

# Unincorporated Business Activity for 1981

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The recession and high interest rates of 1980 continued to be important factors for 1981, resulting in a further decline in unincorporated business profits. In the case of partnerships the decline was aggravated by "tax losses" resulting from growing "tax shelter" activities. These activities, typically involving real estate and oil and gas ventures, are such that they often produce losses during the first few years of an operation.

As evidenced by the table below, the drop in profits of sole proprietorships was not nearly as dramatic as that of partnerships, where for the first time ever there was an overall deficit for a year [1].

Income Year	Net income (less deficit)	
	Sole Proprietorships	Partnerships
	(billions)	
1977 .....	\$51.4	\$13.3
1978 .....	59.0	14.4
1979 .....	60.8	15.2
1980 .....	55.4	8.2
1981 .....	48.9	-2.7
Year-to-year change:		
1977-78 .....	+\$7.6	+\$1.2
1978-79 .....	+1.7	+0.8
1979-80 .....	-5.3	-7.0
1980-81 .....	-6.6	-11.0

In comparing the profit data as reported to the Internal Revenue Service (IRS), the fact that net income is defined differently for these two legal forms of business should be kept in mind [2].

The detailed analyses that follow are mainly concerned with sole proprietorship activity. However, except for Figure A, the agriculture division is not covered [3]. Statistics on nonfarm proprietorships are presented in detail in Table 1; selected agricultural industry data for other than farming are included in this table. All of the data presented in this article are in current dollars and so have not been adjusted to reflect the changing effects of inflation.

## SUMMARY

Although business receipts for sole proprietorships continued to rise over previous years, costs increased at an even more rapid pace leading to a decline in profits for 1981. The tables below help to show how the various industry groupings fared during the first two years (1980 and 1981) of the recent recession.

Figure A - Sole Proprietorship Receipts and Net Income by Industry

	Business Receipts		
	(billions)		
	1979	1980	1981
Total .....	\$487.8	\$505.9	n.a.
Agriculture, forestry and fishing .....	98.6	101.1	n.a.
Total, nonagricultural industries .....	389.2	404.8	420.1
Mining .....	6.1	8.6	10.4
Construction .....	50.9	47.8	47.7
Manufacturing .....	12.9	14.8	13.6
Transportation and utilities .....	18.1	20.0	21.9
Trade .....	195.7	202.3	198.3
Finance, insurance and real estate .....	21.2	21.5	22.2
Services .....	83.3	88.0	103.0
	Net income (less deficit)		
	(billions)		
Total .....	60.8	55.4	48.9
Agriculture, forestry and fishing .....	5.1	1.3	-3.4
Total, nonagricultural industries .....	55.5	54.2	52.3
Mining .....	0.1	0.3	-0.2
Construction .....	7.9	7.5	6.8
Manufacturing .....	1.5	1.7	1.4
Transportation and utilities .....	2.0	2.0	2.1
Trade .....	11.2	9.4	8.4
Finance, insurance and real estate .....	7.1	6.6	6.0
Services .....	25.5	26.4	27.5

n.a. - not available.

Over the years 1977-81, the business deductions of nonagricultural proprietorships as a percent of business receipts gradually rose:

1977 .....	84.8%
1978 .....	85.2
1979 .....	85.7
1980 .....	86.6
1981 .....	87.6

For each year, about three-fifths of total deductions represented the cost of sales and operations. Other major deductions, though of far less magnitude, were for depreciation, rent, insurance, repairs, taxes and interest. Figure B shows the long-range trend in

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regard to the latter two deductions in comparison to net income. For 1981, the deduction for taxes paid decreased for the first time, possibly the effect of declining profits on state and local income taxes. The growth in the deduction for interest paid is not surprising in light of the rise in interest rates.

#### Wholesale and Retail Trade

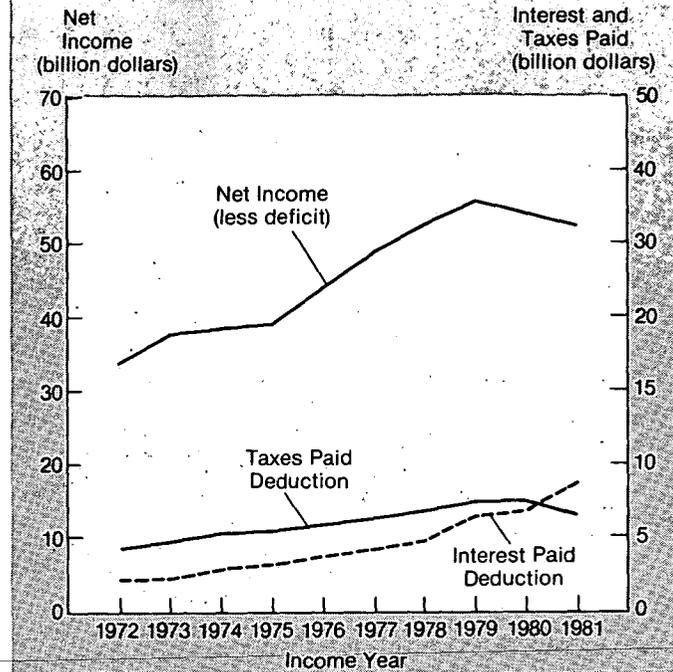
Wholesale and retail trade and the service industries are normally associated with the sole proprietorship form of organization and 1981 was no exception. The way wholesale and trade businesses weathered the recession differed markedly, however. As the table below shows, receipts of wholesalers were down sharply after 1979. Retail sales, on the other hand, continued to increase, with 1981 the highest ever. Retail profits, on the other hand, continued their gradual decline, perhaps related to the high interest rates retailers had to deal with when they needed short-term credit. (Retailers accounted for about four-fifths of the interest deductions for the trade division). The interest income from retail installment sales, which would be expected to increase, was reported directly on the tax returns of the owners and was not considered to be sole proprietorship income.

	Business receipts (billions)	Net income less deficit (billions)
Wholesale trade:		
1977	\$33.5	\$2.5
1978	39.1	3.2
1979	43.8	3.2
1980	42.7	3.1
1981	29.2	1.9
Retail trade:		
1977	\$123.6	\$6.9
1978	135.8	7.1
1979	146.1	7.3
1980	153.8	5.7
1981	157.8	5.6
Wholesale and retail trade not allocable:		
1977	\$ 3.4	\$0.3
1978	4.2	0.5
1979	5.7	0.6
1980	5.8	0.6
1981	11.3	0.9

As would be expected, trends within the trade division varied greatly, with those businesses that were distributors of staples such as food much better off during the 1980-81 period than distributors of items whose purchase could be postponed or dispensed with. Industries such as general merchandise which includes small department or specialty stores; eating and drinking establishments; furniture stores; and even apparel stores, all suffered as a result.

A possible statistical limitation in evaluating the data for the trade division is the sharp increase in the category "wholesale and retail trade not allocable" from 1980 to 1981. This group represents businesses whose distribution activities could not be identified for the statistics. For 1981, the number of such businesses had nearly doubled over the year before. Additional information on the "not allocable" statistics is presented in the data limitations section at the end of this article.

**Figure B**  
Nonagricultural Sole Proprietorships: Net Income and Deductions for Interest and Taxes Paid, 1972-81



Among the retail trade industries, the automotive group deserves special mention since it includes over half of the Nations' total of new and used car and truck dealerships (albeit the smaller ones in terms of total sales volume) and nearly half of the gasoline service stations (excluding those operated directly by oil companies). Over the years, it has been the service stations that have dominated the automotive group for sole proprietorships. While the number of stations that were sole proprietorships have declined [4], e.g., for 1972, there were nearly 200,000, for 1981, the total number was less than 100,000. Dollar-wise, gasoline sales reached an all-time high for 1980 (\$40.2 billion), dropping only slightly (to \$39.2 billion) for 1981. Even so, profits were down by 25 percent for 1981. An increase in interest deductions was a contributing factor.

#### Services

The service industries appeared to have been little affected by the recession, with the number of firms and the amounts for receipts and profits all on the increase over the five-year period, 1977-1981.

