuel, alcohol fuel and research activities credits.
NOTE: Detail may not add to totals because of rounding.

Table 2.—Selected Income Statement Items, Net Income, Total Income Tax and Distributions to Stockholders, for Domestic Corporations With 50 Percent or More Ownership by a Foreign Entity, by Industrial Division and Selected Country of Address of Foreign Owner, 1981

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

Industrial division and selected country of address of foreign owner	Number of returns	Total assets	Total receipts	Business receipts	Total deductions	Net income (less deficit)	Net income	Income subject to tax	Total income tax[1]	Distributions to stockholders except in own stock
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All industries										
All geographic areas, total	27,626	383,701,888	371,344,317	342,958,264	365,937,908	5,269,861	13,377,365	12,540,918	5,731,458	2,821,553
Canada	7,065	35,102,636	25,538,128	23,558,005	27,216,163	-1,680,883	486,527	379,718	159,018	95,115
Latin America, total	3,657	18,989,963	22,152,565	21,041,955	21,887,607	283,417	838,798	764,509	346,014	197,901
Mexico	807	1,114,479	1,084,679	1,025,298	1,110,530	-25,982	4,690	3,204	1,039	—
Caribbean, total	1,530	14,479,548	17,568,796	16,738,348	17,349,591	238,431	668,620	642,438	290,978	167,445
Netherlands Antilles	604	13,766,037	17,032,005	16,263,797	16,845,951	205,280	606,146	581,557	265,830	154,842
South America, total	721	718,548	915,761	849,530	941,395	-26,160	16,554	6,914	3,090	318
Colombia	*564	*294,630	*239,220	*207,771	*238,679	*541	*13,681	*4,103	*1,861	*—
Other Western Hemisphere	243	2,696,944	2,383,804	2,300,904	2,528,376	-144,648	44,502	20,471	9,959	50
Europe, total	8,840	248,748,427	217,954,243	199,483,196	211,655,583	6,235,696	10,260,961	9,733,589	4,479,323	2,185,238
Common Market countries, total	6,620	227,213,589	193,468,447	176,163,968	187,035,941	6,372,061	9,767,787	9,363,787	4,314,274	2,069,230
France	1,072	16,737,997	21,462,460	20,444,768	21,766,270	-299,827	358,767	320,000	143,932	145,097
Netherlands	1,267	85,701,875	72,904,660	68,474,461	67,713,315	5,193,291	6,202,422	6,110,265	2,821,770	1,376,713
United Kingdom	2,026	91,642,498	43,957,311	36,058,991	43,548,108	301,171	1,048,265	876,995	409,600	479,424
West Germany	1,615	22,252,179	38,799,685	37,237,289	38,877,787	-48,644	648,887	570,168	257,154	26,261
Switzerland	1,149	12,830,006	14,421,943	13,752,556	14,512,918	-90,013	292,097	225,228	101,511	83,997
Africa, total	421	408,219	376,513	341,107	407,837	-31,324	2,396	1,013	260	—
South Africa	*340	*132,225	*148,144	*143,520	*159,878	*-11,734	*673	*439	*79	*—
Asia, total	4,832	68,931,629	93,850,204	87,780,990	92,995,881	764,008	1,597,178	1,518,478	686,820	104,119
Hong Kong	430	19,397,359	2,926,354	519,075	2,881,512	3,868	68,739	67,890	30,997	21,195
Japan	2,177	37,075,799	86,025,543	83,308,292	85,115,444	876,802	1,473,395	1,399,996	634,094	75,922
Oceania, total	802	1,021,719	1,034,864	985,606	1,092,366	-57,502	17,094	15,152	6,079	779
Australia	791	913,896	889,861	844,690	953,460	-63,599	10,997	9,054	3,470	779
Puerto Rico and U.S. Possessions	234	272,740	933,224	923,255	934,154	-930	15,971	13,010	5,295	1,553
Country not stated	1,530	7,329,611	7,120,771	6,543,246	7,219,940	-97,972	113,939	94,997	38,690	36,799
Agriculture, forestry, and fishing										
All geographic areas, total	443	1,122,441	512,555	465,508	610,136	-97,580	8,541	-3,567	1,540	26,078
Canada	*49	*99,605	*36,820	*27,329	*57,891	*-21,072	*—	*—	*—	*—
Latin America, total	122	311,037	52,958	42,350	73,575	-20,617	147	—	—	—
Netherlands Antilles	114	262,949	47,318	36,620	65,604	-18,267	147	—	—	—
Europe, total	211	569,395	313,238	290,437	362,417	-49,179	7,610	3,040	1,408	26,078
Common Market countries, total	113	431,173	270,092	253,757	311,303	-41,210	—	—	29	25,068
France	*22	*93,356	*46,297	*41,708	*58,844	*-12,547	*—	*—	*—	*—
West Germany	*68	*78,680	*8,920	*8,713	*12,460	*-3,540	*—	*—	*—	*—
Switzerland	*79	*61,852	*1,363	*1,034	*5,694	*-4,331	*2	*—	*—	*—
Mining										
All geographic areas, total	1,492	12,741,224	9,126,090	8,575,297	9,732,961	-594,385	718,752	669,588	306,797	226,469
Canada	1,009	5,455,146	2,256,166	2,102,948	3,035,377	-779,212	48,744	28,507	14,352	15,739
Europe, total	145	3,654,008	3,479,959	3,305,685	3,753,953	-273,994	113,771	99,266	46,370	96,923
Common Market countries, total	112	3,214,384	1,347,744	1,208,325	1,571,996	-224,252	105,079	99,266	46,302	96,923
Netherlands	43	1,354,554	338,836	276,220	498,550	-159,715	4,167	—	—	3,874
United Kingdom	40	971,912	610,181	549,026	591,851	18,330	70,407	70,407	33,023	89,667
Asia, total	*146	*149,071	*13,875	*5,010	*65,916	*-52,041	*1,882	*1,839	*846	*—
Hong Kong	*140	*132,747	*10,015	*2,285	*42,286	*-32,271	*1,882	*1,839	*846	*—
Oceania	*33	*72,014	*3,014	*1,385	*19,087	*-18,073	*1	*1	*(2)	*—
Construction										
All geographic areas, total	450	2,066,888	2,316,802	2,163,420	2,384,574	-67,772	54,850	42,581	17,250	4,358
Canada	62	303,248	249,286	233,431	264,711	-15,425	9,529	3,281	936	—
Latin America, total	*228	*70,616	*37,942	*22,723	*33,487	*4,455	*6,837	*6,154	*1,918	*—
Mexico	*205	*33,487	*19,995	*17,842	*21,652	*-1,657	*—	*—	*—	*—
Europe, total	86	1,482,284	1,913,535	1,796,506	1,958,383	-44,849	34,442	29,104	12,913	4,250
Common Market countries, total	76	1,403,560	1,747,086	1,630,657	1,803,469	-56,383	19,007	13,669	5,848	3,069
United Kingdom	*52	*470,210	*155,791	*115,997	*193,923	*-38,132	*917	*659	*300	*—
West Germany	*17	*487,606	*1,000,984	*948,228	*1,015,706	*-14,722	*3,103	*2,831	*1,219	*—
Manufacturing										
All geographic areas, total	3,113	144,307,190	148,232,339	140,427,028	142,103,283	6,208,914	8,872,707	8,644,804	3,980,697	1,823,489
Canada	863	11,014,750	12,286,151	11,771,076	12,709,343	-422,524	150,222	116,273	49,845	3,488
Latin America, total	123	6,200,866	5,568,665	5,331,489	5,534,306	32,564	164,013	134,037	63,028	58,071
Caribbean, total	38	4,993,332	4,371,414	4,239,216	4,427,930	-48,310	46,906	43,195	21,067	27,971
Netherlands Antilles	32	4,849,354	4,181,693	4,056,316	4,244,561	-54,663	34,159	31,728	15,833	26,827
Europe, total	1,394	121,440,107	121,832,644	114,945,131	115,234,724	6,667,764	8,346,936	8,208,573	3,784,188	1,755,891
Common Market countries, total	1,093	110,218,317	108,862,243	102,402,623	102,197,711	6,724,025	8,115,148	7,989,491	3,684,118	1,658,274
France	115	7,771,682	5,816,803	5,575,972	5,820,923	1,574	230,845	222,687	102,072	122,019
Netherlands	129	60,323,915	58,476,379	55,920,433	53,103,255	5,409,945	5,776,760	5,737,056	2,650,060	1,275,508
United Kingdom	251	23,992,818	21,208,678	20,125,597	20,914,695	300,006	561,609	519,272	239,517	208,899
West Germany	389	12,235,107	14,592,627	13,992,427	14,868,266	-275,841	136,767	107,477	48,465	15,544
Switzerland	134	8,474,614	9,690,775	9,365,415	9,792,417	-100,602	127,767	122,568	56,327	70,233
Africa	*283	*123,633	*124,069	*123,260	*133,896	*-9,827	*322	*—	*—	*—
Asia, total	222	4,187,529	6,239,877	6,111,235	6,281,967	-42,955	169,858	152,066	68,976	4,440
Japan	143	3,627,388	5,462,634	5,348,565	5,450,799	10,969	160,725	144,324	65,831	4,151
Oceania	*58	*246,128	*238,216	*226,810	*253,879	*-15,664	*2,474	*1,910	*792	*—
Country not stated	146	825,824	1,396,330	1,368,018	1,411,645	-13,310	22,674	20,122	8,048	249

Footnotes at end of table.

Table 2.—Selected Income Statement Items, Net Income, Total Income Tax and Distributions to Stockholders, for Domestic Corporations With 50 Percent or More Ownership by a Foreign Entity, by Industrial Division and Selected Country of Address of Foreign Owner, 1981—Continued

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

Industrial division and selected country of address of foreign owner	Number of returns	Total assets	Total receipts	Business receipts	Total deductions	Net income (less deficit)	Net income	Income subject to tax	Total income tax[1]	Distributions to stockholders except in own stock
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Transportation and public utilities										
All geographic areas, total	448	6,818,709	4,825,824	4,537,757	4,546,398	280,224	400,304	392,920	179,812	36,723
Canada	126	2,129,369	1,057,021	1,012,227	1,038,284	18,737	71,597	71,597	32,716	33,682
Latin America, total	*107	*271,713	*272,787	*246,333	*262,139	*10,647	*12,639	*12,625	*5,371	*1,023
Mexico	*91	*30,249	*63,595	*63,390	*63,190	*405	*1,125	*1,111	*189	*—
Europe, total	108	3,956,049	2,635,685	2,480,256	2,380,698	255,067	296,802	291,930	134,798	416
Common Market countries, total	64	3,880,722	2,570,152	2,418,296	2,317,588	252,645	293,675	289,003	133,999	416
Netherlands	*14	*3,520,747	*2,181,005	*2,036,277	*1,919,391	*261,613	*286,804	*285,747	*132,578	*—
Switzerland	*31	*36,955	*14,534	*11,819	*12,472	*2,062	*2,566	*2,566	*730	*—
Asia, total	100	309,877	529,060	501,852	511,938	17,840	18,648	16,768	6,926	1,601
Japan	72	262,699	519,823	492,829	502,432	18,109	18,570	16,768	6,926	1,601
Wholesale and retail trade										
All geographic areas, total	9,059	60,073,556	167,686,852	164,593,132	167,280,210	449,720	2,386,230	2,177,080	991,450	175,034
Canada	1,153	2,874,448	6,163,843	6,045,129	6,208,008	-44,164	70,988	54,552	23,400	—
Latin America, total	1,839	4,294,708	12,322,226	12,057,546	12,494,779	-169,373	65,993	50,776	22,030	1,128
Mexico	249	481,025	747,540	739,919	755,917	-8,377	2,548	1,599	609	—
Caribbean, total	927	3,159,391	9,369,457	9,185,889	9,528,609	-155,349	38,101	32,612	14,666	1,091
Netherlands Antilles	142	3,045,304	9,236,802	9,061,230	9,387,139	-146,533	32,566	27,077	12,139	1,091
South America, total	535	179,133	801,100	795,302	821,069	-20,482	3,154	673	354	—
Colombia	*515	*51,755	*169,927	*169,785	*169,321	*606	*1,588	*25	*4	*—
Other Western Hemisphere	39	1,869,623	1,668,735	1,650,485	1,791,176	-122,517	16,588	1,196	530	—
Europe, total	2,753	27,154,471	63,565,488	62,311,912	63,661,686	-56,463	943,403	831,144	385,192	120,170
Common Market countries, total	2,002	23,274,822	56,764,278	55,668,092	56,796,071	6,543	824,993	739,298	345,571	104,607
France	351	3,317,580	13,606,000	13,392,228	13,888,848	-279,531	47,020	32,009	12,574	13,142
Netherlands	175	5,933,800	8,382,768	8,202,015	8,484,679	-101,893	52,730	32,073	15,658	6,774
United Kingdom	834	5,914,088	9,607,376	9,392,818	9,503,546	104,323	192,575	179,418	92,133	76,595
West Germany	446	6,079,809	18,719,004	18,395,386	18,460,513	291,997	464,903	439,172	198,968	5,965
Switzerland	427	1,731,326	3,177,522	3,090,765	3,169,996	7,477	85,929	66,437	29,312	11,997
Africa	*16	*82,091	*121,545	*119,461	*120,873	*672	*974	*974	*251	*—
Asia, total	2,746	22,451,495	79,507,714	76,128,856	78,665,994	841,959	1,250,092	1,203,316	546,106	52,809
Hong Kong	*110	*129,069	*280,028	*274,380	*290,662	*-10,634	*614	*183	*71	*—
Japan	1,079	20,924,455	77,340,749	76,098,733	76,435,933	905,055	1,242,973	1,197,069	543,985	52,669
Puerto Rico and U.S. Possessions	*112	*97,075	*579,906	*571,551	*588,509	*-8,596	*656	*656	*151	*3
Country not stated	365	948,569	3,282,314	3,239,574	3,277,124	5,190	25,299	22,236	8,697	145
Finance, insurance and real estate										
All geographic areas, total	7,797	150,694,793	32,175,471	16,180,200	32,697,935	-796,326	752,393	488,917	207,694	315,634
Canada	2,778	11,977,809	2,552,633	1,519,241	2,937,606	-388,490	84,229	61,015	21,071	38,847
Latin America, total	848	4,500,954	687,964	317,440	765,974	-83,423	51,341	33,783	14,333	23,920
Mexico	*96	*347,884	*23,369	*1,458	*22,988	*251	*281	*281	*205	*—
Caribbean, total	294	3,259,022	578,143	295,101	634,990	-62,115	43,109	27,462	11,392	23,602
Netherlands Antilles	260	3,110,258	561,466	290,146	612,446	-56,249	42,796	27,462	11,392	23,602
South America	*138	*491,551	*68,673	*16,582	*70,194	*-1,535	*7,385	*6,041	*2,736	*316
Other Western Hemisphere	*143	*227,947	*24,246	*1,832	*47,493	*-23,247	*130	*130	*223	*—
Europe, total	2,699	87,662,212	21,220,463	11,619,616	21,235,862	-189,042	440,288	235,005	100,289	175,235
Common Market countries, total	2,154	82,411,843	19,517,990	10,380,023	19,576,379	-216,744	367,100	199,972	85,151	174,398
France	301	4,573,966	925,435	438,832	884,527	35,881	55,587	41,842	19,101	5,819
Netherlands	796	13,892,216	2,925,530	1,468,576	3,062,634	-171,999	70,566	50,883	21,573	63,762
United Kingdom	263	59,205,971	11,345,149	4,916,676	11,295,268	-64,667	193,407	82,817	34,775	100,661
West Germany	615	2,696,621	4,042,125	3,481,335	4,032,083	5,996	38,294	17,197	6,986	4,156
Switzerland	131	2,033,231	950,609	750,247	951,130	-1,572	30,242	17,686	7,981	585
Africa, total	*109	*150,406	*70,010	*63,673	*87,202	*-17,192	*272	*38	*9	*—
South Africa	*45	*66,719	*60,874	*57,895	*60,610	*263	*272	*38	*9	*—
Asia, total	638	40,657,249	5,492,496	1,043,307	5,396,785	5,304	126,279	116,187	52,685	41,655
Hong Kong	111	19,082,268	2,573,846	180,777	2,481,948	50,924	63,627	63,252	29,147	21,195
Japan	208	11,562,896	2,086,657	822,777	2,088,126	-32,857	29,150	21,976	9,948	16,687
Oceania	411	295,410	51,037	22,764	60,753	-9,716	2,382	1,014	184	—
Country not stated	170	5,222,807	2,076,621	1,592,328	2,166,260	-90,523	47,473	41,745	19,100	35,977
Services										
All geographic areas, total	4,811	5,832,969	6,317,595	5,869,734	6,433,438	-114,748	181,772	119,643	45,263	13,767
Canada	1,025	1,248,261	936,208	846,624	964,942	-28,734	51,218	44,403	16,698	3,358
Latin America, total	382	450,668	271,651	261,837	289,693	-18,042	6,775	4,614	2,063	—
Mexico	*130	*82,802	*72,497	*72,480	*75,952	*-3,455	*214	*214	*36	*—
Europe, total	1,443	2,829,899	2,993,231	2,733,652	3,067,860	-73,609	77,909	35,509	14,164	6,475
Common Market countries, total	1,006	2,378,768	2,388,863	2,182,215	2,461,425	-72,563	42,786	33,090	13,256	6,475
France	250	445,076	520,337	461,617	548,675	-28,338	5,792	5,688	2,286	2,673
Netherlands	95	284,788	153,150	146,847	168,176	-15,026	3,643	1,029	219	—
United Kingdom	583	1,260,537	1,029,055	958,879	1,045,731	-16,676	29,350	24,421	9,852	3,802
West Germany	*67	*193,942	*161,925	*171,678	*195,299	*-13,374	*2,421	*1,449	*627	*—
Switzerland	336	300,622	367,807	322,036	360,660	8,170	30,155	516	94	—
Asia, total	934	996,093	1,886,414	1,818,513	1,888,466	-2,052	28,240	26,378	10,504	3,613
Japan	626	36,705	432,193	370,942	438,489	-6,296	19,797	17,935	6,628	613
Country not stated	*641	*197,392	*199,372	*179,893	*190,253	*9,194	*14,030	*6,431	*1,261	*320
Nature of business not allocable										
All geographic areas, total	*12	*44,118	*150,790	*146,189	*148,972	*1,617	*1,617	*1,617	*745	*—

*Estimate should be used with caution because of the small number of sample returns on which it is based.
[1]Total income tax includes regular and alternative tax, tax from recomputing prior-year investment credit, additional tax for tax preferences, and Personal Holding Company tax. It is also before credits which amounted to $1,606,805,000.
[2]Less than $500 per return.
NOTE: Detail may not add to totals because of rounding.

Contents

A U.S. possessions corporation is a domestic corporation that has elected to be treated as a possessions corporation for tax purposes. In order to qualify for this tax treatment (i.e., be eligible for the possessions tax credit), the corporation must have derived 80 percent or more of its gross income from sources within a U.S. possession and 50 percent or more of its gross income from the active conduct of a trade or business within the U.S. possession. (The latter percentage was increased to 55, 60, and 65 percent for taxable years beginning in 1983, 1984, and 1985 (and thereafter), respectively. In addition, new rules for the allocation of income attributable to intangible property, patents for example, between a possessions corporation and its U.S. affiliate were issued for taxable years beginning after 1982. These provisions were made effective by provisions of the Tax Equity and Fiscal Responsibility Act of 1982.)

Corporations that meet the percentage criteria for three years (the current taxable year and two preceding years), are allowed a tax credit against their United States income tax liability. The credit is equal to that portion of tax attributable to possessions business income and qualified possessions source investment income. Most possessions corporations are involved in manufacturing activities (primarily chemical and electrical and electronic equipment manufacturing), and are located in Puerto Rico.

The possessions corporations described above differ from companies incorporated in U.S. possessions. These corporations are regarded as foreign corporations for U.S. tax purposes. As foreign corporations they are subject to a withholding tax on certain U.S. source investment income and are taxed like domestic corporations on income "effectively connected" with a U.S. trade or business. Foreign source income is not subject to U.S. taxation. See Section 5 of this compendium for a discussion on these foreign corporations.

A summary discussion of U.S. possessions corporations is presented in Section 1 of this compendium. See the paper entitled "Statistics of Income Studies of International Income and Taxes: A Brief Description of the Studies (page 9)." In addition, an article in the Statistics of Income Bulletin dealing with these corporations for Tax Year 1980 is reprinted in this section. More recent statistics based on Tax Year 1982 for domestic corporations claiming a U.S. possessions tax credit, including data from Forms 5735 filed with the corporation income tax returns, are also shown. An additional source of information on this subject is a series of reports entitled "The Operation and Effect of the Possessions Corporation System of Taxation," prepared by the Office of Tax Analysis, Office of the Secretary, Department of the Treasury. The reader is also referred to Section 15 of this compendium for facsimilies of the forms and instructions related to possessions corporations. These facsimilies are listed below:

* Form 5712, Election to be Treated as a Possessions Corporation Under Section 936, and Instructions (page 507)

* Form 5735, Computation of Possessions Corporation Tax Credit Allowed Under Section 936, and Instructions (page 515)

* Schedule P (Form 5735), Allocation of Income and Expenses Under Section 936(h)(5), and Instructions (page 516)

U.S. Possessions Corporation Tax Credit, 1980

By Kenneth Szeflinski*

The possessions tax credit of almost $1.6 billion was a relatively small portion of the more than $42 billion in credits claimed by all U.S. corporations for 1980. However, for the 589 corporations that claimed it, the credit was significant because it offset 100 percent of their U.S. tax liability on possession business income and qualified investment income. U.S. corporations conducting their business activities in Puerto Rico have claimed this tax credit since 1976, the first year for which a credit, rather than an income exclusion, was allowed.

Returns Claiming Possessions Tax Credit

Income Year	Number of Returns	Net Income (Billions)	Possessions Tax Credit (Billions)
1976	384	$1.5	$0.7
1977	519	1.8	0.8
1978	598	2.5	1.2
1979	597	3.1	1.4
1980	589	3.5	1.6

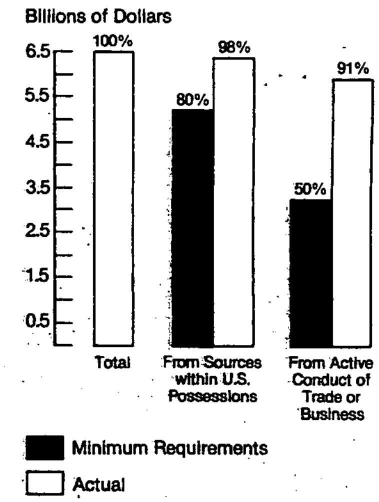
The amount of the possessions credit exceeded the Federal revenue loss attributable to the credit, since corporations which claimed the possessions credit could not claim the foreign tax credit for taxes paid with respect to possessions source income, as well as certain other Federal tax benefits which otherwise would have been available. The Treasury Department estimates that for 1980, the Federal revenue foregone as a result of the possessions tax credit was $1.2 billion, compared to a total possessions credit of $1.6 billion [1].

The 589 corporations claiming the credit for 1980 represented approximately 70 percent of the 820 corporations electing to be treated as possessions corporations. The remaining corporations were either inactive or reported a loss from their operations in a possession for 1980.

THE EVOLUTION OF THE POSSESSIONS TAX CREDIT

Although the credit presently benefits corporations deriving most of their income from the conduct of a trade or business in Puerto Rico or U.S. possessions (excluding the Virgin Islands), beneficial tax treatment of possessions income first began in 1921 to aid U.S. companies with subsidiaries operating in the Philippines (a possession of the United States from 1898 to 1945). Under the Revenue Act of 1921, corporations were exempt from U.S. taxation on all foreign, including possession, source income if at least 80 percent of their gross income was derived from sources within a U.S. possession, and at least 50 percent of their gross income was derived from the active conduct of a trade or business in a U.S. possession. Moreover, under certain conditions, these subsidiaries could be included in consolidated returns which included their U.S. parent corporation and other affiliates. These rules remained the basis for later provisions enacted in the Internal Revenue Code of 1954. Corporations which claimed the benefit of these provisions came to be known as "possessions corporations." Figure A shows that for 1980, possessions corporations greatly exceeded these gross income requirements.

Figure A
Possessions Corporation Gross Income, 1980



*Returns Analysis Section, Corporation Statistics Branch. Prepared under the direction of Daniel F. Skelly, Chief, Foreign Statistics Branch.

Before 1976, the provisions for possessions corporations entitled their parent corporations to a unique form of domestic tax treatment. In profitable years, the possessions income was excluded from taxation, while in loss years, the corporate parents were allowed to offset their profits with the subsidiaries' losses by joining the subsidiary in the filing of a consolidated return.

This "best of both worlds" tax benefit was removed by the Tax Reform Act of 1976. Although the 80 and 50 percent tests remained intact, possessions corporations were no longer permitted to be included in consolidated returns, thus eliminating the parents' tax benefits in both a profit year and a loss year (there were about 90 possessions corporations reporting a loss for 1980). It was also necessary for the company to make an election to be treated as a possessions corporation (the election was irrevocable for 10 years unless the Secretary of the Treasury consented). Also, the exemption of income was changed to a credit against U.S. income tax equal to that portion of the tax attributable to possessions business income and qualified possession source investment income.

The Tax Equity and Fiscal Responsibility Act of 1982 made two additional changes in the provisions for possessions corporations. First, it cut back the amount of passive investment income that a corporation could earn and still qualify for the possessions tax credit. The 50 percent active trade or business test was increased to 55, 60 and 65 percent for taxable years beginning in 1983, 1984 and 1985 (and thereafter), respectively. Secondly, the Act provided new rules for the allocation, between a U.S. parent corporation and an affiliated possessions corporation, of income attributable to intangible property.

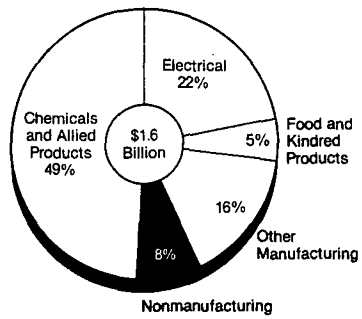
INDUSTRY HIGHLIGHTS

Manufacturers received most of the tax benefits permitted under the possessions system of taxation. Corporations manufacturing chemicals and allied products (pharmaceuticals, in particular) or electrical and electronic equipment claimed over 70 percent of the total possessions tax credit while representing less than 40 percent of the corporations.

While the companies that manufactured chemicals and drugs claimed an average credit of nearly $8 million, corporations that manufactured electrical and electronic equipment earned nearly $3 million of credit on the average. These two industries accounted for approximately 50 percent of the more than $12 billion in total receipts of all the possessions corporations. Nonmanufacturing corporations represented only about 20 percent of those claiming the credit, and their credit accounted for less than 10 percent of the total.

This reflects the incentives which the Government of Puerto Rico enacted to attract manufacturing companies to the island. Under Puerto Rico's Industrial Incentive Acts, U.S. corporations opening plants on the island have been granted various exemptions, up to 100 percent, from Puerto Rican taxes. In return, the companies have provided new employment opportunities, as well as new investments in the Puerto Rican economy. The exemptions from Puerto Rican tax applied to qualified passive investment income, as well as business income.

Figure B
Percent of Total Tax Credit by Industry, 1980



Of the 589 corporations that claimed the possessions tax credit in 1980, there were 303 corporations that reported over $375 million of "qualified possession source investment income," i.e., non-business income attributable to the investment, in a possession, of funds derived from the active conduct of business in that same possession. Interest from deposits in Puerto Rican financial institutions is generally considered qualified possession source investment income and is therefore eligible for the possessions tax credit.

Although the discussion so far has centered on the possessions credit claimed for business operations conducted in Puerto Rico, there were also 14 corporations that claimed the credit for operations in Guam and other U.S. possessions.

U.S. Possession	Number of returns	Credit (000)
Puerto Rico	575	$1,569,930
Guam	5	1,130
Other	9	1,674
Total	589	1,572,734

The data for these corporations are included in tables 1 and 2 of this article, although not shown separately.

The fourteen largest returns, those with total assets of $250 million or more, accounted for over one-third of the assets for all corporations that claimed the possessions tax credit and over 27 percent of the credit itself. Nine of the corporations manufactured chemicals and allied products and claimed a combined possessions tax credit of $285 million.

EMPLOYMENT DATA

One of the major benefits to the economy of Puerto Rico under the possessions corporation system of taxation is the expansion of employment opportunities. Employment data, based on the Federal unemployment insurance tax returns available for 282 possessions corporations in manufacturing industries reveals a total of 54,202 employees. It is estimated that employment in all possessions corporations in manufacturing industries in 1980 was approximately 77,000 or about 9 percent of the total employment in Puerto Rico of approximately 830,000 [2,3]. Four manufacturing industries accounted for over 73 percent of the employees of possessions corporations for which employment data are available.

Industry	Number of Corporations	Employees Number	Employees Percent
Food and kindred products	10	5,355	9.9
Apparel	52	11,361	21.0
Chemicals	52	10,347	19.1
Electrical and electronic equipment	74	12,712	23.5
Total	282	54,202	100.0

All manufacturers operating in Puerto Rico reported a total employment of 157,000 for 1980 [4]. Possessions corporations employed approximately one-half of all employees in the manufacturing sector of Puerto Rico.

The significant number of employees of possessions corporations highlights their value to the economy of Puerto Rico in light of the 17.1 percent unemployment rate reported for the year ending June 30, 1980. It appears that the possessions corporation system of taxation has benefited both the Commonwealth of Puerto Rico through additional employment in Puerto Rico, and the corporations themselves through the credit.

SOURCES OF DATA

The data in this article were tabulated from all returns filed no later than June 30, 1982 by possessions corporations for accounting periods ending between July 1980 and June 1981. Because 100 percent of the returns filed were used for the statistics, they are not subject to sampling error. General information about nonsampling error may be found in the Appendix of this report. Table 1 gives various details from the income statement, balance sheet and tax computation schedule as reported by the corporations claiming a credit [5]. These data are classified by selected industry. Table 2 provides data reported on the tax credit computation schedule and are classified by size of total assets. The data in table 2 are based on the 571 possessions corporations for which the possessions tax credit computation schedules were available.

REFERENCES

[1] U.S. Department of the Treasury, The Operation and Effect of the Possessions Corporation System of Taxation--Fourth Report, 1983.

[2] U.S. Department of Commerce, Bureau of the Census, Statistical Abstract of the United States--1981.

[3] See U.S. Department of the Treasury, op. cit.

[4] Ibid.

[5] It should be noted that the data in Table 1 are not directly comparable to those found in Table 5-2 of the Treasury Report which covers all corporations that made an election under Internal Revenue Code section 936 to be treated as possessions corporations even though they may not have been able to claim a credit for 1980. Moreover, the data in Table 5-2 were based on returns filed no later than January 31, 1982.

Table 1. — All Corporation Income Tax Returns With U.S. Possession Tax Credit: Selected Balance Sheet and Income Statement Items, Income Tax, and Possessions Tax Credit, by Industry

[Money amounts are in thousands of dollars]

Industry	Number of corporations	Total assets	Depreciable assets	Accumulated depreciation	Retained earnings	Total receipts	Business receipts
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All industries	589	15,775,166	3,587,303	1,138,728	10,606,627	12,086,402	11,319,684
Manufacturing, total	473	12,750,508	2,300,897	827,401	9,983,741	9,813,751	9,225,373
Food and kindred products	18	900,829	175,931	46,188	680,295	819,277	782,250
Tobacco manufactures	3	147,108	24,389	9,129	90,427	201,368	195,431
Textile mill products	8	120,977	10,165	5,828	115,791	51,989	48,345
Apparel	72	346,453	34,167	17,237	267,410	432,795	419,044
Furniture and fixtures	3	7,328	2,598	1,353	4,328	7,471	7,244
Paper and allied products	5	12,352	4,121	1,242	7,753	23,794	23,693
Printing and publishing	4	22,799	4,016	1,534	18,255	17,202	15,934
Chemicals and allied products	98	6,795,523	1,335,034	472,810	5,157,303	4,017,995	3,673,745
Rubber products	10	64,137	31,308	5,272	37,106	60,989	58,175
Leather and leather products	14	91,894	10,001	4,973	75,756	138,724	136,811
Stone, clay, and glass products	8	35,079	8,546	5,173	30,125	56,851	54,385
Primary metal industries	4	20,409	744	455	13,602	17,627	16,661
Fabricated metal products	23	189,265	36,652	10,496	149,851	142,458	136,169
Machinery	13	184,217	17,921	5,363	161,366	148,161	140,155
Electrical and electronic equipment	118	2,754,115	319,116	128,690	2,391,524	2,179,890	2,045,953
Motor vehicles and equipment	6	39,268	4,457	1,598	35,213	36,704	35,546
Scientific instruments	35	410,677	58,944	16,360	315,979	303,235	289,423
All other manufacturing	31	608,079	222,788	93,701	431,659	1,157,222	1,146,409
Nonmanufacturing, total	113	3,013,432	1,283,291	310,458	613,811	2,261,892	2,083,781
Mining and construction	9	16,617	3,558	1,246	10,459	21,952	20,947
Transportation and public utilities	5	818,154	904,291	183,250	8,258	252,782	251,273
Wholesale trade	27	536,250	178,096	69,618	352,247	1,198,921	1,167,754
Retail trade	22	208,829	103,709	40,056	72,490	487,892	462,963
Finance, insurance, and real estate	23	1,235,952	23,509	1,991	58,591	116,854	10,303
Services	27	197,630	70,128	14,297	111,766	183,491	170,541
Nature of business not allocable	3	11,226	3,115	869	9,075	10,758	10,530

Industry	Total deductions	Cost of sales and operations	Net income	Income tax before credits	U.S. possessions tax credit	Income tax after credits
	(8)	(9)	(10)	(11)	(12)	(13)
All industries	8,528,414	6,620,907	3,532,562	1,599,768	1,572,734	25,334
Manufacturing, total	6,532,815	5,120,563	3,255,509	1,474,330	1,450,946	22,120
Food and kindred products	636,345	535,096	182,932	82,647	80,472	1,217
Tobacco manufactures	169,985	73,501	31,382	14,436	14,033	403
Textile mill products	36,339	30,131	15,630	7,171	6,533	638
Apparel	346,818	319,593	85,506	38,910	37,366	1,524
Furniture and fixtures	6,753	4,211	718	330	290	41
Paper and allied products	22,133	20,418	1,661	764	764	-
Printing and publishing	11,362	8,284	5,840	2,636	2,636	-
Chemicals and allied products	2,272,088	1,472,714	1,730,109	778,394	768,450	9,845
Rubber products	40,397	33,591	20,591	9,452	9,407	45
Leather and leather products	119,960	107,759	18,714	8,556	8,478	78
Stone, clay, and glass products	49,595	44,115	7,255	3,291	3,280	11
Primary metal industries	14,598	13,368	3,029	1,393	1,393	-
Fabricated metal products	102,846	86,347	39,598	18,160	18,158	2
Machinery	104,223	90,042	43,484	19,852	19,771	60
Electrical and electronic equipment	1,382,611	1,158,888	788,739	360,517	353,417	6,935
Motor vehicles and equipment	25,310	22,186	11,195	5,145	5,124	21
Scientific instruments	181,858	141,223	121,335	55,659	55,186	471
All other manufacturing	1,009,372	959,096	147,790	67,018	66,188	829
Nonmanufacturing, total	1,987,010	1,492,765	274,882	124,478	120,906	3,138
Mining and construction	16,659	13,685	5,293	2,379	2,370	9
Transportation and public utilities	198,088	94,712	54,694	25,082	25,061	10
Wholesale trade	1,048,869	981,201	150,052	68,865	66,662	2,201
Retail trade	477,438	307,982	10,454	4,667	3,682	568
Finance, insurance, and real estate	107,123	148	9,731	4,082	3,941	141
Services	138,833	95,037	44,658	19,403	19,190	209
Nature of business not allocable	8,589	7,578	2,169	959	884	76

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

Table 2. — Corporation Income Tax Returns With Form 5735 Filed in Support of U.S. Possessions Tax Credit: Possession Source Gross Income and Deductions, Total and Qualified Taxable Income, Income Tax and Possessions Tax Credit, by Size of Total Assets

[Money amounts are in thousands of dollars]

Item	All returns	Size of total assets					
		Assets zero or not reported	$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
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Number of returns	571	9	8	7	17	60	180
Total assets	15,466,711	-	233	1,195	6,594	44,367	446,018
Qualified gross income, total	6,257,163	81,264	1,871	2,237	7,938	40,919	339,254
From trade or business	5,780,668	28,818	1,871	2,231	7,744	40,600	334,171
From sale of assets	100,670	41,220	-	-	-	-	-
Possession source investment income	376,801	11,225	-	6	194	319	5,083
Deductions, total	2,916,226	20,302	1,613	1,967	5,855	25,764	231,378
Definitely allocable	2,714,302	17,531	1,613	1,785	5,601	22,740	221,165
Not definitely allocable	201,924	2,771	-	182	254	3,024	10,213
Qualified taxable income	3,339,950	60,962	258	271	2,082	15,156	107,598
Taxable income from all sources	3,391,136	60,970	256	271	2,083	15,298	108,226
Income tax against which credit was allowed	1,556,117	24,075	93	119	887	6,710	48,923
U.S. possessions tax credit	1,529,774	24,073	93	119	885	6,656	48,531

Item	Size of total assets--Continued					
	$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
	(8)	(9)	(10)	(11)	(12)	(13)
Number of returns	80	87	57	31	21	14
Total assets	575,823	1,452,814	1,977,918	2,167,672	3,525,874	5,268,204
Qualified gross income, total	278,451	615,343	776,773	952,951	1,117,491	2,042,670
From trade or business	266,177	576,518	722,692	882,877	1,010,857	1,906,110
From sale of assets	178	1,356	-	12,852	-	45,065
Possession source investment income	12,096	38,444	54,081	57,222	106,634	91,495
Deductions, total	109,460	242,756	264,626	439,322	460,964	1,112,220
Definitely allocable	106,104	228,248	256,045	396,514	393,343	1,063,614
Not definitely allocable	3,356	14,508	8,582	42,808	67,621	48,606
Qualified taxable income	168,991	372,306	512,147	513,629	656,098	930,451
Taxable income from all sources	170,196	377,280	524,133	519,858	663,177	949,388
Income tax against which credit was allowed	78,099	173,304	242,158	240,103	304,984	436,661
U.S. possessions tax credit	77,549	170,842	235,542	236,234	301,742	427,508

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

Table 1.—Total Assets, Selected Income and Deduction Items, Income Tax and Credit, for Returns with U.S. Possessions Corporation Tax Credits, by Selected Industry and Selected Size of Total Assets, 1982

[Money amounts are in thousands of dollars]

Selected industries and selected size of total assets classes	All returns with a U.S. possessions corporation tax credit									
	Number of returns	Total assets	Total receipts	Business receipts	Total deductions	Cost of sales and operations	Net income	Income tax before credits[1]	U.S. possessions corporation tax credit	Income tax after credits[2]
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All industries, total	**544**	**18,789,776**	**14,067,239**	**13,044,941**	**9,445,576**	**6,735,474**	**4,609,551**	**2,091,502**	**2,055,727**	**34,960**
Zero assets	7	—	46,790	43,460	35,948	23,444	10,843	4,940	4,885	54
$1 under $100,000	5	121	638	364	275	223	363	165	98	66
$100,000 under $250,000	7	1,289	3,913	3,886	3,760	2,440	153	42	42	—
$250,000 under $500,000	8	3,105	7,912	7,546	7,002	5,153	910	380	380	—
$500,000 under $1,000,000	42	31,375	68,400	64,188	58,164	43,444	10,942	4,684	4,640	9
$1,000,000 under $5,000,000	165	432,505	604,789	592,276	497,525	400,751	107,069	48,294	47,778	479
$5,000,000 under $10,000,000	75	542,251	637,391	586,395	474,998	319,139	162,620	74,342	73,590	739
$10,000,000 under $25,000,000	87	1,390,263	1,302,060	1,233,931	915,967	705,413	384,109	175,959	173,791	1,739
$25,000,000 under $50,000,000	71	2,479,036	2,051,471	1,899,184	1,360,708	988,549	688,315	313,483	307,242	6,154
$50,000,000 under $100,000,000	39	2,854,694	2,276,369	2,103,437	1,398,330	915,636	876,185	400,926	390,806	10,052
$100,000,000 under $250,000,000	18	2,864,699	2,468,610	2,293,699	1,718,584	1,372,518	748,855	335,717	328,601	7,109
$250,000,000 or more	20	8,190,438	4,598,895	4,216,574	2,974,315	1,958,763	1,619,188	732,590	723,874	8,558
Manufacturing, total	**461**	**15,574,914**	**12,035,186**	**11,206,810**	**7,676,681**	**5,595,371**	**4,344,687**	**1,970,888**	**1,936,147**	**33,949**
Zero assets	**	**	**	**	**	**	**	**	**	**
$1 under $250,000	5	912	2,214	2,214	2,050	1,689	165	53	53	—
$250,000 under $500,000	**	**	**	**	**	**	**	**	**	**
$500,000 under $1,000,000	23	16,861	32,450	32,111	25,806	20,115	6,647	2,871	2,854	7
$1,000,000 under $5,000,000	139	378,819	509,603	499,503	412,352	341,651	96,732	43,927	43,485	405
$5,000,000 under $10,000,000	68	478,296	556,249	516,720	403,948	297,640	151,774	69,582	69,091	491
$10,000,000 under $25,000,000	80	1,277,561	1,178,343	1,118,137	800,390	620,312	373,968	171,461	169,532	1,500
$25,000,000 under $50,000,000	67	2,340,282	1,870,684	1,741,172	1,223,763	968,122	644,463	293,331	287,145	6,098
$50,000,000 under $100,000,000	**	**	**	**	**	**	**	**	**	**
$100,000,000 under $250,000,000	**	**	**	**	**	**	**	**	**	**
$250,000,000 or more	15	5,735,927	3,259,721	2,967,362	1,817,270	1,102,436	1,437,184	648,999	640,554	8,289
Food and kindred products	23	963,021	950,814	904,480	713,983	484,209	236,931	108,364	105,899	2,412
Tobacco manufactures	3	173,400	194,264	188,863	167,469	52,565	26,845	12,329	10,255	2,074
Textile mill products	5	79,219	56,573	54,894	45,987	41,289	10,454	4,747	4,161	587
Apparel and other textile products, total	67	451,277	493,578	452,913	391,095	336,725	102,454	46,777	44,177	2,517
Under $5,000,000 (including zero assets)	44	88,972	146,723	144,747	124,046	104,326	22,633	10,163	9,973	185
$5,000,000 or more	23	362,305	346,855	308,167	267,050	232,400	79,821	36,615	34,204	2,332
Paper and allied products	7	37,633	37,746	35,419	25,134	21,210	12,616	5,760	5,760	—
Printing and publishing	5	28,704	20,377	18,554	13,859	10,911	6,518	2,993	2,993	—
Chemicals and allied products, total	92	8,033,041	5,103,193	4,690,540	2,708,298	1,543,363	2,385,407	1,080,058	1,069,791	9,904
Under $10,000,000 (including zero assets)	30	127,225	147,302	140,585	92,227	59,006	54,785	25,142	24,807	336
$10,000,000 under $25,000,000	17	277,907	283,962	275,113	166,905	85,250	117,078	53,807	53,236	429
$25,000,000 under $50,000,000	13	488,656	442,683	424,244	277,889	188,359	163,370	72,184	71,775	361
$50,000,000 under $100,000,000	12	922,250	727,050	682,847	335,803	141,041	389,815	177,805	176,583	1,211
$100,000,000 under $250,000,000	7	1,116,117	801,989	726,867	427,973	199,897	372,941	170,898	169,697	1,194
$250,000,000 or more	**	**	**	**	**	**	**	**	**	**
Drugs, total	58	7,078,540	4,338,755	3,941,273	2,103,818	1,034,285	2,228,292	1,008,249	998,505	9,383
Under $10,000,000 (incl. zero assets)	7	37,994	46,794	43,146	32,489	20,340	14,014	6,426	6,240	186
$10,000,000 under $25,000,000	12	198,307	202,766	197,144	107,665	55,561	95,102	43,717	43,288	288
$25,000,000 under $50,000,000	9	328,806	332,669	320,140	204,962	124,801	127,687	55,996	55,782	166
$50,000,000 under $100,000,000	**	**	**	**	**	**	**	**	**	**
$100,000,000 under $250,000,000	7	1,116,117	801,989	726,867	427,973	199,897	372,941	170,898	169,697	1,194
$250,000,000 or more	**	**	**	**	**	**	**	**	**	**
Rubber and miscellaneous plastics products	10	76,518	86,801	85,491	61,890	46,897	24,912	11,392	11,389	3
Leather and leather products	16	127,324	163,537	159,162	132,811	120,549	30,475	13,958	13,900	57
Stone, clay, and glass products	5	19,858	10,433	8,233	7,532	5,414	2,770	1,274	1,274	—
Primary metal industries	4	54,157	23,647	19,594	14,788	11,654	8,865	4,078	4,078	—
Fabricated metal products, total	25	268,328	186,381	175,636	137,798	121,687	47,224	21,634	21,619	9
Under $10,000,000 (including zero assets)	14	45,233	42,600	40,549	33,623	29,998	8,976	4,079	4,073	1
$10,000,000 or more	11	223,096	143,781	135,085	104,174	91,690	38,247	17,554	17,546	8
Machinery, except electrical	11	292,214	225,142	210,048	154,093	135,126	70,573	32,263	31,102	1,144
Electrical and electronic equipment, total	114	3,352,390	2,406,573	2,220,640	1,502,484	1,243,068	901,773	413,408	399,800	13,445
Under $10,000,000 (including zero assets)	46	166,965	222,010	217,284	160,732	131,091	61,165	27,965	27,800	133
$10,000,000 under $25,000,000	24	369,778	326,256	305,728	224,159	179,762	101,803	46,518	46,225	223
$25,000,000 under $50,000,000	23	747,964	579,330	542,107	363,360	294,694	214,894	98,793	96,268	2,499
$50,000,000 under $100,000,000	16	1,200,554	678,957	599,177	345,038	298,520	333,443	152,876	146,343	6,481
$100,000,000 or more	5	867,128	600,019	556,344	409,198	339,000	190,468	87,254	83,144	4,110
Motor vehicles and equipment	4	15,427	15,194	14,416	12,084	9,868	3,110	1,431	1,431	—
Instruments and related products, total	38	767,114	590,868	550,585	334,362	250,585	256,515	116,553	115,718	727
Under $10,000,000 (including zero assets)	19	64,941	74,318	72,360	52,791	37,179	21,513	9,822	9,776	43
$10,000,000 or more	19	702,173	516,550	478,226	281,570	213,406	235,002	106,730	105,943	683
All other manufacturing	32	835,292	1,470,064	1,419,342	1,253,014	1,160,253	217,245	93,871	92,802	1,070
Mining and construction	**8**	**34,307**	**44,449**	**40,195**	**37,738**	**31,151**	**6,835**	**2,934**	**2,861**	**74**
Transportation and public utilities	**5**	**909,282**	**339,638**	**327,525**	**265,954**	**2,692**	**73,693**	**33,839**	**33,805**	**34**
Wholesale trade, total	**21**	**688,080**	**1,247,626**	**1,215,255**	**1,086,611**	**979,706**	**161,012**	**73,935**	**73,709**	**225**
Under $10,000,000 (including zero assets)	16	27,323	62,481	61,543	55,667	43,035	6,811	3,003	2,964	38
$10,000,000 or more	5	660,758	1,185,145	1,153,712	1,030,943	936,672	154,201	70,933	70,745	187
Retail trade	**9**	**100,493**	**171,334**	**145,901**	**166,619**	**91,812**	**4,715**	**2,046**	**2,041**	**—**
Finance, insurance, and real estate, total	**18**	**1,418,410**	**127,417**	**20,077**	**119,347**	**5,866**	**9,644**	**4,081**	**3,497**	**579**
Under $10,000,000 (including zero assets)	10	33,209	10,836	5,356	9,938	1	2,557	988	829	158
$10,000,000 or more	8	1,385,201	116,581	14,720	109,410	5,865	7,087	3,092	2,669	421
Services	**22**	**64,291**	**101,591**	**89,178**	**92,626**	**28,874**	**8,966**	**3,779**	**3,686**	**99**

Footnotes at end of table.

Table 1.—Total Assets, Selected Income and Deduction Items, Income Tax and Credit, for Returns with U.S. Possessions Corporation Tax Credits, by Selected Industry and Selected Size of Total Assets, 1982 — Continued

[Money amounts are in thousands of dollars]

Selected industries and selected size of total assets classes	Returns with Forms 5735 filed in support of the U.S. possessions corporation tax credit: Number of returns	Qualified gross income in current year: Total	Qualified gross income in current year: From trade or business	Qualified gross income in current year: From sale of assets	Qualified gross income in current year: Possession source investment income	Deductions: Definitely allocable	Deductions: Not definitely allocable	Qualified taxable income	U.S. income tax against which credit was allowed	U.S. possessions corporation tax credit
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
All industries, total	**529**	**7,733,992**	**7,130,473**	**216**	**614,075**	**3,245,403**	**237,551**	**4,249,982**	**1,989,705**	**1,954,422**
Zero assets	7	26,580	23,432	—	3,149	15,856	—	10,677	4,940	4,885
$1 under $100,000	5	6,502	6,502	—	—	6,097	43	225	164	98
$100,000 under $250,000	7	1,738	1,738	—	—	1,585	—	153	42	42
$250,000 under $500,000	8	3,328	3,302	—	26	2,373	45	910	380	380
$500,000 under $1,000,000	**	**	**	**	**	**	**	**	**	**
$1,000,000 under $5,000,000	160	293,624	287,484	158	5,983	172,203	17,776	103,160	47,154	46,672
$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, total	**447**	**6,733,938**	**6,163,023**	**212**	**573,335**	**2,588,007**	**159,141**	**3,988,641**	**1,889,100**	**1,834,846**
Zero assets	**	**	**	**	**	**	**	**	**	**
$1 under $250,000	5	567	567	—	—	359	43	165	53	53
$250,000 under $500,000	**	**	**	**	**	**	**	**	**	**
$500,000 under $1,000,000	23	16,113	15,873	—	240	9,264	251	6,597	2,871	2,854
$1,000,000 under $5,000,000	134	231,970	226,138	154	5,678	125,989	12,480	93,500	42,768	42,379
$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	**	**	**	**	**	**	**	**	**	**
Food and kindred products	23	443,244	410,770	7	32,467	209,112	3,818	230,313	108,364	105,899
Tobacco manufactures	3	50,223	49,992	—	1,707	8,627	20,899	20,698	12,329	10,255
Textile mill products	5	40,325	40,137	—	168	31,203	—	9,122	4,747	4,161
Apparel and other textile products, total	**	**	**	**	**	**	**	**	**	**
Under $5,000,000 (including zero assets)	**	**	**	**	**	**	**	**	**	**
$5,000,000 or more	**	**	**	**	**	**	**	**	**	**
Paper and allied products	7	15,852	13,572	—	2,279	3,235	—	12,616	5,760	5,760
Printing and publishing	5	11,595	9,796	—	1,799	5,077	—	6,518	2,993	2,993
Chemicals and allied products, total	87	3,142,439	2,837,950	99	305,170	899,879	77,106	2,165,422	1,005,495	995,583
Under $10,000,000 (including zero assets)	**	**	**	**	**	**	**	**	**	**
$10,000,000 under $25,000,000	17	194,698	187,226	—	7,472	70,437	8,164	116,064	53,807	53,236
$25,000,000 under $50,000,000	**	**	**	**	**	**	**	**	**	**
$50,000,000 under $100,000,000	12	574,270	538,894	—	35,679	170,225	19,693	384,352	177,793	176,583
$100,000,000 under $250,000,000	**	**	**	**	**	**	**	**	**	**
$250,000,000 or more	**	**	**	**	**	**	**	**	**	**
Drugs, total	54	2,893,465	2,596,493	10	297,364	804,371	70,089	2,018,994	937,696	928,307
Under $10,000,000 (incl. zero assets)	**	**	**	**	**	**	**	**	**	**
$10,000,000 under $25,000,000	12	145,146	140,539	—	4,606	42,597	8,116	94,401	43,717	43,288
$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	**	**	**	**	**	**	**	**	**	**
Rubber and miscellaneous plastics products	10	49,909	48,736	—	1,173	25,004	—	24,858	11,392	11,389
Leather and leather products	16	46,231	42,254	—	3,977	15,816	—	30,345	13,956	13,900
Stone, clay, and glass products	**	**	**	**	**	**	**	**	**	**
Primary metal industries	4	11,314	7,458	6	3,850	2,449	—	8,865	4,078	4,078
Fabricated metal products, total	**	**	**	**	**	**	**	**	**	**
Under $10,000,000 (including zero assets)	**	**	**	**	**	**	**	**	**	**
$10,000,000 or more	**	**	**	**	**	**	**	**	**	**
Machinery, except electrical	11	106,772	95,602	—	11,170	38,265	766	67,741	32,263	31,102
Electrical and electronic equipment, total	111	1,074,296	935,230	81	139,221	219,792	37,120	817,384	389,336	375,810
Under $10,000,000 (including zero assets)	**	**	**	**	**	**	**	**	**	**
$10,000,000 under $25,000,000	24	142,657	123,513	—	19,143	37,606	4,432	100,619	46,518	46,225
$25,000,000 under $50,000,000	23	270,780	241,746	—	29,249	56,002	3,622	209,156	96,793	96,288
$50,000,000 under $100,000,000	**	**	**	**	**	**	**	**	**	**
$100,000,000 or more	5	250,349	219,868	—	30,482	53,789	15,812	180,749	87,254	83,144
Motor vehicles and equipment	4	4,989	4,211	—	778	1,679	—	3,110	1,431	1,431
Instruments and related products, total	**	**	**	**	**	**	**	**	**	**
Under $10,000,000 (including zero assets)	**	**	**	**	**	**	**	**	**	**
$10,000,000 or more	**	**	**	**	**	**	**	**	**	**
All other manufacturing	32	1,170,910	1,155,178	—	15,882	970,398	933	199,578	93,871	92,802
Mining and construction	**8**	**30,219**	**30,142**	**—**	**77**	**23,549**	**—**	**6,429**	**2,934**	**2,861**
Transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale trade, total	**21**	**264,447**	**235,601**	**4**	**29,051**	**81,265**	**22,660**	**160,522**	**73,935**	**73,709**
Under $10,000,000 (including zero assets)	16	26,823	26,590	4	230	18,114	1,981	6,728	3,003	2,964
$10,000,000 or more	5	237,623	209,011	—	28,822	63,151	20,678	153,794	70,933	70,745
Retail trade	**9**	**159,232**	**159,092**	**—**	**140**	**154,524**	**—**	**4,708**	**2,046**	**2,041**
Finance, insurance, and real estate, total	**18**	**119,163**	**118,757**	**—**	**8,338**	**59,215**	**52,083**	**7,822**	**4,077**	**3,497**
Under $10,000,000 (including zero assets)	10	10,428	10,444	—	314	3,633	4,926	1,871	987	829
$10,000,000 or more	8	108,735	108,313	—	8,024	55,583	47,158	5,951	3,090	2,669
Services	**	**	**	**	**	**	**	**	**	**

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

[1]Tax includes minimum tax for tax preferences and tax from recomputing prior-year investment credit.

[2]In addition to the U.S. possessions corporation tax credit, income tax after credits reflects adjustment for foreign tax, investment, and other credits.

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

Section 8

Individual Foreign Tax Credit

Contents

The United States imposes its income tax on the worldwide income of individual citizens and residents without regard to the geographic source of that income. U.S. individual taxpayers, who also paid or accrued foreign taxes on their foreign source income, were eligible to use those taxes as an itemized deduction, or claim a tax credit, on their U.S. income tax returns. The choice of claiming the credit or using the deduction was up to the taxpayer. Generally, the credit was more advantageous to the individual than the deduction because it resulted in a dollar-for-dollar reduction of U.S. tax liability.

The last detailed study of foreign tax credit claimed by individuals was for Tax Year 1979. At that time, the data were tabulated (see tables listed above) from Forms 1116, a copy of which is shown in Section 15 of this compendium. These tables were originally published in the Supplemental Report, Statistics of Income -- 1976-1979, International Income and Taxes, Foreign Income and Taxes Reported on U.S. Income Tax Returns. (The text referred to in the tables for an explanation of terms and a description of the sample is included in this supplemental report.) These tables are reprinted in this compendium.

Annual data showing the aggregated amount of foreign tax credit claimed on individual income tax returns, for Tax Years 1979-1983, are shown in Figure 1. The next scheduled study of the foreign tax credit claimed by individuals showing selected data from foreign sources and the country to which the foreign taxes were paid or accrued is for Tax Year 1983.

Figure 1. -- Foreign Tax Credit Claimed on Individual Income Tax Returns, 1979 - 1983
(money amounts are in thousands of dollars)

Tax year	Number of returns	Foreign tax credit
1979	287,508	842,176
1980	393,074	1,341,675
1981	387,680	1,233,564
1982	361,413	757,326
1983	373,360	617,749

A summary discussion of the foreign tax credit claimed by individuals, with selected historical data, is presented in a paper in Section 1 of this compendium entitled "Statistics of Income Studies of International Income and Taxes: A Brief Description of the Studies." (See page 9.) As previously mentioned, further discussion is also available in the Supplemental Report, Statistics of Income - 1976-1979, International Income and Taxes, Foreign Income and Taxes Reported on U.S. Income Tax Returns, Publication 1174. (This publication can be ordered from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.) An additional source of information on this subject is a report entitled "Taxation of Americans Working Abroad," prepared by the Office of Tax Analysis, Office of the Secretary, Department of the Treasury.

The reader is also referred to Section 15 of this compendium for the form and instructions listed below, which provided the basis of the individual foreign tax credit data.

* Form 1116, Computation of Foreign Tax Credit, Individuals, and Instructions (page 452)

ALL RETURNS

Table 1. — Sources of Income, Deductions and Tax Items and Foreign Income, Taxes and Credit by Size of Adjusted Gross Income

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

Size of adjusted gross income	Income and taxes from all sources: Number of returns	All returns with a foreign tax credit: Adjusted gross income (less deficit)	Total deductions	Taxable income	U.S. income tax before credits	Foreign tax credit claimed	U.S. income tax after credits	Returns with a Form 1116: Number of returns	Adjusted gross income: Total	Salaries and wages	Business and profession net profit less loss	Sales of capital assets net gain less loss	Sales of property other than capital assets net gain less loss	Dividends	Pensions and annuities	Interest received	Rent and royalty net income less loss
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
All returns, total	**287,508**	**18,815,362**	**2,962,014**	**15,019,389**	**5,904,523**	**842,176**	**4,968,007**	**265,575**	**17,488,497**	**9,189,181**	**763,412**	**1,879,037**	**6,193**	**3,480,891**	**450,683**	**1,632,613**	**248,046**
Under $10,000	23,423	174,329	*12,488	127,472	10,977	3,720	6,829	21,856	160,045	58,815	*-3,799	3,357	*252	26,132	*44,299	35,836	5,106
$10,000 under $25,000	76,603	1,353,161	104,937	1,056,880	166,795	74,804	89,702	69,187	1,216,011	1,040,294	27,823	-4,115	-422	161,626	82,239	134,800	1,949
$25,000 under $50,000	79,704	2,983,364	265,109	2,470,658	580,577	136,525	436,878	74,721	2,807,196	2,089,362	110,059	86,123	-2,420	311,481	171,529	341,221	-10,813
$50,000 under $100,000	69,742	4,750,986	563,265	3,959,927	1,307,028	317,426	974,477	64,802	4,426,667	2,942,453	191,856	210,093	-10,086	625,537	85,340	415,269	63,029
$100,000 under $200,000	25,892	3,491,130	566,350	2,833,314	1,216,199	184,748	1,013,722	23,553	3,178,976	1,660,003	159,304	253,228	-40	644,633	34,791	260,737	59,548
$200,000 under $500,000	9,474	2,770,321	573,943	2,163,825	1,126,173	72,802	1,031,297	8,950	2,618,482	928,015	95,577	336,559	-4,746	756,336	23,200	210,743	62,712
$500,000 or more	2,670	3,292,071	675,922	2,407,314	1,496,773	52,152	1,415,103	2,506	3,081,140	472,239	182,592	993,792	23,655	955,146	9,284	234,008	66,516
Taxable returns, total	**246,283**	**17,907,499**	**2,926,883**	**14,259,641**	**5,730,434**	**689,373**	**4,968,007**	**225,011**	**16,596,669**	**8,209,766**	**744,505**	**1,864,132**	**7,697**	**3,469,687**	**421,825**	**1,609,826**	**263,188**
Under $25,000	68,107	1,064,851	107,637	834,739	129,188	30,826	96,530	59,597	936,876	616,470	21,182	-4,628	*314	161,828	98,154	163,387	10,159
$25,000 under $50,000	73,899	2,783,021	253,986	2,299,197	540,976	97,033	436,878	68,920	2,607,037	1,845,999	103,234	87,092	-2,420	310,562	171,327	338,860	-5,898
$50,000 or more	104,277	14,039,627	2,565,261	11,125,706	5,060,270	541,514	4,434,599	96,494	13,052,754	5,747,297	620,089	1,781,667	9,802	2,977,297	152,344	1,109,581	258,927
Nontaxable returns, total	**41,225**	**907,883**	**35,131**	**759,748**	**174,089**	**172,803**	—	**40,564**	**891,827**	**979,415**	**18,907**	**14,906**	**-1,503**	**11,204**	**28,858**	**22,786**	**-15,142**
Under $25,000	31,919	442,640	9,788	349,613	48,584	47,698	—	31,446	439,178	480,639	2,842	3,870	*-484	5,929	*28,384	7,249	-3,105
$25,000 under $50,000	5,805	200,342	11,123	171,461	39,601	39,492	—	5,801	200,158	243,363	6,625	-969	—	919	*202	4,361	-4,915
$50,000 or more	3,501	264,881	14,219	238,673	85,904	85,613	—	3,317	252,491	255,413	9,240	12,004	-1,019	4,355	271	11,176	-7,123

Size of adjusted gross income	Income and taxes from all sources — Continued: Returns with a Form 1116 — Continued: Adjusted gross income — Continued: Partnership income less loss	Estate or trust net income less loss	Small business corporations net profit less loss	All other sources	Itemized deductions	Exemption amount	Taxable income	U.S. income tax before credits	U.S. income tax against which foreign tax credit was allowed	Foreign tax credit claimed	Other credits	U.S. income tax after credits	Additional tax for tax preferences	Total U.S. income tax	Foreign income and taxes reported on Form 1116: Number of returns	Gross income: Total	Other than DISC dividends, certain interest and foreign oil-related income: Dividends
	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)
All returns, total	**538,477**	**259,170**	**6,785**	**-1,878**	**2,700,905**	**783,416**	**14,015,612**	**5,516,908**	**5,509,986**	**822,637**	**86,395**	**4,607,875**	**90,441**	**4,698,316**	**5,139,934**	**5,013,707**	**310,875**
Under $10,000	*-415	*1,740	*-57	8,570	*12,169	39,600	115,797	9,670	9,416	2,794	429	6,447	*34	6,481	91,388	85,386	*2,900
$10,000 under $25,000	-31,300	9,346	*-1,397	-66,664	88,181	174,022	957,636	151,698	151,536	72,504	2,131	77,064	*113	77,176	816,002	807,288	37,951
$25,000 under $50,000	-8,994	28,936	3,247	-35,376	227,867	233,912	2,345,417	552,309	563,226	134,786	5,368	412,155	3,456	415,610	1,169,971	1,113,511	37,606
$50,000 under $100,000	142,891	43,251	-8,221	64,828	512,212	213,170	3,701,371	1,225,610	1,222,959	309,799	13,959	901,852	13,245	915,096	1,716,648	1,702,202	84,619
$100,000 under $200,000	167,834	47,207	1,072	27,254	494,246	*83,677	2,601,053	1,117,596	1,110,496	182,530	15,851	919,215	17,790	937,005	808,846	799,742	54,023
$200,000 under $500,000	169,948	47,783	16,415	12,469	539,070	30,760	2,048,633	1,065,680	1,062,445	70,466	20,484	974,730	17,889	992,619	299,922	289,359	42,692
$500,000 or more	96,511	80,906	-4,273	-12,960	827,158	8,276	2,245,705	1,394,345	1,389,908	49,758	28,173	1,316,414	37,915	1,354,328	237,156	216,218	51,083
Taxable returns, total	**543,349**	**257,557**	**6,795**	**9,197**	**2,666,423**	**671,888**	**13,269,795**	**5,347,413**	**5,340,833**	**654,428**	**85,109**	**4,607,875**	**90,441**	**4,698,316**	**4,065,870**	**3,947,696**	**307,035**
Under $25,000	-27,227	9,533	*-1,507	-42,671	90,881	131,581	725,765	112,832	112,709	27,649	1,673	83,511	*147	83,657	399,558	384,965	39,662
$25,000 under $50,000	-8,204	28,899	*3,259	-31,886	216,744	216,168	2,174,125	512,753	523,682	95,339	5,259	412,155	3,456	415,610	911,721	862,533	37,580
$50,000 or more	578,781	219,124	5,043	83,754	2,358,798	324,138	10,369,904	4,721,827	4,704,442	531,440	78,177	4,112,210	86,838	4,199,048	2,754,591	2,700,199	229,793
Nontaxable returns, total	**-8,873**	**1,613**	**-10**	**-11,075**	**34,482**	**111,528**	**745,817**	**169,495**	**169,153**	**168,209**	**1,286**	—	—	—	**1,074,064**	**1,066,011**	**3,840**
Under $25,000	*-4,487	*1,553	*52	-15,423	9,470	82,040	347,668	48,536	48,242	47,650	*887	—	—	—	507,832	507,709	*1,190
$25,000 under $50,000	-790	*37	*-12	-3,490	11,123	17,744	171,292	39,556	39,544	39,447	*109	—	—	—	258,250	250,978	*26
$50,000 or more	-1,596	*22	*-50	7,837	13,889	11,744	226,858	81,403	81,366	81,112	290	—	—	—	307,982	307,323	2,624

Footnotes at end of table.

ALL RETURNS

Table 1. — Sources of Income, Deductions and Tax Items, and Foreign Income, Taxes and Credit by Size of Adjusted Gross Income — Continued

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

Size of adjusted gross income	Foreign income and taxes reported on Form 1116 — Continued: Gross income — continued: Other than DISC dividends, certain interest and foreign oil-related income: Rents and royalties	Net gain from sale of capital assets	Wages and salaries	Business or profession	Estates and trusts	All other income	DISC dividends	Certain interest income	Foreign oil-related income	Deductions: Total	On income other than DISC dividends, certain interest and foreign oil-related income: Business or professional expenses	Rent and royalty expenses: Depreciation and depletion	Repairs and other expenses	Other expenses directly allocable to specific income items	Expenses not directly allocable to specific income items	Losses from foreign sources
	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)
All returns, total	**51,900**	**139,520**	**4,043,122**	**37,419**	**270,254**	**1,249**	**60,840**	**84,139**	**1,129,365**	**1,108,869**	**47,522**	**6,742**	**19,832**	**701,387**	**327,994**	**5,389**
Under $10,000	*94	*1,474	66,485	—	14,506	*47	*5,945	*9	29,014	26,920	*1	*1	*1	12,125	14,792	—
$10,000 under $25,000	*2,135	*19,594	702,016	*2,724	31,097	*62	8,652	—	201,716	201,217	5,194	*563	*1,300	124,366	69,794	—
$25,000 under $50,000	-69	7,605	1,005,252	*1	23,550	*394	18,194	*37,672	301,156	291,730	14,416	*418	*437	215,254	61,134	*70
$50,000 under $100,000	16,226	34,771	1,457,275	10,223	57,372	*354	7,203	*6,888	364,652	363,916	6,688	2,986	10,015	244,684	96,866	2,676
$100,000 under $200,000	18,614	15,581	635,942	3,318	53,040	*314	5,611	3,176	139,719	138,806	6,530	1,956	6,327	80,068	43,371	553
$200,000 under $500,000	4,738	25,076	147,737	4,962	43,710	*63	8,699	1,802	47,214	45,611	7,423	583	*1,364	15,731	20,144	*365
$500,000 or more	10,162	35,420	28,415	16,191	46,979	14	6,535	14,389	45,895	40,669	7,269	235	389	9,159	21,891	1,726
Taxable returns, total	**52,221**	**107,832**	**3,089,031**	**37,419**	**225,225**	**1,249**	**60,446**	**56,478**	**938,740**	**919,219**	**35,212**	**6,520**	**19,038**	**593,649**	**259,555**	**5,244**
Under $25,000	*1,977	*19,004	301,822	*2,724	12,170	*109	14,475	*9	143,197	140,634	3,485	*541	*1,080	91,854	43,685	—
$25,000 under $50,000	*987	*4,691	774,533	*(1)	21,119	*394	18,163	*30,632	245,249	236,724	5,484	*306	*190	182,022	48,652	*70
$50,000 or more	49,257	84,138	2,012,676	34,694	191,936	746	27,809	25,838	550,295	541,881	26,244	5,673	17,779	319,773	167,218	5,174
Nontaxable returns, total	**-322**	**31,688**	**954,091**	*(1)	**45,029**	—	**393**	***7,660**	**190,625**	**189,650**	**12,310**	**222**	**795**	**107,738**	**68,440**	**145**
Under $25,000	*251	*2,064	466,679	—	33,433	—	*122	—	87,534	87,503	*1,711	*22	*232	44,637	40,902	—
$25,000 under $50,000	*-1,055	*2,914	230,719	*(1)	2,431	—	*31	*7,240	55,908	55,006	*8,932	*113	*247	33,232	12,482	—
$50,000 or more	483	26,710	256,693	—	9,165	—	239	*420	47,183	47,140	1,667	87	316	29,870	15,056	145

Size of adjusted gross income	Foreign income and taxes reported on Form 1116 — Continued: Deductions — continued: on DISC dividends	on certain interest	on foreign oil-related income	Taxable income (less loss) before loss recapture: Total	Other than DISC dividends, certain interest and foreign oil-related income	DISC dividends	Certain interest	Foreign oil-related income	Recapture of prior year foreign losses	Taxable income after loss recapture	Foreign taxes available for credit: Total	On income other than DISC dividends, certain interest and foreign oil-related income	DISC dividends	Certain interest income	Foreign oil-related income
	(51)	(52)	(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)	(61)	(62)	(63)	(64)	(65)
All returns, total	***3**	**6,594**	**13,899**	**4,010,549**	**3,904,821**	**1,246**	**54,243**	**50,239**	**1,266**	**4,009,283**	**1,234,810**	**1,213,762**	**311**	**9,557**	**10,981**
Under $10,000	—	*2,092	*1	62,370	58,464	*47	*3,851	*8	—	62,370	11,727	10,787	*8	*930	*1
$10,000 under $25,000	—	*499	—	614,279	606,065	*62	8,152	—	—	614,279	128,930	127,330	*7	1,593	—
$25,000 under $50,000	—	882	*8,544	868,811	821,777	*394	17,312	*29,327	*117	868,694	236,669	231,356	*51	1,336	*3,926
$50,000 under $100,000	*2	528	*206	1,351,994	1,338,283	*353	6,676	*6,683	*19	1,351,975	446,071	443,382	*48	1,677	*963
$100,000 under $200,000	*(1)	329	*583	669,126	660,935	*314	5,282	2,595	*13	669,114	260,845	258,127	*182	1,961	575
$200,000 under $500,000	*(1)	1,354	248	252,708	243,747	*63	7,345	1,554	—	252,708	92,013	90,177	*12	1,103	722
$500,000 or more	1	910	4,316	191,262	175,550	13	5,625	10,074	1,117	190,144	58,355	52,603	2	956	4,795
Taxable returns, total	***3**	**6,551**	**12,966**	**3,127,115**	**3,028,464**	**1,246**	**53,893**	**43,512**	**1,266**	**3,125,849**	**939,856**	**920,680**	**311**	**9,386**	**9,279**
Under $25,000	—	*2,562	*1	256,354	244,326	*109	11,911	*8	—	256,354	51,445	48,964	*16	2,465	*1
$25,000 under $50,000	—	880	*7,644	666,469	625,805	*394	17,283	*22,988	*117	666,352	156,597	152,808	*51	1,332	*2,405
$50,000 or more	*3	3,110	5,321	2,204,291	2,158,333	742	24,699	20,517	1,149	2,203,142	731,614	718,908	244	5,590	6,872
Nontaxable returns, total	—	**43**	***933**	**883,435**	**876,357**	—	**350**	***6,728**	*(1)	**883,435**	**294,954**	**293,081**	—	**171**	***1,702**
Under $25,000	—	*30	—	420,294	420,202	—	*92	—	—	420,294	89,211	89,153	—	*58	—
$25,000 under $50,000	—	*2	*900	202,342	195,972	—	*30	*6,340	—	202,342	80,073	78,548	—	*4	*1,520
$50,000 or more	—	11	*32	260,799	260,182	—	229	*388	*(1)	260,799	125,671	125,381	—	108	*182

Footnotes at end of table.

ALL RETURNS

Table 1. — Sources of Income, Deductions and Tax Items and Foreign Income, Taxes and Credit by Size of Adjusted Gross Income — Continued

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

Size of adjusted gross income	Foreign income and taxes reported on Form 1116 — continued															
	Foreign taxes paid or accrued					Reduction for certain foreign taxes		Carryover				Foreign tax credit computed				
	Total	On income other than DISC dividends, certain interest and foreign oil-related income: Total	Taxes withheld on dividends	Taxes withheld on rents and royalties	Other foreign taxes paid or accrued	Total	On income other than DISC dividends, certain interest and foreign oil-related income	Total	On income other than DISC dividends, certain interest and foreign oil-related income	On certain interest	On foreign oil-related income	Total	On income other than DISC dividends, certain interest and foreign oil-related income	DISC dividends	Certain interest	Foreign oil-related income
	(66)	(67)	(68)	(69)	(70)	(71)	(72)	(73)	(74)	(75)	(76)	(77)	(78)	(79)	(80)	(81)
All returns, total	932,267	913,031	42,250	2,170	868,609	10,050	10,042	312,392	310,772	1,117	503	822,254	804,257	293	7,645	10,059
Under $10,000	9,030	8,090	*246	*32	7,813	*748	*748	*3,445	*3,445	—	—	2,794	2,479	*8	*306	*1
$10,000 under $25,000	119,878	118,354	4,919	*4	113,430	2,933	2,931	11,984	11,907	*77	—	72,809	71,343	*7	1,458	—
$25,000 under $50,000	165,899	160,591	5,550	*30	155,010	5,135	5,135	75,906	75,901	*5	—	134,660	129,874	*51	1,299	*3,438
$50,000 under $100,000	328,618	326,394	11,562	431	314,401	991	991	118,443	117,976	457	*8	309,768	307,563	*48	1,201	*956
$100,000 under $200,000	188,520	186,326	7,565	705	178,056	178	178	72,503	71,980	404	*120	182,458	180,277	*165	1,528	488
$200,000 under $500,000	71,321	69,656	6,215	289	63,152	*54	*48	20,746	20,569	82	*95	70,327	68,767	*12	1,000	548
$500,000 or more	49,001	43,621	6,194	679	36,748	10	10	9,364	8,992	92	281	49,439	43,954	2	853	4,630
Taxable returns, total	698,896	681,447	41,804	2,157	637,485	7,879	7,871	248,638	247,103	1,097	437	653,391	636,673	293	7,535	8,689
Under $25,000	48,018	45,611	5,038	*36	40,536	2,764	2,762	6,191	6,115	*76	—	27,636	25,876	*15	1,744	*1
$25,000 under $50,000	109,716	105,931	5,549	*30	100,351	4,091	4,091	50,972	50,968	*4	—	94,898	91,145	*51	1,296	*2,405
$50,000 or more	541,162	529,905	31,216	2,090	496,596	1,024	1,018	191,474	190,020	1,017	437	530,857	519,652	227	4,495	6,483
Nontaxable returns, total	233,371	231,584	446	*14	231,124	2,171	2,171	63,754	63,669	20	*66	168,863	167,584	—	109	*1,170
Under $25,000	80,890	80,833	*126	—	80,706	*917	*917	9,238	9,237	*1	—	47,967	47,947	—	*20	—
$25,000 under $50,000	56,183	54,660	*([1])	—	54,660	1,044	1,044	24,934	24,933	*1	—	39,762	38,728	—	*3	*1,031
$50,000 or more	96,297	96,091	319	*14	95,758	210	210	29,583	29,499	*16	*66	81,134	80,909	—	86	*139

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

[1] Less than $500 per return.

NOTE: In a few instances, foreign tax credit claimed may be slightly larger than foreign tax computed due to the tolerances allowed in computer testing the unweighted data for inconsistencies. Detail may not add to total because of rounding. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 2. — Income and Taxes, and Foreign Income, Taxes and Credit by Selected Country to Which Foreign Taxes Were Paid and DISC Dividends

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

Selected country and DISC dividends	Income and taxes from all sources										
	Number of returns	Adjusted gross income (less deficit)	Taxable income	U.S. income tax against which foreign tax credit was allowed	Foreign tax credit claimed	Gross income from foreign sources	Deductions	Taxable income (less loss) before loss recapture	Foreign taxes paid or accrued	Carryover	Foreign tax credit computed
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
All geographic areas and DISC dividends	265,575	17,488,497	14,015,812	5,509,986	822,637	5,139,934	1,129,365	4,010,549	932,267	312,392	822,255
Canada	75,484	6,433,047	5,027,296	2,219,799	143,894	714,509	103,214	611,290	159,446	50,108	143,077
Latin America, total	20,071	1,304,075	1,049,010	384,137	108,789	663,357	150,842	512,512	115,048	47,783	108,762
Mexico	5,449	427,705	342,096	132,294	25,291	105,899	20,521	85,378	29,714	14,770	25,313
Central America, total	1,284	91,784	75,942	29,041	6,345	43,919	12,058	31,861	6,946	7,653	6,357
El Salvador	500	41,063	34,495	13,240	1,643	7,698	*925	6,772	1,530	*469	1,653
Guatemala	297	12,726	10,348	3,487	865	8,498	1,597	6,901	865	*396	866
Panama (excluding Canal Zone)	284	18,226	15,023	5,942	1,922	12,004	2,215	9,789	1,616	*6,702	1,923
Caribbean Countries, total	1,617	91,926	78,835	26,131	13,367	64,367	8,998	55,369	15,384	1,916	13,367
Jamaica	116	16,381	13,671	5,672	1,555	5,209	693	4,516	2,122	*393	1,555
Trinidad & Tobago	1,402	64,871	58,477	18,146	11,583	57,128	7,905	49,222	13,017	1,510	11,583
South America, total	12,870	802,143	641,248	231,999	75,795	502,064	118,665	383,396	76,050	26,000	75,745
Argentina	205	43,098	34,708	16,041	2,832	18,169	4,070	14,099	2,739	*576	2,832
Bolivia	1,841	47,100	33,189	12,004	982	7,251	1,481	5,771	1,329	*619	982
Brazil	3,117	281,801	220,257	88,344	33,201	190,009	45,313	144,696	33,175	12,430	33,157
Chile	253	21,849	17,894	7,849	2,426	20,672	7,625	13,047	2,811	564	2,426
Colombia	1,922	115,778	98,554	32,267	13,023	77,860	15,404	62,455	12,599	4,291	13,023
Ecuador	393	20,598	17,644	6,275	2,021	16,342	5,054	11,288	2,259	1,624	2,021
Peru	231	52,691	38,117	19,511	4,276	18,496	2,009	16,486	4,098	*777	4,275
Venezuela	4,994	267,773	219,799	67,432	18,923	161,659	39,443	122,214	17,125	6,255	18,916
Other South American countries	292	11,972	10,917	3,524	860	11,471	*2,361	9,110	1,662	*884	860
Other Western Hemisphere, total	1,267	100,014	82,220	32,132	5,724	27,393	3,712	23,681	5,164	4,623	5,724
Bermuda	91	19,485	14,654	6,764	924	6,558	734	5,824	873	*51	924
Netherlands Antilles	1,059	71,925	60,539	22,272	3,896	16,247	2,596	13,651	3,388	4,266	3,896
Europe, total	59,403	4,558,515	3,666,197	1,531,038	355,425	1,953,171	448,680	1,504,488	413,345	119,450	356,006
Common Market countries, total	43,960	3,454,525	2,761,478	1,151,962	270,769	1,527,944	357,082	1,170,859	309,015	89,609	271,173
Belgium	2,710	261,984	227,365	92,864	43,996	181,713	37,900	143,814	48,102	15,324	43,993
France (including Andorra)	4,679	404,996	301,163	129,464	41,069	235,079	63,581	171,497	50,943	15,118	41,069
Ireland	269	27,045	21,036	8,796	1,770	10,222	1,841	8,380	1,627	*420	1,770
Italy	843	79,030	63,263	28,259	10,228	55,920	13,983	41,936	10,542	1,487	10,158
Luxembourg	31	11,804	8,416	4,968	771	4,705	*1,146	3,559	875	*589	771
Netherlands	13,383	1,394,448	1,058,098	481,191	27,768	182,713	35,225	147,488	33,032	6,844	27,757
United Kingdom	16,895	1,239,111	1,018,819	411,776	97,142	648,185	155,572	492,610	103,637	18,792	97,241
West Germany	8,085	535,326	442,307	178,463	71,583	344,906	81,598	263,307	86,201	35,014	72,091
Common Market not allocable	80	7,800	5,974	2,407	1,750	6,087	1,175	4,912	1,844	306	1,751
Other West European countries, total	17,544	1,386,692	1,115,085	477,968	97,716	500,725	105,596	395,129	117,413	33,442	98,021
Austria	428	35,781	30,138	11,553	5,152	18,987	3,639	15,348	6,795	1,462	5,152
Greece	1,610	72,110	63,166	19,867	7,325	50,829	6,003	44,826	7,851	*743	7,325
Norway	1,276	124,223	109,315	44,576	31,937	110,315	19,629	90,686	42,805	10,537	31,937
Portugal	53	17,164	14,692	7,188	1,519	5,204	643	4,561	1,816	*272	1,519
Spain	1,334	109,137	92,811	38,165	9,281	59,797	17,143	42,654	10,927	3,759	9,260
Sweden	595	53,561	44,068	17,576	7,274	38,045	7,612	30,433	10,212	1,890	7,274
Switzerland	12,406	1,066,976	837,373	375,150	41,144	245,302	56,309	188,993	43,614	15,251	41,449
East European countries	155	21,441	17,679	8,204	1,484	13,160	2,141	11,019	1,470	*13	1,484
Europe not allocable	37	7,777	5,985	3,206	1,066	6,349	1,500	4,850	1,141	*151	1,066
Africa, total	39,898	2,855,181	2,235,987	876,900	70,169	450,037	101,981	348,455	79,132	18,611	70,134
North Africa, total	2,991	178,649	138,505	46,410	27,582	157,859	42,014	115,845	30,367	7,687	27,584
Algeria	2,114	86,210	74,089	19,554	11,402	83,464	23,253	60,211	13,482	1,868	11,402
Egypt	408	22,313	20,746	7,347	4,944	25,036	5,503	19,534	5,109	979	4,944
Libya	404	65,161	38,979	17,797	9,952	43,040	11,612	31,428	10,485	4,258	9,952
Tunisia	34	2,705	2,576	945	682	3,446	879	2,567	783	*184	684
East Africa, total	108	3,531	2,785	1,002	586	3,153	*531	2,621	773	*144	586
West and Central Africa, total	1,701	112,150	87,663	31,773	12,248	86,541	26,043	60,497	15,513	3,419	12,248
Ivory Coast	57	30,375	20,759	11,325	2,186	6,732	*955	5,777	1,797	*394	2,186
Liberia	243	13,484	10,442	3,080	1,395	9,591	3,494	6,096	2,166	*695	1,395
Nigeria	1,180	49,255	41,627	11,718	5,840	55,262	16,928	38,334	8,265	1,201	5,840
Southern Africa, total	35,021	2,601,695	2,019,804	806,855	32,976	216,875	37,775	179,098	35,210	8,605	32,938
South Africa (including South-West Africa)	30,127	2,307,657	1,780,340	718,943	29,717	196,269	36,299	159,969	31,706	6,045	29,680
Other Southern Africa countries	4,240	267,796	218,372	82,507	2,184	14,855	589	14,265	2,473	*279	2,182
Asia, total	43,334	2,778,430	2,243,155	857,058	152,826	1,309,259	331,605	977,653	161,569	70,897	152,832
Middle East, total	24,140	1,338,330	1,088,765	381,409	40,493	621,638	163,673	457,965	44,568	14,022	40,515
Iran	1,594	62,392	52,755	14,007	8,842	59,799	9,211	50,588	8,769	5,300	8,842
Israel	13,076	864,181	668,222	259,177	8,777	50,785	4,475	46,310	13,299	1,406	8,779
Saudi Arabia	8,868	382,830	343,548	100,339	19,759	481,250	140,953	340,297	19,704	5,582	19,760
United Arab Emirates	204	14,746	11,791	4,178	1,190	10,363	3,291	7,072	843	861	1,190
Other Middle East countries	112	8,180	7,469	2,734	1,368	9,518	2,491	1,027	1,154	*584	1,368
Southern and Southeastern Asia, total	4,952	498,638	400,048	177,489	53,586	280,592	73,333	207,259	57,396	38,407	53,578
India	170	15,561	13,215	5,474	1,391	10,865	2,759	8,106	1,900	*526	1,391
Indonesia	1,424	92,163	77,702	28,044	17,313	87,932	24,220	63,712	17,364	11,940	17,343
Malaysia	330	37,362	33,459	14,344	7,025	31,577	9,596	21,981	8,141	3,384	7,025
Philippines	1,402	236,791	188,363	100,109	7,948	50,860	14,834	36,026	9,127	3,595	7,948
Singapore	1,223	84,307	75,121	26,010	15,539	82,185	19,264	62,921	15,326	15,135	15,540
Thailand	276	19,694	16,762	6,080	2,830	16,541	2,836	13,705	3,903	2,646	2,821
Other Southern and Southeastern Asian Countries	121	4,589	4,254	1,418	778	6,563	2,868	3,695	670	*593	776
Eastern Asia, total	14,380	1,005,448	799,694	321,277	62,593	429,947	101,357	328,589	63,734	19,098	62,584
Taiwan	1,681	61,601	49,412	12,719	4,664	35,328	6,849	28,479	4,451	1,717	4,664
Hong Kong	1,891	168,324	136,674	56,786	12,981	118,423	25,123	93,300	12,395	2,415	12,981
Japan (including Okinawa and Ryukyu Islands)	8,944	756,461	598,309	251,178	43,084	248,553	65,534	183,019	44,361	14,393	43,070
South Korea, Republic of	1,878	39,549	30,571	7,955	3,319	38,410	4,313	34,097	3,988	524	3,325
Oceania, total	4,912	485,343	334,526	153,350	32,487	172,771	32,427	140,344	36,069	10,439	32,486
Australia	2,633	379,477	263,559	127,734	25,022	122,611	26,421	96,190	28,415	8,639	25,022
New Zealand	40	51,103	23,421	14,336	1,503	10,962	5,172	5,790	1,305	*1,181	1,503
Other countries of Oceania	2,279	77,614	66,569	22,236	7,795	52,305	5,694	46,611	6,079	1,766	7,794
Puerto Rico and U.S. Possessions, total	16,613	371,351	284,080	67,925	26,909	271,455	53,841	217,609	35,272	6,994	26,738
Puerto Rico	15,738	330,715	253,620	59,814	23,790	254,093	52,033	202,056	32,024	6,929	23,620
Country not stated or not allocable and other income from outside the United States	27,733	2,392,079	1,889,195	759,573	32,057	187,232	41,906	145,325	31,369	19,379	32,052
DISC dividends	1,902	92,637	72,427	24,416	307	1,335	*4	1,331	324	—	307

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 2. — Income and Taxes, and Foreign Income, Taxes and Credit by Selected Country to Which Foreign Taxes Were Paid and DISC Dividends — Continued

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

Selected country and DISC dividends	Income and taxes from specific geographic categories: Gross income: Total	Other than DISC dividends, certain interest and foreign oil related income: Total	Dividends	Rents and royalties	Net gain from capital assets	Wages and salaries	Business or profession	Estates and trusts	All other income	Certain interest income	Foreign oil-related income
	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
All geographic areas and DISC dividends	5,139,934	5,013,707	310,875	51,900	139,520	4,043,122	160,611	37,419	270,254	60,840	64,139
Canada	545,679	503,846	77,660	18,617	19,113	279,056	41,408	7,108	60,681	27,598	14,435
Latin America, total	591,729	584,773	23,787	3,180	10,383	501,552	18,062	*6	27,804	2,912	*4,043
Mexico	77,811	74,957	2,858	*475	*263	64,080	3,069	—	4,211	2,853	—
Central America, total	38,185	38,140	475	*78	*1,147	23,019	*4,218	—	9,202	*45	—
El Salvador	5,579	5,579	140	—	—	*5,438	—	—	—	—	—
Guatemala	8,367	8,367	*94	—	*1,061	*2,997	*3,258	—	*958	—	—
Panama (excluding Canal Zone)	10,091	10,091	*241	*17	—	8,252	*961	—	*620	—	—
Caribbean Countries, total	35,562	35,562	*6,981	*52	—	27,610	*1,596	—	-677	—	—
Jamaica	4,622	4,622	*11	*49	—	4,535	—	—	*27	—	—
Trinidad & Tobago	28,976	28,976	*6,872	—	—	21,212	*1,596	—	-704	—	—
South America, total	438,557	434,500	13,454	2,565	8,930	385,300	9,177	*6	15,068	*14	*4,043
Argentina	13,353	12,749	*2,031	*423	*236	9,690	*35	—	*334	—	*604
Bolivia	4,682	1,243	75	—	—	*1,150	—	—	*18	—	*3,439
Brazil	162,088	162,060	5,015	935	8,351	133,711	5,570	*5	8,491	*9	—
Chile	10,629	10,629	*24	*14	—	10,533	*3	—	*54	—	—
Colombia	66,063	66,058	*4,394	*494	*7	58,622	*1,034	—	1,506	*5	—
Ecuador	14,596	14,596	*583	*1	*143	13,857	*11	—	—	—	—
Peru	11,485	11,485	*176	—	*9	10,514	*716	*1	70	—	—
Venezuela	143,222	143,222	*1,152	*688	*182	134,798	*1,808	—	4,593	—	—
Other South American countries	11,467	11,467	*3	—	—	*11,464	—	—	—	—	—
Other Western Hemisphere, total	18,399	18,377	1,023	*14	*1,231	14,026	*170	*9	*1,903	*22	—
Bermuda	2,118	2,118	*305	—	—	*534	*45	—	*1,235	—	—
Netherlands Antilles	14,023	14,023	533	—	*1,231	11,624	—	*9	*627	—	—
Europe, total	1,822,059	1,797,335	70,142	19,765	39,051	1,515,310	57,374	14,936	80,757	22,850	1,875
Common Market countries, total	1,405,034	1,385,936	49,190	14,093	33,152	1,187,448	34,334	8,591	59,128	17,223	1,875
Belgium	152,455	152,378	315	*124	*33	145,901	*664	—	5,342	78	—
France (including Andorra)	192,508	191,599	6,926	1,794	9,732	152,922	4,366	*-8	15,867	909	—
Ireland	5,725	5,719	*24	—	*15	5,551	*68	—	*60	*6	—
Italy	39,390	39,357	*271	*170	*4,142	29,028	3,975	—	1,772	33	—
Luxembourg	3,303	2,999	*41	—	—	*2,917	—	—	*40	*304	—
Netherlands	129,919	128,808	25,192	*514	797	96,050	*919	1,716	3,621	71	*1,040
United Kingdom	568,300	555,191	5,749	1,613	5,644	508,518	12,888	2,194	18,385	13,109	—
West Germany	308,214	304,674	10,657	9,879	12,588	241,400	11,456	*4,690	14,003	2,711	*830
Common Market not allocable	5,209	5,204	*6	—	(¹)	5,161	—	—	*37	—	*5
Other West European countries, total	407,446	401,820	20,926	5,632	5,891	321,825	22,967	*3,947	20,631	5,626	—
Austria	11,629	11,629	*232	*28	*-27	8,012	*-64	—	3,446	—	—
Greece	48,153	48,153	*589	*66	—	47,262	*68	—	*168	—	—
Norway	97,262	97,078	*6	*9	*133	94,786	*1,639	—	505	*184	—
Portugal	1,106	1,106	(¹)	—	—	*1,044	*22	—	*40	—	—
Spain	42,649	42,639	*48	*352	—	39,713	1,631	—	896	*10	—
Sweden	23,515	23,361	*9,768	(¹)	*2	13,246	*220	—	124	*153	—
Switzerland	176,646	171,366	10,243	5,162	5,731	111,561	19,287	*3,947	15,435	5,279	—
East European countries	5,010	5,009	*11	*10	*8	*4,338	*2	—	*640	*1	—
Europe not allocable	4,569	4,569	*15	*30	—	*1,698	*71	*2,398	*357	—	—
Africa, total	372,581	335,922	100,712	*220	833	216,861	6,370	2,893	8,032	645	*35,994
North Africa, total	138,162	138,162	*13	*3	*44	136,416	*712	*901	73	—	—
Algeria	77,160	77,160	—	—	—	76,810	*712	—	*-363	—	—
Egypt	24,175	24,175	*9	—	—	24,183	—	—	*2	—	—
Libya	30,736	30,736	*3	*3	*44	29,382	—	*901	403	—	—
Tunisia	3,446	3,446	(¹)	—	—	3,445	—	—	*1	—	—
East Africa, total	2,520	2,520	*4	*7	—	2,507	—	—	*2	—	—
West and Central Africa, total	79,389	48,754	27	*4	*3	41,607	*5,226	(¹)	1,887	*3	*30,632
Ivory Coast	2,266	2,266	23	—	—	*2,242	—	—	—	—	—
Liberia	9,201	9,200	—	—	*3	8,769	—	—	*428	*1	—
Nigeria	54,127	23,495	—	*4	—	21,770	—	—	*1,721	—	*30,632
Southern Africa, total	151,851	145,847	100,236	*206	786	36,170	*431	1,946	6,070	*641	*5,363
South Africa (including South-West Africa)	134,490	128,562	88,634	*197	786	32,645	*92	1,946	4,261	*565	*5,363
Other Southern Africa countries	12,999	12,957	10,808	—	—	—	*339	—	*1,810	*42	—
Asia, total	1,242,094	1,239,032	11,334	1,295	44,817	1,146,827	24,411	*522	9,825	2,292	*770
Middle East, total	602,707	601,280	2,881	*346	*21,282	583,845	2,154	*18	-9,246	919	*509
Iran	56,124	56,124	—	—	—	55,110	—	—	*1,014	—	—
Israel	43,456	42,524	2,872	*329	*21,243	14,675	986	*18	2,402	919	*13
Saudi Arabia	473,898	473,402	(¹)	*17	*39	485,133	*905	—	-12,692	—	*496
United Arab Emirates	8,599	8,599	—	—	—	8,388	*188	—	*23	—	—
Other Middle East countries	7,904	7,904	*9	—	—	7,819	*76	—	—	—	—
Southern and Southeastern Asia, total	243,906	243,591	2,732	*32	2,115	230,504	*5,749	—	2,459	*54	*261
India	4,756	4,756	*2	(¹)	*21	*4,717	*4	—	*12	—	—
Indonesia	77,242	76,981	*63	*7	*596	70,055	*5,700	—	559	—	*261
Malaysia	22,081	22,081	*41	*6	—	21,916	*2	—	*115	—	—
Philippines	40,505	40,478	1,832	*19	*1,003	36,929	*18	—	678	*27	—
Singapore	73,874	73,847	208	—	*496	72,186	*25	—	934	*27	—
Thailand	14,072	14,072	*281	—	—	13,630	(¹)	—	*160	—	—
Other Southern and Southeastern Asian Countries	6,563	6,563	*305	—	—	*6,258	—	—	—	—	—
Eastern Asia, total	393,152	391,832	5,722	917	21,420	330,150	16,508	*504	16,612	1,320	—
Taiwan	32,465	32,419	*1,312	*119	—	27,760	*2,569	—	*659	*46	—
Hong Kong	103,359	102,550	99	*59	*15,539	84,612	433	*502	1,305	*809	—
Japan (including Okinawa and Ryukyu Islands)	221,471	221,006	4,269	739	5,881	182,650	13,505	*1	13,961	464	—
South Korea, Republic of	31,932	31,932	*41	—	—	31,458	(¹)	—	*433	—	—
Oceania, total	125,015	117,486	3,609	1,425	304	96,991	4,585	*1,725	8,846	667	*6,861
Australia	81,227	73,774	1,689	*687	*-226	58,957	*2,867	*1,115	8,485	592	*6,861
New Zealand	1,533	1,459	*32	—	*266	*1,051	*214	*36	*-141	*74	—
Other countries of Oceania	42,256	42,254	*1,889	*538	*264	36,984	*1,504	*574	*502	*2	—
Puerto Rico and U.S. Possessions, total	265,866	265,593	2,943	*1,274	*18,183	205,339	*266	*1,287	36,301	*191	*82
Puerto Rico	248,559	248,559	2,941	*1,226	*18,125	189,989	*266	*1,287	34,723	—	—
Country not stated or not allocable and other income from outside the United States	153,473	149,771	19,659	6,110	5,521	86,913	7,965	8,933	34,672	3,624	*78
DISC dividends	1,249	—	—	—	—	—	—	—	—	—	—

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 2. — Income and Taxes, and Foreign Income, Taxes and Credit by Selected Country to Which Foreign Taxes Were Paid and DISC Dividends — Continued

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

Selected country and DISC dividends	Income and taxes from all specific geographic categories — continued: Deductions: Total	On income other than DISC dividends, certain interest and foreign oil-related income	On certain interest	On foreign oil-related income	Taxable income (less loss) before loss recapture: Total	Other than DISC dividends, certain interest and foreign oil-related income	Certain interest	Foreign oil-related income
	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
All geographic areas and DISC dividends	1,129,365	1,108,869	6,594	13,899	4,010,549	3,904,821	54,243	50,239
Canada	75,648	67,366	4,066	4,216	470,025	436,277	23,529	10,219
Latin America, total	132,569	131,195	100	*1,274	459,157	453,576	2,812	*2,769
Mexico	13,780	13,685	95	—	64,030	61,273	2,758	—
Central America, total	11,070	11,066	*5	—	27,115	27,074	*40	—
El Salvador	*831	*831	—	—	4,747	4,747	—	—
Guatemala	1,561	1,561	—	—	6,807	6,807	—	—
Panama (excluding Canal Zone)	1,815	1,815	—	—	8,276	8,276	—	—
Caribbean Countries, total	5,267	5,267	—	—	30,294	30,294	—	—
Jamaica	689	689	—	—	3,933	3,933	—	—
Trinidad & Tobago	4,286	4,286	—	—	24,690	24,690	—	—
South America, total	102,376	101,102	(¹)	*1,274	336,179	333,395	*14	*2,769
Argentina	3,019	2,646	—	*373	10,334	10,103	—	*231
Bolivia	1,154	254	—	*900	3,527	989	—	*2,538
Brazil	37,488	37,488	(¹)	—	124,600	124,591	*9	—
Chile	2,611	2,611	—	—	8,018	8,018	—	—
Colombia	13,555	13,555	(¹)	—	52,508	52,503	*5	—
Ecuador	4,595	4,595	—	—	10,001	10,001	—	—
Peru	1,330	1,330	—	—	10,155	10,155	—	—
Venezuela	35,982	35,982	—	—	107,238	107,236	—	—
Other South American countries	*2,361	*2,361	—	—	9,106	9,106	—	—
Other Western Hemisphere, total	2,649	2,648	*1	—	15,750	15,729	*21	—
Bermuda	*214	*214	—	—	1,904	1,904	—	—
Netherlands Antilles	2,282	2,282	—	—	11,742	11,742	—	—
Europe, total	421,149	419,289	1,799	*61	1,400,906	1,378,042	21,050	1,814
Common Market countries, total	329,406	328,482	863	*61	1,075,824	1,057,451	16,360	1,814
Belgium	33,821	33,804	17	—	118,634	118,573	61	—
France (including Andorra)	48,701	48,657	43	—	143,807	142,941	866	—
Ireland	735	735	(¹)	—	4,990	4,984	*6	—
Italy	7,197	7,196	*1	—	32,193	32,161	33	—
Luxembourg	*817	*727	*90	—	2,485	2,271	*214	—
Netherlands	25,660	25,614	*23	*22	104,259	103,193	48	1,018
United Kingdom	136,502	136,073	429	—	431,796	419,115	12,680	—
West Germany	74,837	74,538	259	*39	233,377	230,135	2,452	*791
Common Market not allocable	1,135	1,135	—	(¹)	4,074	4,069	—	*5
Other West European countries, total	89,535	88,600	936	—	317,910	313,221	4,690	—
Austria	2,201	2,201	—	—	9,428	9,428	—	—
Greece	4,855	4,855	—	—	43,298	43,298	—	—
Norway	16,896	16,830	*67	—	80,365	80,248	*117	—
Portugal	*171	*171	—	—	936	936	—	—
Spain	12,598	12,597	*1	—	30,051	30,042	*9	—
Sweden	4,215	4,183	*32	—	19,299	19,178	*121	—
Switzerland	46,225	45,388	837	—	130,421	125,978	4,443	—
East European countries	1,006	1,006	(¹)	—	4,004	4,003	*1	—
Europe not allocable	1,201	1,201	—	—	3,368	3,368	—	—
Africa, total	85,155	77,262	*17	*7,875	287,404	258,658	627	*28,119
North Africa, total	35,327	35,327	—	—	102,835	102,835	—	—
Algeria	21,736	21,736	—	—	55,424	55,424	—	—
Egypt	5,171	5,171	—	—	19,004	19,004	—	—
Libya	6,878	6,878	—	—	23,858	23,858	—	—
Tunisia	879	879	—	—	2,567	2,567	—	—
East Africa, total	*453	*453	—	—	2,067	2,067	—	—
West and Central Africa, total	25,394	17,749	*1	*7,644	53,994	31,004	*2	*22,988
Ivory Coast	*899	*899	—	—	1,367	1,367	—	—
Liberia	3,442	3,442	(¹)	—	5,759	5,758	*1	—
Nigeria	16,626	8,982	—	*7,644	37,500	14,513	—	*22,988
Southern Africa, total	23,969	23,721	*16	*231	127,881	122,124	*625	*5,132
South Africa (including South-West Africa)	23,083	22,848	*3	*231	111,406	105,712	*562	*5,132
Other Southern Africa countries	326	326	—	—	12,672	12,630	*42	—
Asia, total	311,412	311,159	96	*157	930,881	927,871	2,196	*613
Middle East, total	158,278	158,064	59	*154	444,429	443,215	660	*354
Iran	7,950	7,950	—	—	48,174	48,174	—	—
Israel	2,579	2,520	59	—	40,877	40,005	660	*13
Saudi Arabia	139,202	139,048	—	*154	334,696	334,354	—	*341
United Arab Emirates	2,162	2,162	—	—	6,437	6,437	—	—
Other Middle East countries	2,264	2,264	—	—	5,640	5,640	—	—
Southern and Southeastern Asia, total	59,806	59,796	*7	*3	184,100	183,795	*47	*258
India	1,747	1,747	—	—	3,008	3,008	—	—
Indonesia	18,328	18,325	—	*3	58,914	58,656	—	*258
Malaysia	4,347	4,347	—	—	17,734	17,734	—	—
Philippines	12,450	12,444	*6	—	28,055	28,034	*21	—
Singapore	17,275	17,274	*1	—	56,599	56,573	*26	—
Thailand	2,276	2,276	—	—	11,795	11,795	—	—
Other Southern and Southeastern Asian Countries	2,868	2,868	—	—	3,695	3,695	—	—
Eastern Asia, total	92,765	92,735	30	—	300,387	299,097	1,290	—
Taiwan	6,319	6,318	*1	—	26,146	26,100	*45	—
Hong Kong	21,374	21,369	*5	—	81,964	81,180	*804	—
Japan (including Okinawa and Ryukyu Islands)	60,118	60,094	23	—	161,353	160,912	441	—
South Korea, Republic of	3,190	3,190	—	—	28,742	28,742	—	—
Oceania, total	18,415	18,083	18	*314	106,600	99,404	649	*6,547
Australia	14,319	13,997	*7	*314	66,908	59,776	585	*6,547
New Zealand	696	684	*12	—	837	774	*63	—
Other countries of Oceania	3,401	3,401	(¹)	—	38,855	38,853	*1	—
Puerto Rico and U.S. Possessions, total	52,767	52,708	*59	—	213,094	212,880	*132	*82
Puerto Rico	50,962	50,962	—	—	197,593	197,593	—	—
Country not stated or not allocable and other income from outside the United States	29,331	28,893	437	*1	124,141	120,878	3,187	*77
DISC dividends	*3	—	—	—	1,246	—	—	—

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 2. — Income and Taxes, and Foreign Income, Taxes and Credit by Selected Country to Which Foreign Taxes Were Paid and DISC Dividends — Continued

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

Selected country and DISC dividends	Income and taxes from specific geographic categories — continued						
	Foreign taxes paid or accrued						
	Total	On income other than DISC dividends, certain interest and foreign oil-related income				On certain interest	On foreign oil-related income
		Total	Taxes withheld on		Other foreign taxes paid or accrued		
			Dividends	Rents and royalties			
	(31)	(32)	(33)	(34)	(35)	(36)	(37)
All geographic areas and DISC dividends	932,267	913,031	42,250	2,170	868,609	8,442	10,484
Canada	128,708	119,953	6,638	955	112,360	4,584	4,171
Latin America, total	105,825	104,768	3,973	147	100,648	543	*513
Mexico	24,181	23,647	595	*6	23,046	534	—
Central America, total	6,230	6,226	66	—	6,159	*4	—
El Salvador	982	982	36	—	*946	—	—
Guatemala	835	835	*11	—	825	—	—
Panama (excluding Canal Zone)	1,524	1,524	*19	—	1,505	—	—
Caribbean Countries, total	8,652	8,652	*1,737	*16	6,899	—	—
Jamaica	1,857	1,857	*4	*16	1,837	—	—
Trinidad & Tobago	6,433	6,433	*1,718	—	4,715	—	—
South America, total	66,669	66,151	1,572	*126	64,454	*5	*513
Argentina	2,377	2,354	*355	—	1,999	—	*23
Bolivia	732	243	22	—	*220	—	*490
Brazil	30,209	30,206	581	*12	29,613	*2	—
Chile	2,298	2,298	*34	*6	2,258	—	—
Colombia	10,336	10,333	*52	*81	10,200	*2	—
Ecuador	2,195	2,195	*255	—	1,939	—	—
Peru	2,349	2,349	*70	—	2,279	—	—
Venezuela	14,406	14,406	*202	*24	14,182	—	—
Other South American countries	1,661	1,661	(¹)	—	*1,661	—	—
Other Western Hemisphere, total	3,591	3,591	40	—	3,551	—	—
Bermuda	*195	*195	(¹)	—	*195	—	—
Netherlands Antilles	3,103	3,103	*33	—	3,070	—	—
Europe, total	390,635	387,767	11,704	736	375,327	2,290	577
Common Market countries, total	287,218	285,173	7,173	475	277,525	1,468	577
Belgium	38,857	38,853	*50	*6	38,787	4	—
France (including Andorra)	44,142	43,802	224	*62	43,516	340	—
Ireland	578	577	*5	—	571	*1	—
Italy	8,625	8,618	*1	*17	8,601	7	—
Luxembourg	*790	779	*6	—	*773	*11	—
Netherlands	23,852	23,694	3,990	—	19,704	*2	*156
United Kingdom	87,841	86,990	898	*81	86,011	851	—
West Germany	81,116	80,444	1,998	*309	78,137	251	*421
Common Market not allocable	1,415	1,415	*1	—	1,415	—	—
Other West European countries, total	101,997	101,175	4,527	260	96,388	822	—
Austria	4,704	4,704	(¹)	*5	4,699	—	—
Greece	7,644	7,644	*153	(¹)	7,490	—	—
Norway	40,200	40,184	*1	—	40,183	*15	—
Portugal	237	237	—	—	237	—	—
Spain	8,173	8,171	*4	*106	8,062	*2	—
Sweden	7,900	7,836	*2,522	—	5,314	*64	—
Switzerland	32,426	31,684	1,845	*148	29,691	742	—
East European countries	463	462	*3	*2	458	(¹)	—
Europe not allocable	957	957	*1	—	958	—	—
Africa, total	66,009	62,723	14,749	*41	47,933	112	*3,174
North Africa, total	28,166	28,166	*1	—	28,165	—	—
Algeria	13,113	13,113	—	—	13,113	—	—
Egypt	4,955	4,955	*1	—	4,954	—	—
Libya	6,814	6,814	—	—	6,814	—	—
Tunisia	783	783	—	—	783	—	—
East Africa, total	645	645	*1	*2	*643	—	—
West and Central Africa, total	13,591	11,185	3	—	11,182	*1	*2,405
Ivory Coast	276	276	3	—	*274	—	—
Liberia	2,108	2,108	—	—	2,108	(¹)	—
Nigeria	8,085	5,679	—	—	5,679	—	2,405
Southern Africa, total	23,535	22,655	14,679	*40	7,937	*111	*769
South Africa (including South-West Africa)	20,811	19,954	12,864	*34	7,056	*69	*769
Other Southern Africa countries	2,091	‹2,086	1,624	—	*462	*5	—
Asia, total	151,835	151,359	1,132	75	150,152	389	*87
Middle East, total	41,679	41,438	425	*33	40,980	230	*11
Iran	8,375	8,375	—	—	8,375	—	—
Israel	12,282	12,048	424	*33	11,592	230	*4
Saudi Arabia	18,642	18,635	(¹)	—	18,634	—	*7
United Arab Emirates	*658	*658	—	—	*658	—	—
Other Middle East countries	662	662	*1	—	661	—	—
Southern and Southeastern Asia, total	52,311	52,219	300	*4	51,915	*16	*76
India	1,167	1,167	(¹)	(¹)	1,167	—	—
Indonesia	16,239	16,162	*1	*2	16,159	—	*76
Malaysia	7,466	7,466	*16	*2	7,447	—	—
Philippines	7,333	7,324	191	—	7,133	*9	—
Singapore	14,057	14,050	*50	—	14,000	*7	—
Thailand	3,689	3,689	*40	—	3,649	—	—
Other Southern and Southeastern Asian Countries	670	670	—	—	670	—	—
Eastern Asia, total	57,663	57,519	407	38	57,074	143	—
Taiwan	4,206	4,200	—	—	4,200	*6	—
Hong Kong	8,841	8,760	*1	*6	8,753	*81	—
Japan (including Okinawa and Ryukyu Islands)	40,982	40,925	406	32	40,488	*57	—
South Korea, Republic of	3,269	3,269	—	—	3,269	—	—
Oceania, total	27,552	25,550	657	*191	24,702	69	*1,932
Australia	20,677	18,686	282	*191	18,213	59	*1,932
New Zealand	441	*430	*3	—	*427	*11	—
Other countries of Oceania	6,434	6,434	*372	—	6,062	—	—
Puerto Rico and U.S. Possessions, total	34,117	34,054	610	—	33,444	*57	*6
Puerto Rico	30,867	30,867	609	—	30,257	—	—
Country not stated or not allocable and other income from outside the United States	22,968	22,562	2,745	*25	19,792	381	*24
DISC dividends	311	—	—	—	—	—	—

*Estimate should be used with caution because of the small number of sample returns on which it is based.
¹Less than $500 per return
NOTE: The data in columns 2-11 pertain to the total activity of the taxpayer with income or taxes attributable to a particular country. Since many taxpayers have income or taxes attributable to more than one country, the data in these columns are not additive to any meaningful totals. In a few instances, foreign tax credit claimed may be slightly larger than foreign tax credit computed due to the tolerances allowed in computer testing the unweighted data for inconsistencies. Detail may not add to total because of rounding. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED AND WITH FORM 2555, DEDUCTION FROM, OR EXCLUSION OF, INCOME EARNED ABROAD

Table 3. — Income and Taxes, and Foreign Income, Taxes and Credit, by Selected Country to Which Foreign Taxes Were Paid

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

Selected country	Income and taxes from all sources										
	Number of returns	Adjusted gross income (less deficit)	Taxable income	U.S. income tax against which foreign tax credit was allowed	Foreign tax credit claimed	Gross income from foreign sources	Deductions	Taxable income (less loss) before loss recapture	Foreign taxes paid or accrued	Carryover	Foreign tax credit computed
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
All geographic areas and DISC dividends	59,840	2,692,105	2,596,173	853,584	523,810	3,223,551	818,837	2,404,711	595,218	220,384	524,087
Canada	2,857	126,146	112,346	38,203	26,257	113,330	18,431	94,899	29,066	23,367	26,261
Latin America, total	8,451	413,415	372,975	120,663	72,535	444,953	96,180	348,773	78,314	31,172	72,560
Brazil	2,270	125,752	113,635	38,855	23,927	137,091	30,174	106,917	24,620	6,889	23,928
Colombia	330	18,539	16,769	5,226	3,766	19,356	3,164	16,192	3,936	2,050	3,766
Ecuador	382	11,104	9,858	2,190	1,651	13,818	4,557	9,262	1,898	*1,471	1,651
Mexico	1,264	74,667	65,896	22,415	15,944	64,680	13,193	51,487	18,858	12,949	15,966
Peru	187	10,297	9,524	3,434	2,277	12,088	1,491	10,597	2,452	*419	2,276
Venezuela	2,061	98,611	89,191	28,912	12,414	115,886	30,459	85,427	11,502	2,973	12,414
All other Latin America	2,052	82,581	74,532	22,033	14,361	92,218	19,027	73,191	16,688	5,646	14,373
Other Western Hemisphere, total	272	13,950	12,426	4,228	3,343	14,116	2,446	11,670	3,678	1,286	3,343
Europe, total	23,672	1,263,329	1,128,892	395,284	261,012	1,383,389	345,117	1,038,270	304,102	100,949	261,250
Western Europe	23,545	1,258,359	1,124,323	393,949	260,687	1,377,551	343,641	1,033,906	303,709	100,803	260,935
Belgium	1,916	144,639	134,471	50,953	36,422	154,462	34,856	119,606	39,136	13,976	36,420
France	2,535	137,252	118,193	41,416	28,829	152,301	42,031	110,270	34,671	11,720	28,823
Greece	565	28,747	25,548	8,340	3,819	28,340	5,082	23,258	3,852	*603	3,819
Italy	541	33,401	29,415	11,072	7,560	31,894	5,789	26,105	7,810	1,456	7,490
Spain	970	32,433	29,079	8,649	5,326	37,736	12,198	25,538	6,365	1,856	5,325
Switzerland	2,081	123,772	111,259	42,401	27,115	148,325	41,520	106,805	30,224	9,269	27,530
United Kingdom	7,458	434,875	383,208	135,815	69,025	444,630	107,735	336,895	68,172	13,936	69,144
West Germany	4,684	198,341	176,115	59,592	48,465	225,978	57,492	168,486	61,698	33,466	48,497
All other Western Europe	3,257	201,955	184,586	67,758	49,372	220,033	51,378	168,655	67,639	18,320	49,323
All other Europe	132	7,051	6,609	2,308	602	8,245	1,886	6,359	679	*148	602
Africa, total	3,920	179,842	161,786	51,163	36,380	203,812	53,341	150,471	43,241	10,584	36,381
Egypt	371	18,376	17,219	5,911	3,874	21,770	5,095	16,675	4,191	789	3,874
Nigeria	567	18,624	15,690	4,633	3,435	24,631	9,284	15,347	5,680	1,201	3,435
South Africa	685	35,397	31,034	11,065	5,897	32,555	4,810	27,745	8,039	1,233	5,896
Asia, total	19,309	895,262	811,214	253,731	123,479	1,068,040	301,706	764,333	131,643	50,274	123,501
Middle East, total	10,719	439,098	393,775	112,063	31,355	539,535	159,394	380,141	33,844	13,042	31,377
Iran	903	40,091	36,851	11,020	6,681	38,347	9,168	29,178	6,613	5,294	6,681
Saudi Arabia	8,600	358,949	321,992	91,783	18,618	455,441	139,814	315,627	18,668	5,395	18,639
Other Middle East, total	930	29,359	25,958	6,689	4,419	31,523	5,519	26,004	7,095	1,070	4,421
Israel	639	18,370	16,128	3,891	3,044	17,163	2,248	14,915	5,877	*619	3,046
All other Middle East	291	10,989	9,830	2,798	1,375	14,360	3,271	11,089	1,218	*451	1,375
Other Asia, total	8,646	459,112	420,071	142,492	92,819	530,611	143,484	387,126	98,414	37,829	92,819
China, Republic of	694	28,186	24,370	7,076	4,111	29,844	6,663	23,181	3,905	1,689	4,111
Hong Kong	1,440	69,716	63,820	20,845	8,654	79,681	20,185	59,496	7,979	1,875	8,654
Indonesia	1,204	64,458	59,653	19,896	15,724	74,803	18,215	56,588	16,871	5,599	15,724
Japan	2,393	138,164	127,051	47,245	31,914	173,126	54,891	118,234	33,607	11,213	31,915
Philippines	490	28,211	25,713	8,249	4,881	34,125	10,999	23,126	5,909	3,514	4,881
Singapore	1,138	70,996	64,494	21,445	14,661	75,857	18,066	57,791	14,478	6,370	14,663
Thailand	267	11,810	10,948	3,146	2,697	14,284	2,378	11,906	3,770	2,646	2,688
All other Asia	1,136	55,548	51,449	17,347	11,687	59,575	15,703	43,872	13,314	5,367	11,694
Oceania, total	2,438	88,228	77,870	23,104	17,047	87,210	16,407	70,803	21,310	6,827	17,046
Australia	1,521	62,328	56,026	17,503	13,609	65,036	12,811	52,225	17,042	5,270	13,609
All other Oceania	917	25,900	21,844	5,601	3,438	22,174	3,595	18,578	4,269	1,557	3,437

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED AND WITH FORM 2555, DEDUCTION FROM, OR EXCLUSION OF, INCOME EARNED ABROAD

Table 3. — Income and Taxes, and Foreign Income, Taxes and Credit, by Selected Country to Which Foreign Taxes Were Paid — Continued

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

Selected country	Income and taxes from specific geographic categories										
	Gross income										
	Total	Other than DISC dividends, certain interest and foreign oil related income								Certain interest income	Foreign oil related income
		Total	Dividends	Rents and royalties	Net gain from sale of capital assets	Wages and salaries	Business or profession	Estates and trusts	All other income		
	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
All geographic areas and DISC dividends	3,223,651	3,209,367	11,426	5,203	17,687	3,080,130	65,444	683	28,813	4,976	*8,927
Canada	77,436	76,337	3,104	359	2,480	65,957	1,889	*1	2,548	1,099	—
Latin America, total	426,141	422,455	1,534	1,125	205	404,960	10,635	—	3,996	247	3,439
Brazil	132,027	132,018	*855	*924	*-26	124,183	*2,953	—	3,128	*9	—
Colombia	16,757	16,752	*3	*62	*5	16,736	*14	—	*-70	*5	—
Ecuador	13,818	13,818	—	—	—	13,818	—	—	—	—	—
Mexico	56,576	56,345	247	*36	*1	54,985	*935	—	139	233	—
Peru	11,313	11,313	*85	—	—	10,514	*714	—	—	—	—
Venezuela	111,078	111,078	*86	*71	*182	108,820	*1,801	—	117	—	—
All other Latin America	84,570	81,131	*256	*29	*42	75,903	*4,218	—	680	—	*3,439
Other Western Hemisphere, total	12,781	12,781	—	*14	—	674	—	—	*591	—	—
Europe, total	1,345,802	1,342,632	3,723	2,453	8,241	1,271,473	35,352	*106	21,284	3,170	—
Western Europe	1,339,724	1,336,555	3,723	2,423	8,241	1,265,437	35,351	*106	21,274	3,169	—
Belgium	144,376	144,352	*19	*103	*33	140,397	*672	—	3,129	23	—
France	138,051	137,368	1,098	618	1,939	122,593	2,988	*-11	8,144	683	—
Greece	27,454	27,454	*248	*29	—	27,024	—	—	*153	—	—
Italy	30,932	30,906	*262	*3	—	28,994	*647	—	1,003	*24	—
Spain	35,808	35,799	*2	*64	—	34,416	*1,295	—	*21	*10	—
Switzerland	127,075	126,143	304	635	*334	108,757	*15,034	—	1,077	932	—
United Kingdom	417,971	417,758	191	657	3,791	405,806	4,573	*112	2,629	212	—
West Germany	216,408	215,660	1,057	265	*1,990	201,155	7,751	*4	3,437	748	—
All other Western Europe	201,649	201,113	543	*49	*155	196,295	*2,392	—	1,681	536	—
All other Europe	6,078	6,077	—	*30	—	6,036	*1	—	*10	*1	—
Africa, total	179,999	179,034	1,293	*11	*149	169,510	*5,950	—	2,121	—	*965
Egypt	20,907	20,907	—	—	—	20,905	—	—	*2	—	—
Nigeria	23,495	23,495	—	*4	—	21,770	—	—	*1,721	—	—
South Africa	15,810	14,846	959	—	*102	13,716	*53	—	*16	—	*965
Asia, total	1,042,898	1,041,913	1,479	879	8,173	1,028,908	9,320	*1	-4,846	262	*723
Middle East, total	528,622	528,126	*12	*340	*109	537,755	*916	—	-11,006	(¹)	*496
Iran	34,672	34,672	—	—	—	33,872	—	—	*800	—	—
Saudi Arabia	448,331	447,835	1	*17	*39	460,450	*21	—	-12,692	—	*496
Other Middle East, total	30,096	30,096	*12	*323	*70	27,910	*895	—	*886	(¹)	—
Israel	16,676	16,676	*3	*323	*70	14,506	*895	—	*879	(¹)	—
All other Middle East	13,420	13,420	*9	—	—	13,404	—	—	*7	—	—
Other Asia, total	514,276	513,787	1,467	*539	8,064	491,154	8,403	*1	6,159	262	*227
China, Republic of	28,161	28,115	*676	*87	—	24,528	*2,569	—	*254	*46	—
Hong Kong	77,727	77,685	*67	*23	*3,604	73,312	*378	*1	299	*43	—
Indonesia	70,733	70,507	*1	—	*596	69,356	(¹)	—	554	—	*227
Japan	166,860	166,714	453	*429	*716	157,121	5,434	—	2,561	146	—
Philippines	30,768	30,788	*62	—	*652	29,465	—	—	*609	—	—
Singapore	69,284	69,257	*207	—	*496	67,598	*22	—	934	*27	—
Thailand	13,790	13,790	—	—	—	13,630	—	—	*160	—	—
All other Asia	56,931	56,931	—	—	—	56,142	—	—	769	—	—
Oceania, total	80,133	76,269	*102	*252	*233	73,558	—	*576	1,547	*63	*3,802
Australia	60,104	56,241	*102	*252	*99	54,434	—	*2	1,351	*61	*3,802
All other Oceania	20,030	20,028	—	—	*134	19,124	—	*574	*196	*2	—

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED AND WITH FORM 2555, DEDUCTION FROM, OR EXCLUSION OF, INCOME EARNED ABROAD

Table 3. — Income and Taxes, and Foreign Income, Taxes and Credit, by Selected Country to Which Foreign Taxes Were Paid — Continued

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

Selected country	Income and taxes from all specific geographic categories — continued							
	Deductions				Taxable income (less loss) before loss recapture			
	Total	On income other than DISC dividends, certain interest and foreign oil-related income	On certain interest	On foreign oil-related income	Total	Other than DISC dividends, certain interest and foreign oil-related income	Certain interest income	Foreign oil related income
	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
All geographic areas and DISC dividends	818,837	817,075	660	*1,101	2,404,711	2,392,289	4,315	*7,826
Canada	11,815	11,682	133	—	65,621	64,655	966	—
Latin America, total	94,535	93,624	10	*900	331,605	328,830	237	*2,538
Brazil	28,778	28,778	(¹)	—	103,248	103,240	9	—
Colombia	2,771	2,770	(¹)	—	13,986	13,981	*5	—
Ecuador	4,557	4,557	—	—	9,262	9,262	—	—
Mexico	10,164	10,154	10	—	48,414	48,191	223	—
Peru	1,325	1,325	—	—	9,988	9,988	—	—
Venezuela	29,257	29,257	—	—	81,820	81,820	—	—
All other Latin America	17,684	16,783	—	*900	66,886	64,348	—	*2,538
Other Western Hemisphere, total	2,189	2,189	—	—	10,592	10,592	—	—
Europe, total	338,103	335,604	496	—	1,009,698	1,007,026	2,671	—
Western Europe	334,553	334,054	498	—	1,005,170	1,002,500	2,670	—
Belgium	32,614	32,614	1	—	111,762	111,739	23	—
France	38,313	38,285	29	—	99,738	99,083	654	—
Greece	4,797	4,797	—	—	22,657	22,657	—	—
Italy	5,643	5,642	*1	—	25,289	25,266	*24	—
Spain	11,742	11,742	1	—	24,066	24,057	*9	—
Switzerland	37,053	36,866	187	—	90,022	89,277	745	—
United Kingdom	100,827	100,819	8	—	317,143	316,939	204	—
West Germany	55,923	55,780	143	—	160,484	159,880	605	—
All other Western Europe	47,640	47,510	129	—	154,009	153,603	406	—
All other Europe	1,550	1,550	(¹)	—	4,528	4,527	*1	—
Africa, total	48,396	48,349	—	*47	131,603	130,685	—	*918
Egypt	4,763	4,763	—	—	16,144	16,144	—	—
Nigeria	8,982	8,982	—	—	14,513	14,513	—	—
South Africa	1,788	1,741	—	*47	14,022	13,105	—	*918
Asia, total	296,079	295,915	10	*154	746,818	745,998	252	*568
Middle East, total	156,633	156,479	(¹)	*154	371,988	371,647	(¹)	*341
Iran	7,908	7,908	—	—	26,764	26,764	—	—
Saudi Arabia	138,077	137,922	—	*154	310,254	309,912	—	*341
Other Middle East, total	5,155	5,155	(¹)	—	24,941	24,941	(¹)	—
Israel	2,217	2,217	(¹)	—	14,460	14,459	(¹)	—
All other Middle East	2,938	2,938	—	—	10,481	10,481	—	—
Other Asia, total	139,446	139,436	10	—	374,830	374,351	252	*227
China, Republic of	6,150	6,149	*1	—	22,011	21,966	*45	—
Hong Kong	19,311	19,309	*2	—	58,416	58,376	*41	—
Indonesia	16,678	16,678	—	—	54,055	53,828	—	*227
Japan	53,552	53,546	6	—	113,309	113,168	140	—
Philippines	9,957	9,957	—	—	20,831	20,831	—	—
Singapore	16,534	16,533	*1	—	52,750	52,724	*26	—
Thailand	2,276	2,276	—	—	11,514	11,514	—	—
All other Asia	14,988	14,988	—	—	41,943	41,943	—	—
Oceania, total	14,839	14,836	*3	—	65,294	61,433	*60	*3,802
Australia	11,979	11,976	*3	—	48,124	44,264	*58	*3,802
All other Oceania	2,860	2,860	(¹)	—	17,170	17,168	*1	—

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED AND WITH FORM 2555, DEDUCTION FROM, OR EXCLUSION OF, INCOME EARNED ABROAD

Table 3. — Income and Taxes, and Foreign Income, Taxes and Credit, by Selected Country to Which Foreign Taxes Were Paid — Continued

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

Selected country	Income and taxes from specific geographic categories — continued						
	Foreign taxes paid or accrued						
	Total	On income other than DISC dividends, certain interest and foreign oil-related income				On certain interest	On foreign oil-related income
		Total	Taxes withheld on		Other foreign taxes paid or accrued		
			Dividends	Rents and royalties			
	(31)	(32)	(33)	(34)	(35)	(36)	(37)
All geographic areas and DISC dividends	595,218	592,224	1,186	*59	590,998	1,125	*1,689
Canada	21,013	20,715	186	—	20,529	296	—
Latin America, total	75,901	75,363	353	*11	74,999	48	*490
Brazil	24,172	24,169	*236	*11	23,922	*2	—
Colombia	3,355	3,353	—	—	3,353	*2	—
Ecuador	1,898	1,898	—	—	1,898	—	—
Mexico	17,797	17,753	*44	—	17,709	43	—
Peru	2,276	2,276	*21	—	2,254	—	—
Venezuela	10,805	10,805	—	—	10,805	—	—
All other Latin America	15,598	15,108	*51	—	15,057	—	*490
Other Western Hemisphere, total	3,316	3,316	—	—	3,316	—	—
Europe, total	297,818	297,117	432	*14	296,671	701	—
Western Europe	297,364	296,663	432	*14	296,218	701	—
Belgium	36,391	36,387	([1])	—	36,386	4	—
France	31,704	31,429	*4	—	31,425	274	—
Greece	3,760	3,760	*117	—	3,644	—	—
Italy	7,484	7,479	—	—	7,479	*5	—
Spain	6,264	6,263	—	—	6,263	*2	—
Switzerland	25,793	25,721	38	*1	25,683	72	—
United Kingdom	62,651	62,565	*26	*13	62,527	86	—
West Germany	60,103	59,933	*187	([1])	59,746	169	—
All other Western Europe	63,214	63,125	61	—	63,065	*89	—
All other Europe	454	454	—	—	454	([1])	—
Africa, total	38,215	38,120	121	*2	37,997	—	*96
Egypt	4,037	4,037	—	—	4,037	—	—
Nigeria	5,679	5,679	—	—	5,679	—	—
South Africa	2,454	2,359	56	—	2,303	—	*96
Asia, total	127,349	127,237	62	*32	127,143	39	*73
Middle East, total	31,937	31,930	*2	*32	31,896	([1])	*7
Iran	6,220	6,220	—	—	6,220	—	—
Saudi Arabia	17,686	17,679	([1])	—	17,679	—	*7
Other Middle East, total	6,741	6,741	*2	*32	6,708	([1])	—
Israel	5,679	5,679	([1])	*32	5,647	([1])	—
All other Middle East	1,062	1,062	*1	—	1,061	—	—
Other Asia, total	95,412	95,307	60	([1])	95,247	39	*66
China, Republic of	3,799	3,793	—	—	3,793	*6	—
Hong Kong	7,612	7,612	—	—	7,612	([1])	—
Indonesia	16,018	15,952	([1])	—	15,952	—	*66
Japan	32,706	32,680	9	([1])	32,671	26	—
Philippines	5,533	5,533	([1])	—	5,532	—	—
Singapore	13,271	13,264	*50	—	13,214	*7	—
Thailand	3,649	3,649	—	—	3,649	—	—
All other Asia	12,824	12,824	—	—	12,824	—	—
Oceania, total	20,253	19,212	*7	—	19,205	*10	*1,031
Australia	16,275	15,234	*7	—	15,228	*10	*1,031
All other Oceania	3,978	3,978	—	—	3,978	—	—

*Estimate should be used with caution because of the small number of sample returns on which it is based.
[1]Less than $500 per return.
NOTE: The data in columns 2-11 pertain to the total activity of the taxpayer with income or taxes attributable to a particular country. Since many taxpayers have income or taxes attributable to more than one country, the data in these columns are not additive to any meaningful totals. In a few instances, foreign tax credit claimed may be slightly larger than foreign tax credit computed due to the tolerances allowed in computer testing. Detail may not add to total because of rounding. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Section 9 Individual Income Earned Abroad

Contents

U.S. citizens are generally taxed on their worldwide income regardless of the geographic source of that income. However, citizens with earned income (i.e., salaries, wages, commissions, and fees) from personal services performed in a foreign country were accorded certain tax advantages. Taxpayers were allowed a deduction from gross income for the excess costs of living in a foreign country. As an alternative to this deduction, taxpayers who resided in employer camps in foreign hardship areas could elect to take annual exclusions from gross income up to $20,000 of foreign earned income. In addition, employees of tax-exempt charitable organizations who provided charitable services in less developed foreign countries could exclude from gross income up to $20,000 of foreign earned income. In order to qualify for either the deduction or the exclusions, an individual abroad had to meet either a bona fide residence test or a physical presence test. Many U.S. citizens living in foreign countries were not entitled to the deduction from, or exclusion of, foreign earned income. These included: (1) civilian U.S. Government employees; (2) members of the U.S. Armed Forces; and (3) residents of Puerto Rico, Guam, the U.S. Virgin Islands, Johnston Island, American Samoa, Midway and Wake. Finally, any foreign income excluded from U.S. income taxation, and any foreign taxes paid or accrued on the excluded income, could not be used by taxpayers when they computed their individual foreign tax credits (see Section 8).

