

S Corporation Returns, 1998

by Susan Wittman

Data for Tax Year 1998 show a continuation in the growth of S corporations that was affected by four legislative acts: the Tax Reform Act of 1986, the Revenue Reconciliation Act of 1990, the Revenue Reconciliation Act of 1993, and the Small Business Job Protection Act of 1996 [1]. The total number of S corporation filings grew by over 5.5 percent to nearly 2.6 million, up from nearly 2.5 million for Tax Year 1997. S corporations continue to be the single largest corporate entity type filing a Form 1120 series *U. S. Tax Return for a Corporation*, with over 53.4 percent of all corporations filing a Form 1120S (Figure A). The average annual growth since 1986, the year in which the first of four major tax reform acts affected S corporations, is 10.3 percent. Over the same period, all other corporations have experienced an average annual decline of 1.1 percent [2].

North American Industry Classification System

In 1993, the United States, Canada, and Mexico entered into a trade agreement known as the North American Free Trade Agreement (NAFTA), the goal of which was to eliminate trade barriers and trade tariffs within the continent for the three participants. The desired economic effect of this trade agreement was to reduce costs and thus improve economic efficiency. Each signatory had established government agencies that produced and tracked economic performance and had a system that classified economic data by some industry classification measure. These countries agreed that a consistent and common system was needed to properly measure economic performance and track the impact of NAFTA on each participating country.

The resulting system is known as the North American Industry Classification System (NAICS). This classification system has defined itself as “a comprehensive system covering the entire field of economic activities, producing and nonproducing [3].” The system allows for improved industry comparability among the three participating countries, and additionally is more compatible with the existing two-digit level of the International Standard Industrial Classifi-

cation (ISIC Rev.3) of the United Nations. The NAICS system is based on grouping together, in one industry, economic units that have similar production processes; i.e., the system is production-oriented.

The NAICS system has twenty sectors. Each industry within these sectors is grouped by its individual production criterion. While the structure of NAICS does not explicitly reflect a distinction of goods versus services, there are five mostly goods-producing sectors, and the remaining fifteen are service-producing sectors. The Internal Revenue Service and the Statistics of Income Division have based their industry classification systems largely on the NAICS system with some modifications. Statistics of Income publishes corporate data on four levels: division, sector, major, and minor code. Data presented in this article are generally shown by division, the highest level in the classification system, and then by sector, the secondary level. The ten divisions and their sectors are:

- raw materials and energy production, which includes agriculture, forestry, fishing, and hunting, mining, and utilities;
- goods production, which includes construction and manufacturing;
- distribution and transportation of goods, which includes wholesale trade, retail trade, and transportation and warehousing;
- information;
- finance, insurance, real estate, and rental and leasing;
- professional and business services, which includes professional, scientific, and technical services, management companies and enterprises, and administrative and support, and waste management and remediation services;
- education, health and social services, which includes education and health and social assistance;
- leisure, accommodation, and food service, which includes arts, entertainment, and recreation, and accommodation and food services;

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Figure A

Form 1120 Series Returns by Percentage of Filings, Tax Years 1986-1998



- other services;
- nature of business not allocable.

For information on lower-level groupings (major groups and minor industries), see Internal Revenue Service, *Statistics of Income--Corporation Source Book*, Publication 1053.

The prior industry classification system was known as the Standard Industrial Classification system, and was developed in the late 1930's by the United States. Over the course of the twentieth century, the American economy underwent a significant shift from a goods-producing economy to a service-producing one. As the economy shifted, new industries emerged. An industry classification system overhaul was needed to account for shifts in the economy. NAICS was designed to accommodate these shifts.

S corporation data for Tax Year 1998 are being classified and presented for the first time under this NAICS-based industry classification system. The new industry classifications allow for greater detail

and the presentation of recently emerged industries, such as in the Information division, which was not distinguished in prior years. At the same time, the new industry classifications do present a problem for longitudinal analysis by industry. Therefore, industry data presented cannot readily be compared to prior years, and such comparisons will not be attempted in this article as the foundations of the classification system have dramatically changed under this new system. For example, in Tax Year 1997, three industrial divisions (services; wholesale and retail trade; and finance, insurance, and real estate) accounted for nearly three-quarters of all S corporations. For Tax Year 1998, the top three industrial divisions (distribution and transportation of goods; professional and business services; and goods production) account for less than 59 percent of all S corporations.

SCorporationBasics

An S corporation is an incorporated entity that retains the main attributes of the traditional C corporation, such as limited liability, freely transferable ownership,

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and unlimited life span, but, in exchange for certain limitations, receives the benefits of a flow-through entity for income tax purposes. The election to be treated as an S corporation allows income and expenses to pass through the corporate structure to its shareholders, and any resulting tax liability is the responsibility of the shareholders. This benefit eliminates the double taxation on the corporation's net income or capital gains. This is unlike a taxable corporation which incurs a tax liability at the corporate level on its net income and capital gains, and then again, when profits are distributed to shareholders in the form of dividends, a second tax liability is incurred on those dividends. The elimination of double taxation can result in substantial tax savings for a corporation that is eligible to make a Subchapter S election. The tax benefits of an S election are valuable for profitable corporations as well as corporations that report net losses, as the losses flow through to the individual shareholders and can potentially offset net income from other sources.

To elect treatment under Subchapter S, an eligible corporation must meet all criteria for an election and file Form 2553, *Election by a Small Business Corporation*, with the IRS Submission Processing Center where the corporation files its Federal tax forms. All qualified shareholders of the corporation must consent to the election on Form 2553, and all eligibility requirements must be met prior to the election [4]. The criteria for Tax Year 1998 were that the corporation:

- be a domestic corporation (an unincorporated association, that is treated as a corporation under Code Section 7701, may elect treatment as an S corporation);
- have no more than 75 shareholders (a husband and wife (and their estates) are counted as one shareholder for this requirement);
- have only individuals, estates, certain trusts, and exempt organizations as shareholders [5];
- have no nonresident alien shareholders; and
- have only one class of stock.

Ineligible corporations were:

- affiliated group members eligible for inclusion on

a consolidated return;

- insurance companies subject to provisions of Subchapter L of the Internal Revenue Code;
- Interest-Charge Domestic International Sales Corporations (IC-DISC's) or former Domestic International Sales Corporations (DISC's);
- corporations eligible to elect the possessions tax credit; and
- banks or thrift institutions that use the reserve method of accounting for bad debts under Internal Revenue Code section 585.

Form 1120S, *U.S. Tax Return for an S Corporation*, must be filed before the 15th day of the 3rd month following the close of the tax year. The tax year for an S corporation generally must be a calendar year. While provisions exist for an exemption from the calendar year rule, for Tax Year 1998, over 90.0 percent of all S corporations filed a calendar year return [6].

Comparisons of Pass-Through Entities

Over the past few years, S corporations have been compared to other pass-through entity choices by tax professionals to determine which pass-through entity choice provides the most benefit. The focus of this debate has centered on the S corporation election or the limited liability company (LLC). The limited liability company is a hybrid entity combining partnership and corporate characteristics and has advantages over the S corporation election, as there is no limit on the number of owners, and it allows corporate or foreign ownership. Conversely, S corporations are limited to a maximum of 75 shareholders that must be individuals, estates, certain trusts, or exempt organizations but cannot have a nonresident alien shareholder. Additionally, an eligible corporation must be domestic and may have only one class of stock. Despite the advantages of the LLC entity classification, LLC's are generally subject to provisions under subchapter K of the Internal Revenue Code that govern partnerships. This subchapter of the Code is considered by many tax professionals to be complex. Subchapter S of the Internal Revenue Code, however, generally governs S corporations. The simplicity of subchapter S is

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considered by many to be an advantage for the small business owner who wants the liability protection of a corporation coupled with one level of tax, as a pass-through entity, without the cumbersome provisions of subchapter K. Shareholders of S corporations may also benefit from lower employment taxes. Wages they receive from the firm are subject to FICA taxes, but profits are generally not subject to self-employment taxes. Active members of unincorporated entities, like LLC's, can be liable for these taxes on their pass-through income, however.

Some tax professionals have speculated that, as a pass-through entity choice, S corporation elections will decline in popularity. This speculation is not supported by the data as S corporation return filings continued to increase for Tax Year 1998. More than 310.2 thousand corporations elected subchapter S status for the first time during Tax Year 1998, which includes over 241.2 thousand newly incorporated businesses electing subchapter S treatment out of a total population of nearly 2.6 million. The remaining 68.9 thousand corporations were added to the S corporation population as taxable corporations converted to S corporation status during Tax Year 1998. These statistics are comparable with those for Tax Year 1997 when nearly 2.5 million returns were filed, including 320.8 thousand corporations that elected subchapter S status for the first time in 1997. Of this group, nearly 227.4 thousand newly incorporated businesses elected S corporation status for the first time, and 93.4 thousand converted from taxable corporations to S corporation status. Overall, these statistics show continued increases in the number of businesses electing S corporation status, even though

there is a slight decline in the rate of growth from Tax Year 1997 compared with Tax Year 1998.

As further evidence of the continued popularity of S corporations as an entity choice, they now comprise 53.4 percent of all Form 1120 series returns filed for Tax Year 1998, up from 52.1 percent for Tax Year 1997. Thus, they continue to be the single most popular corporate entity choice of the Form 1120 series returns.

As previously reported in the *Statistics of Income Bulletin*, there were nearly 1.9 million partnership returns filed for Tax Year 1998 [7]. Included in this figure are 470.7 thousand limited liability company returns, which is an increase of more than 34.8 percent over Tax Year 1997. While the increase in filings of these returns continues, there is a decline in the rate of growth as shown in Figure B. The increase in the number of partnership filings is attributed to limited liability companies as well as limited partnerships. While these two entity choices have experienced increases, general partnerships have been on the decline [8]. These statistics do not include limited liability companies that have filed a Form 1120 or that file as a sole proprietorship a Form 1040 Schedule C.

The statistics on S corporation elections and partnership filings do not yet indicate a dramatic shift away from subchapter S elections to other pass-through entity choices.

Subsidiaries

Tax Year 1998 was the second year that S corporations were allowed to own 100 percent of the stock of an eligible S corporation and elect to treat the

Figure B

Limited Liability Companies Filing on Form 1065 and Form 1065B for Tax Years 1993-1998

[All figures are estimates based on samples]

Tax year	Total number of partnership returns	Total partnership percent change from prior year	Total number of limited liability companies	Total limited liability companies percent change from prior year	Percent of limited liability companies to total
	(1)	(2)	(3)	(4)	(5)
1993.....	1,467,567	--	17,335	--	1.2
1994.....	1,493,963	1.8	47,816	175.8	3.2
1995.....	1,580,900	5.8	118,559	147.9	7.5
1996.....	1,654,256	4.6	221,498	86.8	13.4
1997.....	1,758,627	6.3	349,054	57.6	19.8
1998.....	1,855,348	5.5	470,657	34.8	25.4

NOTE: Includes Limited Liability Companies filing on Form 1065, U.S. Partnership Return of Income and Form 1065B, U.S. Return of Income for Electing Large Partnerships.

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subsidiary owned as a “qualified subchapter S subsidiary” or QSUB [9]. Tax Year 1997 was the first year statistics were published on such data and just over 1,900 S corporations reported a QSUB election for eligible subsidiaries. These corporations also reported total assets of \$53.7 billion and total net income (less deficit) of \$2.5 billion. For Tax Year 1998, nearly 3,100 S corporations reported such an election, a 61.7-percent increase over the prior period. Total assets reported by these S corporations were \$109.3 billion, and total net income (less deficit) was \$5.6 billion for Tax Year 1998. Many of the S corporations that made an election to treat a subsidiary as a qualified subsidiary made the election for multiple subsidiaries owned. Figure C shows the number of S corporations reporting a QSUB election, total assets, and total net income (less deficit) by industrial division for Tax Year 1998.

Financial Data Highlights

Figure D displays total net income (less deficit) for each industrial sector. Total net income (less deficit) for S corporations includes net income (less deficit) from trade or business, real estate rental income (less deficit), net income (less deficit) from other rental activity, and portfolio income (less loss) distributed to shareholders [10].

Table 1 presents data for all S corporations and then groups the data by industry divisions and by

industry sectors. Total net income (less deficit) increased to \$181.8 billion for Tax Year 1998, an 18.8-percent increase over the \$153.1 billion reported for Tax Year 1997. Net income (less deficit) from a trade or business comprises the single largest component of total net income (less deficit). Despite the reported increase for this item, this component of total net income (less deficit) declined slightly as it accounted for 68.7 percent of total net income (less deficit), as compared to Tax Year 1997 when it accounted for 73.0 percent of total net income (less deficit). The slight decline as a percentage of total net income (less deficit) is due to an increase in portfolio income (less deficit). Portfolio income (less deficit) consists of dividend income, interest income, royalty income, net short-term capital gain (less loss), net long-term capital gain (less loss), and other portfolio income (less loss). These items increased by 39.9 percent for Tax Year 1998. The Taxpayer Relief Act of 1997 reduced the tax rates on net long-term capital gains, and the impact of those lower rates can be seen in the increases reported for net long-term capital gains (less loss) [11]. For Tax Year 1997, S corporations reported net long-term capital gain (less loss) totaling \$23.5 billion, an increase of 43.4 percent over the prior year. For Tax Year 1998, net long-term gain (less loss) was nearly \$38.0 billion, an increase of 61.5 percent over Tax Year 1997.

Figure C

S Corporation Filings with Qualified Subchapter S Subsidiaries, by Industrial Division, Tax Year 1998

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

Industrial division	Number of returns	Total assets	Total net income (less deficit)
	(1)	(2)	(3)
All industries.....	3,073	109,282,651	5,624,562
Raw materials and energy production.....	91	3,514,770	67,255
Goods production.....	528	24,893,864	2,005,525
Distribution and transportation of goods.....	821	13,591,363	851,969
Information.....	288	5,516,123	551,601
Finance, insurance, real estate, and rental and leasing.....	283	22,278,130	1,049,089
Professional and business services.....	823	36,860,754	846,695
Education, health, and social assistance.....	25	385,110	8,489
Leisure, accommodation, and food services.....	163	1,934,455	243,939
Other services.....	*51	*308,082	*15,504

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

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

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Figure D

S Corporations: Total Net Income (Less Deficit), by Industrial Sector, Tax Year 1998

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

Item	All Industries	Agriculture, forestry, fishing, and hunting	Mining	Utilities	Construction	Manufacturing
	(1)	(2)	(3)	(4)	(5)	(6)
Total net income (less deficit).....	181,788,303	1,034,457	2,416,272	513,875	21,257,116	35,567,911
Net income (less deficit) from a trade or business.....	124,859,425	297,381	1,167,921	102,254	18,136,701	27,556,943
Portfolio income (less deficit) distributed to shareholders..	51,465,087	556,411	1,231,779	412,250	2,915,819	7,799,415
Dividend income.....	1,612,865	26,011	71,014	869	121,778	183,232
Interest income.....	10,629,968	249,430	202,279	52,645	1,267,598	1,349,308
Royalty income.....	619,003	25,284	90,850	--	5,758	68,151
Net short-term capital gain (less loss).....	507,233	-5,654	1,764	-192	49,328	-11,260
Net long-term capital gain (less loss).....	37,953,826	253,487	864,972	358,929	1,463,443	6,207,247
Other portfolio income (net).....	142,192	7,852	900	--	7,913	2,737
Real estate rental net income (less deficit).....	4,546,215	157,285	11,305	*786	175,529	137,236
Net income (less deficit) from other rental activity.....	917,576	23,380	5,267	*157	29,067	74,317

Item	Wholesale and retail trade	Wholesale trade	Retail trade	Wholesale and retail trade not allocable	Transportation and warehousing	Information
	(7)	(8)	(9)	(10)	(11)	(12)
Total net income (less deficit).....	38,203,962	20,283,199	17,905,559	15,204	3,562,340	5,465,193
Net income (less deficit) from a trade or business.....	29,540,808	15,984,289	13,546,101	10,418	3,018,368	2,774,160
Portfolio income (less deficit) distributed to shareholders..	8,163,305	4,064,069	4,095,128	4,108	457,268	2,628,957
Dividend income.....	213,780	112,682	101,065	34	25,851	65,654
Interest income.....	1,930,422	902,220	1,024,559	3,643	214,523	340,512
Royalty income.....	134,616	86,968	47,649	--	719	15,872
Net short-term capital gain (less loss).....	23,495	-2,447	25,801	*142	19,957	-49,504
Net long-term capital gain (less loss).....	5,851,870	2,958,359	2,893,221	290	194,812	2,248,352
Other portfolio income (net).....	9,121	6,287	2,834	--	1,407	8,071
Real estate rental net income (less deficit).....	357,099	159,513	196,838	*748	45,021	53,534
Net income (less deficit) from other rental activity.....	142,750	75,329	67,491	-70	41,683	8,542

Item	Finance and insurance	Real estate and rental and leasing	Professional, scientific, and technical services	Management of companies	Administrative and support and waste management and remediation services	Educational services
	(13)	(14)	(15)	(16)	(17)	(18)
Total net income (less deficit).....	11,856,976	15,161,193	20,294,093	2,685,133	8,138,659	666,602
Net income (less deficit) from a trade or business.....	5,841,795	4,001,462	14,635,028	1,420,103	4,130,880	556,059
Portfolio income (less deficit) distributed to shareholders..	6,003,496	7,252,391	5,598,455	1,285,734	3,993,383	107,522
Dividend income.....	296,915	182,528	134,996	186,578	15,913	2,958
Interest income.....	1,414,139	1,390,014	745,118	329,809	285,422	44,707
Royalty income.....	7,512	59,055	45,320	1,880	*36,335	*4,075
Net short-term capital gain (less loss).....	455,884	74,545	49,918	-64,268	-21,074	-89
Net long-term capital gain (less loss).....	3,781,797	5,513,194	4,622,145	829,872	3,676,786	55,872
Other portfolio income (net).....	47,248	33,056	958	1,863	1	--
Real estate rental net income (less deficit).....	5,903	3,369,296	64,142	-20,087	6,954	2,909
Net income (less deficit) from other rental activity.....	5,782	538,044	-3,532	-617	7,442	111

Item	Health care and social assistance	Arts, entertainment, and recreation	Accommodation and food services	Other services	Nature of business not allocable
	(19)	(20)	(21)	(22)	(23)
Total net income (less deficit).....	5,988,278	1,860,136	3,624,885	3,733,930	-242,709
Net income (less deficit) from a trade or business.....	5,418,254	1,058,824	2,811,441	2,755,706	-364,662
Portfolio income (less deficit) distributed to shareholders.....	540,551	756,172	716,127	926,889	119,165
Dividend income.....	15,959	20,395	28,536	18,140	*1,758
Interest income.....	179,858	167,345	350,075	114,427	2,341
Royalty income.....	--	116,933	844	*5,799	--
Net short-term capital gain (less loss).....	-10,360	-6,696	4,067	-2,202	-427
Net long-term capital gain (less loss).....	355,092	442,692	330,689	787,083	*115,493
Other portfolio income (net).....	*2	15,503	*1,916	*3,641	--
Real estate rental net income (less deficit).....	25,454	34,144	71,257	47,229	*2,789
Net income (less deficit) from other rental activity.....	4,019	10,996	26,060	4,107	--

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

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

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Four industrial divisions earned over 86 percent of total net income (less deficit) for Tax Year 1998. Goods production, which includes construction and manufacturing, reported total net income (less deficit) of \$56.8 billion. Distribution and transportation of goods, which includes wholesale and retail trade and transportation and warehousing, reported \$41.8 billion; professional and business services reported \$31.1 billion, and finance, insurance, real estate, and rental and leasing reported \$27.0 billion.

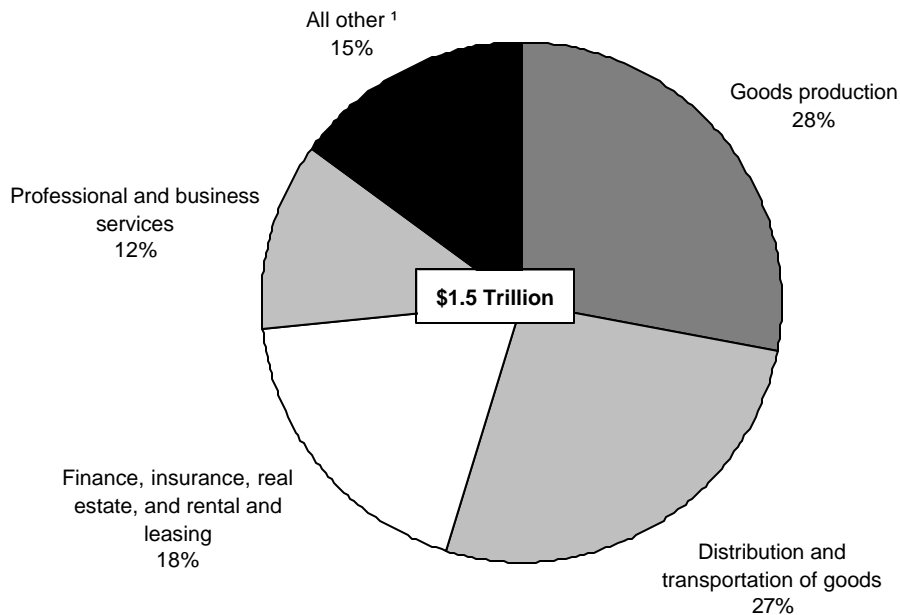
Table 2 presents data for S corporations that reported positive total net income, by industrial division and industrial sector. These corporations reported an increase in positive total net income for Tax Year 1998 of nearly \$31.9 billion, a 16.6-percent increase over Tax Year 1997. Thus, 64.5 percent of all S corporations reported positive total net income as compared to 63.4 percent for Tax Year 1997. Net income (less deficit) from a trade or business was \$166.8 billion, up 10.3 percent from Tax Year 1997 when \$151.3 billion were reported. Portfolio

income (less loss) was up 43.0 percent, largely due to increases in the net long-term capital gain (less loss).

S corporations reported an increase in total assets of 11.3 percent to nearly \$1.5 trillion for Tax Year 1998 (Table 3). The two largest categories are net depreciable assets, which accounted for 23.4 percent of total assets, and notes and accounts receivable, which accounted for 21.4 percent of the total for all S corporations. Overall, asset categories with the largest percentage increase were investments in government obligations, which had a 49.8-percent increase to \$26.5 billion; tax-exempt securities, which reported a 36.9-percent increase to \$8.1 billion, and other investments, which reported a 24.8-percent increase to \$138.3 billion. More than 85 percent of the total assets were held in four industrial divisions (Figure E). Goods production held 28.1 percent, being the largest percentage of total assets, with \$408.3 billion. Distribution and transportation of goods held 26.8 percent of total assets, with \$389.7 billion. Finance, insurance, real estate, and rental and

Figure E

S Corporation Total Assets, by Industrial Division, Tax Year 1998



¹ All other includes raw materials and energy production; information; education, health, and social assistance; leisure, accommodation, and food services; other services; and nature of business not allocable.

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leasing held a total of \$267.9 billion. The fourth largest industrial division by size of total assets for Tax Year 1998 is professional and business services, which held \$171.4 billion in total assets.

Rental Real Estate Net Income

Data on rental real estate net income as reported on Form 8825, *Rental Real Estate Income and Expenses of a Partnership or an S Corporation*, is shown in Table 4. The number of S corporation returns reporting Rental Real Estate Income on Form 8825 increased by more than 8.1 percent to over 222.1 thousand and reported net rental real estate income (less deficit) of \$4.5 billion for Tax Year 1998, an increase of 18.0 percent. Despite the advent of a new industry classification system, NAICS, the sector for real estate and rental and leasing continues to dominate these figures. The real estate group reported 73.2 percent of net rental income (less deficit) for all S corporations. This same group also represented over 71.5 percent of all returns reporting income on Form 8825. Other activities related to rental real estate and reported on this form are net gain from sales of business property, which reported a 23.8-percent increase to \$109.0 million. This increase was due not only to an increase in gains but also from a decrease in the losses reported by the sales of business property as well. Losses for Tax Year 1997 were \$5.5 million, while losses reported for Tax Year 1998 were \$4.8 million. Net income (less deficit) from partnerships and fiduciaries reported a slight decline to \$490 million from \$512 million between Tax Years 1997 and 1998.

Data by Number of Shareholders

S corporations continue to be owned by 10 or fewer shareholders despite changes in the Tax Code to ease restrictions on the limitation to the number of shareholders [12]. Nearly all (99.0 percent) S corporations reported having 10 or fewer shareholders (Table 5). S corporations reporting more than 10 shareholders and fewer than 31 shareholders decreased from 20,369 in Tax Year 1997 to 18,000 in Tax Year 1998, yet S corporations with more than 30 shareholders increased from over 1,200 to nearly 1,400 (or 10.5 percent). Nearly all new S corporations (99.9 percent) reported 10 or fewer

shareholders. For Tax Year 1998, there were 715 S corporations with more than 35 shareholders, which had 34,319 shareholders. This is up from Tax Year 1997 when 600 corporations with more than 35 shareholders had nearly 25,751 shareholders.

Taxes

While most S corporations generally do not pay income tax, less than half of 1 percent reported some Federal income tax liability for Tax Year 1998, and the number of S corporations reporting such a liability is growing. An S corporation can, generally, be subject to just four types of Federal income tax. The most common tax reported by S corporations is the "built-in gains" tax. Over 82.0 percent, or \$393 million, of all Federal income tax reported by S corporations for Tax Year 1998 was from the built-in gains tax. The reported tax liability for this item increased by 107.0 percent over Tax Year 1997 (Figure F). The built-in gains tax can only apply to an S corporation that has not had a valid S election in place since inception. S corporations that are potentially liable for this tax are those that made an S election after 1986 and realized a gain on the sale of an asset held at the time of that election within 10 years from the first day of the S corporation's election. The gain that results in a tax liability is built in to the extent of the appreciation of the asset that occurred while the corporation was subject to the rules of a taxable corporation [13].

Other taxes that can result in a Federal income tax liability for an S corporation are the excess net passive income tax, the LIFO recapture tax (included

Figure F

S Corporation Taxes, Tax Years 1997 and 1998

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

Items	1997	1998	Percent change
	(1)	(2)	(3)
Total tax	256,352	479,411	87.0
Built-in gains tax.....	190,016	393,322	107.0
Excess net passive income tax..	16,494	17,466	5.9
Adjustments to tax.....	46,393	66,594	43.5
Investment credit recapture tax..	*1,042	*755	*-27.5
Income tax adjustment.....	*2,407	*1,275	*-47.0

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

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in “Adjustments to tax” in Figure E), and the recapture of prior year’s investment credit. All of these apply only to corporations that had operated as taxable corporations before their S elections. The excess net passive income tax is imposed on S corporations that were previously taxable corporations and that have subchapter C earnings and profits if their passive investment income exceeds 25 percent of gross receipts [14]. The last-in, first-out, or LIFO recapture tax, applies to corporations that switched from C to S status after December 17, 1987, and that had valued their inventory assets using LIFO. Upon conversion, these corporations are required to include in gross income a LIFO recapture amount, which is the amount of inventory valued under the first-in, first-out (FIFO) method that exceeds the inventory valued under LIFO. Similarly, if inventory is transferred in a tax-free reorganization from a taxable C corporation to an S corporation, there must be a LIFO recapture adjustment made to gross income. Finally, an S corporation can be liable for recapture attributable to credits allowed in years before the corporation was an S corporation.

Figure E shows tax liability reported by S corporations for Tax Years 1997 and 1998. The adjustments to tax include Section 1363(d) LIFO recapture taxes and interest due from Form 8697, *Interest Computation under Look-Back Method for Completed Long-Term Contracts*. The income tax adjustment includes Section 1291(c)(2) deferred tax of a shareholder in a passive foreign investment company.

Largely due to the “built-in gains” tax, S corporations reported an increase in total tax liability of 87.0 percent to \$479.4 million for Tax Year 1998. Total net income (less deficit) reported by all S corporations for Tax Year 1998 was \$181.8 billion, and total tax liability was \$479.4 million. Tax liability was reported by more than 10,400 S corporations for Tax Year 1998, an increase of more than 2,500 over Tax Year 1997. While total tax liability has increased, there remain fewer than half of 1 percent (0.40 percent) of all S corporations reporting a Federal income tax liability.

Conclusion

S corporations continued on a trend of steady growth as the number of filings increased to nearly 2.6 million. S corporations also continued to be the single

most popular corporate entity filing the Form 1120 series as 53.4 percent of all corporate returns were S corporations. Total net income (less deficit) increased by 18.8 percent to \$181.8 billion for Tax Year 1998. Net income (less deficit) from a trade or business is the largest component of total net income (less deficit) as it accounted for 68.7 percent of the total, or \$124.9 billion. Portfolio income (less loss) increased by nearly 40 percent to \$51.5 billion, most of this increase due to net long-term capital gains, which grew to nearly \$38.0 billion for Tax Year 1998. Included in total net income (less deficit) is rental real estate net income (less deficit), which was reported at \$4.5 billion, an increase of 18.0 percent. The number of returns filing this type of income was up by more than 8.1 percent, or 222.2 thousand S corporations. Total assets reported by S corporations amounted to nearly \$1.5 trillion, with four industrial divisions holding more than 85 percent of total assets reported. Data reported for Tax Year 1998 are being classified for the first time using the newly adopted NAICS industry classification system. Longitudinal comparisons by industry are impeded due to this new system.

Tax professionals have compared S corporations to other pass-through entity types, and several have speculated that the LLC would take over as the dominant pass-through entity choice. Data provided thus far do not support this claim. Nearly all (99.0 percent) S corporations reported 10 or fewer shareholders despite changes in the tax law that lessened restrictions on the limitations imposed. New S corporations were even more likely to have 10 or fewer shareholders, as 99.9 percent of all new S corporations reported as such. Despite increases in the number of returns reporting a Federal tax liability, as in prior years, less than half of 1 percent of all S corporations reported such a liability. The most common tax liability reported is the built-in gains tax, which increased by 107.0 percent over Tax Year 1997.

Data Sources and Limitations

The statistics for Tax Year 1998 are based on a sample of S corporation income tax returns with accounting periods ending July 1998 through June 1999 that posted to the Internal Revenue Service Business Master File between July 1998 and the end of June 2000.

S Corporation Returns, 1998

The estimates in this article were based on a stratified probability sample of 41,434 S corporation returns drawn from a total population of 2,716,507 returns. The stratification was based on combinations of total assets and ordinary income. Sample rates ranged from 0.25 percent to 100 percent. The sample was selected after administrative processing, but before audit examination. The selected sample included 40,532 active S corporation returns. Based on this count, the number of active S corporations for Tax Year 1998 was estimated to be 2,588,088.

Because the estimates are based on a sample, they are subject to sampling error. Coefficients of variation (CV's) are used to measure the magnitude of this sampling error. The CV is defined in the section on sampling variability in the "SOI Sampling Methodology and Data Limitations" appendix of this publication. Figure G presents the coefficients of variation for S corporations for selected variables by industrial division. The smaller the coefficient of variation, the more reliable the estimate is judged to be.

Notes and References

[1] For detailed information on the impact of these legislative acts on S corporations, see the following articles: For more information on the impact of the Tax Reform Act of 1986 on S corporations, see Gill, Amy, "S Corporation

Returns, 1992," *Statistics of Income Bulletin*, Spring 1995, Volume 14, Number 4; Gill, Amy and Wittman, Susan, "S Corporation Election After the Tax Reform Act of 1986," *Statistics of Income Bulletin*, Spring 1998, Volume 17, Number 4. For more information on the impact of the Revenue Reconciliation Act of 1993, see Wittman, Susan, "S Corporation Returns, 1994," *Statistics of Income Bulletin*, Spring 1997, Volume 16, Number 4. For more information on the impact of the Small Business Job Protection Act of 1996, see Wittman, Susan, "S Corporation Returns, 1997," *Statistics of Income Bulletin*, Spring 2000, Volume 19, Number 4.

