

Foreign Recipients of U.S. Income, 2000

Data Release

United States-source income payments to “foreign persons” totaled \$139.7 billion in 2000. This represents a decrease of 12 percent from 1999 levels, following a 27-percent increase from 1998 to 1999. A precipitous decrease in the income paid to Japanese recipients accounted for more than half of the decline. Tax withheld on U.S.-source income payments fell 38.4 percent, to \$2.3 billion, while the effective U.S. tax rate on payments made to foreign recipients (U.S. tax withheld divided by total U.S.-source income) fell from 2.3 percent to 1.6 percent for Tax Year 2000. Meanwhile, the total number of payments reported on Forms 1042S rose to an all-time high of 2.53 million.

The United Kingdom surpassed Japan as the recipient of the most U.S.-source income, accounting for nearly \$24 billion, despite a decline of \$1.7 billion from 1999. Japanese recipients collected the second-largest share of U.S.-source income with \$19.2 billion, a decrease of 35.8 percent from 1999. Interest payments remained the most significant category of U.S.-source income by far. Nearly 88 percent (\$122.3 billion) of all income paid to foreign persons came from interest payments, an increase of 18.5 percentage points. Dividends, second among income categories, fell from \$25.7 billion in 1999 to \$12.5 billion in 2000. Corporations remained the most significant entity in terms of total U.S.-source income received and tax withheld, accounting for 65.1 percent and 58.4 percent, respectively.

Background

U.S.-source income of nonresident alien individuals and other foreign persons is reported on Form 1042S, *Foreign Persons' U.S.-Source Income Subject to Withholding*. This income is subject to a flat, statutory tax rate of 30 percent. However, this rate is frequently reduced or eliminated by way of an income tax treaty or statutory exemption (see Table 1 for the amount of income exempt from taxation). Income that is exempt from taxation because of a tax treaty is still required to be reported. The principal types of income are interest (other than that from

bank deposits), dividends, rents, royalties, Social Security and railroad retirement payments, and personal services income, shown separately in Table 2. Other types of income include capital gains, scholarships, pensions and annuities, and certain real estate distributions. Certain types of income that are “effectively connected” with a U.S. trade or business, as well as bank deposit interest, are not subject to the withholding tax and are generally not reported on Form 1042S. The tax liability on effectively connected income is reported on other forms (see *Explanation of Selected Terms*).

U.S. individuals or businesses distributing U.S.-source income to foreign persons are required to withhold taxes on this income (except where statutory or treaty exemptions apply), or to appoint a withholding agent (normally a financial institution) to do so. A payer or designated agent is fully liable for all taxes owed by a recipient and also reports the income paid to each recipient on a Form 1042S. Without this withholding requirement, there would be no effective way to enforce taxpayer compliance because foreign recipients are generally not required to file U.S. tax returns to report this income.

During 2000, the United States had tax treaties in force with 61 of its trading partners (Table 1) [1]. For 2000, persons in treaty countries received 68.1 percent of total U.S.-source income payments to foreign persons, while accounting for 68.3 percent of the total U.S. tax withheld on these payments. There were ten non-treaty countries which received over \$1 billion of U.S.-source income in 2000: Argentina, the Bahamas, Bermuda, the British Virgin Islands, the Cayman Islands, Hong Kong, Jersey, Netherlands Antilles, Singapore, and Taiwan (Table 2).

Data Highlights

More than \$139.7 billion in U.S.-source income payments were made to foreign persons in 2000. Although this represents a decrease of 12 percent from the all-time high in 1999, it is the second-highest amount ever paid in a single year. The total number of Forms 1042S filed for 2000 reached 2.53 million, a slight increase from 1999 (2.40 million). The average income payment and the average U.S. tax withheld per payment, not including tax withheld by foreign governments and foreign withholding agents (see *Data Sources and Limitations*), were \$55,157 and \$893, respectively.

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Of the \$139.7 billion of total U.S.-source income reported on Forms 1042S, 91.6 percent was exempt from taxation, as compared to 80.9 percent in 1999. This increase caused the effective withholding rate (tax withheld as a percentage of total U.S.-source income paid) to dip from 2.3 percent to 1.6 percent. The effective withholding rate on the \$11.8 billion of income subject to withholding tax was 19.2 percent; substantially less than the 30-percent statutory rate. Because of tax treaties and statutory exemptions, only \$3.2 billion of the \$11.8 billion of income subject to taxation were taxed at the statutory rate. This represents just 2.3 percent of the total U.S.-source income paid to foreign persons.

