

Statistics of Income

# SOI BULLETIN

Department of the Treasury  
Internal Revenue Service

Volume 2, Number 2

Fall 1982

## Contents of This Issue

Page

- 1** Residential Energy Credit, 1978-1980
- 9** Private Foundations, 1979
- 31** Environmental Excise Taxes, 1981-1982
- 35** Projections of Tax Return Filings, 1983-1990
- 41** Crude Oil Windfall Profit Tax, 1981

# Statistics of Income

# SOI BULLETIN

Department of the Treasury  
Internal Revenue Service

Publication 1136 (Rev. 10-82)

---

## Statistics of Income Division

**Roscoe L. Egger, Jr.**  
Commissioner

**M. Eddie Heironimus**  
Assistant Commissioner  
(Returns and Information  
Processing)

**Fritz Scheuren**  
Director

**Bennett R. Moss**  
Assistant Director

**Keith Gilmour**  
Editor

**Clementine Brittain**  
Copy Editor

This report contains information on: residential energy credit for 1978-1980; private foundations for 1979; environmental excise taxes reported for 1981-1982; projections of major types of returns to be filed in Fiscal Years 1983-1990; and the crude oil windfall profit tax liability for 1981. In addition, there is an appendix consisting of selected historical data for individuals, corporations, sole proprietorships, and partnerships, as well as data on gross internal revenue collections.

Additional unpublished data concerning these topics are currently available upon request. Further information may be obtained by writing to the Statistics of Income Division, Internal Revenue Service, Washington, DC 20224.

## Suggested Citation

Internal Revenue Service  
Statistics of Income Bulletin,  
Fall 1982  
Washington, D.C. 1982

For sale by the Superintendent of Documents,  
U.S. Government Printing Office,  
Washington, D.C. 20402

**NOTE TO USERS:** Please take time to complete the survey form at the back of this publication. Your input will help us to be more responsive to the information needs of our users.

COMMISSIONER OF INTERNAL REVENUE

Washington, DC 20224

October 6, 1982

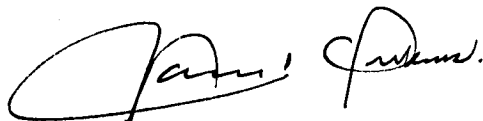
The Honorable Donald T. Regan  
Secretary of the Treasury  
Washington, DC 20220

Dear Mr. Secretary:

I am transmitting the Fall 1982 issue of the Statistics of Income Bulletin. This report has been produced in accordance with the mandate of section 6108 of the Internal Revenue Code which requires the preparation and publication of statistics reasonably available with respect to the operation of the internal revenue laws. Presented in this issue are recent financial and tax data obtained from tax returns and associated supporting schedules. Also presented are data on projected filings of major types of returns through the end of the decade, reflecting recent tax law changes and economic conditions.

With kind regards,

Sincerely,

A handwritten signature in black ink, appearing to read "James F. Brundage". The signature is fluid and cursive, with a large initial "J" and "F".

Acting Commissioner

# Contents

- Residential Energy Credit, 1
- An Examination of Private Foundations for 1979, 9
- Superfund for Environmental Taxes, 31
- Projections of Returns to be Filed in Fiscal Years  
1983-1990, 35
- Crude Oil Windfall Profit Tax, 1981, 41

## APPENDIX I - Selected Statistical Series

- Individual Income Tax Returns, 1970-1980, 48
- Sole Proprietorship Returns, 1970-1980, 49
- Partnership Returns, 1970-1980, 49
- Corporation Income Tax Returns, 1970-1980, 50
- Gross Internal Revenue Collections, 51

## APPENDIX II - General Description of Statistics of Income Sample Procedures and Data Limitations, 53

# Residential Energy Credit, 1978-1980

By Richard Thompson and Rich Hillelson\*

Data for Tax Year 1980 reveal that of the 93.9 million individual income tax returns filed, 4.7 million claimed the residential energy credit. An overwhelming majority, 4.6 million, claimed the credit as a result of their expenditures on energy conservation items such as insulation and storm windows, while only 155,000 claimed the credit in connection with expenditures for solar, geothermal, or wind energy producing devices. These taxpayers reported spending \$3.2 billion on the energy conservation items and \$448 million on the alternative sources of energy and, consequently, were able to reduce their income tax liability by \$562 million.

## EXPLANATION OF RESIDENTIAL ENERGY CREDIT

In order to reduce energy consumption and to encourage the development and use of alternative energy sources, a residential energy credit was provided for by the Energy Tax Act of 1978. The credit is composed of two separate parts, one based on qualified "energy conservation expenditures," and the other on qualified "renewable energy source expenditures," with different requirements for each type of credit. The entire residential energy credit is available for qualified items installed in or on the taxpayer's principal residence from April 20, 1977, through December 31, 1985. However, the credit could not be claimed for any taxable year beginning before January 1, 1978. Therefore, it was first available for use on 1978 tax returns and covered the 20-month period from April 20, 1977 through December 31, 1978. Also, if the amount of the credit for a given year exceeds the taxpayer's income tax, it can be carried over to subsequent years through 1987.

### Energy Conservation Credit

The credit for energy conservation property is 15 percent of expenditures, including original installation costs, with a maximum expenditure of \$2,000 and, consequently, a maximum credit of \$300 per residence over the entire period the credit is to be in effect. The credit is available for each dwelling unit used by the taxpayer as a principal residence; however, the construction of the residence had to be substantially completed before April 20, 1977, in order for the energy conservation expenditures to qualify. In addition, the taxpayer has to be the first person to use the property installed and that property has to be expected to remain in use for at least 3 years. Energy conservation property consists of insulation, storm windows and doors, caulking and weatherstripping, and certain other items such as an automatic energy-saving setback thermostat.

### Renewable Energy Source Credit

The second component of the residential energy credit is the credit for renewable energy source property. This refers to any item which uses a solar, geothermal, or wind source to produce energy. For 1978 and 1979, the credit for renewable energy source property was 30 percent of the first \$2,000 and 20 percent of the next \$8,000 of expenditures, including labor costs for on-site preparation, assembly, or original installation. For 1980, the credit was 40 percent of the first \$10,000 of expenditures. Over the entire period that the credit is to be in effect, the maximum amount of qualifying expenditures is \$10,000 and the maximum credit varies from a low of \$2,200 if all qualifying expenditures were made prior to January 1, 1980, to a high of \$4,000 if all such expenditures were made on or after January 1, 1980. These maximums apply to each principal residence owned by the taxpayer during the time period that the credit is in effect.

In contrast to the credit for energy conservation property, the renewable energy source credit is available for items installed on both existing and newly constructed principal residences. The taxpayer has to be the first person to use the property and it has to be expected to remain in use for at least 5 years.

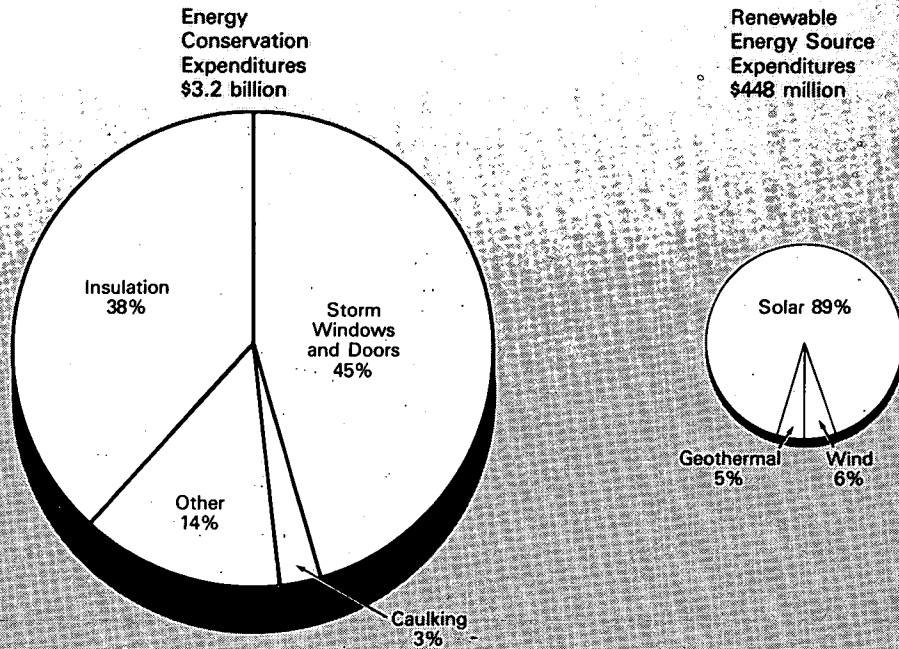
### ADDITIONAL 1980 DATA

A closer look at the \$3.2 billion of conservation expenditures shows that the largest amount, \$1.5 billion, went for storm windows and doors while \$1.2 billion was spent on insulation. The third specific item for which a separate total was tabulated was for caulking expenses, which amounted to only \$84 million. The "other" category of expenditures totaled \$444 million and was composed of expenses for devices such as automatic setback thermostats and certain furnace replacement burners.

For 1980, the other component of the residential energy credit, the renewable energy source credit, accounted for total expenditures of \$448 million. Taxpayers spent \$399 million on the acquisition and installation of solar energy property, while only \$27 million went for wind energy items, and \$21 million was used for geothermal energy sources. In terms of number of returns, the utilization of the renewable energy source credit was quite low, with only 137,000 returns reporting expenditures for solar energy, while 11,000 claimed expenses for wind energy and 7,000 showed outlays for geothermal energy. Figure A shows the distribution for both the energy conservation expenditures and the renewable energy source expenditures.

\*Individual Returns Analysis Section. Prepared under the direction of Noreen Hoffmeier, Acting Chief. Technical assistance provided by June Walters.

Figure A  
Residential energy expenditures — 1980



State Data

Figure B shows, by State, for 1980, returns with a residential energy credit as a percent of all returns. While the data for the northeastern States support the expectation that these States would utilize the credit to a greater extent than those in warmer climates, the data for the rest of the country are inconclusive. For example, a higher percentage of taxpayers in Alabama claimed the credit than did those in the surrounding States of Tennessee, Georgia, Florida, and Mississippi. A possible explanation is that, of these five States, only Alabama has either a State income tax credit or deduction for energy expenditures. This provides the residents of Alabama with an additional incentive to make expenditures related to saving energy.

The following comparison of the States with the highest and lowest rates of energy credit "participation" (percent of returns with a residential energy credit) shows no significant difference in the size of the average credit, with the exception of Hawaii, which shows an average credit over six times as large as that of the next highest State, California. This situation is explained by the fact that, for Hawaii, 98 percent of the total residential energy credit is attributable to the renewable energy source category which is based on solar, geothermal, and wind sources. This "renewable" part can amount to as much as \$4,000 per residence, whereas the energy conservation category (insulation, storm windows, and similar items) is limited to a maximum of \$300 per residence.

High Participation States

State	Average Credit
Minnesota.....	\$82
Massachusetts .....	\$168
Connecticut .....	\$140
Utah .....	\$89

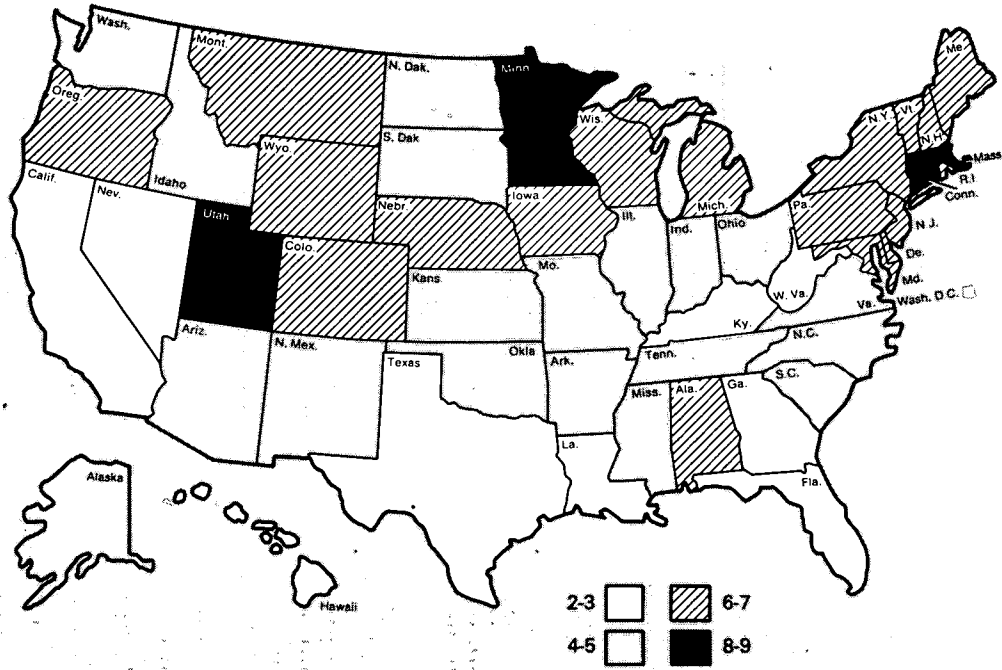
Low Participation States

California .....	\$226
Florida .....	\$168
Hawaii .....	\$1,392

Characteristics of Energy Credit Returns

Table 2 contains a profile of those taxpayers who reported residential energy credit expenditures for 1980. The data below have been derived from that table and offer a comparison between returns filed by taxpayers with such expenditures and all returns filed. Returns with energy expenditures have an average adjusted gross income that is approximately 77 percent higher than the average for all returns. This is not surprising since one would expect a strong correlation between higher incomes, home ownership, and the use of the energy credit. The slightly higher average amounts, on returns with energy expenditures, for total itemized deductions and real estate taxes tend to reinforce this observation. However, this contention seems to be contradicted by the fact that returns with energy expenditures show a lower average home mortgage interest deduction than that claimed for

**Figure B**  
**Returns With Residential Energy Credit as a Percent of All Returns, by State, 1980**



all returns. This may be explained by the stipulation in the Energy Tax Act of 1978 that only residences substantially completed before April 20, 1977, qualify for the energy conservation part of the credit. As a result, the lower purchase prices and mortgage rates generally associated with these houses would result in a smaller home mortgage interest deduction on the average.

1978-1980 PERSPECTIVE

The residential energy credit has now been available to taxpayers for 3 years. This brief history provides an opportunity to examine the data for developments and trends. In doing so, it is important to recognize the effect of the maximum expenditure and credit amounts discussed earlier. For both the energy conservation credit and the renewable energy source credit, these maximums apply to each principal residence occupied by the taxpayer. This means that once the taxpayer has claimed the maximum amount allowable for a particular residence, the only way to claim additional amounts is to occupy a new principal residence.

	All Returns	Returns with Energy Credit Expenditures
	(average amounts for 1980)	
Adjusted Gross Income ....	\$17,185	\$30,495
Total Itemized Deductions.	7,531	7,779
Real Estate Taxes .....	866	976
Home Mortgage Interest ...	2,653	2,494

## Residential Energy Credit, 1978-1980

## Energy Credit Trends

In the case of the energy conservation credit, the maximum claimable amount, coupled with the requirement that the residence have been built before April 20, 1977 (which creates a fixed supply of eligible houses) has caused a predictable decline in the number of returns with an energy conservation credit, and a corresponding drop in the amount of the credit claimed over the first 3 years of the credit. It should also be noted that the data for 1978 include amounts claimed for the 20-month period from April 20, 1977 through December 31, 1978.

## Energy Conservation Credit

	Number of Returns (millions)	Credit Amount (millions)
1978.....	5.9	\$559
1979 .....	4.8	437
1980 .....	4.6	419

While the 3-year trend for the energy conservation credit has been downward, the opposite is true for the renewable energy source credit shown below. Between 1978 and 1980, the number of returns claiming this part of the residential energy credit has more than doubled, while the amount of the "renewable" credit has increased fivefold. One factor which has encouraged this growth is that all residences are eligible for the "renewable" credit, whereas for the conservation credit, only those constructed before April 20, 1977 qualify. Also, beginning with 1980, the credit amounted to 40 percent of the first \$10,000 of qualified expenditures whereas for 1978 and 1979 it was 30 percent of the first \$2,000 of expenditures and only 20 percent of the next \$8,000 of expenditures. However, it is important to note the extremely small base on which this increase has occurred. The very low number of returns claiming the "renewable" credit, compared to the conservation credit, is probably due to the relatively high cost involved in installing solar, geothermal, and wind equipment.

## Renewable Energy Source Credit

	Number of Returns (thousands)	Credit Amount (millions)
1978 .....	69	32
1979 .....	77	44
1980 .....	155	166

With the frequency and amount of the energy conservation credit declining while the relatively smaller renewable energy source credit frequency and amount are increasing, it is of interest to look at the net effect on the total residential energy credit. The combined data below show that the number of returns declined considerably from 1978 to 1979 and then only slightly for 1980. The amount of the residential energy credit fell substantially from 1978 to 1979 and then, for 1980, rebounded to almost the 1978 level due to the effect of the increase in the renewable energy source credit to 40 percent for 1980 (explained above).

Residential Energy Credit  
(before limitation)

	Number of Returns (millions)	Credit Amount (millions)
1978 .....	6.0	592
1979 .....	4.8	481
1980 .....	4.7	584

## Energy Expenditure Trends

The above information compares the utilization of the energy conservation credit versus the renewable energy source credit from the perspective of the residential energy credit amount which serves as a direct reduction of the taxpayer's tax liability. It is also informative to make this comparison at the beginning of the process, that is, by examining the actual expenditures made by the taxpayer for energy related goods and services which qualify for the credit. The data below show the 3-year distribution of the amounts spent for the various categories of energy conservation and renewable energy source items.

In the area of energy conservation, the expenditures for insulation showed the largest and most consistent decline over the period while those for storm windows and doors showed a similar decline from 1978 to 1979 and then increased very slightly for 1980. The categories of "caulking" and "other" generally remained constant over the 3-year period with only slight rises for 1979 before returning to their 1978 levels.

A look at the expenditures for renewable energy sources shows quite a different picture. All three categories (solar, geothermal, and wind) rose dramatically from 1978 to 1980, although it must be pointed out that they started at much lower levels than the various energy conservation items. Expenditures for solar energy more than tripled from \$120.3 million to \$399 million. Geothermal expenses increased 7 times from \$3.1 million to \$21.2 million. The final renewable item, wind energy, increased by a factor of 17, from \$1.6 million to \$27.4 million. It remains to be seen whether these increases will continue or if they are only temporary rises in a market limited by very high initial expenditure requirements.

Category	Energy Expenditures (millions)		
	1978	Tax Year 1979	1980
Energy Conservation			
Insulation .....	1,760	1,332	1,218
Storm Windows/Doors ..	1,797	1,403	1,455
Caulking .....	89	100	84
Other .....	454	467	444
Total .....	4,101	3,302	3,200
Renewable Sources			
Solar .....	120.3	171.2	399.0
Geothermal .....	3.1	9.7	21.2
Wind .....	1.6	9.4	27.4
Total .....	125.0	190.3	447.6



Table 1.—Returns With Residential Energy Expenditures by Size of Adjusted Gross Income, 1978, 1979, and 1980

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

Size of adjusted gross income	Number of returns with residential energy expenditures (including credit carryover from previous years)			Energy conservation expenditures							
				Total						Insulation	
	1978	1979	1980	1978		1979		1980		1978	
				Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Total.....	5,960,618	4,911,119	4,787,883	5,919,841	4,100,680	4,781,772	3,302,364	4,600,985	3,200,379	3,926,755	1,759,849
Under \$5,000.....	56,955	62,778	55,865	56,913	43,268	54,933	39,897	44,239	38,386	36,815	20,068
\$5,000 under \$10,000.....	441,635	313,926	290,414	440,706	279,357	293,750	206,906	259,515	170,497	290,391	124,678
\$10,000 under \$15,000.....	647,208	542,141	440,217	643,233	414,912	524,677	347,375	422,483	274,803	414,938	169,433
\$15,000 under \$20,000.....	1,124,107	761,780	601,243	1,121,268	697,154	749,281	497,881	584,619	363,273	756,562	308,263
\$20,000 under \$25,000.....	1,288,343	857,505	751,044	1,280,605	872,765	835,237	509,719	730,493	488,879	878,443	379,896
\$25,000 under \$30,000.....	888,006	790,869	720,849	882,781	581,142	776,303	517,945	697,899	462,724	586,280	245,155
\$30,000 under \$40,000.....	921,292	931,451	1,021,985	908,915	683,786	911,984	649,735	991,188	663,520	599,408	292,297
\$40,000 under \$50,000.....	299,412	315,940	466,691	295,523	228,772	311,960	234,465	453,007	340,230	188,730	96,606
\$50,000 under \$75,000.....	194,435	220,502	296,444	192,645	182,155	214,179	176,594	283,463	244,204	118,971	75,293
\$75,000 under \$100,000.....	51,998	58,242	76,440	51,111	53,994	55,715	54,528	71,617	76,937	28,804	22,117
\$100,000 under \$200,000.....	39,724	46,626	54,950	38,834	51,301	44,739	53,013	51,668	59,206	23,299	20,945
\$200,000 or more.....	7,503	9,359	11,741	7,307	12,074	9,014	14,306	10,794	17,721	4,114	5,098

Size of adjusted gross income	Energy conservation expenditures--Continued									
	Insulation--Continued				Storm windows or doors					
	1979		1980		1978		1979		1980	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	
Total.....	2,898,338	1,331,718	2,701,148	1,217,612	3,357,583	1,797,326	2,543,590	1,403,014	2,460,285	1,455,357
Under \$5,000.....	34,917	19,869	21,189	16,317	27,325	15,209	24,963	16,643	24,322	15,814
\$5,000 under \$10,000.....	172,943	105,698	140,867	67,362	216,954	125,283	156,170	77,114	133,067	79,723
\$10,000 under \$15,000.....	318,322	131,186	250,911	115,140	370,114	194,252	270,020	151,212	216,835	112,068
\$15,000 under \$20,000.....	463,361	208,714	334,072	131,257	639,094	308,178	401,702	208,817	342,781	170,229
\$20,000 under \$25,000.....	531,636	201,674	454,832	192,524	725,058	373,269	456,459	218,839	396,283	222,344
\$25,000 under \$30,000.....	464,371	202,807	409,534	173,942	537,192	258,409	427,839	230,829	391,361	213,015
\$30,000 under \$40,000.....	552,990	262,524	620,641	254,348	529,051	298,558	480,687	270,397	516,126	303,424
\$40,000 under \$50,000.....	186,038	87,285	244,363	123,652	164,001	94,444	166,221	102,144	233,987	155,258
\$50,000 under \$75,000.....	116,615	63,760	156,346	88,797	101,676	80,104	108,655	76,773	141,408	112,697
\$75,000 under \$100,000.....	28,704	21,716	37,095	26,057	25,730	21,275	27,396	22,785	34,587	34,580
\$100,000 under \$200,000.....	23,968	21,440	25,995	21,685	18,021	22,970	19,772	21,147	24,984	28,143
\$200,000 or more.....	4,473	5,046	5,303	6,531	3,367	5,375	3,706	6,314	4,544	8,062

Footnotes at end of table.

Table 1.--Returns With Residential Energy Expenditures by Size of Adjusted Gross Income, 1978, 1979, and 1980--Continued

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

Size of adjusted gross income	Energy conservation expenditures--Continued						Renewable energy source expenditures					
	Caulking						1978		1979		1980	
	1978		1979		1980		Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount						
(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	
Total.....	1,565,525	89,435	1,352,636	100,365	1,225,054	83,711	69,341	125,039	76,555	190,283	155,269	447,558
Under \$5,000.....	15,496	593	7,304	504	2,982	292	*147	*272	878	1,742	1,471	6,558
\$5,000 under \$10,000.....	106,250	4,847	57,053	6,262	37,011	2,451	*4,209	*1,557	4,823	6,591	10,693	28,099
\$10,000 under \$15,000.....	116,309	6,225	118,966	20,333	97,734	13,694	4,952	12,039	8,711	6,610	6,149	13,992
\$15,000 under \$20,000.....	282,693	15,650	222,410	12,008	161,335	9,424	8,325	9,275	8,177	13,912	14,992	39,904
\$20,000 under \$25,000.....	378,486	18,142	254,911	18,090	200,901	9,708	15,083	24,067	10,066	17,668	17,371	31,415
\$25,000 under \$30,000.....	285,268	16,671	255,736	14,047	214,154	10,971	9,641	8,494	9,179	43,901	25,031	61,776
\$30,000 under \$40,000.....	253,847	14,709	275,148	15,185	286,057	14,405	16,378	28,010	16,512	43,196	31,758	103,764
\$40,000 under \$50,000.....	79,333	6,372	94,380	5,870	132,358	9,756	6,457	18,622	5,675	15,632	20,252	50,887
\$50,000 under \$75,000.....	37,797	4,258	50,911	4,385	70,069	7,698	2,864	6,583	7,906	23,550	16,325	55,636
\$75,000 under \$100,000.....	5,844	639	9,956	1,975	14,798	2,403	1,742	9,842	2,286	6,900	5,758	29,200
\$100,000 under \$200,000.....	3,649	1,086	5,070	1,350	6,387	2,122	1,275	4,854	1,962	8,681	4,254	19,095
\$200,000 or more.....	553	243	791	354	1,268	788	268	1,422	380	1,901	1,215	7,232

Size of adjusted gross income	Residential energy credit carryover				Total residential energy credit (before limitation)					
	From 1978 (shown on 1979 returns)		From 1979 (shown on 1980 returns)		1978		1979		1980	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)	(43)
Total.....	105,303	18,369	118,244	20,192	5,960,618	591,509	4,911,119	498,967	4,781,708	604,624
Under \$5,000.....	8,682	1,604	11,472	1,519	56,955	5,553	62,778	7,076	55,845	8,886
\$5,000 under \$10,000.....	21,889	2,486	33,946	3,906	441,635	38,465	313,926	33,575	290,414	37,942
\$10,000 under \$15,000.....	20,639	3,034	15,703	2,558	647,208	61,396	542,141	50,360	440,217	45,869
\$15,000 under \$20,000.....	12,442	2,156	15,067	3,685	1,124,107	99,627	761,780	73,591	601,151	68,850
\$20,000 under \$25,000.....	14,913	3,474	14,431	2,680	1,288,343	126,796	857,505	78,163	749,438	78,987
\$25,000 under \$30,000.....	11,892	1,853	9,332	1,457	889,006	82,851	790,869	77,549	720,844	85,776
\$30,000 under \$40,000.....	9,501	2,492	12,213	2,245	921,292	98,409	931,451	97,145	1,020,722	128,848
\$40,000 under \$50,000.....	1,770	415	2,296	1,192	299,412	36,254	315,940	34,958	465,048	64,159
\$50,000 under \$75,000.....	2,338	498	2,338	657	194,435	24,765	220,502	28,569	295,654	49,867
\$75,000 under \$100,000.....	950	172	*503	*83	51,998	9,046	58,242	8,301	76,435	18,312
\$100,000 under \$200,000.....	497	169	754	149	39,724	6,816	46,626	7,878	54,386	13,282
\$200,000 or more.....	70	17	189	62	7,503	1,532	9,359	1,801	11,554	3,846

\*Estimate should be used with caution because of the small number of sample returns on which it is based.  
NOTE: Detail may not add to total because of rounding.

