

# Foreign Recipients of U. S. Income, 1996 and 1997

## Data Release

United States-source income paid to “foreign persons” for 1997 totaled \$132.8 billion, an increase of nearly 18 percent, or \$19.9 billion, from 1996. Interest payments were the primary factor for this increase. The \$2.5 billion in U.S. tax withheld by domestic individuals, businesses, and agents on this income were slightly less than for 1996. Payments to Japanese persons increased by 27 percent to \$39.6 billion, resulting in Japanese recipients receiving the most 1997 U.S.-source income. Payments to the United Kingdom, the second largest recipient country, decreased by nearly 11 percent, to \$20.5 billion. Together, these two countries accounted for almost half of the income paid to foreign recipients.

### Background

U.S.-source income of nonresident alien individuals and other foreign persons is reported on Form 1042S, *Foreign Persons’ U.S.-Source Income Subject to Withholding*. This income is subject to a flat, statutory tax rate of 30 percent. However, this rate is frequently reduced or eliminated by way of an income tax treaty or statutory exemption (see Table 1 for the amount of income exempt from taxation). Income that is exempt from taxation because of a tax treaty is still required to be reported. The principal types of income are interest (other than that from bank deposits), dividends, rents, royalties, Social Security and railroad retirement payments, and personal services income, shown separately in Table 2. Other types of income include capital gains, scholarships, pensions and annuities, and certain real estate distributions. Certain types of income that are “effectively connected” with a U.S. trade or business, as well as bank deposit interest, are not subject to the withholding tax and are generally not reported on Form 1042S. The tax liability on effectively connected income is reported on other forms (see *Explanation of Selected Terms*).

U.S. individuals or businesses distributing U.S.-source income to foreign persons are required to withhold taxes on this income (except where statutory or treaty exemptions apply), or to appoint a

withholding agent (normally a financial institution) to do so. A payer or designated agent is fully liable for all taxes owed by a recipient and also reports the income paid to each recipient on Form 1042S. Without this withholding requirement, there would be no effective way to enforce taxpayer compliance because foreign recipients are generally not required to file U.S. tax returns to report this income.

In 1996 and 1997, the United States had tax treaties in force with 56 of its trading partners (Table 1)[1]. For 1997, persons in treaty countries received 82.4 percent of total U.S.-source income payments to foreign persons, while accounting for 81.2 percent of the total U.S. tax withheld on these payments. The four nontreaty countries, which received over \$1 billion of U.S.-source income, were the Bahamas, Bermuda, the British Virgin Islands, and the Cayman Islands (Table 2).

### Data Highlights

A total of 2.1 million Forms 1042S were filed for 1997, an increase of 15.6 percent over the previous year (see Figure A). For 1997, the total U.S.-source income payments to foreign persons as reported on these forms increased by 17.6 percent to \$132.8 billion. The average payment increased to \$62,367, up 1.8 percent from 1996. The average U.S. tax withheld per payment, not including tax withheld by foreign governments and foreign withholding agents (see *Data Sources and Limitations*), fell 17.8 percent to \$1,151. For 1997, the effective withholding rate (tax withheld as a percentage of total U.S.-source income paid) fell from 2.4 percent to 1.9 percent. Of the \$132.8 billion of total U.S.-source income reported on Forms 1042S, 85.6 percent (or \$113.7 billion) was exempt from taxation. The effective withholding rate on the \$19.1 billion of income subject to withholding tax was 12.9 percent; however, this was substantially less than the 30-percent statutory rate. Because of tax treaties and statutory exemptions, only \$2.1 billion of the \$19.1 billion of income subject to taxation were taxed at the statutory rate. This was just 1.6 percent of total U.S.-source income.

For 1997, interest payments reported on Form 1042S, which excludes bank deposit interest, increased 21.7 percent to \$96.7 billion, accounting for 72.8 percent of total U.S.-source income paid to foreign persons. Dividends, the second largest type

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Figure A

## Forms 1042S: U.S.-Source Income, U.S. Tax Withheld, and Effective U.S. Tax Rates, Selected Years, 1990-1997

[Money amounts are in thousands of dollars]

Item	1990	1992	1994	1996	1997
	(1)	(2)	(3)	(4)	(5)
<b>Number of returns.....</b>	<b>1,471,446</b>	<b>1,373,430</b>	<b>1,526,539</b>	<b>1,842,743</b>	<b>2,129,612</b>
Total U.S.-source income.....	79,386,842	77,515,771	84,181,918	112,909,193	132,818,476
U.S. tax withheld (by domestic withholding agents).....	1,950,256	2,024,814	1,917,876	2,580,574	2,451,719
<b>Effective U.S. tax rate (percent) <sup>1</sup>.....</b>	<b>2.5</b>	<b>2.6</b>	<b>2.3</b>	<b>2.3</b>	<b>1.8</b>

<sup>1</sup> U.S. tax withheld divided by total U.S.-source income.

NOTE: Form 1042S is entitled Foreign Person's U.S. Source Income Subject to Withholding.

of payment, increased by nearly 11 percent, to \$18.5 billion. Dividends comprised 13.9 percent of total U.S.-source income. Rents and royalties amounting to \$6.1 billion accounted for 4.6 percent of the total.

U.S.-source income paid to foreign corporations totaled \$88.2 billion, a \$6.9-billion increase from 1996. Foreign corporations received 66.4 percent of U.S.-source income paid in 1997, while accounting for 61.6 percent of the U.S. tax withheld. Tax withheld on corporations is low in comparison to the income earned by those corporations because 83.9 percent of the income distributed to corporations interest, which is exempt from taxation, or income taxed at very low rates. Interest comprised 70.6 percent of the income distributed to corporations.

U.S.-source income paid to foreign individuals totaled \$8.1 billion, a \$1.7-billion decrease from 1996. Individuals, in contrast to corporations, show a higher percentage of total taxes withheld relative to total income. Foreign individuals received 6.1 percent of the U.S.-source income paid in 1997, while accounting for 20.9 percent of the U.S. tax withheld. By comparison to corporations, just 70.9 percent of the income distributed to individuals was exempt from U.S. taxation. Moreover, individuals received 27 percent of their incomes in the form of Social Security benefits, railroad retirement benefits, and dividends, three of the income types taxed at the highest effective rates, and that generally received limited or no treaty benefits.

### Data Sources and Limitations

Payers (or their authorized withholding agents) of most U.S.-source income to foreign persons must withhold tax in accordance with the Internal Revenue

Code. Form 1042S, *Foreign Persons' U.S.-Source Income Subject to Withholding*, is filed by the payer to report this income and the U.S. tax withheld. Often, a financial institution acts as the payer's withholding agent. The statistics in this data release were tabulated by calendar year, using all Forms 1042S filed with the Internal Revenue Service for 1996 and 1997. The data reflect the income that was paid and U.S. tax that was withheld for 1996 and 1997, except for U.S. tax withheld by foreign governmental organizations and their withholding agents. In a few countries, under treaty provisions, foreign governmental organizations (or other authorized entities) withhold tax for income paid to foreign nominees and fiduciaries if the ultimate recipient is unknown or is not a resident of a treaty country. The purpose of such tax withholding is to prevent persons in nontreaty countries from reaping treaty benefits by indirectly channeling their incomes through a treaty country. When the ultimate recipient is not entitled to the treaty benefits, the foreign governmental organization (or withholding agent) remits the tax withheld back to the United States. This additional tax, therefore, is not generally attributable to specific income years. For this reason, the statistics in this data release generally do not include tax withheld by foreign governments and foreign withholding agents (except for Canada, which remits its tax payments during the same calendar year in which the U.S. income is paid). These amounts, however, are shown in column 7 of Table 1.

Because all Forms 1042S were used for the statistics, the data are not subject to sampling error. However, the data are subject to nonsampling error, such as computer data entry error and taxpayer

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reporting error. Although the data were subjected to tests for certain basic numerical relationships, including the calculation of the correct tax withheld, the possibility of error was not completely eliminated. However, as a further check, Forms 1042S with income amounts greater than \$2 million were manually verified.

