

TABLE 1: Estimated Cost of Corporate Income Tax Compliance by Amount of Company's Annual Sales

Annual Sales (Thousands of \$)	Compliance Cost-to-Sales Ratio (%)	Estimated Compliance Cost (\$)
1,000	0.50	5,025
25,000	0.50	126,000
50,000	0.50	251,000
100,000	0.47	470,000
250,000	0.13	325,000
500,000	0.13	650,000
750,000	0.12	900,000
1,250,000	0.07	875,000
2,000,000	0.08	1,600,000
3,000,000	0.07	2,100,000
5,000,000	0.07	3,500,000
7,500,000	0.05	3,750,000
10,000,000	0.05	5,000,000

Source: Arthur P. Hall, The High Cost of Tax Compliance for U.S. Business,
Special Report No. 25, Tax Foundation, November 1993.
