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The *Statistics of Income (SOI) Bulletin* is issued quarterly, in February, May, August, and November, by the Statistics of Income Division of the Internal Revenue Service. The report provides the earliest published annual financial statistics obtained from the various types of tax and information returns filed, as well as information from periodic or special analytical studies of particular interest to students of the U.S. tax system, tax policymakers, and tax administrators. Selected historical and other data tables, previously published in every issue of the *SOI Bulletin*, now are published only in the spring issue of the *Bulletin*. These tables are also available on SOI's pages of the IRS Web site (www.irs.gov/taxstats).

Information on the availability of supplemental data on the topics included in this issue, special tabulations undertaken on a reimbursable basis, or other SOI subjects, may be obtained by telephoning the SOI's Statistical Information Services (202-874-0410), or by writing to the Director, Statistics of Income Division RAS:S, Internal Revenue Service, P.O. Box 2608, Washington, D.C. 20013-2608.

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Inside this Issue 2

Featured Articles:

Foreign-Controlled Domestic Corporations, 2005 4
by James R. Hobbs

Controlled Foreign Corporations, 2004 49
by Lee Mahony and Randy Miller

Corporate Foreign Tax Credit, 2004 111
by Scott Luttrell

Partnership and Sole Proprietorship Data, by Region and State, for Tax Years 2002-2005 164
by Brian J. Maisano

Wealth Transfers, 2005 Gifts 174
by Darien Jacobson and Melissa Laine

The Credit for Increasing Research Activities: Statistics from Tax Years 2004-2005 182
by Eurry Kim

Departments:

SOI Sampling Methodology and Data Limitations 193

Public Release of SOI Information 196

SOI Projects and Contacts 197

SOI Products and Services 202

Index—Previously Published Articles and Data Releases Inside Back Cover

Inside this Issue

Foreign-Controlled Domestic Corporations, 2005

by James R. Hobbs

There were 61,820 domestic corporations each controlled by a foreign person for Tax Year 2005. These foreign-controlled domestic corporations (FCDCs) were relatively few in number, accounting for just 1.1 percent of all U.S. corporations. However, these corporations generated \$3.5 trillion of total receipts with \$9.2 trillion of total assets, accounting for 13.7 percent of the receipts and 13.9 percent of the assets reported on all U.S. corporation income tax returns. Two industrial sectors, manufacturing and wholesale trade, generated more than two-thirds of the total FCDC receipts. Domestic corporations controlled by persons in the United Kingdom reported 20.5 percent of the FCDC total receipts. Profits (net income less deficit) reported by FCDCs for tax purposes were \$165.2 billion for 2005, a substantial increase from the prior year. The U.S. tax liability (total income tax after credits) of FCDCs was \$42.4 billion for 2005, also much larger than that of the prior year.

Controlled Foreign Corporations, 2004

by Lee Mahony and Randy Miller

For Tax Year 2004, foreign corporations controlled by U.S. multinational corporations held \$9.2 trillion in assets and reported \$3.8 trillion in receipts. More than three-fourths of the 74,676 controlled foreign corporations (CFCs) were concentrated in the services (31.4 percent), goods production (25.9 percent), and distribution and transportation of goods (21.7 percent) industrial sectors. More than 45 percent of these CFCs were incorporated in Europe, accounting for 62.2 percent of end-of-year assets, 54.3 percent of total receipts, and 49.8 percent of earnings and profits (less deficit) before income taxes.

Corporate Foreign Tax Credit, 2004

by Scott Luttrell

For 2004, corporations that filed a U.S. tax return claimed foreign tax credits worth \$56.6 billion, representing an all-time high and a 13.2-percent increase over the previous high amount in 2003. The 5,502 corporations that claimed a foreign tax credit reduced their U.S. tax on worldwide income by 30.2 percent, from \$187.5 billion to \$130.9 billion. Other credits, including the general business credit and the possessions tax credit, further reduced their U.S. tax on worldwide income to \$118.9 billion. This group

of corporations reported \$533.2 billion in worldwide taxable income. About \$241.5 billion of worldwide taxable income, 45.3 percent, and \$61.2 billion of the U.S. tax liability, 32.6 percent, were reported as foreign-source income on Form 1118, *Computation of Foreign Tax Credit—Corporations*. Canada (11.7 percent), the United Kingdom (10.2 percent), South Korea (5.5 percent), and the Netherlands (5.1 percent) were the leading sources of foreign-source taxable income among individual countries. The largest amounts of current-year foreign taxes were paid to Canada (13.5 percent), the United Kingdom (11.8 percent), Norway (9.3 percent), and South Korea (7.1 percent).

Corporations for which the primary business was manufacturing claimed 65.6 percent of the total foreign tax credit, while earning 44.6 percent of worldwide taxable income and paying 44.5 percent of U.S. income tax before credits for Tax Year 2004. Services (11.1 percent), finance and insurance (10.1 percent), wholesale and retail trade (5.3 percent), and information (4.9 percent) were next among leading contributors to the foreign tax credit. Meanwhile, finance and insurance (17.3 percent and 17.5 percent), services (15.9 percent and 15.9 percent), wholesale and retail trade (11.8 percent and 11.8 percent), and information (6.7 percent and 6.7 percent) were next in terms of worldwide taxable income and U.S. tax liability, respectively.

Partnership and Sole Proprietorship Data, by Region and State, for Tax Years 2002-2005

by Brian J. Maisano

Between 2002 and 2005, the total number of partnership returns for the United States increased 23 percent, from 2,336,313 to 2,873,194, as tabulated from tax and information returns by the Bureau of Economic Analysis (BEA). During this period, the Southeast region experienced the fastest growth, 36.1 percent. Florida was the fastest growing State in this region, with an increase of 34,623 in the number of partnership returns, or 79.2 percent over the period. Georgia, North Carolina, and Virginia also contributed significantly to the growth of the region. In 2005, the Southeast also held the greatest share of the total number of partnership returns in the nation, 12.1 percent. The Great Lakes region experienced the slowest growth from 2002 to 2005, 21.9 percent.

The total number of sole proprietorship returns for the United States, grew by 392,396 between 2002 and 2005, a 1.9-percent increase over the period. The Great Lakes was the fastest growing region during the period, increasing by 9.0 percent to 3,135,856 returns in 2005, due to strong growth in Michigan, Wisconsin, and Illinois. Among all States, Georgia had both the largest percentage increase and the largest increase in the number of returns during the period from 583,810 returns in 2002 to 678,878 returns in 2005, for a 16.3-percent increase. This growth, however, was not reflected in the rest of the Southeast, which only grew 1.0 percent during the period. Florida contributed largely to this slow growth, with a 14.5-percent decline during the period. California, the largest State in terms of number of returns, declined 11.4 percent during this period, while the next two largest States—Texas and New York—grew by 3.5 percent and 5.5 percent, respectively.

Wealth Transfers, 2005 Gifts

by Darien Jacobson and Melissa Laine

A total of 261,104 Federal gift tax returns was filed for gifts given in 2005, predominantly by wealthy Americans. A total of \$38.5 billion in assets was transferred from donors to donees, or gift recipients. Only 2.9 percent of returns were taxable, with \$1.7 billion in gift tax liability reported. Females represented 47.3 percent of the donee population, while males represented 46.3 percent. The remaining 6.4 percent represented trusts and donees with unknown identities. Gifts of cash were the preferred choice for both female and male donors, with cash assets comprising 49.0 percent of total gifts. Following cash, real estate was the second most frequently gifted asset, accounting for 20.8 percent of asset transfers. In 2005, donors used a variety of mechanisms to transfer their assets. Direct gifts comprised the bulk of transfers, as 76.3 percent of gifts were given outright.

The Credit for Increasing Research Activities: Statistics from Tax Years 2004-2005

by Eurry Kim

The Economic Recovery Tax Act of 1981 first introduced the credit for increasing research activi-

ties. Key modifications to the calculation of the credit were made in the next decade. The Omnibus Budget Reconciliation Act of 1989 instituted gross receipts as a factor in calculating the credit starting in Tax Year 1990. Six years later, the Small Business Job Protection Act of 1996 added the Alternative Incremental Credit calculation method to the existing Regular Credit calculation method. The Regular Credit method has a base-sensitivity component that integrates ratios of historical research spending to average gross receipts into the current calculation. The Alternative Incremental Credit, on the other hand, uses average gross receipts in its calculation.

Persisting through Tax Year 2005, the credit experienced a 14.6-percent increase in claimants over the prior year, with U.S. C corporations claiming \$6.4 billion in credits for increasing research activities. A majority of the \$6.4 billion claimed were attributable to the manufacturing industry. Companies earning more than \$250 million in business receipts claimed the most credits in Tax Years 2001 through 2005.

In the Next Issue

The following articles or data releases are tentatively planned for inclusion in the fall 2008 issue of the *Statistics of Income Bulletin*, scheduled to be published in November 2008:

- Individual Income Tax Returns, 2006;
- Sole Proprietorships, 2006;
- Partnership Returns, 2006;
- Tax-Exempt Governmental and Private Activity Bonds, 2006;
- Charities and Other Tax-Exempt Organizations, 2005;
- Personal Wealth, 2004; and
- Transactions Between Large, Foreign-Owned Domestic Corporations and Related Foreign Persons, 2004.

Foreign-Controlled Domestic Corporations, 2005

by James R. Hobbs

For Tax Year 2005, the 61,820 domestic corporations each controlled by a foreign “person” generated \$3.5 trillion of total receipts with \$9.2 trillion of total assets, reported on income tax returns filed with the Internal Revenue Service (IRS). Both total receipts and total assets increased substantially for 2005, by 14.7 percent and 15.7 percent, respectively, over the previous year.¹ These corporations were small in number, just 1.1 percent of the U.S. total. However, they accounted for 13.7 percent of the receipts and 13.9 percent of the assets reported on all U.S. corporation income tax returns.

The profits (i.e., “net income (less deficit)” shown in the statistics of this article) reported by foreign-controlled domestic corporations (FCDCs) for tax purposes under the Internal Revenue Code were \$165.2 billion for 2005. This was a substantial increase from the \$90.8 billion reported for the prior year. Placed in context, the profits reported on all corporation income tax returns also increased, to \$1.9 trillion for 2005 from \$1.1 trillion for 2004.² FCDCs accounted for 8.5 percent of the profits reported by all corporations for 2005, up from 8.2 percent for 2004.

Of all the FCDCs, 30,870 reported positive profits (i.e., net income) for 2005, totaling \$201.6 billion. This was a 46.1-percent increase over the prior-year amount. The profitable companies for 2005 also reported \$153.0 billion of taxable income (i.e., “income subject to tax”), another significant increase of 46.1 percent over the prior year. The U.S. tax liability (i.e., “total income tax after credits”) of FCDCs was \$42.4 billion for 2005, 41.7 percent more than that of the prior year.

For 2005, there were 3,790 “large” foreign-controlled domestic corporations, each with at least \$250 million of assets or at least \$50 million of receipts. These large FCDCs accounted for most of the key financial items of all FCDCs: 95.1 percent of total assets, 94.6 percent of total receipts, 93.7 percent of

taxable income, and 92.7 percent of total income tax after credits. After an overview of all FCDCs, this article focuses on the large foreign-controlled domestic corporations and compares them to other large domestic corporations, i.e., those not controlled by foreign persons.

Tables showing selected balance sheet, income statement, and tax items for FCDCs are included at the end of this article. Table 1 shows historical FCDC data for selected tax years between 1971 and 2005. Tables 2, 3, and 4 concentrate on Tax Year 2005 data. Table 2 includes information for all FCDCs, classified by major industry under the North American Industry Classification System (NAICS). Table 3 also presents data for all FCDCs, classified by country of the foreign owner, as well as age of the corporation. Table 4 presents information on the “large” FCDCs, classified by industrial sector. For comparison purposes, this table also contains data for the large domestic corporations not controlled by foreign persons.

Foreign Investment in the United States

Foreign investment in the United States can take several forms, including corporations. With regard to corporations, a foreign investor may own stock of a domestic (i.e., United States) company or operate in the United States through a branch of a foreign corporation.³ This article focuses on domestic corporations that are “controlled” by foreign persons. For the foreign-controlled domestic corporations covered in this article, control is defined as ownership by one foreign “person,” directly or indirectly, of 50 percent or more of the U.S. corporation’s voting stock, or of 50 percent or more of the value of all of the corporation’s stock, at any time during the accounting period. A person is an entity, including an individual, corporation, partnership, estate, or trust. (This is discussed in greater depth in the Data Sources and Limitations section. Also, see “constructive ownership rules” and “foreign person” in the Explanation of Selected Terms section.)

James R. Hobbs is a management official with the Special Studies Branch.

¹ For additional 2005 statistics covering foreign-controlled domestic corporations (FCDCs), see Tables 24 and 25 of *Statistics of Income—2005, Corporation Income Tax Returns*, IRS Publication 16. Statistics for tax years prior to 2005 are available in earlier editions of Publication 16. Additionally, for 2004 statistics covering FCDCs, see Hobbs, James R., “Foreign-Controlled Domestic Corporations, 2004,” *Statistics of Income Bulletin*, Summer 2007, Volume 27, Number 1. In addition, FCDC data are included on the IRS Internet site at www.irs.gov, under Tax Stats.

² Total corporate data referenced throughout this article come from: (1) *Statistics of Income Bulletin*, Publication 1136, Spring 2008, Volume 27, Number 4; (2) *Statistics of Income—Corporation Income Tax Returns*, Publication 16, selected years; (3) *Source Book of Statistics of Income—Corporation Income Tax Returns*, Publication 1053, selected years; and (4) unpublished Statistics of Income tabulations.

³ Sections 7701(a)(4) and (5) of the Internal Revenue Code define a domestic corporation as one created or organized in the United States or under the laws of the United States or any State. A foreign corporation is “one which is not domestic.”

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

As specified in the above paragraph, this study excludes returns of domestic corporations with stock owned by a single foreign person of 49 percent or less. However, the tax return forms filed by domestic corporations do indicate the presence of 25-percent to 49-percent foreign owners, and the Statistics of Income program does separately compile data on these domestic corporations. The data are generally not published, but this article includes some summary information for this group of corporations.⁴

Returns of certain domestic companies that are effectively controlled by foreign persons, i.e., those public companies in which “control” may be exercised with as little as 10 percent to 20 percent of the stock holdings, are excluded from both the 50-percent-or-more and the 25-percent to 49-percent tabulations. Tax return forms filed by domestic corporations do not include information about foreign persons with less than 25-percent stock holdings.

The foreign-controlled domestic corporation statistics shown in this article, as well as the unpublished tabulations for domestic corporations with 25-percent to 49-percent foreign owners, exclude domestic corporations with only foreign “portfolio” investment. A foreign portfolio investor, having only a minimal interest in a domestic company, exerts no control over the management of the domestic corporation, except to the extent, for example, of rights to vote periodically in stockholder meetings of the corporation. A foreign portfolio investor is primarily seeking dividend payments, an increase in the value of the shares of stock, or both. The Statistics of Income program does not conduct studies covering foreign portfolio investors of domestic corporations.

In addition to the foreign-controlled domestic corporations study discussed in this article, the Statistics of Income program conducts a separate study covering branches of foreign corporations operating in the United States. Statistics from that study are available to the public.⁵

Foreign-controlled domestic corporations can file tax returns on: (1) Form 1120, *U.S. Corporation Income Tax Return*; (2) Form 1120-L, *U.S. Life Insurance Company Income Tax Return*; (3) Form 1120-PC, *U.S. Property and Casualty Insurance Company Income Tax Return*; (4) Form 1120-REIT, *U.S. Income Tax Return for Real Estate Investment Trusts*; and (5) Form 1120-RIC, *U.S. Income Tax Return for Regulated Investment Companies*. The FCDC statistics shown in this article include all of these return types (unless otherwise stated). Data for all corporation income tax returns discussed in this article include (unless otherwise stated) the five form types listed above, plus two types filed by domestic corporations: Form 1120-A, *U.S. Corporation Short-Form Income Tax Return*, and Form 1120S, *U.S. Income Tax Return for an S Corporation*. Also included in the corporate total is Form 1120-F, *U.S. Income Tax Return of a Foreign Corporation*, for foreign corporations with income effectively connected with a U.S. trade or business. All of these form types are included in the Statistics of Income Corporate Study, from which FCDC statistics are derived.⁶ However, FCDCs cannot file Forms 1120-A, 1120-F, or 1120S.

Foreign-Controlled Domestic Corporations

Growth of Corporations

The estimated numbers of returns filed by FCDCs have remained rather constant during the 10-year period of 1996-2005. There were 62,141 returns of foreign-controlled domestic corporations for 1996; 61,820 for 2005. With the rapid increase in the total numbers of U.S. corporation income tax returns, FCDCs generally comprised a slowly decreasing percentage of those returns, from 1.3 percent for 1996 down to 1.1 percent for 2005. The increase in total filings of U.S. corporation income tax returns has largely been due to the long-term growth in the num-

⁴ For 2005, there were only 4,950 returns that indicated a level of foreign ownership between 25 percent and 49 percent. These companies reported \$194.3 billion of assets, \$113.2 billion of receipts, \$10.2 billion of taxable income, and \$3.6 billion of total income tax after credits. All of these amounts were small in comparison to data for the corporations with at least 50-percent foreign ownership.

⁵ For the most recent statistics, there are tabulations covering branch operations of foreign corporations with income “effectively connected” with a U.S. trade or business in *Statistics of Income—2005, Corporation Income Tax Returns*, IRS Publication 16. See Tables 10 and 11 of this publication. Statistics for tax years prior to 2005 are available in earlier editions of Publication 16 and on the IRS Internet site at www.irs.gov, under Tax Stats.

⁶ As a result of the Statistics of Income (SOI) sampling process, data shown in this article for “all corporations” exclude certain out-of-scope returns, such as returns for homeowners’ associations (Form 1120-H) and certain political organizations (Form 1120-POL). For a more complete listing of the returns excluded from the SOI corporation sample, see the Description of the Sample and Limitations of the Data section of *Statistics of Income—2005, Corporation Income Tax Returns*. On the other hand, in addition to legally defined corporations, the Internal Revenue Code recognizes many types of businesses as corporations, including joint stock companies and unincorporated associations (e.g., certain partnerships, savings and loan associations, and mutual savings banks). These organizations possess characteristics typical of the corporate form, such as continuity of life, limited liability of owners, and transferability of shares of capital ownership. They filed Forms 1120 and were included in the SOI corporation sample.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

ber of Forms 1120S filed by S corporations. FCDCs are not eligible to elect to be treated as S corporations for Federal income tax purposes.

To the extent that FCDCs filed consolidated income tax returns, the data included in this article actually represent more corporations than the stated number of returns. FCDCs, like most other corporations, could elect to file consolidated returns for affiliated groups of domestic corporations. Consolidated returns contained the combined financial data of two or more corporations in which a common parent corporation owned at least 80 percent of the stock of at least one member of the group, and at least 80 percent of the stock of each other member of the group was owned within the group. A consolidated return filed by a common parent was treated as a unit, with each statistical item being determined on the basis of the combined data of the affiliated group. For 2005, there were 5,736 consolidated returns filed by FCDCs, 9.3 percent of all FCDC returns. These returns accounted for \$8.1 trillion of assets (87.6 percent of the total for all FCDCs), \$3.0 trillion of receipts (86.7 percent of the total), \$148.7 billion of net income less deficits (90.0 percent of the total), \$135.2 billion of taxable income (88.4 percent of the total), and \$37.1 billion of total income tax after credits (87.4 percent of the total).

In contrast to the numbers of returns, the growth of foreign investment in the United States through foreign-controlled domestic corporations during the last 10 years was evident in most of the financial items.⁷ In particular, the percentages of both assets and receipts accounted for by FCDCs increased over the 1996-2005 time period.

The assets of domestic corporations controlled by foreign persons increased by 15.7 percent between 2004 and 2005, as compared to the 10.5-percent increase for the assets reported on all U.S. corporation income tax returns.⁸ As a result of these changes, the percentage of total corporate assets accounted for by FCDCs rose from 13.3 percent for 2004 to 13.9 percent for 2005. Additionally, there was a substantial

rise in FCDC assets during the previous 10 years. The value of FCDC assets increased faster than did the value of assets of other corporations. Thus, the 13.9-percent share of the 2005 total corporate assets is a substantial increase from the 10.6-percent share for 1996 (Figure A).

Total receipts of FCDCs increased by 14.7 percent between 2004 and 2005, as compared to the increase of 12.3 percent for all corporations. Looking at a 10-year time period, the \$3.5 trillion of FCDC receipts for 2005 is a 111.6-percent increase over the \$1.7 trillion for 1996, using “current dollars” (which reflect actual values that prevailed during the specified years, i.e., no adjustments to the values were made to remove the effects of inflationary price changes). In comparison, total receipts reported on all U.S. corporation income tax returns grew from \$15.5 trillion for 1996 to \$25.5 trillion for 2005, a 64.3-percent increase. As a result of the relatively rapid growth rate by FCDCs, their share of the receipts reported on all corporate returns increased from 10.7 percent for 1996 to 13.7 percent for 2005.

The growth of FCDCs can also be measured from the early 1970s, when a question concerning foreign ownership of corporations was first placed on the income tax return. For 1971, the 5,154 FCDCs reported \$36.7 billion of total assets and \$39.2 billion of total receipts. They accounted for just 0.3 percent of the returns, 1.3 percent of the assets, and 2.1 percent of the receipts reported by all corporations for that year (Table 1).

Industry Characteristics

For 2005, foreign-controlled domestic corporations were involved in each of the 19 industrial sectors (treating wholesale trade and retail trade as separate sectors) listed in Figure B. However, 39,930 of the 61,820, nearly two-thirds of the total, had primary business activities in one of the following four industrial sectors: (1) wholesale trade (15,789 returns); (2) real estate and rental and leasing (11,571 returns); (3) manufacturing (7,128 returns); and (4) professional,

⁷ For additional information on foreign investment in the United States, see *Survey of Current Business* reports, produced by the U.S. Department of Commerce, Bureau of Economic Analysis (BEA). BEA periodically produces several articles related to this subject. In addition to the printed versions of these articles, electronic versions can be obtained from the Internet at www.bea.gov/international/index.htm. The data in these reports may not be directly comparable to the information shown in this article because of definitional differences, such as those relating to time periods covered, levels of foreign ownership, and levels of company consolidation.

⁸ The percentage changes in the assets between 2004 and 2005 of domestic corporations controlled by foreign persons, as well as those of all corporations, may overstate the actual “change in investment.” Assets are generally reported at book value on tax returns (i.e., the value at the time of acquisition). The book value of newly acquired assets is generally greater than the book value of similar assets they replaced. New corporations may tend to have a greater percentage of new assets with greater book values. To the extent that new corporations may have comprised a different portion of FCDCs than they did for other companies, the comparability of the two percentages may be limited.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Figure A

Foreign-Controlled Domestic Corporations as a Percentage of All Corporations, Tax Years 1996-2005

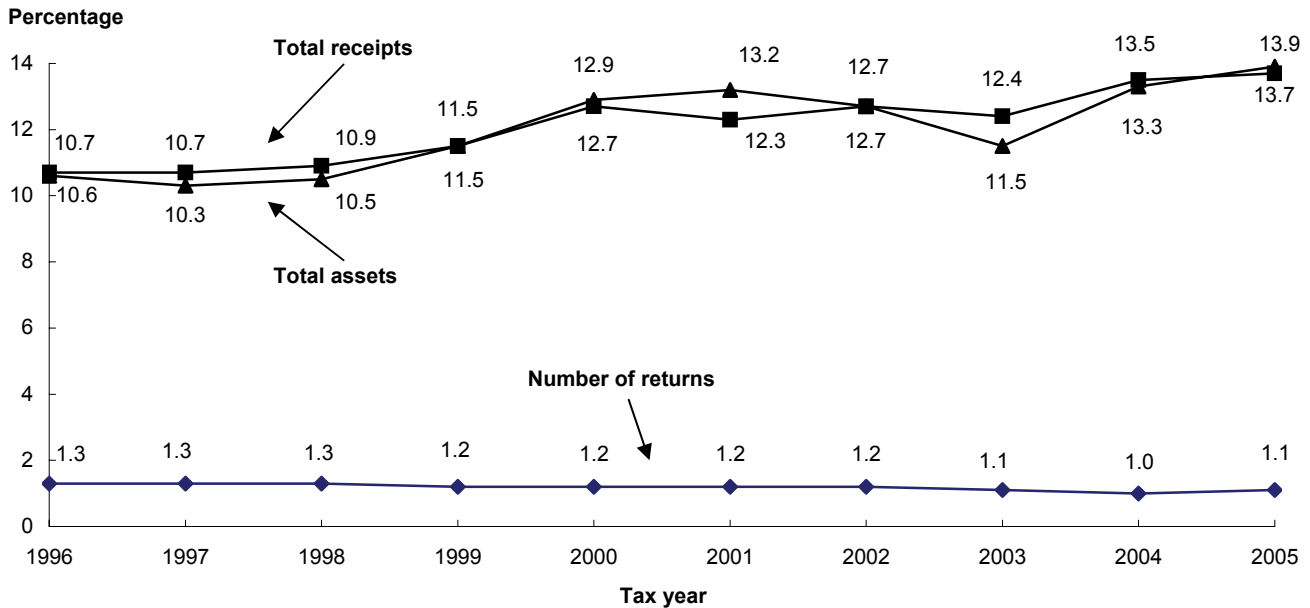


Figure B

Foreign-Controlled Domestic Corporations: Selected Items, by Industrial Sector, Tax Year 2005

[Money amounts are in millions of dollars]

Industrial sector	Returns		Total assets		Total receipts	
	Number	Percentage of total	Amount	Percentage of total	Amount	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)
All industries	61,820	100.00	9,218,983	100.00	3,505,629	100.00
Agriculture, forestry, fishing, and hunting	841	1.36	5,164	0.06	2,598	0.07
Mining	696	1.13	100,708	1.09	46,670	1.33
Utilities	76	0.12	95,959	1.04	40,198	1.15
Construction	2,530	4.09	35,480	0.38	41,876	1.19
Manufacturing	7,128	11.53	2,380,069	25.82	1,659,400	47.34
Wholesale and retail trade	19,388	31.36	526,079	5.71	888,086	25.33
Wholesale trade	15,789	25.54	431,167	4.68	713,321	20.35
Retail trade	3,599	5.82	94,913	1.03	174,765	4.99
Transportation and warehousing	2,510	4.06	50,735	0.55	47,882	1.37
Information	2,256	3.65	309,461	3.36	82,855	2.36
Finance and insurance	2,540	4.11	4,370,039	47.40	436,398	12.45
Real estate and rental and leasing	11,571	18.72	106,071	1.15	25,235	0.72
Professional, scientific, and technical services	5,442	8.80	117,966	1.28	64,546	1.84
Management of companies (holding companies)	2,567	4.15	1,002,966	10.88	85,278	2.43
Administrative and support and waste management and remediation services	1,368	2.21	34,494	0.37	33,765	0.96
Educational services	108	0.17	1,369	0.01	1,180	0.03
Health care and social assistance	369	0.60	22,781	0.25	13,448	0.38
Arts, entertainment, and recreation	737	1.19	5,874	0.06	4,171	0.12
Accommodation and food services	1,110	1.80	49,719	0.54	28,097	0.80
Other services	583	0.94	4,045	0.04	3,947	0.11

NOTES: Detail may not add to totals because of rounding. Percentages are computed using rounded data.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

scientific, and technical services (5,442 returns). By comparison, relatively few FCDCs were involved in educational services (108 returns) or utilities (76 returns). The Data Sources and Limitations section discusses how returns were classified by industry.

Corporations classified as wholesalers accounted for 20.3 percent of the receipts for all FCDCs, a percentage nearly as high as the 25.5 percent of the total returns they comprised. However, these companies reported only 4.7 percent of the total FCDC assets.

Corporations classified in the real estate and rental and leasing industrial sector reported only 1.2 percent of the assets and 0.7 percent of the receipts of all FCDCs. These percentages were both substantially less than the 18.7 percent of the FCDC returns that they filed.

Manufacturing corporations filed 11.5 percent of the FCDC returns for 2005. These capital-intensive goods-producing companies accounted for far greater percentages of the total FCDC assets (25.8 percent) and receipts (47.3 percent). These corporations were often large, with reported average amounts of assets and receipts of \$333.9 million and \$232.8 million, respectively.

Corporations classified in the professional, scientific, and technical services industrial sector reported only 1.3 percent of the assets and 1.8 percent of the receipts of all FCDCs. Both of these percentages are significantly lower than the portion (8.8 percent) of total FCDC returns this services sector represented. This sector is opposite the manufacturing sector in this regard. These service corporations were generally smaller than those in manufacturing, with reported average amounts of assets and receipts of \$21.7 million and \$11.9 million, respectively.

Two additional sectors warrant discussion. While corporations classified in the finance and insurance industrial sector composed only 4.1 percent of the total returns filed by FCDCs for 2005, they accounted for a very large portion of the FCDC assets (47.4 percent). In fact, this was the largest share of the total assets by any of the industrial sectors. Additionally, finance and insurance companies accounted for 12.4 percent of the total FCDC receipts.

Management (or holding) companies contributed a significant portion (10.9 percent) of the FCDC total assets. However, this sector did not account for significant portions of either the number of returns filed by FCDCs, nor the receipts reported by them.

While foreign-controlled domestic corporations accounted for 13.7 percent of the \$25.5 trillion of total receipts reported by all corporations filing U.S. income tax returns for 2005, these companies played disproportionately larger roles in certain industrial sectors. For instance, FCDCs produced substantial portions of the total receipts reported for manufacturing (22.8 percent) and wholesale trade (21.2 percent). Conversely, FCDC involvement in a number of other business activities was relatively low and accounted for a small percentage of the receipts for all companies classified in the following industries: construction (2.9 percent), health care and social assistance (2.5 percent), "other" services (2.1 percent), and agriculture, forestry, fishing, and hunting (1.8 percent). See Figure C.

FCDC industrial data can be tabulated at a more exacting level than those for industrial sectors. In general, sectors are composed of major groups, which in turn are composed of minor industries. For 2005, there were 15 minor industries that each accounted for over \$45 billion of receipts. They were: petroleum manufacturing refineries (\$587 billion), motor vehicles and parts manufacturing (\$289 billion), stock life insurance companies (\$209 billion), motor vehicles and parts wholesalers (\$151 billion), electrical goods wholesalers (\$127 billion), food and beverage retailers (\$95 billion), pharmaceuticals and medicines manufacturing (\$93 billion), securities brokers (\$90 billion), bank holding companies (\$80 billion), furniture and other durable goods wholesalers (\$67 billion), petroleum wholesalers (\$58 billion), professional and commercial equipment wholesalers (\$50 billion), stock property and casualty insurance companies (\$49 billion), metal and mineral wholesalers (\$48 billion), and machinery and equipment wholesalers (\$47 billion). See Figure D.

Companies in different industries often have different financial characteristics. For instance, the relative levels of assets and receipts of companies primarily engaged in wholesale trade differ significantly from those primarily engaged in credit intermediation (e.g., commercial banks, credit card issuers, credit unions, mortgage banks, and savings institutions). FCDC wholesalers produced large amounts of receipts with relatively small amounts of assets (as of the end of their accounting periods), resulting in \$1.65 of receipts for each dollar of assets for 2005. By comparison, credit intermediation companies

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Figure C

Total Receipts of All Corporations and Foreign-Controlled Domestic Corporations, by Industrial Sector, Tax Year 2005

[Money amounts are in millions of dollars]

Industrial sector	Total receipts		
	All corporations	Foreign-controlled domestic corporations	Percentage
	(1)	(2)	(3)
All industries [1]	25,504,789	3,505,629	13.74
Agriculture, forestry, fishing, and hunting	140,749	2,598	1.85
Mining	314,260	46,670	14.85
Utilities	652,930	40,198	6.16
Construction	1,452,509	41,876	2.88
Manufacturing	7,279,555	1,659,400	22.80
Wholesale and retail trade [2]	6,818,435	888,086	13.02
Wholesale trade	3,371,919	713,321	21.15
Retail trade	3,445,760	174,765	5.07
Transportation and warehousing	687,092	47,882	6.97
Information	1,053,251	82,855	7.87
Finance and insurance	3,301,643	436,398	13.22
Real estate and rental and leasing	316,578	25,235	7.97
Professional, scientific, and technical services	855,508	64,546	7.54
Management of companies (holding companies)	895,322	85,278	9.52
Administrative and support and waste management and remediation services	455,333	33,765	7.42
Educational services	34,297	1,180	3.44
Health care and social assistance	531,900	13,448	2.53
Arts, entertainment, and recreation	87,970	4,171	4.74
Accommodation and food services	438,571	28,097	6.41
Other services	188,875	3,947	2.09

[1] Includes "Not allocable," which is not shown separately.

[2] Includes "Wholesale and retail trade not allocable," which is not shown separately.

NOTES: Detail may not add to totals because of rounding. Percentages are computed using rounded data.

reported large amounts of assets, but relatively small amounts of receipts. These FCDCs produced only \$.06 of receipts for each dollar of assets. See Table 2.

Statistics classified by industry do have certain limitations. For example, FCDCs accounted for 22.8 percent and 21.2 percent of the receipts of all companies classified as manufacturers and wholesalers, respectively. However, these percentages may overstate the FCDC portion of wholesaling and understate the FCDC portion of manufacturing. This is because certain U.S. companies (not foreign-controlled) and their subsidiaries may have been involved in both manufacturing and wholesaling of the same product(s) and reported tax information for these activities on a single (consolidated) income tax return, which was statistically classified under the industry of its principal business activity, that being manufacturing, rather than trade. Conversely, many

FCDCs acted as wholesalers in the United States for products manufactured overseas by their parent, or other related, companies. These foreign-controlled domestic companies were classified in the wholesale trade industrial sector. (See the Data Sources and Limitations section for additional information about industrial classification limitations.)

Country Characteristics

Persons (including individuals, corporations, and other entities) resident in any country throughout the world can control U.S. corporations. As reported on the U.S. income tax returns of the foreign-controlled domestic corporations, the countries represent the geographic location of the foreign owner's place of residence in the case of individuals; and place of incorporation, organization, creation, or administration in the case of corporations or other entities. A for-

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Figure D

Foreign-Controlled Domestic Corporations: Selected Items for Largest Minor Industries, Tax Year 2005

[Money amounts are in millions of dollars]

Minor industry	Number of returns	Total assets	Total receipts	Net income (less deficit)	Net income	Income subject to tax	Total income tax after credits	
							Amount	As a percentage of total receipts
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Petroleum refineries, including integrated (manufacturers)	15	1,014,684	587,112	31,106	31,124	30,594	6,876	1.17
Motor vehicles and parts (manufacturers)	793	418,608	289,453	12,900	15,157	11,756	3,019	1.04
Stock life insurance companies	63	1,423,778	208,591	5,006	6,893	5,323	1,327	0.64
Motor vehicles and motor vehicle parts and supplies (wholesalers)	714	102,900	150,555	5,845	6,143	4,361	1,478	0.98
Electrical goods (wholesalers)	1,245	63,782	126,817	1,440	2,131	1,591	385	0.30
Food and beverage stores (retailers)	43	42,803	95,378	2,172	2,211	1,342	450	0.47
Pharmaceutical and medicine (manufacturers)	106	148,761	93,178	11,563	12,030	11,038	3,202	3.44
Securities brokerage	125	1,147,785	89,970	3,404	3,641	2,184	456	0.51
Offices of bank holding companies	30	943,887	79,883	11,979	11,996	11,486	3,437	4.30
Furniture, sports, toys, recycle, jewelry, and other durable goods (wholesalers)	2,704	29,764	67,038	1,025	1,525	1,136	361	0.54
Petroleum and petroleum products (wholesalers)	325	25,808	57,963	2,049	2,150	1,839	629	1.09
Professional and commercial equipment and supplies (wholesalers)	2,281	27,897	49,629	1,420	1,904	1,413	483	0.97
Stock property and casualty insurance companies	114	339,643	48,579	-280	2,969	1,085	355	0.73
Metal and mineral, except petroleum (wholesalers)	360	28,696	47,512	577	1,125	950	309	0.65
Machinery, equipment, and supplies (wholesalers)	2,478	27,007	46,748	1,447	1,668	1,361	458	0.98

NOTES: This figure includes minor industries with at least \$45 billion of total receipts. These industries are listed by decreasing size of total receipts (column 3). Percentages are computed using rounded data.

eign corporation, or a chain of related foreign corporations, is frequently the owner of a U.S. subsidiary corporation. Because a holding company located in a country different from that of the ultimate owner may directly own the stock of a U.S. affiliate, the country reported on the tax return may not necessarily reflect the country of the ultimate owner. No data on the extent of this potential limitation are available. (See the Data Sources and Limitations section of this article for a brief discussion of the possible limitations of the data classified on a country basis.)

For 2005, residents of 40 countries accounted for nearly nine of every ten domestic corporations classified as 50-percent-or-more controlled by a foreign person. The 55,313 corporations controlled by persons resident in the 40 countries shown in Table 3 accounted for nearly all of the total FCDC financial items, including 99.5 percent of total assets, 99.0 percent of total receipts, 98.8 percent of taxable income, and 98.7 percent of total income tax after credits.

Domestic corporations controlled by persons resident in the United Kingdom reported total receipts of \$719 billion for 2005, an amount larger than that

for any other country. These receipts represented 20.5 percent of the total for all FCDCs. As shown in Figure E, the United Kingdom's share of receipts has substantially increased over the 10-year period beginning with 1996.

For 2005, domestic corporations with owners resident in Japan (\$567 billion), Germany (\$445 billion), the Netherlands (\$431 billion), Canada (\$304 billion), France (\$229 billion), and Switzerland (\$157 billion) also accounted for significant amounts of receipts. Of these six countries, Germany's portion of total receipts increased the most between 1996 and 2005 (from 9.6 percent to 12.7 percent), while the portion for Japan decreased the most (from 26.5 percent to 16.2 percent).

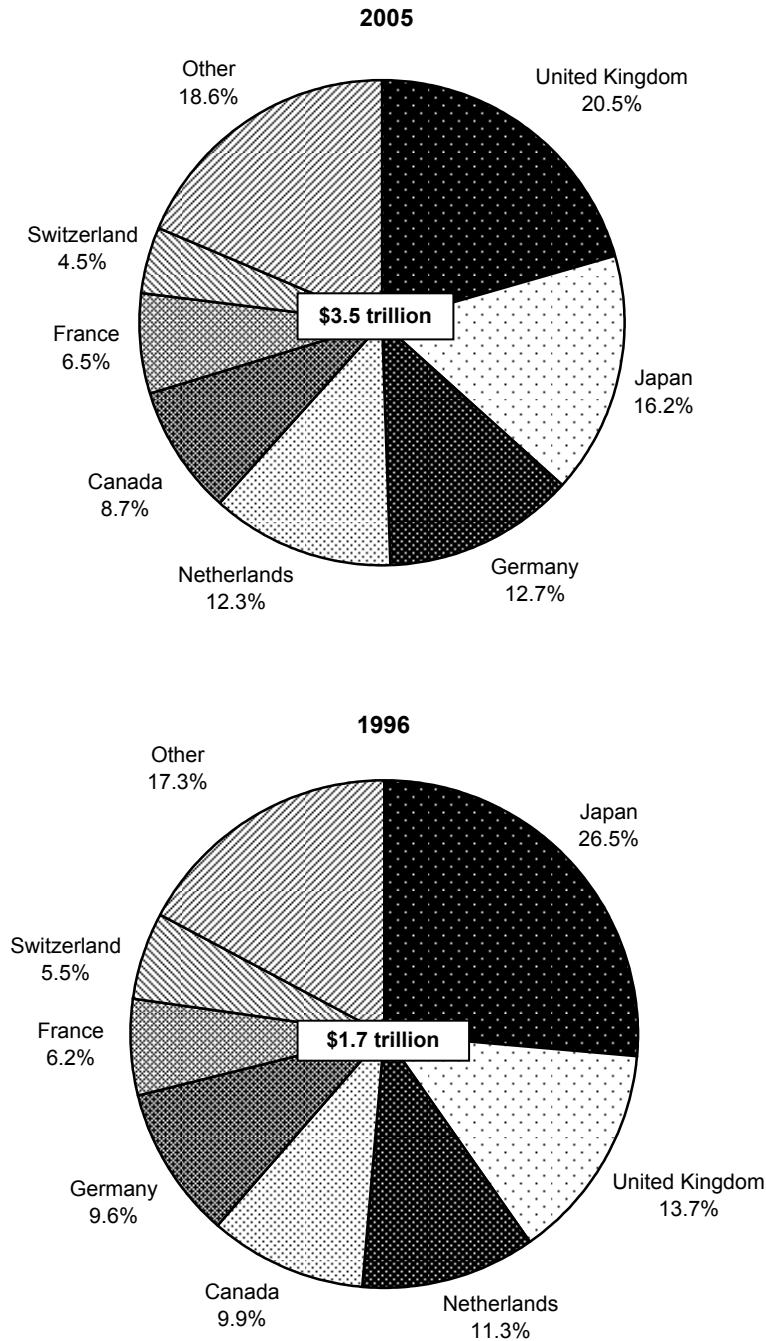
Domestic corporations controlled by persons resident in the United Kingdom accounted for \$2.5 trillion of assets, the largest portion held by any country. Corporations controlled by persons resident in the Netherlands (\$1.4 trillion), Germany (\$1.2 trillion), Canada (\$0.9 trillion), France (\$0.9 trillion), Switzerland (\$0.8 trillion), and Japan (\$0.7 trillion) also accounted for significant amounts of assets.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Figure E

Foreign-Controlled Domestic Corporations: Distribution of Total Receipts by Country of Foreign Owner, Tax Years 1996 and 2005



NOTE: All amounts are in current dollars.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Although U.K.-controlled domestic corporations accounted for the largest part of the total FCDC receipts and assets for 2005, the U.K. was not responsible for the largest number of returns filed for FCDCs. Canadian-controlled domestic corporations filed the most returns, 9,569. Japanese-controlled domestic corporations were second with 4,853 returns; U.K.-controlled domestic corporations were third with 4,281; and German-controlled domestic corporations were fourth with 4,252.

For 2005, U.K.-controlled domestic corporations reported the largest amount of U.S. tax liability (\$11.1 billion). Japanese-controlled corporations, with \$7.8 billion of tax liability, followed. For the U.K.-controlled corporations, tax liabilities were 1.5 percent of the \$0.7 trillion of receipts. Tax liabilities were slightly lower at 1.4 percent of the \$0.6 trillion of receipts for the Japanese-controlled corporations. For all other countries, tax liabilities were 1.1 percent of the \$2.2 trillion of receipts. Many factors, including differences in industrial distributions and age distributions (discussed later in this article), may have caused the resulting differences between countries in calculating tax as a percentage of receipts.

Combined Country and Industry Characteristics

There were some similarities, but also important differences among the primary industrial activities of the corporations with owners from the top seven countries mentioned in the previous section.⁹ For the United Kingdom, manufacturing was the predominant industrial sector with 65.9 percent of the \$719 billion of receipts. More specifically, petroleum and coal products manufacturers produced the most receipts of any major industrial group, accounting for \$362 billion, or 50.3 percent of the country total.

Japanese-controlled corporations were concentrated in two industrial sectors, which produced most of the \$567 billion of receipts: wholesale trade (50.9 percent of the total) and manufacturing (36.9 percent). More specifically, wholesale trade of durable goods was the leading major industrial group, producing 44.6 percent of the total receipts. Japan was the only one of the seven countries in which capital-intensive manufacturing was not the leading industrial sector in producing receipts.

Like those in the United Kingdom, German-controlled corporations were primarily concentrated

in manufacturing with 55.8 percent of the \$445 billion of receipts for that country. More specifically, transportation equipment manufacturers produced the most receipts of any major group, accounting for 30.3 percent of the total. Finance and insurance (14.3 percent) and wholesale trade (13.6 percent) were the other predominant industrial sectors.

For the Netherlands, manufacturing was again the largest industrial sector with 45.1 percent of the total receipts (\$431 billion). This sector was followed by finance and insurance (23.6 percent) and retail trade (13.3 percent). Within manufacturing, petroleum and coal products were the leading industry (with 31.1 percent of total receipts for that country). Insurance carriers reported 21.8 percent of the total receipts. Within the retail trade sector, food, beverage, and liquor stores were the leading industry with 11.2 percent of total receipts for that country.

Canadian-controlled corporations were primarily concentrated in manufacturing with 32.5 percent of the \$304 billion of receipts for that country. This sector was followed by finance and insurance (19.8 percent) and wholesale trade (14.5 percent). Insurance carriers reported 14.9 percent of the total receipts, the only major group in any sector that accounted for at least 10 percent of the total receipts.

France had the same three leading industrial sectors as did Canada, with manufacturers producing 45.0 percent of the \$229 billion of receipts for that country. This was followed by finance and insurance (20.8 percent) and wholesale trade (15.3 percent). More specifically, petroleum and coal products manufacturers produced the most receipts of any major industrial group (14.2 percent of the total), followed by insurance carriers (12.2 percent).

In turn, Switzerland had the same three leading industrial sectors as France. Manufacturing was the predominant sector in the United States for Swiss owners, with 46.3 percent of the \$157 billion of receipts, followed by finance and insurance with 34.7 percent and wholesale trade with 11.8 percent. More specifically, chemical manufacturing was the leading major industry, accounting for 23.2 percent of the total receipts for that country. Other important major industries were businesses that handled securities and commodity contracts and other financial investments (19.0 percent), insurance carriers (15.3 percent), and food manufacturers (11.1 percent).

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Age Characteristics

Table 3 presents data for two groups of FCDCs based on the age of each corporation. A “new” corporation is one with a year of incorporation of 2003 or after reported on its income tax return. An “old” corporation is one incorporated in or prior to 2002, or with an unknown (i.e., unreported) date of incorporation.¹⁰

The year of incorporation may be somewhat unreliable as an indicator of the true age of corporations. For example, a consolidated return may include companies that fall into both the new and old categories. However, the return (including all of the financial information contained in it) was classified into just one of the categories based on the year of incorporation of the parent company. Another example is a reorganization of an existing old corporation into a new corporation that results in it reporting a recent year of incorporation, even though it is an “old” business. An additional limitation is that the year of incorporation is difficult to verify during statistical processing because there are no other items to which it can be compared on a tax return form, and recourse to other sources is not always practical. Thus, it is subject to greater levels of taxpayer reporting and data entry errors.

For 2005, there were 13,548 FCDCs incorporated in 2003 or after. Wholesalers accounted for the greatest portion of these “new” corporations with 4,125 companies, followed by real estate with 2,043 companies and manufacturing with 1,497 companies.

Nearly four out of every five foreign-controlled domestic corporations were incorporated prior to 2003, i.e., considered to be “old” corporations. These corporations tended to be larger than the new corporations, accounting for 95.9 percent of the FCDC assets and 95.1 percent of the receipts.

Old corporations were generally more profitable than the newer corporations. New companies may have had more expenses (including startup costs) relative to receipts than the older companies. For 2005, old corporations reported \$160.2 billion of net profits on \$3.3 trillion of receipts, while new corporations reported \$4.9 billion of net profits on \$0.2 trillion of receipts. Thus, net profits (i.e., net income

less deficit) as a percentage of total receipts were 4.8 percent for old corporations, versus 2.9 percent for new corporations.

As a result of reporting most of the profits, old corporations also accounted for most of U.S. taxable income (95.5 percent) and U.S. tax liabilities (95.4 percent) of all FCDCs. The old corporations had \$40.4 billion of tax liabilities after credits, equaling 1.2 percent of their total receipts. The new corporations had \$2.0 billion of tax liabilities after credits, equaling 1.1 percent of their total receipts.

Receipts, Deductions, and Profits

Total receipts comprises all of the income “actually” received by corporations. (Corporate “constructive” income for tax purposes is discussed below.) These receipts include business receipts, as well as investment and incidental income. Business receipts are gross receipts from sales and operations and frequently make up most of a corporation’s receipts. Investment income includes interest, dividends, and gains on the sale or exchange of both capital and noncapital assets. Interest, in turn, includes both taxable interest from all sources and nontaxable interest on State and local government obligations.

A domestic corporation, whether controlled by a foreign person or not, could have business activities in foreign countries, as well as in the United States. The estimates for total receipts shown in this article include business activities in the United States, as well as certain foreign activities as reported on tax returns of domestic corporations. Total receipts include the receipts of foreign branch operations of U.S. companies. Also included in these receipts are dividends remitted to U.S. corporations by their foreign subsidiaries.

The receipts and deductions of foreign-controlled domestic corporations that are shown in this article do not include amounts generated by their foreign parent or other related foreign companies. However, FCDCs could have had business transactions with their related foreign companies, and FCDC receipts and deductions stemming from these transactions are included in the statistics.¹¹

¹⁰ Dates of incorporation are reported on Form 1120, page 1, question C. Forms 1120L, 1120-PC, 1120-REIT, and 1120-RIC also contain this question in different locations on those forms.

¹¹ For the most recent detailed information on transactions between “foreign-owned domestic corporations” and their related foreign persons, see Jauquet, William P., “Transactions Between Large Foreign-Owned Domestic Corporations and Related Foreign Persons, 2002,” *Statistics of Income Bulletin*, Winter 2005-2006, Volume 25, Number 3. The data contained in that article are not completely comparable to the data contained in this article, since they cover different time periods and are for U.S. corporations that were owned, 25 percent or more, by a foreign person. By contrast, the foreign ownership level used for the FCDC statistics shown in this article was 50 percent or more. Additionally, returns included in the “foreign-owned” study showed total receipts of \$500 million or more and reported transactions with related foreign persons on Form 5472, *Information Return of a 25-Percent Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business*. Neither of these conditions was a requirement for inclusion in the FCDC study.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

An FCDC that transacts business with a related foreign company must determine “transfer prices” for those transactions. These transactions include the sale and purchase of tangible goods, fees for services, interest payments on debts, leasing expenses, and royalties. How transfer prices are determined for these transactions may affect the amount of profits (i.e., net income or deficit), taxable income, and taxes reported on the U.S. income tax return of an FCDC. Section 482 of the Internal Revenue Code, and the related regulations, provide guidance in determining transfer prices. In general, the objective is to use “arm’s length prices,” which means prices that would be used for transactions between independent enterprises and determined by market forces.

Over 87.2 percent of the \$3.5 trillion of total receipts reported by domestic corporations controlled by a foreign person consisted of “business receipts” (i.e., receipts from sales and operations). These same companies reported \$3.3 trillion of total deductions. Cost of goods sold was 67.0 percent of that total. (See “business receipts” and “cost of goods sold” in the Explanation of Selected Terms section.) Complete income statement statistics of FCDCs are shown in Tables 24 and 25 of *Statistics of Income—2005, Corporation Income Tax Returns*.

It is noteworthy to look at the “gross profit” of FCDCs. Gross profit is the difference between business receipts and cost of goods sold. Two important industrial sectors for FCDCs, manufacturing and wholesale trade, accounted for most of the reported amounts of business receipts and cost of goods sold. In manufacturing, all FCDCs reported \$.78 of cost of goods sold for every dollar of business receipts, while the amount was \$.71 for all other corporations classified in this sector. Thus, FCDCs had smaller gross profits than other corporations, \$.22 compared to \$.29 for every dollar of business receipts. In wholesale trade, all FCDCs reported \$.82 of cost of goods sold for every dollar of business receipts. The

amount was the same (\$.82) for all other corporations classified in this sector. As a result, FCDCs and other corporations had similar gross profits, \$.18 for every dollar of business receipts.

Total receipts less total deductions for FCDCs equaled \$160.5 billion for 2005. By comparison, net income (less deficit) amounted to \$165.2 billion. The statistics for total receipts less total deductions include all income actually received by corporations, while the statistics for net income (less deficit) focus on taxable sources of corporate income, including “constructive” taxable income. Thus, unlike total receipts less total deductions, net income (less deficit) includes two items of constructive taxable income from related foreign corporations, and excludes nontaxable interest on State and local government obligations.¹² The two items of constructive taxable income from related foreign corporations are includable income from foreign corporations owned by U.S. shareholders and foreign dividend gross-up. (See “constructive taxable income from related foreign corporations” in the Explanation of Selected Terms section.) For 2005, FCDCs reported \$6.4 billion of constructive taxable income, and received \$1.6 billion of nontaxable interest on State and local government obligations.

Net income (less deficit) for foreign-controlled domestic corporations increased substantially from the \$90.8 billion for 2004, to \$165.2 billion for 2005. In context, net income (less deficit) reported on all corporation income tax returns also increased between 2004 and 2005, from \$1.1 trillion to \$1.9 trillion.

The \$165.2 billion of total FCDC net income (less deficit) were the result of 30,870 corporations collectively reporting \$201.6 billion of positive net income and 30,950 companies reporting \$36.4 billion of deficits.¹³ Thus, nearly one out of every two domestic corporations with foreign owners reported a positive net income for 2005. In comparison, 58.6

¹² In general, the computation of net income (less deficit) can be shown as follows:

Begin With: Total Receipts

(Includes Business Receipts)

Less: Total Deductions

(Includes Cost of Goods Sold)

Equals: Total Receipts Less Total Deductions

Plus: Constructive Taxable Income from Related Foreign Corporations

(Includes Includable Income from Controlled Foreign Corporations and Foreign Dividend Gross-Up)

Less: Nontaxable Interest on State and Local Government Obligations (Included in Total Receipts, above)

Equals: Net Income (Less Deficit)

¹³ The 30,950 companies reporting a deficit may include a small number of “break-even” companies, i.e., those whose receipts and deductions were equal.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

percent of all corporations filing U.S. income tax returns for the same year reported a positive net income.

The percentage of FCDCs reporting positive net income varied greatly among the different industrial groups. At the industrial sector level, the portion reporting positive net income ranged from a low of 12.0 percent for educational services, to a high of 85.5 percent for arts, entertainment, and recreation. For the more predominant sectors of FCDCs, the percentages of profitable companies were 57.1 percent for manufacturing and 52.7 percent for wholesale trade.

The \$36.4 billion of deficits for 2005 could be carried back or forward to other tax years, under prescribed rules, to reduce the taxable income of those years (see “net operating loss deduction” in the Explanation of Selected Terms section). When a company carried back a deficit to a previous tax year, it could file either Form 1120X, *Amended U.S. Corporation Income Tax Return*, or Form 1139, *Corporation Application for Tentative Refund*. Net operating losses carried back to Tax Year 2005 from 2006 and beyond, reported on Forms 1120X and 1139, are not included in the statistics shown in this article. However, NOLs carried forward to Tax Year 2005 from prior years are included in the statistics and discussed in the next section.

Taxable Income and Taxes

For most corporations, taxable income (i.e., “income subject to tax”) is generally equal to positive net income less statutory special deductions.¹⁴ Statutory special deductions include deductions for net operating loss (NOL) carryovers from prior years and the special deductions for dividends and other corporate attributes allowed by the Internal Revenue Code. For 2005, the difference between the \$201.6 billion of positive net income and \$153.0 billion of taxable income was, for the most part, the result of statutory special deductions. The net operating loss deduction was \$29.9 billion and accounted for 61.0 percent of the \$49.0 billion of total statutory special deductions. In calculating taxable income for 2005, FCDCs reduced their positive net incomes by 14.8 percent using NOLs carried over from prior years.

For 2005, foreign-controlled domestic corporations reported \$153.0 billion of taxable income. This was the base on which \$53.1 billion of income tax were computed. The \$53.8 billion of total income tax before credits reported by FCDCs consisted primarily of the income tax, plus the alternative minimum tax and certain other taxes. The alternative minimum tax was \$0.7 billion, and the remaining taxes comprised a very small part of the total.

Tax credits totaling \$11.4 billion reduced the U.S. income tax liability of foreign-controlled domestic corporations from \$53.8 billion to \$42.4 billion for 2005. The largest credits claimed were \$8.1 billion of foreign tax credits, \$2.4 billion of general business credits, and \$0.8 billion of prior-year minimum tax credits. The \$42.4 billion of total U.S. income tax after credits represent the tax liability as originally reported by taxpayers. However, this amount may differ from the actual income tax collected and the final income tax liability of corporations for Tax Year 2005. The originally reported tax liability does not take into account either of the following possible changes: (1) amended returns filed by the corporations, or (2) adjustments made by IRS as a result of tax examination or enforcement activities. Among other reasons, corporations could file amended returns to use carryback provisions for net operating losses and unused foreign tax and general business credits.

The percentage of FCDCs reporting U.S. tax liabilities (i.e., total income tax after credits) for 2005 was 34.6 percent, up slightly from 34.1 percent reported for the previous year. However, the amount of tax liability reported by FCDCs increased to \$42.4 billion for 2005 from \$29.9 billion for 2004, a 41.7-percent increase.

The “Largest” Foreign-Controlled Domestic Corporations

This article defines the largest companies as those with at least \$250 million of total assets, or those that produced at least \$50 million of business receipts. Within the finance and insurance, and management of companies (holding companies) industrial sectors,

¹⁴ There were certain exceptions to the relationship of positive net income minus statutory special deductions equaling taxable income. First, in some cases, the statutory special deductions for dividends received and for dividends paid on certain preferred stock of public utilities exceeded net income. Second, the tax bases of S corporations and life insurance companies were not defined as net income less statutory special deductions. Rather, these types of corporations computed taxable income using special provisions of the Internal Revenue Code. Also, regulated investment companies and real estate investment trusts generally passed their net incomes on to be taxed at the shareholder level; but any taxable amounts not distributed were included in income subject to tax.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

total receipts were used in place of business receipts for selecting the largest companies.

Both size of assets and size of receipts were used to select the largest companies in order to ensure adequate coverage of all industries. As previously discussed, financial structure varies across industries. For instance, companies classified in wholesale trade generally report large amounts of receipts compared to their end-of-year assets. By comparison, credit intermediation corporations generally report large amounts of assets compared to their receipts. If either assets or receipts were used exclusively to select the largest companies, then the largest companies in one of these industrial groups would have been underrepresented in comparison to the other group.

Table 4 shows that there were 19,038 large domestic corporations for 2005. (See the discussion on returns excluded from Table 4, below.) Of this total, foreign persons controlled 3,790 corporations, or 19.9 percent. This percentage is remarkably larger than the 1.1 percent that FCDCs accounted for of all corporations, regardless of size.

The 3,790 large foreign-controlled domestic corporations comprised just 6.1 percent of the number of income tax returns filed by FCDCs. However, these large companies accounted for the majority of the key FCDC financial items, reporting 95.1 percent of the total assets, 94.6 percent of the total receipts, 93.7 percent of the taxable income, and 92.7 percent of the total income tax after credits, of all FCDCs.

There were 15,248 large domestic corporations that did not have controlling foreign owners for 2005. Similar to FCDCs, these large companies also accounted for a small portion of the total number of income tax returns filed by domestic corporations without foreign owners, but did comprise a significant portion of the key financial items (total assets, total receipts, etc.) of this group of returns.

The largest domestic corporations are primarily “old” corporations, with incorporation dates prior to 2003. Of the 3,790 large FCDCs contained in the Tax Year 2005 study, 89.6 percent were old corporations. Large ODCs were similar to the FCDCs in this respect, with old corporations accounting for 89.3 percent of this group of 15,248 corporations. See Figures F1 and F2.

The largest companies generally report profits that are greater than those of the rest of the companies. For 2005, the largest FCDCs reported net prof-

its of \$158.0 billion, 4.8 percent of the companies’ receipts. The smaller FCDCs reported net profits of \$7.2 billion, 3.8 percent of the companies’ receipts.

Table 4 shows data for the largest FCDCs apportioned by industrial sectors. This table also contains data for large domestic corporations that were not foreign-controlled. These “other domestic corporations” (ODCs) were not foreign-controlled or owned (i.e., they were either owned by domestic persons, or no separate foreign person owned 25 percent or more of the corporation’s stock). This definition of other large domestic corporations is used throughout this article, including the data shown in Figures F through H. Thus, domestic corporations with a foreign person who owned between 25 percent and 49 percent of the corporation’s stock are not included in either of the two groups shown in Figures F through H, and Table 4. These corporations are identified from Schedule K of Form 1120 during Statistics of Income processing. However, they are neither FCDCs nor ODCs, as defined.

Data for domestic corporations that filed Forms 1120-REIT (real estate investment trusts), 1120-RIC (regulated investment companies), and 1120S (S corporations) are excluded from the comparisons between large FCDCs and other large domestic corporations shown in Figures F through H, and Table 4. (However, returns filed on these forms are included in the data of other figures and tables contained in this article, as appropriate.) While corporations filing these income tax returns report their incomes, they generally have little or no tax liabilities. Through separate special provisions of the Internal Revenue Code applicable to each of these types of corporations, the incomes of these corporations are generally taxed at the shareholder level. The Explanation of Selected Terms section discusses in greater detail the nature of real estate investment trusts (REITs), regulated investment companies (RICs), and S corporations.

Industry Characteristics

The industrial makeup of the largest foreign-controlled domestic companies is somewhat different from that of other domestic corporations. For 2005, 37.4 percent of the largest FCDCs were classified as manufacturers, while manufacturers made up just 21.6 percent of the largest domestic companies that were not foreign-controlled. Similarly, wholesalers

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Figure F1

"Large" Foreign-Controlled Domestic Corporations: Selected Items and Percentages, by Total Income Tax After Credits as a Percentage of Total Receipts, Tax Year 2005

[Money amounts are in millions of dollars]

Percentage of total income tax after credits divided by total receipts	All returns			Returns of "old" corporations		Total assets		Total receipts	
	Number	Percentage of total	Cumulative percentage	Number	Percentage of all returns	Amount	Average	Amount	Average
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Total	3,790	100.0	N/A	3,396	89.6	8,767,910	2,313	3,317,476	875
Percentage of total income tax after credits divided by total receipts:									
Zero total receipts	4	0.1	0.1	d	d	1,429	357	0	0
Zero percent	1,062	28.0	28.1	933	87.9	1,113,420	1,048	532,674	502
Greater than zero and under 0.5 percent	1,106	29.2	57.3	1,037	93.8	3,130,522	2,830	1,068,417	966
0.5 percent under 1.0 percent	367	9.7	67.0	326	88.8	1,761,862	4,801	639,604	1,743
1.0 percent under 1.5 percent	251	6.6	73.6	229	91.2	288,238	1,148	206,177	821
1.5 percent under 2.0 percent	224	5.9	79.5	212	94.6	579,810	2,588	329,284	1,470
2.0 percent under 3.0 percent	272	7.2	86.7	254	93.4	399,550	1,469	238,797	878
3.0 percent under 4.0 percent	165	4.4	91.1	149	90.3	460,597	2,791	128,121	776
4.0 percent under 5.0 percent	87	2.3	93.4	77	88.5	247,846	2,849	54,700	629
5.0 percent under 7.5 percent	103	2.7	96.1	98	95.1	411,940	3,999	70,654	686
7.5 percent under 10.0 percent	59	1.6	97.6	d	d	137,713	2,334	24,396	413
10.0 percent or more	90	2.4	100.0	81	90.0	234,983	2,611	24,652	274

Percentage of total income tax after credits divided by total receipts	Total deductions	Total receipts less total deductions	Net income (less deficit)			Income subject to tax	Total income tax		
			Total	Net income	Deficit		Before credits	After credits	
			(12)	(13)	(14)			Amount	Average
(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	
Total	3,164,170	153,306	157,959	181,513	-23,554	143,404	50,538	39,304	10
Percentage of total income tax after credits divided by total receipts:									
Zero total receipts	0	0	0	0	0	0	0	0	0
Zero percent	552,870	-20,196	-19,905	3,363	-23,268	1,092	310	0	0
Greater than zero and under 0.5 percent	1,031,690	36,725	38,475	38,758	-283	15,192	5,428	1,973	2
0.5 percent under 1.0 percent	611,164	28,440	29,926	29,929	-3	26,087	9,249	5,521	15
1.0 percent under 1.5 percent	194,669	11,508	11,502	11,502	0	9,906	3,487	2,549	10
1.5 percent under 2.0 percent	310,151	19,133	18,814	18,814	0	17,766	6,222	5,855	26
2.0 percent under 3.0 percent	217,401	21,397	21,818	21,818	0	19,703	6,893	5,962	22
3.0 percent under 4.0 percent	113,538	14,583	15,267	15,267	0	14,534	5,081	4,511	27
4.0 percent under 5.0 percent	46,273	8,427	8,466	8,466	0	7,352	2,570	2,462	28
5.0 percent under 7.5 percent	56,563	14,091	14,333	14,333	0	13,307	4,836	4,315	42
7.5 percent under 10.0 percent	17,444	6,953	6,929	6,929	0	6,302	2,205	2,064	35
10.0 percent or more	12,407	12,245	12,334	12,334	0	12,163	4,257	4,092	45

N/A—Not applicable.

d—Not shown to avoid disclosure of information about specific corporations. However, data are included in the appropriate totals.

NOTES: "Large" corporations are those with total assets of \$250,000,000 or more, and/or with business receipts of \$50,000,000 or more (total receipts are used in lieu of business receipts for the finance and insurance, and management of companies sectors). "Old" corporations were those with dates of incorporation prior to 2003, or with unknown dates of incorporation. Data exclude Forms 1120-REIT (real estate investment trusts), 1120-RIC (regulated investment companies), and 1120S (S corporations). Data also exclude returns in which the foreign ownership level is between 25 percent and 49 percent. Detail may not add to totals because of rounding.

were a larger share of the FCDCs (28.0 percent) than of the other large domestic corporations (14.5 percent). Conversely, 13.2 percent of the largest ODCs were classified in finance and insurance, while this sector made up just 8.1 percent of the largest FCDCs. Retailers accounted for 11.4 percent of the largest domestic companies that were not foreign-controlled, while only 3.4 percent of the largest FCDCs were similarly classified. See Figure G for other differ-

ences in the industrial makeup of these two groups of corporations.

FCDCs accounted for 32.4 percent of large wholesalers, 30.1 percent of large manufacturers, 28.5 percent of large real estate and rental/leasing companies, and 25.4 percent of large mining companies. By contrast, just 9.2 percent of large construction companies, 6.8 percent of large retailers, 6.0 percent of large management (holding) companies, and

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Figure F2

"Large" Domestic Corporations Not Foreign Controlled: Selected Items and Percentages, by Total Income Tax After Credits as a Percentage of Total Receipts, Tax Year 2005

[Money amounts are in millions of dollars]

Percentage of total income tax after credits divided by total receipts	All returns			Returns of "old" corporations		Total assets		Total receipts	
	Number	Percentage of total	Cumulative percentage	Number	Percentage of all returns	Amount	Average	Amount	Average
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Total	15,248	100.0	N/A	13,612	89.3	41,072,862	2,694	13,657,411	896
Percentage of total income tax after credits divided by total receipts:									
Zero total receipts	7	[1]	[1]	d	d	3,780	540	0	0
Zero percent	3,708	24.3	24.4	3,251	87.7	3,579,316	965	1,743,214	470
Greater than zero and under 0.5 percent	4,179	27.4	51.8	3,972	95.0	6,559,800	1,570	2,809,968	672
0.5 percent under 1.0 percent	1,371	9.0	60.8	1,261	92.0	2,185,509	1,594	1,698,700	1,239
1.0 percent under 1.5 percent	994	6.5	67.3	929	93.5	3,853,403	3,877	1,198,837	1,206
1.5 percent under 2.0 percent	719	4.7	72.0	663	92.2	5,874,611	8,171	1,704,746	2,371
2.0 percent under 3.0 percent	1,022	6.7	78.7	947	92.7	4,206,322	4,116	1,847,640	1,808
3.0 percent under 4.0 percent	690	4.5	83.2	659	95.5	4,207,295	6,098	975,975	1,414
4.0 percent under 5.0 percent	512	3.4	86.6	d	d	5,556,514	10,853	872,047	1,703
5.0 percent under 7.5 percent	950	6.2	92.8	897	94.4	2,437,478	2,566	462,254	487
7.5 percent under 10.0 percent	574	3.8	96.6	554	97	1,541,460	2,685	199,058	347
10.0 percent or more	522	3.4	100.0	479	91.8	1,067,374	2,045	144,972	278

Percentage of total income tax after credits divided by total receipts	Total deductions	Total receipts less total deductions	Net income (less deficit)			Income subject to tax	Total income tax		
			Total	Net income	Deficit		Before credits	After credits	
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Total	12,551,699	1,105,712	1,187,940	1,283,601	-95,661	970,476	341,713	248,097	16
Percentage of total income tax after credits divided by total receipts:									
Zero total receipts	23	-23	-21	2	-23	0	0	0	0
Zero percent	1,824,859	-81,644	-73,401	18,067	-91,467	9,693	3,336	0	0
Greater than zero and under 0.5 percent	2,696,867	113,102	130,163	134,099	-3,937	52,548	19,425	4,359	1
0.5 percent under 1.0 percent	1,620,646	78,053	90,222	90,383	-161	61,688	21,925	12,739	9
1.0 percent under 1.5 percent	1,114,651	84,186	88,138	88,141	-3	60,275	21,211	15,170	15
1.5 percent under 2.0 percent	1,547,475	157,271	170,501	170,501	0	145,622	51,137	29,888	42
2.0 percent under 3.0 percent	1,616,835	230,805	246,891	246,891	0	171,501	59,952	45,587	45
3.0 percent under 4.0 percent	828,517	147,457	148,705	148,731	-27	120,099	42,506	34,665	50
4.0 percent under 5.0 percent	715,262	156,785	166,926	166,968	-41	140,522	49,195	39,155	76
5.0 percent under 7.5 percent	363,094	99,160	100,509	100,509	0	94,874	33,205	28,690	30
7.5 percent under 10.0 percent	142,176	56,882	55,904	55,906	-2	52,672	18,450	17,364	30
10.0 percent or more	81,294	63,678	63,403	63,403	0	60,982	21,371	20,480	39

N/A—Not applicable.

d—Not shown to avoid disclosure of information about specific corporations. However, data are included in the appropriate totals.

[1] Less than 0.05 percent.

NOTES: "Large" corporations are those with total assets of \$250,000,000 or more, and/or with business receipts of \$50,000,000 or more (total receipts are used in lieu of business receipts for the finance and insurance, and management of companies sectors). "Old" corporations were those with dates of incorporation prior to 2003, or with unknown dates of incorporation. Data exclude Forms 1120-REIT (real estate investment trusts), 1120-RIC (regulated investment companies), and 1120S (S corporations). Data also exclude returns in which the foreign ownership level is between 25 percent and 49 percent. Detail may not add to totals because of rounding.

3.9 percent of large health care and social assistance corporations were FCDCs.

Table 4 presents industrial sector-level data for the largest domestic corporations, both foreign- and nonforeign-controlled. Column 43 of this table shows the percentage of returns that reported profits (i.e., positive net income). While 75.3 percent of

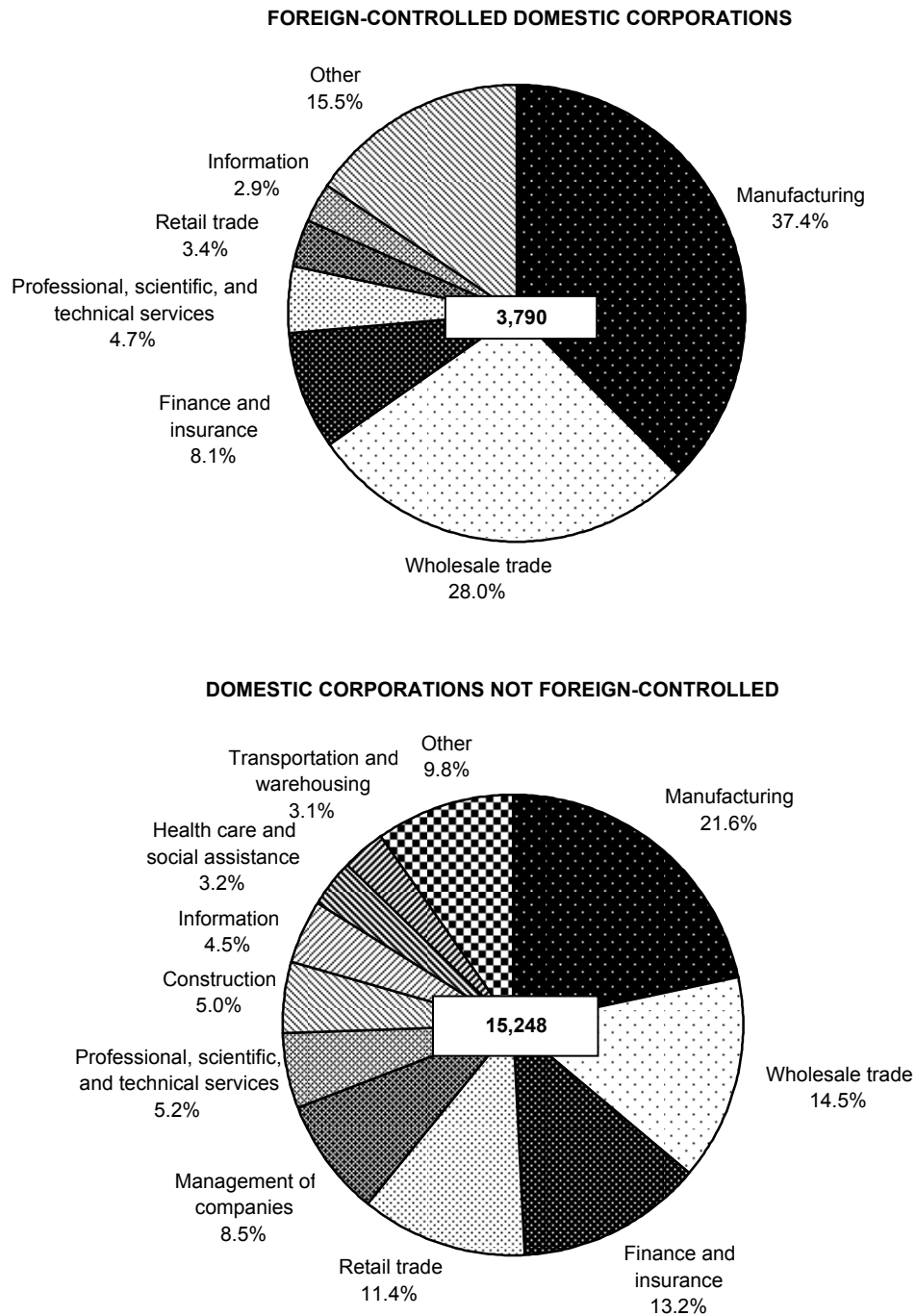
large FCDCs reported profits, 78.3 percent of other large domestic corporations were similarly profitable. There are 19 different industrial sectors shown in the table, treating wholesale trade and retail trade as separate sectors. Because of disclosure considerations, percentages have been suppressed for two FCDC sectors. Of the 17 remaining industrial sectors, other

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Figure G

Distribution of Returns by Industry for "Large" Foreign-Controlled and Other Domestic Corporations, Tax Year 2005



NOTES: "Large" corporations are those with total assets of \$250,000,000 or more, and/or with business receipts of \$50,000,000 or more. (Total receipts are used in lieu of business receipts for the finance and insurance, and management of companies sectors.) Data exclude Forms 1120-REIT (real estate investment trusts), 1120-RIC (regulated investment companies), and 1120S (S corporations). Data also exclude returns in which the foreign ownership level is between 25 percent and 49 percent.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

domestic corporations (ODCs) had higher percentages of profitable companies in 11 sectors. Caution should be used when comparing the percentages for a given sector because not all differences between the percentages are statistically significant. Within each group of corporations, the percentage of corporations that reported a profit varied substantially across the industrial sectors. For this reason, it is important to compare the two types of corporations for a specific industry, rather than for all industries. This will be discussed later in this article, specifically looking at the two key industrial sectors for FCDCs: manufacturing and wholesale trade.

Column 57 of Table 4 shows the ratio of net income (less deficit) to total receipts. Overall, net income (less deficit) as a percentage of receipts for large FCDCs (4.8 percent) was considerably smaller than for ODCs (8.7 percent). Within each group of corporations, the ratio of profits to receipts varied across the industrial sectors. Other domestic corporations had higher ratios of net income (less deficit) to receipts than FCDCs in 14 out of 19 industrial sectors.

Net profits (i.e., net income (less deficit)) is one of the key factors that affect the amount of retained earnings of corporations. Columns 12-14 of Table 4 show corporate total, appropriated, and unappropriated retained earnings, respectively. The amounts of retained earnings were reported in the end-of-year balance sheets of the corporations' books of account. They represent earnings and profits of the corporations retained from normal and discontinued operations of previous years, as well as "extraordinary" gains and losses, and prior period adjustments. The amounts are also after reductions for dividends and distributions made to stockholders. (For a more extensive discussion of retained earnings, see *Statistics of Income—2005, Corporation Income Tax Returns*.) Appropriated retained earnings were earnings set aside for specific purposes, such as reserves for plant expansion or bond retirements, and not available for distribution to stockholders. For 2005, the largest FCDCs reported a *negative* \$23.5 billion of total retained earnings, while other large domestic corporations reported \$3.4 trillion of *positive* retained earnings. Retained earnings is a component of net worth

and thus affects the ratio of net income (less deficit) to net worth, which is shown in column 56 of Table 4.

The ratio of taxable income (i.e., "income subject to tax") to total receipts is shown in column 61 of Table 4. This ratio, unlike the ratio of net income (less deficit) to total receipts discussed earlier, excludes deficits, and includes the amount of statutory special deductions reported on tax returns.

FCDCs generally had lower ratios of taxable income to receipts than those of other domestic corporations, 4.3 percent for FCDCs versus 7.1 percent for ODCs for all industries. For each group of large corporations, the ratio of taxable income to receipts varied among the different industrial sectors. Of the 17 different industrial sectors shown in the table (data for two FCDC sectors have been suppressed), ODCs had higher taxable income as a percentage of receipts in 13 sectors.

Table 4 also includes the ratio of total U.S. income tax after credits to total receipts (column 64). The total income tax after credits reported by both FCDCs (\$39.3 billion) and ODCs (\$248.1 billion) represents the tax liability of these companies as reported on their originally filed U.S. income tax returns (see column 42).

In using total income tax after credits as a percentage of total receipts, it should also be noted that a small portion of total income tax after credits (for example, the tax recapture of prior-year investment credits) does not relate to the current-year total receipts reported by corporations. However, this is not considered to be a major limitation in using the percentage because the regular income tax and the alternative minimum tax represented about 99 percent or more of the total income tax for both FCDCs and ODCs.

The ratio of tax to receipts shown in column 64 of Table 4 takes into account only the U.S. tax liabilities of the corporations. Additional data would be required to examine the worldwide tax liabilities of the corporations, which are beyond the scope of this article.¹⁵

Before looking at total income tax after credits for specific industries, it is useful to examine the amount of tax liability as a percentage of the total re-

¹⁵ One focus of this article is U.S. total income tax after credits. The reader might choose to focus instead on total worldwide taxes, which may be approximated by adding the foreign tax credits claimed by corporations to the U.S. tax liabilities (i.e., total income tax after credits) of these corporations. There are limitations in using this procedure, and the foreign tax credit only approximates the foreign tax liabilities of the corporations. Table 4 shows amounts of foreign tax credits in addition to U.S. total income tax after credits. For the most recent statistics covering corporate foreign tax credits in depth, see Luttrell, Scott, "Corporate Foreign Tax Credit, 2004," in this issue of the *Statistics of Income Bulletin* (Summer 2008, Volume 28, Number 1). In addition, foreign tax credit data are included on the IRS Internet site at www.irs.gov, under Tax Stats.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

ceipts for all large domestic corporations. Figures F1 and F2 present such data classified by 12 categories of this percentage. For 2005, Figure F1 shows that large FCDCs reported \$39.3 billion of total income tax after credits, 1.2 percent of their total receipts. Column 3 of Figure F1 shows that 28.1 percent of FCDCs had no U.S. tax liabilities, that 67.0 percent of the companies had tax liabilities of less than 1.0 percent of their receipts, and that 91.1 percent of the companies had tax liabilities of less than 4.0 percent of their receipts. By comparison, Figure F2 shows that large domestic corporations not foreign-controlled reported \$248.1 billion of total income tax after credits, 1.8 percent of their total receipts. For these companies, 24.4 percent had no tax liabilities, 60.8 percent had tax liabilities of less than 1.0 percent of their receipts, and 83.2 percent had tax liabilities of less than 4.0 percent of their receipts.

FCDCs claimed smaller amounts of credits than ODCs in relative terms. For 2005, large FCDCs claimed \$11.2 billion of credits, equaling 22.2 percent of their income tax liabilities before credits. Other large domestic corporations claimed \$93.6 billion of credits for the same tax year, equaling 27.4 percent of their income tax liabilities before credits. The largest credit claimed by each group of corporations was the foreign tax credit, \$7.9 billion by large FCDCs and \$72.5 billion by other large domestic corporations.

Overall, while large FCDCs reported average tax liabilities after credits of \$1.18 per \$100 of receipts (or 1.2 percent), other domestic corporations reported tax liabilities after credits of \$1.82 per \$100 of receipts (or 1.8 percent). Of the 17 different industrial sectors shown in Table 4 (data for two FCDC sectors have been suppressed), ODCs had higher tax to receipts ratios in 13 sectors.

Table 4 highlights once again the differences in financial characteristics of different industries. For instance, looking at large FCDCs, finance and insurance companies have a slightly higher ratio of net income (less deficit) to receipts (3.6 percent) than do wholesalers (3.4 percent); see column 57. However, when total assets are used as the denominator in place of total receipts (column 55), the difference is substantial and reversed (the largest FCDCs in finance and insurance have a 0.4 percentage, and those in wholesale trade have a 5.5 percentage). Because the distribution of industrial activities based on principal businesses is not the same for the largest

FCDCs as it is for ODCs, this, again, illustrates the importance of comparing the two groups of corporations on an industrial basis. This article will now look at two specific industrial sectors that are important to FCDCs: manufacturing and wholesale trade.

Manufacturing was a significant industrial sector for large FCDCs, accounting for nearly one-half of the total receipts of the group of corporations. Both large FCDCs and ODCs were primarily “old” corporations; 89.8 percent of FCDCs and 91.0 percent of ODCs were incorporated before 2003. Large ODC manufacturers had higher percentages than those of large FCDC manufacturers in each of the four calculations previously discussed. Specifically, the percentage of ODCs in this industrial sector that reported positive profits was higher, but somewhat similar to that for the FCDCs, 74.5 percent and 72.5 percent, respectively (see column 43 of Table 4). Looking at the actual amounts of those positive profits and also accounting for losses reported by the remaining companies, the percentage of net income (less deficit) to total receipts was significantly higher for ODCs, 11.8 percent, than it was for FCDCs, 5.1 percent (see Figure H and column 57 of Table 4). Similarly, large manufacturing ODCs reported taxable incomes of 7.7 percent of their receipts, while the percentage for FCDCs was smaller at 4.7 percent (see column 61 of Table 4). The ratios of total income tax after credits to total receipts for ODCs and FCDCs were 1.4 percent and 1.2 percent, respectively (see column 64 of Table 4). The similarity of these tax to receipts ratios is partially explained by the difference in the amounts of credits that the two groups of corporations reported. ODCs reported larger credits than did the FCDCs, thereby reducing their postcredit tax liabilities by a larger portion. ODCs reported credits equaling 46.8 percent of their precredit income tax liabilities. For FCDCs, the percentage was substantially less, at 28.3 percent. For both groups of corporations, foreign tax credits accounted for most of the total credits.

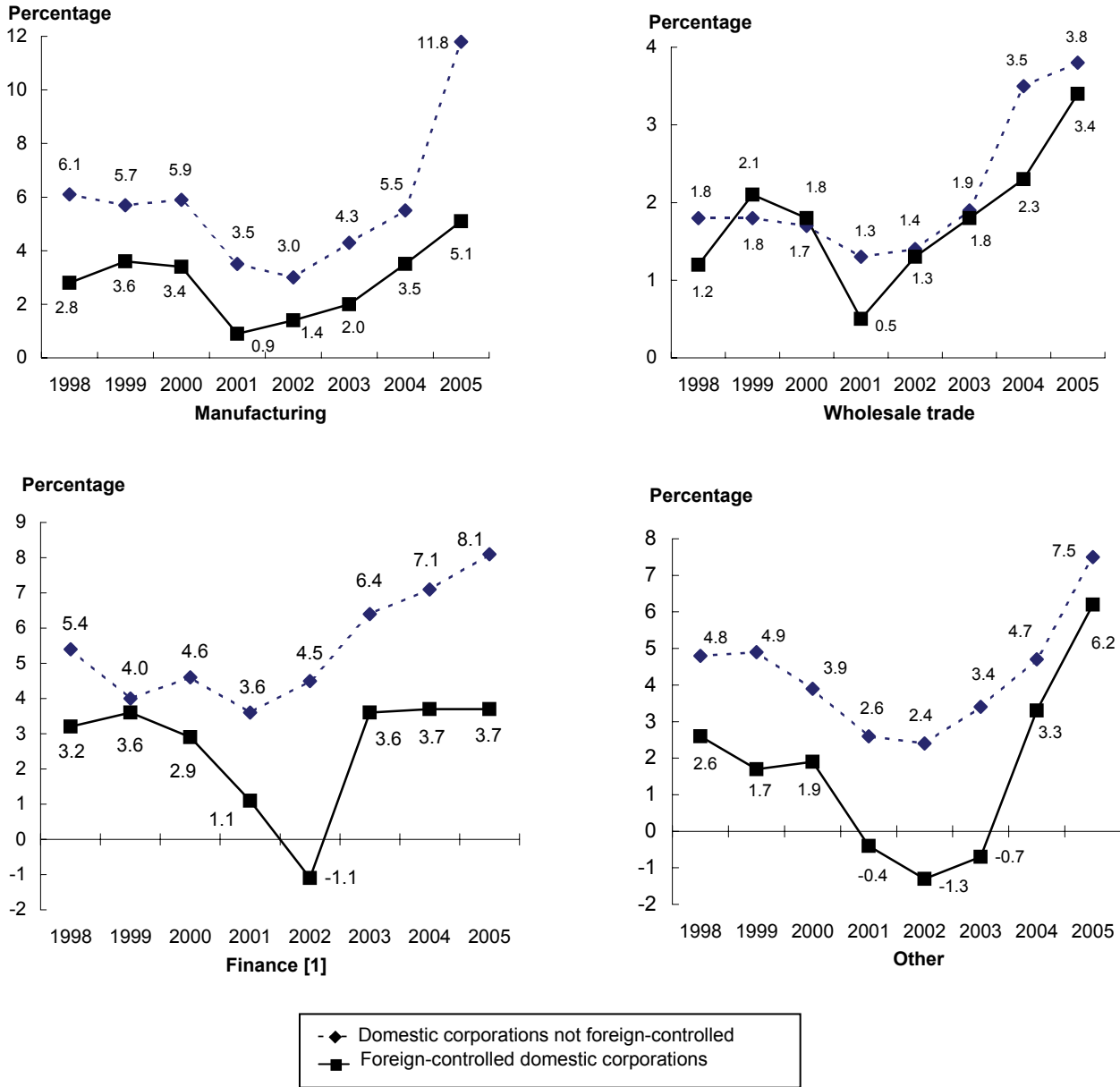
Wholesale trade was also a significant industrial sector for large FCDCs, accounting for 19.5 percent of the total receipts of the group of corporations. Most large FCDCs (93.9 percent) and ODCs (94.5 percent) were “old” corporations, incorporated before 2003. The percentage of ODCs in this industrial sector that reported positive profits was higher, but again similar to that for the FCDCs, 85.3 percent and 82.6 percent, respectively. Looking at the actual amounts of those positive profits and also accounting for loss-

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Figure H

"Large" Domestic Corporations: Net Income (Less Deficit) as a Percentage of Total Receipts, by Control Status and Industry, Tax Years 1998-2005



[1] Includes returns classified in the "finance and insurance" and "real estate and rental and leasing" industrial sectors of the North American Industry Classification System.

NOTES: "Large" corporations are those with total assets of \$250,000,000 or more, and/or with business receipts of \$50,000,000 or more. (Total receipts are used in lieu of business receipts for the finance and insurance, and management of companies sectors.) Data exclude Forms 1120-REIT (real estate investment trusts), 1120-RIC (regulated investment companies), and 1120S (S corporations). Data also exclude returns in which the foreign ownership level is between 25 percent and 49 percent.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

es reported by the remaining companies, the percentage of net income (less deficit) to total receipts was slightly higher for ODCs (3.8 percent) than it was for FCDCs (3.4 percent). Large wholesale ODCs reported taxable incomes of 3.2 percent of their receipts, while the percentage was 2.9 percent for FCDCs. The final ratio of total income tax after credits to total receipts shows the ODC and FCDC percentages being equal, at 0.9 percent. These last percentages are once again impacted by the amount of credits claimed by both groups of corporations. ODCs reported much larger credits than did the FCDCs, thereby reducing their postcredit tax liabilities by a larger portion. ODCs reported credits equaling 18.3 percent of their precredit income tax liabilities. For FCDCs, the percentage was much smaller, at just 7.9 percent. For both groups of corporations, foreign tax credits accounted for the largest share of the total credits.

Summary

Foreign investment and activity in the United States through FCDCs grew for Tax Year 2005. FCDCs reported \$3.5 trillion of total receipts for the year, a 14.7-percent increase over the 2004 level. Total receipts reported on all U.S. corporation income tax returns increased by 12.3 percent from the previous year. As a result, the share of total corporate receipts accounted for by FCDCs increased from 13.5 percent to 13.7 percent.

FCDC assets grew for 2005, as did the assets for all corporations. FCDC assets totaled \$9.2 trillion for 2005, a 15.7-percent increase from the previous year. By comparison, all corporations reported a total of \$66.4 trillion of assets for 2005, a 10.5-percent increase over the previous year. FCDCs accounted for 13.9 percent of total corporate assets for 2005, up from 13.3 percent for the previous year.

The number of returns filed by FCDCs increased by 6.7 percent for 2005, to 61,820. FCDCs accounted for only 1.1 percent of all corporation income tax returns filed for the year. This percentage is much smaller than the percentages of receipts and assets that FCDCs produced.

Two of the 19 industrial sectors, manufacturing and wholesale trade, generated more than two-thirds of the \$3.5 trillion of total FCDC receipts. Manufac-

urers produced \$1.7 trillion of receipts, while wholesalers accounted for an additional \$0.7 trillion.

Domestic corporations controlled by persons in the United Kingdom reported total receipts of \$0.7 trillion, 20.5 percent of the FCDC total. In addition, FCDCs owned by persons in Japan (16.2 percent), Germany (12.7 percent), the Netherlands (12.3 percent), Canada (8.7 percent), France (6.5 percent), and Switzerland (4.5 percent) accounted for significant portions of receipts.

Corporate profits were substantially larger than those of the previous year. The collective net income (less deficit) reported by foreign-controlled domestic corporations increased from \$90.8 billion for 2004 to \$165.2 billion for 2005. To place the performance of FCDCs in context, total corporate profits also increased from \$1.1 trillion for 2004 to \$1.9 trillion for 2005.

The U.S. tax liability of FCDCs (i.e., total income tax after credits) moved in the same direction as did profits, increasing from \$29.9 billion for 2004 to \$42.4 billion for 2005, or by 41.7 percent. To place this in perspective, the 2005 U.S. tax liabilities of all corporations were 39.1 percent more than the previous year.

Of the 61,820 foreign-controlled domestic corporations, the 3,790 “largest” companies accounted for most of the total amounts of key financial items (e.g., 95.1 percent of the total assets, 94.6 percent of the total receipts, 93.7 percent of the taxable income, and 92.7 percent of the total income tax after credits).

In comparing the 3,790 large foreign-controlled domestic corporations to the 15,248 other large domestic companies on the basis of industry, FCDCs had lower percentages than ODCs in most sectors using each of the following four criteria: (1) percentage of corporations that reported profits, (2) percentage of net income (less deficit) to total receipts, (3) percentage of taxable income to total receipts, and (4) percentage of total income tax after credits to total receipts.

While this article has been able to compare several key ratios related to the profits and taxes reported by foreign-controlled domestic corporations and other domestic corporations on the same bases of size and industry, additional research is needed to explain the differences in those ratios.¹⁶

¹⁶ For additional information, see “Tax Administration: Comparison of the Reported Tax Liabilities of Foreign- and U.S.-Controlled Corporations, 1996-2000,” U.S. General Accounting Office, GAO-04-358, February 2004. Also, see Grubert, Harry, “Another Look at the Low Taxable Income of Foreign-Controlled Companies in the United States,” U.S. Department of the Treasury, Office of Tax Analysis, Paper 74, 1997; and Mataloni, Raymond J., Jr., “An Examination of the Low Rates of Return of Foreign-Owned U.S. Companies,” U.S. Department of Commerce, Bureau of Economic Analysis, *Survey of Current Business*, March 2000.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Explanation of Selected Terms

The following are brief explanations of some of the terms used in this article. For more extensive definitions, see *Statistics of Income—2005, Corporation Income Tax Returns*, IRS Publication 16.

Alternative Minimum Tax—This tax was designed to ensure that a taxpayer with substantial economic income would not avoid significant tax liability through a legitimate use of exclusions, deductions, and credits. In effect, it provided a second tax system that curtailed or eliminated many of the means of reducing taxes allowed in the regular tax system and taxed the resulting alternative taxable income at a reduced rate. The AMT is included in the amounts reported for both total income tax before (and after) credits.

Balance Sheets—The balance sheet data presented in this article were the amounts reported by the taxpayer as of the end of the taxpayer's accounting year. Taxpayers were instructed to provide data that agreed with their books of account but were given very few other guidelines. Since balance sheet data were from the taxpayer's books, they were generally governed by general accounting principles rather than the special rules of tax accounting. A number of steps were taken during statistical processing to reduce the variability due to taxpayer reporting practices. Misreported amounts were transferred to their proper accounts. Missing balance sheets were either supplied from reference books or statistically imputed based on other data and the company's characteristics. Some balance sheets were suppressed for final returns of corporations going out of existence and for most part-year returns (because the same company's end-of-year data could have been subject to inclusion from its full-year return).

Business Receipts—These receipts were, in general, the gross operating receipts of the corporation reduced by the cost of returned goods and allowances. They represented all of a corporation's receipts except investment and incidental income. Business receipts also exclude gains from the sale of assets. Some corporations reported sales and excise taxes as part of their gross receipts from sales (and deducted these taxes as part of "cost of goods sold" or as "taxes paid"); others reported their receipts after adjustment for these taxes. Business receipts in-

clude rents reported by real estate operators and other corporations for which rent made up a significant portion of income. The latter corporations included manufacturers that rented their products, lessors of public utility facilities, and companies engaged in rental services, such as lodging places and the rental of automobiles. Business receipts include such banking items as fees, commissions, and credit card income. Interest, the principal operating income of banking and financial institutions, was excluded from business receipts; rather, it was included in the separate statistics for interest received. Also, premium income of most insurance companies was included in business receipts. Security dealers included profits from security trades in business receipts.

Constructive Ownership Rules—The constructive ownership rules of Internal Revenue Code (IRC) section 318 apply in determining if a U.S. corporation is foreign-owned. However, if a corporation is owned by two or more "unrelated" foreign persons, neither of which owned 50 percent or more of the corporation, then that corporation was excluded from the FCDC statistics even though, together, these persons may have met the 50-percent-or-more ownership criterion. See also, Foreign Person, defined below.

Constructive Taxable Income from Related Foreign Corporations—This item is the sum of includable income from Controlled Foreign Corporations (CFCs) and foreign dividend gross-up. IRC sections 951-964 ("Subpart F") created an exception to the general rule that the earnings and profits of CFCs were subject to U.S. taxation only when the income was actually distributed to U.S. shareholders.¹⁷ Under Subpart F, some types of foreign income are required to be included in the income of the U.S. shareholders, although not actually distributed. This includable income comprises passive investment income, income from sources thought especially easy to shift between tax jurisdictions, and income from sources contrary to public policy. Foreign dividend gross-up is constructive taxable income to corporations that claim a foreign tax credit. A U.S. corporation could claim a foreign tax credit for a share of the foreign taxes actually paid by its related foreign corporations. The share of foreign taxes was treated as deemed paid by the U.S. corporation. In order to receive credit against U.S. tax, the foreign taxes

¹⁷ For the most recent statistics covering CFCs, see Masters, Mike and Catterson Oh, "Controlled Foreign Corporations, 2002," *Statistics of Income Bulletin*, Spring 2006, Volume 25, Number 4. In addition, CFC data are included on the IRS Internet site at www.irs.gov, under Tax Stats.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

deemed paid need to be included in the corporation's worldwide income. The dividend gross-up, which is the equivalent amount of the foreign taxes deemed paid by the U.S. corporation, is included as income of the U.S. corporation.

Cost of Goods Sold—This item generally consisted of the costs incurred by corporations in producing the goods or providing the services that generated the business receipts. Included were costs of materials used in manufacturing; costs of goods purchased for resale; direct labor; and a share of overhead expenses, such as rent, utilities, supplies, maintenance, and repairs. For statistical processing purposes, however, certain items (such as advertising, amortization, bad debts, compensation of officers, depletion, depreciation, interest paid, taxes, and contributions to charitable organizations, employee benefit programs, and pension plans) reported by taxpayers in cost of goods sold schedules were transferred to their respective and separate deduction categories.

Current and Noncurrent Assets—In this article, current assets plus noncurrent assets equal total assets. Table 4 of this article includes separate data for current assets and noncurrent assets. Current assets include cash, notes and accounts receivable (less the allowance for bad debts), inventories, investments in government obligations, tax-exempt securities, and other current assets, such as short-term prepaid expenses and nontrade receivables. Noncurrent assets include loans to stockholders, mortgage and real estate loans, other investments, depreciable assets (less accumulated depreciation), depletable assets (less accumulated depletion), land, intangible assets (less accumulated amortization), and other assets, including those not identified on the tax return as either current or long-term.

Current and Noncurrent Liabilities—In this article, current liabilities include accounts payable; mortgages, notes, and bonds payable in less than 1 year; and other current liabilities, such as accrued taxes, payrolls, and other expenses. Noncurrent liabilities include loans from stockholders; mortgages, notes, and bonds payable in 1 year or more; and other liabilities, including those not identified on the tax return as either current or long-term.

Foreign Person—A foreign person (or entity) includes: (1) a foreign citizen or nonresident alien, (2) an individual who is a citizen of a U.S. possession (but who is not a U.S. citizen or resident), (3) a foreign corporation, (4) a foreign partnership, (5) a for-

ign estate or trust within the meaning of IRC section 7701(a)(31), and (6) a foreign government (or one of its agencies or instrumentalities) to the extent that it is engaged in the conduct of a commercial activity as described in IRC section 892.

Foreign Tax Credit—Although the United States taxes the worldwide income of U.S. persons (including corporations), foreign source income is often taxed as well by the country where the income is earned. The foreign tax credit provisions were enacted to mitigate the potential impact of the double taxation of foreign-source income. U.S. persons are allowed a credit against U.S. income tax for income taxes paid (or accrued) to foreign countries or U.S. possessions, subject to a limitation that prevented corporations from using foreign tax credits to reduce U.S. tax liability on U.S.-sourced income. A corporation that claimed the foreign tax credit could not also claim a business deduction for the same foreign taxes paid. The foreign tax credit was not allowed for taxes paid to certain foreign countries whose governments were not recognized by the United States, with which the United States severed or did not conduct diplomatic relations, or which provided support for international terrorism.

Income Subject to Tax—For most corporations, income subject to tax, i.e., taxable income, consisted of (positive) net income minus certain statutory special deductions. However, there were special provisions in the Internal Revenue Code for determining the taxable income of S corporations and insurance companies.

Income Tax—This item was the amount of a corporation's tax liability calculated at the regular corporate tax rates. It is included in the amounts reported for both total income tax before (and after) credits.

