

Investment Tax Credit for Individual Taxpayers, 1981

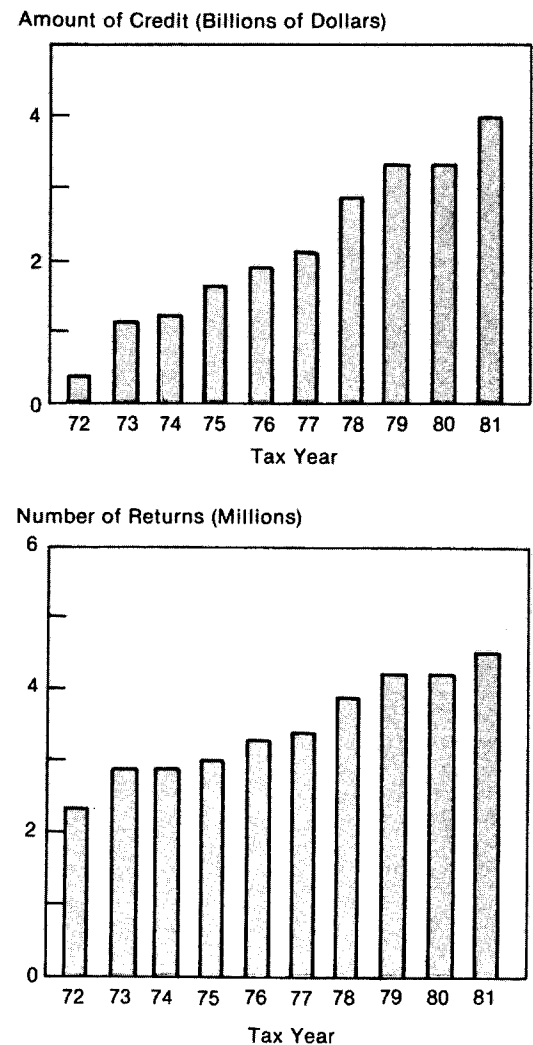
By Jon Maiden and David Paris*

The rate of growth of the investment tax credit claimed on individual income tax returns has been significant in terms of both the amount claimed and the number of individuals claiming this credit. During the decade of 1972-1981, the credit grew almost six-fold, increasing to nearly \$4 billion for Tax Year 1981 [1]. This growth is primarily attributable to tax law changes [2], inflationary increases in the prices of "qualified property," and a near doubling of the number of returns reporting the credit. Over these years the number of returns reporting the credit increased from 2.3 million for 1972 to 4.5 million for 1981. Figure A shows the annual growth in both the amount of the credit claimed and the number of returns claiming it.

A credit against income tax is allowed taxpayers who acquire qualified property anytime during the year for which a tax return is filed. Qualified property is tangible depreciable personal property, such as machinery and equipment, used by the taxpayer in a trade or business. The credit is a percentage of "qualified investment," an amount that depends on the depreciable life of the property. For 1981, regular investment tax credit claimed equaled, in general, 10 percent of qualified investment. An additional 10 percent credit was allowed business taxpayers for investment in certain "qualified energy property." In effect, the investment tax credit is a subsidy that reduces the private cost of acquiring qualified property and, in this way, encourages private capital formation.

The investment tax credit claimed by individuals on Form 1040 represents amounts allowed for investments in qualified new and used business property acquired by sole proprietorships, partnerships and Small Business Corporations electing to be taxed through their shareholders. However, the cost reported for investment credit property represents only that attributable to sole proprietorship businesses; the cost due to partnerships or Small Business Corporation property was reported on the separate tax returns filed by these businesses.

Figure A.
Individual Investment Tax Credit - Amount of Credit and Numbers of Returns, Tax Years 1972-1981

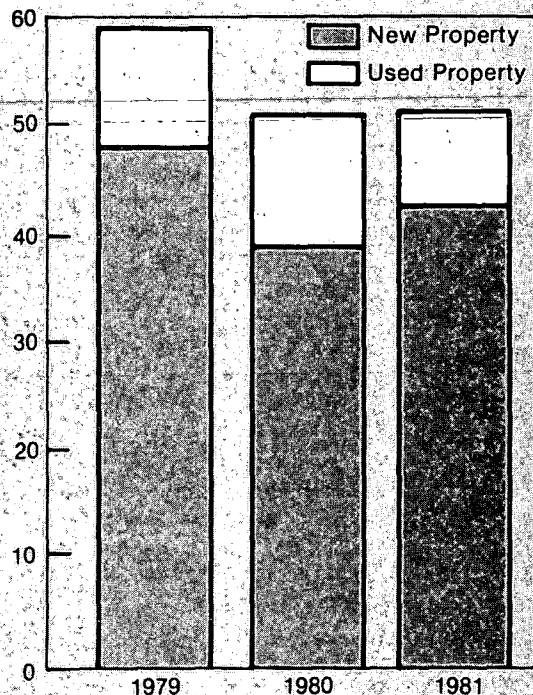


*Individual Returns Analysis Section. David Paris is Acting Chief, and Jon Maiden is a member of that section.

This helps explain why the total amount of investment credit increased, while the amount of individual investment in qualified business property declined--by approximately 15 percent from 1979 to 1981 [3]. As shown in Figure B, the reported investment costs were approximately \$59.5 billion for 1979, \$50.3 billion for 1980, and \$50.4 billion for 1981.

Figure B.
New and Used Property Qualifying for Investment Tax Credit

Cost of Property (Billions of Dollars)



INVESTMENT TAX CREDIT REPORTED ON INDIVIDUAL TAX RETURNS

During the five years, 1977 to 1981, there was a 93-percent increase in the amount of investment tax credit claimed by individuals (see Figure C). In addition, over this same period there was a 31-percent increase in individual income tax returns reporting this credit. As expected, the average amount of

credit per return also grew over this period, by 47 percent, from \$600 to \$883.

Figure C.--Individual Investment Tax Credit, 1977-1981

Tax Year	Number of returns (thousands)	Amount of credit (billions)	Average credit per return
	(1)	(2)	(3)
1977	3,435	\$2.06	\$600
1978	3,942	2.93	743
1979	4,232	3.31	782
1980	4,207	3.31	786
1981	4,496	3.97	883

The investment tax credit had a greater impact for 1981 than any other single tax credit [3]. As shown in Figure D, the investment credit accounted for over 50 percent of the total amount of all regular tax credits. The next two largest credits were the child care and foreign tax credits, which when combined equaled only slightly more than one-half of the investment tax credit.

Figure D.--Individual Tax Credits by Type of Credit, 1981

[Money amounts are in millions of dollars]

Type of credit	Amount of credit	Percent of total credits
Total	7,905	100.0
Investment	3,971	50.2
Foreign tax	1,234	15.6
Child care	1,148	14.5
Residential energy	601	7.6
Earned income	452	5.7
Political contributions ..	262	3.3
For the elderly	124	1.6
Jobs	97	1.2
Work incentive	12	0.2
Research and experimentation	2	*
Other tax credits	2	*

*Less than .1 percent.

Further analysis of all individual returns with tax credits shows the relative importance of the investment tax credit for those "wealthier" taxpayers with adjusted gross income (AGI) of \$100,000 or more. As can be seen in Figure E the investment tax credit claimed amounted to almost 62 percent of the total of all tax credits claimed for this group. Of particular note were those returns which showed an AGI of between \$500,000 and \$1,000,000. For these taxpayers, the investment tax credit claimed amounted to more than 75 percent of all tax credits claimed.

Figure E.--Individual Investment Tax Credit by Size of Adjusted Gross Income, 1981

Size of adjusted gross income	All returns filed number (thousands)	Returns with investment tax credit (thousands)	Percentage with investment tax credit	Total tax credits (millions)	Investment tax credit (millions)	Percentage of total credits
	(1)	(2)	(3)	(4)	(5)	(6)
Total	95,396	4,496	4.7	\$7,905.2	\$3,971.2	50.2
Under \$20,000	61,589	1,442	2.3	1,639.2	532.9	32.5
\$20,000 under \$50,000	29,710	2,064	7.0	2,926.6	1,439.4	49.2
\$50,000 under \$100,000	3,443	698	20.3	1,545.2	874.6	56.6
\$100,000 under \$200,000	517	214	41.4	883.8	510.4	57.8
\$200,000 under \$500,000	118	64	54.2	537.0	345.4	64.3
\$500,000 under \$1,000,000	15	9	63.8	159.8	122.5	76.7
\$1,000,000 or more	5	4	71.7	213.6	146.0	68.4

NOTE: Percentages are computed before rounding of the number of returns in columns 1 and 2.