[2] For purposes of this article, taxable corporation return types include Form 1120, Form 1120-A, Form 1120F, Form 1120L, and Form 1120-PC. Form 1120-REIT and Form 1120-RIC, while not taxable corporations, are included in the statistics along with all other corporations. Limited liability companies that choose to be taxed as a corporation can file Form 1120; however, only an "LLC" designation in the name can identify such entities as the form is not designed to clearly identify these unincorporated associations. The number of returns with an "LLC" designation in the Statistics of Income corporate file is unpublished and small.

Figure G

Coefficients of Variation for Number of Returns, Number of Shareholders, Total Receipts, Dividends, and Interest, by Industrial Division, Tax Year 1998

Industrial division	Number of returns	Number of shareholders	Total receipts	Dividend income	Interest income
	(1)	(2)	(3)	(4)	(5)
	Percentages				
All industries ¹	0.25	0.80	0.68	3.89	1.84
Raw materials and energy production.....	4.38	5.81	4.21	6.66	4.49
Goods production.....	1.71	2.22	0.99	4.20	1.95
Distribution and transportation of goods.....	1.58	2.02	1.25	9.25	3.02
Information.....	7.02	8.21	5.30	12.07	5.29
Finance, insurance, real estate, and rental and leasing.....	1.73	2.68	4.38	9.59	5.35
Professional and business services.....	1.94	2.36	2.81	9.53	6.42
Education, health, and social assistance.....	3.94	6.18	5.54	20.46	11.52
Leisure, accommodation, and food services.....	2.71	3.59	2.55	12.38	5.45
Other services.....	3.92	4.72	4.48	12.79	9.48

¹ Includes returns not allocable by industrial division.

S Corporation Returns, 1998

- [3] *North American Industry Classification System United States, 1997*, Executive Office of the President, Office of Management and Budget.
- [4] Provisions exist to allow for late-filed election to be considered as timely made. See Revenue Procedure 97-40 for extended filings. For further detail on filing an S election, see Internal Revenue Service, *Internal Revenue Code, Subchapter S [Section 1362(a), (b)]*.
- [5] Eligible trusts are defined in the *Internal Revenue Code 1361(c)(2)(A)*; eligible trusts include those that are treated as owned by an individual who is a citizen or resident of the United States. Eligible exempt organizations are defined in *Internal Revenue Code 401(a)*; these organizations include qualified pension plans, profit-sharing plans, and stock bonus plans, or eligible exempt organizations defined in *Internal Revenue Code 501(c)(3)*, which includes certain tax-exempted organizations.
- [6] S corporations may elect another tax year if a business purpose can be established to the satisfaction of the Internal Revenue Service, or they may use an alternate tax year but make "required payments" to the Internal Revenue Service per Code section 1378.
- [7] For more information on partnerships, see Zempel, Alan, "Partnership Returns, 1998," *Statistics of Income Bulletin*, Fall 2000, Volume 20, Number 2.
- [8] For more information on partnerships, limited liability companies, and general partnerships, see Zempel, Alan, "Partnership Returns, 1998," *Statistics of Income Bulletin*, Fall 2000, Volume 20, Number 2.
- [9] For more information on the impact of the Small Business Job Protection Act of 1996, see Wittman, Susan, "S Corporation Returns, 1997," *Statistics of Income Bulletin*, Spring 2000, Volume 19, Number 4.
- [10] Total net income (less deficit) as specified here includes the following income items: net income (less deficit) from trade or business, real estate rental income (less deficit), net income (less deficit) from other rental activity, and portfolio income (less loss) distributed to shareholders. On Form 1120S, there are some deduction items to be drawn against the income items listed above, as well as the reduction in income reported due to the built-in gains tax. After these deductions and adjustments are made, total net income (less deficit) is \$169.8 billion.
- [11] *Ibid.* (see [9])
- [12] *Ibid.* (see [9])
- [13] For further detail, see Internal Revenue Service, *Internal Revenue Code, Subchapter S, Section 1374*. Also see Gill, Amy, "S Corporation Returns, 1992," *Statistics of Income Bulletin*, Spring 1995, Volume 14, Number 4.
- [14] "Passive investment income" means gross receipts derived from royalties, rents, dividends, interest (excluding interest on installment sales of inventory to customers and income of certain lending and financing businesses), annuities, and sales or exchanges of stock or securities to the extent of any gains. "Excess net passive income" is the amount that bears the same ratio to net passive income as the amount of passive investment income that exceeds 25 percent of gross receipts bears to passive investment income.

SOURCE: IRS, *Statistics of Income Bulletin*, Spring 2001, Publication 1136 (Revised 5-01).

S Corporation Returns, 1998

Table 1.--S Corporations: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group

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

Item	All industries	Raw materials and energy production						
		Total	Agriculture, forestry, fishing, and hunting				Mining	Utilities
			Total	Agriculture production	Forestry and logging	Support activities and fishing, hunting, and trapping		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Number of returns.....	2,588,088	87,021	69,418	44,943	7,559	16,915	15,479	2,124
Number of shareholders.....	4,839,618	217,758	173,271	118,188	18,201	36,882	38,765	5,723
Income and deductions from a trade or business:								
Total receipts ¹.....	3,061,133,169	66,762,681	48,369,315	30,590,979	5,643,933	12,134,403	15,672,706	2,720,659
Business receipts.....	3,004,118,934	61,579,629	44,385,790	27,039,066	5,589,872	11,756,852	14,577,947	2,615,892
Interest on Government obligations:								
State and local.....	989,514	36,218	18,950	16,495	*1,683	772	16,654	614
Net gain, noncapital assets.....	7,072,292	582,378	262,262	211,195	6,519	44,549	316,547	3,568
Other receipts.....	48,952,430	4,564,456	3,702,313	3,324,223	45,860	332,230	761,557	100,585
Total deductions.....	2,935,284,231	65,158,906	48,052,984	30,739,826	5,627,344	11,685,813	14,488,131	2,617,792
Cost of goods sold.....	1,933,927,048	34,546,825	25,146,324	14,404,021	3,385,296	7,357,008	7,602,023	1,798,478
Compensation of officers.....	118,740,561	1,524,380	1,016,483	536,082	155,284	325,117	460,217	47,680
Salaries and wages.....	304,673,213	5,057,703	3,909,015	2,563,363	383,631	962,021	975,978	172,710
Repairs.....	18,852,368	1,485,803	1,223,875	760,185	158,865	304,826	246,440	15,489
Bad debts.....	6,287,840	83,495	48,852	34,932	7,574	6,346	29,146	5,497
Rent paid on business property.....	68,307,705	1,930,744	1,564,797	1,308,754	53,133	202,910	288,910	77,037
Taxes paid.....	62,621,621	1,566,311	944,203	639,286	106,420	198,498	567,336	54,772
Interest paid.....	37,153,707	1,597,470	1,061,877	773,820	121,799	166,258	441,461	94,131
Amortization.....	3,659,561	142,729	74,856	59,312	2,390	13,154	58,798	9,076
Depreciation.....	51,485,900	3,161,226	2,138,434	1,442,651	286,727	409,056	887,713	135,079
Depletion.....	495,092	287,659	136,960	*7,502	*128,148	*1,310	146,424	4,275
Advertising.....	29,455,958	220,120	193,620	98,354	3,872	91,393	23,334	3,166
Pension, profit-sharing, stock bonus, and annuity plans.....	10,704,288	125,551	67,831	38,800	8,509	20,523	49,597	8,123
Employee benefit programs.....	22,010,877	441,061	251,815	173,629	24,838	53,348	173,636	15,610
Net loss, noncapital assets.....	641,708	36,901	4,903	4,589	275	39	31,998	--
Other deductions.....	266,266,785	12,950,928	10,269,139	7,894,547	800,585	1,574,007	2,505,120	176,669
Total receipts less total deductions.....	125,848,938	1,603,774	316,332	-148,848	16,589	448,590	1,184,575	102,868
Net income (less deficit) from a trade or business.....	124,859,425	1,567,556	297,381	-165,343	14,906	447,818	1,167,921	102,254
Net income.....	171,096,577	4,731,549	2,698,307	1,745,535	208,341	744,431	1,808,203	225,038
Deficit.....	46,237,152	3,163,993	2,400,926	1,910,877	193,436	296,613	640,282	122,785
Portfolio income (less deficit) distributed to shareholders.....	51,465,087	2,200,440	556,411	360,014	68,103	128,294	1,231,779	412,250
Dividend income.....	1,612,865	97,894	26,011	15,310	1,718	8,983	71,014	869
Interest income.....	10,629,968	504,354	249,430	187,474	25,277	36,679	202,279	52,645
Royalty income.....	619,003	116,134	25,284	24,656	628	--	90,850	--
Net short-term capital gain (less loss).....	507,233	-4,082	-5,654	222	-2,465	*-3,411	1,764	-192
Net long-term capital gain (less loss).....	37,953,826	1,477,388	253,487	124,797	42,630	86,060	864,972	358,929
Other portfolio income (net).....	142,192	8,752	7,852	7,555	314	-17	900	--
Real estate rental net income (less deficit).....	4,546,215	167,804	157,285	147,449	2,307	7,529	11,305	-786
Net income.....	6,673,561	188,929	162,325	152,209	2,379	7,737	25,967	637
Deficit.....	2,127,346	21,126	5,040	4,760	72	209	14,662	1,424
Net income (less deficit) from other rental activity.....	917,576	28,804	23,380	16,654	849	*5,876	5,267	*157
Net income.....	1,246,257	32,872	25,478	18,525	881	*6,072	7,237	*157
Deficit.....	328,681	4,069	*2,099	*1,871	32	196	*1,970	--
Total net income (less deficit).....	181,788,303	3,964,603	1,034,457	358,775	86,165	589,517	2,416,272	513,875
Net income.....	223,972,910	6,851,195	3,233,710	2,122,403	263,075	848,232	2,999,515	617,970
Deficit.....	42,184,607	2,886,592	2,199,254	1,763,628	176,910	258,716	583,243	104,095

Footnotes at end of table.

S Corporation Returns, 1998

Table 1.--S Corporations: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Goods production							
	Total	Construction			Manufacturing			
		Total	Building, developing, and general contracting	Heavy construction	Special trade contractors	Total	Food manufacturing	Beverage and tobacco product manufacturing
(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
Number of returns.....	452,147	305,531	129,539	12,274	163,717	146,617	8,296	1,497
Number of shareholders.....	853,159	516,155	239,117	22,683	254,355	337,004	30,010	8,001
Income and deductions from a trade or business:								
Total receipts 1.....	884,137,352	395,901,321	180,011,911	52,497,391	163,392,020	488,236,031	52,269,759	7,786,403
Business receipts.....	875,032,873	391,892,110	177,971,064	51,632,072	162,288,974	483,140,763	51,629,162	7,668,447
Interest on Government obligations:								
State and local.....	240,252	96,099	57,699	14,193	24,207	144,154	10,762	2,496
Net gain, noncapital assets.....	1,538,686	582,571	154,661	235,642	192,268	956,115	83,416	10,883
Other receipts.....	7,325,541	3,330,541	1,828,486	615,485	886,570	3,995,000	546,418	104,577
Total deductions.....	838,203,457	377,668,522	173,516,974	50,078,521	154,073,027	460,534,934	50,194,548	7,308,845
Cost of goods sold.....	627,199,736	293,744,937	147,517,792	39,305,498	106,921,648	333,454,799	38,508,861	4,508,103
Compensation of officers.....	27,496,128	12,488,695	4,109,646	1,236,642	7,142,407	15,007,433	773,591	141,823
Salaries and wages.....	53,909,049	18,828,533	5,143,323	2,067,650	11,617,561	35,080,516	3,154,780	778,868
Repairs.....	3,905,656	1,588,319	404,064	333,069	851,187	2,317,337	267,007	64,878
Bad debts.....	1,351,882	517,242	221,730	56,288	239,224	834,640	47,394	7,402
Rent paid on business property.....	11,377,185	5,238,607	1,094,863	1,355,059	2,788,685	6,138,578	577,574	88,854
Taxes paid.....	16,516,673	6,779,024	1,816,947	798,589	4,163,488	9,737,649	656,664	269,928
Interest paid.....	8,738,732	3,146,720	1,713,049	384,005	1,049,666	5,592,012	464,042	105,378
Amortization.....	587,322	119,764	71,714	7,411	40,639	467,557	37,446	22,453
Depreciation.....	17,419,654	5,575,526	1,075,347	1,519,941	2,980,238	11,844,128	1,016,694	275,446
Depletion.....	180,031	26,957	5,148	19,891	*1,918	153,074	--	1,001
Advertising.....	5,810,256	1,212,697	464,403	49,394	698,900	4,597,559	959,786	389,324
Pension, profit-sharing, stock bonus, and annuity plans.....	3,296,223	1,223,097	317,861	276,102	629,134	2,073,126	179,655	29,971
Employee benefit programs.....	8,422,918	3,287,721	692,336	371,792	2,223,593	5,135,196	422,040	95,483
Net loss, noncapital assets.....	105,247	21,623	6,619	5,631	9,373	83,624	3,742	*523
Other deductions.....	51,886,765	23,869,058	8,862,133	2,291,559	12,715,366	28,017,706	3,125,273	529,410
Total receipts less total deductions.....	45,933,895	18,232,799	6,494,936	2,418,870	9,318,993	27,701,096	2,075,211	477,558
Net income (less deficit) from a trade or business.....	45,693,643	18,136,701	6,437,237	2,404,678	9,294,785	27,556,943	2,064,448	475,062
Net income.....	55,091,586	22,033,996	8,876,967	2,698,619	10,458,409	33,057,590	2,374,839	575,415
Deficit.....	9,397,942	3,897,296	2,439,730	293,942	1,163,624	5,500,647	310,391	100,353
Portfolio income (less deficit) distributed to shareholders.....	10,715,234	2,915,819	1,774,397	374,066	767,356	7,799,415	323,576	43,228
Dividend income.....	305,010	121,778	49,965	38,934	32,878	183,232	16,849	2,549
Interest income.....	2,616,906	1,267,598	739,298	223,377	304,923	1,349,308	113,481	33,926
Royalty income.....	73,909	5,758	407	3,200	*2,151	68,151	2,131	1
Net short-term capital gain (less loss).....	38,068	49,328	43,504	3,909	1,915	-11,260	-1,669	-1,391
Net long-term capital gain (less loss).....	7,670,690	1,463,443	935,156	103,215	425,072	6,207,247	192,612	8,118
Other portfolio income (net).....	10,651	7,913	6,067	*1,431	416	2,737	172	25
Real estate rental net income (less deficit).....	312,765	175,529	134,741	23,187	17,601	137,236	13,074	6,702
Net income.....	431,470	276,699	230,130	23,918	22,650	154,771	14,071	7,019
Deficit.....	118,705	101,170	95,389	731	5,049	17,535	997	317
Net income (less deficit) from other rental activity.....	103,384	29,067	10,111	14,316	4,640	74,317	2,119	*5,881
Net income.....	111,348	32,256	11,588	15,933	4,736	79,092	2,228	*6,743
Deficit.....	7,964	3,189	*1,477	1,616	96	4,775	109	862
Total net income (less deficit).....	56,825,026	21,257,116	8,356,486	2,816,247	10,084,382	35,567,911	2,403,218	530,874
Net income.....	65,442,311	25,019,340	10,785,028	3,053,432	11,180,879	40,422,970	2,694,253	626,628
Deficit.....	8,617,284	3,762,225	2,428,542	237,185	1,096,498	4,855,060	291,036	95,754

Footnotes at end of table.

S Corporation Returns, 1998

Table 1.--S Corporations: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Goods production--continued							
	Manufacturing--continued							
	Textile mills and textile product mills	Apparel manufacturing	Leather and allied product manufacturing	Wood product manufacturing	Paper manufacturing	Printing and related support activities	Petroleum and coal products manufacturing	Chemical manufacturing
(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	
Number of returns.....	3,535	8,197	1,126	6,326	1,568	18,365	624	4,633
Number of shareholders.....	8,622	15,326	1,863	14,565	5,577	31,924	1,019	15,160
Income and deductions from a trade or business:								
Total receipts¹.....	18,039,541	25,865,697	2,330,300	26,628,855	16,984,622	28,457,999	4,382,189	16,228,772
Business receipts.....	17,675,860	25,489,970	2,329,340	26,357,318	16,833,858	28,222,618	4,282,063	15,942,628
Interest on Government obligations:								
State and local.....	4,526	4,401	*627	3,493	11,952	5,839	*387	4,336
Net gain, noncapital assets.....	14,694	36,393	303	43,328	43,102	75,954	34,924	36,309
Other receipts.....	344,461	334,932	30	224,717	95,710	153,588	64,815	245,500
Total deductions.....	17,413,631	25,160,665	2,241,356	25,415,854	16,429,767	26,948,148	4,153,836	15,137,146
Cost of goods sold.....	13,717,604	18,448,548	1,572,400	20,221,821	12,092,293	16,674,251	3,226,610	9,648,705
Compensation of officers.....	534,733	800,020	80,173	497,350	418,800	1,350,488	89,036	539,017
Salaries and wages.....	1,027,312	2,185,648	206,268	1,230,687	1,221,152	2,809,918	239,554	1,516,041
Repairs.....	63,518	55,402	6,022	126,796	91,762	197,460	42,575	118,265
Bad debts.....	64,405	42,599	5,873	29,955	26,836	86,362	13,057	44,499
Rent paid on business property.....	159,863	377,455	30,104	188,911	240,116	675,325	45,633	242,644
Taxes paid.....	306,193	483,803	47,286	490,011	318,601	748,630	62,108	314,642
Interest paid.....	208,440	401,909	41,525	338,722	261,057	396,629	55,020	191,919
Amortization.....	8,090	9,993	865	18,167	14,926	42,132	5,127	40,816
Depreciation.....	354,722	301,217	27,809	640,844	638,156	1,043,556	115,869	409,649
Depletion.....	--	--	--	137,462	*327	--	1,049	1,264
Advertising.....	66,638	246,253	39,638	124,589	52,779	253,622	19,608	265,388
Pension, profit-sharing, stock bonus, and annuity plans.....	47,869	62,117	4,194	95,083	80,972	129,163	13,501	76,197
Employee benefit programs.....	140,367	178,036	27,732	222,422	162,343	313,688	30,003	170,840
Net loss, noncapital assets.....	1,199	9,907	3	7,032	1,808	26,951	1	1,159
Other deductions.....	712,678	1,557,760	151,464	1,046,002	807,840	2,199,972	195,087	1,556,102
Total receipts less total deductions.....	625,910	705,031	88,945	1,213,001	554,855	1,509,851	228,353	1,091,627
Net income (less deficit) from a trade or business.....	621,385	700,631	88,318	1,209,508	542,903	1,504,012	227,966	1,087,291
Net income.....	920,716	1,134,409	137,400	1,557,661	915,470	1,895,057	275,918	1,334,063
Deficit.....	299,332	433,778	49,083	348,153	372,568	391,045	*47,952	246,772
Portfolio income (less deficit) distributed to shareholders.....	110,345	321,942	9,184	187,223	245,078	631,462	67,059	1,696,699
Dividend income.....	5,160	8,771	2,399	3,248	14,636	8,489	1,090	16,261
Interest income.....	50,506	41,883	5,363	71,093	48,360	85,115	7,216	62,824
Royalty income.....	1,650	12,324	27	*80	5,719	63	--	5,496
Net short-term capital gain (less loss).....	1,541	1,516	39	-295	1,320	1,665	*1,225	-24,132
Net long-term capital gain (less loss).....	51,873	257,078	1,356	112,799	174,951	535,444	57,528	1,636,105
Other portfolio income (net).....	*-385	369	--	298	91	686	--	*145
Real estate rental net income (less deficit).....	2,993	8,747	*2,263	11,129	208	-2,314	813	2,585
Net income.....	3,134	9,886	*2,273	11,695	2,012	3,353	813	2,747
Deficit.....	141	*1,139	9	566	1,804	5,667	--	161
Net income (less deficit) from other rental activity.....	*3,766	1,639	2	3,912	838	*4,470	*237	2,449
Net income.....	*3,767	1,639	2	4,070	*1,208	*4,679	*237	2,657
Deficit.....	*1	--	--	158	*370	*209	--	209
Total net income (less deficit).....	738,490	1,032,958	99,767	1,411,773	789,027	2,137,630	296,076	2,789,023
Net income.....	1,019,105	1,438,506	145,165	1,729,712	1,070,824	2,485,772	342,692	2,974,295
Deficit.....	280,615	405,548	45,398	317,939	281,797	348,142	*46,616	185,272

Footnotes at end of table.

S Corporation Returns, 1998

Table 1.--S Corporations: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Goods production--continued							
	Manufacturing--continued							
	Plastics and rubber products manufacturing	Nonmetallic mineral products manufacturing	Primary metal manufacturing	Fabricated metal products manufacturing	Machinery manufacturing	Computer and electronic products manufacturing	Electrical equipment, appliance, and component manufacturing	Transportation equipment manufacturing
(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	
Number of returns	7,043	5,675	3,232	22,590	10,394	6,548	5,909	4,811
Number of shareholders	17,663	12,043	8,672	50,694	24,698	14,309	11,924	9,467
Income and deductions from a trade or business:								
Total receipts ¹	31,343,387	15,283,161	23,411,433	73,728,918	28,591,350	20,428,522	19,049,651	25,270,072
Business receipts.....	31,040,548	15,144,223	23,245,394	73,026,876	28,345,820	20,331,393	18,914,942	25,020,470
Interest on Government obligations:								
State and local.....	13,542	3,844	1,810	26,939	13,855	6,369	7,098	11,179
Net gain, noncapital assets.....	82,689	36,001	28,304	195,149	45,000	15,921	13,611	67,299
Other receipts.....	206,608	99,093	135,925	479,954	186,675	74,839	114,000	171,123
Total deductions	29,092,282	14,324,520	22,610,533	68,107,646	26,499,982	19,043,719	17,817,172	23,673,072
Cost of goods sold.....	21,125,203	9,638,635	18,959,667	48,447,252	18,625,272	13,654,474	12,454,497	18,762,519
Compensation of officers.....	1,057,540	456,163	362,762	3,127,747	1,125,048	643,410	534,137	416,567
Salaries and wages.....	1,943,417	1,203,282	851,320	4,936,366	2,122,771	1,833,603	1,739,989	1,386,975
Repairs.....	139,095	140,264	115,690	326,756	108,583	56,281	76,553	75,073
Bad debts.....	47,263	39,592	20,482	139,090	32,643	27,528	29,551	20,457
Rent paid on business property.....	331,312	296,089	113,475	979,077	340,777	238,230	201,145	203,389
Taxes paid.....	633,682	404,425	323,143	1,728,647	654,806	344,872	359,235	463,985
Interest paid.....	395,383	174,532	219,676	848,345	352,441	166,921	184,733	235,493
Amortization.....	25,784	14,788	11,424	53,490	21,306	17,252	16,641	19,086
Depreciation.....	1,042,977	559,681	461,468	2,187,640	683,171	381,029	361,898	466,701
Depletion.....	1,040	10,137	--	--	--	106	57	--
Advertising.....	178,285	138,834	26,174	370,392	210,729	211,751	237,083	131,161
Pension, profit-sharing, stock bonus, and annuity plans.....	133,489	73,431	84,562	431,582	182,655	94,358	87,018	77,312
Employee benefit programs.....	373,440	169,648	200,098	984,818	423,058	143,817	225,614	297,610
Net loss, noncapital assets.....	5,855	*509	1,326	11,407	649	5,860	1,878	1,500
Other deductions.....	1,658,516	1,004,508	859,267	3,535,038	1,616,075	1,224,227	1,307,142	1,115,243
Total receipts less total deductions	2,251,105	958,641	800,900	5,621,272	2,091,368	1,384,803	1,232,479	1,597,000
Net income (less deficit) from a trade or business	2,237,563	954,797	799,090	5,594,333	2,077,513	1,378,435	1,225,382	1,585,821
Net income.....	2,455,844	1,158,665	946,443	6,270,142	2,341,951	1,668,006	1,477,438	1,833,849
Deficit.....	218,281	203,868	147,353	675,810	264,438	289,572	252,056	248,029
Portfolio income (less deficit) distributed to shareholders	201,245	65,279	83,268	1,283,177	498,515	403,275	138,595	829,836
Dividend income.....	9,594	2,182	4,506	32,154	11,377	8,456	6,230	10,715
Interest income.....	75,379	47,314	45,149	220,626	106,169	59,424	50,771	90,248
Royalty income.....	3,735	404	346	2,988	11,978	3,268	5,154	4,760
Net short-term capital gain (less loss).....	-178	572	2,527	1,745	346	307	12,623	-777
Net long-term capital gain (less loss).....	112,638	14,757	30,814	1,025,411	368,617	331,397	63,830	724,880
Other portfolio income (net).....	*76	50	-75	253	29	*423	-13	11
Real estate rental net income (less deficit)	7,368	9,713	6,708	34,596	8,244	2,088	2,820	6,564
Net income.....	7,882	9,836	6,762	35,666	8,850	2,088	6,306	7,251
Deficit.....	515	122	54	1,071	606	--	*3,485	687
Net income (less deficit) from other rental activity	1,145	*526	2,997	15,524	14,488	*1,823	2,222	8,022
Net income.....	1,491	*604	*3,518	16,457	14,797	*1,823	2,222	8,547
Deficit.....	346	*78	521	*933	309	*1	--	525
Total net income (less deficit)	2,447,320	1,030,315	892,063	6,927,630	2,598,760	1,785,620	1,369,018	2,430,243
Net income.....	2,644,113	1,215,719	1,029,135	7,518,133	2,836,414	2,057,214	1,588,690	2,625,237
Deficit.....	196,792	185,404	137,072	590,504	237,654	271,594	219,672	194,994

Footnotes at end of table.

S Corporation Returns, 1998

Table 1.--S Corporations: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Goods production--continued		Total	Distribution and transportation of goods				
	Manufacturing--continued			Total	Wholesale and retail trade			
	Furniture and related products manufacturing	Miscellaneous manufacturing			Total	Wholesale trade		Retail trade
						Total	Durable goods	Nondurable goods
(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)	
Number of returns.....	6,047	20,201	566,076	484,772	147,102	86,338	60,764	337,251
Number of shareholders.....	11,687	43,781	1,030,083	894,361	288,210	171,111	117,099	605,636
Income and deductions from a trade or business:								
Total receipts ¹.....	14,240,281	37,915,117	1,376,793,674	1,290,432,025	542,436,210	260,541,519	281,894,691	747,355,429
Business receipts.....	14,101,966	37,537,868	1,359,639,369	1,274,948,656	537,166,311	257,758,166	279,408,146	737,155,889
Interest on Government obligations:								
State and local.....	2,962	7,737	162,686	149,304	95,740	40,194	55,546	53,564
Net gain, noncapital assets.....	3,462	89,371	2,107,149	1,247,392	658,093	304,934	353,158	583,634
Other receipts.....	131,891	280,142	14,884,471	14,086,673	4,516,066	2,438,225	2,077,841	9,562,342
Total deductions.....	13,466,338	35,495,875	1,344,071,813	1,260,741,913	526,356,182	250,634,402	275,721,780	733,755,764
Cost of goods sold.....	9,645,740	23,522,345	1,044,645,203	1,009,807,841	425,435,868	196,992,291	228,443,576	583,926,784
Compensation of officers.....	440,220	1,618,806	26,404,681	23,807,555	11,744,718	6,700,262	5,044,456	12,059,353
Salaries and wages.....	1,102,964	3,589,601	98,501,831	86,715,505	34,547,175	18,954,502	15,592,674	52,130,407
Repairs.....	54,599	190,758	6,489,764	4,728,247	1,852,875	854,629	998,246	2,871,446
Bad debts.....	29,607	80,044	2,216,029	2,038,043	1,115,998	664,944	451,054	921,352
Rent paid on business property.....	217,857	590,749	25,304,014	20,041,095	5,961,435	3,137,671	2,823,764	14,068,358
Taxes paid.....	326,767	800,222	19,089,884	16,242,717	6,936,447	2,841,933	4,094,514	9,299,312
Interest paid.....	121,673	428,174	10,970,296	9,711,579	4,177,183	2,251,039	1,926,144	5,522,920
Amortization.....	4,925	82,846	838,966	772,287	306,044	92,145	213,899	465,050
Depreciation.....	226,864	648,738	14,064,554	9,770,114	4,123,086	2,291,042	1,832,044	5,639,210
Depletion.....	--	632	20,687	20,277	7,435	*5,825	1,609	12,842
Advertising.....	165,695	509,832	12,698,473	12,410,876	2,828,466	1,507,921	1,320,544	9,569,896
Pension, profit-sharing, stock bonus, and annuity plans.....	39,939	150,060	2,382,326	2,115,608	1,242,784	748,380	494,404	872,612
Employee benefit programs.....	140,164	413,976	6,022,250	5,066,037	2,138,019	1,227,385	910,634	2,919,127
Net loss, noncapital assets.....	804	1,511	99,848	84,612	23,547	9,966	13,581	61,066
Other deductions.....	948,521	2,867,582	74,323,005	57,409,519	23,915,103	12,354,467	11,560,636	33,416,028
Total receipts less total deductions.....	773,944	2,419,242	32,721,862	29,690,112	16,080,029	9,907,117	6,172,911	13,599,665
Net income (less deficit) from a trade or business.....	770,981	2,411,505	32,559,176	29,540,808	15,984,289	9,866,923	6,117,366	13,546,101
Net income.....	879,740	2,904,562	42,242,643	37,628,641	19,104,710	11,545,461	7,559,249	18,504,047
Deficit.....	-108,758	-493,056	-9,683,467	-8,087,833	-3,120,421	-1,678,538	-1,441,883	-4,957,945
Portfolio income (less deficit) distributed to shareholders.....	29,886	630,544	8,620,573	8,163,305	4,064,069	1,860,891	2,203,177	4,095,128
Dividend income.....	1,670	16,895	239,631	213,780	112,682	59,140	53,542	101,065
Interest income.....	29,445	105,016	2,144,944	1,930,422	902,220	493,546	408,674	1,024,559
Royalty income.....	35	7,992	135,335	134,616	86,968	34,939	52,029	47,649
Net short-term capital gain (less loss).....	*-3,938	-4,305	43,452	23,495	-2,447	-4,483	2,036	25,801
Net long-term capital gain (less loss).....	2,101	504,938	6,046,682	5,851,870	2,958,359	1,272,005	1,686,354	2,893,221
Other portfolio income (net).....	574	8	10,528	9,121	6,287	5,745	542	2,834
Real estate rental net income (less deficit).....	1,611	11,321	402,120	357,099	159,513	62,344	97,169	196,838
Net income.....	1,611	11,515	447,849	396,456	177,580	68,285	109,294	218,128
Deficit.....	--	194	45,729	39,357	18,067	5,941	12,125	21,290
Net income (less deficit) from other rental activity.....	--	2,256	184,433	142,750	75,329	62,903	12,425	67,491
Net income.....	--	2,401	231,335	155,584	83,758	70,745	13,013	71,826
Deficit.....	--	145	46,902	12,834	8,430	*7,842	*588	4,335
Total net income (less deficit).....	802,479	3,055,626	41,766,302	38,203,962	20,283,199	11,853,062	8,430,137	17,905,559
Net income.....	908,351	3,473,012	50,348,270	45,219,674	22,842,215	13,293,776	9,548,439	22,355,608
Deficit.....	105,872	417,385	8,581,968	7,015,712	2,559,016	1,440,715	1,118,302	4,450,049

Footnotes at end of table.