### **Explanation of Selected Terms**

*Foreign Persons.*--For purposes of this data release, foreign persons include: (a) individuals whose residences are not within the United States and who are not U.S. citizens (i.e., nonresident aliens); and (b) corporations and other organizations (including partnerships, private foundations, estates, and trusts) created or organized outside the United States. Also, individuals residing, and organizations created or organized, in Puerto Rico and U.S. possessions are considered foreign persons.

*Income Effectively Connected with a U.S.*

*Trade or Business.*--Income that is "effectively connected" with a U.S. trade or business is exempt from the withholding tax requirements. Most of this income is taxed at the ordinary graduated U.S. rates, in the same manner as any other income paid to U.S. citizens and residents. Foreign corporations must report such income on Form 1120F, *U.S. Tax Return of a Foreign Corporation*, and individuals must report such income on Form 1040NR, *U.S. Nonresi-*

*dent Alien Income Tax Return* [2]. Effectively connected real estate distributions are reported on Form 8288A, *Statement of Withholding on Dispositions by Foreign Persons of U.S. Real Property Interests*. Effectively connected income may be erroneously reported on Forms 1042S, but the extent of its inclusion in the statistics, while unknown, is believed to be insignificant.

### **Notes and References**

- [1] U.S. Department of the Treasury, Internal Revenue Service, *U.S. Tax Treaties*, Publication 901. The U.S. income tax treaty with the former Union of Soviet Socialist Republics (U.S.S.R.) remains in effect for the following members of the Commonwealth of Independent States (C.I.S.): Armenia, Azerbaijan, Belarus, Georgia, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan. That treaty will remain in effect until new treaties with these individual countries are negotiated and ratified. New treaties between Russia and Kazakhstan entered into force in 1994 and 1996, respectively.
- [2] For information on Forms 1120F, see *Statistics of Income, Corporation Income Tax Returns*, Publication 16, published annually. The Statistics of Income program does not produce data from Forms 1040NR.

SOURCE: IRS, *Statistics of Income Bulletin*, Winter 1999/2000, Publication 1136, Rev. 2/00.

# Foreign Recipients of U.S. Income, 1996 and 1997

**Table 1.--Forms 1042S: Number, Total U.S.-Source Income, and U.S. Tax Withheld, Tax Treaty Countries and Total Non-Tax Treaty Countries, 1996**

[Money amounts are in thousands of dollars]

Country or geographic area	Number of Forms 1042S	U.S.-source income			U.S. tax withheld		
		Total	Exempt from withholding	Subject to withholding	Total	By domestic withholding agents <sup>1</sup>	By foreign governments and withholding agents
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Total.....</b>	<b>1,842,743</b>	<b>112,909,193</b>	<b>92,387,618</b>	<b>20,521,575</b>	<b>2,679,993</b>	<b>2,580,574</b>	<b>99,419</b>
<b>Treaty countries, total.....</b>	<b>1,427,866</b>	<b>95,654,143</b>	<b>76,822,019</b>	<b>18,832,124</b>	<b>2,197,655</b>	<b>2,098,236</b>	<b>99,419</b>
Armenia.....	383	2,317	2,160	157	15	15	--
Australia <sup>2</sup> .....	25,423	780,077	499,397	280,680	40,366	40,366	--
Austria.....	14,925	483,276	388,590	94,686	13,660	13,660	--
Azerbaijan.....	196	5,528	5,349	179	37	37	--
Barbados.....	1,410	146,887	123,597	23,291	3,353	3,353	--
Belarus.....	494	2,887	2,109	778	203	203	--
Belgium.....	16,205	803,534	613,522	190,013	25,123	21,361	3,762
Canada.....	371,805	7,532,522	5,319,682	2,212,840	297,933	297,933	--
China.....	48,690	536,732	517,200	19,532	2,772	2,772	--
Cyprus.....	1,735	11,075	9,498	1,578	331	331	--
Czech Republic.....	2,329	83,877	42,362	41,515	87	87	--
Denmark.....	4,390	477,372	377,701	99,671	10,321	10,321	--
Egypt.....	2,734	29,650	24,475	5,175	954	954	--
Finland.....	2,449	305,247	258,857	46,389	3,090	3,090	--
France <sup>3</sup> .....	36,359	5,787,421	4,583,258	1,204,163	98,968	98,038	930
Georgia.....	317	1,821	1,665	155	18	18	--
Germany.....	215,888	5,045,081	4,159,687	885,394	82,594	82,594	--
Greece.....	18,935	107,621	61,907	45,714	11,766	11,766	--
Hungary.....	1,953	70,611	37,143	33,468	1,989	1,989	--
Iceland.....	704	4,278	3,132	1,147	227	227	--
India.....	17,541	99,912	79,667	20,245	3,426	3,426	--
Indonesia.....	4,746	22,746	17,857	4,889	802	802	--
Ireland.....	13,109	1,187,823	1,093,278	94,545	17,312	17,312	--
Israel.....	13,603	172,568	124,607	47,961	9,696	9,696	--
Italy.....	42,205	987,578	755,706	231,873	26,366	26,366	--
Jamaica.....	3,785	16,564	6,008	10,556	2,329	2,329	--
Japan.....	119,378	31,130,918	25,723,715	5,407,203	601,461	601,461	--
Kazakhstan.....	741	3,712	3,363	349	50	50	--
Korea, Republic of (South).....	12,014	248,499	215,303	33,196	4,385	4,385	--
Kyrgyzstan.....	432	2,071	1,946	124	11	11	--
Luxembourg.....	4,285	2,594,343	2,353,105	241,238	61,098	51,940	9,158
Malta.....	447	85,478	5,720	79,759	4,149	4,149	--
Mexico.....	96,113	734,974	325,184	409,790	75,197	75,197	--
Moldova.....	266	1,083	974	109	14	14	--
Morocco.....	760	4,609	3,057	1,552	301	301	--
Netherlands.....	20,825	4,065,840	3,062,550	1,003,289	86,494	85,805	689
Netherlands Antilles.....	5,162	2,497,575	2,288,200	209,375	46,766	46,766	--
New Zealand.....	6,009	94,057	62,189	31,868	4,640	4,640	--
Norway.....	10,563	388,008	358,728	29,280	6,187	6,187	--
Pakistan.....	4,376	15,756	12,633	3,123	689	689	--
Philippines.....	24,076	99,645	33,148	66,497	17,013	17,013	--
Poland.....	5,262	86,076	70,194	15,882	3,710	3,710	--
Portugal.....	10,339	129,640	76,074	53,566	9,739	9,739	--
Romania.....	1,994	10,243	9,021	1,221	262	262	--
Russia.....	13,019	73,659	62,403	11,255	2,224	2,224	--
Slovak Republic.....	642	4,078	2,810	1,268	352	352	--
Spain.....	17,796	650,454	588,326	62,128	12,374	12,374	--
Sweden.....	10,895	1,050,063	425,674	624,388	59,346	59,346	--
Switzerland.....	49,703	3,949,672	2,454,883	1,494,789	229,336	146,034	83,302

Footnotes at end of table.

## Foreign Recipients of U.S. Income, 1996 and 1997

**Table 1.--Forms 1042S: Number, Total U.S.-Source Income, and U.S. Tax Withheld, Tax Treaty Countries and Total Non-Tax Treaty Countries, 1996--Continued**

[Money amounts are in thousands of dollars]

Country or geographic area	Number of Forms 1042S	U.S.-source income			U.S. tax withheld		
		Total	Exempt from withholding	Subject to withholding	Total	By domestic withholding agents <sup>1</sup>	By foreign governments and withholding agents
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Tajikistan.....	221	2,230	1,202	1,028	306	306	--
Trinidad and Tobago.....	2,838	44,274	39,858	4,416	1,067	1,067	--
Tunisia.....	233	888	653	235	43	43	--
Turkmenistan.....	292	10,318	10,275	42	6	6	--
Ukraine.....	2,733	15,175	13,861	1,314	254	254	--
United Kingdom.....	143,642	22,953,131	19,506,040	3,447,092	316,428	314,850	1,578
Uzbekistan.....	497	2,669	2,514	155	15	15	--
<b>Nontreaty countries, total <sup>4</sup></b> .....	<b>414,877</b>	<b>17,255,050</b>	<b>15,565,599</b>	<b>1,689,451</b>	<b>482,338</b>	<b>482,338</b>	<b>--</b>

<sup>1</sup> Canada remits to the United States tax payments during the same calendar year in which the U.S. income is paid. Therefore, these payments are included in column 6, rather than column 7. For other countries, tax payments remitted to the United States are generally not attributable to specific income years.