Residential Energy Credit, 1978-1980

Table 2.--Selected Income, Deductions, and Tax Items on Returns With Residential Energy Expenditures, 1980  
 [All figures are estimates based on samples--money amounts are in thousands of dollars]

Size of adjusted gross income	All individual income tax returns	Returns with residential energy expenditures								
		Number of returns	Number of principle residences	Adjusted gross income	Salaries and wages		Interest received		Itemized deductions	
					Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
Total.....	93,902,469	4,787,883	4,793,461	146,004,597	4,310,128	121,244,206	3,914,257	8,286,028	3,578,248	27,836,940
Under \$5,000.....	20,055,529	55,865	55,865	-250,493	22,469	175,130	45,593	97,516	5,363	26,645
\$5,000 under \$10,000.....	18,370,997	290,414	290,414	2,311,241	192,649	1,264,606	230,105	457,140	77,410	361,394
\$10,000 under \$15,000.....	14,303,041	440,217	440,243	5,518,271	340,387	3,936,655	314,069	731,851	208,596	984,662
\$15,000 under \$20,000.....	11,097,733	601,243	601,243	10,580,396	527,852	8,294,469	454,651	834,963	363,917	1,885,760
\$20,000 under \$25,000.....	9,158,521	751,044	751,044	16,937,381	707,452	14,840,909	582,106	874,909	560,563	3,304,807
\$25,000 under \$30,000.....	6,783,466	720,849	724,524	19,703,959	688,453	17,707,764	554,086	776,580	586,528	3,680,089
\$30,000 under \$40,000.....	7,950,952	1,021,985	1,021,985	35,180,514	985,133	31,576,099	890,627	1,355,288	904,541	6,585,134
\$40,000 under \$50,000.....	3,053,039	466,691	468,389	20,640,421	447,183	18,160,464	421,291	859,480	443,595	4,031,662
\$50,000 under \$75,000.....	2,033,079	296,444	296,593	17,441,201	274,299	13,929,423	283,253	1,048,697	286,549	3,391,349
\$75,000 under \$100,000.....	535,348	76,440	76,466	6,525,421	67,078	4,606,686	73,630	435,750	74,961	1,285,554
\$100,000 under \$200,000.....	443,514	54,950	54,950	7,143,076	47,455	4,769,687	53,343	518,144	54,557	1,411,383
\$200,000 or more.....	117,250	11,741	11,745	4,273,209	9,718	1,982,315	11,503	295,711	11,668	888,502

Size of adjusted gross income	Returns with residential energy expenditures--Continued									
	Itemized deductions--Continued								Exemptions	
	Interest paid deduction				Taxes paid deduction				Total	Taxpayer
	Total		Home mortgage interest		Total		Real estate taxes			
Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	(19)	(20)	
(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)			
Total.....	3,424,707	11,183,856	3,072,404	7,661,939	3,577,995	10,027,364	3,470,670	3,386,422	15,606,180	8,852,107
Under \$5,000.....	3,383	10,317	2,506	5,496	5,363	6,634	2,731	1,883	157,035	82,999
\$5,000 under \$10,000.....	70,558	169,282	64,606	125,101	77,410	78,398	76,125	48,622	727,598	459,234
\$10,000 under \$15,000.....	190,471	425,086	169,599	310,343	208,596	269,799	201,257	138,684	1,202,169	722,955
\$15,000 under \$20,000.....	337,083	866,825	309,993	644,477	363,917	559,161	347,036	240,047	1,812,723	1,041,886
\$20,000 under \$25,000.....	543,897	1,443,403	489,092	1,025,259	560,310	1,061,546	542,063	419,153	2,483,077	1,388,140
\$25,000 under \$30,000.....	573,022	1,593,957	515,463	1,125,259	586,528	1,292,685	566,045	471,968	2,453,353	1,384,091
\$30,000 under \$40,000.....	880,741	2,709,176	803,120	1,926,585	904,541	2,399,623	876,161	802,180	3,560,417	1,993,533
\$40,000 under \$50,000.....	425,305	1,576,356	374,060	1,111,750	443,595	1,573,111	438,567	517,589	1,628,347	917,551
\$50,000 under \$75,000.....	269,286	1,233,436	237,089	833,349	286,549	1,365,612	281,641	423,846	1,039,773	581,867
\$75,000 under \$100,000.....	69,847	459,137	58,377	270,799	74,961	520,382	73,946	142,141	287,601	149,621
\$100,000 under \$200,000.....	50,588	470,771	40,849	223,551	54,557	553,675	53,766	133,095	210,259	107,379
\$200,000 or more.....	10,526	226,110	7,650	59,972	11,668	340,736	11,422	47,217	43,828	22,851

Size of adjusted gross income	Returns with residential energy expenditures--Continued							
	Exemptions--Continued		Taxable income		Income tax before credits		Total tax credits	
	Age 65 or over	Dependents	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	
Total.....	698,979	6,053,364	4,755,264	114,743,168	4,714,869	25,813,488	4,710,136	1,089,622
Under \$5,000.....	17,490	56,546	31,904	76,556	19,653	2,703	19,653	1,504
\$5,000 under \$10,000.....	163,142	105,173	287,089	1,467,655	265,716	103,298	265,716	28,740
\$10,000 under \$15,000.....	159,904	319,216	438,797	3,932,784	434,628	447,658	434,628	65,031
\$15,000 under \$20,000.....	115,170	655,667	600,114	7,993,129	599,549	1,110,755	599,549	96,859
\$20,000 under \$25,000.....	55,621	1,038,270	749,377	12,959,746	747,752	2,031,914	746,146	127,112
\$25,000 under \$30,000.....	59,621	1,009,641	720,827	15,504,857	720,827	2,688,022	720,826	138,921
\$30,000 under \$40,000.....	53,638	1,512,902	1,021,929	28,061,243	1,021,911	5,617,823	1,020,648	213,763
\$40,000 under \$50,000.....	25,008	685,788	466,254	16,475,199	465,964	3,891,630	464,350	108,122
\$50,000 under \$75,000.....	26,050	431,765	295,944	13,975,909	295,944	3,970,378	295,785	126,466
\$75,000 under \$100,000.....	10,024	127,956	76,392	5,207,928	76,289	1,818,171	76,284	55,874
\$100,000 under \$200,000.....	9,764	93,014	54,925	5,704,927	54,925	2,348,904	54,840	77,174
\$200,000 or more.....	3,547	17,426	11,712	3,383,236	11,712	1,782,233	11,711	50,057

Size of adjusted gross income	Returns with residential energy expenditures--Continued					
	Residential energy credit used to offset income tax before credits		Income tax after credits		Total income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(29)	(30)	(31)	(32)	(33)	(34)	
Total.....	4,669,675	562,141	4,594,070	24,723,866	4,601,056	24,821,963
Under \$5,000.....	19,069	1,316	10,141	1,198	10,384	5,041
\$5,000 under \$10,000.....	254,924	22,328	206,843	74,558	206,927	74,770
\$10,000 under \$15,000.....	427,716	41,015	413,607	382,628	413,691	383,623
\$15,000 under \$20,000.....	595,064	65,367	589,452	1,013,896	590,070	1,015,431
\$20,000 under \$25,000.....	739,798	74,291	739,517	1,904,802	741,349	1,905,614
\$25,000 under \$30,000.....	715,405	84,130	714,710	2,549,101	715,978	2,550,460
\$30,000 under \$40,000.....	1,017,657	126,612	1,017,283	5,404,060	1,018,608	5,407,487
\$40,000 under \$50,000.....	463,957	63,805	465,088	3,783,507	465,465	3,785,937
\$50,000 under \$75,000.....	294,207	48,351	294,950	3,843,912	295,608	3,854,721
\$75,000 under \$100,000.....	76,206	17,891	76,076	1,762,297	76,297	1,768,962
\$100,000 under \$200,000.....	54,156	13,222	54,705	2,271,730	54,941	2,300,470
\$200,000 or more.....	11,516	3,814	11,698	1,723,176	11,738	1,769,448

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

## DATA SOURCES AND LIMITATIONS

These statistics are based on a sample of individual income tax returns, Forms 1040, for each of the Tax Years 1978, 1979, and 1980. Returns in each year's sample were stratified based on the 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 1978 returns were selected at rates that ranged from .02 percent to 100 percent and the 1979 and 1980 returns from 0.05 percent to 100 percent. For 1980, there were 171,508 returns in the sample, from a total population of 93,902,469 returns. For 1979, the sample size was 203,536 returns and the population was 92,694,302 returns. For 1978, there were 157,518 returns in the sample and 89,771,551 in the population.

Coefficient of Variation

As the data presented in this article are estimates based upon a sample of documents filed with the Internal Revenue Service, they are subject to sampling, as well as nonsampling, errors. To properly use the statistical data provided, the magnitude of the sampling errors must be known.

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 numbers of returns 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 Appendix II.

<u>1980 Number of Returns</u>	<u>Approximated Coefficient of Variation</u>
5,049,200	.02
807,900	.05
202,000	.10
50,500	.20
22,400	.30
8,100	.50

# An Examination of Private Foundations for 1979

By Thomas B. Petska\*

In 1979 there were approximately 28,000 foundations that spent \$3.2 billion for charitable, religious, and other philanthropic purposes. Over \$1.7 billion of these expenditures were made by the 490 largest foundations. Of the \$6.0 billion in income received by foundations in 1979, these 490 largest foundations accounted for \$3.6 billion of this amount.

Total assets of foundations were similarly concentrated. Those with assets of \$1,000,000 or more accounted for only 13 percent of all foundations but 90 percent of total foundation assets. The 490 largest foundations accounted for 65 percent of total foundation assets. The largest foundation, the Ford Foundation, had assets of \$2.4 billion, which was 7 percent of the total.

Asset Size	Number of Foundations	Percent of Total	Total Assets (Billions)	Percent of Total
Total.....	27,980	100.0%	\$34.7	100.0%
Under \$100,000..	15,747	56.3	0.4	1.1
\$100,000 under				
\$1,000,000....	8,717	31.2	3.0	8.6
\$1,000,000 under				
\$10,000,000...	3,026	10.8	8.8	25.4
\$10,000,000 or more.....	490	1.7	22.5	64.8

Although the Ford Foundation was clearly the largest foundation, several other foundations also reported assets in excess of \$250 million. The ten largest foundations, which are listed below in order of decreasing asset size, had assets that totaled \$6.5 billion, or 19 percent of the total.

Ranking	Name	Total Assets (Millions)
1	Ford Foundation	\$2,437
2	Andrew W. Mellon Foundation	691
3	Kresge Foundation	609
4	Rockefeller Foundation	539
5	Robert Wood Johnson Foundation	508
6	Charles Stewart Mott Foundation	405
7	The MacArthur Foundation	397
8	W.M. Keck Foundation	336
9	Fundacao Calouste Gulbenkian	321
10	The Pew Memorial Foundation	287

The number of foundations and their assets, total receipts, and expenditures for exempt purposes all increased substantially in the 1962-1979 period. The number of foundations nearly doubled while assets, receipts, and expenditures for exempt purposes tripled.

(Expenditures for exempt purposes represent expenditures for activities that were directly related to the tax-exempt purpose of the foundation and included expenditures made for charitable, educational, religious, scientific or other similar purposes.)

Income Year	Number of Foundations	Total Assets (Billions)	Total Receipts (Billions)	Expenditures for Exempt Purposes (Billions)
1962 ...	14,865	\$11.6	\$1.9	\$1.0
1974 ...	26,889	25.5	2.8	2.4
1979 ...	27,980	34.7	6.0	3.2

## PRIVATE AND PUBLIC PHILANTHROPY

As can be seen in the table below, the number of private foundations and their philanthropic expenditures are small in comparison to those of other organizations recognized as tax-exempt under Internal Revenue Code subsection 501(c)(3). Other 501(c)(3) organizations, such as the American Cancer Society and the National Kidney Foundation, are generally considered "public charities" because these organizations have a broad base of public financial support. Private foundations have a narrow base of financial support, receiving most of their funds from their founder(s). In addition to this broad base of support, "public charities" are in the advantageous position of having fewer requirements and are exempt from paying the excise tax that is required of foundations. (A discussion of the requirements affecting foundations appears in the next section.)

Income Year 1975	Number of Organizations	Expenditures for Exempt Purposes (Billions)
Total exempt under subsection 501(c)(3)..	109,135	\$39.4
Private foundations..	27,087	2.6
All other .....	82,048	36.8

Data are presented in the table below for three years in the 1962-1979 period to show the relative magnitude of private foundation expenditures. A measure of public philanthropy called "Government Social Welfare Expenditures" is included for comparative purposes. This series is compiled by the Social Security Administration [10] and includes direct Government disbursements to the aged, disabled, unemployed, and poor, plus Government expenditures for schools, hospitals, and other similar facilities.

\*Prepared under the direction of Daniel F. Skelly, Acting Chief, Foreign Special Projects Section, Foreign Statistics Branch.

Expenditures for exempt purposes by private foundations are small in comparison to Government Social Welfare Expenditures and the Gross National Product (GNP). Public philanthropy, as measured by Government Social Welfare Expenditures, accounted for between 11 and 18 percent of the GNP for the three years shown. Private foundation expenditures represented less than 1 percent of Government Social Welfare Expenditures and are negligible in comparison to the GNP.

While the expenditures of private foundations are small relative to the total of all tax-exempt organizations, they still account for billions of dollars. Furthermore, private philanthropic organizations have considerable flexibility in carrying out their activities. Since they are not directly accountable to the public, these organizations can initiate creative approaches to social problem-solving without a need for an immediate return on their investments as is often the case for public social programs. In addition, private philanthropy can shift resources and priorities without the burdens that are characteristic of public programs.

Income Year	Expenditures for Exempt Purposes (Billions)	Government Social Welfare Expenditures (Billions)	Gross National Product (Billions)
1962.....	\$1.0	\$64.7	\$565.0
1974.....	2.4	264.7	1,434.2
1979.....	3.2	440.3	2,417.8

#### TAX TREATMENT OF PHILANTHROPIC ACTIVITIES

The Federal Government grants exemption from income taxation to certain organizations that engage in charitable and other philanthropic activities in order to encourage philanthropy in the private sector. The primary reason for tax-exemption was best described in a U.S. House of Representatives Ways and Means Committee report on the Revenue Act of 1938 [17]:

"The exemption from taxation of money or property devoted to charitable or other (exempt) purposes is based upon the theory that the government is compensated for the loss of revenue by its relief from the financial burden which would otherwise have to be made by appropriations from public funds, and by the benefits resulting from the promotion of the general welfare."

Another tax benefit that indirectly assists organizations engaged in philanthropic activities is the deductibility by donors of contributions from their income. By reducing taxable income, contributors reduce their total tax liability. This effectively lowers the net cost of a contribution by the amount of the contribution times the marginal tax rate of the taxpayer.

Before 1969, private foundations were not defined in the Internal Revenue Code but were generally recognized as tax-exempt under Code subsection 501(c)(3), along with charitable, educational, religious, and other "philanthropic" type organizations. Increasing public awareness of the privileges of tax-exempt status and alleged foundation involvement in questionable activities contributed to the passage of the Tax Reform Act of 1969. Under this Act, a private foundation was defined as a nongovernment, nonprofit organization with a narrow base of financial support whose goal was to assist social, educational, religious or other activities deemed to serve the public good.

Foundations are classified as either "nonoperating" or "operating." Nonoperating foundations, which account for approximately 96 percent of the total, are organizations that carry out charitable or other philanthropic activities in an indirect manner by making grants to other organizations or persons that carry out these activities. Operating foundations, on the other hand, engage directly in charitable and other philanthropic activities. In the case of individuals, contributions to private nonoperating foundations are deductible up to a limit of 20 percent of adjusted gross income (AGI), while contributions to operating foundations and public charities are deductible up to a limit of 50 percent of AGI. Contributions by corporations to philanthropy (including amounts donated to private foundations) are deductible only up to 5 percent of net income.

In addition to defining private foundations, the 1969 Act significantly increased the number of restrictions on foundation activities, imposed an excise tax on a foundation's net investment income to cover the Government's cost of monitoring their activities, and required nonoperating foundations to make a current minimum distribution for charitable or other philanthropic purposes. This required minimum distribution was established to insure that foundations that benefited from their tax-exempt status were also currently involved in charitable or other philanthropic activities. This provision has been criticized on the grounds that it would necessitate the liquidation of assets which could eventually lead to the extinction of private foundations over time.

As can be seen above, foundation spending for philanthropy was about the same relative to assets in 1979 as it was in 1974. The overall number of foundations increased between 1974 to 1979, and the number of foundations with assets of \$10 million or more increased from 354 to 490. Therefore, these data do not support the position that foundations are a dying breed.

#### COMPARISON OF FOUNDATION FINANCIAL DATA, 1974 AND 1979

All of the foundation asset items, except for accounts and notes receivable, increased considerably between 1974 and 1979. Corporate stock, the largest asset item, increased by \$2.3 billion, while corporate bonds, the second largest, increased by \$2.0 billion. Government obligations were the third largest asset item, and witnessed the largest increase both in actual amounts and on a percentage basis. This increase was \$2.7 billion, which is almost twice the 1974 amount. The large percentage increase in Government obligations was probably due to the high levels of interest rates in 1979, making Government obligations more attractive relative to other investments.

Asset Item	1974 (Billions)	1979 (Billions)	Change from 1974
Total.....	\$25.5	\$34.7	36%
Corporate stock.....	13.4	15.7	17
Corporate bonds.....	5.0	7.0	40
Government obligations	1.4	4.2	200
Cash.....	1.2	2.0	66
Accounts and notes receivable (net)...	1.0	0.8	-20
Other.....	3.5	5.0	42

On a percentage basis, the relatively small increase in corporate stock in comparison to other type assets produced an overall 8 percent decline in corporate stockholdings as a percent of total assets (from 53 to 45 percent). Corporate bonds accounted for 20 percent of total assets in both years. Government obligations accounted for the largest relative increase, growing from 6 to 12 percent of the total. The other asset composition shares were relatively stable between the two periods.

If the effects of inflation are removed from the asset data for these two years, the picture that emerges is somewhat different. The level of prices, as measured by the Implicit Price Index for the Gross National Product [14, 15], increased by 42 percent between these two periods. Since the value of total assets only increased by 36 percent, "real" asset values actually declined. With a base period of 1972 = 100, the total real asset values were \$22.2 billion for 1974 and \$21.2 billion for 1979.

Total liabilities for all foundations decreased by 8 percent between 1974 and 1979. For foundations with \$10 million or more in assets, it decreased by 17 percent. However, for foundations with assets under \$1 million, total liabilities increased by 25 percent. For all foundations total liabilities for 1979 were only 4 percent of total assets.

In both years, contributions, gifts, and grants constituted the largest source of receipts, while dividends and interest were the two next largest sources. Although dividends ranked second for 1974, it dropped to third for 1979 with interest replacing it. This increase in the share of interest relative to dividends is not surprising when two factors are considered. First, as the asset composition indicates, investment portfolios have shifted away from holdings of corporate stock toward Government obligations. Second, and related to the first reason, in 1979 interest rates were at historically high levels so, even without portfolio changes, returns on these assets would be high relative to 1974.

Receipts	1974 (Billions)	1979 (Billions)	Change from 1974
Total Receipts....	\$2.8	\$6.0	114%
Contributions, gifts, grants.....	1.2	2.3	91
Dividends.....	0.7	1.2	71
Interest.....	0.7	1.2	71
Net gain (or loss) from sales of assets	-0.2	0.8	500
Other.....	0.3	0.6	100

Contributions, gifts, and grants is by far the largest component of total deductions, and it increased its share of the total from 71 to 79 percent between 1974 and 1979. The next largest deduction item, employee wages and benefits, increased from 5 to 6 percent of total deductions.

FOUNDATION ASSETS, INCOME AND DISTRIBUTIONS, BY SIZE OF TOTAL ASSETS, 1979

In Figure A, the three largest components of total assets are illustrated by size of total assets. Corporate stock was the largest asset component in total and for each asset size group, except for the group under \$100,000. (For this group, cash, which is not shown here, was the largest asset component. The importance of cash in asset portfolios declines significantly with increases in the size of total assets.) The relative share of corporate stock increases with asset size. Corporate bonds and Government obligations, the second and third largest asset types, also generally increased in importance with increases in the size of the foundation but much more modestly than corporate stock.

Figure B shows the three largest sources of receipts by size of total assets. Contributions share of total receipts declined as the size of the foundation

Figure A  
The Three Principal Components of Total Assets, by Size of Total Assets, 1979

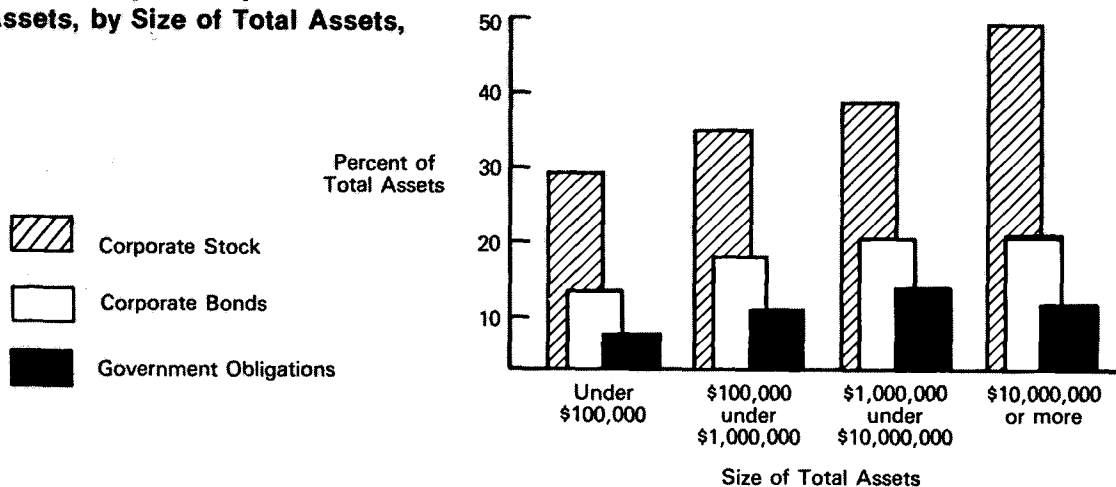
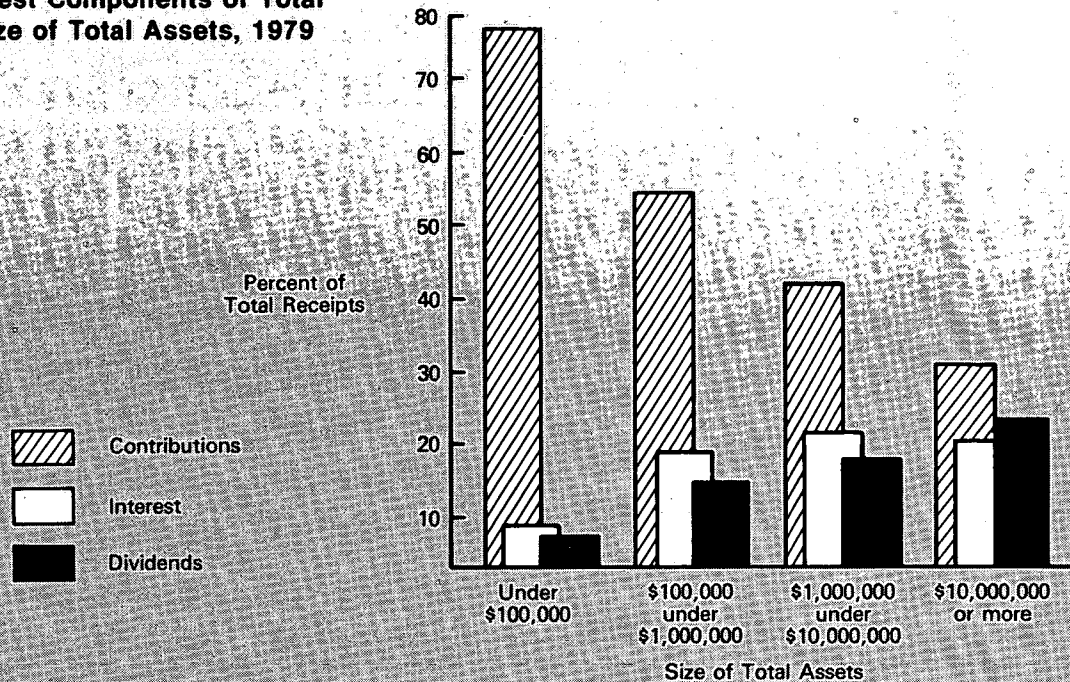


Figure B  
The Three Largest Components of Total Receipts, by Size of Total Assets, 1979



increased, from 78 percent in the smallest asset size class to 31 percent in the largest size class. Since, by definition, the larger organizations have higher asset values, it is not surprising that interest and dividends, which are returns to assets, show steady increases in importance with increasing asset size. Dividends surpasses interest in the highest asset size class to become the second largest receipt component. This is attributable to the increasing significance of corporate stock in asset portfolios of this group.

#### FOUNDATION DISTRIBUTIONS

Figure C shows three items relating to the required current minimum distribution for charitable purposes by size of investment assets (i.e., assets not used for charitable purposes). A minimum distribution ("distributable amount") must be made by foundations to avoid paying penalties. It is defined as the greater of net income ("adjusted net income") or a fixed percent of investment assets ("minimum investment return"). This percent is set each year by the Secretary of the Treasury on the basis of money market rates and was 5 percent in 1979. It is designed to ensure that foundations currently pay out at least what is a normal return on market obligations.

The fixed percent of investment assets was put into the computation of the required minimum distribution so that foundation philanthropic spending would be maintained even if net income were small or zero. In 1979, however, net income exceeded 5 percent of investment assets in each asset size class. The required distribution, which is the greater of net income or 5 percent of investment assets, barely exceeded net income in each size class. For any subgroup, the required distribution must exceed both




net income and 5 percent of investment assets unless one of these is larger for all foundations in that group. That situation is very unlikely. However, the sizes of net income and 5 percent of investment assets relative to the required distribution are an indication of the significance of these two components in the computation of the required distribution. For 1979 net income was the more significant factor in the determination of the required distribution since the required distribution much more closely resembles net income than 5 percent of investment assets.

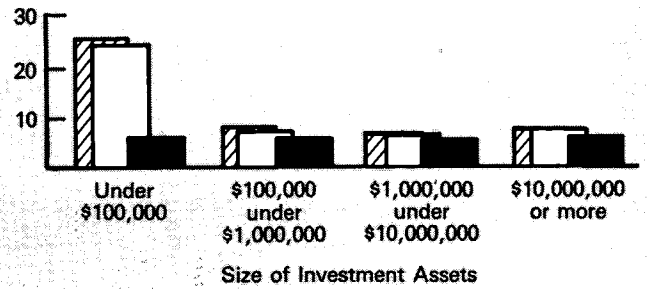
In the Economic Recovery Tax Act of 1981, the minimum distribution requirement was redefined to include only the fixed percent of assets. This change will reduce the required minimum distribution for those nonoperating foundations whose net income exceeds their fixed percent of assets. This could reduce funds that foundations expend for charitable or similar purposes. For example, if this provision had existed for 1979, the required minimum distribution would have been \$700 million less.

Actual foundation distributions ("qualifying distributions") include expenditures made by foundations for their exempt purposes, amounts used to acquire additional exempt purpose assets, and amounts set aside for future expenditures for exempt purposes. Each of these three types of distributions can be used to meet the minimum distribution requirement. However, foundations can distribute more if they so desire. (Since operating foundations are required to distribute at least 85 percent of their net income for exempt purposes, they are not subject to the distribution requirement.) In Figure D the ratios of actual distributions and the required minimum distribution to investment assets by size of investment assets are shown.





**Figure C**  
**Foundation Distribution Items, by**  
**Size of Investment Assets**

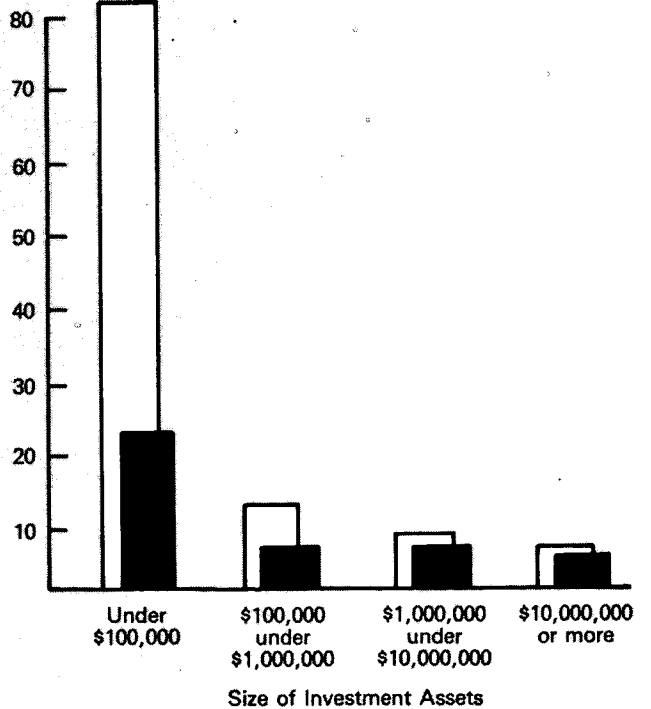
 Required Distribution  
 Net Income  
 5 Percent of Investment Assets



**Figure D**  
**Foundation Required Minimum Distributions**  
**and the Actual Distributions,**  
**by Size of Investment Assets**

 Actual Distributions  
 Required Distributions

Percent of Investment Assets



Actual distributions exceed required distributions in each asset size class. This difference declines considerably with increases in the size of the foundation. For the smallest foundations, the amount of actual distributions is over three times the size of the required distribution; for the largest foundations, these two items are nearly identical. Thus, the smaller foundations are much more likely to distribute more than is required than are the larger foundations. However, one point of clarification should be noted on the mechanics of the required distribution. Both components of the required distribution (i.e., net income and 5 percent of investment assets) are dependent on the size of assets. Contributions received by foundations are not included in either of these components. Since the smaller foundations are much more dependent upon contributions as a source of receipts than are the larger foundations, the required minimum distribution is considerably less binding on the smaller foundations. The larger foundations have relatively greater shares of the types of income that are included in net income, and, in addition, they have high asset values. Both of these increase the significance of the required minimum distribution among the larger foundations. Therefore, the minimum distribution requirement is more applicable to the larger foundations. In general, the smaller foundations distribute more of their income and do not build up a large asset base from which they could earn interest and dividends. The larger foundations distribute only slightly more than they are required, and these expenditures are from their investment income.

#### SOURCES OF DATA AND METHOD OF ESTIMATION

Private foundation statistics are based on a sample of private foundation returns, Return of a Private Foundation Exempt from Income Tax (Form 990-PF), processed by the Internal Revenue Service during 1980. The sample was stratified based on the size of total assets and selected at rates that ranged from 7 percent to 100 percent. There were 9,438 returns in the sample drawn from an estimated population of 29,845. (See [7] for more details.)

In the 1979 study, only one return for each sampled foundation was accepted in the sample and the estimated population. In the 1974 study, certain prior-year returns were included even when a given foundation also filed a more recent return during the current filing period. Prior-year returns were included based on the assumption that they would substitute for returns filed late. If the same methodology was used in 1979, the estimated number of foundations would have been approximately 1,700 higher. (All of these additional 1,700 foundations would have asset values less than \$1 million.)

Data for Income Years 1977 and 1978 are also available. These data were obtained directly from the IRS Master File system based on information transcribed for tax administration purposes from all returns filed in 1978 and 1979, respectively. However, these data were not further edited for statistical use. Moreover, they were derived from the entire population rather than from statistical samples. For these reasons, the data for 1977 and 1978 are not altogether comparable with those for 1974 and 1979 and were, therefore, not used in this article. Comparisons between the Master File data and the data in the studies cited in this article can be found in the IRS study, Statistics of Income--1974-1978, Private Foundations [5], and two papers which are listed in the Bibliographical References and Notes [7, 8].

#### COEFFICIENTS OF VARIATION

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

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 numbers of foundations 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 Appendix II.