The importance of the credit for those taxpayers with an AGI of \$100,000 or more is also evident when examining the use of the credit among all returns filed, regardless of whether or not the taxpayers claimed any tax credits. For taxpayers with an AGI of \$100,000 or more, the investment tax credit was claimed on almost 45 percent of the returns. For each size classification shown for this group the percent ranged from a low of only about 41 percent of all returns filed with an AGI of \$100,000 to \$200,000 to a high of almost 72 percent of all returns filed with an AGI of \$1,000,000 or more. In contrast, for those returns with less than \$100,000 of adjusted gross income, the investment tax credit was reported on less than 5 percent of the returns (see Table 1 for more details).

COST AND DEPRECIATION OF INVESTMENT CREDIT PROPERTY

As defined in section 38 of the Internal Revenue Code, an investment credit is allowed for most purchases of new or used business-related property which is depreciable or amortizable tangible property having a useful life of at least 3 years. For "recovery property" (most property placed in service after 1980), the percentage of property cost to be used in establishing the credit is 60 percent for property recovered over 3 years, and 100 percent of the cost of property recovered over 15-year, 10-year, and 5-year periods.

In the case of "nonrecovery property," the amount of investment qualifying for the tax credit is limited by the previous class life

ADR depreciation rules. Generally, 100 percent of the cost of property with a 7-years or more class life qualifies for the credit; 66 2/3 percent of the cost of property with a class life of 5 years to less than 7 years; and 33 1/3 percent of the cost of property with a class life of less than 5 years but at least 3 years. An investment credit is not allowed for property with a useful life of less than 3 years.

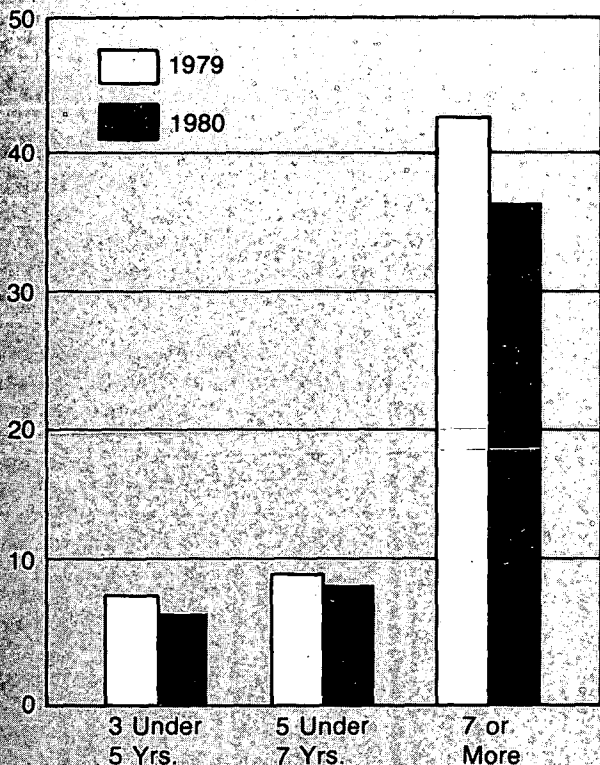
An analysis of the data by class life periods for both Tax Years 1979 and 1980 indicates that approximately 70 percent of the total cost of investment credit property was for nonrecovery property with a class life period of 7 years or more, which allows 100 percent of the property cost to be used in determining the investment credit. Comparable data are not shown for 1981 because the method for determining the amount of investment qualifying for the tax credit was changed by the Economic Recovery Tax Act of 1981 which introduced the Accelerated Cost Recovery System (ACRS). This new system shortened the recovery period of property qualifying for the full investment tax credit. Figure F below shows a comparison of the class life periods for 1979 and 1980 covering the cost of investment credit property as reported by individual taxpayers.

SOLE PROPRIETOR AND OTHER BUSINESS USAGE OF THE INVESTMENT TAX CREDIT

There are three major forms of business enterprise whose investment credit was reported on individual income tax returns. They are sole

Figure F.
Cost of Investment Property
by Class Life Period
Tax Years: 1979 and 1980

Cost of all Property¹ (Billions of Dollars)



¹Excludes all cost of property where class life was not reported.

proprietorships (both nonfarm businesses and farm operations); partnerships; and electing Small Business Corporations, the profits of which are taxed after distribution to the individual shareholders and which, therefore, are not typically subject to corporate taxes. Certain estates and trusts also qualify for the investment tax credit. As shown in Figure G, the extent to which returns with nonfarm sole proprietorship business activity reported the investment credit and the amount of the credit claimed peaked for Tax Year 1979, then declined for both Tax Years 1980 and 1981. However, despite these downturns, the average amount of credit per proprietorship return increased from 1980 to 1981 as shown below.

Figure G.--Nonfarm Sole Proprietorship Returns Reporting Investment Tax Credit

Tax Year	Number of returns (thousands)	Amount of credit ¹ (billions)	Average credit per return
	(1)	(2)	(3)
1977	2,309	\$1.38	\$598
1978	2,800	2.15	768
1979	2,960	2.39	807
1980	2,901	2.27	782
1981	2,185	1.87	855

¹May also include investment tax credit from other business sources.

Furthermore, returns with sole proprietorships schedules accounted for up to 47 percent of the total individual investment credit taken for 1981, declining from 69 percent for 1980 and 72 percent for 1979 [5]. This decrease by sole proprietorship tax filers in the use of the credit was offset by the growth in use by owners of partnerships and electing Small Business Corporations [6].

Selected sole proprietorship nonfarm industries accounted for a significant portion of the investment credit property used in determining the investment tax credit. Five nonfarm industries accounted for over 50 percent of the total property used to determine the investment credit. Among these are: mining; retail trade; business services; finance, insurance and real estate; and construction. Investment credit property reported for these five nonfarm industries accounted for 53.5 percent of the total cost of sole proprietorship investment credit property for 1981 (see Table 2 for more details).

Among these five nonfarm industry categories, the cost of investment credit property in mining consistently increased for Tax Years 1979-1981, while in construction, the amount of investment credit property consistently decreased. Figure H below covers the trends in the cost of investment credit property reported for these five nonfarm industry categories [7].

These data highlight certain sole proprietorship industries which are most sensitive to economic downturns. The consistent reduction in the amount of investment credit property purchased for the construction and retail trade industries reflected in part a contraction in two key consumer-oriented industries. The major increase in the purchase of mining-related equipment was a partial result of the increase in the cost of certain minerals, especially oil, gold and silver, which rose dramatically in value during this period.

Figure H.--Cost of Property Used by Sole Proprietorships for Investment Tax Credit, 1979-1981

Industry	Amount (billions)	Percent of total credit
<u>1979</u>		
Business services	\$2.2	8.9
Construction	3.1	12.6
Finance, insurance and real estate	2.7	10.9
Mining	2.1	8.3
Retail trade	4.3	17.5
<u>1980</u>		
Business services	2.3	10.2
Construction	2.2	9.5
Finance, insurance and real estate	2.4	10.7
Mining	2.4	10.6
Retail trade	3.8	16.9
<u>1981¹</u>		
Business services	2.5	9.8
Construction	1.9	7.6
Finance, insurance and real estate	2.3	9.0
Mining	3.4	13.5
Retail trade	3.4	13.7

¹The 1981 data are not altogether comparable with prior years because multiple businesses reported on a return were all classified into one predominant industrial activity.

SUMMARY

The increasing importance of the investment tax credit as a tax incentive for business investment is amply demonstrated by its growth and expansion during the past decade. Because of tax law changes and real growth in the economy, the credit is being reported by twice as many individual taxpayers as it was a decade ago. The average credit per tax return has also increased at a significant pace.

