

Annual Revision of the National Income and Product Accounts

Annual Estimates for 2003–2010

Quarterly Estimates for 2003:I–2011:I

By Eugene P. Seskin and Shelly Smith

THE BUREAU of Economic Analysis (BEA) released revised estimates of the national income and product accounts (NIPAs) for 2008–2010 and for the first quarter of 2011 on July 29, 2011.¹ In addition to the revisions for these periods, this “flexible” annual revision results in revisions to current-dollar GDP and some components back to the first quarter of 2003.² The reference year remains 2005. In cases in which the estimates for the reference year were revised, the levels of the related index numbers and the chained-dollar estimates for the entire historical period are revised, but revisions to percent changes before the first quarter of 2003 are small. As is usual in annual NIPA revisions, these estimates incorporated newly available source data that are more complete, more detailed, and otherwise more reliable than those that were previously incorporated.

This annual revision has not greatly changed the general picture of the economy for the past several years (in keeping with research that shows that annual revisions historically have not greatly changed the overall picture painted by earlier estimates).³ However, the revised estimates indicate that the depth of the recession was deeper and that the subsequent period of expansion was somewhat less robust. The revised estimates of the change in real GDP show that for the period of contraction from the fourth quarter of 2007 to the second quarter of 2009, real GDP decreased at an average annual rate of 3.5 per-

cent; in the previously published estimates, it had decreased 2.8 percent. For the period of expansion from the second quarter of 2009 to the first quarter of 2011, real GDP increased at an average annual rate of 2.6 percent; in the previously published estimates, it had increased 2.8 percent.⁴

The revised *annual* estimates of prices show similar rates of change to the previously published estimates for the featured price indexes. However, the *quarterly* estimates of the rates of change for the GDP price index show notable and mostly offsetting revisions because of a change in methodology for estimating real petroleum imports (see page 27).

GDP highlights

By historical standards, the revisions to year-to-year percent changes in real GDP are typical for 2008 and 2010; however, the downward revision of 0.9 percentage point for 2009 is large. In the annual NIPA revisions since 1982, the revisions (without regard to sign) to the annual estimates have averaged 0.3 percentage point. The following are highlights of this annual revision.

- From 2007 to 2010, real GDP decreased at an average annual rate of 0.3 percent; in the previously published estimates, the rate of change in real GDP was less than 0.1 percent.⁵ From the fourth quarter of 2007 to the first quarter of 2011, real GDP *decreased* at an average annual rate of 0.2 percent; in the previously published estimates, real GDP had *increased* at an average annual rate of 0.2 percent (table 1).
- The percent change in real GDP from the preceding year was revised down from a decrease of less than 0.1 percent to a decrease of 0.3 percent for 2008, was revised down from a 2.6 percent decrease to a 3.5

1. Information about the structure, definitions, presentation, and methodologies that underlie the NIPAs is available on BEA's Web site; go to www.bea.gov, and click on “Methodology Papers.”

2. Flexible annual revisions that include revisions for longer periods than the traditional 3-year period were described in the June 2008 SURVEY OF CURRENT BUSINESS at www.bea.gov/scb.

3. BEA judges the accuracy of the estimates by whether they present the same general picture of economic activity as previous estimates in terms of long-term growth rates, trends in key components of GDP, broad features of the business cycle, including the timing and depth of recessions, the strength of recoveries, the major components contributing to growth and to contractions, and the pattern of quarterly growth. For more about the accuracy of annual revisions, see Dennis J. Fixler, Ryan Greenaway-McGrevy, and Bruce T. Grimm, “Revisions to GDP, GDI, and Their Major Components,” SURVEY 91 (July 2011): 9–31.

4. For more on this annual revision and the 2007–2009 recession and recovery, see FAQs 1003 and 1004 on BEA's Web site.

5. The annual revisions to real GDP reflect revised current-dollar estimates, revised prices used for deflation, and revised quantities used to estimate components of real GDP by extrapolation or direct valuation. For estimates prepared by extrapolation or direct valuation, the current-dollar and chained-dollar estimates are based on independent source data; consequently, the corresponding revisions are unrelated. For a list of these components, see table 2 in “Updated Summary NIPA Methodologies,” SURVEY 90 (November 2010): 25–29.

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percent decrease for 2009, and was revised up from a 2.9 percent increase to a 3.0 percent increase for 2010 (chart 1 and pages 9 and 10).

- From fourth quarter to fourth quarter, the percent change in real GDP was revised down from a 2.8 percent decrease to a 3.3 percent decrease for 2008, was revised down from a 0.2 percent increase to a 0.5 percent decrease for 2009, and was revised up from a 2.8 percent increase to a 3.1 percent increase for 2010.
- The revisions to the fourth-quarter-to-fourth-quarter rates of change in real GDP reflect revisions to the quarters within the years. For 2008, the annual rates of change in real GDP for the first quarter and the fourth quarter were revised down 1.1 percentage points and 2.1 percentage points, respectively, while the rates of change for the second quarter and the third quarter were revised up 0.7 percentage point and 0.3 percentage point, respectively. For 2009, the revision reflected downward revisions to the annual rates of change in real GDP of 1.8 percentage points and 1.2 percentage points for the first quarter and the fourth quarter, respectively; the rate for the second quarter was unrevised, and the rate for the third quarter was revised up

only 0.1 percentage point. For 2010, the annual rates of change in real GDP for the first quarter and the second quarter were revised up 0.2 percentage point and 2.1 percentage points, respectively, and the rates of change for the third quarter and the fourth quarter were revised down 0.1 percentage point and 0.8 percentage point, respectively.

Price highlights

The revised annual estimates of prices show similar rates of change to the previously published estimates.

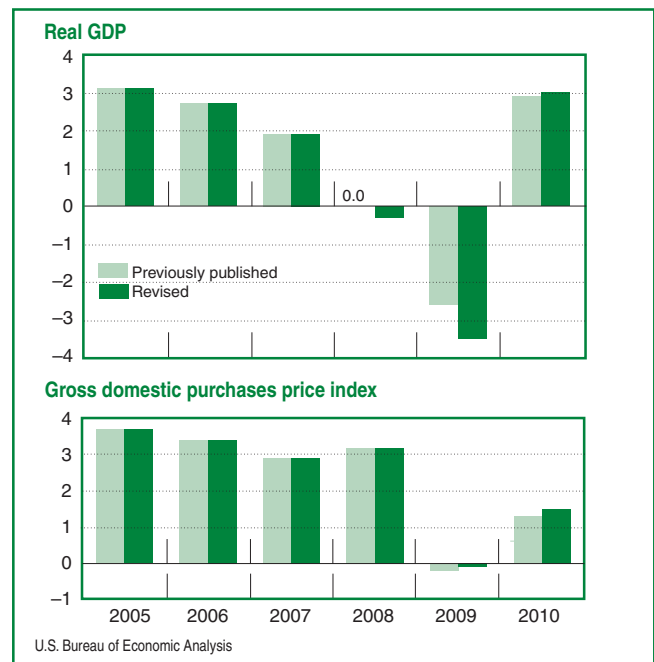
- The percent change from the preceding year in the price index for gross domestic purchases was unrevised at 3.2 percent for 2008, was revised up from a decrease of 0.2 percent to a decrease of 0.1 percent for 2009, and was revised up from an increase of 1.3 percent to an increase of 1.5 percent for 2010. The percent change from the preceding year in the price index for GDP was unrevised at 2.2 percent for 2008, was revised up 0.2 percentage point to 1.1 percent for 2009, and was revised up 0.2 percentage point to 1.2 percent for 2010 (chart 1 and table 2).⁶
- From the fourth quarter of 2007 to the first quarter of 2011, the average annual rate of increase in the price index for gross domestic purchases was revised up from

**Table 1. Real GDP and Its Major Components
Change From the Fourth Quarter of 2007 to the First Quarter of 2011**
[Percent change at annual rates]

	Previously published	Revised	Revision in change (percentage points)
Gross domestic product	0.2	-0.2	-0.4
Personal consumption expenditures	0.4	0.2	-0.2
Goods	0.7	0.5	-0.2
Durable goods	1.3	0.7	-0.6
Nondurable goods	0.5	0.4	-0.1
Services	0.3	0.1	-0.2
Gross private domestic investment	-4.8	-5.8	-1.0
Fixed investment	-5.8	-6.5	-0.7
Nonresidential	-3.5	-4.3	-0.8
Structures	-11.7	-12.0	-0.3
Equipment and software	0.1	-1.0	-1.1
Residential	-13.7	-14.0	-0.3
Change in private inventories			
Net exports of goods and services			
Exports	2.3	2.4	0.1
Goods	2.8	2.8	0.0
Services	1.1	1.3	0.2
Imports	-0.6	-0.2	0.4
Goods	-0.9	-0.4	0.5
Services	1.0	0.9	-0.1
Government consumption expenditures and gross investment	1.1	0.7	-0.4
Federal	4.7	4.2	-0.5
National defense	3.9	3.4	-0.5
Nondefense	6.3	5.7	-0.6
State and local	-1.2	-1.4	-0.2
Addenda:			
Final sales of domestic product	0.1	-0.3	-0.4
Gross domestic purchases	-0.2	-0.5	-0.3
Gross national product	0.2	-0.2	-0.4
Gross domestic income	0.1	0.0	-0.1

6. For a discussion of the difference between the gross domestic purchases price index and the GDP price index, see the box "Note on Prices" on page 3 in this issue.

Chart 1. Revisions to Annual Percent Changes in Real GDP and Gross Domestic Purchases Price Index



1.4 percent to 1.6 percent, and the average annual rate of increase in the GDP price index was revised up from 1.4 percent to 1.5 percent. The average annual rate of increase in the price index for personal consumption expenditures (PCE) was revised up from 1.6 percent to 1.7 percent, and the rate of increase in the “core” PCE price index (which excludes food and energy) was revised up from 1.5 percent to 1.6 percent.

Table 2. Chain-Type Price Indexes
Change From the Fourth Quarter of 2007 to the First Quarter of 2011
 [Percent change at annual rates]

	Previously published	Revised	Revision in change (percentage points)
Gross domestic product (GDP)	1.4	1.5	0.1
Less: Exports of goods and services	1.9	2.0	0.1
Plus: Imports of goods and services	2.1	1.9	-0.2
Equals: Gross domestic purchases	1.4	1.6	0.2
Personal consumption expenditures (PCE)	1.6	1.7	0.1
Goods	1.1	1.0	-0.1
Durable goods	-1.5	-1.8	-0.3
Nondurable goods	2.3	2.3	0.0
Services	1.9	2.0	0.1
Gross private domestic investment	-0.7	-0.2	0.5
Fixed investment	-0.6	-0.3	0.3
Nonresidential	-0.4	0.0	0.4
Structures	0.5	0.6	0.1
Equipment and software	-0.7	-0.2	0.5
Residential	-1.4	-1.4	0.0
Government consumption expenditures and gross investment	2.1	2.3	0.2
Federal	1.6	2.0	0.4
National defense	1.7	2.0	0.3
Nondefense	1.5	2.1	0.6
State and local	2.3	2.4	0.1
Addenda:			
GDP excluding food and energy	1.3	1.5	0.2
Gross domestic purchases excluding food and energy	1.3	1.5	0.2
PCE excluding food and energy	1.5	1.6	0.1
Market-based PCE	1.7	1.6	-0.1
Market-based PCE excluding food and energy	1.5	1.5	0.0
Final sales of domestic product	1.4	1.5	0.1
Gross national product	1.4	1.5	0.1

Income and saving highlights

- From 2007 to 2010, real disposable personal income (DPI) grew at an average annual rate of 0.6 percent; in the previously published estimates, real DPI had grown at an average annual rate of 1.2 percent.
- Personal saving was revised up \$144.4 billion for 2008, was revised down \$102.7 billion for 2009, and was

revised down \$61.1 billion for 2010. Personal saving as a percentage of disposable personal income was revised up 1.3 percentage points to 5.4 percent for 2008, was revised down 0.8 percentage point to 5.1 percent for 2009, and was revised down 0.4 percentage point to 5.3 percent for 2010.

- National income was revised up \$51.3 billion (or 0.4 percent) for 2008, was revised down \$77.4 billion (or 0.6 percent) for 2009, and was revised up \$18.5 billion (or 0.1 percent) for 2010.
- Corporate profits was revised down \$14.4 billion (or 1.1 percent) for 2008, was revised up \$104.0 billion (or 8.3 percent) for 2009, and was revised up \$175.3 billion (or 10.8 percent) for 2010.

Improvements

These estimates also reflect a number of improvements in methodology and presentation that are discussed on pages 25–27. These improvements include the following:

- Incorporating data from the Census Bureau annual and monthly retail trade and food services surveys and from the service annual survey that have been benchmarked to the 2007 Economic Census, as well as economic census data for merchandise lines back to 2003.
- Incorporating improved quality-adjusted price indexes for deflating communication equipment in private fixed investment, in exports, and in imports back to 2003.
- Improving the method of seasonally adjusting real petroleum imports back to 2007.
- Improving the presentation of government social benefits in the personal income and outlays tables.

This article discusses the impact of the revisions on key NIPA measures, summarizes the revisions to the major aggregates, lists the major source data incorporated, and describes the changes in methodology and presentation. Appendix A presents the revised annual estimates and the revisions for the seven summary accounts of the NIPAs (see pages 29 and 30). In addition, tables presenting revised monthly, quarterly, and annual NIPA estimates and the “advance” estimates for the second quarter of 2011 are presented in “National Income and Product Accounts Tables” in this issue.