<sup>2</sup> Includes Christmas Island.

<sup>3</sup> Includes Guadeloupe/French Guiana/Martinique/Reunion.

<sup>4</sup> Includes Puerto Rico and U.S. possessions. The U.S. and Bermuda have had a tax treaty in effect since 1986. However, this treaty provides no reduction of withholding rates.

NOTES: Form 1042S is entitled Foreign Person's U.S. Source Income Subject to Withholding. Detail may not add to totals because of rounding.

# Foreign Recipients of U.S. Income, 1996 and 1997

**Table 2.--Forms 1042S: Number, Total U.S.-Source Income, and U.S. Tax Withheld, Tax Treaty Countries and Total Non-Tax Treaty Countries, 1997**

[Money amounts are in thousands of dollars]

Country or geographic area	Number of Forms 1042S	U.S.-source income			U.S. tax withheld		
		Total	Exempt from withholding	Subject to withholding	Total	By domestic withholding agents <sup>1</sup>	By foreign governments and withholding agents
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Total.....</b>	<b>2,129,612</b>	<b>132,818,476</b>	<b>113,746,256</b>	<b>19,072,220</b>	<b>2,507,373</b>	<b>2,451,719</b>	<b>55,654</b>
<b>Treaty countries, total.....</b>	<b>171,078</b>	<b>109,399,299</b>	<b>91,987,367</b>	<b>17,411,932</b>	<b>2,036,702</b>	<b>1,981,048</b>	<b>55,654</b>
Armenia.....	417	1,735	1,574	161	35	35	--
Australia <sup>2</sup> .....	23,891	1,272,563	937,734	334,823	47,395	47,395	--
Austria.....	18,058	448,686	363,506	85,179	13,085	13,085	--
Azerbaijan.....	164	855	800	56	10	10	--
Barbados.....	1,730	190,588	137,745	52,844	5,498	5,498	--
Belarus.....	342	4,658	1,924	2,733	799	799	--
Belgium.....	17,537	1,052,174	916,741	135,434	19,665	17,081	2,584
Canada.....	445,719	7,482,448	5,883,519	1,598,929	248,529	248,529	--
China.....	56,546	573,469	554,634	18,835	2,893	2,893	--
Cyprus.....	1,905	12,624	10,657	1,966	358	358	--
Czech Republic.....	2,423	14,187	10,006	4,181	1,071	1,071	--
Denmark.....	4,176	320,381	274,693	45,688	6,709	6,709	--
Egypt.....	3,814	28,403	23,549	4,854	787	787	--
Finland.....	2,371	310,468	248,890	61,578	3,941	3,941	--
France <sup>3</sup> .....	36,347	8,100,761	6,366,346	1,733,878	118,152	117,235	917
Georgia.....	294	1,397	1,331	66	9	9	--
Germany.....	274,423	7,933,244	6,845,732	1,087,513	108,306	108,306	--
Greece.....	19,077	221,099	175,540	45,559	11,744	11,744	--
Hungary.....	2,492	19,573	16,552	3,021	462	462	--
Iceland.....	735	4,189	3,276	913	181	181	--
India.....	18,916	122,012	105,998	16,013	2,716	2,716	--
Indonesia.....	5,106	30,862	23,177	7,685	1,082	1,082	--
Ireland.....	18,831	1,817,493	1,502,908	314,585	19,958	19,958	--
Israel.....	12,485	168,413	137,114	31,299	6,594	6,594	--
Italy.....	43,137	1,994,667	1,719,667	275,000	33,783	33,783	--
Jamaica.....	3,931	20,174	8,759	11,415	2,461	2,461	--
Japan.....	157,950	39,571,422	34,519,724	5,051,699	563,674	563,674	--
Kazakhstan.....	545	2,359	2,258	100	17	17	--
Korea, Republic of (South).....	13,865	333,621	309,204	24,416	3,957	3,957	--
Kyrgyzstan.....	268	887	862	25	4	4	--
Luxembourg.....	4,265	3,004,899	2,762,594	242,305	61,394	49,736	11,658
Malta.....	762	12,224	6,721	5,503	1,527	1,527	--
Mexico.....	100,943	679,400	319,386	360,014	70,025	70,025	--
Moldova.....	230	804	641	163	19	19	--
Morocco.....	780	3,982	2,725	1,257	209	209	--
Netherlands.....	20,580	5,169,359	4,147,077	1,022,281	88,510	88,168	342
Netherlands Antilles.....	4,524	1,127,214	985,138	142,076	42,539	42,539	--
New Zealand.....	6,967	122,414	85,842	36,571	5,385	5,385	--
Norway.....	9,489	485,298	451,382	33,916	6,919	6,919	--
Pakistan.....	4,606	15,485	12,874	2,610	597	597	--
Philippines.....	23,100	190,236	126,942	63,293	16,215	16,215	--
Poland.....	5,484	58,898	45,427	13,471	3,155	3,155	--
Portugal.....	10,295	118,210	77,505	40,705	9,001	9,001	--
Romania.....	2,265	12,747	10,950	1,797	337	337	--
Russia.....	8,853	94,379	89,098	5,281	778	778	--
Slovak Republic.....	756	5,211	3,711	1,500	335	335	--
Spain.....	18,594	574,428	503,934	70,493	13,360	13,360	--
Sweden.....	10,561	1,137,664	685,117	452,546	43,326	43,326	--
Switzerland.....	49,946	3,998,178	2,545,554	1,452,624	179,600	141,058	38,542

Footnotes at end of table.

## Foreign Recipients of U.S. Income, 1996 and 1997

**Table 2.--Forms 1042S: Number, Total U.S.-Source Income, and U.S. Tax Withheld, Tax Treaty Countries and Total Non-Tax Treaty Countries, 1997--Continued**

[Money amounts are in thousands of dollars]

Country or geographic area	Number of Forms 1042S	U.S.-source income			U.S. tax withheld		
		Total	Exempt from withholding	Subject to withholding	Total	By domestic withholding agents <sup>1</sup>	By foreign governments and withholding agents
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Tajikistan.....	232	436	424	12	3	3	--
Trinidad and Tobago.....	9,130	20,191	15,680	4,511	1,169	1,169	--
Tunisia.....	540	11,681	11,160	521	104	104	--
Turkmenistan.....	366	2,584	2,515	68	16	16	--
Ukraine.....	2,070	11,420	10,645	775	139	139	--
United Kingdom.....	228,188	20,485,008	17,978,441	2,506,568	268,299	266,687	1,612
Uzbekistan.....	381	1,545	1,460	85	15	15	--
<b>Nontreaty countries, total <sup>4</sup></b> .....	<b>418,534</b>	<b>23,419,177</b>	<b>21,758,889</b>	<b>1,660,288</b>	<b>470,671</b>	<b>470,671</b>	<b>--</b>

<sup>1</sup>Canada remits to the United States tax payments during the same calendar year in which the U.S. income is paid. Therefore, these payments are included in column 6, rather than column 7. For other countries, tax payments remitted to the United States are generally not attributable to specific income years.

<sup>2</sup> Includes Christmas Island.

<sup>3</sup> Includes Guadeloupe/French Guiana/Martinique/Reunion.

<sup>4</sup> Includes Puerto Rico and U.S. possessions. The U.S. and Bermuda have had a tax treaty in effect since 1986. However, this treaty provides no reduction of withholding rates.

NOTES: Form 1042S is entitled Foreign Person's U.S. Source Income Subject to Withholding. Detail may not add to totals because of rounding.