Additional impetus for the continued growth in the usage of investment tax credit has resulted from the provisions in the Revenue Act of 1978 and the Economic Recovery Tax Act of 1981 (ERTA), which increased annually the carryover of unused credits and for additional credits of 15 percent, 20 percent, and 25 percent for rehabilitating older structures for business usage. ERTA also added the Accelerated Cost Recovery System, under which the total cost of all property with at least a 5-year recovery period qualified for the full credit.

Over the past 21 years the investment tax credit has grown to become the largest single tax credit claimed by individual taxpayers for Tax Year 1981.

DATA SOURCES AND LIMITATIONS

These statistics are based on a sample of individual income tax returns, Forms 1040, filed for Tax Year 1981. A general description of sampling procedures and data limitations applicable to the Statistics of Income (SOI) tabulations is contained in the Appendix to this report.

As the data presented in this article are estimates based on a sample of documents filed with the Internal Revenue Service, they are subject to sampling error. To use properly the statistical data provided, the magnitude of the potential sampling error must be known. Coefficients of variation (CV's) are used to measure the magnitude of the sampling errors.

The table below presents approximated coefficients of variation for frequency estimates. The approximate CV's shown there are intended only as a general indication of the reliability of the data. For a number other than those shown below, the corresponding CV's can be estimated by interpolation. The reliability of estimates based on samples and the use of coefficients of variation for evaluating the precision of sample estimates are discussed in the Appendix.

<u>Estimated Number of Returns</u>	<u>Approximated Coefficient of Variation</u>
5,033,400	.02
806,300	.05
201,300	.10
50,300	.20
22,400	.30
8,100	.50

Sample Selection

The 1981 individual tax return statistics are based on a sample of individual income tax returns, Forms 1040 and 1040A, processed by the IRS during 1982. The sample was stratified based on presence or absence of Schedule C, Profit (or Loss) from Business or Profession; State in which filed; adjusted gross income or deficit or largest selected source of income or loss; and size of business plus farm receipts. The returns were selected at rates that ranged from 0.05 percent to 100 percent. There were 144,322 returns in the sample drawn from a population of 95,396,123.

DEFINITIONS

A brief definition of certain terms used in this article are given below.

Accelerated Cost Recovery System (ACRS).--The Economic Recovery Tax Act of 1981 provided a new capital cost recovery system for both new and used property. The cost of most tangible

depreciable property placed in service after 1980 must be recovered using the ACRS accelerated methods and is classified as recovery property under this system. When computing cost recovery under the ACRS system the salvage value is disregarded. The cost of eligible property is recoverable over 3-year, 5-year, 10-year, or 15-year periods depending on the type of property. The ACRS system generally replaces the Class Life Asset Depreciation Range (ADR) System [8].

Class Life ADR System.--This optional depreciation system is used for tangible assets first placed in service after 1970 and before 1981. Under the Asset Depreciation Range (ADR) System an asset is grouped with related assets into "guideline classes" and depreciated over a specific class life period. This period covers a given range of years over which the cost or other basis can be written off.

Qualified Investment.--Qualified investment was the amount remaining after reducing the cost of investment credit property by the percentage limitations contained in the Internal Revenue Code and was the base on which the credit was computed.

Recovery Property.--For purposes of ACRS, most tangible depreciable property placed in service after 1980 and used in a trade or business or held for production of income must be recovered using accelerated methods of cost recovery. Recovery property describes property acquired under ACRS which is classified under 3-year, 5-year, 10-year, and 15-year periods for cost recovery. These periods determine the length of time over which an asset can be recovered.

NOTES AND REFERENCES

- [1] The investment credit claimed on individual income tax returns for 1981 overstates the credit "earned" in 1981 to the extent that it includes amounts "unused" in prior years and carried forward to 1981. At the same time, the 1981 credit is overstated to the extent it does not reflect the effect of future paybacks of 1981 credit due to early disposition of assets for which credit was claimed. For 1981, nearly \$0.5 billion was reported as additional tax from the recapture of prior year investment credits.
- [2] Tax law changes which had a major impact on the growth of the investment tax credit were contained in the Tax Reduction Act of 1975 which increased the allowable credit to 10 percent, the Revenue Act of 1978 which made the 10 percent credit permanent and increased the portion of tax liability over \$25,000 that could be offset by the credit, and the Economic Recovery Tax Act of 1981 which extended the carryover period for unused credit and provided increased credits of 15 percent, 20 percent, and 25 percent for rehabilitation of nonresidential buildings and residential certified historic structures.
- [3] For 1981, the amount of investment tax credit claimed was limited by the income tax liability of the individual. For individuals with a tax liability of \$25,000 or less, the limitation was 100 percent of U.S. income tax after the credit for the elderly and the foreign tax credit. For those individuals with a tax liability of more than \$25,000, it was limited to \$25,000 plus 80 percent of the tax in excess of \$25,000. Any unused credit can be carried back or carried over for use in other tax years. No amounts are shown in tables 1 and 2 for carryback of unused credit because these amounts are not reportable on the current year's return, but are reported on future claims for tax refunds or on amended returns which are excluded from Statistics of Income data.
- [4] The rate reduction "credit" is excluded from this discussion due to the fact that it was a one-time calculation designed specifically to reduce income tax liability before credits as computed under the former rates to an amount based on the revised tax rates provided for in the tax reduction provisions contained in the Economic Recovery Tax Act of 1981.
- [5] U.S. Department of the Treasury, Internal Revenue Service, *Statistics of Income--Sole Proprietorship Returns for 1977-1981*.
- [6] Investment credit reported here is associated with property purchased for a sole proprietorship business as indicated by the presence of sole proprietorship income. For individual returns showing business income from more than one form of business, e.g., sole proprietorships, partnerships, etc., it was not possible to determine with accuracy which business enterprise was the source of the credit.
- [7] U.S. Department of the Treasury, Internal Revenue Service, "Sole Proprietorship Returns/1981," unpublished tables.
- [8] Joint Committee on Taxation (Staff), *General Explanation of the Economic Recovery Tax Act of 1981*, U.S. Government Printing Office, 1981, pp. 75-79.

ADDITIONAL REFERENCES

Barker, David, "Investment Tax Credit on Corporation Returns," *Statistics of Income Bulletin*, Volume 3, Number 3, pp. 41-47.

Esenwein, Gregg and Gravelle, Jane, "Effective Tax Rates Under the Accelerated Cost Recovery System (ACRS) and the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA)," Library of

Congress, Congressional Research Service, January 3, 1983.

Gravelle, Jane, "Analysis of a Refundable Investment Tax Credit," Library of Congress, Congressional Research Service, July 14, 1980.

U.S. Department of the Treasury, Internal Revenue Service, *Statistics of Income-- Individual Income Tax Returns for 1962-1981*.

Table 1 — Individual Income Tax Returns With Investment Credit Items: Cost of Investment Credit Property by Life Years, Qualified Investment, and Computation of Investment Credit, by Size of Adjusted Gross Income, 1981