In 2000, interest payments reported on Form 1042S, which excludes bank deposit interest, increased 11.6 percent to \$122.3 billion. Interest accounted for 87.6 percent of total U.S.-source income paid to foreign persons. Dividends, the second largest type of payment, fell 51.3 percent, to \$12.5 billion. Dividends comprised almost 9 percent of total U.S.-source income.

Foreign corporations received 65.1 percent of all U.S.-source income paid to foreign persons in 2000, while accounting for 58.4 percent of the U.S. tax withheld. U.S.-source income paid to corporations

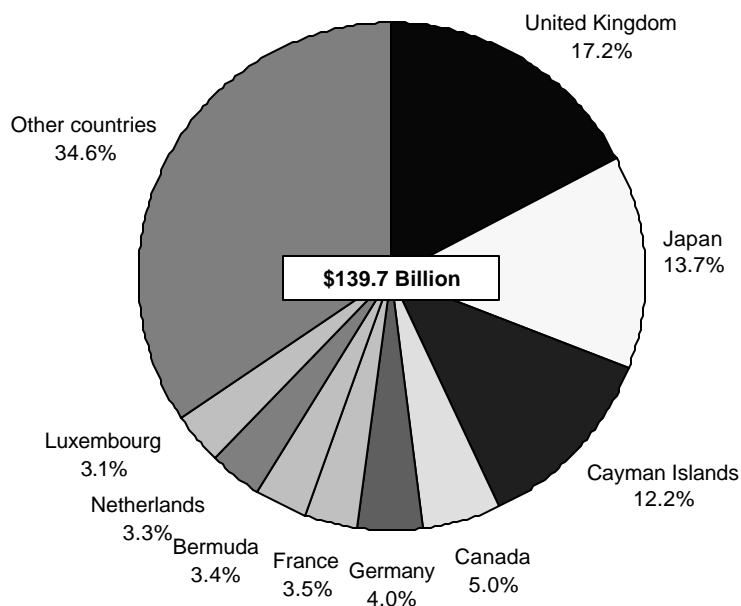
totaled \$90.9 billion, a decrease of \$20.9 billion from 1999. Tax withheld on corporations is low in relation to the income they receive because such a large proportion of their income is comprised of interest that is exempt from taxation. In 2000, about 92.2 percent (\$83.8 billion) of income paid to corporations was exempt from taxation. Interest comprised 98.2 percent of the tax-exempt income paid to corporations, while accounting for 90.9 percent of the total income distributed to corporations.

U.S.-source income paid to foreign individuals totaled \$5.9 billion, or approximately the same level as in 1999. Compared to corporations, individuals have a higher percentage of tax withheld relative to total income. Individual recipients accounted for 4.2 percent of the U.S.-source income paid in 2000, while paying 16.8 percent of the total taxes. Additionally, individuals received 33.6 percent of their incomes in the form of Social Security benefits, railroad retirement benefits, and dividends, three of the income types that are taxed at the highest effective rate and generally receive limited treaty benefits.

Residents of the United Kingdom received 17 percent of all U.S.-source income paid in 2000, as shown in Figure A. The nine countries included in Figure A account for 65 percent of all U.S.-source

Figure A

Percentage of Income Paid to Foreign Persons in Selected Countries, Tax Year 2000



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income paid to foreign persons, although their share of the total has fallen over the years. Figure B shows that all of these countries except for the tax havens, the Cayman Islands and Bermuda, received less income in 2000 than in 1999. Gross income paid to residents of Japan saw the biggest decrease (in dollars), falling \$10.7 billion from 1999 to 2000. Other countries, not specifically listed in Figure B, received 4 percent more income in 2000 than in 1999.

Figure B

Income Paid to Foreign Persons in Selected Countries, Percentage Change 1999 to 2000

[Money amounts are in thousands of dollars]

Selected country	Income paid in 2000	Percentage change, 1999 to 2000
All countries.....	139,660,703	-12.0
United Kingdom.....	23,963,756	-6.7
Japan.....	19,198,773	-35.8
Cayman Islands.....	16,971,215	85.0
Canada.....	6,974,836	-36.9
Germany.....	5,635,766	-47.9
France.....	4,937,798	-45.6
Bermuda.....	4,720,273	26.2
Netherlands.....	4,615,782	-43.6
Luxembourg.....	4,366,856	-11.2
Other countries.....	48,275,648	4.4