Interest—This item is taxable interest, a component of total receipts. It includes interest on U.S. Government obligations, loans, notes, mortgages, corporate bonds, bank deposits, and dividends from savings and loans and mutual savings banks. This item does not include interest received from certain government obligations not subject to U.S. income tax, including those issued by States, local governments, the District of Columbia, and U.S. possessions.

Net Income (or Deficit)—This is a company's net profit or loss from taxable sources of income reduced by deductions allowed by the Internal Revenue Code. It reflects not only actual receipts, but "construc-

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

tive” receipts as well (i.e., includable income from Controlled Foreign Corporations and the foreign dividend “gross-up”). Tax-exempt interest on State and local government obligations is excluded from this item, but is included in “total receipts.” The deductions include ordinary and necessary business deductions, but do not include statutory special deductions. The statistics for (positive) net income are generally larger than those for “income subject to tax” because the latter is reduced by the amount of statutory special deductions, including the net operating loss deduction. In this article, for a group of returns, this item may be referred to as either “profits” (i.e., net income exceeds deficits) or “losses” (deficits exceed net income). On Form 1120, net income (or deficit) was reported on page 1, line 28, entitled “Taxable income before net operating loss deduction and special deductions.”

Net Operating Loss Deduction (NOLD)—A statutory “net operating loss” (NOL) for a given tax year could be carried back, in general, 2 years to reduce the taxable income of those years. Similarly, any amount of the NOL not offset against income during that time could be carried forward to offset income for a period not exceeding 20 years. A “net operating loss” is calculated using the laws and IRS regulations in effect for a given tax year, and is the excess of allowable deductions over taxable income, with certain adjustments. The amount of the deduction included in the statistics of this article, however, consists only of losses from prior years carried forward and actually used to reduce taxable income for the current (2005) tax year. Losses incurred after Tax Year 2005 and carried back to that year at a later date were not reported on the tax returns used for this article. Net operating losses on which the 2005 deduction was based include: (1) the excess of ordinary and necessary business expenses over income for previous loss years, and (2) statutory special deductions claimed in a loss year for dividends received and for dividends paid on certain preferred stock of public utilities (or any excess of such deductions over net income).

Net Worth—This item represented the stockholders’ equity in the corporation, i.e., total assets less the claims of creditors. It is the net sum of

capital stock, additional paid-in capital, appropriated retained earnings, and unappropriated retained earnings (including adjustments to shareholders’ equity), minus the cost of treasury stock. Adjustments to shareholders’ equity could be either positive or negative, and included unrealized gains and losses on securities held “available for sale.” Treasury stock is common or preferred stock originally issued by the corporation that has been reacquired and held at the end of the accounting period by the issuing corporation.

Number of Returns—The data contained in this article include the number of returns filed for Tax Year 2005. For simplicity, the number of returns is sometimes referred to in this article as the number of corporations. However, the actual number of corporations may be larger than the number of returns because most domestic corporations could elect to file consolidated income tax returns. These returns were filed by common parent corporations and contained combined financial data of two or more affiliated domestic corporations meeting certain stock ownership requirements. Each consolidated return was treated for statistical purposes as a single unit.

Real Estate Investment Trusts—Domestic corporations, trusts, and associations that meet certain ownership, purpose, income, and diversification requirements may elect to be taxed as real estate investment trusts (REITs). Foreign-controlled domestic corporations can be REITs. However, REITs played a much larger role for ODCs than for FCDCs.¹⁸ REITs generally invest in real estate and mortgages. A beneficial ownership of the trust is established through transferable shares or transferable certificates of beneficial interest. Among the income requirements, at least 95 percent of the total gross income of a REIT must come from dividends; interest; rents from real property; and gains from the sale of stock, securities, and real property; etc. Additionally, at least 75 percent of total gross income must be derived from rents from real property; interest on mortgages on real property; gains from sales of real property and mortgages; and dividends and gains from the sale of transferable shares in other REITs; etc. The tax liability of REITs is generally very low. This is because, through a statutory special deduction for dividends paid, REITs are not taxed on amounts

¹⁸ Shown in Appendix A of this article are Tax Year 2005 data for all REITs, RICs, and S corporations, regardless of size, filed by foreign-controlled domestic corporations (FCDCs) and by other domestic corporations (ODCs).

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

distributed to shareholders. In general, REITs must distribute to their shareholders at least 90 percent of their taxable incomes. Such distributions are taxed to the shareholders (i.e., beneficiaries).

Regulated Investment Companies—A regulated investment company (RIC) is a domestic corporation registered with the Securities and Exchange Commission as a management company, business development company, unit investment trust, common trust fund, or a similar fund. Typically, it is a mutual fund. Foreign-controlled domestic corporations can be RICs. However, RICs played a much larger role for ODCs than for FCDCs.¹⁸ A RIC must meet certain Internal Revenue Code requirements, including deriving at least 90 percent of its gross income from dividends, interest, payments related to securities loans, and gains from the sale of stock or securities, foreign currencies, or other income related to its business of investing in such stock, securities, or currencies. The tax liability of RICs is generally very low. This is because, through a statutory special deduction for dividends paid, RICs are not taxed on amounts distributed to shareholders. In general, RICs must distribute to their shareholders at least 90 percent of their taxable incomes. Such distributions are taxed at the shareholder level.

S Corporations—An S corporation has elected to be taxed through its shareholders under Internal Revenue Code section 1362. The IRC contains restrictive criteria that a company must meet in order to qualify as an S corporation, which include the number and types of shareholders. These companies are involved in numerous industrial activities. They report corporate income and deductions from their conduct of trades and businesses, but generally allocate any income or loss to their shareholders to be taxed only at the individual level. S corporations comprise a very large part of the corporate population. However, foreign-controlled domestic corporations cannot elect to be treated as S corporations.¹⁸

Statutory Special Deductions—In general, net income less statutory special deductions equals income subject to tax. This item is the sum of: (1) deductions for net operating loss carryovers from prior years, and (2) special deductions for dividends and other corporate attributes allowed by the Internal Revenue Code, which includes: (a) dividends received deductions, (b) deductions for dividends paid on certain stock of public utilities, (c) deductions for dividends paid by regulated investment companies

and real estate investment trusts, (d) Internal Revenue Code section 857(b)(2)(E) deductions reported by real estate investment trusts, and (e) Code section 806(a) small life insurance company deductions. These deductions were in addition to ordinary and necessary business deductions.

Total Assets—This item represented those assets reported in the end-of-year balance sheets of the corporations' books of account. Total assets were net amounts after reduction by accumulated depreciation, accumulated amortization, accumulated depletion, and the reserve for bad debts.

Total Income Tax Before and After Credits—For 2005, total income tax of FCDCs was primarily comprised of the income tax imposed on corporate income subject to tax (98.7 percent of the total tax). The alternative minimum tax accounted for 1.3 percent of the total. A small number of corporation income tax returns without net income reported amounts of income tax. The income tax, in these cases, resulted from special provisions of the Internal Revenue Code applicable to life insurance operations. Additionally, some taxes included in total income tax were not imposed directly on a corporation's income subject to tax, such as the recapture taxes. Thus, a small number of corporations without net income and income tax may have reported such taxes on their income tax returns. These taxes were included in the statistics for total income tax. Also included in total income tax were personal holding company taxes and the taxes on undistributed net capital gains of regulated investment companies. Total income tax included an adjustment that could be either positive or negative. This adjustment was used for write-in amounts on the tax computation schedule (e.g., Schedule J of Form 1120), as well as for differences in total tax reported on the tax computation schedule and reported on the tax and payments section of the tax return (e.g., Page 1 of Form 1120). For 2005, the credits used to reduce the total income tax of FCDCs primarily included the foreign tax credit (70.7 percent of the \$11.4 billion of total credits), the general business credit (21.2 percent), and the prior-year minimum tax credit (7.1 percent), as well as small amounts of the U.S. possessions tax credit, the nonconventional source fuel credit, and the qualified zone academy bond credit.

Total Receipts—This item includes all of the income actually (as opposed to constructively) received by a corporation and reported on its income

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

tax return. It includes gross taxable receipts, before the deduction of cost of goods sold and ordinary and necessary business expenses. It also includes tax-exempt interest received on State and local government obligations. A domestic corporation (i.e., one incorporated in the United States), whether controlled by a foreign person or not, could have business activities in a foreign country, as well as in the United States. Thus, total receipts may include those from foreign branch operations of the U.S. company. Also, the total receipts of a domestic corporation conducting business abroad through foreign subsidiaries may include dividends remitted from those subsidiaries. However, total receipts exclude certain taxable income from related foreign corporations that is only constructively received by the domestic corporation. Long-term capital gains of regulated investment companies, as well as both short-term and long-term capital gains of S corporations, are also excluded.

Total Receipts Less Total Deductions—This item differs from the “net income (less deficit)” shown in the statistics in that it includes nontaxable interest received on State and local government obligations, and excludes constructive taxable income from related foreign corporations.

Data Sources and Limitations

Time Period Covered

Data for Tax Year 2005 are based on returns with accounting periods that ended between July 2005 and June 2006. These accounting periods were 12 months in length, or less for part-year accounting periods. As a result of the 12-month span for ending accounting periods, the statistics shown in this article include accounting periods that began and ended within a 23-month span. For Tax Year 2005, that span was from August 2004 through June 2006. Nevertheless, most of the income and expense data are, in fact, associated with Calendar Year 2005. Of the 61,820 FCDC returns filed for Tax Year 2005, 40,913 had accounting periods that ended in December 2005, 66 percent of the total. These returns accounted for 77 percent of both the receipts and deductions reported by all FCDCs, as well as 87 percent of the FCDC assets.

The sampling frame for the 2005 statistics consisted, in general, of tax returns with accounting

periods that ended between July 2005 and June 2006, and that posted to the IRS Business Master File between July 2005 and June 2007. A 24-month sampling period was needed for several reasons. First, some corporations had noncalendar year accounting periods ending as late as June 2006. Second, while corporation returns were usually required to be filed within 2 1/2 months after the close of the accounting period, many requested filing extensions of 6 months. Third, normal administrative processing time lags required that the sampling process remained open until June 2007.

Returns Covered

The number of returns shown in this article represents returns of “active” corporations, i.e., those that reported any income or deduction items. While any corporation in existence during any portion of the taxable year was required to file an income tax return (even though it may have been inactive, not having any income or deductions), the great majority of returns filed with the Internal Revenue Service were for active corporations. Nonprofit corporations, exempt farmers’ cooperatives, and certain other incorporated organizations did not file corporation income tax returns and are not included in the statistics shown in this article. Part-year returns, those filed for accounting periods of less than 12 months, were included in the number of returns and other data shown in this article. Continuing corporations changing their accounting periods, new corporations in existence less than 12 months, merging corporations, and liquidating corporations filed such returns. To avoid double counting, data from the balance sheets of part-year returns were not included in the statistics, except for those from initial returns of newly incorporated businesses.

Sample

This article presents statistical estimates based on a stratified sample of nearly 7,700 unaudited tax returns selected from over 61,800 returns of active domestic corporations controlled by a foreign person filed for Tax Year 2005. The statistics for FCDCs are based on samples of corporation income tax returns filed primarily on Form 1120 (*U.S. Corporation Income Tax Return*). In addition, the statistics for all FCDCs include data from the small numbers of other domestic corporation income tax returns filed on

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Forms 1120L (*U.S. Life Insurance Company Income Tax Return*), 1120-RIC (*U.S. Income Tax Return for Regulated Investment Companies*), 1120-REIT (*U.S. Income Tax Return for Real Estate Investment Trusts*), and 1120-PC (*U.S. Property and Casualty Insurance Company Income Tax Return*). For Tax Year 2005, FCDCs filed only 52 Forms 1120L, 260 Forms 1120-RIC, 79 Forms 1120-REIT, and 56 Forms 1120-PC.¹⁹ As previously mentioned, FCDCs could not file Forms 1120-A, 1120-F, and 1120S. The statistics for the largest FCDCs shown in Figures F through H, and in Table 4, exclude Forms 1120-RIC and 1120-REIT.

Form 1120 sampled returns were stratified based on the size of total assets and the size of “proceeds” (which was used as a measure of income and was the larger of the absolute value of net income or deficit or the absolute value of “cash flow,” i.e., net income plus depreciation plus depletion). Forms 1120L, 1120-RIC, 1120-REIT, and 1120-PC were sampled based solely on the size of total assets.

For 2005, the sampling rates for Forms 1120 alone (the majority of returns included in the sample) ranged from less than 1 percent to 100 percent. In general, Form 1120 returns with assets of \$50 million or more, or with “proceeds” of \$10 million or more, were selected for the Statistics of Income study at the 100-percent sampling rate. Thus, most if not all of the “largest” FCDCs (and other domestic corporations as well) were selected at the 100-percent rate. Therefore, sampling error is not considered to be a major concern for the large-corporation data shown in this article. For additional information on the sampling rates, see *Statistics of Income—2005, Corporation Income Tax Returns*.

Because the data presented are estimates based on samples, they are subject to sampling error. To properly use these data, the magnitude of the sampling error should be known. Coefficients of variation (CVs) are used to measure that magnitude. Figure I shows CVs for selected financial data of selected industrial sectors and selected countries of the

Figure I

Foreign-Controlled Domestic Corporations: Coefficients of Variation for Selected Items, by Selected Industrial Sector and Selected Country of Foreign Owner, Tax Year 2005

Selected industrial sector or country	Coefficients of variation (percentages)						
	Number of returns	Total assets	Total receipts	Net income	Deficit	Income subject to tax	Total income tax after credits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total	4.18	0.03	0.16	0.16	0.64	0.16	0.19
Selected industrial sector:							
Manufacturing	9.66	0.05	0.14	0.15	0.54	0.15	0.19
Wholesale trade	7.97	0.30	0.56	0.53	3.72	0.61	0.63
Information	21.89	0.15	1.10	0.87	0.67	1.11	1.13
Finance and insurance	13.13	0.01	0.15	0.49	0.09	0.30	0.35
Real estate and rental and leasing	8.75	0.95	2.05	2.78	10.87	3.40	3.47
Professional, scientific, and technical services	16.17	0.52	1.71	2.30	3.19	2.90	3.14
Management of companies (holding companies)	23.53	0.06	0.12	0.40	0.23	0.40	0.54
Selected country of foreign owner:							
Bermuda	9.71	0.15	0.82	0.97	1.35	1.74	2.76
Canada	11.65	0.11	0.69	0.69	2.63	0.91	0.99
France	19.60	0.06	0.32	0.39	1.89	0.45	0.54
Germany	13.28	0.07	0.33	0.73	2.01	0.75	1.08
Japan	10.90	0.16	0.44	0.38	1.83	0.39	0.41
Netherlands	23.69	0.04	0.20	0.26	2.06	0.26	0.42
Sweden	52.87	0.43	0.63	1.49	7.15	1.04	1.07
Switzerland	21.13	0.07	0.90	0.60	3.01	0.64	0.68
United Kingdom	14.48	0.03	0.24	0.17	2.59	0.15	0.20

¹⁹ The counts of 52 Forms 1120L and 260 Forms 1120-PC do not include returns of life insurance companies and property/casualty insurance companies, respectively, that were filed as part of consolidated returns under IRC section 1504(c). Under this section, a nonlife insurance parent company could include a domestic life insurance subsidiary in a consolidated return. For 2005, there were 121 section 1504(c) returns of foreign-controlled domestic corporations. Of this number, 59 returns had a property/casualty insurance company as the largest subsidiary; 12 returns had a life insurance company as the largest subsidiary; and the remainder (50) had a noninsurance company as the largest subsidiary.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

foreign owners. For a general discussion of sampling procedures and CVs, see “SOI Sampling Methodology and Data Limitations” located near the back of this issue of the *Statistics of Income Bulletin*.

Nonsampling Limitations

Nonsampling errors can be categorized as coverage errors, nonresponse errors, processing errors, or response errors. These errors can be the result of the inability to obtain information about all returns in the sample, differing interpretations of tax concepts or instructions by the taxpayer, inability of a corporation to provide accurate information at the time of filing (data are collected before auditing), inability to obtain all tax schedules and attachments, errors in recording or coding the data, errors in collecting or cleaning the data, errors made in estimating for missing data, and failure to represent all population units.

Returns were selected for this study based on taxpayers’ responses to two questions that appeared on the various types of Form 1120. The first question asked whether one “foreign person” owned, directly or indirectly, 25 percent or more of the filing corporation’s voting stock or of the total value of all the corporation’s stock, at any time during the tax year. If this question was answered “Yes,” then a second question asked for the percentage owned.²⁰ If the first question was answered “Yes,” and the second question was answered with a percentage between 50 and 100, then the return was included in the FCDC statistics. Taxpayers sometimes incorrectly answered these questions or did not answer them at all.²¹ However, prior to tabulation, corporations with large amounts of assets or receipts, and with changes in foreign ownership status between 2004 and 2005, were researched, and the answers to the questions were verified. These large corporations had a dominating effect on the estimates for balance sheet, income statement, and tax items.

Each return used for the statistics had an industry code reported, or was assigned one during administrative or statistical processing. The North American Industry Classification System (NAICS) was used as a classifier of the returns. The industry code represented the principal business activity (i.e., the activity which accounted for the largest portion of the total receipts) of the corporation filing the return. However, a given return may summarize the activity of a company engaged in several businesses or may have been a consolidated return filed for an affiliated group of corporations that conducted different business activities. To the extent that some consolidated (and nonconsolidated) returns covered corporations that were engaged in many types of business activities, the data in this article are not entirely related to the industrial activity under which they are shown.

There is an additional limitation related to data presented by industrial classification. Companies that sell similar products may not be classified in the same industry. For instance, those FCDCs that were primarily U.S. distributors of products made in foreign countries by their parent or other related companies were classified as wholesalers. However, other domestic corporations that were also distributors may have been included in consolidated returns covering both the manufacture and distribution of similar products and classified as manufacturers.

Each return was assigned a foreign country code during statistical processing that identified the owner’s country. For individuals, it was the owner’s country of residence. For all others, it was the country in which the foreign entity was incorporated, organized, created, or administered. To the extent that a holding company or other affiliated entity was part of a chain between a U.S. subsidiary company and the ultimate foreign parent, the country data may be related to the holding company and, thus, not be related to the foreign country of the ultimate parent.

²⁰ On Form 1120, Page 3, Schedule K, the actual questions were: “(7) At any time during the tax year, did one foreign person own, directly or indirectly, at least 25 percent of: (a) the total voting power of all classes of stock of the corporation entitled to vote, or (b) the total value of all classes of stock of the corporation?” and “(7a) If ‘Yes,’ enter percentage owned.” There was an additional question used for the country distribution of these statistics, which was: “(7b) If ‘Yes,’ enter owner’s country.”

²¹ The FCDC statistics include data from returns in which the first question (see footnote 20) was answered “Yes,” and the second question covering percentage owned was not answered. There were 1,806 returns for Tax Year 2005 that were included in the FCDC data, although the exact foreign ownership percentage was not specified. These returns reported \$21.8 billion of assets and \$18.5 billion of receipts.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Appendix A

REITs, RICs, and S Corporations Filed by Foreign-Controlled Domestic Corporations (FCDCs) and Other Domestic Corporations (ODCs), Tax Year 2005

[Money amounts are in millions of dollars]

Type of corporation and item	FCDCs	ODCs
Real Estate Investment Trusts		
Number of returns	79	1,172
Total assets	40,780	1,294,294
Total receipts	3,260	110,821
Net income (less deficit)	1,851	68,734
Income subject to tax	0	34
Total income tax after credits	[1]	95
Regulated Investment Companies		
Number of returns	260	10,699
Total assets	189,965	10,290,601
Total receipts	5,438	304,352
Net income (less deficit)	4,189	210,777
Income subject to tax	0	2
Total income tax after credits	[1]	21
S Corporations		
Number of returns	0	3,684,086
Total assets	0	2,736,982
Total receipts	0	5,252,514
Total net income (less deficit)	0	361,043
Income subject to tax	0	1,463
Total income tax after credits	0	611

[1] Less than \$500,000.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Table 1. Foreign-Controlled Domestic Corporations as a Percentage of All Corporations: Selected Items for Selected Tax Years 1971-2005

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

Item	1971	1990	1996	2000	2002	2003	2004	2005
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
ALL CORPORATIONS								
Number of returns, total	1,733,332	3,716,650	4,631,370	5,045,274	5,266,607	5,401,237	5,557,965	5,671,257
Number with net income	1,063,940	1,910,670	2,588,424	2,819,153	2,800,517	2,932,115	3,116,468	3,324,260
Total assets	2,889,221	18,190,058	28,642,263	47,026,872	50,413,502	53,644,785	60,117,759	66,445,430
Total receipts	1,906,008	11,409,520	15,525,718	20,605,808	19,749,426	20,689,574	22,711,864	25,504,789
Business receipts	1,763,760	9,860,442	13,659,470	17,636,551	17,297,125	18,264,394	19,975,876	21,800,290
Interest received [1]	65,596	942,238	1,037,374	1,576,101	1,233,298	1,132,675	1,337,626	1,712,271
Total deductions	1,824,063	11,032,575	14,728,089	19,691,592	19,198,882	19,940,595	21,636,156	23,612,766
Cost of goods sold	1,241,282	6,610,770	8,707,100	11,135,288	10,607,404	11,318,645	12,497,905	13,816,464
Interest paid	64,697	825,372	770,885	1,271,679	912,752	818,017	938,790	1,287,098
Total receipts less total deductions	81,945	376,945	797,629	914,216	550,544	748,980	1,075,708	1,892,024
Net income (less deficit)	79,700	370,633	806,485	927,526	563,657	779,989	1,111,693	1,948,655
Net income	96,688	552,527	986,783	1,336,620	1,053,126	1,175,609	1,455,797	2,234,882
Deficit	-16,988	-181,894	-180,298	-409,094	-489,470	-395,620	-344,104	-286,227
Income subject to tax	83,165	366,353	639,840	760,404	600,554	699,337	857,392	1,201,325
Total income tax before credits	37,510	128,186	223,713	266,282	209,691	243,823	299,555	419,209
Income tax	37,143	119,434	219,757	262,233	207,056	241,275	296,200	416,324
Total income tax after credits	30,220	96,403	170,621	204,044	153,613	177,517	224,435	312,086
FOREIGN-CONTROLLED DOMESTIC CORPORATIONS								
Number of returns, total	5,154	44,113	62,141	60,609	61,615	58,945	57,935	61,820
Number with net income	2,575	17,360	29,115	26,519	26,617	27,269	29,233	30,870
Total assets	36,674	1,652,255	3,047,613	6,071,994	6,382,309	6,170,122	7,971,399	9,218,983
Total receipts	39,181	1,060,295	1,656,366	2,612,072	2,510,781	2,569,302	3,056,503	3,505,629
Business receipts	38,043	950,083	1,486,200	2,253,215	2,249,184	2,329,930	2,733,472	3,058,260
Interest received [1]	420	67,315	98,681	180,006	122,104	102,179	154,954	235,304
Total deductions	38,050	1,056,921	1,616,498	2,549,986	2,506,266	2,542,193	2,969,718	3,345,178
Cost of goods sold	28,804	709,052	1,073,946	1,584,513	1,548,698	1,652,622	1,964,224	2,239,966
Interest paid	733	77,562	96,537	186,835	119,001	109,453	129,530	199,877
Total receipts less total deductions	1,132	3,374	39,868	62,085	4,515	27,109	86,785	160,450
Net income (less deficit)	1,111	3,966	41,924	66,312	7,838	31,952	90,846	165,188
Net income	1,496	29,410	67,842	118,598	82,660	92,846	138,010	201,597
Deficit	-384	-25,444	-25,918	-52,287	-74,822	-60,895	-47,165	-36,409
Income subject to tax	1,344	23,704	52,778	97,515	64,593	73,521	104,740	153,007
Total income tax before credits	650	8,719	18,984	34,650	22,727	25,971	37,058	53,820
Income tax	631	8,008	18,329	33,950	22,447	25,607	36,451	53,137
Total income tax after credits	610	7,438	15,437	28,073	17,819	19,121	29,932	42,415
FOREIGN-CONTROLLED DOMESTIC CORPORATIONS AS A PERCENTAGE OF ALL CORPORATIONS								
Number of returns, total	0.30	1.19	1.34	1.20	1.17	1.09	1.04	1.09
Number with net income	0.24	0.91	1.12	0.94	0.95	0.93	0.94	0.93
Total assets	1.27	9.08	10.64	12.91	12.66	11.50	13.26	13.87
Total receipts	2.06	9.29	10.67	12.68	12.71	12.42	13.46	13.74
Business receipts	2.16	9.64	10.88	12.78	13.00	12.76	13.68	14.03
Interest received [1]	0.64	7.14	9.51	11.42	9.90	9.02	11.58	13.74
Total deductions	2.09	9.58	10.98	12.95	13.05	12.75	13.73	14.17
Cost of goods sold	2.32	10.73	12.33	14.23	14.60	14.60	15.72	16.21
Interest paid	1.13	9.40	12.52	14.69	13.04	13.38	13.80	15.53
Total receipts less total deductions	1.38	0.90	5.00	6.79	0.82	3.62	8.07	8.48
Net income (less deficit)	1.39	1.07	5.20	7.15	1.39	4.10	8.17	8.48
Net income	1.55	5.32	6.88	8.87	7.85	7.90	9.48	9.02
Deficit	2.26	13.99	14.38	12.78	15.29	15.39	13.71	12.72
Income subject to tax	1.62	6.47	8.25	12.82	10.76	10.51	12.22	12.74
Total income tax before credits	1.73	6.80	8.49	13.01	10.84	10.65	12.37	12.84
Income tax	1.70	6.70	8.34	12.95	10.84	10.61	12.31	12.76
Total income tax after credits	2.02	7.72	9.05	13.76	11.60	10.77	13.34	13.59

[1] Excludes nontaxable interest received on State and local government obligations.

NOTES: Detail may not add to totals because of rounding. All amounts are in current dollars. Tax law and tax form changes affect the year-to-year comparability of the data. See *Statistics of Income—Corporation Income Tax Returns*, selected years, for discussions of changes affecting the comparability of the data over time.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Table 2. Foreign-Controlled Domestic Corporations: Selected Items, by Major Industry, Tax Year 2005

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

Major industry	Number of returns			Total assets	Net worth	Total receipts	Business receipts	Total deductions
	Total	With net income	With total income tax after credits					
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All industries [1]	61,820	30,870	21,362	9,218,983	1,959,727	3,505,629	3,058,260	3,345,178
Agriculture, forestry, fishing, and hunting	841	292	204	5,164	1,776	2,598	2,059	2,649
Agricultural production	664	209	135	4,076	1,761	2,098	1,743	2,175
Forestry and logging	*67	*62	*62	*509	*74	*227	*135	*164
Support activities and fishing, hunting, and trapping	111	*21	*7	579	-59	273	181	310
Mining	696	247	187	100,708	51,032	46,670	43,673	40,992
Utilities	76	48	45	95,959	25,622	40,198	38,329	38,436
Construction	2,530	1,187	1,059	35,480	11,395	41,876	39,233	39,810
Construction of buildings	708	415	382	17,362	5,193	26,983	25,830	25,559
Heavy and civil engineering construction	1,103	174	136	14,083	5,098	9,915	8,536	9,196
Specialty trade contractors	719	598	541	4,035	1,104	4,979	4,867	5,055
Manufacturing	7,128	4,073	2,677	2,380,069	557,013	1,659,400	1,567,026	1,580,675
Food manufacturing	546	142	106	52,460	12,372	51,866	51,139	51,400
Beverage and tobacco product manufacturing	64	37	34	35,050	7,207	24,217	22,455	21,998
Textile mills and textile product mills	136	70	59	3,072	1,348	3,761	3,635	3,688
Apparel manufacturing	104	99	98	1,169	562	2,016	1,971	1,937
Leather and allied product manufacturing	d	d	d	d	d	d	d	d
Wood product manufacturing	174	138	140	5,516	985	7,415	7,250	7,099
Paper manufacturing	111	73	66	14,870	5,231	21,294	20,594	21,385
Printing and related support activities	51	40	40	9,457	1,638	11,315	11,090	11,202
Petroleum and coal products manufacturing	43	38	36	1,015,933	138,750	589,543	569,665	559,379
Chemical manufacturing	477	334	256	280,891	98,655	191,438	174,932	175,536
Plastics and rubber products manufacturing	647	198	162	40,455	8,974	50,034	48,403	49,477
Nonmetallic mineral product manufacturing	149	122	109	81,411	29,541	53,850	50,172	48,937
Primary metal manufacturing	136	89	85	36,019	12,574	45,267	44,022	42,240
Fabricated metal product manufacturing	483	257	180	37,887	12,936	36,742	35,283	34,907
Machinery manufacturing	852	528	406	137,659	43,835	100,962	95,784	98,106
Computer and electronic product manufacturing	1,252	1,047	301	114,528	45,955	95,472	90,586	95,173
Electrical equipment, appliance, and component manufacturing	273	166	76	35,897	14,377	29,986	28,672	28,758
Transportation equipment manufacturing	873	282	238	440,651	111,754	310,846	280,369	297,855
Furniture and related product manufacturing	140	*112	*11	1,712	393	3,236	3,199	3,029
Miscellaneous manufacturing	d	d	d	d	d	d	d	d
Wholesale and retail trade	19,388	9,762	6,667	526,079	144,100	888,086	860,612	862,002
Wholesale trade	15,789	8,318	5,800	431,167	116,701	713,321	690,450	691,128
Wholesale trade, durable goods	10,302	5,631	4,267	291,103	77,799	510,279	498,449	498,038
Wholesale trade, nondurable goods	5,110	2,591	1,530	139,862	38,782	202,836	191,795	192,886
Wholesale electronic markets and agents and brokers	*377	*96	*4	*201	*120	*206	*206	*205
Retail trade	3,599	1,444	866	94,913	27,399	174,765	170,163	170,873
Motor vehicle dealers and parts dealers	90	40	21	3,456	1,080	7,462	7,300	7,358
Furniture and home furnishings stores	163	d	d	4,825	700	5,009	4,924	4,891
Electronics and appliance stores	481	241	90	2,040	-267	3,794	3,699	3,782
Building material and garden equipment and supplies dealers	*58	*55	*54	*597	*181	*1,294	*1,274	*1,272
Food, beverage and liquor stores	43	17	16	42,803	13,231	95,378	93,338	93,381
Health and personal care stores	93	*33	*31	9,179	1,829	14,876	14,479	14,584
Gasoline stations	*312	*63	*62	*2,323	*783	*9,106	*8,973	*8,912
Clothing and clothing accessories stores	288	85	69	13,021	6,955	12,669	11,878	11,914
Sporting goods, hobby, book, and music stores	693	*93	*92	905	176	1,560	1,532	1,596
General merchandise stores	*232	d	d	*123	*61	*307	*277	*340
Miscellaneous store retailers	137	68	58	8,114	247	8,284	7,939	8,160
Nonstore retailers	1,009	723	322	7,529	2,422	15,028	14,549	14,683
Transportation and warehousing	2,510	1,604	1,203	50,735	19,762	47,882	45,689	47,923
Air, rail, and water transportation	413	111	32	15,320	5,018	8,088	7,524	7,859
Truck transportation	555	*26	*25	1,415	535	1,994	1,962	1,989
Transit and ground passenger transportation	*280	*277	*277	*2,803	*1,611	*2,530	*2,487	*2,558
Pipeline transportation	*14	*11	*11	*3,411	*1,893	*1,244	*1,047	*1,248
Other transportation and support activities	942	877	569	24,090	9,438	31,243	30,171	31,738
Warehousing and storage	307	303	290	3,696	1,268	2,783	2,498	2,532

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Table 2. Foreign-Controlled Domestic Corporations: Selected Items, by Major Industry, Tax Year 2005—Continued

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

Major industry	Number of returns			Total assets	Net worth	Total receipts	Business receipts	Total deductions
	Total	With net income	With total income tax after credits					
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Information	2,256	1,015	657	309,461	181,578	82,855	71,028	80,216
Publishing industries	941	510	163	61,960	15,408	29,719	25,709	28,945
Motion picture and sound recording industries	422	30	26	28,175	13,226	10,942	8,205	9,887
Broadcasting (except Internet)	92	*18	*17	2,697	1,835	1,296	1,189	1,440
Internet publishing and broadcasting	*5	d	d	*15,327	*3,318	*7,920	*7,624	*7,284
Telecommunications	570	306	303	185,804	143,558	26,348	22,641	26,268
Internet service providers, Web search portals, and data processing services	183	128	*124	3,943	201	1,365	1,209	1,487
Other information services	42	d	d	11,555	4,033	5,266	4,450	4,905
Finance and insurance	2,540	1,390	962	4,370,039	729,450	436,398	222,230	415,581
Credit intermediation	668	216	163	261,113	21,106	16,864	8,076	15,990
Depository credit intermediation	149	32	30	94,110	7,083	4,074	595	3,529
Nondepository credit intermediation	519	184	133	167,003	14,023	12,790	7,481	12,461
Securities, commodity contracts, and other financial investments and related activities	757	450	389	2,014,317	90,288	139,628	32,202	132,869
Insurance carriers and related activities	340	257	236	1,821,551	402,627	269,256	181,950	262,557
Funds, trusts, and other financial vehicles	776	467	174	273,057	215,429	10,650	3	4,166
Real estate and rental and leasing	11,571	5,487	3,835	106,071	35,998	25,235	16,869	22,144
Real estate	11,274	5,246	3,652	74,648	30,593	13,060	6,383	10,602
Rental and leasing services	292	d	d	31,192	5,308	12,022	10,396	11,401
Lessors of nonfinancial intangible assets (except copyrighted works)	*5	d	d	*232	*97	*152	*89	*141
Professional, scientific, and technical services	5,442	2,470	1,435	117,966	51,311	64,546	59,558	62,822
Management of companies (holding companies)	2,567	1,058	726	1,002,966	105,938	85,278	16,660	71,082
Administrative and support and waste management and remediation services	1,368	648	276	34,494	11,430	33,765	32,021	33,382
Administrative and support services	1,348	636	266	28,752	9,201	30,447	28,909	30,022
Waste management and remediation services	*20	*12	*10	*5,742	*2,229	*3,319	*3,112	*3,360
Educational services	108	*13	*12	1,369	575	1,180	1,143	1,143
Health care and social assistance	369	265	265	22,781	11,653	13,448	12,510	12,090
Offices of health practitioners and outpatient care centers	*309	*251	*251	*17,284	*9,636	*8,686	*7,977	*7,528
Miscellaneous health care and social assistance	22	*10	*10	2,079	874	1,424	1,345	1,420
Hospitals, nursing, and residential care facilities	*38	*4	*4	*3,419	*1,143	*3,338	*3,188	*3,142
Arts, entertainment, and recreation	737	630	594	5,874	1,620	4,171	3,382	3,992
Amusement, gambling, and recreation industries	408	366	334	3,064	1,060	1,635	1,308	1,461
Other arts, entertainment, and recreation	329	265	261	2,810	560	2,536	2,074	2,532
Accommodation and food services	1,110	487	364	49,719	18,400	28,097	22,496	26,480
Accommodation	365	184	152	35,341	16,968	9,612	5,616	8,497
Food services and drinking places	745	303	212	14,378	1,433	18,485	16,880	17,984
Other services	583	193	193	4,045	1,073	3,947	3,746	3,748
Repair and maintenance	d	d	d	d	d	d	d	d
Personal and laundry services	387	*8	*8	2,291	352	1,501	1,350	1,375
Religious, grantmaking, civic, professional, and similar organizations	d	d	d	d	d	d	d	d

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Table 2. Foreign-Controlled Domestic Corporations: Selected Items, by Major Industry, Tax Year 2005—Continued

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

Major industry	Cost of goods sold	Total receipts less total deductions	Net income (less deficit)	Net income	Deficit	Income subject to tax	Total income tax	
							Before credits	After credits
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
All industries [1]	2,239,966	160,450	165,188	201,597	-36,409	153,007	53,820	42,415
Agriculture, forestry, fishing, and hunting	1,270	-51	-46	296	-342	142	50	47
Agricultural production	1,058	-77	-77	184	-261	67	23	21
Forestry and logging	*112	*62	*62	*64	*-1	*64	*22	*22
Support activities and fishing, hunting, and trapping	101	-37	-32	*48	*-80	*11	*4	*3
Mining	23,628	5,678	6,017	6,831	-814	4,147	1,665	863
Utilities	22,873	1,761	1,758	1,884	-126	723	271	185
Construction	32,997	2,066	2,064	2,680	-616	2,310	808	796
Construction of buildings	22,809	1,423	1,422	1,512	-90	1,425	499	497
Heavy and civil engineering construction	6,758	719	719	958	-239	712	249	239
Specialty trade contractors	3,429	-76	-77	210	-287	173	60	60
Manufacturing	1,226,727	78,725	81,684	93,273	-11,589	78,253	27,486	19,838
Food manufacturing	31,988	465	445	1,826	-1,381	1,648	580	567
Beverage and tobacco product manufacturing	11,227	2,220	2,239	2,274	-35	1,936	677	640
Textile mills and textile product mills	2,731	73	73	182	-109	137	48	47
Apparel manufacturing	1,352	78	78	112	-34	91	31	31
Leather and allied product manufacturing	d	d	d	d	d	d	d	d
Wood product manufacturing	5,765	316	316	406	-90	357	125	124
Paper manufacturing	17,017	-90	-89	398	-487	126	44	40
Printing and related support activities	7,889	113	113	178	-65	133	47	43
Petroleum and coal products manufacturing	516,744	30,163	31,147	31,183	-36	30,653	10,728	6,896
Chemical manufacturing	94,674	15,902	17,036	18,030	-994	15,669	5,503	4,007
Plastics and rubber products manufacturing	35,709	557	595	1,131	-537	605	212	174
Nonmetallic mineral product manufacturing	32,521	4,914	5,026	5,269	-242	3,697	1,322	1,209
Primary metal manufacturing	34,779	3,027	3,117	3,446	-328	3,052	1,070	612
Fabricated metal product manufacturing	25,812	1,834	1,870	2,213	-343	1,649	580	542
Machinery manufacturing	70,846	2,856	2,929	4,102	-1,174	2,245	797	598
Computer and electronic product manufacturing	69,127	299	396	2,496	-2,100	1,454	520	431
Electrical equipment, appliance, and component manufacturing	20,580	1,227	1,378	1,790	-412	1,069	380	208
Transportation equipment manufacturing	227,496	12,991	13,210	15,743	-2,533	12,216	4,279	3,172
Furniture and related product manufacturing	2,280	207	207	*207	*[2]	*197	*69	*67
Miscellaneous manufacturing	d	d	d	d	d	d	d	d
Wholesale and retail trade	691,591	26,085	26,504	31,482	-4,978	24,002	8,380	7,799
Wholesale trade	567,145	22,193	22,453	26,500	-4,047	20,581	7,175	6,647
Wholesale trade, durable goods	415,607	12,242	12,391	15,192	-2,800	11,417	3,977	3,684
Wholesale trade, nondurable goods	151,538	9,950	10,061	11,299	-1,238	9,163	3,198	2,963
Wholesale electronic markets and agents and brokers	*0	*1	*1	*9	*-8	*[2]	*[2]	*[2]
Retail trade	124,446	3,892	4,051	4,981	-931	3,421	1,205	1,151
Motor vehicle dealers and parts dealers	6,325	104	104	150	-46	136	48	47
Furniture and home furnishings stores	2,792	118	117	d	d	d	d	d
Electronics and appliance stores	2,664	11	11	174	-163	58	21	17
Building material and garden equipment and supplies dealers	*1,055	*22	*22	*34	*-12	*27	*9	*8
Food, beverage and liquor stores	70,419	1,997	2,172	2,211	-38	1,342	471	450
Health and personal care stores	9,240	292	295	*447	*-152	*379	*133	*123
Gasoline stations	*7,620	*194	*189	*189	*[2]	*183	*64	*59
Clothing and clothing accessories stores	5,711	754	754	898	-144	566	203	202
Sporting goods, hobby, book, and music stores	1,142	-36	-36	*36	*-72	*18	*5	*4
General merchandise stores	*208	*-33	*-34	d	d	d	d	d
Miscellaneous store retailers	5,449	124	125	182	-57	119	42	40
Nonstore retailers	11,822	345	330	459	-130	395	140	134
Transportation and warehousing	17,392	-42	-33	1,607	-1,640	1,219	423	365
Air, rail, and water transportation	2,352	229	237	426	-189	385	136	92
Truck transportation	153	5	5	*31	*-26	*21	*8	*6
Transit and ground passenger transportation	*1,097	*-28	*-28	*9	*-37	*4	*1	*1
Pipeline transportation	*845	*-4	*-17	*81	*-98	*79	*27	*27
Other transportation and support activities	12,379	-495	-481	788	-1,269	561	193	182
Warehousing and storage	567	250	252	273	-21	168	59	57

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Table 2. Foreign-Controlled Domestic Corporations: Selected Items, by Major Industry, Tax Year 2005—Continued

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

Major industry	Cost of goods sold (9)	Total receipts less total deductions (10)	Net income (less deficit) (11)	Net income (12)	Deficit (13)	Income subject to tax (14)	Total income tax	
							Before credits (15)	After credits (16)
Information	27,059	2,639	2,917	6,709	-3,792	3,379	1,214	1,090
Publishing industries	10,743	774	855	1,283	-428	722	255	199
Motion picture and sound recording industries	4,035	1,055	1,175	1,277	-102	48	20	13
Broadcasting (except Internet)	478	-145	-154	*52	*206	*27	*9	*8
Internet publishing and broadcasting	*1,616	*636	*637	d	d	d	d	d
Telecommunications	9,249	80	145	2,938	-2,793	1,809	655	608
Internet service providers, Web search portals, and data processing services	455	-122	-122	52	-174	*40	*13	*13
Other information services	484	361	382	d	d	d	d	d
Finance and insurance	137,081	20,816	21,155	28,280	-7,125	15,787	5,431	4,430
Credit intermediation	117	874	872	1,640	-768	1,517	530	491
Depository credit intermediation	0	545	541	601	-60	598	209	207
Nondepository credit intermediation	117	329	331	1,039	-708	919	321	284
Securities, commodity contracts, and other financial investments and related activities	507	6,758	7,218	7,978	-760	5,417	1,946	1,532
Insurance carriers and related activities	136,457	6,699	6,592	11,854	-5,262	8,219	2,734	2,299
Funds, trusts, and other financial vehicles	0	6,484	6,473	6,808	-335	633	221	107
Real estate and rental and leasing	4,651	3,091	2,870	4,347	-1,477	2,811	978	914
Real estate	689	2,459	2,444	3,393	-949	2,427	835	811
Rental and leasing services	3,915	621	415	d	d	d	d	d
Lessors of nonfinancial intangible assets (except copyrighted works)	*47	*11	*11	d	d	d	d	d
Professional, scientific, and technical services	21,419	1,724	1,761	3,713	-1,951	2,248	790	689
Management of companies (holding companies)	759	14,196	14,734	15,586	-852	14,268	5,003	4,230
Administrative and support and waste management and remediation services	15,374	384	388	807	-419	544	190	169
Administrative and support services	14,985	425	428	784	-356	525	183	162
Waste management and remediation services	*388	*-41	*-40	*23	*-63	*19	*7	*7
Educational services	430	38	39	*58	*-19	*37	*13	*9
Health care and social assistance	4,535	1,358	1,357	1,485	-128	1,262	445	427
Offices of health practitioners and outpatient care centers	*4,040	*1,159	*1,158	*1,186	*-27	*1,115	*390	*385
Miscellaneous health care and social assistance	463	4	3	*54	*-51	*51	*18	*17
Hospitals, nursing, and residential care facilities	*32	*195	*195	*246	*-50	*96	*36	*24
Arts, entertainment, and recreation	788	178	185	405	-221	367	127	114
Amusement, gambling, and recreation industries	272	174	180	244	-64	219	76	66
Other arts, entertainment, and recreation	516	4	5	161	-157	148	51	48
Accommodation and food services	9,518	1,616	1,629	1,872	-243	1,249	458	380
Accommodation	845	1,115	1,126	1,236	-110	700	265	222
Food services and drinking places	8,673	501	503	636	-133	550	193	159
Other services	1,874	199	217	282	-65	259	89	70
Repair and maintenance	d	d	d	d	d	d	d	d
Personal and laundry services	304	127	144	*192	*-48	*187	*65	*46
Religious, grantmaking, civic, professional, and similar organizations	d	d	d	d	d	d	d	d

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

d—Not shown to avoid disclosure of information about specific corporations. However, data are included in the appropriate totals.

[1] Includes "Not allocable," which is not shown separately.

[2] Absolute value is less than \$500,000.

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

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Table 3. Foreign-Controlled Domestic Corporations: Selected Items, by Age of Corporation and Selected Country of Foreign Owner, Tax Year 2005

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

Age of corporation and selected country of foreign owner	Number of returns			Total assets	Net worth	Total receipts	Business receipts	Total deductions
	Total	With net income	With total income tax after credits					
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All foreign-controlled domestic corporations	61,820	30,870	21,362	9,218,983	1,959,727	3,505,629	3,058,260	3,345,178
AGE OF CORPORATION								
Old corporations:								
Number or amount	48,272	25,993	18,067	8,844,437	1,846,471	3,332,478	2,900,335	3,176,551
Percentage of all corporations	78.08	84.20	84.58	95.94	94.22	95.06	94.84	94.96
New corporations:								
Number or amount	13,548	4,878	3,294	374,546	113,257	173,151	157,926	168,627
Percentage of all corporations	21.92	15.80	15.42	4.06	5.78	4.94	5.16	5.04
SELECTED COUNTRY OF FOREIGN OWNER								
Selected countries, total	55,313	27,843	19,130	9,176,324	1,949,373	3,469,236	3,024,638	3,310,030
Percentage of all countries	89.47	90.19	89.55	99.54	99.47	98.96	98.90	98.95
Selected countries:								
Australia	1,189	716	335	98,335	27,333	32,972	29,155	30,085
Austria	294	239	206	6,793	2,706	9,272	9,034	8,747
Belgium	659	495	155	81,653	8,959	38,769	32,960	36,575
Bermuda	248	143	108	200,316	62,840	65,581	54,478	64,977
Brazil	1,092	444	67	9,345	1,890	7,885	7,359	7,600
British Virgin Islands [1]	3,203	1,176	922	20,296	5,911	18,054	16,056	17,587
Canada	9,569	4,796	3,691	889,973	261,760	303,710	257,202	292,448
Cayman Islands	1,190	459	430	88,953	41,510	23,910	19,779	22,207
China	1,280	433	381	4,962	1,320	8,486	8,295	8,263
China (Taiwan)	1,524	464	333	14,777	4,763	22,878	22,304	22,202
Colombia	886	*63	*62	621	-29	542	488	553
Denmark	441	381	84	18,147	4,072	19,943	18,951	19,233
Finland	84	44	44	12,694	4,779	21,209	20,218	20,855
Former Soviet Union [2]	628	*352	*76	2,097	577	8,087	7,945	8,038
France	2,213	1,112	514	850,778	241,097	228,913	183,685	213,664
Germany	4,252	2,221	1,597	1,165,695	245,699	444,701	376,542	428,537
Hong Kong	1,318	650	483	7,053	1,913	8,929	8,418	8,783
India	1,191	840	742	3,482	735	5,929	5,863	5,890
Ireland	496	186	161	29,020	3,306	17,494	15,559	17,004
Israel	918	469	305	35,464	7,078	13,971	12,257	13,274
Italy	1,318	637	425	30,042	9,847	22,005	20,667	20,668
Japan	4,853	2,590	1,976	686,403	174,559	567,063	532,471	543,963
Liechtenstein	180	63	44	2,754	1,281	5,093	4,804	4,831
Luxembourg	363	184	120	41,125	13,657	24,932	23,102	24,342
Mexico	2,192	1,397	891	24,204	11,311	21,302	19,400	19,388
Netherlands	1,885	1,067	795	1,400,655	290,685	431,047	366,254	412,554
Netherlands Antilles	268	142	132	9,062	3,631	7,702	6,990	6,699
Norway	208	70	53	13,709	4,942	13,246	12,412	12,647
Pakistan	*506	d	d	*82	*37	*221	*220	*244
Panama	1,037	723	214	10,142	1,211	5,946	5,455	5,664
Puerto Rico	98	*19	*7	26,927	1,332	1,884	291	1,826
Saudi Arabia	286	30	*12	4,217	1,969	9,719	8,618	8,876
Singapore	188	95	72	14,119	5,813	8,855	8,335	8,789
South Africa, Republic of	317	d	d	3,759	467	5,684	5,599	5,798
South Korea, Republic of	1,333	563	279	25,143	4,717	59,007	57,846	58,508
Spain	417	213	115	16,140	5,116	11,624	10,903	11,439
Sweden	466	362	343	49,528	12,274	52,528	49,467	50,619
Switzerland	1,427	779	634	771,797	56,155	156,562	123,717	149,123
United Kingdom	4,281	2,476	1,593	2,484,273	417,785	719,154	618,397	674,707
Venezuela	1,015	738	717	21,789	4,365	44,427	43,142	42,823

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Table 3. Foreign-Controlled Domestic Corporations: Selected Items, by Age of Corporation and Selected Country of Foreign Owner, Tax Year 2005—Continued

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

Age of corporation and selected country of foreign owner	Cost of goods sold	Total receipts less total deductions	Net income (less deficit)	Net income	Deficit	Income subject to tax	Total income tax	
							Before credits	After credits
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
All foreign-controlled domestic corporations	2,239,966	160,450	165,188	201,597	-36,409	153,007	53,820	42,415
AGE OF CORPORATION								
Old corporations:								
Number or amount	2,125,263	155,926	160,244	192,140	-31,896	146,133	51,371	40,444
Percentage of all corporations	94.88	97.18	97.01	95.31	87.60	95.51	95.45	95.35
New corporations:								
Number or amount	114,703	4,524	4,944	9,456	-4,513	6,874	2,449	1,971
Percentage of all corporations	5.12	2.82	2.99	4.69	12.40	4.49	4.55	4.65
SELECTED COUNTRY OF FOREIGN OWNER								
Selected countries, total	2,214,543	159,206	163,928	199,159	-35,225	151,165	53,177	41,864
Percentage of all countries	98.87	99.22	99.24	98.79	96.75	98.80	98.81	98.70
Selected countries:								
Australia	17,570	2,888	2,973	3,998	-1,025	2,998	1,064	554
Austria	6,584	525	524	579	-55	533	186	181
Belgium	23,925	2,193	2,216	2,427	-211	1,841	646	593
Bermuda	36,213	604	803	3,661	-2,858	1,522	571	318
Brazil	5,507	285	284	515	-231	477	166	165
British Virgin Islands [1]	12,129	468	473	1,155	-682	579	199	194
Canada	188,912	11,261	11,420	17,310	-5,890	11,243	4,002	3,365
Cayman Islands	9,993	1,703	1,792	2,867	-1,075	1,251	443	340
China	6,652	224	223	296	-73	264	90	78
China (Taiwan)	19,707	676	676	901	-224	674	235	192
Colombia	397	-11	-11	*24	*-35	*24	*7	*4
Denmark	12,968	710	725	901	-176	435	177	152
Finland	15,716	354	362	487	-125	217	82	65
Former Soviet Union [2]	7,493	49	49	*109	*-59	*86	*30	*30
France	122,504	15,249	15,873	18,820	-2,946	12,824	4,360	3,534
Germany	260,878	16,164	16,772	20,895	-4,122	11,133	3,945	2,592
Hong Kong	7,148	146	146	291	-145	211	72	66
India	3,019	39	38	182	-144	154	49	48
Ireland	10,880	490	486	786	-300	607	212	208
Israel	9,282	697	709	1,071	-361	771	269	250
Italy	12,285	1,337	1,359	1,732	-373	1,427	497	404
Japan	412,190	23,099	23,122	27,815	-4,693	23,951	8,398	7,791
Liechtenstein	3,764	261	259	290	-31	157	54	53
Luxembourg	12,855	590	663	1,334	-671	1,095	389	318
Mexico	13,022	1,914	2,001	2,431	-430	1,762	614	187
Netherlands	290,792	18,493	18,952	20,785	-1,832	16,687	5,814	4,592
Netherlands Antilles	2,979	1,003	1,001	1,089	-88	849	297	279
Norway	10,166	600	602	784	-182	307	107	101
Pakistan	*153	*-22	*-22	d	d	d	d	d
Panama	4,473	283	289	370	-81	237	82	82
Puerto Rico	26	58	56	*79	*-23	*78	*27	*26
Saudi Arabia	8,316	843	843	889	-46	885	*310	*275
Singapore	5,198	66	70	208	-138	98	35	32
South Africa, Republic of	4,392	-114	-114	d	d	d	d	d
South Korea, Republic of	52,949	498	504	936	-432	576	201	188
Spain	8,100	185	238	645	-407	545	191	164
Sweden	38,224	1,909	1,892	2,167	-276	1,618	565	498
Switzerland	61,902	7,438	7,386	8,800	-1,413	7,180	2,524	2,289
United Kingdom	454,184	44,447	46,688	49,731	-3,043	44,133	15,663	11,057
Venezuela	41,096	1,604	1,606	1,693	-87	1,645	572	567

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

d—Not shown to avoid disclosure of information about specific corporations. However, data are included in the appropriate totals.

[1] Includes domestic corporations with owners from Saint Christopher, Nevis, and Anguilla.

[2] Includes domestic corporations with owners from Russia, Armenia, Uzbekistan, Ukraine, Turkmenistan, Tajikistan, Sakhalin Island, Moldova, Kyrgyzstan, Azerbaijan, Kazakhstan, Kurile Islands, Georgia, Belarus, and Estonia.

NOTES: "New" corporations were those with dates of incorporation between 2003 and 2006; "old" corporations were those with dates of incorporation prior to 2003, or with unknown dates of incorporation. Countries shown in this table are those in which one or more of the following were present: (a) at least 500 returns, (b) at least \$10 billion of total assets, or (c) at least \$5 billion of total receipts. Detail may not add to totals because of rounding.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Table 4. "Large" Foreign-Controlled Domestic Corporations Compared to Other "Large" Domestic Corporations: Selected Items and Percentages, by Industrial Sector, Tax Year 2005

[Money amounts are in millions of dollars]

Control status and industrial sector	Number of returns			Assets			
	Total	With net income	With total income tax after credits	Total	Current	Noncurrent	
						Total	Loans to stockholders
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
FOREIGN-CONTROLLED DOMESTIC CORPORATIONS							
All industries	3,790	2,853	2,723	8,767,910	4,097,858	4,670,051	30,229
Agriculture, forestry, fishing, and hunting	12	9	8	1,675	483	1,192	0
Mining	78	55	52	94,614	21,512	73,102	409
Utilities	25	22	18	93,942	11,546	82,396	0
Construction	78	53	52	28,464	17,004	11,459	118
Manufacturing	1,418	1,028	976	2,341,323	1,309,016	1,032,307	2,829
Wholesale and retail trade	1,191	973	940	483,067	274,422	208,646	2,044
Wholesale trade	1,063	878	850	394,464	241,119	153,345	1,562
Retail trade	128	96	91	88,603	33,302	55,301	482
Transportation and warehousing	77	59	55	46,153	10,172	35,981	266
Information	109	71	65	301,387	37,819	263,568	2,146
Finance and insurance	306	234	229	4,116,485	1,729,392	2,387,093	21,277
Real estate and rental and leasing	67	46	46	63,038	17,850	45,188	209
Professional, scientific, and technical services	180	132	122	105,900	32,195	73,706	16
Management of companies (holding companies)	83	62	56	985,394	617,637	367,757	380
Administrative and support and waste management and remediation services	71	52	49	31,554	7,023	24,531	68
Educational services	6	d	d	1,143	309	833	0
Health care and social assistance	20	13	13	22,101	5,041	17,060	38
Arts, entertainment, and recreation	19	7	7	4,138	1,045	3,093	0
Accommodation and food services	39	26	26	44,865	4,633	40,232	421
Other services	12	d	d	2,667	759	1,908	7
DOMESTIC CORPORATIONS NOT FOREIGN-CONTROLLED							
All industries	15,248	11,944	11,535	41,072,862	16,138,040	24,934,822	338,405
Agriculture, forestry, fishing, and hunting	111	89	84	20,839	6,794	14,045	96
Mining	229	172	171	393,902	89,621	304,282	2,211
Utilities	186	130	124	1,378,146	322,912	1,055,234	91
Construction	768	663	671	181,437	112,637	68,800	1,336
Manufacturing	3,293	2,453	2,316	7,418,404	2,583,239	4,835,166	37,790
Wholesale and retail trade	3,959	3,249	3,147	1,769,855	728,891	1,040,964	2,042
Wholesale trade	2,218	1,892	1,846	889,312	364,083	525,229	1,553
Retail trade	1,741	1,358	1,301	880,543	364,808	515,735	489
Transportation and warehousing	478	348	337	434,486	96,272	338,213	1,761
Information	683	405	385	2,487,723	492,740	1,994,984	719
Finance and insurance	2,013	1,702	1,670	13,897,302	4,762,360	9,134,942	4,735
Real estate and rental and leasing	168	118	111	215,972	81,699	134,273	183
Professional, scientific, and technical services	789	549	515	326,654	138,631	188,023	482
Management of companies (holding companies)	1,300	1,242	1,240	11,886,758	6,575,929	5,310,828	285,368
Administrative and support and waste management and remediation services	321	227	220	175,982	42,049	133,933	129
Educational services	52	33	31	15,260	5,335	9,926	6
Health care and social assistance	495	284	248	153,355	36,966	116,389	74
Arts, entertainment, and recreation	63	37	35	44,649	6,783	37,866	1,198
Accommodation and food services	262	187	176	242,324	47,852	194,472	151
Other services	80	57	53	29,812	7,329	22,483	34

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Table 4. "Large" Foreign-Controlled Domestic Corporations Compared to Other "Large" Domestic Corporations: Selected Items and Percentages, by Industrial Sector, Tax Year 2005—Continued

[Money amounts are in millions of dollars]

Control status and industrial sector	Liabilities			Net worth			
	Current	Noncurrent		Total	Retained earnings		
		Total	Loans from stockholders		Total	Appropriated	Unappropriated
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
FOREIGN-CONTROLLED DOMESTIC CORPORATIONS							
All industries	4,197,448	2,878,442	118,991	1,692,020	-23,510	16,671	-40,181
Agriculture, forestry, fishing, and hunting	231	678	0	766	-132	0	-132
Mining	15,061	29,909	2,277	49,644	-1,169	4	-1,172
Utilities	13,782	55,208	2,088	24,952	306	0	306
Construction	11,399	7,472	793	9,593	361	0	361
Manufacturing	1,166,792	628,046	63,546	546,485	-22,970	635	-23,606
Wholesale and retail trade	209,510	138,418	6,202	135,139	8,278	80	8,198
Wholesale trade	181,154	104,357	4,374	108,954	8,163	8	8,155
Retail trade	28,357	34,061	1,828	26,185	115	72	43
Transportation and warehousing	9,946	17,862	555	18,345	-2,337	5	-2,342
Information	43,426	76,368	24,184	181,594	-40,706	305	-41,011
Finance and insurance	1,891,023	1,704,642	10,659	520,820	39,490	15,519	23,971
Real estate and rental and leasing	14,432	29,258	1,420	19,348	-416	0	-416
Professional, scientific, and technical services	34,651	23,444	2,491	47,805	-15,540	23	-15,563
Management of companies (holding companies)	768,367	121,815	2,115	95,212	26,820	93	26,727
Administrative and support and waste management and remediation services	7,143	13,161	1,646	11,249	-15,335	0	-15,335
Educational services	395	265	103	483	-226	0	-226
Health care and social assistance	3,137	7,573	483	11,390	1,279	0	1,279
Arts, entertainment, and recreation	1,421	1,455	114	1,262	-58	0	-58
Accommodation and food services	6,014	21,504	254	17,347	-1,599	0	-1,599
Other services	718	1,363	61	586	443	6	437
DOMESTIC CORPORATIONS NOT FOREIGN-CONTROLLED							
All industries	19,851,960	11,532,423	102,662	9,688,480	3,435,032	115,989	3,319,042
Agriculture, forestry, fishing, and hunting	5,630	11,373	502	3,836	1,402	18	1,384
Mining	67,365	148,032	639	178,505	59,583	54	59,529
Utilities	330,893	719,109	1,259	328,143	3,081	1,178	1,903
Construction	55,432	62,494	285	63,511	45,757	6	45,751
Manufacturing	2,235,072	2,188,938	27,038	2,994,395	1,284,794	2,641	1,282,154
Wholesale and retail trade	553,265	410,787	4,006	805,804	498,980	2,673	496,307
Wholesale trade	258,981	179,190	2,734	451,141	272,872	2,464	270,408
Retail trade	294,284	231,596	1,272	354,662	226,108	209	225,899
Transportation and warehousing	99,721	255,028	2,440	79,737	11,053	46	11,007
Information	493,116	885,516	2,807	1,109,092	-141,309	171	-141,480
Finance and insurance	7,012,418	4,782,084	2,999	2,102,800	1,111,492	106,887	1,004,605
Real estate and rental and leasing	62,198	98,832	3,187	54,943	5,572	19	5,553
Professional, scientific, and technical services	117,491	85,347	863	123,816	-26,012	168	-26,180
Management of companies (holding companies)	8,690,573	1,579,878	51,971	1,616,308	522,282	1,806	520,476
Administrative and support and waste management and remediation services	39,342	74,516	66	62,124	17,002	127	16,875
Educational services	4,198	4,105	20	6,958	2,554	0	2,554
Health care and social assistance	32,096	70,001	898	51,259	1,592	12	1,580
Arts, entertainment, and recreation	7,104	20,520	1,789	17,025	-8,288	6	-8,294
Accommodation and food services	41,157	122,002	1,875	79,166	44,337	122	44,215
Other services	4,891	13,862	19	11,059	1,160	57	1,104

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Table 4. "Large" Foreign-Controlled Domestic Corporations Compared to Other "Large" Domestic Corporations: Selected Items and Percentages, by Industrial Sector, Tax Year 2005—Continued

[Money amounts are in millions of dollars]

Control status and industrial sector	Receipts						Dividends received from:	
	Total	Business receipts	Interest [1]	Rents	Royalties	Domestic corporations	Foreign corporations	
	(15)	(16)	(17)	(18)	(19)	(20)	(21)	
FOREIGN-CONTROLLED DOMESTIC CORPORATIONS								
All industries	3,317,476	2,896,114	230,843	15,680	11,086	4,232	17,531	
Agriculture, forestry, fishing, and hunting	1,140	1,037	9	1	1	0	0	
Mining	44,712	42,140	529	61	48	628	147	
Utilities	39,742	37,935	754	206	0	34	40	
Construction	37,734	35,895	309	175	11	1	42	
Manufacturing	1,613,934	1,523,244	21,211	9,691	4,656	524	10,405	
Wholesale and retail trade	814,069	788,353	5,549	1,195	2,181	550	2,362	
Wholesale trade	647,165	625,655	4,814	821	1,923	525	1,540	
Retail trade	166,904	162,699	735	374	257	25	822	
Transportation and warehousing	40,411	38,546	400	233	19	4	135	
Information	75,587	64,296	2,529	111	2,789	564	429	
Finance and insurance	421,980	218,793	141,464	1,580	24	1,769	2,823	
Real estate and rental and leasing	16,678	12,806	899	317	4	22	19	
Professional, scientific, and technical services	53,056	49,634	554	101	679	28	134	
Management of companies (holding companies)	83,443	16,635	55,573	1,832	111	78	895	
Administrative and support and waste management and remediation services	30,049	28,587	350	7	6	8	8	
Educational services	873	845	2	1	24	0	1	
Health care and social assistance	12,994	12,100	108	9	14	0	14	
Arts, entertainment, and recreation	2,950	2,250	63	29	25	20	1	
Accommodation and food services	25,446	20,482	511	131	449	3	46	
Other services	2,678	2,538	28	0	47	0	28	
DOMESTIC CORPORATIONS NOT FOREIGN-CONTROLLED								
All industries	13,657,411	11,123,685	1,222,727	75,847	134,422	15,653	327,208	
Agriculture, forestry, fishing, and hunting	22,696	21,157	114	55	40	4	652	
Mining	203,064	177,660	2,961	272	1,127	285	6,766	
Utilities	598,404	552,440	9,810	2,902	69	159	1,743	
Construction	238,313	229,675	1,826	549	237	39	240	
Manufacturing	4,578,404	3,938,064	121,684	19,802	82,460	2,020	258,234	
Wholesale and retail trade	2,941,330	2,840,069	17,157	4,588	10,228	836	14,386	
Wholesale trade	1,250,180	1,204,833	9,686	2,431	4,100	778	10,229	
Retail trade	1,691,150	1,635,236	7,471	2,157	6,128	58	4,157	
Transportation and warehousing	391,479	370,563	3,305	1,497	1,978	53	855	
Information	844,919	696,410	31,132	13,029	23,910	1,594	11,669	
Finance and insurance	2,183,725	1,391,230	560,744	6,465	1,242	8,651	11,415	
Real estate and rental and leasing	83,426	67,559	6,120	521	618	29	805	
Professional, scientific, and technical services	239,347	221,127	4,311	312	4,554	54	2,602	
Management of companies (holding companies)	764,167	111,973	456,130	23,828	444	1,837	10,735	
Administrative and support and waste management and remediation services	171,470	152,781	2,421	357	1,541	32	1,255	
Educational services	14,402	13,811	102	18	122	1	0	
Health care and social assistance	159,102	151,906	996	496	131	23	277	
Arts, entertainment, and recreation	21,558	18,639	485	147	148	15	14	
Accommodation and food services	178,588	146,434	3,307	961	5,433	9	5,550	
Other services	23,019	22,188	122	48	140	13	9	

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Table 4. "Large" Foreign-Controlled Domestic Corporations Compared to Other "Large" Domestic Corporations: Selected Items and Percentages, by Industrial Sector, Tax Year 2005—Continued

[Money amounts are in millions of dollars]

Control status and industrial sector	Deductions						
	Total	Cost of goods sold	Compensation of officers	Salaries and wages	Interest paid	Taxes paid	Depreciation
	(22)	(23)	(24)	(25)	(26)	(27)	(28)
FOREIGN-CONTROLLED DOMESTIC CORPORATIONS							
All industries	3,164,170	2,134,260	12,374	193,656	195,907	39,236	71,485
Agriculture, forestry, fishing, and hunting	1,049	659	12	53	49	19	45
Mining	38,892	23,014	142	2,266	1,385	879	2,154
Utilities	37,985	22,727	42	1,473	2,886	1,287	2,463
Construction	35,983	30,625	198	1,422	591	357	290
Manufacturing	1,535,227	1,194,762	3,819	66,146	39,159	16,072	37,205
Wholesale and retail trade	788,404	636,261	2,044	38,549	9,271	6,844	12,160
Wholesale trade	625,578	516,335	1,655	23,664	6,916	4,621	9,947
Retail trade	162,827	119,925	389	14,885	2,355	2,223	2,213
Transportation and warehousing	40,569	13,990	209	6,597	1,099	1,158	1,410
Information	70,819	23,832	410	10,601	6,302	1,273	3,951
Finance and insurance	407,336	136,243	3,897	28,808	99,238	4,544	4,994
Real estate and rental and leasing	15,353	3,912	174	2,475	1,709	469	2,644
Professional, scientific, and technical services	51,374	18,146	731	12,120	1,537	2,339	876
Management of companies (holding companies)	69,695	759	359	9,373	29,744	1,124	1,960
Administrative and support and waste management and remediation services	29,699	13,909	113	5,597	1,226	1,220	501
Educational services	847	276	23	198	31	24	13
Health care and social assistance	11,586	4,436	83	1,923	373	427	235
Arts, entertainment, and recreation	2,758	574	38	757	134	64	92
Accommodation and food services	24,078	8,923	60	4,863	1,120	1,068	470
Other services	2,515	1,212	19	435	52	68	23
DOMESTIC CORPORATIONS NOT FOREIGN-CONTROLLED							
All industries	12,551,699	6,984,208	71,976	1,255,848	939,778	251,045	329,818
Agriculture, forestry, fishing, and hunting	21,242	16,559	152	961	544	319	418
Mining	175,683	97,998	1,627	7,588	7,478	5,756	7,293
Utilities	580,031	345,271	2,105	22,168	32,965	19,975	33,162
Construction	218,377	170,122	2,162	10,044	2,871	3,337	1,827
Manufacturing	4,113,967	2,853,394	16,497	269,448	160,166	70,361	108,532
Wholesale and retail trade	2,821,436	2,187,363	9,388	235,451	27,422	38,326	31,473
Wholesale trade	1,206,670	1,020,308	5,000	58,877	12,277	9,852	9,028
Retail trade	1,614,766	1,167,055	4,388	176,574	15,144	28,474	22,444
Transportation and warehousing	379,965	101,703	1,602	78,147	10,602	13,451	20,639
Information	776,259	142,538	5,648	124,632	59,334	21,715	52,292
Finance and insurance	2,000,832	826,826	14,828	195,844	350,248	31,241	18,449
Real estate and rental and leasing	76,481	14,327	741	13,041	8,306	2,021	13,907
Professional, scientific, and technical services	231,489	72,877	4,831	62,796	6,049	6,599	4,095
Management of companies (holding companies)	628,431	4,776	7,226	100,705	254,347	13,902	22,982
Administrative and support and waste management and remediation services	158,657	68,367	1,147	28,823	5,023	7,259	3,625
Educational services	12,957	1,992	190	4,291	206	386	325
Health care and social assistance	153,070	21,182	1,528	55,677	4,296	6,077	3,352
Arts, entertainment, and recreation	20,517	3,306	269	4,438	1,436	1,363	1,144
Accommodation and food services	160,130	46,104	1,858	37,878	7,799	8,145	5,717
Other services	22,176	9,504	177	3,917	686	811	586

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Table 4. "Large" Foreign-Controlled Domestic Corporations Compared to Other "Large" Domestic Corporations: Selected Items and Percentages, by Industrial Sector, Tax Year 2005—Continued

[Money amounts are in millions of dollars]

Control status and industrial sector	Total receipts less total deductions	Constructive taxable income from related foreign corporations	Net income (less deficit)	Net income	Deficit	Statutory special deductions	
						Total	Net operating loss deduction
	(29)	(30)	(31)	(32)	(33)	(34)	(35)
FOREIGN-CONTROLLED DOMESTIC CORPORATIONS							
All industries	153,306	6,202	157,959	181,513	-23,554	38,429	25,792
Agriculture, forestry, fishing, and hunting	91	0	91	116	-26	19	19
Mining	5,820	340	6,158	6,463	-305	2,532	2,011
Utilities	1,757	0	1,753	1,829	-76	1,169	1,115
Construction	1,751	1	1,752	2,099	-348	197	159
Manufacturing	78,708	3,225	81,643	90,884	-9,241	14,558	8,264
Wholesale and retail trade	25,665	534	26,083	28,880	-2,797	6,882	4,907
Wholesale trade	21,588	352	21,847	24,266	-2,419	5,466	3,941
Retail trade	4,077	181	4,237	4,614	-378	1,416	965
Transportation and warehousing	-158	22	-152	1,233	-1,384	331	262
Information	4,768	291	5,047	6,320	-1,273	3,160	2,446
Finance and insurance	14,644	717	14,998	21,075	-6,077	5,928	3,759
Real estate and rental and leasing	1,325	4	1,120	1,582	-462	684	664
Professional, scientific, and technical services	1,682	37	1,689	2,572	-883	1,038	937
Management of companies (holding companies)	13,748	994	14,236	14,360	-124	1,010	398
Administrative and support and waste management and remediation services	350	5	352	630	-278	235	228
Educational services	26	1	27	d	d	d	d
Health care and social assistance	1,409	0	1,408	1,454	-46	222	207
Arts, entertainment, and recreation	192	[2]	193	301	-108	15	1
Accommodation and food services	1,368	14	1,381	1,470	-89	420	388
Other services	162	17	180	d	d	d	d
DOMESTIC CORPORATIONS NOT FOREIGN-CONTROLLED							
All industries	1,105,712	108,883	1,187,940	1,283,601	-95,661	318,905	81,587
Agriculture, forestry, fishing, and hunting	1,454	74	1,523	1,681	-158	678	144
Mining	27,382	2,730	30,011	35,253	-5,242	6,274	3,747
Utilities	18,373	751	18,486	30,892	-12,406	5,502	4,015
Construction	19,936	78	19,977	20,731	-754	684	563
Manufacturing	464,437	79,017	539,873	560,300	-20,427	209,224	24,347
Wholesale and retail trade	119,894	5,878	124,561	132,729	-8,168	16,112	5,665
Wholesale trade	43,509	4,172	46,909	49,932	-3,022	9,905	2,597
Retail trade	76,384	1,706	77,652	82,797	-5,145	6,208	3,068
Transportation and warehousing	11,514	357	11,769	20,091	-8,322	1,736	1,069
Information	68,660	3,893	72,088	90,102	-18,014	24,908	15,918
Finance and insurance	182,893	8,303	176,589	185,385	-8,796	22,742	10,292
Real estate and rental and leasing	6,945	65	6,931	8,330	-1,399	4,369	3,902
Professional, scientific, and technical services	7,858	743	8,505	14,028	-5,523	4,686	2,731
Management of companies (holding companies)	135,735	6,109	136,603	137,367	-764	8,687	1,418
Administrative and support and waste management and remediation services	12,813	245	12,833	13,801	-969	5,357	4,448
Educational services	1,445	1	1,404	1,568	-164	62	62
Health care and social assistance	6,032	25	5,910	8,318	-2,408	1,246	1,047
Arts, entertainment, and recreation	1,041	12	1,033	1,570	-538	234	223
Accommodation and food services	18,458	597	19,005	20,265	-1,259	6,252	1,854
Other services	843	5	839	1,190	-351	152	143

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Table 4. "Large" Foreign-Controlled Domestic Corporations Compared to Other "Large" Domestic Corporations: Selected Items and Percentages, by Industrial Sector, Tax Year 2005—Continued

[Money amounts are in millions of dollars]

Control status and industrial sector	Income subject to tax	Total income tax before credits	Income tax	Alternative minimum tax	Total credits	Foreign tax credit	Total income tax after credits
	(36)	(37)	(38)	(39)	(40)	(41)	(42)
FOREIGN-CONTROLLED DOMESTIC CORPORATIONS							
All industries	143,404	50,538	49,914	621	11,234	7,938	39,304
Agriculture, forestry, fishing, and hunting	98	34	34	0	1	0	33
Mining	3,932	1,587	1,375	212	776	706	811
Utilities	672	253	235	17	83	0	170
Construction	1,933	678	676	2	11	9	667
Manufacturing	76,618	26,930	26,790	144	7,616	5,595	19,314
Wholesale and retail trade	22,086	7,746	7,710	36	573	335	7,173
Wholesale trade	18,887	6,617	6,592	26	521	314	6,097
Retail trade	3,198	1,129	1,118	11	52	21	1,077
Transportation and warehousing	902	319	315	4	53	26	266
Information	3,204	1,154	1,120	34	114	47	1,040
Finance and insurance	14,966	5,147	5,013	131	992	716	4,155
Real estate and rental and leasing	898	322	314	8	53	8	269
Professional, scientific, and technical services	1,538	548	537	11	84	46	464
Management of companies (holding companies)	13,358	4,679	4,675	4	733	396	3,946
Administrative and support and waste management and remediation services	398	141	138	2	19	1	122
Educational services	d	d	d	d	d	d	d
Health care and social assistance	1,232	434	431	3	18	1	416
Arts, entertainment, and recreation	285	100	100	0	9	2	91
Accommodation and food services	1,067	391	377	11	76	26	314
Other services	d	d	d	d	d	d	d
DOMESTIC CORPORATIONS NOT FOREIGN-CONTROLLED							
All industries	970,476	341,713	339,277	2,411	93,616	72,534	248,097
Agriculture, forestry, fishing, and hunting	1,040	364	362	2	15	11	349
Mining	29,012	10,500	10,151	348	3,250	2,943	7,250
Utilities	25,801	9,224	9,029	190	1,660	96	7,563
Construction	20,048	7,015	7,002	7	205	60	6,809
Manufacturing	354,742	124,410	124,076	323	58,243	49,940	66,166
Wholesale and retail trade	117,182	40,987	40,914	91	3,821	2,880	37,165
Wholesale trade	40,389	14,137	14,098	52	2,588	1,998	11,549
Retail trade	76,793	26,849	26,816	39	1,233	882	25,616
Transportation and warehousing	18,406	6,457	6,436	21	745	327	5,712
Information	65,673	23,205	22,974	236	3,775	2,796	19,430
Finance and insurance	162,826	57,773	56,884	906	10,370	5,955	47,404
Real estate and rental and leasing	3,964	1,456	1,383	72	59	25	1,397
Professional, scientific, and technical services	9,714	3,430	3,391	38	633	393	2,797
Management of companies (holding companies)	128,638	45,066	44,988	45	8,928	6,067	36,138
Administrative and support and waste management and remediation services	8,454	3,041	2,954	87	420	165	2,620
Educational services	1,506	527	526	1	4	3	523
Health care and social assistance	7,079	2,491	2,472	19	59	17	2,432
Arts, entertainment, and recreation	1,338	470	468	2	75	43	395
Accommodation and food services	14,013	4,933	4,902	21	1,338	807	3,595
Other services	1,043	366	364	2	14	6	352

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Table 4. "Large" Foreign-Controlled Domestic Corporations Compared to Other "Large" Domestic Corporations: Selected Items and Percentages, by Industrial Sector, Tax Year 2005—Continued

[Money amounts are in millions of dollars]

Control status and industrial sector	Percentages					
	Number of returns with net income	Number of returns with total income tax after credits	Current liabilities	Noncurrent liabilities	Net worth	Total liabilities divided by net worth
	Divided by total number of returns		Divided by total assets			
	(43)	(44)	(45)	(46)	(47)	(48)
FOREIGN-CONTROLLED DOMESTIC CORPORATIONS						
All industries	75.28	71.85	47.87	32.83	19.30	418.19
Agriculture, forestry, fishing, and hunting	75.00	66.67	13.79	40.48	45.73	118.67
Mining	70.51	66.67	15.92	31.61	52.47	90.58
Utilities	88.00	72.00	14.67	58.77	26.56	276.49
Construction	67.95	66.67	40.05	26.25	33.70	196.72
Manufacturing	72.50	68.83	49.83	26.82	23.34	328.43
Wholesale and retail trade	81.70	78.93	43.37	28.65	27.98	257.46
Wholesale trade	82.60	79.96	45.92	26.46	27.62	262.05
Retail trade	75.00	71.09	32.00	38.44	29.55	238.37
Transportation and warehousing	76.62	71.43	21.55	38.70	39.75	151.58
Information	65.14	59.63	14.41	25.34	60.25	65.97
Finance and insurance	76.47	74.84	45.94	41.41	12.65	690.39
Real estate and rental and leasing	68.66	68.66	22.89	46.41	30.69	225.81
Professional, scientific, and technical services	73.33	67.78	32.72	22.14	45.14	121.52
Management of companies (holding companies)	74.70	67.47	77.98	12.36	9.66	934.95
Administrative and support and waste management and remediation services	73.24	69.01	22.64	41.71	35.65	180.50
Educational services	d	d	34.56	23.18	42.26	136.65
Health care and social assistance	65.00	65.00	14.19	34.27	51.54	94.03
Arts, entertainment, and recreation	36.84	36.84	34.34	35.16	30.50	227.89
Accommodation and food services	66.67	66.67	13.40	47.93	38.66	158.63
Other services	d	d	26.92	51.11	21.97	355.12
DOMESTIC CORPORATIONS NOT FOREIGN-CONTROLLED						
All industries	78.33	75.65	48.33	28.08	23.59	323.94
Agriculture, forestry, fishing, and hunting	80.18	75.68	27.02	54.58	18.41	443.25
Mining	75.11	74.67	17.10	37.58	45.32	120.67
Utilities	69.89	66.67	24.01	52.18	23.81	319.98
Construction	86.33	87.37	30.55	34.44	35.00	185.68
Manufacturing	74.49	70.33	30.13	29.51	40.36	147.74
Wholesale and retail trade	82.07	79.49	31.26	23.21	45.53	119.64
Wholesale trade	85.30	83.23	29.12	20.15	50.73	97.13
Retail trade	78.00	74.73	33.42	26.30	40.28	148.28
Transportation and warehousing	72.80	70.50	22.95	58.70	18.35	444.90
Information	59.30	56.37	19.82	35.60	44.58	124.30
Finance and insurance	84.55	82.96	50.46	34.41	15.13	560.90
Real estate and rental and leasing	70.24	66.07	28.80	45.76	25.44	293.09
Professional, scientific, and technical services	69.58	65.27	35.97	26.13	37.90	163.82
Management of companies (holding companies)	95.54	95.38	73.11	13.29	13.60	635.43
Administrative and support and waste management and remediation services	70.72	68.54	22.36	42.34	35.30	183.28
Educational services	63.46	59.62	27.51	26.90	45.60	119.33
Health care and social assistance	57.37	50.10	20.93	45.65	33.43	199.18
Arts, entertainment, and recreation	58.73	55.56	15.91	45.96	38.13	162.26
Accommodation and food services	71.37	67.18	16.98	50.35	32.67	206.10
Other services	71.25	66.25	16.41	46.50	37.10	169.57

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Table 4. "Large" Foreign-Controlled Domestic Corporations Compared to Other "Large" Domestic Corporations: Selected Items and Percentages, by Industrial Sector, Tax Year 2005—Continued

[Money amounts are in millions of dollars]

Control status and industrial sector	Percentages—continued					
	Total receipts divided by total assets	Cost of goods sold divided by business receipts	Interest paid divided by total receipts	Total receipts less total deductions divided by		
				Total assets	Net worth	Total receipts
	(49)	(50)	(51)	(52)	(53)	(54)
FOREIGN-CONTROLLED DOMESTIC CORPORATIONS						
All industries	37.84	73.69	5.91	1.75	9.06	4.62
Agriculture, forestry, fishing, and hunting	68.06	63.55	4.30	5.43	11.88	7.98
Mining	47.26	54.61	3.10	6.15	11.72	13.02
Utilities	42.30	59.91	7.26	1.87	7.04	4.42
Construction	132.57	85.32	1.57	6.15	18.25	4.64
Manufacturing	68.93	78.44	2.43	3.36	14.40	4.88
Wholesale and retail trade	168.52	80.71	1.14	5.31	18.99	3.15
Wholesale trade	164.06	82.53	1.07	5.47	19.81	3.34
Retail trade	188.37	73.71	1.41	4.60	15.57	2.44
Transportation and warehousing	87.56	36.29	2.72	-0.34	-0.86	-0.39
Information	25.08	37.07	8.34	1.58	2.63	6.31
Finance and insurance	10.25	62.27	23.52	0.36	2.81	3.47
Real estate and rental and leasing	26.46	30.55	10.25	2.10	6.85	7.94
Professional, scientific, and technical services	50.10	36.56	2.90	1.59	3.52	3.17
Management of companies (holding companies)	8.47	4.56	35.65	1.40	14.44	16.48
Administrative and support and waste management and remediation services	95.23	48.65	4.08	1.11	3.11	1.16
Educational services	76.38	32.66	3.55	2.27	5.38	2.98
Health care and social assistance	58.79	36.66	2.87	6.38	12.37	10.84
Arts, entertainment, and recreation	71.29	25.51	4.54	4.64	15.21	6.51
Accommodation and food services	56.72	43.57	4.40	3.05	7.89	5.38
Other services	100.41	47.75	1.94	6.07	27.65	6.05
DOMESTIC CORPORATIONS NOT FOREIGN-CONTROLLED						
All industries	33.25	62.79	6.88	2.69	11.41	8.10
Agriculture, forestry, fishing, and hunting	108.91	78.27	2.40	6.98	37.90	6.41
Mining	51.55	55.16	3.68	6.95	15.34	13.48
Utilities	43.42	62.50	5.51	1.33	5.60	3.07
Construction	131.35	74.07	1.20	10.99	31.39	8.37
Manufacturing	61.72	72.46	3.50	6.26	15.51	10.14
Wholesale and retail trade	166.19	77.02	0.93	6.77	14.88	4.08
Wholesale trade	140.58	84.68	0.98	4.89	9.64	3.48
Retail trade	192.06	71.37	0.90	8.67	21.54	4.52
Transportation and warehousing	90.10	27.45	2.71	2.65	14.44	2.94
Information	33.96	20.47	7.02	2.76	6.19	8.13
Finance and insurance	15.71	59.43	16.04	1.32	8.70	8.38
Real estate and rental and leasing	38.63	21.21	9.96	3.22	12.64	8.32
Professional, scientific, and technical services	73.27	32.96	2.53	2.41	6.35	3.28
Management of companies (holding companies)	6.43	4.27	33.28	1.14	8.40	17.76
Administrative and support and waste management and remediation services	97.44	44.75	2.93	7.28	20.62	7.47
Educational services	94.38	14.42	1.43	9.47	20.77	10.03
Health care and social assistance	103.75	13.94	2.70	3.93	11.77	3.79
Arts, entertainment, and recreation	48.28	17.74	6.66	2.33	6.11	4.83
Accommodation and food services	73.70	31.48	4.37	7.62	23.32	10.34
Other services	77.21	42.83	2.98	2.83	7.62	3.66

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Table 4. "Large" Foreign-Controlled Domestic Corporations Compared to Other "Large" Domestic Corporations: Selected Items and Percentages, by Industrial Sector, Tax Year 2005—Continued

[Money amounts are in millions of dollars]

Control status and industrial sector	Percentages—continued			
	Net income (less deficit) divided by			Net operating loss deduction divided by net income
	Total assets	Net worth	Total receipts	
(55)	(56)	(57)	(58)	
FOREIGN-CONTROLLED DOMESTIC CORPORATIONS				
All industries	1.80	9.34	4.76	14.21
Agriculture, forestry, fishing, and hunting	5.43	11.88	7.98	16.38
Mining	6.51	12.40	13.77	31.12
Utilities	1.87	7.03	4.41	60.96
Construction	6.16	18.26	4.64	7.58
Manufacturing	3.49	14.94	5.06	9.09
Wholesale and retail trade	5.40	19.30	3.20	16.99
Wholesale trade	5.54	20.05	3.38	16.24
Retail trade	4.78	16.18	2.54	20.91
Transportation and warehousing	-0.33	-0.83	-0.38	21.25
Information	1.67	2.78	6.68	38.70
Finance and insurance	0.36	2.88	3.55	17.84
Real estate and rental and leasing	1.78	5.79	6.72	41.97
Professional, scientific, and technical services	1.59	3.53	3.18	36.43
Management of companies (holding companies)	1.44	14.95	17.06	2.77
Administrative and support and waste management and remediation services	1.12	3.13	1.17	36.19
Educational services	2.36	5.59	3.09	d
Health care and social assistance	6.37	12.36	10.84	14.24
Arts, entertainment, and recreation	4.66	15.29	6.54	0.33
Accommodation and food services	3.08	7.96	5.43	26.39
Other services	6.75	30.72	6.72	d
DOMESTIC CORPORATIONS NOT FOREIGN-CONTROLLED				
All industries	2.89	12.26	8.70	6.36
Agriculture, forestry, fishing, and hunting	7.31	39.70	6.71	8.57
Mining	7.62	16.81	14.78	10.63
Utilities	1.34	5.63	3.09	13.00
Construction	11.01	31.45	8.38	2.72
Manufacturing	7.28	18.03	11.79	4.35
Wholesale and retail trade	7.04	15.46	4.23	4.27
Wholesale trade	5.27	10.40	3.75	5.20
Retail trade	8.82	21.89	4.59	3.71
Transportation and warehousing	2.71	14.76	3.01	5.32
Information	2.90	6.50	8.53	17.67
Finance and insurance	1.27	8.40	8.09	5.55
Real estate and rental and leasing	3.21	12.61	8.31	46.84
Professional, scientific, and technical services	2.60	6.87	3.55	19.47
Management of companies (holding companies)	1.15	8.45	17.88	1.03
Administrative and support and waste management and remediation services	7.29	20.66	7.48	32.23
Educational services	9.20	20.18	9.75	3.95
Health care and social assistance	3.85	11.53	3.71	12.59
Arts, entertainment, and recreation	2.31	6.07	4.79	14.20
Accommodation and food services	7.84	24.01	10.64	9.15
Other services	2.81	7.59	3.64	12.02

Footnotes at end of table.

Foreign-Controlled Domestic Corporations, 2005

Statistics of Income Bulletin | Summer 2008

Table 4. "Large" Foreign-Controlled Domestic Corporations Compared to Other "Large" Domestic Corporations: Selected Items and Percentages, by Industrial Sector, Tax Year 2005—Continued

[Money amounts are in millions of dollars]

Control status and industrial sector	Percentages—continued					
	Income subject to tax divided by			Total income tax after credits divided by		
	Total assets	Net worth	Total receipts	Total assets	Net worth	Total receipts
	(59)	(60)	(61)	(62)	(63)	(64)
FOREIGN-CONTROLLED DOMESTIC CORPORATIONS						
All industries	1.64	8.48	4.32	0.45	2.32	1.18
Agriculture, forestry, fishing, and hunting	5.85	12.79	8.60	1.97	4.31	2.89
Mining	4.16	7.92	8.79	0.86	1.63	1.81
Utilities	0.72	2.69	1.69	0.18	0.68	0.43
Construction	6.79	20.15	5.12	2.34	6.95	1.77
Manufacturing	3.27	14.02	4.75	0.82	3.53	1.20
Wholesale and retail trade	4.57	16.34	2.71	1.48	5.31	0.88
Wholesale trade	4.79	17.33	2.92	1.55	5.60	0.94
Retail trade	3.61	12.21	1.92	1.22	4.11	0.65
Transportation and warehousing	1.95	4.92	2.23	0.58	1.45	0.66
Information	1.06	1.76	4.24	0.35	0.57	1.38
Finance and insurance	0.36	2.87	3.55	0.10	0.80	0.98
Real estate and rental and leasing	1.42	4.64	5.38	0.43	1.39	1.61
Professional, scientific, and technical services	1.45	3.22	2.90	0.44	0.97	0.87
Management of companies (holding companies)	1.36	14.03	16.01	0.40	4.14	4.73
Administrative and support and waste management and remediation services	1.26	3.54	1.32	0.39	1.08	0.41
Educational services	d	d	d	d	d	d
Health care and social assistance	5.57	10.82	9.48	1.88	3.65	3.20
Arts, entertainment, and recreation	6.89	22.58	9.66	2.20	7.21	3.08
Accommodation and food services	2.38	6.15	4.19	0.70	1.81	1.23
Other services	d	d	d	d	d	d
DOMESTIC CORPORATIONS NOT FOREIGN-CONTROLLED						
All industries	2.36	10.02	7.11	0.60	2.56	1.82
Agriculture, forestry, fishing, and hunting	4.99	27.11	4.58	1.67	9.10	1.54
Mining	7.37	16.25	14.29	1.84	4.06	3.57
Utilities	1.87	7.86	4.31	0.55	2.30	1.26
Construction	11.05	31.57	8.41	3.75	10.72	2.86
Manufacturing	4.78	11.85	7.75	0.89	2.21	1.45
Wholesale and retail trade	6.62	14.54	3.98	2.10	4.61	1.26
Wholesale trade	4.54	8.95	3.23	1.30	2.56	0.92
Retail trade	8.72	21.65	4.54	2.91	7.22	1.51
Transportation and warehousing	4.24	23.08	4.70	1.31	7.16	1.46
Information	2.64	5.92	7.77	0.78	1.75	2.30
Finance and insurance	1.17	7.74	7.46	0.34	2.25	2.17
Real estate and rental and leasing	1.84	7.21	4.75	0.65	2.54	1.67
Professional, scientific, and technical services	2.97	7.85	4.06	0.86	2.26	1.17
Management of companies (holding companies)	1.08	7.96	16.83	0.30	2.24	4.73
Administrative and support and waste management and remediation services	4.80	13.61	4.93	1.49	4.22	1.53
Educational services	9.87	21.64	10.46	3.43	7.52	3.63
Health care and social assistance	4.62	13.81	4.45	1.59	4.74	1.53
Arts, entertainment, and recreation	3.00	7.86	6.21	0.88	2.32	1.83
Accommodation and food services	5.78	17.70	7.85	1.48	4.54	2.01
Other services	3.50	9.43	4.53	1.18	3.18	1.53

d—Not shown to avoid disclosure of information about specific corporations. However, data are included in the appropriate totals.

[1] Excludes nontaxable interest received on State and local government obligations, which totaled \$26.7 billion for large domestic corporations not foreign-controlled, and \$1.5 billion for large foreign-controlled domestic corporations.

[2] Less than \$500,000.

NOTES: "Large" corporations are those with total assets of \$250,000,000 or more, and/or with business receipts of \$50,000,000 or more (total receipts were used in lieu of business receipts for the finance and insurance, and management of companies sectors). Data exclude Forms 1120-REIT (real estate investment trusts), 1120-RIC (regulated investment companies), and 1120S (S corporations). Data also exclude returns in which the foreign ownership level is between 25 percent and 49 percent. Percentages shown in table were calculated using rounded data. Detail may not add to totals because of rounding.

Controlled Foreign Corporations, 2004

by Lee Mahony and Randy Miller

For Tax Year 2004, foreign corporations controlled by U.S. multinational corporations held \$9.2 trillion in assets and reported receipts of \$3.8 trillion. These controlled foreign corporations (CFCs) paid \$69.3 billion in income taxes on \$362.2 billion of earnings and profits (E&P) before income taxes.

Approximately 79.0 percent, or 58,992, of CFCs for Tax Year 2004 were concentrated in three major industrial sectors: (1) goods production; (2) distribution and transportation of goods; and (3) services. These three industrial sectors accounted for 84.7 percent of total receipts (\$3.2 trillion), 72.6 percent of E&P (less deficit) before income taxes (\$263.1 billion), and 67.1 percent of income taxes (\$46.5 billion). Foreign corporations in the finance, insurance, real estate, and rental and leasing sector held 42.5 percent of total CFC assets (\$3.9 trillion), while generating only 9.4 percent of total CFC receipts (\$356.0 billion) and 16.0 percent of total CFC E&P (less deficit) before income taxes (\$57.9 billion).

For Tax Year 2004, 74,676 CFCs were incorporated in 185 different countries.¹ Over 45 percent, or 33,719, of these CFCs were incorporated in Europe. Slightly more than 91 percent of these European CFCs were located in European Union countries. Latin America and Asia domiciled 14.3 percent and 19.2 percent of all CFCs, respectively.

Controlled Foreign Corporations

Direct foreign investment by U.S. persons may take several forms, including foreign branches, partnerships, and separate corporations. This article deals with the use of the corporation as a vehicle for direct foreign investment. For U.S. income tax purposes, a foreign corporation is “controlled” if U.S. shareholders own more than 50 percent of its outstanding voting stock, or more than 50 percent of the value of all its outstanding stock (directly, indirectly, or construc-

tively) on any day during the foreign corporation’s tax year. A “noncontrolled” foreign corporation is any foreign corporation that fails to meet either of the above requirements for control. For purposes of determining control, a U.S. shareholder is defined as a U.S. person who owns 10 percent or more of the foreign corporation’s total combined voting stock.² However, for Statistics of Income purposes, a foreign corporation is controlled only if one U.S. corporation satisfies either of the above 50-percent ownership requirements for an uninterrupted period of at least 30 days during the foreign corporation’s tax year.³ For Tax Year 2004, there were 10,939 U.S. corporations that held such control over at least one foreign corporation.

In general, the income of a CFC is not taxable to the U.S. shareholders until repatriated in the form of a dividend. Prior to 1962, U.S. taxpayers could defer U.S. tax on such income indefinitely by accumulating this income in a CFC. To address the potential for tax avoidance, Congress enacted the Subpart F provisions of the Internal Revenue Code in 1962.⁴ These provisions require certain items of income to be treated as dividends deemed paid to the U.S. shareholders and, therefore, subject to U.S. taxation. Currently, a U.S. shareholder of a CFC may be required to include in gross income the shareholder’s ratable share of the CFC’s: (1) Subpart F income (see Subpart F income in the Explanation of Selected Terms section of this article); (2) 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” shipping operations; (4) previously excluded export trade income withdrawn from investment in export trade assets; and (5) factoring income (income derived from the acquisition of a trade or service receivable).

CFCs by Industrial Sector

For Tax Year 2004, goods producers accounted for 20.2 percent of end-of-year assets and 43.0 percent of total receipts (see Figure A). These CFCs earned 34.6 percent of E&P (less deficit) before income taxes

Lee Mahony and Randy Miller are economists with the Special Studies Returns Analysis Section. This article was prepared under the direction of Chris Carson, Chief.

¹ Based on unpublished data.

² The current definition of a Controlled Foreign Corporation is provided in Internal Revenue Code section 957. Ownership attribution rules are provided in section 958.

³ The statistics in this article pertain only to foreign corporations for which one U.S. corporation satisfies the requirements for control. Generally, complete Form 5471 filings are required only for foreign corporations controlled by a single U.S. shareholder (i.e., those shareholders meeting the definition of a “Category of Filer 4” taxpayer per the Form 5471 instructions). Partial filing requirements exist for noncontrolled foreign corporations and for controlled foreign corporations which are not controlled by a single U.S. shareholder. For more details, refer to the instructions for Form 5471.