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

Size of adjusted gross income	Number of returns	Adjusted gross income less deficit	Investment credit		Investment credit items								
			Number of returns	Amount	Total	Cost of property used for investment credit							
						Recovery property				Nonrecovery property			
						Total		New-3-year		New — other		Used-3-year	
Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
All returns	4,495,860	193,455,974	4,495,860	3,971,199	50,416,467	3,904,645	43,471,181	1,222,441	7,855,407	2,634,625	27,618,033	492,508	1,983,092
No adjusted gross income	486	- 12,325	486	1,064	13,966	486	13,961	398	1,976	485	11,755	**	**
\$1 under \$5,000	59,276	234,397	59,276	6,000	181,667	41,710	136,227	11,606	29,118	27,237	55,730	**5,172	**19,700
\$5,000 under \$10,000	372,602	2,983,643	372,602	86,416	2,487,224	300,357	2,209,741	86,649	367,823	184,035	1,070,404	47,160	155,278
\$10,000 under \$20,000	1,010,345	15,305,807	1,010,345	439,460	7,082,561	865,167	6,409,577	231,142	1,125,022	531,350	3,554,212	146,131	516,823
\$20,000 under \$50,000	2,064,145	66,682,116	2,064,145	1,439,372	18,315,171	1,806,819	16,198,231	596,918	3,493,973	1,177,194	9,266,170	226,628	938,829
\$50,000 under \$100,000	698,149	47,078,116	698,149	874,646	9,817,830	628,077	8,590,212	208,432	1,699,111	484,521	5,608,677	48,917	231,314
\$100,000 under \$500,000	277,664	46,597,134	277,664	855,774	9,784,878	250,181	7,956,383	82,572	1,018,898	218,614	6,290,749	17,506	110,852
\$500,000 under \$1,000,000	9,421	6,302,183	9,421	122,454	1,312,829	8,488	1,027,212	3,242	82,374	7,980	897,179	708	5,907
\$1,000,000 or more	3,772	8,284,902	3,772	146,013	1,420,340	3,360	929,637	1,482	37,112	3,209	863,158	286	4,389
Investment credit items — Continued													
Cost of property used for investment credit — Continued													
Size of adjusted gross income	Recovery property — Continued		Nonrecovery property										
	Used — other		Total		New — 3 under 5 years		New — 5 under 7 years		New — 7 or more years		Used — 3 under 5 years		
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	
	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	
All returns	840,790	6,014,649	506,625	5,558,158	131,807	584,388	171,509	1,135,762	246,931	2,950,015	71,664	232,509	
No adjusted gross income	68	221	**	**	—	—	—	—	**	**	—	—	
\$1 under \$5,000	10,002	31,688	**11,752	**38,155	*2,969	*3,961	*7,187	*8,583	**5,278	**17,809	*2,164	*988	
\$5,000 under \$10,000	81,455	616,236	38,232	270,591	8,012	30,019	12,470	82,228	13,863	78,675	4,048	14,840	
\$10,000 under \$20,000	224,894	1,213,521	110,683	649,086	25,436	65,986	35,539	106,282	44,929	276,010	20,314	74,479	
\$20,000 under \$50,000	362,407	2,499,258	208,411	1,727,787	57,717	204,381	61,285	239,601	97,177	905,830	32,302	105,477	
\$50,000 under \$100,000	112,439	1,051,111	81,696	1,032,850	22,210	104,087	31,796	125,651	46,794	673,480	9,086	24,236	
\$100,000 under \$500,000	46,490	535,884	52,348	1,253,699	14,266	158,178	21,587	190,459	36,335	823,726	3,508	10,394	
\$500,000 under \$1,000,000	2,036	41,753	2,402	205,577	812	10,476	1,105	87,826	1,746	101,025	168	939	
\$1,000,000 or more	999	24,978	1,101	380,411	385	7,299	540	295,132	809	73,460	74	1,156	

Footnote(s) at end of table.

Table 1 — Individual Income Tax Returns With Investment Credit Items: Cost of Investment Credit Property by Life Years, Qualified Investment, and Computation of Investment Credit, by Size of Adjusted Gross Income, 1981 — Continued

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

Size of adjusted gross income	Investment credit items — Continued													
	Cost of property used for investment credit — Continued								Qualified investment in 10% property					
	Nonrecovery property — Continued				Cost of property, life years not stated		Cost of property, type not stated		Total	Recovery property		Nonrecovery property		
	Used — 5 under 7 years		Used — 7 or more years		Number of returns	Amount	Number of returns	Amount		Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	Number of returns	Amount	Number of returns	Amount					(30)							(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)
All returns	61,723	302,863	62,501	352,822	113	7,577	36,869	1,379,550	45,842,508	3,904,645	39,535,337	506,619	4,532,624	
No adjusted gross income	**	**	—	—	—	—	—	—	13,172	486	13,167	**	**	
\$1 under \$5,000	**4,089	**1,509	*671	*5,305	—	—	*4,503	*7,291	*155,894	41,710	116,697	***11,752	**31,476	
\$5,000 under \$10,000	*4,835	*20,493	6,432	44,336	—	—	*1,781	*6,891	*2,227,344	300,357	2,000,469	38,232	206,349	
\$10,000 under \$20,000	13,664	56,735	13,731	69,595	—	—	4,415	23,897	6,154,520	865,167	5,752,755	110,683	500,919	
\$20,000 under \$50,000	27,325	176,438	22,340	96,060	*110	*7,290	13,152	381,864	16,328,664	1,806,819	14,424,899	208,411	1,382,082	
\$50,000 under \$100,000	7,695	18,235	10,967	87,161	—	—	7,195	194,768	9,117,433	628,077	7,817,964	81,696	899,176	
\$100,000 under \$500,000	3,884	27,069	7,911	43,873	—	—	5,322	574,795	9,253,604	250,181	7,504,452	52,347	1,068,592	
\$500,000 under \$1,000,000	164	1,561	317	3,750	**3	**288	312	80,039	1,259,431	8,488	991,899	2,397	168,108	
\$1,000,000 or more	67	823	132	2,541	**	**	189	110,005	1,332,446	3,360	913,036	1,101	275,922	

Size of adjusted gross income	Investment credit items — Continued											
	Qualified investment in 10% property — Continued								Qualified rehabilitation expenditures			
	New commuter highway vehicles		Used commuter highway vehicles		Rehabilitation expenditures — 5 under 7 years		Rehabilitation expenditures — over 7 years		30-year old and 40-year old buildings		Certified historic structures	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(39)	(40)	(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)
All returns	14,481	85,794	6,012	33,424	1,793	7,291	25,997	668,745	654	13,782	829	6,101
No adjusted gross income	—	—	—	—	—	—	—	—	—	—	—	—
\$1 under \$5,000	—	—	—	—	—	—	—	—	—	—	—	—
\$5,000 under \$10,000	*2,236	*10,050	*1,283	*5,385	—	—	*211	*42	—	—	—	—
\$10,000 under \$20,000	*2,753	*5,069	*2,870	*15,580	—	—	*2,228	*43,275	*217	*468	—	—
\$20,000 under \$50,000	7,410	56,796	*1,246	*8,799	*299	*87	10,974	90,557	—	—	*703	—
\$50,000 under \$100,000	1,872	11,816	*390	*2,384	*1,223	*3,951	7,400	213,378	*259	*2,113	*87	*2,610
\$100,000 under \$500,000	*204	*1,792	*217	*1,261	253	2,460	4,724	264,799	*171	*11,092	**39	**3,390
\$500,000 under \$1,000,000	**6	**270	6	17	—	319	300	23,955	**7	**109	**	**
\$1,000,000 or more	**	**	—	—	12	474	160	32,740	**	**	—	—

Footnote(s) at end of table.

Table 1 — Individual Income Tax Returns With Investment Credit Items: Cost of Investment Credit Property by Life Years, Qualified Investment, and Computation of Investment Credit, by Size of Adjusted Gross Income, 1981 — Continued

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

Size of adjusted gross income	Investment credit items — Continued									
	Total qualified investment		Current year regular investment credit							
	Number of returns	Amount	Total		10 Percent portion		15 Percent portion		20 Percent portion	
			Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(51)	(52)	(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)	
All returns	4,333,132	45,862,391	4,393,573	4,708,110	4,331,091	4,582,601	20	275	634	2,390
No adjusted gross income	486	13,172	486	1,317	486	1,317	—	—	—	—
\$1 under \$5,000	56,867	155,894	56,867	15,683	56,867	15,569	—	—	—	—
\$5,000 under \$10,000	337,640	2,227,344	345,741	251,352	337,640	222,622	—	—	—	—
\$10,000 under \$20,000	961,147	6,154,989	976,673	621,608	961,137	615,101	—	—	*217	*94
\$20,000 under \$50,000	1,999,990	16,328,766	2,030,889	1,677,388	1,998,874	1,632,112	—	—	—	—
\$50,000 under \$100,000	688,631	9,122,156	693,304	924,343	687,894	911,457	—	—	*259	*423
\$100,000 under \$500,000	275,258	9,267,982	276,474	948,026	275,083	925,242	**20	**275	*151	*1,852
\$500,000 under \$1,000,000	9,367	1,259,641	9,383	127,009	9,365	125,939	**	**	**7	**22
\$1,000,000 or more	3,746	1,332,447	3,756	141,384	3,745	133,243	—	—	**	**

