

# Corporate Foreign Tax Credit, 1994

by Robin A. Robison and Sarah E. Nutter

For 1994, there were 7,199 U.S. corporations claiming a foreign tax credit, which totaled \$25.4 billion. These corporations paid \$26.5 billion in income taxes to foreign governments on \$101.5 billion of foreign-source taxable income. By claiming the foreign tax credit, their “regular” U.S. tax liability was reduced from \$90.8 billion (U.S. income tax before credits) to \$65.4 billion, a 28-percent reduction. Other credits, including the U.S. possessions tax credit and the general business credit, reduced their tax liability to \$60.7 billion.

Overall, U.S. corporations claiming a foreign tax credit reported “worldwide taxable income” (i.e., both U.S. and foreign-source income) of \$255.4 billion (\$153.9 billion in U.S.-source taxable income and \$101.5 billion in foreign-source taxable income). Approximately 39.7 percent of their “worldwide taxable income” (i.e., “income subject to U.S. tax” in the statistics, the base on which the “regular” U.S. income tax liability was calculated) was derived from foreign sources, a 1.7-percent decline from 1993. Worldwide income taxes for these corporations increased from \$78.5 billion for 1993 to \$87.0 billion for 1994 [1].

The United Kingdom, Canada, Germany, Japan, Brazil, the Netherlands, France, and Mexico were the leading sources of foreign income for U.S. corporations claiming the foreign tax credit. Combined, these eight countries accounted for nearly half of the \$101.5 billion in foreign-source taxable income and more than 55 percent of the \$26.5 billion in current-year foreign taxes.

Collectively, U.S. manufacturers and finance, insurance, and real estate corporations accounted for \$85.6 billion (84.3 percent) of foreign-source taxable income. Together, corporations in these industry groupings accounted for \$22.4 billion (84.6 percent) of the \$26.5 billion in income taxes paid to foreign governments. These corporations were able to reduce their U.S. tax liability from \$72.4 billion (U.S. income tax before credits) to \$50.9 billion with a \$21.5 billion foreign tax credit.

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## Background

Since the enactment of the Revenue Act of 1918, the foreign tax credit provisions have allowed U.S. corporations to reduce the impact of double taxation. U.S. corporations are subject to U.S. taxation on their worldwide income [2]. The foreign tax credit permits a dollar-for-dollar offset of U.S. tax liability, subject to certain limitations, for foreign income taxes paid to a foreign tax authority [3].

The foreign tax credit provisions have been modified many times. Before the Revenue Act of 1921, taxpayers were allowed an unlimited credit that, in effect, permitted an offset of some of the U.S. tax on domestic earned income. The Revenue Act of 1921 introduced the “overall limitation” to restrict the foreign tax credit to an amount equivalent to the U.S. tax on foreign-source taxable income. It was computed by multiplying the U.S. tax liability by the ratio of foreign-source to worldwide taxable income. The “overall” limitation has been a fundamental part of the foreign tax credit provisions, except for a brief period beginning after the enactment of the Internal Revenue Code of 1954 and lasting until the passage of Public Law 86-870 in 1960. Currently, Code section 904 limits the foreign tax credit to foreign income taxes imposed on foreign-source income to the extent that those taxes do not exceed the U.S. income tax on that foreign-source income.

At various times, Congress incorporated a “per-country” limitation, which required taxpayers to calculate a foreign tax credit limitation on a country-by-country basis. This limitation under Internal Revenue Code section 904 was applied to foreign income taxes from each country. The “per-country” limitation was intended to prevent taxpayers from using foreign taxes incurred on income earned in a higher-tax foreign country to offset U.S. taxes on income earned in a lower-tax foreign country. In various forms, this per-country limitation was operational from 1932 until 1976 [4].

The Revenue Act of 1962 further restricted the foreign tax credit claimed by limiting the credit based on type of income. The 1962 Act required taxpayers to compute a separate category limitation for investment interest income. The types of income subject to separate limitation have been expanded since the 1962 Act, especially under the Tax Reform Act of 1986. For 1994, in addition to the overall limitation,

## Corporate Foreign Tax Credit, 1994

taxpayers had to compute a separate foreign tax credit limitation for the following categories: passive income, high withholding tax interest, financial services income, shipping income, dividends from each "noncontrolled" Code section 902 foreign corporation, dividends from Interest Charge-Domestic International Sales Corporations (IC-DISC's) or former DISC's, foreign trade income (which is not included in these statistics), certain distributions from Foreign Sales Corporations (FSC's) or former FSC's, and "all other income from outside the United States." Income related to Code section 904(g) and 901(j) is also presented in the statistics. The categories are described in more detail in the Explanation of Selected Terms section below [5].

Congress first allowed a carryover of excess (or unused) foreign taxes in the Technical Amendments Act of 1958. For 1994, the carryover provision allowed foreign taxes that exceeded the limitations, previously described, to be carried back 2 years and then carried forward 5 years. Foreign taxes could be

used as a credit for those years, to the extent the foreign taxes did not exceed the foreign-source income category limitation for each year. The foreign taxes available for credit shown in this article include only those carried over to 1994 from previous years; no taxes carried back to 1994 are included in the statistics.

Current-year foreign taxes, i.e., taxes excluding the carryover, are shown as "foreign taxes paid, accrued, and deemed paid," in Table 1, column 43, and in Figure A. Excluded are taxes paid to certain sanctioned countries under Code section 901(j), which cannot be used in computing the foreign tax credit. For a further discussion of Code section 901(j), see "income related to section 901(j)" in the Explanation of Selected Terms section of this article.

For 1994, foreign-source taxable income is shown under "foreign taxable income (less loss) before adjustments," in Table 1, column 37, and in Figure A. Foreign-source taxable income is gross foreign-source income less deductions before any

Figure A

### U.S. Corporation Returns with a Foreign Tax Credit: Income Subject to U.S. Tax, Foreign-Source Taxable Income, Current-Year Foreign Taxes, and Foreign Tax Credit, Tax Years 1978-1994

[Money amounts are in millions of dollars]

Tax year	Number of returns	Income subject to U.S. tax	Foreign-source taxable income (less loss) <sup>1</sup>		Current-year foreign taxes <sup>3</sup>		Foreign tax credit	
			Amount	As a percentage of worldwide taxable income <sup>2</sup>	Amount	As a percentage of foreign-source taxable income <sup>4</sup>	Amount	As a percentage of current-year foreign taxes <sup>5</sup>
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1978.....	6,039	142,562	65,150	45.7	40,652	62.4	26,358	64.8
1980.....	6,199	138,602	70,541	50.9	29,996	42.5	24,880	82.9
1982.....	4,941	107,213	59,482	55.5	22,795	38.3	18,932	83.1
1984.....	4,841	133,136	63,588	47.8	23,328	36.7	21,420	91.8
1986.....	4,506	130,826	65,809	50.3	23,103	35.1	22,261	96.4
1988 <sup>6</sup> .....	4,230	226,313	99,875	44.1	29,427	29.5	27,110	92.1
1990.....	4,960	198,655	99,614	50.1	27,514	27.6	24,987	90.8
1991 <sup>6</sup> .....	4,597	182,740	75,183	41.1	23,695	31.5	21,096	89.0
1992.....	5,147	194,204	86,925	44.8	22,574	26.0	21,533	95.4
1993.....	6,322	228,688	94,687	41.4	23,716	25.0	22,895	96.5
1994.....	7,199	255,439	101,521	39.7	26,470	26.1	25,419	96.0

<sup>1</sup> For 1994, foreign-source taxable income is reported as "foreign taxable income (less loss) before adjustments," in Table 1, column 37, at the end of this article.

<sup>2</sup> Foreign-source taxable income (column 3) divided by income subject to U.S. tax (column 2). Worldwide taxable income is equal to income subject to U.S. tax.

<sup>3</sup> For 1994, current-year foreign taxes are reported as "foreign taxes paid, accrued, and deemed paid," in Table 1, column 43, at the end of this article.

<sup>4</sup> Current-year foreign taxes (column 5) divided by foreign-source taxable income (column 3).

<sup>5</sup> Foreign tax credit (column 7) divided by current-year foreign taxes (column 5).

<sup>6</sup> Because limited data were collected for 1988 and 1991, the amount of foreign-source taxable income (column 3) reported is after adjustments, such as for allocations of current-year U.S.-source losses and recapture of foreign losses. Foreign-source taxable income shown for all other years is before these adjustments.

## Corporate Foreign Tax Credit, 1994

adjustments. Prior to the Tax Reform Act of 1986, if a corporation sustained a foreign-source loss in an income category having a separate limitation basket, the loss reduced the corporation's U.S.-source income before reducing the foreign-source income from another category. The Tax Reform Act of 1986 amended Code section 904(f). In general, this section changed the order in which U.S.- and foreign-source incomes are adjusted by domestic and foreign-source losses. Currently, there are several adjustments to foreign-source income. The adjustments include: allocation of current-year foreign-source losses across the categories; an overall foreign loss adjustment (if there was a reduction to U.S.-source income for the current tax year from foreign-losses); recapture of overall foreign-source losses (if there were U.S.-source losses in prior years that reduced U.S.-source income); recharacterization of separate limitation income (foreign-source losses allocated to separate limitation categories with income in a prior year must be

recharacterized as income of the income categories to which the loss was allocated in the prior year); and allocation of current-year U.S.-source losses [6].

### Foreign Tax Credit

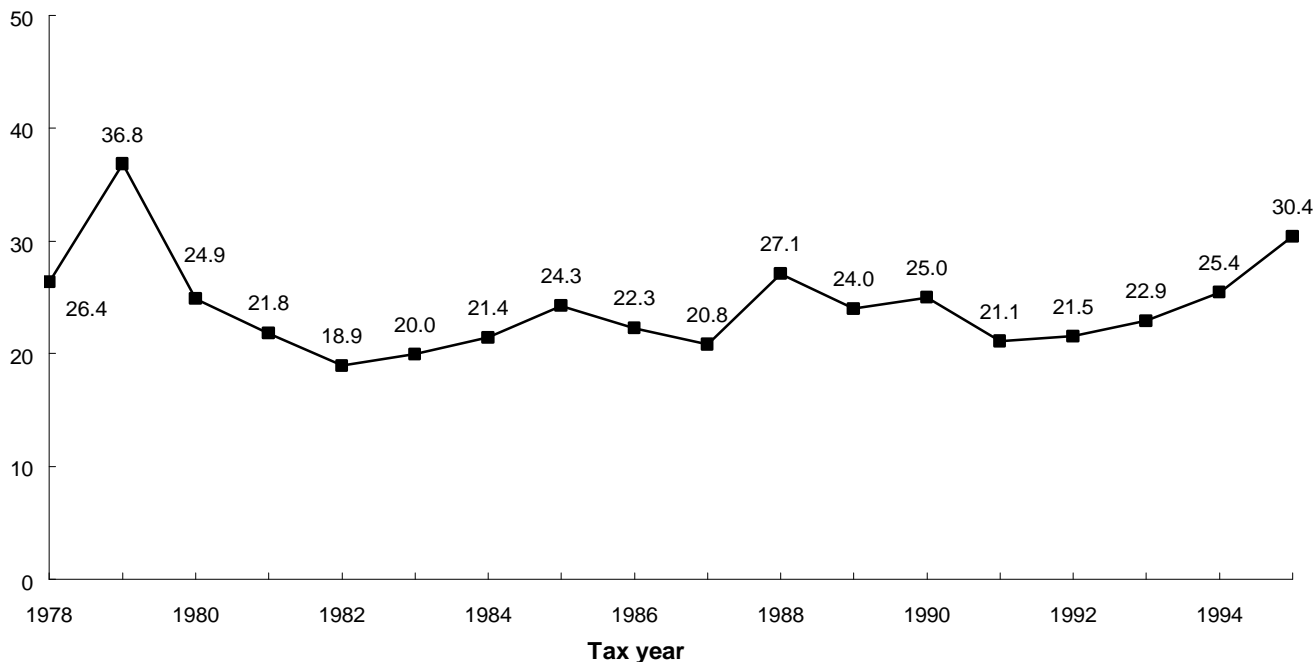
For 1994, U.S. corporations claiming a foreign tax credit reported \$255.4 billion of "worldwide taxable income" and \$90.8 billion of U.S. income tax before credits. The foreign tax credit reduced the tax liability of these U.S. corporations to \$65.4 billion, a 28-percent reduction. U.S. corporations with income from operations in the United Kingdom, Canada, Germany, Japan, Brazil, the Netherlands, France, and Mexico claimed the bulk of the foreign tax credit. Those corporations within the manufacturing and finance, insurance, and real estate industry classifications claimed 84.5 percent (or \$21.5 billion) of the total foreign tax credit.

Following the decline of the early 1980's to \$18.9 billion, the foreign tax credit climbed during the latter part of the decade to \$27.1 billion for 1988 (Figure B),

Figure B

### U.S. Corporation Returns with a Foreign Tax Credit: Total Foreign Tax Credit, Tax Years 1978-1995

(Billions of dollars)



## Corporate Foreign Tax Credit, 1994

then declined again. This decline continued through 1991 to \$21.1 billion. Since then, the trend is reversing. The foreign tax credit increased from \$21.5 billion for 1992 to \$25.4 billion for 1994. A portion of the fluctuation in the total foreign tax credit may be explained by the level of U.S. tax obligations each year (the foreign tax credit is limited by the amount of U.S. taxes for a given year).

The number of U.S. corporations claiming a foreign tax credit fell 32 percent during the 1980's, from 6,199 for 1980 to 4,230 for 1988. For 1990, the number increased to 4,960; this was followed by a decrease to 4,597 for 1991. After 1991, there was a steady climb in the number of corporations claiming the foreign tax credit. There was nearly a 14-percent increase from 6,322 for 1993 to 7,199 for 1994.

As Figure A shows, current-year foreign taxes as a percentage of foreign-source taxable income declined from 62.4 percent for 1978 to 25.0 percent for 1993. For 1994, there was a slight increase to 26.1 percent. In part, the overall decrease in rates may be due to the decline in nominal corporate tax rates that occurred in many foreign countries during the 1980's and 1990's [7]. During this same time period, the foreign tax credit as a percentage of current-year foreign taxes generally increased, from 64.8 percent for 1978 to 96.5 for 1993. However, the percentage decreased slightly for 1994. Foreign-source taxable income (less loss) as a percentage of "worldwide taxable income" for 1994 was 39.7 percent, down 1.7 percent from 1993, as U.S. taxable income accounted for a growing proportion of the total.

### **Industry Composition**

For 1994, U.S. corporations classified in manufacturing or finance, insurance, and real estate continued to account for the bulk of the foreign-source taxable income, current-year taxes, and foreign tax credits (Figure C). U.S. manufacturers reported \$63.3 billion, or 62.4 percent, of total foreign-source taxable income (less loss). U.S. manufacturers also reported 71.1 percent of current-year foreign taxes and 70.0 percent of the total foreign tax credit. Within manufacturing, the three leading contributors to foreign-source taxable income were corporations within the petroleum and coal products, pharmaceuticals and drugs, and motor vehicles industry groupings. U.S. manufacturers of petroleum and

coal products reported 12.6 percent of the U.S. total for foreign-source taxable income (less loss), 19.6 percent of the total current-year foreign taxes, and an average foreign tax rate of nearly 41 percent (for the purposes of this article, average foreign tax rates are defined as current-year foreign taxes divided by foreign-source taxable income (less loss) before adjustments).

Another 14.5 percent of the foreign tax credit was claimed by corporations within finance, insurance, and real estate (mainly banks and insurers) with \$22.3 billion, or 21.9 percent, of total foreign-source taxable income (less loss). They also accounted for 13.5 percent of current-year foreign taxes and an average 1994 foreign tax rate of 16.1 percent. Within the banking classification alone, corporations reported \$12.8 billion, or 57.6 percent, of the foreign-source taxable income for finance, insurance, and real estate; the insurance classification accounted for \$6.1 billion, or 27.3 percent.

Collectively, all other industry groupings accounted for \$15.9 billion in foreign-source taxable income, \$4.1 billion of current-year foreign taxes, and \$3.9 billion of the total foreign tax credit. Except for transportation and public utilities, wholesale and retail trade, and services, there was relatively little change in the downward trend in average 1994 foreign tax rates for most industries. As shown in Figure C, the most noticeable change was the increase in average foreign tax rates for corporations classified in transportation and public utilities. These corporations reported a 7.7-percentage-point average rate increase, from 13.0 for 1993 to 20.7 for 1994. In comparison, the tax rates for corporations engaged in wholesale and retail trade and for those in the service industry increased by 2.7 and 2.2 percentage points, respectively.

### **Geographic Sources of Foreign Income and Taxes**

European countries continued to account for much of the foreign-source taxable income and current-year foreign taxes reported by U.S. corporations claiming a foreign tax credit (Figures D, E, and F). For 1994, European countries were the source of 39.4 percent of the \$101.5 billion in foreign-source taxable income (less loss) and 45.1 percent of the \$25.6 billion in current-year foreign taxes. These percent-

# Corporate Foreign Tax Credit, 1994

Figure C

## U.S. Corporation Returns with a Foreign Tax Credit: Foreign-Source Taxable Income, Current-Year Foreign Taxes, and Foreign Tax Credit, by Selected Industrial Group, Tax Years 1993 and 1994

[Money amounts are in millions of dollars]

Selected industrial group	Number of returns	Foreign-source taxable income <sup>1</sup> (less loss)	Current-year foreign taxes <sup>2</sup>	Foreign tax credit	Current-year foreign taxes as a percentage of foreign-source taxable income	
					Column 3 ÷ column 2	Increase over previous year
	(1)	(2)	(3)	(4)	(5)	(6)
<b>1994</b>						
<b>All industries.....</b>	<b>7,199</b>	<b>101,521</b>	<b>26,470</b>	<b>25,419</b>	<b>26.1</b>	<b>1.1</b>
<b>Mining.....</b>	<b>352</b>	<b>2,232</b>	<b>813</b>	<b>665</b>	<b>36.4</b>	<b>-5.8</b>
<b>Manufacturing.....</b>	<b>1,606</b>	<b>63,335</b>	<b>18,810</b>	<b>17,796</b>	<b>29.7</b>	<b>0.6</b>
Food and kindred products.....	85	5,117	1,406	1,401	27.5	-0.8
Drugs.....	56	6,868	2,004	1,960	29.2	-0.5
Petroleum (incl. integrated) and coal products.....	23	12,756	5,193	4,353	40.7	2.1
Electrical and electronic equipment.....	210	5,941	1,366	1,330	23.0	1.8
Motor vehicles and equipment.....	39	6,487	1,663	1,700	25.6	0.1
<b>Transportation and public utilities.....</b>	<b>176</b>	<b>4,657</b>	<b>965</b>	<b>956</b>	<b>20.7</b>	<b>7.7</b>
<b>Wholesale and retail trade.....</b>	<b>960</b>	<b>4,014</b>	<b>1,127</b>	<b>1,087</b>	<b>28.1</b>	<b>2.7</b>
<b>Finance, insurance, and real estate.....</b>	<b>2,093</b>	<b>22,250</b>	<b>3,579</b>	<b>3,691</b>	<b>16.1</b>	<b>-0.5</b>
Banking.....	86	12,825	1,848	1,936	14.4	-0.1
Insurance.....	221	6,075	1,044	1,024	17.2	-0.1
<b>Services.....</b>	<b>1,695</b>	<b>4,514</b>	<b>1,035</b>	<b>1,086</b>	<b>22.9</b>	<b>2.2</b>
<b>1993</b>						
<b>All industries.....</b>	<b>6,322</b>	<b>94,687</b>	<b>23,716</b>	<b>22,895</b>	<b>25.0</b>	<b>-0.9</b>
<b>Mining.....</b>	<b>328</b>	<b>1,766</b>	<b>746</b>	<b>328</b>	<b>42.2</b>	<b>0.9</b>
<b>Manufacturing.....</b>	<b>1,455</b>	<b>57,584</b>	<b>16,749</b>	<b>16,345</b>	<b>29.1</b>	<b>0.8</b>
Food and kindred products.....	80	4,147	1,175	1,158	28.3	-3.2
Drugs.....	33	6,460	1,916	1,886	29.7	1.2
Petroleum (incl. integrated) and coal products.....	21	12,594	4,856	4,240	38.6	-0.1
Electrical and electronic equipment.....	179	4,943	1,048	1,050	21.2	-0.7
Motor vehicles and equipment.....	37	9,580	2,442	2,684	25.5	-4.4
<b>Transportation and public utilities.....</b>	<b>177</b>	<b>2,561</b>	<b>334</b>	<b>343</b>	<b>13.0</b>	<b>-8.3</b>
<b>Wholesale and retail trade.....</b>	<b>998</b>	<b>3,061</b>	<b>779</b>	<b>733</b>	<b>25.4</b>	<b>-5.5</b>
<b>Finance, insurance, and real estate.....</b>	<b>2,073</b>	<b>25,750</b>	<b>4,268</b>	<b>4,149</b>	<b>16.6</b>	<b>-0.4</b>
Banking.....	90	16,204	2,354	2,297	14.5	1.5
Insurance.....	207	5,343	923	886	17.3	-1.5
<b>Services.....</b>	<b>1,035</b>	<b>3,625</b>	<b>749</b>	<b>706</b>	<b>20.7</b>	<b>-1.0</b>

<sup>1</sup> For 1994, foreign-source taxable income is reported as "foreign taxable income (less loss) before adjustments," in Table 1, column 37, at the end of this article.

<sup>2</sup> "Foreign taxes paid, accrued, and deemed paid".

NOTES: Detail may not add to totals because of rounding. Construction and Agriculture, forestry, and fishing not shown, but are included in the "All industries" totals. Estimates subject to high sampling error are not identified in this figure. Therefore, data presented should be used in conjunction with the underlying estimates in Tables 1-3 and with prior-year estimates presented in previous issues of the Bulletin, where data subject to high sampling error are identified by asterisk (\*). Sampling error should also be considered in evaluating the precision of any data or percentage increases or decreases from 1993 to 1994.

ages are only slightly different from 1993.

There was a substantial increase in income reported as "country not stated" due to changes in taxpayer reporting (Figure G). For 1994, this amount was \$13.8 billion (13.6 percent) of total foreign-source taxable income (less loss). For 1993, this amount was \$1.5 billion (1.7 percent) of total foreign-source taxable income (less loss). This change

can, in part, be attributed to a significant increase in income reported under Code section 862 (mostly income reported by banks) and Code section 863(b) (relating to the allocation of income partly from the United States and partly from abroad).

Eight countries accounted for nearly half of the total foreign-source taxable income (less loss) for 1994. The United Kingdom (12.5 percent), Canada

# Corporate Foreign Tax Credit, 1994

Figure D

## U.S. Corporation Returns with a Foreign Tax Credit: Foreign-Source Taxable Income, by Selected Geographic Area and Country, Tax Year 1994

[Money amounts are in thousands of dollars]

Selected geographic area or country	Foreign-source taxable income (less loss)	Percentage of total	Current-year foreign taxes	Percentage of total
	(1)	(2)	(3)	(4)
<b>All countries</b> .....	<b>101,521,278</b>	<b>100.0</b>	<b>26,469,625</b>	<b>100.0</b>
<b>Canada</b> .....	<b>8,334,461</b>	<b>8.2</b>	<b>2,308,943</b>	<b>8.7</b>
<b>Latin America</b> .....	<b>12,605,397</b>	<b>12.4</b>	<b>2,491,314</b>	<b>9.4</b>
Brazil.....	5,452,370	5.4	856,897	3.2
Mexico.....	2,803,605	2.8	597,537	2.3
<b>Europe</b> .....	<b>39,962,665</b>	<b>39.4</b>	<b>11,927,114</b>	<b>45.1</b>
France.....	3,312,288	3.3	1,015,580	3.8
Germany.....	6,845,842	6.7	2,509,780	9.5
Italy.....	1,879,575	1.9	727,850	2.7
Netherlands.....	4,455,336	4.4	1,221,033	4.6
Spain.....	1,277,435	1.3	535,846	2.0
United Kingdom.....	12,701,295	12.5	2,966,069	11.2
<b>Africa</b> .....	<b>2,411,088</b>	<b>2.4</b>	<b>798,449</b>	<b>3.0</b>
<b>Asia</b> .....	<b>18,739,594</b>	<b>18.5</b>	<b>6,967,529</b>	<b>26.3</b>
Hong Kong.....	2,633,378	2.6	365,056	1.4
Indonesia.....	2,594,734	2.6	1,303,228	4.9
Japan.....	6,502,038	6.4	3,264,434	12.3
<b>Oceania</b> .....	<b>3,453,441</b>	<b>3.4</b>	<b>1,011,255</b>	<b>3.8</b>
Australia.....	2,685,635	2.6	749,886	2.8
<b>All other</b> <sup>1</sup> .....	<b>16,014,632</b>	<b>15.8</b>	<b>965,021</b>	<b>3.6</b>

<sup>1</sup> Includes country not stated.

NOTES: Estimates subject to high sampling error are not identified in this figure. Therefore, data presented should be used in conjunction with the underlying estimates in Tables 1-3 and with prior-year estimates presented in previous issues of the Bulletin, where data subject to high sampling error are identified by asterisk (\*).

(8.2 percent), Germany (6.7 percent), Japan (6.4 percent), Brazil (5.4 percent), the Netherlands (4.4 percent), France (3.3 percent), and Mexico (2.8 percent), together, accounted for 49.7 percent of the foreign source taxable income. For 1993, this ranking was only slightly different: the United Kingdom (14.4 percent), Canada (8.9 percent), Brazil (7.8 percent), Japan (7.5 percent), Germany (5.8 percent), and Mexico (5.5 percent) reported 49.9 percent of \$94.7 billion in foreign-source taxable income.

Figure G presents foreign-source taxable income (less loss) by selected industries and countries for 1994. Manufacturers reported the majority of the foreign-source taxable income generated in seven of the eight principal countries for 1994. More than half of the \$12.7 billion U.K.-source taxable income was from manufacturers (\$8.0 billion), driven by \$1.9 billion in chemicals and allied products and \$1.9 billion in petroleum. U.S. manufacturers in Japan, Germany, the Netherlands, and France accounted for more than three-fourths of the foreign-source taxable

income reported for those countries. Motor vehicle and equipment manufacturers with operations in Canada and Germany, collectively, contributed 35.9 percent of the \$6.5 billion of foreign-source taxable income (less loss) reported for this industry group.

The majority of the non-manufacturing foreign-source taxable income (less loss) was from finance, insurance, and real estate corporations. Within this industry grouping, corporations with operations in the United Kingdom, Canada, and Brazil contributed 36.6 percent (or \$8.2 billion). Brazilian-source taxable income (less loss), alone, totaled \$5.5 billion. The majority, 57.9 percent, or \$3.2 billion, of the Brazilian-source taxable income was from banking. In fact, nearly one-fourth of all foreign-source taxable income from banking was from Brazil.

### Oil and Gas Extraction Income

Oil and gas extraction income, deductions, and taxes are reported separately by U.S. corporations claiming a foreign tax credit related to that income [8]. Under

# Corporate Foreign Tax Credit, 1994

Figure E

Figure F

# Corporate Foreign Tax Credit, 1994

Figure G

## U.S. Corporation Returns with a Foreign Tax Credit: Foreign-Source Taxable Income from Selected Countries by Selected Industrial Grouping, Tax Year 1994

[Money amounts are in thousands of dollars]

Selected industrial group	All countries	United Kingdom	Canada	Brazil	Japan
	(1)	(2)	(3)	(4)	(5)
<b>All industries.....</b>	<b>101,521,278</b>	<b>12,701,295</b>	<b>8,334,461</b>	<b>5,452,370</b>	<b>6,502,038</b>
<b>Agriculture, forestry and fishing.....</b>	<b>176,518</b>	<b>93,589</b>	<b>1,588</b>	<b>9,039</b>	<b>383</b>
<b>Mining.....</b>	<b>2,232,123</b>	<b>106,127</b>	<b>128,353</b>	<b>37,656</b>	<b>326</b>
<b>Construction.....</b>	<b>342,776</b>	<b>19,056</b>	<b>58,215</b>	<b>51</b>	<b>22,163</b>
<b>Manufacturing.....</b>	<b>63,334,986</b>	<b>7,979,868</b>	<b>4,978,507</b>	<b>2,251,563</b>	<b>5,100,100</b>
Chemicals and allied products <sup>1</sup> .....	14,235,278	1,886,646	715,681	406,213	1,124,143
Petroleum (including integrated) and coal products.....	12,755,908	1,935,082	745,460	58,877	537,570
Motor vehicles and equipment.....	6,486,770	337,582	1,314,039	988,290	170,308
<b>Transportation and public utilities.....</b>	<b>4,656,752</b>	<b>213,983</b>	<b>445,166</b>	<b>-28,204</b>	<b>546,042</b>
<b>Wholesale and retail trade.....</b>	<b>4,013,948</b>	<b>599,376</b>	<b>323,621</b>	<b>44,827</b>	<b>368,496</b>
<b>Finance, insurance, and real estate.....</b>	<b>22,250,486</b>	<b>3,239,079</b>	<b>1,865,036</b>	<b>3,049,748</b>	<b>2,826</b>
Banking.....	12,824,563	1,409,710	-33,079	3,155,430	-633,000
Insurance.....	6,075,017	766,385	1,630,357	62,592	597,638
<b>Services.....</b>	<b>4,513,689</b>	<b>450,217</b>	<b>533,974</b>	<b>87,691</b>	<b>461,701</b>

Selected industrial group	Germany	Mexico	Netherlands	France	Country not stated
	(6)	(7)	(8)	(9)	(10)
<b>All industries.....</b>	<b>6,845,842</b>	<b>2,803,605</b>	<b>4,455,336</b>	<b>3,312,288</b>	<b>13,772,754</b>
<b>Agriculture, forestry and fishing.....</b>	<b>6,146</b>	<b>9,142</b>	<b>2,060</b>	<b>12,782</b>	<b>5,178</b>
<b>Mining.....</b>	<b>-298</b>	<b>5,106</b>	<b>133,447</b>	<b>-26</b>	<b>23,711</b>
<b>Construction.....</b>	<b>940</b>	<b>5,924</b>	<b>19,667</b>	<b>8</b>	<b>-719</b>
<b>Manufacturing.....</b>	<b>5,683,267</b>	<b>2,040,444</b>	<b>3,594,900</b>	<b>2,685,843</b>	<b>3,556,592</b>
Chemicals and allied products <sup>1</sup> .....	1,368,176	517,555	879,731	720,024	453,184
Petroleum (including integrated) and coal products.....	433,563	12,895	1,073,637	89,576	-356,298
Motor vehicles and equipment.....	1,012,131	342,990	74,575	208,854	756,810
<b>Transportation and public utilities.....</b>	<b>131,959</b>	<b>280,619</b>	<b>59,739</b>	<b>68,692</b>	<b>1,496,143</b>
<b>Wholesale and retail trade.....</b>	<b>218,044</b>	<b>74,588</b>	<b>89,921</b>	<b>130,363</b>	<b>688,494</b>
<b>Finance, insurance, and real estate.....</b>	<b>397,699</b>	<b>297,613</b>	<b>102,231</b>	<b>438,505</b>	<b>7,515,873</b>
Banking.....	188,042	137,823	-43,666	202,253	7,165,313
Insurance.....	95,595	48,796	111,109	186,218	362,968
<b>Services.....</b>	<b>408,086</b>	<b>90,169</b>	<b>453,370</b>	<b>-23,878</b>	<b>487,482</b>

<sup>1</sup> The sum of industrial plastics and synthetic material, drugs, and other chemicals, shown in Table 1.