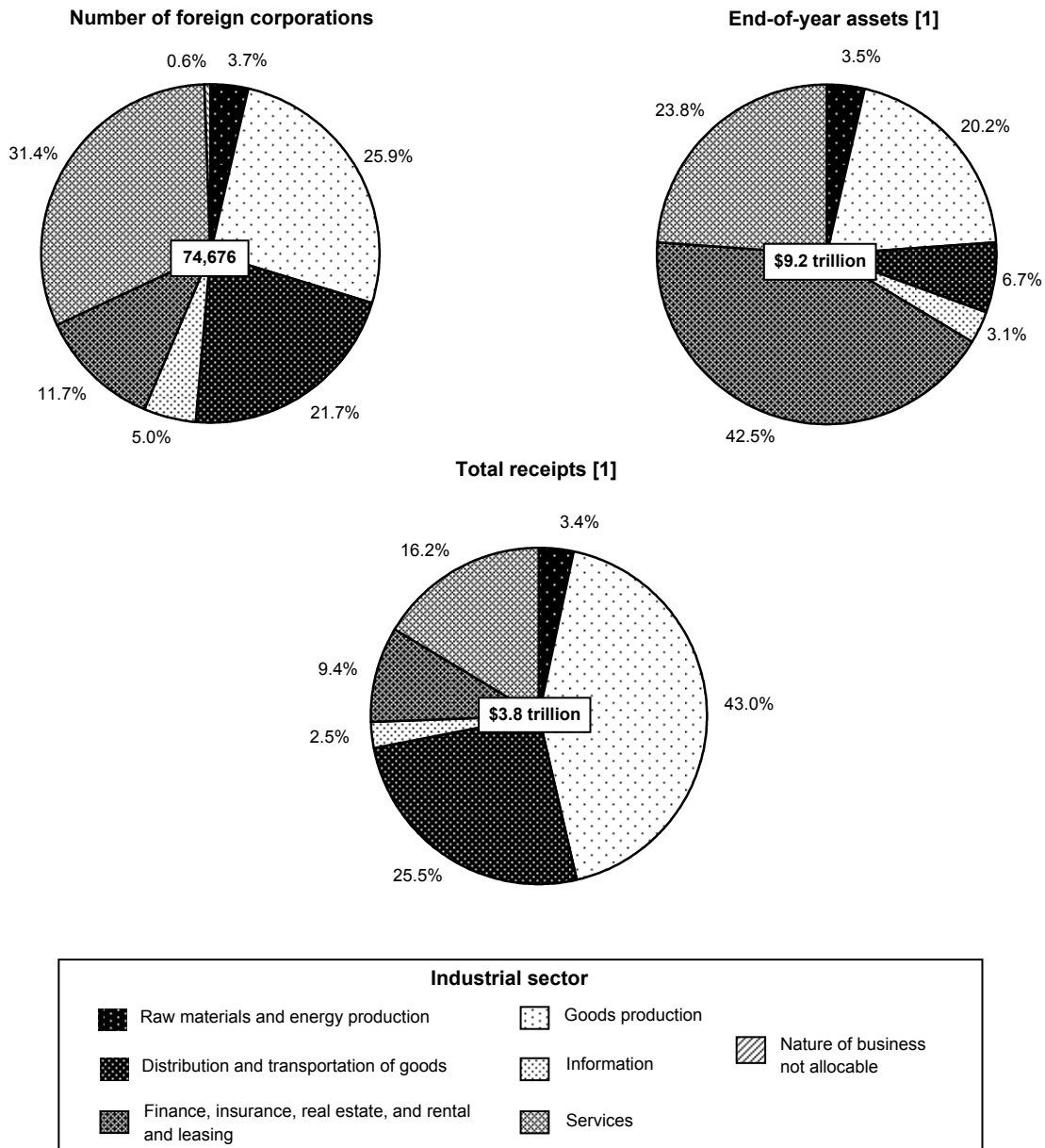
⁴ The prevention of tax avoidance was a primary tax policy objective that led to the enactment of the Subpart F provisions of the Internal Revenue Code. Other policy considerations also contributed to the enactment of Subpart F. For more detailed information on the history of Subpart F, see “*The Deferral of Income Earned Through U.S. Controlled Foreign Corporations: A Policy Study*,” Office of Tax Policy, Department of the Treasury, December 2000.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Figure A

U.S. Corporations and Their Controlled Foreign Corporations: Number, End-of-Year Assets, and Receipts, by Industrial Sector of Controlled Foreign Corporation, Tax Year 2004



[1] Includes "Nature of business not allocable," not shown separately.
NOTE: Detail may not add to 100 percent because of rounding.

for all corporate-owned CFCs. Goods producers paid \$22.3 billion of foreign taxes, representing 32.2 percent of all taxes paid by CFCs. Chemical, computer and electronic products, petroleum and coal products, and transportation equipment manufacturers collectively reported 61.4 percent of end-of-year assets, 61.0 percent of total receipts, and 58.0 percent of E&P (less deficits) before income taxes for all goods producers. Chemical manufacturers alone generated 32.7 percent of E&P (less deficit) before income taxes and 23.9 percent of foreign income taxes reported by all goods producers.

For Tax Year 2004, CFCs engaged in finance, insurance, real estate, and rental and leasing held 42.5 percent of all assets while generating only 9.4 percent of total receipts and 16.0 percent of E&P (less deficit) before income taxes reported by all CFCs. More than \$3.3 trillion, or 85.3 percent, of the assets reported for this industrial sector were attributable to finance corporations. These finance corporations amassed 65.8 percent of receipts and 70.0 percent of E&P (less deficit) before income taxes for this industrial sector. Insurance subsidiaries reported nearly \$0.5 trillion in assets and nearly \$0.1 trillion in receipts, representing 12.0 percent and 27.7 percent of total assets and total receipts for this sector, respectively.

There were more CFCs in the services sector than any other industrial sector. More than 31 percent of all CFCs were classified as service corporations. Service providers reported nearly \$2.2 trillion in assets and more than \$0.6 trillion in receipts. However, excluding management and holding companies, CFCs classified in the services sector reported only \$0.4 trillion in assets and \$0.3 trillion in receipts.

Geographic Distribution of CFCs

Figure B shows the geographic distribution of CFCs by major region of incorporation. For Tax Year 2004, Europe remained the dominant region for CFC activity. Europe alone accounted for 62.2 percent of end-of-year assets, 54.3 percent of total receipts, and 49.8 percent of E&P (less deficit) before income taxes for all CFCs. European CFCs paid 46.9 percent of the \$69.3 billion of foreign income taxes reported by all CFCs for Tax Year 2004. Within Europe, most CFC activity was concentrated in European Union (EU) countries. More than 91 percent of European

CFCs were incorporated in EU countries. These CFCs reported 92.8 percent of ending assets, 90.6 percent of total receipts, and 86.7 percent of E&P (less deficit) before income taxes for all European CFCs. More than 47 percent of European CFCs not incorporated in EU countries were incorporated in Switzerland. These Swiss CFCs accounted for 79.6 percent of ending assets, 81.7 percent of receipts, and 72.4 percent of E&P (less deficit) before income taxes for non-EU European CFCs.

Other Western Hemisphere countries (which includes Canada) and Asia also were significant regions of CFC activity. CFCs conducting business in the Other Western Hemisphere countries held 19.5 percent of all CFC end-of-year assets and reported 18.4 percent of all CFC receipts. These CFCs reported 24.0 percent of E&P (less deficit) before income taxes and paid 22.7 percent of foreign income taxes paid by all CFCs. Within the Other Western Hemisphere region, Canada was home to most CFC activity. Canadian CFCs generated 60.2 percent of total receipts, 46.7 percent of E&P (less deficit) before income taxes, and 55.5 percent of foreign income taxes for CFCs in this region. With 6,559 CFCs, Canada had more CFCs than any other country except the United Kingdom (8,227). CFCs in Asia reported 9.5 percent of ending assets, 15.1 percent of total receipts, and 13.6 percent of E&P (less deficit) before income taxes for all CFCs. More CFC economic activity occurred in Japan than any other Asian country. Japanese CFCs accounted for 44.9 percent of ending assets, 34.7 percent of total receipts, and 30.7 percent of E&P (less deficit) before income taxes reported by all Asian CFCs. For Tax Year 2004, there were almost as many CFCs incorporated in China (2,264) as Japan (2,265). In fact, for Tax Year 2004, only 8 countries had more CFCs than China.⁵

The two geographic groupings with the smallest CFC representation were Africa and U.S. Possessions (including Puerto Rico). Only 2.7 percent of all CFCs were incorporated in these two regions. Collectively, these two regions accounted for less than 1.0 percent of end-of-year assets, 1.4 percent of total receipts, and 1.7 percent of E&P (less deficit) before income taxes for all CFCs. Within Africa, most CFC activity was concentrated in four countries. South Africa, Liberia, Mauritius, and Egypt

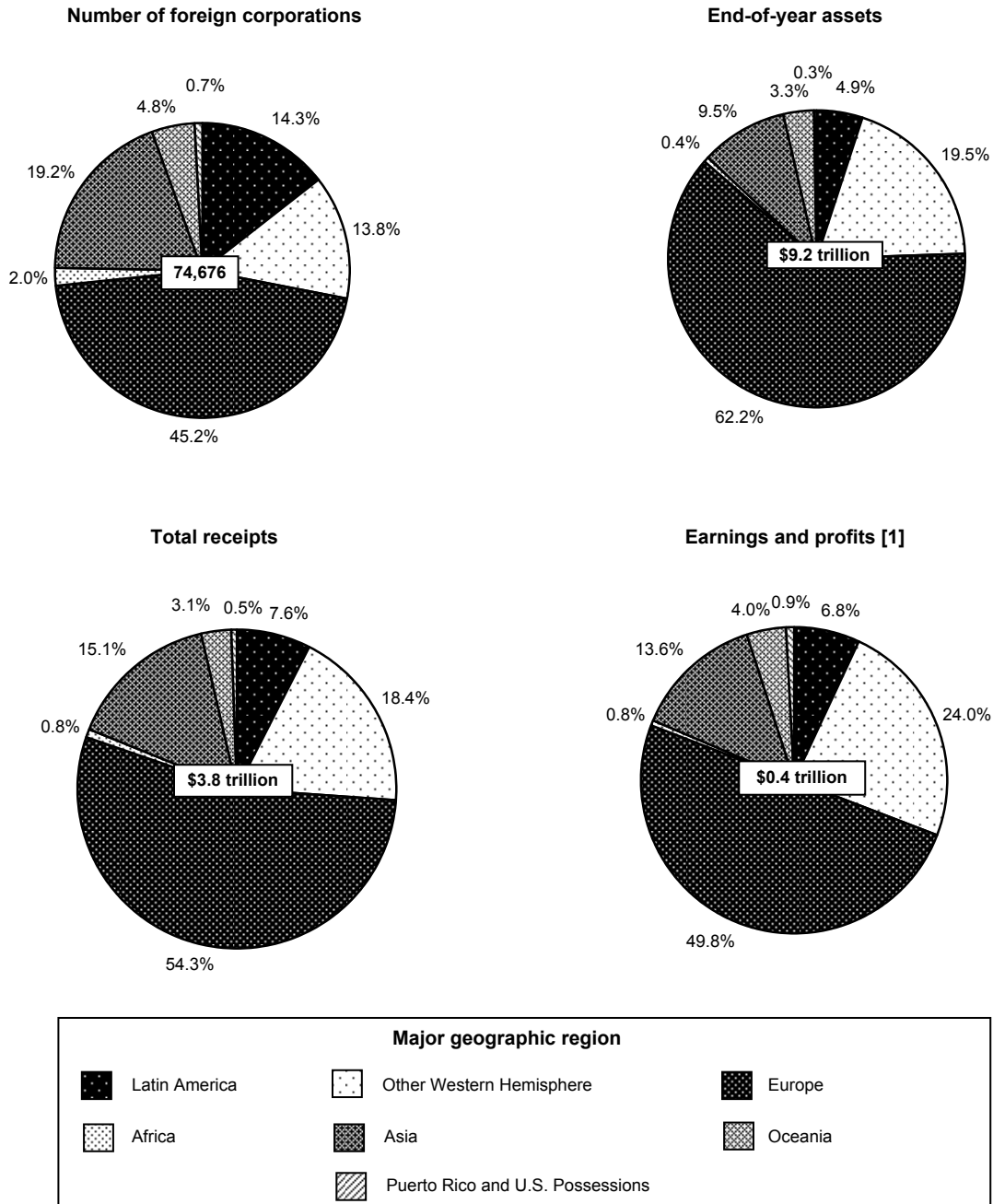
⁵ The countries with the most CFCs are: United Kingdom (8,227), Canada (6,559), Mexico (4,618), Germany (4,121), France (3,857), Netherlands (3,151), Australia (2,807), Japan (2,265), China (2,264), and Hong Kong (1,800).

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Figure B

U.S. Corporations and Their Controlled Foreign Corporations: Number, End-of-Year Assets, Receipts, and Earnings, by Geographic Region of Incorporation of Controlled Foreign Corporation, Tax Year 2004



[1] Less deficits and before income taxes.

NOTE: Includes "Other country or country unknown," not shown separately. Detail may not add to 100 percent because of rounding.

collectively accounted for 76.7 percent of ending assets, 75.4 percent of total receipts, and 94.2 percent of E&P (less deficit) before income taxes for all African CFCs. South Africa alone had 41.2 percent of African CFCs. South African CFCs reported 35.2 percent of ending assets, 54.4 percent of total receipts, and 58.9 percent of E&P (less deficit) before income taxes reported by all African CFCs. Most CFC activity in the U.S. possessions is attributable to Puerto Rico. Puerto Rican CFCs held 89.3 percent of ending assets and generated 90.2 percent of total receipts reported by all CFCs operating in the U.S. possessions. For Tax Year 2004, the average tax rate for CFCs incorporated in Puerto Rico and U.S. Possessions was 8.7 percent, compared to the average tax rate of 19.2 percent for all other CFCs (see *Average Tax Rate* in the Explanation of Selected Terms section of this article). CFCs incorporated in African countries had the highest average tax rate of any region at 29.7 percent.

Profitability

For purposes of this article, two measures are used to assess pretax profitability for CFCs: rate of return on assets and profit margin. Rate of return on assets is defined as current E&P (less deficit) before income taxes divided by end-of-year assets. Profit margin is defined as current E&P (less deficit) before income taxes divided by total receipts.

For Tax Year 2004, profitability measures varied among the six different major industrial sectors. CFCs engaged in raw materials and energy production reported both the highest rate of return on assets (10.2 percent) and the highest profit margin (26.1 percent). The high profitability of this sector is attributable to CFCs in the mining subsector. The return on assets and profit margin for mining CFCs were 11.9 percent and 33.6 percent, respectively. CFCs in the utilities subsector reported a 6.5-percent return on assets and a 13.3-percent profit margin, while CFCs engaged in agriculture, forestry, and fishing reported only a 3.8-percent return on assets and an 8.5-percent profit margin.

CFCs engaged in the distribution and transportation of goods sector reported the second highest return on assets percentage (8.5 percent). These CFCs, however, also reported the lowest profit margin of any sector (5.4 percent). Conversely, CFCs in the finance, insurance, real estate, and rental and leasing sector reported the second highest profit margin (16.3

percent), while reporting the lowest return on assets (1.5 percent).

Distributions of Earnings and Profits

For Tax Year 2004, CFCs distributed \$135.2 billion of E&P to U.S. and foreign shareholders. Nearly 68 percent of distributions of E&P were from not previously taxed E&P (\$91.4 billion), while the remainder was distributed from previously taxed E&P (\$43.8 billion). More than 34 percent of CFC distributions (\$46.6 billion) represented taxable dividends to the U.S. parent corporation.

The majority of distributions of E&P are attributed to CFCs doing business in the goods production and services sectors. These two industrial sectors distributed \$75.1 billion of E&P or 55.6 percent of total distributions. Of this total, \$49.0 billion were from not previously taxed E&P, with the remaining \$26.1 billion coming from previously taxed E&P. Almost 21.4 percent of distributions by goods producers were attributable to chemical manufacturers, while an additional 12.3 percent were attributable to petroleum and coal products manufacturers. CFCs classified as management companies reported 81.6 percent of distributions to shareholders reported by all services CFCs.

European-based CFCs accounted for 49.2 percent (\$66.5 billion) of all distributions of E&P. Nearly 62.0 percent of these distributions were from not previously taxed E&P (\$41.2 billion), with the remainder distributed from previously taxed E&P (\$25.3 billion). CFCs incorporated in European Union countries made 88.1 percent of all shareholder distributions by European CFCs. CFCs in the Other Western Hemisphere region distributed \$37.7 billion of E&P in Tax Year 2004, or 27.9 percent of all distributions. Canadian CFCs accounted for 61.6 percent of these distributions; CFCs in Bermuda and the Cayman Islands accounted for 22.5 percent and 11.1 percent, respectively.

Figure C displays taxable payout ratios by industrial sector. The taxable payout ratio is defined as taxable dividends paid to a U.S. person by a CFC with positive current E&P net of current-year Subpart F income divided by positive current E&P net of current-year Subpart F income (see U.S. person, Current earnings and profits, and Subpart F Income in the Explanation of Selected Terms section of this article). For Tax Year 2004, CFCs reported a taxable payout ratio of 8.8 percent. This ratio is lower than the tax-

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Figure C

U.S. Corporations and Their Controlled Foreign Corporations: Number of Foreign Corporations with Positive Current Earnings and Profits Net of Current-Year Subpart F Income and Taxable Payout Ratios, by Industrial Sector of Controlled Foreign Corporation, Tax Year 2004

[Money amounts are in thousands of dollars]

Industrial sector of Controlled Foreign Corporation	Number of foreign corporations with positive current earnings and profits net of current-year Subpart F income	Positive current earnings and profits net of current-year Subpart F income [1]	Taxable payout ratio (percentage)
	(1)	(2)	(3)
All industries	41,931	294,649,031	8.8
Raw materials and energy production	1,124	24,283,854	22.0
Goods production	12,037	105,657,597	8.3
Distribution and transportation of goods	10,156	36,582,974	5.9
Information	1,810	9,526,661	21.4
Finance, insurance, real estate, and rental and leasing	4,363	45,291,578	3.8
Services	12,252	73,222,646	8.3
Nature of business not allocable	189	83,721	0.3

[1] Amounts are multiplied by the total percentage of voting stock owned by the Form 5471 filer at the end of its annual accounting period.

able payout ratio reported for the previous three CFC studies (10.3 percent for Tax Year 2002, 11.9 percent for Tax Year 2000, and 16.0 for Tax Year 1998).

The taxable payout ratio varied considerably among the industrial sectors. CFCs in the raw materials and energy production sector reported the largest taxable payout ratio (22.0 percent). CFCs in the information sector also reported a substantial taxable payout ratio (21.4 percent). No other industrial sector had a double-digit taxable payout ratio.

Largest 7,500 Controlled Foreign Corporations

For Tax Year 2004, the largest 7,500 CFCs held \$8.5 trillion in assets and reported receipts of \$3.0 trillion.⁶ These amounts increased from Tax Year 2002 by 45.7 percent and 30.7 percent, respectively. These 7,500 CFCs reported foreign taxes of \$54.4 billion on pretax earnings and profits of \$313.1 billion, increases from Tax Year 2002 of 40.9 percent and 56.0 percent, respectively. These foreign corporations distributed \$113.0 billion of E&P to all shareholders during Tax Year 2004.⁷ Of these distributions, \$37.3 billion represented taxable remittances to U.S. parent corporations. U.S. parent corporations were required to include an additional \$40.4 billion

in taxable income attributable to these largest 7,500 CFCs under the subpart F income rules.

As Figure D shows, 80.5 percent of the largest 7,500 CFCs conducted business in three industrial sectors: services (28.0 percent), goods production (27.8 percent), and finance, insurance, real estate, and rental and leasing (24.7 percent). These sectors accounted for 87.8 percent of ending assets, 70.4 percent of total receipts, and 74.7 percent of E&P (less deficit) before income taxes for the largest 7,500 CFCs. Among the largest 7,500 CFCs, service corporations experienced the most significant economic growth from Tax Year 2002 to Tax Year 2004. Ending assets and receipts for these service corporations increased by 67.0 percent and 88.7 percent, respectively. For Tax Year 2004, service corporations earned 75.4 percent more in E&P (less deficit) before income taxes and paid 107.5 percent more in foreign income taxes than for Tax Year 2002. For the largest 7,500 CFCs, raw materials and energy production was the only sector to experience a decrease in ending assets (1.0 percent) and total receipts (2.5 percent). However, CFCs in this sector reported increases in E&P (less deficit) before income taxes and foreign income taxes of 77.3 percent and 63.8

⁶ The SOI Controlled Foreign Corporation Study has changed from a defined population to a sample. In prior studies, data generally were published only for the largest 7,500 foreign corporations controlled by large U.S. multinationals. Beginning with Tax Year 2004, SOI is publishing population estimates for controlled foreign corporations. For transitional purposes, this article includes limited data for the 7,500 largest controlled foreign corporations. Tax Year 2004 is the last year for which statistics will be reported for the largest 7,500 controlled foreign corporations.

⁷ Based on unpublished data.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Figure D

U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Assets, Receipts, Net Income, Earnings, Taxes, Dividends, and Subpart F Income, by Industrial Sector of Controlled Foreign Corporation, Tax Year 2004

[Money amounts are in thousands of dollars]

Industrial sector of Controlled Foreign Corporation	Number of U.S. corporation returns [1]	Controlled Foreign Corporations				
		Number of foreign corporations	Total assets		Total receipts	Net income (less deficit) before income taxes
			Beginning-of- year	End-of-year		
	(1)	(2)	(3)	(4)	(5)	(6)
All industries	1,135	7,500	6,979,508,476	8,500,682,185	2,980,832,112	353,654,732
Raw materials and energy production	97	356	283,417,594	300,251,790	110,282,162	32,619,651
Goods production	507	2,086	1,379,151,897	1,621,423,345	1,318,882,571	141,417,872
Distribution and transportation of goods	308	869	415,877,413	476,443,399	706,004,976	42,903,579
Information	67	236	153,684,612	263,476,630	66,425,947	6,226,141
Finance, insurance, real estate, and rental and leasing	385	1,856	3,112,659,865	3,834,116,468	318,224,097	57,066,692
Services	634	2,097	1,634,717,095	2,004,970,553	461,012,359	73,420,797

Industrial sector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued					
	Net income (less deficit)	Current earnings and profits (less deficit) before income taxes	Income taxes	Current earnings and profits (less deficit) after income taxes	Dividends paid to controlling U.S. corporation	Total Subpart F income
All industries	313,734,337	313,129,621	54,388,141	258,741,480	37,332,477	40,394,360
Raw materials and energy production	22,124,651	33,293,068	9,405,697	23,887,372	8,106,735	758,816
Goods production	122,828,136	106,539,184	16,828,485	89,710,698	14,313,788	10,325,669
Distribution and transportation of goods	35,527,066	39,382,536	7,713,349	31,669,187	2,411,509	6,955,389
Information	4,735,246	6,540,116	1,591,412	4,948,704	3,607,935	421,504
Finance, insurance, real estate, and rental and leasing	47,343,462	53,142,117	9,231,256	43,910,861	2,371,365	12,411,667
Services	81,175,776	74,232,601	9,617,942	64,614,659	6,521,146	9,521,314

[1] Number of returns is not additive because some U.S. corporations had Controlled Foreign Corporations in more than one industrial sector. The industrial activity of the parent corporation filing the return often differs from that of the Controlled Foreign Corporations.

percent, respectively. For Tax Year 2002, the information sector was the only sector with an aggregate deficit in E&P before income taxes (\$4.1 billion). For Tax Year 2004, this sector reported \$6.5 billion of E&P (less deficit) before income taxes.

For Tax Year 2004, 54.2 percent of the largest 7,500 CFCs were incorporated in Europe (see Figure E). European CFCs accounted for 63.3 percent of total assets and 56.4 percent of total receipts of the largest 7,500 CFCs. These CFCs earned 51.1 percent of E&P (less deficit) before income taxes and paid 48.0 percent of foreign taxes for the largest 7,500 CFCs. Approximately, 92.9 percent of these European CFCs were incorporated in European Union countries.⁸ Other Western Hemisphere and Asia were two other regions of significant activity, accounting

for 19.0 percent and 11.6 percent of the largest 7,500 CFCs for Tax Year 2004.

The largest 7,500 CFCs accounted for 92.2 percent of ending assets, 78.5 percent of total receipts, and 86.5 percent of E&P (less deficit) before income taxes of all CFCs controlled by U.S. parent corporations. The largest 7,500 CFCs paid 78.5 percent of foreign income taxes attributable to all CFCs. These largest CFCs remitted 80.0 percent of foreign taxable dividends paid to controlling U.S. shareholders and generated 84.5 percent of total subpart F income reported by these U.S. shareholders. Figure F shows the industrial and geographic composition for all CFCs and the largest 7,500 CFCs for Tax Year 2004. As Figure F shows, the largest 7,500 CFCs accurately reflect the industrial and geographic composition

⁸ Based on unpublished data.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Figure E

U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Assets, Receipts, Net Income, Earnings, Taxes, Dividends, and Subpart F Income, by Geographic Region of Incorporation of Controlled Foreign Corporation, Tax Year 2004

[Money amounts are in thousands of dollars]

Geographic region of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns [1]	Controlled Foreign Corporations				
		Number of foreign corporations	Total assets		Total receipts	Net income (less deficit) before income taxes
			Beginning-of-year	End-of-year		
	(1)	(2)	(3)	(4)	(5)	(6)
All geographic regions	1,135	7,500	6,979,508,476	8,500,682,185	2,980,832,112	353,654,732
Latin America	223	660	308,822,943	363,726,266	189,285,962	21,414,543
Other Western Hemisphere	571	1,422	1,439,513,081	1,688,102,041	588,225,064	79,964,308
Europe	792	4,064	4,379,055,538	5,383,455,930	1,681,081,503	201,779,814
Africa	44	74	20,676,547	23,674,901	15,716,356	1,616,450
Asia	264	869	605,903,525	753,039,347	415,463,889	37,263,580
Oceania	134	373	205,775,010	270,595,620	80,461,566	9,928,700
Puerto Rico and U.S. Possessions	27	38	19,761,832	18,088,079	10,597,773	1,687,336

Geographic region of incorporation of Controlled Foreign Corporation	Controlled Foreign Corporations—continued					
	Net income (less deficit)	Current earnings and profits (less deficit) before income taxes	Income taxes	Current earnings and profits (less deficit) after income taxes	Dividends paid to controlling U.S. corporation	Total Subpart F income
	(7)	(8)	(9)	(10)	(11)	(12)
All geographic regions	313,734,337	313,129,621	54,388,141	258,741,480	37,332,477	40,394,360
Latin America	17,015,430	18,345,968	4,180,562	14,165,407	1,922,479	648,480
Other Western Hemisphere	66,210,516	81,680,392	13,660,286	68,020,106	15,356,921	11,871,449
Europe	191,191,862	160,011,693	26,108,144	133,903,549	15,268,934	23,128,482
Africa	1,122,703	1,705,438	490,438	1,215,000	302,105	119,839
Asia	28,630,476	38,207,225	7,861,460	30,345,765	3,293,628	3,714,994
Oceania	8,102,410	11,305,240	1,948,484	9,356,755	991,592	783,954
Puerto Rico and U.S. Possessions	1,460,940	1,873,665	138,767	1,734,898	196,818	127,162

[1] Number of returns is not additive because some U.S. corporations had Controlled Foreign Corporations in more than one geographical region.

of the population of all CFCs at the industrial sector and major geographic region levels.⁹

Data Sources and Limitations

The statistics presented in this article are based on information collected from corporate tax returns (Form(s) 1120) with accounting periods ending July 2004 through June 2005 and their attached Form(s) 5471, *Information Return of U.S. Persons With Respect to Certain Foreign Corporations*. A U.S. corporation is required by Internal Revenue Service regulations to submit a Form 5471 for any Controlled Foreign Corporation (CFC) with an accounting peri-

od ending with or within the U.S. parent's accounting period. Thus, the accounting periods for Tax Year 2004 CFCs may have ended as early as July 2003 and as late as June 2005. However, most CFC activity occurred in Calendar Year 2004. These statistics report data for active foreign corporations controlled by U.S. corporations (see Active versus inactive Controlled Foreign Corporations in the Explanation of Selected Terms section of this article).

Coefficient of variation (CV) tables are not provided because these data are not subject to significant sampling error. For example, CFCs sampled at a 100-percent rate accounted for more than 95.0 per-

⁹ While the largest 7,500 CFCs accurately depict the industrial and geographic composition of all CFCs, the new study design allows SOI to publish more detailed data at the industry and country levels, as well as provide population estimates for CFC data. In prior CFC studies, SOI did not publish statistics for many industries and countries due to the disclosure problems associated with having data for only 7,500 CFCs.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Figure F

Percentage of the Number, Assets, Receipts, Earnings, and Taxes of All Controlled Foreign Corporations and the 7,500 Largest Controlled Foreign Corporations, by Industrial Sector and Geographic Region of Incorporation of Controlled Foreign Corporation, Tax Year 2004

Industrial sector of Controlled Foreign Corporation	Number of CFCs		End-of-year assets		Total receipts		Current E&P (less deficit) before income taxes		Income taxes	
	All CFCs	7,500	All CFCs	7,500	All CFCs	7,500	All CFCs	7,500	All CFCs	7,500
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All industries [1]	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Raw materials and energy production	3.7	4.7	3.5	3.5	3.4	3.7	9.2	10.6	14.5	17.3
Goods production	25.9	27.8	20.2	19.1	43.0	44.2	34.6	34.0	32.2	30.9
Distribution and transportation of goods	21.7	11.6	6.7	5.6	25.5	23.7	14.5	12.6	16.8	14.2
Information	5.0	3.1	3.1	3.1	2.5	2.2	2.2	2.1	3.2	2.9
Finance, insurance, real estate, and rental and leasing	11.7	24.7	42.5	45.1	9.4	10.7	16.0	17.0	15.1	17.0
Services	31.4	28.0	23.8	23.6	16.2	15.5	23.6	23.7	18.1	17.7

Geographic area of incorporation of Controlled Foreign Corporation	Number of CFCs		End-of-year assets		Total receipts		Current E&P (less deficit) before income taxes		Income taxes	
	All CFCs	7,500	All CFCs	7,500	All CFCs	7,500	All CFCs	7,500	All CFCs	7,500
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All geographic regions [2]	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Latin America	14.3	8.8	4.9	4.3	7.6	6.4	6.8	5.9	9.2	7.7
Other Western Hemisphere	13.8	19.0	19.5	19.9	18.4	19.7	24.0	26.1	22.7	25.1
Europe	45.2	54.2	62.2	63.3	54.3	56.4	49.8	51.1	46.9	48.0
Africa	2.0	1.0	0.4	0.3	0.8	0.5	0.8	0.5	1.3	0.9
Asia	19.2	11.6	9.5	8.9	15.1	13.9	13.6	12.2	15.7	14.5
Oceania	4.8	5.0	3.3	3.2	3.1	2.7	4.0	3.6	4.0	3.6
Puerto Rico and U.S. Possessions	0.7	0.5	0.3	0.2	0.5	0.4	0.9	0.6	0.4	0.3

[1] Includes "Nature of business not allocable," not shown separately.

[2] Includes "Other country or country unknown," not shown separately.

NOTE: Detail may not add to 100 percent because of rounding.

cent of the number of CFCs and more than 99.9 percent of the total ending assets for all CFCs.¹⁰ However, these data may be subject to nonsampling error.

Several limitations apply when making comparisons to prior-year statistics. First, the data in this article are based on a sample of U.S. corporations. For Tax Year 2004, this sample includes all CFCs controlled by U.S. corporations with \$10 million or more in total assets or \$2.5 million or more in "proceeds" and all CFCs filed by U.S. corporations with less than \$10 million in the SOI corporate sample.¹¹ The sample for the Tax Year 2004 CFC statistics is far more inclusive than recent studies, which included only the 7,500 largest CFCs controlled by U.S. corporations with \$500 million or more in total assets.

Second, statistics previously published by Statistics of Income for tax years before 1986 were for all CFCs controlled by U.S. corporations with total assets of \$250 million or more, not just the 7,500 largest active CFCs controlled by U.S. corporations with total assets of \$500 million or more. Therefore, the statistics for these years include smaller and also inactive CFCs. For this reason, comparisons between statistics on the largest CFCs and statistics for years before 1986 should be made with caution.

Third, the composition of the 7,500 largest CFCs is not consistent across tax years. For example, only 84.3 percent of the 7,500 largest CFCs for Tax Year 2004 were also included in the 7,500 largest CFCs for Tax Year 2002. Many of the 7,500 largest CFCs

¹⁰ Based on unpublished data.

¹¹ See Statistics of Income, *Corporation Income Tax Returns, 2004* for a more complete description of the SOI Corporate sample. The SOI Corporate sample is the basis for the SOI Controlled Foreign Corporation sample. In other words, the Controlled Foreign Corporation sample includes every Form 5471 filed by each corporation in the SOI Corporate sample.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

for Tax Year 2002 that were not included among the 7,500 largest CFCs for Tax Year 2004 were still controlled by U.S. corporations, but the size of their total assets for Tax Year 2004 excluded them from this group. In addition, some of the 7,500 largest CFCs for Tax Year 2002 were not included in Tax Year 2002 because they were no longer “controlled” or the U.S. parent corporation’s total assets had fallen below \$500 million.

Finally, fluctuations in exchange rates can have significant effects on the reported statistics. Financial statistics that are translated using current (as opposed to historical) rates of exchange can be distorted by large exchange rate fluctuations. The weakening of the U.S. dollar against many currencies from Tax Year 2002 to Tax Year 2004 certainly contributed to the large increases in some of the statistics presented in this article.

Caution should also be used when comparing data by industrial groupings. For Tax Years 1998, 2000, 2002, and 2004, CFCs were classified under the North American Industry Classification System (NAICS), which differs from the Standard Industrial Classification (SIC) system used before Tax Year 1998. While most industries were not affected by the implementation of NAICS, the groupings of some economic activities were changed. The most significant change was the movement of the management of companies and enterprises sector from finance, insurance, and real estate under the SIC system to the services sector under NAICS. Furthermore, CFCs were classified by industry based on their principal business activity as reported on Form 5471. However, assets, receipts, and profits may have also been related to secondary business activities. It is not possible to measure the extent of these secondary business activities due to these activities not being detailed on Form 5471.

Explanation of Selected Terms

Active versus inactive Controlled Foreign Corporations—In general, a foreign corporation was considered active if earnings and profits, income taxes, receipts, expenses, distributions of E&P, or certain transactions between the foreign corporation and its subsidiaries or majority shareholder were reported on Form 5471, *Information Return of U.S. Persons With Respect to Certain Foreign Corporations*. The filing of Form 5471 was required even if a CFC was dormant or inactive for Tax Year 2004. Only data

from active CFCs are included in the statistics in this article, unless otherwise noted.

Average tax rate—For purposes of this article, the average tax rate is defined as income tax divided by E&P (less deficit) before income taxes.

Controlled Foreign Corporation—Section 957 of the Internal Revenue Code defines a foreign corporation as being controlled if more than 50 percent of the total combined voting power of all classes of stock of such corporation entitled to vote, 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. A U.S. shareholder for purposes of determining control is defined as a U.S. person (see definition below) owning 10 percent or more of the foreign corporation’s voting stock. For purposes of these statistics, a foreign corporation was controlled only if a single U.S. corporation satisfied the ownership requirements for an uninterrupted period of at least 30 days. These are the only foreign corporations for which complete Form 5471 filings are required. U.S. corporations may also control a CFC through a partnership where the U.S. corporation is the controlling partner. To the extent possible, these CFCs have also been included in these statistics.

Country of incorporation—The country of incorporation is the country under whose laws the CFC is legally created. The CFC’s country of incorporation is not necessarily the principal place of business. For Tax Year 2004, 1,728 CFCs (2.3 percent) reported a principal place of business that differed from the reported country of incorporation. Tables 2 and 3 provide data by country of incorporation; data by principal place of business are not included in these statistics.

Current earnings and profits—Current earnings and profits represent the difference between total earnings and profits of the foreign corporation at the end of the current year (before reduction by dividends paid during the year) and the accumulated earnings and profits of the corporation at the beginning of the year. Although current earnings and profits typically are an after-tax measure of profits, they are shown in these statistics both before and after taxes. Earnings and profits are a tax concept referring to the economic capacity of a corporation to make a distribution to shareholders that is not a return on capital. The term “earnings and profits” is not specifically defined in the Internal Revenue

Code. In those instances where current earnings and profits were not reported for the foreign corporation, net income per books was used in place of missing earnings and profits.

Distributions out of earnings and profits—A distribution comes first from current earnings and profits and then from accumulated earnings and profits.

Income taxes—CFCs reported income, war profits, and excess profits taxes paid or accrued to any foreign country or U.S. Possession as income tax for their annual accounting periods.

OPEC countries—The member countries of the Organization of Petroleum Exporting Countries for Tax Year 2004 were: Algeria, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, United Arab Emirates, and Venezuela.

Previously taxed earnings and profits—This includes any earnings and profit amounts that were subject to U.S. tax in the current year or in a prior year, but not distributed. Previously taxed earnings and profits include amounts related to Subpart F income (see definition below), earnings related to investments in certain U.S. property, previously excluded Subpart F income withdrawn from qualified investments, previously excluded export trade income withdrawn from investment in export trade assets, factoring income, and earnings invested in excess passive assets.

Subpart F income—Internal Revenue Code sections 951 and 952 stipulate specific cases in which earnings and profits are deemed to have been paid by a CFC to a U.S. shareholder. Such income is subject to U.S. tax whether or not it is repatriated to U.S. shareholders in the form of an actual dividend.

Internal Revenue Code section 951 requires that U.S. shareholders include in their gross incomes certain undistributed profits of foreign corporations controlled by U.S. shareholders. Subpart F income from a CFC includes certain insurance income of U.S. risks, “foreign base company” income, international boycott participation income, bribes and other illegal payments to foreign government officials, and income from any country which the United States does not recognize or with which it has severed relations, or which repeatedly provides support for acts of international terrorism.

Total assets—For purposes of determining the 7,500 largest CFCs for these statistics, total assets are defined as the larger of the foreign corporation’s beginning-of-year and end-of-year total assets. However, the statistics cited in this article generally refer to ending assets unless otherwise noted.

Total receipts—Total receipts equal business receipts (gross receipts from sales and operations) plus income from investment activity. In the statistics reported prior to 1990, “business receipts” were used to describe the larger of “gross receipts from sales and operations” and “total income.” The latter is a tax return concept used to describe the sum of business receipts less cost of sales and operations (i.e., gross profit), plus income (less loss) from investments.

U.S. person—A U.S. person can be a U.S. citizen or resident individual, a domestic partnership, a domestic corporation, or an estate or trust (other than a foreign estate or trust whose income from sources outside the United States is not includable in the beneficiaries’ gross income).

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2004

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

Industrial sector and selected industrial subsector of Controlled Foreign Corporation	Number of U.S. corporation returns [1]	Controlled Foreign Corporations			
		Number of foreign corporations	Total assets		Total receipts
			Beginning-of-year	End-of-year	
	(1)	(2)	(3)	(4)	(5)
All industries	10,939	74,676	7,613,683,688	9,217,097,520	3,795,850,571
Raw materials and energy production	574	2,744	308,810,919	326,367,994	127,239,949
Agriculture, forestry, and fishing	132	466	17,825,665	19,001,172	8,568,980
Mining	316	1,766	217,596,505	231,881,871	81,962,670
Oil and gas extraction	198	1,212	182,391,018	193,358,065	64,704,216
Mining (except oil and gas)	59	287	21,808,569	26,517,202	10,801,058
Support activities for mining	90	267	13,396,919	12,006,604	6,457,396
Utilities	155	511	73,388,749	75,484,951	36,708,299
Goods production	3,912	19,359	1,596,395,081	1,865,827,173	1,633,118,266
Construction	149	675	14,867,521	16,401,113	19,078,357
Construction of buildings	39	87	2,361,105	2,800,144	2,879,061
Heavy and civil engineering construction	45	111	1,179,045	1,327,807	1,371,193
Specialty trade contractors	76	476	11,327,370	12,273,162	14,828,102
Manufacturing	3,813	18,684	1,581,527,560	1,849,426,060	1,614,039,909
Food manufacturing	161	936	86,610,351	96,855,689	99,299,567
Beverage and tobacco product manufacturing	37	282	67,712,546	79,728,563	81,959,206
Beverage manufacturing	29	225	47,710,719	57,033,110	42,233,593
Tobacco manufacturing	9	57	20,001,826	22,695,453	39,725,612
Textile mills and textile product mills	58	136	5,734,829	5,857,783	4,564,718
Apparel manufacturing	122	416	9,284,167	9,348,293	12,504,992
Leather and allied product manufacturing	38	66	943,217	1,059,102	2,178,588
Wood product manufacturing	42	123	3,869,904	4,280,675	4,726,391
Paper manufacturing	182	729	60,040,708	71,599,496	41,049,598
Petroleum and coal products manufacturing	36	162	57,496,213	59,024,665	115,349,158
Chemical manufacturing	426	3,150	501,461,086	606,413,237	294,207,268
Basic chemical manufacturing	76	710	43,311,185	50,585,684	36,693,822
Pharmaceutical and medicine manufacturing	103	462	257,920,989	340,830,658	156,271,797
Soap, cleaning compound, and toilet preparation manufacturing	39	449	26,024,534	31,937,421	25,675,375
Other chemical manufacturing	270	1,529	174,204,378	183,059,473	75,566,273
Plastics and rubber products manufacturing	293	870	60,373,311	68,922,882	40,801,198
Nonmetallic mineral product manufacturing	96	320	27,388,944	39,250,042	18,965,226
Primary metal manufacturing	108	241	19,761,713	23,408,009	20,038,998
Fabricated metal product manufacturing	404	1,391	35,415,874	39,107,629	37,732,016
Machinery manufacturing	402	1,543	45,414,614	54,531,951	60,213,887
Computer and electronic product manufacturing	699	2,325	173,685,831	219,571,997	243,939,798
Communications equipment manufacturing	134	631	30,971,829	38,269,072	50,304,458
Semiconductor and other electronic component manufacturing	259	884	57,400,354	63,166,178	78,815,862
Other computer and electronic manufacturing	341	809	85,313,648	118,136,746	114,819,478
Electric equipment, appliance, and component manufacturing	478	1,618	57,897,341	62,323,245	65,334,991
Transportation equipment manufacturing	245	1,460	235,558,143	261,095,685	343,430,309
Motor vehicles and parts manufacturing	164	1,158	214,151,520	243,446,592	330,517,949
Other transportation equipment manufacturing	103	302	21,406,623	17,649,093	12,912,360
Furniture and related product manufacturing	48	150	3,166,327	3,419,820	3,601,417
Miscellaneous manufacturing	831	2,764	129,712,442	143,627,295	124,142,585
Medical and equipment supplies manufacturing	207	797	47,692,734	51,580,324	51,632,585
Other miscellaneous manufacturing	645	1,968	82,019,707	92,046,971	72,510,000
Distribution and transportation of goods	3,348	16,215	540,946,198	620,621,547	966,617,230
Wholesale and retail trade	3,134	14,671	510,082,149	586,224,562	928,941,783
Wholesale trade	2,397	12,461	384,856,205	439,298,527	670,099,617
Motor vehicle and motor vehicle parts and supplies wholesalers	110	439	16,249,462	17,049,510	33,635,059
Professional and commercial equipment and supplies wholesalers	97	393	7,476,149	10,209,718	9,498,981
Electrical and electronic goods wholesalers	311	1,441	28,429,868	36,786,814	60,822,703
Machinery, equipment, and suppliers wholesalers	352	1,580	32,404,960	39,699,919	42,984,479

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Industrial sector and selected industrial subsector of Controlled Foreign Corporation	Number of U.S. corporation returns [1]	Controlled Foreign Corporations			
		Number of foreign corporations	Total assets		Total receipts
			Beginning-of-year	End-of-year	
	(1)	(2)	(3)	(4)	(5)
Drugs and druggists' sundries wholesalers	77	726	54,101,061	65,348,807	58,782,720
Apparel, piece goods, and notions wholesalers	122	375	7,140,170	8,412,540	9,635,183
Grocery and related product wholesalers	81	360	9,301,716	10,025,528	20,174,915
Chemical and allied products wholesalers	166	842	20,254,055	22,840,846	30,918,483
Petroleum and petroleum products wholesalers	41	358	72,066,069	80,207,355	157,337,049
Other wholesale trade	1,348	5,948	137,432,695	148,717,490	246,310,047
Retail trade	880	2,196	125,104,604	146,794,815	258,557,958
Motor vehicle dealers and parts dealers	41	181	6,368,660	7,760,681	20,038,218
Electronics and appliance stores	132	247	3,907,600	4,868,022	8,246,386
Building materials and garden equipment and suppliers dealers	25	74	3,218,596	4,728,042	5,388,728
Food and beverage stores	29	45	3,803,120	4,446,309	12,004,815
Health and personal care stores	277	331	4,189,073	4,243,487	3,806,153
Clothing and clothing accessories stores	50	149	5,021,571	5,242,857	9,841,109
General merchandise stores	21	82	43,466,356	51,524,520	84,489,591
Electronic shopping and mail-order houses	50	139	2,182,675	2,647,772	2,319,859
Other retailers	291	947	52,946,952	61,333,125	112,423,100
Wholesale and retail trade not allocable	11	13	121,340	131,220	284,208
Transportation and warehousing	327	1,544	30,864,049	34,396,985	37,675,447
Air transportation	26	137	2,334,619	2,823,566	3,345,236
Water transportation	66	267	9,719,115	10,531,691	6,800,469
Truck transportation	46	188	1,851,579	2,640,856	3,729,748
Support activities for transportation	126	565	9,168,556	10,389,880	16,094,284
Other transportation	44	188	5,957,788	5,797,708	5,462,247
Warehousing and storage	101	199	1,832,392	2,213,283	2,243,463
Information	743	3,740	176,746,514	289,705,068	95,170,491
Publishing industries	202	965	29,890,548	41,458,870	24,196,690
Newspaper, periodical, book and directory publishers	91	605	16,455,322	18,567,159	10,282,763
Software publishers	113	361	13,435,226	22,891,711	13,913,926
Motion picture and sound recording industries	51	729	22,510,608	87,496,530	22,711,463
Broadcasting (except Internet)	40	324	18,042,179	19,868,288	8,520,648
Internet publishing and broadcasting	7	15	26,358	44,836	106,435
Telecommunications	183	826	96,887,677	125,854,520	29,876,528
Internet service providers, Web search portals, and data processing services	188	403	5,063,019	8,810,756	4,987,803
Other information services	153	476	4,326,125	6,171,268	4,770,923
Finance, insurance, real estate, and rental and leasing	1,664	8,743	3,189,714,638	3,919,933,672	356,043,531
Finance and insurance	1,166	6,553	3,098,144,998	3,814,233,269	332,614,003
Credit intermediation and related activities	282	1,301	769,668,522	947,197,513	71,175,766
Depository credit intermediation	42	162	262,255,267	350,570,255	21,104,785
Nondepository credit intermediation	210	931	462,477,245	546,680,197	45,584,160
Activities related to credit intermediation	76	208	44,936,010	49,947,061	4,486,820
Securities, commodity contracts, and other financial investments and related products	614	2,724	1,620,065,500	1,999,193,785	134,418,148
Insurance carriers and related activities	456	1,891	395,195,323	470,225,006	98,474,315
Insurance carriers	185	468	273,507,721	329,084,068	68,604,725
Agencies, brokerages, and other insurance related activities	344	1,423	121,687,602	141,140,938	29,869,591
Funds, trusts, and other financial activities	174	636	313,215,653	397,616,965	28,545,774
Real estate and rental and leasing	724	2,190	91,569,640	105,700,403	23,429,529
Rental and leasing services	173	526	50,732,530	57,502,791	13,015,964
Commercial and industrial machinery and equipment rental and leasing	139	383	36,270,321	42,485,602	5,456,238
Other rental and leasing services	41	143	14,462,208	15,017,188	7,559,726
Other real estate and rental and leasing	592	1,664	40,837,111	48,197,612	10,413,565

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Industrial sector and selected industrial subsector of Controlled Foreign Corporation	Number of U.S. corporation returns [1]	Controlled Foreign Corporations			
		Number of foreign corporations	Total assets		Total receipts
			Beginning-of-year	End-of-year	
	(1)	(2)	(3)	(4)	(5)
Services	4,693	23,418	1,799,886,561	2,193,185,896	616,353,220
Professional, scientific, and technical services	3,085	13,473	252,903,009	298,054,649	262,157,131
Architectural, engineering, and related services	231	769	8,324,713	9,221,079	10,729,183
Computer system design and related services	1,395	4,776	112,717,684	131,546,081	111,649,649
Custom computer programming services	281	521	1,246,137	2,150,881	2,026,579
Computer systems design services	165	603	8,635,394	11,912,588	8,265,860
Other computer system design and related services	1,008	3,653	102,836,153	117,482,613	101,357,211
Management, scientific, and technical consulting services	330	1,021	18,762,157	17,619,659	12,261,360
Scientific research and development services	406	698	9,388,783	11,044,029	4,235,699
Advertising and related services	175	2,530	42,248,570	48,256,390	42,982,333
Other professional, scientific, and technical services	1,016	3,678	61,461,103	80,367,411	80,298,907
Management of companies and enterprises	1,744	5,965	1,436,662,341	1,774,470,144	273,299,270
Administration and support and waste management and remediation services	566	1,714	39,319,851	41,489,008	33,211,070
Educational services	37	205	2,577,385	3,274,421	1,733,426
Health care and social assistance	66	299	4,312,838	5,185,507	2,914,929
Arts, entertainment, and recreation	103	405	11,824,252	12,118,074	6,092,568
Accommodation and food services	85	678	36,174,591	38,879,837	25,129,124
Other services (except public administration)	205	678	16,112,294	19,714,256	11,815,704
Nature of business not allocable	218	458	1,183,778	1,456,172	1,307,883

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Industrial sector and selected industrial subsector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued					
	Current earnings and profits (less deficit) before income taxes	Income taxes	Current earnings and profits (less deficit) after income taxes	Foreign corporations with current earnings and profits (+) before income taxes		
				Current earnings and profits before income taxes	Income taxes	Current earnings and profits after income taxes
	(6)	(7)	(8)	(9)	(10)	(11)
All industries	362,199,144	69,252,227	292,946,918	432,572,981	67,997,857	364,575,123
Raw materials and energy production	33,177,301	10,066,054	23,111,247	38,092,670	9,955,655	28,137,015
Agriculture, forestry, and fishing	725,729	93,365	632,365	879,878	90,770	789,108
Mining	27,556,673	9,342,615	18,214,058	31,873,585	9,193,351	22,680,234
Oil and gas extraction	25,045,402	8,871,467	16,173,934	28,161,716	8,747,103	19,414,613
Mining (except oil and gas)	1,937,918	308,223	1,629,695	2,965,918	301,411	2,664,507
Support activities for mining	573,353	162,924	410,429	745,951	144,836	601,114
Utilities	4,894,898	630,075	4,264,823	5,339,207	671,534	4,667,673
Goods production	125,146,203	22,297,868	102,848,335	145,962,799	22,179,827	123,782,973
Construction	1,303,105	358,240	944,865	1,797,692	356,973	1,440,719
Construction of buildings	187,949	57,635	130,315	267,816	55,082	212,734
Heavy and civil engineering construction	13,857	13,146	711	102,383	13,495	88,888
Specialty trade contractors	1,101,298	287,459	813,839	1,427,493	288,396	1,139,097
Manufacturing	123,843,098	21,939,628	101,903,470	144,165,107	21,822,853	122,342,253
Food manufacturing	6,562,527	1,502,805	5,059,722	7,357,908	1,464,599	5,893,310
Beverage and tobacco product manufacturing	12,176,581	1,880,036	10,296,545	12,744,581	1,831,093	10,913,489
Beverage manufacturing	7,576,267	1,013,334	6,562,933	8,038,110	964,023	7,074,087
Tobacco manufacturing	4,600,315	866,702	3,733,613	4,706,471	867,070	3,839,402
Textile mills and textile product mills	221,500	55,708	165,792	315,066	57,583	257,483
Apparel manufacturing	742,879	111,504	631,376	1,047,059	114,959	932,100
Leather and allied product manufacturing	129,296	32,942	96,354	145,557	33,000	112,556
Wood product manufacturing	495,672	152,884	342,789	560,021	153,156	406,865
Paper manufacturing	2,491,031	632,819	1,858,212	3,336,848	631,051	2,705,797
Petroleum and coal products manufacturing	8,148,989	2,236,064	5,912,925	8,415,002	2,234,193	6,180,809
Chemical manufacturing	40,880,273	5,322,827	35,557,446	43,549,730	5,358,645	38,191,085
Basic chemical manufacturing	4,150,610	803,338	3,347,272	4,774,481	750,920	4,023,561
Pharmaceutical and medicine manufacturing	28,109,898	2,493,374	25,616,524	29,029,752	2,540,231	26,489,521
Soap, cleaning compound, and toilet preparation manufacturing	3,089,930	845,022	2,244,909	3,192,580	839,830	2,352,750
Other chemical manufacturing	5,529,834	1,181,093	4,348,741	6,552,917	1,227,664	5,325,254
Plastics and rubber products manufacturing	2,673,724	735,765	1,937,959	3,225,827	734,415	2,491,412
Nonmetallic mineral product manufacturing	3,426,841	488,420	2,938,421	3,635,794	476,464	3,159,330
Primary metal manufacturing	2,682,781	462,149	2,220,632	2,887,822	461,522	2,426,300
Fabricated metal product manufacturing	2,731,502	649,377	2,082,125	3,147,847	643,949	2,503,898
Machinery manufacturing	3,413,202	926,423	2,486,779	4,478,616	921,400	3,557,217
Computer and electronic product manufacturing	16,941,192	1,966,888	14,974,304	19,786,673	1,915,872	17,870,801
Communications equipment manufacturing	2,490,632	411,157	2,079,475	3,310,980	394,043	2,916,937
Semiconductor and other electronic component manufacturing	5,091,953	696,720	4,395,234	6,336,461	676,407	5,660,053
Other computer and electronic manufacturing	9,358,606	859,011	8,499,595	10,139,233	845,421	9,293,811
Electric equipment, appliance, and component manufacturing	4,807,806	807,120	4,000,686	5,616,302	778,785	4,837,517
Transportation equipment manufacturing	6,661,327	1,685,256	4,976,071	12,874,609	1,832,821	11,041,788
Motor vehicles and parts manufacturing	4,922,236	1,515,825	3,406,411	10,754,128	1,682,326	9,071,802
Other transportation equipment manufacturing	1,739,091	169,431	1,569,660	2,120,481	150,495	1,969,987
Furniture and related product manufacturing	72,093	28,530	43,563	175,804	27,388	148,416
Miscellaneous manufacturing	8,583,883	2,262,111	6,321,772	10,864,039	2,151,960	8,712,079
Medical and equipment supplies manufacturing	3,703,132	783,107	2,920,025	4,609,962	693,836	3,916,126
Other miscellaneous manufacturing	4,880,751	1,479,004	3,401,747	6,254,077	1,458,124	4,795,953
Distribution and transportation of goods	52,504,462	11,643,824	40,860,638	58,826,488	11,454,019	47,372,469
Wholesale and retail trade	49,583,839	11,215,390	38,368,449	55,258,912	11,026,900	44,232,012
Wholesale trade	37,916,811	7,477,862	30,438,949	41,996,815	7,314,197	34,682,619
Motor vehicle and motor vehicle parts and supplies wholesalers	662,842	248,099	414,743	1,056,330	208,813	847,517
Professional and commercial equipment and supplies wholesalers	1,802,035	172,413	1,629,623	1,867,883	169,351	1,698,532
Electrical and electronic goods wholesalers	2,435,048	562,571	1,872,477	2,839,901	551,497	2,288,404
Machinery, equipment, and suppliers wholesalers	3,312,332	511,206	2,801,126	3,581,384	507,954	3,073,429

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Industrial sector and selected industrial subsector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued					
	Current earnings and profits (less deficit) before income taxes	Income taxes	Current earnings and profits (less deficit) after income taxes	Foreign corporations with current earnings and profits (+) before income taxes		
				Current earnings and profits before income taxes	Income taxes	Current earnings and profits after income taxes
	(6)	(7)	(8)	(9)	(10)	(11)
Drugs and druggists' sundries wholesalers	5,912,907	1,217,375	4,695,533	6,431,905	1,149,432	5,282,473
Apparel, piece goods, and notions wholesalers	604,425	139,021	465,404	762,479	135,664	626,815
Grocery and related product wholesalers	930,740	172,726	758,014	1,117,642	169,589	948,053
Chemical and allied products wholesalers	1,682,421	418,699	1,263,722	1,881,436	410,048	1,471,388
Petroleum and petroleum products wholesalers	5,741,597	303,359	5,438,239	5,993,096	289,203	5,703,893
Other wholesale trade	14,832,463	3,732,395	11,100,068	16,464,760	3,722,646	12,742,114
Retail trade	11,650,146	3,731,932	7,918,213	13,244,834	3,707,210	9,537,623
Motor vehicle dealers and parts dealers	304,148	89,919	214,229	395,029	88,915	306,114
Electronics and appliance stores	159,586	87,845	71,741	354,755	95,097	259,658
Building materials and garden equipment and suppliers dealers	387,341	134,822	252,519	415,950	135,667	280,283
Food and beverage stores	387,699	82,936	304,763	414,078	84,117	329,961
Health and personal care stores	394,000	82,497	311,503	421,736	81,982	339,754
Clothing and clothing accessories stores	894,159	238,379	655,781	967,543	243,642	723,900
General merchandise stores	1,706,857	769,125	937,732	2,325,981	765,729	1,560,252
Electronic shopping and mail-order houses	131,192	52,550	78,642	232,974	52,273	180,701
Other retailers	7,285,163	2,193,861	5,091,303	7,716,789	2,159,788	5,557,001
Wholesale and retail trade not allocable	16,882	* 5,596	11,287	* 17,262	* 5,493	* 11,770
Transportation and warehousing	2,920,623	428,434	2,492,189	3,567,577	427,119	3,140,458
Air transportation	150,918	30,020	120,898	182,815	30,060	152,754
Water transportation	1,265,633	64,052	1,201,580	1,441,010	69,241	1,371,769
Truck transportation	68,905	38,050	30,855	164,821	35,228	129,593
Support activities for transportation	929,570	174,666	754,904	1,022,968	173,119	849,850
Other transportation	375,143	88,282	286,860	576,241	90,592	485,649
Warehousing and storage	130,454	33,363	97,090	179,722	28,879	150,843
Information	8,073,622	2,249,857	5,823,765	12,847,072	2,133,474	10,713,598
Publishing industries	4,350,921	860,150	3,490,771	4,770,967	860,181	3,910,787
Newspaper, periodical, book and directory publishers	1,382,076	454,177	927,899	1,497,357	451,127	1,046,230
Software publishers	2,968,845	405,974	2,562,872	3,273,610	409,054	2,864,556
Motion picture and sound recording industries	1,861,241	529,000	1,332,241	2,389,116	515,078	1,874,038
Broadcasting (except Internet)	613,154	75,540	537,614	1,536,552	81,846	1,454,707
Internet publishing and broadcasting	3,507	* 1	3,506	4,139	* 1	4,138
Telecommunications	308,754	474,398	-165,644	2,803,793	363,730	2,440,063
Internet service providers, Web search portals, and data processing services	401,656	161,870	239,786	690,150	158,533	531,616
Other information services	534,389	148,897	385,492	652,356	154,106	498,250
Finance, insurance, real estate, and rental and leasing	57,870,006	10,466,173	47,403,834	71,341,733	10,020,332	61,321,401
Finance and insurance	54,283,443	9,630,755	44,652,688	65,623,136	9,215,587	56,407,549
Credit intermediation and related activities	15,322,487	2,885,988	12,436,499	18,412,537	2,768,286	15,644,251
Depository credit intermediation	4,765,030	1,082,205	3,682,825	4,927,099	1,045,345	3,881,753
Nondepository credit intermediation	9,708,306	1,639,898	8,068,408	12,432,264	1,581,327	10,850,937
Activities related to credit intermediation	849,151	163,885	685,266	1,053,174	141,613	911,561
Securities, commodity contracts, and other financial investments and related products	19,366,610	3,319,300	16,047,310	22,656,569	3,180,184	19,476,386
Insurance carriers and related activities	13,779,479	2,597,167	11,182,312	16,114,294	2,493,431	13,620,863
Insurance carriers	9,309,312	1,561,265	7,748,046	10,613,800	1,499,843	9,113,957
Agencies, brokerages, and other insurance related activities	4,470,167	1,035,902	3,434,265	5,500,493	993,588	4,506,905
Funds, trusts, and other financial activities	5,814,867	828,300	4,986,567	8,439,737	773,687	7,666,050
Real estate and rental and leasing	3,586,563	835,418	2,751,146	5,718,596	804,744	4,913,852
Rental and leasing services	2,184,110	313,809	1,870,301	3,612,290	303,249	3,309,041
Commercial and industrial machinery and equipment rental and leasing	2,011,163	204,443	1,806,720	3,141,678	195,690	2,945,988
Other rental and leasing services	172,947	109,366	63,581	470,612	107,559	363,053
Other real estate and rental and leasing	1,402,454	521,609	880,845	2,106,307	501,496	1,604,811

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Industrial sector and selected industrial subsector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued					
	Current earnings and profits (less deficit) before income taxes	Income taxes	Current earnings and profits (less deficit) after income taxes	Foreign corporations with current earnings and profits (+) before income taxes		
				Current earnings and profits before income taxes	Income taxes	Current earnings and profits after income taxes
	(6)	(7)	(8)	(9)	(10)	(11)
Services	85,462,899	12,510,316	72,952,583	105,385,304	12,234,108	93,151,196
Professional, scientific, and technical services	21,611,410	4,616,298	16,995,112	27,438,997	4,514,556	22,924,441
Architectural, engineering, and related services	550,949	124,505	426,444	789,742	118,581	671,161
Computer system design and related services	12,916,459	2,516,635	10,399,824	15,371,891	2,492,363	12,879,528
Custom computer programming services	163,892	42,587	121,305	254,897	41,115	213,782
Computer systems design services	437,756	123,696	314,060	830,598	120,412	710,186
Other computer system design and related services	12,314,811	2,350,352	9,964,459	14,286,395	2,330,835	11,955,560
Management, scientific, and technical consulting services	1,079,600	215,991	863,609	1,443,692	204,937	1,238,755
Scientific research and development services	196,648	47,599	149,049	662,997	45,222	617,775
Advertising and related services	1,812,426	569,399	1,243,027	2,694,178	540,789	2,153,390
Other professional, scientific, and technical services	5,055,328	1,142,168	3,913,160	6,476,497	1,112,665	5,363,832
Management of companies and enterprises	59,388,762	6,630,893	52,757,869	71,865,251	6,503,151	65,362,100
Administration and support and waste management and remediation services	1,155,902	350,002	805,899	1,748,806	321,101	1,427,705
Educational services	273,399	37,784	235,615	357,186	30,560	326,625
Health care and social assistance	294,303	75,625	218,678	429,193	73,785	355,408
Arts, entertainment, and recreation	197,886	77,726	120,160	407,252	74,761	332,491
Accommodation and food services	1,492,814	486,589	1,006,225	1,922,138	482,153	1,439,985
Other services (except public administration)	1,048,423	235,398	813,025	1,216,482	234,041	982,440
Nature of business not allocable	-35,348	18,136	-53,484	116,914	20,443	96,471

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Industrial sector and selected industrial subsector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued				
	Distributions out of earnings and profits			Dividends paid to controlling U.S. corporation	Total Subpart F income
	Total	Not previously taxed earnings and profits	Previously taxed earnings and profits		
(12)	(13)	(14)	(15)	(16)	
All industries	135,230,421	91,424,129	43,806,293	46,638,623	47,794,506
Raw materials and energy production	15,990,632	15,156,004	834,627	8,410,113	932,091
Agriculture, forestry, and fishing	408,147	135,377	* 272,770	19,012	180,532
Mining	13,399,910	12,953,615	446,295	8,360,012	661,604
Oil and gas extraction	12,624,788	12,238,401	386,388	8,029,068	593,602
Mining (except oil and gas)	605,299	552,630	* 52,669	270,678	35,651
Support activities for mining	169,822	162,585	* 7,238	60,265	32,351
Utilities	2,182,575	2,067,012	115,562	31,090	89,955
Goods production	43,338,323	31,700,160	11,638,163	17,604,019	11,898,152
Construction	518,383	461,385	56,998	87,647	91,389
Construction of buildings	* 26,431	* 24,929	* 1,502	* 18,538	* 393
Heavy and civil engineering construction	* 14,642	* 12,516	* 2,126	* 7,049	* 7,203
Specialty trade contractors	477,310	423,940	53,369	62,060	83,793
Manufacturing	42,819,940	31,238,775	11,581,166	17,516,373	11,806,763
Food manufacturing	3,170,812	2,624,196	546,616	1,048,032	586,910
Beverage and tobacco product manufacturing	4,006,222	1,864,795	2,141,426	643,082	2,279,010
Beverage manufacturing	1,245,743	1,189,052	56,691	630,578	667,005
Tobacco manufacturing	2,760,479	675,744	2,084,735	* 12,504	1,612,004
Textile mills and textile product mills	179,807	158,103	* 21,704	* 143,470	* 13,888
Apparel manufacturing	1,220,848	1,137,110	83,738	642,513	99,291
Leather and allied product manufacturing	* 48,690	* 35,097	* 13,594	* 15,946	* 8,399
Wood product manufacturing	211,684	207,536	* 4,148	* 80,460	* 10,471
Paper manufacturing	2,085,098	1,847,772	237,326	1,250,820	184,291
Petroleum and coal products manufacturing	5,316,950	4,628,937	688,013	3,094,966	731,171
Chemical manufacturing	9,269,840	6,222,778	3,047,062	3,956,916	2,436,905
Basic chemical manufacturing	929,845	797,260	132,585	387,712	265,270
Pharmaceutical and medicine manufacturing	4,209,669	2,552,883	1,656,787	1,940,985	1,389,397
Soap, cleaning compound, and toilet preparation manufacturing	1,240,729	1,032,157	208,572	749,253	229,426
Other chemical manufacturing	2,889,597	1,840,478	1,049,119	878,966	552,813
Plastics and rubber products manufacturing	799,096	632,251	166,845	302,856	177,546
Nonmetallic mineral product manufacturing	1,024,326	775,091	249,235	355,658	122,528
Primary metal manufacturing	557,404	413,641	* 143,763	172,928	181,757
Fabricated metal product manufacturing	1,061,228	942,642	118,586	404,726	199,549
Machinery manufacturing	1,505,103	1,221,557	283,546	628,182	263,294
Computer and electronic product manufacturing	4,127,249	3,296,125	831,125	2,870,441	1,239,743
Communications equipment manufacturing	999,001	853,188	145,813	668,313	292,523
Semiconductor and other electronic component manufacturing	1,264,997	817,569	447,428	693,099	324,422
Other computer and electronic manufacturing	1,863,251	1,625,367	237,883	1,509,029	622,798
Electric equipment, appliance, and component manufacturing	1,576,609	754,252	822,357	399,169	595,929
Transportation equipment manufacturing	3,018,952	1,648,771	1,370,181	781,104	1,988,217
Motor vehicles and parts manufacturing	2,807,774	1,513,743	1,294,031	738,311	1,815,960
Other transportation equipment manufacturing	211,178	135,028	* 76,150	42,794	172,257
Furniture and related product manufacturing	83,833	61,610	* 22,223	* 11,572	* 3,441
Miscellaneous manufacturing	3,556,188	2,766,510	789,678	713,531	684,423
Medical and equipment supplies manufacturing	1,483,234	1,009,522	473,712	178,402	291,253
Other miscellaneous manufacturing	2,072,954	1,756,987	315,967	535,129	393,170
Distribution and transportation of goods	15,607,374	8,856,732	6,750,642	4,030,637	8,705,972
Wholesale and retail trade	14,448,666	8,466,614	5,982,052	3,912,210	7,469,795
Wholesale trade	10,728,566	6,214,226	4,514,340	2,849,800	6,024,821
Motor vehicle and motor vehicle parts and supplies wholesalers	216,486	184,091	32,395	119,078	51,549
Professional and commercial equipment and supplies wholesalers	80,776	75,525	* 5,251	51,154	233,324
Electrical and electronic goods wholesalers	436,990	341,087	95,903	165,476	278,753
Machinery, equipment, and suppliers wholesalers	545,659	411,134	134,525	297,158	331,634

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Industrial sector and selected industrial subsector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued				
	Distributions out of earnings and profits			Dividends paid to controlling U.S. corporation	Total Subpart F income
	Total	Not previously taxed earnings and profits	Previously taxed earnings and profits		
	(12)	(13)	(14)	(15)	(16)
Drugs and druggists' sundries wholesalers	1,071,111	857,661	213,450	108,603	370,882
Apparel, piece goods, and notions wholesalers	280,730	257,271	* 23,459	61,140	76,155
Grocery and related product wholesalers	366,949	238,573	128,376	146,587	123,900
Chemical and allied products wholesalers	464,137	286,219	177,918	121,868	339,288
Petroleum and petroleum products wholesalers	2,025,481	245,437	1,780,044	168,024	2,265,237
Other wholesale trade	5,240,246	3,317,227	1,923,019	1,610,711	1,954,099
Retail trade	3,712,571	2,244,859	1,467,712	1,062,410	1,444,955
Motor vehicle dealers and parts dealers	* 79,401	* 76,094	* 3,307	* 6,300	5,807
Electronics and appliance stores	* 17,462	* 17,462	0	* 5,978	* 16,987
Building materials and garden equipment and suppliers dealers	* 4,264	* 3,975	* 288	* 3,015	* 229,163
Food and beverage stores	* 4,655	* 4,655	0	* 123	* 1,953
Health and personal care stores	* 177,224	* 144,993	* 32,231	* 82,627	* 15,153
Clothing and clothing accessories stores	* 394,428	* 44,844	* 349,584	* 40,740	312,124
General merchandise stores	1,056,350	985,139	* 71,211	* 73,774	* 28,276
Electronic shopping and mail-order houses	* 109,908	* 73,920	* 35,988	* 68,122	26,703
Other retailers	1,868,880	893,776	975,104	781,731	808,788
Wholesale and retail trade not allocable	* 7,530	* 7,530	0	0	* 20
Transportation and warehousing	1,158,708	390,118	768,590	118,427	1,236,177
Air transportation	* 4,091	* 485	* 3,606	* 485	48,810
Water transportation	755,113	* 78,817	676,296	* 20,166	968,669
Truck transportation	61,997	54,438	* 7,560	* 33,985	* 9,552
Support activities for transportation	183,832	111,002	72,831	23,928	139,491
Other transportation	111,481	107,698	* 3,783	* 38,979	65,614
Warehousing and storage	42,194	37,678	* 4,515	* 886	4,040
Information	7,182,894	6,453,724	729,170	4,305,580	678,604
Publishing industries	4,785,498	4,283,337	502,161	3,771,250	393,276
Newspaper, periodical, book and directory publishers	909,839	792,075	117,763	351,738	120,308
Software publishers	3,875,659	3,491,261	384,398	3,419,511	272,968
Motion picture and sound recording industries	1,750,187	1,560,941	189,247	255,830	120,598
Broadcasting (except Internet)	128,602	123,677	* 4,925	* 16,855	13,070
Internet publishing and broadcasting	0	0	0	0	0
Telecommunications	385,344	357,354	* 27,989	164,419	117,333
Internet service providers, Web search portals, and data processing services	41,100	39,566	* 1,534	* 26,753	7,140
Other information services	92,163	88,849	* 3,314	70,474	27,187
Finance, insurance, real estate, and rental and leasing	21,287,176	11,919,322	9,367,854	3,317,628	13,505,475
Finance and insurance	19,806,590	10,883,173	8,923,417	3,095,931	11,588,536
Credit intermediation and related activities	3,647,299	2,793,419	853,880	671,972	1,431,851
Depository credit intermediation	795,237	556,050	* 239,187	466,792	314,614
Nondepository credit intermediation	2,669,017	2,140,237	528,780	184,585	986,817
Activities related to credit intermediation	183,045	97,132	85,913	* 20,594	130,421
Securities, commodity contracts, and other financial investments and related products	6,591,356	3,686,676	2,904,680	1,324,364	4,913,709
Insurance carriers and related activities	4,904,567	3,347,531	1,557,036	548,452	2,613,921
Insurance carriers	2,669,918	1,491,205	1,178,714	153,113	1,932,126
Agencies, brokerages, and other insurance related activities	2,234,648	1,856,326	378,322	395,338	681,795
Funds, trusts, and other financial activities	4,663,368	1,055,547	3,607,822	551,144	2,629,055
Real estate and rental and leasing	1,480,586	1,036,149	444,437	221,697	1,916,938
Rental and leasing services	455,080	325,437	129,643	118,270	1,663,971
Commercial and industrial machinery and equipment rental and leasing	418,502	288,859	129,643	118,200	1,619,182
Other rental and leasing services	* 36,578	* 36,578	0	* 250	* 44,789
Other real estate and rental and leasing	1,025,506	710,712	314,794	103,427	252,968

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Industrial sector and selected industrial subsector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued				
	Distributions out of earnings and profits			Dividends paid to controlling U.S. corporation	Total Subpart F income
	Total	Not previously taxed earnings and profits	Previously taxed earnings and profits		
	(12)	(13)	(14)	(15)	(16)
Services	31,805,437	17,319,610	14,485,827	8,970,235	12,067,414
Professional, scientific, and technical services	4,298,087	3,013,334	1,284,753	1,648,444	2,375,961
Architectural, engineering, and related services	98,061	63,618	34,442	44,923	81,687
Computer system design and related services	1,576,166	895,519	680,647	513,868	990,107
Custom computer programming services	* 4,095	* 4,095	0	* 3,849	16,061
Computer systems design services	116,691	60,742	* 55,949	39,418	71,408
Other computer system design and related services	1,455,380	830,682	624,698	470,601	902,639
Management, scientific, and technical consulting services	229,263	155,124	74,139	74,575	661,929
Scientific research and development services	* 35,773	* 14,554	* 21,219	* 6,209	59,327
Advertising and related services	921,054	740,225	180,829	176,089	89,441
Other professional, scientific, and technical services	1,437,770	1,144,294	293,477	832,779	493,470
Management of companies and enterprises	25,960,648	13,048,892	12,911,756	6,844,044	9,204,124
Administration and support and waste management and remediation services	268,215	187,908	80,307	72,031	171,024
Educational services	42,901	24,601	* 18,300	22,515	* 4,518
Health care and social assistance	57,277	55,575	* 1,702	* 26,087	72,742
Arts, entertainment, and recreation	49,696	48,443	* 1,253	* 22,404	14,926
Accommodation and food services	807,499	698,338	109,161	279,037	66,775
Other services (except public administration)	321,115	242,519	78,596	55,674	157,345
Nature of business not allocable	* 18,587	* 18,577	* 10	* 410	6,798

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Industrial sector and selected industrial subsector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued						
	Receipts by foreign corporations from:						
	All sources	All related parties, total	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporations controlled by U.S. corporation filing return	All other related parties	Unrelated parties
	(17)	(18)	(19)	(20)	(21)	(22)	(23)
All industries	3,795,850,571	1,030,284,624	178,950,203	182,688,301	668,398,192	247,928	2,787,272,960
Raw materials and energy production	127,239,949	29,296,920	4,231,117	10,848,927	14,209,154	* 7,723	98,340,064
Agriculture, forestry, and fishing	8,568,980	2,903,109	133,528	454,170	2,313,820	* 1,592	5,674,577
Mining	81,962,670	22,067,053	4,095,614	8,208,153	9,760,804	* 2,482	60,217,070
Oil and gas extraction	64,704,216	18,726,210	3,569,373	7,149,288	8,007,549	0	46,145,190
Mining (except oil and gas)	10,801,058	2,128,325	421,784	767,703	936,356	* 2,482	8,673,773
Support activities for mining	6,457,396	1,212,517	104,456	291,162	816,899	0	5,398,107
Utilities	36,708,299	4,326,758	1,975	2,186,604	2,134,529	* 3,650	32,448,418
Goods production	1,633,118,266	586,394,390	125,603,543	87,895,144	372,755,348	140,355	1,051,033,213
Construction	19,078,357	1,289,164	32,539	278,018	978,606	0	17,908,695
Construction of buildings	2,879,061	22,841	0	* 1,860	* 20,982	0	2,856,220
Heavy and civil engineering construction	1,371,193	96,042	* 310	22,321	73,411	0	1,278,537
Specialty trade contractors	14,828,102	1,170,281	32,229	253,838	884,214	0	13,773,938
Manufacturing	1,614,039,909	585,105,226	125,571,004	87,617,126	371,776,741	140,355	1,033,124,518
Food manufacturing	99,299,567	16,187,804	1,507,203	2,244,081	12,436,367	* 153	83,461,471
Beverage and tobacco product manufacturing	81,959,206	26,581,329	213,221	1,267,921	25,031,041	* 69,146	55,499,091
Beverage manufacturing	42,233,593	8,722,200	120,392	1,098,987	7,433,675	* 69,146	33,632,607
Tobacco manufacturing	39,725,612	17,859,129	* 92,830	168,934	17,597,366	0	21,866,483
Textile mills and textile product mills	4,564,718	856,306	215,983	143,470	496,852	0	3,708,960
Apparel manufacturing	12,504,992	5,491,316	1,680,947	1,985,948	1,824,420	0	7,084,413
Leather and allied product manufacturing	2,178,588	885,366	201,701	350,298	333,367	0	1,293,224
Wood product manufacturing	4,726,391	1,116,101	795,659	153,328	167,114	0	3,612,459
Paper manufacturing	41,049,598	9,714,386	2,668,365	2,295,367	4,750,654	0	31,339,463
Petroleum and coal products manufacturing	115,349,158	32,665,459	4,982,430	3,878,175	23,804,855	0	82,686,685
Chemical manufacturing	294,207,268	122,478,193	13,573,716	16,070,195	92,801,569	32,714	173,909,556
Basic chemical manufacturing	36,693,822	7,073,690	1,624,715	652,188	4,770,883	25,904	29,679,767
Pharmaceutical and medicine manufacturing	156,271,797	90,386,437	8,937,714	12,810,909	68,637,814	0	67,739,948
Soap, cleaning compound, and toilet preparation manufacturing	25,675,375	4,145,374	385,784	75,409	3,684,181	0	21,602,583
Other chemical manufacturing	75,566,273	20,872,692	2,625,502	2,531,689	15,708,691	* 6,810	54,887,257
Plastics and rubber products manufacturing	40,801,198	13,335,621	2,392,342	1,081,005	9,862,274	0	27,472,866
Nonmetallic mineral product manufacturing	18,965,226	3,855,206	742,032	480,762	2,632,297	* 115	15,136,911
Primary metal manufacturing	20,038,998	5,148,069	268,379	2,117,650	2,731,535	* 30,504	14,905,206
Fabricated metal product manufacturing	37,732,016	7,614,404	1,241,192	1,451,166	4,921,914	* 132	30,133,811
Machinery manufacturing	60,213,887	16,296,197	3,874,705	2,305,852	10,115,640	0	44,001,440
Computer and electronic product manufacturing	243,939,798	95,145,112	31,931,829	9,800,564	53,407,640	* 5,078	148,968,862
Communications equipment manufacturing	50,304,458	24,673,318	6,486,068	1,448,106	16,739,144	0	25,688,255
Semiconductor and other electronic component manufacturing	78,815,862	30,683,538	15,884,416	2,983,991	11,810,053	* 5,078	48,199,879
Other computer and electronic manufacturing	114,819,478	39,788,256	9,561,345	5,368,467	24,858,444	0	75,080,728
Electric equipment, appliance, and component manufacturing	65,334,991	22,739,517	4,471,853	8,174,260	10,093,404	0	42,650,934
Transportation equipment manufacturing	343,430,309	170,409,900	50,932,662	26,877,911	92,598,000	* 1,328	173,210,529
Motor vehicles and parts manufacturing	330,517,949	167,577,588	50,039,114	25,702,670	91,834,475	* 1,328	163,128,966
Other transportation equipment manufacturing	12,912,360	2,832,313	893,547	1,175,241	763,525	0	10,081,564
Furniture and related product manufacturing	3,601,417	893,245	412,306	128,045	352,894	0	2,708,626
Miscellaneous manufacturing	124,142,585	33,691,695	3,464,479	6,811,127	23,414,904	* 1,185	91,340,010
Medical and equipment supplies manufacturing	51,632,585	17,476,461	1,034,976	3,647,327	12,793,098	* 1,059	34,956,186
Other miscellaneous manufacturing	72,510,000	16,215,233	2,429,503	3,163,800	10,621,805	* 125	56,383,824
Distribution and transportation of goods	966,617,230	187,608,587	23,294,086	47,920,107	116,359,331	35,062	784,639,700
Wholesale and retail trade	928,941,783	177,031,059	23,077,591	42,800,137	111,118,268	35,062	757,453,305
Wholesale trade	670,099,617	152,887,383	21,675,070	30,830,674	100,348,667	32,973	522,439,032
Motor vehicle and motor vehicle parts and supplies wholesalers	33,635,059	5,403,524	1,806,608	259,623	3,337,293	0	28,396,657
Professional and commercial equipment and supplies wholesalers	9,498,981	3,438,198	2,083,342	107,041	1,247,440	* 375	6,073,825
Electrical and electronic goods wholesalers	60,822,703	10,074,900	4,339,146	548,172	5,187,583	* [2]	51,196,609
Machinery, equipment, and suppliers wholesalers	42,984,479	9,371,093	2,967,215	367,118	6,036,759	0	35,078,306

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Industrial sector and selected industrial subsector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued						
	Receipts by foreign corporations from:						
	All sources	All related parties, total	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporations controlled by U.S. corporation filing return	All other related parties	Unrelated parties
	(17)	(18)	(19)	(20)	(21)	(22)	(23)
Drugs and druggists' sundries wholesalers	58,782,720	23,298,303	1,907,229	3,032,297	18,358,778	0	38,324,240
Apparel, piece goods, and notions wholesalers	9,635,183	2,056,591	92,760	164,489	1,799,343	0	7,582,830
Grocery and related product wholesalers	20,174,915	3,905,562	197,784	1,011,544	2,696,234	0	16,275,610
Chemical and allied products wholesalers	30,918,483	5,187,229	1,212,037	335,992	3,639,200	0	25,756,954
Petroleum and petroleum products wholesalers	157,337,049	31,015,935	114,587	14,623,255	16,278,093	0	126,334,177
Other wholesale trade	246,310,047	59,136,046	6,954,362	10,381,143	41,767,943	* 32,598	187,419,824
Retail trade	258,557,958	24,095,049	1,396,388	11,967,630	10,728,942	* 2,090	234,778,692
Motor vehicle dealers and parts dealers	20,038,218	3,653,092	* 41,791	1,633,202	1,978,099	0	16,385,129
Electronics and appliance stores	8,246,386	728,497	333,476	236,375	158,646	0	7,518,872
Building materials and garden equipment and suppliers dealers	5,388,728	167,492	* 36,267	17,957	113,268	0	5,222,805
Food and beverage stores	12,004,815	70,696	* 30,804	* 6,322	* 33,570	0	11,934,119
Health and personal care stores	3,806,153	466,907	33,220	* 155	433,532	0	3,411,849
Clothing and clothing accessories stores	9,841,109	1,409,226	122,886	* 524,381	761,959	0	8,539,774
General merchandise stores	84,489,591	578,020	* 44	* 4,359	571,746	* 1,870	83,913,090
Electronic shopping and mail-order houses	2,319,859	212,427	* 9,497	55,933	146,777	* 220	2,163,897
Other retailers	112,423,100	16,808,693	788,402	9,488,947	6,531,344	0	95,689,159
Wholesale and retail trade not allocable	284,208	* 48,627	* 6,133	* 1,834	* 40,659	0	235,581
Transportation and warehousing	37,675,447	10,577,528	216,495	5,119,970	5,241,063	0	27,186,395
Air transportation	3,345,236	344,452	0	262,686	81,766	0	3,000,889
Water transportation	6,800,469	2,687,279	* 64,266	1,709,671	913,342	0	4,132,962
Truck transportation	3,729,748	563,371	5,522	100,793	457,055	0	3,170,782
Support activities for transportation	16,094,284	5,458,852	99,874	2,207,957	3,151,022	0	10,643,479
Other transportation	5,462,247	876,796	* 20,979	631,116	224,700	0	4,621,219
Warehousing and storage	2,243,463	646,778	25,854	207,747	413,177	0	1,617,065
Information	95,170,491	11,448,267	1,634,057	1,998,641	7,815,498	* 71	83,807,015
Publishing industries	24,196,690	2,176,145	1,004,320	179,438	992,387	0	22,030,106
Newspaper, periodical, book and directory publishers	10,282,763	675,215	109,640	90,045	475,529	0	9,608,842
Software publishers	13,913,926	1,500,930	894,679	89,393	516,858	0	12,421,264
Motion picture and sound recording industries	22,711,463	2,790,460	6,930	757,998	2,025,532	0	19,931,764
Broadcasting (except Internet)	8,520,648	987,825	* 9,704	61,806	916,315	0	7,533,951
Internet publishing and broadcasting	106,435	* 38,489	* 1,139	* 34,234	* 3,116	0	67,946
Telecommunications	29,876,528	4,081,956	380,291	538,905	3,162,689	* 71	25,834,685
Internet service providers, Web search portals, and data processing services	4,987,803	625,380	79,697	78,454	467,228	0	4,379,235
Other information services	4,770,923	748,012	151,975	347,806	248,231	0	4,029,328
Finance, insurance, real estate, and rental and leasing	356,043,531	72,993,541	5,016,079	18,046,853	49,902,031	28,579	286,518,993
Finance and insurance	332,614,003	68,324,088	4,862,482	17,609,268	45,824,466	* 27,872	266,055,344
Credit intermediation and related activities	71,175,766	11,020,868	266,611	2,481,180	8,266,370	* 6,707	60,391,108
Depository credit intermediation	21,104,785	2,150,291	* 701	1,521,263	628,327	0	18,960,978
Nondepository credit intermediation	45,584,160	7,700,781	144,923	797,123	6,752,028	* 6,707	38,104,605
Activities related to credit intermediation	4,486,820	1,169,797	120,988	162,794	886,015	0	3,325,525
Securities, commodity contracts, and other financial investments and related products	134,418,148	43,507,379	3,828,428	12,366,645	27,290,153	* 22,153	91,273,294
Insurance carriers and related activities	98,474,315	4,675,131	458,454	1,558,658	2,659,094	* -1,076	94,201,016
Insurance carriers	68,604,725	1,532,677	291,041	512,446	730,266	* -1,076	67,101,524
Agencies, brokerages, and other insurance related activities	29,869,591	3,142,454	167,413	1,046,213	1,928,828	0	27,099,492
Funds, trusts, and other financial activities	28,545,774	9,120,710	308,989	1,202,784	7,608,848	* 88	20,189,926
Real estate and rental and leasing	23,429,529	4,669,453	153,596	437,585	4,077,565	* 707	20,463,650
Rental and leasing services	13,015,964	2,724,044	58,525	74,981	2,589,831	* 707	11,937,768
Commercial and industrial machinery and equipment rental and leasing	5,456,238	2,402,025	40,181	49,460	2,311,678	* 707	4,700,061
Other rental and leasing services	7,559,726	322,019	* 18,344	25,521	278,153	0	7,237,707
Other real estate and rental and leasing	10,413,565	1,945,409	95,072	362,604	1,487,734	0	8,525,881

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Industrial sector and selected industrial subsector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued						
	Receipts by foreign corporations from:						
	All sources	All related parties, total	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporations controlled by U.S. corporation filing return	All other related parties	Unrelated parties
	(17)	(18)	(19)	(20)	(21)	(22)	(23)
Services	616,353,220	142,325,656	19,147,443	15,947,123	107,194,953	36,137	481,841,887
Professional, scientific, and technical services	262,157,131	53,285,956	11,427,442	10,168,399	31,680,661	9,455	210,554,458
Architectural, engineering, and related services	10,729,183	1,163,649	265,134	187,281	711,173	* 62	9,596,624
Computer system design and related services	111,649,649	20,612,339	5,896,973	4,208,111	10,503,187	* 4,069	91,299,330
Custom computer programming services	2,026,579	693,687	322,571	200,370	166,678	* 4,069	1,344,046
Computer systems design services	8,265,860	1,420,054	760,942	180,085	479,027	0	6,850,743
Other computer system design and related services	101,357,211	18,498,598	4,813,461	3,827,656	9,857,481	0	83,104,541
Management, scientific, and technical consulting services	12,261,360	5,278,259	706,246	762,837	3,809,176	0	7,107,174
Scientific research and development services	4,235,699	2,288,574	954,344	537,174	796,416	* 641	2,040,194
Advertising and related services	42,982,333	5,147,743	215,588	219,430	4,708,930	3,795	37,937,457
Other professional, scientific, and technical services	80,298,907	18,795,391	3,389,157	4,253,567	11,151,781	* 887	62,573,679
Management of companies and enterprises	273,299,270	76,337,514	6,488,191	4,117,549	65,705,263	* 26,511	202,495,335
Administration and support and waste management and remediation services	33,211,070	8,156,603	633,961	947,335	6,575,306	0	25,571,558
Educational services	1,733,426	148,342	* 1,572	1,913	144,857	0	1,608,128
Health care and social assistance	2,914,929	261,816	31,378	2,074	228,364	0	2,656,043
Arts, entertainment, and recreation	6,092,568	1,029,151	281,163	188,662	559,326	0	5,079,242
Accommodation and food services	25,129,124	777,755	43,851	158,882	574,849	* 172	24,362,257
Other services (except public administration)	11,815,704	2,328,519	239,884	362,309	1,726,326	0	9,514,865
Nature of business not allocable	1,307,883	217,263	* 23,878	31,507	161,878	0	1,092,088

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Industrial sector and selected industrial subsector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued						
	Payments by foreign corporations to:						
	All recipients	All related parties, total	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporations controlled by U.S. corporation filing return	All other related parties	Unrelated parties
	(24)	(25)	(26)	(27)	(28)	(29)	(30)
All industries	3,528,629,281	1,075,521,968	234,870,915	224,166,893	615,661,945	822,216	2,482,722,738
Raw materials and energy production	110,118,221	26,941,433	2,697,200	9,621,832	14,618,969	* 3,433	83,529,678
Agriculture, forestry, and fishing	7,891,172	2,161,021	161,827	406,155	1,592,873	* 167	5,749,170
Mining	68,426,845	21,035,285	2,477,811	8,798,778	9,758,168	* 529	47,646,612
Oil and gas extraction	53,473,687	18,644,861	2,194,169	7,814,205	8,636,488	0	35,021,814
Mining (except oil and gas)	8,945,592	1,376,342	167,543	415,248	793,022	* 529	7,580,743
Support activities for mining	6,007,566	1,014,082	116,099	569,325	328,658	0	5,044,055
Utilities	33,800,204	3,745,127	57,563	416,899	3,267,928	* 2,737	30,133,896
Goods production	1,516,669,958	471,904,526	120,735,488	88,687,221	262,190,366	291,452	1,048,195,864
Construction	18,406,045	1,598,848	96,063	315,039	1,187,746	0	16,846,387
Construction of buildings	2,767,302	56,145	27,604	* 14,600	13,942	0	12,856,022
Heavy and civil engineering construction	1,331,810	55,263	4,926	25,552	24,786	0	1,277,324
Specialty trade contractors	14,306,934	1,487,439	63,533	274,888	1,149,019	0	12,856,022
Manufacturing	1,498,263,912	470,305,678	120,639,425	88,372,181	261,002,619	291,452	1,031,349,477
Food manufacturing	95,593,130	16,306,433	1,790,307	2,859,209	11,538,704	* 118,214	79,369,272
Beverage and tobacco product manufacturing	74,305,227	17,816,297	1,768,998	4,856,101	11,191,197	0	56,533,491
Beverage manufacturing	36,460,213	8,396,216	1,673,457	2,134,437	4,588,322	0	28,073,841
Tobacco manufacturing	37,845,013	9,420,080	* 95,541	2,721,664	6,602,875	0	28,459,650
Textile mills and textile product mills	4,487,489	784,282	270,108	213,772	298,394	* 2,008	3,703,801
Apparel manufacturing	12,944,944	3,951,365	1,175,355	1,399,350	1,376,655	* 5	9,068,385
Leather and allied product manufacturing	2,096,898	588,880	313,837	* 32,094	242,949	0	1,508,018
Wood product manufacturing	4,555,791	500,249	123,942	128,845	247,462	0	4,056,252
Paper manufacturing	40,614,470	7,399,925	2,537,957	1,015,097	3,846,871	0	33,243,014
Petroleum and coal products manufacturing	110,387,935	41,055,793	7,747,733	15,074,185	18,233,621	* 255	69,368,495
Chemical manufacturing	252,782,221	98,823,129	27,355,352	13,923,467	57,433,110	111,201	155,341,212
Basic chemical manufacturing	33,884,950	8,276,705	1,823,123	2,116,988	4,226,152	110,443	25,642,292
Pharmaceutical and medicine manufacturing	122,094,985	61,702,970	17,603,288	7,060,544	37,039,138	0	61,496,517
Soap, cleaning compound, and toilet preparation manufacturing	23,519,742	7,580,845	1,794,451	736,799	5,049,595	0	16,047,828
Other chemical manufacturing	73,282,544	21,262,609	6,134,490	4,009,136	11,118,225	* 758	52,154,575
Plastics and rubber products manufacturing	38,928,127	9,253,788	2,215,810	1,121,948	5,916,031	0	29,695,629
Nonmetallic mineral product manufacturing	17,014,286	3,367,441	1,167,315	792,491	1,384,222	* 23,412	13,647,145
Primary metal manufacturing	18,172,028	3,110,677	316,593	1,130,665	1,663,419	0	15,070,984
Fabricated metal product manufacturing	35,837,982	7,223,931	1,748,374	1,643,080	3,822,635	* 9,842	28,641,029
Machinery manufacturing	58,222,242	12,767,596	3,688,088	2,620,628	6,458,880	0	45,549,309
Computer and electronic product manufacturing	228,021,272	88,893,682	31,712,858	16,604,538	40,565,932	* 10,355	139,567,449
Communications equipment manufacturing	48,171,347	20,261,696	5,132,917	1,304,921	13,823,859	0	27,944,010
Semiconductor and other electronic component manufacturing	74,408,766	31,641,595	20,956,897	2,561,867	8,112,477	* 10,355	42,926,189
Other computer and electronic manufacturing	105,441,159	36,990,391	5,623,044	12,737,751	18,629,596	0	68,697,251
Electric equipment, appliance, and component manufacturing	61,180,746	13,805,802	3,568,023	2,931,953	7,304,297	* 1,529	47,604,965
Transportation equipment manufacturing	340,391,550	113,914,446	26,871,719	15,718,137	71,321,086	* 3,504	226,628,392
Motor vehicles and parts manufacturing	328,032,162	111,024,258	26,063,444	14,744,043	70,213,267	* 3,504	217,087,912
Other transportation equipment manufacturing	12,359,387	2,890,188	808,275	974,094	1,107,819	0	9,540,480
Furniture and related product manufacturing	3,651,842	639,957	251,941	48,090	339,926	0	3,016,593
Miscellaneous manufacturing	99,075,732	30,102,004	6,015,115	6,258,532	17,817,228	* 11,129	69,736,041
Medical and equipment supplies manufacturing	30,750,341	12,679,998	1,423,908	3,217,439	8,037,471	* 1,180	18,325,289
Other miscellaneous manufacturing	68,325,392	17,422,006	4,591,207	3,041,093	9,779,757	* 9,949	51,410,752
Distribution and transportation of goods	926,291,647	298,409,189	52,477,734	66,917,712	178,998,140	15,603	635,640,389
Wholesale and retail trade	890,407,554	287,580,918	51,925,324	61,522,144	174,117,846	15,603	610,468,954
Wholesale trade	641,592,155	240,482,306	44,773,206	45,561,851	150,136,116	11,134	408,565,629
Motor vehicle and motor vehicle parts and supplies wholesalers	32,712,619	17,748,345	1,626,428	1,441,946	14,679,971	0	15,026,372
Professional and commercial equipment and supplies wholesalers	7,837,290	3,273,086	868,772	673,587	1,729,269	* 1,458	4,601,293
Electrical and electronic goods wholesalers	58,771,903	27,626,093	12,216,300	3,715,400	11,694,393	0	32,796,725
Machinery, equipment, and suppliers wholesalers	40,463,680	23,605,484	7,591,060	1,970,526	14,043,085	* 812	20,817,549

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Industrial sector and selected industrial subsector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued						
	Payments by foreign corporations to:						
	All recipients	All related parties, total	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporations controlled by U.S. corporation filing return	All other related parties	Unrelated parties
	(24)	(25)	(26)	(27)	(28)	(29)	(30)
Drugs and druggists' sundries wholesalers	54,366,844	18,165,577	1,547,780	2,040,479	14,577,318	0	36,616,680
Apparel, piece goods, and notions wholesalers	9,304,513	2,812,752	387,292	382,099	2,043,361	0	6,501,515
Grocery and related product wholesalers	19,581,918	6,750,223	543,967	332,000	5,873,794	* 462	12,844,395
Chemical and allied products wholesalers	29,754,794	13,299,717	3,479,865	1,998,065	7,821,787	0	16,574,389
Petroleum and petroleum products wholesalers	152,304,229	27,409,399	729,732	15,988,983	10,690,684	0	125,492,559
Other wholesale trade	236,494,365	99,791,631	15,782,010	17,018,767	66,982,453	* 8,401	137,294,152
Retail trade	248,540,738	46,954,866	7,127,800	15,949,822	23,872,775	* 4,469	201,772,409
Motor vehicle dealers and parts dealers	19,846,556	10,189,581	67,830	766,968	9,354,783	0	9,657,248
Electronics and appliance stores	8,057,289	1,917,125	254,706	405,944	1,256,475	0	6,152,136
Building materials and garden equipment and suppliers dealers	5,108,724	447,932	53,684	209,069	185,179	0	4,660,890
Food and beverage stores	11,799,635	484,983	299,954	117,781	* 67,248	0	11,314,900
Health and personal care stores	3,651,159	469,181	108,844	145,170	215,167	0	3,187,098
Clothing and clothing accessories stores	9,339,710	1,975,179	221,883	569,056	1,184,240	0	7,394,849
General merchandise stores	83,345,253	3,644,720	946,076	447,748	2,248,208	* 2,687	79,705,734
Electronic shopping and mail-order houses	2,280,967	465,702	114,059	200,877	148,983	* 1,783	1,815,559
Other retailers	105,111,444	27,360,464	5,060,764	13,087,208	9,212,492	0	77,883,995
Wholesale and retail trade not allocable	274,662	* 143,745	* 24,318	* 10,472	* 108,955	0	130,916
Transportation and warehousing	35,884,093	10,828,271	552,410	5,395,568	4,880,293	0	25,171,434
Air transportation	3,243,283	208,641	* 22,812	139,404	46,426	0	3,034,674
Water transportation	6,244,643	1,007,601	201,782	181,407	624,412	0	5,240,270
Truck transportation	3,718,611	448,342	39,454	149,521	259,367	0	3,271,860
Support activities for transportation	15,363,193	6,399,176	219,096	2,921,757	3,258,323	0	9,071,672
Other transportation	5,157,061	2,175,660	7,850	1,906,603	261,206	0	2,981,736
Warehousing and storage	2,157,303	588,851	61,416	96,876	430,559	0	1,571,223
Information	94,339,501	22,085,218	6,828,301	7,355,442	7,889,450	* 12,026	72,386,356
Publishing industries	24,753,885	8,740,973	5,646,679	2,095,675	998,619	0	16,021,447
Newspaper, periodical, book and directory publishers	9,680,915	1,776,732	331,095	756,758	688,879	0	7,912,116
Software publishers	15,072,971	6,964,241	5,315,583	1,338,918	309,740	0	8,109,331
Motion picture and sound recording industries	22,703,118	7,077,842	507,535	3,687,091	2,878,898	* 4,318	15,671,006
Broadcasting (except Internet)	8,327,847	1,019,540	19,963	175,959	823,618	0	7,313,987
Internet publishing and broadcasting	103,486	* 25,586	* 408	* 17,096	* 8,082	0	78,307
Telecommunications	29,760,821	3,379,131	205,915	646,675	2,518,833	* 7,708	26,410,679
Internet service providers, Web search portals, and data processing services	4,406,077	836,351	359,824	202,313	274,215	0	3,607,635
Other information services	4,284,267	1,005,795	87,978	530,632	387,185	0	3,283,294
Finance, insurance, real estate, and rental and leasing	315,567,121	89,650,937	13,561,621	21,325,102	54,628,262	135,952	229,306,618
Finance and insurance	291,777,079	85,335,585	13,168,706	20,468,807	51,566,822	131,249	209,711,754
Credit intermediation and related activities	58,309,393	15,003,043	632,788	4,323,400	10,033,625	* 13,230	43,638,138
Depository credit intermediation	15,880,806	3,348,317	28,905	1,848,858	1,470,554	0	12,533,032
Nondepository credit intermediation	38,768,374	10,635,364	522,051	2,290,677	7,809,405	* 13,230	28,431,924
Activities related to credit intermediation	3,660,212	1,019,362	81,832	183,864	753,666	0	2,673,183
Securities, commodity contracts, and other financial investments and related products	118,972,608	48,986,108	12,078,355	9,513,498	27,286,476	* 107,778	71,368,864
Insurance carriers and related activities	90,041,186	13,003,703	291,517	2,579,113	10,131,711	* 1,363	78,553,343
Insurance carriers	62,702,383	9,138,154	180,109	1,922,458	7,035,580	* 6	55,032,391
Agencies, brokerages, and other insurance related activities	27,338,803	3,865,549	111,407	656,655	3,096,130	* 1,357	23,520,951
Funds, trusts, and other financial activities	24,453,892	8,342,731	166,046	4,052,796	4,115,010	* 8,878	16,151,409
Real estate and rental and leasing	23,790,042	4,315,352	392,915	856,295	3,061,439	* 4,702	19,594,863
Rental and leasing services	13,386,375	2,041,976	174,837	386,904	1,475,572	* 4,664	11,424,733
Commercial and industrial machinery and equipment rental and leasing	5,923,371	1,387,614	119,797	319,070	946,441	* 2,307	4,606,390
Other rental and leasing services	7,463,004	654,362	55,040	67,834	529,131	* 2,357	6,818,343
Other real estate and rental and leasing	10,403,667	2,273,376	218,078	469,392	1,585,868	* 39	8,170,130

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Industrial sector and selected industrial subsector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued						
	Payments by foreign corporations to:						
	All recipients	All related parties, total	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporations controlled by U.S. corporation filing return	All other related parties	Unrelated parties
	(24)	(25)	(26)	(27)	(28)	(29)	(30)
Services	564,298,825	166,408,251	38,554,314	30,228,176	97,262,011	363,749	412,439,635
Professional, scientific, and technical services	245,053,918	75,412,048	25,788,109	12,644,006	36,926,036	53,897	180,821,661
Architectural, engineering, and related services	10,303,614	1,201,261	610,869	188,820	401,471	* 101	9,124,115
Computer system design and related services	100,461,303	41,775,163	20,174,828	8,057,593	13,542,743	0	68,718,241
Custom computer programming services	1,871,492	407,065	187,921	66,360	152,784	0	1,478,878
Computer systems design services	7,967,488	2,499,747	1,424,189	308,461	767,097	0	5,485,194
Other computer system design and related services	90,622,323	38,868,351	18,562,718	7,682,772	12,622,862	0	61,754,169
Management, scientific, and technical consulting services	11,413,780	2,630,520	579,306	323,283	1,727,931	0	8,832,935
Scientific research and development services	4,326,360	605,496	216,142	83,205	306,148	0	3,743,410
Advertising and related services	42,102,883	13,138,035	363,040	1,243,975	11,522,646	8,374	29,011,518
Other professional, scientific, and technical services	76,445,977	16,061,573	3,843,923	2,747,130	9,425,098	* 45,423	61,391,442
Management of companies and enterprises	241,367,327	80,387,718	9,618,184	15,409,923	55,086,236	273,375	163,971,344
Administration and support and waste management and remediation services	32,134,376	2,881,114	456,012	421,166	2,003,725	* 211	29,365,181
Educational services	1,634,024	278,037	68,663	50,487	158,887	0	1,415,394
Health care and social assistance	2,681,896	515,256	53,702	60,909	400,645	0	2,316,678
Arts, entertainment, and recreation	6,165,374	1,042,275	200,611	412,711	428,952	0	5,123,112
Accommodation and food services	24,242,868	2,683,179	654,165	641,584	1,351,165	* 36,266	21,568,311
Other services (except public administration)	11,019,042	3,208,625	1,714,869	587,390	906,366	0	7,857,953
Nature of business not allocable	1,344,009	122,413	16,257	31,407	74,747	* 2	1,224,199

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

[1] Number of returns is not additive because some U.S. corporations had Controlled Foreign Corporations in more than one industrial sector. The industrial activity of the parent corporation filing the return often differs from that of the Controlled Foreign Corporations.