Size of adjusted gross income	Investment credit items — Continued									
	Current year regular investment credit — Continued				Carryback of unused credit		Tentative regular investment credit		Business energy investment credit	
	25 Percent portion		Carryover of unused credit		Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	Number of returns	Amount	Number of returns	Amount						
(61)	(62)	(63)	(64)	(65)	(66)	(67)	(68)	(69)	(70)	
All returns	829	1,525	374,866	1,280,391	—	—	4,493,603	5,988,501	22,463	49,617
No adjusted gross income	—	—	3	13	—	—	486	1,330	13	8
\$1 under \$5,000	—	—	7,987	8,274	—	—	59,276	23,958	—	—
\$5,000 under \$10,000	—	—	99,875	246,643	—	—	372,155	497,996	*447	*30
\$10,000 under \$20,000	—	—	137,311	394,880	—	—	1,009,916	1,016,488	*754	*1,810
\$20,000 under \$50,000	*703	*25	102,077	348,486	—	—	2,063,563	2,025,874	12,712	12,474
\$50,000 under \$100,000	*87	*652	20,435	122,685	—	—	697,589	1,047,028	5,221	12,582
\$100,000 under \$500,000	**39	**847	6,587	89,641	—	—	277,431	1,037,667	3,039	19,582
\$500,000 under \$1,000,000	**	**	363	26,105	—	—	9,415	153,114	181	2,352
\$1,000,000 or more	—	—	228	43,662	—	—	3,772	185,046	96	779

*Estimate should be used with caution because of the small number of sample returns on which it is based.
 **Data combined to avoid disclosure of information for specific taxpayers.
 NOTE: Detail may not add to total because of rounding.

Table 2 — Individuals With Sole Proprietorship Businesses With Investment Credit Items: Cost of Investment Property by Life Years, Qualified Investment, and Computation of Investment Credit, by Selected Industry, 1981

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

Selected industries	Number of returns	Adjusted gross income less deficit	Investment credit		Investment credit items								
			Number of returns	Amount	Cost of property used for investment credit								
					Total	Recovery property				Used-3-year			
						Total		New-3-year		New — other		Used-3-year	
						Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
All nonfarm industries	2,184,992	86,232,761	2,184,992	1,873,984	25,191,457	1,929,816	21,679,223	648,644	4,658,993	1,241,374	12,807,780	293,221	1,356,865
Agricultural services, forestry and fishing.....	65,564	2,106,443	65,564	57,760	740,301	56,035	632,856	20,604	114,395	33,682	367,893	10,281	52,640
Mining.....	67,475	7,994,614	67,475	261,935	3,398,708	60,939	2,706,737	16,486	194,413	53,677	2,341,155	4,879	32,625
Construction	223,174	5,897,373	223,174	141,007	1,923,860	199,135	1,770,793	70,664	437,343	112,957	800,907	47,913	181,783
General building contractors and operative builders	51,424	1,481,507	51,424	35,591	454,507	46,652	408,341	17,913	102,151	23,212	152,501	13,470	57,835
Special trade contractors	154,214	3,963,784	154,214	85,941	1,181,675	137,115	1,090,999	48,381	277,649	81,287	524,494	31,501	110,324
Other construction	17,536	452,082	17,536	19,475	287,677	15,368	271,453	4,370	57,542	8,458	123,911	2,942	13,624
Manufacturing	75,468	2,529,359	75,468	60,541	716,700	67,069	637,785	23,424	127,970	37,776	378,576	10,570	35,096
Transportation, communication, electric, gas, and sanitary services	116,870	3,216,416	116,870	148,650	2,482,591	98,747	2,186,512	26,327	357,434	49,537	1,199,181	23,256	210,061
Trucking and warehousing	86,353	2,008,287	86,353	111,197	1,950,778	70,224	1,690,744	19,193	287,946	30,997	888,124	17,477	179,985
Other	30,517	1,208,129	30,517	37,453	531,812	28,523	495,767	7,134	69,488	18,540	311,057	5,779	30,077
Wholesale and retail trade	496,307	15,606,845	496,307	346,544	4,697,839	435,371	4,158,919	147,925	967,970	274,012	2,204,878	72,147	316,326
Wholesale trade	53,782	1,997,782	53,782	53,822	695,040	47,810	651,362	21,110	180,578	28,095	290,437	7,230	43,331
Retail trade	391,755	11,829,264	391,755	252,729	3,437,542	342,786	3,113,426	108,714	672,637	221,687	1,713,632	56,232	235,967
Food stores	47,804	1,217,360	47,804	31,680	416,221	39,642	377,928	11,140	52,024	26,978	227,651	7,994	21,245
Automotive dealers and service stations	47,634	1,425,023	47,634	30,568	459,365	41,785	428,972	13,170	86,802	26,285	236,691	8,929	32,281
Eating and drinking places	54,899	1,471,024	54,899	36,810	477,880	47,947	398,323	11,387	46,920	36,837	227,400	6,964	37,436
Direct selling organizations	82,411	2,446,120	82,411	43,032	650,537	71,587	595,108	28,766	193,925	39,390	300,811	9,560	41,445
Other retail trade	159,007	5,269,737	159,007	110,638	1,433,539	141,825	1,313,095	44,251	292,966	92,197	721,079	22,785	103,561
Wholesale and retail trade not allocable	50,770	1,779,799	50,770	39,993	565,257	44,775	394,131	18,101	114,756	24,230	200,810	8,685	37,028
Finance, insurance, and real estate	184,855	8,680,542	184,855	166,300	2,259,672	167,093	2,050,341	76,400	649,163	91,576	1,121,163	24,062	104,583
Finance	11,968	939,603	11,968	18,023	244,620	10,992	222,803	3,771	38,710	6,826	161,632	2,289	9,842
Insurance agents, brokers, and service	64,912	2,726,796	64,912	54,838	715,239	59,463	665,127	27,691	223,907	34,199	373,716	6,706	24,138
Real estate	107,975	5,014,143	107,975	93,439	1,299,814	96,638	1,162,410	44,938	386,546	50,551	585,815	15,067	70,603
Services	934,343	39,351,258	934,343	674,507	8,786,063	829,511	7,415,555	260,376	1,778,489	579,784	4,325,985	99,673	422,356
Hotels and other lodging places	13,599	601,546	13,599	14,057	179,267	11,862	157,912	5,183	32,821	9,783	92,703	1,075	7,072
Personal services	121,250	3,210,333	121,250	51,061	659,011	105,043	558,388	25,739	133,576	71,216	250,840	9,641	44,551
Business services	200,069	9,365,201	200,069	191,906	2,464,195	181,125	2,110,618	63,206	482,816	117,796	1,293,649	29,849	126,326
Automobile repair and services	54,578	1,439,104	54,578	27,235	386,685	47,364	344,401	15,731	108,569	27,870	110,561	10,081	50,062
Amusement and recreation services except motion pictures	65,991	2,867,985	65,991	58,396	765,773	58,798	555,001	14,945	124,091	41,472	370,009	6,883	28,234
Medical and health services	148,764	8,893,811	148,764	119,570	1,411,288	136,755	1,310,599	43,610	350,074	111,440	820,079	8,679	45,541
Offices of physicians	60,499	4,542,929	60,499	52,183	634,954	56,981	604,490	22,541	221,118	44,439	332,475	3,263	26,207
Offices of dentists	39,434	2,191,458	39,434	39,144	450,734	36,473	415,832	9,866	54,887	30,391	308,750	1,444	2,587
Other medical services	48,831	2,159,424	48,831	28,242	325,600	43,301	290,276	11,203	74,069	36,610	178,855	3,972	16,747
Legal services	64,304	3,491,742	64,304	52,453	583,624	54,773	492,254	16,583	111,364	43,642	329,215	3,492	19,963
Other services	265,788	9,461,536	265,788	159,830	2,336,219	233,791	1,886,382	75,379	435,177	156,565	1,056,928	29,973	100,606
Nature of business not allocable	20,936	849,910	20,936	16,741	185,724	15,916	119,726	6,438	31,815	8,373	68,042	440	1,394

Footnote(s) at end of table.