<u>Number of foundations</u>	<u>Approximated Coefficient of variation</u>
5,740	.05
1,440	.10
360	.20
160	.30
60	.50

**Table 1. — Number of Foundations, Total and Selected Receipts and Total Deductions, Total and Selected Assets, Net Worth, Net Investment Income and Tax, and Distributions, by Size of Total Book Value of Assets**

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

Item	Total	Size of total book value of assets							
		Assets zero or not reported	\$1 under \$25,000	\$25,000 under \$100,000	\$100,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$10,000,000	\$10,000,000 under \$50,000,000	\$50,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<b>Number of foundations.....</b>	<b>27,980</b>	<b>1,223</b>	<b>8,557</b>	<b>5,967</b>	<b>6,752</b>	<b>1,965</b>	<b>3,026</b>	<b>402</b>	<b>88</b>
<b>Total receipts.....</b>	<b>6,013,129</b>	<b>5,318</b>	<b>93,998</b>	<b>111,420</b>	<b>345,438</b>	<b>276,185</b>	<b>1,572,295</b>	<b>1,439,688</b>	<b>2,168,787</b>
Selected receipts:									
Contributions, gifts, and grants received:									
Number of foundations.....	12,561	237	4,336	2,679	2,876	861	1,359	174	38
Amount.....	2,281,838	4,409	79,118	81,006	197,903	140,684	663,094	557,736	557,886
Net capital gain:									
Number of foundations.....	5,661	*17	645	908	1,718	701	1,391	227	54
Amount.....	701,601	*43	1,783	6,640	31,121	23,344	177,168	159,075	302,428
<b>Total deductions.....</b>	<b>3,535,777</b>	<b>12,290</b>	<b>109,868</b>	<b>87,499</b>	<b>261,833</b>	<b>181,980</b>	<b>1,006,568</b>	<b>875,222</b>	<b>1,000,517</b>
Contributions, gifts, and grants paid:									
Number of foundations.....	22,564	372	5,927	5,226	6,135	1,761	2,683	373	87
Amount.....	2,801,000	9,638	76,612	66,140	212,787	142,262	775,516	688,109	829,936
<b>Total assets (book value).....</b>	<b>34,668,031</b>	<b>—</b>	<b>63,690</b>	<b>333,096</b>	<b>1,606,756</b>	<b>1,390,765</b>	<b>8,814,871</b>	<b>8,314,042</b>	<b>14,144,810</b>
Selected assets:									
Investments in corporate bonds:									
Number of foundations.....	9,876	—	752	1,832	3,421	1,257	2,207	330	76
Amount.....	7,037,133	—	5,412	46,046	271,630	268,803	1,805,796	1,833,959	2,805,487
Investments in corporate stocks:									
Number of foundations.....	13,639	—	1,612	3,006	4,503	1,527	2,561	351	79
Amount.....	15,740,143	—	13,785	103,048	548,918	484,109	3,420,936	3,503,002	7,666,344
<b>Net worth (end of year):</b>									
Number of foundations.....	26,599	—	8,404	5,962	6,752	1,965	3,026	402	88
Amount.....	33,166,587	—	55,735	320,640	1,572,155	1,358,375	8,513,068	7,888,951	13,457,661
<b>Net income (less deficit).....</b>	<b>2,477,354</b>	<b>- 6,972</b>	<b>- 15,870</b>	<b>23,921</b>	<b>83,606</b>	<b>94,205</b>	<b>565,728</b>	<b>564,466</b>	<b>1,168,269</b>
Net income:									
Number of foundations.....	15,324	*55	3,538	3,442	4,404	1,356	2,145	309	75
Amount.....	2,826,936	*844	9,771	40,720	131,168	118,214	689,686	625,020	1,211,512
Deficit.....	349,582	7,816	25,640	16,799	47,563	24,009	123,958	60,554	43,243
Net investment income:									
Number of foundations.....	22,391	198	4,965	5,444	6,436	1,912	2,958	390	88
Amount.....	3,124,039	1,473	7,644	28,219	141,320	122,747	797,345	785,373	1,239,817
Excise tax on net investment income.....	62,753	29	152	568	2,826	2,472	15,959	15,767	24,980
Adjusted net income:									
Number of foundations.....	22,188	183	4,837	5,428	6,397	1,909	2,953	393	88
Amount.....	2,580,063	1,581	14,206	25,075	116,106	105,235	672,470	652,817	992,572
Minimum investment return:									
Number of foundations.....	23,048	232	6,117	5,268	6,228	1,863	2,870	384	87
Amount.....	1,877,852	780	3,242	15,756	78,950	70,974	460,608	481,674	765,867
Distributable amount:									
Number of foundations.....	23,281	259	6,449	5,497	6,203	1,770	2,664	357	82
Amount.....	2,450,298	1,774	13,181	25,412	118,030	100,113	614,640	616,339	960,809
Qualifying distributions:									
Number of foundations.....	25,202	464	7,078	5,706	6,560	1,926	2,983	396	88
Amount.....	3,438,217	15,456	103,329	84,797	253,921	170,789	950,485	844,060	1,015,379

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

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

## Private Foundations/1979

Table 2. — Number of Foundations, Total and Selected Receipts and Total Deductions, Total and Selected Assets, Net Worth, Net Investment Income and Tax, and Distributions, by Size of Total Fair Market Value of Assets

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

Item	Total	Size of total fair market value of assets							
		Assets zero or not reported	\$1 under \$25,000	\$25,000 under \$100,000	\$100,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$10,000,000	\$10,000,000 under \$50,000,000	\$50,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<b>Number of foundations</b> .....	<b>27,980</b>	<b>1,496</b>	<b>8,395</b>	<b>5,741</b>	<b>6,571</b>	<b>2,045</b>	<b>3,131</b>	<b>486</b>	<b>115</b>
<b>Total receipts</b> .....	<b>6,013,129</b>	<b>13,972</b>	<b>92,924</b>	<b>95,819</b>	<b>361,384</b>	<b>269,453</b>	<b>1,501,945</b>	<b>1,392,499</b>	<b>2,285,133</b>
Selected receipts:									
Contributions, gifts, and grants received:									
Number of foundations.....	12,561	404	4,294	2,511	2,808	879	1,416	205	43
Amount.....	2,281,838	7,903	78,325	69,585	227,440	144,606	681,745	562,152	510,082
Net capital gain:									
Number of foundations.....	5,661	48	599	913	1,626	733	1,406	267	69
Amount.....	701,601	1,024	1,629	6,562	27,646	23,516	161,514	174,998	304,711
<b>Total deductions</b> .....	<b>3,535,777</b>	<b>19,535</b>	<b>108,053</b>	<b>79,534</b>	<b>241,278</b>	<b>182,192</b>	<b>929,210</b>	<b>827,397</b>	<b>1,148,578</b>
Contributions, gifts, and grants paid:									
Number of foundations.....	22,564	544	5,854	4,967	6,030	1,837	2,769	452	111
Amount.....	2,801,000	15,682	74,894	58,949	192,817	144,762	715,662	652,319	945,914
<b>Total assets (book value)</b> .....	<b>34,668,031</b>	<b>59,024</b>	<b>100,954</b>	<b>341,506</b>	<b>1,672,735</b>	<b>1,330,832</b>	<b>8,204,413</b>	<b>8,334,004</b>	<b>14,624,561</b>
Selected assets:									
Investments in corporate bonds:									
Number of foundations.....	9,876	67	806	1,750	3,276	1,256	2,234	394	92
Amount.....	7,037,133	16,256	7,048	50,808	277,462	258,635	1,719,836	1,858,056	2,849,031
Investments in corporate stocks:									
Number of foundations.....	13,639	65	1,629	2,810	4,355	1,596	2,642	435	107
Amount.....	15,740,143	14,801	18,393	99,895	495,693	455,555	3,115,893	3,445,250	8,094,664
<b>Net worth (end of year):</b>									
Number of foundations.....	26,599	302	8,226	5,731	6,566	2,045	3,128	486	115
Amount.....	33,166,587	57,796	74,069	329,041	1,641,507	1,298,318	7,924,312	7,910,766	13,930,778
<b>Net income (less deficit)</b> .....	<b>2,477,354</b>	<b>- 5,563</b>	<b>- 15,129</b>	<b>16,285</b>	<b>120,107</b>	<b>87,261</b>	<b>572,735</b>	<b>565,102</b>	<b>1,136,555</b>
Net income:									
Number of foundations.....	15,324	168	3,584	3,332	4,221	1,355	2,199	375	90
Amount.....	2,826,936	3,725	9,755	31,662	161,147	114,452	695,338	630,449	1,180,407
Deficit.....	349,582	9,288	24,884	15,377	41,040	27,191	122,603	65,347	43,852
Net investment income:									
Number of foundations.....	22,391	321	4,887	5,281	6,256	1,995	3,064	472	114
Amount.....	3,124,039	6,038	7,551	25,531	130,893	113,351	721,177	745,541	1,373,957
Excise tax on net investment income.....	62,753	121	150	510	2,617	2,285	14,438	14,969	27,663
Adjusted net income:									
Number of foundations.....	22,188	326	4,745	5,258	6,222	1,987	3,059	477	114
Amount.....	2,580,063	5,169	14,280	22,119	108,734	94,548	610,717	590,465	1,134,031
Minimum investment return:									
Number of foundations.....	23,048	376	6,028	5,101	6,064	1,926	2,975	468	111
Amount.....	1,877,852	3,290	3,095	14,007	70,755	62,950	407,002	429,227	887,526
Distributable amount:									
Number of foundations.....	23,281	415	6,359	5,304	6,057	1,844	2,764	433	106
Amount.....	2,450,298	5,328	13,108	22,369	104,151	89,933	554,717	547,581	1,113,110
Qualifying distributions:									
Number of foundations.....	25,202	673	6,958	5,479	6,406	2,003	3,088	481	114
Amount.....	3,438,217	22,831	101,297	77,665	245,405	178,909	877,992	793,744	1,140,373

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

Table 3.—Balance Sheets and Income Statements, by Size of Total Book Value of Assets

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

Item	Total	Size of total book value of assets							
		Assets zero or not reported	\$1 under \$25,000	\$25,000 under \$100,000	\$100,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$10,000,000	\$10,000,000 under \$50,000,000	\$50,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<b>Number of foundations</b> .....	<b>27,980</b>	<b>1,223</b>	<b>8,557</b>	<b>5,967</b>	<b>6,752</b>	<b>1,965</b>	<b>3,026</b>	<b>402</b>	<b>88</b>
<b>Total assets (book value)</b> .....	<b>34,668,031</b>	<b>—</b>	<b>63,690</b>	<b>333,096</b>	<b>1,606,756</b>	<b>1,390,765</b>	<b>8,814,871</b>	<b>8,314,042</b>	<b>14,144,810</b>
Cash, total.....	2,011,309	—	31,303	91,612	268,776	188,417	673,833	398,637	358,733
Savings and interest-bearing accounts.....	1,431,234	—	19,982	69,216	203,803	146,768	533,331	296,806	161,328
Other.....	580,074	—	11,321	22,395	64,973	41,649	140,502	101,830	197,404
Accounts receivable, net.....	236,680	—	881	4,612	13,498	10,153	59,223	58,553	89,761
Notes receivable, net.....	523,186	—	949	5,442	30,768	30,381	174,075	158,469	123,101
Inventories.....	39,712	—	303	1,447	5,644	3,561	18,017	8,455	2,285
Investments in government obligations, total.....	4,152,901	—	3,532	23,531	164,804	164,149	1,176,164	1,152,643	1,468,078
United States and instrumentalities.....	4,086,661	—	3,250	22,431	160,782	159,200	1,144,001	1,132,555	1,464,443
State and local.....	66,240	—	282	1,101	4,022	4,950	32,163	20,088	3,635
Investments in corporate bonds.....	7,037,133	—	5,412	46,046	271,630	268,803	1,805,796	1,833,959	2,805,487
Investments in corporate stock.....	15,740,143	—	13,785	103,048	548,918	484,109	3,420,936	3,503,002	7,666,344
Mortgage loans.....	422,250	—	257	5,098	18,984	23,115	84,229	131,130	159,437
Other investments.....	2,239,432	—	4,446	27,421	141,097	104,423	569,413	477,992	914,640
Depreciable assets held for investment purposes.....	400,891	—	16	1,404	27,644	20,937	143,108	87,733	120,050
Less: Accumulated depreciation.....	177,292	—	1	659	10,592	8,486	61,652	39,401	56,502
Depreciable assets held for charitable purposes.....	567,656	—	1,811	10,945	28,637	36,119	267,099	123,600	99,444
Less: Accumulated depreciation.....	124,033	—	732	4,824	5,714	8,360	51,513	25,319	27,572
Land held for investment purposes.....	378,048	—	23	4,265	27,156	21,086	135,783	141,583	48,153
Land held for charitable purposes.....	192,084	—	282	3,666	18,821	16,384	97,833	40,056	15,041
Other assets.....	1,027,924	—	1,422	10,042	56,683	35,971	302,525	262,951	358,330
<b>Total liabilities</b> .....	<b>1,501,443</b>	<b>—</b>	<b>7,954</b>	<b>12,456</b>	<b>34,600</b>	<b>32,390</b>	<b>301,803</b>	<b>425,091</b>	<b>687,148</b>
Accounts payable.....	133,850	—	3,234	2,013	5,874	5,498	27,941	18,750	70,541
Contributions, gifts, and grants payable.....	848,917	—	1,118	928	3,724	6,819	92,608	185,237	558,482
Mortgages and notes payable.....	298,505	—	1,427	7,330	14,551	11,360	111,863	150,450	1,524
Other liabilities.....	220,171	—	2,175	2,185	10,452	8,713	69,391	70,654	56,601
<b>Net worth</b> .....	<b>33,166,587</b>	<b>—</b>	<b>55,735</b>	<b>320,640</b>	<b>1,572,155</b>	<b>1,358,375</b>	<b>8,513,068</b>	<b>7,888,951</b>	<b>13,457,661</b>
<b>Total receipts</b> .....	<b>6,013,129</b>	<b>5,318</b>	<b>93,998</b>	<b>111,420</b>	<b>345,438</b>	<b>276,185</b>	<b>1,572,295</b>	<b>1,439,688</b>	<b>2,168,787</b>
Contributions, gifts, and grants received.....	2,281,838	4,409	79,118	81,006	197,903	140,684	663,094	557,736	557,886
Gross dues and assessments.....	5,682	91	58	174	474	871	3,981	33	—
Interest.....	1,224,691	1,387	2,987	12,176	62,403	56,279	336,954	311,818	440,687
Dividends.....	1,196,303	357	3,150	9,448	45,273	42,028	269,819	312,605	513,623
Gross rents and royalties.....	196,619	202	1,562	2,027	11,987	8,559	69,313	63,430	39,538
Net gain (or loss) from sale of assets.....	757,611	- 1,127	1,359	2,977	17,356	18,442	156,871	161,347	400,385
Gross profit from business activities.....	50,464	—	2,573	1,736	4,891	2,840	26,599	8,889	2,936
Other income.....	299,919	( <sup>1</sup> )	3,190	1,875	5,150	6,481	45,663	23,829	213,730
<b>Total deductions</b> .....	<b>3,535,777</b>	<b>12,290</b>	<b>109,868</b>	<b>87,499</b>	<b>261,833</b>	<b>181,980</b>	<b>1,006,568</b>	<b>875,222</b>	<b>1,000,517</b>
Contributions, gifts, and grants paid.....	2,801,000	9,638	76,612	66,140	212,787	142,262	775,516	688,109	829,936
Compensation of officers.....	71,905	282	3,075	2,085	4,642	3,751	21,052	17,152	19,865
Other salaries and wages.....	168,558	64	12,888	5,298	10,652	7,711	53,617	39,721	36,607
Pension plan contributions.....	14,005	—	—	96	199	184	2,854	5,058	5,615
Other employee benefits.....	16,106	—	1,311	313	539	233	2,653	2,486	8,571
Investment, legal, and other professional services.....	81,430	360	2,351	2,407	6,621	5,161	24,304	19,867	20,360
Interest.....	17,084	—	97	286	874	741	6,539	8,265	282
Taxes.....	88,655	85	1,024	1,028	4,867	3,674	23,281	24,691	30,004
Depreciation, amortization, and depletion.....	27,233	61	183	739	1,741	1,806	10,949	6,167	5,586
Rent.....	16,744	21	1,872	602	809	690	4,801	3,797	4,152
Other expenses.....	235,051	1,778	10,455	8,502	18,099	15,767	81,002	59,908	39,539
<b>Net income (less deficit)</b> .....	<b>2,477,354</b>	<b>- 6,972</b>	<b>- 15,870</b>	<b>23,921</b>	<b>83,606</b>	<b>94,205</b>	<b>565,728</b>	<b>564,466</b>	<b>1,168,269</b>
Net income.....	2,826,936	844	9,771	40,720	131,168	118,214	689,686	625,020	1,211,512
Deficit.....	349,582	7,816	25,640	16,799	47,563	24,009	123,958	60,554	43,243
<b>Total assets (fair market value)</b> .....	<b>44,647,789</b>	<b>10,868</b>	<b>66,723</b>	<b>386,264</b>	<b>3,052,299</b>	<b>1,653,661</b>	<b>10,532,899</b>	<b>11,263,686</b>	<b>17,681,390</b>
<b>Information items:</b>									
Beginning of year assets, total.....	31,678,973	13,305	81,265	315,851	1,507,457	1,308,195	8,104,436	7,619,282	12,729,182
Selected beginning of year assets:									
Inventories.....	32,296	—	322	1,178	4,157	3,273	12,453	8,815	2,097
Investments in corporate stock.....	16,991,350	2,694	16,647	100,528	2,584,191	478,722	3,328,545	3,370,673	7,109,351
Depreciable assets held for investment purposes.....	403,747	1,535	—	1,372	25,440	20,848	141,353	90,954	122,244
Less: Accumulated depreciation.....	168,858	821	—	597	10,038	8,710	57,961	33,312	57,420
Depreciable assets held for charitable purposes.....	507,051	—	1,372	9,284	26,012	31,147	234,660	110,514	94,062
Less: Accumulated depreciation.....	105,764	—	572	3,917	5,209	7,133	44,808	20,007	24,119

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

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

## Private Foundations/1979

Table 4. — Balance Sheets and Income Statements, by Size of Total Fair Market Value of Assets

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

Item	Total	Size of total fair market value of assets							
		Assets zero or not reported	\$1 under \$25,000	\$25,000 under \$100,000	\$100,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$10,000,000	\$10,000,000 under \$50,000,000	\$50,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<b>Number of foundations</b> .....	<b>27,980</b>	<b>1,496</b>	<b>8,395</b>	<b>5,741</b>	<b>6,571</b>	<b>2,045</b>	<b>3,131</b>	<b>486</b>	<b>115</b>
<b>Total assets (book value)</b> .....	<b>34,668,031</b>	<b>59,024</b>	<b>100,954</b>	<b>341,506</b>	<b>1,672,735</b>	<b>1,330,832</b>	<b>8,204,413</b>	<b>8,334,004</b>	<b>14,624,561</b>
Cash, total.....	2,011,309	6,160	32,429	91,589	259,627	177,170	656,729	356,689	430,917
Savings and interest-bearing accounts.....	1,431,234	4,169	20,836	69,884	198,819	135,632	514,557	265,582	221,756
Other.....	580,074	1,991	11,592	21,704	60,807	41,538	142,172	91,107	209,161
Accounts receivable, net.....	236,680	608	1,194	3,933	12,650	10,775	58,786	57,815	90,919
Notes receivable, net.....	523,186	151	1,228	6,104	31,655	29,630	163,159	157,791	133,467
Inventories.....	39,712	—	303	1,702	5,388	3,483	17,225	7,200	4,412
Investments in government obligations, total.....	4,152,901	6,849	4,090	26,786	197,354	160,781	1,070,968	1,203,949	1,482,125
United States and instrumentalities.....	4,086,661	6,744	3,808	25,395	193,889	156,465	1,037,951	1,183,820	1,478,490
State and local.....	66,240	106	282	1,391	3,365	4,315	33,018	20,128	3,635
Investments in corporate bonds.....	7,037,133	16,256	7,048	50,808	277,462	258,635	1,719,836	1,858,056	2,849,031
Investments in corporate stock.....	15,740,143	14,801	18,393	99,895	495,693	455,555	3,115,893	3,445,250	8,094,664
Mortgage loans.....	422,250	280	257	6,465	18,067	23,764	78,411	185,995	109,010
Other investments.....	2,239,432	3,971	5,358	29,332	145,047	103,110	534,432	499,867	918,315
Depreciable assets held for investment purposes.....	400,891	768	503	1,264	20,549	17,782	139,661	88,715	131,649
Less: Accumulated depreciation.....	177,292	724	2	263	8,202	6,575	59,479	35,588	66,458
Depreciable assets held for charitable purposes.....	567,656	4,302	1,733	-8,070	43,500	34,531	240,306	127,326	107,887
Less: Accumulated depreciation.....	124,033	845	662	2,495	5,130	8,024	45,458	32,380	29,038
Land held for investment purposes.....	378,048	1,057	251	4,187	20,316	20,757	130,145	136,503	64,833
Land held for charitable purposes.....	192,084	1,667	256	2,207	21,826	15,457	92,357	36,549	21,766
Other assets.....	1,027,924	3,723	28,575	11,923	136,931	34,003	291,440	240,267	281,062
<b>Total liabilities</b> .....	<b>1,501,443</b>	<b>1,228</b>	<b>26,886</b>	<b>12,465</b>	<b>31,228</b>	<b>32,513</b>	<b>280,102</b>	<b>423,238</b>	<b>693,784</b>
Accounts payable.....	133,850	89	3,520	1,632	6,878	5,243	27,136	21,930	67,421
Contributions, gifts, and grants payable.....	848,917	230	1,124	789	3,450	6,982	75,379	219,466	541,498
Mortgages and notes payable.....	298,505	267	20,165	7,149	8,230	12,010	113,126	108,784	28,774
Other liabilities.....	220,171	642	2,076	2,896	12,669	8,278	64,461	73,058	56,091
<b>Net worth</b> .....	<b>33,166,587</b>	<b>57,796</b>	<b>74,069</b>	<b>329,041</b>	<b>1,641,507</b>	<b>1,298,318</b>	<b>7,924,312</b>	<b>7,910,766</b>	<b>13,930,778</b>
<b>Total receipts</b> .....	<b>6,013,129</b>	<b>13,972</b>	<b>92,924</b>	<b>95,819</b>	<b>361,384</b>	<b>269,453</b>	<b>1,501,945</b>	<b>1,392,499</b>	<b>2,285,133</b>
Contributions, gifts, and grants received.....	2,281,838	7,903	78,325	69,585	227,440	144,606	681,745	562,152	510,082
Gross dues and assessments.....	5,682	93	58	195	483	758	3,974	121	—
Interest.....	1,224,691	3,599	3,282	12,815	65,526	54,839	314,982	317,669	451,979
Dividends.....	1,196,303	1,700	2,956	7,201	38,424	35,015	233,766	244,591	632,650
Gross rents and royalties.....	196,619	932	1,562	584	7,435	7,324	57,899	57,899	60,351
Net gain (or loss) from sale of assets.....	757,611	-373	959	2,112	13,100	18,844	139,600	170,550	412,819
Gross profit from business activities.....	50,464	6	2,583	1,469	4,256	2,323	25,723	11,418	2,687
Other income.....	299,919	112	3,200	1,856	4,720	5,743	41,623	28,100	214,565
<b>Total deductions</b> .....	<b>3,535,777</b>	<b>19,535</b>	<b>108,053</b>	<b>79,534</b>	<b>241,278</b>	<b>182,192</b>	<b>929,210</b>	<b>827,397</b>	<b>1,148,578</b>
Contributions, gifts, and grants paid.....	2,801,000	15,682	74,894	58,949	192,817	144,762	715,662	652,319	945,914
Compensation of officers.....	71,905	377	2,985	2,096	4,720	3,518	19,538	17,314	21,357
Other salaries and wages.....	166,558	187	13,103	5,057	11,546	7,221	48,585	36,228	44,631
Pension plan contributions.....	14,005	—	—	96	288	157	2,485	4,246	6,733
Other employee benefits.....	16,106	2	1,310	330	677	189	2,479	2,316	8,803
Investment, legal, and other professional services.....	81,430	484	2,367	2,398	5,986	5,153	22,744	19,618	22,681
Interest.....	17,084	1	103	287	927	693	6,257	6,067	2,750
Taxes.....	88,655	216	1,039	921	4,055	3,465	20,969	22,155	35,834
Depreciation, amortization, and depletion.....	27,233	303	170	538	1,536	1,695	10,325	5,879	6,787
Rent.....	16,744	93	1,809	592	801	662	4,668	3,453	4,665
Other expenses.....	235,051	2,191	10,273	8,268	17,922	14,676	75,498	57,802	48,421
<b>Net income (less deficit)</b> .....	<b>2,477,354</b>	<b>-5,563</b>	<b>-15,129</b>	<b>16,285</b>	<b>120,107</b>	<b>87,261</b>	<b>572,735</b>	<b>565,102</b>	<b>1,136,555</b>
Net income.....	2,826,936	3,725	9,755	31,662	161,147	114,452	695,338	630,449	1,180,407
Deficit.....	349,582	9,288	24,884	15,377	41,040	27,191	122,603	65,347	43,852
<b>Total assets (fair market value)</b> .....	<b>44,647,789</b>	<b>—</b>	<b>61,674</b>	<b>322,136</b>	<b>1,564,737</b>	<b>1,448,981</b>	<b>9,320,233</b>	<b>9,875,653</b>	<b>22,054,375</b>
<b>Information items</b> .....									
Beginning of year assets, total.....	31,678,973	69,645	146,784	321,670	1,536,864	1,255,132	7,489,782	7,619,677	13,239,420
Selected beginning of year assets:									
Inventories.....	32,296	—	322	1,433	4,287	2,826	10,258	8,604	4,566
Investments in corporate stock.....	16,991,350	18,159	21,387	97,355	2,530,126	450,853	3,035,727	3,343,101	7,494,642
Depreciable assets held for investment purposes.....	403,747	2,303	487	1,232	19,289	17,318	136,212	98,368	128,539
Less: Accumulated depreciation.....	168,858	1,517	1	193	7,828	6,647	55,225	34,320	63,126
Depreciable assets held for charitable purposes.....	507,051	2,897	1,294	6,743	39,645	29,626	210,019	119,507	97,320
Less: Accumulated depreciation.....	105,764	636	517	2,098	4,293	6,811	39,248	27,135	25,027

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

Table 5. — All Foundations — Balance Sheets and Income Statements, by Size of Total Receipts