Annual Estimates of Real GDP

Table 4. Revisions to Percent Change in Real GDP

	2007	2008		
		Previously published	Revised	Revision ¹
Gross domestic product	1.9	0.0	-0.3	-0.3
Personal consumption expenditures (PCE)	2.3	-0.3	-0.6	-0.3
Goods.....	3.0	-2.5	-2.5	0.0
Durable goods.....	5.0	-5.2	-4.9	0.3
Nondurable goods.....	1.9	-1.1	-1.2	-0.1
Services.....	1.9	0.9	0.4	-0.5
Gross private domestic investment	-3.2	-9.5	-10.2	-0.7
Fixed investment.....	-1.9	-6.4	-7.1	-0.7
Nonresidential.....	6.5	0.3	-0.8	-1.1
Structures.....	14.1	5.9	6.4	0.5
Equipment and software.....	3.3	-2.4	-4.3	-1.9
Residential.....	-18.7	-24.0	-23.9	0.1
Change in private inventories.....				
Net exports of goods and services				
Exports.....	9.3	6.0	6.1	0.1
Goods.....	9.7	6.3	6.3	0.0
Services.....	8.3	5.3	5.6	0.3
Imports.....	2.4	-2.6	-2.7	-0.1
Goods.....	2.6	-3.5	-3.8	-0.3
Services.....	1.4	2.4	3.6	1.2
Government consumption expenditures and gross investment	1.3	2.8	2.6	-0.2
Federal.....	1.2	7.3	7.2	-0.1
National defense.....	2.2	7.5	7.5	0.0
Nondefense.....	-0.8	6.7	6.5	-0.2
State and local.....	1.4	0.3	0.0	-0.3
	2008	2009		
		Previously published	Revised	Revision ¹
Gross domestic product	-0.3	-2.6	-3.5	-0.9
Personal consumption expenditures (PCE)	-0.6	-1.2	-1.9	-0.7
Goods.....	-2.5	-2.0	-3.0	-1.0
Durable goods.....	-4.9	-3.7	-5.4	-1.7
Nondurable goods.....	-1.2	-1.2	-1.8	-0.6
Services.....	0.4	-0.8	-1.4	-0.6
Gross private domestic investment	-10.2	-22.6	-25.0	-2.4
Fixed investment.....	-7.1	-18.3	-18.8	-0.5
Nonresidential.....	-0.8	-17.1	-17.8	-0.7
Structures.....	6.4	-20.4	-21.2	-0.8
Equipment and software.....	-4.3	-15.3	-16.0	-0.7
Residential.....	-23.9	-22.9	-22.2	0.7
Change in private inventories.....				
Net exports of goods and services				
Exports.....	6.1	-9.5	-9.4	0.1
Goods.....	6.3	-12.0	-12.0	0.0
Services.....	5.6	-3.9	-3.5	0.4
Imports.....	-2.7	-13.8	-13.6	0.2
Goods.....	-3.8	-15.8	-15.6	0.2
Services.....	3.6	-4.2	-3.5	0.7
Government consumption expenditures and gross investment	2.6	1.6	1.7	0.1
Federal.....	7.2	5.7	6.0	0.3
National defense.....	7.5	5.4	5.8	0.4
Nondefense.....	6.5	6.5	6.5	0.0
State and local.....	0.0	-0.9	-0.9	0.0
	2009	2010		
		Previously published	Revised	Revision ¹
Gross domestic product	-3.5	2.9	3.0	0.1
Personal consumption expenditures (PCE)	-1.9	1.7	2.0	0.3
Goods.....	-3.0	4.3	4.3	0.0
Durable goods.....	-5.4	7.7	7.2	-0.5
Nondurable goods.....	-1.8	2.7	2.9	0.2
Services.....	-1.4	0.5	0.9	0.4
Gross private domestic investment	-25.0	17.1	17.9	0.8
Fixed investment.....	-18.8	3.9	2.6	-1.3
Nonresidential.....	-17.8	5.7	4.4	-1.3
Structures.....	-21.2	-13.7	-15.8	-2.1
Equipment and software.....	-16.0	15.3	14.6	-0.7
Residential.....	-22.2	-3.0	-4.3	-1.3
Change in private inventories.....				
Net exports of goods and services				
Exports.....	-9.4	11.7	11.3	-0.4
Goods.....	-12.0	14.7	14.4	-0.3
Services.....	-3.5	5.7	5.0	-0.7
Imports.....	-13.6	12.6	12.5	-0.1
Goods.....	-15.6	14.8	14.8	0.0
Services.....	-3.5	3.5	2.9	-0.6
Government consumption expenditures and gross investment	1.7	1.0	0.7	-0.3
Federal.....	6.0	4.8	4.5	-0.3
National defense.....	5.8	3.9	3.3	-0.6
Nondefense.....	6.5	6.6	7.1	0.5
State and local.....	-0.9	-1.4	-1.8	-0.4

For 2008, the downward revision to PCE for services was to financial services and insurance (mainly health insurance) and to “other” services (mainly “net foreign travel”).

The downward revision to investment in equipment and software reflected downward revisions to all categories of information processing equipment and software (computers and peripherals, software, and “other”).

The downward revision to state and local government spending was mostly accounted for by a downward revision to consumption expenditures.

For 2009, the downward revision to PCE for goods was to both durable goods (mainly recreational goods and vehicles and “other” durable goods) and to non-durable goods (widespread).

The downward revision to PCE for services reflected downward revisions to financial services and insurance (specifically, “financial services furnished without payment” and portfolio management and investment advice services), recreation services, and “other” services.

The downward revision to nonresidential structures was widespread.

The downward revision to investment in equipment and software was more than accounted for by a downward revision to information processing equipment and software.

For 2010, the upward revision to PCE for services reflected upward revisions to “other” services (mainly, communication services), recreation services, financial services and insurance, and food services and accommodations.

The downward revision to investment in nonresidential structures reflected downward revisions to petroleum and natural gas drilling and to power structures.

The downward revision to residential investment was to structures (mainly residential improvements).

The downward revision to state and local government spending reflected downward revisions to consumption expenditures and to gross investment (specifically, investment in structures).

1. Percentage points.

Annual Price Indexes

Revisions to the chain-type price indexes result from the incorporation of newly available and revised source data and from the regularly scheduled incorporation of annual weights for the most recent year (2010). In this annual revision, the source data for price indexes that are used for deflation and the source data that affect implicit prices were revised.¹ The prices used for deflation also reflect updated seasonal factors, including the improved seasonal adjustment of imports of petroleum. In addition, improved price indexes for deflating PCE for property and casualty insurance and for deflating communication equipment in private fixed investment, in exports, and in imports have been incorporated. (See “Changes in Methodology and Presentation” on pages 25–27.)

The percent change from the preceding year in the price index for gross domestic purchases was unrevised at 3.2 percent for 2008, was revised up 0.1 percentage point to –0.1 percent for 2009, and was revised up 0.2 percentage point to 1.5 percent for 2010 (see chart 1 and table 5). The annual percent change in the price index for GDP was unrevised at 2.2 percent for 2008, was revised up 0.2 percentage point to 1.1 percent for 2009, and was revised up 0.2 percentage point to 1.2 percent for 2010 (see the addendum to table 5).

For 2008, the price index for gross domestic purchases was unrevised, reflecting offsetting revisions. The most

notable revision was an upward revisions to the price index for fixed investment in equipment and software. The largest contributor to this revision was communication equipment prices, based on the incorporation of improved quality-adjusted price indexes (see page 26).

For 2009, the largest contributors to the upward revision to the price index for gross domestic purchases were the price index for fixed investment in equipment and software, prices associated with private inventory investment, and the price index for PCE for services. The revision to the price index for fixed investment in equipment and software again reflected the newly incorporated price indexes for communication equipment. The revision to the prices associated with private inventory investment reflected an upward revision to the prices of nondurable-goods manufacturing inventories (mainly petroleum and coal products). The revision to the price index for PCE for services primarily reflected an upward revision to the price index for financial services and insurance, mainly reflecting an upward revision to the prices of “financial services furnished without payment.”

For 2010, the largest contributors to the upward revision were the price index for PCE for services and the price index for federal government spending. The revision to the price index for PCE for services again mainly reflected an upward revision to the prices of “financial services furnished without payment.” The revision to the price index for federal government spending was in both defense and nondefense spending and reflected upward revisions to the implicit prices for compensation.

1. The implicit prices are computed by dividing the current-dollar estimates by the chained-dollar estimates that are derived from the quantity data used in quantity extrapolation and direct valuation. Thus, differences between the current-dollar revisions and the chained-dollar revisions to these components are reflected as revisions to their implicit prices.

Table 5. Revisions to Contributions to Percent Change in Gross Domestic Purchases Prices

[Percentage points]

	2007	2008			2009			2010		
		Previously published	Revised	Revision	Previously published	Revised	Revision	Previously published	Revised	Revision
Gross domestic purchases ¹	2.9	3.2	3.2	0.0	-0.2	-0.1	0.1	1.3	1.5	0.2
Personal consumption expenditures	1.79	2.21	2.17	-0.04	0.12	0.14	0.02	1.14	1.22	0.08
Goods	0.30	0.73	0.70	-0.03	-0.56	-0.58	-0.02	0.37	0.35	-0.02
Durable goods	-0.16	-0.11	-0.15	-0.04	-0.12	-0.13	-0.01	-0.11	-0.12	-0.01
Nondurable goods	0.46	0.84	0.84	0.00	-0.44	-0.45	-0.01	0.47	0.48	0.01
Services	1.49	1.48	1.48	0.00	0.68	0.72	0.04	0.77	0.86	0.09
Gross private domestic investment	0.31	0.11	0.17	0.06	-0.24	-0.13	0.11	-0.17	-0.18	-0.01
Fixed investment	0.30	0.11	0.17	0.06	-0.22	-0.16	0.06	-0.19	-0.16	0.03
Nonresidential	0.23	0.16	0.22	0.06	-0.12	-0.06	0.06	-0.18	-0.15	0.03
Structures	0.20	0.17	0.18	0.01	-0.09	-0.09	0.00	-0.05	-0.03	0.02
Equipment and software	0.04	-0.02	0.04	0.06	-0.03	0.03	0.06	-0.13	-0.12	0.01
Residential	0.07	-0.04	-0.05	-0.01	-0.10	-0.10	0.00	-0.01	-0.01	0.00
Change in private inventories	0.01	0.00	-0.01	-0.01	-0.02	0.03	0.05	0.01	-0.01	-0.02
Government consumption expenditures and gross investment	0.85	0.86	0.91	0.05	-0.06	-0.06	0.00	0.37	0.45	0.08
Federal	0.23	0.21	0.22	0.01	-0.02	-0.02	0.00	0.13	0.19	0.06
National defense	0.16	0.17	0.17	0.00	-0.03	-0.04	-0.01	0.10	0.13	0.03
Nondefense	0.07	0.05	0.05	0.00	0.02	0.02	0.00	0.03	0.06	0.03
State and local	0.62	0.65	0.68	0.03	-0.05	-0.05	0.00	0.24	0.26	0.02
Addendum:										
Gross domestic product price index ¹	2.9	2.2	2.2	0.0	0.9	1.1	0.2	1.0	1.2	0.2

1. Percent change from the preceding period.

Quarterly Estimates

Revisions to the quarterly (and monthly) NIPA estimates reflect (1) revisions to the annual estimates that reflect the incorporation of newly available annual source data, (2) the incorporation of newly available and revised monthly and quarterly source data (including updated seasonal factors that are used to indicate quarterly patterns), and (3) methodology improvements (see “Changes in Methodology and Presentation”).

Real GDP. The revisions to the 13 quarterly percent changes (at annual rates) from the fourth quarter of 2007 to the first quarter of 2011 averaged 0.9 percentage point (without regard to sign). (In the annual NIPA revisions since 1979, the revisions to the quarterly estimates have averaged 0.7 percentage point.)

The quarterly revisions did not change the direction of change (increase or decrease) in real GDP for any quarter. The quarterly percent change in real GDP was revised down for 7 of the 13 quarters, was revised up for 5 of the 13 quarters, and was unrevised for 1 quarter. The largest downward revision to the percent change in real GDP was 2.1 percentage points to -8.9 percent for the fourth quarter of 2008. The largest contributors to the revision were an upward revision to imports (mostly accounted for by petroleum imports) and a downward revision to PCE (widespread within services and goods); these revisions were partly offset by an upward revision to private inventory investment.¹ The largest upward revision to the quarterly percent change in real GDP was 2.1 percentage points to 3.8 percent for the second quarter of 2010. The largest contributors to the revision were a downward revision to imports (the largest contributor was again petroleum imports) and an upward revision to PCE (the largest contributors were “other” services and recreation services).

Prices. In general, the quarterly percent changes for gross

domestic purchases prices were similar to the previously published estimates; the revisions to the 13 quarterly percent changes (at annual rates) from the fourth quarter of 2007 to the first quarter of 2011 averaged 0.1 percentage point (without regard to sign). The price index was revised up for 8 quarters, was revised down for 1 quarter, and was unrevised for 4 quarters. The largest upward revision was 0.4 percentage point to both the fourth quarter of 2008 and the second quarter of 2010. For the fourth quarter of 2008, the percent change in the index was revised from -4.4 percent to -4.0 percent; the largest contributors to the revision were prices for PCE for services (mainly health care prices and prices for foreign travel by U.S. residents), prices associated with private inventory investment (mainly prices of petroleum and coal products in nondurable-goods manufacturing), and prices of equipment and software (the largest contributor being communication equipment). For the second quarter of 2010, the percent change in the index was revised from 0.1 percent to 0.5 percent; the largest contributor to the revision was prices for PCE for services (which was more than accounted for by financial services and insurance—mainly “financial services furnished without payment”).

The quarterly percent changes for GDP prices were revised much more than those for gross domestic purchases prices. For GDP prices, the revisions to the 13 quarterly percent changes (at annual rates) from the fourth quarter of 2007 to first quarter of 2011 averaged 0.8 percentage point (without regard to sign). The percent change was revised up for seven quarters and was revised down for six quarters. The largest upward revision was 1.7 percentage points, from a decrease of 1.2 percent to an increase of 0.5 percent, for the fourth quarter of 2008; the largest contributor to the revision was imports of goods (more than accounted for by petroleum imports). The largest downward revision was 1.4 percentage points, from 4.5 percent to 3.1 percent, for the third quarter of 2008; the largest contributor to the revision was again petroleum imports.