# Foreign Recipients of U.S. Income, 1996 and 1997

**Table 3.--Forms 1042S: Number, U.S. Tax Withheld, and U.S.-Source Income, by Principal Types of Income, Selected Recipient Type, and Selected Country of Recipient, 1996**

[Money amounts are in thousands of dollars]

Selected country or geographic area and selected recipient type	Number of Forms 1042S	U.S. tax withheld <sup>1</sup>	Total U.S.-source income	Principal types of U.S.-source income				
				Interest	Dividends	Rents and royalties	Social Security and railroad retirement payments	Personal services income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>All countries, total.....</b>	<b>1,842,743</b>	<b>2,580,574</b>	<b>112,909,193</b>	<b>79,496,936</b>	<b>16,709,989</b>	<b>6,547,669</b>	<b>1,074,239</b>	<b>743,750</b>
<b>Individuals, total.....</b>	<b>1,495,479</b>	<b>466,500</b>	<b>9,814,309</b>	<b>6,054,770</b>	<b>795,391</b>	<b>252,212</b>	<b>1,074,239</b>	<b>502,694</b>
<b>Corporations, total.....</b>	<b>169,227</b>	<b>1,655,739</b>	<b>81,331,305</b>	<b>56,299,974</b>	<b>12,138,941</b>	<b>6,064,827</b>	--	<b>194,293</b>
<b>Partnerships, total.....</b>	<b>3,020</b>	<b>35,465</b>	<b>1,367,895</b>	<b>1,175,908</b>	<b>128,193</b>	<b>51,779</b>	--	<b>2,209</b>
<b>Fiduciaries, total.....</b>	<b>19,497</b>	<b>157,191</b>	<b>7,454,671</b>	<b>6,336,247</b>	<b>1,022,461</b>	<b>7,834</b>	--	<b>232</b>
<b>Nominees, total.....</b>	<b>5,267</b>	<b>32,239</b>	<b>596,933</b>	<b>321,761</b>	<b>266,446</b>	<b>166</b>	--	--
<b>Governments and international organizations, total.....</b>	<b>746</b>	<b>1,500</b>	<b>2,541,132</b>	<b>1,896,969</b>	<b>632,443</b>	<b>9,422</b>	--	<b>64</b>
<b>Tax-exempt organizations, total <sup>2</sup>.....</b>	<b>9,699</b>	<b>22,577</b>	<b>875,494</b>	<b>538,441</b>	<b>324,230</b>	<b>9,089</b>	--	<b>225</b>
<b>Private foundations, total.....</b>	<b>557</b>	<b>1,354</b>	<b>59,811</b>	<b>37,242</b>	<b>22,210</b>	<b>214</b>	--	--
<b>Artists and athletes, total.....</b>	<b>7,651</b>	<b>32,734</b>	<b>148,859</b>	<b>103</b>	<b>78</b>	<b>9,096</b>	--	<b>331</b>
<b>Other, total.....</b>	<b>26,897</b>	<b>48,949</b>	<b>3,443,773</b>	<b>2,832,933</b>	<b>555,681</b>	<b>11,618</b>	--	<b>501</b>
<b>Unknown, total.....</b>	<b>104,703</b>	<b>126,326</b>	<b>5,275,011</b>	<b>4,002,587</b>	<b>823,917</b>	<b>101,710</b>	--	<b>43,161</b>
Argentina.....	18,679	6,916	204,047	167,711	12,742	3,719	6,609	948
Individuals.....	14,333	4,183	56,039	32,201	7,571	412	6,609	734
Corporations.....	597	1,455	126,423	119,728	3,444	2,830	--	200
Aruba.....	585	291	146,331	144,603	1,163	92	--	106
Individuals.....	258	56	1,488	1,139	181	1	--	106
Corporations.....	169	146	142,479	141,548	556	92	--	--
Australia.....	25,420	40,366	780,077	373,894	205,275	153,968	7,651	4,476
Individuals.....	20,810	5,692	99,872	63,648	9,963	2,534	7,651	4,173
Corporations.....	2,156	19,942	437,137	193,638	80,681	144,355	--	224
Austria.....	14,925	13,660	483,276	356,147	90,780	7,961	4,859	1,376
Individuals.....	11,101	2,924	54,545	32,532	8,045	1,214	4,859	1,343
Corporations.....	2,540	7,421	339,214	259,112	63,901	4,231	--	--
Bahamas.....	17,573	45,306	1,027,472	829,481	175,779	5,559	718	70
Individuals.....	3,171	3,025	111,239	94,921	8,746	415	718	37
Corporations.....	12,594	34,642	610,066	460,654	140,754	4,485	--	12
Bahrain.....	1,164	2,447	144,495	132,382	10,676	30	9	769
Individuals.....	791	244	27,735	26,758	481	30	9	--
Corporations.....	192	1,267	73,455	68,635	4,066	--	--	2
Barbados.....	1,410	3,353	146,887	137,912	13,830	3,974	1,579	152
Individuals.....	1,058	519	7,560	4,548	279	56	1,579	152
Corporations.....	237	2,777	125,223	108,303	13,251	3,582	--	--
Belgium.....	16,205	21,361	803,534	439,688	151,248	68,952	3,293	6,747
Individuals.....	13,410	3,335	60,243	34,029	7,645	1,435	3,293	5,731
Corporations.....	1,050	15,259	592,609	289,575	127,842	67,148	--	163
Bermuda.....	9,154	55,653	2,104,644	1,738,577	216,230	18,622	732	26,392
Individuals.....	2,925	1,181	40,416	35,443	2,711	306	732	386
Corporations.....	4,274	34,475	1,405,077	1,117,632	143,453	18,315	--	25,471
Brazil.....	18,624	7,035	141,715	106,135	11,933	2,092	4,594	2,709
Individuals.....	12,415	4,836	52,573	27,407	712	1,191	4,594	2,332
Corporations.....	819	993	63,921	61,764	1,069	550	--	281

Footnotes at end of table.



# Foreign Recipients of U.S. Income, 1996 and 1997

**Table 3.--Forms 1042S: Number, U.S. Tax Withheld, and U.S.-Source Income, by Principal Types of Income, Selected Recipient Type, and Selected Country of Recipient, 1996--Continued**

[Money amounts are in thousands of dollars]