S Corporation Returns, 1998

Table 1.--S Corporations: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Distribution and transportation of goods--continued							
	Wholesale and retail trade--continued							
	Retail trade--continued							
	Motor vehicle and parts dealers	Furniture and home furnishings	Electronics and appliance	Building material and garden equipment and supplies dealers	Food and beverage	Health and personal care	Gasoline stations	Clothing and clothing accessories
(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)	
Number of returns.....	46,613	18,305	17,299	19,718	52,362	20,123	20,221	27,995
Number of shareholders.....	82,834	34,078	31,112	38,827	96,797	32,803	36,978	48,039
Income and deductions from a trade or business:								
Total receipts ¹.....	386,117,380	28,904,837	23,650,470	40,468,336	88,061,217	22,201,818	49,723,094	17,062,667
Business receipts.....	380,210,138	28,574,444	23,315,889	40,173,943	86,836,893	22,086,417	49,374,589	16,929,749
Interest on Government obligations:								
State and local.....	12,453	4,996	4,588	1,738	12,876	2,701	1,012	2,979
Net gain, noncapital assets.....	233,819	3,459	20,604	34,247	88,580	14,513	8,596	8,996
Other receipts.....	5,660,970	321,938	309,388	258,408	1,122,868	98,188	338,897	120,943
Total deductions.....	381,767,627	27,858,903	22,879,180	39,199,047	86,432,594	21,521,813	49,234,795	16,624,960
Cost of goods sold.....	332,584,168	17,822,948	17,003,037	28,911,828	64,430,081	14,900,794	41,233,925	10,241,150
Compensation of officers.....	3,574,467	869,972	578,058	1,136,379	1,342,429	887,502	408,322	598,332
Salaries and wages.....	18,523,185	3,223,303	2,293,175	3,775,598	7,985,809	2,421,769	2,642,986	1,929,698
Repairs.....	846,213	171,504	63,015	212,262	673,245	67,339	274,317	69,906
Bad debts.....	294,692	67,776	38,497	99,294	77,255	49,027	20,574	45,296
Rent paid on business property.....	3,443,403	1,249,259	476,833	774,437	2,296,621	618,731	845,541	1,053,002
Taxes paid.....	3,079,038	594,475	364,477	723,624	1,511,750	347,855	654,719	358,801
Interest paid.....	2,713,720	185,569	113,663	377,392	565,999	114,266	359,640	158,925
Amortization.....	97,271	14,301	15,315	15,956	114,279	30,899	63,363	15,196
Depreciation.....	1,611,702	220,795	173,234	436,768	1,034,572	137,363	674,718	147,452
Depletion.....	*2,683	--	*114	5,606	*2,080	--	--	*2,360
Advertising.....	3,832,993	1,091,730	303,111	350,659	867,667	349,382	104,450	436,551
Pension, profit-sharing, stock bonus, and annuity plans.....	226,416	67,143	42,084	104,997	139,308	56,296	24,790	40,588
Employee benefit programs.....	1,281,032	140,373	79,066	211,828	526,519	101,223	89,944	68,949
Net loss, noncapital assets.....	15,714	*2,258	*1,813	1,308	6,674	*11,368	2,973	7,538
Other deductions.....	9,640,931	2,137,498	1,333,688	2,061,111	4,858,307	1,427,999	1,834,533	1,451,214
Total receipts less total deductions.....	4,349,752	1,045,934	771,290	1,269,289	1,628,623	680,005	488,298	437,707
Net income (less deficit) from a trade or business.....	4,337,299	1,040,938	766,702	1,267,551	1,615,747	677,304	487,287	434,728
Net income.....	5,625,530	1,241,434	921,755	1,533,821	2,216,386	954,533	800,103	784,956
Deficit.....	1,288,231	200,496	155,053	266,269	600,640	277,229	312,817	350,227
Portfolio income (less deficit) distributed to shareholders.....	1,193,582	210,714	489,283	113,820	373,702	64,955	281,489	125,505
Dividend income.....	15,416	7,685	3,800	18,215	18,411	2,876	2,188	2,430
Interest income.....	426,596	70,474	32,524	75,400	173,056	26,463	60,035	22,012
Royalty income.....	*258	1,218	--	86	1,096	--	373	4,463
Net short-term capital gain (less loss).....	12,724	-539	12,003	2,230	-703	*-523	-711	-691
Net long-term capital gain (less loss).....	737,391	131,860	440,956	17,889	181,710	36,139	219,512	97,291
Other portfolio income (net).....	*1,196	*17	--	--	*133	--	*91	--
Real estate rental net income (less deficit).....	46,931	7,050	2,656	8,369	48,876	*6,813	24,745	2,144
Net income.....	50,876	7,471	*2,753	9,156	51,061	*7,219	25,651	2,269
Deficit.....	3,945	421	*97	*788	*2,185	*406	*906	124
Net income (less deficit) from other rental activity.....	26,878	*21,757	*176	1,994	*1,232	10	6,371	*51
Net income.....	30,440	*21,757	*176	2,546	*1,232	10	6,371	*225
Deficit.....	3,562	--	--	552	--	--	--	*174
Total net income (less deficit).....	5,604,691	1,280,460	1,258,817	1,391,733	2,039,557	749,082	799,891	562,429
Net income.....	6,731,765	1,448,370	1,406,250	1,643,728	2,582,057	1,018,951	1,083,250	876,479
Deficit.....	1,127,074	167,911	147,433	251,995	542,500	269,869	283,359	314,050

Footnotes at end of table.

S Corporation Returns, 1998

Table 1.--S Corporations: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Distribution and transportation of goods--continued							
	Wholesale and retail trade--continued				Transportation and warehousing			
	Retail trade--continued				Wholesale and retail trade not allocable	Total	Air, rail and water transportation	Truck transportation
	Sporting goods, hobby, book, and music	General merchandise	Miscellaneous store retailers	Nonstore retailers				
(49)	(50)	(51)	(52)	(53)	(54)	(55)	(56)	
Number of returns.....	20,180	7,823	64,065	22,547	419	81,305	5,993	40,805
Number of shareholders.....	42,721	13,741	110,085	37,620	515	135,722	7,971	70,300
Income and deductions from a trade or business:								
Total receipts 1.....	12,656,088	8,844,342	46,315,298	23,349,882	640,386	86,361,649	7,370,140	46,140,674
Business receipts.....	12,423,941	8,723,975	45,551,871	22,954,038	626,456	84,690,713	6,970,718	45,329,515
Interest on Government obligations:								
State and local.....	*458	*1,206	4,500	4,057	--	13,382	1,606	6,104
Net gain, noncapital assets.....	38,719	6,664	75,067	50,372	*5,665	859,757	305,959	472,036
Other receipts.....	192,971	112,497	683,860	341,415	8,264	797,798	91,857	333,019
Total deductions.....	12,385,861	8,647,066	44,703,049	22,500,868	629,968	83,329,900	7,283,688	44,387,330
Cost of goods sold.....	7,848,822	5,776,231	29,809,193	13,364,608	445,190	34,837,361	3,302,407	14,651,548
Compensation of officers.....	354,053	171,565	1,550,203	588,073	*3,484	2,597,126	101,367	1,325,883
Salaries and wages.....	1,296,503	1,048,014	4,546,885	2,443,482	37,922	11,786,327	786,517	7,480,965
Repairs.....	62,099	50,791	244,378	136,377	3,926	1,761,517	328,868	1,128,410
Bad debts.....	22,104	14,284	55,815	136,738	693	177,986	19,696	72,009
Rent paid on business property.....	679,065	382,608	1,857,186	391,673	11,302	5,262,919	285,016	3,550,007
Taxes paid.....	240,885	171,680	826,262	425,746	6,959	2,847,167	149,175	1,951,473
Interest paid.....	138,283	86,143	496,980	212,340	11,476	1,258,717	241,293	644,648
Amortization.....	10,372	6,904	43,613	37,583	*1,193	66,679	14,011	29,559
Depreciation.....	168,442	90,218	543,519	400,425	7,818	4,294,441	704,620	2,653,045
Depletion.....	--	--	--	--	--	410	--	104
Advertising.....	241,845	216,889	588,103	1,186,517	12,515	287,597	32,570	118,939
Pension, profit-sharing, stock bonus, and annuity plans.....	15,828	12,282	69,040	73,838	212	266,717	22,533	139,324
Employee benefit programs.....	51,116	35,062	178,845	155,169	*8,891	956,213	65,141	629,312
Net loss, noncapital assets.....	*9,360	*381	1,220	458	--	15,236	*9,562	*2,715
Other deductions.....	1,247,084	584,013	3,891,807	2,947,841	78,388	16,913,486	1,220,911	10,009,391
Total receipts less total deductions.....	270,227	197,276	1,612,248	849,015	10,418	3,031,750	86,452	1,753,344
Net income (less deficit) from a trade or business.....	269,769	196,070	1,607,749	844,958	10,418	3,018,368	84,846	1,747,240
Net income.....	547,395	351,692	2,226,504	1,299,937	*19,884	4,614,002	594,504	2,300,578
Deficit.....	277,626	155,622	618,755	454,979	9,466	1,595,635	509,658	553,338
Portfolio income (less deficit) distributed to shareholders.....	669,963	14,679	257,926	299,510	4,108	457,268	80,057	209,075
Dividend income.....	3,693	1,045	22,145	3,159	34	25,851	6,847	7,906
Interest income.....	12,798	10,485	62,497	52,220	3,643	214,523	50,929	74,003
Royalty income.....	1,152	--	*33,588	5,415	--	719	711	6
Net short-term capital gain (less loss).....	*-456	2,512	639	*-684	*142	19,957	*18,433	-1,434
Net long-term capital gain (less loss).....	652,776	*637	137,732	239,327	290	194,812	3,117	127,733
Other portfolio income (net).....	--	--	*1,324	73	--	1,407	*19	861
Real estate rental net income (less deficit).....	*-284	5,500	30,545	13,493	*748	45,021	3,413	12,744
Net income.....	*844	8,216	37,779	14,834	*748	51,394	3,429	13,274
Deficit.....	*1,127	*2,716	7,234	1,341	--	6,372	16	531
Net income (less deficit) from other rental activity.....	*36	69	3,056	*5,861	-70	41,683	23,961	2,924
Net income.....	*59	69	3,056	*5,885	--	75,751	54,864	4,410
Deficit.....	*22	--	--	24	70	34,069	30,903	1,486
Total net income (less deficit).....	939,485	216,318	1,899,276	1,163,821	15,204	3,562,340	192,277	1,971,982
Net income.....	1,181,648	364,827	2,444,797	1,573,486	21,851	5,128,596	729,607	2,507,678
Deficit.....	242,163	148,509	545,521	409,665	6,647	1,566,256	537,330	535,696

Footnotes at end of table.

S Corporation Returns, 1998

Table 1.--S Corporations: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Distribution and transportation of goods--continued				Information			
	Transportation and warehousing--continued				Total	Publishing industries	Motion picture and sound recording industries	Broadcasting and telecommunications
	Transit and ground passenger transportation	Pipeline transportation	Other transportation and support activities	Warehousing and storage				
(57)	(58)	(59)	(60)	(61)	(62)	(63)	(64)	
Number of returns.....	8,049	*47	22,794	3,615	56,082	16,724	13,479	17,690
Number of shareholders.....	10,642	*81	37,597	9,131	115,281	34,821	22,131	44,453
Income and deductions from a trade or business:								
Total receipts¹.....	4,374,613	*361,452	22,999,931	5,114,837	49,122,624	20,925,871	8,143,642	15,167,515
Business receipts.....	4,319,619	*354,051	22,755,399	4,961,410	47,432,591	20,020,272	7,863,175	15,191,385
Interest on Government obligations:								
State and local.....	*53	*82	3,401	2,136	44,864	17,297	9,128	16,717
Net gain, noncapital assets.....	21,102	*20	33,437	27,203	285,766	56,225	2,345	219,771
Other receipts.....	33,840	*7,300	207,694	124,089	1,359,403	832,077	268,994	-260,358
Total deductions.....	4,265,571	*344,978	22,228,138	4,820,194	46,303,600	19,158,852	7,879,488	14,821,774
Cost of goods sold.....	1,196,924	*245,282	13,560,483	1,880,717	17,467,930	7,619,975	2,947,749	5,545,546
Compensation of officers.....	183,164	*3,980	841,393	141,339	3,450,718	1,258,295	1,014,137	674,203
Salaries and wages.....	851,111	*4,540	1,820,597	842,596	7,999,677	3,502,975	739,991	2,821,914
Repairs.....	111,045	*167	129,157	63,869	325,619	94,678	63,082	137,996
Bad debts.....	5,477	--	68,003	12,801	250,623	90,290	14,002	143,725
Rent paid on business property.....	239,967	*2,525	544,596	640,809	1,163,323	411,134	257,045	374,436
Taxes paid.....	194,007	*2,060	369,520	180,933	1,296,916	481,877	165,656	495,160
Interest paid.....	114,740	*5,100	155,197	97,740	831,543	209,565	91,131	463,126
Amortization.....	6,782	*3,379	9,371	3,577	551,726	137,179	199,057	194,496
Depreciation.....	311,448	*8,630	466,443	150,255	1,467,497	363,264	374,983	647,639
Depletion.....	306	--	--	--	--	--	--	--
Advertising.....	23,877	*27	102,263	9,921	881,772	452,274	96,048	278,787
Pension, profit-sharing, stock bonus, and annuity plans.....	25,816	--	42,219	36,824	413,848	242,958	58,365	68,963
Employee benefit programs.....	75,643	--	108,160	77,958	408,012	243,050	25,803	98,176
Net loss, noncapital assets.....	1,328	--	*989	*642	9,951	412	48	9,431
Other deductions.....	923,935	*69,287	4,009,748	680,215	9,784,443	4,050,926	1,832,391	2,868,177
Total receipts less total deductions.....	109,042	*16,475	771,793	294,643	2,819,024	1,767,019	264,153	345,740
Net income (less deficit) from a trade or business.....	108,990	*16,392	768,392	292,507	2,774,160	1,749,722	255,025	329,024
Net income.....	197,089	*18,521	1,113,815	389,495	5,549,495	2,299,131	829,642	1,706,892
Deficit.....	-88,099	*2,129	-345,423	-96,988	-2,775,335	-549,410	-574,617	-1,377,868
Portfolio income (less deficit) distributed to shareholders.....	31,007	*2,625	59,613	74,892	2,628,957	855,916	314,408	1,391,114
Dividend income.....	2,140	*5	6,797	2,156	65,654	36,243	9,264	17,942
Interest income.....	12,437	*1,594	42,735	32,824	340,512	111,894	51,952	160,700
Royalty income.....	--	--	--	2	15,872	1,219	61	972
Net short-term capital gain (less loss).....	*213	--	2,177	568	-49,504	-63,751	15,175	-626
Net long-term capital gain (less loss).....	15,739	*1,025	7,861	39,336	2,248,352	769,816	235,422	1,207,086
Other portfolio income (net).....	*479	--	43	5	8,071	*496	*2,534	5,041
Real estate rental net income (less deficit).....	441	--	-559	28,982	53,534	18,429	18,652	7,958
Net income.....	485	--	5,204	29,001	54,347	18,914	18,661	8,231
Deficit.....	44	--	*5,763	19	813	486	*10	273
Net income (less deficit) from other rental activity.....	*5,564	*10	6,404	*2,819	8,542	1,558	*1,068	5,700
Net income.....	*5,695	*10	7,845	*2,928	8,703	1,559	*1,128	5,742
Deficit.....	130	--	1,441	109	*161	*1	*60	42
Total net income (less deficit).....	146,002	*19,027	833,851	399,200	5,465,193	2,625,625	589,153	1,733,796
Net income.....	228,111	*20,925	1,162,119	480,156	7,853,348	3,052,501	1,112,039	2,915,131
Deficit.....	82,109	*1,898	328,268	80,956	2,388,155	426,876	522,886	1,181,335

Footnotes at end of table.

S Corporation Returns, 1998

Table 1.--S Corporations: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Information--	Finance, insurance, real estate, and rental and leasing						
	continued	Total	Finance and insurance					Funds, trusts, and other financial vehicles
	Information services		Total	Depository credit inter-mediation	Non-depository credit inter-mediation	Securities, commodity contracts, other financial investments and related activities	Insurance carriers and related activities	
(65)	(66)	(67)	(68)	(69)	(70)	(71)	(72)	
Number of returns.....	8,189	403,085	102,884	746	21,525	33,846	45,777	990
Number of shareholders.....	13,877	880,071	197,735	6,406	38,978	72,137	77,876	2,337
Income and deductions from a trade or business:								
Total receipts ¹	4,885,596	122,080,521	64,269,156	2,184,749	14,166,876	24,519,052	23,023,819	374,661
Business receipts.....	4,357,760	113,156,413	58,387,565	707,926	12,637,821	22,003,890	22,728,460	309,467
Interest on Government obligations:								
State and local.....	1,722	227,990	185,702	49,348	6,430	115,819	12,159	1,946
Net gain, noncapital assets.....	*7,425	1,014,444	271,797	133,706	108,023	26,398	3,624	47
Other receipts.....	518,689	7,681,674	5,424,092	1,293,769	1,414,603	2,372,945	279,575	63,201
Total deductions	4,443,485	112,009,273	58,241,659	1,717,965	13,117,712	22,564,117	20,565,489	276,377
Cost of goods sold.....	1,354,661	25,010,143	9,094,194	--	2,678,646	2,041,572	4,291,314	*82,663
Compensation of officers.....	504,083	12,747,732	9,336,722	120,730	751,982	5,359,462	3,083,263	21,285
Salaries and wages.....	934,798	29,377,812	16,248,075	225,478	3,579,435	5,803,969	6,596,412	42,781
Repairs.....	29,863	1,099,958	291,299	16,237	69,492	69,730	134,477	1,363
Bad debts.....	2,606	830,270	649,778	43,807	379,864	180,283	42,927	2,898
Rent paid on business property.....	120,707	4,028,629	1,730,671	20,717	414,255	563,356	721,580	10,764
Taxes paid.....	154,223	3,431,642	1,705,142	51,263	402,818	636,499	604,297	10,265
Interest paid.....	67,721	5,565,708	3,860,178	812,742	1,173,298	1,663,994	188,979	21,164
Amortization.....	20,995	326,929	220,438	86,605	42,585	29,793	61,194	261
Depreciation.....	81,610	4,129,305	728,561	38,443	175,271	263,366	242,685	8,797
Depletion.....	--	3,461	*1,733	3	*1,514	176	*39	--
Advertising.....	54,662	1,836,798	765,989	27,522	353,746	150,508	229,284	4,930
Pension, profit-sharing, stock bonus, and annuity plans.....	43,563	810,594	547,254	9,600	46,849	278,047	203,115	*9,642
Employee benefit programs.....	40,984	1,069,414	606,682	27,703	85,665	188,674	301,927	2,713
Net loss, noncapital assets.....	*60	152,101	66,527	2,654	7,365	54,807	1,701	--
Other deductions.....	1,032,949	21,588,778	12,388,416	234,461	2,954,927	5,279,882	3,862,297	56,850
Total receipts less total deductions	442,111	10,071,248	6,027,497	466,784	1,049,164	1,954,935	2,458,330	98,284
Net income (less deficit) from a trade or business								
440,390	9,843,257	5,841,795	417,437	1,042,734	1,839,115	2,446,171	96,338	
Net income.....	713,830	16,302,891	9,538,677	459,404	1,885,013	4,436,421	2,636,915	120,925
Deficit.....	273,440	6,459,634	3,696,883	41,967	842,279	2,597,305	190,744	24,587
Portfolio income (less deficit) distributed to shareholders								
67,518	13,255,887	6,003,496	32,815	767,641	4,433,628	599,594	169,817	
Dividend income.....	2,205	479,443	296,915	1,998	4,533	230,401	53,768	6,215
Interest income.....	15,967	2,804,152	1,414,139	20,577	249,414	940,412	188,818	14,918
Royalty income.....	13,620	66,567	7,512	67	*186	7,256	--	3
Net short-term capital gain (less loss).....	*-302	530,430	455,884	-35	6,161	438,631	-2,749	13,877
Net long-term capital gain (less loss).....	*36,028	9,294,990	3,781,797	10,204	507,177	2,774,448	355,169	134,800
Other portfolio income (net).....	--	80,304	47,248	3	171	42,480	*4,589	5
Real estate rental net income (less deficit)								
8,496	3,375,200	5,903	4,442	-7,318	3,245	5,374	161	
Net income.....	8,540	5,155,499	69,597	6,110	11,544	45,056	6,416	471
Deficit.....	45	1,780,299	63,693	1,668	18,863	41,812	1,042	309
Net income (less deficit) from other rental activity								
216	543,825	5,782	-359	-317	8,206	*-1,588	-161	
Net income.....	274	756,960	11,499	140	1,057	9,389	*678	236
Deficit.....	59	213,135	5,717	499	*1,374	1,182	*2,266	396
Total net income (less deficit)	516,619	27,018,169	11,856,976	454,335	1,802,740	6,284,195	3,049,550	266,156
Net income.....	773,677	33,083,696	14,338,159	490,992	2,543,805	7,826,993	3,192,534	283,834
Deficit.....	257,058	6,065,527	2,481,183	36,657	741,065	1,542,798	142,984	17,679

Footnotes at end of table.

S Corporation Returns, 1998

Table 1.--S Corporations: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Finance, insurance, real estate, rental and leasing--continued				Professional and business services			
	Real estate and rental and leasing				Total	Professional, scientific, and technical services		
	Total	Real estate	Rental and leasing services	Lessors of nonfinancial intangible assets		Total	Legal services	Accounting, tax preparation, bookkeeping, and payroll services
(73)	(74)	(75)	(76)	(77)	(78)	(79)	(80)	
Number of returns.....	300,201	271,573	27,939	*690	505,090	371,152	36,524	26,683
Number of shareholders.....	682,336	624,108	55,666	*2,562	814,939	572,538	50,134	42,893
Income and deductions from a trade or business:								
Total receipts ¹.....	57,811,365	40,290,326	17,191,418	*329,621	284,736,355	183,061,921	16,293,836	7,877,724
Business receipts.....	54,768,849	38,240,043	16,213,535	*315,270	275,909,504	179,673,635	15,161,329	7,826,055
Interest on Government obligations:								
State and local.....	42,288	39,442	2,846	--	242,283	36,036	5,415	*139
Net gain, noncapital assets.....	742,647	273,052	469,565	*30	593,484	395,047	9,630	*722
Other receipts.....	2,257,581	1,737,789	505,472	*14,320	7,991,085	2,957,203	1,117,462	50,809
Total deductions.....	53,767,614	36,936,966	16,523,095	*307,553	264,308,062	168,390,857	13,843,293	6,951,215
Cost of goods sold.....	15,915,949	9,276,591	6,406,035	*233,323	103,855,971	58,675,505	645,014	965,134
Compensation of officers.....	3,411,010	2,888,535	516,071	*6,405	25,724,140	20,525,946	3,839,995	1,333,800
Salaries and wages.....	13,129,737	10,964,627	2,147,106	*18,004	53,355,669	34,263,274	3,519,572	1,915,815
Repairs.....	808,659	441,775	366,125	*759	1,630,003	894,740	102,669	47,804
Bad debts.....	180,491	119,859	60,407	*225	693,944	330,682	23,286	7,118
Rent paid on business property.....	2,297,958	1,434,076	860,383	*3,498	8,109,710	5,834,092	757,799	413,886
Taxes paid.....	1,726,501	1,232,657	491,781	*2,063	9,363,631	5,790,149	494,835	318,991
Interest paid.....	1,705,531	1,079,614	622,639	*3,278	4,457,326	1,323,408	91,985	78,256
Amortization.....	106,491	60,449	42,466	*3,576	337,604	191,821	1,823	20,636
Depreciation.....	3,400,744	712,928	2,686,609	*1,206	4,032,632	2,462,816	143,101	95,311
Depletion.....	1,728	1,711	17	--	1,973	*40	--	*40
Advertising.....	1,070,809	833,929	235,527	*1,353	2,626,166	1,760,875	308,091	54,554
Pension, profit-sharing, stock bonus, and annuity plans.....	263,339	204,196	57,942	*1,202	2,146,921	1,830,211	226,192	147,815
Employee benefit programs.....	462,733	336,684	125,846	*203	3,104,354	2,054,506	90,404	111,080
Net loss, noncapital assets.....	-85,574	-40,452	-45,122	--	-89,585	-61,285	*-583	-5
Other deductions.....	9,200,361	7,308,882	1,859,020	*32,459	44,778,435	32,391,507	3,597,943	1,440,971
Total receipts less total deductions.....	4,043,750	3,353,360	668,323	*22,067	20,428,293	14,671,064	2,450,543	926,510
Net income (less deficit) from a trade or business.....	4,001,462	3,313,918	665,477	*22,067	20,186,011	14,635,028	2,445,128	926,371
Net income.....	6,764,214	5,395,710	1,341,907	*26,596	26,433,303	18,943,667	2,663,106	1,022,435
Deficit.....	2,762,751	2,081,792	676,431	*4,529	6,247,293	4,308,640	217,978	96,064
Portfolio income (less deficit) distributed to shareholders.....	7,252,391	6,258,429	970,135	*23,827	10,877,572	5,598,455	90,337	258,709
Dividend income.....	182,528	174,789	7,476	*262	337,487	134,996	19,835	3,428
Interest income.....	1,390,014	1,301,733	84,365	*3,916	1,360,348	745,118	65,722	88,514
Royalty income.....	59,055	31,995	*17,818	*9,242	83,534	45,320	*47	--
Net short-term capital gain (less loss).....	74,545	73,309	1,238	*-2	-35,424	49,918	1,724	*-500
Net long-term capital gain (less loss).....	5,513,194	4,652,408	857,967	*2,819	9,128,803	4,622,145	2,859	167,253
Other portfolio income (net).....	33,056	24,196	*1,271	*7,589	2,823	958	*149	13
Real estate rental net income (less deficit).....	3,369,296	3,325,609	43,335	*352	51,009	64,142	-616	*555
Net income.....	5,085,902	5,025,009	60,541	*352	157,453	110,486	*1,829	*722
Deficit.....	1,716,606	1,699,399	17,206	--	106,444	46,344	*2,445	*167
Net income (less deficit) from other rental activity.....	538,044	19,071	519,448	*-475	3,294	-3,532	15,860	-6
Net income.....	745,461	51,132	694,329	--	51,529	40,241	15,863	--
Deficit.....	207,418	32,061	174,881	*475	48,235	43,773	*3	6
Total net income (less deficit).....	15,161,193	12,917,028	2,198,395	*45,771	31,117,885	20,294,093	2,550,709	1,185,628
Net income.....	18,745,537	15,781,887	2,913,114	*50,537	36,809,602	24,211,647	2,764,824	1,251,077
Deficit.....	3,584,344	2,864,859	714,719	*4,767	5,691,716	3,917,554	214,115	65,449

Footnotes at end of table.

S Corporation Returns, 1998

Table 1.--S Corporations: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Professional and business services--continued							
	Professional, scientific, and technical services--continued				Management of companies	Administrative and support and waste management and remediation services		
	Architectural, engineering, and related services	Specialized design services	Computer systems design and related services	Other professional, scientific, and technical services		Total	Administrative and support services	Waste management and remediation services
(81)	(82)	(83)	(84)	(85)	(86)	(87)	(88)	
Number of returns.....	49,457	19,242	58,753	180,493	11,471	122,466	116,389	6,077
Number of shareholders.....	82,887	23,663	94,199	278,763	39,780	202,621	189,392	13,229
Income and deductions from a trade or business:								
Total receipts ¹.....	25,651,142	9,287,019	28,667,716	95,284,483	7,551,971	94,122,464	86,837,813	7,284,651
Business receipts.....	25,434,965	9,233,037	28,477,953	93,540,296	3,214,870	93,020,999	85,900,828	7,120,171
Interest on Government obligations:								
State and local.....	2,453	*634	5,152	22,242	186,605	19,642	11,267	8,374
Net gain, noncapital assets.....	31,801	*753	35,356	316,785	65,660	132,777	108,335	24,442
Other receipts.....	181,923	52,595	149,255	1,405,159	4,084,836	949,046	817,383	131,663
Total deductions.....	23,582,373	8,654,974	26,740,012	88,618,990	5,945,263	89,971,942	83,274,906	6,697,036
Cost of goods sold.....	7,703,215	5,044,252	10,457,658	33,860,231	314,331	44,866,135	42,231,123	2,635,011
Compensation of officers.....	2,805,359	761,422	2,687,424	9,097,946	453,487	4,744,707	4,456,018	288,689
Salaries and wages.....	5,255,182	785,985	5,745,770	17,040,951	770,958	18,321,437	17,477,474	843,963
Repairs.....	147,301	42,269	98,151	456,545	73,366	661,897	508,316	153,581
Bad debts.....	44,329	25,525	34,147	196,277	233,450	129,811	115,364	14,447
Rent paid on business property.....	824,082	238,756	669,074	2,930,494	93,058	2,182,560	1,953,418	229,142
Taxes paid.....	952,188	185,148	917,587	2,921,400	178,495	3,394,987	3,121,211	273,776
Interest paid.....	182,753	36,537	214,457	719,420	2,485,355	648,562	511,549	137,014
Amortization.....	15,986	7,083	21,570	124,722	18,827	126,956	100,133	26,823
Depreciation.....	423,457	129,390	384,382	1,287,176	173,649	1,396,167	1,010,368	385,798
Depletion.....	--	--	--	--	59	1,874	--	1,874
Advertising.....	80,774	94,894	259,485	963,077	54,219	811,072	774,884	36,188
Pension, profit-sharing, stock bonus, and annuity plans.....	251,808	76,657	261,937	865,803	44,739	271,971	240,245	31,726
Employee benefit programs.....	479,382	49,322	322,592	1,001,725	98,567	951,281	846,101	105,180
Net loss, noncapital assets.....	1,079	*2,964	798	55,856	4,716	23,584	23,055	*529
Other deductions.....	4,415,476	1,174,768	4,664,981	17,097,368	947,987	11,438,941	9,905,647	1,533,294
Total receipts less total deductions.....	2,068,769	632,045	1,927,704	6,665,493	1,606,708	4,150,522	3,562,907	587,615
Net income (less deficit) from a trade or business.....	2,066,316	631,411	1,922,552	6,643,251	1,420,103	4,130,880	3,551,639	579,241
Net income.....	2,397,384	765,998	2,790,370	9,304,375	2,009,237	5,480,399	4,759,440	720,960
Deficit.....	331,069	134,587	867,818	2,661,124	589,134	1,349,519	1,207,800	141,719
Portfolio income (less deficit) distributed to shareholders.....	147,940	26,605	1,393,906	3,680,958	1,285,734	3,993,383	1,370,205	2,623,178
Dividend income.....	19,096	6,389	8,292	77,956	186,578	15,913	13,284	2,629
Interest income.....	52,139	20,241	67,280	451,221	329,809	285,422	222,692	62,729
Royalty income.....	741	--	*36,891	7,641	1,880	*36,335	*35,934	401
Net short-term capital gain (less loss).....	1,706	*-168	-40,408	87,563	-64,268	-21,074	-19,117	-1,957
Net long-term capital gain (less loss).....	74,237	*491	1,321,852	3,055,453	829,872	3,676,786	1,117,412	2,559,374
Other portfolio income (net).....	21	*-349	--	1,124	1,863	1	--	1
Real estate rental net income (less deficit).....	8,129	*5,454	*909	49,710	-20,087	6,954	4,992	1,962
Net income.....	8,565	*5,487	*1,394	92,489	31,339	15,628	13,476	2,152
Deficit.....	436	*32	*485	42,778	51,426	8,674	*8,484	190
Net income (less deficit) from other rental activity.....	*141	--	*201	-19,728	-617	7,442	6,318	1,124
Net income.....	*444	--	*201	23,732	3,573	7,716	6,318	1,398
Deficit.....	303	--	--	43,460	4,189	273	--	273
Total net income (less deficit).....	2,222,525	663,470	3,317,569	10,354,192	2,685,133	8,138,659	4,933,154	3,205,505
Net income.....	2,539,688	792,120	4,161,485	12,702,454	3,225,612	9,372,343	6,069,201	3,303,142
Deficit.....	317,162	128,650	843,916	2,348,262	540,479	1,233,684	1,136,047	97,637

Footnotes at end of table.