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

Item	Total	Size of total receipts						
		Receipts zero or not reported	\$1 under \$25,000	\$25,000 under \$100,000	\$100,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$10,000,000	\$10,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>Number of foundations</b> .....	<b>27,980</b>	<b>1,994</b>	<b>15,338</b>	<b>5,376</b>	<b>3,371</b>	<b>732</b>	<b>759</b>	<b>410</b>
<b>Total assets (book value)</b> .....	<b>34,668,031</b>	<b>85,854</b>	<b>1,110,684</b>	<b>2,150,050</b>	<b>4,920,660</b>	<b>3,409,746</b>	<b>11,315,976</b>	<b>11,675,062</b>
Cash, total.....	2,011,309	16,139	180,893	255,825	414,298	215,360	538,835	389,960
Savings and interest-bearing accounts.....	1,431,234	11,651	142,479	199,644	319,430	165,451	406,799	185,779
Other.....	580,074	4,488	38,413	56,181	94,867	49,909	132,035	204,180
Accounts receivable, net.....	236,690	510	9,295	8,790	29,620	14,971	77,291	96,203
Notes receivable, net.....	523,186	342	33,568	43,240	105,142	44,211	180,905	115,778
Inventories.....	39,712	2	3,073	6,121	8,385	7,203	13,069	1,858
Investments in government obligations, total.....	4,152,901	298	93,028	231,411	637,359	419,053	1,659,638	1,112,114
United States and instrumentalities.....	4,086,661	298	90,901	224,602	621,861	410,519	1,632,282	1,106,197
State and local.....	66,240	—	2,127	6,810	15,498	8,533	27,356	5,916
Investments in corporate bonds.....	7,037,133	1,294	176,023	410,516	1,014,946	788,129	2,339,963	2,306,262
Investments in corporate stock.....	15,740,143	30,766	377,315	812,803	1,938,098	1,347,340	4,841,796	6,392,025
Mortgage loans.....	422,250	—	14,661	48,427	61,783	20,678	171,627	105,075
Other investments.....	2,239,432	21,788	98,169	144,844	282,649	196,211	722,436	773,336
Depreciable assets held for investment purposes.....	400,891	1,111	10,589	21,794	73,859	50,242	134,397	108,899
Less: Accumulated depreciation.....	177,292	129	3,375	8,671	30,195	20,408	56,084	58,430
Depreciable assets held for charitable purposes.....	567,656	822	19,802	47,099	125,532	101,009	168,159	105,231
Less: Accumulated depreciation.....	124,033	175	4,345	11,571	23,785	20,370	37,175	26,611
Land held for investment purposes.....	378,048	730	15,232	37,018	78,929	88,696	104,642	52,802
Land held for charitable purposes.....	192,084	1,916	14,637	25,687	41,520	33,898	52,547	21,879
Other assets.....	1,027,924	10,437	72,119	76,715	162,518	123,526	403,929	178,681
<b>Total liabilities</b> .....	<b>1,501,443</b>	<b>1,576</b>	<b>63,406</b>	<b>38,981</b>	<b>127,185</b>	<b>149,043</b>	<b>449,621</b>	<b>671,630</b>
Accounts payable.....	133,850	195	3,830	8,192	17,734	7,606	33,816	62,477
Contributions, gifts, and grants payable.....	848,917	—	2,637	4,014	21,750	33,635	251,951	534,930
Mortgages and notes payable.....	298,505	1,078	50,287	17,029	55,083	79,275	72,105	23,648
Other liabilities.....	220,171	304	6,653	9,746	32,518	28,526	91,749	50,575
<b>Net worth</b> .....	<b>33,166,587</b>	<b>84,277</b>	<b>1,047,277</b>	<b>2,111,068</b>	<b>4,793,475</b>	<b>3,260,702</b>	<b>10,866,355</b>	<b>11,003,432</b>
<b>Total receipts</b> .....	<b>6,013,129</b>	<b>—</b>	<b>103,691</b>	<b>275,979</b>	<b>738,976</b>	<b>502,669</b>	<b>1,952,673</b>	<b>2,439,141</b>
Contributions, gifts, and grants received.....	2,281,838	—	32,680	105,718	284,159	185,774	752,466	921,041
Gross dues and assessments.....	5,682	—	262	810	2,322	2,109	178	—
Interest.....	1,224,691	—	37,081	81,679	186,986	127,452	442,140	349,353
Dividends.....	1,196,303	—	28,258	58,133	146,444	367,982	367,329	492,157
Gross rents and royalties.....	196,619	—	2,367	9,565	28,933	22,663	83,759	49,332
Net gain (or loss) from sale of assets.....	757,611	—	764	12,115	61,563	41,101	227,764	414,302
Gross profit from business activities.....	50,464	—	489	2,549	10,310	3,670	33,307	139
Other income.....	299,919	—	1,769	5,407	18,258	15,918	45,729	212,818
<b>Total deductions</b> .....	<b>3,535,777</b>	<b>913</b>	<b>130,181</b>	<b>244,125</b>	<b>569,557</b>	<b>391,503</b>	<b>1,215,346</b>	<b>984,152</b>
Contributions, gifts, and grants paid.....	2,801,000	745	110,775	193,622	417,946	305,666	947,052	825,195
Compensation of officers.....	71,905	—	2,158	6,790	14,221	7,668	24,959	16,110
Other salaries and wages.....	166,558	( <sup>1</sup> )	1,359	6,668	43,099	21,285	58,655	35,491
Pension plan contributions.....	14,005	—	3	124	668	648	7,200	5,364
Other employee benefits.....	16,106	1	26	272	2,205	1,024	5,002	7,577
Investment, legal, and other professional services.....	81,430	43	4,460	7,739	16,518	9,566	24,260	18,844
Interest.....	17,084	21	499	806	3,136	2,765	7,806	2,050
Taxes.....	89,855	19	2,104	4,853	13,257	8,857	30,618	28,947
Depreciation, amortization, and depletion.....	27,233	33	952	2,131	5,865	3,908	9,175	5,168
Rent.....	16,744	3	463	1,067	3,514	1,112	6,991	3,593
Other expenses.....	235,051	49	7,379	20,053	49,126	29,003	93,628	35,813
<b>Net income (less deficit)</b> .....	<b>2,477,354</b>	<b>- 913</b>	<b>- 26,489</b>	<b>31,854</b>	<b>169,419</b>	<b>111,166</b>	<b>737,327</b>	<b>1,454,989</b>
Net income.....	2,826,936	—	23,306	76,688	243,622	165,618	828,282	1,489,420
Deficit.....	349,582	913	49,795	44,834	74,203	54,452	90,955	34,431
<b>Total assets (fair market value)</b> .....	<b>44,647,789</b>	<b>99,841</b>	<b>2,382,930</b>	<b>2,432,352</b>	<b>5,615,908</b>	<b>4,080,020</b>	<b>14,211,854</b>	<b>15,824,885</b>
Information items:								
Beginning of year assets, total.....	31,678,973	40,407	1,161,709	2,083,154	4,655,435	3,242,923	10,417,497	10,067,849
Selected beginning of year assets:								
Inventories.....	32,296	2	2,823	4,908	7,535	1,428	13,981	1,619
Investments in corporate stock.....	16,991,350	7,302	2,434,410	816,506	1,928,291	1,366,746	4,621,655	5,816,440
Depreciable assets held for investment purposes.....	403,747	1,041	11,084	22,200	78,148	45,983	137,324	107,967
Less: Accumulated depreciation.....	168,858	116	4,044	8,648	28,301	18,144	53,825	55,780
Depreciable assets held for charitable purposes.....	507,051	798	15,337	44,584	111,423	93,692	144,018	97,198
Less: Accumulated depreciation.....	105,764	155	3,667	10,146	20,993	17,044	29,333	24,426

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

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

## Private Foundations/1979

Table 6. — All Foundations — Balance Sheets and Income Statements, by Size of Total Contributions Received

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

Item	Total	Size of total contributions received						
		Contributions zero or not reported	\$1 under \$25,000	\$25,000 under \$100,000	\$100,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$10,000,000	\$10,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>Number of foundations</b> .....	<b>27,980</b>	<b>15,418</b>	<b>7,925</b>	<b>2,521</b>	<b>1,505</b>	<b>284</b>	<b>302</b>	<b>25</b>
<b>Total assets (book value)</b> .....	<b>34,668,031</b>	<b>20,560,271</b>	<b>3,207,755</b>	<b>2,383,668</b>	<b>2,672,466</b>	<b>1,122,461</b>	<b>3,501,046</b>	<b>1,220,364</b>
Cash, total.....	2,011,309	1,083,305	235,117	179,368	226,918	85,084	158,616	42,901
Savings and interest-bearing accounts.....	1,431,234	736,346	187,116	125,210	171,440	67,350	119,022	24,749
Other.....	580,074	346,958	48,001	54,158	55,478	17,733	39,594	18,152
Accounts receivable, net.....	236,680	127,985	16,906	15,800	11,091	9,676	41,829	13,393
Notes receivable, net.....	523,186	346,009	61,565	19,082	34,232	12,000	47,804	2,495
Inventories.....	39,712	12,546	4,856	5,069	9,500	6,736	712	292
Investments in government obligations, total.....	4,152,901	2,272,068	412,287	313,420	363,106	172,590	480,929	138,501
United States and instrumentalities.....	4,086,661	2,242,661	402,308	310,007	355,407	171,463	470,121	134,695
State and local.....	66,240	29,407	9,980	3,412	7,700	1,127	10,808	3,806
Investments in corporate bonds.....	7,037,133	3,935,543	726,510	577,193	460,774	208,032	616,803	512,278
Investments in corporate stock.....	15,740,143	10,284,722	1,290,460	884,562	1,078,977	385,552	1,511,960	303,910
Mortgage loans.....	422,250	230,682	32,712	45,466	14,778	33,227	45,355	20,030
Other investments.....	2,239,432	1,409,654	167,095	102,344	167,100	81,733	273,264	38,242
Depreciable assets held for investment purposes.....	400,891	218,221	49,072	21,898	45,112	29,315	30,612	6,661
Less: Accumulated depreciation.....	177,292	98,977	23,401	6,271	17,720	17,819	8,195	4,910
Depreciable assets held for charitable purposes.....	567,656	190,825	99,375	71,938	72,095	49,055	66,131	18,236
Less: Accumulated depreciation.....	124,033	54,654	25,539	16,770	11,575	7,478	7,954	64
Land held for investment purposes.....	378,048	191,688	36,943	11,389	61,910	13,311	46,483	16,324
Land held for charitable purposes.....	192,084	54,467	29,876	33,478	28,929	10,967	26,408	7,961
Other assets.....	1,027,924	356,182	93,919	125,701	127,240	50,479	170,289	104,114
<b>Total liabilities</b> .....	<b>1,501,443</b>	<b>746,818</b>	<b>131,722</b>	<b>130,062</b>	<b>125,961</b>	<b>87,465</b>	<b>197,382</b>	<b>82,033</b>
Accounts payable.....	133,850	89,405	9,975	10,800	6,735	4,357	10,770	1,808
Contributions, gifts, and grants payable.....	848,917	395,934	52,849	91,334	31,672	46,667	152,269	78,192
Mortgages and notes payable.....	298,505	170,628	41,000	12,738	61,111	8,887	4,038	104
Other liabilities.....	220,171	90,852	27,899	15,189	26,444	27,554	30,305	1,928
<b>Net worth</b> .....	<b>33,166,587</b>	<b>19,813,452</b>	<b>3,076,033</b>	<b>2,253,607</b>	<b>2,546,505</b>	<b>1,034,996</b>	<b>3,303,664</b>	<b>1,138,331</b>
<b>Total receipts</b> .....	<b>6,013,129</b>	<b>2,423,913</b>	<b>402,121</b>	<b>375,917</b>	<b>565,476</b>	<b>315,524</b>	<b>984,097</b>	<b>946,082</b>
Contributions, gifts, and grants received.....	2,281,838	—	47,103	125,640	316,843	186,363	702,511	903,378
Gross dues and assessments.....	5,682	776	2,378	1,457	945	81	43	—
Interest.....	1,224,691	726,060	119,685	87,837	90,837	46,459	128,126	25,687
Dividends.....	1,196,303	793,369	126,914	79,762	78,080	20,761	86,627	10,790
Gross rents and royalties.....	196,619	113,098	34,034	13,169	18,245	6,057	8,430	3,586
Net gain (or loss) from sale of assets.....	757,611	519,052	50,613	54,456	39,610	51,674	40,783	1,423
Gross profit from business activities.....	50,464	25,383	6,058	5,451	10,620	1,419	1,303	231
Other income.....	299,919	246,175	15,334	8,144	10,296	2,709	16,274	987
<b>Total deductions</b> .....	<b>3,535,777</b>	<b>1,789,107</b>	<b>337,018</b>	<b>267,962</b>	<b>360,386</b>	<b>182,042</b>	<b>455,335</b>	<b>143,928</b>
Contributions, gifts, and grants paid.....	-2,801,000	-1,486,092	240,267	179,200	246,617	142,382	375,243	131,200
Compensation of officers.....	71,905	40,231	7,495	7,433	7,664	2,834	5,218	1,031
Other salaries and wages.....	166,558	46,891	22,152	25,186	36,880	12,499	20,494	2,655
Pension plan contributions.....	14,005	5,135	1,095	2,339	1,460	637	2,880	459
Other employee benefits.....	16,106	7,583	1,055	1,998	2,593	1,062	1,596	219
Investment, legal, and other professional services.....	81,430	42,190	9,588	6,381	8,808	3,329	8,429	2,705
Interest.....	17,084	10,928	2,822	724	1,832	384	258	136
Taxes.....	88,655	53,142	9,472	5,706	7,249	4,337	7,337	1,412
Depreciation, amortization, and depletion.....	27,233	12,372	3,866	2,846	4,535	1,212	2,121	261
Rent.....	16,744	6,988	2,265	2,010	3,208	725	1,491	58
Other expenses.....	235,051	77,752	36,921	34,137	39,541	12,641	30,268	3,792
<b>Net income (less deficit)</b> .....	<b>2,477,354</b>	<b>634,809</b>	<b>65,103</b>	<b>107,955</b>	<b>205,089</b>	<b>133,481</b>	<b>528,763</b>	<b>802,154</b>
Net income.....	2,826,936	859,038	103,288	130,147	229,825	157,875	544,121	802,642
Deficit.....	349,582	224,229	38,184	22,192	24,736	24,394	15,359	488
<b>Total assets (fair market value)</b> .....	<b>44,647,789</b>	<b>27,320,889</b>	<b>4,556,542</b>	<b>2,859,243</b>	<b>3,269,556</b>	<b>1,280,288</b>	<b>4,155,139</b>	<b>1,206,132</b>
Information items:								
Beginning of year assets, total.....	31,678,973	19,526,936	3,114,490	2,271,745	2,429,198	948,453	2,971,972	416,180
Selected beginning of year assets:								
Inventories.....	32,296	13,051	4,175	4,464	8,917	950	469	270
Investments in corporate stock.....	16,991,350	11,930,334	1,318,042	947,297	1,038,009	342,968	1,250,384	164,316
Depreciable assets held for investment purposes.....	403,747	221,349	51,940	23,180	43,633	34,807	28,018	820
Less: Accumulated depreciation.....	168,858	94,675	23,181	6,243	15,624	21,740	6,622	773
Depreciable assets held for charitable purposes.....	507,051	173,327	88,344	70,802	63,540	41,198	52,899	16,941
Less: Accumulated depreciation.....	105,764	49,687	17,990	16,851	9,451	4,941	6,807	37

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



Table 7. — Number of Foundations, by Size of Total Book Value of Assets and by Size of Total Fair Market Value of Assets

[All figures are estimates based on samples]

Size of total book value of assets	Size of total fair market value of assets								
	Total	Assets zero or not reported	\$1 under \$25,000	\$25,000 under \$100,000	\$100,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$10,000,000	\$10,000,000 under \$50,000,000	\$50,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<b>Total.....</b>	<b>27,980</b>	<b>1,496</b>	<b>8,395</b>	<b>5,741</b>	<b>6,571</b>	<b>2,045</b>	<b>3,131</b>	<b>486</b>	<b>115</b>
Assets zero or not reported.....	1,223	1,132	*77	*5	*5	—	3	—	—
\$1 under \$25,000.....	8,557	261	8,066	215	*15	—	—	—	—
\$25,000 under \$100,000.....	5,967	53	224	5,204	459	*21	*5	—	—
\$100,000 under \$500,000.....	6,752	*26	*23	308	5,975	369	49	*2	*2
\$500,000 under \$1,000,000.....	1,965	7	3	6	109	1,569	266	3	—
\$1,000,000 under \$10,000,000.....	3,026	16	1	3	6	87	2,798	113	2
\$10,000,000 under \$50,000,000.....	402	—	1	—	—	—	9	362	30
\$50,000,000 or more.....	88	—	—	—	1	—	—	6	81

\*Estimate should be used with caution because of the small number of sample returns on which it was based.  
NOTE: Detail may not add to total because of rounding.

Table 8. — Selected Balance Sheet and Income Statement Items, and Reconciliation of Net Worth, by Size of Total Book Value of Assets

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

Item	Size of total book value of assets								
	Total	Assets zero or not reported	\$1 under \$25,000	\$25,000 under \$100,000	\$100,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$10,000,000	\$10,000,000 under \$50,000,000	\$50,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<b>Number of foundations</b> .....	<b>27,980</b>	<b>1,223</b>	<b>8,557</b>	<b>5,967</b>	<b>6,752</b>	<b>1,965</b>	<b>3,026</b>	<b>402</b>	<b>88</b>
<b>Total assets (book value)</b> .....	<b>34,668,031</b>	—	<b>63,690</b>	<b>333,096</b>	<b>1,606,756</b>	<b>1,390,765</b>	<b>8,814,871</b>	<b>8,314,042</b>	<b>14,144,810</b>
<b>Selected assets:</b>									
Cash, total:									
Number of foundations.....	25,910	—	8,220	5,834	6,558	1,907	2,922	384	86
Amount.....	2,011,309	—	31,303	91,612	268,776	188,417	673,833	398,637	358,733
Investments in government obligations, total:									
Number of foundations.....	6,334	—	389	865	2,040	915	1,781	273	71
Amount.....	4,152,901	—	3,532	23,531	164,804	164,149	1,176,164	1,152,643	1,468,078
Investments in corporate bonds:									
Number of foundations.....	9,876	—	752	1,832	3,421	1,257	2,207	330	76
Amount.....	7,037,133	—	5,412	46,046	271,630	268,803	1,805,796	1,833,959	2,805,487
Investments in corporate stock:									
Number of foundations.....	13,639	—	1,612	3,006	4,503	1,527	2,561	351	79
Amount.....	15,740,143	—	13,785	103,048	548,918	484,109	3,420,936	3,503,002	7,666,344
<b>Total liabilities</b> .....	<b>1,501,443</b>	—	<b>7,954</b>	<b>12,456</b>	<b>34,600</b>	<b>32,390</b>	<b>301,803</b>	<b>425,091</b>	<b>687,148</b>
<b>Selected liabilities:</b>									
Contributions, gifts, and grants payable:									
Number of foundations.....	805	—	169	101	166	52	207	69	40
Amount.....	848,917	—	1,118	928	3,724	6,819	92,608	185,237	558,482
Mortgages and notes payable:									
Number of foundations.....	755	—	154	150	194	77	154	24	3
Amount.....	298,505	—	1,427	7,330	14,551	11,360	111,863	150,450	1,524
<b>Net worth (end of year)</b> .....	<b>33,166,587</b>	—	<b>55,735</b>	<b>320,640</b>	<b>1,572,155</b>	<b>1,358,375</b>	<b>8,513,068</b>	<b>7,888,951</b>	<b>13,457,661</b>
Principal fund:									
Number of foundations.....	25,444	—	7,744	5,732	6,603	1,925	2,961	394	85
Amount.....	32,065,253	—	63,548	322,661	1,569,762	1,309,012	8,150,544	7,407,205	13,242,522
Income fund:									
Number of foundations.....	9,512	—	2,042	2,009	2,718	923	1,560	211	49
Amount.....	1,101,334	—	7,813	2,022	2,394	49,364	362,525	481,747	215,140
<b>Reconciliation of net worth:</b>									
Net worth (beginning of year):									
Number of foundations.....	26,386	329	8,233	5,818	6,618	1,930	2,980	391	87
Amount.....	30,286,667	15,685	73,030	304,761	1,470,121	1,256,939	7,856,758	7,244,935	12,064,438
Additions to net worth:									
Net income:									
Number of foundations.....	15,324	*55	3,538	3,442	4,404	1,356	2,145	309	75
Amount.....	2,826,936	*844	9,771	40,720	131,168	118,214	689,686	625,020	1,211,512
Other increases:									
Number of foundations.....	4,264	*54	721	934	1,182	421	770	140	42
Amount.....	702,491	*691	2,172	4,275	27,695	19,173	139,936	186,937	321,613
Subtractions from net worth:									
Deficit:									
Number of foundations.....	11,028	319	4,375	2,456	2,303	602	870	91	13
Amount.....	349,582	7,816	25,640	16,799	47,563	24,009	123,958	60,554	43,243
Other decreases:									
Number of foundations.....	4,870	*84	1,335	913	1,270	401	718	114	34
Amount.....	299,923	*9,404	3,597	12,317	9,265	11,942	49,353	107,386	96,658
Equals:									
Net worth (end of year):									
Number of foundations.....	26,599	—	8,404	5,962	6,752	1,965	3,026	402	88
Amount.....	33,166,587	—	55,735	320,640	1,572,156	1,358,375	8,513,068	7,888,951	13,457,661
<b>Total receipts</b> .....	<b>6,013,129</b>	<b>5,318</b>	<b>93,998</b>	<b>111,420</b>	<b>345,438</b>	<b>276,185</b>	<b>1,572,295</b>	<b>1,439,688</b>	<b>2,168,787</b>
<b>Selected receipts:</b>									
Contributions, gifts, and grants received:									
Number of foundations.....	12,561	237	4,336	2,679	2,876	861	1,359	174	38
Amount.....	2,281,838	4,409	79,118	81,006	197,903	140,684	663,094	557,736	557,886
Interest:									
Number of foundations.....	21,395	245	4,674	4,926	6,229	1,887	2,957	389	87
Amount.....	1,224,691	1,387	2,987	12,176	62,403	56,279	336,954	311,818	440,687
Dividends:									
Number of foundations.....	15,249	91	2,103	3,412	4,924	1,605	2,662	367	84
Amount.....	1,196,303	357	3,150	9,448	45,273	42,028	269,819	312,605	513,623
Net capital gain:									
Number of foundations.....	5,661	*17	645	908	1,718	701	1,391	227	54
Amount.....	701,601	*43	1,783	6,640	31,121	23,344	177,168	159,075	302,428
Net short-term capital gain:									
Number of foundations.....	1,765	1	200	267	438	197	507	121	35
Amount.....	51,444	(1)	91	1,556	2,637	2,798	12,101	13,528	18,733
<b>Total deductions</b> .....	<b>3,535,777</b>	<b>12,290</b>	<b>109,868</b>	<b>87,499</b>	<b>261,833</b>	<b>181,980</b>	<b>1,006,568</b>	<b>875,222</b>	<b>1,000,517</b>
<b>Selected deductions:</b>									
Contributions, gifts, and grants paid:									
Number of foundations.....	22,564	372	5,927	5,226	6,135	1,761	2,683	373	87
Amount.....	2,801,000	9,638	76,612	66,140	212,787	142,262	775,516	688,109	829,936
Compensation of officers:									
Number of foundations.....	5,424	*58	721	907	1,571	591	1,242	259	75
Amount.....	71,905	*282	3,075	2,085	4,642	3,751	21,052	17,152	19,865
Investments, legal, and other professional services:									
Number of foundations.....	13,226	223	2,320	2,773	3,854	1,328	2,295	352	82
Amount.....	81,430	360	2,351	2,407	6,621	5,161	24,304	19,867	20,360
<b>Total assets (fair market value)</b> .....	<b>44,647,789</b>	<b>10,868</b>	<b>66,723</b>	<b>386,264</b>	<b>3,052,299</b>	<b>1,653,661</b>	<b>10,532,899</b>	<b>11,263,686</b>	<b>17,681,390</b>

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

†Less than \$500.

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

Table 9. — Nonoperating Foundations — Balance Sheets and Income Statements, by Size of Total Book Value of Assets

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

Item	Total	Size of total book value of assets							
		Assets zero or not reported	\$1 under \$25,000	\$25,000 under \$100,000	\$100,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$10,000,000	\$10,000,000 under \$50,000,000	\$50,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<b>Number of nonoperating foundations.....</b>	<b>26,970</b>	<b>1,192</b>	<b>8,245</b>	<b>5,813</b>	<b>6,555</b>	<b>1,880</b>	<b>2,824</b>	<b>379</b>	<b>83</b>
<b>Total assets (book value).....</b>	<b>32,965,412</b>	<b>—</b>	<b>62,175</b>	<b>324,032</b>	<b>1,556,643</b>	<b>1,331,315</b>	<b>8,235,983</b>	<b>7,825,178</b>	<b>13,630,085</b>
Cash, total.....	1,821,415	—	30,365	88,748	262,634	178,031	647,221	393,134	221,283
Savings and interest-bearing accounts.....	1,376,581	—	19,304	66,751	200,150	139,162	514,442	294,544	142,229
Other.....	444,832	—	11,061	21,996	62,484	38,869	132,778	98,590	79,054
Accounts receivable, net.....	222,866	—	881	4,062	12,807	9,446	52,063	55,965	87,642
Notes receivable, net.....	509,921	—	731	5,430	29,730	30,224	169,068	155,705	119,034
Inventories.....	31,653	—	299	1,441	4,495	2,807	14,938	5,816	1,858
Investments in government obligations, total.....	3,977,883	—	3,526	23,494	160,853	159,849	1,116,773	1,101,022	1,412,366
United States and instrumentalities.....	3,913,623	—	3,244	22,393	156,831	155,054	1,086,220	1,081,150	1,408,730
State and local.....	64,260	—	282	1,101	4,022	4,795	30,554	19,872	3,635
Investments in corporate bonds.....	6,823,979	—	5,412	45,802	267,790	263,399	1,716,224	1,751,322	2,774,029
Investments in corporate stock.....	15,404,886	—	13,682	101,902	540,368	472,305	3,278,866	3,331,427	7,666,336
Mortgage loans.....	408,679	—	257	5,098	18,472	22,750	81,546	121,119	159,437
Other investments.....	2,144,264	—	4,422	27,318	136,558	102,945	539,631	436,545	896,846
Depreciable assets held for investment purposes.....	355,031	—	16	1,374	26,427	19,407	131,064	82,695	94,049
Less: Accumulated depreciation.....	162,983	—	1	647	10,366	8,191	58,233	36,772	48,775
Depreciable assets held for charitable purposes.....	357,425	—	1,655	5,597	21,017	24,765	150,029	81,126	73,237
Less: Accumulated depreciation.....	84,707	—	692	2,239	6,408	24,578	18,782	27,572	41,828
Land held for investment purposes.....	356,977	—	23	4,265	25,551	18,983	128,168	138,158	33,118
Land held for charitable purposes.....	134,366	—	282	2,951	14,455	11,617	60,692	33,118	11,251
Other assets.....	663,751	—	1,316	9,438	50,287	29,385	232,508	193,581	147,237
<b>Total liabilities.....</b>	<b>1,433,163</b>	<b>—</b>	<b>7,712</b>	<b>11,126</b>	<b>11,126</b>	<b>28,912</b>	<b>267,612</b>	<b>411,046</b>	<b>674,653</b>
Accounts payable.....	126,916	—	3,234	1,540	5,710	5,229	25,102	17,209	68,892
Contributions, gifts, and grants payable.....	838,751	—	1,118	925	3,683	6,589	91,647	185,125	549,663
Mortgages and notes payable.....	279,560	—	1,303	6,868	13,148	9,922	99,090	147,922	1,307
Other liabilities.....	167,937	—	2,057	1,793	9,560	7,172	51,773	60,790	54,791
<b>Net worth.....</b>	<b>31,532,249</b>	<b>—</b>	<b>54,463</b>	<b>312,906</b>	<b>1,524,543</b>	<b>1,302,402</b>	<b>7,968,371</b>	<b>7,414,132</b>	<b>12,955,432</b>
<b>Total receipts.....</b>	<b>5,703,975</b>	<b>5,211</b>	<b>91,348</b>	<b>102,848</b>	<b>329,481</b>	<b>255,195</b>	<b>1,452,732</b>	<b>1,365,586</b>	<b>2,101,574</b>
Contributions, gifts, and grants received.....	2,122,318	4,302	76,985	73,867	185,704	125,142	608,073	527,623	520,621
Gross dues and assessments.....	4,069	91	52	101	419	581	2,826	( <sup>1</sup> )	—
Interest.....	1,180,643	1,387	2,933	11,885	61,381	54,982	322,252	298,430	427,394
Dividends.....	1,167,147	357	3,142	9,339	44,569	41,019	258,262	300,467	509,992
Gross rents and royalties.....	181,903	202	1,475	1,531	11,652	8,259	66,287	61,377	30,721
Net gain (or loss) from sale of assets.....	734,219	-1,127	1,358	2,919	17,133	18,095	150,210	148,981	396,651
Gross profit from business activities.....	30,454	—	2,584	1,624	4,516	2,337	10,135	6,592	2,667
Other income.....	283,219	( <sup>1</sup> )	2,820	1,181	4,107	4,780	34,688	22,115	213,528
<b>Total deductions.....</b>	<b>3,362,022</b>	<b>12,183</b>	<b>107,437</b>	<b>79,568</b>	<b>251,109</b>	<b>168,912</b>	<b>920,978</b>	<b>840,476</b>	<b>981,358</b>
Contributions, gifts, and grants paid.....	2,777,758	9,562	76,462	65,676	211,082	139,141	769,997	684,459	821,385
Compensation of officers.....	64,696	282	2,553	1,914	3,745	3,237	17,904	15,748	19,313
Other salaries and wages.....	118,094	64	12,727	2,595	8,148	4,985	24,641	30,685	34,250
Pension plan contributions.....	11,010	—	65	183	123	1,295	3,953	5,390	5,390
Other employee benefits.....	13,387	—	1,274	232	420	1,007	1,864	8,447	8,447
Investment, legal, and other professional services.....	75,264	356	2,247	1,619	6,263	4,587	22,016	18,505	19,671
Interest.....	15,681	—	97	278	785	671	5,570	8,202	77
Taxes.....	82,186	64	982	806	4,512	3,382	20,533	23,272	28,635
Depreciation, amortization, and depletion.....	20,040	61	167	409	1,422	1,568	8,112	5,033	3,267
Rent.....	14,045	21	1,872	465	570	594	3,420	3,024	4,079
Other expenses.....	169,855	1,773	9,055	5,507	13,976	10,481	46,482	45,736	36,845
<b>Net income (less deficit).....</b>	<b>2,341,955</b>	<b>-6,972</b>	<b>-16,089</b>	<b>23,280</b>	<b>78,373</b>	<b>86,283</b>	<b>531,755</b>	<b>525,109</b>	<b>1,120,216</b>
Net income.....	2,682,821	844	9,469	39,406	124,542	109,824	650,974	584,303	1,163,458
Deficit.....	340,866	7,816	25,558	16,126	46,169	23,541	119,219	59,194	43,243
Total assets (fair market value).....	42,439,939	10,868	65,451	376,100	2,999,813	1,589,960	9,834,651	10,429,624	17,133,474
Information items:									
Beginning of year assets, total.....	30,151,957	13,305	80,024	307,796	1,463,249	1,256,605	7,569,204	7,192,350	12,269,424
Selected beginning of year assets:									
Inventories.....	26,136	—	287	1,173	3,146	2,906	9,653	7,247	1,724
Investments in corporate stock.....	16,655,377	2,694	16,568	99,625	2,575,525	466,922	3,187,885	3,197,995	7,108,164
Depreciable assets held for investment purposes.....	356,884	1,535	—	1,341	24,301	19,327	129,417	85,949	95,013
Less: Accumulated depreciation.....	157,351	821	—	585	9,848	8,442	54,882	30,808	51,964
Depreciable assets held for charitable purposes.....	312,973	—	1,234	4,387	18,903	21,433	132,893	65,187	68,936
Less: Accumulated depreciation.....	68,866	—	548	1,693	4,192	5,331	20,958	12,025	24,119

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

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

**Table 10. — Nonoperating Foundations — Balance Sheets and Income Statements, by Size of Total Fair Market Value of Assets**  
 [All figures are estimates based on samples — money amounts are in thousands of dollars]