Table 2 — Individuals With Sole Proprietorship Businesses With Investment Credit Items: Cost of Investment Property by Life Years, Qualified Investment, and Computation of Investment Credit, by Selected Industry, 1981 — Continued

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

Selected industries	Investment credit items — Continued											
	Cost of property used for investment credit — Continued											
	Recovery property — Continued		Nonrecovery property									
	Used — other		Total		New — 3 under 5 years		New — 5 under 7 years		New — 7 or more years		Used — 3 under 5 years	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	
All nonfarm industries	359,398	2,855,585	215,622	2,644,673	54,143	264,449	66,610	497,239	87,401	1,369,572	32,244	136,308
Agricultural services, forestry and fishing.....	11,680	97,927	6,127	77,156	2,654	12,631	2,057	4,554	2,057	44,653	*1,545	*3,552
Mining.....	12,658	138,544	7,843	432,770	2,362	21,164	3,379	52,452	5,837	347,293	637	2,177
Construction.....	42,355	350,760	17,206	111,540	3,471	16,004	5,464	26,396	5,155	43,512	3,712	9,085
General building contractors and operative builders.....	9,437	95,854	2,499	16,627	566	3,561	687	3,128	1,158	3,319	*258	*1,769
Special trade contractors.....	27,402	178,531	13,529	78,688	2,793	11,460	4,527	21,178	3,555	30,290	3,173	6,455
Other construction.....	5,516	76,375	1,178	16,225	*112	*983	*250	*2,090	*442	*9,903	*281	*860
Manufacturing.....	18,308	96,143	6,910	72,527	1,273	11,091	2,881	10,448	2,284	24,633	*1,631	*14,640
Transportation, communication, electric, gas, and sanitary services.....	26,308	419,836	12,368	244,507	2,762	24,245	1,963	15,083	4,444	132,044	4,240	43,134
Trucking and warehousing.....	19,982	334,689	10,549	212,876	1,916	14,023	1,557	12,459	3,671	115,299	4,219	43,097
Other.....	6,326	85,146	1,819	31,630	-846	10,222	406	2,624	773	16,745	*21	*37
Wholesale and retail trade.....	85,459	669,745	47,098	481,253	12,140	55,250	16,422	55,663	17,526	231,756	5,458	14,826
Wholesale trade.....	10,265	137,017	4,439	40,094	1,827	14,638	1,116	10,967	1,959	9,991	647	1,966
Retail trade.....	67,589	491,190	37,326	283,323	9,241	35,651	13,815	41,856	13,219	100,067	3,883	9,841
Food stores.....	10,364	77,008	3,989	36,275	758	3,944	977	15,155	2,112	9,959	*778	*762
Automotive dealers and service stations.....	8,528	73,198	4,161	27,867	290	1,746	1,657	6,304	1,444	7,204	178	769
Eating and drinking places.....	11,159	86,568	5,427	64,102	2,813	8,125	1,207	1,073	1,003	18,193	*1,066	*301
Direct selling organizations.....	9,579	58,927	7,137	42,384	1,475	6,049	1,906	3,184	2,732	7,652	*763	*981
Other retail trade.....	27,959	195,490	16,612	112,695	3,905	15,787	8,068	16,140	5,928	57,058	1,098	7,029
Wholesale and retail trade not allocable.....	7,605	41,537	5,333	157,836	*1,072	*4,961	*1,491	*2,841	2,348	121,699	*928	*3,019
Finance, insurance, and real estate.....	19,506	175,431	20,035	194,737	4,309	27,963	4,955	57,765	7,258	63,906	2,298	6,544
Finance.....	1,628	12,619	1,806	21,034	325	3,797	611	5,151	711	10,743	*28	*354
Insurance agents, brokers, and service.....	6,110	43,367	6,198	48,770	1,132	4,209	1,914	23,493	1,255	11,961	*51	*43
Real estate.....	11,768	119,445	12,031	124,933	2,852	19,957	2,430	29,121	5,292	41,202	2,219	6,146
Services.....	139,542	888,725	95,444	1,013,030	24,279	95,001	29,232	274,696	41,898	472,530	11,785	38,487
Hotels and other lodging places.....	2,564	25,315	1,590	11,068	*315	*870	870	3,137	809	3,001	*500	*3,795
Personal services.....	23,498	129,420	12,461	99,293	3,379	9,463	4,326	18,035	3,669	42,759	*1,357	*2,833
Business services.....	27,011	207,827	17,513	224,452	5,100	26,454	6,462	73,283	6,119	69,617	2,206	6,660
Automobile repair and services.....	11,106	75,209	6,900	41,688	*901	*794	1,366	2,291	2,669	24,896	*896	*1,128
Amusement and recreation services except motion pictures.....	10,894	32,667	8,765	205,461	1,970	5,580	2,277	71,201	4,874	120,442	940	5,197
Medical and health services.....	14,888	94,904	12,036	91,197	3,527	14,198	3,036	9,025	7,208	50,061	224	888
Offices of physicians.....	5,296	24,690	3,683	25,867	841	3,438	1,376	2,605	1,979	9,834	*75	*253
Offices of dentists.....	5,353	49,608	3,465	34,902	*1,012	*5,077	*330	*1,243	1,999	20,936	*130	*565
Other medical services.....	4,239	20,605	4,888	30,427	1,674	5,683	1,330	5,177	3,230	19,291	*19	*71
Legal services.....	7,067	31,712	10,368	80,604	2,514	9,203	5,182	42,318	4,112	21,418	1,423	4,794
Other services.....	42,514	291,671	25,791	259,268	6,573	28,439	5,713	55,406	12,438	140,337	4,239	13,192
Nature of business not allocable.....	3,582	18,474	2,591	17,153	893	1,100	*257	*182	942	9,244	*938	*3,864

Footnote(s) at end of table.

Table 2 — Individuals With Sole Proprietorship Businesses With Investment Credit Items: Cost of Investment Property by Life Years, Qualified Investment, and Computation of Investment Credit, by Selected Industry, 1981 — Continued