NOTES: Estimates subject to high sampling error are not identified in this figure. Therefore, data presented should be used in conjunction with the underlying estimates in Tables 1-3 and with prior-year estimates presented in previous issues of the Bulletin, where data subject to high sampling error are identified by asterisk (\*).

Code section 907, separate rules govern foreign oil and gas income, allowing a tax credit for income from certain activities and denying a tax credit for other types of income. Code section 907 provides a limitation calculation comparable to Code section 904, so that the taxes paid by a corporation are creditable taxes as long as they do not exceed the maximum U.S. tax rate. The excess (or unused) taxes can be carried back 2 or forward 5 years.

Figure H shows foreign oil and gas extraction income, deductions and taxes for selected countries

for 1994. The foreign-source taxable income (less loss) related to foreign oil and gas extraction income, \$8.2 billion, was computed as the difference between oil and gas gross income (less loss) of \$14.6 billion and deductions from oil and gas-related income of \$6.4 billion, as shown in Table 1, columns 23 and 36 respectively and Figure H.

Foreign taxes paid with respect to foreign oil and gas extraction income frequently can consist of two parts. One part may be characterized as a foreign tax that is creditable, and the second part may be charac-



## Corporate Foreign Tax Credit, 1994

terized as a royalty payment in exchange for receiving a specific economic benefit (such as the right to extract a natural resource owned by the foreign government). Section 907 of the Code provides rules that the taxpayer must use to determine the part of the foreign oil and gas income tax that can be credited. The current-year taxes column of Figure H includes those foreign taxes that have been determined by the taxpayer to be creditable. Those foreign taxes that are considered royalty payments are treated as a deductible business expense and are, therefore, included in the deductions column of Figure H.

The majority of the corporations reporting oil and gas extraction income were classified in three industrial groups: manufacturing of petroleum and coal products (76.9 percent), oil and gas extraction

(12.5 percent), and manufacturing of industrial plastics and synthetic materials (9.5 percent). About 90.8 percent of the foreign oil and gas extraction gross income (less loss) was from the 17 countries shown in Figure H. For 1994, there was an increase in foreign oil and gas extraction gross income (less loss) for seven of these countries, as Figure I shows.

### Organizational Structure of Foreign Operations

U.S. corporations seeking to establish an overseas presence may do so by investing in an existing foreign corporation, forming a wholly-owned subsidiary corporation under the laws of a foreign country, creating a partnership under the laws of a foreign country, or operating through an unincorporated foreign branch. Investments in an existing foreign

Figure H

### U.S. Corporation Returns with a Foreign Tax Credit: Foreign Oil and Gas Extraction Gross Income, Deductions, and Taxes, by Selected Industrial Group and Selected Country, Tax Year 1994

[Money amounts are in millions of dollars]

Industrial group, country	Foreign oil and gas extraction			
	Gross income (less loss)	Deductions	Foreign-source taxable income less loss <sup>1</sup>	Taxes
	(1)	(2)	(3)	(4)
<b>Selected industrial group:</b>				
All industries.....	14,575	6,390	8,185	3,379
Petroleum manufacturing.....	11,205	4,949	6,256	2,675
Oil and gas extraction.....	1,827	793	1,034	387
Industrial plastics and synthetic materials manufacturing.....	1,380	558	822	291
<b>Selected country:</b>				
All countries.....	14,575	6,390	8,185	3,379
United Kingdom.....	2,223	897	1,326	462
Indonesia.....	2,027	547	1,480	677
Norway.....	1,837	869	968	465
Australia.....	1,239	640	599	171
Nigeria.....	1,082	189	893	354
Canada.....	876	320	556	190
Netherlands.....	872	177	695	229
Malaysia.....	677	258	419	138
Thailand.....	540	42	498	177
Egypt.....	464	222	242	85
Trinidad and Tobago.....	380	200	180	72
Colombia.....	259	122	137	54
Saudi Arabia.....	228	224	4	6
United Arab Emirates.....	208	140	68	26
Argentina.....	171	81	90	25
Denmark.....	162	92	70	23
Former Soviet Union.....	-4	137	-141	20

<sup>1</sup> Foreign-source taxable income is equal to gross income (less loss), column 1, minus deductions, column 2.

NOTES: Estimates subject to high sampling error are not identified in this figure. Therefore, data presented should be used in conjunction with the underlying estimates in Tables 1-3 and with prior-year estimates presented in previous issues of the Bulletin, where data subject to high sampling error are identified by asterisk (\*).

# Corporate Foreign Tax Credit, 1994

Figure I

## U.S. Corporation Returns with a Foreign Tax Credit: Foreign Oil and Gas Extraction Gross Income, by Selected Country, Tax Years 1993 and 1994

[Money amounts are in millions of dollars]

Selected country	1993 gross	1994 gross	Increase from 1993 to 1994	
	income (less loss)	income (less loss)	Amount	Percentage
	(1)	(2)	(3)	(4)
<b>All countries.....</b>	<b>13,681</b>	<b>14,575</b>	<b>894</b>	<b>6.5</b>
United Kingdom.....	2,458	2,223	-235	-9.6
Indonesia.....	1,359	2,027	668	49.2
Norway.....	2,365	1,837	-528	-22.3
Australia.....	1,414	1,239	-175	-12.4
Nigeria.....	813	1,082	269	33.1
Canada.....	581	876	295	50.8
Netherlands.....	609	872	263	43.2
Malaysia.....	678	677	-1	-0.1
Thailand.....	26	540	514	1,976.9
Egypt.....	494	464	-30	-6.1
Trinidad and Tobago.....	386	380	-6	-1.6
Colombia.....	299	259	-40	-13.4
Saudi Arabia.....	142	228	86	60.6
United Arab Emirates.....	442	208	-234	-52.9
Argentina.....	156	171	15	9.6
Denmark.....	169	162	-7	-4.1
Former Soviet Union.....	252	-4	-256	-101.6

NOTES: Estimates subject to high sampling error are not identified in this figure. Therefore, data presented should be used in conjunction with the underlying estimates in Tables 1-3 and with prior-year estimates presented in previous issues of the Bulletin, where data subject to high sampling error are identified by asterisk (\*). Sampling error should also be considered in evaluating the precision of any data or percentage increases or decreases from 1993 to 1994.

corporation can take the form of purchasing stock in a “noncontrolled” foreign corporation. A “noncontrolled” foreign corporation has to meet the stock ownership requirements of Code section 902. Under section 902, the U.S. parent corporation must own at least 10 percent of the stock, but, collectively, U.S. shareholders can own no more than 50 percent of the outstanding stock. Dividends from each “noncontrolled” foreign corporation are reported in a separate limitation category on Form 1118, *Foreign Tax Credit—Corporations*. In contrast, foreign subsidiaries of U.S. corporations are generally classified as “Controlled Foreign Corporations” (defined in the Explanation of Selected Terms section). In general, Controlled Foreign Corporations are foreign corporations in which more than 50 percent of the voting stock is owned by U.S. shareholders (defined in the Explanation of Selected Terms section) for U.S. income tax purposes [9].

U.S. taxation of “earnings and profits” of a foreign subsidiary is deferred, until they are distributed or deemed distributed to the U.S. parent corporation. Income received from both “noncontrolled”

foreign corporations and from Controlled Foreign Corporations may include dividends, actual or constructive, (see Explanation of Selected Terms definition for *Subpart F Income, Foreign Dividend Income Resulting from Foreign Taxes Deemed Paid, and Includable Income of Controlled Foreign Corporations*), as well as other income, such as interest, rents, and royalties. For 1994, “actual” dividends amounted to \$41.8 billion, while “constructive” (i.e., deemed paid) dividends totaled \$16.5 billion. Tables 1-3 show these dividends, as well as other sources of gross income, reported by U.S. corporations claiming a foreign tax credit.

U.S. corporations with income from foreign branch operations report this income on Form 1118, Schedule A (*Income or (Loss) Before Adjustment*) and Schedule F (*Gross Income and Definitely Allowable Deductions From Sources Outside the U.S. Under Section 863(b) and for Foreign Branches*). Foreign branch gross income is shown in column 24 of Table 1, by selected industry. For 1994, U.S. corporations claiming a foreign tax credit reported nearly \$60.3 billion in gross income from foreign

# Corporate Foreign Tax Credit, 1994

Figure J

## U.S. Corporation Returns with a Foreign Tax Credit: Taxable Income (less loss) from Foreign Branches, by Selected Country, Tax Year 1994

[Money amounts in thousands of dollars]

Selected country	All industries	Manufacturing		Banking	Insurance	All other
		Petroleum	All other			
		(1)	(2)			
<b>All countries.....</b>	<b>60,316,457</b>	<b>9,680,518</b>	<b>10,032,231</b>	<b>27,500,085</b>	<b>6,788,333</b>	<b>6,315,290</b>
Australia.....	1,716,429	1,145,266	455,201	47,849	13,529	54,584
Belgium.....	2,260,522	1,094,412	292,650	709,814	31,824	131,822
Brazil.....	10,140,402	53,542	458,101	9,592,975	580	35,204
Canada.....	1,396,835	43,177	580,304	--	340,433	432,921
Hong Kong.....	2,087,662	75,882	417,377	1,134,084	27,436	432,883
Indonesia.....	1,944,323	1,284,311	155,954	226,568	291	277,199
Japan.....	7,815,110	59,052	1,261,376	995,704	5,200,125	298,853
Mexico.....	1,811,290	6,181	1,081,100	457,248	15,015	251,746
United Kingdom.....	8,798,341	1,515,899	1,032,607	4,667,064	555,310	1,027,461
Country not stated.....	1,237,732	362,020	184,792	877,337	27,599	-214,016

NOTES: Estimates subject to high sampling error are not identified in this figure. Therefore, data presented should be used in conjunction with the underlying estimates in Tables 1-3 and with prior-year estimates presented in previous issues of the Bulletin, where data subject to high sampling error are identified by asterisk (\*).

branch operations. Corporations concentrated in three industrial classifications reported most of this income: banking (45.6 percent), manufacturing of petroleum and coal products (16.0 percent), and insurance (11.3 percent). As Figure J shows, more than \$38.0 billion, or 63.0 percent, of the foreign branch gross income was connected with operations in nine countries: Brazil, the United Kingdom, Japan, Belgium, Hong Kong, Indonesia, Mexico, Australia, and Canada.

Corporations with branch operations in Brazil reported one-sixth, or \$10.1 billion, of the total branch income. Nearly all of the Brazilian-source branch income was related to banking; U.S. banks reported \$9.6 billion, or 94.6 percent, of the Brazilian-source branch income. U.S. banks operating in Brazil accounted for more than one-third of the \$27.5 billion in branch income reported by all U.S. banks. Substantial offshore branch operations of U.S. banks were also located in the United Kingdom, Hong Kong, Japan, Belgium, and Mexico. U.S. banks reported approximately 53.0 percent of the \$8.8 billion in U.K.-source branch income and 12.7 percent of the \$7.8 billion of Japanese-source branch income. They also reported 31.4 percent of the \$2.3 billion of Belgian-source branch income and 54.3 percent of the \$2.1 billion of Hong Kong-source

branch income. U.S. insurers reported Japanese-source branch income accounting for more than three-fourths of the \$6.8 billion reported for all industries.

U.S. manufacturers (including those classified in petroleum and coal products) reported over \$19.7 billion of foreign branch income, as opposed to income from foreign subsidiaries. Manufacturers of petroleum and coal products reported \$9.7 billion in branch income, with over half related to the sum of operations in the United Kingdom (\$1.5 billion), Indonesia (\$1.3 billion), Australia (\$1.1 billion), and Belgium (\$1.1 billion). Collectively, U.S. manufacturers in the nonpetroleum industries reported over \$10.0 billion of the \$19.7 billion in foreign branch income. These manufacturers contributed nearly 60 percent (or \$1.1 billion) of the Mexican-source branch income, mainly due to business activities in food and kindred products, as well as in chemicals and allied products.

Of the nine countries shown in Figure J, Canada shows the largest percentage (31.0) of branch income that was not accounted for by manufacturers, bankers, or insurers. Rather, the \$0.4 billion of Canadian branch income was due to wholesalers, retailers, and mining corporations.

## Corporate Foreign Tax Credit, 1994

### Tables 1-3

Table 1, columns 2 through 15, presents statistics on assets, receipts, income, and taxes reported on the Form 1120, *Corporation Income Tax Return*, for those corporations claiming a foreign tax credit. Columns 16 through 52 present statistics from Form 1118, *Foreign Tax Credit—Corporations*. Schedule references indicate the parts of Form 1118 from which the data were obtained. Columns 16 through 36 present statistics on foreign income (i.e., income from sources outside the United States) and deductions, reported primarily on Form 1118, Schedule A, *Income or Loss Before Adjustments*.

Although the amounts of “oil and gas income” and deductions (columns 23 and 36, respectively) are included in the summary columns (i.e., columns 16 through 22 and 26 through 35), these amounts are also reported separately (on Schedule I, *Reduction of Oil and Gas Extraction Taxes*) because oil and gas income is subject to special rules under Internal Revenue Code section 907, which may result in a reduction of foreign taxes available for credit.

Section 863(b) income (income partly within and partly without the United States) and foreign branch income are also included in the summary amounts reported in columns 16 through 22, and are also reported separately (on Schedule F, *Gross Income and Definitely Allocable Deductions From Sources Outside the U.S. Under Section 863(b) and for Foreign Branches*) in columns 24 and 25. Total deductions not allocable to specific types of income (column 32) are equal to the sum of columns 33 through 35, relating to research and development, interest, and other not allocable (any differences are due to taxpayer reporting variations). Total foreign-source gross income (column 16) less total foreign deductions (column 26) is equal to foreign-source taxable income before adjustments (column 37).

Adjustments to foreign-source taxable income (reported in column 38) include allocations of current-year U.S.-source losses and recapture of foreign losses, as well as others. These adjustments (reported on Schedule J, *Separate Limitation Loss Allocations and Other Adjustments Necessary to Determine Numerators of Limitation Fractions, Year-End Recharacterization Balances, and Overall Foreign Loss Account Balances*) affect the numerator of the limitation fraction used to compute the foreign tax credit. The income after adjustments (the nu-

merator of the limitation fraction) is reported in column 39. The limitation fraction, which represents the ratio of the foreign-source taxable income after adjustments to total taxable income from all sources, is applied to the total U.S. tax against which the credit is allowed to determine any limitation on the foreign tax credit.

Statistics on foreign taxes are reported in columns 40 through 52. Data on foreign taxes paid, accrued, and deemed paid (through related foreign corporations or their subsidiaries) from Form 1118, Schedule B, *Foreign Tax Credit*, are reported in columns 43 through 52. Total foreign taxes paid or accrued (column 44) are the sum of columns 45 through 51 (any differences are due to taxpayer reporting variations). Total foreign taxes paid, accrued, and deemed paid (column 43) are equal to the sum of total taxes paid or accrued (column 44) and taxes deemed paid (column 52). Total foreign taxes paid, accrued, and deemed paid are then adjusted for certain items (e.g., reductions of foreign taxes under Code section 907 relating to oil and gas income), which are reported in column 41, as well as carryovers of excess or unused foreign taxes from prior years, which are shown in column 42. Thus, total foreign taxes available for credit (column 40) are equal to total foreign taxes paid, accrued, and deemed paid (column 43), less certain foreign taxes (column 41), including code section 901(j) reductions relating to sanctioned countries and reductions of foreign oil and gas extraction taxes in excess of amounts above the U.S. tax rate, plus any carryover of prior-year excess or unused foreign taxes (column 42).

Tables 2 and 3 are similar in column format to Table 1 except that Tables 2 and 3 do not provide data from Form 1120—*U.S. Corporation Income Tax Return*. Table 2 presents data reported by industrial grouping and separate limitation income category, while Table 3 presents data by selected geographic region and country.

### Summary

For 1994, there were 7,199 U.S. corporations with \$101.5 billion of foreign-source taxable income (less loss) and \$26.5 billion in income taxes paid to foreign jurisdictions. These corporations reported \$90.8 billion in U.S. tax before credits, which were reduced 28 percent to \$65.4 billion by foreign tax

## Corporate Foreign Tax Credit, 1994

credits totaling \$25.4 billion.

Overall, U.S. corporations claiming a foreign tax credit reported “worldwide taxable income” of \$255.4 billion. Over 60 percent was from U.S. sources, with the remainder from foreign sources. The United Kingdom, Canada, Brazil, Japan, Germany, Mexico, the Netherlands, France, and Australia were the leading sources of foreign-source taxable income (less loss). Together, these countries accounted for over half of the \$101.5 billion in foreign-source taxable income and 58.5 percent, or \$15.5 billion, of the \$26.5 billion of current-year foreign taxes.

U.S. corporations classified in manufacturing or in finance, insurance, and real estate continued to account for the majority of the foreign-source taxable income, current-year taxes, and foreign tax credits. U.S. manufacturers, specifically of petroleum, pharmaceuticals and drugs, and motor vehicles, contributed the majority (\$63.3 billion) of the \$101.5 billion foreign-source taxable income (less loss).

### **Data Sources and Limitations**

The 1994 statistics were derived from corporation income tax returns with a foreign tax credit that were included in the sample used for *Statistics of Income—Corporation Income Tax Returns*. To be included in the sample, returns had to have accounting periods ending between July 1994 and June 1995. The 1994 sample included 95,153 returns chosen from the 4,700,098 returns filed. These returns were selected after administrative processing was complete, but before any audit examination. Although data from these returns are included in *Statistics of Income—1994, Corporation Income Tax Returns*, there are slight differences between the foreign tax credit shown there and the more complete, revised data on the foreign tax credit presented in this article for reasons described below [10].

Corporations report the foreign income and taxes related to the credit on Form 1118, *Computation of Foreign Tax Credit—Corporations*, filed with their income tax returns. The statistics in this article are based on information reported on Forms 1118 and the related corporate return to which these forms were attached. Corporations with “alternative minimum tax” (AMT) must compute a separate “alternative minimum tax foreign tax credit.” Corporations were excluded from the statistics if the corporation

reported only the AMT computation (because it had AMT but no regular tax). Corporations that claimed both an AMT and foreign tax credit are reflected in the statistics. Some corporations reported preliminary data on their tax returns because complete information on their overseas operations was not available on their returns as originally filed, and amended returns were not used for the statistics. However, as necessary, additional information was obtained directly from the taxpayer, leading to the differences between the credit totals reported in this article and those published in *Statistics of Income—Corporation Income Tax Returns*.

Total foreign income and taxes are understated in this article to the extent that they either were not or did not have to be reported on Form 1118. Some corporations did not file this form because they had no U.S. income tax to report and, consequently, were unable to claim the foreign tax credit for 1994 (any excess or unused credits could, however, be carried over or back for use in other years). Others may have chosen to deduct their foreign taxes from their gross income instead of taking the credit.

### **Explanation of Selected Terms**

*Adjustments to Taxable Income.*—Schedule J of Form 1118, *Computation of Foreign Tax Credit—Corporations*, reports adjustments to foreign-source taxable income for each separate limitation income (or loss) category. Generally, these adjustments require allocation and recapture of foreign-source losses across the various categories. The adjustments include: allocation of current-year foreign-source losses across the categories; an overall foreign loss adjustment (if there was a reduction to U.S.-source income for the current tax year from foreign-losses); recapture of overall foreign-source losses (if there were U.S.-source losses in prior years that reduced U.S.-source income); recharacterization of separate limitation income (foreign-source losses allocated to separate limitation categories with income in a prior year have to be recharacterized as income of the income categories to which the loss was allocated in the prior year); and allocation of current-year U.S.-source losses. The net effect of these adjustments is reported in column 38 of Table 1 and column 24 of Table 2.

*Average Foreign Tax Rates.*—For purposes of this article, average foreign tax rates are equal to

## Corporate Foreign Tax Credit, 1994

current-year foreign taxes, defined below, divided by foreign-source taxable income (less loss), also defined below.

*Carryover of Foreign Taxes.*—Under Internal Revenue Code section 904, U.S. “persons” are allowed a 2-year carryback and 5-year carryforward of “excess” (i.e., “unused”) prior-year foreign taxes for purposes of computing the foreign tax credit for those years. Such taxes were included in the current-year credit to the extent that they did not exceed the credit limitations for the current year. The 1994 statistics shown in this article include only those taxes carried forward to 1994 from previous years (credits carried back are not included). See column 42 of Table 1 and column 28 of Table 2.

*Controlled Foreign Corporation.*—Under Internal Revenue Code section 957, a foreign corporation is a “Controlled Foreign Corporation” (CFC) if more than 50 percent of its outstanding voting stock, or more than 50 percent of the value of all its outstanding stock, is owned (directly, indirectly, or constructively) by “U.S. shareholders” on any day during the foreign corporation’s tax year. For these purposes, a U.S. shareholder is a U.S. “person” (defined below) who owns 10 percent or more of the foreign corporation’s total combined voting stock. Ownership attribution rules are provided in Code section 958. A CFC may be a foreign subsidiary of another foreign subsidiary. Also, see definitions of *Includable Income of a Controlled Foreign Corporation* and *Foreign Base Company Income*.

*Current-Year Foreign Taxes.*—Includes foreign taxes paid, accrued, or deemed paid (defined below), reported in total in column 43 of Table 1, column 29 of Table 2, and column 15 of Table 3. “Current-year” refers to the fact that the taxes do not include any carryback or carryforward of “excess” (i.e., “unused”) foreign taxes from future or prior tax years.

*Dividends.*—A corporate distribution with respect to stock, including, but not limited to, “taxable” dividends and constructive or “deemed paid” dividends (see definitions of *Subpart F Income*, *Foreign Dividend Income Resulting from Foreign Taxes Deemed Paid*, and *Includable Income of Controlled Foreign Corporations*). The payor corporation’s country of incorporation determines the source of dividend income.

*Export Financing Interest.*—Such interest is a separate limitation category related to financing the sale or disposition of property manufactured, produced, grown, or extracted in the United States by the taxpayer (or a “related” person), with components primarily of U.S. origin (50 percent or more of the fair market value attributable to U.S. components).

*Financial Services Income.*—Financial services income is a separate limitation category comprising income (including “passive income,” defined below) produced in the active conduct of a banking, insurance, financing, or similar business, and from certain types of insurance investments. Financial services income does not include “high withholding tax interest” or dividends from a “noncontrolled” foreign corporation. For corporations with financial services income, “export financing interest” (defined above) is subject to special rules under Internal Revenue Code section 904(d). Congress required a separate limitation category for financial services corporations because of a concern that the income generated could be easily shifted to low-tax jurisdictions. This item is shown in Table 2 by selected industry.

*Foreign Base Company Income.*—Income is generally considered foreign base company income when related foreign parties are involved in transactions. Foreign base company income is Subpart F income (defined below). These companies are assumed to be attempting to shelter income from active business (i.e., from selling or purchasing goods or performing services) in a low-tax jurisdiction. This income consists of the sum of the following types of income: Foreign Personal Holding Company income; foreign base company sales income; foreign base company services income; foreign base company shipping income; and foreign base company oil-related income. Also, see definitions of *Subpart F Income*, *Foreign Dividend Income Resulting from Foreign Taxes Deemed Paid*, and *Includable Income of Controlled Foreign Corporations*.

*Foreign Dividend Income Resulting from Foreign Taxes Deemed Paid (Gross-Up).*—U.S. corporations may take an “indirect” foreign tax credit for taxes paid by a related foreign corporation (generally owned 10 percent or more by the U.S. corporation). Under Internal Revenue Code section 78, these taxes are “deemed paid” by the domestic corporation under

## Corporate Foreign Tax Credit, 1994

sections 902 and 960(a) and must be included in income as a “dividend gross-up.” This item is shown in columns 7 and 18 of Table 1, and column 4 of Tables 2 and 3.

*Foreign Personal Holding Company Income.*—Foreign Personal Holding Company Income is “Subpart F income” (defined below). This income is passive (i.e., from investments) in nature and includes dividends, interest, rents, royalties, annuities, net gains from the sale of assets that generate passive income, net gains from commodities transactions, and net gains from foreign currency transactions.

*Foreign Sales Corporation.*—A Foreign Sales Corporation (FSC) is a company incorporated abroad, created to promote U.S. exports, and usually controlled by a U.S. person (defined below). A portion of the FSC’s “foreign trade income” is exempt from U.S. taxation. The latter is income attributable to the sale or lease of “export property” outside the United States and to the performance of various types of export services outside the United States. These statistics do not include FSC returns. However, FSC dividends reported by corporations claiming a foreign tax credit are included.

*Foreign-Source Taxable Income (Less Loss).*—Foreign-source taxable income is equal to foreign gross income (less loss) less deductions and is reported on Schedule A, *Separate Limitation Income or (Loss) Before Adjustments*, of Form 1118 *Foreign Tax Credit—Corporations*. A corporation may report a separate limitation category loss (negative income), while reporting income in another separate limitation category. The foreign-source taxable income (less loss) refers to the sum of all (both positive and negative income) separate limitation categories. Foreign-source taxable income is reported as “foreign taxable income (less loss) before adjustments” in Table 1, column 37; Table 2, column 23; and Table 3, column 14. Adjustments to foreign-source taxable income are described above. “Foreign taxable income (less loss) after adjustments” is also shown in Table 1, column 39, and Table 2, column 25.

*High Withholding Tax Interest.*—All interest income subject to foreign withholding tax of at least 5 percent comprises a separate limitation category. This income category is designed to prevent the averaging of high-taxed and low-taxed income from

several countries and to insure that foreign loans are not made solely for tax purposes. “Export financing interest” cannot be classified as high withholding tax interest. High withholding tax-interest income is shown in Table 2.

*Includable Income of Controlled Foreign Corporations.*—This is the U.S. parent’s total pro rata share of income constructively received under Code Subpart F rules. As such, it consists of “Subpart F income” (defined below), increases in earnings invested in U.S. property, certain previously excluded Subpart F income (described under separate heading), and factoring income. See the definitions of *Subpart F* and *Foreign Base Company Income* and column 6 of Table 1.

*Income Related to Section 904(g).*—Code section 904(g) generally requires that certain income (primarily interest and dividends) that otherwise would be treated as foreign-source income be treated as U.S.-source income for purposes of calculating the foreign tax credit. This provision was enacted to discourage U.S. parent corporations claiming the foreign credit from engaging in transactions with their foreign subsidiaries that were designed to increase the section 904 limitation. For example, a foreign subsidiary earning U.S.-source interest income, which is not subject to foreign tax, may distribute this income as dividends back to the U.S. parent. The dividend is characterized as foreign-source income to the U.S. parent. Without Code section 904(g), the U.S. parent’s section 904 limitation would increase and potentially allow the U.S. parent a credit for foreign taxes that were taxed at a rate exceeding the U.S. rate on such income. Exceptions to these rules exist for foreign corporations with small amounts of U.S.-source income (Code section 904(g)(5)) and to income covered by a tax treaty (Code section 904(g)(10)).

*Income Related to Section 901(j).*—In general, this Code section denies the use of the foreign tax credit provisions for taxes paid to foreign governments that the United States does not recognize or with which the United States has severed diplomatic ties. For 1994, these countries were Afghanistan, Cambodia, Cuba, Iran, Iraq, Libya, North Korea, Sudan, Syria, and Vietnam. However, taxpayers occasionally reported income from these countries, (see Table 3), even though the taxes on the income

## Corporate Foreign Tax Credit, 1994

were not creditable. This item is shown in Table 2.

*Income Subject to U.S. Tax.*—The corporate tax base (“worldwide taxable income” defined below), generally equal to (positive) net income minus certain statutory nonbusiness special deductions. See column 9 of Table 1.

*Interest Charge-Domestic International Sales Corporations.*—IC-DISC’s are certain small domestic corporations formed to export U.S. products. An IC-DISC can defer the tax liability of a portion of its income, but must ultimately pay the deferred tax plus interest. To elect IC-DISC status, at least 95 percent of the corporation’s gross receipts must be “qualified export receipts,” and at least 95 percent of its assets must be “qualified export assets.” Distributions from an IC-DISC are a separate limitation category.

*Noncontrolled Section 902 Foreign Corporation Dividends.*—A foreign corporation is classified as noncontrolled if at least 10 percent of its stock was owned by one U.S. taxpayer and, collectively, U.S. taxpayers owned 50 percent or less of its stock. There is a separate limitation category for each “noncontrolled” corporation according to country of incorporation. U.S. corporations report these dividends separately for each “noncontrolled” foreign corporation. This item is shown in Table 2 by industry category.

*OPEC Countries.*—The members of the Organization of Petroleum Exporting Countries (OPEC) for 1994 were: Algeria, Gabon, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, United Arab Emirates, and Venezuela.

*Passive Income.*—Passive income generally includes income, such as dividends, interest, rents, and royalties not connected with the active conduct of a trade or business. This category is intended to isolate low-taxed passive income. Passive income generally includes income that would be characterized as Foreign Personal Holding Company income under Code Subpart F, other Foreign Personal Holding Company income (defined above), and passive Foreign Investment Company income. The passive income limitation category does not include the following: any “export financing interest” (defined above); any income taxed at a foreign tax rate higher than the highest U.S. tax rate; any foreign “oil and gas extraction income”; or any income otherwise classified in another category (except in the “all

other” category). This item is shown in Table 2.

*Related Person.*—Code section 6038(a) describes the treatment of transactions of related persons (or related parties). Persons related to the domestic corporation that filed a Form 5472, *Information Return of a 25% Foreign Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business*, are required to furnish specific information about related party transactions.

*Shipping Income.*—In general, income obtained from the use (or leasing for use) of a vessel or aircraft in foreign commerce, income from services directly related to shipping, gains on the sale or exchange of a vessel or aircraft used in the performance of such services, and income generated from space and from other oceanic activities. Foreign base company shipping income (see the definition of *Subpart F Income* below) for purposes of determining the income constructively received from Controlled Foreign Corporations for U.S. taxation purposes (under Code section 954(f)) is also classified as shipping income. Shipping income was a separate limitation category and is shown in Table 2.

*Specifically Allocable Income.*—Internal Revenue Code section 863(b) provides special rules for determining taxable income from sources outside the United States with respect to gross income derived from the sale of products. The sale of products produced partially (or wholly) in the United States and sold outside the United States, or the sale of products in the U.S. produced partially (or wholly) outside the United States, are covered under Code section 863(b). The income apportioned to sources outside the U.S. under these special rules is shown in column 25 of Table 1, and column 11 of Tables 2 and 3.

*Subpart F Income.*—For 1994, Subpart F of the Internal Revenue Code required certain U.S. shareholders of Controlled Foreign Corporations (CFC’s) to include in their gross incomes the shareholder’s ratable share of the CFC’s: (1) Subpart F income, (2) increase in earnings invested in U.S. property, (3) previously excluded Subpart F income withdrawn from “qualified investments” in less developed countries and in “foreign base company” (defined above) shipping operations, and (4) factoring income. Subpart F income includes: (1) certain insurance income, (2) “foreign base company” income



## Corporate Foreign Tax Credit, 1994

(defined above), (3) international boycott participation income, (4) illegal bribes and other payments made to government officials that would be unlawful under the Foreign Corrupt Practices Act of 1977, and (5) income derived from a country that is not recognized by the United States, with which the United States does not conduct or has severed diplomatic relations, or which repeatedly provides support for acts of international terrorism.