Item	Total	Size of total fair market value of assets									
		Assets zero or held reported	\$1 under \$25,000	\$25,000 under \$100,000	\$100,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000 or more	
<b>Number of nonoperating foundations.....</b>	<b>28,970</b>	<b>1,444</b>	<b>8,092</b>	<b>5,598</b>	<b>6,393</b>	<b>1,961</b>	<b>2,927</b>	<b>457</b>	<b>109</b>		
<b>Total assets (book value).....</b>	<b>32,965,412</b>	<b>58,617</b>	<b>98,375</b>	<b>330,945</b>	<b>1,465,517</b>	<b>1,276,122</b>	<b>7,669,740</b>	<b>7,847,012</b>	<b>14,219,084</b>		
Cash, total.....	1,821,415	6,153	31,005	87,468	254,719	167,566	631,324	350,070	293,108		
Savings and interest-bearing accounts.....	1,376,591	4,163	19,730	66,929	195,699	128,775	496,377	262,298	202,555		
Other.....	444,632	1,990	11,275	20,538	59,024	38,792	134,587	87,772	90,555		
Accounts receivable, net.....	222,666	608	903	3,708	11,944	10,052	51,655	15,198	88,789		
Notes receivable, net.....	509,921	151	928	6,080	31,001	28,979	158,356	155,027	129,400		
Inventories.....	31,653	151	289	1,441	4,898	2,968	14,108	6,865	18,575		
Investments in government obligations, total.....	3,977,983	6,949	4,084	26,649	152,847	157,194	1,019,472	1,152,992	1,457,699		
United States and instrumentals.....	3,973,523	6,746	3,803	23,571	149,851	152,979	980,969	1,132,984	1,453,951		
State and local.....	64,280	108	282	1,981	3,210	5,915	31,008	91,008	103,748		
Investments in corporate bonds.....	8,623,979	16,236	7,048	50,191	266,548	253,533	1,634,963	1,782,553	2,912,938		
Investments in corporate stock.....	15,404,986	14,901	18,283	98,906	487,338	446,986	2,992,783	3,285,445	8,070,945		
Mortgage loans.....	408,678	280	257	6,485	17,675	23,294	75,753	175,944	109,010		
Other investments.....	2,144,284	3,971	5,335	28,951	131,765	101,344	504,773	459,298	909,828		
Depreciable assets held for investment purposes.....	355,031	768	503	1,121	7,996	16,237	127,552	83,427	505,648		
Less: Accumulated depreciation.....	162,983	724	2	251	7,996	6,259	56,240	32,779	58,731		
Depreciable assets held for charitable purposes.....	357,425	3,676	1,577	4,104	17,968	24,453	142,508	63,699	99,440		
Less: Accumulated depreciation.....	84,707	549	622	925	3,446	6,157	24,271	29,027	29,027		
Land held for investment purposes.....	1,057	1,598	51	4,145	19,023	18,655	123,985	132,153	58,508		
Land held for charitable purposes.....	134,966	1,598	256	1,680	14,337	10,650	57,705	27,562	20,579		
Other assets.....	663,751	3,723	28,469	11,313	47,319	27,824	226,352	169,523	683,886		
<b>Total liabilities.....</b>	<b>1,433,163</b>	<b>581</b>	<b>26,327</b>	<b>11,894</b>	<b>26,665</b>	<b>29,433</b>	<b>248,491</b>	<b>406,095</b>	<b>693,986</b>		
Accounts payable.....	126,976	64	3,205	1,509	5,998	4,984	24,346	20,340	66,988		
Contributions, gifts, and grants payable.....	838,751	230	1,124	6,534	3,408	6,753	74,824	219,548	532,679		
Mortgages and notes payable.....	279,590	—	20,040	1,891	6,837	10,972	101,632	104,668	28,577		
Other liabilities.....	187,937	287	1,939	2,446	6,837	6,744	46,088	61,928	53,863		
<b>Net worth.....</b>	<b>31,532,249</b>	<b>56,036</b>	<b>72,048</b>	<b>318,560</b>	<b>1,438,651</b>	<b>1,246,689</b>	<b>7,421,248</b>	<b>7,440,927</b>	<b>13,553,199</b>		
<b>Total receipts.....</b>	<b>5,703,975</b>	<b>13,791</b>	<b>89,927</b>	<b>86,877</b>	<b>307,091</b>	<b>248,665</b>	<b>1,392,569</b>	<b>1,310,995</b>	<b>2,254,150</b>		
Contributions, gifts, and grants received.....	2,122,318	7,732	75,900	61,916	181,395	128,434	630,910	527,995	508,144		
Gross dues and assessments.....	4,069	93	52	87	430	554	2,765	88	—		
Interest.....	1,180,643	3,208	3,208	12,544	60,206	53,494	301,227	305,395	440,989		
Dividends.....	1,167,147	1,700	2,948	7,127	37,741	34,215	222,935	232,773	627,708		
Gross rents and royalties.....	181,932	922	1,475	540	7,133	7,018	57,711	55,668	51,595		
Net gain (or loss) from sale of assets.....	734,219	-375	923	2,055	12,655	16,630	134,736	156,536	408,658		
Gross profit from business activities.....	30,445	-375	2,584	1,957	5,658	2,200	7,832	7,832	2,648		
Other income.....	283,219	112	2,830	1,159	3,680	4,118	32,225	24,807	214,837		
<b>Total deductions.....</b>	<b>3,362,022</b>	<b>19,334</b>	<b>105,307</b>	<b>72,131</b>	<b>227,737</b>	<b>189,545</b>	<b>852,538</b>	<b>785,584</b>	<b>1,129,846</b>		
Contributions, gifts, and grants paid.....	2,777,758	15,597	74,744	58,664	191,200	141,390	710,220	648,610	937,363		
Compensation of officers.....	64,686	377	2,463	1,934	3,776	2,910	16,486	15,938	20,812		
Other salaries and wages.....	118,094	159	12,706	2,562	7,986	4,946	22,831	24,306	42,898		
Pension plan contributions.....	11,010	—	—	65	202	101	1,187	3,046	6,408		
Other employee benefits.....	13,387	2	—	233	453	105	957	1,587	8,777		
Investment, legal, and other professional services.....	75,264	475	2,263	1,554	5,464	4,580	20,667	18,264	22,997		
Interest.....	15,661	1	103	280	722	633	5,382	5,887	2,674		
Taxes.....	82,186	194	976	743	3,509	3,213	18,448	20,360	34,444		
Depreciation, amortization, and depletion.....	20,040	293	154	258	1,189	1,487	7,824	4,367	4,466		
Rent.....	14,045	83	1,809	455	554	557	3,283	2,680	4,614		
Other expenses.....	169,855	2,144	8,916	5,381	12,781	9,652	45,153	40,539	45,990		
<b>Net income (less deficit).....</b>	<b>2,341,955</b>	<b>-5,543</b>	<b>-15,380</b>	<b>14,656</b>	<b>79,354</b>	<b>79,120</b>	<b>540,031</b>	<b>525,412</b>	<b>1,124,305</b>		
Net income.....	2,692,821	3,725	9,398	29,626	118,775	105,922	658,352	598,666	1,168,157		
Deficit.....	340,866	9,268	24,778	14,969	39,421	26,802	118,321	63,454	43,852		
<b>Total assets (fair market value).....</b>	<b>42,439,939</b>	<b>—</b>	<b>60,392</b>	<b>313,808</b>	<b>1,517,746</b>	<b>1,370,957</b>	<b>8,722,871</b>	<b>9,217,771</b>	<b>21,217,478</b>		
Information items:											
Beginning of year assets, total.....	30,151,957	69,228	144,684	312,925	1,370,957	1,208,493	6,996,037	7,196,442	12,853,192		
Selected beginning of year assets:											
Inventories.....	26,136	—	287	1,173	3,752	2,077	7,433	8,312	3,103		
Investments in corporate stock.....	16,655,977	18,159	21,301	96,575	2,591,519	441,784	2,992,679	3,184,360	7,469,000		
Depreciable assets held for investment purposes.....	356,884	2,203	487	1,989	6,512	15,655	124,310	91,320	101,308		
Less: Accumulated depreciation.....	157,351	1,517	1	1,882	7,650	6,398	52,319	31,644	57,871		
Depreciable assets held for charitable purposes.....	312,973	2,272	1,156	3,255	15,521	21,142	127,030	59,623	88,973		
Less: Accumulated depreciation.....	68,866	350	482	840	2,860	5,109	21,256	12,923	25,827		

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

**Table 11. — Nonoperating Foundations — Selected Balance Sheet and Income Statement Items, and Distributions, by Ratio of Investment Income to Total Fair Market Value of Assets**

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

Item	Ratio of investment income to total fair market value of assets									
	Total	Under 3 percent	3 percent under 4 percent	4 percent under 5 percent	5 percent under 6 percent	6 percent under 7 percent	7 percent under 8 percent	8 percent under 9 percent	9 percent under 10 percent	10 percent or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<b>Number of nonoperating foundations.....</b>	<b>26,970</b>	<b>7,682</b>	<b>1,509</b>	<b>1,905</b>	<b>2,804</b>	<b>3,270</b>	<b>3,031</b>	<b>2,202</b>	<b>1,225</b>	<b>3,341</b>
<b>Total assets (book value).....</b>	<b>32,965,412</b>	<b>3,079,837</b>	<b>804,417</b>	<b>2,176,674</b>	<b>4,075,603</b>	<b>7,188,475</b>	<b>5,072,779</b>	<b>2,927,685</b>	<b>4,284,904</b>	<b>3,355,037</b>
Selected assets:										
Cash, total:										
Number of foundations.....	24,971	6,138	1,479	1,883	2,752	3,156	2,933	2,151	1,201	3,279
Amount.....	1,821,415	215,173	52,625	103,937	182,191	253,279	257,681	155,235	131,514	469,779
Investments in government obligations, total:										
Number of foundations.....	6,108	431	217	453	766	1,169	1,200	824	354	695
Amount.....	3,977,883	116,345	48,880	239,257	418,910	923,846	899,234	459,915	424,973	446,523
Investments in corporate bonds:										
Number of foundations.....	9,600	605	449	615	1,224	1,720	1,672	1,289	689	1,338
Amount.....	6,823,979	663,936	63,751	357,266	841,065	1,709,143	1,121,064	643,938	735,037	688,779
Investments in corporate stock:										
Number of foundations.....	13,265	1,433	866	1,154	1,777	2,121	1,914	1,361	704	1,935
Amount.....	15,404,886	1,175,779	469,892	1,194,934	2,012,452	3,602,481	2,231,960	1,260,039	2,390,794	1,066,555
<b>Total liabilities.....</b>	<b>1,433,163</b>	<b>324,836</b>	<b>11,746</b>	<b>134,383</b>	<b>154,493</b>	<b>294,767</b>	<b>107,947</b>	<b>67,897</b>	<b>196,686</b>	<b>140,408</b>
Selected liabilities:										
Contributions, gifts, and grants payable:										
Number of foundations.....	783	154	*19	46	74	127	94	85	49	135
Amount.....	838,751	24,591	*6,341	104,755	120,074	240,436	68,328	49,105	133,203	91,918
Mortgages and notes payable:										
Number of foundations.....	659	406	21	57	41	28	27	20	13	45
Amount.....	279,560	244,050	2,275	7,726	5,613	2,903	5,353	3,066	2,568	6,007
<b>Net worth (end of year).....</b>	<b>31,532,249</b>	<b>2,755,000</b>	<b>792,671</b>	<b>2,042,290</b>	<b>3,921,110</b>	<b>6,893,708</b>	<b>4,964,832</b>	<b>2,859,789</b>	<b>4,088,218</b>	<b>3,214,629</b>
Principal fund:										
Number of foundations.....	24,539	5,838	1,470	1,833	2,759	3,178	2,960	2,110	1,202	3,189
Amount.....	30,701,179	2,705,049	790,712	2,126,548	3,718,033	6,773,661	4,792,783	2,811,992	4,012,883	2,969,518
Income fund:										
Number of foundations.....	9,209	1,451	455	617	1,104	1,533	1,433	1,005	434	1,176
Amount.....	831,070	49,951	1,959	- 84,258	203,077	120,048	172,049	47,797	75,335	245,111
<b>Reconciliation of net worth:</b>										
Net worth (beginning of year):										
Number of foundations.....	25,456	6,439	1,478	1,850	2,768	3,245	3,007	2,183	1,210	3,277
Amount.....	28,799,825	1,759,900	683,754	1,872,263	3,708,863	6,659,340	4,811,460	2,756,655	3,852,285	2,695,306
Additions to net worth:										
Net income:										
Number of foundations.....	14,724	2,854	855	1,163	1,683	1,891	1,919	1,473	778	2,107
Amount.....	2,682,821	862,154	109,536	161,957	177,357	227,314	166,773	144,631	223,238	609,861
Other increases:										
Number of foundations.....	4,066	689	250	263	500	691	498	404	188	584
Amount.....	683,718	223,164	22,052	27,149	91,931	92,223	100,059	10,508	57,768	58,864
Subtractions from net worth:										
Deficit:										
Number of foundations.....	10,728	3,442	652	731	1,086	1,353	1,070	722	445	1,228
Amount.....	340,866	47,509	14,653	13,072	28,205	40,879	36,224	17,068	31,016	112,240
Other decreases:										
Number of foundations.....	4,674	961	204	352	539	748	536	407	285	641
Amount.....	293,247	42,708	8,019	6,006	28,835	44,290	77,236	34,938	14,056	37,160
Equals:										
Net worth (end of year):										
Number of foundations.....	25,619	6,416	1,508	1,905	2,803	3,254	3,026	2,187	1,225	3,295
Amount.....	31,532,249	2,755,000	792,671	2,042,290	3,921,110	6,893,708	4,964,832	2,859,789	4,088,218	3,214,629
<b>Total receipts.....</b>	<b>5,703,975</b>	<b>1,147,102</b>	<b>189,602</b>	<b>369,063</b>	<b>536,529</b>	<b>778,615</b>	<b>626,117</b>	<b>450,512</b>	<b>525,668</b>	<b>1,080,768</b>
Selected receipts:										
Contributions, gifts, and grants received:										
Number of foundations.....	11,780	4,148	698	959	1,119	1,193	984	798	471	1,411
Amount.....	2,122,318	792,575	128,865	164,329	190,383	151,757	143,223	135,897	72,327	342,961
Interest:										
Number of foundations.....	20,717	2,893	1,339	1,693	2,561	3,094	2,885	2,119	1,177	2,956
Amount.....	1,180,643	42,780	13,896	61,478	129,216	269,061	217,765	137,790	144,408	164,249
Dividends:										
Number of foundations.....	14,847	1,449	930	1,269	1,948	2,429	2,161	1,566	782	2,312
Amount.....	1,167,147	63,188	34,604	109,628	155,446	255,861	201,559	122,554	137,377	86,930
<b>Net investment income.....</b>	<b>3,026,858</b>	<b>49,467</b>	<b>49,396</b>	<b>174,421</b>	<b>292,071</b>	<b>543,119</b>	<b>453,704</b>	<b>312,317</b>	<b>418,505</b>	<b>733,857</b>
<b>Distribution items:</b>										
Adjusted net income:										
Number of foundations.....	20,843	2,331	1,406	1,808	2,656	3,145	2,974	2,159	1,217	3,146
Amount.....	2,413,861	99,361	46,608	172,067	265,319	519,532	426,474	257,663	293,948	332,888
Minimum investment return:										
Number of foundations.....	22,590	4,402	1,281	1,720	2,592	3,132	2,899	2,112	1,195	3,256
Amount.....	1,826,335	102,855	55,422	172,101	242,241	393,341	291,829	174,478	208,551	185,516
Distributable amount:										
Number of foundations.....	23,281	4,598	1,418	1,813	2,672	3,168	2,974	2,166	1,217	3,256
Amount.....	2,450,298	148,682	56,800	178,695	267,003	508,977	418,426	252,732	287,002	331,980
Qualifying distributions:										
Number of foundations.....	24,347	5,569	1,444	1,798	2,740	3,215	2,966	2,132	1,203	3,279
Amount.....	3,233,279	313,593	89,570	215,188	369,109	581,729	463,062	303,905	340,313	556,808
Undistributed income:										
Number of foundations.....	7,854	1,037	373	568	966	1,221	1,299	876	455	1,058
Amount.....	688,770	51,547	16,636	32,431	74,727	117,805	141,978	101,022	44,300	108,324

\*Estimate should be used with caution because of the small number of sample returns on which it was based.  
NOTE: Detail may not add to total because of rounding.

Table 12. — Nonoperating Foundations — Computation of Minimum Investment Return, Distributable Amount, and Qualifying Distributions, by Size of Total Assets Not Held for Charitable Purposes

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

Item	Size of total assets not held for charitable purposes								
	Total	Assets zero or not reported	\$1 under \$25,000	\$25,000 under \$100,000	\$100,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$10,000,000	\$10,000,000 under \$50,000,000	\$50,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<b>Number of nonoperating foundations</b> .....	<b>26,970</b>	<b>4,197</b>	<b>6,403</b>	<b>5,233</b>	<b>6,054</b>	<b>1,808</b>	<b>2,761</b>	<b>412</b>	<b>102</b>
<b>Computation of minimum investment return:</b>									
Fair market value of assets not used directly in carrying out exempt purposes, total.....	37,293,832	—	51,215	287,014	1,431,262	1,273,837	8,204,207	8,284,693	17,761,603
Monthly average of securities at fair market value.....	32,798,259	—	25,670	193,820	1,084,553	1,029,146	6,847,709	7,075,845	16,541,516
Monthly average of cash balances.....	1,344,014	—	22,443	69,059	204,747	121,613	477,776	251,895	196,482
Fair market value of all other assets.....	3,151,555	—	3,102	24,135	141,961	123,077	878,721	956,954	1,023,606
Less: Acquisition indebtedness.....	209,113	( <sup>1</sup> )	*276	1,360	7,441	5,969	36,826	119,829	37,412
Equals: Net fair market value of assets not used directly in carrying out exempt purposes.....	37,084,719	—	50,939	285,654	1,423,821	1,267,868	8,167,381	8,164,864	17,724,191
Less: Cash held for charitable activities.....	557,936	—	1,042	4,467	23,798	19,335	123,631	121,286	264,377
Equals: Base for calculating minimum investment return.....	36,526,779	—	49,896	281,186	1,400,022	1,248,533	8,043,750	8,043,578	17,459,814
<b>Minimum investment return</b> .....	<b>1,826,335</b>	<b>—</b>	<b>2,494</b>	<b>14,058</b>	<b>70,000</b>	<b>62,426</b>	<b>402,187</b>	<b>402,179</b>	<b>872,991</b>
<b>Computation of distributable amount:</b>									
Adjusted net income.....	2,413,861	55,266	5,137	21,380	100,856	87,204	548,241	518,232	1,077,545
Higher of adjusted net income or minimum investment return.....	2,502,567	55,554	5,773	23,136	105,709	90,868	568,451	540,896	1,112,180
Minus:									
Tax on investment income.....	59,080	635	132	502	2,451	2,168	13,777	12,688	26,727
Tax on unrelated business income.....	4,957	—	*13	—	223	*50	1,248	1,559	1,865
Equals: Distributable amount before adjustments.....	2,438,525	54,919	5,627	22,633	103,033	88,650	553,426	526,648	1,083,587
Net adjustments.....	11,772	-85	*92	*179	3,970	1,290	5,885	56	386
Positive adjustments:									
Number of foundations.....	119	1	*15	*22	37	13	22	5	4
Amount.....	12,581	208	*92	*234	4,012	1,291	5,937	420	386
Negative adjustments:									
Number of foundations.....	22	1	—	*11	*4	1	3	2	—
Amount.....	808	293	—	*55	*42	1	53	364	—
Equals: Distributable amount, adjusted.....	2,450,298	54,833	5,719	22,813	107,003	89,940	559,311	526,705	1,083,973
<b>Total qualifying distributions</b> .....	<b>3,233,279</b>	<b>144,681</b>	<b>57,026</b>	<b>77,757</b>	<b>220,097</b>	<b>155,564</b>	<b>786,505</b>	<b>692,584</b>	<b>1,099,065</b>
<b>Disbursements for exempt purposes:</b>									
Number of foundations.....	24,304	2,719	5,556	5,038	5,960	1,788	2,731	410	102
Amount.....	3,093,488	128,255	55,488	75,624	214,521	152,385	765,913	673,193	1,028,107
Program related investments:									
Number of foundations.....	148	*10	*47	*25	39	*10	12	3	2
Amount.....	9,463	*129	*120	*118	937	*578	4,274	717	2,591
Amounts paid to acquire assets used for charitable purposes:									
Number of foundations.....	648	123	125	78	82	60	119	34	27
Amount.....	62,025	15,820	1,164	1,442	4,036	2,532	13,537	13,445	10,048
Amounts set aside for charitable purposes:									
Number of foundations.....	163	36	*31	*30	39	6	16	2	3
Amount.....	68,302	476	*254	*573	603	68	2,782	5,228	58,318
<b>Total assets (book value)</b> .....	<b>32,965,412</b>	<b>1,029,815</b>	<b>105,800</b>	<b>342,622</b>	<b>1,487,228</b>	<b>1,247,462</b>	<b>7,709,609</b>	<b>7,613,664</b>	<b>13,429,212</b>
Selected assets:									
Investments in government obligations.....	3,977,883	82,048	3,929	24,073	160,799	156,682	1,040,657	1,053,384	1,456,310
Investments in corporate bonds.....	6,823,979	118,325	8,062	49,428	263,529	257,776	1,662,649	2,030,907	2,433,304
Investments in corporate stock.....	15,404,866	341,579	20,774	97,558	502,536	448,261	3,095,740	3,118,850	7,779,587

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

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

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

**Table 13. — Nonoperating Foundations — Computation of Minimum Investment Return, Distributable Amount, and Qualifying Distributions, by Ratio of Qualifying Distributions to Total Assets Not Held for Charitable Purposes**

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

Item	Ratio of qualifying distributions to total assets									
	Total	Under 3 percent	3 percent under 4 percent	4 percent under 5 percent	5 percent under 6 percent	6 percent under 7 percent	7 percent under 8 percent	8 percent under 9 percent	9 percent under 10 percent	10 percent or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<b>Number of nonoperating foundations.....</b>	<b>26,970</b>	<b>6,870</b>	<b>886</b>	<b>1,495</b>	<b>2,345</b>	<b>2,469</b>	<b>1,988</b>	<b>1,240</b>	<b>907</b>	<b>8,770</b>
<b>Computation of minimum investment return:</b>										
Fair market value of assets not used directly in carrying out exempt purposes, total.....	37,293,832	1,517,985	2,534,086	4,625,639	8,667,819	9,507,499	3,807,388	1,348,480	710,980	4,573,955
Monthly average of securities at fair market value.....	32,798,259	1,010,533	2,333,769	4,031,665	7,818,359	8,783,400	3,474,078	1,156,772	576,106	3,613,577
Monthly average of cash balances.....	1,344,014	105,438	92,610	125,757	214,342	163,265	123,070	70,052	43,543	405,937
Fair market value of all other assets.....	3,151,555	402,014	107,708	468,217	635,118	560,834	210,240	121,656	91,332	554,439
Less: Acquisition indebtedness.....	209,113	91,572	11,909	11,944	21,784	3,689	1,932	1,108	1,292	63,884
Equals: Net fair market value of assets not used directly in carrying out exempt purposes.....	37,084,719	1,426,413	2,522,178	4,613,694	8,646,035	9,503,811	3,805,456	1,347,373	709,688	4,510,070
Less: Cash held for charitable activities.....	557,936	21,228	37,715	67,801	130,299	141,834	57,530	20,447	10,581	70,501
Equals: Base for calculating minimum investment return.....	36,526,779	1,405,185	2,484,463	4,545,893	8,515,736	9,361,976	3,747,926	1,326,925	699,107	4,439,568
<b>Minimum investment return.....</b>	<b>1,826,335</b>	<b>70,259</b>	<b>124,223</b>	<b>227,294</b>	<b>425,786</b>	<b>468,098</b>	<b>187,396</b>	<b>66,346</b>	<b>34,955</b>	<b>221,977</b>
<b>Computation of distributable amount:</b>										
Adjusted net income.....	2,413,861	125,789	118,327	256,080	496,854	618,567	283,500	96,128	53,046	365,572
Higher of adjusted net income or minimum investment return.....	2,502,567	138,760	136,253	269,493	520,983	625,550	286,868	96,903	54,002	373,754
Minus:										
Tax on investment income.....	59,080	2,842	3,160	7,498	12,059	15,045	5,992	2,181	1,202	9,101
Tax on unrelated business income.....	4,957	710	*16	*99	1,274	522	*1,575	*8	*146	609
Equals: Distributable amount before adjustments.....	2,438,525	135,208	133,077	261,896	507,650	609,983	279,301	94,714	52,655	364,043
Net adjustments.....	11,772	*-30	-358	394	397	*529	264	*1,386	*25	9,165
Positive adjustments:										
Number of foundations.....	119	*10	1	5	19	*11	6	*9	*5	53
Amount.....	12,581	*314	(1)	447	403	*529	264	*1,386	*27	9,211
Negative adjustments:										
Number of foundations.....	22	*11	1	2	1	—	—	—	1	*6
Amount.....	808	*344	358	53	6	—	—	—	1	*46
Equals: Distributable amount, adjusted.....	2,450,298	135,177	132,719	262,290	508,047	610,512	279,564	96,101	52,680	373,208
<b>Total qualifying distributions.....</b>	<b>3,233,279</b>	<b>168,469</b>	<b>91,142</b>	<b>211,409</b>	<b>476,248</b>	<b>607,321</b>	<b>284,868</b>	<b>114,227</b>	<b>66,967</b>	<b>1,210,627</b>
Disbursements for exempt purposes:										
Number of foundations.....	24,304	4,220	886	1,495	2,345	2,462	1,986	1,240	907	8,762
Amount.....	3,093,488	151,940	90,742	208,364	436,713	580,659	283,400	112,274	65,036	1,164,360
Program related investments:										
Number of foundations.....	148	*16	*7	2	*18	*7	*5	*7	*2	84
Amount.....	9,463	*140	*5	114	*171	*2,731	*403	*684	*34	5,182
Amounts paid to acquire assets used for charitable purposes:										
Number of foundations.....	648	150	27	72	41	55	14	27	18	244
Amount.....	62,025	15,902	395	2,757	5,643	1,236	962	981	1,565	32,584
Amounts set aside for charitable purposes:										
Number of foundations.....	163	40	—	2	*5	*13	3	*9	*13	78
Amount.....	68,302	487	—	174	*35,722	*22,694	104	*287	*333	8,501
<b>Total assets (book value).....</b>	<b>32,965,412</b>	<b>2,711,079</b>	<b>1,492,569</b>	<b>3,842,235</b>	<b>6,605,745</b>	<b>8,784,941</b>	<b>2,952,947</b>	<b>1,266,392</b>	<b>676,402</b>	<b>4,633,101</b>
Selected assets:										
Investments in government obligations.....	3,977,883	258,034	204,862	410,394	753,002	930,167	510,357	177,273	109,798	623,994
Investments in corporate bonds.....	6,823,979	665,651	254,732	737,176	1,332,439	1,858,315	633,206	323,916	178,512	840,032
Investments in corporate stock.....	15,404,866	736,293	796,532	1,967,332	3,439,902	4,855,939	1,380,955	538,845	213,514	1,475,574

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

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

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

## GLOSSARY OF TERMS

Non-technical terminology has been used in this article, wherever possible, to assist the understanding of the statistical content. However, in Tables 1-13 the technical terms are used as they appear on the tax return form. Therefore, to assist users of these data, explanations of some of these terms are provided with both their technical and non-technical meanings. (The latter are denoted in parentheses.) A more comprehensive glossary of terms appears in Statistics of Income--1974-1978, Private Foundations [5].

Adjusted Net Income (Receipts Less Expenses)

This item represented the excess of the gross income derived from, or in connection with, property held by the foundation reduced by allowable deductions. It included investment income, net short-term capital gain, repayment of "qualifying distributions," gross profit from business activities, and certain miscellaneous income. Excluded from income were gross contributions, gifts and grants (received), contributions from split-interest trusts, gross dues and assessments, net long-term capital gain, and net gain or loss from the sale of nonbusiness assets.

The amount of adjusted net income was one of the amounts used in determining the amount of charitable distributions that the foundation was required to make.

Distributable Amount (Required Minimum Distribution)

Distributable amount was the greater of the foundations' "minimum investment return" or "adjusted net income," less taxes on net investment income and unrelated business income, and net of any adjustments. Distributable amount represented the minimum payout which had to be distributed by the end of the year after the year for which the return was filed in order to avoid payment of an excise tax for failure to currently distribute income.

Expenditures for Exempt Purposes (Philanthropic or Charitable Spending)

These deductions represented expenditures for activities that were directly related to the tax-exempt purposes of the foundation. Included were necessary and reasonable administrative expenses paid for charitable, scientific, educational, or other similar purposes. These amounts were determined solely on the cash receipts and disbursements method of accounting.

Minimum Investment Return (Fixed Percent of Assets)

This was the aggregate fair market value of assets not used for charitable purposes less the sum of indebtedness incurred to acquire those assets and cash held for charitable activities, multiplied by a specified percentage of total assets. For taxable years beginning after December 31, 1975, and all succeeding years, the percentage was set at 5 percent. The rate was subject to change by the Secretary of the Treasury each year depending on money market interest rates and investment yields.

If the minimum investment return exceeded the "adjusted net income," it became the basis for calcu-

ating the "distributable amount." The purpose of establishing a minimum investment return was to insure that a foundation distributed for charitable purposes at least a specified percentage of its non-charitable assets, (i.e., assets held for investment purposes).

Nonoperating Foundations

Nonoperating foundations were organizations that carried on their charitable activities in an indirect manner by making grants to other organizations that were directly engaged in charitable activities, rather than engaging in charitable activities themselves.

Operating Foundations

These were private foundations that spent at least 85 percent of their adjusted net income directly on the conduct of the activities constituting the purpose or function for which they were exempt (the "income test"). In addition to the income test, operating foundations must have met one of the following tests: the "assets test," the "endowment test," or the "support test".

A) Foundations met the "assets test" if 65 percent or more of their assets were devoted directly to tax-exempt activities or to functionally related businesses that were related to the exempt purpose of the foundation.

B) Foundations met the "endowment test" if they made qualifying distributions directly related to the active conduct of their tax-exempt function, of at least two-thirds of their "minimum investment return."

C) Foundations met the "support test" if at least 85 percent of their support (exclusive of gross investment income) came from at least five unrelated tax-exempt organizations or from the general public (or both). In addition, no more than 25 percent of their support (exclusive of gross investment income) was derived from any one such exempt organization and no more than half of their support was derived from gross investment income.