The data provided in this section is for Tax Year 1979. The reader should note that the tax provisions described above have been modified by the Economic Recovery Act of 1981. For Tax Year 1982, this Act has eliminated most of the special deductions previously available and provided a general exclusion up to $75,000 in foreign earned income. This maximum exclusion will be increased by $5,000 per year until it reaches $95,000 in 1986. The 1981 Act also provides an exclusion related to housing costs. A Tax Year 1983 individual income earned abroad study is currently being conducted. Results from this study are expected to be available in 1986.

A synopsis of the legislative history related to the deduction, or exclusion, of foreign earned income is presented in a paper in Section 1 of this compendium entitled "Statistics of Income Studies of International Income and Taxes: A Brief Description of the Studies" (page 9). Further detail on this subject is also available in Statistics of Income - 1976-1979, Foreign Income and Taxes Reported on U.S. Income Tax Returns, Publication 1174. (This publication can be ordered from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.) An additional source of information on this subject is a report entitled "Taxation of Americans Working Overseas," prepared by the Office of Tax Analysis, Office of the Secretary, Department of the Treasury.

The reader is also referred to Section 15 of this compendium for the form and instructions listed below, which provided the basis of the 1979 individual income earned abroad data.

* Form 2555, Deduction from, or Exclusion of, Income Earned Abroad, and Instructions (page 483)

TAX YEAR 1979 RETURNS FILED IN CALENDAR YEAR 1980

Table 1. — Income, Tax and Foreign Tax Credit and Income Earned Abroad and Excess Foreign Living Expenses or Exclusion of Income Earned Abroad While Living in a Hardship Area Camp, by Size of Adjusted Gross Income.

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

Size of adjusted gross income	Income and taxes from all sources: Number of returns	Adjusted gross income (less deficit)	Exemptions: Number	Exemptions: Amount	Taxable income	U.S. income tax before credits	Foreign tax credit claimed: Number of returns	Foreign tax credit claimed: Amount	Other credits	Total U.S. income tax: Number of returns	Total U.S. income tax: Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
All returns, total	91,966	3,219,565	273,347	273,347	2,816,826	890,982	49,509	465,462	6,163	63,249	420,020
No adjusted gross income	2,449	-4,864	5,913	5,913	-6,481	—	—	—	—	—	—
$1 under $5,000	10,682	27,877	24,030	24,030	1,398	237	*422	48	*63	1,184	125
$5,000 under $10,000	11,409	87,468	30,786	30,786	51,926	3,896	2,374	1,138	*35	6,587	2,723
$10,000 under $20,000	16,841	245,078	47,496	47,496	184,884	25,020	8,793	10,750	329	11,458	13,941
$20,000 under $30,000	11,491	284,595	33,991	33,991	235,798	44,265	6,898	18,625	1,043	9,164	24,622
$30,000 under $50,000	17,834	696,110	55,436	55,436	816,416	153,186	12,294	64,114	2,247	15,404	87,242
$50,000 under $100,000	16,016	1,094,249	56,282	56,282	997,791	338,454	13,783	186,845	1,450	14,579	150,287
$100,000 under $200,000	4,615	598,676	17,064	17,064	560,083	238,311	4,346	140,341	352	4,263	97,686
$200,000 under $500,000	587	154,468	2,202	2,202	143,664	70,024	563	37,454	412	570	32,173
$500,000 or more	42	35,907	147	147	31,347	17,590	36	6,147	234	40	11,220
Taxable returns, total	63,249	2,792,844	192,715	192,715	2,495,468	805,374	36,520	381,609	4,407	63,249	420,020
Under $10,000	7,771	58,535	17,240	17,240	40,227	3,157	684	274	*35	7,771	2,848
$10,000 under $20,000	11,458	170,055	32,797	32,797	132,167	17,928	4,281	3,896	90	11,458	13,941
$20,000 or more	44,020	2,564,254	142,678	142,678	2,323,075	784,289	31,555	377,439	4,282	44,020	403,231
Nontaxable returns, total	28,717	426,721	80,632	80,632	321,358	85,608	12,989	83,852	1,756	—	—
Under $10,000	16,769	51,945	43,489	43,489	6,617	975	2,112	912	*63	—	—
$10,000 under $20,000	5,383	75,023	14,699	14,699	52,716	7,092	4,512	6,854	*238	—	—
$20,000 or more	6,565	299,752	22,444	22,444	262,024	77,541	6,365	76,066	1,455	—	—

Size of adjusted gross income	Income earned abroad: Total	Salaries and wages: Number of returns	Salaries and wages: Amount	Business and partnership: Number of returns	Business and partnership: Amount	All other income: Number of returns	All other income: Amount
	(12)	(13)	(14)	(15)	(16)	(17)	(18)
All returns, total	3,710,199	69,115	2,553,723	3,398	67,710	46,975	1,088,782
No adjusted gross income	32,276	2,026	25,883	*423	1,857	*592	*4,535
$1 under $5,000	112,177	9,671	100,947	929	4,485	2,477	6,743
$5,000 under $10,000	152,838	10,816	138,420	*339	*2,136	3,067	12,281
$10,000 under $20,000	344,228	16,663	308,713	*354	*2,310	5,278	33,204
$20,000 under $30,000	371,797	11,274	295,765	469	12,244	5,803	63,788
$30,000 under $50,000	798,207	17,775	582,110	*85	*3,345	11,892	212,753
$50,000 under $100,000	1,184,176	15,779	721,602	558	16,118	13,361	446,456
$100,000 under $200,000	573,991	4,532	303,332	172	9,004	4,023	261,655
$200,000 under $500,000	122,400	544	66,517	59	9,970	466	45,913
$500,000 or more	18,110	32	10,434	10	6,242	16	1,434
Taxable returns, total	3,022,285	62,355	2,015,717	1,320	42,979	38,085	963,586
Under $10,000	101,917	7,350	92,581	*168	*1,337	1,959	7,999
$10,000 under $20,000	233,745	11,365	203,995	*185	*1,830	4,145	27,920
$20,000 or more	2,686,623	43,640	1,719,140	967	39,813	31,981	927,668
Nontaxable returns, total	687,914	26,760	538,006	2,078	24,731	8,890	125,178
Under $10,000	195,373	15,163	172,670	1,523	7,142	4,177	15,581
$10,000 under $20,000	110,482	5,298	104,717	169	480	1,133	5,264
$20,000 or more	382,058	6,299	260,618	386	17,109	3,580	104,331

Size of adjusted gross income	Income earned abroad — Continued: Value of excluded meals and lodging: Number of returns	Value of excluded meals and lodging: Amount	Net foreign earned income	Excess foreign living expenses: Total: Number of returns	Total: Amount	Qualified schooling expenses: Number of returns	Qualified schooling expenses: Amount	Qualified home leave transportation expenses: Number of returns	Qualified home leave transportation expenses: Amount
	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)
All returns, total	3,360	25,839	3,684,360	72,599	697,986	20,418	87,563	37,616	95,199
No adjusted gross income	—	—	32,276	1,185	15,869	*255	*896	*425	*1,179
$1 under $5,000	*367	*1,814	110,363	6,864	47,730	773	2,091	2,216	2,413
$5,000 under $10,000	*437	*1,431	151,407	8,874	51,861	1,457	3,027	3,225	4,878
$10,000 under $20,000	717	5,404	338,824	12,779	92,243	2,870	7,281	5,226	10,205
$20,000 under $30,000	834	7,936	363,859	8,417	80,837	1,656	6,306	4,420	10,103
$30,000 under $50,000	767	5,644	792,563	14,123	143,579	4,298	17,253	8,083	21,728
$50,000 under $100,000	198	2,980	1,181,196	15,186	197,253	6,622	34,619	10,269	32,480
$100,000 under $200,000	34	483	573,507	4,543	61,486	2,206	14,381	3,329	10,843
$200,000 under $500,000	*6	*145	122,256	587	6,789	270	1,648	407	1,331
$500,000 or more	—	—	18,110	41	339	11	60	16	39
Taxable returns, total	2,624	22,642	2,999,644	50,124	501,366	15,469	71,035	27,602	75,269
Under $10,000	*268	*1,067	100,850	5,565	29,280	*603	*1,087	1,611	2,207
$10,000 under $20,000	622	5,032	228,713	7,784	53,743	1,926	5,364	3,009	6,694
$20,000 or more	1,734	16,543	2,670,080	36,775	418,342	12,940	64,584	22,982	66,369
Nontaxable returns, total	736	3,197	684,717	22,475	196,620	4,949	16,528	10,014	19,930
Under $10,000	536	2,178	193,195	11,358	86,180	1,882	4,928	4,255	6,263
$10,000 under $20,000	*95	*372	110,110	4,995	38,500	944	1,917	2,217	3,511
$20,000 or more	105	647	381,411	6,122	71,941	2,123	9,682	3,542	10,155

Size of adjusted gross income	Qualified hardship area deduction: Number of returns	Qualified hardship area deduction: Amount	Qualified cost-of-living differential: Number of returns	Qualified cost-of-living differential: Amount	Qualified housing expenses: Number of returns	Qualified housing expenses: Amount	Deduction for excess foreign living expenses	Exclusion of income earned abroad while living in a hardship area camp: Number of returns	Exclusion: Amount
	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)
All returns, total	17,725	74,862	58,362	270,580	32,242	169,802	679,620	19,367	288,068
No adjusted gross income	*170	*850	1,184	9,106	760	3,835	13,294	1,264	14,675
$1 under $5,000	2,155	8,271	5,432	23,881	3,211	11,074	39,982	3,818	50,065
$5,000 under $10,000	1,631	5,671	7,092	27,137	4,563	11,148	48,358	2,535	37,517
$10,000 under $20,000	2,282	8,336	9,979	45,854	6,642	20,567	89,493	4,062	63,585
$20,000 under $30,000	2,436	11,580	6,796	33,469	3,489	19,379	80,353	3,074	44,924
$30,000 under $50,000	4,687	19,312	10,787	48,629	5,847	38,656	142,907	3,711	60,286
$50,000 under $100,000	3,700	17,363	12,534	59,679	6,657	53,113	196,684	830	15,570
$100,000 under $200,000	611	3,235	3,993	21,694	1,210	11,332	61,455	**73	**1,447
$200,000 under $500,000	50	234	530	2,911	60	665	6,776	**	**
$500,000 or more	3	12	35	197	3	31	317	**	**
Taxable returns, total	13,753	57,404	40,016	174,734	20,960	122,923	496,448	13,125	203,426
Under $10,000	1,107	3,252	4,543	16,504	2,693	6,231	27,716	2,206	32,761
$10,000 under $20,000	1,827	6,174	5,911	25,201	3,527	10,310	51,610	3,674	56,960
$20,000 or more	10,819	47,977	29,562	133,029	14,740	106,382	417,122	7,245	113,705
Nontaxable returns, total	3,972	17,458	18,346	95,826	11,282	46,879	183,172	6,242	84,642
Under $10,000	2,849	11,540	9,165	43,622	5,841	19,827	73,916	5,411	69,496
$10,000 under $20,000	455	2,161	4,068	20,653	3,115	10,257	37,883	388	6,625
$20,000 or more	668	3,757	5,113	31,551	2,326	16,795	71,371	443	8,521

*Estimate should be used with caution because of the small number of sample returns on which it was based.
**Data combined to avoid disclosure of information for specific taxpayers.
NOTE: Detail may not add to total because of rounding. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

TAX YEAR 1979 RETURNS FILED IN CALENDAR YEAR 1980

Table 2. — Income, Tax and Foreign Tax Credit, and Income Earned Abroad and Excess Foreign Living Expenses or Exclusion of Income Earned Abroad While Living in a Hardship Area Camp, by Size of Adjusted Gross Income and by Reason Form 2555 was Filed.

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

Size of adjusted gross income and reason Form 2555 was filed	Number of returns	Income and taxes from all sources: Adjusted gross income (less deficit)	Taxable income	U.S. income tax before credits	Foreign tax credit claimed	Total U.S. income tax	Income earned abroad: Total	Salaries and wages	Other income	Net foreign earned income	Excess foreign living expenses	Deduction for excess foreign living expenses	Exclusion of income earned abroad while living in a hardship area camp
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
All returns, total	91,966	3,219,565	2,816,826	890,982	465,462	420,020	3,710,199	2,553,723	1,156,472	3,684,360	697,986	679,620	288,068
Returns with a deduction for excess foreign living expenses	72,599	2,855,903	2,530,331	823,973	452,365	367,945	3,129,919	2,060,401	1,069,515	3,119,432	697,986	679,620	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	19,367	363,661	286,495	67,009	13,097	52,075	580,280	493,321	86,957	564,928	—	—	288,068
No adjusted gross income, total	2,449	*-4,864	-6,481	—	—	—	32,276	25,883	*6,392	32,276	15,869	13,294	14,675
Returns with a deduction for excess foreign living expenses	1,185	*-4,333	-3,834	—	—	—	17,121	11,606	*5,515	17,121	15,869	13,294	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	*1,264	*-531	-2,647	—	—	—	15,155	14,277	*878	15,155	—	—	14,675
$1 under $5,000, total	10,682	27,877	1,398	*237	48	125	112,177	100,947	11,228	110,363	47,730	39,982	50,065
Returns with a deduction for excess foreign living expenses	6,864	19,007	2,355	*103	35	68	54,949	45,948	9,000	54,087	47,730	39,982	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	3,818	8,869	-957	*134	13	56	57,228	54,999	2,228	56,276	—	—	50,065
$5,000 under $10,000, total	11,409	87,468	51,926	3,896	1,138	2,723	152,838	138,420	14,417	151,407	51,861	48,358	37,517
Returns with a deduction for excess foreign living expenses	8,874	67,965	41,266	3,056	1,080	1,941	102,091	90,225	11,866	101,157	51,861	48,358	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	2,535	19,502	10,660	*840	58	781	50,746	48,196	2,550	50,250	—	—	37,517
$10,000 under $20,000, total	16,841	245,078	184,884	25,020	10,750	13,941	344,228	308,713	35,514	338,824	92,243	89,493	63,585
Returns with a deduction for excess foreign living expenses	12,779	186,059	142,815	19,497	9,777	9,420	231,425	211,104	20,320	230,477	92,243	89,493	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	4,062	59,019	42,069	5,523	973	4,522	112,803	97,609	15,194	108,347	—	—	63,585
$20,000 under $30,000, total	11,491	284,595	235,798	44,265	18,625	24,622	371,797	295,765	76,032	363,859	80,837	80,353	44,924
Returns with a deduction for excess foreign living expenses	8,417	207,792	172,342	32,115	17,152	14,310	262,246	210,248	51,997	259,601	80,837	80,353	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	3,074	76,803	63,456	12,150	1,473	10,312	109,552	85,516	24,035	104,259	—	—	44,924
$30,000 under $50,000, total	17,834	696,110	816,416	153,186	64,114	87,242	798,207	582,110	216,098	792,563	143,579	142,907	60,286
Returns with a deduction for excess foreign living expenses	14,123	557,831	498,830	124,208	57,671	65,868	633,605	444,873	188,732	631,250	143,579	142,907	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	3,711	138,279	117,586	28,978	6,443	21,374	164,603	137,237	27,365	161,313	—	—	60,286
$50,000 under $100,000, total	16,016	1,094,249	997,791	338,454	186,845	150,287	1,184,176	721,602	462,574	1,181,196	197,253	196,684	15,570
Returns with a deduction for excess foreign living expenses	15,186	1,042,233	950,502	323,032	183,901	137,994	1,123,487	673,712	449,775	1,121,344	197,253	196,684	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	830	52,017	47,288	15,422	2,943	12,293	60,689	47,890	12,798	59,852	—	—	15,570
$100,000 under $200,000, total	4,615	598,676	560,083	238,311	140,341	97,686	573,991	303,332	270,659	573,507	61,486	61,455	1,432
Returns with a deduction for excess foreign living expenses	4,543	589,658	551,726	204,702	139,468	94,984	565,105	296,354	268,751	564,651	61,486	61,455	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	72	9,018	8,357	3,609	873	2,702	8,886	6,976	1,908	8,856	—	—	1,432
$200,000 under $500,000, total	587	154,468	143,664	70,024	37,454	32,173	122,400	66,517	55,883	122,256	6,789	6,776	—
Returns with a deduction for excess foreign living expenses	587	154,468	143,664	70,024	37,454	32,173	122,400	66,517	55,883	122,256	6,789	6,776	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	—	—	—	—	—	—	—	—	—	—	—	—	—
$500,000 or more, total	**42	**35,907	**31,347	**17,590	**6,147	**11,220	**18,110	**10,434	**7,676	**18,110	**339	**317	**15
Returns with a deduction for excess foreign living expenses	**42	**35,907	**31,347	**17,590	**6,147	**11,220	**18,110	**10,434	**7,676	**18,110	**339	**317	**15
Returns with an exclusion of income earned abroad while living in a hardship area camp	**	**	**	**	**	**	**	**	—	**	—	—	—

Footnotes at end of table.

TAX YEAR 1979 RETURNS FILED IN CALENDAR YEAR 1980

Table 2.—Income, Tax and Foreign Tax Credit, and Income Earned Abroad and Excess Foreign Living Expenses or Exclusion of Income Earned Abroad While Living in a Hardship Area Camp, by Size of Adjusted Gross Income and by Reason Form 2555 was Filed—Continued

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

Size of adjusted gross income and reason Form 2555 was filed	Number of returns	Income and taxes from all sources: Adjusted gross income (less deficit)	Income and taxes from all sources: Taxable income	Income and taxes from all sources: U.S. income tax before credits	Income and taxes from all sources: Foreign tax credit claimed	Income and taxes from all sources: Total U.S. income tax	Income earned abroad: Total	Income earned abroad: Salaries and wages	Income earned abroad: Other income	Income earned abroad: Net foreign earned income	Excess foreign living expenses	Deduction for excess foreign living expenses	Exclusion of income earned abroad while living in a hardship area camp
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Taxable returns, total	63,249	2,792,844	2,495,468	805,374	381,609	420,020	3,022,285	2,015,717	1,006,565	2,999,644	501,366	496,448	203,426
Returns with a deduction for excess foreign living expenses	50,124	2,461,034	2,217,500	741,250	370,829	367,945	2,554,275	1,627,579	926,694	2,545,368	501,366	496,448	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	13,125	331,810	277,969	64,124	10,780	52,075	468,010	388,138	79,871	454,276	—	—	203,426
Under $10,000, total	7,771	58,535	40,227	3,157	274	2,848	101,917	92,581	9,336	100,850	*29,280	27,716	32,761
Returns with a deduction for excess foreign living expenses	5,565	42,775	28,912	2,296	252	2,009	59,608	51,961	7,646	58,967	*29,280	27,716	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	2,206	15,761	11,315	861	22	839	42,309	40,620	1,689	41,883	—	—	32,761
$10,000 under $20,000, total	11,458	170,055	132,167	17,928	3,896	13,941	233,745	203,995	29,750	228,713	53,743	51,610	56,960
Returns with a deduction for excess foreign living expenses	7,784	116,438	91,660	12,622	3,137	9,420	131,233	116,198	15,036	130,309	53,743	51,610	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	3,674	53,617	40,507	5,306	759	4,522	102,512	87,798	14,715	98,404	—	—	56,960
$20,000 or more, total	44,020	2,564,254	2,323,075	784,289	377,439	403,231	2,686,623	1,719,140	967,481	2,670,080	418,342	417,122	113,705
Returns with a deduction for excess foreign living expenses	36,775	2,301,822	2,096,928	726,332	367,440	356,517	2,363,434	1,459,420	904,013	2,356,092	418,342	417,122	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	7,245	262,432	226,147	57,958	9,999	46,714	323,189	259,720	63,467	313,988	—	—	113,705
Nontaxable returns, total	28,717	426,721	321,358	85,608	83,852	—	687,914	538,006	149,907	684,717	196,620	183,172	84,642
Returns with a deduction for excess foreign living expenses	22,475	394,869	312,832	82,724	81,536	—	575,644	432,822	142,821	574,064	196,620	183,172	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	6,242	31,851	8,526	2,885	2,316	—	112,270	105,184	7,086	110,652	—	—	84,642
Under $10,000, total	16,769	51,945	6,617	975	912	—	195,373	172,670	22,703	193,195	86,180	73,918	69,496
Returns with a deduction for excess foreign living expenses	11,358	39,865	10,876	863	863	—	114,553	95,818	18,734	113,397	86,180	73,918	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	5,411	12,080	-4,259	112	*49	—	80,820	76,852	3,967	79,798	—	—	69,496
$10,000 under $20,000, total	5,383	75,023	52,718	7,092	6,854	—	110,482	104,717	5,764	110,110	38,500	37,883	6,625
Returns with a deduction for excess foreign living expenses	4,995	69,621	51,156	6,875	6,640	—	100,192	94,906	5,285	100,168	38,500	37,883	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	388	5,403	1,562	*217	*214	—	10,290	9,811	*479	9,942	—	—	6,625
$20,000 or more, total	6,565	299,752	262,024	77,541	76,086	—	382,058	260,618	121,440	381,411	71,941	71,371	8,521
Returns with a deduction for excess foreign living expenses	6,122	285,384	250,800	74,986	74,034	—	360,899	242,098	118,800	360,499	71,941	71,371	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	443	14,368	11,223	2,555	2,053	—	21,160	18,521	2,640	20,912	—	—	8,521

*Estimate should be used with caution because of the small number of sample returns on which it was based.
**Data combined to aviod disclosure of information for specific taxpayers.
NOTE: Detail may not add to total because of rounding. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

TAX YEAR 1979 RETURNS FILED IN CALENDAR YEAR 1980

Table 3.—Income, Tax and Foreign Tax Credit, and Income Earned Abroad and Excess Foreign Living Expenses or Exclusion of Income Earned Abroad While Living in a Hardship Area Camp, by Selected Country and by Reason Form 2555 was Filed.

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

Selected country and reason Form 2555 was filed	Number of returns	Income and taxes from all sources: Adjusted gross income (less deficit)	Income and taxes from all sources: Taxable income	Income and taxes from all sources: U.S. income tax before credits	Income and taxes from all sources: Foreign tax credit claimed	Income and taxes from all sources: Total U.S. income tax	Income earned abroad: Total	Income earned abroad: Salaries and wages	Income earned abroad: Other income	Income earned abroad: Net foreign earned income	Excess foreign living expenses	Deduction for excess foreign living expenses	Exclusion of income earned abroad while living in a hardship area camp
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
All geographic areas	91,966	3,219,565	2,816,826	890,982	465,462	420,020	3,710,199	2,553,723	1,156,472	3,684,360	697,986	679,620	288,068
Returns with a deduction for excess foreign living expenses	72,599	2,855,903	2,530,331	823,973	452,365	367,945	3,129,919	2,060,401	1,069,515	3,119,432	697,986	679,620	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	19,367	363,661	286,495	67,009	13,097	52,075	580,280	493,321	86,957	564,928	—	—	288,068
Canada	2,508	75,935	65,459	20,157	16,851	3,308	66,398	59,599	6,800	66,398	2,914	2,803	3,299
Returns with a deduction for excess foreign living expenses	2,138	73,202	63,620	19,612	16,405	3,209	62,169	55,975	6,194	62,169	2,914	2,803	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	370	2,734	1,839	*544	*446	*99	4,229	*3,624	*605	4,229	—	—	3,299
Latin America, total	12,930	437,748	382,855	119,441	64,960	54,062	467,339	321,183	146,155	464,286	70,775	69,921	28,389
Returns with a deduction for excess foreign living expenses	10,751	404,474	358,210	114,767	63,204	51,239	417,026	274,792	142,234	414,647	70,775	69,921	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	2,179	33,274	24,646	4,674	1,756	2,822	50,313	46,391	3,922	49,639	—	—	28,389
Brazil	2,907	114,243	101,583	34,436	21,528	12,893	124,174	74,841	49,334	124,016	15,296	15,213	7,301
Returns with a deduction for excess foreign living expenses	2,386	110,477	99,677	34,251	21,504	12,732	115,395	66,819	48,576	115,236	15,296	15,213	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	*521	*3,766	*1,906	*184	*24	*160	*8,780	*8,022	*758	*8,780	—	—	7,301
Mexico	1,752	77,069	67,799	22,245	13,856	8,134	67,203	48,973	18,229	67,203	7,400	7,400	*4,410
Returns with a deduction for excess foreign living expenses	1,399	71,002	63,307	21,232	13,524	7,518	58,924	40,704	18,220	58,924	7,400	7,400	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	*353	*6,067	*4,492	*1,013	*332	*616	*8,279	*8,269	*10	*8,279	—	—	*4,410
Venezuela	2,346	95,540	85,715	27,331	11,463	15,821	111,141	75,126	36,016	110,274	21,881	21,879	*2,243
Returns with a deduction for excess foreign living expenses	2,149	91,682	82,788	26,857	11,169	15,642	105,642	68,826	36,817	104,775	21,881	21,879	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	*197	*3,857	*2,927	*474	*294	*180	*5,499	*6,300	*-801	*5,499	—	—	*2,243
Other Western Hemisphere, total	1,668	27,695	23,484	7,305	2,631	4,673	38,019	31,559	6,460	37,886	6,015	6,015	9,089
Returns with a deduction for excess foreign living expenses	995	27,627	24,697	7,300	2,631	4,668	28,515	22,850	5,865	28,495	6,015	6,015	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	673	*67	-1,213	*5	—	*5	9,503	*8,909	*595	9,390	—	—	9,089
Europe, total	30,790	1,294,761	1,146,219	391,712	234,721	154,875	1,378,201	906,771	471,429	1,377,546	296,768	289,321	11,452
Returns with a deduction for excess foreign living expenses	29,701	1,281,034	1,136,373	389,558	234,113	153,358	1,360,616	890,585	470,030	1,360,001	296,768	289,321	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	1,089	13,727	9,846	2,154	608	1,517	17,585	16,186	*1,399	17,545	—	—	11,452
Western Europe, total	30,530	1,285,661	1,138,009	389,231	234,662	152,453	1,368,522	901,336	467,185	1,367,868	295,206	287,812	11,452
Returns with a deduction for excess foreign living expenses	29,441	1,271,934	1,128,163	387,077	234,054	150,936	1,350,937	885,150	465,786	1,350,323	295,206	287,812	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	1,089	13,727	9,846	2,154	608	1,517	17,585	16,186	*1,399	17,545	—	—	11,452
Belgium	1,814	130,158	121,255	45,681	30,441	15,012	126,643	66,418	60,225	126,462	23,125	23,125	—
Returns with a deduction for excess foreign living expenses	1,814	130,158	121,255	45,681	30,441	15,012	126,643	66,418	60,225	126,462	23,125	23,125	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	—	—	—	—	—	—	—	—	—	—	—	—	—
France (including Andorra)	2,830	136,632	117,799	39,785	25,721	13,762	140,512	94,571	45,941	140,484	36,679	35,494	*280
Returns with a deduction for excess foreign living expenses	2,816	136,220	117,401	39,682	25,721	13,677	139,770	94,571	45,199	139,742	36,679	35,494	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	*14	*413	*399	*102	—	*84	*742	—	*742	*742	—	—	*280
Switzerland	2,511	113,313	99,521	37,587	20,976	16,457	130,286	86,386	43,900	130,276	35,536	34,473	*511
Returns with a deduction for excess foreign living expenses	2,424	112,778	99,166	37,444	20,964	16,326	129,543	85,849	43,693	129,532	35,536	34,473	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	*87	*535	*354	*144	*13	*131	*743	*537	*206	*743	—	—	*511
United Kingdom	8,649	421,046	369,148	128,745	62,051	66,208	420,558	269,441	151,117	420,457	64,230	63,613	4,081
Returns with a deduction for excess foreign living expenses	8,284	417,747	367,136	128,282	61,814	65,983	413,479	262,722	150,757	413,418	64,230	63,613	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	365	*3,299	2,012	*463	*238	*225	7,079	6,719	*360	7,039	—	—	4,081
West Germany	7,199	196,811	171,498	51,614	40,582	10,849	236,251	184,073	52,178	236,251	74,630	72,354	*2,490
Returns with a deduction for excess foreign living expenses	6,945	192,377	168,568	51,134	40,245	10,511	233,042	180,877	52,165	233,042	74,630	72,354	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	*254	*4,434	*2,930	*480	*337	*138	*3,209	*3,196	*13	*3,209	—	—	*2,490

Footnotes at end of table.

TAX YEAR 1979 RETURNS FILED IN CALENDAR YEAR 1980

Table 3.—Income, Tax and Foreign Tax Credit, and Income Earned Abroad and Excess Foreign Living Expenses or Exclusion of Income Earned Abroad While Living in a Hardship Area Camp, by Selected Country and by Reason Form 2555 was Filed.—Continued

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

Selected country and reason Form 2555 was filed	Number of returns	Income and taxes from all sources: Adjusted gross income (less deficit)	Taxable income	U.S. income tax before credits	Foreign tax credit claimed	Total U.S. income tax	Income earned abroad: Total	Salaries and wages	Other income	Net foreign earned income	Excess foreign living expenses	Deduction for excess foreign living expenses	Exclusion of income earned abroad while living in a hardship area camp
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Africa, total	6,848	180,209	156,541	45,687	25,381	20,323	232,477	162,360	70,118	231,197	45,523	42,628	25,531
Returns with a deduction for excess foreign living expenses	4,924	149,430	130,964	39,640	22,801	16,819	182,472	120,742	61,730	181,488	45,523	42,628	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	1,924	30,779	25,576	6,026	2,580	3,504	50,005	41,618	8,386	49,709	—	—	25,531
Egypt	604	28,175	25,900	8,195	3,733	4,122	34,483	21,225	13,258	33,805	3,239	3,239	*2,676
Returns with a deduction for excess foreign living expenses	403	24,958	23,035	7,624	3,640	3,974	28,505	18,357	12,147	27,827	3,239	3,239	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	*201	*3,217	*2,865	*572	*93	*148	*5,978	*4,867	*1,110	*5,978	—	—	*2,676
Nigeria	567	17,522	15,702	4,496	3,069	1,419	25,440	15,524	9,916	25,213	5,829	5,825	*3,309
Returns with a deduction for excess foreign living expenses	292	12,303	10,930	3,501	3,011	489	18,618	10,264	8,354	18,391	5,829	5,825	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	*275	*5,219	*4,773	*995	*58	*929	*6,822	*5,260	*1,562	*6,822	—	—	*3,309
South Africa (including Southwest Africa)	249	10,568	9,463	2,926	1,594	1,332	11,989	10,652	13,258	11,989	978	978	—
Returns with a deduction for excess foreign living expenses	249	10,568	9,463	2,926	1,594	1,332	11,989	10,652	13,258	11,989	978	978	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	—	—	—	—	—	—	—	—	—	—	—	—	—
Asia, total	33,699	1,104,954	958,477	282,200	105,696	173,762	1,409,861	978,677	431,183	1,389,570	266,663	259,705	182,179
Returns with a deduction for excess foreign living expenses	22,256	842,746	746,910	231,411	98,155	132,281	999,996	639,817	360,176	993,590	266,663	259,705	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	11,443	262,208	211,587	50,788	7,541	41,481	409,865	338,659	71,005	395,980	—	—	182,179
China, Republic of (Taiwan)	1,329	33,120	25,908	6,692	3,507	3,178	33,184	20,506	12,678	33,182	6,753	6,753	*931
Returns with a deduction for excess foreign living expenses	1,231	31,569	24,829	6,525	3,507	3,011	31,236	19,107	12,129	31,234	6,753	6,753	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	*98	*1,551	*1,079	*167	—	*167	*1,948	*1,399	*549	*1,948	—	—	*931
Hong Kong	1,789	74,509	67,814	21,285	8,256	12,948	84,202	51,751	32,450	84,058	16,206	16,206	—
Returns with a deduction for excess foreign living expenses	1,789	74,509	67,814	21,285	8,256	12,948	84,202	51,751	32,450	84,058	16,206	16,206	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	—	—	—	—	—	—	—	—	—	—	—	—	—
Iran	2,664	89,487	73,226	18,304	1,517	16,752	53,585	35,181	18,403	53,043	6,510	4,006	1,923
Returns with a deduction for excess foreign living expenses	1,901	65,717	55,685	14,081	1,108	12,947	39,782	23,341	16,441	39,326	6,510	4,006	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	763	23,770	17,541	4,224	*409	3,805	13,803	11,841	*1,962	13,717	—	—	1,923
Israel	1,771	27,048	20,032	4,309	2,827	1,514	24,804	22,003	2,801	24,803	5,987	5,442	*1,127
Returns with a deduction for excess foreign living expenses	1,602	25,846	20,263	4,140	2,658	1,514	23,020	20,219	2,801	23,018	5,987	5,442	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	*169	*1,202	*-232	*169	*169	—	*1,784	*1,784	—	*1,784	—	—	*1,127
Japan (including Okinawa and Ryukyu Islands)	3,898	133,023	117,962	42,586	28,978	13,587	168,625	100,677	65,947	166,251	59,853	56,351	*510
Returns with a deduction for excess foreign living expenses	3,814	133,023	118,046	42,586	28,978	13,587	166,114	100,167	65,947	165,740	59,853	56,351	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	*84	—	*-84	—	—	—	*510	*510	—	*510	—	—	*510
Saudi Arabia	12,554	427,149	375,075	103,904	16,288	85,394	642,900	504,455	138,443	626,290	91,415	91,415	142,136
Returns with a deduction for excess foreign living expenses	4,709	227,976	207,803	63,908	11,376	51,921	320,503	241,575	78,927	317,080	91,415	91,415	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	7,845	199,172	167,272	39,996	4,912	33,473	322,397	262,880	59,516	309,210	—	—	142,136
Oceania, total	3,517	97,683	83,250	24,277	14,999	9,017	117,111	92,934	24,176	116,715	9,255	9,155	28,128
Returns with a deduction for excess foreign living expenses	1,828	78,812	69,017	21,461	14,832	6,371	78,331	55,199	23,131	78,279	9,255	9,155	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	1,689	20,871	14,233	2,816	166	2,646	38,780	37,735	*1,045	38,435	—	—	28,128
Country not stated	*6	*579	*540	*224	*223	**	*795	*641	*154	*763	*72	*72	—
Returns with a deduction for excess foreign living expenses	*6	*579	*540	*224	*223	**	*795	*641	*154	*763	*72	*72	—
Returns with an exclusion of income earned abroad while living in a hardship area camp	—	—	—	—	—	—	—	—	—	—	—	—	—

*Estimate should be used with caution because of the small number of sample returns on which it was based.
**Data deleted to avoid disclosure of information for specific taxpayers.
NOTE: Detail may not add to total because of rounding. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Section 10 U.S. Possessions Excluded Income

Contents

A citizen of the United States who works as an employee or operates a business in certain U.S. possessions may qualify for an exclusion from gross income, as calculated for U.S. income tax purposes. The exclusion is for that income received from sources outside of the United States. When the exclusion is elected by a qualifying individual, that individual loses certain other tax benefits (involving the use of exemptions, deductions, and credits). For this reason, the income exclusion was not always advantageous to individuals meeting the qualifications.

To qualify for the possessions exclusion, U.S. citizens must meet two income tests during a three-year test period. First, 80 percent or more of gross income must be from sources in a possession. Second, 50 percent or more of the same income must be from the active conduct of a trade or business within a possession. The test period is the time an individual is an employee or operates a business in a possession during the current and two previous tax years.

U.S. possessions such as the Johnston Island, American Samoa, and the Midway Islands qualify for the income exclusion. However, Guam, the Northern Mariana Islands, Puerto Rico, and the Virgin Islands do not qualify.

A brief summary of the possessions exclusion is presented in a paper in Section 1 of this compendium. The paper is entitled "Statistics of Income Studies of International Income and Taxes: A Brief Description of the Studies" (page 9). Additional detail on this subject is included in this section based on a study of those 1983 income tax returns which showed an election of the exclusion. The paper also illustrates the advantages and disadvantages of using the exemption relative to the rules governing the filing of individual income tax returns.

The basis of the data contained in this section are Forms 1040 and attached Forms 4563. Both are reproduced in Section 15 of this compendium and listed below:

* Form 1040, U.S. Individual Income Tax Return (page 448)
* Form 4563, Exclusion of Income from Sources in United States Possessions, and Instructions (page 496)

Exclusion of U.S. Possessions Source Income, 1983

By Bill Sutton and James Hobbs*

In Tax Year 1983, there were 134 U.S. citizens who elected to exclude $3.3 million from their gross income for U.S. tax purposes. This excluded income was received from sources outside of the United States, with over 99 percent of the income being derived from U.S. possessions. The individuals who qualified for the possessions exclusion either worked as employees or operated businesses in these possessions. The Johnston Island, which is south-west of the Hawaiian Islands in the Pacific Ocean, was the principal location of economic activity for individuals electing the exclusion, accounting for 103 of the individuals and $2.4 million of the excluded income.

BACKGROUND

The possessions exclusion allows a U.S. citizen the option to exclude from gross income (when calculated for U.S. income tax purposes) amounts received from sources outside the United States. This exclusion applies only to individuals. To qualify for the exclusion, an individual must have either worked as an employee or operated a business in a possession of the United States. In addition, the individual must meet two income tests during a 3-year test period. First, 80 percent or more of gross income must be from sources in a possession. Second, 50 percent or more of gross income must be from the active conduct of a trade or business within a possession. The test period is the period the individual was employed or engaged in a business in a possession during the three years immediately before the close of the current tax year. For purposes of this study, the test period was included in Tax Years 1981-1983.

The following U.S. possessions qualify for the exclusion: American Samoa, Baker Island, Howland Island, Jarvis Island, Johnston Island, Kingman Reef, Midway Islands, Palmyra, Wake Island, and other U.S. islands, cays, and reefs that are not part of any of the 50 States. However, the following possessions do not qualify for the exclusion: Guam, the Northern Mariana Islands, Puerto Rico, and the Virgin Islands [1]. In addition, a U.S. military base leased from a foreign government is not considered a possession for purposes of the exclusion.

If a person qualifies for the exclusion, then the excluded income is that income derived during the taxable year (1983 for this study) from sources outside the United States and that is also received outside the United States. Possessions are considered outside of the United States. This includes total earned income (such as wages and business income), capital gains, and other investment income (such as dividends, interest, rents, and royalties). However, wages, salaries, and other forms of pay received from the U.S. Government by civilian and military employees residing anywhere in the world are not considered part of excluded income.

Even for individuals qualifying for the exclusion, certain types of income (in addition to that described above) could not be excluded from gross income, and therefore, were subject to U.S. income tax. These included: (1) all income received during the tax year that was not part of the test period, (2) all income derived from U.S. sources, and (3) all income from foreign and possession sources received in the United States.

Disadvantages of Using the Exclusion

For some individuals who qualify for the income exclusion, it may not be advantageous to use the exclusion. This is because when the exclusion is elected, the individual is subject to limitations on other tax benefits. Consequently, the individual's U.S. tax liability may be less without the possessions exclusion than with it.

If the possessions exclusion is used, then the individual can deduct only one personal exemption ($1,000 for 1983) from gross income. Thus, exemptions for a spouse, children, and other dependents are lost, as well as additional exemptions for blindness or age (65 years or over).

Use of the possessions exclusion also required an individual to itemize deductions. The "zero bracket amount" could not be used. In general, deductions could be claimed only if they were related to income from U.S. sources. However, the deductions could not exceed that income. No deductions for medical expenses and expenses incurred to earn exempt income were allowed. Deductions for contributions were generally limited to U.S. charities. Nonbusiness casualty and theft losses could only be deducted when the property was located in the United States. Deductions were allowed for losses incurred in certain profit-motivated transactions, even though they were not connected with a trade or business. (These transactions must have been such that if a profit had been made, then it would have been taxable.) Any amounts of these losses, and also the nonbusiness casualty and theft losses, which were reimbursed by insurance, were not allowed as deductions.

Certain credits were also lost when an individual elected to use the possessions exclusion. A credit for income taxes paid to a foreign country or a U.S. possession was not allowed. (Neither could these taxes be used as deductions.) In addition, the

*Foreign Returns Analysis Section. Prepared under the direction of Daniel Skelly, Chief, Foreign Statistics Branch.

earned income credit could not be claimed by individuals using the possessions exclusion.

Two additional lost tax benefits should be mentioned. The deduction for working married couples was not allowed when the possessions exclusion was elected. Finally, when the exclusion was used, income averaging could not be used to calculate U.S. income tax.

Based on the discussion above, it is apparent that it may not be to the advantage of an individual to use the possessions exclusion if the exemptions, deductions, credits, and other tax benefits available when the exclusion is not used would have produced a lower U.S. tax liability. This explains to some degree the limited use of the possessions exclusion.

CHARACTERISTICS OF THE DATA

In 1983, there were 134 U.S. citizens who elected to use the possessions exclusion. (See Table 1.) These individuals were able to exclude $3.3 million, or over 95 percent, of their $3.5 million of worldwide income. Almost all of the excluded income came from sources in U.S. possessions. The last possessions income exclusion study was for Tax Year 1974. In comparison, for that year there were 604 individuals claiming possessions exclusions of $9.1 million, on worldwide gross income of $9.6 million. It should be noted that some of the disadvantages (lost tax benefits, such as the deduction for working married couples) associated with using the exclusion did not exist in 1974. This, in part, explains the drop in the use of the possessions exclusion from 1974 to 1983.

Individuals using the possessions exclusion were either employees, or operators of trades or businesses. Most of the $3.3 million of U.S. possessions source income was earned income. In fact, over 99 percent of this income was either wages, salaries, or income from the active conduct of a trade or business [2].

The amount of worldwide income for individuals using the exclusion averaged $25,800. U.S. possessions source income accounted for $24,600 of this average amount. By comparison, the average total gross income for all individual tax return filers (over 96 million) for 1983 was $21,100. Of this amount, salaries and wages made up 81 percent and business income comprised 3 percent [3].

Despite the possessions exclusion, individuals did have income from sources in the United States, which was subject to U.S. income tax. On Forms 4563, Exclusion of Income From Sources in United States Possessions, $146,000 was reported for U.S. source income in 1983. However, the companion Forms 1040, U.S. Individual Income Tax Returns, showed $360,000 of total income. The difference between these amounts reflects income received during the tax year which was not part of the test period. This income, which was not reported on Form 4563, was subject to tax regardless of its source or the place in which it was actually received.

The $360,000 of total income was comprised mostly (55 percent) of salaries and wages. However, unlike the excluded income, there were significant amounts of investment income. Interest and dividends accounted for $95,000, or 26 percent of the total. Finally, after all exemptions, adjustments, deductions, and credits had been applied against total income, the total U.S. tax liability for the 134 individuals amounted to $32,000.

Possessions Data

The Johnston Island was the U.S. possession with the largest amount of excluded income. Of the 134 individuals that used the exclusion, 103 reported the Johnston Island as the source of their possession income. These individuals accounted for $2.4 million, or 73 percent, of the total $3.3 million of U.S. possessions source income. Other possessions which accounted for the remaining amounts of excluded income were the Midway Islands ($382,000), American Samoa ($334,000), and Wake Island and Kingman Reef (combined total of $166,000). No individual reported Baker Island, Howland Island, Jarvis Island, and Palmyra as the source of possessions excluded income in 1983.

Test Period Income

To qualify for the possessions income exclusion, an individual had to meet two income tests. These tests were based on the period of time the individual was employed or engaged in business in a possession during the three years immediately before the close of the current tax year. The test period was 1981-1983 for this study.

The first test required that 80 percent or more of worldwide gross income be from sources in a U.S. possession. The second test further required that 50 percent or more of the same worldwide gross income be either salaries, wages, or other income from the active conduct of a trade or business in a possession. As shown in Table 1, during the test period nearly 96 percent of the $6.2 million of worldwide gross income was from possessions. Almost all of this possessions-source income was earned income, such as salaries and wages. Thus, the typical individual using the possessions exclusion had little trouble qualifying under the income tests.

SUMMARY

An individual could qualify to exclude (for U.S. income tax purposes) income received from sources outside the United States. To qualify for the exclusion, the individual had to meet certain income tests, which measured both the amount and type of income received from sources in U.S. possessions, as compared to the individual's worldwide income. However, even for those individuals who met the qualifications, the income exclusion was not always advantageous. This is because when the exclusion was elected, the individual was denied other tax benefits. For 1983, 134 individuals, in order to reduce their overall U.S. income tax liability, elected to use the possessions income exclusion. As a result, $3.3 million of income was excluded from the gross income of these individuals for U.S. income tax purposes.

DATA SOURCES AND PROCESSING NOTES

All individuals who elected to use the possessions exclusion were required to attach Forms 4563 to their Forms 1040 and file their returns at the Internal Revenue Service's Philadelphia Service Center. The data contained in this article were extracted from all of these forms filed for Tax Year 1983. Since no statistical sampling was involved in the study, the data in this article are not subject to sampling error.

Prior to tabulation the data from all of the returns were manually checked for accuracy. This included the verification on each return that the individual did in fact qualify for the possessions exclusion under the 80 percent and 50 percent tests.

In addition, taxpayer reporting errors were detected and corrected where possible. While there were no major reporting errors, taxpayers reported the amount of excluded possessions income differently on their Forms 1040. Adjustments were made to ensure that the amount of income tabulated from Forms 1040 did not include amounts of excluded possessions income.

EXPLANATION OF SELECTED TERMS

Deduction for Working Married Couples. -- This was a deduction for married couples with both spouses working. For 1983, the amount of this deduction was equal to 10 percent of the lessor of $30,000 or the qualified earned income of the lower earning spouse. This deduction could not be used when the possessions exclusion was elected.

Earned Income Credit. -- This was a credit available to low-income workers who maintained a household and had a dependent child or children whom they claimed as exemptions. This credit was based on earned income, such as wages, salaries, and other employee compensation. Taxpayers who claimed the possessions exclusion were not eligible for this credit.

Income Averaging. -- A U.S. taxpayer with unusual fluctuations in income was able to reduce the tax in higher income years by using income averaging. The standard income averaging computation permitted a part of an unusually large amount of taxable income for any one year to be taxed at lower rates, thus resulting in a lower amount of tax due than would have resulted if the taxpayer had computed tax using the regular tax computation method. Income averaging could not be used by individuals electing to use the possessions exclusion.

Zero Bracket Amount. -- This amount was not available to U.S. individuals who used the possessions exclusion. These individuals were required to itemize their deductions. The zero bracket amount replaced the "standard deduction," which was in effect for 1976 and earlier years. For 1983, the zero bracket amount was $3,400 for married taxpayers filing jointly and surviving spouses, $2,300 for single persons and heads of households, and $1,700 for married taxpayers filing separately.

NOTES AND REFERENCES

[1] Guam, the Northern Mariana Islands, Puerto Rico, and the Virgin Islands have their own independent tax systems. U.S. citizens who derived income from sources in these islands generally had to file tax returns with the tax department of the appropriate island. However, under certain circumstances (based on residency and sources of all forms of income), these citizens were required to file tax returns with the U.S. Internal Revenue Service.

[2] Most of the individuals who elected the possessions exclusion were involved in the engineering and construction industries. Of the 124 returns in which a business activity could be determined, over 86 percent of the individuals were in these industries.

[3] Preliminary data, Selected Statistical Series, 1970-1985, Statistics of Income Bulletin, Spring 1985, p. 78.

Table 1. -- Test Period and Tax Year 1983 Gross Income, Income Exclusion, Adjusted Gross Income and U.S. Income Tax, by U.S. Possession and Size of 1983 Worldwide Gross Income

[Money amounts are in U.S. dollars]

U.S. possession and size of 1983 worldwide gross income	Form 4563, Exclusion of Income from Sources in United States Possessions									
	Number of returns	Test period gross income 1/			Tax Year 1983 gross income					Income exclusion (Col. 6 plus Col. 9)
		Worldwide income	U.S. possessions source income: Total	U.S. possessions source income: From salaries, wages, or the active conduct of a trade or business	Worldwide income	U.S. possessions source income: Total	U.S. possessions source income: From salaries, wages, or the active conduct of a trade or business	U.S. source income	Income from sources outside the United States and U.S. possessions	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All U.S. possessions, total	134	6,218,920	5,961,850	5,945,101	3,450,754	3,301,552	3,287,140	145,824	3,378	3,304,930
$1 under $10,000	10	117,307	113,493	113,477	66,032	64,041	64,033	1,992	--	64,041
$10,000 under $20,000	23	506,133	500,277	500,277	354,840	346,153	346,153	8,688	--	346,153
$20,000 under $30,000	66	2,822,863	2,752,704	2,743,239	1,643,327	1,602,332	1,592,867	38,293	2,702	1,605,034
$30,000 under $40,000	20	1,318,522	1,220,682	1,221,989	686,648	645,573	647,279	41,075	--	645,573
$40,000 and over	15	1,454,095	1,374,694	1,366,119	699,907	643,453	636,808	55,776	676	644,129
American Samoa	12	862,705	826,995	819,711	348,626	334,431	329,484	10,819	3,378	337,809
Johnston Island	103	4,507,065	4,335,955	4,333,455	2,512,934	2,419,567	2,417,067	93,368	--	2,419,567
Midway Islands	11	589,643	544,819	544,819	418,713	381,649	381,649	37,064	--	381,649
Wake Island and Kingman Reef	8	259,507	254,081	247,116	170,479	165,905	158,940	4,574	--	165,905

U.S. possession and size of 1983 worldwide gross income	Form 1040, U.S. Individual Income Tax Return								
	Income						Adjusted gross income	U.S. total income tax 2/	
	Total	Salaries and wages	Interest and dividends	Business income or (loss)	Capital gain or (loss)	Other		Before credits 3/	After credits
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
All U.S. possessions, total	359,971	197,922	94,564	16,818	18,946	31,723	334,760	33,865	31,552
$1 under $10,000	68,230	35,516	5,638	--	--	27,076	65,213	8,914	8,762
$10,000 under $20,000	94,384	83,428	10,395	--	-631	1,192	82,690	9,365	7,291
$20,000 under $30,000	91,230	42,208	35,109	12,978	520	415	89,558	8,350	8,288
$30,000 under $40,000	43,032	--	26,723	3,840	6,392	6,077	38,095	3,257	3,232
$40,000 and over	63,095	36,770	16,699	--	12,665	-3,037	59,204	3,979	3,979
American Samoa	116,495	70,057	15,136	12,978	1,974	16,350	113,478	14,077	13,925
Johnston Island	126,043	27,691	71,543	3,840	14,906	8,064	117,434	10,966	10,941
Midway Islands	95,020	83,684	7,692	--	2,066	1,579	82,243	7,625	5,489
Wake Island and Kingman Reef	22,413	16,490	193	--	--	5,730	21,604	1,197	1,197

1 Amounts of "test period income" are for Tax Years 1981 through 1983.
2 Includes amounts ($1,118) of self-employment tax and alternative minimum tax.
3 Includes amounts ($2,313) of energy and child care credits.
NOTE: Detail may not add to totals because of rounding.

Section 11

Nonresident Alien Income and Tax Withheld

Contents

In general, U.S. individuals or organizations paying income to nonresident aliens are subject to a U.S. withholding tax. A nonresident alien is an individual who is not a U.S. citizen nor a resident of the United States. Also included are organizations such as corporations, estates, and trusts that are created outside the United States. The tax liability is withheld by the U.S. payor or a representative, usually a financial institution.

U.S. payors are subject to a 30 percent withholding tax on wages and salaries, dividends, interest, royalties, fees, etc., paid to nonresident aliens and derived from sources within the United States. However, if the income is considered "effectively connected" with the conduct of a trade or business within the United States, the tax rate applicable to the income is substantially the same as that for United States residents. (See Section 5 of this compendium).

The withholding tax rate may be reduced to a rate lower (even zero) than the typical 30 percent, if the country of the nonresident alien has an Income Tax Convention (tax treaty) with the United States. A major intention for these reduced withholding tax rates is to lessen or eliminate double taxation of nonresident alien income, as this income may be subject to taxation in the recipient's country. Similarly, the tax rate on dividends paid to nonresidents located in tax treaty countries is generally reduced to 15 percent, or to 5 percent if the nonresident owns a substantial share of the voting stock of a U.S. corporation. The articles contained in this section show data for nonresident aliens located in "treaty" and "nontreaty" countries. There is also a brief summary on this subject in a paper in Section 1 of this compendium. The paper is entitled "Statistics of Income Studies of International Income and Taxes: A Brief Description of the Studies" (page 9).

The basis of the data contained in this section (including gross income paid and tax withheld) is Forms 1042S that are filed by U.S. payors. A copy of this form and its instructions (also listed below) are contained in Section 15 of the compendium for use by the reader.

* Form 1042S, Income Subject to Withholding under Chapter 3, Internal Revenue Code, and Instructions (page 449)

Withheld, 1971-1979

By Chris Carson*

The Internal Revenue Code requires that income paid by U.S. "persons" to nonresident aliens be taxed by withholding. In 1979, over $5 billion of income was paid to nonresident aliens by U.S. organizations and "persons." The U.S. tax withheld on this income exceeded $620 million. This tax was applied primarily to "passive" or unearned income, that is, income that was not connected with the conduct of a trade or business in the United States.

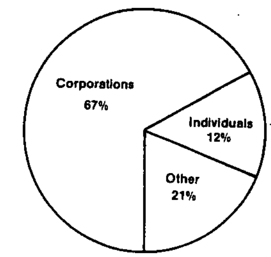
The basic tax rate on this income is 30 percent, although certain types of income are taxed at lower rates. Income paid to residents of countries that have entered into tax treaties with the United States, however, is typically taxed at a lower rate, also varying by type of income. The payor of the income is responsible for withholding this tax. When the tax is withheld, this represents final payment of the tax liability. No additional forms need be filed by either the recipient or the payor. Common examples of income subject to this tax are: dividends, interest, certain capital gains, royalties, pensions, scholarships, alimony and compensation for certain services. Certain kinds of most of these forms of income are exempt from withholding [1]. These include interest on deposits, certain dividends, interest on U.S. Treasury bills, and most capital gains. The major payors (organizations and "persons") of this income are corporations, individuals, partnerships, estates, and trusts.

The most common types of income paid to nonresident aliens are dividends and interest. These accounted for approximately 86 percent of all income paid in 1979.

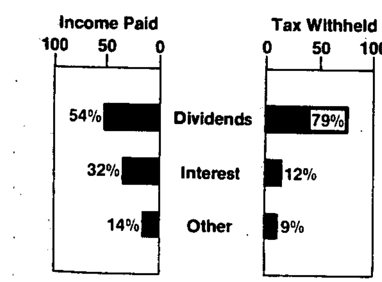
The relatively large percentage of total tax withheld on dividend income can be attributed partially to higher tax rates on dividend income than on most other income types in many major income-receiving countries with tax treaties. The tax rate on interest payments to recipients in these countries is usually lower. In the case of most kinds of interest payments to some countries, for example, the United Kingdom and West Germany, no U.S. tax is withheld.

Corporations and individuals received about 79 percent of all U.S. income paid to nonresident alien persons. Other common recipients include: partnerships, fiduciaries, nominees, government organizations, exempt organizations, and private foundations.

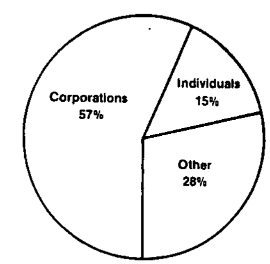
Percent of Total Income Paid, by Recipient Type, 1979



Percent of Total Income Paid and Percent of Total Tax Withheld, by Income Type, 1979



Percent of Total Tax Withheld, by Recipient Type, 1979



*Foreign Statistics Section. Prepared under the direction of Daniel F. Skelly, Chief, with technical assistance from Bill States.

The percent of income that is exempt from withholding varies among recipient types. Only 57 percent of the total U.S. tax withheld was withheld from income paid to foreign corporations, although these same foreign corporations received 67 percent of the total income. This can be attributed to the fact that a relatively large amount of income paid to corporations was exempt from withholding (32 percent). As only 20 percent of the income paid to individuals and 19 percent of the income paid to other noncorporate recipients was exempt from withholding, their proportion of the total tax withheld was relatively high (15 percent and 28 percent, respectively) when compared to the proportion of income they received (12 percent and 21 percent, respectively).

Although recipients in tax treaty countries typically enjoy lower U.S. tax rates, if the income is paid to a nominee or fiduciary, additional withholding is often required to be held by the country of the nominee or fiduciary in accordance with the applicable tax treaty. The purpose of this additional withholding is to prevent citizens of nontreaty countries from taking advantage of the lower tax rates of treaty countries. The foreign government holds this additional tax until the ultimate recipient proves residency in that country. If residence is not proven within a period of time specified by the treaty, the tax is remitted to the United States (see Table 2, column 7.) In the case of Canada, nominees and fiduciaries remit this additional tax directly to the Internal Revenue Service (IRS), acting as the withholding agents.

INCOME AND TAX TRENDS

Both income paid and tax withheld have increased substantially in recent years [2]. Between 1977 and 1979, income has risen 55 percent while taxes rose 33 percent. The fact that income has risen faster than taxes is partially due to a sharp increase in the amount of income exempt from withholding (129 percent) compared to the increase in income subject to withholding (40 percent) during this period.

Trends by Income Type

Interest paid, which increased by 139 percent in this period, was the major factor in the total increase in income. This is probably attributable to the rising interest rates available to investors in the United States during this period. Dividend income and other income types increased by 34 percent and 37 percent, respectively.

Income Type	Gross Income Paid (in thousands) 1977	1978	1979
Dividends.....	$2,047,105	$2,867,596	$2,707,108
Interest......	666,053	990,949	1,591,309
Other.........	525,369	592,262	717,728
Total........	3,238,527	4,450,807	5,016,145

Trends by Country of Recipient

Increases in the amount of income paid to residents of certain countries have been substantial. From 1971 to 1979, income paid to recipients in West Germany and Japan has increased approximately three-fold and five-fold, respectively, after adjustments for inflation. The yearly real increase, in 1971 dollars, for Japan exceeded 20 percent while such increases for West Germany and France were greater than 10 percent.

BASIC TABLE INFORMATION

Table 1 shows gross income paid by year and percentage change in this income paid for selected countries. Shown for 1979, in Table 2, are number of Forms 1042S (Income Subject to Withholding Under Chapter 3, Internal Revenue Code) filed, income paid, and tax withheld by treaty and nontreaty countries. Other treaty and nontreaty country data are available for tax haven countries in a separate report [3]. Tax amounts withheld by domestic and foreign withholding agents are also shown. Gross income paid is categorized by amounts subject to withholding and amounts exempt from withholding. Shown in Table 3 are total income paid and amounts of tax withheld by income type for corporations and individuals in selected countries for 1979.

Information dealing with the source of the data and the sample can be found following these tables.

Table 1.--Gross Income Paid by Year, Percent Total Increase, and Percent Increase Per Year, by Country of Recipient

[Money amounts are in thousands of dollars]

Country or Geographic area	Gross income paid: 1971	Gross income paid: 1975	Gross income paid: 1979	Percent increase--1971 to 1979: Total	Percent increase--1971 to 1979: Average per year	1971 dollars[1]: Total	1971 dollars[1]: Average per year
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total..................	1,671,097	2,634,179	5,016,145	200.2	14.7	77.1	7.4
Canada........................	265,815	406,901	780,663	193.6	14.4	73.0	7.1
France........................	75,264	192,806	357,150	374.5	21.5	179.9	13.7
Germany, Federal Republic.....	74,479	95,370	380,628	411.0	22.6	201.4	14.8
Japan.........................	40,340	90,466	341,371	746.2	30.6	399.2	22.3
Netherlands...................	193,528	209,842	477,056	146.5	11.9	45.4	4.8
Netherlands Antilles..........	164,028	212,122	343,328	109.3	9.7	23.5	2.7
Switzerland...................	314,141	600,027	702,376	123.5	10.6	31.9	3.5
United Kingdom................	352,465	410,468	633,676	79.7	7.6	6.0	0.7
Other countries...............	191,037	416,177	999,897	423.4	23.0	208.7	15.1

[1]1979 dollars deflated using GNP Implicit Price Deflator [4]. Percentages showing average change per year were computed considering the effects of compounding.

NOTE: Income data for 1979 shown in this table do not match those shown elsewhere in this article for France and the United Kingdom as some dependencies were included for these countries for year-to-year comparability purposes.

Table 2.--Number of Forms 1042S Filed, Gross Income Paid, Tax Withheld, and Other Items, by Selected Treaty and Nontreaty Countries, 1979

[Money amounts are in thousands of dollars]

Country or Geographic area	Number of Forms 1042S filed	Income paid: Total	Income paid: Exempt from withholding	Income paid: Subject to withholding	Tax withheld: Total	Tax withheld: Domestic withholding agents	Tax withheld: Foreign Governments and withholding agents
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total..................	585,905	5,016,145	1,377,483	3,638,662	620,546	545,980	74,566
Treaty country, total.........	484,137	4,266,829	1,233,292	3,033,537	506,557	431,991	74,566
Australia..................	7,247	11,726	1,659	10,067	2,011	2,011	-
Austria....................	4,648	11,815	3,174	8,641	1,721	1,721	-
Belgium....................	12,102	86,410	15,808	70,602	13,583	10,645	2,938
Canada.....................	260,444	779,663	178,815	600,848	119,023	119,023	-
France.....................	14,175	357,121	29,773	327,348	36,736	36,216	520
Germany, Federal Republic...	45,797	380,628	241,033	139,595	19,619	19,619	-
Italy......................	7,751	37,449	16,628	20,821	4,928	4,928	-
Japan......................	4,799	341,371	95,893	245,478	25,007	25,007	-
Luxembourg.................	6,369	20,662	4,502	16,160	4,409	3,749	660
Netherlands................	14,360	477,056	75,825	401,231	41,050	40,426	624
Netherlands Antilles........	1,675	343,328	283,754	59,574	7,820	7,815	5
Sweden.....................	4,672	45,899	12,969	32,930	3,318	3,318	-
Switzerland................	23,366	702,376	78,578	623,798	153,881	85,211	68,670
United Kingdom.............	57,296	614,729	171,487	443,242	67,548	66,411	1,137
Other treaty countries......	19,436	56,596	23,394	33,202	5,903	5,891	12
Nontreaty country, total......	101,768	749,316	144,191	605,125	113,989	113,989	-
Bahamas....................	2,114	16,883	131	16,752	4,785	4,785	-
Bermuda....................	1,991	35,336	2,165	33,171	9,750	9,750	-
Cayman Islands.............	548	13,382	9,620	3,762	1,072	1,072	-
Hong Kong..................	8,101	14,003	1,076	12,927	3,664	3,664	-
Liechtenstein..............	788	20,051	712	19,339	3,929	3,929	-
Mexico.....................	6,943	25,437	2,526	22,911	6,584	6,584	-
Panama.....................	2,013	21,412	4,180	17,232	4,822	4,822	-
Portugal...................	1,269	11,738	130	11,608	1,097	1,097	-
Saudi Arabia...............	1,142	20,771	19,784	987	289	289	-
Spain......................	4,039	10,404	254	10,150	2,738	2,738	-
Other nontreaty countries...	72,820	559,899	103,613	456,286	75,259	75,259	-

Table 3.--Number of Forms 1042S Filed, Gross Income, and Tax Withheld by Income Type, by Recipient Type and Country of Recipient, 1979

[Money amounts are in thousands of dollars]

Country or Geographic area	Number of Forms 1042S filed	Gross income paid	Tax withheld			
			Total	Interest	Dividends	Other
	(1)	(2)	(3)	(4)	(5)	(6)
ALL RECIPIENTS						
Total	585,905	5,016,145	545,980	66,091	429,286	50,603
Australia	7,247	11,726	2,011	208	792	1,011
Austria	4,648	11,815	1,721	18	1,603	100
Bahamas	2,114	16,883	4,785	313	4,055	417
Belgium	12,102	86,410	10,645	3,174	6,945	526
Bermuda	1,991	35,336	9,750	4,279	3,911	1,560
Canada	260,444	779,663	119,023	22,763	88,546	7,714
Cayman Islands	548	13,382	1,072	210	800	62
France	14,175	357,121	36,216	5,130	27,542	3,544
Germany, Federal Republic	45,797	380,628	19,619	274	18,151	1,194
Hong Kong	8,101	14,003	3,664	209	3,123	332
Italy	7,751	37,449	4,928	1,048	1,266	2,614
Japan	4,799	341,371	25,007	10,259	9,120	5,628
Liechtenstein	788	20,051	3,929	259	3,458	212
Luxembourg	6,369	20,662	3,749	135	3,586	28
Mexico	6,943	25,437	6,584	582	2,009	3,993
Netherlands	14,360	477,056	40,426	2,203	33,478	4,745
Netherlands Antilles	1,675	343,328	7,815	2,034	5,482	299
Panama	2,013	21,412	4,822	427	3,557	838
Portugal	1,269	11,738	1,097	56	1,023	18
Saudi Arabia	1,142	20,771	289	11	265	13
Spain	4,039	10,404	2,738	821	1,173	744
Sweden	4,672	45,899	3,318	95	2,335	888
Switzerland	23,366	702,376	85,211	6,593	76,607	2,011
United Kingdom	57,296	614,729	66,411	539	59,559	6,313
Other countries	92,256	616,495	81,150	4,451	70,900	5,799
INDIVIDUALS						
Total	407,819	577,480	81,589	6,626	53,738	21,225
Australia	6,154	5,692	796	114	401	281
Austria	2,149	6,052	1,183	11	1,073	99
Bahamas	800	2,744	796	50	419	327
Belgium	7,175	9,176	1,394	39	1,077	278
Bermuda	653	4,856	1,430	46	857	527
Canada	196,689	114,850	12,405	1,816	8,093	2,496
Cayman Islands	94	301	87	25	61	1
France	10,107	29,920	4,769	430	2,861	1,478
Germany, Federal Republic	36,723	44,243	4,242	98	3,321	823
Hong Kong	5,858	6,950	1,947	59	1,761	127
Italy	6,388	16,947	3,497	243	689	2,565
Japan	3,570	20,919	2,078	512	1,148	418
Liechtenstein	362	11,397	1,614	43	1,467	104
Luxembourg	1,213	1,568	335	1	328	6.
Mexico	5,847	10,029	2,631	373	1,372	886
Netherlands	4,817	17,098	1,750	17	1,198	535
Netherlands Antilles	460	17,988	446	2	397	47
Panama	1,260	2,984	745	16	684	45
Portugal	996	9,867	558	23	517	18
Saudi Arabia	998	1,440	247	9	226	12
Spain	3,388	6,339	1,549	133	827	589
Sweden	4,101	6,335	1,047	34	243	770
Switzerland	9,333	50,737	8,216	567	6,394	1,255
United Kingdom	28,229	59,250	7,554	153	3,892	3,509
Other countries	70,455	109,798	20,273	1,812	14,432	4,029
CORPORATIONS						
Total	101,204	3,357,263	309,333	53,737	234,250	21,346
Australia	571	4,913	1,035	80	287	668
Austria	852	4,149	339	1	337	1
Bahamas	856	10,253	2,872	191	2,622	59
Belgium	3,383	56,165	6,159	2,692	3,222	245
Bermuda	838	26,615	7,267	4,095	2,236	936
Canada	39,809	531,104	52,965	19,343	28,862	4,760
Cayman Islands	355	12,578	847	166	629	52
France	1,401	218,713	18,552	3,762	13,000	1,790
Germany, Federal Republic	2,902	169,177	8,103	91	7,685	327
Hong Kong	455	4,244	1,049	121	729	199
Italy	292	12,569	566	421	140	5
Japan	964	311,247	21,957	9,528	7,367	5,062
Liechtenstein	197	5,199	1,415	126	1,183	106
Luxembourg	4,880	14,197	2,429	38	2,368	23
Mexico	388	8,017	1,843	155	339	1,349
Netherlands	7,402	317,880	28,199	2,184	25,732	283
Netherlands Antilles	952	304,514	5,696	1,899	3,561	236
Panama	503	13,622	3,269	334	2,143	792
Portugal	89	1,733	500	24	476	-
Saudi Arabia	18	60	18	2	16	-
Spain	145	2,871	858	665	98	95
Sweden	134	34,804	1,751	61	1,688	2
Switzerland	5,891	487,979	54,481	5,340	48,435	706
United Kingdom	17,387	441,422	44,130	361	41,325	2,444
Other countries	10,540	363,238	43,033	2,057	39,770	1,206

DATA SOURCES AND LIMITATIONS

Payors of income to nonresident aliens are required to withhold tax in accordance with Chapter 3 of the Internal Revenue Code. The Form 1042, U.S. Annual Return of Income Tax To Be Paid at Source (Under Chapter 3, Internal Revenue Code), and Form 1042S, Income Subject to Withholding Under Chapter 3, Internal Revenue Code, must be filed to report these payments and the associated U.S. tax withheld on this income. These forms are filed by the payor of the income or a "person" (usually a financial institution) acting on behalf of the payor. The Form 1042S is an information return that is filed for each income recipient. The information reported on the Form 1042S includes type of income, type of recipient, gross income paid, tax rate, amount of tax withheld, the country of legal residence of the recipient and the identity of the recipient. These forms are filed with the Form 1042 which identifies the tax liability of the payor. Filing is required even if no withholding tax is due, as in the case of income effectively connected with a trade or business in the United States.

These statistics are tabulated by calendar year, based on all Forms 1042S, processed at the Philadelphia Service Center. However, dividend, interest, and other totals for 1977 were imputed as only 99 percent of all Forms 1042S had been processed when those tabulations were made. The total income figure for that year represents 100 percent of the forms filed. The years indicated in the tables represent the year the income was paid and the U.S. tax withheld, except the tax from foreign governments and foreign withholding agents. These amounts are shown by the year this tax was remitted to the United States under treaty agreements. Canadian nominees and fiduciaries remit this additional tax directly to the IRS. These amounts are represented in the tables as though the tax were withheld by a U.S. withholding agent.

Tax withheld amounts and percentages shown in text figures and Table 3 do not include tax withheld by foreign governments and withholding agents (except Canada). This additional withholding cannot be properly attributed to specific recipient and income types. Correct 1979 income paid and tax withheld amounts could not be determined for Venezuela. Therefore, these amounts were estimated based on data for prior years. These data are included as part of the "Total" and "Other Countries" categories. Venezuela is not a tax treaty country.

As all Forms 1042S are included in these statistics, they are not subject to sampling error. The data are subject to nonsampling errors such as computer data entry errors and taxpayer reporting errors. Forms 1042S with gross income greater than $500,000 were manually verified. A limited computerized correction program was used to test the data for basic numerical relationships.

Definitions

Nonresident Alien.--An individual whose residence is not within the United States and who is not a U.S. citizen. Corporations, private foundations and partnerships created or organized outside the United States are also considered nonresident aliens.

Withholding Agent.--Any person (individual, corporation, partnership, estate, or trust) required to withhold tax. Usually the withholding agent is the payor of the income or a "person" (usually a financial institution) acting on behalf of the payor. A foreign nominee or fiduciary required to withhold additional tax under a tax treaty is also a withholding agent.

Income Effectively Connected With A Trade or Business.--Income that is effectively connected with the conduct of a trade or business in the United States is exempt from withholding. This income is subject to the same tax rates that apply to U.S. citizens, residents, and corporations.

Nominee.--An entity, chosen or appointed to accept income for, or act on behalf of, the eventual recipient of the income. Typically, a financial institution acts as nominee.

Other Income.--Income reported on a Form 1042S that is other than dividends and interest is defined for purposes of this article as "other income." Included in this category are such items as royalties, pensions, scholarships, alimony, certain capital gains, and compensation for certain services.

References

[1] Department of the Treasury, Internal Revenue Service, Publication 515, Withholding of Tax on Non-resident Aliens and Foreign Corporations, (Revised November 1980).

[2] Department of the Treasury, Internal Revenue Service, Annual Report - Commissioner of Internal Revenue, annual data through 1978.

[3] Department of the Treasury, Internal Revenue Service, Tax Haven Study Group, Estimates of Levels of Tax Haven Use, May 1981 (unpublished report).

[4] U.S. Department of Commerce, Bureau of Economic Analysis, Survey of Current Business, September 1981, Vol. 61, No. 9, p. 16. Also U.S. Department of Commerce, Bureau of Economic Analysis, The National Income and Product Accounts of the United States, 1929-76 Statistical Tables, September 1981, p. 319.

Nonresident Alien Income and Tax Withheld, 1980

By Chris R. Carson*

Income paid to foreign individuals and organizations exceeded $6.5 billion during 1980. This was a 31 percent increase from 1979 for this U.S. source income. The major reason for this increase was that interest payments rose a dramatic 64 percent, to over $2.6 billion. The U.S. tax withheld on all income exceeded $685 million.

A U.S. individual or organization that pays income to nonresident aliens [1] reports this income and the tax withheld on the Form 1042S. While the basic tax rate is 30 percent, certain types of income are taxed at different rates. Income paid to countries that have entered into tax treaties with the United States is usually taxed at lower rates. Income that is connected with the recipient's trade or business is exempt from withholding.

Dividends and interest are the most common kinds of income paid, making up 88 percent of the total for 1980. Most income, about 79 percent, was paid to corporations and individuals. Eight countries--Switzerland, the United Kingdom, Canada, the Netherlands, the Netherlands Antilles, West Germany, Japan, and France--received about 84 percent of all income, with the first four receiving over half.

DATA ANALYSIS AND TRENDS

Income paid rose considerably faster (31 percent) than tax withheld (11 percent) from 1979 to 1980. This was mainly due to the large increase in income that was exempt from tax withholding (58 percent more than in 1979). Most of this increase is probably due to the rise in interest payments to tax treaty countries. Interest income is exempt from withholding under treaties negotiated with several major income-receiving countries. Tax treaty countries received 39 percent more income in 1980 than in 1979. Income subject to withholding increased by a modest 21 percent.

The average income paid reported on Forms 1042S increased from $8,561 to $10,803 from 1979 to 1980. The average Form 1042S income for individuals was about $1,600, while Forms 1042S reporting payments to corporations averaged over $50,000 of income. This figure for corporations is 52 percent more than the corresponding amount for 1979 ($33,000).

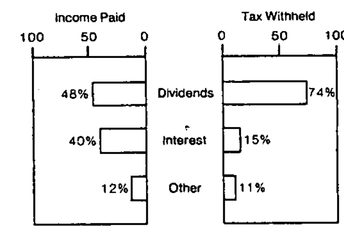
Gross Income Paid
(thousands)

Income Type	1978	1979	1980
Dividends . .	$2,867,596	$2,707,108	$3,147,752
Interest. . .	990,949	1,591,309	2,604,307
Other	592,262	717,728	824,316
Total . . .	4,450,807	5,016,145	6,576,375

About 74 percent of the total tax was withheld from dividends, as they are taxed at a higher rate than most other income types in several major treaty countries. Although interest made up 40 percent of all income, tax withheld on interest payments represented only 15 percent of all tax.

Figure A.

Percent of Total Income Paid and Percent of Total Tax Withheld, by Income Type, 1980



Income Type

As noted earlier, interest income rose 64 percent to over $2.6 billion. Rising interest rates in the United States during recent years were responsible for most, if not all, of this increase. Dividends rose to over $3.1 billion in 1980 after falling slightly in 1979. In 1979, dividends represented 54 percent of all income compared to 32 percent for interest. This 22 percent disparity fell to 8 percent in 1980 as shown in Figure A. Other common types of income were rents, royalties, capital gains, and pensions.

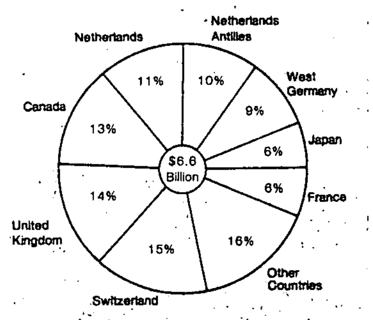
Country of Recipient

The eight countries shown in Figure B received 84 percent of all income paid. These countries were responsible for virtually all of the income increase in 1980. Income paid to the Netherlands Antilles increased by 84 percent while West Germany received 63 percent more income than in 1979. Increases of over 40 percent were recorded by the Netherlands, Switzerland, and the United Kingdom. Increases to Canada, France, and Japan were more modest. Other countries averaged only a 4 percent increase.

*Foreign Returns Analysis Section. Prepared under the direction of Jeffrey A. Hartzok, Acting Chief.

Figure B

Percent of Total Income Paid, by Country of Recipient, 1980



Tax Treaty Countries

From 1979 to 1980 there was a definite shift of Form 1042S income to tax treaty countries. Income paid to treaty countries rose 39 percent from 1979 to 1980. During the same period income paid to nontreaty countries actually decreased by 11 percent. Total treaty country income ($5.9 billion) represented 90 percent of all income ($6.6 billion) in 1980. The corresponding figure for 1979 was 85 percent. This does not appear to be a trend, however, as treaty country income represented 90 percent of all income in 1977 and 89 percent in 1978.

Gross Income Paid (thousands)

Country Status	1979	1980	Change
Treaty	$4,266,829	$5,909,728	39%
Nontreaty	749,316	666,647	-11
Total	5,016,145	6,576,375	31

"Tax Haven" Countries

Income paid to certain countries that are sometimes described as tax havens is relatively substantial. In 1980, Switzerland and the Netherlands Antilles received over $998 million and $632 million, respectively. Form 1042S income seems more substantial when compared to the Gross National Product (GNP) of certain tax haven countries. U.S. source income was greater than 57 percent of the GNP figure for the Netherlands Antilles (see Table 2). The ratio for the British Virgin Islands was over 32 percent in 1978, the latest year for which GNP data are available for that country. U.S. source income represents a substantially larger share of GNP for tax haven countries than for other foreign countries, as shown in Table 2. This income-to-GNP ratio is far greater for the Netherlands Antilles (760 times) and the British Virgin Islands (427 times) than the average ratio for all countries. Although Switzerland received more income than any other country ($998 million), this income was less than one percent of its Gross National Product. GNP information was not available for several other tax haven countries.

The United States recently decided to terminate its tax treaty with the British Virgin Islands, at least partially because of its tax haven status. The termination is effective Jan. 1, 1983. In 1980, the British Virgin Islands received Form 1042S income of about $56 million. More than $2 million of tax was withheld from this income.

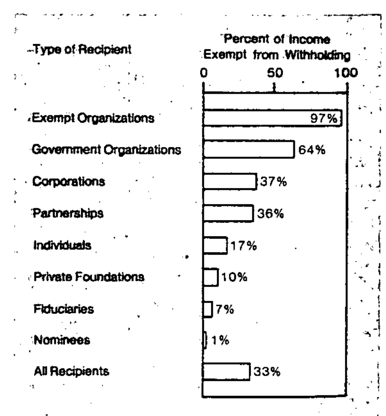
Type of Recipient

The vast majority (70 percent) of Forms 1042S filed reported payments to individuals. However, individuals received only about 10 percent of the total income paid. By contrast, 69 percent of all income reported on Forms 1042S was paid to foreign corporations. Foreign partnerships, fiduciaries, nominees, government organizations, exempt organizations, and private foundations also commonly receive income reported on Forms 1042S. Private foundations differ from exempt organizations as the rules dealing with expenditures and money transactions are more strict for private foundations. A nominee differs from a fiduciary in that a nominee has little or no freedom to exercise judgment or control over income received.

Income that is connected with the recipient's U.S. trade or business is exempt from withholding and is taxed as though it were received by a U.S. individual or organization. Certain kinds of income (some dividends, certain interest, etc.) are also exempt from withholding under tax treaties negotiated by the United States. Income paid to foreign exempt organizations is generally not taxed, as these organizations are treated as though they were U.S. exempt organizations. Figure C shows the percent of income exempt from withholding for each type of recipient. The percentage is greater for corporations (37 percent) than for individuals (17 percent), which helps explain why corporations received 69 percent of the total income, but had only 62 percent of the total tax withheld from their income. By contrast individuals received about 10 percent of all income, but were responsible for 16 percent of the total tax withheld.

Figure C

Percent of Income Exempt from Withholding, by Recipient Type, 1980



OTHER INFORMATION

Payors of income to nonresident aliens must withhold tax in accordance with Chapter 3 of the Internal Revenue Code. The Form 1042S is filed to report this income and the U.S. tax withheld. Often the payor has a financial institution act as withholding agent.

Recipients in tax treaty countries typically enjoy lower U.S. tax rates. However, if the income is paid to a foreign nominee or fiduciary, additional withholding is often required and is held by the government in the country of the nominee or fiduciary. The purpose of this additional withholding is to prevent citizens of nontreaty countries from taking advantage of the lower tax rates of treaty countries. The foreign government holds this additional tax until the ultimate recipient proves residency in that country. If residency is not proven within a period of time specified by the treaty, the tax is remitted to the United States (see Table 1, column 7). In the case of Canada, nominees and fiduciaries act as withholding agents and remit this additional tax directly to the Internal Revenue Service (IRS).

The present statistics are tabulated by calendar year, based on all Forms 1042S processed at the Philadelphia Service Center. The years indicated in the tables represent the year in which the income was paid and the U.S. tax withheld, except for the tax from foreign governments and withholding agents. These amounts are shown by the year the tax was remitted to the United States under treaty agreements. Tax withheld amounts and percentages shown in Figure A and Table 3 do not include tax withheld by foreign governments and withholding agents (except Canada). This additional withholding cannot be properly attributed to specific recipient and income types. Definitions and other information are available in the Spring 1982 SOI Bulletin and IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Corporations.

As all Forms 1042S are included in these statistics, they are not subject to sampling error. The data are subject to nonsampling errors such as computer data entry errors and taxpayer reporting errors. Forms 1042S with income greater than $500,000 were manually verified. A limited computerized correction program was used to test the data for basic numerical relationships.

REFERENCES

[1] For purposes of this article a nonresident alien is defined as an individual whose residence is not within the United States and who is not a U.S. citizen. Also, corporations and other organizations created or organized outside the United States are considered nonresident aliens.

[2] See also Carson, Chris, "Nonresident Alien Income and Tax Withheld, 1971-1979," SOI Bulletin, Vol. 1, No. 4, pp. 34-38.

[3] World Bank, 1981 World Bank Atlas, p. 12-22.

[4] Department of the Treasury, Internal Revenue Service, Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Corporations (Revised November 1981).

Table 1.--Number of Forms 1042S Filed, Gross Income Paid, Tax Withheld, and Other Items, by Selected Treaty and Nontreaty Countries, 1980

[Money amounts are in thousands of dollars]

Country or Geographic area	Number of Forms 1042S filed	Income paid: Total	Income paid: Exempt from withholding	Income paid: Subject to withholding	Tax withheld: Total	Tax withheld: Domestic withholding agents	Tax withheld: Foreign Governments and withholding agents
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total	608,781	6,576,375	2,173,816	4,402,559	686,208	615,021	71,187
Treaty country, total	498,670	5,909,728	1,976,996	3,932,732	589,422	518,235	71,187
Australia	7,719	17,467	2,673	14,794	2,996	2,996	-
Austria	3,871	10,500	2,957	7,543	1,230	1,230	-
Belgium	14,158	136,871	37,191	99,680	18,220	15,031	3,189
Canada	265,411	838,907	201,229	637,678	92,473	92,473	-
France	14,069	410,064	47,382	362,682	39,959	39,208	751
Germany, Federal Republic	46,878	619,222	457,939	161,283	22,754	22,754	-
Italy	7,070	48,480	10,912	37,568	7,938	7,938	-
Japan	5,280	413,344	115,030	298,314	39,763	39,763	-
Luxembourg	6,080	32,973	8,941	24,032	5,925	4,756	1,169
Netherlands	14,945	699,980	148,324	551,656	74,018	73,478	540
Netherlands Antilles	1,712	632,163	524,230	107,933	9,339	9,337	2
Sweden	4,599	31,798	7,100	24,698	3,058	3,058	-
Switzerland	22,209	998,478	113,816	884,662	179,034	115,034	64,000
United Kingdom	65,393	904,316	235,345	668,971	84,165	82,751	1,414
Other treaty countries	19,276	115,165	63,927	51,238	8,550	8,428	122
Nontreaty country, total	110,111	666,647	196,820	469,827	96,786	96,786	-
Bahamas	1,994	22,179	855	21,324	5,965	5,965	-
Bermuda	1,974	54,166	5,105	49,061	14,261	14,261	-
Cayman Islands	585	17,303	9,187	8,116	2,348	2,348	-
Hong Kong	9,948	31,935	1,262	30,673	9,016	9,016	-
Liechtenstein	802	19,404	714	18,690	3,432	3,432	-
Mexico	7,652	25,407	3,045	22,362	6,307	6,307	-
Panama	2,467	39,201	8,141	31,060	8,870	8,870	-
Portugal	873	10,980	196	10,784	636	636	-
Saudi Arabia	1,267	101,488	99,531	1,957	528	528	-
Spain	4,592	13,520	2,284	11,236	2,930	2,930	-
United Arab Emirates	390	25,472	23,572	1,900	562	562	-
Other nontreaty countries	77,567	305,592	42,928	262,664	41,931	41,931	-

Table 2.--Gross National Product (GNP), Gross Income, Interest and Dividends, and Gross Income and Interest and Dividends as a Percent of GNP, by Selected Country of Recipient, 1980

[Money amounts are in thousands of dollars]

Country or Geographic area	Gross National Product[1]	Gross income: Total	Gross income: As a percent of GNP	Interest and dividends: Total	Interest and dividends: As a percent of GNP
	(1)	(2)	(3)	(4)	(5)
Netherlands Antilles	1,100,000	632,163	57.47	603,763	54.89
British Virgin Islands[2]	25,410	8,195	32.25	7,139	28.10
Bermuda	660,000	54,166	8.21	44,893	6.80
Antigua	100,000	3,548	3.55	3,466	3.47
Bahamas	800,000	22,179	2.77	21,350	2.67
Panama	3,170,000	39,201	1.24	34,585	1.09
Switzerland	106,300,000	998,478	0.94	922,776	0.87
Luxembourg	5,200,000	32,973	0.63	31,978	0.61
Netherlands	161,440,000	699,980	0.43	675,028	0.42
All countries	8,698,581,000	6,576,375	0.08	5,752,059	0.07

[1]World Bank, 1981 World Bank Atlas, pp. 12-22. Total GNP figure for "All countries" does not include United States GNP; it also does not include GNP of several smaller countries whose GNP data were not available. GNP figure for British Virgin Islands is for 1978.

[2]Data for British Virgin Islands are for 1978 as GNP figures for later years were not available.

Table 3.--Number of Forms 1042S Filed, Gross Income, and Tax Withheld by Income Type, by Recipient Type and Country of Recipient, 1980

[Money amounts are in thousands of dollars]

Country or Geographic area	Number of Forms 1042S filed	Gross income paid	Tax withheld: Total	Tax withheld: Interest	Tax withheld: Dividends	Tax withheld: Other
	(1)	(2)	(3)	(4)	(5)	(6)
ALL RECIPIENTS						
Total	608,781	6,576,375	615,021	95,917	453,298	65,806
Australia	7,719	17,467	2,996	472	1,032	1,492
Bahamas	1,994	22,179	5,965	811	4,934	220
Belgium	14,158	136,871	15,031	5,140	8,087	1,804
Bermuda	1,974	54,166	14,261	6,331	5,636	2,294
British Virgin Islands	405	56,461	2,260	99	2,041	120
Canada	265,411	838,907	92,473	27,334	53,486	11,653
Cayman Islands	585	17,303	2,348	897	1,358	93
France	14,069	410,064	39,208	7,396	27,947	3,865
Germany, Federal Republic	46,878	619,222	22,754	408	18,133	4,213
Hong Kong	9,948	31,935	9,016	1,289	6,711	1,016
Italy	7,070	48,480	7,938	759	1,871	5,308
Japan	5,280	413,344	39,763	12,573	19,391	7,799
Liechtenstein	802	19,404	3,432	390	2,864	178
Luxembourg	6,080	32,973	4,756	244	4,275	237
Mexico	7,652	25,407	6,307	842	2,950	2,515
Netherlands	14,945	699,980	73,478	1,628	71,009	841
Netherlands Antilles	1,712	632,163	9,337	1,661	7,587	89
Panama	2,467	39,201	8,870	1,254	6,777	839
Saudi Arabia	1,267	101,488	528	43	371	114
Spain	4,592	13,520	2,930	792	1,551	587
Sweden	4,599	31,798	3,058	73	1,855	1,130
Switzerland	22,209	998,478	115,034	16,709	93,251	5,074
United Arab Emirates	390	25,472	562	27	532	3
United Kingdom	65,393	904,316	82,751	1,426	73,757	7,568
Other countries	101,182	385,776	49,965	7,319	35,892	6,754
INDIVIDUALS						
Total	427,419	684,549	98,938	10,895	60,992	27,051
Australia	6,601	6,499	1,030	183	351	496
Bahamas	949	2,474	630	81	469	80
Belgium	7,168	6,053	794	137	558	99
Bermuda	674	6,241	1,784	96	1,391	297
British Virgin Islands	192	965	152	15	136	1
Canada	198,881	129,048	14,442	2,376	8,335	3,731
Cayman Islands	101	385	100	6	93	1
France	10,336	47,522	5,145	509	3,113	1,523
Germany, Federal Republic	37,649	67,396	8,761	151	7,263	1,347
Hong Kong	7,339	13,795	3,890	226	3,529	135
Italy	5,612	29,849	6,498	497	710	5,291
Japan	3,731	25,694	2,477	569	1,282	626
Liechtenstein	303	5,128	1,290	41	1,152	97
Luxembourg	869	1,172	207	7	195	5
Mexico	6,562	14,508	3,528	527	2,117	884
Netherlands	3,991	13,550	1,747	15	1,291	441
Netherlands Antilles	455	35,062	1,469	11	1,443	15
Panama	1,308	6,946	1,847	52	1,696	99
Saudi Arabia	1,101	3,368	395	31	250	114
Spain	3,953	7,514	1,843	551	762	530
Sweden	4,010	7,502	1,341	20	221	1,100
Switzerland	9,573	50,878	7,236	552	5,673	1,011
United Arab Emirates	237	204	45	5	38	2
United Kingdom	37,054	69,998	8,585	312	4,326	3,947
Other countries	78,770	132,798	23,702	3,925	14,598	5,179
CORPORATIONS						
Total	89,953	4,523,657	379,485	69,752	275,165	34,568
Australia	415	8,479	1,629	272	397	960
Bahamas	732	13,303	3,691	531	3,025	135
Belgium	3,752	104,036	10,223	4,330	4,189	1,704
Bermuda	707	42,176	10,850	5,958	2,896	1,996
British Virgin Islands	154	51,019	1,456	54	1,289	113
Canada	34,579	553,423	57,561	22,234	28,544	6,783
Cayman Islands	407	15,522	1,861	825	945	91
France	1,249	276,591	22,913	3,515	17,475	1,923
Germany, Federal Republic	2,916	283,380	8,749	62	5,829	2,858
Hong Kong	614	11,363	3,209	997	1,357	855
Italy	266	15,786	963	206	756	1
Japan	1,200	377,899	36,374	11,795	17,501	7,078
Liechtenstein	270	11,523	1,352	212	1,083	57
Luxembourg	4,040	24,724	3,508	229	3,059	220
Mexico	415	7,712	2,068	190	491	1,387
Netherlands	8,588	564,724	58,265	1,494	56,426	345
Netherlands Antilles	1,024	575,158	6,328	1,611	4,668	49
Panama	805	24,613	5,227	1,070	3,421	736
Saudi Arabia	22	35,816	14	8	5	1
Spain	151	4,861	815	228	549	38
Sweden	142	18,566	1,151	52	1,080	19
Switzerland	5,153	700,533	75,958	11,111	61,126	3,721
United Arab Emirates	31	20,549	443	22	421	-
United Kingdom	14,593	649,101	48,390	632	45,149	2,609
Other countries	7,728	132,800	16,487	2,114	13,484	889

Nonresident Alien Income and Tax Withheld, 1981

By Chris R. Carson*

During 1981 more than $9.5 billion of income was paid from U.S. sources to nonresident aliens, i.e., foreign individuals, corporations and other organizations. This was an increase of almost $3 billion, or 45 percent over 1980. Payments to recipients in the Netherlands Antilles were responsible for 26 percent of the total increase as income paid to the Antilles rose from $632 million to $1.4 billion, or 121 percent in this period. Recipients in the Netherlands Antilles, a tax haven, received more U.S. source income than those in any other foreign country in 1981, surpassing Switzerland, the United Kingdom, Canada, and the Netherlands, all of which received more income than the Antilles in 1980.

A U.S. individual or organization that pays income to a nonresident alien reports this income and the U.S. tax withheld on the Form 1042S. While the basic tax rate is 30 percent, certain types of income are taxed at different rates. Income paid to countries that have entered into tax treaty agreements with the United States is usually taxed at lower rates. The tax withheld represents final payment of the actual tax liability in almost all instances. Income that is connected with the recipient's U.S. trade or business is exempt from withholding. This income is taxed separately by the U.S. as though it were received by a U.S. citizen or corporation.

Foreign corporations received more nonresident alien income (73 percent) than all other types of recipients. However, most payments went to individuals (74 percent), although these payments tended to be much smaller than those made to corporations. Dividends and interest, totalling $7.6 billion; represented about 80 percent of the income paid. As was stated earlier, the Netherlands Antilles received the most income, $1.4 billion, followed by the United Kingdom, the Netherlands, Canada, and Switzerland. The $6.5 billion received by these five countries nearly equals the $6.6 billion received by all countries in 1980 and represents 68 percent of all income paid during 1981.

DATA ANALYSIS AND TRENDS

Income paid rose faster (45 percent) than tax withheld (18 percent) between 1980 and 1981. This gap (27 percentage points) has widened since 1980 when income rose by 31 percent and tax increased by 11 percent from 1979 figures, a disparity of 20 percentage points. Income exempt from withholding rose by 69 percent from 1980 while income subject to withholding rose by 34 percent. This helps explain why income rose faster than tax withheld. Another factor was that treaty country income, which is generally taxed at low rates, rose faster than nontreaty country income.

The average income paid per form rose 54 percent from 1980, to $16,623, up from $10,803. Part of this increase may be due to inflation, however, the major factor was that large interest payments were made by U.S. corporations to their foreign subsidiaries to repay loans made through these subsidiaries. The average income paid to corporate recipients almost doubled to $92,285 in 1981 compared to about $50,000 in 1980. The corresponding figure for individuals was up only 8 percent, from $1,600 in 1980 up to $1,721 in 1981. The large increase in average income per Form 1042S was due to an increase in overall income paid in combination with a 5.5 percent drop in the number of Forms 1042S filed. The average amount of tax withheld per payment was $1,264, up 25 percent from 1980.

Country of Recipient

Recipients in five countries, the Netherlands Antilles, the United Kingdom, the Netherlands, Canada and Switzerland had Form 1042S income of over $1 billion each in 1981. These countries accounted for 83 percent of the total income increase of almost $3 billion since 1980.

Gross Income Paid
(thousands)

Country	1980	1981	Increase
Netherlands Antilles	$ 632,163	$1,399,528	121%
Netherlands	699,980	1,339,633	91
United Kingdom	904,316	1,357,044	50
Canada	838,907	1,238,255	48
Switzerland	998,478	1,203,878	21
Other Countries	2,502,531	3,023,151	21

As is shown in Figure A below, these countries received about 68 percent of all income paid. However, these five countries were responsible for only 63 percent of the tax withheld by domestic withholding agents. Adding France, West Germany, and Japan to this list brings the income total to 88 percent and the tax withheld total to 79 percent. Tax remitted by foreign governments and withholding agents is not included as this tax was withheld from income paid in previous years.

Tax Treaty Countries

All eight of the countries shown in Figure A are tax treaty countries. Most income paid to recipients in tax treaty countries is taxed at a lower rate than income paid to nontreaty countries. This explains

*Foreign Returns Analysis Section. Prepared under the direction of James R. Hobbs, Chief.

why these countries received 88 percent of all income, but were responsible for only 79 percent of all tax withheld.

Income paid to recipients in tax treaty countries during 1981 rose by 48 percent while income paid to those in nontreaty countries rose by just 24 percent. This contrasted with a 39 percent increase in treaty country income and an 11 percent decline in nontreaty country income from 1979 to 1980. These increases were directly attributable to increased income in existing treaty countries, as no new tax treaties dealing with Form 1042S withholding became effective during 1981.

Tax withheld on treaty country income rose by 22 percent as tax withheld on nontreaty income increased by 12 percent. Although income and taxes rose more in treaty countries than in nontreaty countries, it is interesting to note that the ratio of increase is almost exactly the same, i.e., income rose twice as fast in treaty countries (48 percent) as in nontreaty countries (24 percent) while tax withheld in treaty countries also rose about twice as fast (22 percent) as in nontreaty countries (12 percent).

Income Paid and Tax Withheld
(thousands)

Country Status	1980	1981	Increase
Income			
Treaty	$5,909,728	$8,735,873	48%
Nontreaty	666,647	825,617	24
Total	6,576,375	9,561,489	45
Tax Withheld			
Treaty	589,422	720,392	22
Nontreaty	96,786	108,171	12
Total	686,208	828,563	21

NOTE: More detailed information by country and treaty status is shown in Table 1.

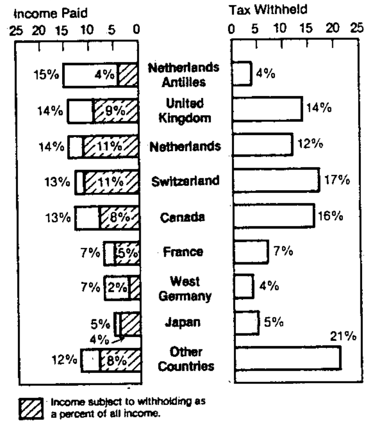
Recipients in tax treaty countries typically enjoy lower U.S. tax rates. However, if the income is paid to a foreign nominee or fiduciary, additional withholding is often required and is collected by the government in the country of the nominee or fiduciary. The purpose of this additional withholding is to prevent citizens of nontreaty countries from taking advantage of the lower tax rates of treaty countries. The foreign government or withholding agent holds this additional tax until the ultimate recipient proves residency in that country. If residency is not proven within a certain period of time, the tax is remitted to the United States (see Table 1, Column 7). In the case of Canada, nominees and fiduciaries act as withholding agents and remit this additional tax directly to the Internal Revenue Service (IRS).

"Tax Haven" Countries

A tax haven is generally considered to be a country having tax laws that are favorable to foreign individuals and organizations in an attempt to attract these investors. The tax haven country typically benefits by collecting certain fees or taxes (at a low tax rate). These foreign individuals and organizations would usually not invest in or through the tax haven if higher taxes were imposed. The most successful tax haven countries tend to have some or all of the following characteristics: 1) Tax treaties with low or zero withholding tax rates for most income payments received from foreign countries,

Figure A

Percent of Gross Income Paid and Percent of Tax Withheld by Domestic Withholding Agents, by Country of Recipient, 1981



2) Low or zero tax rates for individuals and organizations within the tax haven country, 3) Secrecy laws to prevent foreign governments from obtaining financial information about their own citizens and organizations, thus protecting the investors, and 4) No withholding tax on payments to nonresident aliens.

The amount of income paid to recipients of certain "tax haven" countries seems to be excessive when compared to the general level of economic activity of those countries, as measured by their Gross National Product (GNP) [1]. The most extreme example of this was the Netherlands Antilles, where U.S. source income for 1981 ($1.4 billion) was greater than the Antilles' GNP ($1.2 billion). This ratio of U.S. source income to GNP tends to be higher for tax haven countries than for other countries. Figure B shows this ratio for certain countries, all of which probably qualify as tax havens to varying degrees. The worldwide ratio of U.S. source income to worldwide GNP (excluding U.S. GNP) is not available for 1981. However, this figure was less than 0.1 percent for 1980.

Although Form 1042S income is not directly used in calculating the GNP of these foreign countries, if it is spent on goods made or services performed in that country it will enter the GNP figure indirectly. A substantial amount of U.S. source income paid to recipients of the Netherlands Antilles clearly is not spent on goods manufactured or services performed there.

The countries in Figure B all have ratios of U.S. source income to GNP of at least 10 times the worldwide ratio for 1980. The Netherlands Antilles

Figure B.--Gross National Product (GNP), Gross Income, Gross Income as a Percent of GNP, Size of Average Payment, and Percent of Payments to Corporations, by Selected Country of Recipient, 1981

[Money amounts in thousands of dollars]

Country or Geographic area	Income to GNP ratio				Size of payments		Percent of payments to corporations	
	Rank	Income as a percent of GNP	Gross income	GNP [1]	Rank	Average	Rank	Percent
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Netherlands Antilles	1	117.6	1,399,528	1,190,000	1	754	4	63
Bermuda	2	6.5	51,728	790,000	9	34	12	30
Bahamas	3	5.1	39,482	780,000	12	21	7	37
Antigua	4	3.8	4,509	120,000	14	20	2	73
Panama	5	1.3	45,966	3,580,000	15	18	8	34
Switzerland	6	1.1	1,203,878	112,850,000	6	61	15	22
Luxembourg	7	1.0	57,609	5,790,000	11	22	6	39
Netherlands	8	0.8	1,339,633	167,980,000	2	138	17	21
British Virgin Islands	([2])	([2])	24,354	([2])	7	56	5	44
Cayman Islands	([2])	([2])	24,391	([2])	10	34	3	65

[1] World Bank, 1982 World Bank Atlas.
[2] GNP data were not available for these countries.

ratio for 1981 (117.6 percent) was 1470 times greater than the worldwide ratio for 1980 (0.08 percent). This ratio could not be computed for some tax haven countries, including the British Virgin Islands and the Cayman Islands, as their GNP information was not available for 1981.

Recipients in tax haven countries also tend to receive larger income payments per Form 1042S than other countries. Table 2 shows the countries with the greatest average income per form (with a minimum of 100 forms filed). Of the 15 countries shown, at least nine qualify as tax havens. The Netherlands Antilles headed this list with average income per form of about $754,000, or 45 times the average for all countries (almost $17,000). The other countries in this table tend to be industrialized or oil producing countries.

Most tax haven countries have a disproportionate percentage of their income payments received by corporations. About 63 percent of the total number of payments to the Netherlands Antilles went to corporations. This figure was even higher for Antigua (73 percent) and the Cayman Islands (65 percent). Other tax havens, including the British Virgin Islands, the Bahamas, Panama, Bermuda and Switzerland exceeded the 13 percent average for all countries for the number of payments to corporations.

The Netherlands Antilles ranked high in these three "tax haven" parameters (income-to-GNP ratio, income per Form 1042S, and percent of payments to corporations), being first in two categories and fourth in the other. As there was no withholding tax on most interest payments to the Netherlands Antilles, U.S. corporations often borrow money from foreign markets through subsidiaries in the Antilles. The Antilles subsidiary sells bonds (typically Eurobonds), then lends the proceeds to the U.S. parent corporation. The U.S. corporation makes payments to the subsidiary, deducting the interest on its U.S. tax return. Generally, no withholding tax is collected and the foreign corporation is taxed in the Antilles at a low rate on the net interest income, deducting the interest paid to the Eurobond holder. The United States is currently renegotiating its tax treaty with the Netherlands Antilles.

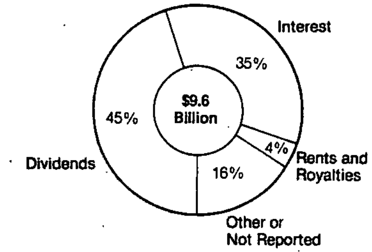
Income Type

Investment income, especially interest and dividends, made up the overwhelming majority of all income paid to nonresident aliens in 1981. As is shown in Figure C, dividend income totaled $4.3 billion or 45 percent of all income. Interest income made up 35 percent of all income, followed by rent and royalty income which comprised 4 percent. Dividend income rose faster (36 percent) than interest income (29 percent) from 1980 to 1981 reversing the trend set in 1979 and continued in 1980.

Tax withheld on dividend income totaled $496 million, or 68 percent of all tax. Generally, dividends are taxed at higher rates than interest income in tax treaty countries. This explains why dividends represented 45 percent of all income, but tax withheld on dividend income represented 68

Figure C

Percent of Total Income Paid By Income Type, 1981



percent of the total tax withheld. Consequently, only $95 million of tax was withheld from interest income (13 percent of all tax) although interest payments of $3.3 billion represented 35 percent of all income.

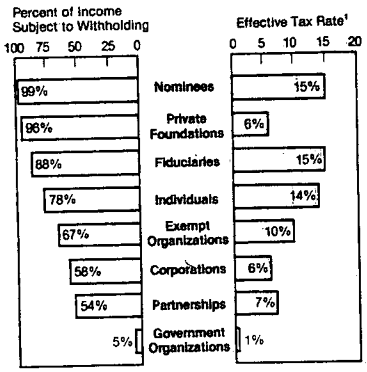
Type of Recipient

As in 1980, foreign corporations received the majority of nonresident alien income paid (73 percent) in 1981. Although individuals received the most payments (74 percent), these payments were much smaller ($1,721) than the average payment to a corporation ($92,285). Individuals received 8 percent of all income, but had 15 percent of the total tax withheld from their income. Corporations received 73 percent of all income but were responsible for only 61 percent of the total tax. This disparity existed because 42 percent of corporate income was exempt from withholding while only 22 percent of income paid to foreign individuals was exempt. Also, some tax treaties provide that dividend payments made to a foreign parent corporation are subject to a lower U.S. tax rate than dividends paid to other shareholders. Each of the other types of recipients received less than 5 percent of all income.

Figure D shows the percent of income subject to withholding and the effective tax rate (tax withheld divided by gross income) for eight different recipient types. As would be expected, the recipient types that had the highest percentage of their income subject to withholding also tended to have the highest effective tax rate, except for private foundations. This is because interest, dividend, rent, and royalty income paid to private foundations was taxed at 4 percent. These four income categories comprised 86 percent of all income paid to private foundations.

Figure D

Percent of Income Subject to Domestic Withholding and Effective Tax Rate, By Type of Recipient, 1981



¹Using tax withheld by domestic withholding agents.

SUMMARY

Dividends and interest were the most common types of U.S. income paid to nonresident aliens. Tax withheld on dividend income greatly exceeded the tax withheld on interest income, however, as dividends tended to be taxed at higher rates in certain major tax treaty countries.

Although most payments went to individuals, the majority of the total income was paid to corporations. Other recipient types such as partnerships, fiduciaries, nominees, government organizations, exempt organizations, and private foundations received both a small percentage of all payments and a small percentage of the total income.

Recipients in the major Western industrial countries generally received most of all income paid; although, recipients in the Netherlands Antilles received more income than any other country. The Antilles , a tax haven country, received more U.S. source income than it produced in goods and services (represented by GNP). The vast majority of all income was, however, paid to countries that are not tax havens.

DATA SOURCES AND LIMITATIONS

Payors of income to nonresident aliens must withhold tax in accordance with Chapter 3 of the Internal Revenue Code. The Form 1042S is filed to report this income and the U.S. tax withheld. Often the payor has a financial institution act as withholding agent.

The present statistics are tabulated by calendar year, based on all Forms 1042S filed for Tax Year 1981. The years indicated in the tables represent the year in which the income was paid and the U.S. tax withheld, except for the tax from foreign governments and withholding agents. These amounts are shown by the year the tax was remitted to the United States under treaty agreements. Tax withheld amounts and percentages shown in Tables 2 and 3 and Figures A and D do not include tax withheld by foreign governments and withholding agents (except Canada). This additional withholding cannot be properly attributed to specific recipient and income types. Definitions and other information are available in IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Corporations [2].

As all Forms 1042S are included in these statistics, they were not subject to sampling error. However, the data are subject to nonsampling errors such as computer data entry errors and minor taxpayer reporting errors. Forms 1042S with income greater than $500,000 were manually verified. A limited computerized program was used to test the data for certain basic numerical relationships.

EXPLANATION OF TERMS

Withholding Agent.--Any person (individual, corporation, partnership, estate, or trust) required to withhold tax. Usually the withholding agent is the payor of the income or a "person" (usually a financial institution) acting on behalf of the payor. A foreign nominee or fiduciary required to withhold additional tax under a tax treaty is also a withholding agent.

Income Effectively Connected With A Trade or Business.--Income that is effectively connected with the conduct of a trade or business in the United States is exempt from withholding. This income is subject to the same tax rates that apply to U.S. citizens, residents, and corporations. For example, if a foreign corporation has operations in the U.S., a Form 1120F must be filed and appropriate taxes paid for the income of this operation. When income is then paid to the foreign owner it is considered connected with a trade or business and not retaxed.

Nominee.--An entity, chosen or appointed to accept income for, or act on behalf of, the eventual recipient of the income. Typically, a financial institution acts as nominee.

Nonresident Alien.--For purposes of this article, a nonresident alien is defined as an individual whose residence is not within the United States and who is not a U.S. citizen. Also, corporations and other organizations created or organized outside the United States are considered nonresident aliens.

REFERENCES

[1] World Bank, 1982 World Bank Atlas.

[2] Department of the Treasury, Internal Revenue Service, Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Corporations (Revised November 1981).

Table 1.--Number of Forms 1042S Filed, Gross Income Paid, Tax Withheld, and Other Items, by Selected Treaty and Nontreaty Countries, 1981

[Money amounts are in thousands of dollars]

Country or Geographic area	Number of Forms 1042S filed	Income paid			Tax withheld		
		Total	Exempt from withholding	Subject to withholding	Total	Domestic withholding agents	Foreign Governments and withholding agents
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total	575,207	9,561,489	3,673,287	5,888,203	828,563	727,308	101,255
Treaty country, total	479,415	8,735,873	3,309,648	5,426,225	720,392	619,137	101,255
Australia	8,494	25,350	5,979	19,371	4,021	4,021	-
Austria	3,008	11,259	4,596	6,663	1,095	1,046	49
Belgium	11,870	117,749	14,036	103,712	16,301	15,206	1,095
Canada	258,241	1,238,255	449,317	788,939	115,368	115,367	1
Denmark	1,767	10,342	2,380	7,962	1,235	1,224	11
France	13,091	650,496	169,799	480,697	51,798	51,380	418
Germany, Federal Republic	47,355	621,556	407,308	214,248	26,035	26,035	-
Greece	3,818	15,343	2,999	12,344	3,514	3,514	-
Ireland	3,694	14,231	8,386	5,845	919	826	93
Italy	6,936	47,948	17,778	30,170	6,853	6,853	-
Japan	5,630	519,568	139,756	379,812	38,687	38,687	-
Luxembourg	2,588	57,609	27,301	30,309	7,294	5,066	2,228
Netherlands	9,706	1,339,633	291,713	1,047,920	88,319	87,663	656
Netherlands Antilles	1,857	1,399,528	1,052,306	347,222	26,621	26,621	-
Norway	3,197	7,789	2,577	5,213	853	853	-
South Africa	2,029	4,300	544	3,755	1,089	1,089	-
Sweden	4,867	45,541	11,998	33,543	3,434	3,434	-
Switzerland	19,845	1,203,878	182,365	1,021,513	221,172	126,046	95,126
United Kingdom	65,524	1,357,044	503,748	853,296	100,260	98,682	1,578
Other treaty countries	5,898	48,454	14,762	33,691	5,524	5,524	-
Nontreaty country, total	95,792	825,617	363,639	461,978	108,172	108,172	-
Argentina	4,266	7,338	2,574	4,764	1,365	1,365	-
Bahamas	1,886	39,482	1,344	38,138	6,941	6,941	-
Bermuda	1,522	51,728	9,214	42,514	12,624	12,624	-
Brazil	1,935	7,014	1,489	5,524	1,556	1,556	-
Cayman Islands	718	24,391	17,402	6,989	2,003	2,003	-
Hong Kong	9,609	34,354	3,257	31,097	8,901	8,901	-
Israel	2,855	10,161	1,553	8,607	2,202	2,202	-
Kuwait	3.818	4,747	56	4,692	1,302	1,302	-
Liechtenstein	842	14,805	753	14,052	4,100	4,100	-
Mexico	8,576	30,666	4,843	25,823	7,558	7,558	-
Panama	2,531	45,966	8,260	37,707	10,905	10,905	-
Portugal	993	12,174	151	12,023	715	715	-
Puerto Rico	2,792	4,835	3.611	1,224	335	335	-
Saudi Arabia	1,593	211,322	207,600	3,722	1,078	1,078	-
Spain	3,777	17,123	5,895	11,228	3,073	3,073	-
United Arab Emirates	530	48,135	46,487	1,647	164	164	-
Venezuela	4,495	13,144	6,806	6,338	1,863	1,863	-
Other nontreaty countries	43,054	248,232	42,344	205,889	41,487	41,487	-

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

Table 2.--Number of Forms 1042S Filed, Gross Income Paid, Tax Withheld, Average Gross Income Paid and Average Tax Withheld, by Selected Country of Recipient, 1981

[Money amounts are in thousands of dollars]

Country or Geographic area	Number of Forms 1042S filed	Gross income			Tax withheld		
		Total	Average per Form 1042S	Average as a percent of all country average	Total	Average per Form 1042S	Average as a percent of all country average
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All countries	575,207	9,561,489	17	100.0	727,308	1	100.0
Netherlands Antilles	1,857	1,399,528	754	4,533.8	26,621	14	1,134.1
Netherlands	9,706	1,339,633	138	830.3	87,663	9	714.5
Saudi Arabia	1,593	211,322	133	798.0	1,078	1	53.5
Japan	5,630	519,568	92	555.2	38,687	7	543.6
United Arab Emirates	530	48,135	91	546.4	164	(1)	24.4
Switzerland	19,845	1,203,878	61	364.9	126,046	6	502.5
British Virgin Islands	433	24,354	56	338.4	3,014	7	550.8
France	13,091	650,496	50	298.9	51,380	4	310.5
Bermuda	1,522	51,728	34	204.5	12,624	8	656.2
Cayman Islands	718	24,391	34	204.4	2,003	3	220.7
Luxembourg	2,588	57,609	22	133.9	5,066	2	154.9
Bahamas	1,886	39,482	21	125.9	6,941	4	291.2
United Kingdom	65,524	1,357,044	21	124.6	98,682	2	119.1
Antigua	226	4,509	20	120.0	2	(1)	0.8
Panama	2,531	45,966	18	109.3	10,905	4	340.9
Other countries	447,527	2,583,846	6	34.7	256,432	1	45.3

[1]Less than $500.