*Taxes Deemed Paid.*—A U.S. corporation, which received actual or constructive dividends from a related foreign corporation or its subsidiaries (see *Controlled Foreign Corporation* above), is allowed to include a portion of the foreign taxes paid by these corporations for purposes of determining the foreign tax credit. The foreign taxes paid by the foreign subsidiary are considered to be indirectly, or deemed, paid by the related U.S. corporation. See column 52 of Table 1, column 38 of Table 2, and column 24 of Table 3.

*U.S. Person.*—A U.S. person is any citizen or resident of the United States, a domestic partnership, corporation, association, or company, or any estate or trust that is not considered “foreign.” See Internal Revenue Code section 7701 for more information on the definition of a U.S. person.

*Worldwide Taxable Income.*—The United States imposes a tax on the worldwide income (i.e., both the U.S.- and foreign-source income) of its citizens and residents regardless of where the economic activity that produced the income occurred. Worldwide taxable income is reported in the statistics as “income subject to U.S. tax,” the base on which the “regular” U.S. income tax liability is calculated. The foreign-source income of U.S. taxpayers is subject to U.S. tax because of residence, and, often, the same income is subject to foreign tax by virtue of the source of the income. The foreign tax credit is designed to provide relief to taxpayers from this “double taxation.”

### Notes and References

[1] Worldwide income taxes, for the purposes of this article, are the sum of U.S. income tax after credits (Table 1, column 15) and total paid, accrued, and deemed paid (Table 1, column 43). This represents the amount of current-year domestic Federal income taxes and foreign

income taxes paid by U.S. corporations.

- [2] The recognition of earnings and profits of a foreign subsidiary by the U.S. parent corporation is deferred, for U.S. tax purposes, until they are distributed or deemed distributed.
- [3] Foreign *income* taxes in the U.S. sense could be taxes imposed by a political subdivision or a local authority of a foreign country. However, foreign taxes, which are not *income* taxes in the U.S. tax sense, may be deductible for U.S. tax purposes.
- [4] For 1932-1954 and 1960-1976, both the per-country and the overall limitations were in effect.
- [5] Because income tax returns for FSC's were not included in the sample used for the statistics, an income category related to the foreign trade income of a Foreign Sales Corporation (FSC) is not shown in the statistics for 1994. However, distributions from FSC's or former FSC's are reported on the parent corporation returns and in the statistics when provided by the taxpayer. All other income from outside the United States is often referred to as general limitation income, based on its description on Form 1118, *Computation of Foreign Tax Credit—Corporations*.
- [6] For more information, see Internal Revenue Notice 89-3, 1989-1 *Cumulative Bulletin* 623, and *Regulations Section 1.904(f)-12*.
- [7] For more information on the decline in corporate foreign tax rates, see, for example, Cinnamon, Allan, “Trends in International Corporate Taxation,” *Tax Planning International Review*, Volume 21, Issue 3, March 1994, and Francis, David R., “As Nations Vie to Cut Tax Rates, U.S. is Envied Leader,” *Financier*, Volume 11, Issue 1, January 1987. For a discussion of possible motivations for these widespread tax rate reductions during this period, see Lee, Dwight R. and McKenzie, Richard E., “The International Political Economy of Declining Tax Rates,” *National Tax Journal*, Volume 42, Issue 1, March 1989; and Grubert, Harry; Randolph, William; and Rousslang, Donald, “Country and Multinational Company Responses to the Tax Reform Act of 1986,” *National Tax Journal*,

## Corporate Foreign Tax Credit, 1994

Volume LXIX, Number 3, September 1996.

- [8] The income deductions and taxes related to foreign oil and gas extraction income (FOGEI) are reported on Schedule I, *Reduction of Oil and Gas Extraction Taxes*, of Form 1118, *Foreign Tax Credit – Corporations*. To claim the credit, the taxpayer has to separate oil and gas income into two categories based on the activity generating the income: foreign oil and gas extraction income (FOGEI) and foreign oil-related income (FORI). FOGEI is income related to the extraction of oil and gas, as well as to the sale of assets used in the business, related services, working capital, dividend and partnership distributions, and other oil and gas extraction income. FORI is related to processing, transporting, selling, or distributing oil and gas products, rather than to oil and gas extraction. Taxes paid or accrued with respect to FORI are not creditable to the extent that these taxes are “materially greater” than the taxes on income that is neither FOGEI nor FORI. Noncreditable FORI taxes can be deducted, instead.

- [9] U.S. corporations have several options in establishing a presence in a foreign market. Goods and services can be exported to the foreign market and sold. In this type of operation, the income is often subject to U.S. taxation, as well as foreign taxes. A U.S. corporation could establish a foreign branch, which is an integral part of the U.S. corporation outside the United States. A branch operation can be especially advantageous when there is a tax treaty between the U.S. and the foreign jurisdiction. The corporation could also own a partnership interest in a foreign partnership and be subject to taxation on its distributive share of the partnership income. A foreign corporation, controlled or “noncontrolled,” is often the preferred business structure used for establishing a foreign presence by U.S. corporations, because taxation of foreign subsidiary corporations can generally be deferred until a distribution is made to the U.S. parent (except in specific cases).
- [10] See *Statistics of Income—1994, Corporation Income Tax Returns*.

SOURCE: Statistics of Income Bulletin, IRS Publication 1136, Fall 1998.

# Corporate Foreign Tax Credit, 1994

**Table 1.--U.S. Corporation Returns with a Foreign Tax Credit: Total Assets, Income, Tax, and Credits, and Foreign Income and Tax Reported on Form 1118, by Selected Industrial Group**

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

Major and selected minor industrial group	Number of returns	Total assets	Total receipts	Dividends received from foreign corporations	Dividends received from IC-DISC's or former DISC's <sup>1</sup>	Includable income of Controlled Foreign Corporations	Foreign dividend income resulting from foreign taxes deemed paid (gross-up)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>All industries.....</b>	<b>7,199</b>	<b>9,384,706,688</b>	<b>3,859,859,215</b>	<b>23,089,757</b>	<b>198,067</b>	<b>17,587,673</b>	<b>16,550,447</b>
<b>Agriculture, forestry, and fishing.....</b>	<b>193</b>	<b>2,859,071</b>	<b>3,802,240</b>	<b>*80,806</b>	<b>*111</b>	<b>*4,076</b>	<b>*49,365</b>
<b>Mining.....</b>	<b>352</b>	<b>52,912,927</b>	<b>20,700,347</b>	<b>186,216</b>	<b>--</b>	<b>62,850</b>	<b>133,715</b>
Metal mining.....	7	*10,363,176	*4,669,787	*11,589	--	*14,397	*4,615
Coal mining.....	6	*23,089,444	*5,237,163	*11,167	--	*3,781	*320
Oil and gas extraction.....	332	14,865,087	7,014,885	157,288	--	*44,615	128,108
Nonmetallic minerals, except fuels.....	7	*4,595,219	*3,778,513	*6,171	--	*57	*671
<b>Construction.....</b>	<b>125</b>	<b>17,465,121</b>	<b>25,783,269</b>	<b>80,030</b>	<b>*202</b>	<b>*63,924</b>	<b>*41,804</b>
General building contractors.....	52	5,973,163	14,660,523	*40,292	--	*46,235	*20,213
Heavy construction contractors.....	21	10,512,676	9,412,531	*36,904	*11	*17,294	*20,071
Special trade contractors.....	52	979,282	1,710,216	*2,834	*192	*395	*1,520
<b>Manufacturing.....</b>	<b>1,606</b>	<b>2,694,717,307</b>	<b>2,102,109,309</b>	<b>18,677,401</b>	<b>195,622</b>	<b>12,256,825</b>	<b>12,769,276</b>
Food and kindred products.....	85	106,594,996	126,049,031	2,079,258	*993	552,445	1,039,033
Tobacco manufactures.....	4	*120,424,350	*58,992,689	*841,615	*5,153	*304,177	*654,835
Textile mill products.....	40	7,163,514	8,369,863	*18,864	*56	*1,784	*9,211
Apparel and other textile products.....	67	21,671,393	21,252,099	194,544	--	*40,073	134,314
Lumber and wood products.....	18	18,219,436	18,616,896	6,414	*14	*4,380	*4,291
Furniture and fixtures.....	12	4,867,686	7,162,998	*24,424	*124	*2,317	*13,229
Paper and allied products.....	26	62,916,974	51,768,045	309,189	*10,667	86,277	165,167
Printing and publishing.....	109	96,155,103	63,656,955	371,151	*2,781	45,347	228,422
Industrial plastics and synthetic material.....	101	209,345,976	131,100,123	1,429,445	29,870	844,495	899,640
Drugs.....	56	185,583,047	106,409,599	1,993,971	11,089	1,617,354	1,692,344
Other chemicals.....	93	72,661,243	90,315,736	1,044,431	*3,994	539,372	670,561
Petroleum (including integrated) and coal products.....	23	477,411,086	337,304,584	4,244,616	*7,388	1,228,071	2,350,030
Rubber and miscellaneous plastics products.....	43	17,482,417	22,488,527	299,660	*2,763	*34,552	158,096
Leather and leather products.....	10	2,241,329	2,764,201	*2,633	*3	*1,243	*61
Stone, clay, and glass products.....	29	22,033,052	17,278,685	152,164	*1,437	*20,597	88,588
Primary metal industries.....	35	38,390,796	33,226,693	181,485	*2,191	*59,301	149,116
Fabricated metal products.....	138	48,660,071	45,513,473	366,095	2,860	260,052	300,820
Office, computing, and accounting machinery.....	23	34,542,095	41,594,580	160,770	*5,947	352,170	129,983
Other machinery, except electrical.....	186	84,487,222	85,440,745	476,426	31,496	476,523	298,296
Electrical and electronic equipment.....	210	425,175,569	256,555,289	980,636	12,632	1,523,786	940,726
Motor vehicles and equipment.....	39	411,116,904	357,888,674	1,113,337	32,836	2,995,889	1,208,497
Transportation equipment, except motor vehicles.....	31	89,964,068	101,327,710	719,338	*22,997	522,943	674,342
Instruments and related products.....	137	103,181,108	90,209,142	1,411,502	6,561	653,302	827,667
Miscellaneous manufacturing and manufacturing not allocable.....	89	34,427,872	26,822,967	255,433	*1,768	90,373	132,005
<b>Transportation and public utilities.....</b>	<b>176</b>	<b>356,535,652</b>	<b>252,105,623</b>	<b>548,542</b>	<b>*183</b>	<b>474,746</b>	<b>806,331</b>
Transportation.....	109	83,784,324	76,019,707	48,609	*43	113,568	56,452
Water transportation.....	53	7,271,272	7,529,880	*11,459	*43	*43,972	*9,613
All other transportation.....	56	76,513,052	68,489,827	37,150	--	69,596	46,839
Communication.....	29	212,775,733	147,031,210	445,481	*125	*287,048	*723,789
Electric, gas, and sanitary services.....	38	59,975,595	29,054,707	*54,452	*15	*74,129	*26,089

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 1.--U.S. Corporation Returns with a Foreign Tax Credit: Total Assets, Income, Tax, and Credits, and Foreign Income and Tax Reported on Form 1118, by Selected Industrial Group--Continued**

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

Major and selected minor industrial group	Number of returns	Total assets	Total receipts	Dividends received from foreign corporations	Dividends received from IC-DISC's or former DISC's <sup>1</sup>	Includable income of Controlled Foreign Corporations	Foreign dividend income resulting from foreign taxes deemed paid (gross-up)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Wholesale and retail trade.....</b>	<b>960</b>	<b>422,908,546</b>	<b>450,080,618</b>	<b>1,030,596</b>	<b>*572</b>	<b>860,141</b>	<b>768,538</b>
<b>Wholesale trade.....</b>	<b>608</b>	<b>291,158,908</b>	<b>255,829,034</b>	<b>895,938</b>	<b>*564</b>	<b>743,948</b>	<b>662,366</b>
Groceries and related products.....	30	*6,959,122	*24,203,787	*2,633	--	--	*1,933
Machinery, equipment, and supplies.....	90	4,260,280	5,688,045	5,876	--	*8,119	*4,685
Miscellaneous wholesale trade.....	489	279,939,505	225,937,202	887,429	*564	735,829	655,748
Drugs, chemicals, and allied products.....	29	8,429,960	15,502,631	*4,410	*71	*3,219	*2,522
Petroleum and petroleum products.....	7	*161,895,393	*21,126,850	*601,770	--	*493,210	*461,132
Other miscellaneous wholesale trade.....	453	109,614,152	189,307,721	281,248	*494	239,400	192,095
<b>Retail trade.....</b>	<b>351</b>	<b>131,749,637</b>	<b>194,251,584</b>	<b>134,658</b>	<b>*8</b>	<b>116,193</b>	<b>106,172</b>
Building materials, garden supplies, and mobile home dealers.....	23	*6,195,789	*13,154,822	*18	--	--	--
General merchandise stores.....	147	*51,876,759	*74,986,100	*27,702	--	*39,582	*24,242
Food stores.....	12	*7,162,508	*20,106,835	*68	--	--	--
Automotive dealers and service station.....	25	*684,982	*1,771,133	*130	--	*1,504	--
Apparel and accessory stores.....	28	14,994,219	23,709,490	*21,195	--	*42,001	*5,025
Furniture and home furnishing stores.....	5	*220,928	*305,804	*4,139	--	--	*1,512
Eating and drinking places.....	29	24,298,437	19,980,460	*76,096	--	*5,920	*73,277
All other retail stores.....	82	26,316,016	40,236,940	*5,311	*8	*27,186	*2,116
<b>Finance, insurance, and real estate.....</b>	<b>2,093</b>	<b>5,651,494,684</b>	<b>867,481,877</b>	<b>1,651,811</b>	<b>--</b>	<b>3,618,167</b>	<b>1,441,912</b>
Banking.....	86	2,451,964,667	205,702,775	360,180	--	1,702,888	634,761
Credit agencies other than banks.....	38	447,084,859	48,772,739	*43,705	--	*186,924	*40,583
Security, commodity brokers, and services.....	70	483,407,629	50,255,126	132,807	--	162,155	39,194
Insurance.....	221	2,043,975,771	545,927,390	443,743	--	1,289,618	338,603
Insurance agents, brokers, and service.....	28	18,334,533	7,043,006	*88,350	--	*66,814	*81,160
Real estate.....	831	2,571,259	804,582	7,007	--	*71	*460
Holding and other investment companies, except bank holding companies.....	820	204,155,966	8,976,259	576,019	--	209,697	307,150
<b>Services.....</b>	<b>1,695</b>	<b>185,813,381</b>	<b>137,795,931</b>	<b>834,356</b>	<b>*1,376</b>	<b>246,945</b>	<b>539,506</b>
Hotels and other lodging places.....	30	9,048,281	14,819,576	*23,973	--	*4,414	*14,493
Personal services.....	52	7,326,954	6,114,803	*43,755	--	*673	*25,170
Business services.....	750	81,028,996	55,936,721	429,982	*871	210,450	397,122
Auto repair; miscellaneous repair services.....	39	3,461,764	2,897,741	*800	--	*3,244	*2,055
Amusement and recreation services.....	85	50,200,488	28,098,941	*321,851	*114	*6,964	*91,100
All other services.....	739	34,746,899	29,928,148	13,996	*391	21,200	9,566

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 1.--U.S. Corporation Returns with a Foreign Tax Credit: Total Assets, Income, Tax, and Credits, and Foreign Income and Tax Reported on Form 1118, by Selected Industrial Group--Continued**

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

Major and selected minor industrial group	Net income (less deficit)	Income subject to U.S. tax	U.S. income tax before credits		Foreign tax credit claimed	U.S. possessions tax credit	General business credit	U.S. income tax after credits <sup>2</sup>
			Total	Regular and alternative minimum tax				
	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
<b>All industries.....</b>	<b>266,760,373</b>	<b>255,439,212</b>	<b>90,785,732</b>	<b>90,295,431</b>	<b>25,418,684</b>	<b>35,887</b>	<b>2,604,410</b>	<b>60,673,456</b>
<b>Agriculture, forestry, and fishing.....</b>	<b>569,091</b>	<b>526,794</b>	<b>185,339</b>	<b>184,541</b>	<b>54,436</b>	--	<b>*2,259</b>	<b>128,104</b>
<b>Mining.....</b>	<b>2,963,958</b>	<b>2,866,503</b>	<b>1,061,037</b>	<b>1,056,794</b>	<b>665,341</b>	--	<b>5,104</b>	<b>346,877</b>
Metal mining.....	*747,885	*742,905	*275,327	*274,064	*159,009	--	*520	*106,656
Coal mining.....	*395,484	*370,299	*142,163	*141,473	*41,017	--	*644	*83,501
Oil and gas extraction.....	1,591,498	1,526,085	559,169	557,293	461,475	--	*1,844	83,665
Nonmetallic minerals, except fuels.....	*229,091	*227,214	*84,379	*83,964	*3,840	--	*2,096	*73,055
<b>Construction.....</b>	<b>784,641</b>	<b>743,685</b>	<b>264,585</b>	<b>261,555</b>	<b>82,837</b>	--	<b>2,038</b>	<b>176,593</b>
General building contractors.....	370,665	342,646	121,591	120,009	36,757	--	*682	81,392
Heavy construction contractors.....	370,990	359,989	128,968	127,556	43,078	--	*983	84,676
Special trade contractors.....	42,986	41,050	14,027	13,989	3,002	--	*372	10,525
<b>Manufacturing.....</b>	<b>159,739,544</b>	<b>151,577,700</b>	<b>53,870,931</b>	<b>53,553,806</b>	<b>17,796,106</b>	<b>35,726</b>	<b>1,766,030</b>	<b>33,168,941</b>
Food and kindred products.....	11,082,537	10,733,728	3,771,099	3,757,193	1,400,540	*2,158	52,754	2,262,431
Tobacco manufactures.....	*6,872,403	*6,586,158	*2,313,325	*2,304,666	*760,055	*3,499	*8,076	*1,526,464
Textile mill products.....	559,683	542,494	190,430	189,668	10,799	--	2,990	173,930
Apparel and other textile products.....	2,133,679	2,095,221	736,149	733,521	183,011	*71	5,349	547,637
Lumber and wood products.....	1,347,571	1,338,224	469,958	468,085	8,855	--	*1,915	405,838
Furniture and fixtures.....	642,563	636,843	223,589	222,728	14,806	--	*4,698	202,802
Paper and allied products.....	5,077,220	4,970,063	1,788,566	1,782,329	216,439	*66	14,824	1,426,673
Printing and publishing.....	7,087,453	6,908,384	2,430,260	2,421,775	349,371	*286	82,108	1,992,247
Industrial plastics and synthetic material.....	10,238,611	9,341,021	3,321,991	3,308,622	1,202,772	*214	89,924	1,820,517
Drugs.....	15,474,788	15,101,133	5,337,226	5,316,594	1,960,413	*11,297	233,128	3,070,740
Other chemicals.....	7,023,312	6,862,687	2,426,077	2,417,050	960,432	*9,697	54,473	1,380,446
Petroleum (including integrated) and coal products.....	18,610,728	17,815,616	6,592,373	6,492,896	4,352,511	--	*11,830	2,038,388
Rubber and miscellaneous plastics products.....	1,691,147	1,609,244	584,076	581,869	210,889	--	5,331	360,985
Leather and leather products.....	181,871	179,388	62,958	62,736	3,568	--	*1,296	57,551
Stone, clay, and glass products.....	1,770,693	1,600,492	576,160	573,870	103,652	--	*1,200	459,426
Primary metal industries.....	1,961,707	1,906,481	698,453	695,151	190,394	--	8,402	480,288
Fabricated metal products.....	4,089,346	3,955,498	1,390,359	1,385,620	354,675	*7	12,338	1,014,043
Office, computing, and accounting machinery.....	2,706,337	2,446,270	860,114	856,885	157,684	--	79,367	617,887
Other machinery, except electrical.....	5,990,452	5,469,049	1,923,346	1,915,447	410,401	--	140,470	1,343,120
Electrical and electronic equipment.....	23,263,852	21,775,357	7,696,046	7,633,690	1,330,154	--	326,972	5,880,091
Motor vehicles and equipment.....	13,346,797	12,552,194	4,419,371	4,394,672	1,699,989	--	488,713	2,206,057
Transportation equipment, except motor vehicles.....	5,903,002	5,388,190	1,918,506	1,907,813	722,070	--	28,886	1,138,046
Instruments and related products.....	9,755,919	9,178,504	3,230,003	3,223,900	992,744	*8,062	66,606	2,147,606
Miscellaneous manufacturing and manufacturing not allocable.....	2,927,875	2,585,463	910,496	907,026	199,884	*370	44,379	615,727
<b>Transportation and public utilities.....</b>	<b>19,287,540</b>	<b>18,939,702</b>	<b>6,764,675</b>	<b>6,725,190</b>	<b>956,064</b>	--	<b>284,243</b>	<b>5,241,512</b>
Transportation.....	3,427,580	3,236,073	1,223,415	1,218,170	112,383	--	70,074	952,416
Water transportation.....	368,108	358,313	128,566	128,017	24,726	--	*12,285	89,855
All other transportation.....	3,059,471	2,877,760	1,094,849	1,090,153	87,656	--	57,789	862,561
Communication.....	13,323,973	13,194,328	4,643,280	4,613,531	816,912	--	198,818	3,463,288
Electric, gas, and sanitary services.....	2,535,988	2,509,301	897,981	893,489	26,769	--	15,351	825,809

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 1.--U.S. Corporation Returns with a Foreign Tax Credit: Total Assets, Income, Tax, and Credits, and Foreign Income and Tax Reported on Form 1118, by Selected Industrial Group--Continued**

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

Major and selected minor industrial group	Net income (less deficit)	Income subject to U.S. tax	U.S. income tax before credits		Foreign tax credit claimed	U.S. possessions tax credit	General business credit	U.S. income tax after credits <sup>2</sup>
			Total	Regular and alternative minimum tax				
	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
<b>Wholesale and retail trade.....</b>	<b>19,171,095</b>	<b>18,118,530</b>	<b>6,369,332</b>	<b>6,344,526</b>	<b>1,086,922</b>	--	<b>145,707</b>	<b>5,039,600</b>
<b>Wholesale trade.....</b>	<b>9,622,877</b>	<b>8,687,849</b>	<b>3,046,491</b>	<b>3,034,290</b>	<b>824,211</b>	--	<b>36,733</b>	<b>2,137,773</b>
Groceries and related products.....	*160,032	*145,905	*51,388	*51,145	*3,572	--	*208	*47,609
Machinery, equipment, and supplies.....	345,082	269,714	93,822	93,479	14,034	--	*1,334	77,816
Miscellaneous wholesale trade.....	9,117,763	8,272,230	2,901,281	2,889,665	806,605	--	35,191	2,012,349
Drugs, chemicals, and allied products.....	514,135	478,241	168,588	167,994	9,474	--	*3,282	155,056
Petroleum and petroleum products.....	*1,732,047	*1,698,734	*596,693	*594,618	*548,122	--	*2,009	*46,562
Other miscellaneous wholesale trade.....	6,871,582	6,095,255	2,136,000	2,127,054	249,009	--	29,900	1,810,731
<b>Retail trade.....</b>	<b>9,548,219</b>	<b>9,430,681</b>	<b>3,322,841</b>	<b>3,310,236</b>	<b>262,710</b>	--	<b>108,974</b>	<b>2,901,827</b>
Building materials, garden supplies, and mobile home dealers.....	*899,080	*898,154	*315,371	*314,200	*777	--	*3,935	*310,660
General merchandise stores.....	*2,977,046	*2,940,992	*1,033,065	*1,029,052	*33,563	--	*48,539	*902,604
Food stores.....	*533,770	*520,398	*193,388	*192,577	*5,007	--	*3,020	*185,367
Automotive dealers and service station.....	*29,875	*24,047	*8,106	*8,087	*277	--	*216	*7,407
Apparel and accessory stores.....	1,309,866	1,307,204	458,982	457,336	17,944	--	*5,941	435,097
Furniture and home furnishing stores.....	*26,117	*25,633	*8,807	*8,785	*2,167	--	--	*6,641
Eating and drinking places.....	2,019,837	2,012,599	706,620	704,039	179,442	--	34,731	492,428
All other retail stores.....	1,752,628	1,701,653	598,502	596,159	23,533	--	12,592	561,630
<b>Finance, insurance, and real estate.....</b>	<b>52,957,090</b>	<b>52,135,338</b>	<b>18,504,717</b>	<b>18,418,048</b>	<b>3,691,210</b>	--	<b>238,493</b>	<b>14,118,874</b>
Banking.....	23,396,414	22,911,105	8,059,677	8,024,515	1,936,162	--	136,288	5,678,082
Credit agencies other than banks.....	3,101,095	2,948,079	1,042,544	1,031,469	127,057	--	*8,015	906,021
Security, commodity brokers, and services.....	5,000,895	4,842,969	1,701,265	1,694,917	202,653	--	9,188	1,488,344
Insurance.....	18,338,707	18,277,201	6,586,963	6,557,529	1,024,173	--	78,949	5,355,997
Insurance agents, brokers, and service.....	1,437,683	1,413,094	496,439	494,687	88,982	--	*4,788	401,859
Real estate.....	181,050	157,793	52,574	52,087	3,694	--	*471	48,183
Holding and other investment companies, except bank holding companies.....	1,501,247	1,585,099	565,255	562,845	308,489	--	*795	240,389
<b>Services.....</b>	<b>11,287,413</b>	<b>10,530,960</b>	<b>3,765,115</b>	<b>3,750,970</b>	<b>1,085,769</b>	<b>*161</b>	<b>160,536</b>	<b>2,452,955</b>
Hotels and other lodging places.....	654,190	651,570	229,531	228,695	39,265	*117	*9,877	144,848
Personal services.....	742,607	716,934	251,266	250,290	31,988	--	*3,463	215,609
Business services.....	6,174,561	5,721,587	2,015,716	2,008,362	687,298	*44	136,894	1,162,466
Auto repair; miscellaneous repair services.....	184,836	130,561	56,034	55,853	2,210	--	*2,459	51,366
Amusement and recreation services.....	1,821,227	1,648,570	633,461	630,740	290,233	--	*4,465	338,406
All other services.....	1,709,992	1,661,739	579,108	577,030	34,776	--	3,378	540,260

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 1.--U.S. Corporation Returns with a Foreign Tax Credit: Total Assets, Income, Tax, and Credits, and Foreign Income and Tax Reported on Form 1118, by Selected Industrial Group--Continued**

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

Major and selected minor industrial group	Foreign income and taxes reported on Form 1118						
	Gross income (less loss)						
	Total	Dividends	Foreign dividend income resulting from foreign taxes deemed paid (gross-up)	Interest	Rents, royalties, and license fees	Service income	Other income
	(16)	(17)	(18)	(19)	(20)	(21)	(22)
<b>All industries.....</b>	<b>235,987,348</b>	<b>41,811,041</b>	<b>16,535,525</b>	<b>38,803,369</b>	<b>23,056,369</b>	<b>14,585,152</b>	<b>101,195,892</b>
<b>Agriculture, forestry, and fishing.....</b>	<b>261,106</b>	<b>97,959</b>	<b>*49,365</b>	<b>*4,135</b>	<b>*36,936</b>	<b>--</b>	<b>*72,711</b>
<b>Mining.....</b>	<b>5,068,907</b>	<b>248,053</b>	<b>133,719</b>	<b>178,613</b>	<b>56,169</b>	<b>798,496</b>	<b>3,653,856</b>
Metal mining.....	*1,497,969	*26,216	*4,615	*110,757	*26,293	*609	*1,329,479
Coal mining.....	*268,116	*14,966	*320	*30,295	*3,617	*95	*218,823
Oil and gas extraction.....	3,247,220	200,643	128,112	31,776	24,676	*794,505	2,067,507
Nonmetallic minerals, except fuels.....	*55,602	*6,228	*671	*5,786	*1,582	*3,287	*38,047
<b>Construction.....</b>	<b>1,153,561</b>	<b>154,595</b>	<b>*41,804</b>	<b>16,622</b>	<b>18,788</b>	<b>805,465</b>	<b>116,287</b>
General building contractors.....	366,271	*97,142	*20,213	*6,576	*775	*135,591	*105,974
Heavy construction contractors.....	767,587	*54,198	*20,071	*9,815	*12,611	*660,787	*10,106
Special trade contractors.....	19,702	*3,255	*1,520	*231	*5,403	*9,087	*207
<b>Manufacturing.....</b>	<b>117,767,278</b>	<b>31,893,694</b>	<b>12,755,127</b>	<b>4,575,614</b>	<b>15,867,743</b>	<b>3,745,055</b>	<b>48,930,046</b>
Food and kindred products.....	7,207,910	2,714,673	1,038,383	246,831	970,435	240,140	1,997,449
Tobacco manufactures.....	*4,696,072	*1,139,461	*652,889	*72,218	*546,606	*119	*2,284,780
Textile mill products.....	69,601	23,380	*9,211	*3,336	*16,760	*3,257	*13,656
Apparel and other textile products.....	981,514	235,543	134,314	*7,836	285,476	*7,439	310,906
Lumber and wood products.....	54,106	7,955	*4,067	*3,503	*20,363	*5,681	*12,536
Furniture and fixtures.....	59,799	*26,741	*13,229	*4,943	*9,165	*1,207	*4,514
Paper and allied products.....	1,681,627	455,450	165,129	70,505	521,552	*37,274	431,718
Printing and publishing.....	3,436,953	425,591	228,316	38,285	1,586,709	42,448	1,115,604
Industrial plastics and synthetic material.....	8,399,291	2,416,754	899,612	406,963	1,162,435	48,431	3,465,095
Drugs.....	10,103,908	3,572,619	1,692,281	110,524	1,868,986	*168,598	2,690,900
Other chemicals.....	5,453,273	1,595,624	670,560	51,259	1,142,172	43,401	1,950,257
Petroleum (including integrated) and coal products.....	24,252,370	5,509,047	2,349,670	1,828,643	398,610	*1,100,671	13,065,729
Rubber and miscellaneous plastics products.....	1,272,525	334,811	158,504	49,370	294,450	*1,223	434,166
Leather and leather products.....	*92,038	*3,642	*61	*3,008	*28,188	*9,170	*47,967
Stone, clay, and glass products.....	558,774	188,753	88,573	13,640	113,666	*39,105	115,036
Primary metal industries.....	1,814,621	250,548	149,068	51,712	111,146	*22,239	1,229,907
Fabricated metal products.....	2,020,628	643,540	300,817	65,639	197,315	78,577	734,739
Office, computing, and accounting machinery.....	2,714,226	564,338	129,982	54,858	203,910	*20,803	1,740,335
Other machinery, except electrical.....	4,363,321	982,238	297,808	243,051	399,025	299,798	2,141,401
Electrical and electronic equipment.....	14,793,290	2,671,899	940,456	705,114	2,961,674	688,969	6,825,177
Motor vehicles and equipment.....	10,706,473	4,195,305	1,199,342	307,421	414,137	543,180	4,047,088
Transportation equipment, except motor vehicles.....	3,419,668	1,300,591	674,324	59,367	377,818	299,286	708,282
Instruments and related products.....	8,050,499	2,277,621	826,575	161,032	1,872,030	28,063	2,885,178
Miscellaneous manufacturing and manufacturing not allocable.....	1,564,791	357,568	131,954	16,554	365,115	*15,975	677,624
<b>Transportation and public utilities.....</b>	<b>18,218,625</b>	<b>1,033,397</b>	<b>806,195</b>	<b>228,669</b>	<b>597,238</b>	<b>4,011,181</b>	<b>11,541,944</b>
Transportation.....	5,909,654	161,794	56,452	86,043	53,585	3,404,466	2,147,314
Water transportation.....	253,474	*53,753	*9,613	*1,531	*8,757	*134,180	*45,640
All other transportation.....	5,656,180	108,041	46,839	84,512	44,828	3,270,286	2,101,673
Communication.....	12,073,120	743,028	*723,653	*112,604	532,360	*603,162	9,358,313
Electric, gas, and sanitary services.....	235,851	128,574	*26,089	*30,023	*11,293	*3,553	*36,318