1. For more on the revision history for the fourth quarter of 2008, see [FAQ 1003](#) on BEA's Web site.

Table 6. GDP, Real GDP, the GDP Price Index, and the Gross Domestic Purchases Price Index
Revisions to Percent Change From the Preceding Quarter
 [Percent change at annual rates; based on seasonally adjusted annual rates]

	GDP			Real GDP			GDP price index			Gross domestic purchases price index		
	Previously published	Revised	Revision ¹	Previously published	Revised	Revision ¹	Previously published	Revised	Revision ¹	Previously published	Revised	Revision ¹
2007: IV	3.8	3.6	-0.2	2.9	1.7	-1.2	0.9	1.9	1.0	3.8	3.7	-0.1
2008: I	1.0	0.6	-0.4	-0.7	-1.8	-1.1	1.9	2.5	0.6	4.0	4.1	0.1
II	4.1	4.0	-0.1	0.6	1.3	0.7	3.2	2.5	-0.7	4.5	4.5	0.0
III	0.4	-0.6	-1.0	-4.0	-3.7	0.3	4.5	3.1	-1.4	3.9	4.0	0.1
IV	-7.9	-8.4	-0.5	-6.8	-8.9	-2.1	-1.2	0.5	1.7	-4.4	-4.0	0.4
2009: I	-3.9	-5.2	-1.3	-4.9	-6.7	-1.8	1.1	1.7	0.6	-2.0	-1.9	0.1
II	-0.4	-1.1	-0.7	-0.7	-0.7	0.0	0.3	-0.4	-0.7	0.6	0.5	-0.1
III	2.3	1.9	-0.4	1.6	1.7	0.1	0.7	0.3	-0.4	1.4	1.6	0.2
IV	4.7	4.9	0.2	5.0	3.8	-1.2	-0.2	1.1	1.3	2.1	2.1	0.0
2010: I	4.8	5.5	0.7	3.7	3.9	0.2	1.0	1.5	0.5	2.1	2.1	0.0
II	3.7	5.4	1.7	1.7	3.8	2.1	1.9	1.5	-0.4	0.1	0.5	0.4
III	4.6	3.9	-0.7	2.6	2.5	-0.1	2.1	1.4	-0.7	0.7	1.0	0.3
IV	3.5	4.2	0.7	3.1	2.3	-0.8	0.4	1.9	1.5	2.1	2.1	0.0
2011: I	4.0	3.1	-0.9	1.9	0.4	-1.5	2.0	2.5	0.5	3.9	4.0	0.1

1. Percentage points

Current-Dollar NIPA Measures

This table shows NIPA components with revisions of \$5.0 billion or more (in absolute value) for 2008–2010. The table also lists the major source data that were incorporated as part of this annual revision. Note that the incorporation of newly available and revised source data for a year usually results in a revision to the level of an estimate both for that year and for subsequent years.

Table 7. NIPA Annual Revision: Selected Components Detail and Major Source Data Incorporated—Continues

Line	NIPA component	Billions of dollars			Revised 2010 level	Major source data incorporated ¹
		Revision in level				
		2008	2009	2010		
1	Gross domestic product	-77.6	-180.0	-133.9	14,526.5	
2	Personal consumption expenditures	-69.0	-135.2	-103.6	10,245.5	
3	Goods	2.2	-33.2	-38.7	3,387.0	
4	Durable goods	25.4	3.1	-3.9	1,085.5	
5	Motor vehicles and parts	-3.9	-3.2	-5.9	340.1	
	<i>Of which:</i>					
6	Motor vehicle parts and accessories ²	-3.3	-3.9	-4.1	49.2	Revised Census Bureau Annual Retail Trade Survey (ARTS) data for 2008; new ARTS data for 2009; revised Census Bureau Monthly Retail Trade Survey (MRTS) data for 2010.
7	Furnishings and durable household equipment	-8.1	-12.8	-14.5	243.8	
	<i>Of which:</i>					
8	Household appliances ²	-1.2	-2.1	-3.4	40.5	Revised ARTS data for 2008; new ARTS data for 2009; revised MRTS data for 2010.
9	Glassware, tableware, and household utensils ²	-6.4	-7.3	-7.5	41.5	Revised ARTS data for 2008; new ARTS data for 2009; revised MRTS data for 2010.
10	Recreational goods and vehicles	12.4	-0.9	-5.0	329.8	
	<i>Of which:</i>					
11	Video, audio, photographic, and information processing equipment and media ²	24.9	22.0	23.6	207.4	Revised ARTS data for 2008; new ARTS data for 2009; revised MRTS data for 2010; revised trade source retail scanner data for 2009; new retail scanner data for 2010.
12	Sporting equipment, supplies, guns, and ammunition ²	-5.3	-9.1	-12.0	53.3	Revised ARTS data for 2008; new ARTS data for 2009; revised MRTS data for 2010.
13	Sports and recreational vehicles ²	-2.1	-8.2	-9.9	33.7	Revised ARTS data for 2008; new ARTS data for 2009; revised MRTS data for 2010.
14	Recreational books ²	-4.1	-4.8	-5.6	30.4	Revised ARTS data for 2008; new ARTS data for 2009; revised MRTS data for 2010.
15	Other durable goods	25.1	20.1	21.5	171.8	
	<i>Of which:</i>					
16	Therapeutic appliances and equipment ²	5.5	6.3	7.9	54.9	Revised ARTS data for 2008; new ARTS data for 2009; revised MRTS data for 2010.
17	Luggage and similar personal items ²	8.7	8.1	8.5	28.1	Revised ARTS data for 2008; new ARTS data for 2009; revised MRTS data for 2010.
18	Telephone and facsimile equipment ²	5.1	3.8	3.5	14.0	Revised ARTS data for 2008; new ARTS data for 2009; revised MRTS data for 2010; revised trade source retail scanner data for 2009; new retail scanner data for 2010.
19	Nondurable goods	-23.2	-36.4	-34.8	2,301.5	
20	Food and beverages purchased for off-premises consumption	-28.8	-31.9	-35.4	766.4	
	<i>Of which:</i>					
21	Food and nonalcoholic beverages purchased for off-premises consumption ²	-15.2	-18.7	-23.7	659.4	Revised ARTS data for 2008; new ARTS data for 2009; revised MRTS data for 2010; new trade source retail scanner data for 2010.
22	Alcoholic beverages purchased for off-premises consumption ²	-13.4	-13.1	-11.7	106.6	Revised ARTS data for 2008; new ARTS data for 2009; revised MRTS data for 2010.
23	Clothing and footwear	-3.2	-4.0	-3.5	334.3	
24	Gasoline and other energy goods	-0.9	-4.3	-3.1	354.1	
25	Other nondurable goods	9.7	3.7	7.2	846.7	
	<i>Of which:</i>					
26	Pharmaceutical and other medical products ²	11.3	10.9	13.4	330.6	Revised ARTS data for 2008; new ARTS data for 2009; revised MRTS data for 2010.
27	Recreational items ²	9.0	3.4	2.9	141.4	Revised ARTS data for 2008; new ARTS data for 2009; revised MRTS data for 2010.
28	Magazines, newspapers, and stationery ²	-12.3	-12.5	-10.1	64.6	Revised ARTS data for 2008; new ARTS data for 2009; revised MRTS data for 2010.

See the footnotes and abbreviations at the end of the table.

Current-Dollar NIPA Measures

Table 7. NIPA Annual Revision: Selected Components Detail and Major Source Data Incorporated—Continues

Line	NIPA component	Billions of dollars			Revised 2010 level	Major source data incorporated ¹
		Revision in level				
		2008	2009	2010		
29	Services.....	-71.2	-101.9	-64.9	6,858.5	
30	Household consumption expenditures (for services)	-76.8	-123.4	-80.0	6,578.3	
31	Housing and utilities	-2.1	-4.7	-7.5	1,893.2	
32	Housing.....	-3.3	-6.7	-7.5	1,583.8	
	<i>Of which:</i>					
33	Rental of tenant-occupied nonfarm housing	4.0	7.1	4.2	359.4	Revised Census Bureau Current Population Survey/Housing Vacancy Survey (CPS/HVS) data for 2008 and 2009; new Census Bureau American Housing Survey (AHS) data for 2009; new CPS/HVS data for 2010.
34	Imputed rental of owner-occupied nonfarm housing.....	-5.4	-10.9	-9.1	1,203.1	Revised CPS/HVS data for 2008 and 2009; new AHS data for 2009; revised BEA constant-dollar stock data for 2009; new BEA constant-dollar stock data for 2010; new CPS/HVS data for 2010.
35	Household utilities.....	1.1	2.0	0.0	309.4	
36	Health care	-14.6	-19.0	-20.3	1,667.4	
	<i>Of which:</i>					
37	Physician services ²	-4.6	-8.4	-15.2	391.9	Revised Census Bureau Service Annual Survey (SAS) taxable and tax-exempt revenue data for 2008 and 2009; new SAS data for 2010.
38	Paramedical services ²	-12.2	-13.1	-17.8	269.1	Revised SAS taxable and tax-exempt revenue data for 2008 and 2009; new SAS data for 2010.
39	Hospitals ²	-3.6	-4.0	6.9	756.4	Revised SAS taxable and tax-exempt revenue data for 2008 and 2009; new SAS data for 2010.
40	Nursing homes ²	5.9	7.1	5.2	144.0	Revised SAS taxable and tax-exempt revenue data for 2008 and 2009; new SAS data for 2010.
41	Transportation services	-1.0	-3.0	-4.2	295.5	
	<i>Of which:</i>					
42	Motor vehicle maintenance and repair ²	-0.5	-3.2	-6.9	153.0	Revised SAS taxable revenue data for 2008 and 2009; revised ARTS data for 2008; new ARTS data for 2009; new SAS data for 2010; revised MRTS data for 2010.
43	Recreation services.....	-1.5	-7.6	2.1	382.6	
	<i>Of which:</i>					
44	Membership clubs, sports centers, parks, theaters, and museums ²	5.7	5.1	7.3	136.3	Revised SAS taxable and tax-exempt revenue data for 2008 and 2009; new SAS data for 2010.
45	Gambling ²	-8.1	-11.3	-8.9	99.6	Revised SAS taxable revenue data for 2008 and 2009; new SAS data for 2010.
46	Other recreational services ²	3.8	2.2	4.2	44.1	Revised SAS taxable revenue data for 2008 and 2009; new SAS data for 2010.
47	Food services and accommodations	7.0	6.7	11.6	638.0	
48	Food services ²	1.9	-1.0	2.2	547.4	
49	Accommodations ²	5.1	7.7	9.3	90.6	Revised ARTS data for 2008; new ARTS data for 2009; new BEA international transactions accounts estimates of nonresident spending for 2010.
50	Financial services and insurance	-41.1	-66.0	-40.4	780.2	
51	Financial services furnished without payment	-8.0	-16.8	10.5	287.9	Revised IRS data on regulated investment companies for 2008; new IRS data for 2009; new FRB flow of funds data for 2010; new trade source data on investment company securities for 2010.
52	Financial service charges, fees, and commissions ²	-1.2	-6.9	-4.6	226.6	Revised SAS product revenue data on portfolio management and investment advice for 2008 and 2009; new SAS data for 2010.
53	Insurance	-32.0	-42.3	-46.2	265.8	
	<i>Of which:</i>					
54	Net health insurance ³	-32.1	-40.8	-45.4	119.9	Revised benefits-to-premiums ratio based on new trade source data on medical insurance for 2008 and 2009; new trade source data for 2010.
55	Other services	-23.4	-29.7	-21.2	921.4	
	<i>Of which:</i>					
56	Telecommunication services ²	-5.0	-9.8	-8.7	161.1	Revised SAS product revenue data for 2008 and 2009; new SAS data for 2010.
57	Internet access ²	0.4	0.9	8.3	53.8	Revised SAS product revenue data for 2008 and 2009; new SAS data for 2010.
58	Professional and other services ²	-3.0	-4.7	-6.6	163.3	Revised SAS taxable and tax-exempt revenue data for 2008 and 2009; new SAS data for 2010.
59	Personal care and clothing services ²	-9.7	-11.9	-9.9	112.2	Revised SAS taxable revenue data for 2008 and 2009; new SAS data for 2010.

See the footnotes and abbreviations at the end of the table.

Current-Dollar NIPA Measures

Table 7. NIPA Annual Revision: Selected Components Detail and Major Source Data Incorporated—Continues

Line	NIPA component	Billions of dollars			Revised 2010 level	Major source data incorporated ¹
		Revision in level				
		2008	2009	2010		
60	Final consumption expenditures of NPISHs.....	5.8	21.4	15.1	280.2	
61	Gross output of nonprofit institutions ²	8.9	20.1	26.8	1,118.9	Revised SAS tax-exempt expenses data for 2008 and 2009; new SAS data for 2010.
62	Less: Receipts from sales of goods and services by nonprofit institutions ²	3.1	-1.3	11.6	838.6	Revised SAS tax-exempt revenue data for 2008 and 2009; new SAS data for 2010.
63	Gross private domestic investment	-9.1	-42.4	-32.4	1,795.1	
64	Fixed investment.....	-9.1	-8.8	-27.6	1,728.2	
65	Nonresidential.....	-9.0	-11.4	-25.2	1,390.1	
66	Structures.....	3.9	-1.7	-9.1	374.4	
	Of which:					
67	Power.....	0.0	-1.5	-4.5	61.7	Revised Census Bureau construction spending (value put in place) data for 2009 and 2010.
68	Petroleum and natural gas.....	4.2	3.1	-4.8	97.6	Revised trade source data on footage drilled for 2008-2010; revised Census Bureau Annual Capital Expenditures Survey (ACES) data for 2008; new ACES data for 2009; revised BLS producer price indexes for 2010.
69	Equipment and software.....	-12.9	-9.8	-16.1	1,015.7	
70	Information processing equipment and software.....	-13.5	-26.7	-47.1	543.8	
	Of which:					
71	Computers and peripheral equipment.....	-3.7	-4.4	-3.6	93.8	Revised Census Bureau Annual Survey of Manufactures (ASM) data for 2008; new ASM data for 2009; revised Census Bureau monthly industry shipments data for 2010.
72	Software.....	-2.5	-7.0	-25.3	257.9	Revised Census Bureau Service Annual Survey (SAS) revenue data for 2008 and 2009; new SAS data for 2010; new BLS Occupational Employment Survey data for 2010.
73	Communication equipment.....	-2.2	-4.2	-4.3	83.8	Revised Census Bureau ASM data for 2008; new ASM data for 2009; revised Census Bureau monthly industry shipments data for 2010.
74	Medical equipment and instruments.....	-5.2	-7.6	-9.6	72.1	Revised Census Bureau ASM data for 2008; new ASM data for 2009; revised Census Bureau monthly industry shipments data for 2010.
75	Industrial equipment.....	0.8	5.8	7.9	168.6	
	Of which:					
76	General industrial, including materials handling, equipment.....	1.2	5.0	6.1	60.6	Revised Census Bureau ASM data for 2008; new ASM data for 2009; revised Census Bureau monthly industry shipments data for 2010.
77	Transportation equipment.....	-0.3	1.4	9.7	122.7	
	Of which:					
78	Light trucks (including utility vehicles).....	-0.2	-1.4	4.9	31.0	Revised trade source data on average expenditure for 2008-2009; revised trade source data on business registrations for 2010.
79	Other equipment.....	1.6	12.0	17.6	191.5	
	Of which:					
80	Construction machinery.....	2.4	6.9	10.6	35.4	Revised Census Bureau ASM data for 2008; new ASM data for 2009; revised Census Bureau monthly industry shipments data for 2010.
81	Residential.....	-0.1	2.6	-2.4	338.1	
82	Structures.....	0.0	2.8	-2.1	329.2	
83	Residential equipment.....	0.0	-0.2	-0.2	8.9	
84	Change in private inventories.....	0.0	-33.6	-4.8	66.9	
85	Farm.....	0.0	-5.6	-8.1	-1.6	Revised USDA data for 2008 and 2009; new USDA data for 2010.
86	Nonfarm.....	0.0	-27.9	3.4	68.6	
87	Change in book value.....	3.6	-7.6	1.4	117.6	
88	Mining, utilities, and construction.....	2.2	-3.4	-1.9	-2.0	Revised IRS tabulations of corporate tax return data on inventory book values for 2008; new IRS tabulations of corporate and of sole proprietorship and partnership tax return data for 2009.
89	Manufacturing.....	0.5	11.3	2.5	42.4	Revised Annual Survey of Manufactures (ASM) data on inventory book values for 2008; new ASM data for 2009; revised Census Bureau monthly inventory data for 2010.