Selected country or geographic area and selected recipient type	Number of Forms 1042S	U.S. tax withheld <sup>1</sup>	Total U.S.-source income	Principal types of U.S.-source income				
				Interest	Dividends	Rents and royalties	Social Security and railroad retirement payments	Personal services income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
British Virgin Islands.....	32,277	44,159	1,451,960	1,166,751	254,581	681	447	27
Individuals.....	2,845	1,386	48,838	42,622	4,461	10	447	4
Corporations.....	25,904	34,008	1,200,072	954,119	219,289	663	--	20
Brunei.....	315	493	114,237	89,763	24,095	11	2	--
Individuals.....	267	100	378	11	54	11	2	--
Corporations.....	5	**	--	--	1	--	--	--
Canada.....	371,805	297,933	7,532,522	4,139,027	1,982,404	254,117	252,583	108,122
Individuals.....	323,468	105,382	990,276	376,047	94,862	36,600	252,568	76,080
Corporations.....	17,956	146,713	5,264,278	3,142,611	1,346,165	191,995	--	26,299
Cayman Islands.....	13,275	63,380	4,049,406	3,665,802	369,503	1,772	316	545
Individuals.....	1,389	4,069	206,037	192,828	11,297	576	316	525
Corporations.....	9,608	33,545	3,054,354	2,774,042	271,037	113	--	20
Chile.....	7,427	3,232	101,610	82,453	9,250	502	2,531	402
Individuals.....	5,806	2,189	23,865	11,726	4,482	90	2,531	293
Corporations.....	657	667	68,502	63,306	3,691	374	--	53
China.....	48,690	2,772	536,732	272,206	5,143	1,953	522	133,162
Individuals.....	47,034	1,950	288,354	33,509	3,292	283	522	132,095
Corporations.....	299	556	115,466	111,429	1,636	1,647	--	7
Colombia.....	10,165	3,830	115,637	92,350	6,522	3,479	4,957	1,222
Individuals.....	8,619	2,880	36,629	17,375	4,786	2,049	4,957	1,207
Corporations.....	475	697	45,914	43,513	919	1,208	--	7
Cook Islands.....	129	226	37,532	36,606	759	--	--	--
Individuals.....	56	21	8,966	8,766	55	--	--	--
Corporations.....	43	143	5,223	4,734	489	--	--	--
Denmark.....	4,390	10,321	477,372	342,490	99,447	21,134	3,747	2,205
Individuals.....	3,730	1,616	34,130	23,837	1,074	332	3,747	2,110
Corporations.....	365	8,018	366,451	251,923	91,738	20,404	--	62
Finland.....	2,449	3,090	305,247	193,068	20,773	20,964	2,155	955
Individuals.....	2,013	734	28,666	23,468	501	52	2,155	252
Corporations.....	231	2,067	255,720	153,283	18,946	19,304	--	47
France.....	35,973	98,038	5,787,421	4,000,023	898,148	355,860	18,051	46,997
Individuals.....	29,077	13,641	846,287	709,153	29,524	21,530	18,051	36,928
Corporations.....	3,415	71,714	4,448,412	3,005,197	707,114	318,927	--	9,384
Germany.....	215,888	82,594	5,045,081	3,141,289	874,481	514,980	52,843	48,874
Individuals.....	194,735	25,681	730,038	419,338	135,741	29,620	52,843	36,518
Corporations.....	4,690	45,328	3,827,046	2,375,874	670,600	466,926	--	1,674
Greece.....	18,935	11,766	107,621	24,325	6,271	1,970	37,256	2,595
Individuals.....	17,399	11,122	67,927	12,040	4,138	178	37,256	2,234
Corporations.....	803	291	33,345	7,973	1,014	1,759	--	1
Guernsey.....	1,383	9,073	221,533	176,190	28,478	15	--	**
Individuals.....	196	258	9,428	8,527	858	15	--	**
Corporations.....	816	7,351	188,662	148,808	23,532	--	--	--
Hong Kong.....	26,260	33,500	1,186,544	1,028,613	119,981	10,686	2,940	1,708
Individuals.....	20,434	7,850	95,023	56,664	23,313	1,368	2,940	1,079
Corporations.....	3,142	15,810	797,343	715,202	62,940	9,194	--	361
Ireland.....	13,109	17,312	1,187,823	923,073	89,247	58,116	11,251	5,179
Individuals.....	11,218	3,832	81,181	48,819	3,939	1,748	11,251	1,914
Corporations.....	900	3,514	917,418	753,869	18,584	55,936	--	3,063

Footnotes at end of table.

# Foreign Recipients of U.S. Income, 1996 and 1997

**Table 3.--Forms 1042S: Number, U.S. Tax Withheld, and U.S.-Source Income, by Principal Types of Income, Selected Recipient Type, and Selected Country of Recipient, 1996--Continued**

[Money amounts are in thousands of dollars]

Selected country or geographic area and selected recipient type	Number of Forms 1042S	U.S. tax withheld <sup>1</sup>	Total U.S.-source income	Principal types of U.S.-source income				
				Interest	Dividends	Rents and royalties	Social Security and railroad retirement payments	Personal services income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Isle of Man.....	1,319	6,562	119,675	102,145	16,293	545	--	70
Individuals.....	275	128	1,941	1,247	524	27	--	9
Corporations.....	624	4,613	104,000	92,958	10,409	473	--	--
Israel.....	13,603	9,696	172,568	109,130	11,945	20,965	5,378	11,863
Individuals.....	11,005	3,716	62,849	30,399	5,437	1,435	5,378	9,797
Corporations.....	676	5,183	71,649	46,778	3,215	18,701	--	1,879
Italy.....	42,205	26,366	987,578	643,488	84,781	89,059	100,569	12,014
Individuals.....	39,138	3,444	185,534	44,474	7,197	2,177	100,569	11,131
Corporations.....	1,394	20,604	672,867	491,390	65,621	84,019	--	485
Japan.....	119,378	601,461	31,130,918	22,873,805	2,323,761	1,956,343	18,519	57,644
Individuals.....	97,262	8,627	2,010,882	1,873,498	15,184	36,940	18,519	27,964
Corporations.....	11,305	519,768	26,592,596	19,071,817	1,816,345	1,894,404	--	27,819
Jersey.....	2,166	16,437	433,222	354,393	77,293	156	--	--
Individuals.....	271	925	27,162	46,065	3,415	57	--	--
Corporations.....	1,209	12,509	244,296	179,524	64,022	--	--	--
Korea, Republic of (South).....	12,014	4,385	248,499	183,775	20,732	3,751	340	11,147
Individuals.....	11,248	1,596	57,658	20,679	1,602	184	340	10,471
Corporations.....	371	2,694	155,368	132,485	18,722	2,316	--	589
Kuwait.....	2,888	1,538	152,878	105,181	44,912	492	--	532
Individuals.....	1,659	434	8,179	5,272	1,168	492	--	528
Corporations.....	950	887	34,521	26,786	7,506	--	--	4
Liberia.....	1,981	10,969	255,065	185,124	68,096	78	41	11
Individuals.....	345	230	6,251	5,104	684	4	41	11
Corporations.....	1,431	9,573	242,782	177,909	63,595	74	--	--
Luxembourg.....	4,285	51,940	2,594,343	2,337,451	226,852	5,803	180	227
Individuals.....	886	418	207,730	205,641	1,107	9	180	191
Corporations.....	1,714	24,418	1,199,588	1,060,854	111,744	5,787	--	36
Malaysia.....	6,633	1,150	51,581	38,111	2,960	544	70	607
Individuals.....	6,200	660	10,339	1,477	1,487	122	70	607
Corporations.....	109	402	24,071	23,446	142	421	--	--
Mexico.....	96,113	75,197	734,974	321,963	122,698	40,948	194,510	4,874
Individuals.....	88,934	59,395	351,500	94,279	19,104	8,516	194,510	4,311
Corporations.....	1,802	11,659	228,148	100,701	99,366	24,915	--	302
Netherlands.....	20,825	85,805	4,065,840	2,153,953	1,233,286	402,763	9,189	9,897
Individuals.....	15,969	5,877	234,313	187,253	9,954	4,654	9,189	8,745
Corporations.....	2,617	68,962	3,267,180	1,629,712	1,022,406	381,377	--	736
Netherlands Antilles.....	5,162	46,766	2,497,575	2,275,443	160,486	24,957	535	20,057
Individuals.....	1,920	5,854	88,426	63,691	22,247	92	535	140
Corporations.....	2,393	29,254	1,333,148	1,185,525	91,466	22,792	--	19,907
New Zealand.....	6,009	4,640	94,057	55,373	27,400	3,757	602	550
Individuals.....	4,988	765	8,446	743	1,532	874	602	341
Corporations.....	336	1,296	28,654	19,750	6,236	1,596	--	42
Norway.....	10,563	6,187	388,008	303,815	15,139	6,297	14,847	1,605
Individuals.....	9,557	4,239	43,130	20,918	1,388	461	14,847	1,575
Corporations.....	556	1,339	334,180	276,348	10,451	5,706	--	5
Panama.....	13,698	15,288	439,233	345,686	79,146	2,676	1,246	128
Individuals.....	3,694	2,150	31,985	20,508	4,772	70	1,246	57
Corporations.....	8,566	11,580	377,765	301,309	70,274	2,473	--	62

Footnotes at end of table.