Table 3.--Number of Forms 1042S Filed, Gross Income Paid, and Tax Withheld by Selected Income Type, by Selected Recipient Type and Selected Country of Recipient, 1981

[Money amounts are in thousands of dollars]

Country or Geographic area	Number of Forms 1042S filed	Gross income paid	Tax withheld				
			Total	Interest	Dividend	Rent and royalty	Personal service
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
ALL RECIPIENTS							
Total	575,207	9,561,489	727,308	95,336	495,936	25,151	12,109
Bahamas	1,886	39,482	6,941	939	4,954	131	25
Belgium	11,870	117,749	15,206	3,319	8,758	10	49
Bermuda	1,522	51,728	12,624	4,953	5,594	1,495	123
Canada	258,241	1,238,255	115,367	34,570	49,040	5,624	1,552
France	13,091	650,496	51,380	8,683	34,982	1,758	516
Germany, Federal Republic	47,355	621,556	26,035	426	12,544	231	880
Hong Kong	9,609	34,354	8,901	836	7,713	38	19
Italy	6,936	47,948	6,853	907	1,949	2,632	556
Japan	5,630	519,568	38,687	7,310	11,131	7,029	735
Luxembourg	2,588	57,609	5,066	540	4,020	5	6
Mexico	8,576	30,666	7,558	1,104	3,511	1,437	186
Netherlands	9,706	1,339,633	87,663	511	78,984	10	373
Netherlands Antilles	1,857	1,399,528	26,621	1,410	24,995	46	20
Panama	2,531	45,966	10,905	1,252	7,926	74	59
Saudi Arabia	1,593	211,322	1,078	76	843	2	-
Sweden	4,867	45,541	3,434	143	1,250	13	858
Switzerland	19,845	1,203,878	126,046	15,903	99,926	347	532
United Arab Emirates	530	48,135	164	1	155	-	1
United Kingdom	65,524	1,357,044	98,682	1,700	85,206	750	2,525
Other countries	101,450	501,031	78,097	10,753	52,455	3,519	3,094
INDIVIDUALS							
Total	426,142	733,383	106,191	12,102	63,597	7,611	10,694
Bahamas	862	3,267	813	74	621	89	25
Belgium	7,450	8,999	1,132	134	869	3	49
Bermuda	682	1,968	518	47	309	27	121
Canada	196,383	162,676	18,010	2,809	9,556	1,431	1,229
France	10,608	45,394	4,569	667	2,582	571	504
Germany, Federal Republic	39,598	57,317	5,478	311	3,549	224	880
Hong Kong	7,658	16,470	4,589	173	4,340	27	16
Italy	5,833	24,659	5,198	436	779	2,631	556
Japan	3,896	16,861	1,514	183	417	116	337
Luxembourg	935	2,241	415	6	402	-	1
Mexico	7,624	20,176	5,096	541	2,671	1,006	186
Netherlands	5,527	26,533	2,887	26	2,402	4	367
Netherlands Antilles	481	8,625	697	14	601	28	14
Panama	1,372	10,954	2,948	306	2,366	2	50
Saudi Arabia	1,398	3,068	698	32	507	2	-
Sweden	4,321	8,767	1,569	106	298	13	857
Switzerland	9,809	75,095	10,666	791	8,739	286	382
United Arab Emirates	438	270	72	1	63	-	1
United Kingdom	37,803	86,851	9,965	496	5,621	246	2,234
Other countries	83,464	153,192	29,357	4,949	16,905	905	2,885
CORPORATIONS							
Total	76,036	7,017,018	447,207	67,970	286,802	16,748	1,260
Bahamas	689	16,057	4,577	794	3,462	42	-
Belgium	3,703	89,769	11,218	2,810	5,798	7	-
Bermuda	455	42,493	10,028	4,737	3,867	1,387	2
Canada	33,148	883,777	73,499	28,927	20,887	3,987	250
France	1,155	465,644	28,362	3,283	19,745	1,109	11
Germany, Federal Republic	2,119	289,204	14,676	86	5,470	6	-
Hong Kong	628	10,976	2,550	593	1,691	11	3
Italy	430	19,567	1,157	442	715	-	-
Japan	1,403	478,570	35,154	6,638	10,420	6,745	390
Luxembourg	997	41,791	3,178	421	2,351	5	5
Mexico	370	7,262	1,945	498	458	426	-
Netherlands	2,041	1,165,835	63,890	448	56,433	2	1
Netherlands Antilles	1,163	1,329,669	19,020	1,363	17,623	12	7
Panama	849	29,257	6,777	846	4,485	71	10
Saudi Arabia	32	615	180	26	154	-	-
Sweden	153	30,360	1,352	31	620	-	1
Switzerland	4,414	885,624	85,427	11,071	66,219	55	120
United Arab Emirates	16	347	52	-	52	-	-
United Kingdom	14,178	967,978	47,240	738	40,634	425	288
Other countries	8,093	262,223	36,925	4,218	25,718	2,458	172

Nonresident Alien Income and Tax Withheld, 1982

By Chris R. Carson*

The United Kingdom surpassed both the Netherlands and the Netherlands Antilles as the foreign country with individuals and organizations receiving the most U.S. source income ($2.2 billion) during 1982. The increased use of "dual resident corporations" [1], which for tax purposes are considered resident in both the United States and the United Kingdom, is primarily responsible for the sudden rise in interest payments to the United Kingdom. Dual resident corporations can deduct from income in both countries interest payments and certain costs of starting a business.

Although U.S. source income paid to the Netherlands Antilles, a tax haven, rose by 13 percent from 1981 [2], future payments may be less due to the Deficit Reduction Act of 1984. This legislation exempts most new debt issues from U.S. withholding tax, at least partly reducing the withholding tax and interest rate advantages that U.S. corporations derive by borrowing funds through the Netherlands Antilles. Interest, which makes up 93 percent of U.S. source income paid to the Antilles, has been substantially exempt from withholding under an extension of the United States-Netherlands tax treaty.

U.S. source income paid to foreign individuals and organizations rose just over 9 percent, to $10.6 billion, from 1981 to 1982. For the first time, interest surpassed dividends as the most common type of income, as 48 percent or $5.1 billion of all income paid represented interest. This reflects the growing use of borrowed foreign capital in helping to finance the U.S. economic recovery. Although dividends rose to $4.5 billion, their share of all income fell to 43 percent from 45 percent in 1981.

BACKGROUND INFORMATION

A U.S. individual or organization paying income to a nonresident alien (foreign individual, corporation, or other organization) reports this income and the U.S. tax withheld on the Form 1042S. While the basic tax rate is 30 percent, certain types of income are taxed at different rates. Income paid to countries that have entered into tax treaty agreements with the United States is usually taxed at lower rates. The tax withheld represents final payment of the actual tax liability in almost all instances. Income connected with the recipient's U.S. trade or business is exempt from withholding. The United States taxes this income separately, as though it were received by a U.S. citizen or corporation.

The responsibility for withholding tax belongs to the payor or the representative (usually a financial institution) of the payor rather than the recipient of the income. This is because the United States has no agreements with foreign countries (as they would be impractical) authorizing direct taxation of foreign individuals and organizations that are not resident in this country. Direct taxation of nonresident aliens would be difficult to enforce. The basic tax rate on nonresident alien income (30 percent) differs from the graduated tax rates for U.S. individuals and corporations because foreign individuals and corporations may receive income from an indefinite number of U.S. payors. Since the nonresident alien is not required to file a tax return and consolidate all U.S. income, the total income cannot be taxed in graduated "brackets," as one payor would have no knowledge of the amount of income other U.S. persons had paid to the same nonresident alien.

RECENT LEGISLATION

The Deficit Reduction Act of 1984 exempts certain interest payments from withholding. To qualify, this interest must be paid on debt issued after the establishment of the Act (July 18, 1984). Interest paid to a foreign individual or corporation owning 10 percent or more of the voting shares of the U.S. payor does not qualify for this exemption.

Before the passage of this legislation, some foreign investors were hesitant to invest in the United States because of the 30-percent withholding tax. Often foreign individuals and corporations that would be taxed on this income in their own countries, but could not credit the associated U.S. tax withheld, would choose

*Foreign Returns Analysis Section. Prepared under the direction of James Hobbs, Chief.

to invest only in their own countries to avoid double taxation. Individuals and organizations that wanted to avoid income taxes in their own countries might also avoid investments subject to withholding.

In the late 1970's, high U.S. interest rates made U.S. investments attractive to foreign individuals and organizations. Large U.S. trade deficits left billions of U.S. dollars in foreign countries available for investment. U.S. multinational corporations, seeing the possibility of borrowing large amounts of money at interest rates below U.S. rates, set up finance subsidiaries in the Netherlands Antilles. These subsidiaries borrowed large amounts of money from the Eurobond market and loaned the money to the U.S. parent corporation. The interest payments from the U.S. parent to its subsidiary were exempt from withholding under an extension of the U.S. tax treaty with the Netherlands. Smaller companies, which needed to borrow less money, were substantially shut out of the Eurobond market as the cost of setting up and maintaining a finance subsidiary in the Netherlands Antilles was prohibitive when compared to their potential interest savings.

The U.S. Treasury Department began to renegotiate the U.S. tax treaty with the Netherlands Antilles. While this treaty was being renegotiated, renewed attention was given to earlier proposals to exempt certain interest from U.S. taxation regardless of what country the interest was paid to. The prospect of U.S. tax exempt interest would spur foreign investment in the United States and in turn create new jobs. The amount of revenue loss was estimated to be relatively small, as only $152.5 million of tax was withheld on interest income for 1982. The revenue effect of the exemption of this interest income from withholding will not be felt immediately by the Treasury, as debt issues made prior to the Deficit Reduction Act will still be subject to withholding (except when exempted by tax treaties). In addition, any withholding tax revenue loss would be partly offset by a reduction in foreign tax credit for some U.S. corporations now crediting the small amount of tax paid to the Netherlands Antilles on the net interest income (interest income from U.S. parent minus interest paid to bondholder) of the U.S. controlled finance subsidiaries there. As the money would be borrowed directly from the bondholder (usually European), there would be no net interest income subject to Antilles tax. The Deficit Reduction Act of 1984 also recharacterizes certain income of foreign subsidiaries as U.S. income. This will prevent some corporations from earning low-tax foreign income in the Antilles (and elsewhere) to increase their credit limitation and thereby claim a greater foreign tax credit.

As a result of the exemption of certain interest income from withholding tax, small U.S. companies and the U.S. Treasury will now be able to enter the Eurobond market directly. The entrance of smaller U.S. companies and the U.S. Treasury into the Eurobond market may cause increased competition for low-cost foreign debt. This competition is likely to drive up foreign interest rates on this debt closer to the U.S. level. The possibility of this interest rate increase may have been the reason that some U.S. corporations issued hundreds of millions of dollars in Eurobonds recently, in expectation of the passage of the Deficit Reduction Act of 1984. Downward pressure may be put on domestic interest rates, as U.S. lenders will have less demand for new debt from these small companies and the U.S. Treasury. The demand for dollars to invest in the United States should strengthen the dollar, making imports cheaper and exports more expensive. As foreign interest rates approach the U.S. rate, foreign individuals and organizations will shift new investments to their own countries until a point of equalization is reached.

DATA ANALYSIS AND TRENDS

Although income rose faster (9 percent) from 1981 to 1982 than tax withheld (2 percent), both rose slowly compared to their increases for 1981 (45 percent and 18 percent, respectively). Income exempt from withholding increased by 27 percent, while income subject to withholding actually fell by 2 percent. Almost half of this increase in exempt income was accounted for by the United Kingdom, where exempt income increased by over $470 million. The total increase in exempt income was nearly a billion dollars.

The amount of average income per payment rose by 11 percent to $18,800 from 1981 to 1982. This contrasts sharply with a 54-percent increase in 1981. Corporate recipients again received much larger average payments ($144,000) than other recipients, including individuals ($1,800). The increase in the size of the average payment to corporations, up from $92,000 in 1981, is due more to the drop in the number of Forms 1042S showing payments to corporations, from 76,036 to 51,962, than in the increase in corporate income (4 percent).

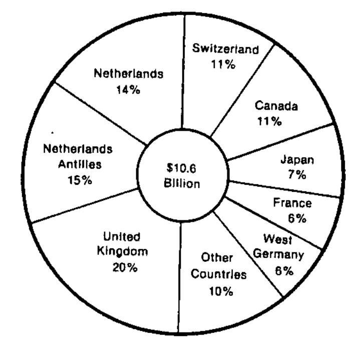
Country of Recipient

The eight countries shown in Figure A accounted for 90 percent of all U.S. source income. These countries accounted for 88 percent of all income in 1981. The United Kingdom dominates this list, receiving a higher portion of the total, 20 percent, than any country has received in recent years.

While these countries' U.S. source income rose 12 percent from 1981, the distribution of this income has changed dramatically. As shown in the following table, income paid to the United Kingdom rose by 60 percent from 1981. Japan and the Netherlands Antilles also received substantially more income than in 1981, posting gains of 35 percent and 13 percent, respectively. The Netherlands, Canada, and Switzerland actually received less U.S. source income than in 1981.

Figure A

Percent of Total Income Paid, by Country of Recipient, 1982



Gross Income Paid
[thousands]

Country	1981	1982	Change
	(1)	(2)	(3)
United Kingdom	$1,357,044	$2,174,506	60%
Japan	519,568	703,643	35
Netherlands Antilles	1,399,528	1,580,359	13
West Germany	598,054	627,861	5
France	652,496	660,975	1
Switzerland	1,201,878	1,176,462	-2
Netherlands	1,539,633	1,463,583	-5
Canada	1,217,255	1,151,846	-5
Other countries	1,213,531	1,085,074	-11

The dramatic increase in income payments to the United Kingdom was mainly, as already mentioned, due to the establishment of "dual resident corporations." These are corporations that take advantage of the varying rules that different countries use for determining the residency of a corporation. This allows corporations having losses, especially in starting a new operation or facility, to deduct these losses on the tax returns filed in both countries. Since U.S. corporate residency is determined by the country of incorporation, the "dual resident corporation" must be incorporated in the United States, usually in Delaware. The United Kingdom determines the country of residence of corporations by the country where management occurs.

This combination of U.S. incorporation and U.K. management is typically beneficial when beginning a new investment in the United Kingdom, such as drilling for oil in the North Sea. Certain costs of starting the project, including interest expense, are then deducted from both U.S. and U.K. income. The startup capital is sometimes borrowed from a U.K. lender because the interest rates in recent years have been lower in Europe and interest payments to U.K. individuals and organizations are exempt from U.S. withholding in most instances. Interest payments by these "dual resident corporations" may explain the increase in interest paid to the United Kingdom of nearly $500 million from 1981 to 1982.

More tax was withheld from payments to the United Kingdom than to any other country. The $136 million withheld from this income represents 18 percent of all tax withheld by U.S. withholding agents. Almost 94 percent of this tax on U.K. income was withheld from dividends. More than $100 million of tax was withheld on payments to each of Switzerland and Canada, representing 16 percent and 15 percent, respectively, of all tax withheld.

There were substantial increases in the amount of tax withheld on payments to certain countries. Tax-withheld amounts rose 59 percent and 38 percent from 1981 on income paid to Japan and the United Kingdom, respectively. These countries also had the largest percentage increases in income, although the order was reversed. The 59-percent tax-withheld increase for Japan was due to a 49-percent increase in income subject to withholding and a 3-percent decrease in exempt income. Tax-withheld amounts dropped substantially on payments to the Netherlands Antilles (51 percent) and the Netherlands (16 percent).

Effective Tax Rate by Country

Although the basic withholding tax rate is 30 percent, the actual rate can differ for a variety of reasons. Tax treaties allow for lower tax rates on payments to certain countries. Income paid to exempt or government organizations is generally not taxed. Most U.S. income paid to foreign private foundations is taxed at 4 percent. In addition, income that is connected with the recipient's trade or business, and is therefore taxed as though it were received by a U.S. individual or organization, is not subject to withholding tax. Because of these factors, the effective U.S. withholding tax rate varies by country.

The following table shows the income paid, tax withheld by U.S. withholding agents, and the effective withholding tax rates for the 12 countries having the lowest effective tax rates. Only countries below the all-country average (7.1 percent) receiving at least 100 payments and $1 million were considered.

Ranking of Effective Tax Rates by Country, 1982

[Money amounts are in thousands]

Country	Gross income	Tax withheld	Effective tax rate
	(1)	(2)	(3)
Antigua	$4,038	$3	0.1%
Netherlands Antilles	1,580,359	13,069	0.8
Saudi Arabia	51,208	1,169	2.3
Finland	5,199	138	2.7
Trinidad and Tobago	1,797	52	2.9
Poland	2,561	76	3.0
Cayman Islands	43,876	1,970	4.5
West Germany	627,861	29,554	4.7
China (Taiwan)	9,055	451	5.0
Netherlands	1,463,583	73,848	5.0
Portugal	14,128	742	5.3
United Kingdom	2,174,506	136,097	6.3
All countries	10,624,310	758,186	7.1

Although all the countries have low U.S. effective withholding tax rates, the reasons vary for these low rates. Antigua and the Netherlands Antilles are "tax haven" countries (see "Tax Haven Countries") that have low tax-treaty rates on their U.S. source income [3]. Although Saudi Arabia is not a tax haven and does not receive the benefit of lower treaty rates, income paid to Saudi Arabian government organizations made up a substantial portion of all U.S. source Saudi income. An inordinately high proportion of Saudi investments in the United States is owned by the Saudi government. The income from these investments was not subject to U.S. withholding. Finland, Trinidad and Tobago, Poland, West Germany, and the United Kingdom are not generally considered tax havens, but have the benefit of low U.S. withholding tax rates due to tax treaties. One reason for the low (5 percent) effective tax rate for the Netherlands is that the United States-Netherlands tax treaty allows for a 5-percent tax on dividends paid to Netherlands corporations that control or own the U.S. subsidiary. More than $773 million of dividends paid to the Netherlands in 1982 fit this category. Ironically, many tax havens have above-average effective tax rates (see Figure B). This is generally because these countries have no tax treaties with the United States. The Cayman Islands is an exception, having an effective tax rate of 4.5 percent although it has no tax treaty with the United States.

Tax Haven Countries

A tax haven is generally considered to be a country having tax laws favorable to foreign individuals and organizations in an attempt to attract these investors. The tax haven country typically benefits by collecting certain fees or taxes (at a low tax rate). These foreign individuals and organizations would usually not invest in or through the tax haven if higher taxes were imposed. The most successful tax haven countries tend to have some or all of the following characteristics.

- o No withholding tax on most payments from the tax haven to foreign individuals and organizations,
- o Low or zero income tax rates for individuals or organizations within the tax haven country,
- o Secrecy laws to prevent foreign governments from obtaining financial information about their own citizens and organizations,
- o And finally, although most tax havens do not have this, tax treaties with low or zero withholding tax rates for most income payments received from foreign countries.

Recipients in tax haven countries tend to receive larger payments than in other countries. Figure B shows ten countries that qualify as tax havens to varying degrees. All but one of these countries received larger-than-average ($18,800) payments. As in 1981, the Netherlands Antilles headed this list with an average payment of $723,000, although this average is down from $754,000 in that year.

Payments to tax haven countries are more likely to go to corporations in those countries than are payments to non-tax havens. This is primarily due to the predominance of financial corporations in tax havens. Many U.S. corporations have finance subsidiaries in these countries. Also, U.S. and foreign individuals and corporations may set up corporations in tax havens to avoid income taxes in their own country. Figure B shows the percentage of U.S. source income payments made to foreign corporations for ten selected tax haven countries. Each of the countries shown is above the 9-percent average for all countries. Antigua leads this list with a 74-percent figure.

The effective tax rate, defined as tax withheld divided by income paid, for the tax haven countries shown in Figure B, is affected by whether the country has a tax treaty with the United States. As was stated earlier, treaty countries tend to have lower effective tax rates than the nontreaty countries. Antigua, whose treaty with the United States is an extension of the United Kingdom treaty, had the lowest rate at 0.1 percent, followed by the Netherlands Antilles at 0.8 percent.

The Netherlands Antilles ranks high in the categories shown in Figure B, placing first, third, and second, respectively. Although no Gross National Product (GNP) information was available for the Netherlands Antilles for 1982, in 1981 U.S. source income was actually greater than the Antilles' GNP [4]. This U.S. source income, which was 93-percent interest, is inordinately high because large U.S. corporations borrow substantial amounts of money from foreign markets through their subsidiaries in the Antilles since this interest is exempt from withholding. It seems likely that recent legislation, which exempts most interest payments to all countries on new debt issues from tax withholding, will eliminate the need to borrow money through the Antilles. However, the United States provides many foreign governments with U.S. income information about their citizens and corporations. Therefore, foreign individuals and corporations wanting to avoid income tax in their own countries may still want these loans made through the Antilles for reasons of secrecy.

Tax Treaty Countries

Since payments to tax treaty countries are usually taxed at lower rates than payments to nontreaty countries, the effective tax rate for treaty country income is about one third the rate for nontreaty countries. The following table shows the income paid, tax withheld by U.S. withholding agents, and effective tax rates for both treaty country totals and nontreaty country totals.

Gross Income, Tax Withheld and Effective Tax Rate

[Money amounts in thousands]

Country status	Gross income	Tax withheld	Effective tax rate
	(1)	(2)	(3)
All countries	$10,624,310	$758,186	7.1%
Treaty countries	10,012,968	650,143	6.5
Nontreaty countries	611,342	108,043	17.7

NOTE: More detailed information by country and treaty status is shown in Table 1.

Income paid to treaty countries rose by 12.6 percent from 1981 to 1982, while nontreaty countries received 26 percent less U.S. source income in 1982. It should be noted that tax treaties with three countries became effective during 1982. Therefore, Egypt, Malta and Morocco are included in the nontreaty country total for 1981 but in the treaty country total for 1982. Even with these additional countries included, tax withheld on payments to treaty countries rose only 5 percent. Nontreaty country tax withheld fell less than 1 percent despite the 26-percent drop in income.

Although lower tax treaty rates may reduce U.S. withholding tax revenue, this revenue loss is at least partly offset by lower foreign tax credits for U.S. individuals and corporations. Since tax treaties usually allow for correspondingly lower foreign withholding tax rates, U.S. individuals and corporations receiving income from tax treaty countries have less foreign tax withheld. This usually reduces their foreign tax credit and increases the amount of income tax paid to the United States.

Recipients in tax treaty countries, again, typically enjoy lower U.S. withholding tax rates. However, if the income is paid to a foreign nominee or fiduciary, additional withholding is often required and is collected by the government in the country of the nominee or fiduciary. The purpose of this additional withholding is to prevent citizens of nontreaty countries from taking advantage of the lower tax rates of treaty countries. The foreign government or withholding agent holds this additional tax until the ultimate recipient proves residency in that country. If residency is not proven within a certain period of time, the tax is remitted to the United States (see Table 1, column 7). In the case of Canada, nominees and fiduciaries act as withholding agents and remit this additional tax directly to the Internal Revenue Service (IRS).

Type of Income

As was stated earlier, interest income surpassed dividends as the most common type of income paid to nonresident aliens during 1982. This is due largely to U.S. corporations borrowing large amounts of money from foreign countries, where interest rates have been comparatively low. This interest is generally taxed at a low or zero rate when paid to recipients in treaty countries. This explains why tax withheld on interest represented only 20 percent of all tax, while interest income comprised 48 percent of all income. Conversely, tax withheld on dividend payments made up a considerably higher portion (71 percent) of all tax than dividend income represented of all income (43 percent). Figure C shows the percentage of total income paid and the percentage of total tax withheld for certain types of income.

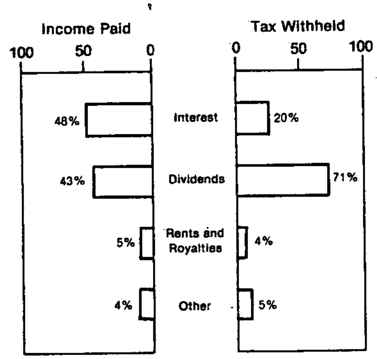
Figure B.--Size of Average Payment, Percent of Payments to Corporations, and Effective Tax Rate, for Selected Tax Haven Countries, 1982[1]

[Money amounts are in thousands]

Country or geographic area	Size of payments		Percent of payments to corporations		Effective tax rate			
	Rank	Average	Rank	Percent	Rank	Gross Income	Tax Withheld[2]	Percent
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Netherlands Antilles	1	$723	3	52%	2	$1,580,359	$13,069	0.8%
Netherlands	2	143	11	17	10	1,463,583	73,848	5.0
British Virgin Islands ..	4	69	4	39	31	32,186	4,502	14.0
Cayman Islands	5	60	2	62	7	43,876	1,970	4.5
Bermuda	6	58	10	21	50	72,277	16,348	22.6
Switzerland	7	57	12	15	24	1,176,462	121,429	10.3
Panama	11	26	5	30	44	69,624	15,018	21.6
Luxembourg	12	25	7	27	15	73,117	5,388	7.4
Antigua	14	20	1	74	1	4,038	3	0.1
Bahamas	16	17	6	29	60	31,283	8,393	26.8

[1]Countries considered for ranking purposes include only those receiving 100 or more payments and $1 million or more for all recipients for "Size of Payments" and "Effective Tax Rate" columns. The same restrictions were applied to "Percent of Payments to Corporations" but for corporate recipients only.
[2]Tax withheld by domestic withholding agents only.

Figure C
Percent of Total Income Paid and Percent of Total Tax Withheld, by Income Type, 1982



Tax withheld on interest rose at the same rate (60 percent) as the interest payments from 1981 to 1982. Tax withheld on dividends rose by 9 percent in the same period. Even with this rapid increase in tax on interest, the tax withheld on dividends was more than three and a half times greater.

Type of Recipient

As in 1981, foreign corporations received the majority (70 percent) of all U.S. source income, although this figure is down slightly from the 73 percent figure of that year. Foreign individuals received just 7 percent of all income although they received 73 percent of all payments. Payments to individuals were far smaller on the average ($1,800) than payments to corporations ($144,000). Tax withheld by U.S. withholding agents on payments to individuals represented 14 percent of all tax. This is double the percentage shown earlier for individual income as a percent of all income. This disparity exists because a greater percentage of income paid to individuals is subject to withholding (71 percent) than for all recipients (56 percent). Conversely, foreign corporations, which had only 51 percent of their U.S. source income subject to withholding, received 73 percent of all income, while tax withheld on payments to corporations made up just 70 percent of all tax.

The various types of recipients not only received different amounts of U.S. income, but also tended to receive different kinds of income. As is shown in Figure D, 54 percent of U.S. source income paid to foreign corporations was interest income. The corresponding figure for foreign individuals was only 21 percent. A higher percentage of income of individuals was made up of dividends (45 percent) than the income of corporations (38 percent). More than 80 percent of nominee and fiduciary income was dividends while government, international, and exempt organizations tended to receive interest (58 percent). Although personal service income is not shown as a specific category in Figure D, 13 percent of the income paid to foreign individuals falls into this category. Almost 90 percent of all personal service income was paid to individuals.

U.S. Withholding Taxes and Foreign Withholding Taxes

Most foreign countries impose withholding taxes similar to those of the United States. U.S. individuals and organizations that receive income from foreign countries can usually take a tax credit for the foreign taxes withheld from this income. Although foreign withholding tax rates tend to be similar to the U.S. tax rates, foreign countries, in general, withhold far more total tax on payments to U.S. corporations than the United States withholds on similar payments to foreign corporations. Although similar data dealing with the amount of income paid are not available, this withholding tax disparity is probably mainly due to U.S. corporations receiving more foreign income than foreign corporations receive U.S. income. In 1980, the latest year for which such information is available, U.S. corporations claiming a foreign tax credit had $2.6 billion of tax withheld on dividends, interest, rents and royalties received from foreign countries [5]. This was more than seven times the amount of tax the U.S. withheld ($362.8 million) on similar payments to foreign countries. This $2.6 billion of foreign taxes withheld does not include tax withheld on payments to U.S. corporations that did not claim a foreign tax credit.

Figure E shows U.S. tax withheld on payments to foreign corporations, foreign taxes withheld on foreign income received by U.S. corporations claiming a foreign tax credit, and U.S. tax surplus or deficit (U.S. tax withheld minus foreign tax withheld) by income type by country for 1980. More tax was withheld by foreign countries than by the United States for each of the income categories (dividends, interest, and rents, royalties and license fees) shown.

Foreign tax withheld on dividend payments to U.S. corporations exceeded similar U.S. tax on dividend payments to foreign corporations by almost $1.1 billion. One possible reason for this disparity is that U.S. corporate investment in foreign corporations is probably greater than the reverse. It is also possible that foreign corporations are more likely to invest in the United States through unincorporated branches to avoid withholding taxes. These corporations would still pay U.S. income tax on their U.S. income. As the United States tends to have a relatively stable economy, foreign corporations may accept lower profit margins in the United States and therefore receive lower dividends, in exchange for a secure U.S. investment. U.S. investors in less-secure foreign economies, having greater political, and therefore economic, risk may require higher profit margins and therefore receive greater dividends from their foreign subsidiaries.

Foreign governments also withheld far more tax on interest payments to U.S. corporations than the United States withheld on similar payments to foreign corporations during 1980. The disparity is smaller ($607 million) than for dividends and more than 57 percent of this difference can be accounted for by two countries, Mexico and Brazil. These countries are heavily indebted to U.S. banks and therefore must pay large interest amounts which are subject to foreign tax withholding. Tax withheld on interest payments to U.S. banks ($309 million) represented 88 percent of tax withheld by Mexico and Brazil on interest payments to all U.S. corporations.

SUMMARY

The Deficit Reduction Act of 1984 exempts from withholding tax most U.S. source interest payments to nonresident aliens on new loans. This will enable small companies and the U.S. Treasury to borrow money from foreign lenders, whose interest rates have typically been lower than those in the United States. Large U.S. borrowers, who previously issued substantial foreign debt through Netherlands Antilles subsidiaries to avoid this withholding tax, can now issue this debt directly to the country of the lender. This may lessen the Antilles status as a tax haven.

Income payments to the United Kingdom increased by 60 percent from 1981 to 1982, from almost $1.4 billion to more than $2.2 billion. This increase is due in part to "dual resident corporations" making interest payments to U.K. lenders for startup borrowing costs and general debt. These "dual resident corporations" are incorporated in the United States while keeping their management in the United Kingdom. This dual residency allows the corporations to deduct losses from income in both countries.

For the first time interest has surpassed dividends as the most common type of income paid to nonresident aliens. Interest accounted for 48 percent of such income while dividends fell from 1981, to 43 percent of all income.

Figure D
Percent of Income Paid by Income Type and Percent of Tax Withheld by Income Type, by Recipient Type, 1982

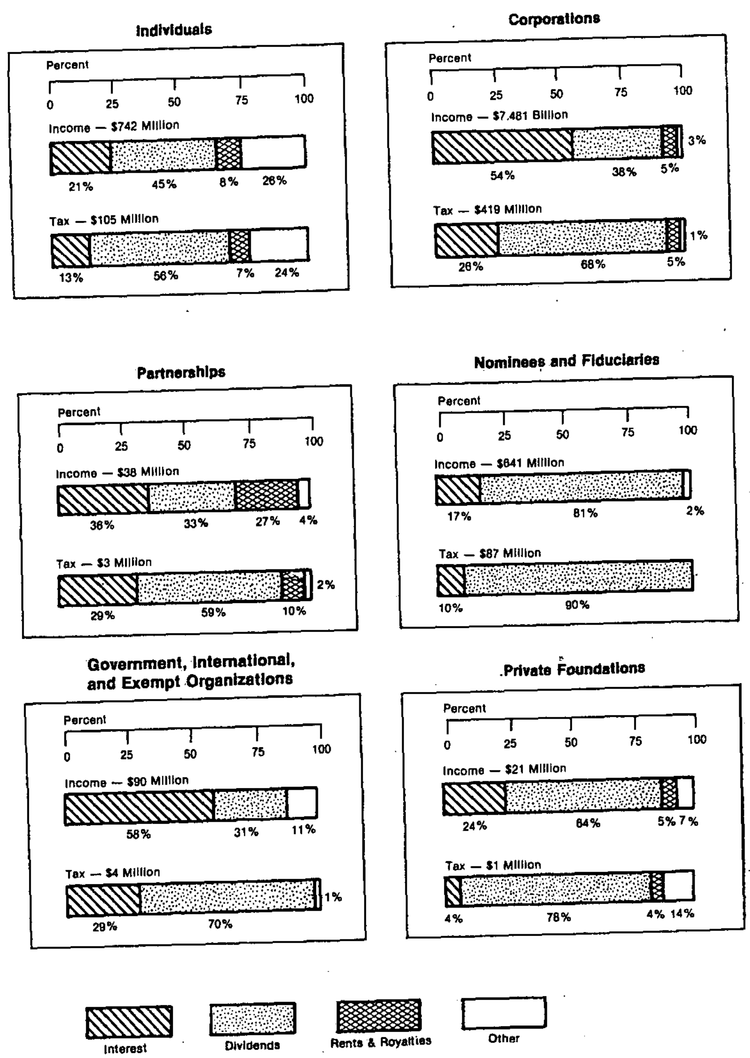


Figure E.—U.S. Tax Withheld on Payments to Foreign Corporations, Foreign Tax Withheld on Payments to U.S. Corporations Claiming a Foreign Tax Credit, and U.S. Tax Surplus or Deficit, by Income Type and Country, 1980

[Money amounts are in thousands]

Country or geographic area	Tax withheld on dividends			Tax withheld on interest			Tax withheld on rents, royalties and license fees		
	U.S. payments to foreign corporations[1]	Foreign payments to U.S. corporations[2]	U.S. tax surplus or deficit	U.S. payments to foreign corporations[1]	Foreign payments to U.S. corporations[2]	U.S. tax surplus or deficit	U.S. payments to foreign corporations[1]	Foreign payments to U.S. corporations[2]	U.S. tax surplus or deficit
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All countries	$275,165	$1,373,863	-$1,098,698	$69,752	$676,488	-$606,736	$17,786	$547,938	$-530,152
Argentina	192	28,828	-28,636	10	38,711	-38,701	12	12,071	-12,059
Australia	343	55,062	-54,719	272	8,474	-8,202	955	72,761	-71,806
Belgium	4,189	42,770	-38,581	4,330	4,573	-243	2	268	-266
Brazil	16	84,386	-84,370	149	148,116	-147,967	15	19,556	-19,541
Canada	28,544	236,365	-207,821	22,234	111,923	-89,689	3,503	83,033	-79,530
France	17,475	24,859	-7,384	3,515	3,237	+278	1,771	25,836	-24,065
Italy	756	29,473	-28,717	206	3,963	-3,757	-	19,492	-19,492
Japan	17,501	51,526	-34,025	11,795	11,215	+580	6,351	77,917	-71,566
Mexico	419	53,037	-52,618	190	201,816	-201,626	774	77,539	-76,765
Netherlands	56,426	52,908	+3,518	1,494	3,310	-1,816	8	231	-223
Netherlands Antilles	4,668	4,048	+620	1,611	154	+1,457	17	7	+10
South Africa	44	36,890	-36,846	10	290	-280	6	10,085	-10,079
South Korea	5	27,163	-27,158	4	56	-52	-	1,713	-1,713
Switzerland	61,126	48,238	+12,888	11,111	534	+10,577	75	1,336	-1,261
Venezuela	310	20,056	-19,746	122	26,893	-26,771	2	5,556	-5,554
United Kingdom	45,149	183,235	-138,086	632	10,522	-9,890	711	10,964	-10,253
West Germany	5,829	255,766	-249,937	62	748	-686	5	1,685	-1,680
Other	32,173	139,253	-107,080	12,005	101,953	-89,948	3,579	127,888	-124,309

[1]Does not include tax remitted by foreign governments and withholding agents as these amounts cannot be allocated to specific years.
[2]Does not include tax withheld on income received by U.S. corporations not claiming a foreign tax credit. The amounts shown are for corporation tax returns having accounting periods ending between July 1980 and June 1981.

Although most payments went to individuals, the majority of the total income was paid to foreign corporations. Other types of recipients such as partnerships, fiduciaries, nominees, government organizations, exempt organizations, and private foundations received both a small percentage of all payments and a small percentage of the total income.

The United States collects far less in withholding taxes on payments to nonresident aliens than foreign countries withhold on similar payments to the United States. The withholding tax disparity for dividend income is probably due to the continuing high level of U.S. multinational investment in foreign countries. This subjects the dividend payments to the U.S. parent to foreign withholding. A slightly smaller disparity exists for interest payments. More than half the withholding tax on interest claimed by U.S. corporations for foreign tax credit purposes was withheld by Brazil and Mexico. These countries impose withholding taxes on the interest portion of the repayment of large borrowings from U.S. banks.

CHANGES TO 1981 FORM 1042S DATA

The following corrections were made to the 1981 Form 1042S data published in the Summer 1983 issue of the Statistics of Income Bulletin. These income changes are reflected in all text and tables of this article utilizing or referring to 1981 data. No changes were made to tax data. Amounts are in thousands of dollars.

	Original amount	Adjustment	Revised amount
	(1)	(2)	(3)
Country			
All countries	$9,561,489	$155,498	$9,716,987
Canada	1,238,255	-21,000	1,217,255
France	650,496	2,000	652,496
Netherlands	1,339,633	200,000	1,539,633
Switzerland	1,203,878	-2,000	1,201,878
West Germany	621,556	-23,502	598,054
Income type			
All income	$9,561,489	$155,498	$9,716,987
Dividends	4,268,729	173,498	4,442,227
Other	5,292,760	-18,000	5,274,760
Recipient type			
All recipients	$9,561,489	$155,498	$9,716,987
Individuals	733,383	-16,000	717,383
Corporations	7,017,018	198,000	7,215,018
Fiduciaries	68,088	2,000	70,088
Nominees	328,769	-5,000	323,769
Unknown	677,223	-23,052	654,171

DATA SOURCES AND LIMITATIONS

Payors of income to nonresident aliens must withhold tax in accordance with Chapter 3 of the Internal Revenue Code. The Form 1042S is filed to report this income and the U.S. tax withheld. Often the payor has a financial institution act as withholding agent.

The present statistics are tabulated by calendar year, based on all Forms 1042S filed for 1982. The years indicated in the tables represent the year in which the income was paid and the U.S. tax withheld, except for the tax from foreign governments and withholding agents. These amounts are shown by the year the tax was remitted to the United States under treaty agreements. Tax withheld amounts and percentages shown in Table 2 and Figures B, C, D and E, do not include tax withheld by foreign governments and withholding agents (except Canada). This additional withholding cannot be properly attributed to specific recipient and income types. Definitions and other information are available in the IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Corporations.

As all Forms 1042S are included in these statistics, they were not subject to sampling error. However, the data are subject to nonsampling errors such as computer data entry errors and minor taxpayer reporting errors. Forms 1042S with income greater than $500,000 were manually verified. A limited computerized program was used to test the data for certain basic numerical relationships, including the calculation of the correct tax withheld.

More detailed information on nonresident alien income and tax is available from the Statistics of Income (SOI) Division. This includes information for types of income and countries not discussed in this article.

EXPLANATION OF TERMS

Income Effectively Connected With a Trade or Business.--Income that is effectively connected with the conduct of a trade or business in the United States is exempt from withholding. This income is subject to substantially the same tax rates that apply to U.S. citizens, residents, and corporations. For example, if a foreign corporation has unincorporated operations in the United States, a Form 1120F must be filed and appropriate taxes paid for the income of this operation. When income is then remitted to the foreign corporation, it is considered connected with a U.S. trade or business and not retaxed.

Nominee.--An entity, chosen or appointed to accept income for, or act on behalf of, the eventual recipient of the income. Typically a financial institution acts as nominee.

Nonresident Alien.--For purposes of this article, a nonresident alien is defined as an individual whose residence is not within the United States and who is not a U.S. citizen. Corporations and other organizations created or organized outside the United States are also considered nonresident aliens.

Withholding Agent.--Any person (individual, corporation, partnership, estate, or trust) required to withhold tax. Usually the withholding agent is the payor of the income or a "person" (usually a financial institution) acting on behalf of the payor. A foreign nominee or fiduciary required to withhold additional tax under a tax treaty is also a withholding agent.

NOTES AND REFERENCES

[1] Phillips, John S., "Dual Resident Corporations," International Tax Review, Price Waterhouse, Vol. 9, No. 4, p. 2.

[2] Certain data published for 1981 in the Statistics of Income Bulletin Summer 1983, were later adjusted. See "Changes to 1981 Form 1042S Data" in this article.

[3] Treaties have been terminated with the following countries as of January 1, 1984: Anguilla, Barbados, Belize, Dominica, Grenada, Montserrat, St. Christopher-Nevis, St. Lucia, St. Vincent and the Grenadines. Antigua and Barbuda terminated its treaty with the United States effective August 26, 1983.

[4] Carson, Chris R., "Nonresident Alien Income and Tax Withheld, 1981," Statistics of Income Bulletin, Summer 1983, pp. 36-37.

[5] For additional information on foreign withholding taxes by income type and country, see the Foreign Tax Credit article in the upcoming Statistics of Income Bulletin, Winter 1984-1985.

Table 1.--Number of Forms 1042S Filed, Gross Income Paid, Tax Withheld, and Other Items, by Selected Treaty and Nontreaty Countries, 1982

[Money amounts are in thousands of dollars]

Country or Geographic area	Number of Forms 1042S filed	Income paid			Tax withheld		
		Total	Exempt from withholding	Subject to withholding	Total	Domestic withholding agents	Foreign Governments and withholding agents
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total	565,091	10,624,310	4,672,184	5,952,126	848,874	758,186	90,688
Treaty country, total	476,469	10,012,968	4,472,778	5,540,190	740,831	650,143	90,688
Australia	10,311	26,577	7,072	19,505	4,019	4,019	-
Austria	3,218	12,081	4,842	7,239	1,238	1,238	-
Belgium	8,633	120,166	23,781	96,385	16,485	15,050	1,435
Canada	241,256	1,151,846	423,631	728,215	110,385	110,385	-
Denmark	1,670	10,582	3,614	6,968	1,018	1,006	12
France	13,420	660,975	181,680	479,295	52,153	51,487	666
Germany, Federal Republic	45,042	627,861	436,673	191,188	29,554	29,554	-
Greece	3,651	7,177	2,898	4,279	1,157	1,157	-
Ireland	3,529	15,140	5,956	9,184	1,428	1,428	-
Italy	6,863	51,748	19,300	32,448	7,565	7,565	-
Japan	6,120	703,643	136,245	567,398	61,661	61,661	-
Luxembourg	2,968	73,117	48,071	25,046	6,849	5,388	1,461
Netherlands	10,224	1,463,583	448,030	1,015,553	74,211	73,848	363
Netherlands Antilles	2,185	1,580,359	1,511,892	68,467	13,078	13,069	9
Norway	3,167	11,567	3,538	8,029	1,009	1,009	-
South Africa	2,044	4,071	576	3,495	1,045	1,045	-
Sweden	4,762	73,824	15,234	58,590	5,338	5,338	-
Switzerland	20,568	1,176,462	200,946	975,516	206,429	121,429	85,000
United Kingdom	76,927	2,174,506	975,440	1,199,066	142,468	140,726	1,742
Other treaty countries	9,911	67,683	23,359	44,324	3,741	3,741	-
Nontreaty country, total	88,622	611,342	199,406	411,936	108,043	108,043	-
Argentina	3,823	11,533	4,335	7,198	2,079	2,079	-
Bahamas	1,814	31,283	1,878	29,405	8,393	8,393	-
Bermuda	1,236	72,277	12,878	59,399	16,348	16,348	-
Brazil	1,738	7,506	959	6,547	1,900	1,900	-
Cayman Islands	736	43,876	37,231	6,645	1,970	1,970	-
Hong Kong	9,133	35,999	3,642	32,357	9,577	9,577	-
Israel	3,529	15,640	5,956	9,684	1,741	1,741	-
Kuwait	743	4,795	1,191	3,605	1,075	1,075	-
Liechtenstein	772	15,150	2,199	12,951	3,924	3,924	-
Mexico	8,863	30,601	7,079	23,522	6,888	6,888	-
Panama	2,710	69,624	18,781	50,843	15,018	15,018	-
Portugal	888	14,128	679	13,449	742	742	-
Saudi Arabia	2,298	51,208	47,257	3,950	1,169	1,169	-
Spain	3,555	17,344	5,833	11,511	3,150	3,150	-
United Arab Emirates	549	1,340	564	777	233	233	-
Venezuela	4,814	11,774	4,260	7,513	2,217	2,217	-
Other nontreaty countries	41,421	177,264	44,684	132,580	31,619	31,619	-

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

Table 2.--Number of Forms 1042S Filed, Tax Withheld, and Gross Income Paid by Selected Income Type, by Selected Recipient Type and Selected Country of Recipient, 1982

[Money amounts are in thousands of dollars]

Country or Geographic area	Number of Forms 1042S filed	Tax withheld	Income paid				
			Total	Interest	Dividends	Rent and royalty	Personal service
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
ALL RECIPIENTS							
Total	565,091	758,186	10,624,310	5,134,841	4,546,634	510,898	97,698
Bahamas	1,814	8,393	31,283	5,831	22,885	614	100
Belgium	8,633	15,050	120,166	38,184	64,111	15,555	746
Bermuda	1,236	16,348	72,277	31,550	24,084	6,104	468
Canada	241,256	110,385	1,151,846	503,340	503,497	53,676	10,074
Cayman Islands	736	1,970	43,876	37,731	5,021	301	77
France	13,420	51,487	660,975	265,539	274,687	47,847	8,075
Germany, Federal Republic	45,042	29,554	627,861	391,450	160,404	46,088	6,274
Hong Kong	9,133	9,577	35,999	4,105	29,445	1,600	605
Italy	6,863	7,565	51,748	16,937	12,377	14,160	3,291
Japan	6,120	61,661	703,643	433,329	140,400	108,090	7,916
Luxembourg	2,968	5,388	73,117	38,240	33,975	2	27
Mexico	8,863	6,888	30,601	7,773	8,749	6,326	2,200
Netherlands	10,224	73,848	1,463,583	423,272	994,663	29,742	2,672
Netherlands Antilles	2,185	13,069	1,580,359	1,470,529	70,715	31,939	51
Panama	2,710	15,018	69,624	36,896	27,236	3,453	94
Saudi Arabia	2,298	1,169	51,208	36,842	2,983	25	173
Sweden	4,762	5,338	73,824	8,400	55,303	1,146	5,621
Switzerland	20,568	121,429	1,176,462	433,681	693,283	37,344	3,420
United Kingdom	79,049	136,097	2,174,506	820,170	1,197,648	86,580	21,407
Other countries	97,211	67,952	431,352	131,042	225,168	20,306	24,407
INDIVIDUALS							
Total	413,854	105,333	742,145	152,237	335,004	62,342	86,797
Bahamas	832	1,018	3,815	344	3,143	212	75
Belgium	7,019	1,006	7,777	812	4,553	179	726
Bermuda	706	586	2,123	213	883	35	417
Canada	183,020	16,923	136,714	23,100	65,718	12,760	7,730
Cayman Islands	112	135	515	109	364	42	-
France	9,720	4,655	36,897	6,243	12,822	4,916	7,417
Germany, Federal Republic	37,110	6,877	89,514	20,573	49,662	4,337	5,859
Hong Kong	7,527	4,465	16,425	926	14,146	662	555
Italy	5,787	5,379	25,716	2,074	4,326	11,439	3,095
Japan	4,249	1,533	16,773	2,513	2,974	448	6,611
Luxembourg	849	260	1,400	113	1,197	2	10
Mexico	8,017	4,372	20,211	4,322	6,712	4,867	2,038
Netherlands	5,278	2,500	22,894	2,031	13,303	3,901	2,114
Netherlands Antilles	492	729	10,208	5,674	3,953	396	29
Panama	1,496	1,807	6,898	1,431	5,177	29	9
Saudi Arabia	2,088	750	7,624	274	1,788	25	173
Sweden	4,247	2,105	10,896	510	2,093	182	5,552
Switzerland	9,175	8,057	62,047	20,272	34,914	1,942	2,502
United Kingdom	42,718	12,155	108,651	25,871	44,093	8,976	19,581
Other countries	83,412	30,021	155,047	34,832	63,183	6,992	22,304
CORPORATIONS							
Total	51,962	419,079	7,481,441	4,039,602	2,831,605	393,570	8,617
Bahamas	526	3,948	15,078	3,839	9,115	393	17
Belgium	570	8,124	73,201	32,965	24,873	15,319	-
Bermuda	253	10,317	51,106	30,447	9,825	1,350	19
Canada	22,347	52,670	680,799	396,035	204,248	31,628	2,064
Cayman Islands	453	866	36,661	34,056	1,834	257	63
France	974	19,921	388,161	156,820	135,165	37,135	352
Germany, Federal Republic	1,853	15,802	352,747	238,885	68,645	34,365	413
Hong Kong	627	3,713	13,933	2,870	10,331	576	50
Italy	265	1,462	20,581	13,540	4,495	2,403	45
Japan	1,449	54,567	635,677	406,099	117,498	104,520	1,273
Luxembourg	799	2,362	40,470	31,262	9,147	-	-
Mexico	314	1,765	6,895	2,071	1,076	1,188	12
Netherlands	1,740	53,038	1,274,152	397,252	848,583	24,725	552
Netherlands Antilles	1,145	9,175	1,430,131	1,347,845	45,785	29,609	5
Panama	804	6,744	36,062	18,227	14,861	2,287	85
Saudi Arabia	33	69	229	172	57	-	-
Sweden	198	2,764	54,716	7,147	46,553	758	37
Switzerland	3,154	73,453	773,533	326,179	409,441	32,636	893
United Kingdom	9,460	74,261	1,418,293	515,561	799,540	64,518	1,743
Other countries	4,998	24,058	179,016	78,330	70,533	9,903	994

Nonresident Alien Income and Tax Withheld, 1983

By Chris R. Carson*

U.S. source income paid to Netherlands Antilles recipients rose dramatically (33 percent) to more than $2 billion during 1983, the final year before implementation of the Deficit Reduction Act of 1984. (In contrast, U.S. source income paid in 1983 to all foreign recipients was slightly more than $11 billion.) This Act is expected to all but eliminate the use of the Antilles for future Eurobond financing.

U.S. interest payments to the Antilles increased by over $500 million to nearly $2 billion during 1983, with most of this interest paid to financial subsidiaries of the paying corporation. The Deficit Reduction Act, which exempts from tax withholding most interest payments to nonresident aliens on loans made after July 18, 1984, now allows U.S. borrowers to issue debt directly to the lender, without using Antilles finance subsidiaries as intermediaries to avoid withholding taxes.

The nature of new foreign investment in the United States has shifted markedly in recent years from corporate stock to interest-bearing bonds. Comparatively high U.S. interest rates in recent years have helped increase interest's share of U.S. income paid to foreigners from 22 percent in 1978 to 53 percent in 1983. Dividends' share during the same period fell from 64 percent to 38 percent. Interest payments rose at an average compound rate of 43 percent annually during this period (33 percent in real terms) as foreign investors, taking advantage of high U.S. interest rates, loaned large amounts of money, mainly to "blue-chip" U.S. corporations. In comparison, dividend payments increased by an annual average of about 8 percent from 1978 to 1983, approximately keeping pace with inflation.

Although total income paid to foreign individuals and organizations increased by 4 percent in 1983, income that was subject to tax withholding dropped by more than 6 percent from the 1982 level, causing a comparable decline in withholding tax revenues. As foreign investors shifted new investments toward interest-bearing bonds that were exempt from withholding (when paid to Netherlands Antilles recipients), the total tax withheld by U.S. withholding agents dropped by 8 percent from 1982 to about $698 million for 1983.

BACKGROUND INFORMATION

A U.S. individual or organization paying income to a nonresident alien (foreign individual, corporation, or other organization) reports this income and the U.S. tax withheld on Form 1042S. While the basic tax rate is 30 percent, certain types of income are taxed at different rates. Income paid to countries that have entered into tax treaty agreements with the United States is usually taxed at lower rates. The tax withheld represents final payment of the actual tax liability in almost all instances. Income connected with the recipient's U.S. trade or business is exempt from withholding. The United States taxes this income separately, as though it were received by a U.S. citizen or corporation. The responsibility for withholding tax belongs to the payer or the representative (usually a financial institution) of the payer rather than the recipient of the income.

The basic tax rate on nonresident alien income (30 percent) differs from the graduated tax rates for U.S. individuals and corporations because foreign individuals and corporations may receive income from an indefinite number of sources. Since most nonresident aliens are not required to file U.S. tax returns and consolidate all U.S. income, their total income cannot be taxed in graduated "brackets," as one payer would have no knowledge of the amount of income other individuals and organizations had paid to the same nonresident alien.

*Foreign Returns Analysis Section. Prepared under the direction of James Hobbs, Chief.

RECENT LEGISLATION AND ITS EXPECTED IMPACT

The Deficit Reduction Act of 1984 exempts certain interest payments from withholding. Interest on debt issued after the enactment of this legislation (July 18, 1984) that is not paid to a foreign individual, bank, or corporation owning 10 percent or more of the voting shares of the U.S. payer generally qualifies for this exemption.

The exemption from tax withholding on most interest payments is expected to increase U.S. borrowing from foreign countries. Smaller U.S. companies and the U.S. Treasury are now more able to issue debt to foreign lenders [1]. Smaller companies do not have to bear the cost of setting up and maintaining finance subsidiaries. These costs might have offset any interest savings derived by borrowing overseas. In addition, blue-chip U.S. corporations that have been borrowing money through the Netherlands Antilles will issue most new debt directly to lenders. Future statistics, especially after 1984, may show a sharp reduction in interest payments to the Netherlands Antilles [2]. Interest payments should increase to major Western European countries and Japan as new borrowings are likely to come mainly from these countries.

DATA ANALYSIS AND TRENDS

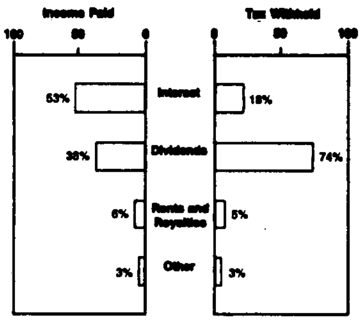
U.S. income payments to foreigners totalled $11.1 billion in 1983, increasing by only 4 percent, as compared to a 9 percent increase for 1982. The total increase was accounted for by the Netherlands Antilles, which received $514 million more in 1983 than in 1982. The total for all other countries actually decreased by about $82 million resulting in an overall net increase of about $432 million. As was mentioned earlier, tax withheld by U.S. withholding agents fell by 8 percent to $698 million.

The average income payment fell by 3 percent to about $18,200 for 1983. This was due to an increase of more than 40,000 in the number of Forms 1042S filed. About two-thirds of these additional payments were less than $100. Foreign government organizations and corporations received the largest average payments ($159,000 and $150,000, respectively), while individuals averaged only $1,600. The average amount of tax withheld per payment decreased more noticeably (14 percent) than income.

Type of Income

Interest continued to be the most common type of income payment. In 1982, 48 percent of income paid represented interest while 43 percent represented dividends. This 5 percentage point difference increased to 15 in 1983 as 53 percent of all income was interest, as is shown in Figure A.

Figure A
Percent of Total Income Paid and Percent of Total Tax Withheld, by Income Type, 1983



Since 1978, interest's share of all income has increased 31 percentage points, from 22 to 53 percent. The corresponding share for dividends fell by 26 percentage points, from 64 to 38 percent. The following table shows both total and average annual increases for dividends and interest in both constant and current dollars [3].

Gross Income Paid

[Thousands of dollars]

	Interest	Dividends
1978.........	$ 990,949	$2,867,596
1983.........	5,905,658	4,168,145
Percent increase:		
Current dollars:		
Total............	496.0%	45.4%
Average per year.. (Compounded)	42.9	7.8
Constant dollars:		
Total............	316.3	1.5
Average per year.. (Compounded)	33.0	0.3

After making allowances for inflation, interest rose at a compound rate of 33 percent per year between 1978 and 1983. Although dividends rose by about 8 percent per year, this increase barely kept pace with the rate of inflation. The real increase in dividends after inflation was less than 1 percent annually.

As interest payments are often exempt from withholding or taxed at low rates established by treaties (see "Tax Treaty Countries" section below), only $122 million of tax was withheld on interest payments during 1983. This represented only 18 percent of all tax withheld, although interest represented 53 percent of all income. Dividends, which are rarely exempt from withholding, represented only 38 percent of all income, while tax withheld on dividends comprised 74 percent of the total tax withheld. Figure A shows the percent of income paid and the percent of tax withheld for several income types.

The type of income paid varied considerably by the country of the recipient. As is shown in Figure B, almost all U.S. source income paid to the Netherlands Antilles was interest income. Of the eight countries shown, however, dividends made up a larger percentage of all income than interest for five countries. The disparity was smaller on average (15 percentage points) for these five countries, than for the three countries (Netherlands Antilles, Japan, and West Germany) that received more interest (65 percentage points) than dividends. Non-tax-haven countries received a greater portion of rents and royalties (9 percent average) than the Netherlands Antilles, the Netherlands, and Switzerland (2 percent average), all of which can be considered tax havens to some degree. (See the discussion on tax haven countries later in this article).

Country of Recipient

The same eight countries continued to receive the majority of U.S. source income. The countries shown in Figure C received 89 percent of the total income. The Netherlands Antilles surpassed the United Kingdom as the country receiving the most U.S. income. Other than the Antilles' 1982-83 increase, there were no dramatic changes from 1982 in the amount of income paid to the countries shown.

Tax withheld on payments to six of the eight countries shown in Figure C fell from 1982 levels. In particular, tax withheld on payments to the Netherlands Antilles fell by 30 percent even though income rose by 33 percent. Increases were registered by Japan (23 percent) and West Germany (19 percent), as income also rose for these countries.

Effective Tax Rate by Country

Although the basic U.S. withholding tax rate is 30 percent, the actual rate can differ for a variety of reasons. Tax treaties allow for lower tax rates on certain types of payments to certain countries. Income paid to tax exempt or government organizations is generally not taxed. Most U.S. income paid to foreign private foundations is taxed at 4 percent. Finally, income that is connected with the recipient's U.S. trade or business is taxed as though it were received by a U.S. individual or organization, and is therefore not subject to withholding tax. Because of these factors, the effective U.S. withholding tax rate (tax withheld as a percent of gross income) varies by country.

The following table shows the income paid, tax withheld by U.S. withholding agents, and the effective withholding tax rates for the twelve countries having the lowest effective tax rates. Only countries receiving at least 100 payments and $1 million or more were considered.

Ranking of Effective Tax Rates by Country, 1983

[Thousands of dollars]

Country	Gross income	Tax withheld	Effective tax rate
	(1)	(2)	(3)
Antigua........	$ 1,826	$ 3	0.18%
Egypt..........	32,903	61	0.19
Netherlands Antilles......	2,094,680	9,174	0.44
Argentina......	235,469	1,250	0.53
Trinidad and Tobago........	9,429	61	0.65
Saudi Arabia...	123,209	1,525	1.24
Taiwan.........	13,090	346	2.64
South Korea....	1,343	50	3.74
Poland.........	1,608	61	3.80
Netherlands....	1,392,091	61,552	4.42
Singapore......	14,245	652	4.57
West Germany...	704,012	35,081	4.98
Other countries	6,432,096	588,574	9.15
All countries.	11,056,001	698,390	6.32

Eight of the twelve countries shown also were among those with the lowest effective tax rates for 1982. Egypt, Argentina, South Korea, and Singapore were newcomers to this list. Antigua had the lowest effective rate for the second year in a row. All but Argentina, Taiwan, Saudi Arabia, and Singapore are tax treaty countries receiving the benefit of reduced withholding rates. Although Saudi Arabia is not a treaty country, a substantial portion (42 percent) of its U.S. source income ($123 million) was paid to Saudi Government organizations and therefore not subject to withholding. A substantial portion (62 per-

Figure B

Percent of Income Paid by Income Type, by Country of Recipient, 1983

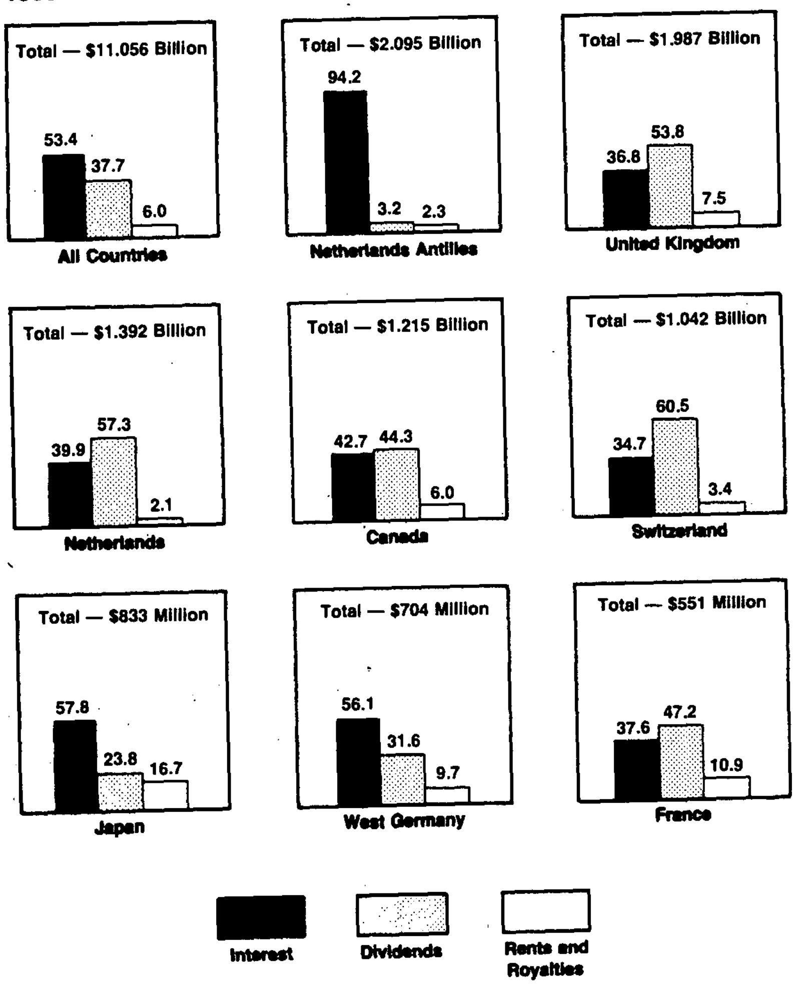
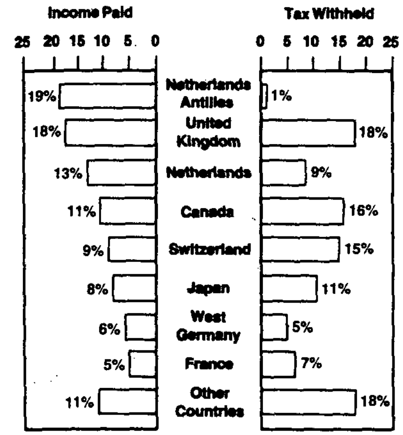


Figure C

Percent of Gross Income Paid and Percent of Tax Withheld by Domestic Withholding Agents, by Country of Recipient, 1983



cent) of Singapore's income ($14 million) was also paid to government organizations and therefore no tax was withheld on this income.

Although there are several tax haven countries listed, most tax havens do not have tax treaties with the United States allowing for reduced withholding tax rates. Antigua and Netherlands Antilles residents receive tax treaty benefits through extensions of tax treaties with the United Kingdom and the Netherlands, respectively. The tax treaty with Antigua was terminated as of January 1, 1984. Some tax haven countries, including the Bahamas and Bermuda have effective withholding tax rates (26 percent and 21 percent, respectively) considerably above the average for all countries (6 percent).

Tax Treaty Countries

The United States has tax treaties with foreign countries which usually reduce withholding tax rates in both countries. The major reason for such treaties is to avoid double taxation of income earned in one of the countries by residents of the other country. If income is earned in the United States and the U.S. taxes are only partially creditable against tax in the foreign country (because of limitations) this income may be taxed twice. This is especially true when a foreign corporation's U.S. subsidiaries are subject to U.S. income taxes and their dividend payments are also subject to U.S. withholding tax. Many tax treaties allow for reduced withholding tax rates (usually 5 percent) for dividends received from foreign subsidiaries. This lower withholding tax reduces overall tax rates on foreign investment and increases the likelihood of full credit for taxes paid to another country by the country of residence.

Although lower tax treaty rates may reduce U.S. withholding tax revenue, this revenue loss is at least partly offset by lower foreign tax credits for U.S. individuals and corporations. Since tax treaties usually allow for correspondingly lower foreign withholding tax rates, U.S. individuals and corporations receiving income from tax treaty countries have less foreign tax withheld. This usually reduces their foreign tax credit and increases the amount of income tax paid to the United States [4].

Lower tax rates on payments to recipients in treaty countries are evident in the following table which shows the effective tax rates for both treaty and nontreaty countries.

Gross Income, Tax Withheld and Effective Tax Rate

[Thousands of dollars]

Country status	Gross income	Tax withheld	Effective tax rate
	(1)	(2)	(3)
All countries.	$11,056,001	$698,390	6.3%
Treaty countries.....	10,232,898	615,968	6.0
Nontreaty countries.....	823,103	82,422	10.0

Although residents in tax treaty countries typically enjoy lower U.S. withholding tax rates, if the income is paid to a foreign nominee or fiduciary on behalf of a person not entitled to the treaty benefit, the full 30 percent U.S. tax should be collected. Some U.S. treaty partners collect the additional amounts on behalf of the United States (see Table 1, Column 7).

Tax Haven Countries

A tax haven is generally considered to be a country having tax laws favorable to foreign individuals and organizations in an attempt to attract these investors. The tax haven country typically benefits by collecting certain fees or taxes (at a low rate). Foreign individuals and organizations might not invest in or through the tax haven if taxes comparable to those of their own country were imposed. Tax haven countries tend to have the following characteristics:

- No withholding tax on most payments from the tax haven to foreign individuals and organizations,
- Low or zero effective income tax rates for individuals and organizations within the tax haven country, and
- Secrecy laws to prevent foreign governments from obtaining financial information about their own citizens and organizations.

Low or zero withholding tax rates usually attract foreign individuals and corporations to invest through the tax haven, rather than existing for the benefit of residents. However, many tax havens do not have tax treaties with the United States allowing for low or zero withholding rates on payments to the tax haven. While treaties with non-tax-havens allow for mutually-reduced withholding tax rates, this lost revenue is at least partially recovered in income taxes due to lower foreign tax credits claimed by U.S. taxpayers. As the Netherlands Antilles was the major tax haven country enjoying a zero withholding tax rate (on interest payments) during 1983, its treaty status was an extension of an existing treaty with the Netherlands, rather than a treaty negotiated with an existing tax haven. As the Deficit Reduction Act of 1984 exempts most interest payments from withholding, regardless of the country to which the income is paid, the Netherlands Antilles lost this interest exemption advantage in mid-1984.

Tax haven countries tend to receive far more U.S. source income than other countries when compared to their general level of economic activity, measured here by Gross National Product (GNP) [5]. Figure D shows the countries having the highest income-to-GNP ratios. The ten highest countries are all tax havens to varying degrees. The Netherlands Antilles actually received more U.S. source income in 1982 than it produced in goods and services, as measured by GNP (GNP data were not available for the Netherlands Antilles for 1983). As most U.S. source income is not spent on goods or services in the Netherlands Antilles, this portion of income does not enter the Antilles' GNP calculation. This is because most of the income paid to the Antilles is simply passed through to Eurobond lenders by finance subsidiaries of U.S. corporate borrowers.

Figure D.--Gross National Product (GNP), Gross Income, Gross Income as a Percent of GNP, Size of Average Payment, and Percent of Payments to Corporations, by Selected Country of Recipient, 1983

[Money amounts in thousands of dollars]

Country or geographic area	Income to GNP ratio				Size of payments		Percent of payments to corporations	
	Rank	Income as a percent of GNP	Gross income	GNP [1]	Rank	Average	Rank	Percent
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Netherlands Antilles [2]....	1	115.4	1,580,359	1,370,000	1	936	3	52.3
Bermuda..................	2	6.2	51,863	840,000	10	45	9	21.9
Bahamas..................	3	2.9	26,505	900,000	21	16	5	28.2
Barbados.................	4	1.9	19,032	1,020,000	5	86	8	23.9
Liberia..................	5	1.5	14,914	990,000	11	45	15	11.3
Luxembourg...............	6	1.3	59,552	4,470,000	13	37	11	21.4
Antigua..................	7	1.3	1,826	140,000	22	13	2	61.6
Panama...................	8	1.2	47,233	4,070,000	18	19	7	25.7
Switzerland..............	9	1.0	1,042,436	105,060,000	8	51	13	13.6
Netherlands..............	10	1.0	1,392,091	142,420,000	2	158	12	14.2
Cayman Islands...........	(3)	(3)	31,438	(3)	9	47	1	62.4
British Virgin Islands...	(3)	(3)	7,961	(3)	15	21	6	25.9

[1] World Bank, The World Bank Atlas, 1985.
[2] "Income to GNP ratio" information for the Netherlands Antilles is for 1982 as 1983 GNP information was not available.
[3] GNP information was not available for these countries or geographic areas.
NOTE: Only countries receiving 100 or more payments and $1 million or more were considered for this table.

Since GNP data were not available for all countries, an income-to-GNP average ratio could not be calculated for all countries. Based on available data, the worldwide ratio was less than 0.2 percent. All of the tax havens shown in Figure D had ratios at least six times higher than the maximum worldwide average, with the Antilles' ratio being nearly 750 times the maximum worldwide average. Only countries receiving at least 100 payments and totalling $1 million or more were considered for inclusion in Figure D.

Tax haven recipients also tend to receive larger-than-average payments. All but two of the countries shown in Figure D were above the average of $18,200. Once again, the Netherlands Antilles led all countries, receiving more than $936 thousand per payment.

As tax havens are mainly utilized by corporations, rather than individuals or other organizations, payments to these tax havens are more likely to go to corporations than are payments to non-tax-havens. There is often a predominance of financial corporations in tax havens, often subsidiaries of U.S. corporations. Figure D shows the percent of U.S. payments made to foreign corporations in certain tax haven countries. Each of these countries exceeded the 8.8 percent average for all countries. The Cayman Islands and Antigua led the countries listed with 62 percent of the total U.S. payments to these countries going to corporate recipients. These countries also had the highest percentages in 1982, although the order was reversed.

Type of Recipient

The vast majority of U.S. source income paid to nonresident aliens (72 percent) was paid to foreign corporations. Since much of this income (58 percent) was exempt from withholding, tax withheld on payments to corporations represented only 54 percent of all tax collected. Although individuals received a much smaller share of all income (6 percent), they had a disproportionately high percentage of all tax withheld (13 percent) on this income. Nominees also had a disproportionately high percentage of the total tax withheld (10 percent versus 5 percent for income), because only 7 percent of nominee income was exempt from withholding.

Foreign governments received the largest average payments ($159,200), but most of this was due to certain large payments to Saudi Arabian Government organizations. Excluding payments to Saudi Arabia, the average income paid to foreign governments was $54,000, below the average for corporations ($150,000). Individuals received the smallest average payments ($1,600).

Different types of recipients tended to receive different types of income. Individuals were less likely to receive interest (3 percent of total interest) but more likely to receive personal service income (89 percent of all personal service income) than other types of recipients. As is shown in Figure E, most corporate income was in the form of interest (62 percent). More than half the income paid to foreign partnerships was rents and royalties. This is more than ten times the percentage of rents and royalties for all recipients. Almost all of the income paid to nominees and fiduciaries was dividend income (92 percent). The distribution of income paid to foreign government, international and tax-exempt organizations was close to the overall distribution of income, but the tax withheld on such income was almost completely attributable to dividends.

SUMMARY

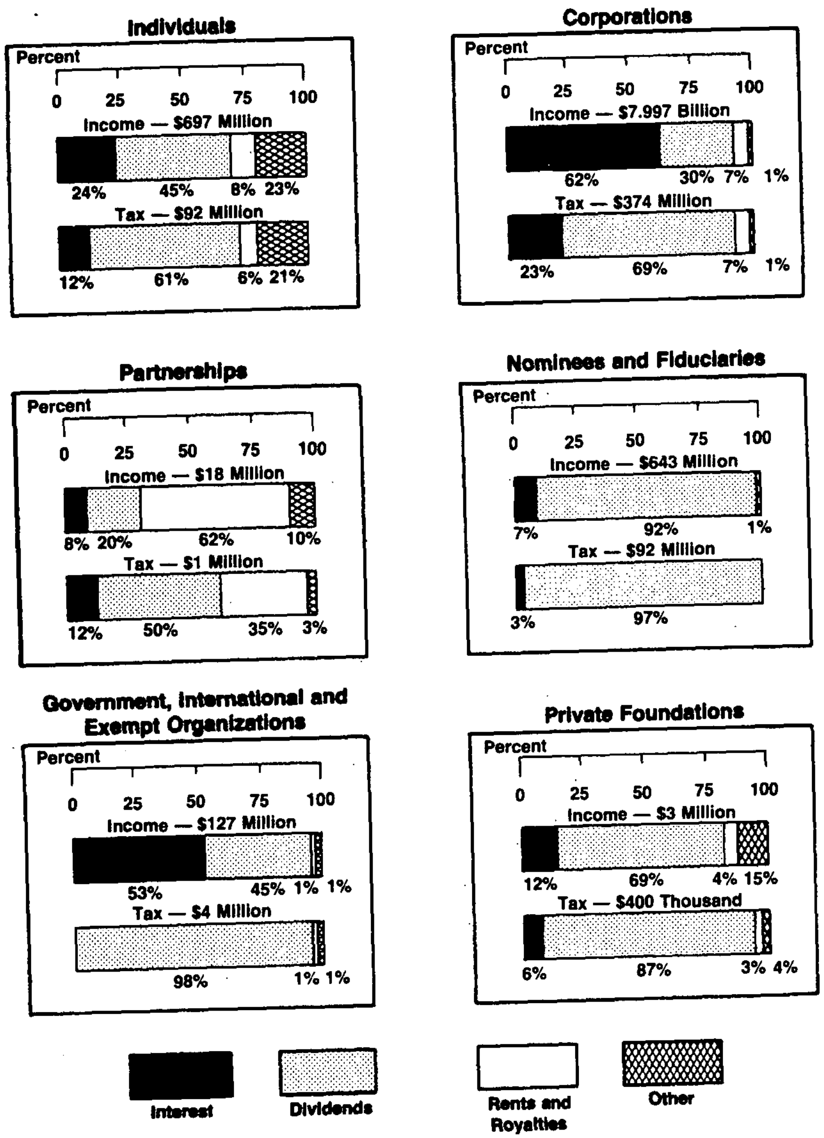
U.S. interest payments to the Netherlands Antilles soared to nearly $2 billion, as the Antilles surpassed the United Kingdom as the foreign country receiving the most U.S. source income in 1983. The Deficit Reduction Act of 1984, which exempts from withholding most interest payments to nonresident aliens after July 18, 1984, will eliminate the need to go through the Antilles to avoid U.S. withholding taxes on such interest.

High U.S. interest rates have encouraged shifts of new foreign investment in the United States to interest-bearing bonds rather than corporate stock. Interest represented 53 percent of U.S. source income paid to nonresident aliens compared to 38 percent for dividends.

As in other years, while individuals received the most payments, corporations received the most U.S. source income. Foreign governments received the largest average payments. This was mainly due to certain large payments to Saudi Arabian Government organizations.

Tax-haven countries received disproportionately high U.S. source income when compared to their level of economic activity (Gross National Product). The Netherlands Antilles actually received more income than its GNP in 1982 as most of this money simply flowed through that country without being spent on goods or services there. Tax havens also received larger than average payments, nearly $1 million for the Antilles. The percentage of payments made to foreign corporations was more than twice as high for the twelve tax haven countries shown in Figure D than for all countries.

Figure E
Percent of Income Paid by Income Type and Percent of Tax Withheld by Income Type, by Recipient Type, 1983



Individuals were more likely than most recipients to receive dividends and personal service income. Foreign corporations received mostly interest income. Most partnership income was rents and royalties, even though rents and royalties represented only a small percentage of income for other recipients. Nominees and fiduciaries received almost exclusively dividend income.

DATA SOURCES AND LIMITATONS

Payers of most U.S. income to nonresident aliens must withhold tax in accordance with Chapter 3 of the Internal Revenue Code. The Form 1042S, Income Subject to Withholding Under Chapter 3, Internal Revenue Code, is filed to report this income and the U.S. tax withheld. Often the payer has a financial institution act as withholding agent.

The present statistics are tabulated by calendar year, based on all Forms 1042S filed for 1983. The years indicated in the tables represent the year in which the income was paid and the U.S. tax withheld, except for the U.S. tax withheld by foreign governments and withholding agents. These amounts are shown by the year the tax was remitted to the United States under treaty agreements. Tax withheld amounts and percentages shown in Table 2, text tables, and Figures A, C, and E, do not include tax withheld by foreign governments and withholding agents (except Canada). This additional tax cannot be properly attributed to specific income types and years. Income that is "effectively connected" with a nonresident alien's U.S. trade or business is not subject to withholding, and is therefore generally not included in these statistics. Definitions and other information are available in the IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Corporations.

As all Forms 1042S are included in the statistics, the data are not subject to sampling error. However, the data are subject to nonsampling errors such as computer data entry errors and minor taxpayer reporting errors. Forms 1042S with income greater than $500,000 were manually verified. A limited computerized program was used to test the data for certain basic numerical relationships, including the calculation of the correct tax withheld. The results of additional testing, to be done at a later date, were not available at the time this article was prepared. Any substantial changes resulting from this testing will be discussed in the 1984 Nonresident Alien Income and Tax Withheld article, tentatively scheduled for publication in the Statistics of Income Bulletin, Fall 1986.

More detailed information on nonresident alien income and tax is available from the Statistics of Income (SOI) Division [6]. This includes information for types of income and countries not discussed in this article.

EXPLANATION OF TERMS

Income Effectively Connected With a Trade or Business. -- Income that is "effectively connected" with the conduct of a trade or business in the United States is exempt from withholding. This income is subject to substantially the same tax rates that apply to U.S. citizens, residents, and corporations. For example, if a foreign corporation has an unincorporated operation in the United States, a Form 1120F must be filed and appropriate taxes paid for the income of this operation. When income is then remitted to the foreign corporation, it is considered connected with a U.S. trade or business and not retaxed. In all but rare (and indeterminable) circumstances, these amounts are not included in these statistics.

Nominee. -- An entity chosen or appointed to accept income for, or act on behalf of, the eventual recipient of the income. Typically a financial institution acts as nominee.

Nonresident Alien. -- For purposes of this article, a nonresident alien is defined as an individual whose residence is not within the United States and who is not a U.S. citizen. Corporations and other organizations created or organized outside the United States are also considered nonresident aliens. The phrase "foreign individuals and organizations" is also used in this article to mean nonresident alien.

Withholding Agent. -- Any person (individual, corporation, partnership, estate, or trust) required to withhold tax. Usually the withholding agent is the payer of the income or a "person" (usually a financial institution) acting on behalf of the payer. A foreign nominee or fiduciary required to withhold additional tax under a tax treaty is also a withholding agent.

NOTES AND REFERENCES

[1] Carson, Chris R., "Nonresident Alien Income and Tax Withheld, 1982," Statistics of Income Bulletin, Vol. 4, No. 2, Fall 1984, pp. 21-22.

[2] New borrowing by U.S. corporations through finance subsidiaries in the Netherlands Antilles virtually stopped in the fourth quarter of 1984. See R. David

Belli and Ralph Kozlow, United States Department of Commerce News, June 27, 1985, p. 3.

[3] Computed using the GNP Implicit Price Deflator, Economic Report of the President, February 1985, p. 236. The computations shown consider the effects of compounding.

[4] For additional information on foreign withholding taxes, see States, William, "Corporate Foreign Tax Credit, 1980: An Industry Focus," Statistics of Income Bulletin, Vol. 4, No. 1, Summer 1984, pp. 63-84, and States, William, "Corporate Foreign Tax Credit, 1980: A Geographic Focus," Statistics of Income Bulletin, Vol. 4, No. 3, Winter 1984-85, pp. 37-63.

[5] World Bank, The World Bank Atlas, 1985.

[6] This information may be obtained by writing to the Statistics of Income Division, D:R:S, Internal Revenue Service, Washington, DC 20224.

Table 1.--Number of Forms 1042S Filed, Gross Income Paid, Tax Withheld, and Other Items, by Selected Treaty and Nontreaty Countries, 1983

[Money amounts are in thousands of dollars]

Country or Geographic area	Number of Forms 1042S filed	Income paid			Tax withheld		
		Total	Exempt from withholding	Subject to withholding	Total	Domestic withholding agents	Foreign Governments and withholding agents
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total	606,787	11,056,001	5,482,081	5,573,920	803,714	698,390	105,324
Treaty countries, total	522,323	10,232,898	4,954,124	5,278,773	721,292	615,968	105,324
Australia	12,994	34,095	8,801	25,293	5,508	5,508	-
Austria	2,918	11,858	5,182	6,676	1,153	1,153	-
Barbados	222	19,032	488	18,544	2,859	2,859	-
Belgium	9,174	104,626	21,207	83,419	15,514	12,254	3,260
Canada	286,958	1,215,231	498,428	716,804	108,849	108,849	-
Denmark	1,743	5,031	2,654	2,377	331	322	9
Egypt	237	32,903	32,675	228	61	61	-
France	13,344	550,557	141,691	408,866	48,758	47,907	851
Greece	3,791	5,842	3,508	2,333	679	679	-
Ireland	4,172	8,518	2,746	5,772	987	918	69
Italy	6,905	38,594	15,818	22,776	5,425	5,425	-
Japan	5,942	832,793	104,267	728,526	76,089	76,089	-
Luxembourg	1,628	59,552	33,737	25,815	5,899	5,082	817
Netherlands	8,812	1,392,091	512,227	879,864	61,983	61,552	431
Netherlands Antilles	2,237	2,094,680	2,037,765	56,915	9,174	9,174	-
Norway	3,438	7,862	3,931	3,931	693	693	-
Sweden	4,874	48,446	6,407	42,039	4,366	4,366	-
Switzerland	20,378	1,042,436	134,365	908,072	202,988	105,071	97,917
Trinidad and Tobago	283	9,429	9,207	221	61	61	-
United Kingdom	87,444	1,987,293	891,821	1,095,472	130,296	128,326	1,970
West Germany	34,666	704,012	476,747	227,265	35,081	35,081	-
Other treaty countries	10,163	28,017	10,452	17,565	4,538	4,538	-
Nontreaty countries, total	84,464	823,103	527,957	295,147	82,422	82,422	-
Argentina	3,843	235,469	231,226	4,243	1,250	1,250	-
Bahamas	1,687	26,505	2,984	23,521	6,817	6,817	-
Bermuda	1,149	51,863	16,317	35,546	10,635	10,635	-
Brazil	1,941	11,107	5,525	5,582	1,655	1,655	-
British Virgin Islands	378	7,961	2,956	5,005	1,041	1,041	-
Cayman Islands	662	31,438	22,733	8,705	2,603	2,603	-
China (Taiwan)	716	13,090	11,918	1,173	346	346	-
Hong Kong	8,289	32,039	3,520	28,519	8,487	8,487	-
Israel	2,903	5,799	1,245	4,554	1,305	1,305	-
Kuwait	739	4,282	241	4,041	1,212	1,212	-
Liberia	335	14,914	185	14,728	4,418	4,418	-
Liechtenstein	666	12,288	1,655	10,633	3,160	3,160	-
Mexico	8,214	27,951	6,390	21,561	6,438	6,438	-
Panama	2,481	47,233	18,221	29,012	8,685	8,685	-
Puerto Rico	2,622	4,719	3,371	1,349	403	403	-
Saudi Arabia	2,384	123,209	118,093	5,116	1,525	1,525	-
Singapore	3,135	14,245	12,018	2,227	652	652	-
Spain	4,275	13,904	4,914	8,990	2,663	2,663	-
Venezuela	4,565	15,320	8,365	6,955	2,065	2,065	-
Other nontreaty countries	33,480	129,767	56,080	73,687	17,062	17,062	-

Table 2.--Number of Forms 1042S Filed, Tax Withheld, and Gross Income Paid by Income Type, by Selected Recipient Type and Country of Recipient, 1983

[Money amounts are in thousands of dollars]

Country or Geographic area	Number of Forms 1042S filed	Tax withheld	Income paid				
			Total	Interest	Dividends	Rents and royalties	Personal service
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All countries, total	606,787	698,390	11,056,001	5,905,657	4,168,145	667,057	71,654
Individual	437,751	91,649	696,515	166,606	310,916	52,733	63,764
Corporations	53,391	374,264	7,997,212	4,940,945	2,379,523	551,553	5,429
Antigua	138	3	1,826	1,804	15	-	-
Individuals	47	3	18	-	12	-	-
Corporations	85	*	1,806	1,804	2	-	-
Argentina	3,843	1,250	235,469	231,442	2,248	291	788
Individuals	3,300	937	4,780	1,721	1,812	89	783
Corporations	44	86	1,891	1,369	13	187	1
Australia	12,994	5,508	34,095	9,490	13,330	7,233	2,601
Individuals	11,034	1,623	9,094	611	3,803	689	2,556
Corporations	755	3,073	20,470	8,565	6,371	5,503	31
Austria	2,918	1,153	11,858	2,724	6,018	171	465
Individuals	1,826	547	5,182	813	2,208	113	411
Corporations	144	428	3,577	823	2,694	50	-
Bahamas	1,687	6,817	26,505	8,097	16,908	708	68
Individuals	809	640	2,718	324	2,168	74	68
Corporations	476	2,728	11,844	4,816	6,491	512	-
Barbados	222	2,859	19,032	538	18,053	339	12
Individuals	135	55	395	49	246	-	12
Corporations	53	1,442	9,491	205	9,286	-	-
Belgium	9,174	12,254	104,626	33,908	51,076	15,625	1,362
Individuals	6,975	1,114	9,545	1,079	4,553	610	1,271
Corporations	898	6,120	57,969	23,293	19,568	15,006	12
Bermuda	1,149	10,635	51,863	17,250	17,124	5,538	255
Individuals	666	481	1,649	347	694	13	250
Corporations	252	6,217	37,031	15,565	9,158	965	-
Brazil	1,941	1,655	11,107	6,974	2,326	277	1,185
Individuals	1,648	801	3,055	608	734	185	1,184
Corporations	79	614	7,122	5,704	1,407	11	-
British Virgin Islands	378	1,041	7,961	3,439	4,394	121	-
Individuals	197	163	1,004	34	947	21	-
Corporations	98	626	5,996	2,999	2,916	77	-
Canada	286,958	108,849	1,215,231	518,414	538,184	72,535	8,905
Individuals	214,030	17,147	136,521	20,737	72,663	11,630	6,995
Corporations	26,104	55,858	813,934	468,700	241,543	54,020	1,483
Cayman Islands	662	2,603	31,438	24,131	5,567	213	50
Individuals	108	198	748	320	350	36	-
Corporations	413	1,572	27,045	21,977	3,465	118	50
Chile	1,093	528	2,951	1,439	1,221	11	74
Individuals	935	278	1,206	289	640	11	74
Corporations	14	15	919	917	2	-	-
China	625	297	1,308	135	234	11	18
Individuals	510	197	952	71	192	10	18
Corporations	12	83	278	26	1	-	-
China (Taiwan)	716	346	13,090	12,117	757	61	22
Individuals	625	280	1,065	199	673	61	22
Corporations	19	38	11,913	11,904	5	-	-
Colombia	1,374	463	2,579	1,188	1,144	67	45
Individuals	1,188	290	1,343	419	729	30	44
Corporations	48	89	663	371	246	31	-
Costa Rica	587	249	850	205	562	12	-
Individuals	500	216	735	184	472	10	-
Corporations	26	11	37	3	34	-	-
Denmark	1,743	322	5,031	513	1,982	1,372	420
Individuals	1,551	170	1,572	113	474	114	410
Corporations	72	108	2,649	381	1,236	751	-
Ecuador	552	123	751	292	329	49	37
Individuals	493	101	590	204	259	49	37
Corporations	16	4	16	1	13	-	-
Finland	454	208	3,010	1,353	647	22	510
Individuals	379	119	1,068	64	136	1	436
Corporations	18	50	1,687	1,187	480	16	-

Table 2.--Number of Forms 1042S Filed, Tax Withheld, and Gross Income Paid by Income Type, by Selected Recipient Type and Country of Recipient, 1983--Continued

[Money amounts are in thousands of dollars]

Country or Geographic area	Number of Forms 1042S filed	Tax withheld	Income paid				
			Total	Interest	Dividends	Rents and royalties	Personal service
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
France	13,344	47,907	550,557	206,859	259,995	60,154	6,345
Individuals	9,651	4,194	37,454	4,603	14,006	6,760	5,983
Corporations	848	20,471	330,688	152,790	118,742	48,071	210
Germany-Democratic Republic	494	292	1,758	974	293	37	412
Individuals	452	215	792	131	191	16	412
Corporations	11	68	589	525	44	-	-
Germany-Federal Republic	34,666	35,081	704,012	394,864	222,182	68,637	5,425
Individuals	27,239	6,062	65,135	18,447	28,301	3,658	5,090
Corporations	1,346	20,409	547,388	352,460	137,027	55,023	201
Greece	3,791	679	5,842	582	2,002	588	370
Individuals	3,434	469	4,609	520	1,300	119	370
Corporations	63	68	687	7	230	450	-
Guam	297	18	71	17	30	-	-
Individuals	258	14	51	7	21	-	-
Corporations	14	2	13	8	5	-	-
Guatemala	494	187	1,004	331	428	6	45
Individuals	453	157	642	213	343	6	45
Corporations	11	6	279	105	16	-	-
Honduras	376	162	798	275	302	3	210
Individuals	347	153	719	225	274	2	210
Corporations	13	1	53	47	5	1	-
Hong Kong	8,289	8,487	32,039	7,344	22,680	1,623	96
Individuals	6,408	3,658	13,871	1,566	11,601	538	70
Corporations	510	3,557	12,708	4,652	6,979	874	26
India	978	331	3,310	1,914	272	51	167
Individuals	811	274	1,311	102	152	38	130
Corporations	48	23	360	296	53	8	3
Iran	646	168	1,498	344	433	15	-
Individuals	576	150	767	337	371	15	-
Corporations	13	2	672	7	2	-	-
Ireland	4,172	918	8,518	2,202	5,482	184	257
Individuals	3,695	287	2,466	381	1,413	133	233
Corporations	117	142	2,672	1,788	846	38	1
Israel	2,903	1,305	5,799	2,763	1,645	359	434
Individuals	2,246	690	2,907	675	1,034	240	364
Corporations	73	364	1,903	1,800	95	6	-
Italy	6,905	5,425	38,594	11,312	9,153	10,059	3,194
Individuals	5,737	4,182	21,935	2,110	3,796	8,162	3,148
Corporations	151	742	13,326	8,414	3,590	1,267	-
Jamaica	511	82	806	93	220	37	11
Individuals	420	29	609	32	86	36	11
Corporations	23	49	170	57	113	-	-
Japan	5,942	76,089	832,793	480,960	198,217	138,957	7,018
Individuals	4,204	2,365	24,111	10,835	3,106	435	5,723
Corporations	1,297	70,465	777,235	457,016	184,899	131,366	997
Kuwait	739	1,212	4,282	1,478	2,729	-	21
Individuals	558	292	1,073	431	594	-	21
Corporations	51	371	1,270	226	1,020	-	-
Lebanon	1,229	896	3,137	1,680	1,377	46	3
Individuals	1,098	855	2,999	1,678	1,243	46	3
Corporations	10	8	25	-	25	-	-
Liberia	335	4,418	14,914	837	14,008	61	-
Individuals	267	164	569	80	480	-	-
Corporations	38	4,223	14,174	670	13,443	61	-
Liechtenstein	666	3,160	12,288	3,497	8,604	82	10
Individuals	305	1,137	3,928	334	3,537	22	5
Corporations	195	1,158	5,209	2,129	2,952	60	5
Luxembourg	1,628	5,082	59,552	27,808	30,041	1,544	69
Individuals	433	334	2,653	853	1,686	-	69
Corporations	349	3,245	45,892	23,663	20,651	1,544	-
Malaysia	583	81	775	467	248	28	9
Individuals	537	69	247	4	209	4	9
Corporations	14	6	495	462	8	25	-

Table 2.--Number of Forms 1042S Filed, Tax Withheld, and Gross Income Paid by Income Type, by Selected Recipient Type and Country of Recipient, 1983--Continued

[Money amounts are in thousands of dollars]

Country or Geographic area	Number of Forms 1042S filed	Tax withheld	Income paid				
			Total	Interest	Dividends	Rents and royalties	Personal service
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Mexico	8,214	6,438	27,951	7,183	6,617	6,085	836
Individuals	7,356	3,340	15,427	3,842	5,477	3,391	820
Corporations	277	2,304	8,621	2,005	375	1,366	16
Monaco	308	656	2,629	623	1,467	170	351
Individuals	223	473	1,842	572	740	162	351
Corporations	20	39	219	2	218	-	-
Morocco	123	335	1,273	1,031	115	39	29
Individuals	96	41	233	56	82	7	29
Corporations	10	1	4	-	4	-	-
Netherlands	8,812	61,552	1,392,091	554,799	797,196	29,217	1,601
Individuals	5,017	2,815	41,876	22,175	16,262	278	1,520
Corporations	1,252	47,717	1,183,127	439,971	713,869	22,357	16
Netherlands Antilles	2,237	9,174	2,094,680	1,972,339	66,338	47,725	5
Individuals	537	653	25,223	20,108	4,140	901	5
Corporations	1,170	6,582	1,910,902	1,806,611	49,439	46,803	-
New Zealand	1,606	204	1,375	152	662	137	214
Individuals	1,384	155	1,058	114	445	86	214
Corporations	63	40	221	34	165	21	-
Norway	3,438	693	7,862	2,093	3,266	944	590
Individuals	3,027	330	2,791	125	914	227	586
Corporations	98	169	3,403	1,616	1,145	629	-
Panama	2,481	8,685	47,233	20,050	20,577	5,473	208
Individuals	1,438	1,839	6,703	598	5,708	24	158
Corporations	637	5,339	30,588	15,372	10,547	3,912	50
Peru	1,014	192	1,090	478	440	25	19
Individuals	873	163	692	174	370	25	19
Corporations	18	14	118	70	25	-	-
Philippines	2,600	926	3,754	523	890	6	102
Individuals	2,314	855	3,186	153	760	5	102
Corporations	73	12	150	74	18	-	-
Poland	292	61	1,608	123	124	53	896
Individuals	269	43	1,336	119	45	26	822
Corporations	10	18	106	-	77	27	-
Portugal	886	186	1,264	531	513	16	104
Individuals	737	141	678	87	388	-	104
Corporations	10	1	421	416	5	-	-
Puerto Rico	2,622	403	4,719	3,414	490	706	11
Individuals	2,286	121	469	65	294	1	11
Corporations	152	270	1,010	128	177	705	-
Saudi Arabia	2,384	1,525	123,209	105,181	2,053	99	16
Individuals	2,092	1,285	14,601	1,924	1,674	99	15
Corporations	23	120	51,315	51,171	144	-	-
Singapore	3,135	652	14,245	10,791	3,086	21	151
Individuals	2,895	394	1,471	60	1,092	21	151
Corporations	88	195	3,626	1,818	1,763	-	-
South Africa	2,232	1,075	4,010	1,125	1,845	279	218
Individuals	2,044	862	3,236	1,082	1,324	81	210
Corporations	22	33	161	13	66	74	8
Spain	4,275	2,663	13,904	7,754	3,942	457	886
Individuals	3,709	1,415	5,339	958	2,599	230	873
Corporations	89	899	7,222	6,398	609	99	5
Sweden	4,874	4,366	48,446	2,892	36,586	2,363	4,696
Individuals	4,461	1,859	9,213	278	2,156	346	4,585
Corporations	123	1,838	34,456	2,384	30,046	1,953	72
Switzerland	20,378	105,071	1,042,436	361,733	630,212	35,234	2,290
Individuals	8,711	8,802	68,336	14,326	43,579	4,394	1,626
Corporations	2,772	65,227	704,189	267,441	404,235	28,333	609
United Kingdom	87,444	128,326	1,987,293	731,896	1,069,647	148,378	14,652
Individuals	51,484	9,182	79,340	10,357	39,761	7,480	12,897
Corporations	10,362	34,547	1,200,030	696,531	360,847	127,960	1,432
Uruguay	578	591	2,901	1,153	1,498	226	5
Individuals	361	142	629	146	442	3	5
Corporations	51	301	1,149	443	688	-	-

Table 2.--Number of Forms 1042S Filed, Tax Withheld, and Gross Income Paid by Income Type, by Selected Recipient Type and Country of Recipient, 1983--Continued

[Money amounts are in thousands of dollars]

Country or Geographic area	Number of Forms 1042S filed	Tax withheld	Income paid				
			Total	Interest	Dividends	Rents and royalties	Personal service
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Venezuela	4,565	2,065	15,320	8,418	6,478	45	151
Individuals	3,721	1,492	10,709	6,157	4,158	34	150
Corporations	111	322	2,616	1,127	1,484	5	-
Virgin Islands-United States	749	116	588	88	435	-	49
Individuals	554	43	157	24	120	-	-
Corporations	25	44	329	51	229	-	49
Zimbabwe	95	43	188	19	109	32	-
Individuals	58	20	108	16	41	32	-
Corporations	20	11	37	4	34	-	-
Other countries	23,249	13,249	153,004	89,214	51,099	2,200	2,661
Individuals	16,019	4,074	29,774	11,340	10,836	904	2,044
Corporations	1,094	3,679	81,046	69,533	7,638	1,268	152

*Less than $500.

Contents

U.S. persons with operations in boycotting countries are required to report separately to the Internal Revenue Service their business operations in those countries, as well as requests and agreements to participate in, or cooperate with, international boycotts (not sanctioned by the U.S. Government). A U.S. person includes individuals, as well as partnerships, corporations, trusts, and estates. The reporting requirement has been effective since 1976. Most requests, attempting to achieve cooperation from U.S. corporations, are made by countries which belong to the League of Arab States. These boycott requests are usually directed against Israel. The requests are related to business or commercial activities, and are categorized into five groups.

Under the Tax Reform Act of 1976, individuals who agree to participate in, or cooperate with, unsanctioned international boycotts can be penalized by the loss of certain U.S. tax benefits. These benefits are the foreign tax credit (see Section 2 of this compendium), and the deferral of taxation on the earnings of Controlled Foreign Corporations (Section 3) and on the earnings of Domestic International Sales Corporations (Section 4). Apart from the tax consequences, a person may also be subject to a fine under the provisions of the 1979 Export Administration Act, administered by the Department of Commerce.

A brief summary of international boycott reports is provided in a paper contained in Section 1 of this compendium. This paper is entitled "Statistics of Income Studies of International Income and Taxes: A Brief Description of the Studies" (page 9). More detailed information and historical statistics on boycott reports since the inception of the 1976 Act is included in a Statistics of Income Bulletin article entitled "Report on International Boycotts, 1976-1982: A Focus on the Middle East," which is reprinted in this section. The reader is also referred to a series of reports entitled "The Operation and Effect of the International Boycott Provisions of the Internal Revenue Code," prepared by the Office of Tax Analysis, Office of the Secretary, Department of the Treasury.

The basis of the statistics tabulated for the international boycott report studies is Form 5713 and related schedules, titled below and reproduced in Section 15 of this compendium.

* Form 5713, International Boycott Report, and Instructions (page 508)

* Schedule A (Form 5713), Computation of the International Boycott Factor (page 512)

* Schedule B (Form 5713), Specifically Attributable Taxes and Income (page 513)

* Schedule C (Form 5713), Tax Effect of the International Boycott Provisions (page 514)

Report on International Boycotts, 1976-82: A Focus on the Middle East

By Vergie Mose*

U.S. corporations that conduct business in certain foreign countries can be penalized, under certain conditions, through losses in U.S. tax benefits. These penalties result from agreements by these U.S. taxpayers to specific foreign-imposed business conditions relating to international boycotts. A number of U.S. corporations that agreed to certain of these foreign-imposed conditions forfeited over $84 million in U.S. tax benefits between 1976-82.

U.S. TAX LAW ADDRESSING INTERNATIONAL BOYCOTTS

The U.S. Congress sought to deter participation by U.S. "persons" in international boycotts which were not sanctioned by the United States, partly in response to the ongoing Arab boycott of Israel. The Congressional Joint Committee on Taxation noted in its report [1] on the Tax Reform Act of 1976 that--

> "Congress is concerned that U.S. businesses have been prevented from freely operating in international markets by the threat of economic sanctions by certain foreign countries or their nationals or companies. Unless the U.S. businesses agree to participate in, or cooperate with, certain foreign countries in an international boycott, they are denied the opportunity to conduct business with the country. Congress believes that it is particularly unfair to those taxpayers who refuse to participate in the boycott, when the taxpayer who does participate in the boycott is a recipient of tax benefits by reason of the participation. Congress believes that many taxpayers would not participate in an international boycott if the taxpayer and the foreign countries were made aware that tax benefits were not available to a taxpayer who participates in a boycott."

The 1976 Act contained international boycott provisions (discussed below) which were generally effective for operations conducted after November 3, 1976 [2]. Under the Act, the Department of Treasury is required to report to Congress on the operation and effect of the boycott provisions of the Internal Revenue Code. The series of Treasury reports [3] draw on data provided by the Internal Revenue Service (IRS). This article presents data filed with the IRS for the years 1976 through 1982. (See the "Data Sources and Limitations" section.) The source of the statistics is the Form 5713, International Boycott Report [4].

Background

The policies of foreign countries can have a significant impact on the business behavior of U.S. "persons" (defined below). A specific example of this impact is found in the policies of members of the League of Arab States. Original members of this league included Iraq, Lebanon, and Saudi Arabia. One purpose of the organization was to coordinate the policies and activities of its members [5].

As part of the economic policies of the Arab League, many countries imposed economic sanctions against Israel. These sanctions can be summarized into three basic types. The first type (a "primary boycott") applies to the refusal of Arab countries to export their goods to, or import goods from, Israel. In a "secondary boycott," foreign companies are requested not to maintain business relationships with Israel or its companies and citizens. The third type, termed a "tertiary boycott," occurs when foreign companies are requested to refrain from conducting business with other companies that trade with Israel or with companies whose owners or employees are members of particular religious or fraternal organizations [6].

These economic policies were imposed on all persons, including individuals as well as corporations and partnerships, that had business activities with these Arab countries or their nationals. Prior to 1976, there were no U.S. regulations specifically imposing penalties on U.S. persons that supported foreign boycotts through their business activities.

*Foreign Returns Analysis Section. Prepared under the direction of James R. Hobbs, Chief.

Development of U.S. Laws Imposing Penalties for Participation in International Boycotts

U.S. legislative proposals specifically addressing issues of international boycott activities of U.S. persons were first considered in the years after the 1973-74 Arab oil embargo. At that time, U.S. businesses anticipated capturing a share of the development projects of, and increased trade expected with, members of the Organization of Petroleum Exporting Countries (OPEC), some of which were also members of the League of Arab States [7]. This interest in greater trade with Arab states conflicted with the anti-boycott sentiments of certain citizen groups. During this same period, representatives of both citizen and business groups were instrumental in the drafting of U.S. international boycott laws [6]. These initial drafts were later developed into two laws.

The Tax Reform Act of 1976 and the Export Administration Act of 1979 contained provisions specifically authorizing penalties for unsanctioned international boycott activities of U.S. persons. Under these laws, it became mandatory for all U.S. persons to report formally with the Internal Revenue Service (Department of Treasury) and the Office of Antiboycott Compliance (Department of Commerce) [8] all boycott-related requests and agreements. The Department of Treasury additionally required that U.S. persons report all operations in boycotting countries. Congress initially required annual reports from both departments on the findings from the administration of these laws [9].

Provisions of the 1976 Act

The provisions of the 1976 Act are primarily included in section 999 of the Internal Revenue Code. In compliance with the Act, a U.S. person must report to the Internal Revenue Service each of its operations (direct or indirect) [10], that are conducted with a government, a company or a national of a country, that requires participation in, or cooperation with, a boycott (not sanctioned by the United States). The term "operations" encompasses all forms of business and commercial transactions.

Under the Act, a person participates in, or cooperates with, an international boycott if the person agrees as a condition of doing business, directly or indirectly, with a government, a company, or a national of a country to any of the five types of requests listed below:

Type 1 - to refrain from doing business with or in a country that was the object of the boycott or with the government, companies, or nationals of that country.

Type 2 - to refrain from doing business with any U.S. person engaged in trade within a country which was the object of the boycott or with the government, companies, or nationals of that country.

Type 3 - to refrain from doing business with any company whose ownership or management included individuals of a particular nationality, race, or religion, or to remove or refrain from selecting corporate directors who were individuals of a particular nationality, race, or religion.

Type 4 - to refrain from employing individuals of a particular nationality, race, or religion.

Type 5 - as a condition of the sale of a product to a government, company, or a national of a country, to refrain from shipping or insuring products on a carrier owned, leased, or operated by a person that did not participate in, or cooperate with, an international boycott.

A presumption of participation in, or cooperation with, a boycott was also provided for in the 1976 Act. If a person controls a corporation and the corporation participates in, or cooperates with, a boycott, the controlling person is presumed to have participated in, or cooperated with, the boycott. Conversely, if a person controls a corporation and participates in, or cooperates with, a boycott, the corporation is presumed to have participated in, or cooperated with, the boycott. Thus, when one member of a controlled group of corporations agrees to one or more types of boycott requests, each member of the controlled group is also associated with the agreement [11]. U.S. shareholders of foreign corporations are also associated with boycott agreements of their foreign corporations [12].

OPERATIONS IN BOYCOTTING COUNTRIES

Boycott operations include those operations with a government, a company, or a national of a country that is on the list of countries which the Secretary of the Treasury has determined requires participation in, or cooperation with, a boycott. The original list published in 1976 contained the following 14 countries:

Bahrain	Oman
Egypt	Qatar
Iraq	Saudi Arabia
Jordan	Syria
Kuwait	United Arab Emirates (U.A.E.)
Lebanon	Yemen (Aden)
Libya	Yemen (Sanaa)

Egypt was dropped from the list effective April 1, 1980 [13].

Operations in a country not on this list are also boycott operations, if a person knows or has reason to know that participation in, or cooperation with, an (unsanctioned) international boycott is required as a condition of doing business with the government, a company, or a national of the country.

For 1982, 2,822 U.S. persons filed Forms 5713 indicating that they conducted operations, directly or indirectly, in one or more boycotting countries. Of this number, 92 percent (2,583) were corporations. The remainder were individuals, partnerships, estates and trusts. These corporations represented less than 1 percent of all U.S. corporations, but their $2.7 trillion in total assets was nearly 30 percent of the total assets reported on all U.S. corporation income tax returns.

BOYCOTT REQUESTS AND AGREEMENTS

Of the 2,822 U.S. persons that filed Forms 5713 for 1982, 537 received nearly 17,000 requests to participate in, or cooperate with, international boycotts. Of these requests, 35 percent (5,800) were agreed to by 212 persons. Corporations accounted for nearly 90 percent of all requests and agreements (see "Number of Corporations" in the Explanation of Selected Terms section). Table 3 presents the number of requests and agreements from 1976-80 and 1982 for each type of boycott request [14].

Request and agreement data related to U.S. corporations for the 13 countries presently on the Treasury's list are summarized in Figure A. The data for 1977-80 and 1982 are ranked by country based on the number of requests received by corporations.

The largest number of boycott requests were received from Saudi Arabia, Kuwait, Iraq, and the United Arab Emirates. Based on the 1977-80 and 1982 data, of the 44,627 total requests received from these countries, 18,918, or 42 percent, were agreed to by U.S. corporations. (For a percentage distribution by country of the number of requests and agreements for 1982, see Figure B.) Using number of agreements as a percentage of total requests, the rate of "effectiveness" on the part of boycotting countries in obtaining cooperation from U.S. corporations can be estimated. Of the requests made during the 5-year period, 47 percent cooperation was obtained by Kuwait, 44 percent by the United Arab Emirates, 40 percent by Saudi Arabia, and 39 percent by Iraq.

The highest level of effectiveness did not occur with the above four countries, but rather with Oman, Jordan, and Bahrain. U.S. corporations agreed to 61 percent of all requests received from Oman, 59 percent from Jordan, and 57 percent from Bahrain. Data on boycott requests received and the related agreements of U.S. corporations reported for 1977-80 and 1982 for these three countries are

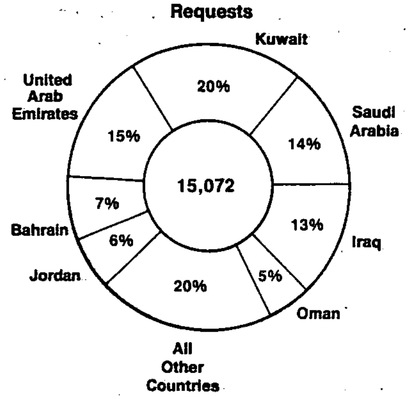
Figure A.--Corporations: Requests, Agreements, and Agreements as a Percent of Requests, by Selected Boycotting Countries, 1977-1980 and 1982

Country	Requests		Agreements		Agreements as a percent of requests	
	Number	Rank	Number	Rank	Percent	Rank
	(1)	(2)	(3)	(4)	(5)	(6)
All boycotting countries[1]	70,344	-	31,072	-	44%	-
Saudi Arabia	13,461	1	5,421	2	40	10
Kuwait	12,775	2	5,942	1	47	4/5
Iraq	9,968	3	3,886	3	39	11
United Arab Emirates	8,423	4	3,669	4	44	8/9
Libya	3,839	5	1,724	8	45	7
Jordan	3,758	6	2,212	5	59	2
Bahrain	3,740	7	2,117	6	57	3
Oman	3,125	8	1,891	7	61	1
Syria	2,292	9	621	11	27	13
Lebanon	2,056	10	958	9	47	4/5
Qatar	1,628	11	754	10	46	6
Yemen (Sanaa)	450	12	199	12	44	8/9
Yemen (Aden)	192	13	53	13	28	12

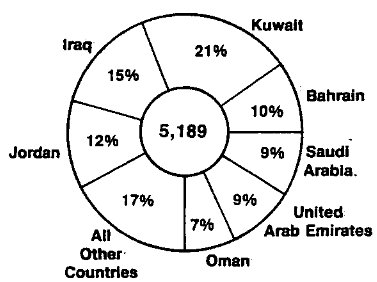
[1]Includes 4,637 requests and 1,625 agreements related to boycotting countries not shown separately.

Figure B
Corporations: Percent Distribution of Requests and Agreements To Participate In or Cooperate With International Boycotts, 1982

Requests



Agreements



shown in Figure C. The highest level of effectiveness in any year for any country occurred in 1980, when 76 percent of all requests received from Oman were followed by agreements.

For 1982, the highest rate of effectiveness (63 percent) was obtained by Jordan. The 608 agreements to requests received from that country accounted for 12 percent of the total agreements (shown in Figure B). In contrast, the 961 requests received from Jordan accounted for only 6 percent of the total requests.

The relationship between the number of corporations that entered into agreements and those which received the requests is also integral to a measure of effectiveness of the boycott policies. Data classified by country for the number of corporations that agreed to requests expressed as a percentage of the number of corporations receiving requests are shown in Table 1 for 1977-80 and 1982. A decrease in this ratio occurred for every country for 1979, when compared to 1978. The 496 corporations that received requests from all boycotting countries for 1979 represented a decline from the 521 corporations for 1978. The decline in the number of corporations that received requests continued after 1979. However, while the 172 corporations that agreed to requests for 1979 represented a decline from 1978, this decline did not continue thereafter.

Not all U.S. corporations with direct or indirect operations in boycotting countries received boycott requests. Most of those U.S. corporations receiving boycott requests received multiple requests. Less than half of them, in any year, agreed to at least one business restriction as requested by a boycotting country. Corporations that agreed to at least one request most often did not agree to every request received from a specific country. This information (the differences between the number of corporations reporting requests and agreements and the number of requests and agreements reported) suggests that U.S. taxpayers often attempted negotiations with the boycotting countries in order both to conduct business within their boundaries and to comply with U.S. laws as well [15].

The extent of cooperation by U.S. corporations with boycotting efforts and the level of U.S. export and import trade activities with boycotting countries are related [16]. Trade data between the United States and these countries for 1977-80 and 1982 are presented in Figure D.

The lowest degree of U.S. cooperation with boycott requests tended to occur among those boycotting countries in which the largest number of U.S. corporations reported direct or indirect operations. The largest number of U.S. corporations reported operations in Saudi Arabia, Kuwait, and the United Arab Emirates (see Table 1). For 1982, of the total 1,916 corporations reporting operations in boycotting countries, 83 percent reported operations in Saudi Arabia, 57 percent in Kuwait and 53 percent in the United Arab Emirates. (Corporations frequently had operations in more than one country.) Over 200 corporations received 7,410 boycott requests from these three countries. Slightly more than one third of those corporations agreed to participate in, or cooperate with, the boycott as requested. On the other hand, a smaller number of U.S. corporations reported operations in Jordan and Oman. As this number decreased, the degree of cooperation with the efforts of the boycotting countries increased. For example, over 100 corporations received requests from Jordan and Oman for 1982, and 46 percent of them agreed to the requests. Finally, of the 267 corporations which reported operations in Yemen (Sanaa), 12

Figure C.--Selected Items Reported by Corporations with Operations In or Related to Boycotting Countries, by Selected Countries, 1977-1980 and 1982

Item and country	1977 (1)	1978 (2)	1979 (3)	1980 (4)	1982 (5)
Number of corporations[1] with operations in or related to:					
All boycotting countries[2]	1,627	1,645	1,971	2,014	1,916
Oman	527	540	576	617	616
Jordan	615	623	771	777	767
Bahrain	651	626	763	765	751
Number of corporations[1] receiving requests from:					
All boycotting countries[2]	510	521	496	494	431
Oman	64	79	61	143	101
Jordan	90	91	131	158	101
Bahrain	104	95	133	90	121
Number of corporations[1] agreeing to requests from:					
All boycotting countries[2]	191	217	172	229	178
Oman	33	31	19	98	46
Jordan	42	35	38	30	47
Bahrain	41	42	36	34	49
Number of requests from:					
All boycotting countries[2]	9,711	17,170	14,079	14,312	15,072
Oman	348	754	491	799	733
Jordan	245	421	1,142	989	961
Bahrain	622	590	577	946	1,005
Number of agreements to requests from:					
All boycotting countries[2]	4,066	7,770	6,615	7,432	5,189
Oman	184	444	294	605	364
Jordan	101	213	666	624	608
Bahrain	429	317	220	634	517
Agreements as a percent of requests:					
All boycotting countries[2]	42	45	47	52	34
Oman	53	59	60	76	50
Jordan	41	51	58	63	63
Bahrain	69	54	38	67	51

[1] Corporations which were members of a controlled group were combined and counted as one corporation. Corporations often reported operations in more than one country.
[2] Boycotting countries were all countries reported on Form 5713 known to require participation in, or cooperation with, an international boycott. This included, but was not limited to, the 13 countries presently on the list of boycotting countries maintained by the Secretary of the Treasury.

Figure D.--U.S. Exports and General Imports[1] with Selected Boycotting Countries, 1977-1980 and 1982

[Money amounts are in millions of dollars]

Country	1977	1978	1979	1980	1982
	(1)	(2)	(3)	(4)	(5)
All countries, total					
Exports from U.S.	$121,293	$143,766	$182,025	$220,786	$212,275
Imports to U.S.	150,390	174,757	209,458	244,871	243,952
Balance	-29,097	-30,991	-27,433	-24,085	-31,677
Boycotting countries, total[2]					
Exports from U.S.	6,173	7,226	8,621	10,340	13,859
Imports to U.S.	14,411	12,621	18,054	25,860	10,575
Balance	-8,238	-5,395	-9,433	-15,520	3,284
Bahrain					
Exports from U.S.	203	157	160	197	220
Imports to U.S.	75	29	11	16	31
Balance	128	128	149	181	189
Iraq					
Exports from U.S.	211	317	442	724	846
Imports to U.S.	425	249	665	460	39
Balance	-214	68	-223	264	807
Jordan					
Exports from U.S.	302	235	334	407	620
Imports to U.S.	3	1	4	3	7
Balance	299	234	330	404	613
Kuwait					
Exports from U.S.	548	745	765	886	941
Imports to U.S.	214	50	194	494	40
Balance	334	695	571	392	901
Lebanon					
Exports from U.S.	124	142	227	303	294
Imports to U.S.	42	15	15	33	19
Balance	82	127	212	270	275
Libya					
Exports from U.S.	314	425	468	509	301
Imports to U.S.	4,222	4,125	6,014	8,595	512
Balance	-3,908	-3,700	-5,546	-8,086	-211
Oman					
Exports from U.S.	57	65	88	95	173
Imports to U.S.	436	354	317	344	334
Balance	-379	-289	-229	-249	-161
Qatar					
Exports from U.S.	113	77	138	129	153
Imports to U.S.	450	337	279	237	106
Balance	-337	-260	-141	-108	47
Saudia Arabia					
Exports from U.S.	3,575	4,370	4,875	5,769	9,026
Imports to U.S.	6,448	5,310	8,067	12,648	7,443
Balance	-2,873	-940	-3,192	-6,879	1,583

Figure D.--U.S. Exports and General Imports[1] with Selected Boycotting Countries, 1977-1980 and 1982 -- Continued

[Money amounts are in millions of dollars]

Country	1977	1978	1979	1980	1982
	(1)	(2)	(3)	(4)	(5)
Syria					
Exports from U.S.	134	143	229	239	138
Imports to U.S.	16	37	165	26	10
Balance	118	106	64	213	128
United Arab Emirates					
Exports from U.S.	515	493	667	998	1,101
Imports to U.S.	2,076	2,109	2,317	2,985	2,032
Balance	-1,561	-1,616	1,650	-1,987	-931
Yemen (Aden)					
Exports from U.S.	31	26	14	7	8
Imports to U.S.	3	5	4	18	1
Balance	28	21	10	-11	7
Yemen (Sanaa)					
Exports from U.S.	46	31	214	77	38
Imports to U.S.	1	(3)	2	1	1
Balance	45	31	212	76	37

[1]Exports include domestic and foreign merchandise. General imports include entries for consumption, entries into custom's bonded warehouses and entries into U.S. Foreign Trade Zones.
[2]Represents data for the 13 countries presently on the list of boycotting countries maintained by the Secretary of the Treasury.
[3]Amount less than $500,000.
Source: For 1977-1980, data are from Overseas Business Reports, United States Foreign Trade Annual, 1975-1981, U.S. Department of Commerce, International Trade Administration, OBR83-07, July 1983. For 1982, data are from Highlights of U.S. Export and Import Trade, U.S. Department of Commerce, Bureau of the Census, FT 990, December 1983.

received boycott requests. Of these 12 corporations, 67 percent agreed to the requested conditions.

Of related interest is the growth and levelling off in the number of U.S. corporations reporting operations in boycotting countries (shown in Table 1). For 1982, the number of corporations with operations in the 13 boycotting countries increased over the number reported for 1977, with two exceptions, Iraq and Libya, for which there were small decreases. Between 1980 and 1982 the number of corporations reporting operations remained relatively stable compared to the peak of growth in this number that occurred from 1978 to 1979.

LOSS OF TAX BENEFITS

Under the U.S. tax law, taxpayers agreeing to participate in, or cooperate with, unsanctioned international boycotts may be penalized by the loss of certain tax benefits. These lost benefits involve the U.S. tax treatment of the income or taxes associated with U.S. operations (direct or indirect) in all boycotting countries. The tax benefits would otherwise be available to the taxpayers were it not for agreements to boycott requests. The tax benefits that can be lost are the foreign tax credit [17], and the deferral of taxation on the earnings of Controlled Foreign Corporations (CFC's) [18] and on the earnings of Domestic International Sales Corporations (DISC's) [19] owned by U.S. persons.

Basically, a U.S. taxpayer is allowed a foreign tax credit to reduce its U.S. income tax (based on worldwide taxable income) for taxes paid to foreign countries [20]. However, boycott-related taxes cannot be included in the foreign tax credit. Boycott-related taxes are taxes that resulted from foreign operations through which the U.S. taxpayer was associated with agreements to unsanctioned boycott requests.

A U.S. taxpayer that owned a Controlled Foreign Corporation was generally required to treat certain portions of the current-year earnings and profits of the CFC as "Subpart F" income. This income was deemed to have been distributed by the CFC to the controlling U.S. shareholder and was included in the current-year taxable income of the shareholder. That portion of the current-year earnings and profits not considered Subpart F income was not included in the shareholder's U.S. taxable income until the year in which a distribution was subsequently made to that shareholder. The tax on these earnings and profits was thus deferred. A U.S. shareholder, associated with agreements to boycott requests through one or more operations of a CFC, was required to increase the Subpart F income. This increase was based on the current-year earnings and profits of those operations. Tax deferral was thus lost on this income.

Generally, the taxable income from a DISC was treated similarly to the current-year earnings and profits of a CFC. A portion of the income from a DISC could not be excluded from the shareholders' current-year U.S. taxable income. The remaining portion of the income from a DISC could be excluded from the shareholders' current-year U.S. taxable income (thus deferring U.S. tax). U.S. shareholders, associated with agreements to boycott requests through one or more operations of the DISC, were required to increase the DISC income included in their current-year U.S. taxable income. This increase was based on the DISC income from those operations.