S Corporation Returns, 1998

Table 1.--S Corporations: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Education, health, and social assistance							
	Total	Educational services	Health care and social assistance					Hospitals, nursing, and residential care facilities
			Total	Offices of physicians and dentists	Offices of other health practitioners	Outpatient care centers	Miscellaneous health care and social assistance	
(89)	(90)	(91)	(92)	(93)	(94)	(95)	(96)	
Number of returns.....	155,372	20,527	134,844	55,822	37,462	3,904	26,698	10,958
Number of shareholders.....	248,508	33,545	214,963	76,123	56,167	5,387	50,638	26,648
Income and deductions from a trade or business:								
Total receipts ¹.....	91,158,268	10,418,451	80,739,816	32,678,449	14,396,018	1,980,342	12,295,838	19,389,169
Business receipts.....	89,250,909	10,297,420	78,953,489	31,670,350	14,295,896	1,872,872	12,239,479	18,874,893
Interest on Government obligations:								
State and local.....	10,333	4,361	5,972	*2,790	*342	757	*89	1,994
Net gain, noncapital assets.....	103,908	17,936	85,972	17,339	*7,407	651	22,987	37,588
Other receipts.....	1,793,118	98,735	1,694,383	987,971	92,372	106,062	33,283	474,695
Total deductions.....	85,173,621	9,858,031	75,315,590	29,524,623	13,321,591	1,808,323	11,743,279	18,917,774
Cost of goods sold.....	12,054,564	2,289,715	9,764,849	1,117,732	3,080,894	320,455	2,761,751	2,484,018
Compensation of officers.....	12,585,349	730,670	11,854,679	8,265,006	2,383,215	134,499	756,480	315,480
Salaries and wages.....	24,402,320	2,608,798	21,793,522	7,675,747	2,641,031	344,584	3,866,436	7,265,724
Repairs.....	751,853	97,978	653,875	258,925	83,213	12,226	124,918	174,593
Bad debts.....	441,340	146,823	294,518	43,747	42,052	*15,326	96,710	96,684
Rent paid on business property.....	4,868,645	619,995	4,248,650	1,710,744	759,766	61,748	558,816	1,157,576
Taxes paid.....	3,622,415	345,065	3,277,349	1,122,673	450,821	45,155	526,322	1,132,378
Interest paid.....	1,128,048	84,109	1,043,939	241,263	73,452	24,256	182,246	522,723
Amortization.....	151,634	15,543	136,091	53,962	19,057	4,434	23,989	34,649
Depreciation.....	1,427,775	159,419	1,268,356	416,072	142,601	42,499	299,932	367,252
Depletion.....	*965	--	*965	*938	--	--	*28	--
Advertising.....	1,111,141	528,112	583,029	213,345	170,173	28,776	85,364	85,370
Pension, profit-sharing, stock bonus, and annuity plans.....	1,162,887	36,512	1,126,375	866,510	135,328	13,685	63,464	47,388
Employee benefit programs.....	1,266,875	150,313	1,116,562	284,168	88,639	11,798	173,347	558,609
Net loss, noncapital assets.....	3,581	69	3,512	63	2	--	*2,542	*906
Other deductions.....	20,194,229	2,044,910	18,149,319	7,253,730	3,251,349	748,883	2,220,933	4,674,424
Total receipts less total deductions.....	5,984,646	560,420	5,424,226	3,153,826	1,074,427	172,019	552,559	471,395
Net income (less deficit) from a trade or business.....	5,974,313	556,059	5,418,254	3,151,036	1,074,085	171,261	552,470	469,401
Net income.....	7,901,745	700,990	7,200,754	3,678,391	1,288,856	251,489	1,019,799	962,219
Deficit.....	1,927,431	144,931	1,782,500	527,355	214,771	80,228	467,329	492,818
Portfolio income (less deficit) distributed to shareholders.....	648,073	107,522	540,551	182,983	78,089	78,104	32,669	168,706
Dividend income.....	18,917	2,958	15,959	3,243	8,295	*607	1,708	2,105
Interest income.....	224,565	44,707	179,858	53,719	18,730	7,492	18,251	81,666
Royalty income.....	*4,075	*4,075	--	--	--	--	--	--
Net short-term capital gain (less loss).....	-10,449	-89	-10,360	*-10,220	*-481	*-107	*208	*242
Net long-term capital gain (less loss).....	410,964	55,872	355,092	136,241	51,545	70,113	*12,502	84,690
Other portfolio income (net).....	*2	--	*2	--	--	--	--	*2
Real estate rental net income (less deficit).....	28,364	2,909	25,454	*4176	*5,133	*1,864	*358	13,923
Net income.....	32,093	*4,192	27,901	*4,704	*5,133	*1,864	*358	15,842
Deficit.....	3,730	*1,283	2,447	*528	--	--	--	*1,919
Net income (less deficit) from other rental activity.....	4,130	111	4,019	*3,312	--	--	162	*544
Net income.....	4,333	111	*4,221	*3,369	--	--	162	*690
Deficit.....	*203	--	*203	*57	--	--	--	*146
Total net income (less deficit).....	6,654,880	666,602	5,988,278	3,341,508	1,157,307	251,229	585,660	652,574
Net income.....	8,410,421	785,075	7,625,347	3,826,270	1,343,907	294,054	1,042,836	1,118,279
Deficit.....	1,755,541	118,472	1,637,069	484,763	186,600	42,825	457,176	465,705

Footnotes at end of table.

S Corporation Returns, 1998

Table 1.--S Corporations: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Leisure, accommodation, and food services						
	Total	Arts, entertainment, and recreation			Accommodation and food services		
		Total	Other arts, entertainment, and recreation	Amusement, gambling, and recreation industries	Total	Accommodation	Food services and drinking places
	(97)	(98)	(99)	(100)	(101)	(102)	(103)
Number of returns.....	201,973	54,882	27,128	27,754	147,091	21,995	125,096
Number of shareholders.....	418,882	109,006	44,167	64,838	309,876	58,621	251,256
Income and deductions from a trade or business:							
Total receipts ¹.....	126,970,449	26,507,127	10,718,542	15,788,586	100,463,322	16,365,277	84,098,045
Business receipts.....	123,569,886	25,300,285	10,133,326	15,166,959	98,269,601	15,787,255	82,482,346
Interest on Government obligations:							
State and local.....	17,468	9,136	4,040	5,096	8,332	5,267	3,065
Net gain, noncapital assets.....	707,386	208,181	19,386	188,795	499,205	76,438	422,767
Other receipts.....	2,675,710	989,525	561,790	427,735	1,686,184	496,317	1,189,868
Total deductions.....	123,082,716	25,439,167	10,349,891	15,089,276	97,643,549	16,012,068	81,631,481
Cost of goods sold.....	44,235,084	5,526,669	2,093,580	3,433,089	38,708,415	3,298,094	35,410,320
Compensation of officers.....	5,014,789	2,036,317	1,336,319	699,998	2,978,472	456,815	2,521,657
Salaries and wages.....	23,240,154	5,503,528	2,591,645	2,911,884	17,736,625	2,879,102	14,857,523
Repairs.....	2,536,700	588,909	82,841	506,067	1,947,792	564,665	1,383,127
Bad debts.....	224,019	39,401	13,161	26,240	184,618	113,387	71,231
Rent paid on business property.....	8,043,320	1,624,068	379,552	1,244,516	6,419,251	810,810	5,608,441
Taxes paid.....	5,688,726	1,296,928	327,226	969,702	4,391,797	1,048,035	3,343,762
Interest paid.....	3,042,527	711,988	155,966	556,022	2,330,540	1,240,897	1,089,643
Amortization.....	591,629	193,789	134,418	59,372	397,839	85,583	312,256
Depreciation.....	4,302,753	1,238,433	259,885	978,548	3,064,320	1,164,485	1,899,836
Depletion.....	--	--	--	--	--	--	--
Advertising.....	3,313,790	560,386	167,699	392,687	2,753,404	385,622	2,367,782
Pension, profit-sharing, stock bonus, and annuity plans.....	203,083	119,788	67,271	52,516	83,295	14,245	69,050
Employee benefit programs.....	778,290	193,727	59,043	134,684	584,563	112,924	471,640
Net loss, noncapital assets.....	119,058	3,098	*780	2,318	115,960	8,619	107,341
Other deductions.....	21,748,794	5,802,137	2,680,506	3,121,631	15,946,657	3,828,785	12,117,872
Total receipts less total deductions.....	3,887,734	1,067,961	368,650	699,310	2,819,773	353,209	2,466,564
Net income (less deficit) from a trade or business.....	3,870,265	1,058,824	364,610	694,214	2,811,441	347,942	2,463,499
Net income.....	8,765,224	2,862,102	1,297,195	1,564,907	5,903,122	1,267,382	4,635,740
Deficit.....	4,894,958	1,803,278	932,585	870,693	3,091,681	919,440	2,172,241
Portfolio income (less deficit) distributed to shareholders.....	1,472,298	756,172	577,876	178,295	716,127	278,549	437,578
Dividend income.....	48,931	20,395	12,523	7,872	28,536	14,290	14,245
Interest income.....	517,420	167,345	75,191	92,154	350,075	195,886	154,189
Royalty income.....	117,777	116,933	116,884	50	844	1	843
Net short-term capital gain (less loss).....	-2,630	-6,696	-8,791	2,094	4,067	-1,676	5,743
Net long-term capital gain (less loss).....	773,381	442,692	366,566	76,125	330,689	68,143	262,546
Other portfolio income (net).....	17,419	15,503	15,503	--	*1,916	*1,904	12
Real estate rental net income (less deficit).....	105,402	34,144	5,579	28,565	71,257	54,773	16,485
Net income.....	153,884	47,162	11,354	35,809	106,721	77,158	29,563
Deficit.....	48,482	13,018	*5,775	7,243	35,464	22,386	13,078
Net income (less deficit) from other rental activity.....	37,056	10,996	*577	10,419	26,060	1,379	24,682
Net income.....	40,067	13,369	*2,950	10,419	26,697	2,016	24,682
Deficit.....	3,010	2,373	2,373	--	637	637	--
Total net income (less deficit).....	5,485,022	1,860,136	948,642	911,494	3,624,885	682,642	2,942,244
Net income.....	10,088,275	3,548,639	1,805,290	1,743,348	6,539,636	1,530,974	5,008,662
Deficit.....	4,603,253	1,688,503	856,648	831,855	2,914,751	848,332	2,066,418

Footnotes at end of table.

S Corporation Returns, 1998

Table 1.--S Corporations: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Other services				Nature of business not allocable
	Total	Repair and maintenance	Personal and laundry services	Religious, grantmaking, civic, professional, and similar organizations	
	(104)	(105)	(106)	(107)	(108)
Number of returns	150,437	75,611	74,189	*637	10,804
Number of shareholders	242,773	119,151	120,715	*2,907	18,164
Income and deductions from a trade or business:					
Total receipts ¹	57,997,629	34,971,799	23,024,715	*1,114	1,373,616
Business receipts.....	57,226,366	34,589,590	22,636,776	--	1,321,394
Interest on Government obligations:					
State and local.....	6,569	1,383	5,186	--	*850
Net gain, noncapital assets.....	136,602	69,173	67,429	--	2,490
Other receipts.....	628,091	311,653	315,324	*1,114	48,882
Total deductions	55,235,354	33,470,453	21,755,495	*9,406	1,737,429
Cost of goods sold.....	24,250,570	17,074,511	7,176,059	--	661,022
Compensation of officers.....	3,753,832	2,038,358	1,715,474	--	38,812
Salaries and wages.....	8,731,235	4,806,541	3,924,695	--	97,762
Repairs.....	616,457	289,681	326,776	--	10,554
Bad debts.....	179,305	63,733	115,572	--	*16,933
Rent paid on business property.....	3,435,191	1,573,660	1,861,530	--	46,943
Taxes paid.....	2,021,745	1,170,445	850,380	920	23,677
Interest paid.....	799,879	441,289	358,589	*1	22,178
Amortization.....	130,969	52,760	78,198	*11	*53
Depreciation.....	1,459,595	728,071	731,524	--	20,908
Depletion.....	*317	*317	--	--	--
Advertising.....	949,295	487,334	461,962	--	8,148
Pension, profit-sharing, stock bonus, and annuity plans.....	153,568	66,049	87,519	--	*9,287
Employee benefit programs.....	494,272	359,143	135,128	--	*3,431
Net loss, noncapital assets.....	25,436	*850	24,586	--	--
Other deductions.....	8,233,688	4,317,709	3,907,505	*8,474	777,721
Total receipts less total deductions	2,762,275	1,501,346	1,269,220	*-8,292	-363,812
Net income (less deficit)					
from a trade or business	2,755,706	1,499,963	1,264,034	*-8,292	-364,662
Net income.....	3,901,912	2,054,707	1,847,205	--	176,230
Deficit.....	1,146,206	554,743	583,171	*8,292	540,892
Portfolio income (less deficit)					
distributed to shareholders	926,889	164,182	695,425	*67,282	119,165
Dividend income.....	18,140	11,131	6,883	*125	*1,758
Interest income.....	114,427	44,914	68,548	*965	2,341
Royalty income.....	*5,799	*5,799	--	--	--
Net short-term capital gain (less loss).....	-2,202	-942	-1,260	--	-427
Net long-term capital gain (less loss).....	787,083	102,802	618,089	*66,192	*115,493
Other portfolio income (net).....	*3,641	477	*3,164	--	--
Real estate rental net income (less deficit)	47,229	29,336	17,894	--	*2,789
Net income.....	48,748	29,920	18,828	--	*3,289
Deficit.....	*1,518	*584	934	--	500
Net income (less deficit) from other rental activity	4,107	3,844	263	--	--
Net income.....	*9,109	*8,843	266	--	--
Deficit.....	*5,002	*4,998	4	--	--
Total net income (less deficit)	3,733,930	1,697,325	1,977,615	*58,990	-242,709
Net income.....	4,792,625	2,207,909	2,525,705	*59,010	293,167
Deficit.....	1,058,694	510,584	548,090	*20	535,876

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

¹ Includes interest on Government obligations: State and local, which is not reflected in net income (less deficit) from a trade or business.

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

S Corporation Returns, 1998

Table 2.--S Corporations with Net Income: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group

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

Item	All industries	Raw materials and energy production						Mining	Utilities
		Total	Agriculture, forestry, fishing, and hunting			Support activities and fishing, hunting, and trapping			
			Total	Agriculture production	Forestry and logging				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
Number of returns.....	1,669,485	50,197	39,481	24,591	4,701	10,188	9,353	1,363	
Number of shareholders.....	3,104,572	129,351	102,250	69,386	8,957	23,907	24,682	2,419	
Income and deductions from a trade or business:									
Total receipts ¹.....	2,558,302,564	49,127,661	35,738,265	21,545,505	4,294,491	9,898,270	11,373,731	2,015,665	
Business receipts.....	2,508,413,757	44,836,887	32,532,879	18,623,255	4,245,232	9,664,393	10,408,529	1,895,479	
Interest on Government obligations:									
State and local.....	845,187	29,721	14,035	11,668	*1,595	772	15,072	614	
Net gain, noncapital assets.....	6,019,147	468,652	183,296	136,597	5,981	40,718	283,299	2,057	
Other receipts.....	43,024,473	3,792,401	3,008,056	2,773,985	41,683	192,387	666,831	117,514	
Total deductions.....	2,390,643,859	44,488,051	33,097,500	19,824,841	4,089,413	9,183,245	9,589,877	1,800,673	
Cost of goods sold.....	1,617,390,755	24,403,299	18,002,320	9,608,490	2,451,129	5,942,700	5,104,914	1,296,066	
Compensation of officers.....	96,585,442	1,114,672	811,580	417,672	117,033	276,875	282,584	20,508	
Salaries and wages.....	240,612,898	3,612,842	2,833,295	1,699,514	288,495	845,285	656,182	123,365	
Repairs.....	14,424,839	1,034,815	847,695	505,662	145,135	196,898	175,540	11,580	
Bad debts.....	4,295,917	39,165	15,237	8,103	*2,916	4,217	20,723	3,205	
Rent paid on business property.....	50,596,315	1,398,732	1,129,947	930,508	40,674	158,765	209,756	59,029	
Taxes paid.....	49,190,744	1,058,153	644,747	412,800	77,640	154,306	378,016	35,391	
Interest paid.....	25,529,547	911,870	587,195	422,969	58,183	106,043	279,221	45,453	
Amortization.....	2,283,061	44,677	25,321	14,954	1,202	9,166	16,499	2,857	
Depreciation.....	36,908,589	1,858,128	1,237,968	789,498	203,979	244,492	549,027	71,132	
Depletion.....	200,447	121,978	*1,539	*1,357	182	--	116,177	4,263	
Advertising.....	23,407,241	169,086	149,154	66,424	2,924	79,806	17,923	2,009	
Pension, profit-sharing, stock bonus, and annuity plans.....	9,045,053	106,001	59,798	32,016	7,598	20,184	40,160	6,043	
Employee benefit programs.....	17,712,826	301,691	185,277	128,087	16,364	40,826	108,066	8,348	
Net loss, noncapital assets.....	195,804	3,325	1,919	1,880	--	*39	1,406	--	
Other deductions.....	202,264,384	8,309,615	6,564,508	4,784,907	675,959	1,103,642	1,633,683	111,424	
Total receipts less total deductions.....	167,658,705	4,639,611	2,640,765	1,720,663	205,078	715,025	1,783,854	214,992	
Net income (less deficit)									
from a trade or business.....	166,813,518	4,609,890	2,626,730	1,708,995	203,483	714,252	1,768,782	214,378	
Net income.....	170,957,703	4,725,994	2,698,307	1,745,535	208,341	744,431	1,802,649	225,038	
Deficit.....	4,144,184	116,105	71,576	36,539	4,858	30,179	33,867	*10,661	
Portfolio income (less deficit)									
distributed to shareholders.....	49,948,034	2,072,993	454,206	275,189	57,794	121,222	1,214,409	404,378	
Dividend income.....	1,424,004	87,895	20,419	11,750	*601	8,068	66,712	764	
Interest income.....	9,027,467	405,742	185,370	133,251	18,525	33,594	175,455	44,917	
Royalty income.....	533,945	92,765	8,331	7,703	*628	--	84,434	--	
Net short-term capital gain (less loss).....	747,452	23,038	-847	2,456	*109	*-3,411	24,083	-198	
Net long-term capital gain (less loss).....	38,083,586	1,457,091	235,329	114,699	*37,641	82,989	862,867	358,894	
Other portfolio income (net).....	131,579	6,462	5,603	*5,330	*290	-17	858	--	
Real estate rental net income									
(less deficit).....	6,062,317	142,893	133,546	125,595	1,070	6,882	10,265	-919	
Net income.....	6,320,297	149,494	137,555	129,369	*1,130	7,056	11,435	505	
Deficit.....	257,980	6,602	4,009	*3,774	*59	*175	1,169	1,424	
Net income (less deficit)									
from other rental activity.....	1,149,040	25,420	19,228	12,624	*728	*5,876	6,059	*133	
Net income.....	1,185,593	25,690	19,431	12,631	*728	*6,072	6,126	*133	
Deficit.....	36,553	*270	*203	7	--	*196	67	--	
Total net income.....	223,972,910	6,851,195	3,233,710	2,122,403	263,075	848,232	2,999,515	617,970	

Footnote at end of table.

S Corporation Returns, 1998

Table 2.--S Corporations with Net Income: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Goods production							
	Total	Construction			Manufacturing			
		Total	Building, developing, and general contracting	Heavy construction	Special trade contractors	Total	Food manufacturing	Beverage and tobacco product manufacturing
(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
Number of returns	304,571	209,337	78,705	9,250	121,383	95,233	4,905	642
Number of shareholders	571,669	346,456	143,427	17,471	185,559	225,213	21,158	2,786
Income and deductions from a trade or business:								
Total receipts ¹	754,661,121	340,465,492	152,847,986	44,411,233	143,206,273	414,195,629	44,753,289	6,963,541
Business receipts.....	746,640,671	336,802,301	150,961,306	43,595,159	142,245,836	409,838,370	44,166,694	6,855,892
Interest on Government obligations:								
State and local.....	205,401	81,579	51,367	12,546	17,667	123,822	10,231	2,443
Net gain, noncapital assets.....	1,294,128	464,842	102,620	206,017	156,204	829,286	67,690	7,838
Other receipts.....	6,520,921	3,116,770	1,732,693	597,511	786,566	3,404,150	508,673	97,369
Total deductions	699,849,206	318,530,597	144,066,241	41,722,993	132,741,364	381,318,609	42,374,069	6,386,331
Cost of goods sold.....	528,815,450	251,172,150	124,784,415	32,888,856	93,498,878	277,643,301	32,349,564	3,991,968
Compensation of officers.....	23,136,592	10,314,706	3,205,537	980,361	6,128,808	12,821,886	641,261	123,390
Salaries and wages.....	44,575,173	15,458,756	4,059,407	1,707,562	9,691,787	29,116,417	2,765,895	661,386
Repairs.....	3,187,292	1,252,155	285,512	262,191	704,452	1,935,137	237,154	57,431
Bad debts.....	981,146	376,528	128,642	49,137	198,749	604,618	35,684	5,897
Rent paid on business property.....	8,949,375	4,130,799	877,749	977,075	2,275,975	4,818,576	476,945	59,367
Taxes paid.....	13,628,013	5,548,494	1,391,718	664,412	3,492,364	8,079,519	561,955	238,211
Interest paid.....	6,029,415	2,127,664	1,036,718	289,554	801,392	3,901,751	354,220	76,047
Amortization.....	418,859	99,768	62,005	6,798	30,965	319,091	25,970	14,145
Depreciation.....	13,733,742	4,415,225	783,276	1,282,078	2,349,871	9,318,517	862,742	235,016
Depletion.....	56,364	21,406	265	19,435	*1,706	34,958	--	801
Advertising.....	4,941,222	949,822	344,458	36,910	568,454	3,991,400	850,646	371,763
Pension, profit-sharing, stock bonus, and annuity plans.....	2,993,109	1,097,939	264,424	253,377	580,138	1,895,170	162,441	27,589
Employee benefit programs.....	7,021,892	2,700,729	529,900	341,750	1,829,079	4,321,163	349,524	87,744
Net loss, noncapital assets.....	44,667	11,437	2,557	5,152	3,728	33,230	936	* 438
Other deductions.....	41,336,894	18,853,020	6,309,658	1,958,344	10,585,018	22,483,874	2,699,130	435,139
Total receipts less total deductions	54,811,915	21,934,895	8,781,745	2,688,240	10,464,909	32,877,020	2,379,220	577,210
Net income (less deficit) from a trade or business	54,606,514	21,853,316	8,730,379	2,675,694	10,447,243	32,753,198	2,368,988	574,767
Net income.....	55,075,191	22,022,337	8,865,309	2,698,619	10,458,409	33,052,854	2,374,839	575,415
Deficit.....	468,677	169,022	134,930	22,925	11,167	299,655	5,851	648
Portfolio income (less deficit) distributed to shareholders	10,423,275	2,941,327	1,876,906	347,590	716,831	7,481,948	311,223	41,587
Dividend income.....	260,978	112,583	43,690	37,638	31,255	148,395	16,710	2,541
Interest income.....	2,278,977	1,095,119	620,606	199,847	274,665	1,183,859	103,388	28,559
Royalty income.....	60,035	5,758	407	3,200	*2,151	54,277	2,119	1
Net short-term capital gain (less loss).....	5,770	17,009	11,279	3,683	2,047	-11,239	-1,673	-72
Net long-term capital gain (less loss).....	7,807,173	1,702,177	1,193,917	101,962	406,299	6,104,996	190,507	10,534
Other portfolio income (net).....	10,341	8,680	7,007	*1,260	*413	1,661	172	25
Real estate rental net income (less deficit)	321,949	203,793	173,423	15,949	14,421	118,156	11,945	6,299
Net income.....	359,429	231,488	198,527	16,619	16,342	127,941	12,795	6,349
Deficit.....	37,480	27,695	25,104	670	1,921	9,785	850	50
Net income (less deficit) from other rental activity	90,573	20,905	4,321	14,199	2,385	69,668	2,097	*3,974
Net income.....	98,126	24,082	5,785	15,815	2,481	74,044	2,206	*4,837
Deficit.....	7,553	3,177	*1,465	1,616	96	4,376	109	862
Total net income	65,442,311	25,019,340	10,785,028	3,053,432	11,180,879	40,422,970	2,694,253	626,628

Footnote at end of table.

S Corporation Returns, 1998

Table 2.--S Corporations with Net Income: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Goods production--continued							
	Manufacturing--continued							
	Textile mills and textile product mills	Apparel manufacturing	Leather and allied product manufacturing	Wood product manufacturing	Paper manufacturing	Printing and related support activities	Petroleum and coal products manufacturing	Chemical manufacturing
(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	
Number of returns	2,526	4,236	286	4,035	1,214	12,453	326	2,477
Number of shareholders	6,090	7,755	550	10,839	4,518	20,595	645	9,551
Income and deductions from a trade or business:								
Total receipts ¹	14,145,620	20,515,181	1,781,157	20,304,732	13,106,905	23,835,501	3,736,009	14,861,667
Business receipts.....	13,910,978	20,201,681	1,776,249	20,136,836	12,987,061	23,629,421	3,639,544	14,656,958
Interest on Government obligations:								
State and local.....	4,049	4,349	*535	2,883	7,079	4,657	*387	4,014
Net gain, noncapital assets.....	13,993	32,757	174	25,620	37,912	68,965	33,819	35,270
Other receipts.....	216,600	276,394	4,200	139,394	74,854	132,458	62,260	165,424
Total deductions	13,229,020	19,380,044	1,643,681	18,750,535	12,202,547	21,970,059	3,459,704	13,570,140
Cost of goods sold.....	10,463,486	14,599,100	1,186,337	15,004,914	8,990,111	13,852,464	2,718,228	8,891,993
Compensation of officers.....	457,893	598,703	56,270	408,797	348,248	1,098,554	64,344	478,227
Salaries and wages.....	801,842	1,547,164	127,642	969,606	964,139	2,210,683	218,728	1,265,918
Repairs.....	43,989	42,412	5,478	82,671	42,503	159,743	39,924	105,285
Bad debts.....	35,866	26,480	2,053	18,470	20,811	60,477	11,596	37,763
Rent paid on business property.....	111,407	250,279	20,705	125,410	197,554	486,045	31,942	209,829
Taxes paid.....	234,823	368,621	33,800	378,156	245,997	606,578	44,898	277,163
Interest paid.....	133,602	264,766	29,961	169,749	148,361	283,736	37,158	150,522
Amortization.....	6,238	4,863	600	8,981	8,057	34,358	1,451	37,503
Depreciation.....	265,717	187,830	19,950	404,555	400,377	821,815	97,397	351,971
Depletion.....	--	--	--	*20,440	*327	--	--	1,049
Advertising.....	60,812	199,147	32,959	91,941	37,335	219,798	15,969	232,492
Pension, profit-sharing, stock bonus, and annuity plans.....	43,823	42,919	4,108	82,050	60,444	121,425	13,009	73,927
Employee benefit programs.....	94,914	142,292	21,161	178,814	134,076	254,232	24,149	145,696
Net loss, noncapital assets.....	*1,076	370	3	5,198	528	1,282	1	1,159
Other deductions.....	473,530	1,105,100	102,654	800,784	603,679	1,758,868	139,862	1,309,429
Total receipts less total deductions	916,601	1,135,137	137,476	1,554,197	904,358	1,865,441	276,305	1,291,526
Net income (less deficit) from a trade or business	912,552	1,130,789	136,941	1,551,314	897,279	1,860,784	275,918	1,287,512
Net income.....	920,716	1,134,311	137,400	1,557,386	915,470	1,895,057	275,918	1,334,063
Deficit.....	8,165	*3,522	459	6,072	*18,191	*34,273	--	46,552
Portfolio income (less deficit) distributed to shareholders	100,026	299,275	8,180	164,488	171,967	621,301	65,723	1,683,506
Dividend income.....	4,773	7,668	*2,212	2,601	4,187	5,908	*471	8,590
Interest income.....	41,613	34,255	5,035	56,283	42,025	79,574	6,456	57,297
Royalty income.....	1,650	12,100	27	*72	130	4	--	5,496
Net short-term capital gain (less loss).....	1,537	1,335	23	14	1,278	1,959	*1,225	-24,125
Net long-term capital gain (less loss).....	50,838	243,547	884	105,517	124,347	533,857	57,572	1,636,104
Other portfolio income (net).....	*-385	369	--	(²)	--	(²)	--	*145
Real estate rental net income (less deficit)	2,761	7,375	44	10,059	739	-583	813	985
Net income.....	2,902	7,766	53	10,410	1,727	3,246	813	1,147
Deficit.....	141	*392	9	351	987	3,830	--	161
Net income (less deficit) from other rental activity	*3,766	1,068	--	3,851	*838	*4,270	*237	2,291
Net income.....	*3,767	1,068	--	4,009	*1,208	*4,479	*237	2,500
Deficit.....	*1	--	--	158	370	209	--	209
Total net income	1,019,105	1,438,506	145,165	1,729,712	1,070,824	2,485,772	342,692	2,974,295

Footnote at end of table.

S Corporation Returns, 1998

Table 2.--S Corporations with Net Income: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Goods production--continued							
	Manufacturing--continued							
	Plastics and rubber products manufacturing	Nonmetallic mineral products manufacturing	Primary metal manufacturing	Fabricated metal products manufacturing	Machinery manufacturing	Computer and electronic products manufacturing	Electrical equipment, appliance, and component manufacturing	Transportation equipment manufacturing
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Number of returns.....	5,026	3,551	2,155	16,486	7,597	3,806	2,866	3,514
Number of shareholders.....	13,883	6,936	5,365	37,716	18,420	8,667	6,058	7,820
Income and deductions from a trade or business:								
Total receipts ¹.....	27,809,701	12,757,614	18,929,390	65,116,277	24,114,832	16,720,085	16,509,216	22,131,513
Business receipts.....	27,529,947	12,641,918	18,811,020	64,454,638	23,891,419	16,643,428	16,376,388	21,904,002
Interest on Government obligations:								
State and local.....	10,795	3,457	1,284	23,532	13,247	4,685	7,094	11,115
Net gain, noncapital assets.....	77,368	29,920	13,241	164,543	41,039	14,618	12,733	59,836
Other receipts.....	191,591	82,318	103,844	473,563	169,128	57,354	113,001	156,561
Total deductions.....	25,359,139	11,596,808	17,984,495	58,853,217	21,765,141	15,054,002	15,040,794	20,324,811
Cost of goods sold.....	18,507,445	7,971,707	15,042,381	42,144,208	15,263,782	10,721,767	10,621,026	16,195,416
Compensation of officers.....	884,564	338,076	309,953	2,768,899	995,048	585,566	486,477	363,751
Salaries and wages.....	1,701,846	947,849	754,464	4,248,972	1,794,362	1,471,948	1,497,840	1,196,886
Repairs.....	125,199	116,926	105,254	291,886	88,417	45,293	66,438	63,132
Bad debts.....	37,837	27,318	9,334	96,657	26,392	18,735	22,620	18,586
Rent paid on business property.....	279,662	225,993	93,965	829,563	253,165	186,470	151,421	157,319
Taxes paid.....	559,180	309,031	258,544	1,498,774	531,104	284,150	284,612	398,030
Interest paid.....	304,409	113,288	140,771	623,786	261,400	100,743	126,415	158,053
Amortization.....	22,184	12,265	8,813	35,379	15,819	13,722	9,582	14,046
Depreciation.....	888,545	440,450	329,120	1,791,715	564,771	292,058	284,834	373,468
Depletion.....	1,040	9,547	--	--	--	106	57	--
Advertising.....	157,633	110,431	23,295	316,949	183,608	172,298	209,993	113,851
Pension, profit-sharing, stock bonus, and annuity plans.....	122,341	64,767	79,078	410,403	161,699	86,975	82,783	73,694
Employee benefit programs.....	328,217	145,456	151,250	867,973	330,233	115,681	199,860	266,686
Net loss, noncapital assets.....	5,142	* 254	*1,237	4,584	561	5,795	1,770	704
Other deductions.....	1,433,895	763,450	677,036	2,923,468	1,294,780	952,696	995,068	931,190
Total receipts less total deductions.....	2,450,561	1,160,806	944,895	6,263,060	2,349,691	1,666,083	1,468,422	1,806,702
Net income (less deficit)								
from a trade or business.....	2,439,767	1,157,349	943,611	6,239,528	2,336,444	1,661,398	1,461,328	1,795,588
Net income.....	2,455,844	1,158,665	946,443	6,267,593	2,341,951	1,668,006	1,477,438	1,833,849
Deficit.....	16,077	1,316	*2,832	28,065	5,507	*6,609	16,110	38,262
Portfolio income (less deficit)								
distributed to shareholders.....	195,960	51,754	76,149	1,232,519	479,189	392,576	123,504	815,555
Dividend income.....	9,573	1,882	3,460	26,836	9,937	7,350	6,021	10,333
Interest income.....	71,045	38,817	40,054	197,003	91,830	50,456	44,814	74,034
Royalty income.....	3,203	97	346	2,974	8,858	2,497	4,955	4,471
Net short-term capital gain (less loss).....	-178	663	2,473	2,130	2,110	758	3,245	-13
Net long-term capital gain (less loss).....	112,241	10,246	29,890	1,003,323	366,425	331,092	64,482	726,718
Other portfolio income (net).....	*76	50	-75	253	29	*423	-14	11
Real estate rental net income (less deficit).....	7,444	6,419	6,044	30,978	6,919	1,722	1,681	6,176
Net income.....	7,882	6,541	6,098	31,693	7,316	1,722	2,143	6,863
Deficit.....	438	122	53	715	397	--	*462	687
Net income (less deficit) from other rental activity.....	942	197	3,332	15,109	13,861	*1,519	2,178	7,918
Net income.....	*1,288	275	*3,518	16,042	14,109	*1,520	2,178	8,443
Deficit.....	346	78	187	*933	*248	*1	--	525
Total net income.....	2,644,113	1,215,719	1,029,135	7,518,133	2,836,414	2,057,214	1,588,690	2,625,237

Footnote at end of table.