# Foreign Recipients of U.S. Income, 1996 and 1997

**Table 3.--Forms 1042S: Number, U.S. Tax Withheld, and U.S.-Source Income, by Principal Types of Income, Selected Recipient Type, and Selected Country of Recipient, 1996--Continued**

[Money amounts are in thousands of dollars]

Selected country or geographic area and selected recipient type	Number of Forms 1042S	U.S. tax withheld <sup>1</sup>	Total U.S.-source income	Principal types of U.S.-source income				
				Interest	Dividends	Rents and royalties	Social Security and railroad retirement payments	Personal services income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Philippines.....	24,076	17,013	99,645	23,414	7,742	521	55,545	1,754
Individuals.....	23,344	16,445	77,659	7,305	3,421	514	55,545	1,650
Corporations.....	270	474	17,671	13,657	3,610	2	--	88
Portugal.....	10,339	9,739	129,640	67,854	25,279	805	30,428	488
Individuals.....	9,948	8,199	39,442	5,662	1,066	96	30,428	400
Corporations.....	145	279	24,589	17,110	4,105	655	--	19
Puerto Rico.....	11,641	1,007	99,240	94,671	2,643	416	12	120
Individuals.....	8,731	263	4,360	2,699	663	357	12	59
Corporations.....	702	296	77,408	76,403	803	46	--	58
Russia.....	13,019	2,224	62,403	14,507	3,182	1,630	--	9,631
Individuals.....	12,248	1,405	56,445	8,843	1,353	234	--	9,606
Corporations.....	132	58	2,567	1,455	74	986	--	18
Saudi Arabia.....	7,772	25,271	697,289	576,899	112,500	518	27	4,089
Individuals.....	6,453	22,826	89,484	10,644	74,132	517	27	1,513
Corporations.....	525	1,697	327,555	304,897	22,072	--	--	310
Singapore.....	14,451	7,308	1,189,258	843,211	335,898	609	78	771
Individuals.....	12,093	1,670	52,215	42,813	5,551	213	78	175
Corporations.....	773	3,904	415,039	384,784	28,607	333	--	139
Spain.....	17,796	12,374	650,454	561,001	39,678	5,339	18,957	5,444
Individuals.....	15,958	6,558	63,378	20,722	8,061	808	18,957	5,064
Corporations.....	819	4,568	490,090	455,778	26,808	2,895	--	291
Sweden.....	10,895	59,346	1,050,063	311,216	637,806	65,850	10,038	7,015
Individuals.....	9,508	4,499	40,743	12,877	3,646	1,350	10,038	4,945
Corporations.....	618	53,758	969,117	271,375	629,299	59,292	--	1,704
Switzerland.....	49,703	146,034	3,949,672	2,247,149	1,115,827	380,116	7,633	36,435
Individuals.....	21,322	8,641	221,374	153,051	33,182	9,761	7,633	5,104
Corporations.....	8,075	107,945	3,338,507	1,942,217	896,261	350,877	--	27,413
Taiwan.....	35,068	13,820	578,413	506,424	27,847	1,524	118	1,813
Individuals.....	30,922	7,397	93,649	49,203	18,711	482	118	972
Corporations.....	1,920	4,888	308,094	289,012	5,369	1,019	--	821
United Arab Emirates.....	3,462	930	553,161	307,258	245,095	169	--	110
Individuals.....	2,752	446	9,216	7,193	1,347	169	--	106
Corporations.....	140	399	107,354	88,837	18,469	--	--	--
United Kingdom.....	146,642	314,850	22,953,131	16,574,461	3,538,990	1,946,870	65,386	75,905
Individuals.....	114,971	19,919	881,343	543,701	110,791	66,887	65,386	34,930
Corporations.....	13,056	216,114	14,918,916	9,786,172	2,721,192	1,814,086	--	29,325
Venezuela.....	23,602	6,241	142,987	111,106	15,810	1,836	1,472	2,162
Individuals.....	18,487	4,203	89,470	61,174	9,063	995	1,472	2,074
Corporations.....	2,020	913	32,923	26,379	4,806	781	--	11

<sup>1</sup> Excludes small amounts of U.S. tax withheld by foreign governments and withholding agents. See Table 1.

<sup>2</sup> Unrelated business income paid to foreign tax-exempt organizations is subject to the withholding tax.

\*\*Indicates amount less than \$500.

NOTES: Form 1042S is entitled Foreign Person's U.S. Source Income Subject to Withholding. Detail may not add to totals because of rounding. All countries with total U.S.-source income over \$100 million for any year between 1994 and 1996 were selected for this table.

# Foreign Recipients of U.S. Income, 1996 and 1997

**Table 4.--Forms 1042S: Number, U.S. Tax Withheld, and U.S.-Source Income, by Principal Types of Income, Selected Recipient Type, and Selected Country of Recipient, 1997**

[Money amounts are in thousands of dollars]

Selected country or geographic area and selected recipient type	Number of Forms 1042S	U.S. tax withheld <sup>1</sup>	Total U.S.-source income	Principal types of U.S.-source income				
				Interest	Dividends	Rents and royalties	Social Security and railroad retirement payments	Personal services income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>All countries, total.....</b>	<b>2,129,612</b>	<b>2,451,719</b>	<b>132,818,476</b>	<b>96,737,549</b>	<b>18,488,892</b>	<b>6,087,383</b>	<b>1,123,536</b>	<b>886,215</b>
<b>Individuals, total.....</b>	<b>1,761,067</b>	<b>512,641</b>	<b>8,067,046</b>	<b>3,904,332</b>	<b>1,056,667</b>	<b>150,935</b>	<b>1,123,536</b>	<b>538,973</b>
<b>Corporations, total.....</b>	<b>166,336</b>	<b>1,510,614</b>	<b>88,247,493</b>	<b>62,352,977</b>	<b>14,205,735</b>	<b>5,463,976</b>	--	<b>322,487</b>
<b>Partnerships, total.....</b>	<b>2,901</b>	<b>17,629</b>	<b>986,162</b>	<b>850,250</b>	<b>67,331</b>	<b>53,157</b>	--	<b>2,387</b>
<b>Fiduciaries, total.....</b>	<b>17,720</b>	<b>110,425</b>	<b>4,450,815</b>	<b>3,675,130</b>	<b>690,692</b>	<b>11,154</b>	--	<b>44</b>
<b>Nominees, total.....</b>	<b>4,824</b>	<b>23,647</b>	<b>718,036</b>	<b>358,790</b>	<b>356,082</b>	<b>386</b>	--	--
<b>Governments and international organizations, total.....</b>	<b>456</b>	<b>1,410</b>	<b>997,838</b>	<b>905,365</b>	<b>69,641</b>	<b>8,774</b>	--	<b>60</b>
<b>Tax-exempt organizations, total <sup>2</sup>.....</b>	<b>10,476</b>	<b>9,140</b>	<b>572,479</b>	<b>326,090</b>	<b>242,313</b>	<b>422</b>	--	<b>284</b>
<b>Private foundations, total.....</b>	<b>397</b>	<b>733</b>	<b>40,601</b>	<b>31,134</b>	<b>8,123</b>	<b>114</b>	--	<b>2</b>
<b>Artists and athletes, total.....</b>	<b>3,224</b>	<b>13,156</b>	<b>80,664</b>	<b>49</b>	<b>45</b>	<b>19,156</b>	--	<b>706</b>
<b>Other, total.....</b>	<b>33,336</b>	<b>22,648</b>	<b>6,571,881</b>	<b>6,247,398</b>	<b>277,755</b>	<b>12,582</b>	--	<b>1,564</b>
<b>Unknown, total.....</b>	<b>128,875</b>	<b>229,677</b>	<b>22,085,461</b>	<b>18,086,034</b>	<b>1,514,499</b>	<b>266,716</b>	--	<b>19,707</b>
Argentina.....	21,570	6,192	358,499	312,963	19,528	2,891	6,876	3,594
Individuals.....	16,261	4,551	72,365	40,326	10,774	644	6,876	3,214
Corporations.....	681	586	261,810	253,281	6,356	1,963	--	135
Aruba.....	543	367	5,700	4,174	1,163	--	--	107
Individuals.....	293	98	1,518	905	329	--	--	93
Corporations.....	122	226	2,306	1,699	590	--	--	--
Australia.....	23,887	47,389	1,272,557	333,880	810,513	53,889	7,965	4,725
Individuals.....	19,559	4,809	43,750	10,781	7,436	3,220	7,965	3,488
Corporations.....	1,785	24,542	920,333	179,656	654,196	45,933	--	1,089
Austria.....	18,054	13,085	448,686	342,409	77,276	5,239	4,977	1,960
Individuals.....	14,569	7,161	75,388	25,928	35,265	887	4,977	1,887
Corporations.....	2,353	2,963	275,933	241,240	23,146	4,152	--	29
Bahamas.....	17,020	32,306	1,055,628	880,274	159,459	3,096	798	75
Individuals.....	3,457	2,709	49,267	37,175	7,450	58	798	45
Corporations.....	11,634	20,717	726,361	595,880	121,544	2,273	--	10
Bahrain.....	1,118	1,446	137,080	127,362	7,250	2	7	32
Individuals.....	763	179	17,010	16,278	457	2	7	32
Corporations.....	209	408	54,802	51,651	1,021	--	--	--
Barbados.....	1,730	5,498	190,588	164,638	13,679	9,359	1,608	205
Individuals.....	1,234	569	10,676	7,312	669	21	1,608	205
Corporations.....	329	4,694	145,481	124,495	11,708	9,176	--	--
Belgium.....	17,537	17,081	1,052,174	687,991	102,934	122,621	3,563	17,451
Individuals.....	14,559	3,519	50,144	11,175	8,650	2,124	3,563	16,919
Corporations.....	998	10,070	792,942	512,577	72,524	118,168	--	508
Bermuda.....	9,101	49,403	2,239,841	1,975,189	165,749	9,590	742	40,889
Individuals.....	3,281	1,722	31,708	24,512	4,977	227	742	62
Corporations.....	3,787	24,906	946,280	802,045	79,229	9,345	--	621
Brazil.....	22,171	8,461	148,842	96,715	18,430	3,660	4,785	3,851
Individuals.....	14,335	5,723	56,279	26,050	8,272	1,104	4,785	3,466
Corporations.....	683	1,280	68,918	59,795	5,361	2,276	--	437