Methods of Computing Loss of Tax Benefits

The loss of tax benefits was computed by electing to use either the "specifically attributable income and taxes" method or the "international boycott factor" method. The election was an annual one made by the U.S. taxpayer. Taxpayers that could separately identify the earnings and profits from each of their specific business operations could elect the specifically attributable method. When the earnings and profits of each separate operation could not be identified, the taxpayers elected the international boycott factor method.

Persons that chose the specifically attributable income and taxes method reported their share of the foreign taxes paid and Subpart F and DISC income, based on the earnings and profits of each separately identified boycott operation. A foreign tax credit was denied for the foreign taxes reported. The Subpart F income reported was the amount of the tax benefit lost to shareholders of CFC's. The DISC income reported was the amount of the tax benefit lost to shareholders of DISC's.

Taxpayers using the international boycott factor method computed the loss of tax benefits as follows:

$$\frac{\text{Boycott "income" [21]}}{\text{Total "income" from outside the United States [22]}} \times \text{Tax benefit}$$

The result of this computation for each type of tax benefit was the amount of the loss.

The computation of the loss of a foreign tax credit was determined by the taxpayer's choice of the two methods described above. Under the specifically attributable income and taxes method, the benefits of the foreign tax credit were denied by excluding the boycott-related taxes from the foreign taxes eligible for the credit. On the other hand, under the international boycott factor method, the boycott-related taxes were included in the foreign taxes eligible for the credit. The total foreign tax credit was then reduced by the amount of the computed loss of benefit (defined above).

The losses of U.S. tax deferral on income associated with the earnings and profits of a CFC and the income of a DISC were determined under both methods, by computing amounts to be treated as "deemed distributions" of income in the current taxable year. Thus, the U.S. taxable income of the U.S. shareholder was increased. Under the specifically attributable method, these amounts were computed from the earnings and profits of each separate operation. Under the international boycott factor method, these amounts were based on percentages of the total benefits that otherwise would have been allowed.

Effects of Boycott-Related Tax Penalties

For the 1980-82 period, fewer than 100 U.S. corporations per year reported losses of tax benefits due to agreements to participate in, or cooperate with, international boycotts. As shown in Figure E, there was a decline in the number of U.S. corporations reporting losses of benefits since 1978, when the largest number of U.S. corporations (146) reported losses of tax benefits. (Corporations are the only U.S. persons that have had tax benefits denied as the result of agreements to boycott requests.) In comparing the number of corporations that filed boycott reports with the much smaller number reporting denial of tax benefits, it should be noted that not all corporations filing boycott reports received requests. Of those that received requests, not all agreed to comply. Further, of the corporations that agreed to boycott requests, not all owned a Domestic International Sales Corporation or a Controlled Foreign Corporation, or had a U.S. income tax against which to apply a foreign tax credit. No other loss of benefits were prescribed under the tax law.

Figure E.--Number and Percent of Corporations Denied U.S. Tax Benefits, 1976-1982

Year	Number of corporations for year-- That filed boycott reports	Number of corporations for year-- Denied tax benefits	Percent
	(1)	(2)	(3)
1976 ...	1,356	35	2.6%
1977 ...	2,521	100	4.0
1978 ...	2,536	146	5.8
1979 ...	2,892	101	3.5
1980 ...	3,090	88	2.8
1981 ...	n.a.	84	-
1982 ...	2,583	87	3.4

n.a. - Not available.

As previously stated, there are three types of tax benefits which may be lost by corporations agreeing to participate in, or cooperate with, international boycotts. These U.S. corporations frequently lose more than one benefit in any given year, as a result of such agreements. U.S. corporations with international sources of income are likely to be large corporations that use taxes paid to foreign governments as a foreign tax credit to reduce their U.S. tax liability. A large number of these same corporations are also owners of CFC's and DISC's. As an example, of the 84 corporations in 1981 which lost tax benefits, 29 were required both to reduce their foreign tax credit and also to decrease the amount of income deferred from U.S. tax based on the earnings and profits of the CFC's or income from the DISC's.

U.S. corporations forfeited a total of $84 million in tax benefits, due to agreements to boycott requests, since 1976, the first year for which the penalties were imposed. Of this amount, $33 million was associated with losses in foreign tax credits; $7 million reduced the allowable foreign tax credits (under the boycott factor method), while $26 million of taxes paid to boycotting countries was disallowed for credit (under the specifically attributable method). Of the three tax benefits at risk from agreements to participate in, or cooperate with, international boycotts, the loss of U.S. tax deferral on the $43 million of income from the earnings and profits of CFC's represented the largest loss in tax benefits incurred by U.S. corporations from 1976 through 1982. Additionally, shareholders of DISC's incurred a loss of U.S. tax deferral on $8 million of DISC income that resulted from agreements to boycott requests.

SUMMARY

Beginning in 1976, the United States instituted tax provisions to levy penalties, in the form of lost tax benefits, against U.S. persons that agreed to participate in, or cooperate with, international boycotts not sanctioned by the United States. From 1976 through 1982, the largest percent of boycott requests, 93 percent, was made by countries which were members of the League of Arab States. All the requests attempted, in some fashion, to achieve cooperation from U.S. persons with a boycott through restrictive business conditions. During the period 1976-82 (excluding 1981 for which detailed data are not available), there were 79,900 requests made of U.S. persons to participate in, or cooperate with, international boycotts. Of those requests, 42 percent, or 33,800, were followed by agreements. Most of the requests and agreements, 96 and 97 percent, respectively, involved U.S. corporations, as opposed to other types of U.S. persons. As a result of agreements to boycott requests, a small number of U.S. corporations lost U.S. tax benefits totaling $84 million from 1976-82.

DATA SOURCES AND LIMITATIONS

These statistics were based on all International Boycott Reports, Forms 5713, filed with the Internal Revenue Service. As such, the data were not subject to sampling error. (See the Appendix for a general description of the nonsampling error controls and limitations typical of most Statistics of Income (SOI) programs.) Any results of audit examination of the income tax returns related to these reports are not reflected in the statistics. Data for 1976-80 and 1982 include all International Boycott Reports filed by persons with accounting periods ending in those calendar years. Data for 1981 were limited to Forms 5713 with a computation of loss of tax benefits on Schedule C attached to this form. (The data for 1981 are included in Figure E and Table 4, and in the data analysis included under the effects of boycott-related tax penalties.)

Data for 1976 include only persons with accounting periods ending in November and December. (The effective date of the boycott provisions was November 4, 1976.) The data analysis contained in this report on the operations in boycotting countries and requests and agreements were limited to the data reported in full calendar years, 1977-80 and 1982.

Generally, boycott reports included for a particular year were those which had accounting periods ending during that year. However, for the 1977-80 studies, prior-year boycott reports were also included in the statistics. These reports were received by the Internal Revenue

Service during the same period as the current-year reports and were processed if they were not previously included in the prior-year statistics. A complete historical boycott file was not available for 1982. (Only Forms 5713 with attached Schedule C were included for 1981.) As a result, prior-year returns were processed for 1982 only when the current-year reports for the same U.S. persons were not available.

Data from Forms 5713 filed by Domestic International Sales Corporations were included in the corporation data in this report. Additionally, the data for the number of corporations which reported operations and the number of requests and agreements reported were accumulated from the Forms 5713 of the common parents of "controlled groups" of corporations. Over counting of these items would otherwise have resulted because each member of the group was required to report the operations, requests and agreements of the entire group. This reporting was usually accomplished through information provided by the common parent to each of its members. With respect to corporations which were members of controlled groups, if tax returns were filed separately for each member of a controlled group, then Form 5713 had to be attached to each separate return. (Waivers to this requirement were allowed under specific conditions.) However, if a consolidated return were filed for all the members of a controlled group, then a Form 5713 could be filed on behalf of all the members.

EXPLANATION OF SELECTED TERMS

Members of Controlled Groups of Corporations.--Under the boycott provisions, members of controlled groups were those corporations related to one another generally through 50 percent or more common stock ownership and which could file separate income tax returns. The controlled group provisions of the Internal Revenue Code applied when (1) a common parent corporation had 50 percent or more control of one or more chains of subsidiaries (parent-subsidiary group), or (2) five or fewer persons (individuals, estates, or trusts), individually or in combination, had 50 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 company had ownership in each corporation in a given group and the smallest percent ownership was, for example, 5 percent of corporation A, that company'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.

National of a Country.--A person which owes allegiance to, or is under the protection of, a nation without regard to the more formal status of citizenship.

Number of Corporations.--The number of corporations that filed a Form 5713 and the number that were denied tax benefits includes each corporation whether a member of a controlled group of corporations or not. Members of a controlled group of corporations were combined and counted as one corporation for the number of corporations reporting operations in boycotting countries and for the numbers of corporations that received and agreed to boycott requests.

Person Agreeing to Participate in, or Cooperate with, an International Boycott.--A person was considered to have participated in, or cooperated with, an international boycott if the person agreed as a condition of doing business, directly or indirectly, with a government, a company, or a national of a country to any of the five types of requests described in the text of this article.

However, a person could agree to meet requirements imposed by a foreign country with respect to an international boycott, when a U.S. law, executive order or regulation sanctioned that participation or cooperation. In such a case, the U.S. person would not have reported the requirement as a boycott request. A U.S. person could agree (without risk of losing U.S. tax benefits) to a country's prohibitions on importing goods produced in whole or in part in any boycotted country or on exporting goods obtained in that country to any boycotted country. However, if a U.S. person agreed to any importing or exporting restrictions on products which were (or which contained components which were) made by a company labelled as an "uncooperative" by any boycotting country, then the U.S. person could be subject to losses of U.S. tax benefits.

NOTES AND REFERENCES

[1] Staff of the Joint Committee on Taxation, General Explanation of the Tax Reform Act of 1976, p. 282.

[2] Operations carried out in accordance with the terms of a binding contract entered into before September 2, 1976, did not constitute participation in, or cooperation with, an international boycott until after December 31, 1977.

[3] The most recent report is entitled The Operation and Effect of the International Boycott Provisions of the Internal Revenue Code, Fourth Annual Report, 1985. Detailed information on corporations (excluding Domestic International Sales Corporations) by industry is available in this report. Future reports will be issued on a four-year cycle.

[4] Form 5713 is attached to, and made part of, a person's U.S. income tax return. Taxpayers are also required to file a duplicate copy of this form with the Philadelphia Service Center of the Internal Revenue Service. These duplicate copies were the basis of the data contained in this article.

[5] The Middle East and North Africa, 1983-1984, 30th ed., Europa Publications Limited, pp. 171-175.

[6] "Foreign Policy/ National Security," Congressional Quarterly Almanac, 95th Congress, 1st Session, 1977, Congressional Quarterly Inc., p. 352.

[7] The Organization of Petroleum Exporting Countries (OPEC) included among its members Iraq, Kuwait, Libya, Qatar, Saudi Arabia, and the United Arab Emirates, which were also members of the League of Arab States.

[8] Specific guidelines were issued governing violation of U.S. laws. See Restrictive Trade Practices or Boycotts Including Enforcement and Administrative Proceedings, U.S. Department of Commerce, International Trade Administration, Office of Antiboycott Compliance, May 1983.

[9] For a report from the Office of Antiboycott Compliance, Department of Commerce, see "Antiboycott Program," Export Administration Annual Report, FY 1983, pp. 71-104. See footnote 3 for a reference to the Department of Treasury report.

[10] Each member of a controlled group of corporations reported the operations of the entire group. U.S. shareholders of foreign corporations reported the operations of the foreign corporations. U.S. partners in foreign partnerships reported the operations of the foreign partnerships.

[11] However, the related members can establish that separate and identifiable operations are conducted by each member in the particular country. When a related member clearly establishes that it is not connected with the operations involving boycott agreements, the related member is not associated with the agreements. There is no presumption of participation or cooperation.

[12] However, the U.S. shareholders can also establish that their identifiable operations are separate from the boycott operations of the foreign corporations, and thus there is no presumption of participation or cooperation.

[13] The boycott list is maintained and published in the Federal Register at least quarterly by the Secretary of the Treasury.

[14] Request and agreement data are not available for 1981. Data for 1981 were limited to Forms 5713 with a computation of loss of tax benefits reported on attached Schedule C.

[15] Often this was accomplished by changing the wording of certain statements in the original requests. An example was stamping merchandise with "Made of U.S. materials," rather than with a negative statement, "Not made by 'blacklisted' companies."

[16] For more specific factors of influence in Arab-U.S. business relations, various publications highlighting economic and business trends of specific countries are available through the Department of Commerce. See, for example, Foreign Economic Trends and Their Implications for the United States, United Arab Emirates, February 1984, and Country Market Survey, Industrial Process Controls, Saudi Arabia, April 1981, included in the International Marketing Information Series, U.S. Department of Commerce, International Trade Administration.

[17] For additional information on the corporate foreign tax credit, see States, William, "Corporate Foreign Tax Credit, 1980: An Industry Focus," and "Corporate Foreign Tax Credit, 1980: A Geographic Focus," Statistics of Income Bulletin, Summer 1984, pp. 63-84, and Winter 1984-85, pp. 37-63, respectively.

[18] For additional information on Controlled Foreign Corporations, see Gianelos, Arthur, and Sutton, William, "Controlled Foreign Corporations, 1980," and Sutton, William, and Hobbs, James, "Controlled Foreign Corporations, 1980: A Geographic Perspective," Statistics of Income Bulletin, Spring 1984, pp. 37-57, and Fall 1984, pp. 33-57, respectively.

[19] For additional information on Domestic International Sales Corporations (DISC's),

see Statistics of Income--1982, Corporation Income Tax Returns. Effective for Tax Years beginning after December 1984, most DISC's will be replaced by Foreign Sales Corporations (FSC's). A FSC will not be able to include income from operations associated with boycott agreements in the portion of "foreign trade income" that can be exempt from U.S. tax.

[20] Taxes paid to foreign countries include taxes paid, accrued or deemed to have been paid, by the U.S. taxpayer.

[21] Boycott income in the computation includes purchases, sales and payroll attributable to operations involving agreements to boycott requests. If the U.S. taxpayer (corporation) could clearly demonstrate no involvement in a particular operation, the corporation could be treated as not agreeing to a related boycott request. Therefore, the income items from such operations were not included in the numerator of the boycott factor computation. Otherwise, the boycott income was from all countries and all operations to which agreements were made to boycott requests.

[22] Total income from outside the United States in the computation includes total purchases from countries other than the United States, total sales to or from countries other than the United States and total payroll (paid or accrued) for services performed in countries other than the United States.

Table 1.--Number of Corporations [1], by Selected Boycotting Country, 1977-1980 and 1982

Country and number of corporations	1977	1978	1979	1980	1982
	(1)	(2)	(3)	(4)	(5)
All boycotting countries [2]					
Number of corporations:					
With operations	1,627	1,645	1,971	2,014	1,916
Receiving requests	510	521	496	494	431
Agreeing with requests	191	217	172	229	178
Number agreeing with requests as a percent of number receiving requests	37	42	35	46	41
Bahrain					
Number of corporations:					
With operations	651	626	763	765	751
Receiving requests	104	95	133	90	121
Agreeing with requests	41	42	36	34	49
Number agreeing with requests as a percent of number receiving requests	39	44	27	38	40
Iraq					
Number of corporations:					
With operations	691	668	724	791	680
Receiving requests	238	230	238	196	186
Agreeing with requests	85	90	62	62	60
Number agreeing with requests as a percent of number receiving requests	36	39	26	32	32
Jordan					
Number of corporations:					
With operations	615	623	771	777	767
Receiving requests	90	91	131	158	101
Agreeing with requests	42	35	38	30	47
Number agreeing with requests as a percent of number receiving requests	47	38	29	19	47
Kuwait					
Number of corporations:					
With operations	936	904	1,100	1,109	1,095
Receiving requests	209	239	233	251	221
Agreeing with requests	79	91	71	144	79
Number agreeing with requests as a percent of number receiving requests	38	38	30	57	36
Lebanon					
Number of corporations:					
With operations	641	672	834	857	794
Receiving requests	74	89	91	73	69
Agreeing with requests	39	39	37	31	40
Number agreeing with requests as a percent of number receiving requests	53	44	41	42	58
Libya					
Number of corporations:					
With operations	631	624	741	730	607
Receiving requests	157	162	121	121	104
Agreeing with requests	60	62	45	41	45
Number agreeing with requests as a percent of number receiving requests	38	38	37	34	43
Oman					
Number of corporations:					
With operations	527	540	576	617	616
Receiving requests	64	79	61	143	101
Agreeing with requests	33	31	19	98	46
Number agreeing with requests as a percent of number receiving requests	52	39	31	69	46

Table 1.--Number of Corporations[1], by Selected Boycotting Country, 1977-1980 and 1982--Continued

Country and number of corporations	1977 (1)	1978 (2)	1979 (3)	1980 (4)	1982 (5)
Qatar					
Number of corporations:					
With operations	522	532	609	611	652
Receiving requests	64	70	59	78	103
Agreeing with requests	26	31	21	26	39
Number agreeing with requests as a percent of number receiving requests	41	44	36	33	38
Saudi Arabia					
Number of corporations:					
With operations	1,225	1,287	1,543	1,607	1,596
Receiving requests	302	292	239	199	231
Agreeing with requests	124	111	77	74	85
Number agreeing with requests as a percent of number receiving requests	41	38	32	37	37
Syria					
Number of corporations:					
With operations	540	525	633	675	560
Receiving requests	104	114	96	107	102
Agreeing with requests	35	39	27	30	27
Number agreeing with requests as a percent of number receiving requests	34	34	28	28	26
United Arab Emirates					
Number of corporations:					
With operations	818	803	918	954	1,015
Receiving requests	172	182	192	243	193
Agreeing with requests	58	65	55	56	67
Number agreeing with requests as a percent of number receiving requests	34	36	29	23	35
Yemen (Aden)					
Number of corporations:					
With operations	202	201	234	235	255
Receiving requests	12	20	17	17	16
Agreeing with requests	6	8	3	5	7
Number agreeing with requests as a percent of number receiving requests	50	40	18	29	44
Yemen (Sanaa)					
Number of corporations:					
With operations	221	244	248	243	267
Receiving requests	19	24	15	16	12
Agreeing with requests	12	12	6	4	8
Number agreeing with requests as a percent of number receiving requests	63	50	40	25	67

[1] Corporations which were members of a controlled group were combined and counted as one corporation. Many corporations had operations in more than one country, and as a result, the data are not additive.
[2] Boycotting countries were all countries reported on Form 5713 known to require participation in, or cooperation with, an international boycott. This included, but was not limited to, the 13 countries presently on the list of boycotting countries maintained by the Secretary of the Treasury.

Table 2.--Income, Assets, and Foreign Characteristics of Persons Filing Boycott Reports, 1976-1980 and 1982

[Money amounts are in millions of dollars]

Item	1976 (1)	1977 (2)	1978 (3)	1979 (4)	1980 (5)	1982 (6)
All persons						
Total number of persons	1,462	2,864	2,859	3,197	3,413	2,822
Number of persons claiming a foreign tax credit	664	1,084	817	834	847	627
Foreign tax credit before boycott reduction	n.a.	n.a.	24,288	34,462	19,445	15,837
Number of persons that were shareholders of Controlled Foreign Corporations	476	729	432	456	471	426
Earnings and profits of Controlled Foreign Corporations before boycott reduction	n.a.	n.a.	15,892	43,640	20,830	16,180
Number of persons that were shareholders of DISC's	533	915	735	700	777	675
DISC income before boycott reduction	n.a.	n.a.	1,312	2,007	2,044	2,793
Number of operations in countries boycotting--						
Israel	14,233	16,230	22,836	28,433	n.a.	n.a.
Other countries	865	1,401	1,405	1,189	n.a.	n.a.
Corporations						
Total number of corporations	1,356	2,521	2,536	2,892	3,090	2,583
Specified income (less deficit)[1]	105,405	132,607	122,843	158,265	127,406	83,017
Total assets	1,581,814	2,038,467	2,141,100	2,169,179	2,401,545	2,698,759
Number of corporations claiming a foreign tax credit	645	955	808	827	843	**
Foreign tax credit before boycott reduction	n.a.	n.a.	24,287	34,461	19,444	15,837
Number of corporations that were shareholders of Controlled Foreign Corporations	444	650	427	**	471	426
Earnings and profits of Controlled Foreign Corporations before boycott reduction	n.a.	n.a.	15,891	43,639	20,830	16,180
Number of corporations that were shareholders of DISC's	521	879	732	700	777	**
DISC income before boycott reduction	n.a.	n.a.	1,311	2,007	2,044	2,793
Number of operations in countries boycotting--						
Israel	13,834	14,373	21,131	26,863	n.a.	n.a.
Other countries	863	933	1,367	1,187	n.a.	n.a.
All other persons						
Total number of persons	106	343	323	305	323	239
Specified income (less deficit)[2]	141	816	677	690	803	1,261
Total assets[3]	1,347	3,324	8,520	16,720	16,927	4,891
Number of persons claiming a foreign tax credit	19	129	9	7	4	**
Foreign tax credit before boycott reduction	n.a.	n.a.	1	1	677	([4])
Number of persons that were shareholders of Controlled Foreign Corporations	32	79	5	**	-	-
Earnings and profits of Controlled Foreign Corporations before boycott reduction	n.a.	n.a.	1	([4])	-	-
Number of persons that were shareholders of DISC's	12	36	3	-	-	**
DISC income before boycott reduction	n.a.	n.a.	1	-	-	([4])
Number of operations in countries boycotting--						
Israel	399	1,857	1,705	1,570	n.a.	n.a.
Other countries	2	468	38	2	n.a.	n.a.

n.a. - Not available.
**Data deleted to avoid disclosure of information for specific taxpayers. Data included in appropriate totals.
[1] Taxable income before net operating loss and special deductions.
[2] Adjusted gross income for individuals, ordinary income for partnerships, and total income for estates and trusts.
[3] Total assets for partnerships. Not applicable for individuals, estates, and trusts.
[4] Amount less than $500,000.
NOTE: DISC's are Domestic International Sales Corporations. Data for 1976 are for accounting periods ending in November and December.

Table 3.--Requests and Agreements to Participate in a Boycott, by Type of Person Filing Boycott Reports, 1976-1980 and 1982

Item	1976	1977	1978	1979	1980	1982
	(1)	(2)	(3)	(4)	(5)	(6)
All persons						
Number of persons receiving requests	271	561	592	610	602	537
Number of requests, total	6,335	9,808	17,439	14,620	14,879	16,824
Type 1 requests	1,196	2,877	4,098	4,170	4,489	5,007
Type 2 requests	662	958	4,649	2,692	3,544	3,221
Type 3 requests	493	128	1,694	414	522	1,120
Type 4 requests	5	36	180	259	348	558
Type 5 requests	3,979	5,809	6,818	7,085	5,976	6,918
Number of persons agreeing to requests	128	256	273	179	234	212
Number of agreements, total	1,837	4,134	7,944	6,639	7,445	5,809
Type 1 agreements	370	1,084	1,334	1,410	1,675	1,297
Type 2 agreements	79	245	2,876	1,628	2,734	1,875
Type 3 agreements	**23	17	441	55	50	475
Type 4 agreements	**	10	53	23	23	169
Type 5 agreements	1,365	2,778	3,240	3,523	2,963	1,993
Corporations						
Number of corporations receiving requests	240	510	521	496	494	431
Number of requests, total	6,081	9,711	17,170	14,079	14,312	15,072
Type 1 requests	**1,836	2,827	3,952	4,059	4,340	4,586
Type 2 requests	**	**1,113	4,616	2,591	3,442	2,884
Type 3 requests	493	**	1,676	316	423	797
Type 4 requests	5	**	161	161	251	258
Type 5 requests	3,747	5,771	6,765	6,952	5,856	6,547
Number of corporations agreeing to requests	110	223	217	172	229	178
Number of agreements, total	1,762	4,066	7,770	6,615	7,432	5,189
Type 1 agreements	**446	1,056	1,255	**3,303	1,671	1,172
Type 2 agreements	**	239	2,853	**	2,730	1,750
Type 3 agreements	**23	17	423	55	50	351
Type 4 agreements	**	10	35	23	23	47
Type 5 agreements	1,293	2,744	3,204	3,504	2,958	1,869
All other persons						
Number of persons receiving requests	31	51	71	114	108	106
Number of requests, total	254	97	269	541	567	1,752
Type 1 requests	**22	50	146	111	149	421
Type 2 requests	**	**9	33	101	102	337
Type 3 requests	-	**	18	98	99	323
Type 4 requests	-	**	19	98	97	300
Type 5 requests	232	38	53	133	120	371
Number of persons agreeing to requests	18	33	56	7	5	34
Number of agreements, total	75	68	174	24	13	620
Type 1 agreements	**3	28	79	**5	4	125
Type 2 agreements	**	6	23	**	4	125
Type 3 agreements	-	-	18	-	-	124
Type 4 agreements	-	-	18	-	-	122
Type 5 agreements	72	34	36	19	5	124

**Data combined to avoid disclosure of information for specific taxpayers.
NOTE: See text for an explanation of the 5 different types of requests and agreements. Data for 1976 are for accounting periods ending in November and December.

Table 4.--Corporations: Tax Effect of the Boycott Provisions of the Internal Revenue Code, 1976-1982
[Money amounts are in millions of dollars]

Item	1976	1977	1978	1979	1980	1981	1982
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Tax effect of the boycott provisions by corporations using boycott factor method:							
Number of corporations	14	44	48	29	31	21	26
Total boycott purchases, sales and payroll	n.a.	62	70	118	185	n.a.	165
Total purchases, sales and payroll outside the United States	n.a.	11,197	124,968	33,256	49,905	n.a.	52,973
Reduction of foreign tax credit:							
Number of returns	10	23	30	11	18	14	10
Credit before reduction	118	620	494	233	458	586	316
Reduction of credit	([1])	([1])	([1])	1	2	3	1
Credit after reduction	117	619	493	232	456	583	314
Denial of tax deferral on income of--							
Controlled Foreign Corporations:							
Number of returns	5	23	21	12	14	11	13
Income	([1])	1	1	3	5	3	2
DISC's:							
Number of returns	9	29	23	25	23	14	20
Income	([1])	([1])	([1])	1	([1])	([1])	([1])
Tax effect of the boycott provisions by corporations using specifically attributable taxes and income method:							
Number of corporations	21	56	98	72	57	63	61
Reduction in taxes eligible for foreign tax credits:							
Number of returns	7	26	51	30	29	28	32
Amount	([1])	1	10	7	4	2	2
Denial of tax deferral on income of--							
Controlled Foreign Corporations:							
Number of returns	5	33	62	41	39	36	35
Income	([1])	2	10	9	3	2	2
DISC's:							
Number of returns	13	26	34	25	12	24	24
Income	([1])	1	1	1	1	2	1

n.a. - Not available.
[1] Less than $500,000.
NOTE: DISC's are Domestic International Sales Corporations. Data for 1976 are for accounting periods ending in November and December.

Section 13

Foreign Trusts

Contents

Trusts are arrangements in which titles to property are held by persons with fiduciary responsibilities to conserve or protect the property for the benefit of other persons. Foreign trusts are those which exhibit characteristics such as being created and governed under the laws of a foreign government and having property and records maintained outside of the United States. Foreign trusts which have U.S. persons as grantors, transferors, or beneficiaries are subject to U.S. tax laws. Information filed with the Internal Revenue Service under these laws was the basis of the data shown in this section of the compendium.

The article in this section includes a brief history of the foreign trust and information on foreign trust activity during the period 1979-1982. The reader is also referred to Section 1 of the compendium for a summary of this topic in the paper, "Statistics of Income Studies of International Income and Taxes: A Brief Description of the Studies (page 9)."

Section 15 of this compendium contains copies of the tax forms and instructions which provided the basis of the foreign trust data. These tax forms and instructions are:

* Form 3520, Creation of, or Transfers to, Certain Foreign Trusts, and Instructions (page 491)

* Form 3520A, Annual Return of Foreign Trust with U.S. Beneficiaries, and Instructions (page 492)

Use of Foreign Trusts by U.S. Persons, 1979-1982

By William Sutton and James Hobbs*

Transfers by U.S. persons of $11.3 million in money and property were made to trusts located in 14 foreign countries during 1982. The assets of foreign trusts which received transfers from U.S. persons and also had U.S. beneficiaries were $45.2 million in this same period. There were 342 trusts reporting transfer activity and 393 trusts showing assets and income. Most trusts were located in Canada (283) while trusts in the Channel Islands had the greatest amount of assets ($11.6 million).

In general, "trusts" are considered to be arrangements in which titles to property are held by persons with fiduciary responsibilities to conserve or protect the property for the benefit of other persons. (For tax purposes, beneficiaries of trusts may be the same persons who created the trusts [1].) Further, trusts are generally considered to be "foreign" if the fiduciary is a nonresident alien for U.S. tax purposes, the property is transferred to the fiduciary outside of the United States, the property and records are maintained outside of the United States, the trust instrument is executed outside of the United States, and the trust is created and governed under the laws of a foreign government. Foreign trusts which have U.S. persons as grantors, transferors, or beneficiaries are also subject to U.S. tax legislation.

HISTORY OF THE FOREIGN TRUST

The tax legislative history of foreign trusts shows significant developments beginning in 1962. Prior to this time, foreign trust income from foreign securities and foreign income property was not taxed by the United States. Thus, the "distributable net income (DNI)" of foreign trusts with U.S. beneficiaries included only U.S. source income. In general, DNI was the income of foreign trusts, on which U.S. beneficiaries were subject to U.S. taxation based upon the actual distributions from the trusts. However, based on certain available exceptions and only a "5-year throwback rule [2]," foreign trusts could generally make distributions to U.S. beneficiaries with little or no U.S. tax being paid.

The Revenue Act of 1962 limited the tax benefits of foreign trusts, but it did not severely impair the utility of foreign trusts. The foreign-source net income of trusts was now included in DNI and, therefore, taxable to U.S. beneficiaries when received. In addition, the Act replaced the 5-year throwback rule with an unlimited throwback rule, applicable only to foreign trusts (i.e., domestic trusts retained the more favorable 5-year rule). However, until the income was distributed by the trust it could be accumulated indefinitely without incurring tax liability, and funds could be made available to the beneficiaries through loans and private annuities.

The Foreign Investors Tax Act of 1966 changed the rules for the taxation of foreign persons. It created the concept of "income effectively connected with the conduct of a trade or business within the United States." Under this law, a foreign person who was a beneficiary of a foreign trust which, in turn, was engaged in a trade or business within the United States was also regarded as being engaged in such activity. As such, that person was subject to U.S. taxation on distributions from foreign trusts to the extent that the trust's income was from the U.S. trade or business. In prior years, only U.S. beneficiaries were considered in this manner.

The 1966 Act taxed foreign trusts at the regular U.S. tax rates on income which was effectively connected with a U.S. trade or business. It also subjected these trusts, as nonresident aliens, to a flat 30-percent withholding tax, or a lower tax rate if set by a treaty, on U.S. source fixed or determinable periodic income. This income included passive income such as interest, dividends, rents, royalties, and certain personal service income [3]. However, U.S. persons could still establish foreign trusts in order to accumulate funds free of U.S. tax when the income was from a foreign source.

When the unlimited throwback rule was made applicable to domestic trusts under provisions of the 1969 Tax Reform Act, foreign trusts were

*Foreign Statistics Branch. Prepared under the direction of Daniel Skelly, Chief.

no longer at a comparative disadvantage to domestic trusts in this respect. Further, foreign trusts were advantageous, as compared to domestic trusts, for grantors who accumulated assets through the use of trusts. Domestic trusts were now required to distribute all of their ordinary income before they could distribute capital gains. (Capital gains resulted from the profitable sale of capital assets which the trusts had accumulated.) Foreign trusts, on the other hand, could disperse capital gains more quickly and easily because they operated without the above restriction [4]. This was an advantage because the capital gains tax rate was usually lower than the rates of tax on ordinary income.

Tax Reform Act of 1976

The Tax Reform Act of 1976 was the last major law change relating to foreign trusts [5]. As such, it contained four important provisions. First, for taxable years beginning in 1976, a U.S. grantor who transferred property to a foreign trust after May 21, 1974, with U.S. beneficiaries was now subject to taxation on the income generated by the trust. (U.S. grantors of foreign trusts with U.S. beneficiaries created after May 21, 1974, were similarily treated.) The grantor was taxed on a prorated portion of the trust's income equal to the portion of the trust's assets which had been transferred by the grantor.

A second provision of the Act dealt with capital gain income. Capital gains of foreign trusts were now treated the same as ordinary income when distributed after 1975. Thus, capital gains earned by foreign trusts were taxed at the generally higher tax rates on ordinary income when distributed to the beneficiaries. However, if at the end of the last taxable year ending before January 1, 1976, a foreign trust had capital gain income in undistributed net income, it was permitted to reduce this income by 50 percent of the long-term capital gain that would have been granted to the beneficiaries upon distribution.

The 1976 Act also changed the provision regarding excise taxes. The rate of the excise tax imposed on U.S. transferors for gains on all appreciated property was increased to 35 percent for transfers to foreign trusts after October 2, 1975. The previous rate of excise tax of 27.5 percent applied to only appreciated stocks and securities and had been applicable since the inception of the Internal Revenue Code of 1954. For purposes of this excise tax, gains on property excluded the portion of those gains claimed as income, and thus taxable to the transferor for the period of time of the transfer.

Finally, the Act imposed a 6-percent simple interest charge per year on the tax on accumulated distributions from foreign trusts computed under the throwback rules. (This interest charge was not tax deductible.) For purposes of this interest charge, the accumulated distributions did not include foreign trust income for which a grantor had paid U.S. tax on that income. The interest charge was based on the length of time in which the tax was deferred due to the trust's accumulation of income. In effect, the interest charge increased the effective income tax rate placed on accumulated distributions of foreign trusts. The total of the tax and interest charge was limited by the amount of the actual accumulation distribution.

Based on the changes in the law related to foreign trusts since 1962, there now remain few U.S. tax benefits for the use of foreign trusts. This explains, in part, why there has been only a modest level of foreign trust activity in recent years; for instance, 342 trusts with transfers in 1982. It is still worthwhile to consider using foreign trusts for certain purposes. These include (1) the holding of ownership of appreciable property by foreign trusts with U.S. beneficiaries, in which the property was transfered to the trust prior to any appreciation; (2) the accumulation of foreign-source income free from U.S. tax for nongrantor trusts created by U.S. persons for the benefit of nonresident alien beneficiaries; and (3) the making of loans by foreign trusts to U.S. beneficiaries [6]. Additional uses of foreign trusts for purposes not related to U.S. taxation are discussed later in this article.

FOREIGN TRUST ACTIVITY DATA

During 1982, 338 U.S. persons transferred $11.3 million of money and property to 342 foreign trusts. Because a few U.S. persons owned more than one trust, there were more trusts than U.S. persons making transfers. The number of reported trusts with transfer activity has, over the years, remained fairly constant. However, the value of the transfers has fluctuated more widely. This is shown in Figure A.

Figure A.--Trusts with Transfer Activity, 1979-1982

[Money amounts are in millions of dollars]

Year	Number of trusts	Value of transfers
1982	342	$11.3
1981	357	6.7
1980	331	15.9
1979	312	62.1

Figure B reflects the number of U.S. persons who created new foreign trusts or made transfers to existing trusts during the years indicated. The distribution of the type of U.S. persons filing Forms 3520, Creation of, or Transfers to, Certain Foreign Trusts, has remained about the same for the 4 years. Grantors were the principal filers of Forms 3520, accounting for 70 percent of all filers over this period. Transferors made up most of the rest, filing 21 percent of the forms. Of related interest, but not shown, was that of the 351 U.S. "persons" filing Forms 3520 in 1981, 342 (97 percent) were individuals. For 1982, there were 324 individuals (96 percent) out of the 338 filers.

Figure B.--Number of U.S. Persons Reporting Transfers, by Type of Filer, 1979-1982

Type of filer	1979	1980	1981	1982
Grantor	196	245	259	230
Transferor	73	71	71	65
Grantor/transferor [1] ..	29	12	17	35
Fiduciary	-	-	4	8
Totals	298	328	351	338

[1]This is the count of those filers who indicated that they were both the grantor and the transferor of a foreign trust.

Figure C shows the six countries where approximately 95 percent of the foreign trusts were located for the years 1980 to 1982. Trusts located in Canada and the Cayman Islands reported about the same amounts of total transfer value for the 3 years. However, while Canada had 283 trusts in 1982, the Cayman Islands had only 8. There were also far more Canadian trusts reporting transfers for both 1980 and 1981. For 1982, the average trust in Canada received transfers of only $4,428 of money or property while the Cayman Islands' average was $189,125, and as can be seen in the figure, the Canadian transfers were significantly smaller than those in all the other listed countries. Most of the Canadian trusts were created by individuals for purposes of establishing retirement and housing tax deferral accounts.

CANADIAN TRUSTS

The Canadian retirement account previously mentioned was a "Registered Retirement Savings Plan," and was treated for Canadian income tax purposes in a manner similar to the Individual Retirement Plans used by U.S. taxpayers to defer taxation on current income set aside for retirement purposes. The yearly maximum contribution which could be tax deferred was $3,500 (Canadian dollars) for a salaried person and $5,500 for a self-employed person. Another type of tax-deferred account, the "Registered Home Ownership Savings Plan," was created to help Canadian residents purchase and occupy homes, and the tax deferral amount was limited to $1,000 per individual or $2,000 for filers of joint tax returns. For 1981 and 1982, Figure D shows information on the number of these and other types of trusts with transfer values in U.S. dollars.

The differences between the two registered savings plans [7] and other types of trusts were considerable. The registered savings plans were much more numerous, but with a great deal less transfer value, which of course produced a markedly lower average transfer per trust. There were two fundamental reasons for this low average. First, these registered savings plans were generally set up by individuals who transferred funds for the purpose of deferring relatively small amounts of Canadian taxes. The second reason was the limitation of income which Canada allowed to be tax-deferred each year, as explained earlier.

Figure C.--Number of Trusts, With Total and Average Transfer Value, by Country Where Trust Was Created, 1980-1982

[Money amounts are in thousands of dollars]

Country where trust was created	1980			1981			1982		
	Number of trusts	Total transfer value	Average transfer value per trust	Number of trusts	Total transfer value	Average transfer value per trust	Number of trusts	Total transfer value	Average transfer value per trust
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Canada	260	$5,955	$23	315	$1,715	$5	283	$1,253	$4
Cayman Islands	27	5,152	191	16	2,860	179	8	1,513	189
Bermuda	14	2,407	172	4	76	19	8	639	80
United Kingdom	(1)	(1)	(1)	-	-	-	9	65	7
The Bahamas	(1)	(1)	(1)	-	-	-	11	5,247	477
Channel Islands ...	16	74	5	11	963	88	6	421	70
Other countries ...	14	2,358	168	11	1,117	102	17	2,183	128
Totals	331	$15,946	$48	357	$6,731	$19	342	$11,321	$33

[1]Data were combined with "Other countries" to avoid disclosure of information.

Figure D.--Type and Number of Trusts, and Total and Average Value of Transfers, 1981 and 1982

Type of trust	1981			1982		
	Number of trusts	Value of transfers	Average transfer	Number of trusts	Value of transfers	Average transfer
	(1)	(2)	(3)	(4)	(5)	(6)
All trusts	357	$6,731,444	$18,856	342	$11,321,468	$33,104
Canadian trusts, total	315	1,715,042	5,445	283	1,252,563	4,426
Registered Retirement Savings Plans	269	849,385	3,158	244	1,042,629	4,273
Registered Home Ownership Savings Plans	35	33,917	969	27	22,535	835
Other trusts	11	831,740	75,613	12	187,399	15,617
Trusts in other countries	42	5,016,402	119,438	59	10,068,905	170,659

Figure E.--Number of Foreign Trusts, by Year in Which Trust was Created, 1980-1982

Year trust was created	Number of trusts in year of transfer		
	1980	1981	1982
1982	-	-	72
1981	-	81	107
1980	64	127	45
1979	132	40	27
1978	40	26	13
1977	37	27	29
1976	21	10	12
1975	14	14	8
1974	8	9	7
1973 and prior	9	6	8
Year not reported	6	17	14
All years	331	357	342

As can be seen in Figure E, of the 331 trusts reporting transfers for 1980, 308 were created after 1974; for 1981, 325 out of the 357 trusts were created after 1974; and for 1982, 313 out of 342. The Canadian Registered Home Ownership Savings Plan began in 1974, which explains in part the increase in trust activity after that year.

Coinciding with the fact that the majority of trusts with transfer activity (283 out of 342 in 1982) was created in Canada, most of the beneficiaries (who were the ultimate recipients of the trust funds) of these trusts also resided in Canada. Of the 459 beneficiaries of foreign trusts, 286 had residence in Canada. Beneficiaries in the United States accounted for most of the remainder, with a total of 148. There were also beneficiaries residing in Australia, West Germany, United Kingdom, and the Channel Islands.

ANNUAL RETURNS FOR FOREIGN TRUSTS

The Form 3520A was required to be filed on an annual basis within 3 and one-half months after the end of the accounting period by any U.S. person who directly or indirectly transferred property to a foreign trust (other than an employee's trust or an annuity plan) which had one or more U.S. beneficiaries. The form is entitled "Annual Return of Foreign Trust with U.S. Beneficiaries" and reports balance sheet and profit and loss information of the trust.

In 1981, 327 persons filed Forms 3520A, indicating that they made transfers during the year to foreign trusts, and yet a mere 79 of these actually filed Forms 3520. (See Figure F.) The year 1982 produced similar discrepancies; of the 393 Form 3520A filers, only 130 also filed Forms 3520. If a U.S. person was required to file a Form 3520A as explained above, such filing did not relieve that person from the responsibility of filing the Form 3520 within 90 days of a transfer. Anyone who filed a Form 3520A was also required to file a Form 3520. Because the Form 3520A was required only of foreign trusts with U.S. beneficiaries, one would expect far more Forms 3520 to have been filed than Forms 3520A, as Forms 3520 were required for transfers by U.S. persons regardless of the residence of the beneficiaries of the foreign trusts. This inconsistency and other data limitations are discussed below in the "Data Sources and Limitations" section of this paper.

The dramatic increase from $8,629 for 1981 to $27,639 for 1982 in the average assets per Canadian trust shown in Figure G was due to a few trusts which were much larger than the registered savings plans discussed earlier.

Figure F.--Annual Returns for Foreign Trusts and Total Assets, 1981 and 1982

[Money amounts are in thousands of dollars]

Filing status	1981		1982	
	Number of returns	Total assets	Number of returns	Total assets
	(1)	(2)	(3)	(4)
All annual returns	327	$20,837	393	$45,226
Also filed returns showing transfers	79	2,622	130	2,577
Did not file returns showing transfers	248	18,215	263	42,649

Figure G.--Country Where Trust was Created, and Total Assets, 1981 and 1982

Country	Number of returns	Total assets	Average assets per trust
	(1)	(2)	(3)
		1982	
Canada	239	$6,605,670	$27,639
Cayman Islands	54	4,560,094	84,446
Channel Islands	37	11,616,064	313,948
Bermuda	36	6,613,055	183,696
Other countries	27	15,831,569	586,354
Totals	393	$45,226,452	$115,080
		1981	
Canada	193	$1,665,376	$8,629
Channel Islands	42	5,424,208	129,148
Bermuda	38	5,830,180	153,426
Cayman Islands	35	3,066,019	87,600
Other countries	19	4,850,758	255,303
Totals	327	$20,836,541	$63,720

The Channel Islands' total assets increase for 1982 ($11.6 million versus $5.4 million for 1981) was the result of three large trusts reporting a total of over $6 million in assets. The total assets of trusts in Bermuda remained relatively stable, increasing by 13.4 percent to $6.6 million. For the Cayman Islands, while the average assets per trust were basically unchanged, the number of trusts rose significantly between 1981 and 1982. This resulted in the total assets of Cayman Islands' trusts increasing by 48.7 percent, to $4.6 million in 1982. "Other countries [8]," with the number of trusts in each country ranging from one to five, accounted for $11.0 million of the $24.4 million increase in total assets from 1981 to 1982. In 1981, "Other countries" had the largest average assets per trust, $255,303, while for 1982 the corresponding average was $586,354.

The 1982 study included for the first time data on the net income or deficit of foreign trusts. For this year, a deficit of $421,767 was reported for the 393 trusts. The Canadian trusts alone showed a deficit of $512,177. However, while three out of the 239 Canadian trusts reported a deficit of over $1 million, most of the rest of the Canadian trusts were registered savings plans, virtually all of which had small net incomes.

SUMMARY

The Tax Reform Act of 1976 eliminated most of the remaining advantages of foreign trusts over domestic trusts by imposing a greater tax burden on grantors of trusts with U.S. beneficiaries, changing the treatment of distributions of capital gains, increasing the excise tax, and adding an interest charge on accumulated distributions. This partially explains why there were only 71 foreign trusts receiving transfers in 1982, other than the Canadian Registered Retirement and Home Ownership Savings Plans which numbered 271, and had 285 transfers (to defer Canadian taxes). Foreign trust activity was small when compared with domestic trusts, which in 1982 numbered 1.6 million, and reported $3 billion in net income [9]. However, foreign trusts have been used by U.S. persons for certain purposes, such as for holding the ownership of appreciable property and deferring Canadian taxation on income related to the registered savings plans.

DATA SOURCES AND LIMITATIONS

The statistics for 1979 through 1982 presented in this article were based on four independent studies which included all Forms 3520 filed at the Internal Revenue Service's Philadelphia Service Center. Each study contained the forms received at the service center from January 1 to December 31 of the given year. A Form 3520 was required to be filed by any U.S. "person" (including an individual, corporation, or partnership) who was a grantor, transferor, or fiduciary, and who created a foreign trust or transferred money or property into an existing foreign trust. All Forms 3520 were due within 90 days after the creation of, or transfer of any money or property to, a foreign trust. In the case of multiple transfers by the same person to the same trust, the filer could have combined all transfers made during one 90-day period onto one Form 3520 [10]. Forms 3520A were required annually if a foreign trust with a U.S. beneficiary received a transfer from a U.S. person during the year. These were also selected at a 100-percent rate similar to that of the Forms 3520. All Forms 3520A were due within 3 and one-half months after the end of the accounting period.

Since no statistical sampling was involved in the foreign trust studies, the data in this article are not subject to sampling error. However, they are subject to other types of limitations, such as, some filers reported on Forms 3520 the balance in trusts instead of the transfer amounts. When these errors were identified, they were corrected to the extent possible. Further, these errors should not be considered a major limitation of the statistics because of their relatively low frequency. Many of the Canadian trusts reported transfers in Canadian dollars, which had to be converted to U.S. dollars at the average rate existing in the year of the transfer, rather than the actual rate existing on the date of the transfer.

As previously discussed, the number of Forms 3520 filed with IRS appears to be inconsistent with the number of Forms 3520A similarly filed. The expectation of receiving one or more Forms 3520 for every Form 3520A in each year was not realized. (See Figure F.) This could have been caused by any of three reasons. First, because of the differences in the filing requirements of Forms 3520 and 3520A, these forms for a given trust could have been received by IRS such that they were included in studies for different years. Second, Forms 3520A may have been filed as annual reports of trusts even though they were not required because there had been no transfers during the year. If there were no transfers, then no Forms 3520 would have been filed. Finally, there may have been an underfiling of Forms 3520 in that these forms were not filed within 90 days of transfers made by U.S. persons to foreign trusts. Despite this nonfiling, annual reports of the trusts filed on Forms 3520A may have been made.

EXPLANATIONS OF SELECTED TERMS

Annuity.--A fixed sum of money, payable periodically for life or a certain period of time.

Beneficiary.--For purposes of this article, a person who receives, will receive, or may receive, money or property, at any time from a foreign trust. This is the person for whose benefit a trust was created.

Fiduciary.--Any person who is a trustee, or a character similar to a trustee, and having the duty to act in good faith for the benefit of another person.

Grantor.--Any U.S. person who created, or was treated for tax purposes as the owner of, any portion of a foreign trust.

Nonresident alien.--An individual whose residence is not within the United States and who is not a U.S. citizen. Trusts created outside the United States are also considered to be nonresident aliens.

Transferor.--Any U.S. person who transferred money or property to, or for the benefit of, a foreign trust. It does not refer to a person who transferred money or property in accordance with a sale or exchange which was made for full compensation.

U.S. person.--A citizen or resident of the United States, or a domestic corporation, partnership, estate or trust.

NOTES AND REFERENCES

[1] Chopin, L. Frank, "The U.S. Income Tax and Foreign Trusts," Trusts and Estates, September 1981, pp. 43-50.

[2] Under the 5-year throwback rule, the distributable net income (DNI) accumulated by foreign trusts during the 5 years prior to a distribution of the income was taxable to beneficiaries at the rate(s) applicable during those years, rather than the rate of the year when the distributions were actually made. This rule was instituted to prevent distributions of accumulated income in otherwise low-income years of beneficiaries, which would minimize taxes on those distributions due to the progressive nature of the U.S. tax system. This rule did not, however, apply to accumulated income generated more than 5 years prior to the distribution, and thus, this income was subject to the rate of U.S. taxation for the year of actual distribution. Regardless of whether the rate used was for the year of distribution or for a prior year, the tax liability was imposed on beneficiaries and only upon actual distributions from foreign trusts.

[3] See Carson, Chris R., "Nonresident Alien Income and Tax Withheld, 1982," Statistics of Income Bulletin, Fall 1984, pp. 21-32, for more information on the withholding tax. This article is reprinted in Section 11 of this compendium. Also, see Reg. Sec. 1.1441-2(a)(1)-(2) for an additional description of the types of income subject to the withholding tax.

[4] Zaritsky, Howard, "Foreign Trusts, Estates and Beneficiaries," Tax Management, Portfolio 427.

[5] There were two additional laws, the Foreign Investment in Real Property Tax Act of 1980 and the Tax Reform Act of 1984, which affected foreign trusts. These Acts combined to make foreign persons (including foreign trusts) who sell or exchange U.S. real property liable for a U.S. tax on the gain realized from the disposition. In general, after December 31, 1984, a transferee of such property is required to deduct from the seller's proceeds and withhold for tax purposes an amount equal to 10 percent of the amount realized on the sale or exchange. This withholding tax may not necessarily equal the actual tax liability of the foreign person on the disposition of the property. For additional information on this subject, see Hirschfeld, Michael, "Withholding Tax on Dispositions of U.S. Realty by Foreigners," Taxes-The Tax Magazine, October 1984, pp. 667-677.

[6] See Chopin, op. cit., and Dunn, Pierce B., "Another Look at Foreign Trusts," Trusts and Estates, July 1979, pp. 28-30.

[7] See Boadway, Robin W., and Kitchen, Harry M., Canadian Tax Policy, May 1980, for a more detailed discussion of these registered savings plans.

[8] These countries included the Bahamas, Australia, Mexico, New Hebrides, British Virgin Islands, Netherlands, West Germany, Hong Kong, United Kingdom, Liechtenstein, British West Indies, Switzerland, and Turks Island.

[9] For more information on domestic trusts, see Estep, Gary, "U.S. Fiduciary Income Tax Returns, 1982," Statistics of Income Bulletin, Spring 1985.

[10] See IR Code Section 6048.

Contents

A nonresident alien decedent was an individual who was neither a resident nor a citizen of the United States at the time of death. The estates of nonresident aliens may have included property located in the United States. If this property was valued above a certain limit (generally $60,000), then the estate was subject to U.S. estate taxation on the U.S. property. This tax was a graduated tax, with rates ranging from 6 percent (for property valued under $100,000) to 30 percent (for property valued in excess of $2,000,000). Certain deductions and credits were allowed the estate, which reduced the final U.S. estate tax liability.

A brief summary on nonresident alien estates is presented in Section 1 of this compendium in a paper entitled "Statistics of Income Studies of International Income and Taxes: A Brief Description of the Studies" (page 9). The paper included in this section presents the first Statistics of Income study of this subject. Described in the paper are some characteristics of the nonresident alien estates and some of the differences between those estates and estates of U.S. citizens and aliens domiciled in the United States at time of death. The paper also details some of the available deductions and credits for both types of estates-- and presents a brief chronology of estate taxation.

The data in Table 1 show information on the size of the estate, both worldwide and in the United States, in addition to the country the decedent was domiciled in at time of death. All of these data are based on information obtained from Forms 706NA, filed for nonresident aliens with dates of death in 1982. A copy of this form, titled below, has been reproduced in Section 15 of this compendium.

* Form 706NA, United States Estate Tax Return, and Instructions (page 446)

U.S. Estate Tax Returns of Nonresident Aliens, 1982

By Bill Sutton and James Hobbs*

There were 169 nonresident aliens who died in 1982 and whose estates included amounts of U.S. property large enough to require the filing of U.S. estate tax returns [1]. These estates had $148 million of worldwide assets, of which 32 percent or $47 million were assets located in the United States. The net U.S. estate tax paid on the U.S. property was nearly $4 million, or 8 percent of the value of the property. Nonresident aliens from 36 countries left estates with large amounts of U.S. property, with estates of 74 individuals domiciled in Canada reporting the most U.S. assets, over $15 million. The estates of decedents domiciled in Switzerland and West Germany also had substantial amounts ($6 million and $3 million, respectively) of U.S. property.

BACKGROUND OF NONRESIDENT ALIEN ESTATES

A nonresident alien decedent was an individual whose domicile at the time of death was not within the United States and who was not a U.S. citizen. (A citizen of a U.S. possession was not considered to be a U.S. citizen.) The estates of nonresident aliens included all property or interests in property held by the decedent at the date of death. If the estate contained property located in the United States which was valued above a certain limit (discussed below), then the estate was subject to U.S. estate taxation. The estate tax is an excise tax levied on the estate for the transfer of assets by reason of death from the decedent to the heirs [2]. It is not an "inheritance tax," which is a tax (usually levied by States) imposed on an individual's privilege of inheriting property from a decedent.

U.S. estate taxation varied according to whether the decedent was a nonresident alien, or on the other hand, a U.S. citizen or an alien domiciled or residing in the United States. For tax purposes, the estates of the latter group were defined as all property owned by the decedents at date of death wherever located, while the estates of nonresident aliens were only that property situated in the United States [3]. This system was instituted to encourage U.S. investment by foreigners without creating a tax haven [4]. Additional differences in the estate taxation of these groups are discussed later in this article.

The modern U.S. estate tax has been in effect since 1916 [5]. However, there were periods prior to this time in which the United States imposed death taxes, generally as temporary emergency measures to raise revenue in order to finance wars. This occurred from 1797-1802 (undeclared war with France), 1862-1870 (Civil War), and 1898-1902 (Spanish-American War). The Revenue Act of 1916 levied a permanent estate tax on the transfer of assets from the decedent to the heirs, rather than on the value of assets distributed to beneficiaries (i.e., an inheritance tax). The purpose of the estate tax was not only to produce revenue, but also to redistribute wealth. While there have been modifications to the tax over the years, the basic structure has remained the same for both estates of U.S. citizens and nonresident aliens. However, in 1966 certain provisions relating to nonresident aliens were added. These provisions included separate tax rates, the inclusion of debt obligations in U.S. property, and the exclusion of deposits in U.S. banks and U.S. banking branches of foreign corporations from U.S. property. The tax rates were increased in 1976, and have remained unchanged through 1984 [6].

Nonresident Alien Estate Taxation

A U.S. estate tax return (Form 706NA) was required to be filed by the personal representative of a nonresident alien's estate if the value of the decedent's gross estate located in the United States exceeded $60,000 at the date of death [7].

The estate tax imposed on the U.S. estate of a nonresident alien resulted from first computing a gross estate tax. This tax was

*Foreign Returns Analysis Section. Prepared under the direction of Daniel Skelly, Chief, Foreign Statistics Branch.

based on the gross estate [8] located in the United States less allowable deductions for charitable contributions, funeral and administrative expenses, and the decedent's debts. (These expenses and debts were prorated according to the portion of the decedent's world estate located in the United States.) The tax rates applied to the "net" or taxable estate ranged from 6 percent of the first $100,000 of property to 30 percent of the taxable estate in excess of $2 million. The full rate schedule is shown in Figure A.

From the gross estate tax (as calculated above) certain credits could be used to reduce the final U.S. estate tax liability (see "Estate tax after credits" in Table 1). These credits were the unified credit, credit for State death taxes, and the credit for taxes on prior transfers [9].

The unified credit was a general-type of credit, in that it was available to estates of all nonresident aliens. This credit produced the largest reduction in the nonresident alien's gross estate tax of any of the credits. In general, it equalled the lesser of the amount of the gross estate tax or $3,600 ($13,000 for U.S. expatriates). For a citizen of a U.S. possession, the maximum amount of credit equalled the greater of $3,600 or the product of $15,075 times the ratio of U.S. gross estate to worldwide estate. For 1982, the unified credit totalled $622,551 on the 169 returns, an average of $3,684 per return.

Credits were also allowed for State death taxes and taxes on prior transfers. For 1982, these credits amounted to $316,016 and $22,484, respectively. The credit for State death taxes was based on the death or inheritance taxes paid to a State or the District of Columbia on the property of the estate. The allowable credit was limited by the percent of the assets on which the State death taxes were paid to the total amount of worldwide assets. The credit for taxes on prior transfers was allowed for Federal estate tax paid on property received by the decedent or the estate from a transferor who died within 10 years before, or 2 years after, the decedent. The purpose of this credit was to lessen the burden of double taxation between successive estates whose owners had died within a short period of time of each other. Depending on the time that had elapsed between the deaths, a credit was allowed for all or part of the Federal estate tax paid by the transferor's estate with respect to the transfer [4].

It was possible for the estate of a nonresident alien with U.S. property to either reduce or eliminate its U.S. tax liability by reason of a tax treaty between the United States and a foreign country. Many tax treaties either modified the definition of U.S. property or changed the criteria of domicile in the United States [10]. These treaties were used to decrease the tax burden on nonresident alien estates, which in turn, further encouraged investment in U.S. property [11]. For 1982, there were death tax treaties between the United States and 12 countries [12].

Comparison to Estate Taxation of U.S. Citizens

The estate tax computations for U.S. citizens (and aliens domiciled in the United States at time of death) differed significantly from that of nonresident aliens in several respects. First, as previously stated, U.S. citizens were taxed on their worldwide assets, rather than just their U.S. property. Second, the filing requirements for U.S. estate tax returns were different. Estates of U.S. citizens were required to file returns when the worldwide assets exceeded $225,000 (date of death in 1982), while nonresident alien estates were required to file returns when the U.S. assets exceeded $60,000. Third, the tax rates for estates of U.S. citizens were higher than those for nonresident alien estates. As compared to the rates shown in Figure A, the estates of U.S. citizens were liable for tax rates for 1982 ranging from 18 percent on the first $10,000 of taxable estate to 65 percent on assets in excess of $4 million. (While estates of U.S. expatriates were reported on Forms 706NA, they were liable for the same tax rates as those used by estates of U.S. citizens.)

Figure A. -- Tax Rate Schedule

Value of U.S. taxable estate is --	Gross estate tax is --
$100,000 or less	6% of amount
Over $100,000 but not over $500,000	$6,000 plus 12% of excess over $100,000
Over $500,000 but not over $1,000,000	$54,000 plus 18% of excess over $500,000
Over $1,000,000 but not over $2,000,000	$144,000 plus 24% of excess over $1,000,000
Over $2,000,000	$384,000 plus 30% of excess over $2,000,000

However, while estates of U.S. citizens were liable for higher tax rates, they did have advantages over estates of nonresident aliens in regard to certain deductions and credits. A "marital deduction" of 50 percent of the adjusted gross estate of a U.S. citizen was allowed for the surviving spouse. This deduction was the largest deduction, accounting for 70 percent of the total reported deductions [3]. However, it was not allowed for estates of nonresident aliens, except for decedents of France, for whose estates it was allowed based on tax treaty provisions.

The estates of U.S. citizens (and individuals domiciled in the United States at date of death) and those of nonresident aliens were both allowed charitable contribution deductions. However, while the estates of U.S. citizens could deduct worldwide contributions, only contributions made to charities located in the United States could be used as deductions by estates of nonresident aliens.

Finally, the unified credit against U.S. estate tax liability varied significantly between estates of nonresident aliens and U.S. citizens. As compared with the lower limitations of this credit for nonresident aliens as previously discussed, estates of U.S. citizens were allowed a maximum unified credit of $62,800 for 1982. This resulted in an average credit of $49,817 for the 63,251 estate tax returns of U.S. citizens filed primarily for decedents who died in 1982 and received by the Internal Revenue Service in 1983. By contrast, the 169 estate tax returns of nonresident aliens with dates of death in 1982 averaged $3,684 of unified credit.

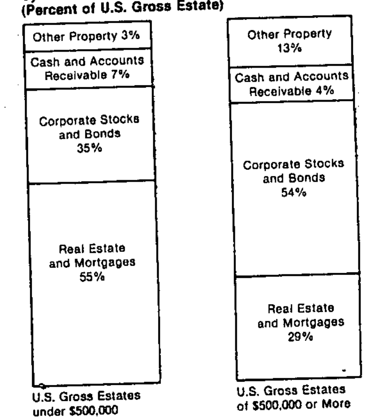
DATA ANALYSIS

The estate of a nonresident alien was all of the property held by the decedent at the time of death, regardless of its location. The $148 million of worldwide gross estate assets for the nonresident aliens averaged $876,000 per estate. (See the "Data Sources and Limitations" section of this article.) Thirty-two percent, or $279,000 per estate, of these assets were situated in the United States. This amount for average assets greatly exceeded the filing limit of $60,000 for a U.S. estate tax return. Table 1 classifies the estate tax returns by size of the gross U.S. estates of the nonresident aliens.

Real estate, mortgages, and corporate stocks and bonds were the dominant investments in U.S. property held by the estates of nonresident aliens [13]. They accounted for 86 percent of all the U.S. property. Real estate was considered to be U.S. property if it was physically located there. Mortgages were considered to be located in the United States if they were debts of U.S. citizens or residents, or domestic partnerships, corporations, estates, or trusts. Stocks and bonds of corporations organized in or under U.S. law were also treated as U.S. assets, regardless of the physical location of the certificates of ownership. The full value of property was used when the decedent owned property either as a joint tenant with right of survivorship or as a tenant by the entirety. However, when the decedent and the surviving spouse owned property as community property, only the value of the decedent's interest in the property was reported for U.S. estate tax purposes.

The investment preference among assets in real estate, mortgages, and corporate stocks and bonds varied among the different size classes of U.S. estates. See Figure B. The smaller estates (i.e., up to $500,000 of U.S. assets) totalled $24.6 million. Most of their investments were in real estate and mortgages, with 55 percent of the assets so invested. Corporate stocks and bonds made up only 35 percent of the assets. The larger estates with U.S. property of $500,000 or more, totalling $22.5 million, showed a different

Figure B
Composition of U.S. Gross Estates by Size of Estates (Percent of U.S. Gross Estate)



investment pattern. Corporate stocks and bonds accounted for 54 percent of these assets, while real estate and mortgages made up only 29 percent [14].

The estates of nonresident aliens who died in 1982 reported $41.4 million for their U.S. taxable estates. This amount was the result of reducing the gross U.S. estate ($47.1 million) by $5.8 million of deductions for funeral expenses, administrative expenses, decedent's debts, and charitable contributions. A U.S. estate tax liability (after credits) of $3.8 million was incurred by the estates of nonresident aliens. This tax amounted to 9.3 percent of the U.S. taxable estates, 8.2 percent of the U.S. gross estates, and only 2.6 percent of the worldwide gross estates of the nonresident aliens [15]. These estates were also liable for estate taxes, where applicable, of the foreign countries in which the decedents held property, were citizens, or were domiciled at the time of death.

Table 1 shows that Canada was the domicile of more nonresident aliens at the time of death than any other country. It accounted for 44 percent of the total estate tax returns. The proximity of Canada to the United States would seem to explain much of that investment activity. However, the estates of Canadian decedents contained a relatively small portion of U.S. property. This property comprised only 19 percent of the estates of Canadian decedents, as compared with 48 percent of the estates of decedents from other countries. Even so, estates of Canadian decedents still accounted for 33 percent of the $47.1 million of U.S. gross estate assets.

The effects of the graduated U.S. estate tax rates are also demonstrated in Table 1. The 76 returns with U.S. gross estates of between $100,000 and $250,000 had a total U.S. taxable estate of $10.6 million. The 9 returns with U.S. gross estates of over $1,000,000 had a slightly larger (16 percent) total U.S. taxable estate of $12.3 million. However, the second group reported over 150 percent more ($2.1 million as compared to $0.8 million) in U.S. estate taxes before credits.

SUMMARY

The modern version of the U.S. estate tax dates back to the Revenue Act of 1916. Historically, for U.S. estate taxation purposes, there has been an important distinction between estates of nonresident aliens and U.S. citizens (and aliens domiciled in the United States). Estates of citizens of the United States were taxed on their worldwide assets, while estates of nonresident aliens were taxed only on U.S. property (provided the property was valued at over $60,000). Since 1966 tax rates have also been higher for the estates of U.S. citizens. However, these estates were able to benefit from certain deductions and credits to a greater extent than the estates of nonresident aliens.

The estates of 169 nonresident aliens who died in 1982 had $148 million of worldwide assets, 32 percent of which were located in the United States. Real estate, mortgages, and corporate stocks and bonds accounted for 86 percent of the investment in U.S. property. The net U.S. estate tax liability paid on the U.S. property was $3.8 million, or 8 percent of the value of the gross U.S. estate.

DATA SOURCES AND LIMITATIONS

The data contained in this article were extracted from all Forms 706NA, United States Estate Tax Returns - Estates of Nonresidents not Citizens of the United States, filed by personal representatives at the IRS Philadelphia Service Center with a date of death in the year 1982 [1]. Only the nonresident alien estates with assets situated in the United States exceeding $60,000 [7] at date of death were required to file a return.

The personal representatives for estates of nonresident aliens were originally given 9 months after the date of death to file the U.S. estate tax return. Representatives could also petition for and receive approval for an additional 6-month extension of time to file the return. Delinquency could also cause a delay in filing. For these reasons, Forms 706NA with dates of death in 1982 received through October 1984 were collected and used for this study. Because there was no statistical sampling of these returns, the data are not subject to sampling errors.

There were 61 returns used for this study which showed only the assets situated in the United States. These U.S. assets amounted to $19.4 million. The extent of assets located outside the United States for these estates could not be determined. Thus, the gross worldwide estate and the gross estate in the United States were treated as equal for these returns. Because of this reporting problem, the value of the gross worldwide estate (and the portion of the estate outside the United States) for these returns is understated. In addition, estates which did not report their gross estate located outside the United States were not allowed to claim any deductions for funeral and administrative expenses, decedent's debts, and other claims against the estate. (Deductions for contributions to U.S. charities were allowed.) However, despite the filing instructions for Form 706NA, nine of the 61 returns did claim deductions for expenses, totalling $472,000. This amount is included in Table 1. Data were used from all returns included in this study prior to audit processing by the IRS.

EXPLANATION OF SELECTED TERMS

Domicile. -- The place where a person has a permanent home and to which the person has intention of returning when he or she is absent. For estate tax purposes, domicile and residence are synonymous.

Estate Tax After Credits. -- This was the net tax liability of the estate remaining after subtraction of credits (i.e., unified credit, credit for State death taxes, and the credit for tax on prior transfers).

Gross Estate. -- This included all the property and interests in property owned by the decedent, wherever situated. Included were such items as real estate, tangible and intangible personal property, life insurance proceeds, dower or curtesy of a surviving spouse, certain transfers the decedent made before death, certain annuities, property in which the decedent had a general power of appointment, the decedent's share in community property, and property owned by the decedent at time of death either as a joint tenant with right of survivorship or as a tenant by the entirety.

Personal Representative. -- The executor or administrator of the deceased person's estate.

Taxable Estate. -- This is the base to which the graduated U.S. estate tax rates were applied in computing gross estate tax (i.e., before credits). Taxable estate is equal to the value of the U.S. gross estate less the deductions for funeral expenses, administrative expenses, decedent's debts, and charitable contributions.

Taxable Gifts. -- These are taxable gifts made by the decedent after 1976, which were not included in the gross estate. Gifts could be either tangible or intangible property located in the United States, which were transferred either directly or indirectly by the decedent. The amount of these gifts was used with the amount of the taxable estate to determine the gross estate tax.

U.S. Expatriate. -- For purposes of this article, this is a person who lost U.S. citizenship within 10 years before the date of death, and for whom it was reasonable to assume that a main purpose in doing so was to avoid U.S. taxes. The personal representative had the burden of proving otherwise.

NOTES AND REFERENCES

[1] In addition to the 169 returns tabulated, there were also 34 estate tax returns filed with U.S. estate assets less than the filing limitation. These returns were filed in order to obtain release certificates from the IRS to transfer assets out of the country. Also filed were 5 returns which reported U.S. estate assets of over $60,000, but had no tax liability by reason of tax treaties between the United Kingdom or France and the United States.

[2] See Internal Revenue Code Sections 2101-2108.

[3] For a discussion on U.S. estate tax returns for U.S. citizens, see Bentz, Mary F., "Estate Tax Returns, 1983," Statistics of Income Bulletin, Fall 1984, pp. 1-12.

[4] Navarro, Gladys R., "Federal Estate Tax Planning and the Nonresident Alien: The Costly Privilege of Dying an American," Lawyer of the Americas, Fall 1980, pp. 503-532.

[5] The first "death related" tax in the world was a 10 percent tax on property transferred at death in ancient Egypt, as early as 700 B.C.

[6] Future tax treatment and the effect on estates of nonresident aliens of the Deficit Reduction Act of 1984 is discussed by Zaritsky, Howard, "Federal Estate, Gift and Generation-Skipping Taxes: A Legislative History and a Description of Current Law," Congressional Research Service, Library of Congress, Report Number 84-156A, August 20, 1984.

[7] The $60,000 filing limitation was reduced by amounts for the gift tax specific exemption allowed with respect to gifts made between September 9, 1976, and December 31, 1976, inclusive, and for taxable gifts made after 1976 that were not included in the gross estate. It should also be noted that the filing limitation has not been changed since 1942. However, there has been an effective decrease in the filing limitation over the years due to inflation. For instance, the 1942 dollar was worth $2.05 compared with the 1982 dollar pegged at $.35, using a 1967 base of $1.00. Source: U.S. Department of

Commerce, Bureau of Economic Analysis, Survey of Current Business, 1942-1982.

[8] Estate property was usually valued as of the date of death of the nonresident alien. However, an election could be used to value the property as of 6 months after the decedent's death. Under this election, any property distributed, sold, or otherwise disposed of within 6 months after the decedent's death was valued as of the date of the disposition. The estates of 11 nonresident aliens used this alternative valuation method, showing $2.7 million of U.S. property. Regardless of when the property was valued, the "fair market value" was used at the time of the valuation. Even if there was an election to use the alternate valuation method, the value of the estate property at date of death remained as the determinant for the filing requirement of a Form 706NA.

[9] There was also a credit for Federal gift taxes. However, none of the 1982 Forms 706NA showed an amount for this credit.

[10] See Department of Treasury Regulations 20.2104-1(c) and 20.0-1(b)(1), for 1980.

[11] Navarro, Gladys R., "Do's and Dont's in Tax Planning for Nonresident Aliens," Trusts and Estates, August 1978, pp. 484-487.

[12] These countries were Australia, Finland, France, Greece, Ireland, Italy, Japan, Netherlands, Norway, South Africa, Switzerland, and the United Kingdom.

[13] The following property was specifically deemed to be property outside the United States: life insurance proceeds; deposits in U.S. banks, mutual savings banks, building and loan associations and U.S. branches of foreign banks; and works of art imported into the United States solely for exhibition purposes.

[14] The investment choices between real estate and mortgages and corporate stocks and bonds for estates of U.S. citizens showed similar changes as the size of the estate changed. See Figure C of Bentz, Mary F., "Estate Tax Returns, 1983," Statistics of Income Bulletin, Fall 1984, pp.1-12.

[15] By contrast, U.S. citizens (and aliens domiciled in the United States) paid $5.2 billion of U.S. estate taxes (after credits) on $26.2 billion of worldwide taxable estates, or 20 percent. See footnote 3.

SUPPLEMENTAL REFERENCES

[A] Fellows, James A., "Alien Taxpayers and Estate and Gift Taxation After the Tax Reform Act of 1984: A Critical Response," Taxes-The Tax Magazine, November 1984, pp. 751-755.

[B] Langer, Marshall J., "When Does a Nonresident Alien Become a Resident for U.S. Tax Purposes?" The Journal of Taxation, April 1976, pp. 220-224.

[C] Madorsky, Peggy D., "Estate Tax: Contributions by Nonresident Alien's Estate,"The Tax Adviser, October 1980, pp. 614-615.

[D] Phillips, Mark J., "Estate Planning for Nonresident Aliens," The Practical Lawyer, March 1984, Vol. 30, No. 2, pp. 83-89.

Table 1.—Gross U.S. and World Estates, Deductions, Taxable Estate, Estate Tax and Credits, by Size of Gross U.S. Estate and Selected Country of Domicile of Decedent

[Money amounts are in U. S. dollars]

Size of gross U.S. estate and selected countries	Number of returns	Gross estate: World estate	Gross estate: Estate outside the United States	Estate in the United States: Total	Type of U.S. property: Cash and accounts receivable	Type of U.S. property: Corporate stocks and bonds	Type of U.S. property: Real estate and mortgages	Type of U.S. property: Other property[1]	Funeral and other expenses	Deductions: Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All countries, total	169	148,013,277	100,878,657	47,134,620	2,698,927	20,659,648	19,884,960	3,891,065	25,027,241	5,752,435
$60,000 under $100,000	44	15,664,202	12,197,136	3,467,066	259,421	1,322,555	1,625,317	59,773	1,198,498	305,174
$100,000 under $250,000	76	38,888,963	27,007,881	11,881,082	1,050,139	4,436,682	6,191,965	202,296	4,233,382	1,290,858
$250,000 under $500,000	28	52,822,150	43,546,998	9,275,152	482,936	2,801,493	5,447,551	543,172	10,789,783	1,831,338
$500,000 under $1,000,000	12	18,278,724	9,810,820	8,467,904	483,576	4,550,733	2,732,830	700,705	5,402,135	548,793
$1,000,000 or more	9	22,359,238	8,315,822	14,043,416	422,855	7,548,125	3,687,317	2,385,119	3,403,443	1,776,274
Canada, total	74	81,876,047	66,513,966	15,362,081	569,538	7,632,937	7,055,680	103,926	8,786,340	1,886,290
$60,000 under $100,000	22	10,650,993	8,925,312	1,725,681	84,184	644,947	965,700	30,850	649,318	180,342
$100,000 under $250,000	32	24,375,591	19,419,971	4,955,620	303,528	2,500,695	2,133,038	18,359	2,428,463	504,932
$250,000 under $500,000	17	40,190,212	34,449,263	5,740,949	181,726	2,327,545	3,177,781	53,917	4,746,388	794,469
$500,000 or more	3	6,659,251	3,719,420	2,939,831	100	2,159,750	779,181	800	962,171	406,547
Argentina	3	849,263	—	849,263	122,059	636,404	90,000	—	—	—
Belgium	4	2,111,033	608,178	1,502,855	145	955,796	530,000	16,914	105,973	88,316
France	3	657,622	192,774	464,848	27,729	222,088	207,031	8,000	39,970	16,548
Hong Kong	4	3,479,441	2,672,190	807,251	218,898	276,684	311,669	—	930,878	318,080
Japan	3	1,106,445	—	1,106,445	—	—	1,100,300	6,145	—	—
Mexico	4	483,035	42,900	440,135	—	30,000	404,635	5,500	14,121	11,014
Puerto Rico	5	2,724,774	2,153,706	571,068	2,159	164,531	281,475	122,903	418,192	67,077
Switzerland	9	6,789,287	828,792	5,960,495	348,772	3,377,865	470,250	1,763,608	191,960	95,919
United Kingdom	9	14,879,845	12,557,357	2,322,488	6,476	1,855,504	423,835	36,673	4,925,520	401,746
Venezuela	9	2,890,043	1,376,056	1,513,987	15,015	—	1,495,372	3,600	1,331,483	675,931
West Germany	10	10,427,154	7,412,560	3,014,594	254,551	1,424,557	1,305,898	29,588	5,132,565	486,065
All other countries	32	19,739,288	6,520,178	13,219,110	1,133,285	4,083,282	6,208,835	1,794,208	3,150,239	1,705,449

Size of gross U.S. estate and selected countries	Deductions—Continued: For expenses	Deductions—Continued: Charitable	U. S. taxable estate	Taxable gifts	Gross estate tax	Credits: Total	Credits: Unified credit	Credits: Credit for State death taxes	Credits: Credit for tax on prior transfers	U. S. estate tax after credits
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
All countries, total	5,529,246	223,189	41,382,185	448,617	4,810,756	961,051	822,551	316,016	22,484	3,849,705
$60,000 under $100,000	275,120	30,054	3,161,892	—	189,834	154,178	153,924	254	—	35,656
$100,000 under $250,000	1,290,858	—	10,590,224	196,000	828,549	308,437	274,110	21,437	12,890	520,112
$250,000 under $500,000	1,638,201	193,135	7,443,816	252,617	694,562	176,479	117,995	48,890	9,594	518,083
$500,000 under $1,000,000	548,793	—	7,919,111	—	1,011,070	120,624	44,122	76,502	—	890,446
$1,000,000 or more	1,776,274	—	12,267,142	—	2,086,741	201,333	32,400	168,933	—	1,885,408
Canada, total	1,663,101	223,189	13,475,791	252,617	1,289,009	331,688	264,810	58,068	8,810	957,322
$60,000 under $100,000	150,288	30,054	1,545,339	—	92,051	77,332	77,078	254	—	14,720
$100,000 under $250,000	504,932	—	4,450,688	—	341,922	131,767	115,200	7,757	8,810	210,155
$250,000 under $500,000	601,334	193,135	4,946,480	252,617	491,780	96,410	61,732	34,678	—	395,370
$500,000 or more	406,547	—	2,533,284	—	363,256	26,179	10,800	15,379	—	337,077
Argentina	—	—	849,263	—	92,696	10,800	10,800	—	—	81,896
Belgium	88,316	—	1,414,539	—	173,291	20,937	14,400	2,457	4,080	152,354
France	16,548	—	448,301	—	35,796	10,975	10,800	175	—	24,821
Hong Kong	318,080	—	489,171	196,000	41,148	15,829	14,400	1,429	—	25,319
Japan	—	—	1,106,445	—	124,187	30,968	10,800	20,168	—	93,219
Mexico	11,014	—	429,121	—	31,838	15,312	14,400	912	—	16,524
Puerto Rico	67,077	—	503,991	—	35,814	20,384	20,384	—	—	15,430
Switzerland	95,919	—	5,864,576	—	933,469	52,508	32,400	20,108	—	880,961
United Kingdom	401,746	—	1,920,742	—	239,523	82,293	27,838	44,863	9,594	157,230
Venezuela	675,931	—	838,056	—	55,930	30,104	29,992	112	—	25,826
West Germany	486,065	—	2,528,529	—	279,570	79,580	36,922	42,658	—	199,990
All other countries	1,705,449	—	11,513,660	—	1,476,487	259,673	134,607	125,066	—	1,216,813

[1] Includes government bonds and personal property.

Section 15

Forms and Instructions

The forms and instructions shown in this section of the compendium relate to the studies discussed in Sections 2-14. In general, the forms and instructions applicable to the tax years covered in each section are presented here.

Contents

Form **706NA** (Rev. November 1981) Department of the Treasury Internal Revenue Service

United States Estate Tax Return

Estate of nonresident not a citizen of the United States

(Section references are to the Internal Revenue Code.)

OMB No. 1545-0531 Expires 10-31-84

Attach supplemental documents and translations. Show amounts in United States dollars.

Decedent's first name and middle initial	Decedent's last name	Date of death
Place of death	Domicile at time of death	Citizenship (Nationality) / Social security number (if any)
Date of birth	Place of birth	Business or occupation
In United States: Name of personal representative / Address		Name of attorney for estate / Address
Outside United States: Name of personal representative / Address		Name of attorney for estate / Address

Tax Computation

1 Taxable estate (from Schedule B, line 8)	1	
2 Total taxable gifts of tangible or intangible property located in the U.S., transferred (directly or indirectly) by the decedent after December 31, 1976, and not included in the gross estate (see section 2511)	2	
3 Total (add lines 1 and 2)	3	
4 Tentative tax on the amount on line 3 (see instructions)	4	
5 Tentative tax on the amount on line 2 (see instructions)	5	
6 Gross estate tax (subtract line 5 from line 4)	6	
7 Unified credit—enter lesser of line 6 amount or maximum allowed (see instructions)	7	
8 Balance (subtract line 7 from line 6)	8	
9 Credit for State death taxes (see instructions and attach credit evidence)	9	
10 Balance (subtract line 9 from line 8)	10	
11 Credit for Federal gift taxes (see sections 2102 and 2012 and attach computation) — 11		
12 Credit for tax on prior transfers (attach Schedule Q from Form 706) — 12		
13 Total (add lines 11 and 12)	13	
14 Balance (subtract line 13 from line 10)	14	
15 Earlier payments (see instructions and attach explanation) — 15		
16 U.S. Treasury bonds redeemed to pay estate tax — 16		
17 Total (add lines 15 and 16)	17	
18 Balance due (subtract line 17 from line 14) (see instructions)	18	

Under penalties of perjury, I declare that I have examined this return, including the additional sheets attached, if any, and to the best of my knowledge and belief, it is true, correct, and complete. I understand that a complete return requires listing all property constituting the part of the decedent's gross estate (as defined by the statute) situated in the United States.

(Signature of personal representative) (Date)

(Signature of preparer (other than personal representative)) (Address) (Date)

For Paperwork Reduction Act Notice, see page 1 of the instructions.

Form 706NA (Rev. 11-81) Page 2

	Yes	No
1a Did the decedent die testate?		
b Were letters testamentary or of administration granted for the estate? If granted to persons other than those filing the return, include names and addresses on page 1.		
2 Did the decedent, at the time of death, own any—		
a Real property located in the U.S.?		
b U.S. corporate stock?		
c Debt obligations of (1) a U.S. person or (2) the U.S., a State or any political subdivision, or the District of Columbia?		
d Other property located in the U.S.?		
3 Was the decedent engaged in business in the U.S. at date of death?		
4 At date of death did the decedent have access, personally or through an agent, to a safe deposit box located in the U.S.?		
5 At date of death did the decedent own any property located in the U.S. as a joint tenant with right of survivorship; as a tenant by the entirety; or, with surviving spouse, as community property?		
6 Did the decedent lose U.S. citizenship within 10 years of death?		
7 During his or her lifetime, did the decedent transfer, for less than full value, any property that was located in the U.S. at either the time of transfer or the time of death? If "Yes," attach Schedule G from Form 706.		
8 At the date of death had the decedent created any existing trusts that included property located in the U.S. either when the trust was created or when the decedent died? If "Yes," attach Schedule G from Form 706.		
9a At the date of death did the decedent have a general power of appointment over any property located in the U.S.?		
b Or, at any time, exercise or release the power? If "Yes" to either a or b, attach Schedule H, Form 706. A general power of appointment means any power of appointment exercisable in favor of the decedent, the decedent's estate, the decedent's creditors, or the creditors of the decedent's estate, and includes the right of a beneficiary to appropriate or consume the principal of a trust. For complete definition, see section 2041.		
10a Have Federal gift tax returns ever been filed?		
b Periods covered ▶		
c Internal Revenue offices where filed ▶		

Schedule A Gross Estate in the United States (see instructions)

Do you elect to value the decedent's gross estate at a date or dates after the decedent's death (as authorized by section 2032)? Yes / No

To make the election, you must check this box "Yes" and file Form 706NA on time. If you check "Yes" complete columns (c), (d), and (e). If you check "No" complete column (e) and leave columns (c) and (d) blank.

(a) Item No.	(b) Description of property and stock	(c) Alternate valuation date	(d) Alternate value in U.S. dollars	(e) Value at date of death in U.S. dollars
1				
Total	(If you need more space, attach additional sheets of same size.)			

Schedule B Taxable Estate

You must document lines 2 and 4 for the deduction on line 5 to be allowed.

1 Gross estate in the U.S. (Schedule A total)	1	
2 Gross estate outside the U.S. (see instructions)	2	
3 Entire gross estate wherever located (add amounts on lines 1 and 2)	3	
4 Amount of funeral expenses, administration expenses, decedent's debts, mortgages and liens, and losses during administration (attach itemized schedule) (see instructions)	4	
5 Deduction for expenses, claims, etc. (divide line 1 by line 3 and multiply the result by line 4) (see instructions)	5	
6 Charitable deduction (attach Schedule O, Form 706)	6	
7 Total deductions (add lines 5 and 6)	7	
8 Taxable estate (subtract line 7 from line 1)	8	

Forms and Instructions

Form 706NA (Rev. 11-81) ▲ Detach at perforation and file only pages 1 and 2. ▲ Page 3

Form 706NA Instructions

(References are to the Internal Revenue Code)

Paperwork Reduction Act Notice—The Paperwork Reduction Act of 1980 says we must tell you why we are collecting this information, how we will use it, and whether you have to give it to us. We ask for the information to carry out the Internal Revenue laws of the United States. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax. You are required to give us this information.

Form 706. In order to complete this return, you may need to obtain Form 706, United States Estate Tax Return, and its separate instructions. You must obtain a copy of Form 706 if you intend to claim a marital deduction, a charitable deduction, or a credit for tax on prior transfers, or if the gross estate located in the United States includes property transferred by the decedent within 3 years before death. You will need the instructions to Form 706 to explain how to value stocks and bonds. If the decedent was a U.S. expatriate, you will need the tax rate tables in the Instructions to Form 706.

GENERAL INSTRUCTIONS

A. Purpose.—Form 706NA is used to compute estate tax liability for nonresident alien decedents. The tax is imposed on the transfer of the decedent's taxable estate, rather than on the receipt of any part of it.

If you need tax information not in these instructions, see Publication 448, Federal Estate and Gift Taxes. For information about transfer certificates for U.S. assets, write to the Director of International Operations, P.O. Box 896, Benjamin Franklin Station, Washington, D.C. 20044.

B. Definitions.—The following terms are used often in these instructions:

1. The U.S. means the 50 States and the District of Columbia.

2. A nonresident alien decedent means a decedent who is neither domiciled in nor a citizen of the U.S. at the time of death. For purposes of this form, a citizen of a U.S. possession is not a U.S. citizen.

3. A U.S. expatriate is one who lost U.S. citizenship within 10 years before the date of death, and for whom it is reasonable to assume that a main *purpose* in doing so was to avoid U.S. taxes. The personal representative has the burden of proving otherwise. See specific instructions for question 6 and Schedule A of page 2, and lines 4–5 and 7 of page 1.

C. Who Must File.—The personal representative must file Form 706NA if the date of death value of the decedent's gross estate located in the U.S. exceeds the filing limit. The filing limit is $60,000 reduced by the sum of (1) the gift tax specific exemption (section 2521) allowed with respect to gifts made between September 9, 1976, and December 31, 1976, inclusive, and (2) the total taxable gifts made after December 31, 1976, that are not included in the gross estate.

The personal representative is the executor, executrix, administrator, or administratrix of the deceased person's estate. If no personal representative is appointed, qualified, and acting in the U.S., every person in actual or constructive possession of any of the decedent's property must file a return. If more than one person must file, it is preferable that they join in filing one complete return. Otherwise, each must file as complete a return as possible, including a full description of the property and each person's name who holds an interest in it.

D. When and Where to File.—File Form 706NA within 9 months after the date of death unless an extension of time to file was granted. In that case, attach a copy of the approved Form 4768, Application for Extension of Time to File U.S. Estate Tax Return and/or Pay Estate Tax.

Send Form 706NA to the Internal Revenue Service Center, Philadelphia, PA 19255.

E. Penalties.—By law, additional tax may be charged if the return is filed late or the tax is paid late (section 6651).

F. Death Tax Treaties.—Death tax treaties are in effect with the following countries.

Australia	Japan
Finland	Netherlands
France	Norway
Greece	Republic of South Africa
Ireland	Switzerland
Italy	United Kingdom

SPECIFIC INSTRUCTIONS

Attachments.—If the decedent died testate, attach a certified copy of the will to Form 706NA. For closely held or inactive corporate stock, attach the balance sheets, particularly the one nearest the valuation date, and statements of the net earnings or operating results and dividends paid for each of the 5 preceding years. Attach any other documents, such as appraisal lists, needed for explanation. Also attach copies of all available U.S. gift tax returns the decedent filed. Other documents may be required as explained in these instructions.

Attach an English translation to all documents in other languages.

How to complete Form 706NA

First, enter the decedent's name and the other information called for on the first page above the Tax Computation. Then complete questions 1a–10c on the top of the second page.

The tax is imposed on the *decedent's* gross estate in the United States, reduced by allowable deductions. Compute the gross estate in the United States on *Schedule A*. Reduce the Schedule A total by the allowable deductions to derive the taxable estate on Schedule B, and figure the tax due using the Tax Computation schedule.

Page 2

Question 6.—If you answer "Yes," but maintain that avoiding U.S. taxes was not one of the main reasons for the decedent's loss of citizenship, attach documents to sustain your position.

See General Instruction B3.

Schedule A—Before you complete Schedule A, you must determine what assets are included in the decedent's entire gross estate wherever located. There is no space on the form to itemize the entire gross estate. You need not attach a separate itemized list of the gross estate outside the U.S. unless you claim deductions on Schedule B. See the instructions for Schedule B.

The entire gross estate wherever located is figured the same way for a nonresident alien decedent as for a U.S. citizen or resident. It consists of all property the decedent beneficially owned, wherever located, and includes the following property interests:

(a) Generally, the full value of property the decedent owned at the time of death either as a joint tenant with right of survivorship or as a tenant by the entirety.

(b) Property the decedent and a surviving spouse owned as community property to the extent of the decedent's interest in the property under applicable State, possession, or foreign law.

(c) A surviving spouse's dower or curtesy interest and all substitute interests created by statute.

(d) Proceeds of insurance on the decedent's life, generally including proceeds receivable by beneficiaries other than the estate.

(e) Several kinds of transfers the decedent made before death.

(f) Property in which the decedent either held a general power of appointment at the time of death, or used or released this power in certain ways before death.

(g) Certain annuities to surviving beneficiaries.

For additional information concerning joint tenancies, annuities, life insurance, transfers during life and powers of appointment, see Publication 448.

Enter on Schedule A all of the assets that meet both the following tests:

(1) they are included in the "entire gross estate wherever located," and

(2) they are located in the U.S.

Unless a treaty provides otherwise (see instruction F, Death Tax Treaties), use the following rules to determine whether assets are located in the U.S.

(a) Real estate and tangible personal property are located in the U.S. if they are physically located there. An exception is made for works of art imported into the U.S. solely for public exhibition.

(b) No matter where stock certificates are physically located, stock of corporations organized in or under U.S. law is property located in the U.S., and all other corporate stock is property located outside the U.S.

(c) Proceeds of insurance policies on the decedent's life are *property* located *outside* the U.S.

(d) Debts are generally property located in the U.S. if they are debts of a U.S. citizen or resident, a domestic partnership or corporation, a domestic estate or trust, the United States, a State or State's political subdivision, or the District of Columbia.

However, a domestic corporation's debt obligation is treated as located outside the U.S. if the interest from it (had it been received at the time of death) would have been treated as income from outside the U.S. because the corporation derived less than 20% of its gross income from sources in the U.S. during its 3 tax years before the decedent's death (section 861(a)(1)(B)), or if the obligation was treated as the obligation of a foreign corporation under the interest equalization tax and meets the other requirements of either *section* 861(a)(1)(G) or section 861(a)(1)(H).

(e) The following deposits are treated as located outside the U.S. if they are not effectively connected with conducting a trade or business within the U.S.:

(1) a deposit with a U.S. bank or a U.S. banking branch of a foreign corporation.

(2) a deposit or withdrawable account with a savings and loan association chartered and supervised under Federal or State law.

(Continued on page 4)

Form 706NA (Rev. 11-81) Page 4

(3) an amount held by a U.S. insurance company under an agreement to pay interest.

(4) a deposit in a foreign branch of a U.S. bank.

If an asset is included in the total gross estate because the decedent owned it at the time of death, apply these location rules as of the date of the decedent's death. However, if an asset is included in the decedent's total gross estate under one of the transfer provisions (sections 2035, 2036, 2037, and 2038) apply the location rules to the property at the time of transfer. For example, if an item of tangible personal property was physically located in the U.S. on the date of a section 2038 transfer, but had been *moved* outside the U.S. at the time of the decedent's death, the item would be considered still located in the U.S. and should be listed on Schedule A.

Describe the property on Schedule A in enough detail to enable IRS to identify it. To determine the fair market value of stocks and bonds, use the rules in the Instructions for Schedule B of Form 706.

In descriptions of stock include: the corporation's name, the number of shares, whether common or preferred (if preferred, what issue), the par value (when needed for identification), and the quotation at which reported. Give the main exchange for listed stock; for unlisted stock, give the post office address of the main business office, the State in which incorporated, and the incorporation date.

In bond descriptions include: the number, principal, obligor's name, maturity date, interest rate, each date when interest is payable, and series number (if more than one issue). Give the exchange where the bond is listed; if it is unlisted, give the corporation's main business office.

Identify all property owned jointly or as tenants by the entirety, and give the full value in column (b). If you show less than the full value in column (d) or (e), you must document your right to do so.

If the gross estate includes any property transferred by the decedent within 3 years before death (section 2035), including qualified joint tenancies (sections 2040 (b) or (d)) created within 3 years before death, report these assets on part A of Schedule G of Form 706. Attach Schedule G to Form 706NA and enter "Total from Schedule G, Form 706" to report these assets on Schedule A of Form 706NA, entering the total value from Schedule G in columns (d) or (e).

If the decedent was a U.S. expatriate, the decedent is treated as owning a prorated share of the U.S. property held by a foreign corporation in which he or she directly owned at least 10% of the voting stock and, with related interests, controlled over 50% of it (section 2107(b)).

Property valuation date.—Generally, property must be valued as of the date of death. Columns (c) and (d) do not apply, and you may use the space to expand descriptions from column (b).

However, if you file Form 706NA on time, you may elect to use the alternate valuation date. To make this election, check the "Yes" box at the beginning of Schedule A. If you do so, the election applies to all property, and you will need to complete each *column* in Schedule A. Under this election, any property distributed, sold, exchanged, or otherwise disposed of within 6 months after the decedent's death is valued as of the date of the disposition. Any property not disposed of during that period is valued as of the date 6 months after the decedent's death.

Schedule B.—

For the line 5 deduction to be allowed, you must complete lines 1–4 and document the amounts you include on lines 2 and 4. To document the line 2 amount, attach a certified copy of the foreign death tax return; or if none was filed, a certified copy of the estate inventory and the schedule of debts and charges that were filed with the foreign probate court or as part of the estate's administration proceedings. If more proof is needed, you will be notified.

To support the line 4 amount, attach an itemized schedule. For each expense or claim, specify the nature and amount and give the creditor's name. Describe other deductions fully and identify any particular property to which they relate.

Line 2.—The amount on line 2 is the total value of the assets included in the entire gross estate that were not listed on Schedule A. If you elected the alternate valuation date for property listed in Schedule A, use it also for the assets valued on line 2. Otherwise, value the amounts as of the date of death.

Line 4.—You may deduct the following items, whether or not they were incurred or paid in the U.S.: funeral expenses; administration expenses; claims against the estate; unpaid mortgages and other liens; and uncompensated losses that were incurred during settlement of the estate and that arose from theft or from casualties such as fires, storm, or shipwreck. You may deduct only that part of a debt or mortgage that was contracted in good faith and for full value in money or money's worth. You may deduct mortgages only if you included the full value of the mortgaged property in the total gross estate (line 3). Do not deduct death taxes, tax on income received after death, or property taxes accrued after death.

On line 4 show the total of these deductible items. In general, the total is limited to the amount on line 3.

Marital deduction: French domicile only.—If you claim a marital deduction under the U.S.-France Death Tax Convention for the estate of a person domiciled in France at the time of death, include the deduction on line 4. Attach Schedule M, Form 706, and a statement showing your computation of the marital deduction.

Line 5.—To find your actual deduction, multiply the line 4 amount by a fraction. The numerator is the amount on line 1, and the denominator is the amount on line 3. Enter the result on line 5.

Line 6.—Unless a treaty allows otherwise, you may take a charitable deduction only if the transfer was to a domestic entity or for use in the U.S. as described in Publication 448. Attach Schedule O of Form 706. If you claim the deduction under the U.S.-France Death Tax Convention for a decedent domiciled in France, or under the U.S.-Greece Death Tax Convention for a decedent domiciled in Greece, or for a Greek subject, also attach a computation of the deduction.

See section 2518 for the rules governing disclaimers of interest in property.

Page 1

Lines 4–5.—Use the following rates unless the decedent was a U.S. expatriate. In that case, use the rates given in Table A of the Instructions for Form 706.

If line 1 (line 2) is not over—	Enter	Of amount over—
$ 100,000	6%	0
500,000	6,000 + 12%	$ 100,000
1,000,000	54,000 + 18%	500,000
2,000,000	144,000 + 24%	1,000,000
Over $2,000,000	384,000 + 30%	2,000,000

Line 7.—Enter the unified credit. The unified credit is allowed for the lesser of the line 6 amount or the maximum unified credit. In general, the maximum unified credit is $3,600, but for a U.S. expatriate it is $13,000. For a citizen of a U.S. possession (section 2209) who died after 1980 the maximum unified credit is the greater of (a) $3,600 or (b) the product of $15,075 times a fraction. The numerator of the fraction is the part of the gross estate located in the U.S. (line 1 of Schedule B) and the denominator is the entire gross estate wherever located (line 3 of Schedule B). If the decedent died before 1980 see section 2102(c)(3).

Line 9.—You may take a credit for part of the death or inheritance taxes you paid to a State or the District of Columbia on property listed in Schedule A. Generally, you must claim this credit within 4 years of filing the return. To find your allowed credit, first use Table C in the Form 706 instructions to figure the supposed credit that would be allowable on the entire line 1 amount (reduced by $60,000). Your allowed credit *cannot* be more than this *supposed* credit multiplied by a fraction. The numerator of the fraction is the value of the property you include in *Schedule* A and on which you paid the State tax, and the denominator is the value of all the property you report in Schedule A. Enter the lesser of this amount or the taxes you paid on line 9.

For the credit to be allowed, you must file a certificate signed by the appropriate official of the taxing State. The certificate should show: the total tax charged, any discount allowed, any penalties and interest imposed, the tax actually paid, and each payment date. If possible, attach the certificate to this return; otherwise, please file it as soon as possible. See Regulations section 20.2011–1(c)(2) for more information about the certificate.

If you later recover any of the State tax for which you claim this credit, notify the Internal Revenue Service Center, Philadelphia, PA 19255 within 30 days of receiving any refund of State taxes.

Lines 15–16.—Attach an explanatory statement if earlier payments were made to the Internal Revenue Service or if payment is made by certain U.S. Treasury bonds that were issued before March 4, 1971, and redeemed at any Federal Reserve Bank, the office of the Treasurer of the United States, or the Bureau of Public Debt. For details, see Rev. Proc. 69–18, 1969–2 C.B. 300.

Line 18.—Pay the balance due within 9 months after the decedent's death unless an extension of time to pay was granted. In that case, attach a copy of the approved Form 4768 to Form 706NA. Make the check or money order payable to the Internal Revenue Service for the face value in U.S. dollars.

Signature.—Form 706NA must be signed. Each personal representative must verify and sign it. If another person prepares Form 706NA for the personal representative, the preparer must also sign. The personal representative may use Form 2848, Power of Attorney, to authorize another person to act for him or her before the Internal Revenue Service.

Forms and Instructions

Form 1040 — U.S. Individual Income Tax Return 1983

Department of the Treasury—Internal Revenue Service

For the year January 1–December 31, 1983, or other tax year beginning , 1983, ending , 19 . OMB No. 1545-0074

Use IRS label. Otherwise, please print or type.

Your first name and initial (if joint return, also give spouse's name and initial)	Last name	Your social security number
Present home address (Number and street, including apartment number, or rural route)		Spouse's social security number
City, town or post office, State, and ZIP code	Your occupation	Spouse's occupation

Presidential Election Campaign ▶ Do you want $1 to go to this fund? Yes / No
If joint return, does your spouse want $1 to go to this fund? Yes / No
Note: Checking "Yes" will not increase your tax or reduce your refund.

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Filing Status (Check only one box.)

1 Single
2 Married filing joint return (even if only one had income)
3 Married filing separate return. Enter spouse's social security no. above and full name here
4 Head of household (with qualifying person). (See page 6 of Instructions.) If the qualifying person is your unmarried child but not your dependent, write child's name here.
5 Qualifying widow(er) with dependent child (Year spouse died ▶ 19). (See page 6 of Instructions.)

Exemptions (Always check the box labeled Yourself. Check other boxes if they apply.)

6a Yourself — 65 or over — Blind
b Spouse — 65 or over — Blind
Enter number of boxes checked on 6a and b ▶
c First names of your dependent children who lived with you
Enter number of children listed on 6c ▶

d Other dependents: (1) Name	(2) Relationship	(3) Number of months lived in your home	(4) Did dependent have income of $1,000 or more?	(5) Did you provide more than one-half of dependent's support?

Enter number of other dependents ▶
e Total number of exemptions claimed
Add numbers entered in boxes above ▶

Income

Please attach Copy B of your Forms W-2, W-2G, and W-2P here.
If you do not have a W-2, see page 5 of Instructions.
Please attach check or money order here.

7 Wages, salaries, tips, etc. — 7
8 Interest income (*also attach Schedule B if over $400 or you have any All-Savers interest*) — 8
9a Dividends (*also attach Schedule B if over $400*) , 9b Exclusion
c Subtract line 9b from line 9a and enter the result — 9c
10 Refunds of State and local income taxes, from worksheet on page 10 of Instructions (*do not enter an amount unless you deducted those taxes in an earlier year—see page 10 of Instructions*) — 10
11 Alimony received — 11
12 Business income or (loss) (*attach Schedule C*) ▶ 12
13 Capital gain or (loss) (*attach Schedule D*) — 13
14 40% capital gain distributions not reported on line 13 (See page 10 of Instructions) — 14
15 Supplemental gains or (losses) (*attach Form 4797*) — 15
16 Fully taxable pensions, IRA distributions, and annuities not reported on line 17 — 16
17a Other pensions and annuities, including rollovers. Total received 17a
b Taxable amount, if any, from worksheet on page 10 of Instructions — 17b
18 Rents, royalties, partnerships, estates, trusts, etc. (*attach Schedule E*) — 18
19 Farm income or (loss) (*attach Schedule F*) ▶ 19
20a Unemployment compensation (insurance). Total received 20a
b Taxable amount, if any, from worksheet on page 11 of Instructions — 20b
21 Other income (state nature and source—see page 11 of Instructions) — 21
22 **Total income.** Add amounts in column for lines 7 through 21 ▶ 22

Adjustments to Income (See Instructions on page 11)

23 Moving expense (*attach Form 3903 or 3903F*) — 23
24 Employee business expenses (*attach Form 2106*) — 24
25a IRA deduction, from the worksheet on page 12 — 25a
b Enter here IRA payments you made in 1984 that are included in line 25a above ▶
26 Payments to a Keogh (*H.R. 10*) retirement plan — 26
27 Penalty on early withdrawal of savings — 27
28 Alimony paid — 28
29 Deduction for a married couple when both work (*attach Schedule W*) — 29
30 Disability income exclusion (*attach Form 2440*) — 30
31 **Total adjustments.** Add lines 23 through 30 ▶ 31

Adjusted Gross Income

32 **Adjusted gross income.** Subtract line 31 from line 22. *If this line is less than $10,000, see "Earned Income Credit" (line 59) on page 16 of Instructions. If you want IRS to figure your tax, see page 3 of Instructions* ▶ 32

Form 1040 (1983) Page 2

Tax Computation (See Instructions on page 13)

33 Amount from line 32 (adjusted gross income) — 33
34a If you itemize, complete Schedule A (Form 1040) and enter the amount from Schedule A, line 28 — 34a
Caution: If you have unearned income and can be claimed as a dependent on your parent's return, check here ▶ and see page 13 of the Instructions. Also see page 13 of the Instructions if:
- You are married filing a separate return and your spouse itemizes deductions, OR
- You file Form 4563, OR
- You are a dual-status alien

34b If you do not itemize deductions on Schedule A (Form 1040), complete the worksheet on page 14. Then enter the allowable part of your charitable contributions here — 34b
35 Subtract line 34a or 34b, whichever applies, from line 33 — 35
36 Multiply $1,000 by the total number of exemptions claimed on Form 1040, line 6e — 36
37 Taxable Income. Subtract line 36 from line 35 — 37
38 Tax. Enter tax here and check if from ☐ Tax Table, ☐ Tax Rate Schedule X, Y, or Z, or ☐ Schedule G — 38
39 Additional Taxes. (See page 14 of Instructions.) Enter here and check if from ☐ Form 4970, ☐ Form 4972, ☐ Form 5544, or ☐ section 72 penalty taxes — 39
40 **Total.** Add lines 38 and 39 ▶ 40

Credits (See Instructions on page 14)

41 Credit for the elderly (*attach Schedules R&RP*) — 41
42 Foreign tax credit (*attach Form 1116*) — 42
43 Investment credit (*attach Form 3468*) — 43
44 Partial credit for political contributions — 44
45 Credit for child and dependent care expenses (*attach Form 2441*) — 45
46 Jobs credit (*attach Form 5884*) — 46
47 Residential energy credit (*attach Form 5695*) — 47
48 **Total credits.** Add lines 41 through 47 — 48
49 **Balance.** Subtract line 48 from line 40 and enter difference (but not less than zero) ▶ 49

Other Taxes (Including Advance EIC Payments)

50 Self-employment tax (*attach Schedule SE*) — 50
51 Alternative minimum tax (*attach Form 6251*) — 51
52 Tax from recapture of investment credit (*attach Form 4255*) — 52
53 Social security tax on tip income not reported to employer (*attach Form 4137*) — 53
54 Uncollected employee social security tax and RRTA tax on tips (*from Form W-2*) — 54
55 Tax on an IRA (*attach Form 5329*) — 55
06
56 **Total tax.** Add lines 49 through 55 ▶ 56

Payments (Attach Forms W-2, W-2G, and W-2P to front.)

57 Federal income tax withheld — 57
58 1983 estimated tax payments and amount applied from 1982 return — 58
59 Earned income credit. If line 33 is under $10,000, see page 16 — 59
60 Amount paid with Form 4868 — 60
61 Excess social security tax and RRTA tax withheld (two or more employers) — 61
62 Credit for Federal tax on special fuels and oils (*attach Form 4136*) — 62
63 Regulated Investment Company credit (*attach Form 2439*) — 63
64 **Total payments.** Add lines 57 through 63 ▶ 64

Refund or Amount You Owe

65 If line 64 is larger than line 56, enter amount **OVERPAID** ▶ 65
66 Amount of line 65 to be **REFUNDED TO YOU** ▶ 66
67 Amount of line 65 to be applied to your 1984 estimated tax ▶ 67
68 If line 56 is larger than line 64, enter **AMOUNT YOU OWE.** Attach check or money order for full amount payable to "Internal Revenue Service." Write your social security number and "1983 Form 1040" on it ▶ 68
(Check ▶ ☐ if Form 2210 (2210F) is attached. See page 17 of Instructions.) $

Please Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature | Date | Spouse's signature (if filing jointly, BOTH must sign)

Paid Preparer's Use Only

Preparer's signature | Date | Check if self-employed ☐ | Preparer's social security no.
Firm's name (or yours, if self-employed) and address | E.I. No. | ZIP code

---

1

Form 1042S — Income Subject to Withholding Under Chapter 3, Internal Revenue Code 1983

Department of the Treasury, Internal Revenue Service — OMB No. 1545-0096 — Copy A for Internal Revenue Service

Line	a. Income code (see instr.)	b. Gross amount of income paid	c. Rate of tax (%)	d. Exemption code (see instr.)	e. Amount of tax withheld	f. Amount of tax released	g. Net amount of tax withheld (column e. less f.)	h. Country code
1								
2								
3								
4 Total								

5 Type of recipient code (see instructions) ▶
6 Recipient's U.S. tax identifying no. ▶
7 Recipient's country of legal residence ▶
8 Name, address, ZIP code, and EIN of payer if different from withholding agent's

PAID TO: Name of recipient, street address, city, country, and postal code. For Paperwork Reduction Act Notice, see back of Form 1042.

PAID BY: Name of withholding agent, address, ZIP code, and employer identification no. (EIN) (as shown on Form 1042).

Instructions

Column a. — Enter the appropriate income code.

Code	Type of Income
01	Interest paid by U.S. obligors—general
02	Interest on real property mortgages
03	Interest paid to controlling foreign corporations
04	Interest paid by foreign corporations (U.S. agents)
05	Interest on tax-free covenant bonds
06	Dividends paid by U.S. corporations—general
07	Dividends paid by U.S. subsidiaries to foreign parent corporations
08	Dividends paid by foreign corporations
09	Capital gains
10	Industrial royalties
11	Motion picture or television copyright royalties
12	Other royalties (e.g. copyright, recording, publishing, etc.)
13	Real property income and natural resources royalties
14	Pensions or annuities
15	Scholarship or fellowship grants
16	Compensation for independent personal services
17	Compensation for dependent personal services
18	Compensation for teaching
19	Compensation during training
20	Other income (e.g. alimony, insurance premium)

(specify) ....

Column d. — If the rate of tax entered in column c. is 0%, enter the appropriate exemption code.

Code	Authority for Exemption
1	Income effectively connected with a U.S. trade or business (copy of Form 4224 attached)
2	Exempt under the Internal Revenue Code (specify IRC section .....)
3	Income is not from U.S. sources
4	Exempt under tax treaty

Line 5. — Enter the appropriate code for type of recipient.

Code	Type of Recipient
1	Individual
2	Corporation
3	Partnership
4	Fiduciary
5	Nominee
6	Government or International Organization
7	"Tax-Exempt" Organization (IRC section 501(a))
8	Private Foundation
9	Other (specify) ....
10	Type of recipient unknown

For country codes, see last page.

U.S. Income Tax Filing Requirements

Every nonresident alien individual, nonresident alien fiduciary, and foreign corporation with United States income, including income that is effectively connected with the conduct of a trade or business in the United States, must file a United States income tax return. However, no return is required to be filed by a nonresident alien individual, nonresident alien fiduciary, or a foreign corporation if such person was not engaged in a trade or business in the United States at any time during the tax year and if the tax liability of such person was fully satisfied by the withholding of United States tax at the source. (Corporations file Form 1120F; all others file Form 1040NR.) You may get the return forms and instructions at any United States Embassy or consulate or by writing to: Richmond Distribution Center, P.O. Box 25866, Richmond, VA 23260, U.S.A.

Tout étranger non-résident, tout organisme fidéicommissaire étranger non-résident et toute société étrangère percevant un revenu aux Etats-Unis, y compris tout revenu dérivé, en fait, du fonctionnement d'un commerce ou d'une affaire aux Etats-Unis, doit soumettre aux Etats-Unis, une déclaration d'impôt sur le revenu. Cependant aucune déclaration d'impôt sur le revenu n'est exigée d'un étranger non-résident, d'un organisme fidéicommissaire étranger non-résident, ou d'une société étrangère s'ils n'ont pris part à aucun commerce ou affaire aux Etats-Unis à aucun moment pendant l'année fiscale et si les impôts dont ils sont redevables ont été entièrement acquittés par une retenue à la source, de leur montant. (Les sociétés doivent faire leur déclaration d'impôt en remplissant le formulaire 1120F; tous les autres redevables doivent remplir le formulaire 1040NR.) On peut se procurer formulaires de déclarations d'impôts et instructions dans toutes les Ambassades et tous les Consulats des Etats-Unis. L'on peut également s'adresser pour tout renseignements à: Richmond Distribution Center, P.O. Box 25866, Richmond, VA 23260, U.S.A.

Todo extranjero no residente, todo organismo fideicomisario extranjero no residente y toda sociedad anónima extranjera que reciba ingresos en los Estados Unidos, incluyendo ingresos relacionados de la conducción de un negocio u oficio dentro de los Estados Unidos, deberá presentar una declaración estado unidense de impuestos sobre ingreso. Sin embargo, no se requiere declaración alguna a un individuo extranjero una sociedad anónima extranjera u organismo fideicomisario extranjero no residentes, si tal persona no ha efectuado comercio o negocio en los Estados Unidos durante el año fiscal y si la responsabilidad en impuestos de tal persona ha sido satisfecha plenamente mediante retención del impuesto de los Estados Unidos en la fuente. (Las sociedades anónimas envían el formulario 1120F; todos los demás contribuyentes envían el formulario 1040NR.) Se podrán obtener formularios e instrucciones en cualquier Embajada o Consulado de los Estados Unidos o pueden escribir directamente en demanda de información a: Richmond Distribution Center, P.O. Box 25866, Richmond, VA 23260, U.S.A.

Jede ausländische Einzelperson, jeder ausländische Bevollmächtigte und jede ausländische Gesellschaft mit Einkommen in den Vereinigten Staaten, einschliesslich des Einkommens, welches direkt mit der Ausübung von Handel oder Gewerbe innerhalb der Staaten verbunden ist, müssen eine Einkommensteuererklärung der Vereinigten Staaten abgeben. Eine Erklärung muss jedoch nicht von Ausländern, ausländischen Bevollmächtigten oder ausländischen Gesellschaften in den Vereinigten Staaten eingereicht werden, falls eine solche Person während des Steuerjahres kein Gewerbe oder Handel in den Vereinigten Staaten ausgeübt hat und die Steuerschuld durch Einbehaltung der Steuern der Vereinigten Staaten durch die Einkommensquelle abgegolten ist. (Gesellschaften reichen den Vordruck 1120F ein; alle anderen reichen das Formblatt 1040NR ein.) Einkommensteuererklärungen und Instruktionen können bei den Botschaften und Konsulaten der Vereinigten Staaten eingeholt werden. Um weitere Informationen wende man sich bitte an: Richmond Distribution Center, P.O. Box 25866, Richmond, VA 23260, U.S.A.

Specific Instructions for Withholding Agents

Who Must File.—As a withholding agent, you must complete Form 1042S to report income tax withheld for each recipient of income to whom you made payments subject to withholding during the calendar year. File Copy A with the Form 1042 you send to IRS. Copy B is for the recipient, and Copy C is for your records.

You must also file a Form 1042S in the following cases: (1) You did not withhold tax because the income was exempt from tax under the Internal Revenue Code or a U.S. tax treaty. (2) You did not withhold tax because of an exemption that relates to income effectively connected with conducting a trade or business in the United States. (File Form 1042S and attach the copy of Form 4224, Exemption from Withholding of Tax on Income Effectively Connected with the Conduct of a Trade or Business in the United States.) (3) You released the tax withheld to the recipient. (4) Interest was paid on tax-free covenant bonds (even though you did not have to withhold tax and the recipient (obligor) did not have to assume and pay the tax).

You may use a separate Form 1042S for each specified type of income paid to the same recipient, or you may report several types of income on the same Form 1042S for the same recipient.

Note: *Be sure to reconcile amounts on Form 1042S with amounts on Form 1042, to avoid unnecessary correspondence with IRS.*

Completing Form 1042S.—Care should be taken in entering the correct income code, exemption code, country code, country address, and the type of recipient code on Form 1042S. These items determine the correct rate of tax to be applied to the gross amount of income paid. Also the recipient's country of legal residence is extremely important in order to reconcile the tax per return for administrative purposes and to identify the information required to be furnished to a foreign government under a mutual exchange of information agreement provided under treaty.

The type of recipient code, income code, and exemption code are listed on the back of Copy A. The country code for which the recipient is a resident for tax purposes is listed on the last two pages of this form.

You must obtain and enter a taxpayer identifying number for (1) any citizen or resident of the United States, and (2) any recipient whose income is effectively connected with the conduct of a trade or business in the United States (in which case code 1 should be entered in column d.)

In column f. enter any withheld tax that has been released (repaid) to the recipient. Be sure to include on line 16c of Form 1042 only the amount from column g.

For more information, get **Publication 515**, Withholding of Tax on Nonresident Aliens and Foreign Corporations.

Country Codes

Enter in column h. the alpha code, from the list below, for the country of which the recipient is a resident for tax purposes. These codes are used by the Service to provide information to all tax treaty countries for purposes of their tax administration.

Generally, the recipient's country for both tax and mailing purposes will be the same. In some cases, however, two different countries are involved.

Country	Code
Afghanistan	AF
Albania	AL
Algeria	AG
American Samoa	AQ
Andorra	AN
Angola	AO
Anguilla	AV
Antarctica	AY
Antigua and Barbuda* (through Aug. 25, 1983)	AC
Argentina	AR
Australia*	AS
Austria*	AU
Azores	PO
Bahamas, The	BF
Bahrain	BA
Bangladesh	BG
Barbados*	BB
Belgium*	BE
Belize (British Honduras)*	BH
Benin (Dahomey)	DM
Bermuda	BD
Bhutan	BT
Bolivia	BL
Botswana	BC
Brazil	BR
British Indian Ocean Territory	IO
British Virgin Islands	VI
Brunei	BX
Bulgaria	BU
Burma	BM
Burundi*	BY
Cameroon	CM
Canada*	CA
Canary Islands	SP
Cape Verde, Republic of	CV
Cayman Islands	CJ
Central African Republic	CT
Chad	CD
Channel Islands	UK
Chile	CI
China (Taiwan)	TW
China	CH
Christmas Island	KT
Cocos (Keeling) Islands	CK
Colombia	CO
Comoros	CN
Congo	CF
Cook Islands*	CW
Costa Rica	CS
Cuba	CU
Cyprus	CY
Czechoslovakia	CZ
Denmark*	DA
Djibouti	DJ
Dominica	DO
Dominican Republic	DR
Ecuador	EC
Egypt*	EG
El Salvador	ES
Equatorial Guinea	EK
Ethiopia	ET
Falkland Islands (Islas Malvinas)*	FA
Faroe Islands	FO
Fiji	FJ
Finland*	FI
France*	FR
French Guiana*	FG
French Polynesia	FP
French Southern and Antarctic Lands	FS
Gabon	GB
Gambia, The*	GA
German Democratic Republic	GC
Germany, Federal Republic of*	GE
Ghana	GH
Gibraltar	GI
Greece*	GR
Greenland	GL
Grenada*	GJ
Guadeloupe*	GP
Guam	GQ
Guatemala	GT
Guinea	GV
Guinea Bissau (Portuguese Guinea)	PU
Guyana	GY
Haiti	HA
Heard Island & McDonald Islands	HM
Honduras	HO
Hong Kong	HK
Hungary*	HU
Iceland*	IC
India	IN
Indonesia	ID
Iran	IR
Iraq	IZ
Ireland*	EI
Isle of Man	OC
Israel	IS
Italy*	IT
Ivory Coast	IV
Jamaica*	JM
Japan*	JA
Johnston Atoll	JQ
Jordan	JO
Kampuchea (Cambodia)	CB
Kenya	KE
Kiribati (Gilbert Islands)	KR
Korea, Democratic Peoples Republic of	KN
Korea, Republic of*	KS
Kuwait	KU
Laos	LA
Lebanon	LE
Lesotho	LT
Liberia	LI
Libya	LY
Liechtenstein	LS
Luxembourg*	LU

*Tax Treaty Countries

(Continued on Back Page)

Country Codes (Continued)

Country	Code
Macau	MC
Madagascar (Malagasy Republic)	MA
Malawi*	MI
Malaysia	MY
Maldives	MV
Mali	ML
Malta*	MT
Martinique*	MB
Mauritania	MR
Mauritius	MP
Mexico	MX
Midway Islands	MQ
Monaco	MN
Mongolia	MG
Montserrat*	MH
Morocco*	MO
Mozambique	MZ
Namibia	WA
Nauru	NR
Navassa Island	BQ
Nepal	NP
Netherlands*	NL
Netherlands Antilles*	NA
New Caledonia	NC
New Zealand*	NZ
Nicaragua	NU
Niger	NG
Nigeria	NI
Niue*	NE
Norfolk Island*	NF
Northern Ireland*	UK
Northern Mariana Islands	CQ
Norway*	NO
Oman	MU
Pakistan*	PK
Panama	PM
Papua New Guinea	PP
Paracel Islands	PF
Paraguay	PA
Peru	PE
Philippines*	RP
Pitcairn Islands	PC
Poland*	PL
Portugal	PO
Portuguese Timor	PT
Puerto Rico	RQ
Qatar	QA
Reunion*	RE
Romania*	RO
Rwanda*	RW
St. Christopher Nevis*	SC
St. Helena	SH
St. Lucia	ST
St. Pierre & Miquelon	SB
St. Vincent & the Grenadines	VC
San Marino	SM
Sao Tome & Principe	TP
Saudi Arabia	SA
Senegal	SG
Seychelles*	SE
Sierra Leone*	SL
Singapore	SN
Solomon Islands	BP
Somalia	SO
South Africa*	SF
Spain	SP
Spratly Islands	PG
Sri Lanka	CE
Sudan	SU
Surinam	NS
Svalbard and Jan Mayen	JS
Swaziland	WZ
Sweden*	SW
Switzerland*	SZ
Syria	SY
Tanzania, United Republic of	TZ
Thailand	TH
Togo	TO
Tokelau	TL
Tonga	TN
Trinidad and Tobago*	TD
Trust Territory of the Pacific Islands	NQ
Tunisia	TS
Turkey	TU
Turks and Caicos Islands	TK
Tuvalu (Ellice Islands)	TV
Uganda	UG
Union of Soviet Socialist Republics*	UR
United Arab Emirates	TC
United Kingdom*	UK
United States	US
Upper Volta	UV
Uruguay	UY
Vanuatu	NH
Vatican City	VT
Venezuela	VE
Vietnam	VM
Virgin Islands of the U.S.	VQ
Wake Island	WQ
Wallis and Futuna	WF
Western Sahara	WI
Western Samoa	WS
Yemen (Aden)	YS
Yemen (Sanaa)	YE
Yugoslavia	YO
Zaire*	CG
Zambia*	ZA
Zimbabwe	ZI
Other Countries	OC

*Tax Treaty Countries

Form **1116**

Department of the Treasury Internal Revenue Service

Computation of Foreign Tax Credit

Individual, Fiduciary, or Nonresident Alien Individual

For calendar year 19...... or other tax year beginning ...., 19......, and ending ...., 19......

1979

Attach to Form 1040, 1041, or 1040NR

Name

Address (Number and street) | Resident of (Name of country) | Social security number

City or town, State and ZIP code or country | Citizen of (Name of country) | Employer identification number

This form being completed for credit with respect to:

(Use a separate Form 1116 for each type of income. See General Instruction J.)