At the beginning of this period, there were 3.3 million such businesses. By the end of 1981, there were approximately 4 million. Over the period service businesses accounted for around 40 percent of all nonagricultural proprietorships. Moreover, they accounted for about 20-25 percent of total nonagricultural proprietorship receipts and a growing percent of the profits; for 1981, service industry profits accounted for more than 50 percent for the first time. In part, this may be an indication of the long-range transition of the national economy to one that is service-oriented. In part also, it reflects the public's perception of necessities in contrast to luxuries during a time of austerity:

automobiles must be repaired if they are not to be replaced; medical services that are required must be obtainable; and, in regard to personal services, those that are always in demand must always be available, recession or not. This includes dry cleaners, laundries, barber and beauty shops, funeral homes, and various types of repair services besides automobile.

Medical and legal services, together, have comprised the largest category within the services division for some years now. Medical and health services alone account for 25-30 percent of the receipts and around 40 percent of service industry profits (although only about 10 percent of the number of businesses). It is interesting to note that from 1977 to 1981, the profits of the medical group gradually declined relative to total services, from 43 to 38 percent.

Physicians and dentists account for most of the activity in the medical and health services group. The fact that their number seem to have remained relatively constant in recent years (around 150,000 physicians and 85,000 dentists) may well be because more of them have adopted the corporate form of business organization for their practice than to any lack of growth in their total number.

Receipts and profits for recent years are shown below for sole proprietorship physicians and dentists:

	<u>Business receipts</u> (billions)	<u>Net income (less deficit)</u> (billions)
Offices of physicians:		
1977 .....	\$9.3	\$5.3
1978 .....	9.1	5.1
1979 .....	10.1	5.6
1980 .....	9.9	5.3
1981 .....	10.0	5.2
Offices of dentists:		
1977 .....	\$6.1	\$2.8
1978 .....	6.9	2.9
1979 .....	6.8	2.8
1980 .....	7.1	2.9
1981 .....	7.7	3.0

The data tend to confirm that the recession had little effect on the professional income of these individuals. The data also show that physicians and dentists, in common with other self-employed professional people, had rates of return (net income on business receipts) that were among the highest in the sole proprietorship sector, although there were some indications of a slight decline over the five-year period as shown above.

Aside from medical and health services, legal services (mainly lawyers in private practice) was a large and growing activity. These firms increased in number from 163,000 in 1977 (and 135,000 in 1972), to nearly 200,000 in 1981. Other trend data for the legal services group are shown below:

	<u>Business receipts</u> (billions)	<u>Net income (less deficit)</u> (billions)
Legal services:		
1977 .....	\$5.6	\$2.8
1978 .....	5.8	2.8
1979 .....	6.3	2.9
1980 .....	6.6	3.2
1981 .....	7.8	3.3

Still other major growth areas in the services division were so-called business services, especially for management and public relations; personal services, in particular barber and beauty shops; amusement and recreation services, notably for the group entitled producers, orchestras and entertainers; and automotive repair and services, mainly those engaged in general automotive repairs.

Construction

For the third straight year, construction receipts and profits declined. These declines followed the general decline in new housing starts and were particularly evident in the case of general building contractors (and operative builders). The receipts for these contractors were at an all-time high in 1978 and declined thereafter. However, profits for them did not peak until a year later before dropping off.

Special trade contractors tend to play a dominant role in the construction industry statistics. These contractors, whether small businesses or self-employed individuals, are engaged in activities such as carpentering, flooring, painting, masonry and the like. This group fared somewhat better than general building contractors, perhaps because their businesses were not necessarily tied to new housing, but included work done on older structures as well. As a result, their receipts were at the highest in 1981, though their profits for that year were off sharply. This was especially so for those involved in masonry, plastering (and related activities), and carpentering.

Receipts and profits for general trade contractors and operative builders and for special trade contractors are summarized below:

	<u>Business receipts</u> (billions)	<u>Net income (less deficit)</u> (billions)
General trade contractors and operative builders:		
1977 .....	\$16.1	\$1.5
1978 .....	20.3	1.9
1979 .....	19.4	2.0
1980 .....	16.9	1.7
1981 .....	16.4	1.5

Special trade contractors:

1977 .....	\$22.9	\$4.5
1978 .....	27.1	5.6
1979 .....	28.2	5.5
1980 .....	27.3	5.3
1981 .....	28.6	4.9

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### Finance, insurance and real estate

Just two industries in finance, insurance, and real estate accounted for the major role played by this industrial division in the statistics for sole proprietorships. They were insurance agents, brokers and service and real estate agents, brokers and managers. While sales and profits of the former continued to rise in 1980 and 1981, profits for the latter took a drop, although the sales to which they were related seemed to have stabilized somewhat. Here, again, this was only for the sole proprietorship part of the industry; the finance, insurance and real estate division is dominated by corporations with a major role played by partnerships in regard to real estate.

Receipts and profits for the two major sole proprietorship industries are summarized below:

	<u>Business receipts</u> (billions)	<u>Net income</u> (less deficit) (billions)
Insurance agents, brokers and service:		
1977 .....	\$5.4	\$2.5
1978 .....	5.5	2.4
1979 .....	5.8	2.4
1980 .....	6.5	2.7
1981 .....	7.2	2.8

### Real estate agents, brokers and managers:

1977 .....	\$8.5	\$3.4
1978 .....	9.7	3.9
1979 .....	10.8	4.2
1980 .....	9.8	3.4
1981 .....	10.3	2.7

The real estate group also was noted for its tax shelter activities, although most of these undertakings were joint ventures, organized as partnerships. As in the case of partnerships, the owner-investor had to be willing to sustain short-term losses in exchange for potentially high rates of return later on in terms of profits, capital gains and various income tax deductions, such as for depreciation. Concentrated in such real estate industries as operators and lessors of buildings or as subdividers and developers, these operations for proprietorships appeared in the main to be small scale, judging by the statistics. An overall deficit of \$50 million was reported for the two industries combined for 1981, compared to an overall profit of less than \$1 million for 1980. In contrast, partnership profits for these two industries for 1981 were a negative \$7.6 billion and for 1980 a negative \$3.6 billion.

### All other industries

Of far less significance to sole proprietorships are mining; manufacturing; and transportation, communication, electric, gas and sanitary services. Mining was almost entirely oil extraction and many of the operations were undoubtedly tax shelters that required risk-taking, but that also offered benefits to the owner-investor similar to those mentioned for the real estate industries (except that deductible losses were limited). The widely fluctuating profits from year to year may be indicative of the speculative nature of these ventures, while the increasing receipts, especially in 1981, may reflect

some of the initial results of domestic oil price decontrol which preceded the gradual decline in oil prices that followed.

The dominant activity in the transportation and public utility division insofar as sole proprietorships are concerned is trucking, which represents about three-fourths of the receipts and profits for the division. The recession did not appear to have had a noticeable effect on trucking as the industry as a whole continued to hold its own over the railroads in the transport of freight. Even so, data for recent years show a slight decline in profitability for this proprietorship industry.

Three industries account for most of the proprietorship activity in manufacturing: lumber and wood products, publishing and printing, and machinery (other than electrical). Lumber and wood reached a recent high in sales and profits for 1980, which then decreased in 1981, in response to the decline in the construction industry which began the year before [5].

Publishing and printing profits stayed about the same for 1979-1981, although the corresponding sales continued to climb throughout this period. Nonelectrical machinery followed about the same path as the lumber industry, with the effects of the recession first noticeable in the 1981 statistics following what appears to have been a banner year in 1980 (at least for those that were proprietorships).

### DATA SOURCES AND LIMITATIONS

A general description of sampling procedures and data limitations applicable to the Statistics of Income (SOI) tabulations is contained in the Appendix to this report. Specific information applicable to 1981 sole proprietorship data is presented below.

#### Sample Selection

The 1981 sole proprietorship statistics are based on a sample of individual income tax returns, Forms 1040, processed by the IRS during 1982. The sample was stratified based on presence or absence of Schedule C, Profit (or loss) from Business or Profession; State in which filed; adjusted gross income or deficit or largest selected source of income or loss; and size of business plus farm receipts. The returns were selected at rates that ranged from 0.05 percent to 100 percent. There were 55,649 returns in the sample drawn from a population of 9,949,028.

#### Limitations

Because the data presented in this article are estimates based on a sample of documents filed with the IRS, they are subject to sampling, as well as nonsampling, error. To properly use the statistical data provided, the magnitude of the potential sampling error must be known.