Footnotes at end of table.

# Foreign Recipients of U.S. Income, 1996 and 1997

**Table 4.--Forms 1042S: Number, U.S. Tax Withheld, and U.S.-Source Income, by Principal Types of Income, Selected Recipient Type, and Selected Country of Recipient, 1997--Continued**

[Money amounts are in thousands of dollars]

Selected country or geographic area and selected recipient type	Number of Forms 1042S	U.S. tax withheld <sup>1</sup>	Total U.S.-source income	Principal types of U.S.-source income				
				Interest	Dividends	Rents and royalties	Social Security and railroad retirement payments	Personal services income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
British Virgin Islands.....	27,971	41,589	2,082,432	1,745,699	298,404	456	569	759
Individuals.....	2,715	2,003	61,050	51,399	7,115	21	569	114
Corporations.....	22,226	31,945	1,544,960	1,246,247	266,551	434	--	621
Brunei.....	229	381	44,149	37,952	6,059	**	7	--
Individuals.....	184	128	482	318	67	**	7	--
Corporations.....	6	*	1	1	**	--	--	--
Canada.....	445,719	248,529	7,482,448	3,997,866	2,135,158	299,462	284,950	107,924
Individuals.....	392,768	107,143	699,660	88,568	71,112	37,105	284,950	53,391
Corporations.....	17,162	94,237	4,479,273	2,446,440	1,358,052	211,972	--	48,274
Cayman Islands.....	13,435	53,393	8,274,967	7,828,607	425,352	3,889	328	3,025
Individuals.....	1,372	4,449	160,876	139,833	16,520	873	328	2,834
Corporations.....	9,630	36,958	5,192,759	4,821,251	361,093	1,889	--	191
Chile.....	7,122	2,843	183,539	164,225	10,920	349	2,586	113
Individuals.....	5,610	1,902	53,595	42,294	4,509	77	2,586	105
Corporations.....	582	638	118,241	111,732	5,446	210	--	8
China.....	56,546	2,893	573,469	275,294	6,988	2,001	563	150,685
Individuals.....	54,265	2,051	348,968	60,383	4,854	442	563	148,441
Corporations.....	520	790	99,471	93,961	1,597	1,522	--	688
Colombia.....	11,084	4,006	213,758	188,455	9,147	2,365	5,100	1,740
Individuals.....	9,436	3,126	46,011	25,110	7,437	995	5,100	831
Corporations.....	447	554	85,537	82,780	760	959	--	909
Cook Islands.....	115	100	3,900	3,319	344	--	--	1
Individuals.....	32	23	313	34	50	--	--	--
Corporations.....	54	27	2,530	2,427	102	--	--	1
Denmark.....	4,176	6,709	320,381	234,167	43,467	26,031	3,768	3,286
Individuals.....	3,568	1,471	17,960	7,849	1,047	769	3,768	1,559
Corporations.....	313	4,607	151,167	82,390	36,526	24,808	--	1,679
Finland.....	2,371	3,941	310,468	220,460	17,221	43,873	2,122	259
Individuals.....	1,989	771	41,018	35,447	486	99	2,122	141
Corporations.....	211	3,091	246,138	165,355	13,958	43,702	--	117
France.....	35,707	116,951	8,099,492	5,053,094	1,263,635	768,139	19,294	69,186
Individuals.....	29,003	15,470	286,088	138,393	37,955	3,660	19,294	44,550
Corporations.....	3,282	96,931	6,651,069	4,015,696	1,202,534	712,378	--	23,636
Germany.....	274,423	108,306	7,933,244	5,172,009	1,111,292	768,139	56,146	69,186
Individuals.....	258,927	37,111	642,931	237,873	214,392	28,789	56,146	35,126
Corporations.....	5,333	58,986	5,411,116	3,812,681	754,624	456,305	--	7,503
Greece.....	19,077	11,744	221,099	140,593	10,397	526,345	38,162	43,519
Individuals.....	17,051	11,067	72,478	15,401	3,992	166	38,162	2,738
Corporations.....	1,377	467	145,448	123,972	5,653	57	--	1
Guernsey.....	1,416	9,562	244,577	210,954	30,184	122	--	--
Individuals.....	185	181	10,233	9,608	547	49	--	--
Corporations.....	848	7,159	184,610	158,924	22,851	1	--	--
Hong Kong.....	24,928	29,985	1,829,320	1,657,434	134,511	4,004	2,791	2,905
Individuals.....	19,326	9,401	124,182	78,111	28,740	1,050	2,791	2,302
Corporations.....	2,880	10,525	586,219	520,507	50,616	2,774	--	541
Ireland.....	18,831	19,958	1,817,493	1,330,445	321,395	50,607	11,891	7,282
Individuals.....	15,441	4,181	63,363	33,336	4,198	5,951	11,891	2,553
Corporations.....	1,515	13,996	1,500,205	1,095,294	307,354	41,940	--	4,726

Footnotes at end of table.

# Foreign Recipients of U.S. Income, 1996 and 1997

**Table 4.--Forms 1042S: Number, U.S. Tax Withheld, and U.S.-Source Income, by Principal Types of Income, Selected Recipient Type, and Selected Country of Recipient, 1997--Continued**

[Money amounts are in thousands of dollars]