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 1.--U.S. Corporation Returns with a Foreign Tax Credit: Total Assets, Income, Tax, and Credits, and Foreign Income and Tax Reported on Form 1118, by Selected Industrial Group--Continued**

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

Major and selected minor industrial group	Foreign income and taxes reported on Form 1118						
	Gross income (less loss)						
	Total	Dividends	Foreign dividend income resulting from foreign taxes deemed paid (gross-up)	Interest	Rents, royalties, and license fees	Service income	Other income
	(16)	(17)	(18)	(19)	(20)	(21)	(22)
<b>Wholesale and retail trade.....</b>	<b>12,123,787</b>	<b>1,893,606</b>	<b>768,407</b>	<b>1,009,734</b>	<b>843,671</b>	<b>305,770</b>	<b>7,302,599</b>
<b>Wholesale trade.....</b>	<b>9,357,961</b>	<b>1,645,037</b>	<b>662,236</b>	<b>804,722</b>	<b>306,768</b>	<b>120,916</b>	<b>5,818,282</b>
Groceries and related products.....	*55,770	*2,664	*1,933	*58	*1,026	*967	*49,123
Machinery, equipment, and supplies.....	172,144	13,984	*4,685	3,599	*7,872	*24,477	117,528
Miscellaneous wholesale trade.....	9,130,047	1,628,389	655,618	801,065	297,871	95,472	5,651,631
Drugs, chemicals, and allied products.....	158,846	*7,821	*2,522	*875	113,757	*7,737	26,134
Petroleum and petroleum products.....	*2,461,620	*1,097,556	*461,106	*630,422	*536	*314	*271,686
Other miscellaneous wholesale trade.....	6,509,580	523,012	191,991	169,768	183,578	87,420	5,353,812
<b>Retail trade.....</b>	<b>2,765,826</b>	<b>248,569</b>	<b>106,171</b>	<b>205,011</b>	<b>536,902</b>	<b>*184,855</b>	<b>1,484,317</b>
Building materials, garden supplies, and mobile home dealers.....	*6,887	*14	--	*1,686	*4,554	*634	--
General merchandise stores.....	*426,065	*67,284	*24,242	*7,746	*16,030	*135,940	*174,823
Food stores.....	*172,019	*72	--	*1,853	*61,024	--	*109,070
Automotive dealers and service station.....	*956	*136	--	*712	*108	--	--
Apparel and accessory stores.....	214,978	*63,199	*5,025	*21,762	*11,553	*9,071	*104,367
Furniture and home furnishing stores.....	*19,899	*4,139	*1,512	*1,371	*12,877	--	--
Eating and drinking places.....	1,543,630	*81,660	*73,276	*148,371	376,690	*34,490	*829,143
All other retail stores.....	381,391	*32,065	*2,116	21,509	54,067	*4,719	*266,914
<b>Finance, insurance, and real estate.....</b>	<b>69,058,975</b>	<b>5,259,760</b>	<b>1,441,402</b>	<b>32,553,331</b>	<b>1,039,089</b>	<b>2,904,449</b>	<b>25,860,944</b>
Banking.....	37,104,415	2,102,010	633,247	24,274,768	552,072	*1,546,198	7,996,120
Credit agencies other than banks.....	5,279,743	*230,398	*40,583	1,444,278	*53,948	*154,315	*3,356,222
Security, commodity brokers, and services.....	4,277,268	293,909	39,194	2,298,080	*1,639	194,489	1,449,956
Insurance.....	19,935,655	1,685,230	339,750	3,917,582	418,156	812,243	12,762,694
Insurance agents, brokers, and service.....	419,694	*155,162	*81,160	*34,747	*3,270	*125,814	*19,540
Real estate.....	29,137	7,240	*460	*2,403	*8,041	--	*10,994
Holding and other investment companies, except bank holding companies.....	2,013,063	785,812	307,008	581,473	*1,963	*71,389	265,418
<b>Services.....</b>	<b>12,335,110</b>	<b>1,229,977</b>	<b>539,506</b>	<b>236,651</b>	<b>4,596,735</b>	<b>2,014,736</b>	<b>3,717,504</b>
Hotels and other lodging places.....	383,162	*24,970	*14,493	*16,528	*74,328	*37,822	*215,021
Personal services.....	155,104	*44,434	*25,170	*4,571	*24,767	*52,753	*3,409
Business services.....	7,813,968	752,380	397,122	113,397	1,951,195	1,393,074	3,206,801
Auto repair; miscellaneous repair services.....	12,120	*4,045	*2,055	*301	*3,769	*1,921	*29
Amusement and recreation services.....	3,342,924	*368,022	*91,100	*96,468	2,485,795	*166,339	135,201
All other services.....	627,832	36,127	9,566	*5,387	56,881	362,827	157,044

Footnotes at end of table.



# Corporate Foreign Tax Credit, 1994

**Table 1.--U.S. Corporation Returns with a Foreign Tax Credit: Total Assets, Income, Tax, and Credits, and Foreign Income and Tax Reported on Form 1118, by Selected Industrial Group--Continued**

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

Major and selected minor industrial group	Foreign income and taxes reported on Form 1118--Continued							
	Oil and gas extraction income (less loss) <sup>3</sup>	Foreign branch income <sup>3</sup>	Specifically allocable income [section 863 (b)] <sup>3</sup>	Deductions				
				Total	Deductions allocable to specific types of income			Service expenses
					Total	Rental, royalty, and licensing expenses		
					Depreciation, depletion, and amortization	Other		
	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
<b>All industries.....</b>	<b>14,575,064</b>	<b>60,316,457</b>	<b>22,479,931</b>	<b>134,466,070</b>	<b>74,463,192</b>	<b>957,747</b>	<b>7,926,570</b>	<b>5,842,689</b>
<b>Agriculture, forestry, and fishing.....</b>	--	<b>*863</b>	<b>*1,985</b>	<b>*84,589</b>	<b>*39,793</b>	<b>*14</b>	<b>*240</b>	<b>*4</b>
<b>Mining.....</b>	<b>1,953,201</b>	<b>702,098</b>	<b>*20,699</b>	<b>2,836,784</b>	<b>2,468,986</b>	<b>*75,023</b>	<b>*242,710</b>	<b>*627,443</b>
Metal mining.....	--	*87,010	--	*956,755	*807,647	--	--	--
Coal mining.....	*110,056	*21,660	--	*97,336	*91,295	--	--	--
Oil and gas extraction.....	1,827,051	564,777	*5,754	1,749,441	1,542,016	*75,023	*240,166	*627,175
Nonmetallic minerals, except fuels.....	*16,094	*28,651	*14,946	*33,252	*28,028	--	*2,544	*268
<b>Construction.....</b>	--	<b>*479,177</b>	<b>*57,941</b>	<b>810,784</b>	<b>775,418</b>	<b>*1,356</b>	<b>*1,706</b>	<b>629,744</b>
General building contractors.....	--	*14,748	*57,713	210,705	*196,753	--	*47	*63,264
Heavy construction contractors.....	--	*464,254	--	590,450	*571,382	*1,352	*1,139	*559,794
Special trade contractors.....	--	*174	*228	*9,630	*7,283	*4	*520	*6,686
<b>Manufacturing.....</b>	<b>12,589,379</b>	<b>19,712,749</b>	<b>13,552,293</b>	<b>54,432,292</b>	<b>31,229,051</b>	<b>230,776</b>	<b>1,702,914</b>	<b>1,891,330</b>
Food and kindred products.....	--	*1,268,198	256,189	2,090,684	989,169	--	*2,238	*3,601
Tobacco manufactures.....	--	*890,186	*1,319,107	*2,278,101	*1,328,062	--	*24,994	--
Textile mill products.....	--	*867	*5,878	22,977	*10,502	--	*2,748	*1,406
Apparel and other textile products.....	--	*93,864	*156,741	361,353	289,430	*151	*4,243	*8,853
Lumber and wood products.....	--	*4,697	*6,457	22,616	*13,458	*851	*3,718	*73
Furniture and fixtures.....	--	--	--	*14,728	*12,190	*1,592	*1,796	--
Paper and allied products.....	--	*79,234	298,923	935,809	349,439	*3,153	*30,530	*33,530
Printing and publishing.....	--	265,050	112,122	1,975,412	1,524,160	*93,153	975,655	*25,490
Industrial plastics and synthetic material.....	*1,380,209	1,439,111	1,505,166	4,119,493	2,391,796	*3,457	*39,495	*71,967
Drugs.....	--	759,756	1,074,148	3,235,802	1,511,205	*1,884	*114,342	*21,223
Other chemicals.....	--	1,226,053	337,852	2,365,898	1,648,869	*427	*34,032	*19,730
Petroleum (including integrated) and coal products.....	11,204,611	*9,680,518	*26,311	11,496,462	8,775,729	*6,622	*132,637	*394,733
Rubber and miscellaneous plastics products.....	*4,290	*88,240	*18,919	604,444	365,422	*578	*5,225	*274
Leather and leather products.....	--	*340	*8,670	*47,050	*13,163	--	*198	*320
Stone, clay, and glass products.....	--	*34,290	*112,181	236,199	*116,802	*28	*2,334	*35,405
Primary metal industries.....	*268	*637,301	*385,233	1,015,207	604,647	*85,935	*14,392	*626
Fabricated metal products.....	--	179,022	245,199	788,513	464,595	*5,340	7,645	*53,203
Office, computing, and accounting machinery.....	--	*60,694	*532,304	1,532,434	657,425	*4,582	*4,053	*1,956
Other machinery, except electrical.....	--	351,530	804,254	2,672,077	1,315,098	*2,383	22,398	207,370
Electrical and electronic equipment.....	--	1,135,691	3,159,067	8,852,145	5,368,969	*280	166,235	324,418
Motor vehicles and equipment.....	--	*576,442	1,269,883	4,219,703	1,255,812	--	*5,617	*440,547
Transportation equipment, except motor vehicles.....	--	*308,546	*171,851	1,115,999	662,206	*16,465	*14,048	*236,903
Instruments and related products.....	--	476,498	1,608,913	3,868,294	1,258,884	*229	*20,595	*7,373
Miscellaneous manufacturing and manufacturing not allocable.....	--	156,619	136,925	560,891	302,018	*3,664	*73,746	*2,330
<b>Transportation and public utilities.....</b>	<b>*32,485</b>	<b>*372,705</b>	<b>1,824,542</b>	<b>13,561,873</b>	<b>10,352,430</b>	<b>*437</b>	<b>22,157</b>	<b>926,494</b>
Transportation.....	--	*110,971	*1,776,091	5,013,307	4,849,250	*432	*13,266	743,864
Water transportation.....	--	--	*32,469	90,955	*84,184	--	--	*64,621
All other transportation.....	--	*110,971	*1,743,622	4,922,352	4,765,066	*432	*13,266	679,243
Communication.....	--	*235,273	*42,875	8,462,485	5,472,267	*5	*8,884	*181,580
Electric, gas, and sanitary services.....	*32,485	*26,461	*5,576	86,081	30,914	--	*7	*1,050

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 1.--U.S. Corporation Returns with a Foreign Tax Credit: Total Assets, Income, Tax, and Credits, and Foreign Income and Tax Reported on Form 1118, by Selected Industrial Group--Continued**

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

Major and selected minor industrial group	Foreign income and taxes reported on Form 1118--Continued							
	Oil and gas extraction income (less loss) <sup>3</sup>	Foreign branch income <sup>3</sup>	Specifically allocable income [section 863 (b)] <sup>3</sup>	Total	Deductions			
					Total	Deductions allocable to specific types of income		Service expenses
						Depreciation, and amortization	Rental, royalty, and licensing expenses	
(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	
<b>Wholesale and retail trade.....</b>	--	<b>1,465,805</b>	<b>403,372</b>	<b>8,109,839</b>	<b>6,790,563</b>	<b>4,894</b>	<b>4,454,068</b>	<b>95,692</b>
<b>Wholesale trade.....</b>	--	<b>333,112</b>	<b>372,346</b>	<b>6,538,635</b>	<b>5,501,952</b>	<b>*2,075</b>	<b>4,385,900</b>	<b>45,633</b>
Groceries and related products.....	--	--	*897	*44,417	*42,817	--	*307	--
Machinery, equipment, and supplies.....	--	*6,901	*14,590	106,169	69,936	*1,445	*7	*18,771
Miscellaneous wholesale trade.....	--	326,212	356,859	6,388,049	5,389,200	*630	4,385,586	26,862
Drugs, chemicals, and allied products.....	--	*4,800	*92,556	62,568	39,552	--	*3,681	*3,038
Petroleum and petroleum products.....	--	*887	--	*826,387	*296,695	*2	*60	*273
Other miscellaneous wholesale trade.....	--	320,525	264,303	5,499,094	5,052,953	*628	4,381,845	*23,551
<b>Retail trade.....</b>	--	<b>1,132,692</b>	<b>*31,025</b>	<b>1,571,204</b>	<b>1,288,611</b>	<b>*2,819</b>	<b>68,168</b>	<b>*50,059</b>
Building materials, garden supplies, and mobile home dealers.....	--	--	--	*1,953	*68	--	--	--
General merchandise stores.....	--	*162,685	--	*198,261	*173,254	--	--	*19,044
Food stores.....	--	*1,522	--	*98,968	*95,479	*231	*3,053	*2,144
Automotive dealers and service station.....	--	--	--	--	--	--	--	--
Apparel and accessory stores.....	--	*35,336	*860	*129,200	*105,381	*2,077	*6,133	--
Furniture and home furnishing stores.....	--	--	--	*8,830	*5,760	--	*5,231	--
Eating and drinking places.....	--	*785,112	--	918,770	711,065	*109	*732	*26,314
All other retail stores.....	--	*148,037	*30,166	215,221	197,603	*402	*53,019	*2,558
<b>Finance, insurance, and real estate.....</b>	--	<b>36,430,736</b>	<b>5,759,869</b>	<b>46,808,489</b>	<b>17,542,542</b>	<b>183,254</b>	<b>356,565</b>	<b>707,767</b>
Banking.....	--	27,500,085	*1,398,322	24,279,851	4,415,512	*95,510	*30,220	*63,434
Credit agencies other than banks.....	--	*1,963,156	--	4,467,942	2,926,672	*5,773	*798	*13,822
Security, commodity brokers, and services.....	--	82,883	*171	3,139,179	1,420,366	*1,446	*41,272	56,375
Insurance.....	--	6,788,333	4,343,913	13,860,637	8,257,066	*77,879	141,535	460,345
Insurance agents, brokers, and service.....	--	*21,458	--	*155,806	*125,499	*599	*10,839	*90,188
Real estate.....	--	--	*18,101	13,902	12,049	*2,017	*3,349	--
Holding and other investment companies, except bank holding companies.....	--	*74,820	*639	891,172	385,378	*29	*128,552	*23,604
<b>Services.....</b>	--	<b>1,152,326</b>	<b>859,230</b>	<b>7,821,421</b>	<b>5,264,408</b>	<b>461,993</b>	<b>1,146,208</b>	<b>964,215</b>
Hotels and other lodging places.....	--	*152,080	*60,100	*239,336	*185,302	*2,503	*10,761	*2,621
Personal services.....	--	*1,031	--	*46,968	*41,416	--	--	*38,826
Business services.....	--	804,060	597,147	4,706,773	3,158,059	27,272	322,210	644,524
Auto repair, miscellaneous repair services.....	--	--	--	*2,737	*2,125	*453	*249	*543
Amusement and recreation services.....	--	*132,867	*181,597	2,403,517	1,503,263	*429,909	*803,054	*101,027
All other services.....	--	*62,287	*20,386	422,090	374,244	*1,855	*9,935	176,674

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 1.--U.S. Corporation Returns with a Foreign Tax Credit: Total Assets, Income, Tax, and Credits, and Foreign Income and Tax Reported on Form 1118, by Selected Industrial Group--Continued**

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

Major and selected minor industrial group	Foreign income and taxes reported on Form 1118--Continued							
	Deductions--Continued					Deductions from oil and gas extraction income <sup>4</sup>	Taxable income (less loss) before adjustments	Adjustments to taxable income
	Other deductions allocable to specific types of income	Deductions not allocable to specific types of income						
		Total	Research and development	Interest	Other			
(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	
<b>All industries.....</b>	<b>59,736,185</b>	<b>60,002,879</b>	<b>4,937,048</b>	<b>26,629,892</b>	<b>26,872,347</b>	<b>6,390,264</b>	<b>101,521,278</b>	<b>3,221,719</b>
<b>Agriculture, forestry, and fishing.....</b>	<b>*39,535</b>	<b>*44,795</b>	<b>*11,670</b>	<b>*5,101</b>	<b>*27,672</b>	--	<b>176,518</b>	<b>*7,523</b>
<b>Mining.....</b>	<b>1,523,810</b>	<b>367,798</b>	<b>*32,353</b>	<b>139,955</b>	<b>193,727</b>	<b>855,397</b>	<b>2,232,123</b>	<b>*49,773</b>
Metal mining.....	*807,647	*149,108	--	*54,426	*93,795	--	*541,214	*16,399
Coal mining.....	*91,295	*6,040	--	*5,374	*18	*48,769	*170,780	( <sup>5</sup> )
Oil and gas extraction.....	599,652	207,425	*32,288	77,221	97,690	793,328	1,497,779	*33,375
Nonmetallic minerals, except fuels.....	*25,216	*5,224	*66	*2,934	*2,224	*13,301	*22,350	--
<b>Construction.....</b>	<b>142,612</b>	<b>35,366</b>	<b>*830</b>	<b>*7,899</b>	<b>24,895</b>	--	<b>342,776</b>	--
General building contractors.....	*133,442	*13,952	--	*2,480	*10,977	--	155,566	--
Heavy construction contractors.....	*9,097	*19,068	*231	*4,550	*13,040	--	177,137	--
Special trade contractors.....	*73	*2,347	*600	*869	*878	--	10,073	--
<b>Manufacturing.....</b>	<b>27,404,031</b>	<b>23,203,241</b>	<b>4,045,318</b>	<b>8,805,432</b>	<b>9,814,430</b>	<b>5,508,003</b>	<b>63,334,986</b>	<b>1,534,953</b>
Food and kindred products.....	983,330	1,101,515	25,962	480,017	578,980	--	5,117,226	182,551
Tobacco manufactures.....	*1,303,068	*950,039	*18,131	*467,470	*464,438	--	*2,417,972	( <sup>5</sup> )
Textile mill products.....	*6,348	12,475	*1,144	*7,524	*65	--	46,624	( <sup>5</sup> )
Apparel and other textile products.....	*276,183	71,923	*5,220	34,107	*32,425	--	620,161	*9,744
Lumber and wood products.....	*8,816	*9,158	*387	*4,400	*4,307	--	31,490	( <sup>5</sup> )
Furniture and fixtures.....	*8,802	*2,538	*657	*1,322	*560	--	45,071	*1
Paper and allied products.....	282,227	586,370	57,829	175,659	343,990	--	745,818	*9,911
Printing and publishing.....	429,862	451,253	*12,885	250,518	166,407	--	1,461,541	8,559
Industrial plastics and synthetic material.....	2,276,876	1,727,697	270,059	812,858	613,329	*558,486	4,279,798	146,289
Drugs.....	1,373,756	1,724,597	563,858	421,444	633,726	--	6,868,106	*129,096
Other chemicals.....	1,594,680	717,029	124,823	245,326	334,356	--	3,087,375	*39,232
Petroleum (including integrated) and coal products.....	8,241,737	2,720,733	*195,761	1,743,325	781,842	4,949,498	12,755,908	19,551
Rubber and miscellaneous plastics products.....	359,345	239,023	8,078	17,943	203,061	--	668,080	*1,556
Leather and leather products.....	*12,645	*33,886	*718	*7,010	*22,840	--	*44,988	--
Stone, clay, and glass products.....	*79,034	119,397	*12,188	50,498	*56,244	--	322,575	*201
Primary metal industries.....	503,693	410,561	7,809	98,448	296,122	*19	799,414	*75,756
Fabricated metal products.....	398,407	323,918	23,388	135,459	158,123	--	1,232,115	*56,098
Office, computing, and accounting machinery.....	646,834	875,009	177,469	124,558	396,865	--	1,181,792	*4,423
Other machinery, except electrical.....	1,082,948	1,356,979	182,843	382,191	749,961	--	1,691,244	115,356
Electrical and electronic equipment.....	4,878,037	3,483,176	836,871	1,175,462	1,439,517	--	5,941,144	107,159
Motor vehicles and equipment.....	809,648	2,963,891	291,282	1,501,998	1,168,133	--	6,486,770	3,192
Transportation equipment, except motor vehicles.....	*394,790	453,792	*121,992	114,119	*216,798	--	2,303,670	*8,682
Instruments and related products.....	1,230,687	2,609,410	1,052,931	495,205	1,024,344	--	4,182,205	451,064
Miscellaneous manufacturing and manufacturing not allocable.....	222,278	258,873	53,035	58,569	127,999	--	1,003,900	*166,531
<b>Transportation and public utilities.....</b>	<b>9,403,342</b>	<b>3,209,443</b>	<b>286,480</b>	<b>423,582</b>	<b>2,488,690</b>	<b>*26,864</b>	<b>4,656,752</b>	<b>171,404</b>
Transportation.....	4,091,689	164,057	*218	60,936	101,143	--	896,347	*97,906
Water transportation.....	*19,563	*6,771	--	*5,559	*1,088	--	162,520	*2,771
All other transportation.....	4,072,126	157,286	*218	55,377	100,055	--	733,827	*95,135
Communication.....	*5,281,797	2,990,219	*286,256	*310,976	*2,385,678	--	3,610,635	*67,538
Electric, gas, and sanitary services.....	*29,856	55,167	*6	*51,671	*1,869	*26,864	149,770	*5,960

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 1.--U.S. Corporation Returns with a Foreign Tax Credit: Total Assets, Income, Tax, and Credits, and Foreign Income and Tax Reported on Form 1118, by Selected Industrial Group--Continued**

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

Major and selected minor industrial group	Foreign income and taxes reported on Form 1118--Continued							
	Deductions--Continued					Deductions from oil and gas extraction income <sup>4</sup>	Taxable income (less loss) before adjustments	Adjustments to taxable income
	Other deductions allocable to specific types of income	Deductions not allocable to specific types of income						
		Total	Research and development	Interest	Other			
(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	
<b>Wholesale and retail trade.....</b>	<b>2,235,908</b>	<b>1,319,276</b>	<b>21,026</b>	<b>839,969</b>	<b>408,758</b>	--	<b>4,013,948</b>	<b>76,212</b>
<b>Wholesale trade.....</b>	<b>1,068,343</b>	<b>1,036,683</b>	<b>20,643</b>	<b>681,915</b>	<b>300,451</b>	--	<b>2,819,326</b>	<b>5,586</b>
Groceries and related products.....	*42,510	*1,600	--	*196	*1,401	--	*11,353	*290
Machinery, equipment, and supplies.....	*49,713	*36,233	--	*6,264	*29,967	--	65,975	*326
Miscellaneous wholesale trade.....	976,121	998,849	20,643	675,456	269,084	--	2,741,998	4,970
Drugs, chemicals, and allied products.....	32,833	23,015	*12,917	*3,130	*4,644	--	96,278	*739
Petroleum and petroleum products.....	*296,359	*529,692	--	*464,256	*65,436	--	*1,635,234	( <sup>5</sup> )
Other miscellaneous wholesale trade.....	646,929	446,142	7,726	208,070	199,004	--	1,010,486	4,230
<b>Retail trade.....</b>	<b>1,167,565</b>	<b>282,593</b>	<b>*383</b>	<b>158,054</b>	<b>108,307</b>	--	<b>1,194,622</b>	<b>70,626</b>
Building materials, garden supplies, and mobile home dealers.....	*68	*1,884	*376	*1,506	*3	--	*4,935	--
General merchandise stores.....	*154,211	*25,007	--	*21,163	*3,843	--	*227,804	*350
Food stores.....	*90,051	*3,488	--	*35	*538	--	*73,051	*49,448
Automotive dealers and service station.....	--	--	--	--	--	--	*956	--
Apparel and accessory stores.....	*97,171	*23,819	--	*17,432	*6,165	--	85,778	*6,867
Furniture and home furnishing stores.....	*529	*3,071	--	--	--	--	*11,068	--
Eating and drinking places.....	*683,911	207,705	*7	*105,173	*95,441	--	624,860	( <sup>5</sup> )
All other retail stores.....	141,624	17,619	--	*12,745	*2,316	--	166,170	*13,962
<b>Finance, insurance, and real estate.....</b>	<b>16,294,955</b>	<b>29,265,947</b>	<b>*12,004</b>	<b>16,115,229</b>	<b>12,305,849</b>	--	<b>22,250,486</b>	<b>1,242,938</b>
Banking.....	4,226,348	19,864,340	*5,949	12,399,864	6,682,398	--	12,824,563	1,169,694
Credit agencies other than banks.....	*2,906,279	*1,541,270	*50	*959,577	*581,643	--	811,802	( <sup>5</sup> )
Security, commodity brokers, and services.....	1,321,273	1,718,813	--	1,618,285	*97,752	--	1,138,089	*1,125
Insurance.....	7,577,307	5,603,571	*147	663,363	4,898,555	--	6,075,017	*69,905
Insurance agents, brokers, and service.....	*23,873	*30,307	*5,857	*16,083	*2,233	--	263,888	( <sup>5</sup> )
Real estate.....	*6,683	*1,852	--	*872	*43	--	15,236	--
Holding and other investment companies, except bank holding companies.....	233,192	505,794	*1	*457,185	43,225	--	1,121,890	*2,213
<b>Services.....</b>	<b>2,691,992</b>	<b>2,557,013</b>	<b>527,366</b>	<b>292,724</b>	<b>1,608,325</b>	--	<b>4,513,689</b>	<b>138,916</b>
Hotels and other lodging places.....	*169,417	*54,034	--	*35,881	*11,256	--	143,826	*20,795
Personal services.....	*2,590	*5,552	*373	*4,291	*350	--	108,136	*2,091
Business services.....	2,164,052	1,548,715	522,432	120,477	818,163	--	3,107,195	72,123
Auto repair; miscellaneous repair services.....	*880	*612	( <sup>5</sup> )	*103	*186	--	9,383	*423
Amusement and recreation services.....	*169,273	*900,254	*3,613	*124,396	*750,142	--	939,407	*40,795
All other services.....	185,779	47,846	*948	*7,576	28,229	--	205,742	*2,689

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 1.--U.S. Corporation Returns with a Foreign Tax Credit: Total Assets, Income, Tax, and Credits, and Foreign Income and Tax Reported on Form 1118, by Selected Industrial Group--Continued**

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

Major and selected minor industrial group	Foreign income and taxes reported on Form 1118--Continued							
	Taxable income (less loss) after adjustments	Foreign taxes available for credit					Paid or accrued	
		Total	Reduction for certain foreign taxes	Carryover	Total paid, accrued, and deemed paid	Total	Taxes withheld at source on dividends	
								(39)
<b>All industries.....</b>	<b>98,299,559</b>	<b>32,510,828</b>	<b>1,319,379</b>	<b>7,360,581</b>	<b>26,469,623</b>	<b>9,917,227</b>	<b>1,871,818</b>	
<b>Agriculture, forestry, and fishing.....</b>	<b>168,995</b>	<b>57,413</b>	--	<b>*1,095</b>	<b>56,318</b>	<b>6,954</b>	<b>3,597</b>	
<b>Mining.....</b>	<b>2,182,350</b>	<b>1,216,520</b>	<b>239,531</b>	<b>642,919</b>	<b>813,132</b>	<b>679,413</b>	<b>45,831</b>	
Metal mining.....	*524,815	*168,521	--	*16,491	*152,031	*147,415	*24,660	
Coal mining.....	*170,780	*42,195	*6,389	*13,121	*35,463	*35,142	*3,512	
Oil and gas extraction.....	1,464,405	1,000,926	224,165	605,934	619,156	491,044	17,625	
Nonmetallic minerals, except fuels.....	*22,350	*4,878	*8,977	*7,373	*6,482	*5,811	*34	
<b>Construction.....</b>	<b>342,776</b>	<b>96,047</b>	--	<b>12,801</b>	<b>83,246</b>	<b>41,442</b>	<b>1,080</b>	
General building contractors.....	155,566	40,215	--	*2,578	37,637	17,424	*491	
Heavy construction contractors.....	177,137	51,809	--	*8,874	42,934	22,863	*503	
Special trade contractors.....	10,073	4,024	--	*1,349	2,675	1,155	*85	
<b>Manufacturing.....</b>	<b>61,800,034</b>	<b>23,320,573</b>	<b>1,075,442</b>	<b>5,586,396</b>	<b>18,809,618</b>	<b>6,038,298</b>	<b>1,505,635</b>	
Food and kindred products.....	4,934,675	1,541,130	--	135,470	1,405,659	367,135	113,616	
Tobacco manufactures.....	*2,417,972	*769,639	--	*2,473	*767,166	*114,277	*64,728	
Textile mill products.....	46,624	12,460	--	*1,394	11,067	1,855	*554	
Apparel and other textile products.....	610,416	185,467	--	*9,072	176,395	42,081	*15,638	
Lumber and wood products.....	31,490	25,307	--	*18,581	6,725	2,437	*975	
Furniture and fixtures.....	45,072	49,584	--	*32,486	17,098	3,869	*2,191	
Paper and allied products.....	735,907	272,697	--	*45,438	227,259	61,925	20,734	
Printing and publishing.....	1,452,982	363,925	--	15,004	348,922	120,606	17,059	
Industrial plastics and synthetic material.....	4,133,508	1,414,265	*3,443	168,699	1,249,010	349,193	114,167	
Drugs.....	6,739,010	2,171,110	*4	*166,963	2,004,152	311,870	160,447	
Other chemicals.....	3,048,143	1,059,538	*3,236	139,939	922,835	252,275	78,204	
Petroleum (including integrated) and coal products.....	12,736,356	7,953,531	1,067,919	3,828,893	5,192,557	2,841,378	264,646	
Rubber and miscellaneous plastics products.....	666,524	238,523	*409	*28,133	210,799	52,295	14,683	
Leather and leather products.....	*44,988	*3,568	--	--	3,568	*3,507	*2	
Stone, clay, and glass products.....	322,375	127,292	--	16,489	110,802	22,229	8,523	
Primary metal industries.....	723,658	324,116	--	86,166	237,950	88,589	8,488	
Fabricated metal products.....	1,176,016	396,600	*25	33,569	363,055	62,238	23,638	
Office, computing, and accounting machinery.....	1,177,369	183,863	--	*22,895	160,968	30,986	8,231	
Other machinery, except electrical.....	1,575,888	659,733	*28	248,315	411,447	114,686	28,014	
Electrical and electronic equipment.....	5,833,985	1,548,746	*377	182,692	1,366,431	423,003	86,064	
Motor vehicles and equipment.....	6,483,578	1,836,908	--	173,905	1,663,003	452,394	362,848	
Transportation equipment, except motor vehicles.....	2,294,988	812,992	--	*65,507	747,485	73,161	31,043	
Instruments and related products.....	3,731,141	1,127,927	--	96,430	1,031,497	204,494	68,693	
Miscellaneous manufacturing and manufacturing not allocable.....	837,369	241,651	--	67,883	173,768	41,813	12,450	
<b>Transportation and public utilities.....</b>	<b>4,485,347</b>	<b>1,054,499</b>	<b>*4,396</b>	<b>93,766</b>	<b>965,129</b>	<b>158,934</b>	<b>34,172</b>	
Transportation.....	798,441	136,219	--	31,442	104,777	48,324	4,702	
Water transportation.....	159,749	26,274	--	*3,233	23,041	13,428	*1,767	
All other transportation.....	638,692	109,945	--	28,209	81,736	34,897	*2,935	
Communication.....	3,543,097	886,854	--	*58,914	827,940	104,286	29,153	
Electric, gas, and sanitary services.....	143,809	31,426	*4,396	*3,410	32,413	6,323	*318	