Data Sources and Limitations

Payers (or their authorized withholding agents) of most U.S.-source income to foreign persons must withhold tax in accordance with the Internal Revenue Code. Form 1042S, *Foreign Persons' U.S.-Source Income Subject to Withholding*, is filed by the payer to report this income and the U.S. tax withheld. Often, a financial institution acts as the payer's withholding agent. The statistics in this data release were tabulated by calendar year, using all Forms 1042S filed with the Internal Revenue Service for 2000. The data reflect the income that was paid and U.S. tax that was withheld for 2000, except for U.S. tax withheld by foreign governmental organizations and their withholding agents. In a few countries, under treaty provisions, foreign governmental organizations (or other authorized entities) withhold tax for income paid to foreign nominees and fiduciaries if the ultimate recipient is unknown or is not a resident of a

treaty country. The purpose of such tax withholding is to prevent persons in nontreaty countries from reaping treaty benefits by indirectly channeling their income through a treaty country. When the ultimate recipient is not entitled to the treaty benefits, the foreign governmental organization (or withholding agent) remits the tax withheld back to the United States. This additional tax, therefore, is not generally attributable to specific income years. For this reason, the statistics in this data release generally do not include tax withheld by foreign governments and foreign withholding agents (except for Canada, which remits its tax payments during the same calendar year in which the U.S. income is paid). These amounts, however, are shown in column 7 of Table 1 for Tax Year 2000.

Because all Forms 1042S were used for the statistics, the data are not subject to sampling error. However, the data are subject to nonsampling error, such as computer data entry error and taxpayer reporting error. Although the data were subjected to tests, the data for certain basic numerical relationships, including the calculation of the correct tax withheld, the possibility of error was not completely eliminated. However, as a further check, Forms 1042S with income amounts greater than \$3 million were manually verified.

Explanation of Selected Terms

Foreign Persons.--For purposes of this data release, foreign persons include: (a) individuals whose residence is not within the United States and who are not U.S. citizens (i.e., nonresident aliens); and (b) corporations and other organizations (including partnerships, private foundations, estates, and trusts) created or organized outside the United States. Also, individuals residing, and organizations created or organized, in Puerto Rico and U.S. possessions are considered foreign persons.

Income Effectively Connected with a U.S. Trade or Business.--Income that is "effectively connected" with a U.S. trade or business is exempt from the withholding tax requirements. Most of this income is taxed at the ordinary graduated U.S. rates, in the same manner as any other income paid to U.S. citizens and residents. Foreign corporations must report such income on Form 1120F, *U.S. Tax Return of a Foreign Corporation*, and individuals must report such income on Form 1040NR, *U.S. Nonresi-*

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dent Alien Income Tax Return [2]. Effectively connected real estate distributions are reported on Form 8288A, *Statement of Withholding on Dispositions by Foreign Persons of U.S. Real Property Interests*. Effectively connected income may be erroneously reported on Forms 1042S, but the extent of its inclusion in the statistics, while unknown, is believed to be insignificant.

Notes and References

[1] U.S. Department of the Treasury, Internal Revenue Service, *U.S. Tax Treaties*, Publication 901. The U.S. income tax treaty with the former Union of Soviet Socialist Republics

(U.S.S.R.) remains in effect for the following members of the Commonwealth of Independent States (C.I.S.): Armenia, Azerbaijan, Belarus, Georgia, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan. That treaty will remain in effect until new treaties with these individual countries are negotiated and ratified. New treaties with Russia and Kazakhstan entered into force in 1994 and 1996, respectively.

[2] For information on Forms 1120F, see *Statistics of Income, Corporation Income Tax Returns*, Publication 16, published annually. The Statistics of Income program does not produce data from Forms 1040NR.

Source: IRS Statistics of Income Bulletin, Summer 2003, Publication 1136 (Rev. 09-2003.)

Foreign Recipients of U.S. Income, 2000

Table 1.--Forms 1042S: Number, Total U.S.-Source Income, and U.S. Tax Withheld, Tax Treaty Countries and Total Non-Tax Treaty Countries, 2000

[Money amounts are in thousands of dollars]