S Corporation Returns, 1998

Table 2.--S Corporations with Net Income: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Goods production--continued		Distribution and transportation of goods					
	Manufacturing--continued		Total	Wholesale and retail trade				
	Furniture and related products manufacturing	Miscellaneous manufacturing		Total	Wholesale trade			Retail trade
			Total		Durable goods	Nondurable goods	Total	
(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)	
Number of returns.....	4,037	13,095	353,067	300,746	96,734	56,621	40,113	203,596
Number of shareholders.....	8,662	27,199	651,187	562,886	196,374	114,839	81,535	366,015
Income and deductions from a trade or business:								
Total receipts ¹.....	13,205,041	32,898,359	1,168,453,371	1,100,979,316	479,215,541	230,534,726	248,680,815	621,372,875
Business receipts.....	13,080,858	32,543,438	1,153,741,650	1,087,612,239	474,340,877	227,934,189	246,406,688	612,891,452
Interest on Government obligations:								
State and local.....	807	7,179	152,260	140,212	90,788	38,294	52,495	49,424
Net gain, noncapital assets.....	3,459	88,492	1,800,272	1,112,737	620,454	274,009	346,446	486,622
Other receipts.....	119,916	259,249	12,759,190	12,114,127	4,163,422	2,288,235	1,875,187	7,945,377
Total deductions.....	12,327,242	30,046,829	1,126,799,754	1,063,916,768	460,445,356	219,104,326	241,341,031	603,099,254
Cost of goods sold.....	8,941,853	20,185,550	889,356,213	862,406,191	376,089,960	174,296,581	201,793,379	486,070,228
Compensation of officers.....	399,545	1,414,321	22,156,078	20,074,381	10,230,721	5,813,728	4,416,993	9,840,934
Salaries and wages.....	960,330	3,008,917	80,230,837	71,167,712	29,234,903	15,990,646	13,244,257	41,913,428
Repairs.....	50,245	165,757	5,064,135	3,833,637	1,580,787	724,307	856,480	2,250,723
Bad debts.....	28,216	63,826	1,637,771	1,514,128	805,558	493,911	311,647	708,451
Rent paid on business property.....	180,237	491,299	18,684,393	15,061,750	4,777,378	2,520,670	2,256,708	10,277,064
Taxes paid.....	291,368	674,524	15,438,057	13,298,820	5,834,738	2,446,921	3,387,817	7,460,052
Interest paid.....	100,851	323,915	8,046,216	7,284,776	3,308,021	1,773,916	1,534,105	3,972,289
Amortization.....	3,981	41,134	562,695	522,539	234,794	69,918	164,876	287,627
Depreciation.....	190,831	515,353	10,275,772	7,622,411	3,433,785	1,909,280	1,524,505	4,186,091
Depletion.....	--	328	16,867	16,457	7,435	*5,825	1,609	*9,022
Advertising.....	155,831	434,647	10,107,820	9,916,340	2,343,025	1,226,169	1,116,857	7,562,536
Pension, profit-sharing, stock bonus, and annuity plans.....	39,752	141,942	2,105,312	1,890,867	1,127,568	669,723	457,845	763,095
Employee benefit programs.....	125,932	357,274	5,054,449	4,276,900	1,837,567	1,069,241	768,326	2,431,988
Net loss, noncapital assets.....	* 681	1,511	36,971	35,132	15,690	5,133	10,557	19,442
Other deductions.....	857,588	2,226,530	58,026,169	44,994,728	19,583,425	10,088,356	9,495,069	25,346,283
Total receipts less total deductions.....	877,799	2,851,530	41,653,618	37,062,548	18,770,185	11,430,400	7,339,785	18,273,621
Net income (less deficit) from a trade or business.....	876,992	2,844,351	41,501,358	36,922,335	18,679,397	11,392,107	7,287,290	18,224,197
Net income.....	877,927	2,904,562	42,230,649	37,617,940	19,094,276	11,541,464	7,552,812	18,503,780
Deficit.....	* 935	60,211	729,291	695,605	414,880	149,358	265,522	279,583
Portfolio income (less deficit) distributed to shareholders.....	29,756	617,710	8,288,157	7,846,174	3,936,637	1,779,942	2,156,695	3,907,102
Dividend income.....	1,401	15,939	217,884	195,943	101,980	50,548	51,432	93,939
Interest income.....	25,625	95,697	1,900,622	1,716,773	810,022	442,475	367,548	904,480
Royalty income.....	35	5,241	114,625	114,215	70,598	34,579	36,019	43,617
Net short-term capital gain (less loss).....	*167	-4,095	46,417	29,001	1,470	-550	2,020	27,389
Net long-term capital gain (less loss).....	1,954	504,920	5,998,434	5,781,213	2,946,279	1,247,146	1,699,133	2,834,934
Other portfolio income (net).....	574	7	10,174	9,030	6,287	5,745	542	2,743
Real estate rental net income (less deficit).....	1,603	8,732	351,714	312,474	147,438	55,323	92,115	164,293
Net income.....	1,603	8,871	380,954	341,363	160,139	60,301	99,839	180,480
Deficit.....	--	139	29,239	28,889	12,702	4,977	7,724	16,187
Net income (less deficit) from other rental activity.....	--	2,219	207,041	138,690	78,744	66,405	12,339	60,016
Net income.....	--	2,360	216,285	143,200	80,190	67,420	12,770	63,010
Deficit.....	--	141	9,245	4,509	1,446	*1,015	*430	2,994
Total net income.....	908,351	3,473,012	50,348,270	45,219,674	22,842,215	13,293,776	9,548,439	22,355,608

Footnote at end of table.

S Corporation Returns, 1998

Table 2.--S Corporations with Net Income: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Distribution and transportation of goods--continued							
	Wholesale and retail trade--continued							
	Retail trade--continued							
	Motor vehicle and parts dealers	Furniture and home furnishings	Electronics and appliance	Building material and garden equipment and supplies dealers	Food and beverage	Health and personal care	Gasoline stations	Clothing and clothing accessories
(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)	
Number of returns.....	29,422	12,918	10,045	13,669	32,732	12,830	13,385	15,271
Number of shareholders.....	53,153	24,217	16,948	29,065	61,715	19,765	24,481	26,022
Income and deductions from a trade or business:								
Total receipts ¹.....	328,234,248	25,254,113	18,621,776	35,198,619	70,644,422	17,772,800	39,262,806	13,099,657
Business receipts.....	323,167,445	24,988,355	18,329,937	34,952,643	69,734,655	17,667,341	38,987,159	13,014,697
Interest on Government obligations:								
State and local.....	12,443	4,313	4,588	1,738	11,846	*2,044	919	2,633
Net gain, noncapital assets.....	193,436	3,408	18,894	30,658	64,189	11,655	7,749	*8,168
Other receipts.....	4,860,923	258,037	268,357	213,580	833,731	91,760	266,980	74,159
Total deductions.....	322,669,546	24,032,568	17,699,967	33,669,650	68,460,497	16,817,511	38,484,042	12,343,121
Cost of goods sold.....	282,700,768	15,583,595	13,156,347	25,003,175	51,632,265	11,816,969	32,562,813	7,733,157
Compensation of officers.....	3,025,932	786,912	494,372	941,053	1,064,252	641,204	311,269	478,496
Salaries and wages.....	15,360,468	2,696,190	1,826,113	3,211,948	6,244,728	1,921,397	2,083,770	1,424,041
Repairs.....	676,163	137,428	45,898	178,517	523,731	53,618	214,937	50,770
Bad debts.....	202,308	59,911	28,285	90,620	59,273	47,493	17,398	30,522
Rent paid on business property.....	2,662,059	981,361	334,903	610,120	1,660,304	461,359	559,992	716,914
Taxes paid.....	2,524,964	507,169	295,847	624,352	1,185,568	271,129	500,712	262,034
Interest paid.....	2,084,990	132,277	80,756	306,014	353,533	75,001	252,371	97,273
Amortization.....	73,149	10,271	11,107	12,770	66,717	16,451	26,199	6,432
Depreciation.....	1,290,738	178,320	119,778	368,088	748,798	99,061	469,212	86,523
Depletion.....	*1,336	--	--	5,606	*2,080	--	--	--
Advertising.....	3,097,286	927,186	221,242	291,122	667,373	275,838	80,539	313,854
Pension, profit-sharing, stock bonus, and annuity plans.....	206,880	59,943	40,991	88,410	127,422	40,009	22,230	38,542
Employee benefit programs.....	1,077,278	126,336	67,329	193,278	434,734	90,825	76,369	45,264
Net loss, noncapital assets.....	6,666	*2,239	*1,649	729	2,512	72	*1,684	1,555
Other deductions.....	7,678,564	1,843,429	975,351	1,743,849	3,687,208	1,007,087	1,304,548	1,057,743
Total receipts less total deductions.....	5,564,701	1,221,545	921,808	1,528,969	2,183,925	955,289	778,764	756,536
Net income (less deficit) from a trade or business.....	5,552,258	1,217,232	917,220	1,527,231	2,172,079	953,245	777,845	753,904
Net income.....	5,625,328	1,241,369	921,755	1,533,821	2,216,386	954,533	800,103	784,956
Deficit.....	73,070	*24,137	*4,534	*6,590	44,307	*1,288	22,258	*31,052
Portfolio income (less deficit) distributed to shareholders.....	1,109,356	206,179	487,079	107,171	364,849	59,275	276,625	121,861
Dividend income.....	13,235	7,379	3,800	17,816	18,069	2,455	2,089	2,125
Interest income.....	369,478	67,267	30,320	67,198	166,423	22,785	55,692	18,113
Royalty income.....	*258	1,218	--	86	529	--	373	4,463
Net short-term capital gain (less loss).....	13,036	-595	12,003	3,722	-705	*-614	-672	*-289
Net long-term capital gain (less loss).....	712,157	130,894	440,956	18,350	180,487	34,649	219,053	97,450
Other portfolio income (net).....	*1,193	*17	--	--	46	--	*90	--
Real estate rental net income (less deficit).....	42,386	3,655	*1,774	7,333	44,061	*6,420	23,344	664
Net income.....	45,016	3,655	*1,809	7,897	45,359	*6,827	23,968	788
Deficit.....	2,630	--	34	564	*1,299	*406	*624	124
Net income (less deficit) from other rental activity.....	27,765	*21,304	*176	1,994	*1,068	10	5,435	*51
Net income.....	30,009	*21,304	*176	2,546	*1,068	10	5,435	225
Deficit.....	2,244	--	--	552	--	--	--	*174
Total net income.....	6,731,765	1,448,370	1,406,250	1,643,728	2,582,057	1,018,951	1,083,250	876,479

Footnote at end of table.

S Corporation Returns, 1998

Table 2.--S Corporations with Net Income: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Distribution and transportation of goods--continued							
	Wholesale and retail trade--continued					Transportation and warehousing		
	Retail trade--continued				Wholesale and retail trade not allocable	Total	Air, rail, and water transportation	Truck transportation
	Sporting goods, hobby, book, and music	General merchandise	Miscellaneous store retailers	Nonstore retailers				
(49)	(50)	(51)	(52)	(53)	(54)	(55)	(56)	
Number of returns.....	9,393	4,096	36,367	13,468	416	52,321	3,421	27,112
Number of shareholders.....	17,574	7,855	63,189	22,031	497	88,301	4,672	47,970
Income and deductions from a trade or business:								
Total receipts ¹.....	9,992,765	7,038,574	37,596,959	18,656,139	390,900	67,474,056	5,226,452	33,821,720
Business receipts.....	9,785,689	6,935,505	36,917,931	18,410,096	379,911	66,129,410	4,912,332	33,161,785
Interest on Government obligations:								
State and local.....	*458	*1,202	4,500	2,742	--	12,047	1,519	6,055
Net gain, noncapital assets.....	*37,735	6,490	57,325	46,914	*5,661	687,534	232,876	391,806
Other receipts.....	168,883	95,376	617,204	196,386	*5,328	645,063	79,724	262,074
Total deductions.....	9,478,563	6,687,251	35,394,101	17,362,437	372,158	62,882,986	4,637,004	31,521,020
Cost of goods sold.....	6,241,558	4,535,139	24,186,779	10,917,664	*246,003	26,950,021	2,292,943	10,069,642
Compensation of officers.....	268,644	141,962	1,222,943	463,895	*2,726	2,081,697	75,788	1,010,693
Salaries and wages.....	943,563	804,454	3,550,394	1,846,363	19,381	9,063,125	535,179	5,513,016
Repairs.....	42,122	35,942	201,331	90,266	*2,126	1,230,498	161,835	824,432
Bad debts.....	20,974	8,696	37,265	105,707	118	123,643	9,988	46,271
Rent paid on business property.....	459,035	239,366	1,334,518	257,134	7,309	3,622,642	212,046	2,301,524
Taxes paid.....	179,957	123,608	658,191	326,521	4,030	2,139,237	104,214	1,442,842
Interest paid.....	93,246	56,161	314,008	126,659	*4,465	761,441	127,290	395,744
Amortization.....	3,934	5,405	27,140	28,052	*118	40,156	5,757	22,961
Depreciation.....	95,163	67,845	390,028	272,538	2,534	2,653,361	311,990	1,735,463
Depletion.....	--	--	--	--	--	410	--	104
Advertising.....	171,251	182,934	425,432	908,480	*10,779	191,480	18,327	71,654
Pension, profit-sharing, stock bonus, and annuity plans.....	15,699	11,440	63,463	48,069	204	214,445	15,290	109,363
Employee benefit programs.....	36,923	27,561	138,678	117,413	*7,345	777,549	50,836	507,569
Net loss, noncapital assets.....	*629	*271	1,162	276	--	1,839	23	115
Other deductions.....	905,867	446,466	2,842,769	1,853,400	65,020	13,031,441	715,498	7,469,627
Total receipts less total deductions.....	514,202	351,323	2,202,858	1,293,702	18,742	4,591,070	589,448	2,300,700
Net income (less deficit)								
from a trade or business.....	513,744	350,121	2,198,359	1,290,960	18,742	4,579,022	587,928	2,294,645
Net income.....	547,395	351,692	2,226,504	1,299,937	*19,884	4,612,709	594,284	2,299,505
Deficit.....	*33,651	1,571	28,146	*8,977	1,143	33,686	*6,356	4,860
Portfolio income (less deficit)								
distributed to shareholders.....	667,727	11,824	227,013	268,142	2,435	441,983	85,983	199,967
Dividend income.....	2,986	*991	21,638	1,358	23	21,942	4,577	7,352
Interest income.....	11,620	8,049	50,440	37,095	2,270	183,850	40,597	64,488
Royalty income.....	1,150	--	*30,263	5,277	--	410	402	6
Net short-term capital gain (less loss).....	*456	2,512	193	*745	*142	17,417	*14,945	-429
Net long-term capital gain (less loss).....	*652,427	*272	123,154	225,084	--	217,221	25,455	127,939
Other portfolio income (net).....	--	--	*1,324	73	--	1,145	7	610
Real estate rental net income (less deficit).....	*118	2,812	17,325	14,401	*744	39,240	3,230	12,229
Net income.....	*768	5,528	24,158	14,707	*744	39,591	*3,246	12,453
Deficit.....	*650	*2,716	*6,834	306	--	351	16	223
Net income (less deficit) from other rental activity.....	59	69	*2,101	*-17	-70	68,350	52,466	837
Net income.....	59	69	*2,101	*7	--	73,086	54,864	2,116
Deficit.....	--	--	--	24	70	4,736	2,399	1,279
Total net income.....	1,181,648	364,827	2,444,797	1,573,486	21,851	5,128,596	729,607	2,507,678

Footnote at end of table.

S Corporation Returns, 1998

Table 2.--S Corporations with Net Income: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Distribution and transportation of goods--continued				Information			
	Transportation and warehousing--continued				Total	Publishing industries	Motion picture and sound recording industries	Broadcasting and telecommunications
	Transit and ground passenger transportation	Pipeline transportation	Other transportation and support activities	Warehousing and storage				
(57)	(58)	(59)	(60)	(61)	(62)	(63)	(64)	
Number of returns	5,786	*19	14,115	1,867	29,469	9,039	6,790	9,699
Number of shareholders	6,985	*53	23,174	5,447	60,589	21,401	10,611	21,406
Income and deductions from a trade or business:								
Total receipts ¹	3,311,288	*103,869	20,599,141	4,411,587	40,490,354	16,814,221	6,913,551	12,855,559
Business receipts.....	3,274,203	*97,232	20,403,027	4,280,832	38,570,064	16,157,309	6,510,461	12,366,131
Interest on Government obligations:								
State and local.....	*53	*82	3,216	1,122	42,695	17,295	8,871	15,683
Net gain, noncapital assets.....	17,137	*20	18,582	27,114	272,165	54,326	1,978	215,229
Other receipts.....	19,895	*6,535	174,316	102,520	1,605,431	585,290	392,240	258,515
Total deductions	3,119,406	*85,266	19,495,017	4,025,274	35,154,942	14,595,315	6,098,048	11,269,230
Cost of goods sold.....	787,931	*9,108	12,321,130	1,469,268	13,593,982	5,630,465	2,508,667	4,342,906
Compensation of officers.....	124,891	*187	737,964	132,173	2,744,994	936,674	927,329	565,811
Salaries and wages.....	704,672	*342	1,527,709	782,207	6,158,394	2,781,904	481,710	2,175,018
Repairs.....	96,074	*98	88,892	59,168	242,025	73,233	44,541	102,883
Bad debts.....	4,986	--	58,498	3,900	173,352	63,384	11,949	96,941
Rent paid on business property.....	187,961	*1,928	404,839	514,345	824,620	289,299	172,170	284,671
Taxes paid.....	150,614	*1,369	282,408	157,791	980,871	390,498	129,227	355,678
Interest paid.....	70,827	*4,159	93,351	70,070	515,958	152,095	47,282	281,234
Amortization.....	625	*3,379	3,935	3,498	349,279	98,323	108,780	132,014
Depreciation.....	191,502	*3,630	283,422	127,353	988,362	284,189	230,596	431,195
Depletion.....	306	--	--	--	--	--	--	--
Advertising.....	19,568	--	73,584	8,348	587,414	299,282	46,319	216,043
Pension, profit-sharing, stock bonus, and annuity plans.....	14,499	--	38,693	36,599	366,590	226,143	51,649	63,575
Employee benefit programs.....	49,691	--	95,336	74,118	344,785	213,271	21,060	82,020
Net loss, noncapital assets.....	1,328	--	99	*275	6,792	404	48	6,337
Other deductions.....	713,932	*61,066	3,485,158	586,160	7,277,524	3,156,152	1,316,721	2,132,904
Total receipts less total deductions	191,882	*18,603	1,104,124	386,313	5,335,413	2,218,906	815,503	1,586,329
Net income (less deficit) from a trade or business	191,829	*18,521	1,100,908	385,191	5,292,718	2,201,611	806,631	1,570,645
Net income.....	197,089	*18,521	1,113,815	389,495	5,549,495	2,299,131	829,642	1,706,892
Deficit.....	*5,260	--	*12,907	*4,304	256,778	97,520	*23,010	136,247
Portfolio income (less deficit) distributed to shareholders	30,285	*2,394	53,022	70,333	2,512,391	842,587	285,926	1,332,759
Dividend income.....	2,140	*5	5,861	2,008	60,971	35,086	9,046	14,683
Interest income.....	11,723	*1,363	37,493	28,185	267,309	99,362	34,401	119,963
Royalty income.....	--	--	--	1	2,447	1,219	58	972
Net short-term capital gain (less loss).....	*205	--	2,228	468	-51,311	-63,037	15,279	-3,251
Net long-term capital gain (less loss).....	15,739	*1,025	7,397	39,665	2,225,001	769,461	224,605	1,195,451
Other portfolio income (net).....	*479	--	43	5	7,974	*496	*2,536	*4,942
Real estate rental net income (less deficit)	433	--	1,384	21,964	41,080	6,745	18,414	7,409
Net income.....	476	--	*1,433	21,983	41,822	7,225	18,420	7,637
Deficit.....	44	--	48	19	742	480	6	227
Net income (less deficit) from other rental activity	*5,564	*10	6,805	*2,668	7,159	1,558	*1,068	4,317
Net income.....	*5,695	*10	7,624	*2,777	7,279	1,559	*1,128	4,317
Deficit.....	130	--	819	109	*119	*1	*60	--
Total net income	228,111	*20,925	1,162,119	480,156	7,853,348	3,052,501	1,112,039	2,915,131

Footnote at end of table.

S Corporation Returns, 1998

Table 2.--S Corporations with Net Income: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Information--	Finance, insurance, real estate, and rental and leasing						
	continued	Total	Total	Depository credit inter-mediation	Non-depository credit inter-mediation	Securities, commodity contracts, other financial investments and related activities	Insurance carriers and related activities	Funds, trusts, and other financial vehicles
	Information services							
	(65)	(66)	(67)	(68)	(69)	(70)	(71)	(72)
Number of returns.....	3,941	261,430	72,976	295	12,957	22,169	37,029	526
Number of shareholders.....	7,172	579,358	138,883	5,022	24,640	44,272	63,140	1,809
Income and deductions from a trade or business:								
Total receipts ¹.....	3,907,024	105,451,914	57,501,793	1,958,667	12,389,506	20,852,094	21,935,661	365,865
Business receipts.....	3,536,162	98,059,066	52,742,158	670,159	11,235,289	18,904,285	21,635,407	297,018
Interest on Government obligations:								
State and local.....	845	157,879	125,470	48,107	6,403	57,034	11,980	*1,946
Net gain, noncapital assets.....	*631	818,367	169,885	59,467	83,767	23,084	3,521	47
Other receipts.....	369,386	6,416,602	4,464,280	1,180,935	1,064,047	1,867,691	284,752	66,854
Total deductions.....	3,192,349	90,790,410	49,012,813	1,452,219	10,632,392	17,378,180	19,302,414	247,609
Cost of goods sold.....	1,111,945	21,388,796	8,401,284	--	2,446,817	1,843,605	4,028,200	*82,663
Compensation of officers.....	315,179	10,534,257	7,830,600	107,542	591,164	4,214,494	2,901,816	15,584
Salaries and wages.....	719,762	25,131,037	14,315,638	203,496	2,900,394	4,923,082	6,253,276	35,390
Repairs.....	21,368	837,409	252,167	14,292	58,800	54,794	123,105	1,175
Bad debts.....	*1,078	441,540	346,975	35,011	256,260	19,604	35,625	476
Rent paid on business property.....	78,480	3,214,469	1,501,030	16,753	336,373	465,307	672,723	9,874
Taxes paid.....	105,468	2,758,997	1,457,286	46,055	321,494	515,558	564,806	9,374
Interest paid.....	35,347	3,506,698	2,441,373	741,335	852,605	660,852	167,129	19,451
Amortization.....	10,162	160,685	105,223	2,826	34,046	14,221	53,918	213
Depreciation.....	42,382	2,800,178	551,379	30,346	110,223	176,649	225,713	8,448
Depletion.....	--	1,983	257	3	77	176	--	--
Advertising.....	25,770	1,489,502	639,956	24,939	280,351	128,863	201,089	*4,715
Pension, profit-sharing, stock bonus, and annuity plans.....	25,223	724,181	506,928	9,384	44,424	244,502	199,032	*9,585
Employee benefit programs.....	28,435	911,120	537,685	24,766	62,874	163,369	284,240	*2,436
Net loss, noncapital assets.....	3	40,210	11,511	2,381	2,781	4,784	1,564	--
Other deductions.....	671,747	16,849,349	10,113,522	193,088	2,333,709	3,948,320	3,590,179	48,226
Total receipts less total deductions.....	714,675	14,661,504	8,488,980	506,449	1,757,115	3,473,915	2,633,247	118,255
Net income (less deficit) from a trade or business.....	713,830	14,503,625	8,363,510	458,342	1,750,712	3,416,880	2,621,266	116,310
Net income.....	713,830	16,250,062	9,532,796	459,404	1,884,976	4,430,577	2,636,915	120,925
Deficit.....	--	1,746,436	1,169,286	1,062	134,264	1,013,696	15,648	4,615
Portfolio income (less deficit) distributed to shareholders.....	51,119	12,947,897	5,927,109	27,938	792,771	4,372,434	566,629	167,337
Dividend income.....	*2,155	417,281	257,698	1,996	2,852	194,908	51,727	6,214
Interest income.....	13,583	2,346,455	1,178,343	17,890	172,046	818,498	158,101	11,809
Royalty income.....	198	64,119	5,281	67	*186	5,028	--	--
Net short-term capital gain (less loss).....	*-302	693,658	567,599	-35	1,519	555,195	-2,956	13,877
Net long-term capital gain (less loss).....	*35,484	9,344,196	3,872,300	8,016	615,997	2,757,685	355,169	135,433
Other portfolio income (net).....	--	82,188	45,888	3	171	41,120	*4,589	5
Real estate rental net income (less deficit).....	8,512	4,901,332	38,592	5,087	631	28,565	3,961	348
Net income.....	8,540	5,051,801	59,752	6,110	7,875	40,296	5,003	468
Deficit.....	28	150,469	21,160	1,023	7,245	11,730	1,042	120
Net income (less deficit) from other rental activity.....	216	730,842	8,948	-374	-308	9,113	*678	-161
Net income.....	274	747,073	11,326	125	1,057	9,231	*678	236
Deficit.....	59	16,231	2,378	499	*1,365	118	--	396
Total net income.....	773,677	33,083,696	14,338,159	490,992	2,543,805	7,826,993	3,192,534	283,834

Footnote at end of table.

S Corporation Returns, 1998

Table 2.--S Corporations with Net Income: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Finance, insurance, real estate, rental and leasing--continued				Professional and business services			
	Real estate and rental and leasing				Total	Professional, scientific, and technical services		
	Total	Real estate	Rental and leasing services	Lessors of nonfinancial intangible assets		Total	Legal services	Accounting, tax preparation, bookkeeping, and payroll services
(73)	(74)	(75)	(76)	(77)	(78)	(79)	(80)	
Number of returns.....	188,454	172,771	15,199	484	348,433	258,951	29,472	23,118
Number of shareholders.....	440,475	407,106	31,219	2,150	553,554	394,126	41,247	36,816
Income and deductions from a trade or business:								
Total receipts ¹.....	47,950,121	34,670,719	13,212,189	*67,214	231,882,102	149,525,160	14,017,417	7,299,125
Business receipts.....	45,316,908	32,787,695	12,474,697	*54,517	223,572,488	146,814,126	13,383,402	7,251,665
Interest on Government obligations:								
State and local.....	32,408	30,705	1,703	--	228,980	29,353	5,414	*139
Net gain, noncapital assets.....	648,482	250,927	397,524	30	480,286	316,860	*4,213	*722
Other receipts.....	1,952,322	1,601,391	338,264	12,666	7,600,348	2,364,821	624,388	46,599
Total deductions.....	41,777,597	29,782,176	11,954,804	*40,617	205,752,968	130,900,377	11,349,310	6,305,473
Cost of goods sold.....	12,987,511	7,951,129	5,031,193	5,190	79,514,323	45,764,956	542,011	*901,452
Compensation of officers.....	2,703,657	2,320,351	379,689	3,617	20,793,538	16,538,710	3,023,340	1,183,549
Salaries and wages.....	10,815,399	9,265,520	1,543,035	6,843	42,381,835	26,235,139	2,920,857	1,725,271
Repairs.....	585,242	316,042	268,459	742	1,256,764	684,618	83,777	43,640
Bad debts.....	94,565	50,113	44,227	225	412,090	196,886	2,165	*6,374
Rent paid on business property.....	1,713,440	1,128,503	582,893	2,044	6,078,435	4,568,760	640,700	379,009
Taxes paid.....	1,301,711	947,717	352,912	1,081	7,382,620	4,624,217	410,304	288,659
Interest paid.....	1,065,325	673,204	388,997	3,125	3,601,240	819,419	69,240	54,329
Amortization.....	55,462	44,371	8,111	2,980	235,319	134,062	1,740	13,526
Depreciation.....	2,248,799	461,280	1,786,472	1,047	2,914,572	1,736,283	109,301	82,658
Depletion.....	1,726	1,710	17	--	1,973	*40	--	*40
Advertising.....	849,546	675,061	173,835	650	2,024,052	1,399,665	250,161	28,136
Pension, profit-sharing, stock bonus, and annuity plans.....	217,253	171,019	45,032	1,202	1,770,123	1,480,065	181,352	146,471
Employee benefit programs.....	373,436	276,478	96,755	203	2,373,167	1,508,739	70,271	98,640
Net loss, noncapital assets.....	28,700	2,134	26,566	--	34,060	26,567	*157	5
Other deductions.....	6,735,826	5,497,545	1,226,611	*11,670	34,978,859	25,182,251	3,043,935	1,353,715
Total receipts less total deductions.....	6,172,524	4,888,543	1,257,385	*26,596	26,129,134	18,624,784	2,668,107	993,652
Net income (less deficit)								
from a trade or business.....	6,140,116	4,857,838	1,255,682	*26,596	25,900,154	18,595,431	2,662,693	993,513
Net income.....	6,717,266	5,352,560	1,338,110	*26,596	26,385,362	18,936,552	2,663,106	1,022,435
Deficit.....	577,150	494,722	82,428	--	485,208	341,122	413	*28,922
Portfolio income (less deficit)								
distributed to shareholders.....	7,020,788	6,068,937	928,262	*23,589	10,749,771	5,492,688	86,887	256,848
Dividend income.....	159,584	153,993	5,328	*262	307,112	114,303	19,827	3,428
Interest income.....	1,168,112	1,104,677	59,756	*3,678	1,126,872	623,500	62,280	86,654
Royalty income.....	58,838	31,777	*17,818	*9,242	81,660	43,472	*47	--
Net short-term capital gain (less loss).....	126,059	124,618	1,442	-2	25,753	107,649	1,724	*-500
Net long-term capital gain (less loss).....	5,471,895	4,625,632	843,445	*2,819	9,207,243	4,603,949	2,859	167,253
Other portfolio income (net).....	36,300	28,239	*472	*7,589	1,131	-186	*149	13
Real estate rental net income (less deficit).....	4,862,740	4,810,781	51,608	352	111,443	84,951	-616	*722
Net income.....	4,992,049	4,936,972	54,725	352	130,356	92,127	*1,829	*722
Deficit.....	129,309	126,191	*3,117	--	18,914	7,176	*2,445	--
Net income (less deficit) from other rental activity.....	721,893	44,331	677,562	--	48,235	38,577	15,860	-6
Net income.....	735,747	47,953	687,794	--	50,165	39,006	15,863	--
Deficit.....	13,853	3,622	*10,232	--	1,930	*429	*3	6
Total net income.....	18,745,537	15,781,887	2,913,114	50,537	36,809,602	24,211,647	2,764,824	1,251,077

Footnote at end of table.