[2] Value is less than \$500.

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

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation, Tax Year 2004

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

Selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns [1]	Controlled Foreign Corporations			
		Number of foreign corporations	Total assets		Total receipts
			Beginning-of-year	End-of-year	
(1)	(2)	(3)	(4)	(5)	
All geographic regions	10,939	74,676	7,613,683,688	9,217,097,520	3,795,850,571
Latin America, total	3,000	10,693	386,038,955	449,470,022	289,817,056
Mexico	2,249	4,618	199,333,766	243,119,233	153,372,290
Central America and Caribbean countries, total	395	1,135	21,443,511	22,983,242	16,172,951
Costa Rica	170	240	2,784,589	2,838,897	3,027,837
Dominican Republic	81	97	1,511,585	2,085,599	1,440,764
El Salvador	75	108	2,225,905	2,242,591	1,820,153
Guatemala	122	201	2,285,843	2,589,567	2,628,853
Honduras	77	160	1,073,077	1,260,753	1,937,940
Panama (including Canal Zone)	159	266	11,236,091	11,615,688	4,899,353
Other Central American and Caribbean countries	52	63	326,422	350,148	418,052
South America, total	1,411	4,939	165,261,678	183,367,547	120,271,814
Argentina	529	861	17,639,305	19,522,148	20,457,604
Bolivia	48	64	1,074,473	1,095,463	477,300
Brazil	971	1,677	84,392,775	94,877,634	58,858,281
Chile	394	712	28,344,498	30,496,318	11,789,089
Colombia	286	437	7,675,920	9,646,609	7,774,699
Ecuador	91	160	1,549,451	1,736,525	2,476,128
Peru	187	240	5,294,891	6,461,399	3,127,021
Uruguay	149	211	1,934,268	1,942,299	2,204,335
Venezuela	325	525	16,692,424	17,020,446	11,896,056
Other South American countries	39	53	663,674	568,704	1,211,301
Other Western Hemisphere, total	4,319	10,277	1,535,444,871	1,795,027,510	699,167,565
Bahamas	93	384	42,451,711	52,616,671	13,866,726
Barbados	121	154	10,070,902	9,984,235	3,429,763
Bermuda	450	974	403,544,887	467,439,769	155,961,340
British Virgin Islands	230	348	49,494,423	51,678,990	17,749,464
Canada	3,592	6,559	648,656,325	742,560,256	421,174,846
Cayman Islands	548	1,402	344,461,974	426,218,389	81,568,359
Jamaica	45	62	1,618,247	1,669,622	897,820
Netherlands Antilles	120	161	31,973,407	40,243,483	2,917,620
Trinidad and Tobago	42	52	1,027,679	979,096	314,731
Other Western Hemisphere countries	79	181	2,145,315	1,636,999	1,286,896
Europe, total	5,745	33,719	4,684,554,618	5,729,046,602	2,062,213,379
European Union, total	5,574	30,810	4,294,596,320	5,319,004,566	1,868,183,270
Austria	362	515	17,804,638	22,445,328	19,330,200
Belgium	711	1,281	85,105,269	95,580,427	53,634,950
Cyprus	56	76	894,371	1,480,541	1,388,524
Czech Republic	323	476	14,477,848	16,107,208	10,031,595
Denmark	414	681	18,948,834	27,675,432	15,208,077
Estonia	45	52	205,185	237,818	317,247
Finland	223	345	9,410,437	10,812,056	6,492,669
Reunion)	1,603	3,857	251,795,752	267,209,715	153,028,917
Germany	1,864	4,121	311,317,302	355,281,624	223,960,105
Greece	182	242	4,730,188	6,253,900	6,811,221
Hungary	284	419	14,500,721	17,198,057	11,758,735
Ireland	607	1,091	208,775,353	315,222,046	103,788,860
Italy	998	1,795	85,896,332	99,292,730	72,388,907
Latvia	36	42	84,979	163,079	202,748
Lithuania	31	33	362,069	499,484	411,748
Luxembourg	260	439	415,606,232	568,027,649	157,504,240
Malta	11	17	791,631	847,516	491,037
Netherlands	1,371	3,151	647,998,050	809,568,942	297,741,740
Poland	400	650	23,609,142	28,109,245	18,551,896
Portugal (including Azores)	238	399	19,107,469	21,930,775	14,110,759
Slovakia	119	164	2,823,783	3,338,778	2,641,785

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns [1]	Controlled Foreign Corporations			Total receipts
		Number of foreign corporations	Total assets		
			Beginning-of-year	End-of-year	
(1)	(2)	(3)	(4)	(5)	
Slovenia	36	40	367,675	593,762	924,802
Spain (including Canary Islands)	846	1,640	121,387,014	135,498,522	124,745,092
Sweden	592	1,055	65,788,559	72,202,182	43,963,634
United Kingdom and Northern Ireland (including Gibraltar)	3,721	8,227	1,972,807,487	2,443,427,749	528,753,781
Other European countries, total	1,098	2,909	389,958,298	410,042,036	194,030,109
Guernsey	32	59	981,373	4,234,617	402,259
Jersey	65	116	52,761,682	41,848,491	6,677,628
Norway	262	424	22,604,486	24,038,872	12,846,046
Romania	107	131	1,573,238	2,283,602	2,131,759
Russia	239	441	4,975,878	6,120,600	8,147,430
Switzerland	753	1,389	302,337,653	326,515,781	158,484,729
Ukraine	60	93	1,242,823	1,106,069	2,133,174
Other European countries	150	255	3,481,165	3,894,005	3,207,084
Africa, total	600	1,511	32,459,202	37,675,168	32,185,416
North Africa, total	127	229	2,853,308	3,091,486	3,315,831
Egypt	74	110	1,607,565	1,742,088	1,803,647
Morocco	55	63	878,202	951,622	1,021,743
Other North African countries	36	56	367,542	397,775	490,441
East Africa, total	190	275	5,968,471	7,711,251	3,341,112
Mauritius	156	187	4,781,150	6,390,758	1,930,671
Other East African countries	50	88	1,187,321	1,320,493	1,410,441
West and Central Africa, total	104	269	11,487,853	12,735,280	6,791,500
Liberia	31	97	6,904,612	7,479,409	3,014,292
Nigeria	50	76	3,254,729	4,008,119	1,656,448
Other West and Central African countries	45	96	1,328,512	1,247,752	2,120,760
Southern Africa, total	380	738	12,149,569	14,137,152	18,736,973
South Africa	369	623	11,354,152	13,274,856	17,521,365
Other Southern African countries	44	115	795,417	862,296	1,215,608
Asia, total	3,961	14,338	708,461,158	871,156,736	574,582,693
Central, Northern, and Southwestern Asia, total	206	304	7,082,915	9,714,871	17,251,629
Turkey	179	249	6,086,014	8,567,233	16,734,751
countries	40	55	996,902	1,147,638	516,878
Middle East, total	901	1,200	21,020,267	23,566,604	13,573,162
Israel	795	993	18,890,558	20,784,509	10,899,661
United Arab Emirates	75	86	609,894	913,632	1,324,706
Other Middle East countries	79	121	1,519,815	1,868,462	1,348,795
Southern and Southeastern Asia, total	1,806	5,190	149,172,438	175,925,073	171,241,854
India	872	1,226	14,134,939	17,319,866	16,996,271
Indonesia	196	294	10,239,618	10,857,064	7,237,821
Malaysia	480	791	24,043,518	28,267,132	20,876,512
Pakistan	40	50	607,315	639,260	696,233
Philippines	278	478	13,823,574	14,280,946	11,256,018
Singapore	1,007	1,555	69,612,527	85,185,931	90,352,458
Thailand	398	663	16,117,776	18,710,822	22,942,053
Vietnam	43	51	308,921	354,937	430,472
Other Southern and Southeastern Asian countries	53	82	284,250	309,115	454,017
Eastern Asia, total	2,580	7,645	531,185,538	661,950,188	372,516,049
China	1,161	2,264	28,663,251	38,208,863	48,118,616
Hong Kong	1,054	1,800	81,222,475	86,690,433	52,176,026
Japan (including Okinawa and Ryukyu Islands)	1,276	2,265	340,626,466	391,520,947	199,289,733
South Korea	560	757	44,175,322	100,196,395	44,396,044
Taiwan	396	539	36,076,030	44,649,995	27,409,364
Other Eastern Asian countries	18	19	421,994	683,555	1,126,266

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation of Controlled Foreign Corporation	Number of U.S. corporation returns [1]	Controlled Foreign Corporations				Total receipts
		Number of foreign corporations	Total assets			
			Beginning-of-year	End-of-year		
	(1)	(2)	(3)	(4)	(5)	
Oceania, total	1,433	3,613	237,315,103	305,672,278	118,773,853	
Australia	1,325	2,807	195,769,614	260,959,465	102,982,038	
New Zealand	420	696	38,750,111	41,788,662	14,586,170	
Marshall Islands	4	52	2,216,743	2,241,381	893,462	
Other countries of Oceania	35	59	578,635	682,769	312,183	
Puerto Rico and U.S. Possessions, total	327	520	29,386,420	29,031,348	19,060,268	
Puerto Rico	273	395	26,247,589	25,918,909	17,189,828	
U.S. Possessions, total	74	125	3,138,831	3,112,440	1,870,440	
Virgin Islands, U.S.	42	66	2,421,569	2,401,433	935,662	
Other U.S. Possessions	38	59	717,262	711,006	934,778	
Other country or unknown	3	4	* 23,362	* 17,857	* 50,343	
OPEC countries, total (countries included above)	491	1,054	31,601,356	33,702,308	23,172,918	

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation of Controlled Foreign Corporation	Controlled Foreign Corporations—continued					
	Current earnings and profits (less deficit) before income taxes	Income taxes	Current earnings and profits (less deficit) after income taxes	Foreign corporations with current earnings and profits (+) before income taxes		
				Current earnings and profits before income taxes	Income taxes	Current earnings and profits after income taxes
	(6)	(7)	(8)	(9)	(10)	(11)
All geographic regions	362,199,144	69,252,227	292,946,918	432,572,981	67,997,857	364,575,123
Latin America, total	24,766,720	6,343,901	18,422,820	30,626,745	6,074,265	24,552,481
Mexico	12,269,344	3,290,568	8,978,776	14,381,348	3,209,063	11,172,285
Central America and Caribbean countries, total	1,918,429	313,226	1,605,203	2,114,260	306,208	1,808,052
Costa Rica	360,726	36,100	324,626	403,926	34,749	369,177
Dominican Republic	405,865	70,821	335,044	412,255	70,179	342,076
El Salvador	96,134	19,781	76,353	116,633	19,320	97,314
Guatemala	178,925	55,003	123,922	216,998	55,617	161,381
Honduras	91,025	12,468	78,557	104,234	10,268	93,966
Panama (including Canal Zone)	717,296	96,373	620,923	787,089	93,489	693,600
Other Central American and Caribbean countries	68,458	22,681	45,777	73,125	22,586	50,538
South America, total	10,578,947	2,740,107	7,838,840	14,131,137	2,558,994	11,572,143
Argentina	1,050,672	314,653	736,019	1,708,272	299,579	1,408,693
Bolivia	54,367	6,316	48,051	67,625	6,220	61,405
Brazil	4,369,304	1,459,802	2,909,502	6,358,952	1,328,099	5,030,853
Chile	1,152,041	138,031	1,014,010	1,536,758	127,335	1,409,424
Colombia	419,031	174,076	244,956	607,796	164,746	443,050
Ecuador	163,170	38,296	124,874	185,032	37,730	147,302
Peru	530,214	116,029	414,185	616,555	112,277	504,278
Uruguay	73,725	11,395	62,331	108,356	11,073	97,283
Venezuela	2,686,301	449,110	2,237,191	2,825,365	444,830	2,380,535
Other South American countries	80,121	32,399	47,722	116,426	27,105	89,321
Other Western Hemisphere, total	87,099,455	15,687,665	71,411,789	99,989,054	15,825,461	84,163,593
Bahamas	3,002,336	850,231	2,152,105	4,052,899	841,934	3,210,964
Barbados	499,420	61,220	438,200	602,984	62,136	540,847
Bermuda	29,060,865	3,205,672	25,855,192	30,886,332	3,176,103	27,710,229
British Virgin Islands	3,026,429	275,742	2,750,687	3,178,987	255,879	2,923,108
Canada	40,662,927	8,706,507	31,956,420	46,224,825	8,995,772	37,229,053
Cayman Islands	10,598,544	2,510,354	8,088,190	14,345,118	2,421,210	11,923,909
Jamaica	54,870	7,607	47,263	85,932	7,607	78,325
Netherlands Antilles	225,776	45,352	180,424	303,200	40,547	262,652
Trinidad and Tobago	52,608	14,783	37,825	68,116	14,657	53,459
Other Western Hemisphere countries	-84,320	10,198	-94,517	240,663	9,615	231,047
Europe, total	180,427,787	32,458,197	147,969,591	221,012,333	31,548,618	189,463,716
European Union, total	156,345,334	28,486,545	127,858,788	194,478,228	27,613,398	166,864,830
Austria	1,290,770	391,061	899,709	1,562,637	384,204	1,178,433
Belgium	2,502,831	688,667	1,814,164	3,560,441	731,072	2,829,370
Cyprus	222,928	21,841	201,087	234,249	22,117	212,132
Czech Republic	929,152	246,742	682,410	1,035,511	241,166	794,346
Denmark	1,053,031	255,864	797,166	1,409,595	250,066	1,159,529
Estonia	14,050	* 1,793	12,257	16,971	* 1,718	15,254
Finland	541,428	119,497	421,931	639,563	118,095	521,468
Reunion)	9,402,259	2,593,965	6,808,294	14,059,756	2,463,041	11,596,715
Germany	8,306,081	2,934,185	5,371,896	13,925,568	2,689,185	11,236,382
Greece	479,245	226,387	252,858	546,774	224,918	321,856
Hungary	1,419,586	141,087	1,278,499	1,569,803	135,636	1,434,167
Ireland	21,691,134	1,619,842	20,071,292	24,780,059	1,600,975	23,179,084
Italy	4,655,594	1,992,530	2,663,064	5,877,222	1,871,272	4,005,950
Latvia	19,003	2,858	16,145	20,136	2,850	17,286
Lithuania	7,622	8,203	-580	47,317	8,183	39,134
Luxembourg	10,485,073	1,014,271	9,470,802	11,302,154	979,228	10,322,927
Malta	45,345	* 940	44,405	46,970	* 920	46,050
Netherlands	41,675,726	4,694,757	36,980,968	46,513,837	4,614,303	41,899,534
Poland	1,558,708	330,082	1,228,626	1,843,817	302,263	1,541,553
Portugal (including Azores)	1,774,372	334,186	1,440,185	1,896,057	338,251	1,557,806
Slovakia	220,304	30,146	190,157	244,635	28,358	216,278

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation of Controlled Foreign Corporation	Controlled Foreign Corporations—continued					
	Current earnings and profits (less deficit) before income taxes	Income taxes	Current earnings and profits (less deficit) after income taxes	Foreign corporations with current earnings and profits (+) before income taxes		
				Current earnings and profits before income taxes	Income taxes	Current earnings and profits after income taxes
	(6)	(7)	(8)	(9)	(10)	(11)
Slovenia	85,310	17,083	68,228	87,314	16,993	70,321
Spain (including Canary Islands)	8,440,005	3,328,322	5,111,683	9,548,466	3,303,285	6,245,181
Sweden	1,973,261	265,576	1,707,685	3,191,588	254,249	2,937,340
United Kingdom and Northern Ireland (including Gibraltar)	37,552,518	7,226,661	30,325,858	50,517,786	7,031,050	43,486,736
Other European countries, total	24,082,454	3,971,651	20,110,802	26,534,105	3,935,219	22,598,886
Guernsey	306,772	10,588	296,185	323,648	10,587	313,061
Jersey	1,801,585	58,609	1,742,976	2,734,901	53,957	2,680,944
Norway	3,043,562	2,097,751	945,811	3,339,339	2,090,470	1,248,869
Romania	173,531	50,202	123,329	194,778	49,201	145,576
Russia	1,036,076	237,618	798,458	1,139,674	235,689	903,985
Switzerland	17,424,541	1,428,253	15,996,289	18,342,079	1,407,976	16,934,103
Ukraine	158,687	53,719	104,968	174,408	53,191	121,217
Other European countries	137,698	34,911	102,787	285,280	34,148	251,132
Africa, total	2,986,024	887,787	2,098,237	3,866,123	871,777	2,994,346
North Africa, total	167,044	51,320	115,724	250,366	52,559	197,807
Egypt	126,617	36,592	90,026	160,240	36,437	123,803
Morocco	15,418	13,193	2,225	53,416	13,718	39,698
Other North African countries	25,008	1,535	23,474	36,710	2,404	34,306
East Africa, total	399,097	105,194	293,903	481,283	102,846	378,437
Mauritius	345,573	83,651	261,922	399,031	82,296	316,736
Other East African countries	53,524	21,543	31,981	82,251	20,550	61,701
West and Central Africa, total	604,711	172,866	431,845	1,024,674	168,916	855,758
Liberia	584,088	* 85,088	499,000	721,516	* 84,678	636,838
Nigeria	18,554	60,673	-42,119	216,609	58,763	157,846
Other West and Central African countries	2,069	27,104	-25,036	86,550	25,475	61,075
Southern Africa, total	1,815,172	558,408	1,256,765	2,109,801	547,457	1,562,344
South Africa	1,757,602	529,330	1,228,272	2,021,424	524,721	1,496,703
Other Southern African countries	57,570	29,078	28,492	88,377	22,736	65,641
Asia, total	49,155,965	10,839,600	38,316,365	55,934,843	10,641,408	45,293,434
Central, Northern, and Southwestern Asia, total	1,377,356	303,842	1,073,515	1,509,469	301,945	1,207,524
Turkey	1,313,859	279,615	1,034,244	1,415,563	276,848	1,138,715
countries	63,497	24,226	39,271	93,906	25,097	68,809
Middle East, total	978,075	187,160	790,915	1,575,619	174,686	1,400,934
Israel	676,371	177,893	498,478	1,218,951	165,824	1,053,127
United Arab Emirates	194,039	* 1,590	192,450	212,899	* 1,573	211,326
Other Middle East countries	107,665	7,677	99,988	143,769	7,288	136,481
Southern and Southeastern Asia, total	13,807,403	2,275,610	11,531,793	15,269,466	2,236,245	13,033,221
India	1,711,855	430,136	1,281,719	2,134,493	415,843	1,718,650
Indonesia	1,752,661	487,970	1,264,691	1,883,208	485,179	1,398,029
Malaysia	1,728,052	251,829	1,476,223	1,843,494	250,101	1,593,394
Pakistan	101,156	25,333	75,824	106,038	22,924	83,114
Philippines	1,371,488	211,354	1,160,135	1,582,462	205,872	1,376,589
Singapore	5,275,084	572,648	4,702,436	5,698,601	560,961	5,137,640
Thailand	1,838,068	281,564	1,556,504	1,947,203	281,104	1,666,098
Vietnam	-2,144	5,787	-7,931	31,295	5,841	25,454
Other Southern and Southeastern Asian countries	31,182	8,990	22,192	42,672	8,420	34,253
Eastern Asia, total	32,993,131	8,072,988	24,920,142	37,580,289	7,928,533	29,651,756
China	4,334,383	539,739	3,794,644	5,235,719	525,269	4,710,450
Hong Kong	6,247,144	977,378	5,269,766	6,738,648	989,822	5,748,827
Japan (including Okinawa and Ryukyu Islands)	15,104,588	4,975,602	10,128,986	17,628,786	4,877,307	12,751,478
South Korea	4,413,650	1,111,827	3,301,823	4,945,594	1,077,170	3,868,424
Taiwan	2,817,860	467,808	2,350,052	2,955,503	458,330	2,497,173
Other Eastern Asian countries	75,505	634	74,870	76,039	* 634	75,404

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation of Controlled Foreign Corporation	Controlled Foreign Corporations—continued					
	Current earnings and profits (less deficit) before income taxes	Income taxes	Current earnings and profits (less deficit) after income taxes	Foreign corporations with current earnings and profits (+) before income taxes		
				Current earnings and profits before income taxes	Income taxes	Current earnings and profits after income taxes
	(6)	(7)	(8)	(9)	(10)	(11)
Oceania, total	14,549,087	2,754,386	11,794,700	17,681,186	2,747,822	14,933,365
Australia	12,341,006	2,439,551	9,901,456	15,310,790	2,438,028	12,872,761
New Zealand	1,603,082	302,271	1,300,811	1,761,544	297,127	1,464,417
Marshall Islands	547,815	* 853	546,962	547,816	* 853	546,962
Other countries of Oceania	57,183	11,711	45,472	61,037	11,813	49,224
Puerto Rico and U.S. Possessions, total	3,212,987	280,485	2,932,502	3,459,892	288,493	3,171,399
Puerto Rico	2,864,682	264,770	2,599,912	2,996,452	264,567	2,731,885
U.S. Possessions, total	348,305	15,715	332,590	463,440	23,926	439,514
Virgin Islands, U.S.	352,235	5,495	346,740	403,808	17,235	386,573
Other U.S. Possessions	-3,930	10,219	-14,150	59,632	6,690	52,942
Other country or unknown	* 1,119	* 206	* 913	* 2,804	* 14	* 2,789
OPEC countries, total (countries included above)	4,738,595	1,007,070	3,731,524	5,246,705	999,286	4,247,419

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation of Controlled Foreign Corporation	Controlled Foreign Corporations—continued				
	Distributions out of earnings and profits			Dividends paid to controlling U.S. corporation	Total Subpart F income
	Total	Not previously taxed earnings and profits	Previously taxed earnings and profits		
(12)	(13)	(14)	(15)	(16)	
All geographic regions	135,230,421	91,424,129	43,806,293	46,638,623	47,794,506
Latin America, total	8,405,479	7,428,261	977,218	3,146,785	1,198,538
Mexico	2,781,934	2,511,305	270,629	755,905	375,839
Central America and Caribbean countries, total	1,195,493	826,945	368,548	541,427	310,041
Costa Rica	270,604	264,588	6,016	250,781	34,431
Dominican Republic	* 7,982	* 7,941	* 40	* 7,893	6,903
El Salvador	106,093	99,004	* 7,089	64,664	8,383
Guatemala	44,991	44,536	* 456	* 13,101	* 2,182
Honduras	130,370	127,684	* 2,686	* 112,438	* 5,123
Panama (including Canal Zone)	607,198	256,459	350,740	* 76,169	252,327
Other Central American and Caribbean countries	* 28,255	* 26,732	* 1,522	* 16,380	* 692
South America, total	4,428,052	4,090,010	338,041	1,849,453	512,658
Argentina	368,731	332,057	36,674	116,165	51,184
Bolivia	* 18,715	* 16,741	* 1,975	* 702	* 12,261
Brazil	1,954,797	1,822,095	132,703	865,814	218,413
Chile	325,424	302,850	22,574	187,270	67,150
Colombia	103,527	92,442	11,086	66,773	15,397
Ecuador	52,738	52,689	* 48	24,382	* 278
Peru	39,489	39,172	* 316	26,535	32,898
Uruguay	79,187	18,160	* 61,027	15,516	49,441
Venezuela	1,467,625	1,395,987	71,638	532,856	59,790
Other South American countries	* 17,818	* 17,818	0	* 13,440	* 5,846
Other Western Hemisphere, total	37,747,897	25,698,664	12,049,233	17,465,319	13,351,278
Bahamas	490,230	223,589	266,640	198,316	640,597
Barbados	343,756	115,181	228,575	* 68,365	202,783
Bermuda	8,504,065	2,389,949	6,114,116	2,037,671	5,961,550
British Virgin Islands	771,656	* 87,695	683,961	* 85,142	277,128
Canada	23,233,939	20,173,519	3,060,420	13,459,200	4,066,343
Cayman Islands	4,195,904	2,640,809	1,555,095	1,575,608	2,077,842
Jamaica	* 2,509	* 2,172	* 337	* 2,042	* 611
Netherlands Antilles	130,298	15,123	* 115,174	* 11,602	97,685
Trinidad and Tobago	* 32,545	* 31,755	* 790	* 17,780	* 1,767
Other Western Hemisphere countries	42,995	* 18,871	* 24,124	* 9,592	24,973
Europe, total	66,473,533	41,197,097	25,276,436	18,844,540	26,506,188
European Union, total	58,594,038	39,269,485	19,324,552	17,795,692	22,789,759
Austria	218,115	205,998	12,117	110,204	67,855
Belgium	1,044,742	681,235	363,507	461,198	356,701
Cyprus	199,351	115,829	* 83,522	* 22,051	65,179
Czech Republic	321,261	177,790	* 143,471	91,692	152,375
Denmark	237,346	151,696	85,650	70,676	398,306
Estonia	* 5,846	* 5,846	0	* 111	0
Finland	127,799	97,624	30,175	39,829	47,839
Reunion)	4,348,845	3,529,684	819,161	1,139,646	842,512
Germany	3,832,979	3,005,476	827,503	886,322	1,016,965
Greece	207,339	146,303	* 61,036	51,633	71,534
Hungary	628,438	150,494	477,944	28,896	333,100
Ireland	8,775,730	6,612,906	2,162,824	5,123,253	3,464,728
Italy	1,632,413	1,292,970	339,444	412,393	612,490
Latvia	* 4,232	* 3,121	* 1,111	* 449	* 2,299
Lithuania	* 847	* 847	0	0	* 3,663
Luxembourg	3,516,688	931,904	2,584,784	791,018	3,138,324
Malta	* 19,643	* 4,195	* 15,448	* 1,257	* 1,563
Netherlands	10,958,126	5,773,073	5,185,052	2,525,737	5,924,095
Poland	795,802	744,248	51,553	394,049	88,418
Portugal (including Azores)	439,115	267,023	172,091	45,350	683,216
Slovakia	30,426	30,426	* 1	20,616	* 12,313

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation of Controlled Foreign Corporation	Controlled Foreign Corporations—continued				
	Distributions out of earnings and profits			Dividends paid to controlling U.S. corporation	Total Subpart F income
	Total	Not previously taxed earnings and profits	Previously taxed earnings and profits		
(12)	(13)	(14)	(15)	(16)	
Slovenia	* 94,344	* 90,312	* 4,032	* 10,622	* 4,623
Spain (including Canary Islands)	2,857,068	1,966,083	890,985	1,026,537	790,161
Sweden	451,665	321,307	130,358	133,088	190,846
United Kingdom and Northern Ireland (including Gibraltar)	17,845,878	12,963,096	4,882,782	4,409,066	4,520,656
Other European countries, total	7,879,495	1,927,611	5,951,884	1,048,848	3,716,429
Guernsey	* 39,408	* 2,419	* 36,989	* 2,364	59,699
Jersey	194,002	* 14,700	* 179,302	* 7,771	336,080
Norway	681,304	630,141	51,163	546,936	32,603
Romania	41,485	35,029	* 6,455	22,167	* 4,605
Russia	284,510	267,153	* 17,357	52,223	* 10,554
Switzerland	6,558,563	915,849	5,642,715	384,310	3,187,457
Ukraine	* 18,132	* 17,222	* 910	* 16,520	* 353
Other European countries	62,091	45,097	* 16,993	16,556	85,078
Africa, total	1,407,019	832,262	574,757	464,781	295,445
North Africa, total	64,047	59,530	* 4,517	8,989	3,356
Egypt	30,932	30,881	* 51	* 7,699	* 2,884
Morocco	30,476	26,050	* 4,426	* 374	* 28
Other North African countries	* 2,639	* 2,600	* 39	* 916	* 444
East Africa, total	57,429	43,087	14,343	36,336	36,089
Mauritius	32,829	* 19,081	13,748	* 18,113	35,344
Other East African countries	24,601	24,006	* 595	* 18,223	* 745
West and Central Africa, total	780,608	266,135	514,473	234,029	198,875
Liberia	564,342	* 139,778	424,564	* 139,778	192,712
Nigeria	96,585	96,585	0	86,477	* 3,180
Other West and Central African countries	119,681	29,772	* 89,909	* 7,774	* 2,984
Southern Africa, total	504,935	463,510	41,424	185,428	57,125
South Africa	481,803	441,673	40,130	173,203	53,877
Other Southern African countries	23,131	21,837	* 1,294	* 12,224	3,249
Asia, total	15,825,246	12,421,041	3,404,204	5,088,491	5,054,909
Central, Northern, and Southwestern Asia, total	339,201	268,804	* 70,398	119,982	67,819
Turkey	323,633	253,235	* 70,398	105,490	67,791
countries	* 15,569	* 15,569	0	* 14,492	* 28
Middle East, total	199,914	186,443	13,471	91,780	145,615
Israel	105,940	103,873	* 2,067	41,432	106,279
United Arab Emirates	36,123	* 27,949	* 8,174	* 16,732	32,127
Other Middle East countries	57,852	54,622	* 3,230	33,617	7,209
Southern and Southeastern Asia, total	4,393,894	3,625,570	768,324	1,543,007	991,956
India	302,603	289,859	12,744	129,969	41,287
Indonesia	646,695	636,348	* 10,347	84,476	6,118
Malaysia	539,639	434,994	104,646	299,381	120,450
Pakistan	28,980	28,926	* 55	* 8,602	* 605
Philippines	811,651	772,212	39,440	203,068	60,788
Singapore	1,579,545	1,034,941	544,604	649,335	659,632
Thailand	441,712	386,351	55,361	163,300	102,703
Vietnam	* 4,838	* 4,796	* 42	* 50	0
Other Southern and Southeastern Asian countries	* 38,230	* 37,145	* 1,086	* 4,826	* 373
Eastern Asia, total	10,892,236	8,340,224	2,552,012	3,333,722	3,849,519
China	1,306,714	1,240,924	65,790	578,033	136,223
Hong Kong	2,693,780	1,349,933	1,343,847	628,374	1,203,973
Japan (including Okinawa and Ryukyu Islands)	5,034,687	4,221,352	813,334	1,288,008	2,186,605
South Korea	1,123,974	819,749	304,225	529,885	271,969
Taiwan	733,081	708,266	24,815	309,421	48,151
Other Eastern Asian countries	0	0	0	0	* 2,599

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation of Controlled Foreign Corporation	Controlled Foreign Corporations—continued				
	Distributions out of earnings and profits			Dividends paid to controlling U.S. corporation	Total Subpart F income
	Total	Not previously taxed earnings and profits	Previously taxed earnings and profits		
(12)	(13)	(14)	(15)	(16)	
Oceania, total	4,763,480	3,426,669	1,336,811	1,349,177	1,205,061
Australia	3,837,066	3,091,935	745,131	1,195,208	531,878
New Zealand	731,353	329,631	401,723	151,278	181,471
Marshall Islands	* 182,587	0	* 182,587	0	483,406
Other countries of Oceania	* 12,474	* 5,103	* 7,371	* 2,692	* 8,307
Puerto Rico and U.S. Possessions, total	607,768	420,135	187,633	279,529	183,087
Puerto Rico	592,756	406,952	185,804	266,746	159,212
U.S. Possessions, total	15,012	13,183	* 1,829	12,782	23,875
Virgin Islands, U.S.	* 6,347	* 5,863	* 484	* 5,863	* 17,811
Other U.S. Possessions	8,665	* 7,320	* 1,345	* 6,919	* 6,065
Other country or unknown	0	0	0	0	0
OPEC countries, total (countries included above)	2,296,100	2,205,941	90,160	751,248	103,284

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation of Controlled Foreign Corporation	Controlled Foreign Corporations—continued						
	Receipts by foreign corporations from:						
	All sources	All related parties, total	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporations controlled by U.S. corporation filing return	All other related parties	Unrelated parties
	(17)	(18)	(19)	(20)	(21)	(22)	(23)
All geographic regions	3,795,850,571	1,030,284,624	178,950,203	182,688,301	668,398,192	247,928	2,787,272,960
Latin America, total	289,817,056	75,211,112	13,791,258	19,817,605	41,592,288	9,962	215,349,710
Mexico	153,372,290	48,132,310	9,234,979	15,217,269	23,677,095	2,967	105,688,271
Central America and Caribbean countries, total	16,172,951	5,049,759	1,098,300	1,358,823	2,592,636	0	11,137,537
Costa Rica	3,027,837	1,344,171	703,625	217,379	423,167	0	1,689,165
Dominican Republic	1,440,764	108,899	* 6,594	92,707	9,599	0	1,332,125
El Salvador	1,820,153	446,027	40,858	53,839	351,330	0	1,374,126
Guatemala	2,628,853	543,720	46,706	52,340	444,674	0	2,091,156
Honduras	1,937,940	935,441	262,420	246,129	426,892	0	1,002,854
Panama (including Canal Zone)	4,899,353	1,591,627	19,930	648,380	923,317	0	3,309,932
Other Central American and Caribbean countries	418,052	79,874	* 18,168	* 48,050	13,656	0	338,178
South America, total	120,271,814	22,029,043	3,457,978	3,241,512	15,322,557	* 6,995	98,523,902
Argentina	20,457,604	5,514,841	775,797	490,398	4,248,646	0	14,949,927
Bolivia	477,300	149,985	* 167	4,387	145,430	0	328,600
Brazil	58,858,281	8,722,499	1,042,084	1,618,570	6,058,571	* 3,274	50,209,282
Chile	11,789,089	2,096,972	428,815	539,048	1,129,110	0	9,747,076
Colombia	7,774,699	1,107,304	167,464	98,457	841,383	0	6,672,050
Ecuador	2,476,128	608,383	217,803	25,182	365,398	0	1,867,950
Peru	3,127,021	784,458	15,704	229,573	539,180	0	2,445,058
Uruguay	2,204,335	583,699	14,589	46,003	523,107	0	1,621,475
Venezuela	11,896,056	1,797,932	795,555	189,263	809,394	* 3,721	10,133,958
Other South American countries	1,211,301	662,971	0	* 633	662,338	0	548,527
Other Western Hemisphere, total	699,167,565	206,678,969	82,296,435	61,090,594	63,232,494	59,446	494,929,786
Bahamas	13,866,726	2,183,265	* 761,899	546,301	875,065	0	11,685,369
Barbados	3,429,763	1,226,355	217,148	561,921	447,287	0	2,203,800
Bermuda	155,961,340	63,816,487	20,577,876	21,849,641	21,388,414	* 556	93,272,144
British Virgin Islands	17,749,464	7,819,198	4,187,265	746,898	2,885,341	* -305	9,938,998
Canada	421,174,846	110,435,243	49,487,612	34,853,496	26,034,939	59,196	311,869,294
Cayman Islands	81,568,359	20,523,344	6,906,323	2,405,100	11,211,921	0	61,204,509
Jamaica	897,820	32,988	* 953	* 22,161	* 9,874	0	864,832
Netherlands Antilles	2,917,620	305,745	12,564	26,155	267,027	0	2,615,392
Trinidad and Tobago	314,731	34,465	* 1,042	* 6,297	27,125	0	280,267
Other Western Hemisphere countries	1,286,896	301,879	143,754	72,625	85,500	0	995,182
Europe, total	2,062,213,379	577,363,080	51,862,639	70,133,623	455,250,608	116,209	1,502,164,240
European Union, total	1,868,183,270	512,839,006	44,257,525	63,757,850	404,714,439	109,192	1,369,808,809
Austria	19,330,200	4,500,432	85,350	2,048,599	2,366,483	0	14,854,001
Belgium	53,634,950	20,077,197	575,590	1,415,692	18,085,087	* 828	34,073,215
Cyprus	1,388,524	129,768	* 14,048	* 2,387	113,332	0	1,258,981
Czech Republic	10,031,595	2,153,485	159,121	192,999	1,801,365	0	7,894,378
Denmark	15,208,077	3,062,447	209,191	325,875	2,527,381	0	12,197,625
Estonia	317,247	115,454	* 6,560	* 35,764	73,129	0	201,801
Finland	6,492,669	1,138,072	60,269	132,614	945,189	0	5,358,891
and Reunion)	153,028,917	44,451,688	3,370,170	3,991,846	37,085,624	* 4,047	109,272,764
Germany	223,960,105	70,117,716	4,985,316	4,265,138	60,867,108	* 154	157,160,843
Greece	6,811,221	545,073	17,382	30,020	497,671	0	6,266,713
Hungary	11,758,735	3,645,476	177,769	847,297	2,620,410	0	8,127,570
Ireland	103,788,860	34,574,821	5,798,356	6,352,173	22,424,292	0	70,557,593
Italy	72,388,907	11,283,613	1,043,896	886,805	9,352,883	* 29	61,221,640
Latvia	202,748	20,570	* 22	* 6	20,542	0	182,191
Lithuania	411,748	170,089	* 639	* 16,670	152,780	0	241,715
Luxembourg	157,504,240	33,585,792	1,157,099	2,039,648	30,319,644	* 69,401	124,102,150
Malta	491,037	84,494	* 836	* 364	* 83,249	* 46	406,713
Netherlands	297,741,740	114,387,233	6,846,748	16,494,212	91,029,652	* 16,621	185,483,223
Poland	18,551,896	4,414,450	236,421	140,359	4,037,670	0	14,175,413
Portugal (including Azores)	14,110,759	3,046,922	31,164	393,804	2,621,954	0	11,090,598
Slovakia	2,641,785	773,665	* 1,679	53,569	718,417	0	1,869,285

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation of Controlled Foreign Corporation	Controlled Foreign Corporations—continued						
	Receipts by foreign corporations from:						
	All sources	All related parties, total	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporations controlled by U.S. corporation filing return	All other related parties	Unrelated parties
	(17)	(18)	(19)	(20)	(21)	(22)	(23)
Slovenia	924,802	349,159	* 7,327	2,898	338,934	0	575,643
Spain (including Canary Islands)	124,745,092	21,523,915	997,133	1,279,581	19,240,470	* 6,732	103,367,570
Sweden	43,963,634	19,869,639	4,789,314	421,062	14,656,004	* 3,260	24,174,602
United Kingdom and Northern Ireland (including Gibraltar)	528,753,781	118,817,834	13,686,126	22,388,468	82,735,166	* 8,074	415,693,693
Other European countries, total	194,030,109	64,524,074	7,605,115	6,375,773	50,536,169	* 7,017	132,355,431
Guernsey	402,259	72,424	0	* 3,876	68,549	0	332,680
Jersey	6,677,628	779,584	* 43,327	491,929	240,259	* 4,069	5,925,011
Norway	12,846,046	4,109,011	141,587	62,231	3,905,193	0	8,739,425
Romania	2,131,759	537,188	* 102,312	24,077	410,799	0	1,603,335
Russia	8,147,430	1,693,161	66,657	83,936	1,541,318	* 1,250	6,458,455
Switzerland	158,484,729	56,391,833	7,021,445	5,674,945	43,693,744	* 1,698	104,894,346
Ukraine	2,133,174	478,813	* 137,323	* 8,881	332,609	0	1,656,028
Other European countries	3,207,084	462,062	92,463	25,900	343,699	0	2,746,150
Africa, total	32,185,416	5,125,995	192,231	1,663,591	3,250,700	* 19,473	27,133,427
North Africa, total	3,315,831	663,327	* 1,412	83,047	578,869	0	2,654,839
Egypt	1,803,647	257,204	* 928	79,060	177,215	0	1,547,501
Morocco	1,021,743	308,162	* 483	* 313	307,366	0	713,580
Other North African countries	490,441	97,961	0	* 3,674	94,287	0	393,757
East Africa, total	3,341,112	715,053	21,016	356,472	318,092	* 19,473	2,643,969
Mauritius	1,930,671	531,501	* 20,825	292,293	198,910	* 19,473	1,411,469
Other East African countries	1,410,441	183,552	* 191	* 64,179	119,182	0	1,232,500
West and Central Africa, total	6,791,500	1,536,025	108,447	811,953	615,625	0	5,256,098
Liberia	3,014,292	1,091,884	* 108,384	741,176	242,324	0	1,922,550
Nigeria	1,656,448	60,919	* 3	44,666	16,251	0	1,595,979
Other West and Central African countries	2,120,760	383,222	* 61	* 26,110	357,051	0	1,737,570
Southern Africa, total	18,736,973	2,211,589	61,356	412,120	1,738,114	0	16,578,522
South Africa	17,521,365	1,852,984	60,993	410,021	1,381,970	0	15,719,788
Other Southern African countries	1,215,608	358,605	* 363	* 2,098	356,144	0	858,734
Asia, total	574,582,693	145,028,489	29,445,380	24,398,879	91,141,795	42,435	430,183,746
Central, Northern, and Southwestern Asia, total	17,251,629	5,620,463	8,170	63,786	5,548,507	0	11,631,586
Turkey	16,734,751	5,600,316	5,314	63,435	5,531,568	0	11,134,854
countries	516,878	20,147	* 2,856	* 351	* 16,939	0	496,732
Middle East, total	13,573,162	5,251,478	3,005,686	602,564	1,641,869	* 1,359	8,375,643
Israel	10,899,661	4,646,575	2,959,996	507,076	1,179,503	0	6,298,194
United Arab Emirates	1,324,706	392,145	44,909	* 58,594	288,641	0	941,413
Other Middle East countries	1,348,795	212,758	781	36,893	173,726	* 1,359	1,136,036
Southern and Southeastern Asia, total	171,241,854	54,795,367	12,312,733	13,221,440	29,254,381	* 6,813	116,740,303
India	16,996,271	5,586,476	1,714,881	1,585,225	2,285,794	* 577	11,443,140
Indonesia	7,237,821	2,618,258	150,382	1,794,926	672,950	0	4,646,699
Malaysia	20,876,512	11,581,231	4,023,098	2,695,760	4,862,372	0	9,340,022
Pakistan	696,233	25,795	* 598	* 1,633	23,564	0	670,437
Philippines	11,256,018	5,208,097	2,155,732	292,870	2,759,355	* 140	6,200,749
Singapore	90,352,458	22,866,394	4,115,192	4,725,156	14,025,316	* 730	67,518,552
Thailand	22,942,053	6,804,046	134,192	2,118,669	4,545,819	* 5,366	16,141,236
Vietnam	430,472	25,387	* 7,405	* 87	17,895	0	405,085
Other Southern and Southeastern Asian countries	454,017	79,682	* 11,251	* 7,114	61,318	0	374,382
Eastern Asia, total	372,516,049	79,361,181	14,118,791	10,511,089	54,697,038	34,263	293,436,214
China	48,118,616	17,377,196	4,742,300	1,701,476	10,929,034	* 4,387	30,792,926
Hong Kong	52,176,026	12,865,167	2,422,512	3,930,713	6,511,882	* 61	39,442,249
Japan (including Okinawa and Ryukyu Islands)	199,289,733	40,086,166	3,999,296	2,829,778	33,248,301	* 8,790	159,276,870
South Korea	44,396,044	4,256,175	993,586	496,549	2,745,017	* 21,024	40,159,184
Taiwan	27,409,364	4,110,160	1,919,362	1,099,458	1,091,339	* 1	23,305,010
Other Eastern Asian countries	1,126,266	666,317	* 41,735	* 453,115	* 171,466	0	459,976

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation of Controlled Foreign Corporation	Controlled Foreign Corporations—continued						
	Receipts by foreign corporations from:						
	All sources	All related parties, total	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporations controlled by U.S. corporation filing return	All other related parties	Unrelated parties
	(17)	(18)	(19)	(20)	(21)	(22)	(23)
Oceania, total	118,773,853	15,931,179	1,153,474	2,454,736	12,322,565	* 403	103,164,503
Australia	102,982,038	14,475,708	1,019,550	2,275,332	11,180,423	* 403	88,779,687
New Zealand	14,586,170	1,311,042	121,683	137,612	1,051,747	0	13,323,599
Marshall Islands	893,462	19,680	0	* 13	19,667	0	873,782
Other countries of Oceania	312,183	124,749	* 12,241	* 41,780	70,728	0	187,434
Puerto Rico and U.S. Possessions, total	19,060,268	4,945,801	208,786	3,129,274	1,607,742	0	14,297,206
Puerto Rico	17,189,828	4,830,928	121,932	3,124,428	1,584,568	0	12,541,236
U.S. Possessions, total	1,870,440	114,873	* 86,854	* 4,845	23,174	0	1,755,970
Virgin Islands, U.S.	935,662	23,027	* 3,155	* 2,670	17,201	0	912,825
Other U.S. Possessions	934,778	91,846	* 83,699	* 2,175	5,973	0	843,146
Other country or unknown	* 50,343	0	0	0	0	0	* 50,343
OPEC countries, total (countries included above)	23,172,918	5,028,182	991,350	2,087,750	1,945,361	* 3,721	18,217,876

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation of Controlled Foreign Corporation	Controlled Foreign Corporations—continued						
	Payments by foreign corporations to:						
	All recipients	All related parties, total	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporations controlled by U.S. corporation filing return	All other related parties	
	(24)	(25)	(26)	(27)	(28)	(29)	(30)
All geographic regions	3,528,629,281	1,075,521,968	234,870,915	224,166,893	615,661,945	822,216	2,482,722,738
Latin America, total	270,407,700	65,041,131	15,160,062	18,418,194	31,396,143	66,731	205,963,029
Mexico	141,811,822	38,544,627	9,317,264	12,129,978	17,039,841	57,544	103,548,445
Central America and Caribbean countries, total	15,282,787	5,162,648	1,124,499	1,726,378	2,311,771	0	10,203,547
Costa Rica	2,955,755	945,225	318,664	328,248	298,313	0	2,012,412
Dominican Republic	1,046,075	146,191	65,123	51,680	29,389	0	900,405
El Salvador	1,786,639	743,033	49,091	332,116	361,826	0	1,046,347
Guatemala	2,443,378	683,151	101,449	238,329	343,374	0	1,762,413
Honduras	1,954,411	769,841	188,356	375,738	205,748	0	1,218,913
Panama (including Canal Zone)	4,713,752	1,805,382	380,656	375,085	1,049,641	0	2,950,032
Other Central American and Caribbean countries	382,777	69,825	21,162	25,182	23,481	0	313,024
South America, total	113,313,091	21,333,856	4,718,299	4,561,838	12,044,531	9,187	92,211,037
Argentina	19,479,859	3,637,998	654,971	606,130	2,375,322	* 1,575	15,890,970
Bolivia	451,778	49,969	* 2,314	6,616	41,018	* 20	401,810
Brazil	56,589,172	8,751,578	2,311,860	2,154,116	4,284,936	* 665	47,857,978
Chile	10,497,079	2,289,384	382,942	580,094	1,325,776	* 572	8,338,512
Colombia	7,322,342	1,263,062	250,341	249,609	762,119	* 993	6,060,911
Ecuador	2,353,782	551,457	54,922	113,940	382,595	0	1,802,811
Peru	2,644,319	432,059	65,922	123,832	240,970	* 1,335	2,225,179
Uruguay	2,186,487	1,029,481	97,622	122,851	808,998	* 10	1,160,288
Venezuela	10,629,900	3,143,525	878,642	600,079	1,660,816	* 3,988	7,499,552
Other South American countries	1,158,371	185,342	* 18,763	4,570	161,981	* 28	973,029
Other Western Hemisphere, total	651,033,424	188,194,599	67,966,341	59,129,414	61,030,647	68,197	466,404,850
Bahamas	11,051,239	4,778,810	208,934	2,157,290	2,412,585	0	6,276,895
Barbados	3,184,948	1,064,057	244,816	239,970	579,271	0	2,131,013
Bermuda	136,596,478	45,065,848	12,559,971	14,172,180	18,333,413	* 285	92,961,034
British Virgin Islands	15,078,607	6,377,997	4,030,138	528,022	1,819,838	0	8,726,352
Canada	407,512,520	102,781,380	36,559,882	36,768,502	29,385,230	67,766	305,660,346
Cayman Islands	74,047,844	27,159,300	14,286,329	4,895,337	7,977,567	* 67	48,044,933
Jamaica	843,826	54,796	* 21,564	13,543	* 19,688	0	789,228
Netherlands Antilles	1,112,604	553,666	32,798	133,011	387,856	0	568,435
Trinidad and Tobago	308,259	73,974	* 10,647	41,658	21,669	0	234,285
Other Western Hemisphere countries	1,297,099	284,772	11,262	179,901	93,528	* 80	1,012,327
Europe, total	1,907,338,693	586,247,068	90,464,620	94,395,240	401,100,620	286,588	1,339,727,663
European Union, total	1,729,747,870	517,449,971	74,590,261	82,926,560	359,655,400	277,751	1,226,734,245
Austria	18,051,285	4,446,642	138,927	1,228,910	3,078,805	0	13,621,149
Belgium	51,638,670	16,214,255	1,355,484	2,771,581	12,084,407	* 2,784	35,807,155
Cyprus	1,297,959	384,507	92,586	95,311	196,610	0	919,605
Czech Republic	9,422,563	2,452,616	130,557	288,253	2,033,806	0	6,998,392
Denmark	13,888,661	3,334,471	295,722	537,921	2,500,591	* 236	10,598,695
Estonia	307,816	60,601	* 3,792	* 1,281	55,528	0	247,216
Finland	6,035,469	1,860,040	103,465	194,865	1,561,710	0	4,184,384
Reunion)	147,628,793	38,963,570	3,667,445	4,935,315	30,351,431	* 9,379	108,996,238
Germany	219,294,714	52,565,955	5,812,405	7,007,324	39,743,089	* 3,136	167,074,630
Greece	6,532,310	1,777,282	62,835	131,466	1,582,981	0	4,761,153
Hungary	10,847,573	3,184,851	139,641	376,840	2,668,370	0	7,685,780
Ireland	90,956,731	47,249,004	24,373,117	4,692,869	18,183,018	0	53,754,012
Italy	69,286,514	21,588,343	1,033,797	2,531,557	18,019,205	* 3,784	47,722,396
Latvia	190,333	66,207	* 7,144	* 3,875	55,188	0	124,127
Lithuania	369,157	88,780	* 250	* 2,455	86,075	0	283,753
Luxembourg	142,336,281	40,696,782	1,972,984	8,775,155	29,903,695	* 44,947	102,618,808
Malta	465,805	61,842	* 15,462	* 5,157	35,793	* 5,431	404,907
Netherlands	257,789,511	93,293,909	16,462,607	16,074,250	60,631,292	* 125,760	165,155,813
Poland	17,694,798	4,664,416	412,692	721,958	3,529,766	0	13,099,114
Portugal (including Azores)	11,499,743	3,613,690	82,862	719,590	2,810,462	* 776	7,968,565
Slovakia	2,507,460	454,876	51,551	55,237	348,087	0	2,052,841

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation of Controlled Foreign Corporation	Controlled Foreign Corporations—continued						
	Payments by foreign corporations to:						
	All recipients	All related parties, total	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporations controlled by U.S. corporation filing return	All other related parties	Unrelated parties
	(24)	(25)	(26)	(27)	(28)	(29)	(30)
Slovenia	935,458	317,629	* 40,392	* 33,094	244,143	0	617,829
Spain (including Canary Islands)	118,328,977	32,753,492	2,181,300	2,825,740	27,732,159	* 14,294	85,628,288
Sweden	42,562,757	14,784,415	1,157,850	936,918	12,683,680	* 5,967	27,974,852
United Kingdom and Northern Ireland (including Gibraltar)	489,878,532	132,571,796	14,995,395	27,979,636	89,535,509	61,256	358,434,542
Other European countries, total	177,590,823	68,797,097	15,874,359	11,468,681	41,445,220	8,837	112,993,418
Guernsey	292,524	84,673	* 2,945	* 31,063	50,664	0	210,423
Jersey	4,942,259	756,413	* 64,844	234,174	457,395	0	4,189,710
Norway	10,433,587	2,669,853	771,800	251,250	1,646,803	0	7,780,724
Romania	1,998,879	490,069	30,057	16,808	443,204	0	1,509,413
Russia	7,599,313	3,325,939	122,823	181,160	3,020,036	* 1,921	4,341,023
Switzerland	147,152,394	60,543,000	14,823,110	10,676,900	35,036,363	* 6,627	90,703,672
Ukraine	1,997,904	450,722	* 29,397	* 23,973	397,073	* 279	1,547,406
Other European countries	3,173,964	476,427	29,382	53,353	393,682	* 10	2,711,049
Africa, total	30,787,269	9,376,361	1,896,529	2,330,920	5,038,043	* 110,868	22,364,287
North Africa, total	3,239,451	588,412	56,263	39,422	492,670	* 58	2,655,163
Egypt	1,723,273	332,300	18,870	23,456	289,975	0	1,393,855
Morocco	1,038,262	206,365	37,374	* 5,615	163,318	* 58	832,553
Other North African countries	477,915	49,747	* 19	* 10,351	39,377	0	428,755
East Africa, total	3,062,194	1,447,922	674,799	227,464	438,205	* 107,454	2,535,331
Mauritius	1,660,251	1,178,894	659,451	35,316	376,840	* 107,288	1,402,393
Other East African countries	1,401,943	269,028	15,348	192,148	61,365	* 167	1,132,938
West and Central Africa, total	6,951,663	2,098,529	412,618	703,733	982,178	0	4,856,905
Liberia	2,947,632	1,308,291	248,987	231,525	827,779	0	1,639,540
Nigeria	1,749,618	396,489	* 73,676	239,697	83,116	0	1,355,690
Other West and Central African countries	2,254,413	393,748	* 89,956	232,511	71,282	0	1,861,675
Southern Africa, total	17,533,961	5,241,497	752,849	1,360,302	3,124,990	* 3,357	12,316,888
South Africa	16,359,791	5,085,080	748,525	1,349,525	2,983,674	* 3,357	11,296,215
Other Southern African countries	1,174,171	156,417	* 4,324	10,777	141,316	0	1,020,673
Asia, total	542,158,215	198,291,065	54,920,034	42,435,467	100,655,351	280,213	349,439,089
Central, Northern, and Southwestern Asia, total	16,302,147	6,886,364	241,371	172,516	6,472,477	0	9,449,060
Turkey	15,857,430	6,830,851	236,081	145,448	6,449,323	0	9,059,856
countries	444,717	55,513	* 5,290	* 27,069	23,154	0	389,204
Middle East, total	12,571,193	2,456,920	831,088	249,320	1,374,336	2,176	10,381,804
Israel	10,095,065	1,711,791	651,934	165,771	893,979	* 107	8,646,388
United Arab Emirates	1,172,984	498,021	125,016	34,857	336,493	* 1,654	676,352
Other Middle East countries	1,303,143	247,108	54,138	48,691	143,865	* 415	1,059,065
Southern and Southeastern Asia, total	161,160,591	63,270,161	19,267,995	19,376,923	24,504,102	121,141	100,570,175
India	15,073,238	2,690,648	430,877	516,726	1,742,745	* 300	12,507,234
Indonesia	6,380,038	1,488,018	147,996	180,327	1,159,695	0	4,896,526
Malaysia	19,627,392	8,588,303	2,325,203	2,438,255	3,822,781	* 2,065	11,075,107
Pakistan	623,182	144,616	21,407	32,617	90,592	0	480,470
Philippines	10,930,061	5,487,673	3,102,799	900,619	1,483,852	* 404	5,542,554
Singapore	85,987,307	40,323,397	12,812,563	14,500,540	12,911,394	* 98,899	48,041,231
Thailand	21,653,304	4,392,413	402,201	762,971	3,215,620	* 11,621	17,288,088
Vietnam	426,389	52,996	14,298	13,722	24,831	* 144	373,393
Other Southern and Southeastern Asian countries	459,680	102,097	10,651	31,146	52,592	* 7,708	365,573
Eastern Asia, total	352,124,284	125,677,620	34,579,580	22,636,707	68,304,437	156,897	229,038,050
China	44,933,020	13,861,122	3,035,555	1,735,522	8,985,696	104,349	31,183,563
Hong Kong	48,577,234	18,805,677	4,604,812	3,658,522	10,542,343	0	30,038,255
Japan (including Okinawa and Ryukyu Islands)	190,808,277	73,144,561	21,154,240	12,187,491	39,795,960	* 6,870	119,720,971
South Korea	40,807,706	12,007,199	2,412,363	4,128,057	5,426,022	* 40,758	28,839,380
Taiwan	25,947,478	7,771,101	3,331,902	908,481	3,525,797	* 4,920	18,293,274
Other Eastern Asian countries	1,050,569	87,961	* 40,708	* 18,634	* 28,619	0	962,607

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation of Controlled Foreign Corporation	Controlled Foreign Corporations—continued						
	Payments by foreign corporations to:						
	All recipients	All related parties, total	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporations controlled by U.S. corporation filing return	All other related parties	Unrelated parties
	(24)	(25)	(26)	(27)	(28)	(29)	(30)
Oceania, total	110,192,216	24,081,405	3,864,758	4,469,991	15,737,038	* 9,618	86,361,615
Australia	95,934,951	20,540,432	3,534,801	3,586,125	13,411,134	* 8,372	75,576,737
New Zealand	13,495,763	3,254,983	322,258	805,326	2,126,153	* 1,246	10,308,427
Marshall Islands	502,416	204,535	* 6	61,417	143,112	0	298,732
Other countries of Oceania	259,086	81,455	* 7,693	17,123	56,639	0	177,718
Puerto Rico and U.S. Possessions, total	16,661,978	4,290,124	598,356	2,987,666	704,102	0	12,412,633
Puerto Rico	15,051,187	4,079,454	502,564	2,926,794	650,096	0	11,008,040
U.S. Possessions, total	1,610,791	210,670	95,792	60,872	54,006	0	1,404,592
Virgin Islands, U.S.	671,690	105,842	43,940	38,949	22,953	0	565,937
Other U.S. Possessions	939,101	104,828	51,852	21,922	31,053	0	838,655
Other country or unknown	* 49,788	* 216	* 216	0	0	0	* 49,572
OPEC countries, total (countries included above)	20,966,683	5,755,504	1,277,272	1,102,224	3,370,072	5,936	15,235,829

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

[1] Number of returns is not additive because some U.S. corporations had Controlled Foreign Corporations in more than one country.

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

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Sector of Controlled Foreign Corporation, Tax Year 2004

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

Selected country of incorporation and industrial sector of Controlled Foreign Corporation	Number of U.S. corporation returns [1]	Controlled Foreign Corporations		
		Number of foreign corporations	Total assets	
			Beginning-of-year	End-of-year
	(1)	(2)	(3)	(4)
ALL GEOGRAPHIC REGIONS [2]				
All industries	10,939	74,676	7,613,683,688	9,217,097,520
Raw materials and energy production	574	2,744	308,810,919	326,367,994
Goods production	3,912	19,359	1,596,395,081	1,865,827,173
Distribution and transportation of goods	3,348	16,215	540,946,198	620,621,547
Information	743	3,740	176,746,514	289,705,068
Finance, insurance, real estate, and rental and leasing	1,664	8,743	3,189,714,638	3,919,933,672
Services	4,693	23,418	1,799,886,561	2,193,185,896
ARGENTINA [2]				
All industries	529	861	17,639,305	19,522,148
Raw materials and energy production	38	71	3,663,160	4,005,238
Goods production	158	208	5,268,313	6,042,530
Distribution and transportation of goods	143	164	3,660,721	3,785,391
Information	d	d	d	d
Finance, insurance, real estate, and rental and leasing	85	144	2,644,178	2,877,122
Services	134	211	1,479,429	1,623,060
AUSTRALIA [2]				
All industries	1,325	2,807	195,769,614	260,959,465
Raw materials and energy production	59	170	15,725,696	20,726,357
Goods production	375	577	29,507,047	32,643,876
Distribution and transportation of goods	381	527	9,013,393	11,078,442
Information	98	193	7,536,549	9,738,320
Finance, insurance, real estate, and rental and leasing	111	345	85,876,477	116,800,505
Services	540	981	48,084,673	69,908,152
AUSTRIA [2]				
All industries	362	515	17,804,638	22,445,328
Raw materials and energy production	5	7	* 211,800	* 235,344
Goods production	96	120	5,406,060	8,760,904
Distribution and transportation of goods	145	174	2,482,800	2,587,285
Information	18	30	218,193	200,742
Finance, insurance, real estate, and rental and leasing	19	31	3,174,847	3,051,765
Services	111	148	6,286,573	7,587,950
BAHAMAS				
All industries	93	384	42,451,711	52,616,671
Raw materials and energy production	17	206	14,401,803	19,417,528
Goods production	d	d	d	d
Distribution and transportation of goods	25	45	2,785,694	4,186,097
Information	d	d	d	d
Finance, insurance, real estate, and rental and leasing	26	41	9,934,101	9,433,829
Services	34	70	13,255,058	17,677,028
BELGIUM [2]				
All industries	711	1,281	85,105,269	95,580,427
Raw materials and energy production	9	10	79,676	86,661
Goods production	237	361	28,585,698	31,360,438
Distribution and transportation of goods	253	339	10,211,596	10,456,925
Information	34	54	1,272,633	1,668,546
Finance, insurance, real estate, and rental and leasing	47	90	28,163,096	32,675,179
Services	265	424	16,770,193	19,308,628
BERMUDA [2]				
All industries	450	974	403,544,887	467,439,769
Raw materials and energy production	20	157	23,009,085	27,272,875
Goods production	38	45	52,846,269	94,364,534
Distribution and transportation of goods	40	49	11,326,956	14,331,644
Information	7	7	* 352,608	* 352,919
Finance, insurance, real estate, and rental and leasing	292	458	137,211,596	121,776,427
Services	148	253	178,798,274	209,339,959

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Sector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation and industrial sector of Controlled Foreign Corporation	Number of U.S. corporation returns [1]	Controlled Foreign Corporations		
		Number of foreign corporations	Total assets	
			Beginning-of-year	End-of-year
	(1)	(2)	(3)	(4)
BRAZIL [2]				
All industries	971	1,677	84,392,775	94,877,634
Raw materials and energy production	41	81	12,086,606	12,958,652
Goods production	344	505	22,670,996	26,856,653
Distribution and transportation of goods	284	353	8,206,479	7,724,068
Information	62	102	7,738,811	7,662,076
Finance, insurance, real estate, and rental and leasing	65	145	22,945,191	28,510,693
Services	329	484	10,737,434	11,155,167
CANADA [2]				
All industries	3,592	6,559	648,656,325	742,560,256
Raw materials and energy production	126	266	89,322,196	90,619,150
Goods production	1,125	1,643	179,814,507	202,780,255
Distribution and transportation of goods	1,333	1,797	57,241,835	64,293,165
Information	148	254	7,048,390	7,814,568
Finance, insurance, real estate, and rental and leasing	370	720	221,251,417	266,999,579
Services	1,169	1,849	93,908,391	109,949,068
CAYMAN ISLANDS [2]				
All industries	548	1,402	344,461,974	426,218,389
Raw materials and energy production	45	211	27,559,364	30,402,044
Goods production	81	103	26,182,478	28,414,267
Distribution and transportation of goods	47	55	2,213,791	2,873,052
Information	8	8	* 21,984	* 20,907
Finance, insurance, real estate, and rental and leasing	200	513	165,742,619	210,426,950
Services	249	504	122,715,928	154,043,998
CHILE [2]				
All industries	394	712	28,344,498	30,496,318
Raw materials and energy production	24	60	8,129,745	8,082,705
Goods production	103	127	2,647,349	2,911,944
Distribution and transportation of goods	157	188	1,853,988	2,173,178
Information	d	d	d	d
Finance, insurance, real estate, and rental and leasing	48	87	6,620,363	7,879,826
Services	107	208	6,637,889	7,224,150
CHINA [2]				
All industries	1,161	2,264	28,663,251	38,208,863
Raw materials and energy production	14	21	98,955	98,528
Goods production	698	1,255	19,684,503	26,182,998
Distribution and transportation of goods	280	418	4,317,743	5,528,784
Information	29	38	81,009	168,598
Finance, insurance, real estate, and rental and leasing	31	43	414,623	609,607
Services	315	465	4,026,579	5,520,564
COLOMBIA [2]				
All industries	286	437	7,675,920	9,646,609
Raw materials and energy production	d	d	d	d
Goods production	76	96	2,027,818	2,563,499
Distribution and transportation of goods	84	94	888,973	1,147,457
Information	32	34	996,735	1,472,230
Finance, insurance, real estate, and rental and leasing	50	80	2,629,690	3,302,462
Services	64	108	1,056,591	1,109,432
CZECH REPUBLIC [2]				
All industries	323	476	14,477,848	16,107,208
Raw materials and energy production	d	d	d	d
Goods production	123	161	4,009,218	4,647,223
Distribution and transportation of goods	102	119	791,482	939,428
Information	14	23	247,122	214,273
Finance, insurance, real estate, and rental and leasing	25	37	5,896,173	6,674,395
Services	90	125	3,148,366	3,201,299

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Sector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation and industrial sector of Controlled Foreign Corporation	Number of U.S. corporation returns [1]	Controlled Foreign Corporations		
		Number of foreign corporations	Total assets	
			Beginning-of-year	End-of-year
	(1)	(2)	(3)	(4)
DENMARK [2]				
All industries	414	681	18,948,834	27,675,432
Raw materials and energy production	9	9	* 98,379	* 1,119,564
Goods production	116	140	6,846,449	9,386,827
Distribution and transportation of goods	145	170	2,282,350	2,446,397
Information	21	24	157,545	166,103
Finance, insurance, real estate, and rental and leasing	31	48	3,417,212	4,045,692
Services	161	286	6,099,687	10,468,431
FRANCE (incl. Corsica, Guadeloupe, Martinique, and Reunion) [2]				
All industries	1,603	3,857	251,795,752	267,209,715
Raw materials and energy production	23	39	1,807,210	1,715,705
Goods production	592	1,116	67,945,491	67,319,903
Distribution and transportation of goods	489	769	36,274,196	39,806,899
Information	101	217	7,878,229	7,543,176
Finance, insurance, real estate, and rental and leasing	130	334	69,548,659	73,794,207
Services	652	1,354	68,187,509	76,876,817
GERMANY [2]				
All industries	1,864	4,121	311,317,302	355,281,624
Raw materials and energy production	75	81	705,379	699,446
Goods production	638	1,160	127,044,952	143,018,313
Distribution and transportation of goods	604	913	28,467,896	33,376,042
Information	98	174	8,472,210	9,675,028
Finance, insurance, real estate, and rental and leasing	142	280	77,414,861	84,580,640
Services	787	1,476	69,079,524	83,821,687
HONG KONG [2]				
All industries	1,054	1,800	81,222,475	86,690,433
Raw materials and energy production	6	7	* 3,739,652	* 3,760,873
Goods production	240	314	4,790,742	6,171,410
Distribution and transportation of goods	398	548	11,449,788	10,683,244
Information	58	81	732,161	904,898
Finance, insurance, real estate, and rental and leasing	83	201	46,893,148	47,812,399
Services	415	637	13,609,364	17,342,558
HUNGARY [2]				
All industries	284	419	14,500,721	17,198,057
Raw materials and energy production	5	6	* 89,907	* 109,382
Goods production	99	122	6,735,036	8,245,645
Distribution and transportation of goods	86	100	612,445	929,236
Information	19	31	565,422	550,751
Finance, insurance, real estate, and rental and leasing	25	43	5,223,321	5,935,946
Services	82	114	1,274,560	1,427,048
INDIA [2]				
All industries	872	1,226	14,134,939	17,319,866
Raw materials and energy production	6	13	261,237	67,139
Goods production	229	311	6,021,227	7,185,814
Distribution and transportation of goods	123	147	1,244,220	1,566,882
Information	78	89	469,695	585,937
Finance, insurance, real estate, and rental and leasing	29	57	2,699,447	3,400,014
Services	480	601	3,425,905	4,496,243
IRELAND [2]				
All industries	607	1,091	208,775,353	315,222,046
Raw materials and energy production	7	7	* 28,299	* 17,601
Goods production	174	231	31,222,939	47,347,102
Distribution and transportation of goods	151	175	7,399,739	9,554,638
Information	42	52	8,201,964	17,625,534
Finance, insurance, real estate, and rental and leasing	130	313	101,567,134	167,397,925
Services	211	304	60,311,601	73,234,274

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Sector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation and industrial sector of Controlled Foreign Corporation	Number of U.S. corporation returns [1]	Controlled Foreign Corporations		
		Number of foreign corporations	Total assets	
			Beginning-of-year	End-of-year
	(1)	(2)	(3)	(4)
ISRAEL [2]				
All industries	795	993	18,890,558	20,784,509
Raw materials and energy production	d	d	d	d
Goods production	121	178	13,807,134	15,124,697
Distribution and transportation of goods	54	66	645,077	748,090
Information	145	150	246,920	182,778
Finance, insurance, real estate, and rental and leasing	16	31	674,302	524,731
Services	491	546	3,507,423	4,190,809
ITALY [2]				
All industries	998	1,795	85,896,332	99,292,730
Raw materials and energy production	17	25	281,106	307,431
Goods production	326	576	41,854,700	50,003,566
Distribution and transportation of goods	402	512	15,793,726	20,665,356
Information	54	79	1,923,378	2,423,952
Finance, insurance, real estate, and rental and leasing	51	131	12,409,621	12,183,035
Services	286	459	13,603,895	13,682,868
JAPAN (including Okinawa and Ryukyu Islands) [2]				
All industries	1,276	2,265	340,626,466	391,520,947
Raw materials and energy production	4	5	* 83,925	* 85,820
Goods production	344	534	50,290,493	54,445,017
Distribution and transportation of goods	443	600	28,850,415	33,670,423
Information	102	129	2,901,689	3,363,308
Finance, insurance, real estate, and rental and leasing	69	374	232,544,479	268,010,202
Services	466	618	25,913,054	31,918,932
LUXEMBOURG [2]				
All industries	260	439	415,606,232	568,027,649
Raw materials and energy production	d	d	d	d
Goods production	54	63	90,156,382	101,052,658
Distribution and transportation of goods	24	28	54,242,243	60,987,612
Information	11	12	702,286	700,951
Finance, insurance, real estate, and rental and leasing	61	151	104,887,541	150,197,789
Services	144	181	161,252,617	253,222,775
MALAYSIA [2]				
All industries	480	791	24,043,518	28,267,132
Raw materials and energy production	11	15	142,144	149,099
Goods production	178	252	9,410,219	9,828,262
Distribution and transportation of goods	139	189	1,130,695	1,219,346
Information	22	26	38,219	22,611
Finance, insurance, real estate, and rental and leasing	35	68	11,653,769	14,578,148
Services	164	236	1,651,822	2,454,397
MEXICO [2]				
All industries	2,249	4,618	199,333,766	243,119,233
Raw materials and energy production	160	215	5,223,590	6,492,763
Goods production	1,131	1,911	49,444,087	56,359,269
Distribution and transportation of goods	624	862	14,552,502	19,453,063
Information	74	181	2,456,500	2,455,850
Finance, insurance, real estate, and rental and leasing	173	375	90,515,622	110,125,013
Services	600	1,039	37,081,389	48,180,621
NETHERLANDS [2]				
All industries	1,371	3,151	647,998,050	809,568,942
Raw materials and energy production	39	68	5,197,732	6,814,034
Goods production	419	633	268,320,601	335,879,034
Distribution and transportation of goods	386	571	38,290,245	40,941,966
Information	93	173	26,334,901	84,719,450
Finance, insurance, real estate, and rental and leasing	145	265	88,355,684	85,154,392
Services	732	1,419	221,472,370	256,010,831

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Sector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation and industrial sector of Controlled Foreign Corporation	Number of U.S. corporation returns [1]	Controlled Foreign Corporations		
		Number of foreign corporations	Total assets	
			Beginning-of-year	End-of-year
	(1)	(2)	(3)	(4)
NEW ZEALAND [2]				
All industries	420	696	38,750,111	41,788,662
Raw materials and energy production	45	82	14,987,902	15,029,776
Goods production	108	137	12,670,694	13,632,945
Distribution and transportation of goods	137	171	2,345,931	2,691,630
Information	d	d	d	d
Finance, insurance, real estate, and rental and leasing	34	83	5,871,627	7,215,747
Services	130	191	2,625,294	2,945,744
NORWAY [2]				
All industries	262	424	22,604,486	24,038,872
Raw materials and energy production	13	19	6,628,474	7,194,366
Goods production	69	81	9,552,997	9,285,760
Distribution and transportation of goods	103	127	3,496,564	3,793,194
Information	15	16	83,717	141,702
Finance, insurance, real estate, and rental and leasing	14	30	978,691	1,229,827
Services	81	147	1,861,852	2,381,988
PHILIPPINES [2]				
All industries	278	478	13,823,574	14,280,946
Raw materials and energy production	13	38	3,692,314	3,483,824
Goods production	107	134	4,210,211	4,304,501
Distribution and transportation of goods	77	98	618,963	633,449
Information	13	15	36,526	50,794
Finance, insurance, real estate, and rental and leasing	41	66	3,898,064	4,245,853
Services	91	124	1,365,331	1,560,027
POLAND				
All industries	400	650	23,609,142	28,109,245
Raw materials and energy production	11	13	113,061	183,443
Goods production	154	225	6,426,968	8,249,753
Distribution and transportation of goods	143	170	1,372,425	1,552,498
Information	15	26	353,206	330,333
Finance, insurance, real estate, and rental and leasing	26	60	14,501,523	16,666,892
Services	114	156	841,959	1,126,327
PORTUGAL (including Azores) [2]				
All industries	238	399	19,107,469	21,930,775
Raw materials and energy production	d	d	d	d
Goods production	78	101	4,066,877	4,668,997
Distribution and transportation of goods	87	124	1,919,819	2,371,164
Information	18	24	228,814	280,950
Finance, insurance, real estate, and rental and leasing	20	31	2,259,850	3,167,369
Services	72	112	10,565,471	11,425,855
PUERTO RICO [2]				
All industries	273	395	26,247,589	25,918,909
Raw materials and energy production	d	d	d	d
Goods production	62	74	7,188,321	8,824,163
Distribution and transportation of goods	96	123	4,572,066	2,415,194
Information	d	d	d	d
Finance, insurance, real estate, and rental and leasing	37	68	6,345,869	6,475,911
Services	76	100	4,792,821	4,835,973
RUSSIA [2]				
All industries	239	441	4,975,878	6,120,600
Raw materials and energy production	d	d	d	d
Goods production	76	95	1,306,840	1,553,130
Distribution and transportation of goods	71	96	1,390,203	1,694,430
Information	16	100	902,540	1,006,812
Finance, insurance, real estate, and rental and leasing	16	20	283,732	378,132
Services	76	116	587,479	930,749

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Sector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation and industrial sector of Controlled Foreign Corporation	Number of U.S. corporation returns [1]	Controlled Foreign Corporations		
		Number of foreign corporations	Total assets	
			Beginning-of-year	End-of-year
	(1)	(2)	(3)	(4)
SINGAPORE [2]				
All industries	1,007	1,555	69,612,527	85,185,931
Raw materials and energy production	13	17	159,614	230,376
Goods production	281	351	16,788,959	19,638,155
Distribution and transportation of goods	322	424	10,848,560	13,021,651
Information	62	83	587,145	810,665
Finance, insurance, real estate, and rental and leasing	76	142	24,344,240	31,313,728
Services	406	531	16,867,130	20,147,797
SOUTH AFRICA [2]				
All industries	369	623	11,354,152	13,274,856
Raw materials and energy production	6	7	* 176,656	* 235,981
Goods production	143	201	5,835,679	7,029,307
Distribution and transportation of goods	115	150	1,265,958	1,616,541
Information	13	17	203,440	145,964
Finance, insurance, real estate, and rental and leasing	35	54	2,445,222	2,481,082
Services	110	189	1,403,383	1,762,406
SOUTH KOREA [2]				
All industries	560	757	44,175,322	100,196,395
Raw materials and energy production	5	7	* 1,914,910	* 2,160,370
Goods production	203	255	17,145,900	20,853,828
Distribution and transportation of goods	177	193	4,049,881	4,898,719
Information	23	31	1,006,506	1,843,639
Finance, insurance, real estate, and rental and leasing	32	75	18,124,490	68,063,716
Services	166	189	1,872,301	2,306,679
SPAIN (including Canary Islands) [2]				
All industries	846	1,640	121,387,014	135,498,522
Raw materials and energy production	21	31	635,650	600,962
Goods production	272	457	32,020,461	37,404,646
Distribution and transportation of goods	289	400	29,153,920	31,324,340
Information	63	98	1,337,130	1,634,803
Finance, insurance, real estate, and rental and leasing	53	129	19,959,245	22,909,565
Services	294	517	38,250,156	41,581,480
SWEDEN [2]				
All industries	592	1,055	65,788,559	72,202,182
Raw materials and energy production	4	4	* 19,940	* 18,579
Goods production	178	252	18,999,270	20,583,804
Distribution and transportation of goods	199	241	3,338,708	3,805,795
Information	42	64	4,204,467	4,317,132
Finance, insurance, real estate, and rental and leasing	31	60	18,336,880	18,943,435
Services	235	421	20,886,536	24,458,571
SWITZERLAND [2]				
All industries	753	1,389	302,337,653	326,515,781
Raw materials and energy production	6	6	* 265,256	* 330,792
Goods production	216	305	108,130,473	111,755,654
Distribution and transportation of goods	294	426	35,534,424	43,017,576
Information	45	64	2,582,789	4,474,209
Finance, insurance, real estate, and rental and leasing	75	129	66,308,382	66,755,964
Services	295	450	89,511,318	100,178,091
TAIWAN [2]				
All industries	396	539	36,076,030	44,649,995
Raw materials and energy production	d	d	d	d
Goods production	182	212	7,459,817	9,144,048
Distribution and transportation of goods	111	127	2,000,178	2,469,625
Information	11	14	43,304	46,684
Finance, insurance, real estate, and rental and leasing	21	52	24,494,355	30,803,024
Services	103	131	1,914,352	2,178,703

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Sector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation and industrial sector of Controlled Foreign Corporation	Number of U.S. corporation returns [1]	Controlled Foreign Corporations		
		Number of foreign corporations	Total assets	
			Beginning-of-year	End-of-year
	(1)	(2)	(3)	(4)
THAILAND [2]				
All industries	398	663	16,117,776	18,710,822
Raw materials and energy production	11	18	583,924	560,636
Goods production	165	226	7,633,553	8,390,708
Distribution and transportation of goods	126	152	1,864,510	2,315,871
Information	12	15	141,477	164,222
Finance, insurance, real estate, and rental and leasing	30	89	4,667,130	5,864,695
Services	115	158	1,224,124	1,406,649
UNITED KINGDOM AND NORTHERN IRELAND (including Gibraltar) [2]				
All industries	3,721	8,227	1,972,807,487	2,443,427,749
Raw materials and energy production	61	135	28,700,337	24,745,525
Goods production	1,171	1,859	138,733,675	152,292,679
Distribution and transportation of goods	998	1,406	57,591,144	65,351,986
Information	233	555	65,407,889	100,407,140
Finance, insurance, real estate, and rental and leasing	532	1,411	1,333,186,120	1,697,318,873
Services	1,514	2,812	349,083,972	403,208,899
VENEZUELA [2]				
All industries	325	525	16,692,424	17,020,446
Raw materials and energy production	37	64	4,775,072	5,044,193
Goods production	113	145	5,601,604	6,263,067
Distribution and transportation of goods	92	120	1,031,890	1,582,042
Information	d	d	d	d
Finance, insurance, real estate, and rental and leasing	29	44	1,214,324	1,505,912
Services	87	119	2,898,482	1,591,424
EUROPEAN UNION, TOTAL [2]				
All industries	5,574	30,810	4,294,596,320	5,319,004,566
Raw materials and energy production	189	463	43,065,548	39,208,191
Goods production	2,014	7,822	884,756,065	1,037,529,092
Distribution and transportation of goods	1,701	6,485	293,907,212	331,896,761
Information	381	1,685	127,848,307	233,065,171
Finance, insurance, real estate, and rental and leasing	831	3,490	1,891,693,471	2,388,823,099
Services	2,520	10,655	1,052,630,419	1,287,674,895
OPEC COUNTRIES, TOTAL [2]				
All industries	491	1,054	31,601,356	33,702,308
Raw materials and energy production	56	128	12,714,871	13,807,962
Goods production	178	294	7,704,632	8,262,854
Distribution and transportation of goods	148	236	2,125,694	2,967,477
Information	31	48	1,413,160	1,172,405
Finance, insurance, real estate, and rental and leasing	42	84	4,002,649	4,889,471
Services	149	253	3,634,259	2,576,855

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Sector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation and industrial sector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued			
	Total receipts	Current earnings and profits (less deficit) before income taxes	Income taxes	Current earnings and profits (less deficit) after income taxes
	(5)	(6)	(7)	(8)
ALL GEOGRAPHIC REGIONS [2]				
All industries	3,795,850,571	362,199,144	69,252,227	292,946,918
Raw materials and energy production	127,239,949	33,177,301	10,066,054	23,111,247
Goods production	1,633,118,266	125,146,203	22,297,868	102,848,335
Distribution and transportation of goods	966,617,230	52,504,462	11,643,824	40,860,638
Information	95,170,491	8,073,622	2,249,857	5,823,765
Finance, insurance, real estate, and rental and leasing	356,043,531	57,870,006	10,466,173	47,403,834
Services	616,353,220	85,462,899	12,510,316	72,952,583
ARGENTINA [2]				
All industries	20,457,604	1,050,672	314,653	736,019
Raw materials and energy production	1,355,401	185,003	61,272	123,731
Goods production	7,198,019	381,276	140,627	240,649
Distribution and transportation of goods	9,427,174	377,606	53,180	324,426
Information	d	d	d	d
Finance, insurance, real estate, and rental and leasing	846,671	30,513	36,905	-6,393
Services	698,745	90,082	17,760	72,322
AUSTRALIA [2]				
All industries	102,982,038	12,341,006	2,439,551	9,901,456
Raw materials and energy production	5,386,287	104,775	147,724	-42,949
Goods production	40,443,046	3,747,975	973,316	2,774,659
Distribution and transportation of goods	15,868,669	903,692	241,437	662,255
Information	3,172,345	463,843	206,428	257,415
Finance, insurance, real estate, and rental and leasing	10,775,527	2,588,720	471,546	2,117,173
Services	27,288,370	4,532,276	398,780	4,133,496
AUSTRIA [2]				
All industries	19,330,200	1,290,770	391,061	899,709
Raw materials and energy production	* 126,815	* -1,982	* 2,180	* -4,162
Goods production	8,945,226	546,446	143,736	402,711
Distribution and transportation of goods	4,381,490	256,584	98,644	157,940
Information	221,839	-25,203	2,878	-28,081
Finance, insurance, real estate, and rental and leasing	397,759	-39,995	13,800	-53,795
Services	5,232,396	556,722	129,770	426,952
BAHAMAS				
All industries	13,866,726	3,002,336	850,231	2,152,105
Raw materials and energy production	3,102,572	1,108,951	471,095	637,856
Goods production	d	d	d	d
Distribution and transportation of goods	4,549,798	159,112	43,591	115,522
Information	d	d	d	d
Finance, insurance, real estate, and rental and leasing	966,005	442,025	4,564	437,461
Services	2,188,948	978,151	321,840	656,312
BELGIUM [2]				
All industries	53,634,950	2,502,831	688,667	1,814,164
Raw materials and energy production	127,418	2,770	* 804	1,965
Goods production	28,458,839	919,993	219,788	700,205
Distribution and transportation of goods	14,332,566	247,145	109,798	137,347
Information	840,487	172,170	12,655	159,515
Finance, insurance, real estate, and rental and leasing	3,149,041	696,162	210,361	485,801
Services	6,716,616	463,760	134,745	329,015
BERMUDA [2]				
All industries	155,961,340	29,060,865	3,205,672	25,855,192
Raw materials and energy production	10,786,986	4,106,227	1,540,871	2,565,356
Goods production	59,382,856	12,050,214	459,075	11,591,139
Distribution and transportation of goods	26,357,875	1,383,207	200,260	1,182,946
Information	* 572	* 486	0	* 486
Finance, insurance, real estate, and rental and leasing	19,585,161	3,694,580	238,519	3,456,060
Services	39,847,359	7,826,178	766,946	7,059,231

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Sector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation and industrial sector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued			
	Total receipts	Current earnings and profits (less deficit) before income taxes	Income taxes	Current earnings and profits (less deficit) after income taxes
	(5)	(6)	(7)	(8)
BRAZIL [2]				
All industries	58,858,281	4,369,304	1,459,802	2,909,502
Raw materials and energy production	7,464,677	1,251,223	198,893	1,052,331
Goods production	29,389,098	2,622,187	717,169	1,905,018
Distribution and transportation of goods	9,581,936	523,239	132,039	391,200
Information	3,532,979	-119,800	36,627	-156,426
Finance, insurance, real estate, and rental and leasing	5,560,222	41,172	284,837	-243,665
Services	3,299,001	42,654	89,568	-46,914
CANADA [2]				
All industries	421,174,846	40,662,927	8,706,507	31,956,420
Raw materials and energy production	36,940,726	9,841,084	1,955,866	7,885,219
Goods production	204,709,521	12,261,408	2,784,142	9,477,265
Distribution and transportation of goods	116,112,765	4,477,159	1,580,184	2,896,975
Information	5,926,955	475,177	185,982	289,195
Finance, insurance, real estate, and rental and leasing	28,379,999	6,577,638	1,374,640	5,202,999
Services	29,034,472	7,023,964	823,516	6,200,448
CAYMAN ISLANDS [2]				
All industries	81,568,359	10,598,544	2,510,354	8,088,190
Raw materials and energy production	9,310,827	3,162,323	1,480,697	1,681,626
Goods production	33,948,678	2,576,940	185,688	2,391,252
Distribution and transportation of goods	2,990,740	315,927	23,770	292,157
Information	* 29,683	* 6,738	* 1,663	* 5,074
Finance, insurance, real estate, and rental and leasing	21,136,764	2,475,040	434,762	2,040,278
Services	14,147,909	2,064,817	383,774	1,681,043
CHILE [2]				
All industries	11,789,089	1,152,041	138,031	1,014,010
Raw materials and energy production	3,079,730	654,266	65,366	588,900
Goods production	2,554,106	178,922	21,523	157,399
Distribution and transportation of goods	2,963,038	124,067	18,764	105,304
Information	d	d	d	d
Finance, insurance, real estate, and rental and leasing	1,350,304	103,075	13,467	89,608
Services	848,230	88,707	14,444	74,263
CHINA [2]				
All industries	48,118,616	4,334,383	539,739	3,794,644
Raw materials and energy production	80,312	-37	* 915	-952
Goods production	32,701,989	3,384,692	355,478	3,029,214
Distribution and transportation of goods	9,941,343	566,095	85,268	480,828
Information	80,422	5,751	848	4,903
Finance, insurance, real estate, and rental and leasing	172,675	25,618	2,978	22,640
Services	5,092,544	350,065	94,103	255,962
COLOMBIA [2]				
All industries	7,774,699	419,031	174,076	244,956
Raw materials and energy production	d	d	d	d
Goods production	3,168,221	224,331	79,133	145,198
Distribution and transportation of goods	2,689,553	138,706	39,535	99,171
Information	719,209	-119,014	3,739	-122,753
Finance, insurance, real estate, and rental and leasing	719,731	155,164	42,037	113,127
Services	357,670	21,700	8,570	13,130
CZECH REPUBLIC [2]				
All industries	10,031,595	929,152	246,742	682,410
Raw materials and energy production	d	d	d	d
Goods production	6,343,067	574,452	145,396	429,056
Distribution and transportation of goods	1,822,942	98,231	38,035	60,197
Information	213,552	30,850	4,335	26,515
Finance, insurance, real estate, and rental and leasing	807,467	156,693	38,595	118,098
Services	674,163	49,663	17,770	31,893

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Sector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation and industrial sector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued			
	Total receipts	Current earnings and profits (less deficit) before income taxes	Income taxes	Current earnings and profits (less deficit) after income taxes
	(5)	(6)	(7)	(8)
DENMARK [2]				
All industries	15,208,077	1,053,031	255,864	797,166
Raw materials and energy production	* 142,935	* -4,364	* 4,365	* -8,730
Goods production	4,762,553	268,880	59,465	209,415
Distribution and transportation of goods	4,306,862	156,624	45,646	110,978
Information	127,988	-2,240	2,689	-4,929
Finance, insurance, real estate, and rental and leasing	954,205	155,476	27,095	128,381
Services	4,877,394	473,120	114,539	358,581
FRANCE (incl. Corsica, Guadeloupe, Martinique, and Reunion) [2]				
All industries	153,028,917	9,402,259	2,593,965	6,808,294
Raw materials and energy production	1,245,131	-55,283	24,758	-80,041
Goods production	69,744,251	3,064,678	834,102	2,230,577
Distribution and transportation of goods	40,349,324	2,992,753	813,376	2,179,377
Information	3,777,887	522,913	52,280	470,633
Finance, insurance, real estate, and rental and leasing	8,708,778	1,541,741	342,738	1,199,003
Services	29,063,399	1,334,580	522,654	811,925
GERMANY [2]				
All industries	223,960,105	8,306,081	2,934,185	5,371,896
Raw materials and energy production	357,266	37,328	* 5,400	31,929
Goods production	130,955,056	2,308,130	1,182,930	1,125,200
Distribution and transportation of goods	50,563,259	1,390,927	479,046	911,881
Information	5,432,087	91,184	131,476	-40,292
Finance, insurance, real estate, and rental and leasing	10,147,029	1,436,505	308,506	1,127,998
Services	26,347,286	3,040,650	824,446	2,216,205
HONG KONG [2]				
All industries	52,176,026	6,247,144	977,378	5,269,766
Raw materials and energy production	* 1,457,343	* 599,103	* 97,928	* 501,174
Goods production	9,207,084	618,757	71,759	546,998
Distribution and transportation of goods	21,654,782	1,696,437	244,574	1,451,863
Information	526,196	5,972	3,955	2,017
Finance, insurance, real estate, and rental and leasing	9,910,146	1,671,913	392,221	1,279,692
Services	9,403,784	1,653,826	166,444	1,487,382
HUNGARY [2]				
All industries	11,758,735	1,419,586	141,087	1,278,499
Raw materials and energy production	* 31,077	* 11,452	* 1,217	* 10,235
Goods production	8,068,065	955,013	53,113	901,901
Distribution and transportation of goods	1,563,647	82,549	32,246	50,304
Information	475,011	79,819	3,847	75,972
Finance, insurance, real estate, and rental and leasing	887,611	215,785	37,815	177,970
Services	733,321	75,006	12,851	62,155
INDIA [2]				
All industries	16,996,271	1,711,855	430,136	1,281,719
Raw materials and energy production	151,141	29,233	* 7,446	21,787
Goods production	7,191,119	609,122	231,150	377,972
Distribution and transportation of goods	2,567,133	151,837	62,044	89,794
Information	747,697	89,615	23,697	65,918
Finance, insurance, real estate, and rental and leasing	1,940,345	344,456	33,651	310,805
Services	4,389,000	492,157	72,026	420,132
IRELAND [2]				
All industries	103,788,860	21,691,134	1,619,842	20,071,292
Raw materials and energy production	* 24,593	* 4,905	* 35	* 4,870
Goods production	42,317,344	7,311,120	478,319	6,832,801
Distribution and transportation of goods	21,407,164	1,863,006	89,513	1,773,492
Information	8,022,658	2,438,681	178,000	2,260,681
Finance, insurance, real estate, and rental and leasing	9,821,736	1,607,382	239,277	1,368,105
Services	22,154,746	8,458,592	634,442	7,824,150

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Sector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation and industrial sector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued			
	Total receipts	Current earnings and profits (less deficit) before income taxes	Income taxes	Current earnings and profits (less deficit) after income taxes
	(5)	(6)	(7)	(8)
ISRAEL [2]				
All industries	10,899,661	676,371	177,893	498,478
Raw materials and energy production	d	d	d	d
Goods production	7,237,372	593,601	123,797	469,804
Distribution and transportation of goods	772,522	32,183	11,302	20,882
Information	190,091	-18,469	3,330	-21,800
Finance, insurance, real estate, and rental and leasing	147,096	-15,121	2,720	-17,842
Services	2,547,248	83,368	37,253	46,114
ITALY [2]				
All industries	72,388,907	4,655,594	1,992,530	2,663,064
Raw materials and energy production	184,167	31,971	13,968	18,003
Goods production	37,630,118	2,810,905	1,053,498	1,757,407
Distribution and transportation of goods	20,006,450	853,134	404,609	448,525
Information	1,516,555	24,103	31,889	-7,386
Finance, insurance, real estate, and rental and leasing	3,043,540	505,349	246,953	258,396
Services	9,992,321	429,304	241,438	187,866
JAPAN (including Okinawa and Ryukyu Islands) [2]				
All industries	199,289,733	15,104,588	4,975,602	10,128,986
Raw materials and energy production	* 84,109	* 18,072	* 7,412	* 10,659
Goods production	85,013,535	5,493,583	2,021,253	3,472,330
Distribution and transportation of goods	52,066,043	1,901,544	1,032,656	868,888
Information	3,452,678	582,908	217,377	365,531
Finance, insurance, real estate, and rental and leasing	28,343,863	4,498,515	851,578	3,646,937
Services	30,326,669	2,612,691	844,716	1,767,975
LUXEMBOURG [2]				
All industries	157,504,240	10,485,073	1,014,271	9,470,802
Raw materials and energy production	d	d	d	d
Goods production	27,036,927	1,513,814	390,665	1,123,149
Distribution and transportation of goods	78,556,751	4,740,818	43,916	4,696,902
Information	215,723	-16,748	* 3,264	-20,012
Finance, insurance, real estate, and rental and leasing	5,834,451	522,912	92,168	430,744
Services	44,857,078	3,653,779	457,505	3,196,274
MALAYSIA [2]				
All industries	20,876,512	1,728,052	251,829	1,476,223
Raw materials and energy production	213,814	15,864	* 1,501	14,362
Goods production	14,226,855	1,065,614	117,322	948,291
Distribution and transportation of goods	3,067,381	221,858	58,078	163,780
Information	64,391	7,840	* 1,809	6,030
Finance, insurance, real estate, and rental and leasing	767,832	186,383	51,568	134,815
Services	2,516,866	229,002	21,235	207,768
MEXICO [2]				
All industries	153,372,290	12,269,344	3,290,568	8,978,776
Raw materials and energy production	4,316,563	804,141	63,443	740,698
Goods production	81,542,528	4,419,507	1,500,993	2,918,514
Distribution and transportation of goods	34,618,126	1,963,011	583,583	1,379,428
Information	2,229,846	10,877	35,537	-24,661
Finance, insurance, real estate, and rental and leasing	14,853,623	3,417,981	786,638	2,631,343
Services	15,696,760	1,661,512	318,514	1,342,998
NETHERLANDS [2]				
All industries	297,741,740	41,675,726	4,694,757	36,980,968
Raw materials and energy production	2,509,439	805,812	199,492	606,320
Goods production	159,681,490	23,763,265	2,336,939	21,426,327
Distribution and transportation of goods	56,395,909	3,895,513	545,086	3,350,426
Information	10,784,562	768,979	186,539	582,440
Finance, insurance, real estate, and rental and leasing	7,746,104	2,302,802	342,038	1,960,764
Services	60,589,199	10,141,579	1,084,437	9,057,141