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

<u>Number of Returns</u>	<u>Approximated Coefficient of Variation</u>
1,242,100	.02
198,700	.05
49,700	.10
12,400	.20
5,500	.30
2,000	.50

The 1981 data are not altogether comparable with prior years. For this year, when there was more than one business schedule associated with a return, data from them were combined in order to simplify statistical processing. Because of this processing change, the frequencies in table 1 are described as representing the "number of returns", whereas for previous years they were described as representing the "number of businesses". As a corollary to the change in processing, industry statistics for 1981 were affected to the extent that "multiple businesses" associated with a given return may have reflected different business activities so that for 1980, for example, each business was independently represented in the industry statistics. For 1981, the multiple businesses reported on a return were all classified into the one industrial activity that predominated.

Another notable change in the 1981 statistics compared to 1980 results from the increases in the industry statistics for the various "nature of business not allocable" categories. This is attributable to the increased use for statistical purposes of the industry codes assigned to the return for IRS revenue processing purposes. Previously, each such code (which was based on the taxpayer's narrative description of the business activity that accounted for the largest percentage of gross receipts) was verified during the statistical processing of returns included in the SOI sample using, for example, reference books and information found elsewhere in the return. This verification could not be made during IRS mainline processing because the sample returns were not designated until afterwards. In the course of mainline processing, if the business activity could not be readily ascertained, it was coded in one of the "not allocable" groups. A further examination of sampled returns used for the statistics for "wholesale and retail trade not allocable" is underway to see if it is possible to code such returns more precisely in the future, while continuing to utilize other industry codes assigned during revenue processing.

Finally, for 1981, data from Schedule F, Farm Income and Expenses, and from Form 4835, Farm Rental Income and Expenses and Summary of Gross Income from Farming or Fishing, were not obtained as part of the SOI sample used for the sole proprietorship statistics. Because of the resulting absence of data on farming, the agriculture division has been omitted from most of the analyses. However, in Table 1, data (from Schedules C only) are included in the selected agricultural industry statistics presented for agricultural services; forestry; and fishing, hunting and trapping.

Nevertheless, for purposes of this article, farm net income has been projected to facilitate comparisons with 1980. The 1981 estimate was based on the average relationship between SOI farm income

statistics for 1976-80 reported as a source of income by the taxpayer in computing income tax on Form 1040 and the farm income data from supporting Schedule F [6]. For several reasons, data from the two sources are not the same. Farm net income statistics from Schedule F were generally about 20 percent higher than the corresponding amounts based on the Form 1040 itself, although farm deficit statistics from the two sources were generally within 2 percent of one another. Data for farm landlords were based on the 1976-80 relationships between the farm rental net income statistics from Form 4835 and rental income from all sources from Schedule E, Supplemental Income Schedule [7]. Farm rental net income statistics averaged 18 percent of the statistics for total rental net income, while statistics for farm rental net losses averaged 2 percent of the total for rental net losses.

#### NOTES AND REFERENCES

- [1] The 1981 totals for sole proprietorship net income are projections from 1980 because data on farming were not tabulated. Net income shown below for total agriculture, forestry and fishing was also projected. For the methodology used, see "Data Sources and Limitations" at the end of this article.
- [2] Unlike partnerships, sole proprietorship net income excludes income from investments. Also, business deductions for salaries paid to owners and for charitable contributions are not allowed. (Investment income and salaries of the owner are reported as his or her personal income and charitable contributions are considered to be a personal deduction). In addition, sole proprietorships, unlike partnerships, are allowed to deduct, as business expenses, "additional first-year depreciation", depletion on oil and gas wells and foreign taxes paid (unless the owner elects to claim these taxes as a credit against income tax). For additional information, see Wilson, Robert A., "Unincorporated Business Activity for 1979", SOI Bulletin, Vol. 1, No. 3, page 41.
- [3] See 2, above.
- [4] For a description of the comparability of frequency estimates for sole proprietorships for 1981 with prior years, see "Data Sources and Limitations" at the end of this article.
- [5] For information about corporations in the lumber industry, see Shaifer, Nathan F. and Myles, George A., "Financial Characteristics of the Lumber and Paper Industries for 1980" in this issue.