☐ Nonbusiness (section 904(d)) interest income
☐ Dividends from a DISC or former DISC
☐ Foreign oil related income
☐ All other income from sources outside the U.S. (including income from sources within U.S. possessions)

Schedule A—Taxable Income from Sources Outside the U.S.

	1. Name of Foreign Country or U.S. Possession (Use a separate line for each)	2. Gross Income from Sources Outside the U.S.: (a) Dividends	(b) Gross Rents and Royalties	(c) Foreign Source Capital Gain Net Income (See Instruction K)	(d) Wages, Salaries, and Other Employee Compensation	(e) Business or Profession (Sole Proprietorship)	(f) Gross Income from Trusts and Estates	(g) Other (including interest) (Attach schedule)	(h) Total (Add columns (a) through (g))
A									
B									
C									
D									
E									
F									
G									
Totals (Add lines A through G)									

	3. Applicable Deductions and Losses — Directly Allocable Deductions: (a) Expenses Directly Allocable to Business or Profession	(b) Depreciation and Depletion Directly Allocable to Rent and Royalty Income	(c) Repairs and Other Expenses Directly Allocable to Rent and Royalty Income	(d) Other Expenses Directly Allocable to Specific Income Items (Attach schedule)	(e) Pro rata Share of All Other Deductions Not Directly Applicable (Attach schedule)	(f) Losses from Foreign Sources	(g) Total Applicable Deductions and Losses (Add columns (a) through (f))	4. Taxable Income or (Loss) from Sources Outside the U.S. (before recapture of prior year overall foreign losses) (Column 2(h) less column 3(g))
A								
B								
C								
D								
E								
F								
G								
Totals								

Form 1116 (1979) Page 2

Schedule B—Foreign Taxes Paid or Accrued

	1. Credit is claimed for taxes ☐ Paid ☐ Accrued: Date Paid	Date Accrued	2. Type of Tax	3. Statute Imposing Tax (Title, number, section, etc.) (Identify in detail)	4. Foreign Taxes Paid or Accrued (Attach receipt or copy of return.) (See General Instruction H.) — In Foreign Currency — Tax Withheld at Source on: (a) Dividends	(b) Rents and Royalties	(c) Other Foreign Taxes Paid or Accrued	(d) Conversion Rate (Attach schedule)	In U.S. Dollars (See instructions for Schedule B, column 4.) — Tax Withheld at Source on: (e) Dividends	(f) Rents and Royalties	(g) Other Foreign Taxes Paid or Accrued	(h) Total Foreign Taxes Paid or Accrued (Add cols. (e), (f), and (g))	5. Reduction for Taxes on Income Excluded under Section 911, Foreign Mineral Income and for Failure to Furnish Returns Required under Section 6038 (Also See General Instruction H)
A													
B													
C													
D													
E													
F													
G													
Totals (Add lines A through G)													

Schedule C—Computation of Foreign Tax Credit

1 Total foreign taxes paid or accrued (from Schedule B, column 4(h), "Totals" line) . . . 1
2 Carryback or carryover (attach detailed computation) (see General Instruction L) . . . 2
3 Reduction for taxes (from Schedule B, column 5, "Totals" line) . . . 3
4 Total foreign taxes available for credit (Add lines 1 and 2, and subtract line 3 from the result) . . . 4
5 Taxable income or (loss) from sources outside the U.S. (from Schedule A, column 4, "Totals" line). (If loss, skip lines 6 through 16) . . . 5
6 Recapture of prior year overall foreign losses (see General Instruction K) . . . 6
7 Net foreign source *taxable* income (Subtract line 6 from line 5) . . . 7
8 Individuals: Enter amount from Form 1040, line 34, or Form 1040NR, line 39. Estates and trusts: Make no entry, skip to line 10 . . . 8
9 Enter $3,400 (joint return or widow(er)), $2,300 (single or head of household), or $1,700 (married filing separate return) . . . 9
10 Individuals: Subtract line 9 from line 8.—Estates and trusts: Enter on this line your taxable income without the deduction for your exemption . . . 10
11 Divide line 7 by line 10. (If line 7 is more than line 10, enter the figure "1.") . . . 11
12 Total U.S. income tax before any credits (see General Instruction D) . . . 12
13 Credit for the elderly . . . 13
14 Subtract line 13 from line 12 . . . 14
15 Limitation on credit (Multiply line 14 by line 11) . . . 15
16 Foreign tax credit (line 4 or line 15, whichever is smaller) . . . 16

Schedule D—Summary of Credits from Separate Schedules C

1 Credit with respect to nonbusiness (section 904(d)) interest . . . 1
2 Credit with respect to dividends from a DISC or former DISC . . . 2
3 Credit with respect to foreign oil related income . . . 3
4 Credit with respect to all other income from sources outside the U.S. (including income from sources within U.S. possessions) . . . 4
5 Total (Add lines 1 through 4) . . . 5
6 Reduction in credit for international boycott operations (see General Instruction N) . . . 6
7 Foreign tax credit (Subtract line 6 from line 5). Enter here and on your tax return . . . 7

☆ U.S. GOVERNMENT PRINTING OFFICE

1979 Department of the Treasury
Internal Revenue Service

Instructions for Form 1116

Computation of Foreign Tax Credit—Individual, Fiduciary, or Nonresident Alien Individual

(References are to the Internal Revenue Code and Income Tax Regulations)

Purpose

Form 1116 is used to figure the amount of your foreign tax credit.

General Instructions

Note: U.S. citizens who live in France may be able to take a foreign tax credit against their U.S. tax liability for the French tax imposed on certain items of income from the United States. See Publication 514, Foreign Tax Credit for U.S. Citizens and Resident Aliens, for further information.

A. Who must file Form 1116.—Form 1116 must be attached to the income tax return of any taxpayer (individual, estate, or trust) electing to claim the benefits of a foreign tax credit.

When you complete the form, give all information asked for and show the computation of credits.

B. Foreign taxes for which credit may be claimed.—The credit may be claimed for income, war profits, and excess profits taxes paid or accrued during the tax year to any foreign country or to any U.S. possession, or to any political subdivision (for example, a city, state, or province) of a foreign country or U.S. possession. For purposes of the credit, Puerto Rico is considered a U.S. possession.

The term "income, war profits, and excess profits taxes" includes a tax imposed by statute or decree by a foreign country or U.S. possession if: (1) that country or possession has in force a general income tax law; (2) the taxpayer claiming the credit would, in the absence of a specific provision applicable to the taxpayer, be subject to the general income tax; and (3) the general income tax is not imposed upon the taxpayer subject to the substituted tax.

A credit is not allowed for excess tax payments to a foreign country with which the U.S. has a tax treaty if that excess would be refunded by the foreign country if a tax treaty or overpayment claim were made. See Publication 54, Tax Guide for U.S. Citizens Abroad, for a list of tax treaty benefits available against foreign taxes.

No credit is allowed for amounts representing interest or penalties.

C. Taxpayers to whom credit is not allowed.—The credit is not allowed to: (1) a U.S. citizen entitled to the benefits of the exemption provided by section 931 for income from certain U.S. possessions (section 931(g)); (2) a nonresident alien other than an individual who is a bona fide resident of Puerto Rico during his or her entire tax year (sections 874(c) and 901(b)(3)), except as provided in section 906 (see General Instruction M); or (3) a citizen of a U.S. possession (except Puerto Rico) who is not otherwise a U.S. citizen and who is not a U.S. resident, and persons who are inhabitants (which includes permanent residents) of the Virgin Islands (section 932).

D. Taxes against which credit is allowed.—The foreign tax credit is allowed against income tax imposed by Chapter 1 of the Code (reduced by the credit for the elderly). It is not allowed against any: (1) increase in tax under section 47 (relating to dispositions of investment credit property); (2) increase in tax under section 50A(c) (relating to early termination of employment by an employer in a WIN program); (3) minimum tax for tax preferences imposed by section 56; (4) tax on premature distributions to owner-employees imposed by section 72(m)(5)(B); (5) tax on lump sum distributions imposed by section 402(e); and (6) tax imposed by section 408(f) (relating to additional tax imposed on income for certain retirement accounts).

A nonresident alien individual may not take the credit against any tax imposed by section 871(a) on income not effectively connected with the conduct of a trade or business within the U.S.

If you are liable for the alternative minimum tax, you will have to recompute your foreign tax credit. See Form 6251.

E. Deduction denied if a credit is claimed.—If you elect for any tax year to claim a credit for taxes to any extent, the election will apply to all income, war profits, and excess profits taxes paid or accrued in the tax year to all foreign countries and U.S. possessions. No part of the tax will be allowed as a deduction in that or any later tax year. However, if the credit for a tax is disallowed due to boycott provisions, the tax may be claimed as a deduction.

The election for any tax year may be made or changed at any time before the end of the period prescribed for making a claim for credit or refund of tax for that tax year. (Section 901(a).)

F. When foreign tax credit may be taken.—The credit may be taken for the year in which the taxes were paid or accrued, depending upon the method of accounting used. However, if you report on the cash basis, you may elect to take the credit for accrued taxes. Make the election by checking the appropriate box at the top of Schedule B, column 1, and follow the same procedure in all later years.

G. Credit for tax accrued but not paid.—If you claim a credit for tax accrued but not paid, Internal Revenue may require you to furnish a bond on Form 1117 before the credit can be allowed.

H. Proof of credits.—You must verify payment or accrual of each item of foreign tax for which you claim a credit by attaching to Form 1116 a receipt if the tax is paid, or a copy of the foreign tax return on which the tax is based if the tax is accrued but not paid. If the receipt or return is in a foreign language, include a certified translation. Internal Revenue may accept secondary evidence of foreign taxes paid or accrued if it can be established to its satisfaction that it is impossible to furnish a receipt, return, or direct evidence of tax withheld.

I. Reduction in foreign taxes.—

(1) Taxes on foreign oil and gas extraction income.—Taxes paid or accrued with respect to foreign oil and gas extraction income must be reduced as provided by section 907(a).

(2) Taxes on foreign mineral income.—Taxes paid or accrued to a foreign country or U.S. possession on mineral income derived in the country or possession must be reduced if a deduction for percentage depletion under section 613 was allowed for any part of such mineral income. (Section 901(e).)

Attach a detailed computation showing how you figured the reduction.

(3) Failure to furnish return required under section 6038.—For each failure of a taxpayer to furnish, on or before the prescribed date, any return or any information in any return required under authority of section 6038 (which requires annual information returns by U.S. shareholders who control a foreign corporation), all foreign taxes that may be taken into account for the foreign tax credit must be reduced by 10%. Additional reductions must be made if the failure continues for 90 days or more. (Section 6038(b).)

J. Limitation on credit.—The credit is limited to that percentage of the total U.S. income tax (against which the credit is allowed) which taxable income from sources outside the U.S. (but not more than total taxable income) is of total taxable income.

Figure the credit separately (using a separate Form 1116) for foreign taxes paid or accrued with respect to: (a) nonbusiness (section 904(d)) interest income; (b) dividends from a DISC or former DISC; (c) foreign oil related income; and (d) all other income from sources outside the U.S. (including income from sources within U.S. possessions).

K. Computation of taxable income.—The determination of gross income, applicable deductions and losses, and taxable income from sources outside the U.S. and within each foreign country or U.S. possession must be made in accordance with sections 638, 861 through 864, and 904 and the related regulations, and applicable tax treaties. All income from sources outside the U.S., including high seas income, must be taken into account.

Nonresident alien individuals should report only gross income, applicable deductions and losses, and taxable income from outside the U.S. which are effectively connected with the conduct of a trade or business within the U.S.

Taxable income for purposes of computing the foreign tax credit limitation is figured without the deduction for personal exemptions and must be reduced by the zero bracket amount ($3,400, if married filing a joint return or qualifying widow(er) with dependent child, $2,300, if single or a head of household, or $1,700, if married filing a separate return).

Capital gains.—Generally, taxable income from sources outside the U.S. includes gain from the sale of capital assets (including any gain so treated under section 1231) only to the extent of foreign source capital gain net income. (This is the lesser of capital gain net income from sources outside the U.S. or capital gain net income from all sources.) The term "capital gain net income" means the excess of gains over losses from sales or exchanges of capital assets. However, if you sell or exchange a capital asset that is personal property outside the country or U.S. possession in which you maintain residence, or (except in the case of stock in a corporation) outside the country or U.S. possession in which the property was used in a trade or business or in which you derived more than 50% of your gross income during the past 3 years, the gain will be considered to be from sources within the U.S. unless it is subject to tax by a foreign country or U.S. possession at a rate equivalent to 10% or more of the gain.

Recapture of overall foreign losses.—If in any tax year beginning after 12/31/75 you sustain an overall foreign loss, in each succeeding tax year you must treat as income from sources within the U.S. that portion of your taxable income from sources outside the U.S. which is the lesser of: (a) the amount of the overall foreign loss not recaptured in prior years; and (b) 50% (or any higher percentage you choose) of your taxable income from sources outside the U.S. Generally, an "overall foreign loss" is the amount by which gross income from sources outside the U.S. is exceeded by the total deductions applicable to such income. However, see section 904(f) for certain losses not taken into account and special rules governing dispositions of property used predominantly outside the U.S. in a trade or business. Also see section 904(f) if you received an accumulation distribution from a foreign trust.

L. Carryback and carryover of excess taxes paid.—Taxes paid or accrued to any foreign country or U.S. possession (reduced as described in General Instructions I and N) in excess of the applicable limitation may be carried back 2 years and then forward 5 years. The excess must first be applied to the earliest of the 7 years to which it may be carried, then to the next earliest year, etc. (Section 904(c).)

If a credit was not claimed in a tax year to which the excess is carried, the excess is considered used in that year in the same manner as though a credit had been claimed.

The carryback and carryover provisions must be applied separately to the excess with respect to: (a) nonbusiness (section 904(d)) interest income; (b) dividends from a DISC or former DISC; (c) foreign oil related income; and (d) all other income from sources outside the U.S. (including income from sources within U.S. possessions) (sections 904(d)(1) and 907(b)).

If you used the per country limitation in your last tax year beginning before 1/1/76 (1/1/79 for U.S. possession income), see Publication 514, Foreign Tax Credit for U.S. Citizens and Resident Aliens, for rules that apply in figuring carrybacks and carryovers.

M. Nonresident alien individuals claiming foreign tax credit.—Section 906 allows nonresident alien individuals a foreign tax credit for income, war profits, and excess profits taxes paid or accrued to any foreign country or U.S. possession on income effectively connected with the conduct of a trade or business within the U.S. The credit does not apply, however, to the extent the tax is imposed by a foreign country or U.S. possession upon income from U.S. sources solely because the nonresident alien individual is a citizen or resident of that foreign country or U.S. possession.

For more information, get Publication 519, U.S. Tax Guide for Aliens, available from Internal Revenue offices.

N. Reduction of credit for international boycott operations.—Generally, if you agree to participate in, or cooperate with, an international boycott, you must file Form 5713 and reduce either the total taxes available for credit or the credit otherwise allowable.

If you can determine the taxes specifically attributable to boycott operations, reduce the total taxes available for credit by entering this amount in Schedule B, column 5.

However, if you cannot determine the above, compute the reduction by multiplying the credit otherwise allowable by the international boycott factor. Make this reduction against the credit otherwise allowable and enter it on line 6, Schedule D.

For more information, see Form 5713 and related instructions.

O. Method of reporting.—Report all amounts on the form in U.S. dollars, except as provided in Schedule B, columns 4(a), (b), and (c). If you must convert from foreign currency, attach a detailed statement describing how the conversion rate was determined.

Note: For more information, please get Publication 514, Foreign Tax Credit for U.S. Citizens and Resident Aliens, available from Internal Revenue offices.

Specific Instructions

Schedule A—Taxable Income from Sources Outside the U.S.

Note: Complete all columns that apply in Schedule A line by line including the "Totals" line.

Column 1.—Enter on a separate line the names of all foreign countries and U.S. possessions within which income is sourced, and/or to which taxes are paid or accrued. If the foreign income is distributed through a partnership, estate, or trust, give the name and employer identification number of the partnership, estate, or trust, as well as country or possession. High seas income must be identified and shown separately.

For dividends from a DISC or former DISC give its name and employer identification number.

Column 2.—Enter amounts in columns (a) through (h) in U.S. dollars. Include all income taxable by the U.S. whether or not it is taxable by the foreign country or U.S. possession.

Do not include in gross income earned income excluded under section 911. For more information on the exclusion of income earned abroad get Publication 54, Tax Guide for U.S. Citizens Abroad, available from most Internal Revenue offices.

In column (c) enter the gain from the sale of capital assets only to the extent of foreign source capital gain net income.

Column 3.—Enter amounts in columns (a) through (g) in U.S. dollars. Do not include deductions and losses attributable to earned income excluded under section 911.

Enter in columns (a), (b), (c), and (d) all deductions which apply directly to gross income from foreign sources. If you claimed a deduction under section 913, include this amount in column (d).

Enter in column (e) the pro rata share of all other deductions (such as itemized deductions, or the zero bracket amount for individuals who do not itemize) not directly allocable to specific items of income. The deduction for personal exemptions is not allowed in figuring taxable income for this purpose. The share of the allowable deductions ratable to each country is computed by multiplying the total of such deductions by the ratio of gross income from sources within the country to total gross income from all sources.

Schedule B—Foreign Taxes Paid or Accrued

Note: Complete all columns that apply in Schedule B line by line including the "Totals" line.

Column 1.—If you claim credit for taxes accrued, show date of accrual of the tax and date of payment (if paid).

Column 2.—Enter the type of tax (income, war profits, or excess profits).

Column 4.—Make all entries on the line for the country imposing the tax.

Enter amounts in columns (a), (b), and (c) in the currency of the foreign country (that is: pounds, francs, marks, etc.).

In column (d) show the exchange rate(s) used and attach a statement describing in detail how the rate(s) was determined.

Column 5.—Enter on the appropriate lines in column 5 any foreign taxes attributable to earned income excluded under section 911 (if applicable, see Form 2555), the reduction (if any) for taxes on foreign mineral income and for failure to furnish returns required under section 6038.

Also, if you paid taxes directly attributable to boycott operations enter that amount here. See General Instruction N.

Schedule D—Summary of Credits from Separate Schedules C

Complete this schedule on only one Form 1116 to summarize the credits figured on separate Forms 1116. Enter the credits from line 16, Schedule C of the separate Forms 1116 on lines 1 through 4 of Schedule D as appropriate.

Form **1118** (Rev. Jan. 1980) Department of the Treasury Internal Revenue Service

Computation of Foreign Tax Credit—Corporations

For calendar year 19........, or other taxable year beginning ...., 19........, and ending ...., 19........

Name | Employer identification number

This form is being completed for credit with respect to: (*Use a separate Form 1118 for each type of income. See General Instruction J.*)

- ☐ Section 904(d) Interest income
- ☐ Dividends from a DISC or Former DISC
- ☐ Foreign Oil Related Income (Also complete separate Schedule F, Form 1118)
- ☐ All Other Income from Sources Without the U.S.

Schedule A Taxable Income or (Loss) From Sources Without the United States

	1. Name of Foreign Country or U.S. Possession (Use a separate line for each)	Gross Income or (Loss) From Sources Without the U.S. (Exclude Foreign Branch and Section 863(b) Gross Income—See instructions) 2. Dividends (Exclude gross-up)	3. Dividend Gross-up (Section 78)	4. Interest	5. Gross Rents, Royalties, and License Fees	6. Gross Income from Performance of Services	7. Foreign Source Capital Gain Net Income	8. Ordinary Income or (Loss) from Partnerships	9. Other (Attach schedule)	10. Total (Add columns 2 through 9)
A										
B										
C										
D										
E										
F										
G										
Totals (Add lines A through G)										

Deductions (Exclude Foreign Branch and Section 863(b) Deductions—See instructions)

	11. Definitely Allocable Deductions: Rental, Royalty, and Licensing Expenses					12. Ratable Part of Deductions not Definitely Allocable (Attach schedule)	13. Total Deductions (Add columns 11(e) and 12)	14. Taxable Income or (Loss) of Foreign Branches from Sources Without the U.S. (Attach schedule)	15. Taxable Income or (Loss) Apportioned to Sources Without the U.S. under Section 863(b) (Attach schedule)	16. Total Taxable Income or (Loss) from Sources Without the U.S. (Before loss recapture) (Column 10 less column 13 plus columns 14 and 15.)
	a. Depreciation, Depletion, and Amortization	b. Other Expenses	c. Expenses Related to Performance of Services	d. Other Definitely Allocable Deductions	e. Total Definitely Allocable Deductions (Add columns 11(a) through 11(d))					
A										
B										
C										
D										
E										
F										
G										
Totals										

Schedule B

PART I.—Foreign Taxes Paid or Accrued and Deemed to Have Been Paid

	1. Credit is Claimed for Taxes: ☐ Paid ☐ Accrued		2. Type of Tax	3. Statute Imposing Tax (Title, number, section, etc. Identify in detail)	4. Foreign Taxes Paid or Accrued (Attach receipt or copy of return, and a schedule showing amounts in foreign currency and conversion rate(s) used) — Tax Withheld at Source on:			Other Foreign Taxes Paid or Accrued on:				h. Total Foreign Taxes Paid or Accrued (Add columns 4(a) through 4(g))	5. Tax Deemed to Have Been Paid (From Schedule C, column 11)
	Date Paid	Date Accrued			a. Dividends	b. Interest	c. Rents, Royalties, and License Fees	d. Branch Income	e. Services Income	f. Partnership Income	g. Other		
A													
B													
C													
D													
E													
F													
G													
Totals (Add lines A through G)													

PART II.—Computation of Foreign Tax Credit

1 Total foreign taxes paid or accrued (from Part I, column 4(h), "Totals" line)
2 Total taxes deemed to have been paid (from Part I, column 5, "Totals" line)
3 Reduction for taxes under sections 901(e), 907(a), 1503(b), and 6038 (see also General Instruction N—attach schedule)
4 Carryback or carryover (attach schedule showing computation in detail—see General Instruction L)
5 Total foreign taxes (subtract line 3 from the total of lines 1, 2, and 4)
6 Total taxable income or (loss) from sources without the U.S. (before loss recapture) (from Schedule A, column 16, "Totals" line)
7 Recapture of prior year overall foreign losses (see General Instruction K(3))
8 Subtract line 7 from line 6
9 Total taxable income from all sources (enter taxable income from your tax return)
10 Adjustments to total taxable income from all sources (see General Instructions K(2), K(4), and K(5))
11 Subtract line 10 from line 9
12 Line 8 divided by line 11 (if line 8 is greater than line 11, enter the figure "1")
13 Total U.S. income tax against which credit is allowed (after section 936 credit but before any other credit)
14 Limitation (line 13 multiplied by line 12)
15 Foreign tax credit (line 5 or line 14, whichever is less)

PART III.—Summary of Credits from Separate Forms 1118

1 Credit with respect to section 904(d) interest
2 Credit with respect to dividends from a DISC or former DISC
3 Credit with respect to foreign oil related income
4 Credit with respect to all other income from sources without the United States
5 Total (add lines 1 through 4)
6 Reduction in credit for international boycott operations (see General Instruction N)
7 Total foreign tax credit (subtract line 6 from line 5). Enter here and on your tax return

Schedule C Computation of Taxes Deemed to Have Been Paid by Domestic Corporation Filing This Return

The following lines are for the computation of tax deemed to have been paid by the domestic corporation filing this return with respect to actual or deemed distributions from a first-tier foreign corporation under section 902(a), and constructive distributions from a first-tier, second-tier, or third-tier foreign corporation under section 960(a). Enter the amounts from column 11, in Schedule B, Part I, column 5.

1. Name of Corporation (Identify DISCs and former DISCs)	2. Year (See inst.)	3. Incorporated Under the Laws of (Name of country or U.S. possession)	4. Computation is for (Check applicable box): First-tier Foreign Corporation Under Section—		Second-tier or Third-tier Foreign Corporation Under Section 960(a)	5. Foreign Tax Paid or Accrued on Gains, Profits, and Income for Year (Attach receipt or copy of return)	6. Earnings and Profits for Year (See instructions for exceptions)	7. Dividends Paid (See instructions) (Do not include gross-up dividends)	8. Foreign Tax Paid or Accrued on Accumulated Profits (Enter amount from column 5)	9. Tax Deemed Paid (From Schedule D, column 11)	10. Column 8 Plus Column 9	11. Tax Deemed to Have Been Paid by Domestic Corporation Filing This Return (Column 7 divided by column 6 and multiplied by column 10)
			902(a)	960(a)								
Totals												

Schedule D Computation of Tax Deemed to Have Been Paid by First-tier Foreign Corporations

The following lines are for the computation of tax deemed to have been paid by a first-tier foreign corporation with respect to dividends from a second-tier foreign corporation under section 902(b)(1). Enter the amounts from column 11 in Schedule C, column 9.

1. Name of Foreign Corporation and Its Related Higher-Tier Foreign Corporation	2. Year (See inst.)	3. Incorporated Under the Laws of (Name of country or U.S. possession)	4. Gains, Profits, and Income for Year	5. Foreign Tax Paid or Accrued on Gains, Profits, and Income in Column 4 (Attach receipt or copy of return)	6. Earnings and Profits for Year (Column 4 less column 5)	7. Dividends Paid	8. Foreign Tax Paid or Accrued on Accumulated Profits (Enter amount from column 5)	9. Tax Deemed Paid (From Schedule E, column 11)	10. Column 8 Plus column 9	11. Tax Deemed to Have Been Paid by Related Foreign Corporation (Column 7 divided by column 6 and multiplied by column 10)

Schedule E Computation of Tax Deemed to Have Been Paid by Second-tier Foreign Corporations

The following lines are for the computation of tax deemed to have been paid by a second-tier foreign corporation with respect to dividends from a third-tier foreign corporation under section 902(b)(2). Enter the amounts from column 11 in Schedule D, column 9.

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Department of the Treasury
Internal Revenue Service

Instructions for Form 1118

(Revised January 1980)

Computation of Foreign Tax Credit—Corporations

(References are to the Internal Revenue Code and its regulations)

General Instructions

A. Corporations Required to File Form 1118.—Every corporation that elects the benefits of the foreign tax credit under section 901 must attach Form 1118 to its income tax return. The form must be carefully filled in with all the information called for and with the calculation of credits indicated. (Section 1.905–2(a)(2) of the regulations.)

Note: A regulated investment company that has made an election under section 853 cannot claim the foreign tax credit (or deduction). (Section 853(b)(1).)

B. Foreign Taxes for which Credit May Be Claimed.—The credit may be claimed for income, war profits, and excess profits taxes paid or accrued during the taxable year to any foreign country or to any U.S. possession, and for taxes deemed paid or accrued under sections 902 and 960. (Section 1.901–1(a)(2) of the regulations.)

The term "foreign country" means any foreign state or political subdivision or any foreign political entity that levies and collects income, war profits, or excess profits taxes. (Section 1.901–2 of the regulations.)

The term "income, war profits, and excess profits taxes" includes a tax imposed by statute or decree if: (1) the foreign country or U.S. possession has in force a general income tax law; (2) the corporation claiming the credit would, in the absence of a specific provision applicable to the corporation, be subject to the general income tax; and (3) the general income tax is not imposed on the corporation subject to such substituted tax. (Section 1.903–1(a) of the regulations.)

Any income, war profits, and excess profits taxes paid or accrued to any foreign country in connection with the purchase and sale of oil or gas extracted in such country is not to be considered a tax for purposes of sections 275(a) and 901 if: (1) the taxpayer has no economic interest in the oil or gas to which section 611(a) applies; and (2) either such purchase or sale is at a price which differs from the fair market value for such oil or gas at the time of such purchase or sale. (Section 901(f).)

No credit (or deduction) is allowed for any tax paid or accrued to a foreign country or U.S. possession with respect to taxable income used in computing the section 936 credit. (Section 936(c).)

No credit (or deduction) is allowed for any tax paid or accrued to a foreign country or U.S. possession with respect to any distribution from a corporation to the extent the distribution is attributable to periods during which the corporation is a possessions corporation, and a dividends received deduction is allowable with respect to the distribution, or the extent that the distribution is received in connection with a liquidation or other transaction in which gain or loss is not recognized. (Section 901(g); see section 1051(i)(2) of the Tax Reform Act of 1976 for a limited exception.)

No credit (or deduction) is allowed for any income, war profits, or excess profits taxes paid or accrued to any foreign country or U.S. possession attributable to income excluded under section 819A(a).

A credit is not allowed for excess tax payments to a foreign country with which the U.S. has a tax treaty if such excess would be refunded by the foreign country under a tax treaty or overpayment claim.

No credit is allowed for amounts representing interest or penalties. (Section 1.901–2(a) of the regulations.)

For reduction in the amount of foreign taxes for which a credit may be claimed, see General Instructions I and N.

C. Taxes Against which Credit Is Allowed.—The foreign tax credit is allowed against income tax imposed by chapter 1 (reduced by the section 936 credit) but not against any: (1) minimum tax for tax preferences imposed by section 56; (2) tax on premature distributions to owner employees imposed for the taxable year under section 72(m)(5)(B); (3) tax on lump sum distributions imposed by section 402(e); (4) additional tax on income from certain retirement accounts imposed for the taxable year by section 403(f); (5) tax on accumulated earnings imposed by section 531; (6) personal holding company tax imposed by section 541; (7) additional tax imposed for the taxable year under section 1333 (relating to war loss recoveries); (8) additional tax imposed for the taxable year under section 1351 (relating to recoveries of foreign expropriation losses); (9) increase in tax under section 47 (relating to dispositions of investment credit property); (10) increase in tax under section 50A(c) (relating to early termination by an employer in a WIN program); and (11) tax on certain capital gains of electing small business corporations imposed by section 1378.

Foreign corporations may not take the credit against any tax imposed by section 881 on income not effectively connected with the conduct of a trade or business within the U.S.

D. No Deduction if a Credit Is Claimed.—If a corporation elects for any taxable year to claim a credit for taxes to any extent, the election will apply to income, war profits, and excess profits taxes paid or accrued in the taxable year to all foreign countries and U.S. possessions and no portion of the tax will be allowed as a deduction in the taxable year or any succeeding taxable year. (Section 1.901–1(c) of the regulations.)

The election for any taxable year may be made or changed at any time before the end of the period prescribed for making a claim for credit or refund of tax for the taxable year. (Section 901(a).)

Members of an affiliated group electing under section 243 to deduct 100% of qualifying dividends received from members of the same affiliated group are treated as one taxpayer for purposes of making the election under section 901(a). (Section 243(b)(3)(B).)

E. When Foreign Tax Credit Can be Taken.—You can take the credit for the year in which the taxes were paid or accrued depending on the method of accounting used. However, if you report on the cash basis, you can elect to claim the credit for accrued taxes. You can make the election by checking the appropriate box in the heading for column 1 of Schedule B. This election must be followed in all subsequent years. (Section 905(a).)

F. Credit for Tax Accrued But Not Paid.—If you claim a credit for tax accrued but not paid, Internal Revenue may require you to furnish a bond on Form 1117 as a condition precedent to the allowance of the credit. (Section 1.905–4 of the regulations.)

G. Proof of Credits.—Payment or accrual of each item of foreign tax for which you claim a credit must be substantiated by attaching to Form 1118 a receipt if the tax is paid, or the foreign tax return on which the tax is based if the tax is accrued but not paid. If such receipt or return is in a foreign language, a certified translation must also be attached. Internal Revenue may accept secondary evidence of foreign taxes paid or accrued if it can be established to its satisfaction that it is impossible to furnish a receipt, return, or direct evidence of tax withheld. (Section 1.905–2 of the regulations.)

Foreign taxes paid or accrued by a foreign corporation for which a deemed paid credit is claimed under section 902 or 960 must be similarly substantiated. (Secs. 1.902–1(j) and 1.960–1(f) of the regs.)

H. Credit for Taxes of Foreign Corporations Deemed to Have Been Paid.—

(1) Under Section 902.—If a domestic corporation owns 10% or more of the voting stock of a foreign corporation (first tier foreign corporation) from which it receives a dividend, the domestic corporation is deemed to have paid a proportionate amount of the foreign income, war profits, and excess profits taxes paid, accrued, or deemed paid by the first tier foreign corporation. (Section 902(a).)

If the first-tier foreign corporation owns 10% or more of the voting stock of a second-tier foreign corporation from which it receives a dividend, and the product of 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 equals at least 5%, the first tier foreign corporation is deemed to have paid a proportionate amount of the foreign income, war profits, and excess profits taxes paid, accrued or deemed paid by the second tier foreign corporation. (Sec. 902(b)(1).)

If the second-tier foreign corporation owns 10% or more of the voting stock of a third-tier foreign corporation from which it receives a dividend, and the product of 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 equals at least 5%, the second-tier foreign corporation is deemed to have paid a proportionate amount of the foreign income, war profits, and excess profits taxes paid or accrued by the third-tier foreign corporation. (Section 902(b)(2).)

You may not claim a credit under section 902 for taxes paid by a registered foreign investment company to which the election under section 1247(i) applies. (Section 1.1247–4(b)(2)(vii) of the regs.)

For purposes of section 904, all foreign income taxes paid or deemed paid by a first-tier foreign corporation and deemed paid by the domestic corporation under section 902, are deemed to have been paid to the foreign country or U.S. possession under the laws of which such first-tier foreign corporation is created or organized. (Section 1.902–1(h)(2) of the regs.)

(2) Under Section 960(a).—If a domestic corporation is required under section 951 to include in gross income an amount attributable to the earnings and profits of a foreign corporation (first-tier foreign corporation) of which it owns 10% or more of the voting stock, or of a foreign corporation (second-tier foreign corporation) of which such first-tier foreign corporation owns 50% or more of the voting stock, the domestic corporation is deemed to have paid a proportionate amount of the foreign income, war profits, and excess profits taxes paid, accrued, or deemed paid by such first-tier foreign corporation, or paid or accrued by such second-tier foreign corporation. (Section 1.960–1(c)(1) of the regulations.)

For amounts included in gross income under section 951, a credit is allowed for taxes deemed to have been paid by a third-tier foreign corporation, and the percentage-of-voting-stock requirements are the same as under section 902.

(3) Mixed Application of Sections 902 and 960(a).—Section 902(b)(1) applies to all dividends received by a first-tier foreign corporation from a second-tier foreign corporation (as defined for purposes of section 960(a)) other than dividends attributable to earnings and profits of such second-tier foreign corporation in respect of which an amount is, or has been, included in the gross income of a domestic corporation under section 951 with respect to such second tier foreign corporation. (Section 1.960–2(b) of the regulations.)

Section 902(a) applies to all dividends received by the domestic corporation for its taxable year from a first-tier foreign corporation, other than dividends attributable to earnings and profits of such first-tier foreign corporation in respect of which an amount is, or has been, included in the gross income of a domestic corporation under section 951 with respect to such first-tier foreign corporation. (Section 1.960–2(c)(1) of the regulations.)

If a first-tier foreign corporation for its taxable year receives from a second-tier foreign corporation (as defined for purposes of section 960(a)) dividends to which section 902(b)(1) applies and other dividends to which section 902(b)(1) does not apply, then in applying sections 902(a) and 960(a) with respect to the foreign income taxes deemed paid under section 902(b)(1) by such first-tier foreign corporation for such taxable year, the earnings and profits of the first-tier foreign corporation shall be considered not to include its earnings and profits attributable to such other dividends from the second-tier foreign corporation, and for purposes of so applying section 902(a), distributions to the domestic corporation from such earnings and profits which are attributable to such other dividends from the second-tier foreign corporation shall not be treated as a dividend. (Section 1.960–2(d) of the regulations.)

Computations under section 902 must also make allowance for any taxes deemed to have been paid by a third-tier foreign corporation under section 960(a).

(4) Entities Treated as Foreign.—For purposes of the deemed paid credit, the term "foreign corporation" includes: (1) a DISC or former DISC (as defined in section 992(a)), but only with respect to dividends from the DISC or former DISC to the extent such dividends are treated under sections 861(a)(2)(D) and 862(a)(2) as income from sources without the U.S.; and (2) a contiguous country life insurance branch, where an amount is added to the life insurance taxable income of the domestic life insurance company by reason of section 819A(e)(2). (Secs. 901(d) and 819A(f)(1).)

(5) Dividend Gross-up.—Under section 78, taxes deemed paid by a domestic corporation under sections 902 and 960(a) with respect to distributions by a foreign corporation must be included in income as dividend gross-up. (See section 1.960–3(b) of the regulations for exceptions.)

I. Reduction in Foreign Taxes.—

(1) Taxes on Foreign Oil and Gas Extraction Income.—The amount of any foreign taxes paid, accrued, or deemed paid with respect to foreign oil and gas extraction income which may be taken into account for purposes of section 901 must be reduced by the amount (if any) by which the amount of such taxes exceeds the product of the amount of foreign oil and gas extraction income for such taxable year and the applicable percentage from Section 907(a)(2). (Section 907(a).)

For computation of the reduction, see separate Schedule F, Form 1118.

(2) Taxes on Foreign Mineral Income.—The amount of any income, war profits, and excess profits taxes paid or accrued, or deemed paid during the taxable year to any foreign country or U.S. possession with respect to foreign mineral income derived from sources within such country or possession must be reduced by the lesser of (a) the amount of such foreign taxes minus the amount of U.S. tax computed under Chapter 1 of the Code with respect to such foreign mineral income, or (b) the amount of U.S. tax which would be computed under Chapter 1 of the Code with respect to such foreign mineral income without regard to the deduction for percentage depletion under section 613 minus the amount of U.S. tax computed under Chapter 1 of the Code with respect to such foreign mineral income. The reduction must be made on a country-by-country basis. (Section 1.901–3(a)(1) of the regulations.)

The reduction applies only if a deduction for percentage depletion under section 613 was allowed with respect to any part of such foreign mineral income. (Section 1.901–3(a)(3)(i) of the regulations.)

A schedule must be attached showing the computation described in (a) and (b) above of the foreign and U.S. tax with respect to foreign mineral income. (Section 1.901–3(a)(3)(iv) of the regulations.)

(3) Affiliated Groups Which Include One or More Western Hemisphere Trade Corporations.—If an affiliated group which includes one or more Western Hemisphere trade corporations files a consolidated return, the amount of taxes paid or accrued to foreign countries and U.S. possessions by such Western Hemisphere trade corporations must be reduced by the amount (if any) by which the smaller of (a) the amount of such taxes or (b) the amount of tax which would be computed under section 1503(a) if such corporations were not Western Hemisphere trade corporations with respect to the portion of the consolidated taxable income attributable to such corporations, exceeds the amount of tax computed under section 1503(a) with respect to the portion of the consolidated taxable income attributable to such corporations. Adjust the reduction if the Western Hemisphere trade corporations are regulated public utilities. (Section 1503(b).)

If a Western Hemisphere trade corporation is a member of an affiliated group and derives foreign oil and gas extraction income for the tax year, the reduction for foreign taxes with respect to such income is the greater of the reduction determined as described above applied separately to such taxes or the reduction determined as described in instruction I(1).

(4) Failure to Furnish Return Required under Section 6038.—For each failure of a domestic corporation to furnish any return or any information in any return required under authority of section 6038 on or before the prescribed date, in the application of sections 902 and 960, all taxes paid or deemed paid by all foreign corporations controlled by such domestic corporation must be reduced by 10%, and in the application of section 901 all taxes paid or deemed paid (except taxes deemed paid under section 904(d) and taxes reduced in the application of sections 902 and 960) by such corporation must be reduced by 10%. If such failure continues for 90 days or more after the date of written notice by Internal Revenue to such domestic corporation, the reductions are 10% plus 5% for each three-month period or fraction thereof during which such failure continues after expiration of the 90-day period. (Sec. 1.6038–2(l) of the regs.)

J. Limitation on Credit.—

The credit must be computed using the overall limitation. Under the overall limitation, the credit is limited to that percentage of the total U.S. income tax against which the credit is allowed which taxable income from sources without the U.S. (but not in excess of total taxable income) is of total taxable income. (Section 904(a).)

The credit must be computed separately (using a separate Form 1118) for foreign taxes paid or accrued with respect to: (1) section 904(d) interest income; (2) dividends from a DISC or former DISC; (3) foreign oil related income; and (4) all other income from sources without the U.S. On each Form 1118, the credit must be computed using the overall limitation.

The limitation may be increased under section 960(b) in a taxable year in which you receive a distribution of earnings and profits in respect of which you were required under section 951 to include an amount in gross income for a prior taxable year. See section 960 and section 1.960–4 of the regulations for computation of the increase in the limitation.

K. Computation of Taxable Income.—

(1) General Source Rules.—Determine gross income, applicable deductions, and taxable income from sources without the U.S. and within each foreign country or U.S. possession in accordance with sections 638 and 861 through 864 and the related regulations, and applicable tax treaties. All income from sources without the U.S., including high seas income, must be taken into account.

(2) Capital Gains.—Taxable income from sources without the U.S. includes gain from the sale or exchange of capital assets (including any gain so treated under section 1231) only in an amount equal to foreign source capital gain net income (lesser of capital gain net income from sources without the U.S. or capital gain net income) reduced by the "rate differential portion" of foreign source net capital gain (lesser of net capital gain from sources without the U.S. or net capital gain).

Section 904(b)(3)(E) defines the "rate differential portion" as the proportion of the excess of the highest rate of tax specified in section 11(b) over the alternative rate of tax under section 1201(a) bears to the highest rate of tax specified in section 11(b). For taxable years beginning on or after January 1, 1979, the rate differential portion is 9/23.

For purposes of the credit, taxable income from all sources includes gain from the sale or exchange of capital assets only in an amount equal to capital gain net income reduced by the "rate differential portion" of net capital gain. (See above.)

Any net capital loss and any amount which is a short-term capital loss under section 1212(a) from sources outside the U.S., to the extent taken into account in determining capital gain net income, is reduced by the "rate differential portion" of the excess of net capital gain from sources within the U.S. over net capital gain.

Generally, the term "capital gain net income" means the excess of the gains from the sales or exchanges of capital assets over the losses from such sales or exchanges.

See section 904(b)(3)(C) for gain from sources without the U.S. treated as gain from sources within the U.S. in case of sales or exchanges of certain personal property. However, see section 904(b)(3)(D) for exceptions to this rule with respect to gain in liquidation of certain foreign corporations.

(3) Recapture of Foreign Losses.—Generally, if in any taxable year you sustain an overall foreign loss, then in each succeeding taxable year you must treat as income from sources within the U.S. a portion of your taxable income from sources without the U.S. That portion is the lesser of: (a) the amount of the overall foreign loss not recaptured in prior years; or (b) 50% (or any higher percentage you choose) of your taxable income from sources without the U.S. Generally, an "overall foreign loss" is the amount by which gross income from sources without the U.S. is exceeded by the total deductions applicable to such income. However, see section 904(f) for certain losses not taken into account and special rules governing dispositions of property used predominantly outside the U.S. in a trade or business. See also sections 1031(c) and 1032(c) of the Tax Reform Act of 1976 and the amendments made to these sections by sections 701(u)(5), (6), and (7) of the Revenue Act of 1978 for certain exemptions and transition rules.

See section 904(f)(4) for the determination of foreign oil related losses.

(4) Coordination with section 936.—Taxable income used in computing the section 936 credit is excluded from taxable income in computing the foreign tax credit limitation. (Section 904(b)(4).)

(5) Foreign Corporations Claiming Credit.—For purposes of computing the foreign tax credit limitation, taxable income includes only taxable income that is effectively connected with the conduct of a trade or business within the U.S. (Section 906(b)(2).)

L. Carryback and Carryover of Excess Taxes Paid.—

Taxes paid or accrued, or deemed paid under sections 902 and 960, to any foreign country or U.S. possession (reduced as described in General Instructions I) in excess of the applicable limitation may be carried back 2 years and then forward 5 years. The excess must first be applied to the earliest of the 7 years to which it may be carried, then to the next earliest year, etc. (Section 904(c).)

If a credit was not claimed in a taxable year to which the excess is carried, the excess is considered used in such year in the same manner as though a credit had been claimed. (Sec. 1.904–2(c) of the regs.)

The carryback and carryover provisions must be applied separately to the excess with respect to: (1) Section 904(d) interest income; (2) dividends from a DISC or former DISC; (3) foreign oil related income; (4) income from sources within U.S. possessions, if the credit is being carried back to years beginning before 1979; and (5) all other income from sources without the U.S. (Sections 904(d)(1) and 907(b), and section 1031(c)(3) of the Tax Reform Act of 1976.)

If you used the per-country limitation in your last taxable year beginning before January 1, 1976, see the transition rules in section 904(e) for computing carrybacks to years beginning before January 1, 1976 and carryovers to years beginning after December 31, 1975.

See section 907(f) for rules governing the carryback and carryover of oil and gas extraction taxes paid or accrued in excess of the section 907(a) limitation.

M. Foreign Corporations Claiming Foreign Tax Credit.—Section 906 allows foreign corporations a foreign tax credit for income, war profits, and excess profits taxes paid or accrued (or deemed paid or accrued under section 902) to any foreign country or U.S. possession with respect to income effectively connected with the conduct of a trade or business within the U.S. The credit is not applicable, however, if the tax is imposed by a foreign country or U.S. possession on income from U.S. sources solely because the foreign corporation was created or organized under the law of the foreign country or possession or is domiciled there for tax purposes.

The credit cannot be taken against any tax imposed by section 881 on income not effectively connected with a U.S. business.

For purposes of section 902(a) (relating to tax deemed paid) and section 78 (relating to dividend gross-up), a foreign corporation claiming a foreign tax credit will be treated as a domestic corporation.

N. Reduction of Credit for International Boycott Operations.—Generally, if a person or any corporation controlled by that person agrees to participate in, or cooperate with an international boycott, that person must file Form 5713 and reduce the total taxes available for credit or the credit otherwise allowable.

If the taxes specifically attributable to boycott operations can be determined, reduce the total taxes available for credit by entering this amount on Schedule B, Part II, line 3. However, if the above determination cannot be made, compute the reduction by multiplying the credit otherwise allowable by the international boycott factor. This reduction shall be made against the credit otherwise allowable and entered on Schedule B, Part III, line 6.

For additional information, see Form 5713 and the Instructions for Form 5713.

O. Method of Reporting.—Report all amounts in U.S. dollars. If it is necessary to convert from foreign currency, attach a statement explaining how you determined the rate.

Specific Instructions for Schedules A through E

Schedule A.—Taxable Income or (Loss) from Sources Without the U.S.

All applicable columns in Schedule A must be completed line by line including the "Totals" line.

In columns 2 through 9 report all gross income or (loss) from sources without the U.S. except: (1) gross income of foreign branches; and (2) gross income from activities described in section 863(b). In columns 11 and 12 report all deductions applicable to gross income reported in columns 2 through 9. See the instructions for columns 14 and 15 for treatment of income of foreign branches and section 863(b) income, respectively.

Report only gross income and deductions applicable to the determination of taxable income from sources without the U.S. of the type for which Form 1118 is being completed.

Column 1.—Enter the names of all foreign countries and U.S. possessions within which income is sourced, and/or to which taxes are paid, accrued, or deemed paid.

High seas income must be shown separately and be properly identified.

Column 2.—Report all dividends (before gross-up) from sources without the U.S., including constructive distributions under section 951. See section 861(a)(2)(A) for treatment of dividends from a domestic corporation which has an election in effect under Section 936 and from other domestic corporations less than 20 percent of whose gross income is derived from sources within the U.S. See section 861(a)(2)(B) for treatment of dividends from a foreign corporation 50 percent or more of whose gross income was effectively connected with the conduct of a trade or business within the U.S.

Column 3.—Enter the dividend gross-up for taxes deemed paid. See General Instruction H(5) for an explanation.

Column 4.—If interest is excluded from section 904(d) interest by virtue of section 904(d)(2)(C) or (D), attach a schedule showing in detail the manner in which the 10% direct or indirect ownership requirements are met.

Column 6.—Include gross income, whether in the form of compensation, commissions, fees, or otherwise derived from the performance of technical, managerial, engineering, construction, scientific or similar services. Do not include gross income from services performed through a foreign branch.

Column 7.—If there is gain on the sale or exchange of capital assets from sources outside the U.S., enter the entire amount of the gain in column 7. Also, see the instruction for column 11(d).

If there is a net capital loss or short-term capital from sources outside the U.S., see instruction K(2) for the reduction required in certain cases.

Column 9.—Include all other gross income from sources without the U.S., except net income of foreign branches and gross income from activities described in section 863(b). Attach a schedule identifying the gross income by type and by foreign country or U.S. possession of source.

Column 11(d).—Include all other deductions definitely allocable to income from sources without the U.S. (dividends, interest, etc.) except deductions allocable to income of foreign branches and section 863(b) income.

Report the reduction of foreign source net capital gain here. (See Instruction K(2).)

Column 12.—Section 862(b) provides that a ratable part of expenses, losses, and other deductions which cannot definitely be allocated to some item or class of gross income shall be deducted from gross income from sources without the U.S. in arriving at taxable income from sources without the U.S. Report in column 12 only that ratable part which applies to gross income reported in columns 2 through 9. Attach a schedule showing in detail the determination of this ratable part.

Column 14.—Attach a schedule showing in detail the determination of taxable income or (loss) of each foreign branch. Include, for each foreign branch, an income statement, balance sheet, and schedule of midyear remittances.

Column 15.—Section 863(b) and the regulations thereunder provide special rules for determining taxable income from sources without the U.S. with respect to gross income derived partly within and partly without the U.S. Report in column 15 taxable income or (loss) apportioned to sources without the U.S. under these special rules. (Taxable income of foreign branches from sources without the U.S. determined under these special rules should be reported in column 14, not column 15.) Attach a schedule showing gross income, definitely allocable deduction, the ratable part of deductions not definitely allocable, and the apportionment of taxable income to sources within and without the U.S.

Schedule B

Part I.—Foreign Taxes Paid or Accrued and Deemed to Have Been Paid

All applicable columns in Schedule B, Part I must be completed line by line including the totals line.

Report only foreign taxes paid or accrued and deemed paid with respect to the type of income for which Form 1118 is being completed.

Column 1.—If you claim a credit for taxes accrued, show both the date accrued and the date paid (if paid). (See General Instruction E.)

Column 2.—Enter the type of tax (income, war profits, or excess profits).

Column 4.—Enter foreign taxes paid or accrued on the line for the country or U.S. possession imposing the tax. Report all amounts in U.S. dollars. If amounts were converted from foreign currency, attach a schedule showing in detail how the conversion rates were determined. See General Instruction G for proof of credits required.

Include in column 4(g) tax withheld at source on income other than dividends, interest, rents, royalties, and license fees, and all other foreign taxes paid or accrued. Do not include taxes deemed to have been paid, which are reported in column 5.

Column 5.—Enter the tax deemed paid to each foreign country or U.S. possession from column 11, Schedule C.

Part III.—Summary of Credits from Separate Forms 1118.

Complete Schedule B, Part III on only one Form 1118. Enter the credits from Schedule B, Part II, line 15 of the separate Forms 1118 on lines 1 through 4.

Schedule C.—Computation of Taxes Deemed to Have Been Paid by Domestic Corporation Filing this Return

Column 2.—If dividends are from the accumulated profits of more than 1 year, the tax deemed to have been paid must be computed and shown on a separate line for each year.

Computations under section 902(a) and 960(a) for a first-tier foreign corporation, even though for the same year, must be made on separate lines. Further, separate lines must be used for computations under sections 902(a) and 960(a) with respect to the foreign income taxes deemed paid by a first-tier foreign corporation under section 902(b)(1). (See General Instruction H(3).)

Column 3.—If computation is for a second-tier or third-tier foreign corporation under section 960(a), also indicate (in parentheses) the country of incorporation of the first-tier foreign corporation of such second-tier or third-tier foreign corporation.

Column 5.—See General Instruction G for proof of credit required, and General Instruction I(4) for reduction of foreign taxes for failure to furnish information required under section 6038.

Column 6.—See General Instruction H(3) for exclusions from the earnings and profits of a first-tier foreign corporation for purposes of applying sections 902(a) and 960(a) with respect to the foreign income taxes deemed paid by such first-tier foreign corporation under section 902(b)(1).

Column 7.—Enter the amount of dividends: (1) paid or constructively distributed by the related foreign corporation to the domestic corporation; and (2) paid or deemed distributed by the DISC or former DISC to the domestic corporation.

See General Instruction H(3) for certain distributions made by a first-tier foreign corporation to the domestic corporation which are not treated as dividends for purposes of applying section 902(a) with respect to the foreign income taxes deemed paid by such first-tier foreign corporation under section 902(b)(1).

For purposes of section 902, Internal Revenue may determine from which year's accumulated profits the dividends were paid. In making the determination, Internal Revenue will, unless it is otherwise established to its satisfaction, treat any dividends which are paid in the first 60 days of any taxable year as having been paid from the accumulated profits of the preceding taxable year or years, and will treat dividends which are paid after the first 60 days of any taxable year as having been paid from the most recently accumulated profits.

Column 8.—The gains, profits, and income are determined by the gains, profits, and income from all sources, whether or not subject to foreign tax, for the year from which the dividends (column 7) were paid.

Schedule D.—Computation of Tax Deemed to Have Been Paid by First-tier Foreign Corporations

Column 1.—Enter the name of the second-tier foreign corporation and its related first-tier foreign corporations.

Column 2.—If dividends are from the accumulated profits of more than 1 year, the tax deemed to have been paid must be computed and shown on a separate line for each year.

Column 5.—Same as Schedule C.

Column 7.—Enter the amount of dividends paid by the second-tier foreign corporation to the first-tier foreign corporation to which section 902(b)(1) applies. (See General Instruction I(3).)

Column 8.—Same as Schedule C.

Column 11.—Carry the amount of tax deemed to have been paid to Schedule C, column 9 and enter on the line for the related first-tier foreign corporation.

Schedule E.—Computation of Tax Deemed to Have Been Paid by Second-tier Foreign Corporations

Column 1.—Enter the name of the third-tier foreign corporation and its related second-tier foreign corporation.

Column 2.—Same as Schedule D.

Column 5.—Same as Schedule C.

Column 7.—Enter the amount of dividends paid by the third-tier foreign corporation to the second-tier foreign corporation.

Column 8.—Same as Schedule C.

Column 10.—Enter the amount from column 8.

Column 11.—Carry the amount of tax deemed to have been paid to Schedule D, column 9 and enter on the line for the appropriate year of the related second-tier foreign corporation.

Schedule F.—Computation of Reduction of Oil and Gas Extraction Taxes

Attach Schedule F (Form 1118) if you derived any foreign oil and gas extraction income during the taxable year.

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SCHEDULE F (Form 1118) (Rev. Jan. 1979) Department of the Treasury Internal Revenue Service

Computation of Reduction of Oil and Gas Extraction Taxes

▶ Attach to Form 1118.

For calendar year 19........, or other taxable year beginning ...., 19........, and ending ...., 19........

Name | Employer identification number

Part I.—Foreign Oil and Gas Extraction Income and Taxes

1. Name of foreign country (Use a separate line for each country)	Gross Income From Sources Outside the U.S. and U.S. Possessions: 2. From extraction of minerals from oil or gas wells	3. From sale or exchange of assets	4. Dividends from a foreign corporation	5. Constructive distributions under section 951(a)	6. Distributive share of the income of partnerships	7. Total (Add columns 2 through 6)
A						
B						
C						
D						
E						
F						
G						
Totals (Add lines A through G)						

	DEDUCTIONS: 8. Definitely allocable deductions	9. Ratable part of deductions not definitely allocable	10. Total (Add columns 8 and 9)	11. Taxable income (Column 7 less column 10)	OIL AND GAS EXTRACTION TAXES (Attach schedule): 12. Paid or accrued	13. Deemed paid	14. Total (Add columns 12 and 13)
A							
B							
C							
D							
E							
F							
G							
Totals							

Schedule F (Form 1118) (Rev. 1-79) Page 2

Part II.—Computation of Reduction Under Section 907(a)

1 Total Taxable Income (From Part I, column 11, "Totals" line)	
2 Line 1 times the highest rate of tax specified in section 11(b) (See Instructions)	
3 Total taxes (From Part I, column 14, "Totals" line)	
4 Carryover or carryback under section 907(f) (Attach schedule)	
5 Total taxes before reduction (Line 3 plus line 4)	
6 Reduction: the excess, if any, of line 5 over line 2. Enter here and on Form 1118, Schedule B, Part II, line 3	

General Instructions

(References are to the Internal Revenue Code)

A. Corporations Required to File Schedule F (Form 1118).—Complete Schedule F (Form 1118) if you claim a credit for any income, war profits, and excess profits taxes paid, accrued, or deemed to have been paid during the taxable year with respect to foreign oil and gas extraction income. *(Section 907(a).)*

B. Method of Reporting.—Report all amounts in U.S. dollars. If it is necessary to convert from foreign currency, attach a statement explaining how you determined the rate.

Specific Instructions

Part I

Column 2.—Enter gross income derived from sources without the U.S. and U.S. possessions from extraction (by you or any other person) of minerals from oil or gas wells. *(Section 907(c)(1)(A).)*

Column 3.—Enter gross income derived from the sale or exchange of assets used in the trade or business of extracting minerals from oil or gas wells from sources without the U.S. and U.S. possessions. *(Section 907(c)(1)(B).)*

Column 4.—Enter dividends from a foreign corporation in respect of which taxes are deemed paid under section 902 to the extent such dividends are attributable to foreign oil and gas extraction income. *(Section 907(c)(3)(A).)*

Column 5.—Enter amounts with respect to which taxes are deemed paid under section 960(a) to the extent such amounts are attributable to foreign oil and gas extraction income. *(Section 907(c)(3)(C).)*

Column 6.—Enter your distributive share of partnership income to the extent that such share is attributable to foreign oil and gas extraction income. *(Section 907(c)(3)(D).)*

Columns 12 and 13.—The attached schedule must show in detail the determination of the amount of foreign taxes paid, accrued, or deemed paid with respect to foreign oil and gas extraction income.

Part II

Line 2.—For taxable years beginning on or before January 1, 1978, that end after 1976, the applicable percentage is 48%.

For taxable years beginning after December 31, 1978, the applicable percentage is 46%.

For taxable years beginning after January 1, 1978 that end in 1979, the applicable percentage must be prorated under rules contained in section 21.

Line 4.—The carryover or carryback is only applicable to taxes paid or accrued in taxable years ending after October 4, 1976.

Line 6.—Carry the amount from line 6 to the Form 1118 on which the credit with respect to foreign oil related income is being computed.

☆ U.S. GOVERNMENT PRINTING OFFICE : 1979—O-263-433

Form **1120** Department of the Treasury Internal Revenue Service

U.S. Corporation Income Tax Return

For calendar year 1981 or other tax year beginning ...., 1981, ending ...., 19......

▶ For Paperwork Reduction Act Notice, see page 1 of the Instructions

OMB No. 1545-0123 **1981**

Check if a—
A. Consolidated return ☐
B. Personal Holding Co. ☐
C. Business Code No. (See page 9 of Instructions)

Use IRS label. Otherwise please print or type. — Name; Number and street; City or town, State, and ZIP code

D. Employer identification number
E. Date incorporated
F. Total assets (see Specific Instructions) $

Gross Income

1 (a) Gross receipts or sales $ .... (b) Less returns and allowances $ .... Balance ▶	1(c)	
2 Cost of goods sold (Schedule A) and/or operations (attach schedule)	2	
3 Gross profit (subtract line 2 from line 1(c))	3	
4 Dividends (Schedule C)	4	
5 Interest on obligations of the United States and U.S. instrumentalities	5	
6 Other interest	6	
7 Gross rents	7	
8 Gross royalties	8	
9 (a) Capital gain net income (attach separate Schedule D)	9(a)	
(b) Net gain or (loss) from Form 4797, line 11(a), Part II (attach Form 4797)	9(b)	
10 Other income (see instructions—attach schedule)	10	
11 TOTAL income—Add lines 3 through 10	11	

Deductions

12 Compensation of officers (Schedule E)	12	
13 (a) Salaries and wages .... 13(b) Less WIN and jobs credit(s) .... Balance ▶	13(c)	
14 Repairs (see instructions)	14	
15 Bad debts (Schedule F if reserve method is used)	15	
16 Rents	16	
17 Taxes	17	
18 Interest	18	
19 Contributions (not over 5% of line 30 adjusted per instructions)	19	
20 Amortization (attach schedule)	20	
21 Depreciation from Form 4562 (attach Form 4562) .... less depreciation claimed in Schedule A and elsewhere on return .... Balance ▶	21	
22 Depletion	22	
23 Advertising	23	
24 Pension, profit sharing, etc. plans (see instructions)	24	
25 Employee benefit programs (see instructions)	25	
26 Other deductions (attach schedule)	26	
27 TOTAL deductions—Add lines 12 through 26	27	
28 Taxable income before net operating loss deduction and special deductions (subtract line 27 from line 11)	28	
29 Less: (a) Net operating loss deduction (see instructions—attach schedule) . . 29(a)		
(b) Special deductions (Schedule C) . . 29(b)	29	
30 Taxable income (subtract line 29 from line 28)	30	

Tax

31 TOTAL TAX (Schedule J)	31	
32 Credits: (a) Overpayment from 1980 allowed as a credit		
(b) 1981 estimated tax payments		
(c) Less refund of 1981 estimated tax applied for on Form 4466 ( )		
(d) Tax deposited: Form 7004 .... Form 7005 (attach) .... Total ▶		
(e) Credit from regulated investment companies (attach Form 2439)		
(f) Federal tax on special fuels and oils (attach Form 4136 or 4136–T)	32	
33 TAX DUE (subtract line 32 from line 31). See instruction C3 for depositary method of payment. (Check ▶ ☐ if Form 2220 is attached. See instruction D.) ▶ $	33	
34 OVERPAYMENT (subtract line 31 from line 32)	34	
35 Enter amount of line 34 you want: Credited to 1982 estimated tax ▶ .... Refunded ▶	35	

Please Sign Here — 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 preparer has any knowledge.

Signature of officer | Date | Title

Paid Preparer's Use Only — Preparer's signature ▶ | Date | Check if self-employed ▶ ☐ | Preparer's social security no.
Firm's name (or yours, if self-employed) and address ▶ | E.I. No. ▶ | ZIP code ▶

Form 1120 (1981) Page 2

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—Add lines 1 through 4	
6 Inventory at end of year	
7 Cost of goods sold—Subtract line 6 from line 5. Enter here and on line 2, page 1	

8 (a) Check all methods used for valuing closing inventory: (i) ☐ Cost (ii) ☐ Lower of cost or market as described in Regulations section 1.471-4 (see instructions) (iii) ☐ Writedown of "subnormal" goods as described in Regulations section 1.471-2(c) (see instructions)
(b) Did you use any other method of inventory valuation not described above? ☐ Yes ☐ No
If "Yes," specify method used and attach explanation ▶
(c) Check if the LIFO inventory method was adopted this tax year for any goods (If checked, attach Form 970.) ☐
(d) If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO
(e) If you are engaged in manufacturing, did you value your inventory using the full absorption method (Regulations section 1.471-11)? ☐ Yes ☐ No
(f) Was there any substantial change in determining quantities, cost, or valuations between opening and closing inventory? ☐ Yes ☐ No
If "Yes," attach explanation.

Schedule C Dividends and Special Deductions (See instructions for Schedule C)

	(A) Dividends received	(B) %	(C) Special deductions: multiply (A) X (B)
1 Domestic corporations subject to 85% deduction		85	
2 Certain preferred stock of public utilities		59.13	
3 Foreign corporations subject to 85% deduction		85	
4 Wholly-owned foreign subsidiaries subject to 100% deduction (section 245(b))		100	
5 Total—Add lines 1 through 4. See instructions for limitation			
6 Affiliated groups subject to the 100% deduction (section 243(a)(3))		100	
7 Other dividends from foreign corporations not included in lines 3 and 4			
8 Income from controlled foreign corporations under subpart F (attach Forms 3646)			
9 Foreign dividend gross-up (section 78)			
10 DISC or former DISC not included in line 1 (section 246(d))			
11 Other dividends			
12 Deduction for dividends paid on certain preferred stock of public utilities (see instructions)			
13 Total dividends—Add lines 1 through 11. Enter here and on line 4, page 1 ▶			
14 Total deductions—Add lines 5 through 12. Enter here and on line 29(b), page 1 ▶			

Schedule E Compensation of Officers (See instruction for line 12)

1. Name of officer	2. Social security number	3. Time devoted to business	Percent of corporation stock owned: 4. Common	5. Preferred	6. Amount of compensation	7. Expense account allowances
Total compensation of officers—Enter here and on line 12, page 1						

Schedule F Bad Debts—Reserve Method (See instruction for line 15)

1. Year	2. Trade notes and accounts receivable outstanding at end of year	3. Sales on account	Amount added to reserve: 4. Current year's provision	5. Recoveries	6. Amount charged against reserve	7. Reserve for bad debts at end of year
1976						
1977						
1978						
1979						
1980						
1981						

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Schedule J Tax Computation (See instructions for Schedule J on pages 7 and 8)

Note: *Fiscal year corporations, see instructions on pages 10 and 11. Omit line 1, complete line 2(a) and, if applicable, line 2(b), and enter on line 3, the amount from line 44, Part III, of the fiscal year worksheet provided on page 11 of the instructions.*

1 Taxable income (line 30, page 1)
2 (a) Are you a member of a controlled group? ☐ Yes ☐ No
(b) If "Yes," see instructions and enter your portion of the $25,000 amount in each taxable income bracket:
(i) $ .... (ii) $ .... (iii) $ .... (iv) $ ....
3 Income tax (see instructions to figure the tax; enter this tax or alternative tax from Schedule D, whichever is less). Check if from Schedule D ▶ ☐
4 (a) Foreign tax credit (attach Form 1118)
(b) Investment credit (attach Form 3468)
(c) Work incentive (WIN) credit (attach Form 4874)
(d) Jobs credit (attach Form 5884)
(e) Other credits (see instructions—attach forms and schedule)
5 Total—Add lines 4(a) through 4(e)
6 Subtract line 5 from line 3
7 Personal holding company tax (attach Schedule PH (Form 1120))
8 Tax from recomputing prior-year investment credit (attach Form 4255)
9 Minimum tax on tax preference items (see instructions—attach Form 4626)
10 Total tax—Add lines 6 through 9. Enter here and on line 31, page 1

Additional Information (See page 8 of instructions) Yes No

G 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 attending conventions or meetings outside the North American area? (See section 274(h))
(4) Employees' families at conventions or meetings?
If "Yes," were any of these conventions or meetings outside the North American area? (See section 274(h))
(5) Employee or family vacations not reported on Form W-2?

H (1) Did you at the end of the tax 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 identifying number, (b) percentage owned; (c) taxable income or (loss) (e.g., if a Form 1120: from Form 1120, line 28, page 1) of such corporation for the tax year ending with or within your tax year, (d) highest amount owed by you to such corporation during the year; and (e) highest amount owed to you by such corporation during the year.
(2) Did any individual, partnership, corporation, estate or trust at the end of the tax year own, directly or indirectly, 50% or more of your voting stock? (For rules of attribution, see section 267(c).) If "Yes," complete (a) through (e)
(a) Attach a schedule showing name, address, and identifying number.
(b) Enter percentage owned ▶
(c) Was the owner of such voting stock a person other than a U.S. person? (See instructions)
If "Yes," enter owner's country ▶
(d) Enter highest amount owed by you to such owner during the year ▶
(e) Enter highest amount owed to you by such owner during the year ▶

(Note: For purposes of H(1) and H(2), "highest amount owed" includes loans and accounts receivable/payable.)

I If you were a member of a controlled group subject to the provisions of section 1561, check the type of relationship:
(1) ☐ parent-subsidiary (2) ☐ brother-sister
(3) ☐ combination of (1) and (2) (See section 1563.)

J Refer to page 9 of 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 for each such corporation

L At any time during the tax year, did you have an interest in or a signature or other authority over a bank account, securities account, or other financial account in a foreign country (see instructions)?

M Were you the grantor of, or transferor to, a foreign trust which existed during the current tax year, whether or not you have any beneficial interest in it?
If "Yes," you may have to file Forms 3520, 3520-A or 926.

N During this tax year, did you pay dividends (other than stock dividends and distributions in exchange for stock) in excess of your current and accumulated earnings and profits? (See sections 301 and 316)
If "Yes," file Form 5452. If this is a consolidated return, answer here for parent corporation and on Form 851, Affiliations Schedule, for each subsidiary.

O During this tax year was any part of your tax accounting records maintained on a computerized system?

Form 1120 (1981) Page 4

Schedule L Balance Sheets

ASSETS	Beginning of tax year (A)	(B)	End of tax year (C)	(D)
1 Cash				
2 Trade notes and accounts receivable				
(a) Less allowance for bad debts				
3 Inventories				
4 Gov't obligations: (a) U.S. and instrumentalities				
(b) State, subdivisions thereof, etc.				
5 Other current assets (attach schedule)				
6 Loans to stockholders				
7 Mortgage and real estate loans				
8 Other investments (attach schedule)				
9 Buildings and other depreciable assets				
(a) Less accumulated depreciation				
10 Depletable assets				
(a) Less accumulated depletion				
11 Land (net of any amortization)				
12 Intangible assets (amortizable only)				
(a) Less accumulated amortization				
13 Other assets (attach schedule)				
14 Total assets				
LIABILITIES AND STOCKHOLDERS' EQUITY				
15 Accounts payable				
16 Mtges, notes, bonds payable in less than 1 year				
17 Other current liabilities (attach schedule)				
18 Loans from stockholders				
19 Mtges, notes, bonds payable in 1 year or more				
20 Other liabilities (attach schedule)				
21 Capital stock: (a) Preferred stock				
(b) Common stock				
22 Paid-in or capital surplus				
23 Retained earnings—Appropriated (attach sch.)				
24 Retained earnings—Unappropriated				
25 Less cost of treasury stock		( )		( )
26 Total liabilities and stockholders' equity				

Schedule M-1 Reconciliation of Income Per Books With Income Per Return

1 Net income per books
2 Federal income tax
3 Excess of capital losses over capital gains
4 Income subject to tax not recorded on books this year (itemize)
5 Expenses recorded on books this year not deducted in this return (itemize)
(a) Depreciation $
(b) Contributions carryover $
6 Total of lines 1 through 5
7 Income recorded on books this year not included in this return (itemize)
(a) Tax-exempt interest $
8 Deductions in this tax return not charged against book income this year (itemize)
(a) Depreciation $
(b) Contributions carryover $
9 Total of lines 7 and 8
10 Income (line 28, page 1)—line 6 less 9

Schedule M-2 Analysis of Unappropriated Retained Earnings Per Books (line 24 above)

1 Balance at beginning of year
2 Net income per books
3 Other increases (itemize)
4 Total of lines 1, 2, and 3
5 Distributions: (a) Cash
(b) Stock
(c) Property
6 Other decreases (itemize)
7 Total of lines 5 and 6
8 Balance at end of year (line 4 less 7)

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1981 Department of the Treasury Internal Revenue Service

Instructions for Form 1120 U.S. Corporation Income Tax Return

(References are to the Internal Revenue Code.)

Tax Highlights

Please note these important changes that have been made because of revisions in the tax law based on the Economic Recovery Tax Act of 1981 enacted into law on August 13, 1981.

A. Reduction in Corporate Tax Rates

Effective for tax years beginning after 1981, the tax rates are reduced for the two lowest taxable income brackets. For the taxable income bracket of $25,000 or less, the tax rate will decrease for 1982, from 17% to 16%, and for 1983, to 15%. For the taxable income bracket over $25,000 but not over $50,000, the tax rate will decrease for 1982, from 20% to 19%, and for 1983, to 18%. The remaining tax rates of 30%, 40%, and 46% did not change.

Because of changes in these tax rates, fiscal year 1981–82 corporations must prorate their tax under section 21. Use the worksheet on page 11 of the instructions to make this computation.

B. Depreciation Changes

The Act created a new method of depreciation, the Accelerated Cost Recovery System. You must use this new system to figure depreciation for most assets you placed in service after December 31, 1980. The Act also repealed the election for additional first-year depreciation for assets acquired after December 31, 1980. See Form 4562, Depreciation, for more information.

C. Investment Credit Changes

Numerous changes have been made in investment credit rules that affect accelerated cost recovery property, at risk rules for a personal holding company, certain rehabilitation expenditures, and oil storage facilities. See Form 3468 and Schedule B (Form 3468).

D. Work Incentive (WIN) Credit Expires

Corporations can no longer claim a WIN credit for wages paid or incurred in any tax year beginning after December 31, 1981.

E. Targeted Jobs Credit

The targeted jobs tax credit has been extended to include wages paid or incurred after December 31, 1981. See Publication 906, Targeted Jobs, WIN, and Research Credits, for more information.

F. Research Credit

Effective for tax years ending after June 30, 1981, an income tax credit is allowed for increasing the qualified research expenses in carrying on a trade or business. See Form 6765, Credit for Increasing Research Activities, and Publication 906, Targeted Jobs, WIN, and Research Credits, for more information.

G. Charitable Contributions

Effective August 14, 1981, a corporation (other than a subchapter S corporation, a personal holding company or a service organization) can receive a larger deduction for contributing scientific property used for research to an institution of higher education. For further information, see section 170(e)(4).

Effective for tax years beginning after 1981, a corporation's charitable contribution deduction will increase from 5% to 10% of its taxable income. See section 170(b)(2).

H. Gains and Losses on Straddles

For positions established after June 23, 1981, see sections 1092 and 1234A for rules and definitions to determine gains and losses on straddles. Also, after June 23, 1981, interest and carrying charges on straddles generally can no longer be deducted but must be added to the basis. See section 263(g) and Form 6781, Gains and Losses from Commodity Futures Contracts and Straddle Positions.

I. Gains and Losses on Regulated Futures Contracts Marked to Market

For property acquired and positions established after June 23, 1981, see section 1256 for rules and definitions that apply to determine gains and losses on regulated futures contracts. For an election with respect to such property held on June 23, 1981, see section 508(c) of the Economic Recovery Tax Act of 1981 and Form 6781.

J. Gain or Loss on Certain Short-term Federal, State, and Municipal Obligations

Such obligations acquired after June 23, 1981, are treated as capital assets in determining gain or loss. On any gain realized, a portion is treated as ordinary income and the balance is considered as a short-term capital gain. See section 1232(a)(4).

K. Carryover of Tax Credits

Generally, the carryover period for tax credits (investment credit, WIN credit, jobs credit, and alcohol fuels credit) has been extended from 7 years to 15 years. See section 207(c) of the Economic Recovery Tax Act of 1981.

L. Extension of Net Operating Loss (NOL) Carryovers

Generally, for tax years ending after 1975, the NOL carryover period has been extended from 7 years to 15 years. See section 172(b).

General Instructions

Paperwork Reduction Act Notice

The Paperwork Reduction Act of 1980 says we must tell you why we are collecting this information, how we will use it, and whether you have to give it to us. We ask for the information to carry out the Internal Revenue laws of the United States. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax. You are required to give us this information.

A. Purpose of Form 1120

In general, this form is used to report income, gains, losses, deductions, and credits of U.S. corporations.

B. Filing the Return

Who Must File Form 1120

The organizations listed below must file this form. Note: If an organization more nearly resembles a corporation than a partnership or trust, it will be considered an association taxed as a corporation.

- Domestic corporations, whether or not they have any taxable income, unless exempt under section 501.
- Real estate investment trusts defined in section 856.
- Regulated investment companies defined in section 851.
- Insurance companies described in section 831.

Special Returns for Certain Organizations

Certain organizations, listed below, may have to file special returns.

- Foreign corporations other than life and mutual insurance companies filing Forms 1120L and 1120M: File Form 1120F.
- Life insurance companies (section 802): File Form 1120L.
- Mutual insurance companies (section 821): File Form 1120M.
- Exempt farmers' cooperatives (section 1381): File Form 990–C.
- Exempt organizations with unrelated trade or business income: File Form 990–T.
- Small business corporations (section 1372(a)): File Form 1120S.
- Domestic International Sales Corporations (section 992): File Form 1120–DISC.
- Political organizations (section 527): File Form 1120–POL.
- Homeowners associations (section 528): File Form 1120–H.

When to File

In general, a corporation must file Form 1120 by the 15th day of the 3d month after the end of the tax year. A new corporation filing a short period return must generally file by the 15th day of the 3d month after the short period ends. A corporation that has dissolved must generally file by the 15th day of the 3d month after the date it dissolved.

File Form 7004 to request an automatic 3-month extension of time to file Form 1120.

File Form 7005 to request an additional extension after obtaining an automatic 3-month extension by filing Form 7004.

Period covered.—File the 1981 return for calendar year 1981 and fiscal years that begin in 1981 and end in 1982. For a fiscal year, fill in the tax year space at the top of the form.

Final return.—If the corporation ceases to exist, write "Final return" at the top of the form.

Where to File

If the corporation's principal business, office, or agency is located in	Use the following Internal Revenue Service Center address
New Jersey, New York City and counties of Nassau, Rockland, Suffolk, and Westchester	Holtsville, NY 00501
New York (all other counties), Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont	Andover, MA 05501
Alabama, Florida, Georgia, Mississippi, South Carolina	Atlanta, GA 31101
Michigan, Ohio	Cincinnati, OH 45999
Arkansas, Kansas, Louisiana, New Mexico, Oklahoma, Texas	Austin, TX 73301
Alaska, Arizona, Colorado, Idaho, Minnesota, Montana, Nebraska, Nevada, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming	Ogden, UT 84201
Illinois, Iowa, Missouri, Wisconsin	Kansas City, MO 64999
California, Hawaii	Fresno, CA 93888
Indiana, Kentucky, North Carolina, Tennessee, Virginia, West Virginia	Memphis, TN 37501
Delaware, District of Columbia, Maryland, Pennsylvania	Philadelphia, PA 19255

Corporations having their principal place of business outside the United States or claiming a possessions tax credit (section 936) must file with the Internal Revenue Service Center, Philadelphia, PA 19255.

The separate income tax returns of a group of corporations located in several Service Center regions 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.

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. A receiver, trustee, or assignee must sign and date any return required to be filed on behalf of a corporation.

If your corporate officer filled in Form 1120, the Paid Preparer's space under "Signature of officer" should remain blank. If someone prepares Form 1120 and does not charge the corporation, that person should not sign the return. Certain others who prepare Form 1120 should not sign. For example, a regular, full time employee of the corporation such as a clerk, secretary, etc. does not have to sign. (This list is not all inclusive.)

Generally, anyone who is paid to prepare Form 1120 must sign the return and fill in the other blanks in the Paid Preparer's Use Only area of the return.

If you have questions about whether a preparer is required to sign Form 1120, please contact an IRS office.

The preparer required to sign the return MUST complete the required preparer information and:

- Sign it, by hand, in the space provided for the preparer's signature. (Signature stamps or labels are not acceptable.)
- Give a copy of Form 1120 to the taxpayer in addition to the copy filed with IRS.

Tax return preparers should be familiar with their responsibilities. See Publication 1045, Information and Order Blanks for Preparers of Federal Income Tax Returns, for more details.

C. Figuring and Paying the Tax

1. Accounting

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.)

Corporations engaged in farming operations may be required to use the accrual method of accounting. See section 447 for exceptions to the general rule.

Unless the law specifically permits otherwise, the corporation may change the method of accounting used to report taxable income in earlier years (for income as a whole or for any material item) only by first getting consent on Form 3115, Application for Change in Accounting Method. Also see Publication 538, Accounting Periods and Methods.

Change in accounting period.

Before you can change an accounting period, you must get the Commissioner's approval (Regulation section 1.442–1) by filing Form 1128, Application for Change in Accounting Period. Also see Publication 538, Accounting Periods and Methods.

2. Rounding Off

You may show money items as whole-dollar amounts by dropping amounts under 50 cents and increasing amounts from 50 to 99 cents to the next higher dollar.

3. Depositary Method of Tax Payment

The corporation must pay the tax due either 1. in full when the return is filed or 2. in two equal installments. The installments are due by the 15th day of the 3d month and the 15th day of the 6th month after the end of the tax year.

Deposit corporation income tax payments (and estimated tax payments) with a preinscribed Federal Tax Deposit (FTD) Form 503. Make these tax deposits with either a financial institution qualified as a depositary for Federal taxes or the Federal Reserve Bank or Branch (FRB) servicing the geographic area where the corporation is located. Records of deposits will be sent to IRS for crediting to the corporation's account. See the instructions on the back of Form 503 for more information and exceptions.

Preinscribed FTD Forms 503 will be mailed to the corporation on a regular basis depending on the corporation's tax year. You may apply for these forms from the Internal Revenue Service Center where the corporation files its return. If you do not have these forms when a deposit is due, mail your payment to the Internal Revenue Service Center where the corporation files its return. When applying for FTD Form 503 (and also when making a deposit without FTD Form 503), include the corporation's name, employer identification number, address, and the tax year to which the deposits relate.

Penalty for Overstated Tax Deposits.—If you overstate your deposits, you may be subject to a penalty. See section 6656(b).

4. Estimated Tax

A corporation must make estimated tax payments if it can expect its estimated tax (income tax minus credits) to be $40 or more.

You may use Form 1120–W, Corporation Estimated Tax, as a worksheet to compute estimated tax.

If the corporation overpaid estimated tax, you may be able to get a "quick refund" by filing Form 4466, Corporation Application for Quick Refund of Overpayment of Estimated Tax. The overpayment must be both 1. at least 10% of expected income tax liability and 2. at least $500. To apply, you must file Form 4466 within

Forms and Instructions

2½ months after the end of the tax year and before Form 1120 is filed.

D. Penalties

Avoid penalties and interest by correctly filing and paying the tax when due. The corporation may have to pay the following penalties unless it can show that failure to file or to pay was due to reasonable cause and not willful neglect. (These penalties are in addition to the interest charge on unpaid tax at a rate under section 6621.)

- A corporation that fails to file its tax return when due (including any extensions of time for filing) may be subject to a penalty of 5% a month, up to a maximum of 25%, for each month the return is not filed. (The penalty is imposed on the net amount due.)
- 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.)

A corporation that fails to pay the proper estimated tax when due may be subject to an underpayment penalty for the period of underpayment. For tax years beginning after December 31, 1981, section 6655(h) modifies the exceptions to the penalty in sections 6655(d)(1) and (2), by requiring certain large corporations to make a minimum payment of estimated tax equal to 65% or more of their current year's tax liability to avoid this underpayment penalty.

If the corporation underpaid estimated tax, attach Form 2220, Underpayment of Estimated Tax by Corporations, to show how the corporation figured the penalty or which exceptions the corporation believes it meets. Also be sure to check the box below line 33, Form 1120. If the corporation owes a penalty, enter the amount in the space below line 33.

If there is tax due on line 33, include the amount of the penalty in with the total. If there is a refund due, subtract the amount of the penalty from the overpayment on line 34.

E. Other Forms, Returns, Schedules, and Statements That May Be Required

a. Forms.

The corporation may have to file any of the following:

Forms W–2 and W–3. Employee's wage and tax statement; and Transmittal of income and tax statements.

Form W–2P. Statement for recipients of periodic annuities, pensions, retired pay, or IRA payments.

Forms 1087–DIV, INT, MED, MISC, and OID. Nominees' information returns for reporting dividends, interest, medical and health care payments, miscellaneous income, and original issue discounts that were received as a nominee on behalf of another person.

Form 1096. Annual summary and transmittal of U.S. Information returns.

Form 5452. Corporate report of nontaxable dividends.

Forms 966 and 1099L. Information returns regarding dissolution or liquidation, and distributions in liquidation.

Forms 1099–BCD, DIV, F, INT, MED, MISC, NEC, OID, PATR, and R. Information returns for reporting interest on bearer certificates of deposit, certain dividends and distributions, payments for certain fishing boat crew members, interest income, medical and health care payments, miscellaneous income payments, nonemployee compensation, original issue discount, patronage dividends, and total distributions from profit-sharing plans, retirement plans, and individual retirement arrangements.

Form 4136–T. For use by the ultimate purchaser to claim a credit for Federal tax paid on gasoline, diesel fuel, and special fuels used in a qualified taxi providing qualified taxi service.

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.

b. Consolidated return.

The parent corporation of an affiliated group of corporations must attach Form 851, Affiliations Schedule, to the consolidated return. For the first year a consolidated return is filed, each subsidiary must attach Form 1122, Authorization and Consent of Subsidiary Corporation to be Included in a Consolidated Income Tax Return.

File supporting statements for each corporation included in the consolidated return. Use columns to show the following, both before and after adjustments:

- Items of gross income and deductions.
- A computation of taxable income.
- Balance sheets as of the beginning and end of the tax year.
- A reconciliation of retained earnings.
- A reconciliation of income per books with income per return.

Attach consolidated balance sheets and a reconciliation of consolidated retained earnings.

c. Real estate investment trusts.

Attach the appropriate schedules. See sections 856–860 for special rules.

d. Statements.

Stock ownership in foreign corporations. Attach the required statement if the corporation owned 5% or more in value of the outstanding stock of a foreign personal holding company. See section 551(c).

A corporation that controls a foreign corporation, or that is a 10%-or-more shareholder of a controlled foreign corporation, may have to file Forms 2952, Information Return with Respect to Controlled Foreign Corporations, and 3646, Income from Controlled Foreign Corporation.

Transfers to a corporation controlled by the transferor. If a person receives stock or securities of a corporation in exchange for property, and no gain or loss is recognized under section 351, the person (transferor) and the transferee must attach the information required by Regulation section 1.351–3.

Corporations that liquidate within one calendar month under section 333. These corporations must attach a computation of accumulated earnings and profits, including all items of income and expense accrued up to the date the transfer of all property is completed. Use the format in Rev. Proc. 75–17, 1975–1 C.B. 677.

e. Amended return.

Use Form 1120X, Amended U.S. Corporation Income Tax Return, to correct any error in a previously filed income tax return.

f. Financial statements.

You may use either Schedule L or copies of other balance sheets required by Federal, State, or other authorities. The balance sheets must agree with your books and records. You must reconcile any differences. On line 1 of whatever balance sheet you use, include as cash any certificates of deposit and other cash equivalents.

Banks, insurance companies, and other corporations required to file substantially similar statements of income and expense to any Federal, State, or other authority may file copies of such statements instead of the information required on lines 1 through 30 of Form 1120. Railroads may substitute Form 1090, Statement of Income, and Profit and Loss Accounts. In these cases, use Schedule M–1 to reconcile taxable income with the net profit that is shown on the statement and that would be entered as line 30.

Statements filed under this procedure must contain sufficient information to enable IRS to reconstruct an income and expense statement and a balance sheet similar to that contained on Form 1120, without contacting the taxpayer during processing.

g. Attachments.

If you need more space on forms or schedules, attach separate sheets to the back of Form 1120. Attach schedules in alphabetical order and forms in numerical order. Be sure to put the taxpayer's name and employer identification number (EIN) on each sheet.

Specific Instructions

These instructions are numbered to correspond to the line items of Form 1120 and its schedules. Other line items on the form are self-explanatory.

Identification Information. Enter the information called for at the top of the form.

Employer Identification Number. If the employer identification number (EIN) on the label is wrong or if the corporation did not receive a label, enter the correct number at the top of the return.

A corporation that does not have an EIN should apply for one on Form SS–4, Application for Employer Identification Number. You can get this form at any IRS or Social Security Administration office. Send Form SS–4 to the same Internal Revenue Service Center to which you send Form 1120. If you have not received the EIN by the filing time for Form 1120, write "Applied for" in the space for the EIN.

Total Assets. Enter the total assets of the corporation. If there are no assets at the end of the tax year, enter the total assets as of the beginning of the tax year.

Gross Income

Line 1

Gross receipts

Enter gross receipts or sales from all business operations except those that must be reported in lines 4 through 10. For reporting advance payments and long-term contracts, see Regulation section 1.451–5.

If the installment method 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 following for the current year and the 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.

Line 2

Cost of goods sold

See the instructions for Schedule A.

Line 4

Dividends

See the instructions for Schedule C.

Line 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.

Line 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.

Line 9(a)

Capital gain net income

Every sale or exchange of a capital asset must be reported in detail on Schedule D, even though no gain or loss is indicated.

If the net long-term capital gain is more than the net short-term capital loss, or if there is only a net long term capital gain, compute the alternative tax to see if it produces a smaller tax.

Line 9(b)

Net gain or (loss)

Enter the net gain or loss from Form 4797, Supplemental Schedule of Gains and Losses, line 11(a), Part II.

Line 10

Other income

Enter any other taxable income not listed above, and explain its nature on an attached schedule. Examples of other income are recoveries of bad debts deducted in prior years under the specific charge-off method; the amount of credit for alcohol used as fuel that was entered on Form 6478, Credit for Alcohol Used as Fuel; and refunds of taxes deducted in prior years. Do not offset current year's taxes with tax refunds.

If "other income" consists of only one item, explain what it is in parentheses on line 10.

Deductions

Transaction between related taxpayers. See section 267 for limitation on deductions for unpaid expenses and interest.

Line 12

Compensation of officers

Complete Schedule E, columns 1 through 6, for all officers. Complete Schedule E, column 7, 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 whose combined amount is less than $50,000.

In a consolidated return, each member of an affiliated group must furnish this information.

Line 13

Salaries and wages

Enter on line 13(a) the amount of total salaries and wages paid or incurred for the tax year. Do not include salaries and wages deducted elsewhere on your return, such as contributions to a Simplified Employee Pension which are deducted on line 24.

Enter on line 13(b) the sum of 1. the amount of WIN credit from Form 4874, Credit for Work Incentive (WIN) Program Expenses, line 12, and 2. the amount of jobs credit from Form 5884, Jobs Credit, line 9.

Line 14

Repairs

Enter the cost of incidental repairs, such as labor and supplies, that do not add to the value of the property or appreciably prolong its life.

Expenditures to remove architectural and transportation barriers to handicapped and elderly. For rules for expenses in tax years beginning after December 31, 1976, and before January 1, 1983, to remove architectural and transportation barriers to handicapped and elderly persons, see section 190 and related regulations.

Line 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 a reserve for bad debts. (See section 166.)

Use Form 3115 if you want to apply for a change in the method of computing bad debts.

Line 17

Taxes

Enter taxes paid or accrued during the tax year.

Do not include the following: 1. Federal income taxes; 2. foreign or U.S. possession income taxes if a tax credit is claimed; or 3. taxes not imposed on the corporation. See section 164(d) for apportionment of taxes on real property between seller and purchaser.

Line 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. (For exceptions, see section 265(2).)

Mutual savings banks, building and loan associations, and cooperative banks can deduct the amounts paid or credited to the accounts of depositors as dividends, interest, or earnings. (See section 591.)

Generally, a cash basis taxpayer cannot deduct prepaid interest allocable to years following the current tax year. For example, a cash basis calendar year taxpayer, who in 1981 prepaid interest allocable to any period after 1981, can deduct only the amount allocable to 1981. Please see Publication 545, Interest Expense.

Generally, for positions established after June 23, 1981, the interest and carrying charges on straddles can no longer be deducted but must be capitalized. See section 263(g).

Line 19

Contributions

Enter contributions or gifts actually paid within the tax 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.

The total amount claimed may not be more than 5% of taxable income (line 30) computed without regard to the following: 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 tax year under section 172; and 5. any capital loss carryback to the tax year under section 1212(a)(1).

Charitable contributions over the 5% limitation may not be deducted for the tax year but may be carried over to the next 5 tax years.

A contribution carryover is not allowed, however, to the extent that it increases a net operating loss carryover. See section 170(d)(2)(B).

Corporations on the accrual basis may elect to deduct contributions paid by the 15th day of the 3d month after the end of the tax year if the contributions are authorized by the board of directors during the tax year. Attach to the return a declaration, signed by an officer, stating that the resolution authorizing the contributions was adopted by the board of directors during the tax year. Also attach a copy of the resolution.

If a contribution is in property other than money, attach a schedule describing the kind of property contributed and the method used in determining its fair market value. If you made a "qualified conservation contribution" under section 170(h), also include the fair market value of the underlying property before and after the donation, the type of legal interest contributed, and describe the conservation purpose furthered by the donation.

If a contribution carryover is included, show the amount and how it was determined.

Special rule for contributions of certain property. For a charitable contribution of property, you must reduce the contribution by the sum of:

1. the ordinary income, short-term capital gain and

2. for certain contributions, 60.87% of the long-term capital gain,

that would have resulted if the property were sold at its fair market value. The reduction for 60.87% of the long-term capital gain applies to 1. contributions of tangible personal property for use by an exempt organization for a purpose or function unrelated to the basis for its exemption, and 2. contributions of any property to or for the use of certain private foundations. (See section 170(e) and Regulation section 1.170A–4.)

For special rules for contributions of inventory, and other ordinary income property to certain organizations, see section 170(e)(3).

Bargain sale to a charitable organization. For a charitable contribution deduction for property sold 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.

Charitable Contributions of Scientific Property Used for Research. Effective August 14, 1981, a corporation (other than a personal holding company or a service organization) can receive a larger deduction for contributing scientific property used for research to an institution of higher education. For further information, see section 170(e).

Line 20

Amortization

Generally, if a deduction is claimed for amortization, you must attach a schedule showing the following: 1. a description of the expenditures being amortized; 2. date acquired, completed, or expended; 3. amount being amortized; 4. amortization deducted in prior years; 5. amortization period (number of months); 6. amortization for this year; and 7. the total amount of amortization minus 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 and related regulations for amortization over a 60-month period of certain expenditures made before January 1, 1982, for child care facilities.

For expenditures incurred after December 31, 1981, in tax years ending after that date, you may not elect to amortize rehabilitation expenditures or take accelerated depreciation for certain certified historic structures. Section 191 allows amortization to be figured using a period of 60 months. Section 167(o) allows an accelerated method of depreciation if you substantially rehabilitate a certified historic structure.

See section 194, Amortization of Reforestation Expenditures, under which a taxpayer may elect to amortize expenditures made after December 31, 1979, over a period of 84 months.

See section 195 for amortization over a 60-month period of certain business start-up expenditures paid or incurred after July 29, 1980.

Line 21

Depreciation

See the instructions for Form 4562, Depreciation.

Line 22

Depletion

See sections 613 and 613A for percentage depletion rates applicable to natural deposits.

Attach Form T (Timber), Forest Industries Schedules, if you claim a deduction for depletion of timber.

Line 24

Pension, profit-sharing, etc., plans

Employers who maintain a pension, profit-sharing, or other funded deferred compensation plan (other than a Simplified Employee Pension) whether or not qualified under the Internal Revenue Code and whether or not a deduction is claimed for the current tax year, generally are required to file one of the forms described below. The Employee Retirement Income Security Act of 1974 imposes penalties for failure to timely file these forms.

Form 5500.—Complete this form for each plan with 100 or more participants.

Form 5500–C or 5500–R.—Complete the applicable form for each plan with fewer than 100 participants.

Note: *Only one return is required to be filed for a multiemployer-collectively bargained plan. Contributing employers are not required to file separately.*

Line 25

Employee benefit programs

Enter the amount of contributions to employee benefit programs (for example, 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 legal services 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 legal services plan.

Line 26

Other deductions

Generally, you may not take a deduction for the amount of any item or part of it allocable to a class of exempt income. (See section 265(2) for exceptions.)

If patronage dividends are included in line 26, show this deduction and any other deduction not listed above on an attached schedule.

Generally, you can deduct all ordinary and necessary travel and entertainment expenses paid or incurred in your trade or business. However, you cannot deduct an expense paid or incurred for a facility (such as a yacht or hunting lodge) that is used for an activity that is usually considered entertainment, amusement, or recreation. (Note: you may be able to deduct the expense if the amount is treated as compensation and reported on Form W–2 for an employee or Form 1099 NEC for an independent contractor). See Publication 463, Travel, Entertainment, and Gift Expenses, for more details.

Line 28

Taxable income

Special "at risk" rules under section 465, generally apply to closely held corporations engaged in any activity as a trade or business or for the production of income. Such corporations may have to adjust the amount on line 28. See below. However, the "at risk" rules do not apply to 1. holding real property other than mineral property and 2. equipment leasing under section 465(c)(4), (5), and (6). These "at risk" rules apply to a closely held corporation that may or may not be a personal holding company.

A closely held corporation that is NOT a personal holding company. Adjust the amount on line 28 for section 465(d) losses. These losses are limited to the amount for which the closely held corporation is "at risk" for each separate activity at the close of the tax year.

For a corporation involved in more than one activity that incurs a loss for the year, report each loss separately. Attach a schedule reflecting the amount "at risk" and gross income and deductions for each activity that has a loss.

If the corporation sells or otherwise disposes of an asset or its interest (either total or partial) in an activity to which the "at risk" rules apply, determine the net profit or loss from the activity by combining the gain or loss on the sale or disposition with the profit or loss from the activity. If the corporation has a net loss, it may be limited because of the "at risk" rule.

Treat any loss from an activity not allowed for the tax year as a deduction allocable to the activity in the next tax year.

A closely held corporation that is a personal holding company. For the amount to enter on line 28, see Schedule PH (Form 1120), Specific Instructions for line 1, regarding section 465 losses.

Line 29(a)

Net operating loss deduction

The "net operating loss deduction" is the sum of the net operating loss carryovers and carrybacks to the tax year. (Section 172(a).)

Generally, you may carry a net operating loss back to each of the 3 years preceding the year of the loss and carry it over to each of the 15 years following the year of the loss. (For tax years beginning after September 30, 1979, you may carry back 10 years the part of the net operating loss attributable to a product liability loss. (See section 172(b)(1)(H).)) There is also an available election to carry a net operating loss over to just each of the 15 years following the year of the loss. You may make the election by attaching a statement to a return that is filed on time (including extensions). The election is irrevocable. After applying the net operating loss to the first tax year to which it may be carried, the portion of the loss you may carry to each of the remaining tax years is the excess, if any, of the loss over the sum of the taxable income for each of the prior tax years to which you may carry the loss. (See section 172(b).)

If there is a carryback of a net operating loss, net capital loss, an unused investment credit, unused work incentive (WIN) credit, or unused jobs credit, file Form 1139, Corporation Application for Tentative Refund, within 12 months after the close of the tax year for a "quick refund" of taxes. (See section 6411.)

See section 172 for special rules, limitations, and definitions pertaining to net operating loss carrybacks and carryovers.

Line 29(b)

Special deductions

See the instructions for Schedule C.

Line 32(e)

Credit for overpaid windfall profit tax

A corporation that has overpaid its windfall profit tax may claim a credit on its income tax return. Use Form 6249, Computation of Overpaid Windfall Profit Tax, to figure the credit. Include the amount of the credit in the total for line 32(e). Write in the margin, next to the entry on line 32(e), the amount of the credit and identify it as "Overpaid Windfall Profit Tax."

Schedule A

Cost of Goods Sold

Valuation Methods. Your inventories can be valued at: 1. cost; 2. cost or market value (whichever is lower); or 3. any other method that is approved by the Commissioner of Internal Revenue and that conforms to the provisions of the applicable regulations cited below.

Taxpayers using erroneous valuation methods must change to a method permitted for Federal income tax purposes. Such change should be made by filing Form 3115. For more information about the change, see Regulation section 1.446–1(e)(3) and Rev. Proc. 70–27, 1970–2 C.B. 509.

In line 8(a), check the method(s) used for valuing inventories. Under "lower of cost or market," market generally applies to normal market conditions where there is a current bid price prevailing at the date the inventory is valued. When no regular open market exists or when quotations are nominal because of inactive market conditions, use fair market prices from the most reliable sales or purchase transactions that occurred near the date the inventory is valued. For more requirements, see Regulation section 1.471–4.

Inventory may be valued below cost when the merchandise is 1. unsalable at normal prices or 2. unusable in the normal way because the goods are "subnormal" (that is because of damage, imperfections, shop wear, etc.) within the meaning of Regulation section 1.471–2(c). Such goods may be valued at a current bona fide selling price minus direct cost of disposition (but not less than scrap value) if you can establish such a price. See Regulation section 1.471–2(c) for more requirements.

In line 8(b), indicate whether you used a method of inventory valuation other than those described in line 8(a). Attach a statement describing the method used.

If this is the first year the "Last-in First-out" (LIFO) inventory method was either: adopted or extended to inventory goods not previously valued under the LIFO method, provided in section 472, attach Form 970, Application to Use LIFO Inventory Methods, or a statement with the information required by Form 970. Also check the LIFO box in line 8(c). Enter the amount or percent of total closing inventories covered under section 472 in line 8(d). Estimates are acceptable.

Full absorption method of inventory costing. For a corporation engaged in manufacturing or production operations, use the full absorption method of inventory costing. If the corporation is not using the full absorption method, it must change to it. Under this method both direct and certain indirect production costs are included for inventory valuation purposes. You may change to full absorption by filing Form 3115. For more details, see Rev. Proc. 75–40, 1975–2 C.B. 571 and Regulation section 1.471–11.

Cost of operations (where inventories are not an income-determining factor). If the amount on line 2, Schedule A, includes an amount applicable to cost of operations, attach a schedule showing 1. salaries and wages and 2. other costs in detail.

For certain cooperatives, if per unit retain allocations (defined under section 1388(f)) are included on line 4, Schedule A, show this cost and any other costs not included in lines 1 through 3 on an attached schedule to Form 1120.

Schedule C

Dividends and Special Deductions

Line 1, Column (A)

Enter dividends that are received from domestic corporations subject to income tax and that 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 column (C). 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. Do not treat them as dividends.

Line 2, Column (A)

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.

Line 3, Column (A)

Enter dividends that are received from foreign corporations and that qualify for the 85% deduction provided in section 245(a).

Line 4, Column (A)

Enter dividends that are received from wholly owned foreign subsidiaries and that 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 tax year during which 1. all of its outstanding 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.

Lines 1, 2, 3, 4, Column (C)

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(a)) to the extent the dividend 1. is paid out of the corporation's accumulated DISC income or previously taxed income, or 2. is a deemed distribution under section 995 (b)(1).

In general, no dividends-received deduction will be allowed on any share of stock 1. that is disposed of if the corporation held it 15 days or less, or 2. to the extent the corporation is under an obligation to make corresponding payments for substantially identical stock or securities.

Line 5, Column (C)

Limitation on dividends-received deduction. Line 5 of column (C) may not be more than 85% of line 28, page 1, Form 1120, minus line 6 of column (C). For this purpose, compute line 28 (Form 1120) without regard to any capital loss carry-back to the tax year under section 1212(a)(1).

In a year in which a net operating loss occurs, this 85% limitation does not apply even if the loss is created by the dividends-received deduction. (See sections 172(d) and 246(b).)

For a small business investment company, the dividends-received deduction of 100% included in line 5 of column (C) is not subject to the overall 85% limitation.

Financial institutions should see section 596 for the special limitation on the dividends-received deduction.

Line 6, Columns (A) and (C)

Enter only those dividends that are subject to the elective provisions of section 243(b) and that are entitled to the 100% dividends-received deduction under section 243(a)(3). Corporations making this election are subject to the provisions of section 1561.

Line 7, Column (A)

Enter foreign dividends not reportable on lines 3 and 4 of column (A). Exclude distribution of amounts constructively taxed in the current year or in prior years under subpart F (sections 951–964).

Line 8, Column (A)

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.

Line 9, Column (A)

Include gross-up for taxes deemed paid under sections 902 and 960.

Line 10, Column (A)

Enter taxable distributions from a DISC or former DISC that are designated as not being eligible for the 85% deduction.

Line 11, Column (A)

Include the following:

1. Dividends (other than capital gain dividends and exempt interest dividends) that are received from regulated investment companies and that are not subject to the 85% deduction.
2. Dividends from tax exempt organizations.
3. Dividends (other than capital gain dividends) received from a real estate investment trust which, for the tax year of the trust in which the dividends are paid, qualify under sections 856–860.
4. 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.
5. Any other taxable dividend income not properly reported above. If patronage dividends or per-unit retain allocations are included in Schedule C, line 11, column (A), identify the total of these amounts in a schedule attached to Form 1120.

Line 12, Column (C)

Deduction for dividends paid on certain preferred stock of public utilities. Section 247 allows public utilities a deduction of 30.435% of either 1. dividends paid on their preferred stock during the tax year, or 2. taxable income computed without regard to this deduction, whichever is less. In a year in which a net operating loss occurs, compute the deduction without regard to section 247(a)(1)(B). (See section 172(d).)

Schedule J

Tax Computation

Fiscal year 1981–82 corporations must use the worksheet on page 11 of the instructions to compute their tax.

A 1981 calendar year corporation that is not a member of a controlled group (these members should see lines 2(a) and (b) below) will compute the tax on its taxable income as follows:

If the amount on Schedule J, Line 1 is: Over—	But not over—	Enter on Schedule J, Line 3:		Of the amount over—
0	$25,000		17%	0
$25,000	50,000	$4,250 +	20%	$25,000
50,000	75,000	9,250 +	30%	50,000
75,000	100,000	16,750 +	40%	75,000
100,000		26,750 +	46%	100,000

If the alternative tax does not apply, enter on line 3 of Schedule J, the amount computed above. If the alternative tax applies, see Schedule D (Form 1120).

(Personal holding companies—see Schedule PH (Form 1120) before completing Schedule J.)

Lines 2(a) and (b)

Members of a controlled group, as defined in section 1563, are entitled to only one $25,000 amount in each taxable income bracket.

When a controlled group adopts or later amends an apportionment plan, each member must attach to its tax return a copy of its consent to this plan. The copy (or an attached statement) must show the part of the $25,000 in each taxable income bracket apportioned to that member. There are other requirements as well. See Regulation section 1.1561-3(b) for them and for the time and manner of making the consent.

Equal Apportionment Plan. If no apportionment plan is adopted, the members of the controlled group must divide the $25,000 in each taxable income bracket equally among themselves. For example, controlled group AB consists of corporation A and corporation B. They do not elect an unequal apportionment plan. Therefore, corporation A is entitled to $12,500 (one-half of $25,000) in each taxable income bracket. Corporation B is also entitled to $12,500 in each taxable income bracket.

Unequal Apportionment Plan. Members of a controlled group may elect an unequal apportionment plan and divide the $25,000 in each taxable income bracket as they wish. There is no need for consistency between taxable income brackets. Any member of the controlled group may be entitled to all, some, or none of the $25,000 in a taxable income bracket. (But the total amount for all members of the controlled group cannot be more than $25,000 in any taxable income bracket.) Each member of a controlled group must compute the tax as follows:

Note: If alternative tax applies, 1981 calendar year corporations should do the following: (1) Complete lines 2(a) and (b) of Schedule J. (2) On line 1 below, instead of entering amount from line 30, page 1, Form 1120, enter amount from line 14, Schedule D. (3) Complete lines 2 through 15 below, and, (4) Enter amount from line 15 below on line 15 of Schedule D and complete balance of Schedule D.

1. Enter taxable income (line 30, page 1) ____
2. Enter line 1 or your portion of the first $25,000 taxable income bracket, whichever is less ____
3. Subtract line 2 from line 1 ____
4. Enter line 3 or your portion of the second $25,000 taxable income bracket, whichever is less ____
5. Subtract line 4 from line 3 ____
6. Enter line 5 or your portion of the third $25,000 taxable income bracket, whichever is less ____
7. Subtract line 6 from line 5 ____
8. Enter line 7 or your portion of the fourth $25,000 taxable income bracket, whichever is less ____
9. Subtract line 8 from line 7 ____
10. 17% of line 2 ____
11. 20% of line 4 ____
12. 30% of line 6 ____
13. 40% of line 8 ____
14. 46% of line 9 ____
15. Total of lines 10 through 14. Enter this amount on line 3 of Schedule J. ____

Line 3

Bank Holding Companies.—Section 6158 provides that a bank holding company may elect to pay in installments the tax attributable to the sale of certain assets whose divestiture is certified by the Board of Governors of the Federal Reserve System. If the bank holding company chooses this election, attach a statement showing the tax computation and the amount of the installment paid with this return. Also, in the right-hand margin next to line 3, Schedule J, enter the amount of the installment payment followed by the words "computed under section 6158." If an election under section 1103(g) or (h) applies, enter the words "section 1103(g) election" or "section 1103(h) election," as the case may be.

Mutual savings banks conducting life insurance business. The tax under section 594 consists of the sum of 1. a partial tax computed on Form 1120 on the taxable income of the bank determined without regard to income or deductions allocable to the life insurance department, and 2. a partial tax on the taxable income computed on Form 1120L of the life insurance department. Enter the combined tax on line 3 of Schedule J, Form 1120. Attach Form 1120L as a schedule and identify it as such.

Line 4(b)

In most cases, the investment credit is 10% of the qualified investment in regular investment credit property. The corporation may elect an 11% or 11.5% credit for regular investment credit property (instead of the 10%) if the corporation meets the requirements of section 48(n)(1).

The corporation is also allowed an energy investment credit for investment in qualified energy property. The energy credit is in addition to the regular investment credit if the energy property is also regular investment credit property.

Use Form 3468, Computation of Investment Credit, and Schedule B (Form 3468), Computation of Business Energy Investment Credit, to figure these credits.

Line 4(c)

Generally, employers may claim a WIN credit 50% of qualified first-year wages and 25% of qualified second-year wages. See Form 4874, Credit for Work Incentive (WIN) Program Expenses, for definitions, special rules, and limitations. Also see Publication 906, Targeted Jobs, WIN, and Research Credits.

Do not take an expense deduction for the part of the wages or salaries paid or incurred which is equal to the amount of the WIN credit, determined without regard to the limitation based on tax (section 50A(a)(2)).

Line 4(d)

The jobs credit, if elected, is allowed for hiring members of targeted groups during the tax year. Generally, the allowable credit is equal to 50% of qualified first-year wages paid or incurred and 25% of qualified second-year wages paid or incurred. See Form 5884, Jobs Credit, for definitions, special rules, and limitations. Also see Publication 906, Targeted Jobs, WIN, and Research Credits.

Do not take an expense deduction for the part of the wages or salaries paid or incurred which is equal to the amount of the jobs credit (determined without regard to the limitation based on the tax (section 53)).

Line 4(e)

Possessions tax credit. See Form 5712, Election to be Treated as a Possessions Corporation Under Section 936, for rules on how to elect to claim the possessions tax credit (section 936). Compute the credit on Form 5735, Computation of Possessions Corporation Tax Credit Allowed Under Section 936, and include the amount of the credit in the total for line 4(e), Schedule J (Form 1120).

Alcohol fuel credit. You may be able to take a credit for alcohol used as fuel after September 30, 1980. This applies to straight alcohol you sell at retail or use as fuel in your trade or business. It also applies to an alcohol mixture you sell or use as fuel in your trade or business. Use Form 6478, Credit for Alcohol Used As Fuel, to figure the credit. Include the amount of the credit in the total for line 4(e), Schedule J (Form 1120).

Credit for fuel produced from a nonconventional source. Effective for tax years ending after December 31, 1979, a credit is allowed for the sale of qualified fuels produced from a nonconventional source. Section 44D contains a definition of qualified fuels, provisions for figuring the credit, and other special rules. Attach a separate schedule to your return showing the computation of the credit. Include the amount of the credit in the total for line 4(e), Schedule J (Form 1120).

Research credit. Amounts paid or incurred after June 30, 1981, and before January 1, 1986, for qualified research expenses in carrying on a trade or business are allowed as a credit. Use Form 6765, Credit for Increasing Research Activities, to figure the credit. Include the amount of the credit in the total for line 4(e), Schedule J (Form 1120).

Line 8

If property is disposed of or ceases to be qualified property before the end of life-years used in computing the regular or energy investment credit, you may have to recapture the credit. (See Form 4255, Recapture of Investment Credit.)

Line 9

Attach Form 4626, Computation of Minimum Tax—Corporations and Fiduciaries, if the corporation has tax preference items in excess of $10,000, OR if there is any minimum tax liability deferred from a prior tax year.

Line 10

Real estate investment trust excise tax. An excise tax is imposed on certain real estate investment trust taxable income not distributed during the tax year (section 4981). Attach a copy of your tax computation and include the amount of tax in the total for line 10, Schedule J (Form 1120). Write in the margin, next to the entry on line 10, the amount of the tax and identify it as "section 4981 tax."

Schedule M-2

Unappropriated Retained Earnings

Line 5

Distributions under the Bank Holding Company Act. If an election under section 1103(g) or (h) applies to a section 1101 distribution, the bank holding company making the distribution must enter the words "section 1103(g) election" or "section 1103(h) election," as the case may be, in the right-hand margin next to line 5, Schedule M–2 (Form 1120).

Additional Information

Be sure to answer questions G through O on page 3, Form 1120. The instructions that follow are keyed to these questions.

Question H(2)(c).

U.S. person

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 the owner's country of residence. For all others, it is the country where incorporated, organized, created, or administered.

Question L.

Foreign financial accounts

Check the Yes box if either 1. or 2. below applies to you. Otherwise, check the NO box.

1. At any time during the 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 AND
   - The combined value of the accounts was more than $1,000 at any time during the year; AND
   - The account was NOT with a U.S. military banking facility operated by a U.S. financial institution.
2. You own more than 50% of the stock in any corporation that owns one or more foreign bank accounts.

Get Form 90–22.1, Report of Foreign Bank and Financial Accounts, to see if you are considered to have an interest in or signature or other authority over a bank account, securities account, or other financial account in a foreign country.

If you checked Yes for Question L, file Form 90–22.1 by June 30, 1982, with the Department of the Treasury at the address shown on the form. Form 90–22.1 is not a tax return, so do not file it with the IRS.

You can get Form 90–22.1 from many IRS offices.

Codes for Principal Business Activity

These industry titles and definitions are based, in general, on the Statistical Policy Division, Office of Information and Regulatory Affairs, in the Office of Management and Budget, to classify enterprises by type of activity in which they are engaged. The system follows closely the Standard Industrial Classification used to classify establishments.

Using the list below, enter on page 1, under C, the code number for the specific industry group from which the largest percentage of "total receipts" is derived. "Total receipts" means gross receipts (line 1, page 1) plus all other income (lines 4 through 10, page 1). On page 3, under J, state the principal business activity and principal product or service that account for the largest percentage of total receipts. For example, if the principal business activity is "Grain mill products," the principal product or service may be "Cereal preparations."

Agriculture, Forestry, and Fishing

Code

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:
1330 Crude petroleum, natural gas, and natural gas liquids.
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.

Manufacturing

Food and kindred products:
2010 Meat products.
2020 Dairy products.
2030 Preserved fruits and vegetables.
2040 Grain mill products.
2050 Bakery products.
2060 Sugar and confectionery products.
2081 Malt liquors and malt.
2088 Alcoholic beverages, except malt liquors and malt.
2089 Bottled soft drinks, and flavorings.
2096 Other food and kindred products.
2100 Tobacco manufacturers.

Textile mill products:
2228 Weaving mills and textile finishing.
2250 Knitting mills.
2298 Other textile mill products.

Apparel and other textile products:
2315 Men's and boys' clothing.
2345 Women's and children's clothing.
2388 Other apparel and accessories.
2390 Miscellaneous fabricated textile products.

Lumber and wood products:
2415 Logging, sawmills, and planing mills.
2430 Millwork, plywood, and related products.
2498 Other wood products, including wood buildings and mobile homes.
2500 Furniture and fixtures.

Paper and allied products:
2625 Pulp, paper, and board mills.
2699 Other paper products.

Printing and publishing:
2710 Newspapers.
2720 Periodicals.
2735 Books, greeting cards, and miscellaneous publishing.

Code

2799 Commercial and other printing, and printing trade services.

Chemicals and allied products:
2815 Industrial chemicals, plastics materials and synthetics.
2830 Drugs.
2840 Soap, cleaners, and toilet goods.
2850 Paints and allied products.
2898 Agricultural and other chemical products.

Petroleum refining and related industries (including those integrated with extraction):
2910 Petroleum refining (including integrated).
2998 Other petroleum and coal products.

Rubber and misc. plastics products:
3050 Rubber products; plastics footwear, hose and belting.
3070 Misc. plastics products.

Leather and leather products:
3140 Footwear, except rubber.
3198 Other leather and leather products.

Stone, clay, and glass products:
3225 Glass products.
3240 Cement, hydraulic.
3270 Concrete, gypsum, and plaster products.
3298 Other nonmetallic mineral products.

Primary metal industries:
3370 Ferrous metal industries; misc. primary metal products.
3380 Nonferrous metal industries.

Fabricated metal products:
3410 Metal cans and shipping containers.
3428 Cutlery, hand tools, and hardware; screw machine products, bolts, and similar products.
3430 Plumbing and heating, except electric and warm air.
3440 Fabricated structural metal products.
3460 Metal forgings and stampings.
3470 Coating, engraving, and allied services.
3480 Ordnance and accessories, except vehicles and guided missiles.
3490 Misc. fabricated metal products.

Machinery, except electrical:
3520 Farm machinery.
3530 Construction and related machinery.
3540 Metalworking machinery.
3550 Special industry machinery.
3560 General industrial machinery.
3570 Office, computing, and accounting machines.
3598 Other machinery except electrical.

Electrical and electronic equipment:
3630 Household appliances.
3665 Radio, television, and communication equipment.
3670 Electronic components and accessories.
3698 Other electrical equipment.
3710 Motor vehicles and equipment.

Transportation equipment, except motor vehicles:
3725 Aircraft, guided missiles and parts.
3730 Ship and boat building and repairing.
3798 Other transportation equipment, except motor vehicles.

Instruments and related products:
3815 Scientific instruments and measuring devices; watches and clocks.

Code

3845 Optical, medical, and ophthalmic goods.
3860 Photographic equipment and supplies.
3998 Other manufacturing products.

Transportation and public utilities

Transportation:
4000 Railroad transportation.
4100 Local and interurban passenger transit.
4200 Trucking and warehousing.
4400 Water transportation.
4500 Transportation by air.
4600 Pipe lines, except natural gas.
4700 Miscellaneous transportation services.

Communication:
4825 Telephone, telegraph, and other communication services.
4830 Radio and television broadcasting.

Electric, gas, and sanitary services:
4910 Electric services.
4920 Gas production and distribution.
4930 Combination utility services.
4990 Water supply and other sanitary services.

Wholesale Trade

Durable:
5008 Machinery, equipment, and supplies.
5010 Motor vehicles and automotive equipment.
5020 Furniture and home furnishings.
5030 Lumber and construction materials.
5040 Sporting, recreational, photographic, and hobby goods, toys and supplies.
5050 Metals and minerals, except petroleum and scrap.
5060 Electrical goods.
5098 Other durable goods.

Nondurable:
5110 Paper and paper products.
5129 Drugs, drug proprietaries, and druggists' sundries.
5130 Apparel, piece goods, and notions.
5140 Groceries and related products.
5150 Farm-product raw materials.
5160 Chemicals and allied products.
5170 Petroleum and petroleum products.
5180 Alcoholic beverages.
5190 Misc. nondurable goods.

Retail Trade

5220 Building materials dealers.
5251 Hardware stores.
5265 Garden supplies and mobile home dealers.

Food stores

5300 General merchandise stores.
5410 Grocery stores.
5490 Other food stores.

Automotive dealers and service stations:
5515 Motor vehicle dealers.
5541 Gasoline service stations.
5598 Other automotive dealers.
5600 Apparel and accessory stores.
5700 Furniture and home furnishings stores.
5800 Eating and drinking places.

Misc. retail stores:
5912 Drug stores and proprietary stores.
5921 Liquor stores.
5995 Other retail stores.

Finance, Insurance, and Real Estate

Code

Banking:
6030 Mutual savings banks.
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.

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.
6356 Mutual insurance, except life or marine and certain fire or flood insurance companies.
6359 Other insurance companies.
6411 Insurance agents, brokers, and service.

Real estate:
6511 Real estate operators and lessors of buildings.
6516 Lessors of mining, oil, and similar property.
6518 Lessors of railroad property and other real property.
6530 Condominium management and cooperative housing associations.
6550 Subdividers and developers.
6599 Other real estate.

Holding and other investment companies, except bank holding companies:
6742 Regulated investment companies.
6743 Real estate investment trusts.
6744 Small business investment companies.
6749 Other holding and investment companies except bank holding companies.

Services

7000 Hotels and other lodging places.
7200 Personal services.

Business services:
7310 Advertising.
7389 Business services, except advertising.

Auto repair; miscellaneous repair services:
7500 Auto repair and services.
7600 Misc. repair services.

Amusement and recreation services:
7812 Motion picture production, distribution, and services.
7830 Motion picture theaters.
7900 Amusement and recreation services, except motion pictures.

Other services:
8015 Offices of physicians, including osteopathic physicians.
8021 Offices of dentists.
8040 Offices of other health practitioners.
8050 Nursing and personal care facilities.
8060 Hospitals.
8071 Medical laboratories.
8099 Other medical services.
8111 Legal services.
8200 Educational services.
8300 Social services.
8600 Membership organizations.
8911 Architectural and engineering services.
8930 Accounting, auditing, and bookkeeping.
8980 Miscellaneous services (including veterinarians).

General Instructions for Fiscal Year 1981–82 Corporations

Purpose of Worksheet on page 11

Effective for tax years beginning after 1981, the Economic Recovery Tax Act of 1981 reduced the corporate tax rates. This will result in a lower tax liability. The tax rates changed from 17% of the first $25,000 of taxable income, 20% of the next $25,000 of taxable income, 30% of the next $25,000 of taxable income, 40% of the next $25,000 of taxable income, and 46% of taxable income in excess of $100,000; to 16% of the first $25,000 of taxable income; 19% of the next $25,000 of taxable income; 30% of the next $25,000 of taxable income; 40% of next $25,000 of taxable income; and 46% of taxable income in excess of $100,000.

Because of changes in the tax rates, the proration rules of section 21 apply. Fiscal year 1981–82 corporations must prorate their tax to reflect these changes. Thus, a fiscal year corporation will compute its tax for the year by prorating a tax for the period before 1982 and for the period after 1981, using the tax rates in effect for each period. The accompanying worksheet for fiscal year 1981–82 provides for such computation.

This worksheet, which should not be filed, will be used by fiscal year 1981–82 corporations instead of certain lines of the Tax Computation Schedule on 1981 Form 1120 and Schedule D (Form 1120).

Computation of Tax.—In computing the tax, the corporation computes a regular tax (Part I) and an alternative tax (Part II) for each period and takes the lower tax for each period. The sum of the prorated tax for each period is the total on line 44, Part III.

Specific Instructions

Parts I & II

Lines 2, 4, 6, and 8, Part I (and Lines 22, 24, 26, and 28, Part II).—These lines represent the four taxable income brackets used in computing the tax for the periods before 1982 and after 1981. Members of a controlled group should see the instructions for Schedule J, lines 2(a) and (b), on page 7, for amounts to be entered in lieu of $25,000.

Part III

Line 41, Portion of Tentative Tax.—Multiply line 40 by:

(a) $\frac{\text{number of days in tax year before 1/1/82}}{\text{number of days in tax year}}$

OR

(b) applicable decimal from table below (column (A)).

Taxpayers with a 52–53 week tax year must use (a) above.

Line 43, Portion of Tentative Tax.—Multiply line 42 by:

(a) $\frac{\text{number of days in tax year after 12/31/81}}{\text{number of days in tax year}}$

OR

(b) applicable decimal from table below (column (B)).