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

Selected industries	Investment credit items — Continued												
	Cost of property used for investment credit — Continued								Qualified investment in 10% property				
	Nonrecovery property — Continued				Cost of property, life years not stated		Cost of property, type not stated		Total	Recovery property		Nonrecovery property	
	Used — 5 under 7 years		Used — 7 or more years		Number of returns	Amount	Number of returns	Amount		Number of returns	Amount	Number of returns	Amount
	Number of returns	Amount	Number of returns	Amount					(35)					(36)	(37)	(38)
(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	
All nonfarm industries	23,706	138,565	29,631	238,541	*110	*7,290	18,619	860,272	22,546,706	1,929,816	19,272,649	215,620	2,164,941
Agricultural services, forestry and fishing	*1,019	*7,571	*570	*4,196	—	—	*463	*30,289	*664,240	56,035	566,035	6,127	62,310
Mining	451	3,325	1,651	6,359	—	—	1,782	259,201	3,274,397	60,939	2,615,916	7,841	398,570
Construction	3,093	5,688	2,318	10,855	—	—	818	41,527	1,644,839	199,135	1,523,115	17,206	84,084
General building contractors and operative builders	**	**	*605	*4,709	—	—	*516	*29,539	*383,888	46,652	344,339	2,499	11,980
Special trade contractors	2,826	5,480	*1,067	*3,825	—	—	302	11,988	1,002,922	137,115	935,791	13,529	57,829
Other construction	**	**	*646	*2,321	—	—	—	—	258,029	15,368	242,985	1,178	14,275
Manufacturing	*870	*2,438	1,222	9,277	—	—	452	6,388	630,082	67,069	572,551	6,910	51,058
Transportation, communication, electric, gas, and sanitary services	1,342	20,326	1,620	9,676	—	—	686	51,572	2,203,838	98,747	1,959,502	12,368	187,735
Trucking and warehousing	1,340	20,314	*878	*7,685	—	—	*592	*47,157	*1,716,380	70,224	1,503,563	10,549	163,828
Other	**	**	742	1,990	—	—	*94	*4,414	*487,458	28,523	455,940	1,819	23,907
Wholesale and retail trade	4,837	29,860	8,838	93,897	—	—	3,711	57,667	4,155,437	435,371	3,645,153	47,098	405,932
Wholesale trade	421	1,552	659	981	—	—	*24	*3,583	*589,418	47,810	561,793	4,439	24,837
Retail trade	3,353	24,779	6,704	71,129	—	—	2,586	40,794	3,059,621	342,786	2,749,948	37,326	230,711
Food stores	*227	*187	*1,112	*6,267	—	—	*550	*2,019	*378,583	39,642	348,616	3,989	28,011
Automotive dealers and service stations	688	7,867	708	3,977	—	—	144	2,526	415,037	41,785	381,335	4,161	21,455
Eating and drinking places	*159	*1,349	2,036	35,061	—	—	*50	*15,455	*446,944	47,947	384,577	5,427	57,671
Direct selling organizations	*812	*9,240	*1,592	*15,278	—	—	*1,397	*13,045	*554,188	71,587	500,951	7,137	33,544
Other retail trade	1,467	6,136	1,256	10,545	—	—	445	7,749	1,264,867	141,825	1,154,469	16,612	90,030
Wholesale and retail trade not allocable	*1,063	*3,530	*1,475	*21,787	—	—	1,101	13,291	506,397	44,775	333,412	5,333	150,384
Finance, insurance, and real estate	3,211	13,130	3,243	25,429	*110	*7,290	759	7,305	1,938,975	167,093	1,748,817	20,035	148,036
Finance	*415	*900	448	88	—	—	17	783	221,984	10,992	203,381	1,806	16,243
Insurance agents, brokers, and service	*1,380	*2,463	1,523	6,602	—	—	*548	*1,341	*613,872	59,463	565,901	6,198	37,263
Real estate	1,416	9,767	1,272	18,739	*110	*7,290	194	5,181	1,103,120	96,638	979,535	12,031	94,530
Services	8,738	54,996	9,436	77,320	—	—	8,189	357,478	7,867,035	829,511	6,535,118	95,444	813,846
Hotels and other lodging places	*27	*170	*11	*95	—	—	*58	*10,287	*168,321	11,862	141,953	1,590	6,852
Personal services	*525	*14,697	*1,867	*11,506	—	—	*939	*1,330	*580,505	105,043	487,127	12,481	80,155
Business services	1,901	24,285	2,453	24,154	—	—	2,152	129,126	2,218,536	181,125	1,866,934	17,513	169,771
Automobile repair and services	*1,419	*2,994	*138	*9,585	—	—	*137	*596	*320,379	47,364	280,943	6,900	38,639
Amusement and recreation services except motion pictures	*58	*391	1,011	2,650	—	—	298	5,311	678,900	58,798	494,067	8,765	174,359
Medical and health services	*1,162	*4,819	1,115	12,205	—	—	457	9,493	1,268,102	136,755	1,152,337	12,036	76,507
Offices of physicians	*230	*125	507	9,612	—	—	347	4,596	541,259	56,981	505,552	3,683	22,493
Offices of dentists	*465	*4,652	*104	*2,430	—	—	—	—	425,668	36,473	392,840	3,465	29,169
Other medical services	*467	*42	*504	*163	—	—	*110	*4,897	*301,175	43,301	253,945	4,888	24,845
Legal services	*1,327	*1,311	1,038	1,560	—	—	376	10,766	550,282	54,773	439,716	10,368	56,692
Other services	2,319	6,330	1,805	15,565	—	—	3,772	190,569	2,082,010	233,791	1,672,040	25,791	210,873
Nature of business not allocable	*145	*1,232	*733	*1,531	—	—	1,759	48,845	167,863	15,916	106,441	2,591	13,369

Footnote(s) at end of table.

Table 2 — Individuals With Sole Proprietorship Businesses With Investment Credit Items: Cost of Investment Property by Life Years, Qualified Investment, and Computation of Investment Credit, by Selected Industry, 1981 — Continued

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

Selected industries	Investment credit items — Continued											
	Qualified investment in 10% property — Continued								Qualified rehabilitation expenditures			
	New commuter highway vehicles		Used commuter highway vehicles		Rehabilitation expenditures — 5 under 7 years		Rehabilitation expenditures — over 7 years		30-year old and 40-year old buildings		Certified historic structures	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(39)	(40)	(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	
All nonfarm industries	4,984	37,360	2,015	11,736	473	2,152	9,194	243,197	*542	*8,648	*792	*3,189
Agricultural services, forestry and fishing	—	—	*113	*170	—	—	*280	*8,730	—	—	—	—
Mining.....	*20	*145	**	**	—	—	418	18,243	*39	*5,329	**	**
Construction.....	—	—	—	—	—	—	*424	*10,180	—	—	—	—
General building contractors and operative builders	—	—	—	—	—	—	*167	*8,667	—	—	—	—
Special trade contractors.....	—	—	—	—	—	—	*47	*746	—	—	—	—
Other construction.....	—	—	—	—	—	—	*210	*767	—	—	—	—
Manufacturing.....	—	—	—	—	—	—	3	191	—	—	—	—
Transportation, communication, electric, gas, and sanitary services	—	—	—	—	**	**	*24	*3,136	—	—	—	—
Trucking and warehousing.....	—	—	—	—	**	**	**	**	—	—	—	—
Other.....	—	—	—	—	**	**	**	**	—	—	—	—
Wholesale and retail trade.....	2,329	10,786	*1,160	*6,850	*224	*815	1,490	33,619	*21	*478	**	**
Wholesale trade.....	*401	*3,308	—	—	**	**	*73	*1,028	—	—	**	**
Retail trade.....	*1,475	*7,055	*933	*5,295	**	**	1,161	24,133	*21	*478	**	**
Food stores.....	—	—	—	—	—	—	*217	*256	—	—	—	—
Automotive dealers and service stations	—	—	—	—	—	—	*134	*9,087	*21	*478	—	—
Eating and drinking places.....	*11	*299	*10	*13	—	—	*446	*7,413	—	—	**	**
Direct selling organizations.....	*136	*1,402	*870	*4,488	—	—	*92	*509	—	—	—	—
Other retail trade.....	*1,328	*5,353	*53	*795	**	**	272	6,869	—	—	—	—
Wholesale and retail trade not allocable.....	*453	*423	*227	*1,553	—	—	*256	*8,457	—	—	—	—
Finance, insurance, and real estate.....	*14	*122	*112	*1,048	**	**	1,499	33,555	*17	*23	—	—
Finance.....	**	**	**	**	**	**	*22	*1,669	—	—	—	—
Insurance agents, brokers, and service	—	—	—	—	**	**	*875	*8,201	*17	*23	—	—
Real estate.....	**	**	**	**	**	**	602	23,686	—	—	—	—
Services.....	2,621	26,307	*629	*3,657	246	1,309	5,056	135,543	*465	*2,817	*291	*3,102
Hotels and other lodging places.....	—	—	—	—	**	**	3	7,893	—	—	**	**
Personal services.....	—	—	*590	*3,539	—	—	*686	*6,927	—	—	*203	*35
Business services.....	*1,159	*6,190	—	—	*121	*55	1,449	53,715	*217	*929	—	—
Automobile repair and services.....	*51	*233	—	—	—	—	—	—	—	—	—	—
Amusement and recreation services except motion pictures	**	**	—	—	—	—	149	5,900	—	—	—	—
Medical and health services.....	*630	*11,098	*38	*61	*57	*673	476	21,473	*170	*1,007	**	**
Offices of physicians.....	—	—	—	—	*57	*673	349	10,515	—	—	**	**
Offices of dentists.....	*76	*836	*38	*61	—	—	*61	*2,890	—	—	—	—
Other medical services.....	*554	*10,262	—	—	—	—	*66	*8,068	*170	*1,007	—	—
Legal services.....	*570	*7,799	—	—	*65	*554	1,261	35,960	—	—	—	—
Other services.....	*210	*859	**	**	**	**	1,032	3,675	*78	*882	—	—
Nature of business not allocable.....	—	—	—	—	—	—	—	—	—	—	—	—

Footnote(s) at end of table.