- [6] See U.S. Department of the Treasury, Internal Revenue Service, Statistics of Income -- Individual Income Tax Returns for 1976-80; Statistics of Income -- Sole Proprietorship Returns for 1977-80; and Statistics of Income -- Business Income Tax Returns for 1976.
- [7] Ibid.

Table 1.—Sole Proprietorship Businesses: Business Receipts, Selected Deductions, and Net Income, by Industry

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

Industry	Businesses with and without net income							Businesses with net income						
	Number of returns	Business receipts	Depreciation	Taxes paid deduction	Interest	Payroll	Net income less deficit	Number of returns	Business receipts	Depreciation	Taxes paid deduction	Interest	Payroll	Net income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
All nonfarm industries.....	9,584,790	427,063,055	15,854,513	6,661,054	9,052,338	39,672,457	53,071,628	6,534,688	352,669,563	10,156,886	5,066,553	4,983,452	31,944,887	68,545,506
Agricultural services, forestry, and fishing.....	256,496	6,963,081	594,867	100,860	235,489	877,697	787,900	155,693	5,661,921	323,712	83,299	124,958	757,642	1,319,038
Agricultural services.....	182,858	5,045,429	355,038	83,632	137,738	688,671	608,046	113,440	4,265,793	216,308	74,289	94,331	637,173	941,538
Veterinary services.....	13,279	1,084,543	50,758	21,989	29,777	166,565	308,284	12,525	1,048,753	45,959	21,410	29,304	158,092	315,266
Livestock breeding.....	13,071	201,092	20,857	1,377	5,069	7,010	-33,739	1,724	153,625	1,819	*379	*124	*4,890	33,507
Animal services, except livestock breeding and veterinary.....	43,824	783,925	78,482	8,905	26,344	54,554	-104,022	17,172	473,238	24,562	6,267	7,787	46,294	58,996
Landscape and horticultural services.....	91,265	1,969,434	151,343	35,834	40,191	280,930	361,227	66,308	1,790,490	103,834	32,228	28,198	259,716	425,336
Other agricultural services.....	21,419	1,006,434	55,618	15,528	38,357	179,512	76,296	15,711	799,686	40,135	13,985	28,918	170,182	110,434
Forestry.....	18,729	785,409	71,712	10,535	23,773	121,562	70,037	13,575	621,355	52,847	5,314	13,971	63,705	112,994
Fishing, hunting, and trapping.....	54,909	1,132,243	168,117	6,692	73,976	67,494	109,816	28,678	774,774	54,757	3,695	16,656	56,764	264,505
Mining.....	123,786	10,444,566	676,950	362,696	553,745	357,151	-178,099	56,587	7,190,056	340,072	235,007	148,333	216,527	1,567,475
Metal mining.....	5,058	20,047	6,558	136	1,565	2,333	-102,211	439	18,399	*1,177	*13	*259	*28	5,894
Coal mining.....	2,999	340,795	30,386	10,412	12,579	23,754	6,791	1,453	282,451	22,775	5,557	5,779	17,398	21,867
Oil and gas extraction.....	107,777	9,797,811	596,310	345,825	515,674	298,824	-49,602	51,876	6,674,780	294,083	225,161	133,027	176,920	1,524,669
Nonmetallic minerals, except fuels.....	7,952	285,912	43,697	6,323	23,927	32,240	-33,078	2,819	214,426	22,036	4,276	9,267	24,181	34,945
Construction.....	1,097,804	47,707,740	1,899,503	699,571	937,422	7,754,004	6,765,263	887,409	40,809,310	1,397,638	585,661	601,701	6,388,596	7,796,845
General building contractors and operative builders.....	229,341	16,391,884	473,262	221,056	400,902	2,410,466	1,485,179	178,840	13,719,333	337,993	181,640	244,801	2,044,247	1,879,201
General building contractors.....	227,050	16,226,863	471,790	219,530	396,746	2,408,264	1,487,450	177,849	13,687,279	337,386	181,421	243,791	2,042,573	1,874,043
Operative builders.....	2,291	165,021	*1,472	*1,526	*4,156	*2,202	-2,272	*991	*32,054	*607	*219	*1,010	*1,674	*5,158
Heavy construction contractors.....	36,135	2,319,956	235,295	47,087	96,654	351,051	230,741	24,416	1,922,024	179,516	37,339	64,220	295,147	317,567
Highway and street construction.....	4,149	329,825	21,484	5,777	11,033	54,386	14,678	2,203	225,706	12,252	2,823	4,579	39,802	25,630
Heavy construction, except highway.....	31,986	1,990,131	213,801	41,310	85,620	296,665	216,064	22,213	1,696,318	167,264	34,516	59,641	255,245	291,938
Special trade contractors.....	815,306	28,622,346	1,167,922	430,212	436,634	4,943,843	4,929,215	669,677	24,804,557	859,717	365,554	289,778	3,998,959	5,475,417
Plumbing, heating, and air conditioning.....	83,418	4,697,319	139,163	91,445	48,375	701,756	597,014	82,671	4,001,683	110,150	74,092	32,253	593,214	686,015
Painting, paper hanging, and decorating.....	138,830	3,298,647	91,781	50,118	30,421	547,425	647,409	121,712	3,041,131	74,465	47,425	24,589	487,038	881,368
Electrical work.....	63,606	2,441,085	99,846	41,394	31,029	391,880	419,325	47,052	2,126,686	76,727	33,172	20,739	305,963	459,565
Masonry, stonework, tile setting, and plastering.....	63,441	2,946,587	85,580	42,192	36,674	647,378	486,704	55,487	2,538,864	61,935	35,472	14,950	560,955	538,188
Carpentering and flooring.....	212,635	4,509,993	128,506	40,695	55,365	690,816	1,102,664	189,284	4,035,110	101,814	36,838	43,347	596,342	1,170,052
Roofing and sheet metal work.....	32,280	1,431,593	52,261	19,747	14,678	292,040	186,095	25,453	1,230,314	32,120	15,477	7,637	252,172	207,910
Concrete work.....	18,676	1,125,695	45,624	21,696	19,380	236,010	115,577	13,920	929,838	30,068	17,949	10,822	175,490	151,306
Water well drilling.....	5,205	285,548	20,712	3,507	*7,937	32,725	43,525	4,498	268,140	19,154	3,363	*7,608	*32,141	47,260
Miscellaneous special trade contractors.....	197,215	7,885,879	504,448	119,418	192,775	1,203,812	1,130,902	149,600	6,632,792	353,285	101,765	127,834	995,643	1,333,753
Contractors not allocable.....	17,022	373,553	23,024	1,216	*3,233	*48,645	120,128	14,476	363,397	20,412	1,129	*2,902	*48,245	124,460