Qualifying Distributions (Actual Distributions)

These were direct expenditures for charitable purposes or for assets used for such purposes. They included payouts to public charities and operating foundations, and payouts to other private foundations, if the recipient foundation agreed to distribute the same amount for charitable purposes by the end of the following tax year. In addition, funds set aside for major tax-exempt projects were also included. Qualifying distributions were creditable against a private foundation's obligation to pay out its "distributable amount."

Value of Noncharitable Assets (Investment Assets)

For purposes of calculating "minimum investment return," only the assets that were not used or held for use for exempt purposes entered the computation. An asset was not used directly in carrying out the foundation's exempt purpose if the asset was not used in the carrying on of a charitable, educational or other similar function which gave rise to the exempt status of the foundation.



## BIBLIOGRAPHICAL REFERENCES AND NOTES

- [1] Bremner, Robert H., "Private Philanthropy and Public Needs: Historical Perspective," in Research Papers Sponsored by the Commission on Private Philanthropy and Public Needs, Volume I, History, Trends, and Current Magnitudes, U.S. Department of the Treasury, 1975.
- [2] Commerce Clearing House, The Private Foundation and the Tax Reform Act, 1970.
- [3] Council on Foundations, Inc. (Chairman and Staff), "Private Foundations and the 1969 Tax Reform Act," in Research Papers Sponsored by the Commission on Private Philanthropy and Public Needs, Volume III, Special Behavioral Studies, Foundations and Corporations, U.S. Department of the Treasury, 1977.
- [4] Internal Revenue Service, "Private Foundations Handbook," Internal Revenue Manual 7752, U.S. Government Printing Office, 1975.
- [5] Internal Revenue Service, Statistics of Income--1974-1978, Private Foundations, Publication 1073, U.S. Government Printing Office, 1981.
- [6] Nielsen, Waldemar A., The Big Foundations, 1972.
- [7] Petska, Thomas B., "The Private Foundation in a Pluralistic Society," 1982 Proceedings of the American Statistical Association, Section on Survey Research Methods, (forthcoming).
- [8] Petska, Thomas B., and Skelly, Daniel, "Private Foundations, Federal Tax Law, and Philanthropic Activity: An IRS Perspective," 1981 Proceedings of the American Statistical Association, Section on Survey Research Methods, 1982.
- [9] Rudney, Gabriel G., "The Scope of the Private Voluntary Charitable Sector," in Research Papers Sponsored by the Commission on Private Philanthropy and Public Needs, Volume I, History Trends, and Current Magnitudes, U.S. Department of the Treasury, 1975.
- [10] Social Security Administration, Social Security Bulletin, selected issues, 1976-1981.
- [11] Steuerle, Eugene, "Pay-Out Requirements for Foundations," in Research Papers Sponsored by the Commission on Private Philanthropy and Public Needs, Volume III, Special Behavioral Studies, Foundations and Corporations, U.S. Department of the Treasury, 1977.
- [12] Sullivan, John, and Coleman, Michael, "Nonprofit Organizations, 1975-1978," SOI Bulletin, Volume I, Number 2.
- [13] Treusch, Paul E., and Sugarman, Norman A., Tax-Exempt Charitable Organizations, 1979.
- [14] U.S. Department of Commerce, Bureau of Economic Analysis, The National Income and Product Accounts of the United States, 1929-1976, Part II, Statistical Tables, 1981.
- [15] U.S. Department of Commerce, Bureau of Economic Analysis, Survey of Current Business, selected issues, 1981-1982.
- [16] U.S. Department of the Treasury, "Treasury Department Report on Private Foundations," U.S. Government Printing Office, 1965. (This report contains the information cited here on foundations for 1962.)
- [17] U.S. House of Representatives Report Number 1860, 75th Congress, 1939.

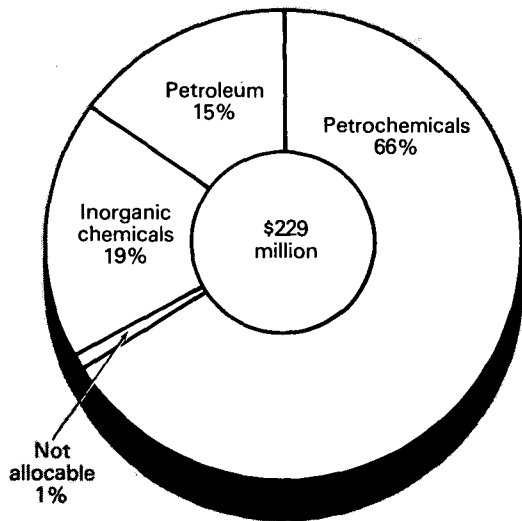
# Superfund for Environmental Taxes

By Janet Barnhardt\*

After the first full year of the "Superfund," environmental excise taxes reported for this fund have amounted to \$229.2 million before adjustments. Of this amount, \$33.5 million are from taxes on petroleum, and \$195.7 million are from taxes on certain chemicals deemed to be hazardous. The "Superfund" was established under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) for the purpose of cleaning up chemical spills and hazardous waste disposal sites that have been abandoned.

The excise taxes are levied on products falling into three general categories--petroleum, petrochemicals, and inorganic chemicals. The largest share of taxes reported to date--66 percent--has been from petrochemicals, while the smallest is from petroleum.

**Sources of Environmental Taxes,  
Quarters Ending June 30, 1981, through  
March 30, 1982**



Although contributing the largest share to the "Superfund," petrochemicals have been reported by the least number of filers, resulting in the largest average tax per business of the three groups.

**Environmental Taxes  
Quarters Ending June 30, 1981, through March 30, 1982**

Environmental Tax	Number of Businesses	Environmental Tax	Average per Business
Petroleum	293	\$ 33,533,000	\$114,000
Chemicals:			
Petrochemicals	171	150,920,000	883,000
Inorganics	301	43,378,000	144,000
Not allocable	31	1,393,000	45,000

## TAX ON PETROLEUM

The requirements for filing and reporting a tax on petroleum apply to the following:

- 1) operators of U.S. refineries receiving crude oil;
- 2) importers of petroleum products for consumption, use, or warehousing; or
- 3) users or exporters of crude oil on which the environmental tax has not been paid.

Since the tax is imposed only once on a product, if it has already been paid it can not be imposed again on another business that would otherwise be liable. For example, if crude oil is taxed at one refinery and is then shipped to another refinery for its use, then the second refinery would not be liable for taxes.

Taxes on 4.2 billion barrels of petroleum have been reported by 293 businesses and have amounted to \$33.5 million. Of this, \$19.8 million were reported for 1981 and \$13.7 million for the first two quarters of 1982.

## TAX ON THE SALE AND USE OF CERTAIN CHEMICALS

The requirements for filing and reporting this tax apply to any importer, manufacturer, or producer that sells or uses any of the 42 taxable chemicals listed in Table 1. There are some exceptions to what is taxed, so that the following are nontaxable:

- 1) ammonia, if used directly as a fertilizer;

\*Prepared under the direction of Noreen Hoffmeier, Acting Chief, Returns Analysis Section, Individual Statistics Branch.

- 2) methane or butane used as a fuel (however, the business using the chemical for a taxable purpose is liable);
- 3) nitric acid, sulfuric acid, ammonia, or methane used in the production of ammonia that is used for fertilizer;
- 4) sulfuric acid produced solely as a byproduct of and on the same site as air pollution control equipment; or
- 5) any substance derived from coal.

Of the \$195.7 million in tax liability reported for chemicals, \$1.4 million was for chemicals that were not identified. This was due primarily to the filer reporting only the total of all chemicals and not indicating the specific types that were taxable.

#### Petrochemicals

Taxes reported for the petrochemicals have amounted to \$150.9 million to date (representing 31.7 million tons taxed), of which \$86.8 million were for 1981 and \$64.1 million for 1982. The 11 petrochemicals that were taxed were those which have been derived or isolated from either petroleum or natural gas. The taxes were reported by 171 businesses, resulting in an overall average of \$13.7 million reported per chemical.

Of the 11 petrochemicals, there were two that dominated the tax statistics-- ethylene and propylene. These two chemicals also dominated the petrochemical industry as major byproducts of petroleum refining and natural gas extraction and are used in plastics, fibers, and rubber products. Taxes for ethylene accounted for \$56.5 million with 11.6 million tons taxed, and propylene amounted to \$29.2 million with 6.0 million tons taxed. These same two chemicals had the highest average tax per business, with ethylene averaging \$1,713,000 and propylene, \$649,000.

The chemicals that were reported by the most businesses were toluene and xylene, followed by benzene and propylene. At the other end, naphthalene and butylene were the least frequently reported.

#### Inorganics

Taxes reported for the 31 inorganic chemicals amounted to \$43.4 million. Inorganic chemicals are chemicals which do not have a carbon base, that is, their origins are something other than plant or animal materials. For 1981, \$24.2 million in taxes were reported, while to date for 1982, about \$19.2 million has been reported.

The largest amount of taxes was reported for chlorine (\$23.5 million) and ammonia (\$8.1 million). These chemicals are widely used in synthetic fibers, plastics and explosives. The largest average tax per filer was \$561,000 for chlorine and \$182,000 for phosphorus. In addition, the most frequently reported chemicals were sulfuric acid, ammonia, and hydrochloric acid; while barium sulfide and potassium dichromate were the least frequently reported.

#### BRIEF HISTORY OF THE SUPERFUND LEGISLATION

Hazardous chemical waste problems have evolved from the production of such everyday products as plastics, paints, dyes, glazes, adhesives, fertilizers, detergents, cosmetics, flame retardant textiles, man-made textiles, pesticides, and toiletries. Toxic chemicals are also used in the production of metals, petroleum products, glass, and mirrors. In addition to the increase in the variety of uses of toxic chemicals, the chemical industry has shown enormous growth, producing nearly 11 times more than in 1947.

The effect of improper waste disposal can result in catastrophic situations including "contamination of groundwater (the source of half the nation's drinking water), habitat destruction, adverse human health effects, soil contamination, fish kills, livestock loss, municipal treatment plant outages, and crop damage." [1]

To deal with the problems of hazardous wastes, the Administration recommended the establishment of a "Superfund" in June 1979. The legislation was enacted in December 1980.

The five stated objectives of CERCLA were:

• "To assure that those responsible for any actual or potential threat to public health, welfare or the environment caused by releases of hazardous substances, pollutants or contaminants bear the costs of their actions;

• To establish a trust fund to finance response action where a liable party does not clean up, cannot be found, or cannot pay the cost of cleanup of the site or spill;

• To base the Fund primarily on contributions from those who have been generically associated with such problems in the past and who today derive profits from products and services associated with such substances;

• To establish a mechanism to achieve longer term remedial cleanup which involves States as true partners with the Federal government;

• To provide adequate Federal response authority to help clean up hazardous chemical disasters" [2].

The provisions of the Act called for the creation of a \$1.6 billion Hazardous Substance Response Fund, commonly referred to as the "Superfund." Of this amount, \$1.38 billion would be collected in the form of excise taxes, with the remainder coming from Federal appropriations. These taxes were to be collected over a five-year period effective April 1, 1981.

### Data Sources and Limitations

The Quarterly Excise Tax Return, Form 720, is the form on which environmental taxes are reported. Form 6627, Environmental Taxes, is the supporting schedule where the tax liability for petroleum and chemicals is computed. These returns are the basic source of data for this study. Data in this article reflect information reported on those returns filed and processed by July 8, 1982, for the four tax quarters ending June 30, 1981, through March 31, 1982.

Any adjustments, credits, or refunds, to environmental taxes either on the Form 720 or Form 843, Claim, are not reflected in the data. A taxpayer could take an adjustment or credit if a taxed chemical were later used to manufacture or produce any other substance subject to the tax. If a tax were paid on a chemical subsequently used to produce fertilizer, a credit or adjustment could also be claimed. Only those taxes reported on the Form 6627 are included; no adjustments, credits, or refunds from either the Form 720 or Form 843 are included in the data.

The Internal Revenue Service also releases environmental tax statistics in a report on excise taxes that is issued quarterly [3]. These figures, taken from the Form 720, show the liability, after adjustments, of returns recorded in the computerized Business Master File (BMF) as part of routine processing. Returns are due for filing one month after the end of the quarter in which the business is liable for environmental taxes. Therefore, the report covers what was recorded during a quarter, regardless of the specific tax period, unlike the data presented in this article. As a result, the two series of data are not directly comparable.

Since no statistical sampling was involved, the data are not subject to sampling error, but may be subject to nonsampling error. Attempts were made to secure all returns filed but returns may have been omitted if they were not forwarded for the study. In addition, the returns were passed through a series of validation tests to verify the accuracy of the return entries. In those cases where the data supplied on the return were incomplete, such as when there was a total for chemical taxes without the required subtotals, the business was contacted to obtain the information.

### NOTES AND REFERENCES

- [1] David Lennett, "Handling Hazardous Waste--An Unsolved Problem," Environment, October 1980, p. 7.
- [2] Environmental Protection Agency, unpublished report.
- [3] "Internal Revenue Collections of Excise Taxes," released quarterly by the Internal Revenue Service.

## Environmental Excise Taxes, 1981-1982

Table 1.--Environmental Taxes Reported by Type of Substance,  
Quarters Ending June 30, 1981, Through March 31, 1982

Type of substance	Number of businesses	Tax rate per ton (dollars)	Number of tons (000's)	Environmen- tal taxes (thousand dollars)
	(1)	(2)	(3)	(4)
Petroleum.....	293	0.0079 <sup>1</sup>	4,244,707 <sup>2</sup>	33,533
Petrochemicals, total.....	171 <sup>3</sup>	N/A	31,731	150,920
Acetylene.....	33	4.87	150	733
Benzene.....	51	4.87	3,526	17,170
Butane.....	24	4.87	891	4,338
Butylene.....	19	4.87	909	4,427
Butadiene.....	24	4.87	1,312	6,388
Ethylene.....	33	4.87	11,608	56,531
Methane.....	25	3.44	2,524	8,684
Naphthalene.....	4	4.87	53	256
Propylene.....	45	4.87	6,000	29,218
Toluene.....	67	4.87	1,736	8,454
Xylene.....	56	4.87	3,023	14,723
Inorganics, total.....	301 <sup>3</sup>	N/A	35,062	43,378
Ammonia.....	73	2.64	3,068	8,099
Antimony.....	14	4.45	2	9
Antimony trioxide.....	18	3.75	17	65
Arsenic.....	5	4.45	( <sup>4</sup> )	2
Arsenic trioxide.....	14	3.41	23	80
Barium sulfide.....	*	2.30	*	*
Bromine.....	6	4.45	132	589
Cadmium.....	22	4.45	2	10
Chlorine.....	42	2.70	8,722	23,548
Chromium.....	14	4.45	36	161
Chromite.....	15	1.52	343	522
Potassium dichromate.....	*	1.69	*	*
Sodium dichromate.....	6	1.87	18	34
Cobalt.....	20	4.45	5	23
Cupric sulphate.....	19	1.87	21	40
Cupric oxide.....	12	3.59	4	15
Cuprous oxide.....	4	3.97	3	14
Hydrochloric acid.....	67	0.29	1,852	537
Hydrogen fluoride.....	12	4.23	265	1,122
Lead oxide.....	31	4.14	269	1,113
Mercury.....	5	4.45	2	7
Nickel.....	18	4.45	108	480
Phosphorus.....	8	4.45	327	1,454
Stannous chloride.....	5	2.85	1	4
Stannic chloride.....	8	2.12	7	16
Zinc chloride.....	15	2.22	23	51
Zinc sulfate.....	20	1.90	30	58
Potassium hydroxide.....	18	0.22	241	53
Sodium hydroxide.....	57	0.28	9,008	2,522
Sulfuric acid.....	86	0.26	9,268	2,410
Nitric acid.....	28	0.24	1,396	335
Not allocable.....	31	N/A	N/A	1,393

N/A - Not applicable.

\*This figure is not shown to avoid disclosure of information for specific businesses. However, the data are included in the appropriate totals.

<sup>1</sup>Rate per barrel.<sup>2</sup>Number of barrels.<sup>3</sup>Number of businesses reporting at least one of the indicated substances.<sup>4</sup>Less than 1,000 tons.

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

# Projections of Returns to be Filed in Fiscal Years 1983-1990

By Patrick O'Keefe and John Padden\*

The number of tax returns and supplemental documents filed in Fiscal Year 1983 is projected to be 171.9 million, an increase of 0.7 percent over the estimated 170.7 million 1982 filings [1]. This growth rate is down sharply from the 2.5 percent increase registered in 1982. Individual income tax returns, the largest component of returns filed, are expected to show little growth from 1982 to 1983 because of the reduction in employment caused by the declining economy.

Changes in filings of individual income tax returns have historically been closely linked to changes in employment. The anticipated economic recovery in 1983 is expected to boost primary returns filed by 3.0 percent in 1984 and 2.8 percent in 1985. After 1985, because of demographic factors that will hold down economic growth, growth rates of returns filed are expected to decrease slightly until they reach 2.3 percent in 1990.

Major changes are being introduced this year which will greatly affect the projections of individual returns and the number of total returns. Filings of Form 1040ES, Individual Declarations of Estimated Tax, are now being projected on a voucher (quarterly payment) count basis instead of a taxpayer entity basis as they were last year. This will increase the projected number of Form 1040ES returns by about 20 million in 1983 because approximately 3 vouchers are filed by each individual filing a Form 1040ES.

Beginning in Filing Year 1983, single taxpayers will have the option of filing a new individual income tax return, Form 1040EZ. This return will replace many of the 1040As currently being filed. Nearly 11 million Form 1040EZ's are projected to be filed in 1983. In addition to these major changes, some provisions of the Economic Recovery Tax Act of 1981 are expected to bring about a decrease in 1983 filings of estate tax and gift tax returns; other compliance provisions of the Tax Act will increase the number of tax returns to be filed.

Total returns are projected to increase by 23.6 percent from 1981 to 1990, a 2.4 percent compound annual rate of growth. Individual returns are projected to grow 16.7 percent. Some of the tax returns projected to grow faster than average include individual declarations of estimated tax, employee plans, fiduciary, corporate, and most of the forms included in the category of supplemental documents.

The compound annual growth rates are illustrated in Figure 1. Figure 2 shows the total number of returns in different categories.

The projections for 1983 and changes from 1982 are as follows:

Type of Return	1983 Projection (000)	Change From 1982 %
Total	171,926	0.7
Individual	95,850	*
Fiduciary	2,103	4.0
Partnership	1,523	2.6
Corporation	3,012	2.9
Estate and Gift	200	-13.0
Employment	26,178	0.9
Individual Declarations	32,730	2.5
Other	10,330	0.2

\* Less than 0.05

## General Summary

The projected number of returns to be filed consists of primary returns, supplemental documents, and non-master file returns. This year they are being projected based on the number of returns processed rather than returns received. Returns received are returns counted as they arrive and are counted at one of the ten IRS service centers. The present level, returns processed, are returns counted as they are posted to one of the master files at the IRS National Computer Center. This results in a modest reduction in level of about 0.2 percent [2].

The primary returns, numbering about 160 million in 1981, are a major part of the IRS workload. Included are such returns as Form 1040 and Form 1040A, U.S.

\*Prepared under the direction of Richard Blucher, Chief of the Projections and Forecasting Group, Research Division.

Figure 1  
Projected Compound Annual Percent Change in Number  
of Returns Processed, 1981-1990

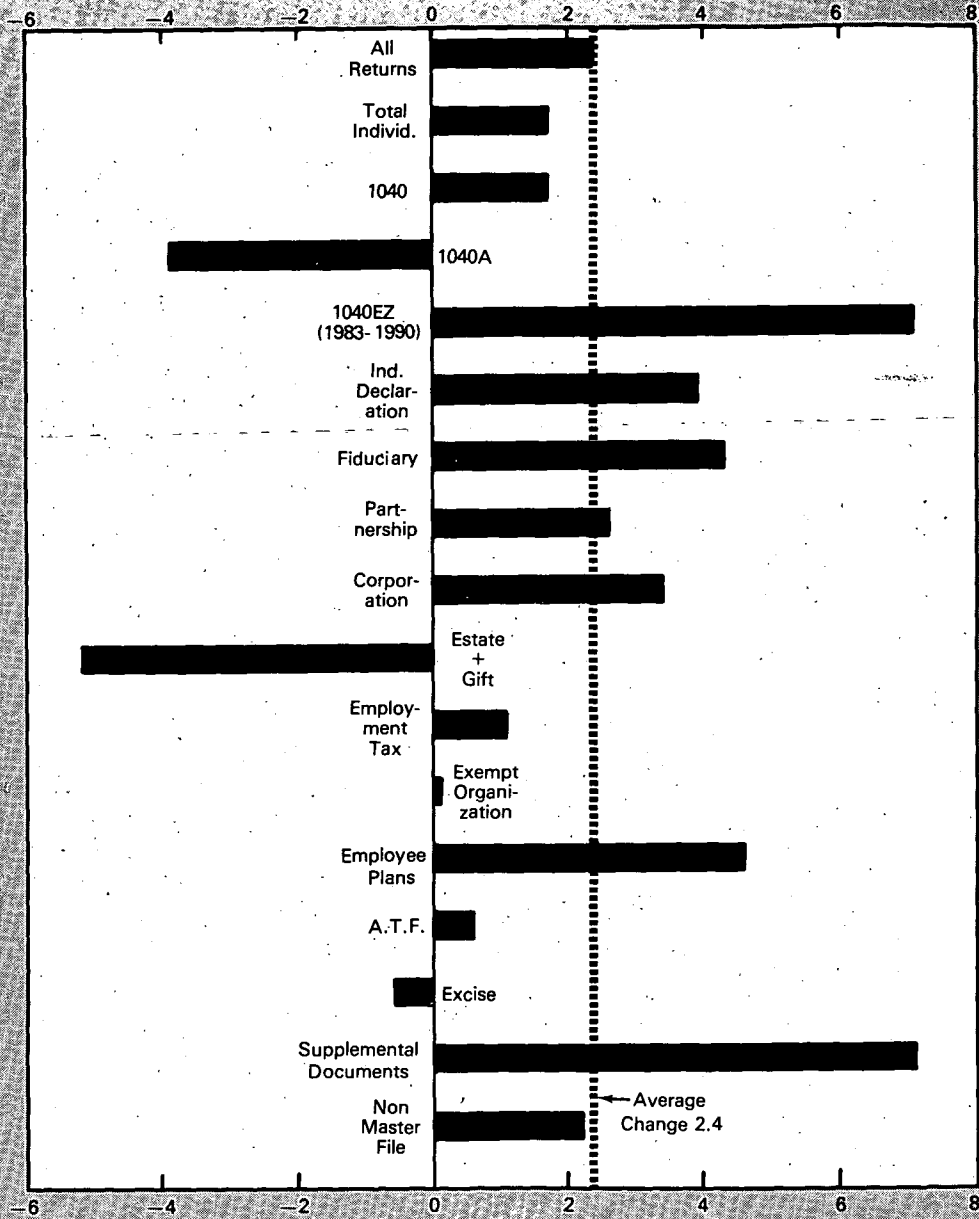
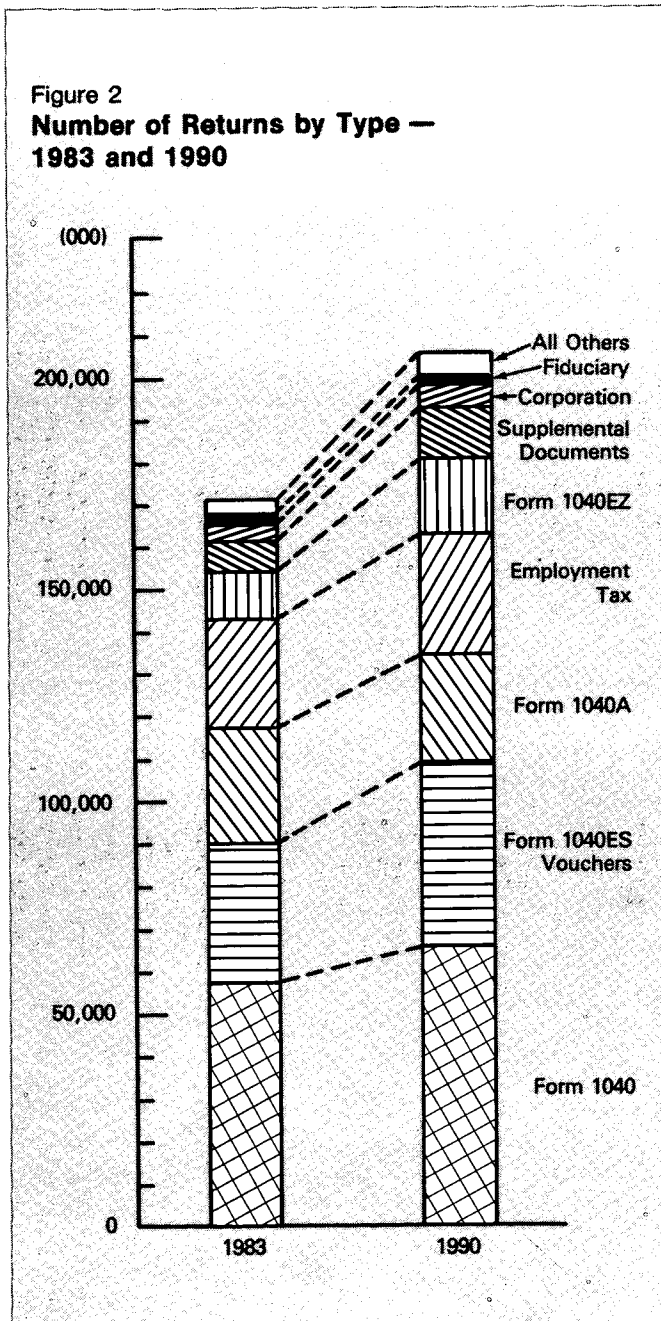


Figure 2  
Number of Returns by Type —  
1983 and 1990



Individual Income Tax Returns; Form 1120, U.S. Corporation Income Tax Return; Form 1040ES, Individual Declaration of Estimated Tax; and Form 941, Employers Quarterly Federal Tax Return.

The supplemental documents are mostly amended returns and requests for filing extensions for both individuals and corporations. The category, non-master file returns, totaling 55,000 in 1981, includes a variety of small-volume returns, such as Employer's Monthly and Quarterly Tax Returns and Quarterly Federal Excise Tax Returns. Not included in any of these categories are almost 400 million information documents such as forms for the reporting of interest and dividend income by payers of such income.

### Individual Income Tax Returns

Projections of Forms 1040 and 1040A are somewhat lower for each projected year than projections made last year. [3] The estimates for the Fiscal Years 1983-1985 have been reduced due to the lower employment during the current recession. Employment is expected to decrease to 102.0 million during 1982 from 102.5 million in 1981. When combined with other variables, the net result will be a small increase of 47,000 individual tax returns in 1983.

In 1983, a new individual income tax return, Form 1040EZ, will be introduced. To be eligible to file a Form 1040EZ, a taxpayer must be single, claim no dependents, claim no exemptions for age or blindness, and have taxable income of less than \$50,000. Interest income of \$400 or less is the only income other than wages that can be reported on this form. It is assumed that filers of Form 1040EZ are those who would have filed Form 1040A. Because of this, Form 1040A is expected to decline from 39.3 percent of all individual returns filed in 1981 to 23.5 percent in 1990. Filings of Form 1040EZ are expected to comprise 11.5 percent of individual returns filed in 1983 and 16.1 percent in 1990.

The Tax Equity and Fiscal Responsibility Act of 1982 requires withholding at a flat rate of 10 percent on payments of interest and dividends beginning July 1, 1983. Payments to certain tax exempt institutions, corporations, low income elderly individuals, and to nominees or custodians are exempted. Interest payments made by individuals are generally exempted. In addition, the Act exempts individuals with no income tax liability in the preceding year. Other provisions impose an increased penalty for extended failure to file. Higher penalties will also now be imposed for failure to accurately report on certain information documents. As a result of this Act, approximately 200,000 additional return filings have been included in the projections beginning in 1984.

### Estate and Gift Tax Returns

Fewer estate and gift tax returns are expected to be filed because of changes in filing requirements mandated by the Economic Recovery Tax Act of 1981. Some of these include: (a) a gradual increase in the unified credit against estate and gift taxes over a 5-year period, so that no tax will be imposed on transfers of \$600,000 or less by the end of that period; (b) a repeal of the limits on the marital deduction for estate and gift taxes; and (c) an increase in the excludable gifts in any single year to any individual person from \$3,000 to \$10,000. When fully effective, these provisions are expected to reduce the number of estate tax returns (Form 706) by more than 70 percent and the number of gift tax returns (Form 709) by more than 50 percent.

### Individual Declarations of Estimated Tax

The projections of Form 1040ES are being done on a voucher basis for the first time. A 1040ES voucher is the form used by an individual to remit each quarterly payment. Each individual, or entity, may file as many as four vouchers a year. This results in far higher projections than the former method of projecting 1040ES returns on a taxpayer entity basis. Voucher counts were three times higher than taxpayer entity counts in 1981.

Receipts of Form 1040ES have been rising at an increasing rate for the last four years. High interest rates have helped to raise the number of



## Projections of Tax Return Filings, 1983-1990

1040ES filers by about 30 percent from 1978 to 1982. Because of the higher number of 1040ES returns filed in recent years, this year's projections of 1040ES returns for 1982 and 1983 are 16 percent above last year's projections, when compared on an entity basis. After 1985 the projected growth rates are expected to be about the same as those projected last year. Projections include adjustments for later years to reflect the higher filing thresholds enacted by the Economic Recovery Tax Act of 1981. That Act raised the tax due filing threshold, in annual \$100 increments, from \$100 in 1981 to \$500 in 1985. Projections for Form 1040ES returns are based on the assumption that the current voucher system will continue. If the payment method shifts to the Federal Tax Deposit (F.T.D.) system, a similar number of F.T.D.'s would be filed. Under the F.T.D. system, taxpayers would deposit their estimated income and self-employment taxes with a Federal Reserve Bank or an authorized financial institution. This change would conform the method for individuals to that currently used by corporations for making their estimated tax payments.