Country or geographic area	Number of Forms 1042S	U.S.-source income			U.S. tax withheld		
		Total	Exempt from withholding	Subject to withholding	Total	By domestic withholding agents ¹	By foreign governments and withholding agents
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total.....	2,532,052	139,660,703	127,889,238	11,771,465	2,353,310	2,260,107	93,203
Treaty countries, total.....	1,977,573	95,060,578	85,746,745	9,313,833	1,638,192	1,544,989	93,203
Armenia.....	892	7,765	6,916	849	114	114	--
Australia ²	47,480	3,876,041	3,566,407	309,634	46,961	46,961	--
Austria.....	22,766	698,342	491,017	207,325	32,130	31,404	726
Azerbaijan.....	470	2,714	2,466	247	31	31	--
Barbados.....	2,223	459,956	439,223	20,732	3,298	3,298	--
Belarus.....	543	2,752	2,311	440	82	82	--
Belgium.....	24,055	1,157,455	1,047,838	109,617	22,663	17,187	5,476
Canada.....	488,941	6,974,836	5,907,676	1,067,160	161,795	161,795	--
China.....	96,336	1,157,402	1,126,642	30,760	4,797	4,747	--
Cyprus.....	2,362	13,023	10,427	2,597	484	484	--
Czech Republic.....	3,252	51,924	50,773	1,151	229	229	--
Denmark.....	6,679	436,062	328,157	107,905	16,702	16,702	--
Egypt.....	7,105	75,769	71,563	4,206	747	747	--
Estonia.....	417	3,932	3,588	344	53	53	--
Finland.....	3,496	169,789	159,977	9,811	1,907	1,907	--
France ³	45,943	4,938,791	4,494,027	444,764	65,442	64,152	1,290
Georgia.....	624	4,090	3,674	415	44	44	--
Germany.....	278,409	5,635,766	5,213,368	422,398	56,844	56,844	--
Greece.....	19,288	114,602	66,217	48,386	12,538	12,538	--
Hungary.....	2,843	37,340	34,144	3,196	562	562	--
Iceland.....	2,362	6,697	3,795	2,902	488	488	--
India.....	30,617	144,817	122,916	21,901	3,929	3,929	--
Indonesia.....	8,753	31,211	25,920	5,291	850	850	--
Ireland.....	33,085	2,652,962	2,408,895	244,066	56,728	56,728	--
Israel.....	21,614	351,730	330,611	21,119	5,078	5,078	--
Italy.....	47,293	2,178,855	1,952,409	226,446	34,500	34,500	--
Jamaica.....	4,933	167,840	157,754	10,087	2,250	2,250	--
Japan.....	118,892	19,198,773	17,492,199	1,706,574	246,995	246,995	--
Kazakhstan.....	530	5,814	5,591	223	37	37	--
Korea, Republic of (South).....	23,665	617,101	606,398	10,703	2,163	2,163	--
Kyrgyzstan.....	466	4,040	3,860	180	31	31	--
Latvia.....	280	1,740	1,476	264	28	28	--
Lithuania.....	588	2,831	2,170	661	126	126	--
Luxembourg.....	5,691	4,366,856	3,572,237	794,619	210,259	198,682	11,577
Mexico.....	112,281	1,234,810	961,374	273,435	61,580	61,580	--
Moldova.....	273	1,608	1,438	171	30	30	--
Morocco.....	1,868	4,805	3,133	1,672	275	275	--
Netherlands.....	29,086	4,615,782	4,242,290	373,492	53,366	52,704	662
New Zealand.....	11,852	112,735	71,262	41,472	6,227	6,227	--
Norway.....	11,279	560,113	510,636	49,477	9,279	9,279	--
Pakistan.....	6,446	16,079	12,835	3,244	821	821	--
Philippines.....	28,605	252,554	187,261	65,293	17,229	17,229	--
Poland.....	6,445	53,827	39,358	14,469	3,592	3,592	--
Portugal.....	10,826	380,165	336,018	44,147	9,433	9,433	--
Romania.....	3,547	18,632	17,624	1,009	138	138	--
Russia.....	11,490	58,140	42,807	15,334	2,195	2,195	--
Slovak Republic.....	898	20,406	19,938	467	79	79	--

Footnotes at end of table.

Foreign Recipients of U.S. Income, 2000

Table 1.--Forms 1042S: Number, Total U.S.-Source Income, and U.S. Tax Withheld, Tax Treaty Countries and Total Non-Tax Treaty Countries, 2000--Continued

[Money amounts are in thousands of dollars]

Country or geographic area	Number of Forms 1042S	U.S.-source income			U.S. tax withheld		
		Total	Exempt from withholding	Subject to withholding	Total	By domestic withholding agents ¹	By foreign governments and withholding agents
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Spain.....	25,466	3,870,168	3,763,618	106,550	21,396	21,396	--
Sweden.....	14,269	978,559	691,444	287,115	45,580	45,580	--
Switzerland.....	48,159	3,007,631	2,309,609	698,022	179,711	107,574	72,137
Tajikistan.....	160	668	573	95	14	14	--
Thailand.....	8,628	33,208	28,810	4,398	866	866	--
Trinidad and Tobago.....	4,200	19,429	14,253	5,177	1,385	1,385	--
Tunisia.....	348	1,597	1,409	188	36	36	--
Turkey.....	6,869	61,784	53,903	7,881	1,507	1,507	--
Turkmenistan.....	211	10,064	9,939	125	26	26	--
Ukraine.....	2,835	15,213	13,477	1,735	237	237	--
United Kingdom.....	256,017	23,963,756	22,532,772	1,430,984	223,901	222,565	1,336
Uzbekistan.....	427	2,449	2,123	327	48	48	--
Venezuela.....	33,096	147,292	127,602	19,691	3,630	3,630	--
Nontreaty countries, total ^a	554,479	44,600,125	42,142,493	2,457,632	715,118	715,118	--