S Corporation Returns, 1998

Table 2.--S Corporations with Net Income: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Professional and business services--continued							
	Professional, scientific, and technical services--continued				Management of companies	Administrative and support and waste management and remediation services		
	Architectural, engineering, and related services	Specialized design services	Computer systems design and related services	Other professional, scientific, and technical services		Total	Administrative and support services	Waste management and remediation services
	(81)	(82)	(83)	(84)	(85)	(86)	(87)	(88)
Number of returns.....	35,889	13,835	39,740	116,897	6,898	82,584	78,545	4,039
Number of shareholders.....	59,284	16,511	62,060	178,208	28,875	130,553	122,397	8,156
Income and deductions from a trade or business:								
Total receipts 1.....	22,848,962	7,355,499	22,435,694	75,568,462	7,428,493	74,928,449	68,841,992	6,086,456
Business receipts.....	22,661,106	7,314,651	22,281,992	73,921,310	3,015,175	73,743,187	67,794,943	5,948,243
Interest on Government obligations:								
State and local.....	1,203	*634	5,015	16,948	181,804	17,822	10,173	7,650
Net gain, noncapital assets.....	31,514	*20	18,907	261,484	53,147	110,279	91,619	18,659
Other receipts.....	155,140	40,194	129,780	1,368,721	4,178,366	1,057,161	945,257	111,904
Total deductions.....	20,461,102	6,589,420	19,694,005	66,501,066	5,350,377	69,502,215	64,111,022	5,391,193
Cost of goods sold.....	6,761,120	3,925,940	8,146,444	25,487,989	281,155	33,468,212	31,418,126	2,050,086
Compensation of officers.....	2,313,300	543,506	2,217,508	7,257,506	403,944	3,850,883	3,597,277	253,607
Salaries and wages.....	4,772,508	548,991	3,728,231	12,539,281	726,723	15,419,973	14,702,818	717,154
Repairs.....	122,093	27,184	75,556	332,368	66,607	505,539	381,937	123,602
Bad debts.....	35,880	8,905	21,088	122,475	125,139	90,065	79,891	10,174
Rent paid on business property.....	747,836	184,791	423,864	2,192,560	68,476	1,441,198	1,271,410	169,788
Taxes paid.....	843,932	137,442	677,157	2,266,723	165,626	2,592,777	2,401,021	191,756
Interest paid.....	133,264	25,186	123,346	414,054	2,341,647	440,174	348,866	91,307
Amortization.....	8,968	4,966	13,469	91,394	15,615	85,641	63,845	21,796
Depreciation.....	317,858	75,566	258,135	892,765	151,595	1,026,694	717,935	308,759
Depletion.....	--	--	--	--	59	1,874	--	1,874
Advertising.....	70,687	74,214	176,722	799,744	51,277	573,110	542,855	30,255
Pension, profit-sharing, stock bonus, and annuity plans.....	224,155	66,634	192,867	668,586	43,656	246,401	217,678	28,723
Employee benefit programs.....	427,216	45,137	170,656	696,819	95,360	769,069	687,096	81,973
Net loss, noncapital assets.....	5	*2,879	*567	22,954	4,552	2,941	2,413	*529
Other deductions.....	3,682,278	918,080	3,468,394	12,715,850	808,945	8,987,663	7,677,854	1,309,809
Total receipts less total deductions.....	2,387,860	766,079	2,741,689	9,067,396	2,078,116	5,426,234	4,730,970	695,264
Net income (less deficit) from a trade or business.....	2,386,658	765,445	2,736,674	9,050,449	1,896,312	5,408,412	4,720,797	687,614
Net income.....	2,397,230	765,998	2,783,593	9,304,191	1,969,082	5,479,728	4,758,768	720,960
Deficit.....	*10,572	553	46,918	253,742	72,770	71,316	37,971	33,345
Portfolio income (less deficit) distributed to shareholders.....	144,737	21,221	1,423,719	3,559,275	1,307,648	3,949,434	1,337,099	2,612,336
Dividend income.....	15,710	6,386	5,817	63,134	180,470	12,339	9,853	2,487
Interest income.....	47,804	15,756	56,532	354,474	252,135	251,237	202,206	49,032
Royalty income.....	741	--	*35,377	7,307	1,852	*36,335	*35,934	401
Net short-term capital gain (less loss).....	2,113	*-168	6,664	97,816	-63,004	-18,892	-19,406	514
Net long-term capital gain (less loss).....	78,347	*-404	1,319,329	3,036,565	934,879	3,668,415	1,108,513	2,559,902
Other portfolio income (net).....	21	*-349	--	-20	1,316	--	--	--
Real estate rental net income (less deficit).....	8,152	*5,454	*890	70,348	19,645	6,846	4,987	1,859
Net income.....	8,194	*5,487	*1,375	74,520	24,367	13,862	11,813	2,050
Deficit.....	42	*32	*485	4,172	4,722	*7,016	*6,826	190
Net income (less deficit) from other rental activity.....	*141	--	*201	22,381	2,007	7,650	6,318	1,333
Net income.....	*444	--	*201	22,497	3,475	7,684	6,318	1,366
Deficit.....	303	--	--	*116	1,468	34	--	34
Total net income.....	2,539,688	792,120	4,161,485	12,702,454	3,225,612	9,372,343	6,069,201	3,303,142

Footnote at end of table.

S Corporation Returns, 1998

Table 2.--S Corporations with Net Income: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Education, health, and social assistance							
	Total	Educational services	Health care and social assistance					Hospitals, nursing, and residential care facilities
			Total	Offices of physicians and dentists	Offices of other health practitioners	Outpatient care centers	Miscellaneous health care and social assistance	
(89)	(90)	(91)	(92)	(93)	(94)	(95)	(96)	
Number of returns.....	109,981	15,765	94,216	40,833	28,849	2,750	15,721	6,063
Number of shareholders.....	162,298	26,905	135,394	49,564	41,208	4,226	26,015	14,382
Income and deductions from a trade or business:								
Total receipts 1.....	66,173,695	9,179,601	56,994,094	23,714,481	11,269,811	1,436,910	7,079,006	13,493,886
Business receipts.....	64,610,435	9,076,556	55,533,879	22,860,686	11,177,119	1,330,012	7,030,812	13,135,250
Interest on Government obligations:								
State and local.....	7,274	4,361	2,913	*529	*342	756	*89	1,196
Net gain, noncapital assets.....	92,432	*17,931	74,501	*16,778	*7,407	444	*21,136	28,736
Other receipts.....	1,463,554	80,753	1,382,801	836,488	84,943	105,697	26,969	328,704
Total deductions.....	58,377,332	8,496,344	49,880,988	20,060,836	9,998,118	1,221,998	6,060,840	12,539,197
Cost of goods sold.....	9,028,211	2,147,601	6,880,611	844,900	2,382,769	*269,670	1,627,914	1,755,357
Compensation of officers.....	9,232,494	635,560	8,596,933	5,848,658	2,044,165	107,276	407,511	189,323
Salaries and wages.....	15,072,498	2,169,135	12,903,363	4,544,194	1,682,384	216,786	1,680,303	4,779,696
Repairs.....	540,191	71,859	468,332	194,427	64,670	4,822	83,732	120,681
Bad debts.....	307,422	145,125	162,297	5,440	30,929	*9,654	79,781	36,492
Rent paid on business property.....	3,597,694	505,525	3,092,169	1,356,106	590,002	34,554	374,884	736,624
Taxes paid.....	2,402,917	291,702	2,111,215	741,690	329,552	30,977	241,009	767,987
Interest paid.....	647,048	50,143	596,905	163,474	40,154	15,503	67,346	310,427
Amortization.....	100,416	12,501	87,915	48,431	7,387	3,559	10,854	17,683
Depreciation.....	881,616	115,396	766,219	259,769	99,592	25,721	129,229	251,908
Depletion.....	*965	--	*965	*938	--	--	*28	--
Advertising.....	921,112	498,932	422,180	165,761	130,400	19,084	55,890	51,046
Pension, profit-sharing, stock bonus, and annuity plans.....	679,268	32,456	646,812	434,995	125,823	*11,779	39,748	34,467
Employee benefit programs.....	748,053	108,544	639,509	155,561	58,849	10,057	59,732	355,311
Net loss, noncapital assets.....	*2,315	--	*2,315	62	2	--	*1,976	*275
Other deductions.....	14,215,111	1,711,865	12,503,247	5,296,429	2,411,439	462,555	1,200,904	3,131,919
Total receipts less total deductions.....	7,796,363	683,257	7,113,106	3,653,646	1,271,693	214,912	1,018,166	954,689
Net income (less deficit) from a trade or business.....	7,789,089	678,896	7,110,193	3,653,116	1,271,351	214,155	1,018,077	953,492
Net income.....	7,901,547	700,793	7,200,754	3,678,391	1,288,856	251,489	1,019,799	962,219
Deficit.....	112,458	*21,897	90,561	*25,275	*17,505	37,334	*1,722	8,727
Portfolio income (less deficit) distributed to shareholders.....	590,520	102,360	488,160	165,604	67,423	78,035	24,238	152,859
Dividend income.....	14,552	2,819	11,733	2,427	4,998	*606	*1,637	2,065
Interest income.....	177,817	42,071	135,747	36,116	14,944	7,434	10,325	66,927
Royalty income.....	*1,780	*1,780	--	--	--	--	--	--
Net short-term capital gain (less loss).....	-2,102	*-60	-2,042	*-1,863	*-481	*-114	*208	209
Net long-term capital gain (less loss).....	398,473	55,751	342,722	128,924	47,963	70,108	*12,068	83,658
Other portfolio income (net).....	--	--	--	--	--	--	--	--
Real estate rental net income (less deficit).....	27,228	*3,710	23,518	*4,181	*5,133	*1,864	*358	11,982
Net income.....	28,547	*3,755	24,792	*4,704	*5,133	*1,864	*358	12,732
Deficit.....	1,319	45	*1,274	*524	--	--	--	*750
Net income (less deficit) from other rental activity.....	*3,585	108	*3,477	*3,369	--	--	162	*-54
Net income.....	*3,731	108	*3,623	*3,369	--	--	162	92
Deficit.....	*146	--	*146	--	--	--	--	*146
Total net income.....	8,410,421	785,075	7,625,347	3,826,270	1,343,907	294,054	1,042,836	1,118,279

Footnote at end of table.

S Corporation Returns, 1998

Table 2.--S Corporations with Net Income: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Leisure, accommodation, and food services						
	Total	Arts, entertainment, and recreation			Accommodation and food services		
		Total	Other arts, entertainment, and recreation	Amusement, gambling, and recreation industries	Total	Accommodation	Food services and drinking places
	(97)	(98)	(99)	(100)	(101)	(102)	(103)
Number of returns.....	110,781	30,313	14,245	16,068	80,468	12,758	67,710
Number of shareholders.....	226,425	61,192	18,475	42,717	165,233	34,241	130,992
Income and deductions from a trade or business:							
Total receipts¹.....	95,281,071	20,295,009	8,521,393	11,773,617	74,986,062	11,976,133	63,009,929
Business receipts.....	92,242,170	19,209,389	8,003,374	11,206,015	73,032,781	11,442,104	61,590,677
Interest on Government obligations:							
State and local.....	14,504	7,603	2,515	5,088	6,901	3,990	2,911
Net gain, noncapital assets.....	660,301	177,291	8,152	169,139	483,010	66,149	416,861
Other receipts.....	2,364,096	900,726	507,352	393,375	1,463,370	463,891	999,479
Total deductions.....	86,682,453	17,491,311	7,271,183	10,220,128	69,191,142	10,750,579	58,440,563
Cost of goods sold.....	31,938,596	4,204,804	1,628,227	2,576,577	27,733,792	2,534,496	25,199,296
Compensation of officers.....	3,949,511	1,762,845	1,225,151	537,695	2,186,665	281,567	1,905,099
Salaries and wages.....	16,661,290	3,589,861	1,643,288	1,946,573	13,071,430	2,005,909	11,065,521
Repairs.....	1,778,201	402,923	38,165	364,758	1,375,278	351,794	1,023,484
Bad debts.....	161,462	25,417	5,685	19,733	136,045	102,746	33,299
Rent paid on business property.....	5,401,254	1,091,661	267,143	824,518	4,309,593	469,757	3,839,835
Taxes paid.....	4,001,207	975,812	244,915	730,896	3,025,395	717,843	2,307,553
Interest paid.....	1,704,501	325,915	69,636	256,279	1,378,586	716,605	661,982
Amortization.....	319,932	93,271	60,671	32,601	226,660	46,289	180,371
Depreciation.....	2,461,160	618,288	98,149	520,139	1,842,872	665,086	1,177,786
Depletion.....	--	--	--	--	--	--	--
Advertising.....	2,414,713	366,760	120,437	246,322	2,047,953	235,211	1,812,742
Pension, profit-sharing, stock bonus, and annuity plans.....	177,016	105,833	61,629	44,204	71,183	6,360	64,823
Employee benefit programs.....	566,267	126,833	39,788	87,045	439,435	73,292	366,142
Net loss, noncapital assets.....	26,044	439	181	258	25,604	1,466	24,139
Other deductions.....	15,121,298	3,800,648	1,768,118	2,032,530	11,320,650	2,542,158	8,778,491
Total receipts less total deductions.....	8,598,618	2,803,699	1,250,210	1,553,489	5,794,919	1,225,554	4,569,365
Net income (less deficit) from a trade or business.....	8,584,114	2,796,096	1,247,695	1,548,401	5,788,019	1,221,564	4,566,454
Net income.....	8,761,261	2,858,139	1,293,232	1,564,907	5,903,122	1,267,382	4,635,740
Deficit.....	177,147	62,043	45,538	16,506	115,103	45,817	69,286
Portfolio income (less deficit) distributed to shareholders.....	1,352,109	705,721	547,951	157,770	646,388	240,865	405,523
Dividend income.....	38,320	19,580	11,946	7,634	18,740	7,712	11,028
Interest income.....	426,746	128,447	58,419	70,028	298,299	165,985	132,314
Royalty income.....	110,716	109,913	109,913	--	803	1	802
Net short-term capital gain (less loss).....	8,666	3,346	1,164	2,182	5,320	52	5,268
Net long-term capital gain (less loss).....	754,944	433,163	355,236	77,928	321,781	65,683	256,098
Other portfolio income (net).....	12,717	11,272	11,272	--	*1,444	*1,432	12
Real estate rental net income (less deficit).....	123,918	36,478	9,559	26,919	87,440	67,398	20,042
Net income.....	135,689	44,144	10,847	33,296	91,545	70,314	21,231
Deficit.....	11,771	7,666	*1,288	6,378	4,106	2,916	1,189
Net income (less deficit) from other rental activity.....	28,134	10,344	86	10,259	17,790	*1,146	16,644
Net income.....	28,134	10,344	86	10,259	17,790	*1,146	16,644
Deficit.....	--	--	--	--	--	--	--
Total net income.....	10,088,275	3,548,639	1,805,290	1,743,348	6,539,636	1,530,974	5,008,662

Footnote at end of table.

S Corporation Returns, 1998

Table 2.--S Corporations with Net Income: Total Income and Deductions, Portfolio Income, Rental Income and Total Net Income, by Industrial Division, Sector, and Major Group--Continued

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

Item	Other services				Nature of business not allocable
	Total	Repair and maintenance	Personal and laundry services	Religious, grantmaking, civic, professional, and similar organizations	
	(104)	(105)	(106)	(107)	(108)
Number of returns	95,798	50,362	**	**	5,758
Number of shareholders	159,361	84,235	**	**	10,779
Income and deductions from a trade or business:					
Total receipts ¹	45,737,092	26,800,419	**	**	1,044,182
Business receipts.....	45,138,306	26,459,164	**	**	1,002,020
Interest on Government obligations:					
State and local.....	5,633	515	**	**	*841
Net gain, noncapital assets.....	130,054	63,576	**	**	2,490
Other receipts.....	463,099	277,164	**	**	38,831
Total deductions	41,876,472	24,767,602	**	**	872,271
Cost of goods sold.....	18,860,439	12,918,669	**	**	491,447
Compensation of officers.....	2,893,536	1,564,885	**	**	*29,770
Salaries and wages.....	6,709,966	3,496,365	**	**	79,024
Repairs.....	477,032	221,813	**	**	6,974
Bad debts.....	141,761	38,007	**	**	*208
Rent paid on business property.....	2,407,329	1,076,566	**	**	40,014
Taxes paid.....	1,527,976	867,458	**	**	11,934
Interest paid.....	562,808	314,374	**	**	3,792
Amortization.....	91,199	33,336	**	**	--
Depreciation.....	982,229	520,375	**	**	12,831
Depletion.....	*317	*317	**	**	--
Advertising.....	745,276	368,877	**	**	7,044
Pension, profit-sharing, stock bonus, and annuity plans.....	119,270	58,153	**	**	*4,182
Employee benefit programs.....	388,252	271,432	**	**	*3,148
Net loss, noncapital assets.....	1,419	*208	**	**	--
Other deductions.....	5,967,661	3,016,765	**	**	181,903
Total receipts less total deductions	3,860,619	2,032,818	**	**	171,911
Net income (less deficit)					
from a trade or business	3,854,986	2,032,303	**	**	171,071
Net income.....	3,901,912	2,054,707	**	**	176,230
Deficit.....	46,926	22,404	**	**	5,159
Portfolio income (less deficit)					
distributed to shareholders	892,115	145,078	**	**	118,808
Dividend income.....	17,251	10,344	**	**	*1,758
Interest income.....	94,898	37,937	**	**	2,029
Royalty income.....	*5,799	*5,799	**	**	--
Net short-term capital gain (less loss).....	-1,981	-940	**	**	-457
Net long-term capital gain (less loss).....	775,554	91,460	**	**	*115,477
Other portfolio income (net).....	*592	477	**	**	--
Real estate rental net income					
(less deficit)	37,472	22,742	**	**	*3,289
Net income.....	38,916	23,252	**	**	*3,289
Deficit.....	*1,444	*510	**	**	--
Net income (less deficit)					
from other rental activity	8,052	*7,786	**	**	--
Net income.....	*9,109	*8,843	**	**	--
Deficit.....	*1,057	*1,057	**	**	--
Total net income	4,792,625	2,207,909	**	**	293,167

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

**Data deleted to avoid disclosure of information for specific corporations. Deleted data are included in the appropriate totals.

¹ Includes interest on Government obligations: State and local, which is not reflected in net income (less deficit) from a trade or business.

² Less than \$500.

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

S Corporation Returns, 1998

Table 3.--S Corporations: Balance Sheets, by Industrial Division, Sector, and Major Group

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

Item	All industries	Raw materials and energy production						Mining	Utilities
		Agriculture, forestry, fishing, and hunting							
		Total	Total	Agriculture production	Forestry and logging	Support activities and fishing, hunting and trapping			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
Number of returns.....	2,588,088	87,021	69,418	44,943	7,559	16,915	15,479	2,124	
Number of shareholders.....	4,839,618	217,758	173,271	118,188	18,201	36,882	38,765	5,723	
Total assets.....	1,455,483,439	57,157,264	34,354,170	25,034,625	4,016,330	5,303,215	20,310,165	2,492,929	
Cash.....	146,742,521	4,911,139	2,462,982	1,490,863	215,704	756,416	2,140,753	307,404	
Notes and accounts receivable.....	311,096,499	5,132,944	2,721,511	1,820,932	234,119	666,460	2,088,064	323,370	
Less: Allowance for bad debts.....	4,007,036	19,441	7,539	5,964	997	*578	10,309	1,593	
Inventories.....	229,247,269	3,117,135	2,516,678	1,840,160	152,762	523,755	581,138	19,320	
Investments in									
Government obligations.....	26,450,601	300,769	64,797	54,595	*2,965	*7,236	226,537	9,436	
Tax-exempt securities.....	8,136,420	434,084	212,212	140,612	*71,070	530	221,872	--	
Other current assets.....	83,359,809	2,304,463	1,473,602	1,110,156	152,791	210,654	732,150	98,712	
Loans to shareholders.....	26,586,863	1,631,158	935,939	746,568	38,891	150,480	343,844	351,375	
Mortgage and real estate loans.....	25,094,935	416,222	409,780	278,687	99,306	*31,787	*6,274	168	
Other investments.....	138,315,334	9,650,343	2,831,377	2,103,562	424,973	302,842	6,525,712	293,254	
Depreciable assets.....	722,105,243	42,364,661	29,317,692	21,442,406	2,382,263	5,493,023	10,940,694	2,106,265	
Less: Accumulated depreciation.....	382,004,924	26,180,188	18,210,295	13,235,548	1,512,021	3,462,726	7,061,455	908,439	
Depletable assets.....	8,308,169	5,720,901	1,380,932	149,704	1,102,256	*128,972	4,248,976	90,993	
Less: Accumulated depletion.....	3,135,255	2,448,474	202,596	*22,102	*102,570	*77,923	2,203,861	42,017	
Land.....	61,626,219	7,674,327	6,929,141	6,143,141	518,761	267,240	709,781	35,404	
Intangible assets (amortizable).....	41,568,278	1,184,315	495,375	273,901	16,152	205,322	563,785	125,156	
Less: Accumulated amortization.....	13,621,076	416,716	135,029	87,979	8,075	38,975	236,694	44,992	
Other assets.....	29,613,571	1,379,631	1,157,612	790,932	227,981	138,700	492,905	-270,886	
Total liabilities.....	1,455,483,439	57,157,264	34,354,170	25,034,625	4,016,330	5,303,215	20,310,165	2,492,929	
Accounts payable.....	179,795,391	2,886,561	1,426,344	785,338	87,889	553,117	1,322,166	138,051	
Mortgages, notes, and bonds payable in less than 1 year.....	182,956,962	6,517,202	4,985,420	3,876,979	446,855	661,585	1,321,750	210,033	
Other current liabilities.....	200,431,585	2,594,228	1,233,019	759,738	160,921	312,360	1,181,083	180,127	
Loans from stockholders.....	134,407,009	7,903,558	6,538,380	5,521,681	215,860	800,839	1,201,754	163,424	
Mortgages, notes, and bonds payable in 1 year or more.....	298,319,640	13,802,209	9,224,852	6,781,308	1,204,961	1,238,583	3,797,468	779,889	
Other liabilities.....	38,487,141	2,351,215	933,528	566,181	124,606	242,741	992,233	425,454	
Net worth, total.....	421,085,711	21,102,291	10,012,627	6,743,400	1,775,237	1,493,990	10,493,712	595,952	
Capital stock.....	56,495,370	4,482,143	3,911,920	3,321,405	330,403	260,112	485,333	84,891	
Paid-in or capital surplus.....	138,700,074	14,204,976	8,764,632	7,804,720	188,302	771,610	4,887,782	552,561	
Retained earnings, unappropriated.....	245,282,852	3,534,786	-2,086,179	-3,882,781	1,273,802	522,800	5,644,496	-23,531	
Adjustments to shareholders' equity ¹	1,963,530	38,375	10,782	*4,478	*6,305	--	29,233	-1,641	
Less: Cost of treasury stock.....	21,356,115	1,157,989	588,529	504,422	23,575	60,532	553,132	*16,328	

Footnotes at end of table.

S Corporation Returns, 1998

Table 3.--S Corporations: Balance Sheets, by Industrial Division, Sector, and Major Group--Continued

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

Item	Goods production							
	Total	Construction			Manufacturing			Beverage and tobacco product manufacturing
		Total	Building, developing, and general contracting	Heavy construction	Special trade contractors	Total	Food manufacturing	
(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
Number of returns.....	452,147	305,531	129,539	12,274	163,717	146,617	8,296	1,497
Number of shareholders.....	853,159	516,155	239,117	22,683	254,355	337,004	30,010	8,001
Total assets.....	408,336,013	170,971,279	96,007,915	24,923,672	50,039,693	237,364,734	20,318,690	5,049,776
Cash.....	43,143,344	22,159,848	9,973,628	4,535,277	7,650,943	20,983,496	1,658,281	382,211
Notes and accounts receivable.....	103,283,809	45,858,227	17,892,406	7,915,798	20,050,022	57,425,582	4,135,122	780,433
Less: Allowance for bad debts.....	1,184,529	261,455	54,917	98,418	108,119	923,075	52,192	10,785
Inventories.....	78,234,331	27,049,505	23,638,280	509,357	2,901,868	51,184,825	4,208,960	1,020,967
Investments in								
Government obligations.....	2,253,120	871,459	401,865	368,483	101,111	1,381,661	125,370	35,570
Tax-exempt securities.....	1,419,896	535,411	277,480	114,536	143,394	884,485	42,279	*13,930
Other current assets.....	27,284,637	18,928,891	13,000,574	2,114,281	3,814,035	8,355,747	606,482	147,202
Loans to shareholders.....	5,785,646	3,442,162	1,967,383	286,545	1,188,233	2,343,484	180,321	55,181
Mortgage and real estate loans.....	2,303,936	1,946,122	1,793,810	39,411	112,900	357,814	32,894	*16,952
Other investments.....	30,194,303	12,510,065	8,280,451	2,537,230	1,692,384	17,684,238	1,374,689	426,843
Depreciable assets.....	217,188,476	61,796,355	16,871,492	15,784,046	29,140,817	155,392,120	15,062,537	3,873,677
Less: Accumulated depreciation.....	126,544,224	35,569,282	7,285,837	9,941,245	18,342,201	90,974,941	8,235,397	2,339,351
Depletable assets.....	1,790,205	227,666	104,570	110,465	*12,631	1,562,538	*12,780	15
Less: Accumulated depletion.....	307,233	52,883	*25,261	21,361	*6,261	254,350	*3,042	15
Land.....	11,427,087	7,851,875	6,707,016	388,881	755,977	3,575,213	415,258	178,495
Intangible assets (amortizable).....	6,202,274	857,642	297,674	50,690	509,278	5,344,632	610,073	419,695
Less: Accumulated amortization.....	1,844,442	287,759	111,038	16,612	160,108	1,556,684	117,804	141,973
Other assets.....	7,705,377	3,107,431	2,278,336	246,307	582,788	4,597,947	262,079	190,730
Total liabilities.....	408,336,013	170,971,279	96,007,915	24,923,672	50,039,693	237,364,734	20,318,690	5,049,776
Accounts payable.....	65,441,340	33,893,732	17,550,062	6,288,340	10,055,331	31,547,608	2,961,317	448,013
Mortgages, notes, and bonds payable in less than 1 year.....	45,681,196	22,317,779	16,435,366	1,713,163	4,169,250	23,363,418	1,998,359	438,006
Other current liabilities.....	41,589,781	22,287,543	11,376,386	3,535,078	7,376,078	19,302,238	1,360,229	268,522
Loans from stockholders.....	25,580,703	12,146,763	8,346,349	712,918	3,087,496	13,433,940	737,287	364,963
Mortgages, notes, and bonds payable in 1 year or more.....	69,401,039	27,350,430	17,989,379	3,026,883	6,334,168	42,050,609	4,063,098	951,908
Other liabilities.....	9,472,116	4,519,451	2,925,054	359,737	1,234,660	4,952,665	379,747	52,767
Net worth, total.....	151,169,837	48,455,582	21,385,319	9,287,553	17,782,709	102,714,256	8,818,653	2,525,598
Capital stock.....	11,440,022	4,710,473	2,813,813	412,275	1,484,385	6,729,549	597,975	273,175
Paid-in or capital surplus.....	23,127,032	11,115,965	7,934,815	983,238	2,197,912	12,011,067	871,396	439,157
Retained earnings, unappropriated.....	122,870,112	34,395,627	11,301,592	8,241,910	14,852,126	88,474,485	7,510,904	1,861,010
Adjustments to shareholders' equity!	750,196	252,814	165,951	52,522	34,341	497,382	174,657	*4,858
Less: Cost of treasury stock.....	7,017,525	2,019,298	830,853	402,391	786,054	4,998,227	336,279	52,603

Footnotes at end of table.

S Corporation Returns, 1998

Table 3.--S Corporations: Balance Sheets, by Industrial Division, Sector, and Major Group--Continued

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

Item	Goods production--continued							
	Manufacturing--continued							
	Textile mills and textile product mills	Apparel manufacturing	Leather and allied product manufacturing	Wood product manufacturing	Paper manufacturing	Printing and related support activities	Petroleum and coal products manufacturing	Chemical manufacturing
(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	
Number of returns.....	3,535	8,197	1,126	6,326	1,568	18,365	624	4,633
Number of shareholders.....	8,622	15,326	1,863	14,565	5,577	31,924	1,019	15,160
Total assets.....	9,064,026	9,967,659	1,239,059	13,628,234	12,537,052	13,102,183	1,848,667	8,532,750
Cash.....	700,462	767,296	155,135	882,577	702,909	1,257,610	141,941	824,492
Notes and accounts receivable.....	2,166,056	2,264,959	315,306	2,335,125	1,870,567	3,626,143	447,222	2,223,339
Less: Allowance for bad debts.....	53,966	50,980	7,017	30,592	36,016	64,564	8,181	57,799
Inventories.....	2,286,453	3,722,949	435,875	3,179,191	1,469,797	1,267,221	291,742	1,654,220
Investments in								
Government obligations.....	155,709	*34,633	--	*35860	29,780	46,552	--	*25,864
Tax-exempt securities.....	65,895	25,759	5	104	93,840	*24,849	1,104	*30,050
Other current assets.....	432,616	603,875	45,174	450,069	356,974	495,786	40,451	390,236
Loans to shareholders.....	61,665	166,059	*4,373	123,681	66,604	140,213	5,223	55,246
Mortgage and real estate loans.....	*16,977	*13,186	--	42,693	*25,657	*12,590	*6,224	*4,391
Other investments.....	675,684	654,698	74,179	774,258	3,367,310	625,180	143,945	717,747
Depreciable assets.....	5,479,833	4,013,290	528,511	8,620,749	8,141,246	11,810,989	1,355,694	5,137,270
Less: Accumulated depreciation.....	3,446,181	2,479,691	357,158	4,876,520	4,529,437	6,916,990	697,269	2,979,693
Depletable assets.....	--	--	--	1,196,904	98,099	--	7,094	174
Less: Accumulated depletion.....	--	--	--	28,591	2,013	--	2,296	61
Land.....	68,480	81,775	18,172	367,632	118,873	157,700	55,439	138,493
Intangible assets (amortizable).....	19,322	109,820	28,459	209,601	155,999	512,691	59,697	346,237
Less: Accumulated amortization.....	7,241	58,010	22,073	44,415	35,779	140,539	16,079	91,082
Other assets.....	442,261	98,039	20,119	389,909	642,641	246,753	16,716	113,626
Total liabilities.....	9,064,026	9,967,659	1,239,059	13,628,234	12,537,052	13,102,183	1,848,667	8,532,750
Accounts payable.....	1,456,418	1,763,940	129,145	1,122,092	1,038,329	1,537,440	274,732	1,123,128
Mortgages, notes, and bonds payable in less than 1 year.....	955,516	1,457,030	154,776	1,610,542	775,301	1,473,189	153,221	764,324
Other current liabilities.....	657,022	926,529	81,342	1,063,202	626,334	1,077,185	103,213	551,452
Loans from stockholders.....	248,119	2,568,656	266,186	624,869	240,761	761,350	114,134	975,911
Mortgages, notes, and bonds payable in 1 year or more.....	1,505,539	967,275	196,817	2,577,566	4,110,601	3,123,216	317,601	1,398,666
Other liabilities.....	109,729	253,270	*3,797	220,993	343,715	202,478	48,763	149,955
Net worth, total.....	4,131,682	2,030,959	406,996	6,408,971	5,402,011	4,927,325	837,004	3,569,315
Capital stock.....	263,840	348,509	110,242	373,494	205,836	419,680	8,585	355,713
Paid-in or capital surplus.....	370,641	573,274	35,592	560,549	1,682,184	476,633	28,665	518,264
Retained earnings, unappropriated.....	3,747,690	1,272,399	383,059	5,799,843	3,681,389	4,293,465	801,131	2,871,073
Adjustments to shareholders' equity ¹	*3,024	*49,367	--	*-1,317	-130	25,122	*6,367	-4,205
Less: Cost of treasury stock.....	253,513	212,591	*121,897	323,598	167,267	287,574	7,746	171,531

Footnotes at end of table.