Footnotes at end of table.

**Table 1.—Sole Proprietorship Businesses: Business Receipts, Selected Deductions, and Net Income, by Industry—Continued**

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

Industry	Businesses with and without net income							Businesses with net income						
	Number of returns	Business receipts	Depreciation	Taxes paid deduction	Interest	Payroll	Net income less deficit	Number of returns	Business receipts	Depreciation	Taxes paid deduction	Interest	Payroll	Net income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
<b>Manufacturing</b> .....	<b>257,490</b>	<b>13,647,822</b>	<b>691,630</b>	<b>239,132</b>	<b>261,842</b>	<b>2,157,473</b>	<b>1,356,424</b>	<b>158,525</b>	<b>11,598,027</b>	<b>470,245</b>	<b>178,180</b>	<b>166,799</b>	<b>1,722,925</b>	<b>1,608,163</b>
Food and kindred products.....	5,524	1,129,185	39,273	14,518	24,893	102,255	48,796	3,813	1,030,255	33,045	13,582	21,043	91,202	60,481
Textile mill products.....	3,275	123,715	2,624	860	*670	14,994	8,458	2,519	121,508	1,184	*735	*583	*14,117	12,210
Apparel and other textile products.....	10,731	563,669	18,225	18,897	7,974	149,145	41,039	6,357	377,048	12,133	11,060	3,196	83,351	67,014
Lumber and wood products, except furniture.....	57,623	3,702,975	265,909	60,147	86,949	612,668	227,397	36,773	2,942,132	162,022	42,124	53,443	430,287	319,195
Furniture and fixtures.....	10,222	446,002	13,422	5,969	2,667	71,229	16,739	5,483	395,865	8,339	2,937	2,442	56,329	48,577
Printing, publishing, and allied industries.....	53,111	2,941,967	127,355	57,694	41,451	551,154	374,394	35,755	2,788,902	103,291	52,248	32,189	519,966	454,148
Chemicals and allied industries.....	*919	*29,052	*1,192	*215	*273	*414	*7,228	*741	*27,181	*1,105	*215	*273	*411	*8,015
Leather and leather products.....	*1,134	*37,194	*827	*602	*349	*8,558	*2,219	*595	*36,988	*798	*601	*348	*8,545	*2,277
Stone, clay, and glass products.....	21,769	458,224	31,144	12,407	9,448	65,536	1,084	7,312	185,415	6,310	3,776	*3,850	*23,093	42,658
Primary metal industries.....	1,406	118,479	2,666	*2,117	*10,831	*10,486	-430	*661	*26,931	*1,008	*307	*1	*2,491	*6,784
Fabricated metal products.....	8,394	16,313	15,300	4,947	3,112	32,435	28,008	4,926	134,775	7,061	3,117	*443	21,166	48,670
Machinery, except electrical.....	16,275	938,136	57,396	14,960	18,995	177,136	218,671	11,088	867,514	48,055	13,839	13,687	168,965	238,174
Electrical and electronic equipment.....	3,984	187,022	5,041	1,080	2,695	25,965	19,237	2,522	178,664	2,522	951	*2,472	*24,750	23,899
Transportation equipment.....	2,868	258,436	5,438	*6,551	*1,220	*40,649	18,030	2,740	233,675	*4,786	*4,193	*1,210	*40,639	20,026
Other manufacturing industries.....	57,114	2,439,277	99,712	36,888	48,193	285,318	348,854	35,337	2,208,781	74,109	27,607	30,396	232,953	448,452
Manufacturing not allocable.....	3,141	58,173	6,104	*1,180	*2,123	*8,531	-3,301	*2,157	*42,395	*4,479	*890	*1,223	*4,660	*7,622
<b>Transportation, communication, electric, gas, and sanitary services</b> .....	<b>433,979</b>	<b>21,868,362</b>	<b>1,955,989</b>	<b>323,143</b>	<b>757,929</b>	<b>1,784,727</b>	<b>2,053,514</b>	<b>299,330</b>	<b>17,191,095</b>	<b>1,261,349</b>	<b>232,875</b>	<b>437,948</b>	<b>1,346,433</b>	<b>2,905,258</b>
Local and interurban passenger transit.....	34,228	693,329	47,538	6,839	21,632	45,612	110,537	24,768	560,806	31,941	6,357	15,378	40,380	150,393
Taxicabs.....	24,585	394,678	20,533	3,288	*17,403	40,683	17,004	270,554	6,062	2,822	6,023	*12,171	77,580	77,580
Other passenger transportation.....	9,633	298,650	27,004	3,551	10,599	28,209	69,854	7,764	290,252	22,879	3,535	9,355	28,209	72,813
Trucking and warehousing.....	311,399	16,708,501	1,604,519	257,424	599,256	1,310,471	1,662,049	221,889	12,898,962	1,039,022	182,067	348,237	936,834	2,240,470
Trucking, local and long distance.....	308,343	16,499,537	1,593,729	254,195	591,763	1,295,668	1,670,199	220,382	12,750,178	1,035,946	181,285	346,604	930,108	2,227,864
Public warehousing and trucking terminals.....	3,056	208,964	10,791	3,229	7,492	14,803	-8,150	1,507	148,784	3,076	782	1,633	6,726	12,607
Water transportation.....	9,774	229,037	45,414	6,076	30,694	16,707	-30,823	3,696	145,953	15,594	2,137	9,884	*12,813	24,200
Air transportation.....	8,075	293,423	47,093	7,985	21,176	22,130	-44,185	3,421	208,589	14,590	5,394	*4,800	*13,575	21,489
Transportation services.....	37,214	2,331,523	76,874	20,079	40,858	167,279	122,183	25,108	1,920,147	51,658	15,783	26,202	141,501	190,093
Passenger transportation arrangement.....	17,869	1,358,932	17,191	9,375	11,438	82,591	73,104	10,233	1,085,020	10,077	5,872	9,225	63,445	102,267
Freight transportation arrangement.....	2,556	279,774	6,015	3,581	6,561	64,083	7,376	1,763	218,373	2,276	*3,449	*4,782	*61,093	17,683
Other transportation services.....	16,789	692,817	53,668	7,123	22,859	20,605	41,703	13,112	616,753	39,305	6,472	12,194	18,963	70,143
Communication.....	4,465	293,007	18,000	3,336	6,426	19,470	42,157	3,343	273,963	14,221	2,852	3,255	18,061	50,665
Electric, gas, and water services.....	2,159	328,226	7,619	*5,444	*9,337	*32,462	8,990	1,570	318,428	*5,238	*5,439	*6,794	*32,408	12,450
Sanitary services.....	26,665	991,315	108,932	15,960	28,551	170,596	182,607	15,535	864,246	69,094	12,837	23,399	152,863	215,499
<b>Wholesale and retail trade</b> .....	<b>2,453,695</b>	<b>198,280,696</b>	<b>3,478,216</b>	<b>2,857,752</b>	<b>2,367,260</b>	<b>12,966,674</b>	<b>8,393,233</b>	<b>1,357,026</b>	<b>157,899,671</b>	<b>2,233,313</b>	<b>2,138,551</b>	<b>1,350,732</b>	<b>9,755,656</b>	<b>12,912,792</b>
Wholesale trade.....	200,062	29,155,324	409,408	227,765	306,334	1,266,105	1,858,632	147,671	24,515,098	310,071	192,365	200,134	1,018,409	2,239,373
Motor vehicles and automotive equipment.....	7,297	1,459,849	15,619	9,741	20,367	88,340	79,307	4,105	1,249,240	13,445	7,305	17,572	71,464	96,860
Lumber and construction materials.....	4,893	831,336	16,438	2,999	3,690	30,050	71,850	3,609	765,538	14,277	2,153	2,384	26,333	78,351
Electrical goods.....	5,914	325,935	4,948	2,774	3,119	22,171	42,712	4,655	309,901	3,138	2,407	2,489	19,715	50,790
Hardware, plumbing, and heating equipment.....	6,897	101,546	13,741	11,059	10,338	56,415	86,767	5,915	799,255	13,739	11,059	10,338	56,415	87,702
Farm machinery and equipment.....	6,584	1,618,195	33,395	13,720	43,359	93,758	32,786	4,635	1,284,337	27,287	10,985	33,476	66,346	57,620
Other machinery, equipment, and supplies.....	13,506	1,876,095	39,726	22,670	16,861	109,222	184,466	10,106	1,629,671	33,203	18,278	13,924	92,528	211,899
Other durable goods.....	32,528	2,595,503	46,848	16,385	35,776	128,284	238,094	23,063	2,272,362	34,572	13,562	24,435	84,801	291,677
Drugs, chemicals, and allied products.....	8,210	732,930	9,251	6,517	6,826	30,463	62,514	4,953	690,678	7,835	6,315	6,378	29,408	67,940
Apparel, piece goods, and notions.....	8,497	808,924	9,155	3,045	3,370	11,094	64,315	5,291	756,027	6,949	2,401	1,695	11,094	96,705
Groceries and related products.....	19,857	3,902,599	52,726	20,036	39,039	138,818	188,025	15,425	3,291,581	36,117	13,839	15,638	106,506	247,524
Farm-products raw materials.....	8,593	4,629,805	27,537	9,274	32,644	69,271	40,174	5,793	3,443,336	16,879	7,774	16,253	55,164	83,228
Alcoholic beverages.....	875	429,474	6,084	2,392	5,592	11,725	9,052	864	419,349	8,065	1,584	5,588	11,255	9,373
Other nondurable goods.....	66,330	8,415,784	125,026	103,773	82,140	463,264	609,155	50,469	6,962,528	87,880	91,357	46,847	375,170	708,814
Wholesalers not allocable.....	10,081	718,370	8,915	3,380	3,212	13,230	149,415	8,768	641,285	6,887	3,347	3,118	12,192	150,790