### BASIC TABLE INFORMATION

Projections for the major types of primary returns for Fiscal Years 1983-1990 are shown in Table 1. For comparison purposes, actual receipt figures are shown for 1981 and estimated receipts are given for 1982.

### BASIC METHODOLOGY AND ASSUMPTIONS

The number of returns filed represents receipts of returns at IRS Service Centers during a fiscal year. Receipts for FY 1981 and earlier years are those reported in the Annual Reports of the Commissioner of Internal Revenue. [4] Data for FY 1982 include actual receipts through June with the remainder of the fiscal year estimated. The estimated part in most cases was based on receipt patterns in FY 1981. Until FY 1976, fiscal years for the U.S. Government were from July through June. Beginning in FY 1977, fiscal years were changed to October through September.

The projections are based on regression models involving independent economic and demographic variables or on observed trends over time [5]. The models are updated to incorporate recent trends in return filing patterns and the current economic outlook. The models were developed for calendar years.

To illustrate the general process, projections for the combined total of Forms 1040 and 1040A for calendar years were prepared using a regression model which makes the projection a function of the forecasted values of total employment, employed married women, pension beneficiaries and annuitants, and a step function variable to adjust for the effect of the Tax Reduction and Simplification Act of 1977 [6]. The base period used was 1949-1982, with 1982 estimated on January-June receipts.

Calendar year projections for Forms 1040 and 1040A (current definition) were separately estimated before they were adjusted to the combined total, using regression models with employment, time, and a step function variable to adjust for the special emphasis by IRS to encourage eligible filers to use Form 1040A. The resulting projections were then adjusted for the effects of the Economic Recovery Tax Act of 1981 and the increased filing limit for Form 1040A.

Projections for Form 1040EZ were derived from the estimated number of Form 1040A filers eligible to use the new form. After the calendar year projections were completed, they were converted to fiscal year projections by using the Census Bureau's X-11Q Seasonal Adjustment Program to obtain seasonal factors [7].

Other individual returns forms in this group were each projected using similar types of models.

### References

- [1] A full listing of the tax returns included in the categories shown in Table 1 can be found in the report specified in [4] below.
- [2] Projections made this year are based on the number of returns processed as reported on an internal IRS report. Report Symbol NO-TX-R-308. In previous years, projections were based on returns received as reported on a now discontinued report, Report Symbol NO-TX-R-24.
- [3] Kenneth Utter and Max Johns, "Projections of Return Filings, 1982-1990," Statistics of Income Bulletin, Volume 1, No. 3, Winter 1981-82, pp. 1-3, Department of the Treasury, Internal Revenue Service. Publication 1136, Washington, DC, 1981.
- [4] Department of the Treasury, Internal Revenue Service, "Annual Report: Commissioner of Internal Revenue and the Chief Counsel for the Internal Revenue Service: 1981," Publication 55, Washington, DC, 1981.
- [5] Internal Revenue Service, "Number of Returns to be Filed: Statistical Methodology," Calendar Year Projections series, Document 6186-B.
- [6] Projections of total employment, employed married women, pension beneficiaries and annuitants are all prepared by the Projections and Forecasting Group, Research Division, Internal Revenue Service.
- [7] U.S. Bureau of the Census, "The X-11 Variant of the Census Method II Seasonal Adjustment Program," Technical Paper No. 15 (1967 revision).

Table 1.--Number of Returns by Type, Fiscal Years 1981-1990<sup>1</sup>

[Thousands]

Type of return	Actual	Estimated <sup>2</sup>	Projected							
	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Grand total.....	166,528	170,650	171,926	177,027	182,068	187,034	191,906	196,495	201,246	205,870
Individual, total.....	94,018	95,803	95,850	98,425	101,349	103,437	105,272	106,758	108,307	109,761
Form 1040.....	56,972	57,826	57,851	59,287	61,052	62,314	63,423	64,321	65,257	66,135
Form 1040A.....	36,903	37,834	26,868	25,776	23,794	24,265	24,693	25,041	25,402	25,741
Form 1040EZ.....	-	-	10,988	13,218	16,356	16,709	17,004	17,243	17,492	17,726
Other.....	143	144	143	145	146	148	151	153	156	159
Declaration of Estimated Tax (Individual).....	30,347	31,929	32,730	33,862	34,555	36,121	37,796	39,479	41,187	42,831
Fiduciary.....	1,917	2,022	2,103	2,191	2,281	2,378	2,474	2,575	2,680	2,790
Partnership.....	1,467	1,484	1,523	1,564	1,607	1,652	1,699	1,748	1,799	1,852
Corporation.....	2,806	2,928	3,012	3,109	3,210	3,312	3,424	3,537	3,659	3,789
Estate Tax.....	146	137	112	94	78	66	46	39	41	44
Gift Tax.....	199	93	88	98	105	117	128	142	156	169
Employment Tax.....	26,063	25,941	26,178	26,586	26,995	27,301	27,657	28,049	28,458	28,880
Exempt Organization.....	409	395	361	360	369	378	386	396	405	414
Employee Plans.....	790	895	893	915	958	1,000	1,042	1,085	1,136	1,180
Alcohol, Tobacco and Firearms.....	523	549	550	550	550	550	550	550	550	550
Excise Tax.....	971	855	860	867	875	883	892	900	909	917
Selected Supplemental Documents <sup>3</sup> .....	6,817	7,561	7,628	8,346	9,076	9,777	10,477	11,172	11,893	12,626
Non-Master File Returns <sup>4</sup> .....	56	56	58	59	61	62	64	65	67	68

<sup>1</sup>Based on counts of returns processed. Projections made in previous years were based on returns received.

<sup>2</sup>Estimated from returns processed through June 30, 1982.

<sup>3</sup>Includes Forms 1040X, 1120X, 2688, 4868, 7004, 7005, 990-AR and 1041-A. Most of these documents relate to amended tax returns and applications for extensions to file tax returns.

<sup>4</sup>Includes Forms CT-2, 720M, 941-M, 941-NMI, 990-BL, 1120-DISC, and 1042. These are documents which are not included on one of the principal IRS master files for individuals, businesses, and employee benefit plans.

NOTE: Detail may not add to total due to rounding.

# Crude Oil Windfall Profit Tax for 1981

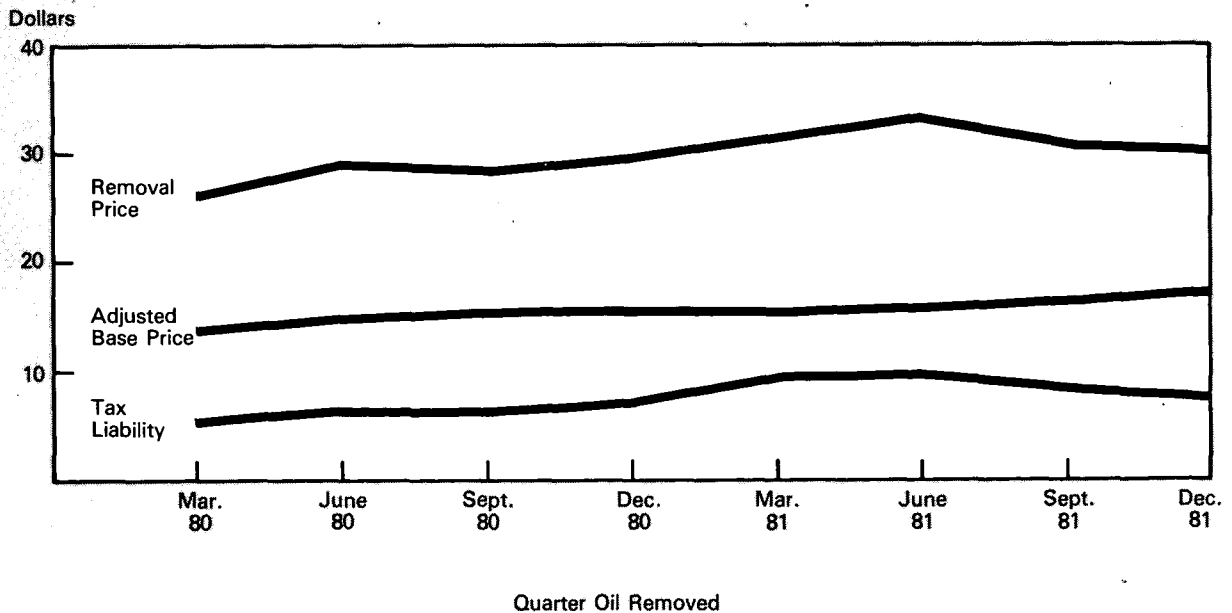
By Michael Coleman\*

The total windfall profit tax after adjustments reported since the inception of the Crude Oil Windfall Profit Tax Act amounted to almost \$36 billion through December 1981. Of this total, \$26 billion was reported during 1981. The sharp increase over 1980 was largely due to the full decontrol of oil prices in January 1981.

While 1981 witnessed a substantial increase in the total amount of windfall profit tax reported, the tax declined from a high of \$7.2 billion for the first quarter of the year to \$5.5 billion for the fourth quarter, a 23 percent drop. This decrease in total liability can be attributed to a combination of declining prices and a decrease in oil production. The average windfall profit tax per barrel declined from \$9.63 for the first quarter to \$8.30 for the fourth quarter, a drop of 13 percent. The number of barrels of oil declined from 687 million to 685 million.

The quarter ending December 1981 marked the second consecutive quarter that the average removal price (generally the price for which the oil is sold) decreased. The average price per barrel reached a high of \$33 in the second quarter of 1981 and then declined by about 6 percent to slightly less than \$31 per barrel in the fourth quarter. The decrease in the removal price was, in large part, the result of an abundant supply of foreign crude oil relative to worldwide demand, which in turn created a downward force on U.S. domestic oil prices. The decrease in U.S. demand for oil and gasoline has been attributed to a sluggish economy and increased conservation efforts.

**Components of Windfall Profit Tax Liability:  
Averages Per Barrel by Quarter Oil Removed**



\*Prepared under the direction of Daniel F. Skelly, Acting Chief, Foreign Special Projects Section, Foreign Statistics Branch.

## Crude Oil Windfall Profit Tax, 1981

Windfall Profit Tax After Adjustments  
(Millions)

Quarter Ending	Tax Before Adjustments	Adjustments	Tax After Adjustments
Total	\$37,518	-\$1,649	\$35,869
Mar. 1980 <sup>1/</sup>	788	---	788
June 1980	2,842	-21	2,821
Sept. 1980	3,413	-88	3,325
Dec. 1980	3,918	-927	2,991
Mar. 1981	6,953	+242	7,195
June 1981	7,253	-107	7,146
Sept. 1981	6,344	-251	6,093
Dec. 1981	6,007	-497	5,510

<sup>1/</sup> One month only.

In addition to being affected by fluctuations in the removal price and the adjusted base price, the windfall profit tax is also affected by certain

adjustments. These adjustments can result from errors in withholding or from the net income limitation. When either of these occur, the depositing or withholding agent is responsible for correcting the error, to the extent possible, by adjusting the amounts withheld in succeeding quarters.

When comparing the adjustments made during 1980 and 1981, it is interesting to note that in the last quarter of each year there was a large negative adjustment. These large adjustments were due to the effects of the net income limitation which limits the windfall profit to 90 percent of the net income per barrel of oil. Throughout the year, taxpayers not subject to withholding (i.e. large integrated oil companies) estimate their net income for each barrel. At year end, many of these taxpayers found they had overestimated their tax liability for previous quarters (because of having overestimated their net income) and therefore made adjustments on their fourth quarter returns to compensate for the previous overwithholding.

Table 1.--Windfall Profit Tax Liability by Oil Tier and Tax Rate for the Quarter Ending December 1981, Aggregate Components of Windfall Profit

[Money amounts are in millions of dollars]

Oil tier and tax rate	Tax liability before adjustments, quarter ended December 31, 1981	Returns with components of windfall profit <sup>1</sup>					Tax liability before adjustments
		Number of barrels of oil (000's)	Removal value	Adjusted base value	State severance tax adjustment	Windfall profit	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All returns, total.....	6,007	685,426	21,224	11,185	555	9,484	5,692
Returns with tax liability shown by oil tier and tax rate, total							
Tier one, other than Sadlerochit oil:							
Taxed at 70 percent.....	3,894	321,403	10,616	4,797	260	5,559	3,891
Taxed at 50 percent.....	284	31,584	1,075	482	38	555	278
Tier one, Sadlerochit oil:							
Taxed at 70 percent.....	473	118,948	2,594	1,795	123	676	473
Taxed at 50 percent.....	1	138	4	2	-	2	1
Tier two oil:							
Taxed at 60 percent.....	483	55,270	1,831	990	38	803	482
Taxed at 30 percent.....	146	32,443	1,108	608	20	480	144
Tier three oil (taxed at 30 percent):							
Newly discovered oil.....	336	87,773	3,029	1,859	69	1,101	330
Incremental tertiary oil....	22	6,286	212	132	5	75	22
Heavy oil.....	70	31,581	756	521	1	234	70
Total returns with components not shown.....	297	-	-	-	-	-	-

<sup>1</sup> Represents 96 percent of all returns tabulated and 95 percent of the liability.

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

Table 2.--Windfall Profit Tax Liability by Oil Tier and Tax Rate for the Quarter Ending December 1981, Components of Windfall Profit, Average Dollars per Barrel

Oil tier and tax rate	Returns with components of windfall profit				
	Removal price	Adjusted base price	State severance tax adjustment	Windfall profit	Tax liability before adjustments
	(1)	(2)	(3)	(4)	(5)
All returns, total.....	30.96	16.31	.80	13.85	8.30
Tier one, other than Sadlerochit oil:					
Taxed at 70 percent.....	33.02	14.92	.81	17.29	12.10
Taxed at 50 percent.....	34.04	15.25	1.20	17.59	8.80
Tier one, Sadlerochit oil:					
Taxed at 70 percent.....	21.80	15.08	1.03	5.69	3.98
Taxed at 50 percent.....	29.81	15.25	1.39	13.17	6.59
Tier two oil:					
Taxed at 60 percent.....	33.12	17.90	.68	14.54	8.72
Taxed at 30 percent.....	34.16	18.75	.62	14.79	4.44
Tier three oil (taxed at 30 percent):					
Newly discovered oil.....	34.50	21.18	.78	12.54	3.76
Incremental tertiary oil.....	33.67	21.03	.75	11.89	3.57
Heavy oil.....	23.94	16.48	.03	7.43	2.23

Table 3.--Windfall Profit Tax Liability by Oil Tier and Tax Rate for January - December 1981, Aggregate Components of Windfall Profit

[Money amounts are in millions of dollars]

Oil tier and tax rate	Tax liability before adjustments, January - December 1981	Returns with components of windfall profit <sup>1</sup>					
		Number of barrels of oil (000's)	Removal value	Adjusted base value	State severance tax adjustment	Windfall profit	Tax liability before adjustments
		(2)	(3)	(4)	(5)	(6)	(7)
All returns, total.....	26,560	2,583,070	82,069	41,027	2,296	38,746	23,416
Returns with tax liability shown by oil tier and tax rate, total							
Tier one, other than Sadlerochit oil:							
Taxed at 70 percent.....	16,810	1,227,956	41,447	17,942	1,086	22,419	15,693
Taxed at 50 percent.....	1,221	116,293	4,028	1,735	135	2,158	1,079
Tier one, Sadlerochit oil:							
Taxed at 70 percent.....	2,418	470,728	10,903	6,921	529	3,453	2,417
Taxed at 50 percent.....	9	1,016	35	15	1	19	9
Tier two oil:							
Taxed at 60 percent.....	2,172	213,941	7,312	3,781	169	3,362	2,017
Taxed at 30 percent.....	690	125,249	4,392	2,272	88	2,032	610
Tier three oil (taxed at 30 percent):							
Newly discovered oil.....	1,354	292,084	10,397	6,063	264	4,070	1,221
Incremental tertiary oil....	64	16,520	557	340	14	203	61
Heavy oil.....	331	119,283	2,997	1,957	9	1,031	309
Total returns with components not shown.....	1,490	-	-	-	-	-	-

<sup>1</sup>Represents 88 percent of all returns and liability tabulated.

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

## Crude Oil Windfall Profit Tax, 1981

Table 4.--Windfall Profit Tax Liability by Oil Tier and Tax Rate for January - December 1981,  
Components of Windfall Profit, Average Dollars per Barrel

Oil tier and tax rate	Returns with components of windfall profit				
	Removal price	Adjusted base price	State severance tax adjustment	Windfall profit	Tax liability before adjustments
	(1)	(2)	(3)	(4)	(5)
All returns, total.....	31.77	15.88	.89	15.00	9.07
Tier one, other than Sadlerochit oil:					
Taxed at 70 percent.....	33.75	14.61	.88	18.26	12.78
Taxed at 50 percent.....	34.64	14.92	1.16	18.56	9.28
Tier one, Sadlerochit oil:					
Taxed at 70 percent.....	23.16	14.70	1.12	7.34	5.13
Taxed at 50 percent.....	34.45	14.76	.98	18.70	8.86
Tier two oil:					
Taxed at 60 percent.....	34.18	17.67	.79	15.71	9.43
Taxed at 30 percent.....	35.07	18.14	.70	16.22	4.87
Tier three oil (taxed at 30 percent):					
Newly discovered oil.....	35.60	20.76	.90	13.93	4.18
Incremental tertiary oil.....	33.72	20.58	.85	12.29	3.69
Heavy oil.....	25.13	16.41	.08	8.64	2.59

Table 5.--Exempt Oil Volume by Tier and Category, Quarter Ending December 1981  
(Thousands of barrels)

	Total	Tier one	Tier one	Tier three		
				Newly discovered oil	Incremental tertiary oil	Heavy oil
				(4)	(5)	(6)
Total.....	19,388	15,099	1,637	2,364	116	171
Exempt governmental interest.....	16,490	14,092	1,022	1,106	114	156
Exempt charitable interest.....	818	438	269	101	2	7
Exempt Indian oil.....	1,240	548	347	338	1	7
Exempt Alaskan oil.....	835	21	-	813	-	-
Exempt front-end oil*.....	5	-	-	5	-	-

\*Exempt front-end oil no longer exists. Taxpayers erroneously reported oil for this category.  
NOTE: Detail may not add to total because of rounding.

Table 6.--Exempt Oil Volume by Tier and Category, January - December 1981  
(Thousands of barrels)

	Total	Tier one	Tier one	Tier three		
				Newly discovered oil	Incremental tertiary oil	Heavy oil
	(1)	(2)	(3)	(4)	(5)	(6)
Total.....	72,865	57,454	8,497	5,879	385	643
Exempt governmental interest.....	60,924	51,112	5,076	3,878	328	525
Exempt charitable interest.....	3,627	2,046	1,030	455	56	40
Exempt Indian oil.....	4,375	2,058	1,620	677	1	21
Exempt Alaskan oil.....	855	29	5	820	-	-
Exempt front-end oil*.....	3,083	2,211	766	48	-	57

\*Exempt front-end oil no longer exists. Taxpayers erroneously reported oil for this category.  
NOTE: Detail may not add to total because of rounding.

#### DATA SOURCES AND LIMITATIONS

The Quarterly Federal Excise Tax Return, Form 720, is the form on which the windfall profit tax is reported. Form 6047, Windfall Profit Tax, shows how the tax is computed and is filed as an attachment to Form 720. Returns are due two months after the end of the quarter in which the oil is removed.

The data for 1980 are based on all returns filed without regard to amount of liability. Data for 1981 are based on all returns with a tax liability of \$1 million or more before adjustments and a 10 percent sample of all other returns. Data formerly published for the first quarter of 1981 were based on returns with a tax liability of \$1 million or more before adjustments, adjusted upward to estimate total liability and barrels of oil. All data may be revised as additional returns are received.

Sampling and nonsampling errors were controlled by a variety of methods. Missing returns were requested from the service centers. However, some returns may have been omitted due to time and resource constraints. Attempts were made to correct imbalances in taxpayer entries for the components of windfall profit; if this proved impossible, an out-of-balance return was treated as a return on which the components were not reported, and therefore only the liability for each tier was tabulated. A number of verification checks were performed at all stages of manual data abstraction and computer tabulation.

#### DEFINITIONS

Brief definitions of the terms used in these tables are given below.

Adjusted Base Price.--For tier one and tier two oil, it is the base price multiplied by the inflation adjustment, which is derived from the "implicit price deflator" published by the Department of Commerce. [3]

Adjustments to Liability.--Corrections applied to the current quarter's liability in order to correct for the net income limitation and over- and under-withholding in previous quarters.

Base Price.--For tier one oil, the upper tier ceiling price, as defined by Department of Energy price control regulations, which would have applied to the oil had it been produced and sold in May 1979, reduced by 21 cents. For tier two and three oil, the base prices were \$15.20 and \$16.55, respectively, adjusted for grade and quality.

Crude Oil.--The term applies only to natural crude petroleum and does not include synthetic petroleum, such as oil from shale or tar sands. It does, however, include natural gas liquids treated as crude oil under the June 1979 energy pricing regulations issued by the Department of Energy.

Exempt Alaskan Oil.--Oil from a reservoir other than the Sadlerochit reservoir that has been commercially exploited by any well north of the Arctic Circle; and oil produced north of the Alaska-Aleutian Range, and at least 75 miles from the nearest point of the Trans-Alaskan Pipeline System.

Exempt Charitable Oil.--Oil produced from economic interests held by qualified charitable medical facilities, educational institutions, and child care organizations (as defined in Internal Revenue Code section 170), if such interest was held on January 21, 1980, and at all times thereafter; and oil produced from interests held by a church on January 21, 1980, if, prior to January 22, 1980, the net proceeds of such oil were dedicated to the support of a medical facility or educational institution.

Exempt Front-End Oil.--Certain oil that the Department of Energy deregulates to be used to finance a tertiary recovery project (see Tier Three Oil, Incremental Tertiary Oil). This category of oil now no longer exists due to the deregulation of all domestic oil after January 28, 1981.

Exempt Governmental Oil.--Oil produced from an economic interest held by a State or political subdivision (including agencies and instrumentalities), the net income from which is used for public purposes.

Exempt Indian Oil.--Oil produced from mineral interests held by or on behalf of Indian tribes or individuals on January 21, 1980, which is one of the following: (a) production received by Indian tribes and individuals from Tribal Trust Lands (the title to such land is held by the United States in trust for the tribes), (b) production from land or mineral interests held by an Indian tribe eligible for services provided to Indians by the Secretary of the Interior, or (c) oil proceeds which are paid into the U.S. Treasury to the credit of tribal or native trust funds pursuant to law. This exemption also applies to production of any Alaskan Native Corporation prior to 1991.

Net Income Limitation.--The windfall profit on a barrel of oil may not exceed 90 percent of the net income attributable to the barrel.

Removal Price.--Generally, the price for which a barrel of oil is sold. In some instances, a constructive sale price is used.

Sadlerochit Oil.--Crude oil production from the Sadlerochit reservoir in the Prudhoe Bay oil field in Alaska.

State Severance Tax Adjustment.--A State severance tax is a tax imposed by a State with respect to the extraction of oil. The windfall profit is reduced by the amount by which the severance tax exceeds that which would have been imposed had the oil been valued at its adjusted base price.

Stripper Oil.--In general, oil from a property from which the average daily production per well has been 10 barrels or less for any consecutive 12-month period after 1972.

Tier One Oil.--All domestically-produced crude oil other than any oil classified in tiers two or three, or explicitly exempted from the tax by the Act. This includes the bulk of domestic oil from reservoirs proven to be productive before 1979.

Tier Two Oil.--Any oil which is from a stripper well property within the meaning of the June 1979 Department of Energy pricing regulations and oil from a U.S. economic interest in a National Petroleum Reserve.

Tier Three Oil, Heavy Oil.--All crude oil which is (1) produced from property which had a weighted average gravity of 16.0 degrees or less on the American Petroleum Institute (API) scale, corrected to 60 degrees Fahrenheit, for the last month of production prior to July 1979 or (2) oil from a property with a weighted average gravity of 16.0 degrees API or less, corrected to 60 degrees Fahrenheit, for the taxable period.

Tier Three Oil, Incremental Tertiary Oil.--Production in excess of a base level on a property on which a qualified tertiary recovery project (one which utilizes one of several specific chemical, fluid or gaseous recovery methods to extract oil not recoverable using standard techniques) has been undertaken. The non-incremental oil (i.e., the amount of production up the base level) remains in the otherwise applicable tier.

Tier Three Oil, Newly Discovered Oil.--Crude oil that is sold after May 31, 1979, and that is produced from (1) an outer continental shelf area for which the lease was entered into on or after January 1, 1979, and from which there was no production in Calendar Year 1978 or (2) an on-shore property developed after Calendar Year 1978.

Windfall Profit.--The excess of the removal price of the barrel of oil over the sum of the adjusted base price and the severance tax adjustment.

#### REFERENCES

- [1] See also Belal, Carol and Clark, Phil, "Windfall Profit Tax Liability for 1980," SOI Bulletin, Volume 1, No. 2, pages 50-54.
- [2] Joint Committee on Taxation (Staff), General Explanation of the Crude Oil Windfall Profit Tax Act of 1980, U.S. Government Printing Office, 1981.
- [3] U.S. Department of Commerce, Bureau of Economic Analysis, Survey of Current Business.



# Appendices

## APPENDIX I - Selected Statistical Series

### Table

- 1 - Individual income tax returns: Selected income and tax items for selected years, 1970-1980, 48
- 2 - Sole Proprietorship Returns: Selected income and deduction items for selected years, 1970-1980, 49
- 3 - Partnership Returns: Selected income statement and balance sheet items for selected years, 1970-1980, 49
- 4 - Corporation Income Tax Returns: Selected balance sheet, income statement, and tax items for selected years, 1970-1979, 50
- 5 - Gross Internal Revenue Collections: Amount collected by quarter and fiscal year, 51 1979-1982,

## APPENDIX II - General Description of Statistics of Income Sample Procedures and Data Limitations, 53

## Selected Statistical Series

Table 1.—Individual Income Tax Returns: Selected Income and Tax Items for Selected Years, 1970-1980

[Money amounts are in thousands of dollars]

Item	1970	1975	1977	1978	1979	1980 (Revised)
	(1)	(2)	(3)	(4)	(5)	(6)
<b>Number of returns:</b>						
All returns.....	74,279,831	82,229,332	86,634,640	89,771,551	92,694,302	93,902,469
Joint returns.....	42,376,365	44,140,085	44,004,343	44,483,348	44,855,141	45,243,211
<b>Sources of income:</b>						
<b>Salaries and wages:</b>						
Number of returns.....	66,965,659	73,520,046	77,345,927	80,278,349	83,200,646	83,802,109
Amount.....	531,883,892	795,399,462	969,403,997	1,090,291,855	1,229,251,389	1,349,842,802
<b>Interest received:</b>						
Number of returns.....	32,630,355	40,378,240	44,005,988	46,107,411	47,885,069	49,019,575
Amount.....	22,021,267	43,433,554	54,603,049	61,222,522	73,875,462	102,009,444
<b>Taxable pensions and annuities:</b>						
Number of returns.....	3,249,558	5,088,937	6,222,199	6,373,564	6,866,851	7,373,704
Amount.....	7,878,808	20,886,871	29,211,627	32,743,819	37,346,510	43,339,736
<b>Dividends (after exclusion):</b>						
Number of returns.....	7,729,939	8,853,491	9,202,378	9,425,819	9,881,105	10,738,982
Amount.....	15,806,924	21,892,126	27,020,483	30,206,475	33,482,508	38,761,253
<b>Net capital gain less loss:</b>						
Number of returns.....	7,962,663	7,574,823	8,736,065	8,711,086	8,641,573	8,929,474
Amount.....	9,006,683	14,071,893	20,776,604	23,231,376	28,448,300	29,659,600
<b>Business net income less loss:</b>						
Number of returns.....	6,159,985	7,242,542	7,774,555	8,194,375	8,562,834	8,881,119
Amount.....	30,554,201	39,421,478	49,451,961	53,546,508	56,564,467	55,129,154
<b>Total adjustments:</b>						
Number of returns.....	6,370,552	9,024,255	9,742,368	10,576,655	11,543,369	13,148,919
Amount.....	7,665,251	15,101,999	19,329,363	22,364,088	24,778,484	28,614,061
<b>Individual Retirement Arrangement:</b>						
Number of returns.....	N/A	1,211,794	2,002,833	1,925,853	2,451,955	2,564,421
Amount.....	N/A	1,436,443	2,457,708	2,497,307	3,198,788	3,430,894
<b>Self-Employed Retirement (Keogh):</b>						
Number of returns.....	591,655	595,892	576,982	548,925	590,189	568,936
Amount.....	847,692	1,603,788	1,834,734	1,804,243	2,029,300	2,007,666
<b>Adjusted gross income.....</b>	<b>631,692,540</b>	<b>947,784,873</b>	<b>1,158,492,225</b>	<b>1,302,447,386</b>	<b>1,465,394,530</b>	<b>1,613,731,497</b>
<b>Exemptions:</b>						
Total number.....	204,126,402	212,202,596	215,176,997	219,867,696	224,691,732	227,925,098
Number, age 65 or over.....	8,904,331	9,937,208	10,480,724	10,996,804	11,322,713	11,847,168
Total amount.....	127,531,204	159,140,845	161,382,748	164,900,772	223,891,529	227,569,280
<b>Total deductions:</b>						
Number of returns.....	73,862,448	81,585,541	81,856,462	85,473,429	87,202,857	88,491,251
Amount.....	120,549,755	233,181,778	276,170,902	304,282,120	332,957,555	346,000,155
<b>Total itemized deductions:</b>						
Number of returns.....	35,430,047	26,074,061	22,896,507	25,756,298	26,483,877	28,950,282
Amount.....	88,178,487	122,260,601	138,519,421	164,432,406	184,168,669	218,028,139
Medical and dental expense....	10,585,749	11,422,312	11,006,536	12,203,983	12,915,626	14,972,082
Taxes paid.....	32,014,673	44,141,289	51,974,887	59,506,835	60,674,905	69,404,275
Interest paid.....	23,929,477	38,885,282	47,825,469	60,681,144	74,427,045	91,187,006
Contributions.....	12,892,732	15,393,331	17,266,462	19,691,249	22,210,838	25,809,608
<b>Taxable income:</b>						
Number of returns.....	59,593,598	65,852,602	81,674,633	85,280,660	86,932,978	88,104,696
Amount.....	401,154,285	595,492,866	938,968,454	1,062,190,322	1,157,247,646	1,279,985,360
<b>Income tax before credits:</b>						
Number of returns.....	59,596,755	65,854,734	68,694,798	73,087,283	74,243,824	76,135,819
Amount.....	82,138,617	132,452,044	172,111,669	203,803,653	220,099,516	256,294,315
<b>Total tax credits.....</b>	<b>369,610</b>	<b>8,069,846</b>	<b>13,637,761</b>	<b>17,085,591</b>	<b>6,780,186</b>	<b>7,215,839</b>
General tax credit.....	N/A	5,020,477	9,524,028	10,248,475	N/A	N/A
Credit for the elderly.....	167,656	128,968	167,591	145,255	131,734	134,993
Residential energy credit.....	N/A	N/A	N/A	576,545	473,603	562,141
Earned income credit.....	N/A	252,141	145,581	152,934	495,500	451,366
<b>Income tax after credits.....</b>	<b>83,787,323</b>	<b>124,382,197</b>	<b>158,473,908</b>	<b>186,718,062</b>	<b>213,319,330</b>	<b>249,078,475</b>
<b>Additional tax for tax preferences</b>	<b>121,988</b>	<b>144,100</b>	<b>1,322,915</b>	<b>1,514,475</b>	<b>1,175,188</b>	<b>1,262,964</b>
<b>Total income tax:</b>						
Number of returns.....	59,317,371	61,490,737	64,381,138	68,688,305	71,694,983	73,906,244
Amount.....	83,909,311	124,526,297	159,796,823	188,232,537	214,494,519	250,341,440

N/A - Not applicable.