See the footnotes and abbreviations at the end of the table.

Current-Dollar NIPA Measures

Table 7. NIPA Annual Revision: Selected Components Detail and Major Source Data Incorporated—Continues

Line	NIPA component	Billions of dollars			Revised 2010 level	Major source data incorporated ¹
		Revision in level				
		2008	2009	2010		
90	Wholesale trade	6.1	-1.8	-3.3	51.3	Revised Census Bureau Annual Wholesale Trade Survey (AWTS) data on inventory book values for 2008; new AWTS data for 2009; revised Census Bureau monthly inventory data for 2010.
91	Merchant wholesale	0.3	-5.4	2.2	42.3	
92	Nonmerchant wholesale	5.8	3.6	-5.5	9.0	
93	Retail trade	-1.9	-16.1	5.6	23.0	Revised Census Bureau ARTS data on inventory book values for 2008; new ARTS data for 2009; revised Census Bureau monthly inventory data for 2010; revised trade source data on motor vehicle inventories for 2010.
	<i>Of which:</i>					
94	Retail motor vehicle dealers	-0.2	-19.6	3.7	11.4	
95	Other industries	-3.4	2.3	-1.6	2.8	Revised IRS tabulations of corporate tax return data on inventory book values for 2008; new IRS tabulations of corporate and of sole proprietorship and partnership tax return data for 2009; revised Service Annual Survey (SAS) data on publishing industries for 2008; new SAS data for 2009.
96	IVA	-3.5	-20.3	2.1	-49.0	Revised Census Bureau AWTS, ARTS, and ASM information on accounting methods used for inventory reporting for 2008; new AWTS, ARTS, and ASM information for 2009; revised BEA unit labor cost indexes for 2008–2010.
97	Net exports of goods and services	0.7	-5.1	-0.5	-516.9	Revised BEA international transactions accounts (ITA) estimates of imports of petroleum for 2007–2010; revised ITA estimates for all other categories for 2008–2010. ⁴
98	Exports	3.4	4.6	2.3	1,839.8	
99	Goods	2.4	1.6	0.4	1,277.8	
100	Services	1.0	3.1	1.9	562.0	
	<i>Of which:</i>					
101	Royalties and license fees	8.2	7.4	6.1	105.6	Reclassification of distribution rights for film and television recordings from exports of other private services for 2008–2010; revised and new BEA surveys of international services transactions for 2008–2010.
102	Other private services	-6.9	-3.4	-3.5	250.3	Reclassification of distribution rights for film and television recordings to exports of royalties and license fees for 2008–2010; new BEA 2009 Benchmark Survey of Financial Services Transactions Between U.S. Financial Services Providers and Foreign Persons data for 2008–2010.
103	Imports	2.7	9.9	2.8	2,356.7	
104	Goods	-2.5	-0.5	-2.1	1,947.3	
	<i>Of which:</i>					
105	Petroleum and products	-1.5	0.3	-1.5	353.7	
106	Other	-12.2	-10.3	-5.1	88.6	Reallocation of adjustments for low-value imports and for inland freight in Canada and Mexico for 2008–2010.
107	Services	5.1	10.4	4.8	409.4	
	<i>Of which:</i>					
108	Royalties and license fees	3.8	4.6	4.0	33.5	Reclassification of distribution rights for film and television recordings from imports of other private services for 2008–2010; revised and new BEA surveys of international services transactions for 2008–2010.
109	Other private services	-1.2	5.4	2.0	180.6	Reclassification of distribution rights for film and television recordings to imports of royalties and license fees for 2008–2010; new BEA 2009 Benchmark Survey of Financial Services Transactions Between U.S. Financial Services Providers and Foreign Persons data for 2008–2010.
110	Government consumption expenditures and gross investment	-0.2	2.6	2.6	3,002.8	
111	Federal government	0.2	3.1	8.5	1,222.8	
112	National defense	0.5	3.3	1.5	819.2	
113	Consumption expenditures	-2.4	0.0	3.9	702.1	
114	Gross investment	2.8	3.3	-2.4	117.1	
115	Nondefense	-0.2	-0.2	7.0	403.6	
116	Consumption expenditures	-0.5	-0.5	6.7	351.9	
	<i>Of which:</i>					
117	Compensation of general government employees	0.3	0.6	6.1	174.7	Revised BLS Quarterly Census of Employment and Wages (QCEW) data for 2008 and 2009; new QCEW data for 2010.
118	Gross investment	0.2	0.3	0.3	51.7	

See the footnotes and abbreviations at the end of the table.

Current-Dollar NIPA Measures

Table 7. NIPA Annual Revision: Selected Components Detail and Major Source Data Incorporated—Continues

Line	NIPA component	Billions of dollars			Revised 2010 level	Major source data incorporated ¹
		Revision in level				
		2008	2009	2010		
119	State and local.....	-0.5	-0.5	-6.0	1,780.0	
120	Consumption expenditures	1.0	1.1	-3.7	1,443.5	
	Of which:					
121	Compensation of general government employees	1.0	4.6	0.3	1,064.2	
122	Nondurable goods.....	-3.5	-5.2	-5.9	216.0	Revised Census Bureau government finances FY 2008 tabulations for 2008; new FY 2009 tabulations for 2008 and 2009.
123	Services	-3.7	-8.3	-8.2	383.2	Revised Census Bureau government finances FY 2008 tabulations for 2008; new FY 2009 tabulations for 2008 and 2009.
124	Less: Other sales to other sectors	-5.5	-10.3	-10.4	117.2	Revised Census Bureau government finances FY 2008 tabulations for 2008; new FY 2009 tabulations for 2008 and 2009.
125	Gross investment	-1.5	-1.7	-2.2	336.5	
126	Gross domestic product	-77.6	-180.0	-133.9	14,526.5	
127	Less: Statistical discrepancy ⁵	-139.0	-101.7	-157.4	0.8	
128	Equals: Gross domestic income	61.5	-78.4	23.5	14,525.7	
129	Compensation of employees, paid	11.0	-4.1	-12.3	7,980.6	See entries under "Compensation of employees," line 153.
130	Wage and salary accruals	-4.8	-2.5	10.3	6,417.5	
131	Disbursements	-4.8	-2.5	10.3	6,417.5	
132	To persons	-10.3	-6.1	7.2	6,403.0	
133	To the rest of the world	5.5	3.4	3.0	14.5	
134	Wage accruals less disbursements.....	0.0	0.0	0.0	0.0	
135	Supplements to wages and salaries.....	15.7	-1.5	-22.5	1,563.1	
136	Taxes on production and imports	-6.5	-6.8	-4.5	1,054.0	See entries under "Taxes on production and imports," line 212.
137	Less: Subsidies.....	0.1	-0.6	-1.7	57.3	
138	Net operating surplus.....	52.3	-73.2	32.5	3,673.5	
139	Private enterprises	51.6	-71.5	34.9	3,689.2	
140	Current surplus of government enterprises	0.7	-1.7	-2.4	-15.7	
141	Consumption of fixed capital.....	4.9	5.1	6.0	1,874.9	
142	Private	6.0	6.6	6.9	1,540.9	Revised BEA fixed investment and price estimates for 2008–2010.
143	Domestic business	3.8	4.7	4.2	1,245.7	
144	Capital consumption allowances	-32.9	-7.7	233.2	1,442.1	Revised IRS tabulations of corporate tax return data for 2008; new IRS tabulations of corporate and of sole proprietorship and partnership tax return data for 2009; new OTA bonus depreciation estimates for 2010; revised BEA fixed investment estimates for 2008–2010.
145	Less: CCAAdj	-36.7	-12.5	229.1	196.5	CCAAdj is calculated as capital consumption allowances less consumption of fixed capital.
146	Households and institutions	2.2	1.9	2.7	295.2	
147	Government.....	-1.1	-1.6	-0.9	334.0	
148	Plus: Income receipts from the rest of the world	16.9	10.0	-3.3	702.9	Revised BEA international transactions accounts (ITAs) estimates for 2008–2010.
149	Less: Income payments to the rest of the world.....	22.2	3.9	-4.4	513.5	Revised BEA ITA estimates for 2008–2010.
150	Equals: Gross national income.....	56.1	-72.4	24.6	14,715.1	
151	Less: Consumption of fixed capital.....	4.9	5.1	6.0	1,874.9	
152	Equals: National income.....	51.3	-77.4	18.5	12,840.1	
153	Compensation of employees	7.5	-5.3	-13.1	7,971.4	
154	Wage and salary accruals	-8.1	-3.8	9.3	6,408.2	
155	Government	0.1	1.7	3.7	1,190.8	Revised BLS Quarterly Census of Employment and Wages (QCEW) data for 2008 and 2009; new QCEW data for 2010.
156	Other	-8.3	-5.5	5.6	5,217.4	Revised BLS QCEW data for 2008 and 2009; new QCEW data for 2010.
157	Supplements to wages and salaries.....	15.7	-1.5	-22.5	1,563.1	
158	Employer contributions for employee pension and insurance funds	15.8	1.1	-16.9	1,089.9	New Department of Labor pension data for 2008; new Pension Benefit Guaranty Corporation data for 2009; new corporate financial data for 2009 and 2010; new DHHS Medical Expenditure Panel Survey data for 2009 and 2010.
159	Employer contributions for government social insurance	0.0	-2.6	-5.6	473.2	Revised SSA data on taxable wages for 2008 and 2009; new SSA data for 2010.

See the footnotes and abbreviations at the end of the table.

Current-Dollar NIPA Measures

Table 7. NIPA Annual Revision: Selected Components Detail and Major Source Data Incorporated—Continues

Line	NIPA component	Billions of dollars			Revised 2010 level	Major source data incorporated ¹
		Revision in level				
		2008	2009	2010		
160	Proprietors' income with IVA and CCAAdj	-4.1	-70.7	-18.6	1,036.4	
161	Farm	1.0	8.7	7.3	52.2	
162	Proprietors' income with IVA	0.9	8.7	7.5	58.0	Revised USDA data for 2008 and 2009; new USDA data for 2010.
163	CCAAdj.....	0.0	0.0	-0.3	-5.8	
164	Nonfarm.....	-5.1	-79.5	-25.9	984.2	
165	Proprietors' income.....	-7.8	-90.6	-104.6	793.0	Revised trade source data on petroleum footage drilled for 2008–2010; revised Census Bureau Annual Capital Expenditures (ACES) data for 2008; new Census Bureau nonfiler income data for 2009; new IRS tabulations of sole proprietorship and partnership tax return data for 2009.
166	IVA.....	-1.3	0.0	0.5	-6.0	
167	CCAAdj.....	4.0	11.2	78.3	197.2	See entries under "Consumption of fixed capital," line 141.
168	Rental income of persons with CCAAdj	9.6	31.9	49.3	350.2	
169	Rental income of persons.....	9.5	32.0	49.4	364.9	New trade source data on mortgage loans outstanding and mortgage interest rates for 2008–2010; revised Census Bureau American Housing Survey housing units data for 2009; revised FRB flow of funds accounts residential mortgage loans liabilities data for 2008–2010; revised Census Bureau Current Population Survey/Housing Vacancy Survey (CPS/HVS) data for 2008 and 2009; new CPS/HVS data for 2010; revised Federal National Mortgage Corporation (FNMC) mortgage originations data for 2008; new FNMC data for 2009; revised IRS tabulations of corporate and individual tax return data for 2008; new IRS tabulations for 2009; revised USDA data for 2008 and 2009; new USDA data for 2010; revised trade source data on insurance for 2008; new trade source data on insurance for 2009.
170	CCAAdj.....	0.0	0.0	-0.1	-14.7	
171	Corporate profits with IVA and CCAAdj	-14.4	104.0	175.3	1,800.1	
172	Domestic industries	-9.7	95.9	177.2	1,418.2	
173	Financial.....	-41.2	117.1	99.9	466.7	
174	Nonfinancial	31.5	-21.2	77.3	951.5	
175	Rest of the world	-4.7	8.1	-1.9	381.9	Revised BEA international transactions accounts estimates for 2008–2010.
176	Less: CCAAdj.....	-40.8	-23.7	151.1	19.7	See entries under "Consumption of fixed capital," line 141.
177	Equals: Corporate profits with IVA	26.4	127.7	24.2	1,780.4	See entries under "Corporate profits before tax without IVA and CCAAdj," line 194.
178	Domestic industries	31.1	119.6	26.1	1,398.5	
179	Financial.....	-17.7	143.8	106.8	494.7	
180	Federal Reserve banks	0.0	0.0	13.5	71.6	
181	Other financial	-17.8	143.9	93.5	423.2	
182	Nonfinancial	48.8	-24.3	-80.8	903.7	
183	Utilities	2.4	-7.8	-8.0	25.0	
184	Manufacturing.....	11.8	-25.7	-42.5	217.1	
185	Durable goods.....	5.4	-32.8	-55.1	95.0	
186	Nondurable goods.....	6.3	7.2	12.7	122.1	
187	Wholesale trade.....	2.3	2.9	2.3	85.8	
188	Retail trade	6.6	7.0	-2.5	122.6	
189	Transportation and warehousing	3.8	-1.2	-11.7	34.4	
190	Information.....	-0.1	-2.3	-21.6	87.7	
191	Other nonfinancial	22.1	2.8	3.2	331.2	
192	Rest of the world	-4.7	8.1	-1.9	381.9	
193	Less: IVA.....	-0.4	-11.3	5.8	-39.1	New IRS LIFO valuation tabulations of corporate tax return data for 2008; revised Census Bureau AWTS, ARTS, and ASM information on accounting methods used for inventory reporting for 2008; new AWTS, ARTS, and ASM information for 2009; revised BEA unit labor cost indexes for 2008–2010.
194	Equals: Corporate profits before tax without IVA and CCAAdj	26.7	139.0	18.4	1,819.5	Revised IRS tabulations of corporate tax return data for 2008; new IRS tabulations for 2009; revised Census Bureau Quarterly Financial Report data for 2010; regulatory agency and public financial reports profits data for 2010.
195	Less: Taxes on corporate income	0.6	17.5	-5.5	411.1	
196	Equals: Profits after tax.....	26.1	121.5	23.9	1,408.4	
197	Less: Net corporate dividend payments.....	-10.8	-98.9	4.6	737.3	
198	Equals: Undistributed corporate profits.....	36.8	220.4	19.3	671.1	

See the footnotes and abbreviations at the end of the table.