Footnotes at end of table.

Table 1.—Sole Proprietorship Businesses: Business Receipts, Selected Deductions, and Net Income, by Industry—Continued

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

Industry	Businesses with and without net income							Businesses with net income						
	Number of returns	Business receipts	Depreciation	Taxes paid deduction	Interest	Payroll	Net income less deficit	Number of returns	Business receipts	Depreciation	Taxes paid deduction	Interest	Payroll	Net income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
<b>Wholesale and retail trade — Continued</b>														
Retail trade .....	2,009,380	157,798,109	2,804,121	2,488,281	1,895,319	11,093,827	5,626,132	1,070,667	124,344,482	1,769,334	1,846,488	1,056,175	8,259,374	9,335,141
Building materials, paint, hardware, garden supply, and mobile home dealers .....	61,441	5,991,486	152,262	108,713	137,392	586,281	352,239	40,207	4,846,689	103,358	78,686	83,500	434,270	494,539
Lumber and other building materials dealers .....	10,101	1,501,587	30,519	29,503	31,056	151,732	78,725	7,411	1,249,023	24,819	25,306	22,931	122,899	106,734
Paint, glass, and wallpaper stores .....	8,444	604,189	15,863	12,705	9,077	101,510	31,531	6,105	417,069	9,623	4,939	*2,566	57,025	54,648
Hardware stores .....	15,978	1,981,669	36,288	34,783	40,142	187,805	147,933	12,603	1,686,273	28,285	27,346	24,585	136,372	181,591
Retail nurseries and garden supply stores .....	21,346	1,253,971	48,248	19,650	20,023	126,894	64,038	10,116	1,040,407	27,165	15,594	8,395	95,238	109,558
Mobile home dealers .....	5,572	650,090	23,344	12,072	37,094	38,340	30,011	3,972	455,917	13,466	5,502	25,022	22,735	42,009
General merchandise stores .....	21,365	2,629,315	39,953	39,456	31,911	169,939	69,481	14,149	1,994,275	26,977	30,890	24,469	133,651	116,874
Variety stores .....	6,591	711,959	13,343	13,157	7,758	56,205	31,115	5,294	589,405	9,005	12,446	4,194	*34,905	48,347
Other general merchandise stores .....	14,774	1,917,356	26,609	26,299	24,153	113,734	38,366	8,855	1,404,870	17,972	18,444	20,275	98,747	70,526
Food stores .....	173,989	30,003,642	441,949	351,943	299,699	1,649,097	819,197	113,892	23,682,065	292,719	259,248	161,864	1,244,955	1,145,561
Grocery stores .....	107,349	23,299,388	283,628	278,872	222,315	1,169,684	555,576	72,431	18,513,800	204,592	210,163	125,363	910,751	747,112
Meat and fish markets, including freezer provisions .....	12,769	1,892,713	30,405	12,738	11,644	78,560	84,076	8,946	1,561,402	16,911	11,171	7,380	67,765	101,940
Fruit stores and vegetable markets .....	8,480	827,111	8,760	3,246	3,295	33,538	40,668	5,119	506,303	6,384	2,376	1,971	25,727	46,000
Candy, nut, and confectionery stores .....	7,815	655,778	27,349	9,729	9,067	40,450	6,371	4,299	349,185	7,748	3,687	*2,870	*20,868	39,578
Dairy products stores .....	7,253	835,024	39,953	12,035	16,085	91,270	24,016	3,077	590,486	6,354	18,580	6,354	*5,515	51,941
Retail bakeries .....	16,944	1,077,353	39,650	21,895	25,369	159,811	40,882	12,002	833,385	20,394	13,663	7,796	103,622	86,317
Miscellaneous food stores .....	13,599	1,516,265	24,205	13,428	11,925	75,805	67,608	8,018	1,327,503	18,110	18,110	8,169	84,281	87,085
Automotive dealers and service stations .....	181,273	51,804,681	443,735	534,585	368,455	2,316,642	1,181,265	122,873	42,524,899	310,328	439,435	225,152	1,848,250	1,612,145
Motor vehicle dealers — new car dealers (franchised) .....	12,017	2,100,421	25,288	13,676	40,184	78,508	29,490	7,031	1,382,092	14,084	17,747	51,860	66,473	66,473
Motor vehicle dealers — used cars only .....	32,802	5,591,925	53,339	31,989	78,258	206,498	114,202	20,273	4,258,718	29,113	22,867	39,368	157,865	203,537
Auto and home supply stores .....	30,829	3,327,889	64,277	61,222	46,870	308,883	186,917	18,171	2,790,503	42,189	52,074	29,837	248,939	250,602
Gasoline service stations .....	93,398	39,143,511	259,661	400,644	154,261	1,606,770	831,148	70,901	32,885,240	203,391	339,901	106,579	1,319,393	1,012,618
Boat dealers .....	3,279	349,713	15,878	6,673	12,292	39,451	-5,270	1,149	194,666	*5,018	*2,940	*2,177	*23,189	24,562
Recreational vehicles .....	2,086	498,788	9,459	7,042	13,694	20,444	15,222	1,855	433,392	9,135	4,337	9,508	15,388	22,478
Motorcycle dealers .....	1,380	265,293	2,444	5,204	7,354	16,678	1,127	312	185,281	1,985	2,576	6,934	8,102	6,382
Miscellaneous aircraft and automotive dealers .....	5,482	527,141	13,379	8,135	15,544	39,411	8,429	3,381	395,006	5,433	5,891	13,003	22,514	25,495
Apparel and accessory stores .....	69,101	4,813,187	94,415	96,054	80,247	367,778	215,801	37,022	3,665,193	50,873	68,165	38,630	242,824	415,411
Men's and boys' clothing and furnishings stores .....	2,649	269,574	8,361	3,415	*3,823	23,216	18,759	1,535	257,553	*5,242	*3,229	*2,295	*22,399	30,566
Women's ready-to-wear stores .....	11,291	1,025,861	14,277	20,291	12,029	85,669	44,316	6,293	789,153	8,679	7,393	15,903	60,421	74,462
Women's accessory and specialty stores .....	8,156	255,279	4,566	2,147	*752	*3,294	18,214	4,296	228,006	*1,742	*1,546	*653	*2,308	37,191
Children's and infants' wear stores .....	2,821	256,347	7,204	10,794	5,004	*17,209	11,648	*1,754	*227,244	*5,845	*10,061	*4,135	*16,060	*17,287
Family clothing stores .....	18,184	1,128,848	29,195	21,351	26,252	97,619	18,047	9,288	799,911	16,884	12,884	13,317	50,616	82,855
Shoe stores .....	10,213	916,000	12,419	22,194	16,552	93,770	57,631	6,377	651,161	5,881	14,004	5,906	57,068	88,198
Furriers and fur shops .....	2,497	287,485	*1,510	*332	*2,159	*2,899	23,794	*1,958	*272,349	*682	*325	*50	*2,151	*26,539
Apparel and accessory stores, not elsewhere classified .....	13,290	673,793	16,893	15,528	13,675	44,102	23,392	5,521	460,814	5,917	10,212	4,880	31,801	58,334
Furniture and home furnishings stores .....	98,025	7,214,299	176,594	120,339	123,459	637,395	404,942	61,890	5,630,633	119,137	82,423	81,325	473,697	632,745
Furniture stores .....	16,457	1,505,679	34,836	18,018	30,627	94,985	89,196	10,097	1,105,470	22,753	12,443	21,192	63,372	163,021
Floor covering stores .....	13,070	950,714	21,930	8,776	8,766	92,910	81,891	10,151	786,023	18,444	7,514	7,058	69,833	98,031
Drapery, curtain and upholstery stores .....	18,051	595,963	17,985	12,063	12,425	101,481	74,458	12,491	556,853	14,124	11,261	10,768	98,146	81,242
Home furnishings and equipment stores, except appliances .....	12,914	530,922	19,389	10,944	14,454	28,451	28,873	6,759	401,461	9,483	7,679	*10,144	22,197	58,446
Household appliance stores .....	11,455	1,488,394	19,243	30,045	20,000	158,908	36,075	8,711	1,104,691	12,413	18,037	14,244	97,953	68,378
Radio and television stores .....	13,723	1,028,399	31,857	22,142	18,036	92,634	57,468	7,482	693,941	19,745	14,034	7,641	62,111	81,007
Music stores .....	12,355	1,114,227	31,355	18,150	19,151	68,025	36,981	6,199	982,193	22,174	11,455	10,278	60,086	82,622
Eating and drinking places .....	227,515	20,063,701	686,865	672,938	425,841	3,237,165	694,839	138,592	14,172,623	386,655	457,107	188,374	2,109,555	1,459,879
Eating places .....	166,127	15,224,258	530,592	472,117	316,751	2,632,062	484,275	103,375	10,899,460	300,660	323,491	141,648	1,716,752	1,111,601
Drinking places .....	61,388	4,839,443	156,273	200,821	109,090	605,103	210,563	35,217	3,273,163	85,995	133,616	46,726	392,803	348,378

Footnotes at end of table.

**Table 1.—Sole Proprietorship Businesses: Business Receipts, Selected Deductions, and Net Income, by Industry—Continued**