¹ Canada remits to the United States tax payments during the same calendar year in which the U.S. income is paid. Therefore, these payments are included in column 6 rather than column 7. For other countries, tax payments remitted to the United States are generally not attributable to specific income years.

² Includes Christmas Island.

³ Includes Guadeloupe/French Guiana/Martinique/Reunion.

⁴ Includes Puerto Rico and U.S. possessions. The U.S. and Bermuda have had a tax treaty in effect since 1986, however, this treaty provides no reduction of withholding rates.

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

Foreign Recipients of U.S. Income, 2000

Table 2.--Forms 1042S: Number, U.S. Tax Withheld, and U.S.-Source Income, by Principal Type of Income, Selected Recipient Type, and Selected Country of Recipient, 2000

(Money amounts are in thousands of dollars)

Selected country or geographic area and selected recipient type	Number of Forms 1042S	U.S. tax withheld ¹	Total U.S.-source income	Principal types of U.S.-source income				
				Interest	Dividends	Rents and royalties	Social Security and railroad retirement payments	Personal services income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All countries, total.....	2,532,052	2,260,107	139,660,703	122,308,933	12,523,760	594,831	1,094,466	463,789
Individuals, total.....	2,154,505	380,301	5,854,833	1,927,225	870,267	70,422	1,094,466	463,077
Corporations, total.....	167,839	1,320,828	90,880,424	82,594,811	7,135,155	372,397	--	704
Partnerships, total.....	4,572	43,258	2,397,352	2,200,226	178,973	12,380	--	6
Fiduciaries, total.....	32,662	147,467	4,086,461	3,002,316	996,776	329	--	--
Nominees, total.....	3,020	75,062	4,740,302	4,315,608	416,845	1	--	--
Governments and international organizations, total	878	1,573	7,786,742	6,645,478	622,297	282	--	--
Tax-exempt organizations, total ².....	5,323	48,026	4,351,673	3,202,624	1,146,004	80	--	--
Private foundations, total.....	494	1,837	103,330	62,951	40,062	38	--	--
Artists and athletes, total.....	1,437	4,238	15,658	--	--	--	--	--
Other, total.....	76,181	108,809	2,571,137	2,000,075	519,941	671	--	2
Unknown, total.....	85,141	128,707	16,862,790	15,857,619	597,441	138,233	--	(³)
Argentina.....	27,646	7,546	1,251,862	1,213,234	15,622	670	7,500	367
Individuals.....	23,904	5,945	88,276	56,684	9,807	56	7,500	367
Corporations.....	928	848	1,154,237	1,150,069	4,052	70	--	--
Australia.....	47,466	46,960	3,876,038	3,500,940	341,663	9,876	54	2,219
Individuals.....	37,847	3,268	40,892	7,725	11,811	3,076	54	2,218
Corporations.....	5,588	30,237	3,531,369	3,327,611	196,643	4,750	--	--
Austria.....	22,766	31,404	698,342	472,918	202,500	3,967	5,535	178
Individuals.....	20,444	2,610	25,748	6,038	6,199	2,647	5,535	172
Corporations.....	1,065	19,290	488,074	347,490	133,475	224	--	--
Bahamas.....	13,495	37,872	1,560,639	1,381,978	129,086	145	748	5
Individuals.....	4,013	2,944	68,381	55,310	9,527	10	748	5
Corporations.....	7,226	27,170	1,215,893	1,081,729	91,726	113	--	--
Bahrain.....	1,802	1,018	179,851	173,460	4,996	2	3	--
Individuals.....	1,402	190	1,359	379	609	--	3	--
Corporations.....	279	272	126,800	125,046	998	1	--	--
Barbados.....	2,223	3,298	459,956	436,806	19,418	357	1,597	7
Individuals.....	1,540	624	6,466	2,263	1,226	(³)	1,597	7
Corporations.....	434	661	139,573	135,016	3,981	313	--	--
Belgium.....	24,055	17,187	1,157,455	1,036,818	99,328	4,612	3,796	2,161
Individuals.....	20,543	3,037	31,531	4,650	12,878	2,328	3,796	2,161
Corporations.....	928	9,872	866,075	797,256	62,573	2,054	--	--
Bermuda.....	10,373	105,067	4,720,273	4,329,432	347,673	646	809	7
Individuals.....	4,776	3,322	44,091	28,138	13,464	64	809	7
Corporations.....	3,372	58,276	2,362,807	2,140,065	202,894	535	--	--
Brazil.....	21,838	6,337	151,557	114,721	12,323	1,289	4,654	810
Individuals.....	19,710	5,120	79,426	47,648	9,337	333	4,654	810
Corporations.....	666	631	64,865	62,044	1,712	157	--	--
British Virgin Islands.....	29,082	63,479	1,841,726	1,596,792	213,850	455	400	--
Individuals.....	4,133	4,153	108,610	93,195	14,485	--	400	--
Corporations.....	21,740	45,626	1,221,995	1,039,261	154,805	455	--	--