S Corporation Returns, 1998

Table 3.--S Corporations: Balance Sheets, by Industrial Division, Sector, and Major Group--Continued

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

Item	Goods production--continued							
	Manufacturing--continued							
	Plastics and rubber products manufacturing	Nonmetallic mineral products manufacturing	Primary metal manufacturing	Fabricated metal products manufacturing	Machinery manufacturing	Computer and electronic products manufacturing	Electrical equipment, appliance, and component manufacturing	Transportation equipment manufacturing
(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	
Number of returns.....	7,043	5,675	3,232	22,590	10,394	6,548	5,909	4,811
Number of shareholders.....	17,663	12,043	8,672	50,694	24,698	14,309	11,924	9,467
Total assets.....	16,644,614	7,909,935	9,424,299	38,315,387	16,194,617	8,750,981	9,117,359	12,715,683
Cash.....	1,315,916	817,574	594,217	4,134,292	1,821,814	922,009	758,033	934,065
Notes and accounts receivable.....	4,621,571	1,753,943	2,571,718	9,598,292	4,021,832	2,468,675	2,586,621	2,960,382
Less: Allowance for bad debts.....	63,556	24,779	39,521	118,928	46,317	37,297	66,863	34,374
Inventories.....	2,871,190	1,125,302	1,890,583	7,482,960	4,200,086	2,078,814	2,316,754	3,581,751
Investments in								
Government obligations.....	29,063	*55,347	20,052	205,939	115,879	*76,400	*34,899	*289,656
Tax-exempt securities.....	*161,521	*17,583	12,949	157,505	88,129	23,417	*57,093	*17,536
Other current assets.....	539,024	248,666	314,417	1,162,187	542,604	440,033	395,549	394,854
Loans to shareholders.....	126,849	80,910	109,951	375,237	92,316	158,162	94,083	162,095
Mortgage and real estate loans.....	3,442	*21,784	2,055	24,349	*20,396	1,740	13,924	*5,624
Other investments.....	993,051	392,228	757,176	2,292,312	1,049,249	554,255	528,685	1,159,605
Depreciable assets.....	12,983,395	7,242,433	6,655,167	28,227,152	9,274,142	4,245,074	4,789,372	5,972,368
Less: Accumulated depreciation.....	7,554,280	4,461,573	3,856,045	16,754,267	5,659,848	2,475,946	2,790,305	3,257,692
Depletable assets.....	11,584	24,273	163,375	*16	--	--	1,877	644
Less: Accumulated depletion.....	8,945	11,841	156,439	*15	--	--	1,739	644
Land.....	200,154	269,847	171,604	512,220	206,236	104,072	132,075	115,782
Intangible assets (amortizable).....	297,321	177,631	182,623	656,300	305,221	172,769	171,087	287,960
Less: Accumulated amortization.....	74,846	29,216	72,275	153,976	89,089	73,001	51,186	90,570
Other assets.....	192,159	209,823	102,693	513,810	251,967	91,806	147,401	216,640
Total liabilities.....	16,644,614	7,909,935	9,424,299	38,315,387	16,194,617	8,750,981	9,117,359	12,715,683
Accounts payable.....	2,878,531	1,053,900	1,524,739	4,491,709	1,825,199	1,438,802	1,292,399	1,934,273
Mortgages, notes, and bonds payable in less than 1 year.....	1,527,387	526,784	970,234	3,650,632	1,422,528	989,579	711,868	1,410,117
Other current liabilities.....	1,056,066	554,689	883,565	2,753,245	1,814,212	982,444	1,144,049	1,346,868
Loans from stockholders.....	725,070	571,368	211,190	1,637,722	917,271	425,647	412,820	391,463
Mortgages, notes, and bonds payable in 1 year or more.....	2,688,027	1,605,892	1,706,128	6,443,088	2,566,103	1,084,438	1,294,625	1,694,762
Other liabilities.....	234,393	100,407	308,037	849,745	286,433	191,405	443,486	504,979
Net worth, total.....	7,535,140	3,496,895	3,820,407	18,489,246	7,362,871	3,638,666	3,818,111	5,433,222
Capital stock.....	350,570	329,551	275,712	821,505	444,832	179,611	229,597	281,914
Paid-in or capital surplus.....	769,660	578,862	278,226	1,412,805	642,180	612,640	361,418	459,779
Retained earnings, unappropriated.....	6,656,931	2,723,552	3,315,536	17,472,685	6,627,358	3,016,866	3,354,097	4,799,534
Adjustments to shareholders' equity!.....	674	594	*71,511	-411	25,799	-3,244	80,044	56,402
Less: Cost of treasury stock.....	242,694	135,664	120,578	1,217,337	377,298	167,208	207,046	164,408

Footnotes at end of table.

S Corporation Returns, 1998

Table 3.--S Corporations: Balance Sheets, by Industrial Division, Sector, and Major Group--Continued

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

Item	Goods production--continued			Distribution and transportation of goods				
	Manufacturing--continued		Total	Wholesale and retail trade				
	Furniture and related products manufacturing	Miscellaneous manufacturing		Total	Wholesale trade			Retail trade
					Total	Durable goods	Nondurable goods	Total
(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)	
Number of returns	6,047	20,201	566,076	484,772	147,102	86,338	60,764	337,251
Number of shareholders	11,687	43,781	1,030,083	894,361	288,210	171,111	117,099	605,636
Total assets	5,852,703	17,151,059	389,720,707	351,747,722	159,966,932	91,159,325	68,807,607	191,444,373
Cash.....	583,245	1,629,418	37,308,237	33,849,158	14,229,661	7,435,039	6,794,622	19,587,744
Notes and accounts receivable.....	1,742,410	4,935,867	82,118,997	75,382,603	49,567,302	28,588,422	20,978,880	25,790,239
Less: Allowance for bad debts.....	27,965	91,384	1,110,909	1,033,082	690,922	422,811	268,111	341,790
Inventories.....	1,544,108	4,555,902	138,720,436	137,965,218	51,755,996	33,420,569	18,335,427	86,096,203
Investments in								
Government obligations.....	6,706	58,382	788,780	675,599	478,660	304,749	173,910	196,940
Tax-exempt securities.....	*44,189	*6,747	1,006,439	983,501	675,501	402,538	272,963	308,000
Other current assets.....	97,202	652,347	13,420,087	11,443,576	5,772,164	2,746,764	3,025,400	5,662,856
Loans to shareholders.....	40,490	244,827	5,369,014	4,345,335	1,616,792	929,581	687,211	2,723,650
Mortgage and real estate loans.....	5,067	87,870	886,133	746,299	300,070	164,916	135,154	446,228
Other investments.....	171,629	951,515	18,708,196	16,337,077	9,323,123	4,376,955	4,946,167	6,999,555
Depreciable assets.....	3,415,496	8,563,727	159,440,735	119,243,658	48,625,307	24,567,341	24,057,965	70,497,802
Less: Accumulated depreciation.....	2,036,844	5,270,453	87,904,386	66,827,892	28,416,003	14,135,362	14,280,641	38,379,574
Depletable assets.....	--	*45,703	404,928	217,869	160,392	52,164	*108,229	57,476
Less: Accumulated depletion.....	--	*38,709	248,272	104,033	80,874	*17,012	*63,862	23,159
Land.....	88,965	173,938	7,742,833	7,008,392	2,217,548	944,150	1,273,398	4,761,700
Intangible assets (amortizable).....	156,254	465,873	10,489,753	9,825,179	3,681,523	1,333,869	2,347,654	6,121,685
Less: Accumulated amortization.....	38,649	208,882	3,375,432	3,191,856	1,175,212	443,116	732,096	2,014,272
Other assets.....	60,401	388,373	5,955,140	4,881,120	1,925,904	910,568	1,015,336	2,953,087
Total liabilities	5,852,703	17,151,059	389,720,707	351,747,722	159,966,932	91,159,325	68,807,607	191,444,373
Accounts payable.....	760,405	2,493,099	66,803,665	63,145,033	37,314,025	21,342,630	15,971,396	25,790,644
Mortgages, notes, and bonds payable in less than 1 year.....	525,745	1,848,279	81,187,626	76,960,481	25,132,638	15,098,603	10,034,035	51,766,615
Other current liabilities.....	557,422	1,494,648	28,651,861	25,995,848	11,523,915	6,681,736	4,842,179	14,443,853
Loans from stockholders.....	372,842	866,311	33,121,338	29,009,329	10,056,587	5,885,992	4,170,594	18,939,835
Mortgages, notes, and bonds payable in 1 year or more.....	831,573	2,923,686	60,348,197	48,149,324	18,111,165	9,652,991	8,458,174	29,894,390
Other liabilities.....	20,072	248,495	5,719,702	4,922,087	2,125,393	1,178,863	946,530	2,786,655
Net worth, total.....	2,784,644	7,276,541	113,888,319	103,565,619	55,703,209	31,318,511	24,384,699	47,822,382
Capital stock.....	197,203	662,004	13,812,253	12,328,593	3,797,201	2,057,395	1,739,805	8,525,425
Paid-in or capital surplus.....	384,865	954,277	26,142,943	20,231,441	6,570,815	3,904,453	2,666,362	13,648,220
Retained earnings, unappropriated.....	2,261,967	6,023,995	79,901,930	76,168,119	47,832,835	26,836,759	20,996,077	28,313,610
Adjustments to shareholders' equity ¹	612	7,657	408,032	426,700	196,089	115,051	81,038	230,611
Less: Cost of treasury stock.....	60,003	371,392	6,376,839	5,589,233	2,693,731	1,595,148	1,098,583	2,895,483

Footnotes at end of table.

S Corporation Returns, 1998

Table 3.--S Corporations: Balance Sheets, by Industrial Division, Sector, and Major Group--Continued

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

Item	Distribution and transportation of goods--continued							
	Wholesale and retail trade--continued							
	Retail trade--continued							
	Motor vehicle and parts dealers	Furniture and home furnishings	Electronics and appliance	Building material and garden equipment and supplies dealers	Food and beverage	Health and personal care	Gasoline stations	Clothing and clothing accessories
(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)	
Number of returns.....	46,613	18,305	17,299	19,718	52,362	20,123	20,221	27,995
Number of shareholders.....	82,834	34,078	31,112	38,827	96,797	32,803	36,978	48,039
Total assets.....	83,180,637	10,710,812	5,673,051	14,523,776	19,916,814	5,368,229	10,627,532	7,503,519
Cash.....	7,341,075	1,176,617	723,212	1,257,213	2,481,209	897,074	1,155,811	759,579
Notes and accounts receivable.....	10,589,686	1,800,197	1,996,865	3,639,481	1,202,661	728,965	611,967	552,469
Less: Allowance for bad debts.....	107,034	42,555	19,021	51,686	7,533	7,592	5,140	6,827
Inventories.....	49,479,358	4,469,765	1,417,052	5,212,113	4,796,142	1,921,052	1,131,077	4,218,164
Investments in								
Government obligations.....	*39,868	*17,438	--	*7,768	5,315	--	*26,181	*816
Tax-exempt securities.....	*53,780	*50,970	*34,422	4,156	31,895	*12,063	*2,244	*89,458
Other current assets.....	1,848,981	334,080	163,011	280,964	1,103,188	123,366	255,826	285,899
Loans to shareholders.....	989,568	125,157	111,178	320,812	354,058	113,089	99,885	94,821
Mortgage and real estate loans.....	54,822	*28,377	*23,734	28,906	140,736	*5,102	34,578	*10,900
Other investments.....	1,723,152	343,085	109,814	984,767	1,058,163	319,552	557,771	309,979
Depreciable assets.....	17,311,491	3,781,038	1,767,688	5,527,022	14,572,991	1,993,819	8,369,022	2,379,366
Less: Accumulated depreciation.....	8,933,901	1,877,901	953,395	3,389,641	8,364,761	1,202,017	3,701,739	1,403,753
Depletable assets.....	383	*11,024	86	*18,222	*14,890	*2,178	*8,915	--
Less: Accumulated depletion.....	150	*7,955	86	*8,402	*1,081	*533	*3,624	--
Land.....	1,303,367	225,800	51,653	431,348	693,395	45,330	1,248,357	59,618
Intangible assets (amortizable).....	1,398,017	161,834	213,457	176,049	1,499,962	388,830	765,855	132,479
Less: Accumulated amortization.....	407,827	46,119	50,357	46,933	500,308	140,370	204,104	49,376
Other assets.....	496,002	159,959	83,739	131,618	835,893	168,323	274,649	69,929
Total liabilities.....	83,180,637	10,710,812	5,673,051	14,523,776	19,916,814	5,368,229	10,627,532	7,503,519
Accounts payable.....	5,790,310	2,080,653	2,015,738	2,673,717	3,243,337	1,026,537	1,075,727	1,530,085
Mortgages, notes, and bonds								
payable in less than 1 year.....	42,447,731	748,986	418,533	1,654,238	1,077,884	292,082	499,765	617,147
Other current liabilities.....	5,418,255	1,501,600	577,161	895,601	1,287,661	356,695	586,044	515,636
Loans from stockholders.....	6,319,153	731,353	356,312	913,736	2,627,544	679,385	870,424	1,011,295
Mortgages, notes, and bonds								
payable in 1 year or more.....	8,466,884	1,399,629	754,402	2,389,439	5,233,140	1,017,950	4,145,485	1,021,272
Other liabilities.....	720,082	281,895	57,923	292,074	279,048	150,723	127,779	222,123
Net worth, total.....	14,018,223	3,966,697	1,492,981	5,704,971	6,168,200	1,844,858	3,322,307	2,585,961
Capital stock.....	3,377,965	517,131	132,438	532,873	1,072,041	363,727	608,777	417,117
Paid-in or capital surplus.....	3,855,083	659,584	369,965	630,720	1,005,472	634,297	874,570	732,914
Retained earnings, unappropriated.....	7,464,025	2,792,637	1,040,077	4,840,741	4,464,913	1,121,051	1,935,862	1,562,600
Adjustments to shareholders' equity ¹	46,267	*74,676	*-11,505	*55,703	28,635	*16,618	*1,914	*-4,577
Less: Cost of treasury stock.....	725,118	77,332	37,994	355,066	402,860	290,835	98,816	122,092

Footnotes at end of table.

S Corporation Returns, 1998

Table 3.--S Corporations: Balance Sheets, by Industrial Division, Sector, and Major Group--Continued

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

Item	Distribution and transportation of goods--continued							
	Wholesale and retail trade--continued				Transportation and warehousing			
	Retail trade--continued				Wholesale and retail trade not allocable	Total	Air, rail, and water transportation	Truck transportation
	Sporting goods, hobby, book, and music	General merchandise	Miscellaneous store retailers	Nonstore retailers				
(49)	(50)	(51)	(52)	(53)	(54)	(55)	(56)	
Number of returns.....	20,180	7,823	64,065	22,547	419	81,305	5,993	40,805
Number of shareholders.....	42,721	13,741	110,085	37,620	515	135,722	7,971	70,300
Total assets.....	5,507,045	3,454,378	16,773,125	8,205,455	336,417	37,972,985	8,744,329	16,143,376
Cash.....	449,422	372,955	1,930,929	1,042,648	31,753	3,459,078	695,490	1,489,597
Notes and accounts receivable.....	575,178	380,268	2,166,896	1,545,606	25,062	6,736,393	684,532	3,407,873
Less: Allowance for bad debts.....	10,709	2,953	13,634	67,105	370	77,827	10,063	42,302
Inventories.....	2,768,296	1,620,874	7,385,522	1,676,790	113,019	755,217	184,246	109,653
Investments in								
Government obligations.....	449	11,874	497	86,735	--	113,181	18,434	11,913
Tax-exempt securities.....	495	608	*14,487	*13,423	--	22,937	5,630	*6,601
Other current assets.....	219,011	62,734	444,627	541,169	8,555	1,976,511	352,294	749,718
Loans to shareholders.....	44,977	*31,609	257,440	181,056	*4,894	1,023,679	264,252	417,082
Mortgage and real estate loans.....	2,289	*382	60,817	*55,585	--	139,834	*44,716	*31,616
Other investments.....	174,741	130,415	534,110	754,006	14,399	2,371,119	597,099	717,845
Depreciable assets.....	2,047,413	1,330,757	6,637,741	4,779,453	120,549	40,197,078	9,089,365	20,168,125
Less: Accumulated depreciation.....	1,075,831	716,683	3,741,859	3,018,093	32,315	21,076,494	3,650,852	11,618,232
Depletable assets.....	--	--	*56	1,722	--	*187,059	2,530	*181,981
Less: Accumulated depletion.....	--	--	*31	1,297	--	*144,239	2,183	*141,162
Land.....	106,915	80,614	418,971	96,333	*29,144	734,441	43,842	280,769
Intangible assets (amortizable).....	137,741	106,168	629,605	511,689	*21,970	664,574	46,423	224,758
Less: Accumulated amortization.....	47,861	42,813	268,574	209,628	*2,372	183,576	20,609	77,744
Other assets.....	114,520	87,568	315,524	215,363	*2,128	1,074,020	399,184	225,284
Total liabilities.....	5,507,045	3,454,378	16,773,125	8,205,455	336,417	37,972,985	8,744,329	16,143,376
Accounts payable.....	1,342,166	658,913	3,013,622	1,339,838	40,364	3,658,632	480,548	1,420,072
Mortgages, notes, and bonds payable in less than 1 year.....	685,968	251,487	2,242,023	830,772	61,227	4,227,145	621,783	2,321,507
Other current liabilities.....	397,801	302,993	1,594,316	1,010,092	28,080	2,656,013	412,105	1,191,479
Loans from stockholders.....	1,163,187	439,179	2,849,034	979,231	*12,908	4,112,008	1,363,805	746,381
Mortgages, notes, and bonds payable in 1 year or more.....	792,683	516,343	2,722,948	1,434,216	143,770	12,198,872	3,246,873	5,327,903
Other liabilities.....	88,041	61,872	348,677	156,418	*10,039	797,615	175,355	212,625
Net worth, total.....	1,037,199	1,223,591	4,002,507	2,454,887	40,028	10,322,700	2,443,860	4,923,409
Capital stock.....	379,598	146,779	702,597	274,382	5,967	1,483,661	624,276	407,439
Paid-in or capital surplus.....	1,895,761	690,634	1,473,042	826,179	12,407	5,911,502	3,201,609	550,648
Retained earnings, unappropriated.....	-1,106,159	497,406	2,057,833	1,642,623	21,674	3,733,811	-1,098,949	4,188,389
Adjustments to shareholders' equity!.....	-900	76	*16,185	*7,518	--	-18,668	*-51,244	20,841
Less: Cost of treasury stock.....	131,101	111,304	247,151	295,815	20	787,606	231,832	243,907

Footnotes at end of table.

S Corporation Returns, 1998

Table 3.--S Corporations: Balance Sheets, by Industrial Division, Sector, and Major Group--Continued

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

Item	Distribution and transportation of goods--continued				Information			
	Transportation and warehousing--continued				Total	Publishing industries	Motion picture and sound recording industries	Broadcasting and telecommunications
	Transit and ground passenger transportation	Pipeline transportation	Other transportation and support activities	Warehousing and storage				
(57)	(58)	(59)	(60)	(61)	(62)	(63)	(64)	
Number of returns	8,049	*47	22,794	3,615	56,082	16,724	13,479	17,690
Number of shareholders	10,642	*81	37,597	9,131	115,281	34,821	22,131	44,453
Total assets	3,058,539	*371,817	6,453,738	3,201,185	35,075,986	13,839,555	5,475,256	13,845,364
Cash.....	201,552	*22,880	763,443	286,116	3,982,749	1,562,803	687,140	1,294,977
Notes and accounts receivable.....	403,448	*63,637	1,681,948	494,954	5,439,983	2,468,690	635,119	1,971,890
Less: Allowance for bad debts.....	1,677	--	21,490	2,295	220,860	151,506	5,136	59,867
Inventories.....	33,827	*934	320,479	106,077	1,255,968	727,545	319,696	205,754
Investments in								
Government obligations.....	588	*24,339	*13,331	*44,576	270,704	149,101	*28,914	92,689
Tax-exempt securities.....	--	--	9,351	1,355	314,351	115,320	3,038	189,445
Other current assets.....	184,472	*21,893	505,946	162,187	2,853,407	928,548	434,898	1,029,165
Loans to shareholders.....	160,853	*2,261	104,282	74,949	870,524	240,923	211,117	407,975
Mortgage and real estate loans.....	1,605	--	*14,956	*46,942	79,754	*23,994	*46,152	*9,608
Other investments.....	128,522	*45,854	545,266	336,533	7,959,432	3,425,437	1,076,437	3,327,852
Depreciable assets.....	3,058,751	*221,614	4,856,777	2,802,446	15,716,702	5,011,154	3,123,026	6,721,759
Less: Accumulated depreciation.....	1,647,541	*106,182	2,628,825	1,424,863	8,983,498	2,994,748	1,618,716	3,872,185
Depletable assets.....	1,903	--	--	645	*644	--	--	*644
Less: Accumulated depletion.....	306	--	--	587	*427	--	--	*427
Land.....	41,148	*130	174,477	194,074	592,105	184,899	120,180	273,959
Intangible assets (amortizable).....	166,283	*53,287	132,586	41,238	4,852,807	1,805,246	488,636	2,430,036
Less: Accumulated amortization.....	20,981	*11,940	33,644	18,658	1,627,571	453,088	360,501	754,464
Other assets.....	346,092	*33,108	14,855	55,496	1,719,212	795,236	285,256	576,557
Total liabilities	3,058,539	*371,817	6,453,738	3,201,185	35,075,986	13,839,555	5,475,256	13,845,364
Accounts payable.....	250,602	*61,909	1,127,686	317,815	2,830,554	1,261,690	301,707	1,097,906
Mortgages, notes, and bonds payable in less than 1 year.....	450,029	*53,631	550,487	229,708	1,893,892	608,136	402,414	719,427
Other current liabilities.....	232,464	*6,636	590,452	222,878	4,457,338	2,428,286	493,627	1,010,344
Loans from stockholders.....	221,725	*3,064	1,691,277	85,757	3,903,298	872,631	1,265,968	1,452,305
Mortgages, notes, and bonds payable in 1 year or more.....	1,144,107	*66,317	1,408,679	1,004,992	7,865,272	1,807,459	1,243,152	4,293,086
Other liabilities.....	74,465	*112,921	114,920	107,329	2,002,807	1,260,616	136,916	557,197
Net worth, total.....	685,147	*67,339	970,238	1,232,706	12,122,824	5,600,736	1,631,472	4,715,100
Capital stock.....	96,177	*89	272,614	83,066	1,828,702	1,006,274	129,955	600,644
Paid-in or capital surplus.....	178,192	*92,590	1,733,663	154,801	6,182,179	1,261,345	1,318,562	3,027,491
Retained earnings, unappropriated.....	505,401	*46,425	-990,257	1,082,801	4,908,720	3,641,264	205,841	1,544,745
Adjustments to shareholders' equity ¹	3,074	*32	*12,856	*-4,228	-110,854	86,518	919	-196,605
Less: Cost of treasury stock.....	*97,697	*71,798	58,638	83,734	685,923	394,664	*23,806	261,175

Footnotes at end of table.

S Corporation Returns, 1998

Table 3.--S Corporations: Balance Sheets, by Industrial Division, Sector, and Major Group--Continued

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

Item	Information--	Finance, insurance, real estate, and rental and leasing						
	continued	Total	Finance and insurance					Funds, trusts, and other financial vehicles
	Information services		Total	Depository credit inter-mediation	Non-depository credit inter-mediation	Securities, commodity contracts, other financial investments and related activities	Insurance carriers and related activities	
(65)	(66)	(67)	(68)	(69)	(70)	(71)	(72)	
Number of returns.....	8,189	403,085	102,884	746	21,525	33,846	45,777	990
Number of shareholders.....	13,877	880,071	197,735	6,406	38,978	72,137	77,876	2,337
Total assets.....	1,915,811	267,895,392	109,971,229	25,423,460	29,023,384	43,717,829	10,689,315	1,117,241
Cash.....	437,830	22,075,240	11,811,395	1,506,086	2,767,800	4,528,963	2,911,469	97,078
Notes and accounts receivable.....	364,284	38,732,674	31,325,435	11,221,247	9,693,551	7,660,077	2,675,895	74,666
Less: Allowance for bad debts.....	4,352	395,326	311,976	130,384	148,970	18,587	13,828	207
Inventories.....	2,974	1,252,316	38,525	137	*3,581	25,136	--	*9,671
Investments in								
Government obligations.....	--	9,395,493	8,705,580	3,397,856	*11,479	5,220,005	66,230	10,009
Tax-exempt securities.....	6,549	1,480,443	1,237,922	702,213	*26,084	425,059	*62,483	22,083
Other current assets.....	460,796	21,189,211	10,440,511	799,575	2,621,413	6,056,326	829,206	133,991
Loans to shareholders.....	*10,508	5,467,950	1,631,982	3,886	339,912	673,855	595,871	*18,458
Mortgage and real estate loans.....	--	17,791,974	13,654,338	4,318,307	8,643,668	524,588	*33,492	*134,283
Other investments.....	129,707	38,967,914	22,728,776	2,826,456	2,558,293	15,628,622	1,179,798	535,607
Depreciable assets.....	860,764	126,580,144	9,073,750	688,543	1,798,535	3,172,422	3,346,557	67,692
Less: Accumulated depreciation.....	497,850	47,176,934	4,748,142	276,842	762,200	1,554,194	2,122,194	32,711
Depletable assets.....	--	239,552	137,183	554	*156	*136,173	*299	--
Less: Accumulated depletion.....	--	70,130	*58,057	--	--	*57,758	*299	--
Land.....	13,067	23,754,941	628,781	64,338	73,012	337,194	148,430	5,807
Intangible assets (amortizable).....	128,889	4,278,634	1,845,774	44,078	336,611	390,214	1,073,997	*875
Less: Accumulated amortization.....	59,518	1,461,640	625,193	14,570	145,210	77,898	386,935	*579
Other assets.....	62,163	5,792,935	2,454,644	271,979	1,205,670	647,632	288,845	40,519
Total liabilities.....	1,915,811	267,895,392	109,971,229	25,423,460	29,023,384	43,717,829	10,689,315	1,117,241
Accounts payable.....	169,251	15,242,905	11,845,609	2,148,284	1,063,622	5,146,838	3,477,940	8,925
Mortgages, notes, and bonds payable in less than 1 year.....	163,915	26,881,830	14,895,962	279,631	9,689,455	3,972,156	813,368	141,352
Other current liabilities.....	525,081	40,065,410	34,346,283	18,652,076	4,286,738	9,821,437	1,406,449	179,583
Loans from stockholders.....	312,395	27,408,173	5,360,855	20,231	1,742,437	2,876,167	663,875	*58,145
Mortgages, notes, and bonds payable in 1 year or more.....	521,575	83,603,546	11,933,419	682,155	6,328,695	3,395,908	1,420,180	106,482
Other liabilities.....	48,078	10,081,641	3,802,070	455,558	1,471,151	1,505,552	330,884	38,924
Net worth, total.....	175,517	64,611,888	27,787,031	3,185,525	4,441,287	16,999,771	2,576,619	583,831
Capital stock.....	91,829	13,079,961	2,835,422	181,068	671,517	1,693,057	221,108	68,673
Paid-in or capital surplus.....	574,781	33,703,800	11,479,554	617,733	1,274,159	8,653,341	734,941	199,380
Retained earnings, unappropriated.....	-483,130	19,736,446	13,816,012	2,194,713	2,512,515	6,862,298	1,931,820	314,666
Adjustments to shareholders' equity'.....	*-1,686	445,447	409,102	218,126	40,260	140,408	7,119	3,190
Less: Cost of treasury stock.....	*6,277	2,353,766	753,059	26,116	57,163	349,334	318,369	2,077

Footnotes at end of table.

S Corporation Returns, 1998

Table 3.--S Corporations: Balance Sheets, by Industrial Division, Sector, and Major Group--Continued

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

Item	Finance, insurance, real estate, rental and leasing--continued				Professional and business services			
	Real estate and rental and leasing				Total	Professional, scientific, and technical services		
	Total	Real estate	Rental and leasing services	Lessors of nonfinancial intangible assets		Total	Legal services	Accounting, tax preparation, bookkeeping, and payroll services
(73)	(74)	(75)	(76)	(77)	(78)	(79)	(80)	
Number of returns.....	300,201	271,573	27,939	*690	505,090	371,152	36,524	26,683
Number of shareholders.....	682,336	624,108	55,666	*2,562	814,939	572,538	50,134	42,893
Total assets.....	157,924,163	136,877,752	20,749,757	*296,654	171,445,590	56,669,189	4,503,258	1,701,834
Cash.....	10,263,844	9,027,804	1,216,951	*19,089	20,016,038	11,582,687	1,354,711	388,392
Notes and accounts receivable.....	7,407,239	5,283,967	2,072,772	*50,500	65,102,496	14,085,790	229,192	172,763
Less: Allowance for bad debts.....	83,350	47,135	36,122	*93	766,804	123,236	*440	48
Inventories.....	1,213,791	175,896	1,037,027	*868	2,517,357	1,860,896	4,334	9
Investments in								
Government obligations.....	689,913	664,083	25,830	--	12,850,929	414,938	*78,173	*51,762
Tax-exempt securities.....	242,521	241,619	902	--	3,413,263	207,416	*41,774	--
Other current assets.....	10,748,700	9,620,089	1,124,821	*3,790	11,069,449	4,723,447	672,673	76,357
Loans to shareholders.....	3,835,968	3,315,278	491,146	*29,545	3,352,391	2,148,154	265,359	94,032
Mortgage and real estate loans.....	4,137,637	4,075,733	61,904	--	2,576,723	214,111	*16,211	--
Other investments.....	16,239,138	14,614,149	1,563,391	*61,598	25,318,352	6,104,722	457,608	265,663
Depreciable assets.....	117,506,394	91,516,629	25,961,190	*28,575	45,674,574	28,418,987	2,170,335	1,218,351
Less: Accumulated depreciation.....	42,428,792	28,809,631	13,603,332	*15,829	27,455,320	17,263,632	1,461,371	845,007
Depletable assets.....	102,369	102,327	*42	--	59,326	*20,076	--	*12,453
Less: Accumulated depletion.....	12,073	12,073	--	--	30,017	*8,466	--	*4,494
Land.....	23,126,160	22,843,274	281,284	*1,602	1,584,703	752,329	42,521	*21,400
Intangible assets (amortizable).....	2,432,860	2,021,000	202,123	*209,737	4,332,489	2,322,603	19,051	283,169
Less: Accumulated amortization.....	836,448	677,659	65,860	*92,929	1,466,771	629,695	9,537	67,921
Other assets.....	3,338,291	2,922,402	415,687	*202	3,296,412	1,838,063	622,665	34,952
Total liabilities.....	157,924,163	136,877,752	20,749,757	*296,654	171,445,590	56,669,189	4,503,258	1,701,834
Accounts payable.....	3,397,296	2,358,938	990,079	*48,279	17,868,097	7,332,067	125,534	68,842
Mortgages, notes, and bonds payable in less than 1 year.....	11,985,868	8,103,400	3,877,069	*5,399	11,868,990	5,907,043	345,055	244,288
Other current liabilities.....	5,719,126	4,824,569	886,628	*7,930	71,316,624	9,126,058	1,075,597	309,566
Loans from stockholders.....	22,047,318	20,417,829	1,625,441	*4,049	11,777,249	7,911,075	336,182	236,706
Mortgages, notes, and bonds payable in 1 year or more.....	71,670,127	63,907,650	7,582,998	*179,479	15,047,342	7,958,634	422,377	420,814
Other liabilities.....	6,279,571	6,011,260	267,826	*485	4,998,206	2,353,485	518,650	101,166
Net worth, total.....	36,824,857	31,254,108	5,519,716	*51,033	38,569,082	16,080,828	1,679,863	320,452
Capital stock.....	10,244,538	9,746,723	478,387	*19,429	4,320,146	2,405,596	68,134	66,095
Paid-in or capital surplus.....	22,224,247	19,552,976	2,663,547	*7,723	16,546,862	8,072,940	1,090,700	209,318
Retained earnings, unappropriated.....	5,920,434	3,337,872	2,558,681	*23,881	19,400,314	6,678,026	600,476	78,738
Adjustments to shareholders' equity ¹	36,345	47,326	-10,981	--	251,852	165,565	*2,609	*4,986
Less: Cost of treasury stock.....	1,600,707	1,430,790	169,917	--	1,950,092	1,241,299	82,057	*38,684

Footnotes at end of table.