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 1.--U.S. Corporation Returns with a Foreign Tax Credit: Total Assets, Income, Tax, and Credits, and Foreign Income and Tax Reported on Form 1118, by Selected Industrial Group--Continued**

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

Major and selected minor industrial group	Foreign income and taxes reported on Form 1118--Continued							
	Taxable income (less loss) after adjustments	Foreign taxes available for credit					Paid or accrued	
		Total	Reduction for certain foreign taxes	Carryover	Total paid, accrued, and deemed paid	Total	Taxes withheld at source on dividends	
								(39)
<b>Wholesale and retail trade.....</b>	<b>3,937,736</b>	<b>1,284,481</b>	<b>*10</b>	<b>157,391</b>	<b>1,127,099</b>	<b>358,077</b>	<b>128,857</b>	
<b>Wholesale trade.....</b>	<b>2,813,740</b>	<b>964,923</b>	<b>*10</b>	<b>110,363</b>	<b>854,570</b>	<b>191,719</b>	<b>109,418</b>	
Groceries and related products.....	*11,063	*6,124	--	*1,907	*4,217	*2,284	*259	
Machinery, equipment, and supplies.....	65,649	17,320	--	*5,461	11,858	7,174	*713	
Miscellaneous wholesale trade.....	2,737,028	941,479	*10	102,995	838,495	182,261	108,447	
Drugs, chemicals, and allied products.....	95,539	14,789	--	*5,702	9,087	6,565	*199	
Petroleum and petroleum products.....	*1,635,234	*601,165	--	*35,854	*565,311	*103,946	*87,534	
Other miscellaneous wholesale trade.....	1,006,256	325,526	*10	61,439	264,097	71,749	20,714	
<b>Retail trade.....</b>	<b>1,123,996</b>	<b>319,557</b>	<b>--</b>	<b>47,028</b>	<b>272,529</b>	<b>166,358</b>	<b>19,439</b>	
Building materials, garden supplies, and mobile home dealers.....	*4,935	*777	--	--	*777	*777	*2	
General merchandise stores.....	*227,455	*34,035	--	*465	*33,570	*9,327	*431	
Food stores.....	*23,603	*24,159	--	*13,521	*10,638	*10,638	*11	
Automotive dealers and service station.....	*956	*288	--	*151	*137	*137	*15	
Apparel and accessory stores.....	78,911	28,312	--	*6,668	*21,645	*16,620	*779	
Furniture and home furnishing stores.....	*11,068	*2,167	--	--	*2,167	*655	*173	
Eating and drinking places.....	624,860	204,345	--	*24,179	180,166	106,890	*13,260	
All other retail stores.....	152,208	25,474	--	*2,044	23,430	21,314	*4,769	
<b>Finance, insurance, and real estate.....</b>	<b>21,007,548</b>	<b>4,102,404</b>	<b>(<sup>e</sup>)</b>	<b>522,655</b>	<b>3,579,748</b>	<b>2,138,283</b>	<b>115,757</b>	
Banking.....	11,654,869	2,115,696	--	267,364	1,848,332	1,215,085	32,907	
Credit agencies other than banks.....	811,802	153,597	--	*24,104	129,493	88,910	*8,208	
Security, commodity brokers, and services.....	1,136,964	222,304	--	92,753	129,551	90,356	18,549	
Insurance.....	6,005,112	1,057,407	( <sup>e</sup> )	13,177	1,044,229	704,457	37,434	
Insurance agents, brokers, and service.....	263,888	89,812	--	*266	89,546	8,386	*5,801	
Real estate.....	15,236	4,817	--	*75	4,740	4,280	684	
Holding and other investment companies, except bank holding companies.....	1,119,677	458,771	--	124,915	333,857	26,809	12,174	
<b>Services.....</b>	<b>4,374,773</b>	<b>1,378,891</b>	<b>--</b>	<b>343,558</b>	<b>1,035,333</b>	<b>495,827</b>	<b>36,889</b>	
Hotels and other lodging places.....	123,031	74,404	--	*31,529	*42,876	*28,383	*654	
Personal services.....	106,045	44,676	--	*12,856	31,820	6,649	*3,170	
Business services.....	3,035,072	792,199	--	102,359	689,840	292,718	26,179	
Auto repair; miscellaneous repair services.....	8,960	2,898	--	*285	2,613	*558	*16	
Amusement and recreation services.....	898,612	312,947	--	97,124	215,823	124,723	*6,435	
All other services.....	203,053	151,767	--	99,405	52,362	42,796	433	

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 1.--U.S. Corporation Returns with a Foreign Tax Credit: Total Assets, Income, Tax, and Credits, and Foreign Income and Tax Reported on Form 1118, by Selected Industrial Group--Continued**

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

Major and selected minor industrial group	Foreign income and taxes reported on Form 1118--Continued						Taxes deemed paid
	Foreign taxes available for credit--Continued						
	Paid or accrued--Continued						
	Taxes withheld at source on--		Other taxes paid or accrued on--				
	Interest	Rents, royalties, and license fees	Branch income	Specifically allocable income [section 863 (b)]	Service income	Other income	
(46)	(47)	(48)	(49)	(50)	(51)	(52)	
<b>All industries.....</b>	<b>260,229</b>	<b>1,162,569</b>	<b>4,179,390</b>	<b>10,094</b>	<b>216,213</b>	<b>2,216,916</b>	<b>16,552,397</b>
<b>Agriculture, forestry, and fishing.....</b>	<b>*260</b>	<b>*2,080</b>	<b>*839</b>	--	--	<b>*177</b>	<b>*49,365</b>
<b>Mining.....</b>	<b>12,888</b>	<b>*809</b>	<b>154,368</b>	--	<b>*1,308</b>	<b>464,208</b>	<b>133,719</b>
Metal mining.....	*9,778	*582	*100,042	--	--	*12,353	*4,615
Coal mining.....	*1,596	*1	*4,576	--	--	*25,458	*320
Oil and gas extraction.....	*1,513	*178	45,185	--	*1,018	425,525	128,112
Nonmetallic minerals, except fuels.....	*2	*48	*4,565	--	*289	*873	*671
<b>Construction.....</b>	<b>*72</b>	<b>1,682</b>	<b>*11,662</b>	<b>*705</b>	<b>25,256</b>	<b>*986</b>	<b>*41,804</b>
General building contractors.....	*15	*64	*362	*705	*15,685	*102	*20,213
Heavy construction contractors.....	*29	*965	*11,261	--	*9,242	*863	*20,071
Special trade contractors.....	*28	*652	*39	--	*330	*21	*1,520
<b>Manufacturing.....</b>	<b>116,029</b>	<b>847,554</b>	<b>2,146,611</b>	<b>4,521</b>	<b>66,362</b>	<b>1,351,587</b>	<b>12,771,320</b>
Food and kindred products.....	9,790	56,535	132,717	--	*5,003	49,475	1,038,524
Tobacco manufactures.....	*881	*37,106	*10,168	--	*24	*1,372	*652,889
Textile mill products.....	*420	*743	--	--	*49	*90	*9,211
Apparel and other textile products.....	*99	15,916	*8,747	--	*713	*968	134,314
Lumber and wood products.....	*415	*892	--	--	*15	*141	*4,289
Furniture and fixtures.....	*949	*613	--	--	*116	--	*13,229
Paper and allied products.....	3,229	34,203	*1,502	--	*352	*1,906	165,335
Printing and publishing.....	1,327	87,016	*4,716	*1	*288	10,199	228,316
Industrial plastics and synthetic material.....	18,310	56,413	110,161	*50	*2,846	47,245	899,817
Drugs.....	2,739	63,255	50,577	*238	*7,020	27,595	1,692,281
Other chemicals.....	4,518	80,398	73,720	*16	*3,716	11,703	670,560
Petroleum (including integrated) and coal products.....	12,980	12,698	*1,535,693	--	*4,308	1,011,054	2,351,178
Rubber and miscellaneous plastics products.....	*1,671	20,009	*14,137	--	*117	*1,679	158,504
Leather and leather products.....	*364	*3,114	*20	--	*7	(5)	*61
Stone, clay, and glass products.....	*2,190	7,769	*2,617	--	*760	*370	88,573
Primary metal industries.....	721	8,265	*22,713	--	*784	*47,618	149,360
Fabricated metal products.....	1,213	13,632	11,951	--	*1,125	10,679	300,817
Office, computing, and accounting machinery.....	*1,101	17,413	*2,458	--	*292	*1,491	129,982
Other machinery, except electrical.....	9,022	19,831	22,225	*966	3,708	30,922	296,761
Electrical and electronic equipment.....	10,774	173,844	52,233	*150	14,130	85,809	943,428
Motor vehicles and equipment.....	20,844	16,611	*33,349	*7	*14,606	*4,127	1,210,609
Transportation equipment, except motor vehicles.....	*747	25,370	*9,838	--	*4,679	*1,483	674,324
Instruments and related products.....	10,853	78,982	38,308	*2,714	*1,265	3,678	827,003
Miscellaneous manufacturing and manufacturing not allocable.....	870	16,929	8,762	*379	*441	*1,983	131,954
<b>Transportation and public utilities.....</b>	<b>6,700</b>	<b>38,268</b>	<b>40,133</b>	<b>*83</b>	<b>25,900</b>	<b>13,677</b>	<b>806,195</b>
Transportation.....	3,479	2,307	*16,714	*83	14,852	6,188	56,452
Water transportation.....	*220	*10	--	--	*9,713	*1,718	*9,613
All other transportation.....	3,259	2,297	*16,714	*83	*5,139	*4,470	46,839
Communication.....	*1,240	34,572	*21,397	--	*10,962	*6,963	*723,653
Electric, gas, and sanitary services.....	*1,981	*1,390	*2,022	--	*87	*526	*26,089

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 1.--U.S. Corporation Returns with a Foreign Tax Credit: Total Assets, Income, Tax, and Credits, and Foreign Income and Tax Reported on Form 1118, by Selected Industrial Group--Continued**

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

Major and selected minor industrial group	Foreign income and taxes reported on Form 1118--Continued						Taxes deemed paid
	Foreign taxes available for credit--Continued						
	Paid or accrued--Continued						
	Taxes withheld at source on--		Other taxes paid or accrued on--				
	Interest	Rents, royalties, and license fees	Branch income	Specifically allocable income [section 863 (b)]	Service income	Other income	
(46)	(47)	(48)	(49)	(50)	(51)	(52)	
<b>Wholesale and retail trade.....</b>	<b>12,982</b>	<b>59,206</b>	<b>105,339</b>	--	<b>8,408</b>	<b>43,285</b>	<b>769,022</b>
<b>Wholesale trade.....</b>	<b>7,958</b>	<b>19,497</b>	<b>22,587</b>	--	<b>8,388</b>	<b>23,870</b>	<b>662,851</b>
Groceries and related products.....	--	*188	--	--	*1,837	--	*1,933
Machinery, equipment, and supplies.....	*278	*274	*2,811	--	*2,794	*304	*4,685
Miscellaneous wholesale trade.....	7,680	19,034	19,776	--	3,757	23,567	656,234
Drugs, chemicals, and allied products.....	*4	4,832	*767	--	*546	*217	*2,522
Petroleum and petroleum products.....	*1,325	*225	*431	--	*691	*13,741	*461,365
Other miscellaneous wholesale trade.....	6,351	13,977	18,578	--	2,521	9,608	192,348
<b>Retail trade.....</b>	<b>5,023</b>	<b>39,709</b>	<b>82,752</b>	--	<b>*20</b>	<b>19,415</b>	<b>106,171</b>
Building materials, garden supplies, and mobile home dealers.....	*314	*462	--	--	--	--	--
General merchandise stores.....	*552	*756	*7,588	--	--	--	*24,242
Food stores.....	--	*6,879	*331	--	--	*3,417	--
Automotive dealers and service station.....	*107	*15	--	--	--	--	--
Apparel and accessory stores.....	*1,581	*826	*12,587	--	--	*848	*5,025
Furniture and home furnishing stores.....	*94	*388	--	--	--	--	*1,512
Eating and drinking places.....	*1,352	26,401	*55,744	--	--	*10,133	*73,276
All other retail stores.....	*1,024	3,983	*6,503	--	*20	*5,017	*2,116
<b>Finance, insurance, and real estate.....</b>	<b>104,228</b>	<b>11,890</b>	<b>1,633,992</b>	<b>*141</b>	<b>35,181</b>	<b>237,095</b>	<b>1,441,465</b>
Banking.....	52,121	*715	1,066,822	--	*3,175	59,345	633,247
Credit agencies other than banks.....	*237	*6,650	*68,959	--	*2,537	*2,318	*40,583
Security, commodity brokers, and services.....	18,831	*19	26,697	--	*4,723	21,538	39,194
Insurance.....	31,588	*3,386	468,893	*141	24,732	138,284	339,773
Insurance agents, brokers, and service.....	*324	*59	*1,806	--	*1	*395	*81,160
Real estate.....	*98	*867	--	--	--	*2,633	*460
Holding and other investment companies, except bank holding companies.....	1,029	*193	*815	--	*14	12,583	307,048
<b>Services.....</b>	<b>7,070</b>	<b>201,080</b>	<b>86,445</b>	<b>*4,645</b>	<b>53,798</b>	<b>105,901</b>	<b>539,506</b>
Hotels and other lodging places.....	*501	*11,036	*9,925	--	*898	*5,369	*14,493
Personal services.....	*261	*2,046	*781	--	*252	*138	*25,170
Business services.....	1,339	83,758	66,452	*4,532	16,707	93,749	397,122
Auto repair; miscellaneous repair services.....	*11	*469	--	--	*55	*6	*2,055
Amusement and recreation services.....	*4,911	97,788	*779	*112	*9,977	*4,720	*91,100
All other services.....	*47	5,982	8,508	--	25,908	1,919	9,566

\* Data should be used with caution because of the small number of returns on which they were based.

<sup>1</sup> Interest Charge - Domestic International Sales Corporation (IC-DISC) and Domestic International Sales Corporation (DISC).

<sup>2</sup> In addition to the credits shown in columns 12-14, this is after reduction by other credits, such as the jobs credit and the investment credit, which are not shown separately in this table.

<sup>3</sup> Included in gross income (less loss), columns 16-22. See text for additional information.

<sup>4</sup> Included in deductions, columns 26-35. See text for additional information.

<sup>5</sup> Less than \$500.

Footnotes at end of table.



# Corporate Foreign Tax Credit, 1994

**Table 2.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Industrial Division and Income Type**

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

Industrial division and income type	Number of returns	Foreign income and taxes reported on Form 1118						
		Gross income (less loss)						
		Total	Dividends	Foreign dividend income resulting from foreign taxes deemed paid (gross-up)	Interest	Rents, royalties, and license fees	Service income	Other income
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
<b>ALL INDUSTRIES</b>								
<b>All income types.....</b>	<b>7,199</b>	<b>235,987,348</b>	<b>41,811,041</b>	<b>16,535,525</b>	<b>38,803,369</b>	<b>23,056,369</b>	<b>14,585,152</b>	<b>101,195,892</b>
Passive income.....	2,294	5,120,052	2,551,080	248,736	1,379,766	256,286	*580	683,604
High withholding tax interest.....	338	1,121,712	34,774	15,898	1,063,497	--	--	*7,543
Financial services income.....	333	69,990,699	6,400,122	1,882,739	32,147,556	1,120,835	2,653,531	25,785,916
Shipping income.....	62	6,020,705	201,607	26,066	88,046	461,942	3,315,535	1,927,508
Dividends from noncontrolled section 902 corporations.....	783	2,245,994	1,578,408	643,898	4,471	*789	*126	18,302
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	64	94,694	94,674	*19	--	--	--	--
Income related to sections 904(g) or 901(j).....	106	182,445	55,464	*5,401	*1,085	*1,876	*1,221	117,397
Certain distributions from a FSC or former FSC <sup>2</sup> .....	75	1,374,936	1,374,924	--	*12	--	--	--
All other income from outside the United States.....	4,545	149,836,113	29,519,987	13,712,768	4,118,936	21,214,641	8,614,159	72,655,621
<b>AGRICULTURE, FORESTRY, AND FISHING</b>								
<b>All income types.....</b>	<b>193</b>	<b>261,106</b>	<b>97,959</b>	<b>*49,365</b>	<b>*4,135</b>	<b>*36,936</b>	<b>--</b>	<b>*72,711</b>
Passive income.....	75	*1,918	*1,235	*57	*531	*95	--	--
High withholding tax interest.....	--	--	--	--	--	--	--	--
Financial services income.....	--	--	--	--	--	--	--	--
Shipping income.....	--	--	--	--	--	--	--	--
Dividends from noncontrolled section 902 corporations.....	25	*95,054	*61,254	*33,603	--	--	--	*196
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--	--
Income related to sections 904(g) or 901(j).....	--	--	--	--	--	--	--	--
Certain distributions from a FSC or former FSC <sup>2</sup> .....	***	***	***	***	***	***	***	***
All other income from outside the United States.....	98	151,219	*22,554	*15,704	*3,604	*36,841	--	*72,515
<b>MINING</b>								
<b>All income types.....</b>	<b>352</b>	<b>5,068,907</b>	<b>248,053</b>	<b>133,719</b>	<b>178,613</b>	<b>56,169</b>	<b>798,496</b>	<b>3,653,856</b>
Passive income.....	261	19,325	1,620	*8	12,400	*724	--	*4,572
High withholding tax interest.....	7	*13,422	*1,881	*1,119	*10,422	--	--	--
Financial services income.....	***	***	***	***	***	***	***	***
Shipping income.....	***	***	***	***	***	***	***	***
Dividends from noncontrolled section 902 corporations.....	4	*49,806	*33,801	*11,108	--	--	--	*4,897
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--	--
Income related to sections 904(g) or 901(j).....	--	--	--	--	--	--	--	--
Certain distributions from a FSC or former FSC <sup>2</sup> .....	--	--	--	--	--	--	--	--
All other income from outside the United States.....	107	4,986,075	210,010	121,485	155,791	55,445	798,401	3,644,944
<b>CONSTRUCTION</b>								
<b>All income types.....</b>	<b>125</b>	<b>1,153,561</b>	<b>154,595</b>	<b>*41,804</b>	<b>16,622</b>	<b>18,788</b>	<b>805,465</b>	<b>116,287</b>
Passive income.....	35	23,230	*12,929	*2,274	*6,956	*972	--	*100
High withholding tax interest.....	3	*256	--	--	*256	--	--	--
Financial services income.....	***	***	***	***	***	***	***	***
Shipping income.....	--	--	--	--	--	--	--	--
Dividends from noncontrolled section 902 corporations.....	9	*4,698	*3,531	*1,168	--	--	--	--
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--	--
Income related to sections 904(g) or 901(j).....	***	***	***	***	***	***	***	***
Certain distributions from a FSC or former FSC <sup>2</sup> .....	***	***	***	***	***	***	***	***
All other income from outside the United States.....	85	1,114,247	127,113	*38,363	9,410	*17,817	805,357	*116,187

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 2.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Industrial Division and Income Type--Continued**

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

Industrial division and income type	Number of returns	Foreign income and taxes reported on Form 1118						
		Gross income (less loss)						
		Total	Dividends	Foreign dividend income resulting from foreign taxes deemed paid (gross-up)	Interest	Rents, royalties, and license fees	Service income	Other income
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
<b>MANUFACTURING</b>								
<b>All income types.....</b>	<b>1,606</b>	<b>117,767,278</b>	<b>31,893,694</b>	<b>12,755,127</b>	<b>4,575,614</b>	<b>15,867,743</b>	<b>3,745,055</b>	<b>48,930,046</b>
Passive income.....	569	3,880,332	2,239,482	218,797	883,839	166,916	*81	371,216
High withholding tax interest.....	100	169,950	*5,510	*1,945	162,493	--	--	*1
Financial services income.....	80	2,777,759	1,199,507	391,532	441,485	*167,105	*3,436	574,694
Shipping income.....	21	631,173	*81,196	*13,004	*20,447	*320,595	*97,596	*98,336
Dividends from noncontrolled section 902 corporations.....	220	1,288,620	911,491	377,235	2,227	*789	--	-3,122
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	46	94,370	94,351	*19	--	--	--	--
Income related to sections 904(q) or 901(j).....	35	96,489	41,485	*1,180	*957	*826	*1,221	*50,820
Certain distributions from a FSC or former FSC <sup>2</sup> .....	60	1,110,099	1,110,087	--	*12	--	--	--
All other income from outside the United States.....	1,348	107,718,486	26,210,586	11,751,413	3,064,155	15,211,512	3,642,720	47,838,100
<b>TRANSPORTATION AND PUBLIC UTILITIES</b>								
<b>All income types.....</b>	<b>176</b>	<b>18,218,625</b>	<b>1,033,397</b>	<b>806,195</b>	<b>228,669</b>	<b>597,238</b>	<b>4,011,181</b>	<b>11,541,944</b>
Passive income.....	35	137,841	32,355	1,566	47,181	*2,763	--	*53,977
High withholding tax interest.....	14	16,745	*68	*21	16,658	--	--	*-2
Financial services income.....	4	*36,915	*15,280	*942	*9,163	*10,711	--	*820
Shipping income.....	33	5,337,888	*115,933	*12,896	*62,857	*100,849	*3,217,844	*1,827,509
Dividends from noncontrolled section 902 corporations.....	11	23,772	*19,401	*4,287	*84	--	--	--
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--	--
Income related to sections 904(q) or 901(j).....	***	***	***	***	***	***	***	***
Certain distributions from a FSC or former FSC <sup>2</sup> .....	***	***	***	***	***	***	***	***
All other income from outside the United States.....	129	12,581,077	827,450	786,484	92,727	482,915	793,338	9,598,165
<b>WHOLESALE AND RETAIL TRADE</b>								
<b>All income types.....</b>	<b>960</b>	<b>12,123,787</b>	<b>1,893,606</b>	<b>768,407</b>	<b>1,009,734</b>	<b>843,671</b>	<b>305,770</b>	<b>7,302,599</b>
Passive income.....	320	237,112	95,913	5,857	56,703	37,521	*234	40,885
High withholding tax interest.....	59	44,349	*18,196	*3,510	22,643	--	--	( <sup>3</sup> )
Financial services income.....	8	*2,236,350	*856,008	*382,863	*697,039	*2,298	--	*298,142
Shipping income.....	3	*4,623	*2,226	*166	*9	--	--	*2,221
Dividends from noncontrolled section 902 corporations.....	44	65,639	49,333	15,490	*349	*1	--	*465
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--	--
Income related to sections 904(q) or 901(j).....	6	*20,430	*13,767	*4,221	*129	--	--	*2,313
Certain distributions from a FSC or former FSC <sup>2</sup> .....	***	***	***	***	***	***	***	***
All other income from outside the United States.....	638	9,509,199	852,076	356,301	232,861	803,851	305,536	6,958,573
<b>FINANCE, INSURANCE, AND REAL ESTATE</b>								
<b>All income types.....</b>	<b>2,093</b>	<b>69,058,975</b>	<b>5,259,760</b>	<b>1,441,402</b>	<b>32,553,331</b>	<b>1,039,089</b>	<b>2,904,449</b>	<b>25,860,944</b>
Passive income.....	749	679,041	118,898	16,732	338,689	*6,483	--	198,239
High withholding tax interest.....	139	828,177	*9,118	*9,304	802,211	--	--	*7,544
Financial services income.....	163	64,906,497	4,322,226	1,105,992	30,989,736	940,722	2,647,439	24,900,382
Shipping income.....	***	***	***	***	***	***	***	***
Dividends from noncontrolled section 902 corporations.....	422	679,952	476,274	187,482	*280	--	*50	*15,866
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	17	*36	*36	--	--	--	--	--
Income related to sections 904(q) or 901(j).....	22	*38	*38	--	--	--	--	--
Certain distributions from a FSC or former FSC <sup>2</sup> .....	4	*59,681	*59,681	--	--	--	--	--
All other income from outside the United States.....	763	1,903,379	271,315	121,892	422,415	91,884	256,959	738,914

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 2.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Industrial Division and Income Type--Continued**

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

Industrial division and income type	Number of returns	Foreign income and taxes reported on Form 1118						
		Gross income (less loss)						
		Total	Dividends	Foreign dividend income resulting from foreign taxes deemed paid (gross-up)	Interest	Rents, royalties, and license fees	Service income	Other income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>SERVICES</b>								
<b>All income types.....</b>	<b>1,695</b>	<b>12,335,110</b>	<b>1,229,977</b>	<b>539,506</b>	<b>236,651</b>	<b>4,596,735</b>	<b>2,014,736</b>	<b>3,717,504</b>
Passive income.....	250	141,253	48,648	3,444	33,468	40,811	*265	14,616
High withholding tax interest.....	15	48,814	--	--	48,814	--	--	--
Financial services income.....	75	32,328	*6,360	*1,410	*10,132	--	*2,547	*11,878
Shipping income.....	3	*45,309	*78	--	*4,733	*40,497	--	--
Dividends from noncontrolled section 902 corporations.....	48	38,453	23,322	13,526	*1,530	--	*76	*-1
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	***	***	***	***	***	***	***	***
Income related to sections 904(q) or 901(i).....	40	*3,838	--	--	--	*1,050	--	*2,788
Certain distributions from a FSC or former FSC <sup>2</sup> ..	6	*152,397	*152,397	--	--	--	--	--
All other income from outside the United States...	1,378	11,872,430	998,884	521,126	137,973	4,514,376	2,011,848	3,688,223

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 2.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Industrial Division and Income Type--Continued**

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

Industrial division and income type	Foreign income and taxes reported on Form 1118--Continued							
	Oil and gas extraction income (less loss) <sup>4</sup>	Foreign branch income <sup>4</sup>	Specifically allocable income [section 863 (b)] <sup>4</sup>	Deductions				
				Total	Deductions allocable to specific types of income			Service expenses
					Total	Depreciation, depletion, and amortization	Rental, royalty and licensing expenses	
(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
<b>ALL INDUSTRIES</b>								
<b>All income types.....</b>	<b>14,575,064</b>	<b>60,316,457</b>	<b>22,479,931</b>	<b>134,466,070</b>	<b>74,463,192</b>	<b>957,747</b>	<b>7,926,570</b>	<b>5,842,689</b>
Passive income.....	--	76,412	14,284	1,371,522	227,193	4,744	29,595	*1,314
High withholding tax interest.....	--	*5,104	*51,186	563,421	58,960	--	--	--
Financial services income.....	--	36,553,815	*5,662,800	47,053,342	17,524,895	195,111	206,615	690,030
Shipping income.....	--	*102,894	*1,698,498	5,355,159	5,116,317	*95,540	*27,275	*617,741
Dividends from noncontrolled section 902 corporations.....	--	*1,207	*32,148	455,989	56,368	--	*142	*576
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	2,205	*2	--	--	--
Income related to sections 904(q) or 901(i).....	--	*7,985	*932	69,963	38,665	--	*10	--
Certain distributions from a FSC or former FSC <sup>2</sup> .....	--	--	--	1,213,941	1,177,013	--	--	--
All other income from outside the United States....	14,575,064	23,569,041	15,020,084	78,380,527	50,263,780	662,353	7,662,934	4,533,028
<b>AGRICULTURE, FORESTRY, AND FISHING</b>								
<b>All income types.....</b>	<b>--</b>	<b>*863</b>	<b>*1,985</b>	<b>*84,589</b>	<b>*39,793</b>	<b>*14</b>	<b>*240</b>	<b>*4</b>
Passive income.....	--	--	--	*165	--	--	--	--
High withholding tax interest.....	--	--	--	--	--	--	--	--
Financial services income.....	--	--	--	--	--	--	--	--
Shipping income.....	--	--	--	--	--	--	--	--
Dividends from noncontrolled section 902 corporations.....	--	--	--	*1,306	*183	--	--	--
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--	--
Income related to sections 904(q) or 901(i).....	--	--	--	--	--	--	--	--
Certain distributions from a FSC or former FSC <sup>2</sup> .....	***	***	***	***	***	***	***	***
All other income from outside the United States....	--	*863	*1,985	*70,202	*26,695	*14	*240	*4
<b>MINING</b>								
<b>All income types.....</b>	<b>1,953,201</b>	<b>702,098</b>	<b>*20,699</b>	<b>2,836,784</b>	<b>2,468,986</b>	<b>*75,023</b>	<b>*242,710</b>	<b>*627,443</b>
Passive income.....	--	*5,556	*16	9,277	*3,679	*556	--	--
High withholding tax interest.....	--	--	*1,380	*3,376	*2	--	--	--
Financial services income.....	***	***	***	***	***	***	***	***
Shipping income.....	***	***	***	***	***	***	***	***
Dividends from noncontrolled section 902 corporations.....	--	--	--	*1,807	--	--	--	--
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--	--
Income related to sections 904(q) or 901(i).....	--	--	--	--	--	--	--	--
Certain distributions from a FSC or former FSC <sup>2</sup> .....	--	--	--	--	--	--	--	--
All other income from outside the United States....	1,953,201	696,542	*19,304	2,822,040	2,465,305	*74,467	*242,710	*627,443
<b>CONSTRUCTION</b>								
<b>All income types.....</b>	<b>--</b>	<b>*479,177</b>	<b>*57,941</b>	<b>810,784</b>	<b>775,418</b>	<b>*1,356</b>	<b>*1,706</b>	<b>629,744</b>
Passive income.....	--	--	--	*1,357	*704	--	--	--
High withholding tax interest.....	--	--	--	*18	--	--	--	--
Financial services income.....	***	***	***	***	***	***	***	***
Shipping income.....	--	--	--	--	--	--	--	--
Dividends from noncontrolled section 902 corporations.....	--	--	--	*46	--	--	--	--
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--	--
Income related to sections 904(q) or 901(i).....	***	***	***	***	***	***	***	***
Certain distributions from a FSC or former FSC <sup>2</sup> .....	***	***	***	***	***	***	***	***
All other income from outside the United States....	--	*479,003	*57,941	798,515	763,867	*1,356	*1,706	629,744

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 2.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Industrial Division and Income Type--Continued**