Footnotes at end of table.

Foreign Recipients of U.S. Income, 2000

Table 2.--Forms 1042S: Number, U.S. Tax Withheld, and U.S.-Source Income, by Principal Type of Income, Selected Recipient Type, and Selected Country of Recipient, 2000--Continued

[Money amounts are in thousands of dollars]

Selected country or geographic area and selected recipient type	Number of Forms 1042S	U.S. tax withheld ¹	Total U.S.-source income	Principal types of U.S.-source income				
				Interest	Dividends	Rents and royalties	Social Security and railroad retirement payments	Personal services income
				(4)	(5)	(6)	(7)	(8)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Canada.....	488,941	161,795	6,974,836	5,167,983	1,306,615	55,101	234,877	23,903
Individuals.....	422,337	28,842	666,955	196,490	70,000	8,716	234,877	23,234
Corporations.....	19,377	87,639	4,240,320	3,612,452	567,466	32,249	--	669
Cayman Islands.....	25,278	198,312	16,971,215	16,221,436	712,062	444	363	--
Individuals.....	2,559	11,741	167,163	127,147	39,275	3	363	--
Corporations.....	18,750	122,230	8,793,196	8,328,643	432,390	424	--	--
Chile.....	10,810	6,745	364,656	308,233	19,501	86	2,682	63
Individuals.....	8,933	2,413	37,368	24,894	4,827	15	2,682	63
Corporations.....	977	3,712	178,206	136,544	12,590	3	--	--
China.....	96,336	4,747	1,157,402	728,906	15,769	423	367	208,857
Individuals.....	91,011	3,621	443,325	17,429	13,903	118	367	208,857
Corporations.....	562	976	431,677	430,593	742	299	--	--
Colombia.....	19,717	4,299	223,314	198,940	7,031	470	5,680	82
Individuals.....	17,277	3,491	58,466	36,970	5,420	65	5,680	82
Corporations.....	943	609	24,318	22,195	1,140	213	--	--
Denmark.....	6,679	16,702	436,062	320,682	102,836	959	3,802	684
Individuals.....	5,975	1,374	9,126	307	1,232	135	3,802	684
Corporations.....	374	14,231	382,700	287,091	94,632	368	--	--
Finland.....	3,496	1,907	169,789	157,744	6,701	175	2,010	57
Individuals.....	3,088	740	5,743	315	790	66	2,010	57
Corporations.....	168	1,119	110,710	104,564	5,592	21	--	--
France.....	45,444	62,705	4,937,798	4,218,084	507,654	73,786	20,897	27,317
Individuals.....	39,754	10,628	126,642	17,170	29,140	1,586	20,897	27,314
Corporations.....	2,531	45,790	4,441,775	3,934,517	394,173	66,278	--	3
Germany.....	278,409	56,844	5,635,766	4,794,362	432,849	30,941	67,184	24,959
Individuals.....	264,495	15,786	356,057	51,389	103,971	14,918	67,184	24,959
Corporations.....	3,928	24,767	4,586,028	4,242,098	212,979	10,706	--	--
Greece.....	19,288	12,538	114,602	54,867	7,915	70	38,671	2,312
Individuals.....	18,361	11,808	61,791	4,940	5,342	53	38,671	2,312
Corporations.....	368	625	46,461	44,115	2,211	5	--	--
Guernsey.....	2,102	10,548	406,825	370,517	34,705	(³)	--	--
Individuals.....	184	147	1,188	656	492	--	--	--
Corporations.....	1,103	8,282	335,732	307,486	27,201	(³)	--	--
Hong Kong.....	36,806	28,024	2,809,023	2,701,910	90,904	182	2,301	74
Individuals.....	29,990	7,980	88,203	53,419	22,377	40	2,301	74
Corporations.....	3,439	8,811	499,397	466,655	29,615	92	--	--
India.....	30,617	3,929	144,817	10,373	5,627	333	1,323	19,893
Individuals.....	29,306	3,615	138,365	5,386	4,622	130	1,323	19,869
Corporations.....	122	49	5,162	4,829	74	170	--	24
Ireland.....	33,085	56,728	2,652,962	2,354,625	261,081	15,809	13,776	238
Individuals.....	29,296	1,987	140,854	108,569	12,234	496	13,776	238
Corporations.....	1,811	22,118	1,841,675	1,724,662	109,360	6,082	--	--
Israel.....	21,614	5,078	351,730	297,083	21,079	1,015	6,251	9,679
Individuals.....	18,784	2,637	83,812	41,556	10,675	297	6,251	9,679
Corporations.....	824	1,252	175,571	168,638	5,560	536	--	--
Italy.....	47,293	34,500	2,178,855	1,819,885	217,878	7,151	97,059	13,914
Individuals.....	44,333	4,024	160,732	14,737	14,579	460	97,059	13,914
Corporations.....	1,194	26,442	1,592,857	1,422,377	167,092	1,068	--	--
Jamaica.....	4,933	2,250	167,840	151,826	1,493	233	7,066	323
Individuals.....	4,454	2,174	16,810	1,377	1,106	155	7,066	323
Corporations.....	147	53	150,514	150,104	294	70	--	--