Current-Dollar NIPA Measures

Table 7. NIPA Annual Revision: Selected Components Detail and Major Source Data Incorporated—Continues

Line	NIPA component	Billions of dollars			Revised 2010 level	Major source data incorporated ¹
		Revision in level				
		2008	2009	2010		
199	Net interest and miscellaneous payments	57.3	-127.6	-173.8	564.3	
200	Net interest.....	58.5	-125.1	-174.4	544.7	
201	Domestic business	59.9	-95.6	.....	284.9	
	<i>Of which:</i>					
202	Monetary interest paid.....	29.0	-228.3	.....	1,319.9	Revised IRS tabulations of corporate tax return data for 2008; new IRS tabulations for 2009; new IRS tabulations of sole proprietorship and partnership tax return data for 2009; revised FRB flow of funds accounts data on nonfinancial corporate liabilities for 2008 and 2009; new FRB data for 2010; revised USDA data on interest paid by farmers for 2008 and 2009; new USDA data for 2010; new Federal Deposit Insurance Corporation data, Credit Union National Association data, Office of Thrift Supervision data, and trade source data on investment companies for 2010.
203	<i>Less:</i> Monetary interest received	-37.8	-163.6	.....	1,638.1	Revised IRS tabulations of corporate tax return data for 2008; new IRS tabulations for 2009; new IRS tabulations for sole proprietorship and partnership tax return data for 2009; revised FRB flow of funds accounts data on nonfinancial corporate assets for 2008 and 2009; new FRB data for 2010; new Federal Deposit Insurance Corporation data, Credit Union National Association data, Office of Thrift Supervision data, and trade source data on investment companies for 2010.
204	Imputed interest paid, depositor and insurance services.....	-5.4	-31.4	.....	514.9	
	<i>Of which:</i>					
205	Banks, credit agencies, and investment companies.....	-6.3	-16.9	.....	244.9	Revised IRS tabulations of corporate tax return data for 2008; new IRS tabulations for 2009.
206	Life insurance carriers	-0.9	-15.6	.....	247.0	New trade source data on investment income of life insurance carriers for 2009; revised FRB flow of funds asset data on life insurance companies for 2008 and 2009; new FRB data for 2010.
207	Owner-occupied housing.....	-4.2	-28.7	.....	435.1	
	<i>Of which:</i>					
208	Monetary interest paid.....	-4.1	-28.7	.....	502.6	New trade source data on mortgage loans outstanding and mortgage interest rates for 2008–2010.
209	Nonprofit institutions.....	0.0	0.0	.....	8.1	
210	Rest of the world	2.7	-0.9	.....	-183.3	
211	Miscellaneous payments.....	-1.2	-2.4	0.6	19.5	
212	Taxes on production and imports	-6.5	-6.8	-4.5	1,054.0	
213	Federal.....	-2.0	2.9	-5.1	101.5	New IRS data on federal excise taxes for 2008–2010; new Office of Management and Budget FY 2012 Budget data for 2010; new Alcohol and Tobacco Tax and Trade Bureau data for 2010.
214	State and local	-4.5	-9.7	0.7	952.6	Revised Census Bureau government finances FY 2008 and FY 2009 tabulations for 2008 and 2009; new Census Bureau FY 2010 State Government Tax Collections data for 2009 and 2010.
215	<i>Less: Subsidies</i>	0.1	-0.6	-1.7	57.3	
216	Federal.....	0.1	-0.6	-1.7	55.8	
217	State and local	0.0	0.0	0.0	1.6	
218	Business current transfer payments (net)	1.3	-2.0	4.6	136.7	
219	To persons (net)	0.1	2.2	0.9	38.3	
220	To government (net)	-2.7	-2.4	4.2	99.0	
221	To the rest of the world (net)	3.9	-1.7	-0.5	-0.6	
222	Current surplus of government enterprises	0.7	-1.7	-2.4	-15.7	
223	Federal.....	0.0	-0.2	-0.6	-4.8	
224	State and local	0.7	-1.5	-1.8	-10.8	
	Addenda:					
225	Gross national product	-82.9	-174.1	-132.8	14,715.9	
226	Gross saving	123.0	63.5	122.7	1,820.5	

See the footnotes and abbreviations at the end of the table.

Current-Dollar NIPA Measures

Table 7. NIPA Annual Revision: Selected Components Detail and Major Source Data Incorporated—Table Ends

Line	NIPA component	Billions of dollars			Revised 2010 level	Major source data incorporated ¹
		Revision in level				
		2008	2009	2010		
227	Personal income	69.1	-244.7	-167.5	12,373.5	See entries under "National income" and additional sources below.
228	Compensation of employees, received.....	7.5	-5.3	-13.1	7,971.4	
229	Proprietors' income with IVA and CCAAdj	-4.1	-70.7	-18.6	1,036.4	
230	Rental income of persons with CCAAdj.....	9.6	31.9	49.3	350.2	
231	Personal income receipts on assets	56.1	-212.0	-186.4	1,721.2	
232	Personal interest income.....	67.3	-113.4	-191.5	1,003.4	Revised IRS tabulations of corporate tax return data for 2008, new IRS tabulations for 2009; new trade source data on investment income of life insurance carriers for 2009; revised FRB flow of funds accounts asset data on life insurance carriers for 2008 and 2009; new FRB data for 2010.
233	Personal dividend income	-11.2	-98.6	5.0	717.7	Revised IRS tabulations of corporate tax return data for 2008; new IRS tabulations for 2009; regulatory agency and public financial statements data on dividends for 2010; revised BEA international transactions accounts estimates for 2008-2010.
234	Personal current transfer receipts.....	0.0	5.3	-15.2	2,281.2	
235	Government social benefits to persons.....	-0.2	3.1	-16.1	2,242.9	
236	Federal	-1.7	-2.9	-16.0	1,708.3	Revised Centers for Medicare and Medicaid Services (CMS) data on incurred Medicare benefits for 2008 and 2009; new CMS data for 2010; new Office of Management and Budget FY 2012 Budget data for 2010.
237	State and local.....	1.5	6.0	-0.1	534.6	Revised CMS data on Medicaid benefits for 2009; new CMS data for 2010.
238	Other current transfer receipts, from business (net).....	0.1	2.2	0.9	38.3	
239	Less: Contributions for government social insurance, domestic.....	0.1	-6.2	-16.7	986.8	
240	Federal	0.8	-4.7	-15.1	966.0	Revised SSA data on taxable wages for 2008 and 2009; new SSA data for 2010.
241	State and local	-0.7	-1.4	-1.6	20.8	
242	Less: Personal current taxes.....	-2.5	1.4	27.6	1,193.9	
243	Federal	-1.5	3.9	21.8	896.4	Revised SSA data on taxable wages for 2008 and 2009; new SSA data for 2010; Treasury Department income tax collections data for 2010.
244	State and local.....	-1.0	-2.5	5.8	297.5	Revised Census Bureau government finances FY 2008 and FY 2009 tabulations for 2008 and 2009; new Census Bureau FY 2010 State Government Tax Collections data for 2009 and 2010.
245	<i>Equals:</i> Disposable personal income	71.6	-246.1	-195.0	11,179.7	
246	Less: Personal outlays	-72.8	-143.3	-133.8	10,586.9	
247	Personal consumption expenditures.....	-69.0	-135.2	-103.6	10,245.5	
248	Personal interest payments	-0.6	-3.1	-25.5	173.4	Revised FRB consumer credit data for 2010; revised FRB interest rate data for 2008-2010; new regulatory data for 2010; revised FRB flow of funds accounts liabilities data for 2008 and 2009; new FRB data for 2010.
249	Personal current transfer payments.....	-3.3	-4.9	-4.7	168.0	
250	To government	-4.8	-5.9	-5.7	95.1	Revised Census Bureau state and local government finances FY 2008 tabulations for 2008; new FY 2009 tabulations for 2008 and 2009.
251	To the rest of the world (net)	1.6	0.9	1.0	72.9	
252	<i>Equals:</i> Personal saving.....	144.4	-102.7	-61.1	592.8	

1. In these descriptions, "new" indicates this is the first time that data from the specific source are being incorporated into the component estimate for the given year, and "revised" indicates that data from the specific source were incorporated previously and now revised data from that source are being incorporated.

2. Revisions also reflect revisions to earlier years. Revised estimates begin with 2003, based on revised Census Bureau data from the Annual Retail Trade Survey and the Service Annual Survey that were benchmarked to the 2007 Economic Census, and on updated merchandise-line data from the 2007 Economic Census.

3. Revisions also reflect revisions to earlier years. Revised estimates begin with 2003, reflecting revised benefits-to-premiums ratios based on new trade source data on insurance.

4. For more information on the revisions to the International Transactions Accounts, see Mai-Chi Hoang and Erin M. Whitaker, "Annual Revision of the U.S. International Transactions Accounts," SURVEY OF CURRENT BUSINESS 91 (July 2011): 47-61.

5. The statistical discrepancy is gross domestic product (GDP) less gross domestic income (GDI); it is also the difference between gross national product (GNP) and gross national income (GNI), which is GDI plus net income receipts from the rest of the world. The statistical discrepancy arises because the

product-side measures of GDP and GNP are estimated independently from the income-side measures of GDI and GNI.

BEA Bureau of Economic Analysis
 BLS Bureau of Labor Statistics
 CCAAdj Capital consumption adjustment
 DHHS Department of Health and Human Services
 FRB Federal Reserve Board
 FY Fiscal year
 IRS Internal Revenue Service
 IVA Inventory valuation adjustment
 LIFO Last In First Out
 NIPAs National income and product account
 NPISH Nonprofit institutions serving households
 OTA Office of Tax Analysis
 SSA Social Security Administration
 USDA U.S. Department of Agriculture

Effects of the “Flexible” Annual Revision in Earlier Periods

As noted earlier, as part of this “flexible” annual revision, current-dollar GDP and some components were revised back to 2003. For 2003–2007, the annual percent change in real GDP was unrevised for all years except for 2004, when the growth rate was revised from 3.6 percent to 3.5 percent.

During this earlier period, current-dollar GDP for 2004–2007 was revised down; for 2003, current-dollar GDP was revised up only \$0.1 billion. For 2003–2007, the most notable revisions were to PCE for services, which was revised down each year. The revisions primarily reflected the incorporation of data from the 2008

and 2009 Census Bureau Service Annual Surveys that were benchmarked to the 2007 Economic Census and of data from A.M. Best that were used to estimate medical and hospitalization insurance.¹ For 2007, an offsetting downward revision to petroleum imports reflected the incorporation of revised data from BEA’s international transactions accounts.

As a result of these revisions, for 2004–2007, personal saving and the personal saving rate were revised up (see the addenda in table 8).