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Sector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation and industrial sector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued			
	Total receipts	Current earnings and profits (less deficit) before income taxes	Income taxes	Current earnings and profits (less deficit) after income taxes
	(5)	(6)	(7)	(8)
NEW ZEALAND [2]				
All industries	14,586,170	1,603,082	302,271	1,300,811
Raw materials and energy production	2,297,661	439,857	* 49,057	390,800
Goods production	5,508,565	462,570	75,968	386,602
Distribution and transportation of goods	3,955,149	213,290	84,102	129,187
Information	d	d	d	d
Finance, insurance, real estate, and rental and leasing	744,269	359,314	54,943	304,371
Services	1,856,704	95,296	27,586	67,710
NORWAY [2]				
All industries	12,846,046	3,043,562	2,097,751	945,811
Raw materials and energy production	4,189,293	2,763,756	1,968,420	795,336
Goods production	2,827,636	179,464	37,239	142,225
Distribution and transportation of goods	3,425,723	69,853	40,908	28,945
Information	82,941	-9,725	* 63	-9,788
Finance, insurance, real estate, and rental and leasing	146,892	-22,002	* 1,489	-23,490
Services	2,161,593	61,909	49,599	12,310
PHILIPPINES [2]				
All industries	11,256,018	1,371,488	211,354	1,160,135
Raw materials and energy production	1,159,155	381,668	61,534	320,133
Goods production	6,967,193	314,439	81,476	232,963
Distribution and transportation of goods	1,105,798	60,382	27,295	33,088
Information	81,480	23,588	* 539	23,048
Finance, insurance, real estate, and rental and leasing	978,974	397,379	27,442	369,937
Services	960,352	193,800	13,067	180,733
POLAND				
All industries	18,551,896	1,558,708	330,082	1,228,626
Raw materials and energy production	144,608	12,330	* 475	11,855
Goods production	11,612,626	916,266	175,534	740,732
Distribution and transportation of goods	3,377,392	170,026	43,079	126,947
Information	336,010	30,261	6,770	23,490
Finance, insurance, real estate, and rental and leasing	2,179,029	341,321	76,388	264,932
Services	902,230	88,505	27,836	60,669
PORTUGAL (including Azores) [2]				
All industries	14,110,759	1,774,372	334,186	1,440,185
Raw materials and energy production	d	d	d	d
Goods production	6,532,074	386,105	94,664	291,442
Distribution and transportation of goods	2,767,421	265,499	42,229	223,270
Information	325,352	36,446	10,534	25,912
Finance, insurance, real estate, and rental and leasing	437,650	44,055	15,183	28,872
Services	4,015,492	1,042,485	171,314	871,171
PUERTO RICO [2]				
All industries	17,189,828	2,864,682	264,770	2,599,912
Raw materials and energy production	d	d	d	d
Goods production	5,143,374	1,689,866	60,038	1,629,828
Distribution and transportation of goods	6,951,693	652,485	92,249	560,236
Information	d	d	d	d
Finance, insurance, real estate, and rental and leasing	1,514,051	299,310	64,496	234,815
Services	1,349,183	163,640	21,329	142,311
RUSSIA [2]				
All industries	8,147,430	1,036,076	237,618	798,458
Raw materials and energy production	d	d	d	d
Goods production	2,103,499	220,059	56,557	163,503
Distribution and transportation of goods	3,671,362	390,844	79,707	311,136
Information	972,915	255,258	60,427	194,831
Finance, insurance, real estate, and rental and leasing	166,477	22,231	2,157	20,074
Services	1,041,481	135,315	38,757	96,558

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Sector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation and industrial sector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued			
	Total receipts	Current earnings and profits (less deficit) before income taxes	Income taxes	Current earnings and profits (less deficit) after income taxes
	(5)	(6)	(7)	(8)
SINGAPORE [2]				
All industries	90,352,458	5,275,084	572,648	4,702,436
Raw materials and energy production	257,666	12,254	11,094	1,160
Goods production	21,690,723	1,902,035	177,801	1,724,234
Distribution and transportation of goods	49,003,605	1,083,752	147,502	936,250
Information	739,276	74,495	13,592	60,904
Finance, insurance, real estate, and rental and leasing	9,037,310	798,544	115,999	682,545
Services	9,578,735	1,404,652	106,042	1,298,611
SOUTH AFRICA [2]				
All industries	17,521,365	1,757,602	529,330	1,228,272
Raw materials and energy production	* 156,813	* 40,527	* 294	* 40,234
Goods production	12,171,403	945,815	333,879	611,937
Distribution and transportation of goods	2,557,050	288,998	79,105	209,892
Information	244,592	62,540	17,582	44,958
Finance, insurance, real estate, and rental and leasing	683,180	176,384	45,645	130,739
Services	1,677,262	254,466	52,826	201,640
SOUTH KOREA [2]				
All industries	44,396,044	4,413,650	1,111,827	3,301,823
Raw materials and energy production	* 945,951	* 84,558	* 13,044	* 71,514
Goods production	26,055,844	2,657,569	649,497	2,008,072
Distribution and transportation of goods	8,742,728	659,054	198,980	460,073
Information	1,436,139	165,965	88,528	77,437
Finance, insurance, real estate, and rental and leasing	3,402,486	586,068	94,669	491,399
Services	3,739,723	259,666	66,676	192,990
SPAIN (including Canary Islands) [2]				
All industries	124,745,092	8,440,005	3,328,322	5,111,683
Raw materials and energy production	436,073	62,389	11,142	51,247
Goods production	41,804,241	2,778,792	684,988	2,093,804
Distribution and transportation of goods	48,290,306	3,024,043	1,651,826	1,372,217
Information	1,700,006	161,102	54,933	106,169
Finance, insurance, real estate, and rental and leasing	3,219,649	406,357	102,419	303,938
Services	29,222,348	2,028,565	822,826	1,205,739
SWEDEN [2]				
All industries	43,963,634	1,973,261	265,576	1,707,685
Raw materials and energy production	* 21,892	* -119	* 249	* -368
Goods production	26,222,717	1,056,990	81,643	975,347
Distribution and transportation of goods	7,843,909	148,533	52,012	96,521
Information	1,405,344	23,737	4,456	19,281
Finance, insurance, real estate, and rental and leasing	1,792,725	737,933	56,489	681,443
Services	6,657,003	7,409	71,349	-63,940
SWITZERLAND [2]				
All industries	158,484,729	17,424,541	1,428,253	15,996,289
Raw materials and energy production	* 614,039	* 126,879	* 6,126	* 120,753
Goods production	49,470,498	5,086,714	583,233	4,503,480
Distribution and transportation of goods	58,333,136	5,036,028	393,739	4,642,289
Information	2,448,364	430,088	23,414	406,674
Finance, insurance, real estate, and rental and leasing	5,398,641	427,408	90,290	337,118
Services	42,210,707	6,319,408	331,395	5,988,013
TAIWAN [2]				
All industries	27,409,364	2,817,860	467,808	2,350,052
Raw materials and energy production	d	d	d	d
Goods production	12,043,591	1,379,606	232,471	1,147,135
Distribution and transportation of goods	4,621,953	336,993	95,383	241,610
Information	74,056	5,725	* 2,613	3,111
Finance, insurance, real estate, and rental and leasing	7,715,288	934,869	78,268	856,601
Services	2,932,458	163,263	59,156	104,107

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Sector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation and industrial sector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued			
	Total receipts	Current earnings and profits (less deficit) before income taxes	Income taxes	Current earnings and profits (less deficit) after income taxes
	(5)	(6)	(7)	(8)
THAILAND [2]				
All industries	22,942,053	1,838,068	281,564	1,556,504
Raw materials and energy production	289,786	142,311	* 57,395	84,917
Goods production	15,943,259	1,120,097	73,205	1,046,891
Distribution and transportation of goods	4,645,154	287,712	67,899	219,813
Information	48,152	4,507	* 901	3,605
Finance, insurance, real estate, and rental and leasing	907,432	140,665	51,730	88,935
Services	1,099,095	140,933	30,239	110,695
UNITED KINGDOM AND NORTHERN IRELAND (including Gibraltar) [2]				
All industries	528,753,781	37,552,518	7,226,661	30,325,858
Raw materials and energy production	11,482,098	2,832,520	608,526	2,223,994
Goods production	182,247,765	3,331,137	1,260,961	2,070,177
Distribution and transportation of goods	111,747,683	4,849,800	902,831	3,946,969
Information	23,814,225	470,628	356,978	113,650
Finance, insurance, real estate, and rental and leasing	107,183,549	15,735,025	2,300,960	13,434,065
Services	92,164,224	10,344,521	1,797,216	8,547,305
VENEZUELA [2]				
All industries	11,896,056	2,686,301	449,110	2,237,191
Raw materials and energy production	1,924,418	293,855	54,494	239,361
Goods production	5,230,882	1,318,479	223,005	1,095,474
Distribution and transportation of goods	2,048,814	259,968	50,664	209,304
Information	d	d	d	d
Finance, insurance, real estate, and rental and leasing	571,387	85,790	14,464	71,325
Services	1,025,631	523,734	26,207	497,528
EUROPEAN UNION, TOTAL [2]				
All industries	1,868,183,270	156,345,334	28,486,545	127,858,788
Raw materials and energy production	18,190,237	3,874,462	902,786	2,971,677
Goods production	801,161,293	53,035,213	9,343,918	43,691,294
Distribution and transportation of goods	474,360,272	25,556,909	5,552,716	20,004,193
Information	59,565,588	4,854,971	1,053,920	3,801,051
Finance, insurance, real estate, and rental and leasing	166,872,489	26,470,153	4,488,177	21,981,976
Services	347,335,473	42,575,596	7,135,294	35,440,302
OPEC COUNTRIES, TOTAL [2]				
All industries	23,172,918	4,738,595	1,007,070	3,731,524
Raw materials and energy production	6,023,481	1,666,654	426,207	1,240,446
Goods production	8,009,579	1,486,613	288,975	1,197,638
Distribution and transportation of goods	4,317,988	465,824	75,402	390,422
Information	1,194,190	182,537	81,212	101,324
Finance, insurance, real estate, and rental and leasing	1,450,675	313,701	77,694	236,007
Services	2,157,062	628,016	57,369	570,646

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Sector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation and industrial sector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued				
	Foreign corporations with (+) current earnings and profits before income taxes		Distributions out of earnings and profits	Dividends paid to controlling U.S. corporation	Total Subpart F income
	Current earnings and profits before income taxes	Income taxes			
	(9)	(10)	(11)	(12)	(13)
ALL GEOGRAPHIC REGIONS [2]					
All industries	432,572,981	67,997,857	135,230,421	46,638,623	47,794,506
Raw materials and energy production	38,092,670	9,955,655	15,990,632	8,410,113	932,091
Goods production	145,962,799	22,179,827	43,338,323	17,604,019	11,898,152
Distribution and transportation of goods	58,826,488	11,454,019	15,607,374	4,030,637	8,705,972
Information	12,847,072	2,133,474	7,182,894	4,305,580	678,604
Finance, insurance, real estate, and rental and leasing	71,341,733	10,020,332	21,287,176	3,317,628	13,505,475
Services	105,385,304	12,234,108	31,805,437	8,970,235	12,067,414
ARGENTINA [2]					
All industries	1,708,272	299,579	368,731	116,165	51,184
Raw materials and energy production	230,162	53,445	43,519	* 16,572	* 4,464
Goods production	676,789	140,162	133,462	52,226	8,263
Distribution and transportation of goods	408,191	52,983	* 115,967	* 10,129	10,534
Information	d	d	d	d	d
Finance, insurance, real estate, and rental and leasing	136,049	33,499	32,744	* 10,700	20,600
Services	145,371	15,752	43,040	* 25,496	* 5,603
AUSTRALIA [2]					
All industries	15,310,790	2,438,028	3,837,066	1,195,208	531,878
Raw materials and energy production	1,083,882	148,747	* 394,682	* 209,946	* 1,755
Goods production	3,962,931	974,879	1,080,524	270,632	115,393
Distribution and transportation of goods	1,170,704	244,072	114,066	80,773	37,796
Information	590,405	202,906	326,416	* 102,334	15,857
Finance, insurance, real estate, and rental and leasing	3,150,425	464,777	865,052	211,827	237,148
Services	5,349,847	402,327	1,056,327	319,696	123,903
AUSTRIA [2]					
All industries	1,562,637	384,204	218,115	110,204	67,855
Raw materials and energy production	* 5,486	* 1,963	* 4,756	* 4,721	* 124
Goods production	570,363	144,595	93,441	* 36,382	29,252
Distribution and transportation of goods	309,491	93,088	30,639	* 4,307	9,513
Information	14,244	2,799	* 47,587	* 47,599	* 2,104
Finance, insurance, real estate, and rental and leasing	56,490	13,851	* 12,546	0	* 105
Services	606,406	127,856	29,145	* 17,194	26,756
BAHAMAS					
All industries	4,052,899	841,934	490,230	198,316	640,597
Raw materials and energy production	1,976,822	467,206	* 123,948	* 99,533	* 197,128
Goods production	d	d	d	d	d
Distribution and transportation of goods	206,609	* 39,371	* 43,078	* 11,135	86,956
Information	d	d	d	d	d
Finance, insurance, real estate, and rental and leasing	449,300	* 4,376	* 231,737	* 75,759	205,636
Services	1,104,107	321,840	55,828	* 9,972	88,211
BELGIUM [2]					
All industries	3,560,441	731,072	1,044,742	461,198	356,701
Raw materials and energy production	* 4,333	* 802	* 3,966	* 3,931	0
Goods production	1,340,226	268,504	693,787	304,529	160,481
Distribution and transportation of goods	425,931	114,589	59,060	* 5,229	24,322
Information	283,860	11,799	* 6,841	* 5,202	* 4,267
Finance, insurance, real estate, and rental and leasing	853,694	207,669	99,892	* 5,663	113,181
Services	651,382	127,194	181,197	136,644	54,450
BERMUDA [2]					
All industries	30,886,332	3,176,103	8,504,065	2,037,671	5,961,550
Raw materials and energy production	4,463,458	1,530,950	1,554,290	1,313,734	49,423
Goods production	12,079,221	459,315	1,234,691	* 340,082	1,145,502
Distribution and transportation of goods	1,385,657	200,260	376,513	* 137,054	256,598
Information	* 1,038	0	0	0	* 112
Finance, insurance, real estate, and rental and leasing	4,186,392	238,028	4,010,540	12,437	3,156,161
Services	8,770,566	747,549	1,328,032	234,364	1,353,754

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Sector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation and industrial sector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued				
	Foreign corporations with (+) current earnings and profits before income taxes		Distributions out of earnings and profits	Dividends paid to controlling U.S. corporation	Total Subpart F income
	Current earnings and profits before income taxes	Income taxes			
	(9)	(10)	(11)	(12)	(13)
BRAZIL [2]					
All industries	6,358,952	1,328,099	1,954,797	865,814	218,413
Raw materials and energy production	1,345,275	198,187	620,338	* 68,777	30,172
Goods production	3,232,469	709,479	788,664	471,197	88,913
Distribution and transportation of goods	668,694	129,386	136,749	100,614	35,556
Information	172,789	35,422	* 22,658	* 7,210	* 2,377
Finance, insurance, real estate, and rental and leasing	578,582	177,102	334,094	201,340	34,805
Services	352,225	77,911	52,295	16,675	26,590
CANADA [2]					
All industries	46,224,825	8,995,772	23,233,939	13,459,200	4,066,343
Raw materials and energy production	10,654,401	1,988,558	7,501,191	4,066,525	71,944
Goods production	14,996,967	3,043,630	8,880,302	6,426,140	1,960,987
Distribution and transportation of goods	5,184,457	1,539,915	1,313,221	475,082	551,075
Information	606,153	193,796	119,908	71,936	38,053
Finance, insurance, real estate, and rental and leasing	6,779,359	1,323,940	1,628,349	483,808	400,847
Services	7,994,903	903,564	3,790,901	1,935,643	1,042,879
CAYMAN ISLANDS [2]					
All industries	14,345,118	2,421,210	4,195,904	1,575,608	2,077,842
Raw materials and energy production	3,661,131	1,406,570	* 331,787	* 326,817	65,624
Goods production	2,846,150	183,854	1,100,078	986,118	141,697
Distribution and transportation of goods	389,349	16,945	* 7,804	* 166	64,030
Information	* 8,949	* 1,663	0	0	* 1
Finance, insurance, real estate, and rental and leasing	3,195,156	427,349	983,196	34,511	1,434,708
Services	4,241,820	384,828	1,773,040	227,996	371,451
CHILE [2]					
All industries	1,536,758	127,335	325,424	187,270	67,150
Raw materials and energy production	729,172	65,098	126,495	* 43,126	* 3,899
Goods production	309,645	20,317	72,011	* 65,082	* 15,233
Distribution and transportation of goods	144,806	16,906	* 18,592	* 10,373	* 7,406
Information	d	d	d	d	d
Finance, insurance, real estate, and rental and leasing	139,873	13,488	* 33,910	* 20,963	22,202
Services	180,612	8,089	57,445	31,477	18,410
CHINA [2]					
All industries	5,235,719	525,269	1,306,714	578,033	136,223
Raw materials and energy production	5,129	* 915	* 3,767	* 356	0
Goods production	3,855,598	350,059	1,071,867	447,443	111,690
Distribution and transportation of goods	750,982	81,578	90,900	52,027	14,757
Information	18,014	652	0	0	* 206
Finance, insurance, real estate, and rental and leasing	36,037	* 2,774	* 10,278	* 9,854	* 343
Services	563,802	89,149	129,903	68,353	9,227
COLOMBIA [2]					
All industries	607,796	164,746	103,527	66,773	15,397
Raw materials and energy production	d	d	d	d	d
Goods production	248,349	75,126	49,240	35,876	* 2,790
Distribution and transportation of goods	147,924	39,095	27,475	24,167	* 4,503
Information	3,057	* 2,534	* 735	0	* 178
Finance, insurance, real estate, and rental and leasing	162,976	39,775	* 20,540	* 5,820	* 7,206
Services	40,344	7,372	5,176	* 720	* 719
CZECH REPUBLIC [2]					
All industries	1,035,511	241,166	321,261	91,692	152,375
Raw materials and energy production	d	d	d	d	d
Goods production	630,560	146,608	197,998	* 9,353	92,717
Distribution and transportation of goods	115,034	32,280	35,466	* 9,433	* 3,647
Information	36,559	4,380	* 12,661	* 162	* 36,973
Finance, insurance, real estate, and rental and leasing	163,275	37,683	* 65,291	* 69,751	* 322
Services	68,967	17,603	9,845	* 2,992	* 18,715

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Sector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation and industrial sector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued				
	Foreign corporations with (+) current earnings and profits before income taxes		Distributions out of earnings and profits	Dividends paid to controlling U.S. corporation	Total Subpart F income
	Current earnings and profits before income taxes	Income taxes			
	(9)	(10)	(11)	(12)	(13)
DENMARK [2]					
All industries	1,409,595	250,066	237,346	70,676	398,306
Raw materials and energy production	* 13,384	* 4,419	* 26,117	* 10,177	0
Goods production	376,848	59,955	98,367	* 36,919	42,698
Distribution and transportation of goods	180,670	45,300	29,111	* 13,438	10,916
Information	8,972	* 2,315	0	0	* 185
Finance, insurance, real estate, and rental and leasing	182,543	27,104	* 36,919	* 2,954	* 67,200
Services	640,068	108,915	46,831	* 7,188	277,306
FRANCE (incl. Corsica, Guadeloupe, Martinique, and Reunion) [2]					
All industries	14,059,756	2,463,041	4,348,845	1,139,646	842,512
Raw materials and energy production	27,011	15,894	* 2,694	* 2,628	* 1,476
Goods production	4,397,595	813,171	2,014,904	463,557	203,361
Distribution and transportation of goods	3,408,044	745,498	828,650	193,538	87,630
Information	1,158,551	44,412	35,841	* 1,437	16,963
Finance, insurance, real estate, and rental and leasing	1,831,718	337,948	270,876	* 27,196	367,959
Services	3,225,271	502,065	1,195,696	451,290	164,938
GERMANY [2]					
All industries	13,925,568	2,689,185	3,832,979	886,322	1,016,965
Raw materials and energy production	44,138	* 5,397	* 10,774	* 112	* 17,491
Goods production	5,597,394	1,120,646	1,696,336	166,543	526,336
Distribution and transportation of goods	2,093,137	467,572	624,275	282,202	84,554
Information	309,556	57,770	168,339	* 119,110	22,754
Finance, insurance, real estate, and rental and leasing	1,777,360	258,549	566,902	* 196,626	96,355
Services	4,094,203	776,915	766,353	121,730	269,475
HONG KONG [2]					
All industries	6,738,648	989,822	2,693,780	628,374	1,203,973
Raw materials and energy production	* 600,256	* 97,905	* 477,982	0	* 503
Goods production	691,334	71,097	275,619	72,187	121,786
Distribution and transportation of goods	1,877,238	255,716	746,596	118,925	645,679
Information	24,918	3,148	* 35,888	* 33,865	* 426
Finance, insurance, real estate, and rental and leasing	1,723,682	391,774	213,487	37,876	144,135
Services	1,818,647	169,684	944,208	365,521	290,027
HUNGARY [2]					
All industries	1,569,803	135,636	628,438	28,896	333,100
Raw materials and energy production	* 11,554	* 1,073	* 890	* 576	* 1,746
Goods production	1,062,084	48,201	542,478	* 2,383	282,170
Distribution and transportation of goods	95,177	32,101	24,502	* 22,426	* 539
Information	84,789	3,780	* 10,502	* 824	* 22,670
Finance, insurance, real estate, and rental and leasing	223,442	37,788	* 14,772	* 2,445	* 9,122
Services	92,757	12,694	* 35,294	* 243	* 16,853
INDIA [2]					
All industries	2,134,493	415,843	302,603	129,969	41,287
Raw materials and energy production	30,423	* 7,446	* 3,693	0	* 156
Goods production	844,404	225,324	150,287	88,866	11,342
Distribution and transportation of goods	189,799	60,012	41,189	* 2,989	1,195
Information	113,408	23,586	* 3,987	* 3,863	* 158
Finance, insurance, real estate, and rental and leasing	359,516	28,096	* 3,245	* 955	* 953
Services	596,539	71,256	100,201	33,296	27,482
IRELAND [2]					
All industries	24,780,059	1,600,975	8,775,730	5,123,253	3,464,728
Raw materials and energy production	* 6,106	* 35	0	0	0
Goods production	7,580,654	474,698	3,476,349	1,734,976	326,660
Distribution and transportation of goods	1,915,358	89,882	147,128	* 32,514	297,634
Information	2,596,558	175,379	* 3,463,312	* 3,165,365	* 146,044
Finance, insurance, real estate, and rental and leasing	3,798,851	239,450	711,898	* 145,841	1,636,810
Services	8,874,697	621,275	977,043	* 44,558	1,057,533

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Sector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation and industrial sector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued				
	Foreign corporations with (+) current earnings and profits before income taxes		Distributions out of earnings and profits	Dividends paid to controlling U.S. corporation	Total Subpart F income
	Current earnings and profits before income taxes	Income taxes			
	(9)	(10)	(11)	(12)	(13)
ISRAEL [2]					
All industries	1,218,951	165,824	105,940	41,432	106,279
Raw materials and energy production	d	d	d	d	d
Goods production	799,459	114,046	74,012	* 26,572	52,831
Distribution and transportation of goods	48,757	11,279	* 21,009	* 11,031	* 2,275
Information	18,387	3,332	0	0	* 983
Finance, insurance, real estate, and rental and leasing	23,261	2,720	* 819	0	* 882
Services	327,302	34,957	* 10,099	* 3,829	* 49,309
ITALY [2]					
All industries	5,877,222	1,871,272	1,632,413	412,393	612,490
Raw materials and energy production	36,469	13,956	* 19,780	* 17,210	* 2,846
Goods production	3,265,399	998,085	974,399	169,896	435,645
Distribution and transportation of goods	1,096,106	395,887	406,141	148,690	55,901
Information	134,398	27,172	* 20,912	* 16,929	* 626
Finance, insurance, real estate, and rental and leasing	589,444	214,911	66,055	* 22,962	66,958
Services	753,920	220,722	145,125	36,706	49,330
JAPAN (including Okinawa and Ryukyu Islands) [2]					
All industries	17,628,786	4,877,307	5,034,687	1,288,008	2,186,605
Raw materials and energy production	* 18,080	* 7,412	* 8,362	* 83	0
Goods production	6,014,856	1,947,929	1,322,096	338,920	1,057,638
Distribution and transportation of goods	2,434,568	1,022,673	904,306	435,382	329,064
Information	613,238	217,413	231,267	* 150,574	* 11,176
Finance, insurance, real estate, and rental and leasing	5,747,009	847,428	1,775,539	138,801	376,423
Services	2,800,524	834,451	792,445	223,905	412,304
LUXEMBOURG [2]					
All industries	11,302,154	979,228	3,516,688	791,018	3,138,324
Raw materials and energy production	d	d	d	d	d
Goods production	1,719,693	386,916	498,297	* 58,469	415,893
Distribution and transportation of goods	4,741,633	44,044	* 1,775,830	* 140,609	* 2,056,829
Information	* 2,840	* 157	0	0	* 204
Finance, insurance, real estate, and rental and leasing	622,219	90,584	69,503	* 28,967	100,240
Services	4,139,014	430,775	1,157,058	546,972	565,158
MALAYSIA [2]					
All industries	1,843,494	250,101	539,639	299,381	120,450
Raw materials and energy production	17,679	* 1,405	* 6,973	* 1,248	* 2,514
Goods production	1,127,269	115,909	265,189	142,335	66,974
Distribution and transportation of goods	235,750	57,385	105,708	* 13,055	1,965
Information	8,878	* 1,809	* 6,512	* 6,017	* 260
Finance, insurance, real estate, and rental and leasing	195,360	51,471	* 24,486	* 20,012	* 7,550
Services	257,065	21,805	130,770	116,714	41,187
MEXICO [2]					
All industries	14,381,348	3,209,063	2,781,934	755,905	375,839
Raw materials and energy production	860,293	61,888	* 35,517	* 9,853	* 10,245
Goods production	5,239,858	1,463,298	1,002,121	424,189	151,355
Distribution and transportation of goods	2,257,139	564,199	636,011	71,832	53,980
Information	159,508	37,315	* 11,103	* 3,464	* 5,126
Finance, insurance, real estate, and rental and leasing	3,727,313	781,023	198,080	* 21,273	52,674
Services	2,134,347	299,999	899,101	225,295	102,458
NETHERLANDS [2]					
All industries	46,513,837	4,614,303	10,958,126	2,525,737	5,924,095
Raw materials and energy production	896,031	198,978	* 50,116	0	17,628
Goods production	24,685,386	2,313,987	4,156,138	858,852	1,240,013
Distribution and transportation of goods	4,202,470	544,360	334,733	67,254	300,023
Information	1,155,582	186,494	* 1,518,814	* 102,302	81,872
Finance, insurance, real estate, and rental and leasing	3,866,142	313,579	885,190	* 62,123	2,446,275
Services	11,707,642	1,056,728	4,013,134	1,435,206	1,838,284

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Sector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation and industrial sector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued				
	Foreign corporations with (+) current earnings and profits before income taxes		Distributions out of earnings and profits	Dividends paid to controlling U.S. corporation	Total Subpart F income
	Current earnings and profits before income taxes	Income taxes			
	(9)	(10)	(11)	(12)	(13)
NEW ZEALAND [2]					
All industries	1,761,544	297,127	731,353	151,278	181,471
Raw materials and energy production	446,090	* 49,055	* 156,032	0	* 75,253
Goods production	507,793	72,782	255,965	* 30,948	* 4,051
Distribution and transportation of goods	237,815	85,057	109,035	86,565	5,751
Information	d	d	d	d	d
Finance, insurance, real estate, and rental and leasing	376,337	54,430	176,253	* 19,134	72,707
Services	158,244	25,157	30,094	* 11,216	19,530
NORWAY [2]					
All industries	3,339,339	2,090,470	681,304	546,936	32,603
Raw materials and energy production	2,787,379	* 1,964,548	* 583,155	* 502,612	* 15,107
Goods production	246,610	35,834	* 6,295	* 1,926	* 4,533
Distribution and transportation of goods	173,172	40,035	68,791	34,787	2,382
Information	* 2,305	* 176	* 3,866	* 3,866	* 154
Finance, insurance, real estate, and rental and leasing	11,820	* 1,481	* 260	0	* 5,845
Services	117,748	48,364	18,937	* 3,745	4,478
PHILIPPINES [2]					
All industries	1,582,462	205,872	811,651	203,068	60,788
Raw materials and energy production	411,117	59,699	453,365	* 361	* 2,175
Goods production	425,317	79,511	83,263	76,810	18,509
Distribution and transportation of goods	94,563	26,276	72,048	* 12,720	* 32
Information	* 26,745	* 533	* 452	* 450	* 6,380
Finance, insurance, real estate, and rental and leasing	416,530	26,966	111,511	* 62,059	* 27,668
Services	207,951	12,887	91,011	* 50,668	* 6,022
POLAND					
All industries	1,843,817	302,263	795,802	394,049	88,418
Raw materials and energy production	13,472	* 475	* 29	0	* 102
Goods production	1,066,060	167,258	437,379	99,605	44,775
Distribution and transportation of goods	195,656	40,022	21,419	* 2,079	2,897
Information	52,720	6,767	* 60,460	* 27,547	* 26,195
Finance, insurance, real estate, and rental and leasing	401,089	60,221	* 250,903	* 243,606	* 12,246
Services	114,821	27,520	25,612	* 21,212	* 2,204
PORTUGAL (including Azores) [2]					
All industries	1,896,057	338,251	439,115	45,350	683,216
Raw materials and energy production	d	d	d	d	d
Goods production	429,894	96,006	214,302	* 5,192	51,985
Distribution and transportation of goods	281,297	42,563	65,686	* 2,559	* 125,930
Information	50,534	10,327	* 17,137	* 9,014	* 647
Finance, insurance, real estate, and rental and leasing	65,913	14,679	* 2,358	0	* 2,710
Services	1,067,555	174,413	126,846	* 28,584	501,944
PUERTO RICO [2]					
All industries	2,996,452	264,567	592,756	266,746	159,212
Raw materials and energy production	d	d	d	d	d
Goods production	1,713,343	60,017	* 49,301	* 28,330	* 30,589
Distribution and transportation of goods	665,486	92,964	* 145,197	* 118,972	* 10,543
Information	d	d	d	d	d
Finance, insurance, real estate, and rental and leasing	317,123	63,184	192,357	* 68,580	10,727
Services	203,676	21,395	192,132	* 41,397	* 106,700
RUSSIA [2]					
All industries	1,139,674	235,689	284,510	52,223	* 10,554
Raw materials and energy production	d	d	d	d	d
Goods production	249,960	56,445	* 10,073	* 4,845	* 736
Distribution and transportation of goods	414,065	79,359	* 208,732	* 19,440	* 9,811
Information	273,577	61,512	17,375	* 10,417	0
Finance, insurance, real estate, and rental and leasing	23,502	2,157	0	0	* 7
Services	147,861	36,244	* 24,837	* 3,350	0

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Sector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation and industrial sector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued				
	Foreign corporations with (+) current earnings and profits before income taxes		Distributions out of earnings and profits	Dividends paid to controlling U.S. corporation	Total Subpart F income
	Current earnings and profits before income taxes	Income taxes			
	(9)	(10)	(11)	(12)	(13)
SINGAPORE [2]					
All industries	5,698,601	560,961	1,579,545	649,335	659,632
Raw materials and energy production	15,061	7,036	* 6,958	* 6,958	* 3,149
Goods production	2,038,159	175,973	893,128	486,513	244,562
Distribution and transportation of goods	1,165,392	148,177	131,076	28,816	288,834
Information	112,824	11,463	* 39,067	* 38,427	* 6,908
Finance, insurance, real estate, and rental and leasing	833,025	114,834	19,641	* 3,192	42,479
Services	1,533,293	103,360	489,674	85,428	72,970
SOUTH AFRICA [2]					
All industries	2,021,424	524,721	481,803	173,203	53,877
Raw materials and energy production	* 57,570	* 294	0	0	0
Goods production	1,123,299	333,443	194,260	121,627	21,695
Distribution and transportation of goods	316,154	78,908	78,376	* 36,035	11,826
Information	62,719	17,582	* 24,214	* 243	* 3,606
Finance, insurance, real estate, and rental and leasing	182,850	41,624	76,962	* 2,559	* 2,241
Services	278,344	52,870	107,991	12,739	14,509
SOUTH KOREA [2]					
All industries	4,945,594	1,077,170	1,123,974	529,885	271,969
Raw materials and energy production	* 84,558	* 13,044	* 46,765	0	* 184
Goods production	2,907,405	640,782	734,954	277,113	117,722
Distribution and transportation of goods	721,961	198,508	205,722	176,560	35,596
Information	172,770	88,507	* 49,370	* 49,140	* 3,983
Finance, insurance, real estate, and rental and leasing	744,531	73,596	* 6,845	* 6,631	98,128
Services	310,455	62,301	80,319	20,441	16,355
SPAIN (including Canary Islands) [2]					
All industries	9,548,466	3,303,285	2,857,068	1,026,537	790,161
Raw materials and energy production	65,680	11,083	* 88,550	* 6,802	* 115
Goods production	3,285,510	673,404	828,255	172,967	169,120
Distribution and transportation of goods	3,103,738	1,651,435	901,373	214,404	538,407
Information	196,367	54,395	113,690	* 95,638	* 2,080
Finance, insurance, real estate, and rental and leasing	506,182	99,308	106,549	* 13,774	12,663
Services	2,390,110	813,476	818,650	522,951	67,777
SWEDEN [2]					
All industries	3,191,588	254,249	451,665	133,088	190,846
Raw materials and energy production	* 683	* 249	0	0	* 95
Goods production	1,416,856	80,594	109,952	* 21,281	42,231
Distribution and transportation of goods	213,472	49,909	76,188	38,888	34,833
Information	59,574	4,659	* 17,421	* 16,101	* 11,359
Finance, insurance, real estate, and rental and leasing	744,400	56,300	107,630	* 26,498	35,109
Services	753,625	62,264	140,465	30,319	67,209
SWITZERLAND [2]					
All industries	18,342,079	1,407,976	6,558,563	384,310	3,187,457
Raw materials and energy production	* 131,606	* 6,173	* 100,701	0	* 85,768
Goods production	5,337,094	563,552	1,866,310	124,509	1,070,656
Distribution and transportation of goods	5,182,672	394,068	1,512,039	64,532	1,091,301
Information	542,566	25,566	51,011	* 32,443	* 8,906
Finance, insurance, real estate, and rental and leasing	615,015	90,060	248,246	* 135,073	127,927
Services	6,532,808	328,504	2,780,257	27,753	802,899
TAIWAN [2]					
All industries	2,955,503	458,330	733,081	309,421	48,151
Raw materials and energy production	d	d	d	d	d
Goods production	1,427,934	231,866	322,869	230,782	35,677
Distribution and transportation of goods	354,817	95,071	108,991	* 62,866	* 3,179
Information	* 9,827	* 2,596	* 3,739	* 3,715	0
Finance, insurance, real estate, and rental and leasing	949,066	74,766	* 210,456	* 674	* 6,355
Services	213,703	54,030	87,026	11,384	* 2,939

Footnotes at end of table.

Controlled Foreign Corporations, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and Industrial Sector of Controlled Foreign Corporation, Tax Year 2004—Continued

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

Selected country of incorporation and industrial sector of Controlled Foreign Corporation	Controlled Foreign Corporations—continued				
	Foreign corporations with (+) current earnings and profits before income taxes		Distributions out of earnings and profits	Dividends paid to controlling U.S. corporation	Total Subpart F income
	Current earnings and profits before income taxes	Income taxes			
	(9)	(10)	(11)	(12)	(13)
THAILAND [2]					
All industries	1,947,203	281,104	441,712	163,300	102,703
Raw materials and energy production	* 143,831	* 57,225	* 30,055	* 13,955	* 162
Goods production	1,154,679	74,038	276,943	57,125	* 97,149
Distribution and transportation of goods	321,445	67,530	78,646	50,857	3,766
Information	* 4,641	* 901	* 555	* 565	* 168
Finance, insurance, real estate, and rental and leasing	167,621	51,321	17,205	* 12,843	* 1,223
Services	153,126	29,893	38,308	27,956	* 235
UNITED KINGDOM AND NORTHERN IRELAND (including Gibraltar) [2]					
All industries	50,517,786	7,031,050	17,845,878	4,409,066	4,520,656
Raw materials and energy production	2,904,037	604,674	1,988,335	* 1,433,655	93,925
Goods production	7,277,964	1,217,781	2,832,461	815,106	783,144
Distribution and transportation of goods	5,474,769	912,964	1,621,836	449,371	465,876
Information	1,918,656	325,723	426,685	76,574	149,869
Finance, insurance, real estate, and rental and leasing	18,175,107	2,232,485	5,486,115	721,233	1,385,424
Services	14,751,338	1,734,910	5,472,791	913,126	1,641,273
VENEZUELA [2]					
All industries	2,825,365	444,830	1,467,625	532,856	59,790
Raw materials and energy production	376,205	52,958	* 169,954	0	* 25,216
Goods production	1,338,808	221,681	711,573	148,673	7,734
Distribution and transportation of goods	275,610	50,214	21,066	* 14,162	7,730
Information	d	d	d	d	d
Finance, insurance, real estate, and rental and leasing	88,265	14,305	* 28,447	* 26,498	* 377
Services	537,730	25,484	415,698	* 342,945	9,658
EUROPEAN UNION, TOTAL [2]					
All industries	194,478,228	27,613,398	58,594,038	17,795,692	22,789,759
Raw materials and energy production	4,175,545	889,170	2,278,115	1,497,786	167,865
Goods production	65,323,901	9,157,011	19,030,499	5,010,025	4,924,203
Distribution and transportation of goods	28,407,380	5,460,880	7,096,482	1,655,388	4,140,863
Information	8,118,165	930,387	5,979,778	3,725,136	544,852
Finance, insurance, real estate, and rental and leasing	33,975,854	4,278,236	8,773,986	1,572,072	6,359,074
Services	54,410,639	6,883,899	15,417,331	4,335,284	6,650,333
OPEC COUNTRIES, TOTAL [2]					
All industries	5,246,705	999,286	2,296,100	751,248	103,284
Raw materials and energy production	1,932,938	421,790	736,083	* 73,085	* 26,723
Goods production	1,604,129	288,142	842,137	230,886	15,061
Distribution and transportation of goods	508,974	75,020	52,122	27,704	29,602
Information	210,975	81,103	* 120,886	* 578	* 9,922
Finance, insurance, real estate, and rental and leasing	324,587	77,523	90,202	* 50,362	* 4,408
Services	663,739	55,517	454,670	368,633	16,706

d—Not shown to avoid disclosure of information on specific corporations. However, the data are included in the appropriate totals.

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

[1] Number of returns is not additive because some U.S. corporations had Controlled Foreign Corporations in more than one industrial sector. The industrial activity of the parent corporation filing the return often differs from that of the Controlled Foreign Corporations.

[2] Includes "Nature of business not allocable," not shown separately.

NOTE: Detail may not add to totals because of rounding and because data are shown for selected countries only.

Corporate Foreign Tax Credit, 2004

by Scott Luttrell

For 2004, corporations filing a U.S. tax return claimed foreign tax credits worth \$56.6 billion, which represents an all-time high and a 13.2-percent increase over the previous high amount. The 5,502 corporations claiming a foreign tax credit reduced their U.S. tax on worldwide income by 30.2 percent, from \$187.5 billion to \$130.9 billion. Other credits, including the general business credit and the possessions tax credit, further reduced their U.S. tax on worldwide income to \$118.9 billion. This group of corporations reported \$533.2 billion in worldwide taxable income. \$241.5 billion of worldwide taxable income (45.3 percent) and \$61.2 billion of the U.S. tax liability (32.6 percent) were reported as foreign-source on Form 1118, *Computation of Foreign Tax Credit—Corporations*.

Corporations whose primary business is manufacturing claimed 65.6 percent of the total foreign tax credit, while earning 44.6 percent of the worldwide taxable income and paying 44.5 percent of U.S. income tax before credits for Tax Year 2004. Within the manufacturing category, petroleum and coal products manufacturing and chemical manufacturing companies combined to account for 42.6 percent of the total foreign tax credit and nearly a quarter of the worldwide taxable income (24.8 percent) and U.S. income tax before credits (24.8 percent). Services (11.1 percent), finance and insurance (10.1 percent), wholesale and retail trade (5.3 percent), and information (4.9 percent) were next among leading contributors to the foreign tax credit. Meanwhile, finance and insurance (17.3 percent and 17.5 percent), services (15.9 percent and 15.9 percent), wholesale and retail trade (11.8 percent and 11.8 percent), and information (6.7 percent and 6.7 percent), were next in terms of worldwide taxable income and U.S. tax liability, respectively.

Among corporations claiming foreign tax credits, the geographic regions with largest amounts of foreign-source taxable income were Europe (41.0 percent), Asia (19.0 percent), and Latin America (8.3 percent). Canada (11.7 percent), the United Kingdom (10.2 percent), South Korea (5.5 percent), and the Netherlands (5.1 percent) were the leading sources

of foreign-source taxable income among individual countries. The largest amounts of current-year foreign taxes were paid to Canada (13.5 percent), the United Kingdom (11.8 percent), Norway (9.3 percent), and South Korea (7.1 percent).

Corporations report their foreign-source incomes and taxes in separate limitation categories or “baskets” depending on the nature of the income (see Explanation of Terms section for details). A separate limitation is computed for each basket, and the total foreign tax credit claimed is the sum of credits computed for each basket. In 2004, there were 10 different baskets. The General Limitation basket is by far the most frequently filed basket, and it contains the majority of all taxable income and income taxes reported on Form 1118. 58.3 percent of corporations claiming a foreign tax credit in 2004 filed a General Limitation basket, which accounted for 73.4 percent of total foreign-source taxable income and 80.9 percent of total foreign taxes.

Data Sources and Limitations

The statistics in this data release were compiled based on corporation income tax returns with a foreign tax credit that were included in the 2004 Statistics of Income sample of returns with accounting periods ending between July 2004 and June 2005.

These returns were selected after administrative processing but prior to any amendments or audit examination. The 2004 corporation income tax return sample included Forms 1120, 1120-F, 1120-L, 1120-PC, and 1120-REIT.

The foreign tax credit is provided under section 901 of the Internal Revenue Code. Corporations report the foreign income and taxes related to the credit on Form 1118, filed with their income tax returns. The statistics in this data release are based on information reported on Forms 1118 and related corporate returns. In addition to current-year foreign taxes, foreign taxes available for credit shown in this data release include only those carried forward to 2004 from previous years. Corporations with an “alternative minimum tax” (AMT) liability are required to compute a separate “alternative minimum tax foreign tax credit.” The AMT foreign tax credit data are not reflected in the statistics in this data release, even if the corporation reported both the “regular” foreign tax credit and the AMT foreign tax credit. Corporations reporting only the AMT computation had no

Scott Luttrell is an economist with the Special Studies Returns Analysis Section. This data release was prepared under the direction of Chris Carson, Chief.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

regular tax and therefore were not included in the foreign tax credit statistics.

There are small discrepancies between the more complete foreign tax credit data presented in this data release and those published in *Statistics of Income—2004, Corporation Income Tax Returns*. These differences can be attributed to several factors. For instance, some of the returns designated for the Statistics of Income sample were received too late to be included in the regular corporation statistics, but were included in the foreign tax credit statistics presented in this data release. Additionally, certain corporations submitted preliminary data on their original returns because they lacked complete information on their foreign operations at the time of filing. On a case-by-case basis, additional information was requested directly from the taxpayer. However, amended returns filed at a later date, including those with carrybacks of foreign taxes to be credited for 2004, were not included in the statistics.

The 2004 foreign tax credit statistics in this data release do not represent the final amounts credited that year. A complete foreign tax credit amount for 2004 would reflect the results of any audits, as well as the carryback of any foreign tax credits from 2005 and 2006. Also, some corporations did not file Form 1118 because they did not have a U.S. income tax liability, and were thus unable to credit any foreign taxes paid, accrued, or deemed paid for 2004. Finally, other corporations could have deducted their foreign taxes from their gross incomes instead of claiming a foreign tax credit. Accordingly, foreign income and taxes are understated in this data release to the extent that they were not reported on Form 1118.

Because the estimates are based on a sample, they are subject to sampling error. Coefficients of Variation (CVs) are used to measure the magnitude of this sampling error. The CV concept is defined in the section on sampling variability in the “SOI Sampling Methodology and Data Limitations” appendix of this publication. Figure A presents CVs for foreign tax credits by selected North American Industry Classification System (NAICS) divisions, industrial sectors, and sectors. The smaller the CV, the more reliable the estimate is judged to be.

Figure A

Coefficients of Variation for Foreign Tax Credit, by Selected Sector or Group, Tax Year 2004

Selected sector or group	Coefficients of variation for foreign tax credit (percentages)
All industries	0.03
Agriculture, forestry, fishing, and hunting	2.70
Mining	0.51
Utilities	0.25
Construction	1.65
Manufacturing	0.01
Food manufacturing	0.03
Beverage and tobacco products	[1]
Petroleum and coal products manufacturing	[1]
Chemical manufacturing	0.03
Pharmaceutical and medicine manufacturing	0.02
Fabricated metal products	0.14
Machinery manufacturing	0.13
Computer and electronic product manufacturing	0.04
Electrical equipment, appliance and component manufacturing	0.02
Transportation equipment manufacturing	0.05
Wholesale and retail trade	0.07
Transportation and warehousing	0.08
Information	0.29
Publishing (except Internet), motion picture and sound recording	0.24
Finance, insurance, real estate, rental and leasing	0.08
Finance and Insurance	0.08
Securities, commodity contracts, etc.	0.27
Insurance and related activities	[1]
Services	0.14
Management of holding companies	0.15

[1] less than 0.005 percent

The industry classification used in this data release is based on NAICS, created under the auspices of the governments of the United States, Mexico, and Canada in response to the North American Free Trade Agreement (NAFTA). NAICS is unique among industry classifications in that the economic units that have similar production processes are classified in the same industry. In 1997, NAICS replaced the Standard Industrial Classification (SIC) of the United States. Prior to 1996, the SIC system was the basis for industrial groupings in data releases by Statistics of Income on the foreign tax credit.

Description of Tables 1-3

Table 1, columns 2 through 15, present statistics on assets, receipts, income, and taxes reported on the basic corporation income tax returns for those corporations claiming a foreign tax credit. Columns 16 through 51 present statistics from Form 1118, *Foreign Tax Credit—Corporations*. Columns 16 through 35 present statistics on foreign income (i.e., income from sources outside the United States, including U.S. Possessions) 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 35, respectively) are included in the summary columns (i.e., columns 16 through 22 and 26 through 34), these amounts are also reported separately (on Form 1118, Schedule I, *Reduction of Oil and Gas Extraction Taxes*) because oil and gas extraction income is subject to special rules under Internal Revenue Code section 907, which effectively requires a separate limitation calculation for taxes related to oil and gas extraction income. This may result in a reduction of foreign taxes available for credit. Reductions in creditable oil and gas extraction income taxes are included with several other types of reductions in column 40 of Table 1.

Similarly, foreign branch income is also included in the summary amounts reported in columns 16 through 22 of Table 1, and is also reported separately (on Form 1118, Schedule F, *Gross Income and Definitely Allocable Deductions for Foreign Branches*) in column 24 of Table 1. For Tax Year 2004, Code section 863(b) income (income partly from within and partly from outside the United States) is included in the summary amounts reported in columns 16 through 22 of Table 1, and is aggregated on Form 1118, Schedule A, *Income or (Loss) Before Adjustments*, using a special country code.

Total deductions not definitely allocable to specific types of income (column 31 of Table 1) are equal to the sum of columns 32 through 34, relating to research and development, interest, and any other “not definitely allocable expenses” (any differences are due to taxpayer reporting). Total foreign-source gross income (Table 1, column 16) less total foreign deductions (Table 1, column 25) is equal to foreign-source taxable income before adjustments (Table 1, column 36).

Adjustments to foreign-source taxable income (reported in column 37 of Table 1) include the allocation of: (1) current-year foreign-source losses, (2) overall foreign losses, and (3) current-year U.S.-source losses, as well as the recapture of prior-year overall foreign losses and recharacterization of prior-year foreign-source losses. 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 numerator of the limitation fraction) is reported in column 38 of Table 1. The limitation fraction, foreign-source taxable income divided by 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. Taxpayers are required to calculate this limitation for each income basket.

Statistics on foreign taxes are reported in columns 39 through 51 of Table 1. Data on foreign income taxes paid, accrued, and “deemed paid” (through Controlled Foreign Corporations) from Form 1118, Schedule B, *Foreign Tax Credit—Corporations*, are reported in columns 42 through 51 of Table 1. Total foreign taxes paid or accrued (Table 1, column 43) are the sum of columns 44 through 50 (any differences are due to taxpayer reporting). Table 1, column 41 shows carryovers of excess or unused taxes from prior years, which can be added to the 2004 pool of creditable foreign taxes. Total foreign taxes paid, accrued, and “deemed paid,” plus carryover, are then adjusted for certain items (e.g., reductions of foreign taxes related to oil and gas extraction income under Internal Revenue Code section 907 and reductions of foreign taxes related to income earned in sanctioned countries under Internal Revenue Code section 901(j), as well as other reductions of creditable taxes) in column 40. Thus, total foreign taxes available for credit (Table 1, column 39) are equal to total foreign taxes paid, accrued, and “deemed paid” (column 42), plus any carryover of prior-year excess or unused foreign taxes (column 41), less any reduction in foreign taxes (column 40).

Tables 2 and 3 are similar in column format to Table 1 except that they provide data only from

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Form 1118 without the data from the basic corporation income tax return (for example, total assets and total receipts). Table 2 presents data reported by industrial grouping and separate income basket, while Table 3 presents data by selected geographic region and country.

Explanation of Selected Terms

Adjustments to taxable income—This includes several types of adjustments reported on Schedule J of Form 1118, *Computation of Foreign Tax Credit—Corporations*. These include the allocation of current-year foreign losses, overall foreign losses, and current-year U.S.-source losses. Adjustments due to prior-year loss allocations are also made, including the recapture of foreign-source losses and the recharacterization of foreign-source income. The overall result of these adjustments is shown in column 37 of Table 1 and column 23 of Table 2.

Carryover of foreign taxes—Under Internal Revenue Code section 904, for taxes arising in tax years beginning prior to October 22, 2004, “U.S. persons” are allowed a 2-year carryback and 5-year carryforward of excess or unused foreign taxes for purposes of computing the final foreign tax credit for those years. Excess foreign taxes arising in tax years beginning after October 22, 2004, are allowed a 1-year carryback and a 10-year carryforward. Such taxes were included in the computation of the current-year foreign tax credit to the extent that they did not exceed the credit limitation for the current year. The 2004 statistics used for this article include only those foreign taxes that were carried forward from previous years (1999-2003). See column 41 of Table I and column 27 of Table 2.

Controlled foreign corporation (CFC)—Under Internal Revenue Code section 957, a foreign corporation is a “controlled foreign corporation” 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. Internal Revenue Code section 951(b) defines a “U.S. shareholder” as a U.S. person with 10 percent or more of the total combined voting stock of the foreign corporation. Ownership attribution rules are provided in Internal Revenue Code section 958. See also *Deemed dividends* and *Subpart F*.

Current-year foreign taxes—Current-year foreign taxes include foreign income taxes paid, accrued, or “deemed paid” and are shown in column 42 of Table 1, column 28 of Table 2, and column 14 of Table 3. Current-year foreign taxes do not include any carryback or carryforward of foreign taxes from other tax years.

Deemed dividends—Certain types of income earned by controlled foreign corporations (CFCs) are recognized under Subpart F of the Internal Revenue Service Code as current-year income of the U.S. corporation, even if no income is actually received from the CFC in the current tax year. In such cases, the U.S. corporation is deemed to have received a pro-rata share of this income and required to report it as a “deemed dividend” on Form 1118, Schedule A. See Internal Revenue Code section 951(a) for a more detailed description of income reported as deemed dividends. See also *Controlled foreign corporation* and *Subpart F income*.

Dividend gross-up—Since a dividend represents a distribution from after-tax earnings, the amount of income that a domestic corporation recognizes on receiving a dividend from a foreign corporation is net of all the foreign income taxes paid by that foreign corporation. U.S. corporations that satisfy ownership and other requirements are permitted to take an indirect foreign tax credit for taxes paid on the profits from which the dividends were distributed. Under Internal Revenue Code section 78, these taxes are “deemed paid” by the U.S. corporations under Internal Revenue Code sections 902 and 960(a). Consequently, the dividend income is “grossed-up” by the amount of the taxes deemed paid on the income from which the dividend was paid. This prevents U.S. corporations from crediting the foreign taxes deemed paid and deducting the same taxes in computing foreign-source taxable income.

Financial services income—This separate limitation category or basket applies to certain income from financial services activities. Financial services income includes all income, including “passive income” (see below), that is generated from banking, insurance, financing, or similar activities, and from certain types of insurance investments. Financial services income excludes “high withholding tax interest,” dividends from noncontrolled foreign corporations as defined in Internal Revenue Code section 902, and certain types of export financing interest.

Foreign oil and gas extraction income (FOGEI)—FOGEI is the gross income from the extraction of oil and gas, as well as from the sale of assets used in the extraction of oil and gas, or from related services, working capital, dividend and partnership distributions, and any other oil and gas extraction income. In general, a foreign tax credit is not permitted for foreign taxes paid, accrued, or deemed paid in connection with the purchase or sale of oil or gas extracted in a foreign country if the taxpayer has no economic interest in the oil or gas and if the purchase or sales price differs from the fair market value.

Foreign sales corporation (FSC)—A foreign sales corporation was a company incorporated abroad and controlled by a “U.S. person.” A portion of the FSC’s “foreign trade income” was exempt from U.S. taxation. Although these statistics do not include FSC returns (Forms 1120-FSC), FSC dividends received by corporations claiming a foreign tax credit are included. Dividends and interest generated by a FSC or former FSC comprise a separate limitation category. In July 1999, the World Trade Organization (WTO) declared FSC provisions to be an illegal export subsidy. Congress repealed the FSC provisions and created the Extraterritorial Income Exclusion Act in November 2000, which allowed U.S. corporations to continue operating FSCs until December 2001.

Foreign-source taxable income—Foreign-source taxable income is equal to gross income (less loss) less deductions from sources outside the United States, including U.S. possessions, and is included in the taxable income of U.S. corporations.

Foreign trade income—This includes gross receipts from foreign trade earned by a foreign sales corporation (FSC) from: 1) the sale of “export property,” 2) the leasing of export property for use outside the United States, or 3) services in connection with the sale or leasing of export property. The related separate limitation category, taxable income attributable to foreign trade income, is unusual in the 2004 statistics. Code section 923(b), which permits the foreign trade income basket, has since been repealed, effective September 30, 2000.

General limitation income—This separate limitation category or basket comprises foreign income not included in any other separate limitation category.

High withholding tax interest—This separate limitation category or basket includes interest income subject to a withholding tax greater than or equal to

5 percent. This basket does not include interest received from the financing of certain export activities.

Income resourced by bilateral tax treaty—Selected U.S. income tax treaties contain provisions reclassifying certain income items of U.S.-source income as foreign-source income (for instance, when the tax treaty allows the other country to tax what would otherwise be U.S.-source income). Certain dividends, capital gains, and income from a U.S.-owned foreign corporation can be included in this category. A separate foreign tax credit limitation has to be computed for each amount resourced by a tax treaty.

Domestic international sales corporation (DISC)—DISCs (now referred to as IC-DISCs) were small domestic corporations formed to export U.S. products. A DISC could defer the tax liability on a portion of its income but had to ultimately pay the deferred tax plus interest. Under the DISC provisions, a U.S. manufacturer could set up a DISC (located in the United States) whose income was not taxed at the entity level. Instead, the corporate shareholder was taxed directly on a portion of the DISC’s income that was deemed distributed. The portion of the income not deemed distributed was not subject to U.S. taxation until it was actually distributed. The foreign trading partners of the United States that are party to the General Agreement on Tariffs and Trade (GATT) maintained that the DISC provisions constituted an illegal export trade subsidy because they allowed indefinite deferral of direct taxes on income from exports earned in the United States. Essentially, this pre-1985 system of tax deferral for export income was replaced by the exemption system of Foreign sales corporations (FSCs), now also repealed. To elect DISC status, at least 95 percent of the corporation’s gross receipts had to be “qualified export receipts,” and at least 95 percent of its assets “qualified export assets.” Distributions from a DISC or former DISC are a separate limitation category.

Certain dividends from 10/50 corporations—A noncontrolled foreign corporation is defined by Internal Revenue Code section 902 as a foreign corporation in which a U.S. corporation possesses at least 10 percent of the voting stock and the U.S. shareholders own no more than 50 percent of the stock measured by voting power or value. These foreign corporations are also referred to as “10/50 companies.” Previously, taxpayers were required to segregate dividends from each noncontrolled section 902 foreign cor-

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

poration into separate baskets. The American Jobs Creation Act of 2004 eliminated the separate basket requirement.

Passive foreign investment company (PFIC)—A PFIC is a passive investment company, one whose income is mainly passive or that uses at least half of its assets to create passive income.

Passive income—This separate limitation category includes dividends, interest (with the exception noted below), rents, royalties, annuities, and net capital gains, as well as commodity transactions not connected with the active conduct of a trade or business. Interest subject to a high withholding tax is categorized in a separate basket (see *High withholding tax interest*, above). Furthermore, income that by definition is passive, yet is subject to a foreign tax rate exceeding the highest applicable U.S. rate, is placed in the general limitation basket instead of the passive income basket.

Section 901(j) income—Internal Revenue Code section 901(j) denies credit for taxes paid or accrued to select foreign governments that the United States deems ineligible. These countries include the following: (1) countries not recognized by the United States, (2) countries with which the United States has severed or does not conduct diplomatic relations, or (3) countries identified by the United States as providing support for terrorism. For 2004, countries subject to these restrictions were Cuba, Iran, Iraq, Libya, North Korea, Sudan, and Syria. Income and deductions from section 901(j) countries are reported on Form 1118, even though these taxes are not creditable. A separate limitation credit is computed for informational purposes and is not included in the foreign tax credit of the corporation.

Shipping income—This separate limitation category or basket applies to certain income from shipping-related activities. Shipping income includes the following: (1) all income from the use (or leasing for

use) of a vessel or aircraft in foreign commerce, (2) income from services directly related to the use of a vessel or aircraft, (3) gains on the sale or exchange of a vessel or aircraft used in the performance of such services, and (4) income generated from other space and oceanic activities not included elsewhere. Income that would be foreign-base company shipping income for purposes of determining the income received from controlled foreign corporations, under Internal Revenue Code section 954(f), is also classified as shipping income.

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 partly from within and partly from outside the United States. The income apportioned to sources outside the United States under these special rules is commonly referred to as “section 863(b) income.”

Subpart F income—Provisions of the Internal Revenue Code limit the ability of U.S. taxpayers to defer U.S. taxes by shifting certain types of income to lower-tax foreign countries. Subpart F (i.e., Internal Revenue Code sections 951-965) identifies certain types of income, primarily passive investment income, earned by certain controlled foreign corporations (CFCs), and requires the U.S. corporation to report a pro-rata share of this current-year income for U.S. tax purposes, regardless of whether or not the income was actually repatriated to the U.S. corporation in the current tax year. See also *Controlled foreign corporation* and *Deemed dividends*.

Tax deemed paid—See *Dividend gross-up*.

U.S. person—A U.S. person is any citizen or resident of the United States, domestic partnership, corporation, association, 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.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes, by Major and Selected Minor Industry

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

Major and selected minor industry of U.S. corporation filing return	Number of returns	Total assets	Total receipts	Dividends received from foreign corporations	Dividends received from IC-DISC's or former DISC's [1]	Includable income of controlled foreign corporations	Foreign dividend income from foreign taxes deemed paid (gross-up)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All industries	5,502	25,290,504,785	6,917,754,854	37,358,533	8,162	41,559,877	33,112,410
Agriculture, forestry, fishing, and hunting	210	6,517,157	2,732,554	* 29,198	0	* 14	* 6,573
Mining	112	110,207,132	47,148,873	466,457	0	264,731	151,399
Oil and gas extraction	87	38,794,601	14,993,252	34,691	0	* 27,649	* 25,432
Coal mining, metal ore mining	6	* 29,908,419	* 6,474,774	* 104,850	0	* 82,698	* 28,109
Nonmetallic minerals	6	* 4,768,627	* 3,871,595	* 11,706	0	* 5,529	* 4,260
Support activities for mining	13	36,735,486	21,809,253	* 315,211	0	* 148,854	* 93,598
Utilities	7	* 33,884,369	* 23,271,942	* 128,792	0	* 9,324	* 23,904
Construction	235	16,558,584	29,663,763	15,338	0	* 7,854	8,788
Construction of buildings	39	11,615,290	24,512,059	9,384	0	* 1,240	* 4,843
Heavy and civil engineering construction	40	3,091,931	2,159,496	* 2,310	0	* 4,164	* 1,039
Special trade contractors	155	1,851,363	2,992,208	* 3,644	0	* 2,451	* 2,907
Manufacturing	1,039	5,506,544,210	3,032,693,340	25,459,266	7,426	27,549,087	24,910,024
Food manufacturing	83	247,002,003	203,755,390	1,778,733	* 225	3,096,230	1,697,366
Beverage and tobacco products	14	84,931,534	67,524,926	* 953,994	0	* 729,504	* 546,575
Tobacco manufacturing	4	* 21,238,847	* 15,557,615	* 1,461	0	* 9,521	* 6,006
Textile mills and textile product mills	5	* 3,299,004	* 2,015,780	* 29,322	0	* 38,564	* 29,786
Apparel manufacturing	13	14,242,207	16,503,577	* 47,988	0	* 75,142	* 58,931
Leather and allied product manufacturing	8	* 3,221,523	* 3,953,771	* 1,468	0	0	* 537
Wood product manufacturing	9	* 2,437,467	* 5,988,537	* 6,196	0	* 2,767	* 4,510
Paper manufacturing	17	84,787,929	55,415,240	* 760,622	* 388	352,860	702,651
Printing and related support activities	14	6,430,076	5,647,938	* 9,510	0	* 8,113	* 9,777
Petroleum and coal products manufacturing	19	1,463,642,327	902,051,742	11,747,884	0	5,584,511	10,289,382
Chemical manufacturing	162	930,188,555	433,581,446	3,555,521	* 764	5,187,340	5,036,053
Pharmaceutical and medicine manufacturing	41	595,104,770	238,071,660	1,691,237	0	3,536,125	3,563,129
Other chemical manufacturing	121	335,083,785	195,509,786	1,864,284	* 764	1,651,214	1,472,924
Plastics and rubber products manufacturing	43	26,172,157	19,140,477	96,103	0	99,231	93,023
Nonmetallic mineral product manufacturing	44	25,435,702	20,107,563	68,782	* 2,017	28,239	26,666
Primary metal manufacturing	26	91,032,225	41,899,198	* 215,329	0	* 338,747	* 226,668
Fabricated metal products	98	197,180,299	83,366,430	922,631	* 878	382,491	775,545
Machinery manufacturing	131	227,753,413	168,146,786	820,418	* 1,319	773,405	581,509
Computer and electronic product manufacturing	114	301,944,103	306,274,458	2,062,638	0	2,157,996	1,232,472
Electrical equipment, appliance and component manufacturing	74	1,043,994,229	204,513,068	1,182,119	* 342	4,932,634	2,120,630
Transportation equipment manufacturing	62	664,246,348	414,981,141	913,360	* 3	2,986,765	1,114,765
Motor vehicles and related manufacturing	38	541,893,518	296,130,599	649,472	* 3	2,206,470	729,689
Other transportation equipment manufacturing	24	122,352,830	118,850,541	263,888	0	780,294	385,076
Furniture and related products	22	9,940,355	13,173,733	* 29,056	0	* 9,727	* 18,680
Miscellaneous manufacturing and manufacturing not allocable	80	78,662,755	64,652,139	257,592	* 1,489	764,824	344,499
Wholesale and retail trade	658	1,006,536,246	1,218,304,368	3,005,584	* 12	2,634,926	2,432,170
Wholesale trade	487	616,595,889	571,146,246	2,786,389	* 12	1,788,977	1,893,683
Durable goods	290	95,036,907	154,155,653	208,624	0	377,155	194,921
Machinery, equipment, and supplies	66	6,587,589	10,354,213	* 8,783	0	* 1,514	* 1,553
Other miscellaneous durable goods	224	88,449,317	143,801,440	199,841	0	375,641	193,368
Nondurable goods	197	521,558,982	416,990,593	2,577,765	* 12	1,411,822	1,698,762
Drugs, chemicals, and allied products	41	84,576,916	211,623,674	141,816	0	* 191,300	64,328
Groceries and related products	48	308,992,631	95,768,777	* 180,307	0	* 79,251	* 66,134
Petroleum and petroleum products	11	44,432,628	24,166,195	* 1,360,421	0	* 31,589	* 706,057
Other miscellaneous nondurable goods	96	81,744,466	85,238,080	886,100	* 12	1,109,681	856,903

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Number of returns	Total assets	Total receipts	Dividends received from foreign corporations	Dividends received from IC-DISC's or former DISC's [1]	Includable income of controlled foreign corporations	Foreign dividend income from foreign taxes deemed paid (gross-up)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Retail trade	171	389,940,356	647,158,121	219,194	0	845,949	538,487
Motor vehicle, parts dealers, and gas stations	33	7,432,138	19,890,390	5,935	0	* 724	* 3,243
Building materials, garden equipment, and supplies	22	* 111,211,881	* 70,730,392	* 25	0	* 263,767	* 150,492
Food and beverages stores	10	5,850,586	15,603,048	* 26	0	* 1,366	* 203
Apparel and accessory stores	24	38,727,475	64,628,923	* 37,285	0	357,028	35,249
General merchandise stores	8	* 167,786,882	* 364,242,198	* 73,775	0	* 184,464	* 283,343
Miscellaneous retail trade (incl. furniture and home furnishings stores)	74	58,931,394	112,063,170	102,148	0	38,600	65,957
Transportation and warehousing	68	167,899,586	139,786,280	124,361	0	609,212	103,691
Air, rail, and water transportation	11	94,883,785	30,118,625	* 83,766	0	* 500,590	* 13,818
Water transportation	7	* 4,644,956	* 5,152,144	* 15,624	0	* 487,419	* 2,490
Air and rail transportation	4	* 90,238,829	* 24,966,481	* 68,142	0	* 13,171	* 11,328
Other transportation (including pipeline transportation and warehousing)	57	73,015,801	109,667,655	40,594	0	108,622	89,873
Information	607	579,780,011	276,313,995	2,723,574	0	2,100,540	1,345,019
Publishing (except internet), motion picture, and sound recording	485	258,722,300	127,707,874	1,024,651	0	1,358,241	685,026
Broadcasting, internet publishing	78	77,903,242	46,394,624	* 113,368	0	* 68,397	* 70,076
Telecommunications	22	188,071,466	69,824,454	1,415,106	0	* 4,849	* 93,593
Internet service providers, web search portals, data processing services	9	* 31,145,785	* 17,686,128	* 146,676	0	* 597,117	* 455,193
Other information services (includes internet publishing and broadcasting)	13	23,937,218	14,700,915	23,773	0	71,936	41,132
Finance, insurance, real estate, and rental and leasing	965	9,011,349,757	1,455,904,414	2,735,131	* 724	4,942,919	1,497,862
Finance and insurance	571	8,974,764,691	1,445,221,673	2,729,432	* 724	4,883,021	1,488,454
Commercial banking and other depository credit agencies	22	98,971,705	5,804,295	346	0	* 922	* 11
Nondepository credit intermediation	57	333,313,724	53,285,301	* 149,696	0	* 330,295	* 49,416
Securities, commodity contracts, and other	94	3,458,238,004	198,425,484	835,348	0	1,090,066	539,314
Insurance and related activities	325	5,045,072,002	1,185,786,012	1,743,711	* 724	3,328,662	812,143
Insurance agencies and brokerages	54	64,863,989	16,797,136	170,190	0	* 204,440	* 175,186
Funds, trusts, and other financial vehicles	72	39,169,256	1,920,580	* 331	0	* 133,077	* 87,571
Real estate and rental and leasing	394	36,585,065	10,682,741	5,699	0	* 59,898	* 9,408
Real estate	374	7,344,793	2,159,103	4,265	0	* 58,143	* 2,745
Rentals and leasing	20	29,240,272	8,523,638	* 1,434	0	* 1,755	* 6,663
Services	1,603	8,851,227,733	691,935,324	2,670,831	0	3,441,268	2,632,978
Professional, scientific, and technical services	594	96,382,135	73,860,166	230,318	0	301,720	192,515
Management of holding companies	807	8,506,781,950	463,852,289	1,750,775	0	2,890,811	1,926,517
Administrative and support and waste management and remediation	63	53,094,782	34,168,719	265,731	0	79,803	130,929
Education services, health care, and social assistance	31	38,542,258	26,203,645	* 30,616	0	* 44,555	* 4,501
Arts, entertainment, and recreation	36	5,289,386	3,562,172	* 23,575	0	* 1,973	* 6,090
Accommodation and food services	47	145,952,505	86,072,631	367,008	0	* 56,408	341,985
Accommodation	14	69,543,493	26,285,487	* 60,077	0	* 24,951	* 57,453
Food services and drinking places	33	76,409,012	59,787,144	* 306,932	0	* 31,457	* 284,532
Other services	24	5,184,717	4,215,703	* 2,808	0	* 65,998	* 30,441
Repair and maintenance services	15	* 704,475	* 777,639	* 181	0	* 2,180	* 800
Personal services	6	* 4,374,558	* 3,331,683	* 2,024	0	* 63,818	* 29,641
Religious, grantmaking, civic, professional, and similar organizations	3	* 105,684	* 106,381	* 603	0	0	0

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	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
			Total	Regular and alternative minimum tax		
	(8)	(9)	(10)	(11)	(12)	(13)
All industries	558,505,871	533,194,188	187,480,142	187,679,640	56,593,276	271,709
Agriculture, forestry, fishing, and hunting	442,721	298,828	103,425	103,425	11,559	* 19
Mining	6,690,737	6,562,286	2,337,064	2,337,038	1,434,081	0
Oil and gas extraction	3,517,300	3,439,768	1,211,291	1,211,291	567,093	0
Coal mining, metal ore mining	* 1,915,503	* 1,887,381	* 684,459	* 684,459	* 635,754	0
Nonmetallic minerals	* 293,377	* 290,329	* 102,578	* 102,578	* 5,790	0
Support activities for mining	964,558	944,808	338,735	338,709	225,443	0
Utilities	* 767,632	* 756,881	* 264,891	* 264,891	* 29,961	0
Construction	1,332,583	1,303,359	455,431	453,504	21,821	0
Construction of buildings	879,485	876,914	307,971	306,170	7,268	0
Heavy and civil engineering construction	312,836	289,932	101,533	101,528	7,300	0
Special trade contractors	140,262	136,514	45,927	45,807	7,253	0
Manufacturing	243,418,308	237,880,892	83,484,837	83,466,195	37,151,333	270,913
Food manufacturing	16,411,186	15,400,723	5,392,072	5,393,122	1,988,946	* 1,792
Beverage and tobacco products	9,391,508	9,116,444	3,190,650	3,190,644	830,576	* 62,711
Tobacco manufacturing	* 1,440,700	* 1,393,615	* 487,771	* 487,765	* 39,539	* 4,660
Textile mills and textile product mills	* 269,514	* 263,601	* 92,827	* 92,827	* 32,816	0
Apparel manufacturing	1,362,691	1,321,275	462,178	462,178	72,950	* 2,137
Leather and allied product manufacturing	* 244,273	* 208,963	* 72,965	* 72,965	* 6,897	0
Wood product manufacturing	* 507,780	* 505,638	* 176,759	* 176,759	* 8,307	0
Paper manufacturing	5,656,981	5,604,729	1,961,976	1,961,948	729,609	0
Printing and related support activities	586,920	573,726	200,577	200,577	12,805	* 1,445
Petroleum and coal products manufacturing	89,426,232	88,714,195	31,108,397	31,101,209	18,768,417	0
Chemical manufacturing	47,041,788	43,589,358	15,305,875	15,305,401	5,359,338	* 189,638
Pharmaceutical and medicine manufacturing	32,353,601	29,626,672	10,390,455	10,390,399	3,450,949	* 187,353
Other chemical manufacturing	14,688,187	13,962,687	4,915,420	4,915,002	1,908,389	* 2,284
Plastics and rubber products manufacturing	1,072,950	851,514	299,562	299,938	88,914	* 226
Nonmetallic mineral product manufacturing	1,562,412	1,468,034	525,755	525,755	56,901	0
Primary metal manufacturing	2,770,495	2,559,607	912,424	912,421	533,058	0
Fabricated metal products	8,275,339	7,941,420	2,781,067	2,780,741	924,396	0
Machinery manufacturing	7,049,817	6,086,632	2,153,647	2,152,316	827,624	* 11,152
Computer and electronic product manufacturing	27,879,039	25,248,378	8,873,474	8,873,157	2,595,831	0
Electrical equipment, appliance and component manufacturing	12,958,597	12,504,868	4,383,381	4,381,646	2,772,017	* 1,813
Transportation equipment manufacturing	4,126,408	9,794,039	3,447,637	3,437,980	1,106,093	0
Motor vehicles and related manufacturing	-2,008,428	3,685,243	1,300,457	1,300,470	462,740	0
Other transportation equipment manufacturing	6,134,836	6,108,796	2,147,180	2,137,510	643,353	0
Furniture and related products	529,707	519,320	181,519	181,519	21,908	0
Miscellaneous manufacturing and manufacturing not allocable	6,294,671	5,608,429	1,962,095	1,963,092	413,930	0
Wholesale and retail trade	65,121,081	63,131,970	22,111,524	22,343,433	2,985,951	0
Wholesale trade	29,062,603	27,686,841	9,702,993	9,702,882	2,236,742	0
Durable goods	5,375,960	4,977,509	1,746,683	1,746,657	302,649	0
Machinery, equipment, and supplies	940,327	916,110	319,540	319,540	10,738	0
Other miscellaneous durable goods	4,435,633	4,061,398	1,427,143	1,427,118	291,911	0
Nondurable goods	23,686,643	22,709,332	7,956,310	7,956,225	1,934,093	0
Drugs, chemicals, and allied products	3,679,949	3,548,630	1,247,350	1,247,350	132,634	0
Groceries and related products	10,647,556	9,995,147	3,497,784	3,497,698	95,046	0
Petroleum and petroleum products	3,425,169	3,355,508	1,177,193	1,177,193	714,176	0
Other miscellaneous nondurable goods	5,915,845	5,791,924	2,027,407	2,027,407	986,087	0

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	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
			Total	Regular and alternative minimum tax		
	(8)	(9)	(10)	(11)	(12)	(13)
Retail trade	36,058,477	35,445,129	12,408,531	12,640,551	749,209	0
Motor vehicle, parts dealers, and gas stations	532,955	528,428	183,307	184,426	7,787	0
Building materials, garden equipment, and supplies	* 6,870,131	* 6,867,482	* 2,403,553	* 2,403,553	* 170,823	0
Food and beverages stores	312,252	282,923	98,632	98,764	5,244	0
Apparel and accessory stores	4,942,443	4,911,235	1,718,507	1,955,295	118,507	0
General merchandise stores	* 17,584,610	* 17,451,920	* 6,114,082	* 6,108,064	* 334,978	0
Miscellaneous retail trade (incl. furniture and home furnishings stores)	5,816,086	5,403,141	1,890,450	1,890,449	111,870	0
Transportation and warehousing	8,909,927	8,659,025	3,032,180	3,032,140	197,508	0
Air, rail, and water transportation	1,182,057	1,010,282	356,100	356,100	21,985	0
Water transportation	* 784,233	* 781,844	* 274,481	* 274,481	* 10,190	0
Air and rail transportation	* 397,824	* 228,438	* 81,619	* 81,619	* 11,795	0
Other transportation (including pipeline transportation and warehousing)	7,727,869	7,648,743	2,676,080	2,676,041	175,524	0
Information	40,646,179	35,937,456	12,601,181	12,600,545	2,764,509	0
Publishing (except internet), motion picture, and sound recording	27,400,946	23,050,552	8,089,636	8,088,773	1,799,365	0
Broadcasting, internet publishing	3,596,977	3,430,087	1,202,189	1,201,187	278,804	0
Telecommunications	5,183,549	5,118,047	1,789,674	1,790,903	89,725	0
Internet service providers, web search portals, data processing services	* 2,449,762	* 2,397,499	* 838,795	* 838,795	* 542,812	0
Other information services (includes internet publishing and broadcasting)	2,014,945	1,941,272	680,887	680,887	53,804	0
Finance, insurance, real estate, and rental and leasing	104,263,876	93,746,105	33,356,183	33,348,281	5,745,227	* 4
Finance and insurance	102,149,197	92,402,963	32,880,765	32,873,721	5,713,926	* 4
Commercial banking and other depository credit agencies	1,077,416	989,426	345,363	345,342	65,267	0
Nondepository credit intermediation	6,507,619	6,344,671	2,223,273	2,221,894	197,303	0
Securities, commodity contracts, and other	18,133,735	16,726,370	5,864,980	5,864,980	1,660,026	0
Insurance and related activities	74,659,050	66,587,253	23,827,649	23,822,005	3,295,173	* 4
Insurance agencies and brokerages	1,739,953	1,698,363	593,959	593,882	223,396	0
Funds, trusts, and other financial vehicles	1,771,377	1,755,244	619,499	619,499	496,158	0
Real estate and rental and leasing	2,114,678	1,343,142	475,419	474,560	31,300	0
Real estate	546,932	500,274	172,301	172,070	13,542	0
Rentals and leasing	1,567,746	842,867	303,118	302,490	17,758	0
Services	86,912,827	84,917,385	29,733,427	29,730,188	6,251,328	* 773
Professional, scientific, and technical services	6,183,462	6,011,090	2,102,691	2,101,999	466,771	0
Management of holding companies	68,523,433	67,468,343	23,620,404	23,618,731	4,733,584	0
Administrative and support and waste management and remediation	2,778,962	2,235,075	784,466	784,466	244,760	0
Education services, health care, and social assistance	2,684,103	2,604,949	910,985	910,985	23,564	0
Arts, entertainment, and recreation	352,095	312,747	111,485	111,485	49,734	0
Accommodation and food services	6,015,790	5,935,043	2,081,228	2,080,236	696,903	* 773
Accommodation	1,994,903	1,932,686	680,938	679,962	139,431	* 773
Food services and drinking places	4,020,887	4,002,358	1,400,290	1,400,273	557,472	0
Other services	374,983	350,138	122,167	122,286	36,011	0
Repair and maintenance services	* 41,190	* 18,151	* 6,004	* 6,123	* 1,525	0
Personal services	* 330,255	* 328,747	* 115,041	* 115,041	* 34,034	0
Religious, grantmaking, civic, professional, and similar organizations	* 3,539	* 3,241	* 1,122	* 1,122	* 452	0

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	General business credit	U.S. income tax after credits [3]	Foreign income and taxes			
			Gross income (less loss)			
			Total	Dividends	Foreign dividend income from foreign taxes deemed paid (gross-up)	Interest
	(14)	(15)	(16)	(17)	(18)	(19)
All industries	7,166,067	118,907,935	485,354,155	86,339,067	33,129,305	57,724,090
Agriculture, forestry, fishing, and hunting	* 1,928	89,765	176,994	29,340	* 6,573	* 2,556
Mining	10,407	866,460	8,507,542	731,192	151,399	439,454
Oil and gas extraction	* 3,341	624,560	2,894,515	62,368	* 25,432	34,893
Coal mining, metal ore mining	0	* 48,705	* 3,520,299	* 187,525	* 28,109	* 217,267
Nonmetallic minerals	* 397	* 96,391	* 41,884	* 17,235	* 4,260	* 6,952
Support activities for mining	* 6,669	96,805	2,050,844	* 464,065	* 93,598	180,341
Utilities	* 245	* 196,055	* 170,777	* 138,116	* 23,904	* 8,181
Construction	5,760	338,984	270,747	32,902	8,788	* 1,755
Construction of buildings	* 5,432	206,891	121,466	20,463	* 4,843	* 446
Heavy and civil engineering construction	* 285	93,475	90,961	6,337	* 1,039	* 1,224
Special trade contractors	* 42	38,617	58,320	6,102	* 2,907	* 85
Manufacturing	3,753,251	40,656,848	251,450,340	55,924,861	24,912,421	8,515,131
Food manufacturing	65,008	3,306,866	13,640,787	5,784,063	1,697,394	159,719
Beverage and tobacco products	* 5,299	2,291,590	8,418,721	1,696,191	* 546,575	* 287,504
Tobacco manufacturing	* 843	* 442,729	* 1,627,330	* 10,926	* 6,006	* 2,334
Textile mills and textile product mills	* 3,309	* 56,614	* 225,918	* 67,794	* 29,786	* 4,453
Apparel manufacturing	* 494	384,325	390,142	* 123,046	* 58,914	* 29,992
Leather and allied product manufacturing	* 1,461	* 64,300	* 170,892	* 1,468	* 537	* 765
Wood product manufacturing	* 1,454	* 166,928	* 66,402	* 8,966	* 4,510	* 597
Paper manufacturing	* 52,821	1,006,948	3,793,961	1,113,315	702,651	128,422
Printing and related support activities	* 1,477	184,448	109,240	* 18,070	* 9,777	* 1,614
Petroleum and coal products manufacturing	* 454,049	11,269,901	72,378,677	17,692,043	10,289,240	2,571,500
Chemical manufacturing	781,722	8,889,253	45,155,896	9,683,776	5,036,730	483,516
Pharmaceutical and medicine manufacturing	647,460	6,033,450	30,759,412	6,173,192	3,562,787	275,549
Other chemical manufacturing	134,263	2,855,803	14,396,484	3,510,583	1,473,943	207,967
Plastics and rubber products manufacturing	6,166	201,441	625,838	198,805	93,023	22,614
Nonmetallic mineral product manufacturing	4,119	460,480	408,343	95,041	26,666	72,806
Primary metal manufacturing	* 510	351,026	3,153,089	544,046	* 226,668	443,501
Fabricated metal products	63,235	1,773,700	5,772,137	1,304,447	775,545	132,871
Machinery manufacturing	157,531	1,141,632	10,006,464	1,694,515	581,089	509,666
Computer and electronic product manufacturing	1,718,236	4,434,983	47,982,029	4,792,558	1,232,472	474,539
Electrical equipment, appliance and component manufacturing	155,650	930,503	20,482,562	6,122,377	2,120,956	2,382,411
Transportation equipment manufacturing	190,591	2,127,801	13,680,250	3,890,063	1,114,572	744,252
Motor vehicles and related manufacturing	71,808	743,719	10,545,906	2,850,036	729,517	677,495
Other transportation equipment manufacturing	118,783	1,384,082	3,134,344	1,040,027	385,055	66,756
Furniture and related products	* 4,148	154,765	150,894	* 39,258	* 18,680	* 6,105
Miscellaneous manufacturing and manufacturing not allocable	85,970	1,459,342	4,838,099	1,055,019	346,638	58,284
Wholesale and retail trade	308,983	18,614,177	21,889,530	6,371,758	2,437,526	550,021
Wholesale trade	194,322	7,093,241	17,113,543	4,702,408	1,899,039	475,671
Durable goods	34,827	1,401,326	4,261,866	674,369	200,516	106,946
Machinery, equipment, and supplies	* 218	307,671	150,183	15,766	* 1,553	10,035
Other miscellaneous durable goods	34,610	1,093,655	4,111,683	658,603	198,964	96,911
Nondurable goods	159,495	5,691,915	12,851,677	4,028,039	1,698,523	368,725
Drugs, chemicals, and allied products	* 31,699	1,060,517	2,374,896	332,805	64,328	18,506
Groceries and related products	* 32,027	3,370,637	2,674,002	259,557	* 65,891	* 141,446
Petroleum and petroleum products	* 53,930	299,570	2,358,149	* 1,392,011	* 706,057	* 19,445
Other miscellaneous nondurable goods	41,837	960,765	5,424,294	2,034,545	856,907	186,533

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	General business credit	U.S. income tax after credits [3]	Foreign income and taxes			
			Gross income (less loss)			
			Total	Dividends	Foreign dividend income from foreign taxes deemed paid (gross-up)	Interest
	(14)	(15)	(16)	(17)	(18)	(19)
Retail trade	114,661	11,520,936	4,775,987	1,669,350	538,487	74,350
Motor vehicle, parts dealers, and gas stations	* 3,627	163,145	57,843	6,659	* 3,243	* 9,615
Building materials, garden equipment, and supplies	* 3,397	* 2,229,333	* 545,661	* 263,793	* 150,492	* 15,750
Food and beverages stores	* 5,975	* 72,880	58,559	* 1,398	* 203	* 1,300
Apparel and accessory stores	10,228	1,589,771	1,005,983	391,510	35,249	22,635
General merchandise stores	* 80,378	* 5,698,726	* 1,757,099	* 258,239	* 283,343	* 18,150
Miscellaneous retail trade (incl. furniture and home furnishings stores)	11,056	1,767,081	1,350,842	747,751	65,957	6,900
Transportation and warehousing	31,222	2,780,737	13,611,474	727,022	103,691	105,312
Air, rail, and water transportation	* 516	311,524	2,881,632	* 579,038	* 13,818	* 1,784
Water transportation	* 126	* 245,521	* 2,728,627	* 503,044	* 2,490	* 609
Air and rail transportation	* 390	* 66,003	* 153,005	* 75,994	* 11,328	* 1,175
Other transportation (including pipeline transportation and warehousing)	30,706	2,469,214	10,729,841	147,985	89,873	103,528
Information	271,414	9,543,782	36,404,233	8,462,463	1,344,901	283,657
Publishing (except internet), motion picture, and sound recording	184,578	6,085,158	25,517,727	6,010,515	684,907	148,102
Broadcasting, internet publishing	* 7,892	915,462	4,965,617	* 192,465	* 70,076	* 103,244
Telecommunications	* 24,374	1,674,666	2,265,137	1,419,985	* 93,593	* 21,692
Internet service providers, web search portals, data processing services	* 39,217	* 256,766	* 3,060,740	* 743,790	* 455,193	* 5,682
Other information services (includes internet publishing and broadcasting)	15,353	611,729	595,011	95,708	41,132	4,936
Finance, insurance, real estate, and rental and leasing	910,386	24,602,780	77,132,720	7,956,569	1,497,838	25,242,705
Finance and insurance	906,839	24,172,471	76,030,709	7,398,381	1,488,430	25,231,374
Commercial banking and other depository credit agencies	* 1,114	258,234	252,361	203	* 11	* 251,949
Nondepository credit intermediation	* 100,864	1,924,470	7,302,181	302,536	* 49,419	1,390,372
Securities, commodity contracts, and other	60,985	3,665,117	23,034,121	1,859,372	539,314	10,115,644
Insurance and related activities	729,751	18,220,171	43,620,169	5,102,870	812,114	11,981,155
Insurance agencies and brokerages	* 4,434	340,873	1,580,354	378,381	* 175,187	* 152,425
Funds, trusts, and other financial vehicles	* 14,125	104,479	1,821,877	* 133,400	* 87,571	1,492,254
Real estate and rental and leasing	3,547	430,309	1,102,010	558,187	9,408	11,331
Real estate	* 19	157,942	177,679	62,308	* 2,745	7,184
Rentals and leasing	* 3,529	272,367	924,331	* 495,879	* 6,663	* 4,147
Services	1,872,471	21,218,347	75,739,797	5,964,842	2,642,262	22,575,318
Professional, scientific, and technical services	54,200	1,576,664	8,902,144	530,825	197,204	96,361
Management of holding companies	1,601,398	16,996,922	56,555,702	4,481,352	1,926,436	22,066,995
Administrative and support and waste management and remediation	29,753	502,777	2,729,046	359,895	135,606	29,805
Education services, health care, and social assistance	* 9,479	877,012	252,975	75,043	* 4,501	* 2,579
Arts, entertainment, and recreation	* 45	61,585	755,068	* 25,548	* 6,090	* 4,068
Accommodation and food services	174,842	1,120,167	6,240,604	423,376	341,985	369,358
Accommodation	* 37,175	427,874	1,756,431	* 84,987	* 57,453	* 102,007
Food services and drinking places	137,667	692,293	4,484,173	* 338,389	* 284,532	267,351
Other services	* 2,755	83,220	304,259	* 68,803	* 30,441	* 6,152
Repair and maintenance services	* 20	* 4,459	* 16,249	* 2,361	* 800	0
Personal services	* 2,735	* 78,091	* 282,586	* 65,840	* 29,641	* 6,152
Religious, grantmaking, civic, professional, and similar organizations	0	* 669	* 5,423	* 603	0	0

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign income and taxes—continued						
	Gross income (less loss)—continued					Deductions	
	Rents, royalties, and license fees	Service income	Other income	Oil and gas extraction income [4]	Foreign branch income [4]	Total	Deductions allocable to specific types of income
	(20)	(21)	(22)	(23)	(24)	(25)	Total
All industries	79,964,798	26,382,011	201,814,884	49,446,665	97,936,689	243,861,018	133,043,631
Agriculture, forestry, fishing, and hunting	* 13,425	0	125,100	0	* 13,640	69,258	* 47,287
Mining	169,573	353,116	6,662,808	2,633,006	2,804,878	4,088,567	3,066,442
Oil and gas extraction	* 515	* 106,720	2,664,587	2,633,006	514,123	1,215,692	975,585
Coal mining, metal ore mining	* 29,264	* 119,009	* 2,939,125	0	* 491,956	* 1,550,725	* 1,080,356
Nonmetallic minerals	* 996	0	* 12,441	0	* 19,861	* 13,834	* 3,707
Support activities for mining	* 138,798	* 127,387	* 1,046,655	0	* 1,778,938	* 1,308,316	* 1,006,793
Utilities	* 7,217	* 20,360	* -27,002	0	* 17,627	* 80,889	* 26,240
Construction	* 49,246	95,355	82,702	0	* 33,325	162,578	140,768
Construction of buildings	* 33,456	* 16,538	* 45,720	0	* 7,931	* 81,304	* 79,528
Heavy and civil engineering construction	* 12,499	* 49,733	20,129	0	* 6,382	46,254	27,916
Special trade contractors	* 3,291	* 29,084	* 16,853	0	* 19,012	* 35,020	* 33,325
Manufacturing	49,310,395	5,817,481	106,970,051	* 44,744,997	21,703,179	96,857,064	50,761,023
Food manufacturing	1,128,893	* 21,185	4,849,532	0	1,749,538	5,981,117	4,344,058
Beverage and tobacco products	* 1,749,196	* 1,004,129	3,135,126	0	* 2,447,239	4,400,011	* 2,025,253
Tobacco manufacturing	* 132,163	* 700	* 1,475,201	0	* 1,302,850	* 1,334,604	* 1,320,782
Textile mills and textile product mills	* 47,985	0	* 75,900	0	0	* 85,603	* 56,859
Apparel manufacturing	* 129,852	* 9,339	* 38,999	0	* 19,538	* 93,397	* 48,275
Leather and allied product manufacturing	* 46,439	* 83,700	* 37,982	0	* 98,138	* 105,611	* 97,675
Wood product manufacturing	* 3,767	* 372	* 48,190	0	0	* 39,465	* 37,103
Paper manufacturing	* 702,766	* 1,485	1,145,323	0	* 335,728	1,292,844	524,534
Printing and related support activities	* 36,653	* 10,068	* 33,058	0	* 25,232	* 34,652	* 27,715
Petroleum and coal products manufacturing	389,002	* 10,527	41,426,365	* 44,744,997	* 4,968,475	17,814,178	14,961,996
Chemical manufacturing	14,989,224	510,279	14,452,372	0	4,405,187	18,514,297	9,186,934
Pharmaceutical and medicine manufacturing	11,190,525	* 346,193	9,211,166	0	2,284,254	12,404,756	6,806,533
Other chemical manufacturing	3,798,699	164,086	5,241,206	0	2,120,932	6,109,541	2,380,401
Plastics and rubber products manufacturing	170,273	* 2,911	138,213	0	* 12,326	252,916	87,800
Nonmetallic mineral product manufacturing	41,897	* 9,139	162,794	0	* 46,498	201,512	79,150
Primary metal manufacturing	1,222,396	* 74,745	641,733	0	* 190,579	1,536,587	672,657
Fabricated metal products	783,319	* 27,453	2,748,503	0	2,296,441	2,670,596	2,116,661
Machinery manufacturing	1,662,383	214,874	5,343,936	0	2,079,419	5,768,598	1,879,914
Computer and electronic product manufacturing	19,015,570	2,853,362	19,613,528	0	1,579,752	21,543,457	6,559,888
Electrical equipment, appliance and component manufacturing	2,238,847	54,584	7,563,388	0	374,500	10,271,383	5,061,111
Transportation equipment manufacturing	3,403,945	907,662	3,619,757	0	629,358	3,963,886	1,676,085
Motor vehicles and related manufacturing	2,863,880	* 528,572	2,896,406	0	* 509,055	3,044,725	1,339,873
Other transportation equipment manufacturing	540,066	* 379,089	723,351	0	* 120,303	919,161	336,211
Furniture and related products	* 7,699	* 1,035	* 78,116	0	* 27,526	* 72,328	* 48,249
Miscellaneous manufacturing and manufacturing not allocable	1,540,290	* 20,632	1,817,236	0	417,704	2,214,627	1,269,107
Wholesale and retail trade	4,460,939	740,485	7,328,800	* 2,000,154	4,991,158	10,219,946	7,533,917
Wholesale trade	3,271,289	728,641	6,036,494	* 2,000,154	4,161,942	8,337,910	5,944,136
Durable goods	1,897,065	312,919	1,070,051	0	378,935	2,472,693	1,902,894
Machinery, equipment, and supplies	* 15,131	* 8,889	98,810	0	* 71,846	100,251	81,122
Other miscellaneous durable goods	1,881,934	304,030	971,241	0	307,089	2,372,442	1,821,772
Nondurable goods	1,374,224	415,722	4,966,443	* 2,000,154	3,783,007	5,865,217	4,041,242
Drugs, chemicals, and allied products	834,865	* 10,674	1,113,718	0	* 1,042,078	1,574,298	975,908
Groceries and related products	* 80,753	* 230,844	* 1,895,511	0	* 1,940,871	2,086,498	1,954,846
Petroleum and petroleum products	* 226	* 83,995	* 156,415	* 2,000,154	* 234,730	* 295,185	* 79,498
Other miscellaneous nondurable goods	456,031	* 89,478	1,800,799	0	564,598	1,907,222	1,030,190

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign income and taxes—continued						
	Gross income (less loss)—continued					Deductions	
	Rents, royalties, and license fees	Service income	Other income	Oil and gas extraction income [4]	Foreign branch income [4]	Total	Deductions allocable to specific types of income Total
	(20)	(21)	(22)	(23)	(24)	(25)	(26)
Retail trade	1,189,650	* 11,844	1,292,306	0	829,216	1,882,037	1,589,780
Motor vehicle, parts dealers, and gas stations	* 2,588	* 100	* 35,638	0	* 7,459	* 20,325	* 18,600
Building materials, garden equipment, and supplies	* 113,242	0	* 2,384	0	0	* 15,217	* 104
Food and beverages stores	* 54,933	0	* 725	0	0	* 4,567	* 4,031
Apparel and accessory stores	180,280	* 1,514	374,795	0	* 208,606	271,289	190,173
General merchandise stores	* 721,380	* 380	* 475,607	0	* 351,540	* 654,887	* 508,789
Miscellaneous retail trade (incl. furniture and home furnishings stores)	117,227	9,850	403,157	0	261,611	915,752	868,083
Transportation and warehousing	180,074	6,843,294	5,652,080	* 3,023	4,839,547	11,167,148	9,831,704
Air, rail, and water transportation	* 25,557	* 51,880	* 2,209,555	0	* 349,958	* 2,184,505	* 951,247
Water transportation	0	* 20,351	* 2,202,133	0	* 348,153	* 2,154,430	* 940,230
Air and rail transportation	* 25,557	* 31,529	* 7,422	0	* 1,805	* 30,074	* 11,017
Other transportation (including pipeline transportation and warehousing)	154,517	6,791,414	3,442,525	* 3,023	4,489,589	8,982,643	8,880,457
Information	17,706,348	1,748,029	6,858,835	0	5,606,565	21,823,468	15,163,309
Publishing (except internet), motion picture, and sound recording	12,712,254	116,408	5,845,540	0	4,703,744	14,986,098	9,444,965
Broadcasting, internet publishing	* 4,081,129	* 224,240	* 294,463	0	* 248,522	* 4,148,560	* 3,785,720
Telecommunications	* 27,079	* 537,251	* 165,537	0	* 29,868	852,717	* 536,997
Internet service providers, web search portals, data processing services	* 643,987	* 852,813	* 359,275	0	* 324,202	* 1,485,971	* 1,155,410
Other information services (includes internet publishing and broadcasting)	241,899	17,316	194,020	0	300,229	350,121	240,218
Finance, insurance, real estate, and rental and leasing	2,254,302	4,409,215	35,772,090	0	19,629,429	47,548,294	24,434,181
Finance and insurance	1,849,768	4,400,288	35,662,468	0	19,597,021	46,775,351	23,723,422
Commercial banking and other depository credit agencies	* 30	0	* 168	0	0	* 20,232	* 19,514
Nondepository credit intermediation	* 85,503	* 365,919	* 5,108,431	0	* 1,721,673	5,871,565	4,334,783
Securities, commodity contracts, and other	* 513,344	541,372	9,465,074	0	1,244,207	15,469,882	6,054,375
Insurance and related activities	1,250,890	3,492,440	20,980,700	0	16,631,141	25,126,472	13,240,591
Insurance agencies and brokerages	* 2,519	* 239,844	* 631,997	0	* 587,750	* 883,670	* 702,960
Funds, trusts, and other financial vehicles	0	* 557	* 108,095	0	0	* 287,200	* 74,159
Real estate and rental and leasing	404,534	* 8,927	109,622	0	* 32,408	772,943	710,758
Real estate	* 34,819	* 2,107	68,517	0	0	54,002	45,503
Rentals and leasing	369,716	* 6,820	* 41,106	0	* 32,408	718,941	665,255
Services	5,813,279	6,354,676	32,389,420	* 65,485	38,297,342	51,843,806	22,038,761
Professional, scientific, and technical services	935,088	3,711,494	3,431,172	0	4,573,570	6,569,624	5,697,653
Management of holding companies	2,278,149	1,598,132	24,204,638	* 65,485	29,997,550	38,613,152	11,815,326
Administrative and support and waste management and remediation	335,272	479,391	1,389,077	0	862,879	1,760,163	1,003,104
Education services, health care, and social assistance	* 26,904	128,743	* 15,206	0	* 30,936	155,530	121,394
Arts, entertainment, and recreation	185,776	* 219,348	* 314,238	0	* 77,544	* 504,767	* 430,077
Accommodation and food services	2,002,843	197,199	2,905,843	0	2,628,807	4,084,288	2,836,684
Accommodation	* 396,282	* 147,215	* 968,488	0	* 743,006	1,255,066	787,098
Food services and drinking places	1,606,561	* 49,984	1,937,355	0	* 1,885,800	2,829,222	2,049,586
Other services	* 49,247	* 20,368	* 129,247	0	* 126,057	* 156,282	* 134,523
Repair and maintenance services	* 295	* 12,793	0	0	0	* 4,677	* 4,677
Personal services	* 47,429	* 4,278	* 129,247	0	* 122,759	* 147,481	* 127,140
Religious, grantmaking, civic, professional, and similar organizations	* 1,523	* 3,297	0	0	* 3,297	* 4,124	* 2,706