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

Industrial division and income type	Foreign income and taxes reported on Form 1118--Continued							
	Oil and gas extraction income (less loss) <sup>4</sup>	Foreign branch income <sup>4</sup>	Specifically allocable income [section 863 (b)] <sup>4</sup>	Total	Deductions			
					Total	Rental, royalty and licensing expenses		Service expenses
						Depreciation, depletion, and amortization	Other	
(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
<b>MANUFACTURING</b>								
<b>All income types.....</b>	<b>12,589,379</b>	<b>19,712,749</b>	<b>13,552,293</b>	<b>54,432,292</b>	<b>31,229,051</b>	<b>230,776</b>	<b>1,702,914</b>	<b>1,891,330</b>
Passive income.....	--	71,340	*3,136	1,023,614	80,018	*1,095	3,424	*68
High withholding tax interest.....	--	*4,068	*4	40,829	2,447	--	--	--
Financial services income.....	--	*284,993	--	1,288,013	581,299	*14,536	*11	--
Shipping income.....	--	*9,368	--	518,686	387,690	--	*26,306	*9,314
Dividends from noncontrolled section 902 corporations.....	--	*1,188	*551	263,334	27,203	--	*47	--
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	2,205	*2	--	--	--
Income related to sections 904(q) or 901(j).....	--	*7,514	--	31,297	14,362	--	*10	--
Certain distributions from a FSC or former FSC <sup>2</sup> .....	--	--	--	1,006,425	976,988	--	--	--
All other income from outside the United States.....	12,589,379	19,334,278	13,548,601	50,257,889	29,159,041	215,145	1,673,117	1,881,948
<b>TRANSPORTATION AND PUBLIC UTILITIES</b>								
<b>All income types.....</b>	<b>*32,485</b>	<b>*372,705</b>	<b>1,824,542</b>	<b>13,561,873</b>	<b>10,352,430</b>	<b>*437</b>	<b>22,157</b>	<b>926,494</b>
Passive income.....	--	--	*100	53,601	31,477	*274	*11,168	*343
High withholding tax interest.....	--	--	--	*5,881	*745	--	--	--
Financial services income.....	--	--	*7,000	*15,532	*11,279	--	--	--
Shipping income.....	--	*93,526	*1,698,498	4,723,649	*4,631,418	--	--	*608,427
Dividends from noncontrolled section 902 corporations.....	--	--	*119	*25,276	*9,705	--	--	--
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--	--
Income related to sections 904(q) or 901(j).....	***	***	***	***	***	***	***	***
Certain distributions from a FSC or former FSC <sup>2</sup> .....	***	***	***	***	***	***	***	***
All other income from outside the United States.....	*32,485	*279,179	118,825	8,700,619	5,644,546	*163	*10,989	317,724
<b>WHOLESALE AND RETAIL TRADE</b>								
<b>All income types.....</b>	<b>--</b>	<b>1,465,805</b>	<b>403,372</b>	<b>8,109,839</b>	<b>6,790,563</b>	<b>4,894</b>	<b>4,454,068</b>	<b>95,692</b>
Passive income.....	--	*2,219	--	88,429	11,548	*350	*7,748	*178
High withholding tax interest.....	--	*117	--	24,053	*15,627	--	--	--
Financial services income.....	--	*70,204	--	*792,126	*317,009	--	*6	--
Shipping income.....	--	--	--	*5,164	*700	--	--	--
Dividends from noncontrolled section 902 corporations.....	--	--	--	13,344	*99	--	*95	--
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--	--
Income related to sections 904(q) or 901(j).....	--	*296	--	*2,325	*1,043	--	--	--
Certain distributions from a FSC or former FSC <sup>2</sup> .....	***	***	***	***	***	***	***	***
All other income from outside the United States.....	--	1,397,407	403,372	7,178,312	6,438,452	*4,544	4,446,219	95,514
<b>FINANCE, INSURANCE, AND REAL ESTATE</b>								
<b>All income types.....</b>	<b>--</b>	<b>36,430,736</b>	<b>5,759,869</b>	<b>46,808,489</b>	<b>17,542,542</b>	<b>183,254</b>	<b>356,565</b>	<b>707,767</b>
Passive income.....	--	*22	*577	164,498	88,181	*158	*601	--
High withholding tax interest.....	--	*920	*49,802	471,924	40,119	--	--	--
Financial services income.....	--	36,197,062	*5,653,606	44,941,558	16,612,070	180,574	206,598	689,919
Shipping income.....	***	***	***	***	***	***	***	***
Dividends from noncontrolled section 902 corporations.....	--	--	*31,470	139,146	*15,125	--	--	--
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--	--
Income related to sections 904(q) or 901(j).....	--	--	--	*32	--	--	--	--
Certain distributions from a FSC or former FSC <sup>2</sup> .....	--	--	--	*24,002	*17,779	--	--	--
All other income from outside the United States.....	--	232,732	*24,414	1,067,283	769,268	*2,521	149,367	17,849

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 2.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Industrial Division and Income Type--Continued**

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

Industrial division and income type	Foreign income and taxes reported on Form 1118--Continued							
	Oil and gas extraction income (less loss) <sup>4</sup>	Foreign branch income <sup>4</sup>	Specifically allocable income [section 863 (b)] <sup>4</sup>	Total	Deductions			
					Total	Deductions allocable to specific types of income		Service expenses
						Depreciation, depletion, and amortization	Rental, royalty and licensing expenses	
(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
<b>SERVICES</b>								
<b>All income types.....</b>	--	<b>1,152,326</b>	<b>859,230</b>	<b>7,821,421</b>	<b>5,264,408</b>	<b>461,993</b>	<b>1,146,208</b>	<b>964,215</b>
Passive income.....	--	*1,712	*10,455	30,581	11,584	*2,310	*6,654	*725
High withholding tax interest.....	--	--	--	*17,339	*20	--	--	--
Financial services income.....	--	*1,556	*2,194	*15,847	*3,238	--	--	*111
Shipping income.....	--	--	--	*107,598	*96,509	*95,540	*969	--
Dividends from noncontrolled section 902 corporations.....	--	*19	*7	11,728	*4,054	--	--	*576
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	***	***	***	***	***	***	***	***
Income related to sections 904(q) or 901(i).....	--	--	*932	--	--	--	--	--
Certain distributions from a FSC or former FSC <sup>2</sup> ..	--	--	--	*152,660	*152,397	--	--	--
All other income from outside the United States...	--	1,149,039	845,642	7,485,667	4,996,607	364,143	1,138,585	962,803

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 2.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Industrial Division and Income Type--Continued**

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

Industrial division and income type	Foreign income and taxes reported on Form 1118--Continued							
	Deductions--Continued					Deductions from oil and gas extraction income <sup>5</sup>	Taxable income (less loss) before adjustments	Adjustments to taxable income
	Other deductions allocable to specific types of income	Deductions not allocable to specific types of income						
(17)	Total	Research and development	Interest	Other	(22)	(23)	(24)	
<b>ALL INDUSTRIES</b>								
<b>All income types.....</b>	<b>59,736,185</b>	<b>60,002,879</b>	<b>4,937,048</b>	<b>26,629,892</b>	<b>26,872,347</b>	<b>6,390,264</b>	<b>101,521,278</b>	<b>3,221,719</b>
Passive income.....	191,540	1,144,330	78,030	753,387	274,715	--	3,748,529	82,470
High withholding tax interest.....	58,960	504,462	1,692	381,630	114,881	--	558,291	-43,692
Financial services income.....	16,433,140	29,528,447	31,533	16,482,540	12,206,084	--	22,937,357	1,364,971
Shipping income.....	4,375,762	238,842	8,719	155,002	73,573	--	665,546	-19,865
Dividends from noncontrolled section 902 corporations.....	55,650	399,622	31,266	260,865	105,693	--	1,790,005	-105,560
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	*2	2,203	--	--	2,174	--	92,489	-3,898
Income related to sections 904(g) or 901(j).....	38,655	31,298	*3,271	13,326	14,699	--	112,482	-5,546
Certain distributions from a FSC or former FSC <sup>2</sup> .....	1,177,013	36,929	--	--	36,673	--	160,994	5,562
All other income from outside the United States.....	37,405,464	28,116,748	4,782,538	8,583,142	14,043,855	6,390,264	71,455,585	1,947,277
<b>AGRICULTURE, FORESTRY, AND FISHING</b>								
<b>All income types.....</b>	<b>*39,535</b>	<b>*44,795</b>	<b>*11,670</b>	<b>*5,101</b>	<b>*27,672</b>	<b>--</b>	<b>176,518</b>	<b>*7,523</b>
Passive income.....	--	*165	*1	*123	*41	--	*1,753	*-6
High withholding tax interest.....	--	***	***	***	***	***	***	***
Financial services income.....	--	--	--	--	--	--	--	--
Shipping income.....	--	--	--	--	--	--	--	--
Dividends from noncontrolled section 902 corporations.....	*183	*1,123	*310	*376	*437	--	*93,748	*1,631
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--	--
Income related to sections 904(g) or 901(j).....	--	--	--	--	--	--	--	--
Certain distributions from a FSC or former FSC <sup>2</sup> .....	***	***	***	***	***	***	***	***
All other income from outside the United States.....	*26,437	*43,507	*11,358	*4,603	*27,194	--	81,017	*5,898
<b>MINING</b>								
<b>All income types.....</b>	<b>1,523,810</b>	<b>367,798</b>	<b>*32,353</b>	<b>139,955</b>	<b>193,727</b>	<b>855,397</b>	<b>2,232,123</b>	<b>*49,773</b>
Passive income.....	*3,123	5,598	--	*4,396	*945	--	10,047	*-2,746
High withholding tax interest.....	*2	*3,374	--	*3,041	*333	--	*10,045	*-63
Financial services income.....	***	***	***	***	***	***	***	***
Shipping income.....	***	***	***	***	***	***	***	***
Dividends from noncontrolled section 902 corporations.....	--	*1,807	--	*654	*1,153	--	*47,998	*1,182
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--	--
Income related to sections 904(g) or 901(j).....	--	--	--	--	--	--	--	--
Certain distributions from a FSC or former FSC <sup>2</sup> .....	--	--	--	--	--	--	--	--
All other income from outside the United States.....	1,520,684	356,735	*32,353	131,636	191,241	855,397	2,164,035	*51,878
<b>CONSTRUCTION</b>								
<b>All income types.....</b>	<b>142,612</b>	<b>35,366</b>	<b>*830</b>	<b>*7,899</b>	<b>24,895</b>	<b>--</b>	<b>342,776</b>	<b>--</b>
Passive income.....	*704	*653	--	*154	*357	--	21,873	--
High withholding tax interest.....	--	*18	--	*11	*7	--	*237	--
Financial services income.....	***	***	***	***	***	***	***	***
Shipping income.....	--	--	--	--	--	--	--	--
Dividends from noncontrolled section 902 corporations.....	--	*46	--	--	*46	--	*4,652	--
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--	--
Income related to sections 904(g) or 901(j).....	***	***	***	***	***	***	***	***
Certain distributions from a FSC or former FSC <sup>2</sup> .....	***	***	***	***	***	***	***	***
All other income from outside the United States.....	131,061	34,648	*830	*7,733	24,485	--	315,732	--

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 2.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Industrial Division and Income Type--Continued**

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

Industrial division and income type	Foreign income and taxes reported on Form 1118--Continued							
	Deductions--Continued					Deductions from oil and gas extraction income <sup>5</sup>	Taxable income (less loss) before adjustments	Adjustments to taxable income
	Other deductions allocable to specific types of income	Deductions not allocable to specific types of income						
		Total	Research and development	Interest	Other			
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
<b>MANUFACTURING</b>								
<b>All income types.....</b>	<b>27,404,031</b>	<b>23,203,241</b>	<b>4,045,318</b>	<b>8,805,432</b>	<b>9,814,430</b>	<b>5,508,003</b>	<b>63,334,986</b>	<b>1,534,953</b>
Passive income.....	75,432	943,596	75,828	639,007	214,194	--	2,856,717	81,433
High withholding tax interest.....	2,447	38,382	1,510	30,829	5,160	--	129,120	76
Financial services income.....	566,752	706,714	18,898	525,724	162,091	--	1,489,746	-6,744
Shipping income.....	352,070	130,996	6,537	99,353	25,106	--	112,487	3,800
Dividends from noncontrolled section 902 corporations.....	27,155	236,132	30,761	162,924	47,437	--	1,025,286	-45,256
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	*2	2,203	--	--	2,174	--	92,165	-3,905
Income related to sections 904(q) or 901(j).....	*14,352	16,935	*1,185	*12,102	3,649	--	65,192	-4,444
Certain distributions from a FSC or former FSC <sup>2</sup> .....	976,988	29,437	--	--	29,181	--	103,675	*-1,274
All other income from outside the United States.....	25,388,831	21,098,847	3,910,600	7,335,492	9,325,438	5,508,003	57,460,597	1,511,267
<b>TRANSPORTATION AND PUBLIC UTILITIES</b>								
<b>All income types.....</b>	<b>9,403,342</b>	<b>3,209,443</b>	<b>286,480</b>	<b>423,582</b>	<b>2,488,690</b>	<b>*26,864</b>	<b>4,656,752</b>	<b>171,404</b>
Passive income.....	*19,692	22,124	*2,040	16,231	*3,852	--	84,240	*-6,043
High withholding tax interest.....	*745	*5,137	*3	*4,159	*199	--	10,864	*3
Financial services income.....	*11,279	*4,253	*875	*2,343	*1,035	--	*21,384	*1,224
Shipping income.....	*4,022,992	*92,230	*2,182	*40,947	*47,553	--	614,240	*39,028
Dividends from noncontrolled section 902 corporations.....	*9,705	*15,571	*182	*14,929	*337	--	-1,504	*-22,263
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--	--
Income related to sections 904(q) or 901(j).....	***	***	***	***	***	***	***	***
Certain distributions from a FSC or former FSC <sup>2</sup> .....	***	***	***	***	***	***	***	***
All other income from outside the United States.....	5,315,669	3,056,073	279,222	344,004	2,424,604	*26,864	3,880,458	158,455
<b>WHOLESALE AND RETAIL TRADE</b>								
<b>All income types.....</b>	<b>2,235,908</b>	<b>1,319,276</b>	<b>21,026</b>	<b>839,969</b>	<b>408,758</b>	<b>--</b>	<b>4,013,948</b>	<b>76,212</b>
Passive income.....	3,272	76,880	*10	36,957	31,321	--	148,683	-1,389
High withholding tax interest.....	*15,627	8,426	--	*6,608	*685	--	20,296	*-10,052
Financial services income.....	*317,003	*475,116	--	*464,602	*10,514	--	*1,444,225	*18,804
Shipping income.....	*700	*4,465	--	*4,465	( <sup>3</sup> )	--	*-542	*-542
Dividends from noncontrolled section 902 corporations.....	*4	13,245	*4	10,123	2,978	--	52,294	-2,215
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--	--
Income related to sections 904(q) or 901(j).....	*1,043	*1,282	*111	*234	*935	--	*18,105	*75
Certain distributions from a FSC or former FSC <sup>2</sup> .....	***	***	***	***	***	--	***	***
All other income from outside the United States.....	1,892,174	739,860	20,901	316,981	362,325	--	2,330,887	71,531
<b>FINANCE, INSURANCE, AND REAL ESTATE</b>								
<b>All income types.....</b>	<b>16,294,955</b>	<b>29,265,947</b>	<b>*12,004</b>	<b>16,115,229</b>	<b>12,305,849</b>	<b>--</b>	<b>22,250,486</b>	<b>1,242,938</b>
Passive income.....	87,422	76,317	*14	42,086	22,545	--	514,543	747
High withholding tax interest.....	40,119	431,805	*180	320,013	108,162	--	356,253	-37,448
Financial services income.....	15,534,979	28,329,489	*11,759	15,486,887	12,032,389	--	19,964,939	1,354,599
Shipping income.....	***	***	***	***	***	--	***	***
Dividends from noncontrolled section 902 corporations.....	*15,125	124,021	--	67,033	52,256	--	540,806	-35,601
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	*36	--
Income related to sections 904(q) or 901(j).....	--	*32	--	*21	*11	--	*6	*-32
Certain distributions from a FSC or former FSC <sup>2</sup> .....	*17,779	*6,223	--	--	*6,223	--	*35,679	*4,953
All other income from outside the United States.....	599,532	298,015	*51	199,144	84,262	--	836,095	-44,898

Footnotes at end of table.



# Corporate Foreign Tax Credit, 1994

**Table 2.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Industrial Division and Income Type--Continued**

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

Industrial division and income type	Foreign income and taxes reported on Form 1118--Continued							
	Deductions--Continued					Deductions from oil and gas extraction income <sup>5</sup>	Taxable income (less loss) before adjustments	Adjustments to taxable income
	Other deductions allocable to specific types of income	Deductions not allocable to specific types of income						
		Total	Research and development	Interest	Other			
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
<b>SERVICES</b>								
<b>All income types.....</b>	<b>2,691,992</b>	<b>2,557,013</b>	<b>527,366</b>	<b>292,724</b>	<b>1,608,325</b>	--	<b>4,513,689</b>	<b>138,916</b>
Passive income.....	1,895	18,997	*136	14,432	1,459	--	110,672	10,474
High withholding tax interest.....	*20	*17,319	--	*16,968	*334	--	31,475	*3,792
Financial services income.....	*3,127	*12,609	**	*2,772	**	--	16,480	*-2,913
Shipping income.....	--	*11,089	--	*10,175	*914	--	*-62,289	*-62,289
Dividends from noncontrolled section 902 corporations.....	*3,477	7,675	*9	4,826	1,049	--	26,725	-3,038
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	***	***	***	***	***	--	***	***
Income related to sections 904(q) or 901(i).....	--	--	--	--	--	--	*3,838	--
Certain distributions from a FSC or former FSC <sup>2</sup> ..	*152,397	*262	--	--	*262	--	*-262	*-262
All other income from outside the United States....	2,531,076	2,489,061	527,221	243,549	1,604,306	--	4,386,763	193,146

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 2.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Industrial Division and Income Type--Continued**

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

Industrial division and income type	Foreign income and taxes reported on Form 1118--Continued						
	Taxable income (less loss) after adjustments	Foreign taxes available for credit				Paid or accrued	
		Total	Reduction for certain foreign taxes	Carryover	Total paid, accrued, and deemed paid	Total	Taxes withheld at source on dividends
	(25)	(26)	(27)	(28)	(29)	(30)	(31)
<b>ALL INDUSTRIES</b>							
<b>All income types.....</b>	<b>98,299,559</b>	<b>32,510,828</b>	<b>1,319,379</b>	<b>7,360,581</b>	<b>26,469,623</b>	<b>9,917,227</b>	<b>1,871,818</b>
Passive income.....	3,666,059	498,334	*25	76,539	421,820	170,656	81,545
High withholding tax interest.....	601,983	245,096	--	116,824	128,272	112,276	752
Financial services income.....	21,572,386	4,260,490	--	239,694	4,020,796	2,134,314	187,125
Shipping income.....	685,411	86,084	--	22,292	63,792	37,726	*1,719
Dividends from noncontrolled section 902 corporations.....	1,895,565	1,128,099	--	421,090	707,007	61,714	59,919
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	96,387	*25	--	--	*25	*5	*5
Income related to sections 904(q) or 901(i).....	118,028	10,333	*10	*306	10,038	4,637	*634
Certain distributions from a FSC or former FSC <sup>2</sup> .....	155,432	--	--	--	--	--	--
All other income from outside the United States.....	69,508,308	26,282,367	1,319,344	6,483,838	21,117,873	7,395,899	1,540,119
<b>AGRICULTURE, FORESTRY, AND FISHING</b>							
<b>All income types.....</b>	<b>168,995</b>	<b>57,413</b>	<b>--</b>	<b>*1,095</b>	<b>56,318</b>	<b>6,954</b>	<b>3,597</b>
Passive income.....	*1,760	*130	--	**	*130	*73	*56
High withholding tax interest.....	--	--	--	--	--	--	--
Financial services income.....	--	--	--	--	--	--	--
Shipping income.....	--	--	--	--	--	--	--
Dividends from noncontrolled section 902 corporations.....	*92,117	*34,573	--	*919	*33,655	*51	*51
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--
Income related to sections 904(q) or 901(i).....	--	--	--	--	--	--	--
Certain distributions from a FSC or former FSC <sup>2</sup> .....	***	***	--	***	***	***	***
All other income from outside the United States.....	75,119	22,709	--	*176	22,533	6,829	*3,489
<b>MINING</b>							
<b>All income types.....</b>	<b>2,182,350</b>	<b>1,216,520</b>	<b>239,531</b>	<b>642,919</b>	<b>813,132</b>	<b>679,413</b>	<b>45,831</b>
Passive income.....	12,793	2,047	--	*94	1,954	1,945	*109
High withholding tax interest.....	*10,108	*4,184	--	*1,663	*2,521	*1,402	*194
Financial services income.....	***	***	***	***	***	***	***
Shipping income.....	***	***	***	***	***	***	***
Dividends from noncontrolled section 902 corporations.....	*46,816	*19,789	--	*4,960	*14,829	*3,722	*3,722
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--
Income related to sections 904(q) or 901(i).....	--	--	--	--	--	--	--
Certain distributions from a FSC or former FSC <sup>2</sup> .....	--	--	--	--	--	--	--
All other income from outside the United States.....	2,112,157	1,190,499	239,531	636,202	793,827	672,343	*41,807
<b>CONSTRUCTION</b>							
<b>All income types.....</b>	<b>342,776</b>	<b>96,047</b>	<b>--</b>	<b>12,801</b>	<b>83,246</b>	<b>41,442</b>	<b>1,080</b>
Passive income.....	21,873	*2,416	--	*53	*2,363	*89	*4
High withholding tax interest.....	*237	*45	--	--	*45	*45	--
Financial services income.....	***	***	--	***	***	***	***
Shipping income.....	--	--	--	--	--	--	--
Dividends from noncontrolled section 902 corporations.....	*4,652	*1,682	--	*507	*1,175	*8	*8
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--
Income related to sections 904(q) or 901(i).....	***	***	--	***	***	***	***
Certain distributions from a FSC or former FSC <sup>2</sup> .....	***	***	--	***	***	***	***
All other income from outside the United States.....	315,732	91,738	--	12,130	79,608	41,245	1,068

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 2.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Industrial Division and Income Type--Continued**

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

Industrial division and income type	Foreign income and taxes reported on Form 1118--Continued						
	Taxable income (less loss) after adjustments	Foreign taxes available for credit				Paid or accrued	
		Total	Reduction for certain foreign taxes	Carryover	Total paid, accrued, and deemed paid	Total	Taxes withheld at source on dividends
	(25)	(26)	(27)	(28)	(29)	(30)	(31)
<b>MANUFACTURING</b>							
<b>All income types</b> .....	<b>61,800,034</b>	<b>23,320,573</b>	<b>1,075,442</b>	<b>5,586,396</b>	<b>18,809,618</b>	<b>6,038,298</b>	<b>1,505,635</b>
Passive income.....	2,775,284	414,094	*25	63,363	350,755	129,538	67,625
High withholding tax interest.....	129,045	26,100	--	2,774	23,327	21,284	*308
Financial services income.....	1,496,490	452,756	--	*3,250	449,505	54,465	*28,921
Shipping income.....	108,687	28,527	--	*9,414	*19,113	*6,109	*1,511
Dividends from noncontrolled section 902 corporations.....	1,070,542	726,122	--	303,404	422,718	44,107	43,089
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	96,070	*19	--	--	*19	--	--
Income related to sections 904(g) or 901(j).....	69,635	4,447	*10	*181	4,276	*3,096	*5
Certain distributions from a FSC or former FSC <sup>2</sup> .....	104,949	--	--	--	--	--	--
All other income from outside the United States.....	55,949,331	21,668,507	1,075,407	5,204,011	17,539,903	5,779,699	1,364,175
<b>TRANSPORTATION AND PUBLIC UTILITIES</b>							
<b>All income types</b> .....	<b>4,485,347</b>	<b>1,054,499</b>	<b>*4,396</b>	<b>93,766</b>	<b>965,129</b>	<b>158,934</b>	<b>34,172</b>
Passive income.....	90,283	9,756	--	*3,030	6,727	5,161	3,822
High withholding tax interest.....	10,861	2,664	--	*197	2,467	2,445	*3
Financial services income.....	*20,159	*3,618	--	*926	*2,692	*1,750	*1,750
Shipping income.....	575,212	57,390	--	*12,878	44,512	31,616	*207
Dividends from noncontrolled section 902 corporations.....	*20,759	16,987	--	*12,283	*4,703	*416	*416
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--
Income related to sections 904(g) or 901(j).....	***	***	***	***	***	***	***
Certain distributions from a FSC or former FSC <sup>2</sup> .....	***	***	***	***	***	***	***
All other income from outside the United States.....	3,722,003	964,084	*4,396	64,452	904,029	117,545	27,974
<b>WHOLESALE AND RETAIL TRADE</b>							
<b>All income types</b> .....	<b>3,937,736</b>	<b>1,284,481</b>	<b>*10</b>	<b>157,391</b>	<b>1,127,099</b>	<b>358,077</b>	<b>128,857</b>
Passive income.....	150,072	17,184	--	*4,825	12,360	6,495	2,176
High withholding tax interest.....	30,348	5,919	--	*297	5,622	2,112	--
Financial services income.....	*1,425,421	*467,980	--	*295	*467,685	*84,650	*68,225
Shipping income.....	--	*166	--	--	*166	--	--
Dividends from noncontrolled section 902 corporations.....	54,510	22,220	--	5,660	16,560	1,051	1,051
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--
Income related to sections 904(g) or 901(j).....	*18,030	*5,141	--	*7	*5,134	*913	*623
Certain distributions from a FSC or former FSC <sup>2</sup> .....	***	***	***	***	***	***	***
All other income from outside the United States.....	2,259,356	765,871	*10	146,308	619,573	262,856	56,782
<b>FINANCE, INSURANCE, AND REAL ESTATE</b>							
<b>All income types</b> .....	<b>21,007,548</b>	<b>4,102,404</b>	<b>(<sup>3</sup>)</b>	<b>522,655</b>	<b>3,579,748</b>	<b>2,138,283</b>	<b>115,757</b>
Passive income.....	513,796	32,783	--	1,798	30,984	14,252	6,465
High withholding tax interest.....	393,701	200,911	--	111,875	89,036	79,733	*247
Financial services income.....	18,610,339	3,333,139	--	234,870	3,098,270	1,992,215	88,213
Shipping income.....	***	***	***	***	***	***	***
Dividends from noncontrolled section 902 corporations.....	576,407	280,522	--	81,957	198,563	11,081	10,868
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	*36	*5	--	--	*5	*5	*5
Income related to sections 904(a) or 901(i).....	*38	*12	--	*7	*5	*5	*5
Certain distributions from a FSC or former FSC <sup>2</sup> .....	*30,725	--	--	--	--	--	--
All other income from outside the United States.....	880,994	255,032	( <sup>3</sup> )	92,149	162,883	40,991	9,954

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 2.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Industrial Division and Income Type--Continued**

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

Industrial division and income type	Foreign income and taxes reported on Form 1118--Continued						
	Taxable income (less loss) after adjustments	Foreign taxes available for credit				Paid or accrued	
		Total	Reduction for certain foreign taxes	Carryover	Total paid, accrued, and deemed paid	Total	Taxes withheld at source on dividends
	(25)	(26)	(27)	(28)	(29)	(30)	(31)
<b>SERVICES</b>							
<b>All income types.....</b>	<b>4,374,773</b>	<b>1,378,891</b>	--	<b>343,558</b>	<b>1,035,333</b>	<b>495,827</b>	<b>36,889</b>
Passive income.....	100,198	19,923	--	*3,376	16,547	13,103	1,288
High withholding tax interest.....	27,683	5,273	--	*19	5,255	5,255	--
Financial services income.....	*19,393	*2,980	--	*353	*2,627	*1,217	*16
Shipping income.....	--	--	--	--	--	--	--
Dividends from noncontrolled section 902 corporations.....	29,763	26,205	--	11,401	14,804	1,278	714
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	***	***	--	***	***	***	***
Income related to sections 904(g) or 901(i).....	*3,838	*583	--	--	*583	*583	--
Certain distributions from a FSC or former FSC <sup>2</sup> .....	--	--	--	--	--	--	--
All other income from outside the United States.....	4,193,617	1,323,926	--	328,409	995,517	474,391	34,871

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 2.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Industrial Division and Income Type--Continued**

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

Industrial division and income type	Foreign income and taxes reported on Form 1118--Continued						
	Foreign taxes available for credit--Continued						
	Paid or accrued--Continued						Taxes deemed paid
	Taxes withheld at source on--		Other taxes paid or accrued on--				
Interest	Rents, royalties, and license fees	Branch income	Specifically allocable income [section 863 (b)]	Service income	Other income		
(32)	(33)	(34)	(35)	(36)	(37)	(38)	
<b>ALL INDUSTRIES</b>							
<b>All income types.....</b>	<b>260,229</b>	<b>1,162,569</b>	<b>4,179,390</b>	<b>10,094</b>	<b>216,213</b>	<b>2,216,916</b>	<b>16,552,397</b>
Passive income.....	17,505	20,708	19,873	*42	*73	30,912	251,163
High withholding tax interest.....	111,524	--	--	--	--	( <sup>3</sup> )	15,997
Financial services income.....	23,292	*8,062	1,633,338	--	33,388	249,109	1,886,482
Shipping income.....	*552	*1,791	*15,297	--	*9,125	*9,243	26,066
Dividends from noncontrolled section 902 corporations.....	*6	*136	*10	--	*26	*1,620	645,294
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	*19
Income related to sections 904(g) or 901(j).....	--	*187	*456	--	*197	*3,162	*5,401
Certain distributions from a FSC or former FSC <sup>2</sup> .....	--	--	--	--	--	--	--
All other income from outside the United States.....	107,351	1,131,685	2,510,415	10,053	173,405	1,922,871	13,721,974
<b>AGRICULTURE, FORESTRY, AND FISHING</b>							
<b>All income types.....</b>	<b>*260</b>	<b>*2,080</b>	<b>*839</b>	<b>--</b>	<b>--</b>	<b>*177</b>	<b>*49,365</b>
Passive income.....	*1	*16	--	--	--	--	*57
High withholding tax interest.....	--	--	--	--	--	--	--
Financial services income.....	--	--	--	--	--	--	--
Shipping income.....	--	--	--	--	--	--	--
Dividends from noncontrolled section 902 corporations.....	--	--	--	--	--	--	*33,603
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--
Income related to sections 904(g) or 901(j).....	--	--	--	--	--	--	--
Certain distributions from a FSC or former FSC <sup>2</sup> .....	***	***	***	--	--	***	***
All other income from outside the United States.....	*259	*2,064	*839	--	--	*177	*15,704
<b>MINING</b>							
<b>All income types.....</b>	<b>12,888</b>	<b>*809</b>	<b>154,368</b>	<b>--</b>	<b>*1,308</b>	<b>464,208</b>	<b>133,719</b>
Passive income.....	*1,066	*5	*363	--	--	*403	*8
High withholding tax interest.....	*1,208	--	--	--	--	--	*1,119
Financial services income.....	***	***	***	--	***	***	***
Shipping income.....	***	***	***	--	***	***	***
Dividends from noncontrolled section 902 corporations.....	--	--	--	--	--	--	*11,108
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--
Income related to sections 904(g) or 901(j).....	--	--	--	--	--	--	--
Certain distributions from a FSC or former FSC <sup>2</sup> .....	--	--	--	--	--	--	--
All other income from outside the United States.....	*10,614	*804	154,006	--	*1,308	463,804	121,485
<b>CONSTRUCTION</b>							
<b>All income types.....</b>	<b>*72</b>	<b>1,682</b>	<b>*11,662</b>	<b>*705</b>	<b>25,256</b>	<b>*986</b>	<b>*41,804</b>
Passive income.....	*2	*83	--	--	--	--	*2,274
High withholding tax interest.....	*45	--	--	--	--	--	--
Financial services income.....	***	***	***	***	***	***	***
Shipping income.....	--	--	--	--	--	--	--
Dividends from noncontrolled section 902 corporations.....	--	--	--	--	--	--	*1,168
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--
Income related to sections 904(g) or 901(j).....	***	***	***	***	***	***	***
Certain distributions from a FSC or former FSC <sup>2</sup> .....	***	***	***	***	***	***	***
All other income from outside the United States.....	*26	*1,598	*11,623	*705	25,240	*986	*38,363