Footnotes at end of table.

Foreign Recipients of U.S. Income, 2000

Table 2.--Forms 1042S: Number, U.S. Tax Withheld, and U.S.-Source Income, by Principal Type of Income, Selected Recipient Type, and Selected Country of Recipient, 2000--Continued

[Money amounts are in thousands of dollars]

Selected country or geographic area and selected recipient type	Number of Forms 1042S	U.S. tax withheld ¹	Total U.S.-source income	Principal types of U.S.-source income				
				Interest	Dividends	Rents and royalties	Social Security and railroad retirement payments	Personal services income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Japan.....	118,892	246,995	19,198,773	17,297,195	1,565,120	8,295	27,224	28,687
Individuals.....	94,243	7,203	277,337	152,421	18,856	4,464	27,224	28,687
Corporations.....	8,204	164,470	13,387,482	12,136,273	1,049,235	3,391	--	--
Jersey.....	3,549	41,663	1,928,543	1,773,425	151,700	--	--	--
Individuals.....	504	445	9,730	8,016	1,688	--	--	--
Corporations.....	1,881	30,815	1,508,035	1,393,548	112,180	--	--	--
Korea, Republic of (South).....	23,665	2,163	617,101	531,726	3,689	125	655	25,616
Individuals.....	23,002	2,050	89,399	5,339	3,217	52	655	25,616
Corporations.....	252	52	507,037	506,390	325	35	--	--
Kuwait.....	3,863	4,115	428,345	393,387	33,437	7	--	(³)
Individuals.....	3,270	418	4,365	2,132	1,275	7	--	(³)
Corporations.....	288	1,777	156,323	150,842	5,152	--	--	--
Luxembourg.....	5,691	198,682	4,366,856	3,568,615	772,474	15,267	196	81
Individuals.....	1,575	694	7,979	3,925	3,202	4	196	81
Corporations.....	2,341	165,835	3,867,899	3,253,013	592,045	15,263	--	--
Mexico.....	112,281	61,580	1,234,810	936,411	50,857	9,533	188,484	569
Individuals.....	106,615	57,238	485,267	221,492	28,850	863	188,484	569
Corporations.....	1,816	1,429	155,109	146,202	6,522	1,359	--	--
Netherlands.....	29,086	52,704	4,615,782	3,453,862	974,223	86,884	11,197	3,687
Individuals.....	24,236	5,222	58,913	9,839	14,650	436	11,197	3,687
Corporations.....	1,815	34,900	1,933,293	1,460,454	329,197	80,199	--	--
Netherlands Antilles.....	4,902	22,316	3,636,686	3,558,744	70,227	3,090	--	29
Individuals.....	2,152	1,307	25,552	18,504	4,367	(³)	--	29
Corporations.....	1,927	13,614	3,347,413	3,299,563	46,519	--	--	--
New Zealand.....	11,852	6,227	112,735	62,249	37,358	1,654	703	383
Individuals.....	10,005	1,026	12,115	1,662	3,441	594	703	376
Corporations.....	602	3,426	45,170	20,988	22,236	974	--	7
Norway.....	11,279	9,279	560,113	463,701	73,651	696	16,427	1,412
Individuals.....	10,520	4,631	24,263	388	1,735	521	16,427	1,412
Corporations.....	356	4,213	227,995	199,842	27,846	109	--	--
Panama.....	13,197	13,562	240,906	183,773	46,641	26	1,479	11
Individuals.....	4,740	1,979	40,199	30,637	5,394	14	1,479	11
Corporations.....	7,120	9,039	173,771	135,937	32,057	4	--	--
Philippines.....	28,605	17,229	252,554	192,004	4,879	60	44,640	982
Individuals.....	27,518	13,572	65,372	6,105	3,921	22	44,640	982
Corporations.....	309	3,557	50,224	49,546	572	28	--	--
Portugal.....	10,826	9,433	380,165	333,734	12,761	47	30,169	971
Individuals.....	10,290	7,954	36,530	1,591	1,437	18	30,169	971
Corporations.....	223	583	30,093	28,087	1,897	1	--	--
Puerto Rico.....	14,777	2,407	380,193	375,956	3,737	49	3	5
Individuals.....	10,349	182	1,106	260	500	44	3	5
Corporations.....	905	390	174,181	172,523	1,510	5	--	--
Saudi Arabia.....	13,624	21,236	701,910	612,307	83,935	29	41	3
Individuals.....	12,370	18,562	77,749	11,622	60,676	28	41	3
Corporations.....	556	2,122	148,672	141,694	6,830	(³)	--	--
Singapore.....	29,993	9,679	2,350,828	2,088,934	252,295	413	76	225
Individuals.....	26,544	2,557	33,352	18,227	6,988	26	76	225
Corporations.....	1,124	3,877	533,337	518,564	13,711	310	--	--
Spain.....	25,466	21,396	3,870,168	3,731,593	77,497	5,152	22,566	4,897
Individuals.....	23,186	7,771	78,303	11,940	23,254	773	22,566	4,897
Corporations.....	1,249	11,373	3,598,809	3,542,497	42,835	1,074	--	--