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign income and taxes—continued					
	Deductions—continued					
	Deductions allocable to specific types of income—continued				Deductions not allocable to specific types of income	
	Depreciation, depletion, and amortization	Other expenses	Service expenses	Other definitely allocable deductions	Total	Research and development
(27)	(28)	(29)	(30)	(31)	(32)	
All industries	1,860,464	4,571,450	15,009,924	111,601,793	110,817,387	13,485,504
Agriculture, forestry, fishing, and hunting	* 150	0	0	* 47,137	* 21,971	* 673
Mining	* 40,937	* 68,438	* 116,081	2,840,986	1,022,125	* 23,501
Oil and gas extraction	* 20,436	* 382	* 10,305	944,462	240,107	* 247
Coal mining, metal ore mining	* 2,121	* 63,940	* 10,600	* 1,003,695	* 470,369	0
Nonmetallic minerals	0	* 231	0	* 3,476	* 10,127	0
Support activities for mining	* 18,380	* 3,884	* 95,176	* 889,353	* 301,523	* 23,254
Utilities	0	0	* 1,598	* 24,641	* 54,649	0
Construction	* 109	* 7,446	61,737	71,476	21,810	* 101
Construction of buildings	0	* 5	* 34,139	* 45,384	* 1,776	0
Heavy and civil engineering construction	* 109	* 7,387	* 3,127	* 17,292	* 18,338	* 50
Special trade contractors	0	* 53	* 24,471	* 8,800	* 1,695	* 51
Manufacturing	383,599	143,870	700,015	49,533,540	46,096,041	10,906,052
Food manufacturing	* 4	* 2,563	0	4,341,491	1,637,059	103,047
Beverage and tobacco products	* 10,716	* 11	* 2,309	* 2,012,217	2,374,758	* 2,946
Tobacco manufacturing	0	0	0	* 1,320,782	* 13,822	* 1,468
Textile mills and textile product mills	0	0	0	* 56,859	* 28,744	* 13,365
Apparel manufacturing	* 1,763	* 17,088	* 2,727	* 26,697	* 45,122	0
Leather and allied product manufacturing	0	* 21	* 87,932	* 9,721	* 7,936	* 3,710
Wood product manufacturing	0	0	0	* 37,103	* 2,362	* 102
Paper manufacturing	0	* 113	* 778	523,643	768,310	* 270,353
Printing and related support activities	* 54	* 1,711	* 8,344	* 17,605	* 6,937	* 1,961
Petroleum and coal products manufacturing	0	* 1,355	* 25,510	* 14,935,131	2,852,182	* 171,069
Chemical manufacturing	* 11,907	25,498	15,457	9,134,072	9,327,363	4,009,831
Pharmaceutical and medicine manufacturing	0	* 1,203	* 599	6,804,731	5,598,223	3,320,984
Other chemical manufacturing	* 11,907	* 24,295	* 14,859	2,329,341	3,729,140	688,848
Plastics and rubber products manufacturing	* 1,865	* 7,010	* 737	78,189	165,116	12,606
Nonmetallic mineral product manufacturing	0	* 1,670	* 5,706	* 71,774	122,361	* 9,088
Primary metal manufacturing	* 344,479	* 3,638	* 14,176	310,364	863,930	* 11,204
Fabricated metal products	* 5,014	* 996	* 1,979	2,108,671	553,935	99,969
Machinery manufacturing	* 558	* 5,928	122,942	1,750,487	3,888,684	636,044
Computer and electronic product manufacturing	* 116	22,570	341,369	6,195,834	14,983,569	4,751,635
Electrical equipment, appliance and component manufacturing	* 2,846	* 32,573	* 35,923	4,989,769	5,210,272	285,401
Transportation equipment manufacturing	* 4,277	* 10,742	* 23,204	1,637,862	2,287,801	323,206
Motor vehicles and related manufacturing	* 4,277	* 909	* 4,636	1,330,051	1,704,851	164,420
Other transportation equipment manufacturing	0	* 9,833	* 18,568	* 307,810	582,950	158,785
Furniture and related products	* 1	0	* 805	* 47,443	* 24,079	* 2,707
Miscellaneous manufacturing and manufacturing not allocable	0	* 10,381	* 10,117	1,248,609	945,520	197,809
Wholesale and retail trade	33,672	443,182	169,727	6,887,336	2,686,030	70,576
Wholesale trade	29,806	431,630	163,708	5,318,993	2,393,773	67,107
Durable goods	* 2,170	19,727	118,446	1,762,552	569,799	* 10,149
Machinery, equipment, and supplies	* 1,786	* 2,781	* 3,088	73,467	19,129	* 2,072
Other miscellaneous durable goods	* 383	16,946	115,358	1,689,085	550,670	* 8,077
Nondurable goods	27,636	411,903	45,262	3,556,441	1,823,974	56,958
Drugs, chemicals, and allied products	* 584	* 297,091	* 4,043	674,190	598,391	* 10,119
Groceries and related products	* 22,737	* 94,124	* 9,591	* 1,828,394	131,652	* 1,208
Petroleum and petroleum products	0	0	0	* 79,498	* 215,687	0
Other miscellaneous nondurable goods	* 4,314	* 20,689	* 31,026	974,161	877,032	* 45,632

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign income and taxes—continued					
	Deductions—continued					
	Deductions allocable to specific types of income—continued				Deductions not allocable to specific types of income	
	Depreciation, depletion, and amortization	Other expenses	Service expenses	Other definitely allocable deductions	Total	Research and development
(27)	(28)	(29)	(30)	(31)	(32)	
Retail trade	* 3,867	11,552	* 6,019	1,568,343	292,256	* 3,469
Motor vehicle, parts dealers, and gas stations	* 817	* 22	0	* 17,760	* 1,725	0
Building materials, garden equipment, and supplies	0	* 103	* 2	0	* 15,113	0
Food and beverages stores	0	* 3,794	0	* 237	* 537	0
Apparel and accessory stores	* 85	* 1,878	0	188,210	81,116	* 3,316
General merchandise stores	* 1,015	* 2,701	0	* 505,073	* 146,098	0
Miscellaneous retail trade (incl. furniture and home furnishings stores)	1,950	3,054	6,017	857,063	47,667	153
Transportation and warehousing	* 1,719	* 9,004	5,857,822	3,963,160	1,335,443	* 25,432
Air, rail, and water transportation	0	* 2,349	* 19,835	* 929,063	* 1,233,258	0
Water transportation	0	0	* 14,571	* 925,659	* 1,214,200	0
Air and rail transportation	0	* 2,349	* 5,264	* 3,404	* 19,058	0
Other transportation (including pipeline transportation and warehousing)	* 1,719	6,655	5,837,987	3,034,096	102,186	* 25,432
Information	* 225,340	3,140,831	1,378,101	10,419,036	6,660,160	2,145,207
Publishing (except internet), motion picture, and sound recording	* 17,082	237,802	76,575	9,113,505	5,541,133	1,896,444
Broadcasting, internet publishing	* 208,188	* 2,872,149	* 86,174	* 619,210	* 362,841	* 3,902
Telecommunications	0	* [2]	* 443,959	* 93,037	* 315,721	* 17,996
Internet service providers, web search portals, data processing services	* 71	* 30,880	* 758,064	* 366,395	* 330,562	* 217,010
Other information services (includes internet publishing and broadcasting)	0	0	13,329	226,889	109,903	9,856
Finance, insurance, real estate, and rental and leasing	642,443	374,261	3,426,984	19,990,492	23,114,114	* 15,804
Finance and insurance	* 531,452	186,195	3,425,402	19,580,374	23,051,929	* 15,804
Commercial banking and other depository credit agencies	0	* 10	* 106	* 19,398	* 718	0
Nondepository credit intermediation	* 20,231	* 147	* 375,390	3,939,015	1,536,782	* 2,076
Securities, commodity contracts, and other	* 493,254	* 96,735	482,249	4,982,137	9,415,507	* 286
Insurance and related activities	* 17,967	89,268	2,567,657	10,565,698	11,885,881	* 13,441
Insurance agencies and brokerages	0	* 243	* 183,799	* 518,918	* 180,710	* 2,713
Funds, trusts, and other financial vehicles	0	* 34	0	* 74,125	* 213,041	0
Real estate and rental and leasing	110,992	188,067	* 1,582	410,118	62,185	0
Real estate	* 891	* 17,653	* 1,039	25,920	* 8,499	0
Rentals and leasing	* 110,100	* 170,414	* 543	* 384,199	* 53,686	0
Services	532,495	384,418	3,297,859	17,823,989	29,805,044	298,157
Professional, scientific, and technical services	* 44,106	208,114	2,493,586	2,951,847	871,970	130,911
Management of holding companies	* 485,890	13,873	* 214,275	11,101,287	26,797,827	* 132,414
Administrative and support and waste management and remediation	* 58	* 45,187	406,321	551,537	757,059	* 24,655
Education services, health care, and social assistance	0	* 4,133	* 46,025	* 71,236	34,136	* 145
Arts, entertainment, and recreation	* 12	* 62,399	* 119,762	* 247,904	* 74,689	* 7,195
Accommodation and food services	* 2,429	44,277	* 7,913	2,782,065	1,247,604	* 2,836
Accommodation	0	* 8,815	* 42	* 778,241	* 467,968	0
Food services and drinking places	* 2,429	35,462	* 7,871	2,003,823	779,636	* 2,836
Other services	0	* 6,435	* 9,977	* 118,112	* 21,758	0
Repair and maintenance services	0	* 747	* 3,513	* 417	0	0
Personal services	0	* 5,688	* 4,278	* 117,174	* 20,341	0
Religious, grantmaking, civic, professional, and similar organizations	0	0	* 2,186	* 521	* 1,418	0

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign income and taxes—continued					
	Deductions—continued		Deductions from oil and gas extraction income [5]	Taxable income (less loss) before adjustments	Adjustments to taxable income	Taxable income (less loss) after adjustments
	Deductions not allocable to specific types of income—continued					
	Interest	Other				
	(33)	(34)	(35)	(36)	(37)	(38)
All industries	42,001,568	54,391,211	10,984,748	241,493,136	27,827,198	213,665,938
Agriculture, forestry, fishing, and hunting	* 10,534	* 10,633	0	107,736	* 14,447	93,290
Mining	482,400	482,337	1,132,503	4,418,975	166,142	4,252,833
Oil and gas extraction	* 210,533	* 25,897	1,132,503	1,678,823	* 32,496	1,646,326
Coal mining, metal ore mining	* 174,720	* 295,649	0	* 1,969,574	* 82,265	* 1,887,310
Nonmetallic minerals	0	0	0	* 28,051	0	* 28,051
Support activities for mining	* 97,146	* 160,792	0	742,527	* 51,381	691,146
Utilities	* 29,501	* 25,026	0	* 89,888	0	* 89,888
Construction	* 890	* 20,493	0	108,170	* 2,041	106,129
Construction of buildings	* 122	* 1,654	0	40,162	* 1,621	38,541
Heavy and civil engineering construction	* 220	* 17,998	0	44,707	* 398	44,309
Special trade contractors	* 548	* 841	0	23,300	* 21	23,279
Manufacturing	15,239,527	19,617,336	* 9,612,746	154,593,276	22,769,849	131,823,426
Food manufacturing	1,209,565	324,056	0	7,659,670	423,599	7,236,071
Beverage and tobacco products	* 382,588	* 1,983,550	0	4,018,710	* 32,144	3,986,566
Tobacco manufacturing	* 4,428	* 7,925	0	* 292,726	* 2,400	* 290,327
Textile mills and textile product mills	* 11,940	* 3,439	0	* 140,315	[2]	* 140,315
Apparel manufacturing	* 18,770	* 15,052	0	296,745	* 864	295,881
Leather and allied product manufacturing	* 3,006	* 1,220	0	* 65,281	0	* 65,281
Wood product manufacturing	* 326	* 380	0	* 26,937	* 2,519	* 24,418
Paper manufacturing	* 244,229	* 252,044	0	2,501,118	* 45,466	2,455,652
Printing and related support activities	* 1,875	* 2,934	0	74,588	* 910	73,677
Petroleum and coal products manufacturing	1,842,631	* 837,969	* 9,612,746	54,564,499	* 2,159	54,562,340
Chemical manufacturing	2,690,934	2,617,639	0	26,641,599	5,738,969	20,902,629
Pharmaceutical and medicine manufacturing	1,292,949	980,006	0	18,354,656	4,408,505	13,946,151
Other chemical manufacturing	1,397,985	1,637,633	0	8,286,943	1,330,464	6,956,479
Plastics and rubber products manufacturing	109,978	37,810	0	372,922	86,252	286,670
Nonmetallic mineral product manufacturing	80,849	* 23,051	0	206,831	* 469	206,362
Primary metal manufacturing	622,872	* 99,205	0	1,616,502	* 23,479	1,593,023
Fabricated metal products	265,555	155,589	0	3,101,541	118,559	2,982,982
Machinery manufacturing	1,031,758	2,210,052	0	4,237,865	1,049,691	3,188,174
Computer and electronic product manufacturing	809,028	9,332,039	0	26,438,572	8,697,048	17,741,524
Electrical equipment, appliance and component manufacturing	3,891,646	1,027,895	0	10,211,179	151,535	10,059,644
Transportation equipment manufacturing	1,765,578	200,184	0	9,716,365	6,058,329	3,658,036
Motor vehicles and related manufacturing	1,452,575	89,058	0	7,501,181	6,058,277	1,442,904
Other transportation equipment manufacturing	313,003	111,126	0	2,215,183	* 51	2,215,132
Furniture and related products	* 15,624	* 5,089	0	78,565	* 4,710	73,856
Miscellaneous manufacturing and manufacturing not allocable	240,775	488,140	0	2,623,472	333,146	2,290,326
Wholesale and retail trade	1,019,125	1,445,641	* 216,401	11,669,584	1,006,550	10,663,033
Wholesale trade	812,178	1,371,022	* 216,401	8,775,633	969,634	7,805,999
Durable goods	92,295	353,771	0	1,789,173	671,564	1,117,609
Machinery, equipment, and supplies	* 2,694	* 9,301	0	49,933	* 7,895	42,038
Other miscellaneous durable goods	89,601	344,470	0	1,739,241	663,669	1,075,571
Nondurable goods	719,883	1,017,251	* 216,401	6,986,460	298,070	6,688,390
Drugs, chemicals, and allied products	151,822	436,373	0	800,598	* 139,888	660,710
Groceries and related products	* 107,305	* 20,860	0	587,504	* 5,377	582,127
Petroleum and petroleum products	* 154,698	* 60,982	* 216,401	2,062,964	* [2]	2,062,964
Other miscellaneous nondurable goods	304,846	499,036	0	3,517,072	152,605	3,364,467

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign income and taxes—continued					
	Deductions—continued			Taxable income (less loss) before adjustments	Adjustments to taxable income	Taxable income (less loss) after adjustments
	Deductions not allocable to specific types of income—continued		Deductions from oil and gas extraction income [5]			
	Interest	Other				
(33)	(34)	(35)	(36)	(37)	(38)	
Retail trade	206,946	74,619	0	2,893,950	36,917	2,857,034
Motor vehicle, parts dealers, and gas stations	* 648	* 841	0	37,518	* 211	37,308
Building materials, garden equipment, and supplies	* 5,991	* 9,122	0	* 530,444	* [2]	* 530,444
Food and beverages stores	0	0	0	53,992	* 636	53,356
Apparel and accessory stores	40,011	31,430	0	734,694	* 15,105	719,588
General merchandise stores	* 140,407	* 5,691	0	* 1,102,213	* 6	* 1,102,207
Miscellaneous retail trade (incl. furniture and home furnishings stores)	19,889	27,535	0	435,089	20,959	414,131
Transportation and warehousing	8,600	1,295,194	* 221	2,444,326	* 151,153	2,293,173
Air, rail, and water transportation	* 19,741	* 1,213,359	0	697,127	* 148,133	548,994
Water transportation	* 3,068	* 1,211,061	0	* 574,196	* 64,380	* 509,816
Air and rail transportation	* 16,674	* 2,298	0	* 122,931	* 83,753	* 39,177
Other transportation (including pipeline transportation and warehousing)	-11,141	81,835	* 221	1,747,198	3,019	1,744,179
Information	704,809	3,753,108	0	14,580,764	369,440	14,211,324
Publishing (except internet), motion picture, and sound recording	269,003	3,353,370	0	10,531,629	302,398	10,229,231
Broadcasting, internet publishing	* 218,229	* 106,113	0	817,057	* 89	816,968
Telecommunications	* 114,605	* 183,119	0	1,412,420	* 26,755	1,385,665
Internet service providers, web search portals, data processing services	* 95,189	* 18,363	0	* 1,574,769	* [2]	* 1,574,769
Other information services (includes internet publishing and broadcasting)	7,783	92,144	0	244,891	40,198	204,692
Finance, insurance, real estate, and rental and leasing	11,017,958	11,823,907	0	29,584,426	1,922,966	27,661,459
Finance and insurance	10,966,978	11,819,183	0	29,255,358	1,909,289	27,346,069
Commercial banking and other depository credit agencies	* 184	* 1	0	232,129	0	232,129
Nondepository credit intermediation	* 596,929	* 937,773	0	1,430,616	* 10,613	1,420,003
Securities, commodity contracts, and other	7,872,962	1,538,916	0	7,564,239	1,364,756	6,199,483
Insurance and related activities	2,309,061	9,317,294	0	18,493,697	522,747	17,970,950
Insurance agencies and brokerages	* 164,905	* 13,092	0	696,685	* [2]	696,685
Funds, trusts, and other financial vehicles	* 187,842	* 25,199	0	1,534,677	* 11,173	1,523,504
Real estate and rental and leasing	* 50,980	* 4,724	0	329,067	13,677	315,390
Real estate	* 8,431	* 5	0	123,677	* 12,586	111,091
Rentals and leasing	* 42,549	* 4,719	0	205,390	* 1,091	204,300
Services	13,488,225	15,917,537	* 22,877	23,895,992	1,424,609	22,471,383
Professional, scientific, and technical services	168,009	527,775	0	2,332,521	424,968	1,907,552
Management of holding companies	12,699,621	13,952,200	* 22,877	17,942,549	762,826	17,179,723
Administrative and support and waste management and remediation	51,809	648,216	0	968,882	117,151	851,731
Education services, health care, and social assistance	* 22,124	* 6,829	0	97,445	* 18,822	78,623
Arts, entertainment, and recreation	* 21,025	* 46,469	0	250,301	* 77,347	172,954
Accommodation and food services	519,321	722,022	0	2,156,316	* 17,311	2,139,006
Accommodation	* 116,458	* 348,194	0	501,365	* 9,193	492,172
Food services and drinking places	402,864	* 373,828	0	1,654,951	* 8,117	1,646,834
Other services	* 6,315	* 14,026	0	147,977	* 6,184	141,793
Repair and maintenance services	0	0	0	* 11,573	* 6,184	* 5,389
Personal services	* 6,315	* 14,026	0	* 135,105	0	* 135,105
Religious, grantmaking, civic, professional, and similar organizations	0	0	0	* 1,299	0	* 1,299

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign income and taxes—continued					
	Foreign taxes available for credit					
	Total	Reduction for certain foreign taxes	Carryover	Total paid, accrued, and deemed paid	Foreign taxes paid or accrued	
					Total	Taxes withheld at source on:
				Dividends		
	(39)	(40)	(41)	(42)	(43)	(44)
All industries	73,561,030	4,449,968	16,854,198	61,156,800	28,000,049	1,493,093
Agriculture, forestry, fishing, and hunting	25,069	* 2	* 13,529	11,542	4,969	82
Mining	2,226,848	157,893	745,536	1,639,204	1,487,805	160,666
Oil and gas extraction	648,865	107,332	130,993	625,204	599,771	397
Coal mining, metal ore mining	* 1,192,630	* 50,561	* 488,612	* 754,579	* 726,471	* 152,420
Nonmetallic minerals	* 12,609	0	* 6,371	* 6,238	* 1,978	* 46
Support activities for mining	372,744	0	* 119,561	253,183	159,585	* 7,803
Utilities	* 32,684	0	* 698	* 31,986	* 8,082	* 2,448
Construction	26,540	0	4,704	21,836	12,974	2,188
Construction of buildings	9,074	0	* 1,133	7,941	3,098	880
Heavy and civil engineering construction	8,353	0	* 677	7,676	6,637	1,290
Special trade contractors	9,113	0	* 2,894	6,219	3,239	* 17
Manufacturing	50,847,662	3,991,148	12,420,594	42,418,216	17,538,828	734,004
Food manufacturing	2,374,824	* 15,267	273,459	2,116,633	419,239	172,970
Beverage and tobacco products	846,971	* 692	* 8,684	838,980	292,404	* 38,278
Tobacco manufacturing	* 39,539	0	0	* 39,539	* 33,533	* 1,193
Textile mills and textile product mills	* 38,719	0	* 5,167	* 33,552	* 3,765	* 1,141
Apparel manufacturing	72,950	0	* 51	72,898	13,984	* 1,335
Leather and allied product manufacturing	* 9,580	0	* 3,445	* 6,136	* 5,599	* 31
Wood product manufacturing	* 9,917	0	* 1,232	* 8,685	* 4,175	* 258
Paper manufacturing	887,228	* 252	22,458	865,022	162,371	* 52,783
Printing and related support activities	12,960	0	* 659	12,301	2,525	* 438
Petroleum and coal products manufacturing	26,412,523	* 3,870,928	7,825,135	22,458,317	12,205,869	38,058
Chemical manufacturing	7,910,958	* 7,325	1,306,574	6,611,709	1,574,979	178,410
Pharmaceutical and medicine manufacturing	5,447,594	* 86	896,149	4,551,531	988,745	94,534
Other chemical manufacturing	2,463,365	* 7,239	410,425	2,060,178	586,234	83,876
Plastics and rubber products manufacturing	170,828	* 780	60,284	111,324	18,301	3,862
Nonmetallic mineral product manufacturing	134,365	0	* 95,263	39,102	12,436	* 1,133
Primary metal manufacturing	635,308	* 65,279	* 89,325	611,262	384,593	* 9,096
Fabricated metal products	1,138,065	* 135	130,847	1,007,353	231,808	39,611
Machinery manufacturing	1,866,695	* 11,448	982,504	895,638	314,526	42,102
Computer and electronic product manufacturing	3,130,024	* 16,412	1,095,865	2,050,571	814,115	71,901
Electrical equipment, appliance and component manufacturing	2,828,650	* 402	77,505	2,751,546	630,897	21,305
Transportation equipment manufacturing	1,689,367	0	268,473	1,420,894	306,323	39,237
Motor vehicles and related manufacturing	987,934	0	48,704	939,230	209,713	28,884
Other transportation equipment manufacturing	701,433	0	* 219,769	481,665	96,610	10,353
Furniture and related products	37,359	0	* 16,579	20,779	2,100	* 1,317
Miscellaneous manufacturing and manufacturing not allocable	640,371	* 2,227	157,084	485,514	138,820	20,736
Wholesale and retail trade	3,442,478	* 219,016	588,378	3,073,115	635,513	73,312
Wholesale trade	2,643,033	* 219,016	527,074	2,334,975	435,860	49,584
Durable goods	441,017	* 13,646	142,574	312,089	111,573	15,091
Machinery, equipment, and supplies	14,275	0	4,117	10,158	8,605	* 117
Other miscellaneous durable goods	426,743	* 13,646	138,457	301,931	102,968	14,973
Nondurable goods	2,202,016	* 205,370	384,500	2,022,886	324,287	34,493
Drugs, chemicals, and allied products	206,186	* 2,938	68,351	140,774	76,446	6,401
Groceries and related products	101,250	0	3,097	98,152	32,261	* 3,855
Petroleum and petroleum products	772,228	* 199,759	* 212,179	759,809	53,751	* 5,008
Other miscellaneous nondurable goods	1,114,797	* 2,672	100,161	1,017,309	160,326	18,906

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign income and taxes—continued					
	Foreign taxes available for credit				Foreign taxes paid or accrued	
	Total	Reduction for certain foreign taxes	Carryover	Total paid, accrued, and deemed paid	Total	Taxes withheld at source on:
						Dividends
(39)	(40)	(41)	(42)	(43)	(44)	
Retail trade	799,445	0	61,304	738,140	199,653	23,727
Motor vehicle, parts dealers, and gas stations	11,353	0	* 3,931	7,422	4,180	37
Building materials, garden equipment, and supplies	* 170,861	0	* 25	* 170,836	* 20,344	* 4
Food and beverages stores	5,660	0	* 781	4,879	* 4,676	* 6
Apparel and accessory stores	129,504	0	* 18,338	111,166	75,917	* 506
General merchandise stores	* 334,979	0	* 4,906	* 330,074	* 46,730	* 11,030
Miscellaneous retail trade (incl. furniture and home furnishings stores)	147,088	0	33,323	113,763	47,806	12,144
Transportation and warehousing	251,844	* 270	45,472	206,642	103,155	6,556
Air, rail, and water transportation	53,147	0	* 25,766	27,381	13,563	* 2,912
Water transportation	* 12,403	0	* 2,386	* 10,017	* 7,527	* 1,894
Air and rail transportation	* 40,744	0	* 23,380	* 17,364	* 6,035	* 1,018
Other transportation (including pipeline transportation and warehousing)	198,697	* 270	19,705	179,262	89,592	3,644
Information	3,272,288	* 60,408	663,405	2,669,290	1,263,860	68,081
Publishing (except internet), motion picture, and sound recording	1,973,111	* 60,408	255,930	1,777,589	1,032,152	45,638
Broadcasting, internet publishing	371,075	0	* 140,603	230,472	160,396	* 9,437
Telecommunications	144,850	0	* 40,517	104,332	10,739	757
Internet service providers, web search portals, data processing services	* 710,851	0	* 206,342	* 504,509	* 49,316	* 8,323
Other information services (includes internet publishing and broadcasting)	72,401	0	20,012	52,388	11,257	3,925
Finance, insurance, real estate, and rental and leasing	6,260,565	* 3,254	1,390,595	4,873,224	3,375,386	195,757
Finance and insurance	6,215,508	* 3,254	1,372,848	4,845,914	3,357,484	195,297
Commercial banking and other depository credit agencies	65,323	0	0	65,323	65,313	* 10
Nondepository credit intermediation	209,436	0	* 15,629	193,807	144,388	* 6,141
Securities, commodity contracts, and other	1,864,020	0	505,653	1,358,367	819,053	80,751
Insurance and related activities	3,537,628	* 3,254	829,975	2,710,907	1,898,793	108,391
Insurance agencies and brokerages	266,899	0	* 23,962	242,937	* 67,750	* 10,288
Funds, trusts, and other financial vehicles	539,099	0	* 21,590	517,510	429,938	* 4
Real estate and rental and leasing	45,057	0	17,747	27,310	17,902	460
Real estate	17,568	0	4,332	13,236	10,491	419
Rentals and leasing	27,489	0	* 13,415	14,074	7,411	* 42
Services	7,175,052	* 17,977	981,286	6,211,742	3,569,477	250,000
Professional, scientific, and technical services	590,187	* 204	145,510	444,881	247,677	4,839
Management of holding companies	5,362,709	* 12,769	594,101	4,781,377	2,854,938	219,874
Administrative and support and waste management and remediation	273,505	* 4,710	49,246	228,970	93,364	3,435
Education services, health care, and social assistance	40,576	0	* 13,820	26,755	22,255	* 14,969
Arts, entertainment, and recreation	65,938	0	* 7,046	58,892	52,802	* 361
Accommodation and food services	802,271	* 261	169,193	633,339	291,354	* 5,809
Accommodation	157,358	* 261	* 51,814	105,806	48,353	* 740
Food services and drinking places	644,912	0	117,379	527,533	243,001	* 5,068
Other services	39,866	* 33	* 2,371	37,528	7,087	* 714
Repair and maintenance services	* 2,811	* 33	* 406	* 2,438	* 1,638	* 217
Personal services	* 36,213	0	* 1,731	* 34,482	* 4,841	* 488
Religious, grantmaking, civic, professional, and similar organizations	* 842	0	* 234	* 608	* 608	* 8

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign income and taxes—continued						Taxes deemed paid
	Foreign taxes available for credit—continued						
	Foreign taxes paid or accrued—continued						
	Taxes withheld at source on—continued		Other taxes paid or accrued on:				
	Interest	Rents, royalties, and license fees	Branch income	Specifically allocable income (section 863(b))	Service income	Other income	
(45)	(46)	(47)	(48)	(49)	(50)	(51)	
All industries	1,017,826	2,678,122	5,734,096	63,225	298,690	16,714,997	33,156,751
Agriculture, forestry, fishing, and hunting	* 147	* 214	* 2,211	0	0	* 2,316	* 6,573
Mining	18,547	9,262	337,998	0	* 11,968	949,363	151,399
Oil and gas extraction	* 185	* 754	* 57,698	0	* 6,287	534,451	* 25,432
Coal mining, metal ore mining	* 16,842	* 4,225	* 135,283	0	* 5,052	* 412,649	* 28,109
Nonmetallic minerals	* 718	* 161	* 223	0	0	* 829	* 4,260
Support activities for mining	* 802	* 4,123	* 144,794	0	* 629	* 1,434	* 93,598
Utilities	* 588	* 722	* 4,324	0	0	* [2]	* 23,904
Construction	* 153	* 1,077	* 3,563	0	5,164	830	8,862
Construction of buildings	* 58	* 438	* 302	0	* 1,375	* 45	* 4,843
Heavy and civil engineering construction	* 90	* 545	* 433	0	* 3,636	* 644	* 1,039
Special trade contractors	* 5	* 94	* 2,828	0	* 153	* 142	* 2,980
Manufacturing	177,638	1,678,418	1,402,748	54,240	64,185	13,427,595	24,879,389
Food manufacturing	9,525	55,553	166,760	* 31	* 221	14,179	1,697,394
Beverage and tobacco products	* 1,548	* 43,123	* 192,190	* 228	* 722	* 16,315	* 546,575
Tobacco manufacturing	0	* 1,012	* 30,832	0	0	* 497	* 6,006
Textile mills and textile product mills	* 6	* 2,497	0	* 122	0	0	* 29,786
Apparel manufacturing	* 210	* 9,380	* 58	* 8	0	* 2,992	* 58,914
Leather and allied product manufacturing	* 25	* 2,740	* 2,740	0	* 52	* 11	* 537
Wood product manufacturing	* 75	* 384	0	0	0	* 3,457	* 4,510
Paper manufacturing	* 326	* 46,153	* 3,590	* 8,092	* 344	* 51,084	702,651
Printing and related support activities	* 180	* 1,192	* 434	0	* 164	* 117	* 9,777
Petroleum and coal products manufacturing	19,213	* 13,584	* 107,708	0	* 202	* 12,027,104	10,252,448
Chemical manufacturing	68,656	468,789	277,398	* 7,103	16,177	558,445	5,036,730
Pharmaceutical and medicine manufacturing	764	355,188	107,083	* 7,103	* 7,822	416,250	3,562,787
Other chemical manufacturing	67,892	113,602	170,315	0	8,355	142,195	1,473,943
Plastics and rubber products manufacturing	1,219	10,422	* 777	* 250	* 603	* 1,269	93,023
Nonmetallic mineral product manufacturing	* 6,175	* 2,838	* 802	0	* 107	* 1,381	26,666
Primary metal manufacturing	8,181	* 289,760	* 64,333	0	* 12,451	* 773	* 226,668
Fabricated metal products	2,894	22,268	143,968	0	* 890	22,177	775,545
Machinery manufacturing	11,161	57,306	160,895	* 822	2,454	39,787	581,112
Computer and electronic product manufacturing	3,112	502,204	140,029	* 20,826	18,226	57,817	1,236,456
Electrical equipment, appliance and component manufacturing	24,169	17,453	18,026	* 291	* 2,405	547,249	2,120,650
Transportation equipment manufacturing	17,618	68,379	81,598	* 14,065	8,664	76,761	1,114,572
Motor vehicles and related manufacturing	17,038	44,362	* 66,443	0	* 2,571	* 50,414	729,517
Other transportation equipment manufacturing	* 580	24,017	* 15,155	* 14,065	* 6,093	* 26,347	385,055
Furniture and related products	* 361	* 360	0	0	0	* 61	* 18,680
Miscellaneous manufacturing and manufacturing not allocable	2,984	64,033	41,443	* 2,402	* 604	* 6,618	346,694
Wholesale and retail trade	29,679	153,804	245,149	* 2,430	14,504	116,635	2,437,602
Wholesale trade	15,230	96,133	155,928	* 2,430	14,312	102,241	1,899,115
Durable goods	8,735	48,543	11,902	0	5,654	21,647	200,516
Machinery, equipment, and supplies	* 936	* 2,415	* 3,661	0	* 876	* 599	* 1,553
Other miscellaneous durable goods	7,799	46,128	8,241	0	4,778	21,048	198,964
Nondurable goods	6,495	47,590	144,026	* 2,430	* 8,658	80,594	1,698,599
Drugs, chemicals, and allied products	* 1,110	17,909	* 46,413	* 1,739	* 1,422	* 1,452	64,328
Groceries and related products	* 1,920	* 3,710	* 6,796	* 691	* 96	* 15,193	* 65,891
Petroleum and petroleum products	* 2	* 10	* 44,404	0	* 3,952	* 376	* 706,057
Other miscellaneous nondurable goods	2,589	25,726	46,344	0	* 3,187	63,573	856,983

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes, by Major and Selected Minor Industry—Continued

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

Major and selected minor industry of U.S. corporation filing return	Foreign income and taxes—continued						Taxes deemed paid
	Foreign taxes available for credit—continued						
	Foreign taxes paid or accrued—continued						
	Taxes withheld at source on—continued		Other taxes paid or accrued on:				
	Interest	Rents, royalties, and license fees	Branch income	Specifically allocable income (section 863(b))	Service income	Other income	
(45)	(46)	(47)	(48)	(49)	(50)	(51)	
Retail trade	14,449	57,671	89,221	0	* 191	14,394	538,487
Motor vehicle, parts dealers, and gas stations	* 984	* 231	* 1,342	0	* 6	* 1,580	* 3,243
Building materials, garden equipment, and supplies	* 4,977	* 14,514	0	0	0	* 849	* 150,492
Food and beverages stores	* 32	* 4,639	0	0	0	0	* 203
Apparel and accessory stores	* 4,146	5,942	* 55,043	0	0	* 10,280	35,249
General merchandise stores	* 75	* 26,784	* 8,624	0	* 52	* 165	* 283,343
Miscellaneous retail trade (incl. furniture and home furnishings stores)	4,235	5,561	24,212	0	133	1,520	65,957
Transportation and warehousing	2,809	9,492	* 61,865	* 2	15,410	7,020	103,488
Air, rail, and water transportation	* 166	* 1,029	* 1,446	0	* 5,020	* 2,989	* 13,818
Water transportation	* 49	0	* 1,446	0	* 1,588	* 2,550	* 2,490
Air and rail transportation	* 117	* 1,029	0	0	* 3,432	* 439	* 11,328
Other transportation (including pipeline transportation and warehousing)	2,643	8,462	60,419	* 2	10,390	4,031	89,670
Information	4,612	527,601	483,479	* 749	17,830	161,508	1,405,431
Publishing (except internet), motion picture, and sound recording	1,098	364,087	461,053	* 749	1,890	157,635	745,437
Broadcasting, internet publishing	* 1,335	* 125,338	* 14,304	0	* 9,444	* 539	* 70,076
Telecommunications	* 673	* 8,416	* 227	0	* 640	* 26	* 93,593
Internet service providers, web search portals, data processing services	* 1,468	* 26,128	* 5,137	0	* 5,559	* 2,701	* 455,193
Other information services (includes internet publishing and broadcasting)	38	3,631	2,758	0	297	607	41,132
Finance, insurance, real estate, and rental and leasing	511,445	44,012	1,381,779	* 4,671	70,965	1,166,758	1,497,838
Finance and insurance	510,583	36,761	1,379,316	* 4,671	70,011	1,160,846	1,488,430
Commercial banking and other depository credit agencies	* 65,298	* 1	0	0	0	* 4	* 11
Nondepository credit intermediation	17,377	* 9,584	* 83,175	0	* 12,165	* 15,946	* 49,419
Securities, commodity contracts, and other	12,118	* 26,471	* 90,255	0	3,614	605,843	539,314
Insurance and related activities	33,902	* 706	1,205,886	* 4,671	53,949	491,288	812,115
Insurance agencies and brokerages	* 1,972	* 29	* 52,235	0	* 782	* 2,444	* 175,187
Funds, trusts, and other financial vehicles	* 381,887	0	0	0	* 283	* 47,764	* 87,571
Real estate and rental and leasing	862	7,250	* 2,463	0	* 954	5,912	9,408
Real estate	719	* 3,459	0	0	* 33	5,861	* 2,745
Rentals and leasing	* 143	3,791	* 2,463	0	* 922	* 51	* 6,663
Services	272,208	253,521	1,810,980	* 1,132	98,663	882,972	2,642,265
Professional, scientific, and technical services	1,354	55,649	137,768	* 611	20,981	26,475	197,204
Management of holding companies	242,638	66,791	1,493,606	0	* 61,916	770,112	1,926,439
Administrative and support and waste management and remediation	895	13,549	16,362	0	* 818	* 58,306	135,606
Education services, health care, and social assistance	* 163	* 2,475	* 1,112	0	* 2,887	* 649	* 4,501
Arts, entertainment, and recreation	* 1	6,864	* 18,721	* 521	* 3,046	* 23,288	* 6,090
Accommodation and food services	26,599	106,457	* 141,271	0	* 7,252	3,967	341,985
Accommodation	* 4,908	* 15,340	* 17,816	0	* 6,351	* 3,198	* 57,453
Food services and drinking places	* 21,691	91,116	* 123,455	0	* 901	* 769	* 284,532
Other services	* 558	* 1,737	* 2,139	0	* 1,765	* 175	* 30,441
Repair and maintenance services	0	* 103	0	0	* 1,317	0	* 800
Personal services	* 558	* 1,481	* 2,139	0	0	* 175	* 29,641
Religious, grantmaking, civic, professional, and similar organizations	0	* 153	0	0	* 447	0	0

Table 1. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Total Assets, Income, Taxes, and Credits, and Foreign Income, Deductions, and Taxes, by Major and Selected Minor Industry—Continued

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

Footnotes

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

[1] Interest-Charge Domestic International Sales Corporation (IC-DISC) and Domestic International Sales Corporation (DISC).

[2] Less than \$500.

[3] 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.

[4] Included in gross income (less loss), columns 16-22. See notes below.

[5] Included in deductions, columns 25-34. See notes below.

NOTES: Detail may not add to totals because of rounding. Columns 2 through 15 present statistics on assets, receipts, income, and taxes reported on Form 1120 (Corporation Income Tax Return) series for corporations claiming a foreign tax credit. Columns 16 through 51 present statistics from Form 1118, Foreign Tax Credit—Corporations. Schedule references indicate the schedule of Form 1118 from which the data were obtained. Columns 16 through 35 present statistics on foreign income (i.e., income from sources outside the United States) and deductions reported primarily on Schedule A, Form 1118. Although the amounts of oil and gas income and deductions (columns 23 and 35, respectively) are contained in the summary columns (i.e., columns 16 through 22 and 25 through 34), these amounts are also reported separately (on Schedule I) 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. Foreign branch income and code section 863(b) income (income partly within and partly without the United States) also are included in the summary amounts reported in columns 16 through 22. Foreign branch income also is reported separately on Schedule F, shown in column 24. Total deductions not allocable to specific types of income (column 31) are equal to the sum of columns 32 through 34 (any differences are due to taxpayer reporting practices). Total foreign-source gross income (column 16) less total foreign deductions (column 25) is equal to foreign-source taxable income (less loss) before adjustments (column 36).

Adjustments to foreign-source taxable income (reported in column 37) include allocations of current-year U.S.-source losses and recapture of foreign losses, as well as other adjustments. These adjustments (reported on Schedule J) affect the numerator of the limitation fraction used to compute the foreign tax credit. The foreign-source taxable income (less loss) after adjustments (the numerator of the limitation fraction) is reported in column 38. The limitation fraction, which represents the ratio of foreign-source taxable income after adjustments to total (U.S. and foreign) taxable income after adjustments, 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 39 through 51. Data on foreign taxes paid, accrued, and deemed paid (through related foreign corporations or their subsidiaries) from Schedule B, Form 1118, are reported in columns 42 through 51. Total foreign taxes paid or accrued (column 43) are the sum of columns 44 through 50. Total foreign taxes paid, accrued, and deemed paid (column 42) are equal to the sum of total taxes paid or accrued (column 43) and taxes deemed paid (column 51). Total foreign taxes paid, accrued, and deemed paid are then adjusted for certain items (e.g., reductions of foreign taxes under Code section 907 related to oil and gas income), which are reported in column 40, as well as carryovers of foreign taxes not credited in prior years, which are reported in column 41. Thus, total foreign taxes available for credit (column 39) are equal to total foreign taxes paid, accrued, and deemed paid (column 42) less certain foreign taxes (column 40), plus any carryover of prior-year foreign taxes (column 41).

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes, by Industrial Sector and by Type of Foreign Income for Which Separate Credit Was Computed

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

Industrial sector and type of foreign income for which separate credit was computed	Number of returns [7]	Foreign income and taxes reported on Form 1118				
		Gross income (less loss)				
		Total	Dividends	Foreign dividend income from foreign taxes deemed paid (gross-up)	Interest	Rents, royalties, and license fees
	(1)	(2)	(3)	(4)	(5)	(6)
ALL INDUSTRIES						
All income types	5,502	485,354,155	86,339,067	33,129,305	57,724,090	79,964,798
Passive income	2,452	12,659,212	6,487,463	514,583	4,061,005	1,138,815
High withholding tax interest	188	1,041,068	15,495	* 7,213	1,018,353	0
Financial services income	282	139,168,194	15,317,667	4,437,429	46,871,349	4,285,536
Shipping income	36	9,021,604	1,160,942	115,513	138,548	* 745,661
Dividends from an IC-DISC or former DISC [1]	45	* 928	* 928	0	0	0
Miscellaneous separately calculated limitation	3	* 39,614	0	0	0	* 29,711
Distributions from a FSC or former FSC [2]	7	* 151,679	* 151,162	* 517	0	0
General limitation income	3,207	322,979,350	63,046,502	28,033,451	5,633,910	73,745,031
Section 901(j) income	20	95,137	56,028	* 486	* 771	* 14,863
Income resourced by treaty	22	176,575	88,454	15,532	* 154	* 3,678
Dividends from each 10/50 PFIC [3]	6	* 6,067	* 4,223	* 1,844	0	0
Dividends from 10/50 corporations	13	14,724	* 10,203	* 2,737	0	* 1,503
AGRICULTURE, FORESTRY, FISHING, AND HUNTING						
All income types	210	176,994	29,340	* 6,573	* 2,556	* 13,425
Passive income	197	1,361	* 401	0	* 439	* 311
High withholding tax interest	0	0	0	0	0	0
Financial services income	0	0	0	0	0	0
Shipping income	0	0	0	0	0	0
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0
Miscellaneous separately calculated limitation	0	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0
General limitation income	13	175,633	* 28,939	* 6,573	* 2,117	* 13,114
Section 901(j) income	0	0	0	0	0	0
Income resourced by treaty	0	0	0	0	0	0
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0
Dividends from 10/50 corporations	0	0	0	0	0	0
MINING						
All income types	112	8,507,542	731,192	151,399	439,454	169,573
Passive income	66	91,523	42,372	* 3,483	39,344	* 682
High withholding tax interest	d	d	d	d	d	d
Financial services income	4	* 6,271	* 5,733	0	* 538	0
Shipping income	d	d	d	d	d	d
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0
Miscellaneous separately calculated limitation	0	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0
General limitation income	65	8,389,883	664,603	147,917	397,734	168,890
Section 901(j) income	d	d	d	d	d	d
Income resourced by treaty	0	0	0	0	0	0
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0
Dividends from 10/50 corporations	0	0	0	0	0	0
UTILITIES						
All income types	7	* 170,777	* 138,116	* 23,904	* 8,181	* 7,217
Passive income	5	* -11,793	* 18,518	* 210	* 1,083	0
High withholding tax interest	0	0	0	0	0	0
Financial services income	d	d	d	d	d	d
Shipping income	0	0	0	0	0	0
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0
Miscellaneous separately calculated limitation	0	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0
General limitation income	4	* 180,684	* 119,598	* 23,694	* 5,212	* 7,217
Section 901(j) income	d	d	d	d	d	d
Income resourced by treaty	0	0	0	0	0	0
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0
Dividends from 10/50 corporations	0	0	0	0	0	0

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes, by Industrial Sector and by Type of Foreign Income for Which Separate Credit Was Computed—Continued

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

Industrial sector and type of foreign income for which separate credit was computed	Number of returns [7]	Foreign income and taxes reported on Form 1118				
		Gross income (less loss)				
		Total	Dividends	Foreign dividend income from foreign taxes deemed paid (gross-up)	Interest	Rents, royalties, and license fees
	(1)	(2)	(3)	(4)	(5)	(6)
CONSTRUCTION						
All income types	235	270,747	32,902	8,788	* 1,755	* 49,246
Passive income	88	5,881	1,693	* 121	* 1,370	* 704
High withholding tax interest	d	d	d	d	d	d
Financial services income	d	d	d	d	d	d
Shipping income	0	0	0	0	0	0
Dividends from an IC-DISC or former DISC [1]	27	* 3	* 3	0	0	0
Miscellaneous separately calculated limitation	d	d	d	d	d	d
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0
General limitation income	122	254,957	31,203	8,667	* 385	* 48,541
Section 901(j) income	0	0	0	0	0	0
Income resourced by treaty	0	0	0	0	0	0
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0
Dividends from 10/50 corporations	0	0	0	0	0	0
MANUFACTURING						
All income types	1,039	251,450,340	55,924,861	24,912,421	8,515,131	49,310,395
Passive income	472	6,346,848	3,349,462	326,933	1,854,853	648,948
High withholding tax interest	51	251,949	* 8,671	* 2,674	240,598	0
Financial services income	40	12,045,648	4,215,073	* 1,289,339	2,389,807	* 488,610
Shipping income	14	1,522,541	349,395	* 52,024	* 71,027	* 568,854
Dividends from an IC-DISC or former DISC [1]	12	* 895	* 895	0	0	0
Miscellaneous separately calculated limitation	d	d	d	d	d	d
Distributions from a FSC or former FSC [2]	d	d	d	d	d	d
General limitation income	792	231,095,689	47,867,786	23,226,479	3,958,075	47,585,442
Section 901(j) income	13	* 64,211	* 46,896	* 449	* 771	* 14,863
Income resourced by treaty	14	111,783	* 78,919	* 11,793	0	* 3,678
Dividends from each 10/50 PFIC [3]	4	* 6,060	* 4,216	* 1,844	0	0
Dividends from 10/50 corporations	6	* 2,976	* 2,326	* 369	0	0
WHOLESALE AND RETAIL TRADE						
All income types	658	21,889,530	6,371,758	2,437,526	550,021	4,460,939
Passive income	251	844,072	417,597	57,989	104,450	158,668
High withholding tax interest	38	48,823	* 223	* 197	48,403	0
Financial services income	9	* 2,400,305	* 230,637	* 86,093	* 130,173	* 2,385
Shipping income	3	* 23,256	* 42,516	* 4,108	* 50	0
Dividends from an IC-DISC or former DISC [1]	d	d	d	d	d	d
Miscellaneous separately calculated limitation	0	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0
General limitation income	441	18,551,283	5,672,423	2,286,525	266,791	4,299,886
Section 901(j) income	d	d	d	d	d	d
Income resourced by treaty	3	* 20,987	* 7,600	* 2,577	* 154	0
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0
Dividends from 10/50 corporations	d	d	d	d	d	d
TRANSPORTATION AND WAREHOUSING						
All income types	68	13,611,474	727,022	103,691	105,312	180,074
Passive income	14	36,058	* 21,224	* 472	* 5,070	* 7,637
High withholding tax interest	8	* 13,544	* [5]	0	* 13,544	0
Financial services income	d	d	d	d	d	d
Shipping income	9	* 6,455,959	* 581,285	* 57,576	* 55,360	* 102,952
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0
Miscellaneous separately calculated limitation	0	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0
General limitation income	55	7,077,183	124,513	45,644	31,339	69,485
Section 901(j) income	d	d	d	d	d	d
Income resourced by treaty	0	0	0	0	0	0
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0
Dividends from 10/50 corporations	0	0	0	0	0	0

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes, by Industrial Sector and by Type of Foreign Income for Which Separate Credit Was Computed—Continued

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

Industrial sector and type of foreign income for which separate credit was computed	Number of returns [7]	Foreign income and taxes reported on Form 1118				
		Gross income (less loss)				
		Total	Dividends	Foreign dividend income from foreign taxes deemed paid (gross-up)	Interest	Rents, royalties, and license fees
	(1)	(2)	(3)	(4)	(5)	(6)
INFORMATION						
All income types	607	36,404,233	8,462,463	1,344,901	283,657	17,706,348
Passive income	153	2,700,264	2,252,550	111,585	128,110	133,663
High withholding tax interest	5	* 1,225	0	0	* 1,225	0
Financial services income	d	d	d	d	d	d
Shipping income	d	d	d	d	d	d
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0
Miscellaneous separately calculated limitation	0	0	0	0	0	0
Distributions from a FSC or former FSC [2]	d	d	d	d	d	d
General limitation income	482	33,496,442	6,198,490	1,233,037	146,418	17,474,391
Section 901(j) income	d	d	d	d	d	d
Income resourced by treaty	d	d	d	d	d	d
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0
Dividends from 10/50 corporations	d	d	d	d	d	d
FINANCE, INSURANCE, REAL ESTATE, AND RENTAL AND LEASING						
All income types	965	77,132,720	7,956,569	1,497,838	25,242,705	2,254,302
Passive income	505	2,259,788	291,748	3,269	1,841,802	27,039
High withholding tax interest	54	204,753	* 6,472	* 4,122	194,159	0
Financial services income	160	70,569,825	7,153,909	1,422,348	22,895,924	1,727,092
Shipping income	d	d	d	d	d	d
Dividends from an IC-DISC or former DISC [1]	d	d	d	d	d	d
Miscellaneous separately calculated limitation	0	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0
General limitation income	316	3,267,155	330,235	67,978	306,613	500,171
Section 901(j) income	0	0	0	0	0	0
Income resourced by treaty	d	d	d	d	d	d
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0
Dividends from 10/50 corporations	3	* 1,317	* 1,197	* 121	0	0
SERVICES						
All income types	1,603	75,739,797	5,964,842	2,642,262	22,575,318	5,813,279
Passive income	701	385,209	91,898	10,521	84,484	161,162
High withholding tax interest	30	518,937	* 129	* 220	518,587	0
Financial services income	64	54,088,476	3,712,311	1,639,649	21,453,021	2,043,011
Shipping income	4	* 12,545	* 4,650	* 1,805	0	0
Dividends from an IC-DISC or former DISC [1]	d	d	d	d	d	d
Miscellaneous separately calculated limitation	d	d	d	d	d	d
Distributions from a FSC or former FSC [2]	4	* 139,238	* 139,238	0	0	0
General limitation income	917	20,490,442	2,008,713	986,938	519,225	3,577,893
Section 901(j) income	d	d	d	d	d	d
Income resourced by treaty	3	* 43,714	* 1,936	* 1,162	0	0
Dividends from each 10/50 PFIC [3]	d	d	d	d	d	d
Dividends from 10/50 corporations	d	d	d	d	d	d

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes, by Industrial Sector and by Type of Foreign Income for Which Separate Credit Was Computed—Continued

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

Industrial sector and type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118—continued				
	Gross income (less loss)—continued				Deductions
	Service income	Other income	Oil and gas extraction income [4]	Foreign branch income [4]	Total
	(7)	(8)	(9)	(10)	(11)
ALL INDUSTRIES					
All income types	26,382,011	201,814,884	49,446,665	97,936,689	243,861,018
Passive income	* 4,242	453,103	0	12,550	3,134,217
High withholding tax interest	0	* 7	0	* 4,567	338,953
Financial services income	5,959,833	62,296,381	0	50,935,140	89,910,568
Shipping income	* 129,422	6,731,518	0	* 2,789,325	7,502,883
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	* 46
Miscellaneous separately calculated limitation	0	* 9,904	0	0	* 25,498
Distributions from a FSC or former FSC [2]	0	0	0	0	* 131,025
General limitation income	20,264,684	132,255,773	49,446,665	44,145,304	142,734,190
Section 901(j) income	* 22,212	* 777	0	* 22,089	38,530
Income resourced by treaty	* 1,617	67,140	0	* 27,714	38,457
Dividends from each 10/50 PFIC [3]	0	0	11	0	* 424
Dividends from 10/50 corporations	0	* 281	0	0	* 6,228
AGRICULTURE, FORESTRY, FISHING, AND HUNTING					
All income types	0	125,100	0	* 13,640	69,258
Passive income	0	* 210	0	0	* 319
High withholding tax interest	0	0	0	0	0
Financial services income	0	0	0	0	0
Shipping income	0	0	0	0	0
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0
Miscellaneous separately calculated limitation	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0
General limitation income	0	124,890	0	* 13,640	* 68,939
Section 901(j) income	0	0	0	0	0
Income resourced by treaty	0	0	0	0	0
Dividends from each 10/50 PFIC [3]	0	0	0	0	0
Dividends from 10/50 corporations	0	0	0	0	0
MINING					
All income types	353,116	6,662,808	2,633,006	2,804,878	4,088,567
Passive income	0	* 5,642	0	* 365	38,592
High withholding tax interest	d	d	d	d	d
Financial services income	0	0	0	0	* 1,722
Shipping income	d	d	d	d	d
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0
Miscellaneous separately calculated limitation	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0
General limitation income	353,116	6,657,624	2,633,006	2,804,512	4,038,434
Section 901(j) income	d	d	d	d	d
Income resourced by treaty	0	0	0	0	0
Dividends from each 10/50 PFIC [3]	0	0	0	0	0
Dividends from 10/50 corporations	0	0	0	0	0
UTILITIES					
All income types	* 20,360	* -27,002	0	* 17,627	* 80,889
Passive income	0	* -31,605	0	0	* 5,524
High withholding tax interest	0	0	0	0	0
Financial services income	d	d	d	d	d
Shipping income	0	0	0	0	0
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0
Miscellaneous separately calculated limitation	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0
General limitation income	* 20,360	* 4,603	0	* 17,627	* 73,491
Section 901(j) income	d	d	d	d	d
Income resourced by treaty	0	0	0	0	0
Dividends from each 10/50 PFIC [3]	0	0	0	0	0
Dividends from 10/50 corporations	0	0	0	0	0

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes, by Industrial Sector and by Type of Foreign Income for Which Separate Credit Was Computed—Continued

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

Industrial sector and type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118—continued				
	Gross income (less loss)—continued				Deductions
	Service income	Other income	Oil and gas extraction income [4]	Foreign branch income [4]	Total
	(7)	(8)	(9)	(10)	(11)
CONSTRUCTION					
All income types	95,355	82,702	0	* 33,325	162,578
Passive income	0	* 1,992	0	* 990	* 1,415
High withholding tax interest	d	d	d	d	d
Financial services income	d	d	d	d	d
Shipping income	0	0	0	0	0
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0
Miscellaneous separately calculated limitation	d	d	d	d	d
Distributions from a FSC or former FSC [2]	0	0	0	0	0
General limitation income	95,355	70,806	0	* 32,335	153,800
Section 901(j) income	0	0	0	0	0
Income resourced by treaty	0	0	0	0	0
Dividends from each 10/50 PFIC [3]	0	0	0	0	0
Dividends from 10/50 corporations	0	0	0	0	0
MANUFACTURING					
All income types	5,817,481	106,970,051	* 44,744,997	21,703,179	96,857,064
Passive income	* 3,950	162,703	0	-75,428	1,950,146
High withholding tax interest	0	* 7	0	0	86,499
Financial services income	* 545,743	3,117,075	0	* 197,916	5,964,325
Shipping income	* 733	* 480,507	0	0	1,257,337
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	* 46
Miscellaneous separately calculated limitation	d	d	d	d	d
Distributions from a FSC or former FSC [2]	d	d	d	d	d
General limitation income	5,267,054	103,190,852	* 44,744,997	21,554,732	87,566,953
Section 901(j) income	0	* 1,232	0	0	* 9,847
Income resourced by treaty	0	* 17,394	0	* 25,959	* 21,066
Dividends from each 10/50 PFIC [3]	0	0	0	0	* 424
Dividends from 10/50 corporations	0	* 281	0	0	* 420
WHOLESALE AND RETAIL TRADE					
All income types	740,485	7,328,800	* 2,000,154	4,991,158	10,219,946
Passive income	* 292	105,076	0	* 37,645	262,430
High withholding tax interest	0	0	0	* 219	21,055
Financial services income	* 237,234	* 1,713,783	0	* 1,897,054	* 1,916,871
Shipping income	* -23,449	* 31	0	* -23,449	* 26,518
Dividends from an IC-DISC or former DISC [1]	d	d	d	d	d
Miscellaneous separately calculated limitation	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0
General limitation income	526,409	5,499,249	* 2,000,154	3,077,934	7,987,195
Section 901(j) income	d	d	d	d	d
Income resourced by treaty	0	* 10,657	0	* 1,755	* 4,854
Dividends from each 10/50 PFIC [3]	0	0	0	0	0
Dividends from 10/50 corporations	d	d	d	d	d
TRANSPORTATION AND WAREHOUSING					
All income types	6,843,294	5,652,080	* 3,023	4,839,547	11,167,148
Passive income	0	* 1,655	0	0	* -961
High withholding tax interest	0	0	0	0	* -3,794
Financial services income	d	d	d	d	d
Shipping income	* 151,882	* 5,506,905	0	* 2,483,884	* 5,265,782
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0
Miscellaneous separately calculated limitation	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0
General limitation income	6,662,682	143,520	* 3,023	* 2,355,663	5,873,063
Section 901(j) income	d	d	d	d	d
Income resourced by treaty	0	0	0	0	0
Dividends from each 10/50 PFIC [3]	0	0	0	0	0
Dividends from 10/50 corporations	0	0	0	0	0

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes, by Industrial Sector and by Type of Foreign Income for Which Separate Credit Was Computed—Continued

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

Industrial sector and type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118—continued				
	Gross income (less loss)—continued				Deductions
	Service income	Other income	Oil and gas extraction income [4]	Foreign branch income [4]	Total
	(7)	(8)	(9)	(10)	(11)
INFORMATION					
All income types	1,748,029	6,858,835	0	5,606,565	21,823,468
Passive income	0	74,357	0	* 614	323,871
High withholding tax interest	0	0	0	0	* 1,933
Financial services income	d	d	d	d	d
Shipping income	d	d	d	d	d
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0
Miscellaneous separately calculated limitation	0	0	0	0	0
Distributions from a FSC or former FSC [2]	d	d	d	d	d
General limitation income	1,747,905	6,696,200	0	5,605,951	21,340,435
Section 901(j) income	d	d	d	d	d
Income resourced by treaty	d	d	d	d	d
Dividends from each 10/50 PFIC [3]	0	0	0	0	0
Dividends from 10/50 corporations	d	d	d	d	d
FINANCE, INSURANCE, REAL ESTATE, AND RENTAL AND LEASING					
All income types	4,409,215	35,772,090	0	19,629,429	47,548,294
Passive income	0	95,930	0	* 12,201	349,442
High withholding tax interest	0	0	0	* 408	89,107
Financial services income	3,804,455	33,566,097	0	19,005,549	44,031,438
Shipping income	d	d	d	d	d
Dividends from an IC-DISC or former DISC [1]	d	d	d	d	d
Miscellaneous separately calculated limitation	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0
General limitation income	604,760	1,457,398	0	288,215	2,201,141
Section 901(j) income	0	0	0	0	0
Income resourced by treaty	d	d	d	d	d
Dividends from each 10/50 PFIC [3]	0	0	0	0	0
Dividends from 10/50 corporations	0	0	0	0	* 143
SERVICES					
All income types	6,354,676	32,389,420	* 65,485	38,297,342	51,843,806
Passive income	0	37,144	0	* 36,163	203,439
High withholding tax interest	0	0	0	* 3,940	143,673
Financial services income	* 1,343,671	23,896,813	0	29,834,622	37,901,475
Shipping income	* 256	* 5,834	0	* 5,834	* 585
Dividends from an IC-DISC or former DISC [1]	d	d	d	d	d
Miscellaneous separately calculated limitation	d	d	d	d	d
Distributions from a FSC or former FSC [2]	0	0	0	0	* 120,321
General limitation income	4,987,043	8,410,631	* 65,485	8,394,694	13,430,739
Section 901(j) income	d	d	d	d	d
Income resourced by treaty	* 1,617	* 38,999	0	0	* 1,506
Dividends from each 10/50 PFIC [3]	d	d	d	d	d
Dividends from 10/50 corporations	d	d	d	d	d

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes, by Industrial Sector and by Type of Foreign Income for Which Separate Credit Was Computed—Continued

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

Industrial sector and type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118—continued					
	Deductions—continued					
	Deductions allocable to specific types of income					Deductions not allocable to specific types of income
	Total	Depreciation, depletion, and amortization	Other expenses	Service expenses	Other definitely allocable deductions	Total
(12)	(13)	(14)	(15)	(16)	(17)	
ALL INDUSTRIES						
All income types	133,043,631	1,860,464	4,571,450	15,009,924	111,601,793	110,817,387
Passive income	1,051,678	15,919	112,402	* 1,935	921,422	2,082,539
High withholding tax interest	44,754	0	* 168	0	44,586	294,199
Financial services income	38,584,622	490,861	187,821	2,866,936	35,039,004	51,325,947
Shipping income	5,906,537	* 531,586	* 91,402	* 126,557	5,156,993	1,596,345
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	* 46
Miscellaneous separately calculated limitation	* 18,135	* 12,842	0	0	* 5,293	* 7,363
Distributions from a FSC or former FSC [2]	* 131,564	0	0	0	* 131,564	* -538
General limitation income	87,263,986	809,248	4,179,658	11,994,807	70,280,273	55,470,204
Section 901(j) income	* 24,622	0	0	* 18,753	* 5,870	13,908
Income resourced by treaty	* 17,588	* 8	0	* 937	* 16,643	* 20,869
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	* 424
Dividends from 10/50 corporations	* 146	0	0	0	* 146	* 6,082
AGRICULTURE, FORESTRY, FISHING, AND HUNTING						
All income types	* 47,287	* 150	0	0	* 47,137	* 21,971
Passive income	* 5	0	0	0	* 5	* 314
High withholding tax interest	0	0	0	0	0	0
Financial services income	0	0	0	0	0	0
Shipping income	0	0	0	0	0	0
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0
Miscellaneous separately calculated limitation	0	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0
General limitation income	* 47,282	* 150	0	0	* 47,132	* 21,658
Section 901(j) income	0	0	0	0	0	0
Income resourced by treaty	0	0	0	0	0	0
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0
Dividends from 10/50 corporations	0	0	0	0	0	0
MINING						
All income types	3,066,442	* 40,937	* 68,438	* 116,081	2,840,986	1,022,125
Passive income	9,844	* 21	* 45	0	9,777	28,748
High withholding tax interest	d	d	d	d	d	d
Financial services income	0	0	0	0	0	* 1,722
Shipping income	d	d	d	d	d	d
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0
Miscellaneous separately calculated limitation	0	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0
General limitation income	3,050,730	* 40,916	* 68,393	* 116,081	2,825,341	987,703
Section 901(j) income	d	d	d	d	d	d
Income resourced by treaty	0	0	0	0	0	0
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0
Dividends from 10/50 corporations	0	0	0	0	0	0
UTILITIES						
All income types	* 26,240	0	0	* 1,598	* 24,641	* 54,649
Passive income	* 1,269	0	0	0	* 1,269	* 4,255
High withholding tax interest	0	0	0	0	0	0
Financial services income	d	d	d	d	d	d
Shipping income	0	0	0	0	0	0
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0
Miscellaneous separately calculated limitation	0	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0
General limitation income	* 24,971	0	0	* 1,598	* 23,372	* 48,520
Section 901(j) income	d	d	d	d	d	d
Income resourced by treaty	0	0	0	0	0	0
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0
Dividends from 10/50 corporations	0	0	0	0	0	0

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes, by Industrial Sector and by Type of Foreign Income for Which Separate Credit Was Computed—Continued

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

Industrial sector and type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118—continued					
	Deductions—continued					
	Deductions allocable to specific types of income					Deductions not allocable to specific types of income
	Total	Depreciation, depletion, and amortization	Other expenses	Service expenses	Other definitely allocable deductions	
(12)	(13)	(14)	(15)	(16)	(17)	
CONSTRUCTION						
All income types	140,768	* 109	* 7,446	61,737	71,476	21,810
Passive income	* 1,334	0	* 5	0	* 1,329	* 81
High withholding tax interest	d	d	d	d	d	d
Financial services income	d	d	d	d	d	d
Shipping income	0	0	0	0	0	0
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0
Miscellaneous separately calculated limitation	d	d	d	d	d	d
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0
General limitation income	139,434	* 109	* 7,441	61,737	* 70,147	14,366
Section 901(j) income	0	0	0	0	0	0
Income resourced by treaty	0	0	0	0	0	0
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0
Dividends from 10/50 corporations	0	0	0	0	0	0
MANUFACTURING						
All income types	50,761,023	383,599	143,870	700,015	49,533,540	46,096,041
Passive income	672,867	* 116	4,639	0	668,113	1,277,279
High withholding tax interest	* 24,117	0	0	0	* 24,117	62,383
Financial services income	* 3,369,807	0	0	* [5]	* 3,369,807	2,594,519
Shipping income	1,012,290	0	0	* 1	* 1,012,290	245,047
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	* 46
Miscellaneous separately calculated limitation	d	d	d	d	d	d
Distributions from a FSC or former FSC [2]	d	d	d	d	d	d
General limitation income	45,678,517	383,483	139,231	700,014	44,455,789	41,888,436
Section 901(j) income	* 1	0	0	0	* 1	* 9,846
Income resourced by treaty	* 1,919	0	0	0	* 1,919	* 19,147
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	* 424
Dividends from 10/50 corporations	* 52	0	0	0	* 52	* 367
WHOLESALE AND RETAIL TRADE						
All income types	7,533,917	33,672	443,182	169,727	6,887,336	2,686,030
Passive income	142,634	* 12,215	* 3,670	* 1,071	125,678	119,796
High withholding tax interest	* 22	0	0	0	* 22	21,033
Financial services income	* 1,817,270	0	* 85,907	0	* 1,731,363	* 99,601
Shipping income	* 17,100	0	0	0	* 17,100	* 9,418
Dividends from an IC-DISC or former DISC [1]	d	d	d	d	d	d
Miscellaneous separately calculated limitation	0	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0
General limitation income	5,553,758	21,457	353,605	168,656	5,010,041	2,433,437
Section 901(j) income	d	d	d	d	d	d
Income resourced by treaty	* 3,132	0	0	0	* 3,132	* 1,722
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0
Dividends from 10/50 corporations	d	d	d	d	d	d
TRANSPORTATION AND WAREHOUSING						
All income types	9,831,704	* 1,719	* 9,004	5,857,822	3,963,160	1,335,443
Passive income	* 818	0	* [5]	0	* 818	* -1,779
High withholding tax interest	0	0	0	0	0	* -3,794
Financial services income	d	d	d	d	d	d
Shipping income	* 3,990,048	0	0	* 126,556	* 3,863,492	* 1,275,734
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0
Miscellaneous separately calculated limitation	0	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0
General limitation income	5,807,781	* 1,719	* 9,004	5,698,208	98,850	65,283
Section 901(j) income	d	d	d	d	d	d
Income resourced by treaty	0	0	0	0	0	0
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0
Dividends from 10/50 corporations	0	0	0	0	0	0

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes, by Industrial Sector and by Type of Foreign Income for Which Separate Credit Was Computed—Continued

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

Industrial sector and type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118—continued					
	Deductions—continued					
	Deductions allocable to specific types of income					Deductions not allocable to specific types of income
	Total	Depreciation, depletion, and amortization	Other expenses	Service expenses	Other definitely allocable deductions	
(12)	(13)	(14)	(15)	(16)	(17)	
INFORMATION						
All income types	15,163,309	* 225,340	3,140,831	1,378,101	10,419,036	6,660,160
Passive income	105,892	* 124	* 90,066	* 319	15,383	217,979
High withholding tax interest	* [5]	0	0	0	* [5]	* 1,933
Financial services income	d	d	d	d	d	d
Shipping income	d	d	d	d	d	d
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0
Miscellaneous separately calculated limitation	0	0	0	0	0	0
Distributions from a FSC or former FSC [2]	d	d	d	d	d	d
General limitation income	14,919,829	* 186,879	3,035,102	1,377,782	10,320,066	6,420,606
Section 901(j) income	d	d	d	d	d	d
Income resourced by treaty	d	d	d	d	d	d
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0
Dividends from 10/50 corporations	d	d	d	d	d	d
FINANCE, INSURANCE, REAL ESTATE, AND RENTAL AND LEASING						
All income types	24,434,181	642,443	374,261	3,426,984	19,990,492	23,114,114
Passive income	78,517	* 3,275	11,379	* 545	63,318	270,925
High withholding tax interest	14,976	0	* 136	0	14,840	74,131
Financial services income	21,967,160	* 17,964	* 91,350	2,831,563	19,026,284	22,064,278
Shipping income	d	d	d	d	d	d
Dividends from an IC-DISC or former DISC [1]	d	d	d	d	d	d
Miscellaneous separately calculated limitation	0	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0
General limitation income	1,542,385	127,956	195,657	594,876	623,896	658,755
Section 901(j) income	0	0	0	0	0	0
Income resourced by treaty	d	d	d	d	d	d
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0
Dividends from 10/50 corporations	* 93	0	0	0	* 93	* 49
SERVICES						
All income types	22,038,761	532,495	384,418	3,297,859	17,823,989	29,805,044
Passive income	38,498	* 168	2,597	0	35,732	164,941
High withholding tax interest	5,639	0	* 31	0	* 5,608	138,034
Financial services income	11,337,521	* 472,898	* 10,564	* 2,315	10,851,744	26,563,954
Shipping income	0	0	0	0	0	* 585
Dividends from an IC-DISC or former DISC [1]	d	d	d	d	d	d
Miscellaneous separately calculated limitation	d	d	d	d	d	d
Distributions from a FSC or former FSC [2]	* 119,411	0	0	0	* 119,411	* 910
General limitation income	10,499,300	46,579	371,226	3,275,854	6,805,640	2,931,439
Section 901(j) income	d	d	d	d	d	d
Income resourced by treaty	* 1,506	* 8	0	* 937	* 561	0
Dividends from each 10/50 PFIC [3]	d	d	d	d	d	d
Dividends from 10/50 corporations	d	d	d	d	d	d

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes, by Industrial Sector and by Type of Foreign Income for Which Separate Credit Was Computed—Continued

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

Industrial sector and type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118—continued						
	Gross income (less loss)—continued				Deductions from oil and gas extraction income [6]	Taxable income (less loss) before adjustments	Adjustments to taxable income
	Deductions not allocable to specific types of income—continued			Research and development			
	Interest	Other					
(18)	(19)	(20)	(21)	(22)	(23)		
ALL INDUSTRIES							
All income types	13,485,504	42,001,568	54,391,211	10,984,748	241,493,136	27,827,198	
Passive income	101,777	1,410,650	558,323	0	9,524,995	759,397	
High withholding tax interest	* 969	232,328	59,594	0	702,115	-151,717	
Financial services income	140,814	25,849,329	25,089,026	0	49,257,626	3,944,075	
Shipping income	* 4,603	325,660	1,266,012	0	1,518,722	-161,367	
Dividends from an IC-DISC or former DISC [1]	0	0	* 46	0	* 883	* -2	
Miscellaneous separately calculated limitation	* 22	0	* 7,341	0	* 14,117	* -1,700	
Distributions from a FSC or former FSC [2]	0	0	* 914	0	* 20,654	* 223	
General limitation income	13,235,955	14,151,030	27,402,625	10,984,748	180,245,161	23,426,755	
Section 901(j) income	* 116	* 9,468	* 4,324	0	56,607	11,412	
Income resourced by treaty	* 1,094	* 17,023	* 2,738	0	138,118	1,178	
Dividends from each 10/50 PFIC [3]	* 155	* 238	* 31	0	* 5,643	* 4	
Dividends from 10/50 corporations	0	* 5,842	* 239	0	8,496	* -1,060	
AGRICULTURE, FORESTRY, FISHING, AND HUNTING							
All income types	* 673	* 10,534	* 10,633	0	107,736	* 14,447	
Passive income	0	0	* 314	0	1,043	0	
High withholding tax interest	0	0	0	0	0	0	
Financial services income	0	0	0	0	0	0	
Shipping income	0	0	0	0	0	0	
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0	
Miscellaneous separately calculated limitation	0	0	0	0	0	0	
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0	
General limitation income	* 673	* 10,534	* 10,319	0	106,694	* 14,447	
Section 901(j) income	0	0	0	0	0	0	
Income resourced by treaty	0	0	0	0	0	0	
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	
Dividends from 10/50 corporations	0	0	0	0	0	0	
MINING							
All income types	* 23,501	482,400	482,337	1,132,503	4,418,975	166,142	
Passive income	* 90	* 22,949	* 5,133	0	52,931	1,676	
High withholding tax interest	d	d	d	d	d	d	
Financial services income	* 4	* 1,346	* 372	0	* 4,549	* 40	
Shipping income	d	d	d	d	d	d	
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0	
Miscellaneous separately calculated limitation	0	0	0	0	0	0	
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0	
General limitation income	* 23,291	455,014	476,087	1,132,503	4,351,449	171,552	
Section 901(j) income	d	d	d	d	d	d	
Income resourced by treaty	0	0	0	0	0	0	
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	
Dividends from 10/50 corporations	0	0	0	0	0	0	
UTILITIES							
All income types	0	* 29,501	* 25,026	0	* 89,888	0	
Passive income	0	* 2,188	* 2,067	0	* -17,317	* -18,157	
High withholding tax interest	0	0	0	0	0	0	
Financial services income	d	d	d	d	d	d	
Shipping income	0	0	0	0	0	0	
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0	
Miscellaneous separately calculated limitation	0	0	0	0	0	0	
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0	
General limitation income	0	* 25,439	* 22,959	0	* 107,193	* 18,157	
Section 901(j) income	d	d	d	d	d	d	
Income resourced by treaty	0	0	0	0	0	0	
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	
Dividends from 10/50 corporations	0	0	0	0	0	0	

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes, by Industrial Sector and by Type of Foreign Income for Which Separate Credit Was Computed—Continued

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

Industrial sector and type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118—continued						
	Gross income (less loss)—continued				Deductions from oil and gas extraction income [6]	Taxable income (less loss) before adjustments	Adjustments to taxable income
	Deductions not allocable to specific types of income—continued			Research and development			
	Interest	Other					
(18)	(19)	(20)	(21)	(22)	(23)		
CONSTRUCTION							
All income types	* 101	* 890	* 20,493	0	108,170	* 2,041	
Passive income	0	* 9	* 1	0	4,465	* 121	
High withholding tax interest	d	d	d	d	d	d	
Financial services income	d	d	d	d	d	d	
Shipping income	0	0	0	0	0	0	
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	* 3	0	
Miscellaneous separately calculated limitation	d	d	d	d	d	d	
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0	
General limitation income	* 79	* 881	* 13,151	0	101,156	* 1,920	
Section 901(j) income	0	0	0	0	0	0	
Income resourced by treaty	0	0	0	0	0	0	
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	
Dividends from 10/50 corporations	0	0	0	0	0	0	
MANUFACTURING							
All income types	10,906,052	15,239,527	19,617,336	* 9,612,746	154,593,276	22,769,849	
Passive income	83,445	1,017,333	172,817	0	4,396,702	668,869	
High withholding tax interest	* 433	57,992	3,868	0	165,450	2,135	
Financial services income	9,979	2,535,493	49,046	0	6,081,322	990,656	
Shipping income	* 318	240,422	* 4,307	0	265,204	* -33,933	
Dividends from an IC-DISC or former DISC [1]	0	0	* 46	0	* 849	* -2	
Miscellaneous separately calculated limitation	d	d	d	d	d	d	
Distributions from a FSC or former FSC [2]	d	d	d	d	d	d	
General limitation income	10,811,109	11,364,608	19,381,929	* 9,612,746	143,528,736	21,117,198	
Section 901(j) income	0	* 6,749	* 3,097	0	54,363	18,582	
Income resourced by treaty	* 613	* 16,324	* 2,195	0	90,718	* 8,174	
Dividends from each 10/50 PFIC [3]	* 155	* 238	* 31	0	* 5,636	* 4	
Dividends from 10/50 corporations	0	* 367	0	0	* 2,556	* -360	
WHOLESALE AND RETAIL TRADE							
All income types	70,576	1,019,125	1,445,641	* 216,401	11,669,584	1,006,550	
Passive income	* 3,289	95,868	16,774	0	581,642	42,083	
High withholding tax interest	0	18,711	* 2,007	0	27,768	* 130	
Financial services income	0	* 86,392	* 13,209	0	* 483,434	* 19,762	
Shipping income	0	* 7,691	* 1,727	0	* -3,261	* -41,090	
Dividends from an IC-DISC or former DISC [1]	d	d	d	d	d	d	
Miscellaneous separately calculated limitation	0	0	0	0	0	0	
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0	
General limitation income	66,806	808,766	1,411,357	* 216,401	10,564,088	984,417	
Section 901(j) income	d	d	d	d	d	d	
Income resourced by treaty	* 481	* 699	* 542	0	* 16,133	* 2,172	
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	
Dividends from 10/50 corporations	d	d	d	d	d	d	
TRANSPORTATION AND WAREHOUSING							
All income types	* 25,432	8,600	1,295,194	* 221	2,444,326	151,153	
Passive income	0	* -2,017	* 237	0	37,019	* 3,209	
High withholding tax interest	0	* -3,969	* 89	0	* 17,338	0	
Financial services income	d	d	d	d	d	d	
Shipping income	* 4,285	* 12,326	* 1,259,052	0	* 1,190,176	* 64,238	
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0	
Miscellaneous separately calculated limitation	0	0	0	0	0	0	
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0	
General limitation income	* 21,147	2,260	35,816	* 221	1,204,120	* 88,033	
Section 901(j) income	d	d	d	d	d	d	
Income resourced by treaty	0	0	0	0	0	0	
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	
Dividends from 10/50 corporations	0	0	0	0	0	0	

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes, by Industrial Sector and by Type of Foreign Income for Which Separate Credit Was Computed—Continued

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

Industrial sector and type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118—continued							
	Gross income (less loss)—continued				Deductions from oil and gas extraction income [6]	Taxable income (less loss) before adjustments	Adjustments to taxable income	
	Deductions not allocable to specific types of income—continued			Research and development				
	Research and development	Interest	Other		(18)	(19)	(20)	(21)
INFORMATION								
All income types	2,145,207	704,809	3,753,108	0	14,580,764	369,440		
Passive income	* 12,333	77,971	127,244	0	2,376,393	53,987		
High withholding tax interest	0	* 1,809	* 109	0	* -709	* -4,564		
Financial services income	d	d	d	d	d	d		
Shipping income	d	d	d	d	d	d		
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0		
Miscellaneous separately calculated limitation	0	0	0	0	0	0		
Distributions from a FSC or former FSC [2]	d	d	d	d	d	d		
General limitation income	2,132,874	605,802	3,625,343	0	12,156,007	279,498		
Section 901(j) income	d	d	d	d	d	d		
Income resourced by treaty	d	d	d	d	d	d		
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0		
Dividends from 10/50 corporations	d	d	d	d	d	d		
FINANCE, INSURANCE, REAL ESTATE, AND RENTAL AND LEASING								
All income types	* 15,804	11,017,958	11,823,907	0	29,584,426	1,922,966		
Passive income	0	180,451	* 89,330	0	1,910,346	3,414		
High withholding tax interest	0	62,583	* 11,016	0	115,646	-18,882		
Financial services income	* 11,655	10,648,650	11,157,682	0	26,538,387	2,168,765		
Shipping income	d	d	d	d	d	d		
Dividends from an IC-DISC or former DISC [1]	d	d	d	d	d	d		
Miscellaneous separately calculated limitation	0	0	0	0	0	0		
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0		
General limitation income	* 4,149	80,251	565,879	0	1,066,014	7,259		
Section 901(j) income	0	0	0	0	0	0		
Income resourced by treaty	d	d	d	d	d	d		
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0		
Dividends from 10/50 corporations	0	* 49	* 1	0	* 1,174	* 244		
SERVICES								
All income types	298,157	13,488,225	15,917,537	* 22,877	23,895,992	1,424,609		
Passive income	* 2,619	15,897	144,407	0	181,771	4,195		
High withholding tax interest	* 536	94,724	42,505	0	375,264	-130,547		
Financial services income	* 119,176	12,575,575	13,868,717	0	16,187,001	802,582		
Shipping income	0	* 7	* 577	0	* 11,960	* 2,559		
Dividends from an IC-DISC or former DISC [1]	d	d	d	d	d	d		
Miscellaneous separately calculated limitation	d	d	d	d	d	d		
Distributions from a FSC or former FSC [2]	0	0	* 910	0	* 18,917	0		
General limitation income	175,826	797,475	1,859,785	* 22,877	7,059,703	744,275		
Section 901(j) income	d	d	d	d	d	d		
Income resourced by treaty	0	0	0	0	* 42,209	* 1,854		
Dividends from each 10/50 PFIC [3]	d	d	d	d	d	d		
Dividends from 10/50 corporations	d	d	d	d	d	d		

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes, by Industrial Sector and by Type of Foreign Income for Which Separate Credit Was Computed—Continued

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

Industrial sector and type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118—continued							
	Taxable income (less loss) after adjustments	Foreign taxes available for credit					Foreign taxes paid or accrued	
		Total	Reduction for certain foreign taxes	Carryover	Total paid, accrued, and deemed paid	Total	Dividends	
	(24)	(25)	(26)	(27)	(28)	(29)	(30)	
ALL INDUSTRIES								
All income types	213,665,938	73,561,030	4,449,968	16,854,198	61,156,800	28,000,049	1,493,093	
Passive income	8,765,598	1,140,348	* 4,631	129,146	1,015,833	542,356	40,725	
High withholding tax interest	853,833	194,665	[5]	59,327	135,338	128,124	* 247	
Financial services income	45,313,551	12,134,903	* 2,748	1,824,380	10,313,270	5,875,832	383,912	
Shipping income	1,680,089	204,775	0	* 15,025	189,750	74,277	* 3,541	
Dividends from an IC-DISC or former DISC [1]	* 884	* 7	0	* [5]	* 6	* 6	* 6	
Miscellaneous separately calculated limitation	* 15,817	* 153	0	0	* 153	* 153	0	
Distributions from a FSC or former FSC [2]	* 20,431	* 517	0	0	* 517	0	0	
General limitation income	156,818,406	59,848,136	4,442,589	14,819,418	49,471,306	21,369,272	1,064,464	
Section 901(j) income	45,195	* 3,035	0	* 1	* 3,033	* 2,547	* 8	
Income resourced by treaty	136,939	26,010	0	* 3,247	22,763	* 7,231	0	
Dividends from each 10/50 PFIC [3]	* 5,639	* 3,162	0	* 1,300	* 1,862	* 18	* 18	
Dividends from 10/50 corporations	* 9,556	5,319	0	* 2,352	* 2,968	* 231	* 171	
AGRICULTURE, FORESTRY, FISHING, AND HUNTING								
All income types	93,290	25,069	* 2	* 13,529	11,542	4,969	82	
Passive income	1,043	78	0	* 1	77	77	* 41	
High withholding tax interest	0	0	0	0	0	0	0	
Financial services income	0	0	0	0	0	0	0	
Shipping income	0	0	0	0	0	0	0	
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0	0	
Miscellaneous separately calculated limitation	0	0	0	0	0	0	0	
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0	0	
General limitation income	92,247	24,992	* 2	* 13,528	11,466	4,893	* 40	
Section 901(j) income	0	0	0	0	0	0	0	
Income resourced by treaty	0	0	0	0	0	0	0	
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	0	
Dividends from 10/50 corporations	0	0	0	0	0	0	0	
MINING								
All income types	4,252,833	2,226,848	157,893	745,536	1,639,204	1,487,805	160,666	
Passive income	51,255	5,269	0	* 157	5,113	1,630	719	
High withholding tax interest	d	d	d	d	d	d	d	
Financial services income	* 4,509	* 49	0	0	* 49	* 49	0	
Shipping income	d	d	d	d	d	d	d	
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0	0	
Miscellaneous separately calculated limitation	0	0	0	0	0	0	0	
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0	0	
General limitation income	4,179,897	2,221,492	157,893	745,380	1,634,005	1,486,088	159,947	
Section 901(j) income	d	d	d	d	d	d	d	
Income resourced by treaty	0	0	0	0	0	0	0	
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	0	
Dividends from 10/50 corporations	0	0	0	0	0	0	0	
UTILITIES								
All income types	* 89,888	* 32,684	0	* 698	* 31,986	* 8,082	* 2,448	
Passive income	* 841	* 342	0	0	* 342	* 132	* 22	
High withholding tax interest	0	0	0	0	0	0	0	
Financial services income	d	d	d	d	d	d	d	
Shipping income	0	0	0	0	0	0	0	
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0	0	
Miscellaneous separately calculated limitation	0	0	0	0	0	0	0	
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0	0	
General limitation income	* 89,035	* 31,626	0	0	* 31,626	* 7,932	* 2,426	
Section 901(j) income	d	d	d	d	d	d	d	
Income resourced by treaty	0	0	0	0	0	0	0	
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	0	
Dividends from 10/50 corporations	0	0	0	0	0	0	0	

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes, by Industrial Sector and by Type of Foreign Income for Which Separate Credit Was Computed—Continued

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

Industrial sector and type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118—continued							
	Taxable income (less loss) after adjustments	Foreign taxes available for credit					Foreign taxes paid or accrued	
		Total	Reduction for certain foreign taxes	Carryover	Total paid, accrued, and deemed paid	Total	Dividends	
	(24)	(25)	(26)	(27)	(28)	(29)	(30)	
CONSTRUCTION								
All income types	106,129	26,540	0	4,704	21,836	12,974	2,188	
Passive income	4,345	2,055	0	* 610	1,445	1,324	240	
High withholding tax interest	d	d	d	d	d	d	d	
Financial services income	d	d	d	d	d	d	d	
Shipping income	0	0	0	0	0	0	0	
Dividends from an IC-DISC or former DISC [1]	* 3	* 1	0	0	* 1	* 1	* 1	
Miscellaneous separately calculated limitation	d	d	d	d	d	d	d	
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0	0	
General limitation income	99,237	24,325	0	4,089	20,236	11,496	1,947	
Section 901(j) income	0	0	0	0	0	0	0	
Income resourced by treaty	0	0	0	0	0	0	0	
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	0	
Dividends from 10/50 corporations	0	0	0	0	0	0	0	
MANUFACTURING								
All income types	131,823,426	50,847,662	3,991,148	12,420,594	42,418,216	17,538,828	734,004	
Passive income	3,727,832	477,589	* 4,631	102,862	379,358	93,653	25,399	
High withholding tax interest	163,315	40,129	0	5,353	34,777	32,103	* [5]	
Financial services income	5,090,666	1,604,724	0	* 16,651	1,588,073	298,724	* 3,473	
Shipping income	299,137	* 69,695	0	* 10,920	* 58,775	* 6,751	0	
Dividends from an IC-DISC or former DISC [1]	* 851	* 1	0	0	* 1	* 1	* 1	
Miscellaneous separately calculated limitation	d	d	d	d	d	d	d	
Distributions from a FSC or former FSC [2]	d	d	d	d	d	d	d	
General limitation income	122,411,538	48,633,629	3,986,517	12,282,142	40,338,004	17,103,339	705,094	
Section 901(j) income	35,781	* 2,902	0	* 1	* 2,901	* 2,452	0	
Income resourced by treaty	82,544	15,145	0	* 1,583	13,561	* 1,768	0	
Dividends from each 10/50 PFIC [3]	* 5,632	* 2,576	0	* 715	* 1,861	* 17	* 17	
Dividends from 10/50 corporations	* 2,916	* 755	0	* 366	* 389	* 20	* 20	
WHOLESALE AND RETAIL TRADE								
All income types	10,663,033	3,442,478	* 219,016	588,378	3,073,115	635,513	73,312	
Passive income	539,559	83,537	0	5,154	78,382	20,393	1,159	
High withholding tax interest	27,639	5,470	* [5]	* 288	5,183	4,985	0	
Financial services income	* 463,672	* 109,172	0	* 712	* 108,460	* 22,367	* 517	
Shipping income	* 37,828	* 6,885	0	0	* 6,885	* 2,777	0	
Dividends from an IC-DISC or former DISC [1]	d	d	d	d	d	d	d	
Miscellaneous separately calculated limitation	0	0	0	0	0	0	0	
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0	0	
General limitation income	9,579,672	3,233,282	* 219,016	582,224	2,870,073	583,473	71,625	
Section 901(j) income	d	d	d	d	d	d	d	
Income resourced by treaty	* 13,960	* 3,996	0	0	* 3,996	* 1,420	0	
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	0	
Dividends from 10/50 corporations	d	d	d	d	d	d	d	
TRANSPORTATION AND WAREHOUSING								
All income types	2,293,173	251,844	* 270	45,472	206,642	103,155	6,556	
Passive income	33,810	2,310	0	* [5]	2,310	1,839	* 1,253	
High withholding tax interest	* 17,338	* 1,384	0	* 19	* 1,365	* 1,365	0	
Financial services income	d	d	d	d	d	d	d	
Shipping income	* 1,125,938	* 118,134	0	* 185	* 117,949	* 60,414	* 3,541	
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0	0	
Miscellaneous separately calculated limitation	0	0	0	0	0	0	0	
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0	0	
General limitation income	1,116,087	130,015	* 270	45,267	85,018	39,537	1,762	
Section 901(j) income	d	d	d	d	d	d	d	
Income resourced by treaty	0	0	0	0	0	0	0	
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	0	
Dividends from 10/50 corporations	0	0	0	0	0	0	0	

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes, by Industrial Sector and by Type of Foreign Income for Which Separate Credit Was Computed—Continued

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

Industrial sector and type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118—continued							
	Taxable income (less loss) after adjustments	Foreign taxes available for credit					Foreign taxes paid or accrued	
		Total	Reduction for certain foreign taxes	Carryover	Total paid, accrued, and deemed paid	Total	Dividends	
	(24)	(25)	(26)	(27)	(28)	(29)	(30)	
INFORMATION								
All income types	14,211,324	3,272,288	* 60,408	663,405	2,669,290	1,263,860	68,081	
Passive income	2,322,406	136,676	0	11,417	125,259	13,552	719	
High withholding tax interest	* 3,855	* 315	0	* 175	* 140	* 140	0	
Financial services income	d	d	d	d	d	d	d	
Shipping income	d	d	d	d	d	d	d	
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0	0	
Miscellaneous separately calculated limitation	0	0	0	0	0	0	0	
Distributions from a FSC or former FSC [2]	d	d	d	d	d	d	d	
General limitation income	11,876,509	3,132,936	* 60,408	649,732	2,543,612	1,250,167	67,362	
Section 901(j) income	d	d	d	d	d	d	d	
Income resourced by treaty	d	d	d	d	d	d	d	
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	0	
Dividends from 10/50 corporations	d	d	d	d	d	d	d	
FINANCE, INSURANCE, REAL ESTATE, AND RENTAL AND LEASING								
All income types	27,661,459	6,260,565	* 3,254	1,390,595	4,873,224	3,375,386	195,757	
Passive income	1,906,932	406,212	* [5]	4,527	401,686	398,416	9,202	
High withholding tax interest	134,528	49,060	0	25,459	23,601	19,479	* 246	
Financial services income	24,369,622	5,596,792	* 2,748	1,322,523	4,277,017	2,854,669	179,505	
Shipping income	d	d	d	d	d	d	d	
Dividends from an IC-DISC or former DISC [1]	d	d	d	d	d	d	d	
Miscellaneous separately calculated limitation	0	0	0	0	0	0	0	
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0	0	
General limitation income	1,058,756	201,688	* 506	32,910	169,285	101,307	6,731	
Section 901(j) income	0	0	0	0	0	0	0	
Income resourced by treaty	d	d	d	d	d	d	d	
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	0	
Dividends from 10/50 corporations	* 930	* 1,482	0	* 1,291	* 192	* 71	* 71	
SERVICES								
All income types	22,471,383	7,175,052	* 17,977	981,286	6,211,742	3,569,477	250,000	
Passive income	177,575	26,281	0	4,419	21,862	11,341	1,971	
High withholding tax interest	505,811	98,263	0	* 28,028	70,235	70,015	0	
Financial services income	15,384,419	4,823,448	0	483,796	4,339,652	2,700,003	200,416	
Shipping income	* 9,401	* 4,733	0	* 35	* 4,698	* 2,894	0	
Dividends from an IC-DISC or former DISC [1]	d	d	d	d	d	d	d	
Miscellaneous separately calculated limitation	d	d	d	d	d	d	d	
Distributions from a FSC or former FSC [2]	* 18,917	0	0	0	0	0	0	
General limitation income	6,315,429	2,214,150	* 17,977	464,147	1,767,980	781,040	47,531	
Section 901(j) income	d	d	d	d	d	d	d	
Income resourced by treaty	* 40,354	* 5,257	0	* 51	* 5,205	* 4,043	0	
Dividends from each 10/50 PFIC [3]	d	d	d	d	d	d	d	
Dividends from 10/50 corporations	d	d	d	d	d	d	d	

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes, by Industrial Sector and by Type of Foreign Income for Which Separate Credit Was Computed—Continued

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

Industrial sector and type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118—continued						
	Foreign taxes available for credit—continued						
	Foreign taxes paid or accrued—continued						Taxes deemed paid
	Interest	Rents, royalties, and license fees	Branch income	Specifically allocable income [section 863(b)]	Service income	Other income	
(31)	(32)	(33)	(34)	(35)	(36)	(37)	
ALL INDUSTRIES							
All income types	1,017,826	2,678,122	5,734,096	63,225	298,690	16,714,997	33,156,751
Passive income	284,311	35,532	4,841	0	* 55	176,892	473,477
High withholding tax interest	127,871	0	0	0	0	* 7	* 7,213
Financial services income	382,780	102,516	2,898,799	0	111,505	1,996,320	4,437,438
Shipping income	* 1,053	* 5,627	* 49,680	0	* 398	* 13,979	115,472
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0	0
Miscellaneous separately calculated limitation	0	0	0	0	0	* 153	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0	* 517
General limitation income	221,811	2,531,567	2,779,488	63,225	186,727	14,521,989	28,102,034
Section 901(j) income	0	* 2,452	0	0	0	* 87	* 486
Income resourced by treaty	0	* 368	* 1,287	0	* 6	* 5,570	15,532
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	* 1,844
Dividends from 10/50 corporations	0	* 60	0	0	0	0	* 2,737
AGRICULTURE, FORESTRY, FISHING, AND HUNTING							
All income types	* 147	* 214	* 2,211	0	0	* 2,316	* 6,573
Passive income	0	* 15	0	0	0	* 21	0
High withholding tax interest	0	0	0	0	0	0	0
Financial services income	0	0	0	0	0	0	0
Shipping income	0	0	0	0	0	0	0
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0	0
Miscellaneous separately calculated limitation	0	0	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0	0
General limitation income	* 147	* 199	* 2,211	0	0	* 2,296	* 6,573
Section 901(j) income	0	0	0	0	0	0	0
Income resourced by treaty	0	0	0	0	0	0	0
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	0
Dividends from 10/50 corporations	0	0	0	0	0	0	0
MINING							
All income types	18,547	9,262	337,998	0	* 11,968	949,363	151,399
Passive income	* 175	* 144	* 35	0	0	* 557	* 3,483
High withholding tax interest	d	d	d	d	d	d	d
Financial services income	* 49	0	0	0	0	0	0
Shipping income	d	d	d	d	d	d	d
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0	0
Miscellaneous separately calculated limitation	0	0	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0	0
General limitation income	18,285	* 9,118	337,963	0	* 11,968	948,806	147,917
Section 901(j) income	d	d	d	d	d	d	d
Income resourced by treaty	0	0	0	0	0	0	0
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	0
Dividends from 10/50 corporations	0	0	0	0	0	0	0
UTILITIES							
All income types	* 588	* 722	* 4,324	0	0	* [5]	* 23,904
Passive income	* 109	0	0	0	0	* [5]	* 210
High withholding tax interest	0	0	0	0	0	0	0
Financial services income	d	d	d	d	d	d	d
Shipping income	0	0	0	0	0	0	0
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0	0
Miscellaneous separately calculated limitation	0	0	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0	0
General limitation income	* 460	* 722	* 4,324	0	0	0	* 23,694
Section 901(j) income	d	d	d	d	d	d	d
Income resourced by treaty	0	0	0	0	0	0	0
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	0
Dividends from 10/50 corporations	0	0	0	0	0	0	0

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes, by Industrial Sector and by Type of Foreign Income for Which Separate Credit Was Computed—Continued

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

Industrial sector and type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118—continued						
	Foreign taxes available for credit—continued						
	Foreign taxes paid or accrued—continued						Taxes deemed paid
	Interest	Rents, royalties, and license fees	Branch income	Specifically allocable income [section 863(b)]	Service income	Other income	
(31)	(32)	(33)	(34)	(35)	(36)	(37)	
CONSTRUCTION							
All income types	* 153	* 1,077	* 3,563	0	5,164	830	8,862
Passive income	* 148	* 436	* 433	0	0	* 67	* 121
High withholding tax interest	d	d	d	d	d	d	d
Financial services income	d	d	d	d	d	d	d
Shipping income	0	0	0	0	0	0	0
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0	0
Miscellaneous separately calculated limitation	d	d	d	d	d	d	d
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0	0
General limitation income	* 5	* 641	* 3,130	0	5,164	* 609	8,741
Section 901(j) income	0	0	0	0	0	0	0
Income resourced by treaty	0	0	0	0	0	0	0
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	0
Dividends from 10/50 corporations	0	0	0	0	0	0	0
MANUFACTURING							
All income types	177,638	1,678,418	1,402,748	54,240	64,185	13,427,595	24,879,389
Passive income	5,055	10,464	865	0	* 54	51,815	285,705
High withholding tax interest	32,100	0	0	0	0	* 2	* 2,674
Financial services income	* 3,299	* 1,270	* 38,015	0	* 3,265	* 249,403	* 1,289,348
Shipping income	0	0	0	0	* 212	* 6,539	* 52,024
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0	0
Miscellaneous separately calculated limitation	d	d	d	d	d	d	d
Distributions from a FSC or former FSC [2]	d	d	d	d	d	d	d
General limitation income	137,184	1,663,864	1,362,958	54,240	60,654	13,119,347	23,234,665
Section 901(j) income	0	* 2,452	0	0	0	0	* 449
Income resourced by treaty	0	* 368	* 911	0	0	* 489	* 11,793
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	* 1,844
Dividends from 10/50 corporations	0	0	0	0	0	0	* 369
WHOLESALE AND RETAIL TRADE							
All income types	29,679	153,804	245,149	* 2,430	14,504	116,635	2,437,602
Passive income	3,795	7,856	* 581	0	0	7,002	57,989
High withholding tax interest	4,985	0	0	0	0	0	* 197
Financial services income	* 2,312	0	* 12,991	0	0	* 6,548	* 86,093
Shipping income	0	0	0	0	0	* 2,777	* 4,108
Dividends from an IC-DISC or former DISC [1]	0	d	d	d	d	d	d
Miscellaneous separately calculated limitation	0	0	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0	0
General limitation income	18,588	145,948	231,224	* 2,430	14,504	99,154	2,286,600
Section 901(j) income	d	d	d	d	d	d	d
Income resourced by treaty	0	0	* 353	0	0	* 1,067	* 2,577
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	0
Dividends from 10/50 corporations	d	d	d	d	d	d	d
TRANSPORTATION AND WAREHOUSING							
All income types	2,809	9,492	* 61,865	* 2	15,410	7,020	103,488
Passive income	* 101	* 247	0	0	0	* 237	* 472
High withholding tax interest	* 1,365	0	0	0	0	0	0
Financial services income	d	d	d	d	d	d	d
Shipping income	* 1,053	* 5,627	* 46,786	0	* 185	* 3,221	* 57,535
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0	0
Miscellaneous separately calculated limitation	0	0	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0	0
General limitation income	* 290	3,617	* 15,079	* 2	15,224	* 3,562	45,481
Section 901(j) income	d	d	d	d	d	d	d
Income resourced by treaty	0	0	0	0	0	0	0
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	0
Dividends from 10/50 corporations	0	0	0	0	0	0	0

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 2. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes, by Industrial Sector and by Type of Foreign Income for Which Separate Credit Was Computed—Continued

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

Industrial sector and type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118—continued						Taxes deemed paid
	Foreign taxes available for credit—continued						
	Foreign taxes paid or accrued—continued						
	Interest	Rents, royalties, and license fees	Branch income	Specifically allocable income [section 863(b)]	Service income	Other income	
(31)	(32)	(33)	(34)	(35)	(36)	(37)	
INFORMATION							
All income types	4,612	527,601	483,479	* 749	17,830	161,508	1,405,431
Passive income	* 2,035	* 9,566	0	0	* [5]	* 1,232	111,706
High withholding tax interest	* 140	0	0	0	0	0	0
Financial services income	d	d	d	d	d	d	d
Shipping income	d	d	d	d	d	d	d
Dividends from an IC-DISC or former DISC [1]	0	0	0	0	0	0	0
Miscellaneous separately calculated limitation	0	0	0	0	0	0	0
Distributions from a FSC or former FSC [2]	d	d	d	d	d	d	d
General limitation income	2,437	518,035	483,479	* 749	17,830	160,276	1,293,444
Section 901(j) income	d	d	d	d	d	d	d
Income resourced by treaty	d	d	d	d	d	d	d
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	0
Dividends from 10/50 corporations	d	d	d	d	d	d	d
FINANCE, INSURANCE, REAL ESTATE, AND RENTAL AND LEASING							
All income types	511,445	44,012	1,381,779	* 4,671	70,965	1,166,758	1,497,838
Passive income	272,184	1,600	* 122	0	0	115,308	3,269
High withholding tax interest	19,228	0	0	0	0	* 5	* 4,122
Financial services income	206,633	* 35,009	1,359,127	0	53,547	1,020,849	1,422,348
Shipping income	d	d	d	d	d	d	d
Dividends from an IC-DISC or former DISC [1]	d	d	d	d	d	d	d
Miscellaneous separately calculated limitation	0	0	0	0	0	0	0
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0	0
General limitation income	13,399	7,403	22,529	* 4,671	17,419	29,155	67,978
Section 901(j) income	0	0	0	0	0	0	0
Income resourced by treaty	d	d	d	d	d	d	d
Dividends from each 10/50 PFIC [3]	0	0	0	0	0	0	0
Dividends from 10/50 corporations	0	0	0	0	0	0	* 121
SERVICES							
All income types	272,208	253,521	1,810,980	* 1,132	98,663	882,972	2,642,265
Passive income	707	5,204	* 2,806	0	0	653	10,521
High withholding tax interest	70,015	0	0	0	0	0	* 220
Financial services income	170,469	* 66,237	1,488,667	0	* 54,693	719,521	1,639,649
Shipping income	0	0	* 2,894	0	0	0	* 1,805
Dividends from an IC-DISC or former DISC [1]	d	d	d	d	d	d	d
Miscellaneous separately calculated limitation	d	d	d	d	d	d	d
Distributions from a FSC or former FSC [2]	0	0	0	0	0	0	0
General limitation income	31,017	182,020	316,591	* 1,132	43,964	158,785	986,940
Section 901(j) income	d	d	d	d	d	d	d
Income resourced by treaty	0	0	* 23	0	* 6	* 4,014	* 1,162
Dividends from each 10/50 PFIC [3]	d	d	d	d	d	d	d
Dividends from 10/50 corporations	d	d	d	d	d	d	d

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

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

[1] Interest-Charge Domestic International Sales Corporation (IC-DISC) and Domestic International Sales Corporation (DISC).