NOTE: Tax law changes have affected the comparability of the data. See the specific *Statistics of Income* reports for a description of those law changes.SOURCE: *Statistics of Income, Individual Income Tax Returns*, appropriate years.

Table 2.--Sole Proprietorship Returns: Selected Income and Deduction Items for Selected Years, 1970-1980

Item	1970	1975	1977	1978	1979	1980
	(1)	(2)	(3)	(4)	(5)	(6)
Total number of businesses.....	9,399,653	10,881,969	11,345,616	12,017,953	12,329,982	12,701,597
Number with net income.....	6,675,680	7,385,833	7,748,976	8,254,536	8,330,818	8,215,438
Inventory, end of year.....	12,153,615	17,164,511	19,148,274	21,822,890	24,074,447	24,052,000
Business receipts.....	237,726,748	339,221,398	393,871,922	443,354,851	487,807,384	505,884,882
Total deductions.....	204,512,011	294,610,138	342,482,951	384,327,565	427,048,596	450,434,899
Cost of sales and operations.....	133,526,775	185,745,453	211,918,200	218,590,325	229,441,138	237,154,342
Payroll.....	25,324,395	33,064,066	36,395,668	40,576,849	42,366,149	41,985,964
Taxes paid.....	5,229,009	7,435,330	8,582,206	9,362,245	9,903,005	10,102,834
Interest paid.....	3,818,791	7,255,904	9,042,180	10,869,976	13,629,184	16,241,787
Depreciation.....	10,049,833	15,815,144	18,299,280	21,206,674	24,170,602	25,796,183
Pension and profit sharing plans...	75,386	131,267	141,566	129,775	140,976	146,181
Net income less deficit.....	33,214,737	44,611,260	51,388,971	59,027,286	60,758,789	55,449,987
Net income.....	39,335,180	57,272,242	66,571,503	75,329,052	80,277,325	80,306,493
Deficit.....	6,120,443	12,660,982	15,182,532	16,301,766	19,518,536	24,856,506

NOTE: Tax law changes have affected the comparability of the data. See the specific *Statistics of Income* reports for a description of those law changes.

SOURCE: *Statistics of Income, Sole Proprietorship Returns*, appropriate years.

Table 3.--Partnership Returns: Selected Income Statement and Balance Sheet Items for Selected Years, 1970-1980

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

Item	1970	1975	1977	1978	1979	1980
	(1)	(2)	(3)	(4)	(5)	(6)
Total number of partnerships.....	936,133	1,073,094	1,153,398	1,234,157	1,299,593	1,379,653
Number with net income.....	639,795	661,134	710,256	761,753	765,575	774,173
Number of partners.....	3,697,818	4,950,634	6,079,860	6,121,455	6,954,767	r8,419,899
Total assets.....	116,752,751	235,468,301	296,098,262	353,699,180	447,130,068	597,503,923
Inventory, end of year.....	n.a.	11,985,431	n.a.	17,202,990	n.a.	33,218,272
Total receipts.....	93,348,080	148,417,529	180,848,961	219,192,109	258,197,936	291,998,115
Business receipts.....	90,208,834	142,505,781	171,424,236	207,731,266	242,653,710	271,108,832
Interest received.....	942,304	2,477,173	3,102,538	4,346,928	7,246,203	10,869,323
Net gain, noncapital assets.....	121,505	359,566	611,861	957,426	980,769	1,101,630
Total deductions.....	83,557,684	140,679,959	167,584,793	204,745,300	242,992,028	283,749,460
Cost of sales and operations.....	46,040,874	64,672,843	75,853,364	87,217,203	102,096,671	113,885,668
Payroll.....	12,276,160	17,074,875	19,964,455	22,252,594	26,092,084	r29,332,070
Taxes paid.....	3,159,258	5,770,918	6,914,357	7,364,870	8,328,583	9,553,145
Interest paid.....	4,470,206	12,097,100	13,455,385	16,022,804	21,275,551	28,362,385
Depreciation.....	4,578,820	10,108,834	12,334,740	14,519,760	17,662,667	21,576,189
Pension and profit-sharing plans..	84,956	190,127	251,395	260,432	311,926	384,955
Net income less deficit.....	9,790,396	7,737,570	13,264,168	14,446,809	15,205,908	8,248,655
Net income.....	14,419,124	22,431,931	28,929,500	33,689,343	40,000,896	45,061,756
Deficit.....	4,628,728	14,694,361	15,665,332	19,242,534	24,794,987	36,813,100

n.a. - Not available. r - Revised.

NOTE: Tax law changes have affected the comparability of the data. See the specific *Statistics of Income* reports for a description of those law changes.

SOURCE: *Statistics of Income, Partnership Returns*, for appropriate years.

## Selected Statistical Series

Table 4.--Corporation Income Tax Returns: Selected Balance Sheet, Income Statement, and Tax Items for Selected Years, 1970-1980

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

Item	1970	1975	1977	1978	1979	1980 <sup>1</sup> (Preliminary)
	(1)	(2)	(3)	(4)	(5)	(6)
<b>Number of returns:</b>						
Total.....	1,665,477	2,023,647	2,241,887	2,376,779	2,556,794	2,713,546
Number with net income.....	1,008,337	1,226,208	1,424,528	1,523,648	1,586,485	1,598,317
Small Business Corporation returns.....	257,475	358,413	428,204	478,679	514,907	545,765
Domestic International Sales Corporation returns.....	N/A	6,431	6,665	7,208	8,066	8,660
<b>Total assets.....</b>	<b>2,634,706,564</b>	<b>4,286,556,273</b>	<b>5,326,389,281</b>	<b>6,014,452,008</b>	<b>6,835,056,963</b>	<b>7,504,550,687</b>
Inventories.....	190,401,642	317,718,545	396,032,639	442,652,820	503,033,064	524,042,460
Investments in Government obligations.....	196,625,390	316,131,699	380,540,830	403,628,383	420,965,658	465,157,858
Net capital assets, except land <sup>2</sup> .	552,838,384	825,107,002	1,001,921,728	1,115,564,447	1,262,831,629	1,396,202,566
<b>Total liabilities.....</b>	<b>1,882,295,401</b>	<b>3,189,491,468</b>	<b>3,975,418,416</b>	<b>4,519,695,153</b>	<b>5,119,271,892</b>	<b>5,590,580,300</b>
Short-term debt <sup>3</sup> .....	170,884,261	272,123,551	319,805,729	380,851,818	452,181,682	498,606,189
Long-term debt <sup>3</sup> .....	362,700,303	586,703,526	694,119,251	780,536,053	884,636,968	970,311,292
<b>Net worth.....</b>	<b>752,411,163</b>	<b>1,097,064,806</b>	<b>1,350,970,865</b>	<b>1,494,756,856</b>	<b>1,715,785,070</b>	<b>1,913,970,387</b>
<b>Total receipts.....</b>	<b>1,750,776,503</b>	<b>3,198,627,860</b>	<b>4,128,304,478</b>	<b>4,714,602,615</b>	<b>5,598,689,129</b>	<b>6,291,961,643</b>
Business receipts.....	1,620,886,576	2,961,729,640	3,813,925,121	4,353,704,519	5,136,075,461	5,673,032,986
Interest on Government obligations.....	9,687,116	17,264,405	22,177,902	25,381,712	30,380,747	37,378,617
Other interest.....	61,883,309	126,034,505	154,491,738	195,479,301	258,924,285	324,194,471
Rents and royalties.....	16,524,889	26,932,271	38,773,512	38,164,761	40,302,778	52,938,742
Net long-term capital gain reduced by net short-term capital loss.....	5,481,580	8,364,523	11,916,138	14,679,876	19,958,447	24,539,268
Net gain, noncapital assets.....	5,315,562	7,757,287	11,169,250	12,137,078	15,378,796	19,674,118
Dividends received from domestic corporations.....	5,238,421	8,818,282	13,932,345	13,321,287	16,824,708	18,286,091
Dividends received from foreign corporations.....	3,466,515	5,467,726	8,275,849	9,277,932	12,713,087	14,154,095
<b>Total deductions.....</b>	<b>1,682,778,847</b>	<b>3,052,674,597</b>	<b>3,908,781,721</b>	<b>4,467,196,877</b>	<b>5,315,725,012</b>	<b>6,061,429,015</b>
Cost of sales and operations.....	1,146,263,273	2,129,928,467	2,725,009,554	3,113,421,507	3,709,672,825	4,184,452,670
Taxes paid.....	49,523,243	81,530,302	104,282,166	116,155,070	127,751,719	160,347,683
Interest paid.....	62,055,010	129,307,921	152,865,323	192,403,316	261,277,331	339,280,665
Contributions or gifts.....	797,029	1,202,130	1,789,747	2,084,022	2,288,334	2,284,771
Depreciation.....	52,941,266	86,295,664	106,972,692	121,299,900	138,061,915	153,889,097
Pension, profit-sharing, stock bonus, and annuity plans.....	12,225,912	26,526,129	36,463,699	41,825,415	46,506,098	50,637,216
<b>Net income less deficit.....</b>	<b>65,901,614</b>	<b>142,636,826</b>	<b>219,243,043</b>	<b>246,867,473</b>	<b>284,615,731</b>	<b>233,516,781</b>
Net income.....	83,710,924	169,483,336	245,274,490	274,519,721	321,649,761	290,914,836
Deficit.....	17,809,310	26,846,510	26,031,447	27,652,248	37,034,030	57,398,054
Income subject to tax.....	72,374,437	146,589,287	212,501,782	239,631,773	279,376,063	241,107,676
Income tax before credits <sup>4</sup> .....	32,910,634	65,769,822	95,627,563	106,976,893	118,860,300	101,300,526
Tax credits, total.....	5,414,940	26,452,791	39,605,284	43,501,607	54,159,276	41,245,979
Foreign tax credit.....	4,548,986	19,987,724	26,006,028	26,357,629	36,827,331	24,337,823
Investment credit.....	865,954	6,459,746	11,038,404	12,897,172	14,634,672	14,714,815
<b>Income tax after credits<sup>4</sup>.....</b>	<b>27,495,694</b>	<b>39,317,031</b>	<b>56,022,279</b>	<b>63,475,286</b>	<b>64,701,024</b>	<b>60,054,547</b>
Additional tax for tax preferences..	265,249	156,740	263,316	340,519	432,649	426,358
<b>Total income tax after credits.....</b>	<b>27,838,775</b>	<b>39,691,517</b>	<b>56,735,169</b>	<b>64,386,838</b>	<b>65,887,759</b>	<b>61,334,228</b>

N/A - Not Applicable.

<sup>1</sup>The preliminary 1980 data are subject to change and therefore should be used with caution. Final data will be presented in the winter issue.<sup>2</sup>Net capital assets, except land, consisted of depreciable, depletable, and intangible assets less accumulated depreciation, depletion and amortization.<sup>3</sup>Short-term debt is the abbreviated title given to mortgages, notes and bonds payable in less than 1 year. Long-term debt is the abbreviated title given to mortgages, notes and bonds payable in 1 year or more.<sup>4</sup>Consists of normal tax, surtax, and alternative tax for Tax Years 1970 thru 1978, and regular tax and alternative tax for Tax Years 1979 and 1980.NOTE: Tax law changes have affected the comparability of the data. See the appropriate *Statistics of Income* reports for a description of those law changes.SOURCE: *Statistics of Income, Corporation Income Tax Returns*, appropriate years.

Table 5.--Gross Internal Revenue Collections: Amount Collected by Quarter and Fiscal Year, 1979-82

[Money amounts are in millions of dollars]

Quarter and fiscal year	Total	Source of revenue				
		Individual income taxes <sup>1</sup>	Corporation income taxes <sup>1</sup>	Excise taxes <sup>2</sup>	Employment taxes <sup>3</sup>	Estate and gift taxes
	(1)	(2)	(3)	(4)	(5)	(6)
<b>1979</b>						
Total.....	460,412	251,546	71,448	19,050	112,850	5,519
October 1978 to December 1978..	91,796	49,563	14,745	4,983	21,154	1,351
January 1979 to March 1979.....	108,284	60,070	14,124	4,468	28,237	1,385
April 1979 to June 1979.....	149,817	82,684	28,304	4,731	32,775	1,323
July 1979 to September 1979....	110,515	59,228	14,275	4,868	30,684	1,460
<b>1980</b>						
Total.....	519,375	287,548	72,380	24,619	128,330	6,498
October 1979 to December 1979..	105,947	58,899	14,894	4,902	25,755	1,497
January 1980 to March 1980.....	122,422	68,723	15,074	4,250	32,850	1,524
April 1980 to June 1980.....	166,827	91,480	28,360	7,335	38,036	1,617
July 1980 to September 1980....	124,179	68,447	14,051	8,132	31,689	1,861
<b>1981</b>						
Total.....	606,799	332,850	73,733	40,420	152,886	6,910
October 1980 to December 1980..	118,804	67,081	14,527	7,305	28,193	1,698
January 1981 to March 1981.....	143,899	77,467	14,844	10,082	39,878	1,628
April 1981 to June 1981.....	196,970	108,600	29,204	11,963	45,510	1,692
July 1981 to September 1981....	147,126	79,702	15,158	11,069	39,304	1,893
<b>1982</b>						
Total <sup>4</sup> .....	627,371	350,085	64,673	36,841	167,495	8,277
October 1981 to December 1981..	137,570	71,526	15,898	10,577	37,654	1,915
January 1982 to March 1982.....	154,128	85,930	14,722	9,426	41,751	2,299
April 1982 to June 1982.....	196,506	113,852	23,115	8,389	49,165	1,986
July 1982 to September 1982 <sup>4</sup> ...	139,166	78,777	10,938	8,449	38,925	2,077

<sup>1</sup>Consists of amounts paid by individuals or corporations as estimated tax payments or amounts withheld by employers prior to return filing, payments made with the return, and any subsequent payments.

<sup>2</sup>Consists of taxes imposed on selected products, services, and activities, such as those on alcohol and tobacco products and the windfall profit tax on domestically produced crude oil.

<sup>3</sup>Composed largely of payroll taxes levied on salaries and wages, such as social security, railroad retirement, and unemployment taxes.

<sup>4</sup>Collections in September 1982 are estimated.

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

SOURCE: Internal Revenue Service, Returns Processing and Accounting Division, Revenue and Accounting Branch.

## APPENDIX II

### GENERAL DESCRIPTION OF STATISTICS OF INCOME SAMPLE PROCEDURES AND DATA LIMITATIONS

This appendix 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 publications (see References). More technical information is available, upon request, from the Statistics of Income Division.

#### 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 audit. The samples are based on such criteria as: principal business activity; presence or absence of a schedule; State from which filed; size of adjusted gross income (or deficit) or largest of specific income (or loss) items; total assets or size of business and farm receipts.

The probability of a return being designated depends on its sample class or stratum and may range from a fraction of one percent to one hundred 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 on the allowable total cost or total sample size for the program.

For most SOI studies, returns are computer designated based on the Taxpayer Identification Number (TIN) which is either the Social Security Number (SSN) or Employer Identification Number (EIN). In some cases, the ending digits of each TIN are compared to a set of numbers randomly selected for each sample class. If the TIN ending digits are in the set, then the return is designated for the sample. Otherwise, it is not designated.

Alternatively, a fixed and essentially random number is associated with each possible TIN. If that random number falls into a range of numbers specified for the return's sample stratum, then it is designated. Otherwise, it is not.

Under either method of selection, the TIN's designated from one year's study are for the most part selected for the next study, so that a large proportion of the new sample are repeaters. This longitudinal character of the sample design improves the estimates of change from one study to the next.

#### METHOD OF ESTIMATION

In general, weighting factors are obtained by dividing the computer count of returns filed for a sample stratum by the actual number of returns secured for the sample. These weighting factors are then used to inflate the sample results to total population levels. During sampling, lists of the returns designated are checked against the returns secured for the sample to insure that the sample designated is the same as the sample selected. Special searches are made for returns not initially secured so that any bias from nonresponse is minimal.

For the individual income tax returns sample, weighting factors are computed for each sample class within each Internal Revenue district, even though the district is not used to designate the sample. This is an example of post-stratified estimation and is used to improve the estimates for the States. Usage of post-stratified estimation is being studied for other SOI studies.

#### 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 would 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 and expressed as a percentage. This ratio is called the coefficient of variation (CV). The user of SOI data may multiply an estimate by its coefficient of variation 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 0.02, then the following arithmetic procedure would be followed to construct a 68% confidence interval estimate:

$$\begin{array}{ll} 150,000 & \text{(sample estimate)} \\ \times 0.02 & \text{(coefficient of variation)} \\ = 3,000 & \text{(standard error of estimate)} \\ \\ 150,000 & \text{(sample estimate)} \\ \pm 3,000 & \text{(standard error)} \\ = 147,000 - 153,000 & \text{(68\% confidence interval)} \end{array}$$

Based on these data, the interval estimate is from 147 to 153 thousand returns. A conclusion that the average estimate of the number of returns lies within an interval computed in this way would be correct for approximately two-thirds of all possible similarly selected samples. To obtain this interval estimate with 95 percent confidence, multiply the standard error by two 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 confidence intervals, including the approximation of CV's for combined sample estimates, may be obtained on request by writing to the Statistics of Income Division, D:R:S, Internal Revenue Service, Washington, D.C. 20224

#### NONSAMPLING ERROR CONTROLS AND LIMITATIONS

Although the previous discussion focuses on sampling methods and the limitations of the data caused by sampling errors, there are other sources of errors which may be significant in evaluating the usefulness of SOI data. These include taxpayer reporting errors, processing errors, early cut-off of sampling, etc. More extensive information on nonsampling errors is presented in SOI reports, when appropriate.

In transcribing and tabulating the information from the returns or forms selected for the sample, checks are imposed to improve the quality of the resultant estimates. Missing entries are imputed during statistical processing by utilizing other information on the return and accompanying schedules. Data may be disaggregated and recombined during editing to achieve consistent statistical definitions. In the future, SOI studies will make use of earlier returns of the same taxpayer to check current data, for instance the industry code. Also, research on better methods of imputing missing data is being conducted.

Quality of the basic data abstracted at the processing centers is controlled by a continuous sampling verification system. In addition, the Statistics of Income Division in the National Office conducts an independent reprocessing of a small subsample of statistically processed returns as a further check. Prior to tabulation, numerous computer tests are applied to each return record to check for inconsistencies.

Finally, before publication, all statistics are reviewed for accuracy and reasonableness in light of provisions of the tax laws, taxpayer reporting variations and limitations, economic conditions, comparability with other statistical series, and statistical techniques used in data processing and estimating.

#### TABULAR CONVENTIONS

Estimates of frequencies and money amounts that are considered unreliable, due to the small sample size on which they are based, are noted by an asterisk (\*) to the left of the data item(s) in the tabulations. The presence of an asterisk indicates that the sample rate is less than 100 percent of the population and there are fewer than 10 sample observations available for estimation purposes.

A dash in place of a frequency or amount indicates that no sample return had that characteristic. In addition, a dash in place of a coefficient of variation for which there is an estimate indicates that all returns contributing to the estimate were selected at the 100 percent rate.

Whenever a weighted frequency in a data cell is less than 3, the estimate is either combined with other cells or deleted in order to avoid disclosure of information about individual taxpayers or businesses. These combinations and deletions are indicated by a double asterisk (\*\*).

#### REFERENCES

- [1] Statistics of Income--1979, Individual Income Tax Returns (see especially pages 163 to 166)
- [2] Statistics of Income--1978-79, Corporation Income Tax Returns (see especially pages 11 to 19)
- [3] Statistics of Income--1979, Partnership Returns (see especially pages 5 to 7)
- [4] Statistics of Income--1979-80, Sole Proprietorship Returns (see especially pages 5 to 8)
- [5] Statistics of Income--1976-1979, International Income and Taxes, Foreign Income and Taxes Reported on U.S. Tax Returns (in preparation)
- [6] Statistics of Income--1973, Sales of Capital Assets Reported on Individual Income Tax Returns (see especially pages 17 to 20)
- [7] Statistics of Income--1976, Estate Tax Returns (see especially pages 11 to 12)
- [8] Statistics of Income--1974-1978, Private Foundations (see especially pages 9 to 16)

Please take a few moments to answer the following questions concerning this *Statistics of Income* publication. Your responses will enable us to direct our efforts to meeting the needs of our users. After indicating your responses, please fold, tape, and mail. No postage is required. Thank you for your cooperation.

1. How did you obtain this publication?

- Purchased from the Government Printing Office       Subscription       Single copy  
 From a public library  
 From a university or college library  
 Other (Specify) \_\_\_\_\_

2. Have you ever used any other *Statistics of Income* publication?

- Yes (Specify) \_\_\_\_\_  
 No

3. What subject matter in the report interests you particularly?

- Residential energy credit       Projections of returns to be filed  
 Private foundations       Windfall profit tax  
 Superfund       Selected statistical series

4. If microdata files on computer tape were available in these subject matter areas, would you be interested in purchasing them?

- Yes       No

If yes, which area(s)? (Specify) \_\_\_\_\_

5. How would you describe the useability of the text?

- Too technical       About right  
 Not detailed enough       Did not use text

6. What type of organization are you connected with?

- Federal government       Consulting firm  
 State or local government       Accounting firm  
 Trade association       University or college  
 Other nonprofit organization       Legal firm  
 Other (Specify) \_\_\_\_\_

7. What changes (additions, deletions, alterations) would you like to see in the contents or format of this publication?

8. What ZIP Code do you—

live in? \_\_\_\_\_  
work in? \_\_\_\_\_

9. Other comments (Use other side if needed.)

Cut or Fold Along Line



9. Other comments

Fold Here

Fold Here

Cut or Fold Along Line

**Internal Revenue Service**

Washington, DC 20224

OFFICIAL BUSINESS  
PENALTY FOR PRIVATE  
USE, \$300.

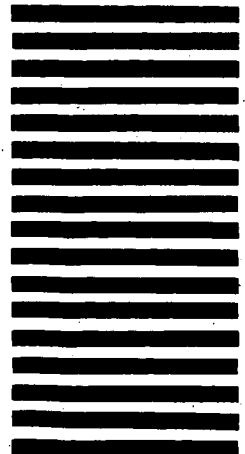


NO POSTAGE  
NECESSARY  
IF MAILED  
IN THE  
UNITED STATES

**BUSINESS REPLY MAIL**  
FIRST CLASS PERMIT NO. 12686 WASHINGTON, DC

POSTAGE WILL BE PAID BY IRS

**Internal Revenue Service**  
Statistics Division  
Individual Income Statistics Section PR:S:l2  
1111 Constitution Avenue, NW  
Washington, DC 20224







# THE DIRECTORY OF FEDERAL STATISTICAL DATA FILES

Describes more than 600 Federal statistical data files.

Describes major files from 14 Federal departments and 57 Federal agencies.

Describes valuable files not listed in other reference works.

Also describes important nonstatistical data files (geographic, administrative reports, etc.) to aid your quantitative analysis and decision-making.

More than 400 pages of information, all indexed by Federal department, agency, subject matter, key-word, or phrase.

Information coordinated by the Statistical Policy Division of the Office of Management and Budget (SPD/OMB), formerly Office of Federal Statistical Policy and Standards (OFSPS).

#### Enables you to:

- Know whether or not needed data exist in machine-readable form.
- Know how to locate and acquire needed files.
- Discover new data sources and files not listed in other current reference works.
- Save \* **TIME** \* **EFFORT** \* **MONEY**

U.S. DEPARTMENT OF COMMERCE  
National Technical Information Service  
5285 Port Royal Road  
Springfield, VA 22161

#### ORDER YOUR DIRECTORY HERE

Please send me \_\_\_\_\_ copies of the  
*Directory of Federal Statistical Data Files*  
at \$25 each PB81-133175

#### Method of Payment

Charge to NTIS Deposit Account No.

Check enclosed for \$

Charge to  American Express  VISA  MasterCard

Card No. \_\_\_\_\_ Exp. \_\_\_\_\_

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

CITY, STATE, ZIP \_\_\_\_\_

Signature \_\_\_\_\_

(Required to validate order)

For further information CALL Stuart Weisman, (703) 487-4808



U.S. DEPARTMENT  
OF COMMERCE  
National Technical  
Information Service

# Other Publications And Related Information

## SOI Bulletin

(quarterly publication;  
\$11.00 annual subscription,  
\$3.50 single issue)

### Contents, Vol. 1, No. 3, Winter 1981-1982:

Projections of Return Filings,  
1982-1990

Preliminary Individual Income  
Tax Return Data, 1980

Paid Preparer and Form W-2  
Usage, Individual Income  
Tax Returns, 1980

Preliminary Sole  
Proprietorship and  
Partnership Return Data,  
1979

Windfall Profit Tax Liability,  
First Quarter, 1981

### Contents, Vol. 1, No. 4, Spring 1982:

Data from Early 1982 Filings  
of Individual Tax  
Returns

Employee Benefit Plan Data,  
1977

Data for Nonresident Alien  
Income and Tax  
Withheld, 1971-1979

Corporation Income Tax  
Return Data, 1979

Windfall Profit Tax Liability  
Data, Second Quarter, 1981

### Contents, Vol. 2, No. 1, Summer 1982:

Unincorporated Business  
Activity for 1980

Nonresident Alien Income  
and Tax Data, 1980

Taxpayer Usage of Form  
1040 and 1040A, 1981

Sales of Capital Assets,  
1973-1980

Windfall Profit Tax Liability  
Data, Third Quarter, 1981

## Published Regular Reports

Individual Income Tax Returns,  
1979 (270 pp., \$7.50)

Partnership Returns, 1979  
(111 pp., \$5.50)

Sole Proprietorship Returns,  
1979-80 (225 pp.)

Corporation Income Tax  
Returns, 1978-79  
(256 pp., \$8.00)

## Published Supplemental Reports

### International Income and Taxes:

Foreign Income and Taxes  
Reported on Individual  
Income Tax Returns, 1972-  
1978 (73 pp., \$4.25)

Domestic International Sales  
Corporation Returns, 1972,  
1973 and 1974 (192 pp., \$6.00)

Foreign Tax Credit Claimed on  
Corporation Returns, 1974  
(158 pp., \$5.50)

U.S. Corporations and their  
Controlled Foreign  
Corporations, 1974-1978 (165  
pp., \$6.00)

### Other:

Sales of Capital Assets Reported  
on Individual Income Tax  
Returns, 1973 (263 pp., \$7.00)

Individual Retirement  
Arrangements, 1976 (37 pp.,  
\$2.50)

Individual Income Tax Returns,  
Contents of Reports for 1967-  
1976 (15 pp., \$1.50)

Estate Tax Returns, 1976 (60 pp.,  
\$3.25)

Private Foundations, 1974-1978  
(113 pp., \$4.75)

## Selected Reports in Preparation

Corporation Income Tax  
Returns, 1980

Partnership Returns, 1980

Sole Proprietorship Returns,  
1981

Individual Income Tax Returns,  
1980

International Income and Taxes,  
Foreign Income and Taxes  
Reported on U.S. Tax Returns,  
1976-1979

SOI Bulletin, Winter 1982

## Tape Files Available

Individual Tax Model File,  
1966-1979

State Tax Model File, 1977-1979

Corporation Source Book,  
1965-1976

Other tape files include:  
Estate Tax File, 1972, 1976  
Private Foundations File, 1974  
Employee Plans File, 1977  
Exempt Organizations File,  
1975

## Ordering Information

Statistics of Income reports are  
for sale by the Superintendent of  
Documents, U.S. Government  
Printing Office, Washington, DC  
20402

Public-use magnetic tape files  
are generally available on a  
reimbursable basis from the  
Statistics of Income Division,  
Internal Revenue Service,  
Washington, DC 20224.