Footnotes at end of table.

Foreign Recipients of U.S. Income, 2000

Table 2.--Forms 1042S: Number, U.S. Tax Withheld, and U.S.-Source Income, by Principal Type of Income, Selected Recipient Type, and Selected Country of Recipient, 2000--Continued

[Money amounts are in thousands of dollars]

Selected country or geographic area and selected recipient type	Number of Forms 1042S	U.S. tax withheld ¹	Total U.S.-source income	Principal types of U.S.-source income				
				Interest	Dividends	Rents and royalties	Social Security and railroad retirement payments	Personal services income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sweden.....	14,269	45,580	978,559	671,860	276,659	5,963	9,700	133
Individuals.....	12,898	3,272	25,791	4,368	3,915	495	9,700	133
Corporations.....	566	41,826	922,167	647,695	269,456	2,235	--	--
Switzerland.....	48,159	107,574	3,007,631	2,174,186	730,722	7,143	9,653	1,367
Individuals.....	31,611	6,558	79,997	24,141	27,706	1,474	9,653	1,367
Corporations.....	4,229	71,342	2,093,215	1,535,500	495,356	2,724	--	--
Taiwan.....	77,859	21,656	1,471,049	1,340,976	95,207	149	155	219
Individuals.....	67,611	13,807	127,052	52,703	41,019	45	155	219
Corporations.....	1,967	1,856	614,432	609,103	4,780	56	--	--
United Arab Emirates.....	5,359	1,441	830,443	737,605	91,524	137	--	9
Individuals.....	4,642	662	52,514	49,435	2,085	1	--	9
Corporations.....	243	655	489,104	474,159	14,671	136	--	--
United Kingdom.....	256,017	222,565	23,963,756	21,743,102	1,549,117	230,171	77,551	17,051
Individuals.....	215,345	17,065	382,923	97,291	100,672	22,989	77,551	17,051
Corporations.....	14,720	144,968	16,600,317	15,456,084	979,732	130,320	--	--
Venezuela.....	33,096	3,630	147,292	113,438	15,567	639	1,388	664
Individuals.....	29,567	3,003	83,471	53,694	12,827	54	1,388	664
Corporations.....	1,767	322	55,536	53,109	1,848	4	--	--

¹ Excludes small amounts of U.S. tax withheld by foreign governments and withholding agents. See Table 1.

² Unrelated business income paid to foreign tax-exempt organizations is subject to withholding tax.

³ Indicates amount less than \$500.

NOTES: Detail may not add to totals because of rounding. All countries with total U.S.-source income over \$100 million for tax year 2000 were selected for this table.