1. For more information, see “PCE insurance estimates” on pages 25 and 26.

Table 8. Source of Revision to Selected GDP Components, 2003–2007

[Billions of dollars]

	Revision in level				
	2003	2004	2005	2006	2007
Gross domestic product	0.1	-14.5	-15.4	-21.7	-33.1
Personal consumption expenditures	0.1	-14.5	-15.5	-21.7	-34.0
Goods	0.6	-0.1	2.8	3.0	6.3
Revised Census Bureau Annual Retail Trade Surveys benchmarked to the 2007 Economic Census	1.0	3.0	4.7	5.0	6.7
New 2007 Economic Census merchandise-line data	-0.4	-3.1	-1.9	-2.0	-0.5
Other source data	0.0	0.0	0.0	0.0	0.0
Services	-0.5	-14.4	-18.3	-24.7	-40.3
Revised Census Bureau Service Annual Surveys benchmarked to the 2007 Economic Census	-3.0	-5.9	-14.2	-19.0	-24.6
Revised Census Bureau Annual Retail Trade Surveys benchmarked to the 2007 Economic Census	1.3	6.2	8.6	10.3	8.4
New A.M. Best data for medical and hospitalization insurance	0.0	-12.7	-10.9	-15.2	-22.4
Other source data	1.1	-1.9	-1.7	-0.8	-1.8
Gross private domestic investment	0.0	0.0	0.1	-0.1	0.0
Net exports	0.0	0.0	0.0	0.0	0.9
Exports	0.0	0.0	0.0	0.0	0.0
Imports	0.0	0.0	0.0	0.0	-0.9
Revised BEA international transactions accounts data on petroleum imports	0.0	0.0	0.0	0.0	-0.9
Government consumption expenditures and gross investment	0.0	0.0	0.0	0.0	0.0
Addenda:					
Disposable personal income (DPI)	0.0	0.0	0.0	0.0	0.0
Less: Personal outlays	0.1	-14.5	-15.5	-21.6	-34.0
Equals: Personal saving	-0.2	14.5	15.5	21.6	34.0
Personal saving as a percentage of DPI	0.0	0.2	0.1	0.2	0.3

Income Measures

Table 9. Revisions to National Income and Gross National Product

[Billions of dollars]

	2007	2008		
		Previously published	Revised	Revision
National income	12,396.4	12,557.8	12,609.1	51.3
Compensation of employees.....	7,855.9	8,060.8	8,068.3	7.5
Wage and salary accruals.....	6,415.5	6,554.0	6,545.9	-8.1
Supplements to wages and salaries.....	1,440.4	1,506.8	1,522.5	15.7
Proprietors' income with IVA and CCAAdj.....	1,090.4	1,102.0	1,097.9	-4.1
Farm.....	37.8	50.8	51.8	1.0
Nonfarm.....	1,052.6	1,051.2	1,046.1	-5.1
Rental income of persons with CCAAdj.....	143.7	222.0	231.6	9.6
Corporate profits with IVA and CCAAdj.....	1,510.6	1,262.8	1,248.4	-14.4
Net interest and miscellaneous payments.....	731.6	812.8	870.1	57.3
Taxes on production and imports.....	1,027.2	1,045.1	1,038.6	-6.5
Less: Subsidies.....	54.6	52.8	52.9	0.1
Business current transfer payments (net).....	103.3	121.7	123.0	1.3
Current surplus of government enterprises.....	-11.8	-16.7	-16.0	0.7
Plus: Consumption of fixed capital.....	1,767.5	1,849.2	1,854.1	4.9
Plus: Statistical discrepancy ¹	-12.0	136.6	-2.4	-139.0
Equals: Gross national product	14,151.9	14,543.6	14,460.7	-82.9
Less: Income receipts from the rest of the world.....	871.0	839.2	856.1	16.9
Plus: Income payments to the rest of the world.....	747.7	664.7	686.9	22.2
Equals: Gross domestic product	14,028.7	14,369.1	14,291.5	-77.6
Addendum:				
Gross domestic income.....	14,040.7	14,232.5	14,294.0	61.5
	2008	2009		
		Previously published	Revised	Revision
National income	12,609.1	12,225.0	12,147.6	-77.4
Compensation of employees.....	8,068.3	7,811.7	7,806.4	-5.3
Wage and salary accruals.....	6,545.9	6,279.1	6,275.3	-3.8
Supplements to wages and salaries.....	1,522.5	1,532.6	1,531.1	-1.5
Proprietors' income with IVA and CCAAdj.....	1,097.9	1,011.9	941.2	-70.7
Farm.....	51.8	30.5	39.2	8.7
Nonfarm.....	1,046.1	981.5	902.0	-79.5
Rental income of persons with CCAAdj.....	231.6	274.0	305.9	31.9
Corporate profits with IVA and CCAAdj.....	1,248.4	1,258.0	1,362.0	104.0
Net interest and miscellaneous payments.....	870.1	784.3	656.7	-127.6
Taxes on production and imports.....	1,038.6	1,024.7	1,017.9	-6.8
Less: Subsidies.....	52.9	60.3	59.7	-0.6
Business current transfer payments (net).....	123.0	134.0	132.0	-2.0
Current surplus of government enterprises.....	-16.0	-13.2	-14.9	-1.7
Plus: Consumption of fixed capital.....	1,854.1	1,861.1	1,866.2	5.1
Plus: Statistical discrepancy ¹	-2.4	179.1	77.4	-101.7
Equals: Gross national product	14,460.7	14,265.3	14,091.2	-174.1
Less: Income receipts from the rest of the world.....	856.1	629.8	639.8	10.0
Plus: Income payments to the rest of the world.....	686.9	483.6	487.5	3.9
Equals: Gross domestic product	14,291.5	14,119.0	13,939.0	-180.0
Addendum:				
Gross domestic income.....	14,294.0	13,939.9	13,861.5	-78.4
	2009	2010		
		Previously published	Revised	Revision
National income	12,147.6	12,821.6	12,840.1	18.5
Compensation of employees.....	7,806.4	7,984.5	7,971.4	-13.1
Wage and salary accruals.....	6,275.3	6,398.9	6,408.2	9.3
Supplements to wages and salaries.....	1,531.1	1,585.6	1,563.1	-22.5
Proprietors' income with IVA and CCAAdj.....	941.2	1,055.0	1,036.4	-18.6
Farm.....	39.2	44.9	52.2	7.3
Nonfarm.....	902.0	1,010.1	984.2	-25.9
Rental income of persons with CCAAdj.....	305.9	300.9	350.2	49.3
Corporate profits with IVA and CCAAdj.....	1,362.0	1,624.8	1,800.1	175.3
Net interest and miscellaneous payments.....	656.7	738.1	564.3	-173.8
Taxes on production and imports.....	1,017.9	1,058.5	1,054.0	-4.5
Less: Subsidies.....	59.7	59.0	57.3	-1.7
Business current transfer payments (net).....	132.0	132.1	136.7	4.6
Current surplus of government enterprises.....	-14.9	-13.3	-15.7	-2.4
Plus: Consumption of fixed capital.....	1,866.2	1,868.9	1,874.9	6.0
Plus: Statistical discrepancy ¹	77.4	158.2	0.8	-157.4
Equals: Gross national product	14,091.2	14,848.7	14,715.9	-132.8
Less: Income receipts from the rest of the world.....	639.8	706.2	702.9	-3.3
Plus: Income payments to the rest of the world.....	487.5	517.9	513.5	-4.4
Equals: Gross domestic product	13,939.0	14,660.4	14,526.5	-133.9
Addendum:				
Gross domestic income.....	13,861.5	14,502.2	14,525.7	23.5

1. See the box "The Statistical Discrepancy" in Robert P. Parker and Eugene P. Seskin, "Annual Revision of the National Income and Product Accounts," SURVEY 77 (August 1997): 19.
 CCAAdj Capital consumption adjustment
 IVA Inventory valuation adjustment

For the most recent 3 years, national income was revised up \$51.3 billion for 2008, was revised down \$77.4 billion for 2009, and was revised up \$18.5 billion for 2010. Gross domestic income (GDI) was revised up \$61.5 billion for 2008, was revised down \$78.4 billion for 2009, and was revised up \$23.5 billion for 2010.

- For 2008, the revision to national income reflected upward revisions to net interest and miscellaneous payments, to supplements to wages and salaries, and to rental income of persons with capital consumption adjustment (CCAAdj).
- The upward revisions were partly offset by downward revisions to corporate profits with inventory valuation adjustment (IVA) and CCAAdj and to wage and salary accruals.
- The statistical discrepancy, the difference between GDI and GDP, was revised from 1.0 percent of GDP to less than 0.1 percent of GDP for 2008.
- For 2009, the revision to national income reflected large downward revisions to net interest and miscellaneous payments and to nonfarm proprietors' income.
- The downward revisions were partly offset by a large upward revision to corporate profits with IVA and CCAAdj and an upward revision to rental income of persons with CCAAdj.
- The statistical discrepancy was revised from 1.3 percent of GDP to 0.6 percent of GDP for 2009.
- For 2010, the revision to national income reflected large upward revisions to corporate profits with IVA and CCAAdj and to rental income of persons with CCAAdj.
- The upward revisions were partly offset by a large downward revision to net interest and miscellaneous payments and smaller downward revisions to nonfarm proprietors' income with IVA and CCAAdj and to supplements to wages and salaries.
- The statistical discrepancy was revised from 1.1 percent of GDP to less than 0.1 percent of GDP for 2010.

Discontinuities in NIPA Foreign Transactions

The revisions to net exports of goods and services reflect the annual revision of BEA's international transactions accounts (ITAs), which incorporated new and updated source data.¹

For most components, the revisions to the ITAs for 2008–2010 were incorporated into the NIPAs at their “best level.” However, revised ITA estimates for petroleum imports were incorporated into the NIPAs beginning with 2007 (see “Seasonal adjustment of petroleum

imports” on page 27).² As a result, there are small discontinuities between the NIPA estimates for 2007 and those for 2008 (table 10) and somewhat larger discontinuities within these categories for the estimates of goods and services due to reclassifications (see “Foreign transactions” on pages 26 and 27).

For current-dollar net exports of goods and services (and for current-dollar GDP), the change from 2007 to 2008 was overstated by \$4.5 billion.

1. See Mai-Chi Hoang and Erin M. Whitaker, “Annual Revision of the U.S. International Transactions Accounts,” SURVEY 91 (July 2011): 47–61.

2. The revisions to the remaining ITA components for years before 2008 will be incorporated in a future NIPA revision.

Table 10. Discontinuities in NIPA Foreign Transactions, 2007–2008

[Billions of dollars]

	2007			2008	Change from 2007 to 2008	
	Published	Discontinuity ¹	Adjusted	Revised	Published	Adjusted
Net exports of goods and services	-713.1	4.5	-708.6	-709.7	3.4	-1.1
Exports.....	1,661.7	5.9	1,667.6	1,846.8	185.1	179.2
Goods.....	1,162.0	3.6	1,165.6	1,297.5	135.5	131.9
Services.....	499.7	2.3	502.0	549.3	49.6	47.3
Imports.....	2,374.8	1.4	2,376.2	2,556.5	181.7	180.3
Goods.....	2,000.7	0.2	2,000.9	2,146.3	145.6	145.4
Services.....	374.0	1.2	375.2	410.1	36.1	34.9
Net receipts of income	123.3	1.9	125.2	169.2	45.9	44.0
Income receipts.....	871.0	4.0	875.0	856.1	-14.9	-18.9
Wage and salary receipts.....	3.0	2.1	5.1	5.2	2.2	0.1
Income receipts on assets.....	868.0	1.9	869.9	850.9	-17.1	-19.0
Interest.....	357.4	1.8	359.2	269.0	-88.4	-90.2
Dividends.....	249.0	0.0	249.0	316.4	67.4	67.4
Reinvested earnings of U.S. direct investment abroad.....	261.6	0.0	261.6	265.5	3.9	3.9
Income payments.....	747.7	2.1	749.8	686.9	-60.8	-62.9
Wage and salary payments.....	10.1	4.7	14.8	15.9	5.8	1.1
Income payments on assets.....	737.6	-2.6	735.0	671.0	-66.6	-64.0
Interest.....	577.9	0.1	578.0	495.7	-82.2	-82.3
Dividends.....	104.2	4.3	108.5	135.9	31.7	27.4
Reinvested earnings of foreign direct investment in the United States.....	55.5	-7.0	48.5	39.4	-16.1	-9.1
Current taxes and transfer payments to the rest of the world (net)	126.2	-0.5	125.7	138.4	12.2	12.7
Addenda:						
Gross domestic product.....	14,028.7	4.5	14,033.2	14,291.5	262.8	258.3
Gross national product.....	14,151.9	6.4	14,158.3	14,460.7	308.8	302.4

1. Equals the revisions to the U.S. international transactions accounts that have not been carried back in the NIPAs at this time.

Source Data and Data Availability

Source Data Incorporated in the 2011 Annual Revision

In this annual revision, PCE is revised back to 2003 to incorporate source data from the 2007 Economic Census (specifically, data on merchandise lines) and data from the Census Bureau annual and monthly retail trade and food services surveys and from the Census Bureau service annual survey that were benchmarked to the 2007 Economic Census.

In addition, the annual revision incorporated data from the following major federal statistical sources: Census Bureau annual surveys of manufactures for 2008 (revised) and 2009 (preliminary); Census Bureau annual surveys of merchant wholesale trade and of retail trade for 2008 (revised) and for 2009 (preliminary); Census Bureau revised monthly indicators of manufactures, of merchant wholesale trade, and of retail trade for 2008–2010; Census Bureau service annual surveys for 2008 (revised), 2009 (revised), and 2010 (preliminary); annual

surveys of state and local government finances for fiscal years 2007 (revised), 2008 (revised), and 2009 (preliminary); Census Bureau monthly survey of construction spending (value put in place) for 2009 and 2010 (revised); Census Bureau quarterly services survey for 2008–2010 (revised); Census Bureau current population survey/housing vacancy survey for 2010; federal government budget data for fiscal years 2010 and 2011; Internal Revenue Service tabulations of tax returns for corporations for 2008 (revised) and 2009 (preliminary) and for sole proprietorships and partnerships for 2009; Bureau of Labor Statistics (BLS) quarterly census of employment and wages for 2008–2010 (revised); BLS occupational employment survey data for 2010; Department of Agriculture farm statistics for 2008–2010 (revised); and BEA's international transactions accounts for 2008–2010 (revised).

Data Availability

An extensive set of estimates is presented in “National Income and Product Accounts” in this issue. These estimates and annual estimates for 1929 forward and quarterly estimates for 1947 forward are available on BEA's Web site at www.bea.gov.

Selected revised NIPA estimates and related estimates will be published in upcoming issues of the SURVEY. The September SURVEY will present the following NIPA tables: tables 3.15–3.17 (government spending by function) and table 7.15 (which shows the relationship between net farm income in the NIPAs and net farm income from the USDA). It will also present new estimates of fixed assets and consumer durable goods beginning with 2000.¹

The October SURVEY will present the following NIPA tables: table 3.18 (reconciliation of NIPA federal government estimates with federal budget data), tables 3.20 and 3.21 (state government and local government current

receipts and expenditures), and tables 3.22 and 3.23 (federal government and state and local government current receipts and expenditures seasonally unadjusted estimates). It will also present real inventories, sales, and inventory-sales ratios for manufacturing and trade for the fourth quarter of 2007 through the second quarter of 2011. In addition, revised estimates of state personal income that incorporate the results of this annual revision of the NIPAs will be presented.

The November SURVEY will feature the “Updated Summary of NIPA Methodologies,” which lists the principal source data and estimating methods that are used in preparing the current-dollar and real estimates of GDP. In addition, NIPA table 2.9 (personal income by households and by nonprofit institutions serving households) and table 7.20 (nonprofits reconciliation table) will be presented.

NIPA table 3.19 (reconciliation of NIPA state and local government estimates with Census Bureau data) will be presented in the SURVEY soon after the data become available.

1. BEA's Web site will present revisions to the fixed assets accounts, beginning with 1901 for investment and 1925 for stocks and depreciation.