Taxpayers with a 52–53 week tax year must use (a) above.

Table

Fiscal year	(A) Before 1982 Line 40 × applicable fraction or decimal listed below and enter result on line 41	(B) After 1981 Line 42 × applicable fraction or decimal listed below and enter result on line 43
2/1/81– 1/31/82	334/365 or .915068	31/365 or .084932
3/1/81– 2/28/82	306/365 or .838356	59/365 or .161644
4/1/81– 3/31/82	275/365 or .753425	90/365 or .246575
5/1/81– 4/30/82	245/365 or .671233	120/365 or .328767
6/1/81– 5/31/82	214/365 or .586301	151/365 or .413699
7/1/81– 6/30/82	184/365 or .504110	181/365 or .495890
8/1/81– 7/31/82	153/365 or .419178	212/365 or .580822
9/1/81– 8/31/82	122/365 or .334247	243/365 or .665753
10/1/81– 9/30/82	92/365 or .252055	273/365 or .747945
11/1/81–10/31/82	61/365 or .167123	304/365 or .832877
12/1/81–11/30/82	31/365 or .084932	334/365 or .915068

Worksheet for Fiscal Year 1981–82 Corporations—Tax Computation Schedule (Do Not File—Keep for your Records)

This worksheet is to be used in lieu of certain lines of the Tax Computation Schedule on 1981 Form 1120 and Schedule D (Form 1120).

Part I Computation of Regular Tax

Computation at Tax Rates Applicable Before 1/1/82

1 Enter taxable income from Form 1120, line 30, page 1
2 Enter line 1 or $25,000, whichever is less. (Members of a controlled group, see instructions)
3 Subtract line 2 from line 1
4 Enter line 3 or $25,000, whichever is less. (Members of a controlled group, see instructions)
5 Subtract line 4 from line 3
6 Enter line 5 or $25,000, whichever is less. (Members of a controlled group, see instructions)
7 Subtract line 6 from line 5
8 Enter line 7 or $25,000, whichever is less. (Members of a controlled group, see instructions)
9 Subtract line 8 from line 7
10 17% of line 2
11 20% of line 4
12 30% of line 6
13 40% of line 8
14 46% of line 9
15 Total of lines 10 through 14. If applicable, enter here and on line 40, Part III

Computation at Tax Rates Applicable After 12/31/81

16 16% of line 2
17 19% of line 4
18 Total of lines 12, 13, 14, 16, and 17. If applicable, enter here and on line 42, Part III

Part II Computation of Alternative Tax

Computation at Tax Rates Applicable Before 1/1/82

19 Taxable income (line 1, Part I)
20 Enter net capital gain from Schedule D (Form 1120), line 10
21 Subtract line 20 from line 19
22 Enter line 21 or $25,000, whichever is less. (Members of a controlled group, see instructions)
23 Subtract line 22 from line 21
24 Enter line 23 or $25,000, whichever is less. (Members of a controlled group, see instructions)
25 Subtract line 24 from line 23
26 Enter line 25 or $25,000, whichever is less. (Members of a controlled group, see instructions)
27 Subtract line 26 from line 25
28 Enter line 27 or $25,000, whichever is less. (Members of a controlled group, see instructions)
29 Subtract line 28 from line 27
30 17% of line 22
31 20% of line 24
32 30% of line 26
33 40% of line 28
34 46% of line 29
35 28% of line 20
36 Alternative tax—total of lines 30 through 35. If this amount is less than the regular tax on line 15, Part I, enter here and on line 40, Part III

Computation at Tax Rates Applicable After 12/31/81

37 16% of line 22
38 19% of line 24
39 Alternative tax—total of lines 32, 33, 34, 35, 37, and 38. If this amount is less than the regular tax on line 18, Part I, enter here and on line 42, Part III

Part III Proration of Tentative Taxes

40 Tentative tax (regular tax from line 15, or alternative tax from line 36, whichever is less)
41 Portion of tentative tax before 1/1/82—See instructions for computation
42 Tentative tax (regular tax from line 18, or alternative tax from line 39, whichever is less)
43 Portion of tentative tax after 12/31/81—See instructions for computation
44 Income tax—Add lines 41 and 43. Enter here and on Form 1120, line 3, Schedule J, page 3

543-119-1

U.S. GOVERNMENT PRINTING OFFICE

Form **1120-DISC**
Department of the Treasury
Internal Revenue Service

Domestic International Sales Corporation Return

(PLEASE TYPE OR PRINT)

OMB No. 1545-0124

1981

For calendar year 1981 or other tax year beginning , 1981 ending , 19

A Date of DISC election | Name | C Employer identification number
Number and street | D Date incorporated
B Business code number (See page 7 of instructions) | City or town, State, and ZIP code | E Enter total assets from line 3, column (B), Schedule L (see specific instructions) $

F (1) Did any corporation, individual, partnership, trust or estate at the end of your tax year own, directly or indirectly, 50% or more of your voting stock? Yes No
If "Yes," enter below the owner's name, identifying number, address, percentage of voting stock owned and, if a corporation, total assets. (See specific instructions)

Name	Identifying number	Address	Percentage of voting stock owned	Total assets (Corporations only)	Foreign owner Yes	Foreign owner No

(2) Enter the following for any corporation listed in F(1) that will report the DISC's income

Tax year of first corporation | IRS Service Center where filed
Tax year of second corporation | IRS Service Center where filed

G Check the appropriate box to indicate any inter-company pricing rules that were applied to 25% or more of total receipts (line 4, page 1).
☐ 50–50 combined taxable income method, ☐ 4% gross receipts method, ☐ Section 482 method ("arm's length pricing")

All Computations Must Reflect Inter-Company Pricing Rules If Used (Section 994) (See Schedule P (Form 1120–DISC))

Gross Income

1 Qualified export receipts from the sale of export property (line 1(c), column E, Schedule B)
2 Other qualified export receipts: (line 2(j), column E, Schedule B)
3 Nonqualified gross receipts: (line 3(g), column E, Schedule B)
4 Total (add lines 1, 2, and 3)
5 Cost of goods sold (line 7, Schedule A) and/or operations (attach schedule)
6 Total income (subtract line 5 from line 4)

Deductions

7 Export promotion expenses: (line 1(o), Schedule E)
8 Other expenses not deducted above: (line 2(h), Schedule E)
9 Total deductions (add lines 7 and 8)

Taxable Income

10 Taxable income before net operating loss deduction and dividends-received deduction (subtract line 9 from line 6)
11 (a) Net operating loss deduction (see instructions—attach schedule)
(b) Dividends-received deduction (line 5, Schedule C)
12 Taxable income (subtract line 11 from line 10)

13 Refund of U.S. tax on special fuels and oils (attach Form 4136) (see instructions)

Please Sign Here — 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 preparer has any knowledge.
Signature of officer | Date | Title

Paid Preparer's Use Only — Preparer's signature | Date | Check if self-employed ☐ | Preparer's social security no.
Firm's name (or yours, if self employed) and address | E.I. No. | ZIP code

For Paperwork Reduction Act Notice, see page 1 of the Instructions.

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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).

1 Inventory at the beginning of the year
2 Purchases
3 Salaries and wages
4 Other costs (attach schedule)
5 Total (add lines 1 through 4)
6 Inventory at the end of the year
7 Cost of goods sold (subtract line 6 from line 5)—Enter here and on line 5, page 1
8 (a) Check all methods used for valuing closing inventory:
☐ Cost ☐ Lower of cost or market as described in regulations section 1.471–4 (see instructions)
☐ Writedown of "subnormal" goods as described in regulations section 1.471–2(c) (see instructions)
(b) Did you use any other method of inventory valuation not described above? ☐ Yes ☐ No
If "Yes," specify method used and attach explanation ▶
(c) Check if the LIFO inventory method was used this tax year for any goods ☐
If checked, attach Form 970.
(d) If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO
(e) Was there any substantial change in determining quantities, cost, or valuations between opening and closing inventory? ☐ Yes ☐ No
If "Yes," attach explanation.

Schedule B Gross Income (See instructions for Schedule B)

A. Type of receipt	Commission sales: B. Gross receipts	Commission sales: C. Commission	D. Other receipts	E. Total (add columns C and D)
1 Qualified export receipts from the sale of export property:				
(a) To unrelated purchasers:				
(i) Direct foreign sales				
(ii) Foreign sales through a related foreign entity				
(iii) To persons in the U.S. (other than an unrelated DISC)				
(iv) To an unrelated DISC				
(b) To related purchasers:				
(i) Direct foreign sales				
(ii) To persons in the U.S.				
(c) Total—Enter amount in column E on line 1, page 1				
2 Other qualified export receipts:				
(a) Leasing or renting of export property				
(b) Services related and subsidiary to a qualified export sale or lease				
(c) Engineering and architectural services				
(d) Export management services				
(e) Qualified dividends (line 11, Schedule C)				
(f) Interest on producer's loans				
(g) Other interest (attach schedule)				
(h) Capital gain net income (Attach Schedule D (Form 1120))				
(i) Net gain or (loss) from Part II, Form 4797 (attach Form 4797; see instructions)				
(j) Total—Enter amount in column E on line 2, page 1				
3 Nonqualified gross receipts:				
(a) Ultimate use in U.S.				
(b) Exports subsidized by the U.S. Government (see instructions)				
(c) Certain direct or indirect sales or leases for use by the U.S. Government				
(d) Sales to other DISCs in the same controlled group				
(e) Nonqualified dividends (line 12, Schedule C)				
(f) Other (see instructions—attach schedule)				
(g) Total—Enter amount in column E on line 3, page 1				
4 Total—Enter amount in column E on line 4, page 1				

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Schedule C Dividends and Special Deductions (See instructions for Schedule C)

	(A) Dividends received	(B) %	(C) Special deductions: multiply (A) × (B)
1 Domestic corporations subject to 85% deduction		85	
2 Certain preferred stock of public utilities		59.13	
3 Foreign corporations subject to 85% deduction		85	
4 Wholly-owned foreign subsidiaries subject to 100% deduction (section 245(b))		100	
5 Total—Add lines 1 through 4, Column C. See instructions for limitation. Enter here and on line 11(b), page 1			
6 Other dividends from foreign corporations not included in lines 3 and 4			
7 Income from controlled foreign corporations under subpart F (attach Forms 3646)			
8 DISC or former DISC dividends not included in line 1 (section 246(d))			
9 Other dividends			
10 Total dividends (add amounts on lines 1 through 10, column A)			
11 Qualified dividends—Enter here and on line 2(e), column D, Schedule B			
12 Nonqualified dividends (subtract line 11 from line 10) and enter on line 3(e), column D, Schedule B			

Schedule E Deductions (See instructions for Schedule E)

1 Export promotion expenses:
(a) Market studies
(b) Advertising
(c) Depreciation (attach Form 4562)
(d) Salaries and wages
(e) Rents
(f) Sales commissions
(g) Warehousing
(h) Freight (excluding insurance—see instructions)
(i) Compensation of officers
(j) Repairs (see instructions)
(k) Amortization (attach schedule)
(l) Pension, profit-sharing, etc. plans (see instructions)
(m) Employee benefit programs
(n) Other (list):
(o) Total (add lines 1(a) through 1(n))—Enter here and on line 7, page 1
2 Other expenses not deducted above:
(a) Bad debts (Schedule F if reserve method is used)
(b) Taxes
(c) Interest
(d) Contributions (not over 5% of line 12, page 1, adjusted per instructions)
(e) Freight
(f) Freight insurance
(g) Other (attach schedule)
(h) Total (add lines 2(a) through 2(g))—Enter here and on line 8, page 1

Schedule F Bad Debts—Reserve Method

1. Year	2. Trade notes and accounts receivable outstanding at the end of the year	3. Sales on account	Amount added to the reserve: 4. Current year's provision	5. Recoveries	6. Amount charged against the reserve	7. Reserve for bad debts at the end of the year
1976						
1977						
1978						
1979						
1980						
1981						

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Schedule J Deemed and Actual Distributions to Shareholders for the Tax Year (See Instructions for Schedule J)

PART I.—Deemed Distributions under Section 995(b)(1)

1 Gross interest derived during the year from producer's loans (section 995(b)(1)(A))
2 Gain recognized on the sale or exchange of property (section 995(b)(1)(B)) (see instructions—attach schedule)
3 Gain recognized on the sale or exchange of property (section 995(b)(1)(C)) (see instructions—attach schedule)
4 50% of taxable income attributable to military property (section 995(b)(1)(D)) (see instructions—attach schedule)
5 Total (add lines 1 through 4)
6 Taxable income (line 12, page 1)
7 Adjusted taxable income (subtract line 5 from line 6) (enter here and on line 1, Part II)
8 Taxable income attributable to base period export gross receipts (section 995(b)(1)(E)) (from line 22, Part II)
9 Subtract line 8 from line 7 (enter zero if less than zero)
10 50% of line 9 (section 995(b)(1)(F)(i))
11 International boycott income (section 995(b)(1)(F)(ii)) (see instructions)
12 Illegal bribes and other payments (section 995(b)(1)(F)(iii)) (see instructions)
13 Total of lines 5, 8, 10, 11, and 12
14 Earnings and profits for year (see instructions—attach schedule)
15 Enter the smaller of line 13 or line 14 (but not less than zero)
16 Foreign investment attributable to producer's loans (section 995(b)(1)(G)) (see instructions—attach schedule)
17 Total deemed distributions under section 995(b)(1) (add lines 15 and 16)

PART II.—Taxable Income Attributable to Base Period Export Gross Receipts

1 Adjusted taxable income (from line 7, Part I)
2 Larger of (a) 365 (see instructions) divided by the number of days in your tax year or (b) 1 (one)
3 Annualized adjusted taxable income (line 1 times line 2)
4 Annualized adjusted taxable income of all other DISCs in your controlled group (see instructions for exceptions)
5 Line 3 plus line 4 (if $100,000 or less see instructions)
6 Tax years beginning in 1974, 1975, 1976, and 1977 (use a separate line for each full or part year, starting with the earliest):

A. Beginning of year (month, day, year)	B. End of year (month, day, year)	C. Qualified export receipts as described in Sections 993(a)(1)(A), (B), (C), (G), and (H) (see instructions for certain exclusions)	D. 50 percent of qualified export receipts in column C attributable to military property
(a)			
(b)			
(c)			
(d)			
(e)			
(f) Totals (add lines (a) through (e))			

(g) Base period export gross receipts (subtract Column 6D, line (f) from Column 6C, line (f))
7 Enter the smaller of (a) 1,461 divided by the number of days in your base period or (b) 1 (one)
8 Line 6(g) times line 7
9 Adjustment factor .1675
10 Adjusted base period export gross receipts (line 8 times line 9)
11 Additions to adjusted base period export gross receipts:
(a) Adjusted base period export gross receipts of all other DISCs in your controlled group
(b) Other additions (attach schedule—see instructions)
(c) Total additions (line 11(a) plus line 11(b))
12 Line 10 plus line 11(c)
13 (a) Qualified export receipts as described in sections 993(a)(1)(A), (B), (C), (G), and (H). (Add the amounts from Schedule B, Columns B and D, lines 1(c), 2(a), 2(b), 2(c), and 2(d))
(b) 50% of qualified export receipts on line 13(a) attributable to military property
(c) Export gross receipts (subtract line 13(b) from line 13(a))
14 Annualized export gross receipts (line 2 times line 13(c))
15 Annualized export gross receipts of all other DISCs in your controlled group
16 Line 14 plus line 15
17 Enter the smaller of (a) line 12 divided by line 16 or (b) 1 (one)
18 Line 5 times line 17
19 Small DISC phaseout:
(a) Enter the greater of (a) $150,000 less line 5 (but not more than $50,000) or (b) zero
(b) Line 19(a) times 2 (two)
20 Subtract line 19(b) from line 18 (enter zero if less than zero)
21 Line 1 divided by line 5
22 Taxable income attributable to base period export gross receipts (line 20 times line 21) (enter here and on line 8, Part I)

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PART III.—Deemed Distributions Under Section 995(b)(2)

1 Annual installment of distribution attributable to revocation of election in an earlier year
2 Annual installment of distribution attributable to not qualifying as a DISC in an earlier 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 — Yes / No

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 attending conventions or meetings outside the North American area? (See section 274(h).)
(4) Employees' families at conventions or meetings?
If "Yes," were any of these conventions or meetings outside the North American area? (See section 274(h).)
(5) Employee or family vacations not reported on Form W-2?
I Refer to page 7 of the instructions and state the main:
Business activity ▶
Product or service ▶
J 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.
K (1) Did 95% or more of your gross receipts for the tax year consist of qualified export receipts (defined in section 993(a))?
(2) Did the adjusted basis of your qualified export assets (as defined in section 993(b)) at the end of the tax year equal or exceed 95% of the sum of the adjusted basis of all your assets at the end of the tax 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)?
L Did you have more than one class of stock at any time during the tax year?
M Was the par or stated value of your stock at least $2,500 on each day of the tax year (for a new corporation, on the last day for making an election and for each succeeding day)?
N Are you a member of a controlled group that includes other DISCs? (If "Yes," complete (1) and (2) below.)
(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 DISC in your controlled group completing Columns 3 and 4 of Part I, Section B of Schedule N. See specific instructions for Schedule N (Form 1120–DISC).
Name ▶ E.I.N. ▶
O Did you have your own bank account?
P Did you keep separate books and records?
Q At any time during the tax year, did you have an interest in or signature or other authority over a bank account, securities account, or other financial account in a foreign country? (If "Yes," see the instructions for Question Q.)
R Were you the grantor of, or transferor to, a foreign trust which existed during the current tax year, whether or not you have any beneficial interest in it? If "Yes," you may have to file Forms 3520, 3520–A, or 926.
S During the tax year were any part of your tax accounting records kept on a computerized system?
T (1) Do you or any member of the controlled group (as defined in Section 993(a)(3)) of which you are a member have operations in or related to any country (or with the government, a company, or a national of that country) associated in carrying out the boycott of Israel which is on the list maintained by the Secretary of the Treasury under Section 999(a)(3)?
(2) Did you or any member of the controlled group of which you are a member have operations in any nonlisted country, that you know or have reason to know requires participation in or cooperation with an international boycott against Israel?
(3) Did you or any member of the controlled group of which you are a member have operations in any country, that you know or have reason to know requires participation in or cooperation with an international boycott other than the boycott of Israel?
If you answered "Yes" to any of the questions in T, see instructions and Form 5713, International Boycott Report.

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Schedule L Balance Sheets

	(A) Beginning of the tax year	(B) End of the tax year
Assets		
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)		
(i) Subtract allowance for bad debts	( )	( )
(e) Export property (net) (including inventory and qualified property held for lease)		
(f) Producer's loans		
(g) Investment in related foreign export corporations		
(h) Depreciable assets		
(i) Subtract accumulated depreciation	( )	( )
(j) Other (attach schedule)		
2 Nonqualified assets (net) (list):		
3 Total assets		
Liabilities and Stockholders' Equity		
4 Accounts payable		
5 Other current liabilities (attach schedule)		
6 Mortgages, notes, bonds payable in 1 year or more		
7 Other liabilities (attach schedule)		
8 Capital stock		
9 Paid-in or capital surplus		
10 Other earnings and profits		
11 Previously taxed income (sec. 996(f)(2))		
12 Accumulated DISC income		
13 Subtract cost of treasury stock	( )	( )
14 Total liabilities and stockholders' equity		

Schedule M-1 Reconciliation of Income per Books With Income per Return

1 Net income on books
2 Excess of capital losses over capital gains
3 Taxable income not recorded on books this year (itemize)
4 Expenses recorded on books this year and not deducted in this return (itemize)
5 Add lines 1 through 4
6 Income recorded on books this year and not included in this return (itemize)
7 Deductions in this return not charged against book income this year (itemize)
8 Add lines 6 and 7
9 Income (line 10, page 1) (line 5 less line 8)

Schedule M-2 Analysis of Other Earnings and Profits (Line 10 above)

1 Balance at the beginning of the year
2 Increases (itemize)
3 Add lines 1 and 2
4 Deficit in earnings and profits
5 Distributions to qualify under sec. 992(c)
6 Other decreases (itemize)
7 Add lines 4, 5, and 6
8 Balance at end of year (line 3 less line 7)

Schedule M-3 Analysis of Previously Taxed Income (Line 11 above)

1 Balance at the beginning of the year
2 Deemed distributions under section 995(b)
3 Other increases (itemize)
4 Add lines 1, 2, and 3
5 Deficit in earnings and profits
6 Distributions to qualify under sec. 992(c)
7 Other decreases (itemize)
8 Add lines 5, 6, and 7
9 Balance at end of year (line 4 less line 8)

Schedule M-4 Analysis of Accumulated DISC Income (Line 12 above)

1 Balance at the beginning of the year
2 Increases (itemize)
3 Add lines 1 and 2
4 Deficit in earnings and profits
5 Redemptions under section 996(d)
6 Distributions to qualify under sec. 992(c)
7 Distributions upon disqualification (sec. 995(b)(2))
8 Other decreases (itemize)
9 Add lines 4 through 8
10 Balance at end of year (line 3 less line 9)

Schedule N Export Gross Receipts of the DISC and Related U.S. Persons (Attach separate Schedule N (Form 1120–DISC))

Schedule P Computation of Inter-company Transfer Price or Commission (Attach separate Schedule P (Form 1120–DISC))

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1981 Department of the Treasury Internal Revenue Service

Instructions for Form 1120-DISC

Domestic International Sales Corporation Return

(References are to the Internal Revenue Code)

Paperwork Reduction Act Notice

The Paperwork Reduction Act of 1980 says that we must tell you why we are collecting this information, how it is to be used, and whether your response is voluntary, required to obtain a benefit, or mandatory. We ask for the information to carry out the Internal Revenue Laws of the United States. The information is used to ensure that you are complying with these laws and so that we can figure and collect the correct amount of tax. Your response is mandatory.

General Instructions

A. Purpose of Form 1120–DISC

Form 1120–DISC is an information return filed by domestic international sales corporations—DISCs—and former DISCs.

B. What is a DISC?

A DISC is a domestic corporation that has elected to be treated as a DISC and meets certain conditions regarding its income and assets. Generally, a DISC is not taxed on its income. Shareholders of a DISC are taxed on a portion of its income, unless the income is actually distributed.

To be a DISC, a corporation must be organized under the laws of a State or the District of Columbia and meet the following tests:

- Its election to be treated as a DISC is in effect for the tax year.
- At least 95% of its gross receipts during the tax year are qualified export receipts.
- At the end of the tax year, the adjusted basis of its qualified export assets is at least 95% of the sum of the adjusted basis of all its assets.
- It has one class of stock, and its outstanding stock has a par value of at least $2,500 on each day of the tax year (or, for a new corporation, on the last day to elect DISC treatment for the year and on each later day).
- On each day of the tax year it has its own bank account and keeps separate books and records.

See section 992 and the related regulations for details and Instruction C for definitions.

1. Electing DISC treatment.—An existing corporation that wants to be treated as a DISC must file Form 4876 within 90 days before the start of the tax year for which the election is to take effect. A new corporation must file during the first 90 days of its existence.

For the election to be valid, all the corporation's shareholders on the first day of the tax year the election is to take effect must consent to it.

2. End of election.—The election to be treated as a DISC can end automatically, or it can be revoked.

The election ends automatically if, any time after it is made, the corporation has 5 consecutive tax years when it does not meet the terms listed above for being a DISC.

The election can be revoked for any tax year after the first year it is in effect. A revocation is effective either for the tax year in which it is made (if made during the first 90 days of the tax year) or for the next year (if made after the first 90 days of the tax year).

3. Distribution to meet qualification requirements.—A DISC that does not meet the gross receipts or qualified export asset conditions during the tax year will still be considered to have met them if, after the year ends, the DISC makes a prorated property distribution to its shareholders and specifies at the time that this is a distribution to meet the qualification requirements.

If the DISC did not meet the gross receipts test, the distribution equals the part of its taxable income attributable to gross receipts that are not qualified export gross receipts. If it did not meet the qualified export asset test, the distribution equals the fair market value of the assets that are not qualified export assets on the last day of the tax year. If the DISC did not meet either test, the distribution equals the sum of both amounts. Regulations section 1.992-3 explains how to figure the distribution.

"Interest" on late distribution.—If the DISC makes this distribution after the date Form 1120–DISC is due, an interest charge must be paid to the IRS service center where you filed the form. The charge is 4½% of the distribution times the number of tax years that begin after the tax year to which the distribution relates until the date the DISC paid the distribution.

If you must pay this interest charge, send the payment to the service center within 30 days of making the distribution. On the payment write the DISC's name, address, and employer identification number; the tax year involved; and a statement that the payment represents the interest charge under regulations section 1.992-3(c)(4).

4. Ineligible organizations.—The following organizations are not eligible for DISC treatment. File the return indicated instead of Form 1120–DISC.

- Tax exempt organizations (section 501): File the appropriate return in the Form 990 series.
- Personal holding companies (section 542): File Form 1120 with Schedule PH (Form 1120).
- Financial institution affected by section 581 or 593: File Form 1120.
- Life, mutual, or other insurance companies (subchapter L): File Form 1120L, 1120M, or 1120.
- Regulated investment company (section 851(a)): File Form 1120.
- An electing small business corporation (section 1371(b)): File Form 1120S.

C. Definitions

1. The following definitions are based on section 993.

a. Qualified export receipts, in general, are any of the following:

(1) Gross receipts from selling, exchanging, or otherwise disposing of export property.

(2) Gross receipts from renting export property that the lessee uses outside the U.S.

(3) Gross receipts from supporting services related to any qualified sale, exchange, rental, or other disposition of export property by the corporation.

(4) If there is gain, gross receipts from selling, exchanging, or otherwise disposing of qualified export assets that are not export property.

(5) Dividends or amounts includible in gross income under section 951 regarding 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 on construction projects outside the U.S.

(8) Gross receipts for managerial services performed for an unrelated DISC.

For more information, see regulations section 1.993-1.

b. Qualified export assets are any of the following:

(1) Export property.

(2) Assets used mainly in performing the engineering or architectural services listed under qualified export receipts, item 7, or managerial services which further the production of qualified export receipts, items 1, 2, 3, and 7, or in assembling, servicing, handling, selling, leasing, packaging, transporting, or storing of export property.

(3) Accounts receivable produced by transactions listed under qualified export receipts, items 1–4, 7, or 8.

(4) Temporary investments, such as money and bank deposits, in an amount reasonable to meet the corporation's needs for working capital.

(5) Obligations related to a producer's loan.

(6) A related foreign export corporation's stock or securities that the DISC holds.

(7) Certain obligations that are issued or insured by the U.S. Export-Import Bank or the Foreign Credit Insurance Association and that the DISC acquires from the Bank, the Association, or the person who sold or bought the goods from which the obligations arose.

(8) Certain obligations, held by the DISC, that were issued by a domestic corporation organized to finance export property sales under an agreement with the Export-Import Bank, by which the corporation makes export loans that the Bank guarantees.

(9) Other deposits in the U.S. used to acquire qualified export assets within the time provided by regulations section 1.993-2(j).

Regulations section 1.993-2 gives more information.

c. Export property must meet all the following terms. It is:

(1) Made, grown, or extracted in the U.S. by someone other than a DISC.

(2) Neither excluded under section 993(c)(2) nor declared in short supply (Section 993(c)(3).)

(3) Held mainly for sale 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.

(4) Not more than 50% of its fair market value is attributable to articles imported into the U.S.

(5) Neither sold nor leased by or to another DISC that, immediately before or after the transaction, either belongs to the same controlled group (defined in section 993(a)(3)) as your DISC or is related to your DISC in a way that would result in losses being denied under section 267.

See regulations section 1.993-3 for details.

d. A producer's loan must meet all the following terms:

(1) Satisfy sections 993(d)(2) and (3) limiting loans the DISC makes to any one borrower.

(2) Not raise the unpaid balance due the DISC on all its producer's loans above the level of accumulated income it had at the start of the month in which it made the loan.

(3) Be indicated by written evidence of indebtedness, such as a note, that has a stated maturity date no more than 5 years after the date of the loan.

(4) Be made to a person in the U.S. in the trade or business of making, growing, or extracting export property.

(5) Be designated as a producer's loan when made.

For more information, see regulations section 1.993-4.

e. A related foreign export corporation of any of the following kinds can pay dividends and interest to the DISC without loss of DISC status. The DISC's investment must be related to exports from the U.S.

(1) A *foreign international sales corporation (FISC)* is a related foreign export corporation if:

(i) The DISC directly owns more than 50% of the total voting power of the foreign corporation's stock,

(ii) For the tax year that ends with your DISC's tax year or ends within it, at least 95% of the foreign corporation's gross receipts consists of the qualified export receipts described in items 1–4 of definition a above and interest on the qualified export assets listed in items 3 and 4 of definition b above, and

(iii) The adjusted basis of the qualified export assets that are listed in items 1–4 of definition b above and that the foreign corporation held at the end of the tax year is at least 95% of the adjusted basis of all assets it held then.

(2) A *real property holding company* is a related foreign export corporation if:

(i) The DISC directly owns more than 50% of the total voting power of the foreign corporation's stock, and

(ii) Applicable foreign law forbids the DISC to hold title to real property; the foreign corporation's sole function is to hold title to real property; and only the DISC uses the property, under lease or otherwise.

(3) An *associated foreign corporation* is a related foreign export corporation if:

(i) The DISC or a controlled group of corporations to which the DISC belongs owns less than 10% of the total voting power of the foreign corporation's stock. Section 1563 defines a controlled group in this sense, and sections 1563(d) and (e) define ownership, and

(ii) The DISC's ownership of the foreign corporation's stock or securities reasonably furthers any transactions that lead to qualified export receipts for the DISC.

See regulations section 1.993-5 for more information about related foreign export corporations.

f. Gross receipts are the DISC's total receipts from (1) selling or renting property that the corporation holds for sale or rental in the course of its trade or business and (2) all other sources. For commissions on selling or renting property, include gross receipts from selling or renting the property on which the commissions arose. Regulations section 1.993-6 gives more information.

g. United States, as used in these instructions, includes Puerto Rico and U.S. possessions, as well as the 50 States and the District of Columbia.

2. Inter-company pricing rules (Section 994).—If a related person described in section 482 sells export property to the DISC, use inter-company pricing rules to figure taxable income for the DISC and the seller. These rules generally do not permit the related person to price at a loss. There must be a written agreement for the inter-company pricing rules to apply. Under inter-company pricing, the DISC's taxable income from the sale (regardless of the price actually charged) is the greatest of:

(a) 4% of qualified export receipts on the DISC's sale of the property; plus 10% of the DISC's export promotion expenses attributable to the receipts.

(b) 50% of the DISC's and the seller's combined taxable income from qualified export receipts on the property, derived from the DISC's selling it; plus 10% of the DISC's export promotion expenses attributable to the receipts.

(c) Taxable income based on the sale price actually charged, as long as it accurately reflects taxable income without evading taxes.

Schedule P (Form 1120–DISC) explains inter-company pricing in more detail.

Export promotion expenses are incurred to help distribute or sell export property for use or distribution outside the U.S. These expenses do not include income tax, but do include 50% of the cost of shipping the property on U.S.-owned and operated aircraft or ships if the law and regulations do not require that it be shipped on them.

D. Filing Form 1120–DISC

1. Who Files Form 1120–DISC.—You must file Form 1120–DISC if your corporation elected, by filing Form 4876, to be treated as a DISC.

If the corporation is a former DISC, you must file Form 1120–DISC for it, in addition to any other return required. A former DISC is a corporation that was a DISC in an earlier year but did not meet the terms of being a DISC during its 1981 tax year; and at the beginning of the year, it had undistributed income that was previously taxed or accumulated DISC income. (See section 992 and the related regulations.)

In regard to a former DISC, you need not complete the items for figuring taxable income, but you must complete Schedules J, K, L, and M of Form 1120–DISC. Write "Former DISC" across the top of the return.

2. When to File.—File Form 1120–DISC by the 15th day of the 9th month after the tax year ends. No extensions are granted.

Period covered.—File the 1981 return for calendar year 1981 and fiscal years that began in 1981 and end in 1982. If the return is for a fiscal year, fill in the tax year space at the top of the form.

If the DISC's tax year began in 1980 use the 1980 Form 1120–DISC.

Change in accounting period.—To change your accounting period, file Form 1128, Application for Change in Accounting Period.

Final return.—If the corporation ceased to exist, write "Final return" across the top of the form.

3. Where to File.—

If the principal business, office, or agency is located in	Use the following Internal Revenue Service Center address
New Jersey, New York City and counties of Nassau, Rockland, Suffolk, and Westchester	Holtsville, NY 00501
New York (all other counties), Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont	Andover, MA 05501
Alabama, Florida, Georgia, Mississippi, South Carolina	Atlanta, GA 31101
Michigan, Ohio	Cincinnati, OH 45999
Arkansas, Kansas, Louisiana, New Mexico, Oklahoma, Texas	Austin, TX 73301
Alaska, Arizona, Colorado, Idaho, Minnesota, Montana, Nebraska, Nevada, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming	Ogden, UT 84201
Illinois, Iowa, Missouri, Wisconsin	Kansas City, MO 64999
California, Hawaii	Fresno, CA 93888
Indiana, Kentucky, North Carolina, Tennessee, Virginia, West Virginia	Memphis, TN 37501
District of Columbia, Delaware, Maryland, Pennsylvania	Philadelphia, PA 19255

If the DISC is one of a group of DISCs controlled by a common parent, file with the service center where the common parent files.

A group of corporations in several service center regions may file their separate returns with the service center for the main office of the managing corporation that keeps all the books and records.

4. Other Returns or Statements That May Be Required.—

a. Amended return.

To correct any error in a Form 1120–DISC already filed, file an amended Form 1120–DISC and write "Amended" across the top.

b. Financial statements.

The balance sheets must agree with your books and records. Reconcile any differences.

c. Stock in foreign corporation.

If, on the last day of your tax year, you owned at least 5% in value of a foreign personal holding company's outstanding stock, attach a statement showing the foreign company's gross income, deductions, credits, taxable income, and undistributed foreign personal holding company income.

If you controlled a foreign corporation or owned at least 10% of the shares in a controlled foreign corporation, you may have to file Forms 2952 and 3646.

d. Form 1042.

File Forms 1042 and 1042S to report tax withheld from amounts paid to nonresident aliens and foreign partnerships (sections 1441 through 1461). In addition, please inform your shareholders who are nonresident alien individuals or foreign corporations, trusts, or estates that if they have gains from disposing of stock in the DISC or former DISC, or distributions from accumulated DISC income, including deemed distributions, they should treat these amounts as effectively connected with the conduct of a trade or business through a permanent establishment in the U.S.

e. Attachments.

If you need more space, attach separate sheets to the back of Form 1120–DISC. Attach schedules in alphabetical order and forms in numerical order. Be sure to put the DISC's name and employer identification number (EIN) on each sheet.

5. 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. A receiver, trustee, or assignee must sign and date any return required to be filed on behalf of a corporation.

If your corporate officer filled in Form 1120–DISC, the Paid Preparer's space under "Signature of officer" should remain blank. If someone prepares Form 1120–DISC and does not charge the corporation, that person should not sign the return. Certain others who prepare Form 1120–DISC should not sign. For example, a regular, full time employee of the corporation such as a clerk, secretary, etc. does not have to sign. (This list is not all inclusive.)

Generally, anyone who is paid to prepare Form 1120–DISC must sign the return and fill in the other blanks in the Paid Preparer's Use Only area of the return.

If you have questions about whether a preparer is required to sign Form 1120–DISC, please contact an IRS office.

The preparer required to sign the return MUST complete the required preparer information and:

- Sign it, by hand, in the space provided for the preparer's signature. (Signature stamps or labels are not acceptable.)
- Give a copy of Form 1120–DISC to the taxpayer in addition to the copy filed with IRS.

Tax return preparers should be familiar with their responsibilities. See Publication 1045, Information and Order Blanks for Preparers of Federal Income Tax Returns, for more details.

E. Figuring Taxable Income

A DISC must figure its taxable income although it does not pay most taxes. Of the taxes imposed by sections 1 through 1564, a DISC is subject only to the tax imposed by sections 1491 through 1494 on certain transfers to avoid tax. A DISC is exempt from corporate income tax, minimum tax on tax preference items, and accumulated earnings tax.

A DISC and its shareholders are not entitled to the possessions corporation tax credit (Section 936). Also, a DISC cannot claim the investment tax credit, the Work Incentive (WIN) credit, and the Jobs Credit; and these credits do not pass through to shareholders of a DISC.

Accounting methods.—Compute taxable income by the accounting method regularly used to keep the DISC's books and records. The method used must clearly reflect taxable income. (See section 446.)

A member of a controlled group must avoid using an accounting method that would distort any group member's income, including its own. For example, a DISC acts as a commission agent for property sales by a related corporation that uses the accrual method and pays the DISC its commission more than 2 months after the sale. The DISC, then, should not use the cash method of accounting, because it materially distorts the income of the DISC.

Unless the law specifically permits otherwise, the DISC may change from the accounting method it used to report taxable income in earlier years (for income as a whole or for any material item) only by first getting consent on Form 3115, Application for Change in Accounting Method.

F. Penalties

Avoid penalties by filing accurate returns on time with complete information. The DISC may have to pay the following penalties unless it can show that it had reasonable cause for not giving information or not filing a return.

- $100 for each instance of not giving information, up to $25,000 during the calendar year.
- $1,000 for not filing a return.

SPECIFIC INSTRUCTIONS

Rounding Off.—You may show money items as whole-dollar amounts by dropping amounts under 50 cents and increasing amounts from 50 to 99 cents to the next higher dollar.

Question E.—If there are no assets at the end of the tax year, enter the assets as of the beginning of the tax year.

Question F.—For rules of stock attribution, see section 267(c). If the owner of the voting stock of the DISC was an alien individual or a foreign corporation, partnership, trust, or estate, check the "Yes" box in the "Foreign Owner" column and enter the name of the owner's country, in parentheses, in the address column. "Owner's country" 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.

(Numbered to correspond to line numbers on page 1 of the return.)

5. Cost of goods sold.—Enter the amount from line 7, Schedule A.

Cost of operations (when inventories are not an income-determining factor).—If the amount on line 5 includes an amount applicable to cost of operations, attach a schedule showing in detail (1) salaries and wages and (2) other costs.

11(a). Net operating loss deduction.—The "net operating loss deduction" is the sum of the net operating loss carryovers and carrybacks to the tax year. (Section 172(a).)

Your 1981 net operating loss is the excess of allowable deductions over gross income before your net operating loss deduction for other years is subtracted. In addition, you would figure your dividends-received deduction on Schedule C without regard to the 85% limitation in section 246(b). (Regulations section 1.172–2.)

After you apply the net operating loss to the year of the loss, you can carry any remaining loss 3 years back and 15 years forward; or you can elect to carry it forward to the 15 years after the loss. After applying the loss to the first tax year, the part of the loss you may carry to each remaining tax year is any excess of the loss over the sum of the taxable income for the earlier tax years to which you may carry the loss. (See section 172(b).)

To determine how much of a net operating loss that will still be available to carry to a later year, figure the net operating loss deduction without regard to the net operating loss for the loss year or any later tax year. In some cases, do not include any net operating loss attributable to a foreign expropriation loss.

A deficit in earnings and profits is chargeable in the following order:

(1) first, to any other earnings and profits;

(2) second, to any accumulated DISC income; and

(3) finally, to previously taxed income. Do not apply any deficit in earnings and profits against accumulated DISC income that, as a result of the corporation's revoking its election to be treated as a DISC (or other disqualification), is deemed distributed to the shareholders. (Section 995(b)(2)(A).)

12. Taxable income.—If you use either the gross receipts method or combined taxable income method to compute the DISC's taxable income attributable to any transactions involving products or product lines, attach Schedule P (Form 1120–DISC). Show in detail the DISC's taxable income attributable to each such transaction or group of transactions.

Line 13.—If the DISC is a producer of domestic crude oil and overpaid the windfall profit tax, include the overpayment (from Form 6249) in the total on line 13. Also enter the overpayment separately in the margin beside line 13 and identify it as "Overpaid windfall profit tax." Attach Form 6249 when you file Form 1120–DISC.

Schedule A.—Cost of Goods Sold

If you use inter-company pricing rules, reflect in Schedule A actual purchases from a related supplier. See General Instruction C2 and use the transfer price you compute in Part II of Schedule P (Form 1120–DISC).

If the DISC acts as another person's commission agent on a sale, do not enter any amount in Schedule A for the sale. See Schedule P (Form 1120–DISC).

Valuation Methods. Your inventories can be valued at: 1. cost; 2. cost or market value (whichever is lower); or 3. any other method that is approved by the Commissioner of Internal Revenue and that conforms to the provisions of the applicable regulations cited below.

Taxpayers using erroneous valuation methods must change to a method permitted for Federal income tax purposes. Such changes should be made by filing Form 3115. For more information about the change, see regulations section 1.446–1(e)(3) and Rev. Proc. 70–27, 1970–2 C.B. 509.

In line 8(a), check the method(s) used for valuing inventories. Under "lower of cost or market," market generally applies to normal market conditions where there is a current bid price prevailing at the date the inventory is valued. When no regular open market exists or when quotations are nominal because of inactive market conditions, use fair market prices from the most reliable sales or purchase transactions that occurred near the date the inventory is valued. For more requirements, see regulations section 1.471–4.

Inventory may be valued below cost when the merchandise is 1. unsalable at normal prices or 2. unusable in the normal way because the goods are "subnormal" (that is because of damage, imperfections, shop wear, etc.) within the meaning of regulations section 1.471–2(c). Such goods may be valued at a current bona fide selling price minus direct cost of disposition (but not less than scrap value) if you can establish such a price. See regulations section 1.471–2(c) for more requirements.

In line 8(b), indicate whether you used a method of inventory valuation other than those described in line 8(a). Attach a statement describing the method used.

If this is the first year the "last-in first-out" (LIFO) inventory method was either adopted or extended to inventory goods not previously valued under the LIFO method, provided in section 472, attach Form 970, Application to Use LIFO Inventory Methods, or a statement with the information required by Form 970. Also check the LIFO box in line 8(c). Enter the amount or percent of total closing inventories covered under section 472 in line 8(d). Estimates are acceptable.

Schedule B.—Gross Income

(Numbered to correspond to line numbers in Schedule B.)

If an income item falls in two or more categories, report each part 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 obligation, enter the qualified interest on an attached schedule for line 2(g) and the nonqualified interest on an attached schedule for line 3(f).

For gain from selling qualified export assets, you will need to attach a separate schedule in addition to the forms required for lines 2(h) and (i).

If you use the installment method of reporting, attach a schedule showing for 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 the amount collected.

Commissions: Special Rule.—If the DISC received commissions on selling or renting property or furnishing services, list in column B the gross receipts from the sales, rentals, or services on which the commissions arose, and in column C, list the commissions earned. In column D report receipts from non-commission sales or rentals of property or furnishing of services, as well as all other receipts.

For purposes of completing line 1(a) and line 1(b), related purchasers are members of the same controlled group (as defined in section 993(a)(3)) as the DISC. All other purchasers are unrelated.

A qualified export sale or lease must meet a use test and a destination test in order to qualify.

The use requirement applies at the time of sale or lease. If the property is used predominantly outside the U.S., and the sale or lease is not for ultimate use in the U.S., it is a qualified export sale or lease. Otherwise, if a reasonable person would believe that the property will be used in the U.S., the sale or lease is not a qualified export sale or lease.

For example, if property is sold to a foreign wholesaler, and it is known in trade circles that the wholesaler, to a substantial extent, supplies the U.S. retail market, the sale would not be a qualified export sale, and the receipts would not be qualified export receipts.

Destination test.—Regardless of where title or risk of loss shifts from the seller or lessor, the property must be delivered under one of the following conditions:

(a) Within the U.S. to a carrier or freight forwarder for ultimate delivery outside the U.S. to a buyer or lessee.

(b) Within the U.S. to a buyer or lessee who, within 1 year of the sale or lease, delivers it outside the U.S. or delivers it to another person for ultimate delivery outside the U.S.

(c) Within or outside the U.S. to a DISC that is not a member of the same controlled group (as defined in section 993(a)(3)) as the DISC that is making the sale or lease.

(d) Outside the U.S. by means of the seller's delivery vehicle (ship, plane, etc.).

(e) Outside the U.S. to a buyer or lessee at a storage or assembly site if the property was previously shipped from the U.S. by the DISC.

(f) Outside the U.S. to a purchaser or lessee if the property was previously shipped by the seller or lessor from the U.S. and if the property is located outside the U.S. pursuant to a prior lease by the seller or lessor, and either (a) the prior lease terminated at the expiration of its term (or by the action of the prior lessee acting alone), (b) the sale occurred or the term of the subsequent lease began after the time at which the term of the prior lease would have expired, or (c) the lessee under the subsequent lease is not a related person (a member of the same controlled group as defined in section 993(a)(3) or a relationship that would result in a disallowance of losses under section 267 or section 707(b)) immediately before or after the lease with respect to the lessor and the prior lease was terminated by the action of the lessor (acting alone or together with the lessee).

Qualified export receipts to be entered in line 1 are received from the sale of property, such as inventory, that is produced in the U.S. for direct use, consumption, or disposition outside the U.S. These sales are qualified export sales.

1(a).—Enter the DISC's qualified export receipts from export property sold to foreign, unrelated buyers for delivery outside the U.S. Do not include amounts entered on line 1(b).

1(b).—Enter the DISC's qualified export receipts from export property sold for delivery outside the U.S. to (i) a related foreign entity for resale to a foreign, unrelated buyer or (ii) an unrelated buyer when a related foreign entity acts as commission agent.

2(a).—Enter the gross amount received from leasing or subleasing export property to unrelated persons for use outside the U.S.

Receipts from leasing export property may qualify in some years and not in others, depending on where the lessee uses the property. Enter only receipts that qualify during the tax year. (Use Schedule E to deduct expenses such as repairs, interest, taxes, and depreciation.)

2(b).—A service connected to a sale or lease is related to it if the service is usually furnished with that type of sale or lease in the trade or business where it took place. A service is subsidiary if it is less important than the sale or lease.

2(c).—Include receipts from engineering or architectural services on foreign construction projects abroad or proposed for location abroad. These services include feasibility studies, design and engineering, and general supervision of construction, but do not include services connected with exploring for minerals.

2(d).—Include receipts for export management services provided to unrelated DISCs.

2(f).—Include interest received on any loan that qualifies as a producer's loan.

2(g).—Enter interest on any qualified export asset other than interest on producer's loans.

For example, include interest on accounts receivable from sales in which the DISC acted as a principal or agent and interest on certain obligations issued, guaranteed, or insured by the Export Import Bank or the Foreign Credit Insurance Association.

2(h).—On Schedule D (Form 1120) report in detail every sale or exchange of a capital asset, even if there is no gain or loss.

In addition to Schedule D (Form 1120), attach a separate schedule computing gain from the sale of qualified export assets.

2(i).—Enter the net gain or loss from line 11, Part II, Form 4797.

In addition to Form 4797, attach a separate schedule computing gain from the sale of qualified export assets.

3(b).—Enter receipts from selling products subsidized under a U.S. program if they have been designated as excluded receipts.

3(c).—Enter receipts from selling or leasing property or services for use by any part of the U.S. Government if law or regulations require U.S. products or services to be used.

3(d).—Enter receipts from a DISC that belongs to the same controlled group (defined in section 993(a)(3)).

3(f).—Include in an attached schedule any nonqualified gross receipts not reported on lines 3(a) through 3(e). Do not offset an income item against a similar expense item.

Schedule C.—Dividends and Special Deductions

(Numbered to correspond to line numbers in Schedule C.)

Column A

1. Enter dividends received from domestic corporations for which you can take the 85% deduction under section 243(a)(1). Include taxable distributions from a DISC or former DISC if they are eligible for this deduction.

For dividends from a regulated investment company, see section 854 for the amount subject to the 85% deduction.

So-called dividends or earnings from mutual savings banks, etc., are really interest. Report them in Schedule B, not in Schedule C.

2. Enter dividends received on the preferred stock of a public utility that can take the deduction for dividends paid (section 247).

3. Enter dividends received from foreign corporations for which you can take the 85% deduction in section 245(a).

4. Enter dividends you can deduct that you received from wholly-owned foreign subsidiaries.

6. Enter foreign dividends that are not reportable on lines 3 and 4. Exclude distributions of amounts constructively taxed under subpart F for your 1981 tax year or in earlier years.

7. Include income constructively received from controlled foreign corporations under subpart F. This amount should equal the total of amounts on line 5, Schedule A, of all Forms 3646.

8. Enter taxable distributions from a DISC or former DISC that are not eligible for the 85% dividends-received deduction. See sections 246(d), 995(b), and 996(a)(3).

9. Include: dividends, except capital gain dividends, from regulated investment companies that are not subject to the 85% deduction; dividends from tax-exempt organizations; dividends, except capital gain dividends, from a real estate investment trust that, for the trust's tax year in which the dividends are paid, qualifies under sections 856 through 860; dividends not eligible for a dividends-received deduction because of the holding period of the stock or an obligation to make corresponding payments for similar stock; and other taxable dividend income not reported above.

11. Enter qualified dividends from the DISC's investment in a related foreign export corporation (defined in General Instruction C1(a)). Include income constructively received from controlled foreign corporations under subpart F. Generally, the investment will be in stock or securities of the DISC's foreign selling subsidiary that qualifies as a foreign international sales corporation (FISC).

Column C

Multiply the dividends received that are entered in lines 1–4, Column A, by the percentages shown in lines 1–4, Column B. Enter the result in lines 1–4, Column C.

In general, no dividends-received deduction will be allowed on any share of stock (a) disposed of before the corporation has held it 15 days or (2) to the extent the corporation must pay corresponding amounts for substantially identical stock or securities.

No deduction is allowed for dividends received from another DISC or former DISC if the dividend is paid from accumulated DISC income or previously taxed income or if it is a deemed distribution under section 995(b)(1).

5. Line 5 may not exceed 85% of line 10, page 1. For this purpose, figure line 10 before carrying back any capital loss to the 1981 tax year.

In a year when a net operating loss occurs, this 85% limit does not apply even if the dividends-received deduction creates the loss.

Schedule E.—Deductions

(Numbered to correspond to line numbers in Schedule E.)

Enter export promotion expenses on line 1. Export promotion expenses are a DISC's ordinary and necessary expenses paid or incurred to obtain qualified export receipts. Do not include income taxes. Any part of an expense not incurred to obtain qualified export receipts should be entered in line 2.

1(c).—Attach Form 4562 if you deduct depreciation. Enter on line 1(c) the depreciation not claimed on Schedule A or elsewhere on the return.

1(h).—Enter half the freight expenses (except insurance) for shipping export property aboard U.S. flag ships and U.S. owned and operated aircraft, unless the law required you to use U.S. ship or aircraft.

1(i).—Attach a schedule showing the name, social security number, amount of compensation, and expense account allowance 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 amounts (1) received as advances or reimbursements (except compensation) or (2) paid by or for the corporation for expenses incurred by or for an officer. Do not show expense account allowances for any officer whose combined compensation and expense account allowance is under $50,000.

An officer is a person, such as a regular officer or chairman of the board, who is elected or appointed to office or is designated as an officer in the corporation's charter or bylaws.

1(j).—Enter the cost of incidental repairs, such as labor and supplies, that do not add to the property's value or appreciably prolong its life.

1(k).—If you amortize expenses, attach a schedule showing: (1) a description of the expenses amortized; (2) date acquired, completed, or spent; (3) amount amortized; (4) amortization deducted in earlier years; (5) amortization period (number of months); (6) amortization for the 1981 tax year; and (7) total amortization less the amount you claim in Schedule A or elsewhere on the return.

1(l).—If the DISC has any kind of funded deferred compensation plan, such as a pension or profit-sharing plan (except a Simplified Employee Pension), file one of the forms described below. The Employee Retirement Income Security Act of 1974 imposes penalties for not filing these forms on time.

Form 5500.—Complete this form for each plan with 100 or more participants.
Form 5500–C or 5500–R.—Complete the applicable form for each plan with fewer than 100 participants.

Only one return is required for a plan of a controlled group of corporations or a multiemployer-collectively bargained plan. Individual participating employers or contributing employers do not need to file separately.

1(m).—Enter your contributions to employee benefit programs, such as insurance or health and welfare programs, that are not an incidental part of a plan included on line 1(l). Also include contributions to a qualified group legal services plan. Section 120 gives certain rules that the DISC must follow for its employees (including spouses and dependents) to be able to exclude from their income the DISC's contributions to the legal services plan.

2(a).—You may treat bad debts in either of two ways: (i) as a deduction for debts that become partly or wholly worthless, or (ii) as a deduction for a reasonable addition to a reserve for bad debts. (Section 166.)

When applying to change the way you compute bad debts, file Form 3115.

2(b).—Enter taxes paid or accrued during the tax year. See section 164(d) for apportioning real property tax between seller and buyer.

2(c).—Do not include interest on debts incurred or continued to buy or carry obligations on which the interest is wholly exempt from income tax. (Section 265.)

Section 267 limits deductions for unpaid expenses and interest in transactions between related taxpayers. Section 461(g) limits a cash basis taxpayer's deduction for prepaid interest.

2(d).—Enter contributions or gifts paid within the tax year to or for the use of charitable and governmental organizations described in section 170(c). Include any unused contributions carried over from earlier years.

The DISC may claim up to 5% of modified adjusted taxable income as contributions. Apply the 5% limit to the amount on line 12, page 1, before deducting dividends received (line 11(b), page 1), premiums paid on bond repurchases (section 249), or payments made to the National Railroad Passenger Corporation (section 250); and before figuring carrybacks to the 1981 tax year for net operating loss (section 172) or capital loss (section 1212(a)(1)).

Do not deduct charitable contributions above the 5% limit for the 1981 tax year. You may carry over the excess for the next 5 tax years, as long as it does not increase a net operating loss carryover (section 170(d)(2)(B)).

A corporation on the accrual basis may elect to deduct contributions paid by the 15th day of the 3d month after the tax year ends, if the board of directors authorized the contributions during the tax year. Attach both of the following to the return: a declaration, signed by an officer, stating that the board of directors adopted the resolution authorizing the contributions during the tax year, and a copy of the resolution.

If a contribution is made in property other than money, attach a schedule describing the kind contributed and what method was used to determine the fair market value.

If you include a contribution carryover, show the amount and how you determined it.

Contributed property.—To report contributed property, reduce its value by the ordinary income that would have resulted if the property were sold at its fair market value. Some contributions must also be reduced by 60.87% of the long-term capital gain that would have resulted from a sale at fair market value. These are contributions of: (1) tangible personal property to an organization for use in a way unrelated to the basis of its exemption, or (2) property to or for use by certain private foundations. (Section 170(e).)

Section 170(e)(3) gives special rules about contributing inventory or other ordinary income property to certain organizations.

Bargain sale to a charitable organization.—If a charitable contribution deduction for property sold to a charitable organization is claimed, 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.

2(e).—Enter the freight expense not deducted on line 1(h) as an export promotion expense.

2(g).—Do not deduct any amount allocable to exempt income. Items directly attributable to wholly exempt income must be allocated to that income, and items directly attributable to any class of taxable

income must be allocated to that income. If an item is indirectly attributable to both taxable and exempt income, allocate a reasonable proportion to each.

Attach a statement showing (1) the amount of each class of exempt income and (2) the amount of expense items allocated to each class. Show apportioned amounts separately.

Schedule J.—Deemed and Actual Distributions to Shareholders for the Tax Year

Part I.—Deemed distributions under section 995(b)(1)

(Numbered to correspond to line numbers in Part I, Schedule J.)

2. Attach a computation showing the gain the DISC recognized during the tax year on selling or exchanging property. Include only limited gain on qualified export assets that the DISC acquired by transactions in which gain was not recognized. Report the same amount of the DISC's gain that the transferor did not recognize on the earlier transfer.

3. Attach a computation showing gain (not included on line 2) that the DISC recognized during the tax year on selling or exchanging property. Include only the amount of the DISC's gain that the transferor did not recognize on the earlier transfer and that would have been treated as ordinary income if the property had been sold or exchanged rather than transferred to the DISC. Do not include gain on sale or exchange of the DISC's stock in trade or other property that either would be included in inventory if on hand at the end of the tax year or is held primarily for sale in the normal course of business.

4. To figure taxable income attributable to military property, use the gross income attributable to military property for the year and the deductions properly allocated to that income. "Military property" is defined in section 38 of the International Security Assistance and Arms Export Control Act of 1976 (22 USC 2778) and related regulations (22 CFR 121.01).

11. A DISC is deemed to distribute any income that resulted from cooperating with an international boycott (section 995(b)(1)(F)(ii)). See Form 5713 to compute this deemed distribution and to learn reporting requirements about any DISC with operations related to a boycotting country.

12. A DISC is deemed to distribute the amount of any illegal payments, such as bribes or kickbacks, that it pays, directly or indirectly, to government officials, employees, or agents (section 995(b)(1)(F)(iii)).

14. Attach a computation showing the earnings and profits for the tax year.

The allowance for depreciation (and any amortization) is the amount that would be allowable if the DISC had used the straight-line method of depreciation for each tax year beginning after June 30, 1972. See section 312(k)(2) for exception.

16. Attach a computation showing: (1) the DISC's foreign investment in producer's loans during the tax year; (2) accumulated earnings and profits (including earnings and profits for the 1981 tax year) less the amount on line 15, Part I; and (3) accumulated DISC income. Enter the least of these amounts (but not less than zero) on line 16.

Foreign investment in producer's loans is the least of:

(1) the net increase in foreign assets by members of the controlled group (defined in section 993(a)(3)) to which the DISC belongs.

(2) the actual foreign investment by the group's domestic members.

(3) the DISC's outstanding producer's loans to members of the controlled group. "Net increase in foreign assets" and "actual foreign investment" are defined in sections 995(d)(2) and (3).

Part II.—Taxable income attributable to base period export gross receipts

(Numbered to correspond to line numbers in Part II, Schedule J.)

The DISC is deemed to distribute taxable income attributable to base period gross receipts. Complete Part II to arrive at this amount. For the DISC's 1981 tax year, the base period consists of the DISC's tax years that began in 1974, 1975, 1976, and 1977. For the DISC's 1980 tax year, the base period consists of the DISC's tax years 1973 through 1976. If the DISC's latest tax year began in 1980, use the 1980 Form 1120–DISC.

4. If any other DISCs belong to your controlled group, include their total annualized income for the latest tax year ending with or within your 1981 tax year. Do not include taxable losses.

5. If this amount is $100,000 or less, skip to line 22; enter zero there and on line 8, Part I.

6. Column C.—Generally, if export property does not qualify under section 993(c)(2) as giving rise to export gross receipts in your 1981 year, exclude gross receipts on that property in computing export gross receipts for the base period.

However, if the property qualifies under section 603(b)(2) of the Tax Reduction Act of 1975, you must increase export gross receipts for the base period. See section 1101(g)(5) of the Tax Reform Act of 1976 for the computation to use.

For transactions on a commission basis, enter gross receipts, not just commissions.

11b. Add to export gross receipts for the base period if either of the following is true: (1) stock ownership in the DISC is separated, during the base period, from ownership in the underlying trade or business that produced the export gross receipts; or (2) any 5% or more shareholder owned at least 5% of another DISC's stock in a base period year. See sections 995(e)(9) and (10).

15. Include the export gross receipts annualized for all DISCs in your controlled group. Annualize the receipts for the DISCs' latest tax year that ended with or within your 1981 year.

Part III.—Deemed distribution under section 995(b)(2)

If the corporation is a former DISC or if it revoked DISC status for 1981, each shareholder is deemed to have received a distribution taxable as a dividend. The deemed distribution equals the shareholder's prorated share of the DISC's income accumulated during the years just before DISC status ended. The shareholder will be deemed to receive the distribution in equal parts on the last day of the corporation's tax year for the shorter of the following periods after DISC status ended:

- 10 tax years.
- twice the number of years the corporation was a DISC.

Schedule K.—Shareholder's Statement of DISC Distribution

Attach a separate Copy A, Schedule K (Form 1120–DISC) to Form 1120–DISC for each shareholder who had an actual or deemed distribution during the DISC's tax year.

Additional Information

Question Q.—Check the Yes box if either (1) or (2) below applies to you. Otherwise check the No box.

(1) At any time during the 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; AND

- The combined value of the accounts was more than $1,000 at any time during the year; AND
- The account was NOT with a U.S. military banking facility operated by a U.S. financial institution.

(2) You own more than 50% of the stock in any corporation that owns one or more foreign bank accounts.

Get Form 90–22.1, Report of Foreign Bank and Financial Accounts, to see if you are considered to have an interest in or signature or other authority over a bank account, securities accounts, or other financial account in a foreign country.

If you checked Yes for Question Q, file Form 90–22.1 by June 30, 1982, with the Department of the Treasury at the address shown on the form. Form 90–22.1 is not a tax return, so do not file it with the IRS.

You can get Form 90–22.1 from many IRS offices.

Question R.—Check the Yes box if you were a grantor of or a transferor to a foreign trust that existed during the tax year.

Question T.—File Form 5713 if the DISC or any member of its controlled group (defined in section 993(a)) has operations in or related to a boycotting country (or a national, company, or government of a boycotting country). A DISC that cooperates with an international boycott is also deemed to distribute part of its income. See Form 5713 for more information.

Schedule N.—Export Gross Receipts of the DISC and Related U.S. Persons

Complete and attach Schedule N (Form 1120–DISC) to Form 1120–DISC.

Schedule P.—Computation of Inter-Company Transfer Price or Commission

Attach a separate Schedule P (Form 1120–DISC) for each transaction or group of transactions to which you apply the inter-company pricing rules of section 994(a)(1) and (2). (See General Instruction C2.)

Codes for Principal Business Activity

These industry titles and definitions are based, in general, on the Enterprise Standard Industrial Classification system authorized by the Statistical Policy Division, Office of Information and Regulatory Affairs, Office of Management and Budget, to classify enterprises by type of activity. The system follows closely the Standard Industrial Classification used to classify establishments. However, certain activities such as manufacturing, do not apply to a DISC.

Using the list below, enter on page 1, under B, the code number for the specific industry group from which the largest percentage of "total receipts" is derived. "Total receipts" means all income (line 4, page 1). On page 5, question I, state the principal business activity and principal product or service that account for the largest percentage of total receipts. For example, if the principal business activity is "Wholesale trade: Machinery, equipment, and supplies," the principal product or service may be "Engines and turbines."

TRANSPORTATION, COMMUNICATION, ELECTRIC, GAS, AND SANITARY SERVICES

Code

Transportation:
- 4400 Water transportation
- 4700 Other transportation services

Electric, gas, and sanitary services:
- 4910 Electric services
- 4920 Gas production and distribution
- 4930 Combination utility services

WHOLESALE TRADE

Durable:
- 5008 Machinery, equipment, and supplies
- 5010 Motor vehicles and automotive equipment
- 5020 Furniture and home furnishings
- 5030 Lumber and construction materials
- 5040 Sporting, recreational, photographic, and hobby goods, toys, and supplies
- 5050 Metals and minerals, except petroleum and scrap
- 5060 Electrical goods
- 5070 Hardware, plumbing and heating equipment
- 5098 Other durable goods

Code

Nondurable:
- 5110 Paper and paper products
- 5129 Drugs, drug proprietaries, and druggists' sundries
- 5130 Apparel, piece goods, and notions
- 5140 Groceries and related products
- 5150 Farm-product raw materials
- 5160 Chemicals and allied products
- 5170 Petroleum and petroleum products
- 5180 Alcoholic beverages
- 5190 Miscellaneous nondurable goods

RETAIL TRADE

Building materials, hardware, garden supply, and mobile home dealers:
- 5220 Building materials dealers
- 5251 Hardware stores
- 5265 Garden supplies and mobile home dealers
- 5300 General merchandise stores
- 5410 Grocery stores
- 5490 Other food stores

Automotive dealers and service stations:
- 5515 Motor vehicle dealers
- 5541 Gasoline service stations
- 5598 Other automotive dealers

Code
- 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 miscellaneous retail stores

FINANCE, INSURANCE, AND REAL ESTATE

Credit agencies other than banks:
- 6199 Other credit agencies

SERVICES

Business services:
- 7389 Export management services

Auto repair and services; miscellaneous repair services:
- 7500 Lease or rental of motor vehicles

Amusement and recreation services:
- 7812 Motion picture production, distribution, and services

Other services:
- 8911 Architectural and engineering services
- 8930 Accounting, auditing, and bookkeeping
- 8980 Miscellaneous services

U.S. GOVERNMENT PRINTING OFFICE : 1981—O—343-142

Form **1120F**
Department of the Treasury
Internal Revenue Service

U.S. Income Tax Return of a Foreign Corporation

For calendar year 1981 or other tax year beginning .... 1981, and ending .... 19....

OMB No. 1545-0126

1981

Please type or print: Name | Employer identification number
Number and street
City or town, State and ZIP code, or country

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 in the U.S.
Complete Section II to compute tax on income effectively connected with the conduct of a trade or business in the U.S.
Corporations having both income effectively connected and income not effectively connected must complete both Sections I and II.
Corporations having only income that is NOT effectively connected need file only pages 1 and 2.

A Country of incorporation ....
B Foreign country under whose laws the income reported on this return is subject to tax ....
C Date incorporated ....
D The corporation's books are in care of .... located at ....
E Were you at any time during the tax year engaged in a trade or business in the U.S? ☐ Yes ☐ No
F At any time during the tax year, did you have a permanent establishment in the U.S. within the meaning of section 894(b) and any applicable tax treaty between the U.S. and a foreign country? ☐ Yes ☐ No
If "Yes," name the foreign country ....
G (1) Did you at the end of the tax year own, directly or indirectly, 50% or more of the voting stock of a U.S. corporation? (For rules of attribution, see section 267(c).) ☐ Yes ☐ No
If "Yes," attach a schedule showing: (a) name, address and identifying number, (b) percentage owned, (c) taxable income or (loss) from line 28, page 1, Form 1120 for the tax year ending with or within your tax year, (d) highest amount owed by you to that corporation during the year, and (e) highest amount owed to you by that corporation during the year.
(2) Did any corporation, individual, partnership, trust, or association at the end of the tax year own, directly or indirectly, 50% or more of your voting stock? (For rules of attribution, see section 267(c).) ☐ Yes ☐ No
If "Yes," attach a schedule showing: (a) name, address and identifying number, (b) percentage owned, and
(c) Enter the highest amount owed by you to that owner during the year ▶
(d) Enter highest amount owed to you by that owner during the year ▶
Note: For purposes of G(1) and G(2), "highest amount owed" includes loans and accounts receivable/payable.
H Have you filed a U.S. income tax return for the preceding tax year? ☐ Yes ☐ No
I If you had an agent in the U.S. at any time during the year, enter: Kind of agent ....
Name ....
Address ....
J Are you a foreign personal holding company under Section 552? ☐ Yes ☐ No
If "Yes," have you filed Forms 957 and 958? (Sec. 6035.) ☐ Yes ☐ No
K Are you a personal holding company? (See Instruction B7(a).) ☐ Yes ☐ No
L Are you a controlled foreign corporation? (Sec. 957.) ☐ Yes ☐ No

1 Tax from Section I (line 10, page 2) ... 1
2 Tax from Section II (line 8, Schedule J—Tax Computation, page 5) ... 2
3 Personal holding company tax (attach Schedule PH (Form 1120)) ... 3
4 Minimum tax (see instructions) ... 4
5 TOTAL tax—Add lines 1 through 4 ... 5
6 Credits: (a) Overpayment from 1980 allowed as a credit
(b) 1981 estimated tax payments
(c) Less refund of 1981 estimated tax applied for on Form 4466 ( )
(d) Tax deposited: Form 7004............ Form 7005 (attach)............ Total ▶
(e) Credit from regulated investment companies (attach Form 2439)
(f) U.S. tax on special fuels, nonhighway gas, and lubricating oil (attach Forms 4136 and 4136-T)
(g) U.S. income tax paid or withheld at the source
7 Total (add lines 6(a) through 6(g)) ... 7
8 TAX DUE (subtract line 7 from line 5). See instruction C3 for method of payment ... 8
9 OVERPAYMENT (subtract line 5 from line 7) ... 9
10 Enter amount of line 9 you want: Credited to 1982 estimated tax ▶ Refunded ▶ 10

Please Sign Here — 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 preparer has any knowledge.
▶ Signature of officer — Date — ▶ Title

Paid Preparer's Use Only — Preparer's signature ▶ | Date | Check if self-employed ▶ ☐ | Preparer's social security no.
Firm's name (or yours, if self employed) and address ▶ | E.I. No. ▶ | ZIP code ▶

For Paperwork Reduction Act Notice, see page 1 of the Instructions.

SECTION I Income From U.S. Sources That Is NOT Effectively Connected With the Conduct of a Trade or Business in the U.S.—See Instructions

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 ALL income from U.S. sources that is not effectively connected with the conduct of a trade or business in the U.S. Otherwise, you may include only those items of income on which the U.S. income tax was not fully paid at the source. The rate of tax on each item of income listed below is 30% unless limited by tax treaty. Fill in treaty rates where applicable.

Name of treaty country, if any ▶

Nature of income	Amount	Rate of tax (%)	Amount of tax
1 Interest			
2 Dividends			
3 Rents			
4 Royalties			
5 Annuities			
6 Gains from disposal of timber, coal, or domestic iron ore with a retained economic interest (attach statement of details)			
7 Gains from sale or exchange of patents, copyrights, etc.			
8 Fiduciary distributions (attach a statement showing the kind of income and rate)			
9 Other fixed or determinable annual or periodical income:			
10 Total—Enter here and on line 1, page 1 ▶			

Explanation of Lines 1 Through 9 Above (Enter each individual item of income)

1. Payer of income and, if known, withholding agent (name and address) (Show owner of record if other than taxpayer)	2. Nature of income (such as interest, dividends, etc.)	3. Gross amount of income	4. Date of payment	5. Amount of U.S. income tax paid or withheld at the source
Total of column 3 ▶				
Total of column 5. Enter here and on line 6(g), page 1 ▶				

SECTION II Income Effectively Connected With the Conduct of a Trade or *Business* in the U.S.—See instructions

IMPORTANT—Fill in all applicable lines and schedules. If you need more space, see instruction B7(e).

GROSS INCOME
1 (a) Gross receipts or sales $............ 1(b) Less returns and allowances $............ 1(c) Balance ▶ 1c
2 Cost of goods sold (Schedule A) and/or operations (attach schedule) ... 2
3 Gross profit (subtract line 2 from line 1(c)) ... 3
4 Dividends (Schedule C, line 10) ... 4
5 Interest on obligations of the U.S. and its instrumentalities ... 5
6 Other interest ... 6
7 Gross rents ... 7
8 Gross royalties ... 8
9 (a) Capital gain net income (attach Schedule D (Form 1120)) ... 9a
(b) Net gain or (loss) from line 11(a), Part II, Form 4797 (attach Form 4797) ... 9b
10 Other income (see instructions—attach schedule) ... 10
11 TOTAL income—Add lines 3 through 10 ... 11

DEDUCTIONS
12 Compensation of officers (Schedule E) ... 12
13 (a) Salaries and wages .... 13(b) Less jobs and WIN credits .... 13(c) Balance ▶ 13c
14 Repairs (see instructions) ... 14
15 Bad debts (Schedule F if reserve method is used) ... 15
16 Rents ... 16
17 Taxes ... 17
18 Interest ... 18
19 Contributions (not over 5% of line 30 adjusted per instructions) ... 19
20 Amortization (attach schedule) ... 20
21 (a) Depreciation (from attached Form 4562) ... 21a
(b) Depreciation claimed in Schedule A and elsewhere on return ... 21b
(c) Balance (subtract line 21(b) from line 21(a)) ... 21c
22 Depletion ... 22
23 Advertising ... 23
24 Pension, profit-sharing, etc. plans (see instructions) ... 24
25 Employee benefit programs (see instructions) ... 25
26 Other deductions (total from page 5) ... 26
27 TOTAL deductions—Add lines 12 through 26 ... 27
28 Taxable income before net operating loss deduction and special deductions (subtract line 27 from line 11) ... 28
29 (a) Net operating loss deduction (see instructions—attach schedule) 29a
(b) Special deductions (Schedule C, line 11) 29b ... 29
30 Taxable income or (loss) (subtract line 29 from line 28) ... 30

Schedule A Cost of Goods Sold (See instructions)

1 Inventory at beginning of year
2 Merchandise bought for manufacture or sale
3 Salaries and wages
4 Other costs (attach schedule)
5 Total—Add lines 1 through 4
6 Inventory at end of year
7 Cost of goods sold—Subtract line 6 from line 5. Enter here and on line 2, Section II
8 (a) Check all methods used for valuing closing inventory:
(i) ☐ Cost (ii) ☐ Lower of cost or market as described in regulations section 1.471-4 (see instructions)
(iii) ☐ Writedown of "subnormal" goods as described in regulations section 1.471-2(c) (see instructions)
(b) Did you use any other method of inventory valuation not described above? ☐ Yes ☐ No
If "Yes," specify method used and attach explanation ▶
(c) Check if the LIFO inventory method was adopted this tax year for any goods ☐
If checked, attach Form 970.
(d) If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO
(e) If you are engaged in manufacturing, did you value your inventory using the full absorption method (regulations section 1.471-11)? ☐ Yes ☐ No
(f) Was there any substantial change in determining quantities, cost, or valuations between opening and closing inventory? ☐ Yes ☐ No
If "Yes," attach explanation.

Schedule C Dividends and Special Deductions (See instructions)

	(A) Dividends Received	(B) %	(C) Special Deductions: multiply (A) by (B)
1 Domestic corporations subject to the 85% deduction		85	
2 Certain preferred stock of public utilities		59.13	
3 Foreign corporations subject to the 85% deduction		85	
4 Total—Add lines 1 through 3, Column (C). See instructions for limitation			
5 Deduction for dividends paid on certain preferred stock of public utilities (see instructions)			
6 Other dividends from foreign corporations			
7 Foreign dividend gross-up (section 78)			
8 Taxable dividends from a DISC or a former DISC not included in line 1 (section 246(d))			
9 Other dividends			
10 Total dividends—Add lines 1 through 9, Column (A). Enter here and on line 4, Section II, page 3			
11 Total special deductions—Add lines 4 and 5, Column (C). Enter here and on line 29(b), Section II, page 3			

Schedule E Compensation of Officers (See instructions)

1. Name of officer	2. Social security number	3. Time devoted to business	Percent of corporation stock owned: 4. Common	5. Preferred	6. Amount of compensation	7. Expense account allowances
Total compensation of officers—Enter here and on line 12, Section II, page 3						

Schedule F Bad Debts—Reserve Method (See instructions)

1. Year	2. Trade notes and accounts receivable outstanding at end of year	3. Sales on account	Amount added to reserve: 4. Current year's provision	5. Recoveries	6. Amount charged against reserve	7. Reserve for bad debts at end of year
1976						
1977						
1978						
1979						
1980						
1981						

Schedule J Tax Computation (See instructions for Schedule J.)

Note: Fiscal year corporations, see instructions on pages 10 and 11. Omit line 1, complete line 2(a), and, if applicable, line 2(b), and enter on line 3, the amount from line 44, Part III, of the fiscal year worksheet provided on page 10 of the instructions.

1 Taxable income (line 30, page 3)

2 (a) Are you a member of a controlled group? ☐ Yes ☐ No

(b) If "Yes," see instructions and enter your portion of the $25,000 amount in each taxable income bracket: (i) $........ (ii) $........ (iii) $........ (iv) $........

3 Income tax (see instructions to figure the tax; enter this tax or alternative tax from Schedule D, Form 1120, whichever is less). Check if from Schedule D ▶ ☐

4 (a) Foreign tax credit (attach Form 1118)

(b) Investment credit (attach Form 3468)

(c) Work Incentive (WIN) credit (attach Form 4874)

(d) Jobs credit (attach Form 5884)

(e) Other credits (see instructions—attach Forms and Schedules)

5 Total—Add lines 4(a) through 4(e)

6 Subtract line 5 from line 3

7 Tax from recomputing prior-year investment credit (attach Form 4255)

8 Total tax—Add lines 6 and 7. Enter here and on line 2, page 1

Other Deductions

Explanation	Amount	Explanation	Amount
		TOTAL—Enter here and on line 26, page 3	

Additional Information Required

M Business description (see page 12 of instructions)

(1) Business code number........

(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? Yes / No

If "Yes," check type of relationships:

(1) ☐ Parent-subsidiary

(2) ☐ Brother-sister

(3) ☐ Combination of (1) and (2) (see section 1563)

O Did you claim a deduction for expenses connected with: Yes / No

(1) Entertainment facility (boat, resort, ranch, etc.)?

(2) Living accommodations (except for employees on business)?

(3) Employees attending conventions or meetings outside the North American area? (See section 274(h).)

(4) Employees' families at conventions or meetings?

If "Yes," were any of these conventions or meetings outside the North American area? (See section 274(h).)

(5) Employee or family vacations not reported on Form W-2?

P During the tax year was any part of your tax accounting records maintained on a computerized system?

Schedule L Balance Sheets

ASSETS	Beginning of tax year (A)	(B)	End of tax year (C)	(D)
1 Cash				
2 Trade notes and accounts receivable				
(a) Less allowance for bad debts				
3 Inventories				
4 Gov't obligations: (a) U.S. and instrumentalities				
(b) State, subdivisions thereof, etc.				
5 Other current assets (attach schedule)				
6 Loans to stockholders				
7 Mortgage and real estate loans				
8 Other investments (attach schedule)				
9 Buildings and other fixed depreciable assets				
(a) Less accumulated depreciation				
10 Depletable assets				
(a) Less accumulated depletion				
11 Land (net of any amortization)				
12 Intangible assets (amortizable only)				
(a) Less accumulated amortization				
13 Other assets (attach schedule)				
14 Total assets				
LIABILITIES AND STOCKHOLDERS' EQUITY				
15 Accounts payable				
16 Mtges., notes, bonds payable in less than 1 year				
17 Other current liabilities (attach schedule)				
18 Loans from stockholders				
19 Mtges., notes, bonds payable in 1 year or more				
20 Other liabilities (attach schedule)				
21 Capital stock: (a) Preferred stock				
(b) Common stock				
22 Paid-in or capital surplus				
23 Retained earnings—Appropriated (attach schedule)				
24 Retained earnings—Unappropriated				
25 Less cost of treasury stock		( )		( )
26 Total liabilities and stockholders' equity				

Schedule M-1 Reconciliation of Income Per Books With Income Per Return

1 Net income on books

2 Federal income tax

3 Excess of capital losses over capital gains

4 Income subject to tax not recorded on books this year (itemize)........

5 Expenses recorded on books this year not deducted in this return (itemize)

(a) Depreciation . . . $........

(b) Contributions carryover . $........

6 Total of lines 1 through 5

7 Income recorded on books this year not included in this return (itemize)

(a) Tax-exempt interest $........

8 Deductions in this tax return not charged against book income this year (itemize)

(a) Depreciation . . . $........

(b) Contributions carryover . $........

9 Total of lines 7 and 8

10 Income (line 28, page 3)—line 6 less line 9

Schedule M-2 Analysis of Unappropriated Retained Earnings Per Books (line 24 above)

1 Balance at beginning of year

2 Net income on books

3 Other increases (itemize)........

4 Total of lines 1, 2, and 3

5 Distributions: (a) Cash

(b) Stock

(c) Property

6 Other decreases (itemize)........

7 Total of lines 5 and 6

8 Balance at end of year (line 4 less line 7)

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1981 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)

Tax Highlights

Please note these important changes that have been made because of revisions in the tax law based on the Economic Recovery Tax Act of 1981 enacted into law on August 13, 1981.

Reduction in Corporate Tax Rates

Effective for tax years beginning after 1981, the tax rates are reduced for the two lowest taxable income brackets. For the taxable income bracket of $25,000 or less, the tax rate will decrease for 1982, from 17% to 16%, and for 1983, to 15%. For the taxable income bracket between $25,000 and $50,000, the tax rate will decrease for 1982, from 20% to 19%, and for 1983, to 18%. The remaining tax rates of 30%, 40%, and 46% did not change.

Because of changes in these tax rates, fiscal year 1981–82 corporations must prorate their tax under section 21: Use the worksheet on page 10 of the instructions to make this computation.

Depreciation Changes

The Act created a new method of depreciation, the Accelerated Cost Recovery System. You must use this new system to figure depreciation for most assets you placed in service after December 31, 1980. The Act also repealed the election for additional first-year depreciation for assets acquired after December 31, 1980. See Form 4562, Depreciation, for more information.

Investment Credit Changes

Numerous changes have been made in investment credit rules that affect accelerated cost recovery property, at risk rules for a personal holding company, certain rehabilitation expenditures, and oil storage facilities. See Form 3468 and Schedule B (Form 3468).

Work Incentive (WIN) Credit Expires

Corporations can no longer claim a WIN credit for wages paid or incurred in any tax year beginning after December 31, 1981.

Targeted Jobs Credit

The targeted jobs tax credit has been extended to include wages paid or incurred after December 31, 1981. See Publication 906, Targeted Jobs, WIN, and Research Credits, for more information.

Research Credit

Effective for tax years ending after June 30, 1981, an income tax credit is allowed for increasing the qualified research expenses in carrying on a trade or business. See Form 6765, Credit for Increasing Research Activities, and Publication 906, Targeted Jobs, WIN, and Research Credits, for more information.

Charitable Contributions

Effective August 14, 1981, a corporation (other than a subchapter S corporation, a personal holding company or a service organization) can receive a larger deduction for contributing scientific property used for research to an institution of higher education. For further information, see section 170(e)(4).

Effective for tax years beginning after 1981, a corporation's charitable contribution deduction will increase from 5% to 10% of its taxable income. See section 170(b)(2).

Gains and Losses on Straddles

For positions established after June 23, 1981, see sections 1092 and 1234A for rules and definitions to determine gains and losses on straddles. Also after June 23, 1981, interest and carrying charges on straddles generally can no longer be deducted but must be added to the basis. See section 263(g) and Form 6781, Gains and Losses from Commodity Futures Contracts and Straddle Positions.

Gains and Losses on Regulated Futures Contracts Marked to Market

For property acquired and positions established after June 23, 1981, see section 1256 for rules and definitions that apply to determine gains and losses on regulated futures contracts. For an election with respect to such property held on June 23, 1981, see section 508(c) of the Economic Recovery Tax Act of 1981.

Gain or Loss on Certain Short-term Federal, State, and Municipal Obligations

Such obligations acquired after June 23, 1981, are treated as capital assets in determining gain or loss. On any gain realized, a portion is treated as ordinary income and the balance is considered as a short-term capital gain. See section 1232(a)(4).

Carryover of Tax Credits

Generally, the carryover period for tax credits (investment credit, WIN credit, jobs credit, and alcohol fuels credit) has been extended from 7 years to 15 years. See section 207(c) of the Economic Recovery Tax Act of 1981.

Extension of Net Operating Loss (NOL) Carryovers

Generally, for tax years ending after 1975, the NOL carryover period has been extended from 7 years to 15 years. See section 172(b).

Paperwork Reduction Act Notice

The Paperwork Reduction Act of 1980 says that we must tell you why we are collecting this information, how it is to be used, and whether your response is voluntary, required to obtain a benefit, or mandatory. We ask for the information to carry out the Internal Revenue laws of the United States. The information is used to ensure that you are complying with these laws and so that we can figure and collect the correct amount of tax. Your response is mandatory.

General Instructions

A. Purpose of Form 1120F

Form 1120F is used to report a foreign corporation's income, deductions, credits, and tax in the United States. If a refund is due, Form 1120F may be used to claim it.

B. Filing the Return

1. Who Files Form 1120F.—Except for corporations described in instruction B2, every foreign corporation must file this form if, during the tax year, it did any of the following:

- Had income from any U.S. source.
- Engaged in a trade or business in the U.S., whether or not it had income from that trade or business.
- Had tax preference items, as described in section 57, that affect the corporation's computation of its unrelated business income.
- Overpaid income tax that it wants refunded.

The foreign corporation must file Form 1120F even if its income is tax-exempt under an income tax treaty or Code section.

The Mexican or Canadian branch of a U.S. mutual life insurance company must file Form 1120F on the same basis as a foreign corporation if the U.S. company elects to exclude the branch's income and expenses from its own gross income (section 819A).

A receiver, assignee, or trustee in dissolution or bankruptcy must file Form 1120F if that person has or holds title to virtually all a foreign corporation's property or business. The form is due whether or not the property or business is being operated.

An agent in the U.S. must file the return if the foreign corporation has no office or place of business in the U.S. when the return is due.

Consolidated returns.—In general, a foreign corporation filing Form 1120F cannot belong to an affiliated group of corporations that files a consolidated return. An exception is made for some Canadian and Mexican subsidiary corporations that are maintained solely to own and operate property under Canadian or Mexican law.

2. Who Does Not File Form 1120F.—A foreign corporation does not need to file Form 1120F in any of the following cases:

- It did not engage in a trade or business in the U.S. during the year, and its full U.S. tax was withheld at the source. In cases of overwithholding, see Instruction D.
- It is a beneficiary of an estate or trust that engaged in a trade or business in the U.S., but it would not itself need to file otherwise.
- It files Form 1120L as a foreign life insurance company or Form 1120M as a foreign mutual insurance company.

3. Foreign Governments.—Foreign governments are generally not taxed on investment income from U.S. sources. Income from certain "commercial activities," however, is taxable. For rules, definitions, and examples, please see section 892 and regulations section 1.892–1.

4. Dispositions of U.S. Real Property Interest by a Foreign Corporation.—A foreign corporation that disposes of its U.S. real property interest must treat the gain or loss as income that is effectively connected with a U.S. trade or business, even if the corporation is not otherwise engaged in a U.S. trade or business. This income must be reported in Section II of Form 1120F and must be reflected on Schedule D (Form 1120).

U.S. real property interest.—Generally, U.S. real property interest is an interest in real property located in the United States.

See section 897 for further details. Also, see section 6039C for reporting requirements for certain information returns concerning dispositions of U.S. real property interests.

5. When to File.—File Form 1120F by the 15th day of the 3rd month after the end of the tax year if the corporation has an office or place of business in the U.S. Otherwise, file the return by the 15th day of the 6th month after the end of the tax year.

Extensions.—File Form 7004 to request an automatic 3-month extension of time to file Form 1120F. After you obtain that extension, file Form 7005 if you need an additional 3-month extension.

Period covered.—File the 1981 return for calendar year 1981 and fiscal years that began in 1981 and end in 1982. If the return is for a fiscal year, fill in the tax year space at the top of the form.

Change in accounting period.—To change your accounting period, see regulations section 1.442–1 and Form 1128, Application for Change in Accounting Period.

Final return.—If the corporation ceased to exist during the tax year, write "Final return" at the top of the form.

6. Where to File.—File Form 1120F with the Internal Revenue Service Center, Philadelphia, PA 19255.

7. Other Forms, Schedules, and Statements That May Be Required.—

(a) Forms. The corporation may also have to file other forms. A partial list includes:

Forms 957 and 958.—Information returns filed by certain officers, directors, or U.S. shareholders of a foreign personal holding company. The company's undistributed income must be reported as dividend income in the gross income of its U.S. shareholders, as described in section 551. See sections 189 and 280 for limits on certain deductions.

Form 1096.—Annual summary and transmittal of Forms 1099, U.S. information returns.

Forms 1099–BCD, DIV, INT, MISC, R.—Some of the information returns that must be filed to report certain payments, such as dividends and interest. For more information, see Form 1096 and instructions.

Schedule PH (Form 1120).—Attach to Form 1120F if the foreign corporation is a personal holding company described in section 542, but not a foreign personal holding company described in section 552.

Form 4626.—Minimum tax computation. Attach to Form 1120F if the corporation has either more than $10,000 in tax preference items (whether or not it has minimum tax) or minimum tax liability deferred from an earlier year.

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 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.

(b) Statements.

Tax treaty statement.—If the tax on any of the corporation's gross income is limited by a tax treaty between the U.S. and the country under whose laws the corporation is organized, attach a statement to Form 1120F. The statement should show:

- The amounts of tax withheld;
- The names and post office addresses of withholding agents; and
- Enough information to show how the corporation qualifies under the treaty for a lower tax rate or a tax exemption.

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 the information required by regulations section 1.351–3.

Statement in place of schedules.—If the foreign corporation has no gross income for the tax year, do not complete the Form 1120F schedules. Instead, attach a statement to the return showing what types and amounts of income are excluded from gross income.

(c) Amended return.

To correct any error in a Form 1120F already filed, file an amended Form 1120F and write "Amended" across the top.

(d) Financial statements.

You may use either Schedule L or copies of other balance sheets required by Federal, State, or other authorities. The balance sheets must agree with your books and records. You must reconcile any differences. On line 1 of whatever balance sheet you use, include as cash any certificate of deposit and other cash equivalents.

You may limit the balance sheets and reconciliation to:

- The corporation's assets in the

U.S. and its other assets used in the trade or business in the U.S., and

- its income effectively connected with the conduct of a trade or business in the U.S. and its other income from sources in the U.S.

Corporations required to file substantially similar statements of income and expense to any Federal, State, or other authority may file copies of such statements instead of the information required on lines 1 through 30, Section II, but these statements must receive prior approval by IRS. Send requests for approval to: IRS Substitute Forms Program TX:R:I, 1111 Constitution Avenue, N.W., Washington, D.C. 20224. In these cases, use Schedule M-1 to reconcile taxable income with the net profit that is shown on the statement and that would be entered in line 30, Section II.

(e) Attachments.

If you need more space, attach separate sheets to the back of Form 1120F. Attach schedules in alphabetical order and forms in numerical order. Be sure to put the taxpayer's name and employer identification number (EIN) on each sheet.

8. 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.

A receiver, trustee, or assignee must sign and date any return required to be filed on behalf of a corporation.

If your corporate officer filled in Form 1120F, the Paid Preparer's space under the "Signature of officer" should remain blank. If someone prepares Form 1120F and does not charge the corporation, that person should not sign. Certain others who prepare Form 1120F should not sign. For example, a regular, full-time employee such as a clerk, secretary, etc., of the corporation does not have to sign. (This list is not all inclusive.)

Generally, anyone who is paid to prepare Form 1120F must sign the return and fill in the other blanks in the Paid Preparer's Use Only area of the return.

If you have questions about whether a preparer is required to sign Form 1120F, please contact an IRS office.

The preparer required to sign the return MUST complete the required preparer information and:

- *Sign it, by hand, in the space provided for the preparer's signature (Signature stamps or labels are not acceptable);*
- *Give a copy of Form 1120F to the taxpayer in addition to the copy filed with IRS.*

Tax return preparers should be familiar with their responsibilities. See Publication 1045, Information and Order Blanks for Preparers of Federal Income Tax Returns, for more details.

C. Figuring and Paying the Tax

1. 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 otherwise, the corporation may change from the method of accounting it used to report taxable income in earlier years (for income as a whole or for any material item) only by first getting consent on Form 3115, Application for Change in Accounting Method.

2. Gross Income and Tax Rates.—For purposes of Form 1120F, a foreign corporation is taxed on its gross income. That includes only:

- Gross income that is derived from sources in the U.S. and that is not effectively connected with the conduct of a trade or business in the U.S. This income is taxed at 30% or a lower treaty rate. Use Section I to report this income and figure the tax on it.
- Gross income, from any source, that is effectively connected with the conduct of a trade or business in the U.S. This income is taxed at regular corporate tax rates. Use Section II to figure the income and figure the tax on it.

To determine the source of income, follow sections 861 through 864 and the related regulations, except as tax treaties provide otherwise.

Election to treat real property income as effectively connected income.—If a foreign corporation has income from real property in the U.S. or from an interest in such property, the corporation may elect to treat the income as effectively connected with the conduct of a trade or business in the U.S. Income affected by such an election includes:

- Gain from the sale or exchange of the property or interest;
- Rents or royalties from mines, wells, or other natural deposits; and
- Gain described in section 631(b) or (c).

To make the election, attach a statement that you are making it when you file Form 1120F for the first year involved. That year and each year the election continues, use Section II to figure the tax on this income. Also attach a schedule each year, as described in regulations section 1.882-2, concerning the property or the interest in the property.

3. Paying the Tax.—Any tax due must be paid either in full when the return is filed or in two equal installments. Write the corporation's employer identification number on all payments.

Foreign corporation with no office or place of business in the U.S.—If the corporation makes installment payments, they are due by the 15th day of the 6th month and the 15th day of the 9th month after the end of the tax year.

The tax may be paid by check or money order, payable to the Internal Revenue Service, and sent to the Internal Revenue Service Center, Philadelphia, PA 19255.

Foreign corporation with an office or place of business in the U.S.—If the corporation makes installment payments, they are due by the 15th day of the 3d month and the 15th day of the 6th month after the end of the tax year.

Deposit corporation income tax payments (and estimated tax payments) with a preinscribed Federal Tax Deposit (FTD) Form 503. Make these tax deposits with either a financial institution qualified as a depositary for Federal taxes or the Federal Reserve Bank or Branch (FRB) serving the geographic area where the corporation is located. Records of deposits will be sent to IRS for crediting to the corporation's account. See the instructions on the back of Form 503 for more information and exceptions.

Preinscribed FTD Forms 503 will be mailed to the corporation on a regular basis depending on the corporation's tax year. You may apply for these forms from the Philadelphia Service Center. The application should give the corporation's name, employer identification number, and address. Show the tax year to which the deposits relate, and identify the corporation as a foreign corporation.

Penalty for Overstated Tax Deposits.—If you overstate your deposits, you may be subject to a penalty. See section 6656(b).

4. Estimated Tax.—A corporation must make estimated tax payments if it can expect its estimated tax (income tax minus credits) to be $40 or more.

You may use Form 1120-W, Corporation Estimated Tax, as a worksheet to compute estimated tax.

If the corporation overpaid estimated tax, you may be able to get a "quick refund" by filing Form 4466, Corporation Application for Quick Refund of Overpayment of Estimated Tax. The overpayment must be both 1. at least 10% of expected income tax liability and 2. at least $500. To apply, you must file Form 4466 within 2½ months after the end of the tax year and before Form 1120F is filed.

D. Claim for Refund

If a foreign corporation has only income that is not effectively connected with the conduct of trade or business in

the U.S. and Form 1120F is being used as a claim for refund, include all income from sources in the U.S., even though all tax on it was paid at the source.

If the refund results from withholding tax at the source, attach a statement to Form 1120F. The statement should show:

- The amounts of tax withheld;
- The names and post office addresses of withholding agents;
- The name in which the tax was withheld, if different from the taxpayer's name; and
- If applicable, enough information to show that the taxpayer was entitled to a reduced tax rate under a treaty, as explained above in instruction B7(b).

E. Penalties

Avoid penalties and interest by filing correctly and paying the tax when due. The corporation may have to pay the following penalties unless it can show that not filing or not paying was due to reasonable cause and not willful neglect. (These penalties are in addition to the interest charge on unpaid tax at a rate under section 6621.)

- A corporation that does not file its tax return when due (including any extensions of time for filing) may be subject to a penalty of 5% a month, up to a maximum of 25%, for each month the return is not filed. (The penalty is imposed on the net amount due.)
- A corporation that does not 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.)
- A corporation that does not pay the proper estimated tax when due may be subject to an underpayment penalty for the period of underpayment.

If the corporation underpaid estimated tax, attach Form 2220, Underpayment of Estimated Tax by Corporations, to show how the corporation figured the penalty or which exceptions the corporation believes it meets.

If there is tax due on line 8, page 1, include the penalty in the total. If there is a refund due, subtract the penalty from the overpayment on line 9, page 1.

F. Rounding Off

You may show money items as whole-dollar amounts by dropping amounts under 50 cents and increasing amounts from 50 to 99 cents to the next higher dollar.

Specific Instructions

Section I.—Income From U.S. Sources That Is Not Effectively Connected with the Conduct of a Trade or Business in the U.S.

Any gross income of this kind that a foreign corporation has is taxed at 30% or a lower treaty rate. No deductions are allowed against this income. (Section 881.) A corporation created or organized in Guam or under the law of Guam is not considered a foreign corporation for purposes of the tax imposed by section 881.

This income includes the following, to the extent it is not effectively connected with the conduct of a trade or business in the U.S.

1. Interest (other than original issue discount as defined in section 1232(b)), dividends, rents, royalties, salaries, wages, premiums, annuities, compensation, and other fixed or determinable periodical 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. Gains from the sale or exchange of patents, copyrights, and other intangible property described in section 881(a)(4); and

4. For bonds or other evidences of debts:

- Issued after September 28, 1965, and before April 1, 1972: gain from the sale or exchange of property that is not a capital asset, as figured under section 1232(a)(2)(B); or for corporate obligations issued before April 1, 1972: amounts that would be considered gain from such a sale or exchange, except that the obligations were issued after May 27, 1969;
- Issued after March 31, 1972, and payable more than 6 months from the original issue date (no matter how long the taxpayer holds these items): amounts that would be considered gain from the sale or exchange of a capital asset under section 1232(a)(2)(B), except that the obligations were issued after May 27, 1969; and for interest on such obligations: the original issue discount accrued on the obligation since the last interest payment, up to the amount of the interest minus the applicable tax.

Section II.—Income Effectively Connected with the Conduct of a Trade or Business in the U.S.

Foreign corporations engaged in a trade or business in the U.S. are taxed at regular corporate rates on all the following income:

1. Income, gain, or loss from U.S. sources derived in the conduct of the trade or business.

2. Limited categories of foreign source income.

3. Certain fixed or determinable periodical income from U.S. sources.

4. Gain or loss from U.S. sources from the sale or exchange of capital assets if:

- the income, gain or loss is from assets used in, or held for use in, the conduct of the corporation's trade or business, or
- the activities of the corporation's trade or business were a material factor in the realization of the income, gain, or loss.

For more information, see section 864(c).

Gains on disposition of stock in a DISC or former DISC and distributions from accumulated DISC income, including deemed distributions, are treated as coming from a trade or business conducted through a permanent establishment in the U.S.

A foreign corporation not engaged in a trade or business in the U.S. will not report income in Section II unless it:

- elects to treat real property income as effectively connected income; or
- was created or organized in a U.S. possession, and receives interest on U.S. obligations. In that case, the interest is treated as effectively connected income.

Gross Income

(Numbered to correspond with the line numbers on page 3 of the return.)

In lines 1 through 10 enter gross income (regardless of source) that 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 that must be reported in lines 4 through 10. For reporting advance payments and long-term contracts, see regulations section 1.451–5.

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 for 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. Cost of goods sold.—See instructions for Schedule A.

4. Dividends.—See instructions for Schedule C.

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 on the proper lines for deductions.

9(a). Capital gain net income.—Every sale or exchange of a capital asset must

be reported in detail in Schedule D (Form 1120) even though no gain or loss is indicated.

If the net long-term capital gain is more than the net short-term capital loss, or if there is only a net long-term capital gain, compute the alternative tax on separate Schedule D (Form 1120) to see if it produces a smaller tax.

9(b). Net gain or (loss).—Enter the net gain or loss from line 11(a), Part II, Form 4797, Supplemental Schedule of Gains and Losses.

10. Other income.—Enter any other taxable income not listed above and explain its nature on an attached schedule. Examples of other income would be recoveries of bad debts deducted in earlier years under the specific charge-off method and refunds of taxes deducted in earlier years. Do not offset current year's taxes with tax refunds.

If "other income" consists of only one item, explain what it is in parentheses on line 10.

Deductions

In computing the taxable income of a foreign corporation engaged in a trade or business within the U.S., deductions are allowed only to the extent that they are connected with income that is effectively connected with the conduct of a trade or business within the U.S. Charitable contributions, however, may be deducted whether or not they are so connected. See section 882(c)(1) for allocation of deductions.

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 $50,000.

13. Salaries and wages.—Enter on line 13(a) the total salaries and wages paid or incurred for the tax year. Do not include salaries and wages deducted elsewhere on your return, such as contributions to a Simplified Employee Pension, which are deducted on line 24.

Enter on line 13(b) the sum of (1) the amount of WIN credit from Form 4874, Credit for Work Incentive (WIN) Program Expenses, line 12, and (2) the amount of jobs credit from Form 5884, Jobs Credit, line 9.

14. Repairs.—Enter the cost of incidental repairs, such as labor and supplies, that do not add to the value of the property or appreciably prolong its life.

Expenditures to remove architectural and transportation barriers to handicapped and elderly. For rules for expenses in tax years beginning after December 31, 1976, and before January 1, 1983, to remove architectural and transportation barriers to handicapped and elderly persons, see section 190 and related regulations.

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 a reserve for bad debts. (Section 166.)

Use Form 3115 if you want to apply for a change in the method of computing bad debts.

17. Taxes.—Enter taxes paid or accrued during the tax year.

Do not include Federal income tax; foreign or U.S. possession income tax if a foreign tax credit is claimed; or taxes not imposed upon the corporation.

See section 164(d) for apportionment of tax on real property between seller and purchaser.

See section 906(b)(1) for rules concerning certain foreign taxes imposed on income from U.S. sources that may not be deducted.

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. (For exceptions, see section 265.)

See section 267 for limitation on deductions for unpaid expenses and interest on transactions between related taxpayers.

Generally, a cash basis taxpayer cannot deduct prepaid interest allocable to years after the current tax year. For example, a cash basis taxpayer, who in 1981 prepaid interest allocable to any period after 1981, can only deduct the amount allocable to 1981. Please see Publication 545, Interest Expense.

Generally, for positions established after June 23, 1981, the interest and carrying charges as to straddles can no longer be deducted but must be capitalized. See section 263(g).

19. Contributions.—Enter contributions or gifts actually paid within the tax year to, or for the use of, charitable and governmental organizations described in section 170(c) and any unused contributions carried over from earlier 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 tax year under section 172, and (5) any capital loss carryback to the tax year under section 1212(a)(1).

Charitable contributions over the 5% limitation may not be deducted for the tax year but may be carried over to the next 5 tax years.

A contribution carryover is not allowed, however, to the extent that it increases a net operating loss carryover. See section 170(d)(2)(B).

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 tax year if the contributions are authorized by the board of directors during the tax year. Attach to the return a declaration, signed by an officer, stating that the resolution authorizing the contributions was adopted by the board of directors during the tax year. Also attach a copy of the resolution.

If a contribution is in property other than money, attach a schedule describing the kind of property contributed and the method used in determining its fair market value. If you made a "qualified conservation contribution" under section 170(h), also include the fair market value of the underlying property before and after the donation, the type of legal interest contributed, and describe the conservation purpose furthered by the donation.

If a contribution carryover is included, show the amount and how it was determined.

Special rule for contributions of certain property.—For a charitable contribution of property, you must reduce the contribution by the sum of:

(1) the ordinary income, short-term capital gain and

(2) for certain contributions, 60.87% of the long term capital gain,

that would have resulted if the property were sold at its fair market value. The reduction for 60.87% of the long-term capital gain applies to 1. contributions of tangible personal property for use by an exempt organization for a purpose or function unrelated to the basis for its exemption, and 2. contributions of any property to or for the use of certain private foundations. (See section 170(e) and regulations section 1.170A-4.)

For special rules regarding the contribution of inventory and other ordinary income property to certain organizations, 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 in the same ratio to the adjusted basis that the amount realized is to the fair market value of the property.

Charitable Contributions of Scientific Property Used for Research. Effective August 14, 1981, a corporation (other than a personal holding company or a service organization) can receive a larger deduction for contributing scientific property used for research to an institution of higher education. For further information, see section 170(e).

20. Amortization.—If a deduction for amortization is claimed, attach a schedule showing: (1) a description of the expenses amortized; (2) date acquired, completed, or spent; (3) amount amortized; (4) amortization deducted in earlier years; (5) amortization period (number of months); (6) 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 amortization over a 60 month period of certain expenditures made before January 1, 1982, for child care facilities.

For expenditures incurred after December 31, 1981, in tax years ending after that date, you may not elect to amortize rehabilitation expenditures or take accelerated depreciation for certain certified historic structures. Section 191 allows amortization to be figured using a period of 60 months. Section 167(o) allows an accelerated method of depreciation if you substantially rehabilitate a certified historic structure.

See section 194, Amortization of Reforestation Expenditures, under which a taxpayer may elect to amortize expenditures made after December 31, 1979, over a period of 84 months.

See section 195 for amortization over a 60-month period of certain business startup expenditures paid or incurred after July 29, 1980.

21. Depreciation.—See instructions for Form 4562, Depreciation.

22. Depletion.—See sections 613 and 613A for percentage depletion rates applicable to natural deposits.

Attach Form T, (Timber), Forest Industries Schedules, if you claim a deduction for depletion of timber.

24. Pension, profit-sharing, etc. plans.—Employers who maintain a pension, profit-sharing, or other funded deferred compensation plan (other than a Simplified Employee Pension) whether or not qualified under the Internal Revenue Code and whether or not a deduction is claimed for the current tax year, generally are required to file one of the forms described below. The Employee Retirement Income Security Act of 1974 imposes penalties for failure to timely file these forms.

Form 5500.—Complete this form for each plan with 100 or more participants.

Form 5500-C or 5500-R.—Complete the applicable form for each plan with fewer than 100 participants.

Only one return is required to be filed for a plan of a controlled group of corporations or a multiemployer collectively-bargained plan. Contributing employers are not required to file separately.

25. 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 24. Also include contributions to a qualified group legal services 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 legal services plan.

26. Other deductions.—You may not take a deduction for any amount allocable to a class of exempt income including income exempt by tax treaty. Items directly attributable to wholly exempt income must be allocated to exempt income, and 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, allocate a reasonable proportion of the item to each class of income. Make the allocation in light of the facts involved.

Attach a statement showing (1) each class of exempt income and (2) the expense items allocated to each class. Show separately the amount allocated by apportionment.

Generally, you can deduct all ordinary and necessary travel and entertainment expenses paid or incurred in your trade or business. However, you cannot deduct an expense paid or incurred for a facility (such as a yacht or hunting lodge) that is used for an activity that is usually considered entertainment, amusement, or recreation. (Note: you may be able to deduct the expense if the amount is treated as compensation and reported on Form W-2 for an employee or Form 1099 NEC for an independent contractor.) See Publication 463, Travel, Entertainment, and Gift Expenses, for more details.

28. Taxable income.—Special "at risk" rules under section 465 generally apply to closely held corporations engaged in any activity as a trade or business or for the production of income. Such corporations may have to adjust the amount on line 28. See below. However, the "at risk" rules do not apply to (1) holding real property other than mineral property and (2) equipment leasing under section 465(c)(4), (5), and (6). These "at risk" rules apply to a closely held corporation which may or may not be a personal holding company.

A closely held corporation that is NOT a personal holding company.—Adjust the amount on line 28 for section 465(d) losses. These losses are limited to the amount for which the closely held corporation is "at risk" for each separate activity at the close of the tax year.

For a corporation involved in more than one activity that incurs a loss for the year, report each loss separately. Attach a schedule reflecting the amount "at risk" and gross income and deductions for each activity that has a loss.

If a loss from an activity exceeds the amount the closely held corporation is "at risk" for the activity at the end of the tax year, the amount that would otherwise be entered on line 28 of Form 1120F is to be modified for the excess. (Attach schedule.)

If the corporation sells or otherwise disposes of an asset, or its interest (either total or partial) in an activity to which the "at risk" rules apply, determine the net profit or loss from the activity by combining the gain or loss on the sale or disposition with the profit or loss from the activity. If the corporation has a net loss, it may be limited because of the "at risk" rules.

Treat any loss from an activity not allowed for the tax year as a deduction allocable to the activity in the next tax year.

A closely held corporation that IS a personal holding company.—For the amount to be entered on line 28 of Form 1120F, see Schedule PH (Form 1120), Specific Instructions for line 1, regarding section 465 losses.

29(a). Net operating loss deduction.—The "net operating loss deduction" is the sum of the net operating loss carryovers and carrybacks to the tax year. (Section 172(a).)

Generally, you may carry a net operating loss back to each of 3 years before the year of the loss and carry it over to each of the 15 years after the year of loss. (For tax years beginning after September 30, 1979, you may carry back 10 years the part of the net operating loss attributable to a product liability loss. (See section 172(b)(1)(H).) There is also an available election to carry a net operating loss over to just each of the 15 years following the year of the loss. You make this election by attaching a statement to a timely filed return, including extensions. The election is irrevocable. After applying the net operating loss to the first tax year to which it may be carried, the part of the loss you may carry to each of the remaining tax years is any excess of loss over the sum of the taxable incomes for each of the earlier tax years to which you may carry the loss. (Section 172(b).)

If there is a carryback of a net operating loss, a net capital loss, an unused investment credit, an unused work incentive (WIN) credit, or unused jobs credit, file Form 1139 within 12 months after the end of the tax year for a "quick refund" of tax. (Section 6411.)

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 C.

Schedule A—Cost of Goods Sold

Valuation methods.—Your inventories can be valued at: (a) cost, (b) cost or market value, whichever is lower, or (c) any other method approved by the Commissioner of Internal Revenue, that conforms to the applicable regulations cited below.

Taxpayers using erroneous valuation methods should file Form 3115 to change to a method permitted for Federal income tax purposes. For further details, see regulations section 1.446–1(e)(3) and Rev. Proc. 70–27, 1970–2 C.B. 509.

Line 8.—In line 8(a), check the method(s) used for valuing inventories. Under "lower of cost or market," market generally applies to normal market conditions where a current bid price prevails at the date the inventory is valued. When no regular open market exists or when quotations are nominal because of inactive market conditions, use fair market prices from the most reliable sales or purchase transactions that occurred near the date the inventory is valued. For more requirements, see regulations section 1.471–4.

Inventory may be valued below cost when the merchandise is unsalable at normal prices or unusable in the normal way because the goods are "subnormal" (that is, because of damage, imperfections, shop wear, etc.) within the meaning of regulations section 1.471–2(c). Such goods may be valued at a current bona fide selling price less direct cost of disposition (but not less than scrap value) if you can establish such a price. See regulations section 1.471–2(c) for more requirements.

In line 8(b), indicate whether you used a method of inventory valuation other than those described in line 8(a). Attach a statement describing the method used.

If this is the first year the "Last-in First-out" (LIFO) inventory method was either: adopted or extended to inventory goods not previously valued under the LIFO method, provided in section 472, attach Form 970, Application to Use LIFO Inventory Methods, or a statement with the information required by Form 970. Also check the LIFO box in line 8(c). Enter the amount or percent of total closing inventories covered under section 472 in line 8(d). Estimates are acceptable.

Full absorption method of inventory costing.—For a corporation engaged in manufacturing or production operations, use the full absorption method of inventory costing. If the corporation is not using the full absorption method of inventory costing, it must change to it. Under this method both direct and certain indirect production costs are included for inventory value purposes. You may change to full absorption by filing Form 3115. For more details, see Rev. Proc. 75–40, 1975–2 C.B. 571 and regulations section 1.471–11.

Cost of operations (where inventories are not an income-determining factor).—If the amount entered on line 2, Schedule A, includes an amount applicable to cost of operations, attach a schedule showing (1) salaries and wages and (2) other costs in detail.

For certain cooperatives, if per unit retain allocations (defined under section 1388(f)) are included on line 4, Schedule A, attach a schedule showing this cost and any other costs not included in lines 1 through 3.

Schedule C—Dividends and Special Deductions

(Line references are to the lines in Schedule C.)

Column A instructions

1. Enter dividends received from domestic corporations subject to income tax and the 85% deduction under section 243(a)(1). For dividends received from a regulated investment company, see section 854 for the amount subject to the 85% deduction.

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.

So-called dividends or earnings received from mutual savings banks, etc., are really interest. Do not treat them 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 that are received from foreign corporations and that qualify for the 85% deduction provided in section 245(a).

6. Enter all other dividends received from foreign corporations that do not qualify for a dividends-received deduction.

7. If the corporation claims the foreign tax credit, the tax that is deemed paid under section 902(a) (relating to credit for corporate stockholder in a foreign corporation) must be treated as a dividend received from the foreign corporation. (See section 906(b)(4).)

8. Enter taxable distributions from a DISC or former DISC that are designated as not being eligible for the 85% deduction. See sections 246(d), 995(b), and 996(a)(3).

9. Include dividends (other than capital gain dividends and exempt interest dividends) received from regulated investment companies that do not qualify for the 85% deduction; dividends from tax-exempt organizations; dividends (other than capital gain dividends) received from a real estate investment trust that, for the tax 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 properly reported above.

Column C instructions

Exclusion of certain dividends.—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 other securities.

No dividends-received deduction is allowed under section 243 for a dividend from a DISC or former DISC (as defined in section 992(a)) to the extent the dividend is paid out of the corporation's accumulated DISC income, previously taxed income, or is a deemed distribution under section 995(b)(1).

4. **Limitation on dividends-received deduction.**—Line 4 may not be more than 85% of line 28, page 3. For this purpose compute line 28, page 3, without regard to any capital loss carryback to the tax year under section 1212(a)(1).

In a year in which a net operating loss occurs, this 85% limit does not apply even if the loss is created by the dividends-received deduction. (See sections 172(d) and 246(b).)

5. **Deductions for dividends paid on certain preferred stock of public utilities.**—Section 247 allows public utilities a deduction of 30.435% of either of (1)

dividends paid on their preferred stock during the tax year, or (2) taxable income computed without regard to this deduction, whichever is less. In a year in which a net operating loss occurs, compute the deduction without regard to section 247 (a)(1)(B). (See section 172(d).)

Schedule J—Tax Computation

Fiscal year corporations should see the worksheet immediately following these instructions for the computation of their tax.

A corporation that is not a member of a controlled group (these members should see *lines 2(a) and (b)* below) will compute the tax on its taxable income as follows:

If the amount on Schedule J, Line 1 is: Over—	But not over—	Enter on Schedule J, Line 3:	Of the amount over—
0	$25,000	17%	0
$25,000	50,000	$4,250 + 20%	$25,000
50,000	75,000	9,250 + 30%	50,000
75,000	100,000	16,750 + 40%	75,000
100,000	....	26,750 + 46%	100,000

If the alternative tax does *not* apply, enter on line 3 of Schedule J, the amount computed above. If the alternative tax applies, see Schedule D (Form 1120).

(Personal holding companies—see Schedule PH (Form 1120) before completing Schedule J.)

Lines 2(a) and (b)

Members of a controlled group, as defined in section 1563, are entitled to only one $25,000 amount in each taxable income bracket.

When a controlled group adopts or later amends an apportionment plan, each member must attach to its tax return a copy of its consent to this plan. The copy (or an attached statement) must show the part of the $25,000 in each taxable income bracket apportioned to that member. There are other requirements as well. See regulations section 1.1561–3(b) for them and for the time and manner of making the consent.

Equal Apportionment Plan. If no apportionment plan is adopted, the members of the controlled group must divide the $25,000 in each taxable income bracket equally among themselves. For example, controlled group AB consists of corporation A and corporation B. They do not elect an unequal apportionment plan. Therefore, corporation A is entitled to $12,500 (one-half of $25,000) in each taxable income bracket. Corporation B is also entitled to $12,500 in each taxable income bracket.

Unequal Apportionment Plan. Members of a controlled group may elect an unequal apportionment plan and divide the $25,000 in each taxable income bracket as they wish. There is no need for consistency between taxable income brackets. Any member of the controlled group may be entitled to all, some, or none of the $25,000 in a taxable income bracket. (But the total amount for all members of the controlled group cannot be more than $25,000 in any taxable income bracket.) Each member of a controlled group must compute the tax as follows:

Note: *If alternative tax applies, do the following: (1) Complete lines 2(a) and (b) of Schedule J. (2) On line 1 below, instead of entering amount from line 30, page 3, Form 1120F, enter amount from line 14, Schedule D, Form 1120. (3) Complete lines 2 through 15 below, and (4) Enter amount from line 15 below on line 15 of Schedule D and complete balance of Schedule D.*

1. Enter taxable income (line 30, page 3) .... ______
2. Enter line 1 or your portion of the first $25,000 taxable income bracket, whichever is less .... ______
3. Subtract line 2 from line 1 .... ______
4. Enter line 3 or your portion of the second $25,000 taxable income bracket, whichever is less .... ______
5. Subtract line 4 from line 3 .... ______
6. Enter line 5 or your portion of the third $25,000 taxable income bracket, whichever is less .... ______
7. Subtract line 6 from line 5 .... ______
8. Enter line 7 or your portion of the fourth $25,000 taxable income bracket, whichever is less .... ______
9. Subtract line 8 from line 7 .... ______
10. 17% of line 2 .... ______
11. 20% of line 4 .... ______
12. 30% of line 6 .... ______
13. 40% of line 8 .... ______
14. 46% of line 9 .... ______
15. Total of lines 10 through 14. Enter this amount on line 3 of Schedule J.

Line 4(a). Foreign tax credit.—A foreign corporation engaged in a trade or business within the U.S. can take a credit for income, war profits, and excess profits taxes paid, accrued, or deemed paid to any foreign country or U.S. possession during the tax year. This credit applies to income effectively connected with the conduct of a trade or business within the U.S. In general, the per country limitation cannot be used in computing the foreign tax credit. For further details, see sections 901, 902, 906, and Form 1118.

Line 4(b). Investment credit.—In most cases, the investment credit is 10% of the qualified investment in regular investment credit property. The corporation may elect an 11% or 11.5% credit for regular investment credit property (instead of 10%) if the corporation meets the requirements of section 48(n)(1).

The corporation is also allowed an energy investment credit for investment in qualified energy property. The energy credit is in addition to the regular investment credit if the energy property is also regular investment credit property.

Use Form 3468, Computation of Investment Credit, and Schedule B (Form 3468), Computation of Business Energy Investment Credit, to figure these credits.

Line 4(c). Credit for wages paid or incurred in work incentive (WIN) program.—Generally, employers may claim a credit of 50% of qualified first-year wages and 25% of qualified second-year wages. See Form 4874, Credit for Work Incentive (WIN) Program Expenses, for definitions, special rules, and limits. Also see Publication 906, *Targeted Jobs, WIN, and Research Credits.*

Do not take an expense deduction for the part of the wages or salaries paid or incurred that equals the WIN credit determined without regard to the limitation based on tax (section 50A(a)(2)). Members of a group of trades or businesses under common control, see section 280C.

Line 4(d). Jobs credit.—The jobs credit, if elected, is allowed for hiring members of targeted groups during the tax year. Generally, the allowable credit is equal to 50% of qualified first-year wages paid or incurred and 25% of qualified second-year wages paid or incurred. See Form 5884, Jobs Credit, and Publication 906 for definitions, special rules, and limits.

Do not take an expense deduction for the part of the wages or salaries paid or incurred that equals the jobs credit (determined without regard to the limitation based on tax (section 53)). Members of a group of trades or businesses under common control, see section 280C.

Line 4(e). Alcohol fuel credit.—You may be able to take a credit for alcohol used as fuel after September 30, 1980. This applies to straight alcohol you sell at retail or use as fuel in your trade or business. It also applies to an alcohol mixture you sell or use as fuel in your trade or business. Use Form 6478, Credit for Alcohol Used As Fuel, to figure the credit. Include the amount of the credit in the total for line 4(e).

Credit for fuel produced from a nonconventional source. Effective for tax years ending after December 31, 1979, a credit is allowed for the sale of qualified fuels produced from a nonconventional source. Section 44D contains a definition of qualified fuels, provisions for figuring the credit, and other special rules. Attach a separate schedule to your return showing the computation of the credit. Include the amount of the credit in the total for line 4(e).

Research credit. Amounts paid or incurred after June 30, 1981, and before January 1, 1986, for qualified research expenses in carrying on a trade or business are allowed as a credit. Use Form 6765, Credit for Increasing Research Activities, to figure the credit. Include the amount of the credit in the total for line 4(e).

Line 7. Tax from recomputing an earlier year investment credit.—If property is disposed of before the life-years category used in computing the regular or energy investment credit, you may have to recapture the investment credit. (See Form 4255, Recapture of Investment Credit.)

Credit for overpaid windfall profit tax.—If you are a producer of crude oil subject to the windfall profit tax and have overpaid the tax, attach Form 6249, Computation of Overpaid Windfall Profit Tax, to claim the overpayment. See Form 6249 for rules and instructions. Include the amount of the credit in the total for line 6(e), page 1, Form 1120F and enter the amount of credit in the margin next to line 6(e) and identify it as "overpaid windfall profit tax."

Worksheet for Fiscal Year 1981–82 Foreign Corporations—Tax Computation Schedule

This worksheet is to be used in lieu of certain lines of the Tax Computation Schedule on 1981 Form 1120F and Schedule D (Form 1120).

Part I Computation of Regular Tax

Computation at Tax Rates Applicable Before 1/1/82

1 Enter taxable income from Form 1120F, line 30, page 3
2 Enter line 1 or $25,000, whichever is less. (Members of a controlled group, see instructions)
3 Subtract line 2 from line 1
4 Enter line 3 or $25,000, whichever is less. (Members of a controlled group, see instructions)
5 Subtract line 4 from line 3
6 Enter line 5 or $25,000, whichever is less. (Members of a controlled group, see instructions)
7 Subtract line 6 from line 5
8 Enter line 7 or $25,000, whichever is less. (Members of a controlled group, see instructions)
9 Subtract line 8 from line 7
10 17% of line 2
11 20% of line 4
12 30% of line 6
13 40% of line 8
14 46% of line 9
15 Total of lines 10 through 14. If applicable, enter here and on line 40, Part III

Computation at Tax Rates Applicable After 12/31/81

16 16% of line 2
17 19% of line 4
18 Total of lines 12, 13, 14, 16, and 17. If applicable, enter here and on line 42, Part III

Part II Computation of Alternative Tax

Computation at Tax Rates Applicable Before 1/1/82

19 Taxable income (line 1, Part I)
20 Enter net capital gain from Schedule D (Form 1120), line 10
21 Subtract line 20 from line 19
22 Enter line 21 or $25,000, whichever is less. (Members of a controlled group, see instructions)
23 Subtract line 22 from line 21
24 Enter line 23 or $25,000, whichever is less. (Members of a controlled group, see instructions)
25 Subtract line 24 from line 23
26 Enter line 25 or $25,000, whichever is less. (Members of a controlled group, see instructions)
27 Subtract line 26 from line 25
28 Enter line 27 or $25,000, whichever is less. (Members of a controlled group, see instructions)
29 Subtract line 28 from line 27
30 17% of line 22
31 20% of line 24
32 30% of line 26
33 40% of line 28
34 46% of line 29
35 28% of line 20
36 Alternative tax—total of lines 30 through 35. If this amount is less than the regular tax on line 15, Part I, enter here and on line 40, Part III

Computation at Tax Rates Applicable After 12/31/81

37 16% of line 22
38 19% of line 24
39 Alternative tax—total of lines 32, 33, 34, 35, 37, and 38. If this amount is less than the regular tax on line 18, Part I, enter here and on line 42, Part III

Part III Proration of Tentative Taxes

40 Tentative tax (regular tax from line 15, or alternative tax from line 36, whichever is less)
41 Portion of tentative tax before 1/1/82—See instructions for computation
42 Tentative tax (regular tax from line 18, or alternative tax from line 39, whichever is less)
43 Portion of tentative tax after 12/31/81—See instructions for computation
44 Income tax—Add lines 41 and 43. Enter here and on Form 1120F, line 3, Schedule J, page 5

General Instructions for Fiscal Year 1981–82 Foreign Corporations

Purpose of Worksheet on page 10

Effective for tax years beginning after 1981, the Economic Recovery Tax Act of 1981 reduced the corporate tax rates. This will result in a lower tax liability. The tax rates changed from 17% of the first $25,000 of taxable income, 20% of the next $25,000 of taxable income, 30% of the next $25,000 of taxable income, 40% of the next $25,000 of taxable income, and 46% of taxable income in excess of $100,000; to 16% of the first $25,000 of taxable income, 19% of the next $25,000 of taxable income, 30% of the next $25,000 of taxable income, 40% of the next $25,000 of taxable income, and 46% of taxable income in excess of $100,000.