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

Industry	Businesses with and without net income							Businesses with net income						
	Number of returns	Business receipts	Depreciation	Taxes paid deduction	Interest	Payroll	Net income less deficit	Number of returns	Business receipts	Depreciation	Taxes paid deduction	Interest	Payroll	Net income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
<b>Wholesale and retail trade—Continued</b>														
Retail trade—Continued														
Miscellaneous retail stores.....	1,154,953	34,485,936	748,507	567,004	418,904	2,076,891	1,792,153	527,816	27,108,926	464,608	426,306	246,752	1,723,027	3,337,918
Drug stores and proprietary stores.....	17,260	3,033,936	39,264	43,004	29,377	272,134	272,461	13,099	2,775,051	35,461	38,048	27,050	242,843	291,110
Liquor stores.....	19,610	4,162,228	49,570	87,324	43,331	217,450	155,353	15,528	3,544,781	42,345	62,102	33,850	174,860	190,954
Used merchandise stores.....	80,214	2,801,175	71,623	32,682	38,264	132,315	64,803	38,406	1,814,288	33,105	21,858	17,579	104,307	230,187
Sporting goods and bicycle shops.....	37,394	2,366,092	49,729	49,892	26,252	162,064	113,207	16,820	1,910,682	36,542	40,942	19,442	142,613	189,147
Book stores.....	17,979	1,220,978	18,207	27,761	8,216	109,547	102,127	11,053	1,043,948	13,988	22,042	7,591	90,303	115,597
Stationery stores.....	6,879	284,910	6,540	5,732	4,960	21,701	17,474	2,735	186,485	3,031	3,319	*1,085	*15,345	38,467
Jewelry stores.....	30,507	1,327,323	25,936	28,976	10,146	98,322	200,296	18,048	1,161,574	15,898	27,478	6,537	91,474	254,167
Hobby, toy, and game shops.....	23,376	680,066	12,165	6,764	7,788	31,621	25,683	8,840	553,047	8,840	5,250	6,799	20,981	50,140
Camera and photographic supply stores.....	2,378	267,063	5,833	8,989	*1,089	*28,648	13,134	*1,594	*264,318	*4,675	*8,977	*1,080	*28,648	*15,101
Gift, novelty, and souvenir shops.....	35,317	1,164,942	34,366	27,323	15,284	74,930	724	15,792	783,399	16,732	13,848	10,501	58,453	84,669
Luggage and leather goods stores.....	*1,890	*46,301	*1,214	*689	—	*2,676	*5,288	*1,336	*45,833	*1,214	*689	—	*2,676	*7,450
Sewing, needlework, and piece goods stores.....	21,368	604,568	12,413	12,527	5,164	56,597	58,112	15,378	454,715	7,202	8,450	1,488	50,125	77,422
Mail order houses.....	13,844	292,702	6,284	3,868	4,209	3,868	38,911	7,556	277,860	1,997	4,027	3,540	21,863	52,289
Merchandising machine operators.....	19,075	1,159,550	71,194	22,879	13,862	52,478	84,725	11,177	921,812	46,840	14,370	7,700	36,213	110,990
Direct selling organizations.....	729,184	7,502,214	202,260	70,957	99,300	270,920	239,718	280,348	5,427,413	108,256	50,211	55,933	234,897	1,042,495
Fuel and ice dealers, except fuel oil dealers and bottled gas dealers.....	3,238	673,024	15,036	4,148	6,498	17,731	29,608	2,139	544,453	10,586	3,741	4,027	16,787	43,250
Fuel oil dealers.....	6,573	1,488,725	18,734	13,136	8,810	21,290	46,810	4,690	1,270,445	16,155	9,246	7,108	16,557	50,693
Liquified petroleum gas (bottled gas) dealers.....	1,617	226,599	*4,755	*1,925	*985	*15,179	1,945	*1,239	*143,374	*4,577	*826	*1,874	*14,784	*8,109
Florists.....	30,397	2,173,350	48,919	71,567	28,197	321,882	144,883	20,431	1,673,400	30,024	53,249	11,957	242,787	195,243
Cigar stores and stands.....	3,497	327,938	2,136	12,202	*6,665	*9,764	35,317	*2,507	*285,713	*1,643	*3,779	*11,578	*9,628	*38,488
News dealers and newsstands.....	16,218	673,947	11,526	7,078	7,507	44,766	52,116	12,485	557,194	6,599	4,455	5,824	35,394	60,294
Other miscellaneous retail stores.....	37,138	2,008,305	38,765	27,240	55,344	90,386	95,252	22,634	1,469,138	16,897	20,552	13,060	71,688	191,655
Retail trade not allocable.....	21,718	791,882	21,842	7,249	9,411	52,640	96,216	14,226	717,179	14,679	5,227	6,110	49,145	119,972
Wholesale and retail trade not allocable.....	244,453	11,327,282	265,687	131,705	165,608	606,742	908,470	138,688	9,040,102	153,908	99,698	94,423	478,073	1,338,277
<b>Finance, insurance, and real estate</b>	<b>907,485</b>	<b>22,154,345</b>	<b>1,101,438</b>	<b>316,570</b>	<b>1,380,192</b>	<b>1,168,609</b>	<b>5,979,708</b>	<b>615,668</b>	<b>18,672,685</b>	<b>642,578</b>	<b>199,225</b>	<b>559,330</b>	<b>933,107</b>	<b>7,699,115</b>
Finance.....	40,651	3,138,094	67,985	9,767	162,125	69,260	407,119	26,980	2,519,124	29,694	5,120	53,452	43,885	711,132
Banking and miscellaneous finance.....	6,665	292,348	10,516	2,776	60,910	18,765	-27,889	3,163	212,162	5,853	690	11,580	2,292	78,748
Credit agencies other than banks.....	2,440	98,218	2,657	974	6,846	7,128	12,806	1,219	90,139	974	*896	*2,882	*6,202	21,086
Security and commodity brokers and services.....	31,546	2,747,528	54,812	6,016	114,369	43,387	422,202	22,598	2,216,824	22,411	3,533	38,889	35,491	611,301
Security brokers and dealers, except underwriting syndicates.....	16,355	1,495,452	30,936	2,605	52,466	17,256	237,681	11,729	1,246,778	12,397	1,352	17,134	15,217	328,821
Commodity contracts brokers, exchanges and services.....	15,191	1,252,076	23,876	3,412	61,903	26,131	184,521	10,969	970,046	10,014	2,181	21,755	20,274	282,480
Insurance agents, brokers, and service.....	241,697	7,151,941	233,122	64,380	160,454	651,425	2,814,481	188,731	6,613,324	190,172	55,642	123,502	592,023	3,051,504
Real estate.....	625,117	11,864,310	800,328	242,424	1,037,613	447,905	2,758,108	401,949	9,540,237	422,712	138,463	382,376	297,100	3,936,479
Operators and lessors of buildings.....	16,532	791,696	134,380	60,049	217,228	52,152	-12,413	8,828	576,575	73,195	43,870	108,659	38,694	89,713
Lessors, other than buildings.....	4,331	136,216	15,942	1,834	13,806	12,304	13,847	3,037	115,578	4,723	1,007	4,749	*11,190	27,229
Real estate agents, brokers, and managers.....	588,240	10,315,248	621,142	169,692	705,866	352,035	2,680,462	378,030	8,342,129	330,544	87,235	240,458	223,339	3,645,383
Title abstract companies.....	3,187	73,639	3,155	999	1,318	*4,018	34,629	2,554	72,540	2,946	*953	*1,264	*3,755	35,259
Subdividers and developers, except cemeteries.....	3,919	297,089	13,363	7,018	82,377	10,255	-37,128	2,456	195,111	4,521	2,844	17,907	4,458	37,536
Cemetery subdividers and developers.....	*852	*8,151	*1,906	*1	*1	*1	*3,965	*449	*8,122	*1,487	—	—	—	*4,558
Combined real estate, insurance, loans, law offices.....	6,056	242,269	10,441	2,833	16,987	17,139	74,747	6,595	230,184	5,297	2,554	*9,339	15,465	86,801
<b>Services</b>	<b>3,952,801</b>	<b>102,963,808</b>	<b>5,333,826</b>	<b>1,725,121</b>	<b>2,506,344</b>	<b>12,392,483</b>	<b>27,463,790</b>	<b>2,931,589</b>	<b>91,101,876</b>	<b>3,413,233</b>	<b>1,391,529</b>	<b>1,562,883</b>	<b>10,670,112</b>	<b>31,905,338</b>
Hotels and other lodging places.....	52,719	3,178,062	430,001	139,322	384,713	366,249	-52,422	26,074	1,965,044	189,890	76,274	145,222	223,141	251,535
Hotels.....	3,755	518,343	50,940	11,633	45,663	94,909	-7,886	2,384	332,928	6,373	24,034	58,850	21,911	51,811
Motels, motor hotels, and tourist courts.....	24,832	1,698,262	252,818	96,399	225,537	227,949	-17,672	11,159	1,090,751	104,062	54,334	86,405	148,781	149,006
Rooming and boarding houses.....	6,860	208,912	25,685	8,301	15,854	16,489	6,784	3,715	153,780	19,191	4,001	*9,456	*7,304	23,859
Sporting and recreational camps.....	4,773	231,189	24,942	6,740	26,203	7,514	-17,790	2,441	157,722	*7,615	*2,858	*7,012	*2,509	13,044
Trailing parks and campsites.....	11,790	492,069	72,782	17,994	50,841	19,026	-17,290	5,901	218,879	28,582	8,635	17,987	5,593	40,817
Organizational hotels and lodging houses, on a membership basis.....	*709	*29,307	*2,854	*255	*614	*362	*1,451	*474	*10,984	*798	*73	*347	*123	*2,897

Footnotes at end of table.

**Table 1. — Sole Proprietorship Businesses: Business Receipts, Selected Deductions, and Net Income, by Industry — Continued**