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 2.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Industrial Division and Income Type--Continued**

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

Industrial division and income type	Foreign income and taxes reported on Form 1118--Continued						Taxes deemed paid
	Foreign taxes available for credit--Continued						
	Paid or accrued--Continued						
	Taxes withheld at source on--		Other taxes paid or accrued on--				
	Interest	Rents, royalties, and license fees	Branch income	Specifically allocable income [section 863 (b)]	Service income	Other income	
(32)	(33)	(34)	(35)	(36)	(37)	(38)	
<b>MANUFACTURING</b>							
<b>All income types.....</b>	<b>116,029</b>	<b>847,554</b>	<b>2,146,611</b>	<b>4,521</b>	<b>66,362</b>	<b>1,351,587</b>	<b>12,771,320</b>
Passive income.....	11,418	10,180	17,484	*42	--	22,789	221,218
High withholding tax interest.....	20,975	--	--	--	--	( <sup>3</sup> )	*2,043
Financial services income.....	*1,056	*437	*4,757	--	*1,229	*18,066	395,040
Shipping income.....	--	*97	--	--	--	*4,501	*13,004
Dividends from noncontrolled section 902 corporations.....	( <sup>3</sup> )	*106	*10	--	*18	*883	378,611
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	*19
Income related to sections 904(g) or 901(j).....	--	*25	*390	--	*197	*2,479	*1,180
Certain distributions from a FSC or former FSC <sup>2</sup> .....	--	--	--	--	--	--	--
All other income from outside the United States.....	82,579	836,708	2,123,970	4,479	64,918	1,302,869	11,760,204
<b>TRANSPORTATION AND PUBLIC UTILITIES</b>							
<b>All income types.....</b>	<b>6,700</b>	<b>38,268</b>	<b>40,133</b>	<b>*83</b>	<b>25,900</b>	<b>13,677</b>	<b>806,195</b>
Passive income.....	*78	*208	*988	--	--	*65	1,566
High withholding tax interest.....	2,442	--	--	--	--	--	*21
Financial services income.....	--	--	--	--	--	--	*942
Shipping income.....	*552	*1,694	*15,297	--	*9,125	*4,742	*12,896
Dividends from noncontrolled section 902 corporations.....	--	--	--	--	--	--	*4,287
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--
Income related to sections 904(g) or 901(j).....	***	***	***	***	***	***	***
Certain distributions from a FSC or former FSC <sup>2</sup> .....	***	***	***	***	***	***	***
All other income from outside the United States.....	3,628	36,367	23,849	*83	16,776	8,870	786,484
<b>WHOLESALE AND RETAIL TRADE</b>							
<b>All income types.....</b>	<b>12,982</b>	<b>59,206</b>	<b>105,339</b>	<b>--</b>	<b>8,408</b>	<b>43,285</b>	<b>769,022</b>
Passive income.....	726	3,141	*14	--	*73	*364	5,865
High withholding tax interest.....	2,112	--	--	--	--	--	*3,510
Financial services income.....	*2,648	--	*36	--	--	*13,741	*383,036
Shipping income.....	--	--	--	--	--	--	*166
Dividends from noncontrolled section 902 corporations.....	--	--	--	--	--	--	15,509
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--
Income related to sections 904(g) or 901(j).....	--	--	*28	--	--	*262	*4,221
Certain distributions from a FSC or former FSC <sup>2</sup> .....	***	***	***	--	***	***	***
All other income from outside the United States.....	7,496	56,065	105,261	--	8,335	28,918	356,717
<b>FINANCE, INSURANCE, AND REAL ESTATE</b>							
<b>All income types.....</b>	<b>104,228</b>	<b>11,890</b>	<b>1,633,992</b>	<b>*141</b>	<b>35,181</b>	<b>237,095</b>	<b>1,441,465</b>
Passive income.....	3,703	*363	*2	--	--	3,718	16,732
High withholding tax interest.....	79,486	--	--	--	--	--	*9,304
Financial services income.....	19,572	*7,625	1,627,853	--	31,771	217,182	1,106,055
Shipping income.....	***	***	***	***	***	***	***
Dividends from noncontrolled section 902 corporations.....	*6	*30	--	--	*8	*172	187,482
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	--	--	--	--	--	--	--
Income related to sections 904(g) or 901(j).....	--	--	--	--	--	--	--
Certain distributions from a FSC or former FSC <sup>2</sup> .....	--	--	--	--	--	--	--
All other income from outside the United States.....	1,461	3,872	6,137	*141	3,402	16,023	121,892

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 2.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Industrial Division and Income Type--Continued**

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

Industrial division and income type	Foreign income and taxes reported on Form 1118--Continued						Taxes deemed paid
	Foreign taxes available for credit--Continued						
	Paid or accrued--Continued						
	Taxes withheld at source on--		Other taxes paid or accrued on--				
Interest	Rents, royalties, and license fees	Branch income	Specifically allocable income [section 863 (b)]	Service income	Other income		
(32)	(33)	(34)	(35)	(36)	(37)	(38)	
<b>SERVICES</b>							
<b>All income types.....</b>	<b>7,070</b>	<b>201,080</b>	<b>86,445</b>	<b>*4,645</b>	<b>53,798</b>	<b>105,901</b>	<b>539,506</b>
Passive income.....	511	6,711	*1,022	--	--	3,572	3,444
High withholding tax interest.....	5,255	--	--	--	--	--	--
Financial services income.....	*16	--	*693	--	*372	*120	*1,410
Shipping income.....	--	--	--	--	--	--	--
Dividends from noncontrolled section 902 corporations.....	--	--	--	--	--	*564	13,526
Dividends from an IC-DISC or former DISC <sup>1</sup> .....	***	***	***	***	***	***	***
Income related to sections 904(g) or 901(j).....	--	*162	--	--	--	*421	--
Certain distributions from a FSC or former FSC <sup>2</sup> ....	--	--	--	--	--	--	--
All other income from outside the United States.....	1,288	194,206	84,730	*4,645	53,426	101,225	521,126

\* Data should be used with caution because of the small number of returns on which they were based.

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

<sup>1</sup> Interest Charge - Domestic International Sales Corporation (IC-DISC) and Domestic International Sales Corporation (DISC).

<sup>2</sup> Foreign Sales Corporation (FSC).

<sup>3</sup> Less than \$500.

<sup>4</sup> Included in gross income (less loss), columns 2-8.

<sup>5</sup> Included in deductions, columns 12-21.

Note: Totals for income types include small amounts for categories not listed separately.

# Corporate Foreign Tax Credit, 1994

**Table 3.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Selected Country to Which Foreign Tax Was Paid**

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

Selected country	Number of returns	Foreign income and taxes reported on Form 1118				
		Gross income (less loss)				
		Total	Dividends	Foreign dividend income resulting from foreign taxes deemed paid (gross-up)	Interest	Rents, royalties, and license fees
(1)	(2)	(3)	(4)	(5)	(6)	
<b>All countries.....</b>	<b>7,199</b>	<b>235,987,348</b>	<b>41,811,041</b>	<b>16,535,525</b>	<b>38,803,369</b>	<b>23,056,369</b>
<b>Canada.....</b>	<b>2,142</b>	<b>17,238,619</b>	<b>2,774,132</b>	<b>1,696,749</b>	<b>2,479,776</b>	<b>1,545,827</b>
<b>Latin America, total.....</b>	<b>1,548</b>	<b>31,615,353</b>	<b>4,782,380</b>	<b>1,065,720</b>	<b>13,668,460</b>	<b>1,636,430</b>
Mexico.....	1,041	6,784,101	604,265	271,117	1,153,497	625,542
Central America, total.....	286	1,371,305	397,808	67,409	117,462	107,960
Belize.....	35	12,828	*842	*241	*62	*98
Costa Rica.....	145	128,801	10,059	4,740	4,608	17,871
El Salvador.....	95	156,708	6,316	2,617	14,298	7,946
Guatemala.....	139	198,682	10,385	3,161	10,539	16,832
Honduras.....	89	83,526	*2,510	*969	2,147	1,986
Nicaragua.....	53	46,642	--	--	*2,478	8,711
Panama.....	196	697,601	367,697	55,682	82,687	15,924
Central America not allocable.....	9	*46,518	--	--	*643	*38,592
Caribbean countries, total.....	376	2,738,742	723,636	61,216	365,999	64,690
Cayman Islands (British).....	154	1,163,408	594,188	39,278	283,362	13,453
Dominican Republic.....	126	372,661	45,279	15,311	41,972	7,318
Haiti.....	37	105,660	*112	*31	*4,883	*1,079
Jamaica.....	169	152,824	*3,361	*1,094	12,336	10,865
Trinidad and Tobago.....	105	554,434	9,612	*3,412	15,331	4,564
Other Caribbean countries.....	102	389,755	71,084	*2,089	*8,115	27,412
South America, total.....	829	20,586,744	3,056,671	665,978	12,024,866	833,732
Argentina.....	379	2,424,745	224,243	69,142	799,695	124,372
Bolivia.....	77	49,560	*111	--	4,879	2,538
Brazil.....	468	13,386,129	2,258,961	458,398	10,590,720	384,621
Chile.....	302	1,354,083	265,916	29,979	325,061	87,070
Colombia.....	348	1,446,390	178,167	74,498	53,479	54,501
Ecuador.....	153	174,204	13,610	4,777	32,552	23,097
Paraguay.....	59	26,085	*1,436	*1,055	*17,385	1,091
Peru.....	185	513,673	4,537	5,268	16,206	15,659
Uruguay.....	107	221,067	36,995	3,125	72,432	10,174
Venezuela.....	329	755,445	72,694	19,736	108,972	128,708
Other South America.....	44	235,363	--	--	*3,485	*1,901
Latin America not allocable.....	19	134,462	--	--	*6,636	*4,506
<b>Other Western Hemisphere, total.....</b>	<b>302</b>	<b>3,769,471</b>	<b>1,749,178</b>	<b>147,772</b>	<b>722,285</b>	<b>73,808</b>
Bahamas.....	114	1,446,561	417,807	44,594	539,696	9,767
Bermuda.....	207	1,478,622	1,056,163	75,072	80,630	49,308
Netherlands Antilles.....	98	359,020	196,760	19,165	85,475	3,823
Other British West Indies.....	93	189,957	77,837	*8,776	12,753	7,186
All other Western Hemisphere.....	53	295,311	*611	*165	*3,732	3,724
<b>Europe, total.....</b>	<b>3,021</b>	<b>82,232,627</b>	<b>21,101,580</b>	<b>8,698,103</b>	<b>12,393,464</b>	<b>10,018,488</b>
European Economic Community, total.....	2,600	70,246,393	18,412,399	7,743,295	11,544,355	8,819,529
Belgium.....	402	4,563,795	929,441	296,304	465,831	616,805
Denmark.....	236	785,679	113,562	71,898	72,861	88,538
France (including Andorra).....	626	6,747,776	1,889,981	794,032	905,424	1,348,984
Germany.....	646	11,387,694	4,086,238	2,214,340	582,245	1,519,658
Greece.....	149	923,756	47,634	22,312	381,191	98,213
Ireland.....	371	2,384,735	615,264	84,809	91,589	891,563
Italy (including San Marino).....	572	3,943,689	699,550	514,807	974,452	577,729
Luxembourg.....	82	732,696	400,878	210,705	62,091	22,285
Netherlands.....	890	6,788,268	2,783,778	1,023,163	318,174	961,628
Portugal.....	182	321,325	95,226	32,641	30,196	68,291
Spain.....	572	2,691,577	596,083	338,413	417,437	386,891
United Kingdom.....	1,677	28,975,230	6,154,759	2,139,870	7,242,865	2,238,797
Other European Economic Community.....	20	*173	*4	--	--	*147

Footnotes at end of table.



# Corporate Foreign Tax Credit, 1994

**Table 3.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Selected Country to Which Foreign Tax Was Paid--Continued**

[Money amounts are in thousands of dollars]

Selected country	Number of returns	Foreign income and taxes reported on Form 1118				
		Gross income (less loss)				
		Total	Dividends	Foreign dividend income resulting from foreign taxes deemed paid (gross-up)	Interest	Rents, royalties, and license fees
(1)	(2)	(3)	(4)	(5)	(6)	
Other West European countries, total.....	925	9,697,609	2,580,191	920,668	779,476	923,630
Austria.....	242	466,438	134,454	43,788	45,081	90,827
Finland.....	203	334,297	44,290	14,003	40,181	80,598
Liechtenstein.....	15	21,904	*17,431	*3,419	*54	*710
Monaco.....	17	43,142	*503	*175	*4,248	*13,151
Norway.....	459	3,063,631	217,337	100,408	255,871	52,787
Sweden.....	410	1,068,807	290,489	115,311	132,412	235,162
Switzerland.....	412	4,092,209	1,826,539	620,402	201,498	368,346
Turkey.....	175	538,417	46,133	22,734	91,526	76,583
Other West European countries.....	73	44,545	*3,014	*428	8,606	5,318
Other West European countries not allocable.....	4	*24,218	--	--	--	*148
East European countries, total.....	289	1,154,272	105,747	32,755	62,213	157,142
Romania.....	44	51,839	*1,173	--	*155	8,999
Former Soviet Union.....	136	454,059	*1,585	*448	34,499	37,049
Other East Europe.....	253	648,374	102,990	32,307	27,559	111,094
Europe not allocable.....	30	1,134,354	*3,243	*1,385	*7,420	*118,187
<b>Africa, total.....</b>	<b>500</b>	<b>4,568,098</b>	<b>594,448</b>	<b>295,689</b>	<b>148,820</b>	<b>313,042</b>
North Africa, total.....	159	1,461,946	36,944	16,745	51,194	26,268
Algeria.....	50	224,580	*24	--	*291	*1,507
Egypt.....	129	1,061,166	22,405	*5,837	30,359	21,070
Libya.....	9	*2,254	( <sup>1</sup> )	--	--	--
Morocco.....	54	62,402	*8,734	*5,968	*3,791	2,442
Other North Africa.....	46	111,544	*5,780	*4,940	*16,753	*1,250
East Africa, total.....	106	505,133	41,127	21,533	28,467	120,991
Ethiopia.....	23	45,184	--	--	*1,256	*1,293
Kenya.....	60	350,239	24,060	17,186	*26,312	117,659
Tanzania.....	19	18,089	*7,236	*1,425	*150	( <sup>1</sup> )
Uganda.....	16	9,907	*5,095	*1,018	*156	*289
Other East Africa.....	67	81,713	*4,736	*1,904	593	*1,749
West and Central Africa, total.....	149	2,139,084	440,103	201,038	47,499	25,093
Gabon.....	30	70,019	*1,803	*1,717	*8,048	*102
Ghana.....	32	13,030	*607	*336	*789	*-24
Liberia.....	33	145,193	70,203	*8,652	*10,477	*307
Nigeria.....	74	1,385,124	354,061	181,819	745	*6,861
Zaire.....	17	49,040	*1,234	*323	*1,210	*104
Other West and Central Africa.....	92	476,679	*12,195	*8,191	26,231	17,742
Southern Africa, total.....	368	432,565	76,274	56,373	12,885	120,590
Malawi.....	11	*2,400	*566	*667	*299	--
Zimbabwe.....	56	30,618	9,454	8,924	*-222	4,287
South Africa (including Namibia).....	357	353,733	50,275	32,904	12,644	105,889
Zambia.....	21	27,559	*12,553	*11,798	*132	*397
Other Southern Africa.....	22	18,254	*3,426	*2,080	*31	*10,016
Africa not allocable.....	12	29,370	--	--	*8,775	*20,099

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 3.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Selected Country to Which Foreign Tax Was Paid--Continued**

[Money amounts are in thousands of dollars]

Selected country	Number of returns	Foreign income and taxes reported on Form 1118				
		Gross income (less loss)				
		Total	Dividends	Foreign dividend income resulting from foreign taxes deemed paid (gross-up)	Interest	Rents, royalties, and license fees
(1)	(2)	(3)	(4)	(5)	(6)	
<b>Asia, total.....</b>	<b>1,832</b>	<b>45,147,990</b>	<b>7,129,744</b>	<b>3,828,760</b>	<b>6,579,946</b>	<b>6,013,195</b>
Middle East, total.....	374	4,280,398	283,946	94,535	619,982	201,782
Bahrain.....	64	661,773	*2,584	*189	493,133	2,910
Iran.....	47	37,887	*162	**	*20	*814
Iraq.....	4	*2,520	--	--	--	--
Israel.....	246	575,252	205,470	77,059	17,858	75,952
Kuwait.....	82	82,992	*981	*135	*4,046	2,276
Lebanon.....	62	93,650	*509	*40	*10,522	17,577
Qatar.....	44	134,054	--	--	*187	*376
Saudi Arabia.....	188	1,302,904	35,934	15,372	30,897	26,020
United Arab Emirates.....	110	513,559	*17,334	*616	49,607	22,232
Other areas of the Arabian Peninsula.....	62	670,573	*165	--	*5,750	37,788
Other Middle East.....	96	205,234	20,806	*1,124	7,961	15,837
Southern and Southeast Asia, total.....	737	15,978,537	2,426,976	991,258	2,408,975	1,248,081
Bangladesh.....	27	61,488	*25	*66	*13,315	*8,973
India.....	296	1,358,805	60,097	41,880	434,392	61,447
Indonesia.....	232	4,419,193	753,001	455,380	288,782	91,794
Malaysia.....	268	1,726,681	154,610	65,824	287,238	109,968
Pakistan.....	99	422,426	3,097	2,275	170,671	1,075
Philippines.....	254	1,340,033	216,140	96,202	172,202	83,152
Singapore.....	415	4,752,465	740,505	107,621	748,333	786,870
Sri Lanka.....	50	26,775	*841	*1,001	*6,276	*721
Thailand.....	333	1,594,411	493,168	218,992	208,892	95,559
Vietnam.....	31	67,305	--	--	*1	*282
Other Southern and Southeast Asia.....	53	208,954	*5,491	*2,017	*78,874	8,239
Eastern Asia, total.....	1,610	24,481,570	4,418,823	2,742,968	3,536,268	4,555,313
China.....	334	808,965	31,107	4,342	47,197	193,579
Hong Kong.....	470	4,521,670	1,758,635	254,437	899,648	289,025
Japan.....	1,322	14,507,477	2,148,741	2,346,463	1,627,842	3,467,312
South Korea.....	413	1,898,024	150,610	58,984	515,826	428,192
Taiwan.....	376	2,663,787	329,729	78,742	445,756	152,539
Other Eastern Asia.....	18	81,646	--	--	( <sup>1</sup> )	*24,667
Asia not allocable.....	18	407,485	--	--	*14,720	*8,020
<b>Oceania, total.....</b>	<b>976</b>	<b>6,680,113</b>	<b>1,466,935</b>	<b>615,162</b>	<b>433,933</b>	<b>607,802</b>
Australia.....	791	5,455,483	991,932	438,024	334,815	545,567
New Zealand.....	447	842,333	458,213	176,030	89,296	55,188
Other Oceania.....	62	382,296	*16,791	*1,108	*9,822	7,048
<b>Puerto Rico and U.S. Possessions, total.....</b>	<b>445</b>	<b>3,495,368</b>	<b>340,018</b>	<b>99,497</b>	<b>477,167</b>	<b>204,833</b>
Puerto Rico.....	389	2,569,924	294,167	98,241	357,343	159,523
U.S. Possessions, total.....	146	925,444	45,850	*1,256	119,824	45,310
American Samoa.....	25	9,134	--	--	*4,350	*372
Guam.....	99	416,023	*33,390	*190	60,836	41,625
Virgin Islands.....	86	391,025	*6,501	*913	50,736	3,306
Other U.S. Possessions.....	17	109,262	*5,959	*153	*3,903	*7
<b>Country not stated.....</b>	<b>2,664</b>	<b>39,770,079</b>	<b>403,029</b>	<b>88,052</b>	<b>1,899,507</b>	<b>2,642,946</b>
<b>Interest Charge-Domestic International</b>						
<b>Sales Corporation dividends <sup>2</sup>.....</b>	<b>64</b>	<b>94,694</b>	<b>94,674</b>	<b>*19</b>	<b>--</b>	<b>--</b>
<b>Foreign Sales Corporation dividends <sup>2</sup>.....</b>	<b>74</b>	<b>1,374,936</b>	<b>1,374,924</b>	<b>--</b>	<b>*12</b>	<b>--</b>

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 3.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Selected Country to Which Foreign Tax Was Paid--Continued**

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

Selected country	Foreign income and taxes reported on Form 1118--Continued					
	Gross income (less loss)--Continued		Oil and gas extraction income (less loss) <sup>3</sup>	Foreign branch income <sup>3</sup>	Specifically allocable income [section 863(b)] <sup>3</sup>	Total deductions
	Service income	Other income				
	(7)	(8)	(9)	(10)	(11)	(12)
<b>All countries.....</b>	<b>14,585,152</b>	<b>101,195,892</b>	<b>14,575,064</b>	<b>60,316,457</b>	<b>22,479,931</b>	<b>134,466,070</b>
<b>Canada.....</b>	<b>589,983</b>	<b>8,152,153</b>	<b>876,317</b>	<b>1,396,835</b>	<b>1,390,399</b>	<b>8,904,158</b>
<b>Latin America, total.....</b>	<b>1,378,938</b>	<b>9,083,425</b>	<b>877,533</b>	<b>14,500,929</b>	<b>1,729,017</b>	<b>19,009,957</b>
Mexico.....	236,315	3,893,365	*13,761	1,811,290	385,729	3,980,496
Central America, total.....	42,878	637,787	--	-79,551	36,518	760,668
Belize.....	*-5	11,591	--	*-307,722	*141	8,535
Costa Rica.....	12,308	79,216	--	*32,021	6,365	78,615
El Salvador.....	*4,993	120,538	--	*21,253	5,614	109,873
Guatemala.....	8,059	149,705	--	25,986	6,443	167,819
Honduras.....	928	74,987	--	*10,959	3,980	55,893
Nicaragua.....	*290	35,162	--	*2,942	1,148	32,580
Panama.....	16,245	159,366	--	128,505	12,185	276,390
Central America not allocable.....	*59	*7,223	--	*6,504	*642	*30,963
Caribbean countries, total.....	236,955	1,286,246	*380,109	259,423	225,754	1,601,217
Cayman Islands (British).....	*1,794	231,333	--	*115,768	6,796	590,800
Dominican Republic.....	7,531	255,250	*-5	97,948	8,588	218,495
Haiti.....	*1,311	98,245	--	*7,005	*38	82,758
Jamaica.....	7,957	117,210	--	*17,713	10,111	103,553
Trinidad and Tobago.....	24,092	497,423	*380,115	*13,053	3,283	306,969
Other Caribbean countries.....	194,270	86,785	--	*7,935	196,939	298,643
South America, total.....	862,418	3,143,079	483,662	12,509,767	1,000,098	12,606,477
Argentina.....	269,958	937,333	*170,978	974,446	100,908	1,636,966
Bolivia.....	14,035	27,998	*-13	*14,223	1,883	45,202
Brazil.....	94,113	-400,684	*48,670	10,140,402	592,713	7,933,759
Chile.....	86,708	559,350	*3	465,256	34,777	630,057
Colombia.....	84,951	1,000,794	*259,163	305,307	38,656	915,018
Ecuador.....	6,289	93,878	*-70	20,392	6,264	122,597
Paraguay.....	*2,075	3,042	( 1 )	*19,492	339	21,502
Peru.....	76,491	395,512	--	293,115	11,763	411,987
Uruguay.....	29,160	69,181	--	113,663	3,310	140,810
Venezuela.....	198,081	227,254	*4,932	158,666	23,802	532,370
Other South America.....	*557	229,420	--	*4,803	185,683	216,208
Latin America not allocable.....	*372	122,949	--	--	*80,917	61,099
<b>Other Western Hemisphere, total.....</b>	<b>40,317</b>	<b>1,036,113</b>	<b>*58,697</b>	<b>624,993</b>	<b>55,452</b>	<b>2,074,927</b>
Bahamas.....	11,235	423,461	*25,358	537,384	-11,058	1,371,142
Bermuda.....	18,559	198,890	*33,340	*3,020	17,018	376,109
Netherlands Antilles.....	*7,007	46,791	--	*59,942	17,634	149,269
Other British West Indies.....	1,967	81,438	--	*19,716	11,857	93,617
All other Western Hemisphere.....	*1,548	285,532	--	*4,931	20,001	84,789
<b>Europe, total.....</b>	<b>4,187,853</b>	<b>25,833,139</b>	<b>5,284,045</b>	<b>19,325,331</b>	<b>4,580,749</b>	<b>42,269,962</b>
European Economic Community, total.....	3,559,068	20,167,748	3,443,494	17,010,338	3,707,664	35,910,909
Belgium.....	310,232	1,945,182	*304	2,260,522	-46,662	3,280,584
Denmark.....	18,320	420,500	*161,980	62,317	16,573	403,712
France (including Andorra).....	180,557	1,628,798	*35,609	943,253	298,835	3,435,488
Germany.....	292,791	2,692,423	*140,967	1,072,774	473,942	4,541,852
Greece.....	70,494	303,912	--	469,574	53,643	753,837
Ireland.....	83,981	617,529	( 1 )	261,924	42,658	989,416
Italy (including San Marino).....	116,786	1,060,364	*2,512	800,807	207,369	2,064,114
Luxembourg.....	4,958	31,780	--	*6,287	6,362	256,562
Netherlands.....	177,509	1,524,016	871,920	1,438,370	289,190	2,332,932
Portugal.....	5,620	89,350	--	48,108	10,955	164,106
Spain.....	49,861	902,892	*6,726	848,061	122,620	1,414,142
United Kingdom.....	2,247,960	8,950,979	2,223,476	8,798,341	2,232,157	16,273,934
Other European Economic Community.....	--	*22	--	--	*22	*230

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 3.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Selected Country to Which Foreign Tax Was Paid--Continued**

[Money amounts are in thousands of dollars]

Selected country	Foreign income and taxes reported on Form 1118--Continued					
	Gross income (less loss)--Continued		Oil and gas extraction income (less loss) <sup>3</sup>	Foreign branch income <sup>3</sup>	Specifically allocable income [section 863(b)] <sup>3</sup>	Total deductions
	Service income	Other income				
	(7)	(8)	(9)	(10)	(11)	(12)
Other West European countries, total.....	440,565	4,053,079	*1,844,148	2,171,763	381,863	4,611,396
Austria.....	9,423	142,865	( <sup>1</sup> )	72,525	19,619	303,922
Finland.....	2,597	152,628	--	*86,953	22,044	159,282
Liechtenstein.....	*9	*281	--	--	*55	13,024
Monaco.....	*5,189	*19,875	--	*5,865	*407	40,815
Norway.....	184,878	2,252,350	*1,837,199	1,226,890	17,803	1,299,439
Sweden.....	14,420	281,013	--	110,670	51,438	563,972
Switzerland.....	142,643	932,781	--	501,893	106,490	1,896,380
Turkey.....	80,097	221,343	*6,969	156,231	133,428	353,126
Other West European countries.....	1,309	25,871	*-21	*487	18,113	-28,234
Other West European countries not allocable.....	--	*24,071	--	*10,248	*12,467	*9,671
East European countries, total.....	186,762	609,652	*-3,596	141,653	136,038	1,140,065
Romania.....	*11,283	30,229	*79	*3,495	*3,778	251,114
Former Soviet Union.....	83,090	297,389	*-3,675	65,078	90,148	477,329
Other East Europe.....	92,389	282,035	--	73,080	42,112	411,622
Europe not allocable.....	*1,458	1,002,660	--	*1,578	*355,183	607,592
<b>Africa, total.....</b>	<b>464,785</b>	<b>2,751,315</b>	<b>1,793,354</b>	<b>1,258,939</b>	<b>209,004</b>	<b>2,157,010</b>
North Africa, total.....	266,588	1,064,206	*464,777	388,870	128,760	736,407
Algeria.....	148,245	74,512	--	*118,338	*1,703	167,515
Egypt.....	96,018	885,478	*463,596	206,137	109,649	582,664
Libya.....	--	*2,254	*1,239	*23	--	*1,428
Morocco.....	*2,652	38,814	--	*16,325	14,796	39,857
Other North Africa.....	19,674	63,147	*-58	*48,047	2,613	-55,057
East Africa, total.....	38,949	254,066	*76	148,420	9,339	327,793
Ethiopia.....	*740	41,895	--	*11,637	*66	41,856
Kenya.....	*4,784	160,239	--	*94,927	4,829	244,187
Tanzania.....	*106	9,172	--	*14,827	*667	4,070
Uganda.....	*81	*3,269	--	*4,995	*195	2,724
Other East Africa.....	33,238	39,492	*76	*22,034	3,580	34,956
West and Central Africa, total.....	145,315	1,280,036	1,328,501	708,713	41,885	849,355
Gabon.....	*577	57,772	*-6,651	*20,376	*209	45,969
Ghana.....	*451	10,871	--	*2	*790	8,227
Liberia.....	*10,470	45,085	*12,290	*252	*520	47,764
Nigeria.....	89,243	752,396	*1,082,256	*644,309	1,456	425,057
Zaire.....	*297	45,872	*34,138	*28	*349	25,286
Other West and Central Africa.....	44,277	368,042	*206,469	43,747	38,561	297,051
Southern Africa, total.....	13,919	152,524	--	12,935	28,596	226,471
Malawi.....	*118	*750	--	--	*79	6,288
Zimbabwe.....	*1,464	6,712	--	*1,037	*179	13,633
South Africa (including Namibia).....	11,546	140,475	--	*11,678	28,295	193,627
Zambia.....	*346	*2,333	--	*204	*43	6,097
Other Southern Africa.....	*446	2,255	--	*16	*1	6,826
Africa not allocable.....	*13	*483	--	--	*424	16,985

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 3.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Selected Country to Which Foreign Tax Was Paid--Continued**

[Money amounts are in thousands of dollars]