Table 2 — Individuals With Sole Proprietorship Businesses With Investment Credit Items: Cost of Investment Property by Life Years, Qualified Investment, and Computation of Investment Credit, by Selected Industry, 1981 — Continued

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

Selected industries	Investment credit items — Continued											
	Total qualified investment		Current year regular investment credit									
	Number of returns	Amount	Total		10 Percent portion		15 Percent portion		20 Percent portion		25 Percent portion	
			Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(51)	(52)	(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)	(61)	(62)	
All nonfarm industries	2,121,820	22,558,542	2,132,156	2,308,334	2,120,471	2,253,876	*20	*275	*522	*1,363	*792	*797
Agricultural services, forestry and fishing	61,631	664,240	61,723	66,604	61,631	66,403	—	—	—	—	—	—
Mining	66,858	3,279,746	67,282	337,001	66,858	327,412	*20	*275	*19	*699	..	..
Construction	215,820	1,644,839	217,014	164,613	215,820	164,407	—	—	—	—	—	—
General building contractors and operative builders	49,383	383,888	49,867	38,503	49,383	38,371	—	—	—	—	—	—
Special trade contractors	149,989	1,002,922	150,699	100,302	149,989	100,237	—	—	—	—	—	—
Other construction	16,448	258,029	16,448	25,808	16,448	25,798	—	—	—	—	—	—
Other	73,714	630,082	73,714	63,533	73,714	62,983	—	—	—	—	—	—
Manufacturing	110,239	2,203,838	110,436	220,625	110,239	220,349	—	—	—	—	—	—
Transportation, communication, electric, gas, and sanitary services	80,321	1,716,380	80,517	171,763	80,321	171,612	—	—	—	—	—	—
Trucking and warehousing	29,919	487,458	29,919	48,862	29,919	48,736	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—	—	—	—	—
Wholesale and retail trade	478,426	4,155,981	482,930	421,116	477,492	415,370	—	—	*21	*96	..	..
Wholesale trade	51,736	589,418	52,187	59,842	51,323	58,922	—	—	—	—	..	..
Retail trade	376,310	3,060,165	380,177	310,477	375,789	305,826	—	—	*21	*96	..	..
Food stores	43,622	378,585	44,412	39,667	43,622	37,843	—	—	—	—	..	..
Automotive dealers and service stations	45,906	415,515	46,394	41,798	45,885	41,487	—	—	*21	*96	..	..
Eating and drinking places	52,774	447,011	52,774	44,719	52,274	44,674	—	—	—	—	..	..
Direct selling organizations	79,331	554,188	80,607	57,164	79,331	55,392	—	—	—	—	..	..
Other retail trade	154,677	1,264,867	155,990	127,129	154,677	126,429	—	—	—	—	..	..
Wholesale and retail trade not allocable	50,380	506,397	50,566	50,797	50,380	50,622	—	—	—	—	..	..
Finance, insurance, and real estate	181,487	1,938,998	182,119	195,092	181,487	193,832	—	—	*17	*5	..	..
Finance	11,861	221,984	11,861	22,384	11,861	22,194	—	—	—	—	..	..
Insurance agents, brokers, and service	64,247	613,895	64,533	61,481	64,247	61,363	—	—	*17	*5	..	..
Real estate	105,379	1,103,120	105,725	111,227	105,379	110,275	—	—	—	—	..	..
Services	914,043	7,872,954	917,222	822,270	913,628	786,342	—	—	*465	*563	*291	*775
Hotels and other lodging places	13,389	168,778	13,598	43,084	13,389	16,825	—	—	—	—	..	..
Personal services	116,966	580,541	117,399	58,695	116,763	58,007	—	—	—	—	*203	*9
Business services	197,481	2,219,465	198,280	223,285	197,434	221,776	—	—	*217	*186	..	..
Automobile repair and services	53,176	320,379	53,176	32,188	53,176	32,018	—	—	—	—	..	..
Amusement and recreation services except motion pictures	65,382	678,900	65,430	70,514	65,382	67,867	—	—	—	—	..	..
Medical and health services	147,336	1,271,719	147,595	129,799	147,249	126,747	—	—	*170	*201	..	..
Offices of physicians	60,168	543,868	60,179	55,905	60,081	54,100	—	—	—	—	..	..
Offices of dentists	39,186	425,668	39,434	43,552	39,186	42,549	—	—	—	—	..	..
Other medical services	47,982	302,182	47,982	30,341	47,982	30,097	—	—	*170	*201	..	..
Legal services	63,451	550,282	63,481	55,107	63,451	55,003	—	—	—	—	..	..
Other services	256,862	2,082,891	258,263	209,597	256,784	208,098	—	—	*78	*176	..	..
Nature of business not allocable	19,602	167,863	19,716	17,481	19,602	16,779	—	—	—	—	..	..

Footnote(s) at end of table.

Table 2 — Individuals With Sole Proprietorship Businesses With Investment Credit Items: Cost of Investment Property by Life Years, Qualified Investment, and Computation of Investment Credit, by Selected Industry, 1981 — Continued

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

Selected industries	Investment credit items — Continued							
	Current year regular investment credit — Continued		Carryback of unused credit		Tentative regular investment credit		Business energy investment credit	
	Carryover of unused credit		Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	Number of returns	Amount						
(63)	(64)	(65)	(66)	(67)	(68)	(69)	(70)	
All nonfarm industries	148,521	439,655	—	—	2,183,425	2,747,989	6,046	25,310
Agricultural services, forestry and fishing	6,366	17,588	—	—	65,117	84,191	*502	*801
Mining	3,012	45,575	—	—	67,475	382,576	178	2,043
Construction	18,031	50,399	—	—	223,174	215,012	*21	*33
General building contractors and operative builders	3,856	12,695	—	—	51,424	51,198	**	**
Special trade contractors	9,455	15,138	—	—	154,214	115,440	—	—
Other construction	4,719	22,566	—	—	17,536	48,374	—	—
Manufacturing	7,876	10,374	—	—	75,468	73,907	*97	*1,197
Transportation, communication, electric, gas, and sanitary services	18,797	94,793	—	—	116,870	315,418	*17	*36
Trucking and warehousing	15,701	84,332	—	—	86,353	256,095	*10	*3
Other	3,096	10,462	—	—	30,517	59,323	7	33
Wholesale and retail trade	35,708	90,257	—	—	495,889	511,373	1,111	2,794
Wholesale trade	5,593	13,177	—	—	53,782	73,019	*259	*503
Retail trade	26,875	67,394	—	—	391,337	377,871	832	2,207
Food stores	4,594	12,224	—	—	47,804	51,891	*19	*9
Automotive dealers and service stations	3,503	6,572	—	—	47,634	48,370	*52	*31
Eating and drinking places	3,948	10,452	—	—	54,894	55,171	*53	*4
Direct selling organizations	3,640	25,470	—	—	82,049	82,634	*380	*387
Other retail trade	11,190	12,676	—	—	158,956	139,806	*328	*1,776
Wholesale and retail trade not allocable	3,240	9,685	—	—	50,770	60,482	*20	*85
Finance, insurance, and real estate	6,986	33,484	—	—	184,724	228,576	683	7,540
Finance	351	4,570	—	—	11,915	26,954	*97	*2,028
Insurance agents, brokers, and service	1,672	7,933	—	—	64,912	69,414	*256	*3,936
Real estate	4,963	20,981	—	—	107,897	132,208	330	1,577
Services	49,081	89,235	—	—	933,772	911,505	3,280	10,565
Hotels and other lodging places	455	2,764	—	—	13,599	45,848	—	—
Personal services	8,807	12,882	—	—	121,250	71,577	*121	*498
Business services	6,257	15,827	—	—	200,065	239,112	930	3,199
Automobile repair and services	4,362	3,453	—	—	54,578	35,642	*362	*23
Amusement and recreation services except motion pictures	3,262	7,459	—	—	65,991	77,973	214	782
Medical and health services	7,026	9,840	—	—	148,311	139,638	827	1,438
Offices of physicians	1,571	2,316	—	—	60,499	58,221	81	444
Offices of dentists	2,216	3,874	—	—	39,434	47,426	*290	*168
Other medical services	3,239	3,650	—	—	48,378	33,991	*456	*826
Legal services	1,828	6,017	—	—	64,303	61,124	146	1,417
Other services	17,084	30,995	—	—	265,675	240,592	680	3,209
Nature of business not allocable	2,664	7,950	—	—	20,936	25,431	*157	*299

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

**The estimate for this cell is not shown separately to avoid disclosure of information for specific taxpayers. However, the data are included in the appropriate totals.

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