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

Industry	Businesses with and without net income							Businesses with net income						
	Number of returns	Business receipts	Depreciation	Taxes paid deduction	Interest	Payroll	Net income less deficit	Number of returns	Business receipts	Depreciation	Taxes paid deduction	Interest	Payroll	Net income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
<b>Services — Continued</b>														
Personal services	702,997	11,239,630	584,259	243,665	245,748	1,882,936	2,401,657	560,088	9,686,758	389,565	195,736	168,149	1,543,308	2,814,141
Coin-operated laundries and dry cleaning	17,662	538,574	65,827	10,772	25,187	63,302	17,131	8,462	357,511	30,954	7,782	7,280	41,924	66,788
Other laundry, cleaning, and garment services	45,220	1,940,368	120,902	47,263	46,456	332,772	328,986	36,685	1,522,939	88,525	34,344	33,965	240,884	366,234
Photographic studios, portrait	78,244	1,255,970	91,108	25,288	41,165	146,640	98,626	34,319	1,044,330	53,059	20,838	34,913	128,101	211,004
Beauty shops	217,326	3,598,773	130,630	97,707	47,118	854,375	797,575	183,797	3,220,122	100,853	78,210	34,653	698,179	888,247
Barber shops	71,990	1,219,098	27,551	17,313	8,660	201,598	523,871	68,844	1,192,161	25,410	16,772	25,410	16,772	88,247
Shoe repair and hat cleaning shops	12,957	320,662	11,211	5,989	4,880	63,626	68,495	10,513	304,909	8,506	5,504	8,237	200,333	531,980
Funeral service and crematories	8,296	723,733	28,665	14,534	18,939	74,002	151,646	7,715	706,774	26,524	14,473	17,643	71,946	73,065
Miscellaneous personal services	251,302	1,642,452	106,866	24,789	53,343	146,621	415,327	209,753	1,338,012	55,734	18,812	26,842	100,333	540,842
Business services	898,319	19,062,013	1,220,067	227,693	512,550	1,626,122	4,854,531	658,748	16,581,163	666,026	163,540	260,756	1,313,165	6,005,231
Advertising	41,869	1,474,696	30,734	9,357	8,634	35,760	317,097	30,947	1,275,787	22,633	6,848	5,990	19,935	346,882
Services to buildings	136,259	1,748,648	81,476	22,827	36,294	269,569	550,745	114,554	1,579,292	58,695	19,961	33,343	237,721	602,636
Computer and data processing services	31,973	627,761	57,526	7,262	19,005	25,703	167,068	21,553	478,494	20,769	1,974	6,952	*13,512	223,508
Management and public relations	327,198	5,722,295	264,295	48,837	150,380	279,615	2,328,647	240,696	5,058,962	159,935	32,966	74,751	180,344	2,756,401
Equipment rental and leasing	39,868	1,477,539	413,280	34,134	174,858	118,233	-128,443	14,730	999,731	134,219	15,618	54,374	60,823	162,973
Other business services	321,152	8,011,074	372,756	105,476	123,378	897,243	1,599,417	236,268	7,188,898	269,774	86,172	85,346	800,832	1,912,831
Automobile repair and services	212,374	10,774,592	437,303	217,240	196,911	1,422,571	1,175,518	153,994	9,252,397	295,945	178,580	132,708	1,226,420	1,413,863
Automobile rentals, without drivers	6,840	213,856	64,813	4,745	26,406	8,183	-2,527	2,422	138,770	33,218	3,641	14,600	*4,655	28,034
Automobile parking	1,845	*73,443	*2,277	*2,088	*236	*13,285	*1,364	*6,978	*504	*2,047	*97	*13,285	*13,285	13,274
Automobile top and body repair shops	36,383	1,951,525	52,661	42,083	27,418	331,275	225,962	30,609	1,818,299	47,662	40,232	21,926	312,995	244,065
General automotive repair shops	121,355	6,333,098	197,068	120,218	94,540	832,862	714,627	90,629	5,545,162	148,126	102,379	69,279	732,434	820,069
Other automotive repair shops	13,473	607,102	24,243	19,454	7,686	85,859	111,227	10,377	463,160	16,907	10,820	6,745	62,738	123,126
Automotive services, except repair	32,278	1,595,568	96,240	28,653	40,625	151,128	114,445	18,583	1,219,027	49,527	19,462	20,062	100,314	185,195
Miscellaneous repair services	212,317	4,610,707	209,720	84,012	89,358	459,122	875,795	147,756	3,997,052	134,476	67,100	63,450	359,539	1,030,779
Radio and TV repair shops	30,634	611,266	22,805	14,876	10,912	23,831	131,861	23,719	553,141	16,503	13,598	7,830	22,390	142,539
Electrical repair shops, except radio and TV	23,894	585,565	19,712	6,256	6,618	64,527	108,993	17,836	530,244	14,789	5,734	6,456	60,559	119,429
Rougholstery and furniture repair	29,995	594,671	23,671	9,775	15,675	63,735	102,784	20,516	523,452	15,116	7,399	10,338	56,337	129,613
Other miscellaneous repair shops	127,794	2,819,205	143,585	53,104	56,152	307,029	532,257	85,685	2,390,215	89,068	40,369	38,826	220,253	639,198
Motion pictures	12,883	26,648	6,669	2,649	6,669	14,888	5,760	6,145	207,634	11,324	5,335	6,063	12,882	55,570
Motion picture production, distribution, and services	11,719	186,264	26,006	1,710	3,250	5,236	3,163	5,965	149,687	8,139	1,257	*2,089	*3,623	50,484
Motion picture theaters	*1,164	*68,704	*3,642	*4,959	*4,406	*9,632	*2,578	*580	*57,947	*3,185	*4,078	*3,974	*9,059	*5,088
Amusement and recreation services, except motion pictures	261,676	4,510,048	476,333	69,102	122,134	376,029	175,097	144,435	3,398,318	181,954	47,951	47,820	272,397	1,010,563
Producers, orchestras, and entertainers	143,193	1,831,327	118,598	7,514	20,259	92,340	419,889	92,426	1,541,375	73,417	5,892	11,808	72,613	618,748
Billiard and pool establishments	*1,192	*42,202	*1,558	*1,228	*551	*5,570	*3,547	*369	*23,728	*529	*448	*399	*4,308	*4,394
Bowling units	2,394	202,335	14,706	11,974	10,837	*34,940	10,702	1,469	167,320	14,674	*11,447	*6,799	*34,940	14,496
Professional sports clubs and promoters	5,238	212,432	5,576	4,711	5,238	27,276	15,618	2,974	162,702	*3,270	*3,201	*514	*11,388	28,119
Racing, including track operation	48,173	781,901	208,409	7,057	25,301	74,780	-409,834	10,247	396,218	22,821	3,525	2,472	51,751	65,280
Other amusement and recreation services	61,486	1,439,850	127,486	36,618	62,665	141,123	135,174	36,950	1,106,973	67,244	23,438	25,627	97,398	281,526
Medical and health services	426,557	24,274,667	884,316	378,191	470,046	3,421,967	10,326,083	370,566	23,486,190	792,821	354,229	415,621	3,226,038	10,545,064
Offices of physicians	150,669	10,021,819	352,314	134,687	143,809	1,086,832	5,153,399	131,195	9,834,382	318,355	129,659	126,071	1,062,262	5,253,250
Offices of dentists	85,517	7,677,729	291,837	130,728	162,406	1,273,914	3,032,144	79,524	7,568,025	267,021	127,946	143,693	1,250,194	3,063,129
Offices of osteopathic physicians	2,187	153,904	3,165	2,071	*1,601	17,475	77,647	2,187	153,904	3,165	2,071	*1,601	17,475	77,647
Offices of chiropractors	13,580	936,695	49,956	10,732	53,728	92,344	277,310	12,919	906,106	49,096	15,141	18,397	136,187	397,303
Offices of optometrists	15,713	1,306,530	44,116	18,257	20,628	137,645	388,744	13,431	1,241,816	37,524	17,817	18,397	136,187	397,303
Registered and practical nurses	47,354	397,653	11,078	1,123	2,160	*2,428	269,045	45,217	388,657	9,747	1,116	1,890	*2,369	274,726
Nursing and personal care facilities	21,594	1,164,787	44,129	44,750	51,708	396,294	138,383	15,817	908,102	35,212	32,371	43,508	285,079	155,545
Hospitals	1,482	238,365	12,929	—	—	—	—	—	—	—	—	—	—	—
Medical laboratories	6,772	285,309	8,328	*7,492	*7,523	*75,812	39,391	*1,381	*224,113	*10,130	*6,830	*5,457	*72,005	*41,025
Dental laboratories	81,689	2,091,876	66,465	22,866	24,715	293,671	837,998	62,123	1,975,976	54,241	20,294	22,094	272,765	884,488
Other medical and health services	198,967	7,838,050	270,721	114,667	141,239	899,724	3,347,601	165,866	7,519,715	239,117	107,807	94,737	838,730	3,533,617
Education services	160,756	1,340,928	85,256	26,633	31,177	186,703	267,924	110,492	1,128,295	44,269	19,138	15,118	134,756	379,563
Engineering and architectural services	88,415	2,716,572	108,557	36,654	36,735	487,700	916,300	67,972	2,528,362	83,188	30,918	23,152	423,060	1,015,878
Accounting, auditing, and bookkeeping services	214,668	3,804,046	172,886	58,202	89,921	600,151	1,413,644	180,833	3,608,503	135,084	55,565	72,878	571,612	1,519,842
Certified public accountants	33,694	1,379,101	52,337	24,110	29,264	236,649	558,878	28,459	1,348,440	50,899	23,688	24,285	294,307	577,155
Other accounting, auditing, and bookkeeping services	180,974	2,424,945	120,550	34,092	60,657	363,501	854,766	152,374	2,260,063	84,185	31,877	48,613	337,304	842,686
Other services	510,153	9,349,526	424,557	123,070	198,157	648,339	1,756,302	338,618	7,742,446	249,575	89,358	117,409	525,263	2,329,693
Nature of business not allocable	101,074	3,032,635	121,298	36,210	52,115	213,638	449,895	72,969	2,544,922	76,746	22,226	30,768	153,687	611,683

\*This estimate should be used with caution because of the small number of sample returns on which it was based.  
 \*\*The estimate for this cell is not shown to avoid disclosure of information for specific taxpayers. However, the data are included in the appropriate totals.  
 (1) Less than \$500.  
 NOTE: Detail may not add to total because of rounding.