Because of changes in the tax rates, the proration rules of section 21 apply. Fiscal year 1981–82 corporations must prorate their tax to reflect these changes. Thus, a fiscal year corporation will compute its tax for the year by prorating a tax for the period before 1982 and for the period after 1981, using the tax rates in effect for each period. The accompanying worksheet for fiscal year 1981–82 provides for such computation.

This worksheet will be used by fiscal year 1981–82 corporations instead of certain lines of the Tax Computation Schedule on 1981 Form 1120F and Schedule D (Form 1120).

Computation of Tax.—In computing the tax, the corporation computes a regular tax (Part I) and an alternative tax (Part II) for each period and takes the lower tax for each period. The sum of the prorated tax for each period is the total on line 44, Part III.

Specific Instructions

Parts I and II

Lines 2, 4, 6, and 8, Part I (and Lines 22, 24, 26, and 28, Part II).—These lines represent the four taxable income brackets used in computing the tax for the periods before 1982 and after 1981. Members of a controlled group should see the instructions for Schedule J, lines 2(a) and (b), on page 8, for amounts to be entered in lieu of $25,000.

Part III

Line 41, Portion of Tentative Tax.—Multiply line 40 by:

(a) $\frac{\text{number of days in tax year before 1/1/82}}{\text{number of days in tax year}}$

OR

(b) applicable decimal from table below (column (A)).

Taxpayers with a 52–53 week tax year must use (a) above.

Line 43, Portion of Tentative Tax.—Multiply line 42 by:

(a) $\frac{\text{number of days in tax year after 12/31/81}}{\text{number of days in tax year}}$

OR

(b) applicable decimal from table below (column (B)).

Taxpayers with a 52–53 week tax year must use (a) above.

Table

Fiscal year	(A) Before 1982 Line 40 × applicable fraction or decimal listed below and enter result on line 41	(B) After 1981 Line 42 × applicable fraction or decimal listed below and enter result on line 43
2/1/81– 1/31/82	334/365 or .915068	31/365 or .084932
3/1/81– 2/28/82	306/365 or .838356	59/365 or .161644
4/1/81– 3/31/82	275/365 or .753425	90/365 or .246575
5/1/81– 4/30/82	245/365 or .671233	120/365 or .328767
6/1/81– 5/31/82	214/365 or .586301	151/365 or .413699
7/1/81– 6/30/82	184/365 or .504110	181/365 or .495890
8/1/81– 7/31/82	153/365 or .419178	212/365 or .580822
9/1/81– 8/31/82	122/365 or .334247	243/365 or .665753
10/1/81– 9/30/82	92/365 or .252055	273/365 or .747945
11/1/81–10/31/82	61/365 or .167123	304/365 or .832877
12/1/81–11/30/82	31/365 or .084932	334/365 or .915068

Codes for Principal Business Activity

These industry titles and definitions are based, in general, on the Enterprise Standard Industrial Classification system authorized by the Statistical Policy Division, Office of Information and Regulatory Affairs, in the Office of Management and Budget, to classify enterprises by type of activity in which they are engaged. The system follows closely the Standard Industrial Classification used to classify establishments.

Using the list below, enter on page 5, under M, the code number for the specific industry group from which the largest percentage of "total receipts" is derived. "Total receipts" means gross receipts (line 1, page 3) plus all other income (lines 4 through 10, page 3). On page 5, under M, state the principal business activity and principal product or service that accounts for the largest percentage of total receipts. For example, if the principal business activity is "Grain mill products," the principal product or service may be "Cereal preparations."

AGRICULTURE, FORESTRY AND FISHING

Code
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:
1330 Crude petroleum, natural gas, and natural gas liquids.
1380 Oil and gas field services.
Nonmetallic minerals (except fuels) mining:
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.

MANUFACTURING

Food and kindred products:
2010 Meat products.
2020 Dairy products.
2030 Preserved fruits and vegetables.
2040 Grain mill products.
2050 Bakery products.
2060 Sugar and confectionery products.
2081 Malt liquors and malt.
2088 Alcoholic beverages, except malt liquors and malt.
2089 Bottled soft drinks, and flavorings.
2096 Other food and kindred products.
2100 Tobacco manufactures.
Textile mill products:
2228 Weaving mills and textile finishing.
2250 Knitting mills.
2298 Other textile mill products.
Apparel and other textile products:
2315 Men's and boys' clothing.
2345 Women's and children's clothing.
2388 Hats, caps, millinery, fur goods, and other apparel and accessories.
2390 Misc. fabricated textile products.
Lumber and wood products, except furniture:
2415 Logging camps and logging contractors, sawmills and planing mills.
2430 Millwork, plywood, and related products.
2498 Other wood products, including wood buildings and mobile homes.
2500 Furniture and fixtures.
Paper and allied products:
2625 Pulp, paper, and board mills.
2699 Other paper products.
Printing, publishing and allied industries:
2710 Newspapers.
2720 Periodicals.
2735 Books, greeting cards, and misc. publishing.
2799 Commercial and other printing, and printing trade services.
Chemicals and allied products:
2815 Industrial chemicals, plastics materials and synthetics.
2830 Drugs.
2840 Soap, cleaners, and toilet goods.
2850 Paints and allied products.
2898 Agricultural and other chemical products.
Petroleum refining and related industries (including those integrated with extraction):
2910 Petroleum refining (including those integrated with extraction).
2998 Other petroleum and coal products.
Rubber and misc. plastics products:
3050 Rubber products; plastics footwear, hose and belting.
3070 Misc. plastics products.
Leather and leather products:
3140 Footwear, except rubber.
3198 Other leather and leather products.
Stone, clay, glass, and concrete products:
3225 Glass products.
3240 Cement, hydraulic.

Code
3270 Concrete, gypsum, and plaster products.
3298 Other nonmetallic mineral products.
Primary metal industries:
3370 Ferrous metal industries; misc. primary metal products.
3380 Nonferrous metal industries.
Fabricated metal products, except machinery and transportation equipment:
3410 Metal cans and shipping containers.
3428 Cutlery, hand tools, and hardware; screw machine products, bolts, and similar products.
3430 Plumbing and heating, except electric and warm air.
3440 Fabricated structural metal products.
3460 Metal forgings and stampings.
3470 Coating, engraving, and allied services.
3480 Ordnance and accessories, except vehicles and guided missiles.
3490 Misc. fabricated metal products.
Machinery, except electrical:
3520 Farm machinery.
3530 Construction, mining, and materials handling machinery and equipment.
3540 Metalworking machinery.
3550 Special industry machinery, except metalworking machinery.
3560 General industrial machinery.
3570 Office, computing, and accounting machines.
3598 Engines and turbines, service industry machinery, and other machinery, except electrical.
Electrical and electronic machinery, equipment, and supplies:
3630 Household appliances.
3665 Radio, television, and communication equipment.
3670 Electronic components and accessories.
3698 Other electric equipment.
Transportation equipment:
3710 Motor vehicles and equipment.
3725 Aircraft, guided missiles and parts.
3730 Ship and boat building and repairing.
3798 Other transportation equipment.
Measuring and controlling instruments; photographic and medical goods, watches and clocks:
3815 Scientific instruments and measuring devices; watches and clocks.
3845 Optical, medical, and ophthalmic goods.
3860 Photographic equipment and supplies.
3998 Other manufacturing products.

TRANSPORTATION, COMMUNICATION, ELECTRIC, GAS, AND SANITARY SERVICES

Transportation:
4000 Railroad transportation.
4100 Local and interurban passenger transit.
4200 Trucking and warehousing.
4400 Water transportation.
4500 Transportation by air.
4600 Pipe lines, except natural gas.
4700 Other transportation services.
Communication:
4825 Telephone, telegraph, and other communication services.
4830 Radio and television broadcasting.
Electric, gas, and sanitary services:
4910 Electric services.
4920 Gas production and distribution.
4930 Combination utility services.
4990 Water supply and other sanitary services.

WHOLESALE TRADE

Durable:
5008 Machinery, equipment, and supplies.
5010 Motor vehicles and automotive equipment.
5020 Furniture and home furnishings.
5030 Lumber and construction materials.
5040 Sporting, recreational, photographic, and hobby goods, toys, and supplies.
5050 Metals and minerals, except petroleum and scrap.
5060 Electrical goods.
5070 Hardware, plumbing and heating equipment.
5098 Other durable goods.
Nondurable:
5110 Paper and paper products.
5129 Drugs, drug proprietaries, and druggists' sundries.
5130 Apparel, piece goods, and notions.
5140 Groceries and related products.
5150 Farm product raw materials.
5160 Chemicals and allied products.
5170 Petroleum and petroleum products.
5180 Alcoholic beverages.
5190 Misc. nondurable goods.

RETAIL TRADE

Code
Building materials, hardware, garden supply, and mobile home dealers:
5220 Building materials dealers.
5251 Hardware stores.
5265 Garden supplies and mobile home dealers.
5300 General merchandise stores.
5410 Grocery stores.
5490 Other food stores.
Automotive dealers and service stations:
5515 Motor vehicle dealers.
5541 Gasoline service stations.
5598 Other automotive dealers.
5600 Apparel and accessory stores.
5700 Furniture and home furnishings stores.
5800 Eating and drinking places.
Misc. retail stores:
5912 Drug stores and proprietary stores.
5921 Liquor stores.
5995 Other retail stores.

FINANCE, INSURANCE, AND REAL ESTATE

Banking:
6030 Mutual savings banks.
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.
Security, commodity brokers, dealers, exchanges, 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.
6356 Mutual insurance, except life or marine and certain fire or flood insurance companies.
6359 Other insurance companies.
6411 Insurance agents, brokers, and services.
Real estate:
6511 Real estate operators (except developers) and lessors of buildings.
6516 Lessors of mining, oil, and similar property.
6518 Lessors of railroad property and other real property.
6530 Condominium management and cooperative housing associations.
6550 Subdividers and developers.
6599 Other real estate.
Holding and other investment companies:
6742 Regulated investment companies.
6743 Real estate investment trusts.
6744 Small business investment companies.
6749 Holding and other investment companies.

SERVICES

7000 Hotels and other lodging places.
7200 Personal services.
Business services:
7310 Advertising.
7389 Business services, except advertising.
Auto repair; miscellaneous repair services:
7500 Auto repair and services.
7600 Misc. repair services.
Amusement and recreational services:
7812 Motion picture production, distribution, and services.
7830 Motion picture theaters.
7900 Amusement and recreation services, except motion pictures.
Other services:
8015 Offices of physicians, including osteopathic physicians.
8021 Offices of dentists.
8040 Offices of other health practitioners.
8050 Nursing and personal care facilities.
8060 Hospitals.
8071 Medical laboratories.
8099 Other medical services.
8111 Legal services.
8200 Educational services.
8300 Social services.
8600 Membership organizations.
8911 Architectural and engineering services.
8930 Accounting, auditing, and bookkeeping.
8980 Miscellaneous services (including veterinarians).

Form **2555** Department of the Treasury Internal Revenue Service

Deduction from, or Exclusion of, Income Earned Abroad

▶ See separate instructions. ▶ Attach to Form 1040.

For the year January 1–December 31, 1979, or other tax year beginning ...., 1979, ending ...., 19....

1979 31

This Form is to be Used Only by United States Citizens and Resident Aliens

Name of taxpayer | Social security number

Foreign address (including Country) | Your occupation

Name of employer ▶

Employer's address U.S. ▶

Foreign ▶

Employer is (check any that apply) ☐ A foreign entity ☐ A foreign affiliate of a U.S. company ☐ A U.S. company ☐ Self ☐ Other (specify) ▶

Give the latest year for which you filed a U.S. Income tax return ▶ Service Center where filed ▶

Enter earlier years you claimed deduction from, or exclusion of, income earned abroad under section 911 or 913 ▶

Check the status under which you claim deduction from, or exclusion of, income earned from services abroad ☐ Bona fide residence. ☐ Physical presence. Are you a U.S. citizen? ☐ Yes ☐ No

Complete all items in either Part I or Part II. If an item does not apply, write "DOES NOT APPLY." Failure to submit required information may result in disallowance of the claimed deduction or exclusion.

Part I To be Completed for Bona Fide Residence Only (See Instruction 8)

1 List the countries where you have lived and the dates of residence during your 1978 and 1979 tax years ....

.... Bona fide residence began (date) ...., ended (date) ....

2 Kind of living quarters in foreign country ▶ ☐ Purchased house ☐ Rented house or apartment ☐ Rented room ☐ Quarters furnished by employer

3 Did any of your family live with you abroad during any part of the tax year? ☐ Yes ☐ No

If "Yes," who and for what period? ▶

4 (a) Have you made a statement to the authorities of the foreign country you claim bona fide residence in that you are not a resident of that country? ☐ Yes ☐ No

(b) Are you required to pay income tax to the country you claim bona fide residence in? ☐ Yes ☐ No

If you made a statement to the authorities of the foreign country that you are not a resident, and the country holds you are not subject to its income tax, you do not qualify for this status. (See Instruction 8(c).)

5 Complete the following for days present in the U.S. or its possessions during the tax year:

Date arrived in U.S.	Date departed from U.S.	Number of days in U.S. on business	Amount earned in U.S. on business (Attach statement showing computation.) [1]	Date arrived in U.S.	Date departed from U.S.	Number of days in U.S. on business	Amount earned in U.S. on business (Attach statement showing computation.) [1]

[1] Do not include this income in Part III. Report on Form 1040.

6 (a) State any contractual terms or other conditions relating to the length of your employment abroad ....

(b) State the type of visa you entered the foreign country under ....

(c) Did your visa contain any limitations as to the length of your stay or employment in a foreign country? ☐ Yes ☐ No

If "Yes," attach explanation.

(d) Did you maintain a home in the U.S. while residing abroad? ☐ Yes ☐ No

If "Yes," show address of your home, whether it was rented, and the names and relationships of the occupants ....

Part II To be Completed for Physical Presence Only (See Instruction 9)

7 The 18 month period that the test of physical presence in foreign countries is based on is from .... through ....

8 Enter your principal country of employment during your tax year ▶

9 Enter all travel abroad during the 18 month period that the test is based on, except travel between foreign countries that did not involve travel on or over international waters for 24 hours or more. If the last entry is an arrival in a foreign country, enter the number of full days to the end of 18 month period. *If you have no travel to report during the period, write in the schedule that you were physically present in a foreign country or countries during the entire 18-month period.*

Name of country (Including U.S.)	Date arrived	Date departed	Full days present in country	Number of days in U.S. on business	Amount earned in U.S. on business (Attach statement showing computation.) [1]

[1] Do not include this income in Part III. Report on Form 1040.

Part III To be Completed by All Taxpayers

10 Enter below all, including noncash remuneration, income from sources outside the United States earned during 1979. (See Instructions 7, 10(b), 10(c), and 10(d).) Is part of the income (such as bonuses) for services performed in 1979, but received in another tax year? ☐ Yes ☐ No

If "Yes," see Instructions 10(a) and 10(e).

Report all income received during 1979 on your Form 1040 regardless of when the services were performed. *If you received all or part of your income in foreign currency, translate its exchange value into terms of U.S. dollars at the rates prevailing at the time you actually or constructively received the income. Do not report income shown in Part I, line 5, on this schedule.*

Earned Income for Personal Services Rendered in Foreign Countries During 1979	Exchange rates used	Amount (In U.S. dollars)
11 Total wages, salaries, bonuses, commissions, etc., earned this year		
12 Pensions and annuities (see Instruction 10(d))		
13 Allowable share of income for personal services rendered this year (see Instructions 7 and 10(a)):		
(a) In a business (including farming) or profession (attach Schedule C or F (Form 1040))		
(b) In a partnership (give name, address, and nature of income)		
14 Noncash remuneration (market value of property or facilities furnished by employer—attach statement showing how determined):		
(a) Home (lodging)		
(b) Meals		
(c) Car		
(d) Other property or facilities (specify)		
15 Other foreign earned income (specify)		
16 Allowances, reimbursements, or expenses paid on your behalf for services rendered this year:		
(a) Cost of living		
(b) Overseas differential		
(c) Family		
(d) Education		
(e) Home leave		
(f) Quarters		
(g) For any other purpose (specify)		
(h) Total allowances, reimbursements, etc. Add lines 16(a) through line 16(g)		
17 Total earned income from foreign sources (add lines 11 through 15 and line 16(h))		
18 (a) Value of meals and lodging included in income above which are excludable under section 119. (See Instruction 10(c))		
(b) Net earned income from foreign sources (subtract line 18(a) from line 17) ▶		

19 Did you maintain a separate foreign residence for your family due to adverse living conditions at your tax home? ☐ Yes ☐ No

If "Yes," give city and country of the separate foreign residence. Also show number of days during your tax year that you maintained a second household at that address ....

20 List your tax home(s) during your tax year ....

Did you change your tax home at any time during your tax year? ☐ Yes ☐ No

Note: *If you answered "Yes" to either 19 or 20 above, see Instructions 11, 15, and 17 before completing this form.*

21 Did you live in a camp located in a hardship area for the convenience of your employer? ☐ Yes ☐ No

(See Instruction 18 for a description of what is considered a camp.)

If "Yes," you may elect (a) or (b) below. If "No," you may claim (b) below.

(a) You may exclude from gross income the amount of $20,000 (prorated on a daily basis for days you lived in a camp). See Part V.

(b) You may claim the deduction for excess foreign living expenses. See Part IV.

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Part IV To be Completed by Taxpayers Claiming the Deduction for Excess Foreign Living Expenses

Qualified Schooling Expense (See Instruction 12)

22 Complete the following for each dependent child for whom you claim a schooling expense deduction:

Name of dependent child	Age	Address (including country) of school attended	Schooling expenses claimed

23 Total qualified schooling expenses. Enter here and on lines 31(b) and 36 . . . . . ▶

Qualified Home Leave Transportation Expense (See Instruction 13)

24 Enter total number of trips for which you are claiming a deduction. Count each trip by you, your spouse, and your dependents as a separate trip ▶ . Total expense for all trips; also enter on lines 31(c) and 37 . . ▶

Qualified Hardship Area Amount (See Instruction 14)

25 Name of hardship area .... Date tax home was established .... ended ....
26 Maximum amount $5,000.00
27 Number of days that you qualified during the tax year . . . .
28 Percentage applicable (divide the number of days on line 27 by 365) . . . %
29 Allowable amount (multiply the amount on line 26 by the percent on line 28). Also enter on lines 31(d) and 38 . . . ▶ $

Qualified Housing Expenses (See Instruction 16)

30 Expenses paid or incurred for housing at your tax home during the year. (If you maintained a qualified second household, see Instruction 17 for additional information) . . . .
31 Figure your base housing amount as follows. Enter:
(a) Earned income from all sources (see Instruction 16) . . . .
(b) Qualified schooling expenses (from line 23) . . . .
(c) Qualified home leave transportation expenses (from line 24) . . .
(d) Qualified hardship area amount (from line 29) . . . .
(e) Qualified cost-of-living differential (from tables—see Instruction 15)
(f) Housing expenses from line 30 . . . .
(g) Total expenses (add lines 31(b) through 31(f)) . . . .
(h) Subtract line 31(g) from line 31(a) . . . .
(i) Base housing amount: Enter 20% (1/5) of line 31(h) . . . .
32 Subtract line 31(i) from line 30. If less than zero, enter zero . . . .
33 If you maintained a qualified second household, enter earned income as modified by Instruction 17(b)(i). Otherwise, omit line 33 and enter zero on line 34(e) . . . .
34 Amount from line 31(g) . . . .
(a) Housing expenses for qualified second household . . . .
(b) Add line 34 and line 34(a) . . . .
(c) Subtract line 34(b) from line 33. If less than zero, enter zero . . .
(d) Base housing amount for second household: enter 20% (1/5) of line 34(c) . . .
(e) Subtract line 34(d) from line 34(a) . . . .
35 Total qualified housing expenses. If you maintained a qualified second household and your tax home was in a hardship area, enter total of amounts on lines 30 and 34(a). Otherwise, enter the total of lines 32 and 34(e). Also enter on line 40 . . . ▶

Summary of Excess Foreign Living Expenses

36 Qualified schooling expenses from line 23 . . . .
37 Qualified home leave transportation expenses from line 24 . . . .
38 Qualified hardship area amount from line 29 . . . .
39 Qualified cost-of-living differential from line 31(e) . . . .
40 Qualified housing expenses from line 35 . . . .
41 Total expenses (add lines 36 through 40) . . . .
42 Limitation:
(a) Total earned income from foreign sources (from Part III, line 18(b)) . . . .
(b) Adjustments allocable to income from foreign sources (see Instruction 11(b)) . . .
(c) Net earned income from foreign sources (subtract line 42(b) from line 42(a)). If less than zero, enter zero . . . .
43 Deduction for excess foreign living expenses. Enter the amount from line 41 or 42(c), whichever is smaller. Also enter this amount on Form 1040, line 24, and label it as "Expense from Form 2555" . . . ▶

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Part V To be Completed by Taxpayers Claiming the Exclusion of Income Earned in a Hardship Area Camp (See Instruction 18)

44 Complete the following for days you lived in a hardship area during the tax year:

Name of hardship area	Date arrived	Date departed	Full days you lived in hardship area	Number of days during your residence that area qualified

45 Total number of full qualifying days in all hardship areas. (Enter here and on line 47 below.) . . . ▶
46 Maximum exclusion $20,000.00
47 Number of days that you qualified for exclusion during the tax year (from line 45 above) . .
48 Percentage applicable (divide the number of days on line 47 by 365) . . . . %
49 Maximum allowable exclusion (multiply the amount on line 46 by the percent on line 48) . . ▶ $
50 Enter the exclusion from line 49 or the amount you earned during the days you qualified, whichever is smaller . . . .
51 Deductions allocable to excluded income. (See Instruction 18(c) and attach a schedule.) . . . .
52 Subtract line 51 from line 50. Enter here and in parenthesis on Form 1040, line 21, and label it "Exclusion from Form 2555". (On Form 1040, subtract the amount from your income to arrive at Total income on line 22.) . ▶

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1979 Department of the Treasury
Internal Revenue Service

Instructions for Form 2555

Deduction from, or Exclusion of, Income Earned Abroad

(References are to the Internal Revenue Code and Income Tax Regulations)

Note: *Do not use prior versions of this form for 1979.*

PARTS I, II, AND III

General Information

1. Purpose of Form.—The purpose of this form is to allow certain U.S. citizens and residents living in foreign countries to deduct some excess foreign living expenses or to exclude a limited amount of income received for personal services rendered abroad.

U.S. citizens in foreign countries are subject to the same U.S. income tax laws as those living in the U.S.

If you lived in a camp in a hardship area, you may be able to take advantage of special rules. See Part V.

If you are a resident alien of the United States, you may qualify for benefits provided in Part IV or V, if you meet the "physical presence test."

If your only income earned abroad is paid by the U.S. government, you are not eligible for the benefits of this form. Do not file Form 2555.

2. How to File.—If you qualify for the benefits available to taxpayers who have earned income from sources outside the U.S., complete Part I or II, Part III, and either Part IV or V, whichever applies to you.

Report on your Form 1040 all items of gross income, including earned income for which you claim the exclusion. If these items are all wages or salaries, report them on Form 1040, line 8. Report other types of income on the appropriate lines or schedules.

3. Where to File.—File Form 2555 with Form 1040 with the Internal Revenue Service Center, Philadelphia, PA 19255.

4. When to File.—April 15 is generally the due date for filing calendar year income tax returns. However, if you are a U.S. citizen physically outside the United States on April 15, you may automatically take an extension of 2 months to June 15. The 2-month automatic extension also applies to fiscal year taxpayers who are physically outside the United States on the regular due date of their return.

If you take advantage of the automatic extension, attach a statement to your return showing that you were physically outside the United States on the due date of your return. This extension also applies to payment of the tax. However, there is an interest charge at the applicable rate on any unpaid tax from the due date of the return (usually April 15) until the date of payment.

5. Special Extensions of Time for Filing.—If you are a U.S. citizen or resident and you expect to qualify for the deduction or exclusion on a date more than 2 months after the regular due date of your return, you may apply for an extension to a date after you expect to qualify for the deduction or exclusion. Complete Form 2350, Application for Extension of Time to File U.S. Income Tax Return, and send it to the office where the return will be filed before the due date of the return. (For calendar year taxpayers, this would generally be June 15.) Interest is charged in the same manner as explained in instruction 4.

6. Married Taxpayers.—You may file a joint return if both you and your spouse are U.S. citizens or resident aliens and you both use the same tax year.

Generally, you may not file a joint return if either you or your spouse was a nonresident alien at any time during the tax year. However, you may file a joint return if you are a U.S. citizen or resident married to a nonresident alien and you both choose to have the nonresident spouse taxed as a resident. You may claim an exemption for a nonresident alien spouse who had no gross income from U.S. sources and was not the dependent of another taxpayer.

Certain community property laws do not apply for income tax purposes in the case of a citizen or resident of the United States who is married to a nonresident alien, and who has community income for the tax year, if they do not elect to treat the nonresident spouse as a U.S. resident.

7. Earned Income.—Earned income means wages, salaries, professional fees, and other compensation for personal services you actually rendered. It also includes the value of meals and lodging furnished by or on behalf of your employer for his or her convenience. (You may be able to exclude this amount later on line 18(a). Also see instruction 10(c).) Earned income does not include amounts that are actually a distribution of corporate earnings or profits rather than a reasonable allowance as compensation for the personal services. It also does not include dividends, capital gains, interest, etc.

If you engaged in a noncorporate trade or business in which both personal services and capital were material income-producing factors, a reasonable compensation for your personal services will be considered earned income. This earned income amount, however, cannot be more than 30% of your share of the net profits from the trade or business.

8. Bona Fide Residence.—

(a) General.—If you are a U.S. citizen and bona fide resident of a foreign country or countries for an uninterrupted period that includes an entire tax year, you can exclude part or all of your earned income from personal services rendered abroad for your tax year or you can take a deduction for excess foreign living expenses. However, see instruction 10 for special rules that may apply to you.

(b) Determination of Residence.—There is no specific rule for determining whether you are a bona fide resident of a foreign country, because the determination involves your intention about the length and nature of your stay. Evidence of your intention to establish a bona fide residence in a foreign country may be your words and acts. If these conflict, more emphasis will be placed on acts than words. Generally, if you go to a foreign country for a definite purpose of a temporary nature and return to the United States after you accomplish that purpose, you are not a bona fide resident of the foreign country. However, if accomplishing the purpose requires an extended and indefinite stay, and you therefore make your home in the foreign country, you may be a bona fide resident of the foreign country for Federal income tax purposes.

(c) Statement of Nonresidence.—If you made a statement to the authorities of a foreign country in which you have earned income that you are not a resident of that country, and you have been held not subject to its income tax, you are not considered a bona fide resident of that foreign country. If you made such a statement and a determination is being made about whether you qualify as a bona fide foreign resident, you are considered not subject to the income tax of that foreign country, provided the authorities of the foreign country have not made an adverse determination on your nonresidence status.

(d) Definitions.—

(i) *Entire Tax Year.*—If you use the calendar year as your tax year, your entire year is the period beginning January 1 and ending December 31.

(ii) *Foreign Country.*—The term foreign country means territory under the sovereignty of a government other than that of the United States and includes the air space over the territory. It does not include U.S. possessions.

9. Physical Presence.—

(a) General.—If you are a U.S. citizen or resident physically present in a foreign country or countries for a total of at least 510 days during any period of 18 consecutive months, you can exclude part or all of your earned income for your tax year or you can take a deduction for excess foreign living expenses. However, see instruction 10 for special rules that may apply to you. Generally, you can do this if the earned income is for personal services performed in a foreign country and is for the 18-month period.

(b) Determination of 18-month Period and Application of 510-day Rule.—In figuring the minimum of 510 full days' presence in any foreign country or countries, add all separate periods of presence during the 18-month period. The 510 full days do not have to be consecutive. They may be interrupted by periods during which you are traveling over international waters or are otherwise not in a foreign country. (Full day means a period of 24 consecutive hours beginning at midnight.)

10. Special Rules.—

(a) Rule of Attribution.—In general, you receive earned income in the same tax year you perform personal services. However, you may receive earned income in one tax year for personal services performed in another. Use the tax year in which you perform the services to determine the deduction or exclusion allowed under the bona fide residence or physical presence test.

Under the rule of attribution, this income is considered as earned in the tax year in which you performed the personal services. However, to qualify, you must receive earned income before the close of the tax year following the year in which you performed the services. For example, if a cash basis taxpayer received $3,000 in 1979 for services performed in 1978, the $3,000 would affect the limitation computed for 1978. If excludable, the $3,000 would be excluded from his or her income in 1979.

This rule does not affect the reporting time of any income that is not excluded or used in figuring a deduction for excess foreign living expenses. You cannot attribute amounts to any year in which the services performed are insubstantial.

You must report all amounts of income earned in 1979 on Form 2555, Part III. You should report all amounts of earned income you received in 1979 on your 1979 Form 1040. For example, if you earned $37,000 in 1979 of which you received $32,000 in 1979 and you are to receive the remaining $5,000 in 1980, you would report $37,000 on Form 2555, Part III, for 1979 and $32,000 on your 1979 Form 1040. The $5,000 you are to receive in 1980 would be reported on your 1980 Form 1040.

(b) Treatment of Amounts Paid by U.S. Government, etc.—Earned income paid by the United States or any of its instrumentalities cannot be excluded from income. You cannot use it in figuring the deduction for excess foreign living expenses. This includes pay received from U.S. Government agencies, U.S. Armed Forces' post exchanges, officers' and enlisted men's clubs and messes, motion picture services, and other similarly organized activities under the jurisdiction of the Armed Forces, even if they are supported by nonappropriated funds.

(c) Treatment of Noncash Remuneration.—If you received noncash remuneration in the form of a right to use property or facilities (such as a home or car), it is taxable in the same manner as any other compensation. However, under section 119 you may exclude the value of meals and lodging furnished by or on behalf of your employer for his or her convenience. For conditions under which you may claim this exclusion, see Meals and lodging provided for the convenience of your employer, in **Publication 54**, Tax Guide for U.S. Citizens Abroad. Enter the amount excluded in Part III, lines 14(a) and (b), and line 18(a).

(d) Treatment of Pensions or Annuities.—In general, earned income received as pensions or annuities does not qualify if it is from employer contributions made after December 31, 1962, for services rendered outside the United States after that date. (For rules on the allocation of employer contributions under prefunded pension or annuity plans, see section 1.72-8 of the Income Tax Regulations.)

(e) Amounts for Services Performed on or Before December 1, 1962.—If you received an amount after December 31, 1962, for services performed on or before that date, see section 1.911-1(c) (1978) of the Income Tax Regulations or contact any IRS office or representative.

PART IV

Deduction for Excess Foreign Living Expenses

11. General.—

(a) Who Can Claim the Deduction.—If you meet the bona fide residence or physical presence test and your tax home was in a foreign country, you may be allowed a deduction for certain expenses of living abroad. You may take this deduction even if you do not itemize. Included are the qualified:

(i) schooling expenses,
(ii) home leave transportation expenses,
(iii) hardship area amount,
(iv) cost-of-living differential, and
(v) housing expenses.

(b) Limitation.—Your total deduction for these items may not be more than earned income from sources outside the United States for the part of the tax year in which your tax home was in a foreign country and you met the bona fide residence or physical presence test, reduced by both of the following:

(i) any amount excluded from gross income under section 119, and
(ii) any allocable deductions.

Note: *The allocable deductions are those deductions that are properly allocable to or chargeable against the earned income, other than the items listed in (a) above.*

Earned income includes income earned by you and, if your spouse resides with you, by your spouse.

If you receive compensation from the U.S. government, you may not treat it as income earned outside the United States to qualify for this deduction.

(c) Certain Double Benefits Disallowed.—If you claim an amount on this form, you may not claim it elsewhere as a deduction, an exclusion, or as a credit under section 44A (relating to household and dependent care services). In addition, you may not claim the above deductions for any tax year for which you choose the income exclusion provided in section 911.

(d) Qualified Second Household.—The term "qualified second household" means a separate household you maintain in a foreign country for your spouse or dependents because the living conditions at your tax home are dangerous, unhealthful, or otherwise adverse.

(e) Tax Home.—Your tax home is your regular or principal place of business, employment, or post of duty, regardless of where you maintain your family residence. If you do not have a regular principal place of business because of the nature of your trade or business, your tax home is the place where you regularly reside.

(f) Married Couples.—Each spouse may claim the deduction for excess foreign living expenses if each meets the qualifications. If you both qualify and you file separate returns, you must each fill out a separate Form 2555. If you file a joint return, you each must complete either Part I or II to show that you qualify, and you each must complete Part III through line 18(b). Complete the remainder of Part III and all of Part IV on one of the Forms 2555 showing combined amounts. See **Publication 54** for special rules for figuring your allowable expenses.

(g) Community Income.—Married couples (other than those who do not make the election described in instruction 6) who have community earned income and who file separate returns must first figure the deduction for excess foreign living expenses as if they filed a joint return. One-half of that amount is the deduction to be claimed by each spouse on the separate return.

12. Qualified Schooling Expenses.—You may deduct reasonable schooling expenses paid or incurred during the tax year for each dependent in a U.S.-type school in grades that are equivalent to kindergarten through 12th grade.

The term "schooling expenses" means the cost of tuition, fees, books, and other expenses required by the school as well as local transportation.

If an adequate U.S.-type school is not available within a reasonable commuting distance of your tax home, you may treat as schooling expenses the expenses of room and board, and transportation between the school and your tax home at the beginning and end of the school year and during vacation periods.

If there was such a school available within a reasonable commuting distance of your tax home and your dependent attended another school, you may not claim more than what attendance at the nearby school would have cost. If there were two or more local U.S.-type schools, your deduction is limited to the amount charged by the least expensive.

For this purpose, an English-speaking school that offers education for which U.S. schools ordinarily give credit toward graduation is generally an adequate U.S.-type school.

A school is not adequate if, because of physical impairment or learning disabilities, the dependent is in need of special educational facilities or training which the school does not provide. In addition, a school is not adequate if the dependent desires a college preparatory curriculum and the school does not offer such a curriculum.

A school is not considered available if the school will not accept the taxpayer's dependents for enrollment.

Schooling expenses must be for education for the portion of the tax year during which your tax home is in a foreign country and you meet either the bona fide residence test or physical presence test. If a tuition payment is made in September 1980 for the school term beginning during that month and ending in June 1981, only that portion of the payment attributable to the number of school days in 1980 may be claimed as qualified school expense in 1980. The remainder may be claimed as a qualified school expense in 1981, provided the expense otherwise would be qualified school expense. In addition, you may take the deduction only for your dependents' schooling expenses for periods during which they reside with you at your tax home. Also see Schooling Expenses, later under Qualified Second Household.

13. Qualified Home Leave Transportation Expenses.—You may deduct reasonable expenses paid or incurred by you, or on your behalf for round-trip transportation of you, your spouse, and each dependent between your tax home outside the United States and your present principal residence in the United States or the port of entry in the continental United States (except Alaska) that is nearest to your tax home. However, you are limited to one round trip per person for each continuous period of 12 months for which your tax home is in a foreign country. In addition, each continuous period of 12 months must fall within a period that you meet either the bona fide residence or physical presence test.

Generally, expenses for your spouse and dependents are allowed only if at the time of the transportation, they lived with you at your tax home. However, you meet this test if your spouse or dependent lived at the qualified second household referred to in instruction 17.

Transportation expenses include the reasonable costs of air, ship, rail, car, or other transportation. The expenses are reasonable only if they are no more than the lowest reserved coach or economy rate that is offered without advance booking, on the day and at the time of day that the transportation is provided. First class fares are considered reasonable only if no coach or economy fare is provided to any passengers on the particular flight, or if first class accommodations are necessary because of a physical disability of the individual. In addition, the cost of transportation other than by air (including ship, rail, and car) is not considered reasonable to the extent that the cost of transportation by these other means is more than the cost of transportation by air.

The cost of meals and lodging in route or after arrival in the United States is not deductible.

When you fill in the total number of round trips for which you claim a deduction, do not include family members for whom you did not pay or incur a fare.

14. Qualified Hardship Area Amount.—If you lived in a foreign place designated by the Secretary of State as a hardship post, you may be entitled to an additional deduction of up to $5,000. A hardship post is any foreign place (1) where extraordinarily difficult living conditions, notably unhealthful conditions, or excessive physical hardship existed, and (2) for which a post differential of 15% or more is provided under section 5925 of title 5, United States Code, or would be provided if U.S. Government employees were present.

A list of 1979 qualified hardship areas is included on page 8 of these instructions.

Figure the deduction on a daily basis at an annual rate of $5,000 for days during which your tax home was in a designated hardship area and you met either the bona fide residence or physical presence test. Fill in lines 25 through 29 if you lived in a hardship area during any part of your tax year.

15. Qualified Cost-of-Living Differential.—You may deduct the amount by which the general cost of living in the foreign country where your tax home is located was more than the general cost of living for the metropolitan area in the continental United States (excluding Alaska) having the highest general cost of living. Determine this from the tables on page 7 of these instructions. Find the group code for your area in Table A. Then go to Table B to find the differential for your family size. Figure the differential on a daily basis for the period during which your tax home was in a foreign country and you met either the bona fide residence or physical presence test.

If the location of your tax home or your family size changed during the year, figure the differential separately for each situation. Publication 54 contains examples to help you figure these amounts. Add together the amounts you figure separately, and enter the total on lines 31(e) and 39.

You are not entitled to any cost-of-living differential for any period during which your meals and lodging are excluded from gross income under section 119 unless you maintained a qualified second household for your spouse and dependents.

If you maintained a qualified second household for any period during the tax year, see instruction 17 before figuring your differential.

16. Qualified Housing Expenses.—You can deduct the excess of your housing expenses over your base housing amount. For this purpose, "housing expenses" means the reasonable expenses paid or incurred during the tax year by you, or on your behalf, for housing for you (and your spouse and dependents if they lived with you) in a foreign country. Housing expenses include rent and other expenses for the housing (such as utilities and insurance). Do not include interest or taxes deductible under section 163 or 164 of the Code, or any amount deductible by a tenant-stockholder in connection with cooperative housing (section 216(a)). Expenses also do not include the cost of buying or improving a house, principal payments on a mortgage, depreciation on the house, or parking fees.

Housing expenses do not include the cost of domestic labor or the cost of furniture (whether leased or purchased). Also, deductible utility expenses do not include telephone service. Housing expenses are considered reasonable to the extent they are not lavish or extravagant under the circumstances.

Include expenses for housing only during periods for which:

(a) your tax home was in a foreign country,
(b) the value of your housing is not excluded from gross income under section 119, and
(c) you met either the bona fide residence or physical presence test.

The "base housing amount" is 20% of the excess of your earned income from all sources (reduced by any deductions allocable to it) over the total of the following: your housing expenses, cost-of-living differential, school expenses, home leave transportation expenses, and hardship area amount. For this purpose, earned income includes only amounts earned while your tax home was in a foreign country, you met the bona fide residence or physical presence test, and the value of your housing was not excludable under section 119.

Earned income includes income earned by you and, if your spouse resides with you, by your spouse. Figure your base housing amount by filling in lines 31(a) through 31(i) of Part IV on this form.

If you maintained a separate household for your spouse and dependents because of adverse living conditions, see Housing Expenses under Qualified Second Household.

17. Qualified Second Household.—Special rules apply to the computation of your excess foreign living expenses if you maintained a qualified second household. This is a household in a foreign country which you maintained for your spouse or dependents at a place other than your tax home, because the living conditions at your tax home are dangerous, unhealthful, or otherwise adverse. You may have only one qualified second household at any time.

If you maintained a qualified second household, the rules just discussed are changed as follows:

(a) Cost-of-Living Differential.—The cost-of-living differential is based on the foreign place where the qualified second household is located, not the place of your tax home. You cannot claim a separate cost-of-living differential for your tax home.

When finding the differential on the cost-of-living table, include yourself as a family member except for the days that you exclude the value of meals and lodging under section 119.

(b) Housing Expenses.—If you maintained a qualified second household, you may deduct qualified housing expenses for both your tax home and your qualified second household. Figure the amount of qualified housing expenses separately for each home. If your tax home is in a hardship area, you may deduct the full cost of housing expenses at your tax

home. If your tax home is not in a hardship area, reduce the housing expenses at your tax home by the base housing amount.

Figure housing expenses at your qualified second household in the same manner as discussed earlier under Housing Expenses, except for the following items:

(i) Earned income, for computing the base housing amount for your qualified second household, includes income from services you perform during any part of the tax year that you exclude the value of housing furnished for the convenience of your employer.
(ii) Earned income is reduced by the allowable housing expenses at both your tax home and the qualified second household.
(iii) You do not have to reduce the housing expenses at your qualified second household for any part of the period during which the value of housing at your tax home is excluded because it is furnished for your employer's convenience.

(c) Schooling Expenses.—Treat dependents living at a qualified second household as if they live at your tax home for the purpose of qualifying for schooling expenses. Also, use the distance from your qualified second household rather than from your tax home when you determine whether an adequate U.S.-type school is within a reasonable commuting distance. (This is for figuring the deduction for non-local transportation, room and board, and figuring the reasonable schooling expenses when your dependent attends a school other than one within reasonable commuting distance.)

(d) Home Leave Transportation.—Home leave transportation for your spouse and dependents is allowable for round trips from the qualified second household rather than from your tax home.

PART V

Exclusion for Taxpayers Who Live in Camps

18. Did You Live in a Camp Located in a Hardship Area?—If you lived in a camp because of your employment, you have another option available to you. Instead of claiming a deduction for foreign living expenses (Part IV), you can claim an exclusion of up to $20,000. You must be an employee to claim the exclusion. Independent contractors and self-employed individuals do not qualify.

You must also have met the bona fide residence or physical presence test discussed earlier.

Complete Part V to figure the amount of this exclusion if you qualify. If both you and your spouse qualify, each of you must fill out a separate Form 2555.

The amount of the exclusion is not affected by the income-splitting provisions of community property laws. The amount of the excludable earned income is figured separately for each spouse, with the income earned by each treated only as that spouse's income. The sum of the amounts of excluded earned income figured for each spouse is the total amount excluded on a joint return. If you file separate returns, one-half of the total amount which would be excluded on a joint return is the exclusion on each separate return.

Note: If you fill in this part, you cannot claim the earned income credit.

(a) Hardship Area Camp.—For this exclusion, a camp is defined as substandard lodging that is located in a hardship area in a foreign country and that was:

(i) Provided by, or on behalf of, your employer for his or her convenience because your place of work is in a remote area where satisfactory housing is not available on the open market;
(ii) Located, as near as practicable, in the vicinity of your place of work; and
(iii) Furnished in a common area (or enclave) that was not available to the public for lodging, and that normally houses 10 or more employees.

"Hardship area" is explained in instruction 14 and qualified areas are listed on page 8.

Substandard Lodging.—

(i) In general.—Lodging is considered to be substandard if, under all the relevant facts and circumstances, it is appreciably below the standard of housing typically occupied in the United States by individuals whose income equals the lesser of the median salary paid to American employees residing in the common area or the salary of an employee of the United States who is paid at an annual rate paid for step I of grade GS-14. Relevant facts and circumstances which may indicate that lodging is substandard include (but are not limited to) the following:

(A) Inadequate living space;
(B) Lack of privacy occasioned by communal dining halls or other shared facilities;
(C) Temporary nature of the lodging, such as that inherent in prefabricated housing set in position on cinder blocks or housing consisting of movable units such as mobile homes, trailers, or portable camp facilities;
(D) An immediate environment that exposes the occupants of the housing to unsanitary or unhealthy conditions (for example, open sewers immediately next to the housing) or to an unusual risk of personal harm or property loss due to terrorism or civil unrest;
(E) Lack of improvements typically found in residential areas in the United States, such as paved and lighted streets, recreational areas, sewage facilities, and landscaping; or
(F) The cost per square foot of the lodging if constructed in the United States would be substantially less than the median cost per square foot to construct housing in the United States.

The general environment in which lodging is located (e.g., the climate, prevalence of insects, etc.) does not of itself make lodging substandard.

(ii) Presumptions.—Lodging will generally be considered to be substandard if it consists of ANY of the following:

(A) Portable, temporary, or movable housing occupied by employees who are not accompanied by spouse or dependents, in which the living

space intended to be occupied by each employee is less than 250 square feet.

(B) Portable, temporary, or movable housing occupied by employees who are accompanied by spouse or dependents, in which the total interior living space intended to be occupied by a family unit is less than 800 square feet plus 200 square feet for each family member (other than the employee's spouse) who is expected to reside with the employee. It can be no more than 1,200 square feet.

(C) Housing which lacks adequate and reliable heating or air conditioning if appropriate for the climate, or adequate and reliable utilities such as electricity or sewage facilities.

(D) Housing which lacks private sleeping quarters for unrelated individuals, private bath or toilet facilities for unrelated individuals, or fresh hot and cold piped water.

Remote Area.—Solely for purposes of section 911, a remote area is a place where satisfactory housing is unavailable to the taxpayer on the open market within a reasonable commuting distance of the place at which the taxpayer renders services.

(i) Facts and circumstances.—Facts and circumstances to be considered in determining if satisfactory housing is unavailable within a reasonable commuting distance include (but are not limited to):

(A) The inaccessibility to available housing due to geographic factors or the quality of the roads;
(B) The number of housing units available on the open market within a reasonable commuting distance in relation to the number of housing units required for the employer's employees;
(C) The cost of housing available on the open market; or
(D) Terrorism or civil unrest present in the area where housing would be available which would subject U.S. citizens to unusual risk of personal harm or property loss.

(ii) Presumptions. — Satisfactory housing will generally be considered to be unavailable to the employee on the open market if any of the following conditions is satisfied:

(A) The foreign government requires the employer to provide housing for its employees other than housing available on the open market;
(B) An unrelated person awarding work to an employer requires that the employer's employees occupy housing specified by such person; or
(C) The place at which the employee renders services is not within a reasonable commuting distance of a community with a population of 50,000 or more individuals.

(b) Accrual of Exclusion.—You become entitled to the exclusion on a daily basis throughout the tax year. The number of days to use in figuring the exclusion is the number of days in the tax year that you met the necessary tests.

(c) Treatment of Deductions.—If you claim the exclusion, you may not claim any expenses, losses, or items (except moving expenses) otherwise deductible that are properly allocable to or chargeable against earned income. If expenses incurred for services performed abroad are attributable to both excludable and nonexcludable earned income, attach a statement showing the amounts attributable to both. Prorate such expenses, based on the ratio that your excludable earned income bears to your total earned income for services performed abroad.

Report all expenses in full on Form 1040 and related schedules. Enter amounts not allowed, because they are allocable to excluded income, on line 51, Part V, Form 2555.

(d) Tax Paid on Excluded Income.—U.S. citizens may not take a credit for foreign income taxes paid on income that is excluded under the rules for exclusion of income earned in a hardship area camp. If your wages are completely excluded, you cannot claim a credit for the foreign taxes paid on these wages. If only part of your wages is excluded, you cannot claim a credit for the foreign income taxes allocable to the excluded portion. You can find the amount allocable to this excluded income by applying a fraction to the foreign tax paid. The numerator of the fraction is:

(i) The U.S. tax on the sum of your taxable income, Schedule TC (Form 1040), line 3, or tax table income, Form 1040, line 34, if you use the Tax Tables to figure your tax, plus your net excluded income (excluded income from Form 2555, line 52); minus
(ii) The U.S. tax on your taxable income (or tax table income).

The denominator of the fraction is the sum of the numerator of the fraction plus the amount of your foreign tax credit limitation (Form 1116, Schedule C, line 15).

Note: If you file this form you may use the tax tables to figure your tax.

Forms and Instructions

1979 Qualified Cost-of-Living Differential Tables

TABLE A.—Geographic Areas *(Find the group code that applies to your geographic area and refer to Table B for the cost-of-living differential for that group code, except group code X where no index is available from the State Department.)*

Country	Group code	Country	Group code	Country	Group code	Country	Group code
Afghanistan	B	Dominican Republic	A	Liberia	H	San Marino	D
Albania	X	Ecuador	A	Libya	I	Sao Tome & Principe	G
Algeria	I	Egypt	A	Liechtenstein	M	Saudi Arabia	J
Andorra	I	El Salvador	B	Luxembourg	K	Senegal	J
Angola	D	Equatorial Guinea	B	Madagascar	I	Seychelles	F
Antigua	A	Ethiopia	E	Malawi	A	Sierra Leone	H
Argentina	G	Fiji	B	Malaysia	D	Singapore	E
Australia	E	Finland	J	Maldives	A	Solomon Islands	B
Austria	M	France	L	Mali	J	Somalia	H
Bahamas	G	French West Indies	J	Malta	D	South Africa	A
Bahrain	J	Gabon	N	Mauritania	M	Spain	F
Bangladesh	A	Gambia	J	Mauritius	E	Sri Lanka	A
Barbados	C	Germany E.	L	Mexico	A	Sudan	H
Belgium	K	Germany W.	L	Monaco	X	Surinam	E
Belize	A	Ghana	J	Mongolia	C	Swaziland	A
Benin	I	Greece	D	Montserrat	A	Sweden	M
Bermuda	E	Grenada	A	Morocco	A	Switzerland	M
Bhutan	A	Guatemala	B	Mozambique	C	Syria	A
Bolivia	C	Guinea	J	Namibia	A	Taiwan	C
Botswana	A	Guinea-Bissau	J	Nauru	D	Tanzania	D
Brazil	C	Guyana	C	Nepal	A	Thailand	J
British Virgin Is.	C	Haiti	D	Netherlands	K	Togo	I
Brunei	C	Honduras	A	Neth. Antilles	D	Tonga	A
Bulgaria	F	Hong Kong	C	New Caledonia	H	Trinidad & Tobago	D
Burma	D	Hungary	A	New Hebrides	D	Tr. Terr. of Pac. Is.	A
Burundi	H	Iceland	K	New Zealand	A	Tunisia	F
Cambodia (Kampuchea)	X	India	A	Nicaragua	A	Turkey	A
Cameroon	L	Indonesia	B	Niger	M	Turks & Caicos Is.	C
Canada	A	Iran	B	Nigeria	K	Tuvalu	A
Cape Verde	F	Iraq	F	Norway	M	Uganda	L
Cayman Is.	G	Ireland	E	Oman	H	United Arab Emirates	J
Central Afr. Rep.	K	Israel	F	Pakistan	A	United Kingdom	H
Chad	M	Italy	D	Panama	B	Upper Volta	K
Chile	F	Ivory Coast	M	Papua N. Guinea	H	Uruguay	A
China	A	Jamaica	B	Paraguay	B	U.S.S.R.	I
Colombia	A	Japan	M	Peru	A	Vatican City	D
Comoros	G	Jordan	G	Philippines	A	Venezuela	I
Congo	J	Kenya	D	Poland	A	Vietnam	X
Costa Rica	C	Kiribati	A	Portugal	A	Western Samoa	B
Cuba	F	Korea N.	X	Qatar	J	Yemen (Aden)	A
Cyprus	B	Korea S.	H	Romania	C	Yemen (Sana)	H
Czechoslovakia	A	Kuwait	I	Rwanda	I	Yugoslavia	C
Denmark	K	Laos	A	St. Kitts-Nevis	A	Zaire	P
Djibouti	H	Lebanon	D	St. Lucia	A	Zambia	G
Dominica	A	Lesotho	A	St. Vincent	A	Zimbabwe Rhodesia	X

TABLE B.—Cost-of-Living Differentials

Group code	Family Size (Number of Persons) 1	2	3	4	5	6 or more
A and B	No cost-of-living differential allowed.					
C	500	600	700	800	800	900
D	1,000	1,100	1,400	1,500	1,600	1,700
E	1,400	1,700	2,100	2,300	2,300	2,500
F	1,900	2,300	2,700	3,000	3,100	3,300
G	2,400	2,800	3,400	3,700	3,900	4,100
H	2,900	3,400	4,100	4,500	4,700	5,000
I	3,500	4,200	5,100	5,500	5,800	6,100
J	4,300	5,100	6,200	6,700	7,000	7,400
K	5,200	6,200	7,500	8,200	8,500	9,100
L	6,200	7,400	8,900	9,700	10,100	10,700
M	7,100	8,500	10,200	11,200	11,600	12,400
N	8,100	9,600	11,600	12,700	13,200	14,000
O	9,100	10,700	13,000	14,200	14,700	15,700
P	10,000	11,900	14,300	15,600	16,300	17,300

1979 Qualified Hardship Areas—Countries and Locations

(Unless a beginning or ending date is shown for your area, the location qualified as a hardship area for the entire year. Only the locations listed below qualify as hardship areas.)

Afghanistan—All locations
Algeria—All locations
Angola—All locations
Ascension Island—All locations
Australia
Alexandria Station *
Bahamas
Andros Island except Nicols Town
Hard Bargain, Long Island *
Carter Cay *
Eleuthera Station *
Great Stirrup Cay *
Treasure Cay *
Marsh Harbor *
Bahrain—All locations
Bangladesh—All locations
Belize—All locations
Benin—All locations
Bolivia
All locations except Cochabamba and Santa Cruz
Brazil
All locations within the States of:
Acre
Amapa
Amazonas
Cuiaba
Goias
Maranhao
Mato Grosso
Para
Piaui
Rio Branco
Camamu, Bahia *
Rio Guarani, Parana *
British West Indies
Antigua Air Station *
Bulgaria
All locations except Sofia
Burma—All locations
Burundi—All locations
Cameroon—All locations
Canada
Northwest Territories
Cape Verde—All locations
Central African Republic—All locations
Chad—All locations
Chagos Archipelago—All locations
China—All locations
Colombia
All locations within the provinces of:
Amazonas *
Arauca *
Boyaca *
Caqueta *
Guainia *
Meta *
Putumayo *
Vaupes *
Vichada *
Gigante *
Montelibano *
Congo—All locations
Cook Islands—All locations †
Costa Rica
All locations except San Jose
Cuba
Havana
Djibouti—All locations
Dominican Republic
All locations except Santo Domingo (Santo Domingo from 9/13/79 to 11/17/79)
Ecuador—All locations
Egypt
All locations except Alexandria and Cairo
El Salvador
El Ronco *
San Lorenzo *
San Salvador after 4/21/79
Ethiopia—All locations
Falkland Islands—All locations
French West Indies—All locations
Gabon—All locations
Gambia—All locations
Ghana—All locations
Greenland—All locations
Guatemala
All locations except Guatemala City
Guinea—All locations
Guinea Bissau—All locations
Guyana—All locations
Haiti—All locations
Honduras—All locations
India—All locations
Indonesia—All locations
Iran—All locations
Iraq—All locations
Israel
Negev Region Construction Sites after 4/21/79
Ivory Coast—All locations
Jordan
All locations except Amman
Kenya
Garissa
Kitale
Marsabit *
Nanyuki
Wajir
Korea
All locations except Osan AB (including Pyongtaek), Pusan, Seoul (including ASCOM), Suwon, Kimpo Airfields, Camps Eiler, Mercer and Thompson, and Chenyan Myon
Kuwait—All locations
Laos—All locations
Lebanon—All locations
Liberia—All locations
Libya—All locations
Madagascar—All locations
Malaysia
All locations except Kuala Lumpur and Penang
Maldives
All locations after 3/10/79
Mali—All locations
Mauritania—All locations
Mexico
Campamento Farallon *
Chihuahua *
Nacozari de Garcia
Sonora *
Midway Islands—All locations
Morocco
Ben Guria *
Phos Boucra *
Mozambique—All locations
Nepal—All locations
New Caledonia
Noumea *
Nicaragua—All locations
Niger—All locations
Nigeria—All locations
Oman—All locations
Pakistan—All locations
Panama
All locations except Panama City, Canal Area (Pre-treaty) and Santiago
Papua New Guinea—All locations
Paraguay
All locations except Asuncion
Peru
All locations except Arequipa and Lima
Philippines
All locations except Baguio City, Cagayan de Oro, Cebu, Los Banos, Manila (including Cavite), San Fernando, La Union, and San Pablo
Qatar—All locations
Romania
All locations except Bucharest
Rwanda—All locations
Saudi Arabia—All locations
Senegal—All locations
Seychelles—All locations
Sierra Leone—All locations
Sinai Field Mission
Somalia—All locations
South Africa
Aggeneys *
Southern Rhodesia
All locations after 10/20/79
Sri Lanka—All locations
Sudan—All locations
Surinam
All locations except Paramaribo
Syria—All locations
Taiwan
All locations except Kaohsiung (including Tsoying), Taichung (including Ching Chuan Kang and Ching Shui), Tainan and Taipei
Tanzania—All locations
Thailand
All locations except Bangkok
Togo—All locations
Trust Territory of the Pacific Islands—All locations
Tunisia
Makthar
Turks and Caicos Island
Grand Turk Auxiliary Airfield *
Turkey
Diyarbakir Pirinclik
Kayseri *
All other locations after 12/15/79
Uganda
All locations after 5/5/79
United Arab Emirates—All locations
United Kingdom
Belfast
Londonderry †
Upper Volta—All locations
U.S.S.R.—All locations
Venezuela
Guri Campamento *
Yemen Arab Republic—All locations
Zaire—All locations
Zambia—All locations

* These areas were reclassified as hardship areas for all of 1978 after the issuance of the 1978 hardship area list.
† These areas will not be listed as hardship areas effective January 1, 1980, because there is not sufficient information to determine the post differential payable after that date.

☆ U.S. GOVERNMENT PRINTING OFFICE : 1979—O—283-230

Form **2952**
(Rev. Jan. 1975)
Department of the Treasury
Internal Revenue Service

Information Return with Respect to Controlled Foreign Corporations

(Under Section 6038 of the Internal Revenue Code)

For calendar year 19...., or other taxable year beginning ...., 19...., and ending ...., 19....

Name of United States person

Address

Identifying number (social security number, or employer identification number if other than individual)

The following information must be submitted on a separate Form 2952 for each Controlled Foreign Corporation (see instruction A). Amounts must be stated in U.S. dollars and all information must be in the English language.

1 (a) Name and address of foreign corporation
(b) Employer identification number, if any

2 Name and address of statutory or resident agent in country of incorporation

3 (a) Name and address of branch or agent in the U.S.
(b) Identifying number

4 Name and address of custodian of books and records and location of books and records if different from such address

5 (a) Principal business activity
(b) Business code number
(c) Principal cities and countries where business is conducted

6 Date of incorporation

7 Information furnished for the foreign corporation's period—beginning , 19 , ending , 19

8 Country under whose laws incorporated

9 (a) Description of each class of stock
(b) Number of shares of each class outstanding—at the beginning of the annual accounting period; at the end of the annual accounting period

10 (a) Total percentage of voting stock of the foreign corporation owned by you at the end of the annual accounting period . . . %

(b) The following information must be submitted for each U.S. person who is a shareholder owning at any time during the foreign corporation's annual accounting period 5% or more in value of any class of outstanding stock.

Name of shareholder	Identifying number	Address	Class of stock	Number of shares held

11 (a) Current earnings and profits (see sections 902 and 964(a) and the regulations thereunder) *
(b) Current foreign income, war profits, and excess profits taxes paid or accrued (exclude amounts withheld on distributions)
(c) Distributions out of current earnings and profits
(d) Distributions out of accumulated earnings and profits for prior years (see instruction I—attach schedule)
(e) Distributions out of other than earnings and profits (see instruction J—attach schedule)

*If no entry is made on line 11(a) or if the amount entered on line 11(b) is larger than the amount entered on line 11(a) attach an explanation reconciling lines 11(a) and 11(b).

Form 2952 (Rev. 1-75) Page 2

12 *Complete the following summary showing the total amount of each of the following types of transactions that took place during the annual accounting period of the foreign corporation between the foreign corporation (column (1)) and the persons described in columns (2) through (6).

(1) Transactions of controlled foreign corporation	(2) U.S. person filing return	(3) Any domestic corporation controlled by U.S. person filing return	(4) Any foreign corporation controlled by U.S. person filing return	(5) 10% or more U.S. shareholder of controlled foreign corporation (other than controlling shareholder)	(6) 10% or more U.S. shareholder of domestic corporation filing this return
(a) Sales of stock in trade (except in the ordinary course of business where neither party to the transaction is a U.S. person)					
(b) Sales of property rights (e.g., patents, trademarks, secret formulas, etc.)					
(c) Compensation received for technical, managerial, engineering, construction, scientific, or like services					
(d) Commissions received					
(e) Rents and royalties received					
(f) Amounts borrowed (other than open accounts which arise and are collected in the ordinary course of business)					
(g) Dividends received					
(h) Interest received					
(i) Premiums received for insurance or reinsurance					
Total (lines (a) through (i))					
(j) Purchases of stock in trade (except in the ordinary course of business where neither party to the transaction is a U.S. person)					
(k) Purchases of tangible property other than stock in trade (except where neither party to the transaction is a U.S. person)					
(l) Purchases of property rights (e.g., patents, trademarks, secret formulas, etc.)					
(m) Compensation paid for technical, managerial, engineering, construction, scientific, or like services					
(n) Commissions paid					
(o) Rents and royalties paid					
(p) Amounts loaned (other than open accounts which arise and are collected in the ordinary course of business)					
(q) Dividends paid					
(r) Interest paid					
Total (lines (j) through (r))					

If an entry would be made in the above schedule except for the fact that no compensation was paid, indicate the categories in which this has occurred.

*If the U.S. person is a bank, as described in section 581, or is controlled within the meaning of section 368(c) by a bank, the term "transactions" must not, as to a corporation with respect to which a return is filed, include banking transactions entered into on behalf of customers. However, deposits in accounts between a foreign corporation controlled by a U.S. person, and a bank, and withdrawals from accounts must be summarized by reporting end-of-month balances.

13 (a) The following financial statements for the annual accounting period of the foreign corporation must be filed with and made a part of this return: (1) profit and loss statement for the period; (2) balance sheet as of the end of the period; and, (3) analysis of changes in surplus accounts (include both opening and closing balance). These statements must be filed in conformity with generally accepted accounting principles, and in such form and detail as is customary for the corporation's accounting records.

(b) Enter gross receipts or gross sales (less returns and allowances) from the profit and loss statement required in item 13(a)(1)
(c) Enter total assets (net) from the balance sheet required in item 13(a)(2)

14 Exchange rate used (If more than one rate is used, attach statement) ▶

15 Complete the following for persons with whom this return is jointly filed or on whose behalf it is filed:

Name	Address

Instructions

(References are to the Internal Revenue Code)

A. Requirement of Return.—Every U.S. person must make a separate annual information return on Form 2952 with respect to each annual accounting period of each foreign corporation that person controls for an uninterrupted period of 30 days or more during such annual accounting period.

B. Nature of Business.—See page 7 of the instructions to Form 1120 for list of principal business activities and business activity code numbers.

C. Principal Cities and Countries where Business is Conducted.—List those places of business from which the largest portion of gross receipts shown in line 13(b) is derived.

D. U.S. Person.—The term "U.S. person" means:

(1) a citizen or resident of the United States,
(2) a domestic partnership,
(3) a domestic corporation, and
(4) any estate or trust (other than a foreign estate or foreign trust within the meaning of section 7701(a)(31)).

Enter all transactions of an affiliated group which filed a consolidated return in column 2 of item 12. Enter transactions of domestic subsidiaries with which a consolidated return was NOT filed in column 3 of item 12.

See section 1.6038–2(d) of the regulations for exception of certain residents of U.S. possessions.

E. Control.—A person will be deemed to be in control of a foreign corporation if he owns stock possessing more than 50% of the total combined voting power of all classes of stock entitled to vote, or more than 50% of the total value of shares of all classes of stock of the foreign corporation. A person in control of a corporation which, in turn, owns more than 50% of the combined voting power, or of the value, of all classes of stock of another corporation is also treated as being in control of such other corporation.

Example.—Corporation A owns 51% of the voting stock in Corporation B. Corporation B owns 51% of the voting stock in Corporation C. Corporation C in turn owns 51% of the voting stock in Corporation D. Corporation D is controlled by Corporation A.

F. Attribution Rules.—For the purpose of determining control of domestic or foreign corporations, the constructive ownership rules of section 318(a) apply, except that:

(1) Stock owned by or for a partner or a beneficiary of an estate or trust will not be considered owned by the partnership, estate, or trust when the effect is to consider a U.S. person as owning stock owned by a person who is not a U.S. person.
(2) A corporation will not be considered as owning stock owned by or for a 50% or more shareholder when the effect is to consider a U.S. person as owning stock owned by a person who is not a U.S. person.
(3) If 10% or more in value of the stock in a corporation is owned, directly or indirectly, by or for any person, section 318(a)(2)(C) will apply.

G. Period Covered by Return.—The information required by this return must be furnished for the annual accounting period of the foreign corporation ending with or within the U.S. person's taxable year.

H. Time and Place for Filing Return.—Returns on Form 2952 must be filed with the U.S. person's income tax return. An application for an extension of time for filing a return of income is also considered as an application for an extension of time for filing Form 2952.

I. Distributions Out of Accumulated Earnings and Profits.—If any distributions are made by the foreign corporation to shareholders with respect to their stock out of accumulated earnings and profits for prior years, enter in item 11(d) the total amount of such distributions and attach a schedule showing the years during which the earnings and profits were accumulated. (The distributions are deemed to be made out of the most recent prior years' accumulated earnings and profits, working backwards.)

J. Distributions Out of Other Than Earnings and Profits.—To the extent that distributions made by the foreign corporation to shareholders with respect to their stock exceed the current and prior years' accumulated earnings and profits, enter in item 11(e) the total amount of other distributions. Attach a schedule showing the amount that is applied against the shareholders' basis, and the amount that is treated by the shareholders as capital gain distributions.

Also, include in the schedule the amount of any distributions by the controlled foreign corporation which are made to shareholders in redemption of stock, or in partial or complete liquidation.

K. Two or More Persons Required to Submit the Same Information.—If two or more persons are required to furnish information with respect to the same foreign corporation for the same period, the persons may, instead of making separate returns, jointly make one return. The joint return must be filed with the income tax return of any one of the persons making such joint return.

L. Persons Excepted from Furnishing Information.—Any person required to furnish information under section 6038 with respect to a foreign corporation need not furnish that information if all of the following conditions are met:

(1) The person does not directly own an interest in the foreign corporation;
(2) The person is required to furnish the information solely by reason of attribution of stock ownership from a U.S. person; and
(3) The person from whom the stock ownership is attributed furnishes all of the information required of the person to whom the stock ownership is attributed.

M. Statement Required.—Any person who is required to file this return but does not do so because the information will be furnished by another person must file a statement with his return indicating that such liability will be satisfied and identify the return with which the information will be filed and the place of filing. The statement below may be used for this purpose.

N. Penalties.—The information required by section 6038 must be furnished even though there are no foreign taxes which would be reduced. For criminal penalties for failure to file a return and filing a false or fraudulent return, see sections 7203, 7206, and 7207.

O. Effect on Tax Credit.—Failure to furnish any information required by section 6038 will result in a reduction in the foreign taxes which are taken into account when figuring the credit under sections 901, 902, and 960 as provided in detail in paragraph (l) of section 1.6038–2 of the regulations.

Statement in Regard to Filing Requirement of Form 2952

I have not filed Form 2952 because (check applicable box):

☐ I am excepted from filing and information will be furnished by the person from whom the stock ownership is attributable. ☐ A joint return has or will be filed.

Person filing this statement		The information required to be furnished on Form 2952 will be filed by	
Name		Name	
Address		Address	
Identifying number	Year	Internal Revenue Service Center	Identifying number

U.S. GOVERNMENT PRINTING OFFICE [illegible]

Form **3520** (Rev. January 1982) Department of the Treasury Internal Revenue Service

United States Information Return
Creation of or Transfers to Certain Foreign Trusts
(Under section 6048 of the Internal Revenue Code)
(See instructions on reverse. Attach additional sheets if more space is needed.)

OMB No. 1545-0159 Expires 11-30-84

All information must be in the English language. **Show amounts in United States dollars.**

Name of United States person(s) filing return

Address of person filing return (Number and street) | Identifying number(s)

City or town, State and ZIP code

1 Title of person filing return (Check applicable box.)
☐ Grantor ☐ Transferor ☐ Fiduciary of an estate in the case of testamentary trust

2 If fiduciary of an estate, give name and social security number of the decedent

3 Name of the trust

4 Foreign country under whose laws the trust was created

5 Name and business address of foreign trustee(s)

6 Name of beneficiary	Address of beneficiary	Date of birth (see instructions)	Identifying number if any
(a)			
(b)			
(c)			
(d)			
(e)			
(f)			
(g)			

7 Date of the creation of the trust . . . . .

8 (a) Date of transaction for which return is being filed . . . . .
(b) Amount of money or value of property transferred . . . . .

9 Name and address of the person(s) creating the trust

10 Date of termination, or if no date determinable, attach a statement describing the conditions which will cause the trust to terminate.

11 Is trustee required to distribute all trust income currently? . . . . . ☐ Yes ☐ No
If "Yes," the information required on line 12 need not be furnished.

12 Attach statement with respect to each beneficiary showing his or her right to receive income or corpus, or both, his or her proportionate interest in the income or corpus, or both, and any condition governing the time a distribution to him or her may be made, such as a specific date or age. In lieu of such a statement, a copy of the trust instrument may be submitted.

13 Attach statement showing a detailed list of the property transferred to the foreign trust in the transaction for which the return is being filed, containing a complete description of each item transferred, its adjusted basis and fair market value on the date transferred, and the consideration, if any, paid by the foreign trust for such transfer.

For Paperwork Reduction Act Notice, see Instructions on back.

Form 3520 (Rev. 1-82)

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14 Name and address (Number and street, city or town, country) of person(s) having custody of the books of account and records of the foreign trust

15 Location of the books of account and records if different from above

Signature and Verification.—Under penalties of perjury, I declare that I have examined this return, including any accompanying reports, schedules, or statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Date ▶ Signature ▶ Title ▶

Instructions

Paperwork Reduction Act Notice.—The Paperwork Reduction Act of 1980 says we must tell you why we are collecting this information, how we will use it, and whether you have to give it to us. We ask for the information to carry out the Internal Revenue laws of the United States. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax. You are required to give us this information.

Who must file.—Except as stated in section 16.3–1(d)(4) of the regulations governing payments to foreign trusts for employees, the grantor in the case of an inter vivos trust, the fiduciary of an estate in the case of a testamentary trust, or the transferor, as the case may be, must file this form on or before the 90th day after (1) the creation of any foreign trust by a United States person or (2) the transfer of any money or property to a foreign trust by a United States person.

If any person is not the real party in interest as to the money or property transferred but is merely acting for a United States person, the information required shall be furnished in the name of and by the actual owner of such money or property, except that a fiduciary of an estate shall file information relating to the decedent.

Definitions.—A "United States person" includes a citizen or resident of the United States, a domestic corporation, a domestic partnership, and any estate or trust (other than a foreign estate or foreign trust the income of which, from sources without the United States which is not effectively connected with the conduct of a trade or business within the United States, is not includible in gross income under subtitle A of the Internal Revenue Code).

The term "transferor" refers to any United States person other than the person who is the grantor or the fiduciary, who transfers money or property to or for the benefit of a foreign trust. It does not refer to a person who transfers money or property pursuant to a sale or an exchange which is made for full and adequate consideration.

Identifying number.—Social security numbers identify individual persons and estates of decedents. Employer identification numbers identify trusts, partnerships, corporations, and similar nonindividual persons. If an estate is required to file Form 1041, please report the employer identification number in addition to the decedent's social security number.

Beneficiaries.—Information must be furnished with respect to each beneficiary who is either named in the instrument or whose identity is definitely ascertainable at the time the return is filed. The date of birth must be furnished only for beneficiaries who are United States persons and whose rights under the trust are determined, in whole or in part, by reference to their age.

Where to file.—Unless an extension of time to file is received, this return must be filed, on or before the 90th day after the creation of or the transfer of any money or property to any foreign trust, with the Internal Revenue Service Center, Philadelphia, Pennsylvania 19255.

Returns jointly made.—If two or more persons are required to file this return with respect to the joint creation of a foreign trust or the joint transfer of any money or property to a foreign trust, any two or more of such persons may, in lieu of filing several returns, jointly execute and file one return.

Multiple transfers.—If a United States person creates more than one foreign trust or transfers money or property to more than one foreign trust, separate returns must be filed with respect to each foreign trust when returns are required. If a United States person transfers money or property to a foreign trust at different times, separate returns must be filed with respect to each transfer when returns are required, except that he or she may file a single return with respect to all transfers made by him or her during any 90-day period, so long as the return is filed on or before the 90th day after the earliest transfer in any such period, and includes the information with respect to each transfer.

Penalties.—A 5% penalty, not to exceed $1,000, is imposed by section 6677 for failure to file timely, or failure to report the required information, unless due to reasonable cause. Criminal penalties for failure to file timely and for filing a false or fraudulent return are provided by sections 7203, 7206, and 7207.

Signature.—If this return is filed by an individual (including a fiduciary), it must be signed by such individual. If filed by a partnership, it must be signed by one of the partners. If filed by a corporation, it must be signed either by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or by any other corporate officer (such as tax officer) who is authorized to sign.

☆ U.S. Government Printing Office: 1982—361-100/62

Form **3520-A** (Rev. January 1982) Department of the Treasury Internal Revenue Service

Annual Return of Foreign Trust With U.S. Beneficiaries

(See instructions attached. Attach additional sheets if more space is needed.)

OMB No. 1545-0160 Expires 11-30-84

All information must be in the English language. Show amounts in United States dollars.

For calendar year ______ or fiscal year (specify month and year beginning and ending)

Name of United States person(s) filing return | Identifying number

Address (number and street) | Service center where person filing this return files income tax returns

City or town, State and ZIP code

1 Title of person filing return (check applicable box): ☐ Grantor ☐ Transferor

2 Are you the sole U.S. grantor or transferor? . . . . . ☐ Yes ☐ No
If "No," attach list of all other U.S. grantors or transferors showing name, address, and identifying number.

3 Name and address of the foreign trust

4 Country under whose laws the trust was created | 5 Date of the creation of the trust

6 Name and business address of foreign trustee(s) | 7 Date of termination

8 Name of U.S. beneficiary	Address of beneficiary	Identifying number, if any	U.S. citizen Yes	U.S. citizen No
(a)				
(b)				
(c)				
(d)				
(e)				
(f)				

9 Amendments to trust during this year. Explain (attach statement if necessary):

10 Is trustee required to distribute all trust income currently? . . . . .

11 Has situs of the trust changed since its creation? . . . . .
If "Yes," attach explanation.

12 Was Form 3520 filed with respect to this trust? . . . . .
If "Yes," enter date filed ▶

13 Enter date of last transfer of property to trust by grantor or transferor filing this return ▶

14 Has grantor or transferor filed Treasury Form 90–22.1 with respect to this trust? . . . . .

15 Did the trust acquire a U.S. beneficiary during the current year? . . . . .
If "Yes," enter amount of deemed accumulation distribution to grantor (see section 679(b) and attach computation) ▶

16 Attach statement with respect to each beneficiary showing his or her right to receive income or corpus, or both, his or her proportionate interest in the income or corpus, or both, and any condition governing the time a distribution to him or her may be made, such as a specific date or age. In lieu of such a statement, a copy of the trust instrument may be submitted. If this information has been submitted in a previous year of the trust and has not changed, enter the year for which such information was submitted and the information need not be resubmitted for the current year . . . . .

Under penalties of perjury, I declare that I have examined this return, including any accompanying reports, schedules, or statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Date ▶ Signature ▶ Title ▶

For Paperwork Reduction Act Notice, see Instructions on page 3.

Form 3520-A (Rev. 1-82) Page 2

Part I Foreign Trust Income Statement

		(A) Totals from books and records of this foreign trust	(B) Portion to be reported by grantor or transferor
Income	1 Dividends		
	2 Interest		
	3 Income from partnerships and other fiduciaries		
	4 Gross rents and royalties		
	5 Gross profit (loss) from trade or business		
	6 Net gain (loss) from capital assets		
	7 Ordinary gains and (losses)		
	8 Other income (state nature of income) ▶		
	9 Total income (add lines 1 through 8)		
Expenses	10 Interest		
	11 Taxes (attach schedule)		
	12 Fiduciary's portion of depreciation and depletion (explain depletion) ▶		
	13 Charitable contributions		
	14 Other expenses ▶		
	15 Total expenses (add lines 10 through 14)		
	16 Net income (subtract line 15 from line 9)		

Amount from line 16, column (B) should be entered in Schedule E (Form 1040), Form 1065, Form 1041, or Forms 1120 and 1120S (if less than 100% of column (A), attach computations).

Part II Balance Sheet

Assets	Beginning of Tax Year (A) Amount	Beginning of Tax Year (B) Total	End of Tax Year (C) Amount	End of Tax Year (D) Total
1 Cash:				
(a) Savings and interest-bearing accounts .				
(b) Other				
2 Accounts receivable net				
3 Notes receivable net (attach schedule) .				
4 Inventories				
5 Government obligations:				
(a) U.S. and instrumentalities				
(b) State, subdivisions thereof				
6 Investments in non Govt. bonds, etc. (attach schedule)				
7 Investments in corporate stocks (attach schedule) .				
8 Mortgage loans (number of loans ▶ ......)				
9 Other investments (attach schedule) . .				
10 Depreciable (depletable) assets (attach schedule) .				
Less accumulated depreciation				
11 Land				
12 Other assets (attach schedule)				
13 Total assets				
Liabilities				
14 Accounts payable				
15 Contributions, gifts, grants, etc., payable .				
16 Mortgages and notes payable (attach schedule)				
17 Other liabilities (attach schedule) . . .				
18 Total liabilities				
Retained Earnings				
19 Accumulated trust income				
20 Other (attach schedule)				
21 Total net worth				
22 Total liabilities and net worth (line 18 plus line 21) .				

Instructions

Paperwork Reduction Act Notice

The Paperwork Reduction Act of 1980 says we must tell you why we are collecting this information, how we will use it, and whether you have to give it to us. We ask for the information to carry out the Internal Revenue laws of the United States. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax. You are required to give us this information.

General

The Tax Reform Act of 1976 added subsection (c) to IRC section 6048. This subsection requires an annual return for foreign trusts having one or more U.S. beneficiaries.

Who Must File the Annual Return

Any United States person who directly or indirectly transfers property to a foreign trust (other than an employee's trust or annuity plan as described in section 404(a)(4)), which has one or more U.S. beneficiaries, shall be considered the owner of the portion of the trust attributable to the transferred property for that tax year. Once such a transfer is made, that person is required to file Form 3520–A annually thereafter as long as the trust has at least one U.S. beneficiary. The period covered by the return is the tax year of the person filing the return.

Exceptions.—The following transfers shall not apply:

(a) Any transfer made due to the death of the transferor.

(b) Any sale or exchange of the property at fair market value in which all of the gain to the transferor is realized at the time of the transfer and is recognized at that time or is returned under the section 453 installment method.

(c) Any transfer to the trust made on or before May 21, 1974.

Joint Return

This return may be filed jointly by two transferors or grantors if a joint income tax return was (or will be) filed by them for the same tax year.

When and Where to File

General Rule.—This return must be filed annually by the 15th day of the fourth month following the end of the tax year with the Internal Revenue Service Center, Philadelphia, Pennsylvania 19255. An extension of time to file may be granted. See Form 2758, Application for Extension of Time to File, for details.

Foreign Trusts Acquiring U.S. Beneficiaries

A grantor or transferor is not required to file Form 3520–A if the foreign trust has no U.S. beneficiaries. If the trust acquires a U.S. beneficiary in a subsequent year, Form 3520–A is then required to be filed. Any undistributed net income at the end of the preceding year that was earned from the property transferred is considered to be income (in addition to the grantor's or transferor's other income for the year) to the transferor in the year that the trust acquires the U.S. beneficiary.

Foreign Trusts Treated as Having U.S. Beneficiaries

A trust shall be treated as having U.S. beneficiaries for the tax year unless:

(a) No part of the income or corpus of the trust may be paid or accumulated during the tax year to or for the benefit of a U.S. person under the terms of the trust.

(b) No part of the income or corpus of the trust may be paid to or for the benefit of a United States person if the trust was terminated at any time during the tax year.

Attribution of Ownership

An amount shall be treated as paid or accumulated to or for the benefit of a U.S. person if such amount is paid to or accumulated for a foreign corporation, foreign partnership, or foreign estate or trust, and:

(a) The corporation has more than 50 percent of its combined voting power (in all classes of stock entitled to vote) owned by U.S. shareholders.

(b) The partnership has at least one partner who is a U.S. person.

(c) The trust or estate has at least one U.S. beneficiary.

Apportionment of Trust Income

If transfers of property to the trust occurred both (a) on or before and (b) after May 21, 1974, or if transfers were made by the person filing this return and some other person, the income, deductions, and credits must be apportioned among such transfers. Such apportionment shall be in a manner that is reasonable in the light of all the circumstances of each case. See section 671 and the regulations thereunder for additional rules of apportionment. All relevant information regarding the method of apportionment should be attached to this form, including the date and amount of transfer(s) by the person filing this return, and the date, amount, and nature of the property of all other transfers to the trust.

Definitions

A "United States person" includes a citizen or resident of the United States, a domestic corporation, a domestic partnership, and any estate or trust (other than a foreign estate or foreign trust the income of which, from sources without the United States which is not effectively connected with the conduct of a trade or business within the United States, is not includible in gross income under subtitle A of the Internal Revenue Code).

The term "transferor" refers to any United States person who, directly or indirectly, gives, sells, exchanges, transfers, or otherwise disposes of money or property to a foreign trust. It does not refer to a transfer made by a U.S. person who is not the real owner (such as a bank transferring property for a U.S. person); in such case, the real owner is considered the grantor or transferor.

The term "grantor" means a United States person who creates, or is treated as the owner of any portion of, a foreign trust.

The term "beneficiary" means a United States person who receives, will receive, or may receive money or property, at any time, from a foreign trust.

Identifying Number

Use social security numbers to identify individual persons. Use employer identification numbers to identify estates, trusts, partnerships, corporations, and similar nonindividual persons.

Multiple Transfers

If a United States person creates more than one foreign trust or transfers money or property to more than one foreign trust, separate returns must be filed with respect to each foreign trust when returns are required. If more than one U.S. person contributes money or property to a foreign trust with a U.S. beneficiary, each such person must file Form 3520–A.

Penalties

A penalty of 5 percent of the value of the corpus of the trust at the close of the tax year (but not more than $1,000) is imposed by section 6677 for failure to file timely, or failure to report the required information, unless due to reasonable cause. Criminal penalties for failure to file timely and for filing a false or fraudulent return are provided by sections 7203, 7206, and 7207.

Signature

If this return is filed by an individual (including a fiduciary), it must be signed by such individual. If filed by a partnership, it must be signed by one of the partners. If filed by a corporation, it must be signed either by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or by any other corporate officer (such as tax officer) who is authorized to sign.

Note

The filing of this form does not relieve the grantor or transferor from the requirement of filing Form 3520, United States Information Return—Creation of or Transfers to Certain Foreign Trusts, or Treasury Form 90–22.1, Report of Foreign Bank and Financial Accounts.

U.S. Government Printing Office: 1982—[illegible]

Form **3646**
(Rev. February 1980)
Department of the Treasury
Internal Revenue Service

Income from Controlled Foreign Corporation

(Under Sections 951 through 972 of the Internal Revenue Code)

▶ Attach to your tax return.

A Name and address as shown on your income tax return

B Taxable year ending

The following information relates to the controlled foreign corporation. A separate Form 3646 must be filed for each controlled foreign corporation. See Instruction E.

C Name, address, and employer identification number, if any, of controlled foreign corporation

D Taxable year ending

E Nature of business

F Country under whose laws incorporated

G Date of incorporation

H Country in which principal place of business is located

	Yes	No
I Did the controlled foreign corporation have foreign base company income (as determined for purposes of section 954(b)(3)(A)) constituting 10 percent or more of its gross income? If "No," omit Schedule C. If amounts were excluded under section 954(b)(4), attach statement showing amounts excluded and reasons for claiming the exclusion.		
J Did the controlled foreign corporation receive premiums and other consideration from the insurance of United States risks in excess of 5 percent of the premiums and consideration received from insurance of all risks (section 953)? If "No," omit line 1 of Schedule B.		
K Has any amount ever been excluded from the foreign base company income of the controlled foreign corporation because of an increase in qualified investments in less developed countries or because of an increase in qualified investments in foreign base company shipping operations? If "Yes," complete Schedule E.		
L Has any amount ever been excluded from the subpart F income of the controlled foreign corporation because it qualified as an export trade corporation? If "Yes," complete Schedule G.		
M Did the controlled foreign corporation hold any United States property at the close of its taxable year (other than property excluded under section 956(b)(2))? If "Yes," complete Schedule D.		
N Is the controlled foreign corporation a foreign investment company or a foreign personal holding company? If "Yes," see section 951(c) or (d) and the regulations thereunder.		

Schedule A Summary

1 Pro rata share of subpart F income (Schedule B)
2 Pro rata share of increase in earnings invested in United States property (Schedule D)
3 Pro rata share of previously excluded subpart F income withdrawn from qualified investments (Schedule E)
4 Pro rata share of previously excluded export trade income withdrawn from investment in export trade assets (Schedule G)
5 Total of lines 1 through 4. Enter here and on your tax return

Schedule B Pro Rata Share of Subpart F Income

1 Income derived from insurance of United States risks (section 953—attach schedule)
2 Exclusion of U.S. sourced income (section 952(b)) re: insurance of U.S. risks
3 Line 1 less line 2
4 Foreign base company income (Schedule C)
5 International boycott income (attach Form 5713—see section 952(a)(3))
6 Amount of illegal bribes, kickbacks or other payments (attach schedule—see section 952(a)(4))
7 Add lines 3 through 6
8 Pro rata share of line 7 (see regs. sec. 1.951–1(e))
9 Pro rata share of earnings and profits limitation (sections 952(c) and (d))
10 Line 8 or line 9, whichever is lesser
11 Pro rata share of reduction for export trade income (Schedule F)
12 Subtract line 11 from line 10
13 (Number of days in taxable year corporation was a controlled foreign corporation over number of days in taxable year) times line 12
14 Dividends paid to any other person with respect to your stock
15 (Number of days in taxable year you did not own such stock over number of days in taxable year) times line 12
16 Line 14 or line 15, whichever is less
17 Pro rata share of subpart F income (line 13 less line 16). Enter here and on line 1, Schedule A

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Form 3646 (Rev. 2-80) Page **2**

Schedule C Foreign Base Company Income

Show gross amounts before exclusions. If the entire gross income of the controlled foreign corporation is treated under section 954(b)(3)(B) as foreign base company income, separate the gross income into foreign base company shipping income and other than foreign base company shipping income. Enter the amount of foreign base company shipping income on line 1 and complete lines 1 through 7; however, the exclusion on line 2(c) is not allowed. Enter the balance of the gross income on line 18 and complete the form; however, the exclusion on line 19(a) is not allowed.

1 Foreign base company shipping income (see proposed regs. 1.954–6)
2 Less foreign base company shipping income excluded under:
(a) Sec. 952(b) (U.S. sourced income under subpart F)
(b) Sec. 954(b)(4) (attach statement giving reason for the exclusion)
(c) Section 954(b)(6) and (7)
(d) Dividends described in section 959(b)
3 Subtract line 2 from line 1
4 Deductions allocable to income shown on line 3 (section 954(b)(5))
5 Subtract line 4 from line 3
6 Increase in qualified investments in foreign base company shipping operations (see proposed regs. 1.954–7)
7 Subtract line 6 from line 5 (net includible foreign base company shipping income)
8 Rents and royalties (other than foreign base company shipping income)
9 (a) Rents and royalties derived in the active conduct of a trade or business and received from an unrelated person (section 954(c)(3)(A))
(b) Rents and royalties received from a related person for the use of property in the country of incorporation of the controlled foreign corporation (section 954(c)(4)(C))
10 Subtract line 9 from line 8
11 Dividends, interest, and net gains from the sale or exchange of stock or securities
12 Dividends, interest, and net gains described in sections 954(b)(6)(A), 954(c)(3)(B), 954(c)(3)(C), 954(c)(4)(A), and 954(c)(4)(C)
13 Subtract line 12 from line 11
14 Other foreign personal holding company income
15 Total foreign personal holding company income (add lines 10, 13, and 14)
16 Foreign base company sales income (section 954(d))
17 Foreign base company services income (section 954(e))
18 Total—add lines 15, 16, and 17
19 Exclusion of certain gross amounts included in line 18:
(a) Income described in Sec. 954(b)(6)(B)
(b) Income described in section 954(b)(4) (attach statement giving reason for the exclusion)
(c) Dividends described in section 959(b)
(d) Exclusion of U.S. sourced income (section 952(b))
20 Subtract line 19 from line 18
21 Deductions (including taxes) allocable to amounts included on line 20 (section 954(b)(5))
22 Subtract line 21 from line 20
23 Foreign base company income (line 7 plus line 22). Enter here and on line 4, Schedule B

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Form 3646 (Rev. 2-80) Page **3**

Schedule D Pro Rata Share of Increase in Earnings Invested in United States Property

1 Amount of United States property (other than property excluded under section 956(b)(2)) held, directly or indirectly, by the controlled foreign corporation at the close of the taxable year
2 If limitation applies, enter current and accumulated earnings and profits at the close of the taxable year (see regs. sec. 1.956–1(b))
3 Amount of earnings invested in United States property at the close of the taxable year which would constitute a dividend if distributed on such date (line 1 or line 2, whichever is applicable)
4 Amount of United States property (other than property excluded under section 956(b)(2)) held, directly or indirectly, by the controlled foreign corporation at the close of the preceding taxable year
5 If limitation applies, enter current and accumulated earnings and profits at the close of the preceding taxable year (see regs. sec. 1.956–1(b))
6 Amount of earnings invested in United States property at the close of the preceding taxable year which would constitute a dividend if distributed on such date (line 4 or line 5, whichever is applicable)
7 Amounts paid during the preceding taxable year to which section 959(c)(1) applies
8 Subtract line 7 from line 6
9 Pro rata share of line 3 (see regs. sec. 1.956–1(d))
10 Pro rata share of line 8 (see regs. sec. 1.956–1(d))
11 Subtract line 10 from line 9
12 (Number of days in taxable year corporation was a controlled foreign corporation over number of days in taxable year) times line 11
13 Amounts excludable under section 959(a)(2)
14 Pro rata share of increase in earnings invested in United States property (line 12 less line 13). Enter here and on line 2, Schedule A

Schedule E Pro Rata Share of Previously Excluded Subpart F Income Withdrawn From Qualified Investments in Less Developed Country Corporations and From Qualified Investments in Foreign Base Company Shipping Operations

1 Decrease in qualified investments in less developed countries (see regs. sec. 1.955–1(b)(1) and foreign base company shipping operations (see temp. regs. sec. 1.955A–4)—attach computation)
Check if an election is in effect for the taxable year under regs. sec. 1.955–3 ☐
2 Limitation (see regs. sec. 1.955–1(b)(2)):
(a) Sum of earnings and profits for the taxable year and earnings and profits accumulated for prior taxable years beginning after December 31, 1962
(b) Sum of amounts invested in less developed countries or foreign base company shipping operations and excluded from foreign base company income for all prior taxable years, less sum of such amounts withdrawn for such years (see regs. sec. 1.955–1(b)(2)(i))
3 Enter line 2(a) or line 2(b), whichever is less
4 Previously excluded subpart F income withdrawn for the taxable year (line 1 or line 3, whichever is lesser)
5 Pro rata share of line 4 (see regs. sec. 1.955–1(c))
6 (Number of days in taxable year corporation was a controlled foreign corporation over number of days in taxable year) times line 5. Enter here and on line 3, Schedule A

Schedule F Pro Rata Share of Reduction for Export Trade Income

1 Total export trade income (section 971(b))
2 Amount of line 1 which constitutes foreign base company income included in line 23 of Schedule C
3 150 percent of export promotion expenses allocable to export trade income which constitutes foreign base company income (see regs. sec. 1.970–1(b)(2)(i))
4 10 percent of gross receipts and gross amounts received or accrued which are attributable to export trade income which constitutes foreign base company income (see regs. sec. 1.970–1(b)(2)(ii))
5 Increase in investments in export trade assets (see regs. sec. 1.970–1(d)(2)—attach computation)
Check if an election is in effect for the taxable year under ☐ regs. sec. 1.970–2(a)(2) and/or ☐ regs. sec. 1.970–2(a)(3).
6 Line 5 times line 2 divided by line 1
7 Reduction for export trade income—enter the smallest of lines 2, 3, 4, or 6
8 Pro rata share of line 7 (see regs. sec. 1.951–1(e)). Enter here and on line 11, Schedule B

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Form 3646 (Rev. 2-80) Page **4**

Schedule G Pro Rata Share of Previously Excluded Export Trade Income Withdrawn from Investment in Export Trade Assets

1 Decrease in investments in export trade assets (see regs. sec. 1.970–1(d)(3)—attach computation)
Check if an election is in effect for the taxable year under ☐ regs. sec. 1.970–2(a)(2) and/or ☐ regs. sec. 1.970–2(a)(3).
2 Pro rata share of line 1
3 Pro rata share of the sum of earnings and profits for the taxable year and earnings and profits accumulated for prior taxable years beginning after December 31, 1962 (see regs. sec. 1.970–1(c)(2)(ii))
4 Limitation under section 970(b) (see regs. sec. 1.970–1(c)(2)(i)):
(a) Pro rata share of the sum of the amounts by which subpart F income for prior taxable years was reduced under section 970(a)
(b) Pro rata share of the sum of the amounts which were not included in subpart F income for prior taxable years by reason of regs. sec. 1.972
(c) Total of lines 4(a) and 4(b)
(d) Less: Pro rata share of the sum of the amounts which were previously included in your gross income for prior taxable years under section 951(a)(1)(A)(ii) by reason of section 970(b)
5 Subtract line 4(d) from line 4(c)
6 Enter the smallest of line 2, 3, or 5
7 (Number of days in taxable year corporation was a controlled foreign corporation over number of days in taxable year) times line 6. Enter here and on line 4, Schedule A

Schedule H Reconciliation of Book Profits to Earnings and Profits (See Instruction I)

Indicate the section of the Code under which earnings and profits are being determined ☐ Section 902 ☐ Section 964

1 Profit (loss) for the taxable year per books of account (before reduction for any income, war profits, and excess profits taxes)
2 Net adjustments to book profit in determining earnings and profits for U.S. tax purposes. Enter only a net addition or net subtraction for each item. No adjustment is required to be shown unless it is material in amount:

	Net Additions	Net Subtractions
(a) Capital gains or losses		
(b) Depreciation		
(c) Depletion		
(d) Investment or incentive allowance		
(e) Charges to statutory reserves		
(f) Inventory valuation adjustments		
(g) Other (exclude income, war profits, and excess profits taxes)		
3 Total net additions		
4 Total net subtractions		

5 Line 1 plus line 3 less line 4
6 Unrealized exchange gain (loss) under section 964(a) (omit if earnings and profits are not computed under section 964(a))
7 Earnings and profits for the taxable year (before reduction for any income, war profits, and excess profits taxes) (total of lines 5 and 6)
8 Total income, war profits, and excess profits taxes paid or accrued on or with respect to earnings and profits shown on line 7:

Country to which paid	Amount: Foreign currency	Amount: Exchange rate	Amount: U.S. dollars
Total			

9 Earnings and profits (after reduction for any income, war profits, and excess profits taxes) (line 7 less line 8)
10 If earnings and profits are computed other than under the rules of section 964(a), specify the exchange rate(s) used to convert amounts to U.S. dollars and the foreign currency so converted (attach schedule if necessary):
(a) Foreign currency
(b) Rate of exchange

U.S. GOVERNMENT PRINTING OFFICE 470–420–841

313-341-1

Form **4563**

Department of the Treasury
Internal Revenue Service

Exclusion of Income From Sources in United States Possessions

▶ See instructions below.
▶ Attach to Form 1040.

OMB No. 1545-0173
1983
68

Name(s) as shown on Form 1040	Your social security number

Year	Name of possession in which you worked (If self-employed, write "self-employed" next to the name of the possession)
1981	
1982	
1983	

Total Gross Income and Possessions Exclusion

Dates you were employed or engaged in a business in a U.S. possession (dates are inclusive)			Gross income during periods shown in columns (b) and (c)			
			From sources in U.S. possessions			
Year (a)	From - (b)	To - (c)	From salary, wages, or active conduct of a trade or business (d)	Other income (e)	From sources outside U.S. and U.S. possessions (f)	From sources in U.S. (g)
1 1981			$	$	$	$
2 1982						
3 1983						
4 Totals			$	$	$	$

5 Add columns (d) and (e), line 4. This is your income from sources in U.S. possessions . . . . $

6 Add columns (d), (e), (f), and (g), line 4. This is your total gross income for the test period. (See instructions to determine if you qualify for the exclusion) . . . . $

Instructions

Paperwork Reduction Act Notice.—We ask for this information to carry out the Internal Revenue laws of the United States. We need it to ensure that taxpayers are complying with these laws and to allow us to figure and collect the right amount of tax. You are required to give us this information.

Purpose of Form

Use Form 4563 if you are a U.S. citizen who worked in a U.S. possession and you want to see if you qualify for the "possession exclusion."

Additional Information

You may want to get **Publication 570**, Tax Guide for U.S. Citizens Employed in U.S. Possessions, for more information.

Who Qualifies for Exclusion

You will qualify for the exclusion if:

- You are a U.S. citizen who worked in one of the possessions listed below; and
- You meet the income test during the test period discussed later.

U.S. Possessions.—You may qualify for the exclusion if you worked in the following areas:

American Samoa	Howland Island
Wake Island	Baker Island
Midway Islands	Jarvis Island
Palmyra	Other U.S. islands, cays,
Johnston Island	and reefs that are not part of
Kingman Reef	any of the 50 States.

The following areas do not qualify you for the possession exclusion: Guam, the Northern Mariana Islands, the Virgin Islands, or Puerto Rico. See Publication 570 if you worked in any of these four areas.

Form **4563** (1983)

Note: *If you do not qualify for the possession exclusion, you may qualify for benefits relating to earned income from sources outside the United States. To take these benefits, your tax home must be in a foreign country and you must be a resident of, or present in, a foreign country for a specified period of time. A U.S. possession or territory is not a foreign country. To see if you qualify for benefits relating to earned income from sources outside the United States, get* ***Publication 54****, Tax Guide for U.S. Citizens and Resident Aliens Abroad.*

Test Period.— Enter in columns (b) and (c) of lines 1, 2, and 3 the dates that you were employed or engaged in a business in a U.S. possession during the 3-year period ending in 1983.

Enter in columns (d), (e), (f), and (g) of lines 1, 2, and 3 your gross income for the period shown in columns (b) and (c). If you file a joint tax return with your spouse, see Publication 570.

Income Test.— You meet the income test if:

- The amount on line 5 is at least 80% of the amount on line 6; and
- The amount in column (d), line 4, is at least 50% of the amount on line 6.

Amount of Exclusion

If you qualify, you may exclude the total earned income, investment income, and capital gains you received during the tax year from sources outside the United States. (Publication 570 explains how to determine the source of income.) The amounts in columns (d), (e), and (f), line 3 that you received outside the United States may be excluded from your 1983 gross income.

Note: *Taking the exclusion may not be to your advantage because it limits the other tax benefits you may use. You should figure your tax both with and without the exclusion to see which is better for you.*

Figuring Your Tax on Form 1040

Income You Must Report.— Even if you may take the exclusion, you must still report the following income on your Form 1040:

- Income you received from U.S. sources. (The United States means the 50 States and the District of Columbia.)
- Income you or your agent received in the United States from any source. (This generally includes salary you earned in a U.S. possession that your employer deposited in your bank account in the United States.)
- Income you received as an employee of the U.S. Government or any of its agencies.
- All income you received during the part of the tax year that is not part of your test period discussed above. The source of that income or the place where it was received does not matter. It does not qualify for the possession exclusion.

Deductions You May Take.— The following deductions are allowed whether or not they are connected with U.S. source income.

- One personal exemption of $1,000.
- Losses from transactions you entered into for profit, but that were not connected with a trade or business. The transactions must be of a kind whose profits, if there had been any, would have been taxable. The losses may not have been reimbursed by insurance.
- Casualty and theft losses to property in the United States. Use **Form 4684**, Casualties and Thefts, to report them.
- Charitable contributions. Report them on Schedule A (Form 1040).

Other deductions are allowed only if they relate to income from U.S. sources. For example, a teacher may deduct the business expense of teaching aids bought to use while teaching in the United States, but not aids bought to use in a U.S. possession.

Benefits You May Not Take.— The following benefits are not allowed if you take the possession exclusion.

- The zero bracket amount.
- Exemptions for age, blindness, your spouse, or any dependents.
- Income averaging (Schedule G, Form 1040).
- Credit or deduction for income taxes paid to a foreign country or a U.S. possession.
- Earned income credit.
- Deduction for a married couple when both work (Schedule W, Form 1040).

Lines 34a through 38, Form 1040.— If you take the exclusion, you must itemize your deductions on Schedule A (Form 1040). Follow the instructions for line 34a on page 13 of the Form 1040 instructions, paying special attention to the section titled **After you've completed Schedule A**, to determine what entries you should make on lines 34a and 35 of Form 1040. Enter $1,000 on line 36 of Form1040. (If you take the exclusion, you may only claim one personal exemption of $1,000.) Subtract line 36 from line 35 and enter the result on line 37. Follow the instructions for line 38 on page 14 of the Form 1040 instructions to figure your tax.

Where to File

Attach this form to your Form 1040 and file both forms with the Internal Revenue Service Center, Philadelphia, PA 19255.

Note: *If you do not take the exclusion, follow the instructions for Form 1040. Report all your taxable income, including income from foreign and possession sources. Be sure to take all exemptions, deductions, and credits that you are allowed.*

Form **5471** (January 1983)
Department of the Treasury
Internal Revenue Service

Information Return with Respect to a Foreign Corporation

Information furnished for the foreign corporation's annual accounting period beginning ...., 19...., and ending ...., 19....

OMB No. 1545-0704
Expires 11-30-84

Name and address of person filing this return	Identifying number

Important: Fill in all applicable lines and sections. All information must be in the English language AND all amounts must be stated in U.S. dollars unless otherwise indicated.

1 (a) Name and address of foreign corporation			(b) Employer identification number, if any
			(c) Country under whose laws incorporated
(d) Date of incorporation	(e) Principal country in which business is conducted	(f) Business code number	(g) Principal business activity

2 Provide the following information for the current accounting period of the foreign corporation:

Name, address, and identifying number of branch or agent in U.S. (if any)	If U.S. income tax returns were filed, please indicate: Type of return	If the foreign corporation joined in filing a consolidated return, name of corporation filing the consolidated return	Taxable income or (loss)	Amount of U.S. income tax paid (after all credits)

Schedule A Stock of the Foreign Corporation

(a) Description of each class of stock	(b) Beginning of annual accounting period: (1) Par or stated value per share	Number of shares: (2) Issued	(3) Outstanding	(c) End of annual accounting period: (1) Par or stated value per share	Number of shares: (2) Issued	(3) Outstanding

Schedule B U.S. Shareholders of Foreign Corporation

(a) Name and address and identifying number of shareholder	(b) Class of stock	(c) Number of shares of outstanding stock held at — Beginning of annual accounting period: (1) Directly	(2) Indirectly	(3) Constructively	End of annual accounting period: (4) Directly	(5) Indirectly	(6) Constructively	(d) Pro rata share of subpart F and G income

Total percentage of voting stock of the foreign corporation owned by you at the end of the annual accounting period of the foreign corporation . . . . . . %

For Paperwork Reduction Act Notice, see page 1 of the instructions. 343-873-1 Form **5471** (1-83)

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Schedule C Earnings and Profits

Gross Income	1 Net sales (gross receipts less returns and allowances):		
	(a) Unrelated customers	1(a)	
	(b) Related customers	1(b)	
	(c) Add lines 1(a) and 1(b)	1(c)	
	2 Cost of goods sold and/or operations (line 7, Schedule D)	2	
	3 Gross profit (subtract line 2 from line 1(c))	3	
	4 Dividends	4	
	5 Interest	5	
	6 Gross rents, royalties, and license fees	6	
	7 Net gain or (loss) on sale of capital assets	7	
	8 Other income (attach schedule)	8	
	9 Total income (add lines 3 through 8)	9	
Deductions	10 Compensation not deducted elsewhere	10	
	11 Rents, royalties, and license fees	11	
	12 Interest	12	
	13 Depreciation not deducted elsewhere	13	
	14 Depletion	14	
	15 Taxes (exclude income, war profits, and excess profits taxes)	15	
	16 Other deductions (attach schedule—exclude income, war profits, and excess profits taxes) . .	16	
	17 Total deductions (add lines 10 through 16)	17	
Earnings and Profits	18 Earnings and profits (before reduction for any income, war profits or excess profits taxes):		
	(a) Subtract line 17 from line 9	18(a)	
	(b) Unrealized exchange gain or (loss) under section 964(a). (Omit if earnings and profits are not computed under section 964(a).) . .	18(b)	
	(c) Combine lines 18(a) and 18(b)	18(c)	
	19 Income, war profits, and excess profits taxes paid or accrued (from line 5, column (d), Schedule E) . .	19	
	20 Earnings and profits (subtract line 19 from line 18(c))	20	

Schedule D Cost of Goods Sold and/or Operations

1 Beginning inventory	1	
2 Merchandise bought for manufacture or sale: (a) From unrelated suppliers . .	2(a)	
(b) From related suppliers . .	2(b)	
(c) Add lines 2(a) and 2(b)	2(c)	
3 Wages and salaries	3	
4 Other costs (attach schedule)	4	
5 Total (add lines 1 through 4)	5	
6 Ending inventory	6	
7 Cost of goods sold and/or operations (subtract line 6 from line 5). Enter here and on line 2, Schedule C .	7	

Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued

(a) Name of country or U.S. possession	Amount of tax: (b) In foreign currency	(c) Conversion rate	(d) In U.S. dollars
1 U.S.			
2			
3			
4			
5 Total. Enter here and on line 19, Schedule C			

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Schedule F Balance Sheets

Assets	(a) Beginning of annual accounting period	(b) End of annual accounting period
1 Cash		
2 Trade notes and accounts receivable		
(a) Less allowance for bad debts	( )	( )
3 Inventories		
4 Other current assets (attach schedule)		
5 Loans to stockholders and other related persons (complete Schedule G, line 1)		
6 Investment in subsidiaries (attach schedule)		
7 Buildings and structures		
(a) Less accumulated depreciation	( )	( )
8 Other fixed depreciable assets		
(a) Less accumulated depreciation	( )	( )
9 Depletable assets		
(a) Less accumulated depletion	( )	( )
10 Land (net of any amortization)		
11 Intangible assets: (a) Goodwill		
(b) Organization costs		
(c) Patents, trademarks, and other intangible assets		
(d) Less accumulated amortization for lines 11 (a), (b), and (c)	( )	( )
12 Other assets (attach schedule)		
13 Total assets		
Liabilities and Stockholders' Equity		
14 Accounts payable		
15 Other current liabilities (attach schedule)		
16 Loans from stockholders and other related persons (complete Schedule G, line 2)		
17 Other liabilities (attach schedule)		
18 Capital stock: (a) Preferred stock		
(b) Common stock		
19 Paid-in or capital surplus (attach reconciliation)		
20 Retained earnings: (a) Appropriated		
(b) Unappropriated		
21 Less cost of treasury stock	( )	( )
22 Total liabilities and stockholders' equity		

Schedule G Loans to and from Shareholders and Other Related Persons

Complete the following summary showing the total amount of outstanding balances at the beginning and end of the foreign corporation's annual accounting period represented by indebtedness and loans of the foreign corporation (column (a)) to persons described in columns (b) through (f). Exclude open accounts which arise and are collected in the ordinary course of business.

(a) Outstanding balances of foreign corporation	(b) U.S. person filing this return	(c) Any domestic corporation controlled by U.S. person filing this return	(d) Any foreign corporation controlled by U.S. person filing this return	(e) 10% or more U.S. shareholder of controlled foreign corporation (other than controlling shareholder)	(f) 10% or more U.S. shareholder of domestic corporation filing this return
1 Loans to persons described in columns (b) through (f):					
(a) At beginning of foreign corporation's annual accounting period					
(b) At end of foreign corporation's annual accounting period					
2 Indebtedness to persons described in columns (b) through (f):					
(a) At beginning of foreign corporation's annual accounting period					
(b) At end of foreign corporation's annual accounting period					

Schedule H Reconciliation of Book Profits to Earnings and Profits. Do not complete this schedule if total assets (Schedule F, line 13, column (b)) are less than $25,000.

Earnings and profits are determined under: ☐ Section 902 ☐ Section 964(a)

	Net additions	Net subtractions	
1 Profit or (loss) for the year per books of account (before reduction for any income, war profits, and excess profits taxes)			1
2 Net adjustments to book profit in determining earnings and profits for U.S. tax purposes (see instructions):			
(a) Capital gains or losses			
(b) Depreciation			
(c) Depletion			
(d) Investment or incentive allowance			
(e) Charges to statutory reserves			
(f) Inventory valuation adjustments			
(g) Other (attach schedule—exclude income, war profits, and excess profits taxes)			
3 Total net additions			
4 Total net subtractions			
5 Line 1 plus line 3 less line 4			5
6 Unrealized exchange gain or (loss) under section 964(a) (omit if earnings and profits are not computed under section 964(a))			6
7 Earnings and profits for the year (before reduction for any income, war profits, and excess profits taxes) (add lines 5 and 6)			7
8 Income, war profits, and excess profits taxes paid or accrued (from line 5, column (d), Schedule E)			8
9 Earnings and profits (subtract line 8 from line 7)			9

Schedule I Analysis of Unappropriated Retained Earnings. Do not complete this schedule if total assets (Schedule F, line 13, column (b)) are less than $25,000.

1 Balance at beginning of annual accounting period		1
2 Net income per books		2
3 Other increases (itemize) ▶		3
4 Total (add lines 1 through 3)		4
5 Distributions out of earnings and profits:		
(a) Paid during first 60 days of annual accounting period	5(a)	
(b) Paid during remainder of annual accounting period	5(b)	
(c) Add lines 5(a) and 5(b)		5(c)
6 Other distributions (itemize) ▶		6
7 Other decreases (itemize) ▶		7
8 Total (add lines 5 through 7)		8
9 Balance at end of annual accounting period (subtract line 8 from line 4)		9

Schedule J Summary of Subpart F Income (See worksheets contained in the instructions)

1 Subpart F income	1
2 Increase in earnings invested in United States property	2
3 Previously excluded subpart F income withdrawn from qualified investments	3
4 Previously excluded export trade income withdrawn from investment in export trade assets	4
5 Total of lines 1 through 4 (Enter here and on your income tax return.)	5
Was the income of the foreign corporation blocked (see section 964(b))?	Yes ☐ No ☐

Schedule K Accumulated Earnings and Profits Since 1962

	Total Earnings and Profits	Earnings and Profits Taxed Under Subpart F: Investment in U.S. Property	Earnings and Profits Taxed Under Subpart F: Other	Other Earnings and Profits
1 Balance at beginning of year				
2 Current year earnings and profits				
3 Actual distributions in current year				
4 Balance at end of year				

Schedule L Persons with Whom, or on Whose Behalf, this Return is Filed

(a) Name	(b) Address	(c) Identifying number	(d) Check applicable box(es): Shareholder	Officer	Director

Department of the Treasury
Internal Revenue Service

Instructions for Form 5471

Information Return With Respect to a Foreign Corporation

(January 1983)

Paperwork Reduction Act Notice.—We ask for this information to carry out the Internal Revenue laws of the United States. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax. You are required to give us this information.

Purpose of Form.—Certain U.S. persons involved in international operations file Form 5471 to report their activities.

Form 5471 replaces the following IRS forms:

Form 957, United States Information Return by an Officer, Director, or U.S. Shareholder of a Foreign Personal Holding Company;

Form 958, U.S. Annual Information Return by an Officer or Director of a Foreign Personal Holding Company;

Form 959, Return by an Officer, Director, or Shareholder With Respect to the Organization or Reorganization of a Foreign Corporation and Acquisition of Its Stock;

Form 2952, Information Return with Respect to Controlled Foreign Corporations; and

Form 3646, Income from Controlled Foreign Corporation.

Who Must File Form 5471

Generally, the following U.S. persons who have an interest in a foreign corporation must file Form 5471. However, it may not be necessary to complete all of the schedules. Please read each of the categories of filers to determine which schedules apply. Do not duplicate information if you are described in more than one filing category.

You must complete a separate Form 5471 and the applicable schedules for each foreign corporation.

All filers should complete the identifying data and items 1 and 2 on page 1 of Form 5471.

Additionally, you may submit financial statements instead of certain schedules if the statements are in conformity with generally accepted accounting principles. Please refer to the specific instructions for details.

Under certain circumstances, one person may file Form 5471 and the applicable schedules for other persons who have the same filing requirements. Please refer to the specific instructions for Schedule L.

Categories of filers.

A. U.S. citizens or residents who are officers, directors, or 10% or more shareholders in a foreign personal holding company.—Complete Schedules A through F and N. Also, see the instructions for Schedule L, if the same information is required of more than one person.

B. U.S. citizens or residents who are officers or directors of a foreign corporation in which a U.S. person acquires a 5% or more ownership, or acquires an additional 5% or more ownership (from the last time information was reported).—Complete only Part I of Schedule O. Also, see the instructions for Schedule L if the same information is required of more than one person.

C. A U.S. person who is a shareholder in a foreign corporation and who—

(1) acquires a cumulative 5% or more ownership in the outstanding stock of the foreign corporation,

(2) acquires an additional 5% or more ownership in the outstanding value of the stock in the foreign corporation,

(3) owns 5% or more in the value of the outstanding stock of the foreign corporation when the corporation is reorganized,

(4) disposes of sufficient stock in the foreign corporation to reduce the U.S. person's ownership in the value of the outstanding stock in the foreign corporation to less than 5%, or

(5) becomes a U.S. person while owning 5% or more in value of the outstanding stock of the foreign corporation.—Complete Schedules C through F, K, and O.

D. A U.S. person who had control of a foreign corporation for an uninterrupted period of at least 30 days during the annual accounting period of the foreign corporation.—Complete Schedules A through G, I, and M. Also, see the instructions for Schedule L if the same information is required of more than one person.

E. A U.S. person who was a 10% or more shareholder in a corporation that was a controlled foreign corporation for an uninterrupted period of 30 days during its annual accounting period, and who owned stock in the controlled foreign corporation on the last day of the corporation's annual accounting period.—Complete Schedules C, D, E, J, and K. See the worksheets in the instructions for the computation of subpart F income. See section 957(d) for exceptions for individuals who are residents of U.S. possessions.

Definitions—

"U.S. Person."—A U.S. person is any of the following:

(1) a U.S. citizen or resident,
(2) a domestic partnership,
(3) a domestic corporation,
(4) any estate or trust (other than a foreign estate or trust within the meaning of section 7701 (a)(31)).

"Control."—A U.S. person "controls" a foreign corporation if that person owns stock with more than 50% of the voting power of all classes of stock entitled to vote, or if that person owns more than 50% of the total value of all shares of stock in the foreign corporation.

In determining "control" the rules for constructive ownership contained in section 318 apply with the following exceptions:

(a) if a non-U.S. person who is a partner or who is a beneficiary of an estate or trust is the owner of the stock, the U.S. partnership or estate or trust will not be considered to own such stock;

(b) if a non-U.S. person is a shareholder in a U.S. corporation, the corporation will not be considered to own the stock of the shareholder;

(c) if 10% or more in the value of the stock is owned, directly or indirectly, by or for any person, section 318(a)(2)(C) will apply.

"U.S. Shareholder."—A U.S. shareholder of a foreign corporation is a citizen or resident of the United States, a domestic partnership, a domestic corporation, or any estate or trust (other than a foreign estate or trust) who owns (directly, indirectly, or constructively) 10% or more of the total combined voting power of all classes of stock entitled to vote of the foreign corporation. For rules for determining stock ownership, see section 958.

"Controlled Foreign Corporation."—A controlled foreign corporation is any foreign corporation of

which more than 50% of the total combined voting power of all classes of stock entitled to vote is owned (directly, indirectly, or constructively) by U.S. shareholders on any day during the tax year of such foreign corporation. For rules relating to corporations deriving income from the insurance of U.S. risks and corporations organized in U.S. possessions, see sections 957(b) and 957(c).

"Subpart F Income."—Subpart F income is defined in section 952. Generally, subpart F income includes—(1) income from the insurance of U.S. risks; (2) foreign base company income; (3) international boycott income; (4) the amount of any illegal bribes, kickbacks, or other payments made to an employee, official, or agent of a government; (5) amounts withdrawn from investments in less developed country corporations; (6) amounts withdrawn from investments in foreign based shipping operations; and (7) the increase in earnings of the corporation invested in U.S. property for the year.

"Related persons."—For purposes of completing Schedules C and D, the term "related" includes any person who has a relationship with the foreign corporation that is described in section 267(b). Also, the rules concerning the constructive ownership of stock contained in section 267(c) apply.

When To File

Attach Form 5471 and the appropriate schedules to your income tax return when you file it. An extension of time to file your income tax return is an extension of time to file Form 5471. Report information for the annual accounting period of the foreign corporation that ends with or within your income tax year.

For purposes of Schedule O, report acquisitions, dispositions, and reorganizations of foreign corporations that occur with or within your income tax year.

If you have previously supplied any information on Form 957, 958, 959, 2952, or 3646 to the IRS that could be reported on Form 5471 or its schedules, do not resubmit the information on Form 5471.

Special filing requirement for persons who complete Schedule O.—If you are required to file Form 5471 and Schedule O, in addition to attaching the form and schedule to your income tax return, you must file a copy of Form 5471 and Schedule O with the Philadelphia Service Center, Philadelphia, PA 19255. File this copy by the due date of your income tax return (including extensions).

If you are not required to file an income tax return but are required to file Form 5471 and Schedule O, you must file Form 5471 and Schedule O with the Internal Revenue Service Center, Philadelphia, PA 19255. File Form 5471 and Schedule O by April 15 following the calendar year during which you become liable for filing Form 5471 and Schedule O. Report acquisitions, dispositions, and reorganizations that occurred during the calendar year.

Penalties.—

Failure to file Form 5471 and the applicable schedules may result in the application of civil penalties unless reasonable cause can be established. Criminal penalties may also apply.

Failure to submit information required under section 6035 (Form 5471 and Schedule N).—Any person required to submit this type of information who fails to do so or fails to report the information requested may be subject to a penalty of $1,000 (section 6679). Additionally, criminal penalties under sections 7203, 7206, and 7207 may apply for failure to submit information or for filing false or fraudulent information.

Failure to submit information required under section 6038 (Form 5471 and Schedule M).—Section 6038 states that any person who fails to submit the required information under that Code section will lose a portion of the foreign taxes available for credit under sections 901, 902, and 960. The reduction is 10% of the taxes available for credit for failure to submit the information when required; and an additional 5% reduction is made for each additional 3 months that the required information is not submitted. See section 6038 (c)(2) for limits on the amount of this penalty.

For information required for annual accounting periods of the controlled foreign corporation that end after September 3, 1982, the Tax Equity and Fiscal Responsibility Act of 1982 imposes a penalty of $1,000 for failing to supply the information for each controlled foreign corporation under section 6038 when required. Additionally, if the required information is not submitted within 90 days after the Secretary has mailed notice to the U.S. person, an additional $1,000 penalty (per corporation) is charged for every 30 days that the information is not submitted. See section 6038(c)(3) for rules coordinating these penalties.

Failure to submit information required under section 6046 (Form 5471 and Schedule O).—Any U.S. person who is required to file Form 5471 and Schedule O may be subject to a penalty of $1,000 for each failure to timely file information with respect to each reportable transaction or for failure to submit the required information with respect to each transaction. (Code section 6679(a).)

General Instructions

Page One.—

Enter your name, address, and identifying number. For individuals, their identifying number is their social security number; for all others, their identifying number is their employer identification number.

Line 1—

(e) Enter the principal country in which the foreign corporation conducts its trade or business. This country may be different than the country of incorporation.

(f) Enter the business code number for the principal business activity. The codes are listed on page 12.

(g) Enter the principal business activity of the foreign corporation. See page 12 for a description of various business activities.

Line 2—If the foreign corporation had a branch or agent in the U.S., enter the name and identifying number of the branch or agent in the space provided on line 2. If the foreign corporation filed a U.S. income tax return, please complete the rest of the information on line 2.

Specific Instructions

Completion of Schedules C, D, E, F, or I.—If you are required to complete Schedules C, D, E, F, or I for the annual accounting period of your foreign corporation, you may submit the information on any of those schedules in the form of statements that are in conformity with generally accepted accounting principles, rather than completing the line entries on the schedules. Additionally, you are only required to complete Schedules C, D, and E (or the acceptable statements) for annual accounting periods of the foreign corporation when the foreign corporation pays you a dividend or generates Subpart F income.

Schedule F—Complete the balance sheets showing all appropriate amounts at the beginning and the end of the foreign corporation's annual accounting period.

Schedule G—If the foreign corporation had outstanding loans or indebtedness to or from shareholders or other related parties at either the beginning or end of the foreign corporation's annual accounting period, please complete Schedule G.

Schedule H.—Schedule H must be completed by any U.S. person which is a domestic corporation for each controlled foreign corporation in which it owns (as determined under section 958) 50% or more of the total combined voting power of all classes of stock entitled to vote. However, Schedule H will only be required for those tax years of the foreign corporation for which—

(1) An amount is includible in the gross income of such person with respect to such foreign corporation under section 951 (a) and the benefits of section 960 are claimed;

(2) An amount is excluded from the foreign corporation's Subpart F income (within the meaning of section 952) by section 952(c) or section 952 (d); or

(3) The benefits of section 902 are claimed with respect to taxes paid by such foreign corporation.