Changes in Methodology and Presentation

As part of the annual revision of the NIPAs, a number of changes in methodology and presentation have been incorporated.¹

Personal consumption expenditures (PCE). Beginning with the first quarter of 2003, the estimates of PCE reflect the incorporation of (1) data from the Census Bureau annual and monthly retail trade and food services surveys and from the service annual survey that have been benchmarked to the 2007 Economic Census and (2) economic census data for merchandise lines back to 2003.

Most of the estimates of PCE for goods use a retail control methodology, in which merchandise-line (or product-line) sales at various types of retail businesses are used to weight retail sales. These merchandise-line sales are based on data from the quinquennial economic census. In general, product-based data on consumer spending are not available between censuses, and estimates for detailed PCE categories are prepared by extrapolating retail sales by kind of business using the merchandise-line data from the most recent economic census. Merchandise-line data from the 2007 Economic Census became available at the end of 2010. To more accurately reflect consumer spending patterns, BEA has incorporated these data in this flexible annual revision rather than waiting until the next comprehensive revision of the NIPAs, which is scheduled for 2013.

Similarly, the data from the annual retail trade survey and the service annual survey were benchmarked to the 2007 Economic Census this spring, and BEA has also incorporated these benchmarked surveys in this flexible annual revision. In addition, BEA has updated the “retail control group”—the PCE categories to which the control total (total retail sales) must sum. Food services industries have been removed from the control group to reflect the reclassification of food service categories from goods to services during the 2009 comprehensive revision.² For goods bought at grocery stores and various types of electronic stores, categories are better aligned with the retail point-of-sale scanner data now used to annually update merchandise-line allocations. Together, the incorporation of the recently released data and the updated control

group will improve the accuracy of the PCE estimates and will reduce future revisions.

PCE insurance estimates. As part of the 2003 comprehensive NIPA revision, the methodology for estimating property and casualty insurance services was changed.³ The estimates of net property and casualty insurance services are computed as total premiums minus expected losses, where total premiums consist of direct premium payments and net investment income on funds attributed to policyholders; expected losses are estimated using the framework of adaptive expectations. The difference between the expected losses and the actual losses is the net settlements of insurance services, which is recorded in the national accounts as transfer payments between business (insurers) and consumers (policyholders).

As part of this annual revision, for various types of property and casualty insurance services, beginning with the estimates for 2008, a consistent single-deflation method is used to deflate both total premiums and expected losses, based on corresponding producer price indexes (PPIs).

Previously, the estimates of net premiums and losses for some insurance services, such as private automobile insurance, were deflated using a single deflator based on consumer price indexes (CPIs), while the estimates of other insurance services, such as household insurance, were deflated using a double-deflation method with separate CPIs to deflate premiums and losses. The PPIs are more suitable for deflating insurance services than the CPIs because PPIs track changes in the total revenue received by insurers—both the total direct premiums and the investment income received by insurers.

For medical care and hospitalization insurance services, beginning with the estimates for 2003, timely and comprehensive source data from A.M. Best are incorporated to improve the annual estimates. These insurance services are estimated as premiums less benefits (or claims). First, A.M. Best data on annual premiums and benefits for private health insurance and for Medicare Advantage Plans and Medicaid Managed Care programs are used to derive an annual benefits-to-premiums ratio. Second, *total* annual premiums are estimated using data from the Medical Expenditures Panel Survey (MEPS)

1. These changes update the information in the two tables that were published in “Updated Summary NIPA Methodologies” in the November 2010 SURVEY; these tables will be updated in the November 2011 SURVEY.

2. The current estimate of PCE for purchased meals and beverages continues to be extrapolated by sales at food services and drinking places from the Census Bureau’s monthly retail trade survey.

3. See Baoline Chen and Dennis J. Fixler, “Measuring the Services of Property-Casualty Insurance in the NIPAs: Changes in Concepts and Methods,” SURVEY 83 (October): 10–26.

Changes in Methodology and Presentation

and from the Office of Personnel Management (OPM) on federal employees' health insurance, and these data are supplemented by the A.M Best premiums data for Medicare Advantage Plans and Medicaid Managed Care Programs.⁴ Third, total annual insurance benefits are derived by applying the benefits-to-premiums ratio to the total premiums estimate.

Previously, medical care and hospitalization insurance benefits were derived using a benefits-to-premiums ratio that was based on benefits and premiums data from the Census Bureau's economic census. This ratio was held constant between census years, and the annual insurance estimates were derived by applying the ratio to annual premiums data from the MEPS and OPM, which did not cover premiums earned by private insurance carriers for Medicare Advantage Plans or for Medicaid Managed Care Programs.

Current quarterly and monthly estimates of medical care and hospitalization insurance benefits continue to be judgmental extrapolations and interpolations of the annual estimates.

Expanded use of QSS data. As part of the 2005 annual revision, BEA began incorporating data from the Census Bureau's quarterly services survey (QSS) into its estimates. Since then, the Census Bureau has expanded the coverage of the survey. Beginning with estimates for the first quarter of 2011, BEA is incorporating newly available QSS data on "other financial investment activities" into the quarterly estimates of PCE for portfolio management and investment advice services. Previously, the monthly and quarterly PCE estimates were extrapolated using 3-month moving averages of total weekly earnings data from BLS for the portfolio management and investment advice industries. About 40 percent of the quarterly estimates of PCE for services is now based on the QSS data.⁵ As the Census Bureau expands the QSS to cover more industries, BEA will continue to incorporate the newly available quarterly data in order to continue to improve the estimates of PCE for services.

Communication equipment prices. In the 2010 annual revision, BEA adopted three quality-adjusted price indexes from the Federal Reserve Board's (FRB) indus-

trial production index program to deflate business purchases of several types of communication equipment.⁶ (A fourth index was already being used to deflate data networking equipment.) The FRB indexes account for changes in product quality better than the previously used price indexes, which were based on PPIs and international price indexes. As part of this year's annual revision, beginning with the estimates for the first quarter of 2003, FRB price indexes having more comprehensive product coverage are used to deflate these communication equipment estimates. However, because the FRB indexes are not available for the current quarterly estimates, the PPI for host computers will continue to be used as an indicator to extrapolate the price indexes for these types of equipment. For consistency, the adoption of the improved FRB price indexes (including the index for data networking equipment) has been carried back to the first quarter of 2003 for the deflation of exports and imports of communication equipment—the lowest deflation-level detail and a component of "other" capital goods.

Foreign transactions. BEA's international transactions accounts (ITAs) are the primary source data for foreign transactions in the NIPAs. As part of this year's annual revision of the ITAs, several types of foreign transactions were reclassified, and other important changes were made as part of a multiyear effort to modernize and enhance the accounts and to align them with updated guidelines for international economic accounts.⁷ Several of these changes affect NIPA foreign transactions and are incorporated, beginning with the estimates for 2008:

- Reclassification of cruise fares in exports and imports of services from passenger fares to travel,
- Reclassification of postal services in exports and imports of services from U.S. government miscellaneous services, a subcomponent of "other" services, to "other" transportation services,
- Reclassification of fees for the rights to distribute film and television recordings from "other" private services to royalties and license fees,
- Exclusion of expenditures of foreign nationals working at international organizations in the United States from

4. The MEPS is conducted by the Census Bureau for the Department of Health and Human Services and provides national and state estimates of premiums for employer-sponsored health insurance coverage for private- and public-sector employers.

5. For a detailed list of the PCE components that are estimated using the QSS, see [FAQ 315](#) on BEA's Web site.

6. See Eugene P. Seskin and Shelly Smith, "Annual Revision of the National Income and Product Accounts," *SURVEY 90* (August 2010): 23.

7. For further details on these changes, see Hoang and Whitaker.

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“other” private services and inclusion of their compensation in compensation of employees, and

- Change in the recording of U.S. government income on holdings and allocations of special drawing rights from a net basis to a gross basis.

Seasonal adjustment of petroleum imports. As part of the 2009 comprehensive revision, BEA began seasonally adjusting petroleum import prices and began deriving seasonally adjusted real petroleum imports by deflation because oil prices exhibited a seasonal pattern: prices for the second and third quarters tended to be higher than the prices for the first and fourth quarters.⁸ However, more recent analysis has shown that the extreme volatility in petroleum prices, particularly during 2007–2009, substantially affected the estimated seasonal factors for recent periods. To improve the seasonal adjustment, beginning with the first quarter of 2007, the estimates of real petroleum imports are derived by directly seasonally adjusting the quantity data for imported petroleum from BEA’s ITAs at the detailed end-use level (crude oil, fuel oil, other petroleum products, and liquefied petroleum gases). Both the chained-dollar values of petroleum imports at the detailed end-use level, which are derived by direct valuation, and the corresponding current-dollar estimates are also revised, beginning with the estimates for the first quarter of 2007; all the other revisions associated with the ITAs are incorporated on a “best-level” basis beginning with the estimates for the first quarter of 2008.⁹ (See “Discontinuities in NIPA Foreign Transactions” on page 23.)

State and local government investment in motor vehicles. Beginning with 2008, the annual and current quarterly estimates of state and local government expenditures on motor vehicles, which account for about 30 percent of state and local government investment in equipment, reflect motor vehicle registration data from a trade source and average purchase price information developed at BEA. Previously, the annual estimates were derived from Census Bureau government finances data that are available with a 2-year lag. Specifically, annual motor vehicle investment was estimated as a proportion of total equipment expenditures from the government fi-

nances data based on information from BEA’s input-output accounts. Current quarterly estimates were based on a judgmental trend of the annual estimates.

Rental income of persons. Beginning with 2008, the estimates of rental income of persons reflect an improved methodology for calculating the effective rate of interest on mortgage debt outstanding, which is used to derive the estimates of mortgage interest paid—the largest expense deducted in the calculation of rental income. The new method is based on up-to-date monthly mortgage servicing data on detailed loan characteristics, including loan type, loan performance, current interest rate, and unpaid balance. Previously, the effective rate of interest was based on a perpetual inventory of mortgage loans with interest payments by mortgage type calculated on the debt outstanding for each quarter’s (past and current) loan originations. This reliance on aggregate loan information required a number of assumptions in the calculation of the effective rate of interest. The use of the newly incorporated loan-specific information provides a more accurate picture of loan performance in the mortgage market and will improve the estimates of mortgage interest paid.

This change in the methodology for deriving mortgage interest paid is also reflected in the revised annual and quarterly estimates of net interest and personal interest income and the extrapolation of the current monthly and quarterly estimates of these components.

Presentation of government social benefits. In tables 2.1 and 2.6, which show personal income and its components, a new, consistent presentation of government social benefits focuses on the largest and most significant programs: social security, Medicare, Medicaid, unemployment insurance, veterans benefits, and “other” benefits. Previously, social security and Medicare were shown as “old-age, survivors, disability, and health insurance benefits,” and Medicaid was part of “other” benefits. In addition, for consistency, unemployment compensation for ex-service members is now classified as unemployment insurance benefits in these tables. Previously, in these tables, it was included as veterans benefits, but in table 3.12 (government social benefits), it was included as unemployment insurance of federal employees. In addition, in table 3.12 “old-age, survivors, and disability insurance” is now shown as “social security,” and “hospital and supplementary medical insurance” is now shown as “Medicare.”

8. See Clinton P. McCully and Steven Payson, “Preview of the 2009 Comprehensive Revision of the NIPAs: Statistical Changes,” SURVEY 89 (May 2009): 11 and the box “Seasonal Adjustment and the Price Index for Imports of Petroleum,” SURVEY 90 (November 2010): 6–7.

9. See “Concepts and Methods of the U.S. National Income and Product Accounts” 4–13.

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Appendix A

Revisions to the National Income and Product Accounts—Continues

[Billions of dollars]