[2] Foreign Sales Corporation (FSC).

[3] Passive Foreign Investment Company (PFIC).

[4] Included in gross income (less loss) shown in columns 2-8.

[5] Less than \$500.

[6] Included in deductions shown in columns 11-20.

[7] Number of returns for all income types may not equal the sum of number of returns by type of income because a given return could have more than one type of income.

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

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid

[All figures are estimates based on a sample—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 from foreign taxes deemed paid (gross-up)	Interest	Rents, royalties, and license fees
(1)	(2)	(3)	(4)	(5)	(6)	
All geographic areas	5,502	485,354,155	86,339,067	33,129,305	57,724,090	79,964,798
Canada	2,046	42,232,089	15,245,435	6,379,958	4,856,144	5,165,583
Latin America, total	1,001	36,598,523	7,263,509	2,429,032	6,584,244	5,824,507
Mexico	691	9,349,703	1,337,796	721,979	1,405,431	2,250,949
Central America, total	246	1,696,398	674,033	55,420	270,672	134,701
Belize	30	10,721	* 3,729	* 391	* 622	* 3
Costa Rica	140	420,968	257,894	18,378	28,646	37,618
El Salvador	106	216,386	70,674	3,417	38,955	23,446
Guatemala	115	162,856	11,080	* 3,475	25,896	24,287
Honduras	95	250,979	111,206	* 435	8,543	13,323
Nicaragua	63	60,315	* 105	* 74	* 3,327	4,321
Panama (including Canal Zone)	167	554,060	219,345	29,251	162,895	31,702
Central America not allocable	4	* 20,113	0	0	* 1,789	0
Caribbean countries, total	319	8,703,893	2,976,831	738,382	2,378,472	432,543
Cayman Islands (British)	182	6,064,416	2,550,118	694,738	2,094,967	313,764
Dominican Republic	156	389,672	116,394	* 2,837	159,597	10,247
Haiti	31	35,389	* 182	* 151	* 7,814	* 414
Jamaica	87	163,739	* 2,131	* 1,086	51,182	26,822
Trinidad	112	1,574,818	* 53,872	* 25,239	57,833	25,409
Other Caribbean countries	96	475,859	254,134	* 14,331	7,078	55,888
South America, total	663	16,064,455	2,274,849	913,251	2,525,499	3,003,847
Argentina	318	2,120,818	148,510	155,566	266,577	301,129
Bolivia	77	82,694	* 5,032	* 1,280	6,694	2,696
Brazil	454	4,891,672	988,816	533,322	1,104,534	904,249
Chile	256	2,663,953	421,592	33,497	586,251	204,174
Colombia	226	1,079,352	75,763	44,292	117,400	98,351
Ecuador	180	605,981	23,299	6,221	30,901	37,895
Paraguay	68	37,048	* 8,294	* 6,853	11,960	1,550
Peru	201	1,949,963	57,172	* 6,750	100,778	1,235,636
Uruguay	100	152,472	61,175	8,289	41,503	9,497
Venezuela	228	2,275,004	467,310	107,466	254,971	206,488
Other South American countries	39	205,498	* 17,886	* 9,715	* 3,929	2,182
Latin America not allocable	13	784,074	0	0	* 4,170	* 2,466
Other Western Hemisphere, total	276	13,357,496	6,988,146	444,386	943,346	2,501,589
Bahamas	116	1,738,757	288,010	9,251	390,139	34,532
Bermuda	201	11,142,806	6,503,379	409,540	428,346	2,432,018
Netherlands Antilles	78	184,901	65,734	* 5,398	67,589	10,744
Other British West Indies	101	223,640	123,427	20,197	37,991	16,385
All other Western Hemisphere	58	67,393	* 7,597	0	19,282	7,909
Europe, total	2,141	194,470,817	40,458,448	17,240,767	23,535,763	32,616,144
European Union, total	2,074	158,176,322	35,591,180	13,968,190	19,050,367	25,608,620
Austria	207	976,454	137,179	53,596	38,862	479,974
Belgium	291	5,098,836	719,435	263,974	227,750	762,815
Denmark	220	2,396,993	874,964	515,021	95,105	262,149
Finland	234	603,647	59,789	18,099	106,111	152,276
France (including Andorra)	597	10,054,005	1,756,396	593,753	1,021,609	3,031,162
Germany	622	17,749,415	1,592,506	874,925	1,550,986	3,625,620
Greece	160	581,356	154,509	77,678	18,056	83,373

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid—Continued

[All figures are estimates based on a sample—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 from foreign taxes deemed paid (gross-up)	Interest	Rents, royalties, and license fees
(1)	(2)	(3)	(4)	(5)	(6)	
Europe, total—continued						
European Union, total—continued						
Ireland	282	16,909,251	6,860,822	364,821	323,763	6,907,071
Italy (including San Marino)	406	6,255,624	954,242	777,108	484,609	1,459,627
Luxembourg	159	6,920,627	3,696,775	2,048,585	462,015	286,695
Netherlands	787	17,564,014	7,466,139	2,184,199	1,340,674	1,984,875
Portugal	199	641,582	247,952	49,684	32,587	161,832
Spain	401	6,571,753	1,909,224	2,420,792	170,366	887,423
Sweden	287	1,587,737	235,088	72,059	214,947	455,452
United Kingdom	1,305	64,240,474	8,926,104	3,653,881	12,962,928	5,047,807
European Union not allocable	6	* 24,553	* 56	* 15	0	* 20,469
Other West European countries, total	431	26,130,501	3,652,754	2,805,927	3,913,779	4,266,755
Liechtenstein	11	236,973	* 11,775	* 668	* 299	* 224,217
Monaco	16	3,177	0	0	* 1,445	* 1,418
Norway	197	10,814,114	571,140	2,000,488	719,394	107,361
Switzerland	356	11,639,546	2,919,418	760,040	448,285	3,835,047
Turkey	181	3,356,722	143,617	43,940	2,738,468	85,511
Other West European countries not allocable	83	79,970	* 6,804	* 790	5,889	13,202
East European countries, total	362	9,862,631	1,201,585	460,683	506,809	2,535,912
Romania	82	195,224	25,016	* 10,627	5,559	53,589
Former Soviet Union	237	4,870,537	104,756	29,133	321,942	361,265
Other East European countries	281	4,796,869	1,071,813	420,923	179,308	2,121,059
Europe not allocable	23	301,363	* 12,929	* 5,967	* 64,808	* 204,856
Africa, total	407	12,015,047	1,467,980	764,983	551,633	482,087
North Africa, total	156	1,566,318	18,673	5,294	126,812	66,518
Algeria	33	42,953	* 43	0	* 15,657	* 807
Egypt	126	1,356,463	16,115	* 5,061	89,553	52,287
Libya	14	1,828	* 1,546	* 1	* 1,150	* 31
Morocco	67	92,057	* 508	* 230	4,195	13,199
Other North African countries	48	73,016	* 461	* 2	16,257	* 194
East Africa, total	122	447,552	63,834	34,987	24,100	15,694
Ethiopia	22	71,019	0	0	* 38	0
Kenya	50	64,285	* 7,851	* 4,469	* 9,102	4,288
Tanzania	21	4,048	* 116	* 31	* 1,498	* 110
Uganda	16	32,437	* 9,443	* 4,845	0	* 24
Other East African countries	95	275,763	46,423	25,642	13,462	11,272
West and Central Africa, total	171	7,740,322	999,831	562,652	72,168	31,516
Gabon	19	83,311	* 1,447	* 750	* 6,859	* 74
Ghana	25	6,399	* 1,460	* 648	* 2,533	* 29
Liberia	32	151,714	* 138,565	* 2,392	9,747	0
Nigeria	96	3,054,710	* 89,074	* 44,350	23,311	11,479
Zaire	13	178,516	* 38,240	* 42,603	* 6	0
Other West and Central African countries	116	4,265,672	731,045	* 471,911	29,711	19,934
Southern Africa, total	262	2,260,096	385,642	162,050	328,554	368,359
Malawi	9	* 451	* 309	* 119	0	* 7
South Africa (including Namibia)	28	23,337	* 9,859	* 2,323	* 278	* 123
Zambia	257	2,223,127	370,381	156,940	327,683	364,946
Zimbabwe	25	6,449	* 1,725	* 1,305	* 457	* 2,728
Other Southern African countries	23	6,732	* 3,368	* 1,364	* 136	* 555
Africa not allocable	6	* 759	0	0	0	0

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid—Continued

[All figures are estimates based on a sample—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 from foreign taxes deemed paid (gross-up)	Interest	Rents, royalties, and license fees
(1)	(2)	(3)	(4)	(5)	(6)	
Asia, total	1,319	96,725,155	10,885,940	4,758,454	6,218,821	21,467,661
Middle East, total	333	9,783,840	384,369	80,960	379,596	476,136
Bahrain	74	214,706	* 6,731	* 110	* 123,002	11,489
Iran	24	23,757	* 7,059	* 24	* 9	* 16,615
Iraq	36	453,911	* 128	* 1	* 36	* 1,026
Israel	225	661,059	117,639	28,026	137,226	94,766
Kuwait	80	195,978	* 6,243	* 178	* 361	13,809
Lebanon	74	18,111	* 1,586	* 76	* 4,951	8,439
Qatar	73	1,021,564	0	0	21,147	9,780
Saudi Arabia	131	4,261,810	53,112	27,714	7,594	112,488
United Arab Emirates	122	1,564,597	97,137	* 18,199	89,117	150,314
Other areas of Arabian Peninsula	50	1,013,123	* 16,880	* 3,906	* -40,574	11,779
Other Middle East countries	111	355,224	77,853	2,726	36,726	45,629
Southern and Southeast Asia, total	700	27,037,865	3,364,660	1,279,998	2,677,359	7,556,672
Bangladesh	32	90,618	0	0	* 19,459	503
India	342	2,102,658	119,103	99,273	627,440	199,319
Indonesia	212	5,170,066	926,741	534,284	325,398	90,108
Malaysia	293	3,301,575	268,311	37,210	138,276	936,101
Pakistan	80	435,765	16,539	13,799	58,957	5,710
Philippines	228	2,276,368	318,496	92,057	360,061	720,739
Singapore	419	10,928,975	1,015,175	146,338	755,851	5,366,219
Sri Lanka	48	64,410	* 4,214	* 2,587	* 10,250	1,169
Thailand	314	2,391,485	692,018	354,046	363,592	200,192
Vietnam	63	109,988	* 50	0	13,496	8,153
Other Southern and Southeast Asian countries	63	165,957	* 4,014	* 402	4,580	28,459
Eastern Asia, total	1,119	58,382,576	7,136,911	3,397,496	3,152,189	13,399,526
China	409	7,777,952	779,409	106,156	259,306	4,077,841
Hong Kong	364	6,768,095	442,068	116,403	793,879	574,607
Japan (including Okinawa and Ryukyu Islands)	395	7,037,735	1,668,424	175,183	716,077	497,357
South Korea, Republic of	844	32,157,645	3,532,102	2,707,680	721,284	7,014,662
Taiwan	407	4,594,891	714,907	292,074	656,736	1,216,008
Other Eastern Asian countries	40	46,257	0	0	* 4,906	* 19,052
Asia not allocable	19	1,520,875	0	0	* 9,677	* 35,327
Oceania, total	633	15,801,575	2,198,783	822,016	2,977,792	1,611,537
Australia	598	13,549,477	1,565,989	702,197	2,220,950	1,474,825
New Zealand	275	1,720,960	224,391	118,537	750,330	132,328
Other countries of Oceania	64	531,139	* 408,403	* 1,283	6,512	4,384
Puerto Rico and U.S. Possessions, total	2,197	37,535,019	1,201,725	118,635	11,089,584	4,536,108
Puerto Rico	425	10,800,751	469,411	167,980	935,563	5,722,092
U.S. Possessions, total	382	10,137,915	445,722	165,229	787,698	5,710,462
American Samoa	149	662,836	23,689	* 2,751	147,865	11,629
Guam	19	2,033	* 35	* 14	* 6,830	* 378
Virgin Islands, U.S.	108	269,945	* 5,460	* 2,287	116,188	6,684
Other U.S. Possessions	79	314,167	* 17,452	* 384	8,697	3,722
Country not stated	22	76,691	* 741	* 65	* 16,150	* 845
Section 863(b) income	262	25,654,294	0	0	* 31,045	* 37,038
Foreign Sales Corporation dividends [1]	7	* 151,679	* 151,162	* 517	0	0
Interest-Charge Domestic International Sales Corporation dividends [1]	45	* 928	* 928	0	0	0

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid—Continued

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

Selected country	Foreign income and taxes reported on Form 1118—continued					
	Gross income (less loss)—continued				Total deductions	Deductions from oil and gas extraction income [3]
	Service income	Other income	Oil and gas extraction income [2]	Foreign branch income [2]		
(7)	(8)	(9)	(10)	(11)	(12)	
All geographic areas	26,382,011	201,814,884	49,446,665	97,936,689	243,861,018	10,984,748
Canada	2,672,920	7,912,050	9,189,560	5,896,449	13,913,939	715,722
Latin America, total	1,403,457	13,093,774	3,996,559	5,919,075	16,639,247	* 1,291,995
Mexico	515,022	3,118,526	* 70	1,740,995	4,344,528	* 16
Central America, total	56,195	505,375	0	191,923	1,085,376	0
Belize	* 129	5,846	0	* 56	2,678	0
Costa Rica	24,516	53,915	0	27,343	247,753	0
El Salvador	9,949	69,945	0	11,958	259,510	0
Guatemala	4,973	93,146	0	21,427	100,460	0
Honduras	9,877	107,594	0	7,256	226,159	0
Nicaragua	* 797	51,690	0	* 361	42,868	0
Panama (including Canal Zone)	5,954	104,913	0	123,107	194,556	0
Central America not allocable	0	* 18,325	0	* 414	* 11,393	0
Caribbean countries, total	167,255	2,010,410	* 1,586,426	687,451	2,697,082	* 426,562
Cayman Islands (British)	54,438	356,391	* 634,022	338,813	1,432,813	* 29,511
Dominican Republic	4,229	96,367	0	91,972	302,286	0
Haiti	* 400	26,428	0	* 14,217	24,823	0
Jamaica	32,087	50,432	0	50,634	118,594	0
Trinidad	58,642	1,353,824	* 952,404	171,197	670,894	* 397,014
Other Caribbean countries	17,460	126,969	0	20,618	147,671	* 37
South America, total	558,373	6,788,637	2,410,063	3,233,320	7,709,075	* 865,416
Argentina	66,571	1,182,465	* 545,612	655,630	1,464,755	* 296,985
Bolivia	2,614	64,378	0	18,819	75,135	* 403
Brazil	201,367	1,159,385	* 55,632	618,104	2,280,876	* 18,439
Chile	18,267	1,400,173	-* 551	453,219	1,146,748	0
Colombia	46,058	697,488	* 387,927	163,403	548,216	* 139,146
Ecuador	30,649	477,016	* 398,062	55,941	322,765	* 195,483
Paraguay	* 1,403	6,988	0	* 14,947	41,992	0
Peru	55,176	494,450	* 24,525	440,899	873,327	* 15,570
Uruguay	* 4,909	27,098	0	54,169	75,588	0
Venezuela	118,934	1,119,834	* 998,855	682,180	712,780	* 199,391
Other South American countries	* 12,424	159,362	0	* 76,009	166,893	0
Latin America not allocable	* 106,612	* 670,826	0	* 65,387	803,187	0
Other Western Hemisphere, total	109,583	2,370,445	* 150,496	85,508	2,157,046	* 10,236
Bahamas	1,972	1,014,853	* 86	48,583	696,534	* 28
Bermuda	92,905	1,276,617	* 150,411	4,683	1,332,380	* 10,209
Netherlands Antilles	* 7,580	27,856	0	* 10,629	59,725	0
Other British West Indies	3,942	21,697	0	6,584	44,487	0
All other Western Hemisphere	* 3,183	29,422	0	* 15,029	23,920	0
Europe, total	10,751,837	69,867,858	* 19,414,427	44,687,861	95,509,981	* 5,016,087
European Union, total	10,339,148	53,618,817	* 10,376,371	37,829,256	83,590,810	* 3,327,100
Austria	38,825	228,019	* 7	218,452	888,362	* 3
Belgium	98,810	3,026,052	* 15	1,251,232	3,614,961	0
Denmark	18,044	631,710	* 1,274,300	416,787	745,714	* 60,585
Finland	39,335	228,038	* 55	125,709	335,162	* -1
France (including Andorra)	882,622	2,768,463	* 4,847	1,624,729	5,632,498	* 4,763
Germany	2,543,673	7,561,704	* 319	7,346,573	11,881,918	* -8
Greece	142,271	105,470	0	121,908	295,923	0

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid—Continued

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

Selected country	Foreign income and taxes reported on Form 1118—continued					
	Gross income (less loss)—continued				Total deductions	Deductions from oil and gas extraction income [3]
	Service income	Other income	Oil and gas extraction income [2]	Foreign branch income [2]		
(7)	(8)	(9)	(10)	(11)	(12)	
Europe, total—continued						
European Union, total—continued						
Ireland	822,112	1,630,661	* 884	133,751	7,564,271	* 1,060
Italy (including San Marino)	817,148	1,762,891	* 1,884	1,778,409	3,738,500	* -14
Luxembourg	* 3,604	422,954	* 425,831	56,944	751,676	0
Netherlands	345,889	4,242,239	* 219,573	1,382,661	5,235,735	* 114,052
Portugal	19,467	130,059	* 24	155,918	358,905	* -1
Spain	322,456	861,492	* 703,585	743,355	1,865,938	* -7
Sweden	80,204	529,987	0	440,661	990,216	* 2
United Kingdom	4,165,533	29,484,220	* 7,745,046	22,033,003	39,676,871	* 3,146,667
European Union not allocable	* -844	* 4,858	0	* -835	* 14,160	0
Other West European countries, total	245,222	11,246,063	* 6,823,789	4,245,280	7,448,028	* 1,433,368
Liechtenstein	0	* 15	0	* 15	* 240	0
Monaco	* -9	* 323	* 29	* 1,659	2,896	* -1
Norway	58,131	7,357,601	* 6,823,609	2,168,861	2,591,048	* 1,433,286
Switzerland	157,960	3,518,795	* 93	1,704,189	4,288,073	* 24
Turkey	27,533	317,653	* 58	325,994	453,932	* 51
Other West European countries not allocable	* 1,608	51,677	0	* 44,560	111,840	* 8
East European countries, total	166,866	4,990,775	* 2,214,267	2,525,625	4,319,495	* 255,620
Romania	5,046	95,388	0	124,559	131,945	0
Former Soviet Union	64,300	3,989,141	* 2,213,870	1,624,781	2,084,462	* 255,605
Other East European countries	97,520	906,247	* 397	776,286	2,103,087	* 15
Europe not allocable	* 600	* 12,203	0	* 87,700	151,649	0
Africa, total	837,008	7,911,355	* 6,697,005	2,199,166	4,564,552	* 1,674,619
North Africa, total	130,678	1,218,343	* 689,484	434,292	979,402	* 354,832
Algeria	* 816	25,631	* 21	* 33,230	26,389	* 26
Egypt	117,467	1,075,980	* 653,574	273,294	822,396	* 346,378
Libya	* 21	* -920	* -484	* -466	8,140	* 833
Morocco	* 12,073	61,851	0	* 70,319	88,586	0
Other North African countries	* 300	55,801	* 36,372	* 57,916	33,890	* 7,594
East Africa, total	56,903	252,035	0	265,720	288,039	0
Ethiopia	* 48,258	22,723	0	* 62,416	61,109	0
Kenya	* 3,662	34,914	0	* 35,761	44,933	0
Tanzania	* 331	* 1,961	0	* 1,754	1,114	0
Uganda	* 274	* 17,852	0	* 17,671	726	0
Other East African countries	* 4,379	174,585	0	* 148,117	180,158	0
West and Central Africa, total	246,585	5,827,570	* 6,007,511	596,022	1,915,969	* 1,319,787
Gabon	* 56,562	17,619	* 56,471	* 54,797	31,932	* 19,269
Ghana	* 228	1,501	0	* 457	1,135	0
Liberia	* 151	* 859	0	0	8,552	0
Nigeria	35,197	2,851,299	* 2,100,047	242,110	555,795	* 317,643
Zaire	* 18,941	* 78,726	* 154,102	* 81,224	70,765	* 53,168
Other West and Central African countries	135,506	2,877,565	* 3,696,891	217,433	1,247,790	* 929,707
Southern Africa, total	402,747	612,744	* 9	903,133	1,380,602	0
Malawi	* 4	* 12	0	0	* 139	0
South Africa (including Namibia)	* -1,547	12,301	0	* 769	3,433	0
Zambia	404,233	598,943	* 9	901,543	1,373,408	0
Zimbabwe	* 13	222	0	* 45	2,490	0
Other Southern African countries	* 44	1,265	0	* 775	1,133	0
Africa not allocable	* 96	* 663	0	0	* 541	0

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid—Continued

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

Selected country	Foreign income and taxes reported on Form 1118—continued					
	Gross income (less loss)—continued				Total deductions	Deductions from oil and gas extraction income [3]
	Service income	Other income	Oil and gas extraction income [2]	Foreign branch income [2]		
(7)	(8)	(9)	(10)	(11)	(12)	
Asia, total	4,312,124	49,082,154	7,749,103	31,597,770	50,856,146	* 1,713,531
Middle East, total	599,334	7,863,445	* 2,502,937	1,698,792	3,972,912	* 551,282
Bahrain	15,701	57,672	-* 7,086	181,403	173,057	* 3,515
Iran	* 29	21	0	* 198	5,358	0
Iraq	285,289	167,430	0	* 196,071	484,211	0
Israel	87,376	196,026	0	232,183	439,382	0
Kuwait	75,967	99,420	* 33,520	64,448	144,709	* 22,193
Lebanon	* 323	2,736	0	12,417	21,848	0
Qatar	28,599	962,037	* 536,498	* 19,275	211,811	* 64,107
Saudi Arabia	42,032	4,018,869	* 1,061,620	164,022	788,258	* 101,496
United Arab Emirates	40,473	1,169,357	* 225,055	562,825	1,136,581	* 125,195
Other areas of Arabian Peninsula	* 2,606	1,018,526	* 653,330	119,524	368,655	* 234,765
Other Middle East countries	20,939	171,351	0	146,425	199,043	* 12
Southern and Southeast Asia, total	797,184	11,361,992	4,884,680	5,408,019	11,490,954	1,054,969
Bangladesh	* 1,975	68,681	0	* 57,140	68,541	0
India	170,448	887,076	* 38	1,054,057	1,323,075	* -1
Indonesia	45,914	3,247,620	* 2,551,483	677,278	2,247,966	* 646,269
Malaysia	34,820	1,886,857	* 973,517	195,297	841,563	* 198,025
Pakistan	3,298	337,461	* 202,898	111,589	227,152	* 77,964
Philippines	51,899	733,117	* 148,230	665,572	865,533	* 16,834
Singapore	342,256	3,303,137	* 28,584	2,007,768	4,763,334	* 1,727
Sri Lanka	* 6,791	39,398	0	* 23,864	45,618	0
Thailand	63,505	718,132	* 950,899	540,909	941,636	* 114,820
Vietnam	8,032	80,257	* 29,031	22,085	61,171	* -668
Other Southern and Southeast Asian countries	68,247	60,255	0	52,459	105,366	0
Eastern Asia, total	2,029,487	29,266,966	* 361,485	24,488,062	34,319,570	* 107,280
China	313,538	2,241,702	* 352,920	1,474,037	2,823,944	* 103,190
Hong Kong	305,861	4,535,277	0	4,803,176	5,197,033	0
Japan (including Okinawa and Ryukyu Islands)	531,684	3,449,009	* 62	1,986,664	4,823,629	* -2
South Korea, Republic of	652,412	17,529,504	* 5,561	14,756,615	18,903,810	* 4,167
Taiwan	211,865	1,503,301	* 2,943	1,467,570	2,555,822	* -75
Other Eastern Asian countries	* 14,126	8,173	0	0	15,331	0
Asia not allocable	* 886,119	* 589,752	0	* 2,897	1,072,710	0
Oceania, total	1,554,168	6,637,279	* 1,599,133	3,778,425	9,021,586	* 258,815
Australia	1,522,664	6,062,852	* 1,510,308	3,481,894	7,991,159	* 247,508
New Zealand	29,929	465,446	* 11,583	257,793	972,359	* 1,704
Other countries of Oceania	1,575	108,981	* 77,241	* 38,738	58,069	* 9,602
Puerto Rico and U.S. Possessions, total	3,584,494	17,004,472	* 650,382	1,555,786	29,677,084	* 302,894
Puerto Rico	566,033	2,939,672	0	2,213,763	5,477,644	* 849
U.S. Possessions, total	476,908	2,551,895	0	1,893,520	5,023,519	0
American Samoa	89,125	387,777	0	320,243	454,125	* 849
Guam	-* 5,989	* 765	0	* 5,919	-1,510	0
Virgin Islands, U.S.	40,627	98,698	0	192,763	196,542	* 849
Other U.S. Possessions	5,801	278,111	0	96,082	197,717	0
Country not stated	* 48,686	* 10,203	0	* 25,478	61,375	0
Section 863(b) income	590,386	24,995,825	0	* 2,885	15,863,760	0
Foreign Sales Corporation dividends [1]	0	0	0	0	* 131,025	0
Interest-Charge Domestic International Sales Corporation dividends [1]	0	0	0	0	* 46	0

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid—Continued

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

Selected country	Foreign income and taxes reported on Form 1118—continued					
	Taxable income (less loss) before adjustments	Foreign taxes paid, accrued, and deemed paid—continued				
		Total	Foreign taxes paid or accrued—continued			
			Total	Dividends	Interest	Rents, royalties, and license fees
	(13)	(14)	(15)	(16)	(17)	(18)
All geographic areas	241,493,136	61,198,066	28,000,049	1,493,093	1,017,826	2,678,122
Canada	28,318,150	8,262,038	1,820,958	237,808	104,430	173,704
Latin America, total	19,959,275	5,338,955	2,909,920	266,073	118,968	724,697
Mexico	5,005,175	1,202,052	480,073	2,826	39,063	155,727
Central America, total	611,021	98,971	43,551	2,889	522	18,338
Belize	8,043	* 1,646	* 1,255	* 750	* 7	0
Costa Rica	173,215	22,414	4,035	* 820	* 53	1,927
El Salvador	-43,124	8,108	4,690	0	* 149	2,237
Guatemala	62,396	15,683	12,209	* 113	* 73	7,083
Honduras	24,820	7,460	7,025	* 141	* 126	2,610
Nicaragua	17,447	3,937	3,863	0	* 5	908
Panama (including Canal Zone)	359,504	39,724	10,473	* 1,065	* 109	3,573
Central America not allocable	* 8,720	0	0	0	0	0
Caribbean countries, total	6,006,811	1,154,074	415,690	6,721	* 1,553	5,572
Cayman Islands (British)	4,631,602	694,840	* 101	* 17	0	0
Dominican Republic	87,386	15,791	12,954	* 654	* 680	1,950
Haiti	10,566	* 5,730	* 5,579	0	* 2	* 2
Jamaica	45,145	8,554	7,468	* 303	* 827	1,183
Trinidad	903,924	411,190	385,951	* 4,948	* 42	1,524
Other Caribbean countries	328,188	17,970	3,637	* 799	* 3	* 913
South America, total	8,355,381	2,883,155	1,969,903	253,637	77,829	544,357
Argentina	656,063	329,165	173,599	* 995	9,053	28,073
Bolivia	7,559	4,020	2,740	* 81	* 116	224
Brazil	2,610,796	1,011,473	478,151	64,101	53,375	138,757
Chile	1,517,205	455,197	421,701	172,146	3,607	25,451
Colombia	531,135	213,383	169,091	4,317	* 3,137	32,114
Ecuador	283,217	91,767	85,546	* 184	* 866	8,887
Paraguay	-4,943	8,883	2,030	* 18	* 3	241
Peru	1,076,636	447,886	441,136	11,569	2,355	301,971
Uruguay	76,884	14,483	6,194	* 4	0	1,553
Venezuela	1,562,224	274,299	166,833	* 221	5,316	6,878
Other South American countries	38,606	32,598	* 22,883	* 1	0	* 207
Latin America not allocable	-19,112	* 703	* 703	0	0	* 703
Other Western Hemisphere, total	11,200,450	464,327	19,932	* 688	* 4,159	* 1,318
Bahamas	1,042,222	12,543	* 3,292	* 138	* 3,088	* 1
Bermuda	9,810,426	410,641	* 1,092	* 2	* 1,004	0
Netherlands Antilles	125,176	7,809	* 2,410	* 124	* 41	* 38
Other British West Indies	179,153	31,761	11,565	* 424	* 26	* 166
All other Western Hemisphere	43,472	* 1,573	* 1,573	0	0	* 1,113
Europe, total	98,960,836	27,877,895	10,633,215	594,621	547,844	313,338
European Union, total	74,585,512	19,850,585	5,880,320	400,995	544,384	267,700
Austria	88,092	82,114	28,519	6,176	* 68	* 1,488
Belgium	1,483,875	319,175	55,178	10,042	631	1,100
Denmark	1,651,279	801,252	286,230	3,791	* 53	* 2,326
Finland	268,485	30,639	12,540	2,770	* 80	2,757
France (including Andorra)	4,421,507	909,854	316,100	43,721	27,138	53,480
Germany	5,867,497	1,316,126	441,201	24,171	212	9,187
Greece	285,433	106,179	28,502	* 95	* 51	* 1,113

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid—Continued

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

Selected country	Foreign income and taxes reported on Form 1118—continued					
	Taxable income (less loss) before adjustments	Foreign taxes paid, accrued, and deemed paid—continued				
		Total	Foreign taxes paid or accrued—continued			
			Total	Dividends	Interest	Rents, royalties, and license fees
(13)	(14)	(15)	(16)	(17)	(18)	
Europe, total—continued						
European Union, total—continued						
Ireland	9,344,980	654,342	289,483	1,035	* 421	* 526
Italy (including San Marino)	2,517,125	1,028,714	251,606	19,585	15,064	87,246
Luxembourg	6,168,951	2,087,828	37,229	13,115	* 14	* 237
Netherlands	12,328,278	2,461,356	277,165	48,473	* 1,773	* 448
Portugal	282,677	99,891	50,207	4,939	8,932	12,393
Spain	4,705,816	2,613,472	192,680	34,402	35,102	49,486
Sweden	597,521	107,201	35,142	3,150	* 104	0
United Kingdom	24,563,603	7,231,970	3,578,081	185,527	454,741	45,914
European Union not allocable	* 10,393	* 473	* 458	* 4	0	0
Other West European countries, total	18,682,473	6,767,751	3,959,986	165,656	814	9,559
Liechtenstein	236,734	* 1,247	* 579	* 476	0	0
Monaco	281	0	0	0	0	0
Norway	8,223,066	5,684,375	3,683,888	9,452	* 94	* 11
Switzerland	7,351,473	991,176	230,980	147,749	* 153	* 3,861
Turkey	2,902,790	88,272	44,332	7,979	* 566	5,688
Other West European countries not allocable	-31,869	* 2,680	* 208	* 1	0	0
East European countries, total	5,543,136	1,249,332	788,649	27,967	2,647	35,025
Romania	63,279	29,275	18,648	3,594	* 33	2,847
Former Soviet Union	2,786,075	715,811	686,678	7,584	* 2,360	2,862
Other East European countries	2,693,782	504,247	83,324	16,789	254	29,315
Europe not allocable	149,715	* 10,226	* 4,259	* 3	0	* 1,054
Africa, total	7,450,494	3,313,491	2,548,508	9,135	661	11,103
North Africa, total	586,916	232,010	226,717	* 387	* 451	3,255
Algeria	16,564	* 31,686	* 31,686	0	0	* 112
Egypt	534,067	178,924	173,864	0	* 448	2,799
Libya	-6,311	* 9	* 8	* 8	0	0
Morocco	3,471	8,992	8,761	* 379	* 2	* 286
Other North African countries	39,125	* 12,400	* 12,398	* 1	0	* 58
East Africa, total	159,513	55,439	20,453	* 1,892	* 139	1,222
Ethiopia	9,911	* 1,170	* 1,170	0	0	0
Kenya	19,352	12,911	8,443	* 657	* 136	* 819
Tanzania	2,934	* 43	* 12	0	0	0
Uganda	31,711	* 6,340	* 1,495	* 740	0	* 1
Other East African countries	95,605	34,974	9,332	* 495	* 3	* 402
West and Central Africa, total	5,824,353	2,807,541	2,244,889	* 5,096	* 43	* 1,059
Gabon	51,379	* 17,429	* 16,679	* 32	0	0
Ghana	5,264	* 917	* 269	0	0	* 3
Liberia	143,162	* 2,392	0	0	0	0
Nigeria	2,498,915	1,896,644	1,852,295	* 4,380	* 4	* 455
Zaire	107,751	* 53,900	* 11,298	* 334	0	0
Other West and Central African countries	3,017,882	836,259	364,348	* 350	* 39	* 601
Southern Africa, total	879,494	218,500	56,449	* 1,759	* 28	5,566
Malawi	* 312	* 151	* 32	0	0	0
South Africa (including Namibia)	19,904	* 4,074	* 1,751	* 862	* 27	* 25
Zambia	849,719	206,240	49,300	* 651	* 1	726
Zimbabwe	3,959	* 1,560	* 255	* 246	0	* 4
Other Southern African countries	5,599	* 6,474	* 5,110	0	0	* 4,812
Africa not allocable	* 219	* 1	* 1	0	0	* 1

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid—Continued

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

Selected country	Foreign income and taxes reported on Form 1118—continued					
	Taxable income (less loss) before adjustments	Foreign taxes paid, accrued, and deemed paid—continued				
		Total	Total	Taxes withheld at source on:		
				Dividends	Interest	Rents, royalties, and license fees
(13)	(14)	(15)	(16)	(17)	(18)	
Asia, total	45,869,009	11,999,230	7,237,126	250,436	55,273	874,204
Middle East, total	5,810,928	1,982,039	1,901,080	11,014	1,175	16,890
Bahrain	41,649	* 170	* 60	0	* 50	* 6
Iran	18,400	* 34	* 10	0	0	0
Iraq	-30,300	* 1	0	0	0	0
Israel	221,677	56,491	28,465	4,194	1,063	8,438
Kuwait	51,270	26,384	26,206	0	0	* 3,684
Lebanon	-3,737	1,772	1,696	0	0	94
Qatar	809,753	171,349	171,349	* 24	0	* 19
Saudi Arabia	3,473,552	1,423,607	1,395,892	* 6,556	* 61	4,458
United Arab Emirates	428,015	75,728	57,529	* 209	* 1	0
Other areas of Arabian Peninsula	644,468	215,974	212,068	0	0	* 33
Other Middle East countries	156,181	10,529	7,803	* 30	0	* 157
Southern and Southeast Asia, total	15,546,911	3,605,189	2,321,654	70,300	38,733	170,179
Bangladesh	22,078	* 13,486	* 13,486	0	0	0
India	779,584	341,331	242,058	15,670	1,174	19,216
Indonesia	2,922,100	1,419,777	885,493	11,605	16,222	6,920
Malaysia	2,460,012	565,219	527,408	1,478	448	35,388
Pakistan	208,613	72,977	59,177	708	* 15	* 261
Philippines	1,410,835	272,413	180,356	29,312	9,003	13,106
Singapore	6,165,641	392,213	242,939	830	1,907	71,790
Sri Lanka	18,793	6,231	* 3,644	* 115	0	* 21
Thailand	1,449,849	515,530	161,483	10,582	9,936	22,659
Vietnam	48,817	2,008	2,008	0	0	564
Other Southern and Southeast Asian countries	60,591	4,004	3,602	0	* 29	* 254
Eastern Asia, total	24,063,005	6,411,773	3,014,163	169,123	15,362	687,057
China	4,954,008	373,343	267,390	* 3,447	494	185,269
Hong Kong	1,571,062	509,551	393,072	64,388	5,858	111,590
Japan (including Okinawa and Ryukyu Islands)	2,214,105	470,751	295,446	592	* 3,253	12,947
South Korea, Republic of	13,253,835	4,371,340	1,663,988	52,768	3,490	212,771
Taiwan	2,039,069	684,307	391,786	47,929	2,267	161,998
Other Eastern Asian countries	30,926	* 2,480	* 2,480	0	0	* 2,480
Asia not allocable	448,165	* 230	* 230	0	* 3	* 79
Oceania, total	6,779,989	1,795,608	973,592	27,943	64,973	53,578
Australia	5,558,318	1,559,612	857,416	19,298	44,697	43,415
New Zealand	748,601	192,481	73,944	8,645	20,276	9,980
Other countries of Oceania	473,070	43,515	42,232	0	0	* 183
Puerto Rico and U.S. Possessions, total	7,857,935	1,261,708	1,143,059	83,186	119,886	97,775
Puerto Rico	5,323,107	819,227	651,247	23,196	1,633	428,405
U.S. Possessions, total	5,114,395	785,130	619,902	23,124	1,467	427,737
American Samoa	208,711	34,097	31,346	* 72	* 165	* 668
Guam	3,543	* 15	* 1	0	0	0
Virgin Islands, U.S.	73,403	23,539	21,251	* 10	0	0
Other U.S. Possessions	116,449	6,324	5,940	* 62	* 165	* 615
Country not stated	15,316	* 4,218	* 4,153	0	0	* 53
Section 863(b) income	9,790,534	62,486	62,486	0	0	0
Foreign Sales Corporation dividends [1]	* 20,654	* 517	0	0	0	0
Interest-Charge Domestic International Sales Corporation dividends [1]	* 883	* 6	* 6	* 6	0	0

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid—Continued

[All figures are estimates based on a sample—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
	Other taxes paid or accrued on:				
	Branch income	Specifically allocable income [section 863(b)]	Service income	Other income	
(19)	(20)	(21)	(22)	(23)	
All geographic areas	5,734,096	63,225	298,690	16,714,997	33,198,017
Canada	547,654	0	37,217	720,144	6,441,080
Latin America, total	504,417	0	51,679	1,244,087	2,429,035
Mexico	195,299	0	7,425	79,734	721,979
Central America, total	5,952	0	1,047	14,803	55,420
Belize	* 1	0	0	* 497	* 391
Costa Rica	* 270	0	* 318	* 647	18,378
El Salvador	* 134	0	* 94	* 2,077	3,417
Guatemala	* 764	0	* 360	* 3,815	* 3,475
Honduras	* 266	0	* 51	* 3,832	* 435
Nicaragua	* 46	0	* 13	* 2,891	* 74
Panama (including Canal Zone)	* 4,471	0	* 211	* 1,045	29,251
Central America not allocable	0	0	0	0	0
Caribbean countries, total	10,617	0	* 677	390,550	738,385
Cayman Islands (British)	* 4	0	* 15	* 66	694,738
Dominican Republic	* 944	0	* 123	* 8,603	* 2,837
Haiti	* 14	0	0	* 5,561	* 151
Jamaica	* 508	0	* 227	* 4,421	* 1,086
Trinidad	* 8,742	0	* 223	* 370,472	* 25,239
Other Caribbean countries	* 406	0	* 88	* 1,428	* 14,333
South America, total	292,549	0	42,530	759,001	913,251
Argentina	25,601	0	3,874	106,002	155,566
Bolivia	* 1,645	0	* 7	* 666	* 1,280
Brazil	94,137	0	17,479	110,302	533,322
Chile	15,708	0	* 1,901	202,888	33,497
Colombia	11,669	0	1,132	116,722	44,292
Ecuador	3,479	0	* 3,839	68,291	6,221
Paraguay	* 337	0	0	* 1,431	* 6,853
Peru	109,538	0	7,634	8,069	* 6,750
Uruguay	* 2,182	0	* 1,430	* 1,025	8,289
Venezuela	6,075	0	* 5,155	143,188	107,466
Other South American countries	* 22,178	0	* 78	* 418	* 9,715
Latin America not allocable	0	0	0	0	0
Other Western Hemisphere, total	* 11,910	0	* 100	* 1,757	444,395
Bahamas	* 1	0	0	* 64	9,251
Bermuda	* 1	0	0	* 85	409,549
Netherlands Antilles	* 840	0	* 32	* 1,335	* 5,398
Other British West Indies	* 10,621	0	* 58	* 270	20,197
All other Western Hemisphere	* 447	0	* 10	* 3	0
Europe, total	1,549,007	0	85,091	7,543,313	17,244,680
European Union, total	1,290,853	0	80,324	3,296,065	13,970,265
Austria	19,532	0	* 19	* 1,235	53,596
Belgium	35,119	0	* 653	7,634	263,997
Denmark	27,159	0	* 73	* 252,830	515,021
Finland	6,665	0	* 4	* 263	18,099
France (including Andorra)	119,892	0	3,010	68,859	593,753
Germany	268,214	0	42,666	96,751	874,925
Greece	25,193	0	* 1,535	* 515	77,678

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid—Continued

[All figures are estimates based on a sample—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
	Other taxes paid or accrued on:				
	Branch income	Specifically allocable income [section 863(b)]	Service income	Other income	
(19)	(20)	(21)	(22)	(23)	
Europe, total—continued					
European Union, total—continued					
Ireland	8,012	0	* 462	* 279,027	364,859
Italy (including San Marino)	76,284	0	* 3,603	49,823	777,108
Luxembourg	21,629	0	0	* 2,234	2,050,599
Netherlands	114,033	0	* 136	112,303	2,184,190
Portugal	21,612	0	* 61	* 2,270	49,684
Spain	26,443	0	* 1,098	46,150	2,420,792
Sweden	24,758	0	0	* 7,129	72,059
United Kingdom	496,154	0	27,004	2,368,741	3,653,889
European Union not allocable	* 155	0	0	* 299	* 15
Other West European countries, total	69,002	0	* 1,543	3,713,412	2,807,765
Liechtenstein	* 103	0	0	0	* 668
Monaco	0	0	0	0	0
Norway	* 3,733	0	* 11	* 3,670,587	2,000,488
Switzerland	45,344	0	* 669	33,204	760,196
Turkey	19,615	0	* 864	* 9,621	43,940
Other West European countries not allocable	* 207	0	0	0	* 2,472
East European countries, total	189,153	0	3,224	530,635	460,683
Romania	* 11,966	0	* 36	* 172	* 10,627
Former Soviet Union	146,615	0	* 540	526,717	29,133
Other East European countries	30,571	0	2,648	3,746	420,923
Europe not allocable	0	0	0	* 3,202	* 5,967
Africa, total	189,398	0	2,783	2,335,429	764,983
North Africa, total	73,496	0	* 322	148,807	5,294
Algeria	* 30,233	0	0	* 1,340	0
Egypt	* 24,355	0	* 51	* 146,211	* 5,061
Libya	0	0	0	0	* 1
Morocco	* 6,825	0	* 270	* 999	* 230
Other North African countries	* 12,083	0	* 1	* 255	* 2
East Africa, total	* 4,607	0	* 418	12,175	34,987
Ethiopia	* 619	0	0	* 551	0
Kenya	* 3,480	0	* 286	* 3,065	* 4,469
Tanzania	0	0	* 1	* 11	* 31
Uganda	0	0	0	* 754	* 4,845
Other East African countries	* 508	0	* 130	* 7,794	25,642
West and Central Africa, total	73,554	0	* 1,967	* 2,163,170	562,652
Gabon	* 4,372	0	0	* 12,275	* 750
Ghana	0	0	0	* 266	* 648
Liberia	0	0	0	0	* 2,392
Nigeria	* 23,589	0	* 1,645	* 1,822,221	* 44,350
Zaire	* 10,486	0	0	* 478	* 42,603
Other West and Central African countries	* 35,107	0	* 322	* 327,930	* 471,911
Southern Africa, total	37,742	0	* 77	11,278	162,050
Malawi	0	0	0	* 32	* 119
South Africa (including Namibia)	* 235	0	0	* 602	* 2,323
Zambia	37,507	0	* 77	10,339	156,940
Zimbabwe	0	0	0	* 5	* 1,305
Other Southern African countries	0	0	0	* 299	* 1,364
Africa not allocable	0	0	0	0	0

Footnotes at end of table.

Corporate Foreign Tax Credit, 2004

Statistics of Income Bulletin | Summer 2008

Table 3. U.S. Corporation Income Tax Returns with a Foreign Tax Credit, 2004: Foreign Income, Deductions, and Taxes Reported on Form 1118, by Selected Country to Which Foreign Taxes Were Paid—Continued

[All figures are estimates based on a sample—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				
	Other taxes paid or accrued on:				
	Branch income	Specifically allocable income [section 863(b)]	Service income	Other income	
(19)	(20)	(21)	(22)	(23)	
Asia, total	2,315,854	* 134	67,306	3,673,918	4,762,105
Middle East, total	167,991	0	2,042	1,701,969	80,960
Bahrain	0	0	0	* 4	* 110
Iran	0	0	0	* 10	* 24
Iraq	0	0	0	0	* 1
Israel	6,564	0	* 333	7,872	28,026
Kuwait	14,406	0	* 530	* 7,586	* 178
Lebanon	* 1,571	0	* 26	* 6	* 76
Qatar	* 988	0	* 207	* 170,111	0
Saudi Arabia	* 106,352	0	* 975	* 1,277,491	27,714
United Arab Emirates	* 22,689	0	0	* 34,630	* 18,199
Other areas of Arabian Peninsula	* 7,949	0	* -97	* 204,183	* 3,906
Other Middle East countries	* 7,472	0	* 68	* 76	2,726
Southern and Southeast Asia, total	556,053	* 134	17,906	1,468,348	1,283,535
Bangladesh	* 12,837	0	0	* 650	0
India	164,590	0	6,602	34,806	99,273
Indonesia	* 90,480	* 0	* 5,852	754,414	534,284
Malaysia	5,680	0	909	483,505	37,811
Pakistan	* 18,308	0	* 55	39,831	13,799
Philippines	79,050	0	* 389	49,496	92,057
Singapore	126,095	* 134	1,293	40,890	149,274
Sri Lanka	* 3,263	0	0	* 245	* 2,587
Thailand	51,272	0	2,727	64,307	354,046
Vietnam	* 1,203	0	* 65	* 176	0
Other Southern and Southeast Asian countries	* 3,277	0	* 13	* 29	* 402
Eastern Asia, total	1,591,809	0	47,359	503,453	3,397,610
China	34,891	0	2,896	40,392	105,953
Hong Kong	174,032	0	4,219	32,986	116,479
Japan (including Okinawa and Ryukyu Islands)	73,902	0	* 3,540	201,211	175,305
South Korea, Republic of	1,198,715	0	3,818	192,426	2,707,352
Taiwan	110,269	0	32,885	36,437	292,522
Other Eastern Asian countries	0	0	0	0	0
Asia not allocable	0	0	0	* 148	0
Oceania, total	331,073	0	8,243	487,782	822,016
Australia	307,075	0	8,086	434,845	702,197
New Zealand	14,525	0	* 139	20,380	118,537
Other countries of Oceania	* 9,474	0	* 18	* 32,558	* 1,283
Puerto Rico and U.S. Possessions, total	149,225	* 605	29,004	663,377	118,649
Puerto Rico	135,557	0	17,267	45,190	167,980
U.S. Possessions, total	109,778	0	15,987	41,809	165,229
American Samoa	25,779	0	* 1,281	3,380	* 2,751
Guam	0	0	0	* 1	* 14
Virgin Islands, U.S.	18,883	0	* 1,164	* 1,195	* 2,287
Other U.S. Possessions	* 2,913	0	* 116	2,068	* 384
Country not stated	* 3,983	0	0	* 117	* 65
Section 863(b) income	0	62,486	0	0	0
Foreign Sales Corporation dividends [1]	0	0	0	0	* 517
Interest-Charge Domestic International Sales Corporation dividends [1]	0	0	0	0	0

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

[1] Dividends from an Interest-Charge Domestic International Sales Corporation or a Foreign Sales Corporation were not reported for specific foreign countries.

[2] Included in gross income (less loss), columns 2-8.

[3] Included in total deductions, column 11.

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

Partnership and Sole Proprietorship Data, by Region and State, for Tax Years 2002-2005

by Brian J. Maisano

This article highlights partnership and sole proprietorship data by region and State tabulated by the Bureau of Economic Analysis (BEA) for the Statistics of Income Division (SOI). SOI uses these tabulations in its capacity as an IRS office which prepares and publishes statistics on the operations associated with the execution and application of the internal revenue laws. BEA uses geographic coding data obtained from the Nonemployer Statistics program at the Census Bureau to assign tax records to the proper States based on the Zip Codes contained in the IRS record extracts.¹ This process also identifies and suppresses any data associated with frequencies of less than three at the State level to ensure that they are disclosure-free. BEA then tabulates the number of returns and the unincorporated business income for SOI by State for partnerships and sole proprietorships. No statistical tabulations or research results are released which would potentially reveal identifiable information about individuals, employers, or establishments.²

Partnership Returns, 2002-2005

BEA tabulates the total number of partnership returns and three variables—gross receipts (less returns and allowances), ordinary income (or loss), and the number of partners.³ Gross receipts are tabulated from data reported on line 1c of Form 1065. This includes gross receipts from line 1a minus returns and allowances reported on line 1b. Ordinary income (loss) is tabulated from data reported on line 22 of Form 1065. It includes total income or loss (line 8) minus total deductions (line 21).

From 2002-2005, the total tabulated number of partnership returns for the United States increased 23 percent, from 2,336,313 to 2,873,194 (Table 1). Over this period, the Southeast region experienced the fastest growth of 36.1 percent. Florida was the

fastest growing State in this region, with an increase of 34,623 in the number of partnership returns, or 79.2 percent over the period. Georgia, North Carolina, and Virginia also contributed significantly to the growth of the region. In 2005, the Southeast also held the greatest share of the total number of partnership returns in the nation, with 12.1 percent.

The States in the Southwest region also experienced relatively rapid growth in the number of partnership returns for the 2002-2005 period, with the largest increases occurring in Arizona and Texas. The Great Lakes region experienced the slowest growth from 2002-2005, with a 21.9-percent increase over the period.

The Southeast and Southwest regions were also the fastest growing regions in terms of gross receipts (less returns and allowances) from 2002-2005 (Table 2). Florida showed the fastest growth among the States with a 113.2-percent increase, while Texas showed the largest increase in dollar amounts with a \$69.7-billion increase over the period for a 40.1-percent growth rate. The Southeast also accounted for the greatest share of U.S. gross receipts (less returns and allowances) in 2005 with 21.4 percent. Figure A shows the States ranked in quintiles by growth rates in partnership gross receipts from 2002-2005.

Tabulated ordinary income for the United States rose by \$131.6 billion from 2002-2005, an increase of 103.7 percent (Table 3). The Southeast region had the largest growth in dollar terms among the regions, with an increase of \$29.7 billion in ordinary income. Florida, North Carolina, and Georgia made up the bulk of this growth with increases of \$9.7 billion, \$4.9 billion, and \$3.8 billion, respectively. California and Texas showed the largest growth in dollar amounts with increases of \$19.1 billion and \$15.4 billion. Connecticut experienced a substantial increase in partnership ordinary income over the period. Most of the increase occurred between 2004 and 2005, when ordinary income increased from \$3.3 billion to \$14.6 billion.

Brian J. Maisano is an economist in the Regional Income Division of the Bureau of Economic Analysis.

¹ BEA assigns tax records to States based on the Zip Code given on the first page of Form 1065 for partnerships and Form 1040 for sole proprietorships. These Zip Codes reflect only the filing address and therefore do not necessarily reflect the exact location of the business activity.

² For a more detailed statement of the sources and methods used to produce BEA State and local area estimates of Personal Income, see the BEA Web site at <http://www.bea.gov/regional/methods.cfm>.

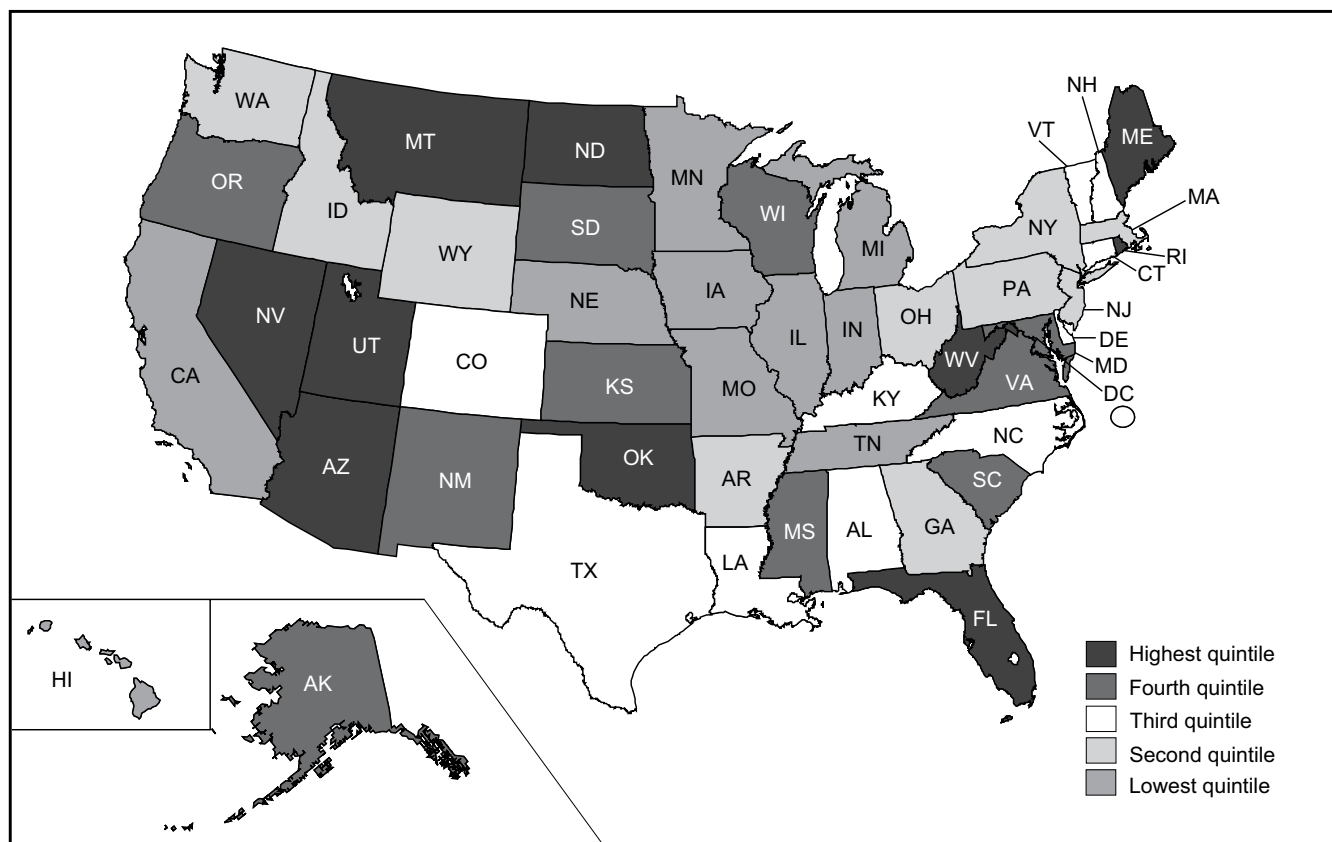
³ BEA tabulated figures are based on unedited population extracts. U.S. totals for the variables included do not match published SOI totals, which are estimates based on edited samples.

Partnership and Sole Proprietorship Data

Statistics of Income Bulletin | Summer 2008

Figure A

Partnerships: Gross Receipts Growth Rates, 2002-2005



Sole Proprietorship Returns, 2002-2005

BEA tabulates the total number of sole proprietorship returns and two variables from sole proprietorship returns to the State level—gross receipts (less returns and allowances) and net profit or loss.^{4,5} Gross receipts from sole proprietorships are tabulated from line 3 of Form 1040 Schedule C. This is calculated as gross receipts or sales (line 1) minus returns and allowances (line 2). Net profit or loss is tabulated from line 31 of Form 1040 Schedule C. Net profit or loss equals gross income (line 7) minus total expenses (line 28) and expenses for business use of a home (line 30).

The total number of sole proprietorship returns for the United States, as tabulated by BEA, grew by 392,396 from 2002-2005, a 1.9-percent increase over the period (Table 4). The Great Lakes were the fastest growing region over the period, increasing by 9.0 percent to 3,135,856 returns in 2005, due to strong growth in Michigan, Wisconsin, and Illinois. Among all States, Georgia had both the largest percentage increase and the largest increase in the number of returns over the period, from 583,810 returns in 2002 to 678,878 returns in 2005, for a 16.3-percent increase. This growth, however, was not reflected in the rest of the Southeast, which only grew at 1.0

⁴ Sole proprietors report business income or loss on Form 1040, Schedule C. BEA tabulates the number of sole proprietorship returns as the number of Schedule C forms filed for a given tax year.

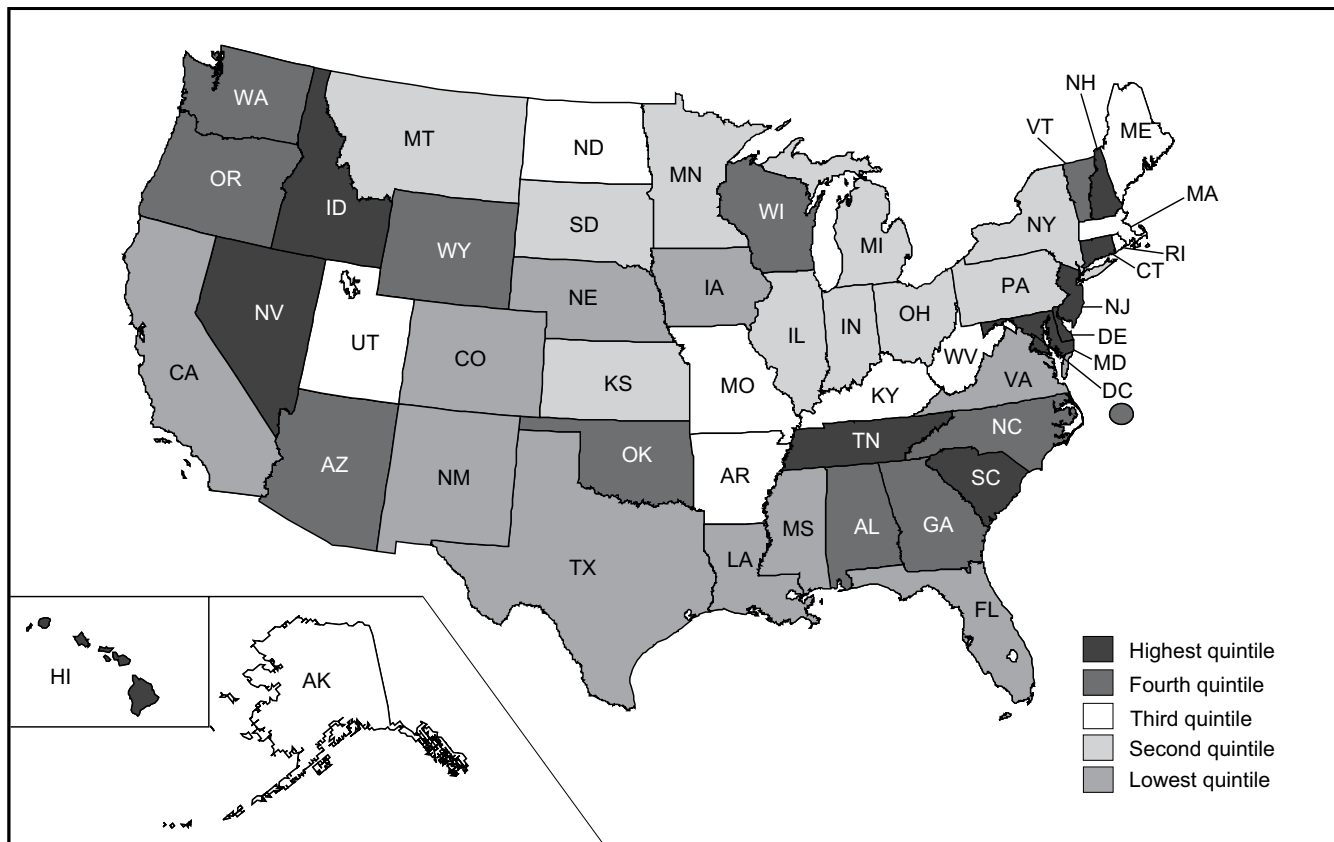
⁵ BEA tabulated figures are based on unedited population extracts. U.S. totals for the variables included do not match published SOI totals, which are estimates based on edited samples.

Partnership and Sole Proprietorship Data

Statistics of Income Bulletin | Summer 2008

Figure B

Sole Proprietorships: Gross Receipts Growth Rates, 2002-2005



percent over the period. Florida contributed largely to this slow growth with a 14.5-percent decline over the period. California, the largest State in terms of number of returns, declined 11.4 percent over this period, while the next two largest States—Texas and New York—grew by 3.5 percent and 5.5 percent, respectively.

Total gross receipts (less returns and allowances) from sole proprietorship returns grew 7.7 percent from 2002-2005 to \$974.8 billion (Table 5). New England grew the fastest among the regions over this period, with a 17.1-percent increase, while the Midwest saw the largest portion of this growth, in dollar terms, with a \$19.6-billion increase. The Midwest region growth occurred mainly in New Jersey, New York, and Pennsylvania, which experienced increases of \$6.0 billion, \$5.9 billion, and \$3.9 billion, respectively. In terms of percentage increases, Hawaii, Nevada, and Idaho were the fastest growing States

over the period. Iowa, New Mexico, and California saw significant decreases in gross receipts from 2002-2005, bringing down the growth rates in their respective regions. Figure B shows the States ranked in quintiles by growth rates in sole proprietorship gross receipts from 2002-2005.

Net profit for the United States grew 11.6 percent to \$234.4 billion from 2002-2005 (Table 6). Texas, California, and New York contributed the largest amounts to this growth, with increases of \$1.9 billion, \$1.8 billion, and \$1.7 billion, respectively. These three States are the largest States in terms of net profit from sole proprietorship returns, collectively comprising 31.7 percent of the nation for 2005. New Jersey and Pennsylvania also grew significantly, combining with New York to give the Midwest the largest growth among the regions—\$5.4 billion—from 2002-2005. In terms of percentage change, Nevada, Hawaii, and Arizona were the fast

Partnership and Sole Proprietorship Data

Statistics of Income Bulletin | Summer 2008

growing States, while Iowa, Mississippi, and New Mexico experienced the largest percentage decreases over the period.

Future Research

This article presents the first of what is to be an ongoing series of articles examining geographic data for partnerships and sole proprietorships. In constructing a time series of data for these tabulations, a number

of possibilities for future investigation have been suggested. Further refinement in the processing of the unedited population extracts should lead to a reduction in the number of unidentifiable records. This will allow presentation of the data by major industrial sector and with expanded geographic detail. Analysis and interpretation of year-to-year variations in the data will benefit from increased understanding of tax law changes, as well as expanded processing capabilities.

Partnership and Sole Proprietorship Data

Statistics of Income Bulletin | Summer 2008

Table 1. Partnerships: Number of Returns, by Region and State, Tax Years 2002-2005

[All figures are based on tabulated population extracts]

Region and State	Number of returns				Percentage cumulative change, 2002-2005
	2002	2003	2004	2005	
	(1)	(2)	(3)	(4)	(5)
United States, total	2,336,313	2,481,381	2,669,959	2,873,194	23.0
New England, total	64,573	69,568	74,433	78,938	22.2
Connecticut	27,641	29,242	30,595	31,785	15.0
Maine	3,837	4,218	4,613	5,023	30.9
Massachusetts	21,301	23,039	24,805	26,634	25.0
New Hampshire	6,067	6,817	7,707	8,355	37.7
Rhode Island	3,324	3,688	3,936	4,167	25.4
Vermont	2,403	2,564	2,777	2,974	23.8
Mideast, total	187,809	201,724	219,521	239,249	27.4
Delaware	3,922	4,410	4,956	5,517	40.7
District of Columbia	3,119	3,290	3,565	3,920	25.7
Maryland	21,485	23,311	25,639	28,146	31.0
New Jersey	44,535	49,808	55,544	61,562	38.2
New York	73,397	77,414	83,015	89,671	22.2
Pennsylvania	41,351	43,491	46,802	50,433	22.0
Great Lakes, total	159,806	170,218	182,857	194,834	21.9
Illinois	38,517	40,851	44,100	47,432	23.1
Indiana	19,411	20,683	22,095	23,516	21.1
Michigan	37,451	39,930	42,928	45,310	21.0
Ohio	40,471	43,267	46,401	49,590	22.5
Wisconsin	23,956	25,487	27,333	28,986	21.0
Plains, total	88,112	94,028	101,665	108,558	23.2
Iowa	12,365	13,071	14,004	15,054	21.7
Kansas	14,650	15,427	16,342	17,319	18.2
Minnesota	20,559	22,210	24,467	26,321	28.0
Missouri	23,830	25,710	28,066	30,160	26.6
Nebraska	8,182	8,594	9,206	9,689	18.4
North Dakota	4,123	4,387	4,559	4,709	14.2
South Dakota	4,403	4,629	5,021	5,306	20.5
Southeast, total	256,053	280,247	311,028	348,467	36.1
Alabama	16,554	17,712	19,184	21,007	26.9
Arkansas	10,814	11,500	12,517	13,708	26.8
Florida	43,690	51,912	63,156	78,313	79.2
Georgia	29,524	32,569	36,630	41,168	39.4
Kentucky	16,517	17,742	19,123	20,418	23.6
Louisiana	20,427	22,443	23,571	25,316	23.9
Mississippi	10,345	10,978	11,652	12,378	19.7
North Carolina	29,608	31,956	34,835	38,455	29.9
South Carolina	14,488	15,809	17,480	19,179	32.4
Tennessee	31,372	32,435	34,226	36,171	15.3
Virginia	26,031	28,242	31,250	34,584	32.9
West Virginia	6,683	6,949	7,404	7,770	16.3
Southwest, total	163,640	179,791	199,234	221,324	35.3
Arizona	28,392	31,215	34,804	39,095	37.7
New Mexico	7,530	8,084	8,789	9,439	25.4
Oklahoma	18,108	19,297	20,899	22,694	25.3
Texas	109,610	121,195	134,742	150,096	36.9
Rocky Mountain, total	76,465	81,654	89,214	96,784	26.6
Colorado	34,981	37,320	40,237	43,022	23.0
Idaho	8,872	9,511	10,466	11,716	32.1
Montana	6,605	7,029	7,643	8,145	23.3
Utah	21,386	22,969	25,658	28,306	32.4
Wyoming	4,621	4,825	5,210	5,595	21.1
Far West, total	226,213	238,747	257,098	277,500	22.7
Alaska	2,983	3,106	3,343	3,543	18.8
California	159,763	167,495	178,693	191,589	19.9
Hawaii	4,213	4,519	5,056	5,492	30.4
Nevada	15,087	16,865	19,364	22,068	46.3
Oregon	17,359	18,693	20,303	22,137	27.5
Washington	26,808	28,069	30,339	32,671	21.9
State not allocable [1]	1,113,642	1,165,404	1,234,909	1,307,540	17.4

[1] Data not allocated to State due to unidentifiable records in the unedited population extracts.

Partnership and Sole Proprietorship Data

Statistics of Income Bulletin | Summer 2008

Table 2. Partnerships: Gross Receipts (Less Returns and Allowances), by Region and State, Tax Years 2002-2005

[All figures are based on tabulated population extracts—money amounts are in thousands of dollars]

Region and State	Gross receipts (less returns and allowances)				
	2002	2003	2004	2005	Percentage cumulative change, 2002-2005
	(1)	(2)	(3)	(4)	(5)
United States, total	1,463,277,909	1,590,575,764	1,801,212,095	2,019,174,623	38.0
New England, total	65,392,231	70,208,235	81,941,303	90,779,881	38.8
Connecticut	23,742,277	26,127,727	30,072,612	33,237,934	40.0
Maine	2,239,265	2,577,866	3,317,114	3,670,286	63.9
Massachusetts	29,410,983	30,039,395	35,122,510	38,545,858	31.1
New Hampshire	5,620,816	6,245,510	7,387,819	8,114,377	44.4
Rhode Island	3,331,596	4,083,648	4,703,775	5,734,106	72.1
Vermont	1,047,294	1,134,089	1,337,473	1,477,320	41.1
Mideast, total	272,801,837	289,445,934	324,162,970	365,045,428	33.8
Delaware	4,722,799	5,241,977	6,229,482	6,861,744	45.3
District of Columbia	8,016,677	9,064,808	9,568,109	10,980,244	37.0
Maryland	25,257,352	28,954,800	32,518,265	37,082,514	46.8
New Jersey	57,753,223	57,463,130	65,292,148	75,359,882	30.5
New York	120,883,603	130,947,081	145,521,217	161,447,340	33.6
Pennsylvania	56,168,183	57,774,138	65,033,749	73,313,704	30.5
Great Lakes, total	200,152,351	213,803,278	237,640,261	256,173,541	28.0
Illinois	67,750,538	73,658,519	81,136,575	87,874,957	29.7
Indiana	28,873,267	30,363,121	33,546,828	34,667,834	20.1
Michigan	42,268,102	46,209,191	48,073,385	50,077,455	18.5
Ohio	42,431,609	43,660,562	50,067,929	55,708,689	31.3
Wisconsin	18,828,835	19,911,885	24,815,544	27,844,606	47.9
Plains, total	86,758,202	91,037,364	105,063,266	113,581,602	30.9
Iowa	10,757,392	11,784,591	14,042,692	13,799,473	28.3
Kansas	10,373,748	11,650,031	13,819,772	16,563,933	59.7
Minnesota	22,277,985	23,593,549	25,895,107	28,005,208	25.7
Missouri	28,510,019	27,826,566	33,349,173	36,405,220	27.7
Nebraska	10,172,431	10,346,447	11,059,873	11,208,663	10.2
North Dakota	1,866,635	2,186,439	2,803,623	3,290,646	76.3
South Dakota	2,799,992	3,649,741	4,093,026	4,308,459	53.9
Southeast, total	283,189,514	319,631,655	373,560,389	432,938,814	52.9
Alabama	16,511,890	17,208,727	21,358,340	23,460,180	42.1
Arkansas	9,716,452	11,241,467	11,213,375	13,062,686	34.4
Florida	55,073,856	71,329,337	91,551,811	117,443,553	113.2
Georgia	45,077,883	47,028,284	54,929,105	59,033,240	31.0
Kentucky	17,661,145	21,123,704	24,325,832	25,102,096	42.1
Louisiana	18,602,678	20,700,300	21,299,355	25,512,132	37.1
Mississippi	7,386,356	7,797,036	9,043,647	10,874,523	47.2
North Carolina	31,519,873	33,947,174	37,530,165	44,472,126	41.1
South Carolina	10,214,280	11,570,138	13,648,709	16,425,834	60.8
Tennessee	42,360,142	45,604,837	50,980,780	53,251,581	25.7
Virginia	25,934,691	28,546,325	33,391,199	39,141,226	50.9
West Virginia	3,130,268	3,534,326	4,288,071	5,159,637	64.8
Southwest, total	219,994,035	244,643,635	276,632,983	323,941,702	47.3
Arizona	24,416,223	27,946,890	35,584,644	43,532,827	78.3
New Mexico	3,832,817	4,148,254	5,022,195	6,015,518	56.9
Oklahoma	18,200,070	22,091,225	23,635,998	31,181,353	71.3
Texas	173,544,925	190,457,266	212,390,146	243,212,004	40.1
Rocky Mountain, total	56,440,013	61,056,612	70,480,892	82,314,728	45.8
Colorado	31,946,848	35,226,648	38,402,203	44,480,334	39.2
Idaho	7,611,313	7,568,564	9,659,342	10,269,332	34.9
Montana	2,435,868	2,832,836	3,857,962	4,510,303	85.2
Utah	12,179,271	12,656,025	15,277,720	19,975,825	64.0
Wyoming	2,266,713	2,772,539	3,283,665	3,078,934	35.8
Far West, total	233,654,912	256,539,997	285,722,981	310,621,563	32.9
Alaska	2,264,356	2,511,308	2,863,433	3,527,755	55.8
California	171,946,740	188,702,099	205,194,475	221,059,151	28.6
Hawaii	4,278,166	4,155,862	5,254,195	5,426,983	26.9
Nevada	13,749,900	16,414,665	20,049,685	23,429,660	70.4
Oregon	14,459,568	15,661,678	19,468,040	21,169,555	46.4
Washington	26,956,182	29,094,385	32,893,153	36,008,459	33.6
State not allocable [1]	44,894,814	44,209,054	46,007,050	43,777,364	-2.5

[1] Data not allocated to State due to unidentifiable records in the unedited population extracts.

Partnership and Sole Proprietorship Data

Statistics of Income Bulletin | Summer 2008

Table 3. Partnerships: Ordinary Income, by Region and State, Tax Years 2002-2005

[All figures are based on tabulated population extracts—money amounts are in thousands of dollars]

Region and State	Ordinary income				Percentage cumulative change, 2002-2005
	2002	2003	2004	2005	
	(1)	(2)	(3)	(4)	(5)
United States, total	126,836,609	146,732,668	187,656,385	258,423,055	103.7
New England, total	6,012,143	5,987,529	9,048,652	21,365,477	255.4
Connecticut	2,061,420	1,877,039	3,340,887	14,625,259	609.5
Maine	115,733	95,599	170,898	250,439	116.4
Massachusetts	3,186,458	3,342,463	4,593,226	5,287,962	66.0
New Hampshire	249,747	137,734	343,891	389,741	56.1
Rhode Island	316,964	459,388	477,581	692,040	118.3
Vermont	81,821	75,306	122,169	120,036	46.7
Mideast, total	19,027,754	26,960,003	38,362,898	46,292,888	143.3
Delaware	-603,591	488,899	327,676	1,811,644	[1]
District of Columbia	2,197,464	2,634,702	2,860,220	3,315,861	50.9
Maryland	1,202,631	231,194	1,816,445	3,941,739	227.8
New Jersey	1,321,707	3,151,411	4,434,643	6,924,572	423.9
New York	12,801,694	16,070,244	23,777,525	22,894,314	78.8
Pennsylvania	2,107,849	4,383,553	5,146,389	7,404,758	251.3
Great Lakes, total	15,760,899	16,150,214	22,213,364	23,831,049	51.2
Illinois	8,111,124	9,063,189	10,590,021	10,946,246	35.0
Indiana	1,348,924	720,592	2,115,175	2,536,862	88.1
Michigan	2,792,170	2,923,445	4,353,127	3,855,257	38.1
Ohio	2,666,193	2,524,248	3,017,937	4,595,841	72.4
Wisconsin	842,488	918,740	2,137,104	1,896,843	125.1
Plains, total	1,762,910	3,981,634	5,071,266	8,424,834	377.9
Iowa	618,360	901,526	837,738	955,374	54.5
Kansas	-8,654	-480,363	-108,059	331,468	[1]
Minnesota	497,334	1,833,968	1,913,786	2,090,446	320.3
Missouri	-187,024	916,018	1,551,994	3,211,291	[1]
Nebraska	545,822	392,064	268,832	1,108,872	103.2
North Dakota	118,298	153,129	202,186	228,718	93.3
South Dakota	178,774	265,292	404,789	498,665	178.9
Southeast, total	12,674,517	17,354,379	25,147,032	42,357,478	234.2
Alabama	706,076	1,028,499	1,164,681	2,085,608	195.4
Arkansas	636,019	661,118	813,088	1,178,910	85.4
Florida	1,927,995	3,041,745	5,775,239	11,577,540	500.5
Georgia	2,688,332	2,378,417	3,915,241	6,522,807	142.6
Kentucky	775,100	757,280	1,231,638	1,357,915	75.2
Louisiana	825,841	1,595,704	2,170,323	3,011,209	264.6
Mississippi	53,476	440,507	516,536	231,254	332.4
North Carolina	692,863	1,720,894	1,523,184	5,601,790	708.5
South Carolina	157,228	433,022	534,173	1,110,513	606.3
Tennessee	2,854,146	2,863,303	3,922,426	4,457,735	56.2
Virginia	1,078,356	2,163,942	3,266,180	4,494,370	316.8
West Virginia	279,085	269,948	314,323	727,827	160.8
Southwest, total	14,558,386	22,150,812	25,989,178	38,227,502	162.6
Arizona	386,825	1,055,978	2,270,290	4,005,992	935.6
New Mexico	359,491	386,972	490,938	746,287	107.6
Oklahoma	1,354,033	3,555,244	3,369,748	5,642,188	316.7
Texas	12,458,037	17,152,618	19,858,202	27,833,035	123.4
Rocky Mountain, total	1,342,860	1,842,859	4,335,711	7,642,863	469.1
Colorado	824,006	1,024,527	2,798,555	4,777,479	479.8
Idaho	75,442	272,137	387,449	492,553	552.9
Montana	160,362	132,996	262,640	538,309	235.7
Utah	143,536	281,395	655,325	1,550,213	980.0
Wyoming	139,514	131,804	231,742	284,309	103.8
Far West, total	16,821,268	19,764,267	30,248,239	42,596,444	153.2
Alaska	-1,726,283	-1,464,872	-882,698	-1,307,663	[1]
California	13,016,640	16,993,518	24,591,991	32,096,390	146.6
Hawaii	236,307	212,890	538,441	578,419	144.8
Nevada	3,206,397	1,443,092	2,178,646	4,304,483	34.2
Oregon	215,263	215,698	857,424	1,422,724	560.9
Washington	1,872,944	2,363,941	2,964,435	5,502,091	193.8
State not allocable [2]	38,875,872	32,540,971	27,240,045	27,684,520	-28.8

[1] Percentage changes cannot be calculated.

[2] Data not allocated to State due to unidentifiable records in the unedited population extracts.

Partnership and Sole Proprietorship Data

Statistics of Income Bulletin | Summer 2008

Table 4. Sole Proprietorships: Number of Returns, by Region and State, Tax Years 2002-2005

[All figures are based on tabulated population extracts]

Region and State	Number of returns				Percentage cumulative change, 2002-2005
	2002	2003	2004	2005	
	(1)	(2)	(3)	(4)	(5)
United States, total	20,255,392	21,186,271	20,814,210	20,647,788	1.9
New England, total	1,073,047	1,116,184	1,134,502	1,154,713	7.6
Connecticut	248,218	259,318	263,006	267,847	7.9
Maine	120,211	123,990	126,778	128,742	7.1
Massachusetts	469,378	488,539	495,263	503,450	7.3
New Hampshire	106,528	111,639	114,659	117,819	10.6
Rhode Island	65,760	67,961	68,554	69,829	6.2
Vermont	62,952	64,737	66,242	67,026	6.5
Mideast, total	3,105,148	3,254,624	3,283,536	3,336,704	7.5
Delaware	44,838	47,320	49,008	50,891	13.5
District of Columbia	38,464	39,704	40,999	41,811	8.7
Maryland	388,198	410,291	420,604	431,620	11.2
New Jersey	530,870	560,676	564,142	575,942	8.5
New York	1,347,676	1,416,485	1,411,271	1,422,354	5.5
Pennsylvania	755,102	780,148	797,512	814,086	7.8
Great Lakes, total	2,877,417	2,987,712	3,059,136	3,135,856	9.0
Illinois	805,418	846,716	864,450	884,120	9.8
Indiana	385,455	393,461	399,674	408,741	6.0
Michigan	621,419	647,582	668,428	693,153	11.5
Ohio	724,737	746,613	762,233	778,642	7.4
Wisconsin	340,388	353,340	364,351	371,200	9.1
Plains, total	1,477,779	1,520,060	1,543,262	1,436,684	-2.8
Iowa	223,863	228,800	231,627	118,830	-46.9
Kansas	206,014	210,755	212,186	212,825	3.3
Minnesota	396,408	409,678	415,347	417,327	5.3
Missouri	401,522	416,556	426,658	432,879	7.8
Nebraska	134,890	136,972	138,011	135,324	0.3
North Dakota	50,682	51,648	52,259	53,038	4.6
South Dakota	64,400	65,651	67,174	66,461	3.2
Southeast, total	4,818,627	5,066,181	5,149,321	4,867,332	1.0
Alabama	285,326	297,925	309,685	323,019	13.2
Arkansas	190,091	195,637	199,949	205,935	8.3
Florida	1,209,435	1,273,930	1,266,641	1,034,339	-14.5
Georgia	583,810	631,695	646,790	678,878	16.3
Kentucky	270,143	278,755	285,232	289,113	7.0
Louisiana	283,056	296,101	297,464	288,372	1.9
Mississippi	172,418	179,384	180,918	148,885	-13.6
North Carolina	574,316	602,006	618,439	634,829	10.5
South Carolina	253,375	265,399	273,443	282,548	11.5
Tennessee	434,617	454,834	468,368	477,628	9.9
Virginia	460,522	487,070	498,205	399,549	-13.2
West Virginia	101,518	103,445	104,187	104,237	2.7
Southwest, total	2,372,121	2,511,229	2,378,103	2,406,937	1.5
Arizona	333,925	354,849	321,922	327,197	-2.0
New Mexico	125,417	129,269	129,681	91,684	-26.9
Oklahoma	271,160	279,881	284,109	288,995	6.6
Texas	1,641,619	1,747,230	1,642,391	1,699,061	3.5
Rocky Mountain, total	796,938	828,649	829,361	844,323	5.9
Colorado	391,426	406,390	405,147	406,893	4.0
Idaho	111,260	116,229	118,739	123,602	11.1
Montana	88,187	90,566	91,390	92,133	4.5
Utah	161,448	169,955	168,451	175,169	8.5
Wyoming	44,617	45,509	45,634	46,526	4.3
Far West, total	3,609,806	3,766,813	3,349,207	3,379,636	-6.4
Alaska	59,728	61,197	60,643	60,638	1.5
California	2,660,363	2,780,245	2,350,483	2,357,754	-11.4
Hawaii	91,055	94,656	96,763	98,285	7.9
Nevada	131,482	142,522	140,795	145,673	10.8
Oregon	262,662	268,404	273,237	278,869	6.2
Washington	404,516	419,789	427,286	438,417	8.4
State not allocable [1]	124,509	134,819	87,782	85,603	-31.2

[1] Data not allocated to State due to unidentifiable records in the unedited population extracts.

Partnership and Sole Proprietorship Data

Statistics of Income Bulletin | Summer 2008

Table 5. Sole Proprietorships: Gross Receipts (Less Returns and Allowances), by Region and State, Tax Years 2002-2005

[All figures are based on tabulated population extracts—money amounts are in thousands of dollars]

Region and State	Gross receipts (less returns and allowances)				Percentage cumulative change, 2002-2005
	2002	2003	2004	2005	
	(1)	(2)	(3)	(4)	(5)
United States, total	904,755,983	934,181,335	955,786,516	974,777,191	7.7
New England, total	55,838,504	58,103,580	62,524,727	65,366,894	17.1
Connecticut	15,031,223	15,731,252	17,295,856	18,610,363	23.8
Maine	5,532,165	5,804,209	6,181,542	6,339,230	14.6
Massachusetts	23,338,245	24,012,400	25,406,912	26,303,407	12.7
New Hampshire	6,417,042	6,807,596	7,479,654	7,757,287	20.9
Rhode Island	2,783,268	2,912,747	3,089,648	3,182,992	14.4
Vermont	2,736,561	2,835,376	3,071,115	3,173,615	16.0
Mideast, total	133,249,198	138,860,647	147,441,949	152,838,300	14.7
Delaware	1,780,879	1,853,209	2,031,453	2,153,467	20.9
District of Columbia	1,263,260	1,347,885	1,477,612	1,498,202	18.6
Maryland	14,115,996	15,023,703	16,419,941	17,267,724	22.3
New Jersey	25,793,444	27,414,481	29,790,651	31,779,238	23.2
New York	50,836,084	52,743,803	55,195,031	56,741,266	11.6
Pennsylvania	39,459,535	40,477,566	42,527,261	43,398,403	10.0
Great Lakes, total	110,261,461	113,807,170	119,451,994	122,677,299	11.3
Illinois	29,214,342	30,137,194	31,408,297	32,007,263	9.6
Indiana	13,874,951	14,112,770	14,649,735	15,000,069	8.1
Michigan	22,820,933	23,600,745	24,582,315	25,487,420	11.7
Ohio	28,839,035	29,794,867	31,598,127	32,216,978	11.7
Wisconsin	15,512,200	16,161,594	17,213,520	17,965,569	15.8
Plains, total	57,680,317	59,653,960	62,636,139	59,122,891	2.5
Iowa	8,548,326	8,796,199	9,270,021	4,712,618	-44.9
Kansas	8,411,382	8,642,897	9,043,738	9,393,399	11.7
Minnesota	14,716,606	15,278,145	15,950,165	15,982,649	8.6
Missouri	16,193,113	16,979,048	17,978,687	18,609,951	14.9
Nebraska	4,931,422	4,975,115	5,124,494	5,041,057	2.2
North Dakota	1,973,013	2,010,625	2,154,125	2,228,943	13.0
South Dakota	2,906,455	2,971,931	3,114,909	3,154,274	8.5
Southeast, total	189,510,032	197,086,655	208,105,489	208,474,645	10.0
Alabama	12,553,259	12,941,664	13,834,273	14,899,125	18.7
Arkansas	7,792,100	8,049,973	8,487,309	8,896,615	14.2
Florida	37,996,430	38,134,798	40,351,415	38,124,494	0.3
Georgia	22,223,008	23,365,923	24,388,046	25,658,743	15.5
Kentucky	10,516,194	11,029,579	11,656,105	12,101,262	15.1
Louisiana	11,196,329	11,808,556	11,347,680	11,755,908	5.0
Mississippi	8,357,806	8,689,357	8,347,424	7,082,527	-15.3
North Carolina	23,121,292	24,005,535	25,588,284	26,823,405	16.0
South Carolina	11,030,586	12,540,758	12,546,846	13,453,742	22.0
Tennessee	22,451,033	23,851,220	25,826,991	27,471,083	22.4
Virginia	17,588,034	18,784,430	20,608,766	16,922,059	-3.8
West Virginia	4,683,961	4,804,862	5,122,350	5,285,682	12.8
Southwest, total	105,823,968	110,364,381	108,657,216	114,270,006	8.0
Arizona	13,269,758	14,053,406	14,289,746	15,516,461	16.9
New Mexico	4,836,716	5,034,113	5,234,867	3,644,112	-24.7
Oklahoma	11,024,642	11,488,326	12,200,303	13,032,202	18.2
Texas	76,692,852	79,788,536	76,932,300	82,077,231	7.0
Rocky Mountain, total	30,250,540	31,188,285	32,428,508	34,004,364	12.4
Colorado	14,877,641	15,168,510	15,563,364	15,919,658	7.0
Idaho	4,674,563	4,877,932	5,342,725	5,885,385	25.9
Montana	3,723,507	3,880,666	4,031,815	4,170,000	12.0
Utah	5,077,284	5,297,940	5,394,693	5,822,173	14.7
Wyoming	1,897,545	1,963,237	2,095,911	2,207,148	16.3
Far West, total	213,637,593	220,386,490	209,718,247	213,337,077	-0.1
Alaska	3,012,205	3,137,927	3,254,951	3,374,847	12.0
California	169,187,964	173,705,467	160,234,080	161,010,951	-4.8
Hawaii	3,727,499	4,066,569	4,424,545	4,803,436	28.9
Nevada	6,508,620	7,101,364	7,716,091	8,218,540	26.3
Oregon	11,840,126	12,146,093	12,858,743	13,646,574	15.3
Washington	19,361,179	20,229,070	21,229,837	22,282,729	15.1
State not allocable [1]	8,504,370	4,730,167	4,822,247	4,685,715	-44.9

[1] Data not allocated to State due to unidentifiable records in the unedited population extracts.

Partnership and Sole Proprietorship Data

Statistics of Income Bulletin | Summer 2008

Table 6. Sole Proprietorships: Net Profit or Loss, by Region and State, Tax Years 2002-2005

[All figures are based on tabulated population extracts—money amounts are in thousands of dollar]

Region and State	Net profit or loss				Percentage cumulative change, 2002-2005
	2002	2003	2004	2005	
	(1)	(2)	(3)	(4)	(5)
United States, total	210,132,477	216,435,630	227,668,931	234,425,658	11.6
New England, total	15,336,990	15,691,281	17,112,626	17,758,675	15.8
Connecticut	4,256,497	4,357,319	4,801,148	5,110,539	20.1
Maine	1,031,863	1,156,225	1,212,353	1,240,851	20.3
Massachusetts	7,056,541	7,169,654	7,797,902	7,977,019	13.0
New Hampshire	1,506,471	1,523,677	1,690,264	1,765,602	17.2
Rhode Island	866,882	895,310	949,343	966,214	11.5
Vermont	618,736	589,096	661,616	698,450	12.9
Mideast, total	38,164,909	38,760,436	42,124,180	43,545,562	14.1
Delaware	460,411	485,882	530,590	526,447	14.3
District of Columbia	573,967	542,839	676,195	684,107	19.2
Maryland	3,977,163	4,012,693	4,504,317	4,632,995	16.5
New Jersey	7,963,541	8,192,935	8,957,638	9,466,656	18.9
New York	15,958,002	16,086,487	17,562,905	17,696,693	10.9
Pennsylvania	9,231,825	9,439,600	9,892,535	10,538,664	14.2
Great Lakes, total	26,291,649	27,064,576	28,571,804	28,874,897	9.8
Illinois	7,974,810	8,446,321	8,923,148	8,976,446	12.6
Indiana	3,230,327	3,319,964	3,540,675	3,597,277	11.4
Michigan	5,322,483	5,410,603	5,636,809	5,752,345	8.1
Ohio	6,693,124	6,754,667	7,122,909	7,099,522	6.1
Wisconsin	3,070,905	3,133,021	3,348,263	3,449,317	12.3
Plains, total	11,812,641	12,126,475	12,850,013	12,319,788	4.3
Iowa	1,649,741	1,703,569	1,737,582	951,306	-42.3
Kansas	1,603,950	1,657,884	1,767,680	1,884,994	17.5
Minnesota	3,456,530	3,602,966	3,814,575	3,824,763	10.7
Missouri	3,345,433	3,393,442	3,610,711	3,735,226	11.7
Nebraska	934,139	890,011	967,232	946,473	1.3
North Dakota	383,251	388,806	419,740	448,746	17.1
South Dakota	439,597	489,797	532,493	528,280	20.2
Southeast, total	41,548,034	42,707,862	46,224,988	46,113,214	11.0
Alabama	2,133,207	2,195,906	2,312,735	2,471,187	15.8
Arkansas	1,181,789	1,335,313	1,399,518	1,497,515	26.7
Florida	10,788,856	10,839,526	12,011,729	11,622,927	7.7
Georgia	4,497,440	4,476,251	4,706,168	4,873,112	8.4
Kentucky	2,168,316	2,242,066	2,390,593	2,463,365	13.6
Louisiana	2,337,742	2,423,568	2,387,588	2,453,273	4.9
Mississippi	1,467,313	1,491,884	1,443,892	1,182,300	-19.4
North Carolina	4,586,429	4,764,781	5,223,964	5,556,460	21.2
South Carolina	1,940,171	2,026,447	2,153,115	2,038,085	5.0
Tennessee	4,454,815	4,576,414	5,225,197	5,738,360	28.8
Virginia	5,009,590	5,350,924	5,922,788	5,126,326	2.3
West Virginia	982,366	984,782	1,047,701	1,090,304	11.0
Southwest, total	21,297,066	22,043,814	22,302,798	24,439,295	14.8
Arizona	2,770,516	2,932,491	3,138,690	3,722,035	34.3
New Mexico	902,273	960,514	998,059	785,314	-13.0
Oklahoma	1,878,828	1,885,671	1,979,854	2,335,654	24.3
Texas	15,745,449	16,265,138	16,186,195	17,596,292	11.8
Rocky Mountain, total	6,351,770	6,397,703	6,900,537	7,389,912	16.3
Colorado	3,674,477	3,693,518	3,878,098	3,960,051	7.8
Idaho	760,083	782,343	889,965	1,005,601	32.3
Montana	645,920	670,548	708,583	769,773	19.2
Utah	908,060	886,310	997,809	1,189,117	31.0
Wyoming	363,230	364,984	426,082	465,370	28.1
Far West, total	46,887,468	49,007,874	48,793,558	51,546,233	9.9
Alaska	582,646	623,703	649,134	710,418	21.9
California	37,223,425	38,691,879	37,412,084	38,981,767	4.7
Hawaii	944,205	1,043,609	1,137,956	1,321,872	40.0
Nevada	1,247,493	1,394,867	1,683,893	1,816,170	45.6
Oregon	2,316,125	2,413,800	2,703,874	2,988,613	29.0
Washington	4,573,574	4,840,016	5,206,617	5,727,393	25.2
State not allocable [1]	2,441,950	2,635,609	2,788,427	2,438,082	25.2

[1] Data not allocated to State due to unidentifiable records in the unedited population extracts.

Wealth Transfers, 2005 Gifts

by Darien Jacobson and Melissa Laine

The Federal transfer tax system, a mechanism for taxing the transfer of assets from one person to another, includes three major components: the estate tax, the generation-skipping transfer tax, and the gift tax. The gift tax, reported on IRS Form 709, *United States Gift (and Generation-Skipping Transfer) Tax Return*, is incurred for property transfers during the donor's life, *inter vivos* transfers, whereas the estate tax is assessed or incurred on property transferred after death. The purpose of this article is to explore data derived from gift tax returns filed in 2006, demonstrative of gifts given in 2005.¹

Gift tax data provide valuable information on donors, who are primarily wealthy Americans. These data, the result of statistical studies completed by the Statistics of Income (SOI) Division of the Internal Revenue Service (IRS), are tabulated for each filing year and come directly from Form 709.²

The total population of 2005 donors was 261,104, who transferred \$38.5 billion in total gifts to selected donees, or gift recipients. Donors transferred a broad range of assets, including cash, publicly traded stock, real estate, and others. Of the gift tax returns filed, only 2.9 percent reported a tax liability.

Different types of gift-giving vehicles were used to transfer assets from donor to donee. Direct, or outright, transfers comprised 76.3 percent of total assets given. Simple trusts, defined by the Internal Revenue Code as a trust that must distribute all income annually, comprised 7.3 percent of total assets given. Female donors gave a total of \$21.7 billion in gifts, while males gave \$16.8 billion.³

Background

The Federal gift tax, part of the U.S. transfer tax system that also includes estate and generation-skipping transfer taxes, was enacted in the Revenue Act

of 1924.⁴ Federal transfer taxes are incurred or assessed when property is transferred during life or after death.

The Revenue Act of 1924 provided a foundation for the initial structure of gift taxation by establishing giving-ceilings for both annual and lifetime gifts. The annual exemption rule, or the amount a donor may transfer during a year without incurring tax liability, was set at \$500, while the lifetime exemption, the total amount that a donor may give away during his or her lifetime without tax liability, was set at \$50,000.

The gift tax was repealed in 1926, but this hiatus would prove to be short-lived. Wide-spread depression in the 1930s led the U.S. Government to find alternate sources of funding, and the gift tax was reinstated with the passage of the Revenue Act of 1932.⁵ The tax rates were set at three-fourths of the estate tax rates, which continued until 1976 when the transfer tax system underwent a broad revision.⁶

The Tax Reform Act of 1976 created a unified gift and estate tax framework "consisting of a single, graduated rate of tax imposed on both lifetime gifts and testamentary dispositions."⁷ Gift tax rates increased as donors made successive taxable gifts throughout their lives, ending with the highest rates imposed on transfers made at the time of death.⁸ The Tax Reform Act of 1976 also merged the estate and gift tax exclusions into a single gift and estate tax lifetime credit. While this credit may be used to reduce tax liability for *inter vivos* wealth transfers, any remaining credit may be used to offset estate taxes incurred at the time of death.⁹

A gift is taxed based on the year in which the gift is transferred or completed. While the Taxpayer Protection Act of 1997 indexed the annual exemption for gift taxes, initially set at \$10,000 in 1998, broader changes were made to the transfer tax system in the new millennium.¹⁰ The Economic Growth and Tax Relief Reconciliation Act (EGTRRA) of 2001 gradually increased the lifetime exemption amounts for

Darien Jacobson and Melissa Laine are economists with the Special Studies Branch. This article was prepared under the direction of Barry Johnson, Chief.