Selected country or geographic area and selected recipient type	Number of Forms 1042S	U.S. tax withheld <sup>1</sup>	Total U.S.-source income	Principal types of U.S.-source income				
				Interest	Dividends	Rents and royalties	Social Security and railroad retirement payments	Personal services income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Isle of Man.....	1,639	5,298	68,004	48,722	15,791	651	--	408
Individuals.....	390	174	2,963	810	636	9	--	--
Corporations.....	747	3,262	49,704	39,766	8,785	635	--	226
Israel.....	12,485	6,594	168,413	118,455	11,222	8,894	5,816	9,088
Individuals.....	10,021	2,515	51,716	20,283	5,361	1,695	5,816	8,615
Corporations.....	680	3,301	73,031	58,653	4,322	6,921	--	190
Italy.....	43,137	33,783	1,994,667	1,582,043	117,137	113,508	102,076	20,573
Individuals.....	40,076	4,984	173,624	17,723	11,699	3,619	102,076	13,889
Corporations.....	1,453	21,379	819,934	617,216	66,607	97,396	--	6,548
Japan.....	157,950	563,674	39,571,422	32,049,674	2,604,228	1,601,334	20,239	66,627
Individuals.....	134,567	27,533	894,168	618,378	134,405	41,382	20,239	32,267
Corporations.....	10,372	482,799	30,794,333	24,021,705	2,152,193	1,498,528	--	33,792
Jersey.....	2,616	19,338	807,905	657,456	147,095	78	--	73
Individuals.....	436	998	34,820	29,469	5,234	5	--	16
Corporations.....	1,418	15,396	662,395	527,910	132,548	21	--	57
Korea, Republic of (South).....	13,865	3,957	333,621	224,453	4,383	3,712	450	20,414
Individuals.....	12,979	1,850	66,657	16,484	2,473	177	450	16,842
Corporations.....	357	1,831	205,220	155,675	1,630	3,380	--	3,405
Kuwait.....	2,661	1,693	197,499	159,082	35,646	565	--	164
Individuals.....	1,708	366	7,357	4,624	1,040	561	--	157
Corporations.....	712	889	61,826	48,755	12,598	--	--	--
Liberia.....	1,703	12,685	425,032	324,530	99,533	25	17	12
Individuals.....	336	244	5,688	4,398	753	**	17	12
Corporations.....	1,246	4,883	392,255	318,309	73,553	25	--	--
Luxembourg.....	4,265	49,736	3,004,899	2,691,307	258,221	27,129	198	241
Individuals.....	906	665	462,812	459,588	2,062	7	198	205
Corporations.....	1,692	30,512	1,283,576	1,049,587	183,610	27,122	--	36
Malaysia.....	5,997	1,208	80,737	51,890	4,573	334	83	646
Individuals.....	5,428	547	17,523	7,598	2,271	221	83	551
Corporations.....	138	618	19,066	17,735	992	99	--	94
Mexico.....	100,943	70,025	679,400	278,678	101,225	49,279	198,593	5,869
Individuals.....	94,768	60,140	386,586	119,803	20,258	6,281	198,593	4,906
Corporations.....	1,600	8,207	262,593	147,150	76,709	35,029	--	845
Netherlands.....	20,580	88,168	5,169,359	3,011,798	1,293,011	406,009	9,674	16,365
Individuals.....	16,092	7,843	135,820	85,729	10,730	2,012	9,674	10,684
Corporations.....	1,936	68,365	3,814,115	2,081,268	1,051,918	377,392	--	4,715
Netherlands Antilles.....	4,524	42,539	1,127,214	859,215	203,999	21,865	591	24,304
Individuals.....	1,724	6,166	33,070	8,345	21,982	46	591	263
Corporations.....	2,032	27,382	650,551	454,826	139,555	20,183	--	22,093
New Zealand.....	6,967	5,385	122,414	78,564	26,559	5,612	622	458
Individuals.....	5,699	857	13,490	1,603	1,687	2,236	622	388
Corporations.....	344	1,076	65,292	58,451	3,143	3,073	--	43
Norway.....	9,489	6,919	485,298	411,578	17,136	9,993	15,301	1,998
Individuals.....	8,611	4,496	37,375	14,100	1,385	440	15,301	1,682
Corporations.....	421	1,022	160,020	122,689	6,472	5,906	--	300
Panama.....	12,171	13,762	543,501	428,622	102,969	157	1,286	46
Individuals.....	3,705	1,893	29,167	17,246	4,718	48	1,286	25
Corporations.....	7,098	9,959	479,671	384,129	91,932	107	--	22

Footnotes at end of table.

# Foreign Recipients of U.S. Income, 1996 and 1997

**Table 4.--Forms 1042S: Number, U.S. Tax Withheld, and U.S.-Source Income, by Principal Types of Income, Selected Recipient Type, and Selected Country of Recipient, 1997--Continued**

[Money amounts are in thousands of dollars]

Selected country or geographic area and selected recipient type	Number of Forms 1042S	U.S. tax withheld <sup>1</sup>	Total U.S.-source income	Principal types of U.S.-source income				
				Interest	Dividends	Rents and royalties	Social Security and railroad retirement payments	Personal services income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Philippines.....	23,100	16,215	190,236	113,947	8,732	466	53,429	2,083
Individuals.....	22,287	15,981	163,246	93,837	4,708	445	53,429	1,409
Corporations.....	248	140	19,785	15,239	3,674	3	--	611
Portugal.....	10,295	9,001	118,210	75,224	8,441	935	30,815	643
Individuals.....	9,934	8,279	46,118	11,428	1,218	196	30,815	495
Corporations.....	147	318	60,287	58,937	612	716	--	1
Puerto Rico.....	12,363	815	284,945	279,094	3,221	43	9	93
Individuals.....	8,821	251	3,558	1,577	654	43	9	92
Corporations.....	643	274	256,074	253,614	1,244	--	--	1
Russia.....	8,853	778	94,379	53,396	2,794	4,374	5	4,574
Individuals.....	8,238	644	36,280	1,524	2,318	243	5	4,300
Corporations.....	148	43	53,595	49,367	218	3,833	--	83
Saudi Arabia.....	8,064	45,191	528,803	420,773	101,063	303	21	2,755
Individuals.....	6,745	25,006	108,288	20,055	84,622	280	21	295
Corporations.....	489	19,697	176,397	163,791	11,939	9	--	43
Singapore.....	15,071	11,565	613,748	533,341	66,640	3,924	63	1,616
Individuals.....	11,939	2,071	65,364	52,302	6,797	226	63	689
Corporations.....	1,406	5,633	165,609	132,855	27,678	3,641	--	846
Spain.....	18,594	13,360	574,428	470,600	26,331	14,691	20,569	7,389
Individuals.....	16,857	7,418	81,046	34,882	7,744	1,138	20,569	5,635
Corporations.....	742	4,688	236,645	208,181	11,481	8,059	--	1,720
Sweden.....	10,561	43,326	1,137,664	540,881	462,455	86,362	9,921	15,200
Individuals.....	9,213	6,058	51,882	13,833	15,541	1,248	9,921	3,714
Corporations.....	581	34,921	922,932	394,605	424,586	79,410	--	11,223
Switzerland.....	49,946	141,058	3,998,178	1,853,655	1,258,932	615,410	8,107	19,350
Individuals.....	20,601	9,313	172,842	106,789	28,778	7,363	8,107	7,855
Corporations.....	8,819	100,570	2,962,767	1,221,650	1,028,143	584,263	--	10,366
Taiwan.....	38,064	17,740	526,426	429,223	45,577	12,585	119	1,151
Individuals.....	32,595	8,068	127,088	74,111	29,741	918	119	335
Corporations.....	2,149	6,157	155,185	126,111	3,037	11,655	--	651
United Arab Emirates.....	3,105	659	297,808	286,284	10,499	186	--	3
Individuals.....	2,677	440	10,318	8,224	1,277	109	--	3
Corporations.....	108	138	11,124	10,783	280	--	--	--
United Kingdom.....	228,188	266,687	20,485,008	14,362,918	3,439,292	1,071,326	69,139	122,036
Individuals.....	182,924	18,619	1,000,055	673,454	92,558	68,618	69,139	42,705
Corporations.....	18,004	169,845	11,375,292	7,313,221	2,664,786	934,713	--	75,643
Venezuela.....	27,113	10,081	162,034	112,982	31,310	1,426	1,518	1,692
Individuals.....	22,228	5,248	87,141	61,384	12,114	809	1,518	1,268
Corporations.....	1,845	4,035	64,632	45,625	17,569	343	--	118

<sup>1</sup> Excludes small amounts of U.S. tax withheld by foreign governments and withholding agents. See Table 2.

<sup>2</sup> Unrelated business income paid to foreign tax-exempt organizations is subject to the withholding tax.

\*\*Indicates amount less than \$500.

NOTES: Form 1042S is entitled Foreign Person's U.S. Source Income Subject to Withholding. Detail may not add to totals because of rounding. All countries with total U.S.-source income over \$100 million for any year between 1994 and 1997 were selected for this table.