	2008		2009		2010	
	Revised	Revision	Revised	Revision	Revised	Revision
Account 1. Domestic Income and Product Account						
Compensation of employees, paid	8,079.1	11.0	7,815.4	-4.1	7,980.6	-12.3
Wage and salary accruals	6,556.6	-4.8	6,284.4	-2.5	6,417.5	10.3
Disbursements	6,561.6	-4.8	6,279.4	-2.5	6,417.5	10.3
Wage accruals less disbursements	-5.0	0.0	5.0	0.0	0.0	0.0
Supplements to wages and salaries	1,522.5	15.7	1,531.1	-1.5	1,563.1	-22.5
Taxes on production and imports	1,038.6	-6.5	1,017.9	-6.8	1,054.0	-4.5
Less: Subsidies	52.9	0.1	59.7	-0.6	57.3	-1.7
Net operating surplus	3,375.1	52.3	3,221.7	-73.2	3,673.5	32.5
Private enterprises	3,391.1	51.6	3,236.6	-71.5	3,689.2	34.9
Current surplus of government enterprises	-16.0	0.7	-14.9	-1.7	-15.7	-2.4
Consumption of fixed capital	1,854.1	4.9	1,866.2	5.1	1,874.9	6.0
Gross domestic income	14,294.0	61.5	13,861.5	-78.4	14,525.7	23.5
Statistical discrepancy	-2.4	-139.0	77.4	-101.7	0.8	-157.4
GROSS DOMESTIC PRODUCT	14,291.5	-77.6	13,939.0	-180.0	14,526.5	-133.9
Personal consumption expenditures	10,035.5	-69.0	9,866.1	-135.2	10,245.5	-103.6
Goods	3,381.7	2.2	3,197.5	-33.2	3,387.0	-38.7
Durable goods	1,108.9	25.4	1,029.6	3.1	1,085.5	-3.9
Nondurable goods	2,272.8	-23.2	2,167.8	-36.4	2,301.5	-34.8
Services	6,653.8	-71.2	6,668.7	-101.9	6,858.5	-64.9
Gross private domestic investment	2,087.6	-9.1	1,546.8	-42.4	1,795.1	-32.4
Fixed investment	2,128.7	-9.1	1,707.6	-8.8	1,728.2	-27.6
Nonresidential	1,656.3	-9.0	1,353.0	-11.4	1,390.1	-25.2
Structures	586.3	3.9	449.9	-1.7	374.4	-9.1
Equipment and software	1,070.0	-12.9	903.0	-9.8	1,015.7	-16.1
Residential	472.4	-0.1	354.7	2.6	338.1	-2.4
Change in private inventories	-41.1	0.0	-160.8	-33.6	66.9	-4.8
Net exports of goods and services	-709.7	0.7	-391.5	-5.1	-516.9	-0.5
Exports	1,846.8	3.4	1,583.0	4.6	1,839.8	2.3
Imports	2,556.5	2.7	1,974.6	9.9	2,356.7	2.8
Government consumption expenditures and gross investment	2,878.1	-0.2	2,917.5	2.6	3,002.8	2.6
Federal	1,080.1	0.2	1,142.7	3.1	1,222.8	8.5
National defense	737.8	0.5	774.9	3.3	819.2	1.5
Nondefense	342.3	-0.2	367.8	-0.2	403.6	7.0
State and local	1,798.0	-0.5	1,774.8	-0.5	1,780.0	-6.0
GROSS DOMESTIC PRODUCT	14,291.5	-77.6	13,939.0	-180.0	14,526.5	-133.9
Account 2. Private Enterprise Income Account						
Income payments on assets	3,703.4	33.2	2,711.3	-289.1	2,366.5	.....
Interest and miscellaneous payments	3,528.1	18.4	2,581.3	-290.8	2,178.8	.....
Dividend payments to the rest of the world	135.9	22.7	116.3	16.8	93.8	6.7
Reinvested earnings on foreign direct investment in the United States	39.4	-7.9	13.7	-15.1	93.9	-3.7
Business current transfer payments (net)	123.0	1.3	132.0	-2.0	136.7	4.6
To persons (net)	36.8	0.1	38.2	2.2	38.3	0.9
To government (net)	79.0	-2.7	96.1	-2.4	99.0	4.2
To the rest of the world (net)	7.2	3.9	-2.3	-1.7	-0.6	-0.5
Proprietors' income with inventory valuation and capital consumption adjustments	1,097.9	-4.1	941.2	-70.7	1,036.4	-18.6
Rental income of persons with capital consumption adjustment	231.6	9.6	305.9	31.9	350.2	49.3
Corporate profits with inventory valuation and capital consumption adjustments	1,248.4	-14.4	1,362.0	104.0	1,800.1	175.3
Taxes on corporate income	309.0	0.6	272.4	17.5	411.1	-5.5
To government	281.0	0.8	249.1	17.7	387.4	-4.4
To the rest of the world	28.0	-0.2	23.3	-0.1	23.6	-1.1
Profits after tax with inventory valuation and capital consumption adjustments	939.4	-15.0	1,089.6	86.5	1,389.1	180.9
Net dividends	786.9	-10.8	620.0	-98.9	737.3	4.6
Undistributed corporate profits with inventory valuation and capital consumption adjustments	152.5	-4.2	469.6	185.4	651.7	176.2
USES OF PRIVATE ENTERPRISE INCOME	6,404.3	25.6	5,452.5	-225.9	5,690.0	.....
Net operating surplus, private enterprises	3,391.1	51.6	3,236.6	-71.5	3,689.2	34.9
Income receipts on assets	3,013.2	-26.0	2,215.9	-154.3	2,000.8	.....
Interest	2,431.3	-36.1	1,725.5	-164.1	1,431.2	.....
Dividend receipts from the rest of the world	316.4	17.1	219.9	13.1	215.9	12.7
Reinvested earnings on U.S. direct investment abroad	265.5	-6.9	270.5	-3.3	353.8	-11.6
SOURCES OF PRIVATE ENTERPRISE INCOME	6,404.3	25.6	5,452.5	-225.9	5,690.0	.....
Account 3. Personal Income and Outlay Account						
Personal current taxes	1,435.7	-2.5	1,141.4	1.4	1,193.9	27.6
Personal outlays	10,432.2	-72.8	10,236.3	-143.3	10,586.9	-133.8
Personal consumption expenditures	10,035.5	-69.0	9,866.1	-135.2	10,245.5	-103.6
Personal interest payments	245.6	-0.6	213.7	-3.1	173.4	-25.5
Personal current transfer payments	151.0	-3.3	156.5	-4.9	168.0	-4.7
To government	84.9	-4.8	89.1	-5.9	95.1	-5.7
To the rest of the world (net)	66.2	1.6	67.4	0.9	72.9	1.0
Personal saving	592.3	144.4	552.6	-102.7	592.8	-61.1
PERSONAL TAXES, OUTLAYS, AND SAVING	12,460.2	69.1	11,930.2	-244.7	12,373.5	-167.5
Compensation of employees, received	8,073.3	7.5	7,801.4	-5.3	7,971.4	-13.1
Wage and salary disbursements	6,550.9	-8.1	6,270.3	-3.8	6,408.2	9.3
Domestic	6,545.7	-10.3	6,265.1	-6.1	6,403.0	7.2
Rest of the world	5.2	2.2	5.2	2.3	5.3	2.2
Supplements to wages and salaries	1,522.5	15.7	1,531.1	-1.5	1,563.1	-22.5
Employer contributions for employee pension and insurance funds	1,052.4	15.8	1,073.1	1.1	1,089.9	-16.9
Employer contributions for government social insurance	470.1	0.0	458.0	-2.6	473.2	-5.6
Proprietors' income with inventory valuation and capital consumption adjustments	1,097.9	-4.1	941.2	-70.7	1,036.4	-18.6
Rental income of persons with capital consumption adjustment	231.6	9.6	305.9	31.9	350.2	49.3
Personal income receipts on assets	2,165.4	56.1	1,707.7	-212.0	1,721.2	-186.4
Personal interest income	1,382.0	67.3	1,108.9	-113.4	1,003.4	-191.5
Personal dividend income	763.4	-11.2	598.8	-98.6	717.7	5.0
Personal current transfer receipts	1,879.2	0.0	2,138.1	5.3	2,281.2	-15.2
Government social benefits	1,842.4	-0.2	2,099.9	3.1	2,242.9	-16.1
From business (net)	36.8	0.1	38.2	2.2	38.3	0.9
Less: Contributions for government social insurance, domestic	987.3	0.1	964.1	-6.2	986.8	-16.7
PERSONAL INCOME	12,460.2	69.1	11,930.2	-244.7	12,373.5	-167.5

Appendix A

Revisions to the National Income and Product Accounts—Table Ends

[Billions of dollars]

	2008		2009		2010	
	Revised	Revision	Revised	Revision	Revised	Revision
Account 4. Government Receipts and Expenditures Account						
Consumption expenditures.....	2,381.0	-1.8	2,412.2	0.7	2,497.5	6.9
Current transfer payments.....	1,903.1	0.4	2,169.3	4.4	2,316.8	-16.5
Government social benefits.....	1,857.9	0.1	2,116.0	3.7	2,259.5	-15.7
To persons.....	1,842.4	-0.2	2,099.9	3.1	2,242.9	-16.1
To the rest of the world.....	15.5	0.3	16.1	0.6	16.6	0.4
Other current transfer payments to the rest of the world (net).....	45.3	0.5	53.3	0.6	57.3	-0.9
Interest payments.....	400.2	0.8	358.6	-3.4	390.2	-11.1
Subsidies.....	52.9	0.1	59.7	-0.6	57.3	-1.7
Less: Wage accruals less disbursements.....	0.0	0.0	0.0	0.0	0.0	0.0
Net government saving.....	-685.7	-22.1	-1,296.0	-24.1	-1,299.0	1.5
Federal.....	-613.5	2.7	-1,217.9	33.8	-1,273.7	59.8
State and local.....	-72.2	-24.8	-78.0	-57.9	-25.3	-58.2
GOVERNMENT CURRENT EXPENDITURES AND NET SAVING.....	4,051.6	-22.4	3,703.7	-23.2	3,962.8	-21.0
Current tax receipts.....	2,774.1	-6.2	2,423.0	13.7	2,648.7	19.4
Personal current taxes.....	1,435.7	-2.5	1,141.4	1.4	1,193.9	27.6
Taxes on production and imports.....	1,038.6	-6.5	1,017.9	-6.8	1,054.0	-4.5
Taxes on corporate income.....	281.0	0.8	249.1	17.7	387.4	-4.4
Taxes from the rest of the world.....	18.8	2.0	14.7	1.5	13.3	0.7
Contributions for government social insurance.....	992.1	0.0	969.0	-6.1	991.7	-17.0
Income receipts on assets.....	137.5	-9.4	141.4	-20.8	144.0	-19.4
Interest and miscellaneous receipts.....	134.0	-9.8	120.1	-20.7	124.4	-19.0
Dividends.....	3.5	0.4	21.3	-0.2	19.6	-0.4
Current transfer receipts.....	163.9	-7.5	185.2	-8.3	194.1	-1.5
From business (net).....	79.0	-2.7	96.1	-2.4	99.0	4.2
From persons.....	84.9	-4.8	89.1	-5.9	95.1	-5.7
Current surplus of government enterprises.....	-16.0	0.7	-14.9	-1.7	-15.7	-2.4
GOVERNMENT CURRENT RECEIPTS.....	4,051.6	-22.4	3,703.7	-23.2	3,962.8	-21.0
Account 5. Foreign Transactions Current Account						
Exports of goods and services.....	1,846.8	3.4	1,583.0	4.6	1,839.8	2.3
Income receipts from the rest of the world.....	856.1	16.9	639.8	10.0	702.9	-3.3
Wage and salary receipts.....	5.2	2.2	5.2	2.3	5.3	2.2
Income receipts on assets.....	850.9	14.7	634.6	7.7	697.6	-5.4
Interest.....	269.0	4.6	144.2	-2.1	127.9	-6.6
Dividends.....	316.4	17.1	219.9	13.1	215.9	12.7
Reinvested earnings on U.S. direct investment abroad.....	265.5	-6.9	270.5	-3.3	353.8	-11.6
CURRENT RECEIPTS FROM THE REST OF THE WORLD.....	2,702.9	20.3	2,222.8	14.6	2,542.7	-1.0
Imports of goods and services.....	2,556.5	2.7	1,974.6	9.9	2,356.7	2.8
Income payments to the rest of the world.....	686.9	22.2	487.5	3.9	513.5	-4.4
Wage and salary payments.....	15.9	5.5	14.2	3.4	14.5	3.0
Income payments on assets.....	671.0	16.7	473.3	0.5	499.0	-7.4
Interest.....	495.7	1.9	343.3	-1.2	311.3	-10.4
Dividends.....	135.9	22.7	116.3	16.8	93.8	6.7
Reinvested earnings on foreign direct investment in the United States.....	39.4	-7.9	13.7	-15.1	93.9	-3.7
Current taxes and transfer payments to the rest of the world (net).....	138.4	3.9	138.2	-1.3	151.6	-1.4
From persons (net).....	66.2	1.6	67.4	0.9	72.9	1.0
From government (net).....	37.1	-1.3	49.8	-0.4	55.7	-0.8
From business (net).....	35.2	3.7	21.0	-1.9	23.1	-1.5
Balance on current account, national income and product accounts.....	-679.0	-8.6	-377.4	2.3	-479.2	2.0
CURRENT PAYMENTS TO THE REST OF THE WORLD AND BALANCE ON CURRENT ACCOUNT.....	2,702.9	20.3	2,222.8	14.6	2,542.7	-1.0
Account 6. Domestic Capital Account						
Gross domestic investment.....	2,584.8	-7.4	2,052.2	-40.4	2,300.4	-36.7
Private fixed investment.....	2,128.7	-9.1	1,707.6	-8.8	1,728.2	-27.6
Government fixed investment.....	497.2	1.7	505.4	2.0	505.3	-4.3
Change in private inventories.....	-41.1	0.0	-160.8	-33.6	66.9	-4.8
Capital account transactions (net).....	-5.4	0.0	0.6	0.0	0.7	0.2
Transfer payments for catastrophic losses (net).....	6.2	0.0	0.0	0.0	0.0	0.0
Other capital account transactions.....	-11.6	0.0	0.6	0.0	0.7	0.2
Net lending or net borrowing (-), national income and product accounts.....	-673.6	-8.6	-378.0	2.3	-479.9	1.8
GROSS DOMESTIC INVESTMENT, CAPITAL ACCOUNT TRANSACTIONS (NET), AND NET LENDING.....	1,905.8	-16.0	1,674.8	-38.1	1,821.3	-34.7
Net saving.....	54.1	118.1	-268.8	58.6	-54.5	116.6
Personal saving.....	592.3	144.4	552.6	-102.7	592.8	-61.1
Undistributed corporate profits with inventory valuation and capital consumption adjustments.....	152.5	-4.2	469.6	185.4	651.7	176.2
Wage accruals less disbursements (private).....	-5.0	0.0	5.0	0.0	0.0	0.0
Net government saving.....	-685.7	-22.1	-1,296.0	-24.1	-1,299.0	1.5
Plus: Consumption of fixed capital.....	1,854.1	4.9	1,866.2	5.1	1,874.9	6.0
Private.....	1,542.9	6.0	1,542.4	6.6	1,540.9	6.9
Government.....	311.2	-1.1	323.7	-1.6	334.0	-0.9
General government.....	259.6	-1.1	270.5	-1.8	278.6	-2.2
Government enterprises.....	51.5	-0.1	53.2	0.2	55.4	1.3
Equals: Gross saving.....	1,908.2	123.0	1,597.3	63.5	1,820.5	122.7
Statistical discrepancy.....	-2.4	-139.0	77.4	-101.7	0.8	-157.4
GROSS SAVING AND STATISTICAL DISCREPANCY.....	1,905.8	-16.0	1,674.8	-38.1	1,821.3	-34.7
Account 7. Foreign Transactions Capital Account						
BALANCE ON CURRENT ACCOUNT, NATIONAL INCOME AND PRODUCT ACCOUNTS.....	-679.0	-8.6	-377.4	2.3	-479.2	2.0
Capital account transactions (net).....	-5.4	0.0	0.6	0.0	0.7	0.2
Transfer payments for catastrophic losses (net).....	6.2	0.0	0.0	0.0	0.0	0.0
Other capital account transactions.....	-11.6	0.0	0.6	0.0	0.7	0.2
Net lending or net borrowing (-), national income and product accounts.....	-673.6	-8.6	-378.0	2.3	-479.9	1.8
CAPITAL ACCOUNT TRANSACTIONS (NET) AND NET LENDING, NATIONAL INCOME AND PRODUCT ACCOUNTS.....	-679.0	-8.6	-377.4	2.3	-479.2	2.0