¹ Approximately 95 percent of gifts reported on Filing Year 2006 returns were given in 2005.

² For more information, see the SOI Gift Tax page at <http://www.irs.gov/taxstats/indtaxstats/article/0,,id=96464,00.html>

³ The remainder of gifts were given by donors of undetermined sex.

⁴ Luckey, John R., "A History of Federal Estate, Gift, and Generation-Skipping Taxes," April 9, 2003, Congressional Research Service, Library of Congress, p. 8.

⁵ *Ibid.*, p. 9.

⁶ *Ibid.*, p. 11.

⁷ *Ibid.*, p. 11-12.

⁸ *Ibid.*, p. 12.

⁹ P.L. 94-455.

¹⁰ P.L. 105-34.

gift taxes to \$1,000,000, with a maximum tax rate of 35 percent.¹¹ While the other two components of the transfer tax system, the estate tax and generation-skipping transfer tax, will be repealed at the end of 2009 without further legislation, the gift tax will remain intact. The EGTRRA provisions will expire in 2011, and the gift tax exemption amounts and maximum tax rates will revert to 2001 tax law levels.

Throughout the era of gift taxation, many components have been introduced that altered the calculation of tax. In 1948, the marital deduction was enacted, allowing interspousal gifts without tax liability. Along with the marital deduction, the split-gift rule was established, allowing the nondonor spouse to elect to be treated as having made half of the total transfer.¹²

Three types of transfers are not defined as “gifts” and, therefore, are not subject to the gift tax under the Internal Revenue Code (IRC). First, gifts to political organizations are not taxed when they meet the criteria of IRC section 527(e) (1). Second, gifts of tuition made to a qualifying educational institution on behalf of an individual are not taxable, as long as the payment is made directly to the educational institution. Finally, the gift tax does not apply to the amount of medical expenses on behalf of an individual, paid directly to the individual or to the medical institution that provided care.

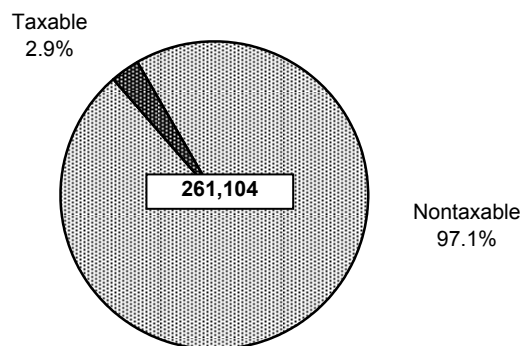
2005 Gifts

The Statistics of Income Division collects data directly from IRS Form 709, which requires a donor to specify all assets transferred during a given calendar year. These include a broad range of assets, such as cash, real estate, trusts, and artwork. Also collected are data on the specific gift-giving mechanism through which assets were given. These mechanisms could include (but are not limited to) direct, or outright, gifts and gifts through trust.

The population of 2005 donors filed 261,104 gift tax returns, which documented the transfer of more than \$38.5 billion in total gifts. Of these gift returns filed, 253,440, or 97.1 percent, were nontaxable (Figure A). A total of \$1.7 billion in gift tax liability was incurred on the other 7,664 returns filed for gifts given in 2005.

Figure A

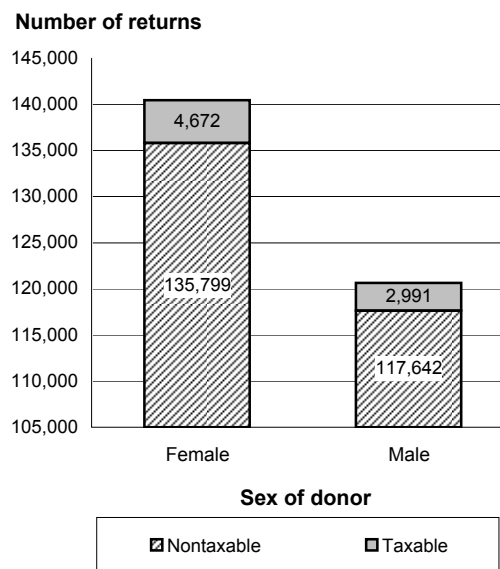
Percentage of Taxable and Nontaxable Gift Tax Returns, 2005 Gifts



When the donor population is examined by sex, females comprised the majority, filing 53.8 percent of gift tax returns, and males comprised the remainder, filing 46.2 percent in 2005. For the filing year, females and males filed nearly equal percentages of nontaxable returns; 96.7 percent of returns filed by females and 97.5 percent of returns filed by males incurred no tax liability (Figure B).

Figure B

Taxable and Nontaxable Gift Tax Returns, 2005 Donors



¹¹ P.L. 107-16.

¹² Luckey, John R., “A History of Federal Estate, Gift, and Generation-Skipping Taxes,” April 9, 2003, Congressional Research Service, Library of Congress, p. 11.

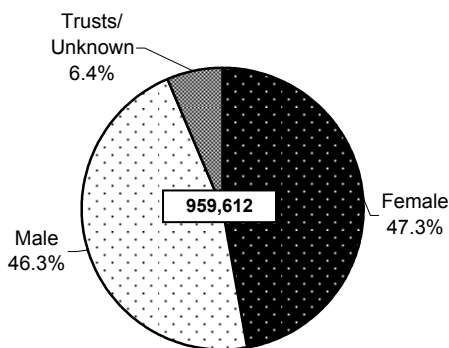
Wealth Transfers, 2005 Gifts

Statistics of Income Bulletin | Summer 2008

The 2005 donee population included 959,612 individuals, organizations, and trusts that received gifts in 2005. Females received 47.3 percent of total gifts, while males received slightly fewer, 46.3 percent (Figure C). The remainder of gifts were given to trusts, organizations, or unknown donees.

Figure C

Composition of Donee Population, 2005



The gift tax return requires that donors specify the gift mechanism that they used to transfer assets to their selected recipients. While many of these 2005 gifts were given directly, donors also used simple trusts, insurance trusts, split-interest trusts, and 529-trusts. While direct gifts become the donee's property immediately, gifts through trust may be contingent on a specified future event.

Simple trusts comprise a majority of trusts used for gifted assets. Simple trusts are predominantly trusts, insurance trusts, split-interest trusts, and 529-trusts. While direct gifts become the donee's property immediately, gifts through trust may be contingent on a specified future event.

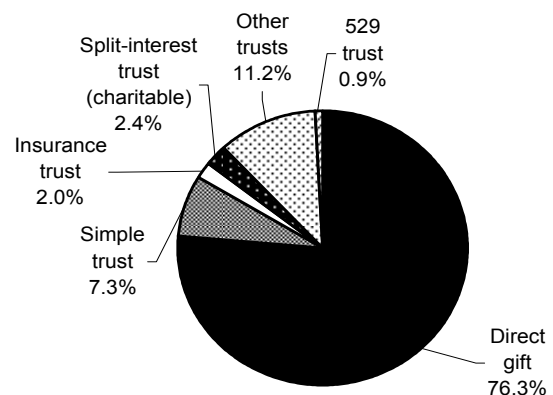
Simple trusts comprise a majority of trusts used for gifted assets. Simple trusts are predominantly established for the benefit of a single individual. Another widely used gift mechanism is an insurance trust. The purpose of a life insurance trust is for a policyholder to transfer ownership of the insurance policy to the trust in order to remove the policy from his or her estate, thereby avoiding possible estate taxation. A third type of gift mechanism is the split-in-

terest trust, which has dual recipients: a private beneficiary and a charity.¹³ Finally, a 529-trust allows a donor to save specifically for the educational costs of a named beneficiary. Along with direct gifts, these trust instruments make up the majority of vehicles by which gifted assets are transferred.

For gifts given in 2005, most assets were transferred by direct gift. Direct gifts comprised 76.3 percent of total gifts, for a total of \$29.4 billion in asset transfers. Second were simple trusts, which transferred \$2.8 billion in assets, or 7.3 percent of total assets (Figure D). Other trusts, which comprised 11.2 percent of asset transfers, included family, personal, marital, personal residence, generation-skipping, and other unspecified trusts.

Figure D

Transfer Method of Gifts, 2005



NOTE: Percentages may not add to total due to rounding.

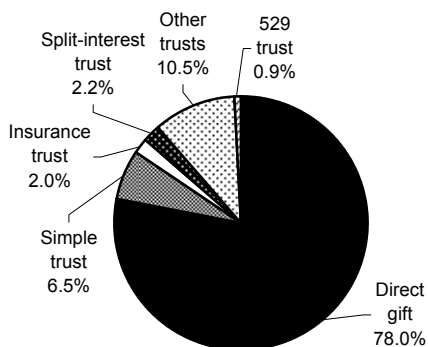
Although the gift method used by females and males were similar, females used direct gifts more than males, for 78.0 percent and 74.0 percent of asset transfers, respectively. Females and males used 529-trusts at the same rate, 0.9 percent of total asset transfers. More men than women used simple trusts, at 8.3 percent and 6.5 percent of total asset transfers, respectively (Figure E).

A broad range of assets were transferred from donor to donee, including (but not limited to) cash, publicly traded or closely held stock, real estate, part-

¹³ For more information on split-interest trust data, please see: <http://www.irs.gov/taxstats/charitablestats/article/0,,id=97066,00.html>

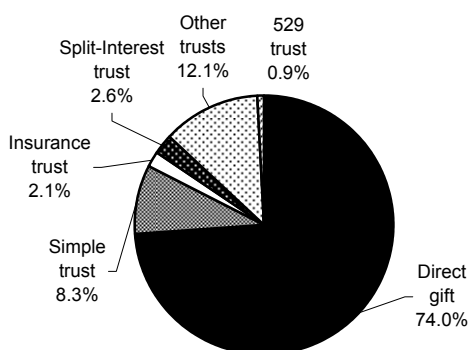
Figure E

Transfer Method of Gifts, Female Donors, 2005



NOTE: Percentages may not add to total due to rounding.

Transfer Method of Gifts, Male Donors, 2005



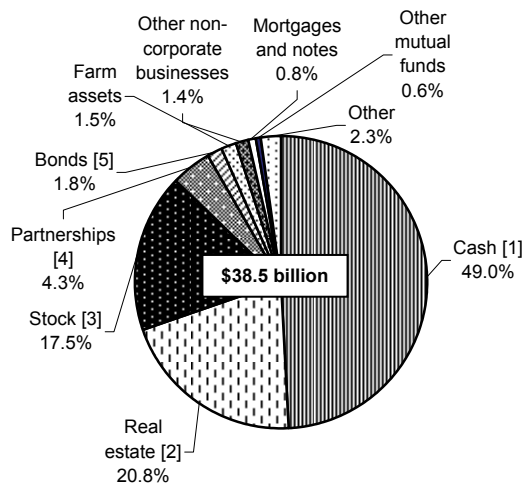
NOTE: Percentages may not add to total due to rounding.

nerships, bonds, mutual funds, art, and insurance. A total of \$38.5 billion in gifts was given in 2005. The most common gift was cash, which comprised \$18.9 billion, or 49.0 percent of total gifts given. Gifts of cash included both cash and cash management accounts. The second largest asset transferred was real estate, which includes personal residences, improved real estate, and vacant land; real estate partnerships; farmland; and real estate mutual funds. Gifts of real estate totaled \$8.0 billion, or 20.8 percent of total gifts reported for 2005. The third most gifted asset was stock, including both publicly traded and closely held stock, comprising 17.5 percent of assets, for a total gift amount of \$6.7 billion (Figure F).

Similar analysis may be completed by donor sex. Men and women show different preferences in gift giving. Figure G shows that cash was the largest

Figure F

Asset Composition of Gifts, 2005



[1] Cash includes both cash and cash management accounts.

[2] Real estate includes improved real estate, personal residence, vacant land, real estate partnerships, farm land, and real estate mutual funds.

[3] Stock includes publicly traded and closely held stock.

[4] Partnerships include limited partnerships and family limited partnerships.

[5] Bonds include State and local bonds, bond funds, Federal savings bonds, other Federal bonds, corporate bonds, and foreign bonds.

asset given overall, with female donors giving more cash than their male counterparts. Females gave a total of \$10.9 billion in cash, while male donors gave \$8.0 billion. Females transferred more cash as a percentage of their total assets than males, or 50.4 percent and 47.3 percent, respectively. When comparing real estate gifts by sex, females gave greater amounts of real estate assets, or \$4.6 billion, which was 20.0 percent of total assets given. Males gave \$3.2 billion in real estate, or 19.6 percent of total assets given. Finally, stock was the third largest asset given by both males and females, although males gave a larger portion of their total gifts, 19.5 percent, in stock. Figure G shows comparisons between the dollar amounts and percentages of assets given by men and women.

Use of Valuation Discounts

For gift tax purposes, transferred property is valued at fair market value on the date of the gift. Fair market value is the value at which property would pass from a willing seller to a willing buyer. However, the value of the property interest may be reduced, or discounted, from fair market value due to certain characteristics or qualities of the ownership interest, such as lack of control or marketability. This reduc-

Wealth Transfers, 2005 Gifts

Statistics of Income Bulletin | Summer 2008

Figure G

Asset Composition of Gifts by Sex, 2005

[Money amounts are in thousands of dollars]

Female		Assets gifted	Male	
Percent of total	Amount		Percent of total	Amount
50.4	10,922,605	Cash [1]	47.3	7,950,426
21.4	4,629,750	Real estate [2]	20.0	3,368,554
16.0	3,458,007	Stock [3]	19.5	3,275,397
3.8	820,785	Partnerships [4]	5.0	832,670
2.0	435,595	Bonds [5]	1.3	215,714
1.3	278,579	Farm assets	1.9	313,399
1.3	274,331	Other non-corporate businesses	1.5	255,138
1.0	219,291	Mortgages and notes	0.6	93,471
0.7	149,691	Other mutual funds	0.4	74,174
2.2	485,997	Other	2.5	426,872
100.0	21,674,631	Total	100.0	16,805,815

[1] Cash includes both cash and cash management accounts.

[2] Real estate includes improved real estate, personal residence, vacant land, real estate partnerships, farm land, and real estate mutual funds.

[3] Stock includes publicly traded and closely held stock.

[4] Partnerships include limited partnerships and family limited partnerships.

[5] Bonds include State and local bonds, bond funds, Federal savings bonds, other Federal bonds, corporate bonds, and foreign bonds.

tion in value for tax purposes is known as “valuation discounting” and reduced the amount of taxes owed on the transfer of property.¹⁴

In 2005, valuation discounts were applied to 16.5 percent of gifts for a total of \$3.1 billion in discounts. Most rates of discount were between 20 percent and 40 percent (Figure H).

Figure H

Size of Valuation Discounts as a Percentage of Full Value of Assets

Percentage of valuation discount	Number of discounted gifts	Amount of discount
All discounted gifts	130,695	3,138,723,801
Less than 20 percent	18,247	132,683,160
20 percent under 40 percent	84,336	1,774,089,573
40 percent or higher	28,112	1,231,951,068

Donors took discounts of varying sizes, ranging from less than \$1,000 to greater than \$650,000. Donors who used discounts of \$650,000 or more took \$725.0 million in total discounts, or 23.1 percent of all discounts taken (Figure I).

Crummey Asset Donors

Under 2005 tax law, a donor may give up to \$11,000 to a single entity, person, or trust in a year without tax implications. For example, a donor may transfer \$11,000 in cash to a simple trust and not incur tax on that transfer. Two court cases, however, further expanded nontaxable gifts with the use of trust powers.

The first case, *Crummey v. Commissioner* (1968), legitimized the use of Crummey powers by exercising the idea of a “present interest.”¹⁵ Present interest means that donees have the ability to exercise rights to use gifts at the same time the gifts are transferred to them from the donor. Normally, a donor may give up to the annual exclusion to a single entity, such as a person or a trust, without tax liability. Giving more than \$11,000 to a single entity would generate a tax liability. For example, a donor may set up a simple trust for a named beneficiary in 2005 and place \$11,000 in cash assets into the trust without being taxed on that asset transfer, but a \$12,000 gift would be taxable. Using Crummey powers, however, that same donor could give more than the annual exclusion to the trust, as long as the total value given to each beneficiary was under \$11,000. Here, beneficiaries must have a present interest in the trust, shown

¹⁴ Britton Eller, Martha, “Inter Vivos Wealth Transfers, 1997 Gifts,” *Statistics of Income Bulletin*, Publication 1136, Winter 2003-2004.

¹⁵ Bittker, Boris I; Elias Clark; and Grayson McCouch (2005), *Federal Estate and Gift Taxation*. 9th edition, Thompson West, Minneapolis.

Figure I

Donors with Discounts: Full Value of Assets and Valuation Discounts, by Size of Valuation Discount

Size of valuation discount	Number of returns	Total assets, full value	Valuation discount
	(1)	(2)	(3)
Total	261,104	41,612,965,844	3,138,723,800
Less than \$1,000	226,709	30,929,289,020	421,770
\$1,000 under \$2,000	570	11,454,353	1,012,944
\$2,000 under \$3,000	794	15,420,314	1,935,883
\$3,000 under \$4,000	934	38,825,842	3,466,426
\$4,000 under \$5,000	451	10,025,827	2,045,749
\$5,000 under \$6,000	679	29,949,205	3,468,902
\$6,000 under \$7,000	1,034	50,644,991	6,734,051
\$7,000 under \$8,000	1,143	64,375,341	8,444,875
\$8,000 under \$9,000	914	53,498,448	7,770,305
\$9,000 under \$10,000	405	26,059,767	3,744,794
\$10,000 under \$20,000	6,494	535,975,306	92,412,414
\$20,000 under \$30,000	4,170	426,045,810	101,650,395
\$30,000 under \$40,000	2,511	347,048,510	85,577,702
\$40,000 under \$50,000	2,251	383,057,395	100,287,751
\$50,000 under \$100,000	4,765	1,274,167,206	333,767,813
\$100,000 under \$150,000	2,280	961,347,675	279,782,908
\$150,000 under \$200,000	1,243	928,270,105	215,077,891
\$200,000 under \$250,000	773	558,336,856	173,448,900
\$250,000 under \$300,000	539	485,427,893	149,434,871
\$300,000 under \$350,000	536	516,200,476	173,560,068
\$350,000 under \$400,000	495	556,694,080	184,171,883
\$400,000 under \$450,000	434	520,251,536	185,269,654
\$450,000 under \$500,000	123	161,393,143	57,875,669
\$500,000 under \$550,000	182	257,922,210	95,266,885
\$550,000 under \$600,000	109	160,693,822	62,212,308
\$600,000 under \$650,000	136	201,316,106	84,919,222
\$650,000 and above	430	2,109,274,606	724,961,764

by having reasonable time to exercise the power to remove assets. Thus, the same donor who gave \$11,000 to a single entity could now give \$33,000 to the same trust as long as there were three beneficiaries who exhibit present interests, which is shown by donees having the option of removing and using gifted assets at the time of transfer.

The second case went further by expanding the scope of beneficiaries who may exercise Crummey powers. In *Cristofani's Estate v. Commissioner (1991)*, the court ruled that contingent remainder beneficiaries, usually a grandchild or second-generation beneficiary named by the trust, could also be treated as having present interests, maintaining that they were also given adequate time to exercise their right to remove their portions of assets from the trust.¹⁶

SOI tabulates data on returns that report Crummey powers. In 2005, a total of \$1.6 billion of assets was given to trusts that claimed Crummey powers, or single entity trusts that received gifts of greater than the annual exclusion. Cash, at \$1.0 billion, was the most utilized asset for these trusts. The second largest asset type for which these powers were used was stock, for a total of \$268.8 million in stock gifts. Finally, real estate transfers to trusts with Crummey powers had the third highest use (Figure J).

Figure J

Asset Composition of Gifts for Crummey Powers Donors, 2005

[Money amounts are in thousands of dollars]

Asset type	Amount
Cash	1,042,574
Stock	268,810
Real estate	114,080
Partnerships	81,930
Other noncorporate assets	33,089
Other	32,020
Other mutual funds	8,646
Farm assets	1,566
Mortgages and notes	1,450
Bonds	684

Data demonstrating the types of trusts using Crummey powers are shown in Figure K. Not surprisingly, simple trusts comprise the majority of trusts using Crummey powers, for a total of 36 percent. Second are family trusts, which comprise 23 percent of trusts using Crummey powers.

Summary

A total of 261,104 gift returns were filed in 2006 for gifts given in 2005. A total of \$38.5 billion in assets were transferred from donors to donees. As a result, \$1.7 billion in gift tax liability were reported. Only 2.9 percent of returns were taxable.

Females represented 47.3 percent of the donee population, while males represented 46.3 percent. The remaining 6.4 percent represented trusts and donees with unknown identities. Gifts of cash were the preferred choice for both female and male donors; cash assets comprised 49.0 percent of total gifts.

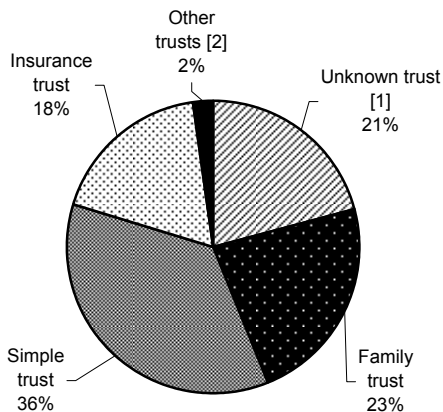
¹⁶ Ibid.

Wealth Transfers, 2005 Gifts

Statistics of Income Bulletin | Summer 2008

Figure K

Trusts Utilizing Crummey Powers, 2005



[1] Unknown trust types include trusts in which the taxpayer does not specify the type of trust on Form 709.

[2] Other trust types include: generation-skipping trusts, marital trusts, personal residence trusts, charitable remainder unitrusts, grantor retained annuity trusts, and 529 educational trusts.

Following cash, real estate was the second most frequently gifted asset, in 20.8 percent of asset transfers.

In 2005, donors used a variety of mechanisms to complete their transfers of assets. Direct gifts comprised the bulk of transfers, as 76.3 percent of gifts were given outright.

Data Sources and Limitations

The data used for this article are based on a sample of 9,037 gift tax returns that were filed in 2006. The majority of the returns filed in 2006, approximately 95 percent, recorded gifts given in 2005. Therefore, these returns can be used to represent the behaviors of gift-givers in 2005.

The sample design for the study is a stratified probability sample with two stratifying variables: taxability status and size of total gifts (prior to the subtraction of annual exclusions and deductions in the calculation of total taxable gifts). Taxability status is divided into two categories: nontaxable (i.e., no gift tax liability reported) and taxable (i.e., gift tax liability reported). The second stratifier, size of total gifts, is divided into four or five categories, depending on taxability status. Each stratum is labeled with a sample code.

Each return in the sample is weighted to reflect its share of the population of returns filed in 2006. Because of the variation of the sample sizes, post-stratification is used. The post-stratified weight is computed by dividing the realized population count of filed returns in a given stratum by the realized number of sample returns in that stratum. These weights are adjusted for missing returns, rejected returns, and outliers. These weights are applied to the sample data to produce aggregate estimates for items of interest, such as total gifts and total taxes.

Explanation of Selected Terms

Brief definitions of some terms used in text and figures are provided below:

Beneficiary—The recipient of income or assets from a trust, will, or life insurance policy.

Cash management accounts—Also known as financial or asset management accounts, these are accounts offered by brokerages. Money in the account can be invested in various assets, and check-writing privileges are normally part of the account.

Charitable deduction—An unlimited charitable deduction is available for all outright transfers to qualified charities. The deduction is available for gifts to trust only if the trust meets certain requirements.

Contingent beneficiary—A contingent beneficiary is one whose bequest is reliant on some occurrence outside the control of the transferor. It often refers to an eventual beneficiary of property in which someone else has a life interest. The bequest in such a case is contingent on: (1) the contingent beneficiary living longer than the person with the life interest, and (2) there being some property left for the contingent beneficiary to inherit.

Crummey power—Under current gift tax law, the gift tax exclusion is only available on gifts of present, not future, interests. Therefore, when a trust is created as a life and a remainder interest, the remainder interest is not eligible for the gift tax exclusion. The Crummey Power allows a person with a future interest in the trust to withdraw up to the annual exclusion amount from the trust for a short period every year. This converts the future interest into a present interest, making the exclusion available.

Direct trust—A direct trust is an express trust, as distinguished from a constructive or implied trust.

An express trust is created or declared in express terms, usually in writing, as distinguished from one inferred by law from the conduct or dealings of the parties. It is directly created for specific purposes in contrast to a constructive or resulting trust, which is created by direct and positive acts of the parties, by some writing or deed, or will, or by words expressly or implicitly evincing an intention to create a trust.

Generation-Skipping (transfer) taxes—The 1976 Tax Reform Act imposes a generation-skipping transfer tax on: (1) transfers under trusts (or similar arrangements) having beneficiaries in more than one generation below that of the transferor, and (2) direct transfers to beneficiaries more than one generation below that of the transferor. The tax is imposed (with certain exemptions) on the occurrence of any one of three taxable events: a taxable termination, a taxable distribution (including distributions of income), and a direct skip (an outright transfer to or for the benefit of a person at least two generations below that of the transferor).

Insurance trust—A trust set up with the proceeds of a life insurance policy.

Net gift tax—This is the reported value of gift tax on current period gifts.

Nontaxable returns—Gift tax returns on which taxpayers reported no net gift tax liability.

Partnership—A type of business entity in which two or more people pool their funds and talents and share in the profits and losses of an enterprise.

Taxable gifts, current period—These are the amount of taxable gifts—total gifts less exclusions and deductions—for the current tax year.

Taxable gifts, prior period—These are the amount of taxable gifts—total gifts less exclusions and deductions—for all prior tax years in which the donor transferred property.

Taxable returns—Gift tax returns on which taxpayers reported a net gift tax liability.

Total gifts—These are the value of total gifts reported by the donor after gifts have been split between the donor and the consenting spouse.

Total gifts of donor—These are the dollar value of gifts given by the donor during the current tax year and reported on Schedule A of Form 709. Gifts include those subject to gift tax only and those subject to both gift and generation-skipping transfer taxes.

Total taxable gifts, all periods—These are the amount of taxable gifts—total gifts less exclusions and deductions—for all periods, both prior and current.

Trust—A trust is an arrangement whereby the right to property is held by one party, the “trustee” (or manager), for the benefit of another (the “beneficiary”). The person who sets up the trust (and provides its assets) is called the “grantor.”

The Credit for Increasing Research Activities: Statistics from Tax Years 2004-2005

by Eurry Kim

The Economic Recovery Tax Act of 1981 furnished the groundwork for the current version of Form 6765, *Credit for Increasing Research Activities*. The 1981 credit was 25 percent of either the difference between current research spending and the average of the 3 prior years' spending on qualified research or half of current research spending, whichever was less. Now known as the Section A—Regular Credit, it is a 20-percent credit taken on marginal increases of research spending based on historical research spending and average sales relationships.

After substantive modifications to the credit calculation in 1990 and 1996, the method of figuring the credit generally remained uniform. The Omnibus Budget Reconciliation Act of 1989 integrated gross receipts as a factor in the tax credit calculation starting in Tax Year 1990. Rather than being based solely on amounts of historic research spending, research intensity (an expression of qualified research spending relative to gross receipts) became the new method by which one section of the tax credit was (and still continues to be) calculated. Then, starting in Tax Year 1996 through the current year, the Small Business Job Protection Act of 1996 introduced a credit based on a three-tiered percentage calculation. Dubbed the Section B—Alternative Incremental Credit, it is an opportunity for those taxpayers ineligible to claim the Section A—Regular Credit.

Although the Section B credit employs a several-layered process involving multiple rates, the Section A credit uses a measurement of base sensitivity. The base is calculated by multiplying the corporation's 4-year average annual gross receipts by its fixed base percentage. The fixed base percentage is an historical ratio of qualified research spending to gross receipts; it is restricted to a maximum of 16 percent. The base mimics what a corporation would spend if there were no credit. Line 14 on the 2004 revision of Form 6765 and line 15 on the 2005 revision of Form 6765 provide the junction between the two determinant categories of the base calculation. A corporation is said to have been subject to the excess base limitation when the excess between current research spend-

ing and spending based on an historically-established research intensity does not exceed 50 percent of current research spending. The excess base is a measure of a marginally increased investment in research and experimentation. Otherwise, a corporation is said to have been subject to the 50-percent limitation. A corporation is disqualified from taking the credit toward qualified research expenses if its base does not exceed 50 percent of its current research spending.

Summary Statistics—Tax Years 2001-2005

The tax credit information provided in the following figures and charts include only data provided by C corporations (i.e., excluding passthrough entities, such as S corporations, RICs, and REITs).

In Tax Year 2005, the number of claimants of the credit increased over 10 percent from the previous year. The credit amount claimed in Tax Year 2005 amounted to almost \$6.4 billion, an increase of 14.6 percent over the previous year (Figure A).

Figure A

Credit for Increasing Research Activities: Annual Percentage Increase or Decrease for Tax Years 2001-2005

Year	Number of credit claimants	Percentage change	Credits claimed (in millions of dollars)	Percentage change
	(1)	(2)	(3)	(4)
2001	10,389	-1.0%	6,356	-10.2%
2002	10,254	-1.3%	5,656	-11.0%
2003	10,369	1.1%	5,488	-3.0%
2004	10,244	-1.2%	5,554	1.2%
2005	11,290	10.2%	6,363	14.6%

Companies with business receipts ranging from \$10 million to less than \$50 million claimed the credit most frequently (Figure B). Over the years, the trend of the number of claimants across business receipt sizes stayed generally consistent. Corporations with business receipts ranging from \$10 million up to \$50 million maintained a consistent lead in the number of credits claimed. Additionally, the number of claimants exceeding \$250 million in business receipts mirrored the number of claimants in the range

Eurry Kim is an economist with the Corporation Research Section. This article was prepared under the direction of Ken Szeflinski, Chief.

The Credit for Increasing Research Activities

Statistics of Income Bulletin | Summer 2008

Figure B

Credit for Increasing Research Activities: Number of Credit Claimants, by Size of Business Receipts, Tax Years 2001-2005

Size of business receipts	Year				
	2001	2002	2003	2004	2005
	(1)	(2)	(3)	(4)	(5)
Total	10,389	10,254	10,369	10,244	11,290
Under \$25,000	1,576	1,019	1,231	1,313	1,595
\$25,000 under \$100,000	569	730	296	184	224
\$100,000 under \$250,000	355	247	378	391	346
\$250,000 under \$500,000	264	425	698	666	827
\$500,000 under \$1,000,000	352	503	465	497	585
\$1,000,000 under \$2,500,000	1,292	1,203	1,412	1,045	1,142
\$2,500,000 under \$5,000,000	1,066	1,391	1,150	1,081	998
\$5,000,000 under \$10,000,000	1,111	1,048	926	1,026	1,179
\$10,000,000 under \$50,000,000	1,857	1,777	1,806	1,884	2,047
\$50,000,000 under \$100,000,000	495	452	502	570	623
\$100,000,000 under \$250,000,000	493	492	492	515	535
\$250,000,000 or more	961	966	1,014	1,072	1,191

of the smaller \$10 million to \$50 million business receipts class.

The credit amounts, however, were largely distributed to companies with the largest business receipts, which exceeded \$250 million (Figure C). These companies claimed nearly 80 percent of the credits. For the most part, total credit amounts

claimed for any other class of business receipts did not exceed even 10 percent of the total credit amount claimed by corporations with the largest business receipts class.

Over 88 percent of the corporations claiming the \$6.4-billion credit used the Section A-Regular Credit method in Tax Year 2005. As previously mentioned,

Figure C

Credit for Increasing Research Activities: Claimed Credit Amounts, by Size of Business Receipts, Tax Years 2001-2005

[Money amounts are in thousands of dollars]

Size of business receipts	Year				
	2001	2002	2003	2004	2005
	(1)	(2)	(3)	(4)	(5)
Total	6,355,803	5,655,666	5,488,337	5,554,011	6,363,476
Under \$25,000	319,354	29,249	187,890	180,051	199,665
\$25,000 under \$100,000	28,687	30,196	21,410	21,261	19,753
\$100,000 under \$250,000	30,285	28,470	30,129	32,850	27,140
\$250,000 under \$500,000	38,322	143,945	41,936	35,878	31,664
\$500,000 under \$1,000,000	51,642	113,645	46,743	38,183	38,823
\$1,000,000 under \$2,500,000	99,313	231,153	77,527	74,758	71,645
\$2,500,000 under \$5,000,000	112,112	172,516	91,323	78,147	78,395
\$5,000,000 under \$10,000,000	125,600	166,937	98,273	116,197	114,133
\$10,000,000 under \$50,000,000	383,748	252,303	319,814	297,082	295,652
\$50,000,000 under \$100,000,000	147,900	259,455	163,752	140,212	152,216
\$100,000,000 under \$250,000,000	374,751	754,958	245,095	284,713	312,249
\$250,000,000 or more	4,644,089	3,472,840	4,164,445	4,254,680	5,022,141

The Credit for Increasing Research Activities

Statistics of Income Bulletin | Summer 2008

base sensitivity is a central measurement of the Section A—Regular Credit. From Tax Years 2001 to 2002, the percentage of C corporations subject to the Excess Base Limitation increased from 15.0 percent to 20.8 percent (Figure D). Smaller percentage increases occurred in subsequent tax years. The vast majority of Section A credit claimants, though, were subject to the 50-percent limitation and calculated their credits factoring in only half of their current research spending. This large share of corporations has nevertheless been waning over the years.

The bulk of credit claimants came from corporations involved in manufacturing (Figure E). Since Tax Year 2000, the manufacturing industry consistently comprised over 40 percent of total credit claimants. By Tax Year 2004, manufacturing made 46 percent of all of the credit claims. But in Tax Year 2005, manufacturing credit claims decreased to 44 percent. Of subsectors included in manufacturing,

computer and electronic product manufacturing made the largest number of credit claims for both tax years.

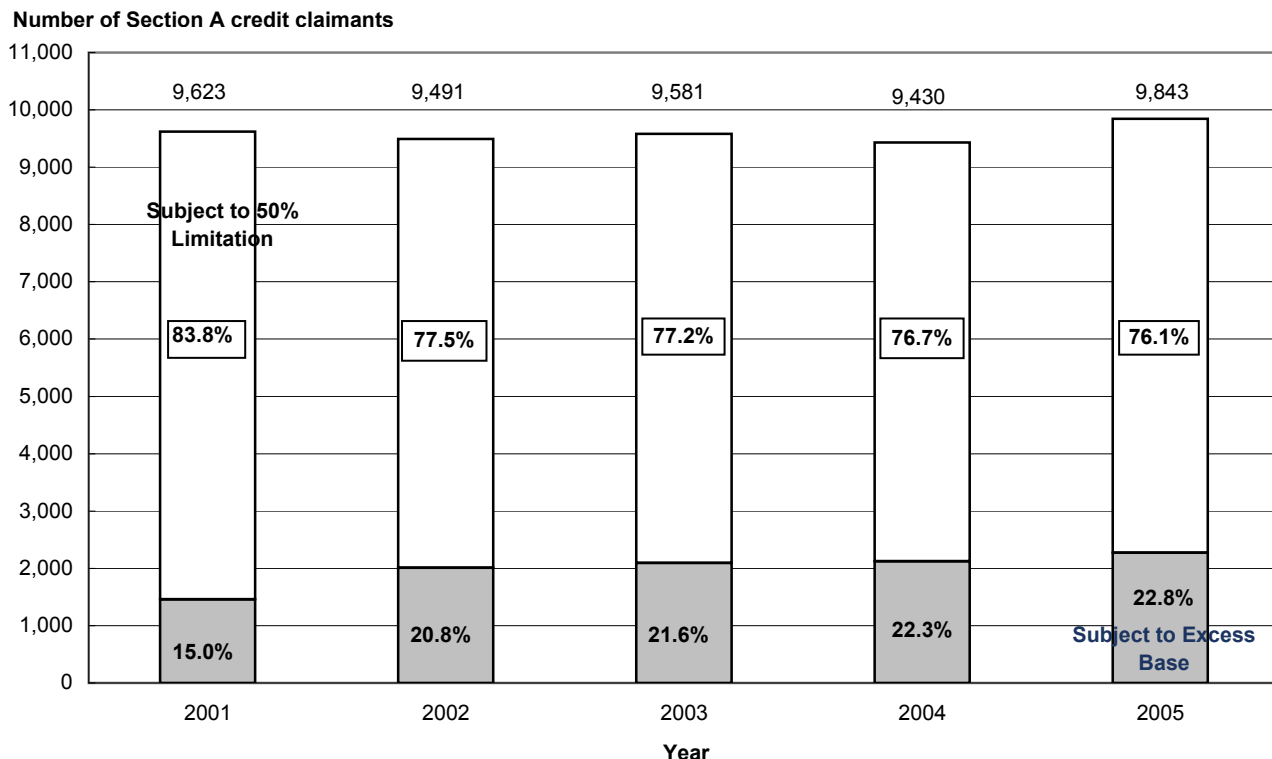
Over half of the credit amounts were consistently attributable to the manufacturing industry from Tax Years 2000 to 2005. In Tax Year 2005, 71.2 percent of the \$6.4-billion credit went to manufacturing (Figure F). In Tax Year 2004, 69.2 percent of the \$5.6-billion credit went to manufacturing. For both tax years, computer and electronic product manufacturing claimed the largest total credit.

Observations and Analyses of the Data

Observations of data from corporation Forms 6765 revealed several issues in credit classifications and legitimate credit claims. Since corporations are not legally required to complete tax returns in their entirety, assumptions were made to assess the data in meaningful ways.¹

Figure D

Credit for Increasing Research Activities: Section A Credit Claimants, Base-Sensitivity, Tax Years 2001-2005



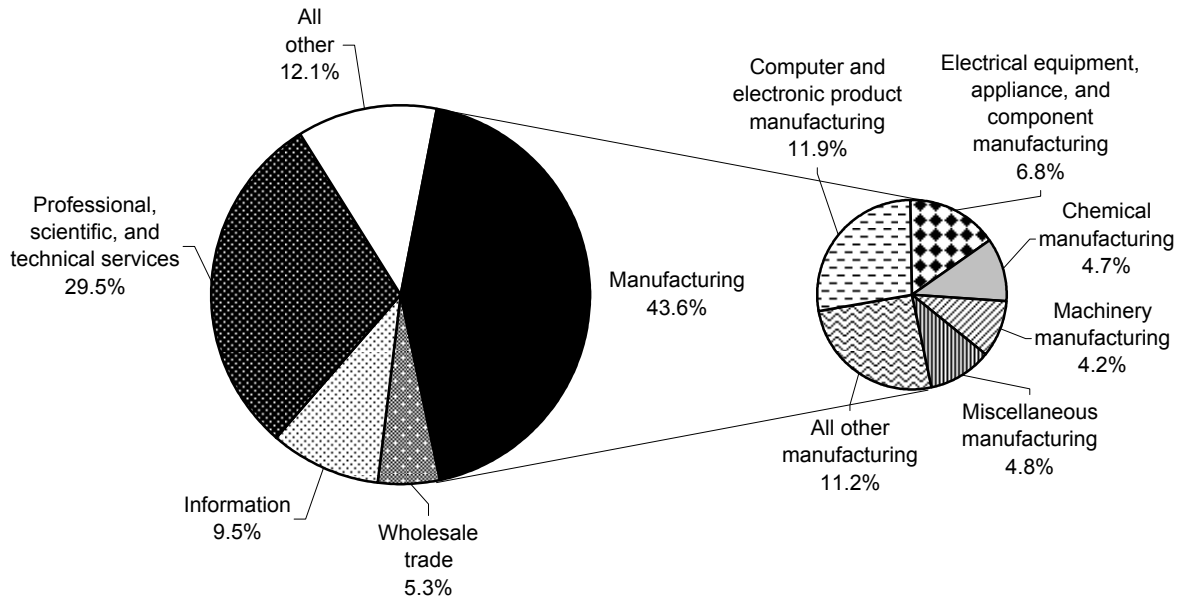
¹ For similar general issues regarding the description of the Corporate Statistics of Income sample and limitations of the data, see section 3 of the 2005 *Corporation Complete Report*. Link: <http://www.irs.gov/taxstats/bustaxstats/article/0,,id=112834.00.html>.

The Credit for Increasing Research Activities

Statistics of Income Bulletin | Summer 2008

Figure E

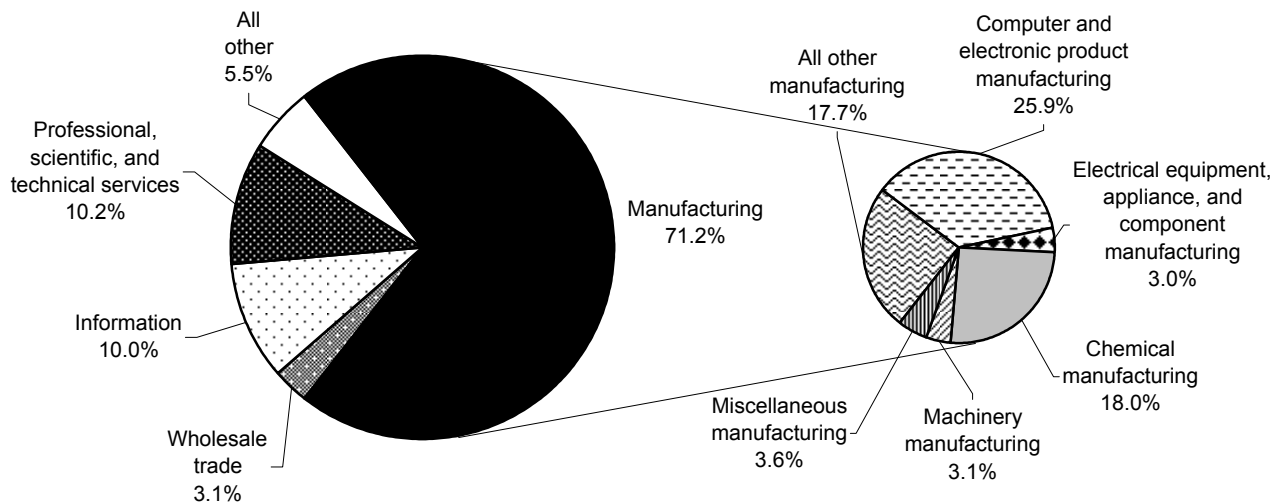
Number of Credit Claimants for Increasing Research Activities, by Industrial Sectors, Tax Year 2005



NOTE: Detail may not add to 100 percent because of rounding.

Figure F

Credit Amounts Claimed for Increasing Research Activities, by Industrial Sectors, Tax Year 2005



NOTE: Detail may not add to 100 percent because of rounding.

The Credit for Increasing Research Activities

Statistics of Income Bulletin | Summer 2008

Research Credit Claims, Defined

The only data that were considered were for Form 6765 filers claiming a Current Year Credit.² Due to data processing procedures and filing circumstances, these data show notable exceptions.

In hundreds of cases, corporations filed a Form 6765 but did not actually claim any credit amount. That is, corporations filled in component data on the tax form and probably concluded ineligibility for one reason or another. This disqualification could have stemmed from insufficient spending on qualified research to exceeding an allowable credit limit. Since credits were unable to be claimed in these cases, data from these forms were not included in the tables.

Assigning Methods of the Research Credit Calculation

Credit methods (e.g., Section A or Section B) were derived from comparisons among three different Form 6765 line items. Generally, while taking passthrough research credits into account, whenever the Current-Year Credit was equal to either the Regular Credit³ or the Alternative Incremental Credit,⁴ the coordinating credit method was assigned.⁵ However, exceptions to this simple procedure were made to accommodate legitimate credit data.

In fact, the current-year credit did not have to equal either the Section A—Regular Credit or the Section B—Alternative Incremental Credit to be included in data tables. For the few cases where both Regular Credit and Alternative Incremental Credit line items were blank, the existence of data on any one line item within either credit method funneled that particular corporation's credit under that particular credit method. Such a form may have provided information on Section A total qualified research spending,⁶ Section A average annual gross receipts,⁷ and the current-year credit. Thus, even though the Section A—Regular Credit line item was left blank, the form could be classified as a Section A claimant for Section A credit.

In many cases, corporations assigned as having taken Section A—Regular Credit also filled out component data for Section B—Alternative Incremental

Credit. According to taxpayer instructions for both Revision Years 2004 and 2005, taxpayers were advised to figure the credit using both calculation methods and claim the larger credit. All filers who did so and had information within both sections were classified as Section A credits.⁸

There were, however, claimants that could not be determined categorically. A number of corporations simply specified current-year credit amounts with no additional detail. Some showed the entire credit coming from passthrough entities⁹ (including partnerships, S corporations, estates, or trusts). The only information provided by these forms came from the summary, Section C. Credit calculation methods, therefore, could not be reliably assigned.

Summary

After unremarkable changes in the use of Form 6765 during Tax Years 2001 through 2004, there was an increase in Tax Year 2005. Both the number of claimants and the amount of credits grew. The manufacturing industry held a clear lead in taking advantage of the credits throughout these years. Most of the credits were claimed by four manufacturing subsectors, including computer and electronic product manufacturing; electrical equipment, appliance, and component manufacturing; chemical manufacturing; and machinery manufacturing. Companies with the largest class of business receipts (exceeding \$250 million) also maintained the lion's share of credits throughout Tax Years 2001 to 2005. The addition of a new credit-calculating method (Section C—Alternative Simplified Credit) in Tax Year 2006 should provide another interesting dimension to the composition of claimants for the Credit for Increasing Research Activities.

This finding is drawn from ...

Data extracted from corporation tax returns for 2001-2005. Aggregate data referenced in this finding for the Research Credit, in addition to 20 analytical tables from 2003-2005, can be found online at www.irs.gov/taxstats. Follow the "Corporations" link and then navigate to "Corporation Research Credit."

² Line 41 on the 2004 revision and line 43 on the 2005 revision.

³ Line 16 on the 2004 revision and line 17 on the 2005 revision.

⁴ Line 39 on the 2004 revision and line 41 on the 2005 revision.

⁵ Nonzero credit amounts aside, there were no cases in which both credit-calculating methods gave equal amounts.

⁶ Line 8 on the 2004 revision and line 9 on the 2005 revision.

⁷ Line 10 on the 2004 revision and line 11 on the 2005 revision.

⁸ This is shown by comparing the three separate parts of Tables 1 and 2. Section A credit component data remain consistent across the total data tables, while select Section B component credit data increase from the Section B data to the total tables (despite the number of credit claimants remaining the same).

⁹ Line 40 on the 2004 revision and line 42 on the 2005 revision.

The Credit for Increasing Research Activities

Statistics of Income Bulletin | Summer 2008

Table 1. Corporations Claiming a Credit for Increasing Research Activities on Form 6765 [1]: Selected Items, by Sectors, Tax Year 2004

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

Item	All sectors	Sectors			
		Agriculture, forestry, fishing, and hunting	Mining	Utilities	Construction
	(1)	(2)	(3)	(4)	(5)
Number of returns claiming a credit on Form 6765 [2]	10,244	40	22	17	21
Section A—Regular Credit					
1 Basic research payments paid or incurred	161,627	421	0	8	3,675
2 Qualified organization base period amount	166,818	[3]	3,464	2	1,838
4 Wages for qualified services	54,573,366	46,402	45,279	41,540	86,248
5 Cost of supplies	13,566,810	13,145	17,834	37,832	14,106
6 Rental or lease costs of computers	151,619	0	1,318	0	873
7 Applicable percentage of contract research expense	13,720,594	6,689	20,441	95,326	14,945
8 Total qualified research expenses (sum 4-7) [4]	84,021,173	66,236	84,872	174,698	116,172
10 Average annual gross receipts [5]	10,478,876,046	4,271,612	4,842,272	45,394,185	22,513,368
11 Base amount	36,688,818	33,672	25,742	83,735	58,956
16 Regular credit [6]	4,845,193	3,334	4,227	10,163	4,707
Section B—Alternative Incremental Credit [7]					
17 Basic research payments paid or incurred	25,731	0	d	0	0
18 Qualified organization base period amount	11,837	0	d	0	0
21 Wages for qualified services	24,066,503	14,401	d	0	0
22 Cost of supplies	4,913,043	5,885	d	0	0
23 Rental or lease cost of computers	8,433	0	d	0	0
24 Applicable percentage of contract research expense	3,191,919	351	d	0	0
25 Total qualified research expenses (sum 21-24) [4]	32,110,726	20,637	d	0	0
26 Average annual gross receipts [5]	634,904,221	316,415	d	0	0
39 Alternative incremental credit [6]	657,416	408	d	0	0
Section C—Current-Year Credit					
40 Passthrough rsrch cr(s) from prtshp, S corp, est, or trust	106,213	478	108	78	177
41 Current-year credit for Increasing research activities [2]	5,554,011	4,220	6,937	10,241	4,884

Footnotes at end of table.

The Credit for Increasing Research Activities

Statistics of Income Bulletin | Summer 2008

Table 1. Corporations Claiming a Credit for Increasing Research Activities on Form 6765 [1]: Selected Items, by Sectors, Tax Year 2004—Continued

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

Item	Sectors—continued				
	Manufacturing	Wholesale and retail trade	Transportation and warehousing	Information	Finance and insurance
	(6)	(7)	(8)	(9)	(10)
Number of returns claiming a credit on Form 6765 [2]	4,686	812	23	977	142
Section A—Regular Credit					
1 Basic research payments paid or incurred	104,847	8,825	d	11,078	22
2 Qualified organization base period amount	132,451	4,018	d	4,310	17
4 Wages for qualified services	36,699,034	2,694,792	d	5,942,542	1,530,738
5 Cost of supplies	11,632,013	440,580	d	174,397	13,275
6 Rental or lease costs of computers	102,245	17,520	d	11,736	34
7 Applicable percentage of contract research expense	8,705,377	840,151	d	1,473,157	512,585
8 Total qualified research expenses (sum 4-7) [4]	58,330,162	3,993,042	d	8,434,608	2,056,627
10 Average annual gross receipts [5]	1,840,816,143	373,728,368	d	323,259,558	7,397,225,600
11 Base amount	29,378,855	1,615,064	d	2,846,021	671,457
16 Regular credit [6]	3,316,629	200,157	d	497,175	111,162
Section B—Alternative Incremental Credit [7]					
17 Basic research payments paid or incurred	24,015	174	d	0	d
18 Qualified organization base period amount	10,199	10	d	0	d
21 Wages for qualified services	18,566,351	380,606	d	4,284,428	d
22 Cost of supplies	4,657,722	29,143	d	56,019	d
23 Rental or lease cost of computers	8,376	0	d	56	d
24 Applicable percentage of contract research expense	2,715,036	96,875	d	238,849	d
25 Total qualified research expenses (sum 21-24) [4]	25,961,190	506,623	d	4,496,474	d
26 Average annual gross receipts [5]	531,467,696	16,032,729	d	62,718,310	d
39 Alternative incremental credit [6]	533,213	7,923	d	91,504	d
Section C—Current-Year Credit					
40 Passthrough rsrch cr(s) from prtshp, S corp, est, or trust	54,415	2,785	8	6,980	310
41 Current-year credit for Increasing research activities [2]	3,845,792	211,484	11,515	599,795	111,678

The Credit for Increasing Research Activities

Statistics of Income Bulletin | Summer 2008

Table 1. Corporations Claiming a Credit for Increasing Research Activities on Form 6765 [1]: Selected Items, by Sectors, Tax Year 2004—Continued

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

Item	Sectors—continued				
	Real estate, rental, and leasing	Professional, scientific, and technical services	Management of companies (holding companies)	Administrative and support and waste management services	Various services [8]
	(11)	(12)	(13)	(14)	(15)
Number of returns claiming a credit on Form 6765 [2]	8	3,304	70	23	99
Section A—Regular Credit					
1 Basic research payments paid or incurred	d	29,436	[3]	0	3,316
2 Qualified organization base period amount	d	18,627	0	0	2,092
4 Wages for qualified services	d	6,368,252	584,475	180,077	213,802
5 Cost of supplies	d	1,137,015	250	16,451	67,020
6 Rental or lease costs of computers	d	17,689	0	0	204
7 Applicable percentage of contract research expense	d	1,645,960	240,492	13,570	95,168
8 Total qualified research expenses (sum 4-7) [4]	d	9,169,173	825,217	194,360	376,194
10 Average annual gross receipts [5]	d	175,301,419	172,240,989	8,860,357	35,448,225
11 Base amount	d	1,712,326	69,039	73,779	50,997
16 Regular credit [6]	d	587,670	53,309	18,252	25,866
Section B—Alternative Incremental Credit [7]					
17 Basic research payments paid or incurred	d	1,543	0	d	0
18 Qualified organization base period amount	d	1,629	0	d	0
21 Wages for qualified services	d	652,035	0	d	8,426
22 Cost of supplies	d	113,193	0	d	1,342
23 Rental or lease cost of computers	d	0	0	d	0
24 Applicable percentage of contract research expense	d	114,443	0	d	698
25 Total qualified research expenses (sum 21-24) [4]	d	879,671	0	d	10,467
26 Average annual gross receipts [5]	d	17,685,174	0	d	201,595
39 Alternative incremental credit [6]	d	20,357	0	d	196
Section C—Current-Year Credit					
40 Passthrough rsrch cr(s) from prtshp, S corp, est, or trust	0	2,050	38,699	113	14
41 Current-year credit for Increasing research activities [2]	1,120	609,019	92,007	18,956	26,363

d—Amounts have been deleted to avoid disclosure of information for certain companies.

[1] Includes returns of active corporations, other than Forms 1120S, 1120-REIT, and 1120-RIC.

[2] Number of credit claimants and Line 41 include corporations that only reported data on Line 41.

[3] An amount less than \$500 was present before rounding.

[4] Lines 8 and 25 do not equal the sum of their components as shown in this table, because some corporations only reported these total lines.

[5] Lines 10 and 26, Average annual gross receipts, are defined as the average annual gross receipts for the 4 tax years preceding the tax year for which the credit is being determined.

[6] Lines 16 and 39 include credit amounts for which some corporations did not provide component data.

[7] Component data for Section B include Section A credit claimants who also filled in information in Section B.

[8] "Various Services" include educational services; health care and social assistance; arts, entertainment, and recreation; accommodation and food services; and other services.

The Credit for Increasing Research Activities

Statistics of Income Bulletin | Summer 2008

Table 2. Corporations Claiming a Credit for Increasing Research Activities on Form 6765 [1]: Selected Items, by Sectors, Tax Year 2005

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

Item	All sectors	Sectors			
		Agriculture, forestry, fishing, and hunting	Mining	Utilities	Construction
	(1)	(2)	(3)	(4)	(5)
Number of returns claiming a credit on Form 6765 [2]	11,290	61	19	37	18
Section A—Regular Credit					
1 Certain amounts paid/incurred to energy consortia after 8/8/05	43,223	0	0	41,945	0
2 Basic research payments paid or incurred	259,496	379	0	0	177
3 Qualified organization base period amount	464,596	11	0	2	89
5 Wages for qualified services	64,805,322	43,483	38,680	61,264	30,954
6 Cost of supplies	15,678,591	10,741	8,191	56,651	7,219
7 Rental or lease costs of computers	63,317	114	0	1	0
8 Applicable percentage of contract research expense	15,694,630	7,425	3,069	98,003	18,624
9 Total qualified research expenses (sum 5-8) [3]	96,520,705	61,763	49,940	215,918	56,798
11 Average annual gross receipts [4]	52,786,116,098	6,364,075	2,681,573	90,500,058	10,487,317
12 Base amount	39,408,039	19,101	19,947	193,698	14,180
17 Regular credit [5]	5,596,162	3,390	2,661	18,116	3,319
Section B—Alternative Incremental Credit [6]					
18 Certain amounts paid/incurred to energy consortia after 8/8/05	9,929	0	d	d	0
19 Basic research payments paid or incurred	21,540	0	d	d	0
20 Qualified organization base period amount	209,547	0	d	d	0
23 Wages for qualified services	24,452,777	*16,173	d	d	0
24 Cost of supplies	5,303,772	*6,139	d	d	0
25 Rental or lease cost of computers	6,471	0	d	d	0
26 Applicable percentage of contract research expense	3,567,167	*1,332	d	d	0
27 Total qualified research expenses (sum 23-26) [3]	33,330,249	*23,644	d	d	0
28 Average annual gross receipts [4]	661,784,696	*286,575	d	d	0
41 Alternative incremental credit [5]	633,914	*496	d	d	0
Section C—Current-Year Credit					
42 Passthrough rsrch cr(s) from prtshp, S corp, est, or trust	136,220	156	46	108	104
43 Current-year credit for Increasing research activities [2]	6,363,476	4,183	5,408	20,454	3,424

Footnotes at end of table.

The Credit for Increasing Research Activities

Statistics of Income Bulletin | Summer 2008

Table 2. Corporations Claiming a Credit for Increasing Research Activities on Form 6765 [1]: Selected Items, by Sectors, Tax Year 2005—Continued

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

Item	Sectors—continued				
	Manufacturing	Wholesale and retail trade	Transportation and warehousing	Information	Finance and insurance
	(6)	(7)	(8)	(9)	(10)
Number of returns claiming a credit on Form 6765 [2]	4,921	718	43	1,076	143
Section A—Regular Credit					
1 Certain amounts paid/incurred to energy consortia after 8/8/05	1,279	0	0	0	0
2 Basic research payments paid or incurred	202,484	8,648	0	875	10,339
3 Qualified organization base period amount	199,621	14,869	0	60,923	4,882
5 Wages for qualified services	44,733,527	3,088,635	93,907	7,741,835	1,374,218
6 Cost of supplies	13,512,335	607,627	2,173	138,469	12,543
7 Rental or lease costs of computers	34,171	14,105	0	6,613	277
8 Applicable percentage of contract research expense	9,852,427	928,108	42,303	1,810,305	564,471
9 Total qualified research expenses (sum 5-8) [3]	68,257,544	4,638,496	138,384	9,813,031	1,951,508
11 Average annual gross receipts [4]	1,838,706,514	351,591,497	87,558,936	421,684,728	49,523,187,675
12 Base amount	31,305,001	1,930,322	61,349	3,446,728	321,292
17 Regular credit [5]	3,952,299	216,440	8,699	549,464	121,605
Section B—Alternative Incremental Credit [6]					
18 Certain amounts paid/incurred to energy consortia after 8/8/05	0	0	d	0	0
19 Basic research payments paid or incurred	9,360	641	d	0	10,634
20 Qualified organization base period amount	29,500	174,122	d	0	5,472
23 Wages for qualified services	18,457,193	538,110	d	4,068,832	103,543
24 Cost of supplies	4,966,692	86,767	d	57,402	3,283
25 Rental or lease cost of computers	6,423	0	d	48	0
26 Applicable percentage of contract research expense	2,950,505	199,560	d	233,653	15,917
27 Total qualified research expenses (sum 23-26) [3]	26,380,812	824,423	d	4,359,935	122,744
28 Average annual gross receipts [4]	555,281,861	17,831,545	d	54,001,995	4,279,687
41 Alternative incremental credit [5]	488,145	15,240	d	90,520	2,518
Section C—Current-Year Credit					
42 Passthrough rsrch cr(s) from prtshp, S corp, est, or trust	81,739	5,241	330	5,164	550
43 Current-year credit for Increasing research activities [2]	4,529,302	235,402	9,040	636,462	124,607

Footnotes at end of table.

The Credit for Increasing Research Activities

Statistics of Income Bulletin | Summer 2008

Table 2. Corporations Claiming a Credit for Increasing Research Activities on Form 6765 [1]: Selected Items, by Sectors, Tax Year 2005—Continued

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

Item	Sectors—continued				
	Real estate, rental, and leasing	Professional, scientific, and technical services	Management of companies (holding companies)	Administrative and support and waste management services	Various services [7]
	(11)	(12)	(13)	(14)	(15)
Number of returns claiming a credit on Form 6765 [2]	14	3,335	326	420	160
Section A—Regular Credit					
1 Certain amounts paid/incurred to energy consortia after 8/8/05	0	0	0	0	0
2 Basic research payments paid or incurred	0	34,833	0	0	1,760
3 Qualified organization base period amount	0	175,873	7,436	0	891
5 Wages for qualified services	73,173	6,537,210	562,723	154,442	271,271
6 Cost of supplies	7,650	1,237,571	8,730	12,232	56,458
7 Rental or lease costs of computers	284	6,882	332	193	348
8 Applicable percentage of contract research expense	15,590	1,931,924	270,322	35,631	116,429
9 Total qualified research expenses (sum 5-8) [3]	96,696	9,751,516	842,107	202,498	444,506
11 Average annual gross receipts [4]	3,679,967	141,331,509	284,810,031	8,371,735	15,160,483
12 Base amount	31,330	1,756,819	147,936	86,376	73,959
17 Regular credit [5]	4,210	619,178	54,222	10,118	32,442
Section B—Alternative Incremental Credit [6]					
18 Certain amounts paid/incurred to energy consortia after 8/8/05	d	0	0	d	0
19 Basic research payments paid or incurred	d	906	0	d	0
20 Qualified organization base period amount	d	453	0	d	0
23 Wages for qualified services	d	1,075,177	0	d	8,207
24 Cost of supplies	d	143,282	0	d	1,505
25 Rental or lease cost of computers	d	0	0	d	0
26 Applicable percentage of contract research expense	d	146,927	0	d	3,581
27 Total qualified research expenses (sum 23-26) [3]	d	1,365,386	0	d	13,292
28 Average annual gross receipts [4]	d	25,311,135	0	d	324,495
41 Alternative incremental credit [5]	d	30,286	0	d	245
Section C—Current-Year Credit					
42 Passthrough rsrch cr(s) from prtshp, S corp, est, or trust	172	1,962	40,566	37	45
43 Current-year credit for Increasing research activities [2]	4,445	651,093	94,833	11,859	32,966

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

d—Amounts have been deleted to avoid disclosure of information for certain companies.

[1] Includes returns of active corporations, other than Forms 1120S, 1120-REIT, and 1120-RIC.

[2] Number of credit claimants and Line 43 include corporations that only reported data on Line 43.

[3] Lines 9 and 27 do not equal the sum of their components as shown in this table, because some corporations only reported these total lines.

[4] Lines 11 and 28, Average annual gross receipts, are defined as the average annual gross receipts for the 4 tax years preceding the tax year for which the credit is being determined.

[5] Lines 17 and 41 include credit amounts for which some corporations did not provide component data.

[6] Component data for Section B include Section A credit claimants who also filled in information in Section B.

[7] "Various Services" include educational services; health care and social assistance; arts, entertainment, and recreation; accommodation and food services; and other services.

SOI Sampling Methodology and Data Limitations

This article discusses typical sampling procedures used in most Statistics of Income (SOI) programs. Aspects covered briefly include sampling criteria, selection techniques, methods of estimation, and sampling variability. Some of the nonsampling error limitations of the data are also described, as well as the tabular conventions employed.

Additional information on sample design and data limitations for specific SOI studies can be found in the separate SOI reports. More technical information is available, on request, by writing to the Director, Statistics of Income Division RAS:S, Internal Revenue Service, P.O. Box 2608, Washington, DC 20013-2608.

Sample Criteria and Selection of Returns

Statistics compiled for the SOI studies are generally based on stratified probability samples of income tax returns or other forms filed with the Internal Revenue Service (IRS). The statistics do not reflect any changes made by the taxpayer through an amended return or by the IRS as a result of an audit. As returns are filed and processed for tax purposes, they are assigned to sampling classes (strata) based on such criteria as: industry, presence or absence of a tax form or schedule, and various income factors or other measures of economic size (such as total assets, total receipts, size of gift, and size of estate). The samples are selected from each stratum over the appropriate filing periods. Thus, sample selection can continue for a given study for several calendar years—3 for corporations because of the incidence of fiscal (noncalendar) year reporting and extensions of filing time. Because sampling must take place before the population size is known precisely, the rates of sample selection within each stratum are fixed. This means, in practice, that both the population and the sample size can differ from those planned. However, these factors do not compromise the validity of the estimates.

The probability of a return's selection depends on its sample class or stratum and may range from a fraction of 1 percent to 100 percent. Considerations in determining the selection probability for each stratum include the number of returns in the stratum, the diversity of returns in the stratum, and interest in the stratum as a separate subject of study. All this is subject to constraints based on the estimated pro-

cessing costs or the target size of the total sample for the program.

For most SOI studies, returns are designated by computer from the IRS Master Files based on the taxpayer identification number (TIN), which is either the Social Security number (SSN) or the Employer Identification Number (EIN). A fixed and essentially random number is associated with each possible TIN. If that random number falls into a range of numbers specified for a return's sample stratum, then it is selected and processed for the study. Otherwise, it is counted (for estimation purposes), but not selected. In some cases, the TIN is used directly by matching specified digits of it against a predetermined list for the sample stratum. A match is required for designation.

Under either method of selection, the TINs designated from one year's sample are, for the most part, selected for the next year's, so that a very high proportion of the returns selected in the current year's sample are from taxpayers whose previous years' returns were included in earlier samples. This longitudinal character of the sample design improves the estimates of change from one year to the next.

Method of Estimation

As noted above, the probability with which a return is selected for inclusion in a sample depends on the sampling rate prescribed for the stratum in which it is classified. "Weights" are computed by dividing the count of returns filed for a given stratum by the number of population sample returns for that same stratum. These weights are usually adjusted for unavailable returns, outliers, or trimming weights. Weights are used to adjust for the various sampling rates used, relative to the population—the lower the rate, the larger the weight. For some studies, it is possible to improve the estimates by subdividing the original sampling classes into "poststrata," based on additional criteria or refinements of those used in the original stratification. Weights are then computed for these poststrata using additional population counts. The data on each sample return in a stratum are then multiplied by that weight. To produce

Sample returns are designated by computer from the IRS Master Files based on the taxpayer identification number.

SOI Sampling Methodology and Data Limitations

In transcribing and tabulating data from tax returns, checks are imposed to improve the quality of the statistics.

the tabulated estimates, the weighted data are summed to produce the published statistical totals.

Sampling Variability

The particular sample used in a study is only one of a large number of possible random samples that could have been selected using the same sample

design. Estimates derived from the different samples usually vary. The standard error of the estimate is a measure of the variation among the estimates from all possible samples and is used to measure the precision with which an estimate from a particular sample approximates the average result of the possible samples. The sample estimate and an estimate of its standard error permit the construction of interval estimates with prescribed confidence that this interval includes the actual population value.

In SOI reports, the standard error is not directly presented. Instead, the ratio of the standard error to the estimate itself is presented in percentage form. This ratio is called the coefficient of variation (CV). The user of SOI data may multiply an estimate by its CV to recreate the standard error and to construct confidence intervals.

For example, if a sample estimate of 150,000 returns is known to have a coefficient of variation of 2 percent, then the following arithmetic procedure would be followed to construct a 68-percent confidence interval estimate:

$$\begin{array}{ll} 150,000 & \text{(sample estimate)} \\ \times 0.02 & \text{(coefficient of variation)} \\ = 3,000 & \text{(standard error of estimate)} \end{array}$$

then:

$$\begin{array}{ll} 150,000 & \text{(sample estimate)} \\ + \text{ or } - 3,000 & \text{(standard error)} \\ = \{147,000, 153,000\} & \text{(68-percent confidence interval).} \end{array}$$

Based on these data, the interval estimate is from 147 to 153 thousand returns. This means that the average estimate of the number of returns lies within an interval computed in this way. Such an estimate would be correct for approximately two-thirds of all possible

samples similarly selected. To obtain this interval estimate with 95-percent confidence, the standard error should be multiplied by 2 before adding to and subtracting from the sample estimate. (In this particular case, the resulting interval would be from 144 to 156 thousand returns.)

Further details concerning sample design, sample selection, estimation method, and sampling variability for a particular SOI study may be obtained, on request, by writing to the Director, Statistics of Income Division, at the address given above.

Nonsampling Error Controls and Limitations

Although the previous discussion focuses on sampling methods and the limitations of the data caused by sampling error, there are other sources of error that may be significant in evaluating the usefulness of SOI data. These include taxpayer reporting errors and inconsistencies, processing errors, and the effects of any early cutoff of sampling. Additional information on nonsampling error as it applies to individual and corporation income tax returns is presented in the separate SOI reports on these returns.

In transcribing and tabulating the information from returns or forms selected for the sample, steps are taken to improve the quality of the resultant estimates. Tax return data may be disaggregated or recombined during the statistical abstracting and "editing" process that takes place in IRS submission processing centers. This is done to improve data consistency from return to return and to achieve definitions of the data items more in keeping with the needs of major users. In some cases, not all of the data are available from the tax return as originally filed. Sometimes, the missing data can be obtained by the Statistics of Income Division in Washington, DC, through field followup. More often, though, they are obtained through manual or computerized imputation. For this purpose, other information in the return or in accompanying schedules may be sufficient to serve as the basis for making an estimate. Prior-year data for the same taxpayer can be used for this same purpose, or comparable data from business reference books may be substituted.

Data abstracted or "edited" from returns for statistical use are subjected to a number of validation checks, including systematic verifications of a sampling of the work of each tax examiner involved in the SOI process. Data reported on sampled returns

SOI Sampling Methodology and Data Limitations

and previously transcribed as part of processing for the IRS Master Files are subject to validation as part of the administrative process before SOI processing begins. However, during the administrative process, it is only practical to transcribe corrections to errors that have a direct bearing on the tax reported or the refund claimed. Therefore, during the SOI process, checks must also be made to correct any errors or inconsistencies left in the administrative data before the data can be accepted for the statistics.

The Statistics of Income program includes many more tax return items than are transcribed and perfected for IRS tax administration needs, especially for items reported in tax return schedules in support of the various summary totals reported on the return. Therefore, checks must also be designed to validate these additional data items and to assure that they are consistent with other data entries.

Most of the data validation checks made during the SOI process take the form of computerized tests of each record. In addition to verifying that internal consistency and proper balance and relationships among the tax return items and statistical classifications are maintained, this process is intended to check on consistency with tax law provisions, acceptable reporting practices, and generally accepted accounting principles. Most testing occurs during the data abstracting and editing operation, while the tax return source document is still on hand, although some testing for certain programs occurs later on. Records failing the tests are subjected to further review and correction.

Finally, before publication, the statistics are reviewed for accuracy and reasonableness in light of the tax law provisions, taxpayer reporting variations and other limitations, tolerances and statistical techniques allowed or employed in data processing and estimating, economic conditions, and comparability with other statistical series. However, these controls do not completely eliminate the possibility of error. When discovered, errors in *Bulletin* tables are corrected, through a published errata.

Table Conventions

Published estimates subject to excessive sampling variability are identified for most of the statistics by means of an asterisk (*) presented alongside the estimate or in place of an estimate. Presence of an asterisk means that the sampling rate was less than 100 percent of the population and that there were fewer than 10 sample observations available for estimation purposes. This method produces a rough indication of excessive sampling variability. However, the results will differ somewhat from more precise indicators of excessive sampling variability based on the standard statistical formula. For some of the statistics based on samples, asterisking was not possible because of resource and other constraints. Users should keep this limitation in mind when using these data.

A zero, in place of a frequency or an amount, in any given table cell presenting data based on an SOI sample, indicates either that (1) there were no returns in the population with the particular characteristic, or (2) because of its rarity, instances of the characteristic were not present among the sampled returns. However, for statistics based on returns selected for the sample at the 100-percent rate, a zero indicates a presumption of no returns with the particular characteristic in the population.

In addition to sampling variability, Statistics of Income is required to prevent disclosure of information about specific taxpayers or businesses in its tables. Therefore, a weighted frequency (and the associated amount, where applicable) of less than 3 is either combined with data in an adjacent cell(s) so as to meet the criteria, or deleted altogether. Similar steps are taken to prevent indirect disclosure through subtraction. However, any combined or deleted data are included in the appropriate totals. Most data on tax-exempt, nonprofit organizations are excluded from disclosure review because the Internal Revenue Code and regulations permit public access to most of the information reported by these organizations.

Public Release of SOI Information

Goals for Public Release of SOI Information

Statistics of Income program and year	End of tax year	Close of filing period—		Close of sampling period	Tentative release date for final data
		Regular	With extensions of time		
	(1)	(2)	(3)	(4)	(5)
Individual income tax returns:					
2006	December 2006	April 2007	October 2007	December 2007	August 2008
2007	December 2007	April 2008	October 2008	December 2008	August 2009
Nonfarm sole proprietorships:					
2006	December 2006	April 2007	October 2007	December 2007	August 2008
2007	December 2007	April 2008	October 2008	December 2008	August 2009
Partnerships:					
2006	December 2006	April 2007	October 2007	December 2007	July 2008
2007	December 2007	April 2008	October 2008	December 2008	July 2009
Corporations: [1]					
2005	June 2006	September 2006	March 2007	June 2007	March 2008
2006	June 2007	September 2007	March 2008	June 2008	March 2009
Corporation foreign tax credit: [2]					
2005	June 2006	September 2006	March 2007	June 2007	October 2008
2006	June 2007	September 2007	March 2008	June 2008	October 2009
Controlled foreign corporations: [2]					
2006	June 2007	September 2007	March 2008	June 2008	October 2009
Tax-exempt organizations: [3]					
2005	November 2006	April 2007	October 2007	December 2007	August 2008
2006	November 2007	April 2008	October 2008	December 2008	August 2009
Private foundations: [3]					
2005	November 2006	April 2007	October 2007	December 2007	August 2008
2006	November 2007	April 2008	October 2008	December 2008	August 2009
Tax-exempt organization unrelated business income: [3]					
2005	November 2006	April 2007	October 2007	December 2007	October 2008
2006	November 2007	April 2008	October 2008	December 2008	October 2009
Estate tax returns:					
2007	[4]	[4]	[4]	December 2007	October 2008
2008	[4]	[4]	[4]	December 2008	October 2009
Split-interest trusts:					
2007	[5]	[5]	[5]	December 2007	October 2008
2008	[5]	[5]	[5]	December 2008	October 2009
Gift tax returns:					
2007	[4]	[4]	[4]	December 2007	October 2008
2008	[4]	[4]	[4]	December 2008	October 2009
Nonresident alien estate tax returns:					
2007	[4]	[4]	[4]	December 2007	February 2009
2008	[4]	[4]	[4]	December 2008	May 2009
Fiduciary extracts:					
2007	[5]	[5]	[5]	December 2007	October 2008
2008	[5]	[5]	[5]	December 2008	October 2009
Tax-exempt bonds:					
2006	[6]	[6]	[6]	December 2007	April 2008
2007	[6]	[6]	[6]	December 2008	April 2009

[1] Corporation statistics for 2005 represent accounting periods ended July 2005 through June 2006. Study Year 2006 is similarly defined.

[2] Data for 2005 represent accounting periods ending July 2005 through June 2006. Data for Study Year 2006 are similarly defined.

[3] Data for 2005 represent tax years ending between December 2005 and November 2006. Study Year 2006 is similarly defined.

[4] Estate and gift tax data are processed on a filing-year, rather than on a year-of-death or gift-year (tax-year) basis. At a later stage (not shown here), filing years are combined by year of death or gift year, respectively.

[5] Split-interest trust and fiduciary income tax statistics are processed on a filing-year rather than a tax-year basis.

[6] Tax-exempt private activity governmental bond statistics are collected annually based on issue year. Arbitrage rebate and penalty studies are conducted biennially, for tax years ending in odd numbers.

SOI Projects and Contacts

General Statistical Information: (202) 874-0410 Fax: (202) 874-0964 e-mail: sis@irs.gov

Projects*	Primary Analysts	Frequency and Program Content
Americans Living Abroad:		
2006 Program	Scott Hollenbeck Maureen Keenan Kahr	This periodic study is conducted every 5 years. It covers foreign income, foreign taxes paid, and foreign tax credit shown on individual income tax returns. Data are classified by size of adjusted gross income and country.
Controlled Foreign Corporations:		
2006 Program	Jason Wenrich	This semiannual study provides data on activities of foreign corporations that are controlled by U.S. corporations. Data are classified by industry group and country.
Controlled Foreign Partnerships:		
2008 Program	Bill States	This study provides data on activities of foreign partnerships that are controlled by U.S. corporations or partnerships. Frequency of this study has not been determined.
Corporation Foreign Tax Credit:		
2005 Program 2006 Program	Rob Singmaster Scott Luttrell	This annual study provides data on foreign income, taxes paid, and foreign tax credit reported on corporation foreign income tax returns. Data are classified by industry group and country.
Corporation Income Tax Returns:		
2005 Program 2006 Program	Bill Rush Todd Reum Ellen Legel	Basic data are produced annually and cover complete income statement, balance sheet, tax, tax credits, and details from supporting schedules. Data are classified chiefly by industry group or asset size.
Entity Classification Election:		
	John Comisky Lawrence Sao	This annual study provides data from all Entity Classification Elections, including the type of election and whether the entity is foreign or domestic.
Estate Tax:		
2004-2006 Program 2007-2009 Program	Brian Raub	This annual study provides information on a gross estate and its composition, deductions, and tax; and information on the age, sex, and marital status of decedents. Basic estate tax return data by year in which returns are filed are produced each year. Also included are data on nonresident aliens who had more than \$60,000 of assets in the United States. Other statistics are available on a year-of-death basis (approximately every 3 years). The most recent study is based on decedents who died in 2004 with returns filed in 2004-2006. The most recent data available are for returns filed in 2006.

SOI Projects and Contacts

General Statistical Information: (202) 874-0410 Fax: (202) 874-0964 e-mail: sis@irs.gov

Excise Taxes:	Melissa Laine	Basic data are collected and processed by three Department of the Treasury agencies: the Internal Revenue Service, the Alcohol and Tobacco Tax and Trade Bureau (formerly the Bureau of Alcohol, Tobacco, Firearms, and Explosives), and the Customs Service. Data by type of tax are shown by Fiscal Year (FY) for 1998-2004 and quarterly for FY 2005 and the first two quarters of FY 2006.
Farm Sole Proprietorships:		
2005 Program	Kevin Pierce	This periodic study provides farm income and expenses classified by industry and gross farm income reported by individuals on Schedule F, <i>Profit or Loss from Farming</i> .
2006 Program	Mary Jezek	
Foreign-Controlled Domestic Corporations:		
2005 Program	James Hobbs	This annual study covers domestic corporations with 50-percent-or-more stock ownership by a single foreign "person." It covers balance sheet, income statement, and tax-related data, which are classified by industry group, country, and size and age of the corporations. Data are compared to those for other domestic corporations.
Foreign Recipients of U.S. Income:		
2006 Program	Scott Luttrell	This annual study provides data by country on income paid to nonresident aliens and the amount of tax withheld for the U.S. Government.
Foreign Trusts:		
2006 Program	Dan Holik	This periodic study, conducted every 4 years, provides data on foreign trusts that have U.S. "persons" as grantors, transferors, or beneficiaries. Data include country where the trust was created, value of transfer to the trust, and year the trust was created. The most recent study is for Tax Year 2002.
Gift Tax:		
2006 Program	Darien Jacobson	This annual study provides data for type and amount of gift, information on donee, and tax computation items. Information about the donor and gift splitting is also available. Most recent data are for Filing Year 2006.
2007 Program		
2008 Program		
Individual Income Tax Return Public-Use File:		
	Mario Fernandez	Microdata on CD-ROMs are produced annually and contain detailed information obtained from the individual income tax return statistics program, with identifiable taxpayer information omitted to make the file available for public dissemination on a reimbursable basis.
Individual Income Tax Returns:		
2004 Program	Maureen Keenan Kahr	Basic data are produced annually and cover income, deductions, tax, and credits reported on individual income tax returns and associated schedules. Data are classified by size of adjusted gross income, marital status, or type of tax computation.
2005 Program	Scott Hollenbeck	
2006 Program	Jeff Curry	

SOI Projects and Contacts

General Statistical Information: (202) 874-0410 Fax: (202) 874-0964 e-mail: sis@irs.gov

<p>Individual Income Tax Returns Special Tabulations:</p>	<p>Mike Parisi</p>	<p>Special tabulations of selected individual income, deduction, and tax data are produced on a reimbursable basis.</p>
<p>Interest-Charge Domestic International Sales Corporations (IC-DISCs): 2005 Program 2006 Program</p>	<p>Dan Holik</p>	<p>These corporations replaced the Domestic International Sales Corporations, or DISCs, as of 1985. Balance sheet, income statement, and export-related data are tabulated every 4 years. The most recent study is for Tax Year 2004.</p>
<p>International Boycott Reports: 2005 Program 2006 Program</p>	<p>Lissa Costa</p>	<p>This study provides data on business operations of U.S. "persons" in boycotting countries, as well as the requests and agreements to participate in, or cooperate with, international boycotts not sanctioned by the U.S. Government.</p>
<p>Migration Flow and County Income Data:</p>	<p>Emily Gross Kevin Pierce</p>	<p>Migration flow data (based on year-to-year changes in individual income tax return addresses) and county or State income data are available annually on a reimbursable basis. The most recent data are for 2004-2005.</p>
<p>Noncash Charitable Contributions:</p>	<p>Janette Wilson</p>	<p>This study of individual income tax returns provides detailed asset donations, descriptions of the donees, donor cost, fair market value, and deduction claimed on Form 8283, <i>Noncash Charitable Contributions</i>.</p>
<p>Occupation Studies:</p>	<p>Terry Nuriddin</p>	<p>This periodic study classifies individual income tax returns by occupation and contains a dictionary of occupational titles that can be used to enhance the economic data of other individual income tax return studies.</p>
<p>Partnership Returns of Income:</p>	<p>Tim Wheeler Nina Shumofsky</p>	<p>Basic data, produced annually, cover income statement, balance sheet, and details from supporting schedules. Data are classified chiefly by industry group.</p>
<p>Partnership Withholding Study: 2005 Program</p>	<p>Scott Luttrell</p>	<p>This annual study provides data on U.S. partnership payments to foreign partners. Data are classified by country and recipient type.</p>
<p>Personal Wealth Study: 2005 Program 2006 Program</p>	<p>Brian Raub</p>	<p>This periodic study provides estimates of personal wealth of top wealth holders that are generated from estate tax return data using the "estate multiplier" technique, in conjunction with both filing-year and year-of-death estate databases. The most recent data, 2004, are based on returns filed from 2004 to 2006.</p>

SOI Projects and Contacts

General Statistical Information: (202) 874-0410 Fax: (202) 874-0964 e-mail: sis@irs.gov

<p>S Corporations:</p>	<p>Heather Parisi</p>	<p>Annual study data are collected for the income statement and balance sheet, and from supporting schedules. Data are classified by industry group or asset size.</p>
<p>Sales of Capital Assets:</p>	<p>Janette Wilson</p>	<p>This periodic study provides detailed data on the sales of capital assets reported in the capital gains schedule of the individual income tax return, and on sales of residences and personal or depreciable business property.</p>
<p>Sole Proprietorships: 2004 Program 2005 Program 2006 Program</p>	<p>Jeff Curry</p>	<p>Basic data, produced annually, cover business receipts, deductions, and net income reported on Schedule C, <i>Profit or Loss From Business</i>, for nonfarm proprietors, classified by industry group.</p>
<p>Split-Interest Trust Information: 2006 Program 2007 Program 2008 Program</p>	<p>Lisa Schreiber</p>	<p>This annual study provides information on charitable remainder trusts, charitable lead trusts, and pooled income funds. Data include balance sheet, income, deductions, and detail from accumulation and distribution schedules. The most recent data are for Filing Year 2006.</p>
<p>Tax-Exempt Bond Issues: 2006 Program 2007 Program 2008 Program</p>	<p>Cynthia Belmonte Emily Shammass</p>	<p>This annual study provides information on private activity and Governmental bond issues by type of property financed, size of face amount, and State. The most recent data are for Tax Year 2006 public purpose bonds and private activity bonds.</p>
<p>Tax-Exempt Organizations (Except Private Foundations): 2005 Program 2006 Program 2007 Program</p>	<p>Paul Arnsberger</p>	<p>This annual study provides balance sheet and income statement data for organizations classified as tax-exempt under subsections 501(c)(3)-(9) of the Internal Revenue Code. The most recent data are for Reporting Year 2005 returns filed in Calendar Years 2006-2007.</p>
<p>Tax-Exempt Organizations (Private Foundations): 2005 Program 2006 Program 2007 Program</p>	<p>Melissa Ludlum Cynthia Belmonte</p>	<p>This annual study provides balance sheet and income statement data for domestic private foundations and charitable trusts filing a Form 990-PF. The most recent data are for Reporting Year 2005 returns filed in Calendar Years 2006-2007.</p>
<p>Tax-Exempt Organizations, Unrelated Business Income: 2004 Program 2005 Program 2006 Program</p>	<p>Melissa Ludlum</p>	<p>This annual study provides tabulations of “unrelated business” income and deductions for organizations classified as tax-exempt under the Internal Revenue Code. The most recent data are for Reporting Year 2004 returns filed in Calendar Years 2006-2007.</p>

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General Statistical Information: (202) 874-0410 Fax: (202) 874-0964 e-mail: sis@irs.gov

**Transactions of Foreign-
Controlled Corporations:**

Mark Lowe

This biennial study provides data on transactions between U.S. corporations and their foreign owners. Data are classified by country and industry group.

U.S. Possessions Corporations:

2005 Program

Dan Holik

This periodic study, planned for every 2 years, provides data on income statements, balance sheets, tax, and "possessions tax credit" for qualifying U. S. possessions corporations. (Most of these corporations are located in Puerto Rico.)

ZIP Code Area Data:

Mary Jezek

Statistics on CD-ROM show number of individual income tax returns, exemptions, and several income items by State and 5-digit ZIP Code. Data are available for 2002, 2004, and 2005 on a reimbursable basis. (Data for Tax Years 1991, 1998, and 2001 are also available, free of charge, on the IRS Web site: <http://www.irs.gov/taxstats/article/0,,id=96947,00.html>.)

* Many of the data release dates, i.e., the months in which the Statistics of Income Division expects to release data to users, ahead of publication, on request, are published in each issue of the *SOI Bulletin* (see "Public Release of SOI Information"). For more information about data availability for a particular project, call or fax the numbers shown at the top of the page.

SOI Products and Services

Statistics of Income (SOI) data are available in electronic formats and in printed publications. For further information on any of the following products and services, or for answers to questions on the availability of SOI data, other statistical services, or release dates for data, contact SOI's **Statistical Information Services (SIS)**:

Statistical Information Services (sis@irs.gov)
Statistics of Income Division
Internal Revenue Service
P.O. Box 2608 • Washington, DC 20013-2608
(202) 874-0410 • **Fax:** (202) 874-0964

As its name implies, SIS is best able to answer questions about data. It does not supply tax forms or information about the status of an individual's tax refund or audit examination. Media requests should be directed to the IRS Media Relations Branch, Communications Division, on (202) 622-4000.

Electronic Products and Services

Products Available Free on the Internet

SOI's Internet site offers a combination of files presenting SOI tables, articles about SOI data, and information about SOI products and services, as well as non-SOI products, including annual *IRS Data Book* tables, Compliance Research projections, and nonprofit Master File microdata records. At present, over 8,225 files reside there.

Web site: www.irs.gov/taxstats

There is also a direct link to our Web site from FedStats, the gateway to official statistics from the Federal Government: www.fedstats.gov.

Tax Stats

On the Tax Stats Home Page, you will find the following list of topics that will lead you to a wide range of tables, articles, and data that describe and measure elements of the U.S. tax system. There is also a link to check out What's New.

Business Tax Statistics

Corporations • International • Partnerships
Nonfarm Sole Proprietorships
S Corporations • All Topics

Charitable and Exempt Organization Statistics

Charities • Exempt Organization Master File
Private Foundations • Trusts
Tax-Exempt Bonds • All Topics

Individual Tax Statistics

Filing Season Statistics • Estate and Gift Tax
Individual Income Tax • International
Personal Wealth • All Topics

Products, Publications, and Papers

SOI Bulletins • *IRS Data Books*
Conference Papers • SOI Paper Series
All Topics

IRS Operations, Budget, and Compliance

Issuing Refunds • Collecting Revenue
Enforcing Laws • Assisting Taxpayers
All Topics

Statistics by Form

706 • 709 • 990 • 990-PF • 990-T
1040 • 1041 • 1065 • 1118 • 1120
5471 • 5472 • 8038 • All Forms

Statistics of Income (SOI)

About SOI • Careers With SOI
SOI Services • SOI Studies
All Topics

Additional Information

Tax Statistics at a Glance
Join SOI Tax Stats E-Mail List
Payments for SOI Data
Questions On Tax Statistics?

Products Available From SOI

Many of SOI's data files are available for sale on CD-ROM, diskette, tape, or via e-mail through the Statistical Information Services Office. **Prepayment is required for orders of \$100 or more**, with checks made payable to the **IRS Accounting Section**. Contact SIS for information on specific products, prices, sources, media, and ordering instructions.

The following files are currently available on a reimbursable basis and include data from returns covering corporations, individuals, exempt organizations, and private foundations and charitable trusts. Most of these files are tabulations of aggregated data, but some are files of microdata records.

Corporation Income Tax Returns

Corporation Source Book

A magnetic tape or CD-ROM containing data from the *Corporation Source Book* are available for years 1996-2003 at a cost of \$250 per year. Data from the 2004 and 2005 *Corporation Source Books* are available at no charge from the Tax Stats Web site. Data tables from the 2000 through 2005 *Source Book* are also available at no charge from the Tax Stats Web site at: www.irs.gov/taxstats/bustaxstats/article/0,,id=149687,00.html. See also *Printed Publications* section.

Individual Income Tax Returns

Individual Public-Use Microdata Files

These files include individual income tax returns for 1960, 1962, 1964, and 1966-2004. All of the files have been edited to protect the confidentiality of individual taxpayers. Public-use files of individual income tax returns for 1960, 1962, 1964, and 1966-1991 are available for sale by writing to the Center for Electronic Records at the National Archives and Records Administration, 8601 Adelphi Road, College Park, MD 20740-6001, or by calling toll-free (866) 272-6272. Files for 1992 through 2004 are available on CD-ROM from the SOI Division. Price for the SOI microdata file is \$4,000 per year.

County-to-County Migration Data

One table, based on the year-to-year changes in the addresses shown on the population of returns from the IRS Individual Master File system. This table presents data on migration patterns by county for the entire United States, including inflows and outflows. The data include the number of returns (which approximates the number of households); the number of personal exemptions (which approximates the population); total "adjusted gross income" (starting with Filing Year 1993). Available for Filing Years 1984-2007. Price is \$200 per year for the entire United States or \$10 per State per year. (All years for the entire United States are also available for \$500.)

State-to-State Migration Data

One table, based on the year-to-year changes in the addresses shown on the population of returns from the IRS Individual Master File system. This table presents data on migration patterns by State for the entire United States, including inflows and outflows. The data include the number of returns (which approximates the number of households); the number of personal exemptions (which

approximates the population); total "adjusted gross income" (starting with Filing Year 1993). Available for Filing Years 1989-2007. Price is \$50 per year for the entire United States or \$10 per State per year.

County Income Data

One table, based on the population of returns from the IRS Individual Master File system. This table presents data for adjusted gross income (total and for selected sources), number of returns (which approximates the number of households), and number of personal exemptions (which approximates the population). The data are presented by county (including State totals) and are available for Tax Years 1989-2006 for the entire United States. Price is \$50 per year for the entire United States or \$10 per State per year.

ZIP Code Area Data

Statistics are available for Tax Years 2002, 2004, and 2005 on CD-ROM showing the number of individual income tax returns; the total number of exemptions and number of dependent exemptions (which approximates population); adjusted gross income; salaries and wages; taxable interest; total tax; contributions; number of returns with Schedules C and F; and number of returns with Schedule A, by State and 5-digit ZIP Code. In addition to these items, data for Tax Year 2004 and 2005 also show the amount of taxable dividends; net capital gain/loss; IRA payment adjustment; self-employed pension adjustment; taxes paid deduction; alternative minimum tax; income tax before credits; earned income credit; and number of returns prepared by paid preparers. Price is \$500 for the entire United States; \$25 for a single State. Data for Tax Years 1998 and 2001 are available free on SOI's Internet site. Go to www.irs.gov and select the **Tax Stats** option; Individual Tax Statistics; Individual Income Tax; Zip Code Data (SOI) under Data by Geographic Areas.

Tax-Exempt Organizations

Compendium of Studies of Tax-Exempt Organizations, 1989-1998

This is a compilation of articles on SOI studies of charitable and other nonprofit organizations described in Internal Revenue Code sections 501(c)(3)-(c)(9), private foundations, charitable remainder trusts, and nonprofit organizations' unrelated business income. All of these articles were published previously in various issues of the *Statistics of Income Bulletin*. In addition, the *Compendium* includes papers on statistical sampling of tax-exempt

SOI Products and Services

organization returns, and other topics relating to tax-exempt organizations and philanthropy that were authored by IRS staff and others who use SOI study data for research. Available at no charge on CD-ROM.

Microdata Records for Tax Year 2005

Microdata records of all Forms 990 and 990-EZ sampled for the annual SOI study of tax-exempt organizations. The samples include 15,862 Internal Revenue Code section 501(c)(3) organizations and 6,577 section 501(c)(4)-(9) organizations. All returns for organizations with assets of \$50 million or more are included in the sample. Microdata records contain information on balance sheets and income statements, as well as weights (to estimate the population), for each organization. Available for download from SOI's Tax Stats Web site at www.irs.gov/taxstats/charitablestats/article/0,,id=97176,00.html, or may be purchased.

Microdata Records for Tax Years 1992-2004

Microdata records of all Forms 990 and 990-EZ sampled for the annual SOI study of tax-exempt organizations. Microdata records contain information on balance sheets and income statements, as well as weights (to estimate the population), for each organization. Available for download from SOI's Tax Stats Web site at www.irs.gov/taxstats/charitablestats/article/0,,id=97176,00.html, or may be purchased on CD-ROM for \$20.

Private Foundations (and Charitable Trusts)

Microdata Records for Tax Year 2005

Microdata records of all Forms 990-PF sampled for the annual SOI study covering private foundations and Internal Revenue Code section 4947 (a)(1) charitable trusts. The file contains both operating and nonoperating foundations and trusts. The sample includes 11,767 returns. (All returns filed by foundations with assets of \$10 million or more, as well as the population of returns filed by nonexempt charitable trusts, are included in the sample.) Microdata records contain information on revenue, expenses, assets, and distributions, as well as weights, for each foundation or trust. Available for download from SOI's Tax Stats Web site at www.irs.gov/taxstats/charitablestats/article/0,,id=96996,00.html, or may be purchased for \$20.

Microdata Records for Tax Years 1992-2004

Microdata records of all Forms 990-PF sampled for the annual SOI study covering private foundations and Internal Revenue Code section 4947 (a)(1) charitable trusts. Microdata records contain information on revenue, ex-

penses, assets, and distributions, as well as weights, for each foundation or trust. Available for download from SOI's Tax Stats Web site at www.irs.gov/taxstats/charitablestats/article/0,,id=96996,00.html, or may be purchased for \$20.

Printed Publications

Publications Available for Sale From GPO

Recent SOI publications are available from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC, **by calling (202) 512-1800, or faxing (202) 512-2250.** (Credit cards are accepted.) Publications may also be obtained by using the order form at the end of this *Bulletin* or write to:

Superintendent of Documents

P.O. Box 371954
Pittsburgh, PA 15250-7954

Note:

If you determine from the Government Printing Office that any of the following items are out of print or unavailable, call **Statistical Information Services on (202) 874-0410** for assistance. The most recent issue of these publications may be available from SOI.

IRS Data Book, 2007

Annually, Publication 55B, Stock No. 048-004-02498-5
Price: \$11 Foreign: \$15.40

This volume pertains to Fiscal Year 2007—October 1, 2006, through September 30, 2007. The report provides information on returns filed and taxes collected, enforcement, taxpayer assistance, the IRS budget and workforce, and other selected activities.

Statistics of Income Bulletin

Quarterly, Publication 1136, Stock No. 748-005-00000-5
Subscription price: \$53 Single copy price: \$39

This series provides the earliest published financial statistics from individual and corporation income tax returns. The *Bulletin* also includes annual data on nonfarm sole proprietorships and partnerships, as well as periodic or special studies of particular interest to tax analysts, administrators, and economists. Historical tables include data from SOI, as well as tax collections and refunds by type of tax.

**Statistics of Income—2004,
Corporation Income Tax Returns**

*Publication 16, Stock No. 048-004-02495-1
Price: \$50 Foreign: \$70*

This report presents more comprehensive data on corporation income tax returns with accounting periods that ended July 2004 through June 2005 than those published earlier in the *SOI Bulletin*.

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|--|--|
| Presents information on: | Classifies data by: |
| <ul style="list-style-type: none"> ■ receipts ■ deductions ■ net income ■ taxable income ■ income tax ■ tax credits ■ assets ■ liabilities | <ul style="list-style-type: none"> ■ industry ■ accounting period ■ size of total assets ■ size of business receipts ■ size of income tax after credits |

**Statistics of Income—2005,
Individual Income Tax Returns**

*Publication 1304, Stock No. 048-004-02497-7
Price: \$37 Foreign: \$51.80*

This report presents more comprehensive and complete data on individual income tax returns for Tax Year 2005 than those published earlier in the *SOI Bulletin*.

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| Presents information on: | Classifies data by: |
| <ul style="list-style-type: none"> ■ sources of income ■ exemptions ■ itemized deductions ■ tax computations | <ul style="list-style-type: none"> ■ size of adjusted gross income ■ marital status ■ type of tax computation |

Publications Available From SOI

Other SOI periodicals and one-time reports are available for sale from Statistical Information Services. These reports include data from returns covering corporations and estate taxes.

**Statistics of Income—2005,
Corporation Source Book**

Publication 1053 Price: \$175 plus \$10 for shipping and handling

This document presents detailed income statement, balance sheet, tax, and selected items, by sector, major and minor industrial groups, and size of total assets for all

returns and separately for returns with net income. Separate statistics on S corporations are included by sector. Industry detail is based on the North American Industry Classification System (NAICS). The report, which underlies the *Statistics of Income—Corporation Income Tax Returns* publication, is part of an annual series and can be purchased in its entirety or by page. *Corporation Source Book* industry pages and notes for 1963 through the present are available at a cost of \$30, plus \$1 per page copying charge (free for orders under 5 pages). The complete, printed version of the *Source Book* for 1984-2004, is also for sale at \$175 per year, plus \$10 for shipping and handling. See also *Electronic Products and Services* section.

Compendium of Federal Estate Tax and Personal Wealth Studies

Publication 1773 Price: \$26 plus \$10 for shipping and handling

Part I of this report focuses on data from estate tax returns, describing decedents, their beneficiaries, and the composition of their estates. It contains a methodological discussion of the strategy used in weighting sample data for the estate studies and presents statistics on selected components of decedents' estates, 1916-1990. Information on charitable giving is also included.

Part II presents a series of articles describing the estate-multiplier technique and its applications for personal wealth estimates, estimates of personal wealth for selected years 1962-1989, and a discussion of the relationship among realized income, wealth, and well-being.

Special Studies in Federal Tax Statistics, 2006

Publication 1299 No charge

This is the sixth edition of the IRS Methodology Report series *Special Studies in Federal Tax Statistics, 2006*. The papers included in this volume were presented in 2006 at the Joint Statistical Meetings of the American Statistical Association (ASA) held in Seattle, Washington, the National Tax Association's Annual Conference on Taxation held in Boston, Massachusetts, and the United Nations Statistical Commission and Economic Commission for Europe Conference of European Statisticians held in Geneva, Switzerland.

It has been divided into six major sections:

SOI Products and Services

- Innovative uses of longitudinal panels, information documents, and time-series analysis to study the impact of the U.S. tax system;
- Measuring, monitoring, and evaluating Internal Revenue Service data;
- Broad quality issues in organizations;
- Survey-based estimation;
- Tax benefits and administrative burdens, recent research from the IRS; and
- Statistical dissemination and communication.