S Corporation Returns, 1998

Table 3.--S Corporations: Balance Sheets, by Industrial Division, Sector, and Major Group--Continued

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

Item	Professional and business services--continued							
	Professional, scientific, and technical services--continued				Management of companies	Administrative and support and waste management and remediation services		
	Architectural, engineering, and related services	Specialized design services	Computer systems design and related services	Other professional, scientific, and technical services		Total	Administrative and support services	Waste management and remediation services
	(81)	(82)	(83)	(84)	(85)	(86)	(87)	(88)
Number of returns.....	49,457	19,242	58,753	180,493	11,471	122,466	116,389	6,077
Number of shareholders.....	82,887	23,663	94,199	278,763	39,780	202,621	189,392	13,229
Total assets.....	6,056,686	2,509,416	6,789,630	35,108,365	92,647,205	22,129,197	17,300,122	4,829,075
Cash.....	1,196,499	617,902	1,861,088	6,164,094	4,381,963	4,051,388	3,348,279	703,109
Notes and accounts receivable.....	1,641,914	548,024	2,145,948	9,347,950	46,240,959	4,775,747	3,912,944	862,803
Less: Allowance for bad debts.....	14,907	5,235	17,836	84,771	589,456	54,112	40,647	13,465
Inventories.....	305,340	297,786	276,592	976,835	30,209	626,252	532,214	94,038
Investments in								
Government obligations.....	1,968	366	*6,094	276,575	12,397,120	38,871	30,262	8,609
Tax-exempt securities.....	*39,890	1,822	50,603	73,327	3,169,484	36,363	33,225	3,138
Other current assets.....	274,275	115,511	444,358	3,140,273	4,144,530	2,201,472	1,840,842	360,630
Loans to shareholders.....	285,004	82,477	172,200	1,249,082	403,485	800,752	679,948	120,804
Mortgage and real estate loans.....	*11,055	*1,543	793	184,509	2,270,520	92,092	72,221	*19,870
Other investments.....	331,640	167,692	336,396	4,545,724	17,139,484	2,074,146	1,585,386	488,760
Depreciable assets.....	4,919,572	1,455,714	3,006,009	15,649,005	2,843,383	14,412,205	10,303,295	4,108,909
Less: Accumulated depreciation.....	3,262,207	857,967	1,786,344	9,050,737	1,259,037	8,932,651	6,312,113	2,620,538
Depletable assets.....	3,331	--	--	*4,292	8,285	*30,965	*88	30,877
Less: Accumulated depletion.....	865	--	--	*3,107	3,162	*18,389	*44	18,345
Land.....	45,798	*4,862	39,106	598,642	355,889	476,484	225,711	250,774
Intangible assets (amortizable).....	166,693	34,193	218,251	1,601,246	301,944	1,707,942	1,255,600	452,342
Less: Accumulated amortization.....	35,107	8,479	86,192	422,460	82,685	754,391	517,565	236,826
Other assets.....	146,792	53,204	122,563	857,887	894,290	564,060	350,475	213,585
Total liabilities.....	6,056,686	2,509,416	6,789,630	35,108,365	92,647,205	22,129,197	17,300,122	4,829,075
Accounts payable.....	649,476	249,953	942,604	5,295,658	8,274,971	2,261,060	1,920,135	340,926
Mortgages, notes, and bonds payable in less than 1 year.....	622,145	167,903	1,034,969	3,492,683	3,592,679	2,369,268	1,933,832	435,436
Other current liabilities.....	909,514	481,803	1,266,334	5,083,244	59,359,538	2,831,028	2,508,904	322,124
Loans from stockholders.....	555,438	310,392	859,996	5,612,361	926,753	2,939,421	2,318,651	620,770
Mortgages, notes, and bonds payable in 1 year or more.....	965,521	216,642	891,041	5,042,239	1,974,532	5,114,176	3,910,368	1,203,808
Other liabilities.....	109,119	139,608	250,108	1,234,834	1,569,952	1,074,769	728,473	346,296
Net worth, total.....	2,245,473	943,115	1,544,577	9,347,347	16,948,781	5,539,473	3,979,759	1,559,714
Capital stock.....	383,227	94,371	337,946	1,455,823	1,066,193	848,357	698,068	150,288
Paid-in or capital surplus.....	558,437	156,432	347,693	5,710,360	6,323,823	2,150,099	1,706,122	443,978
Retained earnings, unappropriated.....	1,487,697	727,425	975,977	2,807,713	9,890,823	2,831,465	1,850,704	980,761
Adjustments to shareholders' equity!.....	-15,564	--	105,399	68,135	-17,667	103,954	12,448	*91,507
Less: Cost of treasury stock.....	168,324	*35,113	222,438	694,683	314,391	394,402	287,583	106,819

Footnotes at end of table.

S Corporation Returns, 1998

Table 3.--S Corporations: Balance Sheets, by Industrial Division, Sector, and Major Group--Continued

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

Item	Education, health and social assistance							
	Total	Educational services	Health care and social assistance					Hospitals, nursing, and residential care facilities
			Total	Offices of physicians and dentists	Offices of other health practitioners	Outpatient care centers	Miscellaneous health care and social assistance	
	(89)	(90)	(91)	(92)	(93)	(94)	(95)	(96)
Number of returns.....	155,372	20,527	134,844	55,822	37,462	3,904	26,698	10,958
Number of shareholders.....	248,508	33,545	214,963	76,123	56,167	5,387	50,638	26,648
Total assets.....	27,619,270	3,278,509	24,340,761	6,232,192	2,839,100	952,041	3,783,014	10,534,414
Cash.....	4,119,140	679,403	3,439,737	1,387,434	479,477	152,386	522,805	897,635
Notes and accounts receivable.....	4,990,206	724,813	4,265,394	391,749	547,080	224,256	867,737	2,234,572
Less: Allowance for bad debts.....	219,180	31,231	187,949	*26,717	*5,336	*3,674	57,743	94,479
Inventories.....	338,117	68,790	269,327	56,209	83,356	*11,270	65,199	53,293
Investments in								
Government obligations.....	25,547	1,316	24,231	262	--	--	1,784	22,185
Tax-exempt securities.....	*7,116	5,282	*1,834	*1,157	--	--	--	676
Other current assets.....	1,817,620	276,565	1,541,056	337,999	443,260	16,237	159,532	584,027
Loans to shareholders.....	1,253,055	99,922	1,153,133	515,923	225,867	*36,972	149,544	224,827
Mortgage and real estate loans.....	124,967	*41,861	83,106	*2,629	1,539	--	*47,264	31,674
Other investments.....	1,453,515	181,653	1,271,862	435,170	155,986	214,797	101,470	364,438
Depreciable assets.....	23,230,484	2,326,598	20,903,885	6,531,525	2,472,731	388,610	3,208,243	8,302,777
Less: Accumulated depreciation.....	12,504,437	1,416,544	11,087,893	4,177,230	1,800,725	164,751	1,683,056	3,262,131
Depletable assets.....	*2,793	*1,836	*957	--	--	--	*484	473
Less: Accumulated depletion.....	*1,735	*1,735	--	--	--	--	--	--
Land.....	800,616	155,566	645,050	74,999	*38,526	*25,723	86,353	419,449
Intangible assets (amortizable).....	2,082,471	181,726	1,900,745	955,833	237,518	56,144	284,793	366,456
Less: Accumulated amortization.....	706,612	73,192	633,420	300,128	79,812	19,867	97,158	136,456
Other assets.....	805,587	55,880	749,707	45,377	39,634	13,937	125,764	524,997
Total liabilities.....	27,619,270	3,278,509	24,340,761	6,232,192	2,839,100	952,041	3,783,014	10,534,414
Accounts payable.....	1,797,679	240,339	1,557,340	89,615	123,844	94,265	196,739	1,052,877
Mortgages, notes, and bonds payable in less than 1 year.....	3,156,981	154,113	3,002,868	733,259	555,839	77,436	595,755	1,040,579
Other current liabilities.....	4,282,382	745,767	3,536,615	789,171	287,211	87,131	996,299	1,376,803
Loans from stockholders.....	3,784,682	662,233	3,122,448	725,017	437,532	75,096	903,113	981,690
Mortgages, notes, and bonds payable in 1 year or more.....	9,800,253	544,447	9,255,806	1,898,873	504,888	252,430	1,305,473	5,294,142
Other liabilities.....	1,009,417	147,897	861,521	164,588	127,900	*67,014	172,597	329,421
Net worth, total.....	3,787,877	783,714	3,004,163	1,831,669	801,886	298,668	-386,962	458,902
Capital stock.....	1,048,184	171,852	876,331	252,397	112,782	35,322	153,905	321,925
Paid-in or capital surplus.....	2,315,912	454,249	1,861,662	385,293	288,691	288,634	440,553	458,492
Retained earnings, unappropriated.....	865,937	273,318	592,619	1,269,385	375,224	-63,408	-831,029	-157,554
Adjustments to shareholders' equity!.....	102,832	*-6,534	109,366	--	*30,670	*39,695	*-6,487	*45,488
Less: Cost of treasury stock.....	544,987	109,172	435,815	75,406	*5,482	*1,575	143,903	209,449

Footnotes at end of table.

S Corporation Returns, 1998

Table 3.--S Corporations: Balance Sheets, by Industrial Division, Sector, and Major Group--Continued

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

Item	Leisure, accommodation, and food services						
	Total	Arts, entertainment, and recreation			Accommodation and food services		
		Total	Other arts, entertainment, and recreation	Amusement, gambling, and recreation industries	Total	Accommodation	Food services and drinking places
	(97)	(98)	(99)	(100)	(101)	(102)	(103)
Number of returns	201,973	54,882	27,128	27,754	147,091	21,995	125,096
Number of shareholders	418,882	109,006	44,167	64,838	309,876	58,621	251,256
Total assets	75,963,660	20,925,896	6,756,733	14,169,163	55,037,764	25,701,252	29,336,512
Cash.....	8,256,199	2,608,213	1,225,400	1,382,813	5,647,985	1,929,219	3,718,766
Notes and accounts receivable.....	3,334,865	1,121,843	553,527	568,316	2,213,022	792,907	1,420,115
Less: Allowance for bad debts.....	51,382	27,132	6,024	21,108	24,250	5,798	18,452
Inventories.....	1,982,370	500,410	171,554	328,856	1,481,961	154,042	1,327,919
Investments in							
Government obligations.....	449,211	*186,298	13,710	*172,588	262,914	*219,457	*43,456
Tax-exempt securities.....	25,946	*22,285	9,835	*12,450	*3,662	1,021	*2,640
Other current assets.....	2,793,022	993,123	512,465	480,658	1,799,899	790,344	1,009,555
Loans to shareholders.....	2,252,675	451,136	176,538	274,598	1,801,539	821,817	979,722
Mortgage and real estate loans.....	780,502	182,288	*45,304	136,984	598,214	272,357	325,857
Other investments.....	5,109,174	1,980,113	1,122,776	857,337	3,129,061	1,799,238	1,329,823
Depreciable assets.....	71,954,287	18,020,657	3,158,383	14,862,274	53,933,629	24,840,268	29,093,361
Less: Accumulated depreciation.....	34,205,449	9,244,808	1,574,254	7,670,554	24,960,641	9,508,397	15,452,245
Depletable assets.....	38,769	*9,902	*6,994	*2,908	*28,867	*6,778	*22,089
Less: Accumulated depletion.....	*15,515	*5	--	*5	*15,511	*418	*15,093
Land.....	6,648,439	2,120,180	238,490	1,881,691	4,528,259	2,915,490	1,612,769
Intangible assets (amortizable).....	6,417,180	1,456,091	820,873	635,218	4,961,088	695,724	4,265,364
Less: Accumulated amortization.....	2,205,046	665,741	386,794	278,948	1,539,305	198,947	1,340,358
Other assets.....	2,398,413	1,211,041	667,955	543,087	1,187,372	176,149	1,011,223
Total liabilities	75,963,660	20,925,896	6,756,733	14,169,163	55,037,764	25,701,252	29,336,512
Accounts payable.....	4,450,518	1,092,101	475,621	616,480	3,358,416	706,891	2,651,526
Mortgages, notes, and bonds payable in less than 1 year.....	4,176,576	1,440,527	266,272	1,174,255	2,736,049	922,348	1,813,701
Other current liabilities.....	6,045,889	2,453,932	1,067,205	1,386,727	3,591,957	1,140,000	2,451,957
Loans from stockholders.....	17,067,907	6,188,271	3,109,573	3,078,698	10,879,636	4,101,118	6,778,518
Mortgages, notes, and bonds payable in 1 year or more.....	31,669,292	6,870,155	1,479,935	5,390,219	24,799,137	14,128,039	10,671,098
Other liabilities.....	2,116,802	1,018,118	565,925	452,192	1,098,684	498,796	599,888
Net worth, total.....	10,436,677	1,862,792	-207,798	2,070,590	8,573,885	4,204,060	4,369,824
Capital stock.....	5,245,272	1,445,817	524,557	921,259	3,799,455	1,651,909	2,147,546
Paid-in or capital surplus.....	14,348,727	5,094,304	2,168,898	2,925,407	9,254,422	6,152,193	3,102,229
Retained earnings, unappropriated.....	-8,334,685	-4,457,180	-2,865,702	-1,591,479	-3,877,505	-3,381,017	-496,488
Adjustments to shareholders' equity ¹	59,944	27,033	*16,660	*10,374	32,911	-36,184	69,095
Less: Cost of treasury stock.....	882,581	247,182	52,211	194,971	635,399	182,841	452,558

Footnotes at end of table.

S Corporation Returns, 1998

Table 3.--S Corporations: Balance Sheets, by Industrial Division, Sector, and Major Group--Continued

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

Item	Other services				Nature of business not allocable
	Total	Repair and maintenance	Personal and laundry services	Religious, grantmaking, civic, professional, and similar organizations	
	(104)	(105)	(106)	(107)	
Number of returns	150,437	75,611	74,189	*637	10,804
Number of shareholders	242,773	119,151	120,715	*2,907	18,164
Total assets	21,501,749	11,653,113	9,802,056	*46,579	767,809
Cash.....	2,713,860	1,436,621	1,276,689	*550	216,577
Notes and accounts receivable.....	2,863,642	1,624,986	1,238,656	--	96,883
Less: Allowance for bad debts.....	29,671	19,320	10,351	--	8,934
Inventories.....	1,790,382	1,385,337	405,045	--	38,856
Investments in					
Government obligations.....	*114,497	*3,345	*111,152	--	1,550
Tax-exempt securities.....	31,876	*18,570	*13,306	--	3,007
Other current assets.....	613,613	291,880	321,733	--	*14,299
Loans to shareholders.....	559,030	326,326	218,990	*13,714	*45,421
Mortgage and real estate loans.....	113,339	*44,793	*68,546	--	*21,386
Other investments.....	939,293	355,128	584,145	*19	*14,811
Depreciable assets.....	19,537,638	10,006,838	9,498,605	*32,196	417,551
Less: Accumulated depreciation.....	10,845,664	5,653,093	5,192,571	--	204,825
Depletable assets.....	*51,053	*10,620	*40,433	--	--
Less: Accumulated depletion.....	*13,453	*8,735	*4,717	--	--
Land.....	1,361,659	896,515	465,143	--	*39,509
Intangible assets (amortizable).....	1,706,196	947,130	758,802	*264	*22,158
Less: Accumulated amortization.....	514,463	233,906	280,394	*164	*2,381
Other assets.....	508,923	220,077	288,846	--	51,941
Total liabilities	21,501,749	11,653,113	9,802,056	*46,579	767,809
Accounts payable.....	1,901,934	1,277,536	624,398	--	572,138
Mortgages, notes, and bonds payable in less than 1 year.....	1,576,587	1,085,314	491,273	--	*16,083
Other current liabilities.....	1,404,743	644,776	759,967	--	23,329
Loans from stockholders.....	3,574,533	1,644,093	1,928,330	*2,110	285,569
Mortgages, notes, and bonds payable in 1 year or more.....	6,612,763	3,835,180	2,777,583	--	169,726
Other liabilities.....	671,866	175,085	486,771	*10,010	63,369
Net worth, total.....	5,759,322	2,991,130	2,733,733	*34,460	-362,407
Capital stock.....	1,213,623	573,368	608,543	*31,711	25,065
Paid-in or capital surplus.....	1,903,075	869,545	1,033,895	*-365	224,568
Retained earnings, unappropriated.....	3,006,089	1,772,914	1,230,061	*3,113	-606,795
Adjustments to shareholders' equity ¹	16,045	*-34,493	*50,538	--	1,660
Less: Cost of treasury stock.....	379,509	190,205	189,305	--	*6,904

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

¹ Adjustments to shareholders' equity was added to the Form 1120S, *U.S. Tax Return for an S Corporation*, for Tax Year 1997. Some examples of adjustments included in this field are unrealized gains and losses on securities held "available for sale"; foreign currency translation adjustments; the excess of additional pension liability over unrecognized prior service cost; guarantees of employee stock debt; and compensation related to employee stock award plans.

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

S Corporation Returns, 1998

Table 4.--S Corporations: Real Estate Rental Income, by Selected Industrial Divisions and Sectors

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

Item	All industries	Agriculture, forestry, fishing and hunting	Mining	Utilities	Construction	Manufacturing
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns.....	222,182	6,096	295	*21	12,427	4,255
Gross income.....	22,828,573	279,449	44,666	*1,979	764,143	265,678
Real estate rental expenses, total.....	18,881,391	121,398	32,049	*2,766	655,019	139,731
Advertising.....	87,902	*26	*56	*2	2,420	143
Auto and travel.....	86,446	*73	15	*5	1,836	416
Cleaning and maintenance.....	705,679	982	676	--	17,861	4,120
Commissions.....	119,996	1,515	187	--	4,170	910
Insurance.....	509,546	3,666	274	*41	12,806	3,113
Legal and other professional fees.....	1,081,475	2,785	1,337	*51	16,157	3,609
Interest.....	5,284,412	19,331	10,354	*1,283	238,509	18,672
Repairs.....	1,110,949	8,145	2,145	*86	31,364	12,595
Taxes.....	2,516,429	19,055	3,550	*54	75,336	24,774
Utilities.....	1,234,158	3,369	3,777	*27	31,646	14,104
Wages and salaries.....	898,639	*107	188	*23	24,834	3,332
Depreciation.....	3,027,846	13,592	4,540	*950	125,848	36,244
Other expenses.....	2,217,914	48,751	4,950	*243	72,233	17,698
Net gain (less loss) from sales of business property.....	109,033	*1,526	--	--	*3,065	*821
Gain.....	113,807	*1,526	--	--	*3,065	*821
Loss.....	4,774	--	--	--	--	--
Net income (less deficit) from partnerships and fiduciaries.....	489,998	-2,293	-1,361	--	63,340	10,468
Income.....	906,899	2,997	11,958	--	102,308	17,525
Deficit.....	416,901	5,290	13,319	--	38,968	7,057
Real estate rental net income (less deficit).....	4,546,215	157,285	11,305	*-786	175,529	137,236
Income.....	6,673,561	162,325	25,967	*637	276,699	154,771
Deficit.....	2,127,346	5,040	14,662	*1,424	101,170	17,535

Item	Wholesale and retail trade				Transportation and warehousing	Information
	Total	Wholesale trade	Retail trade	Wholesale and retail trade not allocable		
	(7)	(8)	(9)	(10)	(11)	(12)
Number of returns.....	11,060	4,163	6,872	*25	854	1,418
Gross income.....	778,219	299,293	476,070	*2,856	119,021	82,150
Real estate rental expenses, total.....	436,385	147,760	286,517	*2,108	77,339	36,530
Advertising.....	563	164	399	--	259	77
Auto and travel.....	1,593	510	1,083	--	*4	7
Cleaning and maintenance.....	7,564	3,756	3,775	*32	5,226	1,288
Commissions.....	3,429	1,840	1,589	--	558	69
Insurance.....	9,926	3,333	6,593	--	2,635	713
Legal and other professional fees.....	14,822	3,646	11,175	--	3,585	183
Interest.....	102,401	30,462	70,654	*1,285	10,182	*5,309
Repairs.....	21,359	8,971	12,363	*25	2,134	1,016
Taxes.....	55,230	17,718	37,341	*171	9,540	2,846
Utilities.....	18,080	5,254	12,795	*31	4,798	1,083
Wages and salaries.....	14,291	8,400	5,891	--	7,490	809
Depreciation.....	114,292	39,940	73,831	*521	12,779	14,429
Other expenses.....	72,835	23,766	49,027	*41	18,150	8,703
Net gain (less loss) from sales of business property.....	1,231	793	438	--	97	-83
Gain.....	1,235	797	438	--	97	--
Loss.....	5	4	--	--	--	83
Net income (less deficit) from partnerships and fiduciaries.....	14,035	7,188	6,847	--	3,242	7,997
Income.....	23,703	12,042	11,661	--	3,378	9,036
Deficit.....	9,669	4,854	4,815	--	136	1,039
Real estate rental net income (less deficit).....	357,099	159,513	196,838	*748	45,021	53,534
Income.....	396,456	177,580	218,128	*748	51,394	54,347
Deficit.....	39,357	18,067	21,290	--	6,372	813

Footnotes at end of table.

S Corporation Returns, 1998

**Table 4.--S Corporations: Real Estate Rental Income, by Selected Industrial Divisions and Sectors--
Continued**

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

Item	Finance and insurance	Real estate and rental and leasing	Real estate	Professional, scientific, and technical services	Management of companies	Administrative and support and waste management and remediation services
	(13)	(14)	(15)	(16)	(17)	(18)
Number of returns.....	4,230	160,534	158,899	5,754	3,471	1,307
Gross income.....	147,242	19,459,104	19,263,243	223,779	61,163	31,676
Real estate rental expenses, total.....	133,511	16,576,489	16,423,526	144,715	73,703	26,553
Advertising.....	469	81,318	80,214	*477	130	6
Auto and travel.....	207	79,884	79,705	*574	*49	*89
Cleaning and maintenance.....	5,719	645,886	644,010	2,907	*1,483	*615
Commissions.....	3,097	104,229	104,210	*547	*51	--
Insurance.....	2,193	458,687	457,666	2,696	944	541
Legal and other professional fees.....	5,477	1,006,573	1,002,289	10,002	956	*740
Interest.....	35,849	4,659,391	4,634,796	32,174	16,132	9,252
Repairs.....	13,571	989,976	982,337	7,730	1,980	*701
Taxes.....	24,840	2,236,032	2,219,549	17,183	5,856	2,063
Utilities.....	10,005	1,101,682	1,096,664	11,586	1,872	927
Wages and salaries.....	2,870	819,318	818,473	*1,270	*1,962	640
Depreciation.....	18,849	2,531,230	2,506,425	37,926	10,098	7,528
Other expenses.....	10,365	1,862,282	1,797,188	19,644	32,221	3,452
Net gain (less loss) from sales of business property.....	*2,048	93,464	93,464	--	-10	4
Gain.....	*2,062	98,127	98,127	--	--	4
Loss.....	14	4,663	4,663	--	10	--
Net income (less deficit) from partnerships and fiduciaries.....	-9,876	393,334	392,545	-14,921	-7,537	1,826
Income.....	35,312	628,297	627,451	15,994	15,451	3,696
Deficit.....	45,188	234,962	234,906	30,915	22,988	1,870
Real estate rental net income (less deficit).....	5,903	3,369,296	3,325,609	64,142	-20,087	6,954
Income.....	69,597	5,085,902	5,025,009	110,486	31,339	15,628
Deficit.....	63,693	1,716,606	1,699,399	46,344	51,426	8,674

Item	Educational services	Health care and social assistance	Arts, entertainment, and recreation	Accommodation and food services	Other services	Nature of business not allocable
	(19)	(20)	(21)	(22)	(23)	(24)
Number of returns.....	408	1,442	1,841	3,383	3,257	*127
Gross income.....	*9,907	72,095	94,845	283,702	101,688	*8,067
Real estate rental expenses, total.....	*9,881	49,385	67,001	237,856	55,802	*5,278
Advertising.....	--	*27	115	1,646	*168	--
Auto and travel.....	--	1	13	1,514	*195	(¹)
Cleaning and maintenance.....	*317	*1,160	*1,361	7,440	*1,072	*5
Commissions.....	--	--	--	1,213	19	--
Insurance.....	3	493	1,978	5,646	3,140	*51
Legal and other professional fees.....	53	449	5,273	9,151	*104	*168
Interest.....	*3,877	20,524	18,759	59,632	20,800	*1,982
Repairs.....	113	1,838	2,246	11,256	2,602	*92
Taxes.....	*1,273	1,714	6,912	21,871	6,621	*1,679
Utilities.....	219	2,000	2,713	22,504	*3,622	*147
Wages and salaries.....	4	159	1,287	19,648	*393	*15
Depreciation.....	*1,931	17,366	21,826	42,835	14,648	*935
Other expenses.....	*2,091	3,654	4,519	33,500	2,418	*205
Net gain (less loss) from sales of business property.....	--	--	--	6,870	--	--
Gain.....	--	--	--	6,870	--	--
Loss.....	--	--	--	--	--	--
Net income (less deficit) from partnerships and fiduciaries.....	*2,883	2,744	6,301	18,471	1,344	--
Income.....	*2,883	2,997	8,008	21,848	1,508	--
Deficit.....	--	*253	1,707	3,377	165	--
Real estate rental net income (less deficit).....	2,909	25,454	34,144	71,257	47,229	*2,789
Income.....	*4,192	27,901	47,162	106,721	48,748	*3,289
Deficit.....	*1,283	2,447	13,018	35,464	*1,518	*500

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

¹ Less than \$500.

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

S Corporation Returns, 1998

Table 5.--S Corporations: Total Income and Deductions, Portfolio Income, Rental Income, and Total Net Income, by Number of Shareholders

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

Item	Total ¹	Number of shareholders						
		1	2	3	4 - 10	11 - 20	21 - 30	31 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Number of returns.....	2,588,088	1,412,301	769,747	183,461	196,657	15,469	2,531	1,363
Number of shareholders.....	4,839,618	1,412,301	1,539,494	550,382	1,004,106	218,133	60,050	55,152
Total assets.....	1,455,483,439	448,976,087	314,058,718	159,339,969	331,190,675	97,276,120	37,827,234	65,908,873
Total receipts ².....	3,061,133,169	1,009,274,019	831,764,971	361,749,239	631,845,841	128,418,932	47,659,016	48,045,593
Business receipts.....	3,004,118,934	992,919,205	818,044,694	355,228,427	618,997,437	125,145,509	46,198,948	45,243,869
Interest on Government obligations:								
State and local ²	989,514	261,166	146,155	92,369	265,822	98,759	41,952	83,264
Net gain, noncapital assets.....	7,072,292	2,206,021	1,866,960	793,993	1,706,905	287,336	96,638	106,922
Other receipts.....	48,952,430	13,887,626	11,707,163	5,634,451	10,875,677	2,887,327	1,321,478	2,611,538
Total deductions.....	2,935,284,231	967,458,153	800,393,926	347,817,686	604,967,081	121,901,982	45,329,585	44,982,902
Cost of goods sold.....	1,933,927,048	605,959,559	535,460,266	239,696,710	413,162,025	80,384,156	26,913,522	30,856,138
Compensation of officers.....	118,740,561	46,935,530	33,935,743	13,708,890	19,065,324	2,983,727	1,162,432	873,434
Salaries and wages.....	304,673,213	104,517,538	79,903,515	32,924,648	61,280,215	13,617,364	7,422,087	4,706,189
Repairs.....	18,852,368	6,605,623	5,148,101	2,037,630	3,769,903	835,014	218,142	206,511
Bad debts.....	6,287,840	2,384,971	1,497,477	655,586	1,182,894	279,506	89,143	182,898
Rent paid on business property.....	68,307,705	26,890,125	19,504,755	6,879,473	11,701,209	2,140,283	615,540	498,558
Taxes paid.....	62,621,621	21,720,988	16,254,108	7,092,136	12,811,284	2,921,330	1,076,205	701,519
Interest paid.....	37,153,707	11,195,378	8,285,700	4,960,251	8,016,882	2,226,229	950,561	1,499,126
Amortization.....	3,659,561	1,243,891	794,028	439,234	797,661	228,283	78,614	77,582
Depreciation.....	51,485,900	16,603,624	12,835,075	5,641,897	11,507,751	2,823,808	1,077,203	955,083
Depletion.....	495,092	44,294	37,993	45,884	195,408	143,735	25,501	2,278
Advertising.....	29,455,958	9,803,507	7,898,952	3,212,178	5,872,183	1,596,540	564,213	486,167
Pension, profit-sharing, stock bonus, and annuity plans.....	10,704,288	3,671,907	2,231,349	1,123,111	2,259,922	592,103	554,933	270,323
Employee benefit programs.....	22,010,877	6,284,722	5,429,648	2,473,549	5,278,732	1,377,719	662,328	498,480
Net loss, noncapital assets.....	641,708	332,997	139,970	48,146	102,508	7,305	5,048	5,733
Other deductions.....	266,266,785	103,263,500	71,037,246	26,878,362	47,963,181	9,744,879	3,914,114	3,162,882
Total receipts less total deductions ².....	125,848,938	41,815,865	31,371,045	13,931,554	26,878,760	6,516,950	2,329,431	3,062,691
Net income (less deficit) from a trade or business ².....	124,859,425	41,554,699	31,224,891	13,839,185	26,612,938	6,418,191	2,287,479	2,979,427
Net income.....	171,096,577	62,728,913	41,733,875	18,305,672	34,146,140	7,786,764	2,934,173	3,395,887
Deficit.....	46,237,152	21,174,214	10,508,985	4,466,487	7,533,202	1,368,573	646,693	416,460
Portfolio income (less deficit) distributed to shareholders.....	51,465,087	17,875,969	8,783,908	6,505,157	11,092,355	5,669,219	716,192	786,608
Dividend income.....	1,612,865	634,156	261,188	171,803	335,723	97,171	29,195	83,601
Interest income.....	10,629,968	3,577,791	2,242,511	1,179,905	2,519,009	583,321	256,323	270,644
Royalty income.....	619,003	238,652	153,815	37,887	145,018	17,058	16,514	10,059
Net short-term capital gain (less loss).....	507,233	363,710	1,868	21,816	73,941	63,092	245	14,844
Net long-term capital gain (less loss).....	37,953,826	13,010,074	6,110,556	5,084,400	7,998,060	4,875,116	406,241	435,824
Other portfolio income (net).....	142,192	51,586	17,705	9,347	20,604	33,460	8,165	1,325
Real estate rental net income (less deficit).....	4,546,215	850,296	1,125,809	594,682	1,383,918	451,759	23,217	114,465
Net income.....	6,673,561	1,885,093	1,621,690	726,482	1,769,975	490,272	59,751	117,399
Deficit.....	2,127,346	1,034,797	495,881	131,800	386,058	38,513	36,534	2,933
Net income (less deficit) from other rental activity.....	917,576	315,015	193,861	54,421	265,744	49,487	18,602	20,446
Net income.....	1,246,257	534,507	241,903	87,091	290,354	53,145	18,641	20,617
Deficit.....	328,681	219,492	48,041	32,670	24,611	3,658	39	171
Total net income (less deficit).....	181,788,303	60,595,979	41,328,468	20,993,446	39,354,954	12,588,656	3,045,490	3,900,946
Net income.....	223,972,910	80,370,359	51,255,965	24,999,047	45,860,113	13,613,062	3,593,101	4,179,313
Deficit.....	42,184,607	19,774,380	9,927,497	4,005,601	6,505,159	1,024,406	547,611	278,367

¹ Total includes S corporations for which neither a number of shareholders was reported nor a Schedule K-1, Shareholder's Share of Income, Credits, Deductions, etc., was filed.

² Includes interest on Government obligations: State and local, which is not reflected in net income (less deficit) from a trade or business.

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