Selected country	Foreign income and taxes reported on Form 1118--Continued					
	Gross income (less loss)--Continued		Oil and gas extraction income (less loss) <sup>3</sup>	Foreign branch income <sup>3</sup>	Specifically allocable income [section 863(b)] <sup>3</sup>	Total deductions
	Service income	Other income				
	(7)	(8)	(9)	(10)	(11)	(12)
<b>Asia, total.....</b>	<b>3,260,505</b>	<b>18,335,840</b>	<b>4,048,760</b>	<b>18,968,059</b>	<b>6,599,914</b>	<b>26,408,396</b>
Middle East, total.....	750,832	2,329,321	*775,078	1,330,423	339,783	3,050,111
Bahrain.....	20,882	142,076	--	524,833	5,672	648,120
Iran.....	*784	36,106	--	*-228	7,699	24,674
Iraq.....	--	*2,520	--	--	--	*849
Israel.....	7,337	191,574	--	3,219	31,876	301,624
Kuwait.....	30,091	45,463	--	7,151	19,749	66,428
Lebanon.....	*803	64,199	--	*13,503	32,418	62,789
Qatar.....	140,727	-7,236	*326	*38,519	5,029	91,459
Saudi Arabia.....	412,931	781,750	*228,284	202,369	78,777	913,414
United Arab Emirates.....	81,781	341,988	*208,254	258,085	15,248	393,741
Other areas of the Arabian Peninsula.....	46,341	580,529	*338,396	*249,601	91,921	389,040
Other Middle East.....	9,154	150,352	*-183	33,371	51,393	157,972
Southern and Southeast Asia, total.....	939,943	7,963,304	3,266,526	5,874,811	422,206	9,439,351
Bangladesh.....	*6,058	33,050	--	*18,345	*14,257	44,274
India.....	84,777	676,213	--	498,930	18,914	1,009,319
Indonesia.....	144,741	2,685,495	2,027,463	1,944,323	32,136	1,824,459
Malaysia.....	62,199	1,046,842	*676,896	996,859	37,107	888,187
Pakistan.....	13,898	231,410	*21,009	230,762	998	357,126
Philippines.....	63,033	709,305	--	441,554	61,065	807,604
Singapore.....	270,242	2,098,894	*11	1,286,031	179,533	3,484,387
Sri Lanka.....	2,148	15,788	--	*11,095	127	17,399
Thailand.....	257,099	320,702	*540,433	358,972	66,757	747,194
Vietnam.....	*11,295	55,728	*714	*-4	*1,289	62,863
Other Southern and Southeast Asia.....	24,454	89,878	*1	*87,944	*10,023	196,541
Eastern Asia, total.....	1,569,652	7,658,547	*7,156	11,762,263	5,802,241	13,703,504
China.....	206,406	326,336	*1,187	90,772	79,517	658,548
Hong Kong.....	366,683	953,242	--	2,087,662	459,107	1,888,291
Japan.....	536,378	4,380,742	*5,970	7,815,110	4,723,438	8,005,440
South Korea.....	212,339	532,073	--	614,018	166,265	1,150,990
Taiwan.....	245,706	1,411,315	--	1,151,374	316,092	1,964,744
Other Eastern Asia.....	*2,141	*54,838	--	*3,327	*57,821	35,491
Asia not allocable.....	*78	384,668	--	*562	*35,684	215,430
<b>Oceania, total.....</b>	<b>217,884</b>	<b>3,338,396</b>	<b>1,450,158</b>	<b>1,852,684</b>	<b>161,689</b>	<b>3,226,672</b>
Australia.....	155,810	2,989,337	*1,238,549	1,716,429	151,684	2,769,848
New Zealand.....	31,959	31,646	*3,275	86,269	8,628	210,862
Other Oceania.....	30,115	317,413	*208,333	*49,986	*1,377	245,961
<b>Puerto Rico and U.S. Possessions, total.....</b>	<b>348,549</b>	<b>2,025,305</b>	<b>--</b>	<b>1,150,955</b>	<b>463,417</b>	<b>3,201,519</b>
Puerto Rico.....	287,250	1,373,400	--	995,664	322,430	2,484,083
U.S. Possessions, total.....	61,299	651,905	--	155,291	140,987	717,435
American Samoa.....	*309	4,104	--	*4,347	*195	8,077
Guam.....	32,740	247,242	--	99,230	14,866	322,494
Virgin Islands.....	23,415	306,155	--	47,811	125,828	281,288
Other U.S. Possessions.....	*4,835	*94,405	--	*3,903	*97	105,576
<b>Country not stated.....</b>	<b>4,096,339</b>	<b>30,640,206</b>	<b>186,200</b>	<b>1,237,732</b>	<b>7,290,290</b>	<b>25,997,325</b>
<b>Interest Charge-Domestic International</b>						
<b>Sales Corporation dividends <sup>2</sup>.....</b>	--	--	--	--	--	<b>2,205</b>
<b>Foreign Sales Corporation dividends <sup>2</sup>.....</b>	--	--	--	--	--	<b>1,213,941</b>

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 3.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Selected Country to Which Foreign Tax Was Paid--Continued**

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

Selected country	Foreign income and taxes reported on Form 1118--Continued					
	Deductions from oil and gas extraction income <sup>4</sup>	Foreign taxable income (less loss) before adjustments	Total	Foreign taxes paid, accrued, and deemed paid		
				Total	Foreign taxes paid or accrued	
					Dividends	Interest
(13)	(14)	(15)	(16)	(17)	(18)	
<b>All countries.....</b>	<b>6,390,264</b>	<b>101,521,278</b>	<b>26,469,625</b>	<b>9,917,229</b>	<b>1,871,818</b>	<b>260,229</b>
<b>Canada.....</b>	<b>320,194</b>	<b>8,334,461</b>	<b>2,308,943</b>	<b>611,674</b>	<b>184,051</b>	<b>58,153</b>
<b>Latin America, total.....</b>	<b>430,376</b>	<b>12,605,397</b>	<b>2,491,314</b>	<b>1,425,520</b>	<b>234,305</b>	<b>61,282</b>
Mexico.....	*1,949	2,803,605	597,537	326,356	1,941	26,137
Central America, total.....	*10	610,636	96,874	29,465	3,943	270
Belize.....	*1	4,293	*248	*8	--	--
Costa Rica.....	--	50,186	11,803	7,063	704	*45
El Salvador.....	--	46,835	5,454	2,838	--	*71
Guatemala.....	--	30,863	9,728	6,567	*813	*112
Honduras.....	--	27,633	2,380	1,412	*122	*15
Nicaragua.....	--	14,062	*300	*300	--	--
Panama.....	*11	421,210	66,298	10,615	2,304	*27
Central America not allocable.....	--	*15,555	*662	*662	--	--
Caribbean countries, total.....	*199,995	1,137,524	177,472	116,256	1,354	789
Cayman Islands (British).....	--	572,608	39,668	*390	*285	*104
Dominican Republic.....	*19	154,166	28,851	13,540	*695	*459
Haiti.....	--	22,902	*2,229	*2,198	--	--
Jamaica.....	--	49,271	5,096	4,001	*123	*58
Trinidad and Tobago.....	*199,976	247,465	98,926	95,514	*118	*168
Other Caribbean countries.....	--	91,112	2,702	613	*132	*1
South America, total.....	228,422	7,980,267	1,618,662	952,675	227,067	34,087
Argentina.....	*81,389	787,779	195,984	126,841	*510	11,577
Bolivia.....	*4,981	4,358	234	234	*14	*31
Brazil.....	*2,022	5,452,370	856,897	398,499	194,580	18,822
Chile.....	( <sup>1</sup> )	724,026	173,254	143,266	18,698	2,073
Colombia.....	*122,437	531,372	251,972	177,474	13,016	*94
Ecuador.....	*9,638	51,607	10,589	5,812	*70	*26
Paraguay.....	*387	4,583	3,219	2,164	*60	*14
Peru.....	*295	101,687	60,222	54,954	( <sup>1</sup> )	*112
Uruguay.....	--	80,256	9,754	6,629	*45	*23
Venezuela.....	*6,399	223,075	47,614	27,878	*74	1,315
Other South America.....	*872	19,154	*8,924	*8,924	--	--
Latin America not allocable.....	--	73,364	*768	*768	--	--
<b>Other Western Hemisphere, total.....</b>	<b>*10,807</b>	<b>1,694,545</b>	<b>160,049</b>	<b>8,223</b>	<b>3,332</b>	<b>*15</b>
Bahamas.....	*5,036	75,418	44,662	*68	*3	--
Bermuda.....	*5,771	1,102,513	76,674	1,355	*1,255	*15
Netherlands Antilles.....	--	209,751	27,099	4,127	*2,043	--
Other British West Indies.....	--	96,341	10,963	2,187	( <sup>1</sup> )	--
All other Western Hemisphere.....	--	210,522	*651	*486	*31	--
<b>Europe, total.....</b>	<b>2,347,731</b>	<b>39,962,665</b>	<b>11,927,114</b>	<b>3,218,773</b>	<b>988,797</b>	<b>63,838</b>
European Economic Community, total.....	1,179,443	34,335,484	9,969,734	2,218,018	861,568	61,397
Belgium.....	*376	1,283,211	403,251	106,945	22,981	3,708
Denmark.....	*91,805	381,967	150,150	78,252	47,672	--
France (including Andorra).....	*2,883	3,312,288	1,015,580	221,548	82,381	*1,454
Germany.....	*6,129	6,845,842	2,509,780	295,423	192,496	4,574
Greece.....	--	169,919	59,541	37,229	*149	*172
Ireland.....	*-61	1,395,318	115,631	30,822	2,454	*1,118
Italy (including San Marino).....	*3,297	1,879,575	727,850	212,935	29,148	39,539
Luxembourg.....	--	476,134	215,312	4,585	4,225	--
Netherlands.....	176,650	4,455,336	1,221,033	190,186	107,339	*492
Portugal.....	*7	157,219	49,691	17,050	6,683	*80
Spain.....	*1,291	1,277,435	535,846	197,390	105,295	3,314
United Kingdom.....	897,066	12,701,295	2,966,069	825,653	260,744	6,945
Other European Economic Community.....	--	*-56	*1	*1	*1	--

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 3.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Selected Country to Which Foreign Tax Was Paid--Continued**

[Money amounts are in thousands of dollars]

Selected country	Foreign income and taxes reported on Form 1118--Continued					
	Deductions from oil and gas extraction income <sup>4</sup>	Foreign taxable income (less loss) before adjustments	Total	Foreign taxes paid, accrued, and deemed paid		
				Total	Foreign taxes paid or accrued	
					Dividends	Interest
(13)	(14)	(15)	(16)	(17)	(18)	
Other West European countries, total.....	*812,033	5,086,213	1,898,509	976,024	126,835	2,439
Austria.....	*126	162,516	58,838	15,051	11,491	*195
Finland.....	--	175,015	17,359	3,356	1,349	--
Liechtenstein.....	--	8,880	*3,519	*100	*100	--
Monaco.....	--	2,327	*284	*109	--	--
Norway.....	*869,146	1,764,192	887,946	786,544	13,009	*4
Sweden.....	--	504,835	125,194	9,877	5,833	*4
Switzerland.....	--	2,195,829	750,645	129,426	94,893	2,183
Turkey.....	*116	185,292	54,147	31,413	*159	*52
Other West European countries.....	*-57,103	72,779	556	128	--	*2
Other West European countries not allocable.....	--	*14,548	*22	*22	--	--
East European countries, total.....	*356,255	14,206	56,042	23,287	391	*2
Romania.....	*218,973	-199,275	*1,927	*1,927	*97	--
Former Soviet Union.....	*137,282	-23,271	2,160	1,712	*15	--
Other East Europe.....	--	236,752	51,955	19,647	*279	*2
Europe not allocable.....	--	526,762	*2,829	*1,443	*3	--
<b>Africa, total.....</b>	<b>352,419</b>	<b>2,411,088</b>	<b>798,449</b>	<b>502,550</b>	<b>19,407</b>	<b>381</b>
North Africa, total.....	*72,197	725,539	196,025	179,280	*1,207	*199
Algeria.....	*8,673	57,064	*12,498	*12,498	--	*47
Egypt.....	*222,284	478,502	165,975	160,138	--	*151
Libya.....	*93	*827	--	--	--	--
Morocco.....	( <sup>1</sup> )	22,545	9,518	3,550	*674	--
Other North Africa.....	*-158,853	166,601	8,033	*3,093	*533	--
East Africa, total.....	*12	177,340	38,667	16,923	3,004	*95
Ethiopia.....	--	3,328	*3,135	*3,135	--	--
Kenya.....	--	106,052	29,622	12,436	2,283	*9
Tanzania.....	--	14,019	*1,675	*250	*238	*12
Uganda.....	--	7,183	*1,461	*233	*220	--
Other East Africa.....	*12	46,757	2,773	868	*263	*73
West and Central Africa, total.....	280,137	1,289,730	481,936	280,899	4,476	*16
Gabon.....	*3	24,050	*9,045	*7,327	*311	( <sup>1</sup> )
Ghana.....	--	4,803	*331	*-5	--	--
Liberia.....	*2,441	97,429	*8,700	*48	--	--
Nigeria.....	*189,375	960,067	415,768	233,949	*1,217	--
Zaire.....	*13,323	23,754	*6,002	*5,679	*620	--
Other West and Central Africa.....	*74,995	179,627	42,091	33,900	*2,329	*15
Southern Africa, total.....	*73	206,094	81,821	25,448	10,720	*72
Malawi.....	--	-3,889	*733	*66	*30	--
Zimbabwe.....	*-1	16,985	11,074	2,151	1,311	*4
South Africa (including Namibia).....	*69	160,106	53,881	20,977	9,045	*60
Zambia.....	*6	21,463	*12,331	*533	*65	*8
Other Southern Africa.....	--	11,428	*3,802	*1,721	*269	--
Africa not allocable.....	--	12,386	--	--	--	--

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 3.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Selected Country to Which Foreign Tax Was Paid--Continued**

[Money amounts are in thousands of dollars]

Selected country	Foreign income and taxes reported on Form 1118--Continued					
	Deductions from oil and gas extraction income <sup>4</sup>	Foreign taxable income (less loss) before adjustments	Total	Foreign taxes paid, accrued, and deemed paid		
				Total	Foreign taxes paid or accrued	
					Dividends	Interest
(13)	(14)	(15)	(16)	(17)	(18)	
<b>Asia, total.....</b>	<b>1,471,433</b>	<b>18,739,594</b>	<b>6,967,529</b>	<b>3,138,756</b>	<b>295,719</b>	<b>43,015</b>
Middle East, total.....	*558,240	1,230,287	329,614	235,079	19,267	215
Bahrain.....	--	13,653	*189	( ' )	--	--
Iran.....	--	13,213	*37	*37	--	--
Iraq.....	--	*1,671	--	--	--	--
Israel.....	*5	273,628	115,300	38,240	19,158	*139
Kuwait.....	*1	16,564	*3,621	*3,486	--	--
Lebanon.....	--	30,861	486	446	*5	*17
Qatar.....	*4,882	42,595	*340	*340	--	--
Saudi Arabia.....	*224,339	389,489	62,107	46,736	*104	*59
United Arab Emirates.....	*139,754	119,818	*34,852	*34,236	--	--
Other areas of the Arabian Peninsula.....	*188,530	281,533	104,323	104,323	--	--
Other Middle East.....	*728	47,262	8,359	7,236	--	--
Southern and Southeast Asia, total.....	875,089	6,539,187	2,583,965	1,592,911	109,386	25,115
Bangladesh.....	--	17,214	*7,437	*7,371	--	--
India.....	--	349,486	177,208	135,323	22,887	*1,270
Indonesia.....	547,027	2,594,734	1,303,228	847,848	42,044	14,601
Malaysia.....	*257,727	838,495	293,831	228,007	1,027	1,302
Pakistan.....	*14,336	65,301	48,967	46,693	257	*2
Philippines.....	*368	532,429	208,629	112,427	32,088	4,197
Singapore.....	*864	1,268,078	219,745	112,334	3,573	1,872
Sri Lanka.....	--	9,376	3,084	2,083	*116	--
Thailand.....	*42,365	847,217	305,256	86,264	7,393	1,824
Vietnam.....	*12,393	4,443	*27	*27	--	--
Other Southern and Southeast Asia.....	*8	12,413	16,553	14,536	--	*48
Eastern Asia, total.....	*38,105	10,778,066	4,053,829	1,310,644	167,067	17,685
China.....	*37,611	150,418	20,781	16,440	*539	2,032
Hong Kong.....	--	2,633,378	365,056	110,619	743	*23
Japan.....	*456	6,502,038	3,264,434	917,765	114,943	11,528
South Korea.....	--	747,034	212,097	153,101	9,223	*143
Taiwan.....	--	699,043	190,444	111,702	41,619	3,960
Other Eastern Asia.....	*38	46,155	*1,017	*1,017	--	--
Asia not allocable.....	--	192,055	*122	*122	--	--
<b>Oceania, total.....</b>	<b>749,782</b>	<b>3,453,441</b>	<b>1,011,255</b>	<b>396,093</b>	<b>20,897</b>	<b>9,182</b>
Australia.....	*639,680	2,685,635	749,866	311,842	5,423	7,308
New Zealand.....	*6,353	631,471	207,603	31,573	15,262	1,873
Other Oceania.....	*103,749	136,336	53,786	52,678	*213	--
<b>Puerto Rico and U.S. Possessions, total.....</b>	<b>--</b>	<b>293,850</b>	<b>243,091</b>	<b>143,594</b>	<b>22,078</b>	<b>2,185</b>
Puerto Rico.....	--	85,841	216,362	118,121	19,816	1,966
U.S. Possessions, total.....	--	208,009	26,729	25,473	*2,262	*219
American Samoa.....	--	1,057	*404	*404	--	--
Guam.....	--	93,529	17,794	17,604	--	*64
Virgin Islands.....	--	109,738	8,359	7,446	*2,262	*155
Other U.S. Possessions.....	--	3,686	*172	*19	--	--
<b>Country not stated.....</b>	<b>707,522</b>	<b>13,772,754</b>	<b>561,856</b>	<b>472,042</b>	<b>103,225</b>	<b>22,179</b>
<b>Interest Charge-Domestic International</b>						
Sales Corporation dividends <sup>2</sup> .....	--	92,489	*25	*5	*5	--
Foreign Sales Corporation dividends <sup>2</sup> .....	--	160,994	--	--	--	--

Footnotes at end of table.



# Corporate Foreign Tax Credit, 1994

**Table 3.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Selected Country to Which Foreign Tax Was Paid--Continued**

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

Selected country	Foreign income and taxes reported on Form 1118--Continued					
	Foreign taxes paid, accrued, and deemed paid--Continued					
	Taxes withheld at source on --Continued	Foreign taxes paid or accrued--Continued				Taxes deemed paid
		Rents, royalties, and license fees	Other taxes paid or accrued on--			
	Branch income		Specifically allocable income [section 863(b)]	Service income	Other income	
	(19)	(20)	(21)	(22)	(23)	(24)
<b>All countries.....</b>	<b>1,162,569</b>	<b>4,179,390</b>	<b>10,094</b>	<b>216,213</b>	<b>2,216,916</b>	<b>16,552,397</b>
<b>Canada.....</b>	<b>104,505</b>	<b>153,203</b>	<b>*1,202</b>	<b>15,315</b>	<b>95,247</b>	<b>1,697,269</b>
<b>Latin America, total.....</b>	<b>200,653</b>	<b>478,609</b>	<b>*343</b>	<b>46,204</b>	<b>404,124</b>	<b>1,065,794</b>
Mexico.....	72,487	149,527	*343	24,237	51,684	271,181
Central America, total.....	8,466	15,019	--	*364	1,402	67,409
Belize.....	*1	--	--	--	*7	*241
Costa Rica.....	2,865	*2,105	--	*129	*1,214	4,740
El Salvador.....	1,126	*1,586	--	*54	--	2,617
Guatemala.....	2,366	*2,964	--	*169	*142	3,161
Honduras.....	468	*799	--	*6	*2	*969
Nicaragua.....	*27	*254	--	--	*20	--
Panama.....	1,602	*6,661	--	*6	*16	55,682
Central America not allocable.....	*12	*650	--	--	--	--
Caribbean countries, total.....	2,903	23,805	--	2,241	85,164	61,216
Cayman Islands (British).....	--	--	--	--	*1	39,278
Dominican Republic.....	1,265	*10,967	--	*82	*72	15,311
Haiti.....	*23	*1,399	--	--	*776	*31
Jamaica.....	1,245	*2,566	--	*5	*4	*1,094
Trinidad and Tobago.....	272	*8,630	--	*2,130	*84,196	*3,412
Other Caribbean countries.....	*98	*243	--	*24	*115	*2,089
South America, total.....	116,029	290,257	--	19,361	265,874	665,988
Argentina.....	28,281	44,577	--	8,155	33,742	69,142
Bolivia.....	57	*131	--	--	( <sup>1</sup> )	--
Brazil.....	51,092	79,284	--	3,425	51,297	458,398
Chile.....	12,065	105,793	--	1,025	3,610	29,989
Colombia.....	8,769	32,518	--	1,780	121,297	74,498
Ecuador.....	3,399	*770	--	*775	*772	4,777
Paraguay.....	100	*1,990	--	--	--	*1,055
Peru.....	1,511	3,894	--	*1,771	47,667	5,268
Uruguay.....	1,064	*5,257	--	*128	*112	3,125
Venezuela.....	9,599	7,219	--	2,295	7,376	19,736
Other South America.....	*92	*8,824	--	*7	--	--
Latin America not allocable.....	*768	--	--	--	--	--
<b>Other Western Hemisphere, total.....</b>	<b>346</b>	<b>3,221</b>	<b>--</b>	<b>*55</b>	<b>*1,254</b>	<b>151,827</b>
Bahamas.....	*15	*51	--	--	--	44,594
Bermuda.....	( <sup>1</sup> )	( <sup>1</sup> )	--	--	*85	75,319
Netherlands Antilles.....	*3	*1,484	--	--	*597	22,972
Other British West Indies.....	*306	*1,253	--	*55	*572	*8,776
All other Western Hemisphere.....	*22	*433	--	--	--	*165
<b>Europe, total.....</b>	<b>175,201</b>	<b>1,538,514</b>	<b>*1,341</b>	<b>54,900</b>	<b>396,183</b>	<b>8,708,342</b>
European Economic Community, total.....	157,579	851,884	*1,299	37,114	247,176	7,751,716
Belgium.....	1,566	55,526	--	*4,090	19,074	296,306
Denmark.....	*1,499	28,047	--	*1,032	*1	71,898
France (including Andorra).....	45,181	89,053	--	1,463	2,016	794,032
Germany.....	3,544	77,116	*693	*7,585	9,414	2,214,356
Greece.....	1,095	35,187	--	*383	*242	22,312
Ireland.....	--	*6,177	--	*169	*20,904	84,809
Italy (including San Marino).....	51,932	77,655	--	512	14,149	514,915
Luxembourg.....	--	*239	--	*121	--	210,727
Netherlands.....	921	26,679	--	*570	54,185	1,030,846
Portugal.....	5,070	*3,429	--	*609	*1,178	32,641
Spain.....	40,839	40,384	--	2,682	4,877	338,456
United Kingdom.....	5,931	412,393	*606	17,897	121,136	2,140,416
Other European Economic Community.....	--	--	--	--	--	--

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 3.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Selected Country to Which Foreign Tax Was Paid--Continued**

[Money amounts are in thousands of dollars]

Selected country	Foreign income and taxes reported on Form 1118--Continued					Taxes deemed paid
	Foreign taxes paid, accrued, and deemed paid--Continued					
	Foreign taxes paid or accrued--Continued					
	Taxes withheld at source on --Continued	Other taxes paid or accrued on--				
		Rents, royalties, and license fees	Branch income	Specifically allocable income [Section 863(b)]	Service income	
(19)	(20)	(21)	(22)	(23)	(24)	
Other West European countries, total.....	12,251	682,459	*42	4,772	147,227	922,485
Austria.....	631	*2,671	--	*35	*27	43,788
Finland.....	1,951	*13	--	*28	*16	14,003
Liechtenstein.....	--	--	--	--	--	*3,419
Monaco.....	*22	--	--	*86	--	*175
Norway.....	*212	*633,930	--	*122	*139,267	101,402
Sweden.....	*191	*3,764	--	*2	*83	115,317
Switzerland.....	*2,519	21,504	*42	*1,171	7,115	621,219
Turkey.....	6,623	20,534	--	*3,325	*720	22,734
Other West European countries.....	*81	*42	--	*2	--	*428
Other West European countries not allocable.....	*22	--	--	--	--	--
East European countries, total.....	5,321	4,171	--	*13,007	394	32,755
Romania.....	*234	*1,392	--	*174	*30	--
Former Soviet Union.....	*527	*749	--	*190	*231	*448
Other East Europe.....	4,561	*2,029	--	*12,644	*133	32,307
Europe not allocable.....	*49	--	--	*6	*1,385	*1,385
<b>Africa, total.....</b>	<b>13,682</b>	<b>266,319</b>	<b>*39</b>	<b>3,122</b>	<b>199,598</b>	<b>295,899</b>
North Africa, total.....	1,743	*14,835	--	*1,769	*159,526	16,745
Algeria.....	*179	*7,318	--	*327	*4,628	--
Egypt.....	1,277	*3,909	--	*282	*154,519	*5,837
Libya.....	--	--	--	--	--	--
Morocco.....	*267	*2,228	--	*1	*380	*5,968
Other North Africa.....	*20	*1,381	--	*1,160	--	*4,940
East Africa, total.....	264	*12,736	--	*358	*467	21,744
Ethiopia.....	--	*3,135	--	--	--	--
Kenya.....	*211	*9,483	--	*245	*205	17,186
Tanzania.....	--	--	--	--	--	*1,425
Uganda.....	--	--	--	--	*14	*1,228
Other East Africa.....	*53	*118	--	*113	*248	*1,904
West and Central Africa, total.....	460	*237,902	--	*618	*37,427	201,038
Gabon.....	*8	*1,159	--	--	*5,849	*1,717
Ghana.....	*-20	--	--	*15	--	*336
Liberia.....	--	--	--	--	*48	*8,652
Nigeria.....	*51	*232,038	--	*409	*235	181,819
Zaire.....	--	*1,520	--	--	*3,539	*323
Other West and Central Africa.....	*421	*3,184	--	*195	*27,756	*8,191
Southern Africa, total.....	11,216	*845	*39	*377	*2,178	56,373
Malawi.....	--	--	--	*36	--	*667
Zimbabwe.....	257	*386	--	*192	--	8,924
South Africa (including Namibia).....	9,506	( <sup>1</sup> )	*39	*149	*2,178	32,904
Zambia.....	( <sup>1</sup> )	*459	--	--	--	*11,798
Other Southern Africa.....	*1,452	--	--	--	--	*2,081
Africa not allocable.....	--	--	--	--	--	--

Footnotes at end of table.

# Corporate Foreign Tax Credit, 1994

**Table 3.--U.S. Corporation Returns with a Foreign Tax Credit: Foreign Income and Tax Reported on Form 1118, by Selected Country to Which Foreign Tax Was Paid--Continued**

[Money amounts are in thousands of dollars]

Selected country	Foreign income and taxes reported on Form 1118--Continued					
	Foreign taxes paid, accrued, and deemed paid--Continued					
	Foreign taxes paid or accrued--Continued					Taxes deemed paid
	Taxes withheld at source on --Continued	Other taxes paid or accrued on--				
		Rents, royalties, and license fees	Branch income	Specifically allocable income [section 863(b)]	Service income	
(19)	(20)	(21)	(22)	(23)	(24)	
<b>Asia, total</b> .....	<b>537,365</b>	<b>1,538,373</b>	<b>*3,077</b>	<b>70,655</b>	<b>650,551</b>	<b>3,828,773</b>
Middle East, total.....	20,154	40,555	--	19,049	135,839	94,535
Bahrain.....	( 1 )	--	--	--	--	*189
Iran.....	--	*37	--	--	--	--
Iraq.....	--	--	--	--	--	--
Israel.....	17,162	*167	--	943	*672	77,059
Kuwait.....	*3	*13	--	*1,818	*1,651	*135
Lebanon.....	*43	*381	--	--	*1	*40
Qatar.....	*-11	*59	--	*292	--	--
Saudi Arabia.....	2,741	12,315	--	15,033	*16,484	15,372
United Arab Emirates.....	( 1 )	*18,018	--	*10	*16,207	*616
Other areas of the Arabian Peninsula.....	*34	*4,099	--	*674	*99,517	--
Other Middle East.....	*183	*5,466	--	*280	*1,307	*1,124
Southern and Southeast Asia, total.....	106,015	942,071	*8	26,727	383,589	991,053
Bangladesh.....	*12	*5,997	--	*1,362	--	*66
India.....	9,008	*95,403	--	3,568	3,186	41,885
Indonesia.....	7,084	609,251	--	4,770	170,098	455,380
Malaysia.....	12,202	24,141	*6	2,904	186,425	65,824
Pakistan.....	*18	46,120	--	*282	*13	2,275
Philippines.....	10,537	57,264	--	*2,244	6,098	96,202
Singapore.....	53,659	41,014	--	1,473	10,744	107,411
Sri Lanka.....	*45	*1,419	--	*483	*21	*1,001
Thailand.....	13,437	47,378	*3	9,482	6,746	218,992
Vietnam.....	*10	--	--	--	*16	--
Other Southern and Southeast Asia.....	*1	*14,084	--	*160	*242	*2,017
Eastern Asia, total.....	411,197	555,747	*3,069	24,879	131,001	2,743,185
China.....	9,339	2,629	--	799	1,102	4,342
Hong Kong.....	3,951	45,007	*177	*117	60,601	254,437
Japan.....	318,406	407,653	*2,813	13,749	48,674	2,346,668
South Korea.....	65,589	63,016	*5	5,008	10,117	58,996
Taiwan.....	13,047	37,363	--	5,206	10,507	78,742
Other Eastern Asia.....	*865	*79	*73	--	--	--
Asia not allocable.....	--	--	--	--	*122	--
<b>Oceania, total</b> .....	<b>52,251</b>	<b>62,364</b>	<b>*6</b>	<b>4,339</b>	<b>247,054</b>	<b>615,163</b>
Australia.....	43,544	56,020	*2	3,599	195,946	438,024
New Zealand.....	8,293	4,547	*4	*709	885	176,030
Other Oceania.....	*415	*1,797	--	*31	*50,223	*1,108
<b>Puerto Rico and U.S. Possessions, total</b> .....	<b>8,629</b>	<b>78,741</b>	<b>*320</b>	<b>8,897</b>	<b>22,743</b>	<b>99,497</b>
Puerto Rico.....	8,242	65,959	*320	5,793	16,024	98,241
U.S. Possessions, total.....	*388	12,782	--	*3,104	6,719	*1,256
American Samoa.....	--	*403	--	--	*1	--
Guam.....	( 1 )	*8,731	--	*3,080	5,729	*190
Virgin Islands.....	*387	*3,648	--	*5	*988	*913
Other U.S. Possessions.....	--	( 1 )	--	*19	--	*153
<b>Country not stated</b> .....	<b>69,937</b>	<b>60,047</b>	<b>*3,766</b>	<b>12,726</b>	<b>200,162</b>	<b>89,814</b>
<b>Interest Charge-Domestic International</b>						
<b>Sales Corporation dividends</b> <sup>2</sup> .....	--	--	--	--	--	<b>*19</b>
<b>Foreign Sales Corporation dividends</b> <sup>2</sup> .....	--	--	--	--	--	--

\* Data should be used with caution because of the small number of returns on which they are based.

<sup>1</sup> Less than \$500.

<sup>2</sup> Dividends from an Interest Charge-Domestic International Sales Corporation or a Foreign Sales Corporation were not reported for specific foreign countries.

<sup>3</sup> Included in gross income (less loss), columns 1-8.

<sup>4</sup> Included in total deductions, column 12.

NOTES: Detail may not add to totals due to rounding and processing tolerances.