If two or more persons are required to furnish the information required by Schedule H with respect to the same foreign corporation for the same year, only one of such persons need file the information if each of the other persons indicates on their income tax return filed with respect to such corporation the name, address, and employer identification number of the person filing the information.

Earnings and Profits.—If the domestic corporation has so elected in accordance with the provisions of regulations section 1.902–1(g) or 1.964–1, the earnings and profits of the foreign corporation shall be computed either under the rules of regulations section 1.964–1 as modified by regulations section 1.902–1(g), or under the rules of regulations section 1.902–1(g), or under the rules of regulations section 1.964–1. In all other cases, the earning and profits of the foreign corporation shall be computed in accordance with Revenue Ruling 63–6, C.B. 1963–1, 126.

Exchange Rates.—In converting items on the profit and loss statement to U.S. dollars, the exchange rate(s) used shall be the exchange rate(s) normally used under the rules of the Code section being applied to determine earnings and profits.

Profit (loss) per Books.—The term "books" means the books regularly maintained by the foreign corporation for the purpose of accounting to its shareholders.

Blocked Income.—The earnings and profits of the foreign corporation, as reflected on Schedule H, shall not be reduced by reason of the fact that all or any part of such earnings and profits could not have been distributed by the foreign corporation, because of currency or other restrictions or limitations imposed under the laws of any foreign country.

However, do not complete Schedule H if total assets at the end of the annual accounting period are less than $25,000.

Schedule I—Complete Schedule I to analyze the unappropriated retained earnings of the foreign corporation at the end of its annual accounting period.

However, do not complete Schedule I if the total assets at the end of the annual accounting period are less than $25,000.

Schedule J—Complete Schedule J to summarize the income of a controlled foreign corporation that a U.S. shareholder must report. The worksheets that follow in these instructions may be used by U.S. shareholders to compute income of the controlled foreign corporation whose annual accounting period ends with or within the U.S. shareholder's income tax year. Do not file these worksheets when filing Form 5471.

A step by step procedure for computing the foreign base company income on the worksheets is contained in proposed regulations 1.952–3. Please refer to these proposed regulations when completing the worksheets.

Computation of Investment in United States Property.—Investment in United States property does not include: (1) the stocks and obligations of a domestic corporation which is neither a U.S. shareholder of the controlled foreign corporation nor a domestic corporation, 25% or more of the total combined voting power of which (immediately after the acquisition) is owned or considered as being owned by the U.S. shareholders of the controlled foreign corporation; and (2) any movable property (other than a vessel or aircraft) which is used for the purpose of exploring for, developing, removing, or transporting resources from the ocean or under the ocean when used on the continental shelf of the United States.

Controlled foreign corporations should recompute their investments in U.S. property in accordance with the above definition and the rest of section 956(b)(2) to determine their corrected total investment in U.S. property as of the close of their last tax year beginning before January 1, 1976.

Election by an Individual to be Taxed at Corporate Rates.—A U.S. shareholder who elects to be taxed at corporate rates on amounts included in income under section 951(a) must attach to his or her tax return a computation of tax under section 962.

Form 5713, International Boycott Report.—Any person, or a member of a controlled group (within the meaning of section 993(a)(3)), which includes that person, 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 as a condition of doing business within such country or with the government, company, or national of that country, may be required to file Form 5713. Any person subject to the reporting requirements of section 999(a) is required to file Form 5713 in duplicate. One copy of Form 5713 should be attached to the income tax return. The other copy should be filed with the Internal Revenue Service Center, Philadelphia, PA 19255. For further details, see Form 5713.

International Boycott Income.—If a controlled foreign corporation or a member of a controlled group (within the meaning of section 993(a)(3)) that includes the foreign corporation agrees to participate in or cooperate with an international boycott, a portion of the income of the controlled foreign corporation is included in Subpart F income. The amount included in Subpart F income is determined by multiplying the income of the controlled foreign corporation (other than income included under section 951 and U.S. source effectively connected business income described in section 952(b)) by the international boycott factor. The international boycott factor is a fraction determined under regulations prescribed by the Secretary.

Special Rule.—If the shareholder of a controlled foreign corporation can clearly demonstrate that the income earned for the tax year is attributable to specific operations, then, instead of applying the international boycott factor, the addition to Subpart F income is the amount specifically attributable to the operations in which there was participation in or cooperation with an international boycott.

Enter the amount of international boycott income on line 5 of worksheet A.

Illegal Bribes, Kickbacks, or Other Payments.—Under section 952(a)

(4), the sum of the amounts of any illegal bribes, kickbacks, or other payments (within the meaning of section 162(c)) paid by or on behalf of the corporation, directly or indirectly, to an official, employee, or agent of a government is considered Subpart F income. These are payments that would be unlawful under the Foreign Corrupt Practices Act of 1977. Enter the total amounts of these payments on line 6 of worksheet A.

Worksheets for computing income from a controlled foreign corporation

The worksheets below will enable you to compute the amount that you must include in your income for the annual accounting period of the controlled foreign corporation that ends with or within your income tax year. Use the questions that follow as a guide in completing the various worksheets below.

1 Did the controlled foreign corporation have foreign base company income (as determined for purposes of section 954(b)(3)(A)) constituting 10% or more of its gross income? *If "Yes," complete worksheet B.*

2 Did the controlled foreign corporation receive premiums and other consideration from the insurance of U.S. risks in excess of 5% of the premiums and consideration received from insurance of all risks (section 953)? *If "No," omit line 1 of worksheet A.*

3 Has any amount ever been excluded from the foreign base company income of the controlled foreign corporation because of an increase in qualified investments in less developed countries or because of an increase in qualified investments in foreign base company shipping operations? *If "Yes," complete worksheet D.*

4 Has any amount ever been excluded from the subpart F income of the controlled foreign corporation because it qualified as an export trade corporation? *If "Yes," complete worksheet F.*

5 Did the controlled foreign corporation hold any United States property at the close of its tax year (other than property excluded under section 956(b)(2))? *If "Yes," complete worksheet C.*

6 Is the controlled foreign corporation a foreign investment company or a foreign personal holding company? *If "Yes," see section 951(c) or (d) and the related regulations.*

Worksheet A—Pro Rata Share of Subpart F Income

1 Income derived from insurance of U.S. risks (section 953)

2 Exclusion of U.S. sourced income (section 952(b)) re; insurance of U.S. risks

3 Subtract line 2 from line 1

4 Foreign base company income (worksheet B)

5 International boycott income (see section 952(a)(3) and Form 5713)

6 Amount of illegal bribes, kickbacks, or other payments (see section 952(a)(4))

7 Add lines 3 through 6

8 Pro rata share of line 7 (see regs. sec. 1.951–1(e))

9 Pro rata share of earnings and profits limitation (sections 952(c) and (d))

10 Line 8 or line 9, whichever is less

11 Pro rata share of reduction for export trade income (worksheet E)

12 Subtract line 11 from line 10

13 (Number of days in tax year corporation was a controlled foreign corporation over number of days in tax year) times line 12

14 Dividends paid to any other person with respect to your stock

15 (Number of days in tax year you did not own such stock over number of days in tax year) times line 12

16 Line 14 or line 15, whichever is less

17 Pro rata share of subpart F income (line 13 less line 16). Enter here and on line 1, Schedule J

Worksheet B—Foreign Base Company Income

Show gross amounts before exclusions. If the entire gross income of the controlled foreign corporation is treated under section 954(b)(3)(B) as foreign base company income, separate the gross income into foreign base company shipping income and other than foreign base company shipping income. Enter the amount of foreign base company shipping income on line 1 and complete lines 1 through 7; however, the exclusion on line 2(c) is not allowed. Enter the balance of the gross income on line 19 and complete the worksheet; however, the exclusion on line 20(a) is not allowed.

1 Foreign base company shipping income (see proposed regs. 1.954–6)

2 Less foreign base company shipping income excluded under:
(a) Section 952(b) (U.S. sourced income under subpart F)
(b) Section 954(b)(4)
(c) Section 954(b)(6) and (7)
(d) Dividends described in section 959(b)

3 Subtract line 2 from line 1

4 Deductions allocable to income shown on line 3 (section 954(b)(5))

5 Subtract line 4 from line 3

6 Increase in qualified investments in foreign base company shipping operations (see proposed regs. 1.954–7)

7 Subtract line 6 from line 5 (net includible foreign base company shipping income)

8 Rents and royalties (other than foreign base company shipping income)

9 (a) Rents and royalties derived in the active conduct of a trade or business and received from an unrelated person (section 954(c)(3)(A))
(b) Rents and royalties received from a related person for the use of property in the country of incorporation of the controlled foreign corporation (section 954(c)(4)(C))

10 Subtract line 9 from line 8

11 Dividends, interest, and net gains from the sale or exchange of stock or securities

12 Dividends, interest, and net gains described in sections 954(b)(6)(A), 954(c)(3)(B), 954(c)(3)(C), 954(c)(4)(A), and 954(c)(4)(C)

13 Subtract line 12 from line 11

14 Other foreign personal holding company income

15 Total foreign personal holding company income (add lines 10, 13, and 14)

16 Foreign base company sales income (section 954(d))

17 Foreign base company services income (section 954(e))

18 Foreign base company oil related income (only applies to annual accounting periods of the controlled foreign corporation beginning after 1982)

19 Total—add lines 15, 16, 17, and 18

20 Exclusion of certain gross amounts included in line 19:
(a) Income described in section 954(b)(6)(B)
(b) Income described in section 954(b)(4)
(c) Dividends described in section 959(b)
(d) Exclusion of U.S. sourced income (section 952(b))

21 Subtract line 20 from line 19

22 Deductions (including taxes) allocable to amounts included on line 21 (section 954(b)(5))

23 Subtract line 22 from line 21

24 Foreign base company income (line 7 plus line 23). Enter here and on line 4, worksheet A

Worksheet C—Pro Rata Share of Increase in Earnings Invested in U.S. Property

1 Amount of U.S. property (other than property excluded under section 956(b)(2)) held, directly or indirectly, by the controlled foreign corporation at the close of the tax year

2 If limitation applies, enter current and accumulated earnings and profits at the close of the tax year (see regs. sec. 1.956–1(b))

3 Amounts of earnings invested in U.S. property at the close of the tax year which would constitute a dividend if distributed on such date (line 1 or line 2, whichever is applicable)

4 Amount of U.S. property (other than property excluded under section 956(b)(2)) held, directly or indirectly, by the controlled foreign corporation at the close of the preceding tax year

5 If limitation applies, enter current and accumulated earnings and profits at the close of the preceding tax year (see regs. sec. 1.956–1(b))

6 Amount of earnings invested in U.S. property at the close of the preceding tax year which would constitute a dividend if distributed on such date (line 4 or line 5, whichever is applicable)

7 Amounts paid during the preceding tax year to which section 959(c)(1) applies

8 Subtract line 7 from line 6

9 Pro rata share of line 3 (see regs. sec. 1.956–1(d))

10 Pro rata share of line 8 (see regs. sec. 1.956–1(d))

11 Subtract line 10 from line 9

12 (Number of days in tax year corporation was a controlled foreign corporation over number of days in tax year) times line 11

13 Amounts excludable under section 959(a)(2)

14 Pro rata share of increase in earnings invested in United States property (line 12 less line 13). Enter here and on line 2, Schedule J

Worksheet D—Pro Rata Share of Previously Excluded Subpart F Income Withdrawn From Qualified Investments in Less Developed Country Corporations and From Qualified Investments in Foreign Base Company Shipping Operations

1 Decrease in qualified investments in less developed countries (see regs. sec. 1.955–1(b)(1)) and foreign base company shipping operations (see temp. regs. sec. 1.955A)

2 Limitation (see regs. sec. 1.955–1(b)(2)):
(a) Sum of earnings and profits for the tax year and earnings and profits accumulated for prior tax years beginning after December 31, 1962
(b) Sum of amounts invested in less developed countries or foreign base company shipping operations and excluded from foreign base company income for all prior tax years, less sum of such amounts withdrawn for such years (see regs. sec. 1.955–1(b)(2)(i))

3 Enter line 2(a) or line 2(b), whichever is less

4 Previously excluded subpart F income withdrawn for the tax year (line 1 or line 3, whichever is less)

5 Pro rata share of line 4 (see regs. sec. 1.955–1(c))

6 (Number of days in tax year corporation was a controlled foreign corporation over number of days in tax year) times line 5. Enter here and on line 3, Schedule J

Worksheet E—Pro Rata Share of Reduction for Export Trade Income

1 Total export trade income (section 971(b))

2 Amount of line 1 which constitutes foreign base company income included in line 24, worksheet B

3 150% of export promotion expenses allocable to export trade income which constitutes foreign base company income (see regs. sec. 1.970–1(b)(2)(i))

4 10% of gross receipts and gross amounts received or accrued which are attributable to export trade income which constitutes foreign base company income (see regs. sec. 1.970–1(b)(2)(ii))

5 Increase in investments in export trade assets (see regs. sec. 1.970–1(d)(2))

6 Line 5 times line 2 divided by line 1

7 Reduction for export trade income—enter the smallest of line 2, 3, 4, or 6

8 Pro rata share of line 7 (see regs. sec. 1.951–1(e)). Enter here and on line 11, worksheet A

Worksheet F—Pro Rata Share of Previously Excluded Export Trade Income Withdrawn from Investment in Export Trade Assets

1 Decrease in investments in export trade assets (see regs. sec. 1.970–1(d)(3))		
2 Pro rata share of line 1		
3 Pro rata share of the sum of earnings and profits for the tax year and earnings and profits accumulated for prior tax years beginning after December 31, 1962 (see regs. sec. 1.970–1(c)(2)(ii))		
4 Limitation under section 970(b) (see regs. sec. 1.970–1(c)(2)(i)):		
(a) Pro rata share of the sum of the amounts by which subpart F income for prior tax years was reduced under section 970(a)		
(b) Pro rata share of the sum of the amounts which were not included in subpart F income for prior tax years by reason of regs. sec. 1.972–1		
(c) Add lines 4(a) and 4(b)		
(d) Pro rata share of the sum of the amounts which were previously included in your gross income for prior tax years under section 951(a)(1)(A)(ii) by reason of section 970(b)		
5 Subtract line 4(d) from line 4(c)		
6 Enter the smallest of line 2, 3, or 5		
7 (Number of days in tax year corporation was a controlled foreign corporation over number of days in tax year) times line 6. Enter here and on line 4, Schedule J		

Schedule K—Shareholders in a controlled foreign corporation who are reporting Subpart F income must complete Schedule K from the earlier of 1962 or the date the foreign corporation first generated subpart F income.

U.S. shareholders who are completing Form 5471 and Schedule O must complete Schedule K for the foreign corporation for all of its annual accounting periods since 1962.

Schedule L—Under certain circumstances described below, one person may file Form 5471 and the applicable schedules for other persons who have the same filing requirements as the person filing Form 5471 (and schedules).

• A U.S. person who is otherwise required to file Schedule M will not have to file Schedule M if all of the following conditions are met:

(1) the person does not own a direct interest in the foreign corporation, and

(2) the person is required to file Schedule M only by rules of attribution, and

(3) the person from whom the stock ownership is attributed files Form 5471 and Schedules L and M.

If you are excepted from filing Schedule M because all of the above conditions apply to you, you must submit a statement with your income tax return identifying the person who filed for you, that person's taxpayer identifying number, and the service center where that person files his or her income tax return.

• If you are an officer, director, or 10% or more U.S. shareholder in a foreign personal holding company who is filing Form 5471 and Schedule N and there are other officers, directors, or 10% or more U.S. shareholders who are required to file Form 5471 and Schedule N, you may file Form 5471 and Schedule N for these persons by completing Schedule L.

• Any two or more officers or directors of a foreign corporation who must report information on Form 5471 and Schedule O with respect to one or more U.S. shareholders of that foreign corporation may jointly file Form 5471. One officer or director must file Form 5471 and Schedule O in duplicate (as explained under "Who Must File") and complete Schedule L with respect to the other officers or directors.

Also, any two or more officers or directors required to file with respect to one or more shareholders of the same corporation may appoint, by one or more powers of attorney, one officer or director as attorney in fact for the purpose of preparing their separate returns or a joint return.

The power of attorney must be made in accordance with regulations section 1.6046–1(e)(3). It must be limited to a single calendar year and to the preparation of Form 5471 and Part I of Schedule O. A copy of each power of attorney is not required to be filed with Form 5471 but must be available for inspection by the Internal Revenue Service.

Schedule M—Schedule M is an information return required by section 6038. Every U.S. person must file Schedule M for each foreign corporation that person controls for any 30 day period within the foreign corporation's annual accounting period. Schedule M is filed to report the transactions of the foreign corporation's annual accounting period ending with or within the U.S. person's income tax year.

Schedule N—Schedule N is an information return used to report the activities of a foreign personal holding company. Schedule N is used to report the information required by section 6035.

Foreign personal holding company.—A foreign personal holding company is defined in section 552. In general any foreign corporation is a foreign personal holding company if it meets a gross income test and a stock ownership test.

Gross income test.—At least 60% of the foreign personal holding company's gross income (as defined in section 555(a)) is foreign personal holding company income (section 553).

Foreign personal holding company income generally includes—(1) dividends, interest, royalties, and annuities; (2) gains from the sale or exchange of stock or securities; (3) gains from commodity transactions; (4) amounts received from estates and trusts; (5) amounts received under personal service contracts and from the sale of personal service contracts; (6) amounts received as compensation for use of corporation property by a shareholder; and (7) rents.

For a more detailed explanation, see section 553.

Once a foreign personal holding company meets the gross income test, the minimum percentage is lowered to 50% for any subsequent tax year. The foreign corporation will, however, continue to be considered a foreign personal holding company until either (1) the stock requirement test is not met or (2) the end of 3

consecutive tax years in each of which less than 50% of the gross income is foreign personal holding company income.

Stock ownership test.—The stock ownership test is met if, at any time during the tax year, 50% or more of the value of the outstanding stock of the foreign corporation is owned, directly or indirectly, by or for 5 or fewer individuals who are citizens or residents of the United States.

The following do not qualify as foreign personal holding companies:

(1) a corporation exempt from income tax under Subchapter F (sections 501–528); and

(2) a corporation organized and doing business under the banking and credit laws of a foreign country if it is established to the satisfaction of the Secretary that the corporation is not being used to avoid or evade taxes that would normally be imposed upon its shareholders. If the corporation meets this test, the Secretary will issue a certificate that the corporation is not a foreign personal holding company.

Shareholders of a foreign corporation that qualifies for the exception above must attach a copy of the Secretary's certificate to their income tax return for each tax year that they are shareholders in the corporation.

Who Must File.—Every U.S. citizen or resident who is an officer, director, or 10% or more (either directly or indirectly) shareholder (50% or more shareholders for tax years of the foreign personal holding company that began before September 4, 1982) in a foreign personal holding company must file Schedule N. The information is submitted for the foreign personal holding company's annual accounting period that ends with or within the officer's, director's, or shareholder's income tax year.

Whether an individual is considered an officer, director, or 10% or more shareholder is determined on the date that Form 5471 is required to be filed. If no individual qualifies as of that date, the determination is made on the last day of the foreign corporation's taxable year on which there was such a person who was a U.S. citizen or resident.

An individual is considered to own the stock owned by members of his or her family as described in section 544(a)(2).

Corporation that ceases to be a foreign personal holding company.—File a return for a corporation that ceased being a foreign personal holding company after the tax year ended, if it was a foreign personal holding company during the tax year.

Change in rights.—If, during the tax year, an amendment to the corporate charter or any other cause changed the rights of various classes of shareholders or the conversion privileges of outstanding securities, attach a statement to the return describing the changes in detail.

Corporation organized or reorganized during the tax year.—If you are filing for a tax year in which the corporation was organized or reorganized, submit the following information:

(a) A list of the classes and kinds of assets transferred to the corporation for corporate stock or securities in connection with the organization or reorganization.

(b) A detailed list of any stock or securities included in the assets transferred to the corporation for its stock or securities.

(c) A list of the names and addresses of the persons who, immediately before the transfer, owned assets transferred to the corporation for its stock or securities.

First time filer.—If this is the first time you are submitting information required under section 6035, attach the following information:

(a) A statement of stock ownership showing that during the corporation's tax year more than 50% in value of its outstanding stock was owned, directly or indirectly, by or for not more than five individual citizens or residents of the U.S.

(b) A detailed statement of the conversion privileges of any outstanding securities that are convertible into the corporation's stock.

(c) A detailed statement of the respective rights of the various classes of shareholders if more than one class of stock is outstanding.

This information does not, however, need to be submitted if it was previously furnished by another person.

Specific Instructions for Part I

(Schedule N)

Section A.—List in Section A the outstanding securities of the foreign personal holding company that are convertible into the stock of the foreign personal holding company. List the interest rate and the face value of the securities at the beginning and end of the corporation's annual accounting period.

Also list in Section A any options granted by the corporation for its taxable year that begins after September 3, 1982.

Section B.—Identify each person who is the holder of convertible securities in the foreign personal holding company. Also enter the class of securities held, the number and face value at the beginning and end of the corporation's tax year, and an explanation of any change in the holdings for each person holding the convertible securities.

For tax years of the foreign personal holding company that begin after September 3, 1982, enter the name and address of each person granted an option for the stock of the foreign personal holding company.

Specific Instructions for Part II

(Schedule N)

Section A.—Computation of Undistributed Foreign Personal Holding Company Income.

Part II is used to report the income and deductions of the foreign personal holding company's tax year.

Line 2.—Enter on line 2 any adjustments to the earnings and profits of the foreign personal holding company that are used to arrive at the taxable income of the foreign personal holding company. Examples of items that would increase the taxable income of the foreign personal holding company might be (1) expenses that are not deductible for income tax purposes but have been used in arriving at earnings and profits, and (2) excesses of capital losses over capital gains. Examples of amounts that would reduce the earnings and profits of the foreign personal holding company to arrive at its taxable income might be expenses deducted in prior years to determine earnings and profits of the foreign personal holding company that are properly chargeable in the current year in determining taxable income.

Line 5.—Excess of expenses and depreciation over income from property not allowable under section 556 (b)(5).—Section 556(b)(5) provides a specific limitation in computing undistributed personal holding company income with respect to the allowance of deductions for trade or business expenses and depreciation that are allocable to the operation and maintenance of property owned or operated by a foreign personal holding company. These deductions will not be allowed in excess of the aggregate amount of the rent or other compensation received for the use of, or the right to use, the property unless it is established to the satisfaction of the Commissioner:

(a) that the rent or other compensation received was the highest obtained, or, if none was received, that none was obtainable;

(b) that the property was held in the course of a business carried on for profit; and

(c) either that there was reasonable expectation that the operation of the property would result in a profit or that the property was necessary to the conduct of the business.

If excess deductions are claimed, attach a statement for each property showing the following:

(a) a description of the property;

(b) the cost or other basis to the corporation and the nature and value of the consideration paid for the property;

(c) the name and address of the person from whom the property was acquired and the date the property was acquired;

(d) the name and address of the person to whom the property was leased or rented, or the person permitted to use the property, and the number of shares of stock, if any, held by the person and the members of his or her family;

(e) the nature (cash, securities, services, etc.) and gross amount of rent or other compensation received or accrued for the use of, or the right to use, the property during the tax year and for each of the 5 preceding years and the amount of expense incurred with respect to, and the depreciation sustained on, the property for such years;

(f) evidence that the rent or other compensation was the highest obtainable or, if none was received or accrued, a statement of the reason that none was received or accrued;

(g) a copy of the contract, lease, or rental agreement;

(h) the purpose for which the property was used;

(i) the business carried on by the corporation with the respect to which the property was held and the gross income, expenses, and taxable income derived from the conduct of such business for the tax year and for each of the 5 preceding years;

(j) the reasons for acquiring the property, for expecting that it would be profitable, and for using the property in the business of the corporation; and

(k) any other information in support of the deductions.

Line 6.—Deductions for taxes and payments to employees' pension trusts not allowable under section 556(b)(6).—Enter the total amount of any deductions taken in computing taxable income under the provisions of section 164(e), relating to taxes of a shareholder paid by the corporation, and section 404, relating to pension, etc., trusts.

Line 8.—Contributions deductible under section 556(b)(2).—For purposes of computing undistributed foreign personal holding company income, section 556(b)(2) and the related regulations provide that the limitations in section 170(b)(1)(A), (B), and (C)(i) (relating to charitable contributions by individuals) apply. The limitations in section 170(b)(1)(C)(ii) (relating to excess charitable contributions by individuals of certain capital gain property), section 170(b)(2) (relating to the 10% limitation on charitable contributions by corporations), and section 170(d) (relating to carryovers of excess contributions of individuals and corporations) do not apply.

Although the limitations of section 170(b)(1)(A), (B), and (C)(i) are 50%, 20%, and 30%, respectively, of an individual's contribution base, these limitations are applied for purposes of section 556(b)(2) by using 50%, 20%, and 30%, respectively, of the corporation's taxable income as adjusted for purposes of section 170(b)(2) (i.e., the same amount of taxable income to which the 10% limitation applies).

The term "contribution base" when used in section 170(b)(1) means the corporation's taxable income computed (1) with the adjustments, other than the 10% limitation, provided in section 170(b)(2), (2) without the deduction of the amount disallowed under section 556 (b)(5) (relating to expenses and depreciation applicable to property of the taxpayer) and section 556(b)(6) (relating to taxes and contributions to pension trusts) and (3) without the inclusion of the amounts includible as dividends under section 555(b) (relating to the inclusion in gross income of a foreign personal holding company of its distributive share of the undistributed foreign personal holding company income of another company in which it is a shareholder).

The carryover of charitable contributions made in a prior year, otherwise allowable as a deduction in computing taxable income to the extent provided in section 170(b)(1)(C)(ii) and (d), is not allowed as a deduction in computing undistributed foreign personal holding company income for any tax year.

Line 9.—Taxes.—Section 556(b)(1) provides a deduction for Federal income tax accrued (or, in some cases, paid) during the tax year, but not including the accumulated earnings tax imposed by section 531 or the personal holding company tax imposed by section 541.

Attach a schedule showing (a) the nature of income on which Federal income tax was paid or withheld at the source; (b) when and where the tax was paid or withheld; (c) the amount of tax paid or accrued; and (d) the tax year to which the tax relates.

Also, attach a schedule of income, war profits, and excess profits tax of foreign countries and possessions of the U.S. accrued during the tax year to the extent not allowable as a deduction because a foreign tax credit was claimed.

Line 10.—Net operating loss for the preceding tax year.—Section 556 (b)(4) provides that in lieu of the net operating loss deduction provided in section 172 there will be allowed the amount of the net operating loss (as defined in section 172(c)) for the preceding tax year computed without the deductions provided in sections 242 through 250, except for section 248.

Section B.—Deduction for dividends paid.—Enter the deduction for dividends paid provided in section 561. The deduction for dividends paid is the sum of the dividends paid during the tax year and the consent dividends for the tax year (determined under section 565).

The rules in section 562 will apply in determining the deduction for dividends paid. Compute the deduction in Section B and attach (a) a copy of each dividend resolution and (b) a concise statement of the pertinent facts relating to the payment of each dividend, clearly specifying (1) the medium of payment and (2) if not paid in money, the fair market value and adjusted basis (or face value, if paid in the corporation's own obligations) on the date of distribution of the property, and (3) the manner in which the fair market value and adjusted basis were determined.

Schedule O—Schedule O is used to report the organization or reorganization of a foreign corporation and the acquisition of its stock under section 6046. U.S. persons who are officers, directors, or shareholders in a foreign corporation must complete Schedule O in certain cases described below.

Who Must Complete Schedule O

A. Officers and directors.—Every U.S. citizen or resident who is a director or officer of a foreign corporation must complete Schedule O to report each U.S. person who:

(1) acquires stock in the foreign corporation (in one or more transactions) that gives that person a 5% or more ownership in the foreign corporation. Stock owned by the U.S. person on January 1, 1963, however, is not considered in determination of the 5% amount, or

(2) acquires an additional 5% ownership in the foreign corporation after Schedule O (or Form 959) has been filed.

Examples—

(1) Mr. Harris is a U.S. citizen who is a director of a foreign corporation. Mr. Johnson, also a U.S. citizen, acquires stock in the following transactions—

(a) on March 1, 1980, Johnson acquires 2% of the corporation's stock;

(b) on October 1, 1980, Johnson acquires an additional 2% of the corporation's stock; and

(c) on December 1, 1980, Johnson acquires an additional 2% of the corporation's stock.

Harris is required to report Johnson's December 1, 1980, transaction since Johnson at that point owned more than 5% of the foreign corporation.

(2) The facts are the same as above. Also, Johnson acquires an additional 4% of the foreign corporation's outstanding stock on March 1, 1983, and on April 1, 1983, Johnson acquires an additional 2% of the foreign corporation's outstanding stock.

Harris does not have to complete Schedule O for the March 1, 1983, transaction since Johnson had not acquired an additional 5% since Harris last completed Form 959. Harris is, however, required to complete Schedule O for the April 1, 1983, transaction since Johnson had, at that time, acquired an additional 5% of the foreign corporation's outstanding stock.

B. Shareholders.—Every U.S. person must file Schedule O when:

(a) the person acquires (whether in one or more transactions) outstanding stock of a foreign corporation which has, or which when added to any stock then owned by that person (excluding any stock owned on January 1, 1963, if on that date he or she owned 5% or more in value of stock) has a value equal to 5% or more in value of the outstanding stock of the foreign corporation;

(b) the person, having already acquired 5% or more in value of the outstanding stock of the foreign corporation or the interest referred to in (a) above:

(i) acquires (whether in one or more transactions) an additional 5% or more in value of the outstanding stock of the foreign corporation,

(ii) owns 5% or more in value of the outstanding stock of the foreign corporation when the foreign corporation is reorganized, or

(iii) disposes of sufficient stock in the foreign corporation to reduce his or her interest to less than 5% in value of the corporation, or

(c) the person becomes a U.S. person while owning 5% or more in value of the outstanding stock of the foreign corporation.

Examples—

(1) On April 17, 1980, Mr. Smith, a U.S. citizen, acquires a 5% ownership in a foreign corporation. Mr. Smith completed Form 959 to report this transaction.

(2) On June 10, 1983, a domestic corporation Z acquires a 6% ownership in a foreign corporation. Z completes Form 5471 and Schedule O to report this transaction. On July 7, 1983, Z acquires an additional 4% of the outstanding stock of the foreign corporation and on September 2, 1983, Z acquires an additional 2% of the foreign corporation's outstanding stock. Z is not required to complete Schedule O for the July 7, 1983, transaction, but Z must complete Schedule O to report the September 2, 1983, transaction since that transaction gives Z an additional 5% ownership from the last time Z became liable for completing Schedule O (June 10, 1983).

(3) On May 1, 1983, D, a domestic corporation, owns 15% of the outstanding stock of a foreign corporation. On August 7, 1983, the foreign corporation was reorganized. As a result, D then owned 7% of the foreign corporation's outstanding stock. D must complete Schedule O to report this transaction.

(4) The facts are the same as above in Example (3). Additionally, on October 1, 1983, D donates 3% of the outstanding stock of the foreign corporation to a charitable organization. D must complete Schedule O to report this transaction since the transaction reduces D's interest in the foreign corporation to less than 5%.

C. Persons not required to file:

(1) An officer or director is not required to file Schedule O to report an acquisition of stock by a shareholder if:

(a) three or fewer U.S. persons own 95% or more in value of the outstanding stock of the foreign corporation, and

(b) a U.S. person files a return as a shareholder to report the acquisition.

An officer or director is not required to file a return with respect to a shareholder who is not required to file a return as described below.

(2) A shareholder is not required to file Schedule O if all of the following conditions are met:

(a) the shareholder does not directly own an interest in the foreign corporation,

(b) the shareholder is required to furnish the information solely by reason of attribution of stock ownership from a U.S. person, and

(c) the person from whom the stock ownership is attributed furnishes all of the information required of the person to whom the stock ownership is attributed.

Specific Instructions

(Schedule O)

Part I

Column (a).—Enter the name of the shareholder whose transaction is being reported.

Column (b).—Enter the address of the shareholder being reported in column (a).

Column (c).—Enter the taxpayer identifying number for the shareholder being reported in column (a). For individuals, this is their social security number. For all others, it is their employer identification number.

Column (d).—Enter the date the shareholder being reported in column (a) first acquired a 5% or more ownership in the foreign corporation.

Column (e).—Enter the date the shareholder being reported in column (a) acquired an additional 5% or more ownership in the foreign corporation.

Part II

Part II may be completed by one or more shareholders who are participating in the same transaction that gives rise to the completion of Schedule O.

Section A.—

Column (a).—Enter the name of each shareholder who is completing Schedule O.

Column (b).—Enter the following for the last U.S. income tax return filed by the shareholder listed in column (a).

Column (1).—Enter the type of return filed (for example, Form 1040, 1065, 1120, etc.).

Column (2).—Enter the date the last return was filed.

Column (3).—Enter the Internal Revenue Service Center where the shareholder listed in column (a) filed its last income tax return.

Column (c).—Enter the last date the shareholder listed in column (a) filed any information required by section 6046 (Form 5471 and Schedule O or Form 959).

Section B.—The shareholder completing Section B must enter the following information with respect to any U.S. citizen or resident who is an officer or director of the foreign corporation.

Column (a).—Enter the name of each officer or director of the foreign corporation who is a U.S. citizen or resident.

Column (b).—Enter the address of each individual listed in column (a).

Column (c).—Enter the social security number of the individual listed in column (a).

Column (d).—Check the appropriate box or boxes that identify the individual listed in column (a).

Section C.—Section C is completed by shareholders who are completing Schedule O because they have acquired sufficient stock in a foreign corporation. If the shareholder acquired the stock in more than one transaction, use a separate line to report each transaction.

Column (a).—Enter the name of the U.S. shareholder.

Column (b).—Enter the class of stock acquired by the person listed in column (a).

Column (c).—Enter the date the stock was acquired by the person listed in column (a).

Column (d).—Enter the method of acquisition. (For example, "purchase," "gift," "bequest," "trade," etc.)

Column (e).—Enter the number of shares—

Column (1).—Acquired directly by the person listed in column (a).

Column (2).—Acquired indirectly by the shareholder listed in column (a), such as through the purchase of stock in one foreign corporation that has sufficient ownership in a second foreign corporation that would require the shareholder to file Schedule O.

Column (3).—Constructively owned by the shareholder listed in column (a).

For purposes of column (3), stock owned directly or indirectly by, or for, a foreign corporation or a foreign partnership is considered as being owned proportionately by its shareholders or partners. An individual is considered as owning the stock owned directly or indirectly by, or for, his or her brothers and sisters (whether by whole or half blood), spouse, ancestors, and lineal descendants.

Column (f).—Enter the amount paid by the shareholder listed in column (a) for the shares of stock listed in column (e). If no price was paid, enter the value given for the shares.

Column (g).—Enter the name and address of the person from whom the shareholder listed in column (a) purchased the shares of stock entered in column (e).

Codes for Principal Business Activity

These industry titles and definitions are based, in general, on the Standard Industrial Classification System authorized by Regulatory and Statistical Analysis Division, Office of Information and Regulatory Affairs, Office of Management and Budget, to classify enterprises by type of activity in which they are engaged.

Using the list below, enter on page 1, under 1(f), the code number for the specific industry group from which the largest percentage of "total receipts" is derived.

Agriculture, Forestry, and Fishing

Code
- 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:
- 1330 Crude petroleum, natural gas, and natural gas liquids.
- 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.

Manufacturing

Food and kindred products:
- 2010 Meat products.
- 2020 Dairy products.
- 2030 Preserved fruits and vegetables.
- 2040 Grain mill products.
- 2050 Bakery products.
- 2060 Sugar and confectionery products.
- 2081 Malt liquors and malt.
- 2088 Alcoholic beverages, except malt liquors and malt.
- 2089 Bottled soft drinks, and flavorings.
- 2096 Other food and kindred products.
- 2100 Tobacco manufacturers.

Textile mill products:
- 2228 Weaving mills and textile finishing.
- 2250 Knitting mills.
- 2298 Other textile mill products.

Apparel and other textile products:
- 2315 Men's and boys' clothing.
- 2345 Women's and children's clothing.
- 2388 Other apparel and accessories.
- 2390 Miscellaneous fabricated textile products.

Lumber and wood products:
- 2415 Logging, sawmills, and planing mills.
- 2430 Millwork, plywood, and related products.
- 2498 Other wood products, including wood buildings and mobile homes.
- 2500 Furniture and fixtures.

Paper and allied products:
- 2625 Pulp, paper, and board mills.
- 2699 Other paper products.

Printing and publishing:
- 2710 Newspapers.
- 2720 Periodicals.
- 2735 Books, greeting cards, and miscellaneous publishing.
- 2799 Commercial and other printing, and printing trade services.

Code

Chemicals and allied products:
- 2815 Industrial chemicals, plastics materials and synthetics.
- 2830 Drugs.
- 2840 Soap, cleaners, and toilet goods.
- 2850 Paints and allied products.
- 2898 Agricultural and other chemical products.

Petroleum refining and related industries (including those integrated with extraction):
- 2910 Petroleum refining (including integrated).
- 2998 Other petroleum and coal products.

Rubber and misc. plastics products:
- 3050 Rubber products; plastics footwear, hose and belting.
- 3070 Misc. plastics products.

Leather and leather products:
- 3140 Footwear, except rubber.
- 3198 Other leather and leather products.

Stone, clay, and glass products:
- 3225 Glass products.
- 3240 Cement, hydraulic.
- 3270 Concrete, gypsum, and plaster products.
- 3298 Other nonmetallic mineral products.

Primary metal industries:
- 3370 Ferrous metal industries; misc. primary metal products.
- 3380 Nonferrous metal industries.

Fabricated metal products:
- 3410 Metal cans and shipping containers.
- 3428 Cutlery, hand tools, and hardware; screw machine products, bolts, and similar products.
- 3430 Plumbing and heating, except electric and warm air.
- 3440 Fabricated structural metal products.
- 3460 Metal forgings and stampings.
- 3470 Coating, engraving, and allied services.
- 3480 Ordnance and accessories, except vehicles and guided missiles.
- 3490 Misc. fabricated metal products.

Machinery, except electrical:
- 3520 Farm machinery.
- 3530 Construction and related machinery.
- 3540 Metalworking machinery.
- 3550 Special industry machinery.
- 3560 General industrial machinery.
- 3570 Office, computing, and accounting machines.
- 3598 Other machinery except electrical.

Electrical and electronic equipment:
- 3630 Household appliances.
- 3665 Radio, television, and communication equipment.
- 3670 Electronic components and accessories.
- 3698 Other electrical equipment.
- 3710 Motor vehicles and equipment.

Transportation equipment, except motor vehicles:
- 3725 Aircraft, guided missiles and parts.
- 3730 Ship and boat building and repairing.
- 3798 Other transportation equipment, except motor vehicles.

Instruments and related products:
- 3815 Scientific instruments and measuring devices; watches and clocks.
- 3845 Optical, medical, and ophthalmic goods.
- 3860 Photographic equipment and supplies.

Code
- 3998 Other manufacturing products.

Transportation and Public Utilities

Transportation:
- 4000 Railroad transportation.
- 4100 Local and interurban passenger transit.
- 4200 Trucking and warehousing.
- 4400 Water transportation.
- 4500 Transportation by air.
- 4600 Pipe lines, except natural gas.
- 4700 Miscellaneous transportation services.

Communication:
- 4825 Telephone, telegraph, and other communication services.
- 4830 Radio and television broadcasting.

Electric, gas, and sanitary services:
- 4910 Electric services.
- 4920 Gas production and distribution.
- 4930 Combination utility services.
- 4990 Water supply and other sanitary services.

Wholesale Trade

Durable:
- 5008 Machinery, equipment, and supplies.
- 5010 Motor vehicles and automotive equipment.
- 5020 Furniture and home furnishings.
- 5030 Lumber and construction materials.
- 5040 Sporting, recreational photographic, and hobby goods, toys and supplies.
- 5050 Metals and minerals, except petroleum and scrap.
- 5060 Electrical goods.
- 5070 Hardware, plumbing and heating equipment and supplies.
- 5098 Other durable goods.

Nondurable:
- 5110 Paper and paper products.
- 5129 Drugs, drug proprietaries, and druggists' sundries.
- 5130 Apparel, piece goods, and notions.
- 5140 Groceries and related products.
- 5150 Farm-product raw materials.
- 5160 Chemicals and allied products.
- 5170 Petroleum and petroleum products.
- 5180 Alcoholic beverages.
- 5190 Misc. nondurable goods.

Retail Trade

Building materials, garden supplies, and mobile home dealers:
- 5220 Building materials dealers.
- 5251 Hardware stores.
- 5265 Garden supplies and mobile home dealers.
- 5300 General merchandise stores.

Food stores:
- 5410 Grocery stores.
- 5490 Other food stores.

Automotive dealers and service stations:
- 5515 Motor vehicle dealers.
- 5541 Gasoline service stations.
- 5598 Other automotive dealers.
- 5600 Apparel and accessory stores.
- 5700 Furniture and home furnishings stores.
- 5800 Eating and drinking places.

Misc. retail stores:
- 5912 Drug stores and proprietary stores.
- 5921 Liquor stores.
- 5995 Other retail stores.

Finance, Insurance, and Real Estate

Code

Banking:
- 6030 Mutual savings banks.
- 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.

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.
- 6356 Mutual insurance, except life or marine and certain fire or flood insurance companies.
- 6359 Other insurance companies.
- 6411 Insurance agents, brokers, and service.

Real estate:
- 6511 Real estate operators and lessors of buildings.
- 6516 Lessors of mining, oil, and similar property.
- 6518 Lessors of railroad property and other real property.
- 6530 Condominium management and cooperative housing associations.
- 6550 Subdividers and developers.
- 6599 Other real estate.

Holding and other investment companies, except bank holding companies:
- 6742 Regulated investment companies.
- 6743 Real estate investment trusts.
- 6744 Small business investment companies.
- 6749 Other holding and investment companies except bank holding companies.

Services

- 7000 Hotels and other lodging places.
- 7200 Personal services.

Business services:
- 7310 Advertising.
- 7389 Business services, except advertising.

Auto repair; miscellaneous repair services:
- 7500 Auto repair and services.
- 7600 Misc. repair services.

Amusement and recreation services:
- 7812 Motion picture production, distribution, and services.
- 7830 Motion picture theaters.
- 7900 Amusement and recreation services, except motion pictures.

Other services:
- 8015 Offices of physicians, including osteopathic physicians.
- 8021 Offices of dentists.
- 8040 Offices of other health practitioners.
- 8050 Nursing and personal care facilities.
- 8060 Hospitals.
- 8071 Medical laboratories.
- 8099 Other medical services.
- 8111 Legal services.
- 8200 Educational services.
- 8300 Social services.
- 8600 Membership organizations.
- 8911 Architectural and engineering services.
- 8930 Accounting, auditing, and bookkeeping.
- 8980 Miscellaneous services (including veterinarians).

☆ U.S. GOVERNMENT PRINTING OFFICE : 198–O–363–440

SCHEDULE M (Form 5471) (January 1983) Department of the Treasury Internal Revenue Service

Foreign Corporation Controlled by a United States Person

▶ Attach to Form 5471.

OMB No. 1545-0704 Expires 11-30-84

Name of person filing Form 5471 | Identifying number

Name of foreign corporation

Information furnished for foreign corporation's annual accounting period beginning ...., 19....., and ending ...., 19.....

Important: The following information must be submitted on a separate Schedule M for each controlled foreign corporation. Amounts must be stated in U.S. dollars and all information must be in the English language.

(a) Transactions of foreign corporation	(b) U.S. person filing this return	(c) Any domestic corporation controlled by U.S. person filing this return	(d) Any foreign corporation controlled by U.S. person filing this return	(e) *1 10% or more U.S. shareholder of controlled foreign corporation (other than controlling shareholder)	(f) 10% or more U.S. shareholder of domestic corporation filing this return
1 Sales of stock in trade (except in the ordinary course of business where neither party is a U.S. person)					
2 Sales of property rights (patents, trademarks, etc.)					
3 Compensation received for technical, managerial, engineering, construction, or like services					
4 Commissions received					
5 Rents, royalties, and license fees received					
6 Dividends received					
7 Interest received					
8 Premiums received for insurance or reinsurance					
9 Add lines 1 through 8					
10 Purchases of stock in trade (except in the ordinary course of business where neither party is a U.S. person)					
11 Purchases of tangible property other than stock in trade (except where neither party is a U.S. person)					
12 Purchases of property rights (patents, trademarks, etc.)					
13 Compensation paid for technical, managerial, engineering, construction, or like services					
14 Commissions paid					
15 Rents, royalties, and license fees paid					
16 Dividends paid (exclude deemed distributions under subparts F and G) during:					
(a) First 60 days of foreign corporation's annual accounting period					
(b) Remainder of foreign corporation's annual accounting period					
17 Interest paid					
18 Add lines 10 through 17					

*1 If an entry would be made in the above schedule except for the fact that no compensation was paid, indicate the categories in which this has occurred.

For Paperwork Reduction Act Notice, see page 1 of the Instructions for Form 5471.

☆ U.S. GOVERNMENT PRINTING OFFICE : 198–O–363–903

SCHEDULE N (Form 5471) (January 1983) Department of the Treasury—Internal Revenue Service

Foreign Personal Holding Company

▶ Attach to Form 5471.

OMB No. 1545-0704 Expires 11-30-84

Name of person filing Form 5471 | Identifying number

Name of foreign corporation

Information furnished for foreign corporation's annual accounting period beginning ...., 19....., and ending ...., 19.....

Important: All information must be in the English language AND all amounts must be stated in U.S. dollars.

To Be Completed By Officers, Directors, and Shareholders

Part I SECTION A.—Outstanding Securities Convertible Into Stock of the Corporation or Options Granted by the Corporation

Description of securities (A complete detailed statement of conversion privileges must be attached)	Interest rate (%)	Face value: Beginning of year	Face value: End of year

SECTION B.—List of Holders of Convertible Securities or Options Granted by the Corporation

Name and address of each holder of convertible securities or options (designate nonresident aliens)	Class of securities	Securities held: Beginning of year: Number	Beginning of year: Face value	End of year: Number	End of year: Face value	Explanation and date of any change in holdings of securities during year

Part II SECTION A.—Computation of Undistributed Foreign Personal Holding Company Income

1 Earnings and profits (line 20, Schedule C)	1	
2 Adjustments (see instructions)	2	
3 Taxable income (combine line 1 and line 2)	3	
Additions		
4 Contributions deducted on line 16, Schedule C	4	
5 Excess of expenses and depreciation over income from property not allowable under section 556(b)(5) (attach schedule)	5	
6 Deductions for taxes and payments to employees' pension trusts not allowable under section 556(b)(6)	6	
7 Total additions (add lines 4 through 6)	7	
Deductions		
8 Contributions deductible under section 556(b)(2) (attach schedule—see instructions for limitation)	8	
9 Taxes (see instructions)	9	
10 Net operating loss for preceding tax year	10	
11 Total deductions (add lines 8 through 10)	11	
12 Line 3 plus line 7 less line 11	12	
13 Less: Deduction for dividends paid (Section B)	13	
14 Undistributed foreign personal holding company income	14	

SECTION B.—Deduction for Dividends Paid (See Instructions)

	Date paid		Amount
15 Taxable dividends paid:			
(a) Cash		15(a)	
(b) Property other than cash or the corporation's own securities (indicate nature of property)		15(b)	
(c) Obligations of the corporation (bonds, notes, scrip, etc.)		15(c)	
16 Consent dividends (attach schedule)		16	
17 Deduction for dividends paid (add lines 15 and 16). Enter here and on line 13, Section A		17	

For Paperwork Reduction Act Notice, see page 1 of the Instructions for Form 5471.

☆ U.S. GOVERNMENT PRINTING OFFICE : 198–O–363–499

Department of the Treasury—Internal Revenue Service

SCHEDULE O (Form 5471) (January 1983)

Organization or Reorganization of Foreign Corporation, and Acquisitions and Dispositions of Its Stock

▶ Attach to Form 5471. (See instructions for other filing requirements.)

OMB No. 1545-0704
Expires 11-30-84

Name of person filing Form 5471 | Identifying number

Name of foreign corporation

Information furnished for the foreign corporation's annual accounting period beginning ______________, 19____, and ending ______________, 19____

Important: All information must be in the English language AND all amounts must be stated in U.S. dollars. Complete a separate Schedule O for each foreign corporation that must be reported.

Part I To Be Completed By Officers and Directors

(a) Name of shareholder	(b) Address	(c) Identifying number	(d) Date 1	(e) Date 2

Part II To Be Completed By Shareholders

SECTION A.—General Shareholder Information

(a) Name of shareholder	(b) For shareholder's latest U.S. income tax return filed indicate			(c) Date (if any) shareholder last filed information return under section 6046 with respect to foreign corporation
	(1) Type of return	(2) Date return filed	(3) Internal Revenue Service Center where filed	

If this return is required by reason of one or more shareholders becoming United States persons, list the names of such persons and the date each became a United States person.

SECTION B.—United States Persons Who are Officers or Directors of the Foreign Corporation

(a) Name of officer or director	(b) Address	(c) Social Security number	(d) Check applicable box(es)	
			Officer	Director

SECTION C.—Acquisition of Stock

(a) Name of shareholder acquiring stock	(b) Class of stock	(c) Date of acquisition	(d) Method of acquisition	(e) Number of shares acquired		
				(1) Directly	(2) Indirectly	(3) Constructively

For Paperwork Reduction Act Notice, see page 1 of the instructions for Form 5471.

363-600-1

Schedule O (Form 5471) (1-83) Page 2

(f) Amount paid or value given	(g) Name and address of person from whom shares acquired

SECTION D.—Disposition of Stock

(a) Name of shareholder disposing of stock	(b) Class of stock	(c) Date of disposition	(d) Method of disposition	(e) Number of shares disposed of		
				(1) Directly	(2) Indirectly	(3) Constructively

(f) Amount received	(g) Name and address of person to whom stock was disposed

SECTION E.—Organization or Reorganization of Foreign Corporation

(a) Name and address of transferor	(b) Identifying number (if any)	(c) Date of transfer

(d) Assets transferred to foreign corporation			(e) Description of assets transferred by, or notes or securities issued by, foreign corporation
(1) Description of assets	(2) Fair market value	(3) Adjusted basis (if transferor was U.S. person)	

List the dates of any reorganizations of the foreign corporation that occurred during the last 4 years while any U.S. person held 5% or more (directly or indirectly) of the foreign corporation's stock ▶

If the foreign corporation is a member of one or more groups constituting a chain of ownership, attach a chart indicating each unit of which a shareholder owns 5% or more of the stock, the foreign corporation's position in each chain of ownership, and the percentages of stock ownership.

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363-600-1

Form **5712** (Rev. March 1984)
Department of the Treasury
Internal Revenue Service

Election to be Treated as a Possessions Corporation Under Section 936

(Do NOT Attach to Your Tax Return—File Separately)

OMB No. 1545-0215
Expires 4-30-87

The corporation named below elects under section 936(e) of the Internal Revenue Code to be treated as a possessions corporation for income tax purposes.

Name of corporation		Employer identification number
Number and street		Date of incorporation
City or town, State and ZIP code		Place of incorporation
Business code number	Principal business activity	Principal product or service

Description of each class of stock	Number of shares of each class issued and outstanding

Submit the following information for each shareholder who owns 10% or more of the issued and outstanding stock of any class:

Name of shareholder	Identifying number	Address	Class of stock	Number of shares owned

Election takes effect for the tax year beginning (month, day, year)	Date corporation began business in a U.S. possession	Annual return will be filed for the tax year ending (enter the month or "unknown")

Under penalties of perjury, I declare that I have been duly authorized by the above-named corporation to make this election and that the statements made are to the best of my knowledge and belief, true, correct, and complete.

Signature and title of officer ______________________ Date __________

For Paperwork Reduction Act Notice, see instructions on back.

Form **5712** (Rev. 3-84)

Form 5712 (Rev. 3-84) Page 2

Instructions

(Section references are to the Internal Revenue Code, unless otherwise noted.)

Paperwork Reduction Act Notice

We ask for this information to carry out the Internal Revenue laws of the United States. We need it to ensure that taxpayers are complying with these laws and to allow us to figure and collect the right amount of tax. You are required to give us this information.

Who Can Elect

Only domestic corporations can elect to be treated as possessions corporations.

When to File

File Form 5712 by the due date (including extensions) of the first return to which the election is to apply.

Where to File

File this form with the Internal Revenue Service Center, Philadelphia, PA 19255. File it separately from your regular income tax return.

U.S. Possessions

For purposes of this election, U.S. possessions include Puerto Rico but not the Virgin Islands.

Period of Election

The election applies to the first tax year for which such election was made and for which the domestic corporation qualifies under section 936(a).

Generally, to revoke this election for any tax year that starts within 9 tax years after the tax year for which the election takes effect, you need the Commissioner's consent. However, the Commissioner will consent to all requests for revocation that are made with respect to your first taxable year beginning after 1982, provided that you agree not to re-elect section 936(a) prior to your first taxable year beginning after 1988. This can be done by attaching a 'statement of revocation – section 936' to your timely filed return (including extensions) in which you state that you will not re-elect section 936(a) prior to your first taxable year beginning after 1988. (See proposed regulation 1.936–7(c).)

Form 5735

For every year the election is in effect, you must complete Form 5735, Computation of Possessions Corporation Tax Credit Allowed Under Section 936, and attach it to your income tax return.

Consolidated Returns

A corporation may not join in filing a consolidated return for any year for which this election is in effect.

Business Classification

Refer to the Codes for Principal Business Activity and Principal Product or Service in the Instructions for Form 1120 and enter (1) the business code number, (2) principal business activity, and (3) principal product or service.

Identifying Number

The identifying number for individuals is their social security number. For all others it is their employer identification number.

Signature

This form must be signed by the president, vice president, treasurer, assistant treasurer, chief accounting officier, or other corporate officer (such as tax officer) who is authorized to sign.

Form **5713**
(Rev. January 1982)
Department of the Treasury
Internal Revenue Service

International Boycott Report

For taxable year beginning ...., 19...... and ending ...., 19......
▶ Controlled groups, see specific instructions.

OMB No. 1545-0216
Expires 10-31-84

To be Filed in Duplicate (See Instruction B)

Name | Taxpayer identifying number

Number and street

City or town, State and ZIP code

Address of Service Center where your tax return is filed

Type of filer (check one): ☐ Individual ☐ Partnership ☐ Corporation ☐ Trust ☐ Estate ☐ Other

1 Individuals.—Enter adjusted gross income from your tax return (see instructions) . . . .

2 Partnerships and corporations:

(a) Partnerships.—Enter each partner's name and taxpayer identifying number.

(b) Corporations.—Enter the name and employer identification number of each member of the controlled group (as defined in section 993(a)(3)). Do not list members included in the consolidated return; instead, attach a copy of Form 851. List all other members of the controlled group not included in the consolidated return.

If you list any corporations below or if you attach Form 851, you must designate a "common taxable year." Enter the name and employer identification number in line 4(b) of the corporation whose taxable year is designated.

Name	Taxpayer identifying number

If necessary, attach more sheets and check this box . . . . ▶ ☐

	Code	Description
(c) Enter principal business activity code and description (see instructions)		
(d) DISCs.—Enter principal product or service code and description (see instructions) .		

3 Partnerships.—Each partnership filing Form 5713 must give the following information:

(a) Partnership's total assets (Form 1065, page 1) . . . .

(b) Partnership's ordinary income (Form 1065, page 1) . . . .

4 Corporations.—Each corporation filing Form 5713 must give the following information:

(a) Type of form filed (Form 1120, 1120-DISC, 1120F, 1120L, 1120M, etc.) . . . .

(b) Common taxable year election (see instructions)—

(1) Name of corporation ▶

(2) Employer identification number . . . .

(3) Common taxable year beginning ...., 19...... and ending ...., 19......

(c) Corporations filing this form enter—

(1) Total assets (see instructions) . . . .

(2) Taxable income before net operating loss and special deductions (see instructions) .

5 Estates or trusts.—Enter total income (Form 1041, page 1) . . . .

6 Enter the total amount (before reduction for boycott participation or cooperation) of the following tax benefits (see instructions):

(a) Foreign tax credit . . . .

(b) Deferral of earnings of controlled foreign corporations . . . .

(c) Deferral of DISC income . . . .

Under penalties of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete.

Signature ▶ .... Date ▶ ....

Title ▶

For Paperwork Reduction Act Notice, see page 1 of the Instructions.

	Yes	No
7 The following information must be submitted by every person filing Form 5713 (see specific instructions):		
(a) Are you a United States shareholder (as defined in section 951(b)) of any foreign corporation that had operations reportable under section 999(a)?		
(b) If so, is any foreign corporation a controlled foreign corporation (as defined in section 957(a))?		
(c) Do you own any stock of a DISC?		
(d) Do you claim any foreign tax credit?		
(e) Do you control (within the meaning of section 304(c)) any corporation (other than a corporation included in this report) who has operations reportable under section 999(a)?		
If "Yes," did the corporation controlled by you participate in or cooperate with an international boycott at any time during its tax year that ends with or within your tax year?		
(f) Are you controlled (within the meaning of section 304(c)) by any person (other than a person included in this report) who has operations reportable under section 999(a)?		
If "Yes," did the person controlling you participate in or cooperate with an international boycott at any time during its taxable year that ends with or within your taxable year?		
(g) Are you treated under section 671 as the owner of a trust that has operations reportable under section 999(a)? . .		
(h) Are you a partner in a partnership that has operations reportable under section 999(a)?		

Part I Operations in or Related to a Boycotting Country (See Instructions)

	Yes	No
8 Boycott of Israel.—Did you have any operations in or related to any country (or with the government, a company or a national of that country) associated in carrying out the boycott of Israel which is on the list maintained by the Secretary of the Treasury under section 999(a)(3) (see Instruction C)?		

If "Yes," enter name of the country(ies), taxpayer identifying number of person(s) having operations, principal business activity code, a description of the principal business activity; and if you are a DISC, enter the product code. If necessary, attach additional sheets using the exact format and check this box . . . . . ▶ ☐

	Name of country (1)	Taxpayer identifying number of person(s) having operations (2)	Principal business activity: Code (3)	Principal business activity: Description (4)	DISCs only—Enter product code (5)
(a)					
(b)					
(c)					
(d)					
(e)					
(f)					
(g)					
(h)					
(i)					
(j)					
(k)					
(l)					
(m)					
(n)					
(o)					
(p)					

	Yes	No
9 Non-listed countries boycotting Israel.—Did you have operations in any non-listed country which you know or have reason to know requires participation in or cooperation with an international boycott directed against Israel? . . .		

If "Yes," enter the country(ies), taxpayer identifying number of person(s) having operations, the principal business activity code, a description of the principal business activity; and if you are a DISC, enter the product code. If necessary, attach additional sheets using the exact format and check this box . . . . . ▶ ☐

	Name of country (1)	Taxpayer identifying number of person(s) having operations (2)	Principal business activity: Code (3)	Principal business activity: Description (4)	DISCs only—Enter product code (5)
(a)					
(b)					
(c)					
(d)					
(e)					
(f)					
(g)					
(h)					

	Yes	No
10 Boycotts other than the boycott of Israel.—Did you have operations in any other country which you know or have reason to know requires participation in or cooperation with an international boycott other than the boycott of Israel? .		

If "Yes," enter the country(ies), taxpayer identifying number of person(s) having operations, the principal business activity code, a description of the principal business activity; and if you are a DISC, enter the product code. If necessary, attach additional sheets using the exact format and check this box . . . . . ▶ ☐

	Name of country (1)	Taxpayer identifying number of person(s) having operations (2)	Principal business activity: Code (3)	Principal business activity: Description (4)	DISCs only—Enter product code (5)
(a)					
(b)					
(c)					
(d)					
(e)					
(f)					
(g)					
(h)					

	Yes	No
11 Were you requested to participate in or cooperate with an international boycott? . . . . . If "Yes," attach a copy (in English) of any and all such requests received during your taxable year. If the request was in a form other than a written request, attach a separate sheet explaining the nature and form of any and all such requests. (See Instructions.)		
12 Did you, in fact, participate in or cooperate with an international boycott? . . . . . If "Yes," attach a copy (in English) of any and all boycott clauses agreed to, and attach a general statement of the agreement. If the agreement was in a form other than a written agreement, attach a separate sheet explaining the nature and form of any and all such agreements. (See Instructions.)		

Note: *If the answer to either question 11 or 12 is "Yes," you must complete the rest of Form 5713. If you answered "Yes" to question 12, you must complete Schedules A, B, or C (Form 5713).*

Part II Requests for and Acts of Participation in or Cooperation with an International Boycott

13 (a) Did you receive requests to enter into, or, in fact, enter into any agreement (see instruction F.3 and F.5):

Type of participation or cooperation	Requests: Yes	Requests: No	Agreements: Yes	Agreements: No
(1) As a condition of doing business directly or indirectly within a country or with the government, a company, or a national of a country to—				
(i) Refrain from doing business with or in a country which is the object of an international boycott or with the government, companies or nationals of that country?				
(ii) Refrain from doing business with any United States person engaged in trade in a country which is the object of an international boycott or with the government, companies, or nationals of that country?				
(iii) Refrain from doing business with any company whose ownership or management is made up, all or in part, of individuals of a particular nationality, race, or religion, or to remove (or refrain from selecting) corporate directors who are individuals of a particular nationality, race, or religion?				
(iv) Refrain from employing individuals of a particular nationality, race, or religion?				
(2) As a condition of the sale of a product to the government, a company, or a national of a country, to refrain from shipping or insuring products on a carrier owned, leased or operated by a person who does not participate in or cooperate with an international boycott?				

(b) Requests and agreements.—If the answer to any part of 13(a) is "Yes," indicate below: the country, the taxpayer identifying number, principal business activity code, description of the principal business activity, the number and the number code indicating the type of participation or cooperation requested or agreed to. Also, if you are a DISC, enter the product code in column (5). (See Instructions). If necessary, attach additional sheets using the exact format and check this box ▶ ☐

	Name of country (1)	Taxpayer identifying number of person receiving the request or having the agreement (2)	Principal business activity: Code (3)	Principal business activity: Description (4)	DISCs only—Enter product code (5)	Number of requests: Total (6)	Number of requests: Code (7)	Number of agreements: Total (8)	Number of agreements: Code (9)
(a)									
(b)									
(c)									
(d)									
(e)									
(f)									
(g)									
(h)									
(i)									
(j)									
(k)									
(l)									
(m)									
(n)									
(o)									
(p)									
(q)									

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Department of the Treasury
Internal Revenue Service

Instructions for Form 5713

(Revised Jan. 1982)

International Boycott Report

(References are to the Internal Revenue Code.)

Paperwork Reduction Act Notice.—The Paperwork Reduction Act of 1980 says we must tell you why we are collecting this information, how we will use it, and whether you have to give it to us. We ask for the information to carry out the Internal Revenue laws of the United States. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax. You are required to give us this information.

Reporting Operations, Boycott Requests, and Boycott Compliance.—Generally, persons having operations in or related to boycotting countries are required to report those operations, the receipt of boycott requests, and boycott agreements on Form 5713.

Tax Benefits Which May Be Lost.—If there is an agreement to participate in or cooperate with an international boycott, taxpayers may lose a portion of the foreign tax credit (section 908(a)), of deferral of taxation of earnings of controlled foreign corporations (section 952(a)(3)), and of deferral of taxation of DISC income (section 995(b)(1)(F)).

The loss of tax benefits must be reported on either Schedule A or B (Form 5713), on Schedule C (Form 5713) and on Form 1116 (individuals), Form 1118 (corporations), Form 3646, or Form 1120-DISC.

General Instructions

A. Who Must File.—Except as provided in Instruction F, you must file Form 5713 if you:

1. have operations; or
2. are a member of a controlled group (as defined in section 993(a)(3)), a member of which has operations; or
3. are a United States shareholder (within the meaning of section 951(b)) of a foreign corporation that has operations, but only if you own (within the meaning of section 958(a)) stock of that foreign corporation; or
4. are a partner in a partnership that has operations; or
5. are treated under section 671 as the owner of a trust that has operations

in or related to a boycotting country or with the government, a company, or a national of a boycotting country. However, if you are not a United States person (as defined below), you need not file Form 5713 unless you either claim the benefits of the foreign tax credit under section 901 or own stock of a DISC.

U.S. Person.—A U.S. person includes: a citizen or resident of the United States; a domestic partnership; a domestic corporation; and any estate or trust (other than a foreign estate or foreign trust). (See section 7701(a)(30).)

B. When and Where to File.—File Form 5713 in duplicate when your tax return is due, including extensions. Send one copy to the Internal Revenue Service Center, Philadelphia, PA 19255, and attach the other copy to your income tax return.

C. Boycotting Country.—A boycotting country is any country which is on the list maintained by the Secretary of the Treasury under section 999(a)(3). The list currently (as of October 1, 1981) includes Bahrain, Iraq, Jordan, Kuwait, Lebanon, Libya, Oman, Qatar, Saudi Arabia, Syria, United Arab Emirates, Yemen Arab Republic, and Peoples Democratic Republic of Yemen.

Also, any other country in which you (or a member of the controlled group of which you are a member) have operations and which you know or have reason to know requires any person to participate in or cooperate with an international boycott other than a boycott referred to in section 999(b)(4)(A), (B), or (C) (see Instruction F) is a boycotting country.

D. Definition of "Operations."—The term "operations" encompasses all forms of business or commercial activities and transactions (or parts of transactions), whether or not productive of income, including, but not limited to: selling; purchasing; leasing; licensing; banking, financing, and similar activities; extracting; processing; manufacturing; producing; constructing; transporting; performing activities ancillary to the foregoing (e.g., contract negotiating, advertising, site selecting, etc.); and performing services, whether or not ancillary to the foregoing.

You are considered to have operations "in a boycotting country" if you have an operation that is carried on in whole or in part in a boycotting country.

You are considered to have operations "with the government, a company, or a national of a boycotting country" if you have an operation that is carried on outside a boycotting country either for or with the government, a company, or a national of a boycotting country.

You are considered to have operations "related to a boycotting country" if you have an operation that is carried on outside a boycotting country for the government, a company, or a national of a nonboycotting country if you know or have reason to know that specific goods or services produced by the operation are intended for use in a boycotting country, or for use by or for the benefit of, the government, a company, or a national of a boycotting country, or for use in forwarding or transporting to a boycotting country.

E. Boycott Requests.—A boycott request is any request to enter into an agreement that would constitute participation in or cooperation with an international boycott.

F. Special Filing Situations and Waivers Regarding Form 5713.—

1. Controlled Groups.—If you are a member of a controlled group of corporations, you do not have to file Form 5713 if you joined in the filing of a consolidated income tax return and Form 5713 was filed on behalf of all members of the controlled group who joined in the filing of that return. If the consolidated return is not filed on your behalf, you must separately file Form 5713.

Also, you, as a member of a controlled group, do not have to file Form 5713 if, for your tax year, all four of the following conditions are met: (a) you have no operations in or related to a boycotting country (or with the government, a company, or a national of a boycotting country), and owned no stock, directly or indirectly, of any corporation having such operations; (b) you received no boycott request and owned no stock, directly or indirectly, of any corporation receiving such requests; (c) you are not entitled to (or you forfeit) any benefits of deferral, DISC or the foreign tax credit; and, (d) you attach to your income tax return a certificate signed by a person authorized to sign the tax return of the common parent of your group stating that Form 5713 was filed on your behalf.

2. Partners.—Generally, if you are a partner in a partnership that has operations in a boycotting country, you are required to file Form 5713. However, if the partnership did not participate in or cooperate with an international boycott and filed Form 5713 with its Form 1065, then you need not file Form 5713 if you have no operations in or related to a boycotting country, or with the government, a company, or a national of a boycotting country other than the operations that are reported on the Form 5713 filed by the partnership.

3. U.S. Sanctioned Boycotts.—Section 999(b)(4)(A) permits you to meet the requirements imposed by a foreign country with respect to an international boycott if United States law or regulations, or an Executive Order, sanctions participation in or cooperation with that international boycott. You need not report operations that fall within this exception.

4. Prohibition on Importation and Exportation.—Although you may agree to comply with prohibitions on exportation or importation described in section 999(b)(4)(B) and section 999(b)(4)(C) without incurring tax sanctions, you must report the operations under such agreements on Form 5713.

5. Unsolicited Tender Invitations.—If you receive an unsolicited tender invitation which contains a request to participate in or cooperate with an international boycott, you do not have to report the request unless you respond to the invitation.

6. United States Subsidiary or Sister Corporation.—If you are required to file Form 5713 and you are a subsidiary or sister corporation of a foreign corporation that is not required to file Form 5713, you do not have to report the operations, boycott requests, and boycott participation or cooperation of that foreign corporation if you do not claim, or if you forfeit, the benefits of deferral, DISC, and the foreign tax credit attributable to: (a) operations related to boycotting countries in connection with which there was participation in or cooperation with an international boycott, and (b) operations in boycotting countries which you cannot clearly demonstrate are clearly separate and identifiable from operations in connection with which there was participation in or cooperation with an international boycott.

If the foregoing conditions are satisfied, and the only reason you are required to file Form 5713 is that your foreign sister or foreign parent has reportable operations in or related to a boycotting country (or with the government, a company, or a national of a boycotting country), then you need not file Form 5713.

This waiver does not relieve you of your obligation to report the operations, boycott requests, and boycott participation or cooperation of yourself, of United States members of your controlled group, and of foreign corporations of which you are a U.S. shareholder. If you are required to report on behalf of a foreign corporation of which you are a U.S. shareholder, you must report all operations, boycott requests, and boycott participation or cooperation of that foreign corporation whether or not they are effectively connected with the conduct of a trade or business in the United States.

7. Foreign Corporations Which Are Required to Report Because of U.S. Branch Operations.—If you are a foreign corporation engaged in operations in the U.S. through a branch and are required to file Form 5713, you do not have to report the operations, boycott requests, and boycott participation or cooperation of your non-U.S. parent, subsidiaries, or sister corporations and your own operations, boycott requests, and boycott participation or cooperation that do not relate to your U.S. branch if you do not claim, or if you forfeit, the benefits of deferral, DISC, and the foreign tax credit attributable to: (a) operations related to boycotting countries in connection with which there was participation in or cooperation with an international boycott; and (b) operations in boycotting countries which you cannot clearly demonstrate are clearly separate and identifiable from operations in connection with which there was participation in or cooperation with an international boycott.

If the foregoing conditions are satisfied, and neither your U.S. branch nor any U.S. member of your controlled group has operations in or related to a boycotting country (or with the government, a company, or a national of a boycotting country), then you need not file Form 5713.

This waiver does not relieve you of your obligation to report all operations, boycott requests, and boycott participation or cooperation of your U.S. branch and of all U.S. members of each controlled group of which you are a member.

Moreover, all the operations, boycott requests, and boycott participation or cooperation of your U.S. branch must be reported even if they relate to the branch's operations that are not effectively connected with a U.S. trade or business. Additionally, if you or any member of a controlled group of which you are a member engages in operations in the United States directly rather than through the U.S. branch, and those operations are also operations in or related to a boycotting country, or with the government, a company, or national of a boycotting country, then you must report those operations, as well as all boycott requests and boycott participation or cooperation relating to those operations.

G. International Boycott Factor and Specifically Attributable Taxes and Income.—If there is participation in or cooperation with an international boycott, you must compute the loss of tax benefits. You may either use the international boycott factor, or you may determine the taxes and income specifically attributable to boycott operations.

If you compute the loss of tax benefits by using the international boycott factor, complete Schedules A and C (Form 5713). If you determine taxes and income specifically attributable to boycott operations, complete Schedules B and C (Form 5713).

Schedules A, B, and C (Form 5713) need not be filed if there was no participation in or cooperation with an international boycott.

DISCs and partnerships need not complete Schedule C. However, they must complete parts of both Schedules A and B, unless all shareholders, or all partners, compute the loss of their tax benefits using the boycott factor exclusively, or the specifically identifiable taxes and income method exclusively. In such cases, the DISC and the partnership need complete only parts of Schedule A or parts of Schedule B.

H. Penalties—Willful Failure to Report.—The willful failure to file Form 5713 may result in fines of $25,000, imprisonment for not more than one year, or both.

Specific Instructions

Common Taxable Year of Controlled Group.—The taxable year for a controlled group is the same as the common taxable year (from line 4(b)(3)).

1. Individuals.—Enter your adjusted gross income (e.g., for 1981, line 31, Form 1040).

2(c). Partnerships and Corporations.—Enter your principal business activity code number and description. Page 4 of the Instructions provides the code list of business activities for corporations and partnerships. Using this list, enter the code number for the specific industry group from which the largest percentage of "total receipts" was derived. On Forms 1120, 1120S, and 1120F, total receipts means gross receipts (Forms 1120 and 1120S, page 1, line 1; and Form 1120F, page 3, line 1) plus all other income (Forms 1120 and 1120S, page 1, lines 4 through 10; and Form 1120F, page 3, lines 4 through 10). For DISCs, "total receipts" means all income (page 1, line 4, Form 1120-DISC). See the instructions for Form 1120-DISC for business activities of a DISC. For partnerships, "total receipts" on Form 1065 means gross receipts (page 1, line 1) plus all other income (page 1, lines 4 through 11).

2(d). DISCs.—Enter the major product code number and description from Schedule N (Form 1120-DISC), page 1. This is the code number for the major product or service (as measured by export gross receipts) sold or provided by the DISC.

4(b). Common Taxable Year Election.—In general, the common taxable year of the controlled group is the taxable year of the common parent. However, the members of the controlled group may elect the taxable year of any member of the group as the common taxable year. This election is made by entering the name, taxable year and employer identification number of the designated corporation on line 4(b).

All members of a controlled group must consent, in writing, to the common taxable year election. A common parent may consent to the common taxable year election on behalf of all members of the controlled group that join with the common parent in filing a consolidated return. Foreign corporations which are members of a controlled group need not sign the consent if they are not required to report. However, if the foreign corporation subsequently becomes liable to report, then it is bound by the common taxable year election previously made by the group. A copy of the consent must be attached to each member's Form 5713 filed for the first taxable year of such member to which the common taxable year election applies. In the event no common parent exists and no consensus is reached by the members of the controlled group, the common taxable year of the group will be the taxable year of the member of the controlled group whose taxable year ends in the latest month of the calendar year. The taxable year election is a binding election and can be changed only with the approval of the Secretary of the Treasury.

4(c)(1). Corporations.—Enter the amount of total assets (e.g., for 1981 forms, enter):

(a) Form 1120: Schedule L, line 14, col. (D);
(b) Form 1120-DISC: Schedule L, line 3, col. (B);
(c) Form 1120F: Schedule L, line 14, col. (D);
(d) Form 1120S: Schedule L, line 14, col. (D);
(e) Form 1120L: Annual Statement, page 14, line 26 (sum of columns 1 and 2);
(f) Form 1120M: Annual Statement, page 11, line 22 (sum of columns 1 and 2).

4(c)(2). Corporations.—Enter the amount of taxable income before net operating loss and special deductions (e.g., for 1981 forms, enter):

(a) Form 1120: Page 1, line 28;
(b) Form 1120-DISC: Page 1, line 10 (Taxable income before net operating loss deduction and dividends-received deduction);
(c) Form 1120F: Page 3, line 28;
(d) Form 1120S: Page 1, Line 28 (Taxable income);
(e) Form 1120L: Schedule E: Lines 26 plus 21(d) plus 22 (Gain or loss from operations before dividends-received deduction and operations loss deduction);
(f) Form 1120M: Page 1, line 4 plus Part III, line 25 (Taxable income before unused loss deduction and dividends received deduction).

6.—Enter the applicable amounts as follows:

(a) Foreign tax credit before adjustment (e.g., line 6, Part III, Schedule B, Form 1118 (Rev. 1-82) (corporations)); or line 5, Part IV, Form 1116 (1981) (individuals);
(b) Pro rata share of total income of controlled foreign corporation (line 9, Schedule H, Form 3646);
(c) Pro rata share of section 995(b)(1)(F)(i) amount (pro rata share of line 10, Part I, Schedule J, Form 1120-DISC).

Questions 7 Through 13

Filers Who Are Not Members of a Controlled Group.—Your answers to questions 7–13 on Form 5713 must reflect your operations, boycott requests, and boycott participation or cooperation for your taxable year. In addition, if you are:

(a) a United States shareholder of a foreign corporation; or
(b) a partner in a partnership; or
(c) treated under section 671 as the owner of a trust,

then your answers to questions 7–13 must also reflect the operations in or related to boycotting countries (or with the government, a company, or a national of a boycotting country), boycott requests, and boycott participation or cooperation of the foreign corporation, partnership, or trust.

When you report on behalf of a foreign corporation as a United States shareholder, report the foreign corporation's operations, boycott requests, and boycott participation or cooperation for the foreign corporation's tax year that ends with or within your tax year.

When you report on behalf of a partnership as a partner, report the partnership's operations, boycott requests, and boycott participation or cooperation for the partnership's tax year that ends with or within your tax year.

When you report on behalf of a trust as its owner under section 671, report the trust's operations, boycott requests, and boycott participation or cooperation for your tax year.

Filers Who Are Members of a Controlled Group of Corporations.—If you are a member of a controlled group of corporations, the answers to questions 7–13 on the Form 5713 filed by you for your taxable year must reflect:

(a) your operations, boycott requests, and boycott participation or cooperation (and those of any trust of which you are treated as the owner under section 671) for your tax year that ends with or within the common taxable year that ends with or within your tax year (see instruction 4(b));
(b) the operations, boycott requests, and boycott participation or cooperation of each other member of the controlled group (and those of any trust of which a member of the controlled group is treated as the owner under section 671) for each member's tax year that ends with or within the common taxable year that ends with or within your tax year;
(c) the operations, boycott requests, and boycott participation or cooperation of each foreign corporation or partnership on whose behalf you are reporting as a United States shareholder or as a partner, for the tax year of the foreign corporation or the partnership that ends with or within your tax year that ends with or within the common taxable year that ends with or within your tax year; and
(d) the operations, boycott requests, and boycott participation or cooperation of each foreign corporation or partnership on whose behalf a member (other than you) of the controlled group is reporting as a United States shareholder or as a partner, for the tax year of the foreign corporation or the partnership that ends with or within such member's tax year that ends with or within the common taxable year that ends with or within your tax year.

The net effect of these reporting requirements is that the answers to questions 7–13 generally are identical for each member of the controlled group and need only be updated on a group basis once a year. The information is updated at the close of the common taxable year, and is reported by each member of the group for its tax year that ends with or after the common taxable year. If the tax years of all members, foreign corporations, and partnerships coincide with the common taxable year, then all information is reported on a current basis.

If all tax years do not coincide, then all or some of the information reported will reflect a time period that is out of phase with the reporter's taxable year.

Example.—Assume that Corporations A, B, C and D are all members of a controlled group. Corporation A is the common parent and no common taxable year election is made. Corporations A, B, and C report on the basis of a calendar year. Corporation D reports on the basis of a July 1–June 30 taxable year. Corporation C owns 15 percent of Foreign Corporation X. Corporation X reports on the basis of an April 1–March 31 tax year. Corporations A, B, C, D, and X have operations in boycotting countries. The answers to questions 7–13 on the Forms 5713 filed by Corporations A, B and C for their 1981 tax years will reflect the operations of Corporations A, B and C for the 1981 tax year, the operations of Corporation D for the period July 1, 1980–June 30, 1981, and the operations of Corporation X for the period April 1, 1980–March 31, 1981. The answers to questions 7–13 on the Form 5713 filed by Corporation D for its tax year ending June 30, 1982, will be identical to those on the Forms 5713 filed by Corporations A, B, and C for their taxable years ending December 31, 1981. Thus, the answers to questions 7–13 on the Form 5713 filed by Corporation D for its tax year ending June 30, 1982, will not reflect any of Corporation D's operations for its July 1, 1981–June 30, 1982 tax year.

Part I.—Operations in or Related to a Boycotting Country

8. Boycott of Israel.—Question 8 concerns operations in or related to countries on the Secretary's list of countries associated in the boycott of Israel (or with the governments, companies, or nationals of those countries). Use a separate line for each country or each person having operations in that country, but do not use separate lines for separate operations by the same person in the same country.

Column (2).—Enter the taxpayer identifying number of each person having operations in or related to any of the listed countries. Include the taxpayer identifying number of all members of your controlled group which have operations in or related to the listed countries.

Additionally, if you or a member of your controlled group is the United States shareholder of a foreign corporation which has operations in or related to the listed countries (or with the governments, companies, or nationals of those countries), enter your employer identification number or the employer identification number of the member of your group who is the United States shareholder, and in parentheses enter the name and employer identification number, if available, of the foreign corporation having the operation in or related to the listed countries.

Column (3).—Enter the principal business activity code number (see page 4) of the person having operations.

Column (4).—Enter a brief description of the principal business activity.

Column (5).—If you are a DISC, enter the product code. (See instructions for Schedule N (Form 1120-DISC).)

9. Non-listed Countries Boycotting Israel.—If the answer to question 9 is "Yes," use the same procedure outlined in the instructions for question 8 for any non-listed countries which you know or have reason to know require participation in or cooperation with the international boycott of Israel.

10. Boycotts of Countries Other Than Israel.—If the answer to question 10 is "Yes," use the same procedure outlined in the instructions for question 8 for any international boycott other than the boycott of Israel.

11. Boycott Requests.—If you receive a substantial number of similar requests, you may attach a copy of one of these requests and attach a statement stating the number and nature of all other requests received.

12. Boycott Agreements.—If a substantial number of boycott agreements were entered into or were effective for the period covered by the report, and the boycott clauses are similar, you may attach a sample boycott clause and attach a statement stating the number and general nature of all other boycott clauses and agreements entered into. An agreement to participate in or cooperate with an international boycott continues for the entire period for which it is in effect and must be reported every year that it is in effect. Thus, a boycott agreement that continues over a three year period must be reported as participation in or cooperation with an international boycott in each of those three years.

Part II.—Requests for and Acts of Participation in or Cooperation With an International Boycott

13(a).—Check "Yes" for any requests received or agreements entered into or continuing in effect during the period covered by the report with respect to any international boycott *not* excluded in instruction F–3. If no requests were received and no agreements were entered into or were in effect, enter "No."

13(b).—Use a separate line for each country, each person, and each type of participation or cooperation, but do not use separate lines for similar types of participation or cooperation by the same person in the same country.

Column (2).—Enter the taxpayer identifying number of the person receiving the request or having the agreement.

Column (3).—Enter the principal business activity code number (see page 4) of the person receiving the request or having the agreement.

Column (4).—Enter a brief description of the principal business activity of the person receiving the request or having the agreement (see page 4).

Column (5).—If you are a DISC, enter the product code. (See the instructions for Schedule N (Form 1120-DISC).)

Columns (6) and (8).—Enter in column (6) the total number of requests of the same type that were received by the same person in the same country. Enter in column (8) the total number of agreements of the same type that were entered into by the same person in the same country.

Column (7).—Enter the Code number listed below which indicates the type of participation or cooperation requested.

Column (9).—Enter the Code number listed below which indicates the type of participation or cooperation agreed to.

Code Number	Type of Participation or Cooperation Requested or Agreed to
01 . . .	Refrain from doing business with or in a country which is the object of the boycott or with the government, companies, or nationals of that country.
02 . . .	Refrain from doing business with any United States person engaged in trade in a country which is the object of the boycott or with the government, companies, or nationals of that country.
03 . . .	Refrain from doing business with any company whose ownership or management is made up, all or in part, of individuals of a particular nationality, race, or religion, or to remove (or refrain from selecting) corporate directors who are individuals of a particular nationality, race, or religion.
04 . . .	Refrain from employing individuals of a particular nationality, race, or religion.
05 . . .	As a condition of the sale of a product to the government, a company or a national of a country, to refrain from shipping or insuring products on a carrier owned, leased or operated by a person who does not participate in or cooperate with an international boycott.

Codes for Principal Business Activity

These industry titles and definitions are based, in general, on the Enterprise Standard Industrial Classification System authorized by the Statistical Policy Division, Office of Information and Regulatory Affairs, in the Office of Management and Budget, to classify enterprises by type of activity in which they are engaged. The system follows closely the Standard Industrial Classification used to classify establishments.

Using the list below, enter the code for the specific industry group from which the largest percentage of "total receipts" is derived. For an explanation of the procedure used to determine total receipts, see instructions for line 2(c).

AGRICULTURE, FORESTRY, AND FISHING

Code
0400 Agricultural production.
0600 Agricultural services, 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:
1330 Crude petroleum, natural gas, and natural gas liquids.
1380 Oil and gas field services.
Nonmetallic minerals (except fuels) mining:
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.
Heavy construction contractors:
1611 Highway and street construction.
1620 Heavy construction, except highway.
Special trade contractors:
1711 Plumbing, heating, and air conditioning.
1721 Painting, paperhanging, and decorating.
1731 Electrical work.
1740 Masonry, stonework, and plastering.
1750 Carpentering and flooring.
1761 Roofing and sheet metal work.
1771 Concrete work.
1781 Water well drilling.
1790 Miscellaneous special trade contractors.

MANUFACTURING

Food and kindred products:
2010 Meat products.
2020 Dairy products.
2030 Preserved fruits and vegetables.
2040 Grain mill products.
2050 Bakery products.
2060 Sugar and confectionery products.
2081 Malt liquors and malt.
2088 Alcoholic beverages, except malt liquors and malt.
2089 Bottled soft drinks, and flavorings.
2096 Other food and kindred products.
2100 Tobacco manufacturers.
Textile mill products:
2228 Weaving mills and textile finishing.
2250 Knitting mills.
2298 Other textile mill products.
Apparel and other textile products:
2315 Men's and boy's clothing.
2345 Women's and children's clothing.
2388 Hats, caps, millinery, fur goods, and other apparel and accessories.
2390 Misc. fabricated textile products.
Lumber and wood products, except furniture:
2415 Logging camps and logging contractors, sawmills and planing mills.
2430 Millwork, plywood, and related products.
2498 Other wood products, including wood buildings and mobile homes.
2500 Furniture and fixtures.
Paper and allied products:
2625 Pulp, paper, and board mills.
2699 Other paper products.
Printing, publishing, and allied industries:
2710 Newspapers.
2720 Periodicals.
2735 Books, greeting cards, and misc. publishing.
2799 Commercial and other printing, and printing trade services.
Chemicals and allied products:
2815 Industrial chemicals, plastics materials and synthetics.
2830 Drugs.
2840 Soap, cleaners, and toilet goods.
2850 Paints and allied products.
2898 Agricultural and other chemical products.
Petroleum refining and related industries (including those integrated with extraction):
2910 Petroleum refining (including those integrated with extraction).
2998 Other petroleum and coal products.
Rubber and misc. plastics products:
3050 Rubber products; plastics footwear, hose and belting.
3070 Misc. plastics products.
Leather and leather products:
3140 Footwear, except rubber.
3198 Other leather and leather products.

Code
Stone, clay, glass, and concrete products:
3225 Glass products.
3240 Cement, hydraulic.
3270 Concrete, gypsum, and plaster products.
3298 Other nonmetallic mineral products.
Primary metal industries:
3370 Ferrous metal industries; misc. primary metal products.
3380 Nonferrous metal industries.
Fabricated metal products, except machinery and transportation equipment:
3410 Metal cans and shipping containers.
3428 Cutlery, hand tools, and hardware; screw machine products, bolts, and similar products.
3430 Plumbing and heating, except electric and warm air.
3440 Fabricated structural metal products.
3460 Metal forgings and stampings.
3470 Coating, engraving, and allied services.
3480 Ordnance and accessories, except vehicles and guided missiles.
3490 Misc. fabricated metal products.
Machinery, except electrical:
3520 Farm machinery.
3530 Construction, mining, and materials handling machinery and equipment.
3540 Metalworking machinery.
3550 Special industry machinery, except metalworking machinery.
3560 General industrial machinery.
3570 Office, computing, and accounting machines.
3598 Engines and turbines, service industry machinery, and other machinery, except electrical.
Electrical and electronic machinery, equipment and supplies:
3630 Household appliances.
3665 Radio, television, and communication equipment.
3670 Electronic components and accessories.
3698 Other electric equipment.
Transportation equipment:
3710 Motor vehicles and equipment.
3725 Aircraft, guided missiles and parts.
3730 Ship and boat building and repairing.
3798 Other transportation equipment.
Measuring and controlling instruments; photographic and medical goods, watches and clocks:
3815 Scientific instruments and measuring devices; watches and clocks.
3845 Optical, medical, and ophthalmic goods.
3860 Photographic equipment and supplies.
3998 Other manufacturing products.

TRANSPORTATION, COMMUNICATION, ELECTRIC, GAS, AND SANITARY SERVICES

Transportation:
4000 Railroad transportation.
4100 Local and interurban passenger transit.
4200 Trucking and warehousing.
Other transportation including transportation services:
4400 Water transportation.
4500 Transportation by air.
4722 Passenger transportation arrangement.
4723 Freight transportation arrangement.
4799 Other transportation services.
Communication:
4825 Telephone, telegraph, and other communication services.
4830 Radio and television broadcasting.
Electric, gas, and sanitary services:
4910 Electric services.
4920 Gas production and distribution.
4930 Combination utility services.
4990 Water supply and other sanitary services.

WHOLESALE TRADE

Durable
5008 Machinery, equipment, and supplies.
5010 Motor vehicles and automotive equipment.
5030 Lumber and construction materials.
5050 Metals and minerals, except petroleum and scrap.
5060 Electric goods.
5070 Hardware, plumbing and heating equipment.
5098 Other durable goods.
Nondurable
5110 Paper and paper products.
5129 Drugs, chemicals, and allied products.
5130 Apparel, piece goods, and notions.
5140 Groceries and related products.
5150 Farm product raw materials.
5170 Petroleum and petroleum products.
5180 Alcoholic beverages.
5190 Misc. nondurable goods.

RETAIL TRADE

Code
Building materials, hardware, garden supply, and mobile home dealers:
5220 Building materials dealers.
5251 Hardware stores.
5265 Garden supplies and mobile home dealers.
5300 General merchandise stores.
5400 Food stores.
Automotive dealers and service stations:
5515 Motor vehicle dealers.
5541 Gasoline service stations.
5598 Other automotive dealers.
5600 Apparel and accessory stores.
5700 Furniture and home furnishings stores.
5800 Eating and drinking places.
Misc. retail stores:
5912 Drug stores and proprietary stores.
5921 Liquor stores.
5995 Other misc. retail stores.

FINANCE, INSURANCE, AND REAL ESTATE

Banking:
6030 Mutual savings banks.
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.
Security, commodity brokers, dealers, exchanges, 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.
6356 Mutual insurance, except life or marine and certain fire or flood insurance companies.
6359 Other insurance companies.
6411 Insurance agents, brokers, and services.
Real Estate:
6511 Real estate operators (except developers) and lessors of buildings.
6516 Lessors of mining, oil, and similar property.
6518 Lessors of railroad property and other real property.
6530 Condominium management and cooperative housing associations.
6550 Subdividers and developers.
6599 Other real estate.
Holding and other investment companies:
6742 Regulated investment companies.
6743 Real estate investment trusts.
6744 Small business investment companies.
6749 Holding and other investment companies, except bank holding companies.

SERVICES

7000 Hotels and other lodging places.
7200 Personal services.
Business services:
7310 Advertising.
7340 Services to buildings.
7370 Computer and data processing services.
7392 Management, consulting, and public relations services.
7394 Equipment rental and leasing.
7398 Other business services.
Auto repair and services; misc. repair services:
7500 Auto repair and services.
7600 Misc. repair services.
Amusement and recreational services:
7812 Motion picture production, distribution, and services.
7830 Motion picture theaters.
7900 Amusement and recreation services, except motion pictures.
Other services:
8015 Offices of physicians, including osteopathic physicians.
8021 Offices of dentists.
8050 Nursing and personal care facilities.
8071 Medical laboratories.
8099 Other medical services.
8111 Legal services.
8200 Educational services.
8911 Engineering and architectural services.
8932 Certified public accountants.
8933 Other accounting, auditing, and bookkeeping services.
8999 Other services, not elsewhere classified.

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Fed. E.I. No. 31-44-40007

SCHEDULE A
(Form 5713)
(Rev. January 1982)
Department of the Treasury
Internal Revenue Service

Computation of the International Boycott Factor (Section 999(c)(1))

(To be completed only by persons not computing loss of tax benefits by the specifically attributable taxes and income method on Schedule B (Form 5713).)

▶ Attach to Form 5713. ▶ See instructions on back.

OMB No. 1545-0216
Expires 10-31-84

Name | Taxpayer identifying number

Name of country being boycotted (check one):
☐ Israel ☐ Other (identify) ▶

Name of country (1)	Purchases, sales, and payroll attributable to boycotting operations, by operation: Boycott purchases (2)	Boycott sales (3)	Boycott payroll (4)
(a)			
(b)			
(c)			
(d)			
(e)			
(f)			
(g)			
(h)			
(i)			
(j)			
(k)			
(l)			
(m)			
(n)			
(o)			
Totals			

1 Numerator of boycott factor (add totals of columns (2), (3), and (4))
2 Denominator of boycott factor:
(a) Total purchases from countries other than United States
(b) Total sales to or from countries other than United States
(c) Total payroll paid or accrued for services performed in countries other than United States
(d) Total of lines 2(a), (b), and (c)
3 International boycott factor (divide line 1 by line 2(d)). Enter here and on Schedule C (Form 5713) (see instructions) ▶

If you are involved in more than one boycott, use a separate Schedule A for each boycott and attach to Form 5713.

For Paperwork Reduction Act Notice, see page 1 of the Instructions for Form 5713.

General Instructions

(References are to the Internal Revenue Code.)

A. Purpose.—Complete Schedule A (Form 5713) if you cooperated with or participated in an international boycott and use the international boycott factor to figure the loss of tax benefits. If you do not use the international boycott factor for this purpose, you must specifically attribute taxes and income on Schedule B (Form 5713).

B. Who Must File.—Anyone who cooperates with or participates in an international boycott must file either this form or Schedule B (Form 5713) to figure the loss of tax benefits. One act of cooperation or participation creates the presumption that you cooperate with or participate in the boycott unless you rebut the presumption as explained in instruction C. The presumption applies to all your operations and those of each member of any controlled group (defined in section 993(a)(3)) to which you belong, in each country that helps carry out the boycott.

C. Boycott Operations.—All your operations in a boycotting country are considered to be boycott operations, unless you rebut the presumption of cooperating with or participating in the boycott, as explained below. In addition, your operations that are not in a boycotting country are boycott operations if they are connected to your cooperation with or participation in the boycott.

You can rebut the presumption of cooperating with or participating in a boycott for a particular operation by demonstrating that that operation is separate from any cooperation with or participation in an international boycott. The presumption applies only to operations in countries that carry out the boycott, so you do not need to rebut the presumption for operations that are related to those countries, but that take place outside them.

D. International Boycott Factor.—Your international boycott factor reflects boycott purchases, boycott sales, and boycott payroll.

1. **Controlled Groups.**—All members of a controlled group generally share one international boycott factor, which reflects all their purchases, sales, and payroll. If you, however, belong to two or more controlled groups, your international boycott factor will reflect the purchases, sales, and payroll of all the controlled groups to which you belong.

2. **Partnerships and Trusts.**—You are deemed to have a prorated share of the purchases, sales, and payroll of each partnership in which you are a partner and of each trust of which you are treated as the owner under section 671. Thus, your international boycott factor may also reflect purchases, sales, and payroll of partnerships and trusts.

Specific Instructions

Compute a separate boycott factor and fill out a separate schedule for each international boycott with which you cooperate or participate. Include your own operations and, if applicable, the operations of partnerships, trusts, and members of your controlled group.

To decide for what years you should report purchases, sales, and payroll for partnerships, trusts, and controlled groups, see the specific instructions for questions 7–13 of Form 5713.

Partnerships.—For a partnership, complete only lines (a) through (o), the totals of columns (2), (3), and (4), and line 2. Give this information to all partners so they can compute their own international boycott factor.

Column (1).—For each boycott operation enter the name of the country to which your international boycott operation relates. For example, if you have an operation in Country Z, which is not a boycotting country, and the operation relates to Country X, which is a boycotting country, enter the name of Country X. The Secretary maintains a list, under section 999(a)(3), of countries that require cooperation with an international boycott. This list may not be all-inclusive.

Column (2).—For each boycott operation enter all purchases that are attributable to that operation and are made from boycotting countries.

Column (3).—For each boycott operation enter the sales that are attributable to that operation and are made to or from boycotting countries.

Column (4).—For each boycott operation enter the total payroll that is attributable to that operation and is paid or accrued for services performed in boycotting countries.

Line 1.—Add columns (2), (3), and (4). The numerator of your international boycott factor includes all of the following.

(i) Purchases you made from boycotting countries.
(ii) Sales you made to or from boycotting countries.
(iii) Payroll you paid or accrued for services performed in boycotting countries.

Do not include amounts attributable to operations for which you rebutted the presumption of cooperating with or participating in the boycott.

Line 2.—The denominator of your international boycott factor reflects all your purchases, sales, and payroll in or related to all countries other than the United States. If applicable, the denominator also reflects these items for your controlled groups, partnerships, and trusts. Include here the amounts that are attributable to operations for which you rebutted the presumption of cooperating with or participating in the boycott.

Line 3.—Enter the international boycott factor from line 3 of this form on the appropriate line of Schedule C (Form 5713) as follows:

If you reduce your foreign tax credit (section 908(a)), enter the international boycott factor on line 2(a)(2) of Schedule C.

If you are denied a tax deferral on subpart F income (section 952(a)(3)), enter the international boycott factor on line 3(a)(4) of Schedule C.

If you are denied a tax deferral on DISC income (section 995(b)(1)(F)), enter the international boycott factor on line 4(a)(2) of Schedule C.

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SCHEDULE B
(Form 5713)
(Rev. January 1982)
Department of the Treasury
Internal Revenue Service

Specifically Attributable Taxes and Income (Section 999(c)(2))

(To be completed only by persons not computing loss of tax benefits by the international boycott factor on Schedule A (Form 5713).)

▶ Attach to Form 5713. ▶ See instructions on back.

OMB No. 1545-0216
Expires 10-31-84

Name | Taxpayer identifying number

Name of country being boycotted . . . . ☐ Israel ☐ Other (identify) ▶

Specifically Attributable Taxes and Income by Operation (Use a separate line for each operation)

	Name of Country (1)	Principal business activity: Code (2)	Description (3)	Foreign tax credit: Foreign taxes attributable to boycott operations (4)	Subpart F income: Prorated share of international boycott income (5)	DISC income: Taxable income attributable to boycott operations (6)
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15 Total						

If you are involved in more than one international boycott, use a separate Schedule B (Form 5713) to compute the specifically attributable taxes and income for each boycott.

For Paperwork Reduction Act Notice, see page 1 of the Instructions for Form 5713.

General Instructions

(References are to the Internal Revenue Code.)

A. Purpose.—Complete Schedule B (Form 5713) if you participated in or cooperated with an international boycott and if you figure the loss of tax benefits by specifically attributing taxes and income. If you do not specifically attribute taxes and income for this purpose, you must compute the international boycott factor on Schedule A (Form 5713).

B. Who Must File.—Anyone who participates in or cooperates with an international boycott must file either this form or Schedule A (Form 5713) to figure the loss of tax benefits. One act of participation or cooperation creates the presumption that you participate in or cooperate with the boycott unless you rebut the presumption as explained in instruction C. The presumption applies to all your operations, and those of each member of any controlled groups (defined in section 993(a)(3)) to which you belong, in each country that helps carry out the boycott.

Certain shareholders.—DISC benefits, the "deemed paid" tax credit under section 902, and the deferral of subpart F income are lost at the shareholder level. Shareholders in a DISC or a foreign corporation must report their prorated share of the tax benefits denied. The denial of these benefits are discussed in the specific instructions for columns (4), (5) and (6).

C. Boycott Operations.—All your operations in a boycotting country are considered to be boycott operations, unless you rebut the presumption of participation in or cooperation with the boycott, as explained below. In addition, your operations that are not in a boycotting country are boycott operations if they are connected to your participation in or cooperation with the boycott.

You can rebut the presumption of participation in or cooperation with a boycott for a particular operation by demonstrating that operation is separate from any participation in or cooperation with an international boycott. The presumption applies only to operations in countries that carry out the boycott, so you do not need to rebut the presumption for operations that are related to those countries, but that take place outside them.

Specific Instructions

File Schedule B (Form 5713) for the period covered by your income tax return. Report only your own taxes and income; do not include other members of any controlled groups to which you belong.

Column (1).—For each boycott operation enter the name of the country to which your international boycott operation relates. For example, if you have an operation in Country Z, which is not a boycotting country, and the operation relates to Country X, which is a boycotting country, enter the name of Country X. The Secretary maintains a list, under section 999(a)(3), of countries that require cooperation with an international boycott, but this list may not be all-inclusive.

Column (2).—For each boycott operation enter the principal business activity code. Page 4 of the Instructions for Form 5713 lists the codes.

Column (3).—For each boycott operation briefly describe the principal business activity.

DISCs.—For each boycott operation enter the product code and description in parentheses. The Instructions for Schedule N (Form 1120–DISC) list the codes.

Column (4).—For each boycott operation enter the foreign taxes that are paid, accrued, or deemed paid and are attributable to the boycott operation. These taxes are not eligible for the foreign tax credit. Omit foreign taxes otherwise disallowed under sections 901–907, 911, 1503(b), or 6038. For more information see Part N of the Treasury Department's International Boycott Guidelines.

Enter the column (4) total on line 2(b), Schedule C (Form 5713).

Column (5).—For each boycott operation enter your prorated share of the controlled foreign corporation's income that is attributable to the boycott operation. This amount is not eligible for tax deferral. Omit the foreign corporation's income attributable to earnings and profits that are included in gross income under section 951 (except by reason of section 952(a)(3)). Also omit amounts excluded from subpart F income by section 952(b). In figuring the amount to enter in column (5), you are allowed a reasonable amount for deductions (including foreign taxes) allocable to that income.

Column (6).—A DISC's taxable income attributable to boycott operations is not eligible for deferral. If you are a shareholder in a DISC, follow these steps for each boycott operation and enter the result in column (6): Add the amounts deemed distributed for the tax year under subparagraphs (A), (B), (C), (D), and (E) of section 995 (b)(1). Subtract this total from the DISC's taxable income attributable to the boycott operation for the tax year, before reduction for any distributions. Prorate your share of the remainder and divide by 2. Enter the result in column (6). The DISC's taxable income attributable to the boycott operation is its gross income from the operation minus the deductions allocable to it. Enter the column (6) total on line 4(b), Schedule C (Form 5713).

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SCHEDULE C (Form 5713)
(Rev. January 1982)
Department of the Treasury
Internal Revenue Service

Tax Effect of the International Boycott Provisions

▶ Attach to Form 5713. ▶ See instructions on back.

OMB No. 1545-0216
Expires 10-31-84

Name | Taxpayer identifying number

1 Method used in computing loss of tax benefits under sections 908(a), 952(a)(3) and 995(b)(1)(F) (check one):
(a) International boycott factor from Schedule A (Form 5713). See items 2(a), 3(a), and 4(a) below . . . . ▶ ☐
(b) Identification of specifically attributable taxes and income from Schedule B (Form 5713). See items 2(b), 3(b), and 4(b) below . . . . . ▶ ☐

2 Reduction of foreign tax credit (section 908(a)):
(a) International boycott factor. Complete if you checked box 1(a) above and answered "Yes," to foreign tax credit question on line 7(d), Form 5713—
(1) Foreign tax credit before adjustment (line 6, Part III, Schedule B, Form 1118 (corporations); or line 5, Part IV, Form 1116 (individuals)) . . . . .
(2) International boycott factor (from Schedule A (Form 5713), line 3) . . . . .
(3) Reduction of foreign tax credit (multiply line 2(a)(1) by line 2(a)(2)). Enter here and on line 7, Part III, Schedule B, Form 1118 (corporations); enter here and on line 6, Part IV, Form 1116 (individuals) . . . . .
(4) Adjusted foreign tax credit (subtract line 2(a)(3) from line 2(a)(1)) . . . . .
(b) Specifically identifying income and taxes. Complete if you checked box 1(b) above and answered "Yes," to foreign tax credit question on line 7(d), Form 5713. Enter the amount from line 15, column (4), Schedule B (Form 5713) . . . . .
Enter the appropriate part of this amount on line 3, Part II, Schedule B, of all applicable Form(s) 1118 (corporations); or on line 4, Part III, of all applicable Form(s) 1116 (individuals).

3 Denial of deferral under Subpart F (section 952(a)(3)):
(a) International boycott factor. Complete if you checked box 1(a) above and answered "Yes," to controlled foreign corporation question on line 7(b), Form 5713—
(1) Prorated share of total income of controlled foreign corporations (line 9, Schedule H, Form 3646)
(2) Prorated share of income attributable to earnings and profits of controlled foreign corporations included in income under sections 951(a)(1)(A)(ii), 951(a)(1)(A)(iii), 951(a)(1)(B), 952(a)(1), 952(a)(2), 952(a)(4), and 952(b) . . . . .
(3) Subtract line 3(a)(2) from line 3(a)(1) . . . . .
(4) International boycott factor (from Schedule A (Form 5713), line 3) . . . . .
(5) Prorated share of Subpart F international boycott income (multiply line 3(a)(3) by line 3(a)(4)). Enter here and on line 5, Schedule B, Form 3646 . . . . .
(b) Specifically identifying taxes and income. Complete if you checked box 1(b) above and answered "Yes," to controlled foreign corporation question on line 7(b), Form 5713. Enter the amount from line 15, column (5), Schedule B (Form 5713). Also enter this amount on line 5, Schedule B, Form 3646 . . . . .

4 Denial of DISC benefits (section 995(b)(1)(F)):
(a) International boycott factor. Complete if you checked box 1(a) above and answered "Yes," to DISC question on line 7(c), Form 5713—
(1) Prorated share of section 995(b)(1)(F)(i) amount. (Prorated share of line 10, Part I, Schedule J, Form 1120–DISC) . . . . .
(2) International boycott factor (from Schedule A (Form 5713), line 3) . . . . .
(3) Prorated share of DISC international boycott income (multiply line 4(a)(1) by line 4(a)(2)) (See instructions.) . . . . .
(b) Specifically identifying taxes and income. Complete if you checked box 1(b) above and answered "Yes," to DISC question on line 7(c), Form 5713. Enter amount from line 15, column (6), Schedule B (Form 5713). Also enter this amount on line 11, Part I, Schedule J, Form 1120–DISC . . . . .

For Paperwork Reduction Act Notice, see page 1 of the Instructions for Form 5713.

Instructions

(References are to the Internal Revenue Code.)

You do not need to complete Schedule C (Form 5713) for a partnership or DISC. You must complete it, however, if you are a partner or DISC shareholder.

Controlled Groups.—Unless a controlled group (described in section 993(a)(3)) files a consolidated return, each member may choose independently either to apply the international boycott factor under section 999(c)(1) or to identify specifically attributable taxes and income under section 999(c)(2). Each member must consistently use a single method to figure the loss of tax benefits.

For example, a member that chooses to use the international boycott factor must apply it to determine its loss of the section 902 indirect foreign tax credit on a dividend that another member of the controlled group paid to it, even if the other member determines its own loss of tax benefits by identifying specifically attributable taxes and income.

Thus, a person who applies the international boycott factor to one operation must apply the factor to all that tax year's operations under section 908(a), 952(a)(3), or 995(b)(1)(F).

A person who identifies specifically attributable taxes and income under section 999(c)(2) must use that method for all that tax year's operations under section 908(a), 952(a)(3), and 995(b)(1)(F).

A DISC whose tax year differs from the common taxable year of the controlled group of which it is a member does not need to amend its return to show on Schedule J the amount of DISC benefits lost because of boycott participation. Since the DISC benefits are lost at the shareholder level, the shareholder must include in income the prorated share of income attributable to boycott operations shown on line 4(a)(3).

Form 5735
(Rev. January 1982)
Department of the Treasury
Internal Revenue Service

Computation of Possessions Corporation Tax Credit Allowed Under Section 936

▶ Attach to your tax return

OMB No. 1545-0217
Expires 5-31-84

For calendar year 19...... or other tax year beginning ...., 19......, and ending ...., 19......

Name | Employer identification number

Part I Gross Income in Applicable Period

Tax year (Use a separate line for each tax year ending with or within your applicable period. Start with the earliest such tax year. See instruction B.) Beginning (a)	Ending (b)	Name of U.S. possession in which trade or business was actively conducted (c)	Periods in which trade or business was actively conducted in a U.S. possession (Dates are inclusive) From— (d)	To— (e)

Gross income during periods shown in columns (d) and (e)

	Gross income from the active conduct of a trade or business in a U.S. possession: From sources in U.S. possessions (f)	From all other sources outside the U.S. (g)	From sources in the U.S. (h)	Gross qualified possession source investment income (i)	All other gross income: From sources in U.S. possessions (j)	From all other sources outside the U.S. (k)	From sources in the U.S. (l)
Totals							

1 Total gross income in applicable period (add totals of columns (f) through (l)) 1
2 Gross income in applicable period from sources in U.S. possessions (add total of columns (f), (i), and (j)) 2
3 Divide line 2 by line 1 (If less than 80%, do not complete Part II) 3
4 Gross income from the active conduct of a trade or business in a U.S. possession (total of columns (f), (g), and (h)) 4
5 Divide line 4 by line 1 (If less than 50%, do not complete Part II) 5

Part II Computing the Possessions Corporation Tax Credit

6 Qualified gross income in current year:
(a) From sources outside the U.S. from the active conduct of a trade or business in a U.S. possession . . . . . 6(a)
(b) From sources outside the U.S. from sale or exchange of substantially all of assets used in a possessions trade or business . . . . . 6(b)
(c) Gross qualified possession source investment income . . . . . 6(c)
(d) Amounts received in the U.S. . . . . . 6(d)
(e) Total (add lines 6(a), 6(b), and 6(c) and subtract line 6(d)) . . . . . 6(e)
7 Applicable deductions (attach schedule):
(a) Definitely allocable deductions (see instructions) . . . . . 7(a)
(b) Ratable part of deductions not definitely allocable . . . . . 7(b)
(c) Total (add lines 7(a) and 7(b)) . . . . . 7(c)
8 Qualified taxable income before loss adjustments (line 6(e) less line 7(c)). If loss, do not complete below . 8
9 Loss adjustments (attach schedule):
(a) Current year losses from non-qualified sources (see instructions) . . . . . 9(a)
(b) Recapture of prior year overall foreign losses (see instructions) . . . . . 9(b)
(c) Net capital loss or short-term capital loss adjustment (see instructions) . . . . . 9(c)
(d) Total (add lines 9(a), 9(b), and 9(c)) . . . . . 9(d)
10 Qualified taxable income (subtract line 9(d) from line 8) 10
11 Total taxable income from all sources (enter taxable income from your tax return) 11
12 Adjustments to taxable income from all sources (see instructions) 12
13 Subtract line 12 from line 11 13
14 Divide line 10 by line 13 14
15 Total U.S. income tax against which section 936 credit is allowed (see instruction C) 15
16 Section 936 credit (multiply line 14 by line 15). Enter here and on your tax return . . . . . ▶ 16

For Paperwork Reduction Act Notice, see instructions on back.

Instructions

(References are to the Internal Revenue Code)

Paperwork Reduction Act Notice.—The Paperwork Reduction Act of 1980 says we must tell you why we are collecting this information, how we will use it, and whether you have to give it to us. We ask for the information to carry out the Internal Revenue laws of the United States. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax. You are required to give us this information.

GENERAL INSTRUCTIONS

A. Purpose.—A domestic corporation that has elected to be treated as a possessions corporation must attach Form 5735 to its income tax return for each year that the election is in effect. Complete Form 5735 to figure the possessions corporation tax credit under section 936. The credit is allowed against income tax imposed by Chapter 1. Puerto Rico is a U.S. possession for this credit, but the Virgin Islands are not.

B. Qualifying for the Credit.—To qualify for the possessions tax credit, a corporation must:

(1) have filed a valid Form 5712, Election to be Treated as a Possessions Corporation Under Section 936;

(2) have derived 80% or more of its gross income from sources in a U.S. possession during the applicable period immediately before the tax year ended; and

(3) have derived 50% or more of its gross income from the active conduct of a trade or business in a U.S. possession during the applicable period immediately before the tax year ended.

The "applicable period" is generally the shorter of 36 months or the period when the corporation actively conducted a trade or business in a U.S. possession.

C. Restrictions.—A corporation is ineligible to take the possessions tax credit for any tax year it is a DISC or former DISC, or for any tax year in which it owns stock in a DISC or former DISC. (Section 936(f).)

The credit is not allowed against the following taxes:

- minimum tax on tax preference items (section 56).
- tax on accumulated earnings (section 531).
- personal holding company tax (section 541).
- additional tax for recovery of foreign expropriation losses (section 1351).
- tax increase on the early disposition of investment credit property (section 47).
- tax on certain capital gains of electing small business corporations (section 1378).

D. Where to File.—Attach Form 5735 to your income tax return and file your return with the Internal Revenue Service Center, Philadelphia, PA 19255.

SPECIFIC INSTRUCTIONS

Follow sections 638 and 861–864 to determine if the source of gross income, deductions, and taxable income is in or outside the U.S. or in a U.S. possession. If you received any income in the U.S., regardless of its source, do not include it as income from sources outside the U.S. (section 936(b)).

You cannot take a deduction or foreign tax credit for taxes you paid or accrued to a foreign country or U.S. possession, if any of the income on which those taxes were paid or accrued is used in computing the possessions corporation tax credit.

Part I.—

Column (i).—Enter gross qualified possession source investment income in column (i). You must establish to the satisfaction of the Secretary that this income is from either the investment in a U.S. possession of funds derived in the active conduct of a trade or business in that possession, or from the investment itself. Temporary Regulation 7.936–1 gives information about certain deposits in Puerto Rican banks and other financial institutions that may earn qualified income.

In Part II subtract applicable deductions from this income to figure how much investment income qualifies for the credit.

Part II.—

Line 6(b).—Include gross income that came from sources outside the U.S. from selling or exchanging substantially all the assets the possessions corporation used in the active conduct of its trade or business.

Line 7(a).—On line 7(a) include the reduction for the "rate differential portion" (as defined in section 904(b)(3)(F)) of any net capital gain that comes from a foreign source and is included on line 6(e). Also, include the corporation's other definitely allocable deductions.

Line 7(b).—Enter on line 7(b) the ratable part of deductions that cannot be definitely allocated to qualified income. To obtain this figure, reduce the deductions by the amount entered on line 7(a). Multiply this result by the amount obtained when you divide the amount entered on line 6(e) by the gross income on your income tax return.

Line 8.—Do not include income from selling or exchanging any asset whose basis is determined by reference to its basis in another person's hands. If, however, the asset's basis is determined by reference to its basis in the hands of another person to whom section 931, 936, or 957(c) applied during the whole period the asset was held, the income may qualify (see section 936(d)(3)).

Line 9(a).—If you sustain a loss for the current year in the U.S. or on any type of income for which a separate foreign tax credit limit applies, allocate the loss to possessions income that qualifies for the credit in proportion to the ratio of that income to total taxable income, excluding the loss.

Line 9(b).—If you sustain an overall foreign loss in any year, the loss is recaptured in later tax years by treating part of your taxable income from sources outside the U.S. as income from sources in the U.S. (section 904(f)).

Line 9(c).—To the extent any net capital loss or short-term capital loss from sources outside the U.S. is used to determine capital gain net income, it is also used to reduce income against which the credit is allowed. First, however, decrease the loss by the "rate differential portion" of the excess of net capital gain from non-qualified sources over net capital gain. Enter on line 9(c) the amount by which the loss reduces the corporation's income that qualifies for the credit. Attach your computation.

Line 12.—If line 11 includes income from selling or exchanging capital assets, enter the reduction for the "rate differential portion" of net capital gain.

SCHEDULE P (Form 5735)
(March 1984)
Department of the Treasury
Internal Revenue Service

Allocation of Income and Expenses Under Section 936(h)(5)

► Attach to Form 5735

OMB No. 1545-0217
Expires 3/31/87

Attach a separate Schedule P for each product to which the cost sharing or profit split method under section 936(h)(5) applies.

Name as shown on Form 5735	Employer identification number

Identify the product reported on this schedule. (See proposed regulations section 1.936-5(a).) ► ....

Check the box next to the business presence test under which the product qualifies, and show computations on an attached schedule. (See proposed regulations section 1.936-5(a) and (b).)

- ☐ Start-up value added test (for a new product only)
- ☐ 25% value-added test
- ☐ Start-up labor test (for a new product only)
- ☐ 65% labor test
- ☐ 50-70% labor/construction test
- ☐ None of the above (see proposed regulations section 1.936-5(b))

Part I To be completed by all taxpayers.

1 Product area research (see instructions)	1	
2 Sales of the possession product (see instructions)	2	
3 Sales of all products in the product area (see instructions)	3	
4 Cost sharing fraction (divide line 2 by line 3)	4	
5 Gross cost sharing amount (multiply line 1 by line 4)	5	
6 Reductions (see instructions)	6	
7 Net cost sharing amount (subtract line 6 from line 5). Enter here. If the cost sharing method applies, also include on line 7(a) of Part II of Form 5735 and on line 26, page 1, Form 1120 of the possessions corporation	7	

Part II To be completed for profit split method only.

Combined Taxable Income from the Possession Product:

1 Combined gross receipts			1	
2 Combined cost of goods sold				
(a) Inventory at beginning of year			2(a)	
(b) Merchandise bought for manufacture			2(b)	
(c) Salaries and wages allocable or apportionable to the product			2(c)	
(d) Other costs (attach schedule)			2(d)	
(e) Total (add lines 2(a) through 2(d))			2(e)	
(f) Inventory at end of year			2(f)	
(g) Cost of goods sold (subtract line 2(f) from line 2(e))			2(g)	
3 Combined gross income (subtract line 2(g) from line 1)			3	
4 Other combined expenses allocable or apportionable to the product				
(a) Marketing			4(a)	
(b) Cost sharing amount from line 7, Part I	4(b)			
(c) Research and development expenses	4(c)			
(d) Enter the greater of line 4(b) or 4(c)			4(d)	
(e) Other deductions (attach schedule)			4(e)	
(f) Total (add lines 4(a), 4(d), and 4(e))			4(f)	
5 Combined taxable income (subtract line 4(f) from line 3)			5	
6 Possessions corporation's gross income from the product (50% of line 3). Enter here and include in column (f) of Part I of Form 5735, and on line 6(a) of Part II of Form 5735			6	
7 Possessions corporation's applicable deductions (50% of line 4(f)). Enter here and include on line 7(b) of Part II of Form 5735			7	
8 Possessions corporation's taxable income from the product (50% of line 5). Enter here and include on line 10, page 1, Form 1120 of the possessions corporation			8	

For Paperwork Reduction Act Notice, see Form 5735 instructions. Schedule P (Form 5735) (3-84)

Schedule P (Form 5735) (3-84) Page 2

Part III To be completed for profit split method only.

1 Adjustment to research deduction. Enter line 4(b) minus line 4(c) of Part II, but not less than zero	1	
2 Enter line 5 of Part II	2	
3 Enter line 8 of Part II	3	
4 Combined taxable income to be allocated below to U.S. affiliates (Enter line 1 plus line 2 minus line 3)	4	

Schedule of affiliates' shares of combined taxable income reported on line 4 of Part III.

(a) Name of affiliate	(b) Identifying number	(c) Amount of share. Enter here and include on line 10, page 1, Form 1120 of the appropriate affiliate

Part IV To be completed for cost sharing method only.

Schedule of affiliates' shares of cost sharing amount and marketing intangible income

(a) Name of affiliate	(b) Identifying number	(c) Share of cost sharing amount. Enter here and reduce line 26, page 1, Form 1120 of the appropriate affiliate by this amount.	(d) Share of marketing intangible income. Enter here and include on line 10, page 1, Form 1120 of the appropriate affiliate

Instructions

(Section references are to the Internal Revenue Code, unless otherwise noted.)

Purpose of Schedule.—Schedule P must be attached to Form 5735 by a possessions corporation which has elected to use either the cost sharing method or the profit split method of computing taxable income under section 936(h)(5).

Specific Instructions

A separate Schedule P must be filed for each product to which the cost sharing method or profit split method under section 936(h)(5) applies. If you have elected a different method for export sales than for domestic sales of the possession product, two Schedules P must be filed for that product. All taxpayers must complete Part I. Complete Parts II and III if the profit split method applies to the product. Complete Part IV if the cost sharing method applies to the product.

Part I

Line 1.—Enter the amount of product area research expenditures incurred by the possessions corporation and all other members, including foreign persons, of the affiliated group within the meaning of section 482. Product area research includes expenditures deductible under section 174; qualified research expenses within the meaning of section 44F(b); and certain other expenditures. See proposed regulations section 1.936-6(a)(1).

Line 2.—Enter the total sales or other dispositions of the possession product by the affiliated group to persons who are not members of the affiliated group. See proposed regulations section 1.936-6(a)(2).

Line 3.—Enter the total sales or other dispositions of all products in the product area by the affiliated group to persons who are not members of the affiliated group.

Line 6.—Enter the amount of product area research expenditures paid or accrued solely by the possessions corporation. However, do not include amounts paid or accrued to or on behalf of related persons and amounts paid or accrued under any cost sharing arrangement with a related person.

Part II

Use this Part to compute the combined taxable income of the possessions corporation and its U.S. affiliates derived from the possession product.

Line 1.—Enter the combined gross receipts from the sale or other disposition of the possession product by the possessions corporation and its U.S. affiliates to unrelated persons or foreign affiliates.

Line 2.—Enter the sum of the costs of goods sold of the possessions corporation and of its U.S. affiliates which are attributable to the possession product.

Line 4.—Enter the sum of the expenses incurred by the possessions corporation and by its U.S. affiliates which are allocable or apportionable to the possession product.

Note: *The share of combined taxable income of the possessions corporation entered on line 8 of Part II should be reported on line 10, page 1, Form 1120 of the possessions corporation. The shares of combined taxable income of the U.S. affiliates entered in column (c) of Part III should be reported on line 10, page 1, Form 1120 of each affiliate. Gross receipts, costs of goods sold, and expenses of the possessions corporation and its affiliates which are included in Part II should not be reported on any Form 1120 filed by the possessions corporation or its affiliates.*

Part III

The amount on line 4 will be allocated to the members of the affiliated group in accordance with proposed regulations section 1.936-6(b)(1). The total of column (c) should equal the amount entered on line 4, Part III.

Part IV

Enter in column (c), Part IV the share of the cost sharing amount (computed in line 7 of Part I) which is allocated to each of the members of the affiliated group in accordance with proposed regulations section 1.936-6(a)(5). Also use column (d), Part IV to enter the share of marketing intangible income which is allocated to each of the members of the affiliated group in accordance with proposed regulations section 1.936-6(a)(5).

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